

Driving Cultural Change in the Workplace

Trust Company of the West | Environetics & CFM Group

by Rodney Stone and Subodh A. Kumar *

A generation ago, the average person had a 100,000-hour working life (40 hours x 50 weeks x 50 years). Today, we can do everything that person did in a tenth of the time, a mere 10,000 hours. Yet as productivity rises, business continuity becomes even more critical to a business's ability to adapt effectively, which is critical for success. Staff retention and attraction and knowledge-sharing are necessary ingredients and



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many forward-thinking companies use their workplace as powerful tools to achieve these objectives and to stay on the competitive edge, .

Research findings of the MIT *Space and Organizational Research Group*—**Excellence by Design**, Horgen, Joroff, Porter and Schon (John Wiley 1999) — indicate that there is an undeniable link between *workplace* and *work processes* and that workplace design, when combined with business process reengineering and other factors, can dramatically boost productivity.

Furthermore, work styles have changed and are becoming increasingly team-based or collaborative. A study published by **CoreNet** in 2007 showed that nearly 90% of an employee's daily activity required interaction. Yet most workspace designs are geared for individual use, with only 15% designed for collaborative work. As a result, 40% of seats are vacant every day and an additional 20-25% remain unoccupied at various times throughout the day.

New approaches to structuring workplaces are emerging in all forms of business organizations. But, workplace-making is not just about designing and building physical space. It begins by establishing a new workplace strategy through a close collaborative relationship with corporate planning staffs and those affected by the contemplated changes.

And change, to be successful, must be based on sound business reasons embraced by senior management. Employees' concerns, such as a loss of privacy when moving to an open work environment, must be addressed throughout the process. But the process doesn't end with project completion. Maintaining, managing and redesigning the relationship between the environment and its uses throughout the environment's anticipated life-cycle is essential.

All of this is illustrated by a recent project for the **Trust Company of the West**. TCW is a global financial management firm that, during the financial peak, outgrew its physical office space, but still had several years to go on its long-term lease. With no other space available in the building, the company decided to remain and change to an open workspace to increase the number of employees on each of its floors by 50%, from 70 to 105. Its existing single floor, 18,000-sq.-ft. floorplate provided 70 seats averaging 257 sq.ft. per seat, 30 large private windowed offices, 22 built-in assistant workstations, three conference rooms, and two small trading areas accommodating 18 traders.

TCW wanted its redesigned workplace environment to motivate its team, increase efficiencies, and set the pace for innovation in its industry. In setting its corporate design objectives, the

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company and its strategy-based project team, **Environetics**, an interior architectural design and space-planning firm, and **Chartered Facility Management Group Inc.**, strategy consultants, used the following core principles throughout the project:

- > Business Needs and Total Cost of Ownership
- > Prudence and Consistency
- > High integrity and service
- > Stability of organization, and modularity.

The primary project goals included:

- > Develop and document a decision-making strategy with policy guidelines that could be used for this and future companywide projects
- > Develop design criteria that incorporate the TCW brand and its evolving company culture and include:
 - Amenities and ambiance competitive with the industry including individual mobile technology charging options, flexible climate controls, proximity to references and storage, and project-wide acoustic treatment
 - Enhanced workflow patterns
 - Informal meeting areas
 - Foreseeable future growth plans
- > Consider business continuity aspects for the completed project



SUPPORT STAFF WORKSTATIONS



TRADING FLOOR

Another primary concern of the project team was gaining a clear understanding of the specific needs and priorities of each of the three business groups to be served – Government & Corporate Bonds, the Mortgage Backed Securities and the Credit Mortgages. Environetics and CFM Group spent nearly eight months meeting with individuals from each department and at every level of the organization. The team conducted interviews and listened to personal concerns and needs. The employees' priorities encompassed individual concerns such as security and storage space, temperature, potential transmission of germs because of the close working environments, technology requirements and preferences, filing and resource storage; employees were also concerned with interaction/communication with other members of their group and with other teams.

Through this process, the project

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team identified critical success factors that employees would use in judging the project's success or failure; these factors included minimizing disruptions, adhering to the schedule, and keeping teams together for accessibility during construction.

From this input, the design team created a design plan to optimize space, workflow, and collaboration and to encourage the staff to embrace the change to workstations. The new design provided room for 119 employees, each with an average workspace of 151 sq.ft. It also included six windowed offices and one interior office for private work areas, 11 administrative workstations and 24 of-

fice workstations, 84 trading seats and eight conference rooms. To ease the transition and build excitement among the staff, Environetics built a mock-up of a workstation at TCW's facility, giving every employee an opportunity to explore and experience the new workspace design. Component and accessory options were provided in the mock-up, enabling staff to personalize their workspace to meet individual needs. These options were modular so they could be moved along with the individual to any station, should their work location change.

