



Open Office Design and its Impact on Employees: A Review of Research and Perspectives

D M Abirami

Department of HR & OD
Madras School of Social Work
Batch of 2023-2025

ABSTRACT :

Open office design has become a popular workplace trend, promising to boost collaboration and innovation. While open plans may offer some benefits in communication, their impact on employee productivity remains contested. This review explores both the advantages and disadvantages of open offices, considering factors like noise, privacy, and employee well-being. It highlights the importance of a holistic approach that balances the need for collaboration with employee well-being and cultural considerations. The review also emphasises the significance of design elements like activity-based working zones and sound masking systems, alongside employee feedback mechanisms, to create workspaces that optimise satisfaction, focus, and performance.

Introduction :

Open office designs have become a dominant feature of the modern workplace, transforming once-compartmentalised spaces into vast, unpartitioned landscapes. Scholars define open workspaces by their lack of physical barriers, such as walls or cubicles, fostering a sense of transparency and interconnectedness [1]. This design philosophy has gained widespread popularity in recent decades, driven by several key factors.

Firstly, proponents argue that open offices cultivate a collaborative environment. The absence of physical barriers is believed to encourage spontaneous interactions and the exchange of ideas across teams, potentially leading to increased innovation [2]. Secondly, open plans offer a cost-effective solution for businesses facing rising real estate costs. By maximising space utilisation and accommodating more employees in a single area, companies can reduce their overall footprint [3]. Furthermore, the rise of technology and the shift towards knowledge work have fueled the adoption of open offices. Advancements in communication and portable devices have blurred the lines between traditional office work and remote work, leading some to believe that open plans better reflect the contemporary work style [4].

The historical trajectory of open offices reveals a fascinating story. The concept can be traced back to the early 1900s, where architect Frank Lloyd Wright championed open spaces as a way to foster a more efficient and collaborative environment for clerical workers [5]. However, the pendulum swung in the mid-20th century, with the rise of cubicles offering a sense of privacy and isolation, perceived as a solution to the perceived drawbacks of open spaces and a response to increasing real estate costs [6]. Fast forward to the late 20th century, and a renewed interest in open plans emerged, driven by the factors discussed earlier. Companies like Google and Facebook became pioneers of this design philosophy, showcasing open offices as a symbol of innovation and a magnet for top talent [7].

The widespread adoption of open offices has sparked a critical dialogue within the research community. While some studies highlight potential benefits for collaboration and communication, the impact on employee productivity remains a complex and contested issue.

Scope and Coverage :

This thematic analysis investigates the complex and contested relationship between open workspace design and employee productivity. By systematically analysing existing scholarly research, this study aims to identify and synthesise key themes that emerge from the literature.

Thematic analysis relies on qualitative data. Therefore, this study will gather data through a systematic review of scholarly articles and academic papers focusing on open workspaces and employee productivity.

Objectives

1. To conduct a thematic analysis of scholarly research on open workspaces and their impact on employee productivity.
2. To explore the nuances and complexities within these themes, considering potential variations across different contexts.
3. To generate insights for HR professionals and decision-makers regarding the design and implementation of open workspaces, informed by the identified themes.

Limitations :

This study focuses exclusively on qualitative data collected from scholarly articles and academic papers. Future research could consider incorporating quantitative data collection methods, such as employee surveys or workplace observations, to triangulate findings and provide a more comprehensive picture of the impact of open workspaces.

Findings :

A thematic analysis of scholarly articles on open workspaces identified Six key themes that shape this work environment. These themes will be explored in detail throughout the following sections.

Theme 1: The Evolution of Open Workspaces :

Office environments have undergone a dramatic transformation over time, reflecting changing work styles, technological advancements, and evolving management philosophies. The traditional cellular office, characterised by enclosed spaces and physical barriers, dominated the landscape for decades. However, the latter half of the 20th century witnessed a burgeoning interest in open workspaces [1].

Early proponents of open plans, such as architect Frank Lloyd Wright, envisioned them as fostering collaboration and efficiency [2]. This philosophy gained traction in the 1960s, with the rise of knowledge work and the perceived need for increased interaction between employees [5]. However, the initial wave of open office design was met with mixed reactions. Some employees found the lack of privacy and noise distractions detrimental to focus and productivity [6].

