



ISG

The power of place

The impact of human behaviour

ISG's research and insight report



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Introduction: The impact of human behaviour

The unforeseen impact of the COVID-19 pandemic has accelerated significant shifts in human behaviour, disrupting the landscape that businesses operate within, and presenting new challenges and opportunities that they must respond to.

With the need to improve operational efficiency and create environments that appeal to diverse, multigenerational talent high on the agenda for many organisations, positioning workplaces that will appeal to people, and empower them to be as productive as possible, should be as much a priority for business leaders as lease terms and running costs.

This report reflects the combined findings from two surveys that explore the power of place, one immediately before COVID-19, and the second during the height of the pandemic. Today's workplace is so much more than a place for businesses to house their people, a trend that has only accelerated since the start of the pandemic. Findings from the ISG survey issued prior to COVID-19 demonstrated the power of place in improving well-being, increasing productivity and promoting a sense of belonging among staff. However, the results also highlighted the growing appeal of flexible working practices.

To empower people, it is important to afford them both the tools and flexibility to be productive. Evidence is emerging to suggest that many industries are seeing both well-being and productivity improve in the current climate, despite employees spending less time in the workplace. Equally, it is true that new ways of working aren't universally loved, further highlighting the importance of affording people flexibility.


With a heightened sense of employee confidence emerging, employers looking to promote a sense of belonging among top talent will need to respond – by creating environments that attract people out of their homes and back into the economic heartlands that deliver the highest value for people, businesses and communities.

A key element to consider is how modern lifestyle trends will inspire shifts in population profiles that will impact the requirements of public and private estates, with planners and developers already using demographic modelling to plan for the future.

Further to this, the role of the workplace itself is rapidly evolving – driven by changes in human behaviour that are transforming company culture. The design and fit out of quality spaces that meet the evolving demands of those occupying them will see the true entrepreneurial spirit of workplaces work harder to meet the needs of people and businesses. This begs the question of what the future workplace should deliver, beyond functional spaces designed to meet capacity requirements, to human-centric hubs that reflect the communities in which they exist.

Catering for the needs of today's workforce, while remaining flexible enough to accommodate whatever the future holds, is no easy feat. For forward-thinking, agile organisations to succeed, the need for dialogue between employers and employees is more important than ever. Achieving the right blend between remote working, technology and high-quality space for people addresses these issues, and could save businesses time and money, while providing a genuine competitive advantage.

It's **the power of place**, and to better understand it, we asked the most-important people what they think – those who use the spaces each and every day.



The more positively people feel about the space they work in, the more likely they are not only to feel connected to their employer's values, but to work more effectively with those around them.

Workplace and improved business performance

Workplace and improved business performance

When it comes to talent, it's no longer just about the right fit for the business. Whether current or potential employees, today's talent pool wants clarity around what a brand is about, where it is going, and what their role is in that journey. As such, there is a growing need for businesses of all shapes and sizes to define their purpose, clearly articulating the values that drive them and their visions for the businesses they aspire to be.

This is particularly relevant to companies undergoing significant change. In periods of uncertainty, uniting people in a common purpose can be crucial in creating a sense of belonging and psychological safety.

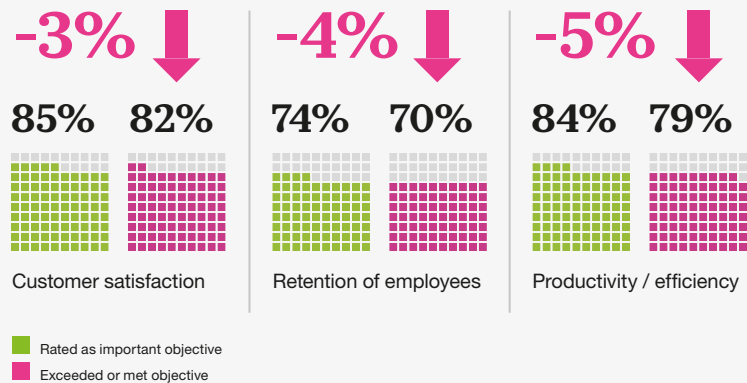


Workplace and improved business performance

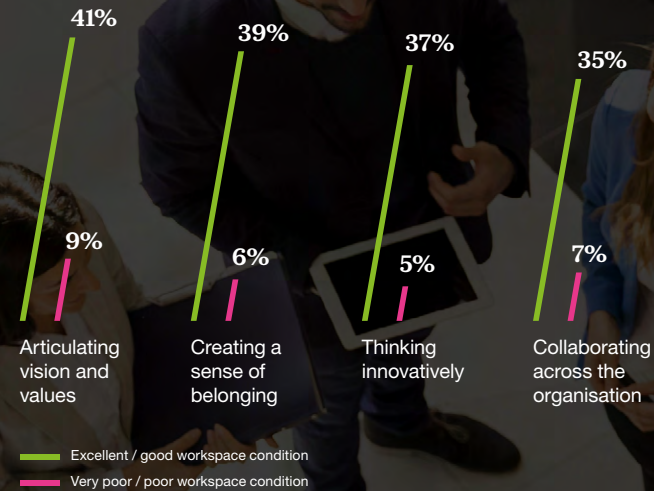
According to findings from our initial survey, those who feel their employer offers a good- or excellent-quality workspace are much more likely to positively rate their employer's performance when it comes to articulating vision, creating a sense of belonging, thinking innovatively and collaborating effectively.

While suggesting that regulatory requirements have been met in the wake of COVID-19, respondents still feel that their employers are somewhat underperforming in their most important objectives – customer satisfaction, employee retention, productivity and efficiency.

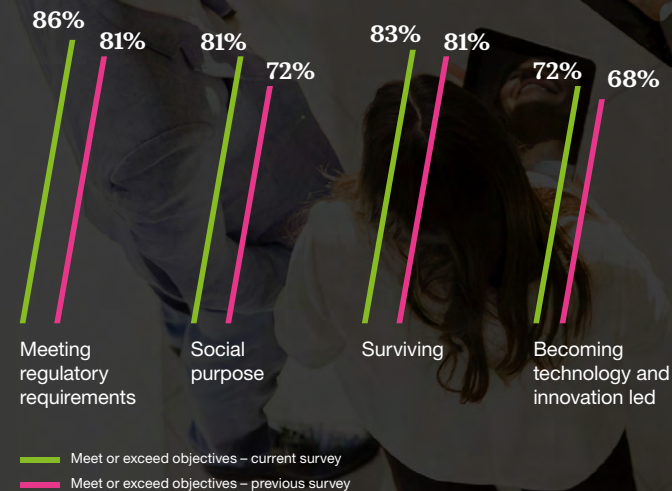
Employers are somewhat underperforming in their most important objectives in the wake of COVID-19.



Employees who feel their employer offers a good- or excellent-quality workspace are much more likely to positively rate their employer's performance in the following areas.



Businesses have been outperforming on some business objectives since the pandemic.



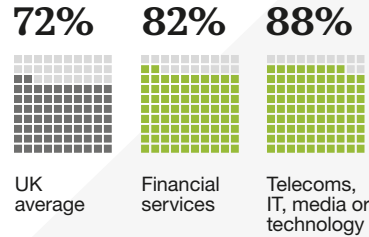
Workplace and improved business performance

Different sectors place varying importance on different objectives, but perhaps unsurprisingly, when comparing the responses from the survey just before, and the survey in the midst of, COVID-19, there has been a significant decrease in the perceived importance of revenue, profit and brand growth since the pandemic began. These objectives are likely to rise further up the agenda for organisations of all shapes and size, as they target recovery in a post-COVID-19 world.

Rather than a one-size-fits-all approach, achieving the right blend between remote working, technology and high-quality space could support all of these goals.

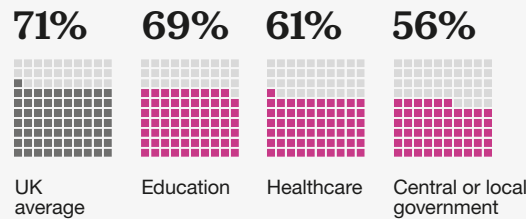
Different sectors place varying importance on different objectives.

Becoming technology and innovation led

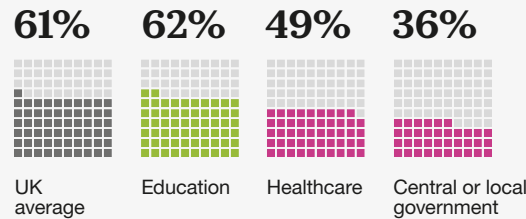


Profit growth and brand growth are more important in private sectors than those with a mix of public.

