



From Mandate to Magnet:

The Race to Reimagine Workplaces and Workspaces for a Hybrid Future

Europe Edition





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Executive Summary

Employees are positive about returning to the office—but they want it to look and function very differently from the past. While most organizations are now encouraging their employees to come back to their physical workplaces, they also recognize the benefits of hybrid working. Most employers in Europe expect this arrangement to become the embedded norm within the next two years.

Employers and employees across Europe say this shift to hybrid work including time in the office is being driven by a range of factors including deriving the highest productivity, collaboration, socialization, innovation, and a sense of belonging. Contrary to the popular belief that most workers are reluctant to return to the office, our survey of both employers and employees shows that they are actually highly receptive and eager to return. In fact, 79% of employers in Europe are mandating at least a partial return to the office, and three-quarters of employees (74%) are positive about going back.

However, there is a disconnect between what employees now expect from the office experience to support hybrid work and what is currently being provided. We have found that more than half of employees feel their office is not ready or only somewhat ready to support in-person working and enable them to do their best work. Employees want to use their office workspaces for collaboration, ideation, and socialization, but currently organizations in the region are generally falling short in providing this.

The critical areas where improvements need to be made are in office layouts and the provision of technology and infrastructure to best support hybrid working. The top challenges cited include:

1. network connectivity
2. difficulty collaborating with remote team members
3. inadequate equipment or tools.

While two-thirds of employers believe their collaboration tools are generally working well, less than half of employees feel the same.

Fortunately, there is some alignment between what employees want and what employers are planning to do to address this. The top three areas where employees say things are not working well are also the top focus areas for employers as they think about office redesigns, namely:

1. seating arrangements
2. collaboration and meeting spaces
3. technology and infrastructure

Nearly two-thirds of employees want better technology and infrastructure that can accommodate different types of work and activities. This is also what most employers are aiming to provide in their future office designs.

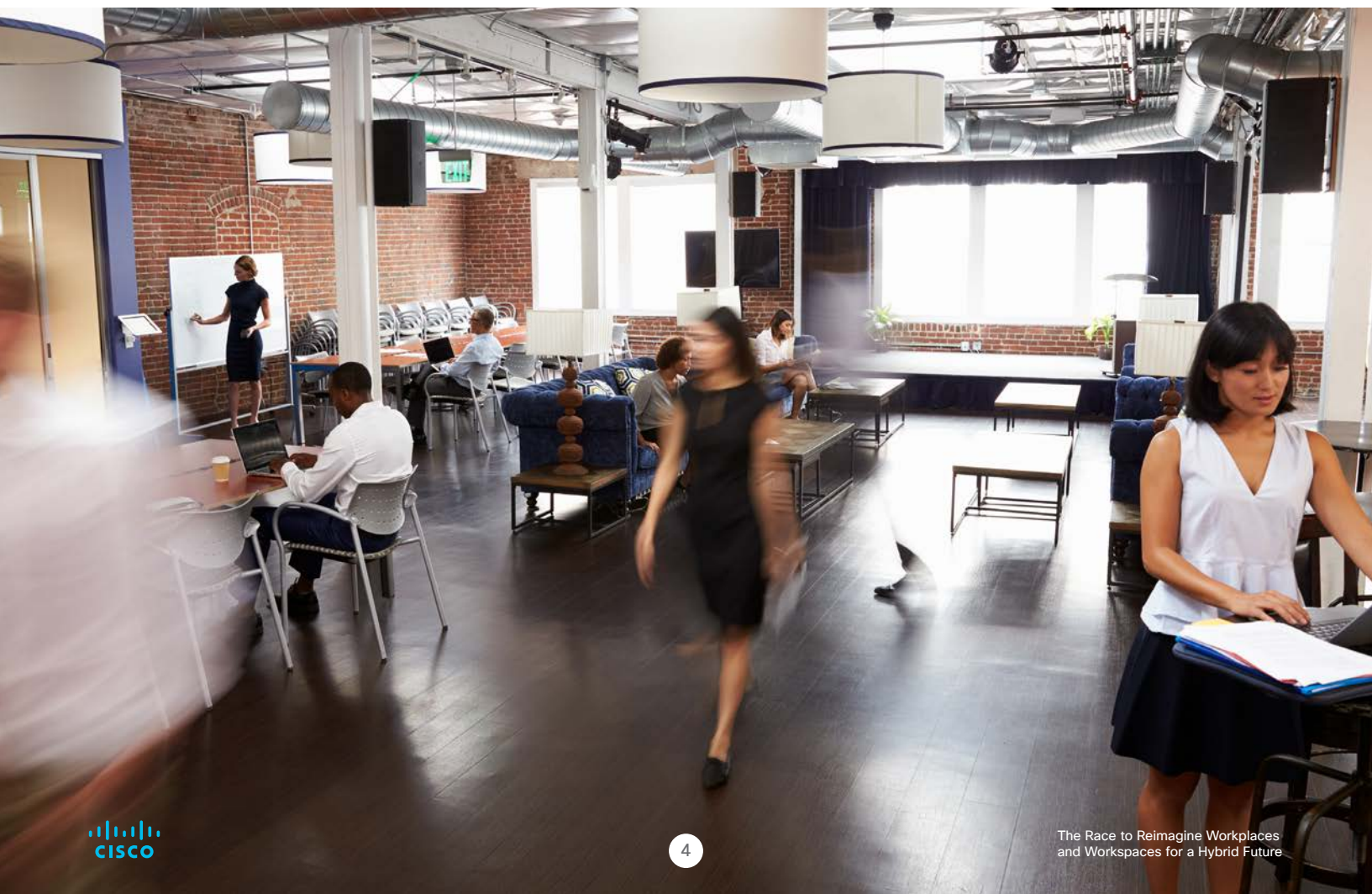
Positively, our study indicates that rather than being viewed as a risk, organizations are seeing the growth of hybrid working as an opportunity to create more enriching and productive workplaces that improve employee engagement and satisfaction while enhancing corporate performance.

