

# 2021 Workplace Impact Report:

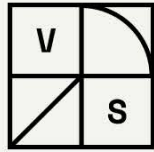
A Data-Driven Approach to  
Understanding the Evolution of the  
Workplace

NOW EXPANDED



JUNE 2021





“While the pandemic created unprecedented challenges for companies across the globe, it has also created an opportunity to start conversations about what makes their offices unique, effective, and productive.”

Dan Ryan, CEO of VergeSense

When the COVID-19 pandemic broke in early 2020, it forever changed the way we work. As vaccine distribution accelerates and the world prepares for the “new normal,” companies are preparing for another workplace transformation.

**We surveyed more than 1,000 decision-makers across mutually exclusive enterprises with revenue over \$1b across various industries** to understand their approach to this new post-pandemic workplace.

With 84% of enterprises planning to return to the office at least partially by Q3 2021, understanding the long-term impact of COVID is more relevant than ever. This report examines the effects this past year brought for the workplace and the trends we can anticipate in the years to come.

## Key Findings



Hybrid working is the new norm



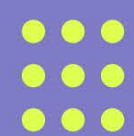
Safety is the top priority for returning to the office



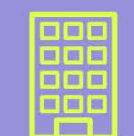
Employees still lack the choice and flexibility they desire



Collaboration is the key to employee effectiveness

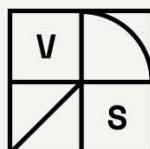


Investment in smart building technology is on the rise



Corporate real estate portfolio will grow, not shrink





# How to Use this Report

This report is designed to be used as a reference to help you understand the current state of the workplace among large enterprises. If you are a workplace strategy leader, use this report as a guide to benchmark yourself against other large enterprises in your industry.

Use it to make strategic decisions around how to invest in the right tools for success that support your organization’s workplace vision.





**Benchmark**

- How does my organization fare compared to other companies?
- Identify the area(s) that require improvement
- Continuously collect and analyze data



**Strategize**

- What should my organization focus on over the next year?
- Analyze and evaluate your new areas of investment
- Prioritize next steps



**Invest in Products**

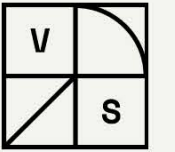
- What products will help my organization move forward?
- Assess best-in-class solutions
- Align products with strategic roadmap

Dive into the data that shaped our study’s key findings —>





## Hybrid working is the new norm



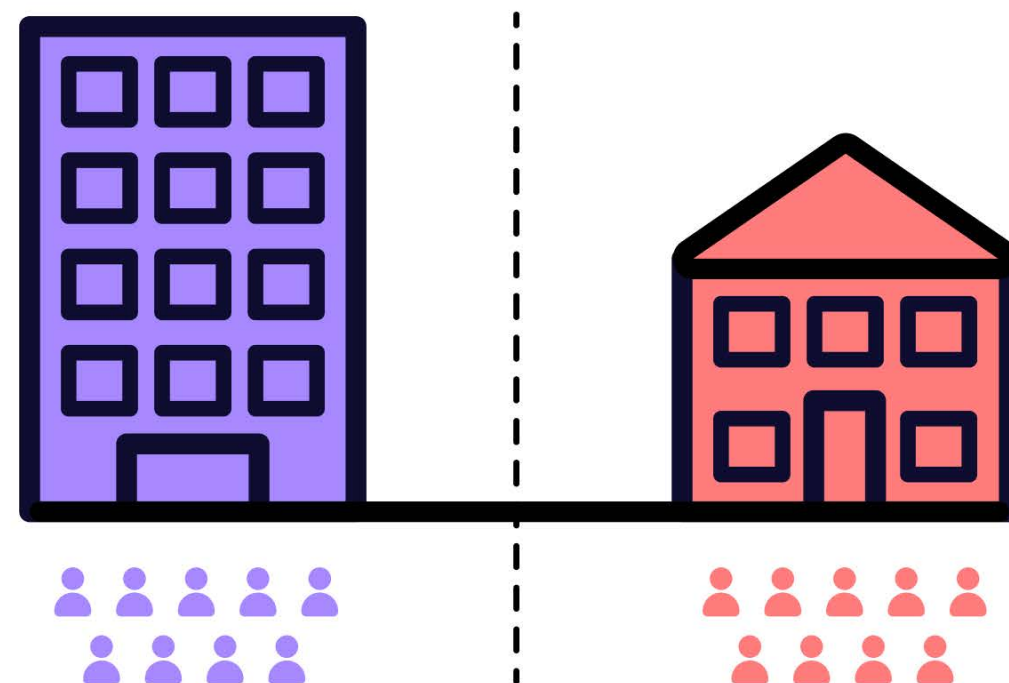
### What is hybrid working?

Hybrid working is a combination of working remotely and from an office, as opposed to traditional work that's 100% on-site. This type of flexible working was already on the rise in recent years as advancements in technology made it easier for knowledge workers to work away from their desks. In a post-pandemic world, hybrid working is the new norm.

The hybrid model looks different for every organization, but here are 3 common variations.

