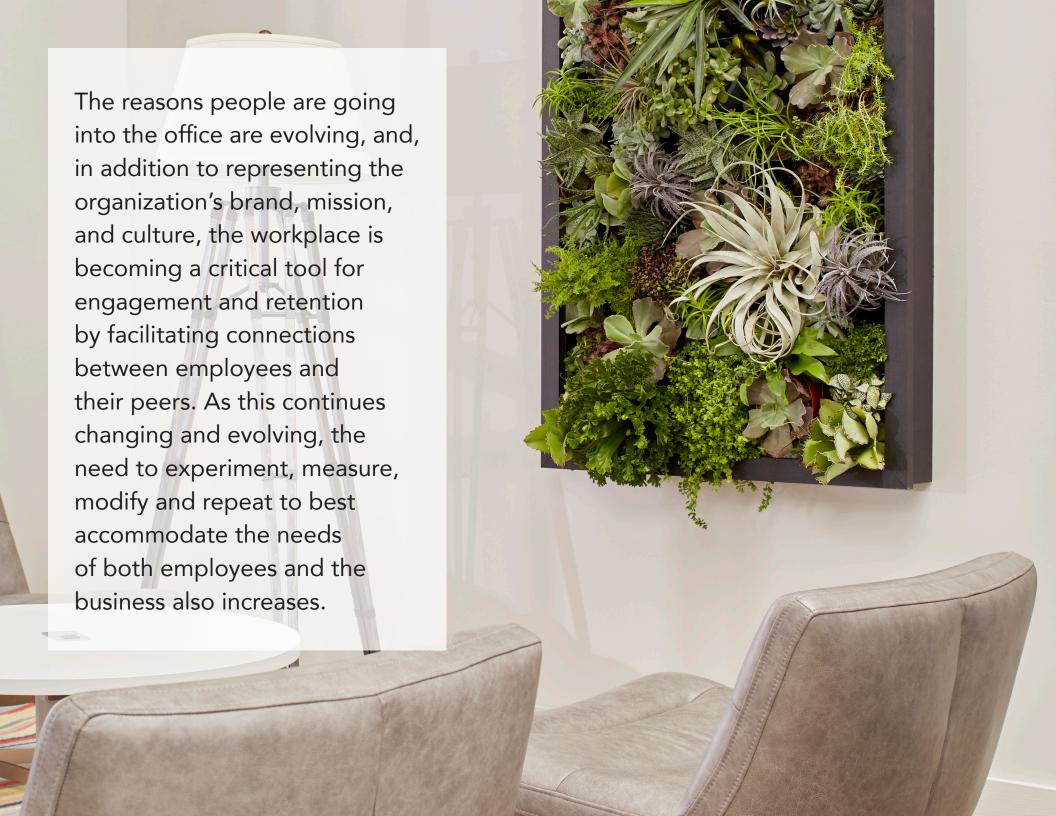
Experiment, Measure, Modify and Repeat with









