Bauhaus-Universität Weimar

Performance-oriented office environments in Germany – Concept testing in a real life change project

ERES 2017, TU Delft

Dr. Annette Kämpf-Dern | Juni 2017

Agenda

1 Introduction

2 Workspace evaluation

2.1 What is workspace evaluation and why bother?

2.2 Evaluating workspace design

2.3 Evaluating workspace change management

2.4 Workspace change project evaluation

3 Explorative research – snapshot of first application of concept

4 Preliminary conclusions

Knowledge work is changing – and so will the workspace, but:
How can the workspace change be done effectively?

Situation of workplace and workspace in industry and the scientific community

„Office work“ is changing considerably and interest in „Future Workplace“ grows

- „Knowledge-work“ has an increasing share of work activities
- „Knowledge-work“ of most individuals has become more diverse
- „Knowledge-work“ is performed at more and more different locations, not only office
- Territorial workplaces do not fulfill all requirements of an individual knowledge-worker
- ITC developments and possibilities of mobile working have opened new options for knowledge work

More and more companies „trial and error“ on new workspace projects

- Awareness is growing considerably: conferences, discussions, papers increase: “How we work – the offices of tomorrow”
- Numerous dimensions to be considered but not much research existent on necessary dimensions
- **Especially missing: holistic & interdisciplinary insights with geographic & cultural fit and measurable positive results**

Insights and answers most relevant
- for corporates: sustainable productivity
- for investors: sustainable return

But:
- How can this be done?
- Does it have the intended effects?

One-size-fits-all work space of the 20th century no longer addresses diverse needs and demands of heterogeneous 21st century workforce

Draft of interdisciplinary and holistic framework for work environment model

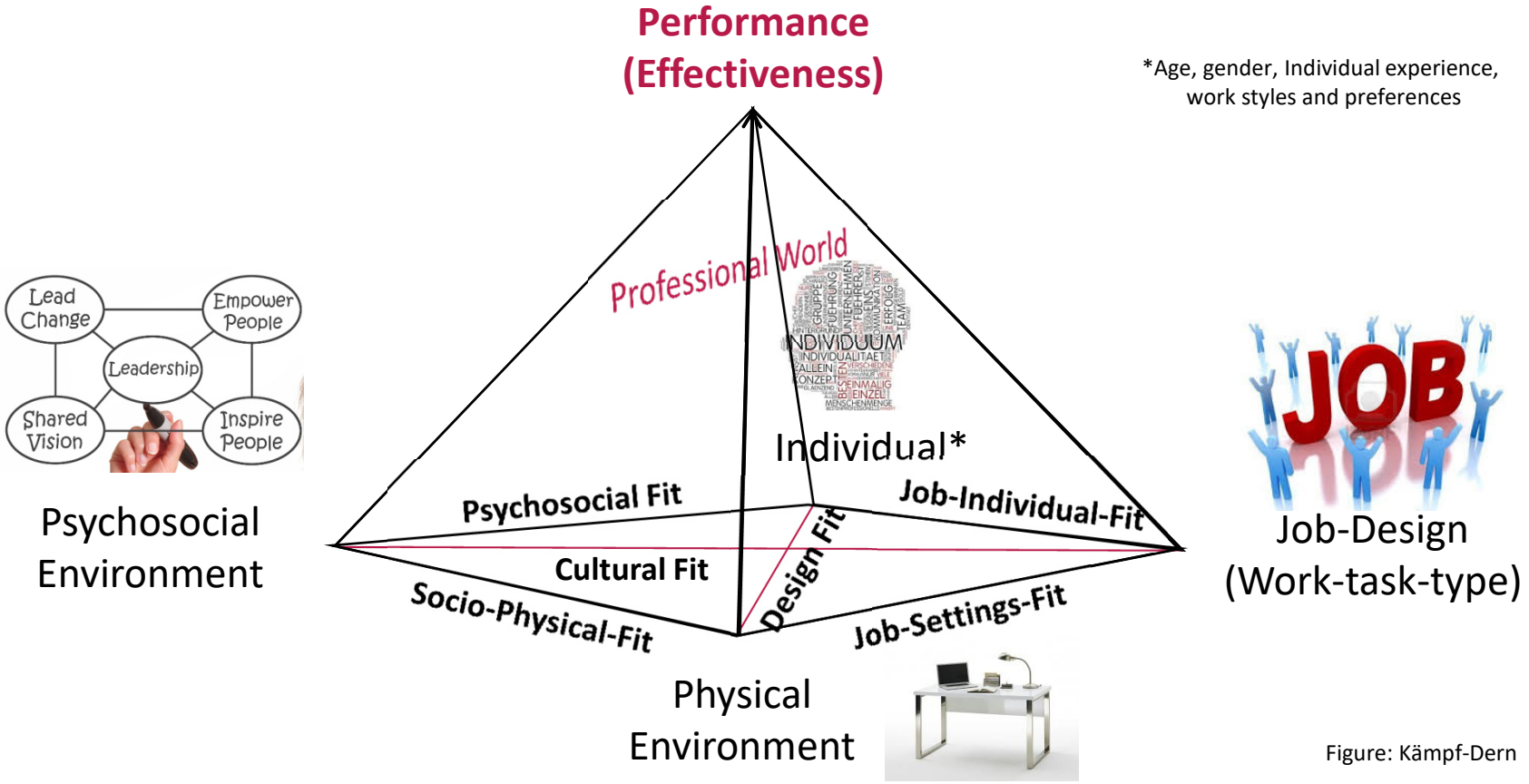
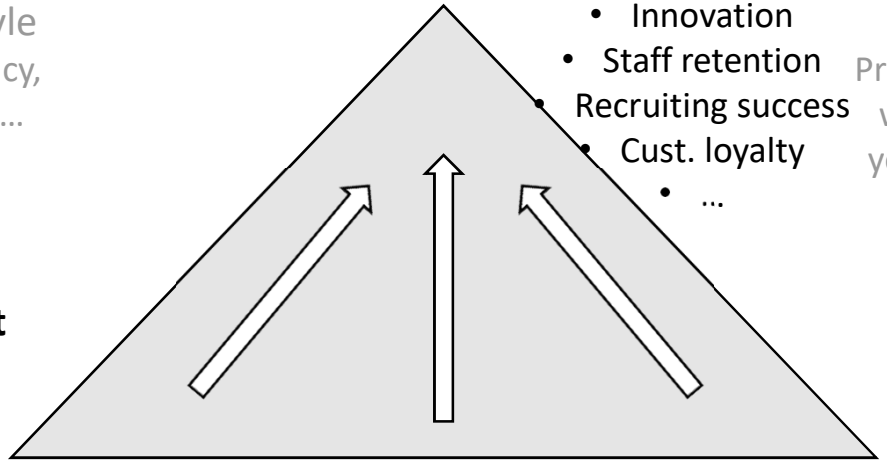


