

Real Estate to go

The world of offices – Focus Germany

Issue 2 - January 2020

Single office preferred

58% of German management still occupy a single office. The distribution of employees also differs from modern office concepts in other countries: 37% sit in a single office, 28% in a double shared office and only 15% in an open plan office. The idea of greater flexibility seems not yet to have been adopted in German offices.

Share of executive management with single offices

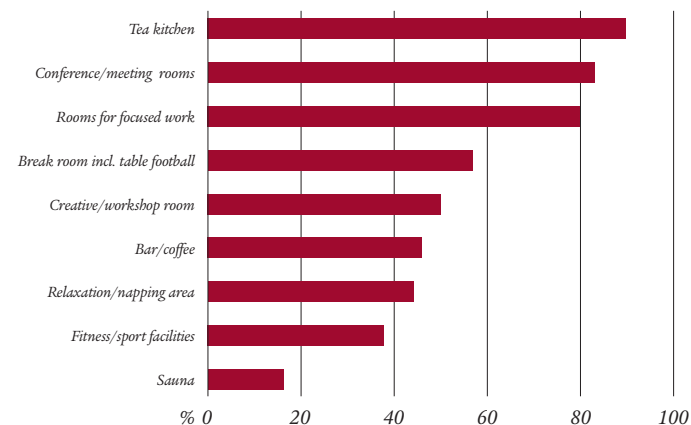


Source: Wirtschaftswoche (based on Ipsos, 2017), Indeed

The true office needs

Modern office concepts often encompass several stylish areas such as fitness studios, bars or lounge areas. However, traditional areas such as the tea kitchen, meeting rooms and work-focused rooms are far more important to employees. The often-discussed innovations do not appear to have found their way into the office yet.

Importance of various rooms in an office (voting "important")

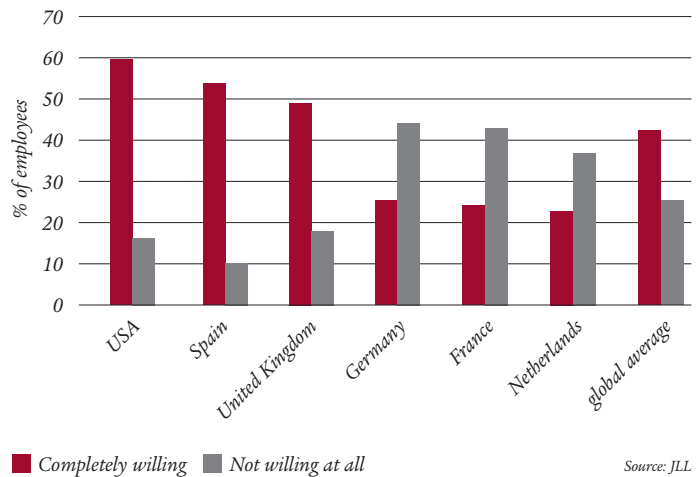


Source: CCL/Savills

Innovative office? Not for me!

Flexible working and the willingness of employees to adapt to new working environments varies widely across countries. While in Germany and France employees are more critical of innovative environments, the willingness is far higher in the UK and the US. According to the world average, 42% of employees would be willing to give up the cell office for a more innovative office environment.

Willingness to swap cell office for a more innovative office environment

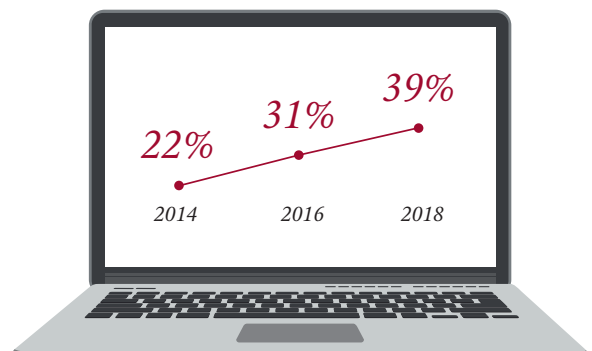


Source: JLL

Home office reluctantly speeding up

The number of companies in which employees work at least partially from home has doubled in the last 5 years. The numbers of individual employees working from home has increased at a slower rate. Companies are reluctant to facilitate more home working due to reasons like a perceived loss of control. Employees themselves are also reluctant due to the impact on collaboration with colleagues and the difficulty separating private and business life at home.

Share of companies offering home office



Source: Bitkom Research, Institute for Employment Research

Sports and fun in the office

Companies, especially those in the innovation-driven sectors, increasingly focus on the interior design of their offices which spurred evolution of design standards. The main characteristics sought are openness and the blurring of lines between office and social space in order to increase creativity. As a result, some offices can resemble playgrounds.

Companies opt for creative space



Lego offers a 20m slide in their HQ in Billund



In Herzogenaurach, Adidas has installed a 4,000 sqm gym



The Google office in Amsterdam has an indoor cycle hall "bike hallway"



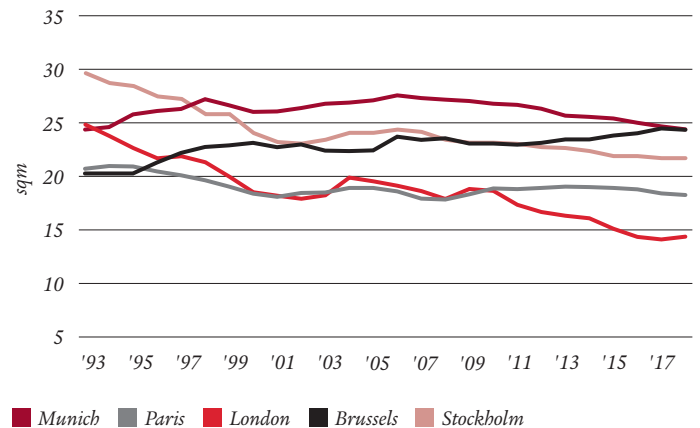
Zalando employees in Berlin can use a yoga studio

Source: Adidas, Google, Lego, Zalando

Share of office space per employee is surprisingly stable

Modern ways of working have decreased the space requirements per employee. Yet office space designed for communication and leisure activities has risen. If one calculates – very simply – the space used in relation to the number of office staff, overall Europe exhibits a tendency of a decreasing per capita space but this trend is not being felt everywhere or by every type of occupier.

Average office space per employee



Source: PMA, own calculations

Research



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