



Exploring the Distributed Workplace *These are not your parent's telework programs!*

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DISTRIBUTED WORK RESEARCH REPORT #31

Distributed work strategy is a catchall phrase for work that is spread among teams in variable locations that occurs at varying times. Though not as common a phrase as "alternative work," it certainly is more descriptive, accurate and all-inclusive than alternative work. Simply put, taking part in a distributed work strategy is not an alternative work practice anymore but an accepted part of the 21st century workplace.

In this latest report, Distributed Work, Research Report #31, IFMA focuses on corporate facilities, the publication includes the results from nearly 1,000 surveys regarding distributed work practices completed by IFMA members. The second half of the report includes in-depth case studies of how 10 major corporations developed and deployed successful distributed work programs. The findings from the case studies revealed a series of themes which will be shared as part of the presentation:

- Program Goals – What do you think the CEO is trying to achieve with a distributed work program?
- Stumbling Blocks – What's in the way of creating a mobile, distributed workforce?
- Change Management – What are the most important change elements when moving staff from fixed to fluid work practices?
- Measurement Tools & Processes – How will you measure success?
- Workstyle/People Characteristics – How do you sort people into different categories of workers, that provide them the right tools, settings and services to support their work?
- Technology support – What levels of technology are needed to best support distributed workers?
- Service & Amenities Support – How do facility, technology and HR services and amenities need to change to support distributed work?
- Physical Settings Support – How does the facility change to support distributed work?
- Financial Drivers – What are the top reasons for change from a financial perspective? What are some examples or levels of magnitude you want to achieve?
- Business Drivers – What are the top reasons for change from a business perspective? What are some examples or levels of magnitude you want to achieve?
- Facility Drivers – What are the top reasons for change from a facility perspective? What are some examples or levels of magnitude you want to achieve?

The following companies participated in the case study portion of the Distributed Work Research Report: AT&T, Bank of America, BP, General Dynamics, Hewlett Packard, Microsoft, Nortel, Philips, Rio Tinto, and Sprint.

Program Drivers

During the course of developing the case studies and analyzing the results from the survey responses, key program drivers began to emerge in three categories: business, financial and facility drivers.



Program Goals

During the research process program goals were also uncovered. Below are the program goals in order of popularity, with the most mentioned goal at the top of the list.

- Cost Efficient
- Collaboration
- Productivity
- Workplace Image
- Sustainability
- Employee Satisfaction
- Innovation
- Portfolio and Business Flexibility
- Attract & Retain Staff
- Remove Silos
- Business Continuity
- Geographic Distribution
- Decision Speed

The images below are examples of distributed work spaces from three of the companies that participated in the case studies featured in the report. The images from left: Rio Tinto-Capsule meeting space, Philips- Shorter stay work area, Sprint Nextel- Collaboration zone.



Definitions for Distributed Work Report

The increased participation in distributed work strategies has led to inconsistency in terminology used in this arena. We have discovered that many organizations – including those who are featured in the case studies – have developed their own names for distributed work strategies as applied to their organizations. For this report, we have based our definitions on many of those provided by HOK and have developed the following glossary of terms:

Activity Settings

Variety of work settings to fit diverse individual or group activities.

Average

Also referred to as the mean – the sum or total of all responses divided by the number of respondents.

Convergence Areas

Alcoves along corridors or widened areas of hallways or small spaces provided for employees to have brief, impromptu discussions.

Distributed Work

A catchall phrase for work that is spread among distributed teams, in variable locations and that occurs at varying times.

Facility

An environment that is built, installed or established to serve a work-related purpose.

Facility Management

Facility management is a profession that encompasses multiple disciplines to ensure functionality of the built environment by integrating people, place, process and technology.

Facility Size

Survey respondents were asked to categorize the square footage of the facilities they manage. These facility sizes are broken in three categories that are referenced throughout the report:

Small – Up to 100,000 square feet

Mid-size – 100,001 to 500,000 square feet

Large – More than 500,000 square feet

Free Address

Workspaces shared on a first-come, first-served basis.

Group Address

Designated group or team space for a specified period.

Hoteling

Employees call to reserve workspace in main office facility where there are fewer offices than staff.

Huddle Rooms

Smaller rooms, usually assigned to a specific department, to be used for daily team or staff meetings or other quick get-togethers or stand-up meetings.

