EUROCRES
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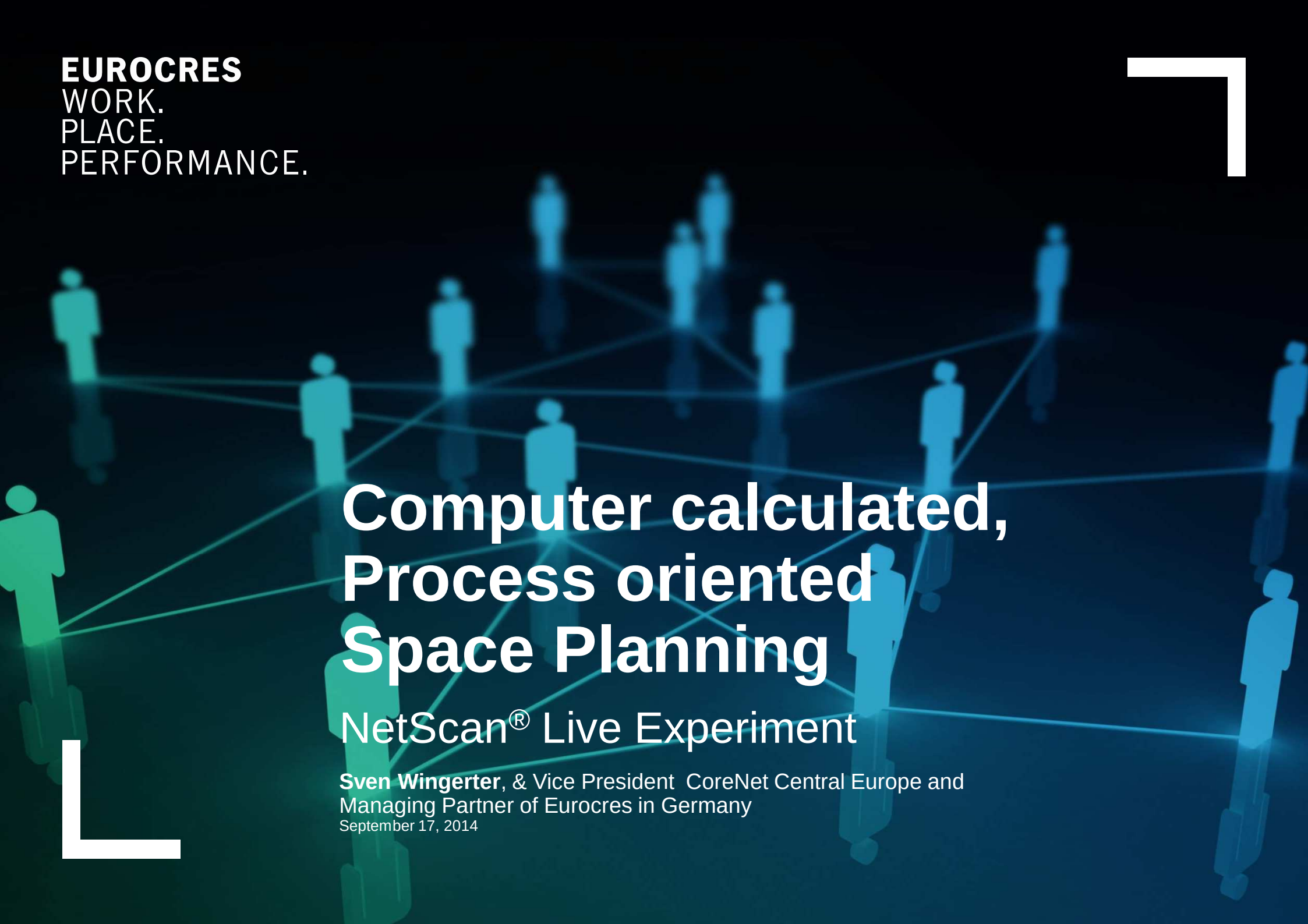
PLACE.
PERFORMANCE.



Computer calculated, Process oriented Space Planning

NetScan® Live Experiment

Sven Wingerter, & Vice President CoreNet Central Europe and Managing Partner of Eurocres in Germany

September 17, 2014

Unfortunately – only 60 Minutes

1. The Whys‘
2. The Hows’
3. We “risk” a live experiment!
4. Happy auditorium ☺!

WHY?
....do we talk about communication?

80% of all innovation is driven by interpersonal (employee) communication!

Study Massachusetts Institute of Technology (MIT)

Face-to-Face vs. Electronic Communication

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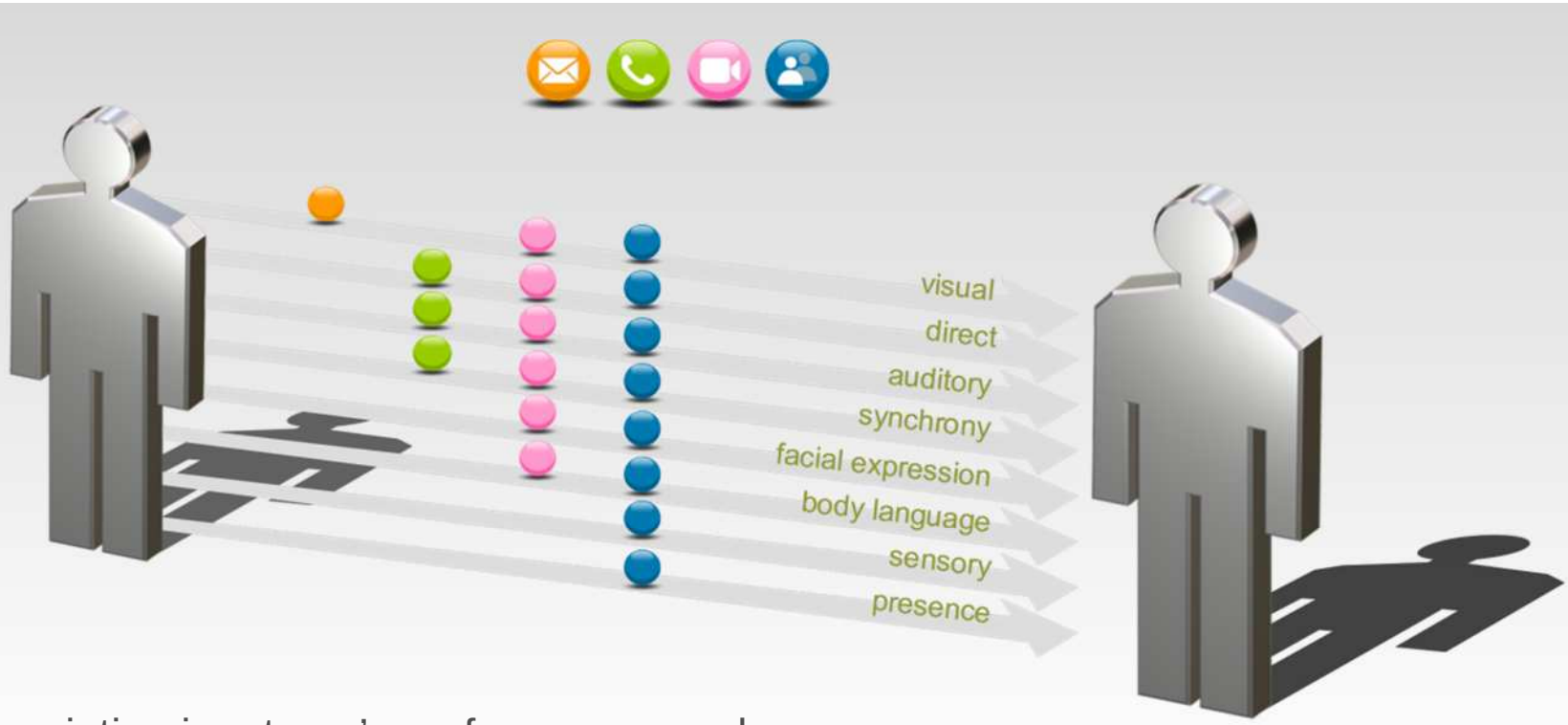

„35% of the variation in a team's performance can be accounted for simply by the number of face-to-face exchanges among team members."

Source: The New Science of Building Great Teams by Alex "Sandy" Pentland, Harvard Business Review, April 2012

+ Face-to-face Communication integrates all human senses +
+ the most efficient form of knowledge generation +

‘Friendly Fire’
in the last twelve months the amount of e-mail increased by 47%

Source: Symantec (Germany)

More space for teamwork

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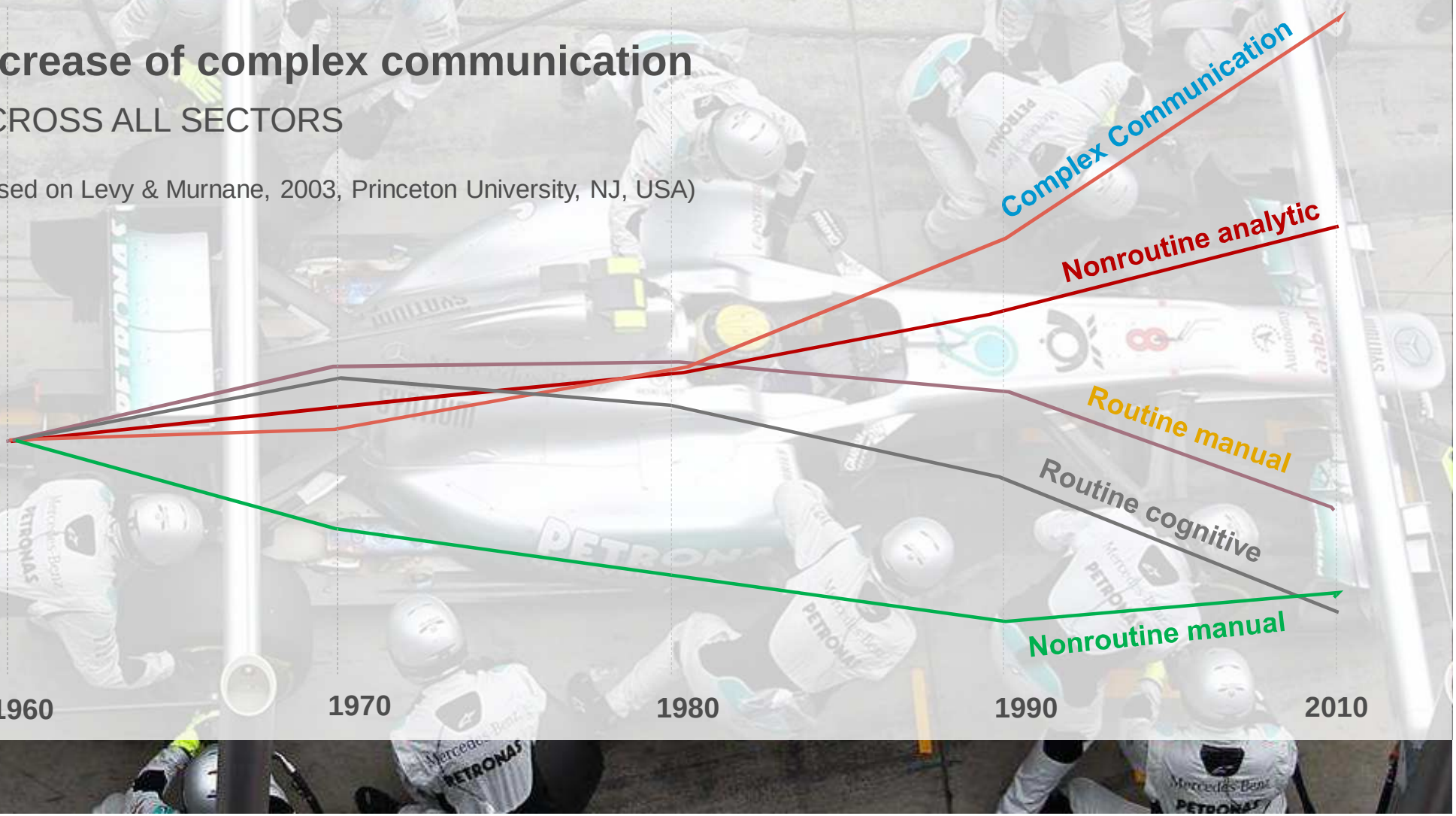
Increase of complex communication

ACROSS ALL SECTORS

(based on Levy & Murnane, 2003, Princeton University, NJ, USA)



Why?

Communication – maximizes intellectual capital/profit!

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all of you
WANT IT!
May I suggest: You need it!
…to be competetive!

“it” = WorkPlace Communication (1/3)

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“... communication plays as important a role as technical skill – enabling innovation to flourish without boundaries.” www.3m.com

“**Our Passions:** Team work, integrity, accountability, professionalism, and trust lead to success.” www.sap.com

“As a **driver of innovation**, Continental is on the leading edge of technology … in an environment … characterized by competence, cooperation and progress.” www.conti-online.com

“… **innovation cycles** are decreasing and new solutions are emerging, strengthened **through cross-border cooperation** … and **through collaborations** …” www.siemens.com

“… we cultivate **a working environment that** inspires and **connects people**.” www.basf.com

“applications supporting **virtual teaming**, collaboration, and remote working, Nokia Networks provides more opportunities to create your **ideal work environment** … www.nsn.com

“it” = WorkPlace Communication (2/3)

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“At EY, we are committed to building a **better working world** – with … **greater collaboration**.” www.ey.com

“Around the world, employees from many different cultures **work productively together**. …, Freudenberg’s values provide a solid basis for **cooperation** ...” www.freudenberg.com

“**Working together as a team.** We want to constantly **motivate** one another to be better .... This can only be achieved with a **strong team spirit**.” www.bmwgroup.com

“… working in a highly collaborative environment with some of the best minds in banking … **communication is key to everything we do** …” www.db.com

“When **great minds get together**, they inspire each other. Our **collaborative culture** proves it. By working a better way – **sharing ideas**, voicing opinions, ...” www.merckgroup.com

“… a chance to develop in a growing business and within a **team of dynamic, driven people**.” www.hermesworld.com

“it” = WorkPlace Communication (3/3)

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“We are committed to **excellence in quality performance**…This is achieved by teamwork, a process of continuous improvement ...” www.dow.com

“Whatever the strength of the individual, we will accomplish more together. We put the **team ahead of our personal success** and commit to **building its capability**.“ www.bp.com

“We believe our story shows what **teamwork** really is about...” www.oracle.com

… **promoting collaboration** among employees and between employees and customers, from different cultural backgrounds is a top priority for us. www.bayer.com

“Through close collaboration with neighboring divisions …, you can **expand the horizons of your experience**.” www.beiersdorf.com

Still not convinced?

