Who's Going Back to the Office?

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WHAT DO EMPLOYEES CARE ABOUT?

Fairness & Equality

People with similar job responsibilities want to be treated equally with respect to their work environments

Well-Being & Mental Health

Employees across all sectors are seeking a greater work-life balance

Professional Development

Employees will invest in companies that invest in them

Flexibility

Employees want a level of autonomy and want companies to be adaptable

Culture

Employees want connection and to belong to a company with a strong cultural Identity.

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Professional Development Matters for Retention

94%

The percentage of employees that would stay at a company that invests in their careers

Improving company culture starts with professional development

Percentage of respondents selecting these as top areas to invest in to improve company culture:

Professional development opportunities	59%
Flexible work support	48%
Mental health and wellness	42%
Training managers to lead remote and hybrid teams	35%
Diversity and inclusion	26%

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Employees working remote (fully or via hybrid schedules) do not want to sacrifice professional development opportunities

1 Mentoring & Training

Junior and recently onboarded employees want mentoring and consistent one-on-one meetings and training.

2 Access to Managers

Employees want to receive quality assignments and the ability to receive assistance and feedback on work product.

3 Opportunities to Advance

According to the Harvard Business Review, companies tend to have a bias to reward employees who are present. Remote and hybrid employees are noticing.

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Tips to Promote Professional Development

Training & Education

- Develop a strong onboarding/training program
- Offer continuing education opportunities (ideally in the office and streamed to remote employees)
- Fund opportunities for employees to participate in professional organizations such as ABFO, ALA, Lawyer's Club, BioCom, Connect, etc.

Reevaluate the Metrics for Advancement

In any remote or hybrid work environment, companies need to value output over presence.

Take Steps to Ensure Access to Managers

- If working remotely, have managers provide windows of time that are blocked off for employees to ask questions in order to create a remote "open door" policy.
- For companies with a hybrid policy, use on-site time for meetings and collaboration instead of independent projects to create those connections.
- Studies have shown certain groups (such as women) have increased productivity working remotely but have been promoted less frequently than male counterparts who are present in the office. If companies permit total or partial at-home work, then companies need to create opportunities for employees to interact and network with their managers to not forego advancement opportunities.

Share the Information

Communicate what different people in the company are doing, including receiving awards, speaking at a conference, sitting on a nonprofit board. This will help employees know the company supports professional development and helps the employees seek out mentors and new connections.

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Fairness & Equality

The conversations around fairness & equality have not been centered around what you would likely expect (gender, race, sexual orientation, etc.).

Instead, the conversations addressing fairness & equality have been centered around employees wanting to have consistent remote work policies applied to people with similar job functions.

Who has access to flexible work? Why does their job function justify the particular remote work policy? Is it fair? These are the questions you should be asking.

+658%

Per the Harvard Business Review, this is the percentage increase in CEOs talking about issues of equity and fairness in S&P 500 earnings calls since 2018.

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Tips to Promote Fairness & Equality

Do Not Give Individual Managers Too Much Discretion

To avoid a feeling of inequity across teams, managers should not be given too much discretion. Bob does not want to be in the office 5 days a week just because his boss is Dan, while Kevin (who is in Bob's same department) has the flexibility to work a hybrid schedule under his boss, Lisa.

Create a Policy-Based Approach

Companies should consider a policy based approach to schedules so that each department has a consistent policy (ex: 3 days back in the office).

Make Decisions Based on Departments with Similar Functions

Departments with similar abilities to work remotely should also have the same requirements regarding the number of days in the office. For example, legal & accounting could each be 3 days a week. When people look at their colleagues with similar jobs (ex: office jobs), they will not feel like they are being treated unfairly by the company.

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Flexibility

2.6x

EMPLOYEES ARE 2.6 TIMES HAPPIER IF THEY HAVE FLEXIBILITY

+343%

PER LINKEDIN, THIS IS THE PERCENTAGE INCREASE IN WHICH JOB POSTS MENTION FLEXIBILITY AS A BENEFIT SINCE 2019.

