

WHAT'S DRIVING PEOPLE BACK TO THE OFFICE?

With the favorable benefits of remote working – a better work-life balance and non-existent commuting times – we currently see **fewer than 26% of households in the USA working remotely at least once a week**.

In this piece, we explore what is motivating staff to return to the office, and key takeaways for companies.

PRODUCTIVITY, COLLABORATION AND WORKPLACE RELATIONSHIPS

Although studies have demonstrated similar, even increased productivity levels when working from home, it is the lack of trust in staff that has encouraged many CEOs to implement a return-to-work policy. In March 2023, only 13% of job offerings on **LinkedIn** provided remote working opportunities.

Research into return-to-office rates shows that days spent in the workplace vary widely; French and Belgian employees seem to be leading this return within Europe, spending an average of 3.5 days in the office whereas Germany, the Netherlands, Spain, and the U.K. fall behind at just 2.5 days. For APAC regions, the story reads the same – with a strong office culture and less emphasis on hybridity. **JLL** reports that face-to-face cooperation is the most significant reason staff return to the office.

Andrew Fullerton-Smith, General Manager of Sales, Crown Workspace New Zealand, agrees that this return to the office is “mainly driven by employees looking for social interaction and collaboration.” Office attendance can generate better teamwork, brainstorming sessions, and even general spontaneous conversation, all of which aid the development of workplace relationships. This may be why we now see **87% of international organizations encouraging office attendance at least some of the working week**.

Ultimately, if the desire is to have staff return to the office, adhering to the value of collaboration is key. Explore ways in which your office space can facilitate these behaviors. Perhaps consider in-person team-building exercises and meetings. Offer a **positive working environment** that supports efficiency and in-person collaboration, which may look like dedicated space in the office (booths or meeting rooms) that incorporates your company's brand and values.

“Office attendance is mainly driven by employees looking for social interaction and collaboration.”

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Andrew Fullerton-Smith,
General Manager of Sales,
Crown Workspace New Zealand

REWARDS AND INCENTIVES

Many businesses continue to foster a hybrid working policy. **Adobe**, for example, chooses to “gather for the moments that matter”, and international conglomerate **Amazon** recognizes that “at a company of our size, there is not a one-size-fits-all approach for how every team works best.”

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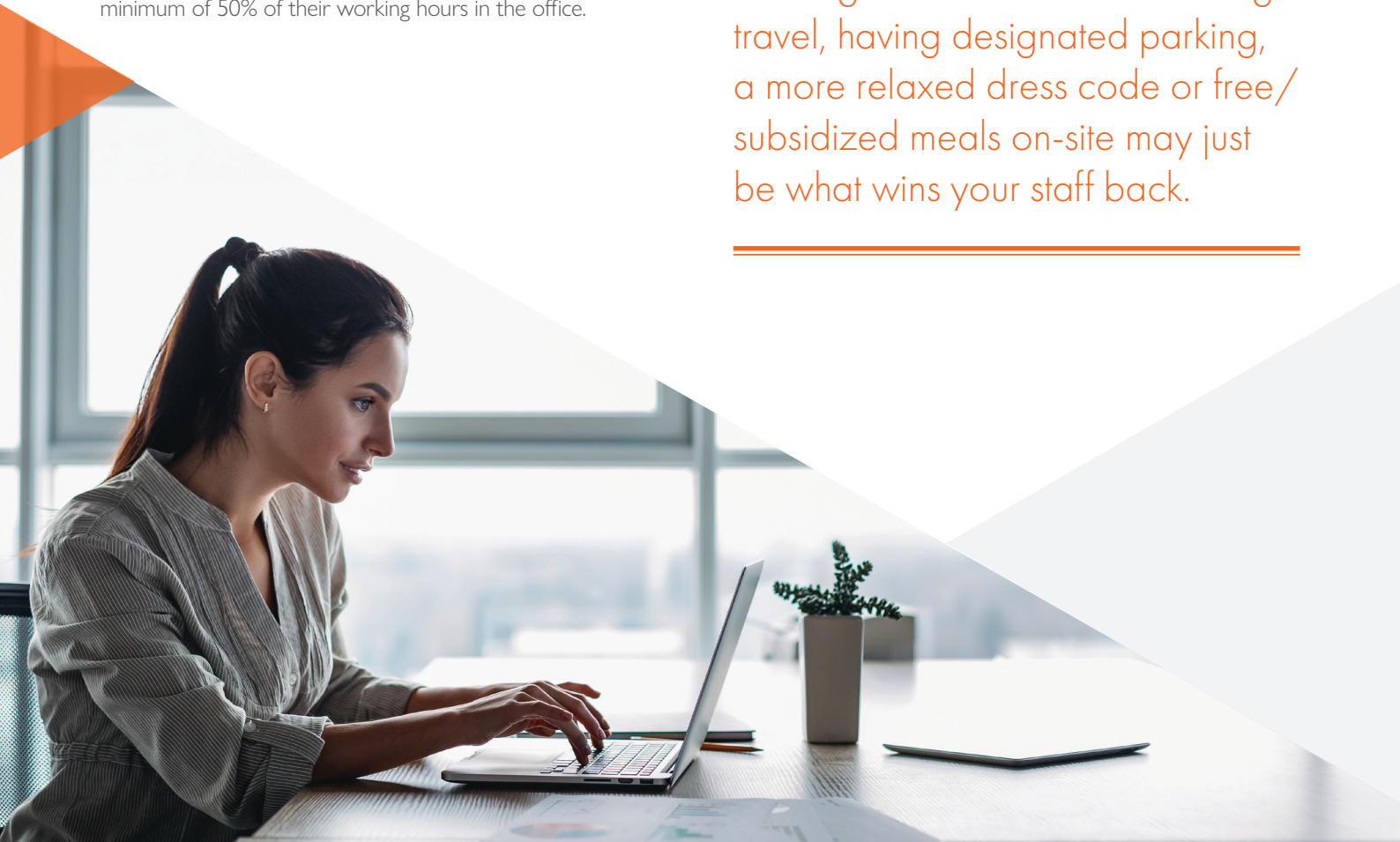
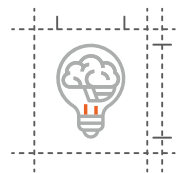
Jamie Rossall,
Country Manager,
Crown Workspace Vietnam

