

AIS

**THE
FUTURE
OF THE
WORKPLACE**

Research, insights
and an examination
of the future office.

www.ais-interiors.com

AIS

**THE
OFFICE
IS NOT
DEAD**

AIS



**BUT IT
WILL BE A
LITTLE
DIFFERENT**



AIS

FOREWORD

AIS is a workplace design and build organisation established in 1979. For the past 41 years we have been analysing, designing, building and refurbishing workplace environments across the UK and internationally.

For all the years that we've been in the industry, we've never seen the workplace more in the spotlight than now.

There is no question that the sudden behavioural shift in our approach to work brought about by the COVID-19 pandemic will bring significant long-term change to the future of office design and how we operate within workspaces.

As a business deeply rooted in the workplace industry we recognise how important our role is in sharing insights as we go through this period of change.

As part of our continued commitment, we have been actively monitoring the developing approach to the future of work and this paper serves as a means of sharing the concepts we have seen accelerate in recent months.

In recognising how fundamental the office is to the success of any organisation, so too is it critical in shaping economic recovery and plays a key role in safeguarding the health and well-being of our population.

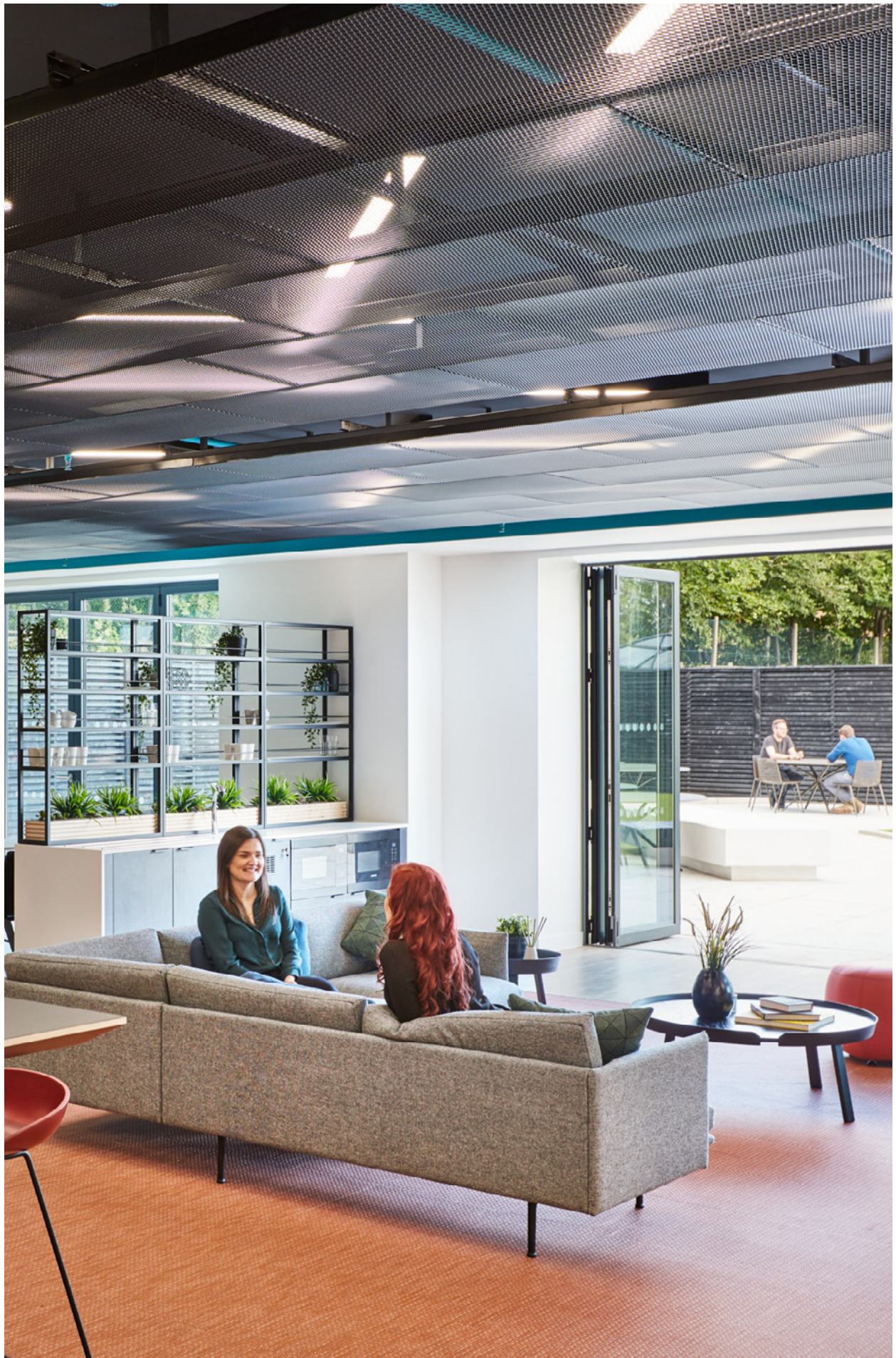
COVID-19 has given us an opportunity to seize change in the workplace sector, and made way for the re-evaluation of how we want the future of work to look. Now is the time for us to change things for the better.



