Decision making in facility management

- Line of Business
- Top Management
- External requirements

Strategic decisions regarding facilities

Facility Management
WOW is coherent with our policies and essentials

**People Policy**
At Novo Nordisk, we provide an attractive, engaging and effective workplace for our people

**OHS Policy**
At Novo Nordisk, prevention and continuous improvement is key. We strive to uphold a safe working environment and promote the health of our people

**Essential 8**
We have a healthy and engaging working environment
- The unit and its employees work actively to create and maintain workplace engagement at a high level
- Working conditions are regularly reviewed and addressed to ensure health and safety

**Essential 9**
We optimise the way we work and strive for simplicity
- We strive for clarity and keeping things simple
- Accountability for work processes is clearly defined to ensure efficiency, effectiveness and quality
- Employees contribute to continuous improvement of work processes
- The unit shares knowledge, adopts best practice and learns from experience
- Change is professionally managed to ensure fast and effective implementation
Signs of life can sometimes be difficult to find ...
Strategic approach
# Capacity Model Scheme

## Input
- **Workplace supply**
  - SAP HR data
    - Cfa office portfolio
  - Forecast
    - Cfa office portfolio

- **Supply**
  - SAP HR data
    - NN + Novozymes facility portfolio
    - Shift plan
  - Forecast
    - NN facility portfolio

- **Canteen supply guest**
  - Number of guests per chair (2,3)
  - SAP HR data
    - NN facility portfolio
  - Forecast
    - NN facility portfolio

## Output
- **Workplace demand**
  - HC=FTE + SIT
  - EE=(HC*0,2)*0,4
  - **Office Occupancy Rate**
    - Outsourced (external consultant)

- **Demand**
  - HC=FTE + SIT
  - EE=(HC*0,2)*0,4
  - **Parking Occupancy Rate**
    - Swarco system (+illegal parking)

- **Canteen seat demand**
  - HC=FTE + SIT
  - EE=(HC*0,2)*0,4
  - **Usage rate (0,55<r<0,65)**

---

### Capacity Model Guide

HC=Headcount  FTE= Full-time Employee  EE= External Employee  SIT= Students, Interns & Trainees

---

### Capacity Model for Facilities

<table>
<thead>
<tr>
<th>Office Occupancy Rate</th>
<th>Parking Occupancy Rate</th>
<th>Canteen Seat Demand</th>
</tr>
</thead>
<tbody>
<tr>
<td>HC=FTE + SIT</td>
<td>EE=(HC*0,2)*0,4</td>
<td>HC=FTE + SIT</td>
</tr>
<tr>
<td>Outsourced (external consultant)</td>
<td>Swarco system (+illegal parking)</td>
<td>Usage rate (0,55&lt;r&lt;0,65)</td>
</tr>
</tbody>
</table>

### Demand / Supply

<table>
<thead>
<tr>
<th>Office Occupancy Rate</th>
<th>Parking Occupancy Rate</th>
<th>Canteen Seat Demand</th>
</tr>
</thead>
<tbody>
<tr>
<td>Forecast</td>
<td></td>
<td>Forecast</td>
</tr>
</tbody>
</table>

---

**Note:** Slides that will be used in the SCDK meeting to show the outcomes of the capacity model. Each column in the slides will be obtained by following The capacity model guide.
Office Occupancy Rate in Novo Nordisk

The manual

- 2 types of OOR measuring: *Yearly measuring* and *on-demand measuring*
- Measuring by floor and on desk groups, meeting areas and informal meeting areas
- Well-defined measuring route
- Inventory plans
- Over a representative week
Work Environment Observations (WEO)

Insights

<table>
<thead>
<tr>
<th>What</th>
<th>When</th>
<th>How</th>
<th>Who</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tracking of employees’ movements to meet the potential of use in offices</td>
<td>4 times a day during 5-3 days</td>
<td>• Register the desks according to 4 categories • Spreadsheet</td>
<td>Employee from CFa NN</td>
</tr>
</tbody>
</table>

- The workplace is usable
- Clean
- Workplace looks the same from the last count
- The workplace is occupied by an employee
- Monitor is on
- Personal items, such as phones, cups, etc. at the workstation

Desk observations ➔ Registration ➔ Data processing
Work Environment Observations (WEO)

Outcome

**Work stations**
- Week 37:
  - In use: 28%
  - Not in use: 72%

**Meeting rooms**
- Week 37:
  - In use: 36%
  - Not in use: 64%

**Informal meeting areas**
- Week 37:
  - In use: 22%
  - Not in use: 78%

**Peak OOR across all buildings**
- Average Potential: 72%
  - Week 37:
    - Min. use: 8% (9E)
    - Max. use: 63% (9O)

**Peak occupancy:**
- Week 37:
  - Min. use: 14% (9F)
  - Max. use: 62% (9R)
The plan for OOR measuring in Novo Nordisk is chosen in accordance to the parking spaces occupied in selected company’s site.

