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# Warming Up to the Officeless Office

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By [RACHEL EMMA SILVERMAN](#) And [ROBIN SIDEL](#)

As companies seek to cut costs and accommodate an increasingly mobile work force, some employees have had to say goodbye to their personal work areas. Robin Sidel explains why on Lunch Break. Photo: Natalie Keyssar for The Wall Street Journal.

Office workers, grab your bobblehead dolls: The boss may be coming for your desk.

As companies seek to cut costs and accommodate an increasingly mobile work force, some employees have had to say goodbye to their personal work areas.



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Natalie Keyssar for The Wall Street Journal

At American Express in New York, some employees use unassigned desks in open workspaces.

Unassigned workspaces, sometimes called "free address" or "nonterritorial offices," have long been a fact of life for consultants or employees who do their jobs mostly on the road or from home.

But a growing number of workers, including some who spend more time at the office, have had their cubicles replaced by communal tables or unassigned desks they share with a sometimes shifting cast of colleagues.

Companies including financial-services giant [American Express](#) Co., drug maker [GlaxoSmithKline](#) PLC and accounting and consulting firm PricewaterhouseCoopers are shifting large groups of workers into shared spaces.

Instead of assigned desks, employees often get storage lockers to hold their files and supplies. Spots can be reserved in advance—a practice called "hotelling"—or snagged

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Natalie Keyssar for The Wall Street Journal

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5,000 workers at the company's New York headquarters are considered "club" employees, who come to the office just a few days a week and set up in unassigned desks. These employees are part of a companywide program called BlueWork, which is intended to spur creativity and save money by doing away with traditional office space.

The company is reconfiguring floors of its 51-story building, at a rate of three to four floors a year, to shift more workers to unassigned workspace, and has begun a similar transition at its London and Singapore offices.

Susan Chapman, a senior vice president at American Express who is overseeing the redesign, says that studies show traditional office space has a utilization rate of just 50% due to sick days, vacations and travel. That doesn't count wasted drawer space that holds stacks of old paperwork, cookware, shoes and other personal items.

"Those are just not things we want to pay for. We want to efficiently use that space," Ms. Chapman says.



Enlarge Image

Natalie Keyssar for The Wall Street Journal

At American Express, part-timers and others can set up at communal workspaces when they visit the office.

Most companies that have embraced unassigned workspaces have done so to cut real estate and other costs, in some cases by placing workers closer together. Shrinking an office's footprint can save millions of dollars annually in rent and energy expenses.

But the new configurations also have brought some unexpected benefits—from encouraging workers to collaborate to reducing internal email.

At American Express, roughly 20% of the

American Express made some adjustments based on feedback—for example, it provided rolling stools near its storage lockers after women employees griped that they had no place to sit down when changing out of their commuting shoes.

Kimberly D. Elsbach, a management professor at the University of California, Davis, who has researched the effects of nonterritorial offices on workers, found that most workers adapted to their new

work environment, but some of those who didn't felt they had lost some of their identity in the office because they weren't able to personalize their space.

Other workers, she says, felt less organized. "They said 'every day I had to unpack everything and recreate some semblance of my space before I get started.' "

Still, the system appears to be gaining traction. In a survey of 950 companies, the International Facility Management Association, a trade group for office-facility managers, found 60% had some unassigned workspaces in their offices, and about half said the number of employees using the unassigned space had increased in the past two years.

GlaxoSmithKline says it has saved nearly \$10 million annually in real-estate costs by gradually shifting 1,200 employees at its Research Triangle Park, N.C., office to unassigned seating. Similar moves outside the U.S. have saved the U.K.-based company some £25 million (\$40 million) annually, says Christian Bigsby, Glaxo's senior vice president of world-wide real estate and facilities.

Employees work in "neighborhoods" defined by job function, such as marketing or finance, so workers sit near those they interact with regularly in the course of a workday.

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Glaxo thought through a number of logistical hurdles. Its desks and chairs, for instance, can be adjusted for workers of varying heights, as part of an ergonomic setup it says was designed to take just 45 seconds.

Robert Nash, Glaxo's director of U.S. environment health and safety, previously worked in an enclosed office, decorated with photos and a map of the North Carolina coastline.

Since the changeover, he comes into work with his laptop, equipped with an Internet phone, picks a spot at a worktable—he likes to be near the window—and stows his backpack under the desk. Since he keeps his documents online, his paper files now occupy a single file drawer.

"It's an instant office. Everything I need is just in my backpack or laptop," says the 49-year-old Mr. Nash.

Mr. Nash says he is spending less time emailing with colleagues and more time instead in brief, casual meetings, which lead to quicker decisions.

In surveys of employees who switched from assigned cubicles and offices, Glaxo found email traffic dropped by more than 50%, while decision making accelerated by some 25% because workers were able to meet informally instead of volleying emails from offices and cubes.

Glaxo has shifted employees in 20 offices globally to unassigned seating; the company says it plans to do so wherever it redesigns office space. In Philadelphia, for example, Glaxo's 1,300 Center City employees will move to an entirely unassigned office by next spring.

PricewaterhouseCoopers has long had a desk-reservation policy, allowing employees who visit other offices to use vacant cubicles and desks.

Now 2,000 employees in its offices in Denver, San Diego and San Jose, Calif., are using a new arrangement in which workers who come into the office regularly still have their own offices and desks. But when they are out of the office for work or on vacation, other employees can reserve their spaces, either through an online system or at a computer terminal in the office.

Before making the switch, PricewaterhouseCoopers encouraged its employees to follow some basic rules of etiquette, reminding them, for instance, not to leave uneaten food in someone else's office and urging them to replace office supplies they used.

Anne Donovan, a human-resources executive at PricewaterhouseCoopers, says she has learned a lot about her colleagues by sitting at their desks, surrounded by personal items. "I like looking at everyone else's kids," she says. "I think it makes us all feel closer to each other."

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