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Occupancy Benchmarking Guide

2019-2020

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Global findings on
workplace re-entry
during COVID-19

Global findings on workplace re-entry during COVID-19

As the COVID-19 pandemic spread throughout the world, the shutdown of workplaces happened suddenly and with little warning. Re-entering the workplace, however, will likely happen very differently—gradually and with meticulous planning.

JLL gathered insights from more than 80 organizations in 13 industries across the globe in mid-April and again in mid-May about work-from-home sentiments and re-entry plans and strategies. The data reveals that while more organizations were planning their re-entry strategies in mid-May than in mid-April, more than 50% still didn't have a set target re-entry date. This is likely due to the complexities involved in safely returning employees to their workspace: enhancing facility/building protocols; adjusting workspaces to accommodate social distancing; and assessing employee readiness to return. Re-entry is also largely dependent on local government actions such as the easing of shelter-in-place mandates.
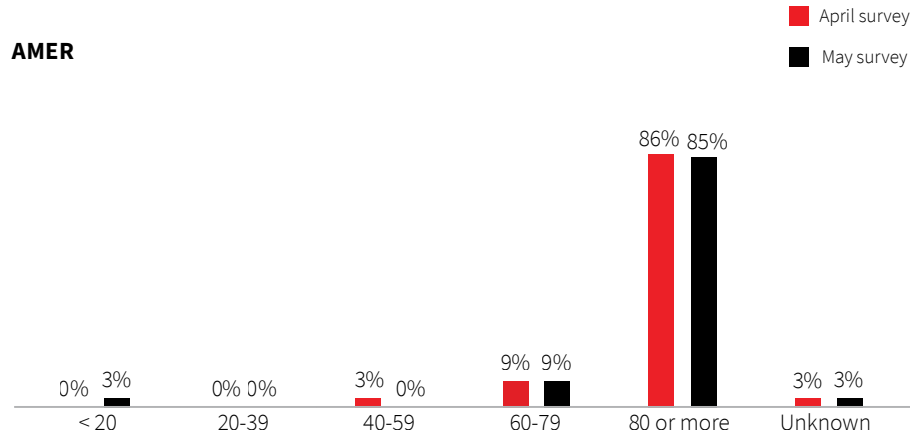
Work-from-home programs

Globally, more than three-quarters (77% in mid-April, 79% in mid-May) of organizations reported that 80% or more of their employees are working from home during both months. APAC saw an increase of 25 percentage points in organizations reporting that 80% or more of their employees working from home in April, while in EMEA there was a 13% decrease.

We're in the midst of the largest work-from-home pilot ever conducted, and research indicates that long-held attitudes about remote working may be shifting globally. Despite the normal working-from-home challenges, such as family distractions and slow internet access/bandwidth, 20% of organizations report an increase in collaboration and 12% report an increase in productivity while working from home. As a result, organizations can take the time to develop a safe, methodical approach to re-entry.
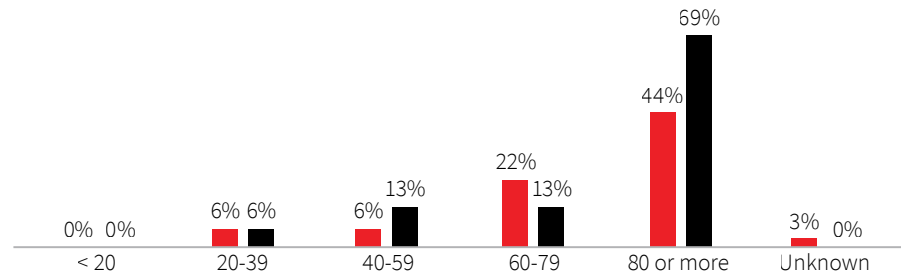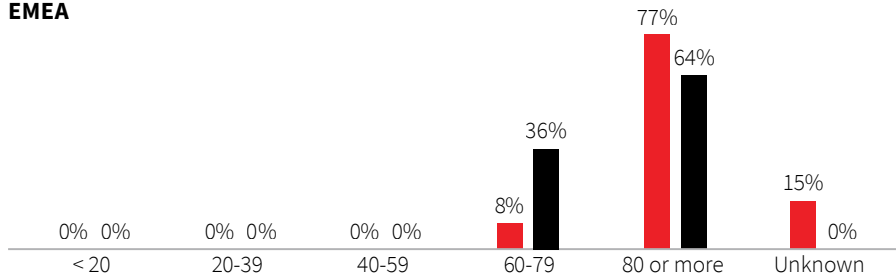
Percent of people working at home

AMER

Legend: April survey (red), May survey (black)

	< 20	20-39	40-59	60-79	80 or more	Unknown
April	0%	0%	3%	9%	86%	3%
May	3%	0%	0%	9%	85%	3%

APAC

	< 20	20-39	40-59	60-79	80 or more	Unknown
April	0%	6%	6%	22%	44%	3%
May	0%	6%	13%	13%	69%	0%

EMEA

	< 20	20-39	40-59	60-79	80 or more	Unknown
April	0%	0%	0%	8%	77%	15%
May	0%	0%	0%	36%	64%	0%

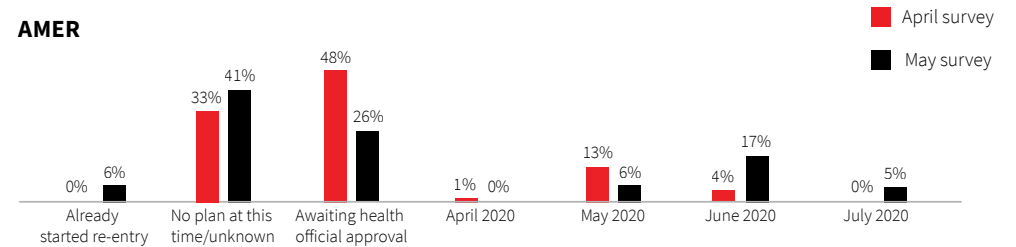Percentages may not add up to 100 due to rounding.

Re-entry dates

In mid-April, 80% of respondents had not set a target re-entry date, acknowledging that it was too early to plan, or that it's necessary to wait for local health officials to decide conditions are safe for re-entry. In mid-May, more organizations reported being focused on planning re-entry strategies, but 58% of respondents still did not have a set target re-entry date. This suggests that as organizations start discussions about re-entry, they are realizing it is more complex than they first thought. There are significant costs to consider related to enhancing cleaning protocols, making workplace adjustments for social distancing, and implementing other guidance to ensure health and safety of workers.

Additionally, the fact that the impact of COVID-19 varies considerably by local geography only adds to the complexity.
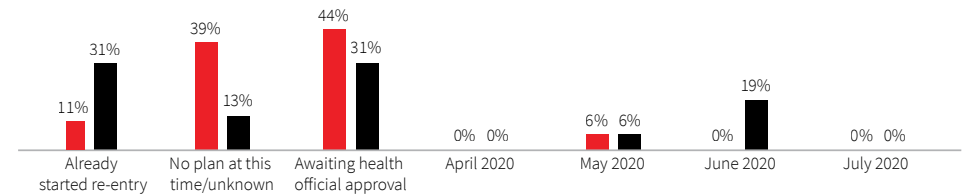
The data also reveals that regions are on different re-entry timelines. In APAC, nearly one-third of respondents have already started re-entry as of mid-May. No respondents from EMEA had started re-entry as of mid-April, but the mid-May survey shows a significant increase, to 27% having started the re-entry process. In the Americas, timing is still largely unknown: In mid-April, 81% did not have a planned date for re-entry; as of mid-May, the number is still over 65%.
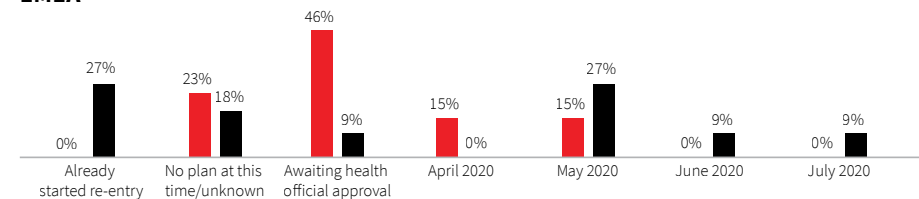
Timing

Legend: April survey (red), May survey (black)

AMER

	Already started re-entry	No plan at this time/unknown	Awaiting health official approval	April 2020	May 2020	June 2020	July 2020
April	0%	33%	48%	1%	13%	4%	0%
May	6%	41%	26%	0%	6%	17%	5%

APAC

	Already started re-entry	No plan at this time/unknown	Awaiting health official approval	April 2020	May 2020	June 2020	July 2020
April	11%	39%	44%	0%	6%	0%	0%
May	31%	13%	31%	0%	6%	19%	0%

EMEA

	Already started re-entry	No plan at this time/unknown	Awaiting health official approval	April 2020	May 2020	June 2020	July 2020
April	0%	23%	46%	15%	15%	0%	0%
May	27%	18%	9%	0%	27%	9%	9%

Percentages may not add up to 100 due to rounding.

A phased approach to re-entry

Organizations are planning for phased re-entry as they determine which workers are essential to return to the office.

As of mid-May, nearly a third (31%) of organizations in APAC are planning for more than 40% of their workforce to return to the workplace. In the Americas, 29% of organizations are planning for 20-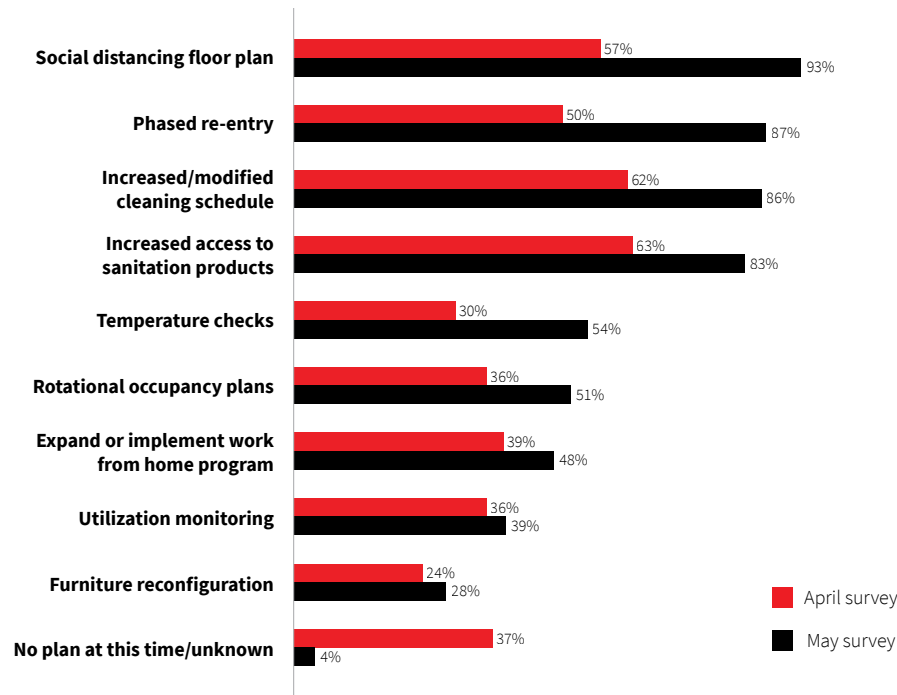29% of their workforce to return, while 17% are planning for more than 40% of their workforce to return. In EMEA, approximately half of organizations are planning for 20-29% to return while the other half are unsure.

It is clear however, that most organizations are not planning to return all of their employees to the workplace. As recovery continues and more data and information are collected and communicated, we expect different plans to take hold as uncertainty wanes.

Re-entry strategies

As the pandemic endures, the number of respondents globally considering a phased re-entry strategy increased by 37 percentage points from April to May. Respondents contemplating adopting social distancing floor plans also increased by 37 percentage points from April to May. These top strategies will likely be combined with a variety of additional measures to promote health and safety. In April, almost 37% of respondents did not have any plans in place—now, virtually all are considering strategies to address their organization's specific needs.

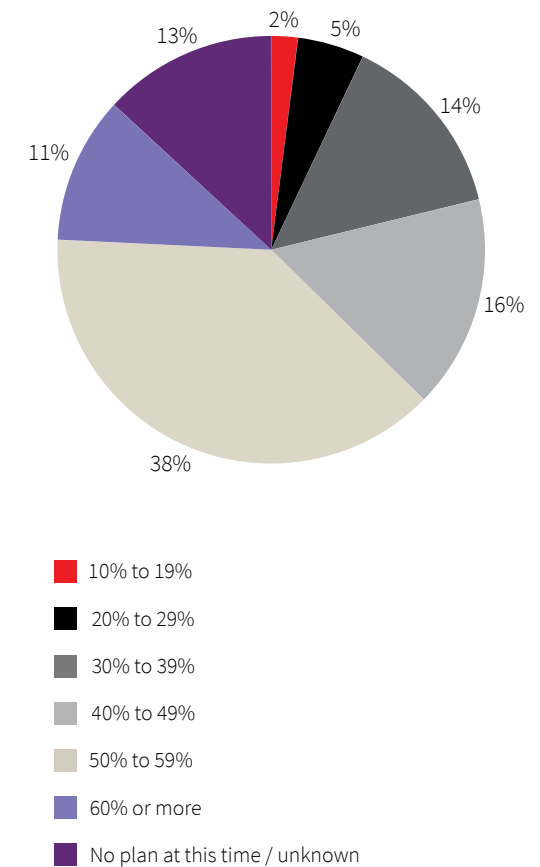| Strategy	April survey	May survey
Social distancing floor plan	57%	93%
Phased re-entry	50%	87%
Increased/modified cleaning schedule	62%	86%
Increased access to sanitation products	63%	83%
Temperature checks	30%	54%
Rotational occupancy plans	36%	51%
Expand or implement work from home program	39%	48%
Utilization monitoring	36%	39%
Furniture reconfiguration	24%	28%
No plan at this time/unknown	37%	4%

Space de-densification for social distancing

For the past several years, our occupancy benchmarking research has shown that organizations have been increasingly allocating less square footage to individual desks. It's clear that safely re-entering the workplace will require a reversal of that densification trend, at least for the near-term.

As of mid-May, the JLL occupancy planning team has developed social distancing plans for approximately 149 million square feet of our clients' real estate portfolios. Among clients for whom we have developed social distancing plans, 49% are reporting that they are losing 50% capacity or more on their floors.

Average de-densification reduction (new seat capacity / current seat capacity)

Segment	Value
10% to 19%	2%
20% to 29%	5%
30% to 39%	14%
40% to 49%	16%
50% to 59%	38%
60% or more	11%
No plan at this time / unknown	13%

Percentages may not add up to 100 due to rounding.

## Rotational scheduling for social distancing

Rotational scheduling offers a flexible solution for organizations that are actively planning for re-entry. 40% percent of respondents are implementing one of the following three methods of rotational scheduling:

1. Rotation groups assigned to a person (employee's team or function determines the rotation they are assigned to)
2. Rotation groups assigned to a seat (employees' assigned seat determines the rotation group they are assigned to)
3. Mobility (employees are assigned to a rotation group and employees can choose where to sit)

In the Americas, 22% of respondents indicated they are using rotation groups assigned to a seat. In EMEA, 18% of organizations reported using rotation groups assigned to a person. In APAC, all three methods are being implemented equally.

Rotational scheduling methods

AMER — 58%, 22%, 17%, 3%
EMEA — 64%, 9%, 18%, 9%
APAC — 63%, 13%, 13%, 13%
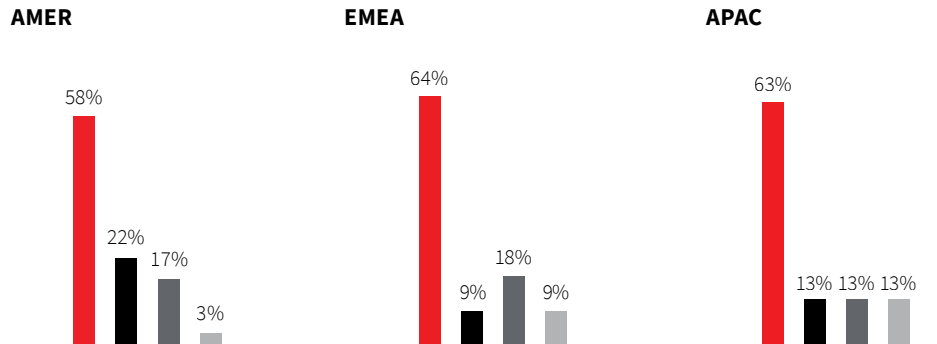
- ☐ Mobility (employees are assigned to a rotation group and employees can choose where to sit)
- ☐ Rotation group assigned to a person (employee's team or function determines the rotation group they are assigned to)
- ☐ Rotation group assigned to a seat (employee's assigned seat determines the rotation group they are assigned to)
- 🟥 No plan at this time/unknown

Percentages may not add up to 100 due to rounding.

Looking forward: A three-pronged approach to re-entry

The future is unchartered territory. As conditions stabilize, organizations will need to reflect on the long-term business impacts unique to their organizations. If carefully planned, the strategies put in place during the re-entry phase can be a key first step toward building flexible and resilient workplaces for the long term.

JLL is here to help organizations implement a three-pronged approach to reactivating space, which requires a clear occupancy strategy, guidelines and protocols, and compliance with those guidelines to minimize risks.

1 Develop your occupancy re-entry strategy

- De-densification thresholds
- Risk point mapping
- Communication and change management plans

2 Establish guidelines and protocols

- Social distancing plans and guidelines
- Rotational schedules and desk assignments
- Workspace adjustments
- Remote work support

3 Ensure compliance to guidelines and protocols to minimize risks

- Attendance monitoring/ utilization tracking
- Seat reservation system management
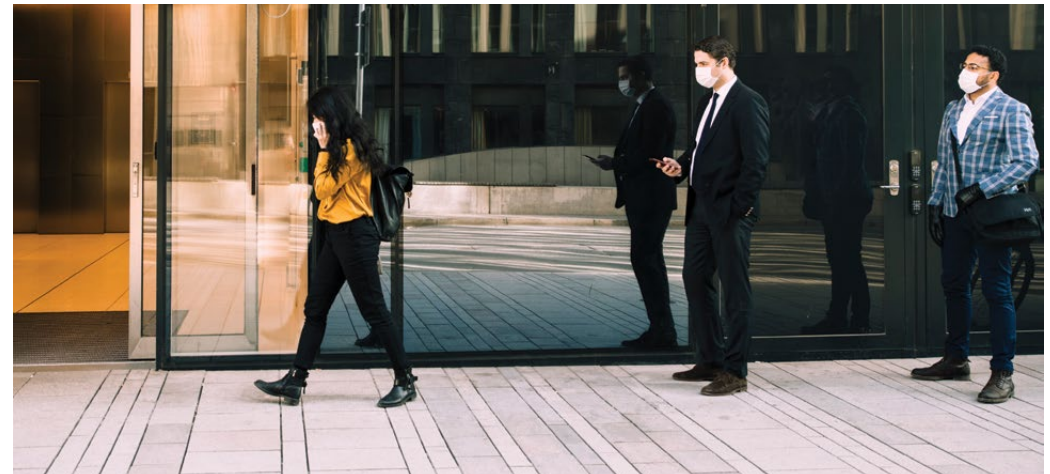
Executive summary

"Success today requires the agility and drive to constantly rethink, reinvigorate, react and reinvent."

