Design
Strategy

work/life
Re-Imagined
Highlights

PERKINS—EASTMAN

INTRODUCTION

As the global health crisis continues to unfold, Perkins Eastman is actively working to learn more about COVID-19 and prepare for a range of future scenarios. It is clear that a disruption of this magnitude will have **a lasting impact across industries**, from healthcare and education to hospitality and the workplace. Perkins Eastman is committed to understanding the design implications of the current crisis so we can **continue to create spaces that support, inspire, and connect people while protecting their health and safety.**

This report presents high-level findings and forecasting related to the COVID-19 crisis and its impact on the workplace. Insights are gathered from roundtable discussions, research, and Perkins Eastman's firm-wide survey.

2020 WORKPLACE COVID-19 ROUNDTABLE SERIES

In April and May, Perkins Eastman hosted 10 virtual roundtable discussions with 41 industry leaders from a variety of sectors across the United States. **The conversations focused on themes of adapting to change, connecting with each other, and strengthening organizations for the future**.

Industries: Real Estate/Construction, Law, Government, Finance, Technology, Non-Profit, Pharmaceuticals, Consumer Products

Perkins Eastman Offices

PERKINS EASTMAN 2020 REMOTE WORK SURVEY

The Perkins Eastman Remote Work Survey includes feedback from 645 employees across 10 U.S. office locations. Survey respondents answered questions about their day-to-day experiences and feelings since the start of stay-at-home orders, **including factors related to remote work, wellness, communication and collaboration.**

RESEARCH

The Design Strategy team continuously engages in basic, exploratory and inductive research to identify trends, understand influencing factors, and envision future scenarios. Secondary research related to the COVID-19 crisis supports insights from roundtable discussions and the Perkins Eastman survey.

KEY TAKEAWAYS

The insights presented in this report begin to shed light on the future of work after COVID-19. They also raise important questions for the design of the workplace. What is the role of the office in a post-pandemic world? How will the physical workplace transform to support cultural, economic and social changes that result from the global health crisis? The physical environment can play an essential role in building resilience and adapting to change.

REMOTE WORK: A SUCCESSFUL EXPERIMENT

The large majority of roundtable participants agree that working remotely has been at least as productive as working from the office.

AN EVOLVED WORK MODEL

COVID-19 has forced important changes that will influence the way that we work long after the crisis has passed.

A RESILIENT FUTURE

As remote work becomes more common, technology plays a larger role, and employee expectations evolve, changes in the physical workplace are necessary and inevitable.

REMOTE WORK: A SUCCESSFUL EXPERIMENT

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A Deeper Sense of Empathy

There is a shared sense that **the experience of the COVID-19 pandemic has strengthened bonds between coworkers**. A deeper sense of empathy and caring has evolved that many hope will continue into the future.

Purposeful Connection

Executives have seen an **increase in creative communications among coworkers and with clients.** Some say that the new way of working has benefited their company culture, driving employees to engage and connect with team members in an intentional way.

A New Management Style

As workers balance personal and professional demands, **flexible scheduling has increasingly gained acceptance.** Expectations around standard hours are shifting, with managers adopting a **results-based, future-oriented perspective.** Employees have shown that they can be trusted to manage their schedules while maintaining high-quality output.

PERKINS EASTMAN SURVEY

ACCORDING TO THE PERKINS EASTMAN SURVEY, 70% OF EMPLOYEES AGREED THAT THERE HAS BEEN AN INCREASE IN DIRECT COMMUNICATION WITH COWORKERS.

EMPLOYEES IN OPEN PLAN OFFICES HAVE

73%
FEWER FACE-TO-FACE INTERACTIONS

76%
MORE ELECTRONIC COMMUNICATION

* Remote working has resulted in workers connecting better while having virtual connections. They've adapted to connecting from a distance

*According to 2018 research by Sage Group

BENEFITS AND CHALLENGES OF WORKING FROM HOME

TOP BENEFITS:
- More focused time
- Better work/life balance
- Time saved on commute

TOP CHALLENGES:
- Inadequate home office setup
- Lack of spontaneous/casual social interactions
- Missing workplace camaraderie

AN EVOLVED
WORK MODEL

Executives agree that changes brought on by COVID-19 have forced an important transformation that will influence the way we work long after the crisis has passed.

Remote Work Will Continue

Roundtable participants expect that **remote work and flexible policies will extend into the future,** even after restrictions are lifted. We **expect a blended model to take hold**; many employees say they want to continue working from home, but few want to work remotely 100% of the time.

Technology Will Play a Larger Role

The pandemic has accelerated the adoption of **technology tools for working, socializing, and collaborating.** Going forward, technology will likely play a larger role in our lives both personally and professionally.