However, with clear knowledge and capability gaps around what smarter offices of the future and new technologies can provide, it will also be critical for organizations to provide sufficient training and support to ensure that employees are not left behind on this journey – and that the different needs of older generations are balanced with those of their younger co-workers.

Big Bets for Hybrid Work Trends in 2024 include:

- Updated meeting spaces
- Deploying hybrid work technology and infrastructure
- Modernizing office layouts and seating in line with collaborative working requirements
- Building sustainable and friendly features

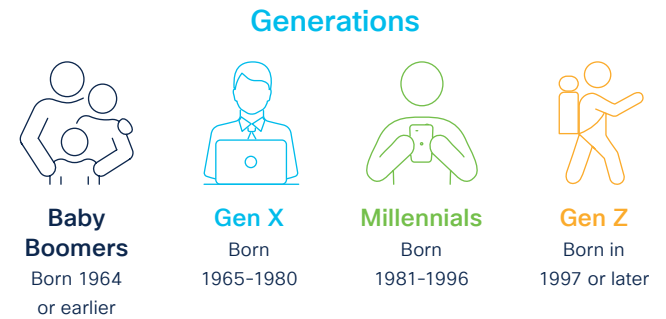
We hope this report will provide useful insights and information for leadership teams looking to optimize their organization's approach to hybrid work and reimagine their offices to meet the needs of their employees.



