

Positive outlook for flexible working in 2024

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Insight from Sarah Singlehurst, director, [Office Space in Town \(OSiT\)](#)

Over the past year, some of the world's largest companies have cracked down on remote working and mandated that their employees spend more time in the office. Such a move has raised the question of whether this signals the beginning of the end of hybrid working. In my view this is unlikely, given that the proverbial flexible working genie is out of the bottle, employees have embraced the concept and factors such as the Flexible Working Bill will soon come into play.

However, flexible office operators, in an increasingly competitive market, will need to ensure that their buildings offer the right mix of amenities, services and convenience to ensure that their corporate clients' employees continue to support the return to office working.

Corporate giants at odds with employees

Last year, Google, JP Morgan Chase and Lloyds Bank were among many large companies implementing changes to their hybrid working policies, with JP Morgan Chase ordering senior executives to return full time and warning that other employees may face 'corrective action' if they fail to comply with return-to-office rules. Similarly, Meta ordered its employees to return to the office three days per week, Amazon began tracking and penalising workers in the US for not spending sufficient time in the office and EY also started monitoring employee attendance data.

Employees, however, have made their views clear. In a global survey by the World Economic Forum, 68% of employees stated their preference for hybrid working. If businesses wish to remain competitive, they will need to find solutions that incorporates flexible working.

Adapting to a new working landscape

When the Flexible Working Bill comes into effect later this year, we'll likely see an uptick in hybrid working as companies navigate the impact of the Bill. Under these new rules, employees can make two requests for flexible working in a 12-month period and employers will need to consult with employees before declining a request.

The trend for fully remote working is already reducing and it's likely that this Bill will further embed flexible working into modern employment practices. Research in 2023 from the British Chambers of Commerce found that 76% of businesses surveyed offered flexible working to their employees. Companies wishing to attract and retain employees will need to accommodate this demand for flexibility – and flexible office space will form a key part of the solution.

It is unsurprising, therefore, that significant demand for flexible workspaces persists, with over two-thirds of London's flexible offices having an average occupancy rate of 80%. Not only do these spaces help companies reduce their overheads and enable greater agility in growing and shrinking headcount, they also deliver a comprehensive service by providing everything on site and removing the property management burden from senior leaders.

WeWork's legacy is the normalisation of hybrid working

Although some commentators have questioned the future of flexible working following the dramatic collapse of WeWork, the consensus amongst experts is that its bankruptcy was caused by its business model rather than a lack of market opportunity.

Despite its failure, WeWork's legacy is that it has helped to normalising flexible and co-working practices demonstrating how individuals and companies can take advantage of this environment. Rather than signifying a lack of appetite, the company's demise has opened up the market for other flexible office space providers to take advantage of the resurgence in demand.

Another lesson provided by WeWork is the importance of establishing a strong brand. More than a commercial organisation, the company created a culture that generated an almost cult-like following. To be successful, hybrid office providers will need to offer the best facilities, but they will also benefit from establishing a clear and unique identity that elicits a loyal following. This sense of community and belonging will be particularly important as the workplace adapts to a more decentralised working model.

Flexible facilitates the changes in working life

One trend that can be directly attributed to the pandemic is the growing appeal of the '15 to 30-minute city'. Where long commutes once felt inevitable, now people are increasingly seeking a lifestyle where work, home, shops, entertainment, and education are all accessible within the same time they might once have waited on a train platform. Flexible working plays a vital role in facilitating this lifestyle by freeing up employees' time to enjoy a better work-life balance. Flexible office providers are taking this a step further by enabling companies to inhabit satellite offices in locations that are more convenient for their workforces.

Taking stock

Taking stock of the workplace landscape, a combination of legislation, long-term societal trends and economic incentives will likely ensure the flexible office sector continues to expand. Flexible operators have significant opportunity to increase their market share as flexible working becomes further embedded in modern working practices. However, it will be those who work hardest to differentiate themselves and who can make the office worth the commute for their corporate clients who will be the long-term winners in the flexible office race.