Testimony
of

Mark Pringle
Senior Vice President, Corporate Real Estate,
Global Facilities, and Environment, Health & Safety

Dell Technologies

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Good morning Chairman Barrasso and Ranking Member Carper. My name is Mark Pringle. I am Senior Vice President of Corporate Real Estate, Global Facilities, and Environment, Health and Safety for Dell Technologies, Inc. For the record, my biography is attached to this statement. Thank you for inviting me here today to discuss flexible workspace strategies and the ways the federal government might integrate these strategies in the future. In addition, I will address the implications a flexible workplace approach might have on the need for physical office spaces and how Dell has approached these workspace strategies.

Dell Technologies Connected Workplace

Beginning in 2009, Dell Technologies established our Connected Workplace program as a strategic component of our company’s culture and operations. Our Connected Workplace program allows our employees to choose the work style that best fulfills their needs on the job and in life in a highly mobile, collaborative, and flexible work setting. The program has positively impacted our business, our approach to talent acquisition and our environmental footprint. But more than just a policy, this program is about a change in how we think about work - where work is not anchored to one place and time and instead is focused on outcomes.

In 2013, after an initial three-year implementation of Connected Workplace, Dell Technologies established a goal to enable 50% of our workforce to work flexibly by 2020, at times in an office but also from home and on-the-road. Earlier this year, before the onset of COVID-19, we had surpassed that goal, with approximately 65% of Dell Technologies employees leveraging work flexibility in their jobs (meaning in the office just a couple of days a week) and 30% of our employees working remotely on any given day.

Dell Technologies Connected Workplace encouraged employees to design their ideal working arrangements, including remote work, flexible hours and job sharing. It also involved supporting flex workers’ needs through enhanced technology infrastructure, training opportunities and an employee resource group. From an environmental impact study in 2016, approximately 10,000 US employees who worked remotely reduced their travel by 136 million miles a year and emitted 35,000 less metric tons of greenhouse gases from having fewer commuters on the roads. That is the equivalent of taking nearly 7,400 cars off the road each year. We estimate that positive impact has increased two-to-three times as our US remote workers have increased significantly over the last four years.

Savings

From 2013 to 2016, our connected workplace solutions have avoided an estimated 25M kilowatt hours (kWh), and we were able to realize approximately $12 million a year in
real estate cost savings driving over $50M+ in total savings. In 2017, as Dell Technologies continued to evolve and grow as a company, our real estate footprint changed dramatically due to acquisitions and divestitures. As a result, our real estate overhead costs and strategy the last few years has been tied primarily to supporting our business strategies which includes growth of sites, reducing or eliminating sites and workplace investments for employee productivity. Enabling 90%+ of our employees to work from home productively during the covid-19 crisis has us looking forward on how best to support our employee’s workstyle and effectively manage our real estate portfolio. We are estimating Dell Technologies can achieve 20-30% real estate savings over the next five years as we assess our future requirements.

Near Overnight Scaling for COVID-19

While Dell Technologies has had 65% of our employees working flexibly, the onset of COVID-19 required that we convert, nearly overnight, 90% of our employees to “work from home” status. Building on our Connected Workplace strategy and the services we provide to our customers that choose to build a remote workforce we accomplished this task through the establishment of our Corporate Crisis Management Team. Our first step was to assure the health and well-being of our teams, partners, and the customers that we serve. Those objectives remain our top priority.

Our second step was to quickly enable our large, globally diverse workforce to effectively work remotely while scaling our infrastructure to help ensure business continuity and availability. At the same time, we were, and we continue to help our customers through their digital implementation to enable our customers’ employees to be an effective remote workforce. In less than two weeks we:

- Enabled 90% of employees to work-from-home (WFH)
- Supported the tripling of virtual private networks (VPN) with no loss of service
- Enabled 30,000 call center operators and call center technicians to work from home with softphone cloud connections
- Distributed 4,000 notebooks to employees that were working in-office and had no network-secure way to continue their work at home
- Maintained required service level agreements with customers in March when we had 2.5-fold increase in customer service contacts equating to 110,000 calls in March alone.

Helping Employees Adjust to Work-From-Home

In order to bring our team up to speed quickly on what they needed to know about working from home, we were lucky to be able to guide everyone to our existing Connected Workplace site to learn helpful tips. We found having an existing resource for employees was a huge help in reducing inquiries so we could focus on the most serious issues our employees were facing.
Return to Site Strategy & Connected Workplace Post-COVID:

While the overnight transition to a remote workforce was a feat, we know coming out of this crisis that many of our employees won’t need or desire to return to our corporate offices, at least not on a full-time basis. As we began our return-to-site (RTS) process, we surveyed our employees on how and when they felt comfortable to return to the office. The results were fascinating, across the different regions, countries and organizations, the results were consistent. On average:

- 60% of employees desire to work from home with the flexibility to go to the office for collaboration and meetings a few days a week
- 20-30% of employees desired to work from home full time
- 10-20% of employees desired to work in the office full time

As I said at the beginning of my statement, the health and safety of the Dell Technologies family, our communities and customers are our top priority and our RTS strategy follows this objective. We actually see this as an opportunity to reinvent and redefine “work” in the new world and we are looking at ways to enable and innovate new ways of working with high levels of team member engagement and productivity. We are changing how we think about spaces, cybersecurity, meetings, travel, events and policies, and we mustn’t forget the ways employees find balance through their family, volunteer work, hobbies and more. We need to evolve the dated mindset that being in an office full-time is an actual business imperative. Our objective is to create a stronger customer and team member experience by leveraging technology and being culturally committed to increasing our work-from-home footprint and team member flexibility and choice. Our hope is to be a leader in workplace flexibility with more employees in flexible work arrangements or working from home long term. What we have learned is proximity to a specific location will not be a priority post-COVID-19. With 90%+ of our employees now working from home successfully, this has opened up opportunities to reimagine how we work in the future.

Although this is specific to our own approach and goals established before the pandemic arrived, we’re confident it’s a strong framework for customers to consider as they adapt their own goals, along with the right technology to accelerate innovation and growth.

Conclusion

While Dell Technologies has, for more than 10 years, utilized a flexible, but connected workforce and regularly implements the use of a connected workspace for our customers, COVID-19 has accelerated redefining the way we think about work. We’re rarely afforded the opportunity to make such dramatic changes to our businesses in such a short period of time – even rarer still is the ability to do so in a way that will better
prepare our teams for the changing digital landscape while helping us achieve organizational goals around sustainability, diversity and innovation.

COVID-19 has exacted a devastating public health and economic toll on our country. One of the best ways to recover from both catastrophes is to reimagine work in ways that genuinely improve the quality of life for our nation's work force. We look forward to that journey.

Thank you for inviting me here today. I am happy to answer your questions.

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