

building a



work environment

**Financial Management Advisory Council**

**September 22, 2016**

# Washington State's Current Space Use

- The executive branch currently houses over 43,000 state employees along with volunteers, contractors and community partners in approximately 11 million square feet of leased and owned office space.
- The state currently pays roughly \$240 million per year for this space.
- The state currently uses office space at a ratio of approximately 323 square feet per user.
- Our current workspace is designed at an average of 290 square feet per workspace.
- In most agencies a user is assigned dedicated workspaces (a 1:1) regardless of where or how the work is performed.
- More importantly, many of the state's offices were designed for older business processes and with older technology in mind.

Our state has the opportunity to do more....

# Executive Order 16-07

“I hereby direct executive cabinet-level agencies and small-cabinet agencies to build a modern work environment and create an organizational culture that empowers employees with choice, enables excellent performance, supports all generations, and is mindful of our impact on the environment”

- **Establish a Workplace Strategy Council**
- **Enable a mobile workforce**
- **Create a modern work environment**
- **Measure implementation**

# Most space decisions are financially driven. The average cost of a building:



“Disproving Widespread Myths about Workplace Design” BOSTI, 2001

# Opportunities for change

By building a modern work environment the state can:

- Attract new talent to state government
- Retain talent
- Increase employee productivity and engagement
- Serve the customers of state government more effectively
- Optimize the footprint of government
- Leverage technology solutions
- Strengthen adaptability for changing work
- Reduce our environmental impact
- Support health and wellness



