

SPACE
THE FINAL FRONTIER IN HIGH
PERFORMANCE
ORGANIZATIONAL DESIGN

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OVERVIEW

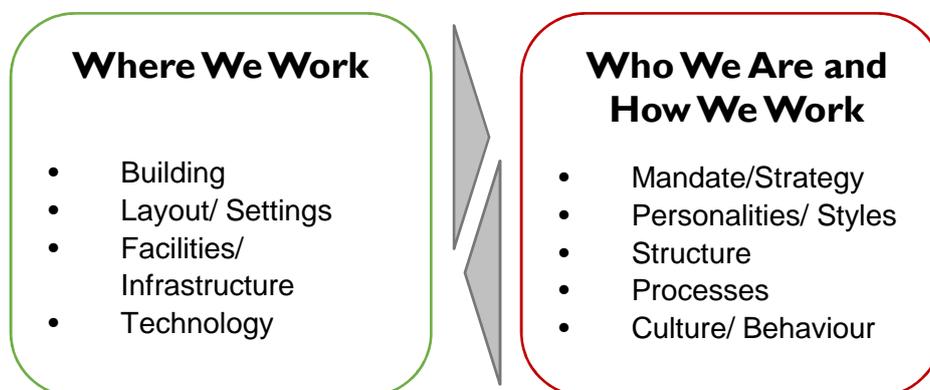
WORK SPACE AND THE PHYSICAL ENVIRONMENT IS NOT JUST AN ENABLER OF PERFORMANCE, IT IS INTEGRAL TO PERFORMANCE. JAMES BOWEN EXPLORES THE CONNECTION BETWEEN THESE CONCEPTS AND SHARES HIS THOUGHTS ON KEY, COMMON FEATURES OF HIGH PERFORMANCE WORKSPACES. HE ALSO PRESENTS A CASE STUDY SHOWING THE INTEGRATION OF SPACE AND PERFORMANCE FROM SOUTHWEST AIRLINES.

Physical environment is a key enabler of high performance. How the workspace is designed and laid out is a key element of organisational design that has big consequences for performance. In itself this is not news; Lean Manufacturing has had a lot to say about effective use of space since the 1950s and Professor Edward Deming, such that space-optimisation tools like 5S and others are now deployed routinely in factory environments around the world. What is interesting, though, is to extend our thinking about the interaction of physical space and performance to consider the contemporary, non-manufacturing environment where many of us currently spend so much of our time.

Many organisations think of office space as just another overhead cost to be minimized. As such the default configuration is some form of open plan and the key performance metric is efficiency in the form of number of staff per X square metres of floor space. Throw in a few meeting rooms at one end of the floor, and a coffee machine/water fountain at the other, and the only outstanding design problems to be solved are the colours of the desks (white or grey) and whether/how high to partition one person's cube from the next one.

High-performing organisations – in lots of different fields ranging from business right through to the military – adopt a more considered approach to the design and layout of their physical spaces. They understand generically that physical environment impacts overall performance in ways that include but extend far beyond cost. Secondly they identify, for their organisations, the specific performance enablers and outcomes to which they want their physical environments to contribute. Finally they understand and actively manage the interactions between their space configuration and layout, their information provision and presentation, and their people cultures, processes and behaviours.

In essence these organisations work to align where they work with who they are and how they work, as shown in the schematic below



High-performing organisations also understand that the interactions identified above are dynamic. They know that their ambitions, strategies, priorities and people evolve significantly over time, so they design their physical environments with adaptability in mind. They steer clear of big investments in fixed structures and pristine finishes, and focus their spending instead in areas that enable flexibility and transformation – from one day/situation to the next and also over time.

When we walk around the facilities of exemplar organisations of this type, certain attributes and themes are obvious, for example:

- > Layouts and decorations of the physical environments are configured to build meaning and connection – both amongst the staff and between the staff and the organisation
 - They focus on 'feel' as much as on functionality
- > Workplaces are designed with multiple configurations to facilitate different, specific activities, processes and interactions, e.g.
 - Individual/private
 - 1-to-1 and small groups
 - Large group
 - Experimentation vs. active doing
- > Technologies are deployed, in tandem with processes and behavioural standards, that enable easy connection within teams and also with other locations – either within the same organisations or outside
 - Recognising but at the same time challenging the so-called 'Allen Curve' that says, in essence, that people who are out of sight are out of sync
- > Fixtures, fittings and furniture are used that are mobile and adaptable – with emphases on rollable, foldable, turnable and/or slideable
 - Deployment of fixed, single-purpose infrastructure is kept to a minimum
- > Relevant, current, and in some instances real-time information on performance, at the right level, is clearly visible and actively managed
 - Another area where the interaction of space, process, information and people/behaviour is key

Adopting a high performance approach to an organisation's physical environment doesn't necessarily imply spending more – it would be paradoxical if it did. Rather it implies spending better – by thinking more deeply and holistically about the purpose of space and layout in the context of the overall organisational character, purpose and design, and by focusing investment in those areas that best enable that purpose and facilitate its evolution over time.

The impact of physical environment on organisational performance, and the interaction of physical space with the other elements of organisational design (structure, process, people and information) can now be measured directly through use of tracking and other technologies. As was the case in the 1950s in the manufacturing world, the evidence is now clear and incontrovertible. Aspiring and attempting to be the best, while adopting traditional cost-centric approaches to the physical environment, is like to trying to cook great food with one hand tied behind your back.

CASE STUDY: What's LUV Got to Do With It?

Space and High Performance at Southwest Airlines

Southwest Airlines, the US aviation leader, is a great case study of high performance thinking with regard to space and physical environment. For example, much of the space at their Corporate Headquarters in Dallas, Texas has been designed around Culture Centers – open-plan areas decorated such as to highlight different aspects of Southwest Airlines culture in action. Culture Centres have also been fitted out to promote people coming together (either by accident or design) to work collaboratively in different group sizes and formats. Interestingly, by implementing this solution they achieved a high performance environment and better utilization (in terms of people density) of space than in their original plan.

Secondly, there are several examples throughout their facilities where the design of their physical space has been integrated with those of their information technology and management processes to allow effective, real-time tracking and cross-functional management of business performance with minimal effort. This capability is a real differentiator for them, allowing them to take more, better, and better-integrated decisions than their competitors, in turn driving both a performance and a learning advantage.

Finally the layout of their reception area (see photo) is also effective in setting the cultural 'tone' for employees and visitors alike. The model airplanes suspended from the ceiling show the evolution of Southwest Airlines livery over the years while at the same time highlighting their singular focus on the Boeing 737 across their fleet. The caption at the back of the area is a quote from their CEO that recognizes the role of Southwest employees as integral to the historical and future success of the airline.



*Reception at Southwest Airlines' Head Office
in Dallas, Texas*

James Bowen is co-founder and Managing Director of Kotinos Partners Limited, niche advisory firm partnering with clients across industry sectors to achieve sustainable high performance results. For more information, visit. www.kotinospartners.com.



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