The Magic that Happens When HR, RE & IT Come Together to Transform the Workplace

Kate Lister, Global Workplace Analytics
Kate North, Workplace IQ
Welcome!

“A dream doesn't become reality through magic; it takes sweat, determination and hard work.”

Colin Powell
what is WORKPLACE STRATEGY?

The alignment of the workplace to the business goals and objectives.

people technology and space
the power of place

- People
- Experience
- Technology
- Space
WE Know it Works!

Business Driver Icon Legend
- Engagement
- Financial
- Futureproofing
- Innovation
- Productivity
- Sustainability
- Talent Acquisition and Retention
- Well-being

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<thead>
<tr>
<th>ORGANIZATION</th>
<th>REGION</th>
<th>INDUSTRY</th>
<th>BUSINESS DRIVER ICONS</th>
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WE Know it Works!

CBRE WORKPLACE360
United States

People
Improving the way we work:

- 89 percent of employees report that Workplace360 has enabled them to work anywhere, anytime.
- 85 percent of employees report they are more easily able to collaborate with colleagues than they were able to before.
- 93 percent of employees are satisfied or highly satisfied with their new work environment (as compared to 45 percent pre-move).
- 71 percent of employee’s report feeling healthier in the new environment.

Attraction and Retention: some of the best attraction and retention metrics were captured from the subjective feedback given during employee post-occupancy feedback sessions.

- “I am able to think differently based on the different spaces I can choose to work from each day in our new office. My brain never had the choice in our old office.” – Vice Chairman, Los Angeles
- “I knew I was nearing retirement and thought that the transition to Workplace360 would be too much change and might push me into retiring. It has had the opposite effect; my business has been injected with a shot of new life and I am more excited than ever to come to work and be surrounded by people who are thinking differently.” 
  – Senior Vice President, Los Angeles

Results

Profit
Optimizing Our Assets:

- 300,000+ square feet were eliminated by adopting the free address model and increasing workplace density.
- $13 million was saved in operational rent costs due to occupying smaller footprints of space.
- 28 percent additional capacity created for future headcount growth by adopting the free address model.
- 92 percent of employees report that Workplace360 reflects a reinvestment in employees, processes and technology.

Results

Planet
Paper savings:

- A 25,000+ square foot reduction in space that had been allotted to file drawers or storage.
- Fewer multifunction devices in the office, as well as less paper being purchased due to the conversion to a paperless model of working.

LEED (Leadership in Energy and Environmental Design) savings:

- 30 offices have been LEED certified, with 11 more currently in progress.
- Workplace360 offices are saving an average of 35 percent in water consumption.
- Workplace360 offices are averaging a 27 percent reduction in electricity consumption due to better lighting systems.
- Workplace360 projects average 67 percent waste diversion, with a total of 1,725 tons of diverted construction waste.
- 100 percent of Workplace360 offices offer recycling within the office for paper, cardboard, plastic, metals and glass.

WELL metrics:

- The downtown Los Angeles project was the first WELL PILOT certified commercial office interior in the world. The office has well-being features, such as circadian rhythm lighting, an HVAC system that pumps in fresh air and specialized flooring that enhances lumbar support.
How many of you have attempted an integrated approach?
WE know we need to align
WE know if works
but…

WHY is it so darn hard?
No budget
They’ll slow me down
This is gonna help *me* meet *my* goals how?
Too messy
No budget
I’m outta here
This is gonna help me meet my goals how?
They’ll slow me down
Barely keepin’ my head above water
I’m scared
Got bigger fish to fry
New guy in charge
We’re old school
Burp
I’m not authority
Why?
People won’t like me
We’re followers
No
Got
We’re
Barely
I’m
New
They’ll
We’re
I’m
We’re
No
Too
outta
Old
Authority
school
Budget
Say

Do
1. Human Capital

2. Innovation

3. Customer Relationships

4. Operational Excellence

5. Sustainability
The CEO Says…

1. Human Capital
2. Innovation
3. Customer Relationships
4. Operational Excellence
5. Sustainability

CRE Exec Says…

1. Reducing Costs
2. Human Capital
3. Operational Excellence
4. Innovation
5. Customer Relationships
The CEO Says…

1. Human Capital
2. Innovation
3. Customer Relationships
4. Operational Excellence
5. Sustainability

8. Reducing Costs

CRE Exec Says…

1. Reducing Costs
2. Human Capital
3. Operational Excellence
4. Innovation
5. Customer Relationships

Portfolio Drivers:

1. Reducing Costs
The CEO Says...

1. Human Capital
2. Innovation
3. Customer Relationships
4. Operational Excellence
5. Sustainability

CRE Exec Says...

