

# Returning for Good

*As the habits and motivations of the workforce continue to evolve, returns to the workplace globally are rapidly becoming the norm. How can employers ensure the workplace has a purpose tailored to their employees?*



# Introduction

It has been two years since our survey into ***'The Reluctant Returner'***, highlighting findings from 6,000+ employees and employers that found a clear hesitation to return to the workplace. Since that time, we've experienced a great deal of change, both at home and at work. We have seen global trends such as the Great Resignation impact workforces worldwide, with people capitalizing on post-pandemic economic confidence to switch roles.

As employee confidence grew, there was a notable uptick in the number of workers commanding flexible working opportunities. Now, new routines are being found, but a balance has yet to be struck that satisfies both employees and employers.

Employees and employers alike have settled into new hybrid routines – some arguably more successful than others. **As firms look to rebalance the time spent at home with office returns, we have also witnessed the rise of mandated returns.**

Firms including *Apple, Disney, Google, and Amazon* have all joined the ranks of organizations looking to reduce the amount of time employees spend away from the office. While there has naturally been some resistance, on the face of things, the reasoning is sound, though the approach may be the greatest driver of opposition.

Businesses need to encourage collaboration across teams in-person to aid productivity, learning and development, and engagement, as well as maximize the use of available office space. Achieving this in a timely manner without facing a disgruntled workforce is a concern, and the debate around the office and whether or not it still has a clear purpose has raged on in both boardrooms and the media as a result.

As firms look to bolster loyalty in their workforce and increase engagement across teams, incentives including total benefits, flexible working and in-office amenities are needed to reconnect people with the office and, in turn, the company.

However, what motivates employees is nuanced. We can see significant differences across regions, countries, demographics and sectors. For those firms with a worldwide footprint, what connects workers with the office in Asia, for example, will need to be different to the incentives offered in European offices, if they are to have a real impact on the workforce.

As we all adapt to the new world of working, what employees want will continue to evolve. In this report, we have explored the global trends in office real estate from both an employee and employer perspective. As we have seen in previous research, there can often be a disconnect between businesses and the workforce in terms of sentiment and workplace needs.

So, where does the office fit in today's world? And, perhaps more importantly, what value does your office real estate hold for you and your workforce?

**We aim to explore these very themes in our latest study, driven by the insights from:**

**9,500**

**employees**

**6,650**

**employers**

**17**

**countries worldwide**

# Executive Summary

## How is the office currently being utilized?

Over the last two years, businesses have sought to find a new balance in today's rapidly changing world. **In 2023, employees are less reluctant to return to the office than they were in our 2021 study. 51% of workers globally are reluctant to return to the office, down on the 64% noted previously.**

Hybrid working is currently embedded in the workforce – with our data showing that 50% of workers are in the office four or more days per week. Even though over half the employee population is reluctant to return, occupancy rates are growing.

## What employees (and employers) want: How can the two groups align on needs and values that drive productivity and wellbeing in the workplace?

Workers and businesses are clearly still trying to find the balance between office and home working, but with **59% of the workforce stating they are facing burnout** due to excessive workloads and a feeling that they need to always be online when working from home, employees are struggling.

**Although hot-desking is currently the main set up for just under half (48%) of workers, many indicated that having an assigned desk would entice them into the workplace more often.**

There are nuances across countries, but broadly speaking, people have a desire for separate spaces that are more akin to pre-pandemic office layouts.

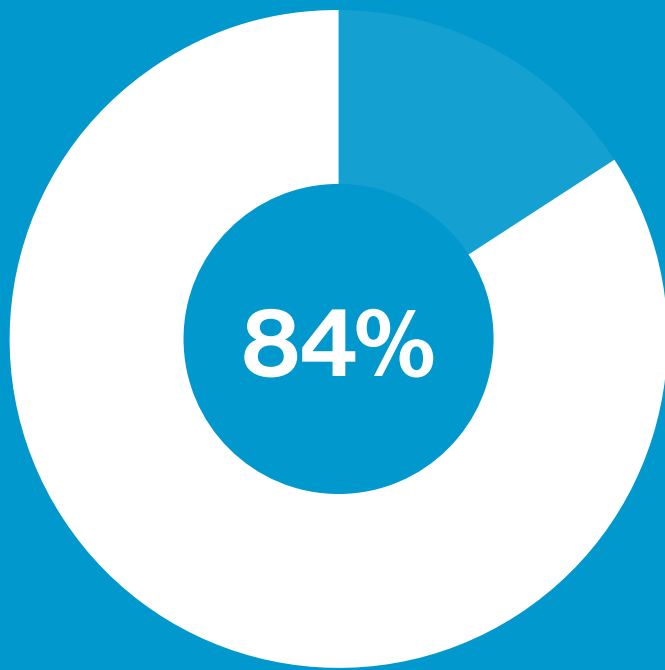
## What role does the workplace play in talent attraction, retention, and development?

Mandated office returns are largely common (especially in the United States, Singapore and Australia, with the United Kingdom and Ireland perhaps the exception to the rule). However, these enforced days in the office are having an impact on talent attraction and retention. **Almost half (42%) of firms who mandated returns have experienced higher than normal employee attrition, while 29% are struggling to recruit.**

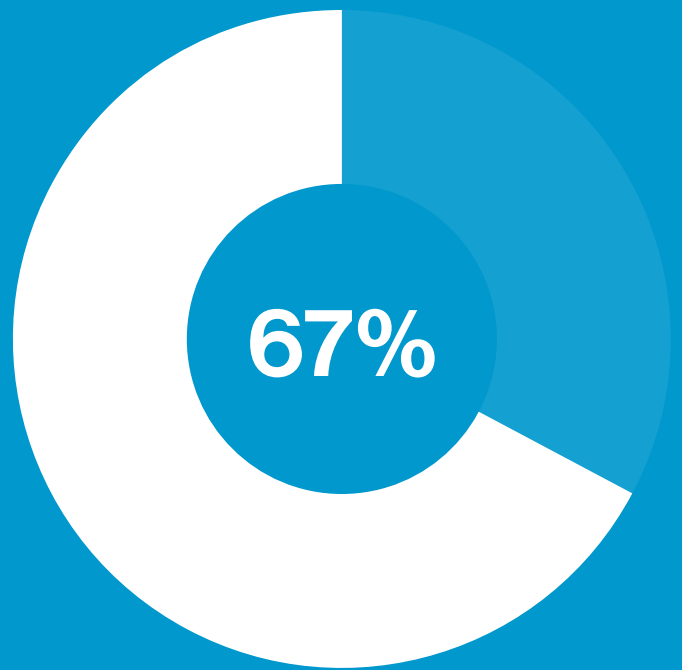
## Will hybrid working continue to negatively impact salaries and promotions?

Career prospects are also being impacted by hybrid working. **84% of employers indicated that the chance to progress in their role will be limited for those employees who are not in the office.** In comparison, just 67% of employees believed this to be true, signaling a clear disconnect between businesses and workers that will likely continue to have an adverse impact on retention figures.

# The chance of career progression will be limited for those employees who are not in the office



of employers have indicated this



of employees believed this to be true

## Is your workplace a driver of brand and culture?

The physical design of the workplace plays a vital role in how employees engage with the brand and culture of an organization. Finding the balance between representing the global corporate brand and local cultural nuances is key to ensuring employees feel both connected to the company and its leadership as well as feel comfortable day-to-day.

Our survey also highlighted the preferences in how people want to experience a workspace. For example, while 31% of workers are not happy losing the privacy they can access at home, 27% feel more effective in a remote workplace, and 23% feel more productive away from the office. Employers, on the other hand, do not believe it is the workplace itself that employees are unhappy with, but believe their employees want the time back they would spend commuting (21%) or do not want to travel (20%).

It is therefore not surprising that **74% of employers globally note they are struggling to keep their employees happy and engaged.**

## Is the four-day working week inevitable?

An opportunity to increase occupancy rates may lie in the four-day working week. **A majority of employees (88%) would be interested in trailing this way of working**, with 46% of those surveyed stating this would even make them happy enough to be in the office every day.

78% of employers indicated they would also be willing to trial a four-day working week, with 42% indicating they'd even welcome a hybrid set up. With successful trials underway globally, could the four-day working week be the happy medium for employees and employers alike?

## Are real estate footprint reduction plans facing a U-turn?

**The recognition that the workplace is still a critical asset is reflected in the large numbers of businesses, three in four (75%), that have increased their real estate portfolio in the last two years.** This goes against the numbers reported in 2021, when 84% revealed they planned to decrease the amount of office space they maintained.

While there are global nuances in real estate expansion, there is an interesting trend in businesses looking to make money from their real estate, **including creating hospitality spaces (44%).**

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**Before the pandemic coming to the office was an expected part of a role. Now, there is a purpose behind coming to the workplace. Employees have a specific reason to make the commute and the office needs to provide for these individual requirements.**

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Ivo Hofstede, Director Corporate Real Estate Lead, Astellas Pharma

# Research and surveying

**9,500**

**employees** who have access to an office via their employer

**6,650**

**employers** (Director-level or above) in companies with 50+ employees

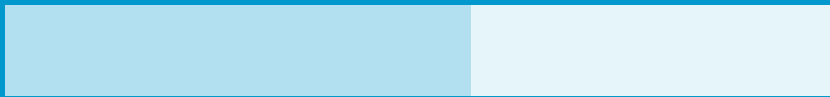
**10+**

**deep dive interviews** with business leaders from multinational employers globally

## Gender split

**56%**

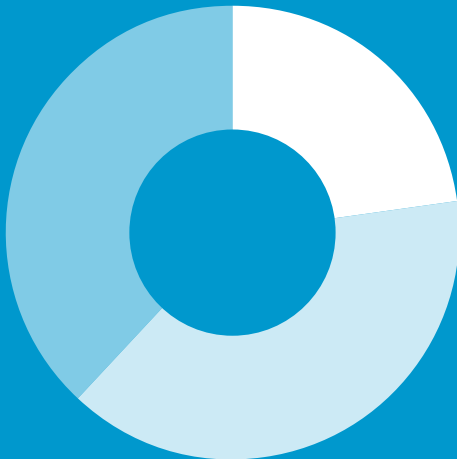
Male



**44%**

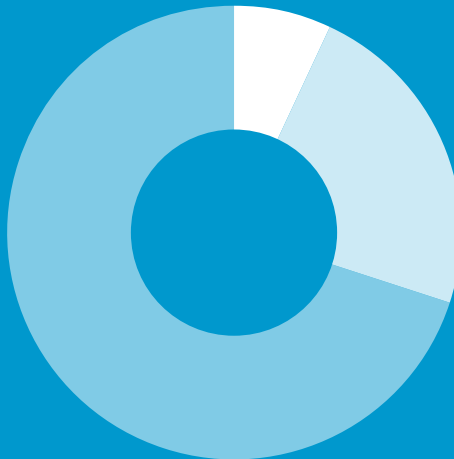
Female

## Ages



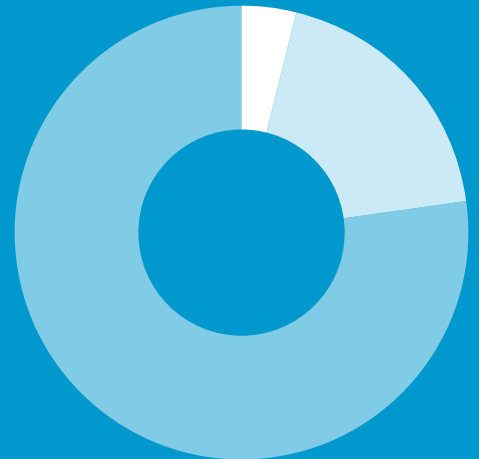
- 38% (aged 18–34)
- 39% (aged 35–44)
- 23% (aged 45+)

## Living area



- 70% urban dwellers
- 23% suburbanites
- 7% rural living

## Working area



- 77% city center
- 19% suburban town
- 4% rural area

Research was conducted in partnership with Opinium Research between 3 April 2023 and 14 April 2023. Care has been taken to ensure that the geographic and demographic characteristics of the populations surveyed are properly represented.



# 14 industries

Banking & Insurance

Co-working

Communications & Advertising

Consumer Goods

Culture & Entertainment

Education

Energy & Resources

Financial Services

Hospitality

Legal

Life Sciences & Pharmaceuticals

Property & Real Estate

Retail

Transportation & Engineering

## Geographies



# 17 countries worldwide

Australia  
Belgium  
Canada  
France  
Germany  
Hong Kong

India  
Ireland  
Italy  
Malaysia  
New Zealand  
Singapore

Spain  
Switzerland  
The Netherlands  
United Kingdom  
United States





# How is the office currently being utilized?

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**A hybrid approach: But employees and employers are at odds**

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**Office returns expected to increase**

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**Reluctance still prevails**

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# A hybrid approach: But employees and employers are at odds

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**The days of pandemic-driven fully remote working may be far behind us, but they have left a lasting legacy on the corporate and office landscape. Based on our survey, hybrid is the most common model for firms globally, with 50% of the workforce indicating that they are in the office four or more days. Overall, the average weekly breakdown is 3.5 days in the office.**

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This is broadly reflected in our interviews with business leaders, who all agreed that employees tend to be in the office around three days a week. As Ivo Hofstede, Director Corporate Real Estate Lead at Astellas Pharma:

**“Globally we have agreed on a hybrid format of working where all employees can choose where and when to work in collaboration with their line managers. There are some country nuances, for example, in France where for tax reasons employees need to be in the office at least two days a week.”**

When we look at this trend globally, the data shows those in Hong Kong are in the workplace more often (3.8 days). In comparison, employees in the United Kingdom spend the least amount of time in the office at 2.9 days on average per week.

While Hong Kong recorded the highest number of preferred days in the office (3.3 days), this average is still slightly lower than the current set up. **However, when we analyze what employees actually want, there is a discrepancy in preference and current set ups. Globally, just a third (33%) of office workers indicated that they would prefer to be in the office four or more days a week**, with the desired preferred average falling to 2.8 days in the office. For the United Kingdom, the preferred average is 2.2 days per week, the lowest of the 17 markets surveyed, suggesting that despite already spending the least amount of time in the office, workers in the country are still eager to reduce this.

Quintessential Equity, Melbourne, Australia



**50%**

**of the workforce indicated that they are in the office four or more days. Globally, just a third (33%) of office workers indicated that this is their preferred set-up**

# Office returns expected to increase

**Mandated office returns have largely been implemented across the globe, with 72% of employers surveyed noting they are taking this approach. An additional 20% of employers have not explicitly mandated a policy, but strongly recommended a return to the workplace. This is significantly higher than the levels expected from our 2021 *The Reluctant Returner* report when just 56% of employers stated that they intended to mandate a return.**

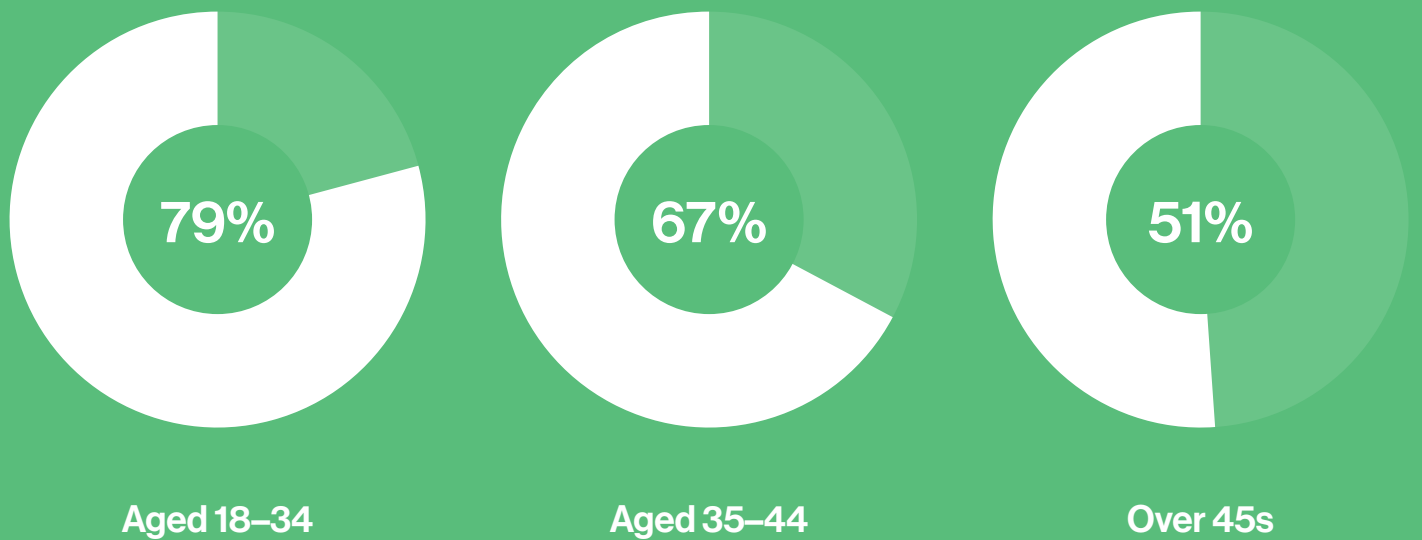
Monday is the busiest office day with 59% of employees indicating they're typically in the office, which when compared with the views of the business leaders interviewed is perhaps surprising. The majority of business leaders we spoke to suggested that Tuesday, Wednesday and Thursday were often the busiest office days. However, as Ray Montalvo, Vice President, Real Estate and Workplace at BlackLine explained, this balance is still being struck:

**“The evolving way of working has created better productivity in some sense. The five days in the office may have been common before the pandemic, but Friday was often what I would class as a ‘low participation day’ in that many people were in physically, but not necessarily delivering 100%. Hybrid working has helped to rebalance this.”**

Of those not currently in the office four days a week, **68% of employees expect this will be the case at some point in the future, with 39% expecting this transition to four days to take place in as soon as two years.** There is a discrepancy between employers and employees however, with **87% of employers surveyed eventually expecting this transition to four days of office working per week, and 53% expecting this level will be reached by 2025.**

We can also see differences in views from genders and generations. While 73% of men expect to be working in the office four days a week in the next two years, this drops to 63% for women. While 79% of those aged 18–34 expect to be in the workplace four days a week in the future, this number drops to 67% for those aged 35–44 and 51% for employees over the age of 45.

