



# General Assembly

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## Seventy-eighth session

Items 137 and 147 of the provisional agenda\*

### Proposed programme budget for 2024

### Report on the activities of the Office of Internal Oversight Services

## Evaluation of the implementation of a flexible workplace at United Nations Headquarters

### Report of the Office of Internal Oversight Services

#### *Summary*

The General Assembly, in its resolution [75/253 C](#), requested the Secretary-General to present to it at its seventy-eighth session a comprehensive report that provided a forward-looking assessment of the workplace at Headquarters, to be considered in conjunction with an evaluation by the Office of Internal Oversight Services (OIOS) of the completed flexible workplace project, which would be presented at the same session. In its evaluation, OIOS assessed the extent of benefits achieved by implementing a flexible workplace with respect to space and cost efficiency, staff productivity and well-being, and environmental sustainability.

By implementing the flexible workplace project at Headquarters, the United Nations created additional capacity as planned and achieved significant cost savings on office leases and other operating expenditures. It also enhanced the Organization's business continuity and resilience and contributed to environmental sustainability by reducing greenhouse gas emissions generated. However, the implementation did not demonstrably improve staff productivity and well-being and may have an adverse impact if existing issues relating to noise, lack of privacy and inadequate enclosed space are left unaddressed. These would require both adjustments to space design and to the behaviours of staff in the flexible workplace. As the lower occupancy after the pandemic significantly improved staff experience with the flexible workplace, using flexible working arrangements in conjunction with the flexible workplace is key to maintaining staff productivity and well-being.

To address issues identified in the evaluation, OIOS made two recommendations to the Department of Operational Support. The Department accepted the recommendations and has initiated action to implement them.

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\* [A/78/150](#).



## I. Introduction

1. The General Assembly, in its resolution [75/253 C](#), requested the Secretary-General to entrust the Office of Internal Oversight Services (OIOS) with an evaluation of the completed flexible workplace project.
2. The flexible workplace project refers to the reconfiguration and renovation of the Secretariat Building to a physical workplace that enables flexible ways of working. It consists of an open office layout, which provides a pool of desks and allows employees to choose where to sit on a first-come, first-served basis on some floors, while on others, they may be required to make an advance reservation for a desk.
3. It was envisaged that implementing a flexible workplace would bring qualitative and quantitative benefits to the Secretariat at United Nations Headquarters. The expected quantitative benefits included improved space efficiency, savings on real estate and operating costs, and improved environmental sustainability. The expected qualitative benefits included increasing choices about where and how to work, which would empower staff and positively affect their motivation and morale. Other positive changes, such as increased collaboration and interaction, effective knowledge-sharing among staff, increased organizational resilience, reduced absenteeism and improved ability to attract high-calibre recruits were also identified as qualitative benefits of a flexible workplace.

## II. Background

### Decision to implement a flexible workplace at United Nations Headquarters

4. In 2006, during the implementation of the Capital Master Plan,<sup>1</sup> the General Assembly, in its resolution [60/282](#), stressed the need for a long-term strategy for office accommodation at Headquarters. In response, the Secretary-General conducted a comprehensive feasibility study during the period 2010–2011 that considered using a flexible workplace to potentially reduce the need for additional office accommodation over the long term. An expanded feasibility study conducted during the period 2012–2013 provided a more detailed analysis of the use and types of flexible workplaces to reduce the space requirement per person.
5. The feasibility studies led to the development of a business case during the period 2014–2015, which concluded that a flexible workplace would bring various benefits and directly support the broader management reform goal of the Secretary-General to create a modern, agile business model for the Secretariat and one that increased effectiveness across work processes. Accordingly, in its resolution [69/274 A](#), the General Assembly approved the project's scope to implement a flexible workplace at Headquarters.
6. A flexible workplace is distinct from flexible working arrangements. Still, they are complementary as indicated in resolution [71/272 A](#), in which the General Assembly decided that “flexible working arrangements shall be an integral part of all flexible workplace strategies”. Flexible working arrangements are adjustments to the normal working hours and locations. Some form of flexible working arrangements has been in place in the United Nations Secretariat since August 1995,<sup>2</sup> with updates

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<sup>1</sup> The project to renovate the United Nations Headquarters complex in New York was authorized by the General Assembly in 2000 and closed out in 2013.

<sup>2</sup> See [ST/AI/408](#).

to the policy in February 2003<sup>3</sup> and June 2019.<sup>4</sup> Four options for flexible working arrangements are currently available: staggered working hours, a compressed work schedule, a scheduled break for external learning activities and work away from the office (telecommuting).

### **Coronavirus disease (COVID-19) outbreak and closure of the project**

7. The flexible workspace project envisaged converting 27 floors of the Secretariat building into a flexible workplace. The implementation of the project was severely affected by delays resulting from the coronavirus disease (COVID-19) outbreak. After the stay-at-home order for New York State came into effect on 20 March 2020, all construction activities were suspended. They were partially resumed in July 2020 to complete two floors that were at an advanced stage. However, given the uncertainty surrounding the post-pandemic work modality, the Administration decided to put the project on hold after completing 22 floors. In his report to the General Assembly on 15 March 2021, the Secretary-General requested that the project be closed without completing the remaining floors.<sup>5</sup> The General Assembly approved this request,<sup>6</sup> and the flexible workplace project was concluded on 31 December 2021. However, the flexible workplace approach continues to be implemented where appropriate by reconfiguring office spaces to meet operational requirements.

## **III. Objective, scope and methodology**

8. The objective of the evaluation was to determine the effectiveness and efficiency of implementing a flexible workplace at United Nations Headquarters and was aimed at providing an answer to the following three key questions:

- (a) To what extent has the implementation of a flexible workplace improved operational efficiency?
- (b) To what extent has the implementation of a flexible workplace improved overall productivity and staff well-being?
- (c) How sustainable is the flexible workplace?

9. OIOS also analysed unintended consequences from the COVID-19 outbreak that may have had an impact on the achievement of the project objectives.

10. The evaluation covered the period from 2014 to 2022 and used qualitative and quantitative methods in seeking evidence, which included: desk review of relevant documentation; interviews with programme managers and process owners; analysis of data relating to attendance, telecommuting, programme performance in Umoja and staff entries to the Secretariat Building for selected weeks during the period 2019–2023; and review of external research and studies. OIOS also conducted a survey that was open to all levels of Secretariat staff working at Headquarters from 31 January to 14 February 2023. A total of 2,722 out of 8,759 staff in the survey population responded, for an overall response rate of 31 per cent. Of the 2,722 respondents, 1,657 were staff working in the Secretariat Building, accounting for 49 per cent of the total number of staff assigned to the Building: 59 per cent were female and 41 per cent male; and 64 per cent were in the Professional and higher categories, 34 per cent were in the General Service category and 2 per cent were in other categories. Following the survey, OIOS conducted focus groups with 18 staff from 11 entities in the flexible

<sup>3</sup> ST/SGB/2003/4.

<sup>4</sup> ST/SGB/2019/3.

<sup>5</sup> See A/75/342/Add.1.

<sup>6</sup> Resolution 75/253 C.

workplace. Participants were selected from survey respondents who had agreed to participate in focus groups and provided contact information considering their entity, gender, occupational group and grade. Some of these data sources reflected the collective views of staff and were triangulated with other data sources to the extent possible.

11. OIOS undertook the evaluation in three steps: data collection, data analysis, and drafting and reporting, and applied the norms and standards established by the United Nations Evaluation Group. Comments received from the Department of Operational Support are included in the annex to the present report.

## **IV. Evaluation results**

### **A. Implementation of a flexible workplace improved operational efficiency by creating additional office space capacity and achieving cost savings on office leases and other operating expenditures**

#### **The flexible workplace project has increased office space capacity beyond the level initially targeted**

12. Under the flexible workplace project conventional office space was converted into a flexible workplace for 22 of the 27 floors initially planned for reconfiguration; and the capacity of the reconfigured floors was increased from 1,880 to 3,171 staff members by increasing the number of workstations and the assignment of staff based on a staff-to-seat ratio of 1.25 to 1.

13. Table 1 shows the actual assignment of 3,816 staff members to the 22 floors against the designed capacity of 3,171 as at 22 May 2023. Ten of the 22 floors had assignment ratios below the planned 1.25 to 1 staff-to-seat ratio, largely due to vacancies.<sup>7</sup> The remaining floors had assignment ratios greater than 1.25 to 1 based on the space needs of entities after the pandemic, considering the increased use of flexible working arrangements. Overall, the average staff-to-seat ratio in the flexible workplace was 1.49 to 1 at the time of the present evaluation.

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<sup>7</sup> The vacancy rates of the Department of Global Communications, Department of Management Strategy, Policy and Compliance, Department of Operational Support, Department of Peace Operations and Department of Political and Peacebuilding Affairs ranged from 5 to 17 per cent during the period 2019–2022. More than 80 per cent of the workforce in these entities work in a flexible workplace in the Secretariat Building.

**Table 1**  
**Designed and actual usage of reconfigured floors as at 22 May 2023**

(Number of personnel assigned to each floor)

<i>Floor</i>	<i>Original capacity<sup>a</sup></i>	<i>Designed capacity<sup>b</sup></i>	<i>Staff capacity<sup>c</sup></i>	<i>Posts assigned<sup>d</sup></i>	<i>Assignment ratio<sup>e</sup></i>
7	72	148	113	125	1.11
9	77	151	122	171	1.40
10	85	148	120	188	1.57
11	89	154	124	198	1.60
12	67	135	109	121	1.11
13	74	130	107	250	2.34
14	88	144	115	131	1.14
17	90	143	115	205	1.78
18	87	148	119	195	1.64
19	89	138	112	197	1.76
20	79	119	100	175	1.75
21	89	139	113	239	2.12
22	90	155	125	175	1.40
23	91	136	111	187	1.68
24	92	128	105	165	1.57
25	86	153	124	148	1.19
26	91	154	125	140	1.12
30	82	140	115	135	1.17
31	92	146	119	145	1.22
33	85	165	132	257	1.95
34	89	144	117	132	1.13
35	96	153	124	137	1.10
<b>Total</b>	<b>1 880</b>	<b>3 171</b>	<b>2 566</b>	<b>3 816</b>	<b>1.49</b>

*Source:* Division of Administration, Department of Operational Support.

<sup>a</sup> Before the flexible workplace project.

<sup>b</sup> The planned number of people that can be assigned to a floor, taking into consideration absences due, for example, to leave and travel. Assignment per floor is calculated on the basis of the number of unassigned desks on the floor multiplied by 1.25, plus the number of dedicated offices.

<sup>c</sup> The number of staff who can occupy the floor on any given day.

<sup>d</sup> The number of posts assigned to the floor by department or office.

<sup>e</sup> Staff-to-seat ratio.

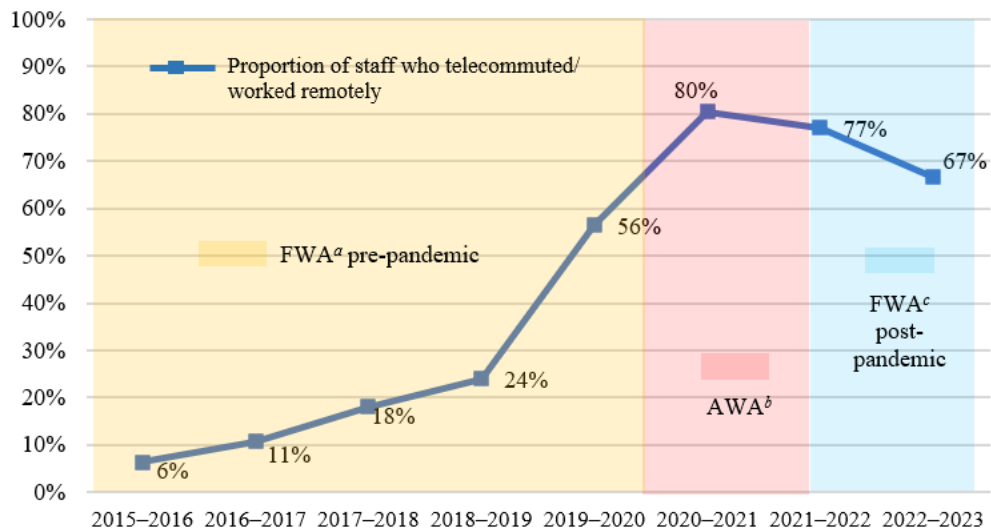
14. Since the end of the flexible workplace project, there have been changes to the planned occupation of 15 of the 22 floors due to the relocation of staff from the offices at 1 United Nations Plaza (DC-1) in the fourth quarter of 2022 and the first quarter of 2023. According to the Department of Operational Support, the roll-out of the flexible workplace, combined with the increased use of flexible working arrangements, made it possible to consolidate staff from the DC-1 building without significant modifications to the physical space, except for the 8th floor, which was converted in 2022 to facilitate the consolidation of one department from multiple locations.

