



**THE MAGNETIC
WORKPLACE**

SUMMARY

What is the current role of the workplace and how is it changing? Since early 2020, we've been building a body of data from our Annual Workplace Futures Survey, which informs clients and our design teams about what people want from their workplaces. The results guide us during this incredible time of change for employers and employees alike.

This year, for our third annual Workplace Futures Survey we interviewed 2,500 office workers across Australia, China, Singapore, the United States and the United Kingdom.

By publishing this report, we hope to provide solutions for creating a magnetic culture and working environment. There's no one-size-fits-all solution to the workplace, but these results reinforce that as people return to the office they're seeking flexibility, autonomy, and some of the amenities they had at home.

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KEY FINDINGS



Hybrid is here to stay.

In all the countries surveyed, more people than ever are choosing to split their work week between home and the office. It's not a new trend but the numbers exceed anything we've seen previously, signalling a lasting shift in how people are working.



Employee engagement is declining, but hybrid workers appear to be doing better than others.

We've seen a decline in workplace engagement since the start of the pandemic. But people who spend the majority of their working time in an office have a higher engagement, sense of belonging, and trust.



Forcing people back isn't effective, you've got to attract them.

Survey responses show companies that require people to be back in the office full-time are more likely to see high levels of resignation than companies that give their employees some autonomy and flexibility.



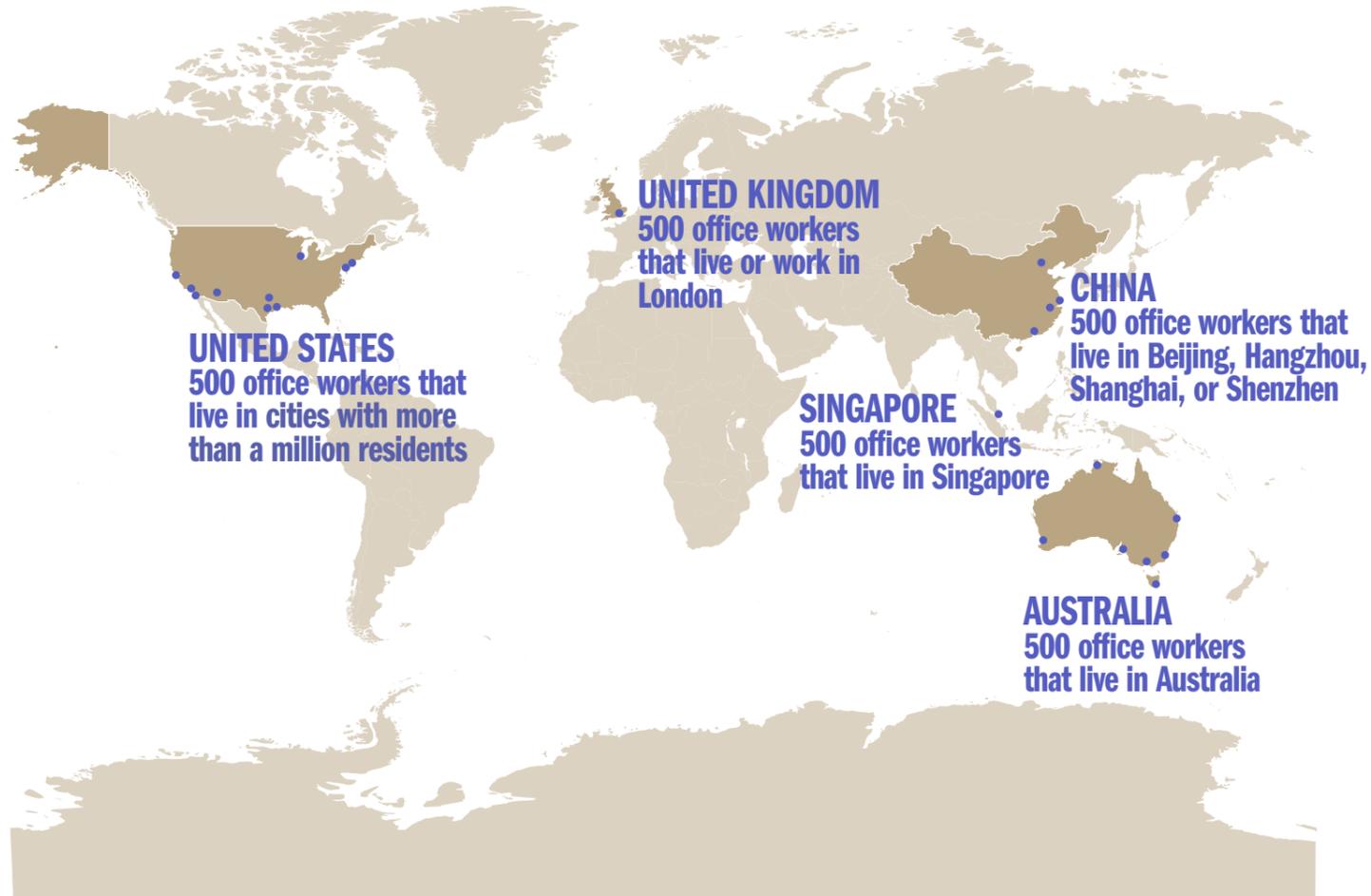
After working from home, people are expecting similar comforts in their offices.

People have spent a long time working at home and are expecting more from their workplace. They want more fresh air, gardens and green space, quality coffee, and enough space to focus without distraction — all the things they get when working at home.

METHODOLOGY

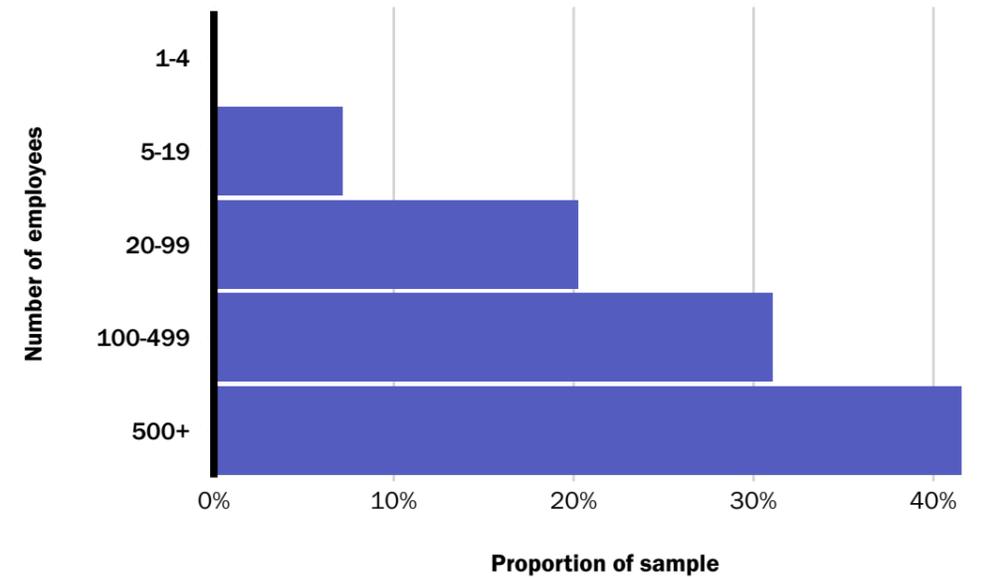
We surveyed 2,500 people in Australia, China, Singapore, the UK, and the US about their current work life. We found these people using a third-party research firm that was tasked with ensuring a representative mix of 500 workers in each country completed the survey.

All the people we surveyed either work in an office building or do work that would have been done there before the pandemic. This data, gathered in late March and early April 2022, builds on previous survey data gathered from 3,100 people since the pandemic began.

