

Morgan Lovell



Post COVID-19:  
**The Office of  
the Future**

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# Introduction.

COVID-19 has turned our personal lives and working worlds upside down. After months of forced participation in the most comprehensive ever 'Work-From-Home' experiment, our attention now rightly turns to how this disruptive period will impact our workplace choice in the future. What will individuals want and need from their place of work? And as employers, how much value does our business derive from 'social capital', face-to-face contact and the physical provision of a workplace for our people?

Vocal proponents of home working now declare that there is no need to return to the environmental and personal rigours and expense of commuting. They say that the benefits gained from our rejuvenated view means that our homes – or our local café – have permanently replaced the need for a shared office.

But supporters of the office argue that this neglects critical lessons from generations who believe in the workplace as our second home. It is the place in which we feel safe for a large proportion of our lives. The place where we solve problems, create solutions with like minds and form bonds that last a lifetime.

Company policy and the will of individuals will determine how these differing perspectives blend in the future. It will transpire with time how deeply this period of home working has changed our relationship with the office.

For a multitude of businesses, there is no choice. Their people must work from a central point to comply with data security. If a business has a choice and the home working experiment has exposed a potential alternative, they must decide whether the inevitable cost savings outweigh the benefits of bringing their people together under one roof. If they decide to maintain the role of the office, they must ensure they can persuade their people to leave their home desks and return to the fold.





## Introduction.

# Do we need the office?

The office is the physical heart and soul of a business representing its cultural aspirations. Without this palpable hallmark, you have at best a floating, fragmented collection of individuals loosely connected by a company name. Compelling intelligence about a company is derived from a visit to the office and buying decisions are made accordingly. Companies heavily invest in 'social capital' which is held within their networks, their teams' knowledge, their ideas and group resilience. Without the office this value is rapidly eroded.

The office grants us the ability to interact face-to-face whether formally behind closed doors or in accidental meetings in break-out areas. Our body language, vocal interjections and camaraderie contribute to a gold standard of collaboration.

The next generation of talent make their decisions based on company values and how they are demonstrated in the place of work. This influx of energetic people absorb learning and gain wisdom through stories and actions of their elders.

The handover of knowledge accumulates with time and creates an underlying essence of intellectual and cultural capital for a business.

And then there is the unspoken chemistry that runs through every office. Synergies bring people together and relationships are formed. Chance encounters, struggles, challenges and shared victories nurture the soul of a

company. Businesses make progress through their ability to innovate. Innovations come about when people are in the same room. All the video conferencing technology in the world will never replace this human need.

“  
*The office grants  
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to interact  
face-to-face*”





Introduction.

# Home working versus the office



Having experienced some clear benefits of working from home, many individuals will continue to see it as a viable choice for the future. Video platforms make connecting with clients and colleagues imminently possible and any technological shortcomings will soon become a thing of the past.

There have been multiple benefits realised from a precious time exchange, swapping the commute with home life connections and reclaiming salary lost to travel expenses. Given the choice, many individuals will not wish to relinquish those newfound benefits – and those workers may be in a stronger position to demand this option in the future.

Those who continue to work from home may request that their companies provide furniture, technology and tools. Subsequently there will be layers of management who need to adapt their style, relinquishing visual control over team members. If companies comply with these home workers' wishes and have no counter proposal to tempt them back, banks of desks will sit empty in our offices.





# The Office of the Future

In the Western world we narrowly avoided the SARS virus early this century and MERS slightly later. Tragically and economically devastating for millions, this has not been the case with COVID-19.

Despite the trauma we have witnessed, this crisis will not remain with us forever. Scientists are developing treatments and vaccines which may eventually protect us from this monstrous disease. The time will come when we are protected from COVID-19 and social distancing is no longer a consideration.

But who is to say there will not be another SARS, MERS or COVID pandemic incubating in the wings. Our planning for our future business strategies and the role of our offices must consider this possibility. The Office of the Future will be shaped from lessons

learned today and with future pandemics in mind. And crucially, our long-term duty of care as employers, landlords and designers is to the people working in those offices to ensure their health and safety is paramount.

Convincing home workers to make the leap of faith and return to the office – even if it is for a portion of their working week – will be critical for the future success of businesses. In order for this to happen, offices need to become destinations – there is more effort involved in getting there but the benefits reaped make it truly worth the extra bother.