Figure: Kämpf-Dern

Hypothesis: Four dimensions have to be optimally aligned to reach intended performance
Question: Which parameters are relevant? What can be measured and how?

To understand and optimize performance all workspace dimensions and their respective fits have to be evaluated and managed

Constructs to be used and idealized characteristics: Set of two-dimensional configurations



Psychosocial Environment

„Leadership & Organization“
- Corp. values, lead. style

Proxies: e.g. home office policy, trust-based working hours, …

Performance

„Effectiveness and efficiency“
- Productivity
- Empl. engagement
- Health status
- Innovation
- Staff retention
- Recruiting success
- Cust. loyalty
- …

Individual

„People“
- Needs & Behavior

Proxies: e.g. age, gender, mobile working experience/attitude, years of company affiliation, …

Socio-Physical Fit

Physical Environment

„Office Design“
- Physical configuration

Proxies: e.g. settings like open space share vs. cellular, activity-based working settings, desk sharing rate, ergonomics, …

Job-Settings-Fit
Design-Fit
Psychosocial Fit
Cultural Fit

Job-Individual Fit

Job-Design

“Work-task-type”
- Typical set of work activities

Proxies: e.g. department, management role, …

Figure: Kämpf-Dern

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Workspace change is a management task with evaluation being indispensable for making performance-oriented workspace decisions

Definition and purpose of ‚workspace evaluation': What is it and why bother?

'Performance-orientation' and 'Evaluation' are closely related:

'To evaluate: to judge something with respect to its worth, significance or condition', suggesting 'an attempt to determine relative or intrinsic worth in terms other than monetary'. *(Merriam-Webster.com)*

Applied to 'evaluation of workspace change projects':

To judge workspace and workspace change projects to determine their relative or intrinsic worth in terms of an organization's specific values, mission and key performance indicators (KPIs)

Evaluation process:

1. **specify relevant KPIs**
2. **determine their** actual **levels** before, their target levels as well as levels after the intervention
3. and **provide approaches to reach those targets**

(Bourne et al., 2000; Laihonen et al., 2012; Riratanaphong and van der Voordt, 2014; Palvalin and Vuolle, 2016)

Successful workspace change projects result from fit of **workspace** content + change management with corporate goals

Intent and process of workspace change project evaluation

Projects (example)**:**
From territorial cellular offices …

… to productive „future work environments“

Process: From goals to performance

Corporate goals + objectives

↓

Workspace goals + objectives

↓

Future work environ. design + Workspace change management

↓

Performance-oriented workspace

↓

Target performance

Workspace change project evaluation

Status of work: Conceptual paper on workspace design and workspace change management submitted, paper on evaluation concept in preparation

Content of first paper pulls together

- publications on CREM, FM, new work, workspace, organizational behavior, psychology, etc.
- insights from industrial workplace conferences, interviews with workspace experts, office outfitters, examplary office visits
- own experience with new forms of digital mobility and new work

=> „checklist“ on workspace design dimensions, stakeholders, performance parameters and change management process

Second paper builds on this:

- Holistic evaluation concept
- first results from accompanying workspace research at a German bank
- => conceptual and concept-exploring research

Intents:

- Start a series of systematic analyses of success factors as well as potential pitfalls regarding the contents and processes of designing and implementing modern office work environments
- Develop a concept to effectively evaluate workspace change projects that addresses major dimensions of work environment design and workspace change management process

Performance-oriented knowledge work environments put people with their preferences and needs in the center of considerations

Performance-Oriented Office Ecology Model

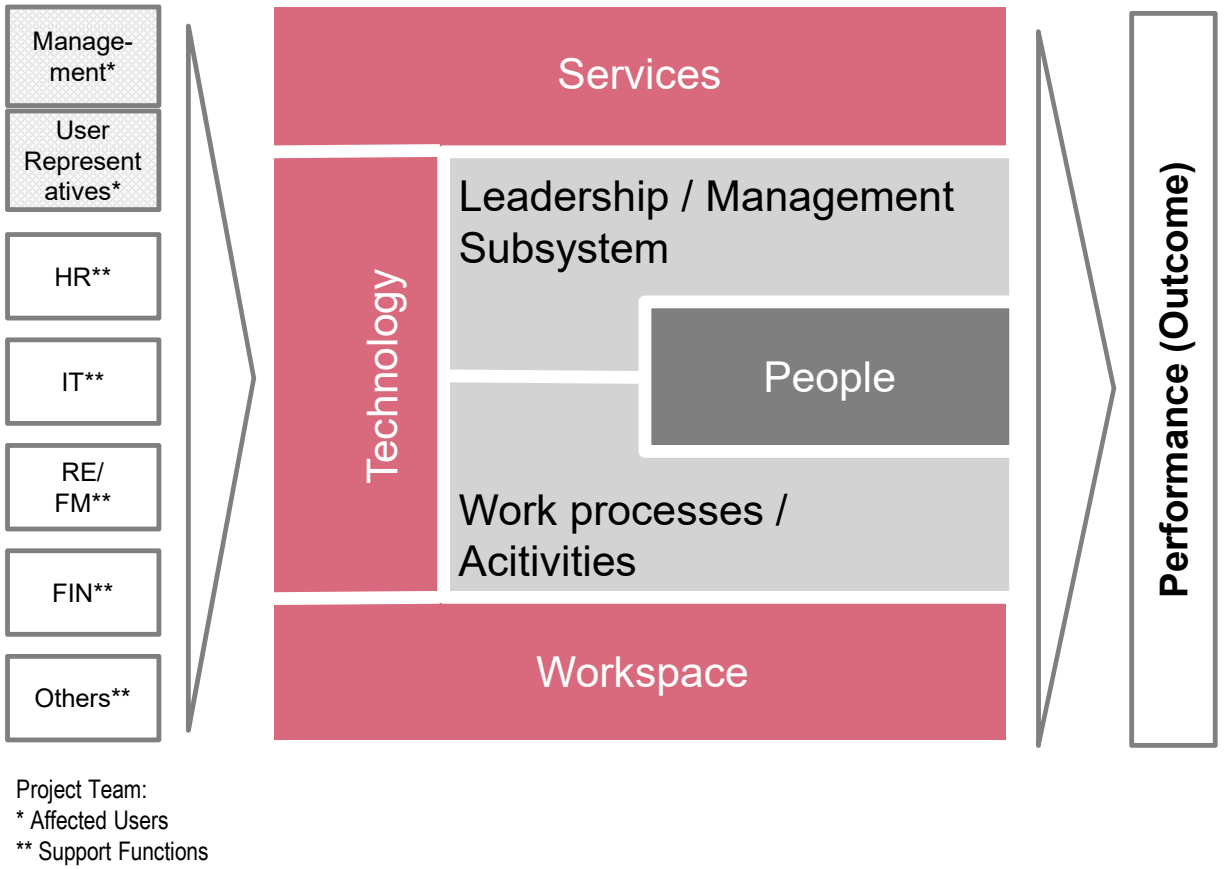

Figure: Extended from Windlinger, L., Gersberg, N. and Konkol, J. (2014/2015), "Unterstützung mobil-flexibler Arbeit durch aktivitätsorientierte Gestaltung von Büroräumen", *Wirtschaftspsychologie No.* 4, pp. 83–95

People

- Demographics
- Experience with new work (environments)
- Preferences

Workplace

Ambient environment
- Indoor climate, air quality, noise, light and control over these factors

Material environment
- Location
- Description and quantification of the functional concept and fit to organization
- Equipment / furniture / material / color / plants

Socio-spatial environment
- Privacy
- Individual or group territoriality
- Crowding / social density

Performance (Outcome)

- Cost savings (incl. smaller property footprint, lower energy bills, reduced churn costs, reduced business rates, reduced service charges, reduced maintenance costs, lower travel costs for staff, less internal cabling, wired IT provisioning, fewer printers and a reduction in paper)
- Improved communication and collaboration
- Increased concentration
- Increased engagement
- Improved recruitment and retention
- Increased productivity
- More innovation
- Reduced sick time
- Higher sustainability

Leadership / Management Subsystem

- Strategic organizational goals / future development of company
- Corporate culture / values
- Leadership behaviour / style and levels of hierarchy
- Relevant HR regulations (e.g. work time & attendance, work time recording, home office regulations)