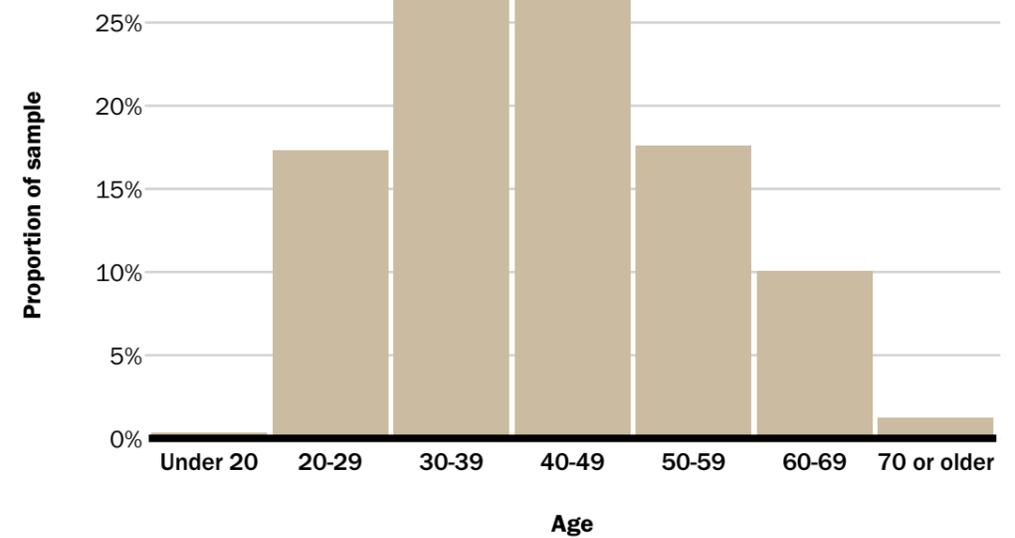


Source: Hassell Workplace Futures Survey. Includes all data globally.

Mostly mid to large firms



Average age: 35-45 years old



HYBRID WORK IS THE NEW NORMAL

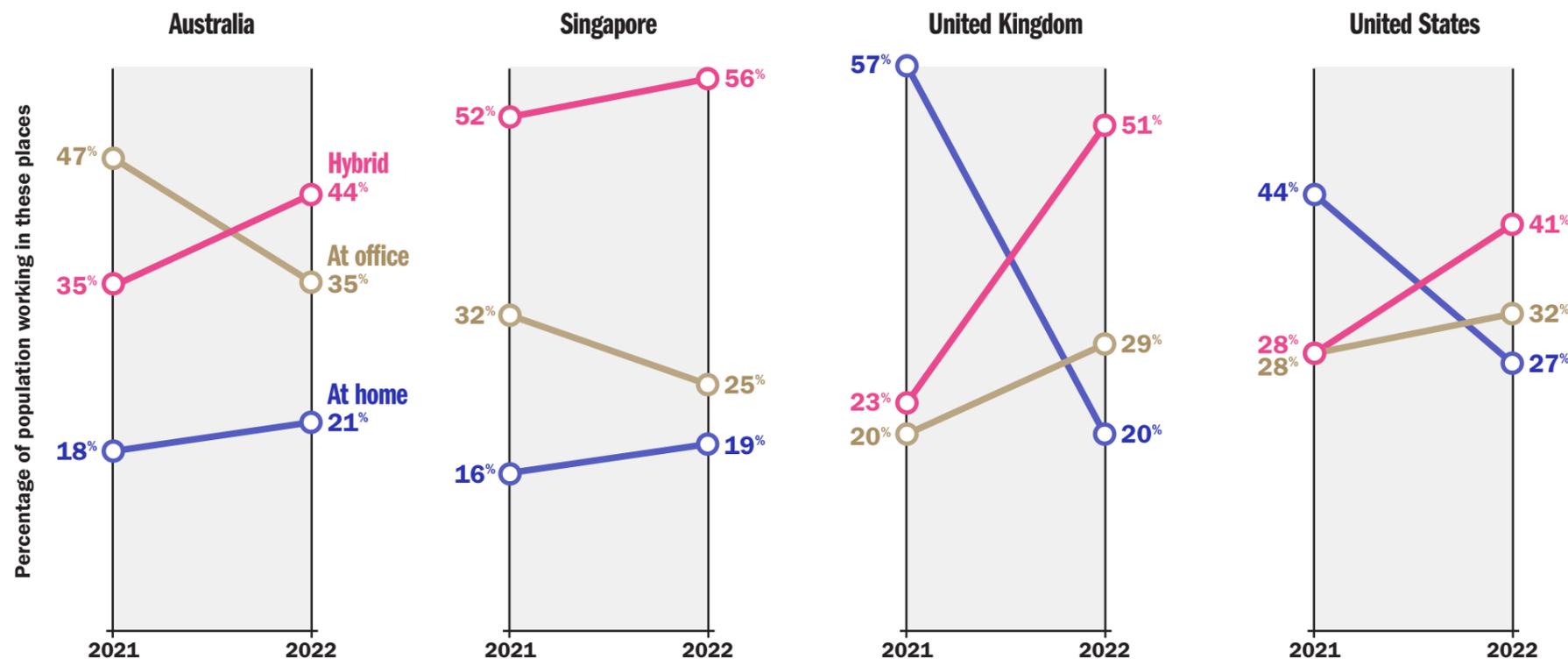
One of the most significant findings in our 2022 Workplace Futures Survey was the prevalence of hybrid work — people spending part of the week working at home and part of the week in an office.

Hybrid work may not be new, but what is unique in this year's survey is the number of people dividing their work location between home and the office, which far exceeds anything we've seen previously. This signals a significant shift in how people are working.

Hybrid work is on the rise. In markets where people were mostly working from home last year, such as the UK, hybrid work is up 28% as people return to the office.

In places where people were already back in the office last year, such as Australia, hybrid work has still grown 9%. In every market we surveyed, more people are hybrid workers than last year. There's still a bit of variation between countries, but for the most part things have levelled out and hybrid work is now the most common mode of work.

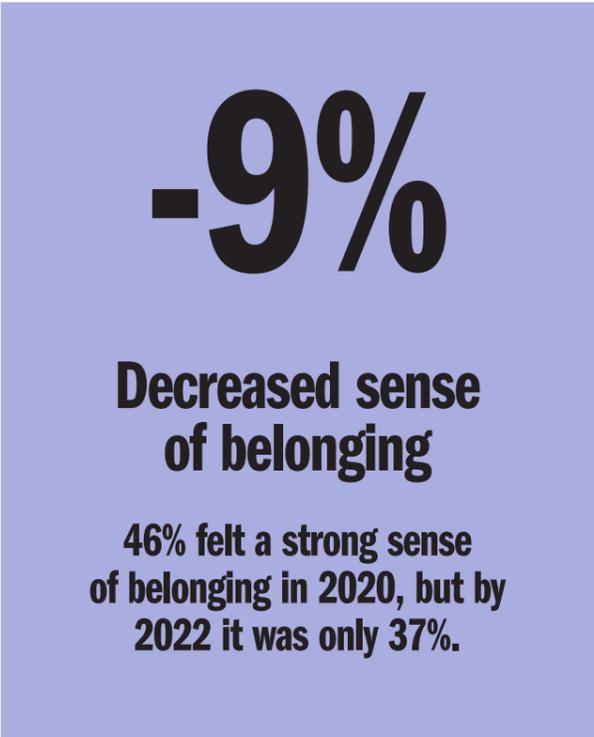
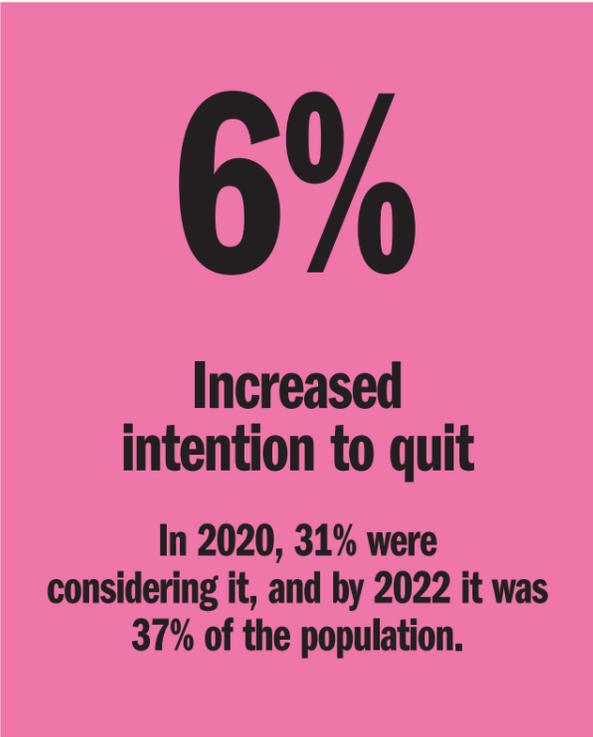
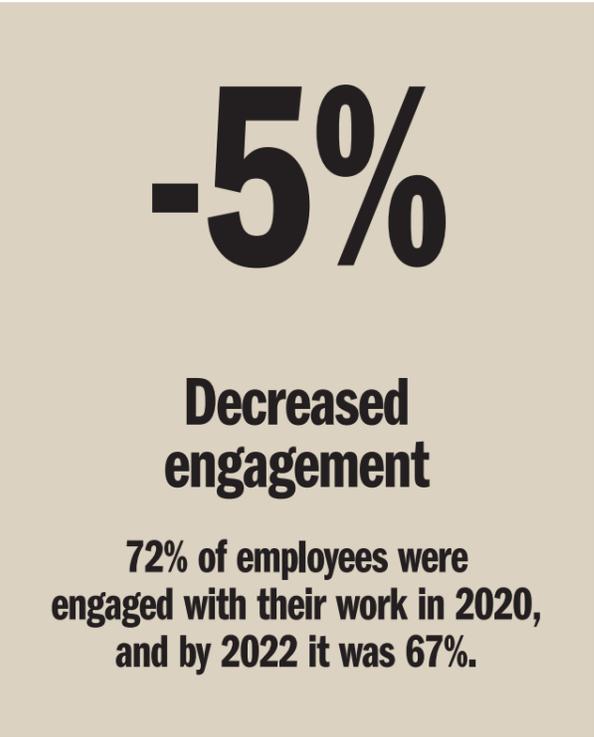
**Hybrid work has increased in all markets
- even those where office attendance decreased over the past year.
The one constant seems to be that more people are
working in a hybrid manner than ever before.**