### Occupancy levels were lower than envisaged

15. Despite the capacity gain, physical occupancy of the Secretariat Building has been lower than originally envisaged. According to the time management system in Umoja, the proportion of staff at Headquarters who worked remotely from one to five days a week peaked during the 2020–2021 leave cycle<sup>8</sup> (80 per cent). This rate of occupancy was driven by the mandatory alternate working arrangements in effect from March 2020 to July 2021 due to the pandemic. During that period, staff members other than those with essential functions that could only be performed on-site, were requested to work from home five days a week. In July 2021, alternate working arrangements were discontinued but staff members could exceptionally telecommute up to four days a week. Since the “next normal” phase for Headquarters was put into effect in April 2022, the proportion of staff telecommuting has decreased gradually, as shown in figure I.

Figure I

#### Proportion of Headquarters staff who telecommuted or worked remotely under flexible or alternate working arrangements



Source: Umoja.

<sup>a</sup> Flexible working arrangements, pre-pandemic: before March 2020.

<sup>b</sup> Alternative working arrangements: from March 2020 to July 2021.

<sup>c</sup> Flexible working arrangements, post-pandemic/next normal: starting July 2021/April 2022.

16. Actual occupancy of the Secretariat Building was reviewed by examining the entry of staff and non-staff personnel (interns, consultants, etc.) at the two security gates on a sample basis, for the first week of the month during February, June and October 2022.<sup>9</sup> The entry data during those weeks was compared with the number of people assigned to each entity in the flexible workplace in order to calculate the occupancy ratio. The average ratio was estimated at 27 per cent, ranging from 13 per cent to 41 per cent, depending on the entity. The estimates were in line with the OIOS staff survey, according to which 84 per cent of respondents reported telecommuting regularly. There is an upward trend in the occupancy ratio in 2023. In a subsequent review of entry data during the second and fourth weeks of April 2023,<sup>10</sup> the rate was

<sup>8</sup> From 1 April to 31 March.

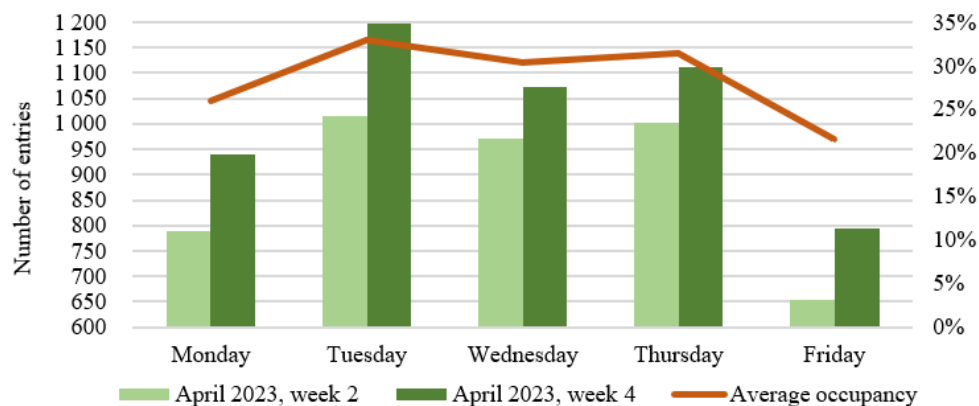
<sup>9</sup> Due to the significant transactional volume, OIOS reviewed entries for the first full week of February, June and October 2022 as data in the past four leave cycles showed a low-to-medium frequency of staff absences in those months.

<sup>10</sup> Due to official holidays in the first and third weeks of April 2023, OIOS used the second and fourth weeks for its analysis.

estimated at 30 per cent, ranging from 16 to 50 per cent. According to the entry data, occupancy also fluctuated during the week, with the highest rate on Tuesdays and the lowest on Fridays, as shown in figure II.

Figure II

**Entries of staff and non-staff personnel in the Secretariat Building in the second and fourth weeks of April 2023**



Source: Entry data provided by the Department of Safety and Security.

**The flexible workplace has achieved significant cost savings on office leases and other operating expenditures, while accounting for limited savings on utilities**

17. Since the launch of the flexible workplace project in 2015, the Organization has discontinued three commercial building leases, at 220 East 42nd Street (Daily News Building), 300 East 42nd Street (Innovation Building) and 3 Court Square, Long Island City (United Nations Federal Credit Union Building), and two floors under another lease at 304 East 45 Street (FF Building). As shown in table 2, the cumulative savings on leases of \$76 million exceeded the project cost of \$49.2 million resulting in net savings of \$26.8 million as at 31 December 2022. Furthermore, planned non-renewal of the DC-1 lease in 2023 is expected to bring additional savings of \$9.6 million per annum calculated at the rate of the lease that ended in March 2023.

Table 2

**Savings on office leases net of project costs**

(Thousands of United States dollars)

Leased building	2015	2016	2017	2018	2019	2020	2021	2022
Daily News Building			1 436	2 421	2 421	2 421	2 421	2 421
United Nations Federal Credit Union Building				2 454	3 723	3 723	3 723	3 723
Innovation Building				2 667	9 271	9 271	9 271	9 271
FF Building						977	2 197	2 197
Total annual saving	0	0	1 436	7 542	15 415	16 392	17 612	17 612
Cumulative saving	0	0	1 436	8 978	24 393	40 785	58 397	76 009
Annual project costs	(5 509)	(6 763)	(10 294)	(11 991)	(12 861)	(524)	(271)	0
Cumulative costs	(5 509)	(12 272)	(22 566)	(34 557)	(47 418)	(47 942)	(49 213)	(49 213)
<b>Net (costs)/savings</b>	<b>(5 509)</b>	<b>(12 272)</b>	<b>(21 130)</b>	<b>(25 579)</b>	<b>(23 025)</b>	<b>(7 157)</b>	<b>9 184</b>	<b>26 796</b>

Source: Division of Administration, Department of Operational Support.

18. Electricity or other forms of heating and cooling, as well as water costs, were operating expenses to the landlords of the vacated buildings and paid out of the office lease. Therefore, savings on utility costs were embedded in savings on the office lease, estimated at \$514,561 per month on average.

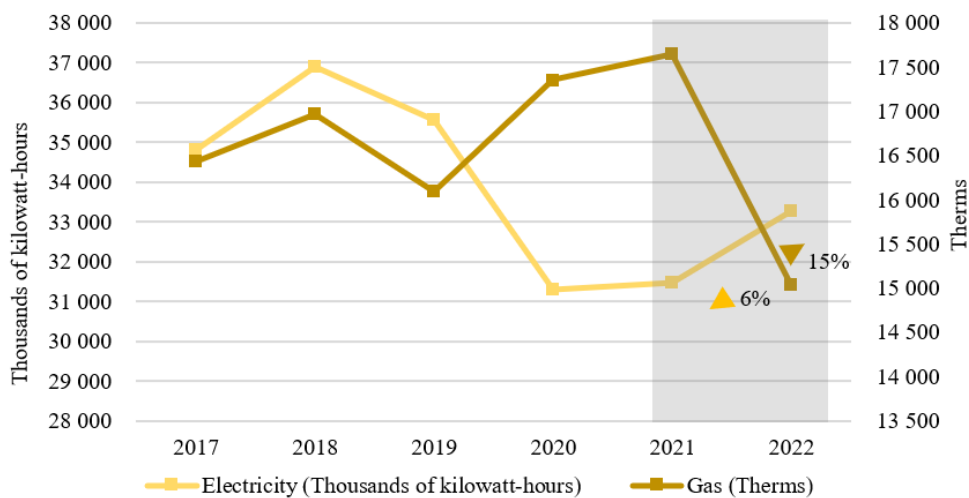
19. Utility costs for the Secretariat Building (see table 3) are highly dependent on the weather and market rates and less so on occupancy. Utility costs increased by 20 per cent from 2021 to 2022, although the usage of gas and steam dropped by 15 per cent and 8 per cent, respectively, and water usage increased by only 2 per cent as shown in figures III and IV. There was an uptick in electricity usage but the surge in cost was driven by an 11 per cent increase in the market rate of electricity. The Department of Operational Support commented that it was working on installing meters to enable better monitoring and analysis of water usage in the future.

**Table 3**  
**Utility costs, 2017–2022**  
(Thousands of United States dollars)

	2017	2018	2019	2020	2021	2022
Electricity	5 777	5 582	5 063	4 672	5 600	7 136
Steam	2 527	2 401	2 651	2 173	2 469	2 678
Gas	15	20	17	15	19	24
Water	622	848	1 067	929	995	1 057
<b>Total</b>	<b>8 941</b>	<b>8 851</b>	<b>8 798</b>	<b>7 789</b>	<b>9 043</b>	<b>10 895</b>

Source: Division of Administration, Department of Operational Support.

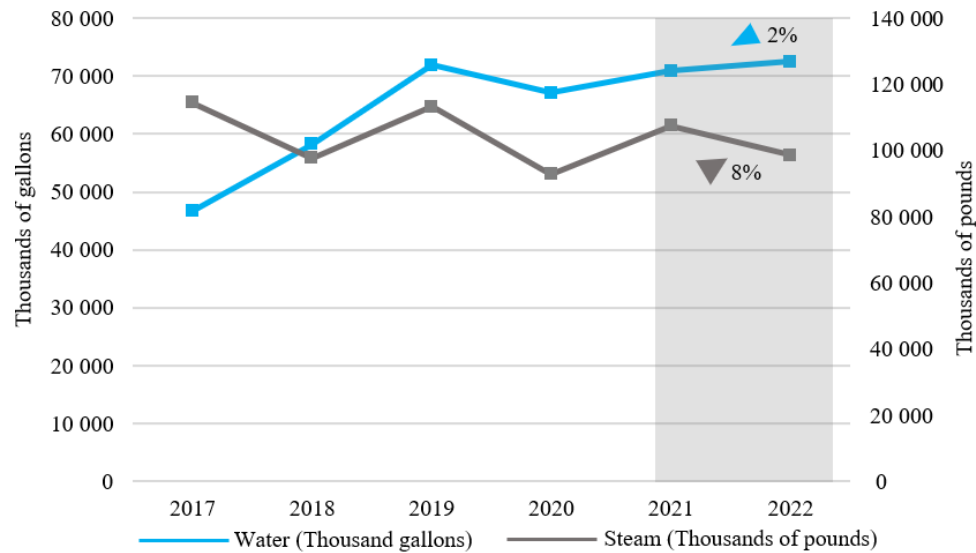
**Figure III**  
**Usage of electricity and gas**



Source: Division of Administration, Department of Operational Support.



