



Developing Strategic Workplace Management with Network Analysis

Antti Tuomela, Senate Properties

Dr. Jouko Toivonen, Turku School of Economics and Business Administration



Senate Properties Briefly

- Approximately 11 400 buildings
- Rentable floor area about 7,9 million square metres
- Book value of properties EUR 5 billion
- Rental revenue EUR 496 million
- No. of leases about 4 480
- Personnel 212
- Investment budget EUR 352 million





National Board of Taxes

REGIONAL TAX OFFICES (9)

Uusimaa Regional Tax Office
Southwestern Finland Regional Tax Office
Southeastern Finland Regional Tax Office
Savo-Karelia Regional Tax Office
Western Finland Regional Tax Office
Central Finland Regional Tax Office
Oulu and Kainuu Regional Tax Office
Lapland Regional Tax Office

Tax Office for Major Corporations



UUSIMAA REGIONAL TAX OFFICE

Director and
Staff

Inspection
Unit 1

ICT Unit

Inspection
Unit 2

Payment
Surveillance

**Espoo Tax
Office**

**Helsinki Tax
Office**

**Lohja Tax
Office**

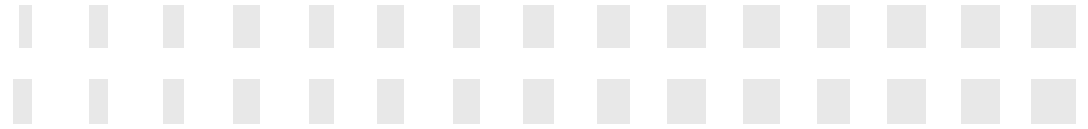
**Mid-Uusimaa
Tax Office**

**Porvoo Tax
Office**

**Tammisaari
Tax Office**

**Vantaa Tax
Office**

**Corporate Tax
Office**



Purpose of the study

- To describe the strategic interaction between workplace network actors, of service providers, contract managers, and end-users of services, around the Uusimaa regional tax office located in the building managed by Senate Properties':
 - (1) by analysing the distinctive interaction features of actors in the workplace network;
 - (2) by describing the interaction of joint value creation relating to a workplace network strategy; and
 - (3) by recognising the fundamental steps involved in workplace network strategy building.



The network analysis perspective

The early analysis of networks has focused on mapping the pattern of interpersonal ties (informal and formal) within and between organizations. What has changed the field significantly in recent years is the emergence of large-scale managed networks. The basis of the paradigm shift is the move away from studying networks as informal social structures to studying them as formal governance structures that represent an alternative to markets or hierarchy.

*Achrol & Kotler 1999;
Galaskiewicz 1996;
Powell 1990.*



The network analysis

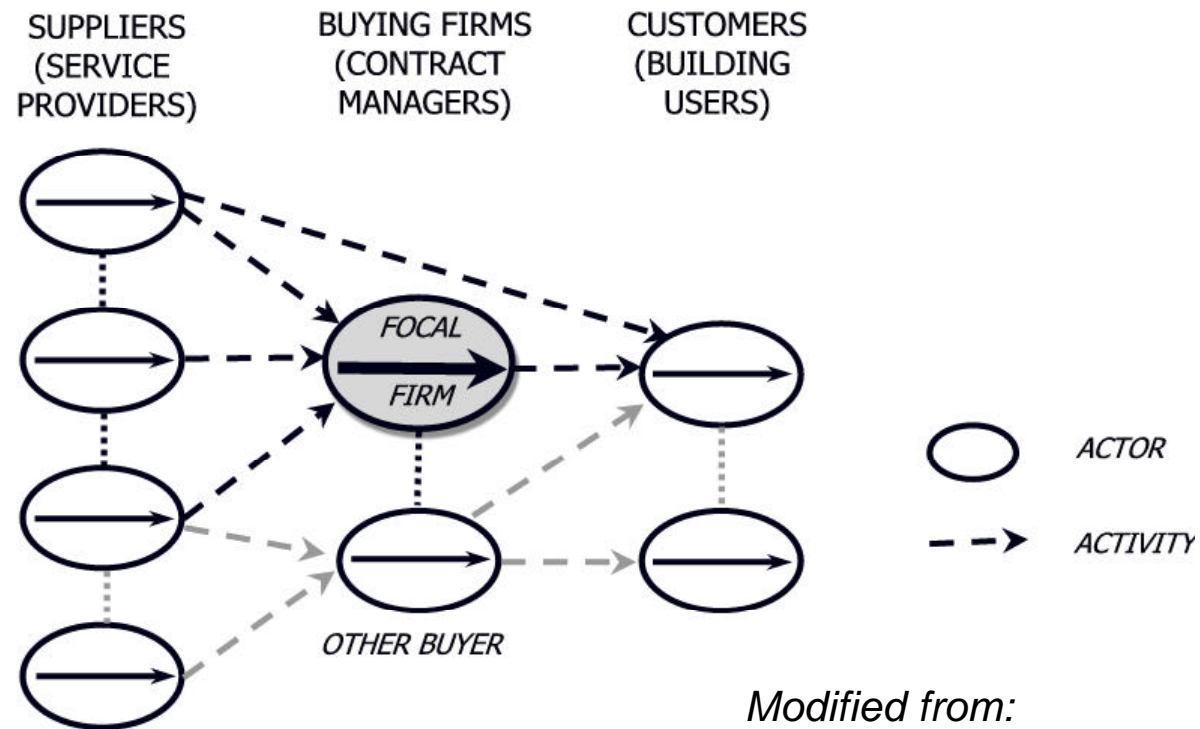
Senate Properties' objective is to orchestrate its service providers as a complex business network as a strategic centre (Lorenzoni & Baden-Fuller, 1995):

- as a creator of value for their partners,
- as leaders, rule setters, and capability builders, and
- as simultaneously structuring and strategising. Senate Properties' strategic attempt is similar to that of the presented focal firm.