Source: Hassell Workplace Futures Survey. Includes all data globally.

PEOPLE ARE BECOMING LESS ENGAGED AND LESS CONNECTED

As the pandemic drags on, we're starting to see decreases in employee engagement. At the same time, we're seeing employees quit in unprecedented numbers as "the great resignation" takes hold globally.



Source: Hassell Workplace Futures Survey. Includes all data globally.

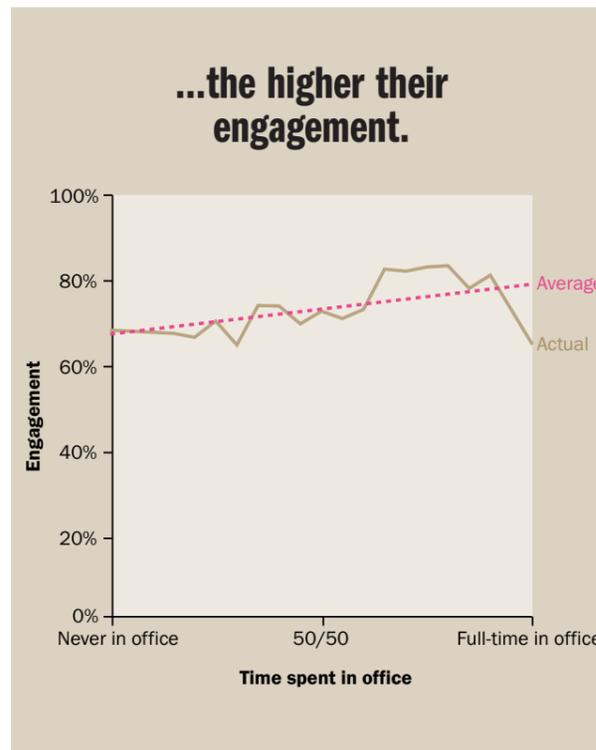
MORE TIME IN THE OFFICE = MORE ENGAGEMENT AND CONNECTION

The more someone is in the office...

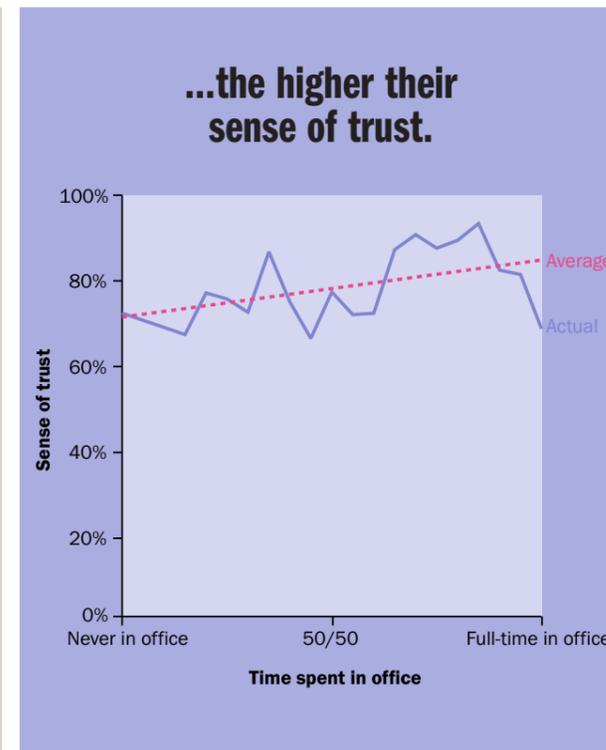
Our analysis shows that the office influences employee engagement. When people did more of their work from an office, their engagement tended to increase, their trust in colleagues increased and sense of belonging increased. But time spent in an office only helped to a point. When people spent more than 80% of their work week in the office, these critical metrics declined.

In terms of engagement, the sweet spot is about 60 to 80% of the week in the office, 20-40% working elsewhere.

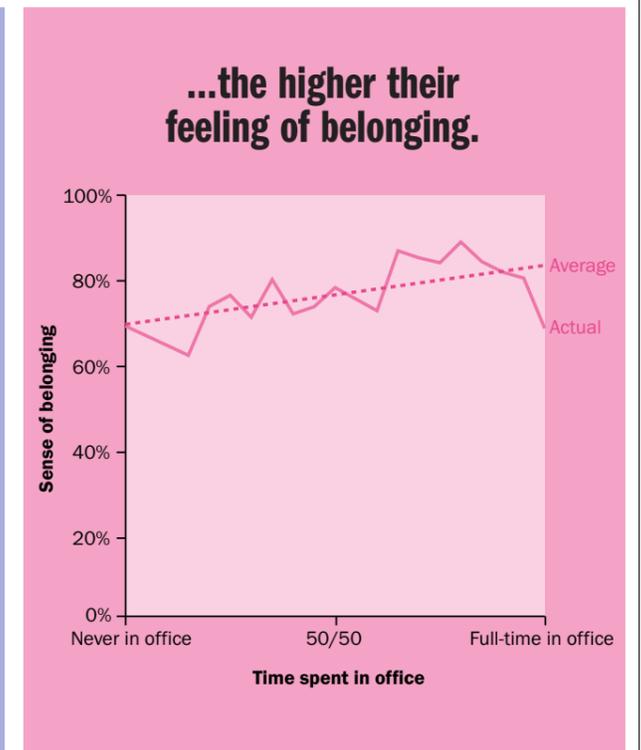
And ultimately, a more engaged employee leads to better productivity and fewer resignations.



(r²=0.29, p=0.017)



(r²=0.21, p=0.047)



(r²=0.33, p=0.011)

Source: Hassell Workplace Futures Survey. Includes all data globally.