Abstract

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41%

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48%

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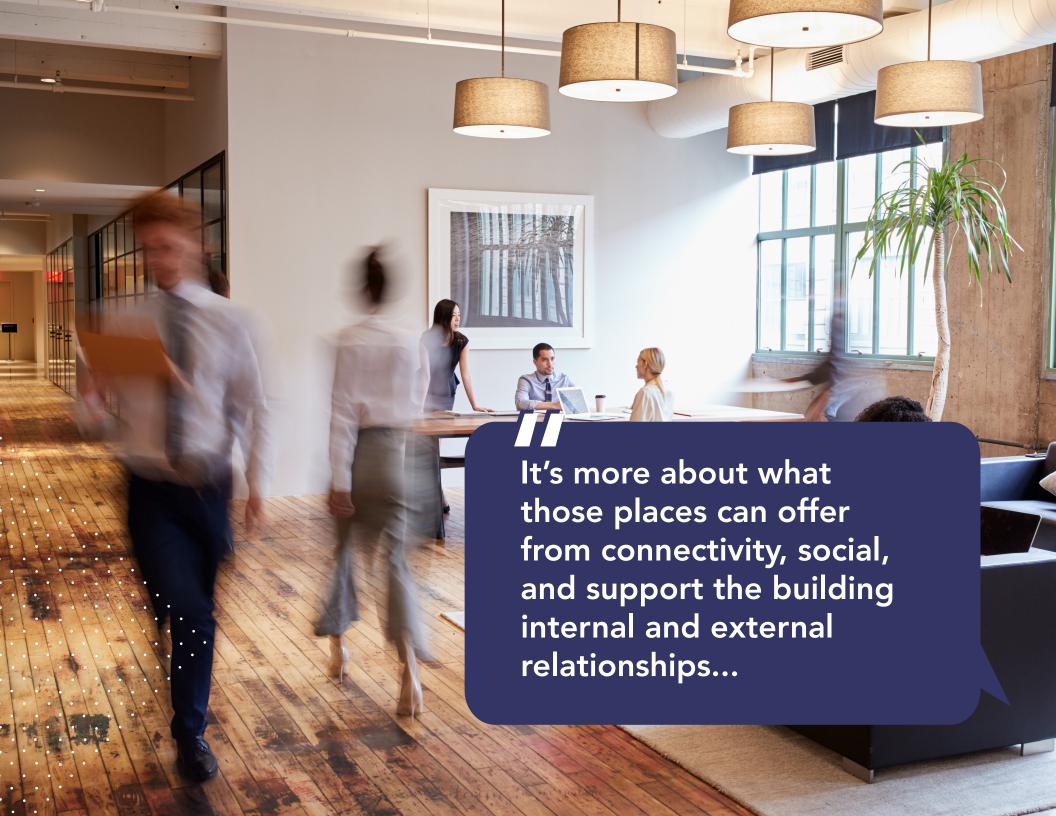
9%

in the workplace on a full-time basis

A recent workplace survey conducted by the Conference Board supports those findings, indicating that 71% of organizations were forced to change their plans for returning to the workplace because of surges in variants. Among them, 30% had already returned and had to revert to remote and hybrid work while the remaining 41% delayed or canceled plans altogether. Among the survey's respondents, 48% didn't have a definite date for return, and only 9% were in the workplace on a full-time basis.¹

Does this mean that the physical workplace is dead? We don't believe so. In fact, we believe the opposite to be true. The office provides an experience that can't be digitally duplicated. It will become critical as part of an organization's engagement and retention strategy as the office helps keep employees connected, not only to their peers but also to the company culture. It will continue to serve as the heart of meaningful collaboration and a pivotal tool for the alignment of the corporate vision and mission.

While there isn't any blueprint for the future workplace, we believe that embedding flexibility into an organization's operations and workplace solutions provides increased agility, allowing businesses to adapt their plans as needed while waiting for long-term trends to become clear.



Why is Flexibility Important in the Workplace

In 2020, we collectively expected that once the pandemic ended, the workplace would return to its pre-pandemic patterns. For many reasons, that's not how things have happened. Instead, we find ourselves two plus years into a pandemic and employees around the world continue facing ongoing uncertainty about when and if they'll return to the workplace in person.

One thing has become abundantly clear: Corporate office environments were permanently changed in 2020. The pandemic forced a shift to remote work that has disrupted business as usual. As a result, what we want and need from the workplace has truly evolved, which has prompted a profound, lasting reconsideration of what the office is and how it should perform for any given organization both today and in the future.

In a recent interview with CORT, Jeff Gwinnett, Director of Workplace Experience & Sustainability of Softchoice, shared "The pandemic has opened the door for many of my colleagues and myself to push workplace experience, real estate, and facilities creeds to the forefront of the executive agenda and put it on the C-suite table for exploration and evaluation.

