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Delivering Workplace Transformation: Creating an Environment that Fits the Company Vision

BY JONATHAN MOORE AND SHARON TURNER

In the corporate world, a common challenge is how to measure a high-performing workplace. In its 2006 report, *The Impact of Office Design on Business Performance*, the UK's Commission for Architecture and the Built Environment (CABE) and the British Council for Offices (BCO) provided a range of evidence showing the links between poor workplace design, lower business performance and a higher level of stress experienced by employees.

With differences in productivity of 25 percent reported between comfortable and uncomfortable staff, due to basics such as: air quality, temperature, overall comfort, noise and lighting, the effect of a well designed workplace is self evident. However, when a well designed workplace is also then specifically aligned with delivering the strategic aims of the business, it is possible to measure a high performing workplace.

In the case of EC Harris, a leading international built asset consultancy, it changed its business culture, improved productivity, and created a catalyst for change across its entire business with its move to a new 67,000-sq.-ft. (6,132-sq.-m.) workplace in London's King's Cross.

The move to ECHQ changed the firm. The way the people work, the way they interact with clients and suppliers and the way they see the future shifted. The whole project has been so successful that EC Harris set a new industry benchmark – one that helps create a working environment which fits our company vision – to inspire exceptional performance.

Creating a Catalyst for Change

EC Harris developed a three-year strategic change program, where it was accepted that the change program would require empirical evidence at the end of the exercise, to show that there had been

a marked improvement in the performance of the business.

This change would not only include improved profit margins but also an improvement in fee turnover per head, a reduction in total cost of occupancy per head, a reduction in staff attrition and an improvement in utilization of workspace.

As the first phase in an extensive change program, the move to ECHQ needed to encompass both a physical transition in location, but more importantly a transition in perception and attitude across the business, from the partners and employees, through to their external clients.

Corporate Real Estate was placed at the heart of the business transformation. EC Harris developed a joint team, structured into two separate streams. One team focused on the physical aspects of the move, while the second team was centered on the business transformation program.



The overarching benefit realized was that EC Harris rapidly created a different culture and belief in its ability.

Achieving Business Improvement through Relocation

The overarching benefit realized was that EC Harris rapidly created a different culture and belief in its ability. Its new HQ proved EC Harris' conviction, that property can act as a visible catalyst for change when used as part of a wider business transformation program, and provided the

ideal platform from which to launch its next three year corporate vision.

The way EC Harris went about this, was to create a partnership at the outset including: its own FM team, architects Swanke Hayden Connell and IT consultants Mitel. Before a building search began, or a workplace design solution was proposed, this core team was able to iden-

tify the key performance metrics for a new workplace and agree the outcomes that the whole team would strive to achieve.

Swanke Hayden Connell's research included a two-week time utilization study to identify the opportunity to implement an agile working program and an on-line workplace evaluation survey, sent to all employees. They then held a number of workshops to ascertain how workplace design supported the performance of the business. EC Harris' rationale for change included:

- The business is a global brand – it needs a global standard
- EC Harris creates working environments for clients – its offices need to impress them and deliver results
- It needs to recruit and keep the very best people
- Only 41 percent of staff were satisfied with existing facilities
- Space utilization amongst fee earners was only 62 percent – Its key people were often out of the office
- The existing building was not efficient or cost effective, therefore making the business less competitive

At the culmination of the consultation exercise, three buildings were short-listed and evaluated against the strategic brief. A 67,000-sq.-ft. (6,225-sq.-m.) five-story building was selected at York Way – one of the main streets in the Regent Quarter, forming part of the massive regeneration area around London's King's Cross Station.

The site was chosen due to its proximity to major transport links, including the Eurostar terminal which has recently moved to nearby St. Pancras Station, and the opportunity it offered EC Harris to be sole occupier, with its own street entrance, in high-quality CAT A office accommodation.

Working with Swanke Hayden Connell the concept for the layout was developed on the basis of a 'Landside' and 'Airsides' approach, derived from airport planning, to delineate a clear public and private space concept in the building.

'Landside' space needed to be at the entrance and ground floor of the building to create a focal point and social hub, with the aim of increasing informal interaction between employees and clients. Therefore security had to be discreet,



The open-plan design is efficient, but comfortable, and allows for collaboration, informal meetings and private quiet space.



informal and welcoming – more akin to a high quality hotel than the default office security barriers.

The open-plan space, or 'Airside', was to be space efficient without max-packing the floors in a regimented fashion, but provide clusters of desks that would mirror the team configurations that EC Harris planned to introduce. This would facilitate greater team integration and flexibility. Spaces adjacent to the open-plan space for reviewing drawings and documentation and informal meetings and quiet space for writing reports and making conference calls were also important workplace requirements.

The introduction of a flexible working policy was vital to accommodate

the predicted increase in staff head-count and to respond effectively to a corresponding move towards working remotely at local offices and client sites.

How Successful Was the Move to the Business?

In a post-occupancy survey over 60 percent of people said their performance at work had been improved by the new facilities and amenities. Over 60 percent were also satisfied or very satisfied with the way facilities and amenities supported their ability to perform specific tasks.

In considering the Holy Grail of business performance and workplace productivity measurement the program has produced the following performance results:

Financially:

- The £1.5 million targeted benefits were realized in fewer than 6 months
- Net profit margin increased by 13 percent from pre-move levels
- Fee turnover per head increased by 7.5 percent
- Total occupancy cost per head went down 36 percent from £539 to £343
- Staff attrition dropped from 25 percent to 15 percent
- Staff attraction: attrition ratio improved from 1:1 before, to 2.5:1
- Overhead costs as percentage of staff costs reduced by 14 percent
- Utilization of workspaces increased from 62 percent to 85 percent

Business impact:

- Positive impact on how staff and clients view EC Harris, the building helps the business to win work
- Business wide impact on transforming EC Harris
- The success on the 'return on investment' means 11 other EC Harris locations have since followed suit
- New working practices increased integration, flexibility and transfer of knowledge
- Increased visibility of leadership and increased access to its senior people

Improved sustainability; increased recycling and reduced paper consumption – carbon footprint improved 251 percent

The building won industry recognition with the team winning key industry awards including:

British Institute of Facilities Management (BIFM) – Best impact on organization and workplace

Premises and Facilities Management Best partners in business change

Overall, EC Harris' relocation to ECHQ played a key role in successfully mobilizing strategic change, acted as a visible catalyst and became a tangible demonstration of property as a key enabler in workplace efficiency – demonstrated through an increase in fee turnover, but moreover a change in the culture of the business.

About the Authors



Jonathan Moore has spent more than 25 years in both the demand and supply sides of the Property Industry. As Head of Corporate Real Estate, for EC Harris, Moore has been focused on delivering solutions to Corporate Occupiers that reduce their property costs while enabling property assets to be aligned to the Corporate Business to deliver competitive advantages.



Sharon Turner is Principal of Workplace Consulting and Interior Design for Swanke Hayden Connell Architects. She has had an extensive international career advising companies on space strategies and high performance workplaces that improve space efficiency, reduce occupancy costs and contribute to productivity and brand identity.

For more information on this topic, go to CoreNet Global's Knowledge Center Online.

Designing For Workplace Culture - Diagnosing And Linking Preferred Behaviors To Workplace Creation
<http://www2.corenetglobal.org/dotCMS/kcoAsset?assetInode=7164972>

Getting Out of the Box, Supporting a Work Anywhere World
<http://www2.corenetglobal.org/dotCMS/kcoAsset?assetInode=7164996>