# Generational differences in views of those who expect to be in the workplace four days a week in the future



# Reluctance still prevails

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**The data does suggest that reluctance to return to the office remains, with 51% of office workers reluctant to be in the workplace. This percentage remains the same for employees facing mandated returns as well as those who have complete choice, indicating that it is a broader shift in views on the office that's driving this reluctance more than anything else.**

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While this is a drop on the figures recorded in 2021, when 64% of employees indicated they were reluctant to be in the office (and 65% of employers), **the high level of reluctance to return could be linked to how people are using workplaces, how much it impacts their ability to do their job, and whether they have a choice.**

According to Marco Brucato, eCommerce Lead at The Kraft Heinz Company, whether or not employees want to be in the office is driven by a real range of factors:

“As a business, we do recognize that people need to be together in the office and we encourage staff to have two days of smart working together each month. When and how often our people come into the office is driven by a range of elements, from their own agenda on any given day, their home working conditions, who else is in and much more. But what we've found is that giving staff that flexibility to choose is what is driving returns more naturally.”

## Key takeaway:

**The ideal hybrid working approach is constantly evolving, but the significant disconnect between employer perceptions and employee needs and values remains, threatening to drive a further wedge.**





The Kraft Heinz Company, Milan, Italy





# What employees (and employers) want:

How can the two groups align on needs and values that drive productivity and wellbeing in the workplace?

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The relationship with the office is evolving

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Employers are underestimating employee dislikes

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Satisfying the many generations

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Productivity issues prevail

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Hot-desking is common, but employees value their personal space

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Employee burnout is widespread despite sentiment that remote working boosts wellbeing

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# The relationship with the office is evolving

**The relationship that employees have with the workplace has evolved since the pandemic, however, the office still plays an important role, albeit through a renewed lens.**



The Kraft Heinz Company, Milan, Italy

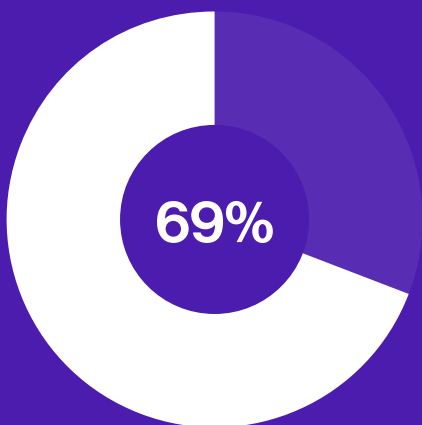
As Marco Brucato, eCommerce Lead at The Kraft Heinz Company indicated, a combination of a beautiful space and the ability to collaborate is redefining how employees connect with each other and the workplace:

“People need a reason to go into the office now and commuting to a workspace that sits away from the city and gives them no incentive to be in the space aside from working doesn’t have the appealing factor that it perhaps used to. The beauty of the office has really influenced staff wanting to be in the workspace, in fact we have people wanting to show off the space to family and friends.”

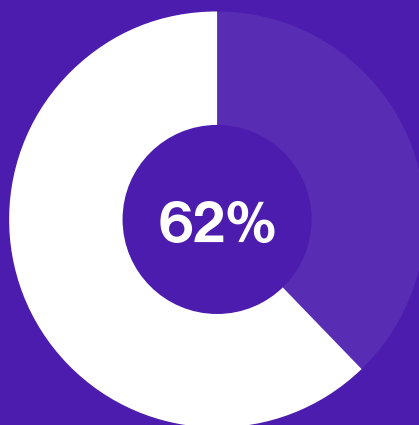
When we look at how employees use the workplace today, our survey indicated that people prefer to complete collaborative work in the office and individual/ focus work or admin at home.

# Almost half (44%) of home working time tends to be used for individual focus work or deep concentration work

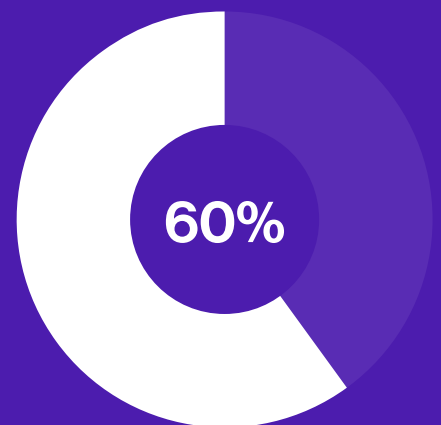
## Working preferences



of office workers prefer  
brainstorms to be in person



want one-on-one meetings  
in the office



stated that meetings with  
supervisors or managers  
should be face-to-face

# Employers are underestimating employee dislikes

31% of employees globally cited their number one office dislike as a lack of privacy they could otherwise access at home. Being more effective in a quiet environment remotely, ranked second (27%), while feeling more productive at home came third (23%).

## What **employees** dislike about returning to the office



Losing the privacy of working from home



They feel more effective in a quiet remote space



People feel more productive at home

## What **employers** think employees dislike



Losing the extra time gained at home when not commuting



Having to travel



Losing the time through the working day to get household tasks done

**However, the data reveals that employers have misunderstood what is influencing office returns and the reluctance to be in the workplace. When asked what they believe their people dislike about the office, the commute ranked highly, with 21% indicating that they believed staff wanted to gain back time spent traveling while 20% suggested employees simply do not want to commute.**

There is also sentiment among employers that home working habits are influencing views on the office, though again, there is a disconnect between employers' perceptions and what employees say they are using the workplace for. Almost a fifth (19%) of employers surveyed believed that the ability to do personal admin tasks at home and enjoying the privacy of remote working was driving a dislike of the office. When we consider that employees indicated that 40% of their time in the office is spent on individual work or admin, there is a clear discrepancy between what employers think is influencing a reluctance to be in the workplace, and what employees are actually doing.

There was more cohesiveness between employers and employees when asked what they like about the office.

The top three workplace 'likes' cited by employees were the social interaction in the office (33%), opportunity to collaborate (28%) and better IT facilities (21%). **It is interesting to note that learning and development opportunities did not make the top three given that the majority of staff are moving for better career development opportunities.**

This shows an evolution from our 2021 data, *The Reluctant Returner*, when 72% of employees indicated that they would be happier to return to the office if they had access to training and development opportunities, with those aged 18–34 more likely to be driven by this (80%).

When asked what they believe their people liked about the office, employers indicated the same reasons; social interaction with colleagues (25%), better IT (25%), and the opportunity to collaborate (23%). Given the clearly aligned preferences as working individuals – both employees and employers are sharing the same workplace – there is an opportunity for business leaders to find common ground, building workspaces that suit both parties.

Interestingly, 24% of employers also stated access to learning and development was an element of the workplace that staff like, which reflects the 2021 data where employees ranked this in their top five drivers of office returns.

# Satisfying the many generations

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**It should be noted, that what employees value in the office and how they use the space does vary by age, gender and business function.**

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As Ivo Hofstede, Director Corporate Real Estate Lead at Astellas Pharma, explained: “We do see differences in office occupancy based on the roles and responsibilities of those who would use them.

For example, where we have local functions such as sales teams situated in one office, they are more likely to utilize the space as they need to collaborate daily. Our global hubs, in comparison, which are home to people who have to connect with others virtually due to the nature of their work, can have lower occupancy rates.”

The survey data also shows the differences in gender and age. For example, women are more likely to enjoy the socialization aspects of the office than men (37% versus 31%).

**The over 45s also like the opportunity to socialize more than the 18–34 age group (38% versus 31%). In comparison, the ability to interact with colleagues after work appeals more to the younger demographic, with 21% of 18–34 year-olds revealing that this appeals to them, compared to 17% of over 45s.**

There are also nuances across levels of seniority. While 44% of Junior Managers, Team Leaders and Supervisors enjoy the socialization, this drops to 25% for CEO’s and Managing Directors. This was also noted by the business interviewees, with Sue Myocevich, NZ Business Support Lead, Arup.



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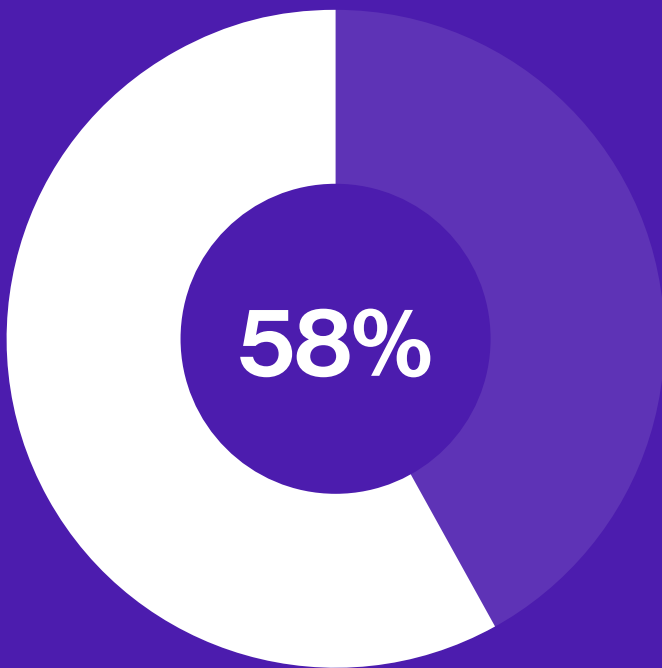
**As a business we do recognize that it depends on your role as to where you feel more productive. Team leaders may be more efficient in the office with colleagues than virtually, and we accommodate the flexibility for our people.**

Sue Myocevich, NZ Business Support Lead, Arup

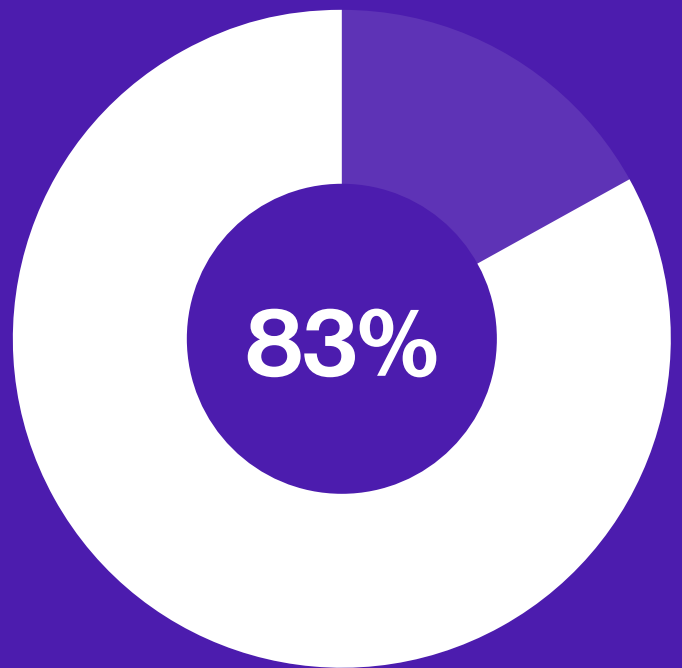
# Productivity issues prevail

The data also indicated productivity issues due to current workplace set ups. More than half (58%) of employees globally revealed that they struggle to effectively carry out their core job in the office due to interruptions and the high number of in person meetings that are scheduled. Despite this, 83% of employers indicated that the office is set up for staff to be productive, which reveals a further disconnect between business leaders and employees.

## Productivity discrepancies



of employees revealed that they struggle to effectively carry out their core job in the office



of employers indicated that the office is set up for staff to be productive



ServiceNow, Sydney, Australia

This particular issue has prevailed since the initial easing of lockdown restrictions. In 2021, 80% of employers indicated that the office was set up to enable staff to be more productive. With more business leaders believing this is the case today while the majority of workers indicate they are struggling to complete their core role in the workplace, productivity – and ultimately employee retention – will be impacted.

There are, however, examples of businesses that are recognizing this need for adaptable spaces that suit a range of requirements, including Astellas Pharma: “We do offer more collaborative and social spaces now, but we do not overlook the fact that not every employee has the appropriate home working set up to manage their daily tasks and may, as a result, still need individual work areas in the office.” (Ivo Hofstede, Director Corporate Real Estate Lead).

### Key takeaway:

**People still value the workplace, but the workplace needs to evolve to meet their needs – and employers are failing to recognize this.**

# Hot-desking is common, but employees value their personal space

**With the hybrid working approach implemented by the majority of businesses, access to the right technology in the office to enable collaboration between virtual and in-person peers is crucial to employees. Strong internet access ranked as a top office feature for employees (45%), followed by a good tech set up (39%) and access to natural light (33%).**

While the need for a good technology setup was largely recognized by employers, one in five employees (21%) indicated they did not have access to good Wi-Fi in the workplace, suggesting improvements are still needed to support hybrid working.

As Mirna Gelleni, Workplace Strategist & Senior Capital Projects Manager at Vodafone Group Services, highlighted, this needs to be addressed swiftly: "Today's workforce sees the office as a place to go to serve a particular purpose. Technology does need to support this, though. Everything from desk or room booking systems, through to monitors and meeting room screens all have a role to play in making the whole experience a positive one for employees."

Hybrid working has also increased hot-desking levels across firms, with almost half (48%) of businesses implementing this in the office. There is a split in how this is managed, with 28% using a booking system, while 20% can turn up and use any available space.

# 83%

**of those who hot-desk indicated that they would be more inclined to come into the office if they had an assigned desk, suggesting that having a guaranteed individual work area is motivating office returns.**

According to Ray Montalvo, Vice President, Real Estate and Workplace at BlackLine, booking a desk cements an employee's commitment to be in the office:

“

**How the office is managed is very different in today's world. We have implemented online booking tools to not only ensure staff can book spaces, but to also monitor workspace usage trends for the business. This has in some sense also helped improve our occupancy rates. Booking a desk means you are agreeing to come in on a set day, and I think people are more likely to follow through if they have made this commitment.**

Ray Montalvo, Vice President, Real Estate and Workplace, BlackLine

This seemingly growing need for individual spaces is being felt by others as well. Mirna Gelleni, Workplace Strategist & Senior Capital Projects Manager at Vodafone Group Services, revealed that access to personal areas is still a key requirement for employees:

“In our most recent staff survey, the majority of our people indicated that they were heading into the office to collaborate and meet with peers. However, there are some discrepancies in perceptions and actual usage of the space itself. For example, when we asked our staff what space they use more, it is the individual desk areas that ranked highest. People clearly still need that anchor space in the office, even if their intention is to collaborate with others more.”

Kristopher Kelly, Executive Director, Head of Corporate Services at Moelis, echoed this sentiment:

“While we have created more collaboration areas, we have retained the assigned desks for employees which supports individual focused work. Where collaboration spaces are available, they are dynamic and tech enabled. We are also competing with the benefits of working remote. So, while it was important to create spaces that satisfy the desire to interact with colleagues, it’s also important to ensure spaces provide some of the conveniences found at home.”

### Key takeaway:

**Employees are returning to old habits and seeking out individual desk spaces as much as they desire collaborative areas. Employers need to allow for both types of spaces to ensure they are meeting the day-to-day needs of employees.**





Unispace, Zurich, Switzerland

# Employee burnout is widespread despite sentiment that remote working boosts wellbeing

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**More than two thirds (69%) of employers indicated that hybrid working has had a positive impact on the mental wellbeing of employees. However, it is important to also note that 62% of workers indicated that those working from home do not have the same share of voice in meetings. A further 60% indicated that they struggle to collaborate when working with teams who are both in the office and virtual.**

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This suggests that while mental wellbeing is currently perceived as being supported by hybrid working, those operating in a virtual way will face more barriers when delivering their daily duties that could negatively impact wellbeing on a longer-term basis. Employers echoed this, with 73% sharing the view that virtual staff do not garner the same level of voice in a meeting when joining virtually versus being in the office. A further 68% also revealed that it is disruptive to have this disjointed set up.

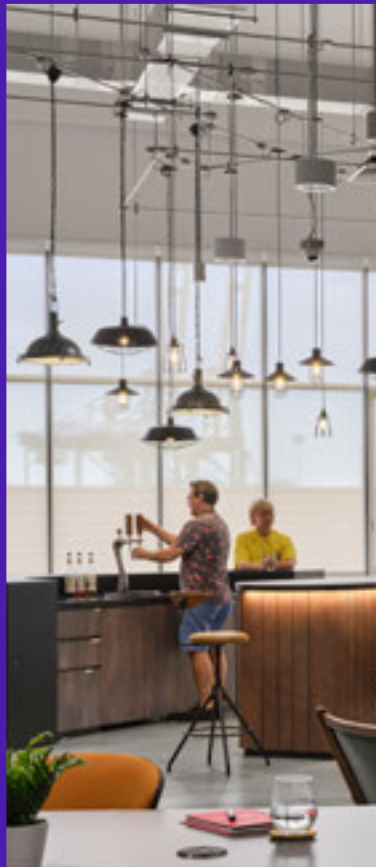
However, office workers did indicate that there are issues impacting their mental wellbeing in the hybrid world of work.

# 59%

**of employees say they often feel periods of burnout** – an issue that 65% of employer respondents believed was impacting their workforce. The main driver of this is workload, cited by half of employees. While 33% indicated having to spend too much time in the office was a factor, a further 30% revealed that the need to 'always be on' when working from home was influencing burnout, suggesting that it is workload and employer expectations that are impacting staff wellbeing.