Technology

- Notebook and phone mobility
- Technical support of communication, collaboration and knowledge exchange, workplace management, document management
- Ramp-up times
- Data quality and speed
- Quality of IT equipment strategy and fit to new office environment

Assessment concept and exemplary, non-exhaustive KPIs regarding workspace design

Work processes / Activities

- Quantification of activities / activity profiles
- Mobility (types) and level of employment
- Collaboration and communication relationships between units
- Size of units and teams

Services

- IT support
- FM Services (e.g. cleaning, food & beverage supply in office space, room booking systems, storage strategy)
- Health services (e.g. massage, sports)

Project Team

- Experts for each workstream
- Clear roles / responsiilities
- Effective Collaboration
- User group representative for all business units and hierarchies
- Sponsor in top management
- Managers established as promotors and role models

Individual Assessment

Workspace change management success factors are in 5 areas

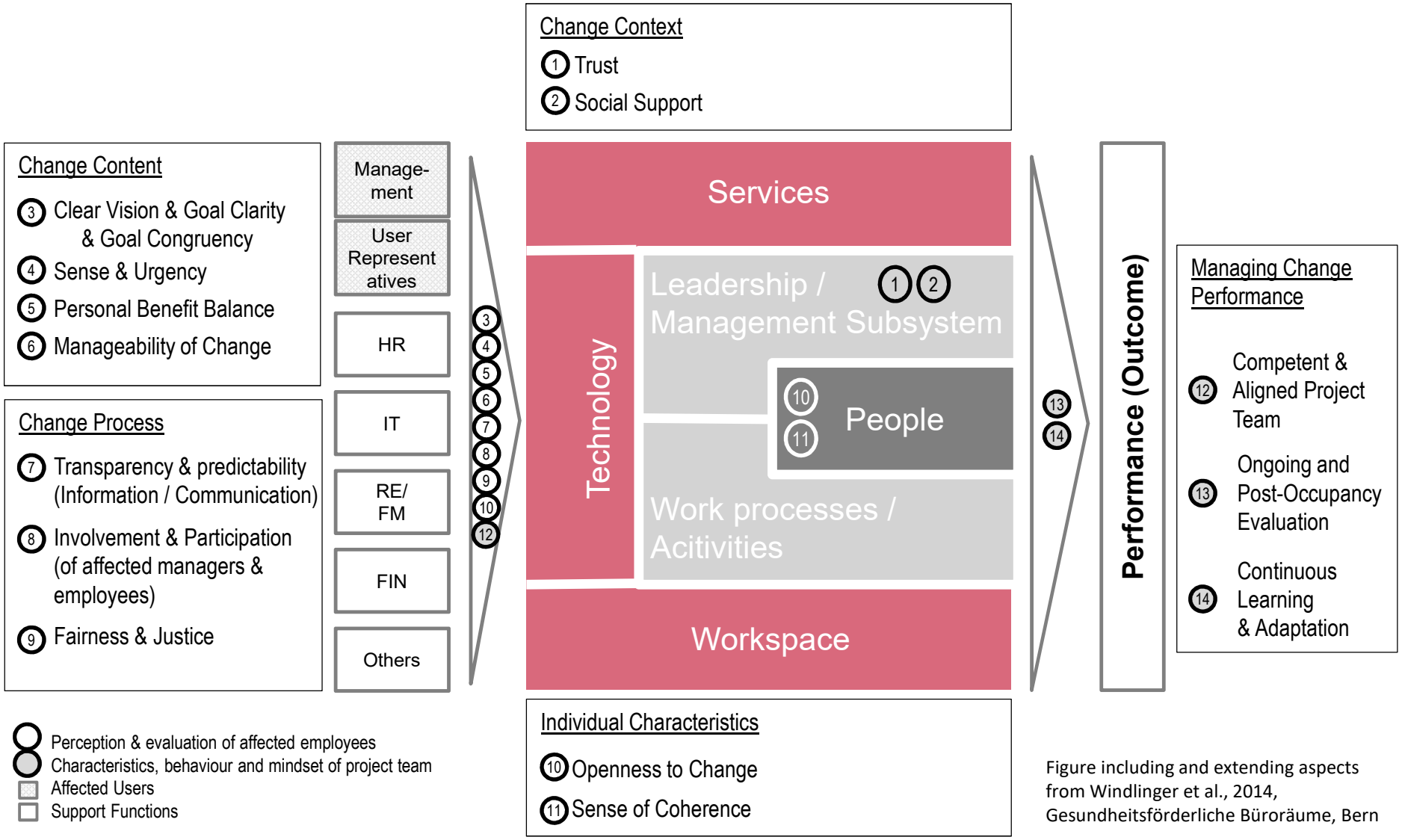

Figure including and extending aspects from Windlinger et al., 2014, Gesundheitsförderliche Büroräume, Bern