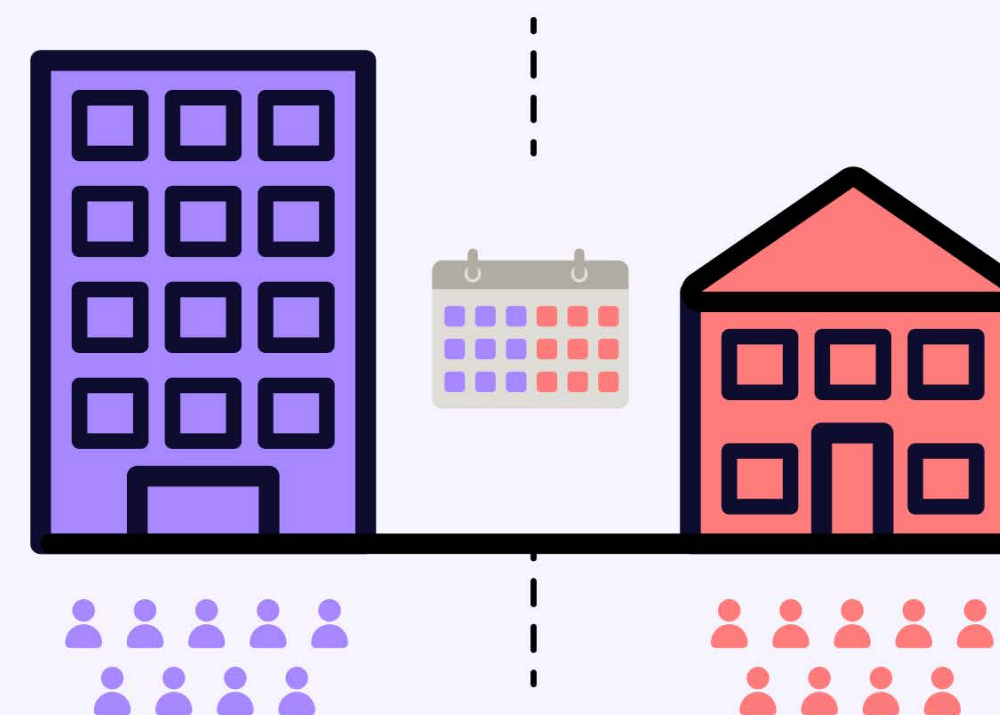
#### Distributed Workforce

A portion of the workplace or specific lines of businesses will work remotely, whereas others will work in-office



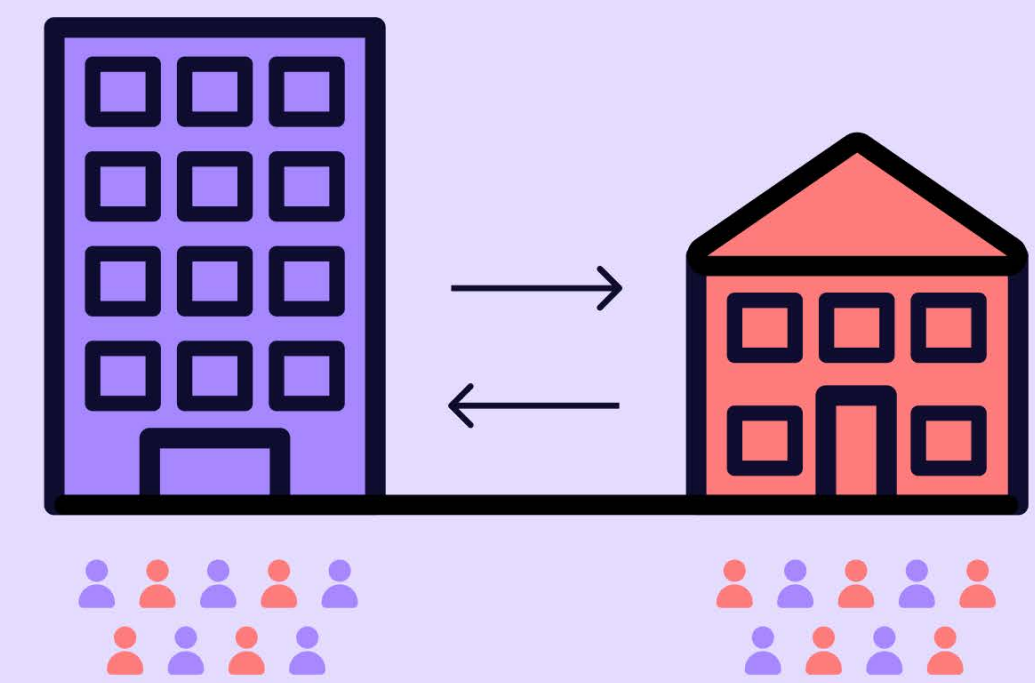
#### Office Occasional

Employees within the organization will be assigned time-blocks to come into the office and work the remaining time remotely



#### Employee Flex

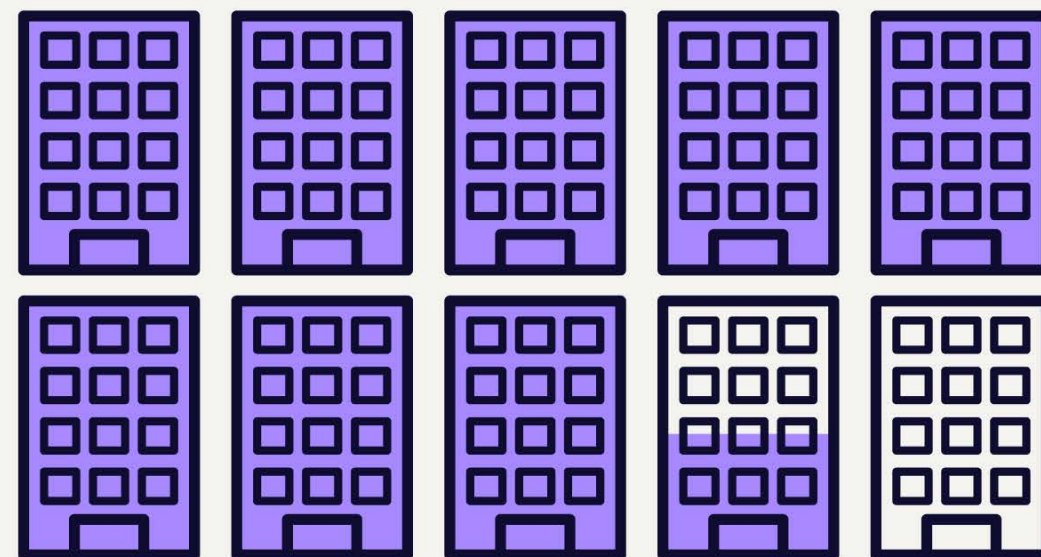
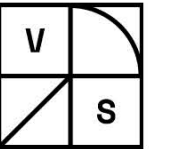
Employees will come into the office on an as-needed basis for a few hours or days of the week





