The Virtual Workplace:

Enter the Metaverse

By PixelMax™
2020 changed the way we work. Practically overnight businesses were forced to adopt a remote-first model. A change that under normal circumstances would likely have taken years, was accelerated exponentially. The hybrid work revolution is in full swing, we have had our eyes opened to the benefits and we aren’t prepared to relinquish them. But with the benefits came challenges, many of which are still being grappled with on a global scale. And, to a large extent, global organisations have always had a level of challenge here, just not on such an immediate scale.

The early tech heroes that made widespread homeworking a possibility soon became the villains. As ‘Zoom fatigue’ gained traction, it was easy to conclude these pre-pandemic platforms didn’t quite hit the mark as a long-term solution.

More recently, the talk track has become focused on the metaverse, and what this could mean for the world of work. Nailing down such a nebulously titled concept isn’t easy (some big influential names have recently tried and failed). The metaverse is the concept of a living internet, where avatars and people are seamlessly connected. It is an important concept when it comes to exploring how we move forward. It’s tempting to view it as the ‘next big thing’. Yet that may not quite be true.

There’s a very real possibility that the metaverse will be the last big thing that hits business, changing it in a way that’ll make it different to everything that came before. Here, we will explain why and how the metaverse can and will change hybrid working forever and we introduce the 3D virtual workplace as the first step to a more natural workplace in the metaverse.

Every business will eventually need to provide a virtual workplace to both attract and retain the best talent. This digital extension of the enterprise is not only a digital asset for the future, it will allow a business to project its personality in a manner that magnifies its physical world and creates an experience that is the embodiment of both the organisation and the individual.
Time for a new way of working.

There are millions and millions of ways to spend your time on Earth.

Despite the vast choices open to us, we choose to divide our time into working weekdays and recreational weekends. Our mindset and behaviours change depending on whether we’re at work or relaxing during leisure time.

Why do we go to work?

Work is a means to survive. Those who work hardest or most inspirationally find work is a way to thrive. Work is a fundamental tenet of the prevailing capitalist society ‘we’ as modern humans have made for ourselves.

Why do we go to work?

It’s not just for the money. Our careers can also serve as a means of fulfilment and satisfaction. It brings us into contact with new, like-minded humans. It interests us.

But why do we go to work?

There are no fundamental truths here; Age. Location. Level of responsibility. Industry. Role. Each and every variable has a bearing on an individual’s answer.

What is true is that many individuals may have felt they were devoid of choice in the past; whether we are talking about shepherds needing to tend to their flocks, industrial workers operating factory contraptions, or office workers wired up to onsite servers. It was the norm.

What is also true is that, for many, that is no longer the case. The pandemic accelerated the shift to homeworking. In April 2020, nearly 50% of the workforce in the UK did some homeworking. The same research also showed that 85% of adults that were already working from home wanted a hybrid working approach to continue.
Hybrid working is here. It's the biggest change to the working environments in decades and it's imminently mainstream. Advanced Workplace Associates have researched hybrid working, and the benefits are clear:

**With hybrid, we are more productive at work:**

<table>
<thead>
<tr>
<th>The perceived productivity loss in the office is:</th>
<th>The perceived productivity loss at home is:</th>
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<td>11-13%</td>
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**We have more time and money to spend away from work**

The average person used to spend two hours a day travelling to and from work and travelled **38 miles**. That's **504 hours** and **£1,234 saved** on petrol alone. We now get this time back and money back.
The office is no longer the home of the working week for many professions:

Employers save substantial amounts

Employers could save almost £8,000 ($11,000) for each employee who works at home half of the time thanks to factors such as:

- Increased productivity
- Reduced absenteeism
- Reduced office rents and overheads
- Improved business continuity

We have had our eyes opened to the benefits so how do we capitalise on these whilst addressing the challenges that hybrid working introduced?
There are some undeniable **negatives** to hybrid working.

- We have all experienced the technical challenges of hybrid working, but it goes beyond that. We have found employees can become disconnected. Culture, engagement and inclusivity have all been impacted.

Now we are beginning to lose patience with the tools that were once our heroes at the start of the pandemic. They are pre-pandemic platforms that were not meant to be used in the long term.