- Bill Gates

These words ring truer today than ever before. When we began pulling together the 2019-2020 Occupancy Benchmarking Guide, the future of work had seemingly arrived. But virtually overnight, COVID-19 transformed the metrics—and the world of work as we know it. Traditional workplace rules were already being rewritten, but now the entire game is different and we must collectively navigate a new world, reinventing the rules as we go.

Before the pandemic, coworking and mobility program trends were already upending everything we thought we knew about how to plan and design space. Workers were no longer tied to their desks; they had become part of an ever-growing cultural movement of flexibility and connectivity. In response, companies were beginning to abandon traditional space planning based on who's assigned to which seats.

Then COVID-19 hit, launching the largest "work-from-home pilot" ever imagined. This historic challenge has also created historic opportunity for workplace strategists. We saw how companies that had equipped their employees with mobile technologies and practiced working from home were able to pivot with minimal disruption. And the investments in more data-driven approaches to monitoring—using badges, sensors and other tech tools to assess how people really use (or don't use) space—would be invaluable when planning for re-entry.

The results of this "pilot" have opened even more eyes to the benefits of mobility programs as a way to adapt to employees' work habits and better utilize space. Many executives have been inspired by the levels of productivity their teams were able to maintain. Their new appreciation for flexible work is leading

to even greater adoption of mobile programs as we together re-imagine the "next normal."

Floor plans have been evolving, too, as firms decrease or right-size individual spaces to dedicate more square footage to larger collaboration areas and shared spaces. Pre-COVID-19, our survey shows average workplace density had been decreasing significantly over the past two years.

This movement toward densification, or less space per individual, is not for the sole sake of savings, but also to focus more resources on improving the human experience. To support collaboration, productivity and experience alike, organizations are allocating more square footage to collaboration areas and amenities. But in the near-term, coronavirus concerns are putting emphasis on de-densification of workplace and collaboration spaces to prioritize the health and safety of employees.

Finally, technological advances are enabling more efficient and predictive planning—especially vital in navigating workplace re-entry. Sensing technology, for one, is getting simpler and less expensive to deploy, making it easier to monitor and support social distancing. And automation is speeding up processes that have long been manual, like employee surveys and data analysis.

Amid all the change, the demand for skilled occupancy planning professionals has never been greater. Even the best technology can't replace human intellect to understand how occupancy data applies to real life. Analytical minds can connect the dots between the data and what they observe in the actual workplace.

Prepare now for fast-moving change

In the following pages, we explore key factors behind the move toward more data-driven occupancy planning, from evolving data and analytics strategies to new, transformational workplace technologies. We also cover how the pandemic has already affected these trends, and will continue to do so.

Collectively, we have powerful new methods of providing our workforces with the right type of space and employee experience, while also becoming more predictive in our real estate planning roles.

There has never been such a clear and profound need for workplace and occupancy planning as organizations navigate the return to the office.

To help our clients stay ahead, we're transforming our teams and refining our products and service capabilities to deliver solutions more efficiently and consistently than ever. And we recognize that our solutions must have human, experiential and digital components to create flourishing, right-sized, safe workplaces.

Every organization around the globe is experiencing transformation today. How we navigate disruption for the best organizational value has become a common, resounding question. To shape or reimagine the future of real estate for a better world, workplace leaders must begin by understanding the great potential before us – then shape it so that together, we drive engagement, collaboration, productivity and, most importantly, safety through the changing world of work.

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Research methodology

Global leaders aren't simply looking for novel ways to stay ahead through the changing future of work. They're acting on them, too. By considering how other organizations are adapting their space strategies, you may gain new insights that are useful in your own workplace and occupancy transformation.

To arm you with both insight and inspiration, we asked prominent real estate teams from around the world to answer roughly 100 detailed questions about how they use their space. The answers they shared feature prominently through the pages that follow, along with insights designed to help you update and refine the way your firm utilizes one of its most impactful assets: the physical space your teams inhabit.

Understanding the data

Each section of this annual Occupancy Benchmarking Guide includes a glossary of key terms as well as top survey results. Other facts to keep in mind as you consider the data include:

- 91 organizations participated in the survey, providing a response for each region in which they operate. In total, we received 162 responses.

- Office space planning tactics can vary widely from technical space planning, so we distinguish between office space and more technical space like laboratories and R&D facilities.

- Some questions asked respondents to "check all that apply." In these instances, the results might exceed 100%.

- We asked an initial qualifying question at the beginning of each section regarding which regions conduct each activity. The subsequent responses applied only to those regions with an affirmative response.

Responses by Industry

19%
Financial services
Count: 28

5%
Professional services
Count: 9

38%
Technology
Count: 62

3%
Public institutions/government
Count: 5

9%
Other
Count: 16

3%
Healthcare
Count: 5

6%
Communications
Count: 11

6%
Consumer products
Count: 8

6%
Life sciences/pharmaceutical
Count: 9

6%
Manufacturing
Count: 9

Key occupancy benchmarking metrics

Meaningful metrics enable data-driven decision-making

How, when and where we work has changed—and continues to evolve. To stay ahead through rapid transformation, corporate occupiers can no longer rely on the data of yesteryear. And they no longer have to.

Today, occupiers can access all-new types and levels of data to better understand how their space is being used—and how efficiently their portfolio is performing. Occupancy/vacancy, density and utilization data sets can each provide clarity and empower occupiers to make data-driven decisions about current and future space planning.

71% *of respondents report occupancy benchmarking and metrics, up from 69% recorded last year.*

Metrics that matter

According to our survey, occupancy/vacancy levels remain the top priorities for most respondents globally, followed by utilization level and density. These top three metrics have remained in the same positions year-over-year, underscoring their significance. Mobility, notably, is rising in importance, now tied with cost/seat as the fourth priority in 2019, up from the fifth position in 2018—a change that can likely be traced to an increasing rate of mobility program implementation.

Occupancy metrics that matter most, ranked

1	2	3	4 (tie)	4 (tie)	5	6
Occupancy/ vacancy level	Utilization level	Density	Cost/seat	Mobility ratios	Open positions	Other
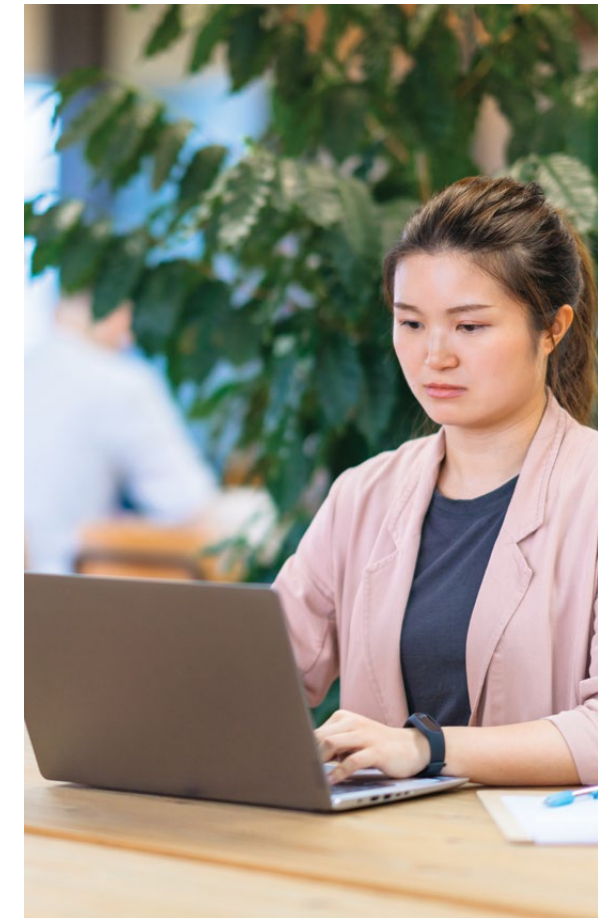
Occupancy/vacancy levels

Occupancy/vacancy levels are the highest priority metrics for corporate occupiers across all the regions we surveyed. Measuring and analyzing occupancy/vacancy allows organizations to understand the extent to which spaces are being assigned or not assigned, including workstations, offices, collaboration areas and conference rooms. This knowledge is invaluable in planning and determining anticipated growth or contraction within organizations.

According to our survey, 42% of respondents indicated they do not set a structural vacancy target, compared to 51% in 2018. Of those who do, 8% plan structural vacancy at 15%-19%. These results suggest fewer organizations are proactively planning for vacant space, during times of uncertainty.

Definitions

- **Capacity** – The quantity of office or workstation seats that can be occupied.

- **Population** – The quantity of people assigned to a seat or area.

- **Structural vacancy/buffer** – Vacancy that is beyond the need for anticipated growth, allowing flexibility in the plan.

- **Vacancy** – Unit of capacity that has not been assigned.

- **Utilization** – The amount of space being used at any given time.

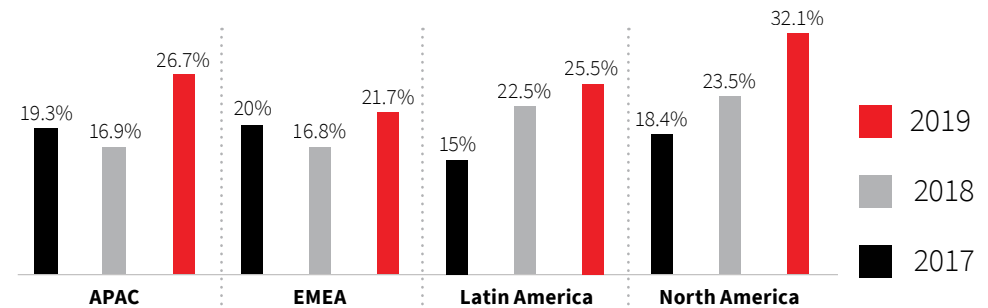- **Utilization rate** – The percentage of time that a space is occupied.

Vacancy levels by region

Globally, respondents report vacancy in office/admin space has risen since 2017, yet regional trends vary. North American respondents reported the highest level of vacancy in 2019, at 32.1%, although APAC represents the largest jump year over year—from 16.9% vacancy in 2018 to 26.7% in 2019. In EMEA, vacancy increased from 16.8% to 21.7% during the same time period. While one year does not mark a trend, this shift may reflect employee attrition.

What is the average office vacancy rate across your office/admin space?

| Region	2017	2018	2019
APAC	19.3%	16.9%	26.7%
EMEA	20%	16.8%	21.7%
Latin America	15%	22.5%	25.5%
North America	18.4%	23.5%	32.1%

Utilization

Organizations increasingly recognize the value of tracking how many people actually use a space on any given day through a variety of high-tech and low-tech methods. The real power of this data, however compiled, lies in its ability to help leaders solve a problem or support larger business goals, like enhancing workplace productivity or efficiency. Leaders who activate the data they collect can also leverage it to make planning decisions, assess the impact of mobility programs, or build a business case for strategic change.

Gathering utilization data

Collecting utilization data enables organizations to better understand how their space is being used, and determine whether it's being or becoming undersubscribed or oversubscribed. Over the past three years, respondents have increasingly reported they gather utilization data, rising from 54% in 2017 to 62% in 2019. This uptick indicates a growing desire to better understand usage of different spaces throughout the workplace.

Do you gather utilization data?

62% of respondents gathered utilization data in 2019, up from 54% in 2017.

2017

54%
Yes

46%
No

2019

62%
Yes

38%
No
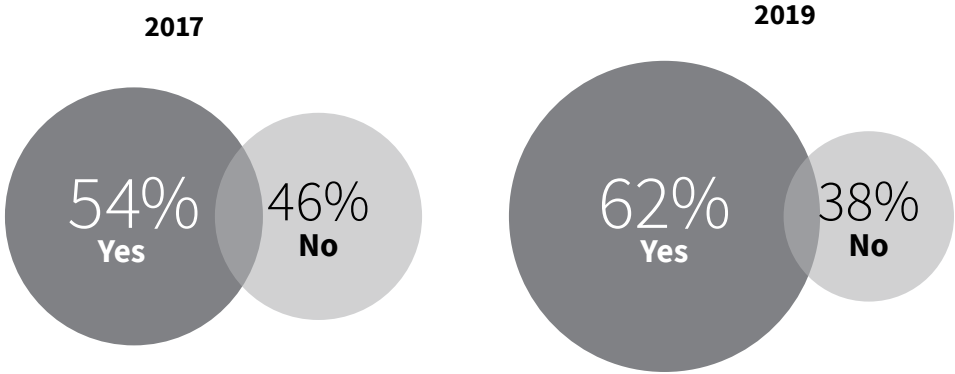
Percentages may not add up to 100 due to rounding.

Utilization data gathering by industry

Consumer products, manufacturing and healthcare organizations outpace other industries when it comes to tracking utilization, with more than 80% of these respondents actively gathering utilization data. Conversely, less than 60% of technology, life sciences/pharmaceuticals and public institutions/ government gather utilization data. While these figures may seem low, more than half (52%) of all respondents plan to start tracking utilization within the next three years.

78%
Professional services

80%
Healthcare

64%
Financial services

64%
Communications

100%
Consumer products

44%
Other

89%
Manufacturing

58%
Technology

44%
Life sciences/
pharmaceutical

20%
Public institutions/
government

Density

Many organizations are seeking ways to make their spaces more efficient, and creating a denser floorplan can be one way to do that. But determining the ideal density of a workplace requires a careful balancing act. Making a floorplan too dense may compromise air quality, noise and traffic conditions, thereby potentially impacting employee productivity or well-being.

So, while workplaces have become denser over the past decade in general, it may be that occupiers are finding a sweet spot, as our survey data shows that some regions became less dense year-over-year.

Definitions

- **Exterior gross square footage (GSF)/ gross square meters (GSM)** – The total square footage from the exterior of the building wall, including the wall's thickness.

- **Interior GSF/GSM** – The exterior GSF/GSM minus the exterior wall thickness.

- **Rentable square footage (RSF)/rentable square meters (RSM)** – The interior gross measurement without core elements such as vertical penetrations, stairs, elevators, restrooms and utility rooms.

- **Density** – RSF or RSM divided by population or capacity. A lower density value means the space is denser.
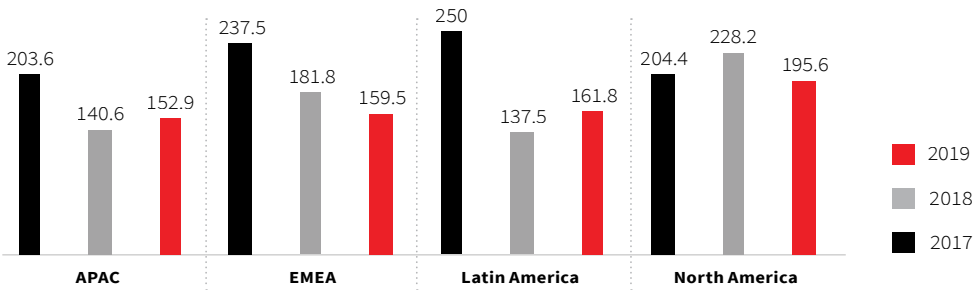
Density by region

In 2019, 84% of respondents reported a density of 150-225 RSF per seat or less, compared to 72% in 2018. EMEA has recorded denser workplaces in each year since 2017, and now averages 159.5 RSF per seat. APAC is the densest region at 152.9 RSF per seat, while North America is the least dense at 195.6 RSF per seat. APAC and Latin America actually decreased their density of square feet per seat year-over-year, which may hint that there is a threshold of how dense the workplace can become while still supporting the human experience.

Regional density metrics
Numbers have been normalized across RSF vs. RSM.

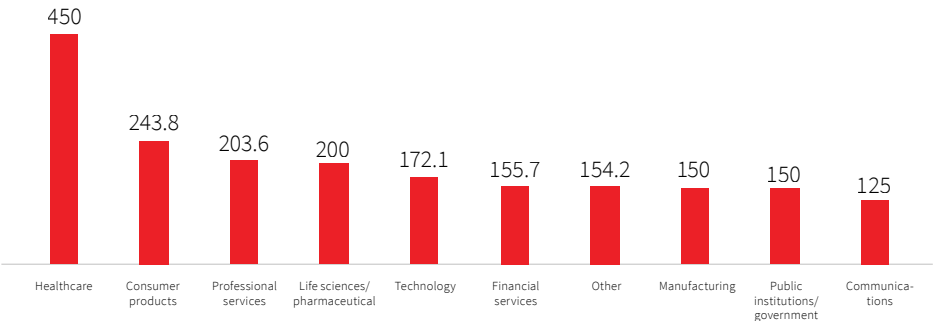| Region	2019	2018	2017
APAC	152.9	140.6	203.6
EMEA	159.5	181.8	237.5
Latin America	161.8	137.5	250
North America	195.6	228.2	204.4

Density by industry

Occupiers in communications, public institutions, manufacturing and financial services are the most efficient in terms of density per seat than the other industries in this study. In many cases, this is because they are investing in occupancy planning strategy, which typically results in a denser workplace.

Meanwhile, healthcare and consumer products are less efficient, due to the high degree of specialty space, such as for research and development (R&D).

Industry density metrics – RSF/seat (2019)

Industry	RSF/seat
Healthcare	450
Consumer products	243.8
Professional services	203.6
Life sciences/pharmaceutical	200
Technology	172.1
Financial services	155.7
Other	154.2
Manufacturing	150
Public institutions/government	150
Communications	125

Numbers have been normalized across RSF vs. RSM.

Key takeaways

- Meaningful metrics are essential to creating an optimum workplace for employees, as well as enabling occupiers to make data-driven decisions in support of workplace goals.

- Occupancy/vacancy data has remained a top metric to monitor for the past several years because it helps organizations understand to what extent spaces are being assigned across their portfolio. And increasingly, organizations are tracking utilization to gain even greater insight to how employees are actually utilizing the space.

- By identifying how space is being assigned as well as being utilized, leaders have the information they need to improve space design to increase density, as well as make assignment changes to increase utilization.

- All of these metrics will be important to watch across the globe as occupiers find new methods to balance efficiency with the need to enhance employee productivity, wellbeing and experience.

Space eligibility and standards

A strategic approach to space planning starts with standards

Forward-looking organizations develop informed guidelines to ensure employees and other contingent workers have the ability to utilize the right work settings for the type of work that needs to be done throughout the day. These space eligibility and function standards can apply to the use of conference rooms, workstations, collaborative areas, classrooms and more.

As many workplace leaders strive to do more with less, outlining these standards/guidelines can help optimize the portfolio while also fostering workplace productivity and elevating the human experience.

Definitions

- **Space eligibility** – Criteria used by companies to establish and implement efficient and equitable space use standards. This allows a specific workspace to be assigned and allocated to the appropriate staff. For example, all vice presidents and above receive a standard-sized office.

- **Space functions** – The general use for the space, as well as the parent category for the space type. These typically include values such as workstation, amenity, conference, food service and more.

- **Space type** – More detailed space categories that fall under space functions. These typically include values such as bench seat, standard workstation, video conference, team room and pantry.

Determining space eligibility

Globally, 69% of respondents define space eligibility criteria, down from 80% last year. One reason for this decline is the push toward mobility programs. As more employees are given the freedom to occupy several different work settings based on the work being performed, organizations are finding new value in opening up the possibility of choice within their own workplace, rather than limiting it based on seniority or salary.

> " Globally, **69%** of respondents define space eligibility criteria, down from **80%** last year. One reason for this decline is the push toward mobility programs. "

Determining office eligibility

Band level, which establishes and organizes salary compensation for different roles, determines office eligibility for 43% of respondents—down from 56% in 2018. Title and function determine eligibility for 26% of respondents—up from 14% in 2018.