Gerry Graville
AIS Group Managing Director

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Global Insurance Company - Maidenhead

OVERVIEW

“ The pandemic has accelerated changes in work practices at a pace none of us could have previously believed to be possible. ”

What we have been seeing take place over the last 6 months is the rapid progression of workplace concepts, that although are not completely new to us, given the historically slow rate of change in the workplace arena, are notions we expected to see come into play incrementally over the next 5 - 10 years.

For most the idea of remote working has remained just that - a concept - one that we had mostly accepted would be part of our future lives, but that we were yet to deal with, given the presumptions that it would be disruptive to people and productivity.

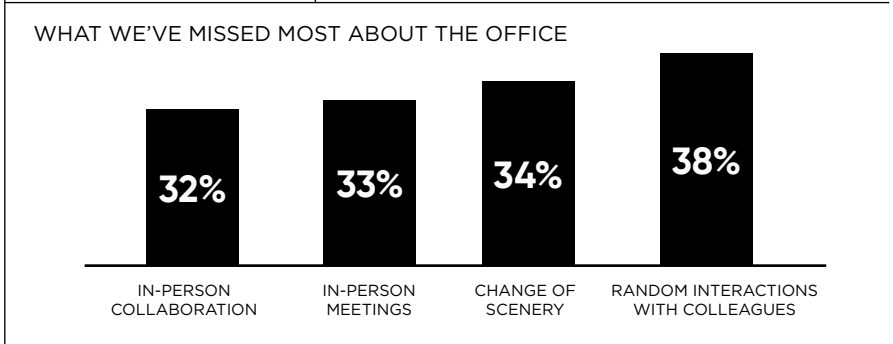
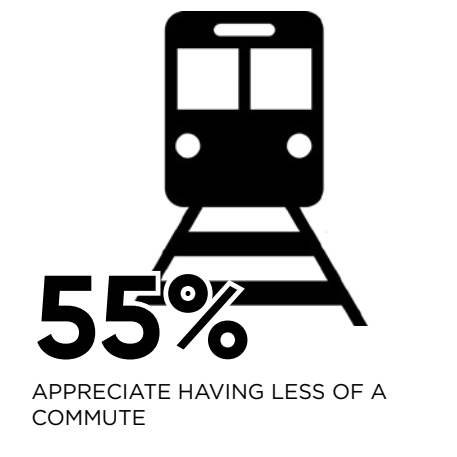
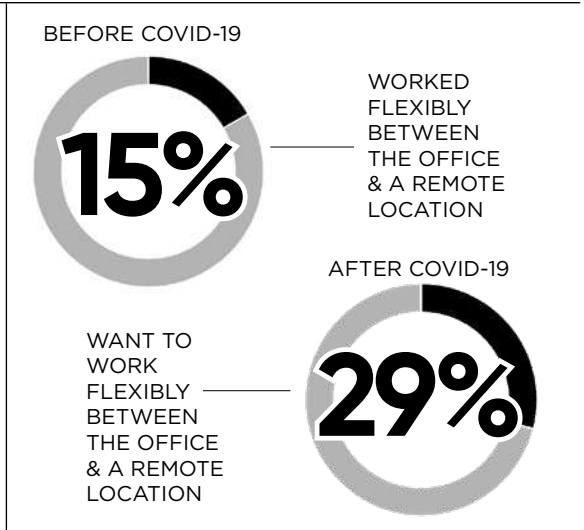
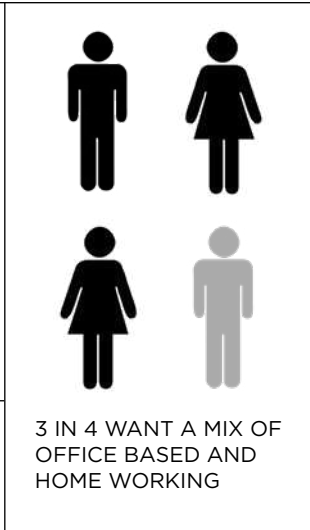
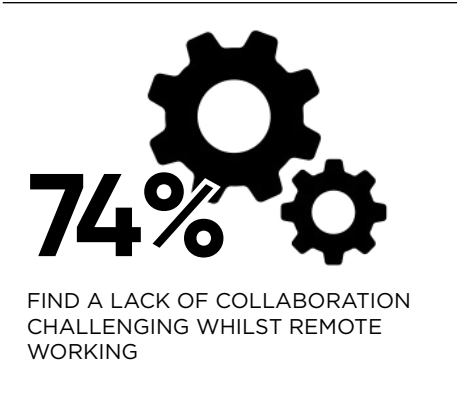
Yet as we now look back with hindsight, we are realising that this was perhaps a misconception we held onto as an act of human nature in resisting change. We have in fact quite seamlessly prevailed the prolific uptake of remote working, changing and adapting the way we work assisted by the rapid uptake in technology.

