

## EMPLOYEE SATISFACTION IN OPEN OFFICE ENVIRONMENT

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**Abstract:** The research was made for exploring employee satisfaction in new open office environment at a multinational company, after the decision of the management about the refurbishment of the European offices. As a result, the Hungarian office should have been transformed into an open office area. The goal of the research was to measure employee satisfaction in the new work environment and to make a proposal for management team for further office investments. For exploring the situation, a primary research was conducted among Hungarian and Czech employees of the company, if they are satisfied with the realized new work environment. The survey was done by in-depth interviews using an interview questionnaire. As a result of the research it may be stated that employees are generally satisfied with their working environment. They reported their needs regarding wider space and extended own work environment and about more meeting rooms and rest zones. Respondents noticed excessive noise and direct and rapid communication between each other during operation.

**Key words:** employee, human resource, organizational behaviour, personnel management

### Introduction

Human resource is essential asset in achieving goals of any companies, therefore the well-being and satisfaction of employees play a key role in the successful performance. Our research was made on measurement of employee satisfaction in new open office environment at NCH Company based on a management decision about the refurbishment of European offices. Thus, the Hungarian office must also be transformed into an open office area. The goal of the research is to measure employee satisfaction in the new work environment and make a proposal for management team for further office investments.

### Literature review

From the end of the 19th century, during the Industrial Revolution, society and the economy underwent a huge reformation thanks to the technological explosion, which separated the office in its present sense from the production line. This period saw the beginning of the construction of office buildings and with it the concept of the "open office", which meant huge halls without any internal boundaries, serving as a space for the employees, crowded with desks. Managers had their own offices, located on a higher floor of the building. Cost efficiency was a key design consideration, and the large open space made it easy to control the large number of subordinates (Klein, 2018).

After the World War in Germany, the "Bürolandschaft" style of office space appeared and was soon introduced in the USA. The new image is a combination of private offices and "open office", called "office landscape", decorated with dividing walls and plants. The office space was divided according to schedules and tasks, with a more optimal distribution of space. The "home office", i.e. working from home, was also introduced and became widespread during the COVID-19 pandemic.

There are both advantages and disadvantages to open office. Basically, communication is faster and more efficient. An open office is more transparent, more welcoming and allows for an interactive exchange of information between colleagues. Interaction has been shown to be more frequent between colleagues who do not have a direct task relationship (De Croon et al. 2005). The constant sense of community that results from open spaces strengthens the team, fostering a sense of belonging to a team. Regardless of position, a sense of approachability contributes to a more cohesive yet relaxed working environment, and the more direct contact among colleagues within and outside the organisation can also provide an effective platform for creative ideas that can make project-based working more effective

(Bernstein, Turban 2018). Communication within the organisation is the biggest part of a manager's job. Meetings, meetings with partners, communication with employees, correspondence and the preparation of various reports (Baker 2015).

An open office is more transparent and more economical to maintain. In addition to the cost-effective use of space and the possibility of flexible rearrangement, renting an open office is more cost-effective than having a separate office for each employee. The complex corporate strategy includes communication channels, which are strongly influenced by the distribution of the office (Fehérvári, Szeles 2001).

Aesthetic and fashionable office space can be designed and furnished in a number of ways to best meet both employee and company expectations. In single-space offices, it is possible to decorate, create a relaxation zone or change the layout of desks. In order to maintain a peaceful and productive operation, it is important to take into account the needs of people in different positions with different responsibilities (Bernstein, Waber 2019). Privacy is essential even when work is essentially carried out in a single airspace. The impact on employees is positively enhanced if the working environment can be personalised and rearranged to suit the needs of the individual, leading to a commensurate increase in their attachment to the workplace and their commitment to the employer (Dúll, Tauszik 2006).

Another benefit of an open office is that team or functional managers working in the same room can more easily monitor the performance of colleagues in their immediate team. Many people are nervous about sitting too close together or seeing their screens. However, administrative staff doing monotonous work can perform better when they are in the same room as their colleagues (Triplett, 1981). However, it is a proven fact that when complex tasks requiring concentration need to be performed, a closed, quiet space is necessary to achieve the right level of performance in the optimum time (Csepli 2003). At the same time, others can be encouraged to perform better when they can work in the same room as their managers (James et al. 2021).