Multitude of change management interventions in each phase

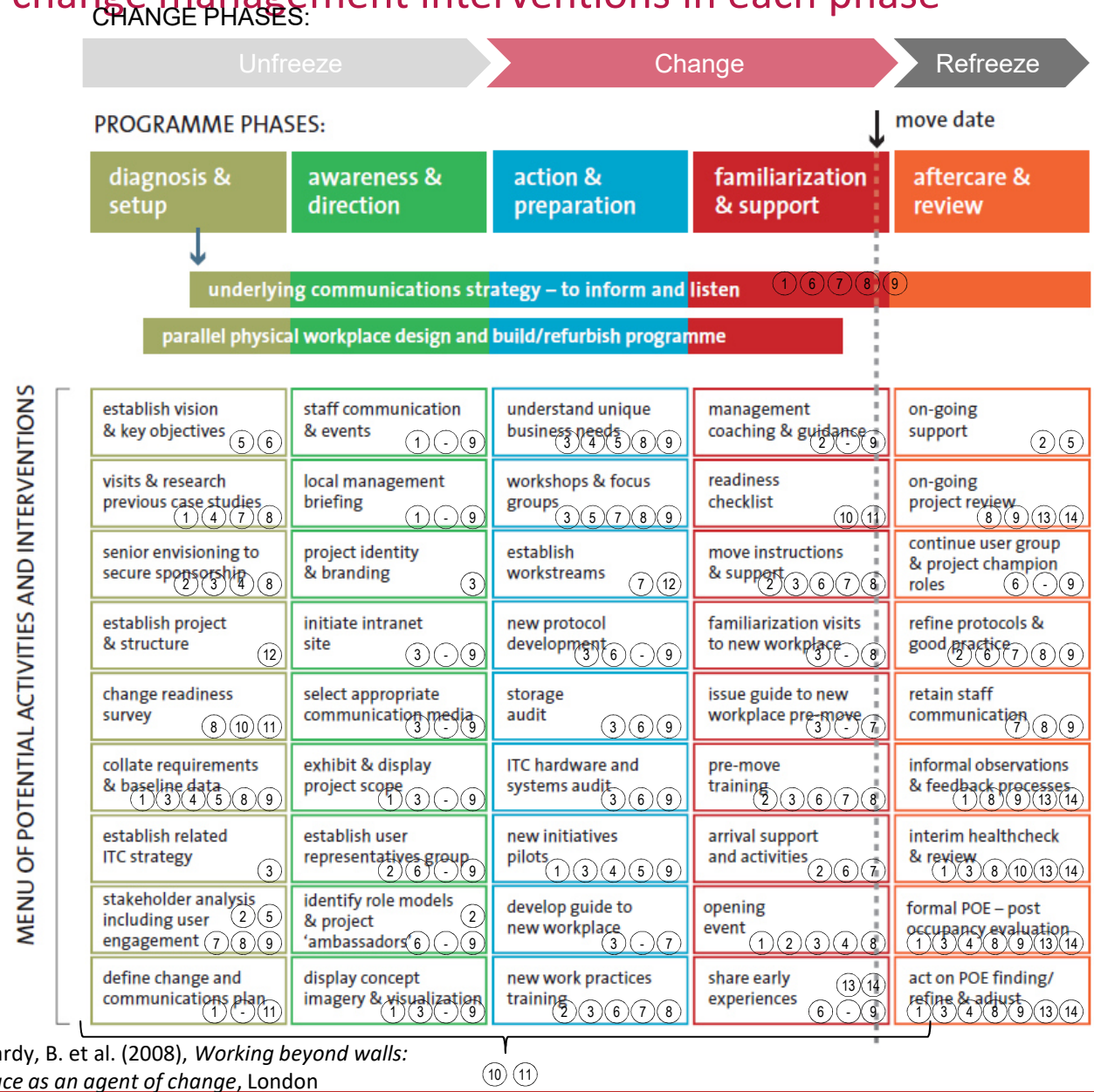

Figure extended from Hardy, B. et al. (2008), *Working beyond walls: The government workplace as an agent of change*, London

Evaluation concept should take form of a project controlling concept with checks and balances at different stages

At the project beginning:

- Identifying the gap between target and actual values and checking the premises for a successful project.

During the project realization:

- Surveying the leading indicators for project success and the impact of adaptations taken.

With project conclusion:

- Determining the project performance and identifying optimization potential for future projects.

Evaluation Concept is a mixed-methods approach covering all workspace change project phases (I)

	Change Phases	**Unfreeze**		**Change**		**Refreeze**
	Project Phases	***Diagnosis & setup***	***Awareness & Direction***	***Action & preparation***	***Familiarization & support***	***Aftercare & review***
Instruments	**Participants**	**Assumptions controlling**		**Process controlling**		**Results controlling**
1. Workspace Analysis	Workspace users (incl. Management)	Occupancy & activities of/on work places				Occupancy & activities of/on work places
2. Strategy Audit	Top- & Middle Management	Key objectives = actual & target from p-o office ecology model				Actual values of key objectives & potential gap analysis
3. Focus groups	Selection/ representatives of workspace users (incl. Management)		Change context, change content awareness, workspace needs & fears			
4. Activity Analysis	Workspace users (incl. Management)			Frequencies / timing / place of work activities		Frequencies / timing / place of work activities
5. Full Survey	Workspace users (incl. Management)			Office ecology, performance, change management		office ecology, performance, change management