Google Search: Cost cutting vs. Employee communication

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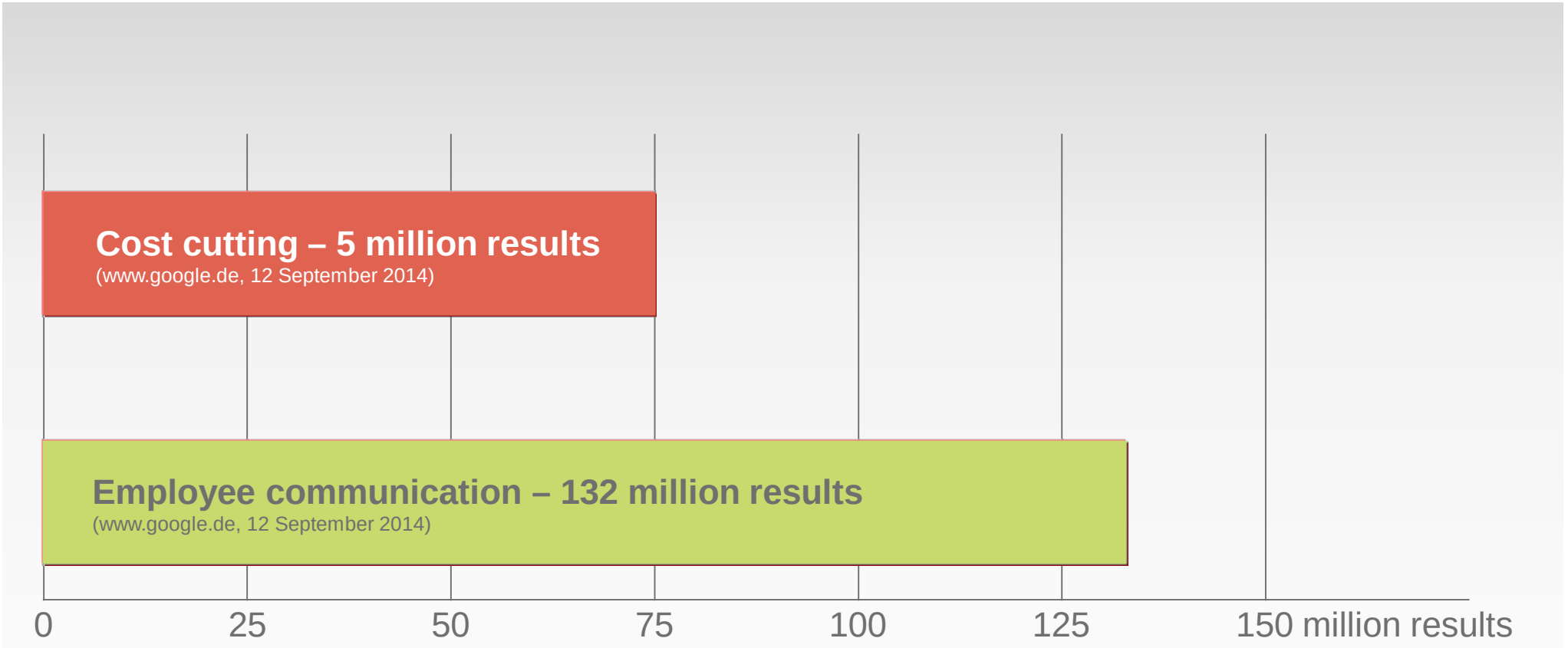

Keep up with the trends – From COST to VALUE!

where is our
CHANCE?
CREM:
„How can my work impact this?“

Digital Devices – Curse of Blessing?

Do we need more devices?

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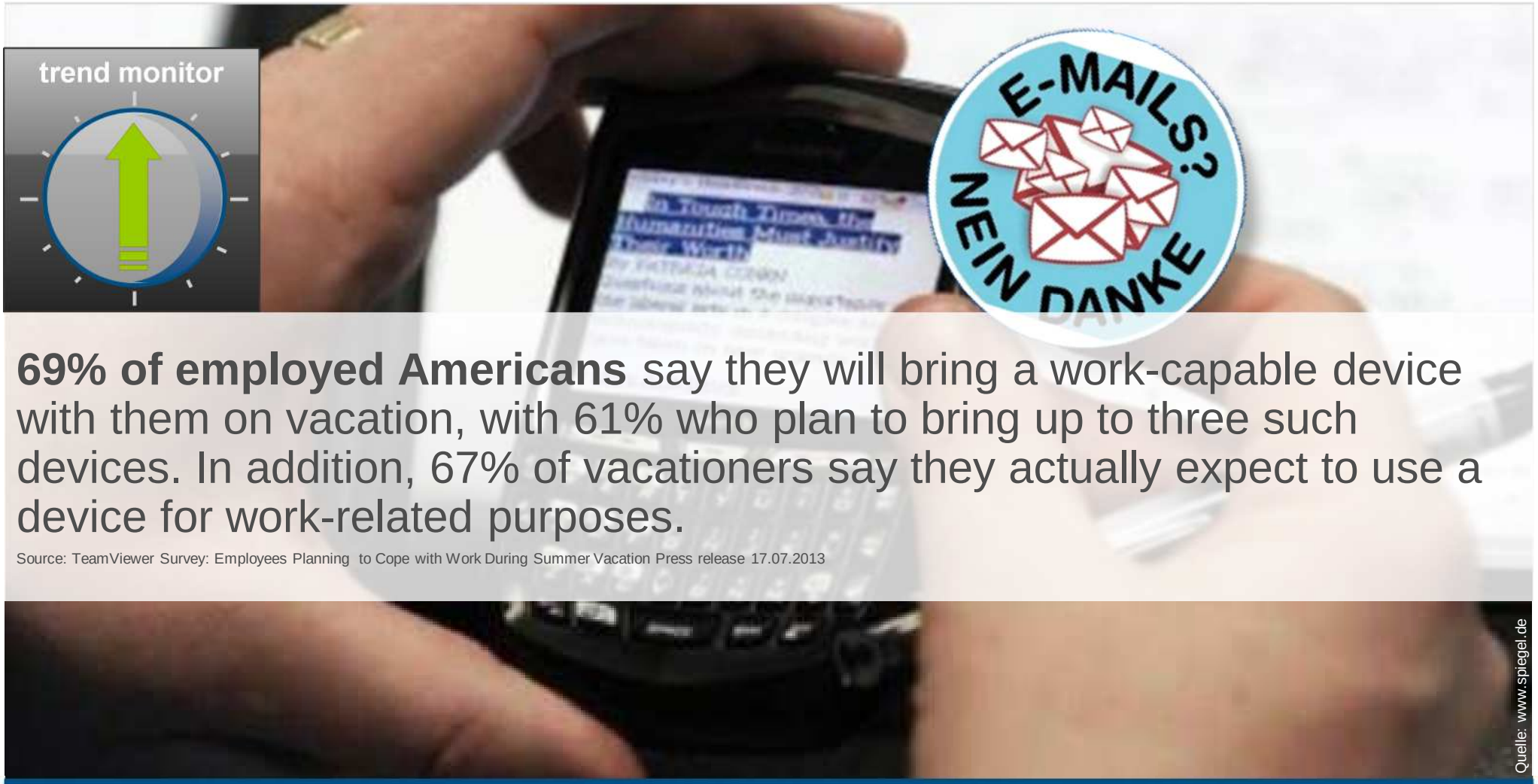

69% of employed Americans say they will bring a work-capable device with them on vacation, with 61% who plan to bring up to three such devices. In addition, 67% of vacationers say they actually expect to use a device for work-related purposes.

Source: TeamViewer Survey: Employees Planning to Cope with Work During Summer Vacation Press release 17.07.2013

Quelle: www.spiegel.de

+ Achieving a work-life-balance by reducing digital accessibility during holidays or after working hours +

Prospects for office optimization in the 21st century

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“We (WorkPlace Professionals) can do better!”

Industrial production

- continuously improving workflows
- process oriented „structures“
- ► established for decades since Tayler/Ford

At the Office

- Infrastructure performance in „sleep mode“
- non-process oriented space planning
- ► hidden profit potential is yet to be utilized

Spatial Proximity & WorkPlace Layout

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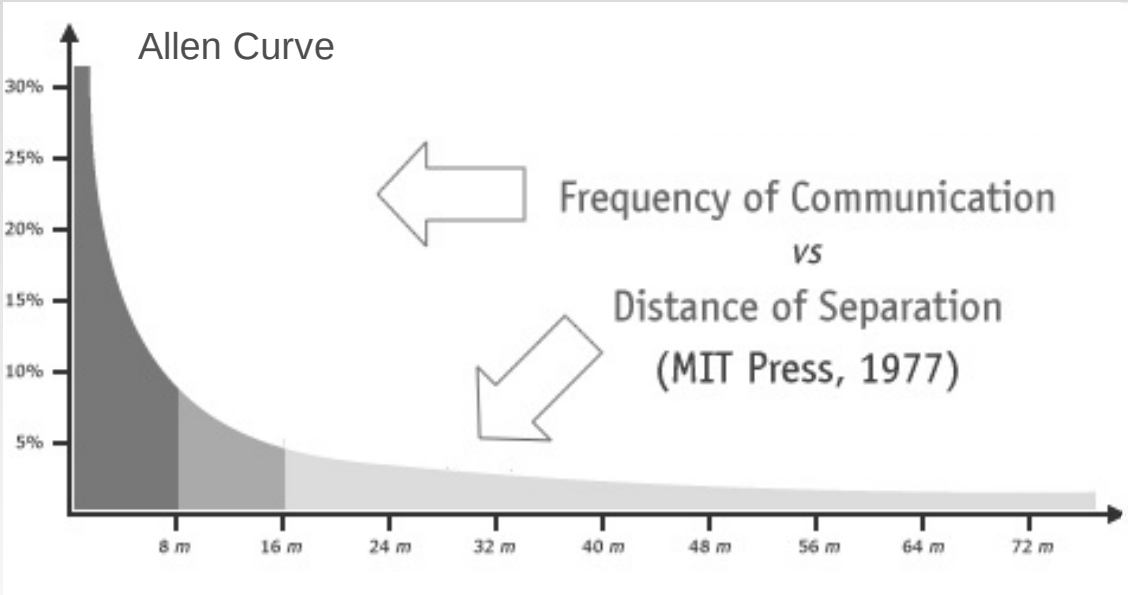

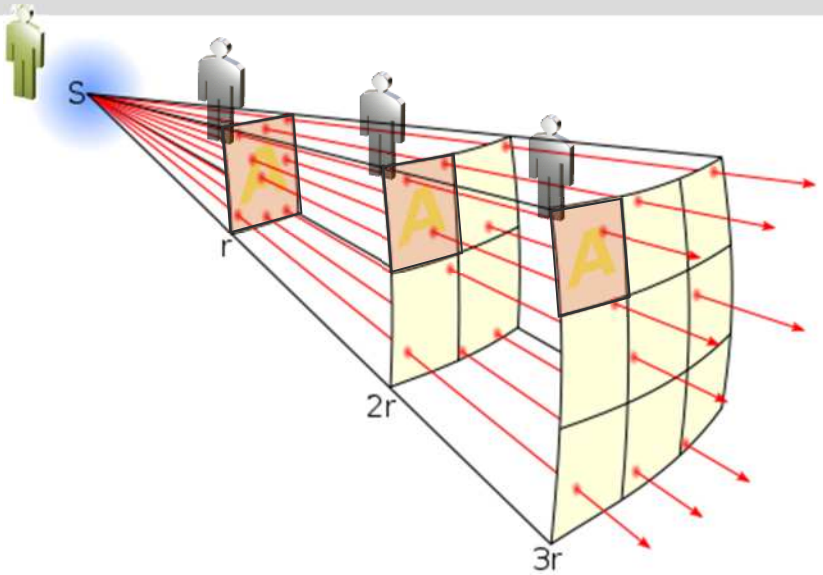

The barrier effect of a staircase is perceived as **30 m distance**

For an effective collaboration, the communication partners should not sit more than **50 m** away from each other

Quelle: Tom Allen research, MIT

+ Spatial proximity is significant for efficient collaboration +
+ Right allocation of employees should be calculated a function of communication & spatial proximity +

Tomorrow: The “Who” is “Who” should not be driven by traditional KPI’s

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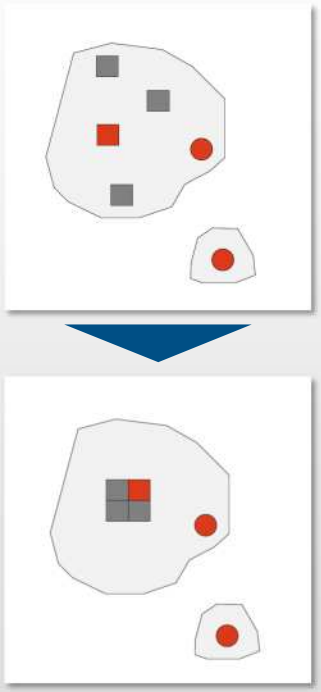
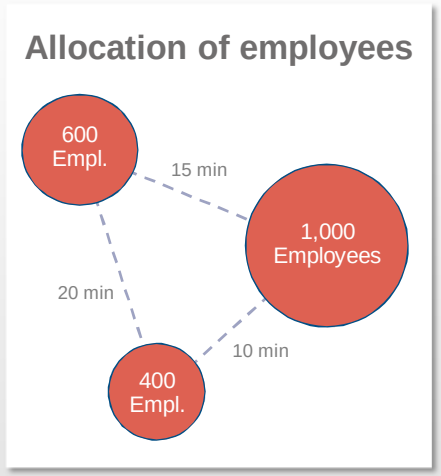
Portfolio perspective

- Consolidating locations
- Reducing lease expenses
- Increasing space efficiency





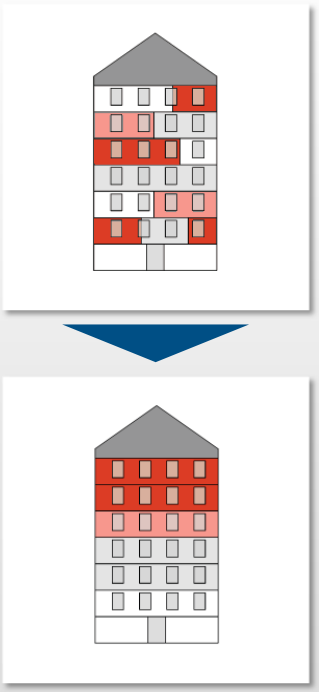
> €1 million costs/year
if 10% of 2,000 employees are not positioned according to core business processes*

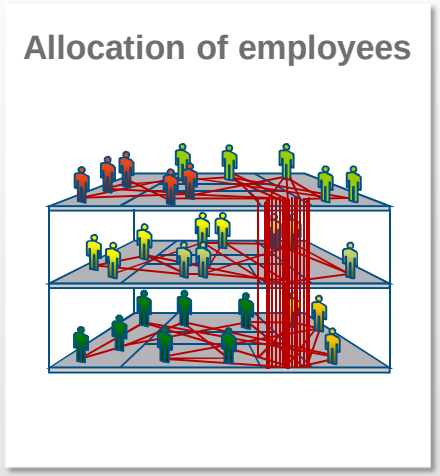
*** Assumption:**
- 2,000 employees
- 10% of all employees are not in the optimal location
- On average 0,5h travel time for each: need to change location due to improper place allocation

200 x 0.5 = 100h daily overall
100h x €50 (value of each working hour) = € 5,000 daily
5,000 x 220 = € 1,100,000 annually

Building perspective

- WorkPlace capacity
- Flexibility, minimized churn rates
- Work processes & communication





€275,000 costs/year
if 10% of 1,000 employees are not positioned according to core business processes**

**** Assumption:**
- 1,000 employees
- 10% of all employees are not in the optimal location
- On average 15 min travel time for each: need to travel due to improper place allocation

100 x 0.25 = 25h daily overall
25h x €50 (value of each working hour) = € 1,250 daily
1,250 x 220 = € 275,000 annually

Our CHANCE:
Foster f2f
Interaction

We still remember?
in the last twelve months the amount of e-mail increased by 47%

Source: Symantec (Germany)

LOST?
…have we forgotten something?

