

## Achieving Business Results from Office Redesign

Senior executives of both public and private sector organizations have been trying for years to achieve business improvements while reducing their costs. They have automated, downsized, outsourced and reengineered business processes. These improvements have been focused on key service delivery functions, support functions and organizational overheads.

One area often overlooked is how to reengineer office space – how to reduce the facilities costs while at the same time improving employee productivity and service delivery. Today many senior executives are starting to take a careful look at their corporate real estate portfolio.

The reengineering of office space is not a new idea. We have evolved the use of office space from 1950's sea of aligned desks, to the closed offices of the 1970's, to the systems furniture solutions (cubes) of the 1980's which are common in many organizations today. All of these solutions have tended to focus more on furniture and structure rather than on how employees function or how technology is redefining how and where we work.

The good news is that a few organizations are now taking a leadership role and redefining their office space. These organizations are implementing alternative officing strategies (also known as alternative work environments) which question some of our fundamental definitions of office space. They are questioning ... why is there a dedicated workspace for each employee – particularly for those who are not in the office every day? Why can't employees work from home a few days a week? Why can't employees share space? Why do we assign space based on rank and not on need? Why do we need enclosed offices? Why do we design offices such that people are isolated in their individual "cubes" instead of being in a space where they can easily interact with their colleagues?

Unfortunately many organizations do not take the time to ask these questions. Instead they take the easy road and decide to design the office in the traditional way by starting with the number of people by classification and match this to the corporate standards. The net result is virtually the same "cookie cutter" design that has been produced for years.

Organizations considering new officing strategies are going out on a limb and examining how they use space today. Many of them are shocked to discover that they are only utilizing their workstations 30-40% of the regular working day. Upon further study they discover that more and more employees are either choosing to work at home, working from multiple locations (mobile workers), working with a customer at their location or working on multiple internal projects with multiple workstations. The utilization data is not suggesting that employees are being unproductive, rather it is showing that the facilities are not adapting to the ways employees work today.

Organizations are also analyzing the type of work employees are doing and finding that some portions of the work are best done in an open environment while other work is done in more enclosed areas. Our traditional solution to this challenge would be to assign enclosed offices for managers and to put everyone else in a cubicle. This, of course, is rarely the best solution.

There are many different solutions that will help organizations realize significant business benefits while at the same time reducing real estate costs. We are finding that the most common solutions include teaming spaces, quiet spaces, shared spaces, teleworking and shared casual spaces.

The implementation of teaming spaces usually represents a change in organizational culture and facilities design with a fairly limited amount of change. Teaming spaces are really quite simple. They usually involve taking people out of separate cubicles and putting teams of staff together in a larger open area. This minor change produces major results in terms of team communications, effectiveness and productivity. We have found that teams which work in separate cubicles tend to operate as isolated team members preferring not to leave their "cube" to interact with others. Teams that work in a team space feel a greater sense of open communications between team members. The perimeter of a team space is usually screened to provide a definition of the team space and to manage noise levels. The lack of interior screens not only enhances team interaction but it also allows for broader penetration of natural light to those workstations which are not located on a window.

Another common strategy is to implement quiet spaces as part of the office environment. These quiet spaces can be used by any employee (regardless of rank) to perform quiet, heads-down work (i.e. reviewing an engineering drawing or writing a report). These employees will dramatically increase their productivity by working in the a quiet space where they will not be interrupted. These quiet spaces, or retreats, are typically small enclosed offices which are ideal for a few hours work but likely inappropriate for use all day long.

Many employees are also requesting the opportunity to telework – to perform some portion of their work from home while completing the remainder of their job in the office. Teleworkers find that they are able to be much more productive at home (commonly 15-25% more productive). These employees are still connected to the office via a telephone and electronic data connection. They can have their calls directly transferred to their homes (making their teleworking transparent to callers) and will usually have a modem connection which connects them to clients and colleagues via e-mail and/or file transfer.

The implementation of alternative officing is really about finding opportunities to use any single space for multiple purposes. For example, employees who are teleworking can share a workstation in the office. Employees who are mobile workers (out of the office 4-5 days/week) will likely only need a "drop-in" space in the office which will be shared with other mobile workers. The goal is to get away from the concept of one physical workspace for each and every employee. When organizations implement these space sharing concepts the savings add up very quickly. For example, consider an organization with a sales force of 50 people – assuming that 10 of these people are in support functions (in the office every day) and the remaining 40 are in direct sales (out 4-5 days/week). It would not have been uncommon in the past to find 50 workstations in the office for these employees. Now using alternative officing strategies (along with the right technology to allow the mobile workers to work from anywhere) we could reduce the number of workstations to 20 (10 for those who are in the office and 10 to be shared by the 40 sales people who are on the road). This would represent a 60% reduction in real estate costs for this portion of the organization.

We are also seeing the implementation of common casual spaces throughout the organization. These spaces include small adhoc meeting areas which might be in a hallway or an open alcove. The implementation of café spaces is also becoming very popular. These spaces are not just for breaks and lunch but become a place for meetings or to drop in and do a little work. Many organizations are now providing power and voice/data connections in the café spaces to provide additional options for where employees can perform some portion of their job.

The trends described above are only a few common examples of what some organizations are doing today. The exciting aspect of alternative officing strategies is that there is rarely a "cookie-cutter" solution – instead there are a broad range of unique and creative solutions that will best reflect the working style and culture of your organization ... or the working style and culture that your organization would like to evolve to.

The benefits of these concepts are significant both in terms of real estate savings and employee effectiveness. Many employees will be reluctant to embrace these concepts at first but will quickly see the downstream benefits when they are working in this type of space. Employees who work in these new spaces find that the environment is more supportive of the type of work they are responsible for; that options such as teleworking help them to better balance work and family; and that the level of overall communications within the organization is improved dramatically.

So you could sit by on the sidelines and suggest that the way we've always designed an office is the best way ... or you could be proactive and start to look for new and creative ways to revitalize your office space and your staff. As always the ultimate choice is yours. However, study the utilization of your space and do the business case – you might be surprised!

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**Need More Information?**

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