

## 8.8 Workplace performance measures

*We challenge business leaders to demand performance-driven workplaces from the design profession, and we suggest that they pay for those services in proportion to the value received.*

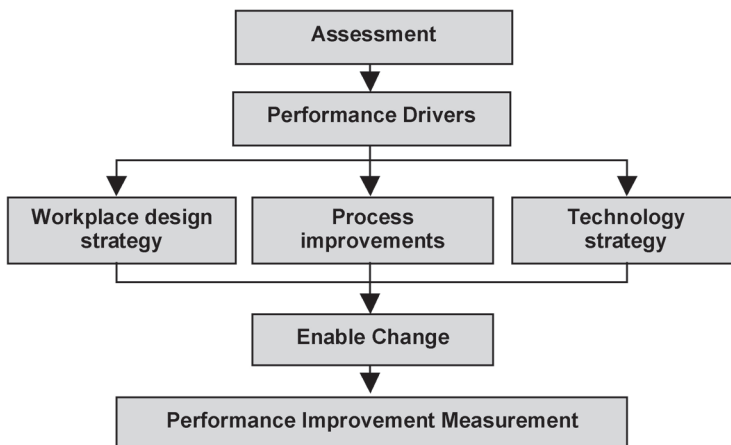
Gérald de Kerchove

Key Resource Gérald de Kerchove has also prepared a definitive paper on this chapter's topic, which can be downloaded in full from [www.mqia.com](http://www.mqia.com). This chapter is an extract of his paper.

### **Workplace performance measures, by Gérald de Kerchove**

The methodology to build a performance enhancing workplaces, while requiring a multi-disciplinary approach, should be coordinated by a skilled practitioner with strong project management experience. The methodology uses a five-step process, as shown in Figure 8.8:

- ◆ Assess the workplace and its culture.
- ◆ Identify the desired business results and the performance drivers that cause those results to be achieved.
- ◆ Quantify baseline performance.
- ◆ Synthesize data collected to optimize workplace strategies.
- ◆ Audit performance improvements.



**Figure 8.8** *Performance measurement process*

### **Workplace performance diagnostic**

The Workplace Performance Diagnostic is an interactive process aimed at establishing the existing broad business objectives and strategies that the new workplace needs to stimulate in order to maximize performance improvements. Using the Balanced Scorecard approach the practitioner identifies the firm's corporate objectives, culture, vision, mission and values.

The Balanced Scorecard, developed by Harvard's Norton & Kaplan, is described in [www.mqia.com](http://www.mqia.com) > Future > 8.8b Balanced Scorecard.

Those are usually identified as part of the firm's strategic plan. If there is no explicit statement of the firm's strategic plan, the practitioner will need to interview key members of the firm's senior management in order to obtain an explicit statement of the organization strategy and objectives. The identified outcomes will need to cover the four perspectives of the Balanced Scorecard:

- ◆ *Financial* – measured by ROI and Economic Value-Added (EVA).
- ◆ *Customer* – measured by satisfaction, retention, market, and account share.
- ◆ *Internal process* – measured by quality, response time, cost, new introduction.
- ◆ *Learning and growth* – measured by employee satisfaction and information systems availability.

This top-down, bottom-up approach eventually yields the development of a deep understanding of the workgroups operational strategies through observations of workplace usage and occupancy, work processes, technology employment, and organizational structures.

Following this top-down approach, a bottom-up process is necessary to validate the alignment of the workgroup objectives with the previously identified corporate goals and strategies of the organization. This is done via a series of interviews with key members of selected workgroups, during which they translate their view of the organization's strategy into explicit objectives.

The practitioner organizes this information by creating templates with explicit statements of workgroup objectives for review and acceptance by management and workgroup members.

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### Identification of business objectives & performance drivers

This process results in a matrix of 12 sets of objectives for each of the combinations of Scorecard perspectives and performance dimensions. Examples, and the resulting Balanced Scorecard construction, are shown in the full version of this paper.

This step performs a detailed analysis leading to the identification of specific performance drivers for the business objectives identified in the previous step for each of the selected workgroups.

Key members of the workgroup are coached by the practitioner to identify a few specific outcomes or results that characterize the workgroup business objectives for each of the Balanced Scorecard perspectives (financial, customer, internal process, learning and growth) and of the three performance dimensions (strategic, workplace, workers).

Depending on the size of the workgroup and on the organization culture, the evolution of the template with stated objectives into a series of objectives with performance drivers is best done via: Individual or group interactive sessions, and homework.

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### Baseline performance quantification

The third step is concerned with the quantification of the baseline, or current level, of performance of the workplace. For each performance driver, there exists a metric and a data collection method. Several tactics are available, described in the full version:

- ◆ Time utilization study.

- ◆ Workplace performance survey.
- ◆ Focus groups and personal interviews.
- ◆ Video ethnography.
- ◆ Baseline measure.

The results identify the most prevalent activities, work styles, attitudes and structures, with an aim towards prioritising issues to be addressed in the solution strategy.

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### **Optimize workplace development**

The Balanced Scorecard completed in our second step, with its dozens of objectives and hundreds of performance drivers, lends itself to the development of specific strategies and tactics for performance improvements, forming a series of 'Action Maps'. An Action Map is developed for each of the four performance elements: workplace design, technology employment, process improvements and behavior adaptation.

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### **Performance improvement quantification**

Our last step repeats the second step of data collection and quantification. Aimed at measuring the changes in performance, this usually takes place six to nine months following the implementation of the new workplace. The time lag is necessary to allow knowledge workers to fully adapt to the new workplace.

However, an early data collection effort taking place immediately following implementation, can advantageously replace traditional POEs, by suggesting adjustment to the workplace to respond to glitches and to remedy minor flaws to the new workplace design.

The practitioner will use tools similar to those in step three. Identical data to that acquired in step 2 is collected and changes in level of performance are identified. Using the same data reduction model as the workplace performance baseline measure, improvements in the overall performance of the workgroups are quantified.

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### **Summary**

Building 'performance enhancing workplaces' requires a rigorous methodology, which acknowledges that performance increases can only result from behavior changes. The methodology fully recognizes and capitalizes on the interactions between work practices, technology, and space. A multi-disciplinary approach leads to holistic solutions with demonstrable and measurable business performance improvements.

Why do we care? Simply because 'performance enhancing workplaces' are *very profitable* workplaces.