

case study

RadioShack Corporation

World Headquarters Riverfront Campus



“It’s a fantastic environment to work in. I finally see energized, proud people walking around.”

Bill Knotts, Vice President Corporate Real Estate
Operations Radio Shack

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Our new environment had to facilitate and encourage collaboration, teamwork, efficiency and innovation.

These are essential to our company’s future.”

RadioShack had questions.

Situation

RadioShack Corporation is the nation's most trusted consumer electronics specialty retailer. With more than 7,000 stores in the U.S., the company estimates that 94 percent of all Americans live or work within five minutes of a RadioShack store or dealer. The company's knowledgeable sales associates and brand position, "You've Got Questions, We've Got Answers," support RadioShack's mission to demystify technology in every neighborhood in America.

However, demystifying the company's own neighborhood -their new corporate headquarters workplace and work culture- created a lot of questions.

"We looked at different headquarters around the country to try to find something that might be close to what we thought the RadioShack culture would be productive in," says Nina Petty, vice president of corporate real estate, "and to be honest we didn't really see a lot of space that just clicked with us.

"What we were looking for was something that was quite different than any other corporation had ever tried. At the time we were literally reinventing the company. We consolidated our business, changed our name from Tandy Corporation to RadioShack. We wanted the space to reflect who RadioShack had become."

Building the 900,000-square-foot campus of three, six-floor office buildings and one multi-level commons building in downtown Fort Worth, was a project in itself. But "transforming our culture for 2,300 employees through this move," says Petty, was an even taller order.

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Nina Petty, Vice President of corporate real estate, RadioShack



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Changing the culture of the organization.

Situation

“We said all along, if this were just about constructing a new building, we would be missing the point,” says Leonard Roberts, chairman and chief executive officer. “Instead, our new environment had to facilitate and encourage collaboration, teamwork, efficiency and innovation. These are things that are essential to promoting the service-oriented culture that’s the lifeblood of our company’s future.”

“A couple of things were happening,” says David J. Meyer, senior vice president at HKS Architects, Inc. “RadioShack migrated away from manufacturing electronics and more



towards retailing. And there were so many business processes in place to support being a manufacturer of product. The accounting processes were changing, the technology was changing, etc. So what spurred a lot of the

planning was recognizing that they were a different company than they had been, and the workspaces didn’t work for the company anymore.”

RadioShack was also dealing with issues most businesses confront today: attracting and retaining employees, effectively leveraging rapidly changing technology, and trying to plan workspaces when the organization itself is evolving faster than the plans could be drawn up.

For answers, RadioShack enlisted the help of Steelcase Consulting and HKS. Together the team helped RadioShack create a unique research process and workplace

pilot. It was a place and a process to test not only products, but concepts for the company’s work processes and work culture that would later be applied across the organization.

This unique approach created a workplace that spurred innovation and productivity, developed measurable gains in employee satisfaction, and produced dramatic bottom line results.

RadioShack set high corporate goals. To be an industry leader, to be a desirable place to work for the best and brightest employees, to be a responsible corporate citizen that values teamwork, pride, trust and integrity.

RadioShack’s existing work environment was practically the antithesis of this vision. Built in the 1970s, it embodied that era’s workplace strategies, and clearly lacked what an innovative organization needs today (See “That 70s Showplace”).

Management knew the stakes were high. They needed to transform the culture of an 80-year old company, plan and provide for the business’s strategic needs for the next 20 to 30 years, and deliver on an overall investment of \$200 million.

Bill Knotts, Vice President of Corporate Real Estate Operations, put it simply: “How would we get 2,300 people to understand this new workplace, feel it, know it, and move into it, and not go crazy?”

How could RadioShack make sure they did it right? The Answer: the Ideas Lab.

New goals for a new workplace:

- **Function better as a team** by eliminating silos and “turf zones”. Build teamwork by establishing more trust between employees, more collaboration and better communication and knowledge sharing.
- **Become more innovative** by being faster, more decisive, and a more vibrant workplace. The workplace should be more energetic, more casual, more focused on the big picture
- **Cause interaction** among associates and support collaborative work.
- **Empower individuals** throughout the organization.
- **Give employees more flexibility** to reconfigure their work spaces within established foot prints, and gain greater workplace flexibility over the long term.

