



# Landlord's Guide to In-Person Workplace Strategies

<propmodo>  
RESEARCH

 Blueprint

## Executive Letter

Dear Reader,

While much of the real estate ecosystem was transformed by the COVID-19 pandemic, offices worldwide arguably underwent the most dramatic shift. Employees across many industries worked from home for months, and large downtown towers and office parks stood virtually empty — meanwhile employers looked into hybrid work models and flexible layouts that could potentially reduce costs and take advantage of the Zoom-enabled new normal.

So it's natural, after such unprecedented changes, that we at Blueprint are spending a significant amount of time and energy thinking about what the offices of the future will look like after the pandemic, how work will change long-term, and how real estate and technology will have to adjust. And in fact several different sessions at our live event in Las Vegas will be devoted to the topic.

We are particularly excited by the way the technology community has responded to the challenges, by helping to make offices safer and more accessible, helping to make home offices more efficient and productive, and to rethink workflows and financial models for how owners, occupiers, and the people in the spaces come together.

That's why we're so pleased to partner with Propmodo for this important report, which looks at some of the ways that concepts for the office are now shifting — and the ways in which remote work could continue to have a lasting impact.

David Hirschman & Vik Venkatraman, Blueprint



David Hirschman  
EVP & Chief Content Officer  
Blueprint



Vik Venkatraman  
General Manager  
Blueprint

## **Introduction**

The world of workplace strategy and design has been evolving at a breakneck pace for what seems like forever. All the way back to the late 2000s, strategists and architects were discussing the strengths and weaknesses of then-familiar work arrangements like cubicles and open-office plans.

Now, of course, our approach to workplace strategy is largely defined by the response to COVID-19. Whether businesses decide to go back to work or remain remote, they make that decision under the specter of the coronavirus and its impacts on the global economy.

There have been plenty of conversations about the future of the workplace, but what these conversations often miss is direct evidence of what works and what doesn't from leading occupiers. We aim to address that gap in this report, which is one half of a two-part series focused on workplaces. In this report, we will focus on workplace strategies that are office-centric and in the second half of the series, we will focus on remote-centric working strategies.

First, we'll provide a discussion of the leading office-centric workplace strategies currently in discussion from throughout the workplace world. Then, we'll move on to explore the strategies that leading office-

first occupiers are actually using right now. We'll conclude with some observed best practices from our research.

## **Executive summary**

Through our writing, we were able to come to a number of takeaway insights that summarize some of the predominant themes of our conversations and research.

### **Revel in in-person**

More than anything else, the biggest theme we noticed from in-person occupiers is a sense of indulgence about the in-person office. These companies aim to highlight what in-person work brings, from greater productivity and inspiration to the cultural and recreational opportunities associated with the office. However, the onus of responsibility will be on the managers to ensure that everyday employees share the same spirit, and don't treat the mandatory return to work as a bad thing.

### **Aggressive COVID policies**

Many of the big occupiers out there are dedicated to addressing COVID-19 head-on as they move back to the office. COVID-19 remains a dynamic and rapidly changing risk, and the companies that are dedicated to in-person work do not want to experience another lockdown and wholesale move toward remote work.

Consequently, things like mandatory vaccinations and random rapid testing will become increasingly common.

### **Making the office better for the people who need to be there**

Even at conservative enterprise occupiers that are committed to remaining in person for the long term, some work truly doesn't need to be performed in the office. This trend certainly predates COVID-19. Even things like IT and hiring outsourcing can be considered part of it. At present, firms will likely continue to refine their office design and amenitization to cater most strongly to the needs of the most essential, mission-critical in-person personnel. Firms must be careful to ensure that a range of voices are heard at their space planning meetings, lest a less efficient layout and strategy promoted by a handful of loud voices become adopted.