These changes could be attributed to growing emphasis on fostering productivity across the entire workforce, by offering "the right work setting at the right time," rather than delivering those values primarily to those at the top of the organizational chart.
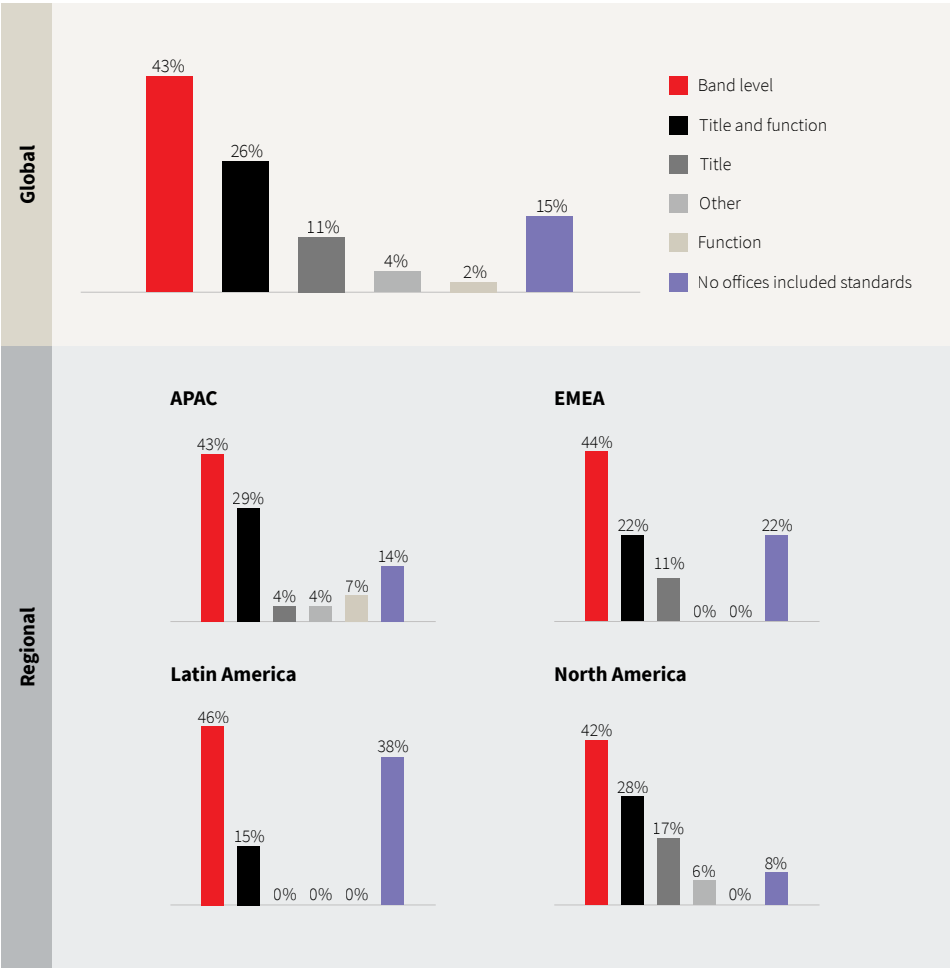
Criteria for assigning workstations

Increasingly, function is replacing band level as the leading determining factor for workstation type and size, shooting up from just 9% in 2017 to 40% in 2019. This trend reflects the growing prevalence of activity-based work, in which the way employees work, as opposed to band level or title, drives space design. Giving employees choice and flexibility in where and how they work on a daily basis has become the norm, rather than an anomaly.

Criteria for assigning workplaces, band level and function 2017-2019
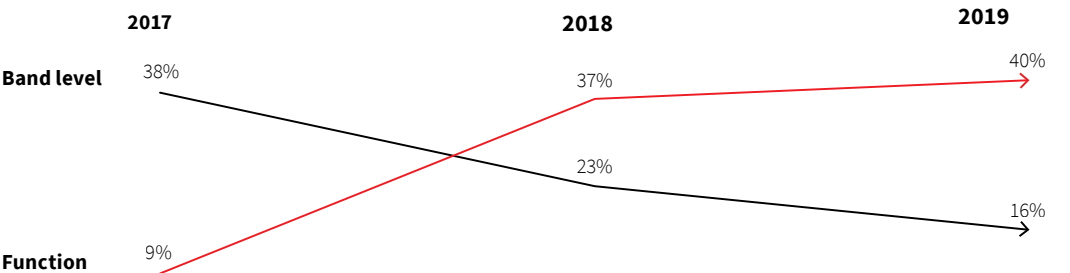

Standards for space functions and types

The lion's share of respondents said their firms actively define space functions/types and set standards to create uniformity and simplify planning. Such standards help their teams build in more flexibility when planning for different business functions and streamline decision-making by minimizing uncertainty about how to best design space.

Do you have defined standards for space functions and/or types?

Globally, 84% of respondents have defined standards/guidelines for space functions and/or types, with North America leading the pack.

Respondents with defined standards, by region

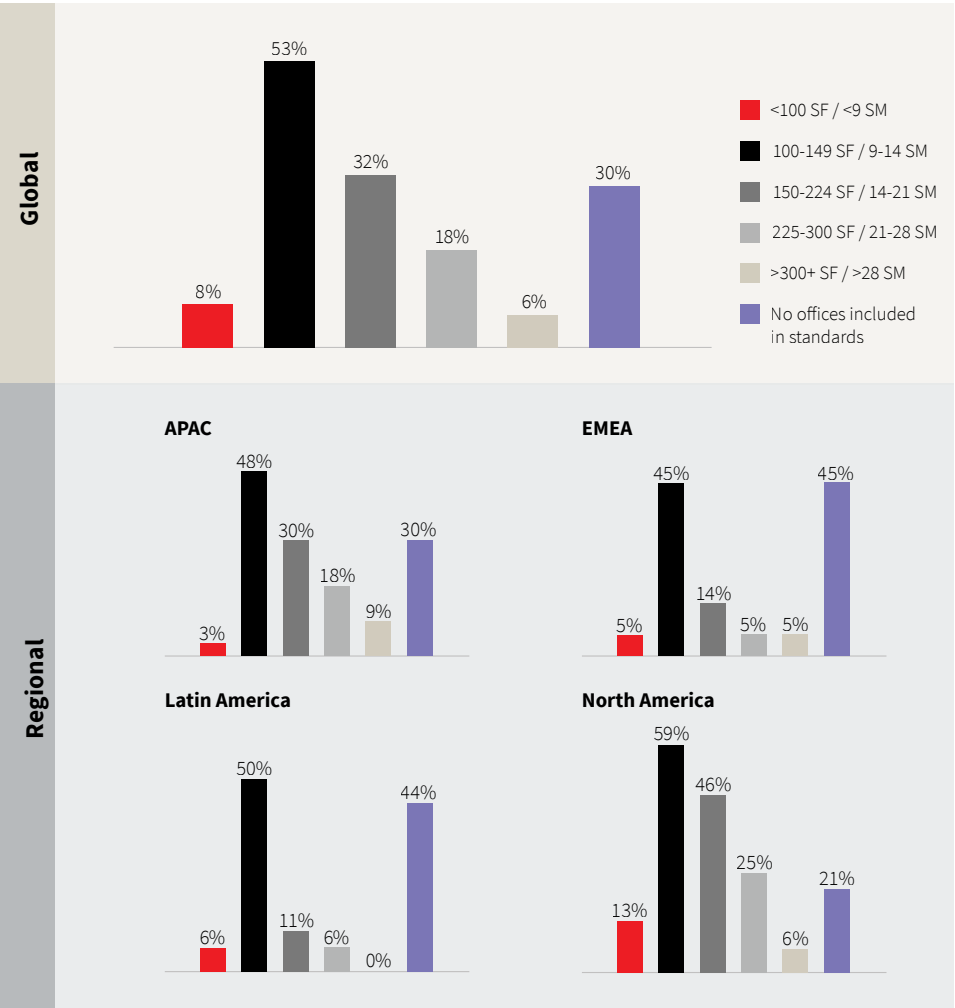| 85%	73%	86%	88%
APAC	EMEA	Latin America	North America
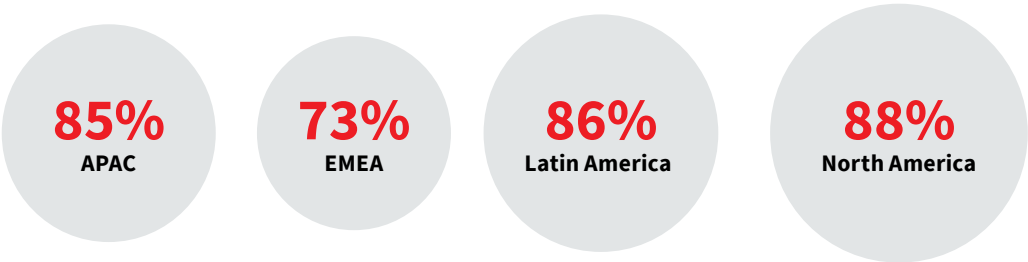
Standard office sizes

More than half (53%) of respondents report a typical office size of 100-149 square feet, down from 65% in 2018. That decline can be attributed to the fact that more organizations are eliminating offices from their standards altogether. This year, 30% of respondents said no offices are included in their standards, up sharply from 14% in 2018.

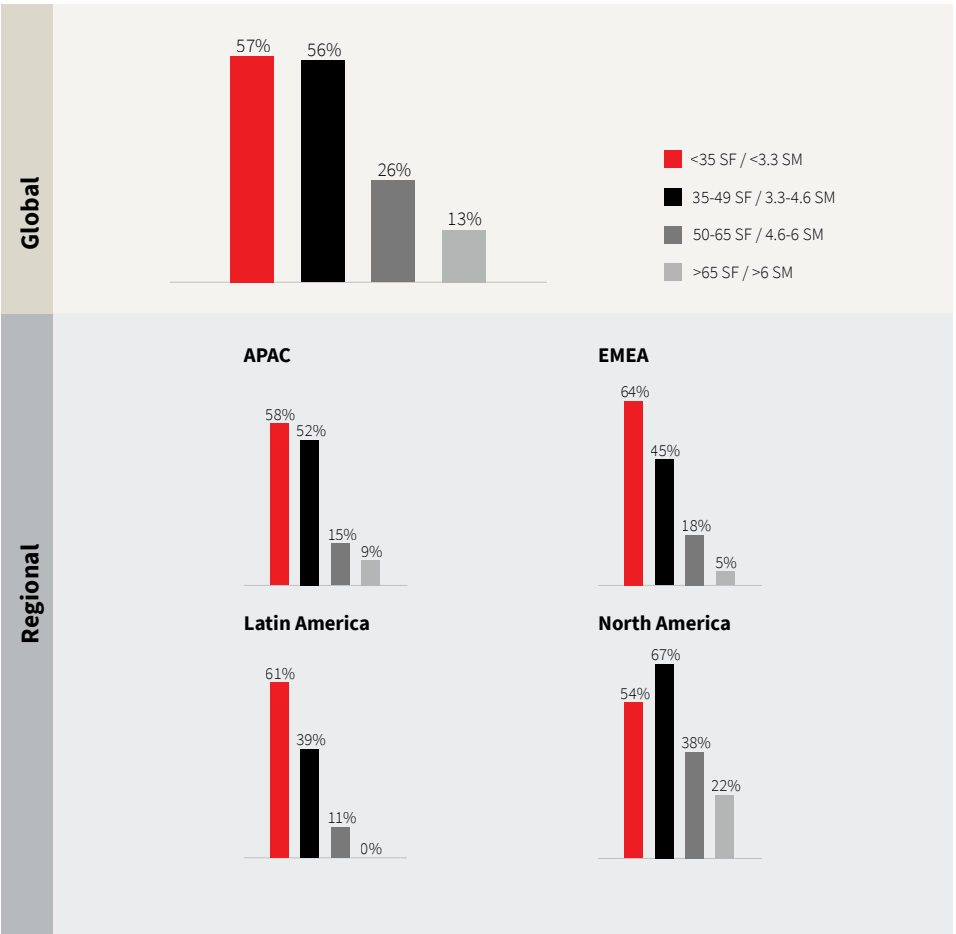**Which of the following office sizes are standard in your portfolio? (check all that apply)**

Legend:
- <100 SF / <9 SM
- 100-149 SF / 9-14 SM
- 150-224 SF / 14-21 SM
- 225-300 SF / 21-28 SM
- >300+ SF / >28 SM
- No offices included in standards

Global

8%, 53%, 32%, 18%, 6%, 30%

Regional

APAC
3%, 48%, 30%, 18%, 9%, 30%

EMEA
5%, 45%, 14%, 5%, 5%, 45%

Latin America
6%, 50%, 11%, 6%, 0%, 44%

North America
13%, 59%, 46%, 25%, 6%, 21%

Standard workstation sizes

With densification on the rise and a movement towards activity-based working, organizations are including a greater variety of standard workstation sizes in their portfolios. 57% percent of respondents report that their portfolio includes workstations sized less than 35 square feet, up from 46% who said the same last year. A greater number of respondents also report their portfolios include workstation sizes of 35-49 square feet (from 53% to 56% year-over-year) and 50-65 square feet (from 23% to 26% year-over-year). Only the largest workstations, greater than 65 square feet, saw a decline in the number of respondents who have them in their portfolio, from 14% last year to 13% this year.

Which of the following workstation sizes are standard in your portfolio? (check all that apply)

Legend:
- <35 SF / <3.3 SM
- 35-49 SF / 3.3-4.6 SM
- 50-65 SF / 4.6-6 SM
- >65 SF / >6 SM

Global

57%, 56%, 26%, 13%

Regional

APAC
58%, 52%, 15%, 9%

EMEA
64%, 45%, 18%, 5%

Latin America
61%, 39%, 11%, 0%

North America
54%, 67%, 38%, 22%

Types of visitor drop-in spaces

To support increasing mobility trends, today's firms tend to provide a wide range of drop-in space types for employees and visitors, such as communal space—the most common type—as well as benches, workstations, vacant seats and offices.

According to our survey, communal spaces lead the pack in this department, with 78% of respondents providing this type of space for drop-ins. Meanwhile 54% offer workstations and vacant spaces to visitors. Just 7% of respondents allocate no drop-in space for visitors.

What type of visitor and employee drop-in space do you provide? (check all that apply)
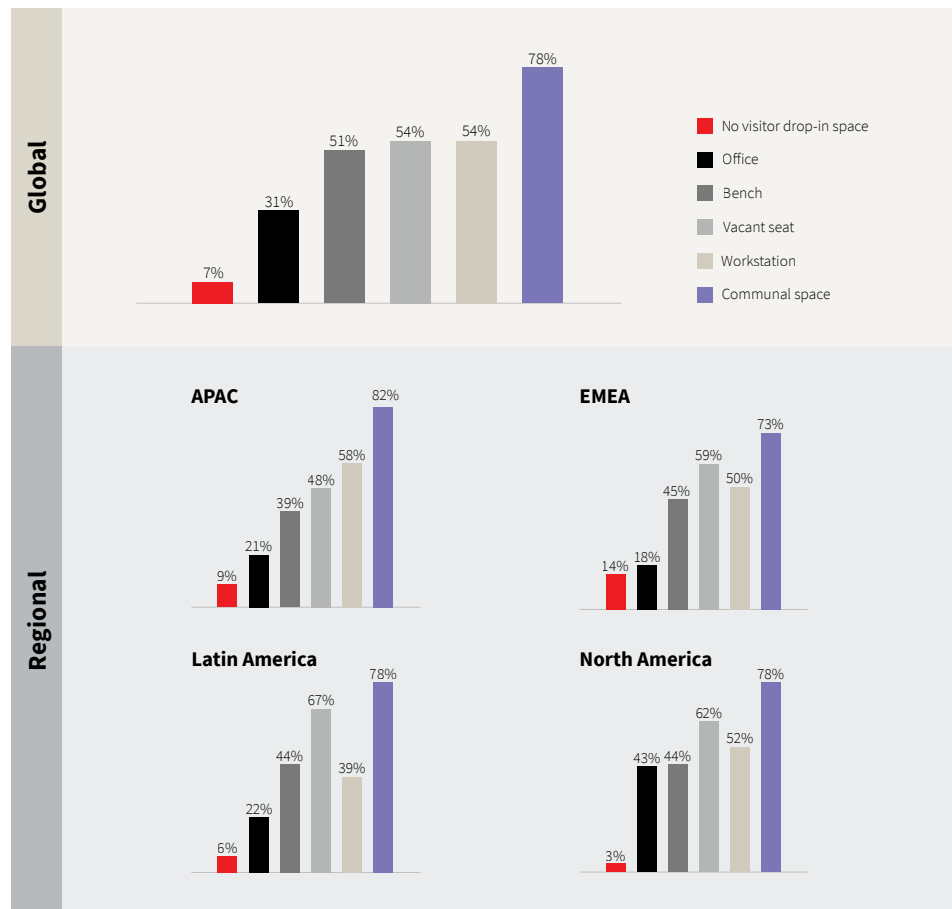
Space configurations

With regard to space planning, it's important for organizations to first decide on their desired mix of office, workstation and communal spaces, and then determine office and workstation size standards. A calculated approach will help ensure standards align with organizational culture and values.

Organizations use standards and functions to help determine the optimal configuration of the primary types of workspaces for their employees. They also may use a matrixed or tiered approach to delineate between headquarters space standards, versus regional or local offices.

Key takeaways

- Determining the best types of functional work settings to support an organization's culture, employee productivity and human experience is becoming increasingly imaportant and requires a strategic approach.

- Workspace sizes are increasingly being determined by function—versus by band level—as the shift toward activity-based working grows.

- Aligning workplace standards, eligibility criteria and work setting functions with objectives and goals enables organizations to create a workplace that supports the work different teams and employees need to accomplish.

- Organizations that implement standards and eligibility guidelines and criteria are more prepared to determine the design of their workplace and ensure it helps drive a positive employee experience.

Space allocations and chargebacks

How occupiers assess space and needs across the portfolio

Space allocation and chargeback programs help occupiers understand who takes ownership of space, which is vital to assessing space needs across the portfolio, as well as driving the right behavior between business lines and corporate real estate.

Definitions

- **Space allocations** – The amount of real estate assigned to each business unit. The apportioned space offers valuable insight for operations professionals and forecasting demand. Sometimes, space allocation data provides the business case to implement a space chargeback program.

- **Space chargeback** – A program to identify, communicate and obtain reimbursement for real estate costs from various business units. The goal of a space chargeback program is to drive accountability for space use and align with an organization's business goals.

- **Common space** – Space not assigned to a business unit. This typically includes circulation, lobby, reception, restrooms, break rooms, cafeteria and/or fitness spaces.

Space allocation and/or chargeback activity

Firms are increasingly adopting space allocation programs. Globally in 2019, 72% of respondents report they allocate and/or charge back space, compared with 65% in 2018. This suggests more leaders are seeing the strategic value of understanding ownership of space in a portfolio.

Do you allocate and/or charge back space?

