

A New Way of Working Boosts Performance

The 8 factors for success, based on the Dutch subsidiary's experience.

A How-to Guide for Microsoft Managers

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EXECUTIVE SUMMARY

The intention of this white paper is to illustrate, explain, and inspire other Microsoft managers in the New Way of Working. Created by Microsoft Netherlands, this concept is based on the experience the Dutch subsidiary has gained by “practicing what we preach”—using Microsoft technology to transform our workplace and then fully leveraging that knowledge to drive the business at both existing and new customer sites. In fact, we applied our People-Ready Business mission to our own subsidiary to enable people and businesses throughout the world to realize their full potential (see text box, “Mission Microsoft: Enable People and Businesses Throughout the World to Realize Their Full Potential,” at right).

Transforming the workplace to achieve superior performance is often discussed but rarely achieved. Microsoft Netherlands managed to do both by adopting a New Way of Working. The Dutch subsidiary changed the traditional office culture and behaviors by taking advantage of Unified Communications, the Office suite, the Enterprise Client Access License (E-CAL) suite, and other Microsoft technologies. The project began several years ago to meet the following goals:

- Grow revenue per share (RPS) despite the high penetration of Enterprise Agreements and Office Professional. This goal basically built on our existing approach to sell the Windows platform and our Business Productivity Infrastructure Optimization (BPIO) products, namely Windows Vista, Unified Communications, Office 2007, Exchange, SharePoint, and so on.
- Inspire our customers and potential customers to use the latest versions of our technology by becoming a showcase ourselves. This capability is Microsoft’s competitive edge.
- Inspire and connect with business audiences to have credible conversations with senior-level business leaders within our existing customer base and, most importantly, at potential customer sites.
- Create a new central Microsoft office in The Netherlands to put our knowledge and experience into action.
- Be a premier workplace for all employees while attracting—and retaining—a diverse talent base from within the market.

The Dutch subsidiary achieved the following benefits by adopting a New Way of Working initiative:

- Grew E-CAL licenses by 153%
- Increased OCS server and associated CAL revenue by 51%
- Converted almost 20,000 Notes seats to Exchange/SharePoint
- Notched 40 Enterprise search design wins
- Reduced real estate costs by 30%
- Increased market reputation
- Increased employees’ mobility
- Increased productivity
- Grew workgroup health index (WHI)

Microsoft Netherlands’ three-year exploratory journey toward a New Way of Working has not ended. The Dutch subsidiary is still learning how to implement and benefit from its knowledge, mistakes, and experiences. Our achievements have come through discovering—and deploying—eight crucial steps necessary to implement a New Way of Working. This How-to Guide describes for Microsoft managers these steps, their benefits, and the challenges they bring.

MISSION MICROSOFT: ENABLE PEOPLE AND BUSINESSES THROUGHOUT THE WORLD TO REALIZE THEIR FULL POTENTIAL

Businesses do not garner insights or make decisions. Businesses do not close deals, invent new products, or find new efficiencies. People do. Companies excel when they empower their people to drive the business forward. Strategies, organization, motivation, and leadership all set the stage for business success. But to see results, businesses also have to give their people the right tools, information, and opportunities—because success ultimately comes down to people. Microsoft calls a business that fosters a winning environment a “People-Ready Business.”

This white paper reflects the actual experiences of the Dutch subsidiary. It is not, however, limited to our own knowledge. Rather, it draws on our experience in guiding, coaching, making mistakes with, and mentoring more than 20 customers toward their own New Way of Working. Our knowledge and experience—but especially our mistakes—also tell us that we have more to learn, so this paper is by no means definitive. We hope that readers will take the information presented here and share their subsequent experiences with their peers and us.

INTRODUCTION

Although Microsoft's Dutch subsidiary had sustained its spectacular growth for almost 10 years, the office space no longer reflected either our aspirations for the workplace or the way technology enables us to actually work in that space. At roughly the same time Microsoft's Information Worker Thought Leadership team developed the New World of Work concept, which addresses many of the same challenges we faced in The Netherlands (see text box, "Inside Microsoft's New World of Work," at right). We decided to adopt that strategy into a New Way of Working. Our goal was to attract the attention of our customers by creating a "case study" of our own experiences to demonstrate how to optimize productivity, drive growth, and enable innovation by helping our employees get the most out of Microsoft's tools, technologies, and services.

Microsoft Netherlands approached the transition to the New Way of Working as an exploratory journey. It has been three years, and our learning experience continues. We launched our journey in a thriving economic climate where time and money to experiment were easy to come by. In the current economic climate it may not be easy to imagine or fund exploratory journeys, but they remain relevant because they prepare organizations for success. As some Microsoft subsidiaries are pressured to maintain selling momentum while operating in struggling economies, new offices and new interiors may not be their first funding choices. But the principles that underlie the Dutch New Way of Working journey remain relevant because they focus on efficiency, closeness to the customer, and the ability to scale.

As we face customer skepticism about new technology investments, it is perhaps most important for Microsoft to demonstrate that our newest technologies (Office 14, Windows 7, Unified Communications) are key to our internal operations as well. We need to articulate our own stories to customers.

Given the current economic climate, this white paper will temper our aspirations with reality. Because of funding and time constraints, we will suggest a less-risky approach, looking toward an 18-month or sometimes even longer transition to a New Way of Working.

Building on Experience

Most business roadmaps start by asking why. Why are we taking *this* action? At the Dutch subsidiary we started our journey to a New Way of Working because we wanted to grow revenue per share, inspire customers to use the latest versions of our technology, inspire and connect with business audiences, create a new central Microsoft office in The Netherlands, and be a premier workplace for diverse employees and an outstanding facilitator of customer relationships, knowing that all of these factors lead to improved sales over time. Now that we can look back on our experiences, we know that our strategy can help other Microsoft subsidiaries in the following ways:

INSIDE MICROSOFT'S NEW WORLD OF WORK

The New World of Work is Microsoft's ongoing analysis of social, technological, economic, environmental, and political trends that will shape the workplace of tomorrow. Microsoft's current research themes include:

- **Dynamic Business:** This research explores external pressures such as demographics, globalization, and regulations that cause organizations to adapt and over which they have little or no control. Dynamic business focuses on external factors and how organizations respond to them through increasing automation, proactive transparency, and adaptive business models.
- **Blended World:** This research explores employment models, company cultures, international cultures, the blending of work and home life, and the migration away from a single place where work takes place as new forces that are changing the character of the workplace in an always on, always connected world.
- **Strategic IT:** As organizations become more dependent on technology, they need to find ways to integrate information assets, processes, and practices with the heart of the organization, breaking down silos and driving synergy. This research examines ways to facilitate the dialogue between the business and information technology functions.
- **Insights from Complexity:** All areas of business generate increasing amounts of data. It is imperative that organizations seek ways to make sense of the expanding and ever more permeable boundaries of their world through collaboration and the application of algorithmic techniques that cut through data to insight. This research looks at not just how to ask better questions but how to turn insights into action.

- Reduce internal operating costs (moves, space, telephony)
- Optimize employee productivity with enabling technologies
- Build a case study for sustainability (reduced carbon emissions from travel and office buildings)
- Attract and retain the best people and continue as an attractive employer
- Accelerate growth with ISVs, SIs, Microsoft Consulting Services (MCS), and other partners
- Demonstrate value to customers by “practicing what we preach”

And, of course, as a Microsoft subsidiary we expect to continue to improve business results in the following ways:

- Capitalize on public relations and the Microsoft image to build trust and credibility with C-level executives so they commit to the Microsoft platform (BPIO) by being transparent, authentic in how we use our technology, and so on
- Drive Office, Unified Communications, and Enterprise Client Access License (E-CAL) suite adoption
- Renew and up-sell Enterprise Agreement customers to the E-CAL suite
- Increase revenue by selling new categories of products
- Improve customer satisfaction (CPE)

People, Place, and Technology

The Dutch subsidiary’s approach to the New Way of Working is based on the idea that change takes place in three areas: people, place, and technology. Like the Olympic rings, these themes are interrelated, and success depends on understanding and optimizing the overlap among them (see Figure 1, “People, Place, and Technology,” on page 7). Indeed, the impetus for undertaking a journey to a New Way of Working usually lies in one or more of these three key areas.

People

People should be at the heart of your enterprise (see text box, “Mission Microsoft: Enable People and Businesses Throughout the World to Realize Their Full Potential,” on page 4). The work culture a subsidiary creates should empower its people with freedom and accountability. This culture should be enabled by the inspiration, attitudes, and examples of everyone from senior leadership to front-line managers to individual employees. But people do not work in isolation; they work in teams. As such, subsidiaries are often looking for new ways to attract and retain the best people, improve workforce productivity, and address social capital issues such as work/life balance and gross organizational alignment. Social capital focuses on improvements to the working environment in terms of management philosophy and practice. These factors also help set expectations for how meetings are conducted, how conflicts within teams whose members have never met are resolved, and how people can be motivated, nurtured, and empowered.

Place

The physical work environment is not only the central office location, because work is no longer tied to the office alone. People now work from home, while in transit, or at customer sites. Microsoft subsidiaries are usually trying to understand how an existing office location can best be used or looking for a way to maximize the effectiveness of a move to a new office location. The cost per square meter of space, the capability of a space to meet the needs of those located in it, and the integration of technology into that space are important elements.

MORE FLEXIBLE WORK ENVIRONMENTS

Employers are enabling more flexible work environments by transforming not only the physical office environment but the virtual environment using technologies that bring people together whether they are working in traditional office environments, open office settings, satellite offices, home offices, or remote locations. According to research by Microsoft and CoreNet Global, a leading corporate real estate association, 74% of companies surveyed have an Alternative Workplace program in place. People issues are the main driver of these programs—attracting and retaining talent and improving productivity and work/life balance. The second reason is reducing costs by “right sizing” the company’s real estate portfolio. The current economic landscape is accelerating the trends toward a more mobile workforce and a smaller office footprint for many corporations. In fact, 61% of companies report an increase in Alternative Workplace commitments to support current economic conditions.

