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PROGRAMME: “NICE WORK”

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DATE: 26 OCTOBER 2004

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LAMB: Hello. Do people who work in bright modern offices get more done than people who have to spend their working hours in dingy, dated surroundings? Internet cafés, lively colour schemes and well designed office furniture look great. Can they really raise morale to such an extent that they cut down sick leave? Well designers argue that they can, in fact they say there’s now evidence to show that improving the quality of our working environment not only makes us happier but healthier and more productive as well. On the edge of the City of London there’s an advertising agency which has based its entire business philosophy on the idea that its offices are central to its success. “Mother” was founded just eight years ago. Already it’s grown to become a top-20 agency with a string of international blue chip clients. They’re convinced that the very unusual work space they’ve created has played a big part in that. So I went along to Shoreditch to take a look.

LAMB: We’ve come through the glass doors and into the most colossal space. It’s a huge white brick vaulted room. Ahead of me is a colossal concrete staircase, 15 feet wide, it’s literally like a stairway to heaven rising up through the core of the building and it’s caged in on either side with what I can

only describe as chicken wire really, it's very slick but essentially it's chicken wire. Not quite sure what the intention is there. We'll find out when we get to the top.

LAMB: Well Andy Bellis who's a strategist here has joined us now and we are heading up this enormous staircase. We've now arrived at a huge open plan space, quite a low ceiling, very industrial feel, it's all painted white and enormous concrete, they look like concrete desks?

BELLAS: Yea.

LAMB: 30, 40 feet long, these desks, they're enormous and people sitting round working at laptops. There isn't any of the usual office paraphernalia you'd expect, there's no desktop, everyone's got a laptop computer in front of them, stuff scattered around. It doesn't look like a normal office. Why's it like this?

BELLAS: Really because we wanted to create an open culture. We didn't want to build barriers between people in the way that they worked. We don't disappear to an ivory tower on the 10th floor with marble walls and kind of oak panelling, this is where we do our business and this is where we want everybody to be part of.

LAMB: How many people have you got here?

BELLAS: There's about a hundred here.

LAMB: Does anyone have their own desk or does everyone just turn up and hog desk and find a spot every day?

BELLAS: We don't hog a desk every day, we kind of move round probably about every three or four weeks.

LAMB: But everyone has to move every three or four weeks, do they?

BELLAS: Yea, everybody has to move.

LAMB: Why?

BELLAS: Just because it freshens it up and it changes who you sit next to. One week you'll be sitting next to a creative director and next week you'll be sitting next to a runner, or somebody who works in finances.

LAMB: And does that work? I mean thinking of something like the finance development. If you scatter them around the building, can they actually work as effectively as they would normally do if they're all sitting round a work station?

BELLAS: It seems to work, nobody's yet complained.

LAMB: To give you an idea of how relaxed this office is we just walked past a sleeping baby in a buggy and Andy tells me that there's often babies here and even a couple of dogs running round. It's a very laid back atmosphere. You're in the advertising business, it's a really lovely space, it's really airy and bright and relaxed. Presumably part of that, it's about selling yourselves to your clients, they expect Ada to look like this.

BELLAS: Absolutely. For us our space is really important and it's important for two reasons. First is incredibly self selecting. So you walk into our office, you know the kind of people that you're going to meet and you know the

kind of work that you're going to create, we're going to create for you. Now there are certain types of clients who just won't want that. They'll walk into our office and go, this isn't what I want. I want to meet a 55 year-old, pin-striped man who's going to take me for lunch and tell me everything's going to be all right. But what we're finding is that's changing and clients come here because it opens them up. Most of our clients' office cultures are nothing like this. Often we'll find clients hanging out here as well because it enables them to kind of open up and feel differently about the problems that they're solving.

