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In Defense of the Open Office: Work Environments That Are Critical to FinTech Success

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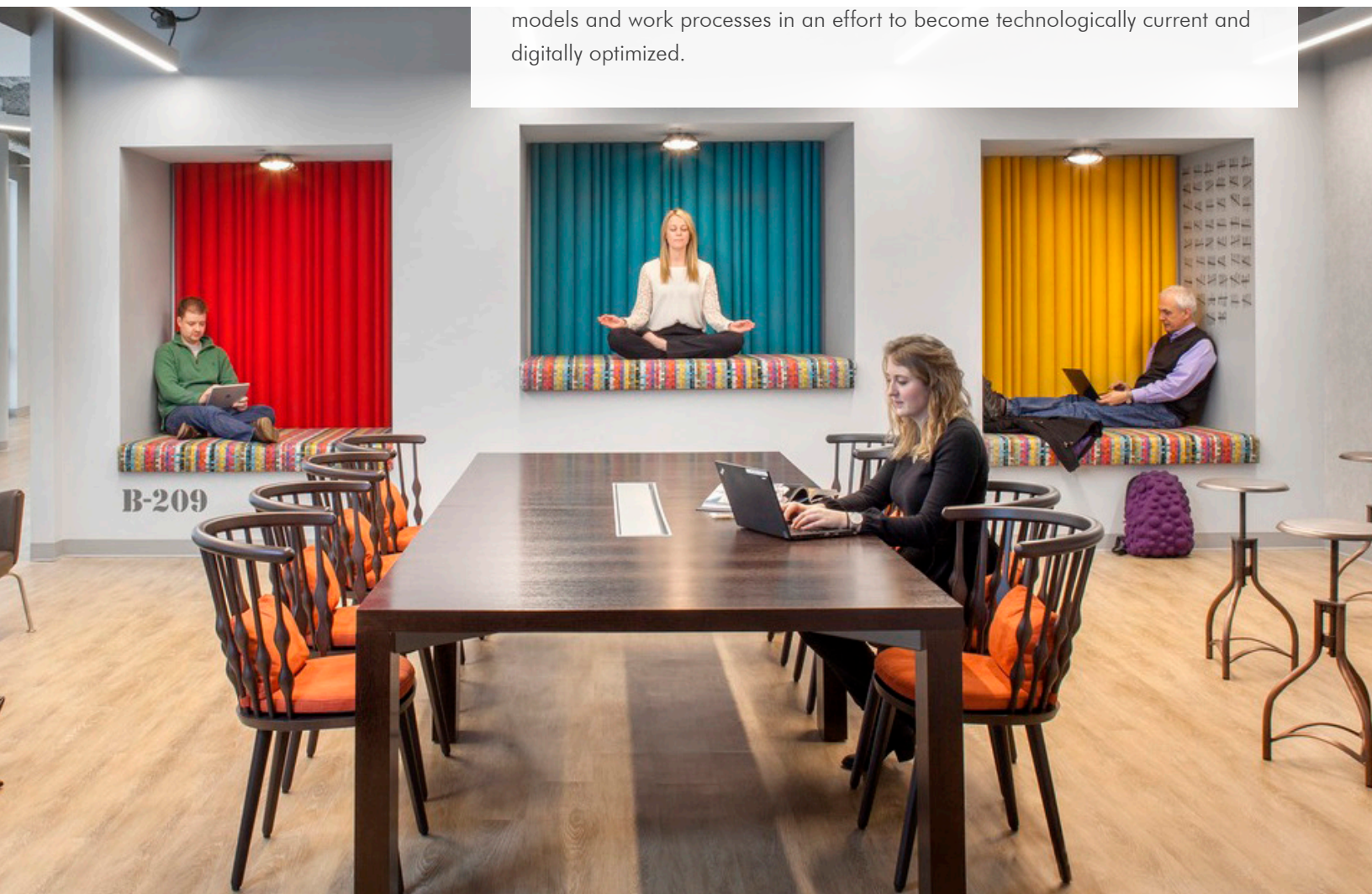
FinTech Comes to Fruition

The financial sector has, historically, been resistant to change—largely a byproduct of risk aversion and the economic and legal pressures of regulatory compliance. But over the past decade, this entrenched inertia has been upended by post-recessionary survivalism and the rise of FinTech, an abbreviation for “Financial Technology”.

