

Evolving Workstyles and People-Centric Goals at The Forefront of Corporate Real Estate Strategy, Says CBRE

2 years ago



Real estate decision-making and people-centric strategies are becoming more integrated, according to CBRE's 2023 European Occupier Survey.

The data showed that 68% of organisations have partnered across multiple business functions including HR, IT and Communications when implementing workplace change strategies, indicating the importance of real estate decisions at a corporate level.

This was further demonstrated at an employee level, with more than half of respondents (55%) stating that they engage employees via surveys and focus groups when making major decisions relating to the workplace.

Respondents were also asked what actions they had taken to implement these change strategies. Re-allocating space to support new ways of working was the most common response (53%), followed by a focus on the collaboration space offered (46%).

This evolving workstyle has directly influenced the design of the office, resulting in a significant shift in the mix of working environments. The research showed that 72% of occupiers have reduced the number of dedicated or assigned seating, whilst 73% have increased the amount of space for activity-based work, placing greater emphasis on collaborative working.

Employee preferences have also impacted building-selection criteria. When selecting locations, 80% of respondents identified access to public transport as the top priority, reflecting the desire for a

straightforward commute.

The research also showed that sustainability features have become the most important building consideration, with 55% of those surveyed stating that it influences their office choice, followed by the availability of on-site food & beverage (54%). Access to various amenities including shared meeting space, fitness and wellness facilities and flexible space were also identified as important considerations.

When asked about portfolio optimisation strategies, 58% of occupiers said that they have reduced their portfolio size in the past three years, primarily due to the evolution of hybrid working. However, almost half (45%) of the companies surveyed are relocating into better quality space, with a further 23% exploring this as a possibility, signalling the flight to prime.

**CBRE's 2023 European Office Occupier Sentiment Survey canvassed the views of over 130 companies on a range of topics related to the future of work.*

Richard Holberton, Senior Director, Research, Europe, CBRE, said: "The acceleration of hybrid working has highlighted the need to establish resilient and adaptable workplace strategies, and robust decision-making processes. The benefits of partnering real estate decision makers with other corporate functions is increasingly recognised and likely to produce the most positive results."

Guy Holden, Head of Advisory and Transactions Services, Europe at CBRE, said: "All of these factors play a crucial role in driving office return rates and with 40% of respondents seeking further increases in attendance, the employee value proposition should be at the core of every real estate decision."