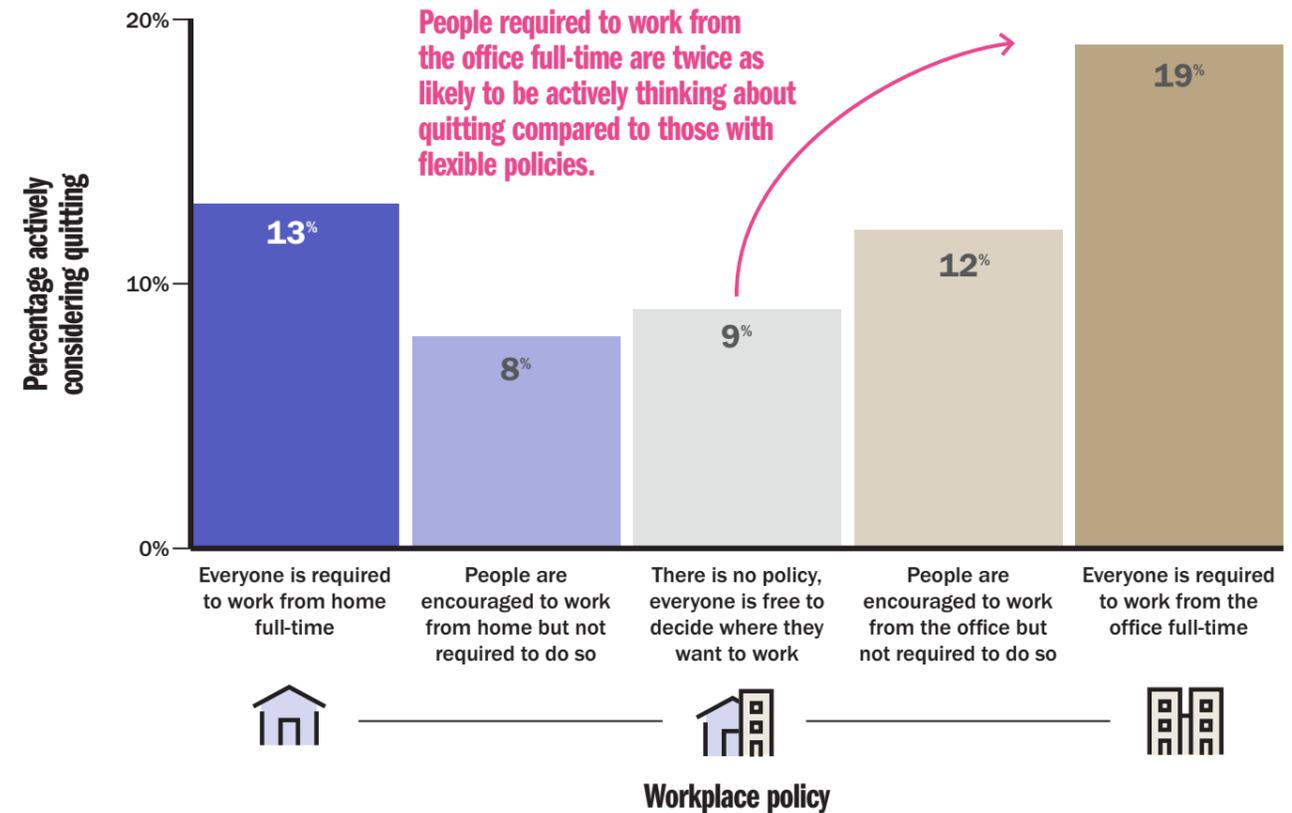
IF YOU FORCE PEOPLE BACK TO THE OFFICE, THEY WILL LEAVE

People want flexibility to choose where they work. Companies that require people to be back in the office full-time are more likely to see higher levels of resignation than companies that give their employees some autonomy and flexibility.

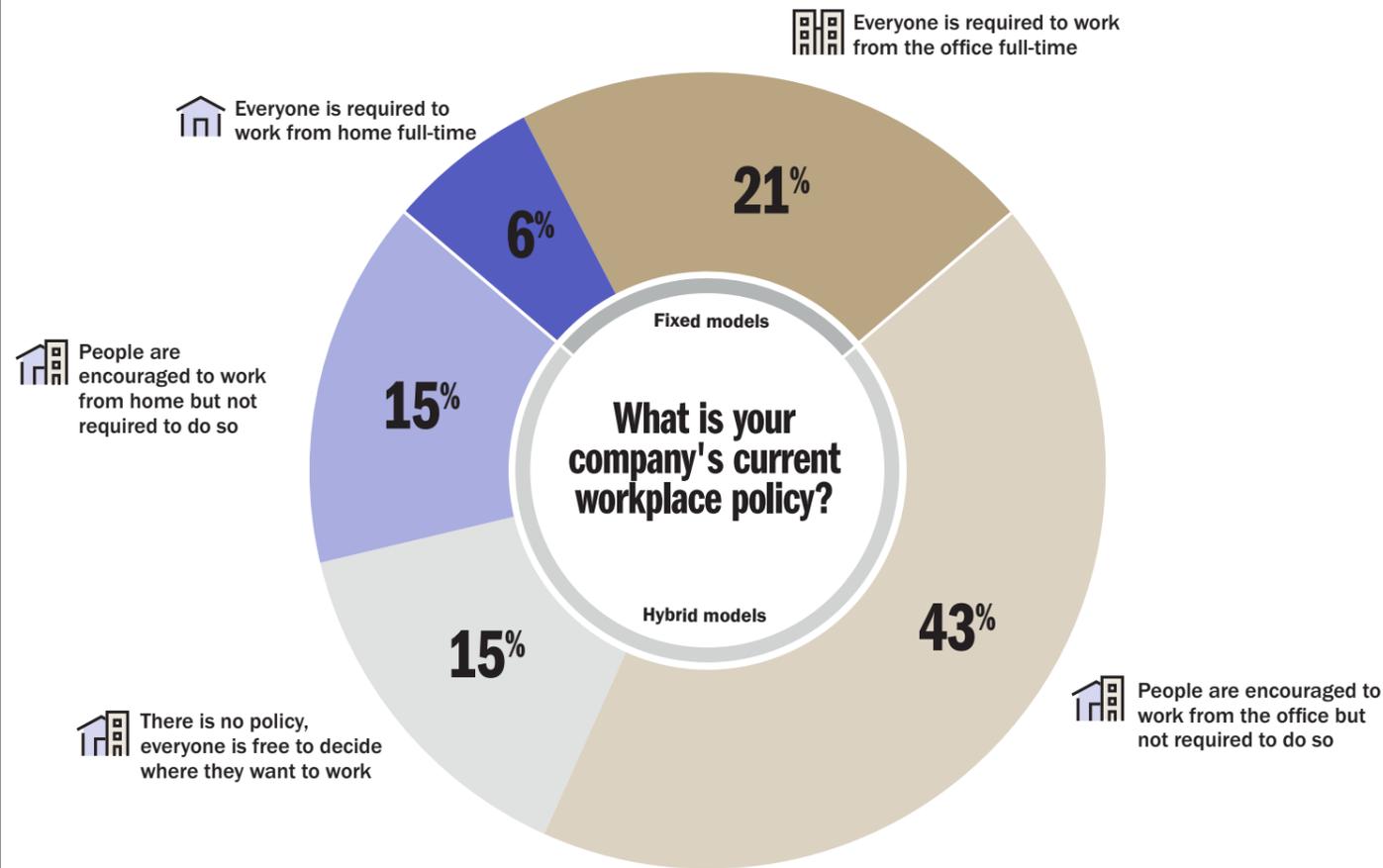
When we asked the people in our survey which policy their company was employing, there was a wide range. About 21% were requiring employees to back to the office full-time and 6% were requiring employees to work from home. And the remaining organisations offered hybrid models that gave employees the freedom to choose where they worked. Some encouraged employees back to the office but didn't require it. Others encouraged them to work from home but didn't require it.

The takeaway here is that workplace policy strongly influences whether a person is thinking about resigning.