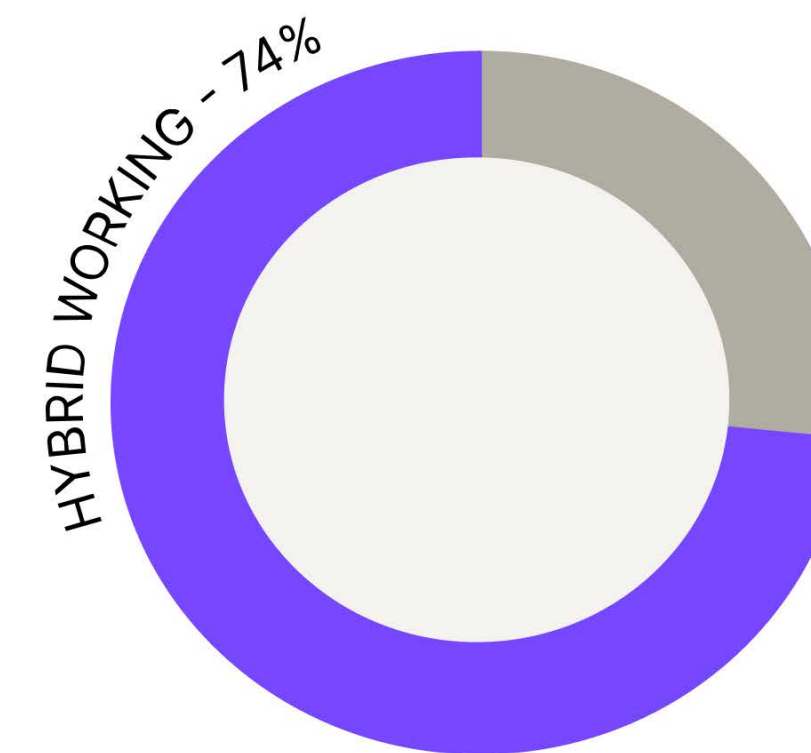
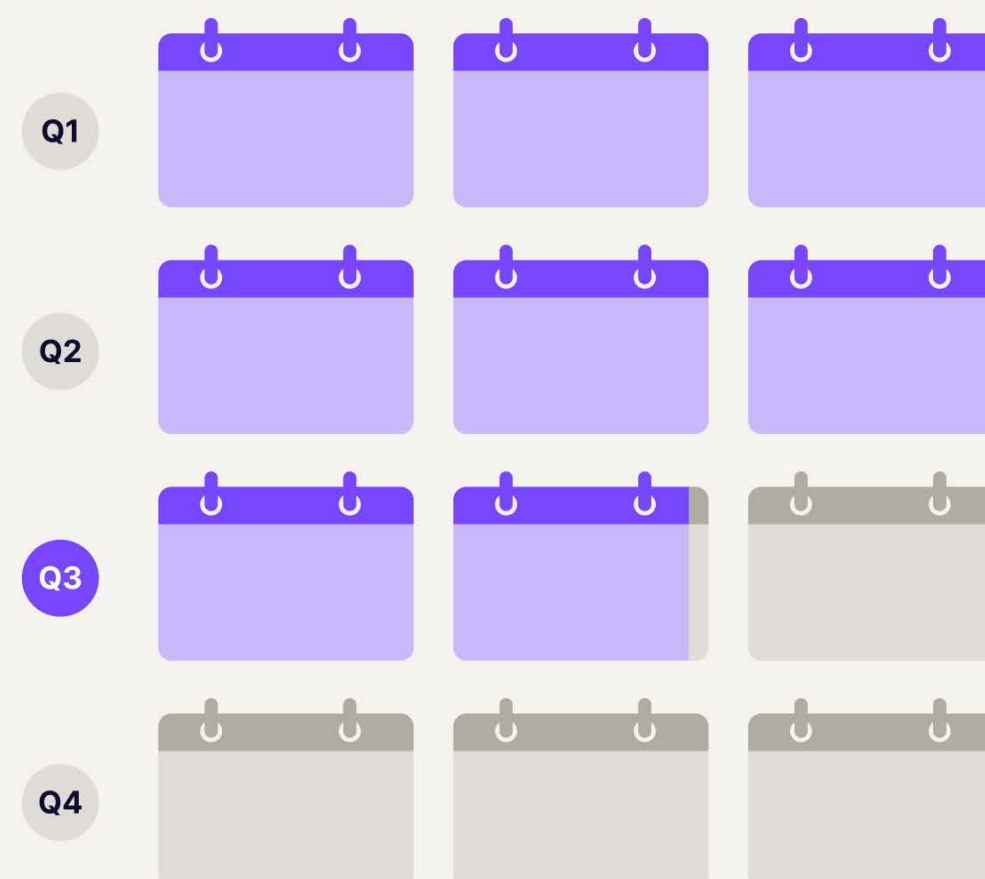


## Hybrid working is the new norm



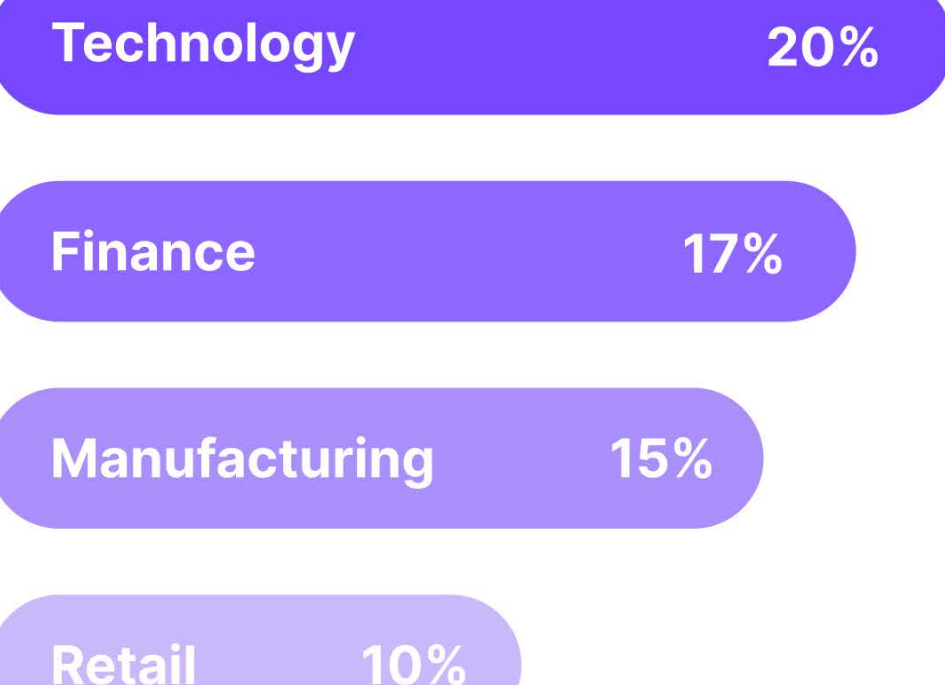
84% of enterprises are planning to return to the office

65% of those planning to return to office will return to office by Q3 2021



Of those returning, 74% of enterprises will be hybrid, while 26% will be traditional

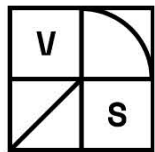
Companies working in the Finance and Technology sectors are leaders in driving Q3 return to office initiatives.