Kämpf-Dern & Konkol, 2017 (Draft)

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Instruments	**Participants**	**Assumptions controlling**		**Process controlling**		**Results controlling**
6. Interviews	Workspace users (incl. Management)			Change context, content, process, indiv. characteristics	Change context, change content, process, indiv. characteristics	
7. Pulse Checks	Workspace users (incl. Management)				Workspace, ITK, services, process support, performance	
8. Workshops/Sessions	(Enlarged) project team				Identified problems in different areas & suggestions/solutions)	
9. Final Focus group	Selection/ representatives of workspace users (incl. Management) & project team					Validation, interpretation & discussion of results & insights

Kämpf-Dern & Konkol, 2017 (Draft)

Following the concepts is the empirical application and test

Summary of conceptual status and next steps

Purpose: develop a concept to effectively evaluate workspace change projects in Germany

Subject of the evaluation:

- major dimensions of workspace design ('People', 'Leadership / Management Systems', 'Workplace Processes / Activities' and 'Workplace/Technology/Services') including involved actors and performance parameters
- processes of implementation and the change management aspects
- with their interaction to be considered as well

Findings:

- Performance-oriented office ecology model
- Success factors for workspace change management
- Concept (process and instruments) for evaluating workspace change projects

Implications:

- Provide dimensions and exemplary parameters/indicators to manage and evaluate workspace change projects

Outlook:

- Apply, test and adapt model on German workspace change models

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German financial institution wants to introduce „Future Work 2020“ and has a lot of expectations ⇨ accompanying evaluation of the pilot

Case context and goals

Context information

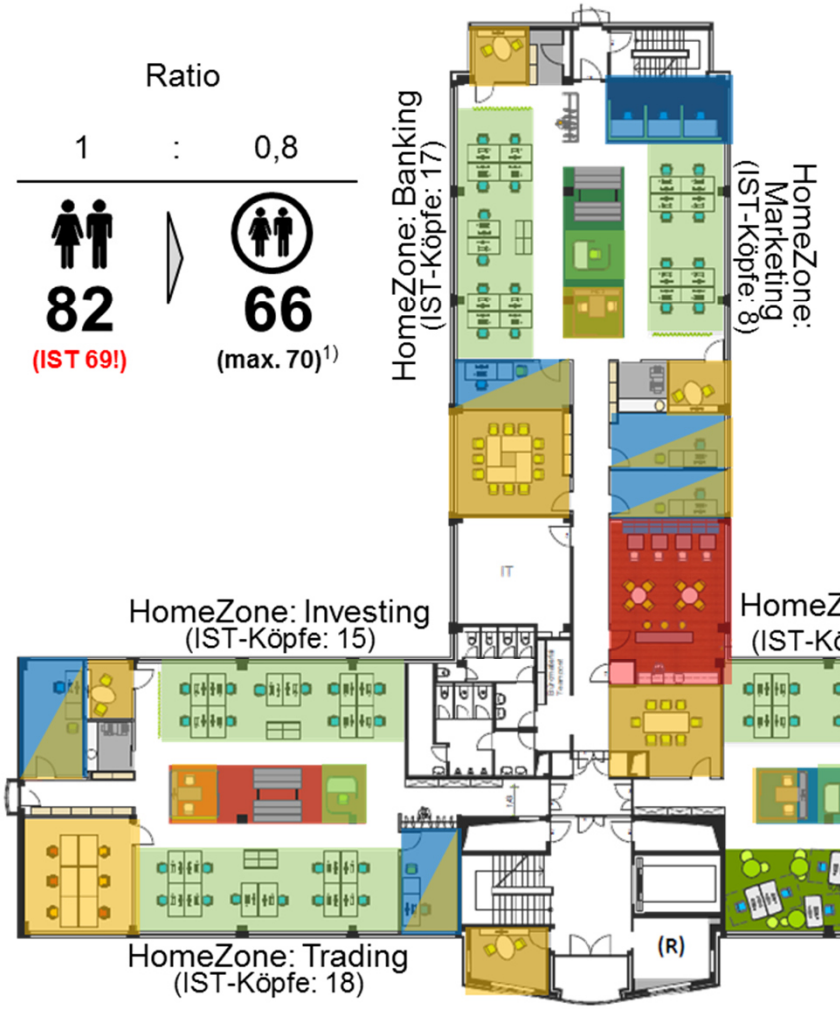
- 4 backoffice functions of a bank („Banking“, „Investing“, „Marketing“, „Corporate Identity“
- 82 workplaces
- before in different areas of an existing building
- after renovation supposed to come together on one floor of the previous workspace

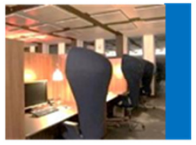
Goals: to **establish activity-based working** AND thus

