

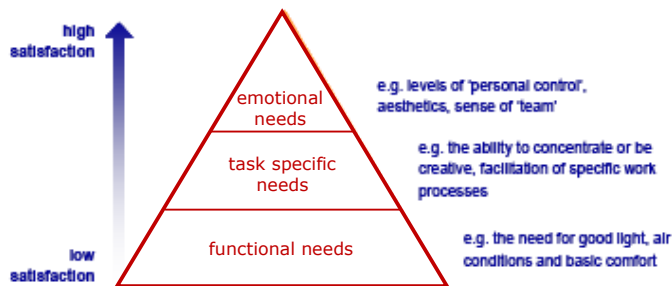
## Property Strategies in Practice - 10 lessons from the WIU forum

The first Workplace Intelligence Unit Leadership Forum convened at the Café Royal on 16 September 2004. Senior executives from a range of major companies discussed issues relating to the role of the workplace in the development of human capital. From these discussions the Workplace Intelligence Unit has identified 10 key lessons about the practical application of a successful workplace strategy.

### 1. Understand the hierarchy of workplace needs

For employees in the workplace, as in Maslow's general theory on human behaviour, there is a hierarchy of needs. The "lower" needs must be satisfied before employees can gain fulfilment of their "higher" needs. In the case of the workplace, lower order needs are functional needs, which require basic levels of comfort and service; the next level are needs which relate to the specific job role of individual employees; and at the apex of the triangle is the provision of a workspace which satisfies appropriate emotional needs. It is inefficient to direct resources to meeting emotional needs if employees' functional requirements remain unfulfilled.

An effective workplace results from a sound understanding of the full spectrum of needs for key employee segments and the provision of an environment which meets them in such a way as to maximise job satisfaction and productivity.



### 2. Identify synergies, focus on variations

In recent years firms have increasingly focused on understanding their employees' needs. Organisations have developed many methods of defining them in ever greater detail. However, in striving to truly understand the variety of workplace demands in one company, synergies should not be overlooked. In fact, while most people feel they have unique requirements, they actually share the majority of basic workplace needs. The key is to identify the synergies and capitalise upon them, while directing the majority of effort and imagination on meeting the 10% of needs which are variable. These, if effectively met, should provide the most significant increase in job satisfaction and productivity.

### 3. Incentives are subjective

"Incentive" is a subjective term, so it should not be assumed that what one person views as a benefit will be viewed the same by everyone else. For example, it is traditionally assumed that employees aspire to have their own office as they gain seniority. However, for some employees the move to a private office may represent a loss in communication quality and of feelings of 'connectedness' which, for them, are not outweighed by the gains in privacy and status.



Thus, when planning workplace incentives, it is important to tailor them to the individual, and secondly, to ensure that one employee's "benefit" does not result in a loss of standards for his colleagues around him.

#### **4. Not everyone is a knowledge worker**

The theory of the knowledge economy and the knowledge worker is now well developed and has resulted in significant changes in the way we view the workplace. Breakout zones, collaborative technology tools, mobile working have all developed to serve the knowledge worker. However, it is important to avoid neglecting those employees who are not defined within the category, such as administrative support staff. These workers are the most likely to lack task identity (having a complete task to perform where the final outcome is apparent) and task autonomy (having control over the means and method of performing a job).

Employees who lack task identity or autonomy are more likely to be dissatisfied with their workplace environment. This may well be a result of underlying job dissatisfaction, but employees will instead blame elements of their physical surroundings. Thus, instead of neglecting them, it is vital that their workplace needs are met. If not, their commitment is likely to falter more quickly than that of a knowledge worker in the same environment.

#### **5. The challenge of the multibrand environment**

For any firm it is challenging to identify and respond appropriately to variations and synergies between employee needs. However, the challenge is even greater in a multibrand organisation with multiple cultures and working practices. In companies like these the number of varying workplace demands and working cultures can become even more diverse.

In addition there are two layers of synergies to consider rather than one the synergies between employees within one brand must be identified, as well as the synergies between employees across brands. To ignore either of them presents a missed opportunity; however, a difficult balance must be achieved between capitalising on cross brand synergy, while at the same time maintaining distinctive brands and cultures where appropriate.

#### **6. Understand who you're designing for**

The workplace plays an important role in both the productivity of the workforce and in communicating the corporate brand to clients. Ideally the workplace can be designed to perform both roles simultaneously, since the corporate brand should not be at odds with the corporate culture, but rather, reinforce it.

Firms may choose to identify certain office areas which are explicitly designed to communicate the brand to visiting clients. If so, such areas

should blend into the working space, rather than be separate exclusive spaces which detach employees from the brand which represents them.

#### **7. Shifting perceptions**

What an employee expects from his workplace is primarily determined by his previous experiences in that workplace. For example, having seen his superiors rewarded with grand private offices, he too will expect to receive a office when promoted to a similar level. If an employee has never seen the office breakout zone actually in use, they are unlikely to initiate their own meetings in the area. The strength of such perceptions should not be underestimated.

If there is a strategy to radically change working practices or office layout, then a similar shift has to be prompted within the perceptions of the workforce. Thus, care must be taken to explain and discuss changes with employees. For example, after designing a new "creative thinking space" at Apple, a creative consultancy was employed to run "imagination workshops" in the room to broaden employees' perceptions of how they could work.

Unfortunately, shifting perceptions will always be a bigger challenge in an evolving, refurbished office than a new build, but the challenge must be faced if radical change is to be achieved.

#### **8. The wellbeing of the flexible workforce**

Returning to the hierarchy of workplace needs, it may be assumed that in good organisations the "service" need is generally met. However, with the increase in flexible working, mobile workers can lack basic service provision, which has implications not only for employee satisfaction and productivity, but also health and safety.

Apple set a good example in identifying flexible worker service needs both within the office and at home. Employees receive a detailed questionnaire about their domestic working conditions including their desk, chair, computer settings etc. so that the correct tools can be provided to ensure the working conditions are ergonomically safe and efficient.

#### **9. Synchronising the IT, HR, Marketing and Property cycles**

In many companies there remains insufficient collaboration between IT, HR, Marketing and Property management. To a large extent this is caused by the different business cycles on which each of these departments operate typically 710 years for property, 35 years for HR, and 618 months for IT.

When each function defines different time scales within which to achieve their business goals, contracts, and operational strategies, coordination becomes difficult.

Firms need to find a way of linking their IT, HR, Marketing and Property strategies more effectively, so that they support each other with shared goals to encourage collaboration on the implementation of business, HR, Brand and Real Estate strategies.



#### **10. Promoting revenue rather than cost**

This final point has been repeated often by members of the property management community, but until it is truly accepted within a company, cost will remain a barrier to radical change.

PwC recently underwent a major programme to combine two office sites into one. It was estimated that costs associated with the move would be recovered within 3 years. However, when the revenue benefits from improved communication flows were taken into account the cost recovery period fell to 9 months.

To convince board members to invest in future workplace improvements, such revealing measurements must be conducted, otherwise base cost is likely to remain the prime driver of workplace development decisions.

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*The Workplace Intelligence Unit was founded by forward thinking inc. and Herman Miller*

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