Australian Government

Australian Taxation Office

14/03/2019
Committee Secretary
Parliamentary Standing Committee on Public Works

Response to matters raised in the evidence provided by the Australian Services Union - 6-20 Gladstone Street, Moonee Ponds

Dear Secretariat

Thank you for your letter of 14 February 2019. In your letter you outlined the Parliamentary Standing Committee on Public Works Committee's (PWC) concerns and requested the ATO to provide:

1. Clarification on the ATO's communication and change management strategy
2. A detailed written response to the matters raised by the Australian Services Union (ASU) in their submission to the Committee of 29 November 2018

The ATO appreciates the comments from the PWC about its experience of previous submissions. This has been an effective approach for the ATO and, in our experience, the PWC for at least 7 years. For example, during the public hearing for the ATO Box Hill office in 2012 the then Assistant Commissioner, Stewart Smillie explained that the ATO was seeking approval for concurrent documentation to progress from the concept design stage. Stewart Smillie said:

> "When we allocate a budget for a project of this type, we do so on the basis that there is some preliminary work that needs to be done. So we develop the concept brief with the builder and developer …
>
> So the concurrent documentation simply allows us to be positioned so that, when the builders are ready to go, they know exactly what they are building and how it is going to affect our fit-out; that is all. It is really the architectural work to get the detailed design sorted out that we are seeking permission to go ahead with."
>
> Official Committee Hansard, Parliamentary Standing Committee on Public Works, Monday, 2 July 2012, page 4.

The ATO has always focussed on balancing the completeness of concepts and the opportunity for the PWC to make recommendations. The ATO does not seek to put forward to either the PWC, or our staff and their representatives, plans that presume commitment before recommendations can be adopted.

The ATO Enterprise Agreement contains a number of consultation requirements which are always followed during refurbishment projects. As no definite decision has been made in relation to the fit out of the Moonee Ponds office, no proposal has been provided to staff for consultation. Following either the granting of concurrent documentation or Parliamentary approval we will know our budget and commence the detailed design process, working with our staff and their representatives to obtain input on a proposal before that proposal is put forward for consultation.

The ATO seeks the endorsement of the PWC for major works at the concept stage. The approach is to gather information from business areas and engage experienced architects to prepare concept plans. These plans, along with guidelines for fit out standards allow a quantitative surveyor to prepare an estimated cost plan. This information is used to prepare the ATO submission to the PWC. Ongoing engagement and communication with staff and their representatives (the Australian Services Union (ASU) and Community and Public Sector Union (CPSU)) occurs throughout this process.

The Moonee Ponds project followed the same approach. The lease decision for Moonee Ponds was announced on 4 July 2018. Concepts plans (test fits) were developed to enable the cost plan to be prepared and the public and confidential submissions for the PWC finalised. The submissions were sent to the Department of Finance on 25 July 2018. The referral to the PWC was made on 25 October 2018. Staff and unions were regularly updated on the process throughout this period.

The ATO has engaged with staff, business areas, the ASU, the CPSU and other representatives, including staff representing local prayer groups, fitness groups, social and welfare clubs. This engagement will help the ATO to progress to detailed design and put forward a proposal for consultation once we have either approval for concurrent documentation or Parliamentary approval. This approach allows the ATO to adopt any recommendations of the PWC.

In relation to activity based working, the ASU and CPSU have both taken the opportunity to survey ATO staff. Both have attended the Gosford site (the building was completed in 2017 and is the largest ATO site with activity based working) and sought specific feedback from staff about their experience working in the site. The CPSU provided the ATO with a report that detailed overall member satisfaction with the activity based working environment in Gosford and raised some very important and useful improvements that the CPSU requested the ATO to address. The ATO has commenced a project as a result of this feedback that has seen additional power points, improved height functionality for a style of desk and includes increasing storage space. These improvements are considered for future projects.

We continue to engage and seek that input from the ASU and CPSU.

1. Detail on the ATO's communication and change management strategy.

   Communications for staff about the lease expiry process started in October 2017 with monthly updates provided until the lease outcome was announced on 4 July 2018. Staff and union information sessions were conducted at the announcement and these included a description of the refurbishment process. Information such as questions and answers and a timeline were shared with staff on a dedicated intranet site (this site has had 2,135 visits from staff).

   Following the lease outcome announcement a Site Working Committee was formed with representatives from business areas, unions and other site based activities. This committee meets monthly and representatives share information and escalate feedback from staff in their area or employees that they represent. There were further staff emails and updates on the intranet page and we have held information gathering workshops with the Site Working Committee to continue to inform the design process.

   Details of all these communications is included in Attachment 1

2. Detailed response to matters raised by the ASU

The ASU submission to the PWC raised the following areas that we will address in Attachment 2.

2.1	Alternative leasing and fit out proposal and the proposal does not represent value for money
2.2	Engagement with staff and unions
2.3	Staff had not seen ATO submission
2.4	Fit out density
2.5	Proposal not fit for purpose given nature of work and professional needs of staff
2.6	Desks are too small and too close together
2.7	Storage is inadequate in terms of size and location
2.8	Vacancy rates
2.9	There are errors in original concepts
2.10	Collaboration areas should be enclosed
2.11	Work points should not be next to windows
2.12	Language used by ATO indicates decisions are already made
2.13	NABERS rating
2.14	Car parking

Summary

The ATO submission for Moonee Ponds reflects the long standing approach of the ATO in the design process, staff and union engagement, the level of detail provided in the submission and provides a value for money outcome for the Commonwealth. All standards applied across previous ATO projects will be used to inform the design for Moonee Ponds.

The ATO is open to feedback about when it is appropriate to seek endorsement from the PWC. If design can indeed progress to the detailed stage before seeking the PWC's permission the ATO will change its approach for future projects. Being able to progress design to a more detailed and definitive position will allow for more extensive engagement and consultation with staff and unions, in accordance with the ATO Enterprise Agreement 2017, will take place prior to the submission being lodged.

The ASU submission expresses opinion and preference about fit out options. This feedback is useful to the ATO and will be considered in the detailed design process. We are of the view that the ATO is meeting all requirements in delivering appropriate accommodation for business and staff. The ATO will continue to engage with the ASU throughout the project and continue to consider all feedback from the union and its members.

The ASU has informed the ATO and staff that it has made a further submission to the PWC on 11 February 2019. The ASU provided the ATO a copy of its proposed further submission without attachments; however the ATO has not seen the actual further submission or any of the attachments. The ATO does not know how the PWC proposes to proceed with the second ASU submission and have made no reference to it in this document.

Yours sincerely,

Andrew Closey
Assistant Commissioner
ATO Finance
Australian Taxation Office

ATTACHMENT 1 - Detail on the ATO's communication and change management strategy.

Staff engagement

The ATO has undertaken an engagement and communication approach that has included providing staff with regular updates throughout the leasing process. Following the lease outcome announcement, communication included providing staff and unions with information about the new lease and that activity based working options would be considered in the refurbishment of the office space. This information was provided at staff information sessions attended by 272 staff and in the information made available on a dedicated intranet page for the project (with 2,135 visits from staff).

This is an extract of the content from the intranet page:

> "As we work through our upcoming building refurbishments, we will be investigating more activity based working (ABW) solutions, like in our Gosford site. As part of this process we will ensure that we consult and design spaces for the workforces that are in each site as we go.
>
> The ATO is committed to providing high quality accommodation for its workforce which is suitable for ATO business requirements including the professional needs of employees and the nature of the employees' work.
>
> Activity based workspaces include a range of private and collaborative spaces to suit different styles of working. This is a change that offers benefits compared with the traditional office fit-out (with dedicated workstations) we currently have. Our new Gosford office gives one example of modern activity based workspaces.
>
> You will be invited to provide comment and feedback on proposed design(s)."

This approach is consistent with ongoing engagement, communication and consultation through the ATO trials of activity based working in our Melbourne office and in the design and delivery of the Gosford office. Attachment 1.A provides a timeline showing these activities, including for the Moonee Ponds leasing/refurbishment project. Attachment 1.B and 1.C are the reports from the trials conducted in the Melbourne office.

The ATO has shared information with staff and unions as soon as it became practicable to do so. For example, following the lease process outcome the ATO held embargoed briefings with unions and ensured staff announcements were timely and aligned to notifications to participants in the approach to market.

Following the announcement of the lease outcome, nominations for Site Working Committee (SWC) representatives from respective business lines and stakeholder groups was requested from July 2018. The SWC includes representatives from unions, Health and Safety Representatives, First Aid and Disability Advisors.

The role of the SWC members is to:
- For business line representatives, provide business requirement input in to the design process by advising such things as:
    - Working style and needs
    - Storage requirements
    - IT requirements
    - Security requirements
    - Challenges in the current environment

- - Future resourcing
    - Key internal relationships.
- For employee representatives, disseminate key messages to members and be a key contact for providing feedback.
- The SWC member reports back to the area or group they represent about discussions at the SWC and represents feedback from staff to the project team.
- Review proposed plans and consult with their business line or the group they represent on the design of the accommodation during the development of detailed designs.

Introductory workshops facilitated by the architects were conducted with each business line representative on 24 and 27 July 2018. At these workshops there was discussion about business needs and identifying the opportunities and challenges each business line has with the current working environment. This included gathering information about team sizes, work undertaken in teams and internal and external working relationship connections.

Further workshops occurred throughout August with a total of five separate workshops being completed through this time. Additional workshops were then undertaken on 22 and 23 November 2018. These are the workshops that were referred to by Lillian Cheong in the hearing of 7 December 2018.

In addition to the workshops noted above, additional forms of engagement and information sharing has included:
- Creation of a dedicated intranet page with the option for staff to subscribe for alerts when new information is added. The page includes:
    - Concept Plans
    - Updates
    - Frequently asked questions and the responses.
    - Key Dates
- Monthly SWC meetings – with recorded summaries which are shared with all staff through the intranet page
- Creation of a mailbox for staff to ask questions and provide accommodation suggestions
- Attendance at on site meetings and workshops by the ATO Project Coordinator as requested by business areas or other representative groups or individuals.

We are also including the draft Moonee Ponds communication and consultation plan (see Attachment 1.D) which was previously provided to the PWC as an attachment in an email dated 21 December 2018.

The ATO acknowledges that staff in Moonee Ponds will experience the changes associated with a refurbishment in different ways. Following either the granting of concurrent documentation or Parliamentary approval, a change management plan will be developed and implemented to assist staff through the refurbishment (whether it is an activity based work environment or more traditional fit out).

The ASU stated the proposed fit out creates difficulty for staff with disabilities. Throughout the design and fit out process, the ATO's Work Health and Safety team will consult with staff about the existing Work Health and Safety equipment requirements of our staff. The ATO provides an inclusive workplace and values diversity. We are committed to work with staff to provide the appropriate support and advice for their ongoing needs.

The following table provides a summary of written staff communications across the lease expiry and refurbishment process. A fuller description of activities is provided in Attachment 1.A.

Date	Details
23/10/2017	All Moonee Ponds staff email - update on Moonee Ponds 2020 lease expiry process with indicative timeline
12/12/2017	All Moonee Ponds staff email - Moonee Ponds Site Leadership update advising staff of dedicated 2020 site share-point site, providing timeline of estimated timeframes, FAQ's & updates.
7/02/2018	All staff in Chermside, Moonee Ponds, Townsville and UMG email - providing update and links in relation to the confidential commercial negotiations
8/03/2018	All staff in Chermside, Moonee Ponds, Townsville and UMG - Advising that the 2020 timeline for the Chermside, Moonee Ponds, Townsville and Upper Mount Gravatt sites had been reviewed and updated.
16/03/2018	All staff in Chermside, Moonee Ponds, Townsville and Upper Mount Gravatt email - Advising that the 2020 timeline for the Chermside, Moonee Ponds, Townsville and Upper Mount Gravatt sites had been reviewed and updated.
16/04/2018	All Moonee Ponds staff email - Moonee Ponds Site Leadership update on 2020 lease process advising no new information to report. Provides link to 2020 share-point page where 2020 timeline, copies of previous communications and union queries and answers available.
14/05/2018	All Moonee Ponds staff email - Update on 2020 lease process advising no new information to report. Provides link to 2020 share-point page where 2020 timeline, copies of previous communications and union queries and answers available.
12/06/2018	All Moonee Ponds staff email - Email to Moonee Ponds Site Leadership update advising the lease expiry process is still ongoing and no new information to report. Provides link to 2020 share-point page where 2020 timeline, copies of previous communications and union queries and answers available. Provides information on staff involvement in site refurbishment, and provides examples of recent staff consultation and input into recent refurbishment projects at Newcastle & Perth sites.
4/07/2018	All Moonee Ponds staff email announcement of outcome of Moonee Ponds lease decision. Provides information on detail of new lease, dedicated Moonee Ponds 2020 share-point page, Moonee Ponds 2020 mailbox and provides link to FAQ document regarding the lease and refurbishment process. Includes information about scheduled staff information sessions.
4/07/2018	All Moonee Ponds staff email inviting staff to information sessions on Moonee Ponds lease decision.
18/07/2018	Moonee Ponds Site Work committee email - Outlines the roles and responsibilities of the committee and members. The committee's role is to provide advice to the project on business requirements and disseminate information to business line staff about the project. The committee has a key role in facilitating feedback from business to ensure the design of the new accommodation meets ongoing business requirements.
20/07/2018	Moonee Ponds SWC members calendar invitation - Invitation to Initial Workshop of the Moonee Ponds SWC to nominated business representatives. Includes a statement that the aim of the workshop is to start gathering information about the business needs of areas that inform the initial concept designs. An experienced architect will be present to help develop the concept design. Information that will be gathered on the business areas (in Moonee Ponds) including: • Approximate team sizes • Type of work undertaken in teams • Relationships between teams and others (including external to the ATO)

26/07/2018	Email Moonee Ponds SWC members - Agenda for Moonee Ponds SWC Workshop 2. Agenda includes: • Summary of current work environments and practices, based on information provided at previous workshop • Exploratory discussion of potential alternative work environments and practices. • Introduction to the kinds of settings that may be required. • Introduction of possible options based on input from previous workshop.
30/07/2018	Email Moonee Ponds SWC business line representatives - Request for team details including: number of teams, team names, team purposes and primary tasks, primary activities (e.g. inbound/outbound phone use, computer based work, reading, analysis, writing reports, field visits etc.).
30/07/2018	All BSL representatives in Moonee Ponds SWC - Input from business areas on the breakdown of team, team purpose and primary activities and time spent.
22/08/2018	All Moonee Ponds staff email - Advising staff that commencing concept plan for Moonee Ponds refurbishment. A statement that this is the first stage of design and provides direction for the detailed design process that will follow. It provides an indication of the layout of floors but does not show the exact furniture and seating arrangements that will be delivered. Staff consultation will occur at detailed design stage and avenues provided for input.
7/09/2018	Moonee Ponds Site Working Committee email - Provide information on SWC roles and responsibilities. Provide details of new lease arrangement, fit out works and base building works and ongoing development of concept brief following consultation with SWC representatives.
13/09/2018	ATO email - Plan of floor incorporating snowflake design desks
21/09/2018	Moonee Ponds Site Working Committee email - Summary of the meeting held on 18 September 2018.
25/10/2018	Moonee Ponds SWC email - Summary of the meeting held on 23 October 2018
2/11/2018	Moonee Ponds SWC email - Advising SWC members that the initial concept plans will be shared with ASU, with request that the plans not be shared further due to the limited usefulness of concept prior to PWC approval for the fit out and budget. Statement that once approval is received, we will begin detailed design and staff consultation.
13/11/2018	All Moonee Ponds Staff email - Advising staff of upcoming hearing by the Parliamentary Standing Committee on Public Works (PWC). Statement that there will be opportunities to provide feedback as the detailed design plan is created and refined. Provides channels for input and feedback. Concept plans available for viewing.
13/11/2018	All Moonee Ponds staff on Moonee Ponds 2020 share-point site - Update on Parliamentary approval process Advised staff that the project had been referred for hearing by the PWC to be held on 7 December 2018. Attached draft concept plans for the proposed refurbishment.
22/11/2018	Moonee Ponds SWC members calendar invitation - Invitation to meet with the Moonee Ponds building owner's development team to discuss base building design, to be held over 3 sessions on Thursday 22/11/2018 & Friday 23/11/2018.

7/12/2018	All Moonee Ponds staff email - Advising staff of upcoming PWC hearing. Statement that there will be opportunities to provide feedback as the detailed design plan is created and refined. Provides channels for input and feedback.
10/12/2018	All Moonee Ponds staff email - Update on PWC process including statement that ATO remains committed to ongoing consultation pending outcome. Invites questions on Moonee Ponds refurbishment.
14/12/2018	All Moonee Ponds staff email - Advise staff that the Moonee Ponds SWC met to further discuss the concept designs for Moonee Ponds. Explained that the concept designs provide broad examples and options to promote discussion, reflecting possibilities rather than decisions. Detailed design which includes taking into account the needs of different types of work hasn't started yet; and there will be further consultation once we get to that stage. Statement that no decisions have been made on desks and storage.
14/12/2018	All Moonee Ponds staff - SWC update to advise that the project is still at concept design stage and no decisions have been made on furniture or activity based work environment. Moonee Ponds concept presentation was made available and a statement that the design are indicative only and reflect options and possibilities.
18/12/2018	All Moonee Ponds staff email - Provided access to the presentations created for use at the PWC hearing on 07/12/2018. Included link to video presentation and design presentation document.
Dec-18	ATO Moonee Ponds concept continuation presentation - the presentation provides an overview of options for concept palettes, work settings and shared zones.
6/02/2019	All Moonee Ponds staff email - Advising that no decisions have been made on the fitout for the refurbishment. Contains a statement that work will continue in consultation with staff and representatives, and that staff can expect to see more materials around design options over the coming weeks. Advises there will be opportunities to provide feedback on the design either through the SWC business line representative, employee representative or directly to the project team. Provides options for staff to contribute to the refurbishment project.
19/02/2019	All Moonee Ponds staff email – Advising that the PWC has requested the ATO to provide additional information.

Union engagement

The ATO shares all engagement with staff with the unions and there are union representatives on the SWC. This ensures that there is visibility to the unions of all information shared with staff.

The ATO has held regular, dedicated discussions of the lease process and subsequent refurbishment project meetings with both the CPSU and the ASU. These are in addition to the regular consultative forum meetings organised by the ATO where the leasing and refurbishment topics are discussed.

Similar to the staff engagement, meetings with the unions started before the lease outcome was announced. The ATO has responded to a number of requests for information from the unions.

Consultation

The ATO is committed to meeting its consultation obligations as outlined in our Enterprise Agreement and will continue to do so as the project proceeds and various decision points are approached. In claiming that the ATO has not consulted with staff or unions the ASU is not taking into account the activities set out above and appears to have a view of the consultation requirements of the ATO Enterprise Agreement 2017 not shared by the ATO.

The ATO has not made a final decision on the accommodation of the Moonee Ponds office. Following approval from the PWC, there will be a further dedicated consultation process and

engagement activities with staff and their representatives to inform the detailed design and ensure compliance with our obligations under the ATO Enterprise Agreement 2017.

The concept plans were developed with the intention of enabling the PWC to approve the ATO to move forward on a refurbishment for Moonee Ponds – they do not constitute actual proposed designs that the ATO will move forward on without further consultation with staff and their representatives.

The concept designs are provided to support PWC deliberations in relation to the feasibility of the building and the potential quantum of the refurbishment – they are not committed plans representative of the outcomes which the ATO intends to achieve through the refurbishment.

As such, they do not represent a business decision or proposal by the ATO in relation to a particular fit out or way of working.

However, the ATO has undertaken staff and union engagement as described above.

The ASU submission needs to be seen in the context of a position the ASU has taken against what it refers to as hot desking. The ASU has said it is focussing on the Moonee Ponds project as there are ASU members at the site. Indeed, where the same lease and refurbishment process is being undertaken in the new leased premises for the ATO office in Townsville, the ASU has not raised any concerns with the approach or progress of that process.

The ASU has indicated in communications with staff that it sees a problem with including activity based work as an option for the Moonee Ponds refurbishment. This should be considered in the context of the ASU's unsuccessful attempts at the Fair Work Commission to stop the ATO from implementing activity based work at the Gosford site.

The ATO commenced consultation with the ASU in February 2017 with regard to the proposed fitout for its new Gosford office. In April 2017 the ATO confirmed with the ASU it was planning to proceed with commissioning the activity based work fit out in Gosford. The ASU and CPSU lodged a dispute at the Fair Work Commission regarding the ATO's interpretation of the accommodation clauses in the Enterprise Agreement and whether the new working environment to be delivered at Gosford was in keeping with the Agreement. The matter was heard on 9 and 10 November 2017.

On 20 December 2017 the Fair Work Commission released its decision on the dispute. The decision was in favour of the ATO's interpretation of the Enterprise Agreement. An appeal by the ASU was heard on 21 February 2018 and was dismissed.

Attachment 1.A – Designing the ATO's future workspaces - Timeline of engagement

Designing the ATO's
future workspaces.pc

Attachment 1.B – Future workspace trial 1 evaluation report
This attachment will be sent in a second email due to size restrictions

Attachment 1.C – Future workspace trial 2 post occupancy report

PDF

Future workspace
trial 2 post occupancy

Attachment 1.D – Draft Moonee Ponds communication and consultation plan

PDF

Moonee Ponds
communication and cc

ATTACHMENT 2 - Detailed response to matters raised be the ASU.

2.1 Alternative leasing and fit out proposal and the proposal does not represent value for money

ASU submission
The ASU submission asks the PWC to withhold approval of the ATO's proposal recommending the ATO resume negotiations with the landlord with a view to negotiate a lease over the additional floors in Moonee Ponds so it will no longer be necessary to incur expenditure for:
- a new lift
- the creation of the a new stairwell between Ground, First, Second and Third Floors
- moving and expanding the kitchen and bathroom facilities.

ATO response
The lease endorsement process has been conducted in accordance with the Commonwealth Property Management Framework which includes review by the Department of Finance and ministerial endorsement.

The process includes consideration of requirements to meet the Department of Finance occupational density target of $14m^2$ and the advice that to achieve this, the fit out density should be around $12m^2$ (*Department of Finance, Australian Government Office Occupancy Report, December 2015* at page 13). The ATO currently has an occupational density of $16.34m^2$ and looks to lease expiry processes to move towards the $14m^2$ target.

Any negotiations to lease additional floors would result in a new Commonwealth lease and would not be supported by the ATO budget.

Upgrades to lifts and bathroom facilities are base building expenses that will be incurred by the landlord and not the ATO.

ASU submission
The ASU calculates that to lease the additional space the cost would be approximately $2.8m per annum which would realise savings of around $21m in reduced fit out budget.

ATO response
The alternative approach suggested in the ASU submission would cost more than the ATO submission and would prevent the ATO from meeting the density target.

ASU submission
The ASU acknowledges they are not privy to the detailed costs for the project and also propose leasing only two additional floors.

ATO response
The ATO proposed fit out, as notified to the PWC, is estimated to cost $35,521,865 without accounting for a substantial lease incentive. This expenditure will allow the ATO to fit out the new leased space in the Moonee Ponds building and provide fit for purpose accommodation for at least 10 years. The ASU is correct in that it is not privy to the leasing costs. The proposed fit out budget needs to be considered as part of the full lease outcome including the significant savings over the term of the lease, when compared to existing arrangements. These savings and other financial benefits (including the lease incentive) of the ATO lease and agreement for lease were included in the confidential submission 1.1 at section 5.1 (page 9) and discussed during the in camera hearing on December 7 2018.

2.2 Engagement with staff and Unions for Moonee Ponds

ASU evidence
The oral evidence from Jeff Lapidos on behalf of the ASU at the PWC hearing on 7 December was that he had been assured by the Chief Operating Officer at the ATO, Jacqui Curtis, that the ATO would talk to staff and unions about Activity Based Working (the ASU refers to hot desking).

ATO response
The ATO has been actively engaging staff and the unions about the lease and refurbishment process at Moonee Ponds. Please refer to Attachment 1 for a full response to engagement with staff and unions.

2.3 Staff had not seen ATO submission

ASU submission
It was the ASU that shared concepts and the ATO submission to the PWC with staff.

ATO response
The ATO as a general practice, does not share the submissions to the PWC with staff as they are considered to be a preliminary process, prior to formal staff consultation. Staff and union consultation will occur following PWC approval once the fit out budget is known and a detailed design can be presented for consultation.

We note that the ASU recently sent a message to Moonee Ponds staff stating that it was unable to share its submission made to the PWC until it was publically available on the PWC website. This is consistent with the ATO's approach.

The ATO has provided an undertaking to the unions to share these documents for future projects as soon as is practicable and in accordance with the expectations of the PWC

2.4 Fit out density is excessive

ASU submission
The proposed fit out density crams too many work stations into the ATO space.

ATO response
As of 1 July 2013 the Department of Finance Commonwealth Property Management Framework states entities should be achieving a density target requirement of 14m^2 per occupied work point. The Department advises that in order to achieve this target, entities should be targeting a 12m^2 fit-out density (*Department of Finance, Australian Government Office Occupancy Report, December 2015* at page 13).

The current concept plans have a proposed fit-out density of 11.6m^2 which is consistent with this advice.

This is also consistent with recent ATO fit outs in both Newcastle and Perth, being traditional fit outs (without activity based working), with fit out densities of 10.9m^2 and 11.8m^2 respectively.

