

The background of the book cover is a photograph of a modern, multi-story office building interior. The space is characterized by glass railings on the upper floors, white structural columns, and a wooden wall on the right side. In the foreground, there are red armchairs and a large green plant. Two people are walking on the left side of the image.

CHANGE YOUR SPACE, CHANGE YOUR CULTURE

HOW ENGAGING WORKSPACES
LEAD TO TRANSFORMATION
AND GROWTH

REX MILLER

MABEL CASEY
MARK KONCHAR

WILEY

Praise for *Change Your Space, Change Your Culture*

“‘We’re leaving behind a complicated world that operated like a machine, to a much more complex world that operates more like an ecosystem,’ he states, in a nutshell, the big idea behind workplaces that work in a hyperconnected world.”

—Susan S. Szenasy

Publisher and Editor-in-Chief

“*Change Your Space* clearly articulates the power of technology as an influential business tool inside the workspace. It illustrates the importance of helping employees connect and collaborate to improve their productivity. Technology is rapidly evolving, affecting the way people think and work in their office environment. The key points that Mr. Miller and his coauthors present are among the leading concepts for the future of the workplace.”

—Lew Horne

President of CBRE, Greater Los Angeles–Orange County

“This book is an excellent treatise on a topic that has been long underserved. Every CEO should be personally involved in the design of the work environment, and this is the book to read if you want to understand why that’s important, what you should care about and how to proceed.”

—Dave Gray

author of *The Connected Company*

“*Change Your Space* will transform the way you think about workspace. An insipid workspace is worse than a lost opportunity; it is a lodestone in a world where companies must innovate to survive. This book offers actionable insights and real world examples to demonstrate how and why your workspace is critical for forming, shaping, and retaining the sort of team and culture required for success. I found it so compelling that I’m planning to incorporate the book into my Building Innovation Teams and Cultures MBA course at Kellogg.”

—Joe Dwyer

Partner at Founder Equity and Digital Intent; and teacher of innovation at Northwestern University Kellogg School of Management

“Miller and his fellow research team are great investigative reporters. The goal of their investigation is to find out why 70 percent of today’s workforce feel disengaged and why we are locked in an antiquated ‘industrial era’ culture that has little to do with today’s increasingly ‘highly networked, team-based, and transparent’ reality. The authors’ modus operandi for accomplishing this task is to study more than 20 companies that have achieved a degree of innovation, collaboration, engagement, agility, and sustainability. Although there is no single road map for achieving this new culture, the book provides numerous insights into creating an innovative culture that reflects the emerging nature of work and the workplace.

—Eric Teicholz

IFMA Fellow, Director, Board of Directors

“*Change Your Space* is a profound book that any leader interested in employee engagement and innovation should read. Given my career in commercial real estate, it was refreshing to see a research-based analysis of how to use office space as a catalyst for improving a company’s culture. Our industry has been very slow to adapt and change, but I believe that is about to change. *Change Your Space* makes it clear that every company can improve their work place environments and achieve stunning results. Any company that does not change will increasingly be left behind in the ever more competitive race to attract and retain talent.”

—Richard Kincaid

former President and Chief Executive
Officer of Equity Office Properties Trust

“Everything has or is changing: phones, computers, TVs, cars, music, communication. Office space has not changed for many decades and needs to be rethought for a new age. *Change Your Space* leads the way in reimagining why and how our offices need to change.”

—Pat Sullivan

cofounder of ACT! Software and CEO of Contata

“Having taken a small startup venture to a NYSE listed company in five years, we faced constant change in applying our disruptive methods to a legacy industry. This book gets at the underlying connections of behavior, culture, and workplace and their impact on execution in the face of broad changes now happening across the economy.”

—**Doug Brien and Gary Beasley**

Co-CEOs, Starwood Waypoint Residential Trust.

“*Change Your Space* uncovers the next dimension of the triple bottom line—where success is inherently rooted in a culture of rich engagement in the workplace. While this requires a somewhat complex formula, the brain trust behind this book has outlined a very clear business case for environments that foster collaboration and innovation. As society continues to evolve at lightning speed, healthy, vibrant work environments are within reach—thanks to this forward-thinking, thought-provoking, must-read book.”