How policy affects someone's intention to quit



MOST COMPANIES HAVE ADOPTED HYBRID MODELS



TESLA

“Everyone at Tesla is required to spend a minimum of 40 hours in the office per week; moreover, the office must be where your actual colleagues are located, not some remote pseudo office. If you don't show up, we will assume you have resigned.”

Source: Elon Musk, 1 June 2022

ATLASSIAN

Under its “Team Anywhere” policy, Atlassian’s 5700 staff can work from any location in a country where Atlassian has a corporate entity, where they have the legal right to work and where the time zone they are in is broadly aligned with that of their team members.

Source: Sydney Morning Herald, 29 April 2021

Source: Hassell Workplace Futures Survey. Includes all data globally.

THE TRADITIONAL 9-5 IS DEAD. FIND SOMETHING THAT FITS YOUR CULTURE

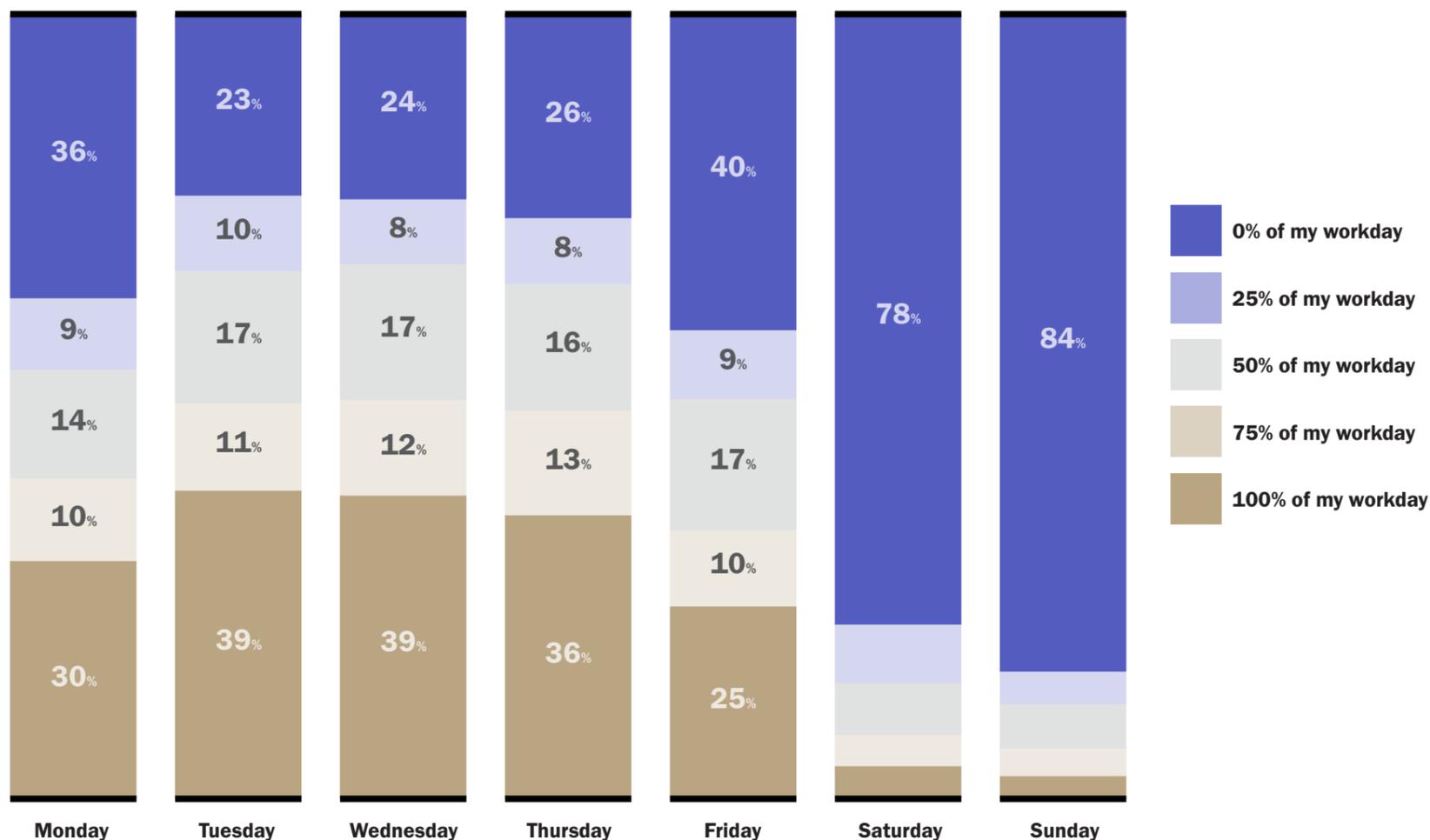
We asked people which days they'd like to come into the office and how long they'd like to spend there. The answers were all over the place.

Some people wanted to come in five days a week. Others only wanted to come in Tuesday to Thursday. A few said they'd prefer to work weekends.

There was a big difference between employees and managers. Employees tended to be quite polarised – they either wanted to spend a full day in an office or a full day at home. Managers, however, were open to spending part of their time in the office and part of their time at home in a single day.

This underlines one of the central challenges of hybrid work. People want to spend time in the office to be around others, but if the traditional 9-to-5 culture is out the window, how do you create opportunities for employees to connect and interact?

How much of your workday would you want to spend at your company's office?



Source: Hassell Workplace Futures Survey. Includes all data globally.

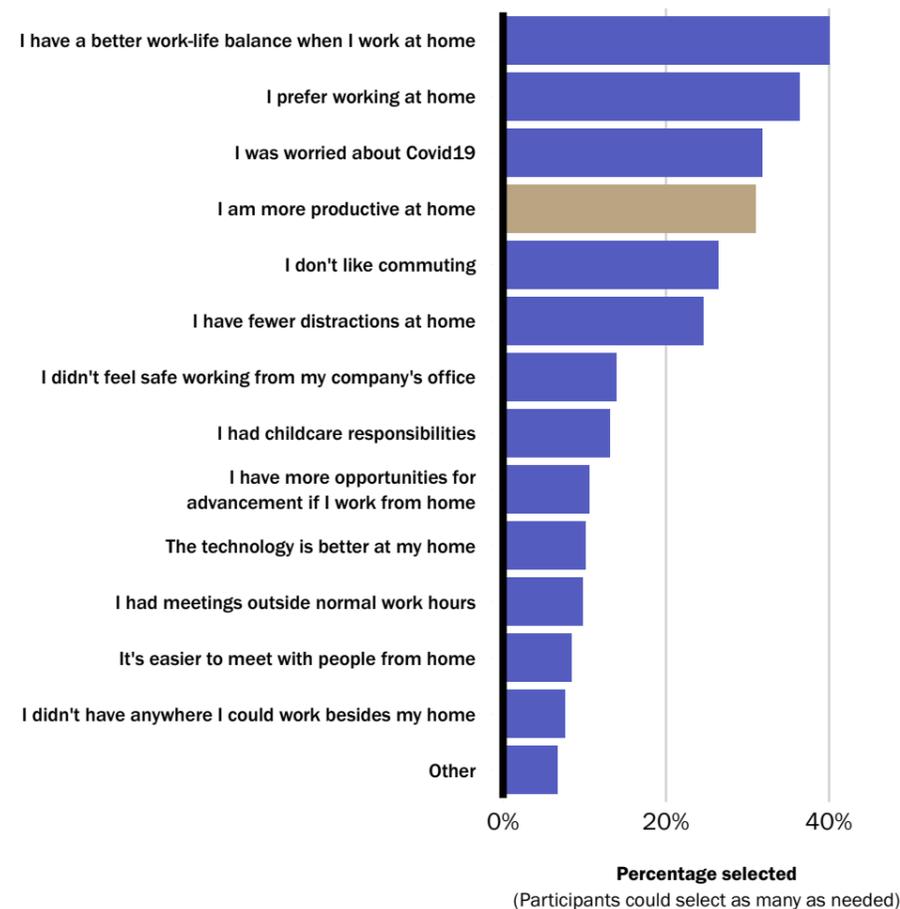
PEOPLE HAVE DIFFERENT REASONS FOR WANTING TO WORK FROM HOME

Paramount to our 2022 survey was not just where people were working but why they were working in certain locations. This question is important because many companies are giving employees the flexibility to choose where they work, and hybrid working is challenging for businesses — from basics like how to organise an office if people aren't there daily to larger policy structures that either guide or enable a more flexible way of working.

