

# Building a Case for Workplace Change

The speed of business and technological change is exponentially faster than ever before. Coupled with evolving worker expectations and the global talent shortage, companies will need to continuously change to survive in today's market. In a volatile business environment, a thoughtful and transparent transition to new ways of working is crucial to organizational success. Because without a plan, lasting negative impacts on culture, productivity, and morale may impede any benefit of the change in the first place.

*By Eric D. Johnson, Senior Workplace Advisor, Allsteel*

## **IN THIS WHITEPAPER:**

A well-designed change management approach is required to overcome resistance in the workplace. Our approach includes building a transparent case for change and providing platforms for ongoing dialogue, measurement and improvement.

## **WHAT YOU WILL LEARN:**

*Why people resist the adoption of new behaviors*

*Why it is necessary to develop and execute robust change communication plans*

*How today's business demands require new capabilities and attitudes towards change*

*What failure modes to avoid when embarking on any substantial change*



## Resistance to Change is Human

Change has always been a factor when real estate events occur. Historically, change management efforts focused predominately on adapting to a new address or a new teammate. Today, the primary focus is the shift in workplace behaviors and new spaces types. When discussing client's past experiences with change, we are generally met with a blank stare or avoidance of the topic all together, for fear of opening Pandora's box of expectation setting, constant communication, and fear of behavior change.

People resist change, including those focused on the workplace, for three basic reasons. First, humans prefer what is familiar and stable, therefore they resist anything new and different – even when it's potentially a better solution for them. Second, workplace change may require that people adjust their behaviors and habits – including the 'unwritten rules' they may not be fully conscious of.<sup>1</sup> Finally, in the absence of information, humans instinctively and quickly create their own facts, which are typically negative. Apply those three factors to the scale of a workplace change, and it's easy to imagine how quickly employee productivity, morale, and the overall success of the new workplace could be negatively impacted. Regardless of the reason, there is a need to acknowledge and help guide employees, so they understand the new way of working and how the workplace can better support their work.

### FAILURE MODES WHEN NAVIGATING CHANGE:

- 1. Leaving people in the dark.** A key deterrent to any effective change is a lack of transparency – such as leadership not acknowledging there is a financial benefit to a change. Honestly demonstrating the benefits and, in some cases sacrifices, provides employees with a greater understanding of strategy and their part in contributing to that strategy.
- 2. Overlooking unwritten rules.** A fundamental part of an effective change program is training people how to use new tools available in their workspace. Starting with the organization's culture and unwritten rules is key. For example, if the organization's culture has been 'if you are not at your desk you are not working', it is highly unlikely any new spaces away from the workstation will be used. In this example, the process must start with training leadership on how to use and model new tools and spaces. When leadership deliberately uses various work settings and adopts new technology, their behaviors grant permission for others in the workplace to also adopt new rules of engagement.
- 3. Ignoring the resistance.** Many organizations believe that if negativity is ignored, it will simply go away. In Rick Maurer's book [Beyond the Wall of Resistance](#), he advises, "If you think of resistance as energy, you can see that the only way to use it productively is to let it surface." The key is understanding the degree of resistance – and the level of emotion attached to it – and responding accordingly.
- 4. Prioritizing what is easily measurable.** While the hard costs of workplace change – reduced real estate costs, higher utilization, and lower maintenance costs – are fairly easy to measure, it's the soft costs like diminished engagement and lost productivity that may have a more lasting impact on the organization. When companies place too much focus on what is easily measured, they may eliminate change management activities (such as planning and communication) which could be costly to remedy in the long term.
- 5. Thinking about change communication as a one-way street.** When faced with an exciting new workplace initiative, many organizations rely on selling how great the opportunity is for their employees. But they overlook the fact that the employees may not always understand the message, or may have ideas for improving it. Finding and creating the chance for employees to provide feedback and influence the outcome – in decisions both big or small – can go a long way in the employee's perception of control over the change and ultimate adoption.

**PROOF POINT**

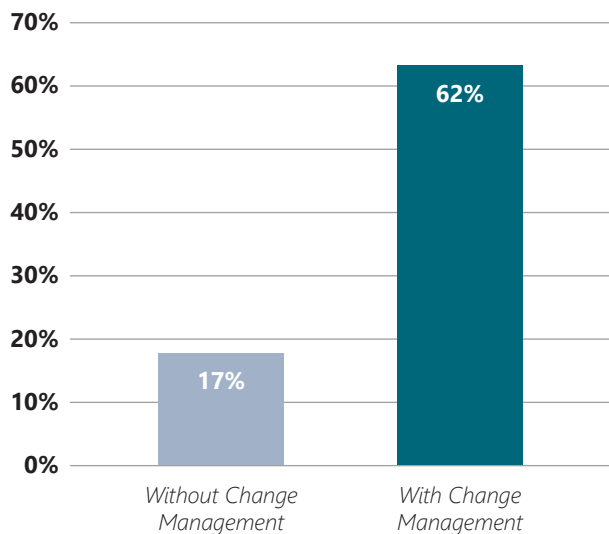
*When it comes to new corporate initiatives, only 34% are expected to succeed, 15% fail outright, and 51% are challenged. When change management is built into the project's scope, schedule and budget, success rates rise to 61%<sup>2</sup>.*