Covid was a catalyst for the modernisation of our work lives. It’s time for businesses to properly invest in their communication platforms, and start to consider the importance of their virtual workplace offering on employee engagement, morale and culture.
Before we examine the virtual workplace in more detail, we need to enter the metaverse.

The metaverse concept is not new. It predates hybrid working by almost 30 years, having been first discussed in a sci-fi novel in 1992. But the metaverse is a newly applied term to how we think about experiencing things, in particular our working environment.

It’s a world that at first looks like it’s only viewed via a headset or can only be controlled by an algorithm. It’s not. Only a decade ago some C-suites viewed Facebook and Twitter as a place for cat videos and now many businesses could not even exist without the social media giants.

The metaverse is at the cutting edge of a new reality:

Since the onset of Covid, Mark Zuckerberg has spoken about steering his Facebook empire towards a metaverse and has even rebranded The Facebook Company to Meta. Gaming enterprises have been levelling up their efforts, firm in their belief that people already exist in the metaverse. Microsoft CEO, Satya Nadella, highlighted the potential of digital twins and a metaverse in a recent earnings call. Venture Capitalist and thought leader Matthew Ball has attempted to nail down its meaning and characteristics in the hope that more companies can grasp the realities of it.

There are lots of influential people making some big statements, but what is lacking right now is clarity on what can be achieved, now, for businesses to solve very current and real challenges. In the metaverse, you don’t just consume content, you are a component of the content. You don’t simply ‘like’ pages or videos, or subscribe to creators, you like, create, exist and live, and the digital metaverse weaves it all together to maximise the value and enjoyment of the experience. We will explore exactly what that means for businesses and what can be achieved right now.
A weaved web of commercialisation

Where there’s value and enjoyment, commercialisation will surely follow.

It’s purpose-built for everyone and commercialism is in the code. It’s not a place confined to a screen where you access it by logging on, but it’s how you live and work and interact with almost everything around you.

The metaverse is different

The internet as we understand it was developed by the military, public institutions, and academics. Its objective was to share research and communicate with other militaries, civil servants and scientists – wherever they may be. The idea of a commercial internet that anyone can access certainly wasn’t in the original brief.

It’s real. It’s practical and companies are already benefiting from it.
Metaverse and commerce

Dress like your avatar with Vans and Roblox

The Roblox gaming universe is a virtual environment that brings people together to play over 40 million games. Vans is a clothing brand favoured by people who want to perform stunts and tricks.

It doesn’t take a genius to see the cross-sell, but it took the metaverse to make it happen, allowing people to simultaneously dress their avatars in Vans apparel which was of course also ordered to their door in their own size.

Over three-quarters of shoppers abandon their online carts.

E-commerce and VR-commerce

VR and AR are improving these conversion rates in the fashion industry. Alibaba uses metaverse-inspired 3D tech to recreate virtual stores, allowing shoppers to interact with a product and even wear it in some cases. This makes the process of putting an item in the basket a much more meaningful event, resulting in fewer abandoned purchases online.

Non-fungible tokens (NFTs) are creating new revenue streams

For decades, the monetisation of online content has been problematic, especially in comparison to the ease with which people attribute value to anything physical. It’s the same news on a website as in the paper but a tangible newspaper somehow feels more valuable.

NFTs are starting to change this. Creating digital value for content creators as well as allowing users and consumers a more customised experience. Again, it is the fashion industry pushing the boundaries. Curated online marketplace Clothia is auctioning NFT dresses and sending winning bidders reciprocal, one-of-a-kind physical dresses and Gucci believes it’s “only a matter of time” before it releases an NFT of its own.

Big brands such as Coca-Cola have also started with NFTs, selling digital artwork of iconic Coca-Cola imagery. Classic vending machines and a wearable jacket inspired by old delivery uniforms were up for sale in late summer 2021. These NFTs will be wearable and tradable in the metaverse, with the opportunity to decorate your digital space with your purchases.

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Seamless congregating, natural socialising and spontaneous interaction

It is now easier to understand how this gaming and social media playground is about to be intrinsically linked to the future of commerce and the working world. Enter the enterprise version of the metaverse.

It ends the need for constant Zoom calls and dial-ins. Your company will not have a split workforce, one foot in remote and one foot in the office; everyone will be firmly planted, both feet in the metaverse.

