OFFICE**SPACE**

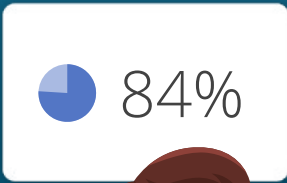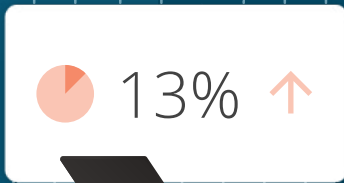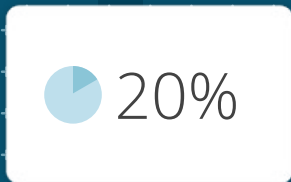# How to Measure What Matters in the Hybrid Workplace

84%

13% ↑

20%

90% of US companies plan to implement a Return-to-Office plan by the end of 2024.[1]

The hybrid workplace has redefined the metrics that matter, and teams need better data to make the right decisions, faster.

In the past, organizations used occupancy data to forecast and manage demands for their office space.

Today, new technology can track and measure **presence data** for a complete picture of office utilization in real time. That means leaders can measure what matters as they improve workplace experience, attract and retain top talent, adjust workplace policies, and right-size their real estate footprints.

This data can also help CFOs, COOs, and CHROs design, fund, and build buy-in for better workplace experience programs and hybrid strategies.

This report will identify the new metrics that matter in the hybrid workplace, the technology needed to collect and analyze this data, and recommendations for how to use these insights to fuel competitive advantage.

Replace Occupancy Data with Utilization Data

Office utilization is down by 30% since 2019

— and businesses need to adjust their spaces to protect their bottom line and employee satisfaction.[2]

Occupancy data and projections don't tell you what's happening in today's workplace. Only utilization data can. Teams need to know how, when, where, and why their offices are being used, and what that means for their top and bottom line.

In the past, teams had assigned seats, predictable schedules, and shared ways of working. Today, people are working everywhere, schedules and demands are constantly changing, and not everyone needs (or has) a desk. Managing complex hybrid schedules without technology or data creates incredible performance drag on teams struggling to adapt to the changing ways of working.

[2]Mckinsey Global Institute: Empty Spaces and Hybrid Places July 2023

50%+
of desk bookings are made less than 48 hours in advance

The Big Idea:
Metrics like sharing ratios and time-based utilization help teams right-size real estate portfolios.

"There's a huge shift away from using static data points and metrics, to measuring reality now."

Susan Wasmund
Head of Global Occupancy Management Practice
CBRE

Don't Use Headcount Forecasts To Predict Future Demand

Hybrid work dynamics have made traditional headcount forecasts less reliable for predicting office space demand. Fluctuating schedules, increased workloads, and unexpected events all influence daily office attendance. Unlike the past where office utilization was consistent, today's trends show large variances from day to day and site to site. Events like team meetings or company lunches can cause sudden surges in attendance. To effectively plan for office demand, analyzing average and peak utilization rates while considering occasional special events will help teams better plan for spikes and proactively manage schedules so that everyone coming in has a great experience.

The Big Idea:

To plan site capacity, answer two questions:

1. **What is the average number of employees using our space per day?**

2. **What is the peak number of employees using our space on the busiest day(s)?**

With this data, planners can analyze trends at an employee, team, site, and even regional level to make smart decisions for their space and schedule.

Stop Using Industry Benchmarks & Start Creating Your Own

Some industries like legal, financial services, government, and manufacturing have seen an almost total return to office, while software, advertising, and business services may be almost fully remote. While industry benchmarks can give teams a starting point to evolve hybrid strategies, corporate objectives and culture should be considered most when creating a plan.

That's to the benefit and the detriment of corporate leaders who communicate policy shifts poorly, without data, using a "command and control" approach as we've seen in newscycles with plenty of blowback. Without laying out a thoughtful strategy, building employee buy-in, and making a case for the new purpose of your offices, plans will fall flat.

Right now, teams need to embrace a 'test and learn' approach, create hypotheses, set and measure benchmarks, and be willing to evolve as data and feedback emerges to paint a clearer picture.

> "The most successful organizations we serve set a baseline that works for them, evaluate it over time, and use the data to adapt on their journey to a new normal."
>
> **Maya Ketter**
> *Chief Operating Officer*
> OfficeSpace

"Using presence data to understand utilization is now the leading methodology to measure who's using the workplace, what spaces are needed, and what needs to change."

Mary Carnes
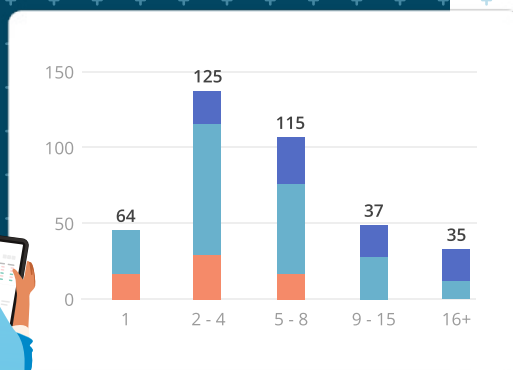*Workplace Insights & Community Lead*
OfficeSpace

1 in 5

decision makers have metrics to understand office utilization today

~50%

plan to track utilization, but don't have clear targets in place yet

Use Presence Data to Benchmark Hybrid Policies

As the hybrid work model evolves, workplace leaders are using presence-based utilization data to make better decisions about their space, policies, and real estate strategy.