At the start of the pandemic, we absolutely needed the workplace team at the table talking through all this because we were first and foremost concerned about health, safety and wellbeing; then there's physical security and credential management, home set ups, business continuity, crisis management etc...but then it evolved into 'well, how do we re-open and what do we need to do?' and then onto 'how will we succeed at this - now that many of our people wish to continue working from anywhere, and how do we support their need and ours?' It's no longer just about a single place you have to go. It's more about what those places can offer from connectivity, social, and support the building internal and external relationships....it's a part of a bigger system of how work is done and recognizing that. The value proposition of the workplace has changed...because our people have changed. As a group, we now look at the workplace and our team as a strategic asset for the business."

Leading organizations have preemptively adopted various work models ranging from distributed to hybrid to in-person. Adopting these models and striving for flexibility as guidelines have changed over the years has led to unpredictable workplace attendance for organizations that have had the ability to bring some of their teams back in-house.

That unpredictability necessitates a sophisticated understanding of the use of space. It also requires businesses and corporations to become increasingly flexible in how they use space, and in their understanding of the types of spaces that employees want to use when they come into the office.

The reasons why employees go into the office are evolving and so are the needs of the workforce. Most notably, employees want flexibility. Not only in where they work, but also in how they use their workspaces. This evolution underscores the need for more high-performing spaces that allow the workplace to function in different ways. What this means is that the modern office will need to deliver a variety of experiences to employees including those that focus on culture building, collaboration, creativity and innovation.

The question for leaders and business owners becomes whether they should stay in their space or make changes and strategic moves. To answer that question, it's essential to understand how the workforce uses the space now and how it will be used in the future. It is also critical to gain insight into the configurations that most make sense to support productivity.



Experiment, Measure, Modify, and Repeat

We believe that the evolving landscape and changing needs of both businesses and their employees have created a greater need for flexible office space today more than ever before. To remain positioned in such a way that the business can quickly pivot as needed and to meet the needs of an evolving workplace, we believe in taking four key steps: Experiment, measure, modify and repeat. This is the key to reaping the benefits of ongoing optimization of existing space and limiting the costs of long-term exposure to unproductive real estate.



Experiment

Now is the time for organizations to get creative and find workplace solutions that promote flexibility while making the office an attractive place to work or complement to working remotely/hybrid. What that means to each individual company varies. For some, it may mean converting some areas or floors from dedicated desks and assigned seating into a new unassigned flex design.

For others, it may involve reducing the office footprint or using coworking spaces to provide employees with additional options. Ultimately, the future of the office is in providing employees with multiple types of space to accomplish their work and meet their needs. To do so, businesses must be able to adapt and pivot quickly.



Measure

The pandemic taught us all to live and work with uncertainty around what comes tomorrow, but what follows that? We believe that measuring is having the ability to modify configurations based on the evolving workforce needs. The best tool for accuracy is space utilization sensors that offer insights into how an office is being used and provide real-time data that enables teams to identify and plan for potential problems within their space so they can be proactively managed.

Sensors empower organizations with qualitative data, which not only informs decisions, but also allows leaders and decision makers to better understand space, including what's being used and for how long. This also can help provide insight into potential behaviors at work when employees initially return versus how those behaviors will normalize once there's a larger return to psychological safety in the office.





Modify

Sensor technology delivers insights that leaders and business owners need to make informed decisions. With space utilization data in hand, teams can reconfigure ondemand with CORT Furniture-as-a-Service™ (FaaS), limiting the exposure to and the expense of unproductive real estate. Much like technology's "as-a-service" models expanded access to products, furniture rental eliminates the high cost, burden, and commitment of ownership.

It provides access to the furniture that's needed, while also offering greater flexibility and cost optimization. CORT's FaaS clients receive everything they need for their office environment for practically any length of time, and when they want to change things up or cancel altogether, it's a seamless process.

Repeat

The workplace is now a platform that provides support to the unique needs of a given team, on a given day, and in a given place. It's dynamic and not fixed. And it's flexible both in lease length and design/layout.