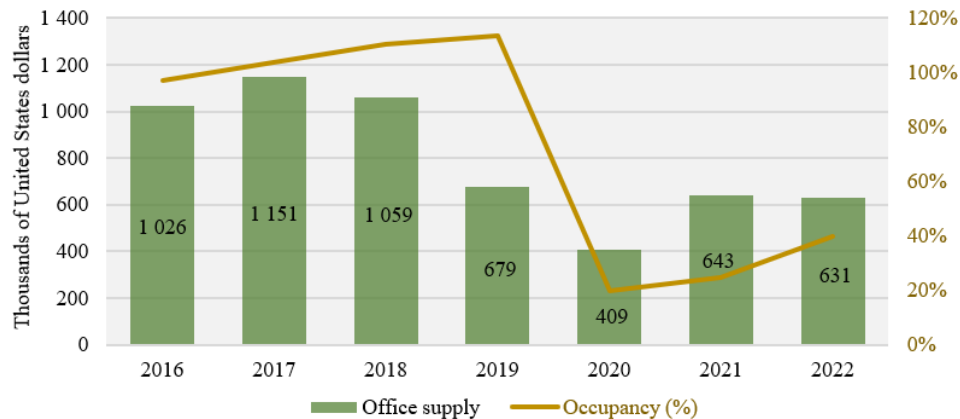
Figure IV  
Usage of water and steam



Source: Division of Administration, Department of Operational Support.

20. As shown in figure V, there is a downward trend in the cost of office supplies driven by digital transformation and enterprise applications, which were fundamental in the implementation of the flexible workplace. The use of centralized printers and limited filing space in the flexible workplace also reduced the use of paper and led to cost savings in office supplies. As a result, the 2022 cost for office supplies remained at a reduced level, although the occupancy was higher compared with 2021.

Figure V  
Office supply expenditures in the Secretariat Building, 2016–2022

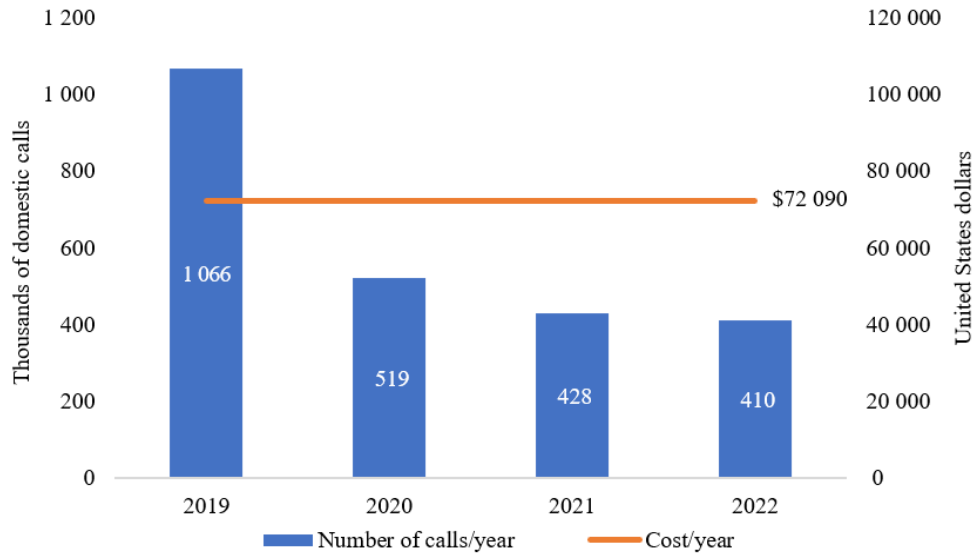


Source: Division of Administration, Department of Operational Support.

21. About 7,500 voice over Internet protocol phone lines are registered in the telephone management system at Headquarters, and each workstation in the flexible workplace is equipped with a handset telephone. Since the office closure in 2020, however, meetings applications such as Microsoft Teams and WebEx have become the primary means of communication and have reduced the use of handset telephones to a considerable extent. The number of domestic calls at Headquarters dropped by 62 per cent from 1,066,000 in 2019 to 410,000 in 2022, as shown in figure VI, while

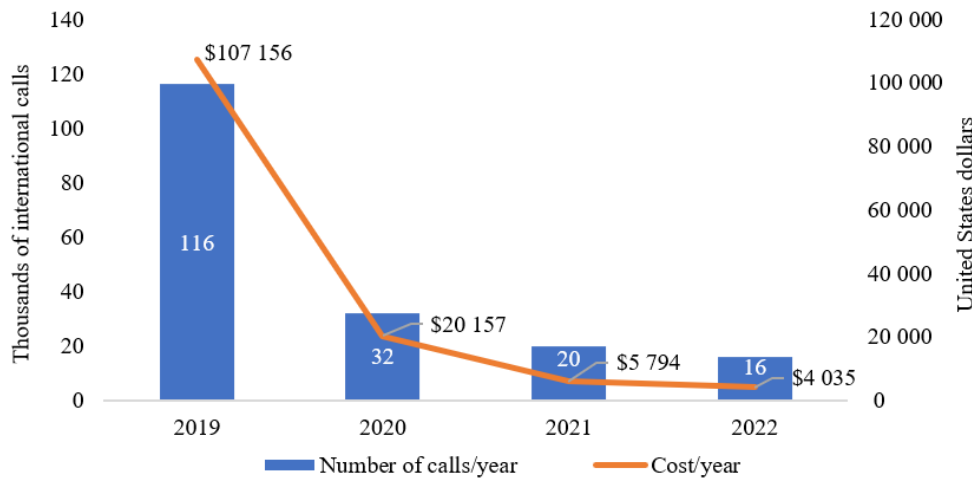
the annual cost remained the same at \$72,090. Similarly, the number of international calls dropped by 82 per cent, and the annual cost was reduced by 96 per cent, from \$107,156 in 2019 to \$4,035 in 2022, as shown in figure VII.

Figure VI  
**Number and cost of domestic calls per year, 2019–2022**



Source: Office of Information and Communications Technology.

Figure VII  
**Number and cost of international calls per year, 2019–2022**



Source: Office of Information and Communications Technology.

22. Despite its low usage, the Organization pays about \$1.7 million annually to maintain voice over Internet protocol telephone services. For cost and operational efficiency, it would be prudent to assess the continuous need for telephone services and limit the number of lines where possible. The Office of Information and Communications Technology brought issues related to the current telephone services to the attention of the Information and Communications Technology Steering Committee on 22 May 2023 and proposed the migration of voice over Internet protocol telephones to Microsoft 365 at Headquarters.

## B. The implementation of a flexible workplace did not demonstrably improve staff productivity and may have negatively contributed to staff health and well-being

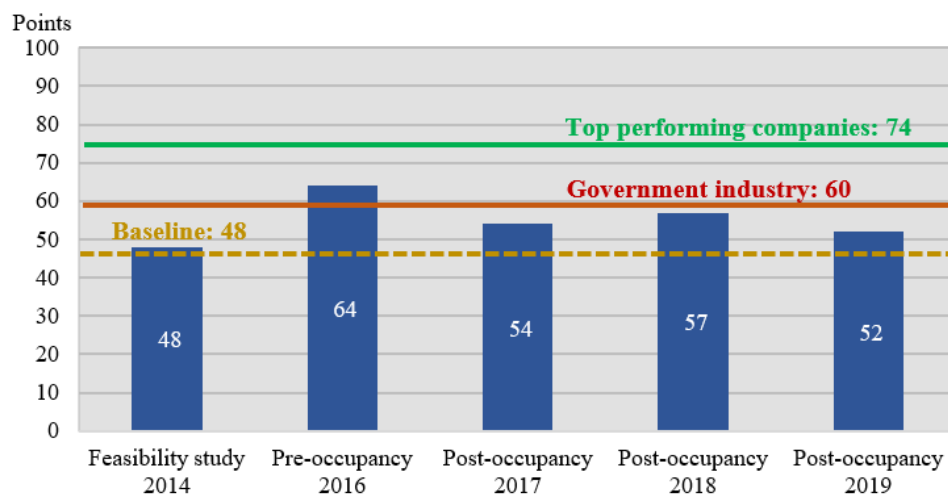
### There was no noticeable improvement in staff productivity directly attributable to the implementation of the flexible workplace

23. Higher staff productivity was one of the benefits that the Secretary-General anticipated before the flexible workplace project was launched in 2015. OIOS assessed changes in staff productivity with indicators such as the workplace performance index, performance deliverables and survey results.

24. During the feasibility study of flexible workplace in 2014, an external consultant introduced the workplace performance index to measure staff productivity, which also served as the baseline for subsequent assessments. The index is based on two core measurements: (a) the effectiveness of the workplace in supporting four work modes: focus work, collaboration, learning and socialization; and (b) the effectiveness of the key physical attributes of the workplace, such as layout, acoustics, privacy, light, air and furniture comfort.

25. The external consultant study showed that the workplace performance index in the Secretariat was consistently higher than the work performance index in the 2014 feasibility study (baseline) throughout the flexible workplace project, which was interpreted as an indication of improved staff productivity. However, the baseline score was computed on the basis of survey responses from a limited number of the pilot study participants,<sup>11</sup> who worked in the same function. It was estimated at 48 points out of 100, considerably lower than the average workplace performance index of government industry (i.e. 60) and top performing companies (i.e. 74)<sup>12</sup> as shown in figure VIII. Higher scores in subsequent studies in 2017, 2018 and 2019 indicated relative improvements, but they did not demonstrate that staff were as productive in the flexible workplace as initially envisaged.

Figure VIII  
Workplace performance index, 2014–2019



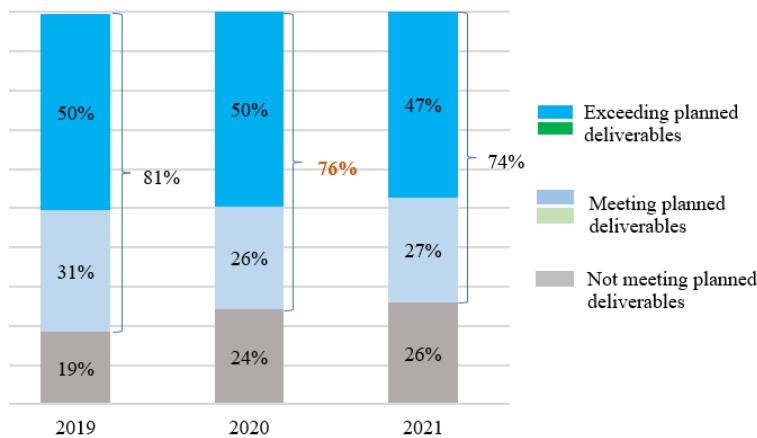
Source: Gensler Research Institute.

<sup>11</sup> The survey was sent to 65 staff of the former Office of Human Resources Management. OIOS could not confirm the number of responses to the survey.

<sup>12</sup> A composite measure of the effectiveness and functionality of the physical workspace introduced by the external consultant based on more than 30 individual variables.

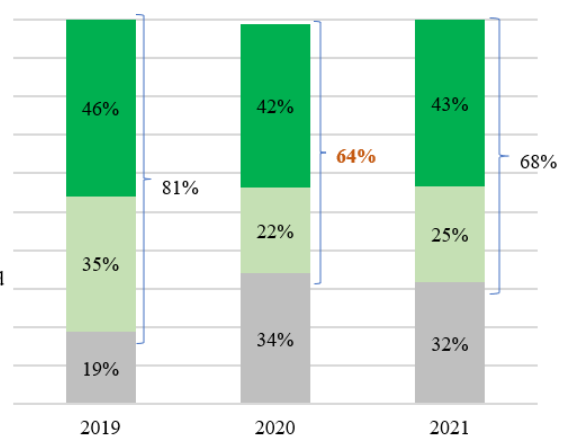
26. OIOS compared the performance deliverables of entities predominantly in the flexible workplace with those of other entities in 2019, 2020 and 2021<sup>13</sup> as reported in the programme budget proposals. In both groups, the ratios of entities achieving and exceeding planned deliverables declined in 2020. However, the declines were less severe for entities in the flexible workplace (81 per cent in 2019 and 76 per cent in 2020) than for other entities (81 per cent in 2019 and 64 per cent in 2020), as shown in figures IX and X. This may be attributable to the fact that entities in the flexible workplace were better equipped with digital tools and more familiar with a mobile way of working before the pandemic. Their readiness for full remote working may have prevented more drastic declines in performance. However, it was unclear whether other factors such as the nature of work drove the performance by a larger margin.

