



WHAT IS THE OBSESSION WITH OPEN OFFICES?

BY: KRISTIN T. GEENTY, SIOR



Open office or open floor plan spaces were pioneered in the 1950s but not embraced till the late 1990s when technology companies born of dorm room brainstorming moved into buildings. Their founders wanted to retain the laid back collaborative power of common rooms and coffee shops when they established their first headquarters, very often in non-traditional spaces. Suburban flex buildings in the bay area of California provided wide open spaces where tables, couches, skate boards and basketball hoops thrived.

Since the early days of open office implementation, there has been a loud and extensively published backlash against them. Everyone from managers, to office workers, to psychologists have published data proving that they reduce, not increase, productivity.

Most recently New Yorker writer Maria Konnikova wrote: “The Open-Office Trap” (<http://www.newyorker.com/online/blogs/currency/2014/01/the-open-office-trap.html>) which has been cited thousands of times since early January as the definitive argument against open office spaces.

Yet, open office floor plans are here to stay.

While the early proponents of open office were big tech guys: Google, Facebook, and Yahoo. The Open Office plan is now touted as critical for any business that benefits from a collaborative working environment.

David Salinas, Founder of Digital Surgeons, a digital marketing agency with clients as diverse as United Technologies Corporation and Barney’s New York, says “Cross pollination is definitely a big plus for the open layout. An open floor also creates energy which is always an unspoken benefit. Outsiders come in and feel something very different than when they walk into a cubicle fest.”

In contrast to the traditional hierarchal office set up where employees work toward a private office in the C-Suite, open offices foster interaction among employees at all levels across all departments as the next great idea could come from anywhere. Philosophically, glass walls and no barriers between workers are a physical representation of business transparency, which in a post Occupy Wall Street world, is essential to the culture of forward thinking companies.

On the practical side open floor plans take advantage of the fact that offices use and create far less paper than ever before. With the advent of email, twitter, and social media in general, the behemoth mail room is a thing of the past. File cabinets have been replaced by the cloud, which has usurped the server room in many offices as well. Floor space has been freed up for a Ping Pong table. With all this extra space and fewer walls, open floor plans were supposed to be big money savers. Shared desks and work tables reduced the square footage required for each employee. Taking out cubes not only humanized and personalized interactions, but saved on office furniture.

But, the noise, the distraction.

The open plans of the mid-2000s did not turn out to be a panacea of productivity, engagement and happiness, as promised. But, that has not diminished their allure. Today, roughly 70 percent of offices are open plan. But, concerns about noise and distraction have changed the way they are built-out and in the process increased the cost of space fit-up and increased foot print sizes.

Tenants still demand “cool office space” with sustainable finishes and open spaces, gyms, “play spaces” and walking desks, but they also demand quiet. The latest in open office is demonstrated by Coca-Cola’s new Columbian office spaces where plexi-glass

“Huddle Rooms” – closed door, four person team rooms with hard ceilings – float in the middle of the floor. An office fit up for 50 employees will now likely have a minimum of two “Quiet Rooms” – small one or two person rooms with closing doors and sound attenuation for “head –down- thinking;” three to four huddle rooms for work by small 4-6 person teams and at least two conference rooms in varying sizes.

At Digital Surgeons, Salinas said “we faced the pitfalls of distractions and lack of privacy by creating clever break out spaces. In our office we have a quiet loft that literally feels like you are in a different world. It’s carpeted and filled with humongous bean bags and a big screen tv (with xbox) you can plug into. That space is great for reading of peace mind. Our great room is home to the kitchen area and eating area with several couches, book shelves, and guitars. It is a common area but many people prefer to work from the couches, believe it or not. Lastly, we have two very different conference rooms. We have one with the traditional long conference table and the other is fitted with a round table and 360 degree white board walls.” His 10,000sf office which is located on the second floor of a former swimsuit factory in New Haven, CT, also keeps local brews on tap.

Salinas added one more point about noise, “Most people, whether you put them in a single person office, cube, or open office, wear head phones when they work, so sound is not a big issue.”

So, the goal remains. Maintain the open feel, which often means that break-out rooms are built to float in the space-design and aesthetics are highly prized in these spaces. Non-traditional wall materials and trapezoid shaped rooms are ever present in the halls of developers and designers, all of which tick up the cost of fit up for wide open spaces.

Open-office floor plan savings may be as big a myth as the benefits of open-office.

Building separate floating rooms raises costs in additional building materials – fewer walls are shared between break out; requiring additional construction. Sound attenuation materials in multiple walls and dropping sprinkler heads into individual rooms or moving and dropping them to accommodate hanging sound dampening panels, as well as balancing and ducting HVAC systems, which must serve both large and small spaces, all add to the bottom line.

The acoustical challenges of flooring materials like sustainable bamboo, or stained sealed concrete, which as a finish can cost 70 percent more than a good

quality carpet, mean additional costs. Sound dampening is no longer achieved with the white perforated Styrofoam that you might remember from middle school band room, or the foamy eggshell sheets stapled to your basement walls where you rocked out your teen-aged angst. The sculptural carved panels, “acoustical sound clouds” that Tenants want pasted to or hung from the ceilings of suburban flex buildings, or urban lofts today, can cost up to \$50.00 per square foot installed.

Still, while the open-office may not reduce Real Estate costs via lesser fit-up expenses or occupancy space needs, and workers complain of noise and distraction, the philosophical promise of open-office means that, for now, it is here to stay.

ABOUT THE AUTHOR



KRISTIN T. GEENTY, SIOR, president of the Geenty Group, is an industrial specialist based in New Haven, Connecticut. She has been a member of SIORs Young Professionals Committee since its inception and also serves on the Digital Communications Committee. Geenty specializes in the the daily flogging of The Geenty Group's founder.

The Blau & Berg Company

The Blau & Berg Company
830 Morris Turnpike, 2nd Floor
Short Hills, NJ 07078
973-379-6644 908-276-3355 Fax 973-379-1616

www.blauberg.com

WE'VE MOVED TO SHORT HILLS

±29,813 SF Industrial Facility
280 Wilson Avenue, Newark, NJ

- ±81,326 SF Total Building Size
- 40' x 40' Column Spacing
- 4 Loading Docks, 2 Drive-Ins
- ±29,813 SF Total Space Unit 1 with ±13,313 SF Refrigerated Space, ±5,000 SF Freezer Space, ±6,500 SF Dry Space, ±2,000 SF Office Space and ±3,000 SF Loading Area
- ±5,000 SF Office Space Unit 2
- 1 Mile to NJ Turnpike Exit 14 and 5 Miles to Newark Airport

±17 Acres Land Near Airport
140 Raymond Boulevard, Newark, NJ

- ±17 Acres Lot Size
- I-3 Heavy Industrial Zoning
- ±294,645 SF Building Can Be Scaled Down To Meet User Requirements
- Access Via NJ Turnpike Exit 15E, Along Routes 1 & 9, 2 Miles to Port, 4 Miles to Newark Airport
- \$6,500 per Acre per Month Lease
- \$10,595,000 Sale

The information contained herein has been obtained from sources considered to be reliable, but no guarantee is made by this company. In addition, no representation is made respecting zoning, condition of title, measurements, dimensions, or any matters of a legal or environmental nature. Such matters should be referred to legal counsel for determination. Subject to errors, omissions or withdrawal without prior notice.