

Speech Privacy CASE STUDY



Boston's downtown Financial District from the 7th floor of OneBeacon Insurance.



Headquartered in Boston, Massachusetts, *OneBeacon Insurance Group is committed to being the leading property/casualty insurance group doing business solely through independent agents. OneBeacon Insurance Group is wholly owned by White Mountains Insurance Group, Ltd., of Hamilton, Bermuda. White Mountains' principal businesses are conducted through its subsidiaries and affiliates in the property/casualty insurance and reinsurance business.*

Respondents –

John R. Ferrari
Vice President
Real Estate

Denis Namerow
Project Manager
Real Estate

The interviews were conducted on December 17, 2005 in Conference Room 7B of OneBeacon's headquarters, One Beacon Street, Boston, MA. All responses are verbatim. In some cases, answers have been edited for length while ensuring that the respondents' meaning is entirely accurate.

Q. Please describe your facility at OneBeacon Financial, in particular, the 7th floor area in which Confidante was installed.



Denis: The building itself is a 34-story tower; the rentable square footage per floor is about 23,000 usable square feet. Our concept for (re-doing) our floor was to make it a very open environment with fifty-four inch high panels right across the entire floor; there's not one full height hard wall anywhere. So it's actually kind of fun because you can see people standing up and conversing. Before it was a maze with different height panels and private offices. What we've done here is increase the density probably 40 – 45%. We had 110 people on the floor before... with regular stations and hotel stations it was actually like 175. It's a big change from what they had. Obviously the size went down. Average cube size was reduced by about 20% which gives me 40-45% capacity increase.

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Q. What is the average square footage per cubicle?

Denis: Technically everything is based on a three-foot measurement. So cubes will start at six by six. In addition, we've got what we call a tower which is a three-function two foot by two foot piece of furniture that multi-tasks for the end-user.

John: And it fits outside the workstation.

Denis: It's not within the six by six. So if you take that into consideration it's technically six by eight.



John: We tend to be a little more paper intensive than some in the insurance industry especially in the field offices; there are more active files kept at the desk as opposed to a central storage. If we ever get to the state of less paper, probably not in my lifetime, the towers can go and we'd have teaming spaces.

Q. What are the job functions of the people who work on this floor?

John: This is a finance floor so most of the people are typical to financial operations...

Denis: And then there's support like statistical reporting, statistical services who assist budget and planning, a controller, the CFO, gap reporting, treasury, tax, accounts payable, real estate, claims, CIS (corporate information systems), actuaries...

John: About the only true corporate group not on this floor is HR, which is on the 10th floor. The CEO who is on the 8th floor also has a desk down here (on the 7th floor).

Q. What has the revised space design done for teamwork?

Denis: These people all have their responsibilities of their own, but they get together a lot. They compare notes... this one stops by this one's desk every morning to find out what's going on. Two weeks ago there were 12 people in the cube next to me having a meeting. I can almost smile because I can stand up and look around our revised setup and see the camaraderie between people who you may have felt you couldn't approach before. For example, the president's down here all the time. You see him walk around and you say, “Hi John, how are you.”

John: I think the culture is great and I think everybody knows the job, but accessibility to somebody helps you get more done. On a busy day there could be four people in the president's cube.

“Two weeks ago there were 12 people in the cube next to me having a meeting.”

Denis: The dynamics of this particular company were changed so much for good reasons and our ability to change is tremendous. If you walk up to the president's cube, he doesn't even have panels in the front of his cube – it's just wide open.

Q. What are some of the issues that led you in the direction of your decision to seek a speech privacy system?

John: Our density is much tighter plus we pulled people out of the (private) office and the high cube. So the driver was the confidentiality and also just the distraction factor of people who are used to being surrounded by more space moving to a tighter environment.



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Denis: You know with the open environment there are people who have concerns when they manage people. Because if they need to have a one-on-one with somebody they used to be able to do it in their office they can't do that anymore. One of the other big concerns company-wide is HR because they're constantly talking about confidentiality, disciplinary, salaries, pretty much everything. The CFO is on this floor and when he's on the phone that's pretty confidential as well.

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Q. How did you balance the degree of interaction with the degree of privacy that was needed?

Denis: I think, for the most part, we achieved balance because, like I said, I can stand up and I can scan close to 50% of the floor. I can see where groups are meeting; I can see interactions between groups and people and individuals yet there's privacy because they may be 15 feet away and I really can't hear what's going on.