Global Implications for Work Environments

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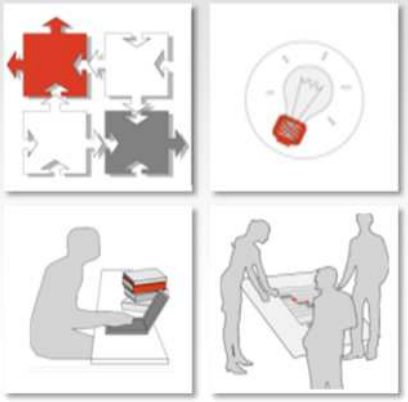
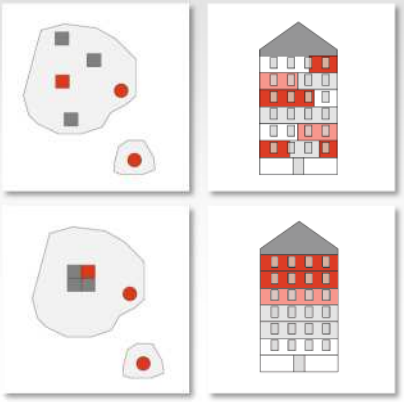
Societal Changes

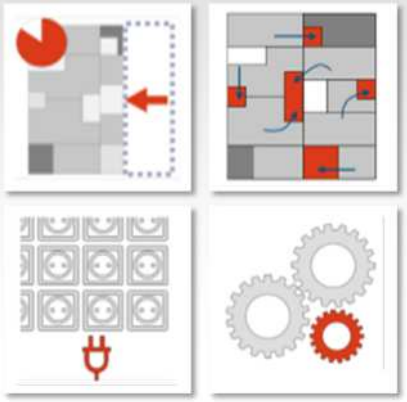
Organizational Changes



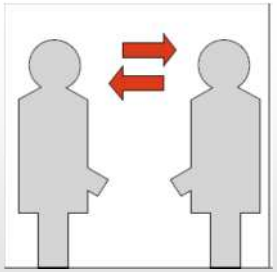
Complexity of
Real Estate Portfolio



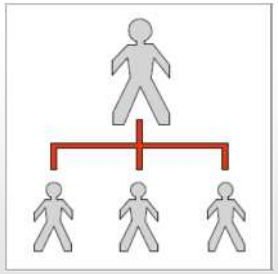
Space Utilization
+ Cost Optimization



Aspects of WorkPlace concepts responding to the changing environment:



Employee
Communication



Organizational
Structures

Building
Structures

Work
Activities

The flow of communication is 3-dimensional

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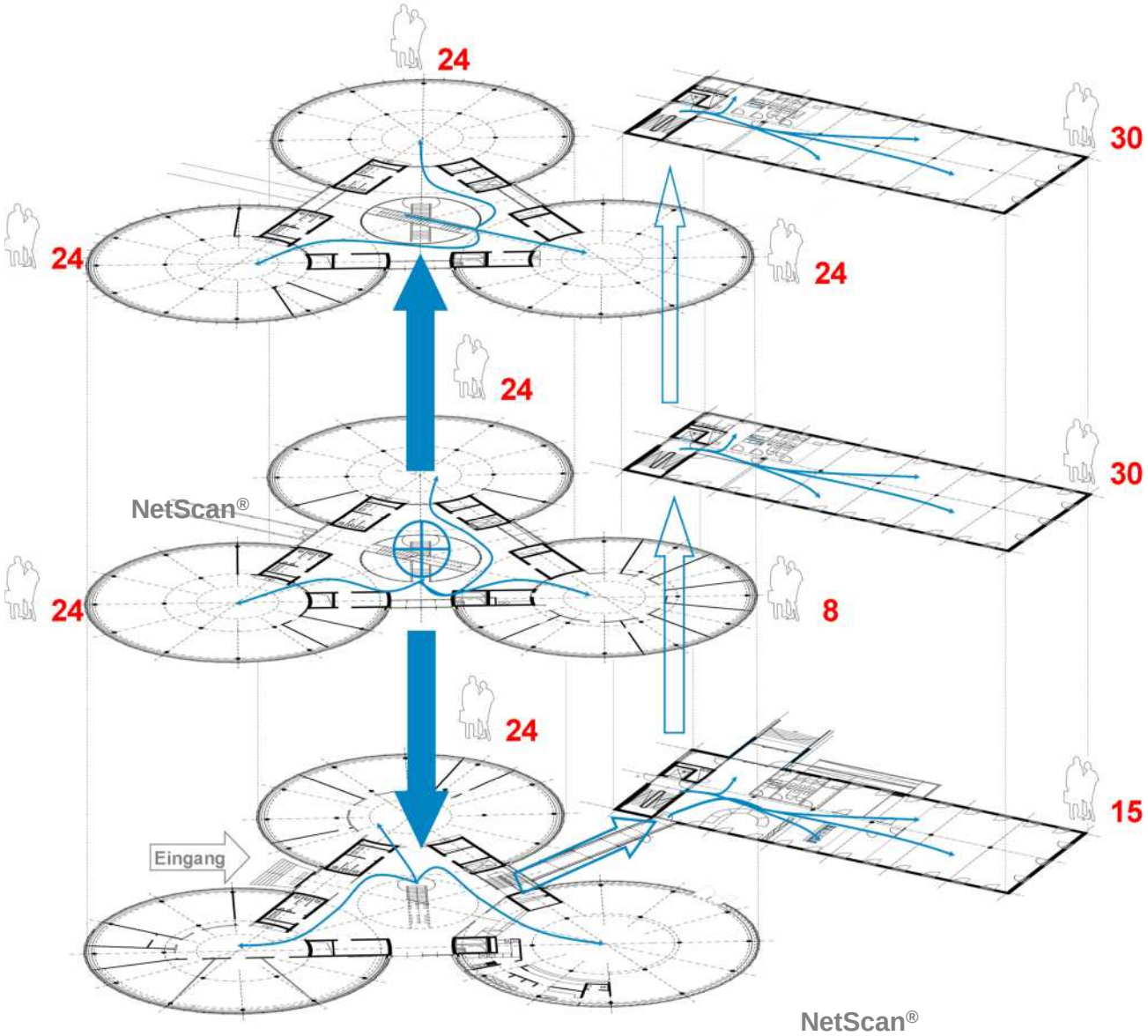

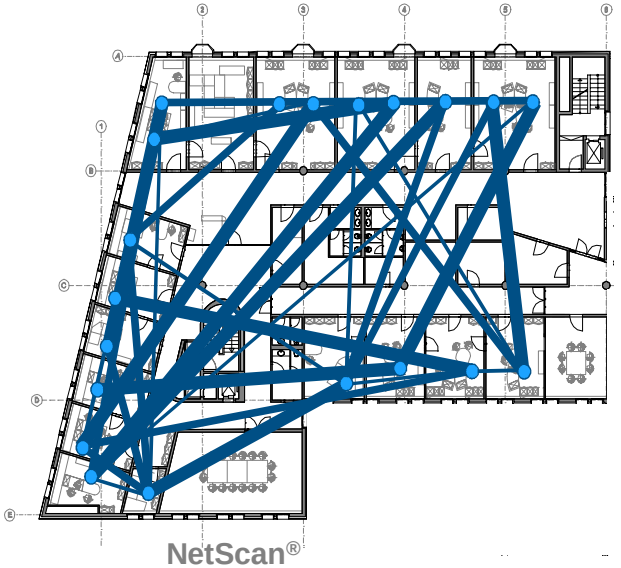

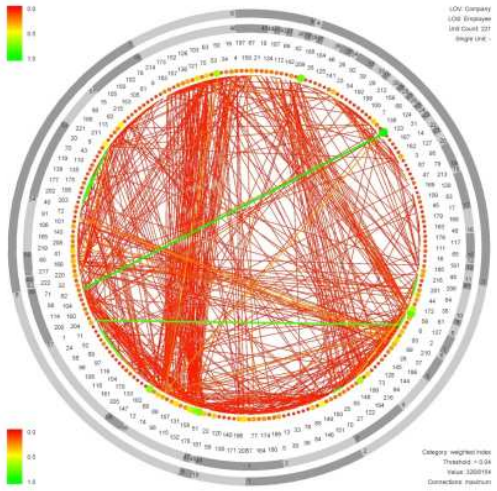

WorkPlace has to serve Core Business

This is „from cost to value“

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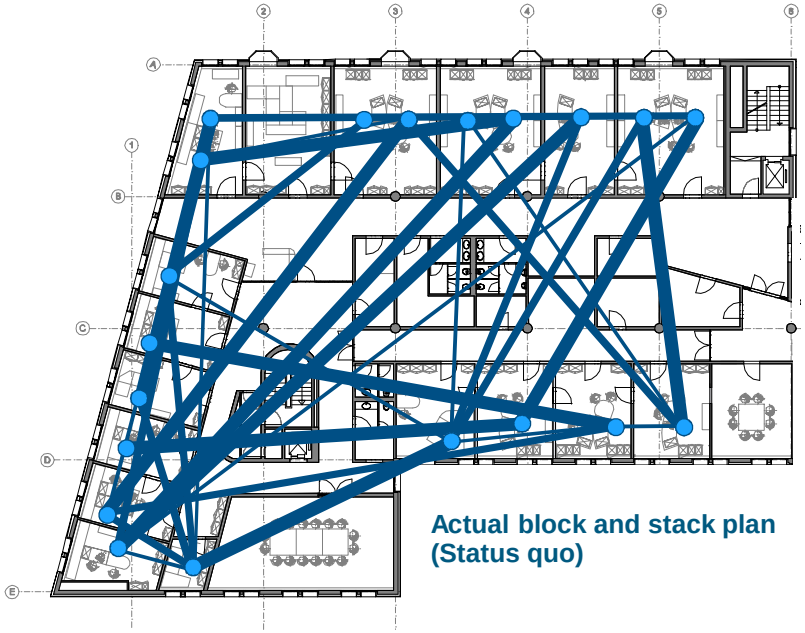
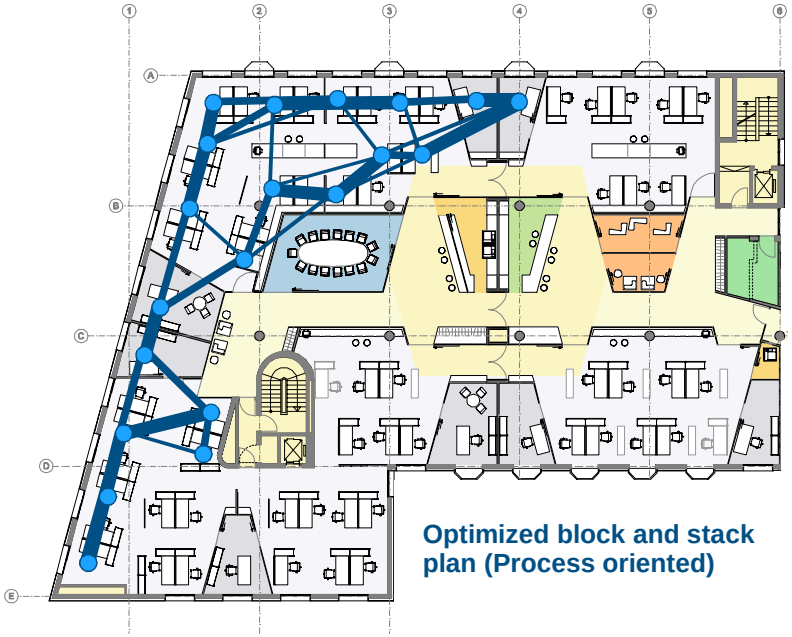


Actual block and stack plan (Status quo)