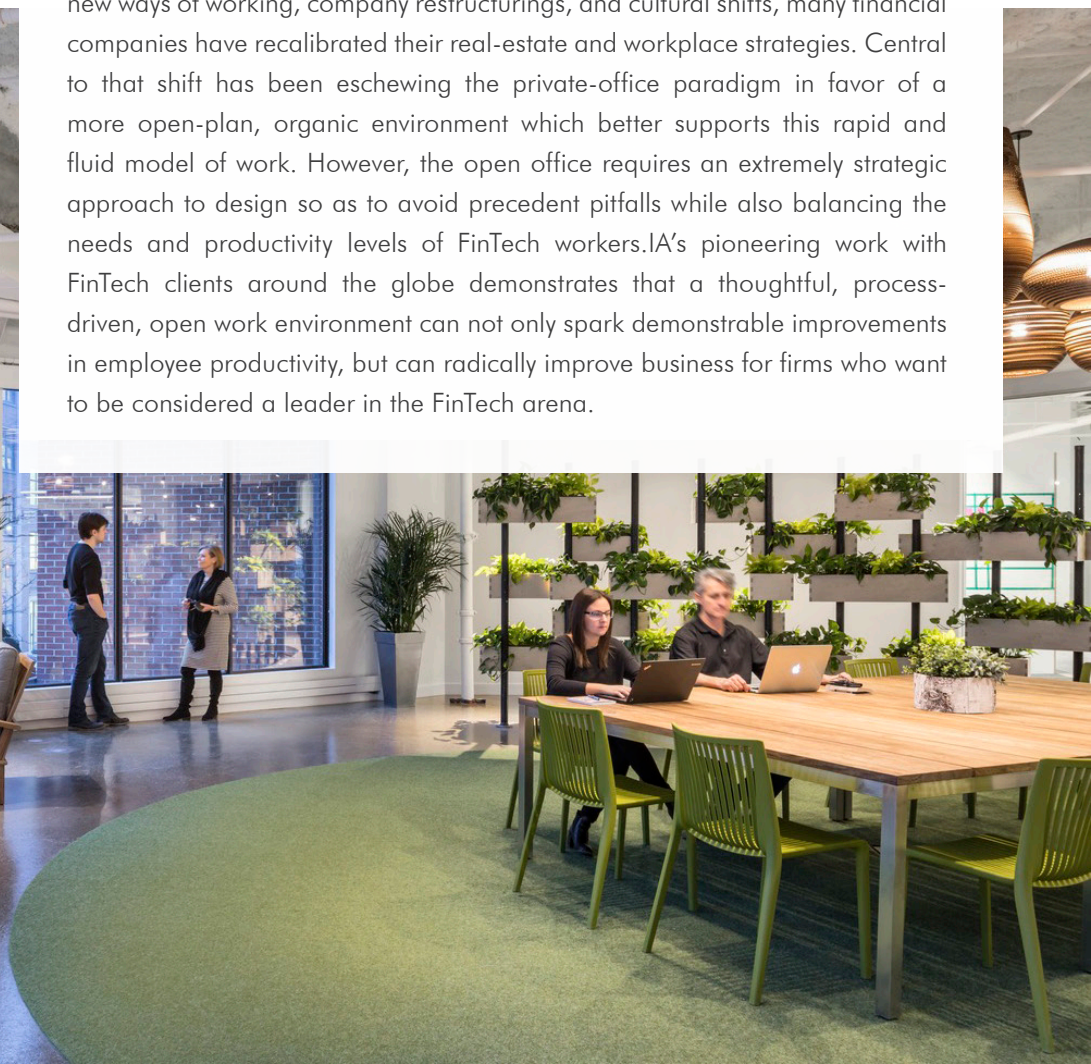
The term “FinTech” was initially coined to describe the technologies leveraged by financial institutions’ back office teams. However, over the years the definition has broadened to include:

