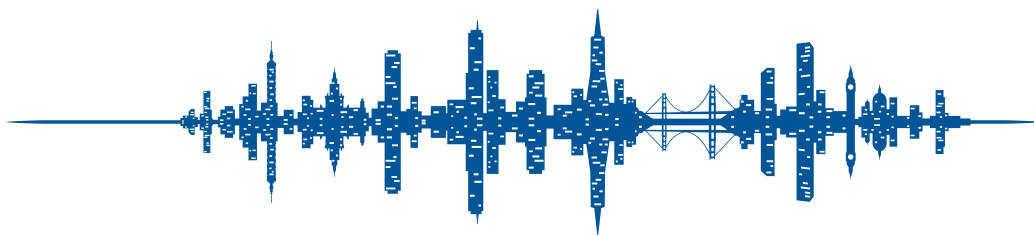


plantronics®



White Paper
Smarter Working—
the New Competitive Advantage

03/15/2012



"Work is a thing you do, not a place you go."

*Tim Oldman,
Founder and Managing Director,
Leesman Index*

INTRODUCTION

Around the globe, powerful market forces are converging to transform the function and form of the modern office. A significant rise in workforce mobility, breakthroughs in communications technology, and greater emphasis on collaboration, are just three of these convergent forces. In response, the term "Smarter Working" has arisen worldwide to describe a new, more enlightened work environment that literally breaks down the physical barriers of "the office" as we know it. More and more, workplaces are being thoughtfully optimized to help employees do their best work—anywhere and anytime.

While Smarter Working is certainly helping organizations to increase efficiency and reduce costs, it's also enabling them to provide a workspace that better reflects how we work, and to fully leverage employees' dynamic creativity and emotional connection to work.

This white paper will present an overview of Smarter Working—what is happening, and **why**—and more specifically, it will discuss Plantronics' role in this global evolutionary process.

SMARTER WORKING: TRANSFORMING THE MODERN OFFICE

Today, legacy office hierarchies and fixed work locations are beginning their decline, replaced by a much more flexible and mobile way of working. Consider the following data from the CoreNet Global Research Center:

- 73 percent of Fortune 500 companies offer some type of flex-work program.
- 60 percent of companies will be introducing "drop-in" workspaces to their offices in the near future.
- 10–25 percent of workstations are estimated to be part of alternative workspace environments.

With that backdrop, let's look at some examples of how progressive organizations are embracing and leveraging Smarter Working.

Transforming the Workspace

Workspaces around the world are undergoing a major redesign and reconfiguration. The hallmarks of these changes are more open space, communal areas, and remote workers—and less individual office and cubicle space, where collaboration and creativity often get stifled. Flexibility and variety in floor plans are replacing conventional layouts; employees now have other options besides conference rooms for holding one-on-one meetings and mentoring sessions.

Facilities managers worldwide are now creatively reconfiguring workspaces to include:

- **Designated quiet areas:** Areas that are comfortable, attractive environments for multiple employees
- **Collaboration areas:** Areas that are adaptable to group needs and located away from quiet areas
- **Flex-space/hoteling:** Hybrid spaces that provide a place to work for visiting employees
- **Social hubs:** Relaxing areas for employees, often with refreshments nearby



"It's important to note that, while the concept of Smarter Working will appeal to many organizations, some will want to selectively adopt its various solutions. Even if a customer isn't ready to provide hoteling in its offices, they most likely will find that creating variable workspaces and upgrading employees' communications systems are actions they can take immediately."

Boris Seibert,
Senior Director, Strategic Partners,
Plantronics

- **Touch-down workstations:** Stations that accommodate nomad workers, contractors, and vendors

In addition, managers and employees are productively using alternate space completely separate from the organization's offices:

- **City workspaces:** Cafés and other public spaces catering to mobile workers, who can find the nearest and best locations online on sites such as Worksnu.com
- **Co-working communities:** Spaces specifically designed to support mobile workers and encourage collaboration

Early Adopters Are Large, Small—and Everywhere

Although the sectors of healthcare, manufacturing, government, and finance have shown the greatest adoption of Smarter Working techniques thus far, the types of companies adopting Smarter Working cut across size, sector, and geographical boundaries.

Organizations around the world such as Kraft, GlaxoSmithKline, and Commonwealth Bank of Australia are embracing Smarter Working and relying on new technologies to remain competitive. The one unifying thread that runs through all of them: They are progressive companies vitally interested in staying current, relevant—and one step ahead of their competitors.