Profit growth / cost savings

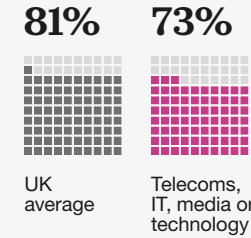


Brand growth and acquisitions

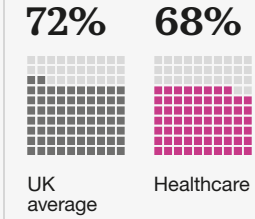


There are also variances between sectors on how well organisations are perceived to have performed in the wake of the pandemic.

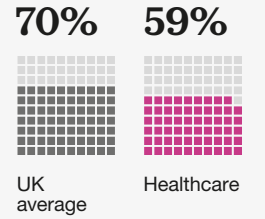
Social purpose



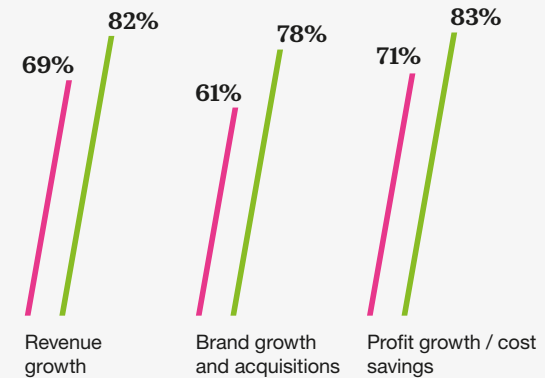
Becoming technology and innovation led



Retention of employees



There has been a significant decrease in the perceived importance of revenue, profit and brand growth since the pandemic began.



— Importance of objectives – current survey
— Importance of objectives – previous survey

Workplace and people

As the lines between professional and personal continue to blur, expectations around what a workplace should offer, and what it should represent, are altering – the skilled workforce of today is on the lookout for much more than career progression and salary alone. The psychological contract between employer and employee extends to the intangibles that matter on a deeply human level.



Workplace and people

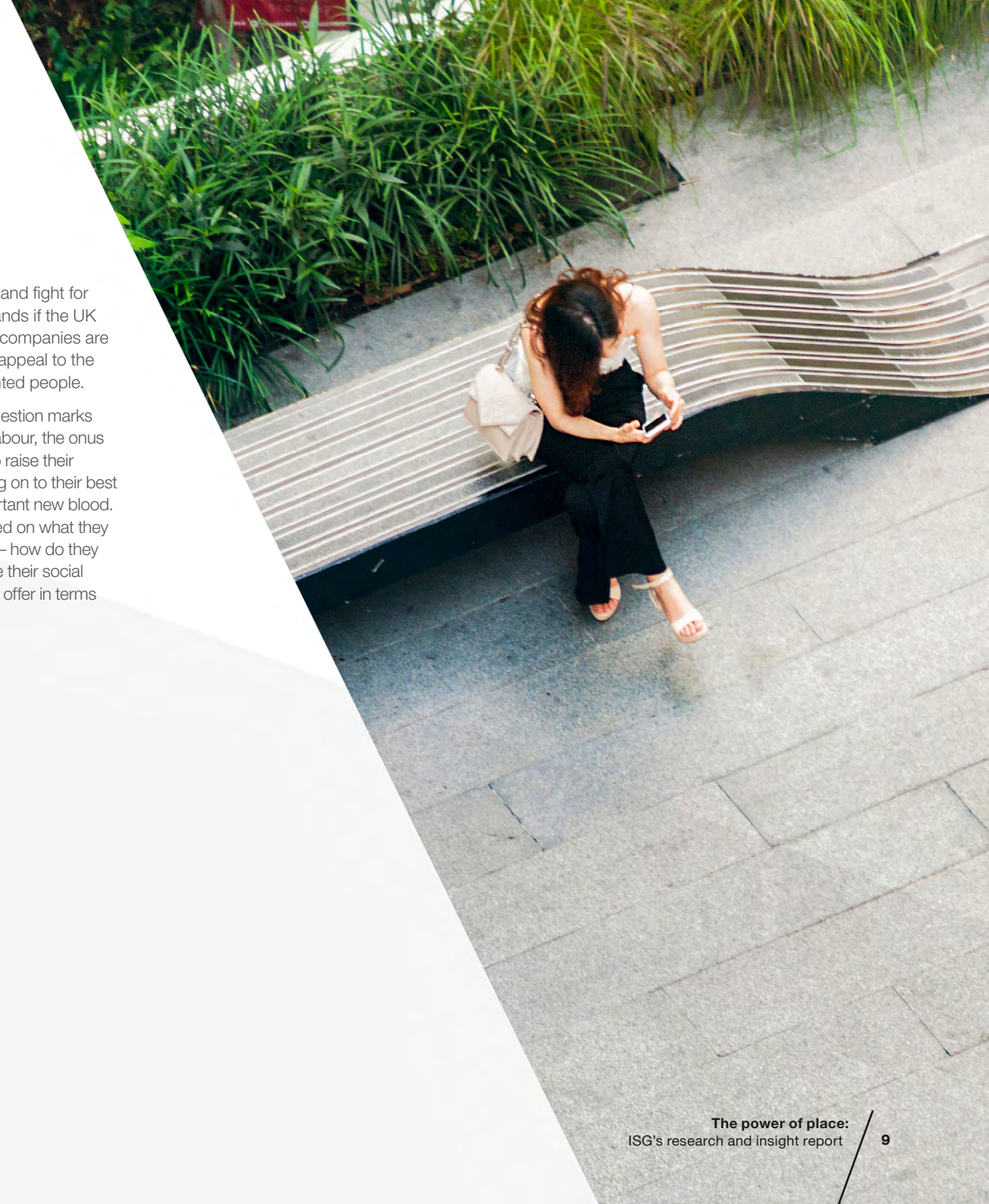
Systemic change is not something that happens overnight. Against a backdrop of uncertainty in the current labour market, spurred by a nation slipping into recession, both employees and employers will have a mutual focus on a strong and sustained return to growth. An integral part of this should be ensuring places deliver mutual benefit for organisations, their workforces and the communities they occupy.

In a post-COVID-19, post-Brexit climate, not all sectors of the UK economy will tread the same path or be met with the same conditions. This presents an opportunity to capitalise on transferable skill sets and allow for the cross-fertilisation of talent – how will businesses entice people into new industries?

Whether it is a law firm looking to encourage its people to not make the move in-house to client side, a financial services company seeking to grow its IT workforce, or a public sector organisation hunting out top financial consultants, the challenge is the same – determine the environments that people thrive in, and provide them with space that enables them to do just that.

With a widespread skills crisis and fight for talent still very much on our hands if the UK is to recover, forward-thinking companies are looking to inhabit spaces that appeal to the world's most diverse and talented people.

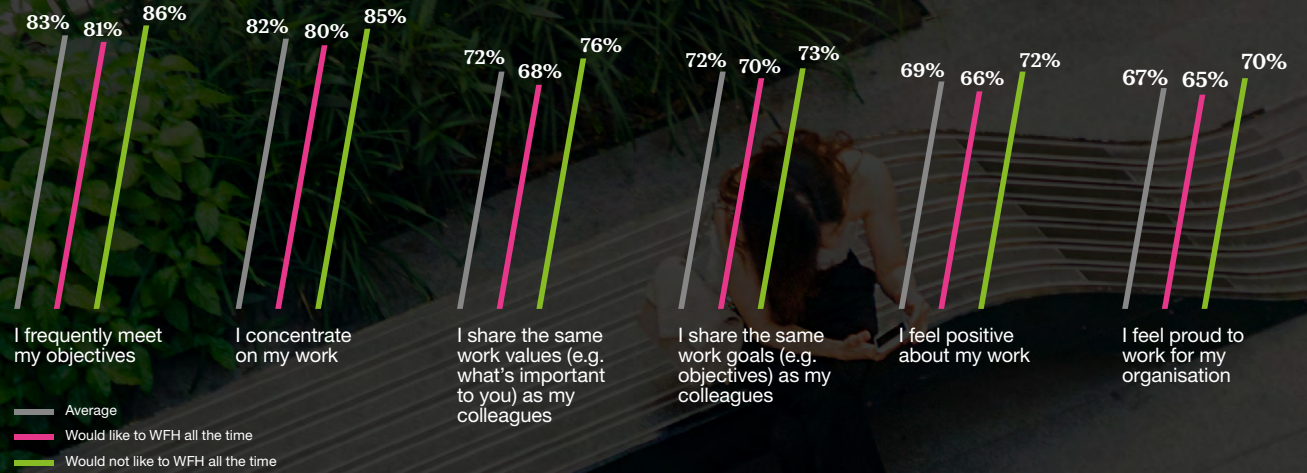
When coupled with ongoing question marks around the future of overseas labour, the onus is increasingly on businesses to raise their game when it comes to hanging on to their best people and bringing in all-important new blood. Businesses are being challenged on what they offer the individual beyond pay – how do they develop talent and demonstrate their social conscience, and what can they offer in terms of working environment?