- Established financial institutions that have adroitly responded to today’s digital world
- Silo-crossing startups that partner with such institutions
- Neophytes attempting to disrupt incumbents by developing products and services outside the realm of regulation
- Technology companies providing relevant tools or support to the financial industry

This paper predominately focuses on the first grouping noted above: longstanding financial-service companies that have overhauled their business models and work processes in an effort to become technologically current and digitally optimized.



In expanding their digital capabilities, many of these established financial organizations have acquired startups and/or heavily invested in services such as mobile banking, automated trading, and smart contracts by leveraging the Internet of Things (IoT), big data, analytics, and machine learning—all in support of frictionless commerce, outcome-driven investment strategies, reduced uncertainties, real-time data visibility, and predictive insights for their clients and consumers. In doing so, it required (and still requires) these institutions to attract more workers with technology, engineering, and data science backgrounds. These new hires and subsidiaries are not just technically-savvy, but well-versed in a style of working that's leaner, more collaborative (physically and digitally), entrepreneurial, and self-organizing—much different than was the norm in the finance sector for several decades. Many of these workers utilize the Agile software development and project management methodology rooted in iterative, “test and learn”, waste-repellent, and start-up-speed principles. Even the front-of-house, client-facing lines of business are adopting this “nimble-with-change” workstyle to collaborate more effectively with such back-of-house teams, to satisfy clients' demands for immediacy, and to connect better with ever-changing customer needs. Alongside, the organizational structures of such firms are becoming flatter and either team-oriented, outcome-oriented, or matrix-oriented vs. top-down and functionally-oriented. To accommodate these new ways of working, company restructurings, and cultural shifts, many financial companies have recalibrated their real-estate and workplace strategies. Central to that shift has been eschewing the private-office paradigm in favor of a more open-plan, organic environment which better supports this rapid and fluid model of work. However, the open office requires an extremely strategic approach to design so as to avoid precedent pitfalls while also balancing the needs and productivity levels of FinTech workers. IA's pioneering work with FinTech clients around the globe demonstrates that a thoughtful, process-driven, open work environment can not only spark demonstrable improvements in employee productivity, but can radically improve business for firms who want to be considered a leader in the FinTech arena.