Effective communication, more frequent cooperation, rapid interactions and a working environment that provides a cohesive atmosphere in the fashionable "open office" can be highly motivating. A unique look that allows for an expressive interior design compared to the usual sterile and functional office spaces, through which the company can communicate its branding elements on demand, or create a higher quality working environment that shows more appreciation towards its employees (Reketye 2018).

Overall, people who like open offices tend to praise the positive atmosphere, environmental benefits and creative output of their staff. In open-plan offices, employees are free to roam, socialise, collaborate, communicate more intensively, and better meet the demands of the community and respond more quickly to changes in their environment. All of this, of course, has a positive impact on employee morale, not forgetting cost efficiency, which is also seen as a positive by the company (Digital Hungary 2019).

Nevertheless numerous disadvantages of open offices are mentioned in the international literature. Laurence et al. (2013) concluded that employees tend to be more dissatisfied with large open-plan offices compared to enclosed office spaces. A fair amount of research has been undertaken to explore how to make them more functional spaces and create a more positive impression on employees. Yildirim et al. (2007) found that among employees working in open-plan offices, colleagues sitting next to a window are significantly more satisfied. They were also found to have a more positive correlation with their perceived privacy and the quality of their working environment in general, due to the high separation elements. Workers showed a demonstrable preference for workstations with windows. Without windows, there is less natural light, even if this can be replaced by adequate lighting wattage, but there is still an inherent need to be in contact with nature (Yildirim et al., 2007).

Basically, the main problem is the lack of privacy. According to a research, privacy is absolutely necessary. It can be noisier and more disturbing to work together some feel insecure and unprotected. At the same time, they are exposed to too many stimuli in their daily lives. Lack of personal space can have a negative impact on productivity in both the short and long term (Dúll, Tauszik 2006).

Also, sound and noise spread more easily in large spaces. Research on noise shows that the rating increases proportionally as a function of the lower the noise level (Gensler Study, 2013).

Constant alertness can disturb concentration, leading to frustration and consequently increased tension. Crowdedness leads to higher turnover and lower performance. According to the overload theory, when a huge amount of information is showered on a worker and the relative distance between them is small, concentration difficulties can occur (Oldham, Fried, 1987).

To summarise the advantages and disadvantages of single-space offices. Privacy is declining, while the role of social communication and a collaborative approach is increasing. Information flows are increasing, while flexible work cultures are coming to the fore. Open office space is also cost-effective, as more staff can be accommodated in a smaller area. Or more staff can be accommodated in the same space. Workstations integrated into a single space result in significant cost savings, which also have a positive impact on greener, more environmentally friendly solutions. It is important to consider all the features of an open-plan office together, with its advantages and disadvantages, before it is implemented in an organisation. A high level of organisational, psychological, architectural and interior design knowledge is required to create the right design for the company.

## Methodology

The primary research investigates the "open office" working environment in the Hungarian organisation of NCH, with a focus on employee satisfaction. The research questions were the following: (1) Whether they are really satisfied with the new working environment implemented and thus with their employer, NCH Hungary Ltd., and (2) What factors influence their satisfaction and to what extent.

In order to answer these questions, in-depth interviews were conducted to investigate employee satisfaction. A total of 9 employees answered a total of 18 questions. All nine respondents are full-time NCH employees, working 8 hours a day, with duties performed in the office at their own workplace. All members of the surveyed group are "back office" employees, with different tasks in their assigned positions.