The commonly stated reason in media coverage for people choosing one place over another is that some people feel more productive at home while others feel more productive in the office. However, our data reveals that other things draw people to the home or office once they have flexible working options.

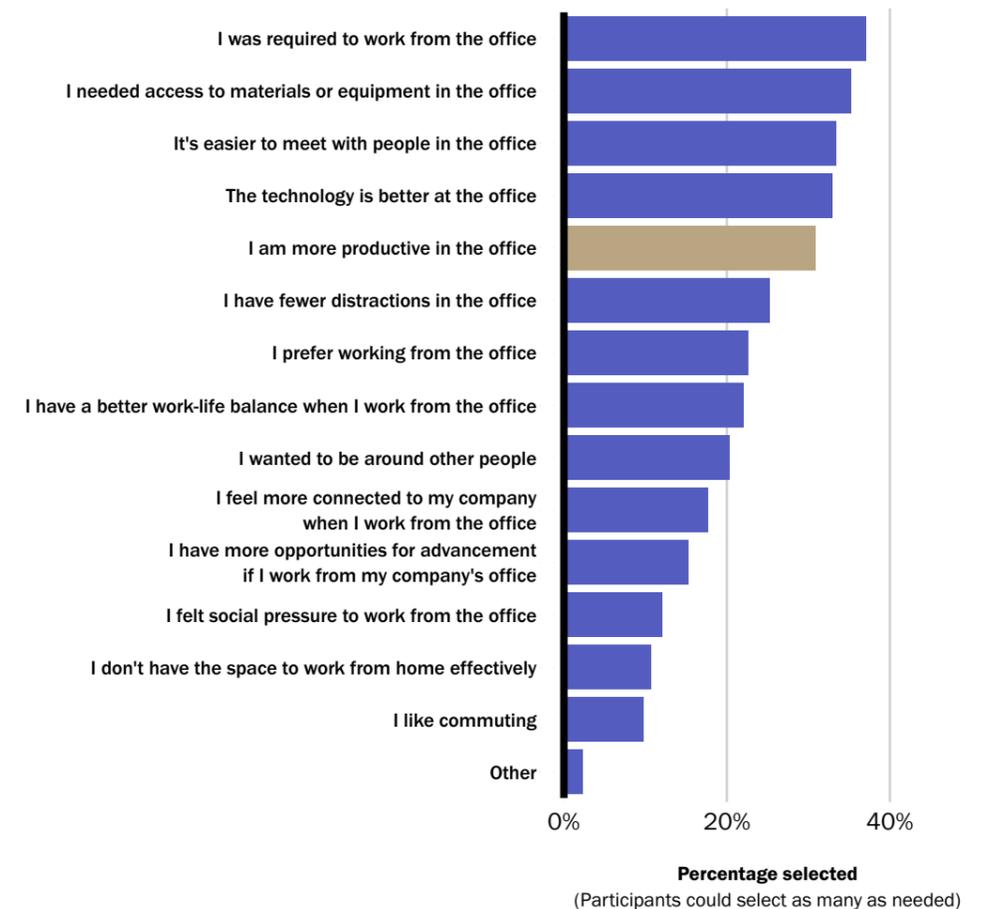
Why did you work from home?

For many people choosing to working from home is about personal preferences.



Why did you work from your company's office?

For many people choosing to working from the office is about access to things unique to the workplace such as equipment, technology and a sense of community.



Source: Hassell Workplace Futures Survey. Includes all data globally.

THE BIGGEST DIFFERENCES

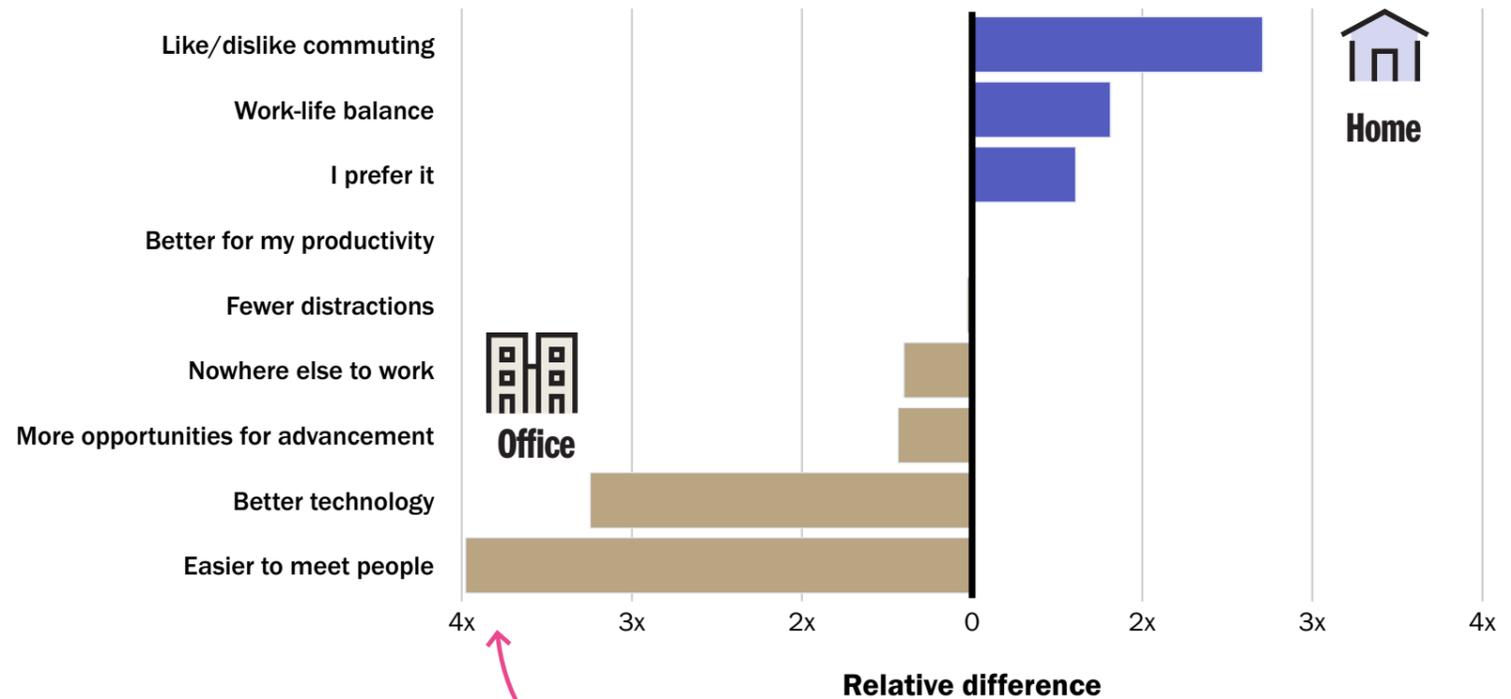
For the people who could choose where they worked, we asked them, why did you work at home? Why did you work in the office? In the graph on the right we can see the differences. When it comes to something like meeting people (at the bottom of the graph), people working from the office were four times as likely, compared to people working from home, to say they were working there because it's easier to meet people.

And when it comes to commuting, people working from home were almost three times as likely, compared to those working from the office, to say they were working from there because of the commute.

What's interesting about this graph is that the features at the top — the commute, work-life balance and personal preference — are unique to the home and are about self-interest. And the features at the bottom — meeting others, having access to shared technology and even opportunities for advancement — are unique to the office, and are a lot more about collective-interest.

The most productive space depends on the person. Some work at home because it's better for their productivity, but an equal number say that the office is better. So it comes down to choice.

Relative differences between home and the office



Compared to people working at home, people working from the office were four times as likely to say they were doing so because "it's easier to meet people".