This has been the fundamental change that has accelerated further shape shifting of the future workplace. We are beginning to see the impact this has on changing the physical make up of the office, and likewise a number of our multi-national clients are beginning to express their desires to diversity their real estate portfolios with additional locations in more regional areas.

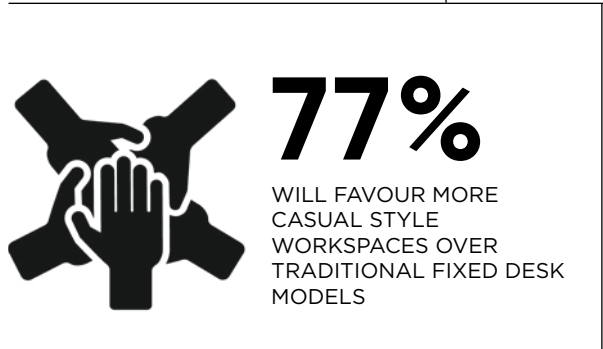
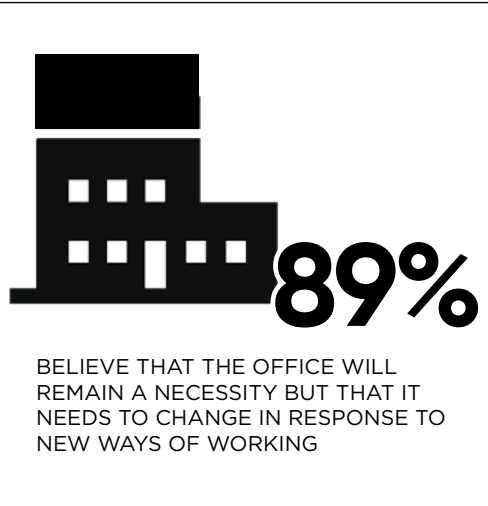
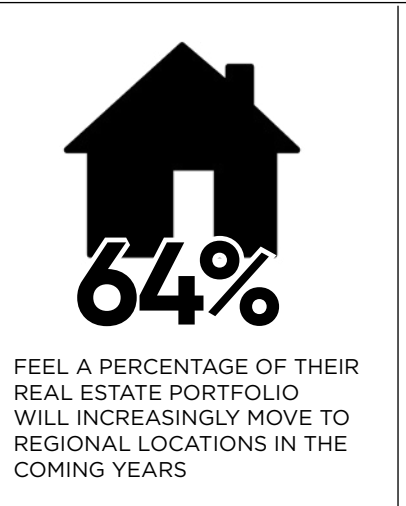
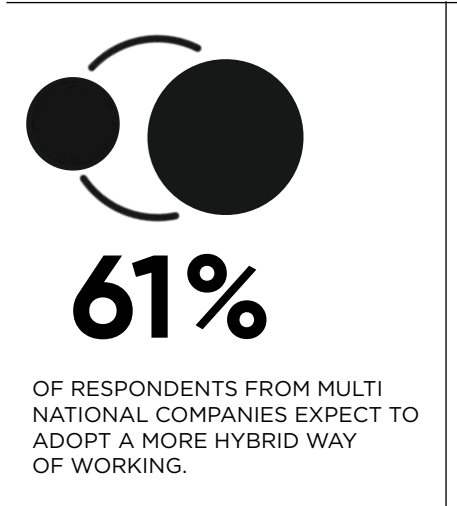
While there is still no doubt a need for the "office," it will be different, taking on a role that is more fine-tuned to facilitating collaboration, creating connections and learning.