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GOAL
Flexibility within a framework. Create core policies on expectations (ex: 3 days a week in the office) while otherwise attempting to be flexible and adaptable.

GOAL
Readjust productivity metrics to focus on measuring outcomes & tasks completed instead of hours of face time.

Flexibility

Real World Examples

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Example: All employees must be in the office 3 days a week & attendance on Tuesday is mandatory; however, employees can otherwise work with their managers to choose the other 2 days they are onsite.

● ● ● ● ●

Example: All employees must be in the office Tuesday–Thursday. Because of individual circumstances (such as constraints around childcare), employees can be flexible within reason as to when they arrive/leave on those days. Managers will attempt to focus on the tasks being completed by each employee vs. the hours of face time.

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Flexibility in Action

Keep in Mind:

- Junior and newer employees may be hesitant to take advantage of flexible policies. Managers set the tone.

- Managers cannot be punitive if choice is given and people exercise it.

- It is not just the workplace that has changed. For example, your employees with children may be facing limited childcare schedules, lack of availability of daycare (due to continued smaller class sizes), and unpredictability caused by classroom closures.

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Well Being & Mental Health
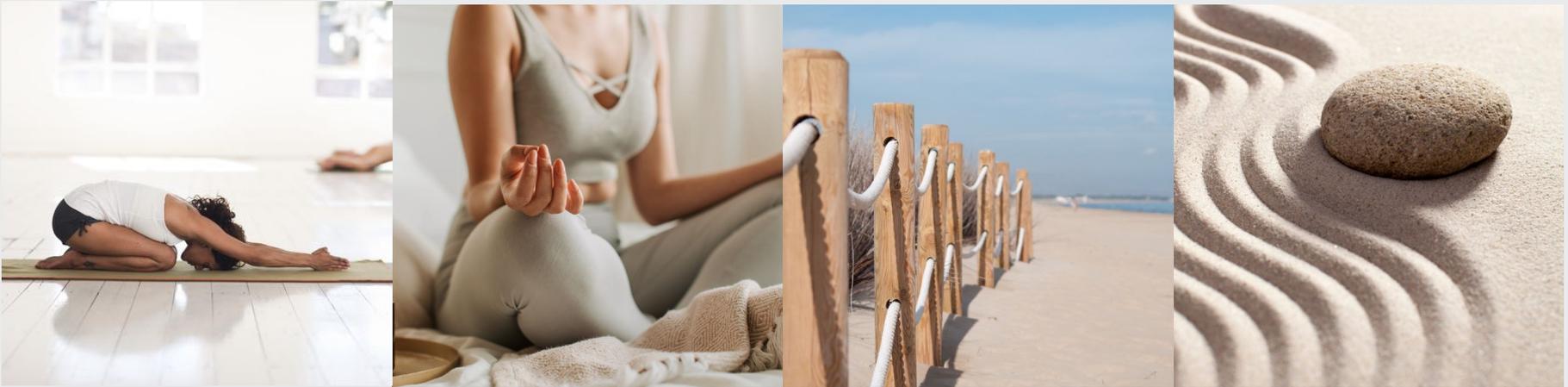
63% → The percentage of professionals that select work-life balance as being a primary priority when picking a new job per LinkedIn, with Gen Z taking the lead.

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Tips to Promote
Well Being & Mental Health

Benefits & Amenities

Offer mental health benefits & access to amenities for employees to exercise and take a break.

Help Employees Set Boundaries

Create "off limits" hours as a team where employees are not expected to be responsive or available. Remote work has blurred the line between home & the office thereby causing employees to feel like they are never offline.

Use Technology

Apps, such as Microsoft Viva Insights, can track if employees are actively working "after hours" or longer than expected. You can then work with those employees to set boundaries.

Block Time

Work with employees to block time on their shared calendars to create either distraction free time for work (a remote work "closed door" to allow focused work) or for breaks (incremental or for lunch). This will signal to the team that this person is unavailable regardless of whether the person is working in the office or remotely.

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Culture

Employees need to develop relationships to feel a sense of belonging - this will result in an increase in employee retention.