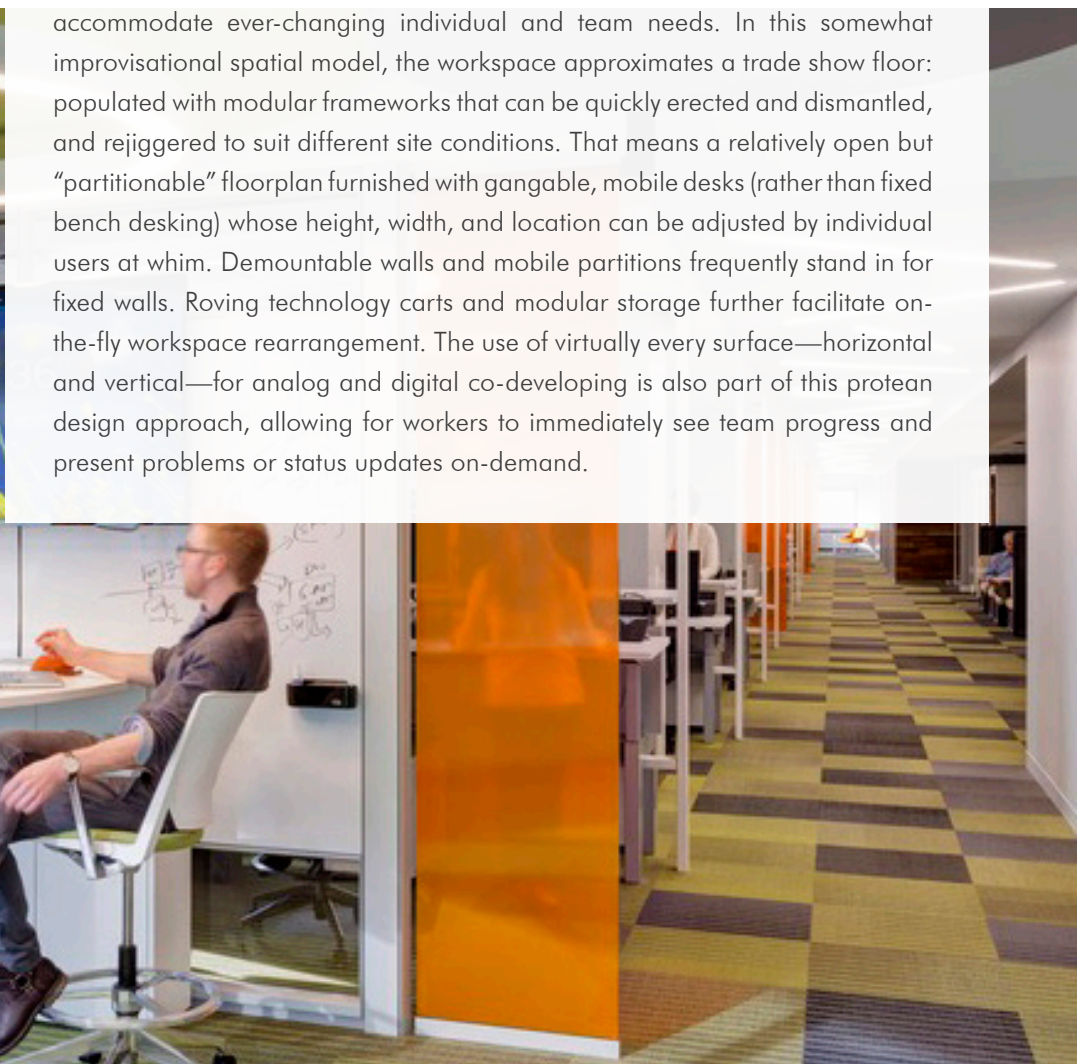
IA's "Protean" Design Approach: A Readily Changeable Workspace

Frequent toggling back and forth between solo, focus work and team-based collaborative work with Agile or akin-to-Agile methodologies requires a malleable workspace designed for user-driven, regular rearrangement to support a range of activities, work modes, and types of tasks.

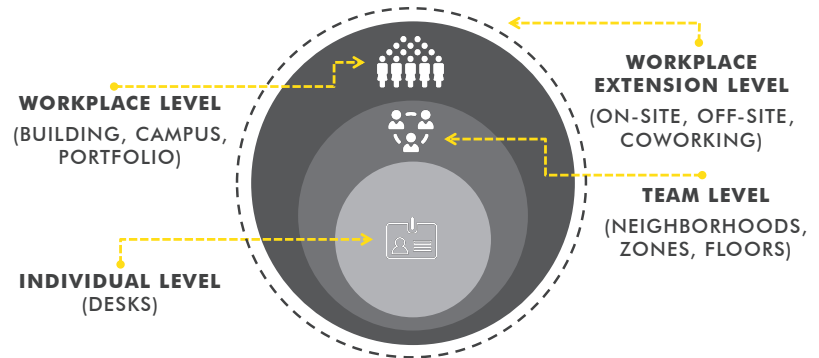
IA has pioneered a new design concept for FinTech clients that supports tech-literate teams' workstyles while also addressing the unique needs of financial-service organizations. We have dubbed this design strategy as "protean"—the dictionary definition of which means an ability to change form. Likewise, IA's protean work environments are shape-shifting spaces that embody a blend of principles from activity-based planning and "hackability" to better support the work processes of FinTech teams.