Workplace and people

When asked to what extent individuals felt proud to work for their organisation, we saw a significant decline from those who have been working at home on a full-time basis since the start of the pandemic. Of those people who worked only two to four days from home, 78% shared their pride in working for their employer, compared to just 69% of those who worked from home five days a week. Seeing a disconnection from physical workplace align with a 10% dip in professional pride in just six months should serve as a wake-up call for organisations, if they are to avoid a potentially slippery slope towards more transactional relationships with their most-valued people.

Those who would prefer to be in the workplace at least part of the week consistently score higher, being more likely to share the same values, frequently meet objectives and feel positive about their work.



When it comes to attracting new talent, the magnetism of place is strong.

Gen Z and Millennials



51%

14% 37%



Strongly agree Agree

Gen X and Baby Boomers



39%

8% 31%



Strongly agree Agree

Those who would be more likely to join another business if they offered a better-quality, state-of-the-art workplace

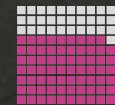
I feel proud to work for my organisation.

78%



People who worked 2 to 4 days from home

69%



People who worked 5 days from home

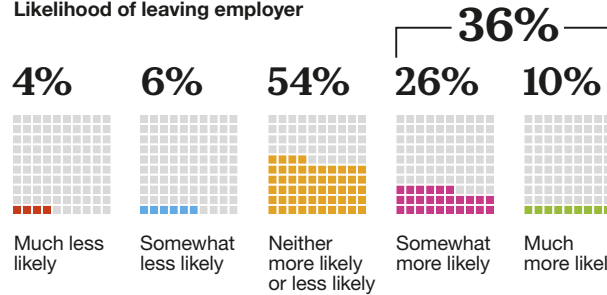
Workplace and people

Our data from the first survey also highlights a direct correlation between those who rate their working environment highly, and their likelihood of wanting to remain with their employer for the long term. In tandem, 66% would be significantly more likely to stay with their current employer if they were offered the flexible work balance they consider optimal for their personal well-being. It's clear that those who rate their surroundings highly are more likely to see a long-term future with their employer. When it comes to attracting new talent, the magnetism of place is strong.

Evidently, in the same way that developers and commercial property owners must compete on accommodating occupier demands to retain tenants, as employers, tenants must also find and create these types of workplaces to retain talent.

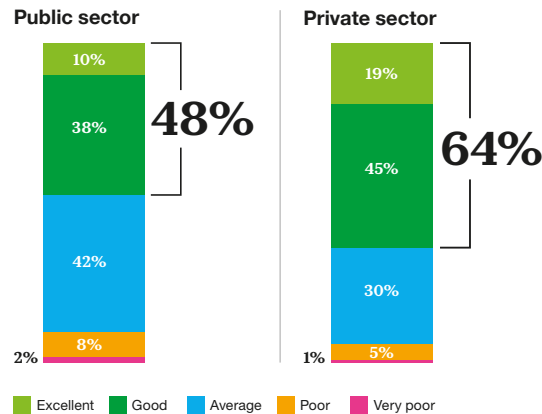
Over a third would be more likely to leave their employer if they didn't give them the work-flex balance that would be optimum for their well-being; rising to 56% of those in telecoms and IT roles.

Likelihood of leaving employer



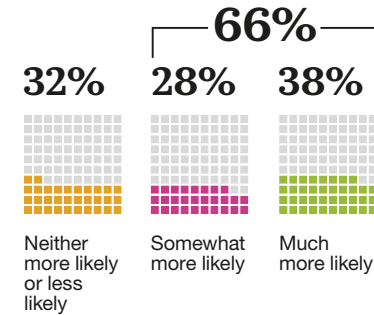
Industry	% more likely
Telecoms, IT, media or technology	56%
Central or local government	39%
Financial services	38%
Professional and business services	36%
Education	34%
Healthcare	30%

Almost two-thirds of those working within the private sector rate their workplace quality as good or excellent, compared to just 48% of those within the public sector.



Respondents would be significantly more likely to stay with their current employer if they were offered the flexible work balance they consider optimal for their personal well-being.

Likelihood of staying with employer



Historically, businesses have placed an enormous emphasis on their property portfolios, but with so much of the balance sheet tied up in salaries and costs, not enough attention has been paid to how investing in one can ease the pressure of the other. Additional spend allocated to improving the working environment and enabling people to be more productive, while reviewing flexible working practices and how space is used, has the potential to reap significant rewards – especially combined with knock-on improvements to costly elements, such as staff retention and recruitment.

An aerial photograph of a modern outdoor plaza. The ground is paved with grey rectangular tiles. Two long, wooden slatted benches are positioned parallel to each other. A woman in a bright orange dress is sitting on the left bench, looking at her smartphone. To her right, another person is walking, and further right, a person is pushing a stroller. The scene is brightly lit, suggesting daytime. A blue diagonal line runs across the image from the top right towards the bottom left.

Current trends... a shift in sentiment

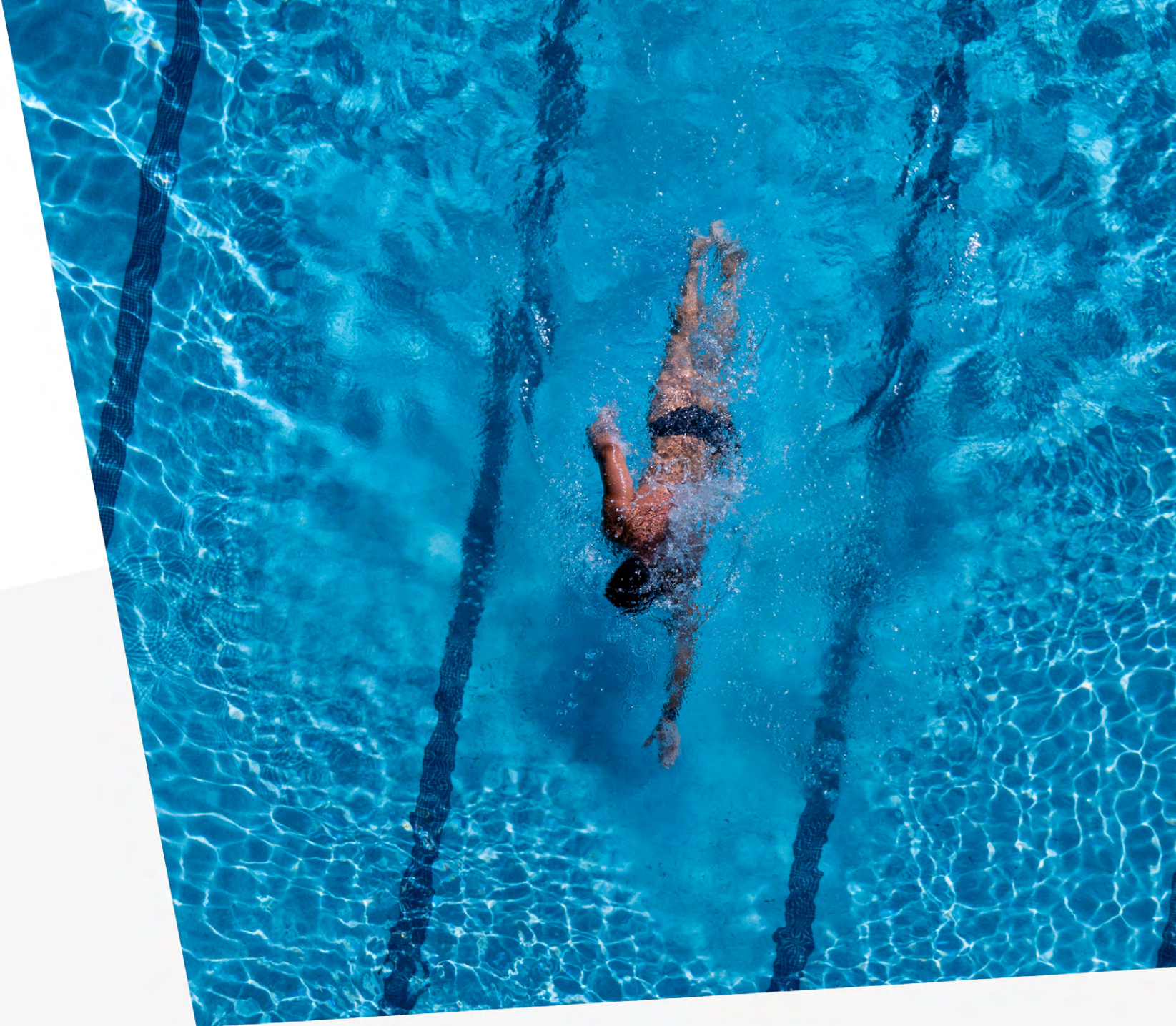
In a climate where uncertainty dominates the professional and personal lives of so many, now more than ever, open communication and collaboration are key to a strong and sustainable recovery.