60%

The percentage of employees working from home who say they feel less connected to their co-workers

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Tips to Cultivate Culture

Create Community

- Plan in-person meetings and events regardless of whether people are remote or working from the office.
- For employees that are truly remote (i.e., employees that relocated out of state), create virtual events or regular department/team virtual meetings for people to connect.
- For hybrid arrangements, make the time in the office collegial and relationship driven - lunches, events, team meetings & opportunities for creative collisions with other departments

Ensure a Critical Mass

Make sure there is a critical mass of people in the office so that it is not a "ghost town." This can be accomplished by requiring all employees or certain departments to be back in the office at a minimum on the same day each week.

Use Office Time for Collaboration

Make the in-office time collaborative (use this as the time for in-person meetings, white boarding, one-on-one's, etc.).

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What Do I Do With That Information?

It is Time to Ask Some Questions.

Who Is Your Team?

What Is Your Business?

Who is Your Team? What is Your Business?

WHERE DOES YOUR TEAM LIVE?

If your office is not centrally located, or close to where most employees live, then remote and hybrid work arrangements are more important to save people time (commuting) and money (increased gas and childcare costs). The greater the distance, the greater the need to offer remote or hybrid arrangements.

WHAT IS THE AVERAGE TENURE & LEVEL OF EXPERIENCE OF EACH EMPLOYEE?

The more recent the hires, the greater the concern is to ensure professional development is being addressed. There is a greater need to get people into the office for training and mentoring if many of the team members have been recently onboarded and/or are junior in experience.

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Who is Your Team? What is Your Business?

## CAN THE JOB BE PERFORMED WELL AT HOME?

Certain jobs cannot be performed from home (such as R&D jobs or litigators needing to make court appearances). Many jobs can be performed remotely but certain positions may still have unique considerations. For example, does the job have confidentiality and privacy concerns? If so, at home work may be less secure because of issues surrounding firewalls and data privacy protection. Can productivity be effectively tracked? For example, lawyers bill in 6 minute increments and can productively work remotely. Is it possible to measure outcomes vs. hours worked to assess the productivity of employees?

WHAT IS THE AVERAGE AGE OF YOUR TEAM?

Although a younger employee pool will require increased access to professional development, younger employees care more about flexibility. Per a LinkedIn study, if a company's post mentions "flexibility," the engagement with that post will increase by 77% for Gen Z-ers and decrease by 31% for baby boomers. The younger the employee pool, the more important hybrid options are, particularly for parents of younger children.

