

Embracing the hybrid workforce

The evolution of office design for a flexible future

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Research

2024 U.S. and
Canada Design
Trends

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Office design is evolving to meet new workplace standards

Office fit-outs are evolving to meet the needs of new hybrid work models. Here are three trends to consider when developing office fit-outs in 2024:

Human-led design is reshaping workplaces

There's a shift toward human-led design, influenced by the stabilization of hybrid working patterns. While hybrid work offers flexibility, the focus remains on creating spaces that support collaboration, focused work, sound privacy and the integration of technology to enhance the overall human experience. The JLL Human Experience (HX) survey highlights that a well-designed workplace layout, complete with the right mix of furniture, can reinforce employee satisfaction by striking the perfect balance between collaborative and focused work.

Sustainable space will be top of mind

With more companies committing to net zero targets, there is an increased emphasis on incorporating eco-friendly practices in office fit-outs. This includes the adoption of lower embodied carbon targets and circular economy principles that aim to maximize resource use, minimize waste and regenerate products and materials. While there may be up-front cost premiums, green energy solutions and low-carbon materials offer long-term returns on investment. There is a rising demand for low-carbon offices, prompting efforts to improve the quality of existing office fit-outs.

Cost considerations grow more complex with hybrid

The emergence of hybrid work environments has introduced unique cost considerations. Designing spaces with advanced technology that accommodates both in-person and virtual collaboration can be complex and require more capital. As a result, organizations are spending more on multifunctional rooms and virtual meeting technology to support their hybrid model. However, there are signs of stabilization in the post-pandemic period of price inflation for construction costs.

01

Human-led design

As hybrid work patterns become the norm, they will continue to shape design trends and impact related fit-out expenses. Employers are focused on creating flexible spaces that prioritize the well-being of individuals and leverage integrated technology to support the human experience.

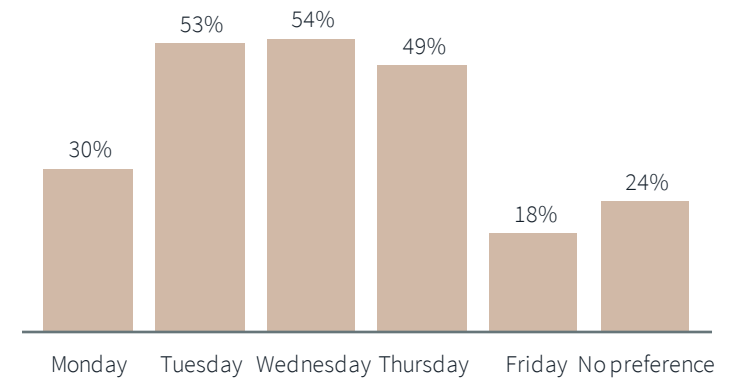
As office design adapts to the hybrid work approach, it's crucial to balance office-based focused workspaces with collaborative and flexible spaces in order to strike a balance.

Enhancing workplace experience

Workers in the U.S. and Canada are spending slightly more than three days per week in the office. Employer mandates are driving greater attendance, as many cite productivity gains as a key driver for bringing people back. Companies are evaluating their workplace experience to determine how their physical spaces can engage employees who are adapting to hybrid work and how office design can better support employee productivity.



% of employees working in the office on each day



Employers will continue to focus on designing for well-being and evidence-based design. Burnout rates globally are at an all-time high, with research from Gallup showing that “worker stress has remained at record high levels since the pandemic.” A recent consumer trends survey from McKinsey also highlights that the global wellness industry continues to grow as a reflection of employee expectations. Noted themes include sleep health, healthy aging and bio-monitoring, which can all be influenced by the design of workspaces.

Office policies will also heavily emphasize providing health- or well-being-focused amenities (i.e., wellness rooms, gyms, healthy food options) and design features that promote wellness such as quiet spaces, biophilic design, active design features, etc.

Flex and focus: Hybrid workplace standards

Both employees and employers cite collaboration as a key factor for returning to the office, but while there, more than 56% of employees’ time is spent on focused work at individual workstations.

The JLL Human Experience (HX) survey assessed data from projects in the U.S. and Canada to identify the key HX factors influencing occupier and employee satisfaction.

Employees cite the lack of “sound privacy” as well as access to “focused workspaces” and “private workspaces” as key reasons for lower satisfaction rates.

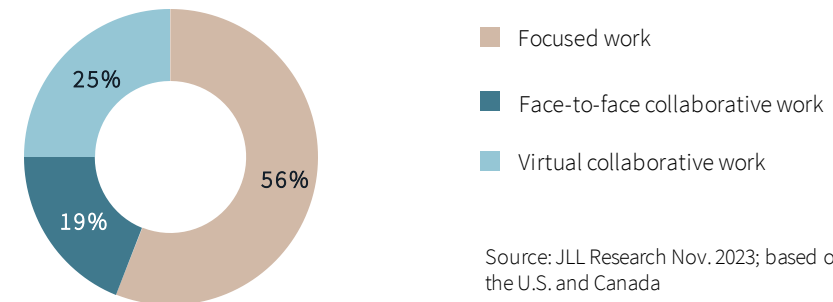
To balance the need for collaboration space with virtual and face-to-face meetings, employers should incorporate flexibility in both layout and furniture solutions.