Source: Microsoft and CoreNet Global, “The Future of the Workplace Study,” April 2009

Technology

Microsoft technologies enable tangible and practical improvements in the way people work, from communicating to participating in meetings to capturing knowledge and information. As such, subsidiaries may discuss how to best realize the full potential of new Microsoft products or how to teach employees the best way to integrate new technologies, tools, and services into their work routines. By using our own products and services we demonstrate credibility and relevance to existing and potential customers. Technology also helps subsidiaries manage travel budget constraints and address environmental and sustainability issues.

Every subsidiary faces a combination of people, place, and technology issues in addition to social capital pressures. Attacking only one pressure point is not enough. New Way of Working transformations are achieved and benefits are realized by balancing the relationships among these issues. Relocation, for example, is always about more than just physically moving people and property. Similarly, reorganizations are about more than shuffling names on an organization chart. And when it comes to technology, the adoption curve only starts when the new application or service is deployed.

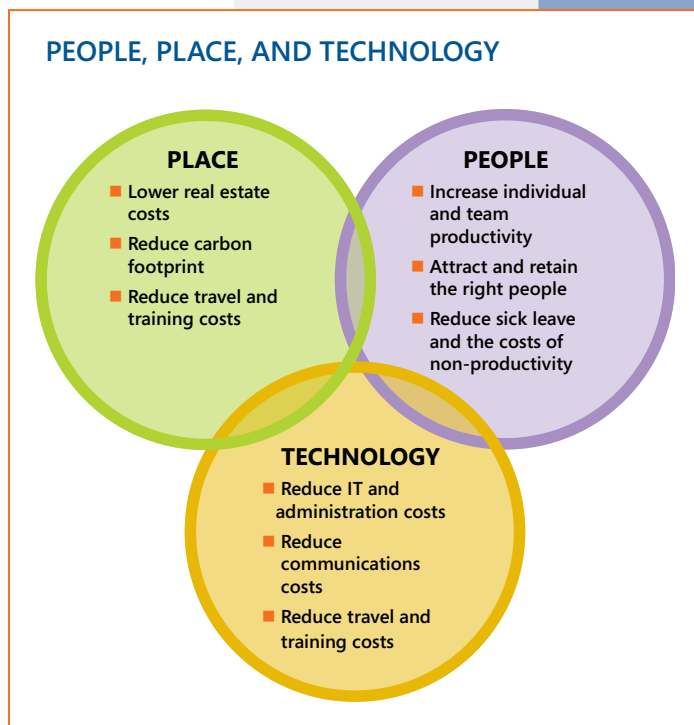
Even for subsidiaries that are neither contemplating a new building nor reinventing their interior design, a New Way of Working transition remains a relevant journey. It will show both your employees and your customers how people, place, and technology issues combine to create more transparent, more effective, more attractive, and more productive work experiences.

Microsoft Netherlands' New Way of Working takes the knowledge and experience the Dutch subsidiary has gained and presents them as an eight-step Guided Roadmap, complete with clear guidance, timelines, roles and responsibilities, best practices, and expected results. Those steps are:

1. Secure executive support with a [business case](#)
2. Create an internal vision and goals for the New Way of Working
3. Assemble a New Way of Working stakeholder V-team and plan
4. Transform the physical environment
5. Embrace changes in work culture among managers and employees
6. Create excitement and momentum with communication and involvement
7. Leverage technology to enable change
8. Drive business results with marketing and sales

This list makes the New Way of Working transition appear sequential. In truth, however, the journey is much more iterative and the associated tasks are much more interdependent. To shorten the timeline for an overall New Way of Working project, a "master plan" for the people, place, and technology issues should be implemented in parallel (see Figure 2, "Taking a Parallel View of People, Place, and Technology," on page 8).

Figure 1



SUCCESS FACTOR 1: SECURE EXECUTIVE SUPPORT WITH A BUSINESS CASE

Although the most important executive sponsor is the general manager (or country manager), it is also essential to engage business leads such as those from the business marketing organization (BMO), the enterprise partner group (EPG), or the information worker business group (IW BG).

These sponsors will be engaged if you tie the New Way of Working concept to a tangible scorecard goal such as driving E-CAL suites or renewals, up-selling Enterprise Agreements, and engaging country management team (CMT) members to commit to the Business Productivity Infrastructure Optimization (BPIO) platform. Because the New Way of Working is a transformational approach to the market, it needs to be well considered and articulated in clear business terms that include goals, needs (specific resources such as budget and headcount), and approximate timelines, in addition to milestones and the approach to pilots and scalability.

The following are examples of goals:

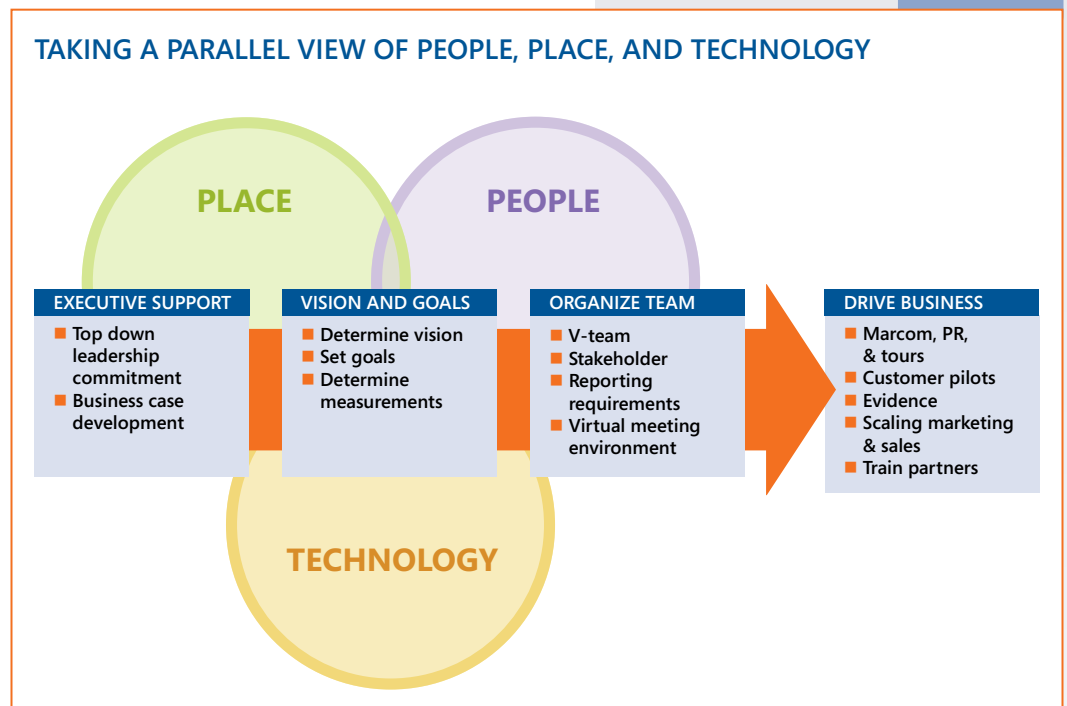
- To grow New Way of Working solution categories
- To increase platform share
- To secure and improve new/renewal Enterprise Agreement value and deployment
- To influence new/renewal business

Examples of non-revenue-based goals are: To substantiate claims through public relations (PR) that Microsoft has a New Way of Working; to increase relevance and the thought-leadership position in a specific country; and, as a result, to increase the perceived value as shown by the Global Research Study (GRS) by 5 points.

The following are examples of resources:

- Meet and convince three to five EPG customers to pilot the New Way of Working
- Push Microsoft Consulting Services (MCS) to get five consultants trained in the New Way of Working
- Allocate budget to the BMO for a New Way of Working project
- Push EPG and MCS to have 80 percent of their people trained in the New Way of Working
- Meet the top EPG customers and involve human resources (HR), real estate & facilities (RE&F), and Microsoft IT (MSIT)

Figure 2



The following are examples of timelines:

- Raise the New Way of Working project to the CMT—phase 1 is to train five Microsoft Services experts and then engage several pilot customers
- Start a pilot with three to five customers—phase 2 is to scale Microsoft Services and then replicate the pilot to a larger audience, say 50 customers

Figure 3, “Sample Target Goals for a New Way of Working,” below, is an example of how to make the business case visible to your executive sponsors.

With a top-down leadership commitment, you will have the mandate to enlist the support of the other stakeholders. Without this commitment, it is unlikely that you will gain any momentum for the transition to a New Way of Working.

SUCCESS FACTOR 2: CREATE AN INTERNAL VISION AND GOALS FOR THE NEW WAY OF WORKING

When starting a New Way of Working initiative it is important to define a vision that supports and is aligned with the broader mission, vision, and strategy of the organization. For Microsoft, this overall mission, vision, and strategy is described in Daniel W. Rasmus’ book *Listening to the Future*¹. This synergy will simplify the acceptance of the New Way of Working initiative by connecting its relative value to the organization’s objectives.