Breathing a new life-force into our familiar workplace is therefore critical to maintain this linchpin's role. Where they are, their size, how they look, how they make us feel, how we are treated in them and why we should bother making the journey are some of the issues that will require scrupulous attention over the coming months.







## The Office of the Future

This Morgan Lovell living document combines the expert opinion of our workplace consultants and office designers. We will be collectively updating our thoughts as the anticipated metamorphosis unfolds and will provide in-depth commentary on the following aspects of the Office of the Future as trends develop:

### Location

As portfolios are scrutinised and markets start to adjust

### Floorspace

Will we occupy more or less space over time?

### Landlord and tenant relationships

As they evolve

### Workplace design

How design and fit out will be reinvigorated post COVID

### Office culture

How the business heartbeat will adapt to new rhythms of its people

### Wellbeing

The emergence of physical and mental considerations for office workers

### Environmental concerns

And the associated modifications in our workplace

### Technology

Its impact and how it is being leveraged





The Office of the Future

# Location

Real estate portfolios will be a top priority when it comes to future business strategies. An undisputable long-term concern will be to reduce occupational costs and simultaneously respond to workforce pressure to reduce commuting time.

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occupational costs*

Some traditional epicentres in the City will be broken down into decentralised regional hubs (introducing challenges around maintaining a strong cultural identity). Out-of-town business parks may feel an uplift in demand, awarding workers the ability to park on-site.





## The Office of the Future

# Floorspace

This is a critical concern for industry leaders faced with imminent or fast-approaching lease renewals.

In the short-term, whilst social distancing is at the forefront of our responsibilities, we need to sweat every square metre we have at our disposal to keep people safe and maximise productivity.<sup>1</sup>

However as time moves on, shifts in user activity and maintaining an emphasis on home working for individual work will inevitably result in offices needing less desk space. Whether this results in a reduced, or increased demand for floorspace will depend on individual business activity and cultural dynamics. This is further addressed under 'workplace design'.

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*We need to  
sweat every  
square metre  
we have*”

<sup>1</sup>Morgan Lovell: May 2020 "Back to the Office Checklist"





The Office of the Future

# Landlord and tenant relations

Immediate lease renewals will be scrutinised with future business strategy firmly in mind. Leases may require renegotiation in order that occupiers maintain flexibility whilst their businesses and people adjust their needs in this time of great flux.

It is clear that we are facing a new era in fit out as a result of the global pandemic and potentially a parallel path towards greater landlord and tenant collaboration.

There will be industry pressure exerted on landlords to offer higher quality Category A fit outs. Larger organisations may not be willing to compromise on their aspirations for ready-made activity based working and wellbeing spaces. Across the board, landlords will need to respond to demand for 'pandemic-proofed' and certified space, fitted out with anti-microbial materials, sophisticated ventilation systems and smart technology.



## The Office of the Future

# Workplace design

Our future first impression when entering an office, will be crystal-clear branding synchronised with a strong sense of arrival. Elements of design drawn from boutique hospitality and co-working venues will inspire a team's sense of pride and shared purpose. The brightest and best talent will continue to be attracted to these companies by a strong desire to participate and belong.

We will see a demise in traditional workstations as the focused to-do list will continue to be undertaken at home. This will result in an acceleration towards multi-purposed activity based working.

This reduction in demand for workstations will manifest itself in two ways: the market will be flooded with sub-lets as companies attempt to claw back rent, and others will repurpose the environment creating a more diverse menu of areas to stimulate group dynamics, encouraging agility and creativity. A 2017 McKinsey Global survey<sup>2</sup> showed how agile units performed significantly better than those who were not agile. However, only a minority of organisations were *actually* performing agile transformations even though it was high on the list of aspirations. Workplace design will enable an accelerated transition towards agility and creativity in the The Office of the Future.

<sup>2</sup> McKinsey Global Survey 2017 "How to create an agile organisation"







## The Office of the Future Workplace design (continued)

Hybrid spaces will be used socially for break-outs and deliver on requests that emerge from communication with the team. Safe, creative areas will be designed for essential collaboration with the aim of uplifting team spirit. Robin Dunbar, a professor of evolutionary psychology at Oxford University emphasised the significant impact of creating communities within organisations.<sup>3</sup> This demonstrates how feelings of camaraderie and a support network can add to a positive experience in the workplace. Such design elements will naturally reinforce a perpetual sense of togetherness – our future equivalent of yesterday's paintballing trip.