## Main drivers for burnout according to employees



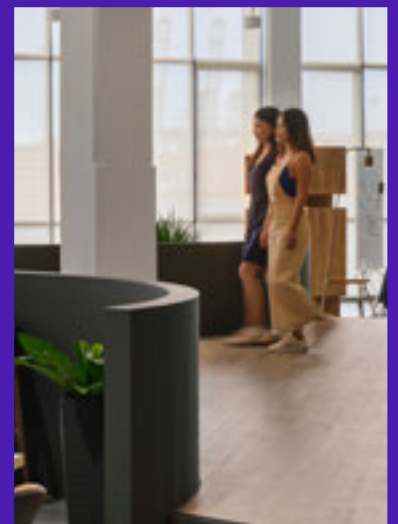
**50%**

workload is too high



**33%**

time spent in the office



**30%**

the need to 'always be on'

### **Burnout in the hybrid world of work is having more of an impact on those in certain demographics than others, for example:**

**70%** employees in New Zealand were more likely to experience burnout than any other country.

**45%** office workers in The Netherlands and Switzerland reported the lowest rates # of burnout from employees.

Those early in their career were more likely to struggle, with 65% of 18–34 year-olds indicating this is an issue, compared to just 47% of over 45s.

### **Burnout is also more common in:**

**62%** Retail

**62%** Financial Services, Banking & Insurance

**62%** Communications & Advertising

**51%** Property & Real Estate

While 65% of employers recognize that this is an issue in their workforce, the same amount feel that employees are failing to balance their time effectively, while 30% believe office workers spend too much time on personal activities during working hours. This could further exacerbate both burnout and staff attrition if workloads are not balanced effectively and does suggest that businesses are not listening to or engaging with their people to identify what is causing burnout.

This is further evidenced when we consider the lack of wellbeing spaces that are available in the office.

**More than half (53%), of employees indicated that their workplace does not provide access to areas that would boost their wellbeing,** including prayer rooms, lactation spaces and digital free zones.

According to Reen Salleh, Corporate Real Estate & Workplace Services at HP, wellbeing is also driven by delivering against the needs of the workforce:

“If we consider Maslow’s Hierarchy of Needs, the main pillars are different in a home working environment to the office. We are at a stage now where we need to help people transition back into the workplace and recognize the differences between what they need in the office and at home.”

Salleh added: “It takes the whole village to make a happy village. When new policies are implemented, there will always be outliers, but we actively look at what we can do to bring them back into the community by identifying their barriers. If the space meets the experience and wellbeing needs of people, then it will work.”

Sue Myocevich, NZ Business Support Lead, Arup comments: “The office design ensures staff can access the comforts of home while at work. We have end of commute facilities set up so that those traveling in using active transportation can access a range of amenities, from bike and scooter storage areas, to shower facilities with towels and toiletries. We have also provided social areas to encourage people out of their workstations. Individual spaces have also been furnished with standing desks and ergonomic chairs to support staff wellbeing. This has allowed us to deliver something more to employee wellbeing than we have before and that’s what is driving our high occupancy rates at the moment.”

### **Key takeaway:**

**Employee burnout is a real risk in the hybrid world and in the majority of instances, employers have yet to engage with or listen to their employees to find the right balance.**



Torrens University, Sydney, Australia





# What role does the workplace play in talent attraction, retention, and development?

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Driving your talent to seek new opportunities

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Virtual recruitment is a challenge

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Welcoming new hires virtually is less effective

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Office mandates are impacting recruitment

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The workplace has the power to be a retention tool

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Employees feel positively towards the office, but this is declining due to mandates

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# Driving your talent to seek new opportunities

The data highlights a number of talent attraction and retention themes that are linked to both mandated office returns and appropriate access to the office and colleagues. While employees are enticed by new employers through pay opportunities as companies face skills shortages worldwide, they are also demonstrating a willingness to move if a return-to-office mandate doesn't suit their needs.



Redbubble, Melbourne, Australia

Spark Brilliance.

# Virtual recruitment is a challenge

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**Despite having spent three years adapting to an increase in virtual working, employers remain more assured in recruiting and onboarding staff in person, rather than remotely.**

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**Employers surveyed indicated notably higher levels of confidence around talent attraction activities carried out in the office when compared to remote, particularly for recruitment (89% versus 73%) and training new staff (84% versus 70%).** More than a quarter (28%) of employers indicated that new hires were missing out by not being able to meet with senior team members in the office.

As Ivo Hofstede, Director Corporate Real Estate Lead at Astellas Pharma, explained, this is largely due to the difficulties that businesses have found in creating relationships in a virtual environment:

“While we have recruited virtually, the ability to meet in person is not overlooked. It is more difficult to replicate training and onboarding online in the way that works in person. New hires can miss out on the interaction that is valuable face-to-face and it is much easier to convey the company culture and working styles in person.”

This is further evidenced by the employer survey respondents, **with four in 10 (39%) indicating that new hires have taken longer to get to the level they would expect in a virtual environment when compared to in the office.** According to Marco Brucato, eCommerce Lead at The Kraft Heinz Company, the office provides an invaluable human connection that supports staff onboarding that cannot be replicated virtually.





“

**I will admit that it is difficult to evaluate new recruits in a virtual world which is why I feel being in the office together is crucial. Being able to have those personal interactions in the workplace is invaluable and I think this is particularly true for the newer or younger generation of the workforce who need to be able to learn from others.**

Marco Brucato, eCommerce Lead, The Kraft Heinz Company



## Welcoming new hires virtually is less effective

Virtual onboarding is also proving problematic for employees joining new businesses. For new starters, presenteeism in the form of proving they are online (cited by 18%) or demonstrating that they are working (18%) is an issue in a remote environment. The ability to read body language (17%) and connect with the team (17%) are also elements that those joining a new company indicated as a challenge.



Archetype, New York, United States

Spark Brilliance.

# Office mandates are impacting recruitment

**With the majority (72%) of employers surveyed mandating a return to the workplace, and nearly half (45%) of those on set days, the data suggests that this step is having a detrimental impact on recruitment.**



Shiseido, Milan, Italy

Over a quarter 29% of employers surveyed who implemented a forced return to the office policy also revealed that they are finding it harder to recruit.

According to Ivo Hofstede, of Astellas Pharma, this approach will only hinder recruitment long-term: “At Astellas Pharma we have not mandated or forced office returns. Our leadership team believed that this would have a negative impact on our people and our ability to attract new talent. Instead, our focus lies in creating attractive spaces that employees want to use.”

## Key takeaway:

**Employers and employees are still struggling to adapt fully to remote working, but mandated days in the office are impacting hiring and retention. Businesses need to strike the right balance or risk losing key employees and the ability to recruit.**

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# 29%

**of employers surveyed who implemented a forced return to the office policy also revealed that they are finding it harder to recruit**

# The workplace has the power to be a retention tool

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**Skills shortages remain an issue for global firms, with a report from *Korn Ferry* revealing that more than 85 million jobs could go unfilled by 2030. With trends such as the Great Resignation (or the Big Quit and the Great Reshuffle) continuing to impact access to talent, retaining staff is vital.**

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When we look at factors currently influencing job moves, of those who have switched companies in the last two years, a lack of career progression (22%), better pay (20%) and not enjoying the work (20%) were the main drivers. **While salary was the top reason for accepting a new position (37%), the company culture came second (27%).**

With employers revealing that onboarding and training workers in a virtual environment is difficult, supporting career development remotely is also a challenge. While online training can be a powerful tool, what is more challenging to replicate are the natural 'water-cooler moments' in the office when junior employees can learn from more experienced peers through casual conversations.

**The issue around moving for better pay does reflect a possible refocus from employers who indicated that employees' expectations of salaries (67%) and benefits (70%) have changed since hybrid working was adopted, having notably increased during performance and recruitment conversations.**

This suggests that while employees believe they are owed remuneration increases, employers hold the opinion that expectations are over-inflated given the work-from-home allowances adopted by many businesses. In fact, **74% of employers highlighted that they are struggling to continually keep staff happy and engaged in a hybrid world.**

It is interesting to note that slightly more women than men revealed that they moved jobs due to a lack of career progression in their old role (23% versus 20%). While this was the top influencer for female employees, male respondents held career progression and pay at the same level. Those in the middle of their career (aged 35–44) were also more driven to change jobs if career progression opportunities were unavailable, cited by a quarter of this age group (25%). In comparison, 22% of 18–34 year-olds and 14% of the over 45s moved for this reason.

Australians were also driven by career progression (32%) while Italian's were more driven to move for better pay than anything else (27%). In Malaysia, however, leadership failing to meet staff expectations was the biggest driver, cited by 40% of respondents and the only location where this issue was the biggest driver of job moves.

# What drove employees to leave?

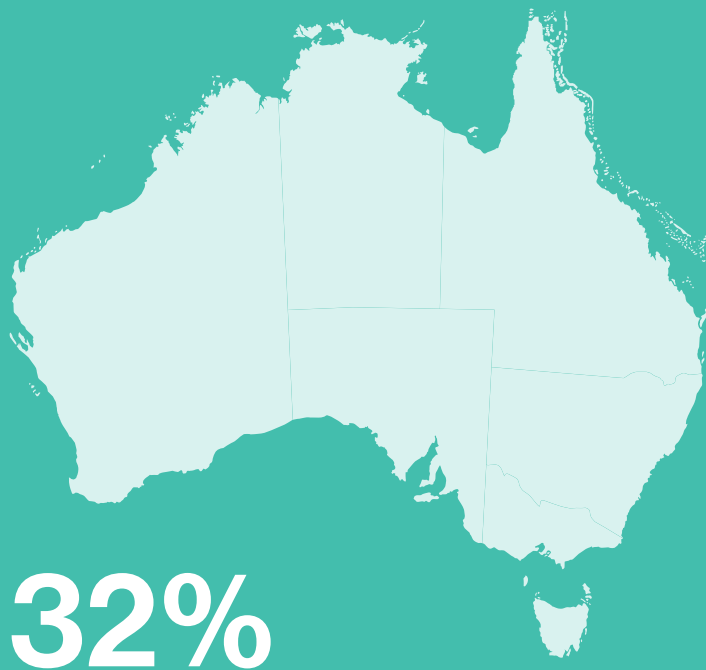
40%

cited leadership failing to meet staff expectations as the biggest driver in Malaysia



32%

of employees in Australia were driven to move jobs for career progression



27%

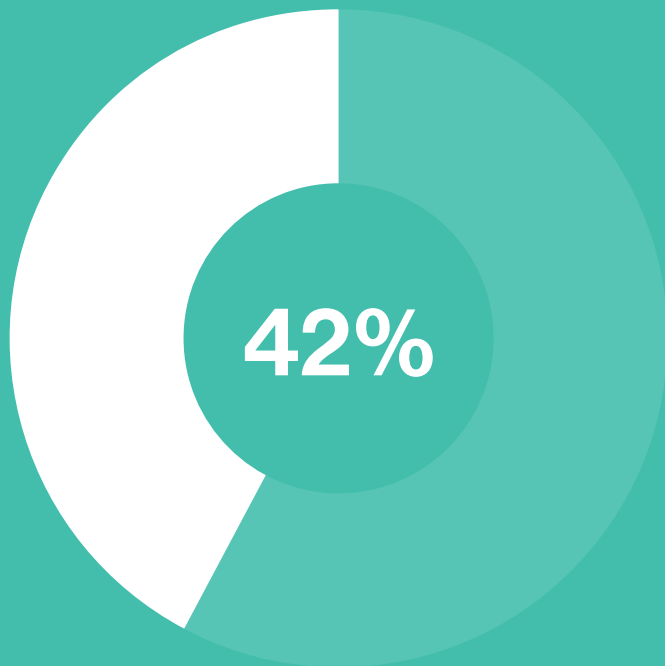
of employees in Italy were more driven to move for better pay than anything else



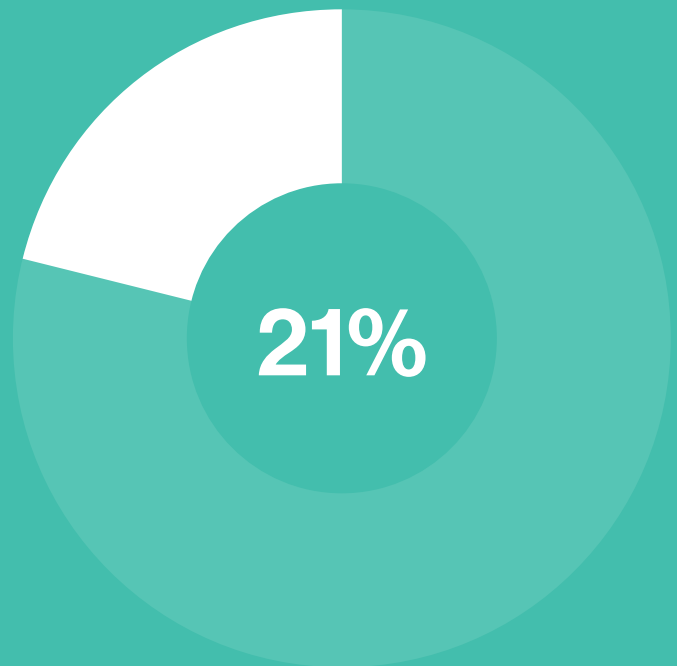
# Employees feel positively towards the office, but this is declining due to mandates

According to the survey, the top feelings employees revealed they felt towards the office were happy (31%), motivated (30%) and excited (27%). However, it is interesting to note that all three of these indicators drop for those with mandated office returns (27%, 26% and 22% respectively), highlighting that staff are more open to returning to the office when if it was out of choice, rather than forced.

## Talent retention difficulties



of employers have higher attrition than normal



of employers have lost key members of staff





Matador, New York, United States

This sentiment is seemingly translating into talent retention difficulties, with 42% of employers who mandated returns revealing that they have experienced a higher attrition than normal, while 21% have lost key members of staff.

According to Ray Montalvo, Vice President, Real Estate and Workplace, at BlackLine, alternatives to mandates need to be found:

“BlackLine is driven by a culture of people, collaboration and togetherness. We believe in the power of face-to-face interactions which spark creativity, foster innovation, and can help us solve problems faster. By embracing a more predictable hybrid working model, we can amplify the moments that matter most, forge stronger relationships within and across teams, and provide valuable mentoring and counseling to drive engagement and career growth.”

### Key takeaway:

**Staff are being lured away from their current employers by a range of incentives, but office mandates are measurably impacting employee satisfaction, retention and future recruitment.**





# Will hybrid working continue to negatively impact salaries and promotions?

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Hybrid working is limiting career prospects

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# Hybrid working is limiting career prospects

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Much of the talent attraction and retention challenges that businesses are facing could be underpinned by the impact that remote working is having on career progression and remuneration prospects.

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# 67%

Two thirds of employees surveyed (67%) believed that career prospects would be limited for those who work from home. Of these, 37% indicated that pay rises would be impacted, 37% promotions and 36% bonuses.