Yes ■ **No** ■

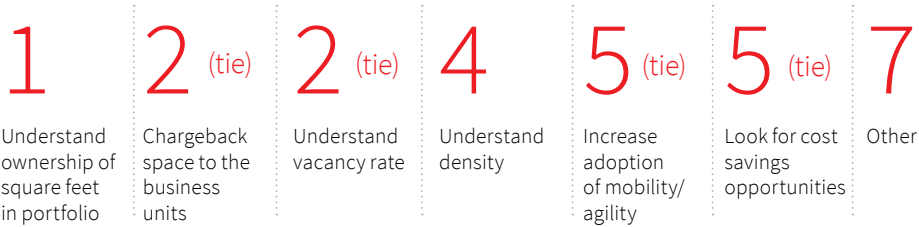| Region	Yes	No
North America	75%	25%
EMEA	60%	40%
Latin America	57%	43%
APAC	49%	51%
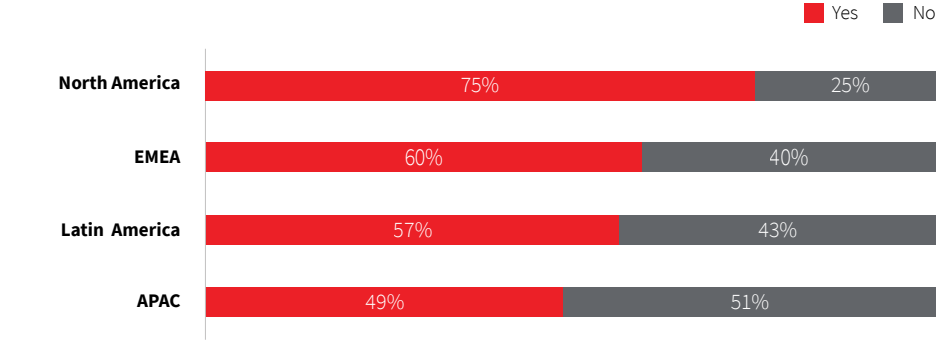
Percentages may not add up to 100 due to rounding.

Benefits of allocating space, ranked

There are many benefits to allocating space, from understanding key metrics like density and vacancy to knowing who owns the space in a portfolio. Understanding ownership of square footage in the portfolio is the top benefit respondents say they achieve by allocating space, up from the second position last year. Understanding vacancy rates tied for second place with charging back space to the business units—an effort that drives the right business line behavior.

1 Understand ownership of square feet in portfolio

2 (tie) Chargeback space to the business units

2 (tie) Understand vacancy rate

4 Understand density

5 (tie) Increase adoption of mobility/ agility

5 (tie) Look for cost savings opportunities

7 Other

Common space allocation

Continuing the trend from 2018, 62% of organizations are currently prorating the majority of common space, like cafeterias and atriums, to all business units, as opposed to real estate or other functions.

Global

- 62% ■ Prorated to all business units
- 29% ■ Allocated to real estate
- 9% ■ Other
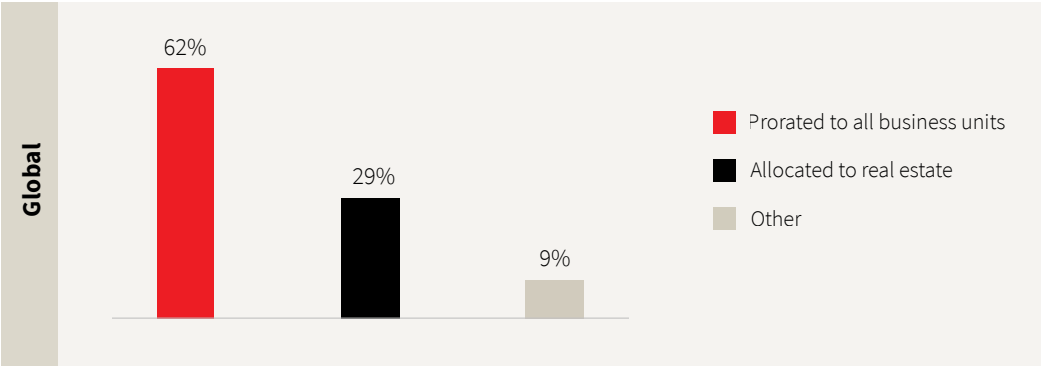
Percentages may not add up to 100 due to rounding.

Meeting and open collaboration space allocation

Similar to common space, 61% of organizations predominantly prorate meeting/open collaboration space to all business units. One reason for this is that collaboration space and meeting rooms are used by multiple business units and not dedicated to a single unit. This also simplifies the allocation procress, because assigning collaboration spaces to specific business lines depending on who owns it at the time becomes very labor-intensive and may not provide much value in the end.


Global

- 61% ■ Prorated to all business units
- 26% ■ Allocated to real estate
- 2% ■ Allocated to a business unit
- 12% ■ Others
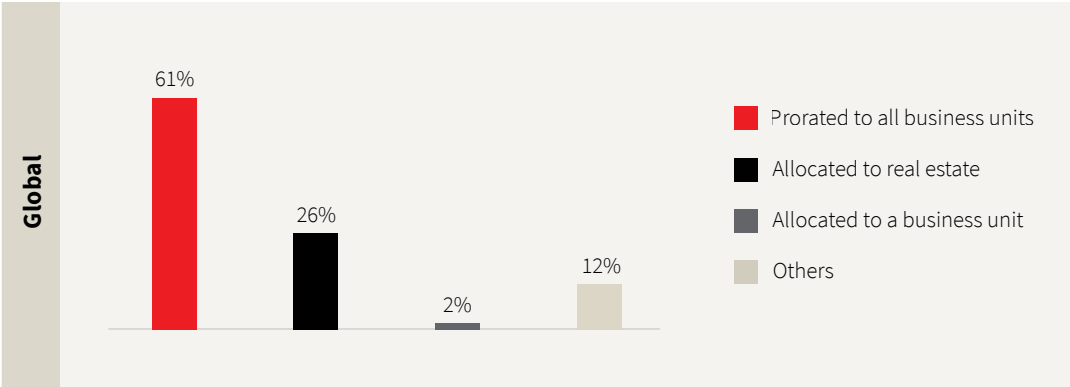
Percentages may not add up to 100 due to rounding.

Vacant space allocation

Vacant workspace is predominantly allocated to a respective business unit, with 42% of respondents globally choosing this method—consistent with last year's findings. With full visibility into occupied space, as well as vacant space available, a business unit can locate the team together and better anticipate future space needs. This high percentage also indicates that a high number of corporate real estate teams see the value in making the business line accountable for the total amount of space to which they committed.

Global

- 19% — Prorated to all business units
- 28% — Allocated to real estate
- 42% — Allocated to a business unit
- 11% — Others
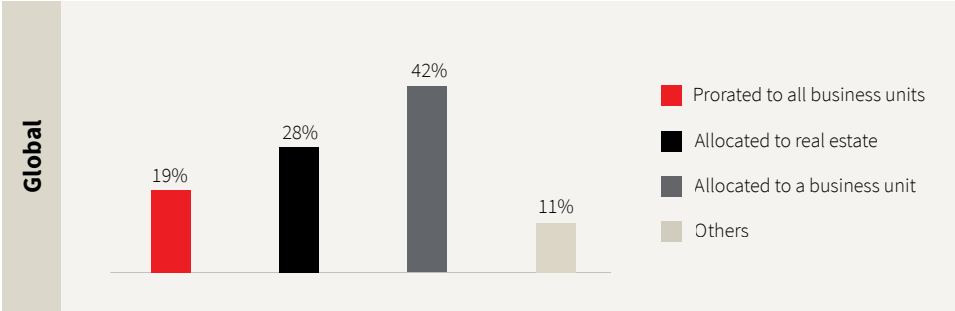
Percentages may not add up to 100 due to rounding.

Allocation update frequencies

Thirty-six percent of respondents update allocations on an ad-hoc or as-needed basis, while 30% do so annually. These numbers have not shifted significantly year-over-year, suggesting that most organizations are not seeing the need to shift frequency. It makes sense to review allocations at times of change, such as when existing space is being reconfigured, or new space is being developed.

Global

- 36% — Ad hoc / as-needed
- 20% — Monthly
- 10% — Quarterly
- 30% — Annually
- 4% — Other
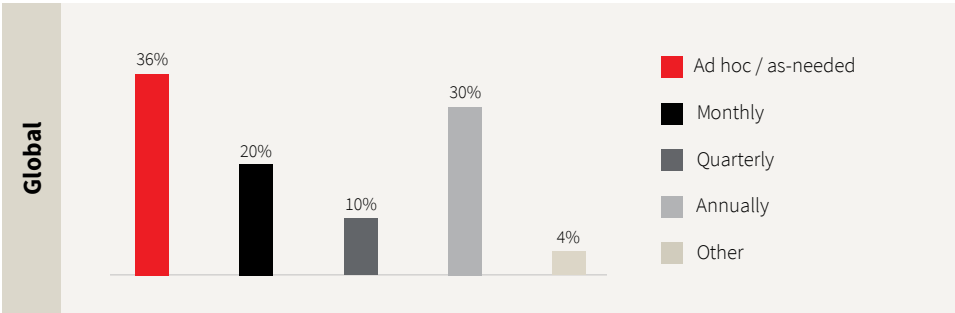
Percentages may not add up to 100 due to rounding.

Chargeback methodologies

There is no one-size-fits-all solution for chargeback programs. Each enterprise must determine how to calculate chargebacks based on the goals they want to achieve. Depending on the goal, an organization may use headcount or area in its chargeback calculations. North America leads the way in basing chargeback methodology on area. Half of organizations in this region charge back space based on area measured as RSF/RSM, compared to 33% in EMEA and 32% in APAC. In EMEA, 40% of respondents use headcount per business unit as a percentage of total headcount as their chargeback methodology.

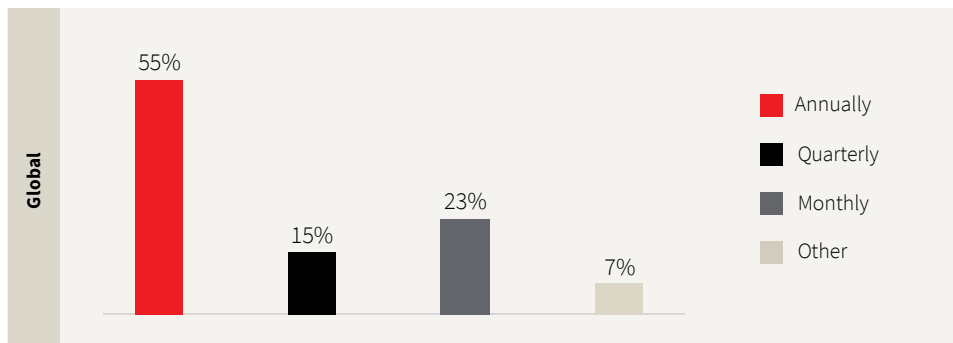**What do you base your chargeback methodology on?**

Global

- 40% — Area: RSF / RSM
- 32% — Headcount: per Business Unit as % of total Headcount
- 25% — Area: USF / USM
- 11% — Other
- 9% — Headcount: per Business Unit as % of total Capacity
- 4% — Headcount: per Business Unit at a standard rate per person
- 4% — Area: GSF / GSM

APAC

32% | 21% | 21% | 16% | 5% | 5% | 5%

EMEA

33% | 40% | 33% | 7% | 0% | 0% | 0%

Latin America

44% | 33% | 33% | 0% | 0% | 0% | 0%

North America

50% | 35% | 13% | 10% | 13% | 3% | 3%

Legend:
- Area: RSF / RSM
- Headcount: per Business Unit as % of total Headcount
- Area: USF / USM
- Other
- Headcount: per Business Unit as % of total Capacity
- Headcount: per Business Unit at a standard rate per person
- Area: GSF / GSM

Percentages may not add up to 100 due to rounding.

Chargeback frequencies

Similarly to allocation update frequencies, chargebacks are tied to the financial cycle of most organizations. Just over half—55%—of respondents charge back to business units on an annual basis.

Global

- 55% Annually
- 15% Quarterly
- 23% Monthly
- 7% Other

Percentages may not add up to 100 due to rounding.

Key takeaways

- With space allocation and chargeback programs, organizations can provide transparency across the organization by helping leaders understand the cost of the square footage that their business unit or team occupies.

- This practice improves accountability as business units accept ownership for their space. After all, they don't want to pay for more space than their teams truly need.

- For a successful chargeback program, the space planning team must ensure that costs are visible and tied to the right business units.

- Some organizations even calculate the actual cost of their vacancy. Nothing attracts leaders' attention more than seeing how much money they may be spending on space that sits empty.

Demand forecast planning

How organizations align real estate with enterprise growth strategy

Does your organization have a crystal ball to peer into your future space needs? While such a device would make planning easier, data and analysis tools are getting us closer to being able to predict the future with more precision.

In order to avoid reactionary decision-making, savvy organizations are using demand forecasting and planning tools to proactively plan how the workplace will adapt to support their business, not just for today, but for the future. That exercise requires the use of space demand forecasting and planning tools in order to avoid reactionary decision-making.

However, all organizations struggle with timely and accurate forecast data and inconsistencies across regions. In one of our last webinars, 52% of all respondents said that they struggle more with accurate headcount forecasting than any other space planning issue.

As a result, huge opportunities exist for organizations to develop and adopt a single governance process for supply/demand forecasting, analysis and planning initiatives. This effort requires teams with skills in artificial intelligence, predictive analytics and business intelligence to drive proactive decisions.

Definitions

- **Supply** – Refers to the total number of seats in a footprint that is translated into space supply (square feet or square meters). Total seat supply identifies the number of people who can be accommodated within a footprint.

- **Demand** – Refers to the corresponding space or seats required to support current headcount.

- **Demand forecasting** – A process of collecting projected future headcount over a defined period

of time and translating that into the corresponding space or seat requirements.

- **Demand planning** – A process that aligns real estate needs with your organization's projected space requirements (growth or reduction) by collecting staffing and support space details to forecast space demand.

- **Occupancy planning** – A metrics-based approach to supporting business-as-usual space needs as business requirements change. This includes supporting daily churn, larger projects/ initiatives such as restacks and consolidations, or the development of scenario occupancy plans in support of optimization initiatives.

Gathering headcount and forecast data

Our survey shows 60% of respondents gather space and headcount forecast data, up slightly from 57% of respondents in 2018. Inconsistency in data collection and governance may be contributing factors to why there is not a larger uptick in more organizations gathering this data. Adopting and implementing an end-to-end process as well as digitizing the process may help mitigate these challenges.

Length of forecast

Forty-seven percent of respondents forecast for three or more years, while 39% forecast only for the next year or less, compared to 27% in 2018. In 2018, 52% of respondents forecast for three or more years. This shift indicates that a growing number of businesses are finding it challenging to plan real estate needs beyond the next year, and indicates why forecasts that look further into the future are likely to be more inaccurate.

- 1 year or less
- 2 years
- 3+ years
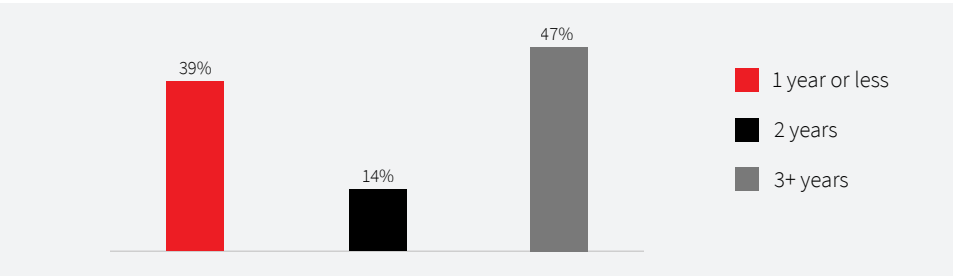
Why forecast?

A majority of respondents (88%) gather demand data on a project basis, in order to evaluate business growth, stability or contraction. This was also the top reason given in 2018. However, organizations are increasingly taking a site/lease-driven approach to gathering demand data in an effort to drive standardization and efficiency.

Global

- Project based
- Site/lease driven
- Time driven
- Metro area or campus driven

Regional

APAC / EMEA / Latin America / North America

- Project based
- Site/lease driven
- Time driven
- Metro area or campus driven
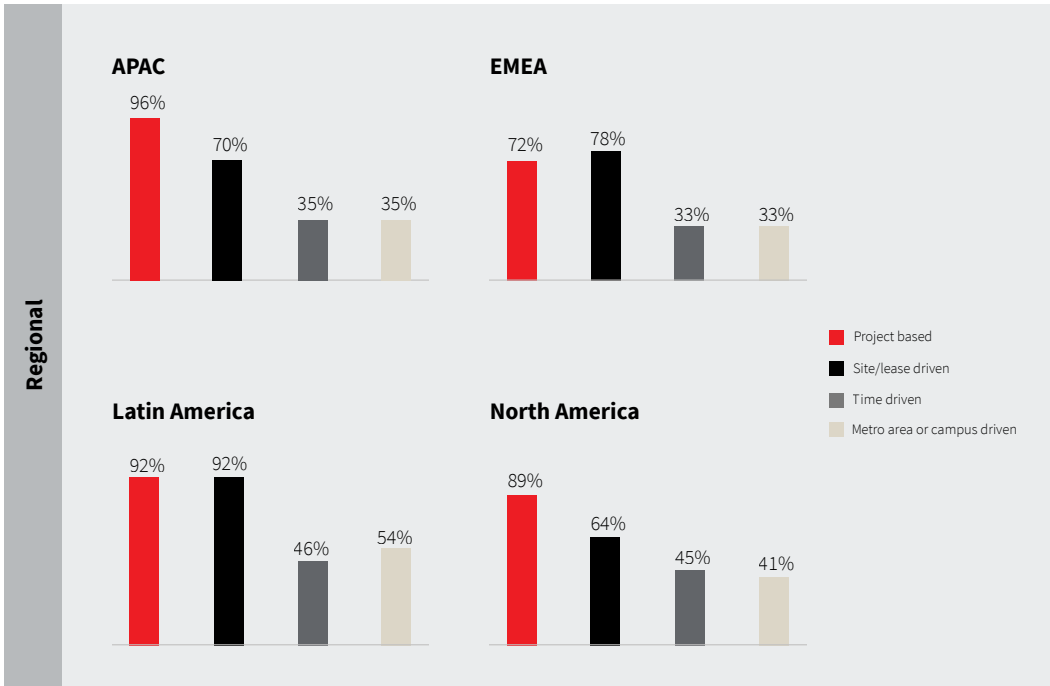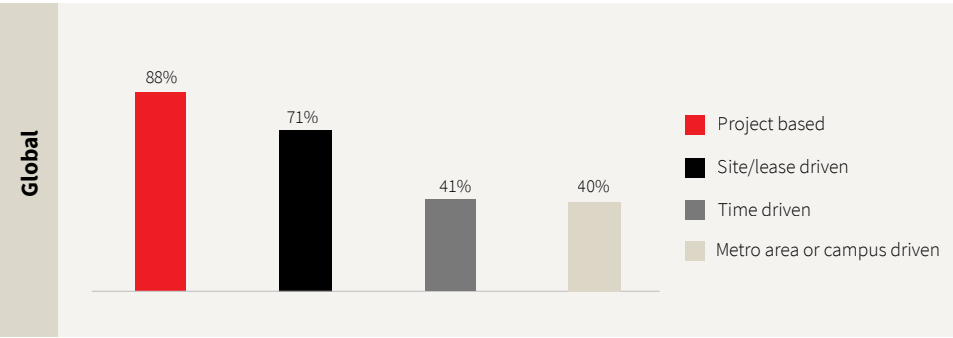
Key takeaways

- A significant faction of organizations—40%—do not forecast demand. This is a missed opportunity for organizations to align their real estate with the wider enterprise's growth strategy.