Source: Hassell Workplace Futures Survey. Includes all data globally.

HOME HAS BECOME MORE LIKE THE OFFICE AND THE OFFICE NEEDS TO BECOME MORE LIKE HOME

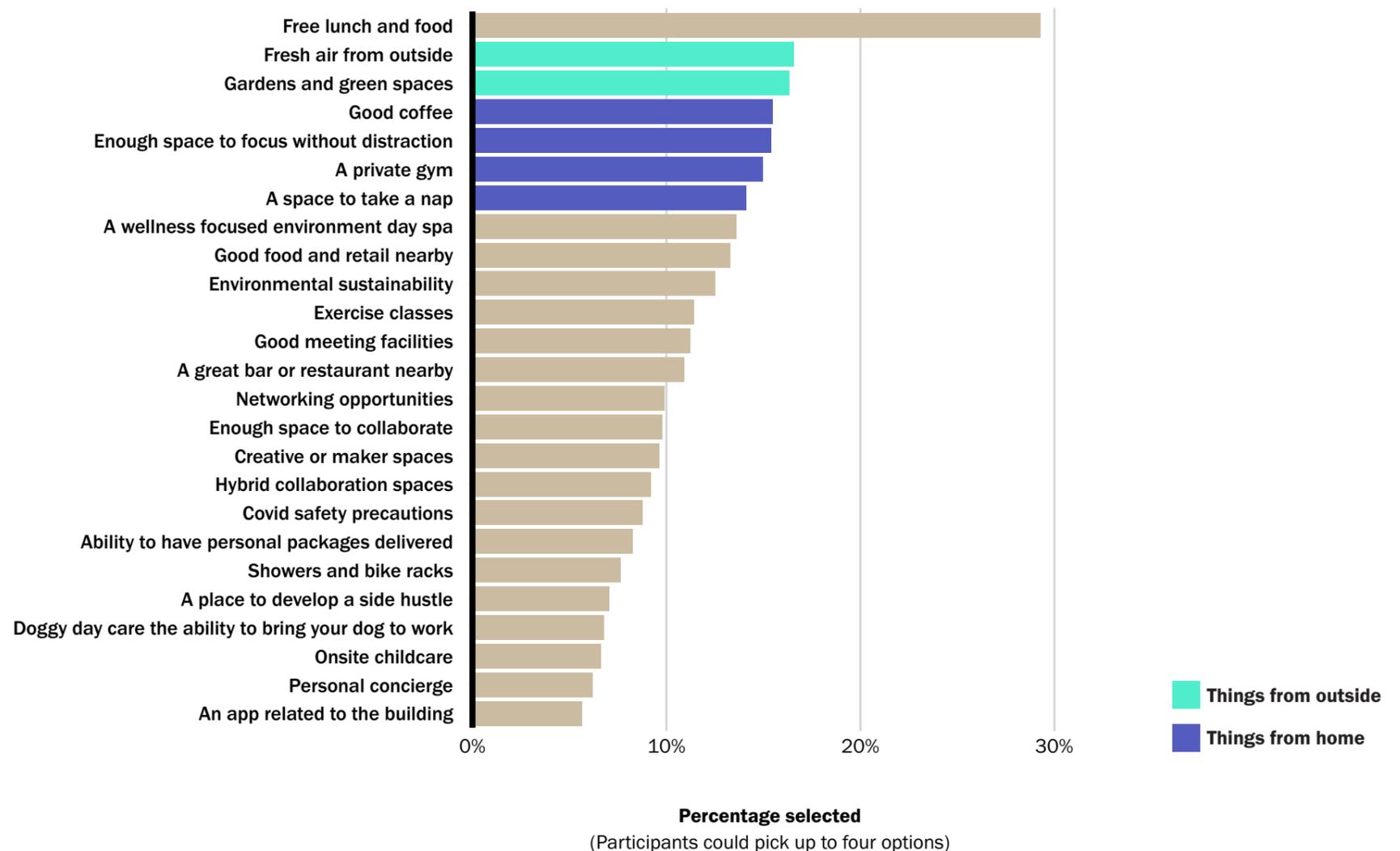
What do people want from their workplace in the future? After so much time working from home, in 2022, people want to bring the comforts of domestic life back to the office. Topping the features people want from their workplace are free food, fresh air from outside, and gardens and green spaces. These findings are not surprising.

The desire for free food is less about saving money and more about people wanting to come together, share a meal, and enjoy the communal aspects of being in a company. The appetite for fresh air and green spaces speaks to a post-pandemic need for connection to nature after spending so much time indoors.

It's also worth noting what's on the bottom of this list. Many things we think of as plush office amenities, such as on-site childcare or a personal concierge, rank low. And some of these features appeal more to specific demographics than others. So the answer to creating a magnetic workplace is not just about selecting the top five features from this list. To get people back to the office, what's needed is a range of amenities that appeal to all the different demographics.

Source: Hassell Workplace Futures Survey. Includes all data globally.

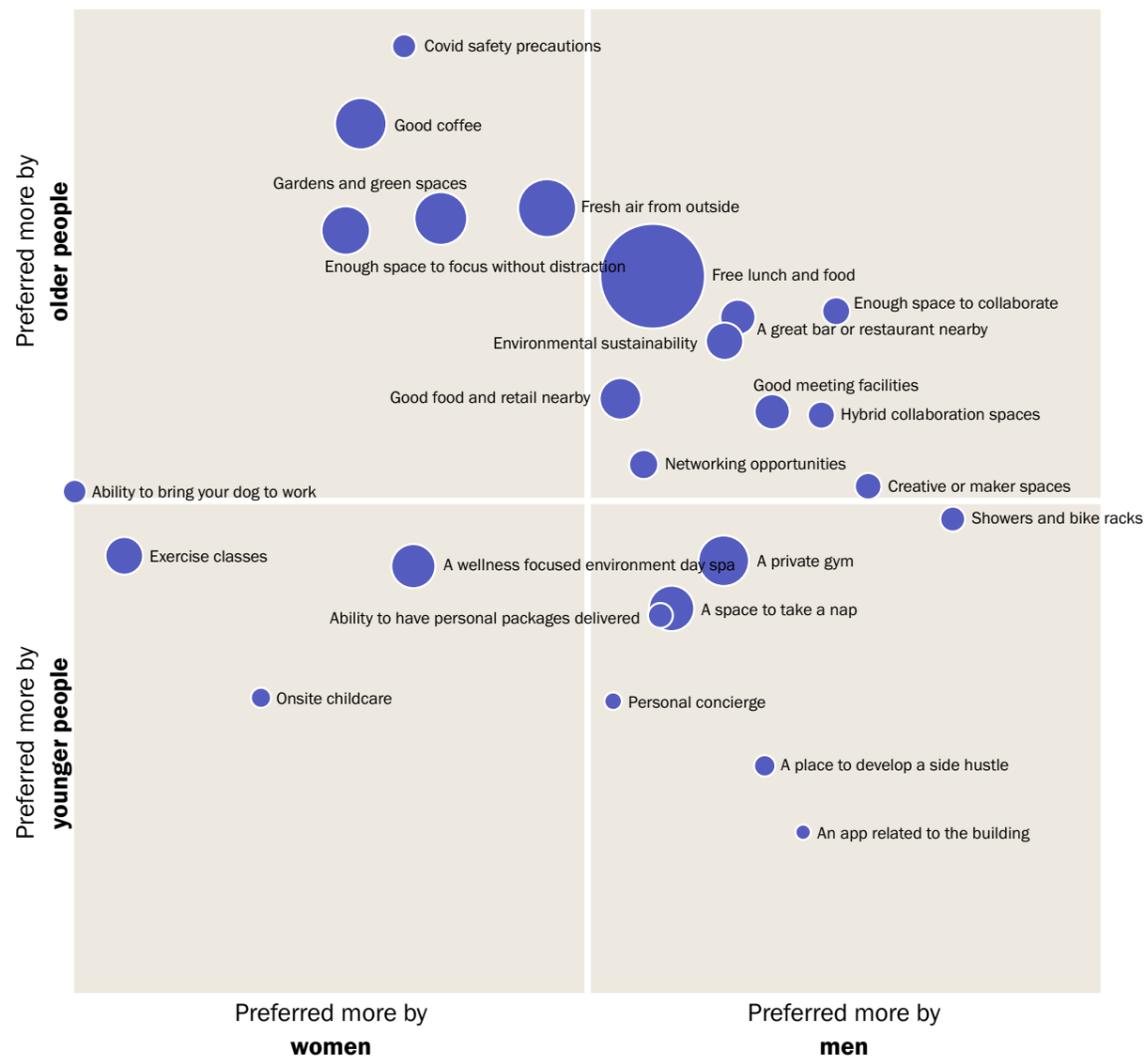
Once it is safe to return, which features would you most want to see in your company's office?