Hackability

As FinTech employees have become more self-organizing, they demand an office environment that is spur-of-the-moment adjustable. Teams can scale from five people one day and 30 the next depending on what needs to be accomplished that particular day. Thus, a protean office must exhibit a high level of "hackability:" the capacity to be reinvented easily and on a dime to accommodate ever-changing individual and team needs. In this somewhat improvisational spatial model, the workspace approximates a trade show floor: populated with modular frameworks that can be quickly erected and dismantled, and rejiggered to suit different site conditions. That means a relatively open but "partitionable" floorplan furnished with gangable, mobile desks (rather than fixed bench desking) whose height, width, and location can be adjusted by individual users at whim. Demountable walls and mobile partitions frequently stand in for fixed walls. Roving technology carts and modular storage further facilitate on-the-fly workspace rearrangement. The use of virtually every surface—horizontal and vertical—for analog and digital co-developing is also part of this protean design approach, allowing for workers to immediately see team progress and present problems or status updates on-demand.



MULTIPLE SCALES



The hackable areas IA creates are essentially “containers” that allow and encourage reshaping while still maintaining integration with a greater floorplate, building, or campus to keep costs in check and stay true to building codes.

Of course, the notion of a flexible, reconfigurable office environment is not new; in this volatile economic climate, clients frequently enlist IA to design with “future proofing” in mind, so workspaces can expand, contract, and/or be reconfigured over the course of a lease. But a key difference between a flexible office and a hackable office is the ability of the end user to modify and customize their workspace spontaneously, in real time, without intervention from the workspace management team. Hackability allows for the space to be modified in an unanticipated way that is so critical to the fast-paced, fluid conditions of FinTech work.

Process-driven technology

Technology such as digital screens is practically ubiquitous in the modern office, and FinTech workspaces are no exception. However, what distinguishes the protean spaces IA is designing is the extent to which technology is integrated into the interior architecture, and how synched it is to associates’ workflows and processes.

An invaluable component within arm’s reach of each workstation cluster is a prominent display surface, fixed or roving, on which teams can show digital projections or wirelessly share a computer screen. To fix a code bug with a colleague, associates need only move a few short feet from their desks, problem solve, then quickly and seamlessly move back to their own station. Productivity is greatly improved when employees no longer have to waste time reserving or waiting for a conference room with projection capabilities. Screens can also be used for team-based monitoring so colleagues can check in on each other’s progress as it relates to their own tasks—thus enhancing productivity and transparency.



Also essential in the protean office are visible, centralized whiteboards on which tasks can be mapped out and blue-sky ideas jotted down. (For instance, Scotiabank’s Toronto office, dubbed the Digital Factory, boasts 18,000 square feet of whiteboards.) Nearly every horizontal and vertical surface—even meeting booth tabletops—is designed to be utilized for shared activities such as team progress and presentations as well as both analog and digital note taking.

Experientiality

The protean workplace is designed not only from a spatial planning and functional angle—i.e., to support specific work activities and team structures—but also from a sensory perspective: careful consideration of what various users will see, feel, smell, and experience at different touch points throughout the day. Experiences can be personal or collective; direct or indirect. This strategy derives from how hospitality, retail, and other service industries have responded to customers’ craving sensorial delight. In the workplace, experiential complexity keeps the environment fresh and surprising—not so much for encouraging repeat business (although that is a part of it) as to sensorially stimulate associates who log long hours under one roof.



The ways in which IA designs “experiences” directly parallels how FinTech firms focus on user experiences of their services and products. Such a space serves as inspiration for our clients by emulating what they themselves are doing in the workplace.