Smarter Working, from the Inside Out

Plantronics is an early adopter of the Smarter Working concept. In 2011 the company implemented a major transformation of its Swindon, England, offices, selling off space that was being underutilized and redesigning the remaining footprint to include specific areas for particular purposes, identified as places to:

- **Communicate:** Space for a mixture of face-to-face and virtual collaboration and communication, with fixed or flexible desk space
- **Collaborate:** Areas for group discussions, presentations, audio/video conferencing, and brainstorming
- **Contemplate:** Comfortable spaces used for taking time out and re-energizing
- **Concentrate:** Quiet, private, and enclosed space for focused individual work

As a result of the right-sizing and redesign, Plantronics reduced its physical footprint by more than 50 percent. And with the installation of a heat-recovery system, it radically cut its carbon footprint: The facility is now 45 percent more fuel efficient. In turn, employees have found that the reallocation of space enables them to work more comfortably and creatively.

The company had the opposite problem with its Santa Cruz, California, office: With significant business growth, it was running out of room and was faced with the need to either buy space or redesign what it had for better usage. In February 2012, Plantronics' Santa Cruz headquarters debuted its redesign, following the path of its UK offices in identifying particular areas for varying types of work.



Achieving emotional engagement is the holy grail of workplace design in the emerging innovation age, where knowledge is created and shared through networks.

Source: "Generation Y and the Workplace, Annual Report, 2010," Johnson Controls, 2010.

Even with such sweeping changes in layout, Plantronics has found that in both locations, the evolution of the company culture was perhaps the most pronounced change. Plantronics CEO Ken Kannappan and his top managers gave up their offices for open workspaces, breaking down physical barriers and helping to promote transparency throughout the organization.

Speaking about this transformation, Mr. Kannappan remarked, "In many ways, our existing office space wasn't allowing us to work efficiently, or at our peak potential creatively. It was cubicle based, and our people needed an environment that enabled an emotional flow and a collaborative atmosphere, where they could feed off of each other's energy in a positive way. Now, with our redesigned space we've upped the engagement level dramatically. We're all in this together, literally, and it's a win-win direction."

WHY NOW? THE REASONS BEHIND SMARTER WORKING

We've identified several ways in which Smarter Working concepts are being employed in the modern office, using a creative space redesign and employing communications technology that enables mobility. Now, let's examine the many reasons behind this evolution.

Smarter Working is driven by a complex set of conditions on a global scale—from the overall business world and large corporations down to individual employees' needs. The following are some of the key drivers of change.



In a 2010 Plantronics study of business professionals, 90 percent of those surveyed said that they work away from their office at least part of the time.

Source: "How We Work: Communications Trends of Business Professionals," Plantronics, 2010.

Employees' needs are shifting: Around the world, employees' psychological needs are changing with regard to work. This is particularly true of Generation-Y employees, born after 1981. Increasingly, they want more from their job than a paycheck; they desire more interaction, more mobility, more options—in short, they want a work life that's a better match with their values and social life, in a work environment that's more natural, both literally and figuratively.

For employers to meet these needs is not acceding to demands; it's Smarter Working. If a business can synch its own needs with employees' emotional needs, it's a win-win situation that has short- and long-term benefits for all.

The need for collaboration: Mentoring. On-the-spot training. Pooling concepts and expertise. Spontaneous meetings when there's a great idea. Collaboration, whether in person, via voice, or by video conference, are key drivers of Smarter Working because they're how we want to work—and because they've become a competitive necessity.

In order to get a better cross-pollination of ideas, many organizations are moving away from department-based teams in favor of project-based teams. This kind of collaboration requires greater mobility, the right communications tools, and a suitable place to meet up—and Conference Room B is not always ideal for this purpose.

Greater balance of work and play: It's not just the youthful Gen-Y employees that appreciate Smarter Working. Baby Boomers and members of Generation X—those born



Speed is considered a key differentiator, and it is becoming even more important as the pace of change is increasing and the half-life of knowledge is decreasing. Collaboration can be an effective vehicle for putting knowledge into action before it is outdated.

Source: "Collaboration 2020: Hype or Competitive Advantage?", Johnson Controls, 2011.



Companies are using their spaces to attract and engage the best workers, and there's a growing realization of the inter-relatedness of the workplace, company culture, and brand.

Source: "New-Gen Workers in India & China: Reshaping their Workplaces & the World," Steelcase, 2010.

from 1946 to 1964 and from 1965 to 1980, respectively—are embracing flexible and remote working because it helps them to balance workload with family and social life.

Mobility is key: As we've stated, employees are increasingly working from home, cafés, and airports. And even when they're in "the office," they're more mobile, moving from area to area. This is the new normal, and it will grow even more prevalent in the coming years.