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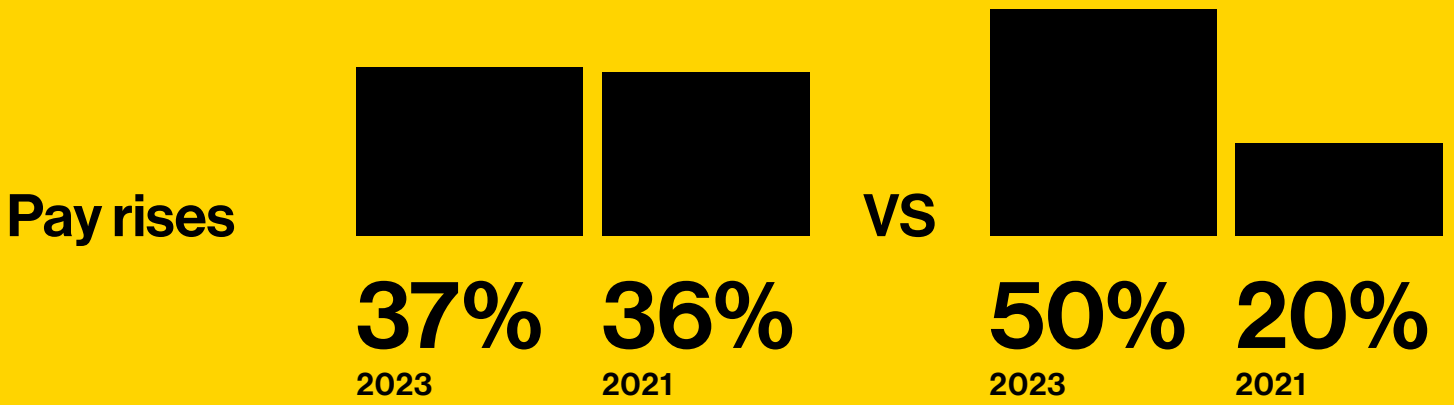
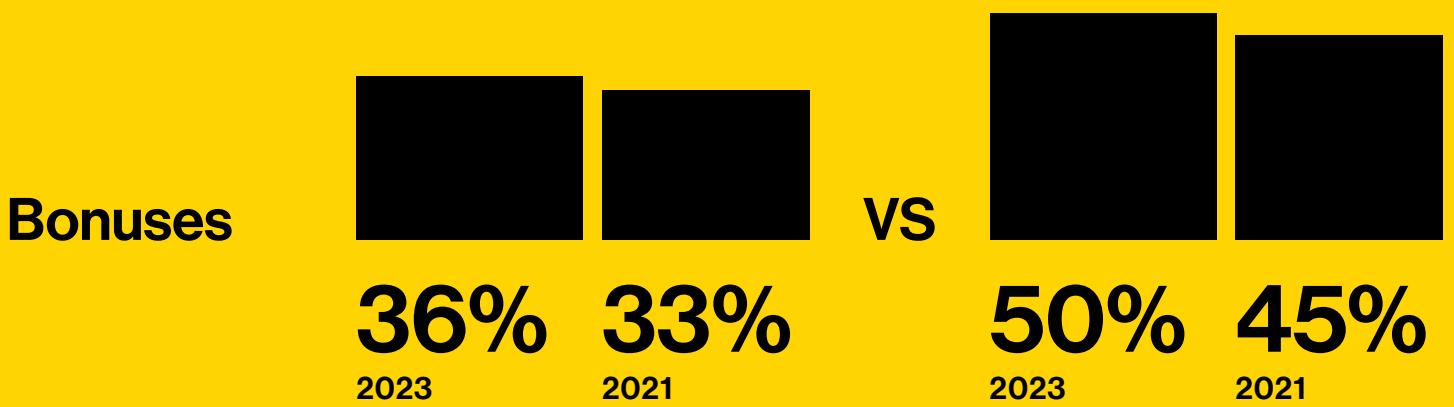
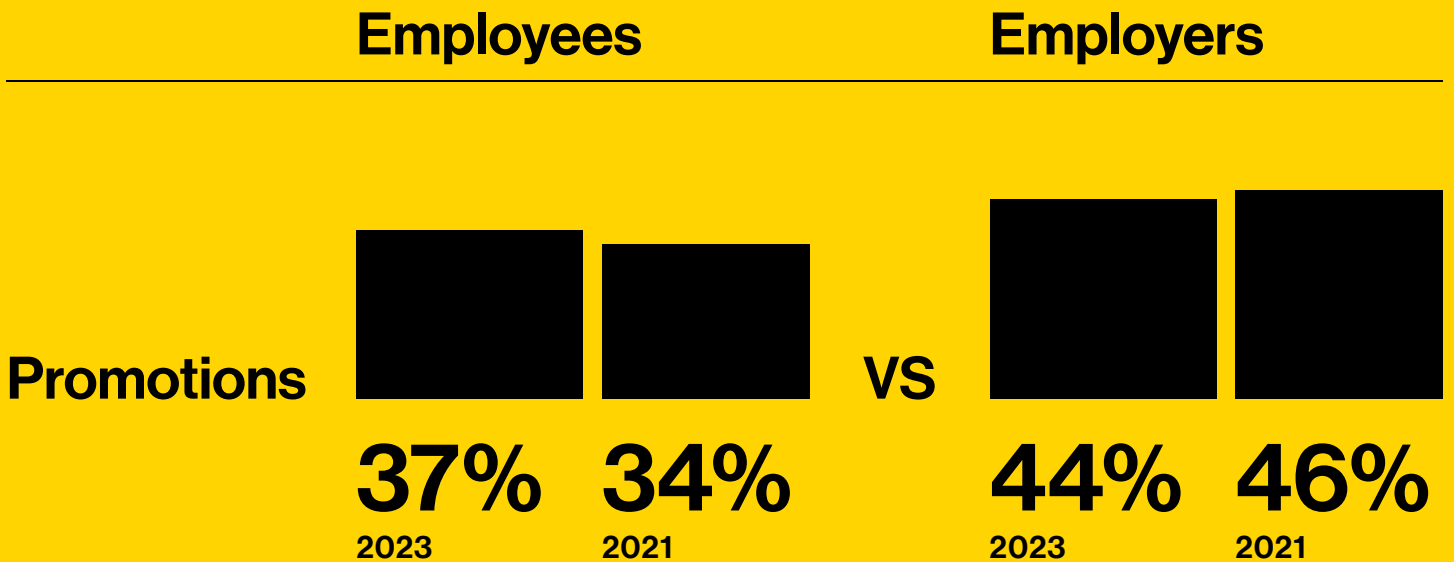
# 84%

In comparison, the majority (84%) of employers indicated that this is the case in their business – a 17 percentage point difference and one of the biggest contrasts between employers and employees noted in this study. Of those employers who felt this to be the case, 50% noted pay rises will be limited, 50% bonuses, and 44% promotions.

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These figures also reveal a shift in sentiment revealed by participants in *The Reluctant Returner* research two years ago, which suggests that views on the importance of the office are shifting back to pre-pandemic considerations where it was an important part of the workplace and individual careers:

## Shifting sentiment on career prospect limitations



# 27%

**of employers revealed that the potential limitations are something that is broadly felt by staff, but hasn't been directly communicated**

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While 70% of employers surveyed indicated that it has been communicated that progression would be limited for those who are not in the office, the 17-percentage point gap between employees and employers suggests this has not fully been recognized by staff. This is further evidenced by the fact that 27% of employers revealed that the potential limitations are something that is broadly felt by staff, but hasn't been directly communicated.

Aside from the limitations linked to career prospects, Mirna Gelleni, Workplace Strategist & Senior Capital Projects Manager at Vodafone Group Services, warned that employee learning and development opportunities will also be limited outside of the office.

**Key takeaway:**

**While employers indicate that pay, bonus and promotion options will be limited for those working virtually, employers have not yet impactfully communicated this to workers.**

“

**There has definitely been a trend in the younger population coming into the office more willingly than senior leaders who are further along in their career journey. However, we recognize that there is a need for these two groups to interact in order to support those at the beginning of their career and help them learn from those with greater experience. An environment that nurtures the tutor and mentor relationship is required, but people need to be together to achieve this.**

Mirna Gelleni, Workplace Strategist & Senior Capital Projects Manager at Vodafone Group Services

Hudl, Boston, United States







# Is your workplace a driver of brand and culture?

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**Businesses need to rebuild loyalty**

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**Colleagues are loyal to colleagues**

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**The importance of bespoke office design**

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**A return to the office being incentivized by pay**

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# Businesses need to rebuild loyalty

In order to improve talent attraction and retention while also ensuring employees continue to connect with one another in the office, loyalty and trust needs to be rebuilt and redefined. It is interesting to note that when asked about keeping employees happy, **74% of employers surveyed indicated that they are struggling to keep staff happy and engaged in a hybrid world. A further 66% indicated that employees are no longer as loyal to companies as they used to be.** With this sentiment falling at a time when people are less inclined to be in the office, it is clear that the workplace can foster loyalty and provide the connection with the business that workers need.

As Reen Salleh, Corporate Real Estate & Workplace Services at HP indicated, in order to encourage loyalty, a level of trust is needed: "At HP we're encouraging a balance of hybrid work on a global scale, putting the choice in the hands of our people and their managers. An effective hybrid work environment should find an equilibrium between two distinct employee challenges, as well as provide opportunities for employees to learn and grow together in an empowering company culture. Working hybrid doesn't just mean working from home or the office; it also means incorporating different workstyles throughout the day, no matter where you are."





Westpac, Frangipani, New Zealand

# Colleagues are loyal to colleagues

Liking their peers is the main influence of brand loyalty, cited by 30% of employees, while a further 27% indicated that enjoying the work they do is a key driver and 27% felt being well-paid would impact their loyalty.



Rover, Seattle, United States

With colleagues influencing loyalty, being in the workplace with peers can further influence loyalty with the company. This sentiment is recognized by employers, with **82% stating that it is important to their corporate culture to have people in the office.**

Work-life balance came fourth with employees (25%), while employers indicated this was the main influencer of loyalty, suggesting a discrepancy between business views and employees' feelings. This is likely to be exacerbated by office return mandates which are reducing the ability for employees to achieve the balance they prefer.

However, a caution: with staff attrition rates high, loyalty and culture risk being impacted. As staff face potential culture shifts as high numbers of new employees are onboarded they lose the peers that are keeping them connected with the business.

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# 25%

**Work-life balance came fourth with employees, while employers indicated this was the main influencer of loyalty, suggesting a discrepancy between business views and employees' feelings**

# The importance of bespoke office design

According to Ivo Hofstede, Director Corporate Real Estate Lead at Astellas Pharma, workers need to be given a reason to head into the workplace, and the physical design plays a huge role in delivering that:

**“It is an exciting time for the world of corporate leadership and real estate as there is a significant opportunity to optimize the office. However, it is also a challenge to make it more attractive to employees. There are elements of the corporate culture that we lose and will not be experienced if we operate in a fully remote environment. However, it is our corporate responsibility to make the office an attractive place that people want to be in.”**

According to Sue Myocevich, NZ Business Support Lead at Arup, a new connection needs to be created between employees and the business, and the office has a key role to play in developing this. The firm’s New Zealand office incorporates local culture, with “We wanted to incorporate the New Zealand culture into the space itself so that our people could feel a real connection with the office. The space is affiliated with our purpose of shaping a better world and is aligned with the Māori principle of kaitiakitanga – or caring for and nurturing the natural environment.”

“At the heart of the welcome area is a Whatu stone that has been incorporated into a feature with continuously flowing water and surrounded by planted punga logs – all of which has cultural significance in New Zealand and strengthens the office’s connection with our people and the environment.” Myocevich added.

## Key takeaway:

**While keeping staff happy and engaged in a remote working environment is challenging for businesses, creating an environment that naturally encourages and incentivizes a return can bolster relationships with the brand and its people.**



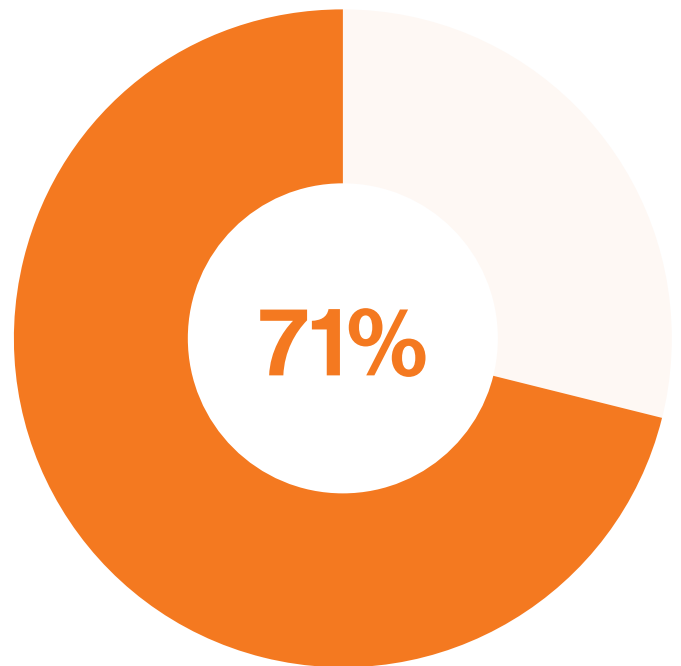
Fortinet, Madrid, Spain

# A return to the office being incentivized by pay

Despite financial incentives being noted as the main reward employees get from their employer (with 56% saying their greatest reward is their salary and 35% indicating it is their bonus), 16% of office workers have taken a pay cut in order to work from home more, with those in India more likely to have already taken a salary cut (31%) than any other country. A further 31% of global respondents would consider doing so, with a 16% average wage reduction cited by employees.

While this may seem high, our 2021 data was far higher – more than half (52%) of employees indicated being willing to take a pay reduction in order to work from home full-time. The 20 point drop in this sentiment demonstrates that willingness to do so is waning.

The insights from employers surveyed does suggest a slight level of frustration from leaders. While 82% indicated that their employees needed to be incentivized to be in the workplace by free lunches or paid travel, 71% of employers agreed that employees are ‘fickle’ when it comes to what they want from their company.



of employers agreed that employees are ‘fickle’ when it comes to what they want from their company





In terms of what employees noted would make them happier to return to the office, paid or subsidized travel, an office 5–10 minutes from home or free lunches were all joint first place (cited by 83% of respondents). These top three remain largely unchanged on the 2021 figures when all three were ranked top, which suggests employers have struggled to either understand, or address the needs of their workforce over the last two years.

It should be noted that of business leaders who were interviewed for this report, all revealed changes had been made to their workplace that had been driven by surveying their workforce. Marco Brucato, eCommerce Lead at The Kraft Heinz Company revealed that the firm had moved its Italian headquarters into Milan following a clear insight from staff that being in the city would be their preference.

According to Brucato, “Our adaptations were informed by a study of our employees to ensure that what we were designing would have a positive impact and that the final space is being used to its full potential. The insight that went into choosing the location was also driven by where people are based now. We looked at the zip codes of our employee-base to decide on a centralized point that would be easily commutable for the majority of our staff. We have also made the conscious decision to create an environment in the office that replicates the flexibility that people expect in their remote working worlds.”

### Key takeaway:

**Employees still need a reason to head into the office, but fewer are willing to lose out financially in order to work from home, compared to the data gathered two years ago.**





# Is the four-day working week inevitable?

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Implementing a four-day working week may increase occupancy rates and improve wellbeing

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# Implementing a four-day working week may increase occupancy rates and improve wellbeing



The concept of the **four-day working week** has been touted by global workforces and trialed by some businesses. However, the results have painted a varied picture, with some countries more open to the concept than others. In the UK, a number of firms recently trialed this shortened working period with relatively positive results, with a similar experiment in Australia being heralded a *'resounding success'*. In comparison, in Germany, more than half of workers believe it would fail.

So, how prevalent is this demand and how receptive to this idea are business leaders?

Our survey indicated that a majority (88%) of employees would be interested in trialing a four-day working week. **Employees further stated that that they would be happy to be in the office more if a four-day working week was a viable option. Almost half (46%) would be in the office every day if this was an option.**

There were some discrepancies across age demographics and industries. For example, while 46% of over 45s would be willing to move to a four-day working week if they were fully in the office, this drops to 35% if it was to be hybrid, suggesting that older generations are more reluctant to reduce the time in the office in a shorter week.

Once again, a mismatch between businesses and staff was noted on this topic. Just 35% of employers would be willing to trial a four-day working week if it meant staff would be in every working day. While this increases to 42% if the set up was to be hybrid, it still marks a notable difference between employers and office workers. Note that none of the interviewees involved in the survey have indicated plans to move to a four-day working week.

### Across the sectors:

#### Of **employees** surveyed the top sectors open to a four-day working week were:

- 90%** Technology, Media & Telecoms
- 90%** Consumer Goods and Financial Services
- 90%** Banking & Insurance

#### Of the **employers** surveyed the top sectors open to a four-day working week were:

- 85%** Life Sciences & Pharmaceuticals
- 81%** Retail
- 81%** Professional and Business Services

### Key takeaway:

**Employers and employees remain at odds around the four-day working week, but employees suggest it could improve office occupancy rates.**

*Holiday Mode On*



# Are real estate footprint reduction plans facing a U-turn?

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**Real estate footprints are on the rise**

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**Nuances in growth**

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**Profiting from real estate**

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**Supporting growth**

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**Capitalizing on market difficulties**

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# Real estate footprints are on the rise

**Given that the data shows a step-change in how people use the workplace and what they value from the office, it is no wonder that the space itself has evolved.**

It is interesting to note, that despite the rise in hybrid, three quarters (75%) of businesses have actually increased their real estate footprint in the last two years while just 10% have decreased it.

Looking ahead, the majority (74%) plan to increase their footprint in the next two years, suggesting that the office is far from redundant in the hybrid working model.

**This is significantly different to the expectations outlined in our 2021 study, where 84% of employers saw the pandemic as an opportunity to decrease their real estate portfolio by an average of 25% of their total footprint.**



Nielsen IQ, Pune, India



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 **75%**

**of businesses have increased  
their real estate footprint**

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 **74%**

**plan to increase their footprint  
in the next two years**

# Nuances in growth

Businesses in Belgium and India were more likely to increase their footprint (92% in both destinations) than any other countries. It is interesting to note that in Italy there is an almost equal split in those firms planning to expand and those planning to reduce their total space. While 46% intend to increase their footprint over the next two years, 42% plan to decrease their overall portfolio.

**Looking across industries with hybrid working the predominant set up, the following sectors ranked the highest when revealing intentions to expand their workplaces in the next two years:**

- 81%** Co-working
- 80%** Technology, Media & Telecoms
- 76%** Legal
- 75%** Property & Real Estate





49 Financial, Austin, United States

# Profiting from real estate

When we analyze the reasons behind office footprint increases, the need to adapt to the changing world of work and make offices more flexible is a top driver of this action (cited by 44% of those planning to increase their workspace). **There is also an interesting trend that is beginning to emerge: leasing out spaces for hospitality.**

**Creating hospitality spaces to host more client and candidate events was also cited as a top reason to increase space**

44%

41%

**of employers revealed they need more space for meeting and collaboration rooms as well as desk spaces**

This expansion of footprint is being influenced by more than internal hospitality needs. As Sue Myocevich, NZ Business Support Lead at Arup, explained, sub-leasing is also becoming more prominent:

“We didn’t reduce our office footprint during our move, despite a recognition that people would be in the physical workspace less frequently than before Covid, however we incorporated tenancy areas into the design. The plan was to lease out around a third of the space until we needed it, allowing us room to grow, but we are using more of the space than we expected as more employees come into the office. While we are still leasing areas out, they may be absorbed back into Arup offices sooner than we had thought.”

