

(IJ-01) Hot Desking, A Measure to Improve Space Efficiency: Communication Challenges Between Management and Staff In The Introduction And Implementation Of New Policies And Technologies

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ABSTRACT

This case study observes problems that may arise when communication between management and employees is absent in introducing new technologies and policies. It suggests a starting point to find ways to improve them. As remote work was actively introduced due to the COVID-19 pandemic, companies began to think about efficient space operation. The globalization of business also required flexible management of local office space from the perspective of corporate financial management. In introducing new policies and technologies, sufficient investigations and studies were not conducted to obtain a common ground from employees, and the subject of communication was not clear. The various problems are described from the first-person perspective of Jamie, a new employee, to convey the employees' position on the case. Finally, a conclusion is presented on what kind of result the communication of the ex-post response method will bring.

WHERE TO SIT, JAMIE'S DILEMMA

‘5 minutes before closing. Please choose where you will sit today.’ This is a guided message from the UsiT App every morning during rush hour. However, Jamie is still hesitant to choose. About a month ago, after countless interviews and frustrations that felt endless, Jamie got a job at a

pharmaceutical company he coveted and received a very interesting guide. The firm informed that from March 1st, all seats will be selected on a first-come, first-served basis through the application every morning. Jamie was free to choose a position regardless of rank. At first, he was unaware of the discomfort that such freedom would bring.

EMPTY OFFICE BROUGHT HOT DESKING

Jamie works in a historical and solid pharmaceutical company with revenues exceeding \$20 billion, research laboratories in eight cities in six states, and plans to expand into two international laboratories during 2020. In the future, the market will be more closely globalized, and accordingly, within 10 years, it had a plan to expand the number of overseas branches to the number of trainees in the United States. It employed over 80,000 and operated 20 subsidiary companies and more than 76 lines of products.

It hit a huge, unprecedented turbulence, with the pandemic Covid 19 that occurred in early 2020. It literally became a ghost office. Everyone conducted meetings and worked online, and the speed and completeness of work flowed in a completely different aspect from the existing attendance system. The deficit only increased with time. As the middle of 2021 passed, the issue of the efficiency of the office space was raised. From a long-term perspective, in order to enable both the expansion of overseas branches after the pandemic, and the quality/quantity management of personnel in the United States, it was decided that there was no choice but to manage the space more efficiently in the local offices. Accordingly, what had been proposed was an application that allows one to freely select a place to work. The company intended to achieve flexible employment within free space management. (Constable, 2019)

VERTICAL HIERARCHY IN HORIZONTAL SPACE

The company's intention was to improve the efficiency of project progress as well as product quality through competition between departments. It was not easy to cooperate with each other among department heads. Moreover, the recent merger had intensified the competitive spirit in that atmosphere. After the merger with a small and medium-sized pharmaceutical company, Jamie's existing division was decommissioned and now works with new team members with various

backgrounds and specializations, and a boss from overseas. The scope and duration of projects and the rearrangement of team members are flexibly made from time to time, and only individuals at the manager level or higher know how each project is related to other departments. The operational system became the elephant in the room which reduced the efficiency of hot desking. If the contents of Jamie's experiment were leaked or shared at any level, it could poison his team and cause the entire project to ruin.

THE ELEPHANT IN THE ROOM

As 2020 began, things happened that companies could not have imagined. Due to Covid 19, all face-to-face spaces had been locked down, creating a ghost office where no one goes to work. Projects and sales that were planned for two years halted. Maintaining the office as it was, due to the steadily rising rent and management cost, brought a great financial blow. It was impossible to maintain the office as-is at a time when the figures for the number of people who can come to work, and the number of people who work remotely continue to fluctuate, and exchanges with overseas branches were rapidly increasing. To reduce costs and establish a long-term manpower management system, reform in space utilization was necessary.

March 2020 was the time for Jamie to go to the office and start his internship. However, due to the pandemic, everything had been changed to online, and he had been put on standby. After 1 year and 6 months of waiting with no end in sight, he was finally informed of his first commute. This was when he started using his first UsiT app. His team consisted of the boss Michelle, 2 senior researchers and 3 new recruits, including 5 teams of the same size in his department. When making a reservation through the app, he couldn't sit in the same seat repeatedly, so he thought of moving to a place where he could feel a different atmosphere every day.

On his first day of work, Jamie took a seat by the window. Michelle settled close to him, and she looked quite uneasy. Unlike Jamie's task, which required reporting on a given study and its results, manager-level employees had to frequently receive meetings and reports of various sizes. Michelle was doing the same kind of work in an open space instead of a private office that had disappeared. Jamie, seated near Michelle, could inevitably overhear the conversation she and her other

employees were having. He found it difficult to concentrate on his work. Due to the nature of the app, which doesn't allow you to book the same seat again, he had to choose a different seat each day. The next day, he sat down with one of the senior researchers on his team. He was quite satisfied with the fact that he was able to learn the job and get to know the direction of the project. However, he has to take another seat tomorrow. Suddenly, anxiety about uncertainty began to arise.

The organizational structure of the company operated in 5-6 teams that carry out similar projects in each department, and selects excellent results through competition amongst teams. Because of this, teams compete rather than cooperate, and this group characteristic contradicts the open sitting system. Jamie knew this structure all too well. So, when he sat down with the other teams, he was very careful not to leak project-related information or expose his work progress. The other team members acted in a similar manner. Every morning, Jamie has a lot of stress outside of work to deal with the elephant in the room by selecting a seat.

