

From Resistance to Results: Guiding Business Leaders on Managing in the New Workplace™

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“Diane Stegmeier’s landmark findings on workplace behavior in the corporate setting will prove vital in determining workplace strategy over the next ten years.”

- Dr. Prentice Knight, CEO, CoreNet Global

“*Innovations in Office Design: The Critical Influence Approach to Effective Work Environments* is a reference book written for workplace professionals unlike any one I’ve ever read. The author takes a truly comprehensive approach to understanding the business barriers to the successful implementation of physical space design—whether the workplace strategy is focused on cost reduction, supports the blended workforce resulting from a recent merger, centers on attracting and retaining talent, or aims at accommodating the multigenerational workforce. The Critical Influence methodology identifies areas of resistance to change and addresses them, enabling the architectural and design firm to do what they do best—create the appropriate workplace solution.”

- from the Foreword by Greg Bendis, Global Real Estate Strategist

Diane Stegmeier, Author

Innovations in Office Design: The Critical Influence Approach to Effective Work Environments

Recipient of the International Facility Management Association’s Award of Excellence 2008, Distinguished Author

Overview

The recently-released results of a significant workplace research initiative involving 140 organizations, in 24 industries over a 10-year time span indicate that many attempts to implement new workplace strategies fail due to overwhelming employee resistance to change. The strongest push-back to workplace transformation often stems from middle managers up to, and including, the senior executives. At the highest levels of the organization—where decisions are being made—business leaders often feel exempt from the behavioral changes expected of the balance of the workforce. At mid-levels of authority, managers are ill-prepared to drive the edicts for workplace change being handed down, and like their peers and subordinates, often do not receive appropriate and effective communications linking the new workplace design to how those physical space changes support shifting business conditions and overall organizational goals.

Workplace professionals have increasingly voiced the need for additional support in convincing the business leaders in their organization to embrace workplace transformation themselves, as well as in helping these individuals learn how to manage their staff in the new work environment. To better prepare for resistance to changes in the physical work environment, they want to know under which conditions a new workplace design will be most susceptible to opposition, and what barriers exist—overtly or covertly—that prevent the full maximization of the enterprise’s investment in the physical space solution. They have learned from resistance in the past that the best design solution may need to be compromised, hence diluted, to a less-than-optimal recommendation on how people should be working in support of the establishment’s short- and long-term goals. With the pressure they receive to substantiate and deliver quantitative results of improvements made to the physical work environment, these facilities and corporate real estate professionals, architects, and interior designers realize that the executives in the organization are not satisfied with simply being provided subjective, employee satisfaction survey results.

Research Findings

New knowledge on helping managers move from resistance to results (of their subordinates, as well as their own) has surfaced from research findings surrounding the impact of physical space on behavior in the workplace. This research initiative, centered on why appropriately-designed workplaces often failed to achieve the goals intended, was initiated in 1996 by Diane Stegmeier, a consultant in change management & organizational effectiveness, and involved 140 organizations, in 24 industries over a 10-year time span. Organizations studied represented diverse groups including professional services, banking and finance, high tech, nonprofit, manufacturing, energy, consumer products, communications, pharmaceutical and healthcare, education and research, transportation, government and others. This examination of workplaces that “did not work” was **not** about critiquing the competencies of the architectural and design firms or the design integrity of the failed workplace transformation projects. The investigation was focused on discovering best practices and lessons learned in overcoming resistance to change that could be gleaned from successful workplace transformation projects. Lastly, the goal was set to find how this insight could be translated into design imperatives that could be incorporated into physical space solutions today, to create and remain a sustainable platform for change.

**Organizations Studied
Represent Diverse Industries**

Financial	Consumer Products	High Tech
Pharmaceutical	Professional Services	Manufacturing
Telecom	Entertainment	Federal Government
Non-Profit	Energy	Healthcare
Education	Research	Transportation

In compiling data for *Innovations in Office Design: The Critical Influence Approach to Effective Work Environments*, Diane Stegmeier gathered insight from a broad range of architects and interior designers throughout North America and Western Europe. The organizations selected for case studies in the book were chosen strategically to demonstrate 15 Critical Influences™ that have been discovered to have universal impact on behavior in the workplace—regardless of the type of business or the size of the organization. With a strong emphasis on the role of business leaders in driving sustainable organizational change, the book features lessons learned drawn from winners of *Fortune Magazine’s* Best Companies to Work for in America and the Great Places to Work® Institute’s Best Small and Best Medium Companies to Work for in America.

The research revealed that many organizations’ efforts in implementing new workplace strategies have produced less than optimal results—or have failed altogether—due to factors that business leaders may not know are linked. The physical workplace has a strong impact on behavior in the workplace, yet those charged with developing workplace solutions must understand that employee use of the workplace is also influenced by other key factors. Over the course of Diane Stegmeier’s 10-year research initiative, these influences on human behavior in the workplace were identified and analyzed. Research included an examination of the impact of transformation on the human capital of the organization, studying the dynamic relationship between organizational goals and expectations, and employee behaviors and emerging norms. The resulting Critical Influence System™ theory explores that relationship in depth. The two forces can exist in harmony, or can

co-exist in great conflict, causing loss of productivity, damage to morale, and increased employee turnover. As new changes in the organization are introduced, the relationship often changes, and is a function of the magnitude of change and the level of employee resistance to the change itself.