Touch-down areas popular for team working will no longer need desktop settings. Laptops and smartphones will deliver all the agility our people need. Enclosed booths will facilitate direct lines into video conferences with those working away from the office. Paying attention to a spectrum of workforce personalities, introverts will be coaxed from home by the provision of library spaces and quiet thought booths.

Personal preferences will change when it comes to how to travel to the office and our space will need to cater for this by providing well-equipped showers and making allowances for personal care.

<sup>3</sup>Webber E, Dunbar RIM: 2020 "The fractal structure of communities of practice: implications for business organisation"



The Office of the Future

# Office Culture



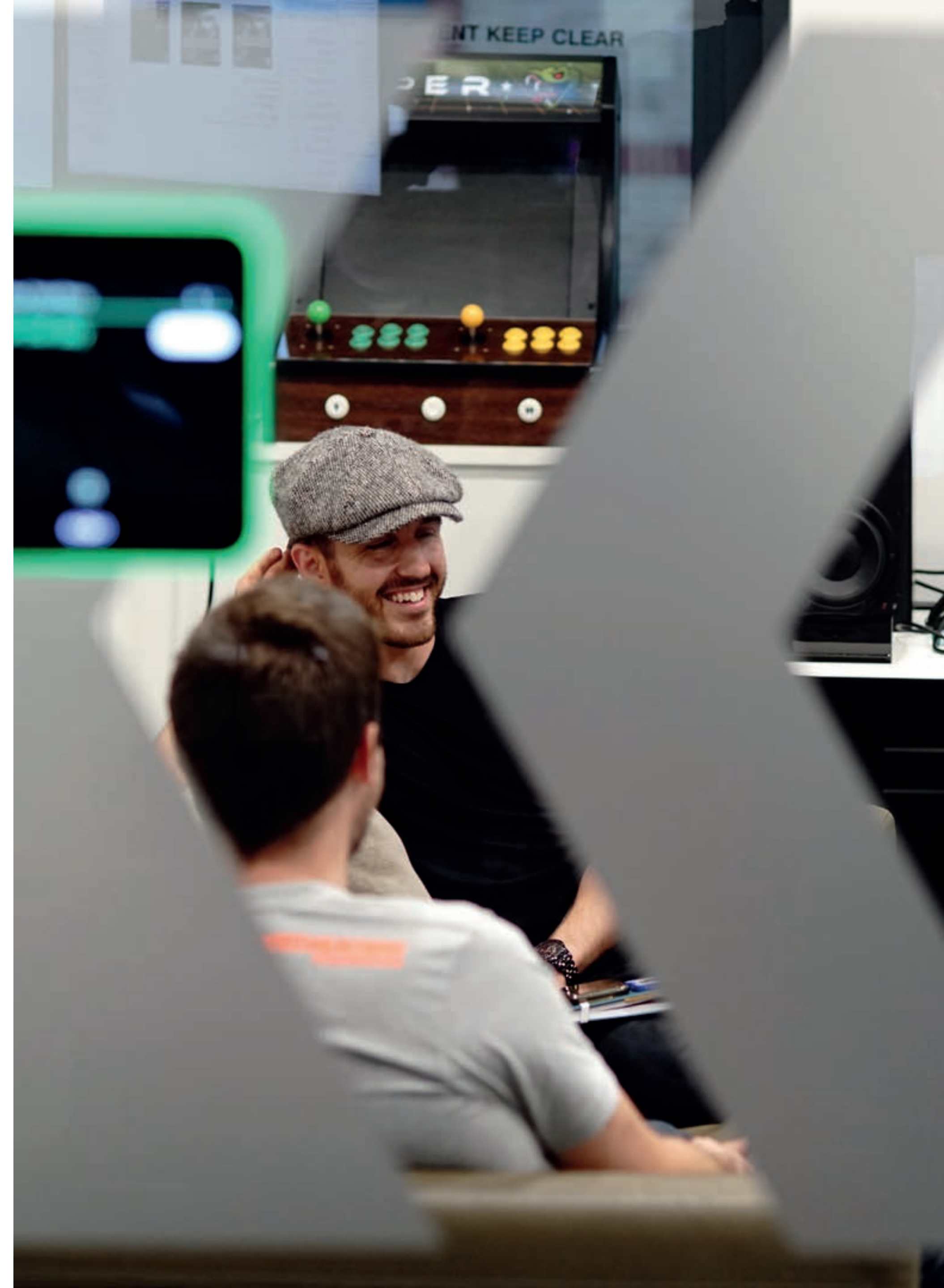
Culture and company values will need to be strong, authentic and tangible to inspire the highest levels of productivity. A sense of cohesion running through companies will contribute to driving innovation and productivity.