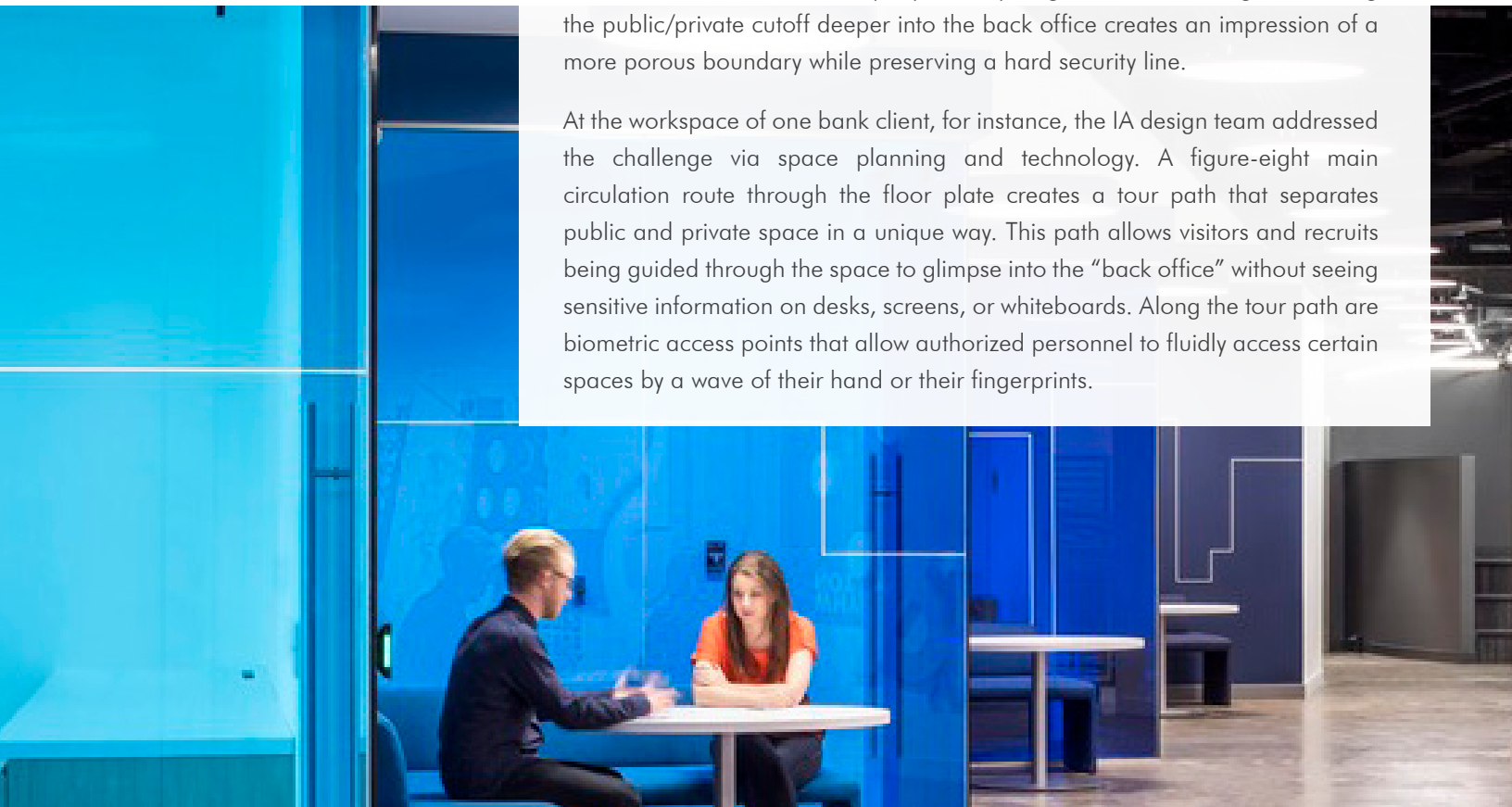
It is also critical that these hyper-intense, deadline-driven environments support health and wellness, so associates can unplug and recharge their batteries. Offerings such as a gym or yoga/meditation studio, café/bar, lounge, and/or recreational room are vital to spur staff decompression and interaction. In this way, “sprints” can be balanced with downtime.