JLL Human Experience (HX) survey

The JLL HX survey is carried out by our Global Benchmarking team to assess the performance of a workplace design on employee experience.

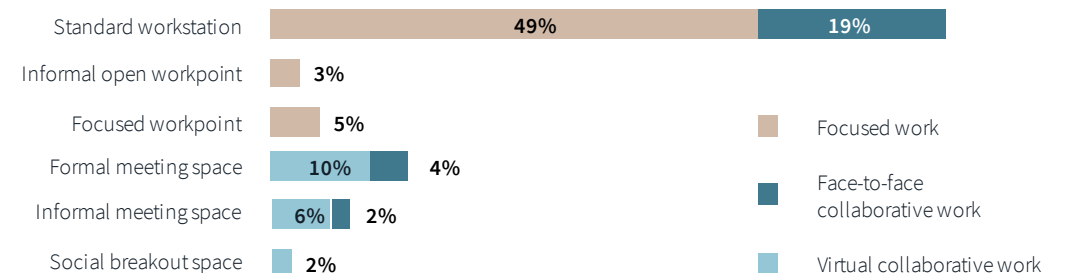
The survey asks employees about their experience of 60 workplace factors in the office, comparing reported satisfaction and importance to quantify how well the office is meeting their needs.

Work activities breakdown overall



Source: JLL Research Nov. 2023; based on 3,091 respondents in the U.S. and Canada

Work activities by location within the office



02

Sustainable mindset

Rising demand for sustainable buildings and spaces that support corporations' low-carbon goals and meet employees' rising expectations are setting a new standard for office fit-outs.

Sustainability features can help occupiers reach their net zero goals and create opportunities for cost savings, too. The circular economy, or simply the recycling of materials, represents an enormous opportunity for the built environment. In office fit-outs, this includes reusing furniture or using refurbished materials, use of low-carbon materials and use of modular design to maximize flexibility and reuse.

The principle of reuse has a much wider context than simply decarbonization — it's about being able to respond to changes in future work or social patterns. Through the smart application of circular practices, employers and/or property owners can realize significant carbon savings across the entire lifecycle of a building, as well as delivering cost benefits and providing opportunities to enhance social value.

CRE leaders should prioritize circularity as a key component to meeting net zero goals and achieving cost-saving opportunities where possible. While circular design may initially incur higher costs, once put in place, materials and programs can be maintained through multiple fit-outs.

Case study

Driving Sustainable Transformation

How JLL assisted a textile company in meeting wider environmental goals

Situation:

Instead of developing a new 70,000 s.f. headquarters, JLL helped a textile company fully renovate an existing 40,000 s.f. 1960s building, adding half a fourth floor and a full interior fit-out.

Results:



Total CO₂ emissions fell by just over 50%



Total waste diversion of 93%



Environmental impact 42% lower than a new building

03

Human performance

Offices and workplaces designed to support hybrid often have more complex space and technology requirements, leading to costly, high-quality fit-outs. Still, the return on investment in productivity and employee satisfaction are tangible.

Creating hybrid-friendly offices and workplaces requires more space, better technology and higher fit-out quality to increase employee engagement. It costs more to create multifunctional rooms and adopt technology that supports virtual meetings and the dynamic management of offices spaces. It's important to balance the long-term costs of managing dynamic environments, as well as the benefits to employee productivity and well-being.

The JLL HX survey highlights factors that contribute to increased satisfaction and the importance of “human-led design.” Well-being features top the list in terms of greatest satisfaction in post-design surveys. The nature of work also brings about the need for more focus areas.

Requirements for a variety of spaces have become more complex, as designs need to balance different types of collaboration and focused workspaces. However, getting these right can greatly increase satisfaction. The demand for spatial variety is increasing; in the past three years 38% of companies have increased the number of focus rooms in their offices, and 42% have increased open collaboration areas.

Focused workspace and collaboration spaces are both increasing, reflecting new hybrid needs, and while these can be less expensive than traditional enclosed offices, they are often more expensive than desks.