### **Office-first work arrangements**

As the now-familiar refrain goes, COVID-19 primarily served as an accelerant of existing trends, such as the push to remote work. But once occupancy restrictions lifted and, in particular, after the arrival of the coronavirus vaccines, numerous businesses began to return to their offices and workspaces. While this would seem to represent a return to

pre-pandemic working environments, the remote experiment broadened the canvas of options for occupiers and added a range of new, more flexible approaches to their arsenals. In this section, we will describe the variety of approaches that office-first occupiers are taking to keep their employees productive.

### **The fully in-person, traditional office**

The easiest solution for many companies is to simply go back to what they were doing before the pandemic. For many businesses large and small, that meant office spaces, that meant requiring employees to come into the office every day, and a design with a person to desk ratio of 1:1. Of course whether those offices were cubicles, stations within an open office environment, or private offices is up for interpretation.

Alongside the ease of simply returning to the way things were, companies will often push toward this type of working arrangement due to their critiques of remote work. Some companies don't find remote work as effective due to the lack of personal interaction making it harder to build company culture and foster innovation. Even with stable internet and data connections, technical difficulties like a poor connection during a long meeting can become very irksome for some teams, their managers, and their space planners. And ensuring appropriate security and privacy when people are working from home or,

even worse, coffee shops can be more difficult than simply keeping everyone in the office.

Of course, where there's a will there's a way. Companies can always choose to send IT crews out to set up workers' home offices, alleviating many of these issues, but at-home work will always be less controllable than in-person work. Additionally, team managers separate from corporate space planners may prefer their teams to stay in-person in order to make management and collaboration a little easier to handle.

Some CEOs have been outspoken about their interest in promoting in-person work. JPMorgan's chief Jamie Dimon publicly stated that shifting to part-time remote work "doesn't work for those who want to hustle." As a leader, he has been actively pushing for employees to return to the office fully, not just a few days a week. Goldman Sachs' CEO David Solomon has made similar remarks, saying, "We know from experience that our culture and collaboration, innovation and apprenticeship thrives when our people come together."

### **The fully in-person office with new policies**

For companies that want their employees to stay in-person, there is no requirement that every attendance policy has to stay the same. These companies can moderate their in-person needs

with a variety of more flexible approaches to office planning. For instance, the 1:1 employee to desk ratio can be retained while adding a substantial flex space component where employees can work in a more casual, lounge-style setting.

Another option is to use a space reservation system to allow people to reserve the types of spaces they need ahead of time. In an office with a limited number of private offices, focus rooms, and conference tables, using a reservation system allows people to more quickly access the spaces they need to be productive each day. Additionally, the data derived from the reservation system can help space planners refine their offerings, perhaps adjusting the mix of cubicles to offices to flex space on the go.

### **The hub and spoke model**

The hub and spoke concept, where a central office anchors a number of smaller workplaces, is not new. The model shortens employees' commute time, giving them more freedom to work closer to home. Hub and spoke can be seen as a solution to some of the issues associated with in-person work, because adding satellite offices addresses the technology, security, and privacy considerations that come with at-home work.

Research performed by Capita indicated that 77 percent of organizations identify lack of social

contact as a factor that compromises employee wellbeing. Hub and spoke offices provide that social connectivity and can also be closer to where people live, potentially increasing the attractiveness of the company. Casting a wide geographic net through spoke offices can also help companies attain the best job candidates.

Hub and spoke has a large number of supporters amongst occupiers as well as workplace specialists. According to Nellie Hayat, Head of Workplace Transformation at the workplace analytics provider VergeSense, "I believe we are going to have less big big offices, but a lot more satellite offices. With that, I'd expect maybe one or two or three big offices that you can keep for a company wide celebration or other all-hands events."

Companies that are determined to remain in person should think carefully about their needs before they commit. Alexandr Tsimerman, CEO and Founder of CentralF, a workplace management platform, opined that "we are bringing back to the office the people that actually need to be there. If you don't actually need to be in the office, you are an expense for your company when you're coming there."

On the other hand, hub and spoke offices come with a number of challenges. Keeping a large number of corporate leases can be challenging from financial

and logistical perspectives. Hub and spoke also prompts a distribution challenge. What if three people on a team are located in Spoke Office 1, while two people are located in Spoke Office 2, and one lone team member is based out of Spoke Office 3? Response options would be few: force consolidation amongst the team members, or deal with employees that are still spread apart geographically. Both options remove the fundamental benefit of the hub and spoke model.

