

Systems furniture introduction

Office cubicles – usually called “systems furniture” by dealers – have a less-than-stellar reputation among workers, but it does solve some common business problems. Office cubicles offer you a way to divide large, noisy office spaces into private work areas without building permanent walls. Thanks to its flexibility and modularity, you can mix and match a wide range of layouts and extras to provide all your employees with the workspace they need.

Unfortunately, many of the people charged with locating, evaluating, and choosing cubicles are unfamiliar with the options and process – after all, it’s not the type of purchase you make everyday. And because it’s there are so many options, it’s not the kind of item you can easily choose from a catalog. Instead, you’ll be better off working with a vendor who can help you to design a system appropriate for your space, business, and employees.

If you’re furnishing an entire office, it may be wise to consider your systems furniture purchase separately from desks, conference tables, and the like. Those other pieces can be purchased piecemeal from different vendors, but you should definitely buy all your cubicles and accessories from the same source.

This BuyerZone Systems Furniture Buyer’s Guide will teach you what to look for as you’re cubicle shopping and help you choose a systems furniture vendor.

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Pricing guidelines

Actual costs for systems furniture will vary tremendously depending on the volume you purchase, the features you need, and installation. Here are some very rough estimates – we’ll go into more detail in **Systems Furniture pricing** on page 5.

Type of cube purchase	Notes	Estimated cost
Brand new system	Top materials cost more	\$2,500 to \$5,000
“As is” system	Short-term warranty	\$700 to \$1,000
Small group order	10 cubes or fewer	\$1,000 to \$2,000 each
Large group order	100 or more cubes	\$800 to \$1,600 each

Understanding systems furniture

Buying systems furniture isn't like buying furniture at an office supply store. For one thing, cubicles from leading manufacturers are built to last for decades. Dealers will work with you to design a system that's right for your needs and will stand behind their work.

In addition, systems furniture is more expensive than many people realize. We'll get into more detail in Pricing, but you can expect to pay around \$1,500 per cubicle for high-quality used systems furniture – or \$2,500 and up for new systems.



Do your homework

Before you start talking to cubicle suppliers, you'll need to prepare some basic information about your office and your employees.

First, you'll need to know the floor plan of the space you're looking to furnish. If you can get a scale drawing of your office, great; if not, you should measure the office yourself to get a rough idea of your available space. In most cases, you'll wind up working with a designer who will take more detailed measurements later, but knowing the general dimensions will greatly improve your initial conversations with potential suppliers.

Next, consider your employees. Obviously you need to know how many employees need workstations. But go one step further: what do those employees do? Cubicles for a department of telemarketers are quite different from the right cubicles for a group of programmers. Talk to your employees about their needs: do they spend more time on the computer, on the phone, or doing paperwork? How important is it that they be able to easily converse with co-workers? Do they have small meetings in their cubes? These factors will influence the size, wall height, and surfaces of the workstations you choose.

There are office-wide considerations, as well. Copiers, printers, and any other shared resources need to be accessible without being a distraction to employees seated nearby.

Start early

Shopping for systems furniture isn't a quick process: if you're buying new or remanufactured systems, you can expect an average of three to six weeks between placing the order and delivery. If you choose office workstations a dealer has in stock, it can take a week; if you place your order at a busy time, it can take as long as 10 weeks or more.

Systems furniture basics

Many people evaluating systems furniture don't understand the scope of the purchasing decision they're making. It may not seem like choosing a few cubicles will have far-reaching implications, but that may be the case.

For one thing, it's very important to stick with one brand. While many brands may look similar, they use completely different hardware and panels and are almost never interchangeable. This means that as your business grows, all your additional modular office furniture purchases will be based on the first decision.

Two main types of systems furniture

Systems furniture is available in two main designs: panel-mounted and freestanding. Most systems furniture today is panel-mounted: the wall panels are the basis of the system, and components such as desks and file cabinets are mounted directly onto the panels. Freestanding components use separate panels that are placed around furniture.

Each design has its advantages. Panel-based systems offer greater design flexibility, can be equipped with internal power options, and can be a bit taller to provide greater privacy and noise reduction.

The main advantage of freestanding systems is that they can be easily installed and reconfigured. This makes them more convenient for firms that will often rearrange or move office space.

General features to consider

Look into the flexibility a given system offers. If you move your office two years down the road, will the systems be reconfigurable to fit a different type of space? Can you arrange cubes in traditional rows, “bullpen” style where several co-workers share a larger enclosed space, or in staggered or diagonal layouts?

Also check the system's durability. Systems furniture is designed to last many years – the warranties included can provide a good indication of the expected life span. Because you'll be using it for years, you should also make sure the dealer you choose is committed to carrying this line, ensuring the availability and of parts and service.

What size?

The most common cubicle sizes – familiar to office workers across the country – are 6' x 6', 6' x 8', and 8' x 8'. These provide enough room for a computer or two, desk space for paperwork, and perhaps a single chair for visitors. They can be as small as a 2' x 4' call center workstation or as large as a 12' x 12' manager's cube that includes space for several people to meet.