LAMB: Well communal desks the size of squash courts and compulsory musical chairs every month might sound extreme but the thinking behind initiatives like that is becoming more widespread, even among much more conservative employers. With me now I have two experts in the field of office design, Frank Duffy, architect and founder of the firm DEGW, and Professor Jeremy Myerson of the Royal College of Art who's the author of a number of books on the modern office. Frank Duffy, I think we can all conjure up a picture of traditional office buildings of cubicle offices, the long dingy corridors. Where did that model come from originally?

DUFFY: The office is basically a 20th-century phenomenon but it's roots lie in the industrial revolution. When people came down from the hills and from valleys and from mills and were set in front of the looms and that was a very different way of working from the old ways of working because it depended upon co-location, everyone being together in the same place, and synchrony, everyone being there in the same place at the same time. These big categories influenced the shape of the office and how to develop it in the 20th century.

LAMB: And the layout of the buildings reflected the hierarchical management style, presumably?

DUFFY: Yes a hierarchical management style and also attitudes that have come from scientific management that people are units of production and not sentient feeling beings who have autonomy and can make decisions on their own. They're part of a machine. The metaphor of the mechanism is very strong in the early literature of the office.

LAMB: Obviously since the Second War we've seen change but in the last 20 years in particular, we've seen dramatic change in office design. What's been the big mover behind that?

DUFFY: The key moment was the decision by IBM to legitimise the use of distribute intelligence, the personal computer at the beginning of the 80s. That changed absolutely everything.

LAMB: Jeremy Myerson, what did you make of the way that advertising agency Mother have handled their offices? Did that sound a good solution to you?

MYERSON: Well I think it's appropriate for what they do. They're a creative firm, they are producing new knowledge, new ideas and it's a collaborative effort and they've got a young workforce who haven't been through the generational mindset of people who've worked in traditional offices for a long time. But Mother, I would say, is an extreme example. Most people do not work in these environments and this is a firm with a good eye for marketing. Ad agencies around the world are using their offices as kind of brand tools to explain to their clients that they are different and that they're creative.

LAMB: It's the office as shop window, isn't it?

MYERSON: It is. It's the office as the next frontier of how you market your business.

LAMB: What about hot desking? Do you think that's really an effective way of making people work, because it is unsettling, isn't it?

MYERSON: Well all the research shows that people have an anthropological urge to nest. People want to defend their own territory, it's one of the primary urges of the work place and you'll see it, people who have been turfed out of private offices into open plan, they build their own little landscape with filing cabinets and screens and try and ward off all invaders.

LAMB: So if you take their desk away and make them just grab a desk when they can find one, how's that going to make them feel?

MYERSON: A lot of the studies that we've looked at at the Royal College of Art have shown that people are highly miserable and there was a very famous case with another ad agency called Chiat Day and I think it was Newsweek wrote about it and they said, "no places, no desks, no chairs and no survivors." The company abandoned completely the hot desking idea and gave everybody their own defensible space.

LAMB: Really. So they reverted to what we think as a traditional office layout?

MYERSON: Yes. I was amused to hear about Mother saying that everybody will move to a new location every month when we say the word and is that a 21st-century version of scientific management. You will be touchy, feely and creative when we tell you to.

LAMB: It's debateable, isn't it? We have been talking about some pretty radical ideas and radical is not a word most of us would associate with the Civil Service, but the refurbishment of the listed treasury offices in London's

Whitehall has transformed life for the people who work there. Out went all the old Yes Minister style panelled offices and endless corridors, in came glazed atriums, sophisticated cafés and, most dramatic of all for the staff, open-plan desks for everyone. That's from the permanent secretary at the top of the ministry to the lowliest clerk at the bottom. It all cost £140 million and our reporter, Mike Johnson, went along to see how life has changed for the thousand people who work there.

JOHNSON: This is the reception area of the new Treasury building in Whitehall and the first thing that strikes you about it I suppose is how tall it is, probably about oh, 120/130 feet. It's got a clear roof, it's very light, bright space. It reminds me a little bit of a shopping centre really I suppose. With me is Paul an from the Treasury. He's overseen all the changes over the past few years. First of all Paul, what changes have there been?

