



What's Now. What's Next.

Asset Transition

↳ Future of Work



Asset Transition: Future of Work



Welcome to our **What's Now. What's Next.** series – an exploration of resilience, adaptation and antifragility in the context of an increasingly complex world.

In this paper, we explore how the future of work conversation is impacting asset decision making.

The death of the corporate workplace?

With hybrid working the norm post-pandemic, traditional corporate employers are grappling with decisions about the future of work – and workplaces. On the one hand, some employers are calling for workforces to return to physical spaces, to foster collaboration and productivity. On the other hand, many employees are hesitant to return to pre-pandemic work patterns, as they have appreciated the advantages of reduced costs and travelling time associated with returning to the office, along with an improved work-life balance.

This ongoing tension and the resulting absence of a traditional 9-5 influx of workers to our CBDs (Central Business Districts) has left organisational assets underutilised. What were once bustling city centres are now uncharacteristically quiet. In London, footfall in some high streets is still less than 80% of pre-Covid figures. In the United States, 2022 mid-August office occupancy rates in ten of the largest cities were roughly 44% of what they were compared to pre-pandemic levels back in 2020 due to the rise of remote work.

With so much behaviour change occurring in such a short space of time, and with the financial and organisational costs mounting, how can leaders respond to and plan for an uncertain future of work?

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Reimagining our relationship with the CBD

When asking employees to return to the workplace, often the question is: what value is there to be gained from working in an office versus working from home? On the surface, the answer to this would seem weighted towards the home environment, which offers improved privacy, in comparison to many modern open-plan offices, supported by seamless, virtual connectivity via videoconferencing software such as Zoom and Microsoft Teams. A better question to ask, then, is how can we provide meaningful and desirable experiences in the workplace that employees simply can't get at home?

The unique appeal of the CBD as a drawcard to workers may provide the answer. The CBD represents an ecosystem of experiences, from the intimate and fine-grain, to large-scale and civic-minded. Thinking of the office not just as a workspace but as a microcosm of a broader CBD community, and of the city centre as an aggregator of unique experiences, may shift the mindset of employees reluctant to return to the office.

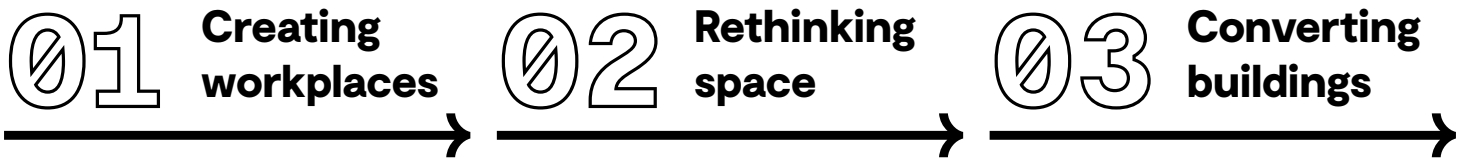
Our CBDs of the future will emphasise culture, sports, music and arts events as key attractors that cannot be replicated, at the same scale, in the suburbs (and certainly not at home).

By better connecting the corporate community to the unique experiences offered by the city, employers can offer creative incentives, such as:

- Working with cultural institutions to curate and 'package' experiences with an employee's visit to the office.
- For example, employers could arrange for a day in the office to be topped off with an evening at an art gallery, a comedy show or a sporting event.

Transforming space into an experience

Given the rapid uptake of hybrid working, many businesses will continue to look for opportunities to reduce their space requirements. This presents an opportunity to reuse and adapt vacant or redundant commercial space and maintain the support industries that rely on a bustling CBD. With the pathway to net zero emissions guiding the decision-making of leading businesses, building owners and developers will also be looking to upcycle older commercial property to deliver a range of more efficient and innovative uses, rather than building new. Further to these environmental and commercial drivers, the transformation of workplaces and CBD assets will manifest in three key ways:



With social and environmental purpose one of the top reasons people choose to work for a company, workplaces will increasingly showcase why an organisation does what it does – essentially, reinforcing the brand.

In demonstrating and aligning its environmental values with that of its employees, for example, businesses may rethink rooftops, terraces and balconies, creating communal gardens that workers can tend to in their lunchbreak.