The Critical Influence System™ is comprised of the interdependent tangible and intangible factors that can enable or hinder the achievement of organizational goals. Employee behaviors, and the success of workplace strategies, are influenced by **Leadership Behavior, Knowledge Management**, the formal **Compensation** system as well as informal **Rewards & Consequences**. Barriers can form between the **Physical Workplace** and the **Vision & Mission** of the enterprise, as well as a mismatch with its **Core Values, Culture** and **Image**. The workplace strategy may fail due to incongruence with **Business Processes, Technology** or the organization's **Performance Management** system. Lastly, the physical workplace may not be maximized due to the **Autonomy & Authority** in the enterprise, **Communications** or the **Organizational Structure**. The physical workplace is only one of fifteen elements in this holistic system, albeit the one of most concern to professionals charged with workplace strategy. When the workplace strategy is not aligned with one or more of the other factors, the incongruence can create barriers to the optimization of the facilities.

Discovery of Weak Links in Driving Workplace Change

In digging deeply into the workplace transformation process, two weak links were uncovered—that if properly addressed—made the difference between the creation of the physical work environment which was simply capable of supporting changed work behaviors, and one that truly operated as a platform for sustainable change.

Lack of accountability. Workplace transformation teams consistently voice concern about how to best engage senior executives in the changes being considered for the work environment. They also share frustration regarding the diminished support from these organizational leaders once they have signed off on the financial investment for the workplace change initiative. Research findings reveal that in organizations where a strong business case for workplace change was developed and validated prior to requesting an audience with senior business leaders, the request for funding for pilot projects to explore different workplace design options was more favorable than in cases where no case was presented, despite weak economic situations.

And, where presentation of the business case included executive education on the correlation between workplace design, workforce performance, and organizational results, there was a greater sense of urgency amongst those business leaders not only to engage in and support the workplace strategy, but to commit to reinforcing and holding individuals throughout the enterprise accountable for the appropriate use of the new work environment.

Strengthening the weak link:

Developing a Business Case for Workplace Change™ strategic planning workshop for workplace transformation teams. *Managing Change in Turbulent Times™*, *Under the Influence™*, *From Resistance to Results™*, and *Path Forward to Change™* educational programs appropriate for workplace professionals & executive audiences.

Insufficient training. The second weak link attributed to the development of a new workplace solution that is capable of supporting changed work behaviors, yet fails to achieve full optimization, surrounds the level of workforce preparedness to operate under the workplace strategy being implemented in the organization. In the typical organization, prior to members of the Millennial





Generation joining the workforce, more than half of managers were responsible for employees who worked off-site, yet only 12.5% of managers were provided education on how to manage remote employees. Today, several factors make this lack of preparedness even more of a concern. The workforce is becoming increasingly distributed by design, as alternative workplace strategies are being adopted by more and more organizations. Communications, consistently identified as an area for improvement in most organizations, becomes a top priority with four generations in the workplace. The shifting societal emphasis on work-life balance has impacted—and will continue to influence—when and where people conduct their job tasks. Lastly, when employment levels of businesses shrink in response to a weak economy, more work is done with fewer people. Sound decision-making needs to be pushed to every level in the enterprise. While the new workplace strategy may support individuals working “anytime-anywhere,” insufficient, or a lack of appropriate training altogether, will prevent full maximization of the investment in physical space changes.

 **Strengthening the weak link:**

Educational programs appropriate for various levels of management and individual contributors within the organizational structure, focused on different phases of the change process, include *From Resistance to Results™*, *Surviving Change™*, *Straight Talk About Change™*, *Teams-Back on Track™*, *Business Communications Boot Camp™*, *Team eXcel Laboratory™*, and *Customer Centricity™*.

Benefits of Research Findings

Significant benefits can be realized by workplace professionals increasing their knowledge of the Critical Influence System™ and creating awareness with the business leaders of the organization:

-  Prevent workplace strategy failure
-  Ensure the physical space solution does not bear 100% of the burden of transforming the way people work
-  Enable the workplace professional to be involved earlier in the decision-making process relevant to significant organizational changes
-  Support the workplace professional in operating on a holistic level & serving the organization more proactively as a strategic business partner

Critical Influence System™

KEY FACTORS INFLUENCING
HUMAN BEHAVIOR IN THE WORKPLACE

Vision & Mission
Core Values
Culture
Image
Leadership Behavior
Compensation
Rewards & Consequences
Technology
Knowledge Management
Organizational Structure
Autonomy & Authority
Business Processes
Communications
Performance Management
Physical Workplace

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Education & Experiences Contributing to the Practical Application of Research Findings

Diane Stegmeier is a consultant in change management and organizational effectiveness, and has been engaged by clients throughout North America and Western Europe seeking to leverage human capital and pursue performance optimization in the workplace. She is best known for her research exploring the Critical Influence System™ affecting behavior in the workplace, in particular, the impact of physical space on human behavior. She is the founder of Stegmeier Consulting Group, headquartered in Cleveland, Ohio, and is also an associate of The Ivy Faculty Consortium, the network of prominent professors and select practitioners respected for successes in research, organizational theory or data interpretation.



