

# A new way of working: Case study of Siemens AG's collaborative work environment

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*Received (in revised form): 3rd March, 2015*

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## ABSTRACT

Siemens AG is a global technology company that has been operating for more than 165 years. The company is active worldwide, focusing on the areas of electrification, automation and digitalisation. Siemens AG is a producer of energy-efficient, resource-saving technologies, such as offshore wind-turbine construction, supplying combined cycle turbines for power generation, providing power transmission solutions as well as infrastructure solutions and automation, drive and software solutions for industry. At the end of September 2014, the company had around 357,000 employees worldwide. It is therefore important to maintain and further develop a high-quality work environment for Siemens' employees. Such work environments are also critical to be attractive to the best talents of tomorrow. At Siemens, the new way of working is about creating a setting that enables employees to choose the best working environment based on the tasks at hand, while fostering a spirit of collaboration and inspiring them to perform at their fullest potential. Employees in the new environment enjoy a culture of trust, state-of-the-art IT and innovative office concepts, allowing space for creativity, collaboration and personal responsibility.

**Keywords:** *collaboration, open office, work environment, mobile working, real estate, change management*



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## THE IDEA BEHIND IT ALL

The issues of sustainability, diversity, health and wellbeing are destined to play a crucial role in the future design of working environments, both in the interest of business success and in meeting the expectations of employees. Employers and employees alike are challenged to come up with new ideas and new ways of finding the right answers. If Siemens intends to prevail in the tough competition for the world's best and brightest talent, the company needs to exhibit the outstanding characteristics of an employer of choice. These include a corporate culture and unique work profiles, as well as state-of-the-art technologies that facilitate collaboration across national borders and continents, and space concepts that are optimally suited to fostering the creativity and performance of employees in the interest of achieving the company's goals.

The goal of the project was to create trend-setting work environments in close cooperation with the Siemens business units, to create long-term conditions worldwide that allow for both concentrated individual working and intensive collaboration in teams in an innovative, integrated office concept, without losing sight of cultural differences. New working environments, however, are not just an end in themselves. They pave the way for a leadership culture shaped by trust, for sharing across departmental boundaries and for work-life integration. Yet, supporting employees who are increasingly social, mobile and collaborative requires sufficient preparation, the full support of executive management and willingness to support choices about where to work.

## FIVE CORE ELEMENTS LEAD TO SUCCESS

### **Advance mobile working: Working wherever, whenever**

Mobile working is the new way to work in this new set-up. It enables employees to work more autonomously while in the

office, yet also offers the benefits of being able to work outside the office. Employees are empowered to choose the most suitable place for the various tasks to be performed. Mutual trust as well as suitability of functions, tasks and abilities form the basis of this set-up, and company policy and legal regulations also must be taken into account.

### **Enhance work-life integration: Support in daily life**

To promote high levels of employee satisfaction and motivation, Siemens supports employees with health and wellbeing measures and ergonomic office equipment. Siemens offices that have implemented the new concept provide employees with optimal workstations and exposure to natural light (Figure 1). A good spectrum of work-life integration measures helps employees achieve work-life balance and promotes a sustainable corporate culture.

### **Full use of IT equipment: Online any time, any place**

Powerful information technology (IT) is a prerequisite for mobile working and non-territorial office concepts. With state-of-the-art communication and collaboration platforms, Siemens ensures that clients, partners and employees reach people rather than machines.

### **Establish an open-office landscape: Attractive, functional and economical**

An open-office structure makes way for clearly defined functional areas for heads-down work, concentration, creativity and so much more. An open office is attractive, optimised and highly functional, for an efficient and modern use of space (Figure 2). Transparency and visibility of the open-office landscape ensures performance and interaction by reducing partitioning walls to a minimum, avoiding individual rooms/small rooms, centralising elements like copy/print

and archiving and replacing individually assigned storage with centralised storage.

### **Define non-territorial usage: Always in the best place**

Non-territorial usage is the general office standard with the exception of a few work functions. It is not about assigned workstations, but the best place for the employee's current task. The places of work vary in functionality and ergonomics and thus encourage results, creativity and health. Workstations are unassigned and are therefore 'shared', but that does not mean every employee has to look for a desk when they come in each morning: every department has a section of the space or 'neighbourhood' where teams and departments regularly reside. And even visitors from other locations can easily find a working desk, something that is getting increasingly more important with people working together on a project basis. As shown in Table 1, the Siemens office format offers differentiated workplace options, ranging from concentrated working in 'think tanks' to more interactive work in 'meet and talk/café' areas (Figure 3) or other meeting points and collaboration spaces.