PEGLAR: Well if you'd been here three years ago, you would actually have been standing in a very wet puddle because this would have been open to the elements. We have covered it which makes a fantastic space for people to be received into what we think is a much more welcoming and open Treasury building. It's great for the people coming in, I think it's great for the people here to. They are proud of showing this building off and that's all the way to the top including Gordon Brown.

JOHNSON: Let's go inside and have a look.

PEGLAR: So we're going up in the lifts now to the fourth floor. The last lifts which again it adds I think to the whole airiness and brightness of the place. You can actually look out and see what's going on in the Treasury and indeed as we go past the second floor you will see the permanent secretary, Gus O'Donnell, actually sat at his desk there which is a major operation innovation.

Everybody from Gus O'Donnell down, including his six managing directors, are sitting in open plan space, therefore are visible to the rest of the organisation.

JOHNSON: Why does that matter?

PEGLAR: It makes them feel that Gus knows what they're doing. That's important. I think it's also a lot about trust as well and there's a lot of trust involved in being able to see somebody like Gus sat at his space, seeing what he's doing and vice-versa, he can see what other people are doing as well.

JOHNSON: Well we're entering now into the main fabric of the building. It seems to me quite an open plan sort of office. Looking round there's David Hockneys on the wall, it's very, as you said, light and bright. What's important here?

PEGLAR: Here we took out something in total like 7½ miles of walls and as far as I'm concerned, not just removing physical walls, but psychological walls as well. So in this sort of space you have people working in an open environment being able to see each other, easily communicate with each other, meet with each other within the space as and when they need to.

JOHNSON: With us also is Tim Allan who advised the Treasury on the whole change. Tim, what was it like people getting used to this? It can be a big cultural change for people can't it?

ALLAN: I think that's a very good description actually. The cultural change of the Treasury's been quite enormous. There was quite a programme lasting a couple of years taking the people within the Treasury through what's the project about, why is it taking place and what does it mean in terms of changing the way that you work within a work space because you're moving from

something very much more traditional. It is an open plan space for the large part which means that for some people that's quite a change in working habit.

JOHNSON: Paul Peglar from the Treasury, coming back to you, has it changed the way they work?

PEGLAR: Drastically. It's helped them create an environment in which they collaborate much more and cooperate with each other much more, not just within teams but across teams and indeed across the whole organisation.

JOHNSON: We've come to the café area in the Treasury now and there are also computers around the edges of the room here. This was a bicycle shed, believe it or not, used to park their bicycles in here. What is this area used for, work as well as play or what?

PEGLAR: Yes work and play. There are a lot of meetings going on in here at the moment. People like the space because they can come here and they sit down and chat to people about business. There's a lot of social interaction in here as well and we provide the pc's so they can go on the internet if they want to away from their work space.

JOHNSON: Well change management consultant, Tim Allan, is still with us. Tim, how important how are these kinds of spaces?

ALLAN: What the spaces do is provide an appropriate area within the building where people can really get to chat with each other because organisations now are about knowledge working, it's about net working, it's about knowing who's doing what. So what they do is to provide a real space where people can get together, they can chat and business really does get done.

JOHNSON: As Big Ben strikes, so the key issue is productivity I suppose from an organisation's point of view. Does changing the environment in which we work make us more productive?

ALLAN: The holy grail question? When you are getting responses from people within an organisation who themselves feel they are more productive, that they enjoyed being at work more, they enjoy the space, they get to know more people, what organisation wouldn't want that out of people working for them?

JOHNSON: We're just moving among the tables here. How different is this new building to the old one?

LADY: People used to say that it actually looked like old hospital corridors. But now it is nice to be able to get away from your desk. It doesn't actually feel like you're just there to work, it's like you're there to have fun as well.

MAN: Just after we moved through here I went back into the old part of the building and I realised just how dingy and dirty it was and depressing and cubicles for staff, very little contact between people. You're not locked away, you're not feeling so shuttered and sort of compartmentalised as you were before.