90% of organizations now utilize such data, up from 11% in 2021.[3]

While some teams are investing in workplace sensors for rich data collection, there are cost-effective methods that don't require additional hardware investments.

Smart teams are turning their networks into a sensor and using tools like Workplace Intelligence by OfficeSpace to collect presence data unobtrusively via these and other data sets:

- **Badge scan data**
- **WiFi presence data**
- **Desk reservations/check-ins/cancellations**

These sources provide a comprehensive analysis of office usage without added costs or potential employee disruption. Most crucially, they eliminate organizational dependency on inconsistent employee-reported data.

[3]https://www.cbre.com/-/media/project/cbre/shared-site/insights/books/2022-cbre-global-workplace-and-occupancy-insights-media-folder/global-occupancy-insights_2022-2023.pdf

Using insight tools such as Workplace Intelligence software from OfficeSpace can **save stakeholders up to 10 hours each week** when it comes to data collection, management, and analysis.

Impact of Presence-based Utilization Data

Presence data depicts real-time office usage patterns and influences two primary leadership decisions:
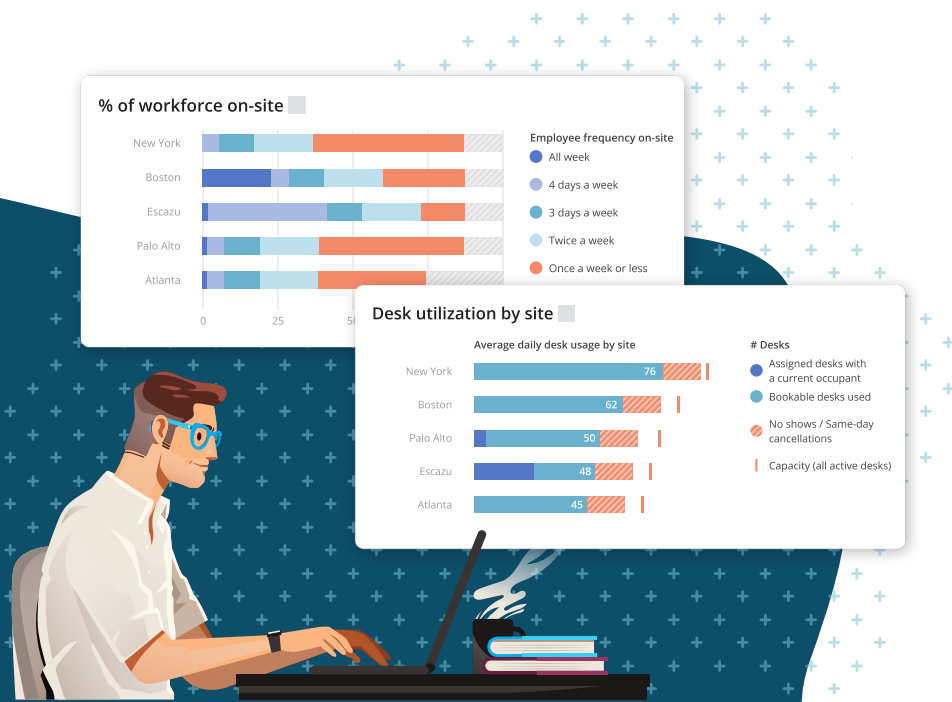
+ Hybrid Strategy Effectiveness

Presence data offers immediate insights into the efficacy of hybrid work models without imposing on employees. Workplace Intelligence dashboard views, such as the Monthly Employee Visits Over Time graph combined with the Badge Heat Map, spotlight usage fluctuations and determine the success of incentives to boost office attendance, like free lunches or enhanced parking.

+ Strategic Real Estate Planning

Presence data guides portfolio-wide decisions to deliver cost savings or increase effectiveness on current spend. Workplace Intelligence can illuminate space utility and spotlight potential consolidation areas based on usage metrics. Using dashboard views like Color by Attendance allows decision-makers to identify underutilized areas, aiding decisions about downsizing considering both cost and employee impact.[4]

[4]https://www.cbre.com/-/media/project/cbre/shared-site/insights/books/2022-cbre-global-workplace-and-occupancy-insights-media-folder/global-occupancy-insights_2022-2023.pdf

% of workforce on-site

New York
Boston
Escazu
Palo Alto
Atlanta

0   25   5

Employee frequency on-site
● All week
● 4 days a week
● 3 days a week
● Twice a week
● Once a week or less

Desk utilization by site

Average daily desk usage by site

New York — 76
Boston — 62
Palo Alto — 50
Escazu — 48
Atlanta — 45

Desks
● Assigned desks with a current occupant
● Bookable desks used
◆ No shows / Same-day cancellations
| Capacity (all active desks)

Use Presence Data to Make Better Workplace Decisions

$800 billion in office space value is at stake in 2023.[5]

Tracking presence and utilization data cannot only drive better decision making, but result in major cost savings. For example, during the pandemic, a major financial services firm was able to **save $3.5 million annually** by consolidating their two office buildings into one based on the data they were tracking.[6]

Utilization data is exceptionally valuable on its own, and creates meaningful business value when accurately interpreted–this rich data enables "intentional hybrid" approaches and helps teams strategically optimize space and unite culture and productivity.