Experiment with





CORT is equipped to help our customers solve their most pressing issues using our unique combination of services: CORT Furniture-as-a-Service and 4SITE Sensor Technology and Data. These services work in tandem to facilitate experimentation, ultimately empowering our customers to find what works best for them with minimal financial risk.

Many of our customers are experiencing uncertainty in how their office will be used, which is driving them to make decisions that provide flexibility in the space they're maintaining and in the commitments they're making to future real estate. Our position has also given us a unique vantage point from which we have observed the following three major customer business issues, each of which we are able to not only assist with, but also to provide certainty around:



1. A Planned Shift to Unassigned Flex Design

Optimized spaces provide businesses with a significant return on their investment. Many of our customers are planning to convert some of their areas and floors from assigned seating to a more flexible design. Performing occupancy studies is a key step to gauge how the new configuration is performing in addition to enabling leaders to make changes in furniture based on how employees interact with the space. By incorporating FaaS into flex design, businesses experience a greater ability to pivot and to make additions based on their re-entry schedule.

Utilization metrics are key to defining strategies to optimize the existing space while enhancing engagement among employees and supporting productivity. Companies that adopt a shared, undedicated strategy shifting from a 1:1 ratio of people to desks and from dedicated, assigned shared spaces to flexible creative and collaborative areas leverage the power of data to inform key decisions. Utilization metrics provide insight that helps leaders better understand while also validating and managing how employees interact with the new design. It also opens the door to different types of workspaces, including gathering tables and lounge furniture.

2. Rightsizing Real Estate

Another critical way CORT and 4SITE services provide significant ROI lies in the ability for leaders to invest only in the amount of real estate that's necessary given the massive shifts and evolution of the workplace. In addition to delivering data-driven insights that optimize existing square footage, 4SITE's workplace occupancy sensors also provide workplace analytics that allow leaders to confidently make those future-forward decisions, and our customers aren't the only businesses considering changing their office footprint. Data from PwC suggested that 87% of executives plan to make changes in their real estate over the next 12 months.²

As many businesses consider restructuring their existing leases or have leases that are soon to be renewed, there's an increasing need and desire to understand the role of the office and how it will be used over time. That understanding is the key to making informed decisions about the amount of space and the type of space that's needed both now and in the future. With workplace occupancy sensors, our customers are empowered with objective data about exactly what was used, when it was used and the dwell time. These insights are crucial for making confident decisions surrounding long-term real estate strategies.



²PwC. "US Remote Work Survey." https://www.pwc.com/us/en/library/covid-19/us-remote-work-survey.html Accessed March 15, 2022.



3. Encouraging the Return to the Office to Build Corporate Culture

Despite the many voices predicting that the office is dead, the reality is that it remains as important as ever. One of the themes consistently emerging throughout the pandemic, is the concept of the office as a critical innovation center. Many organizations view the office as essential to support the company culture and to facilitate collaboration and creativity.

Although businesses are facing unpredictable attendance given the changing conditions, the need for the office to maintain and build corporate culture is a driving force behind many businesses advocating for the workforce to return to the office.

To encourage employees to do so, many of our customers are leveraging the combination of FaaS and 4SITE to decrease density by revamping layouts and furniture, and to take social distancing into account. Sensor data provides daily reports to inform janitorial services of the exact areas used to prompt cleaning and sanitization of those areas according to protocol.





Can workplace data help leaders and business owners make informed decisions about the future of the office – in 2022 and beyond?

We believe so.

In 2021, 4SITE conducted a survey to find out how businesses were rethinking their spaces for their return to work plans. Among the nearly 750 respondents who worked across multiple industries, 54% were rethinking meeting areas and 49% were rethinking communal spaces. At the same time, 60% were implementing sanitization measures.³

This underscores the importance of two key issues faced by many businesses: How to best reimagine their space and how to best keep employees safe. Relying on real data is the most effective way to move forward.