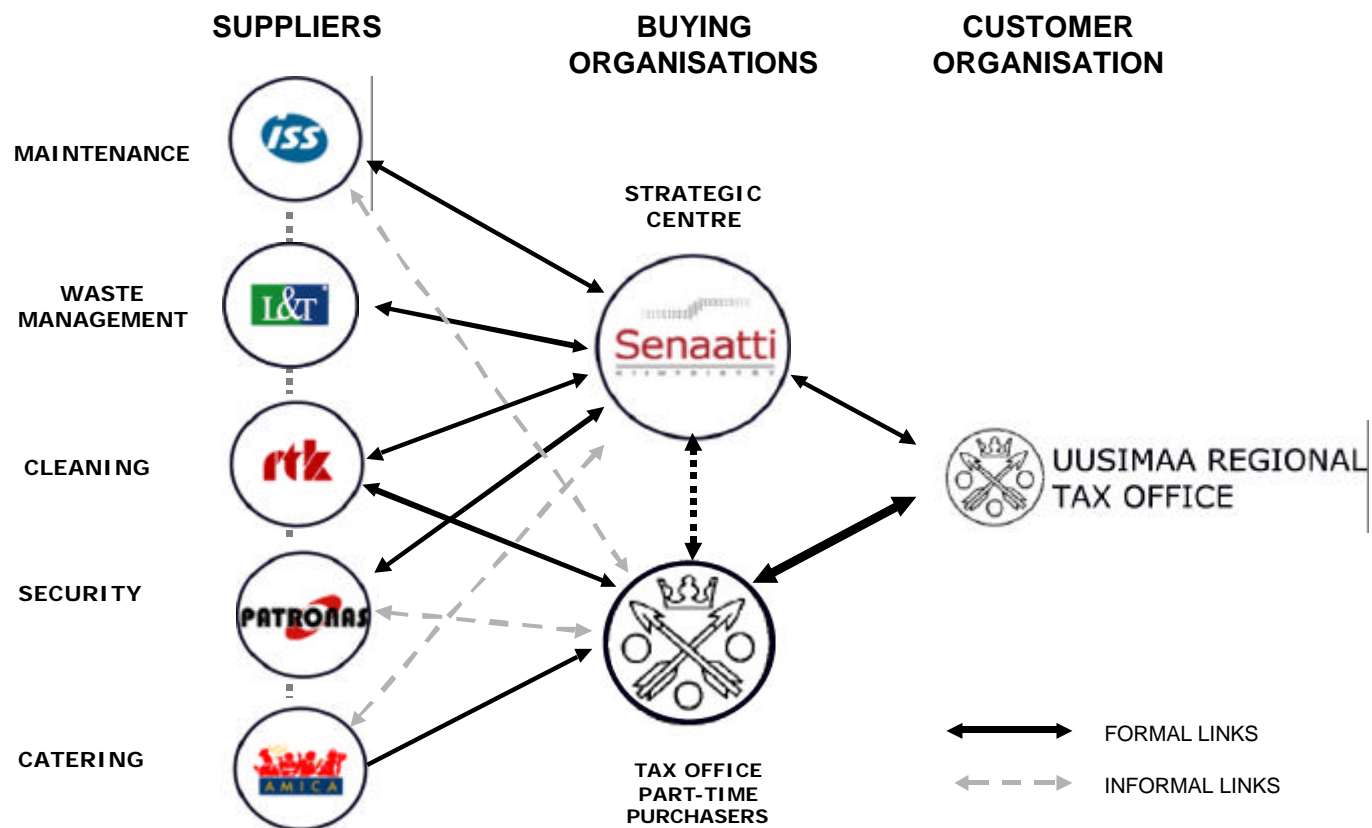
The network analysis

- Focal firm perspective



Modified from:
Gadde & Håkansson 2001

Case Workplace Service Network





Data gathering

- A network analysis was conducted in a case study to describe the relations in a workplace network.
- An inter-disciplinary and explanatory analysis of strategic activities and information resources was found appropriate for the new field of network analysis.
- The empirical data were collected during 08/2003 – 12/2003 in semi-structured interviews and a validating workshop (action research perspective).
- Case study was exploratory and descriptive (Robson, 1993), in order to increase the shared knowledge of the novel area of network research.



Identified development needs

The five most important development needs identified by the interviews were:

- (1) learning about changing strategic network roles;**
- (2) the integration of strategic and operational workplace issues;**
- (3) the development of the Total Workplace Service concept of the network,**
- (4) to build a joint organisational culture and values, and**
- (5) to improve the sharing and reporting of shared information.**



Workplace network strategy building

Fundamental steps for workplace network strategy building:

- 1. Formulation of the strategic centre for the network**
- 2. Development of the workplace service concept and the business plan**
- 3. Choosing partners and defining reciprocal business logics**
- 4. Joint identification of customer's workplace requirements**
- 5. Alignment of the Workplace Network Strategy, values, and culture**
- 6. Specification of roles and liabilities in total workplace service delivery**
- 7. Collaborative interaction and planning the sharing of information.**



The practical application of the study

"Workplace strategy"



Uusimaa regional tax office

New strategy of National Board of Taxes (spring 2004 =>)

- *High retirement rate*
- *Recruitment policies and needs*
- *Web-based tax services*
- *Grouping of local tax offices*

Uusimaa regional tax office wants to

- *focus on taxes!*
- *workplace solutions not just space*
- *better their image*

Workplace Strategy



SERVICE
PROVIDERS