Reduce costs, increase sales: Organizations' cost-reduction initiatives have been in place for years; most have made great inroads into cutting costs and improving efficiencies. Now they must show stakeholders that they can increase sales and improve revenues—yet still operate at peak cost efficiency. Smarter Working helps them to do both, enabling further cost reductions while helping to increase revenue.

Environmental sustainability: Driven by eco-sensitivity—and cost-reduction initiatives—many organizations are reducing their carbon footprint. Many companies, including Plantronics, are reducing energy usage by decreasing their space footprint, using natural light, and upgrading to next-generation IT equipment requiring far less energy for cooling and power. This trend toward environmental responsibility is popular with employees and CFOs alike.

The speed of business: We can all feel it—our work lives are moving faster than ever before. There's intense pressure to get more done in less time—which means working more efficiently, wherever you happen to be. Smarter Working is enabling us to perform and compete at higher levels.

THE BENEFITS OF SMARTER WORKING

It should be obvious by now: Smarter Working is not about being fashionable or pampering employees. Nor is it the result of an analyst's pie-in-the-sky "future trends" forecast. It's happening now, and it has real benefits that satisfy both an organization's business objectives and its employees' needs. Further, it provides companies with a stronger, more highly evolved platform from which to compete in the marketplace—whether regional, national, global.

Employers Win

Managed and designed properly, a Smarter Working environment is just good business. It can enable a newfound mobility, flexibility, and adaptability that elevate an organization's productivity and increase its shift with the markets.

A company's individual departments incur benefits as well:

- **Human Resources:** Better ability to recruit and retain top employees, and increased worker satisfaction
- **IT:** Enhanced information flow regardless of employee location
- **Facilities:** More efficient real estate utilization, reductions in space and energy costs, a lower carbon footprint
- **Finance:** Cost savings on space, energy, travel, relocations



"Plantronics is building products that can bridge the transition of the workplace, the realities of the different phones that might be in use for a particular user, and the specific needs of an enterprise. We optimize all of those experiences. That's the story of why we build what we build."

Bill Loewenthal,
Vice President,
Unified Communications Solutions,
Plantronics



We're collaborating more than ever via voice and video. According to a 2010 Plantronics study of business professionals, 83 percent of participants said they're involved in audio conferencing either all of the time, or frequently—and 62 percent in Web conferencing and webinars/webcasts. Further, 69 percent said they're audio conferencing more frequently, with 67 percent saying that about Web conferencing.

Source: "How We Work: Communications Trends of Business Professionals," Plantronics, 2010.

In Plantronics' unique case, implementing Smarter Working techniques has provided invaluable insights into product development, enhancing the company's ability to understand customers' evolving needs and provide them with the optimal products and technologies. On a larger scale, by adopting Smarter Working initiatives, all of Plantronics' employees can now better understand their customers and be more effective ambassadors for the Plantronics brand externally.

Employees Win, Too

Employees around the world are experiencing a profound impact from Smarter Working. Collaboration is easier; employees are better able to share ideas, build solutions—and see results. There's a greater openness for work conversations, mentoring, and relationship building, and the work experience is more fun and rewarding. And, because Smarter Working embraces all types of work—collaborative, immersive, reflective, mobile, remote—it offers a flexibility that employees truly value. All of these factors make for a higher level of emotional engagement—a key to success in any business.

High-Quality Conversation Is Essential

As the level of work-anywhere mobility increases, we'll have fewer face-to-face meetings, in which body language offers helpful visual insights into interpreting another person's meaning. Research shows that when we communicate face-to-face, just 7 percent of a conversation's importance is attributed to the message, 38 percent to tone of voice, and 55 percent to body language*. However, in a phone call, using only our voices to communicate, 13 percent of importance is attributed to the message, and fully 87 percent to tone of voice**.

And as most of us have found, as valuable as they are for brief communication, texts and emails often do not fully convey the sender's intended meaning. Going forward, these factors and others will place a far higher importance on how well we communicate. Our voices will be exponentially more important in the age of Smarter Working, and will be among our most critical business tools.

Unfortunately, with the growth of mobile phones, VoIP, and other network variables, audio quality has actually declined, becoming less reliable and less intelligible. Too often, the result is lost high-frequency signals and a dramatic variation in sound quality—which can increase the potential for misunderstanding—particularly in international calls—repeat callbacks from dropped calls, and poor business relationships due to audio interruptions.

The message is clear: High-quality, next-generation communications technology will be an essential part of driving the Smarter Working movement forward.