2.5 Proposal not fit for purpose given nature of work and professional needs of staff

ASU submission
The ATO reduced space in Moonee Ponds without taking into account the nature of the work that is undertaken or the professional needs of staff.

ATO response
The ATO has established and maintained a set of guidelines for accommodation standards that reflect experience from previous projects and input from industry experts. These standards are formulated incorporating industry and legislative requirements such as Australian Standards.

These guidelines are shared with the experts (design team) who are engaged to complete design activities for the ATO. The guidelines cover items such as desk sizes, acoustic requirements and features that should be included in meeting rooms and breakout areas.

All of the desks shown in the indicative concepts are currently in use in ATO buildings and are being used successfully.

The detailed design process will take staff and unions through a process, guided by the Site Working Committee, the project team and the design team, to understand business and staff needs and explore options to provide an appropriate fit out for the next 10-15 years.

Regardless of the form of the final design, it will involve some change from the existing fit out which includes desks from 2002. Just as in 2002 those desks were a change from the previous fit out.

While the final design is yet to be determined the ATO can confirm the fit out will be consistent with previous fit outs and will be professional, reflect business and staff needs and be generous in desk size, floor density and storage space compared to industry standards.

ASU submission
There are large numbers of employees engaged in complex compliance and legal work. These staff require full size work stations of their own with drawers at the desk to allow them to undertake paper based work in conjunction with digitally based work.

ATO response
All of the desks shown in the indicative concepts are currently in use in ATO buildings and are being used successfully. They are being used by a variety of business areas and have been found to be suitable for similar work areas that are currently in the Moonee Ponds office.

The concept drawings are not a proposal. They are indicative of the types of features that might be included in a detailed design. The ATO will work with all business areas and staff to design an appropriate fit out.

Staff engaged in complex compliance and legal work in the ATO are part of the Engagement Assurance and Compliance work group and the Law work group. Staff from these work groups operate within both traditional fit outs and in activity based working fit outs in Level 8 Melbourne and Gosford. There is no evidence these functions are not able to work effectively in either environment.

ASU submission
The proposed fit out has the desks too close together that will make the area too noisy for staff working in Client Account Services and Debt.

ATO response
While this is still a concept design and no fitout has been determined for this work, the ATO, through its qualified consultants, will be ensuring all pathways and spacing requirements meet requirements.

The design team will work with all teams to understand the type of work they undertake and feed this into the design process to achieve the best possible fit out.

For example, in the Gosford site an area has been designed for Client Account Services functions. This area and the individual workstations within it have been acoustically treated to ensure staff are not adversely impacted by noise within the space.

2.6 Desks are too small

ASU submission
The ASU said that the concept drawings for Moonee Ponds show desks similar to those used in Gosford and Level 8 in Melbourne. They stated that these desks are far smaller than desks used in other ATO buildings. In addition, the ASU has told staff that the desks are not fit for purpose and will be tiny with inadequate storage.

ATO response
The ATO has consistently confirmed with the ASU that the concepts are not the final design and that the range of desks in the concepts includes desks identified by the ASU as acceptable, that is, the snowflake desk.

All of the desks shown in the indicative concepts are currently in use in ATO buildings and are being used successfully. They are being used by a variety of business areas and have been found to be suitable for similar work areas that are currently in the Moonee Ponds office.

Staff and their representatives will be given the opportunity to provide feedback on plans once they are developed, to try prototype furniture including desks and to continue to share their views and suggestions with the project team.

The size of workstations (or desks) was raised during the public hearing and referred to in the ASU submission. This included concern whether they would be fit for purpose. The Australian standards AS/NZS 442:18 recommend a working edge length of a minimum of 1,200mm for single task work and 1,600mm for mixed task work and a minimum width of 700mm for both.

The desks used by the architect to prepare the concepts exceed these current standards. The actual dimensions and style of the workstations to be provided will be determined through consultation during detailed design.

2.7 Lockers too far away and inadequate

ASU submission
The ASU states that lockers used in the ATO are small and located well away from desk areas.

ATO response
Staff feedback from earlier fit outs using lockers was that the lockers were indeed too small. Based on this we increased the size of the lockers in the next fit out (Gosford) by 50%.

The lockers are an option for personal storage with additional options for teams including larger lockers and other storage space proposed to be provided for storage of files and taxpayer information. The demand for storage and location will be further assessed throughout the ongoing design process.

The concept plans show additional storage areas that have been set aside to cater for any storage requirements identified as the design process progresses.

It is noted that current storage of taxpayer records and other bulky items is not always located at the workstation and are typically centralised in a site for easier staff access and to manage floor loading restrictions.

2.8 Vacancy Rates

ASU submission
In Section 2 of the ASU's submission, they have noted a discrepancy in the vacancy rate stated in the ATO's submission compared to the vacancy rate as at the end of September 2018.

The ASU highlights how the ATO managed the national vacancy rate down from 24.7% in November 2014 to 12.09% in September 2018.

The ASU submission also refers to a need for a specific vacancy rate so that the ATO can manage accommodation needs.

ATO response
The ATO currently has 2,485 vacant work points (as at December 2018). Reducing the number of vacant work points is a priority to achieve a better financial outcome for the Commonwealth.

The vacancy rate as at 30 June 2018 for the Moonee Ponds site was 19.12% as notified in the submission. This was the most recent data available at the time when the submission was provided to the Department of Finance on 25 July 2018.

There are fluctuations in staffing numbers over time which are reflected in changing vacancy rates. For example, the ASU submission refers to a vacancy rate of 16.53% at the end of September 2018. By comparison the vacancy rate for Moonee Ponds as at 31 January 2019 is 21.25%

The ATO has carefully managed the property portfolio to achieve a vacancy rate reduction. This includes through reductions in leased space where opportunities allow such as at end of lease and where opportunities exist to sub-lease space to other agencies.

The ATO has a national portfolio of property with varying dates for lease expiries. This allows an approach where the ATO can manage accommodation needs across a number of buildings. This burden does not fall on Moonee Ponds alone.

As Moonee Ponds is at lease end it is expected that effort will be made to reduce the vacancy rate to contribute to managing the national vacancy outcome.

The approach of minimising vacancies in new leases was addressed in the 2012 Box Hill hearing as shown in the below extract from the relevant Hansard.

> "Mr FORREST: 19,000 divided by 16 is 1,190 people. What about future growth? Is that not something that you would be mindful of?

Mr Smillie: As we said in our introductory comments, the tax office has done a national location plan. We are conscious of the fact that we operate at around an eight per cent to 10 per cent vacancy rate at any given point in time. We manage our accommodation as a national portfolio, so we try to get places like Box Hill as tight as we can so that we run it, from the cost effectiveness perspective, as efficiently as we can. There are other sites around the Commonwealth where the lease is not due for two, three or five years and which have space, so we will try to build the appropriate workforce, if there is a new policy measure or if there is an expansion program, in those sites where we have the capacity to do it. We do this for two reasons: it is a more effective use of our space and those sites will come up in terms of the way we manage the space, but we have a national portfolio, so we can spread that workforce nationally if we need to."

Official Committee Hansard, Parliamentary Standing Committee on Public Works, Monday, 2 July 2012, page 3.

2.9 The ATO updated the concepts submitted to the PWC after discovering errors

ASU submission
The ASU submission states that the ATO has used superseded concept drawings in its submission and that these were updated due to discovering several 'errors'.

ATO response
While the concept plans were provided to the PWC on 25 October 2018 to allow them to be open for comment prior to the hearing date, the submission was provided to the Department of Finance on 25 July 2018.

In the period between 25 July 2018 and the hearing on 7 December 2018, the engagement process noted above had continued to occur and influence the proposed floor plans. Contrary to the ASU statement, there were no 'errors' identified in the concepts.

Consistent with ATO advice to the ASU and with previous projects completed by the ATO, these plans will continue to change and evolve as more information sessions and consultation occurs. This process will ensure that all feedback is documented and the final fit out design is the most suitable outcome to meet the needs of business and staff.

2.10 Collaborative work spaces should be in meeting rooms and not open spaces

ASU submission
Collaboration in open spaces can lead to very noisy work environments.

ATO response
The ATO currently uses open collaboration spaces across a number of sites. These spaces are provided in addition to more traditional enclosed meeting spaces.

The ATO is committed to providing a professional and fit for purpose work environment. Qualified and experienced architects are engaged to develop the plans including the location of collaborative spaces. The design team utilise design principles that provide separation from focus and collaboration areas to reduce noise impacts on work areas undertaking more focused work.

Acoustic guidelines are provided to ensure the design includes appropriate acoustic treatment. This reduces the impact of noise on other staff in the proximity. Part of the design requirements is to maintain the existing level of enclosed meeting rooms as much as possible with open collaboration spaces being an additional option for staff to use.

2.11 Work points should not be adjacent to windows

ASU submission
There is a concern this will create health and safety issues with glare.

ATO response
The ATO currently has work points against windows across a number of sites including at Moonee Ponds. There are guidelines that require the developer to install appropriate blinds with a minimum 95% glare block out factor to ensure the health and safety of our staff.

2.12 Language used by ATO indicates decisions are already made

ASU submission
The ASU submission states that the ATO has used 'code words' which is evidence of the fit-out style to be used.

ATO response
The words in question simply reflect the ATO's established intent for new accommodation. For example, similar wording was used in the Northbridge submission which was lodged with the PWC in 2015. This was delivered as a traditional fit out.

2.13 NABERS rating

ASU submission
The ASU submission states the Moonee Ponds building has a current whole of building NABERS rating of 5 stars and that ATO proposal ought to have a NABERS rating of 5 stars.

ATO response
The ATO have stated in Submission 1.0 that it is expected the premises will achieve or exceed a NABERS rating of 4.5 stars. It is expected at completion of the works that the final rating will be at a minimum 5 stars.

2.14 Local parking issues

ASU submission
The ASU claims that local parking will be impacted by the ATO's proposal and that the multi-story car park immediately adjacent to the office reaches capacity by around 9am each week day.

ATO response
The ATO, similar to most employers, does not provide car parking for staff.

The ATO can confirm there is a multi-storey car park in the immediate vicinity of the building. The cost of parking at this facility was reduced in the past 12 months and the ATO understands it is not filled to capacity on a regular basis.

Moonee Ponds is a public transport hub with access to trains, trams and buses along with a network of cycle paths in the area.

September 23, 2016
ATO Future Workspace

BRICKFIELDS

ATO Future Workspace

Phase 3 Post Occupancy Evaluation

Key Outcomes and Directions Moving Forward

ATO Future Workspace

Phase 3 Post Occupancy
Evaluation
*Findings and directions moving
forward*

Executive Summary
ATO Future Workspace
Post Occupancy Evaluation

The Future Workspace (FWS) was initiated to design, deliver and evaluate a concept workplace environment for the future.

The following pages summarise the key findings resulting from the FWS Post Occupancy Evaluation. Information sources that have informed the findings of this report include:

_ATO Culture Pulse Survey

_Place IQ Pre and Post Occupancy Survey

_Pre and Post Occupancy Observation Studies

_Staff interviews and workshops

_Ergoworks Sit Stand Pilot Evaluation

About the FWS Project

Brickfields Consulting (formally known as Place Associates) were engaged by the Australian Tax Office (ATO) to provide a workplace strategy and post occupancy evaluation of a pilot workspace on Level 8 at 747 Collins St, Melbourne designed by Hassell. To maximise applicability of the trial findings to the ATO's large and diverse workforce, participants will be selected from both client facing and enabling areas. Participants were engaged in the trial for a period of six months.

FWS Trial Objectives

1. Provide an accommodation solution that reflects the ATO's aspirations, vision and values in a way that is easily digested and positively impacts the ATO culture.

2. Provide an environment that fosters staff wellbeing, productivity, connectivity and collaboration.

3. Demonstrate improved, efficient and effective space utilisation, lessen our impact on the environment and position the ATO to accommodate business change over the long term

Evaluation Matrix

Project outcome	Indicators	Tools
Cultural change	• Positive perception of fit out and alignment to ATO's direction • Increase in desired positive cultural traits	• Participant interviews and focus groups • ATO's internal Pulse Culture Survey
People impact	• Positive impact on staff wellbeing • Positive impact on staff productivity • Increases in collaborative practices and connections between staff	• Monthly satisfaction surveys • Monitoring of internal people health cases • Measurement of staff daily movement pre and post occupancy • Review of performance against team plans • Manager interviews
Space performance	• Measurement of space utilisation • Reduction in accommodation churn costs • Decreased environmental impact	• Pre and Post Observational Studies • Monitoring of staff movements in and out of the trial • Monitoring of building management system • Monitoring of consumables pre and post occupancy

"I have found the FWS to be incredibly flexible and refreshing. *I enjoy where I work and find each day to be different. I don't want to go back.*"

FWS Participant

About the Process

The FWS project has been about much more than simply the provision of space and technology. A range of activities have been carried out both in preparation of the conceptual design, as well as the cultural change and etiquette required to operate in an agile environment. The diagram to the right summarises the key activities on this journey.
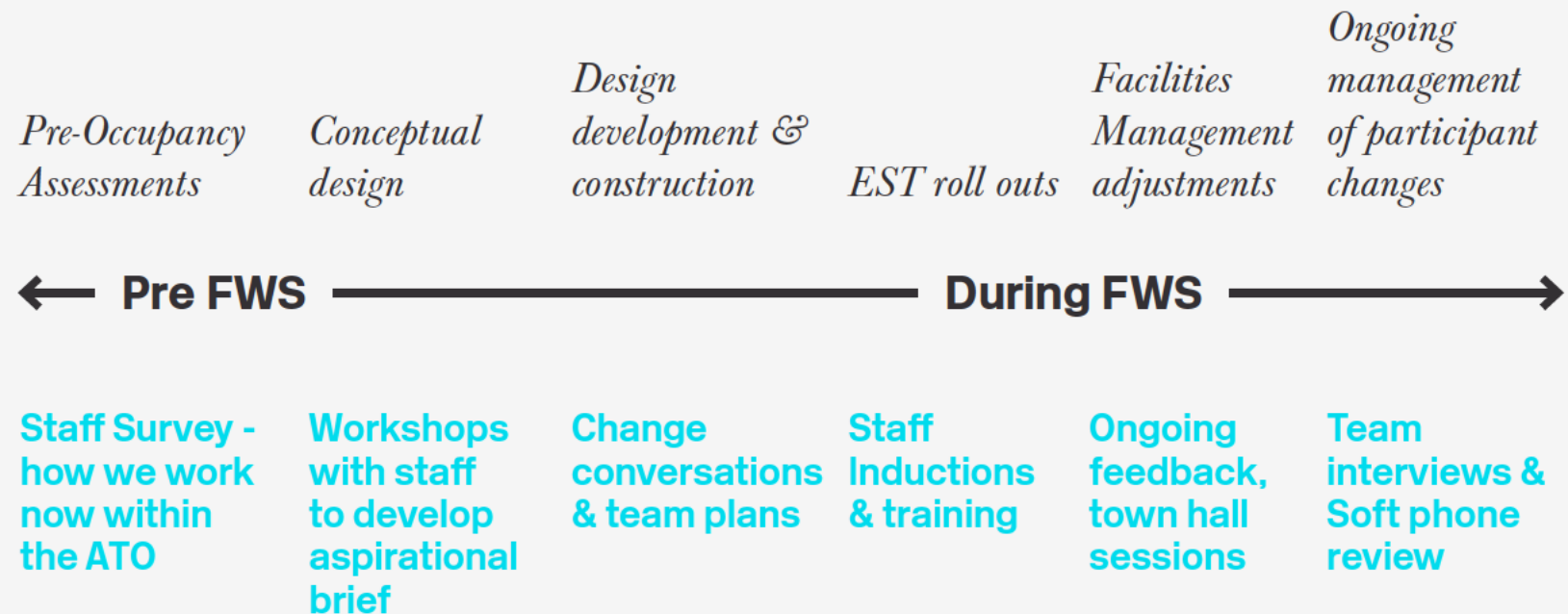
Pre-Occupancy Assessments	Conceptual design	Design development & construction	EST roll outs	Facilities Management adjustments	Ongoing management of participant changes

← **Pre FWS** ———————————— **During FWS** →

Staff Survey - how we work now within the ATO	Workshops with staff to develop aspirational brief	Change conversations & team plans	Staff Inductions & training	Ongoing feedback, town hall sessions	Team interviews & Soft phone review

'The single biggest impact on my experience of work, and at work, since I joined the ATO, and the one that most embraces the re-invention.

FWS Participant

'Future Workspace has brought the human element back into the workplace'

'The Future Workspace highlights how the ATO are serious about the future work experience of staff'

FWS Participants

Cultural Change
Alignment with desired cultural traits

Objective
Provide an accommodation solution that reflects the ATO's aspirations, vision and values in a way that is easily digested and positively impacts the ATO culture.

01_

FWS participants feel there is a stronger alignment with ATO Cultural Traits
The ATO Culture Pulse survey compared the responses of FWS participants with the rest of ATO Melbourne and found significant increases in perceptions of alignment with desired cultural traits.

Future orientated_
↑ 13%

United and connected_
↑ 16%

Empowered and trusted _
↑ 11%

Passionate and committed_
↑ 9%

02_

Participants felt the FWS environment would positively impact the attraction and retention of talent
The Place IQ Work pre and post occupancy surveys revealed that participants considered the FWS as being dramatically improved in its ability to attract and retain talent when compared to before the trial.
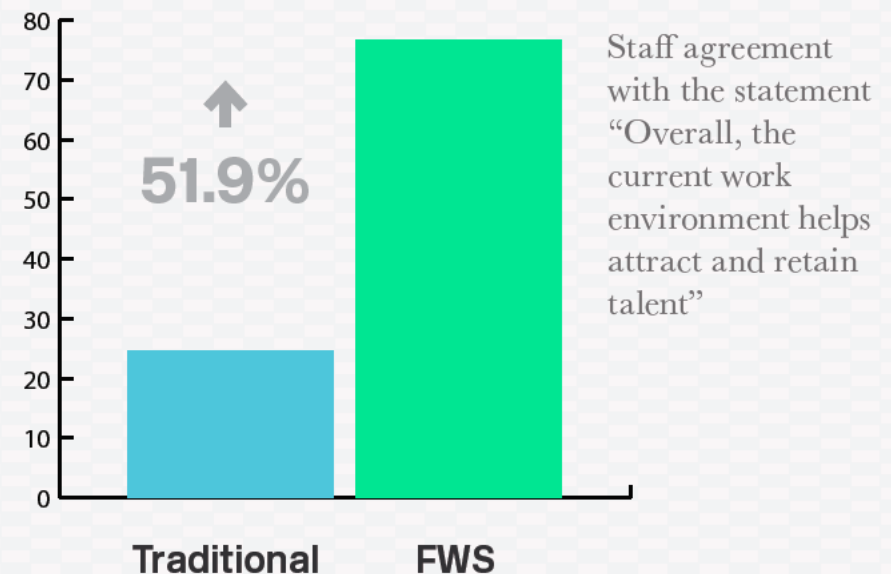
↑ 51.9%

Staff agreement with the statement "Overall, the current work environment helps attract and retain talent"

Cultural Change
Alignment with desired cultural traits

Objective

Provide an accommodation solution that reflects the ATO's aspirations, vision and values in a way that is easily digested and positively impacts the ATO culture.

03_

FWS participants are more supportive of change having experienced the benefits first hand

Prior to the FWS trial, ATO Melbourne were asked to provide their views on supported changes to the office layout. Post occupancy surveys show a change in perception with significantly more people in the FWS supporting smaller workstations with more collaborative and shared spaces, and significantly less wanting it to stay the same.

Interestingly, the FWS environment was even more strongly endorsed by management (EL1&2) with 80% of management supporting smaller workstations compared with only 46.5% of APS staff. Almost 30% of APS staff wanted larger workstations (28.2%) compared with only 12.5% of management level.

Pre FWS

Post FWS

- ▮ (blue) Smaller individual workstations with more collaborative and shared areas (similar to FWS)
- ▮ (black) Larger individual workstations with more privavy and less collaborative shared areas
- ▮ (green) Neither, keep workstations and shared areas as is (similar to traditional environment)

- ▮ (blue) Smaller individual workstations with more collaborative and shared areas (similar to FWS)
- ▮ (black) Larger individual workstations with more privavy and less collaborative shared areas
- ▮ (green) Neither, keep workstations and shared areas as is (similar to traditional environment)

Cultural Change
Alignment with desired cultural traits

Objective

Provide an accommodation solution that reflects the ATO's aspirations, vision and values in a way that is easily digested and positively impacts the ATO culture.
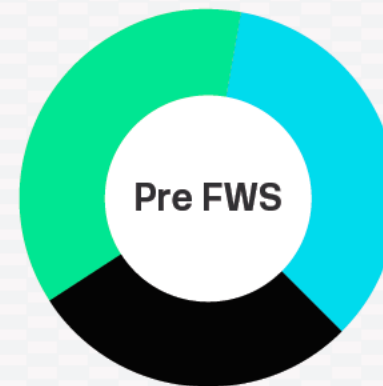
04_

Greater understanding of what is going on across the organisation

Participants who attended team interviews and feedback sessions noted that they had learned new skills from those they had not interacted with previously and had gained insights into the different work practices across the organisation.

In addition, the Culture Pulse Survey revealed that FWS Participants felt more positively about the effectiveness of senior leadership communication than their Melbourne colleagues.

This was anecdotally supported by some senior leaders who expressed the view that they felt more in touch with the issues on the ground for their staff.

People Impact
Staff connectivity and collaboration

Objective
Provide an environment that fosters staff wellbeing, productivity, connectivity and collaboration.

☑

01_
FWS participants experienced an increase in interaction across business lines
The FWS group interact with people outside their work group but within the organisation significantly more on a daily or more frequent basis than of those in the traditional environment (64.6% vs. 31.4%).

Collaboration across business lines_

⬆ **33.2%**

People who never have lunch with their colleagues

⬇ **19.2%**

People who have lunch with colleagues 2-3 days pw_

⬆ **12.8%**

02_
FWS participants reported spending more of their time collaborating with others
The median FWS participant reported that they spent less time on focused individual work and more time completing medium focused tasks.

Reported collaboration as percentage of work day_

⬆ **4%**

(An additional 18mins per day)
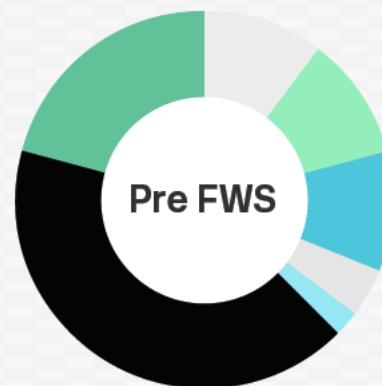
Pre FWS

- ⬛ High focus individual work
- 🟩 Medium focus individual work
- ⬜ Face to face collaboration
- 🟢 Virtual collaboration
- 🟦 Formal collaboration
- ⬜ Training, development, networking
- 🟦 Mindfulness breaks, socialising
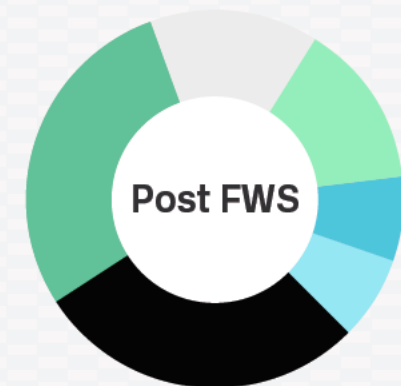
Post FWS

- ⬛ High focus individual work
- 🟩 Medium focus individual work
- ⬜ Face to face collaboration
- 🟢 Virtual collaboration
- 🟦 Formal collaboration
- 🟦 Mindfulness breaks, socialising

People Impact
Staff connectivity and collaboration

Objective
Provide an environment that fosters staff wellbeing, productivity, connectivity and collaboration.

03_
Increases in collaborative tasks that involve sharing ideas and knowledge
In particular, there was a notable increase in the number of people who reported 'prototyping ideas/constructing models/ brainstorming/creative thinking' as one of their top 3 tasks completed when collaborating.

Prototyping and constructing_
↑ 22.3%

Sharing ideas and knowledge_
↑ 25.6%

impromptu and informal meetings_
↑ 25.7%

04_
During the 3 day observation study, 29% of FWS people observed were collaborating
Collaboration was observed in breakout spaces as well as at workstations in the FWS (not observed in traditional workspace). Collaboration at workstations reduced - suggesting staff were moving to collaborative settings appropriate to this type of work.

29% of people observed were collaborating in the FWS

Collaboration in break out spaces_
↑ 2%

Collaboration at workstations_
↓ 4%

05_
More people feel there are spaces available to support the way their teams work together
More FWS participants agreed they had spaces available to them to support the development of new ideas and impromptu collaborative activities.

There are spaces where my team can go to generate new ideas_
↑ 15.3%

There are spaces available when I need them for impromptu meetings or informal conversations _
↑ 8.6%

People Impact
Staff productivity and wellbeing

Objective
Provide an environment that fosters staff wellbeing, productivity, connectivity and collaboration.

✔

01_
Increases in standing, stepping and increased energy levels
FWS Participants spent more time standing and walking and less time sitting. The average energy level for the FWS was also higher than the average in the ATO sit-stand trial in the traditional environment (Ergoworks).

