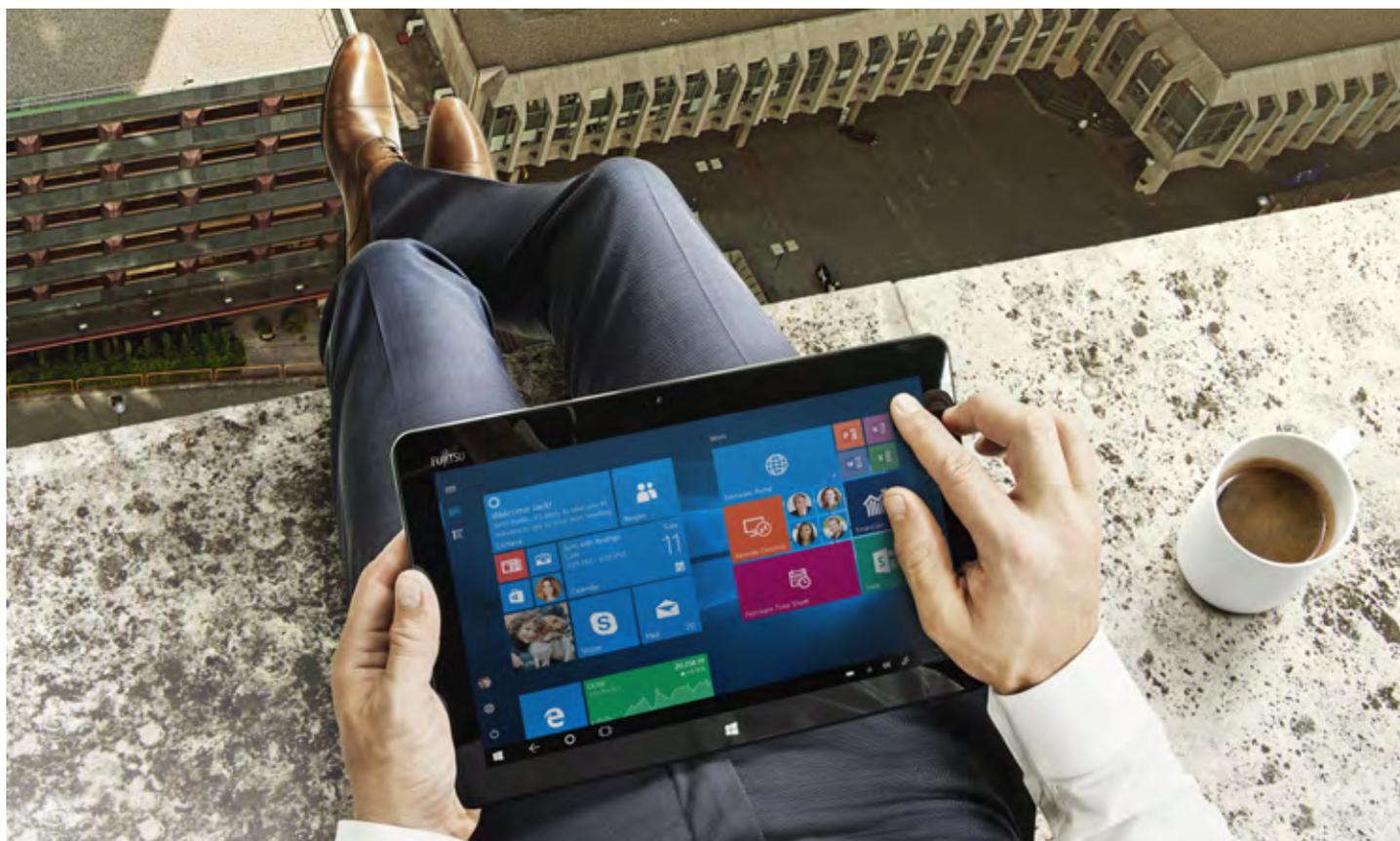


Managing the changing workplace

Our lives are in a constant state of flux; nothing stays the same for long. The environment, the economy, globalization, social structures, expectations and interactions, culture and technology – they are all continuously evolving and converging, with outcomes that are as challenging as they are unpredictable. The only thing we can ever be sure of is that change is here to stay.