Parking space occupied in Bagsværd.  
Source-Swarco system
Our facilities hold a great potential

- At Novo Nordisk, we only spend an average of 39% of our work time at our desk. 61% of the time, we are in meetings either in own organisation or outside Novo Nordisk.

- Compared to other international pharma companies, Novo Nordisk has 20% less efficient utilisation of our office space.

<table>
<thead>
<tr>
<th>Novo Nordisk projects*</th>
<th>International projects**</th>
<th>Large international pharma company**</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average unoccupied</td>
<td>Average unoccupied</td>
<td>Average unoccupied</td>
</tr>
<tr>
<td>61%</td>
<td>40%</td>
<td>40%</td>
</tr>
<tr>
<td>Average temporarily unoccupied</td>
<td>Average temporarily unoccupied</td>
<td>Average temporarily unoccupied</td>
</tr>
<tr>
<td>11%</td>
<td>20%</td>
<td>10%</td>
</tr>
<tr>
<td>Average occupied</td>
<td>Average occupied</td>
<td>Average occupied</td>
</tr>
<tr>
<td>28%</td>
<td>40%</td>
<td>50%</td>
</tr>
</tbody>
</table>

* Projects in building VAT, 20M, 9A-D, FM
** Data from Gensler
Bringing the number of unoccupied desks from 61% to 41% will lead to …

### Average yearly savings site BA, SØ, GE

<table>
<thead>
<tr>
<th>Financial*</th>
<th>Environmental**</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average yearly savings on building costs</td>
<td>Average saved CO₂ from power</td>
</tr>
<tr>
<td>DKK 47M</td>
<td>4,800 ton CO₂</td>
</tr>
<tr>
<td>Average yearly savings on moving costs</td>
<td>Average saved CO₂ from heating</td>
</tr>
<tr>
<td>DKK 2M</td>
<td>1,000 ton CO₂</td>
</tr>
<tr>
<td>Total average yearly savings</td>
<td>Average saved energy in single-family houses</td>
</tr>
<tr>
<td>DKK 49M</td>
<td>1,200</td>
</tr>
</tbody>
</table>

* Data from “Building Index 2014”, 50% savings on moving cost, 2014
** Data from Corporate Environmental Management, energy consumption 2014
International benchmarks

ABW free seating
Open space office layout
Private office

OFFICE CONCEPT

FLEXIBILITY

SPEED OF ADOPTION

TIME

The Novo Nordisk Way of Working

Copyright Gensler
Revealing the full potential of NNWOW
The Novo Nordisk Way of Working will ensure optimal use of facilities and enhance organisational and personal flexibility to provide attractive, engaging and effective workplaces for our people – now and in the years to come.
Work is not a place. It’s an activity

Employees have changing needs for work settings during a workday

Desired knowledge sharing and collaboration

“Strong personal ties within a team strengthen the common problem-solving and the innovative results. The personal relation is more important than the individual competencies of the specific team members”.

*Published in: Nature by DTU Compute, 2014*
Eight good reasons for implementing WOW

**Ready for organisational change**
Agile workspaces accommodate organisational change and organic growth

**Office portfolio optimisation**
Better space utilisation reduces operational costs and creates a more efficient use of our buildings and facilities

**Room for individual choice**
Varied furnishing supports differentiated work needs, creating a better working environment

**Collaboration and knowledge sharing**
Agile workspaces lead to more employee interaction, relationship building, knowledge sharing and innovation

**Increased sustainability**
Better utilisation of our office m² means fewer resources spent on maintenance and thus a lower environmental footprint

**Health**
A workspace with room for different work settings evokes more movement and less sedentary work

**Efficiency**
By designing workspaces to accommodate the work tasks, everybody is able to perform their best every day

**Attracting the employee of tomorrow**
Agile workspaces support attraction and retention of top talent and the new generations
Making the Novo Nordisk Way of Working our Way of Working
What is WOW?