—**Barbie Wentworth**

President and CEO of MB Advertising

“As a two-time CEO of dynamic, fast-growth, tech companies I never underestimated the importance of physical space in energizing the people and driving culture; Rex’s team gets it. This book is a must-read for leaders who want to compete in the new business climate and get their employees out of cubicle purgatory.”

—**Bob Vanech**

founding Board Member of the 2020
Los Angeles World’s Fair

“I am a proponent of matching the workplace to the culture to sustain innovation and creativity. Hill & Wilkinson has created a new position for a Culture Manager to assure that our corporate actions align with our culture. Case4Space is right on target with their thoughts about the importance of culture.”

—**Greg Wilkinson**

Co-Chairman of Hill & Wilkinson

“Rex Miller and his collaborators have created an important book that has the boldness to propose that workspace can be used as an agent of change. *Change Your Space, Change Your Culture* is a thought-provoking publication that should be read by not just designers and architects, but anyone involved in leading organizations.”

—**Michael Schley**

CEO and Founder, FM:Systems, Chair, Workplace Strategy Summit

“As business leaders we have the unique opportunity and duty to positively affect today’s working culture. It is literally changing before our eyes. *Change Your Space* provides live examples and a road map for transforming static culture and becoming the innovative organizations our people will love to work in.”

—**Patrick Sean Kelley**

Chief Creative Officer *MARTZPARSONS*

“This is a fascinating exploration of the multiple ways our work environments are hindering or helping us get things done. Rex Miller has done a remarkable job of chronicling the significant changes afoot in our culture and their impact on consciousness—a terrific treaty on the power that *form* has on *function*.”

—**David Allen**

author of *Getting Things Done*

Change Your Space, Change Your Culture

How Engaging Workspaces
Lead to Transformation
and Growth

Rex Miller
Mabel Casey
Mark Konchar

WILEY

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FOREWORD

Albert Einstein once defined insanity as doing the same thing over and over again and expecting different results. I'm guessing he would not have looked fondly at the progress we've made in workplace design over the last 15 years. When I first met Rex, he recognized the disconnect between what employers and employees were asking for and what the industry was delivering in workplace design. He also knew that to move the conversation forward, he needed to tap into new sources of information, test new paradigms, and take nothing for granted. Case4Space has done just that; it's a critical look at the value of space in our enterprises—the need for more than the status quo.

At Google, we design our workplace to build community, to increase velocity, and to inspire and motivate, while eliminating friction and focusing on employee health. There isn't a one-size-fits-all solution. It starts with our users and listening to our employees. It's about creating a workplace that supports their needs and our company's culture. Case4Space is the perfect reminder that just as our business is constantly evolving, so must our physical environment remain a strategic advantage. We must use spaces differently, try new things, be flexible, adapt . . . and keep listening.

Rex Miller, Mabel Casey, and Mark Konchar along with the Case4Space team have put us all on notice—we can't continue to do the same things and expect different results. I'm excited to see where the conversation leads us as more people read this pioneering book.

—David Radcliffe

Vice President, Real Estate and Workplace Services, Google

FOREWORD

Human capital is every organization's greatest asset in today's knowledge economy. How we inspire, encourage, and motivate our people can make the difference between success and failure in a quickly changing and forward-thinking world. As business leaders, we are increasingly asking our people to think big, to be creative and innovative. All too often we are asking them to do this in workspaces that don't support that mindset. *Change Your Space* sets the stage for our collective evolution in better supporting our people with the environments they need to operate, and thrive, in today's business landscape.

At Balfour Beatty, we build vital structures for our clients. To do this successfully, we must have a thorough understanding of their broader business goals. They see us as not just builders but as relentless allies for their business. As a result, our clients have often come to us to have conversations about extracting more value out of their real estate portfolios. In recent years, however, we have seen our most innovation-focused, strategic clients evolving the dialogue to focus on unlocking the capabilities of their people.