- increase **employer attractiveness**
- support **creativity**
- advance **innovative capacity**
- provide more **alternatives for communication and exchange**
- promote **project work**
- supply **room for focused work**
- realize **more efficient work** through providing adequate technical equipment
- assist with **agile working methods**
- generally provide an environment that enable people to **have fun at work** and that increases their well-being

When evaluation starts, a mature concept has been developed and a participative change process been established

Activity-based working concept for the pilot project

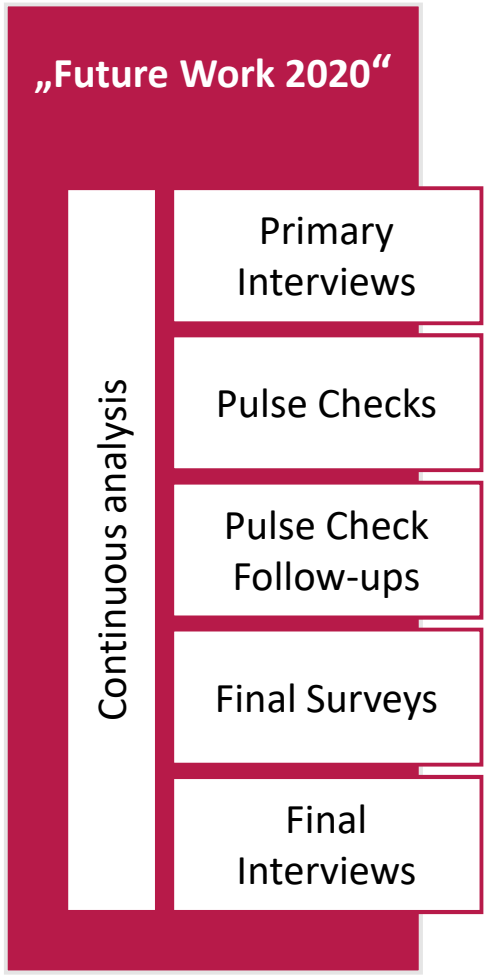




	Voll-wertige AP	Vollwertige AP und weitere Arbeitsmög-lichkeiten
Standard Arbeit	**52**	**55**
AP in der Fläche	46	46
AP im „Green Garden“	6	6
Touch Down	-	3
Fokus	**12**	**12**
Einzelbüro	6	6
Quiet Area	6	6
Kollaboration	**2**	**15**
Projektraum	2	6
Think Tanks	-	7[3)]
Stehbesprechungen	-	2[3)]
Σ	**66**	**82**
Socialising		**+ Kaffee-Lounge + 20 Sitzplätze in 2 Meeting-Räumen**