# Safety is the top priority for returning to the office



Irrespective of when they are planning their return to the office, **safety is the top priority across 75% of enterprises.**

As enterprises plan their return-to-work strategy, they are being especially vigilant about the health and safety of their employees. While government mandated protocols in the US are region-specific and limited, the global enterprises we surveyed are proactively paying additional scrutiny to social distancing, cleaning and disinfecting workspaces, and managing communications around changes within the workplace.

## What’s keeping workplace leaders up at night?

- Safety:**  
Occupational health and wellness including environmental hazards and working conditions
- Productivity:**  
Ability to create and contribute to overall output
- Employee Experience:**  
Workers’ perception of sentiments around the workplace
- Workplace Experience:**  
Ease of access across workplace’s physical, digital and cultural design
- Portfolio Optimization:**  
Right-sizing of assets and space types

% of Enterprises that identified the following as a top 3 concern

	<b>Safety</b>	<b>90%</b>
	<b>Productivity</b>	<b>67%</b>
	<b>Employee Experience</b>	<b>66%</b>
	<b>Workplace Experience</b>	<b>52%</b>
	<b>Portfolio Optimization</b>	<b>25%</b>

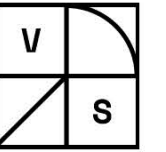
In recognition of the importance of human capital in driving a company’s growth and valuation, surveyed enterprises ranked employee experience and productivity as the next most pressing concerns.

Enterprises with a portfolio size greater than 20K square feet were more likely to choose portfolio optimization as one of their top return-to-office concerns. Meanwhile enterprises with a smaller portfolio size consistently ranked safety as the primary concern.





## Collaboration is the key to employee effectiveness

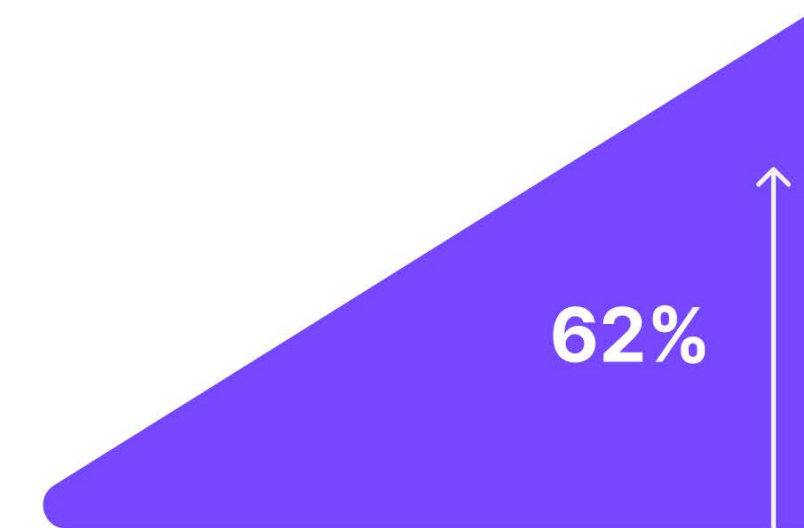


As companies become more global and complex, the ability for distributed teams to communicate effectively will become increasingly important.

**But are these enterprises equipped?**



50% of enterprises operate in 4 or more countries



62% of enterprises indicated meetings have increased since COVID began

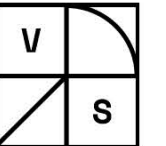
Collaboration occurs when two or more people work together to achieve a goal or create something, and it can take place digitally or in person.

62% of enterprises have indicated an increase in the number of meetings since COVID began, indicating that with the lack of a physical workplace, the urge to create moments of collaboration actually increased.