Unlocking that potential requires a new process and a new way of thinking, because creating an engaging workplace requires an engaging process where owners tap the talent working within their organizations as much as they do the talent of the project teams building their new workspaces.

This subject is also very relevant for us here at Balfour Beatty since we are making a cultural shift ourselves. We are evolving our

learning organization through enabling greater connection to ideas and innovations across teams, functions, divisions, and geographies. This shift takes a new type of environment, and several of our offices have made the *Change Your Space* leap. Our employees on those teams responded the way we anticipated—with minds more open, more engaged, more inspired, and increasingly collaborative with one another and our clients.

This read is essential for executive chiefs, human resources leaders, designers, brokers, facility managers, builders, project managers, and anyone who has a role in creating the spaces we work in today and for tomorrow.

Join us. It's a great opportunity to unlock hidden value in your organization, right within your own walls.

—Mark Layman
CEO Balfour Beatty Construction Services U.S.

FOREWORD

Throughout my three generations of experience providing customers with effective office interiors, I have recognized in an intuitive way that the environments we provide for our workers are powerful culture-shaping tools. You simply can't expect to maintain a productive, pleasant, and efficient workplace if your workers can't wait to get away from their place of business. Simply stated, spaces help to create culture. Good workspaces, designed with the needs of employees in mind, support a positive culture.

That's why we've always sought to provide our own members with interior solutions that fully support their best work. At the same time, we've tried to bring the power of science to bear in providing the best work spaces to our customers. We study how people work, and what makes them successful. We embrace a passion for partnering with our customers to investigate and solve their workplace challenges and fulfill their vision for success.

It is gratifying, then, to see our intuitive and research-backed theory of developing effective interior environments borne out once again in Rex Miller's powerful new book *Change Your Space, Change Your Culture*. Rex's work is based on a thorough study of more than a dozen organizations that have energized and engaged their employees through the effective use of space. As he points out in his book, failure to give employees an environment that inspires collaboration and teamwork can result in a downward spiral of disengagement and failure.

It's time to shift the conversation and deepen the connection between work environments and business needs. But doing so requires the creative development of spaces that engage the work styles of a diverse universe of employees of all backgrounds and every age.

Change Your Space builds on the power first cultivated in what was called the *Mindshift* initiative—a consortium of thought leaders whose work resulted in a volume titled *The Commercial Real Estate Revolution*. *Mindshift* was dedicated to making the workplace a strategic tool that can positively influence an organization's culture. I have experienced the power of this strategy during the renovation of our own corporate headquarters in 2008. By applying what we learned from our research, we created an engaging space that enables our people to work more productively.

We're convinced that space is a catalyst that can change behaviors and transform businesses for the better. If you recognize this truth, I urge you to read this book and put it to work for you. As leaders in the rapidly changing and competitive twenty-first century, one of our greatest opportunities for success lies in creating inspiring spaces that enrich your employees and benefit your organization. *Change Your Space, Change Your Culture* can give you the foundation to do that.

—Matthew R. Haworth
Chairman of Haworth, Inc.

INTRODUCTION

The From/To Formula

Is there a case for space as a tool to produce a culture of innovation in our workplaces? That question drove this book.

And here's the spoiler: "Yes." But you really need to watch the whole movie.

Yes, you can change your company culture. But those who want to fully utilize that tool must make a commitment to the effort. That's because innovation is always disruptive. Some companies are in better condition for that bull ride into innovation than others, but most companies can make the leap. This book shares some surprisingly simple lessons about what these consistently innovative companies do differently, and how you can do it, too.

It all starts with the From/To Formula. Think of it as this progression:

1. Innovation begins with a departure. Regardless of how we feel or what it costs, a changing world demands that we leave the comfort of our current conditions. We can do it kicking and screaming or we can go with confidence and curiosity.
2. The other side of innovation will be radically different. It will require new tools, new values, new behaviors, and . . . new people.
3. Culture is the challenge. The old culture that once brought success will hold on and resist attempts at change.

4. A new culture will form only if the invisible bonds of the old habits are disrupted and an environment that supports desired new behaviors and values erected.
5. Space is the catalyst to disrupt and transform culture.

