THE TRANSFORMATIVE WORKPLACE
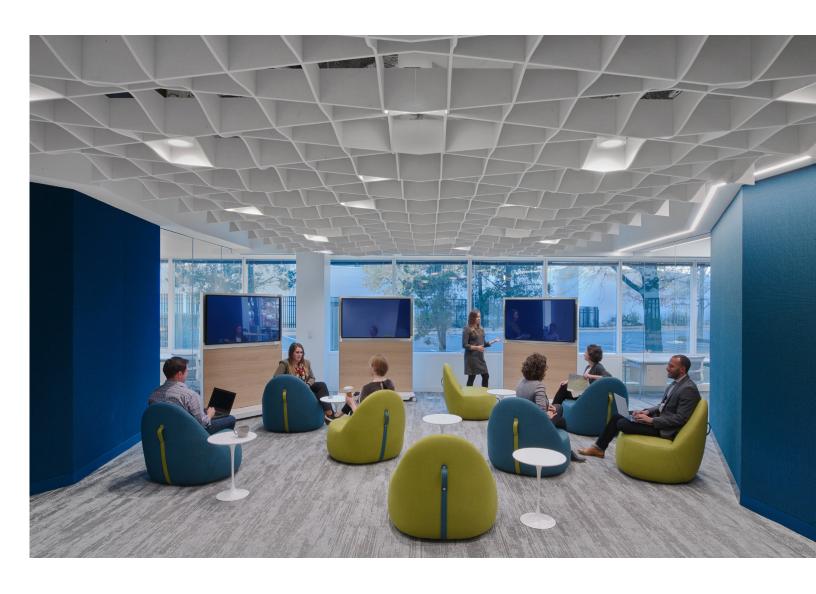
SMITHGROUP

THE TRANSFORMATIVE WORKPLACE

We believe it's imperative that our design approach is aligned with our clients' missions and goals. Our Client Advisory Board was created as a forum to ask questions and explore ideas with organizations on the leading edge of the business world. We learn from these exchanges and energize our design process with our shared experiences, evolving our practice towards more creative engagement with their business models. Our 2017 Client Advisory Board's theme was *The Key Ingredients to an Innovative Workplace.*

Organizations move with a speed and agility that was unimaginable even a decade ago. It took appliance manufacturers 50 years before the washing machine reached 50-percent market share. Today, Apple can reach 90 percent of its market in mere hours. Technology has transformed business into a race to stay relevant.

The workplace is transforming, too—not only its physical spaces, but the very idea of what a workplace represents. For decades, organizations have viewed the workplace as an operational cost of doing business, analyzed through the lens of dollars per square foot or other metrics.

At the 2017 Client Advisory Board, participants explored a much bolder vision of the workplace: redefining it not as a cost center but as a profit center, a tool that fosters and supports the organization's goals and propels it forward. Transforming the role of the workplace can be a profound catalyst for organizational change, innovation and future success.

BRINGING DIVERSE THINKING INTO DESIGN

Just as the conventional concept of an office is breaking down, so should the conventional definition of a design team. Shifting focus from an operational mindset to a more strategic mindset requires a broader set of skills, suggests keynote speaker Chris Hood. While every design team needs "doers" who excel at accomplishing tasks, the technical skills that make up traditional design teams are commodities. Bringing in more diverse disciplines adds valuable thinking skills. HR can help with corporate culture. Marketing can infuse the brand. IT understands how to build in functional details. That diversity of thought injects new awareness into the organization of how a broader base of people think, behave, and react to one another. It expands the conversation, creating a better understanding of all the possibilities for breakthroughs.

Visionary CEOs recognize that bringing more diverse thought into the design process helps align the physical space with the organization's culture. Industrial analytics firm Uptake realized that when people from different functions sit near each other, they connect and inspire one another. "So that's something we want to infuse in everything we do," remarked Gentzy Franz, "whether it's the design of our workspace, the design of our onboarding, or the design of our compensation and benefits."

Once organizations invite that broader talent pool of ideas, the challenge becomes integrating these different perspectives in a meaningful way. The team must come together and focus on the overall strategy of the organization and the needs of the customers

DPR CONSTRUCTION REGIONAL HEADQUARTERS
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they serve. Hood used the analogy of an America's Cup yacht racing team. Once the crew coalesced with a unified goal, they were able to view the race with a fresh approach. Rather than focusing on incremental improvements in speed, they revolutionized boat hull design and experienced exponential increases in speed. They brought their diverse thinking together, asked different questions and discovered an entirely new level of success.

Management's role here is one of balance: encouraging this diversity of thought, while also rooting it in the organization's strategies and goals. The exponential increases in yacht speed only matter if the crew is headed on the right course.

