

Knoll Workplace Research

# Managing Workplace Change

A People-Based Perspective



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**Knoll**

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## A People-Based Perspective

### Successfully Managing Workplace Change is Critical to Project Success

**There's no question about it. Workplaces are changing—because the nature of work and the role of the workplace in business strategy are changing (O'Neill and Wymer, 2011). Organizations of all sizes, across all sectors, are re-planning and re-configuring their workplaces to better attune them to the work processes and workstyles at hand.**

If your organization is planning such a change, you are not alone. Knoll has worked with many customers through the process of implementing workplace changes—some simple, some quite complex. Whatever the size of the enterprise or the scope of the project, the success of change management comes down to addressing the concerns, anxieties and expectations of the people involved. This paper shares some of our experiences and insights and offers a few guidelines for successfully managing the challenge.

### Five Trends Are Dramatically Changing Work and the Workplace

Organizations are implementing a wide variety of changes to their workspace, ranging from a simple shift to open planning and lower horizons at a single location, to complex enterprise-wide programs that offer new types of workspaces and planning approaches. These changes are greatly altering the way people work (Ouye, 2011). Five broad trends are driving these changes:

**1. The War for Talent**—the increasing dependence on a cadre of key workers with complex skills in problem solving and other high-level activities

**2. Mobile Technology**—the ability for people to work virtually anywhere, inside and outside the office

**3. The Mandate to Innovate**—the need for organizations to innovate in order to remain competitive

**4. Distributed Work**—the evolution toward less centralized organizational structures, locations and work practices

**5. Sustainability**—the need to reduce the organization's carbon footprint to save energy costs and to meet LEED requirements

### Workplace Change Management Helps Employees Get Back to Work More Quickly and Effectively

While there are good business reasons for changes in the workplace, employees frequently feel threatened by the process. The natural resistance to change that often emerges must be managed for a successful transition to new workspace.

*“At its heart change management requires support from leadership, and communication: letting people know what’s going to happen, why changes are being made, and how they will be affected.”*

Workplace change management is a process for engaging with employees who are about to experience workplace change. Its goal is to help people more quickly (and happily) adjust to new

#### CASE STUDY

#### **A healthcare technology organization reduces headquarters square footage and supports distributed work**

A Fortune 500 healthcare company was standardized on a conventional planning model that included an 80%/20% mix of private offices and 7x8' and 8x8' cubicles with 68" high panels. Collaboration was supported with large and extra-large formal conference rooms. The primarily “heads down” nature of the space no longer fit the culture or more casual collaborative workstyle.

The organization implemented a new planning model which includes a per person space reduction to 135 square feet from 190, assigned and unassigned workspaces with low horizons, and open and enclosed meeting spaces, in a variety of types and sizes—as well as new technology to facilitate group work. A centralized café space at each location acts as the focal point, social hub and auxiliary workspace.

To prepare for the change, the organization developed a PowerPoint presentation clearly defining the vision of the company, the reasons for the workplace change and the major changes to space and technology. Several members of the leadership team agreed to act as sponsors, publicly endorsing the project and change process.

They conducted an employee Change Readiness Assessment survey and used the results to develop a series of targeted communications that provided project information and addressed key concerns.

Once change was underway, the change team issued a series of sequenced updates explaining next steps, keeping employees informed on progress. And they created a managers' training program on how the new spaces work and how employees could use them to their best advantage.

A post-move survey revealed that 80% of employees were “satisfied” to “very satisfied” with how well the new space supports collaboration.

## Workplace projects and change management programs vary in their complexity

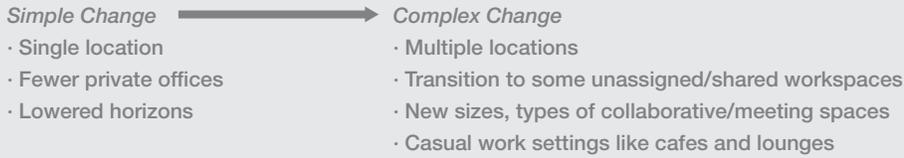


Figure 1. A workplace change management program can be tailored to fit the scope of change and complexity of the project.

workspaces and new ways of working. Good change management lets people get back to work faster and feel more satisfied with their change experience—and the new space.

