ULI Chicago’s “The Front Stoop Series”

The Space Race: Home Office or Work Office?

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Conversation Led By: Kyle Kamin, Executive Vice President, CBRE & Drew Nieman, Executive Vice President, Riverside Investment & Development

Two ULI Chicago members share their take-aways below:

Business Leaders who really get it – culture is the glue that connects their people and fosters productivity. These companies already offer flexible work from home policies and have made workplace investment decisions to entice their workforce to come to the office. They are already contemplating workplace strategies for enticing their workforce into the workplace 12 to 24 months from now. In the near term, open office and volume of space will be more desirable places to work versus conference rooms and small offices for people returning to the office. Overall, business leaders need to figure out what they need to do to bring their people back. Very few companies are truly productive with a majority work-from-home, workforce – regardless of generous work-from-home policies.

A good landlord is calling their tenants to find out what they are trying to achieve. Together they can plan short-term and longer-term workplace strategies that are win-win. Office buildings are still open and accommodating essential functions. Personal apprehensions of the workforce will take about 12 to 18 months to resolve as each person has to figure out what they are comfortable with in regard to their commute, personal health, productivity and other factors beyond their control such as education and day care.

This is an event that will have a lasting impact on real estate environments, similar to how Americans with Disabilities Act impacted real estate design and operating decisions across existing and new buildings. At first, there was a lot of concern for how compliance could be achieved. Over time, the guidance and standards are baseline – or table stakes and good business. This pandemic is forcing our society to question IAQ (Indoor Air Quality) as well as other quality-of-life issues related to the health and safety of the built environment.

Mechanical systems, fresh air, conditioned air, materials, cleaning, scanning, communicating (public transparency dashboarding), certifications, frictionless technologies… are a few of the built environment considerations on the minds of office building owners and their tenants preparing for re-entry. Book recommendation: Healthy Buildings: How Indoor Spaces Drive Performance and Productivity by Joseph G. Allen, and John D. Macomber.

Summary written by Anthony Kempa, Managing Director, Shareholder, Environmental Systems Design Inc.

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1. Transit is a critical component to effectively reactivate the workplace

2. Building owners and property management can optimize migration back to the workplace by employing touch-less technology

3. Office space will be reinvented through new workplace strategies – including approaches to shift work, shortened work weeks (3/4 days/week), revised space configurations, etc. While employee health and safety are their primary concerns, most businesses thrive on collaboration. We are fortunate that technology has successfully provided the opportunity to connect as we work from home, but nothing will replace the need for face to face collaboration with our colleagues.

It will be interesting to see how the real estate community reacts to this new reality. Someone on the call likened it to regulations that came from ADA, but I find it more reminiscent of the security adaptations needed after 9/11. Movement within buildings will be reimagined to meet these new circulation patterns.

Summary written by Kathleen Morro, Director, Cotter Consulting, Inc.