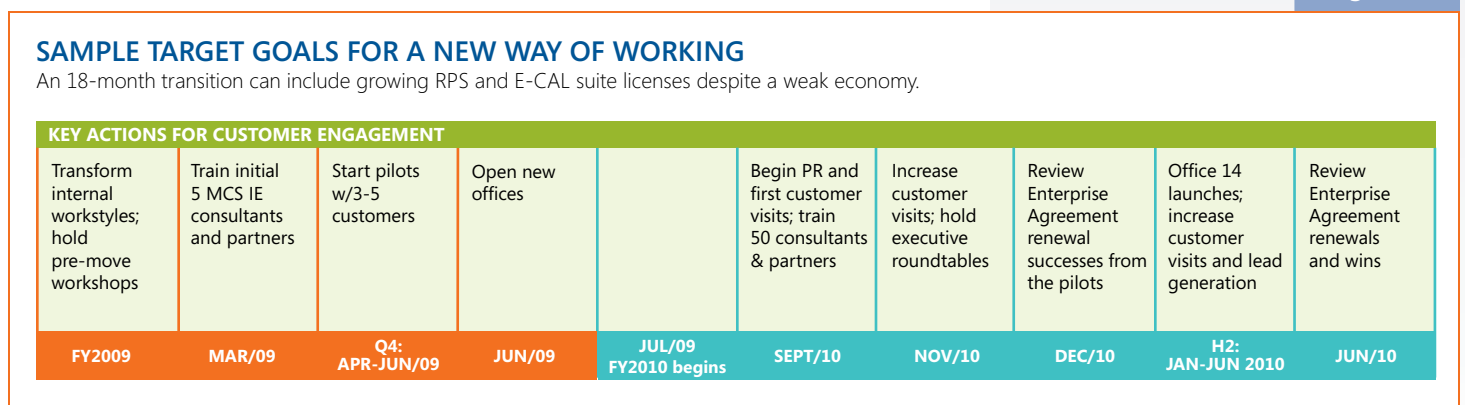
The New Way of Working vision should state all of its values as they impact people, place, and technology issues. Start by defining the top-level goals for the initiative and then extend the definition to include both short-term and long-term goals. It is important to include long-term goals, because they set a context and provide a means of gauging forward movement. Long-term goals also shape the vision of the initiative’s end state, if not the journey. Because the New Way of Working requires learning and feedback and because it will remain active even after initial investments, the organization will be able to adapt to future changes and opportunities. That capability to adapt is, itself, one of the goals of the New Way of Working.

Based on the Dutch subsidiary’s experiences, the following are examples of top-level long-term goals:

- Reduce internal operating costs (moves, space, telephony)

¹ Rasmus, Daniel W. and Rob Salkowitz. *Listening to the Future: Why It’s Everybody’s Business*. Part of the Microsoft Executive Leadership Series. Hoboken, N.J.: John Wiley & Sons. 2009.

Figure 3



- Optimize employee productivity with enabling technologies
- Build a live case for Green IT or sustainability (reduced travel)
- Attract and retain the best people and become an attractive employer
- Scale with partners and Microsoft Consulting Services
- Inspire clients to put technology to work. Attract and invite clients to “live the Microsoft experience”
- Demonstrate value to customers by “practicing what we preach” (Be Do Say)
- Accommodate sustainable growth

Other subsidiaries and regions can adapt these long-term top-level goals. They can then add the appropriate short-term goals, the results of which are more directly measurable. The following are examples of short-term goals:

- Drive Office, Unified Communications, and Enterprise Client Access License (E-CAL) suite adoption
- Renew and up-sell Enterprise Agreement customers to the E-CAL suite
- Increase revenue by selling new categories of products
- Improve customer satisfaction (CPE)
- Conduct tours and other events at the new or revamped office to demonstrate the New Way of Working implementation and to show C-level executives the benefits of the Microsoft platform

Short-term goals should extend no longer than a year, and many should be of even shorter duration. Success at short-term goals demonstrates positive momentum, and it can provide a sense of accomplishment for participants.

At the Dutch subsidiary, the executive sponsor (general manager), the New Way of Working team, and an outside advisor formulated the unit’s program goals. The team called these goals “the nine guiding ambitions” (see Figure 4, “Nine Guiding Ambitions of the Microsoft Workstyle,” at right).

SUCCESS FACTOR 3: ASSEMBLE YOUR NEW WAY OF WORKING STAKEHOLDER V-TEAM AND PLAN

Step one secures an executive sponsor with enough credibility, influence, and the necessary skills to get commitment from all country management team (CMT) members and the rest of the organization. It is important to have this executive continue as the sponsor in the formation and management of the V-team. The other members of the New Way of Working stakeholder V-team should be selected based on their function or skills that are needed to implement the initiative, along with their personal interest in and passion for the journey. The team can consist solely of Microsoft employees or it can be enriched with complementary external members.

At the Dutch subsidiary, the general manager was responsible for coordinating the overall New Way of Working project. This role was not a full-time job; all the subsidiary’s project leads shared responsibility (see *Planning for the Broader Rollout: Forming Sub-Teams from the V-Team*, on page 12).

Figure 4

NINE GUIDING AMBITIONS OF THE MICROSOFT WORKSTYLE

Enables our employees to realize their potential	<ol style="list-style-type: none"> 1. Offers our employees the freedom to be themselves with the Microsoft Community. 2. Provides an inspiring environment that creates a sense of belonging and encourages collaboration, creativity, and mutual trust. 3. Encourages our employees to share knowledge and expertise. 4. Enables our staff to work anywhere, anytime, and with any tool.
Enables our clients to realize their potential	<ol style="list-style-type: none"> 5. Practice what we preach. 6. Inspire clients to put technology to work. 7. Attract and invite clients to live the Microsoft experience.
Enables Microsoft to realize its potential	<ol style="list-style-type: none"> 8. Provides efficient use of facilities, high performance, and productivity. 9. Accommodates sustainable growth.

A typical stakeholder V-team, along with each member’s responsibilities, is outlined in Figure 5, “New Way of Working V-Team Roles and Responsibilities,” below.

Although the list of roles and responsibilities presented in Figure 5 is comprehensive, it is not exhaustive. As such, you may want to complement your New Way of Working team with other functions that reflect local requirements. Also, not all members will be involved from the beginning. For instance, the marketing and sales roles—especially the lead roles—only need to be involved minimally at first. You just need to secure their buy-in and have them target pilot customers. The remainder of the marketing and sales resources, however, will be involved from the beginning. They will be able to immediately integrate the technology into their work, enhance their work approaches through cultural change engagement, and promote the initiative to the market and customers.

Once the New Way of Working stakeholder V-team is complete, the next step is to select a title for the initiative. This title should reflect the organization’s values, be easy to remember, and act as a rally point for the project. The Dutch subsidiary chose “2bPR”—To Be People Ready.

According to Theo Rinsema, general manager at Microsoft Netherlands, “it is said that ‘beginners see possibilities and experts see constraints.’” When the Dutch subsidiary decided to explore a New Way of Working, “we talked to a vast number of experts on many areas and then said, ‘suppose that no one has the right answer.’” This realization led the unit to start its journey “step-by-step and see where we end up,” said Rinsema, following the project team’s own vision and guidelines.

The Involvement of External Partners in the New Way of Working Stakeholder V-Team

The involvement of external partners is inevitable; most companies, including Microsoft, do not have expertise in areas such as interior design, building offices, and cultural change. Additionally, the involvement of external parties can be useful as the New Way of Working team creates an internal vision and goals for the project.

It is important to select external partners who have a vision and approach that is in line with the subsidiary’s New Way of Working and the destination the internal team has set for the journey. If partners are perceived as too rigid or inflexible or do not understand Microsoft’s vision and approach, they should not play a lead role in the project. If partners have specific expertise, they can advise on specifics. But any lack of alignment at the core level is detrimental to the initiative’s success.

Also, think about what the partners’ roles will be both during and after the project. For example, does the team expect partners to participate in ongoing PR and other customer interactions (as a workplace strategy consultant or a change management consultant)? If so, partners’ track records

Figure 5

NEW WAY OF WORKING V-TEAM ROLES AND RESPONSIBILITIES

ROLE	RESPONSIBILITY
General Manager (overall)	Act as the executive sponsor, the public spokesperson, and the customer meetings lead
Real Estate & Facilities (place)	Provide workplace advantage design, lead local tours, and handle public relations/executive engagement with RE press and peers
Human Resources (people)	Hold change management workshops and ensure compliance with local HR policies for flex time or activity-based working
Microsoft IT (technology)	Ensure Unified Communications technology rollout and training
Public Relations/ Communications Manager (communication)	Provide internal and external communications plan
Training & Readiness Lead (overall)	Ensure internal and partner training delivery
Business Marketing Organization (marketing)	Provide BPIO marketing, executive engagement, and lead generation
Solution Sales Professionals (technology & sales)	Provide Unified Communications subject matter expertise and deliver the New Way of Working pitch
Microsoft Services Strategy & Information Worker Consultants (technology)	Deliver the IMPACT model to customers while providing internal support
Account Technical Unit (sales)	Get trained, facilitate customer meetings, and drive Enterprise Agreements

on similar projects should be considered, along with their perception in the marketplace and their ability to engage with senior-level executives.

Involving consulting firms that specialize in end-to-end approaches for implementing new working concepts can be beneficial too. These firms view projects holistically and understand the synergies among people, place, and technology issues.

Planning for the Broader Rollout: Forming Sub-Teams from the V-Team

At this point in a New Way of Working journey it is important to deepen involvement in the initiative to include those people charged with organizational change models, determining how best to implement the latest technologies and the specific goals and constraints around space. These decisions will separate the V-team into three or four sub-teams, depending on whether issues of place are a part of the process. Different members of the V-team with specific skillsets will lead each sub-team.

Figure 6, "Phase 1 Implementation Team Roles, Membership, and Responsibilities," at right, outlines the details.

It is important to realize that leading or participating in a sub-team will take time, especially for that team's owners. Of course, the time required at the start of a New Way of Working project will be limited. But once the initiative nears the deadline, participation can be a half-time job. At the Dutch subsidiary we made the mistake of not providing our team owners with dedicated time for the New Way of Working initiative. As a result, the associated tasks were simply added to their existing workloads.

Sub-teams should work independently, but their progress, data, and decisions need to be checked regularly with the other teams. Most importantly, sub-team participants need to be aware of interdependencies among different teams and establish lines of communication early in the New Way of Working project.