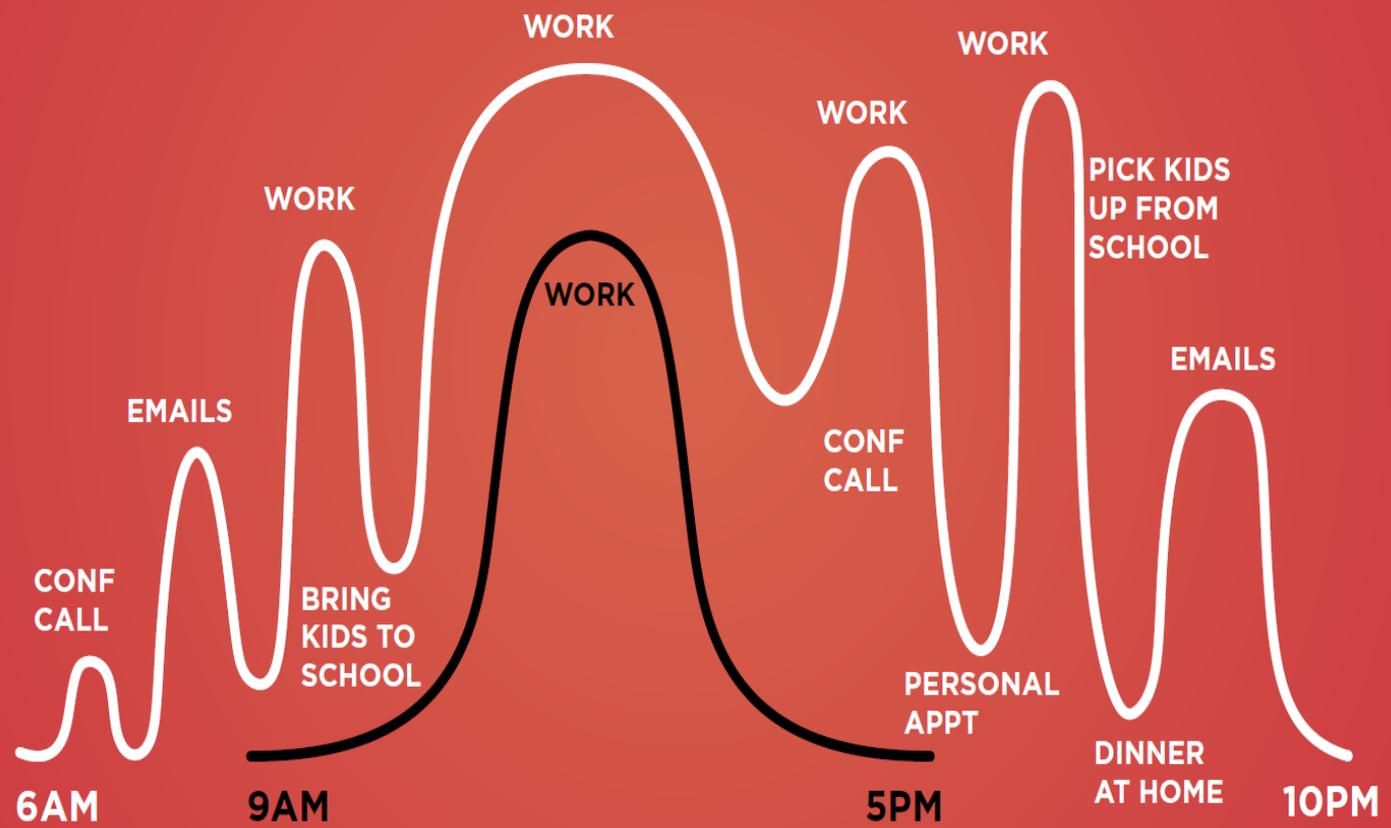
# Work has changed

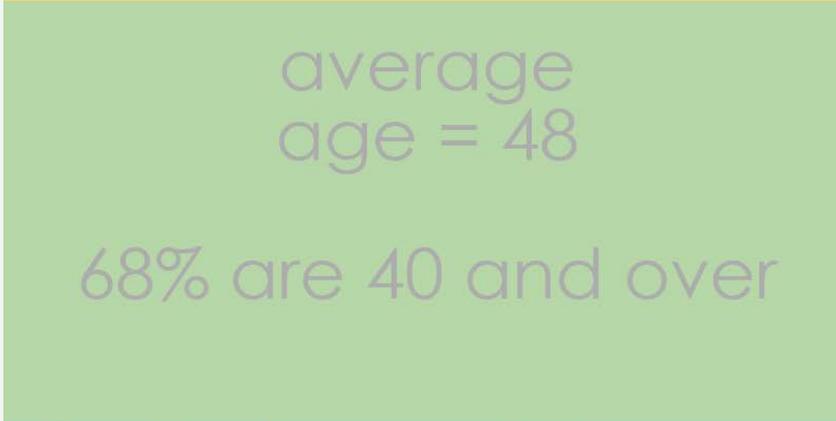


Source: You-tube:  
Walter Kronkite 1967  
7

# Work/life integration

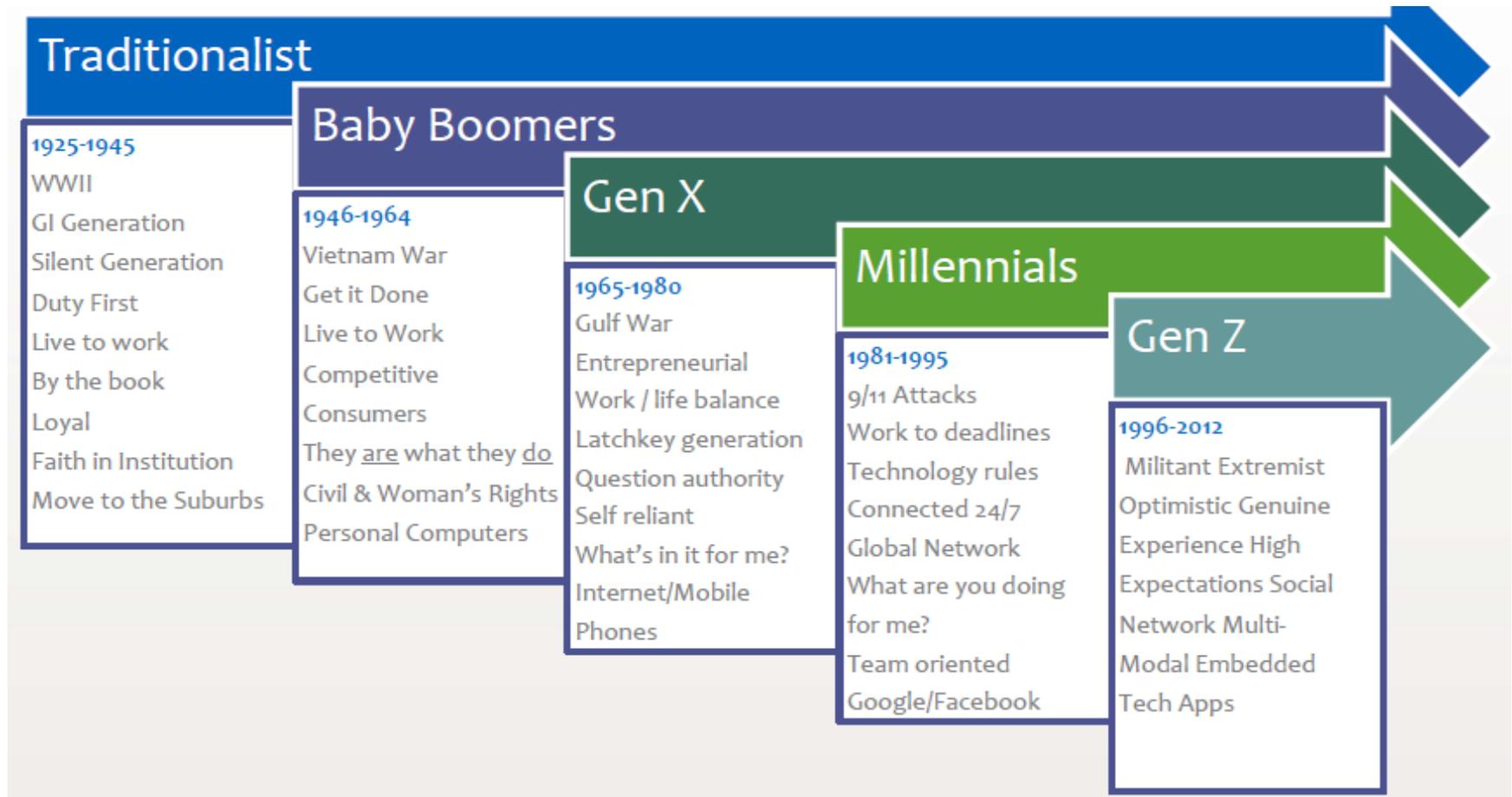
## Then Now





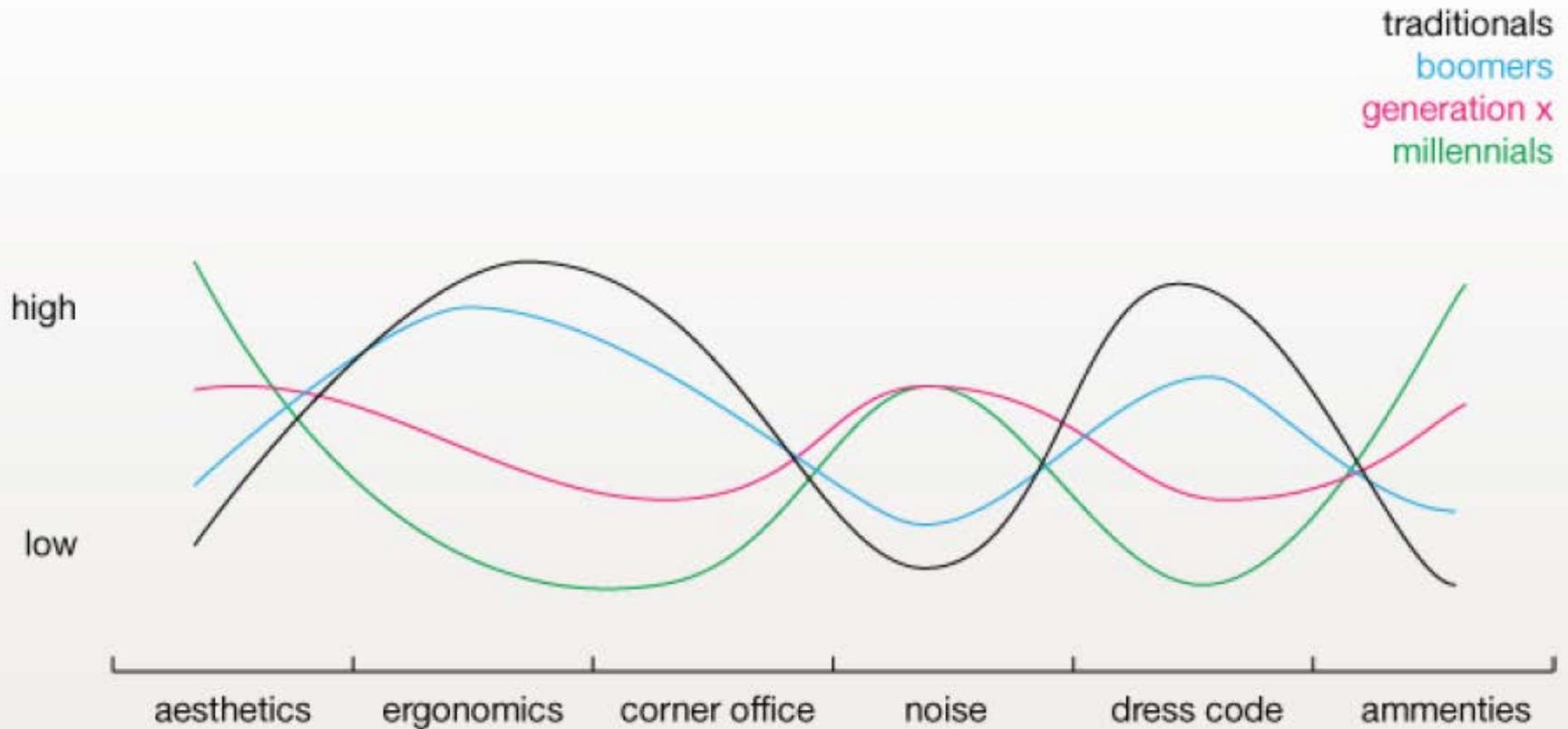