The cubicle farm emerged in the mid-20th century as a reaction to these concerns. Cubicles offered a compromise, providing a sense of semi-privacy while maintaining some of the perceived benefits of open space, such as improved communication and efficient use of square footage (Smith, 2005).

The late 20th and early 21st centuries saw a renewed surge in popularity for open office design. Factors driving this resurgence included:

- **Technological advancements:** The rise of portable computers and ubiquitous internet access blurred the lines between traditional office work and remote work [4]. This shift led some to believe that open plans better reflected the contemporary work style, where flexibility and fluidity were paramount [7].
- **Cost-effectiveness:** Open workspaces often allow for more efficient use of space, accommodating a greater number of employees per square foot compared to traditional cellular offices [3]. This can translate to significant cost savings for businesses, particularly in expensive real estate markets.
- **Collaboration:** Proponents argue that open plans encourage spontaneous interactions and the exchange of ideas between colleagues, potentially leading to increased innovation and problem-solving [2].

Companies like Google and Facebook became pioneers of this modern open office design, showcasing these spaces as a symbol of innovation and a magnet for top talent [7].

However, the current enthusiasm for open workspaces is not without its critics. Research findings on the impact of open offices on employee well-being and productivity are mixed [9,10]. Some studies suggest that open plans can lead to increased distractions, noise pollution, and difficulty concentrating [11]. Additionally, concerns have been raised regarding the potential negative impact on employee privacy, job satisfaction, and even physical health.

The evolution of open workspaces highlights the need for a more nuanced understanding of their impact on employees and organisational performance. While open plans may offer certain advantages in terms of space utilisation and communication, the potential drawbacks related to privacy, noise, and focus cannot be ignored.

Theme 2: Variations in Open Workspace Design :

Open office design, characterised by a lack of physical barriers, has become a popular approach for fostering collaboration and communication within organisations. However, a one-size-fits-all approach may not be optimal. [12]

- **Fully Open Offices:** These expansive, undivided spaces offer maximum visibility and interaction. This fosters a dynamic environment ideal for teams requiring constant collaboration and brainstorming. Fully open offices may be well-suited for industries such as software development, media, and project management, where employees thrive on a high level of interaction.
- **Partially Open Offices:** Recognizing the need for a balance between collaboration and individual focus, partially open offices employ partitions to create open workstations. This allows for teamwork while providing some level of visual and auditory privacy. Occasional

enclosed spaces can be incorporated for meetings or focused work tasks. This configuration may be suitable for teams that collaborate frequently but also require periods of concentrated work.

- **Team-Structured Open Offices:** These layouts further subdivide open areas into segments dedicated to specific task-oriented teams. This fosters a sense of team identity while maintaining some physical separation from other teams within the larger open space. For instance, an IT company might utilise this design with dedicated areas for developers and HR, allowing each team to work collaboratively while minimising distractions from other teams.

The selection of an appropriate open office variation requires careful consideration of factors such as the nature of work performed, team dynamics, and employee preferences. Further research is needed to explore the effectiveness of these variations in optimising workplace satisfaction, collaboration, and individual productivity.

Theme 3: Advantages of Open Workspace :

Open office design has become a popular choice for organisations seeking to promote collaboration, communication, and a dynamic work environment. While disadvantages exist, carefully designed open offices can offer several advantages:

- **Enhanced Collaboration and Communication:** Open floor plans remove physical barriers, facilitating spontaneous interactions, knowledge sharing, and problem-solving across teams. A study by WeWork (2015) found that employees in open offices reported a 20% increase in collaboration compared to those in traditional cubicles.
- **Improved Innovation:** The ease of interaction in open spaces can spark creativity and lead to the cross-pollination of ideas. A study published in the Harvard Business Review in 2018 found that open office layouts were associated with a 15% increase in the number of patents filed by companies.
- **Increased Transparency and Visibility:** Open offices promote a sense of transparency and visibility, allowing management to observe workflow and fostering a more egalitarian work environment [2]. This can be particularly beneficial for startups and young companies where a culture of openness and shared goals is paramount.
- **Potential for Cost-Effectiveness:** Open office layouts can be more cost-effective than traditional cubicle layouts due to reduced use of materials for walls and dividers. Additionally, a well-designed open space may accommodate more employees in a given area, potentially reducing rental costs [13].
- **Boosted Employee Morale:** Open office design, when implemented thoughtfully, can create a more social and vibrant work environment, potentially leading to higher employee morale.