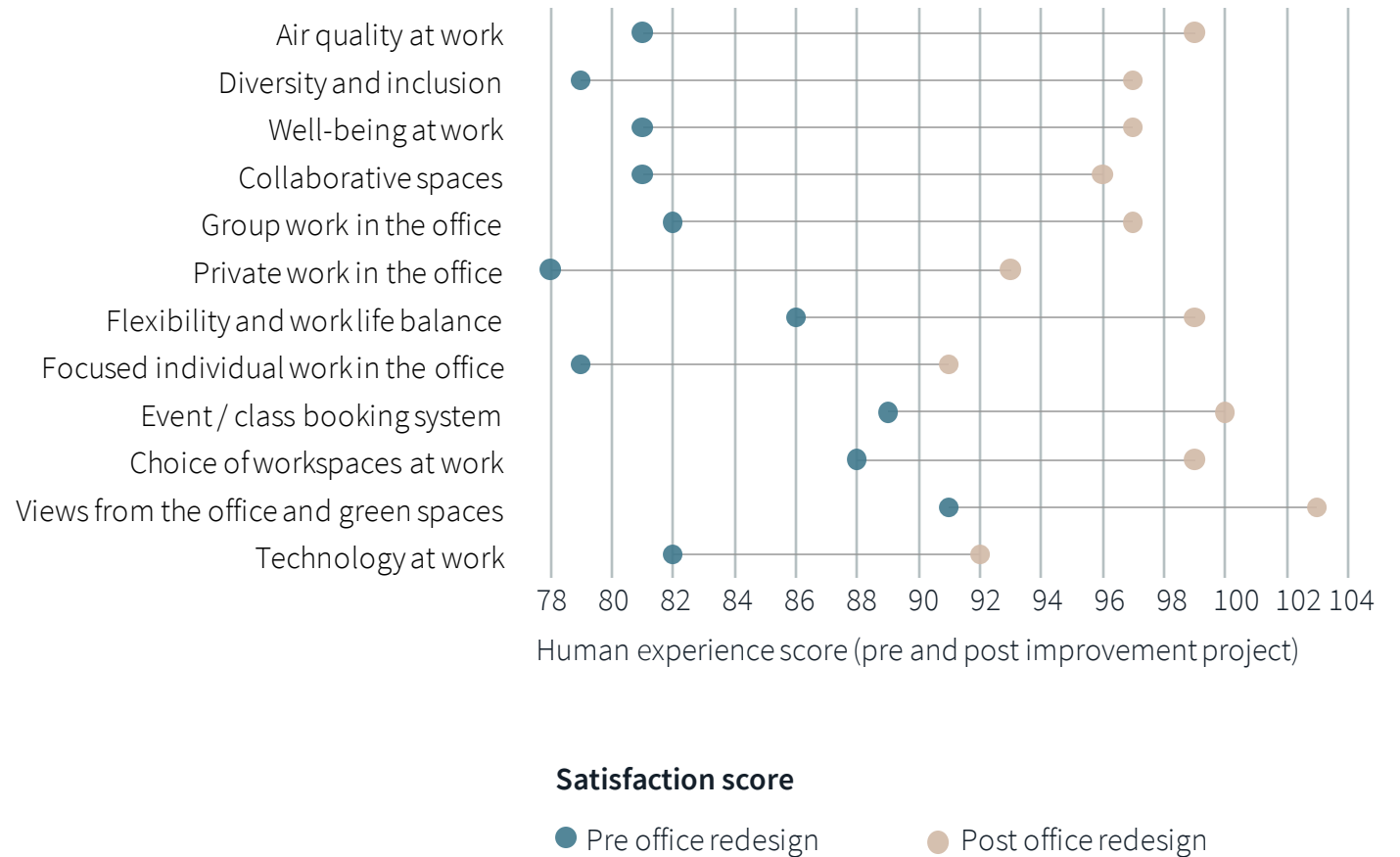


The definition of a workstation is now more broadly defined than ever before. Nearly 40% of companies count hoteling stations and 28% count touchdowns (non-reservable desks for drop-in employees as a seat in planning schemes. In the last three years, 31% of companies increased the number of touchdown spaces, 29% increased open team settings and 18% increased bench seating.

Investing in workplace factors that improve human performance will deliver greater satisfaction for the employees in the space. Factors with the highest improvement scores following an office redesign can be directly linked to improved performance and well-being. Health and wellness factors showed the greatest improvement in satisfaction. Employee retention, attraction and satisfaction can be influenced by office design.

Incorporating these factors requires investment, but the returns on employee satisfaction, productivity and retention are considerable.

12 factors with the highest improvement in satisfaction score





Key considerations for design

1

Develop a human-led design program to meet the needs of an evolving hybrid workforce

Office design is shifting toward a human-led, hybrid work model that integrates technology throughout a balanced layout space. This approach emphasizes collaboration, privacy, flexibility and sustainability for a new and improved office fit-out. Although technological advancements facilitate these shifts, they may also introduce complex cost assessments related to capital expenditures.

2

Prepare for a sustainable future through smart investments in green solutions

The movement toward green, net zero offices is growing as companies balance sustainability targets with workspace design. Lower embodied carbon targets and circular economy policies are influencing the choice of materials, with a trend toward reuse and recycling. While there may be initial cost increases, green energy solutions and low-carbon materials will generate long-term returns.

3

Invest in the right design factors to drive human performance, balancing a complex cost environment

Construction costs are expected to increase in the U.S. and Canada due to various factors. These include labor shortages, material cost fluctuations, labor retention issues and economic factors such as interest rates. However, the benefits of employee retention, satisfaction and productivity from adopting hybrid workplace designs lead to strong incentives for companies to invest in office enhancements.

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Research at JLL

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