- Demand planning is crucial for internal stakeholders. For example, when organizations are determining future headcounts, CRE leaders can provide recommended markets for new locations based on existing talent pools, leveraging their space availability and demand forecasts to ensure they're making the most informed real estate, workplace and occupancy decisions possible.

Utilization

Unlocking the power of utilization data

Depending on your organization's needs and goals, you may choose from a variety of utilization tracking methods, from physical walkthroughs to badge swipe data—and everything in between. But these advancements also bring important new considerations for privacy and security. In particular, the passing of the General Data Protection Regulation (GDPR) in 2016 (implemented in 2018) by the European Union reshaped how data is gathered and used across multiple industries, and can have significant implications for how an organization tracks data. You'll also find more detail on this, including a timeline of notable legislation, in the following pages.

The benefits of tracking utilization

In recent years, we've seen a shift from reactive to proactive planning. Tracking utilization fuels more informed decision-making, enabling CRE teams to proactively:

- Improve occupier experience with more intelligent use of existing facilities.

- Eliminate the risk of overcrowding and/or underutilized space, both which can lead to cost drains as well as a subpar human experience.

- Provide a return on investment in the workplace by determining a true utilization ratio that justifies the space investment.

- Assess whether a change management practice is effective by analyzing the alignment between the space and the team's behavior.

Definitions

- **Visual observation** – Physical walkthrough of the workspace to track in/ out/away and other cultural observations.

- **Facility-based sensors (HVAC, light)** – Sensors provided as part of an HVAC or lighting control system to measure occupancy or vacancy.

- **Presence-based sensors (desk, seat, image-based)** – Desk- or seat-level sensors detecting active presence at a seat. Image-based sensors include people-counting video-based sensors, and are typically mounted on a ceiling or wall.

- **Conference room video analytics (e.g., Cisco PeopleCount)** – Video analytics used for counting people in a meeting or collaboration room, leveraging installed videoconferencing cameras and advanced analytics to sense and count people.

- **Closed circuit security video** – Video analytics provided by closed circuit television (CCTV) or security cameras leveraging advanced visual behavioral analytics (VBA) to sense and count people in a space.

- **Badge swipe data** – Collecting security access control badge swipes to identify the number of people entering and/or leaving a controlled space.

- **Network (location within space, Wi-Fi, Bluetooth, RFID)** – Leveraging network connectivity and activity (Wi-Fi) via mobile devices in a space to count active users within a space. May also include mobile applications leveraging Bluetooth, Bluetooth Low Energy (BLE) or related technologies to track user mobile devices.

Methods of tracking utilization data

Badging is now the most commonly used method of tracking utilization across regions, followed by visual observations. In 2018, visual observations accounted for 65% of respondents, while badge data accounted for 56%. Now, nearly 90% report using badge swipe data, while visual observations have dropped to 59%.
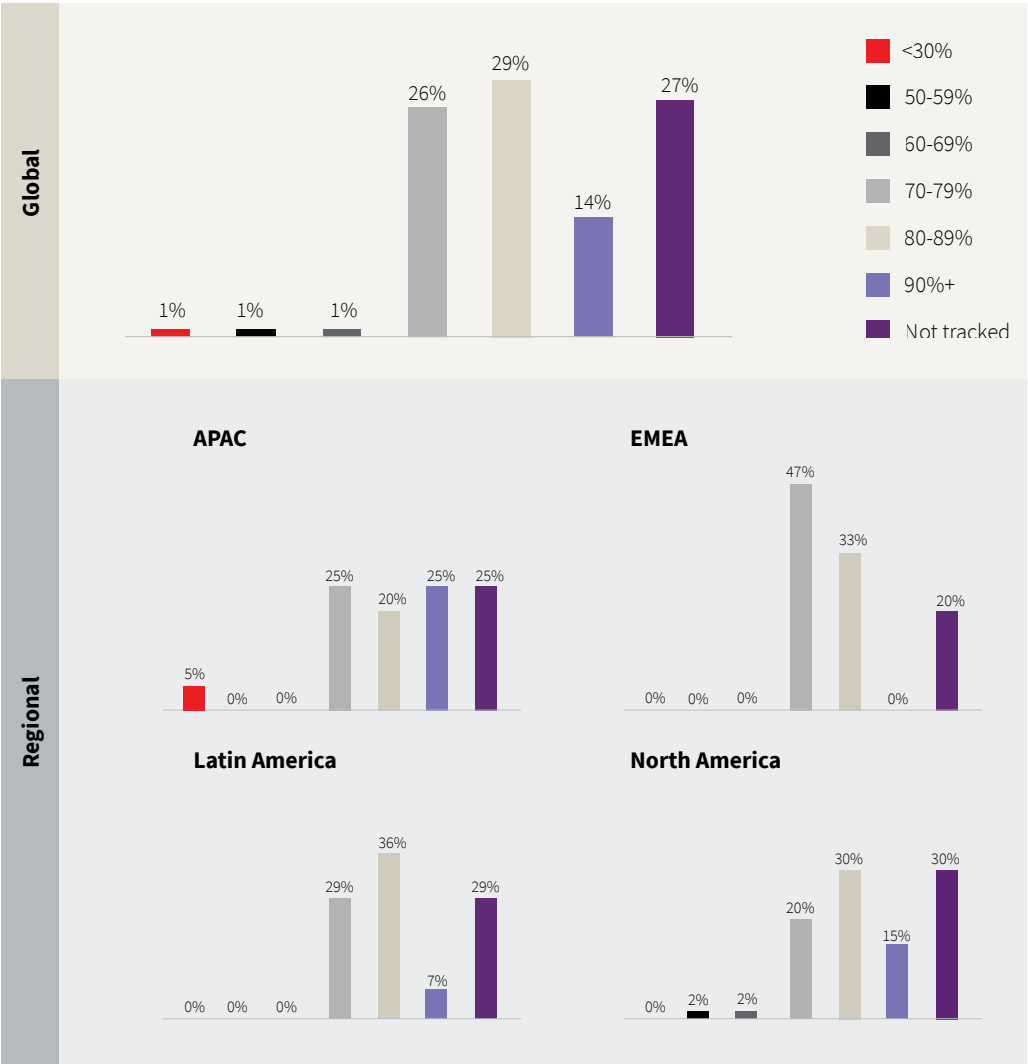
This shift can be explained in large part to the increasingly cost-effective nature of badging solutions. Most organizations already have security badging data and it can be reasonably low-cost to implement. That said, there's more than sheer cost to consider when it comes to adopting and utilizing any given method, particularly around data privacy and risk of non-compliance with new laws.
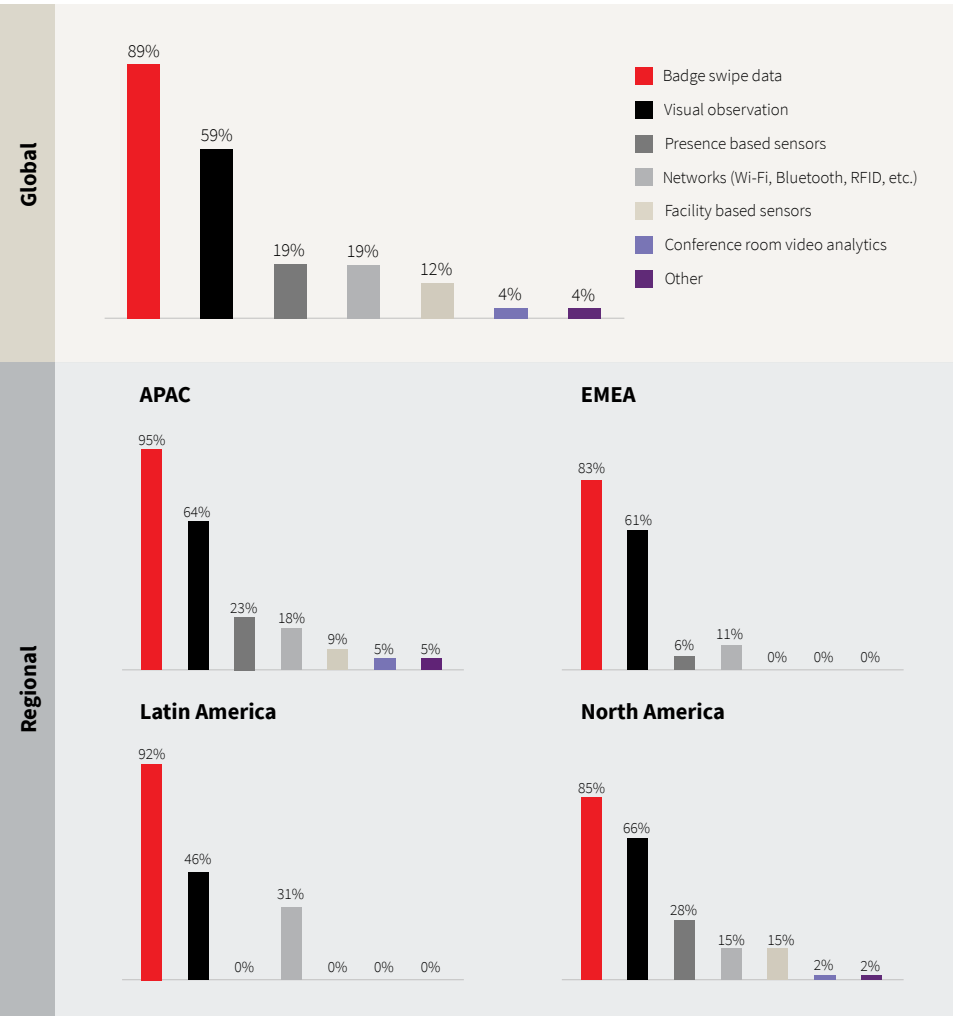
Target utilization rate in office/admin space

Many organizations establish target utilization rates to set expectations for used space and benchmarks for planning purposes. The top two target utilization rates cited in this year's survey are 80%-89% (29% of respondents) and 70%-79% (26% of respondents). A much smaller proportion of respondents (14%) aim

for utilization of 90% or higher, suggesting that most organizations either realize there are limits to how efficient their workplace can be, or that there is value in leaving some space underutilized to allow for flexibility.

Methods of tracking utilization data chart

Legend:
- Badge swipe data
- Visual observation
- Presence based sensors
- Networks (Wi-Fi, Bluetooth, RFID, etc.)
- Facility based sensors
- Conference room video analytics
- Other

Global: 89%, 59%, 19%, 19%, 12%, 4%, 4%

APAC: 95%, 64%, 23%, 18%, 9%, 5%, 5%

EMEA: 83%, 61%, 6%, 11%, 0%, 0%, 0%

Latin America: 92%, 46%, 0%, 31%, 0%, 0%, 0%

North America: 85%, 66%, 28%, 15%, 15%, 2%, 2%

Target utilization rate in office/admin space chart

Legend:
- <30%
- 50-59%
- 60-69%
- 70-79%
- 80-89%
- 90%+
- Not tracked

Global: 1%, 1%, 1%, 26%, 29%, 14%, 27%

APAC: 5%, 0%, 0%, 25%, 20%, 25%, 25%

EMEA: 0%, 0%, 0%, 47%, 33%, 0%, 20%

Latin America: 0%, 0%, 0%, 29%, 36%, 7%, 29%

North America: 0%, 2%, 2%, 20%, 30%, 15%, 30%

Percentages may not add up to 100 due to rounding.

Actual utilization rate in office/admin space

The actual average utilization rate across industries is approximately 60%, which is significantly lower than the target utilization rates cited by respondents above. A quarter of respondents have an actual utilization rate of 60-69%. The manufacturing industry has the highest rate at 68%, followed closely by financial services at 67%, perhaps reflecting the efforts these firms have taken to right-size their space. Meanwhile, the actual utilization rate for professional services is 49%, the lowest of all industries. That makes sense given these workers are often traveling to and spending time on-site with clients, but it also represents a substantial decline from a 65% utilization rate for the sector in 2018.

What is your actual utilization rate (%) in office/admin space?

A quarter of respondents have an actual utilization rate of 60-69%, which is down from 29% recorded last year. The largest increase was in the 40-49% utilization range.

Last year, only 8% of respondents had an actual utilization rate in this range. That figure doubled this year, reaching 16%.
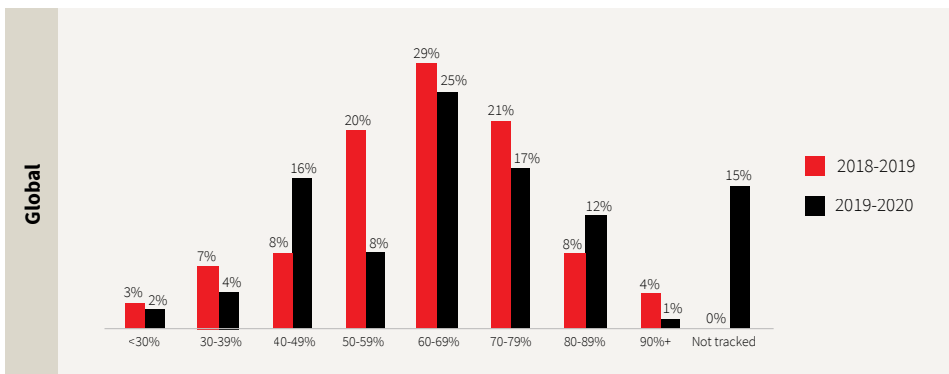
Percentages may not add up to 100 due to rounding.
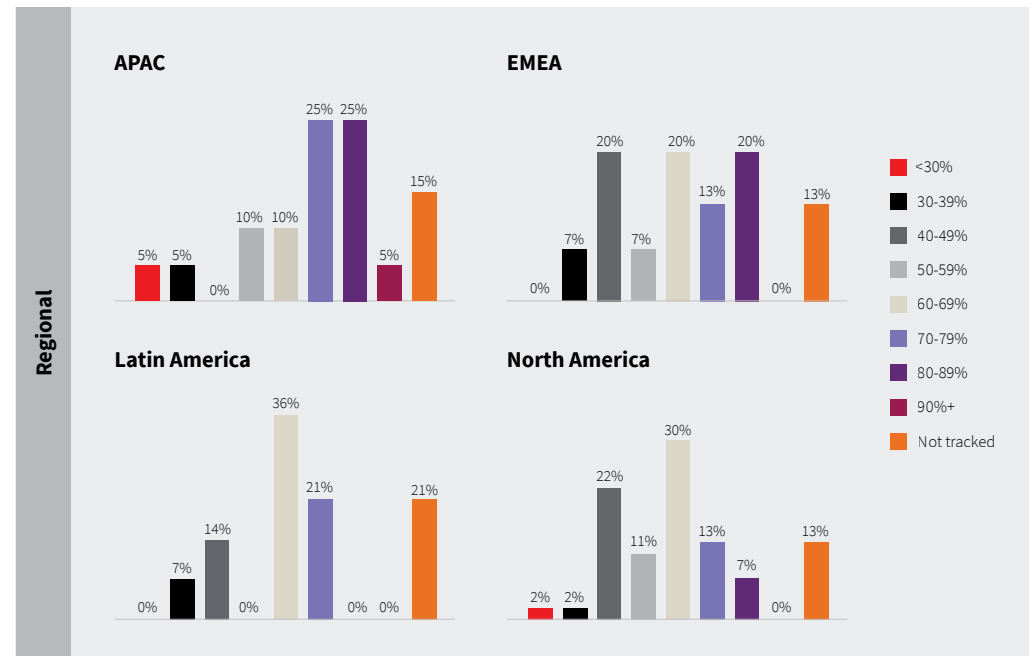
Percentages may not add up to 100 due to rounding.

Actual utilization rate by industry

68% Manufacturing	**67%** Financial services
63% Communications	**63%** Healthcare
60% Technology	**60%** Life sciences/pharmaceutical
56% Consumer products	**49%** Professional services
20% Public institutions/government	**58%** Other

Purposes of utilization data

For most respondents, planning and mobility programs are the primary uses of utilization data. Planning continues to be the top reason for tracking utilization data, continuing a trend we have observed since 2016. Meanwhile, helping plan for mobility programs rose to the second spot in 2019, an increase from 2018, when it tied with business case as the third most-cited reason.

Understanding how often various space is used by employees helps occupiers plan and provide spaces to meet ongoing needs. Plus, companies often overestimate utilization, so having actual utilization data is important in assessing the impact of mobility programs and flexible workplaces. While traditional metrics such as density and cost per square foot can be useful in some ways, they don't offer any insight into how many people are actually using the space, which is a critical data point to monitor in the move towards a more agile work environment.
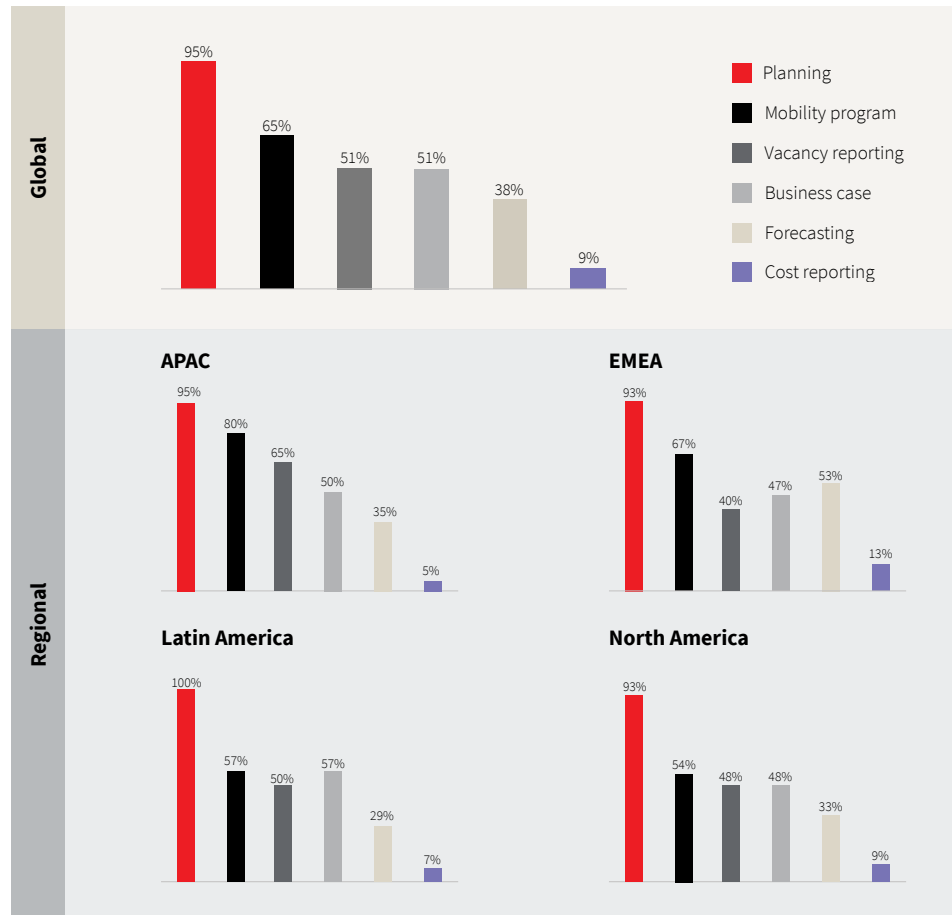
Data privacy legislation across the world

The following table lists key data protection acts recently passed by governments across the world:
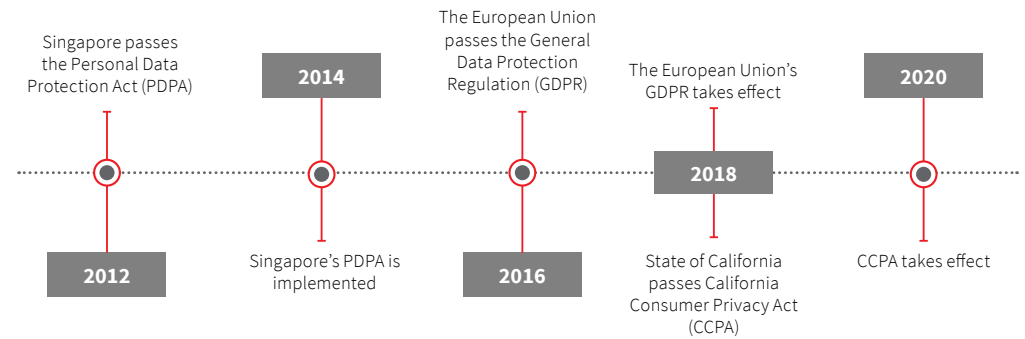
Legislation	Governing Body	Description
General Data Protection Regulation (GDPR)	European Union	Passed in 2016 and implemented in 2018, the GDPR imposes a comprehensive regulatory framework for sensitive personal data. It is an evolution of the current Data Protection Directive and a step change that brings greater accountability, transparency and consumer control.
Personal Data Protection Act (PDPA)	Singapore	The PDPA passed in 2012 and was implemented in 2014. However, the Personal Data Protection Commission has introduced potential updates. One concerns data breaches and mandatory notification for all persons involved if the breach affects 500 or more people. Secondly, the commission may issue rules on data portability, which allows a person to request a copy of their own data and transfer it elsewhere.[1]
California Consumer Privacy Act (CCPA)	California, United States	The CCPA passed in 2018 and became effective in 2020. The law gives more power to consumers by allowing them to know what personal data is collected and what it is used for, to opt out of the sale of their own data to a third party, and more. In addition, businesses must let the consumer know that they intend to collect their data.