The Novo Nordisk Way of Working gives everybody the opportunity to choose a specific work area that provides the best support for any given activity.
The four zones in a WOW workspace

The quiet zone

The purpose of the quiet zone is to support the need for doing concentrated work without interruptions. In order to accommodate that need, the zone is placed where employee traffic is light. The quiet zone must be separated from the other zones, and workstations have to be separated with acoustic panels to emphasise a feeling of silence and visual partition. As a supplement, study cells can be added for Skype calls or confidential conversations.

The collaboration zone

The collaborative zone is created to make room for interaction and innovation. It is a living zone, where noise is part of the humming exchange of knowledge and teamwork. The zone should therefore be separated from the quiet zone and the dynamic zone. The workstations vary in size and function – from traditional work desks to large working/meeting tables.

The dynamic zone

The dynamic zone is much like our open office work area today with the purpose of performing both social and teamwork. It is okay to be interrupted by a phone or a colleague, but long conversations and work sessions should take place in the collaboration zone. Each group of desks has up to six workstations.

The shared zone

The shared zone can be seen as the space in-between and around the other zones. It comprises meeting rooms, entrance ways, coffee stations as well as lounge areas. The zone will be the natural meeting point for the different departments, it is shared with neighbours and can be used for meetings, projects and solitary work.
The principles of a WOW workspace

Traditional space planning – 1 desk per employee

- 10 employees present at desk
- 10 employees away from desk

= active use by 10 employees

Activity based working (ABW) – AWB desk ratio

- 10 employees present at desk
- 5 employees away from desk
- 5 employees present, collaborating
- 5-10 extra capacity, e.g. fly-ins, externs, other colleagues

= active use by 15-25 employees
How is WOW implemented?
A WOW process has six phases

**Idea phase**

*Defining the project*
Start-up meetings and scope of project

**Initiate phase**

*Launching the project*
Appoint steering group, involve HR partner, local AMR and change agent. Conduct leadership workshop and employee kickoff

**Analyse phase**

*Understanding the project*
Gather information and data from employees and management about the departments’ activities and needs

**Planning phase**

*Planning the project*
Decide on the layout, design and furniture for the new workspace based on the findings of the analysis phase

**Implementation phase**

*Implement the project*
Make the transition into the new workspace

**Evaluation phase**

*Evaluate the project*
Follow up on the use of the new facilities and support the organisation in the transition
It starts by formulating a WOW project vision

A WOW vision
Before implementing WOW, the organisation needs to **formulate a project vision.** The project vision is an one-page document that captures the **desired outcome of the project** and what activities the new workspace is meant to support. The purpose of the project vision is to **guide the design of the workspace** and ensure that it accommodates the actual needs of the department now and in the years to come.

Example: Project vision for building 9S

“To bring the organisation together in the building and create more optimal use of our office space”

“Involvement and transparency will be key in the process”
... And a project contract

“Extract from project vision”

“Transparency, and alignment in deliverables”
Your involvement in the WOW process

Initiate phase
- Leadership workshop
- Kickoff event for employees in the department

Analyse phase
- Surveys
- Workshop for employees in the department
- Interviews

Planning phase
- Workshop for managers in the department

Implementation phase
- Meetings
- Preparation meetings regarding purchasing of furniture etc.

Kickoff
- Introduction to the conceptual design
The tools used to understand your department

**Interviews**
One-on-one interviews with managers, employees and HR partners.

**Work type registration (WTR)**
Personal registration of how you spend your time during a normal workweek. The registration takes place over a period of one week.

**Employee comments**
To uncover the individual departments’ future needs and wishes.

**Online survey**
Soft data is collected on the employees’ everyday work life and how they experience their workspaces and facilities in relation to the process of potential change. This is done 2-3 times before, during and after.

**Work environment observations (WEO)**
Observations on the actual usage of facilities in your working environment are carried out by external consultants. The observations will cover both formal and informal meeting rooms as well as workstations.
WORK ENVIRONMENT OBSERVATION: Observations on current use of space

What?
Observations 3-5 times a day in one week on all your current workspaces and break out areas.

Purpose:
Registration of the actual use of space (vs perceived use of space).

Who:
Observations done by Cowi.
WEO data
**WORK TYPE REGISTRATION:**

**Ca. 10 minutes/day**
Self registration of your current use of time during a normal work day for a one week period.
Please use the orange space in the middle for personal comments, thoughts, worries, wishes – in English or Danish.