Standing_
↑ 7%

Walking_
↑ 5%

Sitting_
↓ 14%

Energy levels_
↑ 18%

02_
Increased perceived individual and team productivity
Whilst team interviews revealed that the majority of teams find it difficult to define and measure their work - most survey respondents perceived their individual productivity and team productivity was well supported by the FWS.

74.5% of staff agree the FWS supports team productivity_

Supports individual overall productivity_
↑ 25.5%

03_
Increased levels of staff satisfaction and comfort
Survey responses and team interviews revealed that the majority of staff felt more comfortable and satisfied with the work environment within the FWS compared to the traditional environment.

Comfortable & at ease_
↑ 13.2%

Comfortable amount of natural light_
↑ 18.7%

Satisfaction with workplace_
↑ 27.2%

People Impact
Staff productivity and wellbeing

Objective

Provide an environment that fosters staff wellbeing, productivity, connectivity and collaboration.

04_

More FWS staff are completing their work within their assigned hours

The Place IQ Work survey revealed an increase in staff that were able to complete their work within a 40 hr week, and that did not work over their allocation. It also showed a decrease in staff that worked overtime 5-10 times in a month.

Staff spending 25-40 hrs pw in the office_

↑ 7%

Staff that worked 41 hrs or more in the office_

↓ 10%

05_

Staff are avoiding disruption by finding quiet spaces within the FWS rather than coming in early or staying late

Noise was an issue that was widely discussed both in the traditional environment, and within the FWS and is an ongoing challenge. However, there is a much higher proportion of FWS participants seeking out a quiet place to work in the FWS than in the previous survey (81% vs 47%).

Less people staying late/coming in early suggests that the FWS might support better work life balance when it comes to avoiding disruptions.

Staff finding a quiet space to avoid disruption_

↑ 34.3%

Coming in early or leaving late to avoid disruption_

↓ 30.7%

People Impact
Staff productivity and wellbeing

Objective
Provide an environment that fosters staff wellbeing, productivity, connectivity and collaboration.

06_

Participation in health and wellbeing programs increased

Whilst results of participation in health and wellbeing programs were likely impacted by reduced barriers (no cost) participation was much higher (up to 33% from 12%).

Regular staff satisfaction surveys showed varying levels of utilisation of the sanctuary, peaking in April with 33 participants stating they used the space 5 times per week.

Staff interviews revealed, that whilst most feel better about the workplace just knowing the sanctuary 'is there' - some noted that there is still some cultural barriers to 'taking a break'.

Space Performance
Efficient space utilisation

Objective
Demonstrate improved, efficient and effective space utilisation, lessen our impact on the environment and position the ATO to accommodate business change over the long term

01_

39% of FWS workstations were observed as unoccupied at any given time of day.

Beyond this, up to 25% were 'temporarily unoccupied' suggesting staff were engaged in collaborative activities or taking a break and only 30% occupied at peak utilisation. Team interviews revealed many staff work part time, at a variety of sites or have working from home arrangements that are likely contributers to low utilisation rates.

At the time of the 3 day observation study, 153 participants were registered in the trial (of 163 workstations) representing a 1: 1.07 ratio. This suggests that there is potential to test a ratio of workstations of less than 1:1 such as an 0.8 ratio.

In addition, 27% of those who responded to the Place IQ survey noted that they were not participants of the trial for the full trial period.

Traditional Workstation Utilisation (ATO Melbourne)

FWS Workstation Utilisation
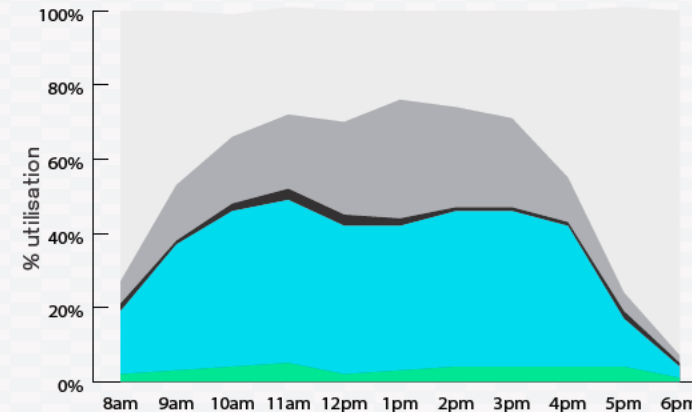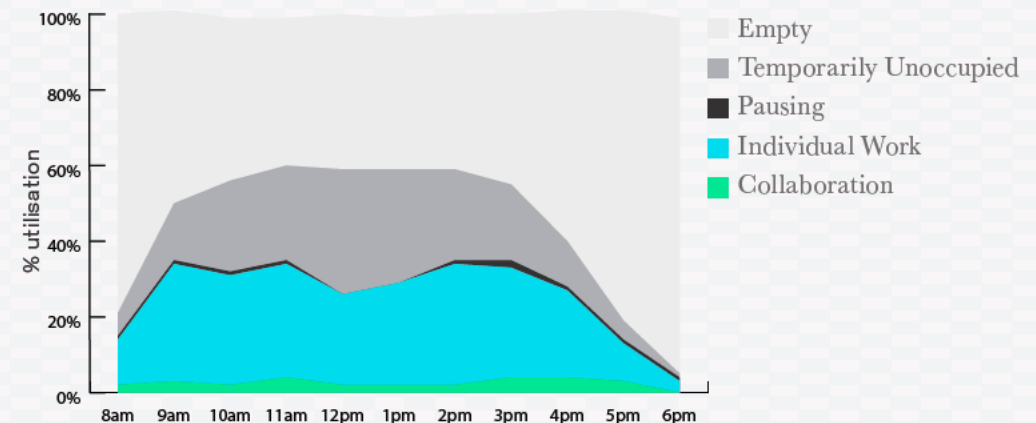
Legend:
- Empty
- Temporarily Unoccupied
- Pausing
- Individual Work
- Collaboration

This suggests there is a significant churn of employees who are changing roles, teams or business lines - in the traditional environment these changes would likely attract significant moving and fit-out costs that were not applicable in the FWS.

Space Performance
Efficient space utilisation

Objective
Demonstrate improved, efficient and effective space utilisation, lessen our impact on the environment and position the ATO to accommodate business change over the long term

02_

Increase in utilisation of break out spaces in the FWS observed

With more break out settings on offer in the FWS than the traditional environment, a 2% increase in staff taking breaks on the floor was observed. This was supported by an increase in the number of staff that reported 'never' leaving the building during a typical day.

Staff that never leave the building in a typical day_

↑ 10.5%

Staff observed taking a break/eating_

↑ 2%

03_

Collaboration spaces enabled by technology were more heavily utilised than those without

Whilst meeting room utilisation was not directly comparable with the traditional environment due to staff being located over multiple floors - anecdotally, staff reported that they felt they utilised these spaces more often and more effectively due to enabling technology (laptop computers and iPads).
The only formal collaboration space that was potentially limited in its accessibility was that which had a Telepresence - this was able to be booked by anyone from across the building and was in high demand. Overall maximum utilisation of meeting area types peaked at almost 60%. This suggests collaborative areas have the capacity to cater for an increased ratio of employees on the floor.

Formal technology enabled meeting areas max utilisation_

59%

Enclosed meeting rooms without technology max utilisation_

50%

Technology enabled semi-enclosed meeting areas max utilisation_

67%

Semi-enclosed meeting areas without technology max utilisation_

33%

Space Performance

Environmental sustainability

Objective

Demonstrate improved, efficient and effective space utilisation, lessen our impact on the environment and position the ATO to accommodate business change over the long term

03_

FWS participants significantly decreased their use of paper consumables

Despite the presence of some business processes in the space that were heavily paper consuming (i.e. preparation of training materials) the Level 8 FWS consumed approximately 34% less paper than the Level 7 traditional environment.

Some team interviews revealed that there are some business processes within the ATO that are still heavily reliant on paper based materials, and that this would need to be addressed if an agile environment was pursued across the portfolio.

Other findings

Relating to the staff experience

01_

Many still felt that personal storage was not adequate, however were satisfied with the amount of team storage available

The unique constraints of the public service relating to the need to store personal items such as cups, cutlery and food led to challenges for staff managing their belongings within the storage lockers available. Whilst some reported through team interviews that they had been able to adjust, Place IQ Work surveys showed 64% of respondents disagreed that they had enough private storage.

Staff that agree they have enough personal storage_

↓ **44.8%**

This could potentially be addressed by encouraging use of end of trip facilities for extra curricular items beyond work essentials and ensuring these have adequate provision.

02_

Changing perceptions of confidentiality, and an increased ability to find spaces for private conversations

Whilst many staff mentioned confidentiality as an issue within the FWS, survey responses showed that the FWS was considered to have private conversation spaces more freely available by more respondents than in the traditional work environment (67% vs 54%, p=.031).

In addition, there appeared to be a reduction in the number of participants that considered their work to be 'always' confidential (down from 27.1% to 13.2%).

Key learnings

Key considerations moving forward

01_

Seamless technology is essential to enabling choice

One of the strongest key themes emerging from team interviews and staff feedback from their experience in the FWS was that mobile technology played a critical role in enabling staff to move between work environments and work activities.

02_

Breaking down ownership requires standardisation and ongoing management to enable flexibility

Both the technology and the physical environment needs to support choice. Work settings (including chairs) and supporting technology need to be able to be used by all staff at all times and need to be consistently maintained in working order.

03_

An agile environment appears to support the cultural traits desired by the ATO

The combination of findings across the research methods suggest that an agile environment has a positive impact on staff satisfaction and wellbeing and is more strongly aligned with the cultural traits desired by the ATO.

04_

To enable trust and empowerment the ATO needs to explore new ways to measure work outcomes

Measuring productivity in an agile environment requires a shift of thinking from measuring time, to measuring performance. Most teams completed a Team Plan and were able define what their measures of success should be. However, many found it difficult to quantify the outcomes in terms of the impact the FWS had on their productivity.

05_

Optimising productivity for complex individual work tasks requires some level of ownership

Some specific work functions who engage in complex focused individual tasks with paper intensive business processes, confidentiality or complex visual management systems were identified as benefiting from some level of ownership over space to maximise their productivity uninterrupted with reduced pack up/set down requirements.

06_

Investing in cultural change processes is key to success

Significant time investment was applied to the cultural change processes that led to the successful transition of staff into the FWS. Without this, it is likely the FWS would not have been as well received. Supporting changes with internal change management resources should be a consideration for any future portfolio roll out.

07_

Facilities and technology management expectations are higher

Any agile environment places much higher expectations on facilities management staff. Participants expect an environment where 'everything just works' with a high level of cleanliness due to the shared nature of work settings.

Where to from here?

Key considerations moving forward

01_

Consider testing the FWS with a Service Delivery focused group and/or at a higher ratio of staff to workstations

The observation study revealed relatively low utilisation rates for workstations within the FWS. This highlights the opportunity to test the FWS with a higher number of staff per desk - such as a 1:0.8 ratio.

In addition, whilst the majority of work types were represented in the trial, there may be some distinct needs revealed for resolution if the space were to be tested with a Service Delivery business line that has a high level of client contact.

02_

Consider a phased roll out across ATO buildings - starting with transferring ownership from desks to storage and mobile technology

Consider enabling staff in traditional environments with mobile technology and seamless connectivity as a first step towards an agile environment. This would require a transfer of ownership from desks to common storage areas to ensure all workstations can be utilised by all staff within a team or on a floor.

The FWS saw a very high percentage of working from home agreements compared to the broader ATO - this would be enabled in a traditional environment if mobile technology was provided.

In addition, ensuring technology with ATOnet connections in existing collaboration spaces will be key to their utilisation.

03_

Cultural change needs to lead by example

One of the reasons the FWS was successful is likely due to a strong endorsement of agile work practices by management level staff (EL1&2). Key to creating successful agile environment across the portfolio will be endorsement and utilisation by senior staff at all levels throughout the organisation.

Feedback from senior staff suggested that there are a number of factors that are limiting their ability to embrace this style of work such as fixed technology in offices (i.e. Telepresence for SES).

Where to from here?

Key considerations moving forward

04_

Review design guidelines in line with the median ATO worker and the findings from the FWS

As part of this review, keep in mind that some work types have bespoke requirements at the margins (as described in 05_Key Learnings). Consider developing a needs assessment register or matrix that identifies like requirements so that specific environments can be created and shared by those with similar needs.

If moving to an agile environment, design guidelines should review the ratios of work setting types in accordance with work styles across teams and business lines (revealed through the Place IQ Pre-Occupancy survey) and consider the opportunity to move staff to appropriate settings, rather than settings to staff to reduce churn costs.

05_

Ongoing review and monitoring of the performance of spaces across the portfolio

Once spaces have been delivered within the ATO, there is little opportunity for ongoing monitoring of utilisation or evaluation of the performance of those spaces to support those who inhabit them.

Putting some processes or tools in place to support this analysis would highlight areas for improvement on an ongoing basis and help inform portfolio level decision making.

06_

Alignment of goals and objectives for the staff experience across projects and business lines

Overall a clear mandate needs to be established in order to ensure all property, EST, HR and change management projects are aligned and working to the same staff experience goals.

To be a successfully agile environment all business processes need to be supportive of the change, as it is a significant shift for staff given the limited amount of workplace environmental change they have experienced in the past.

This will require a level of standardisation of EST solutions (which enables choice) and a review of HR policies and processes to support mobile working.

Section 01_
Introduction
About the Future Workspace (FWS)

1.0_ Introduction

Brickfields Consulting (formally known as Place Associates) were engaged by the Australian Tax Office (ATO) to provide a workplace strategy and post occupancy evaluation of a pilot workspace on Level 8 at 747 Collins St, Melbourne designed by Hassell. The ATO is looking to adopt an employee-centric approach to designing its future workspace to ensure its buildings continue to be places where people want to work. The Future Workspace (FWS) trial aimed to provide insight into how this could be adopted.

1.1_ Project Scope

Intent

To provide ATO employees with a contemporary and professional workspace to help them excel at what they do.

Business Drivers

- Contribute to enhancing the staff experience in line with the ATO's Reinvention Program

- Maximise opportunities for staff collaboration and contribute to enhancing workplace culture

- Ensure ATO accommodation continues to meet ATO business requirements into the future

- Ensure ATO accommodation meets the professional needs of its employees

- Ensure efficient and effective use of Commonwealth Resources

1.2_ Process Overview

Pre-Trial Consultation with staff and co-design the space

Brickfields Consulting conducted a series of workshops and interviews with staff to understand both ATO business requirements and the professional needs of ATO employees to help the ATO plan for the future. This phase also included a survey of ATO Melbourne known as Place IQ_Work which provided baseline data for comparison between the average Melbourne employee and the FWS participants.

Build the trial workspace and run the trial

Brickfields, Hassell and ATO Property engaged with HR, site leadership and trial participants to design and conduct evaluation activities to ensure the findings from the workspace trial are transparent and robust.

Evaluate the design prototype

The trial findings will clearly inform the design of new buildings and the retrofitting of the portfolio where required.

The ATO has finally embraced contemporary office technology and designs.

- FWS Participant

1.3_ About the Trial

The Workspace

The design of the FWS has been informed by the latest trends in contemporary workspace design and technology, as well as the input from staff consultation sessions as to their preferred work environments.

ATO staff from the trial site were invited to participate ensuring the trial was conducted on a voluntary basis.

High Level Requirements

The following key themes were explored with staff as part of the co-design process and were key to informing the design of trial:

Choice - The 'knowledge' workforce is one where the work shifts from requiring high levels of concentration to collaboration and various combinations in-between. The trial workspace needs to provide opportunities for both and allow individuals to choose when and how they use them. Whilst allowing for choice, the space needs to focus on increasing collaboration amongst all workers, it therefore needs to promote visibility, openness and greater mobility, in spaces where workers are more likely to see each other, they are more likely to connect and collaborate.

Health and wellbeing - Workspaces can either enable or disable productivity, addressing noise control, temperature control, air quality and crowding needs to be considered in the context of a largely open plan design. The design needs to maintain the ATO's strong focus on the health and safety of our workforce, further the space needs to promote wellbeing by encouraging greater movement of our staff throughout the workday.

Sensory Stimulation - People generally prefer to be surrounded by nature, which provides endless sources of variations and sensory change. In the same way, people also prefer variability in their working environment, a lack of visual stimulation during the day can dull the senses.

Efficient Design - The workspace trial provides an opportunity to explore ways to further improve our environmental management work practices so that we can continue to lower our energy and paper consumption. The space also needs to provide an efficient layout to enhance the productivity of our workforce.

The Participants

To maximise applicability of the trial findings to the ATO's large and diverse workforce, participants were selected from both client facing and enabling areas.

Participants were engaged in the trial for a period of six months and were provided with direct support to ensure any issues and concerns were dealt with and resolved as quickly as possible. Regular discussions were held at various milestones to surface any required adjustments to the trial workspace - and these were addressed as soon as possible.

At the end of the trial, participants were given the option to return to their usual workspace, or stay on until December 2016.

Throughout the trial period, there were a number of teams that had significant staffing changes. The Post-Occupancy Place IQ_Work survey revealed that 27% of participants who responded to the survey had not participated in the trial for its entirety.

See Section 02_ Methodology for further details and breakdown of trial participants.

1.4_ The Constraints

Budget Constraints

The FWS fit out was achieved with a comparable cost per sqm to current ATO fit outs to ensure future sustainability of the design approach.

Data Constraints

Pre-Occupancy Observational Study

As staff participating in the trial were located across a number of floors within the building the utilisation of meeting rooms by specific team members was not possible. As such, the meeting room utilisation rate has be used to inform this project based on the booking management system which does not reflect whether or not the meeting actually occurred. This will not be directly comparable with the observation study results and some assumptions will be required in the post occupancy evaluation.

Section 02_

Methodology

About the process

2.1_ Project Methodology

Process Overview

The diagram to the right describes the overall project process and how the outcomes of the Future Workspace (FWS) pilot aims to inform and enhance the way the ATO works.

Co-Design
Understand the way we work now and the experience we want the trial space to deliver.

Phase 1
Adapt to new ways of working and evaluate the outcomes.

Phase 2
Enabled to work anywhere.

Phase 3
Enhance the way we work.

Co-Design	Phase 1	Phase 2	Phase 3
Project Launch — Staff information sessions			
Online Survey — Across whole of 747 Collins Street	Online Survey 2 — Changes from previous responses		
EOI — Selection of participants for the trial			
Workshops — Management and staff trial participants	Monthly Staff Feedback — What's working and what's not		
Interviews — Key leaders within the ATO	Team Interviews — Impacts on performance		
Observation Study 1 — Study of current workplace behaviours	Observation Study 2 — Changes in workplace behaviours		
Staff transition workshops			
Aspirational and Functional Brief			
Design and Construct	Move into Trial Space	Informing other workplace projects	Design guidelines
		Working from home implementation	Further technology enhancements

2.2_ Selected participants

Expression of Interest Process and Changes to Participants during the trial

ATO Staff were provided an Expression of Interest Pack on Sharepoint (ATO communication portal) with a 3 week response timeframe. Over 300 staff applications were received for the 160 spaces available in the trial. Successful participants were selected based on the following criteria:

- Creating a broad representation of staff within the space over a variety of business lines, work types and team sizes

- Teams where their manager is on site or where an SES level employee is to participate were prioritised for inclusion

- Evidence of a team plan and motivation stated for being in the trial by the participants

Team name	Work type	Team Size at start	Team Size at end	Business Line
General Counsel	In-house non-tax law related legal services	8	8	ATOC
Web Management/Digital Delivery	Advice/guidance to web publishing teams/analytics	2	4	ATOC
Reinventing the ATO communication team	Communication	5	7	ATOC
Facilities Management	Facilities Management/Property services	7	8	ATOF
ATO Property SES & EA	SES ATO Property	2	0	ATOF
People Support Team, Melbourne	Site Based HR services (HR generalists)	22	8	ATOP ATO People
Learning & Development	Learning& Development	13	13	ATOP
Site Leadership team	Site cohesion/co-ordination/events	3	0	ATOP
Super Reform 2015 Release	Super Reform Accounting program of work (IT)	4	0	EST
Identity Security and Information Security /IT security	IT Security	9	0	EST
My ATO Intranet Replacement Project	Core Design Team	3	0	EST
Digital Enabling Services/EFIX team	Emergency Break-Fix Testing	4	3	EST
Design & Innovation	High level design activities	10	13	ITD Integrated Tax Design
Integrated Business Response Team	Identification of whole of ATO Active Compliance Risk/Analysts	8	0	ITX Indirect taxes
Systems and Business Analysis team	Business analysis and solution designers	4	7	PGI
Trust Taskforce	Auditors	11	10	PGH
Individual Taxpayer Obligations	Auditors - pre-issue	16	15	SBIT
Improving the Business Experience	Ministerial/community forums/small projects	3	1	SBIT
Smarter Data - Data Management Team	Data strategists	5	3	SD Smarter Data
Digital Program	Project management	6	16	Service D (CS&S)
Operational Policy Assurance and Law	Technical advice law/policy/Admin	15	20	Service Delivery
Tax Time and Not-for-profit team	Tax Technical/public rulings	3	2	TCN
Additional teams who entered the trial during the trial period below:				
ATO Security		0	6	ATOC
Future Workspace Project		0	1	ATOF
ATOP New Initiatives		0	8	ATOP
		163	153	

2.3_ Observation Studies

Pre-Occupancy

The Observation Study was conducted on the 10th-12th August 2015. All participants were aware of the study which was completed by both internal support staff from the ATO and Brickfields Consulting. Observers completed a 'loop' of 3-4 floors each every hour commencing at 8am and finishing at 6pm. The Level 3 break out area was observed as the greatest number of participants in the trial were located on that floor. In some cases, workstations that were not initially included in the data set were identified as being participants in the trial. In these cases data was extrapolated to reflect the full 3 days based on the observations collected.

Post-Occupancy

The Observation Study was conducted on the 23rd to 25th August 2015. All participants were aware of the study which was completed by the Brickfields Consulting Team. All areas were observed during the 3 day period on Level 8.

Key areas of observation were:

1. Number of people

2. Behaviours/activity participated in

3. Technology/hardware/equipment utilised

4. Any other relevant comments/observations

Number of people

- This was recorded as between 0-10 or 10+

- In the event a door is closed or not visible the input was recorded as 'not observable'

Behaviours/activity

- Empty - at time of observation there was no sign that a worker had been using the desk.

- Temporarily Unoccupied - unoccupied at time of observation but has signs of recent usage such as a live computer screen, bag, coat, coffee etc.

- Pausing - where a worker is not actively working, or doing any of the main behaviours eg just arrived at work or packing up to leave

- Individual Work - working on their own

- Collaboration - working with others at time of observation

Equipment in use

- Desktop, laptop, tablet, desk phone, mobile phone, dual monitor, phone head set, projector/presentation screen, video conference, teleconference, paper, headphones, soft phone

2.4_ Place IQ Work

Pre-Occupancy

The ATO Future Workplace Online Survey 'Place IQ Work' was distributed to all staff located at 747 Collins Street and was made available from 7th July 2015 until 24th July 2015. Total number of respondents was 415.

Key areas of questioning included:

- Demographics and position in organisation
- Transport and Commute
- Internal and External office hours
- Physical Office environment
- Privacy and confidentiality
- Interaction and collaboration
- Workplace socialising
- Technology
- Productivity and satisfaction

Post-Occupancy

The ATO Future Workplace Survey 'Place IQ Work' was distributed to all staff on Level 8 in the FWS was made available from 15th August 2016 until 19th August 2016 in paper format. Total number of respondents was 115 or 75.2% of trial participants.

The key areas of questioning were repeated (where applicable) for direct comparison pre and post occupancy.

2.5_ Team Interviews

Interviews were conducted with all teams that participated in the trial with only one exception (due to calendar constraints).

Key questions that were asked of participants included:

- A typical day in the FWS
- What is most important to the team
- What improvements could be made to the FWS
- Their occupancy on the 8th floor the week previous to the interviews
- Individual and team productivity in the FWS
- On balance which environment they would prefer to work in, the FWS or the traditional
- Their key take-away or statement that would sum up their experience if they were to be quoted
- Any other comments

2.6_ Leadership Interviews

Two interviews were conducted with SES level staff who participated in the trial.

Section 03_

Summary of Key Findings

Across all areas of research

Key Insights
Place IQ_Survey

01_

Increased levels of staff satisfaction

FWS participants reported higher levels of satisfaction with their comfort, access to natural light and in their perception that the FWS was able to attract and retain talent.

02_

Increases in collaboration

FWS participants reported spending approximately 18mins more each day (based on the median employee) when compared to the traditional workspace. In addition, there appears to be an increase in 'prototyping/constructing models/ brainstorming, creative thinking'.

03_

Increased connectedness

The survey results showed FWS were increasingly having social, non-working lunches together. In addition, there was a reduction in the number of people that 'never' interacted with anyone.

04_

Personal storage a challenge

Many staff agreed that their personal storage was not adequate in the Future Workspace compared to high levels of agreement that there was adequate personal storage provided in the traditional environment. Some comments were made during team interviews that suggest that this could be addressed by end of trip facilities.

05_

Support of a FWS environment was strongly endorsed by management levels

When breaking down the responses between management (EL1&2) and staff levels (APS) in the FWS, Management levels were even more supportive of moving towards a FWS environment than their staff.