Kiosks

Small offices that provide acoustic privacy for uninterrupted work or telephone calls.

Median

The middle value in a range of responses is the median. One-half of all respondents will be below this value, while one-half will have a higher value. The median is also known as the 50th

percentile. The advantage in using the median is that it is not affected as much by extreme highs or lows in the range of values as is the case with the mean.

Mobile Work

A work-style in which a person consistently uses multiple spaces/places in which to accomplish his work.

Multi-Use

Used in this report to describe facilities with two or more primary uses, such as a single site that encompasses headquarter offices as well as production or research facilities.

N

The number of cases supplying the data being described. It is important to note the size of the sample for the value that is being compared.

Non-Dedicated Workspace

Category includes shared, group and free address, hoteling and touchdown space.

Oasis

Place where workers gather informally such as a café, coffee bar or recreational area.

Remote Telecenter

Office drop-in center located away from main office and often closer to clients.

Satellite Office

Full-service alternate office environment conveniently located for employees.

Shared Address

Also referred to as desk sharing, shared address is where two or more employees sharing a single, assigned workspace.

Telecommute

To either periodically or regularly work from a location other than a typical office.

Touchdown Space

Location where employees or visitors work for a short period of time.

Virtual Office/Teleworkers

A generic term used to describe the concept of the workplace as being wherever one happens to be working at any point in time, that is, to perform all of one's work from any remote location.

War Rooms

Larger conference room space, booked for weeks or months by a "team" for a project.

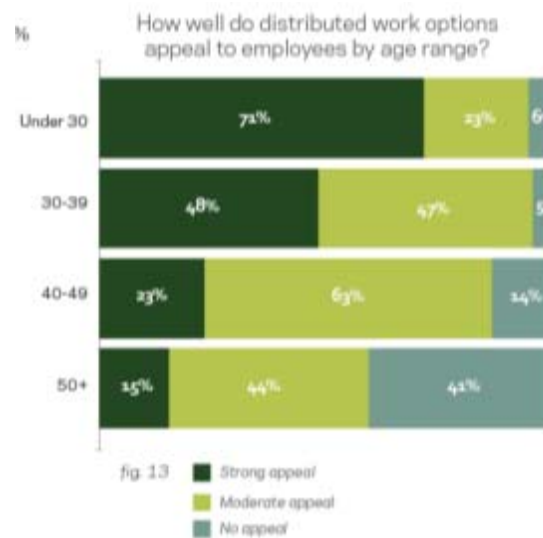
Workspace

Desks, offices and the circulation to reach them.

Sample Key Study Findings

Distributed Work Appeal by Age Range

Research findings conclude that the younger the worker the more appealing distributed work options are to them. In fact, IFMA's research shows that distributed work strongly appeals to 71% of those fewer than 30 years of age and strongly appeals to 48% of those ages 30-39, whereas only 15% of those over 50 feel that distributed work is appealing. Imagine what the workplace will look like in 10 years when those in their thirties now, move into upper management leadership positions.

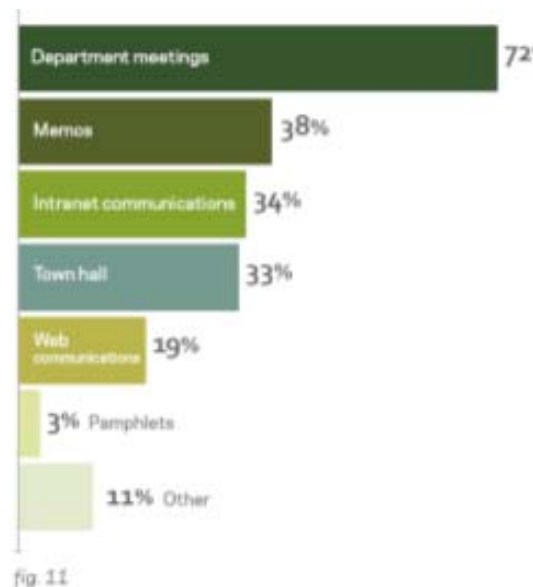


Off-site Work Options

Off-site work options are on the rise. Fifty-six percent of respondents provide telecommuting as an off-site work option followed by 37% that support virtual office/telework and 15% of participants' organizations having telecenters. Why aren't more companies trying off-site work options? The number one organizational barrier to off-site workplace options is management resistance to change followed by technology constraints.

