



Visioning the Future of Work

**Determining the impact on your
Real Estate Portfolio**

Inspiration & Guidance for Real Estate Managers
in the *'New Reality'*


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Adjusting workplace design to accommodate the 'new reality' is essential to boost organizational performance for the longer term

Effective workplace design is the result of a solid, future proof real estate strategy. Therefore, real estate managers have an important role to play in creating the conditions for optimal performance in the 'new reality'.





This statement is supported by the results of the **KPMG 2020 CEO Outlook¹**. CEOs state that it is – now more than ever – essential to protect your people, build trusted relationships with customers and communities, and define a new future of growth and success for your organization. The key to this success is a *favorable and productive workforce*. In light of this, one of the biggest concerns is around retaining your talent.

 *The question then is, how can your real estate strategy support the satisfaction, retention and recruitment of talent?*

Another trend impacting your role as a real estate manager is the expected downsizing of the real estate (office) footprint of organizations.

 *The question here is, how to align the organization's real estate strategy to this trend.*

KPMG 2020 CEO Outlook¹

-  'Talent risk' has risen to be the number one threat (previously twelve) to long-term growth
-  Indicate that they will be **downsizing office space**
-  Believe that remote working has actually **widened their available talent pool**
-  Will continue to build on their current use of **digital collaboration and communication tools**

As a corporate real estate manager you have an important responsibility to strategize and advise in these relevant developments.

Developing a clear and tailored strategy for this *workplace of the future* requires bringing together the perspectives of people, technology and real estate.



In this document we lay out KPMG's point of view and a basic approach to align your real estate strategy to enable the workplace of the future.

¹ Source: [KPMG 2020 CEO Outlook COVID-19 Special Edition](#), KPMG International

Why employee well-being and organizational performance is a responsibility for real estate managers and its implications for the workplace of the future.

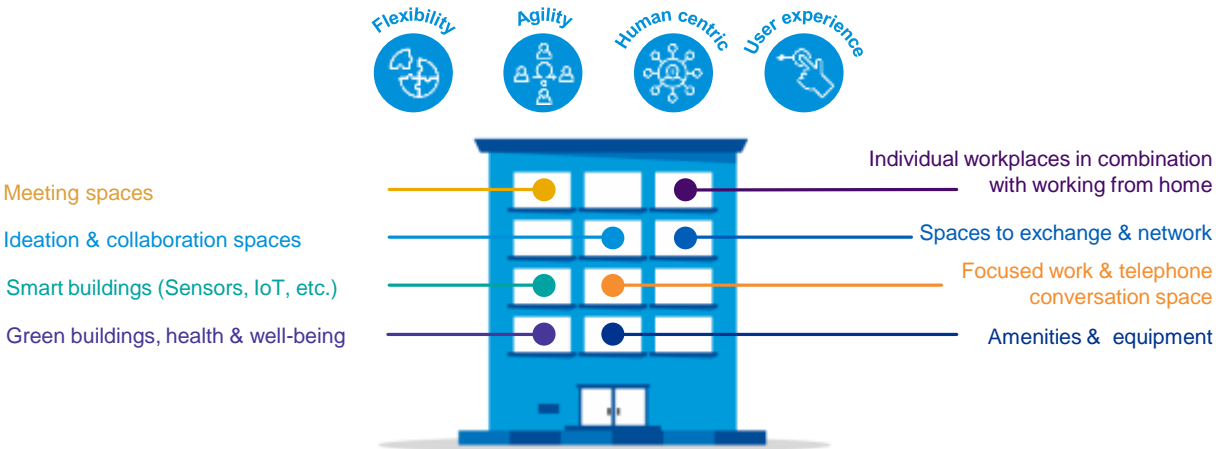
Employee well-being, organizational performance and the role of real estate

Our working environment has a great influence on our **mood and productivity**. Effective office design can promote or hinder collaboration, concentration and communication. The requirements for the workplace are **strongly dependent** on business needs, individual personality traits, intrinsic motivation and (local) culture. While basic conditions may be ideal for one employee, they may be unacceptable for another. Therefore it is absolutely essential to understand your **employees** in the process of redesigning the workplace and consider all factors relevant by defining the right requirements. Using a personas based approach to experience design is therefore essential to redefine your real estate strategy.

People, Place and Technology

The people perspective is a key factor to defining a real estate strategy that is fit for the new reality. By identifying how to support the right talent and culture, using effective working methods and tools, organizations can formulate a fit for purpose real estate strategy. Although we foresee a gradual return to the office, the accelerated digital transition as a result of COVID-19 will likely have an enduring effect on real estate portfolio decisions, corporate real estate use and workplace designs.

We see this disruption towards the 'New Reality' as the opportunity to reshape the corporate real estate portfolio and simultaneously support future proof workplaces and employee satisfaction. The ideal working environment is considering **People, Place and Technology** and is responding to end users' needs and requirements in order to increase innovation, creativity and productivity.



People Talent & Culture

- Agile corporate structures, processes and management
- Corporate culture (e.g. less hierarchical structures, increase in transparency and trust)
- Flexibility regarding work processes and employment relations
- Freedom of choice regarding the workplace and mobile working methods
- Self-management and self-organization
- New forms of communication and collaboration
- Health & well-being / health management

Place Real Estate & Location

- Flexibility regarding the workplace and working hours
- Meeting & networking possibilities
- New building and space usage concepts
- New workspaces
- Reorganization of inventory
- Smart buildings
- Green buildings
- Health & well-being
- Real estate portfolio

Technology Working methods & Tools

- Work-Life integration:
 - Communication tools
 - Social contacts
 - Online events & conferences
 - Digital courses / classes
- Adaption to new technologies & willingness to learn
- Workplace technology (PropTech)

How to design the real estate strategy for the 'new reality'?

From paper to practice in six distinct steps. It all starts with aligning a 'coalition of the willing'. Considering the relevant stakeholders to vision the future of work, joining forces with HR, IT, Health & Safety (requirements), Real Estate and Facility Management allows for an integrated approach to People, Place and Technology to align your real estate strategy in order to improve performance in your organization.

This 'coalition of the willing' collaboratively defines the future of work in the new reality, according to the 'People, Place & Technology' concept. This vision is fueled by stakeholder interviews and data on employee satisfaction and needs.

From this input the organization is then capable of addressing a real estate portfolio and workplace technology fit/gap analysis.

An analysis on utilization, satisfaction and requirements will add meaning to the high-level real estate portfolio. When validated, the challenge is to future proof the People, Place & Technology strategy in order to design the implementation plan and address KPIs for monitoring progress.

Six steps to capture momentum



..... Next steps: design & re-fit and project management

More information?

Do you want to know more about how to adjust your real estate strategy? Sander, Renée and Michiel are looking forward to discuss your challenges. Feel free to contact them directly.

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