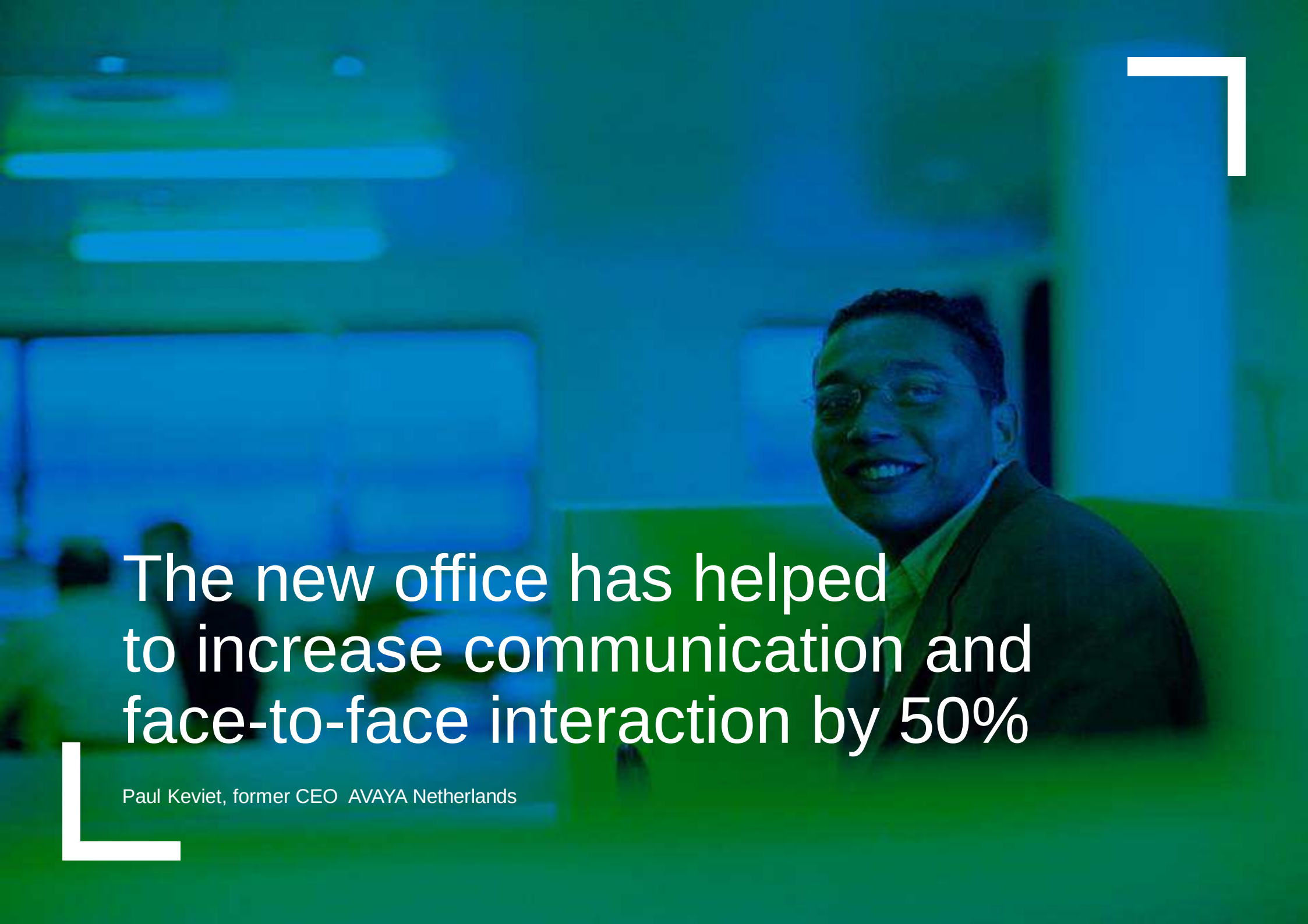
Traditional Model



Optimized block and stack plan (Process oriented)

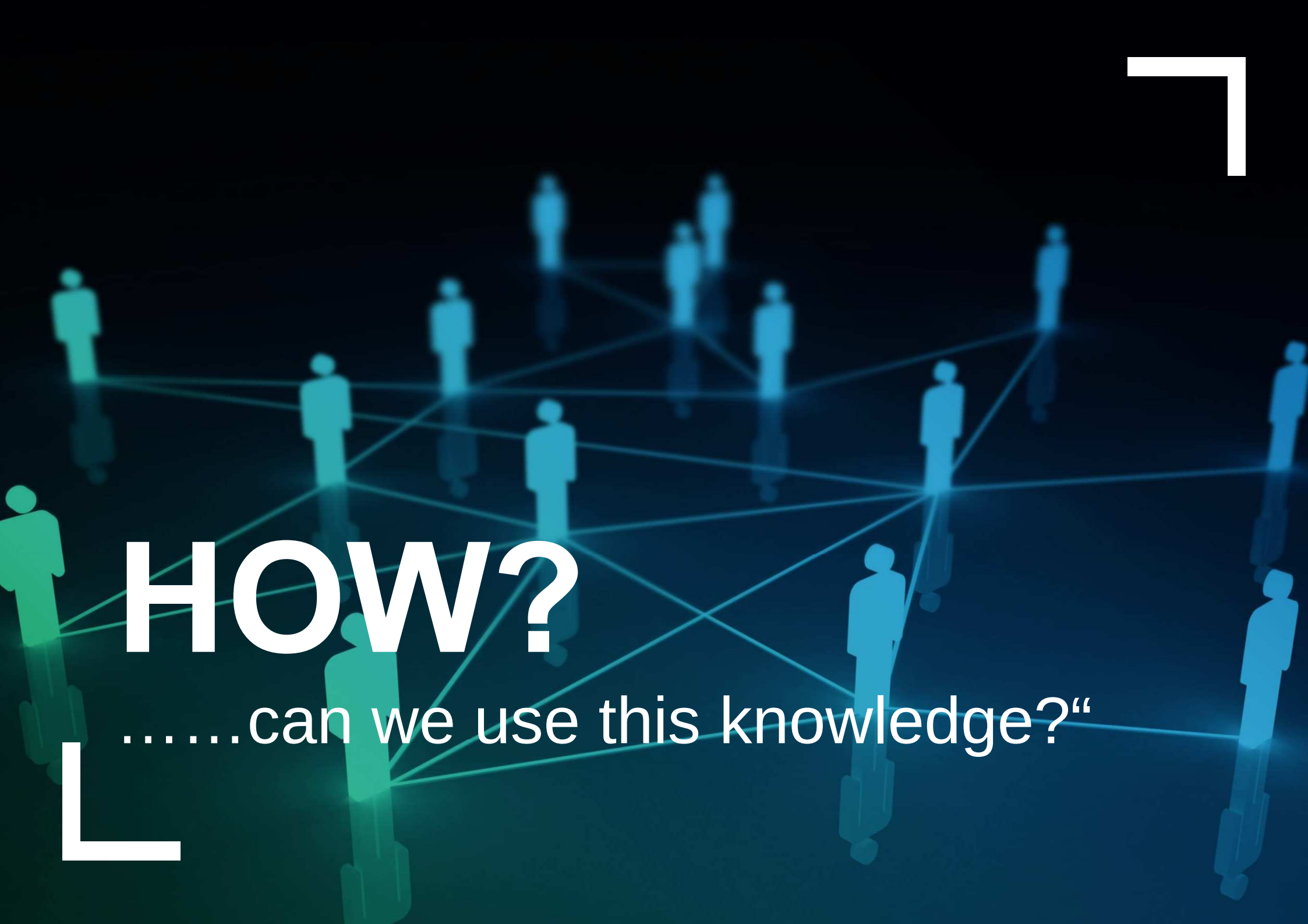
Target Model

+ WorkPlace Infrastructures should serve Core Business Processes +
+ Process oriented Infrastructures will be the future prove of value +



The new office has helped to increase communication and face-to-face interaction by 50%

Paul Keviet, former CEO AVAYA Netherlands


HOW?
……can we use this knowledge?“

If you can measure it,
you can improve it,
but more importantly
you can increase value.

David K. Kerns, former CEO Xerox

WorkPlace-Analysis through

NetScan®-Technology

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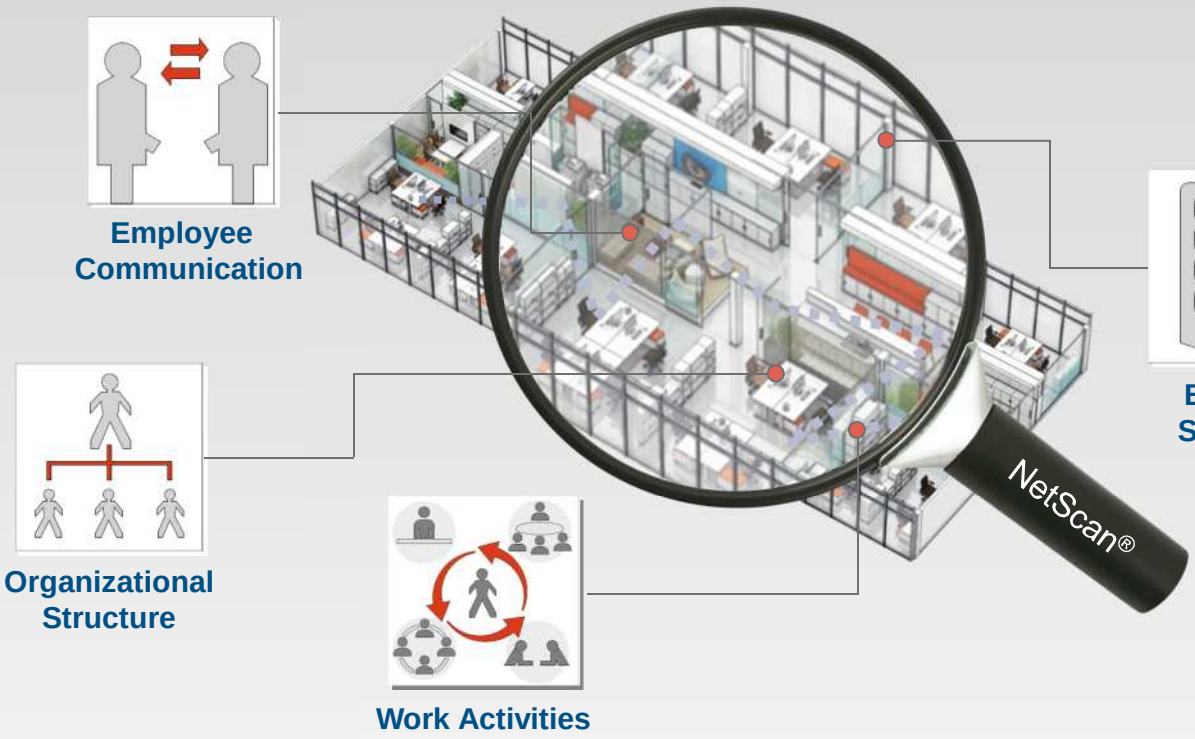
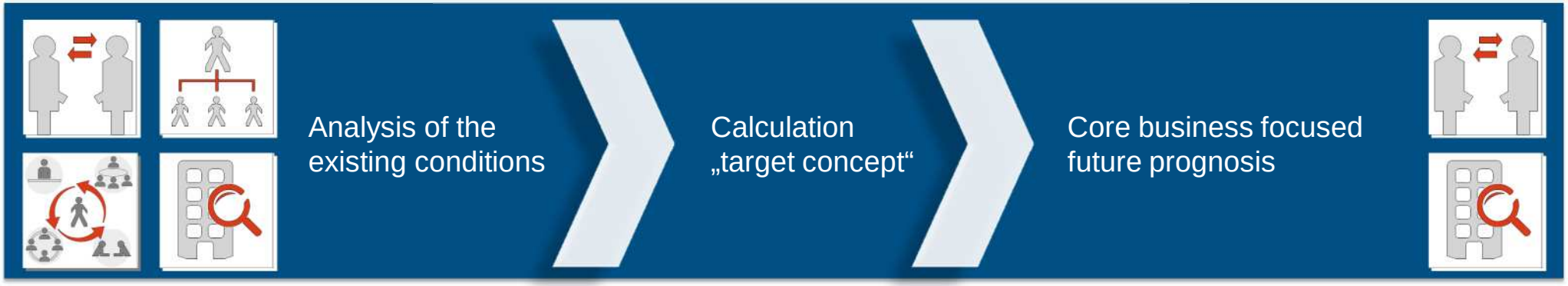


The complex data collection of all interacting factors (core business + people + real estate) is essential and possible today with NetScan® Technology



Online NetScan® Technology

Modules

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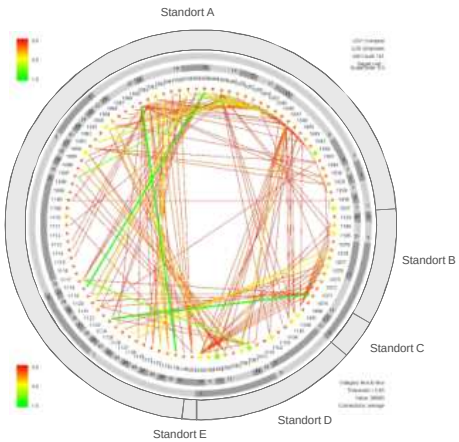
Online-NetScan®-Technologie
Data collection, processing,
and analysis for the calculation of all
WorkPlace performance parameters

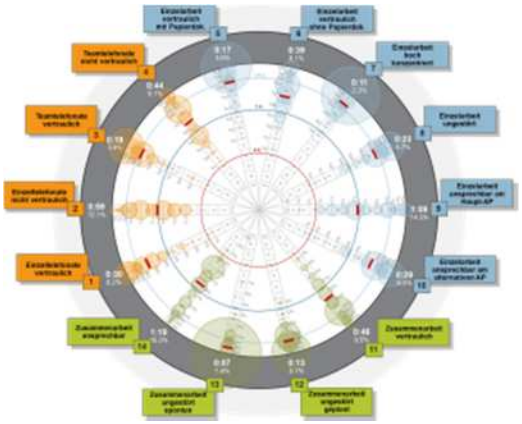
Performance improvement linking core business and WorkPlace infrastructure

Module 1: **Communication Analysis**



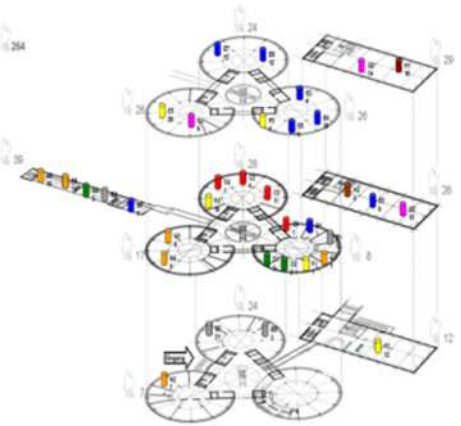
Basis for block & stack planning, i.e. placement of teams in the building, enhancing communication flows & improving work processes

Module 2: **Activity Code**



Surveying individual activity profiles of all employees to determine space requirements based on the space utilization / configuration, performing a stress test of the existing space

Module 3: **Space Planning**



Specific analysis of the number, size & equipment of meeting rooms, filing & archive spaces, catering, transport services & other services in the building

Procedure

NetScan® Module 1: communication data

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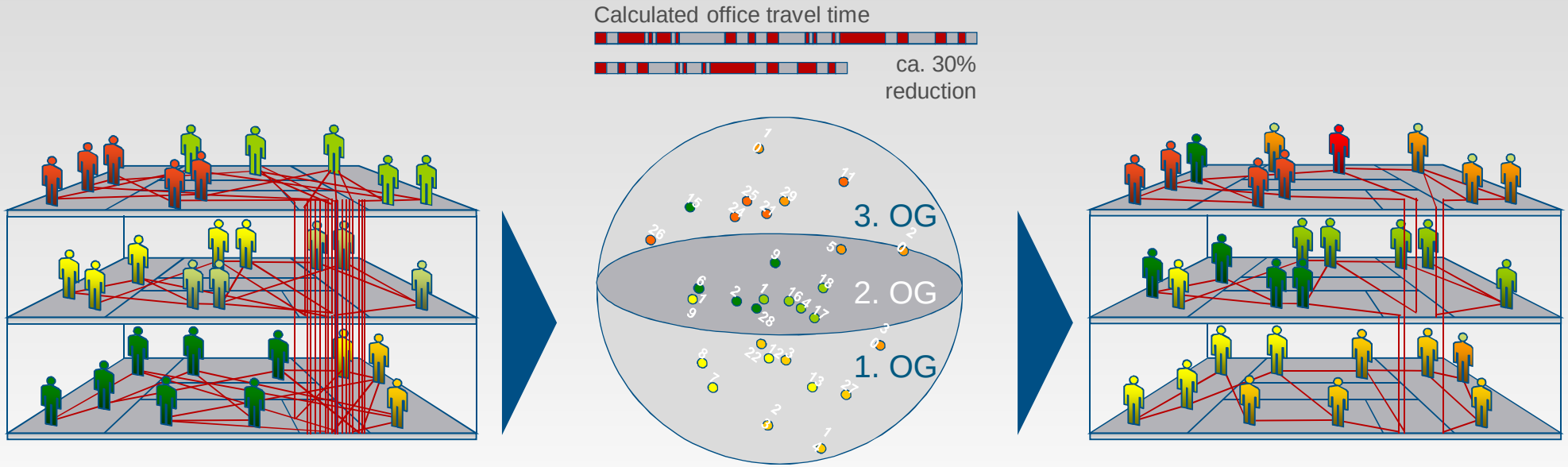

The computer-calculated optimization of workflows presents a new quality of planning.

