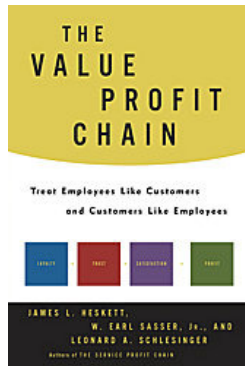


5.08 Workplace Design: The Foundation of a Successful Customer Value Chain

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Business managers and researchers have long understood the link between satisfied, loyal, productive employees and equally satisfied and loyal customers. Learn how workplace design contributes to this critical value chain. Discover the vital link between employee attitudes and the customer's perception of value that can lead to loyalty and commitment.

BACKGROUND: THE CUSTOMER VALUE PROFIT CHAIN



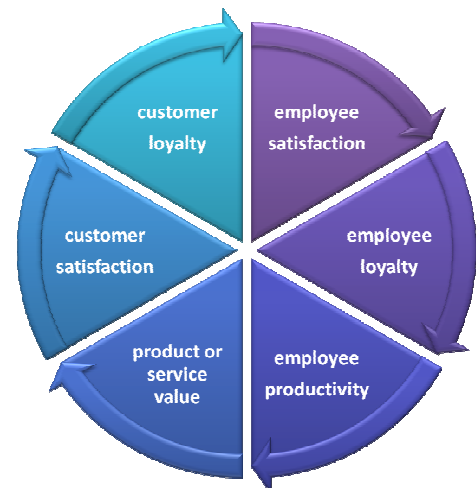
With their Value Chain model, James Heskett, Earl Sasser and Leonard Schlesinger (2002) argue that organizations need to focus on providing what their employees, customers, investors, and suppliers value most.

Focusing on value will bring about necessary organizational change and tying an organization to the most valued needs of its customers will make it more responsive and competitive.

In addition, giving employees what they appreciate in an organization will make them more productive and decrease the costs of employee turnover. The authors conclude that a value approach will result in greater organizational effectiveness and profitability.

Summary of Presentation Points

- customer loyalty and commitment are the primary drivers of growth and profitability
- customer loyalty and commitment are the result of satisfaction with a product or service, especially, when the customer realizes the value of the service or product when compared to the competition
- value for the customer is created by satisfied, loyal and productive employees who provide excellent service or products
- high employee satisfaction is related to higher customer satisfaction scores, higher productivity scores, and higher profits
- the satisfaction levels of employees in direct contact with customers is strongly related to the customers' opinion of the company
- employees who are unsatisfied in their job can become unproductive and disloyal, which can damage client relationships and product quality, and increase costs associated with turnover



- factors that contribute to employee satisfaction include fairness, opportunities for growth, peer relationships, organizational reputation & capability, customer or client quality, compensation, benefits and the quality of the workplace environment
- concerns about fairness in the workplace are sometimes related to facility or design decisions that result in resentment, frustration or anger
- other sources of workplace environment concerns include noise, privacy, comfort, storage, workstation or office size, lighting, temperature, amenities, parking and location
- often these concerns are driven by ambiguities around status, culture, and control
- ensuring that employees' workplace environmental needs are met can increase satisfaction and send the message to employees that their well being is important to the company
- besides hampering employees' ability to get their work done, unsatisfactory workplace environments communicate indifference to employees

PART 2 WORKPLACE DESIGN CHECK LIST

Design Settings – Satisfies Concerns about Aesthetics, Culture and Reputation and Fairness

- Does the design of the workplace make a good first impression and showcase your brand?
- Does the design of the workplace align with your organizational culture?
- Does the design of the workplace align with your business and real estate goals?
- Does the process for assigning workspace happen fairly and without partiality?

Task Settings – Satisfies Concerns about Ability to Perform Tasks

- Does the workplace support all individual, team and departmental tasks?
- Does the workplace support communication and collaboration?
- Does the workplace provide flexibility to support changing work styles and tasks?
- Does the workplace accommodate alternate work strategies?

Technology Settings – Satisfies Concerns about Ability to Perform Tasks

- Does the workplace provide everyone with convenient access to technology?
- Does the workplace design support technology systems?
- Does the technology design support collaboration goals?
- Does the technology design support change and alternate work strategies?

Environmental Settings – Satisfies Concerns about Organizational Responsibility and Stewardship

- Does the workplace appear clean and safe?
- Does the workplace provide employees control over lighting, temperature and seating comfort?
- Does the workplace design, construction and maintenance contribute to sustainability?
- Does the workplace support individual and group efforts towards wellness and sustainability?