## Collaboration is the key to employee effectiveness

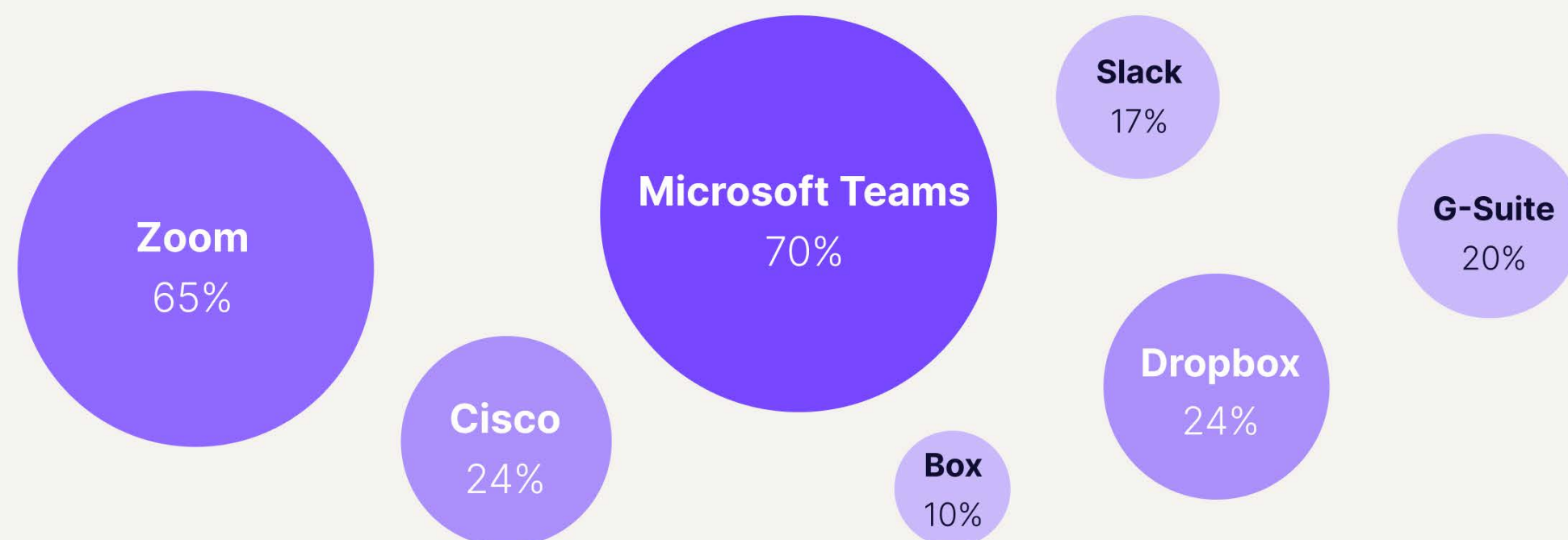


As the need to collaborate has grown, enterprises are also increasing investment in virtual collaboration tools.

In fact, 73% of enterprises have invested in more than one collaboration tool, with at least one of them enabling video conferencing.

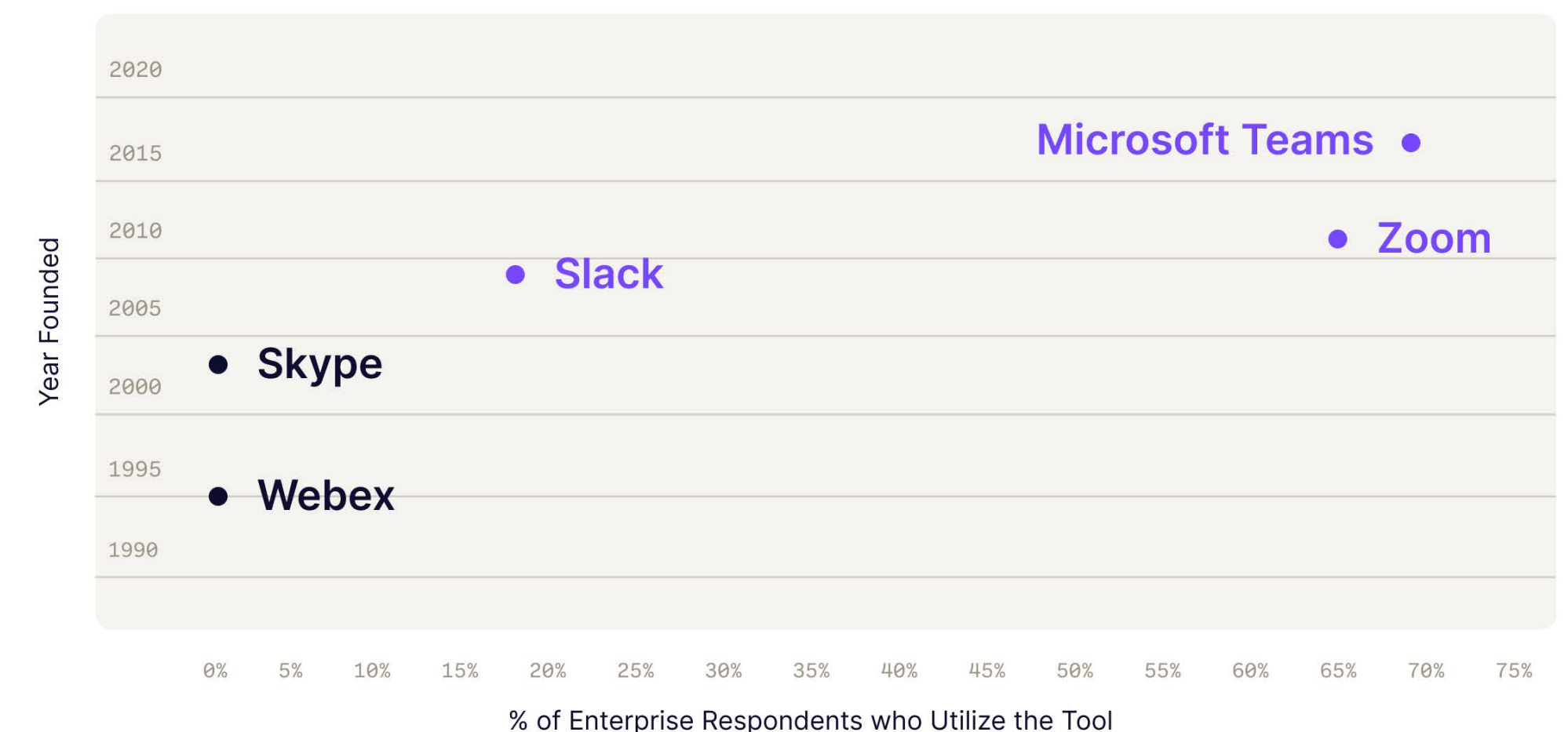
Catering to video conferencing needs, 70% of enterprises have invested in Microsoft Teams and 65% have invested in Zoom. 44% of enterprises have both Microsoft Teams and Zoom, providing employees options across both service providers.

73% of enterprises utilize at least two virtual collaboration tools



Also worthy to note, Webex and Skype, founded in 1995 and 2003 respectively, are collectively being invested in by only 1% of the enterprises surveyed. This implies enterprises are favoring new technology.

