

Alternative Officing Strategies

Providing Effective Workspaces



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“Telecommuting programs, neighborhood work centers, and the virtual office are partly a solution to real estate problems, partly a sales pitch for new technology, and partly a means of improving air quality and traffic congestion. But they also represent a transformation of the nature of work itself.”

Franklin Becker and Fritz Steele

Workplace by Design



What is AOS?

Offices everywhere have made fundamental changes in the ways they do business, particularly in how, where, and when their people work.

A definition

Alternative Officing Strategies (AOS) is an umbrella term for the myriad ways businesses are reshaping their workplaces. The term “alternative officing” emerged in the early 1990s and was often used to describe pilot programs for telecommuting. Having people work from home several days a week — using computers, phones, and modems to stay connected — helped companies comply with the Federal Clean Air Act by reducing employees’ work-related use of vehicles. The term “virtual officing,” conceived about the same time, described people armed with high-tech tools working anywhere, anytime.

Then, Ernst & Young pioneered a system called “hoteling” at their Chicago offices by eliminating the assigned desks of 500 consulting employees. Without a desk to call their own, these consultants started spending more time in client offices. When they needed to work at Ernst & Young, they could call ahead and reserve one of the fully furnished, fully equipped offices set aside for their use. The result was an 18 percent reduction in space used.

Today, AOS has a broader definition, encompassing everything from flex hours, modified office standards, and team meeting areas to working at a satellite office, at home, or in a car. Under this new definition it would be difficult to find a company that has not adopted AOS to some degree.

Steelcase believes AOS makes good sense when linked to an organization’s business plan.



Why AOS?

Everyone in the global economy is looking for ways to do things faster, better, cheaper. Today, change happens at lightning speed and nimble organizations have the advantage.

Cost savings

Increasing governmental regulations are squeezing profits more than ever before, forcing everyone to do more with less. Real estate typically represents at least 20 percent of a corporation's total assets, making it a prime target for cost cutting. Whether adding or reducing staff, organizations are on a quest to reduce occupancy costs. Some are doing so by moving into smaller facilities and allotting less square footage per employee. Some are eliminating the desks of people who work mostly outside the main office and asking them to start teleworking from home.

Work in the knowledge age

The majority of people working in offices today are engaged in knowledge work. Information is their raw material, and they are prized for their ability to think. Businesses are trying to leverage this human capital. They are looking for ways to nurture their employees' powers of analysis, creativity, communication, and collaboration. This can often be accomplished by providing new types of work environments.



Why AOS?

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Work expectations

Employees have various work expectations. They are demanding a greater balance between work and home lives. Often this means spending less time commuting and more time with family and friends. And they're willing to change employers to get this, trading the traditional 9 to 5 office life for a more flexible work style. Employees also believe the physical workplace affects whether or not they will continue working with an organization. According to a recent survey by the American Society of Interior Designers (ASID), 51 percent of employees and job seekers said the physical environment would impact their decision to leave a position.

Technology

With today's technology — pagers, cellular phones, laptop computers, modems, fax machines, e-mail, and voice mail — people can work anywhere, anytime and stay connected. In fact, approximately 43.5 million households had home offices in 1996. The same study, sponsored by Kennedy Research, reports 16 percent of Americans indicate they have telecommuted in the past year.

Unfortunately, traditional corporate facilities have not kept pace with these changes. Mazes of private offices and high-walled cubes discourage the kind of informal communication and collaboration needed for teamwork. Status-laden furniture standards are too inflexible to permit fast response to change. Older buildings tend to be technologically obsolete.



Space as a Tool

Work environments that are aligned with corporate goals can encourage people to behave in new ways and help achieve desired business results.

Supporting change

In today's highly competitive business world, companies can no longer afford facilities that function solely as costs centers. Yet all too often, organizations change their culture, technology, and business processes without changing the workplace. The result: efforts to change are obstructed by a non-supportive physical environment.

Space can be a tool for enhancing corporate performance — work environments can be designed to help flatten hierarchies, reduce product development cycles, respond more quickly to change, facilitate learning, and save costs.

Companies trying to speed product development cycles may need to forsake the typical grid of high-walled cubes that allow people to avoid interaction and work alone. Instead, they may want to adopt a highly collaborative, open space plan to encourage communication and make it easy for people to share work and ideas.

Organizations with a goal of getting closer to customers may want to eliminate the assigned desks of employees who should be spending more time at customer sites.

To successfully bring a facility in line with corporate goals, it is important to explore:

- An organization's business objectives and issues
- The existing work environment
- Space and furniture strategies that can support the desired changes
- The potential impact of a new environment on individuals and the organization
- Measurements of success
- Ways to continually evolve the environment

Developing Effective Solutions

Organizations that utilize alternative officing concepts have discovered that some face-to-face interaction with other people doing similar work is essential for the learning and transfer of knowledge.

A starting point

A more effectively designed workplace begins with an understanding of:

- Why people work
- Where people work
- The nature of different work activities
- How work gets done
- Communication and privacy needs of individuals and groups
- Technology and tool needs of individuals and groups

In today's workspaces many individuals are frequently members of more than one team. Often this means they work with a variety of different groups located in various parts of the organization. Sometimes these groups are all in the same building; sometimes they are not. As a result, the person who integrates with a lot of different people cannot possibly be physically located near each and everyone they work with. However, it is important to provide some place within or near the group for this person to work while they are interacting with others.