KEY TAKEAWAYS

- Workplace transformation drives the broader organization change required to innovate and thrive in an ever-accelerating business environment.

- Diversity improves design. Engaging a broader range of backgrounds and skill sets into the design process leads to more innovative, transformative ideas.

- In a transformative world, incremental change isn't enough. Successful organizations think boldly, move quickly and aren't afraid of failure.

- As the boundaries between work and non-work blur, the human experience continues to guide design.

THE RISK–REWARD CHALLENGE TO STAY RELEVANT

Technology continues to spur rapid change in the workplace. Disruptive forces accelerate innovation, creating a dynamic, shifting work environment. Organizations understand the importance of moving forward and remaining relevant, yet sometimes grapple with how to do so effectively.
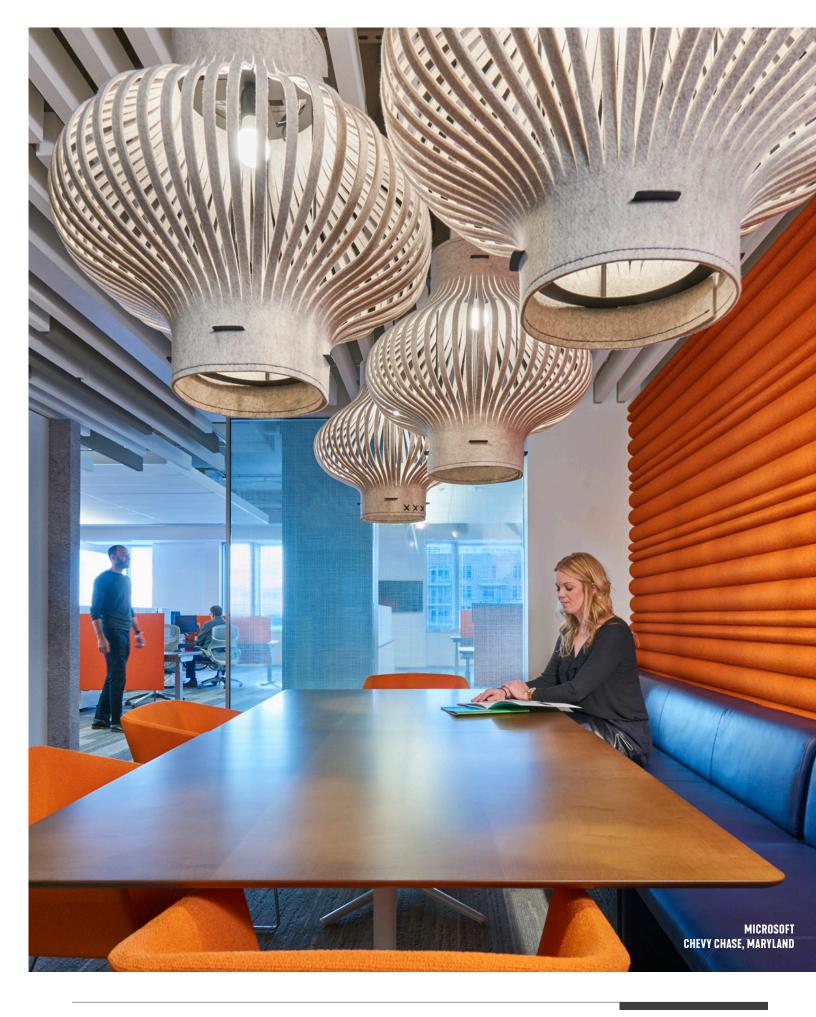
Successful organizations are responding with bold and decisive initiatives. When Satya Nadella became CEO of Microsoft, he saw a company that was successful yet stagnant, and recognized that level of success could not be sustained without sweeping changes. Nadella turned to the workplace as a catalyst, creating a far more flexible mobile-oriented environment that broke down silos and spurred sweeping changes in corporate culture. Employee satisfaction rates and the company's stock price have since skyrocketed.

More and more, firms are willing to invest in the workplace as a way to invest in their people. While the results may be difficult to quantify, CEOs are increasingly convinced of the connection between investments in the workplace and in employee productivity and innovation. Facilities teams need to help make the case for this value proposition that often requires an attitude shift, and sometimes, a leap of faith on the part of management.
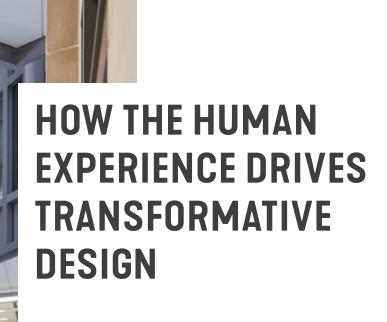
Bold initiatives don't always work, but bold companies are willing to try, fail and fix. When Noblis, a Virginia-based research and engineering firm, first attempted a hoteling workspace, it eliminated walls but didn't implement any change management. The plan failed miserably. But it came back with an activity-based workplace design for the Noblis Innovation and Collaboration Center (NICC) that involved and engaged employees, provided the technology and amenities they desired, and brought them together in an authentic way.