1. Reducing Costs
2. Human Capital
3. Operational Excellence
4. Innovation
5. Customer Relationships

Portfolio Drivers:

1. Reducing Costs
2. Operational Excellence
3. Flexibility
4. Human Capital
5. Branding
Think Outside the Bowl

- Workplace Evolutionaries
- Workplace Strategist
- Consultants
- Architects & Designers
- Change Consultants

You are not alone!
If you are not moving forward, you are falling behind.

- Kate Lister (I think)
Letting It Happen

“We’re waiting for the city to come to us...”
Opportunity Costs

- Productivity
- Engagement
- Attraction/Retention
- Innovation
- Collaboration

- Real Estate Costs
- Sustainability
- Employee Well-Being
- Competitive Advantage
Global Workplace Analytics

... agile work is for ... companies such as Google or tech start-ups.

There is little chance of a public service group based in a highly unionized country, in a city synonymous with bureaucracy, achieving a 21st century workplace.

- Chris Kane (he said with a wink)

Chris Kane
Instigator, Integrator and Interpreter
Former head of Corporate Real Estate at BBC Workplace
Smart Spaces & Places Blog
Office Space: 60%

Productivity: Double Digit Increase

Paper: 78%

Printers: 90%
Cases in Point

City of Edmonton
- RE: -35%
- Travel: -40%
- Brain Drain
- Tech Readiness

Credit Suisse
- Energy costs: -40%
- Laptop costs

The Container Store
- Turnover 10% (vs 90% for peers)

Lincoln Industries
- Healthcare Costs: 40% below peers
- Injury/Illness Rate: 50% below peers
- Turnover: 33% below peers
- Metabolic Syndrome: -50% (6 years)

Dell
- Greenhouse Gases: -35k MMT
- RE: -$12M/year
- Engagement & Satisfaction
- Productivity
What SHIFTS?

Work Process
Work Practices
Work Policies
Work Place
Work Culture
1. **Productivity** loss reduced

2. **Faster adoption**: the longer a project drag the more at risk it is to vanish

3. Expected level of **performance** achieved

84% of respondents agree that **change management program** improved the performance of their organization.

Holger Nauheimer
Survey 2005
Let’s take a look when the magic happens…
Donna Burnell
• SVP / Managing Director Enterprise Workplace Services
• Fifth Third Bank

Thomas Neltner
• Senior Vice President, Director of Real Estate
• Fifth Third Bank

Michael Pile
• Senior Infrastructure Architect
• Fifth Third Bank

Gaylene Domer
• Vice President Facilities Management
• National Equity Fund
Weaving it all together.....
ALIGNING THE WORKPLACE TO THE BUSINESS

1. Optimize real estate expenses by rationalizing portfolio

2. Create efficient, effective & innovative work environments that inspire employees and enrich customer experiences

3. Recruitment & retention workforce

4. Promote innovation and collaboration – One Bank

5. Social responsibility - sustainability and well being
ALIGNING THE WORKPLACE TO THE BUSINESS

1. Optimize real estate expenses by rationalizing portfolio & optimizing utilization
2. Create efficient, effective & innovative work environments that inspire employees and enrich customer experiences
3. Recruitment & retention workforce
4. Promote innovation and collaboration – One Bank
5. Social responsibility - sustainability and well being
Our Journey

1. Created Vision and name change
2. Created 10 pillars of success that form guard-rails
3. Developed foundational OurWorkplace program
4. Paradigm shift with Real Estate ownership
5. Educated the business
6. Developed standards and playbook
7. Voice of the Customer input and feedback
8. Developed change management/communication program to support change
9. Capture testimonials
10. Alignment with partners
   - Internal – IT, HR, Risk, Sourcing, Analytics
   - External – CBRE, A&E firms, Kate North
11. Portfolio rationalization – natural outcome
Exploring Workspace Types and Guidelines

Welcome
Fifth Third is embracing mobile technologies to enable employees to pursue a more flexible, available and efficient client computing experience.

- Improved Application Accessibility
- Increased Productivity
- Enhanced Employee Engagement
- Elevated Security and Efficiencies Achieved In the Cloud

2016
- Initiate Internal WiFi
- Jabber, WebEx and Soft Phones
- Initiate VPN Access
- CRM on Good
- IE and Office Upgrade

2017
- Start “Bring Your Own Device”
- Embrace Virtual Desktop
- Expand WiFi & VPN
- Initiate Guest Network
- Expand Mobile Management Platform
- Establish Windows 10 Strategy

2018
- Initiate Microsoft Cloud
- Expand BYOD, Thin Client & VDI
- Expand WiFi, VPN & Guest Network
- Initiate Mobile Management
- Enable Mobile App Dev for Internal Apps

2019
- Microsoft Cloud
- Expand WiFi, VPN & Guest Network
- Full Mobile Experience
IMPACT TO THE BUSINESS