Evaluation through qualitative and quantitative data collection and analysis

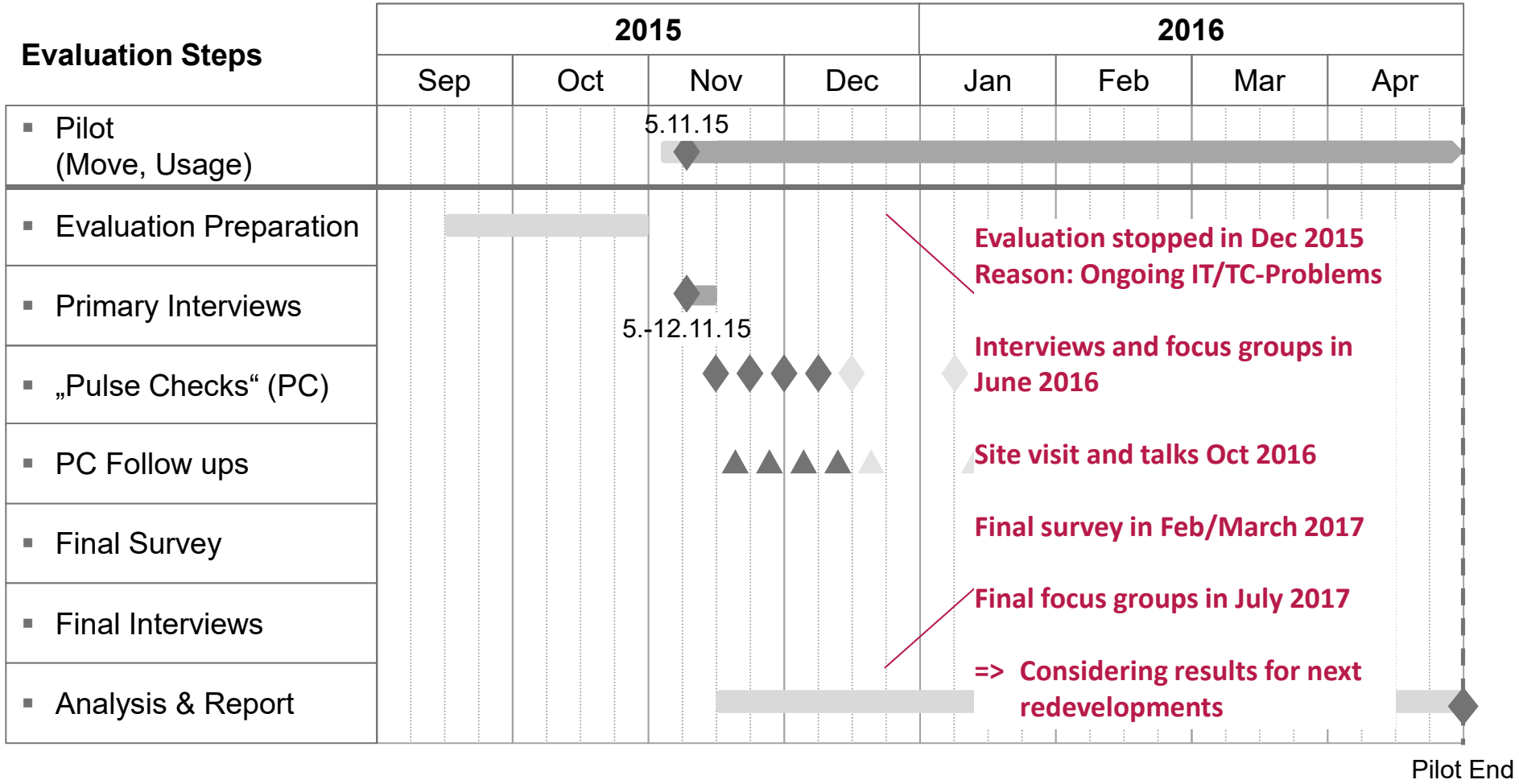
Content of evaluation steps



- 15-min semi-structured interviews, 0-3 days after the move
- Weekly anonymous online survey (8 repetitive questions, 1-2 “questions of the week”) – Fri-Mon, then data report to support team
- Pop-up after “dissatisfied” choice to encourage detailing answers
- Support team session following up on pulse check data report and informal feedback – each Wednesday
- Intensifying pulse check (detailed questions for everybody) plus demographics and link to previous pulse checks (using anonymous ID)
- Based on analyses of primary interviews, pulse checks and final survey = getting explanations on unclear aspects

The evaluation accompanies the first 6 months of the pilot project – starting with the move into the new space

Evaluation steps and timing (plan)



Final survey covers 8 areas

Structure of first analysis

- **Context:** General condition of the survey
- **People:** Employee demographics, preferences, experience & usage of mobile working
- **Management & Leadership:** Organisational issues like home office policies, choice of place and time, leadership development
- **Work activities**, settings usage and settings availability
- **Workspace & workplace**: overall and specified agreement to quality of furniture & materials, with design & quality, with physical conditions, and with support of own activities
- **Information & communication technology, Support & Service:** overall and specified agreement
- **Impacts on work:** Communication, concentration, recovery
- **Change management process:** change context, change content, change process (inkl. actos)
- **Performance:** Impact dimensions of „Future Work 2020“

First analyses from explorative research including final survey strengthen necessity of holistic and performance-oriented approach

Hypotheses (to be analyzed further)

Job-Settings Fit	▪ Different positions and different departments have different work patterns and require different settings configurations ▪ Share of focused work and collaborative work underestimated in settings provision -> not sufficient areas for focus work -> prevents switching behavior -> more “slack” needed ▪ Physical conditions (noise, air quality, light, size, WLAN, TK), if not working, have MAJOR impact on evaluation and are highly correlated with perceived support of settings for work
Design Fit	▪ Younger people perceive open space more positive than olders – but maybe because of more transactional work tasks (less focus work) ▪ Employees on the move to managers most demanding/critical group ▪ Former experience (negatively) influences perception of advantages of mobile work / switching ▪ Male use home office options more than female – but maybe because of more leadership roles
Socio-Physical Fit	▪ Even though mobile working options are highly appreciated and used by ALL managers, some managers do not support that with their employees -> prevents switching / going out of the way of disturbance by using this option -> stated policies and manager behavior need to be aligned -> leadership training required
Perfor-mance	▪ Overall support of new space and overall concept are high and people feel comfortable in the space (75%) ▪ High support for improved team work and interaction (50-60%), employer branding, organizational development and fit to stated corporate values and culture (74-77%) ▪ Medium support for improved personal needs fit (45%), productivity (35%), health (22%)

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A workplace change project has plenty of pitfalls – much more research needed to “ensure” performance expectations to be met

Preliminary conclusions (to be further discussed and tested)

Setup	▪ Essential are sustained support of the top management, experienced planners and implementation consultants, sufficient budget, …
Psycho-logical	▪ Goals and objectives as well as needs and wishes need to be specified in a joint effort including all relevant stakeholders ⇨ then balancing, clear expectation management and further participation / listening to the stakeholders
Physi-cal	▪ The physical environment (climate, noise, TK/IT, …) is a Herzberg hygiene factor: If even “small” things do not work, this can ruin the whole project
Reali-zation	▪ Critical points are introduction of and moving into the new space ⇨ should be extremely well organized, including continuous change management ▪ “Aftercare” – how to deal with the space / training – comparably important
Evalu-ation	▪ A continuous evaluation-follow-on-loop is extremely valuable for “steering” the project towards its expectations

Contact details

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