STAY OR MOVE

Employee dissatisfaction naturally increased. However, the company, in dire need of changes in its profit structure and manpower management, made the following suggestions. Equalize positions so that work can be performed in a form close to partnership and change the relationship between departments from a competitive structure to a cooperative one. The firm persuaded the employees that even if the number of projects is reduced, individual capabilities can be maximized through a horizontal position system. The managers strongly opposed it, and the opinions of other employees were largely divided. Jamie was at a crossroads. He has to choose whether to stay with the company; which is trying to make drastic changes that other companies don't, or move to another company that has a stable rank structure that everyone is familiar with.

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TEACHING NOTE HOT DESKING, A MEASURE TO IMPROVE SPACE EFFICIENCY: COMMUNICATION CHALLENGES BETWEEN MANAGEMENT AND STAFF IN THE INTRODUCTION AND IMPLEMENTATION OF NEW POLICIES AND TECHNOLOGIES

ABSTRACT

The purpose of this teaching note is to identify and consider problems that arise when management's intentions and expectations for results are not sufficiently conveyed to employees, and to find ways to respond to them. In order to fully understand the position of both sides, a group role-play method of 3 or more people was applied, and a written report on the position was prepared before and after the discussion. Through this, it increases empathy for problems and helps efficient search for solutions.

THE FREEDOM DILEMMA: WHERE SHOULD I SIT TODAY?

SYNOPSIS

Employees' inconvenience and misunderstandings caused by the company's intentions, as well as a lack of effective communication.

Key Words: Communication, Organizational behavior

Suggested Audience: Undergraduates, Graduate Students, Executive Education

LEARNING OBJECTIVES

Students will recognize that there is a possibility of communication problems between labor and management that occur when the views of employees are not sufficiently considered.

Students will study how to communicate the purpose of a newly introduced policy and take into account the expected concerns of employees.

DISCUSSION QUESTIONS

1. What is the gap between the intentions of the company and the interests of the employees?

2. What steps should the management take to address these issues?
3. How should management communicate with employees easier and how should management activate the already introduced system?

PEDAGOGY

This case will be taught based on group behavior analysis by Stephen P Robbins and Timothy A Judge (Stephen P Robbins, 2011).

It is proposed to identify each side's position through a role-play method, and the students are divided into the company side and the employee side, and the analysis is performed through the following process. Forming public opinion based on the ratio is also an important factor, so the ratio between the company and the employees is 1:3. The total session is 2 sessions of 30 minutes each, and the student who was in the position of the company in the first session must change to the position of the employee in the next session. In the case of staff roles, when there are more than three people, at least one person must perform the role of manager. Rather than negotiating with the management, the point of this session is to fully explore the positions and limitations of each role.

Team meeting according to role, about 10 minutes

Set up Position

Set delivery method (Character build up)

REPRESENTATIVE SELECTION

In the case of more than three people, select one person who mainly negotiates, and have the rest support through additional remarks or add comments to the negotiator in writing.

DRAFT SCRIPT

The representative of each team starts a conversation about the relevant agenda, and each team member identifies, analyzes, and records the method and flow of the conversation, whether the intention is communicated, and also unexpected problems.

Check the problems found during the conversation, and analyze each element based on organizational behavior theory with the instructor. Discuss and organize solutions for more accurate and efficient communication and write a report.

DISCUSSION QUESTIONS AND SUGGESTED ANSWERS

1. What is the gap between the intentions of the company and the interests of the employees?

The company's intention was to promote space efficiency and exchange between employees. However, the lack of sufficient research with survey and persuasion effort caused strong dissatisfaction among the employees. Employees opposed that moving freely from one place to another regardless of rank causes work insecurity, invasion of privacy, and loss of concentration.

2. What steps should the management take to address these issues?

Sufficient research should be conducted with experts on whether the roles of related tasks and positions match the space. Departments and employees should be analyzed, and space arrangements should be reconstructed according to the group development stage suggested by organizational behavior theory.

Encoding: The company did not conduct sufficient research on whether the need and purpose of space reconstruction conflicted with the position of the employees. Also, the change could not be fully explained and persuaded by the employees.

Sending the message: There was no official explanation until right before the implementation of autonomous seats. Regarding this, it was difficult to identify the problem and provide feedback because it was unclear who are the ones actively communicating with the employees.

Decoding: Employees thought that the autonomous seating system created greater anxiety than freedom. A position without division in a company with ranks, worked as stress. However, no one actively raised a problem within the company.

3. How should management communicate with employees easier and how should management activate the already introduced system?

The company should first have listened to the views of its employees. At the same time as conducting organizational behavior-based research, it is necessary to establish a body that will receive feedback from a wider range of employees. Establish a subject and formulate it so that the problem is centralized to the control tower. After a countermeasure is in place, it is necessary to continue to persuade employees in a simpler and clearer way (visual media, etc.). In this process, it is necessary to balance and provide feedback so that the purpose of maximizing space efficiency and promoting communication is not essentially diluted.

EPILOGUE

The company established a department in charge and tried to actively collect employee feedback, but the effect was less than expected since the system had already been applied. Some manager-level employees who became dissatisfied and anxious about the horizontal rank system changed jobs. Jamie finds it more difficult than using a new system where everyone can play the role of both a regular employee and a manager and is preparing to change jobs along with his former boss. It's still a confusing freedom for everyone.

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