Employees need support before, during and after the move to a new workspace. A change management program is a useful process for successfully managing employee transitions. There is no one right way. Managing workplace change takes time and focus. The communication has to go both ways. It is critical to ask people for input, to address concerns as they arise, to identify the influencers within employee groups and to engage them in your efforts.

Different people will adjust at different rates. Don't expect 100% buy-in at the start, but don't let issues go unaddressed. Open communication goes a long way toward building credibility and acceptance.

The scope of a workplace change and its associated workplace change program can vary widely (Figure 1). Your change management process should respond to the size and complexity of your project and the culture of your organization.

## A Fundamental Shift in Work from “Me” to “We” Underlies Most Workplace Change

The focus of most workplace change efforts is a watershed transition from planning models that emphasize individual work to an approach that supports flexibility, mobility, greater collaboration and social interaction (O'Neill, 2012). This trend has been going on for more than a decade, but has accelerated with an increasingly competitive business environment and widespread access to mobile technology.

Some organizations are investing less in real estate and redirecting capital from private offices and large individual workstations that serve one, to a wider variety of group and individual workspaces. These include open and enclosed meeting areas in varying sizes, video conference rooms, meditation spaces, cafés and larger multi-purpose spaces that serve the many.

*The goal is to frame workplace change so that it is not perceived as a zero sum game. Employees need to understand how changes that affect “me” can contribute to a workplace that benefits “we.”*

A big part of change management is helping employees understand that workplace change is part of an organization's overall business decision process. It does not signify a devaluation of employees. Rather, workplace change is an aspect of business strategy designed to achieve evolving business goals. Organizations may direct their investment to technology, training, and ergonomic work tools and redeploy resources to provide shared amenities that benefit everyone. It's about making wise investments to ensure longevity and future success.

## Workplace Change Can Be Successfully Managed in Five Simple Steps

The workplace change management process includes five broad steps (Figure 2). This process can be adapted to create a timeline of activities for any particular project—simple or complex.

### CASE STUDY

#### **A Midwest insurance company redeploys space to support transition from a “me” to “we” work culture—while increasing workspace utilization rates and employee satisfaction**

A study of employee work patterns at corporate headquarters revealed a low, 39% average peak utilization rate for office spaces. To improve utilization, the company instituted a 1.5 to 1 shared workspace ratio, and increased the type and number of open and enclosed meeting spaces organized around a café area.

This new approach represented a big change for employees as some no longer had an “owned” workspace, raising the risk of high levels of dissatisfaction. To manage this significant transition, the company instituted a workplace change management program that shared the business reasons and benefits of the change—emphasizing the workstyle flexibility offered by the new more casual space. Prior to the changes, a Change Readiness Assessment survey benchmarked employee satisfaction with the space and communication preferences. Information about the change was shared through a mix of face to face “town hall” meetings and short online videos.

Post-move peak utilization rates increased by 12 percentage points to 51%. A post move survey revealed a 21% increase in employee satisfaction with the workplace. Senior management was so impressed with the results they have planned to implement the same program at their other major facility in an adjacent state.

## Step 1. Create the Big Message

Identify “What’s in it for me?” The first step in the change management process is to identify the big message that people affected by the change need to hear. These include the key business reasons for workplace changes (for example: cost reduction, support for collaborative work, or new investment in technology) and the benefits of workplace changes for individuals, working groups, and the organization as a whole (O’Neill, 2011).

Summarize these in clear concise language so they can be communicated consistently, through various media, throughout the change management process (Figure 2.1).