"Face to face interaction helps build social capital and is essential when people are working in remote locations. It helps them work more effectively with others who communicate via mail and conference calls much of the time. The workspace must provide both group meeting spaces and social spaces to facilitate this interchange between people."

Pam Brenner

Manager, Workplace Issues, Steelcase Inc.

Developing Effective Solutions

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Remotely located team members

It is not necessary to provide a full workspace or desk for a guest worker. A table within the group area that they can use to spread out work while also supporting collaboration can help their effectiveness. Other things to consider include providing access to a telephone and a networked computer, posting brief instructions on using a fax or copy machine, and documenting log-on computer directions. Even having a place to hang their coat or store a briefcase will help make this person feel more associated with others they work with.

Another method for helping a remotely located team member get up to speed on the activities of their group is to provide places to post work in process. This allows a team member who may have missed a meeting to catch up more quickly. This can be done through the use of white boards and tackable surfaces within the group's work area or in a project room that the group owns.

If the organization uses teams to get work done, they need to ask questions like these:

- What kind of activities are team members engaged in?
- How much of their work is individual vs. group?
- How often and in what ways do they interact?
- Are all team members full-time on the project? If not, who else is involved and to what degree?
- What kind of technology is required to connect remotely located team members?

Developing Effective Solutions

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Buy-in is key

The most successful change strategies involve diverse viewpoints and buy-in at all levels of an organization:

Executive management to set goals, drive change, and lead by example

Information systems to communicate technological needs in terms of infrastructure, equipment, and training

Facility management to create a supportive, effective work environment

Human resources to prepare people for change and help them through transition

End users to provide input about their needs and feedback on plans

Ergonomist to assure a healthy, safe work environment



Without involvement of all appropriate parties, critical issues can be overlooked. For example, if a company plans to automate some business processes as a way of responding more quickly to customers, they'll need to think about things like:

- What new technologies will they be acquiring?
- Can the existing infrastructure, space, and furniture support these new technologies?
- How will staff learn the new technologies?
- Does the existing work environment make it easy for people to help each other learn the new technologies after their formal training is over, or will they need to redesign some areas to support informal learning?
- If people will be spending more time on computers, will they need greater adjustability within their workspaces?

Some Examples

Here's a look at how some companies with varying thresholds for risk are using AOS to support business objectives.

Pilot programs

Companies typically test the AOS waters through pilot programs involving a few individuals, specific departments, or groups whose increased performance could benefit the company most. People who participate in telecommuting and other remote office strategies tend to be field sales, consultants, and other employees who already spend at least half their day working off-site.

InFocus Systems

In an effort to get their portable projection systems to market faster, InFocus Systems moved teams of engineers out of isolating cubicles and into more open, collaborative settings. In the new open environment, overheard conversations led to the elimination of a ten dollar part from one product and shaved three pounds from another. The open environment also supported faster learning. As a result of increased collaboration, engineers brought their new CAD system up to speed in three months versus a more typical six.

General Electric

After field employees at GE had their assigned desks replaced with high tech communications tools for working anywhere, anytime, they started spending 50 percent less time in the office and more time with customers. Now when field employees need to access GE's resources on-site, they can work at unassigned "hot desks" at various field facilities. These desks are equipped with electrical outlets and data jacks, and are available on a first-come, first-served basis.

Some Examples

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Air Canada

In order to help meet customer needs to work while traveling, Air Canada created full-service business centers within their Maple Leaf Lounges across the country. These spaces enable customers to use their laptops and cellular phones, send faxes, check e-mail, and read in a private work area.

National City Bank

Minneapolis-based National City Bank saw teaming as a way of achieving greater customer satisfaction. So, the bank tore down walls between people, provided generous shared work surfaces so employees could easily work together, and accommodated changing team needs with a variety of flexibly furnished meeting areas. Workspaces based on function, rather than status, help people feel equal. For their efforts, the bank has realized a 20 percent drop in turnover and increased performance.

Owens Corning

Owens Corning developed an agenda for growth based on a new work culture and a workplace that would allow that culture to flourish. The guiding principle was the development of a more flattened organization. Through a unique planning process involving nearly 200 workers they identified a list of needs including:

- The need to provide a range of settings for the variety of work they do
- The need to recognize that many workers need periodic privacy
- The need to make technology accessible everywhere

The new headquarters contain individual spaces that are mostly open and highly collaborative. These spaces are rather small, creating more room for group interaction. Private enclaves supplement the open areas, providing enclosed, quiet spaces that are available to all employees. Eighty fully equipped teaming rooms are placed throughout the facility. All these spaces feature phone, power, and data access.

As a result of these changes, 60 percent of Owens Corning employees felt that their productivity improved while 70 percent found meetings to be more efficient.

A Quick Summary

In the book *Workplace by Design*, Franklin Becker and Fritz Steele state, “It takes a fundamental paradigm shift to identify and implement workplace strategies that alleviate the pressures organizations are facing as they struggle to become more competitive. In this shift the workplace becomes a dynamic tool for supporting and even stimulating new ways of working, rather than a fixed asset whose performance is assessed primarily in terms of how much money it costs or generates.”

As the examples in this paper show, space can be a powerful tool for leveraging, encouraging, and stimulating organizational effectiveness. Those companies cited in this paper did not adopt AOS for the sake of cutting costs or because it was the trendy thing to do.

Rather, they had clearly defined organizational goals and understood how change in the physical environment — along with changes in culture, technology, and business processes — could be factors in achieving their goals. For these organizations, AOS made good business sense.



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