### **The push toward flex office**

The flex office model combines remote and office. Flex office spaces change the traditional office layout by adding in hot desks, having more coworking spaces and open floor plans. Office spaces will not need to accommodate all the employees and individual desks are not necessary. Office will be used more as collaborative spaces where the employees can reserve spaces as they come and go.

In a McKinsey survey of executives, they found that 40 percent believed post-COVID-19 employees are going to be in the office 21-50 percent of the time. Another 40 percent believed 51-80 percent of time will be spent at work. The majority believes in some sort of hybrid flexible work model for organizations.

A report by Microsoft stated that employees want

the best of two worlds with 73 percent wanting flexible remote work options to continue and 67 percent wanting more in-person time with their team. Workers wish to have flexibility and choices, where they can complete individual tasks at the comforts of their own home but come into the office for collaborative work. This is reflected in 66 percent of managers considering redesigning physical spaces to accommodate hybrid work environments. Flex offices give employees a flexible option while still maintaining a good amount of in person interaction.

This push towards flex has been happening for years. Nellie added that "The most forward thinking companies were already, before COVID-19, turning toward a more flexible structure. That comes with more shared spaces and more shared desks," since these companies realized that their employees were often not at their desks but rather gathering with coworking to share ideas or collaborate.

### **Planning better (mandatory) spaces**

As these companies strive to return to the office with aplomb, they will inevitably look for ways to make the in-person experience more rewarding for their employees. Sure, a great many workers will be personally excited to return to working in the office, but a large number of workers will likely be disappointed at their diminishing flexibility and

disappearing home comforts. These issues are magnified for companies that are going back to in-person 100 percent of the time.

In order to keep morale up and retain employees who might otherwise consider jumping to a more flexible employer, many enterprise occupiers will explore the services and perks that they can begin to offer to their employees in order to keep spirits and retention up.

One option that occupiers can take to upgrade the attractiveness of their spaces to their employees is to

pursue certifications, since checking the boxes for something like the WELL Building Certification or FITWEL tends to require adding meaningful improvements to the building's environment and amenity package. In this way, certifications for things like technological connectivity and wellness can

serve as guides for occupiers looking to make an improvement to their space as much as a feather in the cap of those who complete the requirements.

This is also one area where landlords can step in to offer support to their occupiers and consequently boost their own tenant retention. Tenant experience apps can be a wise investment choice for office owners looking to arm their tenants with another tool to keep employees engaged. Because they facilitate both landlord-tenant and occupier management-employee communication, they can be useful networking tools when the alternative might be Slack here, email there. High-quality tenant experience applications unify all of the services of a

building, including space booking, touchless access control, and event invitations.

For their part, occupiers should work toward getting their employees onboard with the tenant experience application provided by the landlord, if there is one.

Some of the most typical tenant experience features, like interaction with building features and coupons for local businesses, don't require a strong community to use. But like other social networks, many of the greatest strengths of these systems lie largely in the number of total users.

## Office-first in practice

In the next section we will discuss notable examples of companies that have committed to a more office-heavy work arrangement.

## Tech companies

Google along with other large tech companies like Amazon and Apple, as well as younger businesses like Uber have announced or made moves toward adopting a hub and spoke model for their office footprints. This will help these businesses expand their talent pool outside of Silicon Valley but keep their focus and main HQ in the Bay Area.