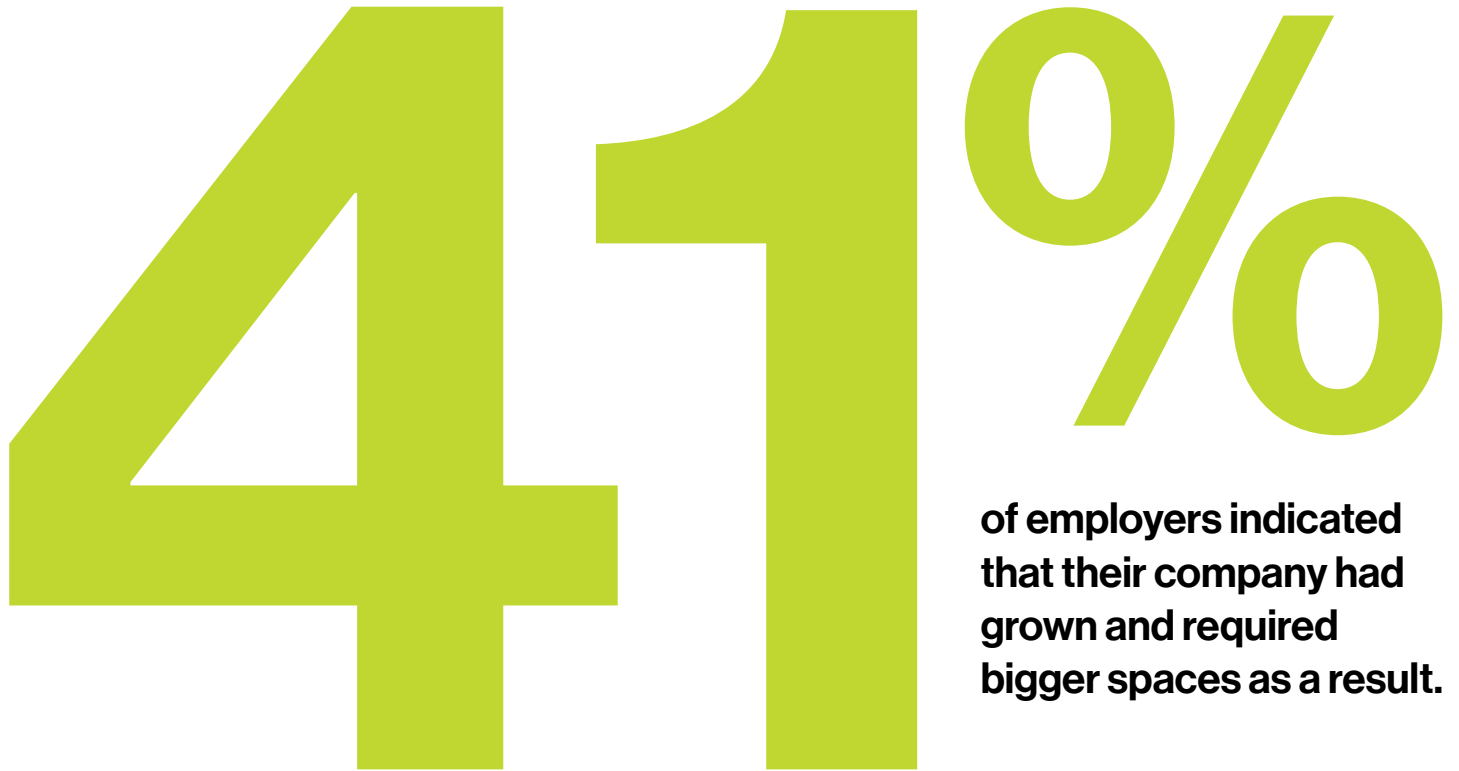


**The socialization element of the office is crucial for us as a business, in fact, we have our own professional kitchen where we can not only record cooking lessons to support our brand profile, but also welcome clients into the space as well.**

Marco Brucato, eCommerce Lead at The Kraft Heinz Company

# Supporting growth

Encouragingly, given the economic difficulties of the last year,



This is a scenario that Ray Montalvo, Vice President, Real Estate and Workplace at BlackLine has experienced first-hand: “Our office footprint has both evolved and grown since lockdowns were lifted. We have altered spaces to allow for more collaboration and also opened new offices in Birmingham, Bucharest and Sydney, with more planned soon.

We have definitely noticed global trends in office usage which is why we are not mandating worldwide policies. For example, when we recently opened our Sydney office, we ran out of space because the demand to be in the workplace was so high. We have also noticed that staff in London and New York are highly likely to want to be in the office.”

According to Nadine Dahdal, National Property Manager, Facilities Management at FUJIFILM, there needs to be a constant focus on adapting the office: “We are always looking at optimizing our spaces and will continue to do so. As a business, it is important to be able to move with the times and flex to the needs of different people, business functions and the wider economy. Having an office space that is adaptable underpins a firm’s ability to do this.”

# Capitalizing on market difficulties



It should also be noted, that firms have used the evolving real estate market to their advantage. Just over a third (34%) revealed that they plan to increase their footprint by as soon as 2025 as they managed to get a good deal as landlords were struggling to fill the space. This suggests that some firms are capitalizing on the changing property and real estate market to secure better leasing contracts.

According to Mirna Gelleni, Workplace Strategist & Senior Capital Projects Manager at Vodafone Group Services, many workplace changes are being dictated by lease lengths and contract requirements:

“We have been making changes to the office over recent years, but this is largely driven by when the real estate allows it, for example, when end of lease or sub-letting agreements are nearing a set date, which prompts an opportunity to rethink space.”

## Key takeaway:

**Businesses are still recognizing the value of the office and are making the most of the current climate to secure the best spaces that work for their people in the immediate and long-term.**







**Country nuance is key:  
A one-sized fits all  
approach will fail**

# Country nuances across Asia Pacific

93%

of employees in **India** would be happier to be in the office if they had access to a mentor

91%

of **Singapore** employees would value returning to a workplace with free lunch options

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73%

of employees in **Hong Kong** feel they should be incentivized to go into the office

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87%

of employees in **Malaysia** would be happier to return to the office if they knew their team was going to be in

---

42%

of employees in **Australia** indicated that what they like the most about the workplace is the socialization aspect

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70%

of employees in **New Zealand** would be happier if their employer offered sustainable features in the workplace, for example composting



# Australia: Employers emphasize workplace attendance as key for career progression

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## Attraction and retention in Australia

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**75%**

of employees feel loyal  
to their company

**82%**

of employers over-estimate  
this relationship (believe  
they have people's loyalty)

**32%**

of workers quit in the last  
two years for better career  
progression opportunities

## How has office usage changed?

Hybrid remains the main working model in Australia, with more than half (51%) of workers indicating that they are based in the office four or more days per week. Over three quarters (76%) say this set up is mandated. 51% of those with mandated returns indicated that they were given set days to be in the office by their employer, slightly above the global average of 44%.

Of those not currently in the office four days a week, more than half (55%) expect this to happen at some point, with 34% revealing this will take place by 2025. Employers have higher expectations, with almost half (48%) of those not mandated expecting people will be in at least four days a week in the next two years.

## Employee likes and dislikes of the workplace

Employee office dislikes focus on their inability to do their role effectively. These concerns include not getting the same quiet environment to be productive as at home (37%), missing the privacy of working from home (33%), and not feeling as productive as they do when working remotely (30%). 57% state that they struggle to do their core job in the office due to a high number of meetings and interruptions.

In comparison, employers believe that employees do not like the rigidity of the routine and the travel, suggesting their people disliked losing the extra time due to commuting (26%). 22% of employers indicated that employees felt a return to the office would remove their freedoms, while 21% said that employees do not see the need to be in the office.

Employees across Australia indicated that they like the socialization aspect of being in the workplace, cited by 42% of respondents, higher than the global average of 33%. This is further reflected in what makes people stay at a company, with 37% revealing that liking their colleagues is the main influencing factor. Business leaders noted a similar appreciation of the social interaction in the workplace, with this also ranking as their top office 'perk' (27%).

## Hybrid's impact on the workforce

Australia noted the largest gap globally between employees and employers regarding perceptions on the impact of remote working on career prospects. While 86% of employers surveyed revealed that access to promotions, pay raises and bonuses are limited for those operating in a fully virtual environment, just 56% of employees indicated that they believe this to be the case.

Employers agree that hybrid has boosted mental wellbeing (72%). However, 64% of employees indicated that they often feel periods of burnout – a fact that 69% of employers also recognized. For employees, reasons behind this burnout are high workloads (64%), spending too much time in the office (29%) and employers expecting them to be online when working from home (23%). However, 41% of employers shared that they believe people don't balance their time effectively, which is creating burnout.

## The impact of current events on office design and use

Just 38% of workers hot-desk when in the office – below the global average of 48%. With 67% of those who do hot-desk indicating that they would be more inclined to be in the office if they had an assigned space, it appears that Australian employees miss having an anchor space that they own in the workplace.

With mandated returns popular across Australian businesses, it is perhaps unsurprising that 79% of firms have increased their real estate footprint in the last year, with 72% planning further expansion by 2025.

If employers are to make their offices work, they need to understand their peoples' needs and values and ensure the workplace delivers against these.

# 79%

of firms have increased their real estate footprint in the last year





QIC, Melbourne, Australia



# Hong Kong: High employee workplace reluctance; employers failing to spot burnout

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## Attraction and retention in Hong Kong

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**73%**

of employees remain loyal  
to their employer

**26%**

of those who have moved  
jobs in the last two years,  
26% did so due to a lack  
of career progression

**42%**

of workers would currently  
consider a pay cut to work  
from home



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## How has office usage changed?

Employees in Hong Kong are in the office more than the global average, with 63% of workers currently in the workplace four or more days a week, compared to the worldwide average of 50%. Interestingly, employees in Hong Kong are more likely to be reluctant to return to the office than anywhere else in the world, with 60% showing reticence. Globally this figure stands at 51%.

Despite this reluctance, the majority (94%) of employees who are not currently in the office four or more days a week expect to be so at some point in the future – a sentiment echoed by 92% of businesses.

## Employee likes and dislikes of the workplace

Employees indicate that a current lack of privacy and access to quiet areas is both impacting their ability to do their job and promoting feelings of dislike towards the workplace. More than two thirds (69%) of those in Hong Kong revealed they struggle to do their core job in the office due to distractions and the number of meetings, the highest levels recorded globally, tied only with India.

Almost a third (29%) indicated that they have greater privacy at home, and a quarter (26%) felt more effective working away from the office. These dislikes are largely misunderstood by employers, who view employees' main barriers to returning to the workplace as people not wanting to travel (21%), or being unhappy about carrying their work equipment – such as laptops – between the office and home (20%).

Subsidized travel is a prominent influencing factor for office returns across most of the Asian countries surveyed. For Hong Kong this was cited by 92% of respondents.

## Hybrid's impact on the workforce

Employees across Hong Kong are feeling the impact of burnout. Nearly two-thirds (64%) revealed they often have periods where this is an issue, largely driven by workload (45%) and employers expecting them to always be online at home (36%). In comparison, just 29% of businesses believed workloads are creating burnout for workers, instead suggesting that people are not balancing their time effectively (cited by 40% of business respondents).

## The impact of current events on office design and use

While hot-desking is currently the main set up for the majority of office workers (59%), employees did indicate that they wanted to have their own space once again. Of those who currently hot-desk, 95% would be more willing to return to the workplace more frequently if they had their own space. This is one of the highest levels recorded across all countries and suggests a general desire for more traditional elements of the office.

With the majority of employers and employees expecting a return to the office for a minimum of four days a week in the near future, businesses are investing in office footprint, with 82% of firms revealing that they had already expanded their space in the last two years. This is higher than the global average of 75%. A further 74% also plan to do so by 2025.

With globally high levels of reluctance, combined with a clear disconnect between employees and employers on what people want in the office and how effectively they can do their job in the workplace, there is a clear opportunity for business leaders to listen to employees needs and values to drive more positive talent attraction and retention.

# 95%

**of employees would be more willing to return to the workplace more frequently if they had their own space**





AbbVie, Hong Kong



# India: Employees prioritizing flexibility over pay

## Attraction and retention in India

**28%**

of employees cited the main driver of job moves in the last two years was lack of access to an office since the pandemic

**92%**

of employees indicated they feel loyal to their brand

**27%**

of employees cited liking the office as the reason they stayed with their company

## How has office usage changed?

Just under half (47%) of India's workforce indicated that they are in the office four or more days a week, slightly below the global average of 50%. 39% indicated that this was their preferred working format.

This discrepancy between preferences and reality is largely driven by the high level of mandated returns noted across the country, with 76% of workers indicating that their employer had enforced set office days.

The majority (92%) of office workers do expect that they will be in the office at least four days a week in the near future, with nearly two thirds (63%) expecting this will be implemented by 2025. Employers are more optimistic with regards to the office return, with 99% revealing that staff will eventually be in four or more days a week, with 82% predicting this will happen in the next two years.

## Employee likes and dislikes of the workplace

Employees in India reveal that they struggle to work in their existing offices. Over two thirds (69%) said they struggle to do their core job in the office due to distractions and the number of meetings, the highest levels reported globally, tied with Hong Kong. Just over a third (37%) also indicated their dislike for the lack of privacy in their office.

Employers appear to misunderstand employees' workplace challenges. The top three reasons business leaders believe their employees dislike going into the office are losing time to carry out household chores, having to carry equipment such as laptops between the office and home, and concerns around their mental wellbeing, all cited by 22% of employers.

It is interesting to note that socialization with colleagues came in first place regarding what employees like about the office (38%), suggesting that while workers are distracted by their peers, they also miss the connection with them.

Subsidized travel stood out as a prominent influencing factor for office returns across the Asian countries surveyed. For India, this was cited by 92% of respondents.

## Hybrid's impact on the workforce

Employees in India are more likely than any other country globally to be willing to take a pay reduction in order to work from home, with almost a third (31%) indicating that they have already done so. This is almost double the global average of 16%.

With workers willing to reduce remuneration in order to gain more flexibility, it is perhaps unsurprising to note that when asked if they would be interested in trialing a four-day working week, just 5% of employees indicated that this would not appeal. Half (51%) stated that they would be willing to be in the office every working day, if the week was reduced to four days.

81% of Indian employees believe career prospects such as pay rises, bonuses and promotions are limited for those working remotely. This sentiment is further enforced by business respondents, with 96% of employers indicating career limitations would be prevalent for those who are not in the workplace.

## The impact of current events on office design and use

Hot-desking is more prominent in India than anywhere else, with 69% of office workers operating in this way. However, nearly all of those who hot-desk (98%) indicate that they would be happier to be in the workplace more often if they had an assigned desk.

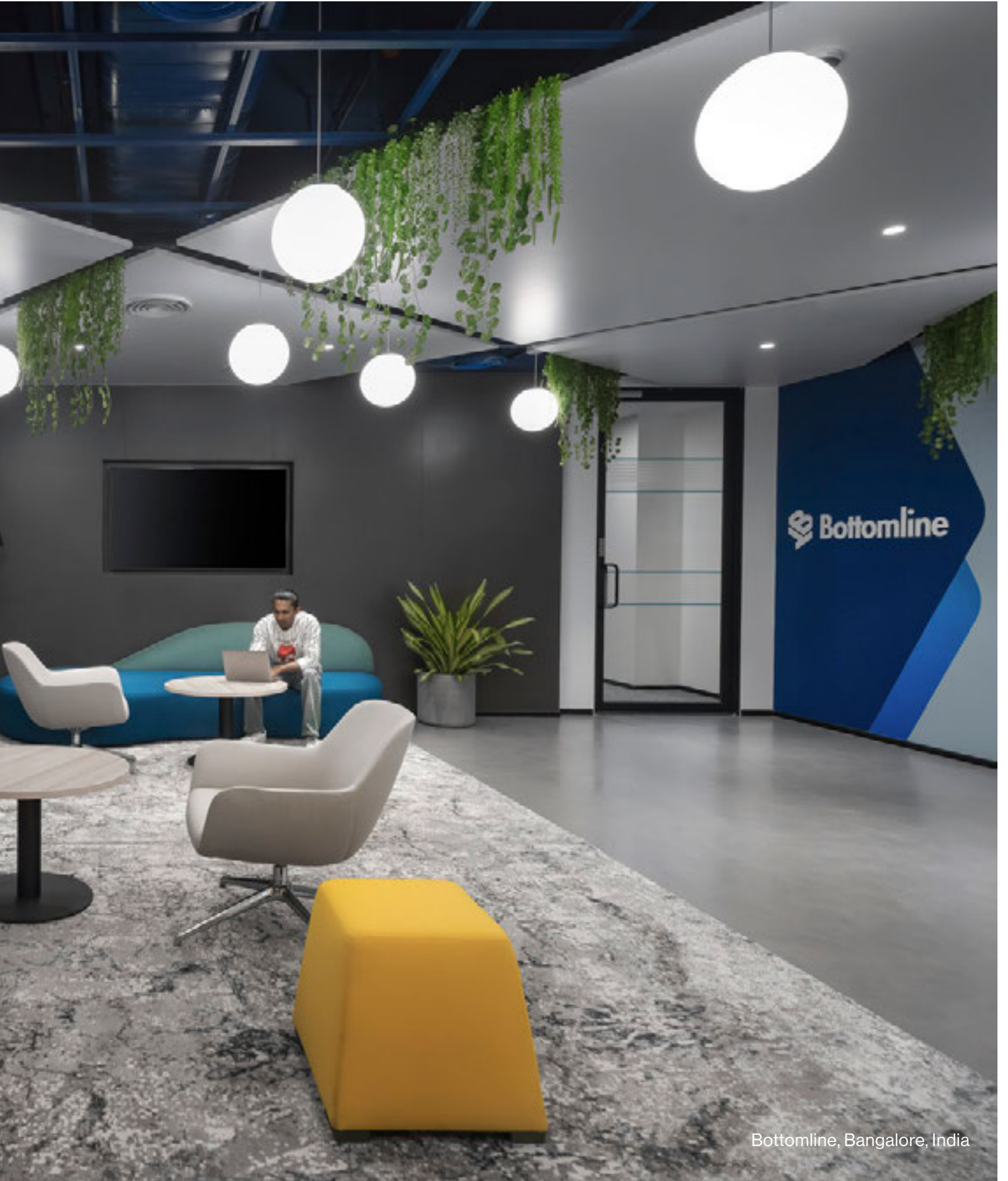
Firms in India are more likely to have increased their office footprint in the last year than any other country (91% versus the global average of 75%). Businesses in the country were also more likely to increase their office footprint than any other location – tied only with Belgium – with 92% planning to do so in the next two years.

