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## A COVID-19 Virtual Ideation Experience

**Team Topic and Number:** **TEAM 7 – Distributed Work**

**Team sponsor/chapter (if applicable):** N/A

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**Input your submission below. Please remember that you have 1500 words to share your insights.**

**Introduction:**

We are in uncharted territory. The Covid-19 outbreak has had a devastating impact on the world as we know it. This is a time to pause and re-assess how we move forward primarily on the level of public health and safety. Our thoughts and prayers are with all who are impacted by this pandemic.

**Team #7** is proud to have taken part in this effort to explore where we, as an industry, are headed in order to enable organizations to regain economic prosperity and business continuity. Our **challenge** was to *develop key forecasts and recommendations for corporate real estate professionals as they address how the pandemic will impact where we work going forward.*

Covid-19 has forced companies into a distributed work mode that will have a significant impact moving forward. Recent data suggests that an estimated 69% of companies plan to increase remote work. The financial impact of COVID-19 will force previously reluctant organizations to consider distributed work as a driver on two fronts; significant cost reductions and employee feedback.

Work from Home (WFH) is currently playing a significant role in the conversation even though it is only one element of ***Distributed Work***. This global pandemic revealed that when mandated, employees can adapt quickly and from home. For example, it is estimated that 25-30% of the workforce will work at home on a multiple-days-a-week basis by the end of the 2021 [\[RESOURCE\]](#). It also revealed that not everyone's WFH experience is the same and individual circumstances need to be taken into consideration. Dependent care, technology infrastructure and space all play a role in the WFH experience. It is important to note that in the near-term employee perception of safety will be critical to the decision to return to the workplace. The effectiveness of CRE organizations in driving a safety-first agenda will be a key driver in bringing back employee confidence to "return to work". Until that confidence is reestablished *digital* water cooler interactions and WFH will likely persist.

When we return to the office, our team predicts that we will not return to pre-COVID real estate density. With this new adjusted workforce, Corporate Real Estate teams need to redefine the value of the office by developing workplace strategies - what is the purpose of the office, why do employees travel to an office (workers can be remote) and who are the teams that continue to come into the office?

When it comes to the development of workplace strategies, distributed work will play a large role in the future. Some are very comfortable working from home and will be reluctant to return to the office while others want to work outside the home. Demographics and personality types also impact workplace choices.

### **Corporations will realize greater value based upon their ability to evaluate their policy of distributed working.**

Employee demands and preferences will need to be addressed through the implementation of new safety protocols designed with transparency and psychological and physical safety in mind. Addressing those factors will be a draw to the office for collaboration. Additionally, management will need to rethink employee productivity measures; has WFH impacted productivity and how can a distributed work model drive productivity.

Distributed work models will also have short and long-term impacts on recruiting & hiring:

- a> Short term - how to hire and onboard employees remotely (tools & processes are in place)
- b> Long term - does your recruitment strategy change by recruiting the ideal "remote worker" and broadening location search? How do you translate your company culture remotely?

### **Real Estate Utilization**

Pre-COVID, the primary real estate trend was to reduce real estate costs/footprints for reasons such as IPO feedback that companies were over leveraged on RE, co-working models pushed density numbers down and implementation of strategies such as hoteling or "hot desking" were already netting 30% reduction in costs.

It stands to reason that companies will likely move toward models that embrace remote / distributed work when they previously would not; some workforce will remain as-is, some will move toward hybrid, and some will move to totally remote. We do expect companies to iterate as we travel/social restrictions relax in order to finding the right balance.

Key learnings from COVID that will be incorporated into how we work moving forward include leveraging new technologies...both managers and employees like the results. A new focus will be placed on defining and measuring team productivity and will focus on results.

(<https://www.us.jll.com/en/views/tips-for-being-productive-during-the-pandemic>)

## **CRE as Change Advocate**

Covid-19 has provided the “burning platform” from which to launch a full-scale change program related to distributed work. There was little to no time to thoughtfully implement time tested change methods. Employers and employees simply reacted to the best of their abilities to cope with the circumstances and knowledge at their disposal. We feel that this event could inform a change program focused on **Distributed Work**.

Distributed work is not a new concept. It has been deployed by many organizations to not only address real-estate efficiency concerns, but work effectiveness concerns related to work-life balance, sustainability, worker engagement and overall employee satisfaction. As employees are relegated to WFH, it forced them to evaluate their ability to remain productive.

## **Recommendations:**

- Corporate Real Estate executives have an opportunity to gain alignment with Executive leadership to help formulate a strategy that expresses how the organization values their employees while communicating the need for flexibility in uncertain times. If employees feel valued and that leadership is transparent and open, employees will be more likely to adapt new behaviors that will drive success in the new normal.

## **Employee / Employer dynamic**

- Employees may now have choice to work where they are most productive
- Employers now have access to larger talent pool with roles being more distributed around the country / globe
- Leadership will need to evaluate and train both managers and employees to work differently as workplace evolves
- Leadership will evaluate their teams to ensure they are operating effectively with the new workplace changes.

## Define & Measure

- Employers must build trust with their employees. This process begins with pre-return surveys that will measure employee feelings on their current situation and willingness/desire for re-entry into workplace. Employees will likely feel distrust towards their employer and pressure to return too early if pre-return surveys are not utilized.
- With an unknown timeline, employers will need to adjust their workforce strategies, HR policies and priorities, for not only their business survival and bottom line, but for the health and productivity of their employees. This means revamping and creating programs and policies like recruiting & onboarding, flexible work policies, mobility policies, and performance programs. Employers will see value in investing in training and tools that allow their teams to communicate more effectively.

## Plan

- Organizations need plans for near, mid-term, and long-term re-entry. Plans should utilize recommendations from local governments, health experts, and scientists as well as employee surveys.
- Real estate strategies need to consider a distributed work force, additional sq. ft per person and the ability to quickly respond to business needs.
- CRE must redefine the value of real estate - Why do we have physical offices? : is it where work is done, where cross collaboration is done, where culture is sustained, or just a place for social interactions

## Optimize

- Employees will be looking to their organizations to be more flexible. A core leadership task force should be created to consistently monitor the ongoing climate externally and internally. CRE decisions will be pivotal in supporting flexibility. Plans will likely need to be optimized and updated, new tools and solutions will need to be deployed. Leaders and employees need to understand that Information will change, and circumstances will change. Keeping abreast of the evolving data and advice is critical.
- Mobility / desk sharing programs to support an increase in remote working will continue after COVID-19 vaccine is created. Employers & real estate teams might increase or reduce sq. ft. based on new value of the office & percentage of remote working and allocation of space per person.

## Conclusion

Winston Churchill has been quoted as saying; ***“Never let a crisis go to waste.”*** In this time of change and uncertainty, **Team #7** agrees that corporate leaders and those responsible for delivering an authentic workplace experience have the opportunity to re-think and re-imagine the role of the workplace. Moreover, this moment can also be a time to think about the work itself and how a corporation’s most valuable asset, its people, strive to produce value for the customer as well as the company. Companies are resilient because people are resilient. By incorporating a work process that integrates ***Distributed Work***, organizations will only strengthen that ability to pivot and shift, no matter what crisis or events arise.