

EMS Case Study *Big 4 Accounting Firm*



Actual Space Utilization Data Produces \$85 Million in Annual Savings with EMS.

Overcrowded Headquarters or Underutilized Space?

One of the ten largest, private companies in the U.S. wasn't sure whether its headquarters was overcrowded or underutilized. Department managers thought they needed more space, pointing to a scheduling system that showed all of the building's existing rooms fully booked. But walking the office's floors revealed many unoccupied work spaces.

This EMS customer was already a highly efficient user of "hoteling," the practice of assigning employees shared workspace on an as-needed basis, but the company was interested in tracking actual attendance and space utilization compared to the reservations made in its scheduling software.

With branches in more than 100 countries, this large firm's office in the heart of New York City is particularly important. The building houses almost 4,500 employees on more than 30 floors. The hoteling concept proved widely successful, but the question of whether more or less space was needed remained.

The company sought out a way to determine not just how many work spaces were being reserved, but how many were being used on a day-to-day, hour-by-hour basis.

Fast Facts

- Approximately **4,500** employees
- **725,000** sq ft of NY real estate
- **Six** floors vacated
- **\$85 million** recouped

The Best Laid Plans ...

There are a wide variety of technologies that can help organizations capture actual attendance, which can be dramatically different than reservation data.

Some companies ask employees to check in at a kiosk upon arrival, while others require workers to use security badges to enter the premises. Video monitors, thermal image detectors and motion sensors can also capture a record of actual attendance. Other organizations opt for automatic employee check-ins and check-outs when onsite workers log into their phone extension or computer, which establishes an IP presence linking their physical location to a particular device on a company network.

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This firm consulted with EMS representatives to determine the best way to capture their headquarters' attendance, deciding on a marriage of two pre-existing, passive methods: security badge data collection and automatic check-ins via IP presence.

Human factors can cause a blip in almost every technology's accuracy. In the case of security badges, a polite employee may hold the door open for a coworker, negating that coworker's need to scan their security badge and record their onsite presence.

An employee may also spend significant time in meetings without logging onto the building's computer or phone system, thus avoiding detection by failing to establish an IP presence. But it's unlikely that an employee would slip by both these attendance tracking systems.

"The combination was smart," said Kevin Raasch, vice president of DEA. "By using the two methods together, they eliminated a lot of human error and are able to consistently record an accurate attendance rate."

Goodbye Real Estate; Hello Savings

In order to accurately forecast real estate needs, it's crucial to plan based on actual use rather than space reservations, which can be forgotten, abandoned or simply made as a contingency plan that is never used.

With the reservation data the firm had recorded and compiled in EMS Workplace, it was able to compare bookings against its workspaces' actual use to determine real-world utilization rates. The firm was amazed by the results, which indicated – contrary to the fully booked reservations – that the company had too much work space.

Only 49 percent of assigned offices were being used, while employees used just 67 percent of short term reservations. That left 1,665 offices vacant on a daily basis at a cost of \$17.8 million annually. Using EMS and the attendance tracking technologies, the company was able to more accurately forecast genuine real estate needs and eventually function so efficiently in its "cramped" space that it didn't need to seek out additional room for its employees.

Instead, the corporation was able to vacate six floors. In Manhattan, three of those floors were quickly sublet for an annual savings of \$85 million. Real estate has since moved from the firm's second largest expense to its third largest cost.

With 695 offices around the world, the company continues to explore how to most efficiently use their 21 million square feet of space by analyzing data from EMS and attendance tracking technologies. It expects to save an additional \$97 million over the next five years.

For more information on Dean Evans & Associates, and the company's event management, master calendaring, online registration and survey software products, go to www.dea.com or contact the Sales department at sales@dea.com or 1.800.440.3994 ext. 863.