A NEW APPETITE

WHAT EMPLOYEES WANT



WHAT EMPLOYERS WANT



EMERGING THEMES

“ The new value of the office lies in its’ ability to create connections and foster collaboration. ”

1.

HYBRID WORKING MODEL

Combining remote home working and office time for collaboration or training purposes.

2.

DIVERSITY IN LOCATION

Diversifying property portfolios into regional areas, in addition to centrally located headquarters.

3.

NEW SPACE STANDARDS

A shift in the average desk sharing ratio from 1.2 to 1, to as little as 2.3 to 1.

4.

CREATING CONNECTIONS

Space once devoted to individually assigned desking will be reassigned to create collaboration space.



American Express GBT - Frankfurt

HYBRID WORKING



W2O Media - Spirafields

For many, the future is looking towards a model that combines remote home working and office time - otherwise know as the "hybrid model."

Remote working has long been a divisive topic. This period of forced remote working has proven to many that being present in the office is no longer necessary for productivity, in fact there is now plenty of evidence to suggest people are often working longer hours from home. Not to mention those in favour of working from home say they enjoy the flexibility that working from home provides, and are enjoying the benefits of concentration without interruptions from co-workers.

But however much working from home may boost productivity, it can be extremely costly in terms of communication, creativity and inspiration.

A recent survey of 100 global companies found that 90% of employees want to go back to the office eventually - however not everyone wants to return to the office full time.^[6]

For some the short-term solutions we rolled out in haste to start working from home have been sufficient, while others are feeling that although technically possible, working from home has come at a cost to creativity, collaboration and corporate culture.

It's this exact mix of feelings that has led to a desire for more diversified mix of home and in office working.

HYBRID WORKING

For the vast majority of UK workers, their current work model is a result of company or government policy – few currently have choice in where to work. But as those workers look to the future, many would ideally choose a different work scenario than their current state.

Over two-thirds of the UK workforce have already said they would prefer a hybrid work model. [2]