Given the realities of resistance to change, we know not everyone in an organization is going to react positively, no matter how much communication, coaching, and preparation occurs. However, that should not deter an organization from employing a thoughtfully planned and executed change strategy. Many employees will appreciate a culture and workplace where communication is transparent, management is accessible, executives are approachable, and direction is clearly demonstrated and understood. The result will bring the majority of workers along, encourage their understanding, and enable their transition into the new way of working.

According to a November 2016 McKinsey report, over 33% of all change initiative fail when senior leadership does not take an active role, and nearly 40% of change projects fail when employees are not engaged. Organizations who recognize that training and robust communication – before and after move-in day – are required for change to be successful will invest in their employee's development, enabling them to acquire new skills, and develop new behaviors. They focus their efforts on creating buzz around the new environment, rather than focusing on squelching rumors. Successful companies focus on how the environment will benefit employees individually and collectively, explaining the imperative for the change and the steps that will be taken to complete the transition.

**FIGURE 1:  
CHANGE SUCCESS RATE**

*A focused change program can have a significant impact on the success of an organizational change program<sup>3</sup>.*



## Building a Case for Change

There are many factors driving change in the workplace, including new technology, workforce diversity, changing expectations, and even the nature of the work itself. Acknowledging these factors, and the organization's specific and strategic approach to them is the first step in developing a consistent change dialogue with employees.

Ideally, the change management process begins before any employees learn that a workplace change is on the horizon and continues well after the last box is unpacked. Getting the workforce (or at least the majority) behind the changes at hand requires a thoughtful approach to the three questions that follow.

<sup>2</sup>Managing Workplace Change, JLL, 2014.

<sup>3</sup>The Value of Change Management, Jan Neuman, 2009.

### **1. WHY CHANGE NOW? WHAT IS THE IMPERATIVE FOR THE CHANGE?**

Underscore the imperative for change by linking to specific business goals.

- What are the factors driving this change?
- What's different about where we are now relative to where we will be?
- Where are the gaps and how do we need to fill them?

### **2. WHAT ARE THE BENEFITS TO ME AND TO THE ORGANIZATION?**

Allow for an honest dialogue. Do not make it one-sided; employees are too smart to believe a change is being made simply to benefit them. Openly acknowledge the benefits to the organization, like the cost savings associated with the project. Define how it aligns with the organization's larger business goals, the benefits to individuals and their experience within the workspace.

- What's in it for me/them?
- How will the change impact their work?
- How will they benefit? How will they be successful in the new way of working?

### **3. HOW ARE WE GOING TO GET THERE?**

Develop a timeline of change activities, utilizing a variety of tools and media that are appropriate to the organization's culture. Consider the audience of each activity, and recognize that training, coaching, or messaging may need to be nuanced depending upon the recipients. This is a great opportunity for creativity in the way workers and their managers engage. Be flexible in charting the course taken, be ready to adapt if certain communications or activities are working better or worse than others. It is important that the change team has the flexibility and authority to make course corrections.

- What will be communicated and when?
- What training will be provided, if needed?
- How can I provide feedback and input? Where are the opportunities for employees to participate in making decisions?





An effective change plan will include a range of activities and communications using multiple media - research from the Simplar Institute<sup>4</sup> has shown that interactive training can have the great impact. It's important to take into consideration the organization's culture and communication norms, including terminology, tone, and humor.

Possible change management tools and activities:

- Activities illustrating visible and authentic leadership commitment
- Input and training on new tools and technology, prior to and after move-in
- Mapping new processes and protocols
- Visual, interactive tools (like animations, renderings, and virtual reality) to illustrate how the new workplace will function and what it will look like
- Informational graphics that convey messages with clarity, consistency, and illustrate the methodology
- Welcome guides, information kits, tent cards, and other communications that provide just-in-time material on the new space
- Change websites that provide a central source for vital project information, create a positive picture of the change, and include polls for employee feedback and input



## The Unwritten Rules

Whether it's users adjusting to new, shared project rooms, or working to reassure teams that risk taking is not only okay but encouraged as they innovate, the dynamics of social norms are at play. Scientists are finding that the single biggest influence on human behaviors is social norms—or these thousands of 'unwritten rules' we unconsciously follow every day. They are how an organization's culture manifests and evolves over time. (Add a reference to the Unwritten Rules book Jan Johnson and Jeff Leitner wrote.)

## Measuring for Change

In any endeavor, establishing project metrics and criteria from the onset allows for the opportunity to think critically about the effort and key priorities. Determining how goals would be measured before the project begins creates the framework for success. Providing positive data for the change initiative will go a long way as the organization works to deliver on the business drivers.