Introduction

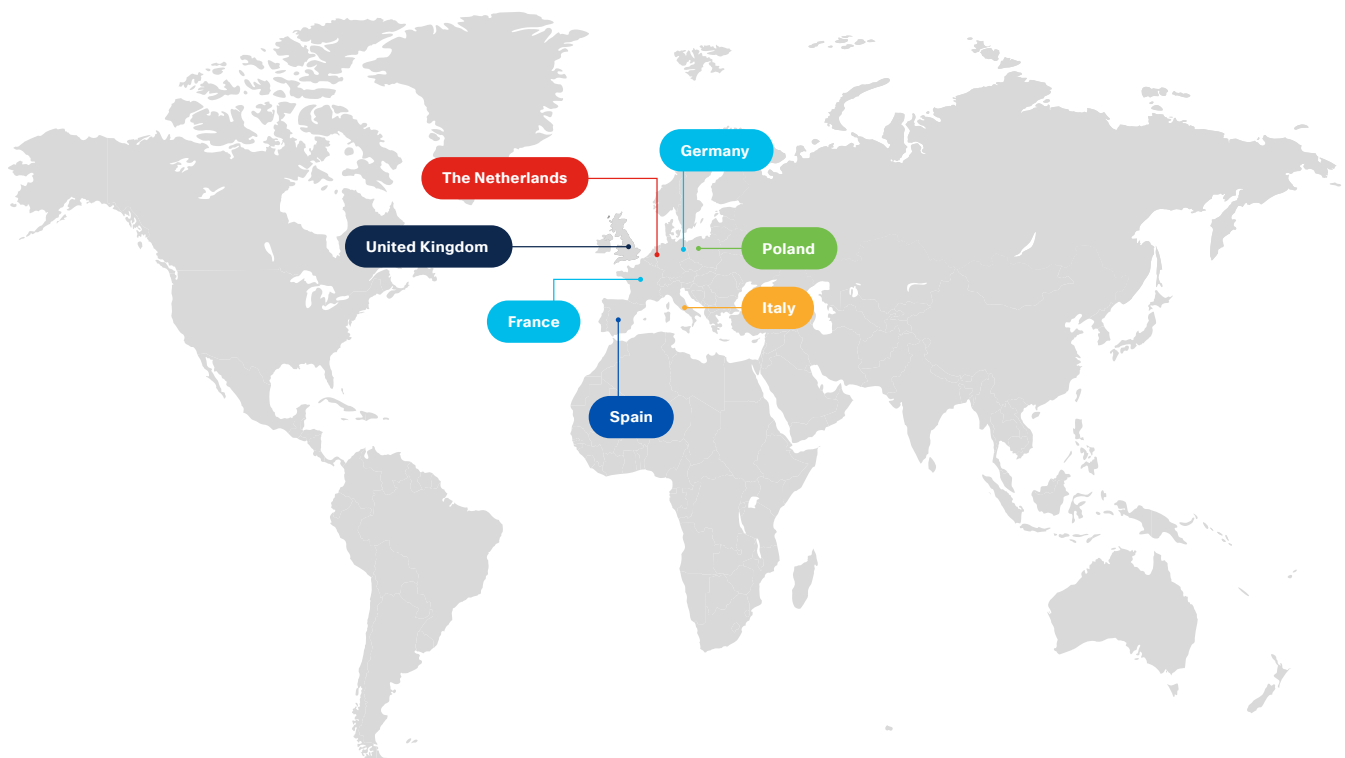
This report is based on a survey of 3,500 full-time employees and 1,050 employers, undertaken in January 2024. Respondents are from **seven European markets: France, Germany, Italy, The Netherlands, Poland, Spain and United Kingdom.**

The research focused on uncovering insights regarding how employees and employers view hybrid work arrangements (a mix of working from the office and working remotely) and how they are using their workspaces to support these arrangements. It reveals the significant benefits and opportunities that hybrid working arrangements have brought to both employees and employers, while simultaneously highlighting that as employees embrace a hybrid work style, their expectations of what the office is used for is changing. The results show that work needs to be done to reimagine workplaces and workspaces to cater to the evolving expectations so that employees and employers can fully realize benefits of hybrid working. Further, employers must address the key differences in how people from four generations in the workforce (**Baby Boomers, Gen X, Millennials, and Gen Z**)



have responded to hybrid working tools and technologies. The research also explores and ultimately debunks some common misconceptions about employee sentiments regarding returning to the office.

Respondents work for companies of a range of sizes: small (10-499 employees); medium (500-1,000 employees) and large (1,000+ employees). They also represent a wide range of industries: Business Services; Construction; Education; Engineering, Design and Architecture; Financial Services; Healthcare; Manufacturing; Media and Communications; Natural Resources; Personal Care and Services; Real Estate; Restaurant Services; Retail; Technology Services; Transportation; and Travel Services.





The Return to the Office is Real, and Employees Welcome It

Remote and hybrid working suddenly became ‘the new normal’ following the global pandemic, with many organizations quickly realizing the benefits of this new way of working.

The employers we surveyed across Europe believe that hybrid working has most positively impacted their employees’ wellbeing (63%) and productivity (59%), as well as unlocking cost savings (59%) for their organizations. While most employees agree, notably they are less likely to agree that they have been more productive (47%).

Today, nearly eight out of 10 organizations across the region have at least 10% of their workforce on hybrid working arrangements, while half have more than 30%.

For those on hybrid working arrangements, the largest share of employees attend the office three to four days per week according to employers.

Employers also report that a third of all interactions in their office have someone now joining remotely, and they see multiple benefits from collaboration technology shaping the workplace of the future.

This trend is forecast to grow, and within two years 83% of employers expect hybrid working arrangements to become an embedded norm, with only 17% of employers expecting the average employee to be working full time at the office.