06_

Younger employees endorse the FWS as reflective of cultural traits more than their more mature colleagues

Whilst most employees agree the FWS is well aligned with the ATOs desired cultural trails, when comparing responses to the FWS alignment with Cultural Traits, employees under the age of 39 more strongly agreed with this than those over 39 years.

Key Insights
Observation Study

01_
Utilisation of workstations
Medium focus and high focus desks were most utilised (20-30% empty) and also had high levels of 'temporarily unoccupied' suggesting some territorial behaviours. High focus booths also peaked at 22% empty suggesting all workstation types have some capacity for higher staff ratios.

02_
Collaboration spaces
Overall, meeting and collaboration spaces that were not enabled by technology had lower utilisation rates than similar spaces that were. Collaborative utilisation peaked at 59% of formal enclosed meeting rooms suggesting ability to serve a higher staff ratio.

03_
Ability to accommodate a higher ratio of staff
Overall, the highest utilisation levels observed during the 3 day study peaked at 101 participants. This suggests the space could be tested with a high ratio of staff to workstations.

04_
Collaborative activities moving from the workstation to collaborative settings
There was a reduction in the amount of collaboration between staff at workstations in the FWS suggesting that staff were choosing to move to collaborative settings for this type of work.

05_
Low utilisation of the project room
Whilst the project room was used by some teams during the trial, it had the lowest utilisation rate of any work setting in the Future Workspace. This work setting is likely more appropriate to serve a whole of building population rather than one floor.

06_
Approximately 4% of sit to stand workstations were utilised as standing settings
Whilst staff reported dissatisfaction with fixed desks without any adjustment capability, and they enjoyed the choice that sit to stand provides, only 4% were standing at any one time.

07_
Staff in the FWS used a wide range of technologies and work stations
Utilisation of a wide range of workstations and technologies by staff suggests that the FWS enables staff to choose the environment that suits the work they are doing.

Key Insights
Team Interviews

01_

Measuring team productivity is challenging

Most teams completed a Team Plan and were able define what their measures of success should be. However, many found it difficult to quantify the outcomes in terms of the impact the FWS had on their productivity.

02_

Collaboration across business lines has improved, but there has been some loss of connection within teams

Team Interviews revealed that some participants felt they had lost some level of connection with their team that co-location had afforded them previously.

03_

Teams felt that mobile technology was essential and supportive of sharing knowledge and ideas

The ability to move from one space to another with mobile technology (namely laptops and softphones) was highly valued by staff and there was a desire to retain these technologies.

04_

On balance, there was a strong preference for the FWS style environment

When asked whether on balance, staff were asked to vote one way or the other, the vast majority (80%) would choose to move to a FWS style environment.

05_

Some teams found the FWS environment more challenging, and on balance would prefer the traditional environment

Teams that mainly engaged in deep complex thinking tasks or with high levels of paper dependence found completing their work in the FWS more challenging due to the 'pack up and set up' requirements of the FWS.

06_

Many work off site or part time

Team interviews also revealed high levels of staff who would work off site from home or in other ATO locations for at least a day per week. Access to the FWS laptop and mobile technology was a strong benefit for these staff who felt they could easily move from one space to another, and didn't have to find a 'dedicated desk' in other offices to complete their work.

Key Insights
Senior Leaders
Interviews

01_
Whilst it is possible to operate in the FWS environment, senior leaders found it more challenging
For those that engage in deep complex thinking tasks, the office environment can be preferable (in a similar way to teams that work this way as noted in Team Interviews).

02_
Some tools and technology tie senior leaders to their offices
Telepresence has become the preferred tool of communication between senior leaders in the organisation, and having access to this in the office environment with fixed technology makes it more challenging to work in an agile way.

03_
Office type spaces were available to suits senior leaders needs when required
Despite the challenges of moving out of the office, some senior leaders commented that 'office type' spaces were available to them i.e. for private conservations when required.

05_
There is still some attachment to the hierarchy of space and what it means to senior leaders
Senior leaders acknowledged that they believed that some senior staff would find the shift from a dedicated office environment to an agile environment challenging, and that letting go of the status attached to allocation of offices may be a barrier for some in the organisation.

06_
There may be opportunities for a more collaborative leadership approach in an agile environment
Some had observed behaviours that they believed would not have occurred if the staff knew of the position they held in the organisation (i.e. leader from a different team). This raised questions around whether there was an opportunity for a more collaborative leadership and management approach.

Section 04_

Recommendations

Key learnings
Key considerations moving forward

01_
Seamless technology is essential to enabling choice

One of the strongest key themes emerging from team interviews and staff feedback from their experience in the FWS was the essential nature of seamless mobile technology which allowed them to easily move to the preferred work environment that best suited their activities.

02_
Breaking down ownership requires standardisation and ongoing management to enable flexibility

Both the technology and the environment needs to support choice. Work settings (including chairs) and supporting technology need to be able to be used by all staff at all times and need to be consistently maintained in working order.

03_
An agile environment appears to support the cultural traits desired by the ATO

The combination of findings across the research methods suggest that an agile environment has a positive impact on staff satisfaction and wellbeing and is more strongly aligned with the cultural traits desired by the ATO.

04_
To enable trust and empowerment the ATO needs to explore new ways to measure work outcomes

Measuring productivity in an agile environment requires a shift of thinking from measuring time, to measuring performance. Most teams completed a Team Plan and were able define what their measures of success should be. However, many found it difficult to quantify the outcomes in terms of the impact the FWS had on their productivity.

05_
Optimising productivity for complex individual work tasks requires some level of ownership

Some specific work functions who engage in complex focused individual tasks with paper intensive business processes, confidentiality or complex visual management systems were identified as benefiting from some level of ownership over space to maximise their productivity uninterrupted with reduced pack up/set down requirements.

06_
Investing in cultural change processes is key to success

Significant time investment was applied to the cultural change processes that led to the successful transition of staff into the FWS. Without this, it is likely the FWS would not have been as well received. Supporting changes with internal change management resources should be a consideration for any future portfolio roll out.

07_
Facilities and technology management expectations are higher

Any agile environment places much higher expectations on facilities management staff. Participants expect an environment where 'everything just works' with a high level of cleanliness due to the shared nature of work settings.

Where to from here

Key considerations moving forward

01_

Consider testing the FWS with a Service Delivery focused group and/or at a higher ratio of staff to workstations

The observation study revealed relatively low utilisation rates for workstations within the FWS. This highlights the opportunity to test the FWS with a higher number of staff per desk - such as a 1:0.8 ratio.

In addition, whilst the majority of work types were represented in the trial, there may be some distinct needs revealed for resolution if the space were to be tested with a Service Delivery business line that has a high level of client contact.

02_

Consider a phased roll out across ATO buildings - starting with transferring ownership from desks to storage and mobile technology

Consider enabling staff in traditional environments with mobile technology and seamless connectivity as a first step towards an agile environment. This would require a transfer of ownership from desks to common storage areas to ensure all workstations can be utilised by all staff within a team or on a floor.

The FWS saw a very high percentage of working from home agreements compared to the broader ATO - this would be enabled in a traditional environment if mobile technology was provided.

In addition, ensuring technology with ATOnet connections in existing collaboration spaces will be key to their utilisation.

03_

Cultural change needs to lead by example

One of the reasons the FWS was successful is likely due to a strong endorsement of agile work practices by management level staff (EL1&2). Key to creating successful agile environment across the portfolio will be endorsement and utilisation by senior staff at all levels throughout the organisation.

Feedback from senior staff suggested that there are a number of factors that are limiting their ability to embrace this style of work such as fixed technology in offices (i.e. Telepresence for SES).

Appendix A
Place IQ Work Survey
Detailed Findings

Introduction

Pre-Occupancy (2015)

The ATO Future Workplace Online Survey 'Place IQ Work' was distributed to all staff located at 747 Collins Street and was made available from 7th July 2015 until 24th July 2015. The total number of respondents was 415.

Key areas of questioning included:

- Demographics and position in organisation

- Transport and Commute

- Internal and External office hours

- Physical Office environment

- Privacy and confidentiality

- Interaction and collaboration

- Workplace socialising

- Technology

- Productivity and satisfaction

Post-Occupancy (2016)

The ATO Future Workplace Survey 'Place IQ Work' was distributed to all staff on Level 8 in the FWS was made available from 15th August 2016 until 19th August 2016 and was in paper format. The total number of respondents was 115 or 75.2% of trial participants.

The key areas of questioning were repeated (where applicable) for direct comparison pre and post occupancy.

FWS has made me be closer and more collaborative with my team.

- FWS Participant

Respondent Profile

Of the 153 FWS participants in the trial at the time of the Place IQ Survey, 115 responded (75.2%) with good response levels for all questions. 73% of the participants were involved in the trial for its entirety and 27% who participated in part only. Of the 27%, the majority were involved for more than 3 weeks.

Q1. Gender

Whilst male/female ratio was slighting different between the two response profiles it was not statistically significantly different if limited only to male and female responses (0.9% of FWS participants 'prefer not to say').

Q2. Age Profile

The distribution of ages across the two profile groups (2015 vs 2016) were very similar (p=0 .074) providing comparable data sets. The FWS profile was slightly younger with 51.3% under the age of 40 vs 47.2% in 2015.

Q3. Business Line Representation

All business lines were represented in the response profile.

Q4. Team Representation

There was a very wide spread of teams within the FWS that responded, a number of these having only one respondent and the largest being OPAL with 9 respondents.

Q5. Level in Organisation

There was a statistically significant difference in the distribution of the levels of employees (p=0.019). APS3 and APS4 were quite different and there were no SES who responded to the FWS 2016 survey. However, when condensed into management (ELs) and others (APS) and excluding "other" and SES levels, there was no great difference between the two survey groups (APS 68% in 2015 and 65% in FWS).

Q2. Age
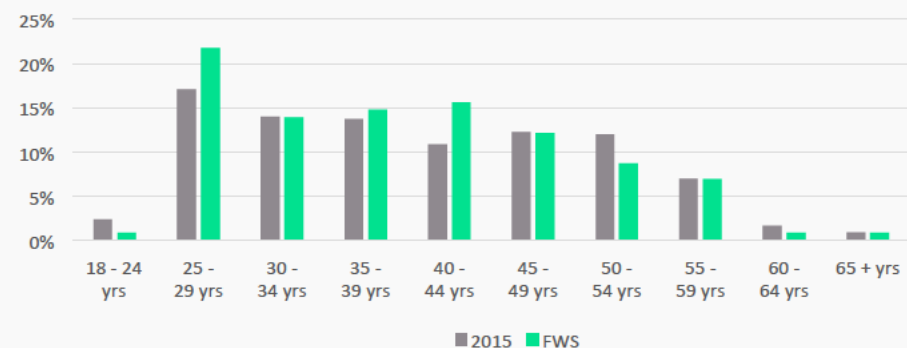
Q3. Business Line
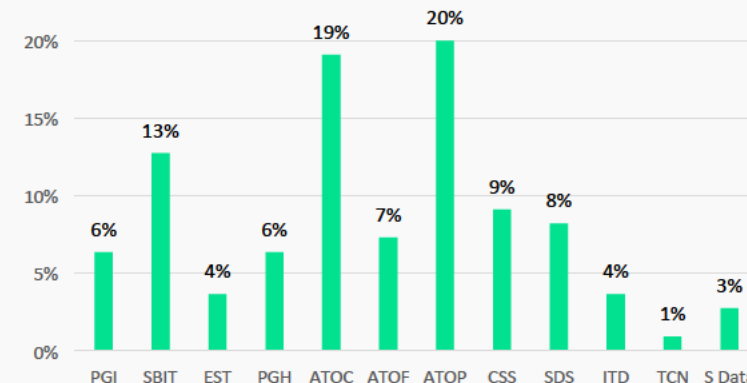
Q5. Level in organisation
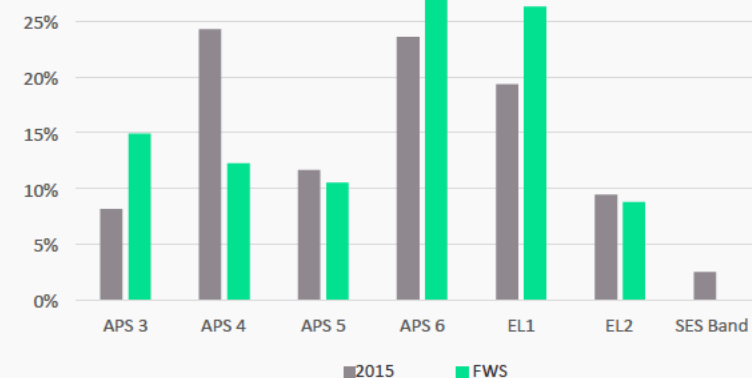
Hours and Days Worked in the Future Workspace

Q8. Hours per week in Office
A higher percentage of FWS participants worked 25-40 hours and lower percentage worked 41 hours or more in the office per week.

Q9. Days worked in the office
A very similar pattern was reported between the 2015 and 2016 surveys. There was one person in 2015 who went into the office on 6 or more days but none in FWS.

Q10. Times worked more than allocation
Slightly more FWS participants reported 'never' working more than their allocation and slightly less 5-10 times in the last month. Overall, the profile was similar across the two groups

Q11. Hours spent working outside the office
More people were doing more hours of work outside of the office environment. This was supported by a higher percentage of formalised working from home agreements being but in place for FWS participants which could account for this.

Q12. Days worked outside the office
Once again reflecting the increase in working from home arrangements put in place, there was a much higher percentage of FWS employees spending 1-2 days working from outside the office compared to over 80% stating 'none' in the 2015 survey.

Q10. Times worked more than allocated hours per month
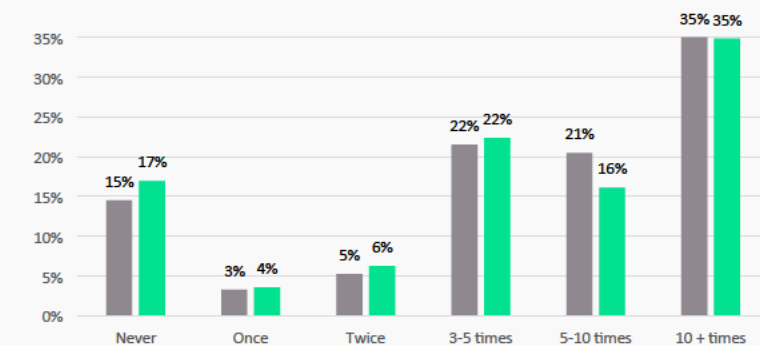
Q11. Hours spent working outside the office
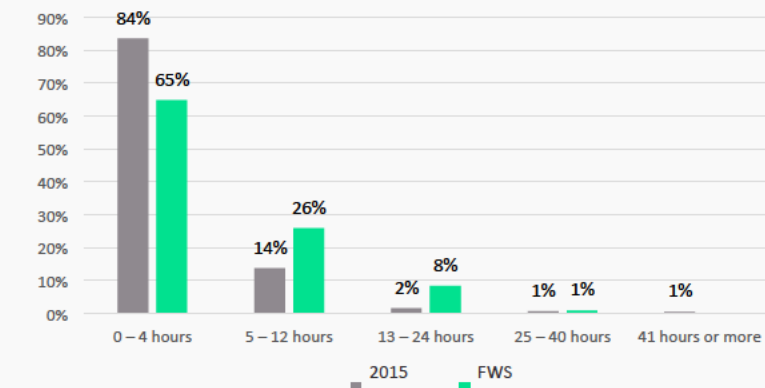
Q12. Days spent working outside the office
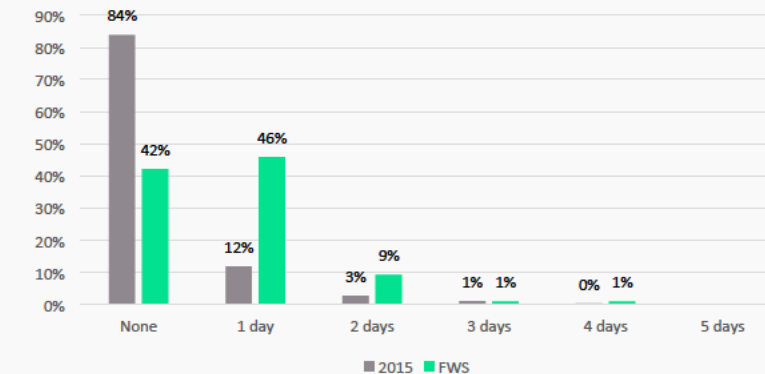
Perceptions about the workplace

Q13. Support for changes to the general office layout (traditional environment)

The pie graph shows the shows the proportion of support for change to general office environment since their participation in the FWS trial. In the previous survey, 34.5% supported the smaller spaces, 28.5% wanted larger areas and 37% wanted it to stay the same. This shows a significant change (p<.001) with significantly more people in FWS wanting smaller work stations and significantly less wanting it to stay the same.

Differences in perception between management level and general staff

Interestingly, this had internal differences as well. When the data was split into APS and Management, there was a difference in the supported changes (p=.002). In this case, 80% of management wanted smaller workstations compared with only 46.5% of APS staff. Almost 30% of APS staff wanted larger workstations (28.2%) compared with only 12.5% of management level.

Q13. Support for changes to the general office layout

Neither, keep workstations and shared areas as is (more traditional environment) 19%

Larger individual workstations with more privacy and less collabortive or shared areas 23%

Smaller individual workstations and more collaborative or shared areas (similar to FWS) 58%
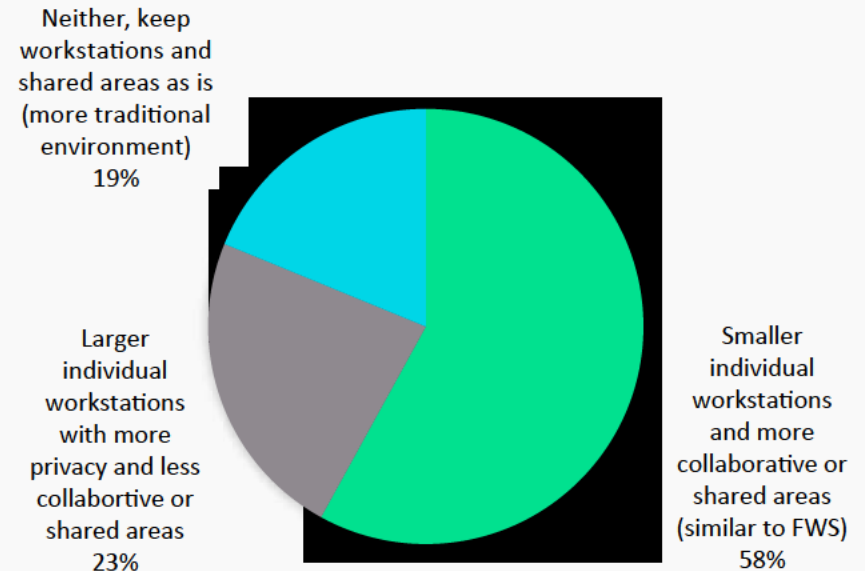
Perceptions about the workplace

Q14. Enough private storage

There was a clear difference in the satisfaction with the level of private storage between the two surveys.

When looking solely at the FWS sample, but splitting by level, it was a slightly different picture: It appears that Management are somewhat more satisfied than the APS group.

It is clear that the FWS group do not agree that they have enough storage in comparison with the 2015 group. This is particularly so for the APS group.

Qualitative research through workshops and team interviews suggest that there may be ways of addressing this issue through end of trip facilities, kitchen storage or some level of behavioural change. In addition, over time as more business processes become

enabled by technology and less reliant on paper based resources, there is potential for a reduction in the need for storage of these items longer term.

Q15. Enough team storage

Most FWS employees either agree or strongly agree that there was adequate team storage available to them. This suggests that the team storage approach in the FWS was adequate.

Q14. Private storage
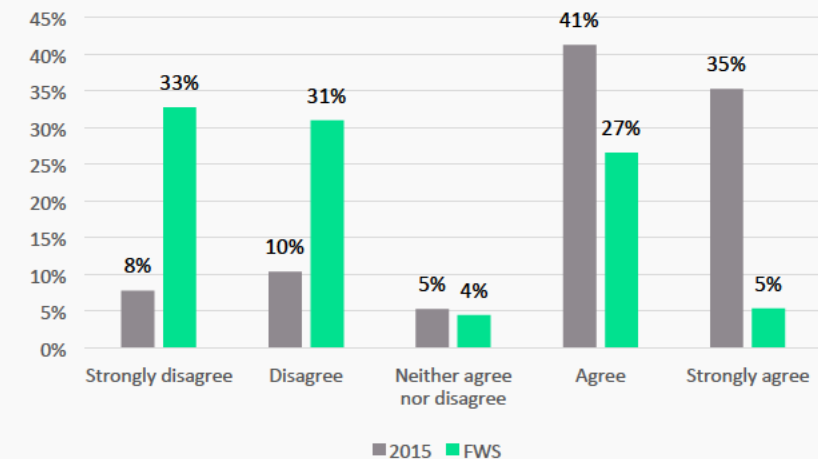
Q15. Team storage
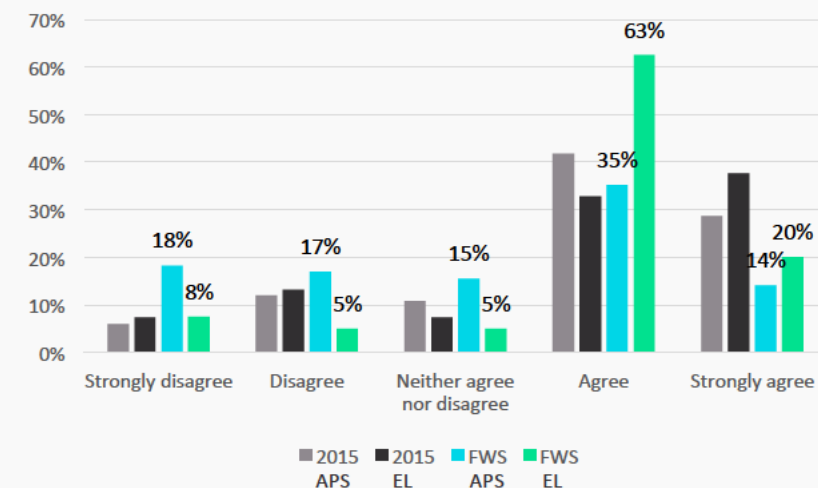
Confidentiality

Q15. Confidentiality within the team or the organisation

A comparison of the two surveys showed some differences in the confidentiality profile (p=.004). There appears to be a decrease in the proportion of participants who perceive their work to be confidential when compared to the previous year.

Q16. Frequency of confidential work

There were some differences between the two years with a higher proportion of participants never undertaking confidential work in FWS when compared with 2015 (p=.004).

Q17. Methods of avoiding disruption

This was a multi-response question and people chose more than one response. The data gathered indicates a shift in they way people are avoiding disruption with a much higher proportion seeking out a quiet place to work in the FWS than in the previous survey (81% vs 47%).

Again, this was stratified by level within the organisation. The outcome reveals a higher proportion of APS staff coming in early or staying late to avoid disruption than management (20% vs 10%).

Q18. Private conversations

FWS was considered to have private conversation spaces more freely available by more respondents than in 2015 (67% vs 54%, p=.031).

Q16. Frequency of confidential work
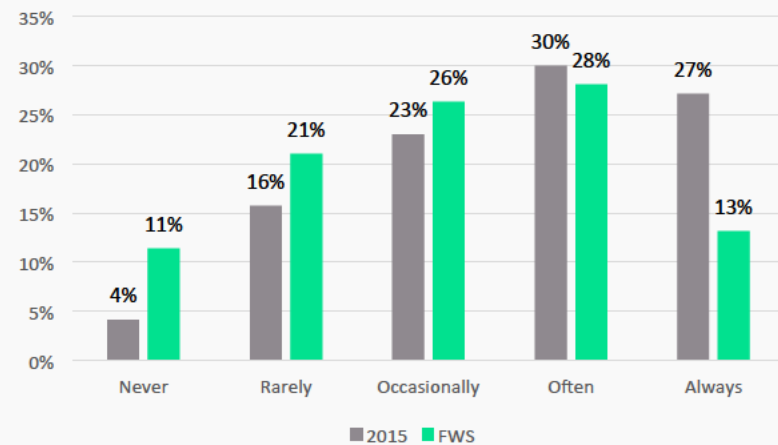
Q17. Methods of avoiding disruption
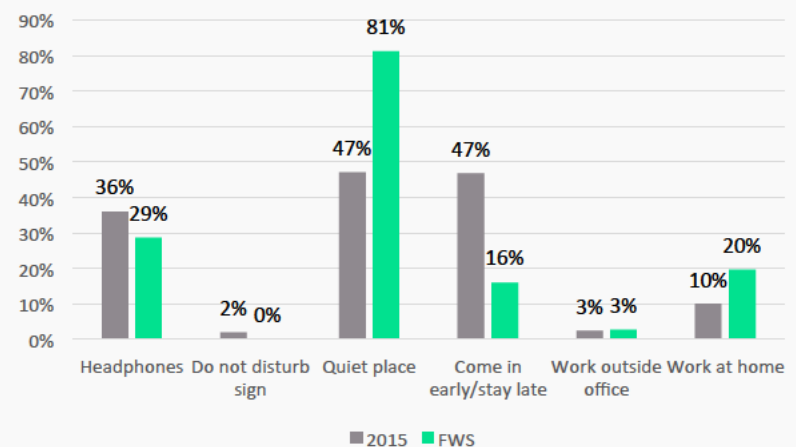
Interactions

Q20. Importance of spontaneous/ informal conversations

There were slight differences in the level of importance placed on spontaneous/information conversations between the two groups but these were not significant findings (p=.175).