Transparency

Among the workplace experiences IA creates are curated “journeys”: artfully designed pathways designed for employees, visitors, consumers, and others who come through the space. Some FinTech companies are going so far as to inviting in the broader FinTech community, even incorporating coworking spaces and incubation hubs into their facility. Consultants who “parachute” in and out based on project needs are another constituency that the office must cater to.

As they open their workspaces to the broader community, many FinTech clients desire and demand a more transparent environment than is typical of finance—an industry historically closed off to outsiders given the confidential nature of the work being done. A major design challenge IA designers face is how to convey and uphold openness, both actual and perceived, while maintaining some level of privacy. The protean office provides spaces where outsiders can work and/or interact with staff—but not be privy to everything the firm is working on. Pushing the public/private cutoff deeper into the back office creates an impression of a more porous boundary while preserving a hard security line.

At the workspace of one bank client, for instance, the IA design team addressed the challenge via space planning and technology. A figure-eight main circulation route through the floor plate creates a tour path that separates public and private space in a unique way. This path allows visitors and recruits being guided through the space to glimpse into the “back office” without seeing sensitive information on desks, screens, or whiteboards. Along the tour path are biometric access points that allow authorized personnel to fluidly access certain spaces by a wave of their hand or their fingerprints.

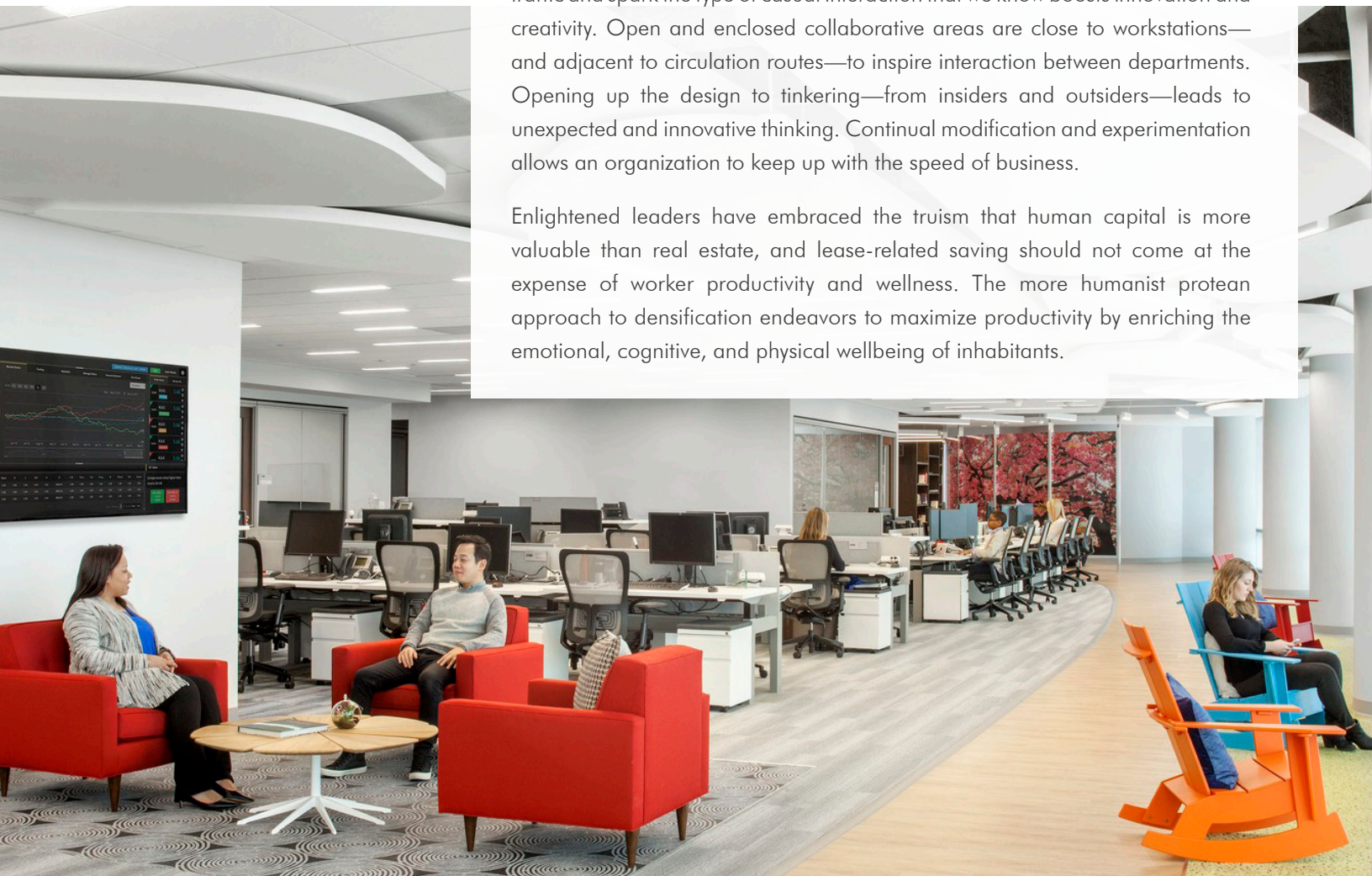


The Open-Minded Open Office

In the past, financial companies embraced a reward-by-tenure approach that reinforced the corporate hierarchy. As an employee was promoted up the ladder, they graduated from a bench or cubicle to a small inboard office, then to a larger perimeter office, and finally to a corner C-suite. Then economic volatility ushered in the era of universal design and densification: accommodating as many bodies in as economical a footprint as possible. Almost entirely open in plan, universal design offered limited to no amenities and inspired low levels of collaboration, an activity relegated to a few conference rooms or perhaps the corporate café. This spatial paradigm is now perceived as less than conducive to productivity, engagement, and morale. Moreover, the term “universal design” has been erroneously conflated with “open plan,” and given the latter an undeservedly bad rap.