Analysis of the existing conditions

Analysis of the existing communication structure

Calculation „target concept“

Calculating the optimal network distribution

Core business focused future prognosis

Planning the allocation of employees

Example visualizations of analysis

Strategy Advise to impact Core Business

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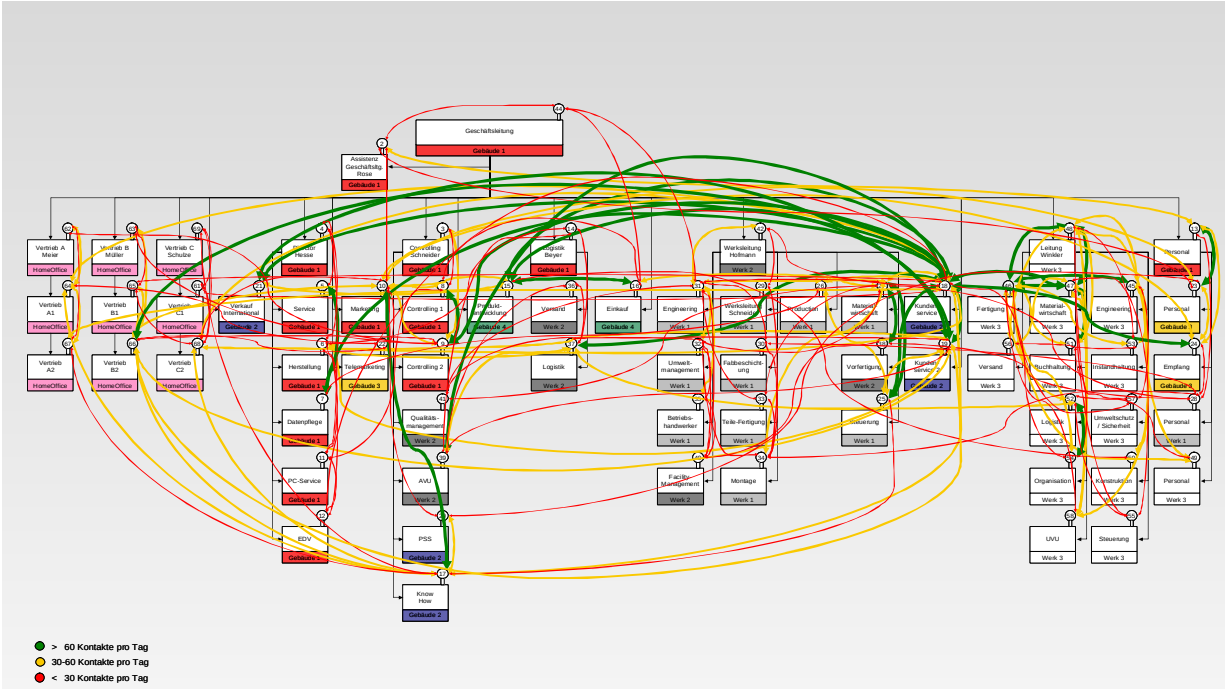

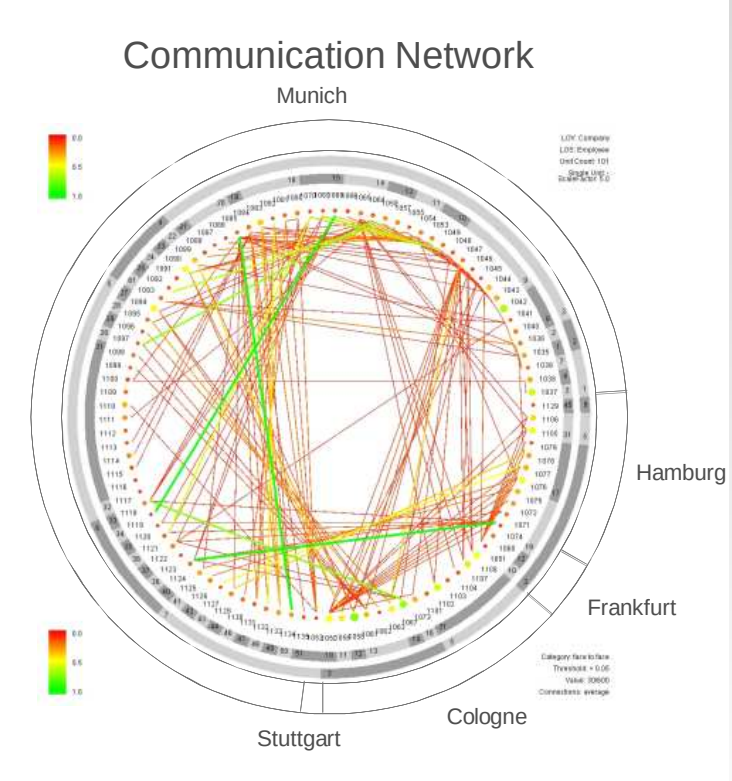

Organisational vs. Communication Structure:

NetScan® enables to draw comparisons between organization and communication structures in order to discover possibilities to synchronize these structures through physical solutions in buildings.

Strategies to boost core business:

NetScan® uncovers shortcomings of communication culture throughout different locations of an organization in order to create solutions to harmonize communication culture with company strategies.

Strategy Advise to impact Core Business

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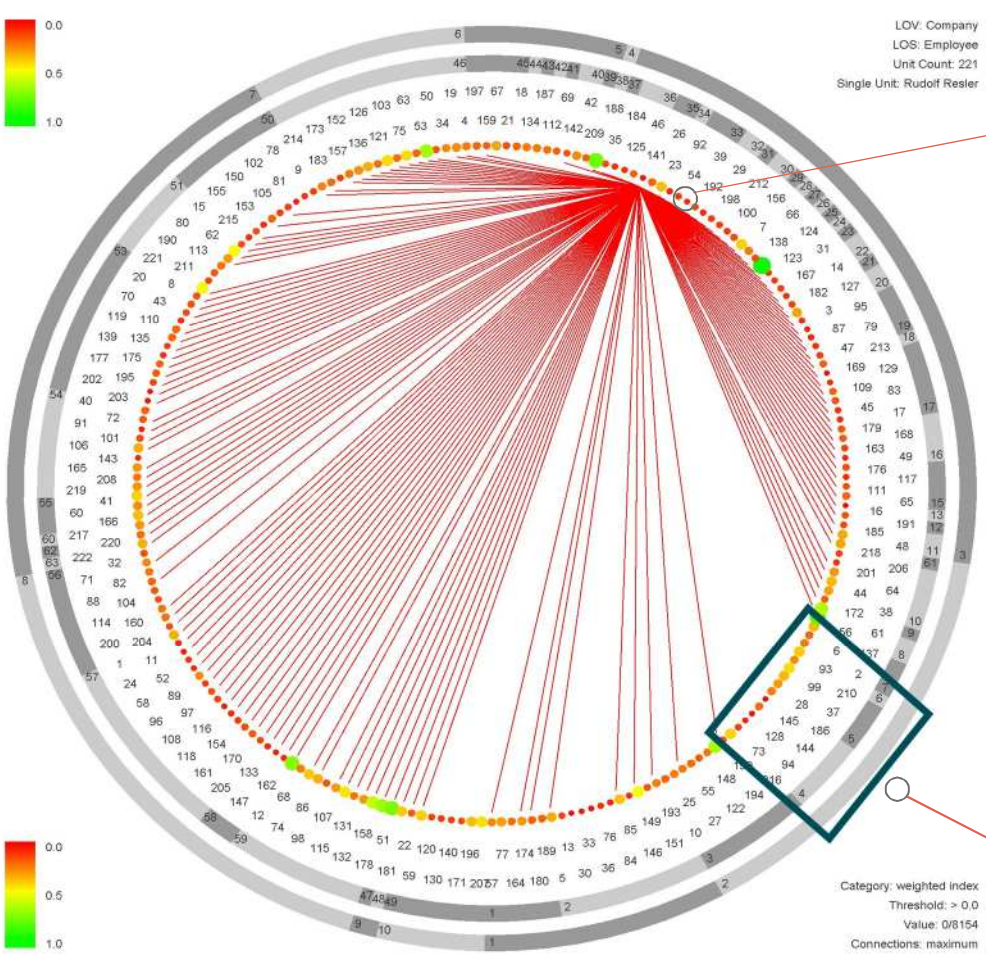
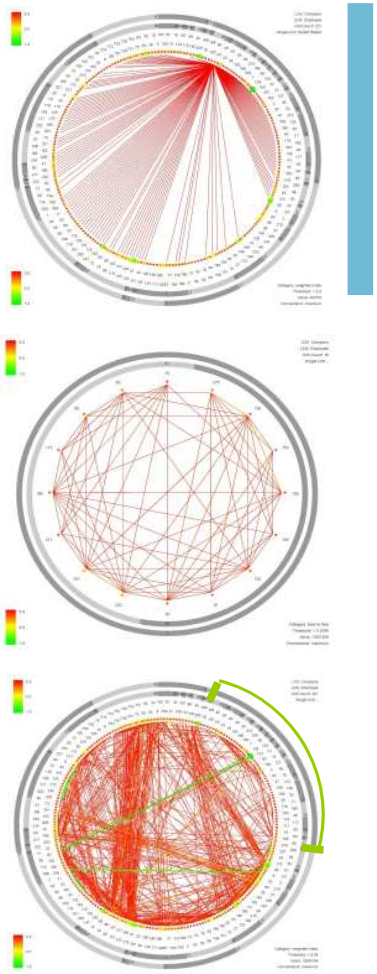
face-to-face (>0.5h/week)



Communication
Bill Gates ☺

BU ID 4
BU ID 5



Identify communication barriers to foster productivity!

Strategy Advise to impact Core Business

Ranking by number of internal vs. external contacts

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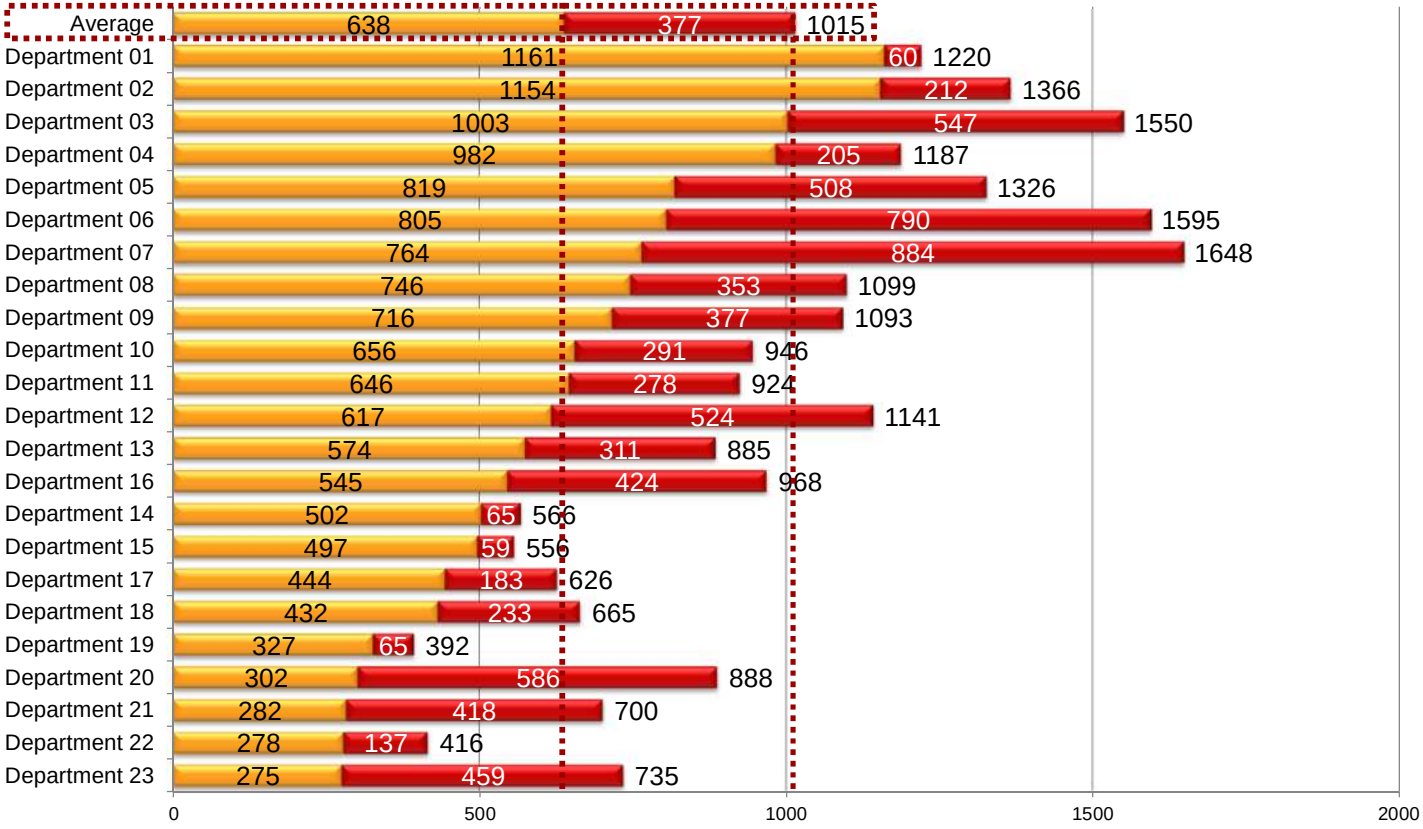

Average (in total): **1015 contacts**
-16% below NetScan®-database
Benchmark : **1181 contacts**

inter-departmental
within department

Number of internal contacts by department
(average figures per employee per month)

NetScan® Communication Analysis allows measuring and comparing communication in figures. The network of any organization is mainly defined by its inter-departmental communication. The ranking defines departments with the highest figures as the company‘s communicational center. Further differentiation of internal and external communication is available if required.