Q21. Number of people interacting

Overall, there was little variation between the 2015 survey and FWS participants in terms of the number of interactions in a day, however in the traditional environment there was a percentage of staff that had not interacted with anyone, whereas the FWS participants all experienced some level of interaction.

Q22. Interaction with people outside work group but within organisation

The survey result comparison revealed a statistically significant difference between the profiles (p<.001). The FWS group interacted more on a daily or more frequent basis than of the previous year (64.6% vs. 31.4%) with people from outside their business line but within the ATO.

23. Interaction with people outside organisation

There was also a statistically significant difference (p=.040) between the two groups with a higher proportion from the FWS sample either never interacting with people outside the organisation compared with the previous year (50.4% vs 38.2%). This could be due to the percentage break down of respondents from service delivery or client facing functions vs enabling functions.

Q21. Number of interactions with people (per day)

Legend: ■ 2015 ■ FWS

Q24. Types of meetings
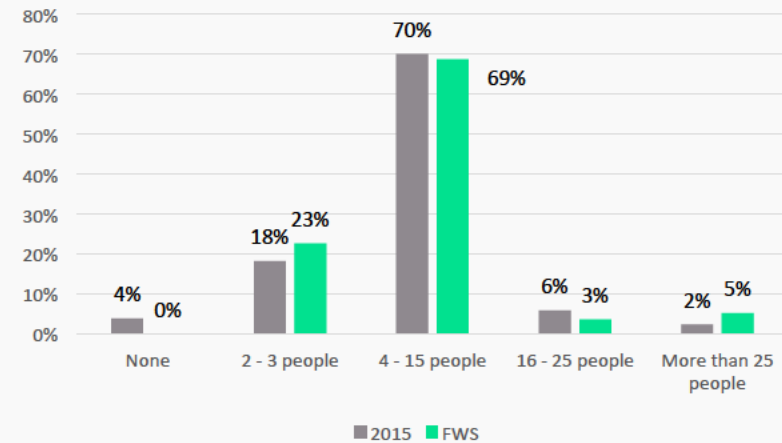
Collaboration

Q24. Types of meetings

The most frequent meetings held in the FWS were one on one or small group style meetings of 3-6 people. Most meetings of over 6 people were weekly, or monthly and this was reflected in the team interviews where many mentioned a weekly 'team meeting'.

25. How meetings are arranged

36% of FWS reported meetings as reoccurring or monthly and 24.5% scheduled more than a week in advance. This suggests that whilst some meetings are spontaneous, there is still a more formalised approach to scheduling meetings rather than informal. There was an increase in the number of FWS employees that stated 'none' of their meetings were scheduled more than a week in advance (up to 10.4% from 2.4%).

26. How time is spent in the day

The following graph shows box plots of the percentages respondents recorded for each activity for each work day. There is wide variation between each of the surveys and within each of the tasks.

The associated summary statistics are provided in the following table which shows the 25th percentile, the median and the 75th percentile.

When comparing the median from 2015 to the FWS, there appears to be an increase of 4% in collaborative tasks.
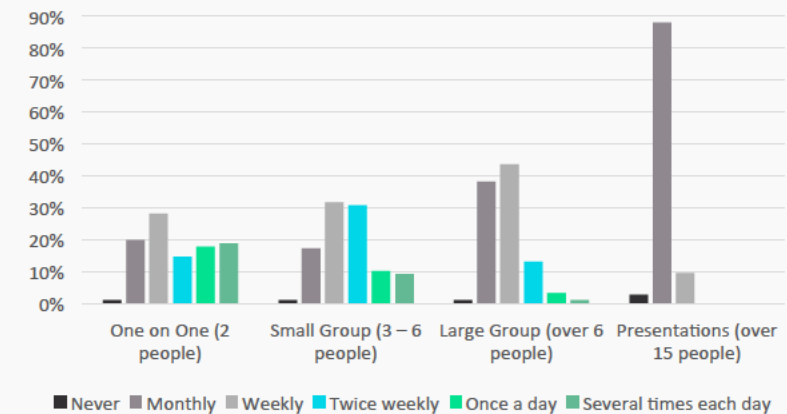
26. How time is spent in the day
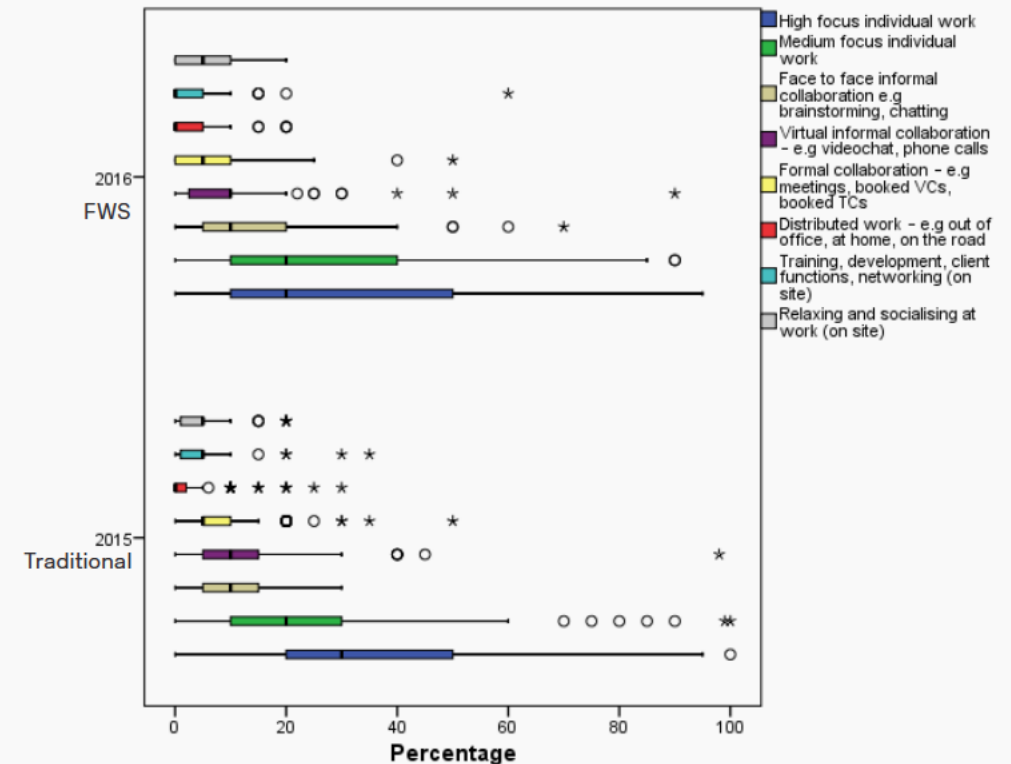
Technology

Q27. During your time in the FWS, how useful did you find the following mobile or web-based services for collaborating/working on projects with your colleagues?

The following graph shows the comparison between 2015 and FWS for the combined "Very useful and Essential" categories.

This suggested that reliance on online chat increased in the Future Workspace. Team interviews revealed that many used MOC to get in touch with other staff to find out where they were located on the FWS floor. In addition, in the FWS group, a new product was added "Softphone". This was considered very/essential by 50.4% of the respondents and only "not applicable" by 8.8%.

28 During your time in the FWS, which of the following methods of communication did you use to collaborate with external colleagues or clients?

The data gathered indicates the proportion of respondents who used various methods of communication for collaborating with external colleagues. There was drop in the use of Go to Meeting and the introduction of Softphone.

29. Number of people typically involved in collaborations

There was very little difference between the 2015 survey and the FWS participants. The only changes were increases in one on one collaborations and a decrease in larger group collaboration within the FWS. This could potentially suggest that there is less need for large group collaborations when there is an increase in one on one discussions.

Q27. Very useful & essential tools for collaboration with collegues
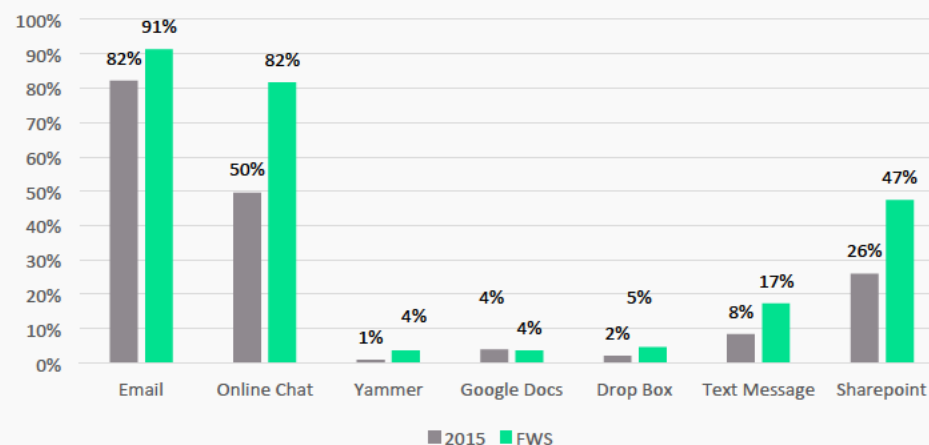
Q28. Tools used to communicate externally
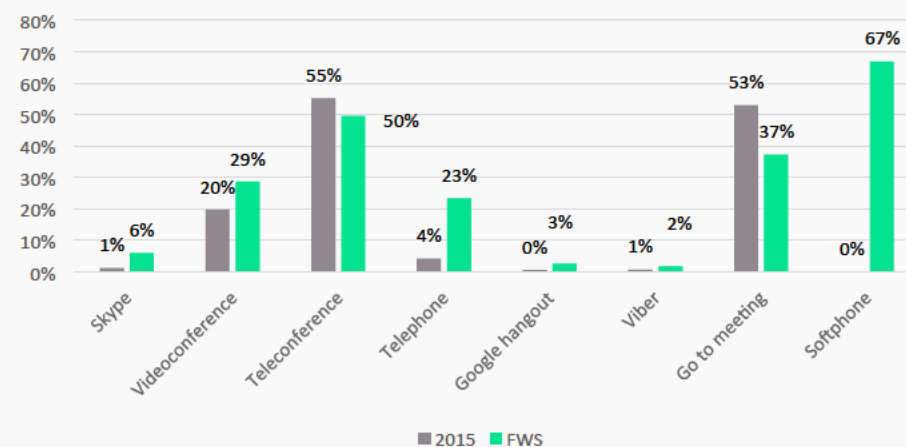
Collaborative work settings

30. For the previous question you said you normally collaborate with one other person when it comes to project work. Which of the following locations do you use while working with one other person?

The majority of respondents collaborated in bookable meeting rooms or at medium focus workstations in the FWS. This was supported by the observation study that found there was a decrease in collaboration at workstations, suggesting employees are moving to collaborative spaces for this task.

31. When collaborating, you said you usually work with a group. Please select the most frequent/most common activities you performed whilst meeting in groups of more than two people in the FWS?

There appeared to be a more enthusiastic response to collaborative activities in answering Question 31 amongst FWS participants. There was a clear increase in the amount of impromptu meetings and 'Prototyping ideas/constructing models/brainstorming, creative thinking' when compared to results gathered from 2015.

Q31. Types of collaboration activities

Activity	FWS Top 3	FWS	2015
Sharing and exchanging ideas/knowledge	83%		57%
Participating in informal or impromptu meetings, work sessions	65%		40%
Participating in formal meetings or confidential discussions	50%		47%
Prototyping ideas/constructing models/brainstorming, creative thinking	39%		17%
Assembling documents, planning, creating or rehearsing activities	20%		11%
Concentrated work (E.g. writing or editing documents with a project team	20%		6%
Attending group learning/training or mentoring sessions	17%		19%
Meeting with customers or other visitors	7%		10%

■ FWS Top 3   ■ FWS   ■ 2015

Meeting participants

32. When meeting in groups in the FWS, who are the most common participants?

For the FWS group, the most highly ranked category was "Co-workers from own team or business line" who were ranked number 1 by 83.3% of the respondents and in the Top 3 by 95.6%. This was similar to the 2015 group, who ranked the same number 1 (78.9%) and top 3, 96.1%.

The other group to have high Top 3 rankings was 'Co-workers from other teams/business lines' 78.7% for FWS and 84.3% for 2015. This suggests that whilst there have been more interactions between business lines of an informal nature (see Q22) formalised meetings between business lines have decreased slightly in the FWS.

33. In a typical week in the FWS, how often did you have non-working or social lunches with other people in your organisation?

There was a clear increase in the number of people who previously, would 'never' have lunch with their colleagues, now making connections ('never' reducing by 19%). Those having lunch with colleagues 2-3 times per week also increased by 13%.

34. During your time working in the FWS, how often did you meet up with colleagues for drinks, meals or events outside of work for social reasons?

There were similar solicalising profiles outside of work hours between the 2015 survey and the FWS, however there was a reduction in those socialising 'a few times a year' (down 13%) and an increase in those socialising monthly (up 5%) and weekly (up 4%). Conversely, those that said 'never' was also up by 5%.

Q33. Non working social lunches
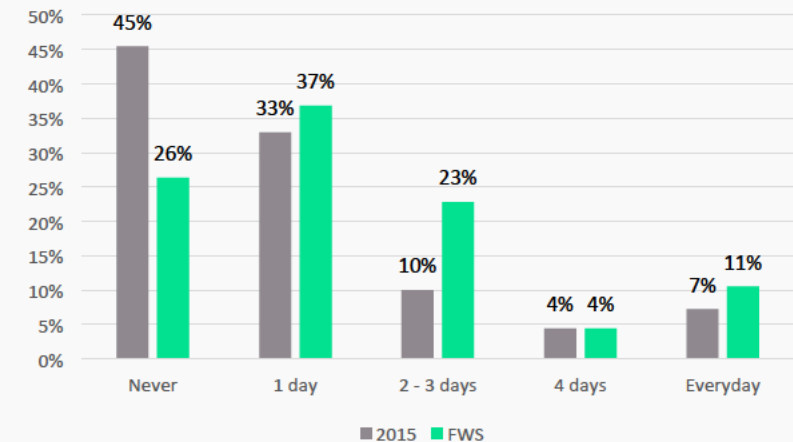
Q28. Meeting up with colleagues for drinks/meals/events for social reasons
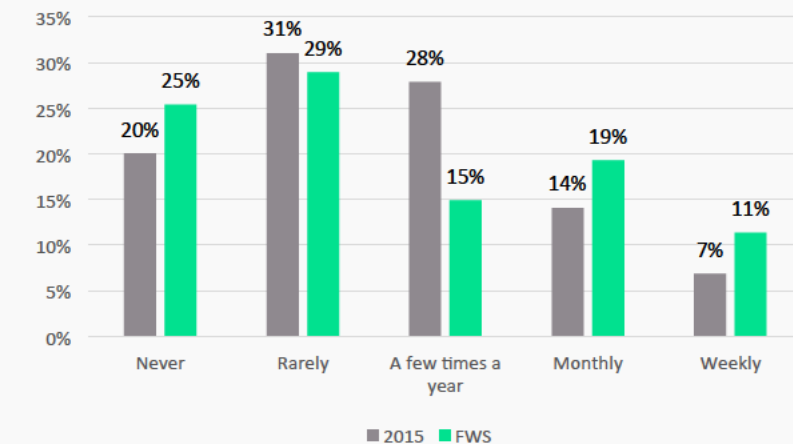
Leaving the building

Q35. In a typical day in the FWS, how often do you leave the building for non-work activities?

Again the 2015 survey and FWS trial had similar profiles, however the number of employees choosing not to leave the building during the workday increased by 10% in the FWS.

Technology utilisation

36. What hardware have you used during your time in the FWS?

The availability of choice of workstations and settings appears to have enabled staff to utilise a wide range of technology types with similar percentages across, desk phone, soft phone, dual and single monitors.

Preferred work settings

37. In which of the following spaces did you most enjoy working in during the FWS trial period? (Please rank the following from 1 to 12, with 1 being the space you enjoy most)?

The following graph shows the median rank for each option. The Medium Focus Workstation was by far the most preferred work environment, followed by the high focus workstation and meeting and break out spaces.

39. In which of the following spaces in the FWS did you feel the most productive? (Please rank the following from 1 to 12, with 1 being the space you enjoy most)

Both the high and medium focus workstations were equally perceived as the most productive spaces, followed by bookable and non-bookable meeting rooms.

Q35. Leaving for non-work activities
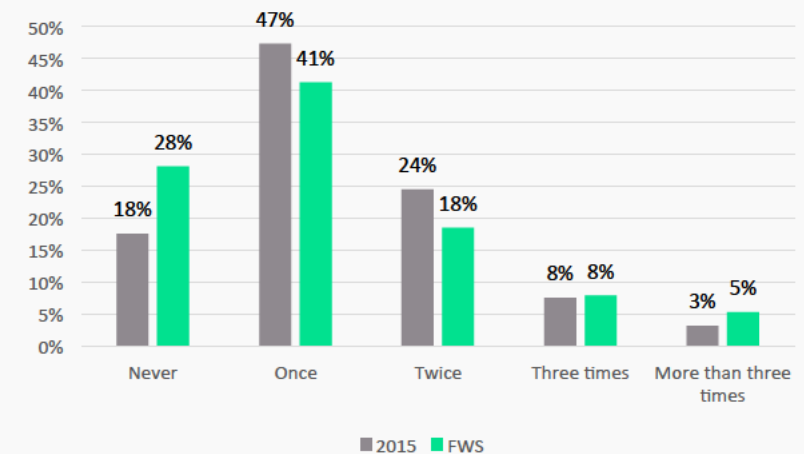
Q37 & 38. Enjoyable and productive workspaces
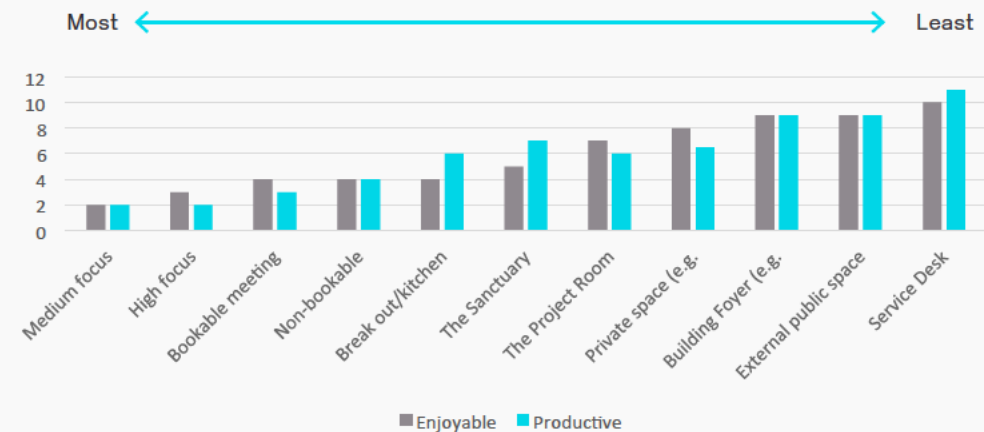
Comfort and productivity in the FWS

Q41. Please indicate whether you agree or disagree with the following statements about the physical office environment in the FWS

Comfort and natural light was perceived as being more positive in the FWS, however temperature was slightly less well received.

Another statement was put to the FWS cohort only "I would be more productive if we moved to the FWS style work environment". In response to this, 69.7% agreed, 14.3% were neutral 16% disagreed.

To explore this further, the group was split into APS and Management. 63.4% of APS level staff agreed but 80% of Managerial staff agreed that they would be more productive if the work environment was changed.

Collaboration in the FWS

42 Please indicate whether you agree or disagree with the following statements around collaboration in the FWS

Not all assessments of the FWS were better than in 2015. The following graph shows the level of agreement with a range of statements about collaboration. There was a higher level of agreement with three of the four statements by the FWS group. However, the ease of booking meeting spaces were problematic with agreement falling from 78% to 61%. Meeting booking perceptions may have been impacted by the Telepresence unit which was often 'booked out' due to being available to the whole of the Melbourne office, not just the FWS participants. In addition, bookings of meeting rooms were facilitated by a different system than staff were familiar with prior to the trial.

Q41. Comfort in the FWS

Bar chart comparing 2015 (grey) and FWS (green):
- I feel comfortable and at ease in the current office environment: 74% (2015), 87% (FWS)
- The spaces I work in most regularly have a comfortable amount of natural light: 73% (2015), 92% (FWS)
- The temperature of the work environment is comfortable most of the time: 68% (2015), 64% (FWS)

Q42. Collaboration in the FWS

Bar chart comparing 2015 (grey) and FWS (green):
- There are spaces where my team can go to generate new ideas: 72% (2015), 87% (FWS)
- There is space available when I need it for impromptu meetings or informal conversations: 78% (2015), 87% (FWS)
- Meeting spaces are readily available: 73% (2015), 75% (FWS)
- Meeting spaces are easy to book: 78% (2015), 61% (FWS)
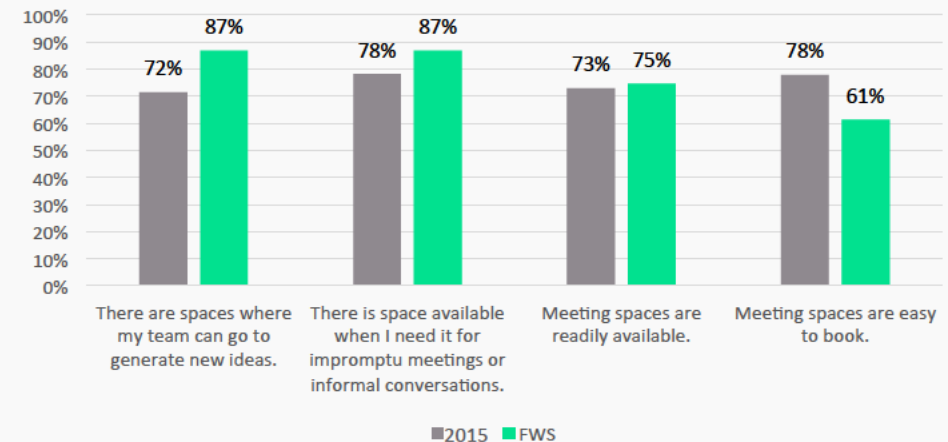
Productivity in the FWS

Q43. Please indicate whether you agree or disagree with the following statements around productivity in the FWS:

In the previous survey, participants were also asked for their level of agreement with the statement " I can locate people when I need them to discuss a project". In the 2015 cohort, almost 73% agreed with the statement and 7.4% disagreed but in the FWS group, almost 60% agreed and 19% disagreed. This is suggestive of a more negative view of the FWS style in relation to locating other members from a project team.

Staff satisfaction in the FWS

Q44 Please indicate how much you agree or disagree with the following statements:

There were quite profound differences in the level of agreement with these statements. The graph below shows the proportion of responses that agree with each.

An additional statement for the FWS group "I feel the FWS supports my overall wellbeing" was agreed with by 84.9%, disagreed with by 7.2% and neither agreed nor disagreed by 8.0%.

Q45. During your time in the FWS, have you participated in the health and wellbeing programs?

This was asked both for the FWS cohort and the 2015 cohort. One third of those that answered from the FWS group said they had (33%) compared with 12.2% of those that answered in 2015.

Q43. Productivity in the FWS

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
	Row N %	Row N %	Row N %	Row N %	Row N %
I can do focused, individual work within the FWS	2.6%	2.6%	9.6%	50.0%	35.1%
I have access to private, quiet spaces to do concentrated work	1.8%	10.6%	8.0%	46.0%	33.6%
I can locate people when I need them to discuss a project	4.4%	14.9%	21.1%	44.7%	14.9%
I can quickly and easily access information, both digital and printed, needed for my role	0.0%	2.6%	12.3%	50.9%	34.2%
I feel the FWS supports team productivity	3.5%	3.5%	18.4%	37.7%	36.8%

Q44. Staff satisfaction

I am satisfied with my current work environment: 2015 55%, 2016 82%
I feel the current workplace supports my overall productivity: 2015 56%, 2016 81%
Overall, the current work environment helps attract and retain talent: 2015 25%, 2016 77%

■ 2015 ■ 2016
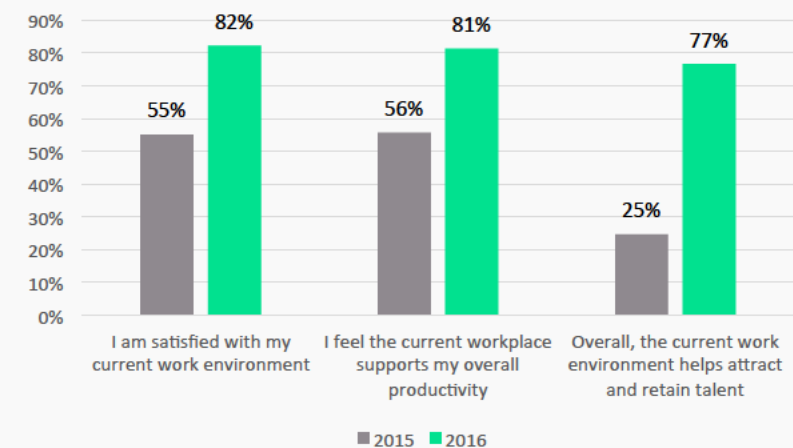
Cultural Alignment

46. To what extent do you believe the FWS is reflective of the following emerging cultural traits from the ATO Blueprint for Change?

