



Advanced
Workplace
Associates

Barclays Global Investors - *London Office*

In association with



Expanded Case Studies from the British
Council of Offices report –

***ICT and Offices; practiced realities
and their business benefits?***

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Learning from the lessons of others

IN FEBRUARY 2006 the British Council for Offices launched its report '*ICT and Offices; Practised Realities and their Business Benefits*'. The report was sponsored by Orange and King Sturge and researched and written by Advanced Workplace Associates (AWA).

The report examined the past, present and future for work and the workplace against a backdrop of developments in ICT over a period of 20 years.

Included in the report were a series of shortened Case Studies that were captured from Leading organisations which led to the findings in the report.

The British Council for Offices have kindly given permission for the publication of the full text from the original Case Studies as a means of telling the stories that led to the evolutions each organisation has made in its deployment of the workplace.

We hope you find it provides fuel for your own organisations evolution to the Advanced Workplace.



Andrew Mawson, Managing Director.



Barclays Global Investors – London Office

Established over 30 years ago, Barclays Global Investors (BGI) is today one of the world's largest fund managers, with headquarters in San Francisco, 10 offices worldwide and a 2,000 strong workforce of which some 700 are based in the London office. BGI manage over £709 billion in assets (December 2004) for over 2,600 clients around the world. From the introduction of the world's first index fund in 1971, to iShares, BGI's new exchange-traded funds, the company has pioneered change and led investment innovation.

Six years ago, shortly after BGI moved into its current building (Murray House at Royal Mint Court near Tower Bridge in London), it accommodated some 450 workstations on two floors. In 2000, BGI found it was growing and, to accommodate this growth, recognised that it would need to change the working regime. The leadership team was faced with three options: (a) to take another building somewhere else in the City and split the operations; (b) to move into a new building altogether, with the increased cost and potential risk of holding the space in a downturn; or (c) to invest in their existing workplace to enable a higher level of usage.

Faced with the relative costs of the three options, the data on existing space usage, and the fact that there was a stockmarket downturn in 2001, the leadership team decided to take the third option. This meant investing in their existing workplace so as to increase its operational capacity by enabling the space to be planned and used more efficiently. It took approximately 6 months to develop and obtain agreement to the strategy, with a proposal being presented to the Executive at Easter 2001. The strategy was implemented in two phases. Phase 1 took place between July and October 2001; Phase 2 took place between April and August 2002. Approximately 600 people and workstations were moved to the new environment.

In essence, the strategy involved two main elements: (a) providing smaller desks, without returns, and which were not 'owned' by the staff who used them; and (b) using desk reservation software (integrated with automatic switching of the telephone extension to the booked desk) to enable staff to book their workstation and other spaces up to 18 days ahead, in the most appropriate location for their work. The number of workstations and people which could be accommodated within the same space was thus substantially increased.

Technology

In order to achieve the desired changes in working practices a number of new information and communication technology (ICT) capabilities were essential:

- a single desktop platform so that anyone could log on to any desk;
- software tools to download specialised software at any desk;
- flat screens on every desk to minimise the space needed to provide a computer interface and allow a better ergonomic desk layout.

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An Agilquest space booking system enables staff to book a workstation and other spaces in advance. When staff arrive in the building, they 'check in' by signing on at their allocated workstation. With a Lucent G3 PBX system linked to the Agilquest system the act of checking in enables calls to be directed to the extension at their workstation. This solution both enables other users to identify where colleagues are sitting and provides robust data on the usage of space.

Every desk has a standard desktop configuration including basic Microsoft packages plus a couple of specialist applications. Any authorised additional software can be downloaded as required using a software distribution tool co-developed with BMC Marimba. This gives users the flexibility to work easily from any desk.


Other new technology introduced includes a large plasma screen hanging from the ceiling in some areas, showing live TV footage from CNN, Sky and other news channels. The sound track for the TV is delivered through the telephone system by dialling a specific extension number. This minimises distraction to others.