I have to admit that we were surprised and encouraged to find that many leaders really do care about that formula. They are pressing in to understand the relationship between culture and engagement. And we also found an emerging shift. Despite the history of consultants acting on behalf of the owner and filtering them out of the process, a new breed of consultants is emerging. They have embraced design thinking. This approach to design leads to a social and engaging space solution that is exciting and liberating. It invites all the stakeholders, including those who will work in the space, to participate in its design. Perhaps the true test of success for space design is if it feels like “home” to those who work there.

Change Your Space provides a straightforward and clear strategy for transforming your company. The strategy is simple and clear, but the work is profoundly penetrating. That’s why our approach invites leaders to engage in the change process at a deep level. The days of handing off the thinking and the work to experts and committees are over.

Changing the design of the workplace gets to the heart of all of the issues that make work complicated, distracting, and energy draining. That’s why it forces leaders to think about and reimagine strategy, structure, and process. Changing space brings managers and leaders back in touch with how the work really gets done and back in touch with the people and the hidden culture that embodies the real drivers behind behavior and performance.

This book makes the case for a new level of engagement from leaders; a new relationship with consultants; and a new process for developing, procuring, and implementing projects. We know that a healthy culture *is the key* to engagement, innovation, resiliency, and growth. I believe readers will find the vital connection between

culture and environment. They will see how environment can be used to reveal, refine, or reset culture.

This book will also speak to designers who have a desire to create highly engaged workplaces. I think you will find the tools for launching a new kind of conversation with your associates and clients.

Furthermore, this book will bring contractors and manufacturers together. From that, you can share and collaborate with your deep knowledge of what works and what doesn't.

We also invite the commercial brokerage community into the same conversation. I think you will find ways to help guide companies beyond the simple focus on "the deal." What if you could lead the parties into unlocking engagement and improving culture?

Finally, we want owners to feel comfortable again leading the crucial conversation about space and culture and resisting the pressure from experts to buy their latest ideas, services, or formulas.

We think everyone who has a stake in the workplace of today and questions about tomorrow will find this conversation exciting and practical. After all, it's the same conversation that we already have in our offices and over drinks at conferences. It's the same conversation we have as we walk out of presentations and utter our real sentiments about the same old and weary stories we just heard. And it's the conversation we already have when we allow our hearts to dream about what a great workplace could be.

Why This Book Is Different

Unlike previous books on these topics, the diversity of the Case4-Space leaders and our fifteen months of fieldwork, summits, research, and workshops gave us a depth and committed involvement that just might be worth your attention. The writing of the book was also unique. This was not a consulting practice using in-house case studies. This was not a compilation of subject matter experts covering a range of topics without a central narrative. This was more like a large investigative journalism project; over 30 "journalists" seeking answers to vexing questions.

This may be the first business book where this number of participants also became cocreators. We were enabled by new technology, like Haworth's Bluescape, which allowed us to collect massive amounts of information and visually organize it on larger-than-life displays. We also designed a deeper level of personal engagement by having smaller teams tackle different issues. This also made writing the final manuscript more challenging. I remember my father sharing his first experience with Japanese auto manufacturing in the 1970s. He said the only bottleneck in the process was at the end of the day when all of the workers walked around the finished cars to make sure the preceding teams had maintained high quality. I know what he meant. Many of the Case4Space members walked around each chapter to make sure it met their quality standards.

The coalition that contributed to this book includes Haworth, Balfour Beatty, Google, Cousins Properties, FOX Architects, the U.S. General Services Administration (GSA), Autodesk, BHDP, HDR, Jacobs Engineering Group, Buildingi, Idibri, the ReAlignment Group, CoreNet, Scan, Parabola, Steven Elliott, Renovus Collaborative, Darwin Branded Environments, SmartBIM Solutions Group, Celeste Tell at the Bill & Melinda Gates Foundation, the University of Denver, NICHE Creative, graphic facilitator Michael Lagocki, and WH[Y] Mantra. Supporting our research were organizations like W. L. Gore, IBM, Global Workplace Analytics, Universal Health Services, Advocate Health, NetWave Sensors, Red Hat, General Dynamics, Dean Stanberry from Jones Lang LaSalle, David Dillard from D2 Architecture, CBRE, Randy Thompson from Cushman & Wakefield, Bob Johansen from the Institute for the Future and author of the book *Leaders Make the Future*, military expert Richard Hayes (and coauthor of *Power to the Edge*), Dave Gray (author of *The Connected Company*), Jack Hess (Executive Director for the Institute for Coalition Building), Will Miller (son of Cummins patriarch J. Irwin Miller), and Cummins Inc.