TCW had some special requirements for its entrance. It wanted visitors to be able to see the trading floor from the

elevator lobby, without giving them direct access onto the floor. In addition, the firm wanted to display its acrylic tombstone ads announcing successful transactions or offerings. Environetics incorporated both requests by creating a glass display case between the lobby and the trading floor.

Through the interviews, Environetics and CFM Group learned that the traders needed more conference rooms if they were to have fewer and smaller offices and more open work areas. The two large existing conference rooms were retained and updated to match the look and feel of the new design. The design team also created additional small- and medium-sized conference rooms along with a multi-purpose room for video conferencing and as a TCW University classroom. A pantry and copy area were centrally located on the floor.

In the interview process, employees were concerned about acoustics and the spreading of germs due to the increased number of people working in close proximity. The new design incorporated insulated ceiling tiles, Quiet-Rock gyp board and fabric-wrapped panels to minimize noise. Large ultra-violet lights were installed in the main HVAC ducts to kill airborne microorganisms and keep the air clean.

Results

TCW's new lean office environment accommodated nearly twice as many employees while facilitating communications, building a sense of community, fostering teamwork and giving employees a feeling of being "in the know." TCW's new office space leverages activity-based design that allows employees to work where and when it is most effective. Even though most of the individual offices were eliminated, each staff member had the ability to create a personalized, work environment. Color, lighting, acoustics, air quality and comfort added ambience



OPEN OFFICE WITH SLIDING DOOR

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to the overall functionality of the space.

Prior to the new environment at TCW, an analyst working in an office met with the traders working at the trading desks once a day to share their analyses. The new design allows them to work side by side at the trading desks, enabling immediate communication. The analysts feel more integrated into the team, and can for the first time see the impact of their work. The same interaction and team feeling was imparted to the support staff.

A post-occupancy survey involving personal interviews with members of each work group found that the results exceeded expectations across the board:

- > 92% rated access to the printer and fax as *above average*, and 100% said that mail location was ideal
- > 85% said that the arrangement of monitors and the flexibility of the mounting arms were a great asset
- > The combination of filing and storage served everyone's needs flawlessly
- > The mobile CPU pedestal was identified as a useful feature and everyone commended access to power/data outlets

- > 86% believed that the environment allowed people to communicate easily
- > The acoustics of the space were found by all to work very well and speech privacy was not an issue. The lighting in the space received extremely positive ratings as did the trading desks, especially in terms of desk height and amount of desk space

TCW presents an award for innovation each year, typically for new ways to help the company drive service and increase revenues. Environetics's and CFM Group's redesign of the TCW 16th floor project was voted one of the top five innovations for 2008 – a significant ranking.

Conclusion

The process of workplace strategy planning highlights key principles for transformational change in organizations. Design can facilitate workplace cultural change by:

- > Capitalizing on core values
- > Fostering participation by key constituencies
- > Envisioning a desirable and energizing future
- > Generating commitment

To maximize these opportunities, early dialogue with workplace strategy professionals experienced in workplace design and creation is essential. These professionals can help businesses plan for flexibility and adopt workplace strategies that make future change easier, less expensive and less disruptive to the business. Using clearly defined processes to analyze intangible business goals, corporate culture and values, and other underlying issues is fundamental to ensuring the right outcome for the business.

Fast Facts:

Design Team: Principal in charge: Rodney Stone; Project Director: Stephanie Boldon; Sustainable Design: Sandra Dino, LEED AP

Change Management & Workplace Strategy: Subodh Kumar, and Rodney Stone

Schedule: Start Date - 9/21/07; Occupancy Date - 12/15/08

Costs: Construction Cost: \$1,630,000; Furniture: \$896,000

General Contractor: KBI General Contractors

Furniture

Casegoods, Systems Furniture and Seating: Kimball Office - Footprint,



ELEVATOR LOBBY



HALLWAY

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CONFERENCE ROOM

Xsite and Skye Chairs; Dealer: Systems Source

Task Seating & Files: Herman Miller - Aeron & Meridian; Dealer: Sheridan Group

Carpet Manufacturer: Shaw Contract; Lighting: Prudential, Linear lighting, SPI Lighting, Artemide; Wall Treatment: Wolf Gordon, Knoll Textiles; Specialty Items: Trading Desks - Cortet Studio, Sliding Doors - Cortet Studio, Wood Wall - DIRTT Environmental Solutions ■

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