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## The Battlefield in the War for Talent

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By Eugene Gilligan, Senior Hotel Editor

As a rapidly growing online travel company, Orbitz needs to recruit and retain the best and the brightest technology talent. Thus the firm came to view its 137,560-square-foot world headquarters in Chicago as a hindrance.

As in many high-tech firms, Orbitz employees need to meet regularly, but its space—on six-and-a-half non-consecutive floors served by two elevator banks—made collaborating difficult. And expansion forced staff to double up in offices or work from converted closets. The company competes for talent with Silicon Valley firms, many of which occupy state-of-the-art campuses. On many fronts, Orbitz's office space was not cutting it.

"We wanted to have a space that told (current and prospective employees) who we are ... a cool, hip company that has a corporate campus Downtown," said senior vice president of human resources and corporate administration Katherine Andreasen.

So Orbitz relocated to new space last summer, taking 141,404 square feet on three contiguous floors at 500 W. Madison St. in Chicago's West Loop. The remodeled space's open arrangement and significant meeting space serve almost 1,000 employees.

Corporations are increasingly viewing office space as a weapon in the war to attract top talent, a battle that is likely to escalate: The first large wave of retiring Baby Boomers is expected to hit in 2010, with fewer 20- to 64-year-old workers in line to replace them. The shortfall will be particularly acute in the 35-to-44 age bracket, from which corporations pluck their executive talent. "This is the age band that is basically a corporation's sweet spot," said Richard Kadzis, director of special projects for CoreNet Global.

"The war for talent is alive and well," agreed United Properties executive managing director of corporate solutions Kevin Farrell, who noted that greater collaboration among a firm's heads of real estate, human resources and IT departments has become necessary to build workspaces that will attract young employees. More corporations now consolidate these functions into a shared-services department and employ chief administrative officers to oversee all three functions.

### Office Showcase

Orbitz built its new space with the younger ranks in mind. "We wanted the space to make a positive statement in the first 60 seconds that this is a place people really want to work," said Ken Locascio, senior project designer for Orbitz's chosen architecture firm, OWP/P. "Orbitz was hiring 10 new people every week. We wanted to attract talent and tell a story."

The 10th floor features a reception area where visitors can contact employees via touch screen TVs. Visitors entering the ninth floor are greeted by a lunchroom that contains meeting space and also hosts after-hours functions, such as employee movie nights. A picture window on the eighth floor provides a dramatic view of the company's massive network operations center. "It looks very much like NASA," Locascio said. "That's where the customer service group is and where workers are tracking flights and monitoring weather reports. Some companies like to keep these centers hidden away, but they are very exciting to see." Orbitz's new space also reflects its flat corporate structure: Each workstation is the same size, and all have direct access to windows. Amenities also serve multiple cultures. A non-denominational prayer room serves mainly Muslim workers, including those visiting from overseas, for daily prayers. (See "Management Matters" on page 25 for more on international recruitment.)

The firm's head of corporate real estate, the architect, the general contractor and Andreasen, at the time head of human resources, monitored development via weekly meetings and involved employees from the beginning. "They really made an effort to sell the relocation to their staff, to rally them behind the idea," said Meg Osman, principal of the corporate interiors practice for OWP/P. Orbitz hosted open houses for employees at the new space before the redesign began.

"We invited feedback," Andreasen said. While the company did not change the basic design as a result, it did act upon some suggestions, such as decreasing the distance between certain departments that collaborate closely. "Young workers need that face-

to-face contact to reconnect with the organization's culture and stay on the same page with their counterparts," Kadzis said.

Those companies that allow their office space to become outdated could find themselves outflanked by competitors in the war for talent, Farrell affirmed. "Many executives aren't sure if it's real yet, but the demographics are undeniable."

—Reach Eugene Gilligan, senior editor, at [eugene.gilligan@nielsen.com](mailto:eugene.gilligan@nielsen.com).

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