Figure IX  
Performance outcomes of entities predominantly in the flexible workplace, 2019–2021



Source: Programme budget proposals.

Figure X  
Performance outcomes of other entities, 2019–2021



Source: Programme budget proposals.

27. The common indicators in budget proposals such as the number of outreach activities, seminars, workshops and events may not be effective in gauging productivity changes. For instance, the performance decline in 2020, as shown in figures IX and X may be driven by external factors such as office closure, travel restrictions and changes to planned activities due to the pandemic rather than reduced staff productivity.

28. Determining productivity changes would require assessing complete and consistent performance data with more granularity. Recognizing the challenges of programme management, the Secretary-General launched the strategic planning, budgeting and performance management solution in 2020 as an extension to Umoja. The strategic management application and integrated planning, management and reporting solution are essential components of strategic planning, budgeting and performance management. The strategic management application manages programme deliverables, enabling monitoring of both qualitative and quantitative performance measures. The integrated planning, management and reporting tracks project status and outcomes at a granular level. Both solutions assign responsible organizational units and officers to each indicator and output, thereby clarifying accountability.

<sup>13</sup> Data before 2019 was not comparable due to the structural changes as part of the Secretary-General's management reform effective 1 January 2019.

29. The strategic management application and the integrated planning, management and reporting solution could be vital tools for analysing the productivity changes of entities and their staff going forward, but the completeness of the data must be improved. OIOS reviewed 170 performance indicators, 852 deliverables and 171 approved projects of six entities<sup>14</sup> in the flexible workplace in the integrated planning, management and reporting solution. It showed that tracking was not always timely or comprehensive. For example, of the 171 approved projects under monitoring, 73 (43 per cent) still needed performance baselines or targets after more than one year from the project start date. The Department of Management Strategy, Policy and Compliance explained that the frequency of data updating is left to discretion of each entity. The Department was working towards improved data quality through training and support for entities.

30. In the staff survey, 47 per cent of staff responded that working in a flexible workplace had a negative impact on their productivity, whereas 17 per cent reported a positive impact. Focus groups highlighted the extra time taken by staff to settle at workstations and indicated staff difficulty in being able to concentrate, especially when they had no choice but to discuss or work on confidential matters in an open space, which is explained in greater detail later in the present report. In the same survey, 81 per cent of staff who were not first reporting officers responded that telecommuting had a positive impact on their productivity while 2 per cent reported a negative impact. With respect to managers, who were first reporting officers, 59 per cent reported that telecommuting had a positive impact on staff productivity, with 8 per cent reporting a negative impact.

#### **Increased telecommuting and resultant lower occupancy levels have improved staff experiences in the flexible workplace**

31. With increased telecommuting, the work environment after the pandemic is notably different from that before the pandemic. Through the survey, OIOS measured staff experiences in the flexible workplace before and after the pandemic<sup>15</sup> in terms of the satisfaction score,<sup>16</sup> which ranged from minus 2.00, the most negative to 2.00, the most positive, as shown in figure XI. Staff experiences improved after the pandemic.

32. Despite the overall increase in staff satisfaction after the pandemic, there were distinct patterns in the level of satisfaction by the grade of staff. Staff at the D-2 level and above showed positive scores before and after the pandemic. This group is also allowed to maintain private offices in the flexible workplace. General Service staff also showed positive scores before and after the pandemic. Conversely, staff at the P-5 and D-1 levels were the most affected by the loss of a private office in the flexible workplace and showed negative scores before and after the pandemic. Staff at these levels provided several comments in the survey about the need for an enclosed office. Furthermore, during its walk-through of the building, OIOS noted some examples of space designed for the use of all staff, such as an enclosed booth, being used as a

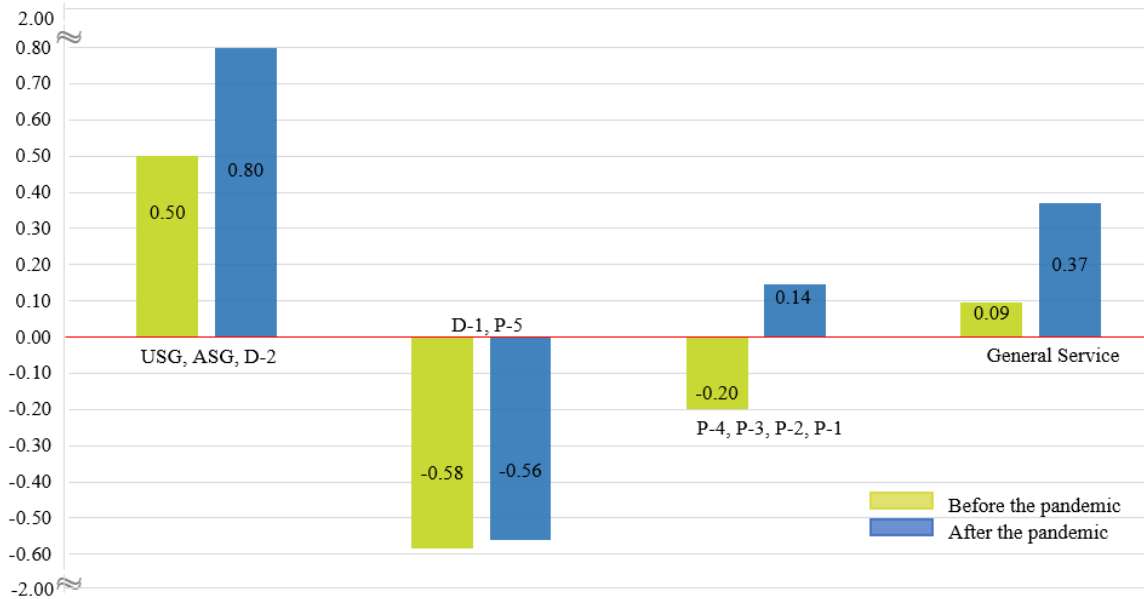
<sup>14</sup> Department of Global Communications, Department of Management Strategy, Policy and Compliance, Department of Operational Support, Department of Peace Operations, Department of Political and Peacebuilding Affairs, Department of Economic and Social Affairs.

<sup>15</sup> “Before the pandemic” refers to the period before March 2020 and “after the pandemic” refers to the period after April 2022.

<sup>16</sup> This refers to the performance indicator that measures people’s satisfaction with products or services. The scoring accounts for the intensity of choices. Staff responses to a survey question on their overall experience with the flexible workplace were given numerical values of 2.00 (“very positive”), 1.00 (“somewhat positive”), 0.00 (“neither positive nor negative”), -1.00 (“somewhat negative”), and -2.00 (“very negative”). The satisfaction score is the average of the individual values.

private office. In addition, the average age of staff at the P-5 and D-1 levels is 53 years. As indicated later in the present report, this age group had a net negative experience with regard to working in a flexible workplace.

Figure XI  
**Satisfaction scores of the flexible workplace, by job category**



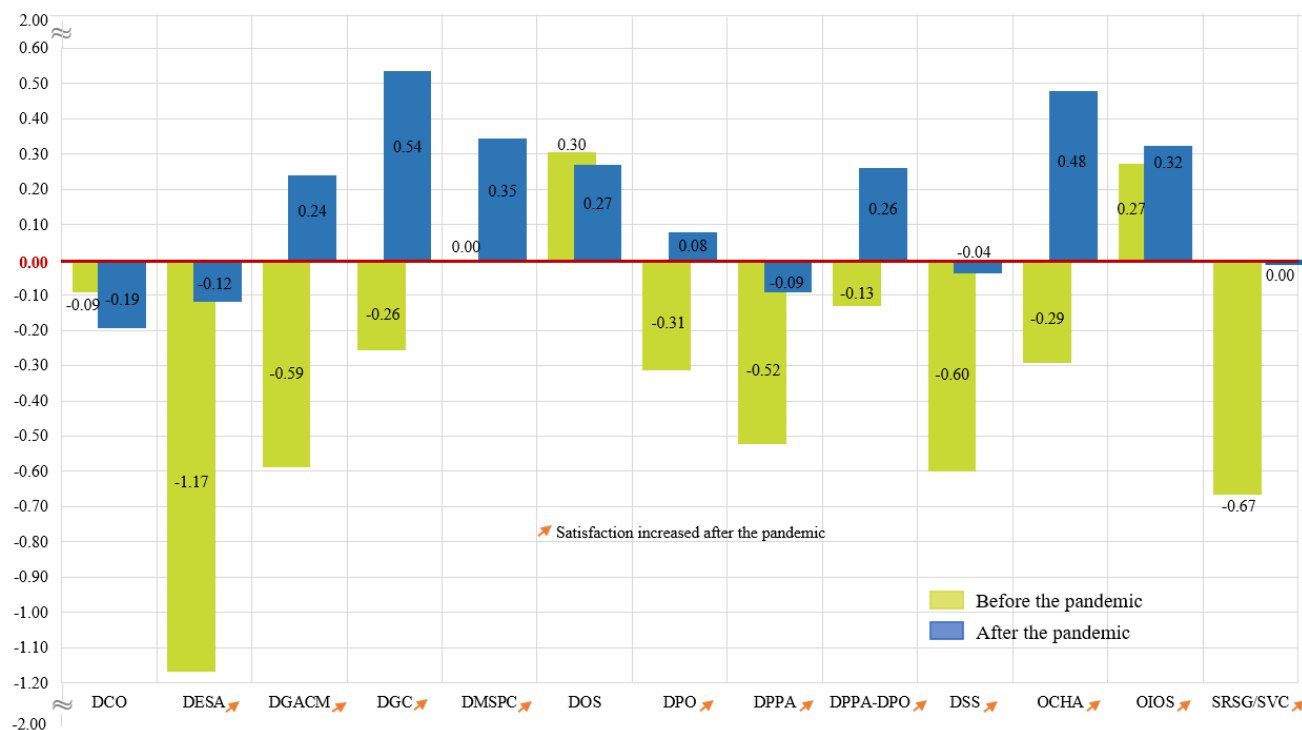
Source: OIOS staff survey.

Abbreviations: USG, Under-Secretary-General; ASG, Assistant Secretary-General.

33. OIOS further analysed staff experiences with the flexible workplace by entity. In 11 of the 13 entities (85 per cent) that worked in a flexible workplace as at 31 December 2022, staff experience improved after the pandemic. Six of the 11 entities<sup>17</sup> showed that their negative or neutral experiences turned positive after the pandemic, as shown in figure XII.

<sup>17</sup> Department for General Assembly and Conference Management, Department of Global Communications, Department of Management Strategy, Policy and Compliance, Department of Peace Operations, Department of Political and Peacebuilding Affairs-Department of Peace Operations, Office for the Coordination of Humanitarian Affairs.

Figure XII  
Satisfaction scores of the flexible workplace, by entity



Source: OIOS staff survey.

Note: The Office of Information and Communications Technology and the Office of the United Nations High Commissioner for Human Rights were excluded due to the limited number of responses.

Abbreviations: DCO, Development Coordination Office; DESA, Department of Economic and Social Affairs; DGACM, Department for General Assembly and Conference Management; DGC, Department of Global Communications; DMSPC, Department of Management Strategy, Policy and Compliance; DOS, Department of Operational Support; DPO, Department of Peace Operations; DPPA, Department of Political and Peacebuilding Affairs; DPPA-DPO, Department of Political and Peacebuilding Affairs-Department of Peace Operations; DSS, Department of Safety and Security; OCHA, Office for the Coordination of Humanitarian Affairs; OIOS, Office of Internal Oversight Services; SRSG/SVC, Office of the Special Representative of the Secretary-General on Sexual Violence in Conflict.