Strategy Advise to impact Core Business

Channels of customer contacts for most sales departments

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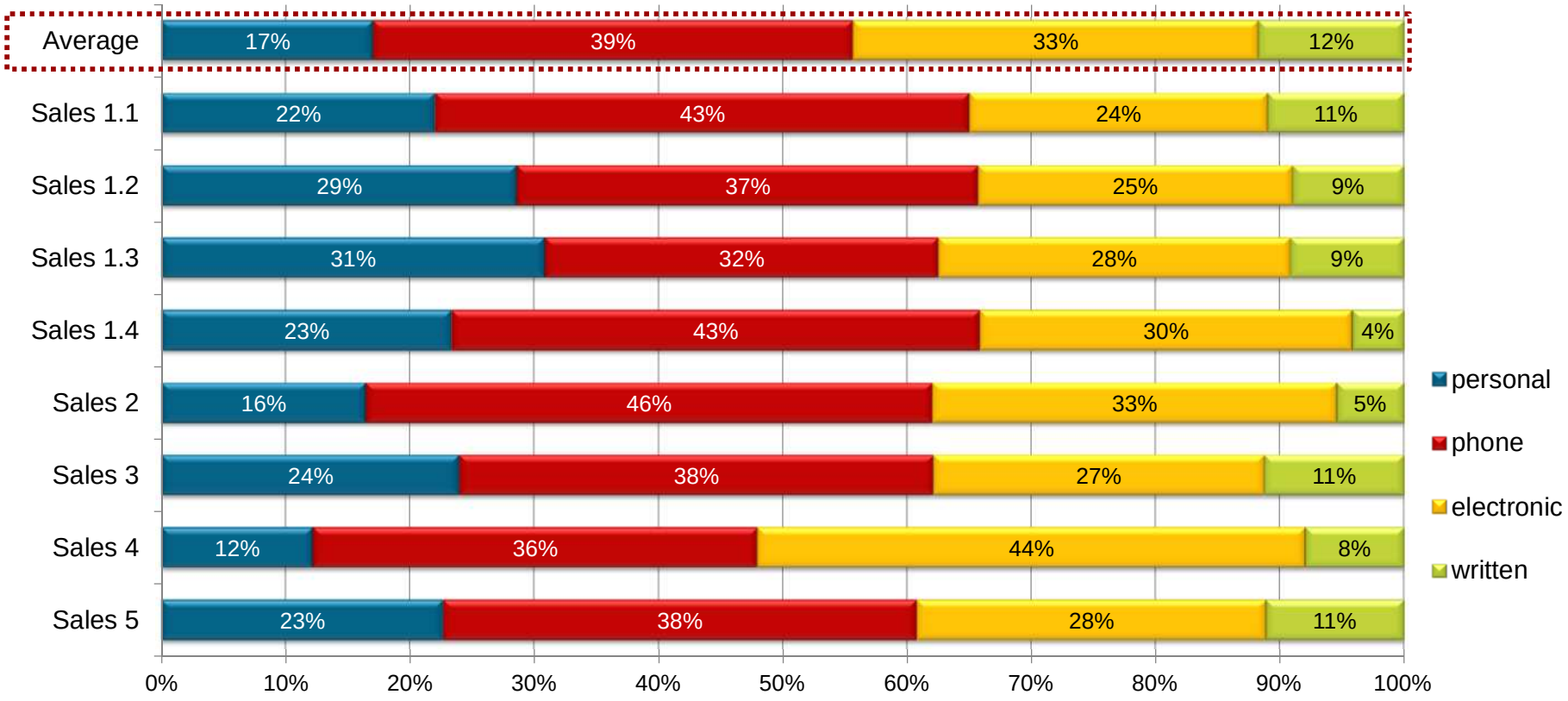

NetScan® Communication Analysis allows in-depth comparison of the use of the four different communication channels for each department, e.g.:

Sales departments may receive a qualified analysis of their use of communication channels dedicated for customer contacts.

Portfolio Management using communication Assets

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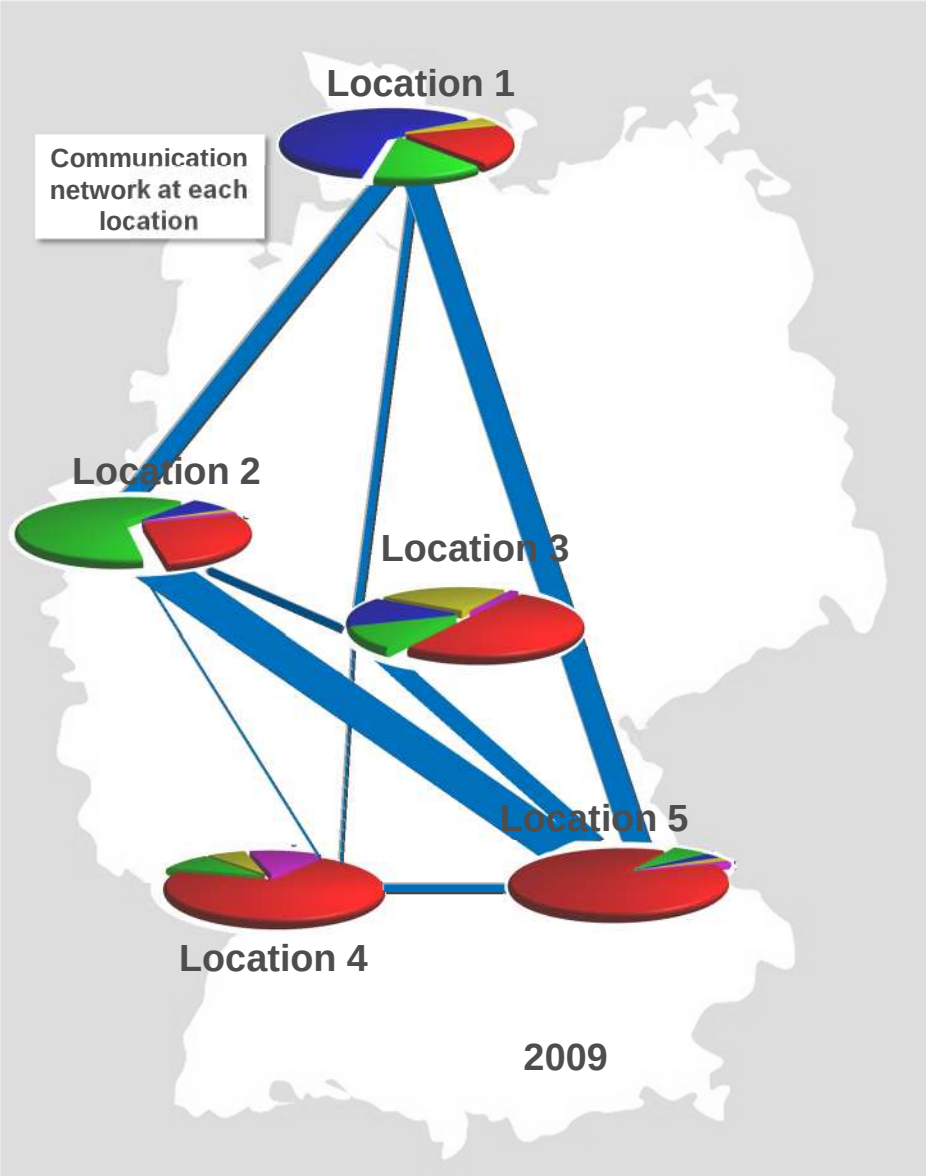
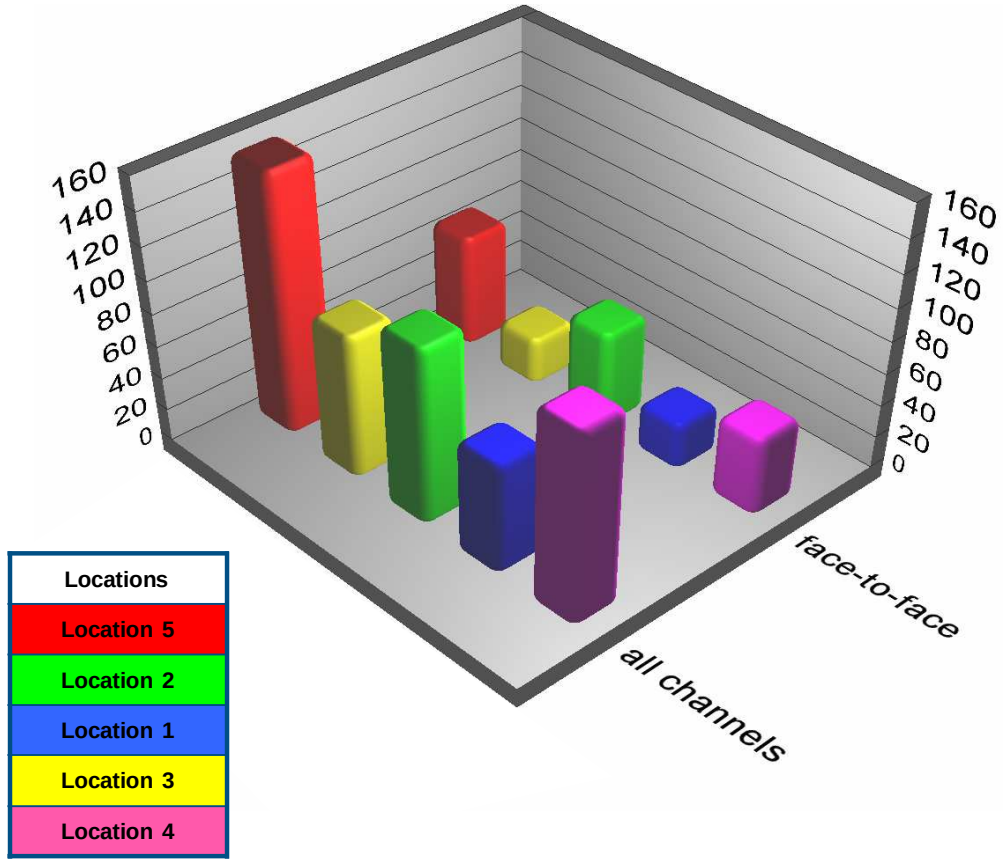
PLACE.
PERFORMANCE.



Case Study 3 – Office Portfolio (6000 WP), Germany

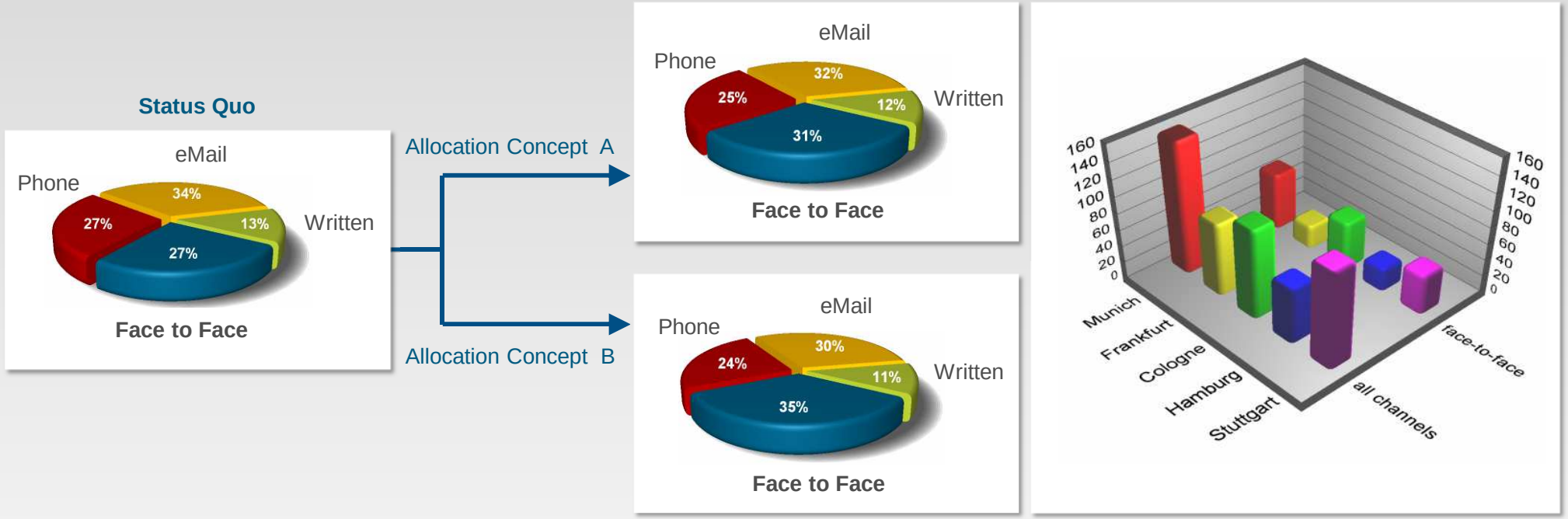


Why do cultural differences exist between similar business units/locations?

Data Analysis Communication

Value driven decisions put CREM in the “right light”!

EUROCRES
WORK.
PLACE.
PERFORMANCE.



