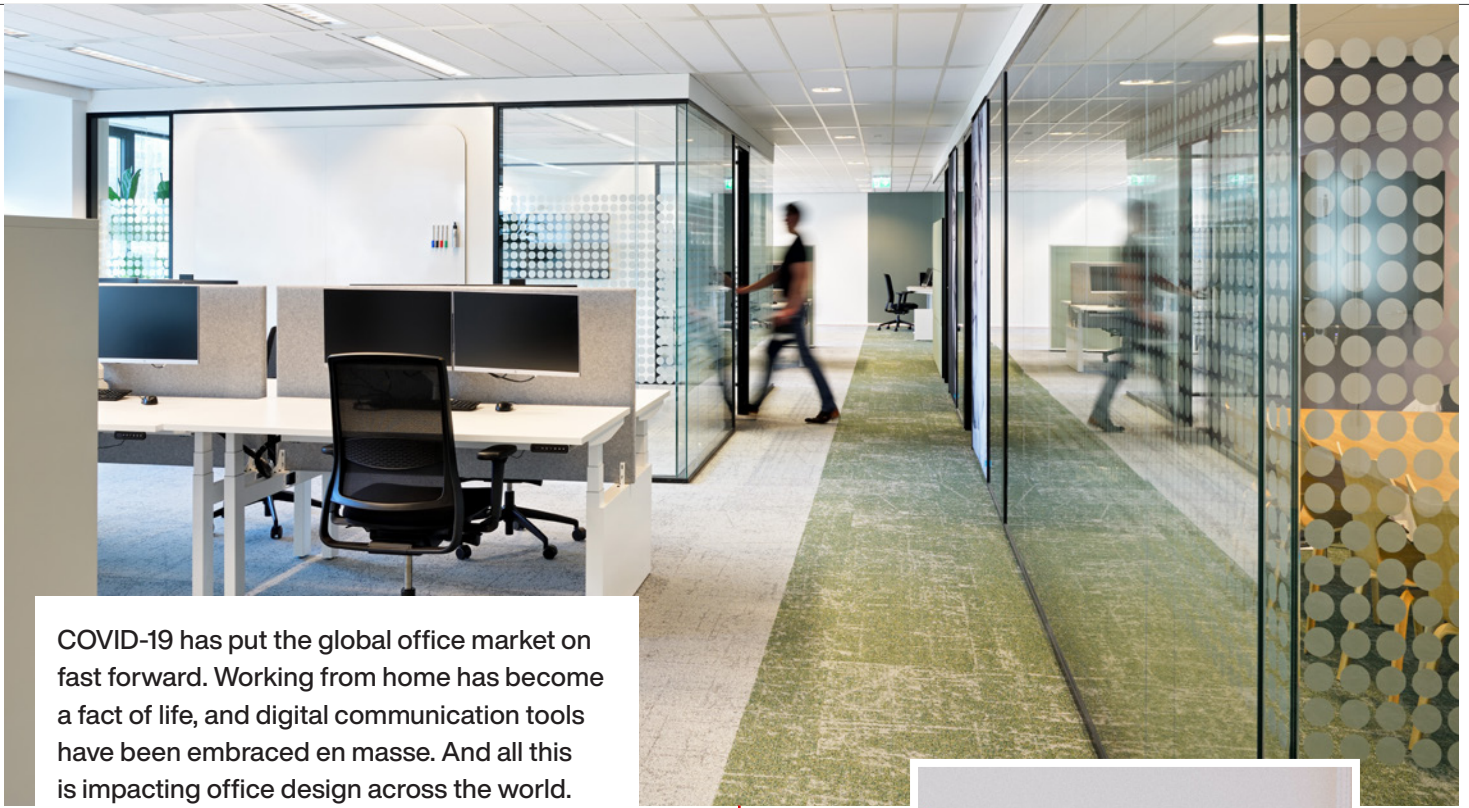


# Office Space after COVID-19 in Europe and Australia







COVID-19 has put the global office market on fast forward. Working from home has become a fact of life, and digital communication tools have been embraced en masse. And all this is impacting office design across the world. How? Read all about it in this report investigating the experiences of Exis partners (commercial real estate advisors) and companies in various European countries, plus Australia.