However, Tom Broderick, Head of Office & Capital Markets at Coldwell Banker Richard Ellis (CBRE) highlights **the request to get staff back at their desks has moved from asking staff to telling**. It shows - companies including Goldman Sachs have knuckled down on their remote working policies by encouraging office attendance five days a week, noting that “in-person interaction is integral to the ecosystem of the firm.” It goes one step further, with a vast majority of CEOs surveyed in a **KPMG** report saying they intend to reward employees who returned to the office with better pay, assignments, or promotions. **Australian bank ANZ** has already begun cutting annual bonuses for staff who do not spend a minimum of 50% of their working hours in the office.

The struggle many businesses face is that, while employees may value their workplace, they also value working from home. Given the increased costs of commuting, **two in five hybrid workers in the US say they would be more inclined to attend the office if their company offered some form of incentive**.

Jamie Rossall, Country Manager, Crown Workspace Vietnam, notes that “the local business environment is challenging, with a lot of downsizing going on, reducing headcount and a move to lower cost, smaller premises.” Employees may feel they have less power to negotiate, and businesses consequently risk sacrificing the satisfaction of their staff, potentially putting the retention and acquisition of top talent on the line.

Continue recognizing those employees who do attend the office, as this might encourage others to follow suit. However, it is equally important to listen to the needs of your staff. A brief workplace survey can outline potential changes that will encourage office attendance. You might find the likes of covering travel, having designated parking, a more relaxed dress code or free/subsidized meals on-site may just be what wins your staff back.





LOCATION AND CULTURE

Most Western countries had sufficient time to adjust to remote working following responses to the pandemic. An increased number of national lockdowns, and slower rollouts of testing kits and vaccinations, meant employees were forced to adjust to this digital way of working. However, this has brought challenges when returning to ‘normal’— so much so that **office vacancy rates in the UK and USA have reached a 20-year high**, and more than one-third of remote staff say they would quit or immediately begin searching for a new role if their right to hybrid working was removed.

APAC countries, with an overall better response to the COVID outbreak, had significantly less time (if any) to adjust to working from home. China urged work resumption due to their global economic importance, while South Korea’s mass COVID-19 testing strategy helped avoid lockdowns and minimize time spent indoors. Therefore, many have found returning to the office far easier than their Western coworkers.

Office attendance may also be highly impacted by the location of the employee; city-central staff living in densely populated areas (e.g., Hong Kong or Japan), and working in small apartments generally have better public transport options.

They may prefer to attend the office, especially if living with growing families, as the office enables increased focus by removing home-life distractions. Journeys to work are also significantly shorter and have less impact on the environment in comparison to longer drives in personal vehicles. Staff living in larger homes in suburban outskirts with less reliable or infrequent public transportation may, in contrast, benefit from more flexible remote options.

It is worth identifying if a full office return is both necessary and practical. As Amazon outlined, there is no one-size-fits-all working policy, so identifying what works well for your staff and business and working accordingly is key. If a hybrid policy proves best, explore the relevant technologies that can enable this and consider office share or hot-desking opportunities. If getting your staff back is the goal, look into an office refit or relocation to accommodate an appropriate headcount. Crown Workspace offer both **IT services** and **Project Move Management** services depending on the needs and wants of your business.

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CoStar



SUMMARY

While remote working has become a popular choice for many employees, there are still significant benefits to being physically present in the office. The value of face-to-face collaboration, productivity, and workplace relationships are the top motivators driving employees back to the workplace.

Companies that are willing to listen to their employees, adapt to their needs, while also providing appropriate incentives and rewards, will be better equipped to retain top talent. It's important to remember that the formation of each company's culture and location is unique, therefore businesses must take a tailored approach to determine what works best for business and staff.

Start transforming your workspace today – we're here to make sure your business keeps moving forward. Speak to one of our experts to find out more.

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