Of course, these companies all have different approaches to how often, or if at all, employees can work remotely as opposed to needing to come into the hub or spoke office. For their part, Google allows remote work but may cut the pay of remote workers who don't want to come into the office, even if they don't move to allocation with a less expensive cost of living. Many companies have talked about or began

**Certifications in a Nutshell**

- RESET**: The RESET Standard is an air quality-focused certification unique in its emphasis on sensors for data collection. Collecting data via sensors allows for real time data aggregation, potentially helping owners make wellness decisions more quickly.
- GreenGuard**: GreenGuard is a certification for low-emission products, goods, and finishes. Property owners cannot attain it themselves, but they can choose to purchase GreenGuard-certified materials for their buildings.
- Fitwel**: Fitwel is a leading wellness certification, initially developed with the CDC. It offers both a mainstream general wellness certification as well as a virus response-focused certification aimed at validating the COVID-era sanitation and safety measures taken by buildings.
- Living Building Challenge**: The Living Building Challenge offers several wellness and sustainability certifications with varying levels of intensity. The highest level option, the Living Certification, has stringent requirements aimed at wellness, ecology, and regenerative design.
- WELL**: The WELL Standard is perhaps the most well known wellness certification out there, in no small part due to the advertising campaign it recently launched for its building health and safety certification offering.
- BOMA 360**: BOMA 360 is a certification focused on building operations and management, and it includes a number of criteria focused on wellness. It is a relatively attainable certification that awards points for properties that are also certified by other providers.
- propmodo**

dropping salaries for employees who move to lower cost of living areas, so Google's plan to use a remote work savings calculator to inform salary adjustments is a definite step toward incentivizing in-person work, perhaps at the cost of individual employee morale.

Meanwhile, Apple has long been committed to in-person work. This June, the company issued a new policy allowing for two weeks of remote work per year, outside of which most employees will need to be in person three days a week (specifically Monday, Tuesday, and Thursday). According to CEO Tim Cook, "For all that we've been able to achieve while many of us have been separated, the truth is that there has been something essential missing from this past year: each other. Video conference calling has narrowed the distance between us, to be sure, but there are things it simply cannot replicate."

### **Financial firms**

Companies in the financial space have also recommitted to an in-person strategy. Goldman Sachs and JPMorgan are among the most vocal about their disregard for remote working. Executives have openly stated their plans to fully return to office. Goldman Sachs, which is known for letting newer employees shadow more experienced coworkers to learn and adapt to their new working environments, indicated that the remote working model is not ideal for their "innovative, collaborative apprenticeship

culture".

In response to COVID-19, some banks are taking aggressive measures to protect their back-to-the-office plans. According to Investopedia, Goldman Sachs and Citi are requiring employees get vaccinated, while JPMorgan will be rapid testing its employees twice a week.

Despite the conservative nature of financial firm office plans, some businesses are utilizing forward-thinking approaches to build community amongst their employees. HSBC is encouraging employees to post videos of their favorite back-to-work experiences, like going to nearby cafes in person. "It would be a missed opportunity if we just drifted back into the old ways," said Elaine Arden, HSBC's Chief Human Resources Officer. "The question is how do we now get the best of both worlds."

### **Conclusion**

While much of the workplace strategy conversation has been dominated by the trend toward remote work, there are still numerous businesses that focus on the in-office experience for their employees. Some of these companies incentivize office work through differences in pay for remote and in-person workers, and some simply require it.

Whether companies choose to stay in-person or

adopt a long-term remote strategy, productivity is the ultimate measurable of success. Alexandr added that "Productivity is not only about logged time or how many calls you made. It's not only about how many times you answer your phone or how many emails you send. It's also about whether you can preserve the same productivity over longer time frames." If firm management wants to remain in-person, a body of employees that is determined to stay remote may not make 100 percent in-person arrangements sustainable over the long term.

In this report we explored the range of strategies that occupiers focusing on in-person work use. Then we moved on to review a range of different companies that exemplify different office-centric workplace strategies. Through these examples, we discussed a wide range of different working arrangements, all of which fall under the banner of "office first."

In-person versus remote is a decision that each occupier needs to make themselves. While it would be naive to say that one option is always better than the other, companies need to understand the way market pressures impact their space decisions. Those who choose to remain in-person first may need to find other ways to keep employees engaged and motivated when competing firms potentially offer much more flexible remote policies.

**Landlord's Guide to In-Person Work Strategies**

**<propmodo>**