Space utilization data allows businesses to make the most effective and efficient use of their space. However, to craft an approach that will yield the best results, you need key information about how the existing space is being used Even if you conduct an extensive occupancy study, it's nearly impossible to get the information and actionable insights you need unless you deploy workplace occupancy sensors. This takes human error out of the equation to tell you exactly what space is used, how it's used and for how long. It also offers a reporting structure, which allows for the assignment of unique tags, which distills the data into information sets, empowering organizations with access to the key insights that matter most.

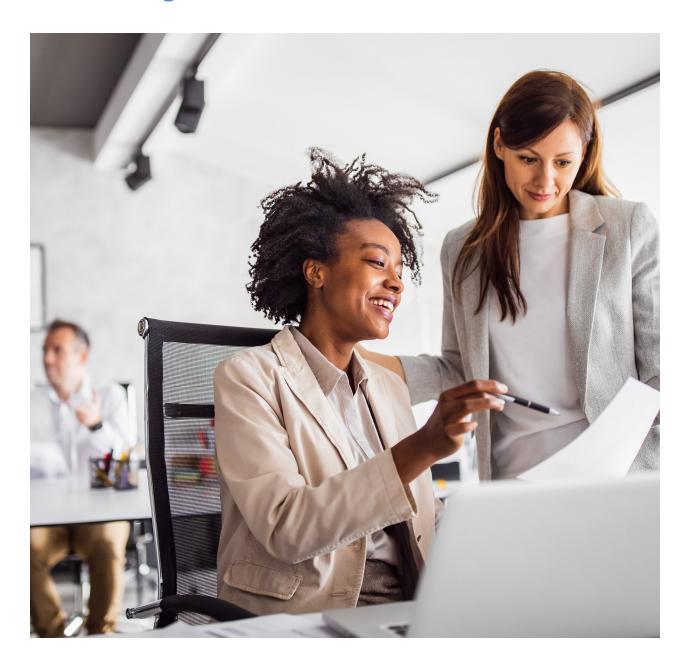
That's one of the ways that sensor data from 4SITE's platform truly shines. It delivers the information needed for certainty in making long-term optimization decisions regarding the reevaluation of real estate assets.

Imagine making decisions about real estate without having a thorough understanding of how existing space is used. You would be making decisions based on opinions that could be right or wrong. Instead, actual data about how the space is being used can drive those decisions, providing deeper understanding that can inform strategies to reduce real estate costs, cope with changing occupancy rates, optimize existing spaces and provide mitigation methods to enhance safety.

Workplace analytics can also be used for ongoing optimization, to inform future designs and configurations in a permanent location, and to provide information on design in temporary project-based locations. At the same time, as businesses plan to incorporate more hoteling and desk sharing, this data can also provide information about utilization rates, which is key for organizations with shared desks and reservation systems.

In the post-pandemic workplace, mitigating viral spread is another concern that sensor data assists with. By monitoring motion events throughout the workplace, key data about proximity for contact tracing can be provided to a cleaning team. Additionally, customers receive daily reports that can be used to inform janitorial services of exactly which work areas were used. In turn, these areas can be the focus of enhanced cleaning and sanitization, limiting the added expenses of cleaning areas that weren't used.

Modify with CORT Furniture-as-a-Service[™]



The office is not a static place. That's as true right now as it will be in the future. If the pandemic has taught us anything, it's that things can change in the blink of an eye.

CORT Furniture-as-a-Service (FaaS) fulfills additional needs as organizations modify their plans. Renting furniture facilitates fast and effective access to enjoying stylish and comfortable furniture throughout projects with defined start and end dates. To seamlessly modify furniture according to how the organization's unique workforce wants to work without being burdened by furniture ownership.

In a recent interview with CORT's National Director of CRE Partnerships, Kay Sargent, Senior Principal Director of WorkPlace at HOK, shared "Our findings and research have shown that access is the new ownership. You don't have to own everything...you don't have to own a tricked-out conference center that will become obsolete because all the stuff in it is changing so rapidly and the needs of your organization are too. Same goes for furniture. Perhaps a more innovative thing to do is to leverage a subscription model like CORT Furniture-as-a-Service."