In addition to the size, you'll need to decide on a height for the walls. Heights range from 34" to 85" – the choice depends quite a bit on how your employees like to work. Many people like being able to stand up and talk to co-workers, but have privacy when they're seated. 54" walls are a good height for that type of interaction. 67" or 72" walls create more privacy at all times, but can reduce light and make collaboration more difficult; 42" walls make it easier for employees to work together but provide little privacy or help in reducing distractions.

Systems furniture features and design

A common reason companies opt for systems furniture is to reduce noise, and the right type of system can do exactly that. It's important to remember, though, that no system will eliminate noise completely – and that some design choices will make your system even less efficient at blocking sound. Lower panels and glass surfaces can make for a more stylish look – but they both reduce noise absorption.

Aesthetics are also important. Leading systems furniture manufacturers provide a range of colors and patterns for fabrics and work surfaces, allowing you to choose a look that's right for you. Plain can be OK – and can save you some money – but nicer fabrics can benefit your business image. On the other hand, if looks really aren't that important to you, you may be able to save money by choosing less popular colors or overstocked fabrics.

In most cases, you'll need electric power and data network connections run through a row of cubes. You'll be able to choose “base feed” – power that comes from a wall outlet – or “top feed”, where wires are dropped down from the ceiling. However, electrifying a set of cubes makes a big difference on the cost. If your cubes are next to walls or existing overhead power sources, you may be able to save some money by simply adding wall outlets or “utility poles” – non-structural columns that conceal wiring.

Various storage options are available with systems furniture, including filing drawers, wheeled pedestals, wall



shelving or cabinets, and free-standing bookshelves, many of which have the option to include locks. Sometimes these are configurable by your employees, allowing each person to set up their cube the way they see fit.

For computer-intensive tasks, keyboard trays are a welcome addition. Some systems go a step further by allowing the entire work surface to be raised or lowered.

Other common add-ons include whiteboards, windows, built-in task lighting, coat hangers, and tack boards. Your vendor can give you more details on what extras are available, and in most cases you'll be able to add them later with little or no extra expense.

Get design help

The systems furniture vendor you choose will provide help with all of these decisions. Most will create a computer layout of your office, allowing you to see what various systems furniture setups would look like and make necessary changes. Larger companies may also want to hire their own interior designer to work with the vendor, especially if your office gets a lot of visitors. Either way, you should expect your designers to ask lots of questions about your office environment, your employees and their jobs, and your plans for the future.

New and used cubicles

There are several levels of used cubicles, and remanufactured cubicles are at the top. Truly remanufactured cubes are indistinguishable from new. It's an excellent way to save money without sacrificing quality: more than half of the systems furniture market is for remanufactured cubicles.

Generally speaking, the systems furniture food chain starts with very large companies buying systems directly from manufacturers. As they go through layoffs or office moves, they sell those systems back to the manufacturer or to dealers. The dealers turn around and sell the remanufactured cubicles to small and mid-sized companies for as little as half their original cost.

Buying remanufactured isn't like buying a used car – you don't have to choose from what's on the lot. Just like buying new, you'll be able to pick a brand and model of cube and select the fabrics and colors you like. In some cases you'll actually have more choices of fabric and finishes than you would buying new.

To get there, used office furniture – the cubicles and accessories – is completely taken apart and inspected. Metal parts are sanded and painted or powder coated. Fabric is completely replaced and missing parts are supplied. Parts such as pedestals and shelves are often installed brand-new.

Surprisingly, remanufactured cubicles often come with the same warranty they had when they were new – even lifetime warranties, in some cases. Custom remanufacturing jobs like this can often be turned around more quickly than new orders, and cost on average 30% to 50% less than similar new systems. Unless you're buying large lots – around 1,000 cubes or more – remanufactured cubes offer the best combination of quality and price.

On the other end of the scale, more budget-minded businesses can opt for "as-is" cubes from used office furniture dealers. You give up the ability to choose exactly what fabrics you want, but the dealer will still clean the cubes, repair any significant damage, and supply missing pieces. You'll save money this way, especially if you don't particularly care what the cubes look like or even if they match – but you won't get the same type of warranties on these systems, if you get any warranty at all.

Choosing a systems furniture dealer

Unless you're buying hundreds of cubicles, you won't be working directly with a manufacturer. In most cases, you'll be working with an independent systems furniture dealer who carries systems from a number of manufacturers.

Buyer beware: You may find very cheap cubicles in classified ads but they won't come with a warranty and you could be purchasing another company's problems.

Some systems furniture dealers are dedicated reps for particular manufacturers, and many more specialize in a brand or two but carry several others. Remember that you'll want to stick with one brand for future purchases, so go with a brand that's been around for a while and shows stability.

Because so much of the systems furniture market is in various classes of used equipment, many of these resellers are also partially manufacturers: they have extensive factories for disassembling, cleaning, painting, and reassembling systems. Others are purely resellers: once they determine your needs, they'll check with multiple vendors to find what you want, whether new or remanufactured, then come back to you with the best price.