Helping you and your workforce be present is what the metaverse does. Virtual reality, augmented reality, digital twins, portability and, yes, even video conferencing are simply methods in which this is achieved – simply furniture in the office.

Of course, unlike any place humans have ever inhabited before, the metaverse is not made up of matter, but digital data. This means not only are you bringing people naturally together, but the insight that you can unlock and optimise is fresh territory to make your workforce more productive, happy and efficient. It's evolutionary.

Once the concept of the metaverse stops becoming a concept, you're ready to thrive in it - a new reality.

This is how you do that.
A purpose-built virtual workplace.

Before the pandemic, working from home wasn’t the norm. Many organisations and employees did not have a fully deployed Microsoft 365 solution. To access work platforms you may have needed an RSA token or a platform like Citrix. 2020 was a turning point. The pandemic accelerated change, basically overnight. Eyes were opened, habits broken and people soon became unwilling to relinquish the new benefits they had become accustomed to.

Video conferencing technology was the early hero. But it’s a utility – a tool to facilitate and that’s all. Research from Advanced Workplace Associates shows that pre-Covid around 26% of working meetings occurred via a computer screen, now and going forward this is 73%. Yet quickly this reliance instigated its own issues: 60% of people say lack of social interaction with colleagues is a barrier to remote working being effective. We have explored why we go to work, and video conferencing isn’t it.

Such a multifaceted human and technological issue will require a multifaceted solution.
What is a virtual workplace?

If you look on Google you will find this definition:

“A virtual workplace is a workplace that is not located in any one physical space and not tied to any geographic boundaries. Employees and management are connected via a private network or the internet and interact with each other via phone, Skype, cloud computing programs and a whole host of other virtual options.”

Now we have introduced the metaverse, the virtual workplace goes well beyond this outdated definition. The metaverse allows for individuals to not only be connected, but for them to be present, and for them to co-create in real-time in a shared immersive experience. The creation of 3D worlds and experiences allows for more natural human connections to be restored when working from multiple locations. There is no doubt that this is a game-changer for enterprises, and those that fail to realise this will get left behind.

So what is a virtual workplace?

We define it as:

“A virtual space that enables employees and wider communities to effectively communicate, collaborate and co-create, regardless of location.”

A virtual workplace combines the power of human connection and seamless integration to transform hybrid working. It allows people to be present, as a digital representation of themselves. Avatars of colleagues can interact and work together, with the ability to access applications like Slack or Dropbox within the virtual space.

The options of what can be delivered with a virtual workplace are almost endless. From a wellness area with on-demand exercise classes to a meeting room on the moon. The engaging virtual workplace is there to be enjoyed, a place where employees actually want to go to work. It will allow a business to project its personality in a manner that is unobtainable in the physical world. Software that your company uses for daily tasks can be integrated into the virtual workplace, and your favourite apps can be incorporated into this enterprise version of the metaverse. Delivering a true unified communications solution, something businesses have been striving for.
A seamless multi-dimensional experience.

The metaverse is an interconnected multi-dimensional reality – just like life is. So, for hybrid to work for you long-term, you will need an interconnected reality.

Furthermore, there can be little difference between the experience remote workers have and the experience office workers have in a truly effective hybrid solution.

Workers struggle to adapt to remote working that is nothing like their office.

Q: We would like to know about the barriers to effectiveness when working remotely. What would you say gets in the way of working effectively?

- Lack of social interaction with my colleagues: 60%
- Inadequate “office type” facilities for working from home: 40%
- IT response to remote working issues: 31%
- Inadequate or unreliable connectivity: 27%
- Disruption from other people being at home during the lockdown: 24%
- Length or frequency of virtual meetings: 22%
- Technology / software training for remote working: 20%
- Virtual meeting management / behaviours: 11%
- Lack of appropriate virtual meeting technology: 8%

Research from Advanced Workplace Associates
Continued use only magnifies the problems of Zoom fatigue

We are not designed to exist in 2D. Zoom fatigue quickly became a thing in the rush to find an immediate band-aid to working in the pandemic. Now, 3D solutions aim to address the limitations imposed by interacting with people by means of an endless sea of little rectangles on Zoom.

A 3D virtual workplace is the first step to a more natural workplace in the metaverse. A place where staff and wider business communities can engage, collaborate and create.