This, we feel is the beauty of becoming an organization that's permanently flexible and why we offer "access over ownership." As conditions change and needs evolve, businesses that own their assets are bound to end up with a furniture glut. Permanent assets can be a barrier to creating a workspace that's engaging, productive, and flexible. Our solution? Select, order, use, return.

Furniture rental is a strategic asset management model that removes glut from the equation. It provides the flexibility that businesses need to make fast changes as their needs evolve. It also supports the various iterations of what the future of the office may look like, no matter if that's permanent space, flex space, or space-as-a-service – all of which are viable solutions for many organizations in 2022 and beyond.5







Repeat with CORT Permanently Flexible™ Solutions

Just as creating an office design and layout isn't a one-and-done activity, CORT FaaS and 4SITE aren't one-and-done tools. Instead, they're ongoing solutions that empower organizations to work smarter today, tomorrow and into the future. Additionally, this trio of solutions enable businesses to maintain momentum, even while riding out disruptions and major changes. It also provides a level of certainty that has been missing since the pandemic began, and possibly even before then. That certainty can be ongoing, providing assurance and flexibility to take the office into tomorrow and beyond, and whatever that may bring.

It also allows leaders and decision makers to circle back to begin the process all over again when needed, starting with experimenting with CORT FaaS to reconfigure space, outfit swing space, furnish flex space, and so much more. Are CORT Permanently Flexible Solutions a key to remaining agile? We think so.

Determining the Right Furniture and Technology Partner

Furniture rental combined with user analytics is the way of the future. Being Permanently Flexible allows organizations to pivot quickly to respond to changing and evolving needs, which is essential for the workplace to thrive. CORT is committed to providing solutions to help organizations meet their goals and to facilitate the face-to-face connectivity that's so incredibly valuable for collaboration, innovation and company culture. But in the end, each business should evaluate potential partnerships by asking key questions such as:

How Can I Measure How My Office Space Is Being Utilized Without Compromising My Employees' Privacy and Data?

4SITE's space utilization sensor technology and analytics gather data about how spaces are currently being used and deliver dashboards of the data to help businesses optimize their space or make key decisions regarding the office footprint. Most importantly, 4SITE doesn't operate on the company's network. Instead, we utilize passive infrared (PIR) sensors which are non-invasive and motion activated. The sensors are installed throughout the workplace and monitor occupancy by detecting movement as well as heat signatures while protecting your employees' privacy. They, then, send real-time data to a Cloud Hub via cellular service, thereby not requiring access to your network, where it's processed and stored.

How Can I Utilize Technology to Support Employee Safety and Health In The Workplace?

Sensor technology can help you protect the well-being of your workforce, without compromising their privacy, providing the peace of mind that comes with knowing the office is safe. Sensor data makes it easy to monitor for social distancing protocols and to perform contact tracing. This is also an effective strategy for using data-driven decisions that can inform policies like those that limit the number of employees in the office at any given time.

Additionally, workplace analytics give you the right information about what space was used each day. That ensures cleaning crews will pay close attention to those areas that need sanitization and deep cleaning, which helps protect employees, improves air quality and can aid in managing cleaning budgets.

How Can Furniture Rental Assist My Organization with our Post-Pandemic Operations?

The post-pandemic office is shaping the future of the workplace, and furniture rental is helping organizations stay agile and flexible despite uncertainty. With furniture rental, a business can seamlessly outfit swing spaces, short-term leases, and flex space. Easily change floor plans and designs to meet your organization's on-going needs.

What Does My Investment Look Like With CORT FaaS and 4SITE?

With CORT Furniture Rental and 4SITE sensor technology, your upfront investment represents the lowest possible risk. You'll have monthly payments based on exactly what you're using now. If you need to scale up or down, your monthly payments will adjust based on what you rent and stop altogether if you opt out.

What Does Access To Furniture Offer Me Instead Of Owning All Of My Assets?