LADY: I'd have been very unlikely to come and work here if it's as dingy as it's reputed to be in the old days.

JOHNSON: You joined it fairly recently?

LADY: In May this year, five months ago.

JOHNSON: So you knew that it had been redone, if you like, and was it a factor in joining?

LADY: Yes I think it makes a difference how you feel about coming to work in the morning, it makes you feel more positive towards starting a working day.

LAMB: Mike Johnson reporting there. Frank Duffy, I know your company helped the Treasury plan how they would use this space. We heard the staff saying in Mike's report that the place is transformed, they really enjoy it, £140 million is a lot of money. Is it really possible to quantify the benefits of good office design?

DUFFY: I want to say first that open plans are not for everyone. Each organisation has to find its own destiny. What happened in the Treasury wasn't just a spatial transformation, that was part of it. It was a change in the technology, in their way of working, in their process and in their culture and they were deliberately setting out to reinvent themselves and I don't think you could actually quantify the benefits of a great organisation like that changing themselves from basically a 19th-century bureaucratic structure into something much more agile, more open, more lively and more integrated.

LAMB: It's slightly concerning though isn't it, £140 million and you're saying you really can't actually nail down the benefits?

DUFFY: The benefits from this programme are related to the particular objectives the Treasury wanted which was team work, they're involving people in the process and the use of more powerful technology in order to solve complex, open-ended problems in a better way.

LAMB: And as you say this was part of a cultural change at the Treasury. Do you think there can sometimes be a danger that organisations fall into the trap of thinking if they design a lovely bright new modern office, they've actually done what they need to do in terms of changing the culture of their business?

DUFFY: It's a very naïve thing to expect that the physical environment will do anything on its own. It has to be seen as part of a programme of transformation and with leadership in place, which certainly exists at the Treasury, with inventing a new culture, with communicating so that everyone is involved in the process and hopefully feels like they own the process, that they're part of it and that they share in it and they are significant in it, they're not just parts of a great anonymous machine.

LAMB: Jerry Myerson, have you come across this, that people feel that the physical environment is all they need to do? I've certainly worked in a lot of organisations where the environment was great but the management was antiquated.

MYERSON: Well absolutely. It's a bit like the lipstick on the face of a guerrilla. You can change the physical environment but if you don't have the change management programmes and address the design of work itself, then all that investment can be wasted.

LAMB: So good design can be a bit of a band aid on corporate problems?

MYERSON: Well it can be but, conversely, I would argue that you can spend a fortune on changing your culture, but if you don't actually address the physical environment, the architectural container into which this change in work is going to take place, if you don't address that, then all the investment in change

management is wasted and I think physically environment every anthropological study tells us that there is a tremendous relationship between habitat and human behaviour. Therefore you have got to have the two things going in tandem. If we think back to the 20th century, if we look at factory work, changes in productivity, factory work increased 600% during the 20th century and we face a similar challenge at the start of the 21st century to do with knowledge office work and we're in the dark at the moment. We're tearing down walls and we're putting in lots of white space and we're encouraging people to work at long desks. But actually we don't know what the answers are and we won't know for a number of years.

DUFFY: I hate formulas. There have got to be lots of different ways of inventing, reinventing work.

LAMB: And it's an evolutionary process.

DUFFY: Yes.

LAMB: Well while some employers are busy making their offices better places to work, others are making the most of new technology and persuading their staff to work from home instead. These home-based workers remain on the company payroll, but they only come into the office as and when they need to. BT has led the way in this field in the UK. It was one of the first companies to move away from the idea that staff needed to be in the office every day in order to do their jobs. Now 10% of its workforce are home based. That's 8,500 people and our reporter, James Silver, caught up with some of them when they dropped into BT's café at its Head Office in London.