Current trends... a shift in sentiment

If the COVID-19 crisis has taught us anything, it is that coming together as a community is a powerful way that we can solve the big problems that our world faces.

The impact of workplace on alleviating the pressures of operational inefficiencies and well-being should not be underestimated, and should be integral to the design and use of future workspaces. It's the power of place.

By asking the most-important people for their insight – those who use the spaces every day – this report aims to shine a light on what organisations can do to create a workplace that provides a genuine lever of competitive advantage.



Current trends... a shift in sentiment

Employers and employees converging

In the midst of a global pandemic and as the UK slips into a recession, and with the pains and lessons of the 2008 financial crisis still emblazoned in the memory of many organisations, businesses up and down the UK will be reviewing their measures in a bid to drive efficiencies.

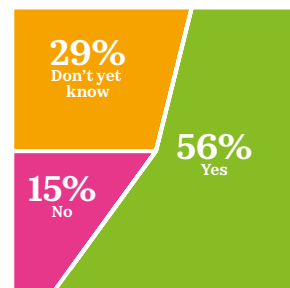
Even if the people at the heart of these brands can't all be together at present, maintaining productivity is paramount. Many businesses have reported that they have managed, in the short term, to maintain productivity levels despite people not being together in the workplace five days a week, which has led to 56% already indicating that they will adopt a form of remote working moving forwards. Embracing flexibility is critical, and can contribute towards nurturing a culture of trust where people can be at their most productive.

Having now had the experience of working remotely for extended periods, many respondents also see the benefits for their personal productivity. However, they're also feeling the drawbacks, and by no means see it as a replacement for the workplace. In fact, data highlights that the average number of days that respondents would prefer to be in the office for optimum productivity is 2.91, higher than the average number of days that employers have suggested at 2.53 days per week.

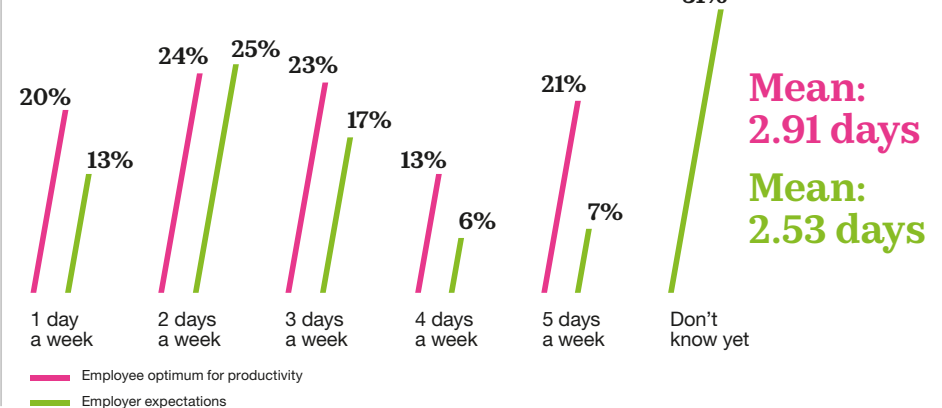
A significant takeaway is that there is very little disparity reported between the perspectives of employers and employees. With this in mind, if businesses are looking at the potential implications of revising their workplace strategies, perhaps it need not be as contentious or disenfranchising from a people perspective as they might have imagined – reaching a balance that best serves people and business performance may just hold the key.

Optimum productivity may involve a blend of being in the workplace and remote working, and there seems to be no great disparity between employer and employee perceptions.

Blended mix of working from home?



Days in the office per week



Those who have been working from home during the pandemic seem to perceive the benefits of workplace more and would prefer to be in more often.

Days in the office per week for optimum productivity

2.4
days

People who would prefer to WFH

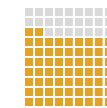
4
days

People who would prefer not to WFH

There is also a distinct importance on the quality of workplace.

People who prefer to be in the office four or five days a week

72%



Those with **good-quality workspaces**

62%



Those with **poor-quality workspaces**

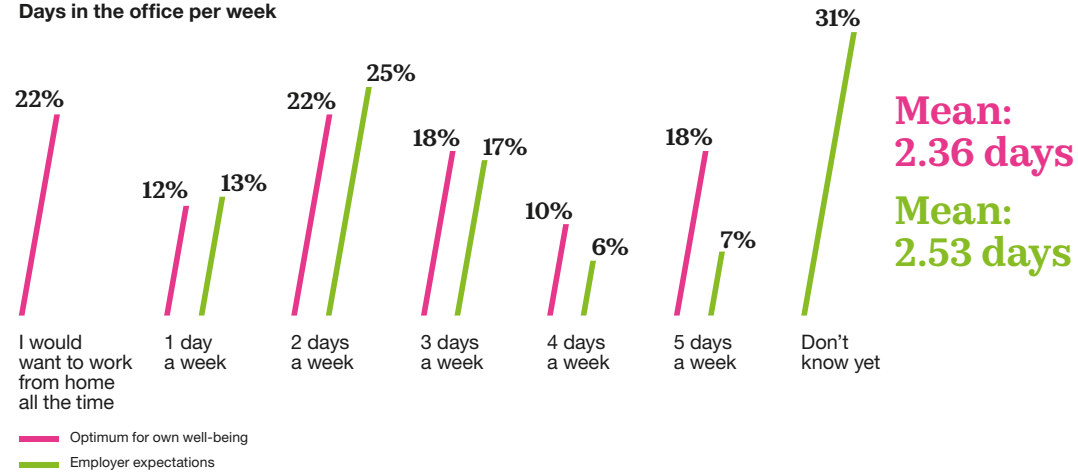
Current trends... a shift in sentiment

When asked how many days they would prefer to be in the office in order to optimise their wellness, respondents seem slightly more cautious. They would prefer to be in the office an average of 2.36 days per week for optimum well-being, which is slightly lower than the 2.53 days expected by employers. Those not working from home during the pandemic, however, believe 3.4 days would be optimum for well-being – although this figure decreases if their workplace is of poor quality, reinforcing this key variable. It may also suggest that those who have been away from the office have formed new habits, and have potentially forgotten the positive benefits the workplace brings.

Well-being means different things to different people – what is crucial is to create opportunity and choice. It is important to consider the importance of neurodiversity. No one individual responds best to the same environmental factors, and there can be huge variances in what is required to best perform different tasks and roles. Businesses are increasingly using data to create more personalised experiences for their customers, so why not afford the same consideration to their own people?

When asked how many days they would prefer to be in the office in order to optimise their wellness, respondents seem slightly more cautious.

Days in the office per week



Have those who have been away from the office formed new habits and forgotten the positive benefits the workplace brings?

Days in the office considered optimal for well-being



Quality of space is a key variable when making decisions about well-being.