Washington State Workforce Demographics: FY 2016  
General Government (excludes higher ed)

# Demographic Upheavals



Source: Kay Sargent

# Changing expectations of the work environment



Source: Kay Sargent

# One size misfits all



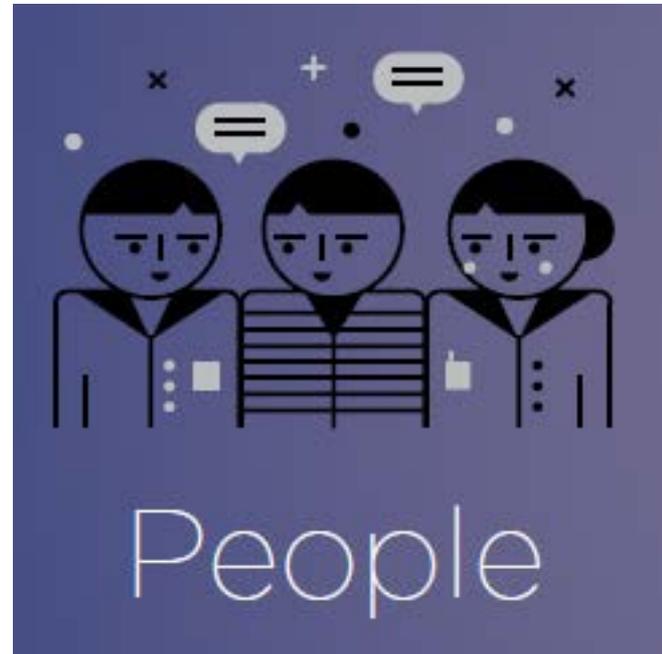
# How do we do this?