LADY: I love it. You can just get up and go straight through to your study, start work straight away, get logged on immediately. If it's a nice day you can spend a bit of time in the garden and make up for it later. There's no

traffic to worry about. Quite a few negatives as well. You never switch off, do very long days.

SILVER: What do you miss about the office when you come in?

LADY: I could honestly say I miss nothing at all.

MAN: One of the downsides working from home is I have a young family and sure enough around 4 o'clock they come home from school and they're not very considerate. The fact that I'm still at work, I find that probably the biggest challenge working from home.

SILVER: You've got a young son, so it's helpful for you to work at home?

LADY: Yea, I'm able to drop him off at nursery, still come back, do my work, log off early, play with my son, be a mother and then log back on and still do a good job, fingers crossed.

SILVER: You don't find there are too many distractions at home?

LADY: I have no distractions at home once he's gone.

SILVER: Where do you work, at a kitchen table?

LADY: I've got a space at the back of my living-room with my desk and my chair and phone and all the bits and pieces that I need to do.

SILVER: And you're never tempted to turn on a day time TV?

LADY: Sometimes, is that the wrong answer?

MAN: The only real difficulty is a psychological one really, the fact that you're home alone for a day, you don't have that kind of human interaction, perhaps the office banter that you would working from an office location.

SILVER: What if it's a nice sunny day and you suddenly look out the window and you think, I'm on my own, no-one's going to know.

MAN: Actually they will know because when you get asked, "okay what have you been up to?". If you haven't kind of hit your targets then they will know, there's no hiding that.

LAMB: Caroline Waters is with me. She's director of People Networks at BT. Caroline, why is BT so keen on home working? I know it saves you about £6,000 per person per year. Is that what it's about?

WATERS: No, it's much more than that. We're an organisation that's absolutely focused on optimising the space that we have and maximising the performance of our people and what we've come to understand is that there is no one solution. All sorts of different people need to work in all sorts of different environments and we've got 8,500 people who work from home, who are on average 20% more productive than their office-based colleagues. Yes it saves the business money, but it's really about maximising their potential and their output both for them and for BT.

LAMB: Now I know rather unusually staff at all levels at BT home work. Now this is not common, is it? A lot of organisations allow people to be home based but it's usually senior people because they don't trust their more junior people? It's everyone isn't it? You even have PAs working at home?

WATERS: Absolutely. But I think one of the fundamental things is you're absolutely right. It is about trust. So one of the things that we had to do was really understand the kind of organisational culture that you need to create in order to be able to enable people to work in this way and if you can create trust-based relationships that are based on outputs and we heard one of our guys there talking about how important outputs are. He has targets, he's very aware that he needs to meet those. Then anybody who you can set performance targets and measures for, PAs, we have MDs that work from home, it's practical.

LAMB: Now Linda Doe is also with us. She's principal psychologist at her own firm, "Psychology at Work". I know you help companies to adapt to home working. Where do you find that most employers go wrong with this, because it's not always successful, is it?

DOE: Indeed, it's not always successful and I think that often the starting point for employers is a cost saving or a desire to change the culture that they think just by changing the way that people work in the environment that they work in that that might have, rather naïvely, a major impact on the culture itself which it isn't as simple as that.

LAMB: What would you see as the big disadvantages of being home based?

DOE: I think it depends a lot on the age of the person and their career stage and why they want to do it. For instance, some people are motivated in a very positive way and have quite a lot of work experience and have gone through the mill of working long hours, travelling, enjoyed corporate culture, have a long tradition of being in the work place and then go to work at home and realise there are some disadvantages but they kind of say, "Well on balance this works for me" and that can be a very positive thing. For other people they may actually be saying, "well I don't want to be in this work environment, I don't

have good relationships with my colleagues, wouldn't it be good to get away from the office and get away from all of this?" Now for the former example, that can work quite well. For the latter example, for somebody who's doing it for very negative reasons, how their long-term motivation will be affected we don't actually know. Once they've got rid of the things that they don't like, what's going to motivate them in the long-term being at home? So it will make a big difference.