*Start with the “Big Message” which establishes priorities and sets the tone for everything that follows.*

Early on, enlist the support of a senior manager as a long term project sponsor. More broadly within the organization, find the people with the most power over public opinion and work to make them project champions (they’re the ones who speak up at town hall meetings and never eat lunch alone). Employee advocates can magnify the message. Meet with them face-to-face, explain what you are trying to achieve and ask for their help. But be aware that influence can go both ways, and persistent negative voices can undermine what you are trying to achieve. Step in and confront naysayers’ concerns before they fester.

## Step 2. Take the Pulse of the Organization

Use a variety of approaches to understand the attitudes and readiness of employees for change. Hold town hall meetings, roundtable conversations or lunches with



*Workplace change management is a process for helping employees adapt to a changing work environment.*

representative of various working groups to help get people invested in the plan. Conduct a Change Readiness Assessment survey of all employees affected by the planned changes to define the level of preparedness that will be required (Figure 2.2). These important steps will provide insights into how you might tailor communication methods and media to specific groups and concerns. Use the information you gain to refine your big messages and to craft ongoing messaging in the full communication plan.

## Step 3. Deliver the Message

Communicate the business reasons for the change, the benefits and the timeline. Create an overall communication plan to be rolled out in parallel with stages in the project (Figure 2.3).

*Understand your audience.  
Select media that will grab their attention.*



Communications should be multi-pronged, targeted and maintained throughout the life of the project. Use multiple communications media and tailor the media to owners and various stakeholders. Use visual presentations (such as PowerPoint), printed materials, website, blogs, Twitter, email, small and

## CASE STUDY

### **A global financial services company rethinks its workspace to attract and retain the best and brightest knowledge workers**

The current workspace was out of alignment with the complex and mobile workstyles the company’s highly educated employees brought to their work. The organization abandoned the old model of private offices and high-panel workstations in favor of a variety of smaller assigned and unassigned individual and group workspaces among which employees can choose to meet immediate needs and to support interaction and innovation.

While many employees embraced this planned direction, some did not. Many older employees complained that they would be losing quality office spaces that they had “earned” through years of hard work. To educate employees and sway the opinions of those in doubt, the organization conducted a comprehensive workplace change management initiative that included “branding” the move event and conducting a series of well choreographed communication events that started six months before the move and ended three months after the change was complete.

The new plan paid off, returning almost 30% in cost savings as a result of the more efficient footprint, with 15 percentage points greater peak utilization of individual workspaces. And the move gave employees welcome choice and flexibility in workplace location and style.

Many of the initial naysayers agree, reflected in statements such as “I traded a private office for a big gain in personal and professional flexibility.” And “I now see how this change connects us better to where we are trying to move as a company.”

group-wide meetings, and other vehicles appropriate to your organization. Key the content and timing of communications to what's happening on the ground.

#### Step 4. Support the Move

"Move day" (which can actually be a period of time spanning weeks) is an event that all employees will remember—favorably or not. All the change communication work to this point now must be reinforced by activities that make the actual move a positive experience.

As people move into new workspaces, have staff on hand to assist with questions and resolve immediate problems (lost items, telephone issues, wireless or power



*Post-move survey results can be crafted into a short list of "lessons learned" that can dramatically improve the move experience for everyone, next time around.*

A bit of time helps people to provide balanced feedback. Gather information through interviews, casual conversations (brace yourself, you will hear from people) or a more formal survey (Figure 2.5).

Once you have gathered information from employees about their move experience, and how well the new workplace supports their work, put this knowledge to work. What would you do differently next time? How were your communications actually interpreted by your audience? These insights can be of great practical benefit to others in your organization that may be managing a move in the near future. Package the lessons learned into a short document and share electronically and face to face with managers and company leaders.

#### Three "Rules of the Road"

In the previous section we discussed the five phases of a workplace change management program and some specific activities within each step. Here we provide you with some broader thoughts—rules of the road—to keep in mind as you develop a successful change experience for employees.