Not just an office

The virtual workplace can be anything to any company. BMW, for instance, has already partnered with Nvidia to build a virtual factory as a digital twin – a virtual representation of a physical asset, system, or process.

Build a training campus, run events, develop virtual showrooms, recreate your physical assets in the virtual world with enhanced personality that may not be obtainable in the real world.
Businesses recognise a purpose-built solution is needed and are starting to invest in developing their virtual workplace, now that it’s clear hybrid working is here to stay. The idea of a virtual workplace is no longer limited to colleague-to-colleague communication. Businesses want platforms where they can own the experience of an interaction and create spontaneity across these working environments in an exciting and fun way whilst energising their workforce. Whether that be with a supplier, a customer or an employee, brand and experience have been central to the way businesses operate for a long time. So they need fully white-labelled solutions to promote their brand and personality. But it’s more than that.
Tech should not be used to bridge onsite and offsite workers. Instead, with acknowledgement of the shift to the metaverse, tech should be used to seamlessly meld the physical and remote workplaces.

There are no rules – it can be as creative or as realistic as you want, but that’s not important. Form follows function, so think about how a 3D virtual workplace could exist to solve real business problems.

The purpose-built virtual workplace is filled with personalised avatars of your colleagues. They can be as real or as abstract as you choose and we will explore this in more in the next section.

Introducing NFTs and cryptocurrencies into this space adds a new layer too. In the virtual workplace, everyone can have an office that they can personally design. Minigames can be played to win currency, which can in turn be used to purchase new things for your office. This is just one idea, but it’s easy to see how these initiatives can bring back individuality and aid the development of a positive culture, whilst cultivating and igniting informal communication and the development of strong relationships.

In the past, companies spent thousands of pounds on creating the right atmosphere for their physical workplace by purchasing comfortable furniture, investing in pool tables and offering free drinks on tap. So why not invest in the virtual workplace? We have already seen that employees are spending a significant proportion of their time away from the office. The time is now to create a sticky environment, where people want to spend their time.

Every business will eventually need to provide a virtual workplace to both attract and retain the best talent. This digital extension of the enterprise is not only a digital asset for the future, it will allow a business to project its personality in a manner that is unobtainable in the physical world.
Why do we go to work?

You’ll recall the answer to this question has as much to do with fulfilment and enjoyment as it has to earning and survival. When implementing your own hybrid solution, this must not be forgotten.

Let’s take a more detailed look at one of the biggest issues with hybrid working. Video call fatigue.

After the onset of the pandemic, many companies struggled to keep revenue streams flowing; they adopted virtual communication – most notably video conferencing – as the next best thing to in-person communication and collaboration.

It did not take long for the problems to arise. Video conferencing alone was found to be very two-dimensional.

Firstly, a lack of nonverbal cues makes every video call harder than it needs to be. Conversations become functional very quickly. Secondly, video conferencing is easy to overuse. As humans, we value conversation and fellow human contact, but due to a lack of alternatives, Zoom fatigue has chipped away at what should be a pleasurable experience.

Psychologists have outlined the issues already: synchrony disruption, gaze awareness, performance pressure and attention drain.

A real, walking, talking avatar in a 3D environment mitigates this.
Avatars and human behaviour

In a 3D virtual office, you can create your own avatar. In the metaverse, this digital representation of you can exist across multiple platforms.

You can make it look like you, dress like you and act like you. Or you could make it completely abstract. Regardless, straight away there is personality, conversation and a culture being cultivated.

You also create presence, which can't be achieved in a 2D platform. In your virtual workplace, your avatar can be seen by others. Signals and visuals can be used to show if you're free or tied up, avoiding constant interruptions when you need to concentrate.

This is something we have always struggled to achieve in the physical world because we feel rude. But platforms like Slack have made this more normal in the digital world, and it's just the start.

Culture and communication is linked to the sense of self. So if your organisation's 3D world allows for personalised avatars, personalised office spaces, office games and competitions, it really starts to turn our current experience of working remotely on its head.

Plans for human spontaneity

Avatar-enabled, always-on platforms allow employees to open up new lines of communication organically, through conversations that don't require a calendar slot or a free meeting room. Avatars can walk around a 3D immersive space and with bump to chat functionality all of a sudden we are able to recreate those water cooler moments, or ignite conversation while making a brew.
Let’s consider employee well-being.

