

“Real estate is the second largest expense for companies and a lot of it is sitting idle.”

Jim Brodie, Manager Mobility + Workplace on Demand, IBM Canada Ltd.

In 2007, IBM had a vision.

Dino Trevisani, VP Financial Services understood that while business practices and technologies had evolved to support a mobile work culture, current real estate was underutilized and not supportive of a growing desire by employees for more collaborative work environments for fluid project teams. IBM's answer was to address these business constraints with an alternative workplace solution that would substantially reduce real estate costs while enabling people to be more innovative and flexible in their day to day interactions.

IBM retained figure3 to create a new ‘Workplace on Demand’ agile officing concept supported by IBM's ‘RapidReserve’ booking systems technology as a pilot project for financial services sales teams. The pilot leveraged a utilization study to optimize workplace usage in a free-address model.

Dino's mandate focused on three key strategic business process mandates:

1 consolidate three downtown sites into two by improving utilization by 40%;



2 create a welcoming, innovative environment for customers reflecting IBM's brand platform of ‘smart innovation’;

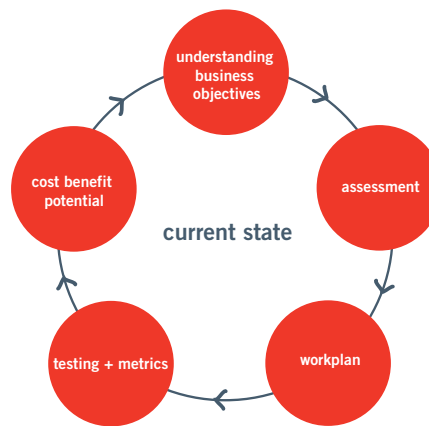
3 increase levels of collaboration to better serve IBM's key financial services market.

The first Workplace on Demand pilot project encompassed a complete renovation of one of three existing IBM salesforce premises, adoption of new space standards, and the integration of IBM's own reservation system to manage on-site and remote booking capabilities for IBM's 250 employees.

“In the agile workplace, it’s not about density, it’s about utilization. It’s a completely new way of thinking about the workplace.”

figure3’s process integrates business processes, technology and human capital stakeholders to evaluate high level objectives, technology readiness and management readiness for a more mobile, agile workforce.

Implementing a pilot agile office program is a five-step process:



1 understanding business objectives

what are the goals for space reduction?
collaboration + innovation improvements?

2 site assessment

how might a pilot program be implemented?
which groups may fit a readiness profile? what existing technologies support agility of employees?
which groups may benefit?

3 workplan development + implementation

scenarios for pilot program space plans, communications for change management, facilities costs, process and implementation

4 testing + metrics

pre and post-measures to evaluate success, gaps, improvements

5 cost-benefit potential

real estate assessment of rollout program within portfolio

pilot program results:

- IBM realized a 40% space reduction with a significant net reduction in operating costs
- Increased collaborative sales culture lead to enhanced productivity and increased sales
- Free address strategy increased capacity by 50%
- Reduced footprint freed up floor area to increase conferencing ratios by over 200%
- Improved communication flow reduced time investment and increased innovative solutions to market Reduction of \$800,000+ /year in leasehold costs
- IBM is currently rolling out ‘Workplace on Demand’ models for sales and other functional groups internationally

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