In a rapidly growing market, Indian employees have a clear desire for more flexibility and offices that meet their needs and values. Those employers who work with their employees to create spaces that meet their needs will be best positioned to attract and retain talent in an ultra-competitive landscape

# 98%

of employees who hot-desk indicate that they would be happier to be in the workplace more often if they had an assigned desk





Bottomline, Bangalore, India

# Malaysia: Employees craving strong leadership and workplace technology



## Attraction and retention in Malaysia

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**83%**

of workers feel loyal  
to their company

**30%**

almost a third moved jobs  
due to pay freezes at their  
previous firm

**49%**

just under half were attracted  
to a new job due to the salary  
increase on offer



## How has office usage changed?

In Malaysia, three fifths (58%) of workers are currently in the workplace four or more days a week, higher than the global average of 50%. This is largely mandated (79%), with 46% of workers stating that their employer has enforced set days in the workplace.

Of those who are in the office four or more days per week, 27% want to be in the workplace less, with half (51%) revealing that their preferred set up would be two days at home. The majority of employees who are currently in the office less than four days a week, however, did indicate that they expect to be in more eventually (87%), a sentiment that employers echo (94%). It is interesting to note that workers expect this shift to happen sooner than businesses do, with 51% of employers predicting that people will be in the office four or more days by 2025, while 55% of employees indicated that this would be the case.

Just over half (54%) of workers remain reluctant to return to the office. Interestingly, this falls to 50% for those who are mandated to return to the workplace.

## Employee likes and dislikes of the workplace

Subsidized travel stands out as a prominent influencing factor for office returns across Asian countries surveyed. For Malaysia, this was cited by 93% of respondents – the highest globally.

However, employees indicate that the workplace itself does not allow them to work to the best of their abilities. Over one third (36%) revealed that they dislike the lack of privacy in the office, while 26% feel more effective in a quiet environment at home. Almost two thirds (65%) stated that they struggle to carry out their core role in the office due to the number of meetings and interruptions.

Employers appear to have misjudged why people are reluctant to be in the office, with their top three reasons cited including; being at home for caring arrangements (24%), the privacy of working from home (23%), and eating healthier at home (22%).

While distractions are an issue in the office, access to better IT facilities is the top element that employees enjoy about the workplace (cited by 38%). Socialization comes in joint second with collaboration opportunities for 34% of Malaysian employees.

More than half (52%) of workers also indicated that strong internet connection is the most important feature they want in the office.

## Hybrid's impact on the workforce

Almost half (46%) of office workers revealed that they would be happy to be in the office full-time if the four-day working week was trialed.

One of the stand-out data points in Malaysia is that leadership are failing to meet staff expectations. This was the biggest driver of job moves, cited by 40% of respondents, and Malaysia is the only global location where this issue was the greatest influence behind decisions to change employers. Leadership plays a key role in corporate culture in the country, with 45% of workers stating that leaders have a key influence on this.

Three quarters of employees (73%) and four fifths (86%) of business respondents indicated that career prospects would be limited for those who work remotely.

## The impact of current events on office design and use

Half of Malaysian office workers revealed that they hot-desk when in the workplace, however 92% of those who do, indicated that they would be inclined to spend more time at work if they had an assigned desk.

Four fifths (82%) of businesses have increased their office footprint in the last year, above the global average of 75%. This trend looks set to continue with 79% planning to expand their space by 2025.

Workers across Malaysia crave two things from their workplace; good technology set ups and strong leadership. With many struggling to complete their core jobs due to in-office distractions, change is needed in spaces across the country.

# 92%

**indicated that they would be inclined to spend more time at work if they had an assigned desk**





SGK, Singapore

# New Zealand: Burnout is prominent; opportunities in workplace to improve employee experience and wellbeing

## Attraction and retention in New Zealand

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**78%**

over three quarters of workers  
feel loyal to their employer

**21%**

almost a quarter have taken  
a pay cut in order to work  
from home

**29%**

said the main driver  
of job moves is disliking  
the corporate culture

## How has office usage changed?

Fewer employees across the country spend four or more days in the office than the global average (41% versus 50%), however despite this being the prominent work set up, just 27% stated this as their preferred style.

In New Zealand, the majority (73%) of workplace returns have been mandated. This appears to be a growing trend; the majority (97%) of business leaders indicated that a minimum of four days in the office will become normal, with 66% stating this will happen by 2025.

Employees are more reluctant to commit to this. Of those not currently in four or more days a week, 78% believe they will eventually return, with half (51%) expecting this to be the case in the next two years.

## Employee likes and dislikes of the workplace

A lack of privacy in the office is an issue for workers, with a third (34%) stating that they dislike this aspect of the workplace. A further 32% felt more effective in a quiet environment at home, while 29% believed they could be more productive out of the office.

Employers broadly agree that a lack of privacy is the biggest barrier for workers (cited by 26% of business respondents). A lack of quiet focus areas is impacting workers' ability to do their core job, with 68% stating the regular in-person meetings and disruptions are preventing them from working in the office.

Employees did, however, reveal that the most important features they want from an office space are a strong internet connection (41%) and a good technology set up (40%).

## Hybrid's impact on the workforce

Employees in New Zealand were more likely to suffer from burnout than any other location globally (70% versus the global average of 59%). Half of those who experience burnout put it down to workload, while 38% stated that employers expecting them to always be online at home is influencing this.

Nearly half (45%) of employees revealed that they would be happy to be in the office every day if a four-day working week was trialed. While employers are slightly more reticent about this – with 41% willing to shorten the week if people were in the workplace daily – a fifth (18%) did indicate that they had trialed this working style and it had been successful.

There is a general perception from the workforce that career prospects will be limited for those working remotely, with 71% of employees stating this will be the case. Of those, 43% revealed pay rises are at risk, 40% stated bonuses would be impacted and 39% believed promotions would be limited.

Employers were more likely to state that this would be the case, with 91% saying that those who are not in the office will have limited career prospects. It is also interesting to note that 76% of business respondents stated that those who join a hybrid meeting online will have less of a share of voice in discussions than those in the office.

## The impact of current events on office design and use

Over half (57%) of New Zealand employees currently hot-desk in the office, though 90% of those who do would be inclined to be in the office more often if they had an assigned desk.

The majority (84%) of businesses indicated that they have increased their office footprint in the last two years, which is perhaps unsurprising given the level of mandated returns across the country. A further 87% plan to expand their office space by 2025.

With staff in New Zealand struggling with burnout, companies have an opportunity to create spaces that improve employee experience and wellbeing, and drive company culture and brand. If firms listen to employees, then they will be in a better position to leverage the workplace to boost employee engagement, retention and attraction.



# 90%

of those who hot-desk would be inclined to be in the office more often if they had an assigned desk



Squirrel, Auckland, New Zealand



# Singapore: Workplace improvements needed to meet employee needs

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## Attraction and retention in Singapore

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**72%**

more than seven in 10  
employees feel loyal to  
their brand

**32%**

of workers stated that the  
people and leadership were  
key elements to a strong  
culture

**21%**

over a fifth of job movers  
left due to a lack of career  
progression



## How has office usage changed?

Currently just two in five employees (40%) in Singapore are in the office four or more days per week, below the global average of 50%. Of those who attend the office over four days, 14% want to reduce this frequency, with just 26% stating that they want to be in the workplace at least four days.

Mandated returns are prominent across the country, with 79% of workers returning to enforced days, slightly above the global average of 75%. This level of directed returns is on the rise, with 94% of businesses expecting people to eventually return to the workplace at least four days a week (88% of those not currently in the office this often do expect to be at some point). More than half of all respondents (53% of employers and 51% of employees) believe four days in the workplace will be the norm by 2025.

## Employee likes and dislikes of the workplace

Subsidized travel stood out as a prominent influencing factor for office returns across the Asian countries surveyed. For Singapore, this was cited by 88% of respondents. However, it is the lack of space to carry out individual work that is preventing office returns.

Being unable to access the same privacy at home (34%), feeling more effective in a quiet environment remotely (31%), and believing they can be more productive at home (29%) were all cited as top dislikes about the office. More than two thirds (68%) revealed that they struggle to do their core job in the office.

Business leaders appear to have misunderstood what is hindering returns, believing that the top reason is to get time back from the commute (28%), with the ability to eat healthier at home ranked second (25%).

It is interesting to note, however, that the type of work employees carry out in the office is broadly the same as at home. With such a high proportion of workers revealing that they struggle to carry out their core job in the office, this suggests that businesses have not created a space that allows people to be more effective than they can at home. It also suggests that employees are not making the most of opportunity to tailor their working style to their location.

## Hybrid's impact on the workforce

While a third (34%) of workers did indicate that they would be happy to be in the office full-time if a four-day working week was trialed, this is one of the lowest levels recorded across the globe.

More than three quarters (78%) of employees indicated that those who are not in the office will have fewer opportunities for pay rises (52%), bonuses (49%) and promotions (47%). Business respondents were more inclined to state that this is the case, with 88% revealing that career prospects are limited for remote workers. Of these, 65% believe bonuses would be impacted, 61% pay rises and 57% promotions.

In Singapore, burnout is prominent across the workforce, with 66% of employees revealing they had experienced this.

## The impact of current events on office design and use

More than half (56%) of employees currently hot-desk in the office, however workers did reveal a desire for their own dedicated space, with 94% of those who hot-desk revealing that they would be happier to be in the workplace more frequently if they had an assigned space.

Interestingly, 76% of businesses in Singapore have expanded their office footprint in the last two years, with the top deciding factor of new locations cited as being close to where employees live (36%). This suggests that employers across the country are relocating workspaces to improve the ease of the commute – a promising sign that they are listening to their employees' needs.

Workplace returns on a larger scale are certainly on the cards, and while businesses are implementing steps to potentially reduce the commute for employees, there is still an opportunity for employers to undertake a more holistic approach to employee and workplace experience.

# 76%

of businesses in Singapore have expanded their office footprint in the last two years





VaynerMedia, Singapore

# Country nuances across Europe and the Middle East

63%

of employees in the **United Kingdom** struggle to do their core job when working in the office as they feel they're always in meetings/ being distracted

88%

of **Irish** employers believe the pandemic has permanently altered the working habits and preferences of employees

54%

of employees in **Belgium** would take a reduction in salary to work from home more

50%

of **French** employers believe team building is key to a strong company culture

56%

of **Spanish** employees report high-levels of burnout due to workload

25%

of **German** employers do not believe employees who work from home will face limited career prospects, the highest of any country polled

81%

of **Dutch** employers believe it is disruptive to have some employees working in the office and some at home

86%

of **Swiss** employers are planning to increase their real estate portfolio

75%

of **Italian** employers would be interested in trialing a 4-day work week



# Belgium: Flexibility is reducing burnout

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## Attraction and retention in Belgium

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**21%**

of workers in Belgium are more incentivized into a new role by better pay

**21%**

of employees who moved jobs did so because they did not feel listened to

**17%**

despite pay driving career moves, 17% of employees have taken a pay cut to be able to work remotely

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## How has office usage changed?

Currently across Belgium, 39% of workers are in the office four or more days per week, though less than a third (28%) indicated that this would be their preferred set-up.

Of those who are not currently in four or more days per week, the majority (72%) expect that this will eventually be the norm, with 29% expecting this to be the case by as early as 2025. It is interesting to note that employers in Belgium are seemingly keen for workers to be back in the office more, with 96% expecting a return to a minimum of four days in the future, though 56% of these expect that this will not be the case for another four years.

## Employee likes and dislikes of the workplace

In Belgium, employers generally recognized the key dislikes of office workers. These included a lack of privacy, cited by almost a third (30%) of workers, as well as a feeling of being more effective in a quiet environment (29%), and being more productive at home (23%).

Employers in the country recognized that these feelings of greater productivity at home are creating a dislike of office spaces, with 23% indicating that people are likely to feel more productive at home and 21% indicating that employees are more effective in quiet remote spaces.

When we look at what people like about being in the office, the social interaction is a key benefit, cited by 31% of employees, followed closely by the opportunity to collaborate with peers (21%). However, almost two thirds, (61%) did indicate that they struggle to complete the elements of their core job in the office due to regular disruptions and high numbers of meetings.

## Hybrid's impact on the workforce

While employers in Belgium are broadly of the view that their people are loyal to the business (cited by 83% of business respondents), they appear to have overestimated this devotion, with 70% of employees indicating that they are loyal to their current organization.

Although half (51%) of office workers in the country indicated that they have experienced periods of burnout at some point, this is below the global average of 59%. Employers are seemingly more concerned that this is an issue in their workforce, with 74% suggesting that their office workers experience burnout.

There is a significant gap between employee expectations around the impact remote working has on career progression and what business respondents believed to be true. While 68% of employees believed prospects would be limited if they were not in the office, 93% of employers stated this was the case.

## The impact of current events on office design and use

Hot-desking is relatively common in Belgium, with 61% of office workers currently operating in this way in the office. However, employees did indicate a desire for assigned spaces, with 84% of office workers indicating that they would head into the workplace more if they had their own space.

Businesses in the country have expanded their real estate footprint in the last two years, with 87% of Belgian firms increasing office space. Employers in Belgium are most likely to increase their office footprint in the coming two years (92%) – equaled only by India and well above the global average of 74%.

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# 84%

**of employees indicated that they would head into the workplace more if they had their own space**







Syneos, Brussels, Belgium



# France: Employees want their space to focus

## Attraction and retention in France

**76%**

of employees are broadly loyal to their company

**54%**

of employees often feel periods of burnout, largely driven by workload

**22%**

of employees cited the main reasons for moving jobs in the last two years was due to clashes with managers or wanting to change industry

## How has office usage changed?

While there does remain to be a level of reluctance to return to the office in France, this is below the global average (45% versus 51%), suggesting a general level of willingness to be in the workplace. The amount of time workers spend in the office in France is slightly above the global average of 50%, with 56% of employees currently in four or more days per week. Overall, employees indicated a preference to be in the workplace less, with just over a third (37%) stating that this is their preferred set up.

However, despite this, 51% of workers that do not currently attend the office four or more days per week, expect to do so at some point, with 24% stating this is likely to be the case by 2025. Employers, in comparison, have higher expectations, with 76% expecting employees to return at least four days a week, with 40% believing this will happen in the next two years.

## Employee likes and dislikes of the workplace

44% of employees would be happier to be in the office every day if four-day working weeks were introduced. Employers are seemingly just as open to trialing this set up, with 42% of businesses willing to introduce this if workers were in the office every day. This goes against the global norm where we see a disconnect between employers and employees on this topic.

Distractions in the office are potentially influencing some of the reluctance that employers are seeing in their workforces. A quarter (25%) of employees indicated that they felt more effective in a quiet environment at home, while the same percentage also stated that they were simply used to working from home.

Interestingly, employers were more inclined to believe that people were reluctant to be in the office due to preferences around avoiding travel (27%) or enjoying being at home to get personal tasks done, for example laundry and collecting deliveries (18%).

When asked what they like most about the office, workers revealed it is the social aspects (34%), with businesses also recognizing this as the main benefit people get from the workplace. However, while employees are keen to socialize, 35% agreed that they can focus better at home while 23% revealed they are too distracted in the office.

## Hybrid's impact on the workforce

It is interesting to note that businesses believe that employees' expectations of the benefits they should access has increased in the hybrid working world, with 62% of employers indicating this sentiment has grown. Worker salary expectations have also seemingly increased, with 56% of businesses noting an upward trend.

However, 80% of employers did indicate that career prospects of those working remotely would be negatively impacted. This includes limiting pay rises (47%), promotions (40%) and bonuses (39%). While 61% of employees did indicate that they recognized this would be the case, there does not appear to have been clear communication on this topic from businesses. 58% of employers stated that the limitations of working from home had been communicated, while 38% revealed this is something that is known or felt, rather than clearly stated by the company.

French employees also indicated that while salary (61%) and bonus structure (48%) are the rewards they value more in their current job, 11% have taken a pay cut to work from home and 28% would consider doing so.

## The impact of current events on office design and use

While hot-desking is not as common in France as it is globally (35% versus 48%), workers across the country have expressed a desire for ownership over their own space. The majority (85%) who hot-desk currently would be inclined to be in the office more often if they had an assigned desk.

While fewer businesses in France have increased their footprint in the last year than the global average, firms are largely expanding office space, with 64% stating they have done so in the last year (compared to 75% globally). The same percentage plan to do so by 2025.

Workers across France do desire flexibility in how they work, but they also revealed a desire for some of the traditional elements of offices of old, including their own desk space. With the right approach to the workplace, people can be encouraged back without mandates.

# 85%

**of employees who hot-desk currently would be inclined to be in the office more often if they had an assigned desk**





Kering, Paris, France



# Germany: Recruitment impacted by mandated office returns

## Attraction and retention in Germany

**25%**

of employees in Germany are more likely to have left a job due to a dislike of the culture (25%) or an unsustainable work-life balance (25%)

**1 in 10**

employees have taken a pay cut to work from home

**36%**

of employees would be willing to reduce their salary for more remote working options

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## How has office usage changed?

Across Germany, almost half (43%) of the workforce currently spends four days in the office. This does not reflect the preferences of workers, though. Less than a quarter (22%) of employees are happy to be in the office four or more days. Despite this, 70% of those who do not currently work from the office four or more days per week indicated that they expect this to eventually be the case. This is significantly below business expectations, with 80% of employers stating that four days in the office will be common practice at some point, with 41% believing this will happen by 2025.

## Employee likes and dislikes of the workplace

Socialization with peers was ranked as a top reason to go to the office by German employees (33%). A lack of privacy and access to quiet, focus areas were cited as key dislikes of current workplaces across the country. Over a third (36%) of workers said they felt more effective in a quiet space remotely, while 35% were lacking the privacy they could get at home. This inability to work productively in the workplace is further evidenced by the fact that 52% of German employees indicated that they struggle to carry out their core role in the office, and struggle to do their core job in the office due to regular distractions and the number of meetings they attend.

