



The Workplace of the Future

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Introduction

The CIO Brief 2.0 is an inter-organizational learning forum of CIOs from leading-edge organizations who meet to exchange best practices concerning IT management strategy. The 2017 CIO Brief is exploring four dimensions of managing IT in a digital age. The first session discussed digital initiatives and factors that make them successful or unsuccessful and the second examined how organizations can deliver digital transformation with partnerships. This third session explored digital workspaces and their importance for talent development and productivity. The fourth session will explore how to develop a collaborative IT environment.

Redesigning the Workplace at Procter and Gamble

Alexey Rykhva is the Head of Business and IT Services at Procter and Gamble Canada. He is responsible for over 100 business services ranging from traditional IT and facilities to advanced analytics. He has had broad international experience leading business transformation and applying information technology across multiple domains and building world class IT organizations.

"When I first came to P&G, I found that we had a number of facilities challenges," said Alexey. "We had six facilities that ate up a significant portion of our budget and they weren't being fully utilized." Traditionally, organizations have given every staff member their own desk, chair and workspace with a computer and phone. Unfortunately, this sometimes led to disconnected silos on teams and "lowest common denominator" workspaces, which were ineffective for IT workers. In combination with continual pressure to do more with less, P&G's workspace had a low "cool factor" and underexploited technology. At seven "chairs per person" much workspace was not being used.

Alexey developed a plan to shrink the organization's workspace footprint, while also creating more effective co-working space. His new design stressed flex work, space zones based on tasks, paperless offices, high density, and spaces that facilitate "collisions" and real time work. It had three components:

1. **People.** "Facilitating teams was our number one objective," Alexey said. "We wanted a workspace that would facilitate where, how, and when people are most productive."
2. **Facilities.** Spaces were designed for specific tasks. For example, with paperless offices, storage needs are significantly reduced and personal storage cabinets are used for whatever individuals need to keep.
3. **Technology.** Here, the goal was to provide reliable wireless technology that was also secure and paperless.

The key to this successful transformation was putting employees at the center of the redesign and involving them in every aspect including creating:

- a hospitality *service* experience
- a *culture* of workplace best practices

- a visually stimulating *design*
- a *healthy* and sustainable
- a diverse *collaborative* environment, and
- an investment in wireless data, voice, and video solutions.

The first and most important step was to capture people's ideas for their work environment. "This was a low tech way to engage people in determining what would work for them," Alexey said. The results have been an overwhelming success. Floorspace was reduced from nine floors to 3.5 and sales offices are now fully digital. "There has been a 90% reduction in storage and printing," he said "and occupancy is now 200%." But the most important results have been in employee satisfaction. "We moved our workspace model very quickly," Alexey said. "We made sure that when we took away old capabilities, new ones were in place." As a result, employees' satisfaction with their work environment rose nine points in a single year – an unheard of increase. Other elements that were measured included: "It makes me want to work here" (increased seven points); "It reenergizes me to do my best at work" (increased six points); and "It improved my productivity" (increased twelve points).

The Value of Workplace Transformation

Sebastien Gelus of Deloitte then discussed the value of workplace transformations. "Companies are transforming their workplaces because work itself is changing," he said. "We have moved from focusing on basic health and safety and efficiency issues in the industrial age to a more collaborative, information-based type of work." Cubicles were the first stage of this transformation but as work has become more strategic, digital, and creative, further changes need to be made to how our workspaces are designed.

"Workspaces are no longer standard, one-size fits all, but bespoke spaces that pull a variety of factors together in ways that match the work to be done," he said. "Our digital DNA, including geography, talent, governance, and technology should now determine how we are organized, operate, and behave. For example, depending on their task, employees need places that provide: the ability to concentrate; task-related workspaces; and disruption-free team spaces. Technology should be available to offer virtual meetings, access to social media, and mobility. Finally, surveys show that millennials are looking for work environments that have open and free-flowing information, offer mutual support and tolerance, and expect performance accountability.

Properly designed workspaces should be designed to enable employees and this requires a holistic approach. "Employee experience has three levels," he said. The lowest level is Utility, where employees perform activities to compete in the workplace. At the next level, Valued, are behaviors where employee attributes somewhat differentiate the organization. Finally, employees are Engaged with the organization and its goals. "These are what truly differentiate

an employer brand from its competitors and strike an emotional chord with employees," he said. Some of the new workplace trends that incorporate this holistic approach are: providing employees with identity and purpose; collaboration; providing activity-based space; comprehensive connectivity; digitized employees; flexibility; a focus on wellbeing; and sustainability.