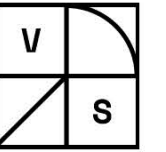
Collaborative Tool Utilization Compared to Founding Year





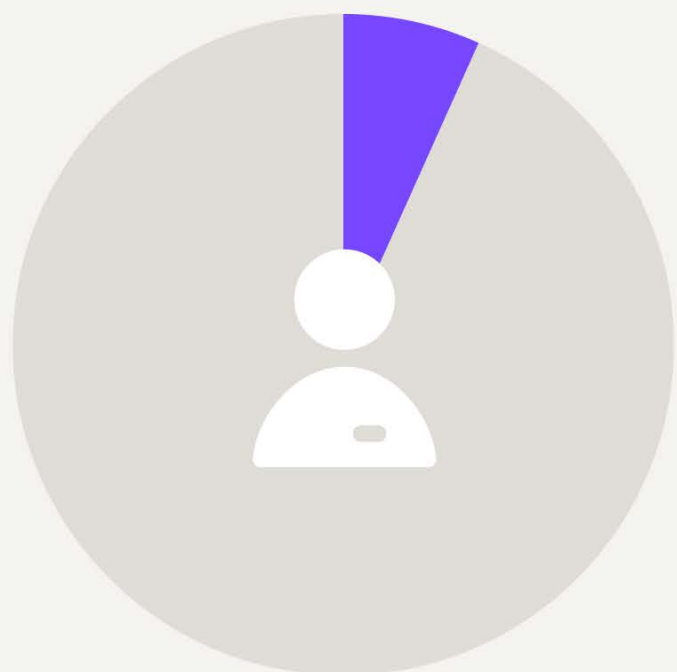


## Employees still lack the choice and flexibility they desire



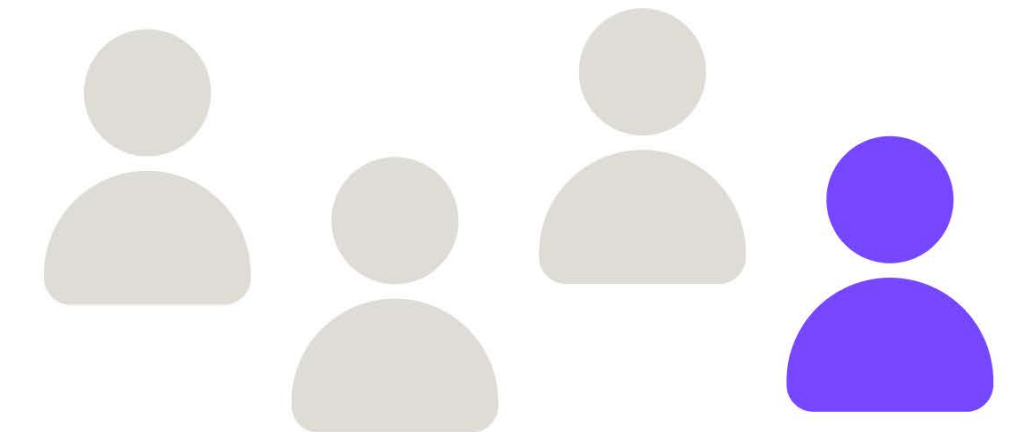
Though investments are being made into improving the employee experience, **employees still aren't enabled to drive their own decisions around the workplace.**

Despite the level of trust exhibited over the past year with remote working, most employees will not be given autonomy to choose their return-to-office schedule, with a mere 6% of enterprises allowing individual employees to determine it. Additionally, upon their return, 79% of enterprises will continue to assign seating for at least 1/4 of their employees.



**Only 6% of employees** returning hybrid will be able to define their schedules

**79% of enterprises** will continue to assign seating for at least 1/4 of employees

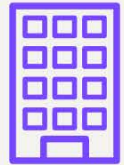


In the last year, several new workplace titles have emerged to accommodate for the change in workplace strategy and to enable distributed teams. Organizations are finding value in creating roles dedicated to managing workplace logistics, health and safety, remote work, and workplace culture.

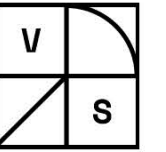
### Emerging roles that are improving employee experience







## Corporate real estate portfolio will grow, not shrink

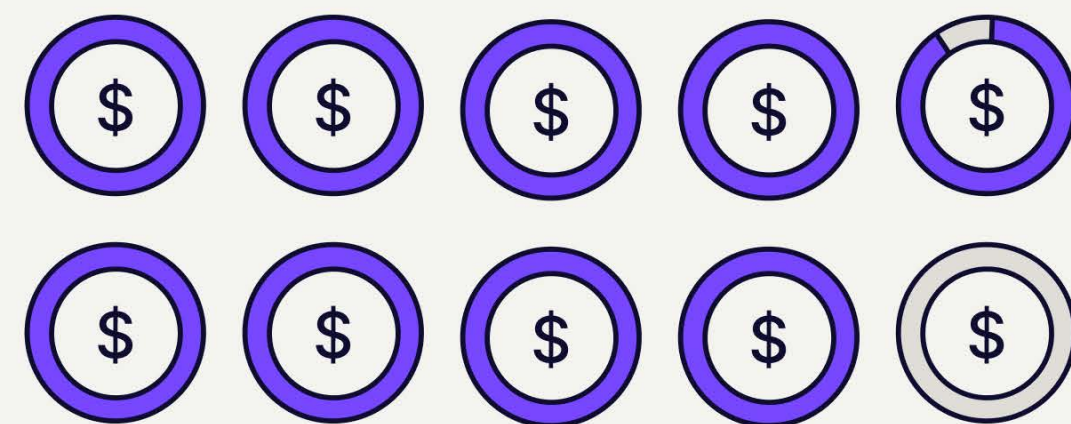


The ability to work remotely over the past year has led to **82% of enterprises hiring outside of pre-Covid locations.**