Another mistake we made at the Dutch subsidiary was wasting time and energy on clashes between overly enthusiastic people who were more or less working from their own vision of the New Way of Working initiative rather than the vision defined by the V-team. These workers were good at speaking their minds but not as successful when listening to others. Differing opinions often led to heated and emotional debates. "It was a rough and very intense time," said Gonnie

Figure 6

PHASE 1 IMPLEMENTATION TEAM ROLES, MEMBERSHIP, AND RESPONSIBILITIES

SUB-TEAM	RESPONSIBILITIES & TASKS	GROUP MEMBERS AND AVERAGE TIME SPENT PER WEEK
People	Focusing on development, deployment, and implementation for the mental readiness of employees; empowering people; addressing change management and communication	<ul style="list-style-type: none"> ■ Human Resources Lead (owner): 40% ■ 1 Human Resources employee: 30% ■ 1 Training & Readiness employee: 15% ■ 1 Public Relations/Communications employee: 10% <p>SPECIAL REMARK: At Microsoft Netherlands, ownership of the people sub-team was a special assignment for our communications manager, who spent 30% of her time on culture and mental readiness and was the architect behind our first phase.</p>
Place	Thinking about and implementing physical solutions for the new office building and its interior and facilities, including meeting rooms, audio/visuals, parking, reception, catering, entrance, and security	<ul style="list-style-type: none"> ■ Real Estate & Facilities Lead (owner): 50% ■ 1 Real Estate & Facilities employee: 40% ■ 1 Real Estate Account Manager: 15% ■ Microsoft IT (for audio/visuals, wireless connections, self-service tooling, and so on): 30% ■ 1 Public Relations/Communications employee: 10%
Technology	Developing and implementing (new) technologies with a focus on the actual usage of the technology instead of executing the technical implementation	<ul style="list-style-type: none"> ■ Microsoft IT Lead (owner): 40% ■ 2 Microsoft Services Consultants: 30% ■ 1 UC Solution Sales Professional: 10% ■ 1 Training & Readiness employee: 15% ■ 1 Public Relations/Communication employee: 10%
Marketing & Sales	Increasing the subsidiary's capability to credibly "tell and sell" its own solution to drive Unified Communications, Office, and the E-CAL suite, in addition to the New Way of Working initiative at customer sites	<ul style="list-style-type: none"> ■ Business Marketing Organization (owner): 30% ■ Specialist Team Unit (STU) Manager: 20% ■ UC Solution Sales Professional: 15% ■ Account Technical Unit (ATU): 15% ■ 1 Partner Training employee: 30%

Been, communications manager at Microsoft Netherlands. “Not everything was constructive. I thought of quitting a number of times. And sometimes I felt I had to do it all by myself.”

Microsoft Netherlands General Manager Theo Rinsema decided that he would not interrupt these arguments. He wanted to listen to everyone and to keep everyone on board. Rinsema would never push his own ideas or overrule others. When at times ideas got too far off track, he would say, “we need to have a Zen training facility in our new office.” Rinsema then added, “come on, we are Microsoft. We are down-to-Earth, pragmatic, thinking people. Arguing doesn’t work here.”

At the Dutch subsidiary Been took on the role of shaping the New Way of Working sub-team focused on people issues. “The development of mental readiness has to be organic,” she said. “In my mind, empowering people—giving them the freedom to flourish—results in a win-win situation. The individual is a happier person, and the company profits from an intrinsically motivated, more effective worker who will always look for the next challenge.”

SUCCESS FACTOR 4: TRANSFORM THE PHYSICAL ENVIRONMENT

A key reason to embark on a New Way of Working initiative comes from the need to change office locations. Such a move can create an opportunity to examine how we use space, what activities take place in that space, and how the physical environment contributes to goals like employee retention, productivity, and innovation.

When moving to a new building or restyling an existing office, the place sub-team needs to implement Microsoft’s Workplace Advantage Design program so they can define scope and schedule, create a budget, and decide how to manage other constraints of the building process. The sub-team also has to deliver the interior office requirements and constraints to the building contractor so the technical infrastructure (wiring, plumbing, and so on) can be properly determined. An interior architect can help the sub-team with these actions.

The process is not as simple as waiting for a building or an interior to be finished and then moving and unpacking everything at the new space. A physical move is a unique opportunity to change the way subsidiaries’ and their employees think about and perceive their office space, to innovate processes, and to take a first step toward a New Way of Working.

Place, however, does not start with physical design. It starts with design intent. The first task for a place sub-team is interviewing country management team (CMT) members and other leaders to understand more deeply their goals for the new space and any constraints they see. The sub-team must also determine whether any team members do not recognize physical space as an important element of the organizational transformation a New Way of Working will bring.

When asked what he liked and did not like about Microsoft Netherlands’ existing office space, General Manager Theo Rinsema said: “There is nothing that I like about this office or the way we work. I really like the Microsoft vision of empowering people to work anytime, anyplace, and using any device. But when I

THE OFFICE SQUEEZE

Microsoft Netherlands needed to address a shortage of office space. At the time, the leased floor area per person was 16.4 square meters (176 square feet) and only 25 percent of employees shared desks. Rather than simply move to a larger location, the project team developed an office plan to accommodate more employees but use less space.

The new building, which opened in April 2008, has no assigned desks and requires only 8.82 square meters (95 square feet) per person. Each employee can work anywhere in the office by using a laptop, headset, Webcam, or smartphone and connecting to the network either wirelessly or by plugging in at a desk. Meeting rooms contain RoundTable devices for videoconferencing.

Microsoft has saved more than \$640,000 per year in this one location, and we anticipate generating similar savings in additional locations as other office leases are renewed.

look around at my own team, I see nothing like that. Every day people enter the office, occupy the same desks, work on their notebooks, go to meetings, return to their desks, pack their notebooks, and go home. I don't see 'anytime, anyplace, any device' here. And they have to sell our vision? First we need to live our vision.

"It is all about reputation," Rinsema continued, "and reputation starts internally. At Microsoft Netherlands we use the expression 'eat your own dog food,' which means that we ourselves always use our own technology first, so we will understand what our customers will be using later on. With our new office design we have taken this concept to a new level. We are 'eating' our New Way of Working vision."

Moving into a New or Redesigned Building

Some people believe the New Way of Working initiative starts, or ends, with the move into a new or improved building. This is not the case. A new or redesigned building is usually only part of the transition toward the other elements involved in a New Way of Working. For instance, the following are only a few of the key elements an organization needs to consider once it moves:

- Employee acclimation to the new space. What needs to change once people arrive that was not planned for in the initial design?
- Is the physical environment working with the technology so that "space" is not an issue? Consider new hires, who are not familiar with the new technologies. How do you integrate them into the culture?
- How are people reorienting to the design philosophies the new space captures? How are meetings and relationships different? How are employees managed when their managers cannot see them? How do employees stand out in such a distributed environment?

At the Dutch subsidiary we tried to implement a new hospitality management system based on self-service. In the new system, Microsoft employees would be responsible for planning their own meetings with external visitors, including reserving meeting rooms and organizing beverages, lunch, parking spaces, and so on. This self-service concept was implemented with a self-made technical tool that did not meet employees' expectations. As a result, some employees refused to use the tool and planned their meetings the old-fashioned way—walking to the reception area and arranging meetings through the receptionists. But the receptionists were not trained to work in the new and improved hospitality process, and the resulting misunderstandings led to several conflicts among Microsoft Netherlands employees.

SUCCESS FACTOR 5: EMBRACE CHANGES IN WORK CULTURE AMONG MANAGEMENT AND EMPLOYEES

To realize the New Way of Working, people at all levels need to internalize the vision so it is meaningful to them and achievable for the organization.

Based on the Dutch subsidiary's transition to a New Way of Working and experience guiding customers through the process, if a solid process for change management and strong leadership are in place, it is possible to transform a company's culture in six months. The process is iterative, which allows people to socialize the concepts, make them their own, and learn through trial and error what works.

CRITICAL SUCCESS FACTORS

- Secure executive leadership and support
- Establish cross-functional alignment
- Create an IMPACT model
- Engage MCS consultants who have selling skills
- Train partners to scale
- Set project budget

Although teams may be inclined to skip the next step, because they believe their people already understand how to use the technology, Microsoft Netherlands advises against it. Mastery of features and functions does not extend into collaborative work. Investing in change management and business practices related to technology use in specific situations (such as meeting management) is key to energizing the organization and ultimately realizing the full business value of the New Way of Working. These new practices provide increased authenticity and credibility when the journey is explained to customers and they are led through the process. Having people find their place in the equation of people + place + technology is crucial.

The Dutch subsidiary developed three best practices focused on people and cultural issues during our transition to a New Way of Working.

1. Analyze Employees' Workstyles and Patterns to Identify Areas for Improvement

State-of-the-art user-centric technology gives employees greater freedom of movement. They can work more quickly, obtaining, renewing, and improving greater insights. However, technology alone will not guarantee these outcomes; people must decide how to adopt and use the technology successfully.

To effectively integrate technology with our business, Microsoft Netherlands developed methods to analyze our workforce and gain insight into the current status of our employees. This workforce analysis is a useful tool in aligning employees' abilities with the business vision.

When it comes to workforce analysis, every company is different, every individual unique. However, attributes of tasks and activities performed along with perceptions about the workplace can be gathered, patterns discovered, and improvements made. Based on a workforce analysis, it is possible to identify both individuals who are already prepared to engage in their jobs effectively and, more importantly, those who need coaching to determine more efficient ways to work and more effective alignment with company goals.