Q. Did you adjust Confidante's sound level over a period of time?

Denis: We've actually brought it down since it was first installed in a test area in November, but we really haven't done anything since the whole floor was done. I was close to the test area and didn't have it (speech privacy) above me. When you were in the affected area you could go in and actually have a conversation at a normal level and feel comfortable about it. When I would come from this end – or the 75% (of the space) that did not have it (during the test). I'd be walking people through and I almost felt like I had to whisper because it was so quiet. The volume just changed significantly and the comfort level from the installed area vs. the non-installed area was just much greater.

John: It's interesting in that before we rolled it out to the whole floor I was on a conference call and Denis could hear me from the elevator lobby.

John: Because I was on the cusp I could hear conversations directly over the panel on the side, but I couldn't hear beyond that. But going in Denis's direction I could hear conversations, you know... three, four, five workstations away.

Q. What's the general reaction been?

Denis: Yesterday I walked around and I asked the individual users how they feel about it. You get used to it; some people say it sounds like HVAC. That's fine. Actually, I found the HVAC is louder and more distracting because of the tinny sound.

John: We initially had it (the sound level) at the higher level and some said, “I've got the new vent above my head, can we lower the blower?” We had to explain that it was the speaker, not actually air coming out of it. So we decided that next summer we can push the thermostat up and just make the sound louder and cut cooling costs!”
(Laughter... John was only kidding.)

Q. In a world in which plenum-based sound masking systems have been around for a while, what led you to look at this new technology, at this speech privacy system... at Confidante?

John: Well we looked at plenum-based and were originally going to go in that direction.

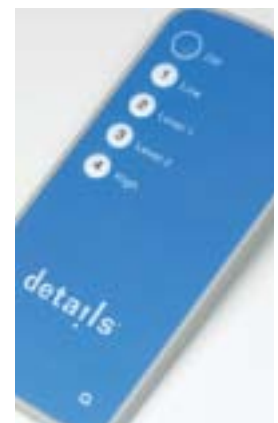
Denis: It's very labor intensive, although if you're doing it during the construction phase it's not as bad as if you're doing it after the fact like we did in this particular project.

John: The other thing... I came from one of the largest auto, home, and life insurers in the world where we had plenum-based. There was an inconsistency in the sound levels as you walked within a relatively small space. So my perception was this would give us more consistency across the space.

More consistency across the space.

Q. Can you elaborate a bit about this matter of “inconsistency?”

Denis: The way that particular system was explained to me speakers are aimed at the deck above and the reverberation from the deck would disperse it over the balance of the space. So HVAC or whatever is going to obstruct the reverberation of the



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bounce and affect the end result...soften it by sending it up for dispersion and then sending it down.

Q. In addition to retrofittability and uniformity of sound was there anything else that drove you to Confidante as opposed to more conventional sound masking systems?

John: The costs of the units themselves were about the same and the installation was less expensive.

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Q. Have there been any negatives?

Denis: No, but people need to become accustomed to it. So there were a lot of jokes and people who would stand up and say, "I can't hear you," and things like that. I told people, "If your boss tells you to do something, say, 'I couldn't hear you.'" You know, let's have a laugh over it, but nothing that's really been a negative where we say, "Let's address this."

Q. Prior to installation did you do anything to prepare the people for what was to come?

Denis: This particular project has gone on for a long time and I've made numerous presentations to anywhere from 50 to 100 people to inform them on what's going on, what you can expect.

The confidential items we handle are tremendous. And for you to be on the phone and for me to be on the phone it's important to have a certain amount of privacy.

John: OneBeacon just moved into Philadelphia where we're going to be installing it. For them it's even more of a concern because they went from 300 people in 160,000 sq. ft on five floors into 72,000 sq. ft. on one floor. You have a situation where people were in large private offices there. So for them it's a major culture shock when you combine a noise level with the openness and somebody walks by – I think it's a combination of the visual and the sound – people get distracted.

Q. A few moments ago you made a reference to "white noise." Is that the way you think of this speech privacy system?

Denis: I explain it to most people as noise masking using a different technology. Again, I don't understand a lot of it. People have explained it to me and it gets very technical. When people say to me, "Oh, white noise" I just let it go. If they do truly want to know I say, "It's noise masking and it's not just to create a background noise but actually to combat the wavelengths of our voice. ■"

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