Germany reported relatively low levels of burnout in the workforce, with just 38% of employees indicating they have experienced this, well below the global average of 59%. This is broadly in line with the sentiment from 55% of employers that employee mental wellbeing had improved due to hybrid working.

## Hybrid's impact on the workforce

Both workers and businesses agreed that the career prospects of remote workers would be limited, with 77% of employees and 75% of employers indicating that opportunities will be limited for those who are not in the office.

This is perhaps influenced by the disconnect between teams when out of the office, with 61% of employers reporting that those who join a hybrid meeting virtually will have less of a share of voice than peers who are in the office.

## The impact of current events on office design and use

Hot-desking practices are less obvious in Germany than the global average, with just 45% currently hot-desking compared to 48% who do so worldwide, while less than half of those who do (48%) would be enticed into the office more, if they had an assigned desk.

Businesses in the country have increased their real estate footprint over the last two years, but the figures remain below the global average (67% versus 75%).

Mandated office returns are having an impact on recruitment in the country, with 34% of employers stating they are struggling to attract talent – one of the highest rates in Europe – since introducing such policies. But with employees recognizing the impact remote working can have on their career prospects, identifying what they need in the space can help businesses encourage a natural return that does not hinder hiring.

# 48%

of employees would be enticed into the office more, if they had an assigned desk







Boston Scientific, Dusseldorf, Germany

# Ireland: Reluctance to return to the office continues to soar in Ireland

## Attraction and retention in Ireland

**25%**

an unsustainable work-life balance forced 25% of Irish employees into a new jobs since 2021

**46%**

of employees were attracted into a new job by the salary on offer

**28%**

of employees would take a pay cut to work remotely

## How has office usage changed?

In our 2021 survey, *The Reluctant Returner*, Ireland stood out as one of the least happy locations in terms of the office and a workplace return. This has once again been a key trend amongst Irish respondents, with more than half (57%) indicating that they are still reluctant to return to the workplace.

Looking at the current set-up, 44% of workers are currently based in the office four or more days a week, though just 24% stated that this was their preferred balance between the office and home. Of those who are not in the office on this scale, 48% expect to eventually return at least four days per week. Employers have much higher expectations, with 85% expecting that this will eventually be common practice.

## Employee likes and dislikes of the workplace

Looking at the key elements of the workplace that employees dislike, the lack of privacy stands out, cited by 32% of office workers. However, Irish employees did also state that they simply do not see the need to be in the office (29%).

While socialization with peers was cited as a key benefit of workplace returns (40%), people did indicate difficulties with distractions in the office. Almost a third (31%) of Irish employees feel that they get too distracted to focus on their work in the office – the highest reported across all countries globally. More than half (55%) also revealed that they struggle to do their core job in the office due to the number of meetings and interruptions they face.

With access to good Wi-Fi a predominant element of the office that workers require access to, the fact that Irish respondents recorded the lowest percentage of employees being able to access this (70%) is evidence that offices across the country are perhaps not providing the appropriate set up.

## Hybrid's impact on the workforce

Despite a clear preference to work remotely by employees, 60% of workers did indicate that the career prospects of those not in the office would be limited. However, there is a clear disparity between businesses and workers on this issue, with 80% of employers indicating that career prospects will be hindered for those who do not return to the office.

The general sentiment of a disconnect between workers and businesses is seemingly impacting employee loyalty, with just 69% stating that they are loyal to their employer.

Burnout is also a clear issue for staff in Ireland – cited by 67% of workers, joint second highest globally and above the international average of 59%.

## The impact of current events on office design and use

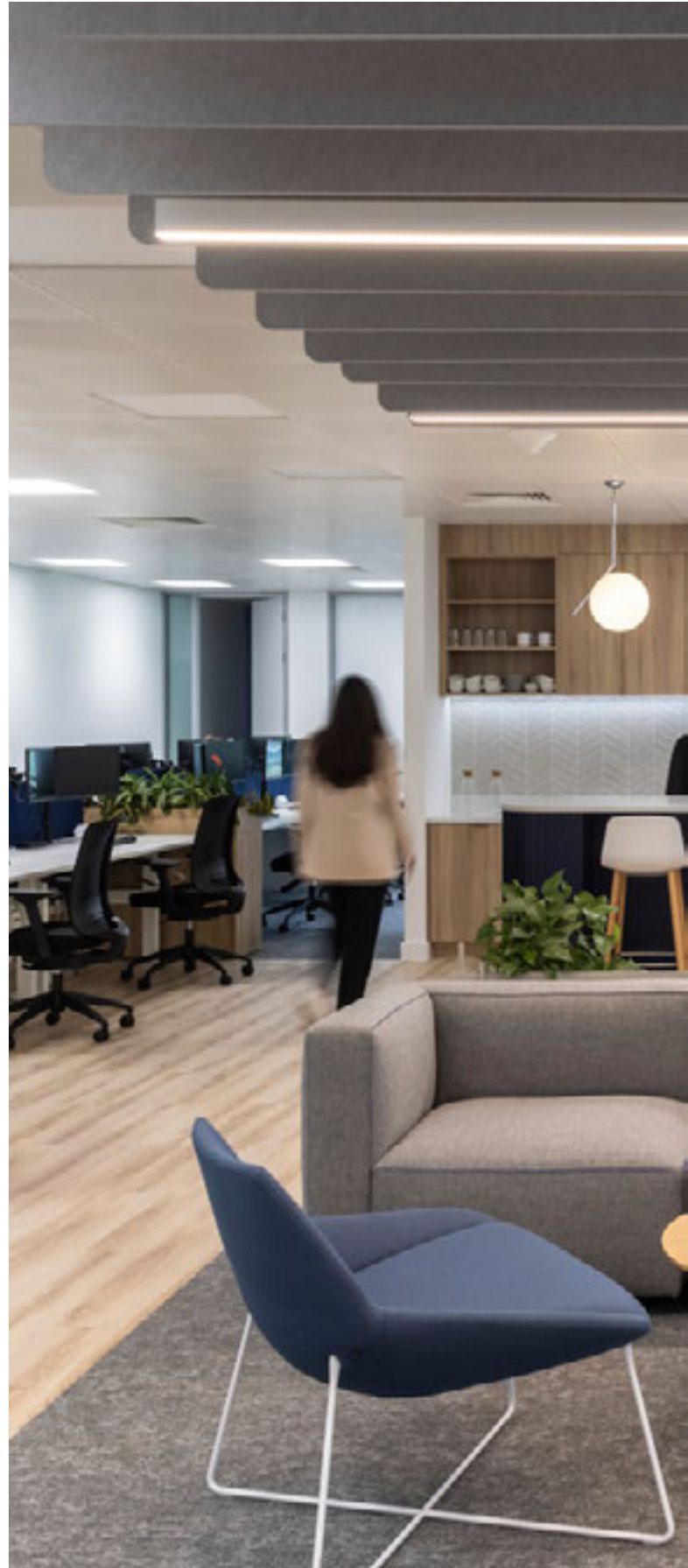
Hot-desking is not prominent in Ireland with just 39% indicating that this is their set up, below the global average of 48%. Of those who do, 62% would be more inclined to return to the office more often if they had an assigned desk, suggesting that workers miss having their own personal space.

Given the low levels of office returns in Ireland, it is perhaps unsurprising that just 66% of businesses reported that they had expanded their real estate footprint since 2021, below the global average of 75%. Just 62% stated that they plan to increase office space in the next two years.

Irish workers are yet to find a reason to head back into the workplace and with a negative sentiment about returns hanging in the air, continuing to mandate returns without addressing the workplace issues employees face will only heighten staff churn.

# 62%

would be more inclined to return to the office more often if they had an assigned desk





Uniphar, Dublin, Ireland



# Italy: A desire for the four-day working week

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## Attraction and retention in Italy

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**27%**

of those in Italy were more driven to move jobs for better pay – joint top with Canadian workers

**40%**

of those who moved roles were attracted to their current role for more money

**78%**

of workers indicated they feel loyal to their employer

## How has office usage changed?

60% of the Italian workforce indicated that they are currently in the office four or more days a week – above the global average of 50% who are working in a similar set up. There is, however, a preference from employees to rebalance this arrangement, with just 35% stating that they are happy to be in the office at least four days per week.

The minimum of four days in the workplace is expected to become normal practice for most workers, with 61% expecting this will eventually be the case (a third predict this will happen within the next two years). Employers are more optimistic that people will be in the office more, with 76% of businesses eventually expecting a return to four days in the workplace, of which 45% indicated this will be implemented by 2025.

## Employee likes and dislikes of the workplace

Interestingly, 58% of employers revealed that their workers' expectations of the physical office had increased in a hybrid working environment, suggesting that employers are recognizing the need to adapt the workplace.

Additionally, while employers believe workers like being able to focus on eating healthier at home (20%) and simply do not like travel to the office (18%), for employees, the biggest issue with the office is a lack of privacy. A quarter (25%) of workers revealed that they did not like being unable to access private space, while 18% indicated they were more effective in a quiet environment at home. Just over half (51%) stated that they struggle to do their core job in the office due to interruptions and a high number of meetings.

## Hybrid's impact on the workforce

The four-day working week is more desired in Italy than anywhere else in the world. Almost two thirds (62%) of office workers in the country are willing to be in the office every day in order to secure this move to a shorter working week.

Interestingly, Italian employers are also more willing to move to a four-day working week (43%) if workers were in the office every day, matched in this enthusiasm only by Belgian businesses.

However, it should be noted that this desire for a four-day working week where every day is spent in the office could be influenced by the view that career prospects are limited for those who work remotely. Almost three quarters (71%) of employees revealed that they believe promotion, pay rise and bonus opportunities are limited for those who are not in the office. 79% of businesses agree with this sentiment.

With employees reluctant to spend more than four days in the office per week, but also aware of the limitations working from home could have on their career prospects, the four-day working week may be considered the compromise for workers.

## The impact of current events on office design and use

40% of the Italian workforce indicated that they currently hot-desk. However, of those who do, 84% revealed that they would be more inclined to increase their time in the workplace if they had an assigned desk.

Businesses across Italy are the most likely to have decreased their office footprint (36% versus the global average of 10%).

Robust employee engagement surveys will be particularly crucial in Italy, where employers and employees are still struggling to align on what model works best. However, the office being seen as a place to work free of distractions will undoubtedly be a crucial first step.

# 84%

revealed that they would be more inclined to increase their time in the workplace if they had an assigned desk







The Kraft Heinz Company, Milan, Italy



# The Netherlands: Mental wellbeing bolstered in a hybrid world

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## Attraction and retention in The Netherlands

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**18%**

career progression was the main driver of a job move in The Netherlands

**20%**

one in five employees have already taken a pay cut in order to work from home more

**34%**

an increase in salary was the most appealing factor of a new job

## How has office usage changed?

More than 45% of workers across The Netherlands indicated that they are in the office four or more days per week, below the global average of 50%. However, just 35% stated that this was their preferred set-up.

There is a general push to increase the number of days in the office across the country, with 88% of employers expecting that employees will eventually return to the workplace at least four days per week. This is, however, at odds with employees, with 62% of workers expecting that this will eventually be the case.

## Employee likes and dislikes of the workplace

When we look at what workers dislike about the office, the lack of privacy ranks top (26%), closely followed by being more effective in a quiet environment remotely (24%) and feeling more productive away from the office (22%). However, this has not been recognized by employers across the Netherlands who believed that workers do not want to travel (22%), enjoy doing admin tasks at home (16%) or simply do not see the need to be in the office (15%).

This misalignment also translates across the main elements that employees like about heading into the workplace. While social interaction (28%) and collaborating with colleagues (24%) are the top two reasons employees like being in the office, employers believe this is driven by learning and development opportunities (24%) and enjoying the office set-up (20%).

## Hybrid's impact on the workforce

Despite the recognition that the social element of the office appeals most to workers, this is seemingly creating a distraction for employees. More than half (55%) indicated that they struggle to do the core elements of their job in the workplace due to interruptions and high numbers of meetings.

The Netherlands reported the lowest levels of burnout from employees (45%), equaled only by Switzerland. This is perhaps due to the greater flexibility and lower levels of mandated returns that workers are afforded in this country. The low levels of burnout noted in The Netherlands are largely linked to firms' focus on employee wellbeing and continued workplace flexibility, with 63% of employers indicating that hybrid working has positively impacted employee mental wellbeing.

It is interesting to note that despite a preference to work from home more often, 36% of employees would return to the office every day if a four-day working week was trialed.

66% of employees and 84% of employers did indicate that career prospects for remote workers would be limited which represents a significant disparity between workers and business leaders. This suggests that as more employees face limited promotion, pay rise and bonus opportunities in a virtual working environment, staff attrition rates could soon be impacted.

## The impact of current events on office design and use

While hot-desking is prominent in the country (cited by 55% of workers) there was a clear preference to return to dedicated individual spaces. The majority (82%) of those who currently hot-desk indicated that they would be more willing to return to the workplace regularly if they had an assigned desk.

Overall, 78% of companies in the Netherlands plan to increase their office space, with access to natural light the main consideration of an office move.

There is a clear disparity between employers and employees, with firms misunderstanding what people like and dislike about the office. A clear understanding of workforce drivers is needed to create spaces that work best for firms and people alike.


# 82%

**of those who currently hot-desk indicated that they would be more willing to return to the workplace regularly if they had an assigned desk**





Unispace, Amsterdam, The Netherlands



# Spain: A return to the office is broadly accepted

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## Attraction and retention in Spain

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**24%**

the main driver of jobs moves in the last two years is people not enjoying their work

**67%**

of employees stated that they are experiencing high levels of burnout

**23%**

a lack of career progression is also influencing career moves amongst employees

## How has office usage changed?

59% of workers in Spain are currently in the office four or more days a week – above the global average of 50% who are in this frequently – though 26% of those employees would prefer to be at home more. Just a third (33%) stated that this was their preferred set up.

Of those who do not currently attend the office four or more days per week, 62% expect this to be the case in the future, while 78% of businesses stated this will eventually be the set up. Just under a third of employees (31%) imagine this shift will happen by 2025, while 46% of employers also revealed this will be the case in the next two years.

A level of reluctance does remain high, however, with 54% of workers reticent to return to the office.

## Employee likes and dislikes of the workplace

Employees across the country were more inclined to require a reason to be in the office, with the top dislike cited by respondents noted as not seeing a need to be in the office (27%). This is perhaps influenced by the fact that 56% revealed that they struggle to carry out their core role responsibilities in the office.

A lack of privacy is also impacting feelings around the office (cited by 25% of workers), with 24% also believing they can be more efficient at home. However, it should be noted that the element that employees across Spain value the most in the office is the social interaction with peers (32%).

## Hybrid's impact on the workforce

More than half (54%) of employees in the country revealed that they would be happy to be in the office every day if a four-day working week was trialed. Workers are broadly keen to move to a shorter week, with just 7% stating that they would not be interested in this option.

In comparison, businesses are less open to this approach, with just 48% willing to trial this, providing people were in the workplace every day.

Employers and employees were in agreement that career prospects are limited for those who are not in the office full time (78% and 73% respectively). Of those business respondents that indicated this was the case, almost half (44%), said that this was something that was generally acknowledged by the workforce, rather than a message that has been directly communicated.

## The impact of current events on office design and use

Just under half (44%) of Spanish workers currently hot-desk. While this is slightly below the global average of 48%, of those who work in this way, 78% stated that they would be happier to be in the workplace more if they had an assigned desk.

Three quarters (75%) of businesses in Spain have increased their office space in the last two years, with 73% planning to do so by 2025. This is broadly in line with plans to increase office occupancy rates through mandates.

While employees across the country are broadly accepting of the office return mandates being implemented by employers, many are still missing a reason to head into the workplace, with a desire for more individual focus spaces evident.



# 75%

of businesses in Spain have increased their office space in the last two years





Boston Scientific, Madrid, Spain



# Switzerland: An increase in office footprint to better accommodate the needs of employees

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## Attraction and retention in Switzerland

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**24%**

of employees were more incentivized to switch employers due to lack of career progression

**32%**

of employees were enticed by salary when offered a new job

**77%**

of workers feel loyal to their company

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## How has office usage changed?

46% of office workers in Switzerland are currently in the office four or more days per week, however, just 36% of employees stated that this would be their preferred set up. Despite this, there is a level of expectation that this will eventually increase, with 64% of those who do not currently head into the workplace at least four days per week indicating that they expect to do so at some point.

Nearly one in two (48%) of employees in Switzerland are reluctant to return to the office. Most notably saying it felt unnecessary (17%) and preferring to not be in the office (13%). It is also likely to be the reason why 37% of firms revealed that employees do not follow mandated requirements – one of the highest levels noted across the globe.

## Employee likes and dislikes of the workplace

Swiss employees revealed that they did not like the lack of private spaces in the office (35%), felt more effective in a quiet space remotely (33%), or believed they were more productive at home (24%). It is perhaps unsurprising that 54% struggled to complete their main work in the office as a result of distractions.

Despite the impact that distractions in the office are having on productivity, socialization with peers was ranked as a top reason to go to the office by 41% of employees, along with the opportunity to collaborate with peers (29%).

While technology played a role as a top element that workers value in the office – with 39% stating the most important feature is a strong internet connect and 37% a good tech set-up – Swiss employees also indicated that access to natural light (35%) was important to them.

## Hybrid's impact on the workforce

While there was general agreement across employees and employers that career prospects would be limited for those working remotely, Swiss employers were more inclined to report that this is the case than their employees. The majority of employers (94%) revealed that promotion, pay rise and bonus opportunities would be impacted if employees were not in the office. In comparison, 66% of workers in the country indicated that this would be the case.