Figure 7

WORKFORCE ANALYSIS		
WHAT	WHY	HOW
Activity Analysis	Measures the current way of spending time (for example, e-mail, meetings, working from home, calling, working on documents, analysis)	<ul style="list-style-type: none"> Questionnaire (online) with several validation interviews Number of respondents: 10% of the total workforce Applied to all roles within the organization; for example, 10% of the assistants, 10% of the managers, 10% of Microsoft Services, and so on
Scenario Analysis	Shows the current way of 'doing the job' and where the gaps are (for example, meetings, communication, search, e-mail, tasks)	<ul style="list-style-type: none"> Mostly job-role interviews, but a questionnaire can be used Number of respondents: 30 job-role interviews Applied to all roles within the organization; for example, assistants, managers, MCS, developer & platform evangelism (DPE), enterprise partner group (EPG)
Expectations and Ambitions Analysis	Visualizes the gap between expected and experienced ways of performing tasks for four domains: inspiration, culture, organization, and technology	<ul style="list-style-type: none"> Online questionnaire Number of respondents: 30% of the organization Applied to all roles within the organization; for example, assistants, managers, MCS, DPE, EPG

A workforce analysis is a snapshot of an organization from different angles at a single point in time. The basic approaches to workforce analysis are outlined in Figure 7, "Workforce Analysis," at right.

2. Pinpoint Early Adopters and Start a Pilot

In every initiative there are always employees who are either with you every step of the way or ahead of you. These early adopters can play an important role in the introduction of the New Way of Working. Because they are willing to change and innovate, early adopters are likely good candidates for departmental pilot leads or leaders for broader parts of the initiative. Their enthusiasm for the project can

act as a peer catalyst for change. They can also play an active role in providing feedback and assessments to the project team about their progress toward specific goals or the overall vision. Identifying and recruiting early adopters will increase the likelihood of success for a New Way of Working initiative, so it should be a priority across teams to recruit these important individuals.

At Microsoft Netherlands, for example, Toby Wilson, a 32-year-old from the United Kingdom who now heads the finance discipline at the Dutch subsidiary, offered to be an early adopter of hot desking—a permanent work surface that is available to any worker as and when needed. “Not everyone on my team was enthusiastic about the idea, but I volunteered because I really believed in the new work concept,” Wilson said.

One idea that proved unsuccessful at the Dutch subsidiary was using “Change Agents.” Their goal was to spread enthusiasm for the New Way of Working across the organization by talking about it and actively participating in some of the many change processes. After several weeks, around 50 people were asked to participate in this select group, some of them volunteers. Microsoft Netherlands felt these individuals were enthusiastic and informally influential within the organization. They had “networks” inside the subsidiary.

In December 2006 the change agents had a kickoff meeting at an offsite hotel. The offsite included a few presentations and some workshops, which the New Way of Working stakeholder V-team felt would prepare the change agents for their role in the initiative. The people sub-team leader was depending on the self-steering abilities of these individuals, thinking they would be able to pick up where their kickoff meeting left off and drive change within the organization. After all, the average Microsoft employee is entrepreneurial and ambitious, so self-steering should be quite natural.

Unfortunately, this approach turned out to be a failure. Within a month or two only a handful of change agents remained active; the rest just disappeared. Some were hoping to contribute more to the New Way of Working initiative. But they felt left out of the decision-making process and that their only role was to “spread the word.” Other change agents felt that the approach lacked structure and that they lacked guidance; essentially, they felt they had been left on their own. Many were disappointed with the process and the people leading it. The initiative’s leaders, in turn, were disappointed that many of the change agents were not more self-steering.

3. Develop a “Guided Discovery” Rollout

The lessons learned by the Dutch subsidiary show that the cultural change toward a New Way of Working does not work using a top-down approach, although management leadership is still vital. Empowering people to discover how they fit into the new work experience helps them see that the concept is about satisfying needs at multiple levels, including their needs as individuals. We have also found that personal discovery—permission to engage with tools, space, and other people in ways that are comfortable and productive for their own workstyles—gives individuals an ownership stake in the initiative. They will experiment and make mistakes, but they will also have the coaching of their peers and managers to help direct them. This is what we mean by *Guided Discovery*.

GOOD RULES OF MEETING MANAGEMENT

Keeping the goal of a meeting at the forefront is a very effective way to make sure the team stays focused on what is important.

1. Keep an open mind during brainstorming.
2. Make sure stakeholders, whether in the room or participating virtually, know the objectives of the meeting and have access to materials required to make any necessary decisions.
3. Listen to each other.
4. Evaluate solutions based on goals.
5. Be open to innovation.

Neither individuals nor whole organizations ever get to the point where they can say they have discovered the answer. Guided discovery is an ongoing practice, one that must be revisited with every process change, every new employee, and every new tool. As change occurs, people must continue to discover how to integrate the new factors.

Guide the Country Management Team to Lead by Example

At the Dutch subsidiary, the CMT expressed its full commitment to the New Way of Working initiative and led by the following examples:

- Sharing their personal calendars with everyone
- Participating in training and applying training methods in meetings and elsewhere
- Giving up their private offices in favor of virtual workspaces
- Working from home often and using the latest range of technologies

Through these actions management at Microsoft Netherlands promoted transparency and involvement. When they gave up their offices, CMT members started sitting among their coworkers at a different place each day. This specific change enabled the Dutch subsidiary to disconnect status from the hierarchy: Although the organizational structure remained, everyone shared the same type of space. In addition, by working from home occasionally, CMT members not only signaled to their teams and all employees that it was okay to do this but created a culture of trust and managing by business unit objectives.

Such changes are an important part of creating the social capital required to help the people, place, and technology components of a New Way of Working come together. Social capital represents the implementation of management practices and philosophies. For example, expectations for how people will behave in a meeting, how prepared for meetings they will be, whether they use their computers for e-mail or to take notes during meetings, and how much higher level managers are involved in meetings. Social capital also includes manners and respect for both other people and property. The more transparent the organization, the more the social capital becomes visible rather than implied.

The journey toward a New Way of Working also offers the opportunity to take leadership within the country management team to a new level. CMT members in The Netherlands, for instance, started to lead by example and communicate using the following principles of the New Way of Working:

- Be among the first to adopt new technology
- Empower employees to engage in Guided Discovery, conduct personal Guided Discovery, and share personal learning
- Give up private offices and, by sitting among coworkers, create new relationships and opportunities

Microsoft Netherlands' Finance Director Toby Wilson embraced these principles. He had his private office, which occupied almost a third of the department's space, torn down. "I thought the physical and mental distance between me and my group was too big, so I started sitting among my coworkers and at a different place each day," he said. "Later, I started to work from home occasionally, and inspired my coworkers to do the same."

RULES OF ENGAGEMENT

1. Agree on accepted behavior.
2. Set technical prerequisites such as opening calendars so others can see schedules. This simple step will make setting up future meetings easier.
3. Propose, accept, and commit to cultural guidelines. For example, everyone should have action items finished and meeting agendas submitted 48 hours before the meeting starts. This includes posting documents on the shared meeting space.

For more information, visit this [Web site](#).

Guide People Managers Through the Change Management Process

Although a New Way of Working leans toward a networked model of management, the transformation of an organization still relies on managers who demonstrate leadership across the organization and, more importantly, guide those employees who they manage directly. Indeed, manager support is crucial for implementing the cultural, inspirational, and technical change elements involved in the New Way of Working. Successful managers should do the following:

- Act as role models and lead their team members by example
- Incorporate New Way of Working goals into their employees' commitments to emphasize the importance of the investment and the expectation of success
- Support training for their people on how to maximize the benefits of the New Way of Working
- See the New Way of Working as an opportunity to get closer to and gain insights about employees that will help those workers better achieve their personal goals by aligning them with organizational goals

Guide Individual Employees Through the Change Management Process

Based on the Dutch subsidiary's experiences, we recommend the following two steps in guiding individual employees:

Step 1: Create a shared set of individual goals and targets that can be easily articulated. Start with a phrase like, to adopt a New Way of Working, our initiatives must:

- Be pragmatic and hands on
- Internalize information by using collaboration and dialogue
- Balance self experience with teaching
- Align with existing organizational goals
- Be infused in existing training and education programs
- Take control of personal learning, discovery, and alignment

These goals and targets establish a basis for determining whether individuals are meeting the organization's needs through their personal Guided Discovery and their work environment. If during their New Way of Working orientation employees believe these principles are being violated, then they need to work closely with their manager and with the appropriate sub-teams to help re-align expectations and execution.

Step 2: Engage learners as educators. Have employees help create excitement and momentum for the New Way of Working by sharing what they are learning and demonstrating their own involvement initiative.

SUCCESS FACTOR 6: CREATE EXCITEMENT AND MOMENTUM WITH COMMUNICATION AND INVOLVEMENT

To create excitement and momentum for a New Way of Working initiative, it is important to create a communication and involvement program and to coordinate across sub-teams. The scope of this part of the program is influenced by budget, size of the organization, specific cultural influences, project goals, and existing channels of communication.

The initial communication and involvement program will take approximately six months, and it should complement the primary organizational transformation

Communication is an effective means of engaging the entire organization in the process of change.

issues. To keep a New Way of Working initiative top of mind and maintain momentum over the long term, the team may want to integrate regular communications about the program into existing channels and vehicles. For example, a New Way of Working column in an existing mass e-mail, a blog with an RSS feed, and so on.

It is important to remember that Microsoft employees are extremely busy. Communications that do not help them reach their commitments will likely be ignored, and workstyle changes that do not help them achieve their goals will not be adopted.

The following suggestions for a communication and involvement plan were derived from the Dutch subsidiary's experience:

Communicate the New Way of Working initiative. Communication is an effective means of engaging the entire organization in the process of change. An organized communication plan will inform the company in a structured manner. It is best to use a solid mixture of already existing digital and physical communication instruments such as weekly newsletters, intranet project status sites, wikis, blogs, e-mail, and company meetings. Posters and "how-to" guides that people can take home are helpful too.