When you have finished on the last Friday afternoon mail the spreadsheet back to: mtre: pp@mtre.dk
Online survey

ONLINE SURVEY
1 x 15 minutes
Individual data is collected on everyday work life and how the workspaces and facilities are experienced
Interviews

Personal Interviews
Interview frame:
• Description of the department
• Description of types of work processes
• Internal relationships, the need to cultivate cooperation
• Foreseen tendencies for future work and collaboration, including need for physical flexibility
• Workstation areas, Support- and Common Facilities – any special needs to be supported (incl. employees with physical disabilities)
• Number of external consultants to be clarified
• Meeting activity, including the need for Skype / LYNC- and conference calls.
• File cabinets – need
• Monitors – employees needing double monitors
Manager and Focus Group Interviews

Managers will receive an Outlook invitation for a manager interview taking place

Some employees will receive an Outlook invitation for an employee focus group interview

Interview will be distributed prior to meetings.

Invitations will come from the Coordination Group and you will be invited in due time in order to prepare for the interview and gather relevant input.
Be aware that WOW can be a big change to some people

WOW is a change process and a learning journey to the people involved. To effectuate the change, we work with:

- **Structure** – physical context, organisation, procedures etc.
- **Culture** – social context, communication, leadership etc.
- **Behaviour** – self-narrative, perception, personal habits etc.
The principles of supporting the change

1. Make sure that people get adequate information about the project in due time to limit speculations.

2. Emphasise the benefits to the organisation and the individuals to build a positive attitude towards WOW.

3. Encourage questions and dialogue to show transparency of the solutions and the process.

4. Make it clear to the department when and how they will be involved to create a sense of ownership.
Implementing a new workplace strategy
Corporate Facilities

caring for your workday
Project pipeline will ensure sufficient workplace capacity and mitigate traffic safety 0-5 years.
In 10 years, 75% of the workforce will come from Generation Y. Are we ready?
**Solution 1: USB docking**

- Each desk will be equipped with a universal docking station and a power conversion cable
- All employees install a local driver
- Special solution for non-Lenovo products, e.g. cable solution
- Easy screen and power connection
- Telephones can be charged via extra USB ports in docking station
- Price per unit is DKK 960 per USB docking station and DKK 260 per power conversion cable
- To be implemented before moving to secure smooth implementation of ABW

**Solution 2: Multiple cable solution**

- Each desk will be equipped with an ordinary screen cable with small screws and two or more cables for old and new Lenovo computers and other computers
- All employees mount screen cable and power cable
- Price per extra unit of power cables is DKK 200
We are satisfied with the overall results

<table>
<thead>
<tr>
<th>Results from employee surveys in CP, CQ and GS</th>
<th>Global safety</th>
<th>Corporate quality</th>
<th>Corporate procurement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Questions supporting the key ABW benefits</td>
<td>Difference</td>
<td>Pre</td>
<td>Post</td>
</tr>
<tr>
<td>The right facilities for any external partner - including colleagues visiting from other sites</td>
<td>0.76</td>
<td>2.83</td>
<td>3.59</td>
</tr>
<tr>
<td>A place to undertake a difficult or confidential conversation</td>
<td>0.50</td>
<td>2.91</td>
<td>3.41</td>
</tr>
<tr>
<td>Having the freedom to choose where I do my work within the building</td>
<td>1.17</td>
<td>2.55</td>
<td>3.73</td>
</tr>
<tr>
<td>Facilities to do concentrated work</td>
<td>0.20</td>
<td>2.96</td>
<td>3.16</td>
</tr>
<tr>
<td>Good technology that allows me to connect with the right people</td>
<td>0.04</td>
<td>3.53</td>
<td>3.58</td>
</tr>
<tr>
<td>Facilities to work with team/collaborative work</td>
<td>0.50</td>
<td>3.31</td>
<td>3.81</td>
</tr>
<tr>
<td>Easy access to the people I currently work with (project based)</td>
<td>0.16</td>
<td>3.42</td>
<td>3.58</td>
</tr>
<tr>
<td>Having the management's support to do my work from wherever I choose</td>
<td>0.39</td>
<td>3.37</td>
<td>3.76</td>
</tr>
<tr>
<td>A strong and consistent Novo Nordisk identity/feel when entering the building</td>
<td>0.63</td>
<td>2.89</td>
<td>3.53</td>
</tr>
<tr>
<td>A culture that supports work-life balance</td>
<td>0.08</td>
<td>3.38</td>
<td>3.46</td>
</tr>
<tr>
<td>A beautiful and inspiring workspace design</td>
<td>1.30</td>
<td>2.20</td>
<td>3.50</td>
</tr>
</tbody>
</table>
Main drivers support Novo Nordisk’s Triple Bottom Line and readiness for the future