Interestingly, Switzerland (45%) reported the lowest levels of burnout from employees, equaled only by the Netherlands. Workload was cited as the main reason by 50% of those who did experience this.

## The impact of current events on office design and use

Hot-desking is particularly prominent in Switzerland, with 60% of workers operating in this way, above the global average of 48%. Interestingly, those who currently work in this manner did indicate a desire for assigned spaces, with 71% stating that this would encourage them to be in the workplace more often.

The majority (90%) of businesses revealed that they had increased their office footprint in the last two years, higher than the global average of 75%. A further 86% plan to do so by 2025, with being closer to clients and where employees live the top drivers of location choices.

Rethinking the office footprint to better accommodate the evolving needs of employees, from an increase in private spaces to a decrease in hot-desking practices, will be crucial if employers want to continue to maintain employee retention in a hyper-competitive market.

# 90%

of businesses revealed that they had increased their office footprint in the last two years





Unispace, Zurich, Switzerland

# United Kingdom: Unhappiness in the office is spreading

## Attraction and retention in the United Kingdom

**25%**

of UK workers switched roles in the last two years due to a lack of career progression

**30%**

almost a third would take a pay cut to work from home more often

**29%**

salary was the most attractive element of a job offer, cited by 29% of those who moved in the last two years

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## How has office usage changed?

The United Kingdom (UK) reported the lowest rates of those who are in the office four or more days a week, with just 34% currently in the office for this length of time, well below the global average of 50%.

There is a general agreement that an increase in days in the office is on the cards, with 53% of employees that do not currently head into the office at least four days per week expecting this to eventually be their normal set-up. Employers are more likely to perceive that a return to at least four days in the workplace is on the cards, with 74% of UK businesses expecting this to happen at some point.

This discrepancy between workers and employers is likely due to the fact that 58% of UK workers revealed a level of reluctance to return to the office, well above the global average of 51%.

## Employee likes and dislikes of the workplace

When asked what they dislike about the office, workers were unhappy with the lack of privacy, cited by 33% of employees. Feeling more effective in a quiet environment at home was a close second (30%) while a further 25% stated they did not want to waste the time they save by not commuting. Employers have seemingly misjudged their employees, with a belief that travel is the main dislike (26%).

Socialization was a key benefit of workplace returns cited by 35% of workers in the UK, but people did indicate difficulties with distractions in the office, with 63% of employees struggling to complete their main work in the office as a result of distractions.

## Hybrid's impact on the workforce

Despite a clear preference to work remotely by employees, workers did acknowledge that the career prospects of individuals would be limited in a remote world. More than half (59%) of employees stated that access to promotions, pay rises and bonuses would be limited for those who did not return to the office. Far more employers (75%) stated that this would be the case, suggesting that the impact remote working can have on career prospects has not been fully communicated to employees.

Workers in the UK recorded the lowest level of company loyalty globally (68% versus 77%), though this was underestimated by employers, with 74% believing people were devoted to the brand. Burnout was also cited as an issue, with 64% of employees stating that they had experienced this at some point.

## The impact of current events on office design and use

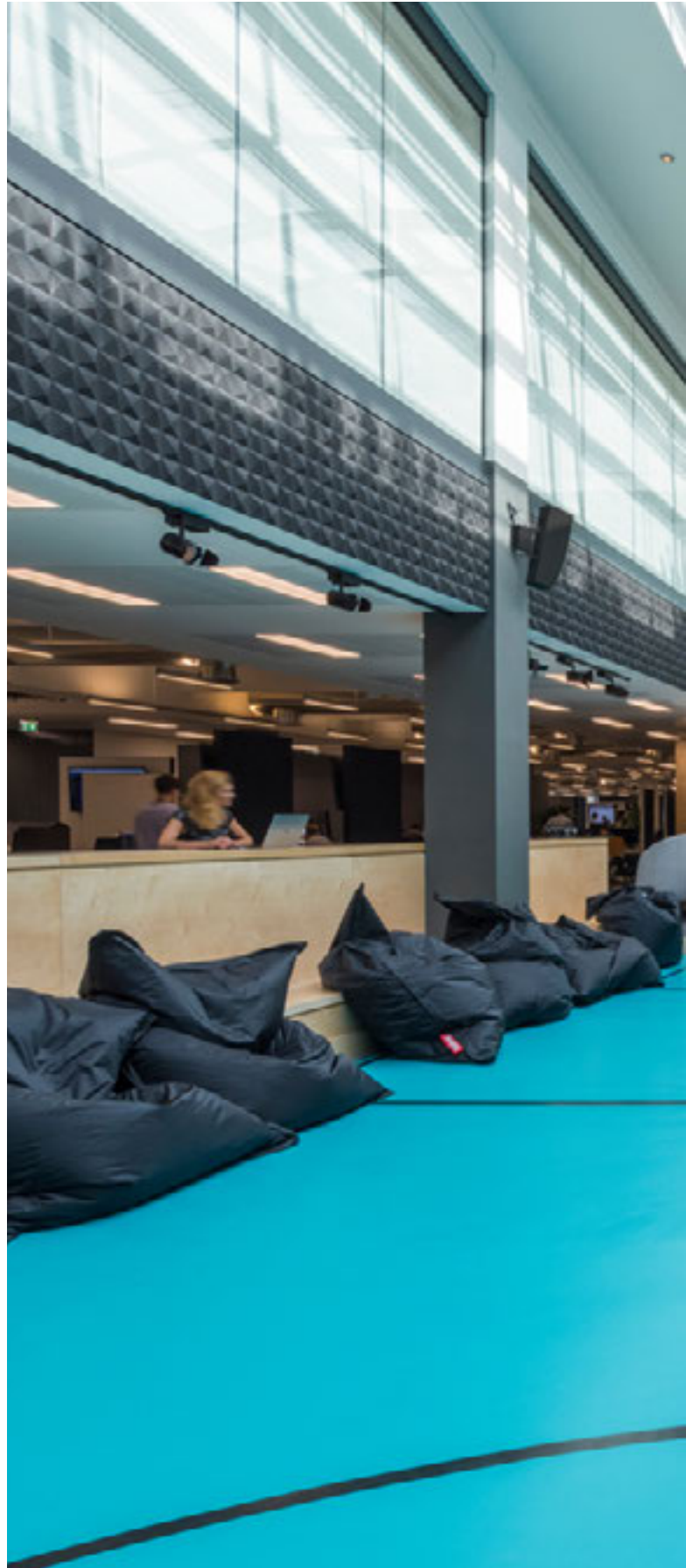
Hot-desking is prominent in the UK, with 56% working in this way, above the global average of 48%. Of those who do, 76% would be more inclined to head into the office on a regular basis if they had an assigned desk.

Given the low levels of office returns in the UK, it is perhaps unsurprising that just 58% have expanded their office footprint in the last two years – below the global average of 75%. Even fewer (62%) plan to increase office space by 2025.

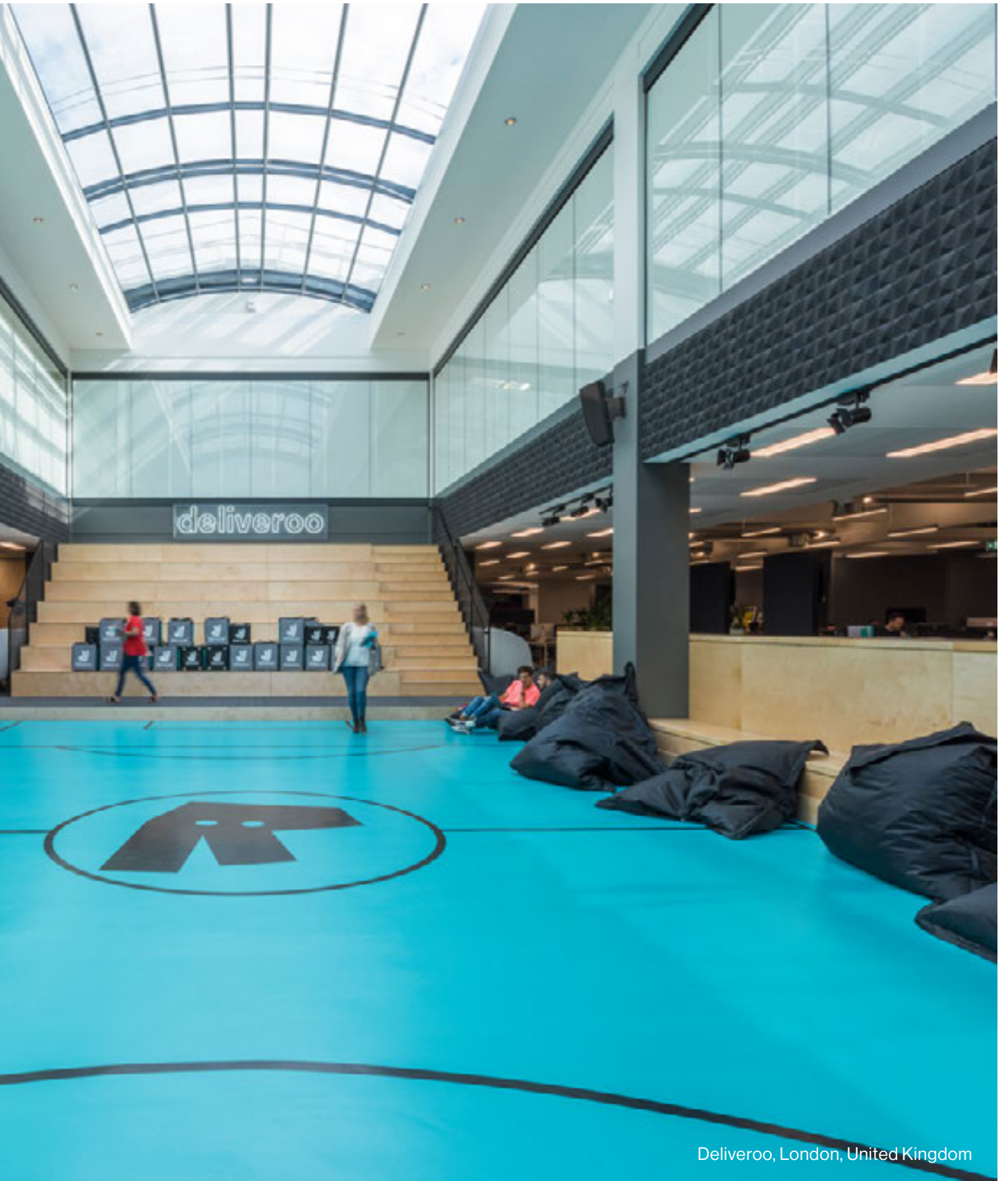
Despite employees across the UK spending the least amount of time in the office than any other country, workers have indicated a desire to reduce their days in the workplace. This is largely driven by employers misjudging what people value about the office.

# 76%

of employees would be more inclined to head into the office on a regular basis if they had an assigned desk







Deliveroo, London, United Kingdom

# Country nuances across North America

22%

of **Canadian** employers have lost key members of staff since mandating workplace returns

81%

of employees in the **United States** feel loyal to their current employer



# Canada: A willingness to return that employers are misunderstanding

## Attraction and retention in Canada

**27%**

of workers in Canada were more likely to leave jobs for better pay – joint top with Italian employees

**30%**

of employees were attracted to new roles for better pay and the company culture, both ranked 30%

**10%**

of employees have taken a pay cut in order to work from home

## How has office usage changed?

Half of office workers are in the office four or more days a week currently, with the average set up equating to 3.4 days. However, employees indicated a desire to change this, with just three in 10 (31%) saying they like this set up, while 37% want to work from home three or more days per week.

Despite this, 62% expect to eventually be in the office four days a week, with 31% predicting this will happen by 2025. Employers are more optimistic, with 88% of businesses expecting that four days in the office will become the norm, while 51% believe this will be the case in the next two years.

Over half (55%) of workers do still feel reluctant to head into the office, slightly above the global average of 51%. The main reasons for this reluctance are believing it to be unnecessary (17%), not wanting to spend money (15%), and a feeling of anxiety (14%).

## Employee likes and dislikes of the workplace

Business reluctance to reducing days in the office could be linked to the perception that career prospects are hindered for those working remotely. According to Canadian employers, promotions, pay rises and bonuses will all be impacted for those who do not come into the office, cited by 82% of respondents. While employees recognize this – with 59% of workers expecting prospects to be limited – there is still a significant gap between employee and employer views.

Employers have not yet recognized what is preventing people from heading into the office, with businesses believing the commute is the biggest issue. A quarter (25%) of employers felt that staff did not want to travel, while a further 24% believed people want to keep the extra time by not commuting.

## Hybrid's impact on the workforce

Employees share a different view of their dislikes. Over a third (34%) indicated that they miss being able to have the same privacy as they do at home, while 29% feel they are more productive away from the workplace, and 28% believe they are more effective in a quiet space. When asked what they most like about the office, the biggest draw is the people, with 36% of employees enjoying the social aspect of the workplace. Again, however, employers are unaware of this, believing learning and development opportunities to be the biggest draw into the workplace (cited by 27% of business respondents). In comparison, workers ranked this element 14th on their list of workplace likes.

## The impact of current events on office design and use

Two fifths of employees (41%) currently hot-desk, slightly below the global average of 48%, but 79% suggested they would be more inclined to head into the office if they were given an assigned desk. Businesses are still investing in their office footprint with 70% of employers indicating that they have increased their space in the last two years and 73% planning to do so by 2025.

There is a clear disconnect between Canadian employees and employers when it comes to workplace needs. Considering the level of acceptance of returning to the office four days a week – albeit with caveats – workers are clearly still keen to access a workspace, with individual ‘anchor’ desk spaces having an appeal.

# 79%

**suggested they would be more inclined to head into the office if they were given an assigned desk**





Remedy, Chicago, United States



# United States: Loyalty prevails

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## Attraction and retention in United States

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**34%**

of employees said liking their peers is the main reason they stay with a business

**23%**

of employees said being offered better pay was the top driver of job moves in the last two years

**34%**

of employees ranked good benefits as a top incentive to accept a new position



## How has office usage changed?

More than half (57%) of workers across the United States are currently in the office four or more days per week, above the global average of 50% who attend the workplace this frequently. While the reality differs to the preferences of employees, with 40% stating that this is their preference, the number of people who want to be in the office is relatively high when compared to other countries.

Of those not currently in the office four or more days a week, over two thirds (68%) expect this to be the case at some point, with 46% stating that this is likely to be implemented in the next two years.

There is a significant gap between future expectations of workers and businesses, though. The majority (95%) of employers revealed that people will be in the office at least four days a week eventually, with 62% stating this will happen by 2025.

## Employee likes and dislikes of the workplace

Employees indicated a general concern for lack of privacy in the workplace, with 28% stating that they dislike this element of the office, while a further 22% felt more effective in a quiet home environment.

This is further evidenced by the fact that more than half (52%) of employees struggle to carry out the core elements of their role in the office due to regular interruptions and high numbers of meetings. Of employees' top likes? A third (33%) say that they enjoy the socialization aspect of the office, suggesting distinct spaces are needed to collaborate/entertain and focus at work. It is also interesting to note that employers have seemingly misunderstood what people dislike about the office, believing it to be a loss of freedom to organize their own day (21%), and hygiene concerns (20%).

There was a high proportion of the workforce that indicated that free lunch options (83%) and paid travel (81%) would encourage them into the office more, suggesting that additional financial incentives appeal more to employees.

## Hybrid's impact on the workforce

Worker loyalty is particularly prominent in the United States, with 81% of employees revealing they are loyal to their employer – the third highest of all countries surveyed. However, respondents did indicate that there is a disconnect between businesses and their employees when it comes to career prospects in hybrid work environments.

While 60% of employees stated that the opportunity for promotions, pay rises and bonuses will be limited for those who are not in the office, this rises to 88% of employers who believe this to be the case.

Interestingly, 79% of business leaders indicated that they had communicated the potential to limit career prospects for those working remotely, suggesting there is a discrepancy between employee and employer views.

The majority of employers (83%) did also indicate that those joining hybrid meetings virtually will have a lower share of voice in the conversation than those in the office.

## The impact of current events on office design and use

Hot-desking is less prominent in the US than it is across the globe (38% versus 48%); however, of those who do work in this way, 86% revealed that having an assigned desk space would make them more inclined to increase their days in the workplace.

US businesses have been investing in their real estate over the last two years, with 87% expanding their footprint, above the global average of 75%. A further 85% plan to increase their office space by 2025, with sustainability the top consideration for any changes (34%).

US employers have an opportunity to leverage their employees' loyalty as a powerful talent retention and culture building mechanism. Likewise, by listening to what their employees value and need to do their best work in the office, the workplace can be a core tool in building this loyalty. However, this loyalty is not blind: the potential for this to be impacted by perceived limited career prospects and the inability to work effectively in the office could test relationships between workers and employers.

# 86%

**of employees revealed that having an assigned desk space would make them more inclined to increase their days in the workplace**





Orrick, Los Angeles, United States





# Conclusion:

## An opportunity to create a workplace with a purpose

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While hybrid working environments are clearly preferred by employees across the globe, the need for the office is, in fact, growing in a post-pandemic environment. However, there is an issue that is prevalent across almost every business: employers are failing to listen to their employees and create a space that delivers against their needs.

The discrepancy between employees and employers will only serve to further drive a wedge between businesses and their people. With staff attrition rates and recruitment already being impacted by this misalignment, failure to reconnect with employees and deliver what they both want and need in the workplace will hit companies where it hurts most: their talent pools and thus, bottom lines.

How the office is used today is vastly different than it was three years ago. Identifying what workers use the office for and, perhaps more importantly, having a realistic insight into what is motivating them to return to the office will be the success factor behind workplace returns, increasing employee loyalty and attracting new talent.

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Contact us:

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Spark Brilliance.

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