That 70's showplace.

Cowtown, they called it. Fort Worth was the end of the Chisholm Trail cattle drives, and later a home to rich oil fields that brought prosperity to the city in the 1930's.

But by the 1970's it was suffering like other U.S. inner cities from a dwindling economy, a lack of investment, and suburban sprawl. The Houston Chronicle described downtown Fort Worth as "drab, dirty and largely empty."^{*}

It came back though, thanks in part to far-sighted community leaders such as the late Charles Tandy, founder of RadioShack, who made a key investment in the city's rebirth by building a new corporate headquarters downtown.

Known then as Tandy Corporation, the company was a manufacturer with a collection of retailers including Color Tile, Pier One, and Bombay Co. Its headquarters was a mixed-use facility of twin 20-story towers (opened in 1976 and 1978) that exemplified 70s-style architecture and thinking about the workplace.

"We had closed offices with the core in the middle, all the offices on the exterior and all the secretarial staff in the middle," recalls Nina Petty.

"Handball court-size offices" is what Mark Hill, senior vice president and chief administration officer, calls the old executive offices at Tandy. Like Petty, Hill joined the company's management team long after the Tandy Center was built. "We all had immense offices. My office was 20 by 30. And the only way to get to the executive offices in the old place was to take an escalator up to our floor, which was two stories tall."

"When the towers were built, they were very much in the style of those days," recalls HKS architect David J. Meyer. Private offices. Everything was manual. Even in the 80s, when we did the Technology Center, everything was mainframe.

"The old way of allocating workspace by who you are versus what you do - I get a title, I get a space. I get a bigger title, I get a bigger space—that system just doesn't allow for the ways people work now, which is more collaborative, faster, less 'silo' if you will.

"We needed something different than what we had in the Tandy Center," says Petty. "A more collaborative environment, more technology involved, more about connecting people, places, and things. At Tandy, you couldn't connect to anything except yourself."

During the planning for its new corporate headquarters opened in 2004, RadioShack sold the Tandy Center complex. Local owners formed a redevelopment plan that includes residential, retail and office space.

Fort Worth is vibrant once again. Downtown buzzes with businesses, retail shops, hotels, restaurants and living spaces. And once again RadioShack has made a significant investment in the core city, this time with their 38-acre master planned site on the south bank of the Trinity River.



The Tandy Center was designed to keep business units separated, preventing what the company called "cultural contamination." Space was allotted by organizational rank. Work was "confidential" so private offices were everywhere.

Employees spent most of their time in their office, tied to desk-bound technology. Spaces for teams or small meetings were lacking. People worked, reported, then went back to their office. In other words, it was a typical 70s-style office building.

^{*} "Bullish on Cowtown: Fort Worth gleams with modernity" copyright 1997 Houston Chronicle

The Ideas Laboratory takes shape.

Solution

Many businesses test products before buying them. Furniture mock-ups and small, short-term test spaces are not uncommon. Few companies take this strategy to the level of the Ideas Lab.

A dedicated space of 8,000 sq. ft. (and another 2,000 sq. ft. for storage) the Ideas Lab included workstations, team spaces, common areas, quiet rooms, and more.



The Lab's purpose was to test the design and development of workplace concepts. In addition, a wide variety of possible architectural and furniture solutions were carefully tested: ceiling and lighting scenarios, full-height movable walls, raised flooring, under-floor air and voice and data distribution systems, whiteboards, worktools and more. Most important was how these products and applications supported RadioShack's work processes.

"It's not about furniture"

"One of the big challenges for RadioShack was, how much culture shock could they take?" says Bruce Simoneaux, from Steelcase Consulting. "How do you take people from thirty years of private offices and move them into the open plan? Their biggest fear was that they'd be working in 'Dilbertville'.