##### Anticipate Conflicting Perspectives

Workplace change will be greeted in varying, often unpredictable ways. Some people will be made more uncomfortable than others and some may feel that they have endured greater loss. Listen throughout the process to all employee constituencies. Step in when you can and directly address concerns. Sometimes just knowing that they are being heard can help employees accept change.

Focus on the "me" to "we" aspect of the change, and the benefits everyone derives when an organization works at its best.

##### Encourage a "Culture of Flexible Work"

Assure employees that they have permission to use workspaces or work locations that are novel to them (Fayard and Weeks, 2011). Part of this process is to ask managers to model new behaviors (thus offering their tacit permission) by working in a lounge chair with a laptop or holding meetings in the café or other social/collaborative spaces. Walk employees through all the spaces in which they are free to work. Clearly explain the intended purpose of each new workspace type. Provide training on new technology tools and information on all the places in the workspace where mobile technology may be used. The goal is to foster new work habits and workstyles to leverage the new environment.

##### Never Underestimate the Power of Communication

Craft a clear and consistent message about your workplace change based on what's in it for the organization and for employees. Make sure those Big Messages are reflected in all visual media (such as PowerPoints), printed materials, face-to-face and virtual communications you create and share throughout the process. Understand your audience and tailor communication content and media to targeted constituencies (such as specific departments or job types). For example, create messaging describing the enhanced collaborative opportunities in the open plan for those moving out of private offices; and focus on greater choice of work location and work tools for those moving from individual workstations to shared workspaces. Plan activities such as walkthroughs, briefings and Q&A sessions to coincide with important project milestones.



*Celebrate the move by kicking off with activities that recognize both the hard work and investment in the new space.*

connectivity) or unanticipated issues requiring follow-up. Rapid resolution of these tactical issues will go a long way towards generating employee goodwill, as well as people's ability to be immediately productive. Train managers to help employees make the best use of the new space. Encourage leadership members to model new work behaviors by using new space types themselves during the normal course of business. Share guidelines on the right behaviors in more open spaces and other aspects of workplace etiquette (Figure 2.4; O'Neill, 2010).

#### Step 5. Evaluate the Process

About ninety days after the move is complete, collect information from employees on their satisfaction with the new workspace and the quality of the move experience itself. This three month period is enough time for people to clearly remember their old space and be relatively well-adjusted to working in the new. Collecting the information too soon after the move might bias reactions since people will still be adjusting to the change.

# Figure 2. The approach to successful workplace change management includes five general steps

This basic plan for managing workplace change can easily be adapted to meet the needs of simple to complex projects. This figure shows example activities for each of the five steps. The stated time frames and activities will vary based on the scope of the project.

## GROUNDWORK

1



### Create the “Big Message”

12-18 months before move

- Identify the business reasons for the change and key benefits to employees
- Create a consistent “Big Message”
- Gain leadership support and recruit workplace change “champions”

FIGURE 2.1

### How to communicate “What’s in it for me?”

It is important for employees to understand the benefits that affect not only them, but the broader organization. Some examples of typical benefits that could be communicated to employees:

#### Individual Benefits

- Adjustable seating and tools in the workstation for better ergonomics, comfort, performance
- Greater access to natural light provides health benefits
- More options for types of spaces to work offers greater flexibility over work location

#### Group Benefits

- Flexible meeting spaces can easily be redefined to support changing aspects of group work
- Improved communication among team members from whiteboards, monitor displays, upgraded videoconferencing

#### Company-wide Benefits

- Space better expresses the culture and values of the organization
- Cafes, lounges, better support critical social interactions
- Better access to power and data throughout the space

2



### Take the pulse of the organization

3-6 months before move

- Conduct a Change Readiness Survey
- Organize short informal meetings to learn about employee change readiness

FIGURE 2.2

### A pre-move “change readiness” survey quickly and inexpensively captures the pulse of the organization

Use these sample questions to easily create an effective change readiness survey. We suggest you use a response scale in which 1=Strongly Disagree to 5=Strongly Agree.

