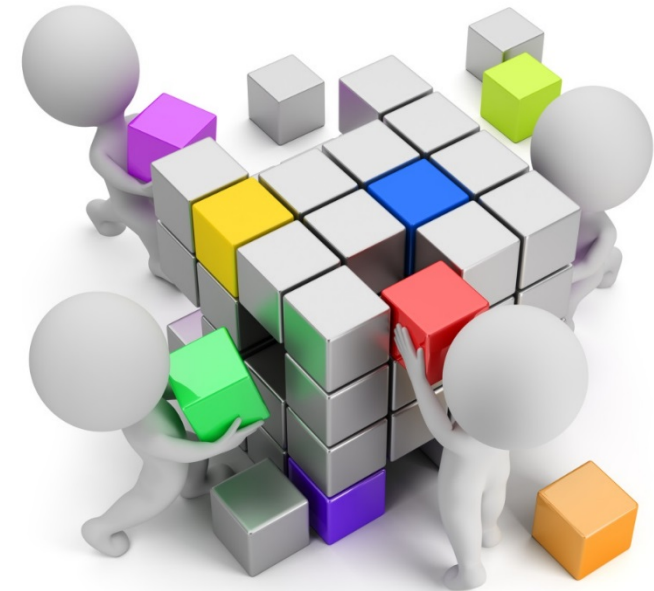


From walls to experience – servitization of workplaces

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- Time-and-place independent work requires a new look at workplace outside organizational boundaries
- Value- and user-centred approach leads towards studying workplace development from service science point of view



Value of the paper can be captured in few points

- Business perspective (servitization) is a rare approach to workplace studies
- Workplace businesses can be categorized based on their offerings
- In workplace business, physical space becomes only a component in overall value offering
- Workplace experience is the next step to be provided

Outline

Prior studies and theory-in-use

Data and Methodology

Results



Two theoretical approaches directed this study

WORKPLACE

- Added value of workplace (e.g. *Jensen and van der Voordt 2016*)
- Office as a mediator (e.g. *Vischer 2008*)
- Engaging spaces for people to come (e.g. *Määttä 2012*)
- Workplace becomes an experience (*Knoll 2016*)

BUSINESS PERSPECTIVE AND SERVICE SCIENCE

- S-D logic as a revision of actors' relationships and service systems' theories (e.g. *Vargo and Lusch 2006*)
- Servitization – the development of services (e.g. *Banes 2009*)
- PSS and 3 levels of value creation (e.g. *Pawar et al. 2009*)
- Business models to analyse the elements and logic of business (e.g. *Osterwalder and Pigneur 2010*)

Qualitative case study approach

Primary data – 8 interviews with workplace service providers

Secondary data – observations of spaces, marketing and other public material

	Type of workplace business	Service provider	Main customer group	Location of business
Case A	Workplace rent and management	Property owner, property management organisation	Government institutions	Helsinki, Finland
Case B	Office hotels	Property developer, owner	SMEs + individual entrepreneurs	Helsinki, Finland
Case C	Coworking hotel	Private company	Micro companies + self-employed	Copenhagen, Denmark
Case D	Coworking hotel	Real estate investment company	Various-sized companies + self-employed	Helsinki, Finland
Case E	Science hub	Public academic property management organisation	Various-sized R&D-oriented companies + university faculty + students	Tampere, Finland

We identified the main elements in workplace business offering

	Case A	Case B	Case C	Case D	Case E
Private office space	X				X
Desk or small private office		X	X	X	X
FM services (incl. cleaning)	X	X	X	X	X
Support services (printing, reception)	X	X	X	X	X
Business support services (business development, management, marketing, legal, accounting)	X	X	X	X	X
Business community services (networking, education, events)		X	X	X	X
Personal services (wellbeing, food, transportation)		X		X	
Customization	Limited	High	Moderate to high	Moderate to high	Limited
Proposition	Providing space and agreed-upon services	Providing space and responsible for service availability	Providing space and creating a network of services	Providing space and creating a network of services	Providing space and responsible for service availability