ENGAGE

DISCOVER

EXPLORE

ENABLE



# Change the perception

*“Dreary slow paced working environments where everyone hates their life. Resistance to change.”*

*“Rigid hierarchy, lack of autonomy, lack of flexibility and creativity within organizations.”*

“For me, this work environment was unnerving and made me rethink my desire to work for the state. Cube farms are gross.”



**“Attracting and retaining employees who are more productive and engaged through flexible workplace policies is not just good for business or for our economy – it’s good for our families and our future.”**  
**President Barack Obama**

# Why the Stigma?



Source: You-tube  
Conan O'Brien IBM

# Change your space, change your culture

**Figure 4:** The Simply Irresistible Organization

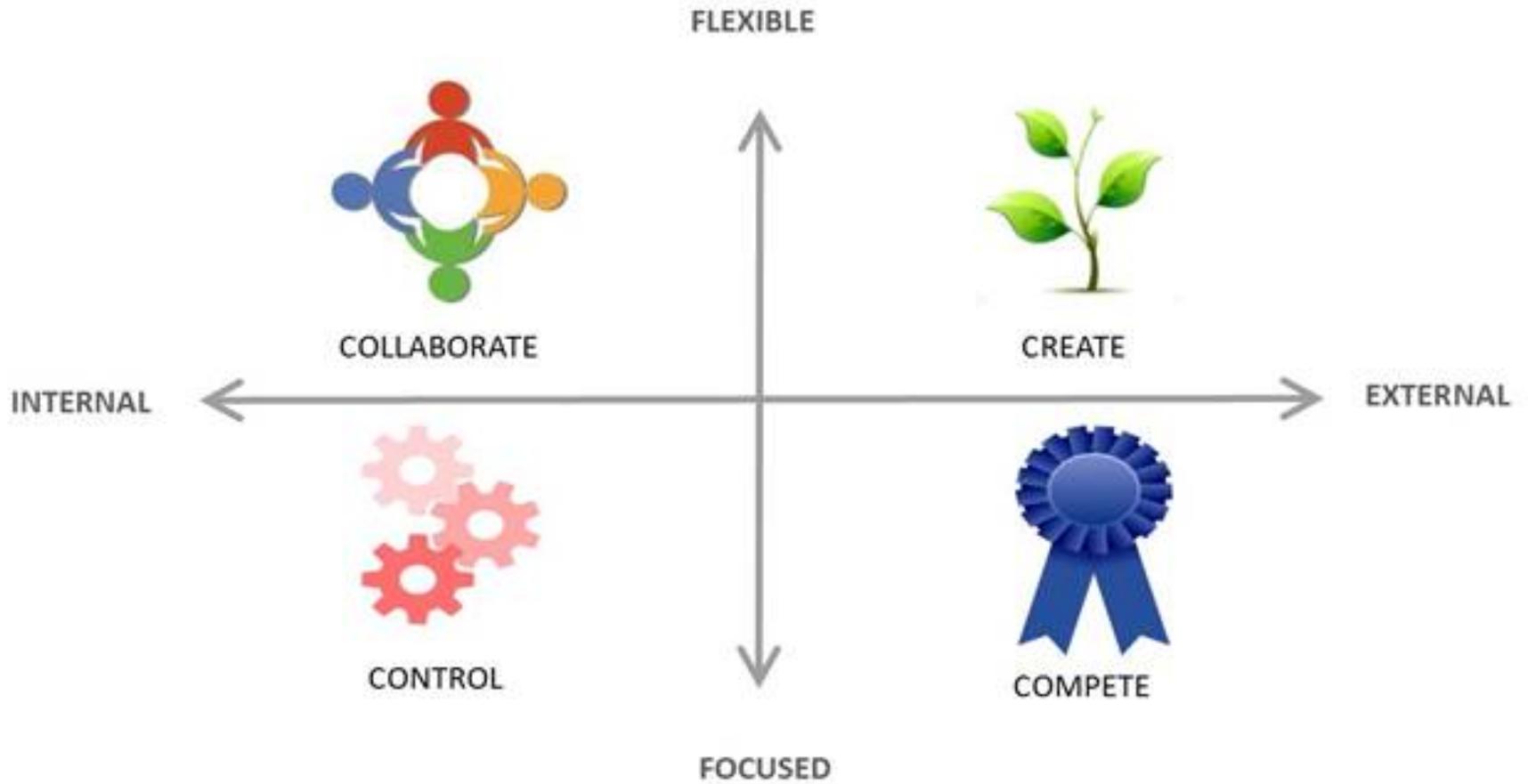
## What We Have Learned: An Integrated Approach Is Needed



Meaningful Work	Great Management	Fantastic Environment	Growth Opportunity	Trust in Leadership
Autonomy	Agile Goal-Setting (i.e., objectives & key results-OKR)	Flexible, Humane Work Environment	Facilitated Talent Mobility	Mission & Purpose
Selection to Fit	Coaching & Feedback	Recognition-Rich Culture	Career Growth in Many Paths	Investment in People; Trust
Small Teams	Leadership Development	Open, Flexible Work Spaces	Self & Formal Development	Transparency & Communication
Time for Slack	Modernized Performance Mgmt.	Inclusive, Diverse Culture	High-Impact Learning Culture	Inspiration

Source: Bersin by Deloitte, 2014.