[5]Mckinsey Global Institute: Empty Spaces and Hybrid Places July 2023

[6]https://www.cbre.com/insights/books/global-occupancy-insights-2021/utilization-data

"You'll know that you're doing the right thing if it helps drive your organization forward."

Maya Ketter
Chief Operating Officer
OfficeSpace
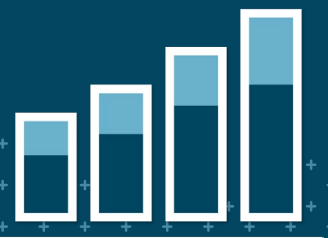
Following these key strategies is the best way to optimize presence and utilization data to define your path forward into the Future of Work:

+ Layer Your Data

No data source is perfect. For instance, employees might not always use their badges or book desks. Combining different data sets creates a complete attendance picture. OfficeSpace combines crucial workplace metrics with employee feedback for a comprehensive view. This data correlation aids in decisions ranging from floorplan optimization to potential site closures.

70%

of companies employ multiple tracking methods to improve accuracy.[7]

+ Dive Deeper with Questions

Presence data allows leadership teams to answer specific questions: Is attendance rising after introducing a new policy? How do office visits vary across sites? Has decentralized hiring affected our main office utilization? These insights enable program adaptations to align with organizational goals.

+ Bridge the Gap Between Average and Peak Utilization

Balancing peak and average attendance enhances the employee experience. Using dashboard views like OfficeSpace's Summary of Daily Employee Visits aids in identifying discrepancies and their causes. Solutions might include adjusting workspace sharing or creating flexible collaboration areas. Companies can adapt their existing spaces to cater to emerging needs, like creating more collaborative, communal spaces.[8]
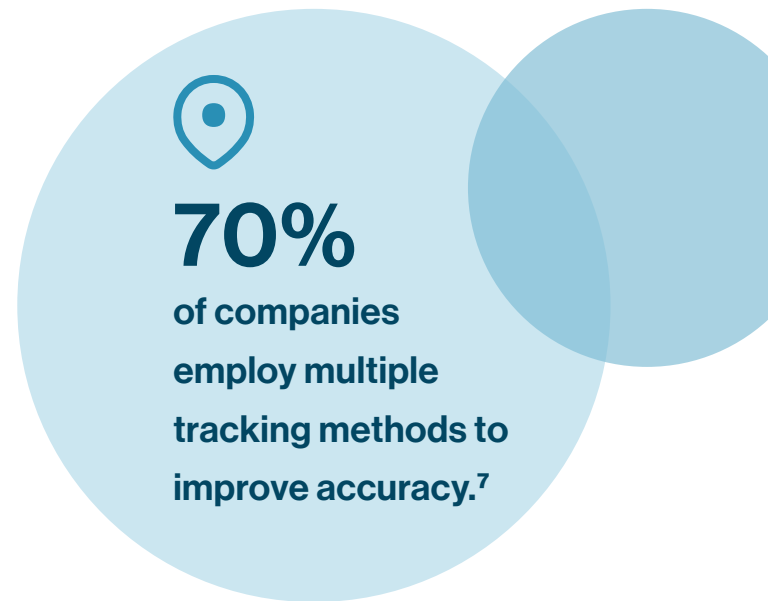
[7+8] https://www.cbre.com/-/media/project/cbre/shared-site/insights/books/2022-cbre-global-workplace-and-occupancy-insights-media-folder/global-occupancy-insights_2022-2023.pdf

+ Rapidly Test, Learn, and Implement

For this stage in our collective journey, we must focus on adaptability. With presence data, companies can swiftly experiment with space configurations, program innovation, policy tests, and schedules. Using real-time data helps organizations make dynamic adjustments with speed which ultimately leads to competitive workplace advantage.

+ Harness Presence Data for Results

Tomorrow's leaders must ensure spaces and resources match employee needs if they want to win the war on attracting and retaining top talent. While the challenges have evolved, the solutions remain grounded in data. Workplace Intelligence software like OfficeSpace provides efficient, cost-effective solutions to gather essential workspace data and ultimately deliver a world-class employee experience.

"Avoiding data silos and having all the relevant analytics on hand to support decisions helps teams be confident in real estate plans, and know with certainty you'll be engaging people in the right way"

Mary Carnes
Workplace Insights & Community Lead
OfficeSpace

Discover how you can use workplace insights to make smarter, more informed decisions with OfficeSpace, the leader in **Workplace Intelligence**.

Learn More