"The Ideas Lab tested how far we could push the culture, and found the products

and applications to effectively support their new work culture."

Steelcase Consulting carefully chose the employees to work in the Lab. "They had to be willing to be guinea pigs, if you will," says Simoneaux. "We wanted a team that had been together for a while and was used to working together. They had to be willing to express opinions about things

they liked and didn't like. And they had to be a respected department within the organization, since they would help shape the overall corporate workplace."

The initial Lab residents were a few dozen employees of RadioShack's product and merchandising displays group. Their work spanned a short time cycle, and the group was used to working

with deadlines, so workplace ideas and products could be easily documented, measured, refined and retested. The group included individuals with a variety of different job functions and work styles, and a range of experience with the company. Also, all four age groups found in business today were represented, from older "traditional" workers, to baby boomers, generation Xers, and the youngest group, "millennials".



"The journey we were embarking on was not about furniture," says Petty. "It was about transitioning our work space and our work force. We were engaging a partner that could help us transform the culture of our company. That's why we went with Steelcase."

Nina Petty, Vice President of corporate real estate, RadioShack

Everyone into the pool.

Once the participants were identified, the Lab itself was designed and its processes established. First, employees met with Steelcase consultants in group sessions to analyze job requirements and work styles. Each employee created and presented their own “day in the life” photo storyboard explaining their work activities. Group input produced a flurry of notes, comments, observations and suggestions about how people work independently, one-on-one and in teams, how they share information, collaborate, interact, etc.

Each team then created an intricate roadmap linking their department to the entire organization. Next, individual and group workplaces were observed in operation. Hundreds of documentary photos were taken. Finally, each group’s needs, with the workplace concepts to be tested, were combined in a matrix of needs for the various spaces of the innovative organization: collaborative/meeting spaces, home bases, in-between spaces, and community spaces.

A “day in the life”.

Results

“When you get users involved in the planning and design of the workplace, it obviously takes time,” says Bill Heisler of Steelcase Consulting, “but you gain so much in the process. You discover how the business really operates, who really needs what to be successful, what you can do without. Unmet needs surface that users can’t articulate on their own. You find advantageous adjacencies, ways to strengthen informal communication networks, better ways to do things. It’s all about asking, observing, testing, evaluating and retesting. And when you finally nail it, everyone’s bought in.”



Once user needs were clearly understood, physical space constraints were considered, to develop a variety of block plans using a range of planning methodologies.

The payoff.

Finally, a test fit with the new building architecture confirmed the alignment into the new space. Another collaborative workshop produced the final Ideas Lab design and a long list of options to test. The list included:

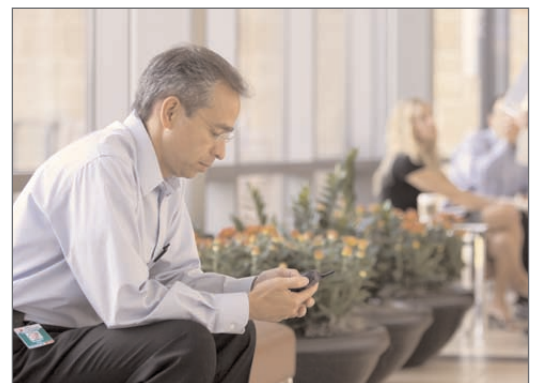
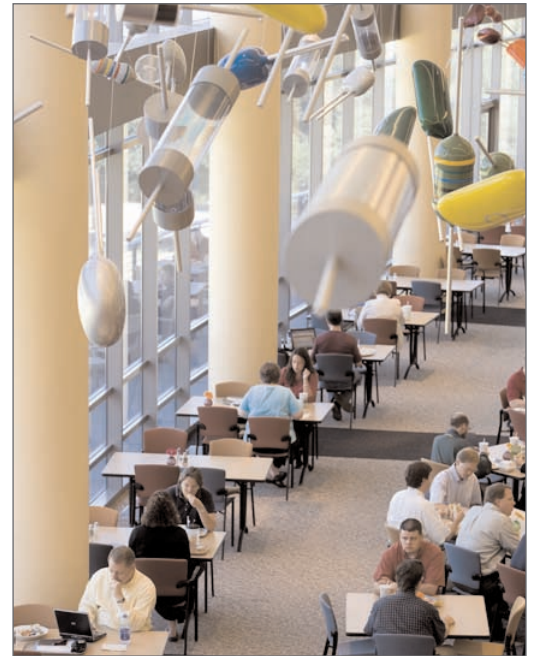
- workplace principles
- team and department adjacencies
- footprint configurations
- a variety of different work settings
- transition plans for moving to the new space
- the scale of the space and architecture