Noblis also was willing to trust its new plan. The firm had been diligent about seeking diverse input, incorporating those ideas into its new NICC design, and communicating clearly about the building's progress. Along with that collaboration came a time to be confident and decisive: When employees expressed doubt in the impending move, the team stood firm and suggested they wouldn't make any changes for 90 days. At the end of that period, employees had embraced the new facility and most requests disappeared.

Matthias Ismael of ZEISS optical systems suggested that trust is a powerful force to overcome fear of bold changes. "Trust pushes us forward and fear pushes us back," he noted, a lesson he learned in the military that also can apply to the workplace. Building trust among the design team and throughout the organization can lead to greater, quicker acceptance of a workplace transformation and, in turn, a more cohesive team poised to propel the organization forward.

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HOW THE HUMAN EXPERIENCE DRIVES TRANSFORMATIVE DESIGN

The notion of work-life balance has increasingly evolved into the reality of the work-life merger. As these boundaries between work and non-work blur, organizations seek to create workplaces that reflect the needs of the "whole self."

Yet the relationship between employees and employers has drastically changed, as well. Employees typically stay in an organization for three to five years, not for a career. And the employers themselves may be almost as ephemeral: the average life expectancy for a U.S. firm is only 7.2 years. Organizations hoping to be responsive to employees' changing needs have to be able to execute quickly.
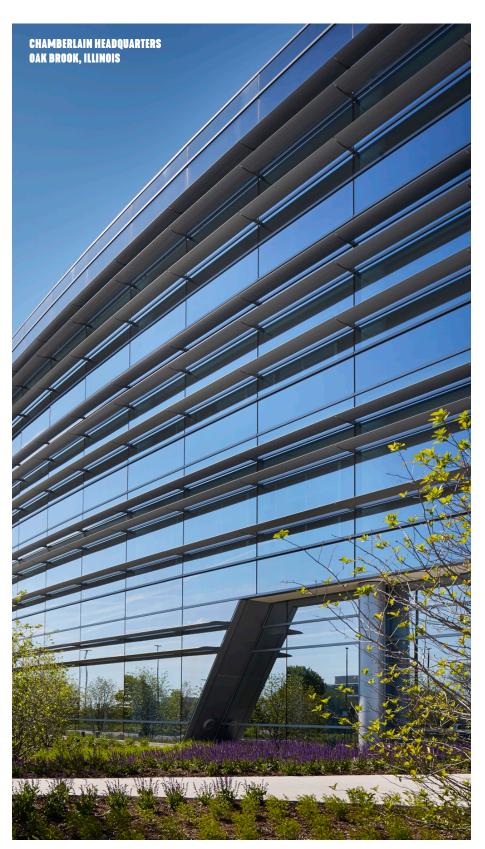
Successful workplaces are fluid enough to provide inspiring environments for various types of work, for playful spaces that feed creativity, and for self-directed spaces that speak to the need for personal time. Vivian Loftness from Carnegie Mellon University suggested that organizations need to design physical environment for the physiological health of their people—from respiratory health to visual and auditory health to muscular/skeletal health—to ensure that they are capable of their best work. Innovations in materials, layouts, and even next generation technology offer advances for the health and comfort of building occupants. For example, bio-signals—such as skin temperature, heart rate and pupil tracking—provide individual and negotiated information to adjust a room's temperature, lighting, blinds and more, adding a level of environmental responsiveness to the workplace of the future.

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THE TRANSFORMATIVE WORKPLACE
SUMMARY VIDEO

Through employee feedback, occupancy surveys and other measures, we've learned a lot about what works: easy access to daylight, flexibility and hackable space are examples of proven successes that further erode "traditional" office design. Employees have come to appreciate the serendipitous encounters that happen in an on-site coffee bar or at a central stair, rather than the back-and-forth time spent to schedule a meeting. At Noblis, reports Chris Higdon, "Rather than hallways and closed doors, you look out the windows and see people walking together. It's brought a liveliness to the workplace."

The human experience has become a key component of design, leading to environments that embrace and empower the employee's whole self. By giving an organization the right tools and the right environment to succeed, the workplace can drive organizational innovation.

CHAMBERLAIN HEADQUARTERS
OAK BROOK, ILLINOIS

THANK YOU

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