To assess for gender, age and level differences, the above table was prepared for each group. Overall, those under the age of 39 years more strongly agreed with the FWS as being aligned with the key cultural traits desired within the ATO (with the exception of client focused which was less strongly endorsed by FWS participants).

In addition, the ATO Culture Pulse survey revealed that FWS participants felt the FWS workspace better reflected these cultural traits than those in the traditional environment in Melbourne (see Appendix G).

	39 years or less			40 years or more		
	Neutral	Agree	Strongly agree	Neutral	Agree	Strongly agree
United and Connected – we work as one team to deliver the right outcomes for the community	14.0%	56.1% (+ 6%)	26.3% (+ 9%)	25.0%	50.0%	17.3%
Empowered and Trusted – we are supported to take ownership, exercise judgement and make reasonable decisions	7.0%	56.1% (+ 4%)	35.1% (+10%)	19.2%	51.9%	25.0%
Future Orientated – we will be flexible and adapt to meeting immediate and future challenges	1.8%	40.4%	57.9% (+ 23%)	7.7%	51.9%	34.6%
Client Focussed – we put clients, external and internal, at the centre of everything we do	36.8%	43.9%	14.0%	42.3%	36.5%	15.4%
Passionate and committed – we are passionate about our role in serving the community. We bring professionalism, energy and determination to everything we do	19.3%	54.4% (+ 6%)	22.8% (+ 4%)	25.0%	48.1%	19.2%

Appendix B_
Observation Studies

Introduction and Methodology

Pre-Occupancy

The Observation Study was conducted on the 10th-12th August 2015. All participants were aware of the study which was completed by both internal support staff from the ATO and Brickfields Consulting. Observers completed a 'loop' of 3-4 floors each every hour commencing at 8am and finishing at 6pm. The Level 3 break out area was observed as the greatest number of participants in the trial were located on that floor. In some cases, workstations that were not initially included in the data set were identified as being participants in the trial. In these cases data was extrapolated to reflect the full 3 days based on the observations collected.

Post-Occupancy

The Observation Study was conducted on the 23rd to 25th August 2015. All participants were aware of the study which was completed by the Brickfields Consulting Team. All areas were observed during the 3 day period on Level 8.

Key areas of observation were:

1. Number of people

2. Behaviours/activity participated in

3. Technology/hardware/equipment utilised

4. Any other relevant comments/observations

Number of people

- This was recorded as between 0-10 or 10+

- In the event a door is closed or not visible the input was recorded as 'not observable'

Behaviours/activity

- Empty - at time of observation there was no sign that a worker had been using the desk.

- Temporarily Unoccupied - unoccupied at time of observation but has signs of recent usage such as a live computer screen, bag, coat, coffee etc.

- Pausing - where a worker is not actively working, or doing any of the main behaviours eg just arrived at work or packing up to leave

- Individual Work - working on their own

- Collaboration - working with others at time of observation

Equipment in use

- Desktop, laptop, tablet, desk phone, mobile phone, dual monitor, phone head set, projector/presentation screen, video conference, teleconference, paper, headphones, soft phone

Worksettings on Level 8

The following pages describe the utilisation of key areas and work settings within the FWS. These areas and settings have been identified on the adjacent map to clarify which areas the results refer to.

Semi enclosed tech free meeting room

Tech free meeting room

Medium focus workstations

Project Room

Service Desk

Kitchen break out 'hub'

Tech enabled 7 seat setting

High focus pod

Semi enclosed meeting room

Tea Point

The Sanctuary

Tech free 7 seat setting

Tech enabled 4 seat setting

Print and collate

High focus workstation

High focus room

Legend:
- Technology enabled
- Tech free
- Breakout
- Medium focus
- High focus
- High focus pod/room

Overall Workstation Utilisation

39% of FWS workstations were observed as unoccupied at any given time of day.

Up to 25% were 'temporarily unoccupied' suggesting staff were engaged in collaborative activities or taking a break and only 30% occupied at peak utilisation. Team interviews revealed many staff work part time, at a variety of sites or have working from home arrangements that are likely contributers to low utilisation rates.

At the time of the observation study, 153 participants were registered in the trial (of 163 workstations) representing a 1: 1.07 ratio. This suggests that there is potential to test a ratio of workstations of less than 1:1 such as an 0.8 ratio.

In addition, 27% of those who responded to the Place IQ survey noted that they were not participants of the trail for the full trial period.

This suggests there is a significant churn of employees who are changing roles, teams or business lines - in the traditional environment these changes would likely attract significant moving and fit-out costs that were not applicable in the FWS.

Traditional Workstation Utilisation

FWS Workstation Utilisation
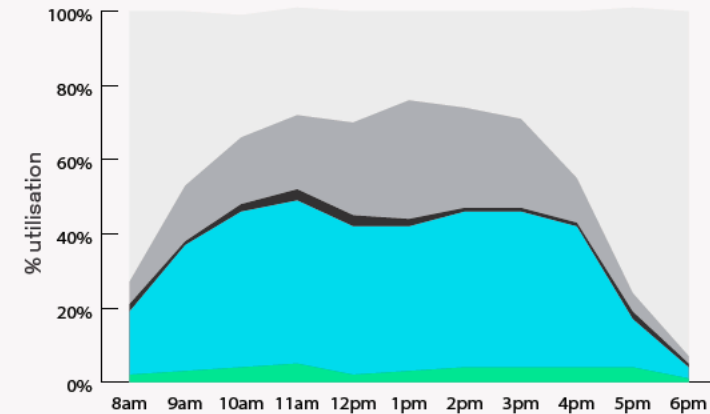
Legend:
- Empty
- Temporarily Unoccupied
- Pausing
- Individual Work
- Collaboration
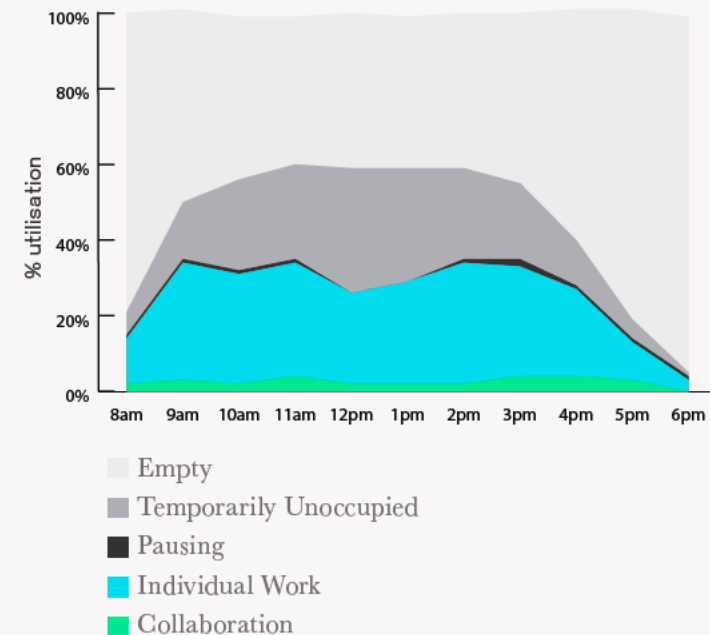
7 Person Work Settings

Settings without technology enablers had lower utilisation rates

Both of the 7 person work settings are fixed height. At the time of our investigation very few people were observed utilising the standing desk without technology, and when it was utilised was usually by 1 person at a time seeking a quiet space to work.

Legend:
- Empty
- Temporarily Unoccupied
- Pausing
- Individual Work
- Collaboration

Utilisation of Technology Enabled 7 Seat Setting
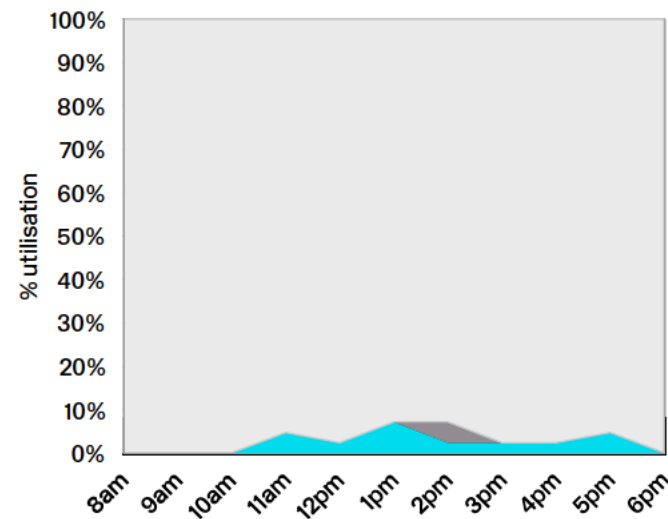
Utilisation of Technology Enabled 7 Seat Setting
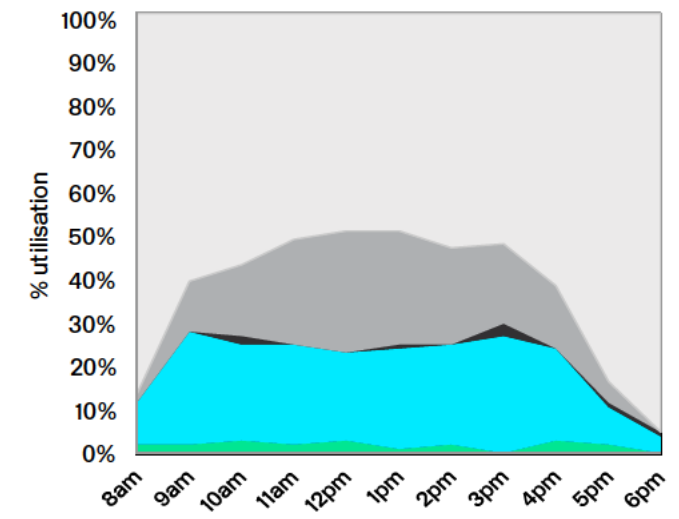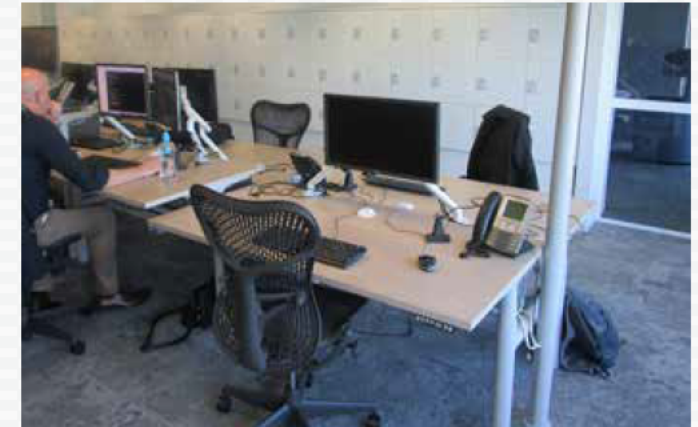
Medium Focus Work Settings
Medium focus work settings were well utilised

All medium focus work settings were well utilised, with the internal linear medium focus desks appearing the most popular. Window desks were slightly less utilised, which could be due to their lack of adjustability which was noted by team interview participants as being a hindrance.

- Empty
- Temporarily Unoccupied
- Pausing
- Individual Work
- Collaboration

Utilisation of Technology Enabled 4 Seat Setting
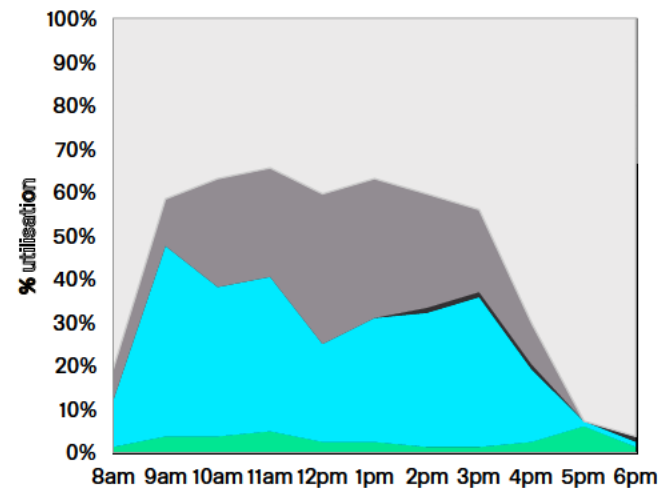
Utilisation of 10 seat linear desk settings

Medium Focus Work Settings cont.

Empty
Temporarily Unoccupied
Pausing
Individual Work
Collaboration
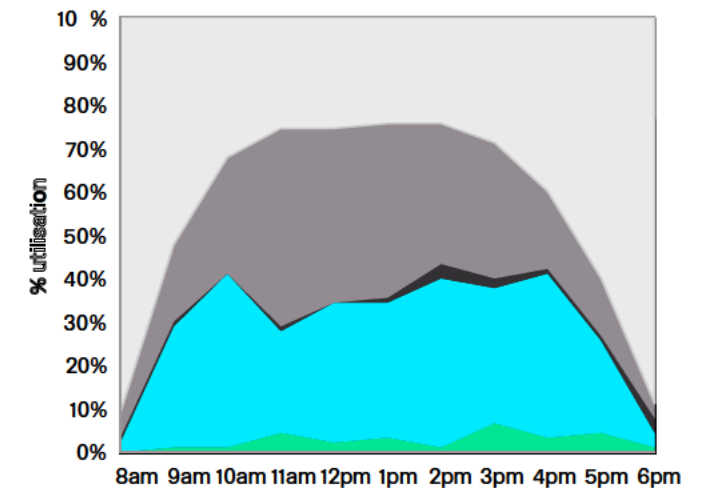
Utilisation of Medium Focus Window Desks
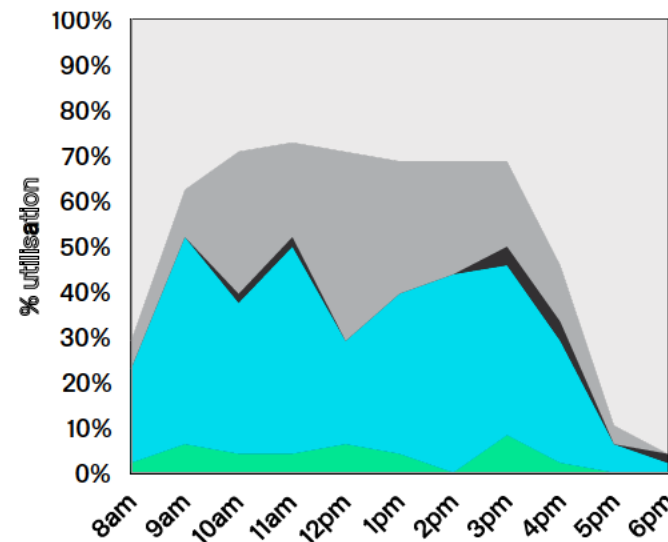
Utilisation of other linear Medium Focus Desks
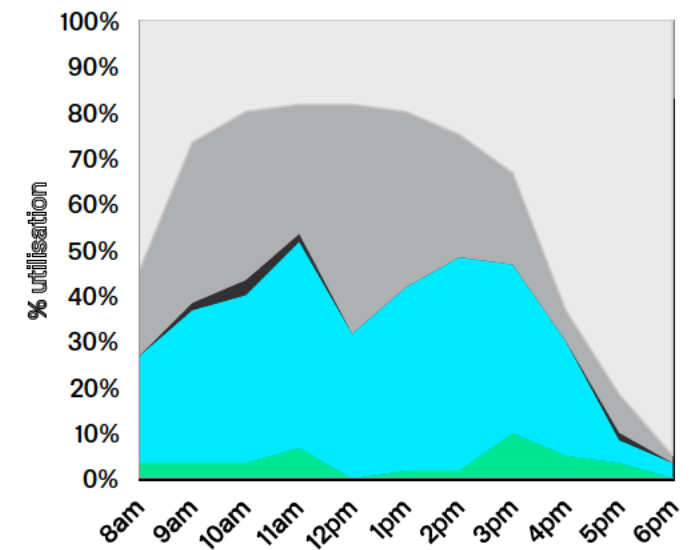
High focus work settings

High focus work settings experienced high utilisation rates, particularly as they represented a smaller percentage of the Level 8 floor plate

Moving forward, there may be an opportunity to provide an increased % of floor plate for high focus work settings to reflect this high utilisation rate. However, it appears the high focus pods and rooms were adequate for staff needs.

- Empty
- Temporarily Unoccupied
- Pausing
- Individual Work
- Collaboration

Utilisation of High Focus Desks
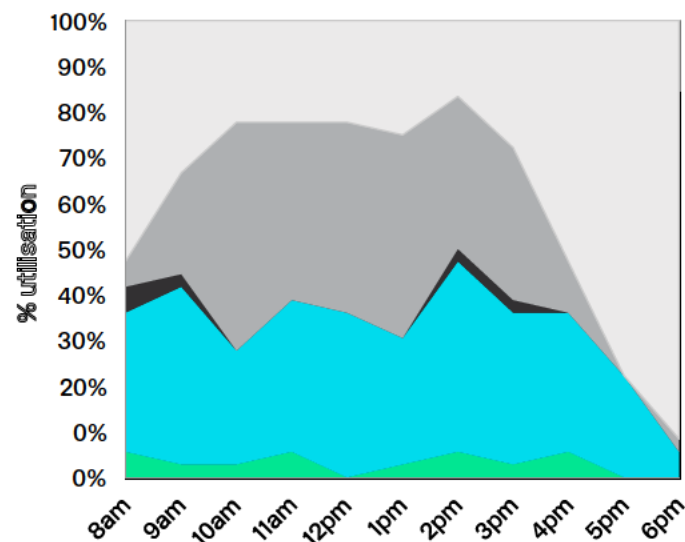
Utilisation of High Focus Pods
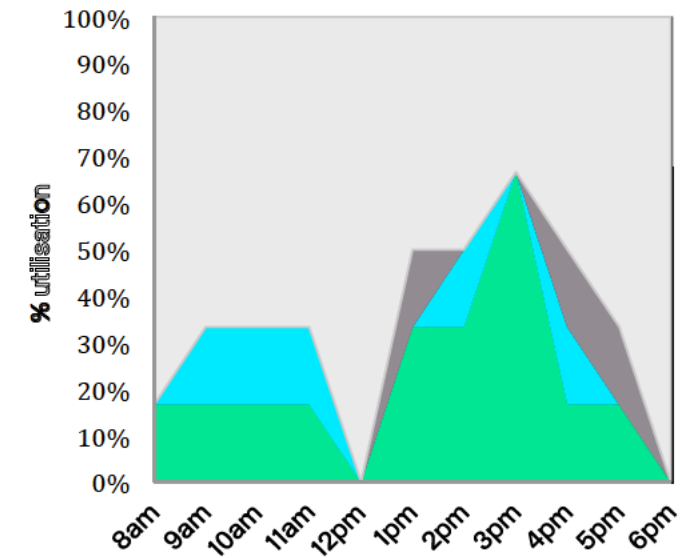
High focus work settings cont.

- Empty
- Temporarily Unoccupied
- Pausing
- Individual Work
- Collaboration

Utilisation of High Focus Rooms
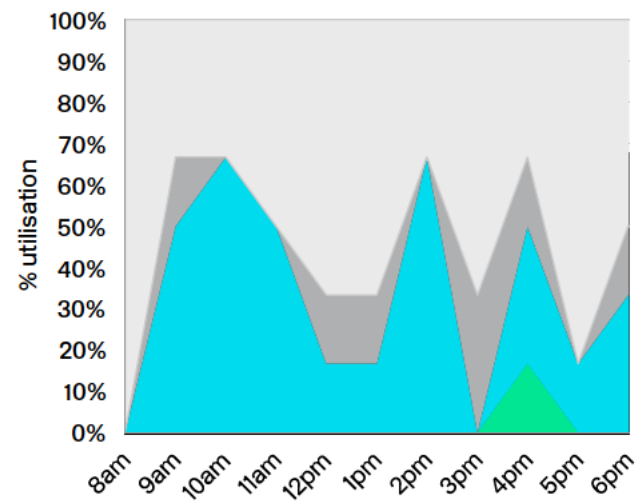
Above Photo Courtesy Hassell. Credit: Diana Snape

Enclosed Collaborative Work Settings
Collaborative spaces enabled by technology have higher utilisation rates

Overall the utilisation of enclosed meeting rooms with technology was 60%, reinforcing the capacity of Level 8 for a higher ratio of staff. Enclosed meeting rooms without technology were often used for one on one conversations or phone calls suggesting a less formal and more incidental need being catered for.

- Empty
- Temporarily Unoccupied
- Pausing
- Individual Work
- Collaboration

Utilisation of Enclosed Meeting rooms enabled by technology
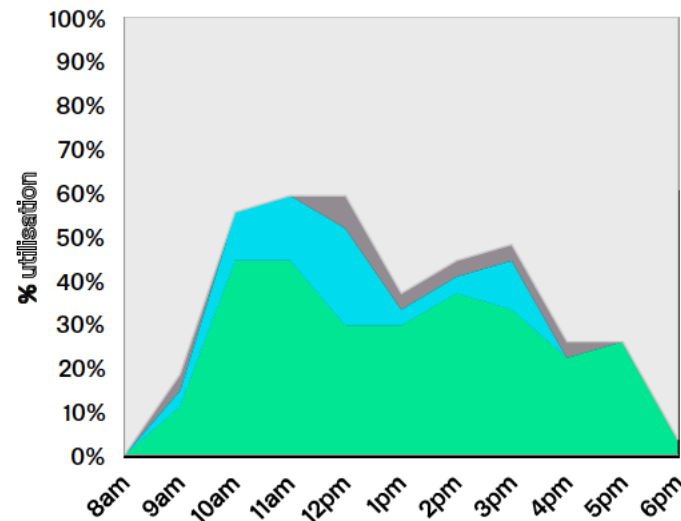
Utilisation of Enclosed Meeting rooms without technology
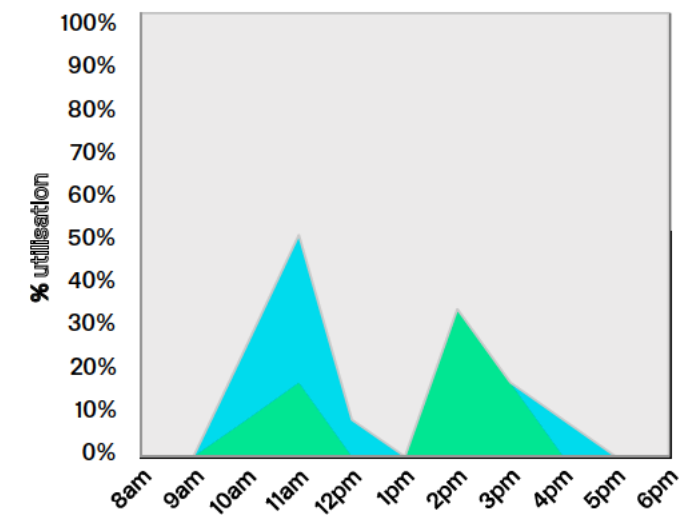
Semi Enclosed Collaborative Work Settings

As with enclosed meeting spaces, semi-enclosed meeting spaces with technology were more heavily utilised

However, semi enclosed meeting spaces without technology were more often used by staff who were pausing or taking a break from their work.

Legend:
- Empty
- Temporarily Unoccupied
- Pausing
- Individual Work
- Collaboration

Utilisation of Semi Enclosed Meeting spaces enabled by technology
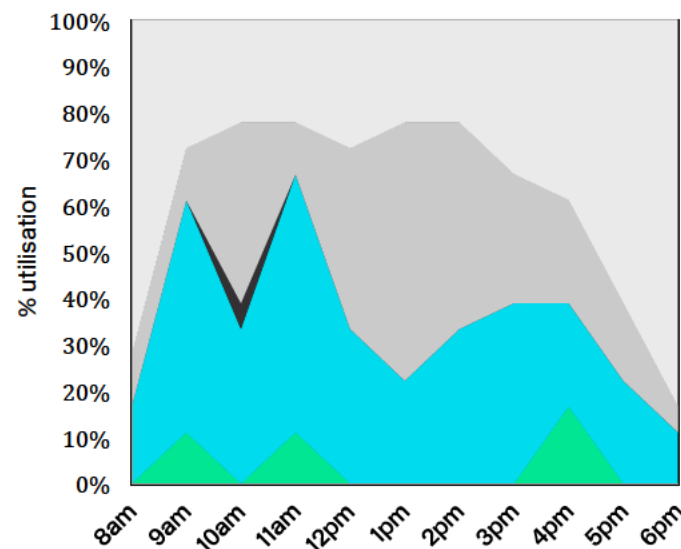
Utilisation of Semi Enclosed Meeting spaces without technology
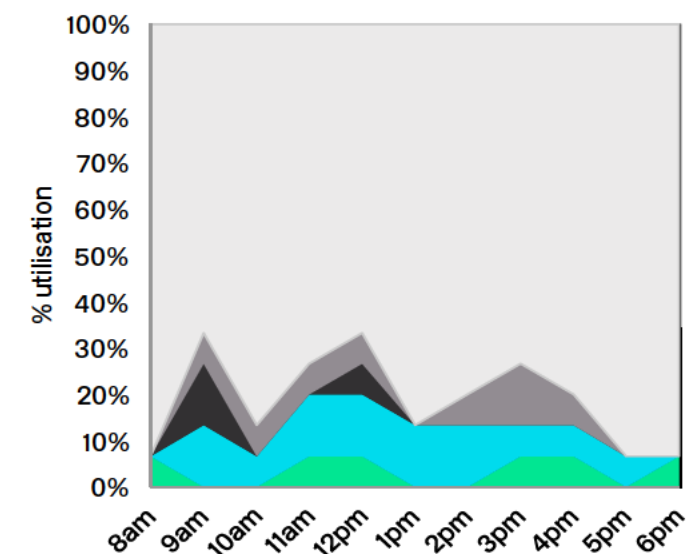
Above photo courtesy Hassell. Credit: Diana Snape

Kitchen Breakout Settings

Kitchen Breakout peak use was 12 staff members at 12 noon on 24th August (Wednesday lunchtime). The Kitchen Breakout space easily accommodates this number in terms of seating and settings, however is more challenged in its ability to accommodate staff requiring bench space and microwaves. There was also a conflict between the waste bin location and those using items on the bench. Anecdotally, soft phone use was seen to create an increase in the utilisation of breakout spaces across the FWS floor.