Employee Expectations Will Shift

As the world finds a "new normal," there will likely be an **increased focus on health, safety, and well-being.** After months of working remotely, employees will likely expect to **maintain a higher degree of freedom and flexibility** even when it is safe to return to the office.
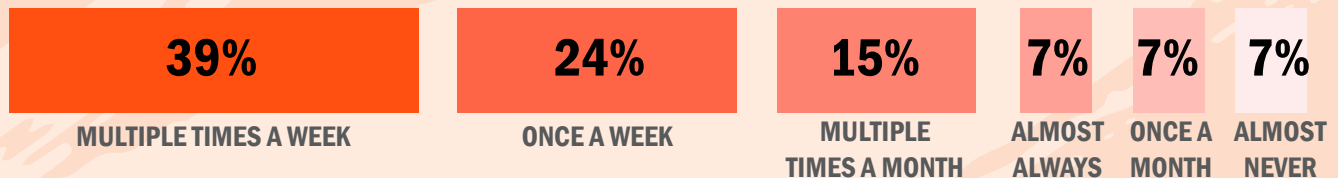
PERKINS EASTMAN SURVEY

78%

REPORTED THEY HAVE USED NEW METHODS/TOOLS FOR COMMUNICATION AND/OR COLLABORATION THAT THEY PLAN TO USE IN THE FUTURE

Q16. WHEN YOU FEEL SAFE TO RETURN TO THE OFFICE, HOW FREQUENTLY WOULD YOU DESIRE TO WFH?

39%	24%	15%	7%	7%	7%
MULTIPLE TIMES A WEEK	ONCE A WEEK	MULTIPLE TIMES A MONTH	ALMOST ALWAYS	ONCE A MONTH	ALMOST NEVER

75%
FIND IT EASY TO WORK FROM HOME

TOP REASONS TO WFH
(PER SURVEY RESPONSES AND COMMENTS)

- **Regained time** previously used for commuting (**67%** consider it an advantage)
- **Better work/life balance (24%)**
- **Quality time with family (39%)**

A RESILIENT FUTURE

The large majority of roundtable participants believe that changes in the physical workplace are necessary and inevitable.

From "a place to work" to "a place to meet"

With employees doing more of their focused tasks from home, **the office will become "a place to meet" more than "a place to work."** At the same time, the office will more seamlessly integrate digital tools for collaborating, working, and socializing. Employee expectations around health, safety, and work/life balance will lead to a greater emphasis on well-being and the employee experience in the design of the office.
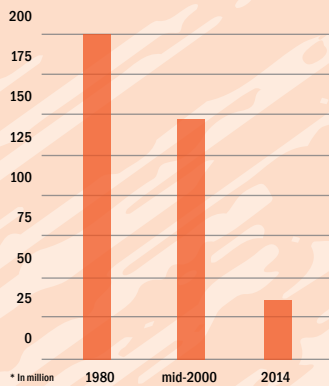
Rethinking Real Estate

Many companies anticipate **changes in their real estate portfolios as a result of changing density requirements and expanded remote work policies.** Some are considering short-term leases, employee downsizing, more office locations with smaller footprints, and hoteling arrangements to accommodate a mobile workforce.

Embracing a Holistic Mindset

As one executive put it, **taking measures to protect the physical and psychological health of employees is "just as important as providing a weatherproof building."** The workplace of the future will focus on creating a safe, supportive environment that benefits the "whole employee."

RISING REAL ESTATE COSTS

Square Footage Added by New Construction*

Chart bars (In million):
- 1980: ~185
- mid-2000: ~135
- 2014: ~25

(Y-axis: 0, 25, 50, 75, 100, 125, 150, 175, 200)

* In million

The **average** square footage of only new office leases signed in the past decade fell by 21%, to about **3800 square feet.**
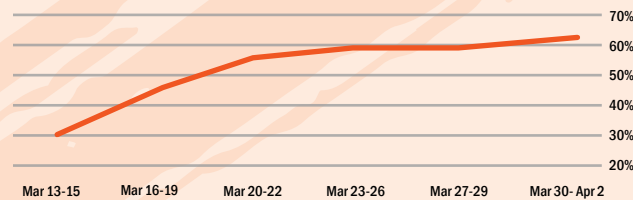
User demand for office space is **declining**.