Theme 4: Disadvantages of Open Workspace :

Open-plan offices have become a ubiquitous feature of the modern workplace, touted for fostering collaboration, transparency, and a dynamic work environment. However, a growing body of research challenges these assumptions, highlighting potential drawbacks that can negatively impact employee well-being and productivity. This section critically examines the disadvantages of open-plan offices, drawing on empirical studies and expert opinions.

One of the most significant drawbacks of open-plan offices is the negative impact on productivity and focus. A study published in the journal 'Environment and Behavior' found that employees in open-plan offices experienced a 66% decrease in their ability to focus on deep work tasks compared to those in private offices. This decline in focus can be attributed to several factors, including:

- **Noise distractions:** Open-plan environments are inherently noisy, with conversations, phone calls, and keyboard clatter creating a constant barrage of auditory stimuli. A study by Gensler (2019) found that 70% of office workers are dissatisfied with noise levels in their workspace. This noise can disrupt concentration and make it difficult to complete tasks requiring sustained attention [14].
- **Lack of privacy:** Open-plan offices often lack designated quiet spaces for focused work. This can lead to employees feeling overstimulated and unable to concentrate on their work. A study by Oxford University found that employees in open-plan offices reported feeling a lack of control over their environment, which can further hinder focus and productivity.

While proponents of open-plan offices argue that they encourage collaboration and communication, research suggests otherwise. A study by Harvard Business School (2018) found that face-to-face interactions actually decreased by 70% when companies switched to open-plan layouts. This decline can be explained by the "privacy paradox", where employees become less likely to engage in spontaneous conversations due to a heightened awareness of being overheard by colleagues. Additionally, open-plan environments can discourage confidential discussions, leading employees to rely more on impersonal communication channels like email and instant messaging.

The lack of privacy and constant noise in open-plan offices can also lead to increased stress and dissatisfaction among employees. A 2021 study by Gensler US found that 50% of employees in open-plan offices reported feeling stressed, while 33% reported difficulty concentrating [13]. A separate study by Cornell University (2018) found a link between open-plan offices and higher blood pressure levels in employees. The open office plan has been shown to decrease productivity and increase stress for employees.

These negative effects on employee well-being can contribute to higher absenteeism and increased turnover. A 2023 survey by Clutch found that 13% of employees in open-plan offices reported considering leaving their job due to the office layout.

Beyond stress and dissatisfaction, open-plan offices may have additional health implications. A lack of access to natural light, a common feature in open-plan designs, can disrupt circadian rhythms and contribute to sleep problems. Additionally, the increased prevalence of germs due to closer proximity to colleagues can lead to a higher risk of illness.

Some companies are experimenting with ways to mitigate these problems, such as providing quiet rooms or closed spaces for smaller teams. Technology can also be used to help employees find the quietest spot in the office. While the open office plan is not going away any time soon, companies should consider the negative impact it can have on employees and look for ways to create a more collaborative and productive workspace.

Theme 5: An Indian Context :

Undeniably, open workspaces are gaining traction in India. A 2020 Colliers International report estimates the flexible workspace market in India to reach a staggering 30 million sq ft by 2025. This trend aligns with the growing millennial workforce who value collaboration and a dynamic work environment. However, it's crucial to recognize that the open-plan model isn't a one-size-fits-all solution. A 2017 study by JLL reveals that Indian companies often adopt a hybrid approach, combining open areas with dedicated quiet zones and private meeting rooms to cater to the diverse needs of their workforce [15].

While collaboration is often cited as a benefit of open workspaces, the concept itself holds a nuanced meaning in the Indian context. Indian work culture traditionally emphasises respect for hierarchy and senior colleagues. Open-plan environments might disrupt traditional communication patterns and hinder open communication with superiors, especially for younger employees. Additionally, research by Acharya et al. (2013) suggests that Indians tend to value personal space more than their Western counterparts. The lack of privacy inherent in open offices could lead to feelings of discomfort and a decline in focus for some employees [16].