I thank all of you fellow travelers for your hard work and your belief that we can all do better.

PART I

Why the Workplace Stopped Working

CHAPTER 1

Are You Ready to Sail the North Atlantic?

History becomes an astonishing succession of new media toppling old empires by repatterning perceptions of time and space.

—Michael Schrage, *No More Teams*¹

On December 17, 2010, Mohamed Bouazizi, a Tunisian merchant, set himself on fire on the street where he once sold his goods. But this was not simply a personal tragedy or isolated political statement, mourned by a small circle of family, friends, or followers. Bouazizi's act was the spark that ignited a massive protest, the “Arab Spring,” because social media had changed the rules.² In this case, the elements for social change included a spark (a dramatic suicide), a leveling catalyst (social media), a stage (the public square), and a unifying vision (the overthrow of oppression). Institutional leaders everywhere were put on notice that their constituents had a new voice and new power.

We are witnesses to an astonishing succession of crumbling empires. Social media has changed the way we can and do organize for action. It has removed traditional barriers to participation and makes it almost effortless to connect, rally, and act. Social media also connects once fragmented and faint voices into a unified chorus that has the power to topple institutions.

Until a few years ago institutional acts of injustice (or idiocy) happened behind a curtain, and therefore without serious consequence. Those trying to right a wrong, or make any kind of statement, had to overcome great hurdles of recruiting and coordination. That is changing fast.

A New Era of Engagement

Three years after Bouazizi's protest, four governments had been overthrown and another six had confronted major uprisings.³ The Arab Spring and the many succeeding protests signaled a dramatic shift. Institutional power is no match for the politics of engagement and the tools of social media. This organizing efficiency and speed have placed new power in the hands of constituents, customers, and employees. Social media creates the context for a new era of social engagement. That brings a new social framework, new politics, and a new leadership with engagement at its core. Any leader who doesn't understand this profound shift and its ripple effect may have to reverse decisions, resign under pressure, or see a mob of angry people at the front door. Think of the recent series of political and corporate leaders who have had to resign because they didn't understand this new phenomenon.

The ability to easily organize and make a difference has spawned a revolution within the workplace, too. It is transforming collective enterprise with the same revolutionary power that Henry Ford's innovations brought to mass production. Here is a big difference about this new era of engagement: Organizing collective enterprises no longer requires capital, management resources, or rigid hierarchies to launch and coordinate. It does require tapping into a common cause, operating transparently, providing people a voice, and allowing them to participate and add value.

The new technologies of collaboration, with their global scale and speed of communication, bring unpredictable reactions, innovations, competitive threats, and new markets of opportunities. But the social or institutional framework that will predictably harness,

regulate, or provide a moral ethos around these new capabilities is still being formed. That's why the outcomes are not always positive. In fact, right now, outcomes are not even the point. The Arab Spring is a great example; it was highly engaged in ridding the system of what was hated, but lacked a common vision of a better future. There was no cohesion or common engagement. The questions of why and to what end were missing.

Many of the norms and values from the industrial era, and the behaviors then allowed, are now out of sync with these new capabilities. The new collaborative technologies have a built-in ethos that is social and engaging. The old structures of command and control are hostile to anything social and engaging. The collisions between the two forces have a disrupting effect on organizational structures but a liberating power for those willing to embrace them.

“Oh, My God!”

Case4Space is a committed group of thought leaders who came together because we saw some outrageous realities:

- More than 70 percent of the workforce either hates their job or are just going through the motions.
- Half of all office space is wasted.
- The number of people who suffer chronic disorders—caused or exacerbated by the workplace—is alarming, scandalous, and exorbitantly expensive.

