

Two-thirds of businesses invest in their office environment to prioritise employee engagement

3 years ago



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Employee engagement is the top priority for global businesses post-covid, and nearly two-thirds are investing in their office, according to new global research by ISS. In addition, the majority of the companies have no plans of reducing office space. The companies who *do* plan to reduce are at the same time also investing significantly in enabling better innovation and collaboration. All in all, the office is far from dead – it is just being repurposed.

Workplace priorities have changed significantly for businesses over the past couple of years. Operational efficiency and cost savings were some of the most prioritised outcomes for office planning and decision making pre-covid. Now, employee engagement is at the top, while talent attraction has become a new priority in top five.

These findings are based on a new survey conducted by ISS, a leading workplace and facility management company, of 100 of its global customers, covering various industries, including some of the world's largest banks and professional services firms. The insights are estimated to represent over a million office-based employees worldwide.

Adapting to hybrid working patterns and personal preferences

To reach their people-focused goals, the majority of companies have chosen to invest in their workplace offerings by upgrading their facilities, office environment and employee experiences – primarily to enable better innovation and collaboration by employees, to attract people to the office and to enhance the sense of belonging.

Jacob Aarup-Andersen, Group CEO at ISS World Services A/S, says:

“Power in global labour markets has shifted to employees after many decades in which it favoured employers. In addition, the pandemic accelerated hybrid working models and employee expectations of flexibility. The new mandate of employers is to meet those expectations in ways that cater to the productivity needs of both employees and the company. It is not a question of ‘if’ people are in the office; it is a question of ‘how’ they can best thrive, innovate and collaborate at work.”

“Right now we are seeing a lot of companies redefining their offices to accommodate hybrid working patterns and personal preferences, focusing both on the physical place that people work in and the experience that people get when they come to the office.”

No ‘one size fits all’ model for the future workplace

The survey also shows that 69% of the companies are either expanding their office space, redesigning or keeping what they have or are undecided, while 31% have decided to reduce it. However, the latter group, is also the one that will invest the most in upgrading the workplace.

Jacob Aarup-Andersen says:

“Despite the varying approaches to the real estate footprint, the target of employee engagement is the same. There is no ‘one size fits all’ model when it comes to planning the workplace of tomorrow because the workplace must match each individual company and its employees. One thing is for sure, though: predictions of the death of the office have been greatly exaggerated. Instead, what we are witnessing now are workplaces being repurposed on a global scale.” Change in respondents’ reported workplace prioritised outcomes between 2022 and 2020.

Rank	2022	2020
1	Employee Engagement	Operational Efficiency
2	Operational Efficiency	Employee Engagement
3	Environmental Sustainability	Employee Productivity
4	Attract Talent	Cost Savings
5	Employee Productivity	Employee Sustainability

Rank	2022	2020
6	Cost Savings	Attract Talent
7	Diversity & Inclusion	Operational Compliance
8	Operational Compliance	Diversity & Inclusion
9	Reduce Employee Turnover	Reduce Employee Turnover