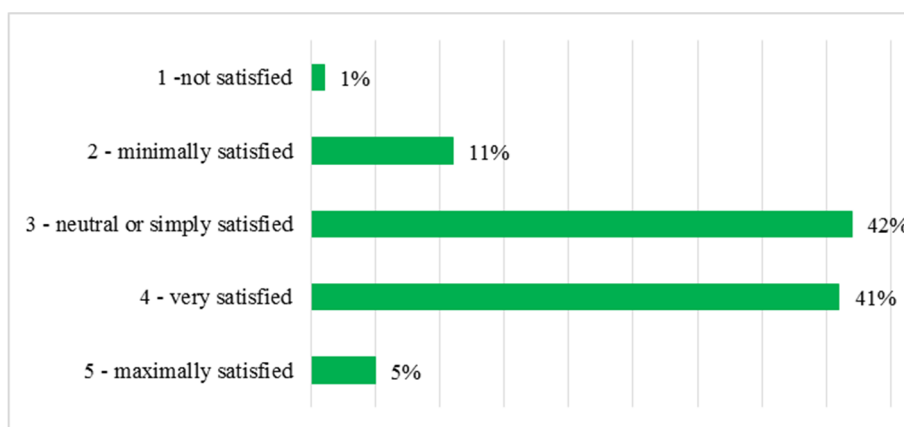
The total number of registered employees of the examined company is 20, of which 9 were interviewed in total, as they are part of the operational team. Their role is to support sales in Hungary. They work in the following positions: reception, purchasing, logistics, marketing, IT, HR, translation and order entry. The remaining 11 employees work in a management position or in field sales. The reason why exactly 9 employees are included in the survey is that they carry out their work on site, 8 hours a day in the office.

## Presentation of the results

Firstly, changes in employee satisfaction were discussed after introducing open office environment.

Compared to the original working environment (pre-refurbishment office), the renewed working environment has a different impact on the daily satisfaction of employees.

The results are summarised by Fig. 1, where it seems clearly that, indicating the level of satisfaction on a scale of 1 to 5, where 1- not satisfied, 2- minimally satisfied, 3- neutral or simply satisfied, 4-very satisfied, 5-maximum satisfied. A significant proportion of employees marked the satisfaction by neutral feelings or with strong satisfaction. It can also be stated that 88% of employees are satisfied with their current, new work environment.



*Figure 1. Satisfaction of the interviewed employees*

Source: own research

In terms of office furniture, employees are satisfied with their office furniture. Almost all NCH employees find the temperature, humidity and climate in the office satisfactory. The highest number of votes was for the fourth grade on a scale of 5, with the majority rating the office air as adequate.

Three categories of colours used in the office were reported by respondents. Two respondents said that blue, white and grey colours in the office were minimally acceptable, i.e. slightly acceptable. Four respondents stated that it was both adequate and not. In their opinion, the colouring of the environment is unanimous. The remaining three respondents consider the colours in the office to be significantly appropriate.

The clear statement of the employees is that the office design is clearly in line with the image of the company. More than two thirds of respondents say it is significantly or maximally consistent, both in design and composition. Employees expressed satisfaction with the design of the office. However, they made suggestions regarding the layout. In the previous office, they sat in a large circle, everyone could see each other, but now they sit in a row, so they have to walk to the two tables further away from each other to avoid communicating in a raised voice.

Of course, every office has advantages and disadvantages. Many people missed the large spaces and the more spacious private working environment of the old office. They also pointed to the noise level, which is often more than the permitted level. Especially when guests arrive or when additional managers enter the office from the area. They report that their work is often interrupted by the ringing of a telephone or simply distracted by loud background noise. They stressed the lack of rest zones. Indeed, there is only a small canteen available for a break from work or a private phone call. In addition, a storage area of a few square metres is used to organise office supplies.

## Conclusion

Overall, Hungarian NCH workers are satisfied with their working environment and consider their working conditions to be good. However, they think it has no impact on their work performance. They are clearly satisfied with the furniture and its functionality. After the renovation, they are satisfied with the air temperature, the ease of adjustment and the adequate ventilation. They are also satisfied with the lighting and the amount of natural light in the common areas and above their work area. Satisfaction with the colours used in the office varies from individual to individual. However, they agree that the company's values are faithfully conveyed by the combination of white and blue tones in the logo. The office is clean and tidy, neutral and smells good, which is particularly well looked after by the current supplier. The rest areas, including the kitchen and washrooms, are highly appreciated, as they have also

been renovated during the investment project, making them more functional spaces. Wellbeing is also very good in everyday life thanks to the renewed working environment. And only half of the employees think it has a positive impact on their health. They agree with the design of the current ergonomics and consider the composition to be appropriate.

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