Implementing Change

Every company in all industries will face one universal challenge in implementing a new workplace program: how to manage a major change that can be intimidating to many people. All ten companies featured in the case study portion of the report commented that change management was critical to the success of their distributed workplace strategy. "Sprint Nextel emphasizes to associates that this is a change in where they sit, not in how much they are valued or how much they work," Lea Ila Hoover, senior strategic planning specialist, Sprint Nextel. In support of the case study findings the distributed work survey responses indicated companies use a variety of ways to communicate change, the most common way is department meetings according to 72% of respondents. Additionally, most companies are not incentivizing employees to participate in distributed work programs. In fact, 82% of companies do not offer incentives when space is reduced.



Effect of Off-site Workplace Options on Operating Cost

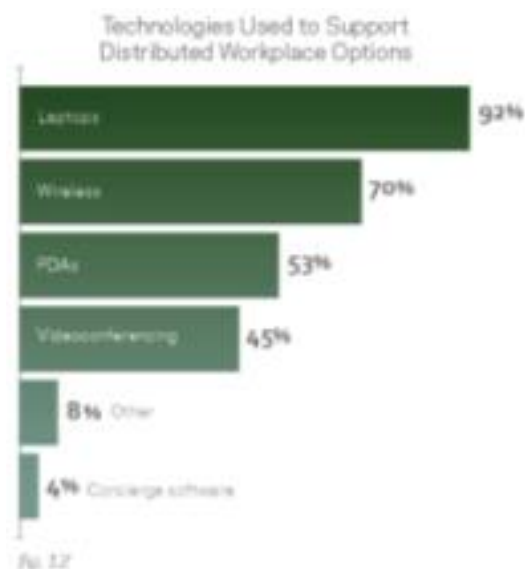
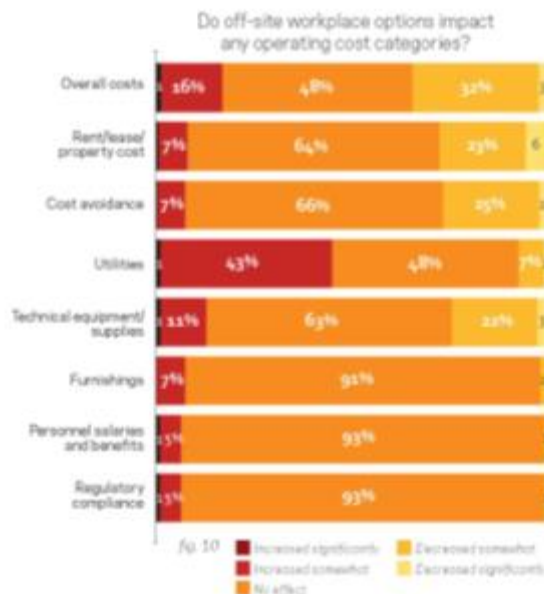
Almost half (48%) of respondents indicated that provisions of services to off-site workers had no effect on overall costs and about a third (32%) indicated that overall costs decreased somewhat. Nearly a quarter (23%) of respondents indicated that their rent/lease/property costs decreased somewhat. Costs were generally unaffected for categories such as worker salaries/benefits and regulatory compliance.

A Careful Balance

Employers are now seeing the cost implications of not providing off-site work options. The most important drivers for implementing off-site work options for employees are: flexibility (48%), work/life balance (42%), and cost savings (41%). Ten years ago we would not have seen cost savings ranking third on the list, more likely it would have been the single driver. Thanks to Human Resources, whom are now very much a part of the workplace team, many organizations are making work/life balance and flexibility the main focus or driver for their distributed work programs.

Technology & Enabling Distributed Work

Technology has become a key tool for worker productivity. In the distributed workplace arena, the technologies used most often are laptops, wireless access, PDA's and videoconferencing. Nearly all (92%) of respondents indicated laptops as the technology used to support mobility, whereas 70% sited wireless features as part of their distributed work technology support. Mobility within the workplace provides workers with the flexibility they desire to be more efficient and effective at their job.



Distributed Work Photo Gallery



Top: General Dynamics-open break area; middle (L): Hewlett Packard- touchdown area; middle (R): Bank of America-café style break area; Bottom, AT&T- open office environment.