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The business landscape is no different and business leaders are under increasing pressure to demonstrate how to keep pace – or risk their organization being left behind. But keeping abreast of change is not always enough. Survival of the fittest demands forward thinking, strategic thinking and disruptive thinking. Future-proofing the workplace is therefore no easy task for business leaders. It necessitates a deeper level of understanding of both people and technology to ensure no matter what structure, systems and processes are introduced they continue to work together and deliver real value. Jumping on the latest tech bandwagon or replicating the hip office hubs of Silicon Valley does not make a change management program – no matter how great the wizardry or wow-factor.

Barriers to progress and why change fails

Preparing the workplace for change first requires identifying current deficiencies and limitations. Every organization has gaps in productivity, creativity and innovation. Recognizing the reasons for these shortcomings is the first step to creating new workplace paradigms fit for tomorrow's challenges.

Adoption of technology is either too slow or too fast

Since the digital revolution began, adoption rates of technology among businesses have varied massively depending on the industry. But the overriding message has been if you don't embrace new technology, your business will get left behind.

Unfortunately, the upshot of this hype has been businesses rushing in and signing up to lots of disparate applications, systems and tools that aren't up to the job. Either the technology doesn't integrate with legacy IT systems or it presents little value to the end user.

Darren Goldsby, chief digital officer, Jamie Oliver Group, reiterates this point: "It's all very good talking about doing things as quickly as possible, but there's an entire organization to bring along with you. I advocate being clear about the pace you are going at. Understand the pace of your organization and how you can bring people along with you.

"Because it doesn't matter how good what you're building is if 99 per cent of the organization can't learn from it and pick up on it. You're either going to have get rid of the other 99 per cent of the organization or change how you do things. Understand the rhythm of your organization.

"Industry speed is important. Everyone should speed up, but different industries will speed up at different times and at different rates, and that's okay. Not everybody has to be the fastest; you just need to be faster than a lot of the competition."

Technology is forced into a box

Technology itself does not cause change. Technology enables humans to effect change. It's an important distinction, but one that many businesses still fail to see. So while the speed of technology adoption is a challenge, the cultural mind-set about the true role of technology is an even bigger obstacle to overcome. Many businesses still view technology as a solution to a specific problem within a defined business function. This often results in onboarding new tech with little consideration for how it will impact and reshape the wider organizational structure and change existing business models. Viewing technology as a tool to just automate or digitize manual processes overlooks huge opportunities to improve business performance.

"In most organizations, we're still treating computers as a device that a person interacts with versus thinking about how computers can help bring teams and communities together," suggests David Bray, executive director for the People-Centred Internet Coalition. "We need more thought and action to ensure workplaces are people- and community-centric."





Organizational structure is rigid

A big part of addressing change management in the face of preparing for the future workplace means creating an organizational structure that supports innovation, agility, knowledge exchange and quick decision-making. And because change happens all the time, there's an argument that organizational structure should be just as fluid.

Instead, organizations are often operating under the old hierarchical command and control structure. Here, we find legacy reporting practices, which are typically top-down and very linear, stall and stagnate change management as organizations get weighed down under their own outdated and ineffective protocol and processes. According to Deloitte's latest "Global Human Capital Trends Survey:" "Only 14% of executives believe that the traditional organizational model—with hierarchical job levels based on expertise in a specific area—makes their organization highly effective. Instead, leading companies are pushing toward a more flexible, team-centric model."

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The needs of the workforce are ignored

While many businesses work hard to understand and satisfy the needs of their end customers, they often fail to recognize how wider societal changes impact on their own workforce.

According to the Office for National Statistics, women's representation in the labour force continues to increase with 70.8% of women aged 16-64 now in work (the joint highest employment rate for women since comparable records began in 1971). An aging population has also resulted in people working until later on in life; family dynamics have shifted and cities have expanded, impacting on commuting habits. The result of all this is that employees' expectations, attitudes, behaviours and demands have shifted too.

Despite this, however, many business models continue to operate as they did several decades ago, when workplaces and workstyles were significantly different from what they are today. As a result, mental wellbeing, engagement levels and productivity among employees is negatively impacted. The workforce is only likely to get behind any kind of change management if they are happy and feel valued.



Shortage of critical talent

As the business landscape changes, leaders need to be able to call on a talent pool adept at exploiting these new challenges, in particular with relation to technology. Currently, there remain significant skills gaps in technology-driven roles, which are resulting in data swamps, disparate systems not fit for purpose and wasted tech investment.

The Digital Transformation PACT, a research report from Fujitsu based on interviews with 1,625 business decision-makers across 14 countries, revealed 70% of those surveyed admitted to a clear lack of digital skills in their organizations today.