With remote work on the increase, office-based initiatives no longer have the same impact. So businesses are rethinking how they add value to employees remotely or virtually. Wellness areas in a 3D world where employees can access on-demand content could become more popular. All of a sudden employee perks like gym memberships are a thing of the past, being replaced by a Peloton subscription or access to Headspace.

But when creating a purpose-built virtual workplace, we can be more fundamental than that.

Tech companies had some amazing environments – ball pools, slides, table tennis etc. Companies really focused on the office environment to make it somewhere people enjoyed working and were productive and engaged. But this only worked pre-pandemic. Now more than 80% want to work in a hybrid way. So how do we manage wellness in a post-pandemic world? People are suffering from Zoom fatigue. We need to rethink the technology we use and the solutions we use. How do we improve our working lives with the tech we have out there? I have three sons that would live in Fortnite if they could, why can’t we have that in the business world? A platform where people want to exist and engage.

Sarah Clarke MBPsS – Organisational Psychologist
We may not know a lot about mental health, but we know more than we ever did and take it more seriously than ever before. It’s estimated that 72 million working days are lost to mental ill-health each year in the UK alone\(^1\), forcing businesses to address this growing concern.

The aftermath of the pandemic will bring further issues; research from the Centre for Mental Health predicts that \textbf{8.5 million more adults} will need mental health support post-pandemic\(^2\).

And then there’s the impact of the shift to hybrid working itself.

Yes, there is so much support and excitement for hybrid working. Some people enjoyed less commuting and fewer distractions. Some welcome a better work-life balance\(^3\). But others will feel isolated – \textbf{60% of workers} believe a lack of social interaction with colleagues is a barrier when it comes to effective remote working according to research from Advanced Workplace Associates.

Not only does a virtual workplace alleviate some of this isolation, but it also provides an opportunity to redress the work-life balance.

Although it may seem that more time at home could actually help workers find balance, the pandemic and remote working has lengthened the working day\(^4\) by almost an hour.

It’s much harder to switch off from the office if you can never leave it. Now is the time to rebuild some of this structure and virtual workplaces are the ideal way to deliver this.

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2. Towards a mental health service that works for everyone (2020). The Centre for Mental Health.\[https://www.mentalhealth.org.uk/towards-a-mental-health-service-that-works-for-everyone\]

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So far we have explored the metaverse and virtual workplaces. We have provided real examples of what can be achieved right now to address current business challenges. We are not however suggesting that businesses should scrap everything we have ever known, this would be drastic, costly and unnecessary.

Let's face it, there are some great products that exist right now that businesses are unlikely to move away from – Slack, Outlook and Dropbox to name just a few. These products are hugely successful because they fulfil a need and they do it very well. There are many reasons behind the extraordinary adoption of the iPhone, but a significant contributing factor is apps. The ability to install third-party software changed the way we both use and view our mobile phones.

An enterprise-based platform as a service (PaaS) solution would enable other enterprise solutions to be seamlessly integrated into an organisation’s environment and allow for developers to create tools and applications to further enhance the overall experience. A platform that is provider agnostic will allow for ultimate flexibility. We believe this is the future and will create an environment that is not only seamless, but allows for constant innovation.
We have entered the metaverse, now thrive.

Almost overnight, businesses invested in the tech and working practices they needed to survive. Over the past 18 months businesses have learnt and adapted, and now have a better idea of what works for them. But now the time to just ‘make do’ is over.

Technology advancements make hybrid working possible – but the technology itself can and should emphasise human connection. In the gaming world this has been achieved, now let’s take these learnings and create the enterprise alternative.

Hybrid working will become the primary competitive advantage over the next decade – shaking up whole sectors based upon the way organisations treat their employees. The winners will be those who have already realised the world has changed and make no pretence about lapsing back to the old way. The winners will use technology to create flexible virtual workplaces that promote equality, engagement and well-being.

As virtual and physical spaces converge within the metaverse the talent pool opens up. The best talent will have access to the best companies – no longer restricted by geography. Those who fail to recognise that will struggle to attract and retain the right talent and without it, no business can survive.