Optimisation of employee allocation increases the proportion of face-to-face communication

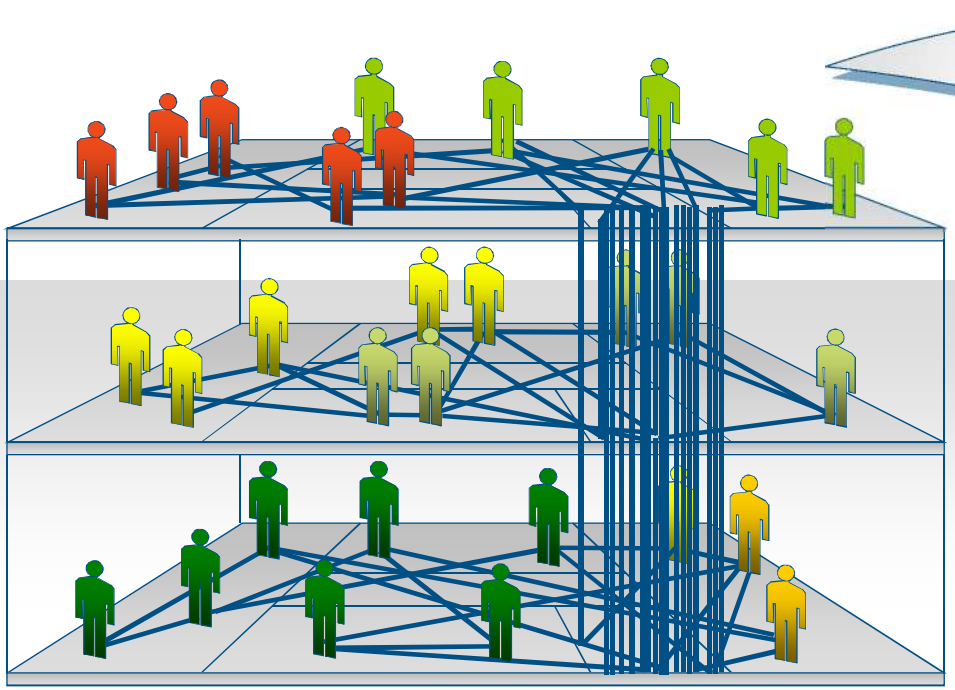
Analysis of the existing conditions → **Core business focused future prognosis**

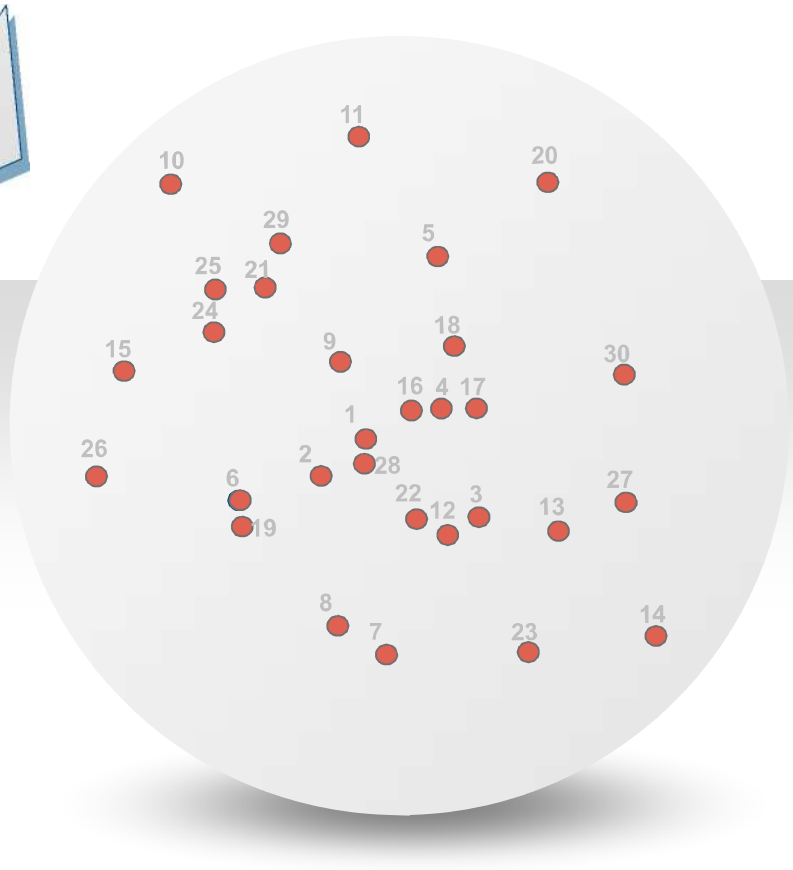
Step 1 – optimized employee structure

apply NetScan® Relative Distancing Model

EUROCRES
WORK.
PLACE.
PERFORMANCE.

office travel time

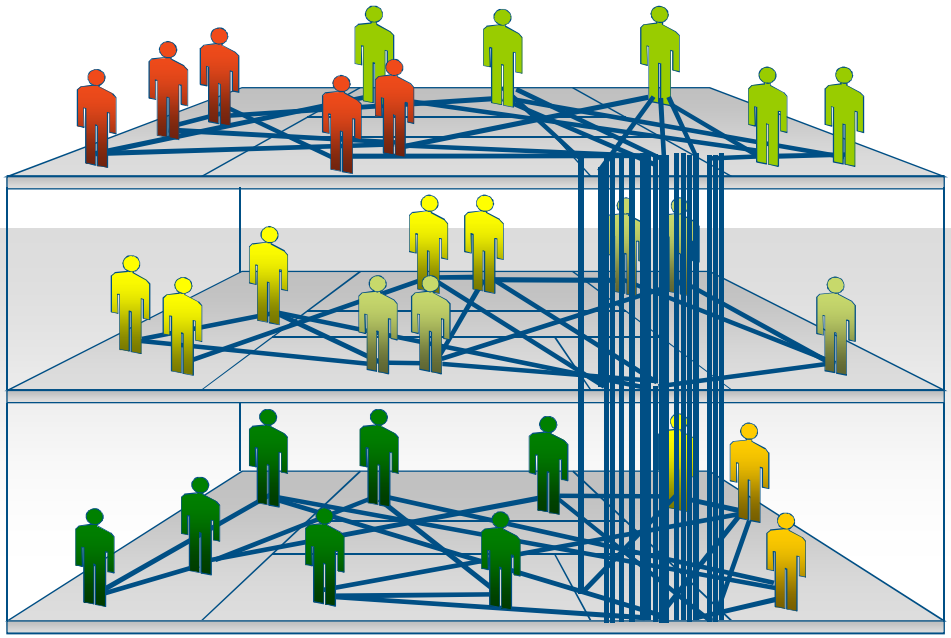


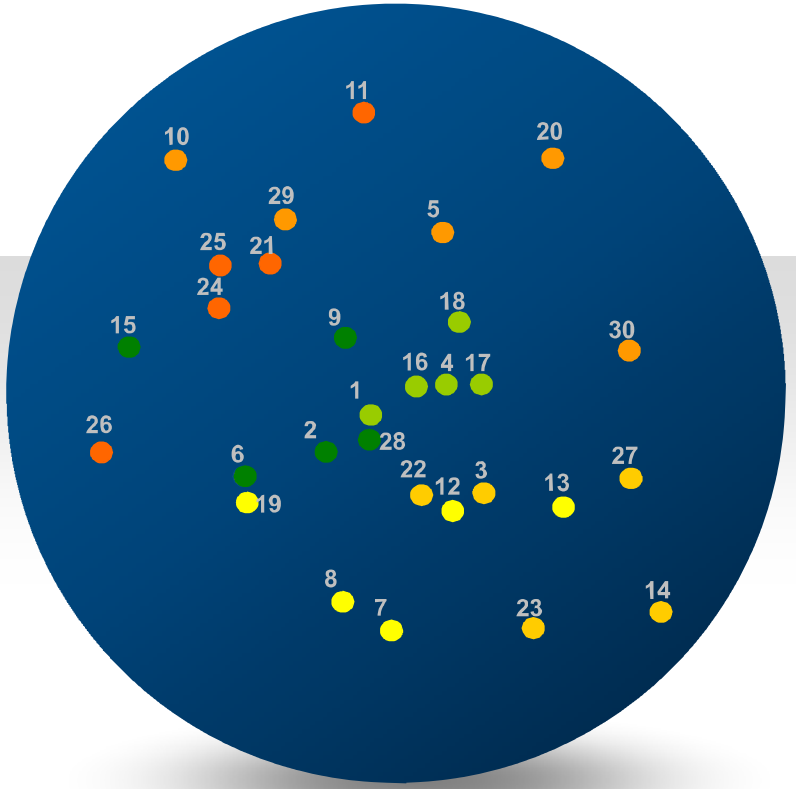


Step 2 – overlap of organizational structure & workplace concepts (current vs. future)

EUROCRES
WORK.
PLACE.
PERFORMANCE.

office travel time



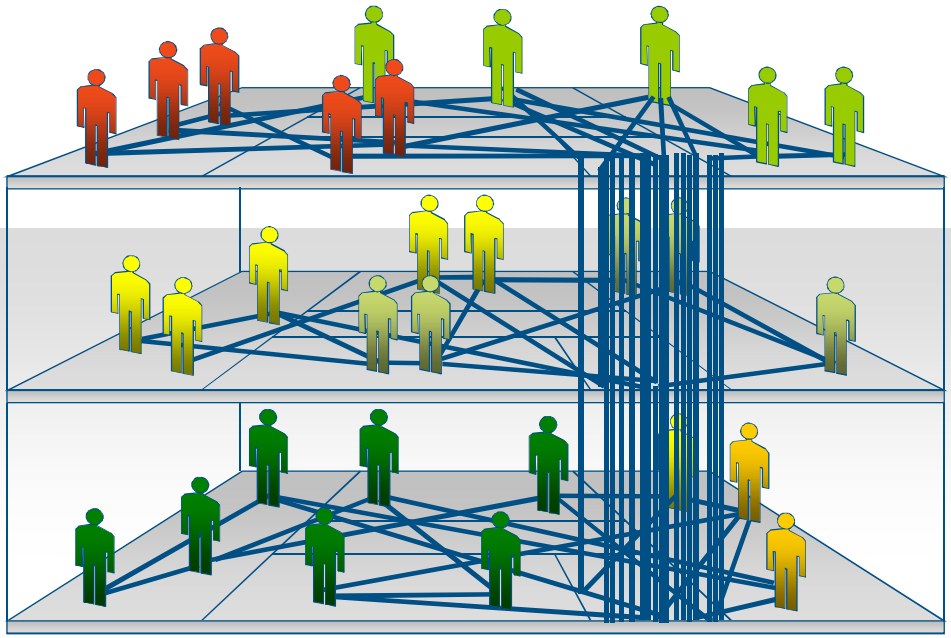


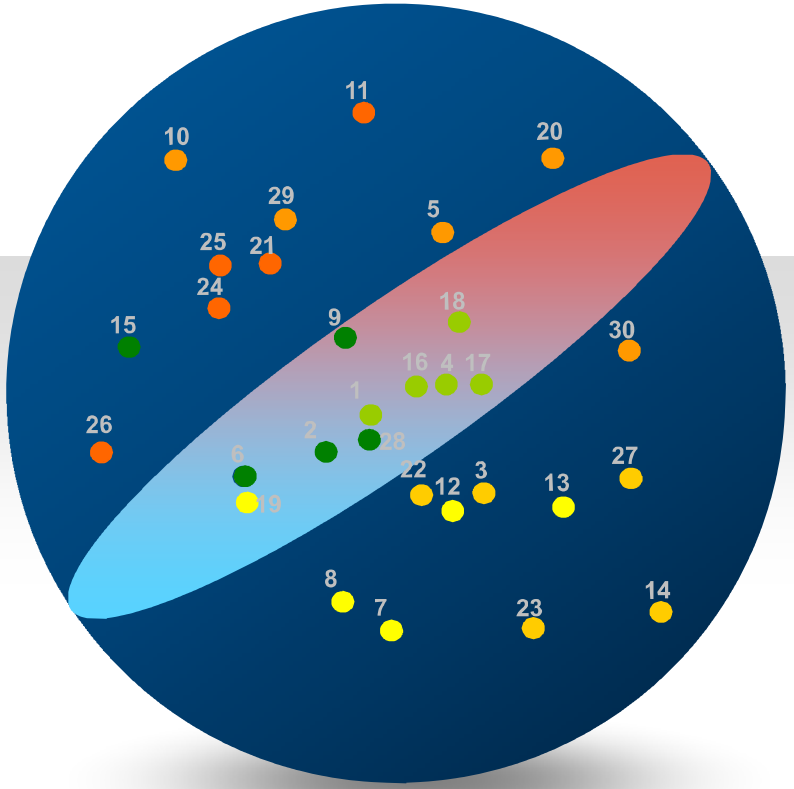
Communication – maximizes intellectual capital!

Step 3 – overlap of building structure

EUROCRES
WORK.
PLACE.
PERFORMANCE.

office travel time



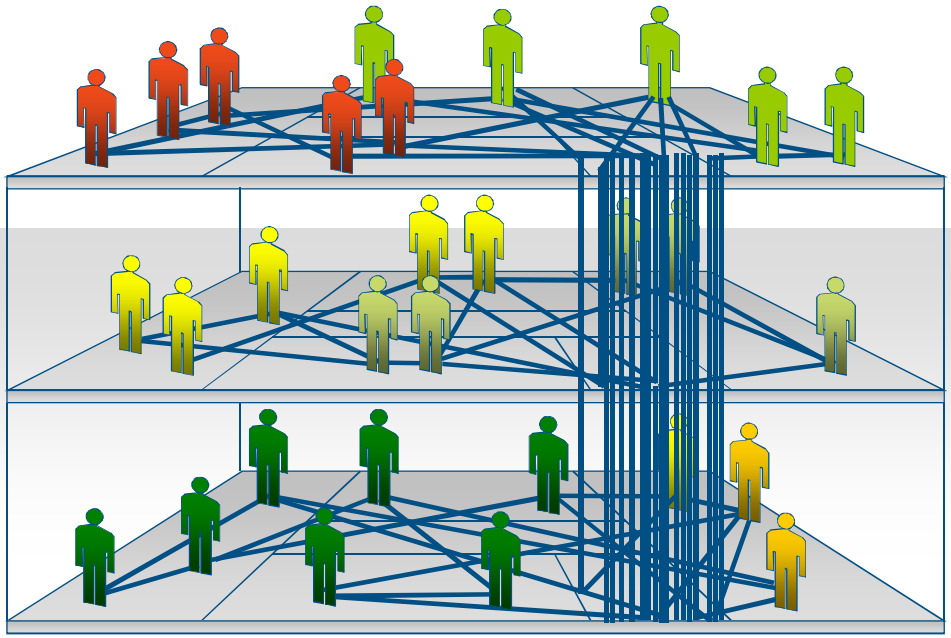


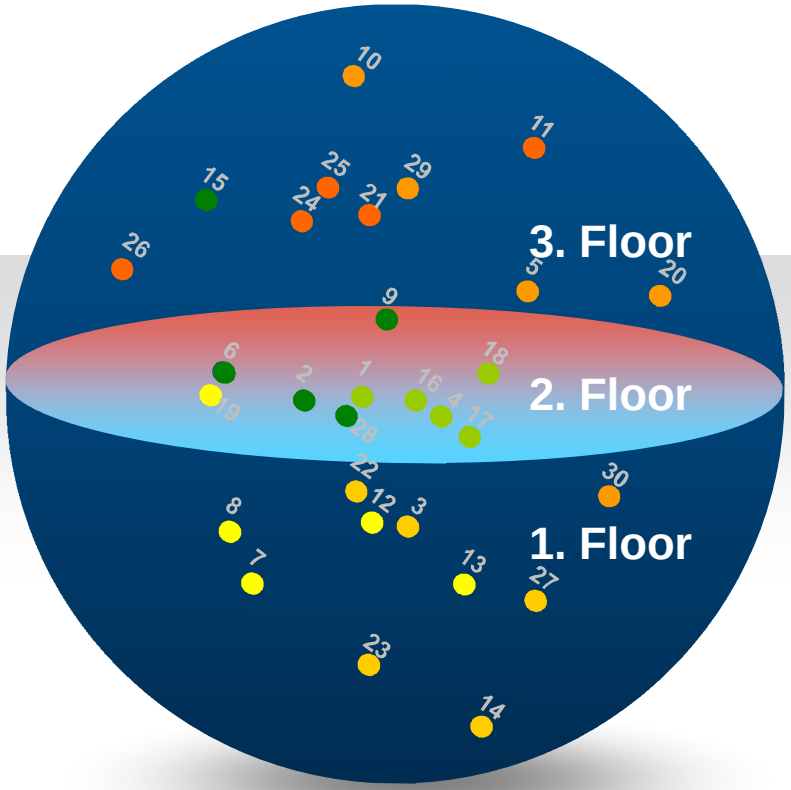
Communication – maximizes intellectual capital!