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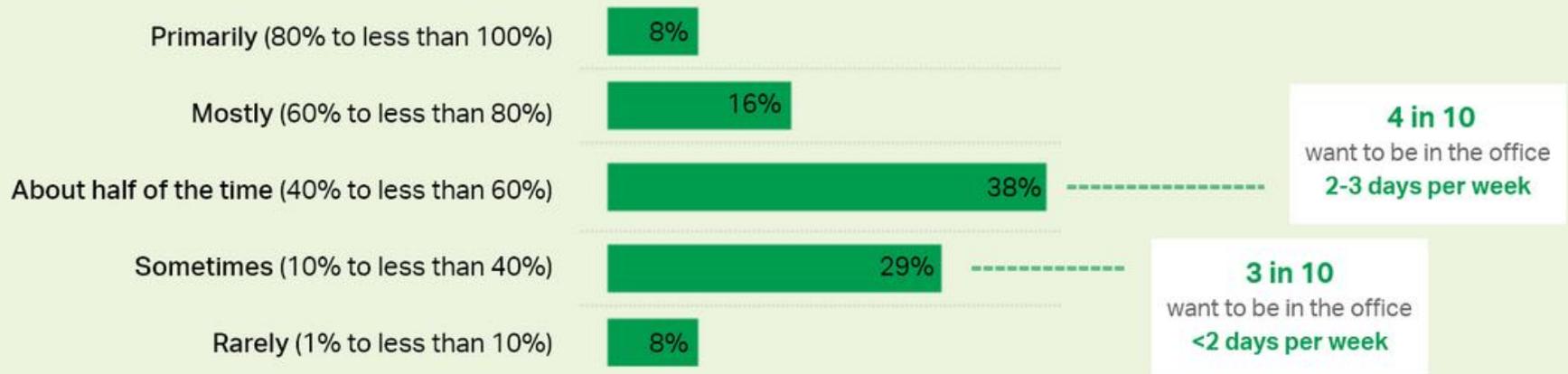Work from Home · Hybrid · Back in the Office
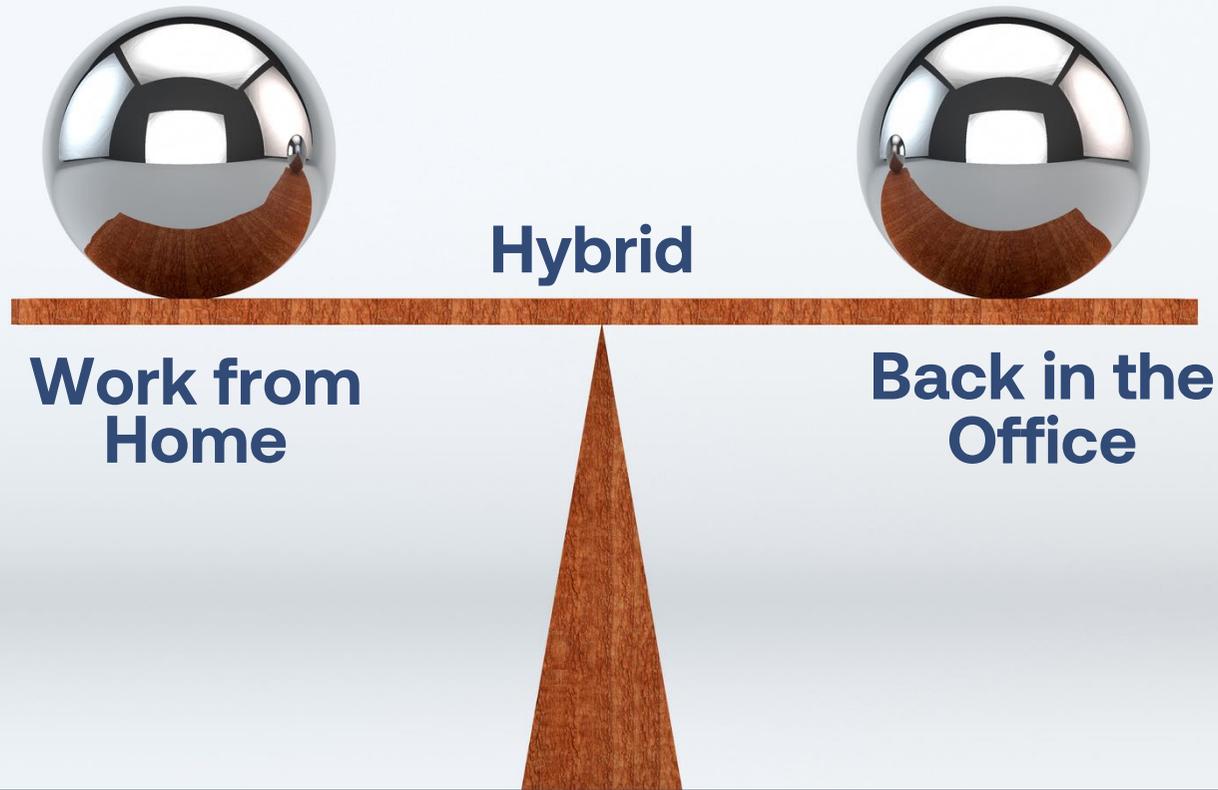
Considering the Options