The optimum number of days in the office per week increases with quality of the workspace



Current trends... a shift in sentiment

Technology and the rise of remote working

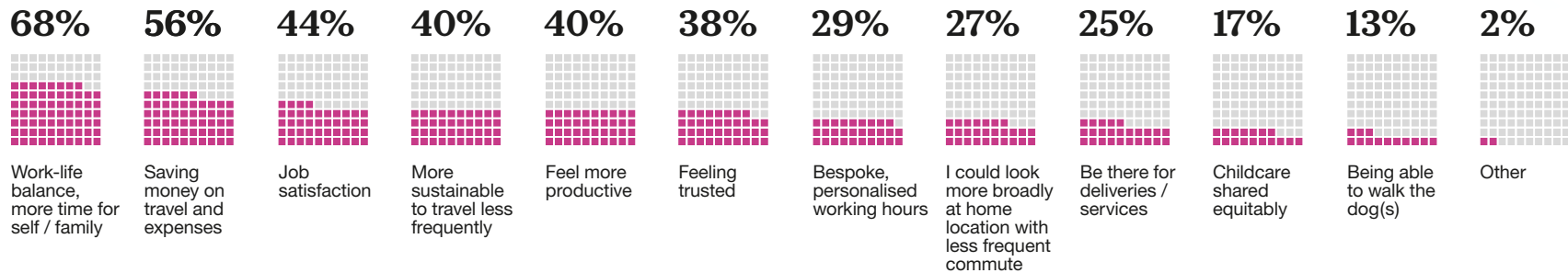
The technology to work remotely and remain connected across borders has been at our fingertips for over two decades. However, traditionally there has been an undercurrent of cultural resistance among many industries and employers to embed remote working as part of their 'business as usual'.

Even in industries where data security is paramount, such as the legal and financial services sectors, technological infrastructure supports their requirements, enabling organisations to be as flexible with their people as they are with clients – connecting anytime, anywhere.

Even before COVID-19, our initial data showed the flexibility to work outside the office was of great importance to people, with 45% of respondents rating remote working as important, superseded only by plenty of natural light and fresh air. In the latter survey, just 21% of people have suggested that being in the workplace five days a week would be optimal for their productivity, which reduces to 18% for their well-being. However, until now it's been a subject that is often taboo for many employees and a question that would be held back by interviewees, alongside asking about annual leave allowance, for fear of its potentially negative connotations.



Two-thirds of respondents believe that the primary benefit of their optimum work-flex balance is having more time for themselves and their family.



Current trends... a shift in sentiment

As a result of the pandemic, many people from many industries have been 'forced' into working from home for part, if not all, of their working weeks. When asked what the perceived primary benefits of doing so were, responses were predominantly personal, with more time for themselves and family, saving money and feeling trusted, all featuring highly.

Rather than causing an uncomfortable divide between employer and employee aspirations, could the mutual benefits be something to embrace, and factor into estate planning?

The main reason for being against working from home all the time is that employees feel they wouldn't have the same contact or sense of team and friendship with colleagues, and this is particularly pronounced for those who have worked from home during the pandemic.

Many industries were already focusing on rationalising their estates to save money, creating spaces designed for fewer occupants at any one time. In anticipation of a more location-flexible workforce, some organisations had long been planning for 1.3 people per desk.

It's a strategy that can be supplemented by encouraging people to take time to work remotely on occasion, when the task in hand permits. While working from home can't replace the role of workplace in building a sense of belonging or a strong team culture – a characteristic so highly sought after by brands the world over – it can be influential in driving efficiencies.

	Average	Have WFH during the pandemic	Have not WFH during the pandemic
I would not have the same contact, sense of team and friendship with colleagues	60%	66%	53%
I enjoy having work-life distinction	56%	55%	58%
Loss of personal connectivity, recognition and influence	33%	38%	26%
Managing people and workload is more challenging remotely	24%	26%	20%
I enjoy the personal pride from being in the workplace and dressed for my day	21%	17%	27%
Loss of connection to business and awareness of current affairs	20%	23%	16%
Disconnection to brand, values and culture	12%	13%	10%
Other	7%	2%	13%

Current trends... a shift in sentiment

The evolution of workplace

For far too long, businesses have undervalued the office as merely a place to house their people. The future workplace is so much more. Our data shows the main reason for being against working from home all the time is that employees feel they wouldn't have the same contact, sense of team, or friendships with colleagues, and would lose their sense of work-life distinction – all of which are not easily substituted remotely.

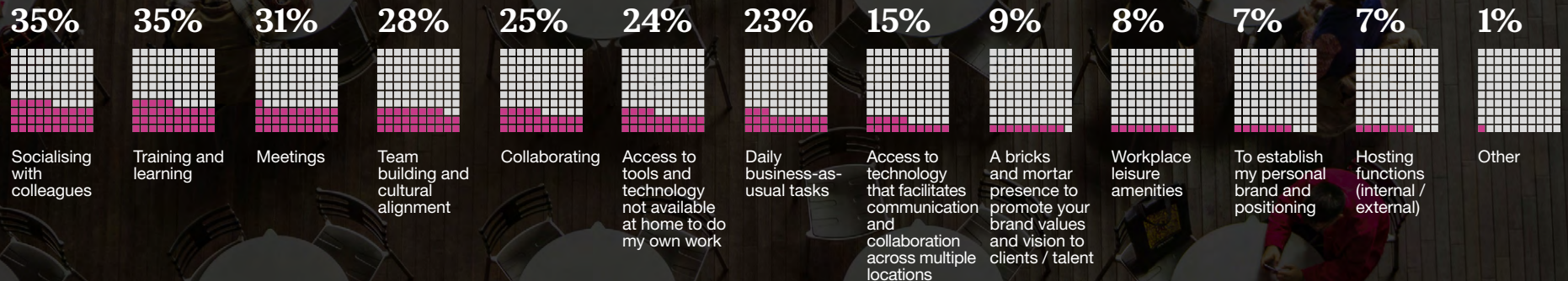
People build emotional connections when they become immersed in place. Our earlier strand of research highlights that when people feel positively towards place, they also feel connected to brand values, and able to work effectively.

It is therefore important that employers create environments that not only articulate their own values and visions, but speak to the ambitions of their people and the roles they have to play – which is hard without a physical manifestation to help communicate the bigger picture.

The role of workplace goes beyond a capacity function to pack people under one roof. Instead, data shows the primary functions expected of future workspaces are thought to be socialising, team building, collaboration, training and learning.

The workplace won't strictly be the only place where the 'business as usual' work gets done, but it will be the environment that cultivates collective ideation, speedy decision-making and those unscripted magic moments.

The top functions for workspaces in the future are thought to be for socialising with colleagues and training and learning.





Placemaking and location

For many of us, a large proportion of our time is spent at work. In fact, the average person will spend up to 90,000 hours at work over a lifetime. It's safe to say a job can hugely impact quality of life.

Placemaking and location

Just as the importance of work-life balance continues to rise, placemaking and location should be regarded as essential considerations for developers – their assets must meet current expectations and remain resilient to the ever-changing demands of the next generations of talent.

Placemaking

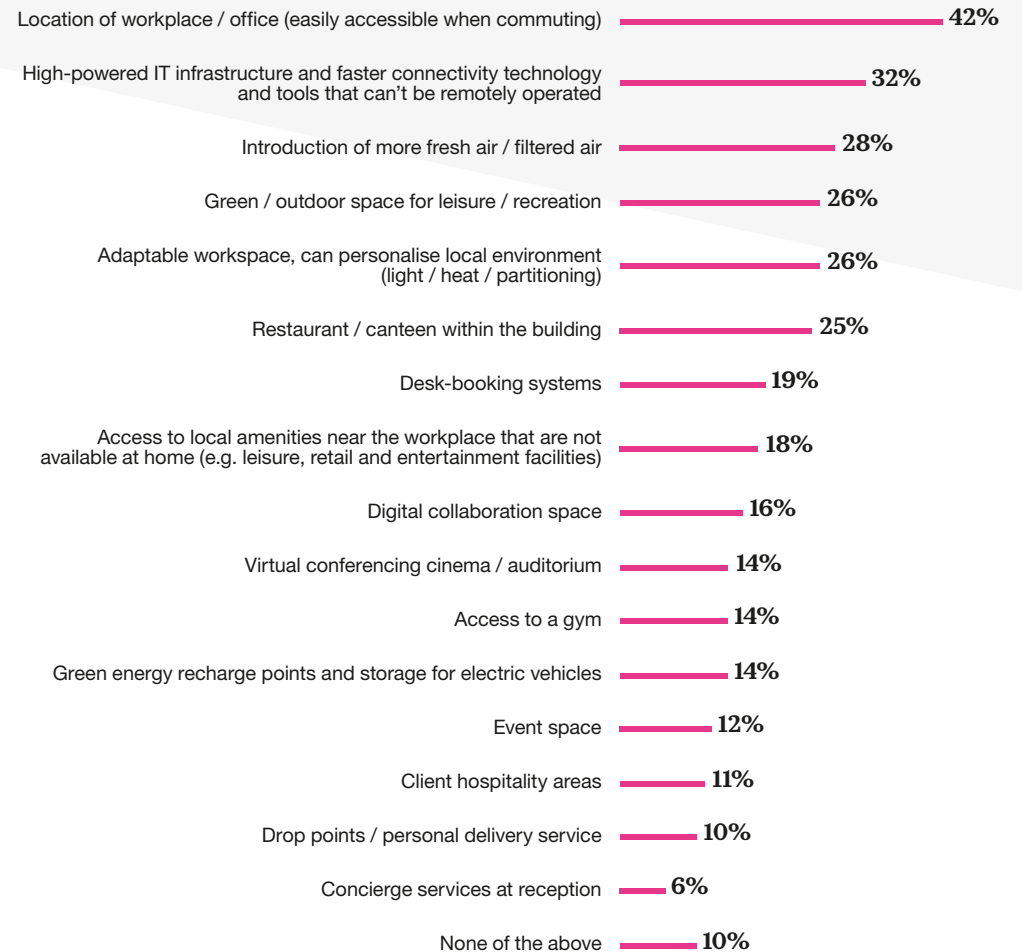
Today, location, regeneration and high-quality amenities are more important pull factors than grand architecture alone. Developers should be considering how to balance the different requirements of workplace groups, if they are to appeal to the brands that have an eye on the future.