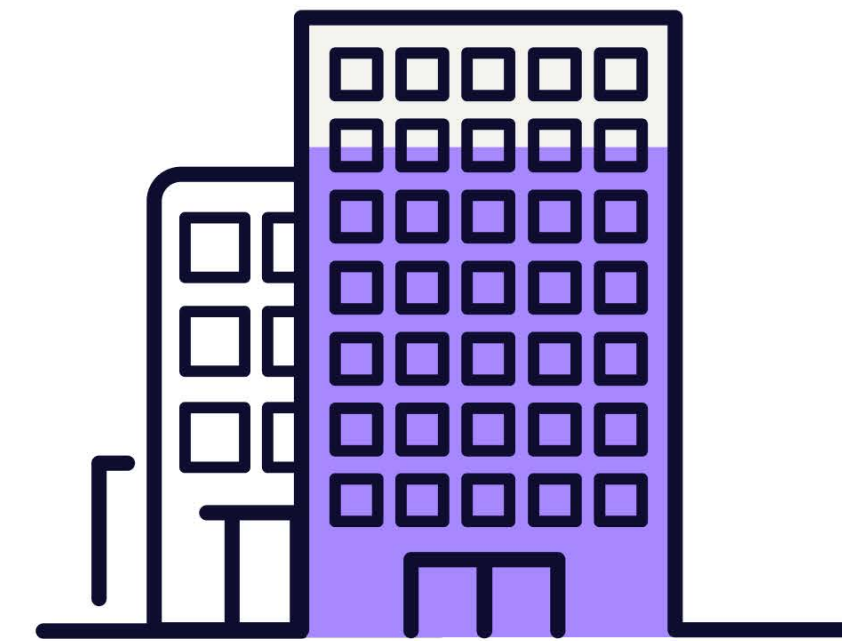
Companies leveraged the opportunity to expand their talent pool beyond candidates living in close proximity to existing office locations. In fact, 72% of surveyed enterprises hired at least 6% of their new hires in new locations. Enterprises will need to reassess, and potentially grow, their current real estate investments to accommodate their growing, distributed workforce.

Making adjustments to the existing portfolio, however, may not be as straightforward. Given that it is currently a buyer's market and average lease terms extend to 3 - 5 years, enterprises may not have the ability to reduce portions of their portfolio despite the necessity.

**89% of enterprises** are anticipating revenue growth

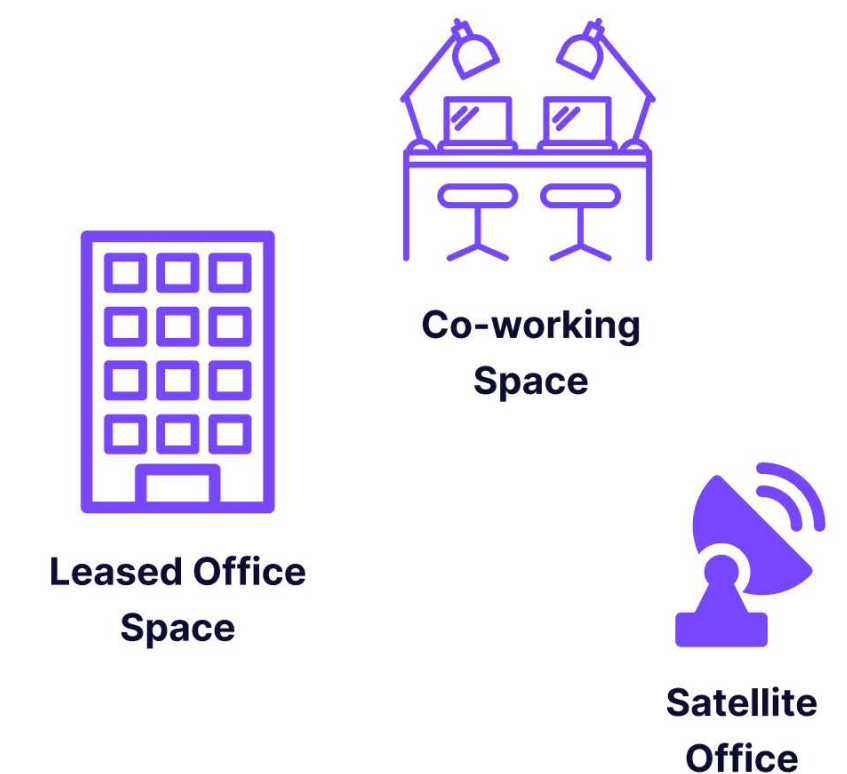


Keeping a diversified portfolio, however, will work towards an enterprise's advantage. As of this year, 72% of enterprises have invested in at least one additional asset type in conjunction with their owned assets, including lease, sublease, coworking, flexible space, or a satellite office. As headcount and revenue growth fluctuates, a diverse asset mix will be critical.



**82% of enterprises** are either investing in or making no changes to their existing portfolio

**72% of companies** have a diversified asset portfolio, investing in at least one additional asset type along with owned assets





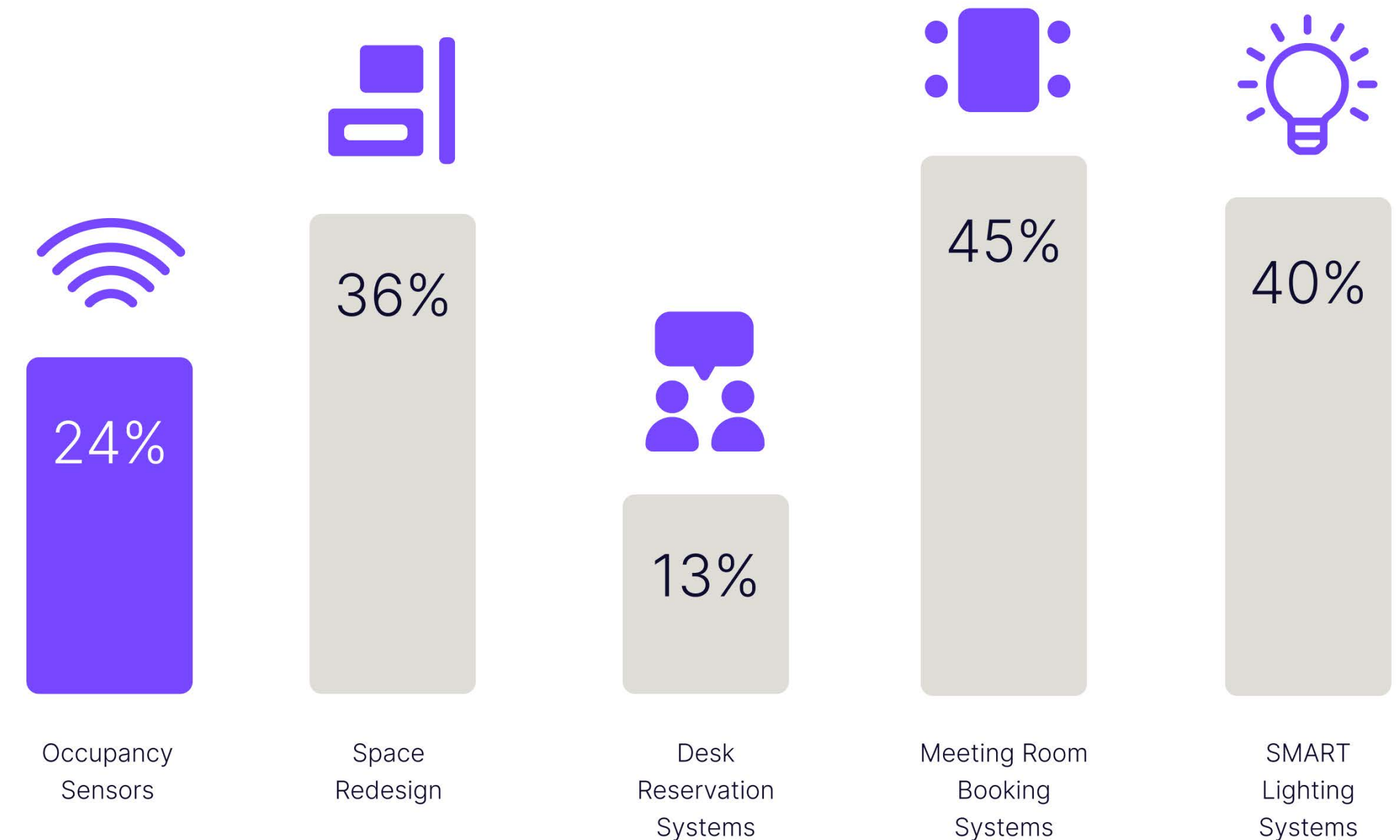
In order to enable an optimal workplace, enterprises are investing in workplace enhancement tools.