In the new working environment docking stations have been replaced by laptop jacks which enable laptop users to plug in to any standard desk. Mobile phones are used away from the office and there is increasing use of Blackberry palm top personal organisers.

The wiring for the LAN (Local Area Network) already in place has been adequate to support the increased numbers of staff and flexible working; no special networking or communications systems have had to be installed. Nor has it been necessary to modify the building to implement flexible working in the office as the raised floors, risers and comms rooms were already in place.

Work Practices and Workplace

There are currently some 700 people using the workspace: around 650 permanent staff, with the remainder being contractors. Client-facing staff, in particular, may spend up to a day or two a week out of the office. Many staff spend a significant amount of time in various types of meetings or may require quiet space for concentration.



Some 30 workstations have been allocated to individuals with particular ergonomic requirements. The remainder of the workstations are unallocated. However, although staff do not 'own' their workstations, in practice they usually work within their team area, either in the same seat or nearby. Contractors take what workstations are available. All the unallocated workstations are on the flexible working infrastructure.

Layout: The layout is essentially open plan (only the CEO and COO have offices). Each department is allocated a specific number of workstations based on their profile of need. Initially the workstations were 1600 mm with 800 mm spacer units between; subsequently this was modified to a mix of workstations with spacers between them and workstations without spacers. The layout of each area is relatively standard with **workstations** being allocated against a specific sharing profile. Given the current mix of functions within BGI, the overall realistic maximum sharing profile is considered to be 1.1–1.2 people per desk. In Q4 2004, the total numbers of people and workstations were very similar, effectively achieving an overall sharing profile of 1.0. This provides scope for accommodating a current increase in staff numbers. Directors are located with their teams and have blocks of workstations which are theirs to manage. Adjacent to each block of workstations are **breakout spaces** furnished with a mixture of soft seating and more formal meeting tables and white boards.

On both floors there is a range of **meeting rooms** of different sizes, many of which include network points with audio-visual equipment and walls that staff can use for drawing diagrams to assist their discussions. Additionally, on one of the floors there is a range of spaces of different sizes and different purposes. For instance, there are quiet spaces for individuals to work at a PC without distraction. There are rooms that have been designed for audio-conferences involving several people; and rooms for one to one meetings – both of these categories having high levels of acoustic separation. There are rooms that have been designed for more relaxed conversations, with plants and sofas; and rooms for two or three people to work together around a PC screen. Apart from the main meeting rooms, which are booked through reception, all rooms are bookable on the Agilquest system. They can be booked for half an hour up to a whole day.

Storage: Document storage is available on a 1-1.5 metre per person basis and users have allocated space in filing systems close to their team areas. Paper-intensive teams or functions have special filing rooms. Personal items, including personal files, are stored in secure lockers which are allocated to each individual on a personal basis.

Zoning: Space on each floor is colour-coded to aid navigation, but no signage is provided to denote occupation by particular groups. Instead, there are maps in several places on each floor that show the position of departments within the space.

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While the driver for changing working practices was cost and the main benefit is cost savings, a number of other benefits have become apparent:

- individual teams can decide how their members will sit and team working is easier
- it is easier for new joiners to get to know people and be absorbed into a team
- project teams can come together more easily
- visitors can be accommodated more easily
- individuals are enabled to work in different ways to suit their individual needs
- the working environment is professional and projects a good brand image
- the staff recruitment team (who are looking for people attracted to innovation) use a tour of the workspace as a selling point

Paradoxically, people now feel they have more autonomy, more control over how they operate, than when they 'owned' a workstation.

Change Management

The process of managing the change to the new workplace model and modus operandi started with the leadership signing up to the new model and the changes in working practices and culture that this would require.

The fact that people were being asked to work in a completely different way – in particular, they would not own their own desk – and that there were no relevant examples of successful implementation to point to presented a major challenge. Indeed, until the first phase of the roll-out had been implemented, few thought it would work.