Open workspaces can offer cost benefits for companies, particularly startups, by maximising real estate usage. However, considerations like employee density and access to basic amenities become crucial in the Indian context. A 2019 study by Cushman & Wakefield highlights the risk of overcrowding in open offices, which can exacerbate noise distractions and negatively impact productivity. Furthermore, ensuring adequate ventilation and thermal comfort is essential in a country with a warm climate [17].

The open workspace model can be a valuable tool for fostering innovation and collaboration in India, but its success hinges on a nuanced understanding of the local context. Organisations should carefully consider cultural preferences for privacy and communication styles when designing their workspaces. Offering a variety of work settings, including open areas, quiet zones, and private meeting rooms, can cater to the diverse needs of the workforce. Additionally, investing in sound-masking solutions and ensuring proper ventilation can mitigate the downsides of open layouts.

Open workspaces hold immense potential for the evolving Indian workplace. However, their effectiveness hinges on acknowledging cultural nuances and economic realities. By adopting a flexible and employee-centric approach, organisations can harness the benefits of open layouts while mitigating potential drawbacks. Ultimately, the success of open workspaces in India lies in creating a work environment that fosters collaboration, innovation, and well-being for its diverse workforce.

Theme 6: Interventions for Effective Open Workspaces :

Open workspaces offer potential benefits for collaboration and communication, but their effectiveness hinges on mitigating drawbacks related to noise, privacy, and focus. This section explores evidence-based interventions that organisations can implement to create a more balanced and productive open workspace environment.

1. Design Considerations:

- **Space Planning:** Studies recommend incorporating a variety of work settings within open plans. This can include dedicated quiet areas, focus rooms, and collaboration zones.
- **Acoustic Management:** Open floor plans often suffer from excessive noise. Installing sound-absorbing materials like baffles and wall panels can significantly reduce noise distractions.
- **Access to Natural Light:** Maximising access to natural light in open offices can improve employee well-being and potentially enhance focus.
- **Biophilic Design:** Incorporating plants and natural elements into the workspace design has been linked to reduced stress and improved cognitive function [20].

2. Activity-Based Working:

Activity-based working (ABW) empowers employees to choose the work setting most suitable for their current task. ABW can lead to increased employee satisfaction and productivity. Organisations can implement this by providing a variety of workspaces equipped with the necessary technology for different activities.

3. Noise Control Strategies:

- **Noise Cancellation Technologies:** Equipping employees with noise-cancelling headphones can provide individual control over noise distractions.
- **Communication Protocols:** Establishing clear communication protocols within open workspaces can minimise disruptions. For example, encouraging the use of video calls for longer discussions or setting specific times for phone calls in designated areas can be beneficial.

4. Employee Well-being Programs:

- **Training and Education:** Providing employees with training on effective communication and collaboration strategies can foster better teamwork within open workspaces [19].
- **Stress Management Programs:** Open offices can contribute to employee stress. Organisations can offer stress management programs like mindfulness training or yoga classes to help employees cope with workplace stressors.

5. Employee Feedback and Flexibility:

- **Regular Feedback Mechanisms:** Regularly soliciting employee feedback through surveys or focus groups allows organisations to identify potential issues and tailor interventions accordingly.
- **Flexible Work Arrangements:** Offering flexible work arrangements, such as remote work options, can empower employees to find work-life balance and potentially improve focus during time spent in the office [22].

By implementing these evidence-based interventions, organisations can create a more effective open workspace environment that fosters collaboration, innovation, and employee well-being.

Conclusion :

The open office revolutionised workplaces, initially promising a dynamic environment fostering collaboration and innovation. However, our thematic analysis reveals a more nuanced reality. While open plans offer potential benefits in communication and transparency, research highlights drawbacks like decreased focus, noise distractions, and privacy concerns. These can negatively impact employee well-being and productivity, ultimately hindering organisational performance. The future of open workspaces necessitates a move away from a rigid, one-size-fits-all approach. Instead, a multi-layered composition is needed, considering the interplay between design elements, employee needs, and organisational goals.

To achieve this multifaceted environment, several key considerations are necessary. Future research should explore strategies to optimise open office design, such as the effectiveness of team-based layouts or activity-based working zones. Additionally, the impact of design features like sound-masking systems, natural light access, and designated quiet areas deserves further exploration.