In 2004, Diane Stegmeier was approached by the architectural and design division of global publisher John Wiley & Sons, Inc. expressing interest in publishing a book that would feature her research findings and unique approach to supporting workplace transformation. The end results of that request—*Innovations in Office Design: The Critical Influence Approach to Effective Work Environments*—was released February 2008. The book (ISBN: 978-0-471-73041-5) examines the key factors fostering a sustainable platform for change and introduces the 15 Critical Influences™ that can enable—or hinder—the development, execution and outcomes of workplace strategies. The author shares insight on when workplace transformation projects are most susceptible to the Critical Influence System™ and addresses both ongoing and emerging issues that challenge professionals charged with creating and implementing workplace strategies: restructuring, mergers & acquisitions

cost reduction as the primary driver of workplace change, high velocity environments, physical space as a currency, competitive / territorial office environments, telework, supporting the multi-generational workforce, emphasis on work-life balance, attraction and retention strategies, workplacelessness, and organizational branding initiatives.

“One of the most difficult aspects of facility management is the inability to link environmental improvements with measureable productivity results. Stegmeier’s observations in this area are based on hard facts and real research, not just abstract theories. Her work is an essential tool for any professional looking to justify facility improvements that can actually support and advance the mission of the organization.”

- Heidi Schwartz, Editor, *Today's Facility Manager*

Diane Stegmeier’s writing is rich in academic research, drawing connections between graduate research on *Leading Organizational Change* conducted for her MBA at Kent State University and post-graduate studies on *Innovation and Organizational Change* at Harvard, Duke, Bowling Green, and Case Western Reserve Universities. The book applies academic theory to her more than 20 years of experience working with the architectural and design community on workplace transformation projects. The author has been invited to share her research and expertise with diverse audiences at numerous venues. Speaking engagements have included the AIA National Convention & Design Exposition, AIA Ohio Convention, IFMA World Workplace, NeoCon, IIDEX, NeoCon East, CoreNet Global Summit, Business Facilities LiveXchange, TFM Show, TFM Forum

Think Tank, and Facilities Management Exposition. She has been featured in the IFMA LIVE Webinar Series, broadcast globally, on the topic *Critical Influence Design™: Preventing Workplace Strategy Failure*. She facilitated the Foundation for Interior Design Education Research (FIDER) Future Vision, and has presented lectures and workshops throughout the United States for the American Institute of Architects. Ms. Stegmeier was invited to speak at the Futures in Property and Facilities Management II Conference in London, England. Selected as one of only two speakers representing the United States, she presented to the Futures academic conference her work entitled *Critical Influence Systems: Understanding the Key Factors Enabling a Sustainable Platform for Change*.

Diane Stegmeier's thought leadership on trends in office design will appear in the April 2009 issue of *HRM Singapore Magazine*, and her advice on managing change in today's economy will be highlighted in *Workforce Management Magazine*. She was featured in an interview on the topic of Internal Branding in the Context of Change Management in the December 2006-January 2007 issue of *Human Resources Management Magazine*. Published in Moscow, the magazine (www.hrm.ru) is the largest Russian media resource for the personnel management market. She was interviewed for *Network World Magazine* on the importance of change management in supporting telework strategy implementation, and for *Perspective: Journal of the International Interior Design Association* on responsibilities in driving change. Diane contributed to *Best Practices in Change Management* (Prosci Research, 2003, 2006, & 2008). She was interviewed for the book, *Facilities Planning & Relocation*, by author David D. Owen. Her affiliations have included the American Institute of Architects, International Facility Management Association (recipient of IFMA's 2008 Distinguished Author Award of Excellence for a Book), CoreNet Global (she is a winner of a Luminary Award presented to the Top 10% of its speakers and educators), Society for Human Resource Management, Human Resource Planning Society, International Society for Performance Improvement, International Customer Service Association, and the Board of Advisors for Kent State University's Interior Design Program. She is a member of the Advisory Board for the Telework Coalition, and the Industry Advisory Board for *The Journal of eWorking*, published by Merlien Institute in The Netherlands.

Diane Stegmeier is available for speaking engagements and workshops to share concepts from *Innovations in Office Design: The Critical Influence Approach to Effective Work Environments* to individual organizations as well as to audiences at international, national or regional association events.

Stegmeier Consulting Group

CHANGE MANAGEMENT & ORGANIZATIONAL EFFECTIVENESS

20775 Sterling Way ▪ Sterling Point ▪ Cleveland, Ohio 44149-8728 ▪ USA
440.846.1410 Phone ▪ 440.846.1599 Fax
www.stegmeierconsulting.com

The author can be contacted at: diane@stegmeierconsulting.com

Visit www.stegmeierconsulting.com/book.htm for book overview, contents, excerpt, & info on ordering ***Innovations in Office Design: The Critical Influence Approach to Effective Work Environments***