Respondents believing hybrid working arrangements have positively impacted their organization

		● Employers ● Employees						
	Total	France	Germany	Italy	The Netherlands	Poland	Spain	United Kingdom
Productivity	59% 47%	63% 44%	56% 46%	63% 45%	56% 43%	63% 46%	53% 51%	56% 51%
Cost savings	59% 55%	59% 44%	56% 52%	64% 61%	48% 48%	73% 60%	48% 61%	64% 62%
Employee wellbeing	63% 53%	69% 52%	61% 54%	66% 55%	56% 47%	67% 50%	57% 58%	62% 55%
Team communication	45% 34%	54% 33%	34% 33%	50% 34%	41% 31%	59% 36%	36% 33%	45% 36%
Diversity and inclusion	44% 36%	48% 37%	41% 34%	42% 37%	36% 31%	62% 35%	36% 41%	36% 34%
Workplace culture	40% 33%	41% 30%	39% 35%	42% 35%	36% 25%	59% 40%	30% 32%	37% 32%



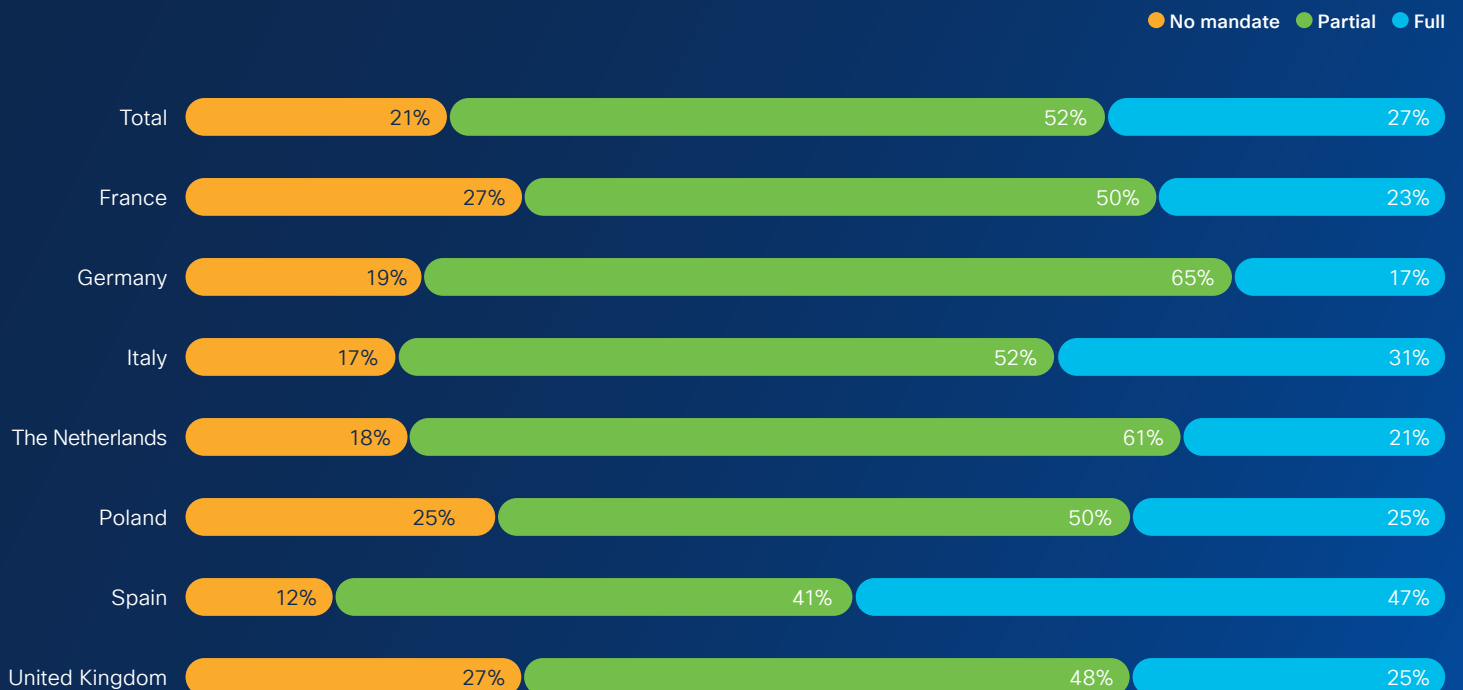
Employers forecasting that the average employee will be a hybrid worker within two years



However, our study also shows that employers have been quick to realize the need to get the balance right between working from home and the office to create a truly successful hybrid working experience. With this in view, mandates to return to the office have been reintroduced. Nearly eight out of 10 employers have now either partially mandated returning to the office (52%) or fully mandated this (27%), leaving only 21% who have not mandated any return.



