

The Hybrid Office Paradox: How FM Teams Are Managing Capacity and Utilisation

4 months ago



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Hybrid working was meant to offer flexibility. Instead, for many facilities management (FM) teams, it has introduced a paradox: buildings designed for predictability now operating under constant fluctuation.

On paper, offices are less busy than they were pre-pandemic. In reality, they are under more pressure than ever. Peak days feel overcrowded meanwhile quiet days feel wasteful. Services, energy use and space provision are often misaligned with actual demand. Yet, real estate costs remain largely fixed.

For FM leaders, the challenge is no longer simply about reducing space but more about understanding how space is actually used, day by day, hour by hour, and responding in a way that balances cost control with employee experience, wellbeing and inclusivity.

Why traditional utilisation metrics no longer work

Historically, utilisation was measured through static indicators: desk counts, headcount ratios, lease square footage per employee. These metrics demonstrated consistency; five days a week, predictable occupancy, stable patterns.

Hybrid working has broken those assumptions.

Attendance now varies dramatically by day of the week, by team, and even by season. A single weekly snapshot can misrepresent reality. Averages flatten peaks and troughs, masking overcrowding on collaboration days and underuse at other times.

For FM teams, this makes decision-making far more complex. Cutting space based on headline utilisation risks alienating employees when demand spikes. Maintaining surplus capacity “just in case” drives unnecessary cost and energy consumption.

The result is a growing disconnect between what usage data appears to say and what people actually experience when they come into the office.

How can real-time data and insights help

To resolve this paradox, FM teams are shifting away from retrospective reporting and more towards real-time, actionable insight.

Occupancy sensors, desk and room booking systems, and integrated building data are providing a far richer picture of how workplaces function in practice. Not just how many people come in, but when, where and how long they stay.

This data allows FM teams to move from reactive to proactive:

- Adjusting cleaning, catering and security services in line with real demand
- Managing heating, lighting and ventilation dynamically to reduce waste
- Identifying which spaces genuinely support collaboration and which do not i.e hot spots vs dead spots
- Understanding accessibility and inclusion challenges that static plans may overlook

Crucially, this isn't about surveillance. When implemented transparently and ethically, utilisation data can empower organisations to create environments that work better for everyone.

A practical example: rethinking the London office

One clear example comes from our own London office. Like many organisations, we also faced rising operational costs alongside inconsistent attendance patterns. Traditional assumptions about space no longer held true.

By using occupancy and utilisation data, the business quickly gained clarity on how its workspace was actually being used; not just desk occupancy, but meeting rooms, collaboration areas and shared amenities.

The result was a data-led decision to rethink the office footprint, cutting operational costs while simultaneously improving sustainability performance. Importantly, this wasn't a blunt reduction. Space was reconfigured to support the types of work people came into the office to do: collaboration, connection and focused activity. It also allowed certain floors to be closed off on low occupancy days leading to savings in energy costs.

This approach demonstrates a key lesson for FM teams: utilisation data is most powerful when it informs design and experience, not just cost reduction.

FM's expanding role in the employee experience

As hybrid working matures, FM is no longer operating behind the scenes. Facilities teams are increasingly central to employee experience strategies.

Employees judge the office differently now. If they are commuting in, the experience needs to justify the journey. Overcrowded collaboration spaces, unavailable meeting rooms, poor air quality or underwhelming amenities may undermine engagement levels.

At the same time, inclusivity and wellbeing expectations have risen. Neurodiverse needs, accessibility, quiet space, prayer rooms and flexible environments all need to be balanced within finite square footage.

Insights on office use helps FM leaders navigate these competing demands. It highlights where demand consistently outstrips supply, and where space can be repurposed to better serve different user groups.

This shifts FM from cost centre to strategic enabler, shaping workplaces that are not only efficient, but genuinely supportive.

Integrating buildings, systems and insight

Across the FM sector, there is growing recognition that standalone workplace tools are no longer sufficient in a hybrid environment. Leading organisations are moving towards integrated building management platforms that connect utilisation, energy, maintenance, and user experience data into a single operational view.

Amey's decision to work with MRI Software to launch an integrated building management technology platform reflects this shift. By connecting workplace systems, FM teams gain a holistic view of how buildings perform; from occupancy and energy use to maintenance and user experience.

This integration enables smarter, faster decisions. For example:

- Anticipating peak occupancy and pre-emptively adjusting services
- Linking utilisation trends to maintenance planning and asset lifecycle decisions
- Supporting long-term estate strategy with credible, evidence-based insight

In a hybrid world, disconnected systems create blind spots however integrated platforms create clarity.

Redesigning space, not just reducing it

The bigger picture of the hybrid paradox goes beyond how individual organisations use their buildings, almost reshaping entire markets. In cities like London, the shift in how space is used is so profound that entire office buildings are being converted into entirely new functions, such as hotels and hospitality assets. According to a recent Bloomberg article, investors have purchased millions of square feet of office space that remains under used with the intention of repurposing it for hotel development, driven by lower office demand and stronger tourism fundamentals.

This trend isn't about reducing space in the simplistic sense of "less office equals lower cost." It reflects a broader recognition that traditional office models no longer align with how people work and that fixed, uniform space allocations are giving way to adaptive reuse based on real economic and behavioural

signals.

For FM leaders, this highlights that space demand is not disappearing; it's evolving. Pure desk-centric design fails to capture the value people seek when they choose to come into the office; value which comes in the form of the 4 C's – connection, collaboration, culture, and community.

Without real insight into usage, organisations risk owning space that is functionally obsolete in today's hybrid landscape. As some buildings exit the office market entirely, facilities teams focused on outdated metrics may find themselves managing assets that no longer serve organisational or employee needs.

The London office-to-hotel narrative may well serve as a catalyst. It reminds FM leaders that data and insights into usage shouldn't just inform how much space we need but what kind of space we need, and why people come into it. Rather than simply cutting capacity, the most successful workplaces are being redesigned to reflect behaviours, preferences and organisational goals, transforming static offices into dynamic environments where purpose, performance and experience blend.

Resolving the paradox

The hybrid office paradox will not disappear. Attendance will remain fluid, and real estate costs will remain fixed.

But FM teams now have better tools, and a stronger mandate, than ever before.

By embracing real-time data and insights, integrating building systems, and focusing on experience as much as efficiency, facilities leaders can turn uncertainty into advantage.

The offices that thrive in the hybrid era will not be the biggest or the busiest. They will be the most intelligently managed, responsive to how people actually work, not how we once assumed they did.