• Increased creativity and innovation – increased shareholder value
• Increased cross-sell
• Supported “One Bank” with design
• Fostered engagement
• Reduced excess space – lower overall occupancy cost
• Increased flexibility
• Enabled employees with the right technology
• Attraction, engagement and retention
# Measuring Success Differently

## Occupancy Performance Metrics

<table>
<thead>
<tr>
<th>Metric</th>
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<tbody>
<tr>
<td>Cost per sq.ft. (office)</td>
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<tr>
<td>Persons to seat ratio</td>
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<tr>
<td>Sq.Ft per person density</td>
</tr>
<tr>
<td>Our to Me Area Ratio</td>
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<td>Cost of Churn</td>
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## Operational Performance Metrics

<table>
<thead>
<tr>
<th>Metric</th>
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<tbody>
<tr>
<td>Customer Impact Preventable Incidents</td>
</tr>
<tr>
<td>Occupancy Actual vs Plan</td>
</tr>
<tr>
<td>Project Cost, Schedule &amp; Scope actual versus plan</td>
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</tbody>
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## Voice of Customer

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<th>Metric</th>
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<tbody>
<tr>
<td>Customer Feedback</td>
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<tr>
<td>Executive Feedback</td>
</tr>
<tr>
<td>Employee Attraction, Engagement &amp; Retention</td>
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</tbody>
</table>

## Social Responsibility

<table>
<thead>
<tr>
<th>Metric</th>
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<tbody>
<tr>
<td>Diversity Spend</td>
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<tr>
<td>Waste Diversion</td>
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<td>Water Efficiency</td>
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<td>Energy Efficiency</td>
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<tr>
<td>Greenhouse Emissions</td>
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<tr>
<td>Green Product Utilization</td>
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## Risk & Compliance

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<th>Metric</th>
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<td>Penalties/Fines</td>
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<td>Legal Claims</td>
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Key Challenges
One size doesn’t fit all
Perceived Confidentiality
Having the “right” tools
Great idea....
but I’m special

my mom says im special
Perceived Compliance
The Future
KEY LEARNINGS

✓ The right talent on the team is critical
✓ Be bold- push through to the future
✓ Key executive leadership buy-in makes the difference
✓ Asking for our help from partners internal and external – learn from others
✓ Tell your story – all the time and repeatedly
✓ Enlist your partners in your strategy early and often
✓ Never STOP learning & Evolving
QUESTIONS
A WE CASE STUDY
Creating Magic of Change…
CHANGE PROJECT

C CREATING a new modern NEF space
H HEALTHY outlook on work-life balance
A ARCHITECTURALLY unique and cutting edge
N NEW surroundings NEW way to work
G GENERATIONAL demographic motivators
E ENVIRONMENTALLY conscious and sustainable
ALIGNMENT AND SYNERGY OF THREE GROUPS
This is where the real magic happens…

REAL ESTATE

TECHNOLOGY

HUMAN RESOURCES
COMPONENTS OF SUCCESS

- Support of CEO/Board
- State-of-Art Technology
- New Space
- WFH
- Workplace Strategist

“One of the best I’ve seen”

Participants - 90
TWO YEARS LATER

Tech Training

GEN

Training/Understanding

Always Updating

On-Going

Finding Opportunities

On-Going

Healthy Work-Life Choices

WFH

On-Going

Space Utilization

GREEN
The Results are In!

• Changes in Job Performance – 63%

• Overall Satisfaction in the Program – 87%

• Employee’s Perception of WFH as a Benefit – 73%
QUESTIONS
Make Your Own Magic
10 Key Take-Aways

1. Do your Homework
   • See “resources”
   • Assess readiness
   • Identify your internal and external partners – how aligned are they?

2. Educate your C-Suite, HR and IT
   • Case studies, tours, benchmarking, scenarios, articles

3. Secure Expertise and Support

4. Assess the “As Is”

5. Discuss “What’s Possible” and Create Scenarios

6. Determine Steering Committee, Roles, Responsibilities, Commitment

7. Identify Potential “Disconnects”
   • Priorities and bandwidth
   • Resources and budget
   • Competing initiatives

8. Create a Shared Vision

9. Establish Shared Metrics

How To: Resources

• Download and use this PowerPoint
  • WE Website / Events / Facility Fusion LV
  • Use the Persona Matrix to align your team

• Read Work on the Move 1 & 2
  • Chapter 4 – Crafting Alliances
  • Chapter 10 - Case Studies / National Equity Fund

• Step into the HR world – join Disrupt HR and read the “Future Workplace Experience”

• Develop Holistic ROI Scenarios - Global Workplace Analytics
  • Do-your-own Workplace ROI Calculator
  • Do-your-own Wellness ROI Calculator

• Get informed on the topics key to building your change and training strategy
  • e-Work.com video

• Brainstorm with us:
  • Kate Lister – kate@globalworkplaceanalytics.com
  • Kate North – kate.north@wp-iq.com
Thank You!