Robert Burns, international HR service design, The De Beers Group of Companies, comments: "Effective talent attraction and development with short-, mid- and long-term objectives is still a challenge that businesses struggle with. This inevitably creates gaps in capability and genuinely suitable internal movement. People development is too often transactional and formulaic, rather than strategically aligned to performance needs, whether these are at an individual, departmental, regional or organizational level."

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Resistance to change

Change fatigue is one of the biggest barriers to overcome when trying to transition the workforce to a new way of thinking or doing. If employees don't feel like what they are doing is going to have any kind of long-term impact or value they are likely to burnout, which will hamper any future transformational efforts. According to a Quarterly Risk Report in 2017 from CEB, change fatigue was the top emerging risk for organizations.

"It's important to recognize that change fatigue can happen if leaders don't focus teams on meaningful, lasting change," comments Bray of the People-Centred Internet Coalition, and former CIO at FCC.

"If the organization doesn't think like it needs to change, the question leaders need to ask is: why? Are leaders missing something important or are parts of the organization not hearing from important customers or stakeholders? Are parts of the organization unaware of looming challenges on the horizon? Are parts of the organizations not familiar with other models of working that may put them out of business soon?"

"All too often, would-be leaders jump into an organization and do not take the time to understand the perspectives and narratives already present before breaking glass. This is a surefire recipe for change fatigue and should be avoided.

"Leaders need to identify why the difference in perspectives exist through listening and practicing empathy with different parts of the organization or community. Leaders then need to develop a strategy to help all members of the organization or community see and embrace the need for change. Such a strategy might include bringing data to show the need for change, inviting speakers from the outside who can share insights, helping elements of the organization hear from stakeholders about their needs, or potentially visiting places where workstyles are already in place."

Employee-centricity is crucial in change management



The common link between all of the main barriers of progress – even those involving technology – is people. Investment in people is the key area businesses will need to focus on in order to drive successful change management.

In recent years the importance of customer-centricity has moved higher up the business agenda as organizations increasingly recognize the value in cultivating meaningful relationships. It's one of the reasons UX has become such a fast-growing discipline. High-performing organizations already adopt the same mentality with their workforce and we're likely to see more businesses follow suit. This will mean looking at ways of improving employee engagement, job satisfaction and mental health within the workplace.

Flexible working and shorter contractual hours is just one example of businesses putting their workforce's needs at the centre of what they do. There are benefits here for business too. In a 2016 Vodafone survey of more than 8,000 global employees, 61% of those polled said flexible working increased their organization's profits. A further 83% reported that productivity was boosted by flexible hours rather than reduced by them.

Leveraging change management to attract and retain the best talent



Cultivating an employee-centric workforce during a change programme is also likely to help plug some of the skills gaps by attracting and retaining top talent. Creating an innovation-led work culture will have a big role to play, and this will be partly driven by specialist roles in UX, IoT, coding, machine learning and VR – basically the subject areas of millennials. Research shows these employees are the driving force behind workplace transformation, which is why businesses cannot afford to ignore their needs – offering a stuffy nine-to-five desk job is probably not going to cut it.

According to a survey by Gallup, which polled 200,000 people in the US from different organizations and industries, “millennials want benefits and perks that directly impact their lives and the lives of their family members, and they show a greater willingness to switch jobs to secure these elements.”

CASE STUDY

Managing major technology change: Hard won lessons from a leading CIO

International law firm Pinsent Masons recently saw through a major transformation programme to introduce mobile and cloud working across its global operations – a change with vast implications for company culture and processes. CIO Colin Smith shares his key lessons learned.

1 Listen widely and sensitively

Major change will only work if it meets employees' needs, so you should involve those that will be affected throughout the transformation process – both formally and informally, from initial observations of what they'd like, to ongoing feedback on what you're developing. Smith says focus groups drawn from across the business worked particularly well: "We engaged a number of representative groups across all of our offices – including international representation, which was really important. In total we had around 70 or 80 people in a variety of groups – everyone from business operations right through to partners," he says. "Listening closely to staff also gives the IT department more credibility in the business. We had very open work groups and workshops and actively encouraged people say whatever they wanted, even if it was a junior member of staff sitting next to a partner. That worked really well."

2 Consult on technology requirements

People typically have varying needs, so consult them and draw up a list of requirements. "Of course, we needed to be able get the management of devices right, but we made sure the requirements came straight from representatives across the business – not just from the partners," says Smith.