With ownership, there's a significant upfront capital investment required for fixed assets that depreciate over time, may lose functionality, and become obsolete. You also have to account for maintenance, inventory management and storage costs for any assets you don't use and consider replacements over time that may not match.

Not so with CORT FaaS. Not only do you get access to stylish, functional furniture, CORT handles all the servicing. There's no worries about storage or modifications. Everything is easily changeable and flexible. You can also have the advantage of rapid deployment with installation completed as fast as within three to five days.

How Will I Be Able to Ensure Long-Term Flexibility?

With the Permanently Flexible services CORT offers, you'll be able to experiment, measure, modify and repeat on an ongoing basis, ensuring that you're always able to shift and change as conditions warrant it. By using our services, you'll be able to expand, contract, swap out pieces, change floor plans and optout as your business's needs change and evolve and have the peace of mind that comes with knowing you are making the right decisions.



Financial Benefits

Not only does utilizing CORT's unique solutions enable permanent flexibility and an effective way to streamline your return-to-office strategies, but it also presents financial benefits. For example, the workplace analytics gleaned by 4SITE sensor technology can help organizations find ways to unlock capital that can then be reinvested into the business or used to boost the bottom line.

Looking to data to inform decisions surrounding real estate requirements, lease renewals and restructuring limits businesses' exposure to unproductive real estate. That alone has the potential to yield significant financial benefits. The average reduction of just 15% provides 25 times ROI over the course of a five-year lease term.

Similarly, CORT FaaS frees up the huge upfront capital investment that a business would otherwise have to make to own their furniture assets. That capital can then be allocated for other uses. Instead of the ongoing capital expenditure for maintenance and annual inspections throughout the furniture life cycle associated with ownership, CORT shoulders those costs, eliminating hidden and unexpected costs. Additionally, there's no cost for storing unused inventory or costs for deploying stored assets. Businesses can seamlessly scale up or down as their needs change.

Non-Financial Benefits

The return on investment also comes in two additional ways that aren't directly financial in nature, but certainly impact the company's bottom line. When office space is designed to meet the workforce's needs, productivity increases. Using occupancy studies and sensor data empowers data-driven decisions based on how each unique workforce wants to work and use the office space. FaaS facilitates fast, flexible furnishings to meet those needs. In turn, a better designed office environment can boost productivity. That increased productivity does correlate with a financial benefit: Even just a 3% increase can yield more than nine times ROI on average.

The second non-financial benefit is the ability to maximize the use of shared space. Conducting occupancy studies yields workplace analytics and data that demonstrates the spaces that are regularly used, when they're used and dwell time. For example, if two teams both have dedicated shared spaces, the data may reveal that one only uses their space in the morning while the other uses their space in the afternoon. This exposes an opportunity to consolidate those shared spaces while still fulfilling both teams' needs. Much like increased productivity, there is a financial element associated with the ability to maximize the use of shared spaces. By optimizing shared spaces by just 5%, businesses can enjoy four times the ROI in the first year alone.

Conclusion

CORT Permanently Flexible™ Solutions, FaaS and 4SITE, work in tandem to support businesses that want to remain agile and respond to the evolution of the office.

CORT FaaS benefits organizations in a variety of ways and circumstances ranging from outfitting temporary space during an office retrofit to fully furnishing permanent spaces in the most flexible way possible. Access over ownership reduces risk while enhancing the business's ability to reconfigure its space as needed with minimal hassle or overhead.

4SITE sensor technology and workplace analytics drive informed decisions on everything from office optimization to workplace safety. There's no concern regarding security or the notion that "Big Brother" is watching since the sensors work on a separate, secure network and there aren't any cameras or PII (personal identifiable information) involved. Best of all, investing dollars in these solutions can save thousands of dollars in making the right decisions while also providing a significant ROI.

Ready to learn more? Explore all the ways we can help you make major decisions about the future of your office space using data with 4SITE and get the benefits of access over ownership with CORT Furniture-as-a-Service at CORT.com.