Communication Technologies Empower Change

The modern audio device is fast becoming the communication tool of choice for business users. Higher-end headsets and audio devices such as those from Plantronics are helping organizations to get the very best out of their voice communications.

Traditional telephones provide around 15 percent of the information in human speech; wideband technology in the latest Plantronics headsets captures 33 percent, so users

hear more detail, more clarity, and more warmth on wideband calls. Plantronics headsets have a frequency-response curve that boosts the “lost” high-frequency signals to produce a clearer conversation. And noise-cancelling microphones, placed close to the mouth with a highly adjustable boom, now help to eliminate the intrusive background noises that can affect home and mobile workers. Plantronics AudioIQ² technology adapts listening levels automatically, making sure that all parties to a conversation are heard clearly. And for those of us who work outside, microphones with Plantronics Windsmart[®] technology will help to eliminate the distracting wind noise.

The headset is empowering employees with the sound quality and mobility they need—and helping to accelerate many organizations’ move up the Smarter Working evolutionary ladder.

Sources:

* Face To Face: Mehrabian, A. (1971). Silent messages. Wadsworth, Belmont, California.

** Telephone: Mehrabian, Albert & Morton Wiener (1967): Decoding of inconsistent communications.

MATCHING AUDIO TECHNOLOGIES WITH NEW NEEDS

Let’s now examine some specific situations in which Smarter Working and, specifically, audio technologies from Plantronics, are increasing organizations’ competitive edge.

Hoteling Workstations

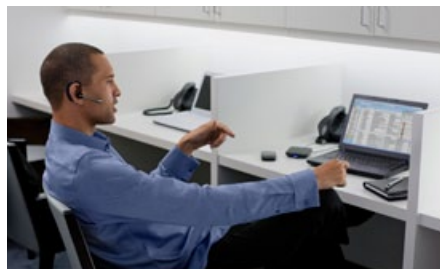


MDA200 + Blackwire[®] corded USB headset

You arrive at work and settle into an unassigned desk that has a desk phone and a docking station. With the MDA200 hooked up to your desk phone and PC, all you need to do is plug your favorite corded USB headset, like the Blackwire 420, into the MDA200—and you’re ready to make and accept calls from your PC and desk phone.



Touch Down Workstations



MDA200[™] with Voyager[®] PRO UC

This scenario is similar to the one above, except your favorite headset happens to be the Voyager PRO UC. On its own, it’s a wireless solution that connects to both the PC and mobile phone. However, when the Voyager PRO UC mini-USB adapter is plugged into the MDA200, calls can be made from the PC, the desk phone, and the mobile phone.



Open Workstations



Savi® 740

Staying close to your desk to make sure you don't miss a call can be frustrating, especially when people use different devices – the PC, desk phone, or mobile phone – to communicate. With the Plantronics Savi 740, you can stay connected to all three devices up to 350 feet from your desk. What if you're on a mobile call and have to leave the office? No problem. Transfer audio between headset and mobile phone with a press of a button, so you can take the mobile call with you.



City/Mobile Workspaces



Voyager PRO UC

Communication on the go has never been smarter. Now you can be truly mobile with the intelligent, next-generation Voyager PRO UC Bluetooth® headset system. The new Smart Sensor™ technology allows you to automatically answer calls simply by placing the headset over your ear, and transfer calls between mobile phone and headset whenever, wherever, for a seamless and intuitive user experience.



Hoteling Workstations



**Co-working communities –
Blackwire 420 or Savi 440**

You use your PC for 99 percent of your communications and you prefer a corded USB headset for video conferences, webinars, listening to music, and Skype calls. You also find yourself in many different locations on any given day—home, office, café, airport, hotel—so you prefer a headset that drowns out the background noise, helping you can focus on the conversation.



Working from Home



Calisto 800 Series

As beneficial as remote working can be, it also brings with it a unique set of challenges: the feeling of detachment from the office, unexpected noise distractions, multiple call sources, even lack of IT support. With the Calisto 835 multi-device speakerphone system, you get simple setup, multiple inputs—PC, mobile phone, landline—and superior sound quality.



CONCLUSION

Going forward, Plantronics believes that Smarter Working is a vital part of not only our business, but business in general, globally. As organizations strive to cut costs and raise revenue, reduce their carbon footprint, and compete in an ever-changing market, Smarter Working can not only help them meet these challenges, but can also provide their employees with a richer, more rewarding work experience. As the true breadth of this evolution is revealed, Plantronics will continue to deliver communications solutions that enable employees to do their best work—anywhere and anytime.

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