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OFFICE WORKERS PREFER A HYBRID MODEL
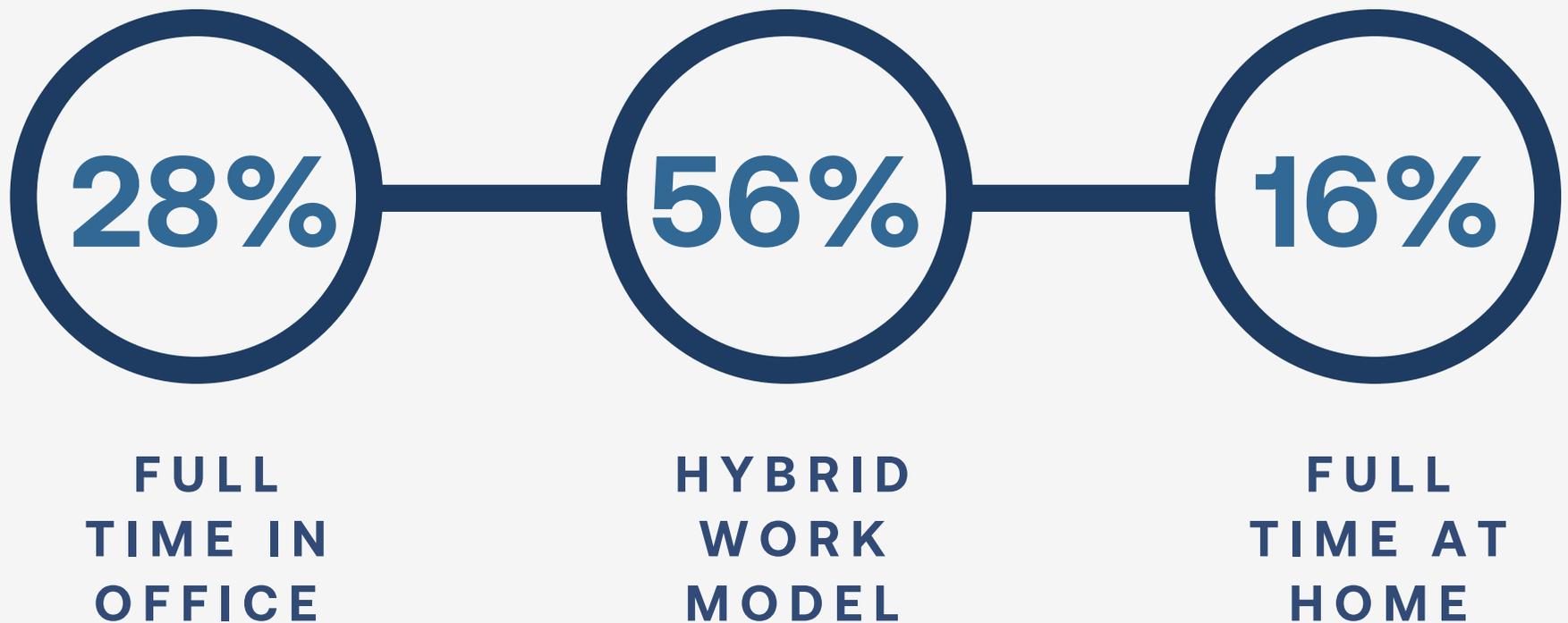
28%

56%

16%

FULL TIME IN OFFICE

HYBRID WORK MODEL

FULL TIME AT HOME

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If Given the Option to Work Partially Remote, How Often Would You Prefer to Work at the Office?

Category	Value
Primarily (80% to less than 100%)	8%
Mostly (60% to less than 80%)	16%
About half of the time (40% to less than 60%)	38%
Sometimes (10% to less than 40%)	29%
Rarely (1% to less than 10%)	8%

4 in 10
want to be in the office
2-3 days per week

3 in 10
want to be in the office
<2 days per week

GALLUP

HELLO Tuesday

Tuesday →

The most popular day for companies to have employees back in the office is Tuesday

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BEING PRESENT MATTERS FOR CAREER GROWTH & STABILITY

42%

Percentage of managers who said they forgot about remote employees when assigning tasks.

67%

PERCENTAGE OF MANAGERS WHO FIND REMOTE WORKERS MORE EASILY REPLACEABLE THAN THEIR IN-PERSON COUNTERPARTS.