# Shift the culture

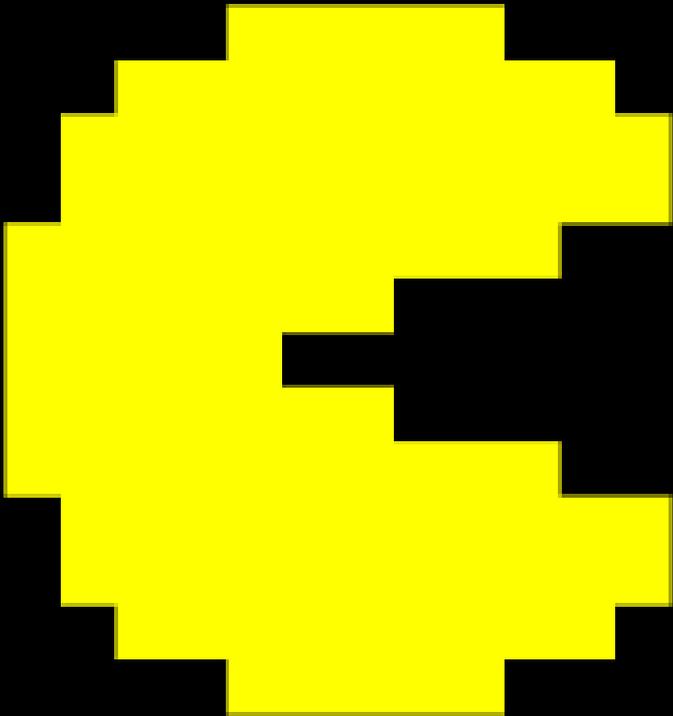


# Work is what you do, not where you do it



# “Culture eats strategy”

Peter Drucker



# Ask the hard questions

## Questions to Ask:

- How do you define your culture now?
- What type of culture do you want to create in your organization and workplace?
- What are the tools your employees need to do the work most effectively?
- What does your future workforce look like and how do they expect to accomplish the required work?
- What is an ideal work environment for your employees?
- What are your barriers to establishing the type of workplace and culture you envision and what strategies could you use to remove them?

## Key Strategies:

Be mindful about change: focus on what the organization, the managers and the employees get from the change and deal with the loss people feel

Experiment with the willing

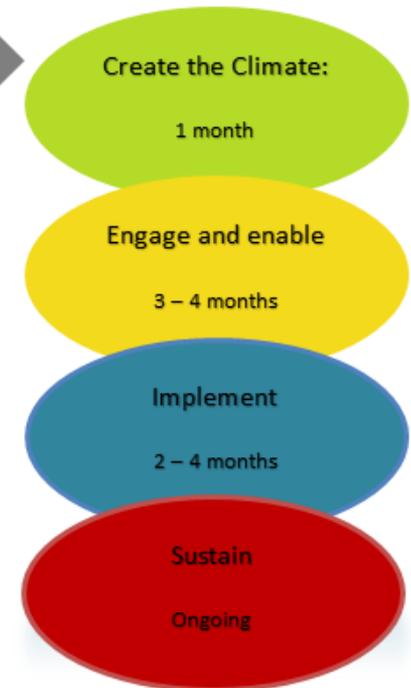
# Change is a process



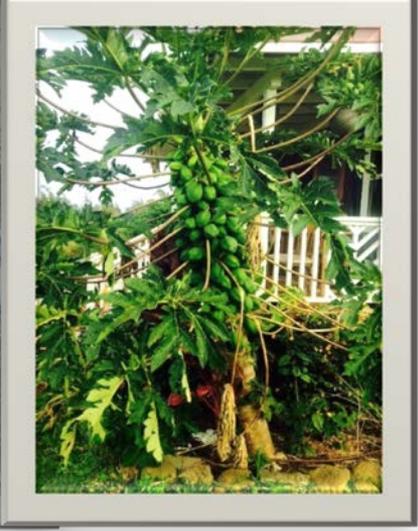
WORKPLACE STRATEGY PROJECT ROAD MAP – Six to nine months