Workplace Transformation at Deloitte

Fraser Galer then provided an overview of how Deloitte transformed its work environment in preparation for a tour of its new building. "Technology is a critical enabler for transforming our workplaces," he said. He identified eight technologies that Deloitte has used to increase access to information, knowledge sharing, mobility, collaboration and productivity:

1. **Space Scheduling and Space Management.** This is used to search for and reserve workspaces and meeting rooms. It allows space to be bumped for no shows, provides mobile access, and offers reporting and analytics on utilization so management knows what types of space are needed.
2. **Identity and Access Management.** This offers a single sign-on, self-service password reset, access to all buildings country-wide, and security management.
3. **Unified Communications.** This technology includes Skype for business, integrated audio, video, and IM, use of laptop and mobile devices, voicemail in email, mobile app integration, and simple USB speakerphones. Desk phones have been eliminated. "This technology is fundamental to new work environments," said Fraser. "It stresses consistent, ease of use so that all communications works the same way. It's not easy to get right but it's worth it."
4. **Enterprise Content Management.** This provides secure printing with a PIN number, document and record management, image processing, workflow and business process management, cloud sharing, and analysis to optimize devices to people.
5. **Collaboration.** These include: multiparty HD video; multi-touch, multi-way whiteboards; video over wireless; seamless integration of all technologies across all workspaces; wireless content sharing; and ceiling integrated microphones and speakers.
6. **Network Connectivity.** This provides: network standards; enhanced wi-fi availability; central management of equipment; collaboration traffic management. "Wired ports have been reduced, but some are still needed, for docking stations," said Fraser.
7. **Digital Signage.** Deloitte has developed standardized country-wide signage, adopted kiosks and way-finding, offers digital brochures, and has wall-sized, reconfigurable, interactive displays.
8. **Mobility and Productivity.** The company provides wireless headsets, dual monitors, docking stations and laptop and mobile charging stations. It has also developed several company mobile apps, e.g., CRM, for use on the go.

Discussion

What is the optimal number of chairs per person? At present, P&G has reduced this number from seven to four. However, Alexey's goal is to get this to three. Underutilized chairs include those in the cafeteria, which are only used at mealtimes.

How does desk assignment work? People take desks as they arrive. There are no reserved seats. They store their things in a locker. "Initially, even the lockers weren't permanent," said Alexey, "but giving people their own locker turned out to be important."

How easy was it to go paperless? "Many of our processes were paper-based when we started so we had to force digitization," he said. One way to do this was to make printing a pain. "This has saved us a lot of money," he added.

How did you get agreement for this transformation? "You need to ensure that your decision-makers are supportive of the changes planned," Alexey said. There are many activities involved in this transformation, such as defining the scope and requirements. In many ways, it's a bit like agile development.

Why did Deloitte decide on such a radical transformation? There were many reasons, according to Sebastien. Real estate is expensive so a reduced footprint was desirable. Also studies showed that new workspaces result in increased employee satisfaction. "These workspaces are efficient and improve productivity," he said. "And millennials like them so they attract, engage and retain talent." When our new building was complete we invited all students to whom we made job offers to visit. As a result, twice the number of offers is accepted now than in the past. The building is therefore a competitive advantage."

Do you encourage remote work? Remote work is possible but when teamwork is involved, members are expected to be present. "Your get more rapid collaboration results when everyone is in-house," said Sebastien.

How can you successfully implement workplace transformation? Both Alexey and Sebastien recommended substantial employee participation in every element. "A holistic approach is important and companies have 12 levers in their digital DNA that they can modify," Sebastien said. "Companies should be aware of the interdependencies involved and be prepared to make changes if there are negative repercussions and learn from experience. "Employee experience is key. It's important to figure out their needs and to create win-wins for everyone." Treating employees like customers is a critical way to ensure their engagement. "There is also a risk of

over-managing this change," said Alexey. "When everything is mobile, it can be reorganized on a daily basis. Flexibility is key."

Fraser added that Deloitte tested out new concepts in smaller locations to test all the technologies involved. Other new concepts were also tried out in small ways before a broader rollout. He stressed the value of having technology available to identify density and hot spots. "Ninety-three percent of our employees stated that this new workplace design makes them more productive." Deloitte now has 18 different types of workspaces, as well as cafes, health and wellness centers, onsite technical support, and "spaces of collision". Deloitte also does periodic surveys asking employees if they can find the space they need. "In short, we measure our staff on the basis of performance and deliverables and allow them the freedom to work in the way they prefer," he said. "You really can't go halfway with this transformation. You will need to go one step further than your comfort zone."



Concept

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