Trust will be at the heart of every future high-performance culture, and must flow two ways. A higher proportion of workers will continue to work from home when they can. The journey for 'old-school' managers may be challenging, but they will inevitably adjust away from judging on "presenteeism", instead measuring their people on performance, productivity and output.



Likewise, office workers must be able to trust their leadership teams to oversee their workspace, its maintenance and cleanliness. Visible proof and transparent communication will offer reassurance that duty of care is – and will continue to be – a top priority.

Listening to teams' requirements will be a key element to a successful cultural shift. Office workers will be given every opportunity to voice their concerns, desires and requests for change. And strong leadership teams will act appropriately by translating this into a rolling workplace strategy.







The Office of the Future

# Wellbeing

The timeline curve which measures our collective focus on staff mental and physical wellbeing will experience a dramatic hockey stick increase in the new era. The companies who genuinely believe in the benefits of listening to their people, attending to their needs and delivering evidence in the workplace will find themselves in pole position. The cardinal question will be “What more can we do for our people?”

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*The cardinal question will be “What more can we do for our people?”*

A fresh and more intense connection with nature through the use of biophilic design will be a reassuring and intrinsic element to our new relationship with our office space. Employing natural materials, living plants and colour palettes that reflect nature will enhance our senses and reduce stress levels.



The Office of the Future

# Environmental concerns



The devastating pandemic has exposed our vulnerability and fragile relationship with the global ecosystem like never before. Future business leaders will experience a heightened sense of responsibility to attain carbon neutral status, driven partly by the incoming millennials and increasingly important 'Corporate and Social Responsibility' departments. According to Bain and Co, companies will view critical actions through a sustainability lens. A by-product of demonstrating proactive concern for the environment during, and beyond, the crisis will be more solid customer and supplier relationships, enhanced corporate reputations and improved employee loyalty and productivity.<sup>4</sup>

Where investment in high-tech fit out allows, offices of the future will undoubtedly be smarter. They will employ low energy technology to deliver and control environmental solutions, with an increased focus on alternative sources of power.

<sup>4</sup> Bain and Co: April 2020 "Covid-19 Gives Sustainability a Dress Rehearsal"







## The Office of the Future

# Technology

The office of the future will continue to bring humans and machines closer together. People who have the choice to work from home will continue to access rapidly evolving conferencing tools.

Buildings will have the ability to track and recognise us from data supplied by our smartphones, ensuring seamless access and contactless journeys into the workplace. This information may feed into sanitisation schedules based on our movements.

Visitor management systems will adopt contactless facial, voice and iris recognition technology for tracking and thermal imaging cameras to gauge body temperature. And UV light will blitz workspaces after-hours eradicating invisible enemies.

Currently, such innovations will only be accessed by the privileged few until associated costs are on a realistic scale, but this will change.

“

*Visitor management systems will adopt contactless facial, voice and iris recognition*



# Closing thoughts

Despite the far-reaching, negative impact of the COVID-19 pandemic, we have undoubtedly gained wisdom to take forward in our personal and working lives.

Many more people in the future will continue to work from home when the task is appropriate. Their decision to do so will be as a consequence of cost, convenience and company policy.

However, there is an inherent personal limitation in *solely* working from home which lies in our need for and the value we derive from face-to-face human connections.

When successful business leaders reflect on this period, they will take pride in knowing that their duty of care, operational resilience and vision contributed to their company's growth. Those

leaders gave us the choice of where to work. As a result of their approach and actions, we benefitted from focused days at home, but we also chose to spend much of our working week together in our enhanced Office of the Future.

Those leaders attributed much value to their company's 'social and cultural capital' and the potential power they generate. They listened to their people's wishes, they trusted them and responded accordingly. They re-modelled their offices into real *destinations*.

These reinvigorated venues provided a space for us to converge, to thrive, learn, grow, inspire, innovate, create and collaborate. Not from behind a webcam in our spare room – but together in a real place, a safe place. A place that as humans we need – our office.

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