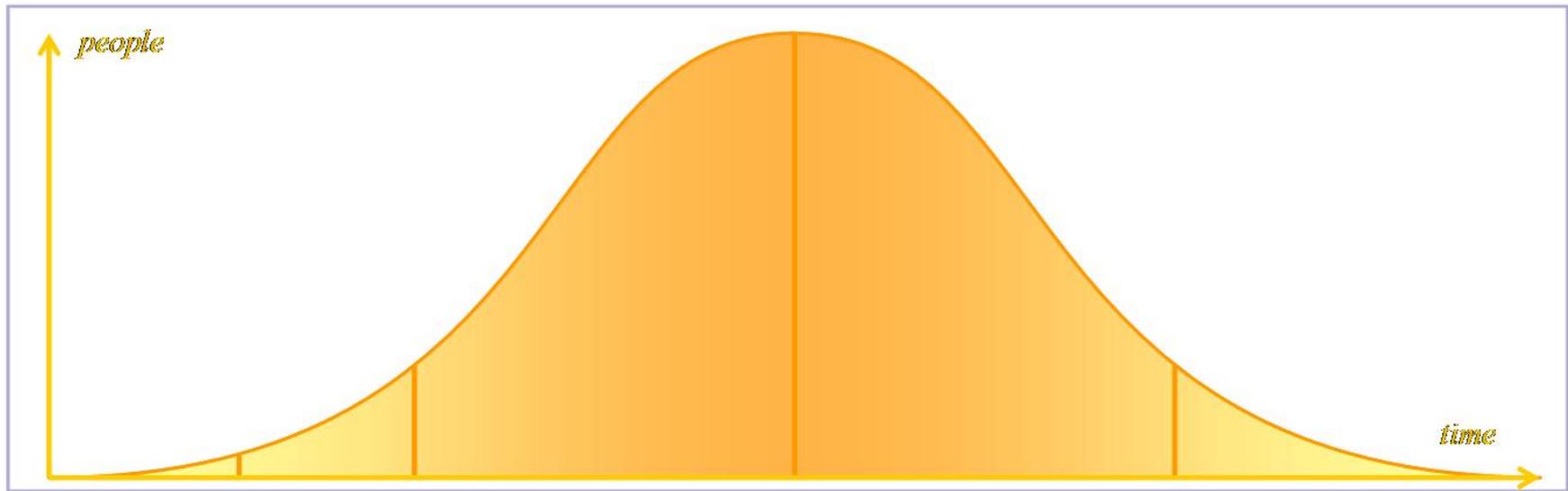
## TIMELINE



# Change is hard



# Know your audience



**Innovators**  
(2.5%) are risk takers who have the resources and desire to try new things, even if they fail

**Early Adopters**  
(13.5%) are selective about which technologies they start using. They are considered the “one to check in with” for new information and reduce others’ uncertainty about a new technology by adopting it

**Early Majority**  
(34%) take their time before adopting a new idea. They are willing to embrace a new technology as long as they understand how it fits with their lives.

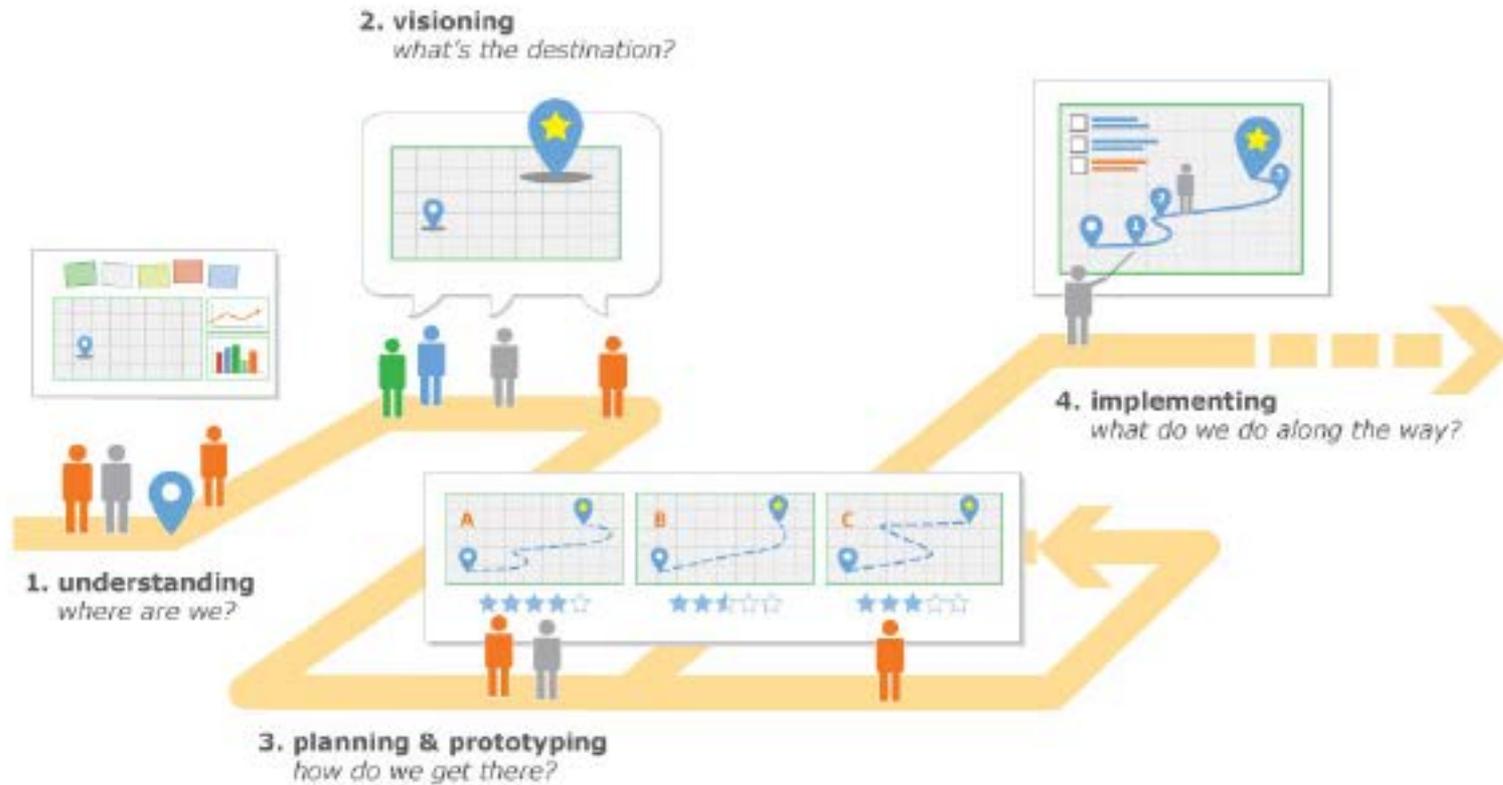
**Late Majority**  
(34%) adopt in reaction to peer pressure, emerging norms, or economic necessity. Most of the uncertainty around an idea must be resolved before they adopt.