Step 4 – NetScan® calculates ideal Block & Stack

EUROCRES
WORK.
PLACE.
PERFORMANCE.

office travel time



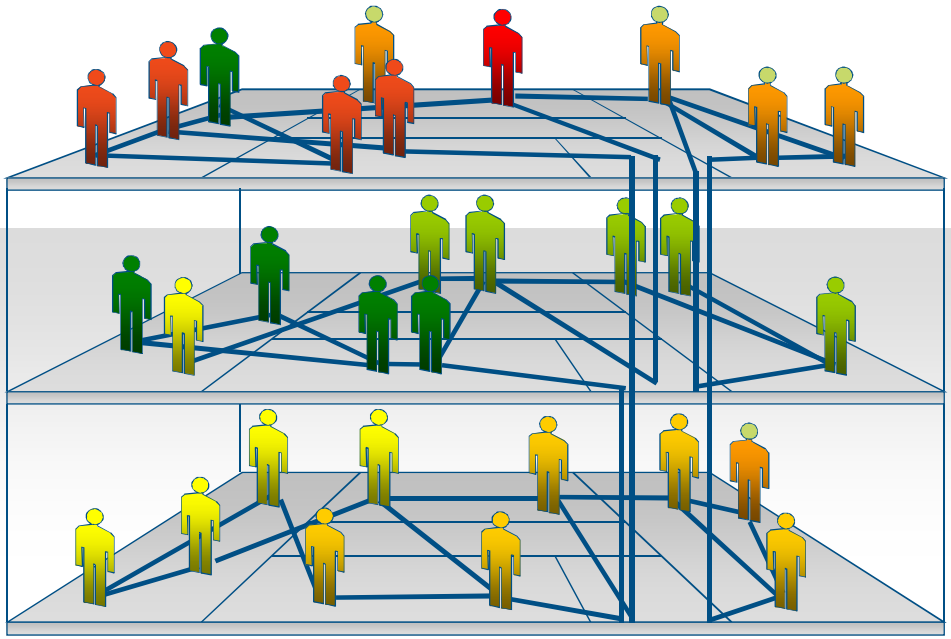


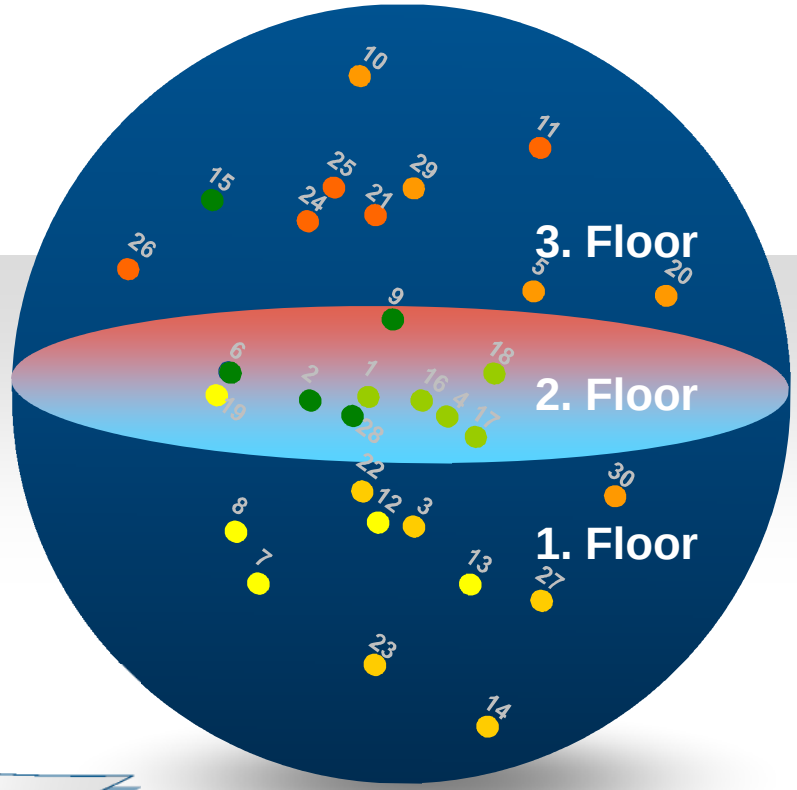
Communication – maximizes intellectual capital!

Step 5 – Optimized space planning

EUROCRES
WORK.
PLACE.
PERFORMANCE.

office travel time





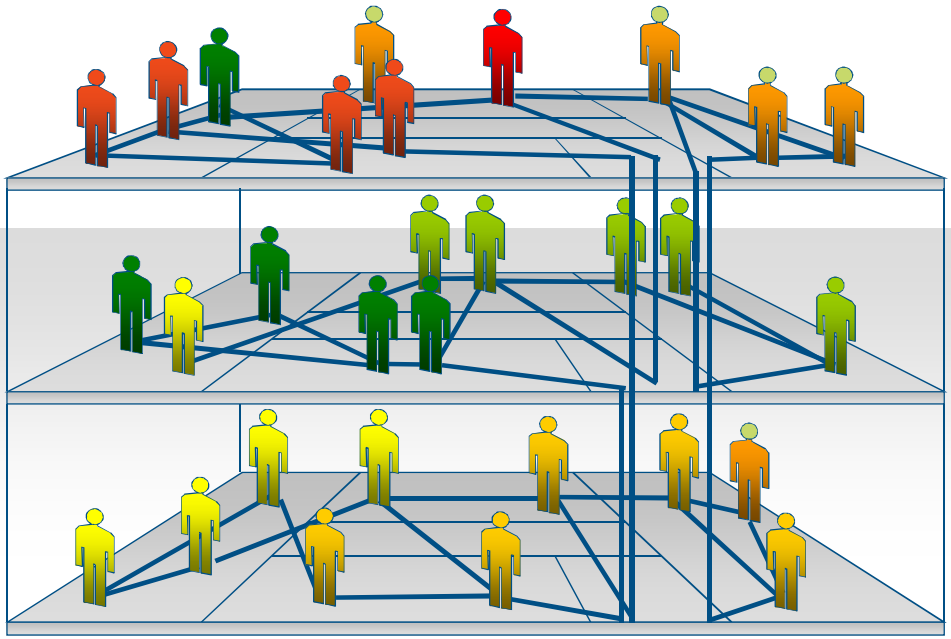
Communication – maximizes intellectual capital!

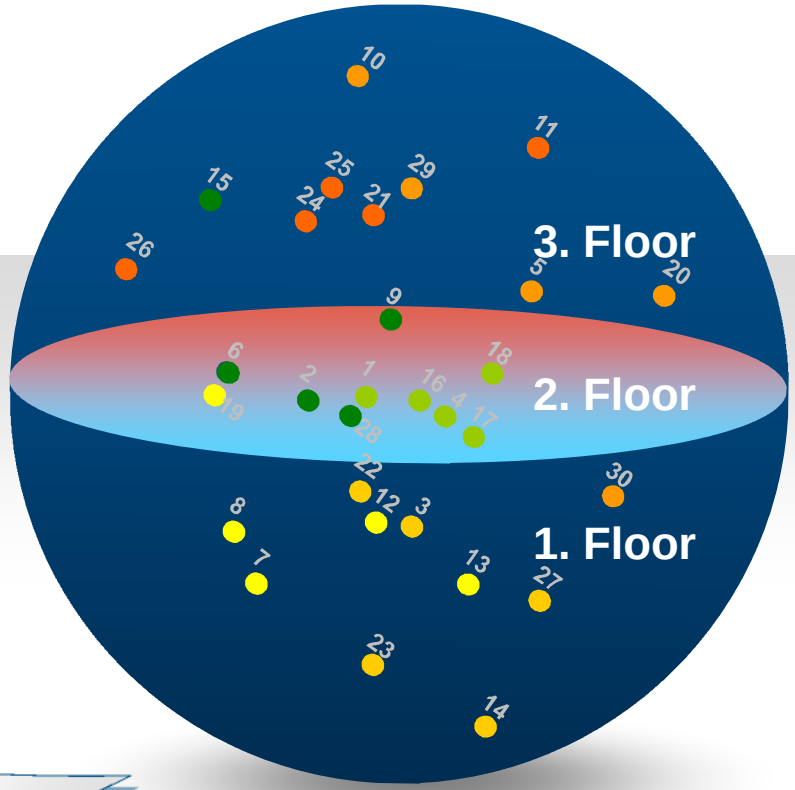
“Knowledge Networks” should lead Space Planning

EUROCRES
WORK.
PLACE.
PERFORMANCE.

office travel time

app. 30% reduction



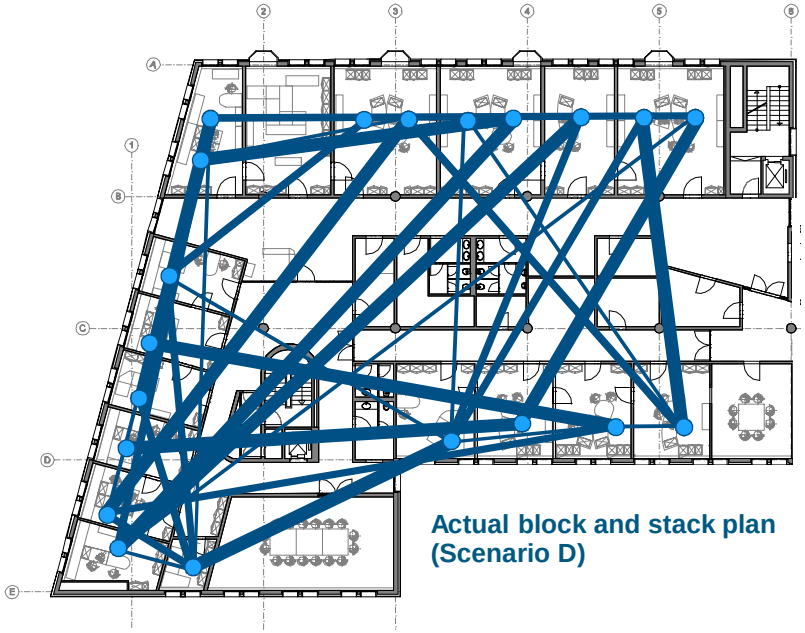


Communication – maximizes intellectual capital!

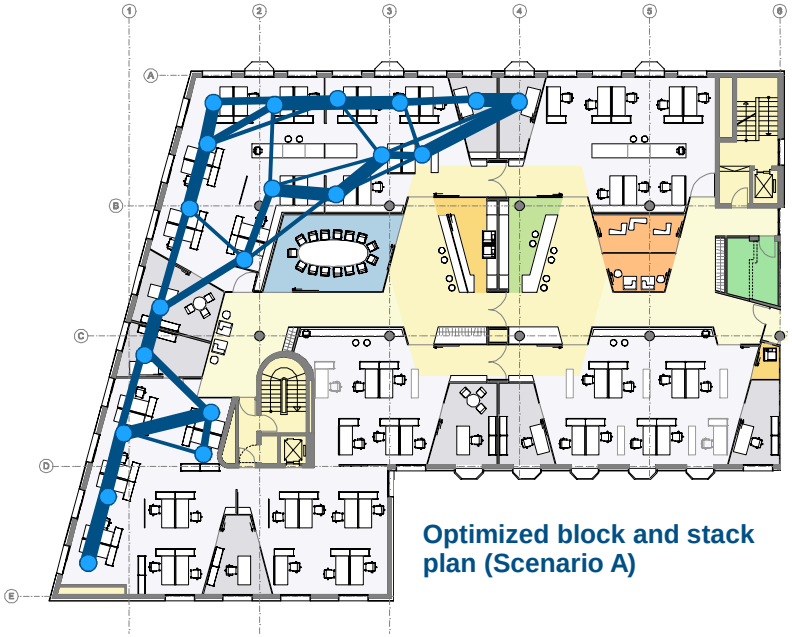
Comparison of office travel time

NetScan® Module 1

EUROCRES
WORK.
PLACE.
PERFORMANCE.



Actual block and stack plan (Scenario D)

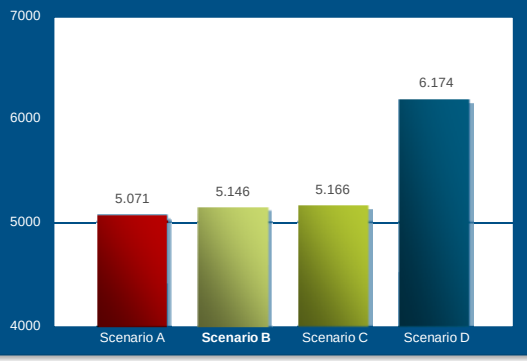


Optimized block and stack plan (Scenario A)

Analysis of the existing conditions

Explanation:
… in terms of costs: provided that 1 h working time is worth € 50, Scenario A will reduce expenses by 661.800 Euro per year in comparison to Scenario D.

Core business focused future prognosis



VALUE!
…on the „table of the C-Suites“!

We want your feedback.

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BERLIN

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