When our research connected these dots, we uttered a collective visceral groan—“Oh, my God!” That OMG moment rapidly went from “No way” to “No wonder.” Could a small group of leaders really change a stagnant and stuck conversation about the possibilities of an engaging workplace? We knew enough about the new technologies of engagement to see that the flow of history was rapidly moving in our direction.

We used the social media tools of revolution to coordinate Case4Space. They afforded us great power for expanding our reach while lowering the cost and time commitments for busy and diverse leaders spread across the country. Our mission was simple: Topple institutionalized disengagement and, thereby, liberate people to discover their best ways to work. We were also learning these new ways to work and challenge ourselves. We will get into more detail about this later in the book.

Real and deep engagement is crucial to the success of any enterprise; companies must have it. However, their environments, on the whole, are not social and engaging. Ask one question: Would a Millennial (anyone born between 1980 and 2000) look forward to working here? Companies that have made the shift to an agile and collaborative environment shared common stories with us of people who had worked in the same office and on the same floor for years and yet had never met. One manager told us that a month after working in the new space, she thought the office staff had gotten 20 years younger. She hadn't noticed before because executives were segregated on a different floor and only those invited went there.

The walls are coming down.

Try this exercise. Take a group of people into a large, open room with tackable wall surfaces or whiteboards. Give them large sheets of paper, sticky notes, markers, and tape. Ask them to create a concept for a work environment (don't say "office") using the following words: *high-energy*, *collaborative*, *healthy*, *productive*, *engaging*, *innovative*, *interactive*, *high-tech*, and *regenerating*. Then ask them to create a poster to describe what the experience is like in that environment. Ask: "Does this look or sound like your office? If not, you are not alone." Executives want these qualities in the workplace but are stuck in a very old view of what an office should look like. This book explores the negative effects of that view in Chapter 2 and then where that paradigm came from in Chapter 3.

We could have called this book *The Leadership of Engagement* because that is what we've seen happen to leaders who have

changed their space to reflect the new realities of work. Trust me: That kind of change is much deeper and more transforming than creating a few conference rooms, improving the technology, and adding a Starbucks. However, that is exactly the kind of superficial response that is currently blanketing office buildings across the country.

It is easy to miss the truth. A street merchant's dramatic protest was at first merely the tip of an iceberg. Employee disengagement is also below the surface. Although the water has not risen to the executive floor, the iceberg has already pierced the hull of the company's vitality. The leadership of engagement begins by reconnecting to the physicality and the people of a company, not simply its spreadsheet. It all begins in the workplace.

The hierarchy and vertical thinking that enabled Henry Ford to transform business in his time inevitably became inefficient and dysfunctional in ours. Ford Motor Company's structure and thinking had to crumble in the context of speed, scale, interconnectedness, and complexity. But that kind of thinking and those archaic structures are still enshrined in many of our offices.

We found a common tool, hidden in plain sight—the workplace. Any company could use that space to release engagement throughout the company—and that would bring a new kind of leadership for meeting the new challenges.

This new media landscape has created conditions that every leader can navigate. It is summed up in the acronym VUCA: Volatile, Unpredictable, Complex, and Ambiguous.⁴ For this reason, 1,600 CEOs of global companies list innovation as their top priority.⁵ Innovation is not just nice to have as a corporate capability; it is vital to keep up and get ahead in a world in constant flux.

Change as the new constant is not a new thought. It surfaced in the late 1960s and then hit the best seller's list with Alvin Toffler's book *Future Shock* in 1970. But the whole idea took on new power for me when I was given a very compelling lesson in shipbuilding.

Is Your Ship Ready to Navigate the North Atlantic?

A few years ago, I spent several hours with a director of design and construction for one of the largest oil companies in the world. What he told me about building oil tankers completely challenged my paradigms of how to build an organization to operate in an era of turbulent change.