34. According to a study by the International Labour Organization,<sup>18</sup> giving workers more flexibility on how, where and when they work can be positive for them and businesses, for example, by improving productivity. It also indicated that restricting flexibility brought substantial costs. Striking the right balance of working on-site and off-site was deemed essential to maintaining staff productivity and well-being.

#### **Working in a flexible workplace did not increase in-person collaboration as projected, but staff engagement continued virtually**

35. There was an expectation that a flexible workplace would facilitate staff collaboration as one of the qualitative benefits. However, there was no noticeable increase in staff collaboration in the flexible workplace. According to the study conducted by the external consultant, in the pre-occupancy period (2016), 18 per cent of work hours were typically spent on in-person collaboration. Based on the OIOS survey, the ratio was 10 per cent after the implementation of a flexible workplace.

<sup>18</sup> International Labour Organization, *Working Time and Work-Life Balance Around the World* (Geneva, 2022).

36. Virtual collaboration has replaced in-person collaboration in recent years and has increased from 6 per cent of work hours in 2015, according to the pre-occupancy study by the external consultant, to 28 per cent currently, based on the OIOS survey. The survey also indicated that 94 per cent of respondents in a managerial position occasionally asked their staff to come in the office on a particular day for in-person meetings and/or collaboration.

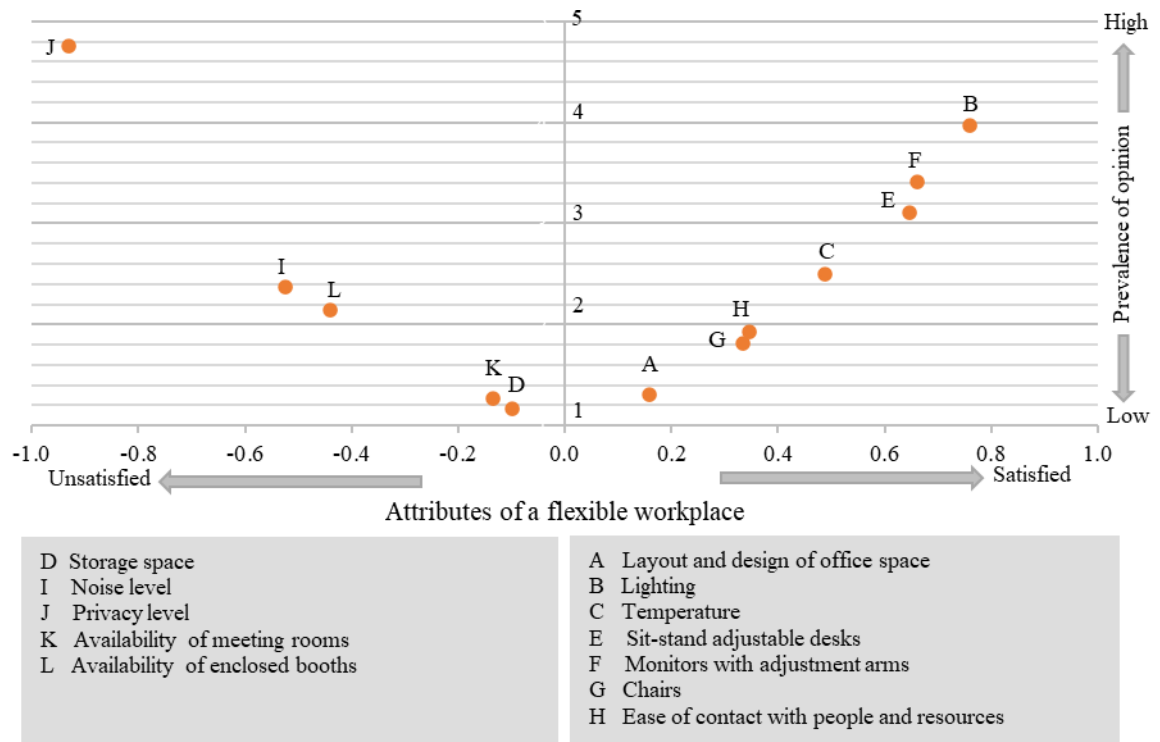
37. Furthermore, 47 per cent of survey respondents indicated that telecommuting had a positive impact on collaboration and 40 per cent stated that it had no impact, while 13 per cent indicated a negative impact. In addition, 91 per cent of respondents stated that they could interact with their managers or colleagues effectively in a remote work environment. The focus groups also indicated that staff felt less distracted at home and that they could communicate effectively with their colleagues and managers online, especially when subject matters were sensitive in nature. Despite the perceived effectiveness of virtual communication, OIOS could not quantify its full extent based on more objective sources, due to the lack of access to relevant data in meeting platforms amid privacy concerns.

**Issues relating to noise and lack of privacy negatively affected staff productivity and well-being**

38. To identify the factors affecting staff productivity and well-being, OIOS measured the perceived effectiveness of the physical attributes of the flexible workplace. It used a scoring scale that plots the degree of satisfaction in a range from minus 1.0 (very unsatisfied) to 1.0 (very satisfied), and the prevalence of opinion as expressed in a range from 1 (least prevalent) to 5 (most prevalent). As indicated in figure XIII, staff were generally satisfied with the physical attributes of the flexible workplace, such as lighting, monitors and sit-stand adjustable desks. Conversely, the levels of noise and lack of privacy were the primary negative factors that caused stress and frustration and could further prevent staff from being productive.



Figure XIII  
Level of staff satisfaction by attribute of flexible workplace

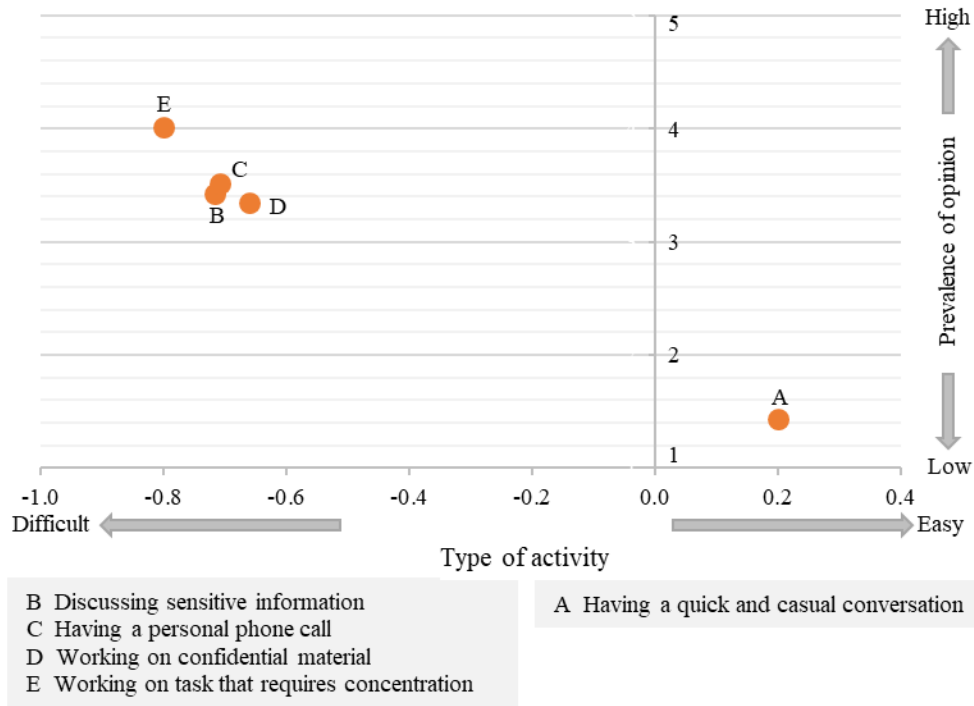


39. The unavailability of meeting rooms and enclosed booths may further aggravate these issues. When enclosed space is unavailable, a meeting must occur at a workstation in an open area or other spaces that may not be suitable for discussing sensitive information or can be distracting to others. Although the issues relating to noise and lack of privacy were recognized as early as the pilot launch of the flexible workplace project, their current magnitude was not anticipated because virtual meetings were less prevalent before the pandemic. Also, as part of the implementation of flexible workplace, the 15th and 27th floors were designed as conference room floors to be available for meetings of departments and offices that are located in the Secretariat Building. However, their availability is limited for departments and offices due to the demand for their use for high-level meetings and other restrictions.

40. Staff found it particularly difficult to engage in activities requiring concentration or involving sensitive information and confidential material, as shown in figure XIV. The results were in line with the OIOS focus groups and external study showing that the ability to concentrate was hardest hit by open office layouts with unassigned seats.<sup>19</sup> Although there are separate spaces for various purposes (quiet zone, collaboration zone, etc.), 70 per cent of the survey respondents chose to remain in the same area during a typical workday regardless of their tasks.

<sup>19</sup> Gensler Research Institute, "Workplace effectiveness has declined. People in unassigned seating are struggling the most.", U.S. Workplace Survey 2020, 2020.

Figure XIV  
Level of ease in performing certain activities in a flexible workplace



Source: OIOS staff survey.

41. Staff ability to focus is fundamental to their productivity, as more than 60 per cent of work hours are dedicated to focused work, according to the pre-occupancy study and OIOS staff survey. There were numerous comments in the focus groups and survey responses indicating that staff were distracted because their colleagues engaged in loud and long conversations in the open space. Some staff encountered situations in which a colleague occupied a meeting room or an enclosed booth for several hours, possibly to use it as a private office. Others noticed meeting rooms being used without booking. Some staff chose to work from home when they needed to focus or attend many remote meetings, which defies the original intention of implementing a flexible workplace. In fact, 62 per cent of the survey respondents felt that they were more productive at home, whereas 12 per cent felt more productive in the office.

42. The focus groups and survey responses further suggested that some staff preferred working in the office if the space supported their needs (e.g. focus, privacy and space for meetings) because their home office was not an optimal workplace either. This group might be struggling the most as neither place supported their needs adequately.

43. The issues of noise, lack of privacy and inadequate enclosed workspace should be reconsidered to determine the optimal occupancy in the new work environment. The issues may be addressed to a certain extent by administering basic rules or expected protocols in a flexible workplace. The Department of Operational Support created instructional videos on expected behaviours in a flexible workplace in 2020; however, it had limited reach to staff. In addition, the instructions were based on the work modality before the pandemic. Updated instructions would help to create a more conscientious and respectful office culture and maintain staff productivity. It is equally important for managers and staff to be actively involved in the administration

of expected protocols in a flexible workplace and remediate situations when the protocols are not followed by staff.

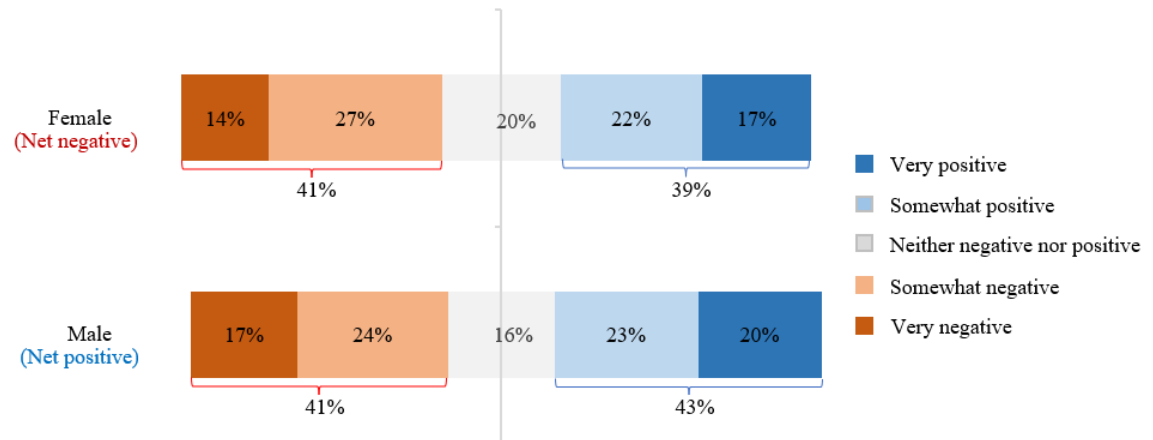
44. Where workplace etiquette cannot resolve the issues satisfactorily, adjustments to physical space may become necessary, such as rezoning the space or installing additional enclosed booths.