**Laggards**  
(16%) are traditional and make decisions based on past experience. They are often economically unable to take risks on new ideas.

*Bryce Ryan & Neal Gross (1943)*

# Participatory design

## four stages of participatory design



brightspot :

# Design around the work

*Configure workspace based on how people work.*



Contracting Officers  
Auditors, Attorneys

**Desk Bound**



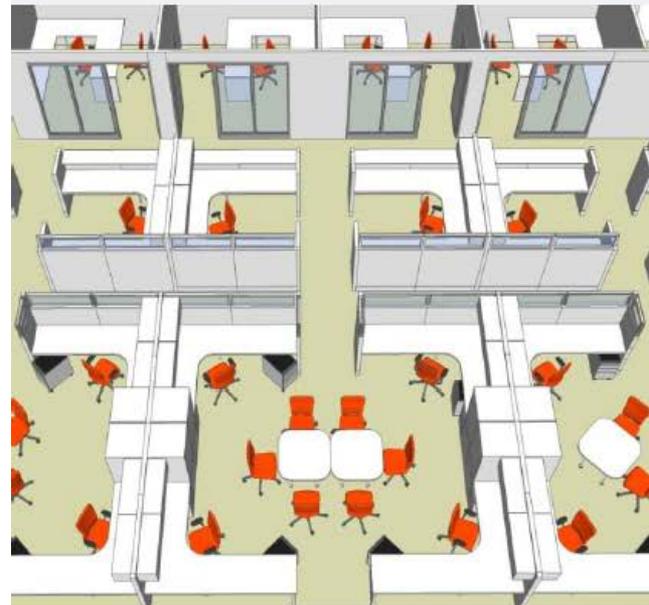
Program Managers  
Leadership

**Internally Mobile**



Case  
Managers  
Enforcement  
Officers

**Externally Mobile**



# What this is for some based on their culture



# What this is not...



# So...what are we doing then?

## Workplace Strategy Council

- OFM – Chair
- ATG
- DEL
- DES
- DOC
- DOH
- ESD
- DSHS
- LNI
- WSDOT

## Core Team

- Human resources
- Facilities management
- Information technology
- Policy development
- Financial management

## Role

- Oversee implementation of EO 16-07
- Provide guidance, tools, policies, and training
- Establish Results WA metrics
- Report progress to the Governor's office

# Agencies leading by example

- WaTech
- HCA
- OFM
- WSDOT
- Commission on Salaries
- ESD
- DSHS
- DEL
- DOH
- WDFW
- DES
- DOC