Building an oil tanker is, as you might suspect, a daunting and monumental task. Each tanker is designed according to its purpose and operating environment. North Atlantic tankers work in the most treacherous environment on earth. Remember the *Titanic*? Fifty-seven other ships have met similar ends.⁶ I learned that oil tankers designed for the North Atlantic have to be able to withstand a direct hit from an iceberg at 7 knots. They have to be able to locate and attach to a floating mooring in the middle of a turbulent sea. Without dropping anchor, they must maintain a relatively stable position while being slammed by 50-foot waves so that their large hose does not get ripped from the mooring and start dumping oil into the sea.

North Atlantic oil tankers rely on satellite tracking systems to hold their position. They have tremendous stabilizers that keep them positioned, even with mountainous waves crashing over their sides. Multiple redundant systems act as safeguards and backups. These ships are one-third the size of a regular tanker but cost three times as much to build.

That image and story should speak to leaders and managers who are trying to lead organizations in hostile and turbulent environments. Most companies are still designed for the more placid and predictable waters. They are built for steadiness and consistency, not rapid change and agile maneuvering.

Today many businesses designed for the stable and certain times of, say, the 1950s, are trying to move a little faster, equipped only with a little more relevance and a dynamic vision statement. But they are still operating in environments for which they were not

designed. We must now learn—and quickly—to build seaworthy vessels that can handle external turbulence with a cultural agility in conditions as challenging as the North Sea is to oil tankers.

What are the criteria for designing and building an organization that can handle the dangers of the “North Sea”? What would a workplace look like that not only facilitates but accelerates change? Let me tell you about one.

The Great Flood

The damage was great and extensive. As I walked through the lobby, plastic drop cloths divided workable areas from those too damaged for operation. I was disappointed at first. I had heard of the beauty of the new CBRE headquarters, that it was a showcase for their advanced workplace strategies. I was there to see, hear, and learn. Lew Horne, president of CBRE, Greater Los Angeles–Orange County, walked down the lobby stairs and apologized for the mess. He explained, “Four days ago a sprinkler pipe burst in testing and flooded several floors. It damaged 50 percent of the office.”

Then I learned that the great flood did the damage on a Thursday night, but by Monday they were fully operational. I was there on Tuesday. I walked through the space with Lew, pushing around tarps hanging from the ceiling and walking around makeshift furniture configurations. The office was not only fully operational, but the people also showed no indications of having just been broadsided by an iceberg. They were buoyant and energized.

Lew told me that none of their files were lost. They had been scanned before the move and were stored in the cloud. Everyone now worked from a laptop. CBRE’s new mobile and free address work strategy allowed their operations group to find temporary space for half of the office. Those who were assigned to the temporary space were notified over the weekend and came to work without any interruptions. The damage was in the millions of dollars, but a small group worked around the clock to get things under control. This flood justified the new workplace strategy, but

more importantly showed what adaptability and resilience actually look like. Lew had not realized that the desire to create greater collaboration and their new, cool, free address environment would also become a key part of their business resilience. It is one thing to have contingency plans. It is quite another to design contingency into the infrastructure of the organization and into its culture.

Welcome to the North Sea

The challenges business leaders face today are more like the North Sea than the previous era of predictable oceans and friendly ports of call. This book has a simple mission: to enable leaders to build vessels that will navigate change and discover new worlds of potential. The new vessels have to begin by reengaging the crew. They must also deal with complexity, resilience, innovation, and change.

The most challenging piece will be to change the culture. Old habits die hard and organizations—by definition—are designed to remain organized! They don't like chaos. But we now operate in chaotic times and environments. We may love the Caribbean, but we are caught in the North Atlantic. This is the reality for the rest of our lives. So, the only questions are: Will we sink and die, or will we reengineer our vessels for our new environment?

Change Your Culture

Assuming that you answered that you have chosen to survive in your new waters, you must change the culture of your company. Peter Drucker said, "Culture eats strategy for breakfast!" Edgar Schein, MIT professor and organizational scholar, wrote that culture is "a pattern of shared basic assumptions that the group learned as it solved its problems of external adaptation and internal integration, that has worked well enough to be considered valid and, therefore, to be taught to new members as the correct way you perceive, think, and feel in relation to those problems."⁷