Take a tour of the dealer's facilities, if possible. Check out the manufacturing areas, customer service department, and warehouse to get an idea of the size of the operation. Not every cubicle dealer has a show room – but you should take advantage of those that do. Seeing different types of cubes in person lets you make direct comparisons of different brands, sizes, and extras. Looking at disassembled cubes in a warehouse won't give you the same opportunity.

Reputation and longevity do matter in systems furniture. For even a small-to-mid-sized company, you'll be spending tens of thousands of dollars on important business equipment that should last ten or twenty years. It's not worth saving a few dollars to risk doing business with a company that might not be around in five years, or with one that won't be able to provide the ongoing support you need.

A good cubicles dealer will take a consultant's approach to your business: they'll work with you to address problems, explain their proposals, and even offer you tips on how to get more for your money. Dealers who simply try to sell you as much as possible or pressure you into unnecessary upgrades should be avoided.

You may want to focus on local dealers. Due to their size and weight, systems furniture components are quite expensive to ship, so unless you get an excellent deal, you'll usually wind up paying more for systems from outside your area.

Some questions to ask of potential cubicle dealers:

- What will happen if the systems don't work as they're supposed to?
- Do you do your own installations? (You're likely to get somewhat better service if they have their own installation teams, instead of third-party contractors.)
- What brands do you specialize in, and how did you choose them? How long have you carried them?
- How much of your business is based on referrals?
- When can you do installation work – early, late, or on weekends?
- How long will it take to install? Will the installation disrupt day-to-day operations?

Systems furniture pricing

The sticker price for quality systems furniture can be surprisingly high, at first. It's important to remember that it will last for decades, and that your employees will be using it all day, every day. Saving a hundred dollars per cube will have minimal impact on your business in the long run – but getting quality equipment that will keep your employees happy and efficient will make a big difference.

So, how much?

For a small order (fewer than 10 cubes) of average sized cubicles, you can expect to pay around \$1,000-\$2,000 per cube. Prices for new systems start at \$2,500 and can range up to \$5,000 or more, and some dealers will have as-is cubes for as little as \$700.

You may be able to find cubes for \$300 in classified ads, but keep in mind that you'll have to pick them up and install them yourself. You'll have no guarantees whatsoever and you won't be able to integrate them with cubes you add later. For a long-lasting solution, it's worth spending a little extra to purchase from a reputable dealer.

There are significant economies of scale involved: as soon as you put two cubes back-to-back, you've already saved one wall, and every additional cube means extra cost savings. Also, whether you're ordering new or remanufactured cubicles, the factory saves money producing multiple identical components. Buying ten cubes will provide some discount, while buying over 100 or so can reduce your cost by 20% or more.

Bear in mind that these prices are just rough guidelines. In most cases, you won't be quoted a price per cube. Instead you can expect to get a quote for your entire setup. The more specific the breakdown, the better: because an office furniture system is so modular, you should be able to add and subtract line items as you negotiate the pricing.

Delivery and installation can add significantly to the total costs, so have your vendor include those costs along with the systems themselves. Be sure you know the delivery rules in your building: union buildings will require you to use union members for unloading and delivery; other buildings may have strict rules about when you can unload. Both of these situations can dramatically increase delivery costs: have your vendor account for them if applicable.



Warranties

New and remanufactured cubicles should be durable and reliable – and warranties should back that up. Look for a minimum warranty of three years on parts, but expect longer. Lifetime warranties are fairly common in the industry, simply because they provide customers with a sense of security and don't cost dealers much: problems are rare and repair costs minimal.

If the dealer does your installation, they may provide a one-year warranty covering labor, as well; if you hire your own contractors, you probably won't get warranty coverage on the construction.

Buy vs. lease

Due to the expense of buying an office furniture system, you may want to consider leasing instead of buying. Most dealers will offer you lease information up front – if you don't have the available capital, it can be a good idea. You may also be able to take advantage of the fact that lease payments are business expenses, taken from pre-tax income instead of after-tax profits.

However most businesses still treat cubes as a capital expense. The financial advantage is that you'll own the cubes – when you're done with them, you can usually sell them back to the same company that you bought them from and recoup at least part of your costs.

Systems furniture buying tips

- **Know the brand names.** Get to know the major brands in the industry. Names to start with include Haworth, Herman Miller, HON, Knoll, Steelcase, and Teknion, but there are others worth investigating, as well. Do some research to see which best fit your needs.
- **Don't rush into things.** Time spent researching systems furniture is well spent. Look at it as an investment in your business: ask questions, consider multiple options, and make the right choice the first time.
- **Plan for the future.** When purchasing and designing your layout, consider your plans for growth over the next year or two. Buying extra office cubes now and leaving space for the next set can reduce disruption and costs later.
- **Get to know your vendor.** Building up a relationship with your systems furniture vendor can pay off – if they know you'll be coming back to them every time you need more cubes, you may be able to get better prices on smaller orders.
- **Start with CAD.** Providing your supplier with a CAD (computer assisted drawing) file of your office will greatly speed the design process. Often you can get one from your building management or landlord and simply email it to your vendor.