Usage of Kitchen Breakout areas
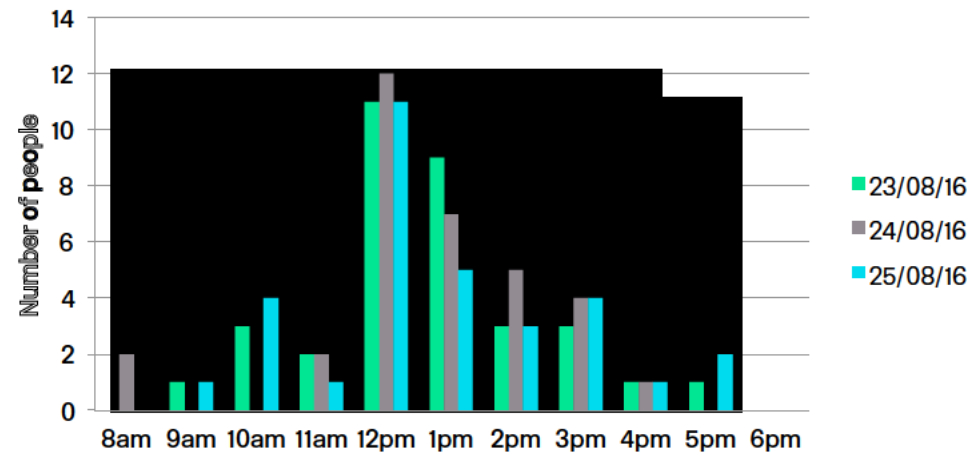
Above left and right photo courtesy Hassell. Credit: Diana Snape

Sanctuary Breakout Settings

Whilst the Sanctuary overall was observed to have 'low utilisation' due to the nature of the space which is most comfortable for 1-4 or 5 participants, this level of utilisation is likely appropriate. Staff in team interviews commented that whilst they perceived the space as underutilised, they liked that it was 'there'. In addition it was noted by staff that the Mindfulness Training provided them with a better sense how to utilise the space and felt that the utilisation of the space could have been better if the training was provided earlier in the trial.

Usage of Sanctuary Break out areas

Legend:
- 23/08/16
- 24/08/16
- 25/08/16
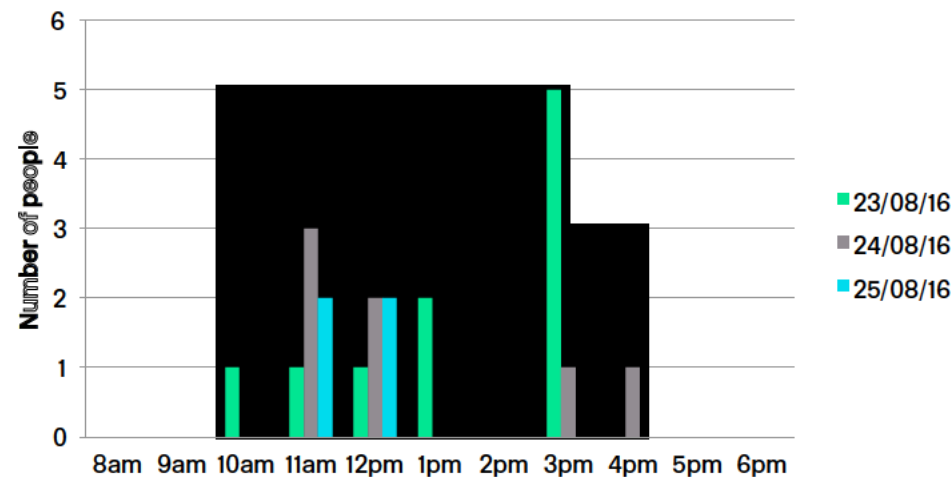
Above photo courtesy Hassell. Credit: Diana Snape

Tea Point Breakout Settings

Adjacent to the Sanctuary, the Tea Point Breakout area was predominantly used for a mid morning break, or around lunch time. This space was often observed as being used by individuals working on laptops, likely making the most of this quiet part of the office to complete individual work.

Usage of Tea Point Breakout areas
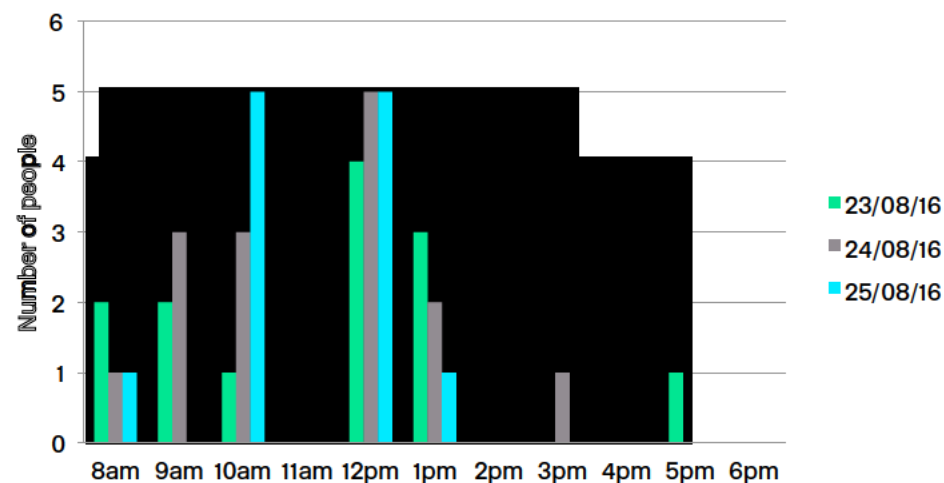
Equipment Utilisation

More diverse use of the range of equipment available in the FWS

In the traditional environment, most staff were equipped with a single or dual monitor desktop computer. In the FWS, where staff had the choice to move to a range of settings with different equipment options, they took advantage of this with many using their laptop to move to new settings, or as a second or third screen.

In addition, when engaging with collaborative work at workstations, this was less focused around the desk screen and more likely to be a conversation. This could be due to the technology enabled collaborative spaces available to staff which they could move into to complete collaborative work.

Individual work at workstations, Pre-FWS
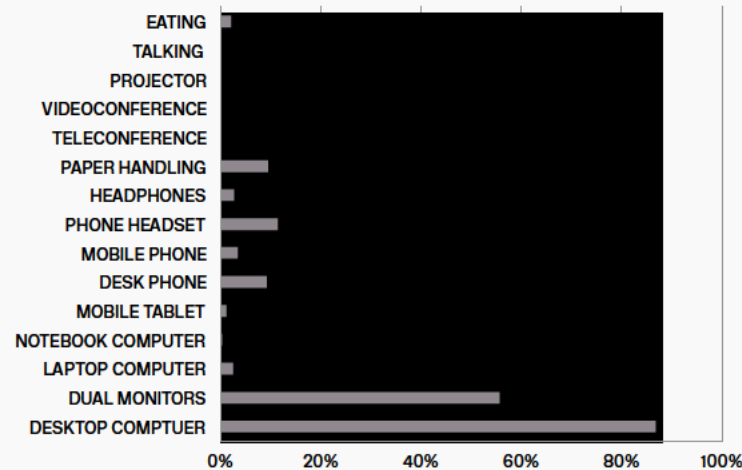
Collaborative work at workstations, Pre-FWS
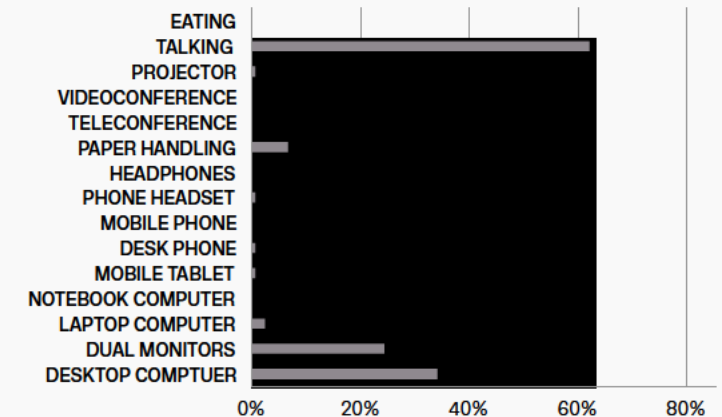
Individual work at workstations, FWS
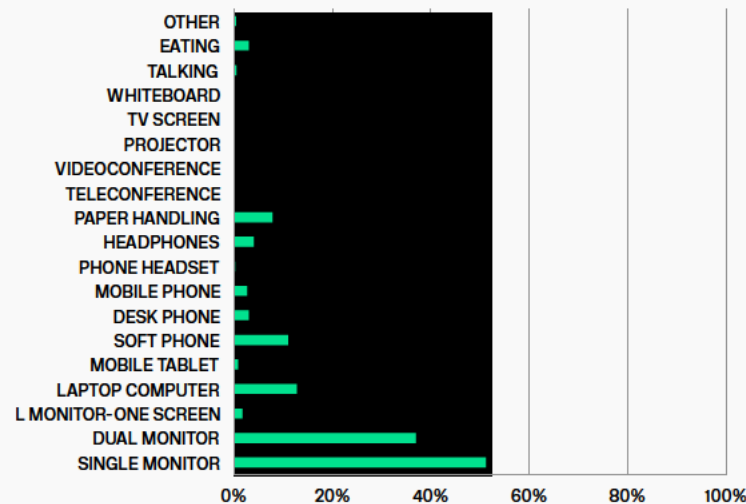
Collaborative work at workstations, FWS
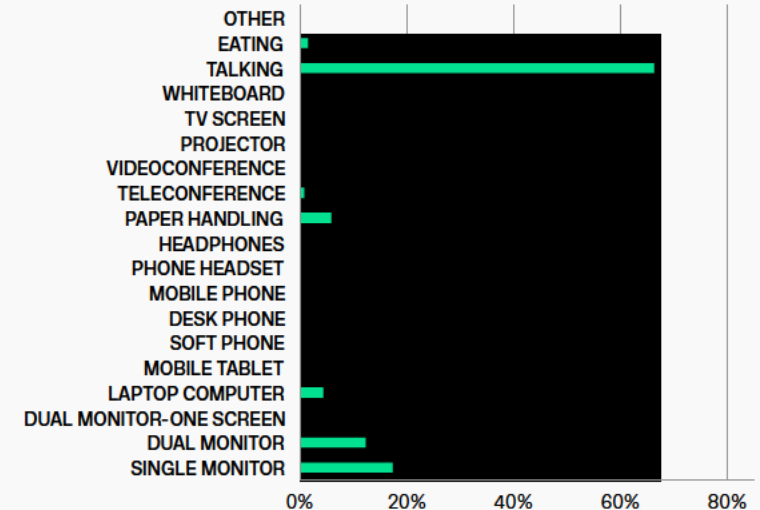
Equipment Use in Breakout Spaces

Increased utilisation of mobile technology in Breakout spaces

The provision of mobile technology (laptop and soft phone) to FWS participants resulted in greater utilisation of Breakout spaces for work activities.

Sit to stand desks were utilised around 4% of the time

Despite staff having strong agreement with the ability to adjust desks to their ergonomics, those utilising standing desks in full 'standing' mode were only observed at 4% of all workstation observations.

Equipment use in breakout spaces, Pre-FWS
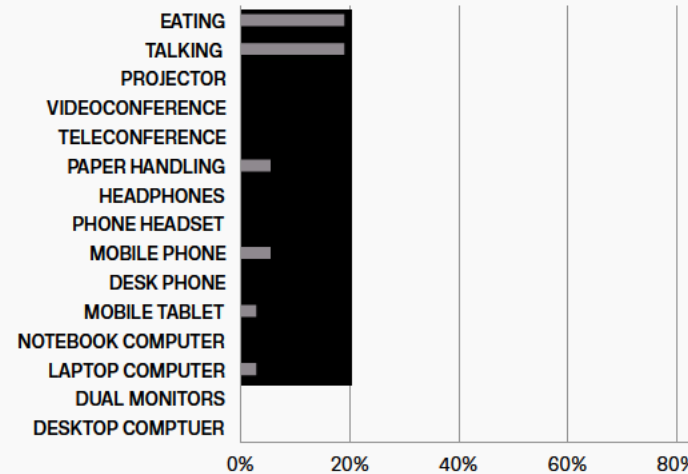
Equipment use in breakout spaces, FWS
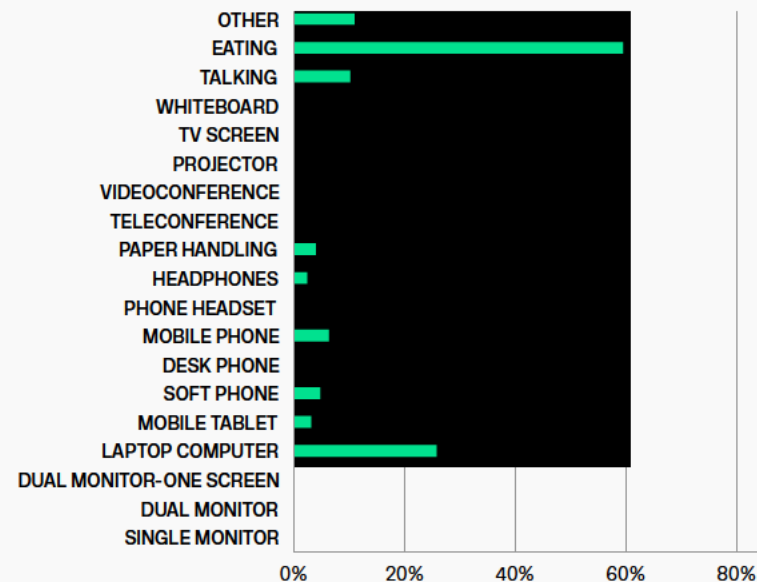
Standing desk utilisation, FWS
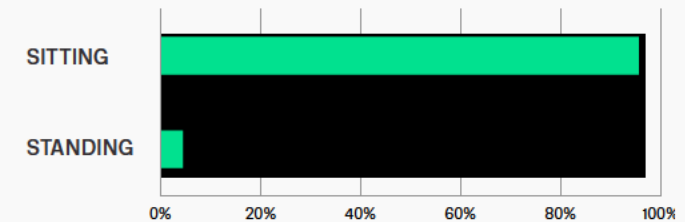
Appendix C_
Team Interviews

Utilisation of the FWS

Team interview participants were asked to rate their utilisation of the Future Workspace environment over the previous week prior to the Team Interview.

Overall, the reported rates of FWS utilisation by team interview participants reflect and support the observation study findings of approximately 70-80% occupancy.

*Some FWS participants had team changes during the trial period that meant they were directly supervising staff on other floors which required a physical presence and impacted on their ability to fully participate in the FWS

Week Prior to Team Interviews	Mon	Tues	Wed	Thurs	Fri
In Future Workspace	69%	66%	78%	72%	61%
Other site	3%	9%	3%	3%	7%
Leave	15%	13%	13%	16%	18%
Part time	0	3%	0	1%	3%
Sick leave	3%	1%	1%	1%	2%
Working from home	2%	3%	0	2%	6%
Other Level*	6%	3%	5%	3%	3%

Suggestions for improvements

The following pages summarise the key areas of feedback resulting from team interviews. The areas with the most common agreement across teams for improvements to the FWS included:

More kitchen storage

Many were unaware of what storage was provided in the FWS Kitchen and suggested that there should be a more formalised way of managing this to free up space needed in personal lockers.

More personal storage

Most participants still felt they were struggling to adjust to the level of personal storage they had available due to the additional items they now needed to store including personal stationary, food and other implements.

Desks that are too close to lockers (corridor space)

The proximity of the lockers to high focus desks was considered undesirable as the constant movement and noise acted as distraction to high focus work.

Noise reductions/dedicated quiet areas

Some staff suggested that some of the higher focus areas were not used as such, and that dedicated quiet zones could be reinforced. Others suggested introducing buffering between the kitchen hub areas and workstations.

All desks should be somewhat adjustable

Consistent feedback provided by staff indicated that the fixed desk heights did not suit everyone. As such staff preferred desks with some level of adjust-ability (even if not all the way to sit to stand).

Replace standing hexagon desks - low utilisation

Most staff noted that the standing hexagon desks adjacent to the Sanctuary (that were not tech enabled) were not often utilised by staff. Staff suggested this might be a good place for more high focus workstations.

Kitchen design, bin locations

Many found the kitchen design was not entirely practical. Needs such as more bench space, relocation of the bins, additional storage and microwave location adjustments were suggested as an outcome of the trial.

Locker proximity

Whilst many staff acknowledged that flexible working is a positive thing, many found themselves choosing workstations in proximity to their locker, and therefore not utilising other areas. Alternatively some found their locker location inconvenient in relation to their team. Many were not aware they could request to be re-allocated if lockers were available in the vicinity of their team.

Technology that always works

Many staff expressed a level of frustration with technology that did not work or was not seamless and ideally would prefer an environment were 'everything just works'.

	Design and Innovation	Digital Enabling Services / EFIX	Digital Program	Employee Communication	Facilities Management	General Counsel	Improving the Business Experience	ITO	Learning and Development	New initiatives	OPAL	PST	Smarter Data	Systems and Business Analysis	TCN	Trust Task Force	Web management
More kitchen storage		•	•			•					•	•					
More personal storage		•	•		•						•	•	•				
Desks too close to lockers (corridor space)		•				•	•		•	•	•				•	•	•
Noise reductions / dedicated quiet areas			•			•		•	•	•	•				•		
All desks should be adjustable			•		•						•	•					•
Replace standing hexagon desks - low utilisation			•					•			•	•		•	•		
Kitchen design, bin locations					•		•								•	•	•
Locker proximity		•			•									•	•		
Technology that always works			•		•		•										
Appropriate conference phones in all meeting rooms											•				•		
4 person setting - desk space too small		•													•		
Better service desk signage					•	•											
Improved system connectivity	•		•														
End of trip storage and/or etiquette						•					•						
Project room improvements - less cork board, more whiteboard, 1 large space	•															•	
Temperature (too cold)		•									•						
Places for a power nap				•													
Soft phones (not available at time of interview)				•													
Technology training					•												
More dual screens					•												

	Design and Innovation	Digital Enabling Services / EFIX	Digital Program	Employee Communication	Facilities Management	General Counsel	Improving the Business Experience	ITO	Learning and Development	New initiatives	OPAL	PST	Smarter Data	Systems and Business Analysis	TCN	Trust Task Force	Web management
PST at the service desk						•											
More small confidential spaces						•											
More grey booth seats								•									
Overnight storage - personal items										•							
Telepresence access											•						
Changes to the way we measure our work												•					
Black booth chairs - low utilisation													•				
Engaging messaging on TV monitors														•			
More sit to stand														•			
Sanctuary is too open																•	
More high focus pods																•	
Dual screens in pods																•	
Space to collaborative with 12 people	•																
More places for visual management (that can stay in place)	•																
Objects appropriate to stretching in the sanctuary	•																
Spaces for 10min stand up meeting with screen (huddles)	•																
Sound proofing in meeting rooms		•															
Easier to find each other		•															
Spaces for high paper, complex case teams		•															
Separation of high focus work stations (quieter location)			•														

What is important to us.

The following pages summarise the key areas that teams highlighted as being important to them and the way that they work. The areas with the most common agreement across teams included:

Quiet spaces to complete individual work

Most expressed some need to find a quiet space in the office environment for some period of time to complete their individual work.

Mobile technology (laptop and softphone)

Mobile technology was seen as important for collaboration, but also for enabling choice and flexibility. The ability to stay connected and work from home or offsite seamlessly was also part of the importance placed on mobile technology.

Flexibility, the ability to choose

Most staff suggested that having the flexibility and the freedom to choose the work environment that suited their needs was important to them.

Dual monitors

Many teams had some requirement for access to dual monitors to complete at least some of their work tasks.

Reliable Technology

For many teams, having a reliable technology base was key to their ability to get their work done.

Mobility, walking around

Many teams appreciated the ability to move around the space, whether it be whilst on the phone, or just to move to co-locate with other staff members.

Worth every cent. *So much happier, trusted and able to get on with what needs to be done in whatever means I believe best.*

- FWS Participant

	Design and Innovation	Digital Enabling Services / EFIX	Digital Program	Employee Communication	Facilities Management	General Counsel	Improving the Business Experience	ITO	Learning and Development	New initiatives	OPAL	PST	Smarter Data	Systems and Business Analysis	TCN	Trust Task Force	Web management
Quiet spaces	•			•	•	•	•	•			•				•	•	•
Mobile technology, laptop and softphone	•	•	•	•	•		•		•		•	•	•	•			•
Flexibility, ability to choose	•	•	•		•	•			•	•		•		•		•	
Dual monitors	•	•	•		•	•	•	•			•						
Reliable technology					•	•	•			•	•		•		•	•	•
Mobility, walking around		•	•						•	•	•					•	
Ambience - lighting, finishes, clear sight lines			•								•		•			•	•
Spaces for small group collaboration			•	•			•			•	•						
Sit to stand desks			•			•	•				•	•					
Reliable System connectivity	•						•				•						•
Team collocation									•		•	•	•				
Follow me printing			•	•								•			•		
Collaboration using technology			•			•						•				•	
Spaces to suit personal preferences			•												•	•	
Wide screen single monitors	•	•	•														
Networking across business lines			•						•							•	
Spaces for confidential discussions/work												•	•		•		
The right tools i.e. Telepresence			•	•													
Spontaneous/informal interactions				•													•

	Design and Innovation	Digital Enabling Services / EFIX	Digital Program	Employee Communication	Facilities Management	General Counsel	Improving the Business Experience	ITO	Learning and Development	New initiatives	OPAL	PST	Smarter Data	Systems and Business Analysis	TCN	Trust Task Force	Web management
Etiquette - confidential conversations					•	•											
Fixed work point to support paper processes															•	•	
The ergonomics of the chair						•							•				
Full keyboards							•			•							
More desk space								•	•								
Comfort, temperature											•		•				
Having tools at hand - immediate service					•										•	•	
Functional kitchen space										•							
Collocation with SES												•					
Places to relax														•			
Quick access to work in progress															•		
Cleanliness and hygiene															•		
Ability for people to find us															•		
Wall surface - visual management	•																
Headset - ability to walk around				•													
Spaces for impromptu conversations			•														
Branded service desk					•												
Storage near the service desk					•												
Storage for paper based tasks								•									

Team Productivity

Teams were asked to rate their productivity during their time in the FWS against their Team Plan in terms of a positive, neutral or negative impact.

Most Teams found it difficult to quantify their outcomes

Many teams had undergone significant structural changes for the duration of the trial and as such were finding it challenging to accurately measure their outcomes or felt it was to close to call and thus settled on a neutral outcome. The Tax Counsel Network felt negatively impacted due to their unique requirements for quiet, concentrated and complex thinking tasks that require the use of paper reference documentation.

	Positive	Neutral	Negative
Design and Innovation	•		
Digital Enabling Services / EFIX	•	•	
Digital Program		•	
Employee Communications	•		
General Counsel		•	
Improving Business Experience		•	
ITO		•	
Learning and Development		•	
New Initiatives	•		
OPAL		•	
PST		•	
Smarter Data		•	
Systems and Business Analysis	•	•	
TCN			•
Trust Task Force		•	
Web Management		•	
Total	5	12	1

FWS has been challenging, *fun, frustrating, educational, adaptive, eye-opening, forward thinking a place that grows on you with use.*

- FWS Participant

Support for the FWS vs the Traditional

Teams were asked to think at a high level based on their overall experience, whether or not they would lean towards a 'vote' to in preference of a FWS style environment, or a preference for the Traditional environment.

Overall, 80% supported a FWS style environment whilst 20% preferred the traditional.

Key reasons for preferring the FWS environment included the enabling technology, the freedom, mobility and ability to choose and the overall ambiance of the FWS environment.