The mistake the Dutch subsidiary made was waiting to inform the rest of the organization until too late in the New Way of Working process. Everyone within the stakeholder V-team was well informed and working hard to make things happen. The rest of the organization, however, remained almost clueless about what was going on within the closed circle of the passionate but distant V-team.

Inspire involvement by handing out a homework assignment. Homework assignments are a good way to stimulate change, commitment, and involvement. Executing a homework assignment helps to secure the New Way of Working initiative within the minds of employees. It also creates the right mindset and sets up involvement in the one-day offsite program (see *Invite everyone to a one-day offsite program*, on page 20).

Microsoft Netherlands determined that homework assignments must be kept short (15 minutes maximum), be accessible through a Web site, and be independent of time and place. And, everyone must participate in the assignments. The Dutch subsidiary created a short test, similar to those found in lifestyle magazines, and sent it via e-mail to all employees. Employees had to take the test to be admitted to the offsite.

The questionnaire was a combination mini-personality test and workstyle test. The results were used to create groups of like-minded people who would attend the offsite together and share their personal New Way of Working story.

Four distinct profiles emerged: Entrepreneurs, Researchers, Idealists, and Diplomats. Entrepreneurs, for instance, were found to be overly busy, fast thinkers, and strong communicators. Short messages are the best way to communicate with them, so a five-minute voicemail with an introduction to the New Way of Working program and details of what the subsidiary expected from them was devised. Researchers, on the other hand, were given a memory stick with several documents from which they could retrieve information that met their individual needs.

If employees spend a full day learning about, discussing, and realizing the potential of the New Way of Working initiative, they are more likely to feel that the program is beneficial to them personally.

Choosing exactly the same profiles as the Dutch subsidiary is not the main point here. What is most important is to profile your employees into several categories, based on a combination of job function and working styles, and to determine what kind of communications styles and tools are most appropriate for these roles.

Invite everyone to a one-day offsite program. The goal of a one-day offsite is to inform and energize the entire organization. A varied agenda will show all the aspects of the New Way of Working initiative. This program will be different for each company because of cultural differences. In general, the day must combine an emotional experience with informational sessions that provide enough background to define the New Way of Working and describe what it will mean for the company. In this way employees will gain trust, recognize and compare existing and new aspects of the ways to work, and be able to discuss their impediments and insecurities more easily. Offsites are also a great way for managers and other New Way of Working leaders to demonstrate their involvement by participating, along with everyone else, rather than simply directing or observing.

If employees spend a full day learning about, discussing, and realizing the potential of the New Way of Working initiative, they are more likely to feel that the program is beneficial to them personally. If they are not convinced, however, it will be harder to get employees to participate in follow-up activities. The following are useful tips for one-day offsites:

- Plan the day in an open, informal, and energetic environment. Try to create a professional atmosphere, but one that provides ample time for icebreakers, fun, and jokes. This approach will result in faster sharing of information and deeper discussions.
- Be sure to have a challenging, diverse, and energetic program. Participants will have different learning styles. Some learn by copying colleagues, others by practicing a lot, and still others by reading manuals or following a training program. Remember that the type and style of communications are equally important to the message.
- Be sure the day has enough time for interactive dialogue. If there is criticism or resistance, take notice and discuss the issues within the sessions. Do the same with new ideas or suggestions. Acceptance of the New Way of Working initiative will accelerate if there is room for positive and negative criticism.
- Invest in food and beverages first; the rest will follow. Lunch, dinner, entertainment, and after-parties are social activities, and as such they are crucial ingredients for one-day offsites. An eye for the “fun factor” will create a stronger buzz about and involvement in the initiative.
- Create a good mixture of theory, examples, cases studies, and real-life experiences. Relate these samples to day-to-day experiences, so employees can easily translate them into the new situation. Do not just push information by telling people how they should act or respond to the initiative. Make people think for themselves. Persuade them to find their own New Way of Working.
- Insist that managers of attendees be present and participate. This involvement will reinforce the personal value, because the experience will be seen as part of achieving commitments.

At the Dutch subsidiary, an important element during our one-day offsite was a conversation with the country management team. Every CMT member did three discussion sessions with 15 to 20 employees in which they shared their thoughts and feelings about the New Way of Working initiative and the upcoming new

Make people think for themselves. Persuade them to find their own New Way of Working.

building. Authenticity is key in a New Way of Working journey, so each CMT member spoke about the exciting stuff and what they were afraid of. This approach made each conversation different and personal.

In other offsite sessions employees got acquainted with more effective ways of communication and collaboration, and they were able to experience working at the future office. The session on “more effective ways of communication and collaboration” was a quiz presented by a well-known television quizmaster who asked questions about how to communicate, meet, or collaborate. The session devoted to the experience of working in the future office space was an open exhibition area where models of the new building and the new furniture were shown.

The offsite began with a short introduction movie from the general manager during his kick-off speech, and another video was shown to inspire the audience about the New Way of Working. The day also included team sessions where people could evaluate the day and the initiative with their own managers and teams. The offsite ended with a party. It was a thrilling and memorable event that energized all employees to move toward a New Way of Working.

Keep communicating about the New Way of Working initiative. Maintain the dialogue about the New Way of Working with monthly communications. This exchange will ensure that the initiative itself continues, along with individuals’ productivity improvements. An internal Web site that contains information, videos, and tools about improving workstyles is another helpful communication method.

SUCCESS FACTOR 7: LEVERAGE TECHNOLOGY TO ENABLE CHANGE

The technology sub-team, led by Microsoft IT, has a key role to play in rolling out new technologies and ensuring that end users are taking full advantage of these tools. This team needs to do the following:

- Plan for the use of new technology by aligning capabilities with business needs
- Be early adopters to see how the new technology can reinforce its own implementation
- Plan for deployment and adoption within the workforce
- Test applications and scenarios to make sure things work as advertised
- Develop training (technology and scenarios)

The Dutch subsidiary used a practical approach so end users could develop both the mental and technical readiness required for the New Way of Working initiative. “Personas”—how the technology could be used by typical workers—and “Scenarios”—how to improve everyday situations—are key.

Personas

In the 1990s, Microsoft introduced the concept of “the information worker” to describe workers who on a regular basis either use information to support the decisions or actions they take or create information that supports the decisions or actions of others. An information worker, therefore, uses information to assist in making decisions or taking actions or creates information that informs the decisions or actions of others.

Scenarios are all about rationalizing and standardizing common, everyday activities such as meetings, communication, e-mail, and project tasks with the goal of making each activity more effective.

The goal of specifying personas is to obtain fairly accurate insights into how people use technology and, by doing so, determine what skills and rules they need to make scenarios work.

A typical persona includes the following items:

- **Personal Information:** name, gender, marital status, and so on
- **Demographic Information:** in what places or locations can people perform their tasks?
- **Workstyle:** the high-level goals of the persona and how these workers perceive the job
- **Week in the Life of:** a calendar of a typical week in which tasks, appointments, and activities are noted

Personal, demographic, and workstyle information can be derived from the activity analysis questionnaires and validation interviews previously described. The results are an excellent source for creating compelling personas for client organizations.

Scenarios

A scenario is a description of a future state of a coherent set of activities performed for a specific reason.² In the software engineering industry scenarios are widely accepted as a means for exploring and communicating requirements. A scenario provides a common reference point for all stakeholders. The purpose of a scenario is to communicate the alignment between business activities, the skills required for workers to achieve their goals, and the technology platform. These business-related matters translate the New Way of Working vision into tangible and executable scenarios.

Scenarios are all about rationalizing and standardizing common, everyday activities such as meetings, communication, e-mail, and project tasks with the goal of making each activity more effective. A scenario describes how a future activity should be conducted to become more effective, mainly by eliminating inefficiencies in the process.

A useful principle for describing the scenarios that support the New Way of Working is to address the people, place, and technology characteristics of tasks. It is impossible to achieve the vision of a New Way of Working initiative by only implementing new technologies. Success depends equally on capturing the way people work with and through technology, determining how place affects the efficiency of the technology, and addressing the level of distraction workers face.

The persona and scenario analyses previously mentioned can be used to inventory the activities, required skills, and rules of engagement that people need to carry out a scenario. Prioritizing the scenarios can determine what training, communications, and technical enhancements need to be implemented. This prioritization can be done by business benefits (for example, drive new technologies or employee productivity), costs, IMPACT model, risks, and so on, as determined by the New Way of Working stakeholder V-team.

² This definition of scenario should not be confused with the definition related to strategic planning. The definition of scenario used in the New Way of Working concept was derived from strategic scenario planning exercises (for more information, see: Rasmus, Daniel W. and Rob Salkowitz. *Listening to the Future: Why It's Everybody's Business*. Part of the Microsoft Executive Leadership Series. Hoboken, N.J.: John Wiley & Sons. 2009).

“By identifying the early adopters and empowering them to teach others how to work according to the new scenarios, the scenarios quickly became a standard way of working for most people in the organization.”

– ILCO VAN DER BIE
MICROSOFT NETHERLANDS

A typical scenario is comprised of the following items:

- **Description and Storyboard:** a brief description of the tasks involved
- **Rules of Engagement:** a set of established rules that govern the scenario's use
- **Skills:** the skills required to be successful
- **Technology:** the required infrastructure capabilities
- **Workplace:** where the scenario's activity takes place

The Dutch subsidiary created scenarios for “smarter meetings” that provide guidelines and help identify key ways to organize and execute meetings more effectively by employing technology such as e-mail and collaboration suites (see Figure 8, “Scenario: Smarter Meetings,” below). Another example of an easy-to-adopt scenario is “smarter communication,” which provides guidelines and helps organize and execute communications more effectively by better using technology such as Unified Communications, telephony, and e-mail.