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Kate North
Chief Strategist, Workplace IQ
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312 720 1858
Questions

• Why does an integrated approach matter? (ANSWER: all of the above)
  1. A holistic workplace strategy can occur
  2. Greater impact to the business
  3. Ability to leverage resources and budget
  4. Ability to achieve a balanced score card and develop shared metrics
  5. All of the above

• How can I get HR and IT on board (ANSWER: 1,2,3,4)
  1. Understand their world, their priorities, roles and challenges
  2. Share examples from other like organizations that have created and integrated approach used the workplace as a strategic tool
  3. Tour and meet with peers from other organizations and capture what their process and what they have learned
  4. Garner CEO support and advocacy
  5. You cant! Don’t even try…it’s impossible

• Why is it so hard? (ANSWER: all of the above)
  1. Competing agendas and priorities
  2. Lack of bandwidth
  3. Limited funding and resources
  4. Uncomfortable - I don't know them and they are different from me
  5. They will slow me down!

• What could “shift” as an outcome your strategy? (ANSWER: all of the above)
  1. How we work could change – new work practices and policies
  2. Where we work could change – on-site, co-working, work-from-home
  3. The technology tools we use could change
  4. Better utilization of our space
  5. Increase performance of our employees
  6. All of the above
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<tr>
<th>Panelist</th>
<th>Function</th>
<th>Responsibilities</th>
<th>Reports to</th>
<th>Measured by</th>
<th>Top Priorities</th>
<th>Challenges</th>
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</thead>
</table>
| Donna Burnell | Workplace Services | Leads Enterprise Workplace Services  
- Strategic planning  
- Transaction Mgt  
- Project Management  
- Space, Furniture Design and Standards  
- Property Management | Chief Administrative Officer | • Occupancy costs  
• Utilization efficiency  
• Employee Workplace Experience  
• Uptime – Operational  
• Social Responsibility | • North Star portfolio efficiency & rationalization  
• Social Responsibility  
• Be trusted strategic partner  
• Building a team and investing in talent  
• Integration of technology and operationally and work experience | • Uncertain real estate market/vacancies  
• Legislative requirements and changes  
• Changing the culture in the organization regarding space  
• Alignment and prioritization with HR, IT, Legal  
• Telling our story and marketing EWS |
| Thomas Neltner | Workplace Services | Leads Strategic Planning and Transaction Management | Managing Director of Enterprise Workplace Services | • Occupancy costs  
• Utilization efficiency  
• Employee Workplace Experience  
• Gallup Engagement, Retention,  
• Customer survey feedback | • North Star portfolio efficiency  
• Develop a Relationship Manager Model – Trusted Partner  
• Develop real estate LOB strategies | • Change management with the new OurWorkplace  
• Create an environment that attracts talent and engages employees  
• Resources / time! |
| Thomas Neltner (formerly Human Capital) | Administrative Recruitment, on-boarding, comp, payments, trainings, performance and talent management, data analytics, communication, portfolio of HR Change projects  
Team Focus: Culture, Diversity, Inclusion | Chief Administrative Officer | • Attraction  
• Engagement / Retention  
• Development  
• Core Values | • Drive Performance!  
• Building a Better Bank  
• Supporting Core Values  
• Attraction  
• Engagement / Retention  
• Development  
• Alternative Work Strategies | • All of the Priorities!  
• Finding the right people at the right time  
• Diversity & inclusion  
• Competing priorities |
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| Michael Pile    | IT Strategy and Architecture      | • IT Architecture  
• Determining technical solutions  
• IT Engineering, IT Risk and Security teams | Chief Enterprise Architect | • Projects completed successfully  
• LOB perception  
• Teamwork/Collaboration  
• Core Values | • Northstar initiatives  
• End user experience  
• Driving projects to completion  
• Defining innovative IT solutions | • Security and Risk posture  
• Conservative culture  
• Silo’ed IT teams not collaborating  
• Managing competing priorities |
| Gaylene Domer   | FM                                | • Leads NEF’s Real Estate  
• Travel and office policies  
• Space design and FF&E Technology training  
• Oversight of the mobility options | CEO               | • Employee Engagement  
• Attraction and Retention  
• Responsiveness to customers  
• Work From Home Program  
• On-going technology training | • Improve communication  
• Change agent for corporate culture  
• Make NEF a fun place to work  
• Promote environmental sustainability  
• On-going technology training | • Bottom line results for NEF’s real estate  
• Strategic planning for workplace efficiency  
• Keeping staff engaged  
• Constant and continual technology training |