Cold and empty marble foyers will be reimagined as dynamic spaces for pop-ups and programmed events such as TED talks. Workplaces will also increasingly be seen as an antidote to loneliness, rekindling and building interpersonal relationships to offset the isolation of working from home.

Co-working providers will increase their share of floorspace across our CBDs as organisations downsize headquarters and seek out more flexible, fully serviced overflow options.

Flex 'space as a service' will be used to create connected clubs of likeminded thinkers, including employees, clients, students and community groups.

In this way, shared co-working space will allow businesses to offer their people improved innovation, wellness and social benefits.

To create the vibrant CBDs of the future, redundant space will be converted into vertical mixed-use communities, including retail, health and wellbeing, commercial, hotel and residential opportunities.

This mix of uses and amenities will create lively precincts, adding character, relevancy and authenticity to the city. When mixed-use developments respond specifically to the local context, they have been proven to stimulate local economies and enrich the community.

In addition, spaces surrounding these vertical communities will be repurposed, with the public realm making way for more people-friendly uses (think interactive green spaces instead of traffic lanes).

Human-centred and empathy-led workplace design

Throughout the pandemic, employees consistently demonstrated that they could be productive working from home. Despite this, many organisations have mandated that employees come back to the office either full- or part-time. The problem with this top-down 'command and control' approach is that when change is forced upon employees without their input, they will often reject it.

Organisations will be in a better position to adjust to the future of work by recognising that innovation, collaboration and productivity are not only about tools and technology; they're about people. Some companies are already adopting human-centred design thinking to co-create solutions with employees – embracing a range of ideas and unlocking the creative energy of their people to win their commitment and radically improve the workplace. To truly unlock innovation, organisations will need to shift their focus towards people – their needs, wants and expectations. Beyond AI, robots and the metaverse, the future of work will be about what truly makes us human: our empathy, our kindness, our purpose.

Empathetic design solutions can also help build more inclusive, productive and attractive spaces. For example, empathy interviews can be used to better understand end user pain points. These exploratory conversations often involve anthropologists and ethnographers asking open-ended questions to understand the motivations, fears and desires of the people being interviewed.

In a recent project to design a primary school in the Middle East, our design team conducted empathy interviews to understand the journey into the school environment – from both the child's and parents' perspective. Their interviews found a high level of 'separation anxiety' felt by both parents and children, particularly at drop-off, when physically and visually separated by the classroom door. To address this anxiety, our design incorporated a windowed walkway where parents could see their children as they made the journey into and out of the classroom. The principle of providing 'psychological safety' is also applicable to the workplace, particularly in the context of people feeling very much 'in their comfort zone' at home.

As employees seek additional flexibility, balance and purpose from their work, adopting empathy in workplace design can create a progressive environment that is more inclusive and indeed, empathetic to, the needs of that workforce. Three further considerations for businesses wanting to re-think and adjust their office assets to a new future of work to foster innovation, inclusion and a sense of community include:

01

Moving from an 'inside out' to an 'outside in' approach.

Instead of pushing ideas onto employees or clients, an outside-in approach encourages a company to understand the needs of its employees or clients and reflect on what the company can do to meet those needs – whether physically or emotionally.

02

Shifting from linear thinking to diversity of perspectives.

Often, tunnel vision can creep in when tackling complex problems, such as exploring the future of work, especially when people have similar technical backgrounds. Diverse perspectives encourage greater collaboration and agility, unlocking new solutions.

03

Replacing hierarchies with 'wire-archies' (networks).

In workplaces with strict hierarchical structures, fear of failure can stifle people's creativity. Networks of distributed decision-making creates a sense of belonging and psychological safety where ideas can be shared freely.

Plotting a way forward

To foster creative, purposeful and productive workforces, now is the time to reimagine both our workplace assets and the CBDs they are situated in. The future of work opens the door to an exciting transition of traditional asset classes, such as commercial towers and office blocks, into thriving communities.



It also paves the way for our office precincts and CBDs to be a magnet for talent, offering unrivalled experiences that enhance, uplift and importantly, attract people back to our city centres.

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We are a global professional services company that leads through engineering, construction and architectural expertise. Our forward-looking, innovative approaches connect and sustain communities around the world. Delivering extraordinary social and economic outcomes, we are focused on building lasting relationships with our partners and clients.

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