LAMB: Caroline, I know you've got about 10% of your workforce doing this at the moment. Is that plateaued out or are you expecting a lot more of your staff to be home based in future?

WATERS: I think more people will begin to work from home but I think also we'll see increases in other types of flexible working. It's not just about office working versus home-based working. There are all sorts of models and variations and actually I think we'll continue to see a growth in all of them as the nature of work evolves and people's reaction to how they work best in those new environments comes through. So yes we're expecting change, that's the one thing we all know is going to happen.

LAMB: Let me bring Charles Dalton in at this stage. He's a man with first-hand experience of working from home. You worked for a large marketing company, didn't you? How did you come to be home based?

DALTON: It was the travelling for me. The office that I was working out of got transferred to a further 100 miles from my home and so I found I was doing anywhere up to 3½ hours of travelling each day. So I opted to start to work from home on an occasional basis and that's progressed more to about three days a week that I was working from home.

LAMB: I don't know about you, but I've been part-time home-based working about ten years now and I found one of the big problems with it was that people don't understand you're working if you're at home. Did you find that?

DALTON: It's exactly the problem that I had. At the time our son was three years old and he thought that if daddy was at home it was always playtime. Similarly, my wife always felt that if I was at home all day then there was going to be a transfer of household duties, which I wasn't so happy about either.

LAMB: So how did you solve those problems?

DALTON: It was getting to the point where it was getting ridiculous where I just couldn't get on and do my job.

LAMB: So you actually needed to go somewhere physically separate, an office?

DALTON: Exactly that. I needed fresh air between my home space and my work space and so I looked into what was available and really there wasn't anything available, which is why I started my current company.

LAMB: Now your current company makes home office buildings. I've got a picture of one in front of me. Now I know you don't like them to be referred to as sheds, but I have to say it does look like a shed to me. I'll just waive it round the table so that everyone one else can have a look at it. But it's a timber building, it looks like a nice garden shed. How is it different to a garden shed?

DALTON: We refer to them as personal office buildings. So all the electrics are in a standard, it's all fully insulated so it takes nothing in the way of

heating or cooling to it. It's all fully equipped with desk space and basically it means it's a ready-to-work work space, but it just happens to be at the bottom of the garden.

LAMB: Now I'm intrigued because I know that obviously self-employed people, small business people have bought these off you, but a growing part of your business is these home-based corporate employed people buying them?

DALTON: We've watched this really over the last two years how the shape of inquiries and sales have changed from the traditional people that you'd expect to work from home, the creatives, the consultants, through to a much greater degree now through the corporate home-based worker.

LAMB: Now we're nearly out of time but let me just bring Jeremy Myerson back in briefly at this point, because it does seem to me that Charles' offices, I'm not going to call them sheds, are another example of how work has sprawled out of the office. I mean even if you're not a home-based worker, even if you're not self-employed, I think almost everyone now finds that they take some work home with them at some point.

MYERSON: We're entering a phase where work is no longer contained within the work place. It's seeped out, it's spilled out and it's everywhere. It's in our homes, it's on the High Street and I think the whole debate about where we go with office design and how it affects culture, we're all groping in the dark, we're all looking for new answers. But I think we are beginning to see work now as distributed and for everybody, even in a full-time job, there are some element of preparation or work at the end of the day that involves the home. Most people have got internet access in their homes nowadays and we're seeing through technology and through social change, work become distributed across a whole continuum of places. So I think within a few years we will stop talking about

what we must do to our office and what we must do to our home and we will begin to see work as a kind of narrative that stretches across our lives and it's how we manage that narrative is the big issue.

LAMB: Well I'm afraid that's all we have time for. Many thanks to all my guests. Next week we're going to be looking at dyslexia in the work place and next month we're going to be looking at age and working beyond retirement. If you'd like to contribute your ideas to that debate, then drop us an email. Here's the address, nicework@bbc.co.uk.