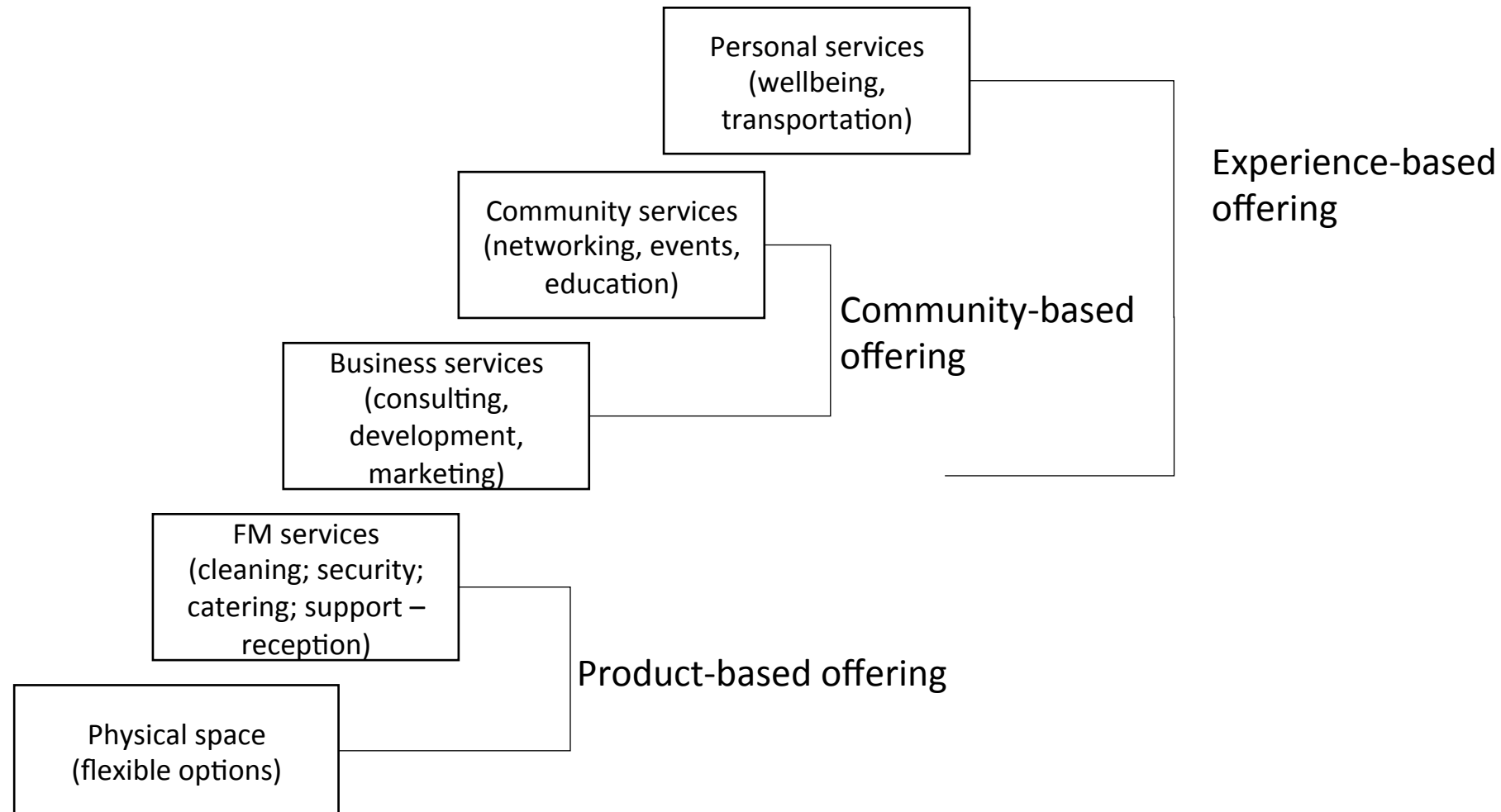
Customer interaction channels are still very traditional and digital channels as well as partners are seldom used

Customer interaction	Case A	Case B	Case C	Case D	Case E
Information availability	Mainly customers only	Partial availability	Public information about the community	Partial availability	Mainly customers only, information on community available when present physically
F2F interaction	Mainly	Mainly	Mainly	Mainly	Mainly
Digital platform	-	For service and maintenance orders	Intranet for community members	For service orders	-
Partner channels	-	-	Sales through partner channels and public platforms	-	-
Events	Seldom, private	Seldom, private	Frequent, private & public	Frequent, private & public	Medium frequency, private & public
Frequency/level	-	Relation building. On demand/regular interaction	Frequent, direct interaction	Frequent, direct interaction	Regular interaction, relation building

In regards to revenue models, agreements have become shorter and payments are based on membership-models

	Case A	Case B	Case C	Case D	Case E
Revenue model	Customer pays rent for physical space and rent increases with add-on services	Customer pays rent for physical space and rent increases with add-on services	Customer pays a monthly fee depending on physical space need. Services except business support services are included	Customer pays a monthly fee depending on physical space need. Services except business support services are included	Customer pays rent as a total cost of occupation.
	Coworking space free for current customers	Coworking spaces are charged based on space need and location	Membership passes allow access to other co-working spaces.		Coworking spaces - for a closed circle of members.
Contracts	Lease-based contracts of min. 12 months	Lease-based contracts of min 12 months Memberships with various length: daily passes, agreements with 1 month notice	Memberships with 3 months notice for fixed-space members	Memberships with 1 month notice. Include also a list of services. Others charged separately.	Lease contracts and memberships with 3 years agreements.
Additional revenue		Rent of meeting rooms	Rent of meeting rooms and other spaces after standard work hours.	Rent of meeting rooms	Research project financing
Risk level to case org.	Low	Medium	Medium	Medium	Medium
Cost	Real estate Maintenance Operational costs Energy Loose structures	Real estate Maintenance Operational costs Energy Loose structures in coworking spaces	Real estate Maintenance Operational costs Energy Loose structures	Real estate Maintenance Operational costs Energy Loose structures	Real estate Maintenance Operational costs Energy

Workplace value offerings – moving from walls to experience



Where will the future
take us?



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