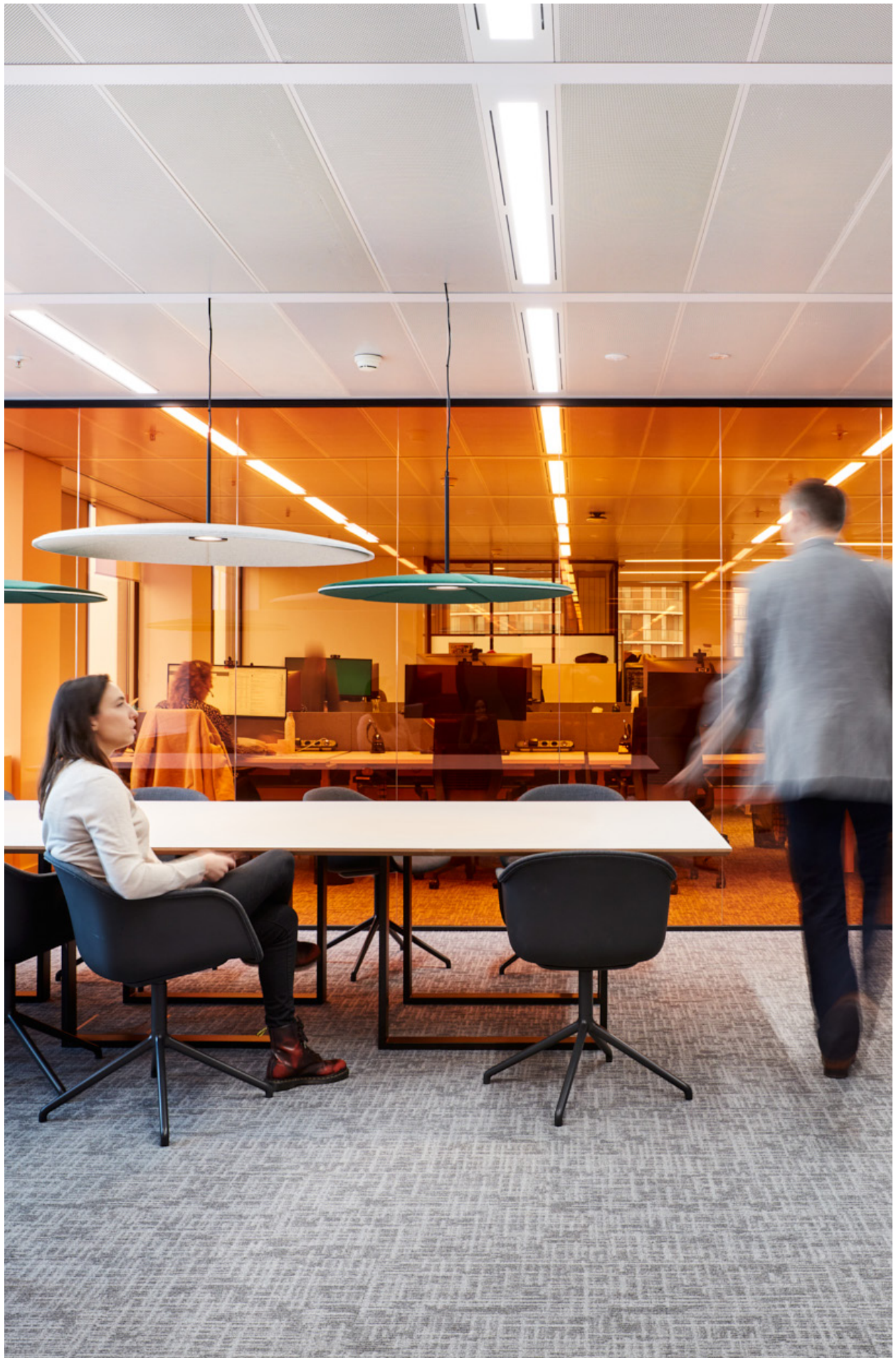


Digital Governance - London

Over the summer months we saw a number of businesses facilitate a restrained return to work, many under a “rolling occupancy” or a rota type system that meant alternating days of in-office occupation amongst teams. However survey data tells us that longer term, many businesses are not expecting to return to full occupation of their office spaces, instead opting to leverage the new found mobility that COVID-19 has thrust upon us and many will offer more flexible arrangements moving forward.

As sentiments and work practices have changed, finding the right balance of office-to-home hybrid working that suits your business and current real estate requires an individual approach.

When considering what office-to-home ratio will work best for you long term, it's important to consider the varying needs and goals of each department. Each will have their own unique and particular requirements that will help them perform at their best. In doing so it's important to establish clear remote-work policies and standards, while creating an understanding of variances in policies amongst teams, dependant on job functions.



Global Asset Manager - Amsterdam

DIVERSITY IN LOCATION



Fintech Company - Shorelitch

Amongst a number of larger corporations we are starting to see a trend towards the 'hub-and-spoke model' – where companies have their headquarters or global 'hubs' in city centre locations, as well as a number of smaller satellite locations in more regional areas acting as the 'spokes.'

While historically most large scale business models have favoured city centre locations for their access to public transport, like minded business clustering and local amenities, the COVID-19 pandemic has put all of these things in somewhat of a less desirable light.

Mass public transport has reduced in viability due to safety concerns. The widespread adoption of remote working has many of us turning to more virtual ways of meeting up with business partners and clients that not only save on time but reduce the need for travel. Meanwhile the popularity of city centre amenities for many have been swapped out in favour of supporting more local businesses.

64%
of corporations feel their offices will increasingly move out to regional areas, as anecdotal evidence cites a move towards local shopping behaviour and a potential revival of local high-streets.^[9]

DIVERSITY IN LOCATION



Fintech Company Regional Hub - Cardiff

From a financial perspective many individuals have enjoyed the benefits saving on commuter fees, putting further pressure on big corporates to consider diversifying their office real estate portfolios to include more regional locations.