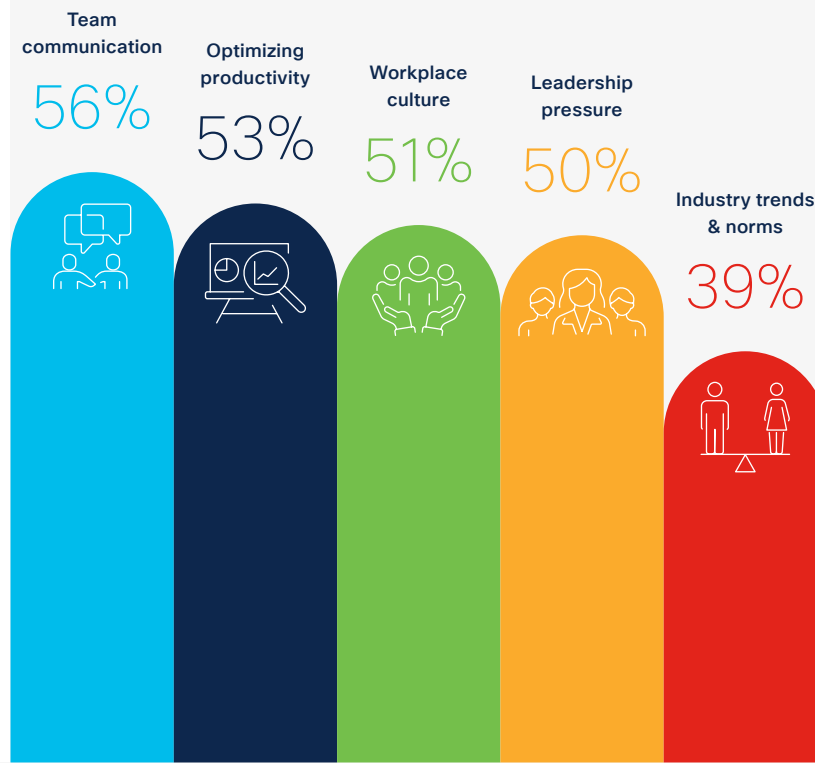
Companies mandating a return to the office



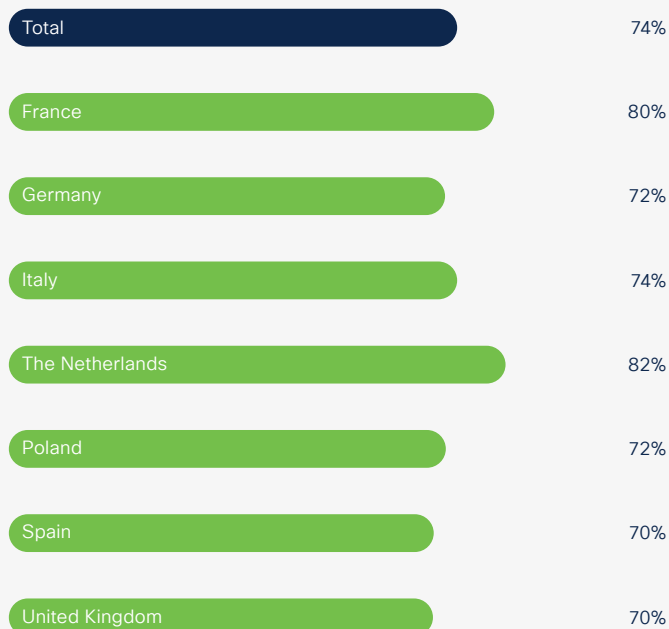
The strongest factors that have influenced these mandated returns by employers across the region are maintaining team communication (56%), optimizing productivity (53%), preserving workplace culture (51%), and responding to leadership pressure (50%).

Counter to popular belief, these mandates have been welcomed by the vast majority. Over two thirds (68%) of employers say that employees have positively received the company's mandate to go back to the office – whether it has been a full or partial mandate. Three-quarters of employees (74%) corroborate this saying they feel positive about their organization's mandate, with Baby Boomers most likely to feel this way.

Top five factors influencing mandates to return to the office



Employees saying they positively received organization's mandate to return to the office



Among the 31% of employers with some employees who have not welcomed a return to office mandate, the issues they have experienced the most are decreased productivity, decreased morale and engagement, and decreased wellbeing. Out of this group, only 21% say staff have left as a direct result of their mandate.

When looking into the reasons for the high levels of positivity around returning to the office, those most commonly rated in the top three across the region for both employers personally and employees are interacting and socialising with others (74%), collaborating with others (71%), ideating and brainstorming (53%), developing a sense of belonging (46%) and combatting feelings of isolation (32%).

Personal flexibility and comfort and seeing office attendance as unnecessary are the strongest drivers for employees to work from home by a significant margin.