1. In general, I am personally very comfortable with change.
2. The people in my work group are generally very comfortable with change.
3. I possess the skills and knowledge necessary to manage the upcoming workplace change successfully.
4. I am clear with the overall business reasons for the change to the workspace.
5. I am clear about the primary changes to my environment that will occur.
6. I currently have sufficient information about the upcoming move.
7. I feel that the new space will help most people work more effectively in the future.

Continued

3



### Deliver the message

- Create the communication plan and schedule
- Communicate using multiple media, approaches
- Execute the communication plan in parallel with project activities
- Provide training to employees and managers

FIGURE 2.3

### The workplace change management communication should parallel the project timeline

A typical workplace change management plan has activities that start up to six months before a move and may continue three months after move in. Each event in the plan has:

- An owner
- A description of the type of communication (media used)
- The “stakeholder group” (the group to whom the communication is intended)
- A summary of the key message of that communication
- A start and end date for the communication
- Frequency of the communication
- Any other notes associated with the event

The overall communication plan is typically owned by a project manager who keeps everything on track.

4



### Support the move

#### Move-in

- Organize a ribbon cutting or other celebration to kick off the move process
- Have staff on hand to assist with questions and resolve immediate problems or unanticipated issues requiring follow-up
- Offer written guidelines on new workplace etiquette

FIGURE 2.4

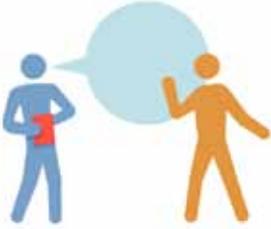
### Guidelines for behavior can help employees adapt more quickly to new, more open workspace

Put these example guidelines to immediate use in developing your own workplace etiquette:

- Noise
  - “In an open environment, noise can carry. Remember to modulate your voice – people don’t always want to hear your conversations and phone calls. Keep in mind that people in workstations with high panels forget to modulate their voices because they perceive a level of sound privacy they do not have.”
- Confidential Conversations
  - “If you need to have a sensitive face to face or telephone conversation, use the small conference rooms located throughout the space.”
- Reducing Distractions
  - “Refrain from using speaker phones in the open work areas. Set your cell phone to vibrate within the office. Consider using ear buds or noise cancelling head phones to enhance concentration. These also send a signal that you do not want to be interrupted.”
- Clutter in Office and Meeting Spaces
  - “It’s a good practice to leave your desk and work area organized by filing and storing important documents and paper. This also assists with information security. In conference and meeting rooms, copy rooms and break areas, be careful what you leave behind and take extra time to clean up after yourself.”
- Odor Control
  - “It’s distracting for your co-workers to smell your lunch, especially if it’s not time for theirs. Do not eat heated foods at your desk. Do not put trash from your lunch in your workstation wastebasket. Use the kitchen area to prepare and eat hot food.”

Continued

5



### Evaluate the process

3 months after move

- Conduct post-change interviews/survey
- Summarize lessons learned
- Apply to improve change process

FIGURE 2.5

### A post-move “quality of experience” assessment survey helps improve the process for future moves

Use these questions to quickly create an effective post-move survey. We suggest you use a response scale in which 1=Strongly Disagree to 5=Strongly Agree.

1. I clearly see the connection between the overall changes we made to workspace and our business goals as a organization.
2. The new meeting spaces help groups work more effectively.
3. My primary individual workspace helps me work effectively.
4. The rationale for the workplace change was clearly communicated.
5. Prior to the move, important information was communicated in a timely manner.
6. I am satisfied with the overall quality of the move process.
7. Please share your feedback on how we could improve how we communicated with employees prior and during the move to the new space.

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Through research, Knoll explores the connection between workspace design and human behavior, health and performance, and the quality of the user experience. We share and apply what we learn to inform product development and help our customers shape their work environments. To learn more about this topic or other research resources Knoll can provide, visit [www.knoll.com/research/index.jsp](http://www.knoll.com/research/index.jsp)



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