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Tips to Make the Hybrid Model Work

✓ Require that people come on consistent days - **a critical mass of people is needed in the office at the same time**

✓ Consider **which departments collaborate** and require that those departments are all **in-person on at least one day** together

✓ Ensure **managers are on-site when their team members are** - this will help with concerns about professional development & will provide employees with training, mentoring and networking opportunities

✓ Encourage people to **use the time in the office to collaborate** - work that is independent and needs to be uninterrupted should be performed at home

✓ Work with managers to **evaluate employees based on task completion vs. hours of face time**

✓ Ask about what worked well at home (ex: 2 screens) and see whether the **company can support replicating** those items in the office so that employees don't feel like they are losing efficiencies.

Main Take Away:

People need to feel like it is worth their time to come into the office. Companies need to make it collaborative, interactive and provide opportunities to socialize, network and conduct in-person meetings that would otherwise be held on Zoom/Teams/etc.
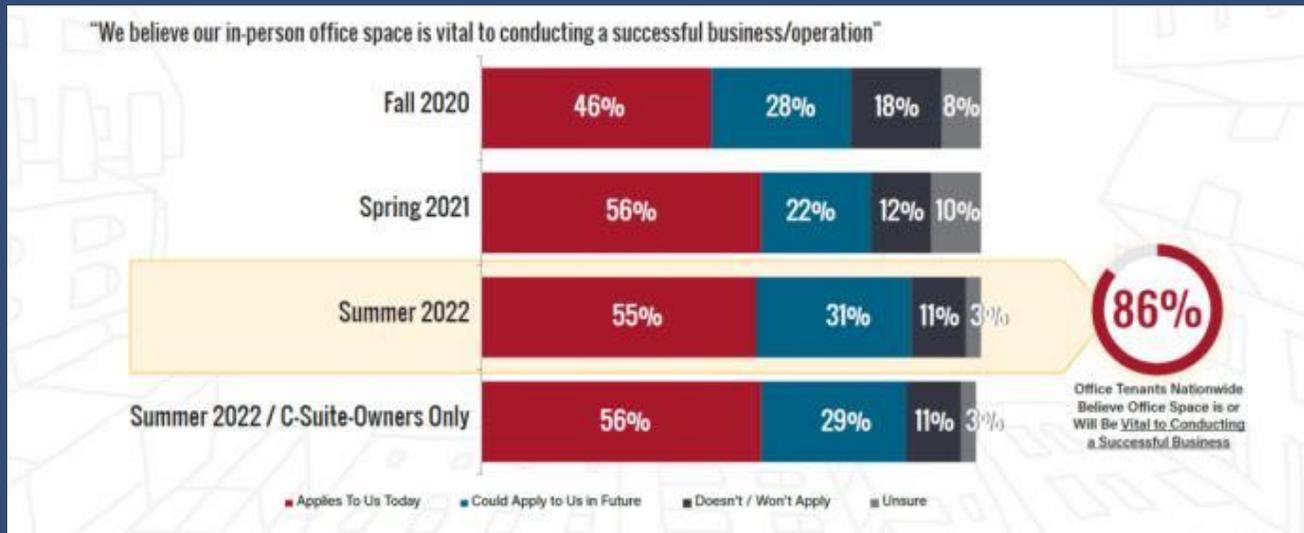
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Tips for Working from Home (full-time or via hybrid schedule)

Main Take Away:

Companies need to work with employees to set boundaries so that they have a separation between home/work life. Managers need to block out time (a virtual "open door" policy) for people to ask questions or connect. In order to encourage retention, promote professional development & preserve company culture, companies need to create virtual and in-person opportunities for learning and to connect.

✓ Remote work needs to be supported by the company - employees need access to **IT support** for computer issues and the company needs strong **security/privacy protections.**

✓ Managers should block specific windows of time on their schedules for a **remote work "open door" policy** so that people can reach out and connect or ask questions without feeling like they are interrupting.

✓ Encourage employees to **block their own schedules** for breaks and also **private, uninterrupted work**. This replaces the visual cues of doors being open/shut in offices.

✓ Encourage employees to have **hard stops at the end of the day**, which need to be respected by managers to avoid employee burnout.

✓ **Host virtual events and training or in-person meetups** like team lunches or happy hours.