Office workers can carry out 54% of their activities at home, including team projects and meetings. The three most important plus points for working from home are not wasting time commuting, finding it easier to organize your time and being able to concentrate. This was shown in the “Homeoffice Factor” a study by Dutch commercial real estate advisors, Solved. The research was conducted among 6,000 Dutch employees. No fewer than 80% of those taking part is positive about working from home. You could conclude from this that organizations need fewer square meters in office space and could achieve structural savings on rent and facility costs.

### Scale down or wait-and-see?

The question now is, to what extent these office modifications and savings will really take place? Once the pandemic is somewhat under control, will employees want to return to the office en masse? Or will working from home be the new normal for large groups of employees? How will work change because of this? What does this



mean for office locations, square meters, and interiors? And how do ideas and developments differ per country? We posed these questions to various companies in Belgium, the UK, France, the Netherlands, Poland, Spain, Sweden, and Australia and commercial real estate agents. Commercial real estate agents are in the know when it comes to what's important to their clients and what changes are taking place in the market. The companies gave us insight as to where they stand now, in summer 2021.

### Uncertainties are considerable but working from home is here to stay

A world ravaged by a pandemic changes continuously. The uncertainties are and remain considerable. All those interviewed agree on that. Nobody knows exactly what will happen. In the meantime, decisions need to be made about

**Michael Baker, European Real Estate director  
bij LKQ:**

**'If companies want  
to attract talented  
people, they'll need to  
have a clearly defined  
environmental strategy.'**

rental prices and contracts and about office sizes. It's a dilemma recognized by all parties in all countries. Many companies have decided not to wait-and-see but are taking action now. That much is clear. Because they're almost all in agreement on various issues. Working from home is here to stay. And offices need to adapt to that.

#### **Offices move to urban areas**

With working-from-home employee numbers being many times greater than ever, offices can also become smaller: by around 30 per cent according to those interviewed. Many permanent workspaces will become obsolete, and the office will become much more of a meeting space. Hybrid working is finally being embraced on a large scale. Most interviewees were also in agreement about something else: Offices must become more attractive. Only then will we succeed in getting employees back to the office and keep them committed to the organization. Companies aim to make more square meters available per employee.

#### **ServiceNow: growing percentage of people working from home**

"Working from home has now become the constant factor. That's not going to go away," says Daaf Serné, Director, Global Real Estate, Workplace & Sustainability at ServiceNow, a SaaS company with thirteen thousand employees in 79 locations across 29 countries. "This now really is becoming an official part of our global policy. This was the case in the US, where 15% officially worked remotely, but this wasn't yet formalized in most other countries. The last couple of months we have been very busy looking into the Future of Work (FoW). We're expecting that our employees want to work at home, as much a 20% to 30% of their time, and that percentage can only increase if we implement our FoW strategy successfully."

#### **Grand Parade: no downturn in office markets**

"Working from home seemed to work out really well. Productivity even increased," explained Kamil Stanuch, former Director of Grand Parade in Krakow in Poland, an online gambling company that employs 450 people which forms part of the larger William Hill. Stanuch continues: "And yet I don't believe that working from home will become the norm for everyone. People also like coming to the office. We checked with our employees and we're expecting them to want to work two to three days at home and spend the other days at the office. That's partly because some people don't have a quiet and pleasant workplace at home. So I don't believe that the office market will collapse. What I am seeing is companies scaling down their office space and changing how they use their offices. There will





be more spaces for team projects.

**LKQ: “Our office work has changed substantially.”**

“Prior to COVID-19, almost all employee staff worked full-time at a dedicated desk in the office. We had a rather traditional culture. But that’s now changed substantially,” says Michael Baker, European Real Estate Director at LKQ, an American supplier of car parts with some twenty-six thousand employees at 1,200 locations in twenty countries in Europe alone. Baker continued: “Despite the many challenges we have experienced during the pandemic, our employees have shown amazing resilience and we have seen an increase in productivity. The use of Teams and Zoom replaced travel and accommodation costs which had a direct benefit to our bottom line. We have discovered home-working and now encourage our office based employees to do this, where possible. To enable that we have introduced a booking system for desks at our newly refurbished locations and are looking to roll this out over time at our larger office campuses.”