The 'hub and spoke' model reduces the need for workers to use daily public transport, while still offering an effective work environment close to home that can facilitate collaboration and social interaction, as well as the seamless office experience of advanced IT infrastructure, meeting rooms and ergonomic set ups that can't be created at home.

Enabling people to choose where to work as they need will enable them to both get their jobs done and build the personal connections we've been longing for. ^[1]

Meanwhile more central 'hub' locations are still available for hosting clients, conducting training and most importantly these locations will be an integral and valuable part of office real estate portfolios in creating and instilling company culture and brand values.



MHA Mccintyre Hudson - London

NEW SPACE STANDARDS



American Express GBT - London

Early estimates indicate that in a post COVID-19 workplace employee desk spaces will be drastically reduced by nearly 50 percent or more compared to existing provisions.

While workplace design use to be all about desk space, this declining statistic is not an entirely new concept, but yet again one that has been accelerated as a result of the pandemic. The average square foot per person targets have been gradually declining over time. A decade ago we were assigning around 117 square feet person, while today most modern offices average about 103 square feet per person.

Significant changes driven by a younger workforce demanding better work life balance, combined with the dramatic rise in flexible office providers has already pushed through this change in priority in recent years.

Moving to a more distributed workforce model would allow a further reduction from the average UK desk sharing ratio of 1.2 to 1 to as little as **2.3 to 1.**

NEW SPACE STANDARDS

As a result we've seen a steady decrease in the amount of people having individual desks, and more space being transformed for the purpose of collaboration, training and joint working.

71% of workers still prefer to work in open environments. When asked about the physical workplace they would like to return to post COVID-19, over two-thirds of UK workers say they would prefer some form of open office environment, while only 19% would prefer a mostly or totally private environment. ^[2]

While there is no doubt that in a post pandemic world collaboration style spaces will take preference over

individually assigned desk space, the demise of individual desk space may take a little longer to progress than some other concepts.

Studies showing how easily the virus can spread through a crowded 'hot-desking' style workplace will continue to cause concerns amongst some until we reach a post vaccine landscape. In response, what companies need to strive for is balancing the need for compelling spaces, with safety requirements.



Arthritis Research UK - Farringdon



Iron Mountain - London

CREATING SOCIAL CONNECTIONS



BT/K - London

Regardless of the desk model, the pandemic will further catalyse the demand for collaborative space within the office, thus driving a profound shift in space allocation.

As the square footage once devoted to individually assigned space is reduced, we expect to see more of this space reassigned to create a wide variety of collaborative and social activity areas.

Though we are successfully getting some types of work done remotely, we are still hearing of struggles in emulating the generative work that creates new ideas and solves complex problems.

Many feel that virtual discussions fail to build trust and strengthen relationships in the same way as informal conversations.^[8]

As personal connections and bonding are suffering, this goes on to adversely impact connection to corporate culture and adhesion to company brand values.

It appears we are missing the intrinsic human experience of working together – face-to-face – in spaces that were designed specifically to foster the creativity, agility and innovation that organisations need to be truly productive and grow.

CREATING SOCIAL CONNECTIONS

While previously smaller meeting rooms (2 to 6 people) have had peak utilisation rates, about 20 percent higher than large and extra large meeting rooms (8+ people), this metric is also expected to shift. As the technology advances of COVID-19 mean one-on-one and small team collaborations can easily take place virtually, larger war rooms, project rooms and agile team rooms will become more essential in the modern office.



British Ecological Society - Shoreditch



Global Insurance Company - London

Equally important will be the versatility of these rooms with high demand for movable walls and furniture that can be reconfigured depending on the character of the interaction, length and preferences of the meeting organisers.

Café or club style spaces will add value for their ability to allow better informal interaction and act as spill over space for meeting rooms. Furthermore as we continue to see the function of the office absorbing more of a hospitality function than ever before, while previously satellite spaces have typically been open and unassigned, in a post COVID-19, era these spaces will become bookable and with additional integrated catering facilities to enable them to readily host travelling employees as well as clients, consultants and contractors.

Shared spaces can also further enrich employee well-being by design. Offering a range of settings in these spaces can encourage active collaboration or relaxed conversation – reducing the physical stress that affects productivity.



American Express GBT - London

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