[1] Sidley Austin LLP

Data privacy compliance risks for utilization methods

From visual observation to sensors, how organizations measure data can be as important as what they do with it after the fact, in terms of compliance and risk issues. Following are common utilization methods and the privacy risks they could pose.

Visual observations
Desks are observed, not people. All space numbers are randomized so they cannot be tracked back to an individual. Heat maps are generated using averages on banks of desks and not a single data point.

As a result, visual observations pose very low risk of violating data privacy laws like the GDPR, as people aren't individually identified and therefore no personal data is stored.

Facility-based sensors
Most equipment-borne sensors are completely anonymous, and are only triggered by activity in an area of space, not a desk. When sensors connected to the HVAC or lighting system compile data, there is no link back to individual employees. As a result, there is no risk of violating data privacy laws, since no personal data is stored.

Presence-based sensors
Like visual observations, desks are observed, not people. Presence-based sensors based on desks, seats or images should be randomized, so that they cannot be tracked back to an individual. Heat maps are generated using averages on banks of desks and not a single data point.

There is no risk of violation if video is anonymized, like non-recording or tracking the shape of people and not faces, as personal data is not stored. If the video does record these details, then a higher risk exists and would need to be assessed on a case-by-case basis.

Conference room video analytics
Video-based systems like Cisco PeopleCount do not record or store the footage. Footage is used for counting and then wiped.

Like image-based sensors, there is no risk of violation if video is anonymized—for example, non-recording or tracking the shape of people and not faces—as personal data is not stored. If the video does record this, however, then there is a higher risk that would need to be scrutinized carefully.

Closed circuit security video
Video analytics provided by closed circuit television (CCTV) or security cameras leverage advanced visual behavioral analytics (VBA) to sense and count people in a space.

Like image-based sensors, there is no risk of violation if video is anonymized—for example, non-recording functions or tracking the shape of people and not faces—as personal data is not stored. That said, if the video does record this, then a higher risk would be present and need to be evaluated.

Badge swipe data
Although data varies across organizations, the "gold standard" data would include anonymized unique swipes into a controlled space, grouped by team, and teams with fewer than five people merged into a larger team. This method can track which floor or neighborhood each swipe was connected to, yet does not single out the individual.

Risk depends on what information is shared. Ideally the data is de-identified or fully anonymized before workplace analysts can access it. If this is not the case, the risk becomes slightly higher, although the data can still be de-identified or fully anonymized before they begin to work on it.

Network
There is potentially high risk for network tracking, which can include location within space, Wi-Fi, Bluetooth, RFID and more. If an organization is tracking people moving around in a building, then leaders must acknowledge that:

- User permission is required.
- There is medium to high risk of violating data privacy regulations.
- Valid purpose is needed.
- Areas such as toilets need to be ring-fenced and not tracked.

The selling point of this approach, when managed responsibly, is that monitoring utilization via networking can potentially add other value to the user, whether it provides easier wayfinding or desk booking, for instance.

Key takeaways

- As utilization tracking technology becomes more available and cost-effective, more organizations are realizing the benefits that come with ongoing monitoring of space. Utilization data has become a key metric in answering questions that space planners face on a daily basis: Do we have the right number of workstations? Which types of seating arrangements do employees prefer? Do we need more collaboration areas?

- The rising number of tracking tools can make it difficult to sort through the options and pick the best solutions. Organizations should always start with a comprehensive strategy built around the questions they hope to answer with utilization monitoring, and work from there to pick the best solution.

- New technologies are also raising important new privacy concerns—and governing bodies around the world are taking note. From the European Union and Singapore to the United States, many leaders are addressing the data privacy concerns that can come with such new innovations, shaping how data is responsibly collected and used.

- Most utilization methods have a low risk in violating data privacy, given that they maintain employee anonymity. Most technology anonymizes video and either avoids recording it, or, when it is recorded, wipes it afterward. However, risk increases when presence-based sensors or cameras record video; badge-swipe data is not deidentified or fully anonymized; or networks track users without permission or valid purpose.

- When utilizing these methods, planners must take extra steps to ensure compliance with all applicable privacy regulations.

Mobility programs

Making sense of mobility programs

Granting employees flexibility in determining where and when they work best—in other words, mobility or agility—can be a meaningful factor in shaping a positive, memorable human experience. It also offers CRE teams a chance to breathe new life and agility into underutilized space.

One strategy that organizations use to enhance their human experience goals is to create an agile, energetic environment that allows their employees to work efficiently and, in turn, converts underutilized square footage into space that employees want to use. Mobility offerings can help employees work more efficiently within the office as well as remotely. These programs are instrumental in building an innovative, collaborative culture that attracts and retains top talent by giving them the freedom to work where they work best, as well as helping them feel connected and empowered wherever they choose to work.

Definitions

- **Mobility/agility program** – A program that outlines the framework to allow employees to have unassigned seating within the organization's physical workspace, and to work from different locations outside and inside the workspace provided by the organization.

- **Neighborhood** – A designated area of workspaces, which usually vary in configuration within a mobile or agile workplace where a specific group of employees sit. Neighborhoods can be classified by job function, project team, department, geography or other categorizations.

- **Dynamic zone-based planning (agile OP)** – A process that supports business-as-usual occupancy planning (OP) needs in agile/unassigned seating environments. This includes the allocation of zones or neighborhoods to segments of the occupant population, the daily movement between those zones and the planning of larger initiatives

such as restacks, consolidations and other space solutions necessary in support of changing and evolving business needs.

- **Open collaboration** – A space where employees can meet that is part of the larger office environment. Open collaboration spaces have various furniture configurations including, but not limited to, soft seating (couches and chairs), conference tables, high-top tables and more.

- **Mobility ratios (seat:employee)** – The ratio used to measure the total number of workspaces to number of employees.

- **Mobility/agility target ratio** – The metric used to benchmark the performance of a mobility/agility program, typically shown as a ratio of seats to population. For example, the number of employees in a space or the total square footage dedicated to the mobility/agility program can be used to determine the mobility/agility target.

Mobility/agility programs on the rise

Sixty percent of our respondents have mobility programs and the trend shows no sign of slowing, with our surveys indicating that this rate has increased consistently over the last three years. We expe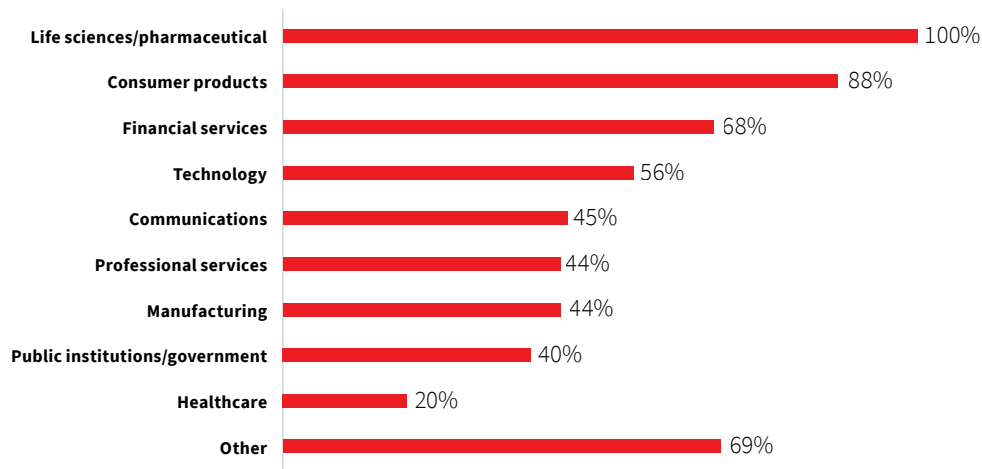ct this percentage to continue to grow as more workplace leaders realize how mobility and agility can support a range of organizational goals, from improved engagement and productivity, to more efficient space utilization.

Do you have a mobility/agility program?

	2017	2018	2019
No	57%	52%	60%
Yes	43%	48%	40%
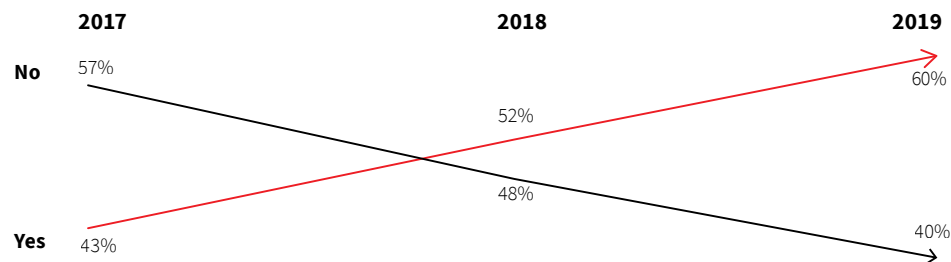
2019-2020 mobility by industry

All of the life sciences/pharmaceutical companies we surveyed have a mobility program in place. In second is the consumer products industry: 88% of these respondents have a mobility program in place.

Industry	
Life sciences/pharmaceutical	100%
Consumer products	88%
Financial services	68%
Technology	56%
Communications	45%
Professional services	44%
Manufacturing	44%
Public institutions/government	40%
Healthcare	20%
Other	69%

Criteria for mobility/agility program eligibility

Globally, most companies say job function and manager discretion are the top criteria used for determining employee eligibility for their mobility/agility programs, although there are some notable geographic differences.

For example, 65% of firms in APAC use job function as one criterion for eligibility, compared to just 44% in EMEA.

What criteria is used to determine employee eligibility for the mobility/agility program?

Legend:
- Job function (call center, sales)
- Manager discretion
- Employee discretion
- Utilization reporting
- None

Global

Job function	Manager discretion	Employee discretion	Utilization reporting	None
56%	39%	10%	28%	29%

APAC

Job function	Manager discretion	Employee discretion	Utilization reporting	None
65%	30%	17%	35%	26%

EMEA

Job function	Manager discretion	Employee discretion	Utilization reporting	None
44%	44%	17%	28%	44%

Latin America

Job function	Manager discretion	Employee discretion	Utilization reporting	None
45%	36%	0%	27%	36%

North America

Job function	Manager discretion	Employee discretion	Utilization reporting	None
62%	44%	7%	27%	24%

Percentage of employees in mobility/agility programs

The share of mobile/agile population also varies widely among regional respondents. Globally, 53% of respondents report the mobile/agile population is less than 10% of their workforce. The mobile population accounts for over a fifth of the total employee population for 27% of respondents.

This robust mobility population is driven in part from technology firms, which tend to have advanced networking and connectivity capabilities that ease collaboration, even when individuals are on the move.

Global

28%	25% 14% 6% 27%

Percentage in mobility/agility programs
- 🟥 < 5%
- ⬛ 5 - 9%
- ⬛ 10 - 14%
- ⬜ 15 - 20%
- ⬜ > 20%

Regional

APAC
17% 17% 17% 13% 35%

EMEA
28% 11% 17% 11% 33%

Latin America
36% 27% 9% 0% 27%

North America
31% 33% 13% 2% 20%
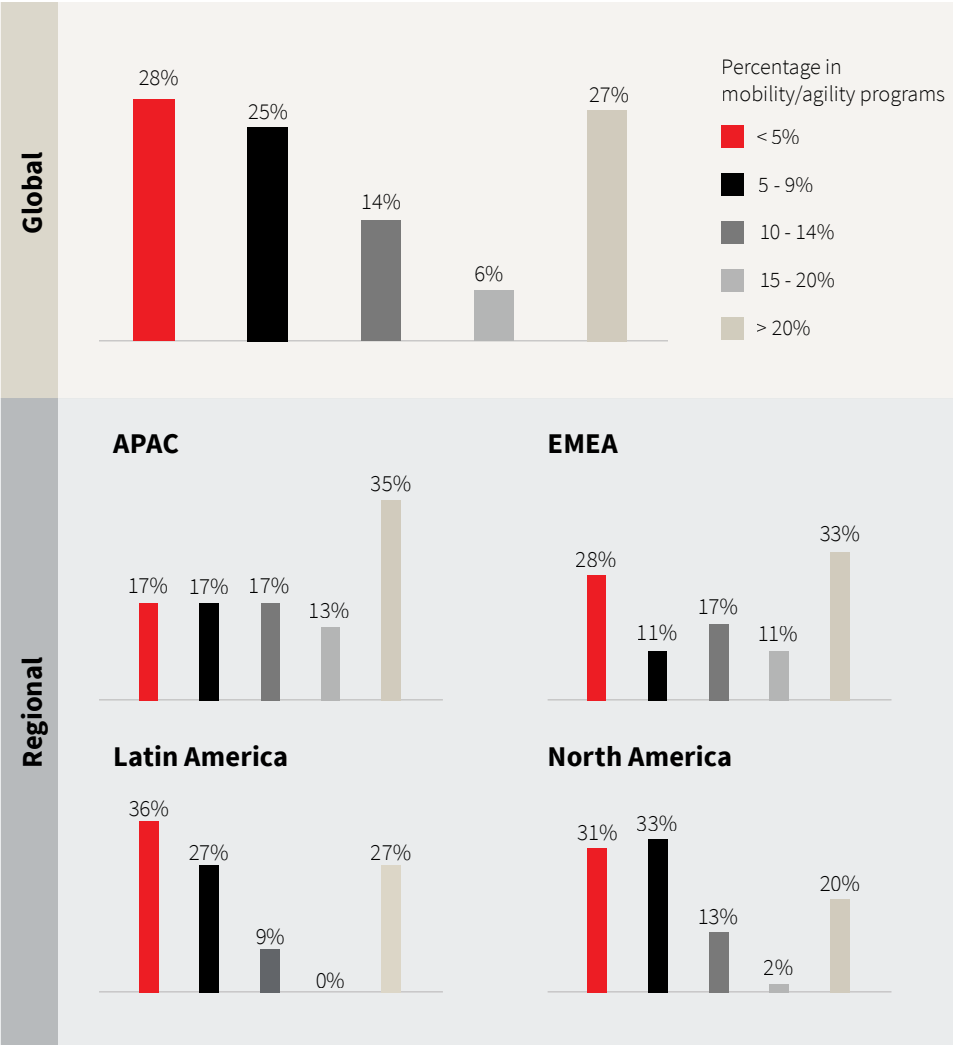
Percentages may not add up to 100 due to rounding.

Average number of people for each mobile/agile seat

Over a third of respondents (34%) have, on average, a mobility seat ratio between 1.11-1.24 people for each mobile/agile seat and 23% have ratios of 1.25-1.40. Rather than the 1:1 person-to-seat ratio of yesteryear, this evolving number represents growing awareness that mobility-oriented solutions can help firms make better use of their space. As organizations continue to get comfortable with mobility programs and improve at measuring utilization, this ratio will likely rise further in the future.

2-4 people per seat	11%
1.5-1.99 people per seat	12%
1.25-1.49 people per seat	23%
1.11-1.24 people per seat	34%
< 1.11 people per seat	20%
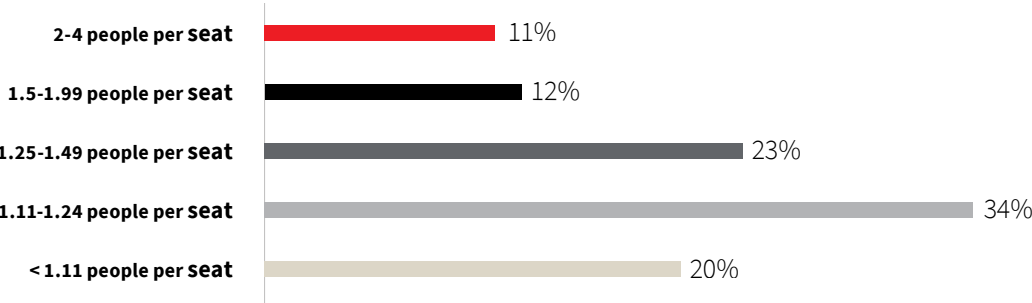
Percentages may not add up to 100 due to rounding.

Structured work-at-home components

Over the past three years, organizations have moved away from structured work-at-home components as part of mobility programs. Just 37% of respondents report having a work-at-home component in 2019, compared to 36% in 2018. Organizations are investing in mobility/agility solutions within the workplace as well as flexible and coworking solutions to meet their employees' needs, which may be contributing to the decline in work-at-home programs.

Does the mobility/agility program have a structured work-at-home component?

2017　　　　　　　　　　　　　　2019

Yes

40%　　　　　　　　　　　　　　37%
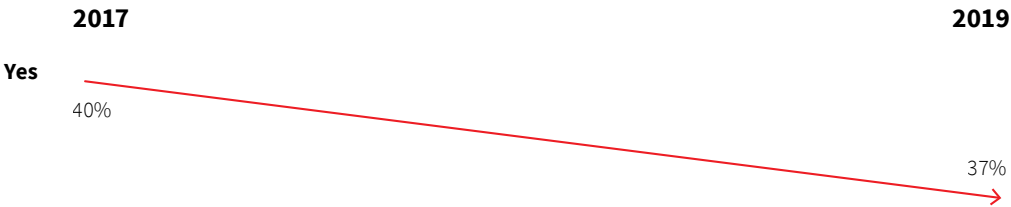
Use of neighborhoods

Globally, CRE leaders most often use neighborhoods in their mobility/agility programs because they say it helps them identify business unit ownership of space, as well as identify unassigned seats. These uses have been the top two reported by organizations over the past three years. Identifying business unit ownership of space also helps leaders understand the level of space by work activity and job function. Then they can make adjustments to neighborhood boundaries as utilization data identifies if they are over- or undersubscribed.

How does the mobility/agility program use neighborhoods?

