Transforming the Workplace

Intel Insights on Innovation, Technology, and the Journey to the Transformed Workplace

The Secret of Transformation

Companies need to embrace change or perish. But what's the best way to overcome the barriers to transformation? Intel's experience says to start with the company culture.

The Need for Speed

Two forces are compelling businesses to transform the way they work (Figure 1):

- **Intensifying** competitive pressure from familiar competitors
- **The threat** of disruptive new entrants

Competition

Companies find it increasingly tough to differentiate themselves in their traditional market segments as their competitors gain parity in terms of service, technology, and price. For example, well-known German car companies are being challenged by cheaper cars built in the Far East whose lifetime warranties negate the perceived value of German engineering.

Disruption

Just as Kodak was eclipsed by digital photography and camera phones, so today's hotels are being challenged by Airbnb* and car companies are losing sales to Zipcar*. Size and longevity are no defense against disruption in an age of Internet delivery, crowdfunding, and viral marketing.

These twin pressures mean the push for transformation is coming from the C-suite rather than the IT department. Executives say, "We need to change. We need to do it fast. And the way to do it is innovation."

Barriers to Change

You can plan the ends and the means, but you can't always choose the obstacles you have to overcome. Typically, companies (including Intel) face some combination of these problems:

- **No culture of innovation.** Look at what gets rewards. Usually, it is efficient execution of existing processes, not the development of new ones.
- **Challenges around collaboration.** This is especially true for global businesses like Intel. How do you bring people together if they work on different continents?
- **Industrial-age static work processes.** Paper forms, multiple layers of approval, slow decision-making, and centralized or hierarchical management structures all make it harder to move fast.
- **Inappropriate working environments.** Intel found that most desks were unoccupied first thing in the morning. Why? Because everybody was wandering around talking to other people and looking for somewhere to hold impromptu meetings.

How Do You Combine the Latest Technology with Cultural Change to Make Businesses More Efficient?

Jim Henrys
jim.henrys@intel.com
Intel Corporation
• Attracting and developing new talent, especially digital natives and Millennials.

• Too much hierarchy. There's lots of knowledge and experience in large companies, but it's locked away in stovepipes.

• Technology isn't the same thing as change. You can deploy a fantastic intranet, a cool customer relationship management (CRM) system, and a sophisticated enterprise resource planning (ERP) system, but if people don't use it, don't understand it or find it too complex, it won't transform the way anyone works.

The Foundations for Change

Successful change is built on four fundamental attributes that are about culture, not technology. Getting them right—hacking the company culture, if you like—is essential. They are:

• Innovation. Companies should foster and incentivize innovation and find ways to manage the risks involved and prioritize investments across a portfolio of projects.

• Velocity. Successful innovators accelerate the pace of change. For example, if your competitor takes two years to bring out a new product, set your own cadence to one year.

• Openness. Everybody is connected to everybody else. And ideas, opinions, and expertise all circulate freely. Seek to learn from mistakes, not to assign blame.

• Accountability. Work practices should drive and reward accountability. People are responsible not only for their own work, but also for contributing to the company as a whole.

All this may change the psychological contract between the employee and employer. It can also shake up comfortable illusions and test people's tolerance for change. But, in Intel's experience, the results are incredibly valuable.

The Tools of Transformation

Once you get the culture right, the next step is to pick the right technology. There's an emerging consensus behind the social, mobile, analytics, and cloud (SMAC) stack as the best architectural model for change, although it goes by a variety of names. IDC calls it the "third platform." Gartner calls it the “nexus of forces.” Whatever it is called, it is built on these cornerstones:

• Social
• Mobile
• Analytics
• Cloud
Social

Social in business means giving people natural, intuitive ways to communicate with colleagues, customers, and a broad constituency of experts within the organization. This can be an instant message, an email, a blog post, a conference call, or something else. Employees need easy ways to share ideas, find help, collaborate, and unlock information across the whole business.

Mobile

Today, the ability to work from home is more of an expectation than a benefit. "Work" has become a thing to do rather than a place to go. Mobile working delivers benefits beyond flexible work patterns. It also makes the business more agile and responsive. At Intel, for example, everyone has a smartphone, a laptop, and access to wireless networking.

Analytics

If you can give people real insight in real time at the point of decision, it will transform the ability of the organization to make smarter decisions. This can be as simple as publishing key performance indicator (KPI) dashboards on the intranet and sharing data efficiently, or as complex as a big data project using Hadoop* and machine learning.

Cloud

With cloud computing, people are not shackled to a physical location. Their IT systems are shared, dematerialized, and easy to access and manage. It also means taking a new look at the way IT delivers those services, whether it is from software as a service (SaaS) applications, public cloud servers, or private clouds hosted within the organization.

Over the last couple of years, Intel has been on a journey toward this SMAC stack vision, using pilot projects and rolling out a program of wider deployments to get the transformation on track.

The Way We Want to Work

Intel's The Way We Work program is helping to create physical workplaces that support innovation and trying to make the working environment more in tune with the way people actually work. The company has learned some important lessons along the way.

The office has got to be a place employees want to be, especially if you want to encourage both flexible, mobile working and collaboration. Making the office a hub for digital and analogue interaction—a place for intensive collaboration—will transform the way people work (Figure 2).

The cost per square foot of these new facilities is higher than traditional cubes. However, this is largely offset by the gains in productivity and savings from introducing more flexible working patterns. Of course, if you don't need to build a new building or rent extra space, cost savings are more direct.

Productive Meetings

Intel is also transforming meeting rooms by, for example, deploying digital whiteboards. Forcing people to take pictures of conventional whiteboards on their phone and then email them seems both inefficient and insecure.

Intel is also trying to turn meeting rooms into shared digital as well as physical spaces. This means making it easier for people to join a video conference or share their documents and presentations without a lot of cables.

Eventually, Intel hopes to have voice recognition that can transcribe meetings. It is also looking at wearable smart tags and sensors that let people ask questions such as "Where's Jim?" and "Where is the nearest empty meeting room?" and get reasonable answers on a smartphone app.

Figure 2. Today's work environment includes open work areas, team areas, collaboration rooms, phone booths, conference rooms, and recycling centers.
Transforming the Workplace

Productive Offices
Intel is swapping underutilized cube space freed up by flexible working patterns for social and collaborative areas. The result is working communities and neighborhoods that include:

- Open work areas
- Team areas
- Collaboration rooms
- Phone booths
- Conference rooms
- Recycling centers

Productive People
The biggest gains will come from improved personal productivity. Technology should:

- Provide proactive context and recommendations
- Anticipate our needs
- Locate and automate nearby resources

A small example of this is the digital leash that uses a Bluetooth* connection between a phone and a laptop to warn the owner when their two devices reach a certain distance apart, indicating that they have left one of their devices in a cab or that it has been stolen. Another example is the imminent use of facial recognition, which will be more secure and easier to use than passwords. These are only the first step towards a sensor-rich, context-aware future.

Imagine a proactive digital assistant that combines location-based services, voice command and control, personal preferences, and integration with a calendar to make the user more productive. In the past, only executives had personal assistants, just as only big companies had computers. In the future, everybody will have access to this powerful and personalized support.

For more insights, research, and reports, and to connect with your peers and IT experts at Intel, visit the Intel.com IT Center (www.intel.com/itcenter).