**Signify: “The structural effects of working from home are still unknown.”**

“We still don’t exactly know what will happen,” stated Esther de Koning, Global Head of Real Estate at Signify, formerly Philips Lighting. The company, a world leader in lighting, has 37 thousand employees and is active in over seventy countries. De Koning states: “Although it looks as though working from home hasn’t really impacted productivity so far, we don’t know whether that will still be the case in the long term. And how do you measure that exactly? And you also need to take into account the fact that when people get together in offices they come up with valuable ideas. And many people work too hard and for too many hours if they’re working from home, which does impact their welfare. It’s important to consider that too. The structural effects of working from home are still difficult to chart. That’s why we’re not making any drastic changes to our real estate strategy because of COVID-19. Working from home has many advantages but there are disadvantages

**Daaf Serné, director, Global Real Estate, Workplace & Sustainability bij ServiceNow:**

**‘It’s no longer about the place but the experience.’**



too. For instance, not everyone has a pleasant workspace at home, internet connections vary around the world, and some types of work are difficult to implement remotely.”

### No radical choices

And yet, according to De Koning, Signify is scaling down its offices: “But we were already taking that step. Many of our offices were underused. The environment is changing, and we’re changing with it. In the future and more than ever, employees will need a reason to come to the office. Offices can become smaller, but they need to be more attractive and offer a wider variety of workspaces.” The company isn’t making any radical choices here either. De Koning continues: “We’re doing this gradually and starting with offices where the contracts are already expiring. There will be more areas for team projects, space for employees to meet informally, and spaces where people can

concentrate. We’re also investing in facilities to improve employee health and welfare, including a good mix of workspaces. But not all offices will be the same. We’ll decide what we need per location.” De Koning also thinks the open plan office is the future. “That’s for sure. It stimulates that vital communication between employees, although I do think that spaces for team projects shouldn’t be mixed too much with spaces for concentration. These need to be separate zones to limit the negative consequences of noise nuisance.”

### Southern countries prefer employees to work at the office

Baker expects the pre-Covid office-based employees to work one or two days a week from home from now on, with just three or four days at the office. Baker continued: “The surface area of our offices won’t change because our office spaces are often part of warehouses. After all, we are a logistics company. But we can use the extra office space that is released to create more collaboration spaces, meeting rooms, and possibly create more space to hold stock in our warehouses.” A metamorphosis will take place, however, when it comes to workspaces. Baker added: “There will be more collaboration space, insulated spaces where people can concentrate, but importantly we’ll also be working smarter with new digital tools.” There are differences between countries too. Baker continued: “The southern countries are used to a more cellular environment with private offices. We are trying to change this culture and promote open plan collaborative areas and the use of home working. Improving our IT

### 10 TAKEAWAYS:

1. Working from home is ‘here to stay’
2. Offices move to urban areas
3. ‘Hub and spoke’ becomes more popular
4. Offices will be smaller.
5. Offices will be more attractive
6. There will be a wide variety of workspaces
7. Northern European countries are open to hybrid working
8. Southern European countries prefer to stick to traditions
9. For some, the dedicated workstation is a thing of the past, for others it is here to stay
10. Technology is key





infrastructure is critical to make this seamless transition and embrace remote and flexible working.”

### Comfort at the office

“For us, offices have started to look more like hotels,” explains Serné. “We want to offer amazing employee experiences to employees. Enjoying a good cup of coffee and breakfast on arrival, for instance. The office needs to be a welcoming and attractive place, an actual ‘destination’ that you’d like to visit in your spare time.” Offices will preferably be in central locations and close to public transport. Serné continues: “Offices are moving from the outskirts to urban areas. Most employees want good public transport and access to restaurants, shops, and culture.”

### The office must be a minimum amazing product

Stanuch predicts that companies might aim to open more smaller hubs in Poland, where employees can come to collaborate. “Companies might prefer ten offices of 500 square meters than one of 5,000 square meters. For us it’s easier to get an employee from India or Brazil to come to our office in Krakow than a Polish employee who lives a hundred kilometers away. That’s why some companies want to spread their offices. They’ll be smaller, nicer, and more flexible. The office must become a ‘minimum amazing product’.”