The protean office subverts these less-optimal approaches to real estate. In the evolved open-plan offices IA is designing, user experience is the primary driver—not real-estate costs. The protean office is flexible and resilient, supports a range of activities, and fosters interaction—all without undermining an employee’s ability to focus when needed. Space-efficient floor plans are organized into neighborhoods and zones strategically embedded with amenities to increase foot traffic and spark the type of casual interaction that we know boosts innovation and creativity. Open and enclosed collaborative areas are close to workstations—and adjacent to circulation routes—to inspire interaction between departments. Opening up the design to tinkering—from insiders and outsiders—leads to unexpected and innovative thinking. Continual modification and experimentation allows an organization to keep up with the speed of business.

Enlightened leaders have embraced the truism that human capital is more valuable than real estate, and lease-related saving should not come at the expense of worker productivity and wellness. The more humanist protean approach to densification endeavors to maximize productivity by enriching the emotional, cognitive, and physical wellbeing of inhabitants.



Conclusion

Digital and/or engineering groups are no longer the only departments embracing agile and activity-based workflows. This more dynamic, efficient, and nimble way of working has had a ripple effect, shaking up the hierarchical financial-world workplace and sparking wider-spread adoption of process-driven collaborative environments. Many of IA's forward-thinking FinTech clients are encouraging all staffers to move in the intensely collaborative, free-range, activity-based protean direction—even departments like sales, marketing, and human resources, who have in the past been more likely to remain in a traditional private-office setting. And the trading floor is starting to evolve, too, with wearables and tablet technologies increasingly liberating traders from their assigned dual-monitor workstation, opening up innovative new design possibilities. IA is often enlisted to create modular schemes and hybrid layouts that can transition in concert with clients' evolving work needs—and help staffers make that transition in the first place.