Employers saying that employees have left due to return to office mandates

Total	21%
France	31%
Germany	23%
Italy	21%
The Netherlands	23%
Poland	16%
Spain	10%
United Kingdom	27%

Drivers for employees to return to the office

	Total	France	Germany	Italy	The Netherlands	Poland	Spain	United Kingdom
Develop a sense of belonging	46%	32%	60%	46%	61%	42%	37%	43%
Collaborate with team members and learn	71%	66%	72%	70%	72%	70%	70%	77%
Ideate and brainstorm with colleagues	53%	67%	44%	43%	53%	51%	66%	49%
Interact and socialize with colleagues	74%	75%	74%	76%	77%	73%	72%	72%
Combat the feelings of isolation while working from home/remotely	32%	35%	23%	39%	18%	39%	31%	36%
Others	4%	3%	3%	4%	6%	4%	5%	4%

Employee preference for working arrangements

	Total	France	Germany	Italy	The Netherlands	Poland	Spain	United Kingdom
I prefer working from home and find it the most productive option	18%	14%	19%	11%	17%	17%	22%	26%
I prefer working in the office and find it the most productive option	41%	47%	44%	46%	36%	42%	35%	34%
I prefer a mix of both working from home and the office, depending on the task	31%	28%	26%	34%	35%	29%	34%	30%
I don't have a preference and am equally productive regardless of the location	11%	12%	11%	9%	12%	12%	9%	10%

As a result of these factors, we see a fairly even split between work preferences. The largest portion of employers across Europe (39%) now personally prefer a mix of working from home and the office, followed by 37% who prefer to be in the office mostly, and only 20% whose preference is working mainly from home. This picture is slightly different for employees, with 41% preferring to work mostly in the office, followed by a mix of working from home and the office at 31%. Only 18% prefer working from home. The oldest generation within the workforce, Baby Boomers, are most likely to favor working primarily from the office and the youngest generation, Gen Z, are the most likely to favor working mostly from home. Millennials (Gen Y) are the most likely to favor hybrid working arrangements.





Workplaces and Workspaces Not Ready for the New Way of Working

With both employers and employees looking to achieve the perfect hybrid working arrangement, our study reveals that less than a third of employers across Europe (32%) say their office spaces are very well prepared to support evolving hybrid working needs, and just over one third (37%) of employees believe the same.

This sentiment is being driven by the fact that employees feel that most parts of their current office set up are not designed in a way that promotes in-office productivity, especially in light of the changing expectations around office use.

Despite collaborating with colleagues being one of the key reasons employees want to go to the office, 85% of employers say that most of their organization’s office space is allocated to personal working spaces.

Respondents believing office is ‘very well prepared’

	Employers	Employees
Total	32%	37%
France	25%	26%
Germany	37%	38%
Italy	24%	23%
The Netherlands	30%	42%
Poland	44%	42%
Spain	29%	46%
United Kingdom	38%	42%

Even where organizations have the provision of flexible working spaces to support in-office working, there is consensus that these areas are currently not 'highly effective' in enhancing in-office productivity. While the numbers vary slightly, both employers and employees have similar opinions about this.



Respondents saying different kinds of workspaces are ineffective or only moderately effective

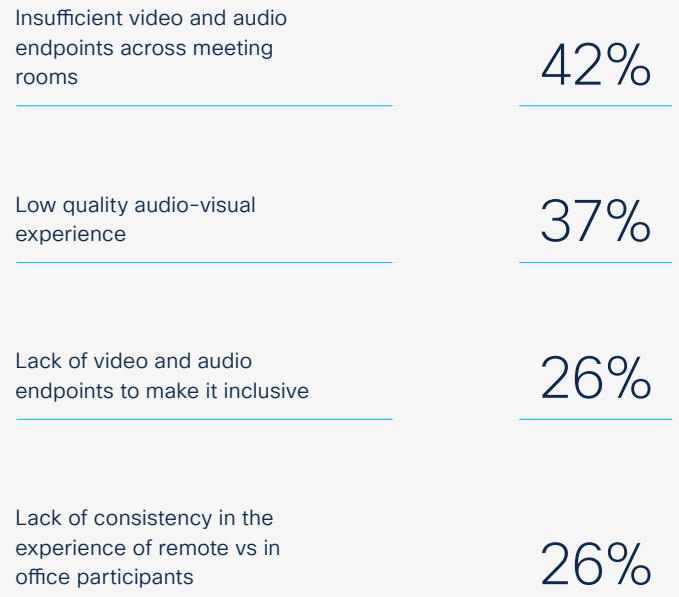


Around six in 10 employees (61%) and employers (59%) say that individual workstations are either ineffective, or moderately effective at best, at enhancing in-office productivity. 69% of employees and 67% of employers say large meeting rooms are either ineffective, or moderately effective, at enhancing in-office productivity. For small meeting rooms, 68% of employees and 65% of employers feel the same. 60% of both employees employers say huddle spaces are either ineffective, or moderately effective at best, at enhancing in-office productivity.