✓ Work with managers to evaluate employees based on **task completion vs. hours worked** to more easily measure productivity.

Per a McKinsey report, "in the computer-based office work arena, 70% of time could be spent working remotely without losing effectiveness."

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"We believe our in-person office space is vital to conducting a successful business/operation"

	Applies To Us Today	Could Apply to Us in Future	Doesn't / Won't Apply	Unsure
Fall 2020	46%	28%	18%	8%
Spring 2021	56%	22%	12%	10%
Summer 2022	55%	31%	11%	3%
Summer 2022 / C-Suite-Owners Only	56%	29%	11%	3%

86%

Office Tenants Nationwide Believe Office Space is or Will Be <u>Vital to Conducting a Successful Business</u>

Source: BOMA

Finding the Value

In a study by BOMA, **86% of office tenants believe office space is "vital to conducting a successful business"** and **72% of respondents will renew their leases.**

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How Does Our Space Play a Role in Achieving the Company's Goals?

Create Space for Group Work & Meetings

Excess offices can be repurposed (or the existing space can be reconfigured) to incorporate collaboration spaces and break out rooms. Ideally, these spaces will have video conferencing equipment to allow remote employees to participate.

1:1

The ratio of conference seats to individual desk seats was 0.27:1 pre-pandemic. That ratio has increased to 1:1 due to hybrid employees using the office for more in-person meetings.

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Create More Collaborative & Break Out Spaces

"[T]he typical office layout has undergone a complete turnaround from prioritizing desk allocation to focusing on spaces that enable collaboration and high-quality experiences."
Fortune Magazine

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Create Amenity-Rich Spaces for Creative Collisions & Socialization

Employees need to feel like it was worth their time to commute & come into the office. Amenity-rich spaces or campuses are critical.

According to Gensler's 2022 Workplace Study, 83% of office workers responded they would be willing to return to the office more regularly if their ideal experiences were met. All employees had a preference for hospitality focused experiences, while older workers preferred a blend of hospitality with business-like work experiences.

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Incorporate Quiet Break Away Spaces

For employees who do not have private offices, it is important to provide quiet break away spaces. Even with the push toward collaboration in the office, there needs to be private spaces for quiet work (employees got used to this during the pandemic), the flexibility to take phone calls, and to accommodate employees sensitive to health concerns surrounding COVID and the spread of illnesses.

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Location Matters

Proximity to Retail

If people are leaving their home, they want to be productive by being able to stop by stores on their way to/from work, grab lunch with colleagues, fit in a workout, and generally make the commute feel productive.

Critical Mass of People

Integrated mixed-use developments help with the feeling of a critical mass of people and avoids it feeling like a ghost town.

Amenity-rich campus

If the office space is located in a building or project with amenities, that will help draw employees back to the office. This will supplement the amenities available in the office.

vs.

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Image Source: Kilroy

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Meet Our Team

Re:Align exists to get better and more favorable deals for commercial real estate tenants. We are a group of experienced professionals with unique backgrounds in law, finance, venture capital, strategic planning and real estate development, so we bring a higher level of expertise to our clients' real estate requirements and a better understanding of their financial and operational business drivers, which allows us to develop the best real estate strategies.

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Comprehensive & Consultative Services

At Re:Align, we work with you to address all aspects of your space needs. Our services are tailored to the needs of each client.

We Learn About Your Company

We strive to understand your workplace objectives, including your current and future workspace utilization. We learn about the key operational and financial drivers, including headcount projections that are used to prepare space demand forecasts.

We Are Your Advocates

Whether you are looking to extend your current lease, modify your existing footprint, or find new space for a relocation, we provide a detailed market analysis, review all viable options & negotiate the terms of your deal.

Strategic and Space Planning

Based on your company's needs, we develop a strategic workplace program for your space and financially model the program across market options.

We Stay Involved Through the Duration of the Transaction

From the initial planning stages, through identifying a space solution and negotiating the terms of the letter of intent, and continuing through the leasing stage and post-execution move, planning & construction, we stay involved and guide your company through the entire process.

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