Without metrics, successes will be anecdotal and not easily measured or identifiable with the change effort. For example, if one of the business goals is to decrease product development cycle time by enabling collaboration, determine the typical length of the cycle before the change then revisit that same cycle six to twelve months after move-in to determine actual results. This data will inform whether you need to adopt additional modifications to support the goals of the business.



## Leading the Change Program

Yes, leading and implementing a change program is a lot of work. And given how long a workplace change can take from initial concepts to move-in and post occupancy, simply ensuring there is a consistent team involved can be challenging. An external change consultant can use their experience not only to streamline some of the program development but also to keep the program 'on track' over the course of the project and when unanticipated events occur. However, it is imperative that there is someone/a group within the organization to lead the change; the change consultant cannot do that; this is the organization's change, not the consultant's change.

## The Takeaways

### Be Transparent About the Change

Leadership must be transparent, and the project intent must be actively communicated with engagement of employees at all levels. By maximizing transparency, disruption is minimized, productivity losses are limited, and positive employee morale is maintained.

### Take the Lead on the Change

Once employees have a negative perception of a change, it is very hard to turn that into a positive perception. Take control, manage the conversation, and get your message out early, often, and consistently. It's also important to create platforms that allow for a two-way dialogue.

### Create Behavioral Awareness

Workplace change is largely behavioral change. Ensuring new behaviors become the 'norm' requires first understanding the factors that reinforce the behaviors that need to change. One aspect of this is defining and addressing unwritten rules. Another is developing protocols - or workplace etiquette - that clearly define how all employees can work together so the new workplace is effective for everyone.

### Communicate clearly, consistently, and continuously.

The old adage, "you can't communicate too much" remains true when it comes to workplace change. But it is vital that the communications and activities are consistent, true and authentic.

### Move-in is Just the Beginning

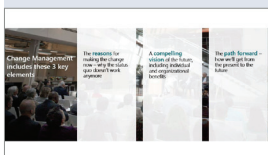
Continuous improvement is a key component for any change program, recognizing that some things will need to be modified after people start using them. It is very important to implement processes to measure the relative success of a change and ways to address the findings and modifications as appropriate.

## Change Management Slide Summary



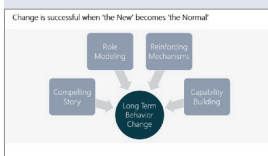
### Building the Case for Workplace Change

It seems everyday there is news of some change that will impact how we work and the workplace. Navigating these changes can be very stressful – human nature typically resists the new and the unknown. And that resistance can have a negative impact on engagement, focus and productivity, which is not good for the company or an employee. A robust change program will help mitigate some of that resistance, streamlining the adoption of the workplace change.



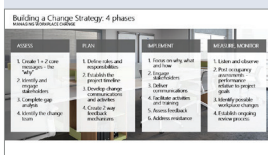
### Change Management Focuses on These 3 Key Elements

1. Why the change is happening; what is the imperative for the change
2. How this will benefit both the employee and the organization
3. How we will get there; what, when and how will information be shared, how can feedback be provided, what activities and training may be included.



### Change is Successful When 'The New' Becomes 'The Normal'

Many factors, working in tandem, will drive the success of a new workplace change. For a more open workspace with a range of individual and group workspaces to be effective requires new work behaviors – our weekly team meeting will be just as effective at the open stand up table as it's been in an enclosed conference room. To understand that this is 'ok' leadership needs to model the behavior by using the open table for some of their meetings, and the group needs to make sure that their social norms make it ok to work away from their desk.



### Building a Change Strategy: 4 Phases

Change management is not simply delivering a bunch of emails just before people move. To be truly effective and bring value to the organization, considerable planning and data collection needs to proceed implementing the plan and managing the ongoing follow up improvements.



### Change Management is Not a Linear Process

An effective change program begins before any information about the change – the move to a new workplace – is shared outside the leadership team; in fact, it should begin the moment the CEO states something like 'we need to expand our workspace.' Uninformed information about a planned change will be shared much earlier than expected. And the program needs to be flexible – because 'change happens' over the course of any project.

## Workplace Advisory at Allsteel

The Workplace Advisory team listens. We apply research and our extensive workplace experience to assist organizations in the development and implementation of situationally appropriate workplace strategies. Strategies that align with organizational culture and business goals, support the ability to work effectively, utilize real estate assets as efficiently as possible, and adapt to changing business and work practice requirements.

**Eric D. Johnson** is a key member of the Workplace Advisory team at Allsteel. He effectively integrates the breadth of workplace considerations – design, talent, operations and technology – to creatively and optimally support changing work practices and an increasingly diverse workforce. Eric’s career has included corporate facilities, interior design, strategic workplace consulting, and workplace and mobility program design, implementation and management. He has also taught graduate level workplace change and strategy; and is a certified interior designer, and a member of CoreNet Global and IFMA.

Looking for  
more?

Here are the  
references.

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