Flexible working case study

Using workspaces to drive flexible working at Premier and Cabinet

Key points

• In 2014, the NSW Department of Premier and Cabinet moved offices to 52 Martin Place and used the design of new workspaces and an update of systems as a way to refresh their culture and work practices.

• A comprehensive change management program, underpinned by investment in communications, technology and leadership support ensured a successful transition. Adjustments made along the way were in response to experience on the ground.

• Activity-based working has also provided a springboard to consider what other forms of flexible working arrangements employees can use as the required culture and technology are now in place to support it.
What is activity-based working?

ABW means an environment where you have the choice to work in a space that best suits the task you are doing, the people you’re doing it with and your personal working preference. Generally, no one is bound to one desk.

ABW at DPC means people can:

- sit at any available workstation within the ‘home zones’ identified for each team.
- clear their desk at the end of the day, unless they have an assigned desk for a core business reason.
- have their own locker space for storage, including their laptop and work materials.
- have access to break-out spaces to encourage collaboration and minimise disruption in open-plan areas.

Meeting the cultural challenge of change

DPC’s work includes responding to the often time-critical needs of the Premier and Cabinet. Over time, this had led to the assumption that people had to be present at their desks for the full working week. Many processes were heavily paper-based, and new technologies were not used to their full potential.

Initially, there were mixed views from both employees and managers about adopting ABW, ranging from enthusiasm to resistance and scepticism. Some managers were concerned they would be unable to find their team, or not know whether their employees were working effectively. Others were concerned about the practical changes to their working environments, such as having enough space to store their items and the cleanliness of the desk space available, or confidentiality.
How ABW was successfully implemented

The move to 52 Martin Place and the adoption of ABW was an extensive undertaking. Success was achieved through five key factors:

- **LEADERS ENDORSED ABW AND FLEXIBLE WORKING**
  
  DPC leaders understood and acknowledged the benefits of ABW and consistently reinforced the core principles of the new way of working - not just to employees, but to key external stakeholders used to the old approaches.

  Leaders role modelled the approach, with dedicated spaces allocated only on the basis of job design, not seniority.

  Leaders also consistently emphasised that being present was not an effective way to measure performance, and that employees had their support to embrace ABW and, later on, flexible working. For example, a competition was introduced to encourage the use of flexible working, such as earning extra points for working part-time or taking leave, or recording non-standard entry and exit times to the building. Even after the competition ended, flexible working usage remained significantly higher than before the initiative.

- **INVESTMENT WAS MADE INTO TECHNOLOGY AND SYSTEMS**
  
  A significant investment of effort and resourcing was made into ensuring the technology and systems needed for ABW were in place for absolutely everyone, and with everyone receiving access to the same technology. This acknowledged the critical role that technology plays in ABW. The costs associated with it were wired into the business case for the new premises, and approved by government.

  Everyone had their own laptop and all work environments became technology enabled; for example, reliable wifi access, projection and screen sharing and hearing loops in all rooms with video conferencing facilities.

  Employees could therefore work from anywhere in the building or remotely, and use software to find each other.

- **A COMPREHENSIVE CHANGE MANAGEMENT PROGRAM WAS IMPLEMENTED**
  
  A comprehensive change management program was implemented 12 months before the move to bring people on the journey and build the mindset needed to work differently.

  The emphasis was on helping people to imagine how the new workspace might look and feel, with workshops, posters, videos (including ‘A day in the life of a DPC employee’ in the new workspace), FAQs in the e-bulletin and regular internal communications.

  Training for managers was critical. This included a ‘Flexagility’ training program that focused on challenging beliefs around needing to see employees to know they’re working, and developing managers’ capacity to supervise teams and individual performance on an outcomes basis.
THE FIT-OUT WAS WELL CONSIDERED

DPC had the opportunity to create a work space from the drawing board, drawing on evolving best practice and their unique departmental considerations.

Early engagement was sought from staff to ensure buy-in to the final design. For example, employees had input into the colour schemes and a competition was run to pick the names of the meeting rooms.

The final fit-out was a success - technology in meeting facilities worked well, the floor was well lit, end of trip facilities were convenient, and the furniture was modern.

THE APPROACH TO ABW WAS ADJUSTED TO SUIT DPC

The full extent of ABW was adopted at first, meaning employees were encouraged to work anywhere across the six floors and not be co-located with their immediate team.

However, employee feedback after the move indicated people wanted the bonding experience from being physically located near their teams and were frustrated trying to find colleagues when everyone was dispersed. DPC’s approach to ABW was subsequently amended to allow ‘home zones’, with teams given allocated areas to locate in.

DPC leaders indicated that the initial adoption of the full form of ABW was critical to transform the way employees approached their work. It was then appropriate to adjust it once the impacts of the new ways of working were better understood.

Dealing with the unexpected “small stuff”

Along the journey, DPC encountered an number of unexpected, relatively minor issues that had the potential to cause major headaches. DPC needed to be agile and promptly deal with these issues to ensure they didn’t derail the success of the move; it was necessary to “sweat the small stuff”. For example, kitchen cleaning was upgraded to remove the overflow of dirty crockery that often caused tension, and the fit-out was adjusted to guarantee enough power plugs for phone and laptop chargers in all spaces. Items such as yoga mats didn’t fit in the allocated lockers, other spaces were made available, and sufficient cleaning wipes and hand lotions for those concerned about clean desks were provided. Noise levels, cleanliness and being safety conscious were critical to making it all work. Social norms were defined and communicated through workplace protocols (see Figure 1).
ABW removed common barriers to flexible working

DPC noted that a significant benefit of moving to 52 Martin Place (and ABW) was the way it contributed to the later roll out of flexible working arrangements on an ‘if not, why not’ basis, as some of the typical barriers to flexible working adoption had already been removed. Through the process of shifting to an ABW environment, managers had grown more confident about managing teams and individual performance via outcomes rather than ‘time at desk’, and employees felt supported to take ownership of the way they planned and arranged their work. These changes, along with the new technology and systems in place, meant that DPC employees now had the ability to do work anywhere at a time that suited them, their teams and their outputs, enabling factors further enhanced by a series of additional focused initiatives in communications and training.

The success of the entire flexible working implementation strategy is reflected in DPC’s 2017 employee survey scores, compared with the rest of the sector’s average (Figure 2). DPC employees reporting they used one or more flex work option at DPC increased by 20.6 percentage points, and the number of employees reporting they did not work flexibly decreased by 12.9 percentage points; while the sector trended in the opposite direction. As a cluster, DPC now has the highest uptake across the sector, and the highest satisfaction with flexible arrangements.
Other benefits were realised

Other benefits of the move included:

- Reduced leasing costs from consolidating two buildings into one
- Improved sense of value and pride in working for DPC
- Increased incidental collaboration and sense of community due to removal of most siloed offices
- Improvement in the capacity of managers to focus on the performance outcomes of their team.

**Figure 3: Anecdotal quotes from DPC employees**

- The technology and upgraded spaces make me feel valued as a DPC employee
- I have a better idea of what other people at DPC do
- I now have the ability to work from anywhere
- Work processes are easier and collaboration comes more naturally

There is still further work to be done

Time and the turnover of staff means that there is ongoing work to maintain overall awareness of the benefits brought by flexible workspaces and flexible working. For example, over time, employees can settle into old patterns again, and become territorial about their neighbourhood. Everyone is therefore encouraged to keep moving around their allocated home zones as much as it makes sense. Managers new to the organisation are on-boarded with clear expectations of how the office works, and leaders continue to emphasise its importance through role-modelling the protocols themselves.