### Northern countries are more open to change

“As more people are working at home, offices are gaining another function,” says Serné. “It’s no longer about the place but the experience.

### Esther de Koning, Global Head of Real Estate bij Signify

‘Although it looks as though working from home hasn’t really impacted productivity so far, we don’t know whether that will still be the case in the long term.’



We’re now designing our offices so that people can meet each other and connect with each other. Perhaps we need to reformulate ‘getting back to the office’ as ‘getting back together.’” Serné is expecting that open plan offices will take on a new form: “There’ll be many open spaces that are smaller and cozier with flexible furniture and a few separate rooms where people can concentrate or make a call. What’s important is that the workspaces are varied and different. There are also significant differences between countries. Generally, we’re seeing that the northern European countries are somewhat more open for change and for making offices more flexible, whereas the southern countries prefer to stick to their traditions.”



### Fewer bricks in the future – office gardens new style

Serné is expecting fewer bricks to be needed in the future. “We’re making our portfolio much more flexible. We’re switching to parties that can offer us the opportunity to scale up and down flexibly.”

Stanuch does, however, see a future for physical offices. “As soon as a crisis happens, companies automatically start optimizing and making cutbacks. And that’s the case now, too. Once business is booming again, offices will continue to be an important statement. As company you want to show that you exist and that you have a ‘cool’ office – a flagship with your name on it. Moreover, you need an office that accommodates not only employees but particularly teams. Communal areas really help with this.”

### Sustainability

In conclusion, Baker emphasized the importance of sustainability. “If companies want to attract talented people, they’ll need to have a clearly defined environmental strategy. In our business this covers our buildings, transport, suppliers and our people. Continuous improvement to reduce our carbon emissions is essential. We are currently installing a 4MW photovoltaic at our Central Distribution Centre in The Netherlands and are upgrading to LED lighting across multiple locations across Europe. This is illustrative of only a sample of the projects relating to our buildings that we have on the go at the moment.”

Sustainability is also a high priority for ServiceNow. Serné continues: “As a tenant, we’ll be

### Kamil Stanuch, GrandParade:

‘I don’t believe that working from home will become the norm for everyone.’

setting more and more demands as far as sustainability is concerned. The office of the future must be sustainable. That’s important to us as a company. With all the changes that are currently taking place, we’re also including these developments in our plans.”

Sustainability is also an important part of the Signify business strategy. De Koning explains: “We are certainly looking at how ‘green’ a building is, but affordable choices aren’t always available for every location. I think that’s going to change. Tenants are making their sustainability demands known. And with good reason, as that’s the key to the future.”



### Time to act now

Times are changing. Thanks to new technology and the fact that people have to work from home as a result of COVID-19, a change in behavior has taken place. Anywhere in the world, employers and employees in the service industry, have experienced the fact that working from home can be pleasant and effective. It works. To prevent employees from falling back into old habits, now is the time for organisations to take actions and cash in on this opportunity by adapting their offices to the new reality.

Do you need help with this? Please contact one of the Exis Global Partners.



## AUSTRALIA

**“I’m expecting people to be back working at the office as normal within two years.”**

- Productivity increased at first and then fell
- Surface area remains almost unchanged
- Companies are reversing the scale-down
- Permanent workspaces are here to stay
- The new normal looks a lot like the old normal

**Mike Franklin, Exis partner and founder and owner of Franklin Shanks, an independent advice agency for commercial tenants**

“In Australia we managed to keep the coronavirus mostly under control, but we still ended up in lockdown sometimes. And the work-from-home results were above expectations here too. Employees were at least as productive as they were at the office and some companies even considered shutting down their offices. But the tide has turned. I’m hearing from various clients that productivity has now fallen drastically, which is why companies want to get their people back to the office. There are also system security issues if people are working from home and perhaps share their home with other students or family members. Companies need to consider this carefully.”

### **Already having regrets**

“Although the number of employees going to the office has fallen, the floorspace in offices has remained unchanged so far. That’s because companies don’t want too many people working together in small spaces. Offices are becoming more attractive and there is more space per person. The layout is also becoming more flexible. There’s also the question of whether companies that did scale down are now regretting this. For instance, various advice agencies that were seeking smaller office spaces are now changing their requests.”