3 ...but do what's right for the business

People might all want all-singing, all-dancing smartphones, but balance required function against strategic business needs. At Pinsent Mason, the answer was to deploy Windows smartphones which had the functionality employees needed, plus the standardization and management functions required by the business. "Are you providing a corporate device or one that's also a companion lifestyle device? Our remit was to provide a corporate solution, but also make it possible for people to use their own personal devices like iPhones within a specific set of engagement rules, such as understanding we wouldn't be supporting them," says Smith.

4 Stage the roll-out. Smith says:

"We introduced things in a series of 'big bangs', so everyone had consistent technology. We looked at their requirements and prioritized deliverables according to what had come out of the the work and steering group. If you know there is a deliverable that nearly everyone wants, include it in phase 1 to help immerse the technology into the business and the core of how people work."

In phase 1, the firm rolled out smartphones and productivity software. "We wanted to make sure that people became familiar with the device before introducing multiple applications. For the next phase, we rolled out mobile time capture to our lawyers and cloud-based mLearning – training programmes delivered via mobile applications. For lawyers, particularly in our international offices, opportunities to attend the classroom-based training are limited. We wanted people to see there was added value in these devices."

5 Share the roadmap

Ensure staff know that you plan to add more features and value over time. "We were setting expectations right from the start, rather than letting people think, 'Is this it? Is this what I'm getting?'. We explained this was just the start of a programme of deployment and we didn't want to overload them with too much change at once," says Smith. "For example, when we rolled out the smartphones, we did it by office over a period of three months. And we set up a deployment programme on our intranet, so everybody knew when it was coming and put out lots of internal communications, which again worked really well" says Smith. "We also ran technology fairs in the offices to say what was coming, which really grabbed people's interest and again helped manage expectations among the ones who hoped they'd be getting iPhones."

6 Be flexible to support diversity

Although Pinsent Masons maintains fairly tight control over technology devices rather than adopting a 'free for all' BYOD approach, Smith sees the value in bending the rules a little to support diversity, disability and regional differences. "Occasionally, someone might need to use non-standard technology if it gives them access to, say, apps and features for the partially sighted, or because the standard technology won't work in China, for instance," says Smith.

7 Refresh and reinforce

The combined changes, which also include the deployment of collaboration tools across the business, have made the business far more agile. "But there's a ripple effect in that because we operate much faster, we have to continually assess how things are working. The business fundamentally wants to deliver things faster," says Smith. "We need to keep refreshing people's knowledge about the benefits of what we've introduced and how they can use it most effectively – because otherwise people can slip back into old ways. We're doing that primarily through the mLearning programme and collaboration tools."

Succeeding with change management initiatives



What can businesses do to manage the change necessary? Much has been written on best practice change management but there are some common tried-and-test methodologies worth picking out.

- 1 Place employees at the heart of everything you do** so you don't just have a customer-centric organization but a people-centric organization, which includes employees. Flexible working, investment in mental wellbeing, ergonomically designed office spaces and investment in psychoanalysis in the workplace will all help create an environment where employees feel valued.
- 2 Champion change management as being owned by everyone.** Find out what change management means to your workforce, then set about creating a manifesto that builds in these beliefs and opinions. Build trust by being more transparent with goals and financial information, and eliminate a blame culture so that employees are encouraged to take more measured risks.
- 3 Identifying change advocates early on** who demonstrate strong leadership skills will also positively impact any change programme. Just as marketing departments leverage the power of key influencers to build relationships and amplify a message, businesses should adopt similar strategies to support smoother processes.
- 4 Consider ways to decentralise decision-making** and create a less prescriptive and more creative work culture. Flattening traditional organizational structures and moving away from the idea of a ladder to a matrix will help orchestrate and advocate change from every stakeholder.
- 5 Don't underestimate the importance of two-way, transparent communication** to help bring everyone in alignment with the objectives of the transformation programme. It's important to speak the language of the various stakeholders and understand their associated cultures. Present a solid business case to board members using language that will specifically resonate with the CFO, CEO etc; emphasize the impact the change will make to the bottom line. Communication to employees at the frontline needs to spell out how the change initiative will make their jobs easier/lives better.
- 6 Lastly, careful planning is crucial** and needs to include a clear vision, as well as measurable objectives. But it's important to understand – and communicate the fact – the plan may not be perfect. The most successful change management programs adopt an iterative approach that allow for adaptations and improvements. Monitor change as it happens and review the change process to avoid long-term costly mistakes.