<table>
<thead>
<tr>
<th>ABW</th>
<th>Results from employee surveys in CP, CQ and GS</th>
<th>Measured effect – pilot projects</th>
</tr>
</thead>
<tbody>
<tr>
<td>Support attraction and retention of top talent</td>
<td>Questions supporting the 5 key ABW benefits</td>
<td>CP</td>
</tr>
<tr>
<td>• The right facilities for any external partner – including colleagues visiting from other sites</td>
<td>24%</td>
<td>31%</td>
</tr>
<tr>
<td>• A place to undertake a difficult or confidential conversation</td>
<td>-1%</td>
<td>22%</td>
</tr>
<tr>
<td>• Having the freedom to choose where I do my work within the building</td>
<td>48%</td>
<td>43%</td>
</tr>
<tr>
<td>• Facilities to do concentrated work</td>
<td>19%</td>
<td>16%</td>
</tr>
</tbody>
</table>

| Accommodate employee colliding which supports relationship building and knowledge sharing | • Good technology that allows me to connect with the right people | 19% | 3% | -4% |
| • Facilities to work with team/collaborative work | 17% | 29% | 7% |
| • Easy access to the people I currently work with (project based) | 11% | 11% | -2% |
| • Having the management’s support to do my work from wherever I choose | 24% | 20% | 2% |

| Differentiated work needs | • A strong and consistent Novo Nordisk identity/feel when entering the building | 27% | 31% | 9% |
| • A culture that supports work-life balance | 9% | 10% | 1% |
| • A beautiful and inspiring workspace design | 71% | 47% | 8% |

* Data from “Building Index 2014”, 50% savings on moving cost, 2014 for site BA, SØ and GE
** Data from Corporate Environmental Management, energy consumption 2014
*** Supported by data from 9A-D, 9E BA, pre-survey data compared to post-survey data
Results from global survey at Credit Suisse
(The survey involved 13,000 employees)

**Increase productivity and collaboration**
- 83% of users at same or greater productivity
- 50% of users feel that the office enables them to do concentrated work vs 32% before
- UH2 staff reports 35% fewer sick days/month than Swiss average

**Increase engagement and retention**
- 70% find the environment stimulating and creative vs 38% before
- 51% of users interact with more staff outside their department
- 63% are satisfied with their working environment vs 53% before

**Attract top talent**
- Pride in the workplace up to 91% from 63%
- 42% of users believe remote working is better support:
  - 26% of managers are more comfortable about managing remotely
  - 56% of staff work remotely at least occasionally, up to 42% before
SURVEY / Measures on current work environment

On a scale from 1-5, how satisfied are you with your current work environment?

68% of the employees asked rated the current work environment 1 or 2
In order to support you carrying out your work under the best conditions, what would be the most important facility?

- A place to do concentrated work: 72% of the employees who answered, rates a place to do concentrated work as very important.
- A place for team/collaborative work: 24% of the employees who answered, rates a place for team/collaborative work, as very important.
- A place to undertake a difficult or confidential conversation: 4% of the employees who answered, rates a workplace to undertake a difficult or confidential conversation, as very important.
SURVEY / Measures on Success Criteria

- **Our workplace supports networking, knowledge sharing and flexibility across departments**: 68% (20%)
- **We act as a dynamic partner to all our customers**: 84% (28%)
- **Our workplace showcases our values**: 64% (16%)
- **Our workplace supplies a working environment that supports dynamic interaction as well as concentration**: 4% (3%)
Employee Comments

Needs and concerns (WTR + survey)

Concerns related to issues around personal desks and desk size

Employees emphasise a need for space to do concentrated work and the importance of being available for stakeholders.

Some employees express a need for more knowledge regarding Activity Based Working and the implications of this.

"More people in the rooms - 224 and 240 - will only make more noise and less possibility for concentrated work. Smaller desks will make it difficult to perform review of documents because we often have to use many books or other documents to do our work. Finally, the output will decrease."

"Too many people in the same room makes too much noise and it is therefore not possible to concentrate."

"QA afdelinger er noget lig hovedbanegårde [mange stakeholders, der kommer og går]. hvilket ikke matcher med at man også ofte har brug for at have meget koncentreret arbejde i form af omfattende dokument review."

"For å mødetakler og stilierum"

"...It is important for me to have a permanent desk during the day because I work almost all day at the desk. But at times it is also important that the noise level in the room is not too loud. So I would appreciate "moveable" walls etc. that could minimize the noise and make it easier to concentrate."