As employers look to redesign their office space to meet the evolving expectations, they must tackle another challenge – that of making it attractive and effective for a multi-generational workforce. The study has highlighted differences in how employees across generations perceive the effectiveness of dedicated areas.

Amongst the employers who feel meeting rooms are ineffective in enhancing in-office productivity, the main reasons given are lack of video and audio endpoints in rooms (42%), the low quality of the audio-visual experience (37%), lack of video and audio endpoints to make it inclusive (26%) and a lack of consistency in the experience of remote vs in office participants (26%).

Reasons why meeting spaces are ineffective for employees



Respondents believing that tools do not integrate seamlessly

	Employers	Employees
Total	88%	90%
France	82%	92%
Germany	91%	91%
Italy	84%	91%
The Netherlands	87%	92%
Poland	87%	88%
Spain	94%	87%
United Kingdom	92%	88%

On average, just under half of meeting rooms across organizations have video and audio capabilities. Further to this, there is a universal feeling that currently available collaboration tools do not integrate with each other seamlessly, with around nine out of 10 employees (90%) and employers (88%) highlighting this in the survey. In fact, even among the youngest of the employees (from Gen Z), who are thought to be digital natives, only 10% feel that these tools integrate seamlessly, highlighting the urgency to address this issue.

Employers believing their organization is providing a well-managed hybrid working experience for employees



When it comes to employees working remotely, in office, and in between environments (for example while commuting) just under half (45%) of employers believe they are ensuring a well-managed experience. A further 40% say they are partially achieving this with issues with working from home as the greatest challenge.

Both employers and employees say the top challenges they face relating to technology and workplace set up when working remotely are internet connectivity, followed by difficulty collaborating with remote team members, and inadequate equipment or tools.

Finally, the study reveals that work needs to be done even outside of the office, as 63% of employees say their current collaboration tools are ineffective, or at best moderately effective, in enhancing home-based work productivity. This feeling is shared by employers as well, with 59% of them saying the same.





The Race to Reimagine

As a result of the move to spend more time in the office and perhaps growing awareness of the mismatched expectations of what the office of today should offer, most organizations are taking action to reimagine and redesign their workspaces.

More than seven out of 10 employers say their organization has either completed an office redesign in the wake of the global pandemic or is planning or underway with one. A third of employers (33%) are planning to redesign their office space within the next 12 months, with 32% looking to do so in the next one to two years.

These redesigns are taking place in the context of employees wanting to use the office for different kinds of tasks than before. The top-rated functions regionally as indicated by both employers and employees for offices of the future to facilitate are 'enablement for local collaboration and teamwork' and 'flexibility and adaptability to tailor a more individualized work experience'. The third most highly rated function for employers is 'fostering innovation and creativity', while for employees it is 'better integration and connectivity between work and home life'.

Progress and plans for office redesign

	Redesign completed	Redesign underway	Redesign planned
Total	18%	34%	20%
France	19%	38%	16%
Germany	22%	31%	21%
Italy	13%	36%	30%
The Netherlands	17%	30%	24%
Poland	23%	30%	15%
Spain	14%	31%	19%
United Kingdom	20%	41%	11%

Drivers for office redesign

	Technological advancements	Changing employee expectations	Better enabling hybrid work
Total	38%	35%	36%
France	37%	37%	37%
Germany	46%	32%	39%
Italy	41%	26%	38%
The Netherlands	31%	39%	42%
Poland	34%	39%	36%
Spain	35%	24%	32%
United Kingdom	43%	47%	28%

By extension of this, the biggest drivers for organizations to transform workplaces are to cater to new technological advancements, better enable hybrid work, and adapt to changing employee expectations around what they come to the office for.

As a result, technology and collaboration spaces are the aspects of the office that are given the most focus, and most likely to be budgeted for in redesign projects. They are also rated as most important by employees – showing strong alignment. With nearly two-thirds (63%) of employees believing their current office space(s) does not perform very well in supporting evolving hybrid work needs, the necessity of this work is evident.

Regular enhancements to workplace layouts (50%) and technology features (46%) are the top items organizations have allocated budgets for in relation to workplace design.