#### **Staff experience with the flexible workplace varied by gender, age, rank and types of staff needs**

45. Male staff tended to have more positive experiences with the flexible workplace (43 per cent) as compared with female staff (39 per cent), while both had the same proportion of negative experiences (41 per cent), as shown in figure XV. Approximately 38.2 per cent of female and 36.8 per cent of male respondents reported a negative impact on their mental well-being.

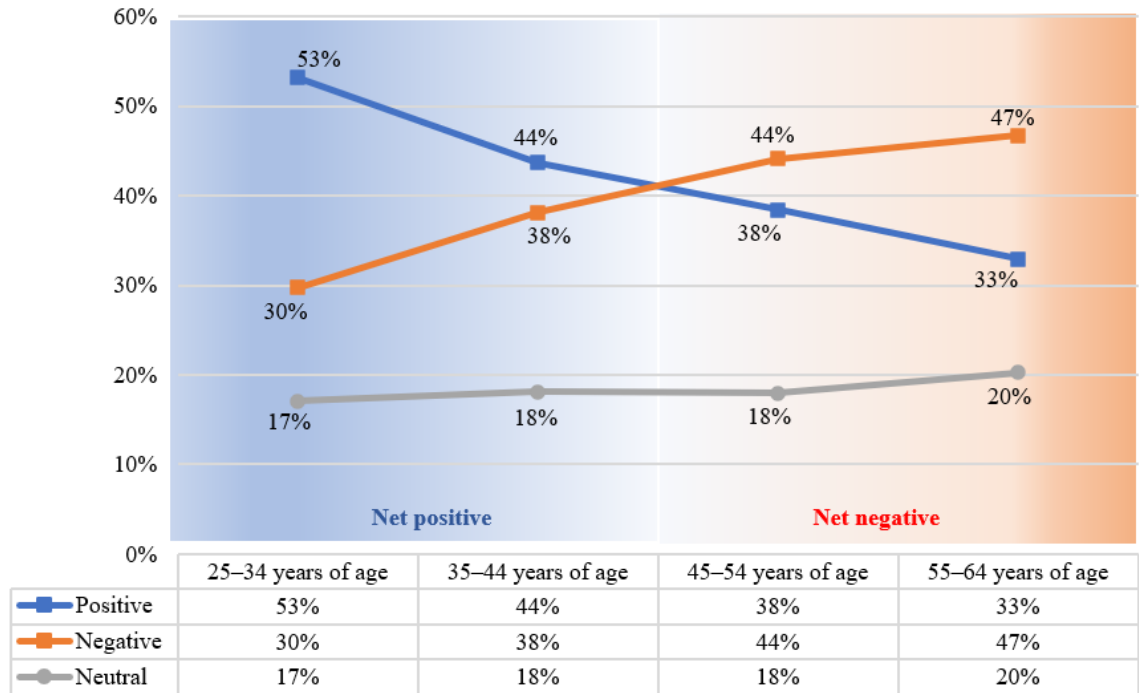
Figure XV

#### **Experience of working in a flexible workplace, by gender**



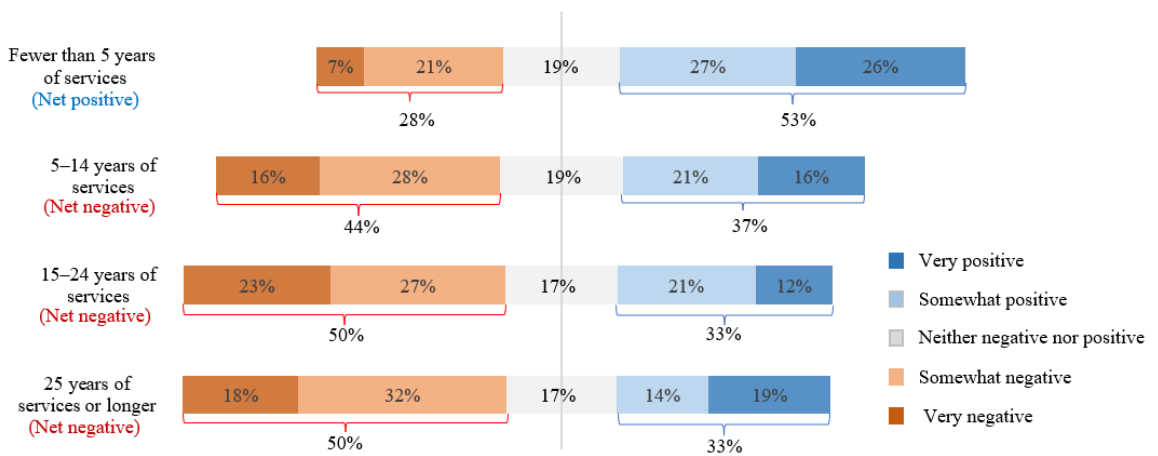
46. Age was a primary factor that affected staff experience with the flexible workplace, and age and quality of experience had an inverse relationship. As shown in Figure XVI, staff 25 to 34 years of age had the most positive experience with the flexible workplace (53 per cent), and the ratio decreased as the age increased.

Figure XVI  
Experience of working in a flexible workplace, by age group



47. Relatedly, staff with a shorter duration of service tended to have more positive experiences in the flexible workplace than those with more extended duration. For example, 26 per cent of staff with fewer than five years of service responded that their experiences with a flexible workplace had been very positive, and 27 per cent responded somewhat positive. They were the only group with a net positive rating, as shown in figure XVII.

Figure XVII  
Experience in a flexible workplace by the duration of service

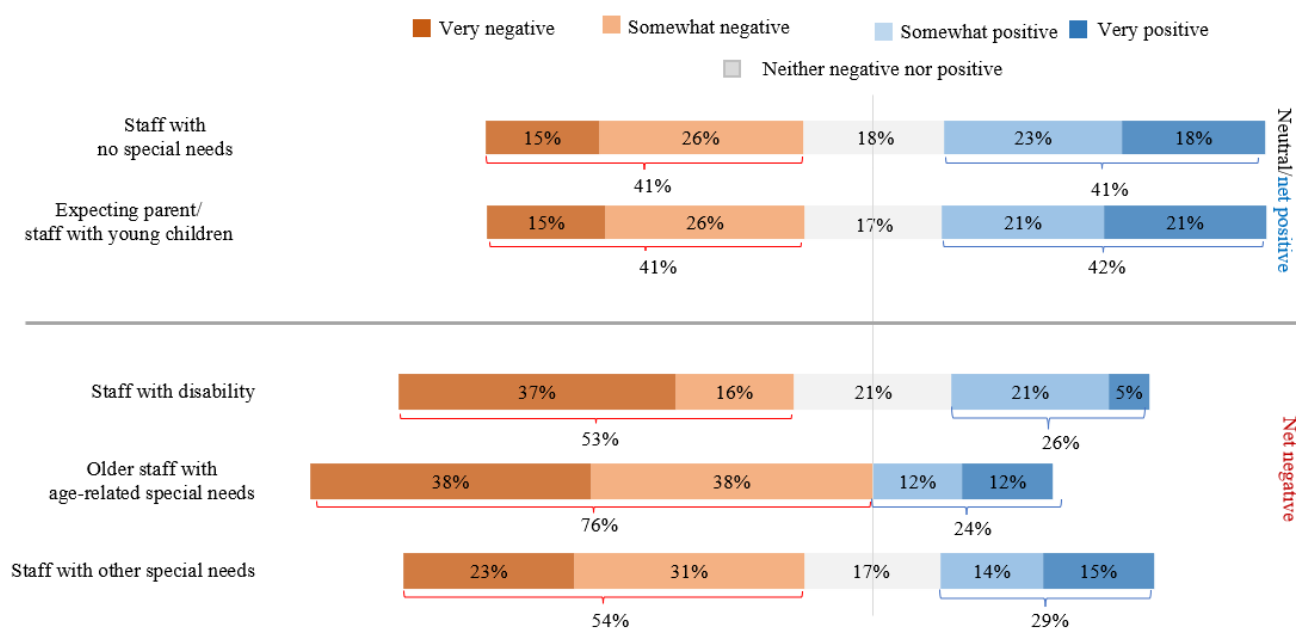


48. The General Assembly, in its resolution 72/262, requested the Secretary-General to ensure that the flexible workplace addressed the requirements of staff with special needs, including those with disabilities, the elderly, expecting parents and parents

with newborn or young children. The flexible workplace at Headquarters used the principles of universal design to make the office environment accessible to all staff regardless of their age, disability or other factors. In addition to the basic design, special accommodation was made to the extent possible for staff with special needs. For example, workstations were adjusted to accommodate the needs of staff who use a wheelchair. Similarly, staff who required lighting adjustments were assigned a specific workstation.

49. Staff experiences with the flexible workplace varied by type of special need. As shown in figure XVIII, expecting parents and staff with newborn or young children responded similarly to those without special needs. However, staff with a disability, or an age-related and other special need accounted for between 43 and 76 per cent of the negative experience in a flexible workplace.

Figure XVIII  
Experience in a flexible workplace by type of special needs



50. There may be unmet needs, as 35 per cent of survey respondents with special needs responded that the flexible workplace did not accommodate their needs. For example, several staff with physical disabilities mentioned the discomfort of the seating. In addition, staff with a mental health condition indicated difficulty in focusing in an open and noisy environment and the challenge of requesting special arrangements due to the invisible nature of the illness. The support for staff with special needs seemed to vary largely by manager or Head of entity. Providing suitable space and amenities, and making necessary accommodations, where possible, could make a sizable impact on staff productivity and well-being. Since special accommodation is possible only when needs are known to the Organization, staff, especially those with special needs, should be encouraged to communicate their unmet needs to the designated focal points or executive offices.

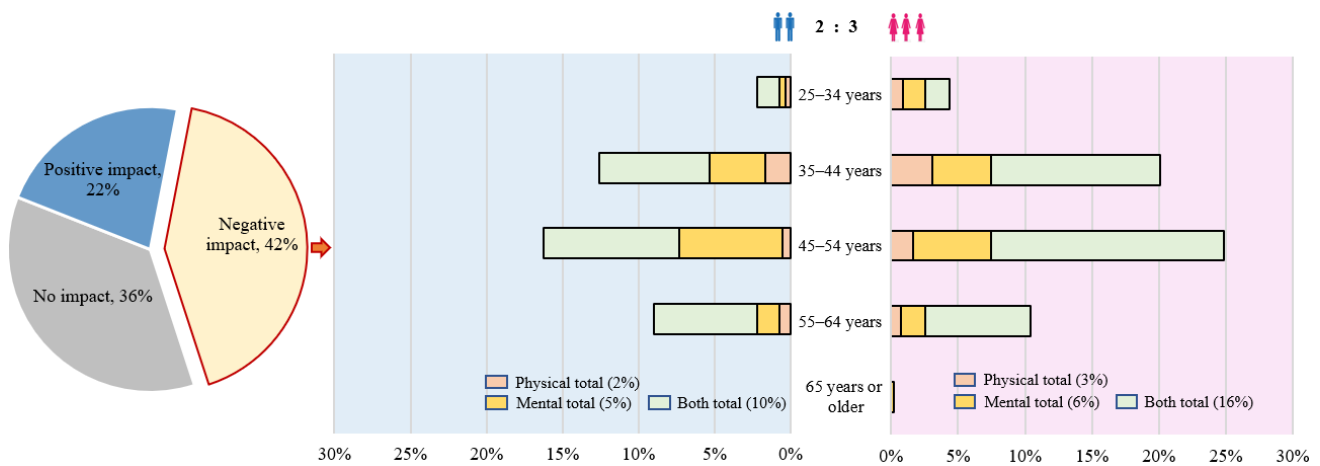
#### Data from various sources collectively suggested that a flexible workplace may have negatively contributed to staff health and well-being

51. Since staff health results from multiple factors, the workplace alone cannot ensure staff well-being. However, some indications collectively suggested that

working in a flexible workplace might have had a negative impact on staff well-being, especially mental or psychological well-being. Based on the review of the survey responses and focus groups, the impact ranged from randomly experiencing minor annoyance or disturbance to randomly feeling dejection, anxiety and withdrawal regularly.