Answers began to stream out of the Ideas Lab, including some for questions RadioShack didn't even know they had. For example, desktop computers had been the accepted standard for employees. So they started migrating users to laptops. Before, that technology was apportioned on a hierarchical basis, not based on need. That was a big 'ah-hah!' for them," says Simoneaux.

Another revelation: a need for more collaborative spaces, such as team rooms, huddle spaces and enclaves. And rather than giving management the best outside views, all workspaces were placed away from exterior windows so everyone gets as much natural light as possible.

From an architectural standpoint "the Ideas Lab really told us a lot of things," says Meyer. "It told us about floor coverings, light fixtures, ceiling types, constructability. We mocked up the interactive area, the living room, lounge, one or two conference rooms. Worksurface and storage solutions. Then working with Steelcase we came up with more product-based solutions."

The Ideas Lab helped define the RadioShack workplace and work culture. It provided answers to questions for today and the future, such as how to create teaming areas, or a wireless Wi-Fi network. It identified the best adjacencies between departments that collaborate most often. Ultimately, the Lab helped steer the company around 'Dilbertville' and into the workplace that's right for RadioShack.



"It became obvious that for employees to move around, collaborate and share information easily, they needed mobile technology."

Almost 400% ROI.

RadioShack invested \$400,000 in the Ideas Lab, and the financial return is already clear. The company estimates the Lab facility and processes saved \$1.5 million by preventing application and design mistakes.

Ultimately, every RadioShack employee spent time in the Ideas Lab, either working, touring, or visiting. Every one of the 70 departments discussed which aspects of the Lab they wanted applied in their own neighborhoods. “Each group was able to get the right things, versus the cookie cutter approach of throwing the same cubes at everyone,” says Petty.

Employees were kept informed throughout the process. “Corporate communications and broadcast emails kept the whole campus up-to-date on various milestones,” says Knotts. “We held town hall meetings where we brought in representatives of departments and put on presentations and said, ‘here’s the site plan, here’s the design concept, here’s what we’re moving toward.’ We met with all departments.”

Before moving into their new workplace, every employee attended an eye-opening orientation session. “They thought we’d talk about product details or how the furniture worked. But this project was never about the furniture,” says Robert Rea, senior workplace consultant.

“This was about changing the company culture and how the space helps that happen.”

“The Ideas Lab became a big element in the change management process,” explains Meyer. “It basically became a training course and everybody in the corporation got a focused opportunity to walk through, look it over and ask questions. Once you had a formal introduction to the lab, what it was meant for, what the tools were, how those tools were used and some of the protocols, then your card key was activated so you could return to the Lab.”

A few examples of design mistakes:

- Lighting in common areas was determined to be too long. “On 18 floors, that adds up to thousands of dollars and it wouldn’t have been as attractive as it could have been,” says Mark Hill, a senior vice president.
- Wood tables in the conference rooms showed pen indentations, so a more durable laminate was specified.
- A digital lighting control panel for a conference room was scrapped because it wasn’t user friendly enough.
- Even outside visitors contributed when they recommended that, based on their experience, two ice machines and two refrigerators should be installed instead of one.

“I’ve lost the 3 o’clock syndrome.”

When RadioShack measured employee response to the new corporate headquarters, the findings surprised everyone. “We expected big improvements, but these numbers were so good we almost didn’t believe them at first,” says Simoneaux.