Expert advice

We asked a number of industry leaders how they thought the right transformation management would impact the workplace of the future. Here's what they had to say.

Leaders must realize the importance of recognizing individuals who are benevolent and competent, and operate with integrity in their work. Real change happens when everyone feels empowered to be a positive transformation agent – David Bray, executive director for the People-Centred Internet Coalition

"The best leaders will recognize the existing narratives and perspectives present in an organization before they start strategic interventions to make change. This includes recognizing the importance of a diversity of perspectives to overcome any blind spots.

"On an individual level, transformation management works best when you give more autonomy and a locus of control to everyone in the organization – combined with accountability. Each of us wants to feel like the work we do is within our scope to share and influence. Giving autonomy is best when combined with providing people with visible signs of measurable progress. Employees like this because they can see the difference their work is making and managers like this because they can see what employees are doing.

"Lastly, in addition to sharing a vision for the organization, the best leaders help link the work that each person does to meaningful outcomes for the business and mission of the organization. All of us like to know that what we do in some way matters. Good leaders help everyone understand that connection to the overall performance of the organization."

Businesses will need to rethink their organizational structure and create the role of 'translators' to deliver the most ideal change agents – Marc Vollenweider, co-founder and chief strategy officer, Evalueserve

"We will see a rise in the role of 'translators' or business use managers who have the right combination of technical, creative and communication skills to grasp a business problem and then guide the necessary resource allocation from start to finish. Translators will have the business acumen, as well as the technical knowledge, so that they can take the needs of the end user, translate these into technology and analytical specifications and then deliver the project back to the end user.

"These translator roles are also likely to make the most ideal change agents in terms of helping organizations manage change because they are adept at interpreting needs and augmenting cultures. While it's nice to think every employee should be empowered to become a transformation agent, the reality is only a small percentage of the workforce will have either the skillset or the inclination to embrace this mind-set."

Expert advice continued...

As long as people are working hard, and working hard towards their targets, they can work where or when is best for them – Christer Holloman, CEO and co-founder, Divido

“The workplace of the future should be as flexible, open-minded and forward-thinking as possible. This is the kind of atmosphere we are building at Divido by, for example, offering flexi-hours, working from home and soon, unlimited paid holidays. As long as people are working hard, and working hard towards their targets, they can work where or when is best for them. I also think you shouldn't try to cut costs on tech – it's important to provide your employees with all the tech they need to do their job properly.

“A key way we try to make sure that we are providing our employees with what they need to enjoy work and to develop their skills is by encouraging them to review us on [Glassdoors.com](https://www.glassdoor.com). This helps me and management understand what is lacking and what is working – it definitely keeps us on our toes.

“I believe that we will only be a great company if we keep hiring rock stars and retain those that live up to these expectations. We also ensure that those we place in managerial positions understand the importance of teaching and developing those with less experience than them so our employees are always learning.”

Successful organizations will place innovation and employee wellbeing at the centre of everything they do – Rob McInerney, founder, Intelligent Layer

“Organizational structures that allow business to be more innovative are key. The way I potentially see this working is that workplaces will operate in a similar way to a venture capitalist firm. The business will invest in ideas and allow those ideas to function or grow independently from the central core of the business, and of course the funding source. So no C-suite board governing over every decision. You allow different teams to operate on their own and do what they want – although naturally they will interact with each other to address resource needs. So there is far less of a prescriptive culture.

“It's a bit of an abstract idea and there are lots of complexities around it but the message is you create an environment where good ideas can succeed. You want to encourage employees to share their ideas not go off and start their own company.

“In addition, I see greater emphasis on mental wellbeing in the future workplace. Technology can and does have a positive effect on our mental wellbeing because it helps people do their jobs easier and better, which leads to them remaining happy. Why else are we inventing all this technology if it's not to make our lives better? Mental health and day-to-day happiness is one of the significant changes I see taking place in the workplace over the next few years.”

Contact us on:

Email: AskFujitsuHQ@ts.fujitsu.com

Web: workplace.global.fujitsu.com

Want to explore this topic further?

Read our eBook, 'The future workplace is here'. It contains a wealth of valuable information to help you plan your journey to tomorrow's workplace.

» [The future workplace is here](#)



Article created by:
I-CIO.com

Contact
FUJITSU Technology Solutions GmbH
Mies-van-der-Rohe-Strasse 8
80807 Munich
Germany

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