65% of enterprises are investing in workplace enhancement tools, of which, meeting room booking systems and standing desks are the most popular investments, with 45% of enterprises investing in at least one of the two.

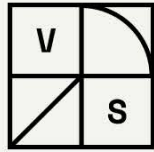
Interesting to note, [only 23% of enterprises have invested in desk reservation booking systems](#). This is likely due to the fact that most companies are planning to assign seating for at least a portion of their employees (see page 9) and desk reservations.

With the investments being made in space redesign, it is clear that enterprises anticipate key changes within their organization. However, [only 24% of enterprises are tracking those changes through the investment of occupancy sensors](#), which could actually enable some of the space redesign through a more data driven approach. Enterprises within the Technology industry are most likely to make this investment.

**% of Enterprises that are investing in the following:**







## Conclusion

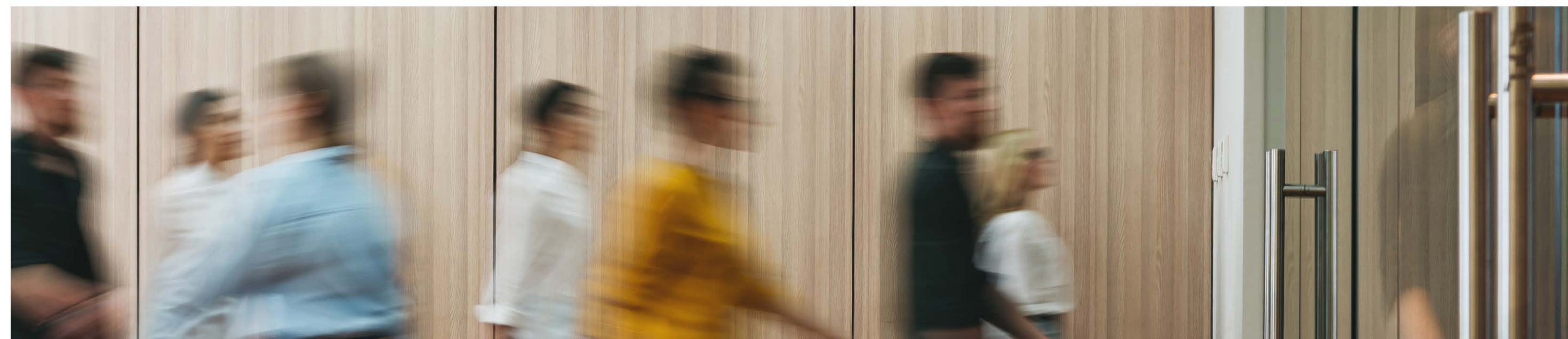
The evolution of the workplace has begun. As enterprises start opening doors to their employees, leaders will better understand what tools their employees need to thrive in their workplace ecosystem, including their physical, virtual, or cultural environments.

Benchmarking, strategizing, and investing in innovative products will be integral to making necessary changes. Workplace leaders are increasingly relying on data collection to meet top line business objectives.

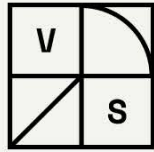
## What to expect in the future

Enterprises will need to learn to adapt quickly to the rapidly changing requirements of their workforce, and the fine balance between capacity and design principles will be pushed to the limit.

Providing an employee and workplace experience that encourages them to continue to use the office will be key, and data will be the enabler in driving these decisions. Learning and rapidly adapting to new workplace needs will require making strategic choices around the types of spaces offered, amenities provided, technologies enabled, and environment curated beyond the four-walls of an office space.







# Creators

**Shivani Chopra, VergeSense**  
Head of Workplace Strategy, Data Insights

**Anna Lui, VergeSense**  
Head of Content Strategy

**Ryan Kelly, Night Swim**  
Creative Director

# Data Sample

- **Survey conducted March 15 - March 19, 2021**
- **1,020 total respondents**
- **Decision makers in Workplace Strategy**
- **Organizations with \$1B revenue or greater**
- **All industries**

## About VergeSense

The VergeSense Workplace Analytics platform is the all-in-one solution to power your return-to-office strategy. The unique combination of Entryway sensors, Area sensors, robust analytics, and a vast network of integration partners provides the most complete view into office utilization across campuses, buildings, floors, rooms, individual desks, and more.

## VergeSense Innovations

VergeSense Innovations delivers research, analysis, and insights that shed light on today’s most pressing corporate real estate and workplace challenges and opportunities. Living at the nexus of workplace, people, and tech, VergeSense Innovations is dedicated to elevating the dialogue around data analytics and the future of work.