In quantitative surveys conducted by Steelcase Consulting, RadioShack employees at every level of the organization responded to specific statements about their old and new workspaces. Numbers shown on the chart show the percentage of all employees who agreed, or strongly agreed, with each statement.

Management left behind the what senior vice president Mark Hill called “palatial offices” in the old corporate headquarters for open plan workstations built with Steelcase Answer® systems furniture. “In my old office, people would come to me,” he says, “and now we come together. We meet in common areas, and we can meet in more informal areas. I’ve had a number of meetings in the cafe. I’ve had meetings out on the porch in the rocking chairs. I think we’re teaching each other. There’s less formality, more give and take. I think there really is more a feel that we’re all in this together.

Nina Petty likes the changes she’s seeing in the company’s culture. “It’s okay that, for example, two people want to go down to the fitness center and get on the treadmills and talk about a project at two o’clock in the afternoon. You know, that’s cool. That is not something that historically has been part of our culture. In fact, to the contrary. And I don’t think that’s unusual for companies that have been around eighty years.

	Old space	New space
Workspace allows for collaboration, concentration and contemplation	28%	100%
Employees have access to quiet, private spots when needed	58%	78%
A good range of choices for different activities during the workday	42%	89%
Workspace provides control over privacy, environment and technology	28%	56%
Workspace connects isolated groups	43%	78%
Work area supports need to connect with others	14%	89%
Work environment helps facilitate face to face communication	71%	86%
Workspace stimulates and inspires	29%	89%
Workspace supports visual display and sharing of information	86%	89%
Group areas help drive discussions to a conclusion	14%	88%

Equally impressive are comments from employees about their new workplace:

- I’d give the space a 9 out of 10. There’s a lot more collaboration with team members. We’ve gotten a lot more productive.”
-Bob Sylvester
- The move transition was spectacular. It was very easy for people. Painless, really minimal disruption.
- I like it better than what I had before - and I had an office before.
- I didn’t think I was going to like it, but I can just stand up and talk to my team. For the most part, it has exceeded expectations.

“This kind of meeting would never have happened in our old space.”

Bill Knotts, Vice President, Corporate Real Estate Operations

Today, it's about understanding what motivates our work force and what benefits we can bring with the workspace that inspires them and motivates them and makes them want to be a real part of RadioShack.”

Count Annette Havermann among those who feel more motivated in the new space. “I've lost of the three o'clock syndrome. In the old place I could always tell when it was three o'clock because I would be run down and tired. Here I don't even realize what time it is. A lot of times I find myself staying later and it's not even a phase, because I just find myself a little more productive.”



Organizational change happens in slow transitions and dramatic shifts, and every place in between. RadioShack has taken charge of organizational change and transforming their work culture. As Nina Petty says, “we're moving great people to new places to do extraordinary things.”

Product directory

Steelcase

Answer® systems furniture
Universal Storage
Universal Worksurfaces
Pathways® Post & Beam
Pathways® Technology Hubs
Turnstone® Groupwork Mobile Easels™
Metro® Detour™ Mobile T-screens and Mopeds

Tables

Metro® Bix
Metro® Teamwork Satellite
Vecta® Reunion™
Vecta® Rizzi™
Vecta® Runner™
Vecta® Logon™
Vecta® Ballet™ Table base and Steelcase
Worksurface

Seating

Brayton® Peek™
Brayton® Club Grande
Brayton® Evaneau
Brayton® Switch™
Brayton® Enea™ Stacker™
Metro Rubber
Metro Bix® Lounge seating

PolyVision® Room Wizard™
PolyVision® 1100 Series Markerboard
PolyVision® CopyCam®
PolyVision® Magnetic Chalk Rail

Details® Slatwall
Details® Radius Platform®
Details® L&L Negative Tilt Mechanism
Details® worktools and accessories

Details® Elsa™ Task Lights
Details® Underline™ Task Lights

DesignTex® Fabrics
Underpressure
Etching
Singing in the Rain
US Rain Cloud
Jot

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