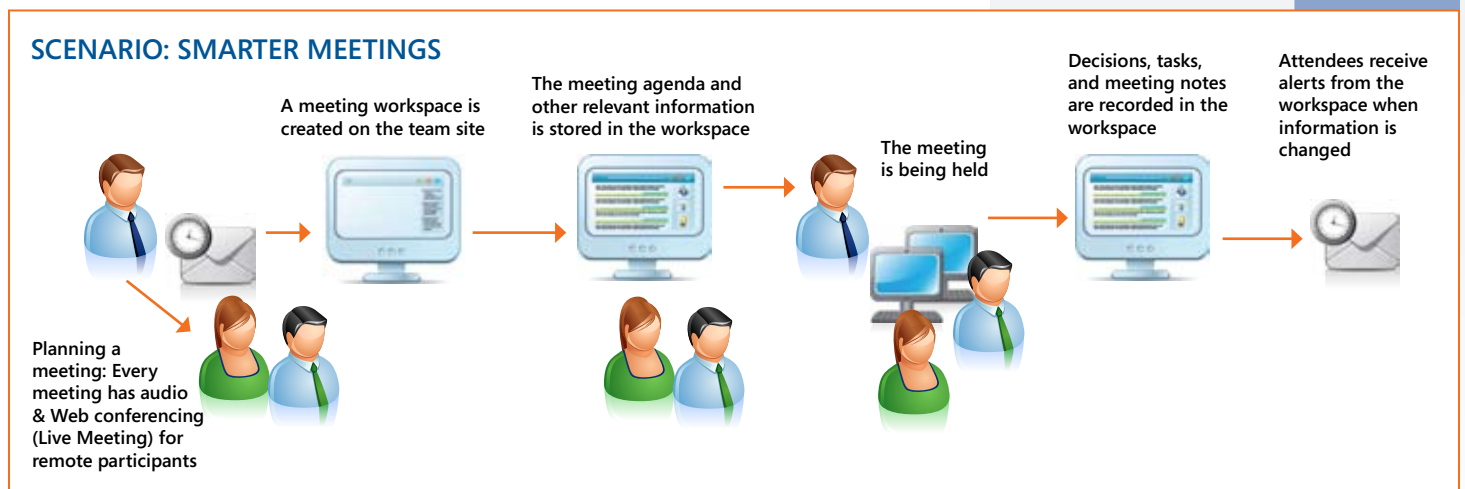
The outcome of workforce analyses is used to determine which scenarios are beneficial to organizational goals. Prioritize scenarios by mapping them onto the “week in the life of” calendar of a persona. This step will clarify which scenarios workers use and when. Workforce analyses are a powerful communication and decision-making tool for stakeholders, and the outcomes of these studies can be easily verified within the workforce.

At the Dutch subsidiary, regular team meetings are used to demonstrate how people can work more effectively and how their team meetings can be enhanced by making better use of new Microsoft technologies such as Office Communicator, Windows Live Meeting, Microsoft RoundTable, Outlook, and SharePoint. To make the “smarter” scenarios more popular, we offered employees short training sessions (two-hour maximum) called “pimp my workstyle” and “I love e-mail and tasks.” This approach has been successful: The top five implemented scenarios are smarter meetings, smarter running projects, smarter communication, smarter knowledge and information sharing, and smarter e-mail and tasks.

The Dutch subsidiary created the following design principles for its scenarios:

- Do not initiate separate training sessions; rather, use regular team meetings to conduct training. This approach is practical, keeps training close to daily activities, and makes it clear that training remains a management priority and not an optional activity.

Figure 8



- Always keep training as short as possible. Look for the optimal minimum: What is the minimum that our colleagues need to know about a certain scenario to perform as optimally as possible?
- Do not force departments to engage in the scenarios. Provide the services and scenarios to all teams within the organization and let them decide if and when to use them. Most teams are eventually willing to participate. Some teams are frontrunners; they are continually willing to test pilot the latest scenarios.

Because part of the New Way of Working is about taking personal responsibility, management of the initiative needs to reinforce this message. If people want to participate, they will; if they do not choose to participate at the beginning, then that decision will eventually catch up through peer pressure or career limits.

At Microsoft Netherlands, “the first scenarios were quickly adopted by a small group of people within the company,” said Ilco van der Bie, manager of strategy services at the Dutch subsidiary. “By identifying the early adopters and empowering them to teach others how to work according to the new scenarios, the scenarios quickly became a standard way of working for most people within the organization.”

Scenarios are best done after the one-day offsite and before the overall project deadline, such as moving into the new or improved office space. In this way, scenarios will feel like a follow-up to the offsite. Scenarios should be tested with several pilot teams prior to rollout to eliminate misunderstandings or misrepresentations during delivery. (If you want to know more about how to build and execute scenarios, visit this [Web site](#).)

SUCCESS FACTOR 8: DRIVE BUSINESS RESULTS WITH MARKETING AND SALES

The previous seven steps had to do with the internal transition toward a New Way of Working. But there are other opportunities for using the transformation as a thought-leadership platform for external communications.

Internally, thought leadership is important to an organization because it does the following:

- Reinforces strategy by delivering consistent communication about an original, forward-looking perspective on a key industry challenge
- Articulates an outward view of a market and, by doing so, reflects and exposes a company's belief system and its internal view, which in turn can reinforce its position in that market
- Demonstrates a company's capacity explicitly and its capabilities implicitly. Thought leadership emphasizes every company's paramount, proprietary asset—its people and how they think

The New Way of Working concept meets these criteria. It is forward looking, even though it can be delivered now, and it is an ongoing journey that will change as social structures, technologies, and business practices evolve. Finally, a New Way of Working initiative demonstrates the value of a company's products and services not through features and functions but through business results. It shows how technology helps the business innovate at the most basic level.

The New Way of Working is an ongoing journey that will change as social structures, technologies, and business practices evolve.

Because the New Way of Working in the context of this How-to Guide is aimed internally, it demonstrates the authenticity of this message: It is good enough for us, because we do it ourselves.

Marcom, Public Relations, and Tours

The Dutch subsidiary has found that tours by customers and the press have created great momentum for this thought-leadership message. It is better to show the actual environment and see people working with the new products and services than it is to show a video, demonstrate a piece of software, or tell an abstract story. The transformation of our office and the adoption of our own technology create a compelling story.

This approach may mean an increase in the number of visitors to your facilities. It may present you with a challenge: how to show visitors the new concepts at work in a real-world scenario. But these tours also provide an opportunity to engage customers at new levels. Rather than taking them to a Microsoft Technology Center and demonstrating a scenario in a laboratory environment, customers can see real Microsoft employees using actual Microsoft tools in an environment designed and influenced by Microsoft’s own research and thinking.

How does letting customers see the New Way of Working concept in action translate into new business opportunities?

Secure a Successful Customer Pilot

1. Meet the executives of three to five pilot customers, invite them to your new environment, give them a tour supported by members of the New Way of Working V-team, and make them believe in your New Way of Working vision.

The following is a sample agenda for this event:

- Kick-off presentation by the general manager or one of the other country management team members. It is best to make this session an open dialogue. The GM or CMT member should discuss personal experiences from the New Way of Working journey. The “executive meets executive” step is a crucial icebreaker in keeping customers open-minded.
- Tour of the New Way of Working environment or presentation of a live demo of several of the implemented scenarios. If possible, guide visitors through the new office environment and show them how people really perform their day-to-day tasks. It is important to demonstrate how the initiative works in your environment and to be open and honest about any pitfalls from your own technical implementation process.
- Presentation by one or more of the functional leads of the people, place, and technology sub-

Figure 9

NEW WAY OF WORKING TARGET GOALS AT A CUSTOMER SITE		
CUSTOMER ENGAGEMENT (4-6 MONTHS)	EXPECTED CUSTOMER OUTCOMES	KEY MICROSOFT OUTCOMES
Target Customer Profile <ul style="list-style-type: none"> ▪ T-12 months in Enterprise Agreement renewal ▪ Multinational/regional with geographically dispersed workforce ▪ Compelling customer event: cost-cutting OPEX for office or telephony; move, merger 	People <ul style="list-style-type: none"> ▪ Increase individual and team productivity ▪ Attract and retain the right people ▪ Reduce sick leave and the costs of non-productivity 	For key EPG customers <ul style="list-style-type: none"> ▪ C-level engagement ▪ Trusted advisor status ▪ Enterprise Agreement and E-CAL suite revenue ▪ Platform wins/competitive wins and ESC consultant revenue ▪ Positive PR/evidence
IMPACT Model Steps—Aligned to BPIO <ul style="list-style-type: none"> ▪ Assess culture & workstyles of your people & business ▶ workforce analysis ▪ Assess the current & desired IT portfolio ▶ BPIO model ▪ Pilot to evaluate the technology as enabler of change ▶ UC Pilots ▪ Optimize physical workspace to people, culture, & business (RE&F) ▪ Measure results & total cost of ownership ▶ UC Business Value Tools 	Place <ul style="list-style-type: none"> ▪ Lower real estate costs ▪ Reduce carbon footprint ▪ Reduce travel and training costs 	
	Technology <ul style="list-style-type: none"> ▪ Reduce travel and training costs ▪ Reduce IT and administration costs ▪ Reduce communications costs 	

teams that discusses how the sub-team made the transition to a New Way of Working. Be open and honest about both the pros and cons of the transition.

2. Send a request to the Microsoft Services management team to have five people [trained on the New Way of Working project](#). These consultants will execute the New Way of Working concept at customers and increase the chances for a successful pilot project.

3. Request that the pilot customers' account teams be trained on selling the New Way of Working concept and related tools.