A number of actions were taken to address this challenge. An Executive Committee of senior managers was formed to lead the change. A group of 10 - 12 'Evangelists' was established from the next level of senior/middle management within the business groups. These were respected, articulate people (though not all themselves initially positive about the change) with enough clout to drive the implementation through. They translated the strategy into "what does it mean for me.....how will it work in practice.....what are the rules..." An Implementation Team including, inter alia, IT and FM, was set up to implement the changes in the working environment.

There was lots of communication. Posters were put up and an exhibition of plans and models mounted in the central atrium. Focus groups were run. A demonstration office was created in the basement to help users gain some



understanding of the sorts of solutions they would be provided with and forestall any uninformed negative comments from those resistant to change. Staff were involved in decisions on the different types of facilities needed. Choice was offered rather than solutions being imposed.

Visible support for the initiative was given by all leaders 'practising what they preached', e.g. clearing paper, sitting at smaller workstations, requiring that if someone did not take a reserved seat they must explain to their manager.

Some of the ways in which the process of change was facilitated included:

- The first phase was implemented in the client facing areas, as sales people, once convinced, make good ambassadors. Senior management in these areas were keen to get on and 'do it', and do it well. When people in other areas saw a nice environment they felt more comfortable about the changes.
- The switch to the new workstations and work practices was rolled out over two three to four month periods.
- Everyone was given the opportunity of a one hour training session, carried out during the week before they moved in. This covered issues such as: why the change was being made, how it would work in practice, and the supporting policies, processes and procedures such as how to use the booking system.
- People had workstation reservations made for them in the first week. Co-ordinators appointed by the 'Evangelists' were on hand to help.

In order to facilitate the new working practices on an ongoing basis, BGI operate a clear desk policy (this has loosened recently, only being important if people are moving a lot.) Another key feature is that people manage their own churn without the support of FM or IT, unless there is a good reason for requesting help. The 50 per cent reduction in filing storage effected at the time of the change and ongoing pressure to keep hard copy storage to a minimum is also an important element. So is the fact that details of service support systems (such as mail handling and stationery provision) were 'thrashed out' in advance and made as simple and transparent as possible. These were advised in the pre-move training session, and now also to new joiners, and are also available on an internal website.

Cost Benefits

Zero churn costs: When an organisational change takes place there is no churn cost as users simply lift themselves up and work somewhere else in the building. In most cases, increases/reductions of two's and three's are accommodated within the existing space allocated to the department.

Improved occupancy levels: BGI currently enjoys high levels of occupancy with some 700 occupiers (employees plus contractors) using a similar number of workstations. This compares with around 570 occupiers and 605 workstations using the same workspace area before the change. Based on 'booked in' figures, Q4 2004 utilisation was 81%, i.e., on average, 81% of desks were occupied each day.

Key Learning Points

What advice would BGI give others in implementing a change in working practices? Their two key messages are:

- *Get senior management on board as early as possible.*
- *Think through as much as possible in advance how the change will work in practice.*



Advanced Workplace Associates (AWA) is an independent management consultancy that improves business performance by implementing advanced Work, Workplace and Workplace Management practices in leading organisations

AWA was formed in 1992 following an extensive research programme funded by a group of leading European companies known as The Learning Building Group. Since then, AWA have undertaken projects for some of the world's leading companies applying advanced concepts to improve business performance.

Our services include:

Advanced Organisational Development - Facilitating the board in developing a strategic vision for the evolution of the organisation, developing leadership and change programmes and managing multi-disciplinary transition programmes.

Strategic Workplace Planning - evaluating current workplace performance; identifying potential for improvement; recommending practical actions; researching new locations; quantifying opportunities for advanced workstyles and workplace models to provide best value against defined business scenarios.

Advanced Working Transformation - defining the prerequisites for advanced workstyles; identifying the dependencies for sustainable advanced working; facilitating the process of transformation in safety from traditional to advanced approaches to work, workplace and management.

Business Support Services, Strategy and Transformation - evaluating the performance of Business Support Functions (Real Estate, Facilities Management, Information Technology, Human Resources and Purchasing), defining improvement strategies and leading the implementation of strategic development programmes designed to improve the contribution and performance of the Business Support function.

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