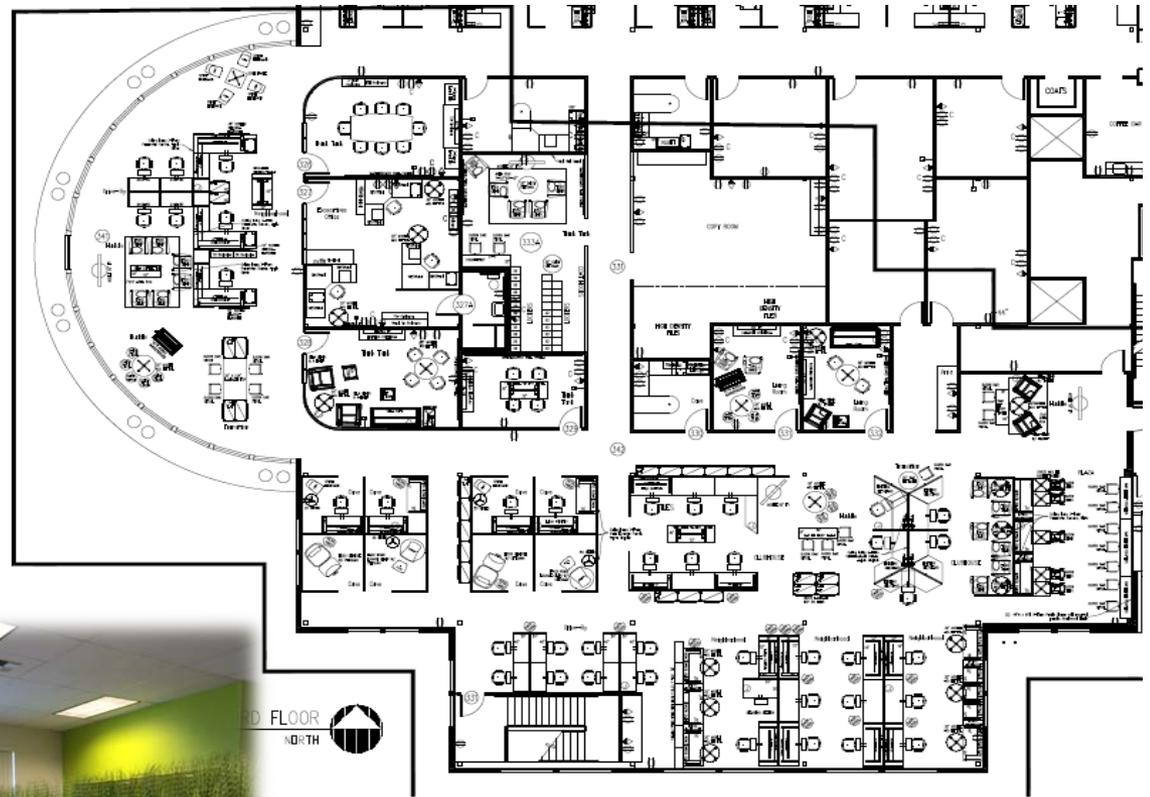
# Mobility is a state of mind

OFM – Facilities Oversight & Capitol Campus Mobile Center



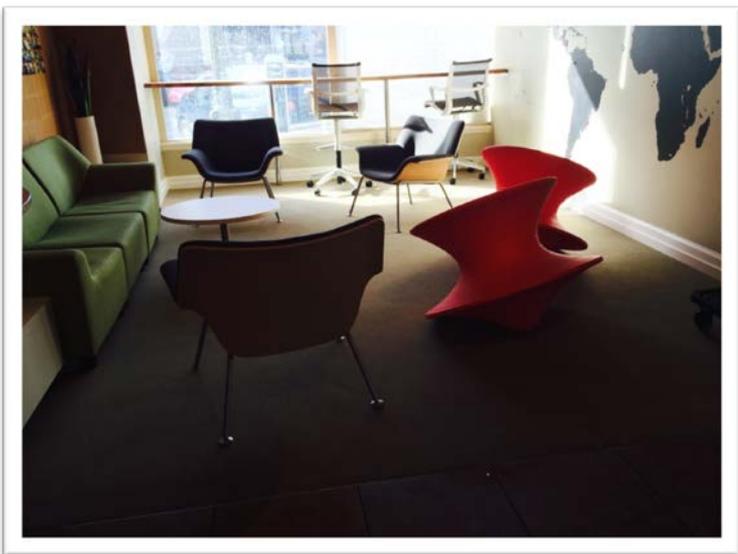
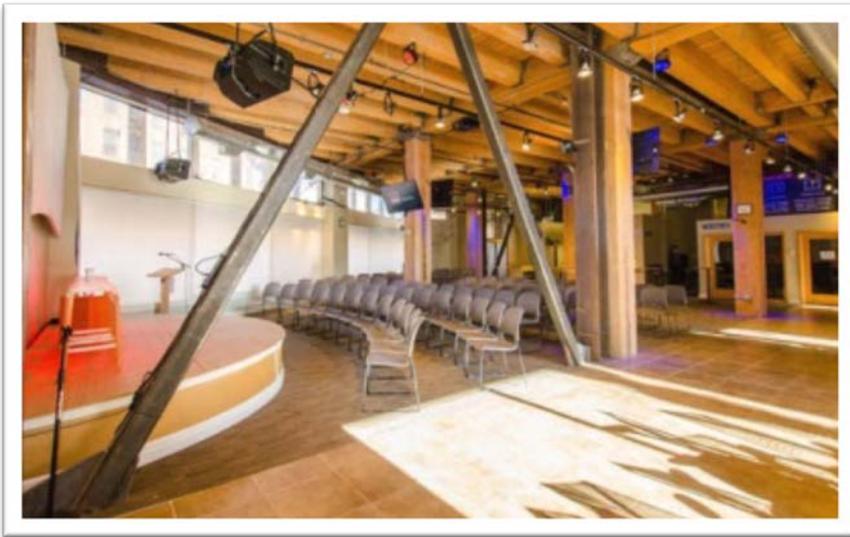
# Supporting work with a variety of spaces

Department of Health – Center of Public Affairs



# Using space as a recruitment tool

## Seattle Coworking Space Pilot



# Optimizing space saves

Savings \$86 million = ~ 800 employees per year



building a

**MODERN**

work environment

## QUESTIONS?

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