FWS	Design and Innovation	Digital Enabling Services / EFIX	Digital Program	Employee Communication	Facilities Management	General Counsel	Improving the Business Experience	ITO	Learning and Development	New initiatives	OPAL	PST	Smarter Data	Systems and Business Analysis	TCN	Trust Task Force	Web Management	Total
	5	4	8	4	6	3	0	3	4	7	12	4	0	6	0	4	3	73
Technology	•		•	•	•				•	•	•				•	•		
Flexibility, freedom	•	•	•	•	•				•		•	•					•	•
Ambience	•	•				•		•	•	•	•	•	•	•	•		•	
Mobility and choice	•	•	•	•	•				•	•	•						•	•
Cleanliness and hygiene	•		•		•				•				•					
Ability to move to a quiet space		•	•										•					
Collaboration generally							•				•	•						
Collaboration across business lines				•	•									•				
Indicates cultural change		•								•								
The Sanctuary								•					•					
Collaborative technology in meeting spaces											•							
Non-bookable meeting spaces											•							
Informal/spontaneous interactions													•					
Sit to stand desks													•					
Ability to have a reception desk					•													
Caters for personal and team needs	•																	
Ability to work from home	•																	
Generally positive		•																
Ability to be more innovative			•															
More people to talk to				•														

Support for the FWS vs the Traditional cont.

Key reasons for preferring the traditional environment included:

- ability to have ownership over a desk resulting in less time spent setting or packing up
- additional personal storage available
- ability to manage confidentiality requirements more easily
- consistent co-location with their team

	Design and Innovation	Digital Enabling Services / EFIX	Digital Program	Employee Communication	Facilities Management	General Counsel	Improving the Business Experience	ITO	Learning and Development	New initiatives	OPAL	PST	Smarter Data	Systems and Business Analysis	TCN	Trust Task Force	Web Management	Total
Traditional	1	0	0	0	1	1	1	3	0	0	1	1	2	0	3	4	0	18
No pack up/set up	•	•			•			•		•		•	•		•			
I like to have ownership of my desk					•		•	•		•	•	•						
Personal storage available	•				•			•	•	•								
Confidentiality requirements					•	•						•			•	•		
Collocation with my team								•	•			•	•					
Less noise											•	•			•			
Specific to my current work - near my team													•					
Ability to find people																	•	
Quick response storage areas					•													
Territorial behaviours		•																
Ability to create your own 'zone'		•																
Challenged by laptop						•												

'The single biggest impact on my experience of work, and at work, since I joined the ATO, and the one that most embraces the re-invention.

FWS Participant

'Future Workspace has brought the human element back into the workplace'

'The Future Workspace highlights how the ATO are serious about the future work experience of staff'

FWS Participants

Appendix D_
Consumables

FWS paper consumption (number of paper reams used)

Week beginning	25-Apr	2-May	16-May	30-May	13-Jun	27-Jun	11-Jul	Total
Level 8	12	14	8	11	12	14	12	83
Level 7	17	18	18	16	16	20	20	125

Appendix E_

Ergoworks Sit Stand Trial Results

ATO Future Work Space

Progress Report, Aug 2016

Introduction

The ATO Future Work Space (FWS) project went live in March 2016, with the intention to test an Activity Based Working environment over an extended period of time.

From an ergonomics perspective, Ergoworks in consultation with the FWS team developed a questionnaire revolving around musculoskeletal comfort. This survey has been issued to all staff working in the FWS environment at monthly intervals.

To date, four surveys have been issued and the results from these have been collated to form the basis of this progress report.

User uptake (total of 162 staff working in FWS) for completing the survey each month is tabled below:

Month 1	Month 2	Month 3	Month 4
76	60	44	38

Please note that the primary focus of this report is *ergonomics*, which is just one component of overall user wellbeing and should be interpreted in conjunction with the other outcome measures being observed as part of the project.

ergoworks
NATIONAL ERGONOMICS PROVIDER

Typical Working Postures

The average working postures (self-reported as a percentage of the work day) have been reported as per the graph below for the FWS environment.

This demonstrates a reduction in overall sitting, an increase in standing, and an increase in walking compared to typical percentages from traditional work environments.

As a comparison, a recent study conducted by Ergoworks for ATO in a traditional office environment found typical percentages to be approximately 80% sitting, 11% standing, 9% walking, and 0% heavy lifting.
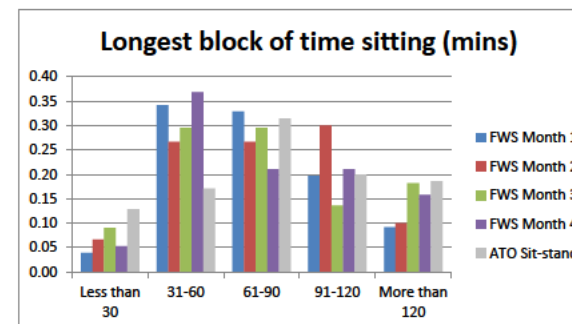
The FWS percentages have remained approximately unchanged from month to month, indicating that this is not reflective of a 'honeymoon' period of increased standing or walking, and the variation from traditional office percentages is likely due to the nature of activity based working.

Average Working Posture in FWS

- Sitting — 66%
- Standing — 18%
- Walking — 14%
- Heavy Labour — 3%
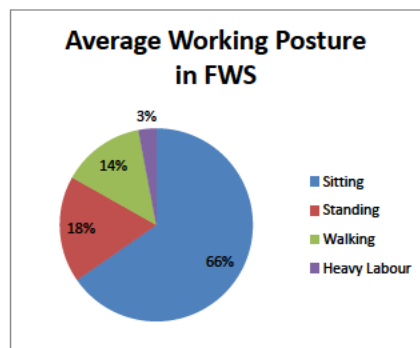
Longest block of time sitting

Current research suggests a primary factor in reducing musculoskeletal disorders is to move more, more often.

To track this in an office environment, participants were asked to report the longest period of time that they spent sitting before changing posture over the last week. The average results from this question are graphed below for each month of the FWS, with inclusion of the percentages of each category reported during the ATO sit-stand trial as a comparison. This is a self-reported measure and would need to be confirmed with observational studies.

Longest block of time sitting (mins)

Legend: FWS Month 1, FWS Month 2, FWS Month 3, FWS Month 4, ATO Sit-stand

Categories: Less than 30, 31-60, 61-90, 91-120, More than 120

Most FWS participants spent on average 31-60, or 61-90 minutes in a sitting position. In comparison most people during the ATO sit-stand trial (at baseline) spent 61-90, 91-120, or more than 120 minutes sitting continuously.

Of particular interest is the percentage of participants who report sitting for less than 60 minutes, as this is the length of time generally recommended as a maximum before changing posture. For the FWS, approximately 38% of participants sat for less than 60 minutes continuously, compared to 30% during the ATO sit-stand trial. In other words, a larger percentage of people changed posture every hour in the FWS environment (particularly evident in the 31-60 minute category).

Note that despite this finding, there are still a considerable percentage of participants who do report sitting for long periods in the FWS, as shown on the graph above. In some months this was directly comparable to the longest period of time sitting in the ATO sit-stand trial.
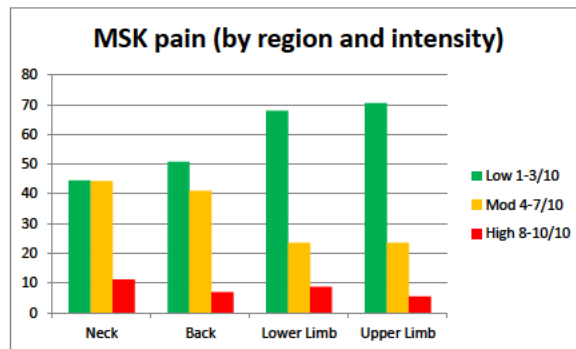
Musculoskeletal Comfort (MSK)

Participants were asked to rate their average levels of pain for each region of the body on a ten point scale. These ratings were then grouped as either:

- Low (1-3/10)
- Moderate (4-7/10)
- High (8-10/10)

The average ratings across the survey period are demonstrated below:

For Neck and Back pain, approximately 50% of participants reported moderate or high levels of pain, which is consistent with general society levels. Approximately 10% of participants were categorised as having high levels of pain.

For the Lower Limb, approximately 33% of participants reported moderate or high levels of pain. The average rating for FWS was 2.9. For comparison, this is slightly higher than the baseline average of 2.1 from the ATO sit-stand trial, but is directly comparable to the 2.7 reported by those provided with sit-stand devices during the ATO sit-stand trial.

For the Upper Limb, the average of 2.7 is directly comparable to the baseline average of 2.6 from the ATO sit-stand trial.

Overall Energy Levels

Similar to MSK comfort, participants were asked to rate their overall energy levels using a ten point scale. The results are shown graphically below in two different formats:
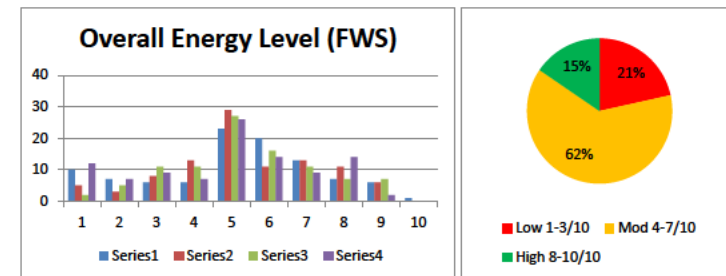
The average energy level for the FWS is 5.1, which is higher than the 4.3 average energy level measured during the ATO sit-stand trial in a traditional office environment. This result is also reflected in some of the participant comments. For comparison purposes, see below for graphical representation of the Overall Energy Levels from the ATO sit-stand trial – note that there was no 'high' energy level reported by participants in that trial, compared to the 15% of reported 'high' energy levels in the FWS.
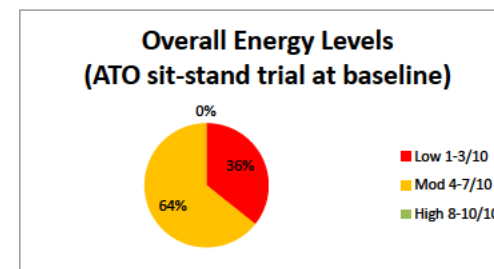
General Comments from Participants

Many positive comments were received during the surveys, particularly regarding the ability to change posture regularly and adjust certain work settings to suit the participant's body dimensions. The standard task chair was also generally liked.

Positive Feedback / Comments from end users
Standing rather than sitting has improved my knees
Standing has improved energy levels and back pain
Has chronic neck/back issues, but less than normal
Ability to adjust desk lower is helpful for comfort
Chair is more comfortable and space encourages movement
Standing has reduced neck and back pain considerably
Body feels better due to movement in FWS
Overall comfort improved due to moving around
Workstation chairs are fantastic
Overall levels of comfort have far increased
Energy improved
Atmosphere improved - temperature consistent and air quality is good
Don't feel as lethargic in the afternoons
Material decrease in back pain, more energetic and happier

However the main focus of this section is to identify any negative comments for consideration from an ergonomic perspective, which can be loosely categorised under two main headings as shown below:

User-related issues	Equipment / Design related issues
Prolonged laptop use directly	Standing 120° desks too small for desktop items
Eye strain focussing too long without break	Fixed height seated workstation too high
Neck sore if twisted to view screen	Discomfort with fixed height workstations, prefer adjustable ones
Prolonged use of meeting rooms not comfortable	More standard keyboards requested
Standing with wrong type of shoes	More narrow keyboards requested
Difficulty with fine-tuning of chair settings	Request for ergo keyboard (split design)
	Cable tray under desk impacts with knees

	High chairs too high for some people
	Not enough workstations with dual screens
	High focus workstations not adjustable in height, therefore some people cannot use
	Chair comfort

Some of these comments are easily addressed through education of participants, and other comments are to be expected given the difficulty in accommodating 100% of end user's requirements (keyboards, chairs, etc.).
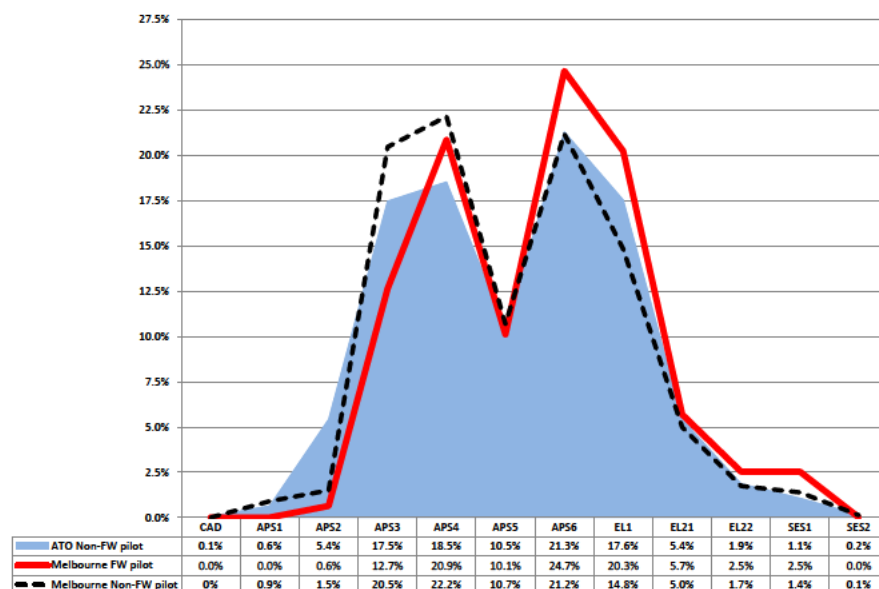
One potential learning point is regarding the percentage of adjustable work settings. If this was increased, user comfort would potentially increase and more work settings could be used by the majority of people. This is particularly relevant for the high focus workstations.

Appendix F_
HR Metrics

Contextual Demographic metrics

The Future Workspace trial has a higher classification profile than the Melbourne site and the ATO overall. From this a range of other demographic factors are likely to flow...

	CAD	APS1	APS2	APS3	APS4	APS5	APS6	EL1	EL21	EL22	SES1	SES2
ATO Non-FW pilot	0.1%	0.6%	5.4%	17.5%	18.5%	10.5%	21.3%	17.6%	5.4%	1.9%	1.1%	0.2%
Melbourne FW pilot	0.0%	0.0%	0.6%	12.7%	20.9%	10.1%	24.7%	20.3%	5.7%	2.5%	2.5%	0.0%
Melbourne Non-FW pilot	0%	0.9%	1.5%	20.5%	22.2%	10.7%	21.2%	14.8%	5.0%	1.7%	1.4%	0.1%

Job Families	ATO Non-FW pilot	Melbourne FW pilot
Human resources management	2.8%	17.5%
Law	8.7%	17.5%
Engagement, Assurance & Compliance	23.9%	16.9%
Information & organisation professionals	5.3%	15.0%
Administration	6.1%	10.0%
Project Management	3.2%	6.9%
Communication/ Marketing	1.8%	5.0%
Senior Executive	2.7%	3.8%
Information Technology	8.5%	3.1%
Analytics, Risk & Intelligence	4.4%	1.9%
Entry Level Programs	2.3%	1.9%
Service Delivery	28.5%	0.6%
Accounting/Finance	1.4%	0.0%
Other Agencies	0.3%	0.0%

The Job Family profile of the Future Workspace trial workforce has a significantly higher proportion of enabling job types, and a lower proportion of client facing job types. Whilst there is a critical mass of Law and Client Engagement Group related job types, extrapolating findings to the Service Delivery Job families will be more tenuous.

	ATO Non-FW pilot (entire workforce)	Melbourne FW pilot
% Indigenous	1.50%	0.62%

The Future Workspace trial has less than half the proportional representation of Indigenous employees. Note that the low numbers make it more subject to volatility, so not too much should be drawn from this. Perhaps, this may be a result of the slightly higher classification profile, and job family make-up of the pilot group.

Disability	ATO Non-FW pilot (entire workforce)	Melbourne FW pilot
% with a Disability	3.00%	2.50%

The Future Workspace trial has a marginally lower proportional representation of employees with a disability. Given the very low numbers needed to change this, it is not statistically significant.

NESB1&2	ATO Non-FW pilot (entire workforce)	Melbourne FW pilot
% NESB1&2	21.8%	23.4%

The Future Workspace trial has a slightly higher proportional representation of employees identifying as NESB1 or NESB2.

Gender	Melbourne FW pilot	ATO Non-FW pilot (ongoing workforce)	ATO Non-FW pilot (entire workforce)
Female	51%	56%	58%
Male	49%	44%	42%

The Future Workspace trial has a close to 50/50 gender split. This varies from the ongoing and overall workforce gender splits which has a more predominant proportion of females. This may be partly a result of the slightly higher classification profile of the pilot group, although the predominance of enabling job family employees balances this.

Age profile of the current Future Workspace participants
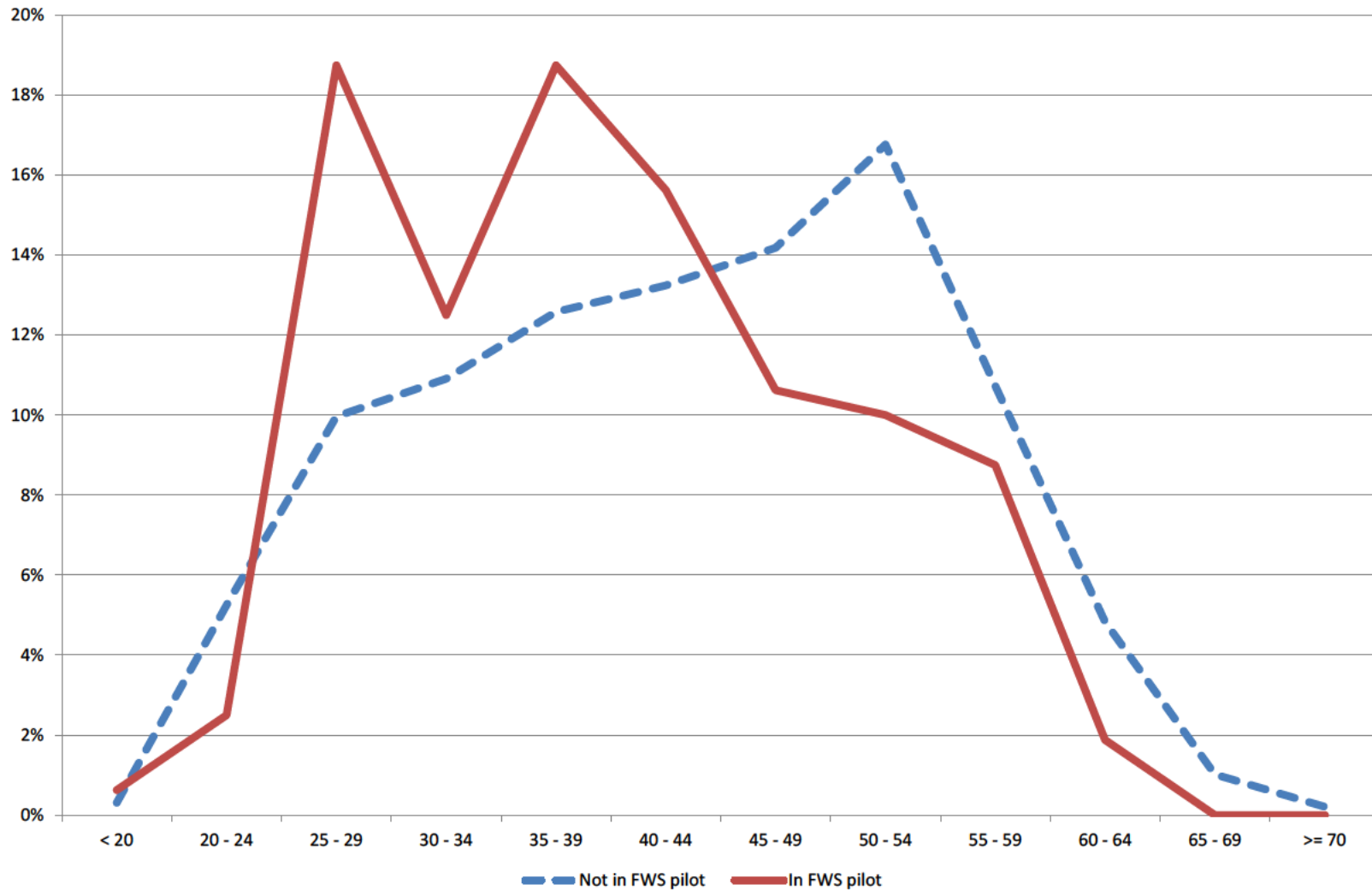
Appendix G_

ATO Culture Pulse Survey

Melbourne

Australian Government
Australian Taxation Office

Culture survey: Future Workspace Trial

Cultural trait and Employee Engagement measures

Background
- The ATO Culture Pulse survey measures culture, leadership and employee engagement. Each pulse survey has a set of core questions asked each time, as well as a number of questions identical to those in the APS Census, which allows us to track shifts and areas for improvement.
- The most recent pulse survey was conducted from 29 February to 11 March 2016 with a sample of 30% of our people.
- Almost two-thirds (64.2%) of the 5,455 staff that received an invitation completed the March survey which is a very strong response rate.
- In July 2016, participants in the ATO Future Workspace Trial were sent a subset of questions from the ATO Culture Pulse, specifically 15 questions relating to the ATO's desired cultural traits and employee engagement.
- Results from this survey were sent to the ATO Culture Team, requesting a comparison of results to the most recent pulse.
- The Culture Team was asked to provide comment on whether results indicated that the trial delivered a work environment that was aligned to the business direction of the ATO and had a positive impact on ATO culture.

Notes and limitations
- Likert scale responses have been aggregated into nett agreement (Agree and Strongly Agree) to enable comparison.
- Comparison has been made between question results at the ATO and Melbourne site levels.
- Differentials against both these benchmarks have been 'anchored' back to a figure roughly showing the number of FWS respondents this equates to, to limit risk of overstating these differences.
- Neutral and Nett disagree scores over 20% have been highlighted for interest.
- The FWT Culture Survey was conducted in a different time period than the ATO Culture Pulse – July 2016 and March 2016 respectively.
- The FWT Culture Survey base numbers are low (48), so statistical significance has not been tested, and observations should not be overstated.

Observations
- Overall, results from the FWS Evaluation Survey show greatest deviation from the March 2016 Culture Pulse results for questions related to the Culture Traits, as opposed to the measures of Employee Engagement.

Culture Results

The strongest results for trial participants against both their ATO and Melbourne colleagues were recorded against:
- Future Oriented - hey are flexible and adaptable to meet immediate and future challenges, and
- United and Connected – hey work as one team to deliver the right outcomes for the community.
- Results for FWS trial participants were also reasonably strong against site results for :
- Empowered and trusted – they are supported to take ownership, exercise judgment, and make reasonable decisions, and
- Passionate and committed: they bring professionalism, energy and determination to everything they do.
- The Client Focused trait was not noticeably different for FWS participants. This trait is the strongest across he ATO na ionally and in the Melbourne sit

Engagement Results

Overall, par icipation in he trial did not appear to have an impact on engagement, as compared to culture, however the following is notable:
- Par icipation in he trial did not appear to notably affect the Job, Supervisor or Team measures of engagement.
- All notable variances occurred in questions related to he Agency measure of engagement.
- While 'I have a good immediate supervisor' was the highest scoring question across the evaluation survey, this reflected levels across the broader organisation.
- Trial par icipants were more likely to agree hat they had access to effective learning and development than their ATO or Melbourne peers.
- Par icipants also felt more positively about the effectiveness of senior leadership communication than their Melbourne colleagues.
- Interestingly, trial participants were less likely to identify with ATO praise han national or locally based staff.

Conclusions
- While he observations shouldn't be overstated (see the limitations identified above), the results offer some support of positive progress toward embedding the new culture.
- Qualitative evidence from trial exit interviews or focus groups may lend further weight to support achievement of this objective.
- Alternatively, if it were under consideration, the survey indicates reasonably sound basis for a further trial as a way of gathering his evidence.

Summary of Results

	Agree	Neutral	Disagree	ATO	MEL	Trial vs ATO	Trial vs ATO	Trial v MEL	Trial v MEL
Culture Trait questions									
Client Focused	79%	15%	6%	83%	78%	-4%	2	1%	1
United and connected	79%	8%	13%	70%	63%	9%	4	16%	8
Empowered and trusted	73%	13%	15%	67%	62%	6%	3	11%	5
Future oriented	81%	10%	8%	71%	68%	10%	5	13%	6
Passionate and committed	79%	10%	10%	72%	70%	7%	3	9%	4
Engagement questions									
My job gives me opportunities to utilise my skills	77%	10%	13%	76%	74%	1%	1	3%	2
My job gives me a feeling of personal accomplishment	65%	15%	21%	70%	72%	-5%	3	-7%	4
The people in my work group are honest, open and transparent in their dealings	77%	15%	8%	78%	74%	-1%	1	3%	2
I am satisfied with the recognition I receive for doing a good job	63%	21%	17%	61%	58%	2%	1	5%	2
I have a good immediate supervisor	85%	10%	4%	81%	79%	4%	2	6%	3
My immediate supervisor encourages me	75%	21%	4%	78%	80%	-3%	2	-5%	2
In my agency, communication between senior leaders and other employees is effective	46%	27%	27%	39%	34%	7%	3	12%	6
When someone praises the accomplishments of my agency, it feels like a personal compliment to me	42%	35%	23%	53%	56%	-11%	5	-14%	7
In general, employees in my agency feel they are valued for their contribution	35%	42%	23%	39%	39%	-4%	2	-4%	2
My workplace provides access to effective learning and development (e g. formal training, learning on the job, e-learning, secondments)	69%	15%	17%	60%	56%	9%	4	13%	6

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Thank you.