Global

- 33% To identify business unit ownership of space
- 30% To identify unassigned seats
- 20% Not used
- 18% To capture employee headcount

Legend:
- To identify business unit ownership of space
- To identify unassigned seats
- Not used
- To capture employee headcount

Regional

APAC
35%, 26%, 22%, 17%

EMEA
33%, 17%, 22%, 28%

Latin America
55%, 27%, 9%, 9%

North America
27%, 38%, 20%, 16%
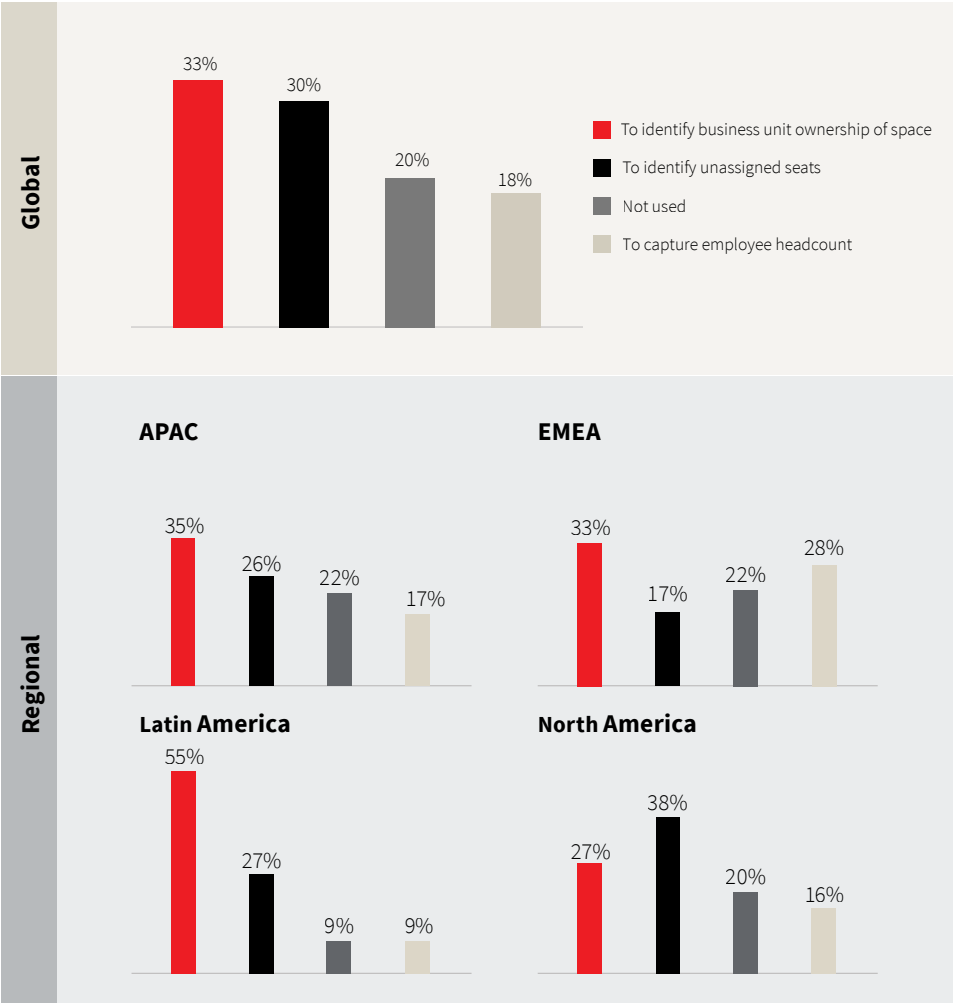
Percentages may not add up to 100 due to rounding.

Future use of mobility/agility programs

Looking ahead, we expect to see mobility expand even further over the next three years, as firms continue to see the human and business value of these programs.

Sixty-seven percent of respondents report they have expansion plans for mobility/agility programs, while only 4% expect to contract these efforts.

- Expand mobility/agility program — 67%
- No change in mobility/agility program — 28%
- Contract mobility/agility program — 4%
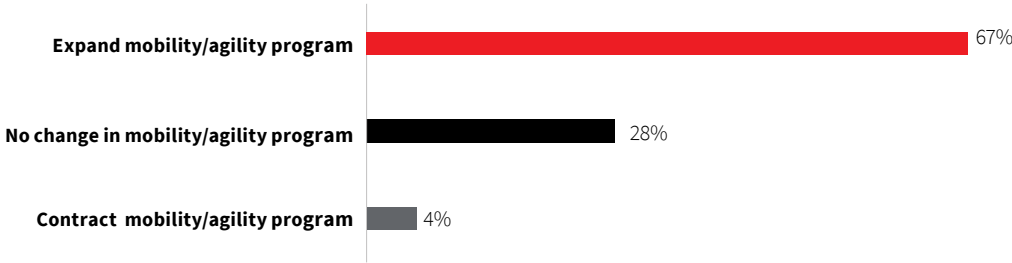
Percentages may not add up to 100 due to rounding.

Key takeaways

- Workplace mobility helps organizations of all sizes reduce underutilized space and adapt to changing employee work habits and preferences. It boosts efficiency and productivity, and can be a key component in attracting employees who want to use space that best suits their needs to produce work that brings greater value to the enterprises they serve.

- Thanks to these benefits, mobility/agility program adoption has seen robust growth and is projected to expand over the next three years.

- Conversely, work-at-home programs continue to decline as employers create a more engaging and agile workplace for employees.

- The growth of mobility/agility programs reflects the trend toward activity-based work, as much of the mobile population is selected based on job function.

Technologies to enhance the workplace

Technology continues to evolve and impact the way we work. To stay ahead, organizations must identify and invest in the best technologies that enhance their workplace strategies. Having the right technology in place can ensure data accuracy, enhance data transparency and improve data integration to provide more robust information and reports.

According to JLL's 2018 Future of Work Global Survey, CRE technology is the top investment priority for CRE teams, ahead of capital expenses, operations and portfolio management. Clearly, organizations recognize the need to leverage technologies to achieve their broader business goals.

Automating update processes and establishing data integrations from trusted data sources can eliminate manual processes and increase the level of accuracy. And teams who leverage reports to identify anomalies in the data are able to accelerate their resolution.

Furthermore, organizations are moving from traditional occupancy strategies and move management to dynamic zone-based planning. They are continuously optimizing ratios in concert with HR and IT departments for change management and to ensure they have the technology needed to execute their strategy.

Definitions

- **CAFM/IWMS** – Computer-Aided Facilities Management (CAFM) and Integrated Workplace Management System (IWMS) are forms of software that can assist in tracking and planning spaces, facilities operations, asset management, room reservations and other customer or vendor service requests.

- **CAFM/IWMS implementation** – The process of integrating a new CAFM/IWMS system for a workplace.

- **Data points** – Single pieces of information that a CAFM/IWMS solution can collect, organize and measure.

- **Data accuracy** – Measures how precisely drawings and data represent the built and occupied environment. These measures apply to both graphical representations via floor plans as well as space function, space type, occupancy, cost centers and usage.

- **Data integration** – A comprehensive process that enhances the CAFM/IWMS solution by combining or merging data from one or more sources for the purpose of providing more meaningful and useful information.

Technologies
to enhance the
workplace

CAFM/IWMS systems for portfolio management

Several vendors offer CAFM/IWMS systems. For our survey responses this year, SPACE, powered by FM:Systems, is the primary system used by survey respondents in North America, EMEA and Latin America, while respondents in APAC most commonly use Serraview.

Did you know?

In JLL's 2018 Future of Work Survey, 88% of those deemed Future Fit have adopted, planned to adopt or have piloted IWMS systems. Future Fit organizations have a proactive attitude toward technology adoption, use partner strategies, invest in IT and digital solutions, prioritize and incentivize innovation, and collaborate deeply with IT and HR. However, only 65% of all others in the survey have done the same.

Data feeds between corporate and CAFM/IWMS systems

Eighty-nine percent of respondents report data feeds from corporate systems into CAFM/IWMS, however, only half report having CAFM/IWMS feed into corporate systems.
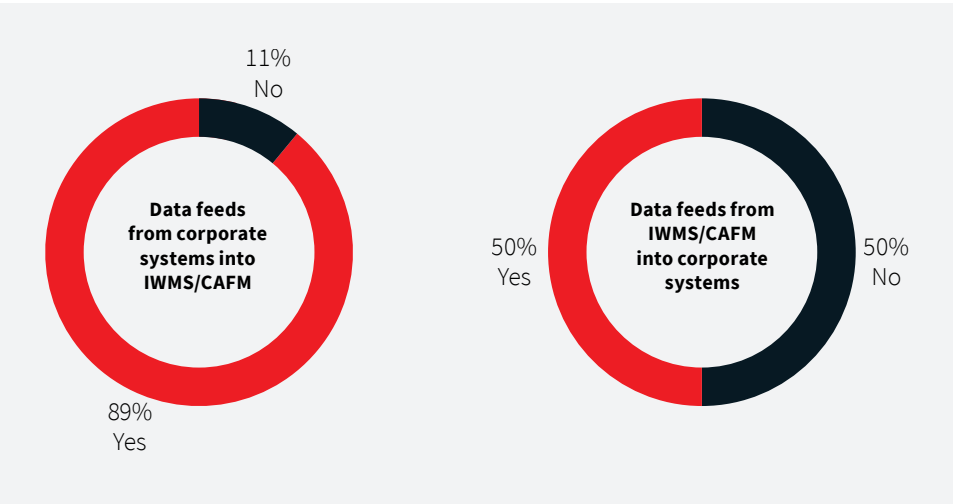
Tools/software interface with CAFM/IWMS systems

CAFM/IWMS systems interface with many tools and other software. HR employee headcount reports are the predominant inputs used in all regions, followed by CAD and HC report for contractors, temps and interns.
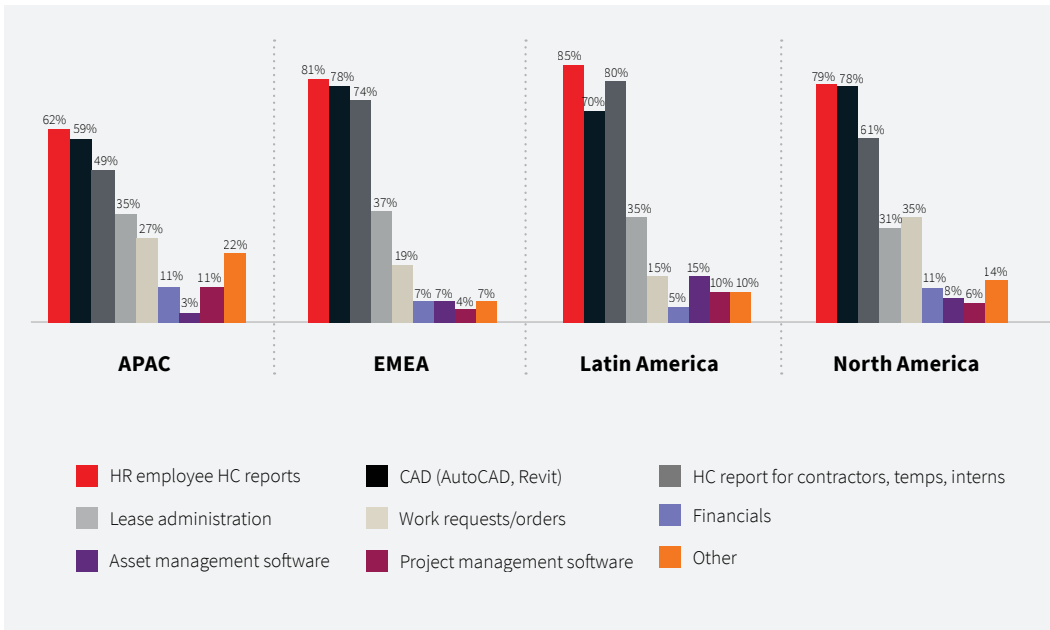
A recent spate of merger and acquisition activity among vendors has added a new layer of complexity when it comes to adopting digital solutions. In 2018, ARCHIBUS merged with Serraview. Waud Capital acquired iOFFICE, and FM:Systems acquired Rifiniti. Mergers and acquisitions may cause uncertainty on the nature and timing of data integration between platforms and new service offerings.

Key takeaways

In today's rapidly evolving tech landscape, organizations face an abundance of available technology and digital solutions, especially for CAFM and IWMS software. The multitude of options can cause fatigue or short-term paralysis for organizations eager to adopt the right technologies to advance their goals. The most prepared organizations for technology adoption are those that have a high-level of collaboration among HR, IT and CRE teams.

Space data accuracy

It's no secret that data-driven insights enable organizations to make fact-based decisions. Building and space data and drawings tie directly to real estate costs, but adopting a design strategy is just an initial step into making fact-based decisions. Data governance and audits are crucial for ensuring accuracy and to verify that collected data can be activated to gain useful insights.

Space data accuracy

Is OP responsible for maintaining space data?

Legend: ■ Yes ■ No

Region	Yes	No
North America	93%	7%
Latin America	86%	14%
EMEA	87%	13%
APAC	82%	18%
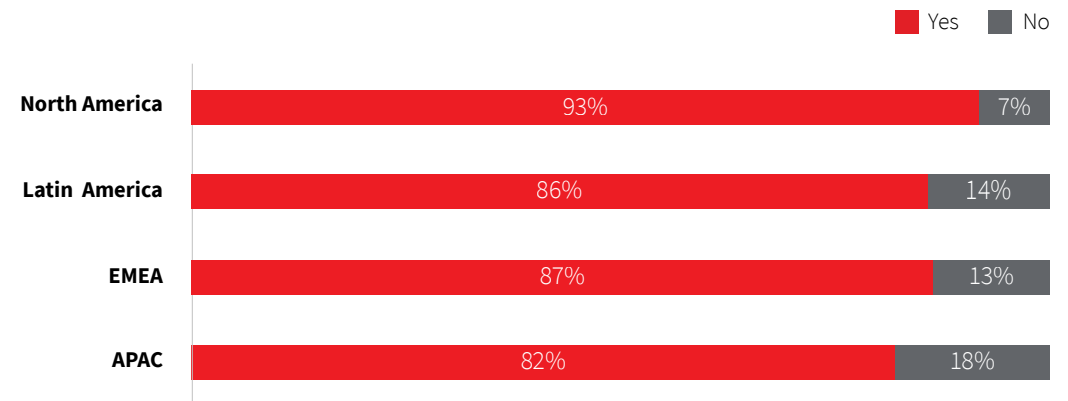
Percentages may not add up to 100 due to rounding.

Data maintenance

Ninety-six percent of respondents globally maintain drawings data, which includes building architecture; furniture, fixtures and equipment (FF&E); and polyline. Last year, 94% maintained drawings data and was second to space attributes.

Space attributes data—including capacity, space functions and space type—is now the second highest data maintained by organizations. Closely behind the first two metrics, occupant names are maintained by 90% of respondents.

Global data maintenance, year-over-year

94% 96% — Drawings (building architecture, FF&E, polyline)
96% 93% — Space attributes (Capacity, space functions, space type, etc.)
91% 90% — Occupant names
75% 78% — Business unit "owner"/ cost center/allocation

Legend:
- 2018-2019
- 2019-2020
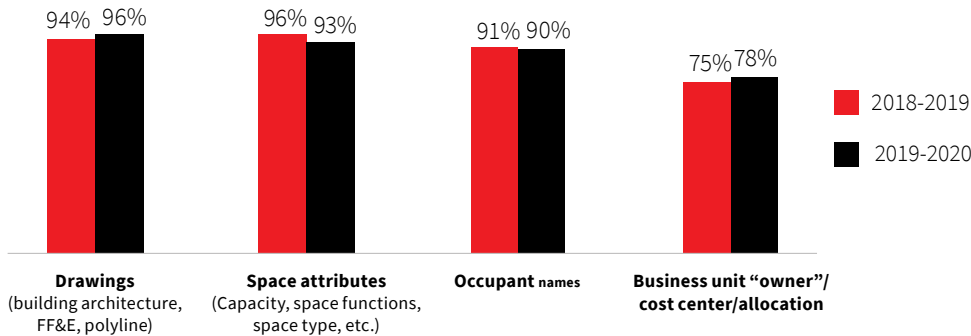
Frequency for data auditing

One key method to ensuring data accuracy is performing an audit to identify and correct any errors or discrepancies. More respondents audit data on a quarterly basis than any other time period, consistent with last year's survey findings.

Data frequency - global

23% Monthly
35% Quarterly
10% Twice per year
4% Annually
23% Other–varies by size and type
5% Not Audited
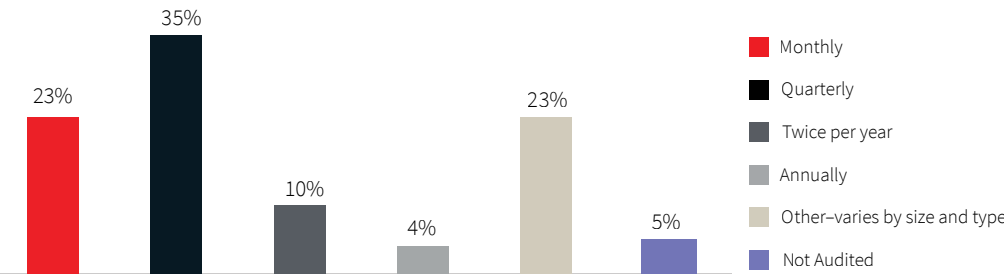
Data frequency, region

	APAC	EMEA	Latin America	North America
Monthly	33%	19%	22%	19%
Quarterly	27%	42%	28%	37%
Twice per year	12%	12%	17%	7%
Annually	6%		6%	4%
Other–varies by size and type	21%	23%	22%	24%
Not Audited		4%	6%	
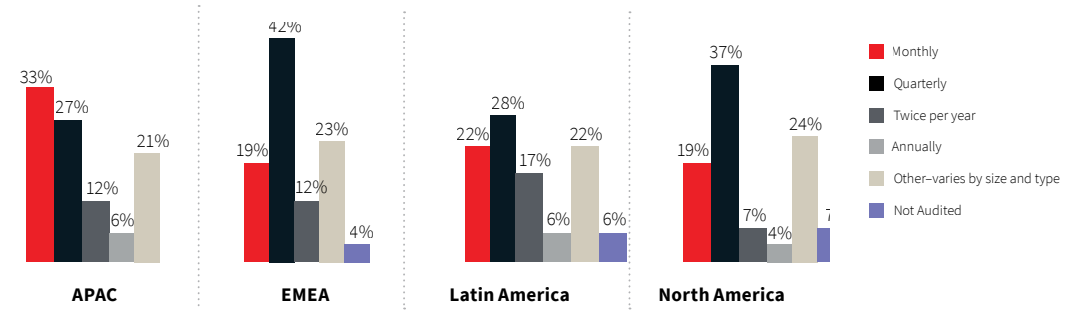
Approaches to auditing data

Data accuracy audits are most commonly performed using paper or electronic floor plans by an auditor, who returns the findings to the planning team to update the IWMS/CAFM system. A full 95% of respondents use such a method, but 33% are currently exploring more technology-driven options. Just 6% of respondents today submit the corrections electronically with a tablet or other device.

62%
Paper/electronic floor plans – No change anticipated soon

33%
Paper/electronic floor plans – Change anticipated soon

6%
Use tablet to submit corrections

Coworking

Coworking: The answer to improved agility?