As the purpose of the workplace evolves, so too should the design. When thinking about the amenities within a workplace that will be important moving forwards, location remains top in the minds of employees, followed by high-powered IT infrastructure, and more fresh air and outdoor space for leisure and recreation. By creating a destination that provides the best for their people, organisations will get the best from their people in return.

Developers are responding, with many integrating design, amenities, convenience, leisure and culture into the fabric of their spaces. The trick is to execute a viable placemaking strategy, understanding the niche of each location and delivering a place that not only reflects the local community, but defines it.

It's not just an opportunity that applies to new stock, however. As spaces are refreshed and updated, there is scope to improve working environments. The importance of flexible workspaces was noted by 26% of respondents – workspaces which would allow them to adapt a space according to the task in hand, and in turn creating optimal conditions for productivity.

When thinking about amenities within a workplace which are important moving forwards, location comes top, followed by high-powered IT infrastructure.



Placemaking and location

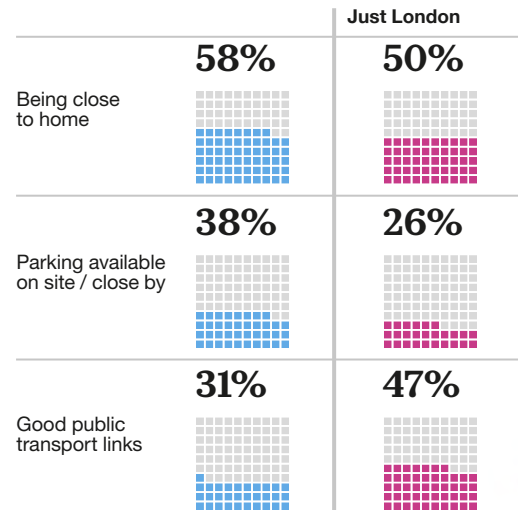
Location

Evaluating work-life balance, strong transport links, shorter travel time and the standard of facilities in the local area can be strong deciding factors in people's career choices. Furthermore, the expansion of remote working means many may now consider living further away from their office, knowing they can make the trip less frequently.

This flexibility has the potential to shed light on the importance of location, so the two issues can be considered together. It is all about enabling choice. If businesses are flexible and agile in the way they create job opportunities, they will open themselves up to the widest pool of talent.

Organisations could take this opportunity to consider how they diversify their location strategies in the longer term. Headquarters may exist as strongholds in traditional heartlands, but in tandem with this, there may be an opportunity for companies to explore how they could pursue operations in other regions – regions with their own burgeoning talent that possess the key skills to support evolving business requirements.

Being close to home is a top factor when it comes to workplace location.



Placemaking and location

For many organisations and sectors, the most valuable asset is their people – and the knowledge they hold. Just as the healthcare and life science triangle of expertise is closely aligned to Oxford, Cambridge and London, and Manchester has grown to be the UK's media city, as the battle for talent resumes, could it be that employers begin to follow the talent, rather than the other way around?

Individual sector needs do not stand in isolation. As digitalisation continues to infiltrate all areas of our lives, new skills and technology are being readily adopted by traditional industries too, from banking and professional services to healthcare.

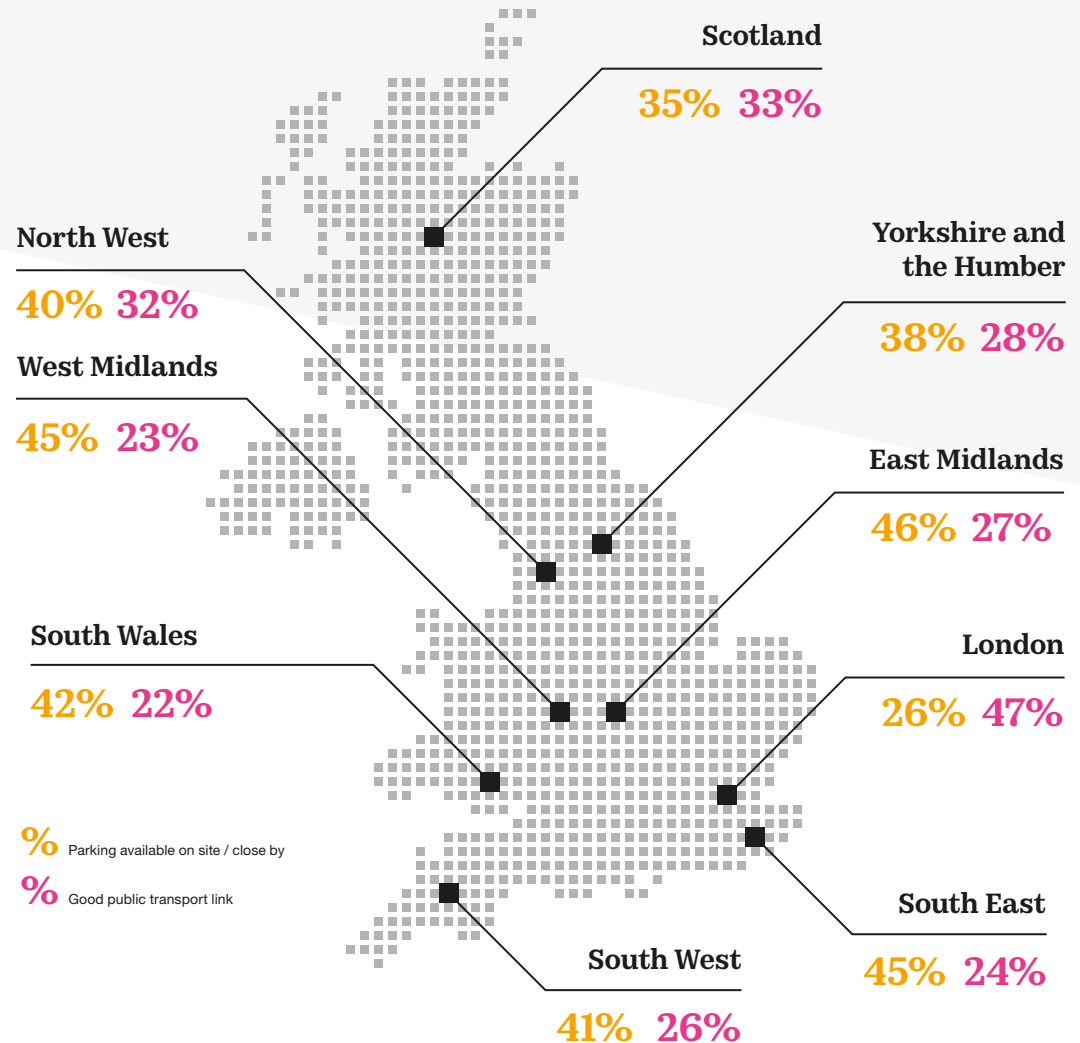
In terms of location, being close to home tops the list of employee priorities. Parking and access to public transport are next, demonstrating the significance of infrastructure projects like HS1 and HS2, which will revolutionise connectivity across regional locations. This ties in to people's key drivers, as they look to minimise commutes and office visits, in favour of more time for themselves and their families.