### **THREE WORK STREAMS FORM THE BASIS**

The new way of working is a concept that can be applied in any work environment, even in the absence of a physical move or reconstruction. At Siemens locations across the globe, managers are embracing the mobile work environment and better work/life integration aspects of the concept to help employees be more effective, more collaborative and more satisfied. The success of the Siemens office concept can be attributed to three key work streams: human resources (HR), IT and Real Estate.

#### **Working environment**

Siemens implements an inspirational, flexible and functional work environment,

which motivates employees, attracts new talent and creates an excellent, sustainable working culture. The focus therefore is on self-determined mobile working, optimised work-life integration and, last but not least, trust and mutual respect between management and employees.

#### **IT environment**

Innovative hardware and software is provided in order to promote Siemens' goal of mobile working and provides the opportunity to offer clients, partners and employees optimal communication and collaboration platforms at any time. This is provided by the various Siemens *real-time collaboration* IT tools, which are continuously optimised and updated.

#### **Workplace solutions**

Employees can choose between diverse ergonomic and functional workstations to best suit the accomplishment of their current task. In this way the company encourages employees' health and creativity, while, at the same time, improving the quality of their work. Ecological aspects are also taken into account when implementing the new concept.

### **CHANGE MANAGEMENT AND COMMUNICATION**

The global roll-out is realised in projects following three main triggers:

- new office construction;
- consolidation of office locations;
- major moves and refurbishment projects.

As illustrated in Figure 4, the local roll-out starts with the establishment of a project organisation with divisions/business units and partners from HR, IT, Real Estate, Change Management and Communications. It is important to involve the respective HR and Communications departments at the beginning of the process and start a change



*Figure 1 Siemens offices that have implemented the new way of working provide employees with optimal workstations and exposure to natural light (Siemens Corporation, Iselin, NJ)*



*Figure 2 The new way of working open-office layout is attractive, optimised and highly functional, for an efficient and modern use of space (Siemens Corporation, Iselin, NJ)*

management process as early as possible. Workshops with management, to get their buy-in, and the active involvement of employees as early as possible are equally important.

### **Change management**

The new way of working implies a comprehensive change to the Siemens working culture. The changes implemented as a result of the new way of working create emotions of anxiety and resistance, which are normal reactions in human nature. Change management therefore is a building block of the respective local project. Assisting employees and their managers through the emotional changes is key to a successful implementation and acceptance of the concept. On an overall level, HR creates the respective guidelines, tools and training concepts, while a change manager implements the change management process. The role of

‘change agent’ is assigned to local employees to adapt the concept to the local situation. They are promoters of the project and the interface to and between management and users. One of the most effective measures to help employees understand the new concept is a showroom set-up. Here, employees and managers physically see and feel how the environment will look and function and develop real enthusiasm for the project.

### **Communication**

The focus for the gradual introduction of the new way of working at the sites is on face-to-face and local communication. Initial employee communication is a first message from the top about the forthcoming transformation. Further and frequent measures such as town-hall meetings, newsletters, intranet sites and blogs take place subsequently and provide more details about content, timelines and goals.