52. Forty-two per cent of survey respondents reported that working in a flexible workplace had a negative impact on their health and well-being. Of those respondents, more female staff reported a negative impact on their health than male staff, with a ratio of three (female) to two (male). The largest number of respondents, 45 to 54 years of age, reported a negative impact in both gender groups, as shown in figure XIX.

Figure XIX  
Impact of the flexible workplace on staff health



53. OIOS performed a comparative analysis on certified sick leave taken by 348 staff<sup>20</sup> who moved to a flexible workplace in 2018 and 2019. The analysis reflected in table 4 shows that the frequency and duration of sick leave increased by 14 per cent and 10 per cent, respectively, after staff moved to a flexible workplace, which was considered a statistically significant change.<sup>21</sup> The increase for all other staff was 4 per cent for both frequency and duration. The analysis, however, does not explain what factors in the flexible workplace may have contributed to a higher ratio of certified sick leave.

54. Focus groups indicated staff concerns over the risk of spreading infectious diseases such as COVID-19 in the flexible workplace. While the office layout and cleaning protocols incorporated measures to mitigate such risks, working in an open space may cause anxiety to some staff. The Health-Care Management and Occupational Safety and Health Division commented, however, that from an occupational safety and health perspective, flexible workplace stations did not present an inherently elevated health risk for staff, as compared with non-flexible workplace stations. There were no noticeable trends in the number of uncertified sick leave.

<sup>20</sup> Among staff members who moved to a flexible workplace in 2018 and 2019, 348 stayed with the same entity and had leave records for both the 2017–2018 and 2019–2020 cycles. Leave patterns of this group were compared to all staff working in the Headquarters.

<sup>21</sup> There is a 95 per cent probability that the sample reviewed represented the population and a 5 per cent probability that the difference observed between the groups was due to chance.

**Table 4**  
**Sick leave frequency and duration before and after staff moved to a flexible workplace**

<i>Leave cycle</i>	<i>Frequency of sick leave</i>	<i>Increase (frequency)</i>	<i>Average duration</i>	<i>Increase (duration)</i>
April 2017–March 2018	4.82		9.69	
April 2019–March 2020	5.48	14%	10.66	10%

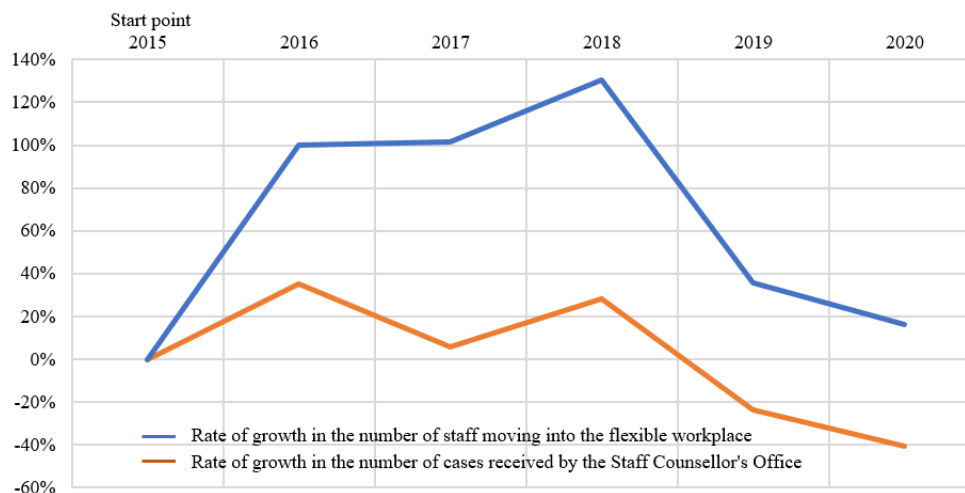
*Source:* Umoja leave record.

*Note:* There is a 95 per cent probability that the sample reviewed represented the population and a 5 per cent probability that the difference observed between the groups was due to chance.

55. An analysis of telecommuting for the same 348 staff indicated a possible association between working in a flexible workplace and frequency of telecommuting. Before the move, only 71 staff (20 per cent) telecommuted, but the number increased to 245 staff (70 per cent) after the move but before the pandemic. The average number of telecommuting days per cycle for the group was 22.2 days before the pandemic, which was higher than the average for Headquarters staff (15.5 days). The Department of Operational Support indicated that one of the envisaged benefits of the implementation of a flexible workplace was to strengthen the ability of staff to choose where they work, not only within the office space but also by telecommuting. This is also reflected in the resolutions of the General Assembly on the project, in which the Assembly has consistently requested that the Secretary-General ensure the implementation of flexible workplace strategies. As such, the increased use of telecommuting by this group of staff could be viewed positively. The Office of Human Resources commented that telecommuting could also be used to support staff members in performing their role while managing medical conditions.

56. Based on an analysis of cases received in the Staff Counsellor's Office and interviews, OIOS noted an increasing number of complaints by staff at Headquarters directly or indirectly related to the flexible workplace. The caseload trend appeared to mirror that of the movement of staff to the flexible workplace as shown in figure XX, which may indicate some degree of association.

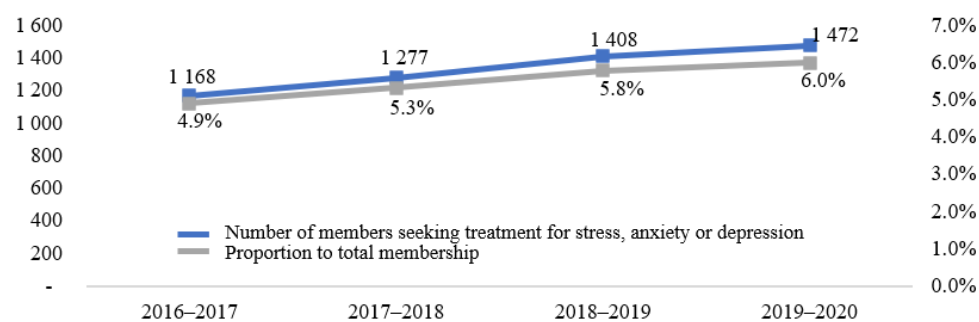
**Figure XX**  
**Growth rate of counselling cases and number of staff who moved to a flexible workplace**



57. According to a study conducted by the Department of Operational Support,<sup>22</sup> 22 per cent of staff at Headquarters reported mental health conditions such as anxiety, depression and burnout, and 18 per cent reported back pains, which was higher than those without any conditions (16 per cent). Furthermore, OIOS analysed medical insurance claims on those conditions. There was a steady increase in the number of members seeking treatment relating to stress, anxiety or depression, as shown in figure XXI. The cases of musculoskeletal conditions did not follow the same trend. The upward trend alerts to the importance of supporting staff mental well-being in the workplace.

Figure XXI

**Number of members who sought treatment for stress, anxiety or depression**



Source: Consultative analytic reports issued by the insurance provider.

58. Various factors, including the liquidity crisis that led to a temporary recruitment freeze, the reorganization of some departments and offices due to the reforms and the COVID-19 pandemic have affected staff health and well-being to varying degrees. While no direct link between flexible workplace and staff health and well-being could be established, data sources need to be continuously monitored. The Department of Operational Support commented that the Staff Counselor Office will continue to collect information on the trends and any possible impact on staff well-being from flexible workplace. However, data in Umoja and the electronic occupational safety and health record management system (Earthmed) alone, may not provide a causal link between sick leave and flexible workplace.

### C. The implementation of the flexible workplace and related digital initiatives have contributed to the Organization's resilience and helped the Organization to improve environmental sustainability

#### Staff in a flexible workplace were better adapted to a mobile way of working, which contributed to business continuity at the time of crisis

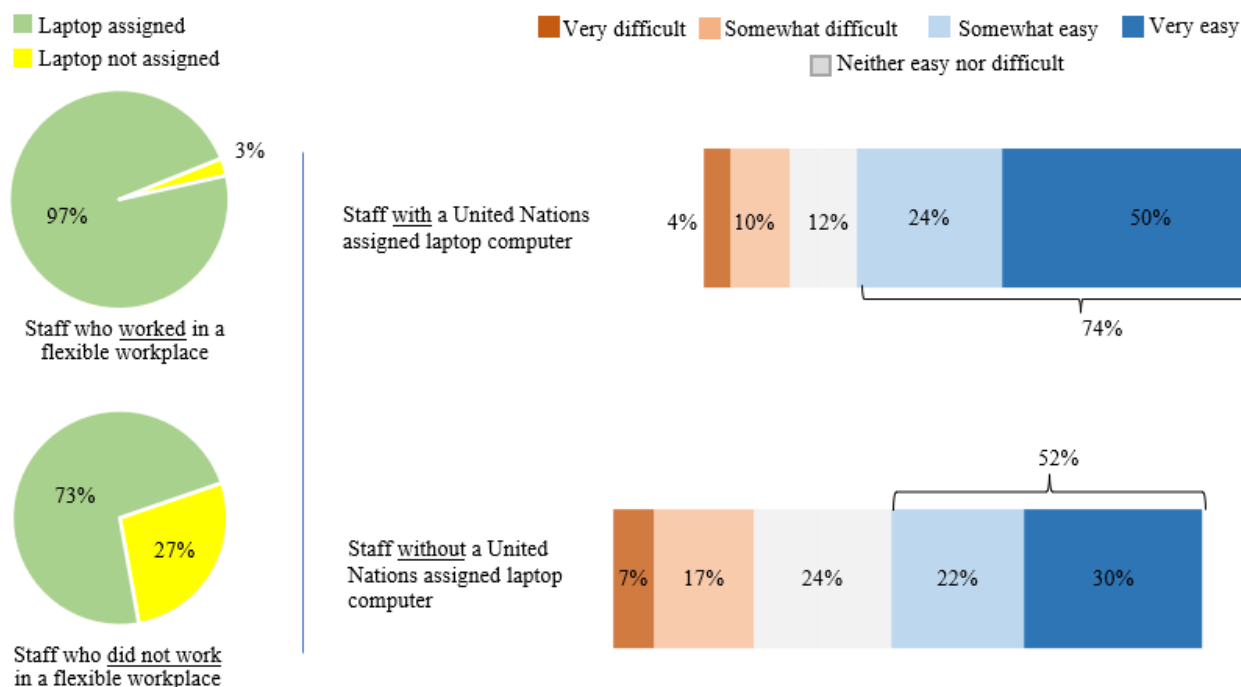
59. In April 2013, the General Assembly approved the organizational resilience management system proposed by the Secretary-General. Implementation of the system included various information and communication technology initiatives that are also useful in implementing a flexible workplace. For example, desktop computers were replaced with laptop computers, and the voice over Internet protocol telephone system permitted the use of any telephone by persons with an assigned office telephone extension at Headquarters.

<sup>22</sup> Survey by the Health-Care Management and Occupational Safety and Health Division on staff health and wellness administered to staff of the Secretariat in 2022.