As occupiers are often tied into long lease terms and employees will either own property or have fixed-term tenancy agreements, any radical knee-jerk reaction is unlikely in the immediate term. However, this change in modern lifestyle trend is a catalyst for a longer-term demographic shift, which planners and developers should consider when preparing for the future.

Having a workspace in a town or city centre was previously held in higher regard than regional locations, but ultimately, it's proximity and accessibility that matters – and perhaps this is because of the appeal of more established city-centre hubs that traditionally have more on offer.

The regionalisation of certain workplaces could spur regenerations of more regional cities and towns, creating communities where public and private estates fulfil the local education, healthcare and leisure requirements of their residents – an approach that can be a real difference-maker in attracting the world's best talent to exciting new cities.

Having good transport links is more important to Londoners than having parking close by; for other regions parking tends to be more important than public transport links.





The future

Generally speaking, different generations of people are aligned on what workplaces should offer in years to come, which encouragingly means that key design aspects will remain relevant as new demographics move through businesses. However, without exception, our data shows that the next generation is more likely to be influenced by comparison culture, and happier to look to greener pastures quickly, being more likely to stay with their current employer if offered their optimal, flexible work balance, and more likely to leave if not.

The future

Millennials are swiftly becoming the majority across many companies, and to remain competitive, businesses themselves need to up their game – attractive, aspirational and innovative workplaces, combined with enticing flexible working practices, could well be the decisive factor in winning or losing the war for talent.

The push towards innovation and automation at work is accelerating. As this generational and technological shift continues to take hold, the lines between work, home and leisure will continue to blur.

Technology

From remote working to critical cloud infrastructure and security, the impact of technology has completely transformed the workplace. Front and centre for businesses is the need to stay connected, using smart solutions to increase security while reducing inefficiencies and cost.

Whatever the industry, the office will increasingly become an 'experience' – technology-led and built around people and connectivity, rather than business functions and capacity. Enabling people via the tools they need involves both space and technology, with high-powered IT and infrastructure, as well as digital, collaborative spaces, ranking highly in terms of importance for end users.

There is a growing need for smarter building technology that enables firms to monitor their global operations and control them centrally. With this in mind, we believe that 'smart' or 'intelligent' buildings will no longer be just an aspiration, but a fundamental characteristic of how we design, build and operate the spaces in which we work.

It's a future that requires a radical shift in transformational thinking. The delivery of fully smart buildings will only happen with a seismic change in the way we consider a building's life cycle – moving from a transactional analogue ethos to a bespoke human-centric design approach, that evolves alongside occupiers' requirements.

Almost a third of younger generations said that working from home makes them less productive, experienced by only 24% of older generations.

More or less productive when at home?

24% 32%



Less productive

What amount of time in the workplace is optimal for personal productivity?

23% 18% 54% 66% 23% 16%



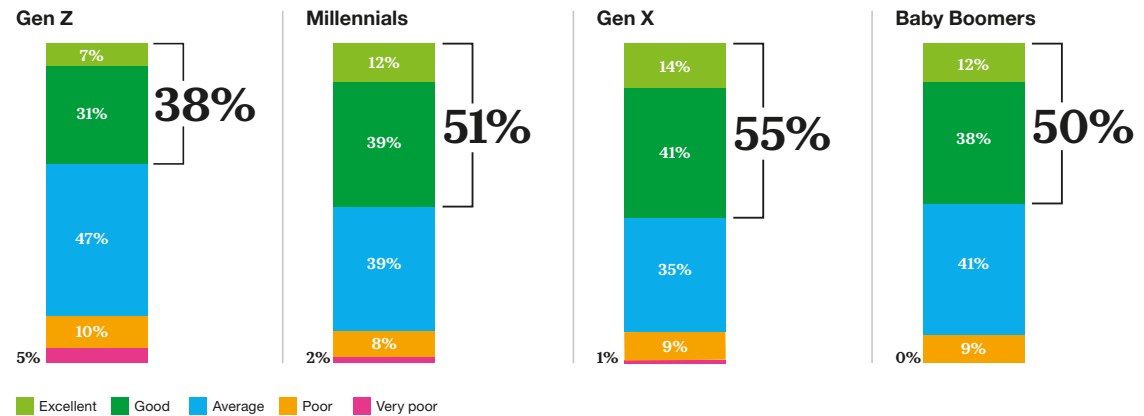
5 days a week

2 to 4 days a week

1 day a week

Gen Z and Millennials
Gen X and Baby Boomers

Space cannot be treated as a one-dimensional factor, and the importance of quality has a significant impact on outcomes.



The future

People

The next generation of talent wants to work in an environment that reflects their lifestyle. Not only is it vital that businesses avoid continually going through the motions of expensive and disruptive recruitment drives, it also matters to younger employees who benefit from being in a role and the workplace long enough to fully develop their skills and experience.

The rise of remote working possibly poses the greatest threat to younger generations in the long term, giving rise to an unofficial skills gap where they miss out on the contribution factor of development through observation when immersed in place and surrounded by colleagues. Our data highlights that these generations also value the role of workplace in establishing their personal brand.

Younger generations are also more likely to recognise that their productivity has decreased while working from home. As our data reinforces, space cannot be treated as a one-dimensional factor, and the importance of quality has a significant impact on outcomes. Only 38% of Gen Z say that they have an excellent or good working space at home,

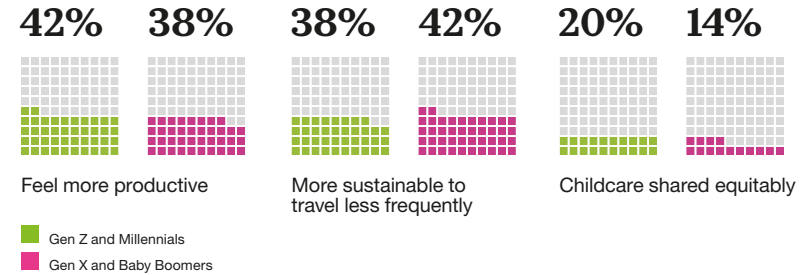
compared to 55% of Gen X. Perhaps because of this, Gen Z and Millennials were more likely to feel that two to four days in the workplace is the optimal amount for their personal productivity, than Gen X and Baby Boomers.

It is always important to show employability, as even when current opportunities don't allow for retention, these generations of people may choose to return in the future once they have achieved more rounded skill sets. Organisations are not just employing younger generations, but when expectations vary generationally, the skill is to segment your story and accommodate scope.

Asking the next generation what they want from their environment – and not falling into the trap of making assumptions on their behalf – is vital. The age-old disconnect between policymakers and the people their decisions will have the greatest impact on, in this case those using the space every day, is where the likelihood of making sound decisions that yield the greatest return for businesses and the people that contribute to their success could fall down if not.

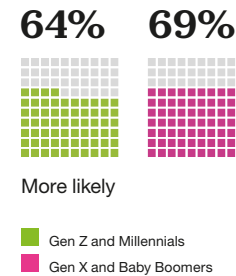
There are differences between generations on the perceived benefits on offer from being offered a work-flex balance that optimises well-being.

Which benefits of the work-flex balance differ between generations?

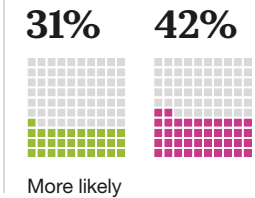


Employers could find themselves with increased staff turnover, particularly in the younger generations if they are not prepared to offer a balance between home and workplace working.

More or less likely to stay with same employer, if offered optimal work-flex balance?

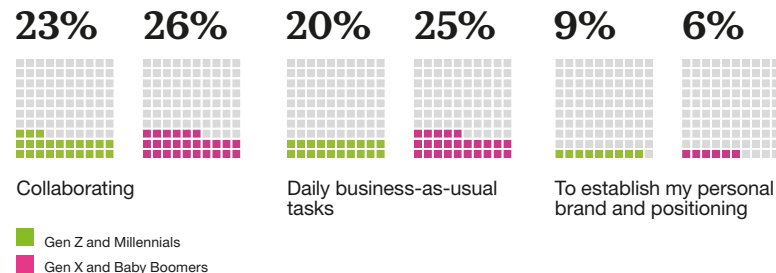


More or less likely to leave if not offered optimal work-flex balance?