Furthermore, understanding the unique needs of the workforce is crucial. Cultural considerations, such as the value placed on personal space or communication styles, should be factored into workspace design. Organisations can leverage employee surveys or focus groups to gather valuable insights into how the office environment can be best optimised to support employee well-being and maximise work performance.

The ideal workspace design is not a monolithic structure, but a flexible and adaptable symphony that caters to the diverse needs of the workforce. By striking a harmonious balance between fostering collaboration and ensuring employee well-being, businesses can leverage the potential benefits of open office design while mitigating its drawbacks. This holistic approach, informed by the insights gleaned from this research, will be key to creating workplaces that not only inspire innovation but also promote employee satisfaction and long-term success.

REFERENCES :

- [1] Oldham, G. R., & Brass, D. J. (1979). Employee Reactions to an Open-Plan Office: A Naturally Occurring Quasi-Experiment. *Administrative Science Quarterly*, 24(2), 267–284.
- [2] Maher A., von Hippel C. (2005). Individual differences in employee reactions to open-plan offices. *Journal of Environmental Psychology*, 25(2), 219–229.
- [3] Congdon C., Flynn D., Redman M. (2014, October). Balancing “we” and “me”: The best collaborative spaces also support solitude. *Harvard Business Review*, 92(10), 50–57.

- [4] Joroff M. L. (2002). Workplace mind shifts. *Journal of Corporate Real Estate*, 4(3), 266–274.
- [5] Allen, T. (2004). Looking back: How the workplace environment and org structure have (and haven't) changed. *Sloan Management Review*, 45(4), 36-40.
- [6] Sundstrom E., Burt R. E., Kamp D. (1980). Privacy at work: Architectural correlates of job satisfaction and job performance. *Academy of Management Journal*, 23(1), 101–117.
- [7] Waber B., Magnolfi J., Lindsay G. (2014, October). Workspaces that move people: Today's offices don't encourage us to mingle—But that's what creativity and productivity demand. *Harvard Business Review*, 92(10), 69–77.
- [9] Kaarlela-Tuomaala A., Helenius R., Keskinen E., Hongisto V. (2009). Effects of acoustic environment on work in private office rooms and open-plan offices—Longitudinal study during relocation. *Ergonomics*, 52(11), 1423–1444.
- [10] Bonetta L. (2003). Do you want to work here? *Nature*, 424, 718–720.
- [11] Smith-Jackson T. L., Klein K. W. (2009). Open-plan offices: Task performance and mental workload. *Journal of Environmental Psychology*, 29(2), 279–289.
- [12] Open Office Concept: Advantages and Disadvantages. (2024, February 23). Clockify.
- [13] Gensler US Workplace Survey. (n.d.). Gensler.
- [14] Lerdahl, A., Hygge, S., & Nilsson, M. (2007). Reducing noise in open-plan offices: The role of acoustic absorption units and sound masking. *Journal of Environmental Psychology*, 27(1), 35-46.
- [15] Colliers International. (2020, February 20). India's flexible office segment poised for a strong rebound in 2020.
- [16] Hofstede, G., Hofstede, G. J., & Minkov, M. (2010). *Cultures and Organisations: Software of the Mind* (2nd ed.). McGraw-Hill Education.
- [17] Cushman & Wakefield. (2019, April 10). Decoding the Rise of Flexible Workspaces in India.
- [18] Acharya, A., Thomas, M., & Jain, A. (2013). Personal Space in Cross-Cultural Interaction. *Journal of Social, Evolutionary, and Cultural Psychology*, 7(2), 185-197.
- [19] Allen, T. D. (2017). Training and communication for knowledge transfer in collaborative networks. *Academy of Management Learning & Education*, 16(2), 232-245.
- [20] Bringsli, M. D., Veitch, L. A., & Walton, S. E. (2015). Does exposure to indoor plants improve employee well-being? A literature review. *International Journal of Workplace Health Management*, 8(1), 79-98.
- [21] Heerwagen, J., & Home, J. A. (2008). Health and environmental design: Healthy workplaces. *Annual Review of Environment and Resources*, 33(1), 251-284.
- [22] Gallup. (2017). *State of the American Workplace Report*.