Measure Results and Create Evidence

It is important to develop evidence that measures the results from both the internal project and customer pilots. The Dutch subsidiary achieved significant results (see text box, "The Results") and was also featured in an [internal Microsoft case study](#) that measured the business impact of the worldwide rollout of Unified Communications. We have created external case studies with such customers as [Rabobank](#) and [Shell Oil](#) to show how both companies are using Microsoft Office solutions to transform their workplace while improving employee productivity and reducing costs. The Unified Communications Business Group has comprehensive [business value tools](#) that sales teams and partners can use with customers to measure the full range of benefits from the New Way of Working (see Figure 1, "People, Place, and Technology," on page 7).

The following outcomes have been proven at New Way of Working customer sites:

- Increase individual and team productivity (people)
- Attract and retain the right people (people)
- Reduce sick leave and cost of non-productivity (people)
- Reduce real estate costs (place)
- Reduce carbon footprint (place)
- Reduce travel and training costs (technology)
- Reduce IT and administration costs (technology)
- Reduce communication costs (technology)

Microsoft subsidiaries have achieved the following outcomes at their key enterprise partner group customers:

- C-level engagement
- Trusted advisor status
- Enterprise Agreement and Enterprise Client Access License suite revenue
- Platform wins, competitive wins
- IT Architecture & Planning (ITAP) consultant revenue
- Positive public relations, evidence

Scale Marketing, Sales, Partners, and Services to Increase Customer Pilots

1. Allocate executive management (CMT) time to meet the press and top customers (agree on how much time, when, and how). At the Dutch subsidiary we have "Inspire and Experience sessions" where the management teams from enterprise partner group (EPG) customers meet several members of our country management team for an open dialogue and tour.

THE RESULTS

The following are some of the scorecard and business results Microsoft Netherlands achieved one year after its New Way of Working initiative officially launched:

- 153% revenue growth for E-CAL suite
- +12% in revenue for Exchange servers and associated CALs
- 11.2 million or +51% in revenue of OCS server and associated CALs
- 19,710 Notes seats converted to Exchange/SharePoint
- 9 voice pilots (EPG), 2 lighthouse wins, 42 OCS customer adds (SMS&P)
- 40 Enterprise search design wins
- 25 Top Stories, including Citizenship and Innovation
- 30 "EPG C-level meets CMT" sessions
- 100+ New Way of Working EPG and SMS&P awareness sessions
- Reduced real estate costs \$644,000 or 30%, per year

Conclusion: All scorecard goals for E-CAL, SharePoint, OCS, Exchange, and so on, show a sustainable growth that results in a large sales and delivery capacity at partners.

2. Allocate budget to the business marketing organization for external marketing initiatives; for example, evidence, a Web site, online videos, white papers, business decision-makers' events, commercials, external research, and so on.

3. Create a repeatable lead generation process. Require 80 percent of account managers or account technical specialists to be trained on the New Way of Working readiness program so they can sell the Enterprise Client Access License suite and Unified Communications using the New Way of Working approach.

4. Invest in training for partners carried out by Microsoft Services staff who are experienced in New Way of Working.

5. Scale Microsoft Services, allocate consultants to other New Way of Working customer engagements, and plan status update meetings once a month.

New Way of Working customer engagements can be executed in four to six months. The profile for appropriate target customers is that they be 12 months from their Enterprise Agreement renewal, have a geographically dispersed workforce, and/or be going through cost-cutting operational expenditures for either office space or telephony or both (see Figure 9, "New Way of Working Target Goals at a Customer Site," on page 25).

The IMPACT model is used to [execute customer engagements](#). A lightweight, compact framework developed to implement the New Way of Working at customer sites, IMPACT is neither a prescription nor a methodology. Its intention is to provide guidance in the journey toward a New Way of Working. IMPACT focuses on creating a concise vision of the New Way of Working for client organizations and guiding customers through the journey. It helps determine and prioritize business imperatives, and it can be used to create a roadmap for achieving business goals. The IMPACT model is comprised of creating a vision, assessing the workforce, and determining the current infrastructure's Business Productivity Infrastructure Optimization capabilities. These areas of attention are continually refined in an iterative manner (see Figure 10, "IMPACT Model," at right).

CONCLUSION

The New Way of Working is a worthy investment for any Microsoft subsidiary. By demonstrating how we can get the most value from Microsoft technologies, we create a more effective work environment while lowering costs, boosting employee retention, and increasing revenue—all key issues during turbulent economic times.

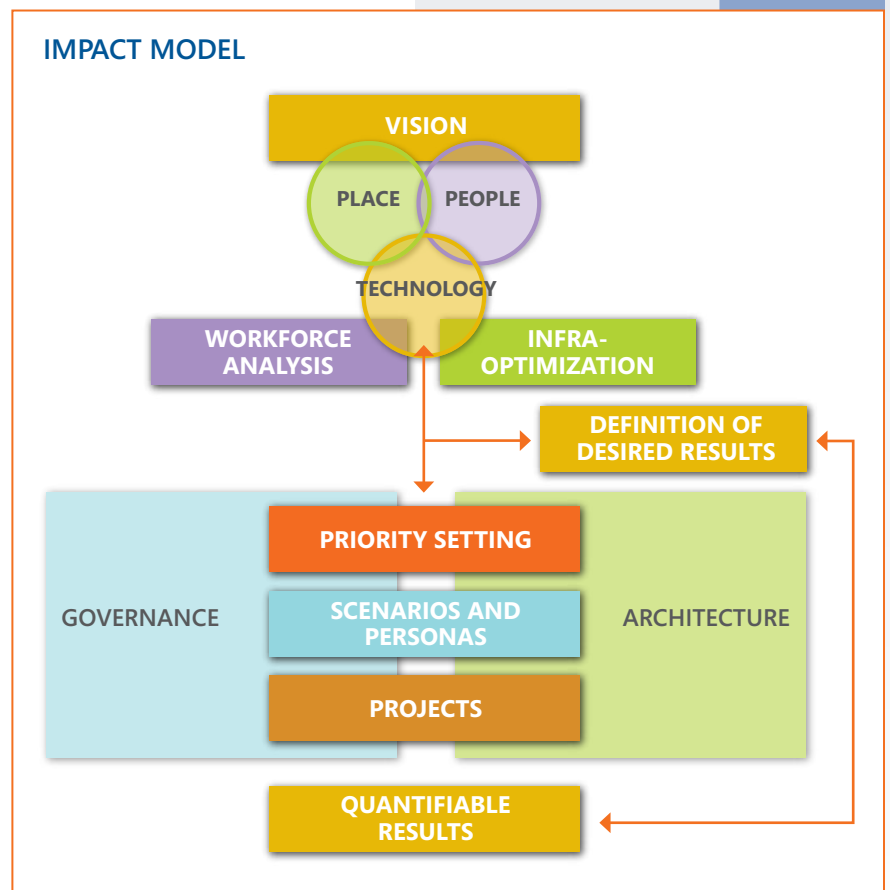
"Certainly we realized cost savings, but the ultimate value is greater flexibility for our [more than 100,000 member] user community with the improved working environment."

– JOHAN KREBBERS
GROUP IT ARCHITECT, SHELL OIL

"Rabo Unplugged [an integrated style of working inspired by the New World of Work] means putting your trust in people, letting them take responsibility for their own work and create a work/life balance in their own way."

– PIET VAN SCHIJNDEL
MEMBER OF THE BOARD
OF DIRECTORS, RABOBANK
NEDERLAND

Figure 10



A New Way of Working also creates a focal point for Microsoft's thought leadership. The approach communicates—in a tangible way—to our customers and the broader market how our technologies can transform businesses and the lives of their employees. The initiative is an idea that we transformed into an action. A New Way of Working demonstrates the following:

- People really can work anytime, anyplace, and different generations can work together by finding the best way for individuals to connect, share, and collaborate.
- Software really can make organizations more effective by creating more transparent processes and communications.
- Businesses really can take advantage of talent in a global market by connecting people around the world to solve problems.

Customers will see Microsoft employees bringing out the best of themselves in their jobs—not because they are told to but because they want to—and fully leveraging this experience to drive the business.

At the Dutch subsidiary, the transition to a New Way of Working and the results of this initiative were an exercise in trusting people to find creative ways to meet the needs of the organization and all the people associated with it. Although at times lighter control remains frustrating, even scary for management and employees, our overall commitment has created a dynamic and effective organization. The project brought country management team members closer together, and our employees flourished while setting up a process that demonstrates our ability to credibly “tell and sell” our own solutions. We hope this white paper inspires you to achieve the same results in your subsidiary.

FOR MORE INFORMATION

To learn more about Microsoft Netherlands' New Way of Working initiative, please contact the following people:

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INTEGRATING GREEN INTO THE NEW WAY OF WORKING

At Microsoft Netherlands we are moving our New Way of Working initiative into the next phase: We want to reduce carbon dioxide (CO₂) emissions to improve environmental performance. We believe that it is not enough to simply say the New Way of Working is also “Green.” Rather, the key is to be conscious of what it means to integrate green principles into the New Way of Working vision and to implement these ideals.

Right now, we are working on the environmental impact of our current New Way of Working implementation. For example: verifying that commuting, with the exception of traffic jams, has reduced CO₂ emissions (we estimate CO₂ has dropped from 80% to 50%, thereby saving 15% per trip); calculating the impact of people working from home (they need heating there too); and identifying how intensively we use Unified Communications for customer contacts, and so on.

We are also determining how we can foster environmentally conscious behavior without compromising our vision that vitality, flexibility, and productivity are central to the New Way of Working. For example: The idea of a “greener” New Way of Working cannot be to ask people to work from home more often. And if a physical rather than a virtual meeting will produce the best business outcome, that is the preferred option. This choice is why we will pilot both having people travel to the office or customer meetings by train rather than by car and, for certain business travel needs, replacing air travel with train travel

– SABINE HESS
MARKETING INNOVATION LEAD,
MICROSOFT NETHERLANDS