60. The Organization's business continuity and resilience were unintentionally tested by the experience of the COVID-19 pandemic, and the experience demonstrated the positive contributions of flexible workplace and related initiatives. According to the OIOS survey and as shown in figure XXII, 97 per cent of staff who already worked in a flexible workplace at the time of office closure in March 2020 had an assigned laptop computer, compared with 73 per cent of staff who did not. Those staff members were also used to being mobile and not having assigned cubicles or offices, and therefore had adjusted to maintaining most of their work files online. Seventy-four per cent of respondents with an assigned laptop felt the transition to remote work was very easy or somewhat easy, compared with 52 per cent of respondents without an assigned laptop.

Figure XXII

**Assignment of laptop computers and level of ease of transition to full remote working**

61. The availability of digital tools was crucial for business continuity during the transition to full remote working. According to the OIOS survey, among staff at Headquarters who used a computer for their work and did not have an assigned laptop computer, the time taken to receive one ranged from a few days to years, with an average of 258 calendar days. Around 47 per cent of staff who indicated that they use a computer for their work and did not have an assigned laptop computer in March 2020 received one within six months. However, for the rest (53 per cent), the process took longer, including 20 per cent, for whom it took more than one year. In addition, 7 per cent of staff still needed to receive a laptop computer as at 14 February 2023.

62. The OIOS survey further indicated that 83 per cent of respondents incurred costs as initial investments to set up a home office. Such investments ranged from purchases of small items such as stationery, a mouse, mouse pads and additional earphones/headsets, to larger purchases such as desktop or laptop computers, monitors, printers, ergonomic chairs and desks. The average cost estimated by the respondents was \$775, with the majority disbursing between \$100 and \$500. Figure XXIII shows estimated monthly cost savings and recurring expenses, such as additional electricity or Internet costs because of regular telecommuting. Furthermore,

figure XXIV shows the preferred changes needed by staff to improve their home offices according to a study conducted by the Department of Operational Support.

Figure XXIII  
**Monthly cost savings and increases incurred by staff from regular telecommuting**

(United States dollars)

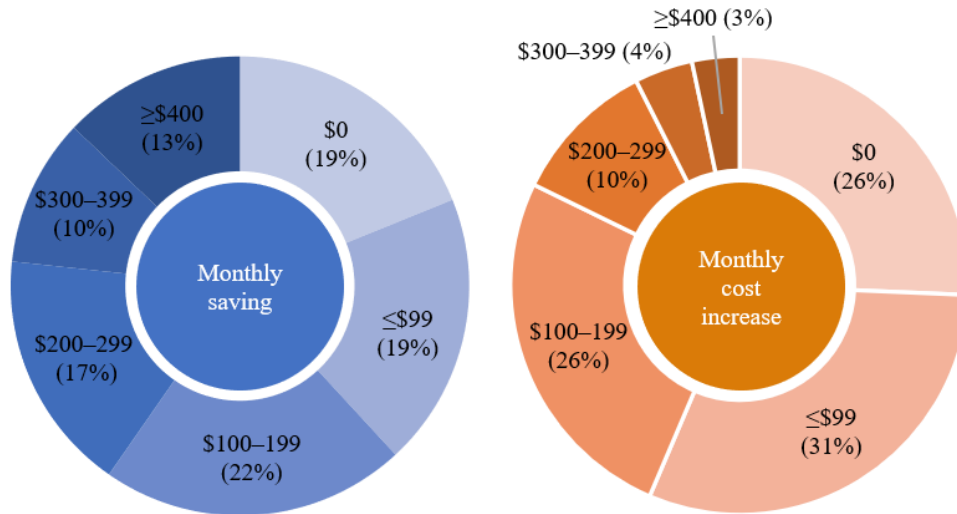
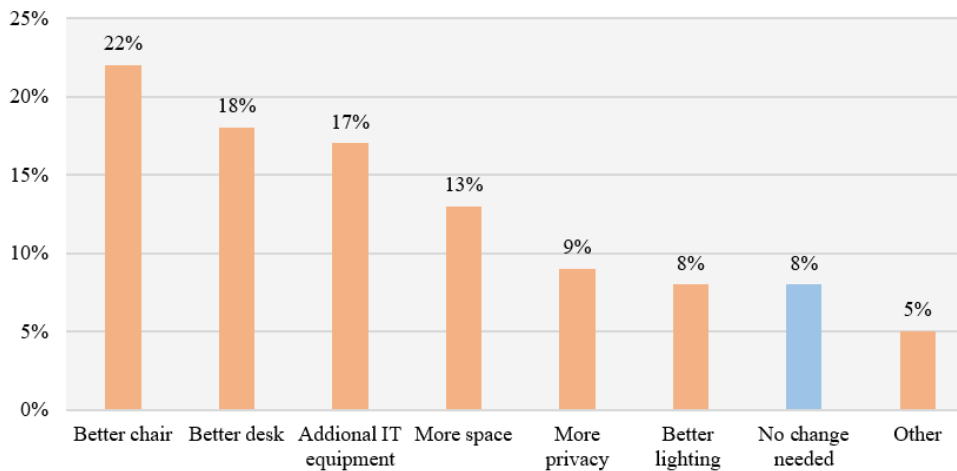


Figure XXIV  
**Preferred improvements to home offices**



Source: United Nations staff health and wellness dashboard.

63. Reimbursing or subsidizing work-related expenses varied by organization and location. Some United Nations organizations reimbursed the cost of purchasing digital accessories such as monitors and speaker phones, or allowed staff to take home equipment at the discretion of Heads of entity. There are currently 10 states in the United States that require employers to reimburse certain remote work expenses. In addition, some countries in Europe and North America impose similar requirements on employers or provide allowance and/or tax benefits to employees who incur such expenses.

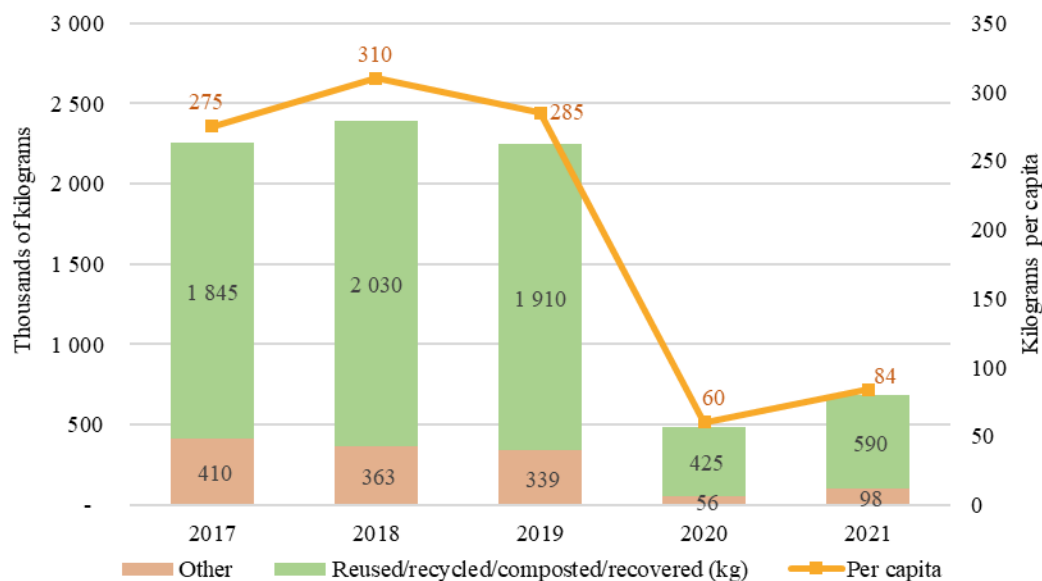
### Discontinuation of office leases contributed to reduced greenhouse gas emissions and the amount of waste since 2020

64. Improved environmental sustainability was one of the quantitative benefits of implementing a flexible workplace. Since 2008, the Secretariat has been part of an interagency network to promote environmentally sustainable management of United Nations workplaces worldwide. The Secretariat monitors and reports its greenhouse gas emissions and the amount of waste annually.

65. Greenhouse gas emissions from facilities accounted for 73 per cent of the total greenhouse gas emissions at Headquarters in 2021. Improved space efficiency from the flexible workplace enabled the Organization to consolidate its real estate portfolio into fewer buildings, which had a direct impact on such emissions from facilities. The reductions were estimated at 1,748,600 tCO<sub>2</sub>eq,<sup>23</sup> which is equivalent to 389 gasoline-powered passenger vehicles driven for one year.<sup>24</sup>

66. The design of the flexible workplace incorporated environmental guidelines of the United Nations system and best practices for waste management. Instead of providing staff with individual waste bins, centralized waste stations were installed, and waste is separated at the source. Centralized waste stations have encouraged recycling and reduced the number of plastic liners used for individual waste bins in traditional offices. Figure XXV shows that the amount of waste has decreased significantly since 2020 due to the pandemic, although it increased slightly after staff returned to the office in 2021.

Figure XXV  
Amount of waste at Headquarters



Source: Greening the Blue, available at <https://www.greeningtheblue.org/entities/unhq>.

<sup>23</sup> Total of annual greenhouse gas emission savings, which are recognized once when the offices were vacated.

<sup>24</sup> United States Environmental Protection Agency greenhouse gas equivalencies calculator, available at <https://www.epa.gov/energy/greenhouse-gases-equivalencies-calculator-calculations-and-references#vehicles>).

## **V. Recommendations**

67. OIOS makes the two recommendations below to the Department of Operational Support.

### **Recommendation 1 (results A and B)**

68. The Department of Operational Support should, in close collaboration with Heads of entity, determine and implement the optimal occupancy levels in the flexible workplace for operational efficiency, staff productivity and well-being, considering:

- (a) Current use of flexible working arrangements;
- (b) Requirements of entities;
- (c) Views of staff, especially those with special needs, where communicated through a designated focal point or executive office.

### **Recommendation 2 (results A and B)**

69. The Department of Operational Support should address the issues of noise and lack of privacy in conjunction with the assessment of optimal occupancy levels by:

- (a) Updating workplace protocols and basic rules;
- (b) Modifying the physical space, where feasible.

## Annex

### Comments received from the Department of Operational Support on the recommendations of the Office of Internal Oversight Services on the draft report

<i>Recommendation</i>	<i>Accepted</i>	<i>Comments</i>	<i>Implementation date</i>
<b>Recommendation 1</b>			
<p>The Department of Operational Support (DOS) should, in close collaboration with heads of entities, determine and implement the optimal occupancy levels in the flexible workplace for operational efficiency, staff productivity, and well-being, considering:</p> <ul style="list-style-type: none"> <li>(a) Current use of flexible working arrangements;</li> <li>(b) Requirements of entities; and</li> <li>(c) Views of staff, especially those with special needs, where communicated through a designated focal point or executive office.</li> </ul>	Yes	<p>DOS accepts the recommendation and will engage with heads of entities and designated focal points to periodically solicit feedback on the current use of flexible working arrangements, any new requirements, and views of staff, especially those with special needs, to determine optimal occupancy levels in flexible workplace environments.</p> <p>In doing so, DOS will continue to be primarily guided by business needs and will also consider lessons learned from the flexible workplace project, as well as industry trends and best practices when reconfiguring office space and developing space assignment plans.</p>	31 March 2025
<b>Recommendation 2</b>			
<p>DOS should address the issues of noise and lack of privacy in conjunction with the assessment to optimal occupancy levels by:</p> <ul style="list-style-type: none"> <li>(a) Updating workplace protocols and basic rules; and</li> <li>(b) Modifying the physical space, where feasible.</li> </ul>	Yes	<p>Occupants of office floors acting in a manner which is respectful of others is the principal requirement for eliminating or reducing noise concerns. Nevertheless, to support managers and staff, DOS will:</p> <ul style="list-style-type: none"> <li>o Develop updated workplace protocols and basic rules and develop a communication plan for their wide dissemination.</li> <li>o Assess industry trends with consulting experts for solutions to address noise and lack of privacy.</li> <li>o Address these issues through adjustment of architectural elements, where feasible, subject to availability of resources.</li> </ul>	31 March 2025