Coworking and other flexible space arrangements can play a valuable role in supporting an increasingly mobile workforce, as well as bolstering organizational agility with short-term space solutions. Many firms are also seeing how flexible space options like coworking can help them meet human experience goals. In fact, nearly half (48%) of CRE professionals across the globe highlight flexibility and agility of their real estate portfolio among their top three human experience goals, according to JLL's 2018 Future of Work Survey.

Looking ahead, strong coworking brand awareness, aggressive adoption and forecasts of widespread future use will only continue to drive implementation of flexible space. Since 2010, the flexible space sector has grown at an average annual rate of 23%.

Although that pace of expansion seems destined to slow, buyer expectations have been reset in a way that will fundamentally change the way space is delivered and consumed. The growth of flexible space has brought a new focus on amenities and the need for state-of-the-art space for short durations.

Definitions

- **Coworking** – Shared workplace, often an office used by individuals who work for different organizations.

- **Flexible space** – Flexible space is a broad term for space that creates flexibility across the real estate spectrum, including short-term leases, tenant amenity space, flexible workplaces within a portfolio and coworking spaces.

Coworking usage

More than half (55%) of respondents report using coworking as part of their real estate strategy.

Regional breakdown

EMEA 57%

Latin America 71%

North America 56%

APAC 44%

APAC
41% <1% of total portfolio
47% 1-5% of total portfolio
12% >5% of total portfolio

EMEA
29%
41%
29%

Latin America
47%
33%
20%

North America
65%
30%
5%

Legend:
- <1% of total portfolio
- 1-5% of total portfolio
- >5% of total portfolio

Percentages may not add up to 100 due to rounding.
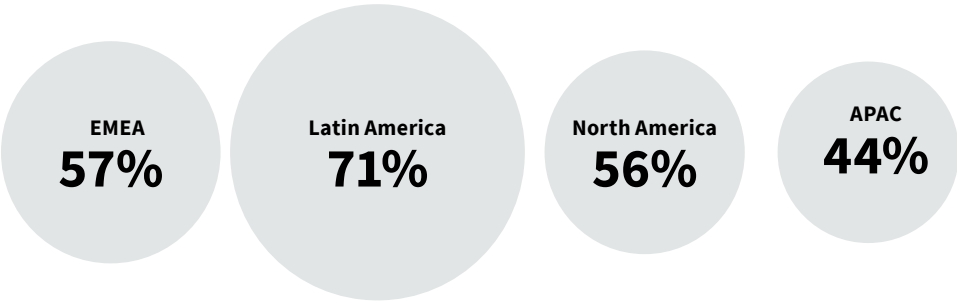
Coworking as a percentage of portfolio

While a majority of respondents report using coworking, these solutions account for less than 1% of the portfolio for more than half (51%) of organizations in the survey. About a third (36%) said coworking solutions account for 1%-5% of their total portfolio, while just 13% said coworking accounts for more than 5% of their portfolio, indicating that most large enterprises today are not leveraging coworking to meet a significant portion of space needs.
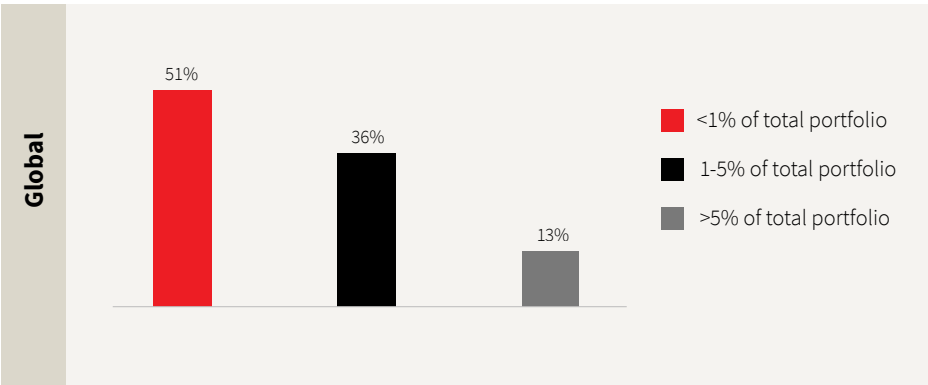
Global
- 51% <1% of total portfolio
- 36% 1-5% of total portfolio
- 13% >5% of total portfolio
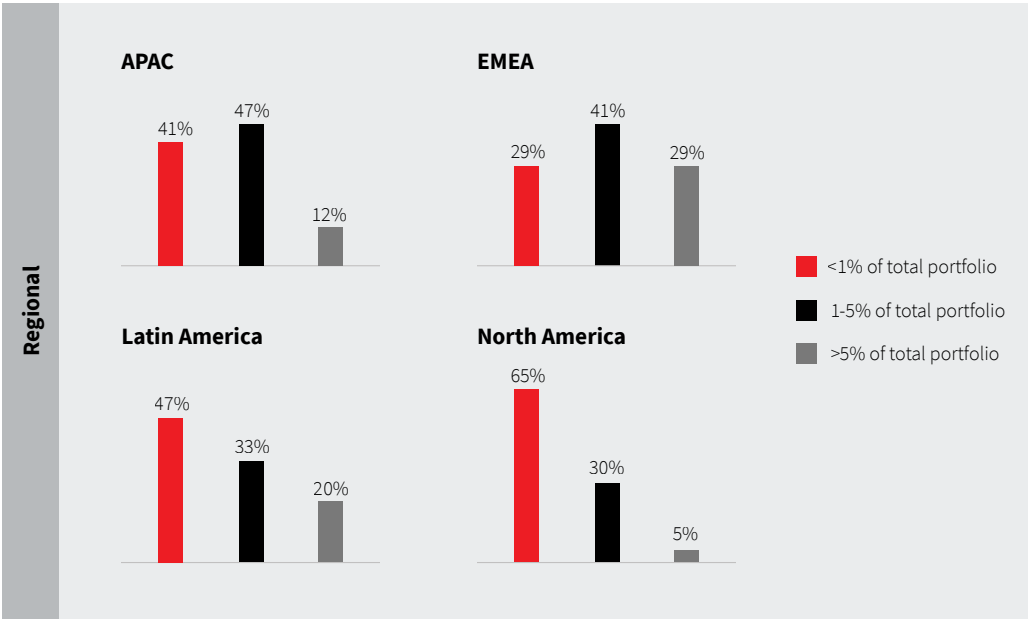
Percentages may not add up to 100 due to rounding.

Reasons for coworking

Occupiers typically lease coworking space to meet short duration needs and to accommodate smaller headcounts. Thirty-one percent of respondents listed short duration needs as the most common reason to lease coworking space, followed by small headcounts (29%) and mobile workforce (12%).

Reason	Percentage
Short duration space need	31%
Small headcounts	29%
Mobile workforce	12%
Capex savings	11%
Location-driven	10%
Speed to occupancy	6%
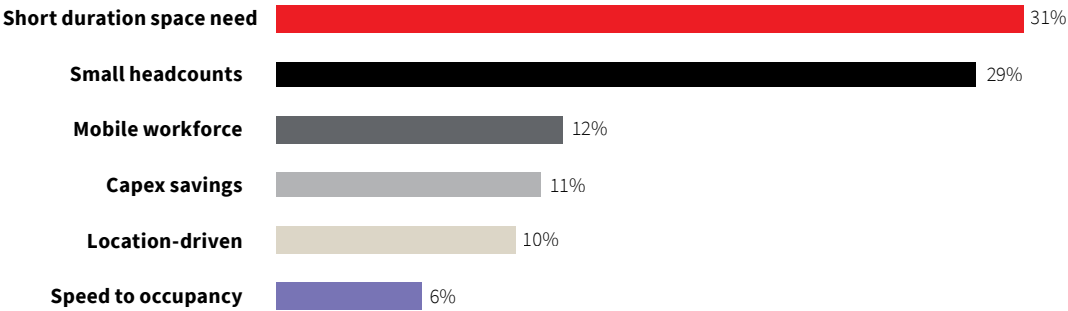
Percentages may not add up to 100 due to rounding.

Commitment length

Many firms turn to coworking solutions to address short-term space needs—and their average commitment lengths reflect this common purpose. Forty percent of our survey respondents said their firm's average commitment length is 6-12 months, while 28% report 13-24 months.

These relatively short commitment periods can give organizations the agility it takes to better address internal and external changes, or other types of uncertainty. They can also help CRE teams support small headcounts, while allowing for workforce growth down the line.

Global

- 0 - 6 months
- 6 - 12 months
- 13 - 24 months
- 24+ months

17% · 40% · 28% · 15%

Regional

APAC
12% · 29% · 41% · 18%

EMEA
6% · 41% · 35% · 18%

Latin America
13% · 40% · 27% · 20%

North America
25% · 45% · 20% · 10%
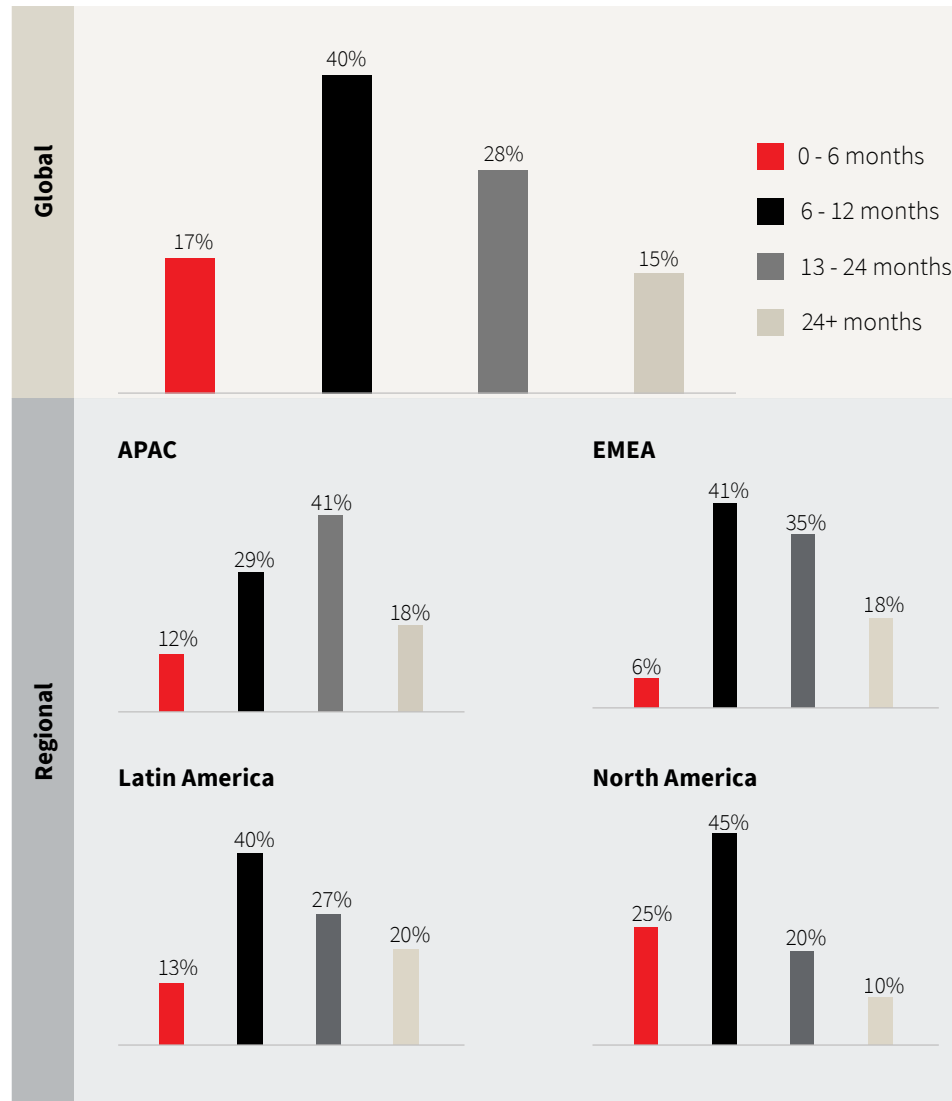
Percentages may not add up to 100 due to rounding.

Share of portfolio

The majority (69%) of respondents said the coworking share of their portfolio will remain the same through 2020, while 28% said they will increase this type of space.

4% Decrease
28% Increase
69% Remain the same
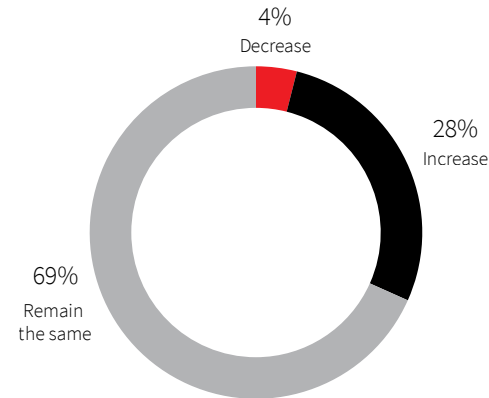
Percentages may not add up to 100 due to rounding.

Key takeaways

- Flexible space and coworking solutions resonate with many firms by providing innovative workplace designs and technology integration—without the resources needed for in-house investment and management.

- We project continuing growth in flexible and coworking space use, as organizations of all sizes seek to support short duration needs, small headcounts and an increasingly mobile workforce. The flexibility of coworking leases enhances an occupier's agility across the portfolio.
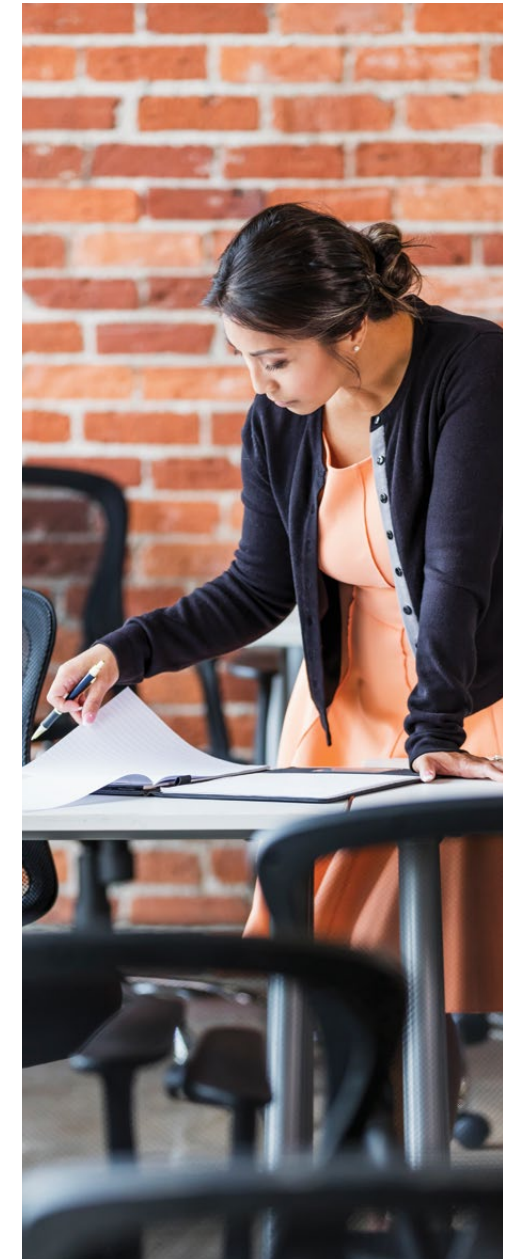
Boosting employee engagement with amenities

One strategy for boosting employee engagement and attraction is to provide a wide range of amenities. From tenant lounges and cafés to outdoor patios and yoga rooms, tenants and landlords are finding unique ways to fulfill employee preferences and needs. Amenities go beyond just being "cool." They provide areas for improving well-being, physical and mental health, and networking with colleagues and other professionals.

In addition to the returns on employee well-being and productivity for occupiers, landlords gain returns on their renovations and amenitization through higher occupancy and rental rates.

Amenities offered on-site at headquarters facilities

At headquarters locations, over 80% of respondents have mothers' rooms/wellness rooms and a cafeteria. Sixty-nine percent have parking and 60% offer community/public spaces. Over half have baristas/coffee shops, auditoriums and design/war rooms. Innovative amenities differ by industry.

More innovative amenities, such as bootcamps and training, might rank lower than other traditional amenities, such as cafeterias and lockers and showers, but they differ by industry. For example, while less than half of all respondents have bootcamps and training in headquarters locations, 80% of healthcare respondents have these, as well as 60% of technology respondents. Twenty-four percent of all respondents have massage/meditation/therapy rooms, but 75% of consumer products respondents have these at their headquarters locations. Lastly, while 10% of all respondents have day care at their headquarters locations, 44% of life sciences/pharmaceutical respondents provide these services for their employees. Occupiers have different needs for different employees, and they need to identify which amenities work best to improve their well-being and attract the best talent.

Legend: ■ Top amenities at HQ locations (red)　■ Non-HQ amenities (black)

Amenity	Top amenities at HQ locations	Non-HQ amenities
Mothers room/wellness room	83%	81%
Cafeteria/café	82%	80%
Parking	69%	62%
Community/public spaces	60%	54%
Lockers/showers	60%	53%
Design/war rooms	56%	53%
Auditorium	52%	49%
Bootcamp/training	49%	48%
Barista/coffee shop	52%	47%
Fitness center	52%	44%
Prayer room	43%	39%
Outdoor space/terrace	44%	39%
Microkitchen	38%	37%
Executive briefing center (EBC)	39%	35%
Unisex restroom	36%	33%
Health center/clinic	33%	31%
Game room	30%	27%
Banking	33%	27%
Massage/meditation/therapy room	24%	22%
EV charging stations	28%	22%
Outdoor spaces (basketball court, baseball and soccer field)	17%	15%
Hardware lab	15%	15%
Restaurants	15%	15%
Tech shop	15%	14%
Library	12%	11%
Free dinner	9%	11%
Bike path	12%	10%
Local retail – independent	12%	10%
Nap pods	9%	9%
Laundry	12%	9%
Take-home meals	10%	8%
Day care	10%	8%
Dogs allowed at work	7%	7%
Pop-up shop	9%	7%
Hair/barber/nail salon or spa	6%	6%
Safe room	4%	4%
Teaching kitchen	4%	3%

Unleashing the power of data to manage disruption

Technology, globalization, shifting demographics and now a global pandemic continue to impact the way we work—and in turn, the way we manage and plan for the places where all that work takes place. By adopting quickly evolving practices in space use, design and function, forward-looking organizations can better compete in the war for talent, delivering spaces that enhance employee productivity, well-being, human experience and safety.

Strategic workplace, occupancy planning and benchmarking programs are crucial for organizations to better understand their current and future workplace needs, particularly as they expand use of coworking and mobility programs and navigate other unexpected circumstances. Improving these programs can unlock the value real estate teams bring to their broader organizations in an era of constant disruption.

But effective strategies don't build themselves, nor are they cast in a vacuum.

To achieve these meaningful outcomes, workplace leaders must identify and collect the metrics and benchmarking information that align with their business goals. From there, success depends on proactive implementation and strong governance procedures against those goals.

As technology continues to evolve and grow in a dynamic regulatory environment, organizations need to establish CRE goals with business units such as HR and IT, and identify the metrics that matter to them to set out clear governance and processes. This not only ensures compliance with data privacy laws—it also helps your firm build a more robust roadmap toward technology adoption.

The future of work is transforming before our eyes. The concept of "always on transformation" is now more of a reality and the growing focus on the human experience and safety is stronger than ever. With deeper understanding of the way your teams use space, and the data it takes to support strategic change, your firm will be better able to attract and retain vital talent, and unlock greater value for the organization as a whole as we reimagine the workplace of the future.

Thank you to our contributors

About JLL

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