The trends are accelerating as 10-year and 15-year leases signed in the late 1990s and early 2000s expire

500-700* 1970	250 2000	225 2010	176 2012	151 2017

Average square footage of office spaces area had decreased 35-75% by 2012, and projections are that it will decrease by another 15% by 2017

Americans Increasingly Working Remotely

(Line chart, Y-axis: 20%, 30%, 40%, 50%, 60%, 70%)

X-axis: Mar 13-15, Mar 16-19, Mar 20-22, Mar 23-26, Mar 27-29, Mar 30- Apr 2

The percentage of U.S. workers who work remotely has doubled since the beginning of the crisis.

Gallup Panel, 2020

Source: https://www.red-thread.com/workplace-trends/real-estate-optimization/

80%
OF OFFICES IN THE U.S. CURRENTLY HAVE AN OPEN PLAN

76%
OF AMERICANS "HATE OPEN OFFICES"

Reasons why open offices are hated

LACK OF PRIVACY **43%**

OVERHEARING PRIVATE CONVERSATIONS **34%**

CAN'T DO THEIR BEST THINKING **21%**

According to 2018 research by Sage Group

THE FUTURE OF THE WORKPLACE

Collaborating | Mentoring | Learning | Socializing | Refuge

MORE:
- Collaborative/communal space
- Strategies to promote and reinforce organizational culture
- Spaces for face-to-face meetings

LESS:
- Individual workstations
- Private offices
- Dedicated desks

INDUSTRY SPOTLIGHTS

Law

Challenges:

- IT difficulties in the initial setup

- Administrative staff have played an essential role in the transition to remote work

Opportunities:

- The COVID-19 pandemic has forced change in an otherwise traditional sector

- WFH is surprisingly productive

- Many services, including mediation, are just as effective when conducted virtually

Government

Challenges:

- Security

- Mail logistics

Opportunities:

- Possibility of hosting meetings, conferences and public hearings remotely for the long-term

Non-Profit

Challenges:

- Smaller offices have struggled with a lack of IT support

Opportunities:

- Potential cost savings, particularly on rent

- New approaches to education and engagement

- Expanded talent pool (no longer tied to geographic location)

- Accelerated rates of remote learning and digital fluency

Technology

Challenges:

- Difficulties with the initial home office setup

Opportunities:

- The traditional 6' x 8' workstation footprint allows for social distancing

- Employees are "connecting with colleagues in different ways, with unexpected outcomes"

- Providing WFH guidance (e.g. how to run a virtual meeting, manage a virtual team, use technology resources) is beneficial for employees

Finance

Challenges:
- Trading floors are not conducive to social distancing

Opportunities:
- The ability to work from home may ease pressure on the trading floor as phased re-entry begins

Construction/ Real Estate

Challenges:
- On-site safety protocols have significantly slowed work (i.e. on-site temperature checks, staggered scheduling, and so forth.)

Opportunities:
- COVID-19 has forced technological advances in the construction industry
- Supply chains may shift towards locally-sourced materials

Pharmaceuticals

Challenges:
- There is a need to have specific protocols for scientists to feel safe working on-site
- Onboarding new employees and interns has created an issue as spaces are already at capacity

Opportunities:
- The shift to remote work has been relatively easy as working from home was common in the industry even before COVID-19

Consumer Products

Challenges:
- Frontline employees are under stress due to labor shortages in distribution facilities
- Fashion is a "physical business" — many aspects (fabric, vendors, sales, etc.) pose logistical challenges
- Need to determine a new operational approach; the traditional workplace model is no longer practical

Opportunities:
- Psychological and emotional health programs help employees deal with stress
- Office operations have transitioned successfully to remote work

THANK YOU FOR PARTICIPATING!

The Design Strategy Team would like to thank all of our roundtable participants, industry leaders who generously lent their time and experience to help us gather key insights and data regarding changes in the workplace across a variety of disciplines. To our PEople, who participated in one of our most in-depth, and urgent surveys, your continued work at Perkins Eastman is invaluable.

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tomorrow is today

Boehringer
Ingelheim

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Boston
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BARNES &
THORNBURG LLP

CBRE

COMMODITY FUTURES TRADING COMMISSION
1975

CENTRAL PARK
CONSERVANCY
central to the park

Wacoal

CROWN
CASTLE

DCBIA
DISTRICT OF COLUMBIA BUILDING INDUSTRY ASSOCIATION

Dickie McCamey
ATTORNEYS AT LAW

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INCORPORATED MAY 18 1914

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PRAXAIR
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KRONOS

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pepsi

PHILIPS

REGENERON

smith&nephew

TD Securities

ThermoFisher
SCIENTIFIC

Trammell Crow Company

ULI Urban Land
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CACI
EVER VIGILANT

Jewish United Fund
TOGETHER for GOOD

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ASIAN HUMAN SERVICES

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