### **Own desk with own photos**

“I think the new way of working will look a lot like the old one. I’m expecting most people to just be working at the office again within two years. The design of offices will have become more flexible and technology will have improved, but we don’t think much else will change. Every employee just wants their own, permanent workspace at the office, with their own photos and trays, and they don’t want to keep having to search for a free desk. We think permanent workspaces are here to stay. Moreover, offices will contain many different workspaces in open areas with many additional facilities, so one person can use a laptop on the sofa, another can work in a closed room, and another can work at a table with colleagues. There’ll be something for everyone.”





## BELGIUM

**“Business centers are getting the upper hand.”**

- Clients are scaling down office space: 30% to 50% less
- Offices are becoming smaller and more exclusive
- The office garden and activity based working are the future
- Business centers are pulling ahead
- The office and hotel worlds are converging

**Daniel Coltof, Exis member and senior partner of Business Space, which represents exclusively office tenants**

“People are enjoying not having to spend so much time commuting. Our clients tell us that’s an important reason to work at home more often. Moreover, people like having more time with their families. That’s why we’re expecting a reduction in demand for office space. Tenants are decreasing their existing office structures by an average of 30% to 50%, and a large number of clients are now already (June 2021 ed.) looking for smaller offices. We have just received a contract from a large law firm with thirty offices worldwide. It wants to reduce its office space by some 50%.”

**Offices are becoming smaller, but more complete, exclusive and quality spaces**

“Clients want smaller office spaces, but want these designed in a more creative and exclusive way. They are using savings to renovate offices with state-of-the-art design, so they can tempt employees back to an office that stimulates them to work together creatively. Offices will need to look nicer and more spectacular. Our clients indicate that there’s still a need for open workspaces in Belgian offices. Preferably smaller, more intimate office gardens.”

**Business centers are pulling ahead, offices are becoming hotel lounges and vice versa**

“If office market owners and investors don’t become more flexible, I’m predicting business centers will take the upper hand. It’s very likely that, in the future, tenants will only want to use meeting rooms or congress rooms very occasionally. The question is whether the office market will be about “walls and bricks” or about “events.” We’re also seeing offices being designed more and more like hotel lounges, while, at the same time, hotels are offering more office functions. The two worlds are converging. You can work in the hotel lobby, and when you’re at the office you want to feel like you’re in a nice hotel.”



## FRANCE

**“Offices are here to stay but the office experience will significantly change.”**

- 20% less office space
- Permanent workspaces are here to stay
- Companies are keeping their offices in cities
- Offices are becoming smaller and more collaborative
- A different way of working demands change management support

**Michael Kaplan, Exis partner and Partner real estate broker at Parella, a corporate real estate advisory firm and workplace specialist.**

### **Offices are getting smaller but stay central**

“Following the covid-19 crisis most French corporates expect to implement two days a week of home office work. This trend responds to the growing aspirations of employees and candidates for greater flexibility in their work modes. The counterpart of this acceleration of telework is the development of flex office-based work environment. This new normal will lead to a decrease of about 20% in the need for office space for companies. That's why many companies are reconsidering their lease. Moreover, in contrast to the previous crisis (subprime), companies are trying not to leave the city center. The optimization of surfaces allows them to remain in the city center.”

### **Offices are here to stay**

“Offices will not disappear in France. Everyone has seen the limits of full-time teleworking. Not everyone has suitable housing and no one doubts the importance of a place to share, collaborate, create, build links, personify a common identity and strengthen the feeling of belonging. Big tech companies are now ringing the bell for their employees to come back to the office. Coworking spaces face strong competition from landlords and hotel companies which are developing their own coworking spaces and platforms.”

### **Offices shall reinforce their identity**

“The transition to a flex office leads to the depersonalization of the individual workstation to make it immediately usable by all employees. By difference, the collective spaces will be more personal and have a stronger identity. The codes of this personalization are inspired by the world of hospitality, coworking or residential and UX design.”