While the main uses of a workplace are seen to be the same (socialising, training, meetings), older generations are more likely to say they will use it for collaboration and BAU tasks, while younger generations are more likely than older to see it as a springboard for their personal brand.

How will generations use the workplace differently in the future?



Conclusion: So, what does this all mean?

The world of work continues to move at great speed, and the skilled people that brands are fighting to attract are increasingly on the lookout for more from their employers.

Investing in workplace is an investment in people – it has a direct impact on positive business performance. Only once **the power of place** is truly embraced will a genuine lever of competitive advantage be achieved.

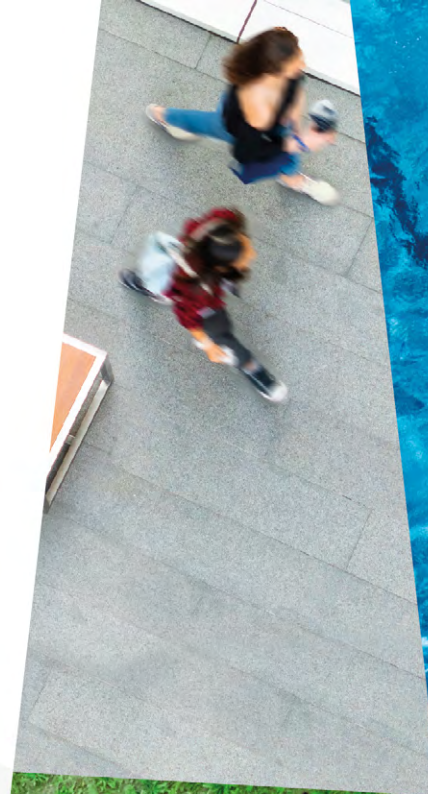
This has amplified in recent years due to a combination of conditions, not least the current pandemic, which has accelerated huge shifts in human behaviour and required businesses to adapt and respond to survive.

In a climate fraught with uncertainty and cautiousness, the decisions businesses make today will have a significant impact on their future. To help remove uncertainty and aid the decision-making process, the need for open communication and collaboration to help demystify any potential implications is palpable.

One crucial consideration, which should be taken seriously by employers, is the pivotal role that workplace has to play. When we asked the people who use these spaces every day what mattered to them, clear trends emerged – when people feel positively towards place, they also feel connected to brand values and able to work effectively.

Responses to what organisations offer fluctuate across generations and specialisms. In a technologically enabled, competitive landscape, brands must meet a scope of varied requirements to appeal to the widest possible talent pool. To empower people, it is important to afford them both the tools and flexibility to be productive.

Businesses that do this well create an environment that not only articulates their own values and visions, but also speak to the ambitions of their people and the roles they have to play in the journey.



About ISG

For over 30 years, we have provided construction, fit out and engineering solutions to some of the world's most successful and enduring businesses, cities and institutions. We build relationships on trust, collaboration and open communication, because it's the only way to create places as smart and resilient as the people who use them.

Our vision is to become the world's most dynamic construction services company, delivering places that help people and businesses thrive.

3 global hubs

- Europe
- Middle East
- Asia

3 service lines

- Fit out
- Construction
- Engineering services

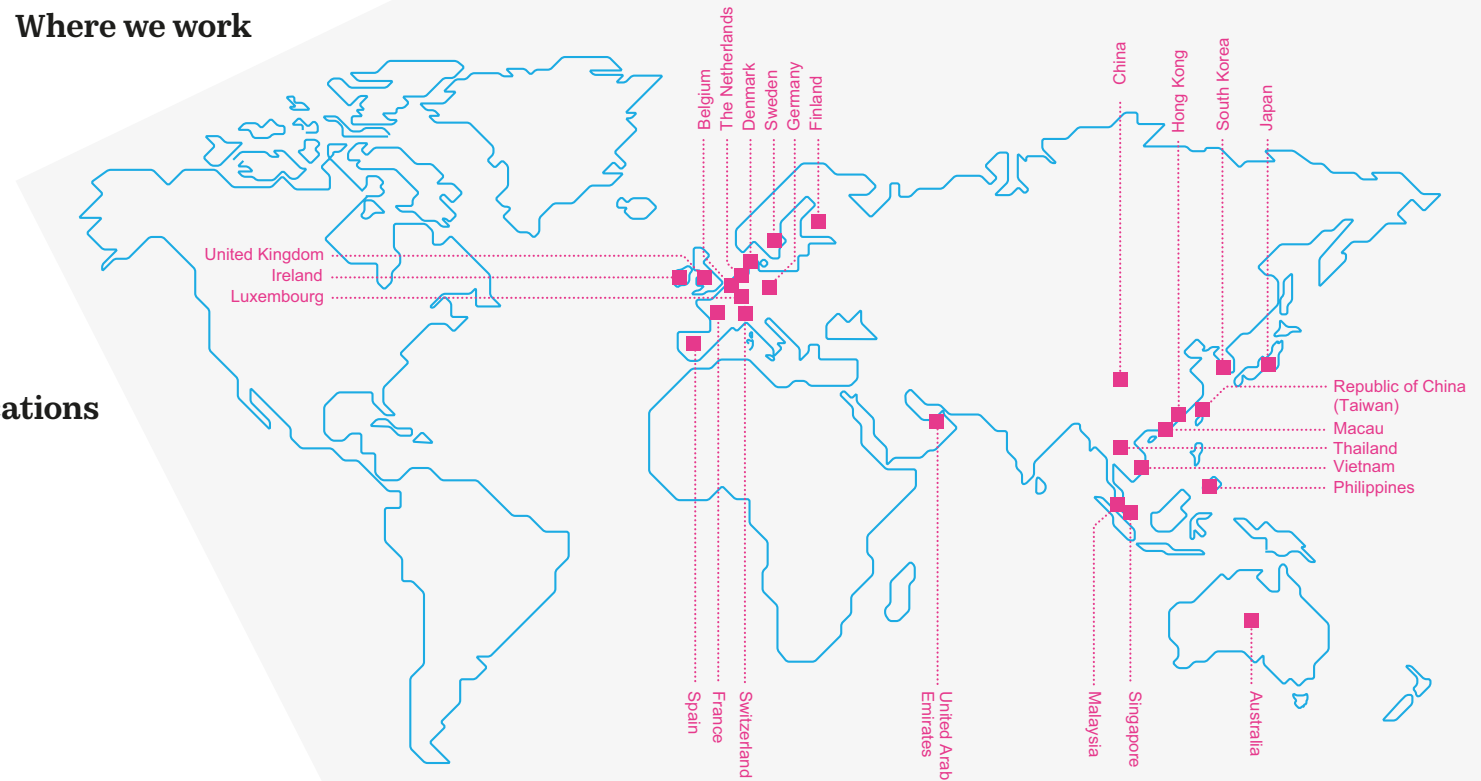
5 sectors

- Offices
- Technology, science and health
- Retail
- Hospitality, leisure and living
- Government, public sector and education

UK office locations

- London
- Birmingham
- Bradford
- Bristol
- Cambridge
- Cardiff
- Chorley
- Exeter
- Glasgow
- Huntingdon
- Manchester
- Reading
- Whitstable

Where we work



Methodology and disclaimer

This report reflects the combined findings from two surveys.

An initial survey was conducted among 5,779 office workers in companies of 250+ employees, including 1,460 with decision-making authority over HR, recruitment and retention, from the following countries:

UK (2,006), Germany (1,008), Spain (1,000), Hong Kong (251), Singapore (1,000) and Malaysia (514).

The second survey was conducted during the COVID-19 pandemic among 4,005 office workers in companies of 250+ employees, from the following countries:

UK (2,002), Germany (1,000) and Spain (1,003).

At an overall level for the UK results are accurate to $\pm 2.2\%$ at 95% confidence limits assuming a result of 50%.

The first interviews were conducted online by Sapio Research in December 2019 using an email invitation and an online survey. The second phase of interviews were conducted online by Sapio Research in September and October 2020 using an email invitation and an online survey.

While every effort has been made to ensure the accuracy of the material in this document, neither Sapio nor ISG will be liable for any loss or damages incurred through the use of this report.

This report was commissioned by ISG and informed by research produced by Sapio, The expert commentary was compiled by a cross section of ISG's experts. The views expressed herein are those of the authors only, and are based upon independent research by them.

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