**Table 1: Siemens' new way of working features**

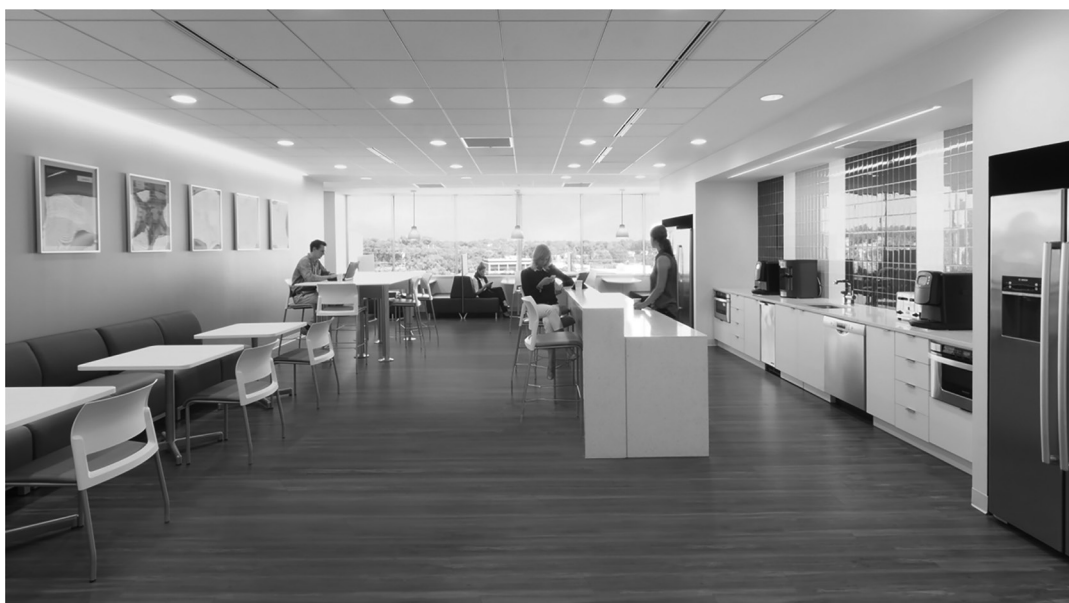
<i>Feature</i>	<i>Concept</i>	<i>Use</i>
Meeting point	Open meeting areas with unique attributes that create draw and differentiation from traditional enclosed conference rooms. Bar height and table height furniture options to be used for individual work or collaborative meetings and discussions.	<ul style="list-style-type: none"> <li>• The features are designed to clearly define the boundaries of a space with furniture rather than walls and doors.</li> <li>• To add variety and support <i>ad-hoc</i> collaboration.</li> </ul>
Think tank	Think tanks are small enclosed rooms furnished with simple elements.	<ul style="list-style-type: none"> <li>• Think tanks are placed in locations that are visible from shared seating, so that staff can easily identify if these spaces are available for use.</li> <li>• To be used as a quiet room for heads-down work or concentration, as an alternative to workbench spaces.</li> <li>• This space also can be used for small collaborative discussion.</li> </ul>
Phone box	Enclosed space for individual use at an increased privacy level, to provide space for telephone conversations to be held without disturbing surrounding workers in the open-plan area.	<ul style="list-style-type: none"> <li>• Used for quick phone calls or planned conference calls.</li> </ul>
Meet & talk/café	Central open meeting place that combines multiple furniture settings and pantry facilities to create engaging environments.	<ul style="list-style-type: none"> <li>• To create a hub of activity that supports mobile working and collaboration.</li> <li>• A café area for enjoying lunch or coffee.</li> </ul>
Lockers	A mobile working environment centralises personal storage.	<ul style="list-style-type: none"> <li>• Each individual will have their own personal locker.</li> <li>• Store all personal belongings out of the way each day or night.</li> </ul>

## A NEW WAY OF WORKING AROUND THE WORLD

More than 55,000 employees worldwide are already working in the new office environment. Results from the physical transformation in refurbished locations include improved space usage, increased organisational efficiency, minimised adjacent areas and the achievement of more open and transparent communication between different employees and managers and departments/teams. This might not work everywhere around the world and, although it is definitely possible to realise the new way of working in locations in different countries or regions like Germany, Europe, the Americas or Asia-Australia, it is important to take into consideration different cultures and country-specific requirements. 'A country-specific implementation is vital.

What works best in one country can even be prohibited in another', said Harald Waitl, a Siemens real estate expert in UAE. In Dubai, for example, implementing the concept consistently was challenging in light of local labour laws. In Moscow, one challenge to cope with was the climate. Therefore, an appropriate wardrobe and locker system was necessary for storing employees' winter clothing. As another example, in the offices in Seoul, it was very important to take into consideration the characteristic project concern of the main local Siemens division by implementing a highly modular design concept that allows a maximum of flexibility.

By now, the authors can say that the concept can be and has been implemented worldwide. Many employees have already embraced the new concept and brought it to



*Figure 3 Meet and talk/café area: A central open meeting place that combines multiple furniture settings and pantry facilities to create engaging environments (Siemens Corporation, Iselin, NJ)*

life. They appreciate the creative space and flexibility it offers and informal sharing and constructive collaboration have improved demonstrably. While the Siemens office concept now has been thriving for over four years, it is a constantly evolving programme, with valuable lessons learned along the way. The company has adjusted desk-sharing ratios as needed, continued to find ways to improve IT, change management and communications, and avoided taking a 'one-size-fits-all' approach to implementation.

### **Siemens embraces the new way of working in Iselin, NJ, USA**

The roll-out of Siemens' new way of working programme is in full swing at more than 80 Siemens locations throughout the globe, and employees have been thriving in their new open-office environments worldwide. In November 2013, Siemens employees at the Leadership in Energy and Environmental Design (LEED®) Gold-certified Iselin, New Jersey location moved into a new space that fully incorporates the Siemens NewWow office concept. Siemens Iselin employees

transitioned into the new environment in phases and about 550 employees on three floors of the building were functioning in the new office format. By successfully implementing the new way of working, Siemens was able to consolidate approximately 23,000m<sup>2</sup> of space to 11,000m<sup>2</sup>, essentially by converting 8.0 floors to 4.5 floors through desk sharing and mobile working.

With the new approach, Siemens is also embracing a culture of trust and openness. The new way of working is about change:

- in the way people are managed;
- in the way resources are managed; and
- in the way that the company presents itself to the best and brightest talent in the market today.