### **A different way of working demands transformation**

“In recent years, we have seen corporate real estate considerations becoming more human-centric and transformation-oriented. We have therefore developed a People & Transformation team to support our clients' reflections and approaches in terms of acculturation, change management and onboarding of their managers and employees. This is a very positive development in the way real estate projects are managed: putting people and their experience at the center of everything.”







## THE NETHERLANDS

**“Shared workspaces are the future.”**

- Some clients are scaling down by some 40%, while others are doing nothing
- The Netherlands is investing heavily in homeworking
- Employees need quiet workspaces
- Shared workspaces are the future
- Most employees are prepared to stagger their office days

**Silvia de Haan, Director Workplace Consultancy at Solved, real estate advice agency for commercial tenants**

“In the Netherlands we’re seeing that some clients are scaling down office space by some 40%, while other clients are retaining their capacity because they want to offer more space and comfort to those employees who do come to the office. But almost all companies are investing heavily in homeworking. The Netherlands has been one of the leaders in ‘New Ways of Working’ for many years. Office spaces became open plan offices, and designer furniture with various functions made their appearance. However, it was more of a paradise for architects that employees hardly ever used. COVID-19 has given remote working a boost, with managers now having seen that employees can work at home productively and employee behavior has changed.”

### **Offices have too many open spaces**

“Our agency conducted ‘The Homeoffice Factor’ survey among 6,000 employees, which showed that people particularly like working from home as it’s quieter and they can concentrate better. This implies that offices have too many open spaces, often with disturbing acoustics. People apparently don’t only want to return to the office to meet colleagues; they need quiet workspaces. These will mainly be shared workspaces. Employees would probably like to have their own permanent workspace, but if they only work part-time at the office, that’s not a realistic option. We need varied workplaces in pleasant, welcoming environments so that people feel less of a need for their own desk with their own things. The ideal working environment is about sharing workspaces, combined with offering a comfortable, generous, and varied working environment.”

### **The simultaneity factor**

“Many Dutch companies have indicated that their employees will want to come to the office for two to three days a week in the near future. The question of whether they can scale down office space depends on the simultaneity factor. The challenge now is to determine who wants to come to the office and when. If nobody wants to work on Mondays and Fridays, companies still can’t scale down their offices unless they ask their employees whether they’re prepared to come to the offices on other days too. The good news is that people seem to be more willing to do that than many employers would expect. Our survey showed that no fewer than three quarters of those asked said that they’d be open for this.”



## POLAND

**“Turnkey  
offices are  
being offered  
in Poland.”**

- 20% to 30% less office space
- There are more “ready to move” independent office solutions
- Big corporations are looking for more flexibility
- Bricks are here to stay
- Rents have not changed much, and there are no vacant properties

**Jakub Sarzynski, Exis partner and partner at Brookfield Partners, real estate advice agency for tenants**

“In Poland, we’re seeing huge differences between companies regarding COVID-19’s impact on offices. In most dramatic cases we have had clients thinking about shutting down their offices entirely, however we are not expecting this approach to be very common. What we think will become a trend in the office market is scaling down. Most companies are transitioning to hybrid working. We see that our clients are considering decreasing office space by 20-30%. The main reason for this is that more and more people prefer to work partly from home as they save time for commuting. Also, they feel they have more flexibility over day planning and still are as productive as before in the office. Most clients indicate though that employees still want to work two to three days at the office.”

### **Corporates want their own offices**

“We’re noticing that big corporates are looking for more flexibility but still prefer to have their own independent offices and don’t want to share common spaces with other companies. To make working at the office more attractive, companies want to create a unique experience. The office space must be attractive, more of a showroom than a real office. More a hotel lobby than a workspace.”

### **Flexibility is the future**

“In Poland we’re seeing that more and more companies want more open and flexible offices, without too many permanent workspaces. Flexible office solutions, like those from WeWork, Omni Office, MindSpace, BusinessLink, Cityspace and other operators, are particularly interesting for smaller companies. Big corporate clients however, are not choosing that option as they do not want to share the reception area and kitchen spaces with other tenants. In Warsaw, we’re actually seeing office landlords doing their best to deliver spaces ‘ready to move’ for companies that need high quality independent offices for one or two years without having to make huge investments. That’s a new development.” Demand for offices remains.”