Perspectives on performance of different aspects of the office and their priority for redesign

	Employers rating as top three aspect looking to redesign	Employees rating as top three aspect for redesign	Employees rating current performance as 'very well'
 Collaboration and meeting spaces	63%	55%	20%
 Technology and infrastructure	59%	57%	27%
 Layout and seating	58%	60%	19%
 Sustainability and eco-friendly features	45%	36%	14%
 Health and wellness amenities	42%	50%	16%
 Privacy and security features	33%	42%	25%

Priorities for transformation of collaboration technology

	Employers want transformed	Employees want transformed
 Enhanced remote access	45%	46%
 Whiteboards or interactive displays	43%	35%
 Hybrid meeting rooms	43%	35%
 Upgraded individual working spaces	42%	44%
 Wellness spaces	32%	36%
 Enhanced digital collaboration channels	21%	24%

Nearly a third (32%) of employers in the region say they have increased the proportion of their office space in relation to their headcount (by an average of 30%), just 11% say they have decreased this (by an average of 24%) and 57% have maintained the same ratio.

From these results, we can clearly see that employee experience remains front and center for office redesign considerations. With an overwhelming nine out of 10 employers (90%) and employees (87%) across the region believing there is a positive correlation between workspace design and employee satisfaction, this trend does not look likely to abate any time soon.

When it comes to collaboration technology, both employers and employees across the region have similar priorities for what they would like transformed in their office.

Our study further reveals that sustainability sits further down the pecking order as a priority for organizations across the region in their workspace arrangements. Only 45% of employers and 36% of employees say that sustainability is a top priority in redesigning and reimagining their workspaces and that they have comprehensive plans in place to integrate eco-friendly practices and technologies. Perhaps resulting from the lack of consideration in this area and slower progress in measurement of environmental impact, office footprints also appear to be increasing.





Bridging Education Gaps and Bringing Employees on the Journey

While over two thirds of employers say they are providing necessary technology to ensure a seamless transition from the home to the office, significantly fewer are providing an array of necessary practical supports.

The most common support features provided include flexible work arrangements to reduce the need for constant transitions (50%), comprehensive training and support for technology usage (48%), and network infrastructure both at home and in the office (42%). Advanced network monitoring and troubleshooting tools are provided by just 18%. Just one in four employers (25%) say they have not provided any additional support to assist employees with hybrid working.

In terms of enabling technology and tools, most employers are providing video conferencing platforms (54%), instant messaging and team chats (52%). Less than half are providing cloud-based document sharing (49%), project management and collaboration tools (43%), and interactive virtual meeting rooms (33%) but these numbers do not indicate mainstream adoption.

Employees who either do not have access to the technology or at best moderately equipped to use it



With an eye on the future, 19% also provide office footprint monitoring and smart meeting room assistants.

While most employers are clearly making progress in deploying a wide range of collaborative technologies and tools to support hybrid working, significant work still remains to simplify the experience to better enable employees to more fully utilize these tools and technologies.

Providing the tools alone is not sufficient, as in general most employees who can access enabling technologies don't feel highly equipped to use them, making simplicity even more important as a central focus for implementation. The majority of respondents report either a lack of access to or proficiency in these technologies.

For instance, three-quarters (75%) lack access to or proficiency in project management or collaboration tools, with seven out of ten reporting these issues with video-conferencing platforms (71%) and cloud-based document sharing (70%). Even higher proportions lack access and proficiency in the use of office footprint monitoring and smart meeting room assistants (84% for both).

Therefore, to optimize productivity in hybrid working environments, the provision of collaboration tools and technology needs to be backed up by appropriate training and support to use them.





Recommendations for Companies

Smart companies interested in future-proofing their working infrastructure should be placing the following Big Bets for Hybrid Work Trends in 2024:

- Updated meeting spaces
- Deploying hybrid work technology and network infrastructure
- Modernizing office layouts and seating in line with collaborative working requirements
- Building-in sustainable and friendly features

They also need to recognise these key themes:

1 Accelerate Hybrid Plans: Hybrid working arrangements are here to stay. From technology to workspace design to corporate culture, leaders should ensure that all aspects of their employee experience are aligned to supporting this working style.

2 Invest in Understanding: Our research shows that some disconnects exist between employer and employee perceptions, expectations, and needs, and it's easy to see how these can be formed. As

investments in office infrastructure are costly and for the long term, it's vital for employers to spend time really understanding what their employees need.

3 Make the Journey Easy: Simplicity. Simplicity. Simplicity. It's evident from our research, that while most employees need better technology, tools, and workspaces, they also need training and support to get the best out of these and can easily become overwhelmed and confused with technology and system overload.

4 Being Connected Everywhere: Resolving connectivity issues and ensuring interoperability is crucial to create a seamless and stress-free working and collaboration experience with a hybrid workforce.

5 Age is Not Just a Number: Our study uncovers significant differences between the viewpoints of employees from different generations that need to be accounted for.

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