At first encounter, it sounds like the perfect environment for the internet generation. Yet everybody benefits from the new way of working, from millennials to baby boomers. For instance, Jim Lukach, an Iselin employee for over 15 years and Siemens Corporation's Manager of Online Communications, was

# Change management

## An integral part of the local project

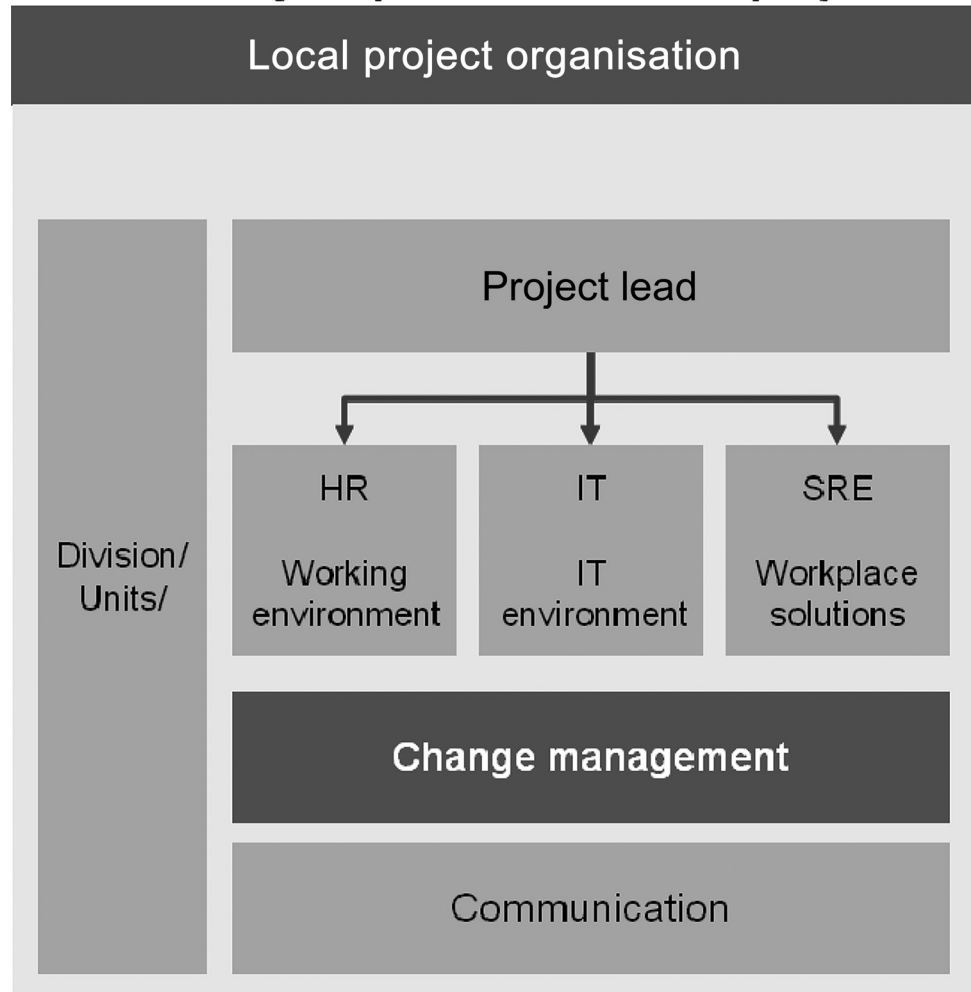


Figure 4 Local change management project organisation

surprised and delighted at how remote working has led to an improved work/life balance for staff:

‘It’s definitely a positive change for people. It’s nice to not worry about a long commute every day. That time can be used for other things. Work-wise, you’re still connected to people via email, etc. It doesn’t matter where you are; the workplace can really be anywhere and Siemens realizes that.’

The only minor drawback he pointed out is that employees do not get the buzz of an office when working on their own at home, especially when it comes to creating content alongside their peers. But he is one of the many that have learned to balance in-office collaboration time with remote working.

In addition, the new building layout is popular with employees. ‘There are so many great spaces to meet, work, and eat lunch during the day that even though we’re able to work remotely whenever we



need to, we're finding that employees are electing to come into the office more and more because it's such a pleasant atmosphere', said Lukach.

Through the new way of working, Siemens now operates in a culture of trust — allowing its employees to work remotely and to be mobile inside the office so that individuals can work in the way that works best for them and cross-functional teams can form organically — which allows for increased productivity and employee satisfaction.

## TESTIMONIAL

'Siemens Office is more than just an open communicative office concept. It is about creating a natural and social environment and a working culture in which employees feel comfortable and that allows them to work in a flexible way. Furthermore it increases our attractiveness as an employer', Janina Kugel, Member of the Managing Board and Head of Human Resources, Siemens AG.