### **No significant price decreases**

“We’re still not noticing any significant price decreases in Poland. We’d expected office building rental prices to decrease sharply. But that’s not happened yet. There’s also not been a dramatic increase in vacant office property in the city. The demand for office space remains stable for now. But the future is uncertain.”





## SPAIN AND PORTUGAL

**“Future back offices are being established in the South Iberian Peninsula to tempt new talent and retain employees.”**

- People will soon be working from home for 1.5 days a week
- Staggering their days at the office will be a challenge
- Offices are being established close to beaches
- It's become a tenant's market
- 75% of office space is still set up with permanent workspaces

**Gonzalo Checa Astier, Exis member and partner of TTS, The Tenant Solution, real estate strategic consultancy for commercial tenants**

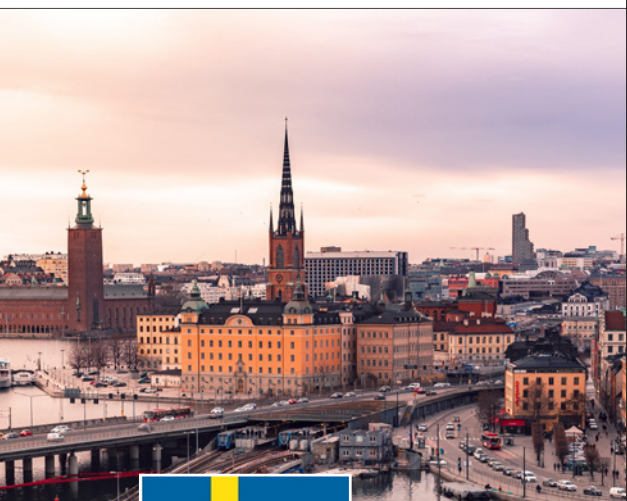
“Once the crisis is over, we’re expecting employees in Spain and Portugal to be working from home for around 1.5 days and working the remaining days at the office. People prefer working at the office from Tuesdays through Thursdays. So, the challenge will soon not only be to get employees back to the office but to stagger their days at the office. We’re also seeing many people relocating from the city to larger homes in the country. This raises the barrier of commuting to the office, which is why offices really need to offer something extra and is why organizations are establishing their back offices in attractive locations, preferably by the coast. That’s where people do want to work either side of the weekend. Companies are also seeking offices with attractive private terraces in an attempt to attract employees.”

### **Increase in vacant properties while rents are falling**

“The consequences for the commercial real estate market in Spain and Portugal are considerable. There’s an increase in vacant properties, and rents are falling. It’s clearly become a tenant’s market since COVID-19 and will remain that way for around five years. Our big clients are asking us to re-evaluate their portfolios and consolidate these where possible. They also want to renegotiate both the contracts and the rental. And the bigger companies now want to relocate to the south of Spain and Portugal, where offices are cheaper and the locations are more attractive for employees.”

### **Permanent workspaces are here to stay**

“In our culture, permanent workspaces are probably here to stay. Many Spanish and Portuguese companies value traditions and that also translates to the working environment. We are expecting that offices in 2022 will still comprise 75% permanent workspaces with 25% being designed as social meeting spaces. Offices will also mainly be designed as office gardens, with many open spaces and just a few separate rooms.”



## SWEDEN

**“In Sweden companies are demanding ‘phone booths,’ small spaces where employees can make video calls.”**

- Clients are now focusing on the design
- Real estate owners are giving discounts
- Companies are making the transition towards hybrid working en masse
- Key role for technology
- The gap between people working from home and office employees is growing

**Sebastian Edelman, Exis partner and Marketing Director at Cresnia, which offers services to office tenants**

“Our clients are now mainly focusing on the design. ‘How much space do we need?’ Nobody knows how this will develop, so that’s a difficult question to answer. Companies have observed that employees want more hybrid working, and they’re anticipating this with offices that are some 20% to 30% smaller.

Although the offices will be smaller in size, the design quality is improving. There are now attractive spaces with a focus on meeting other people, as well as areas in which people can find a secluded spot. For instance, we’ve recently had a lot of demand for small ‘phone booths’ in which people can make quick calls or video calls. It’s exactly these two extremes that demand flexible solutions for designing spaces.”

### **Flexibility and discounts**

“That flexibility goes further than just design because, in a rapidly changing market, it’s actually the corporations that are interested in lease contract flexibility. Real estate owners are responding to this by offering a menu of facilities, such as a shared restaurant, shared reception, and sports facilities.”

“In Stockholm, the rent increases we’ve seen in recent years have come to a halt. It’s now become a real tenant’s market, where real estate owners are more likely to offer incentives. For a client who had negotiated a lease contract at the end of 2019 but still hadn’t signed, we were able to negotiate a considerable discount on the price the following year.”

### **Technology plays a key role**

“In the coming years, I’m expecting companies in Sweden to make the final transition to hybrid working, with employees working from home for one or two days. Work will become more virtual and technology will play a key role in this. We’re also seeing various companies being confronted with the problem that some employees are able to work remotely, and therefore work more often at home, while others have to go to the office in person. The gap between these groups is increasing and this also demands attention. The fact that offices are becoming more attractive helps those employees who don’t have any option to work at home.”





UK

**“The nature of the office is changing due to the Covid-19 pandemic.”**

- Offices are likely to be around 30% smaller on average
- The nature of the offices will have fewer fixed but shared workstations and more meeting and collaboration space
- Staff will no longer work at the office for 5 days a week
- The office will be the flagship and social interaction hub of the future
- Dedicated workstations will be a thing of the past

**Hugh Stallard, Exis Partner and Chairman of Spring4, commercial tenant real estate consultants and project managers.**

“The Covid pandemic has accelerated a trend as many offices were already empty on a Friday. Relatively few people are returning to the office and are content to work from home. With good home IT connections and adequate space at home they see no reason to go to the office except for collaboration events. Many have daily commutes of 2 hours plus and have got used to saving the high cost of commuting and increased leisure time. That staff will not work 5 days a week in the office - on average 2-3 days.”

#### **No permanent workstations**

“Most offices were never fully occupied to capacity. The untethering of workstations with hybrid working will probably mean an average of around 30% less space. Modern communications have enabled this. Spring4 acted for lawyers in a late 2019 search for 3,000 m2 in 2019. Because the deal had not been signed, the transaction was paused as the pandemic spread. In late 2020 the position was settled that 30% less space was required, and the plans redesigned to provide fewer workstations with more meeting accommodation. The deal was then concluded on that basis.”

#### **Flexible furniture**

“The trend is towards open plan space in the UK with no private offices. This favours furniture solutions which can be altered to suit. Technology has enabled this. Organisations are now seeking smaller but higher quality offices that offer flexible solutions. Employers recognise that to persuade staff to come back to the office and use it as a social hub, it must be attractive.”

#### **Recruitment and retention**

“US based companies are more focused on having their staff in the office 5 days a week. European companies take a different approach and favour a hybrid approach. Recruitment and retention of talent is critical. Key points are terms of employment and an attractive workspace with excellent local facilities on hand. Increasingly, having got used to working from home and saving time and money by not commuting, many new employees want to work flexibly, 2-3 days a week, in the office. If employers are to be able to recruit and retain talent in an increasingly competitive market, they have to meet this requirement.”





## global tenant representation

Exis is a global commercial real estate organization committed exclusively to representing tenants and end users. Founded by 16 of the world's most respected, independent brokerage firms, we do one thing every day: Save tenants money on their real estate. While other brokerage networks cobble together scores of small firms and individual brokers in an effort to quickly create a regional or global presence, at Exis we have chosen a decidedly different path. Our firms are all trusted leaders in their geographic areas, possessing strong track records and a deep understanding of their local markets. More importantly, we work to deliver strategic consulting and pragmatic solutions to clients, whether they're looking to expand around the block or around the world.



global tenant representation

Our trusted organization of tenant representation experts offers commercial real estate services for tenants and end users around the globe, from Seattle to Sydney, and every place in between.



**44**

Member Office  
Locations



**500+**

Professionals  
Worldwide



**2500**

Pure Tenant Representation  
Transactions Annually Worldwide

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