DEMOGRAPHIC VERSUS COMPANY DIFFERENCES

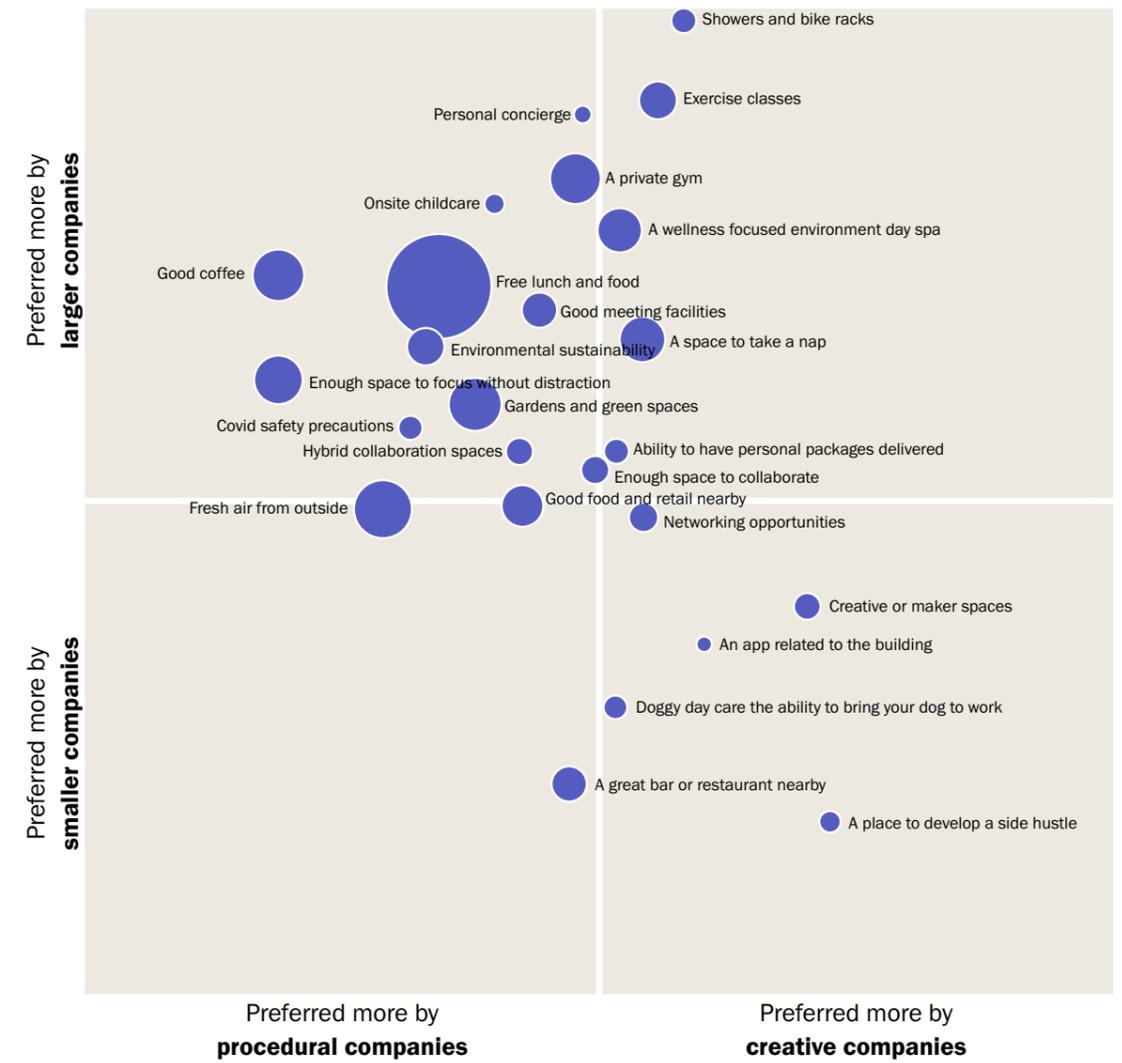
Demographic differences

There are differences in which building features appeal to men compared to women, and younger employees compared to older ones.



Company differences

And there are differences in which features appeal more to employees of large companies vs small and creative vs procedural.



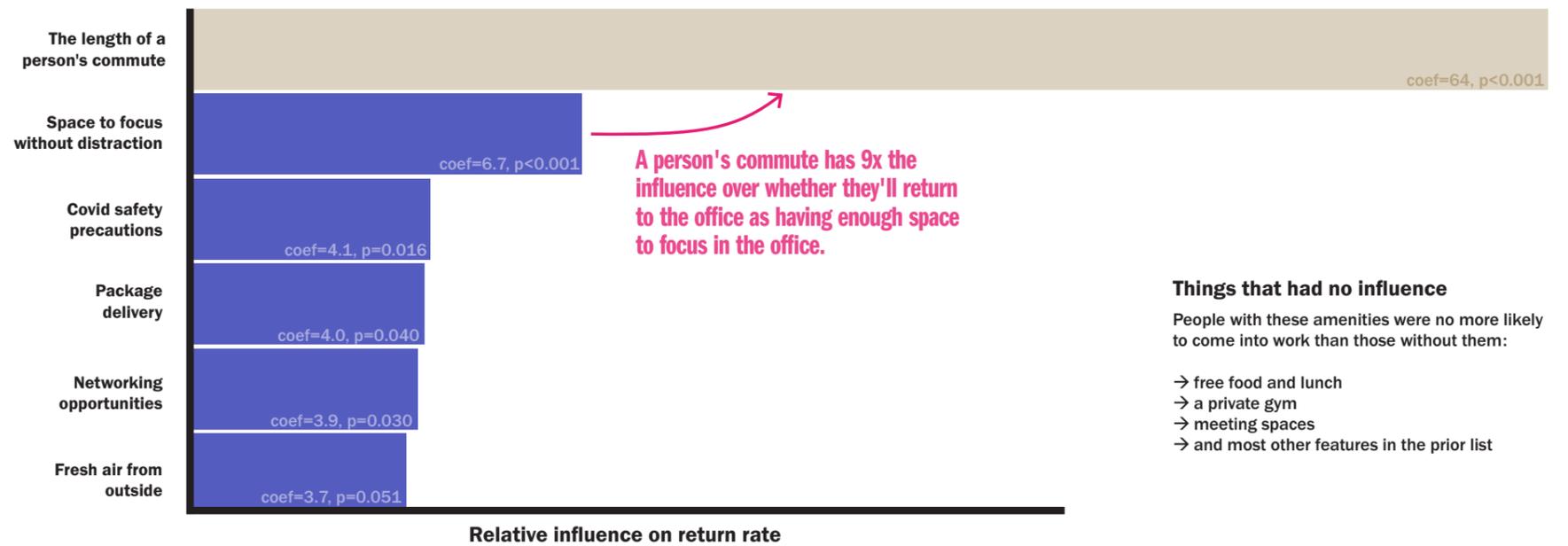
WHICH FEATURES ARE DRAWING PEOPLE BACK?

By looking at which amenities people have in their office and how frequently they visit the office, we can begin to understand which amenities correlate with higher rates of return. A person's commute has nine times the influence over whether they'll return to the office as having enough space to focus.

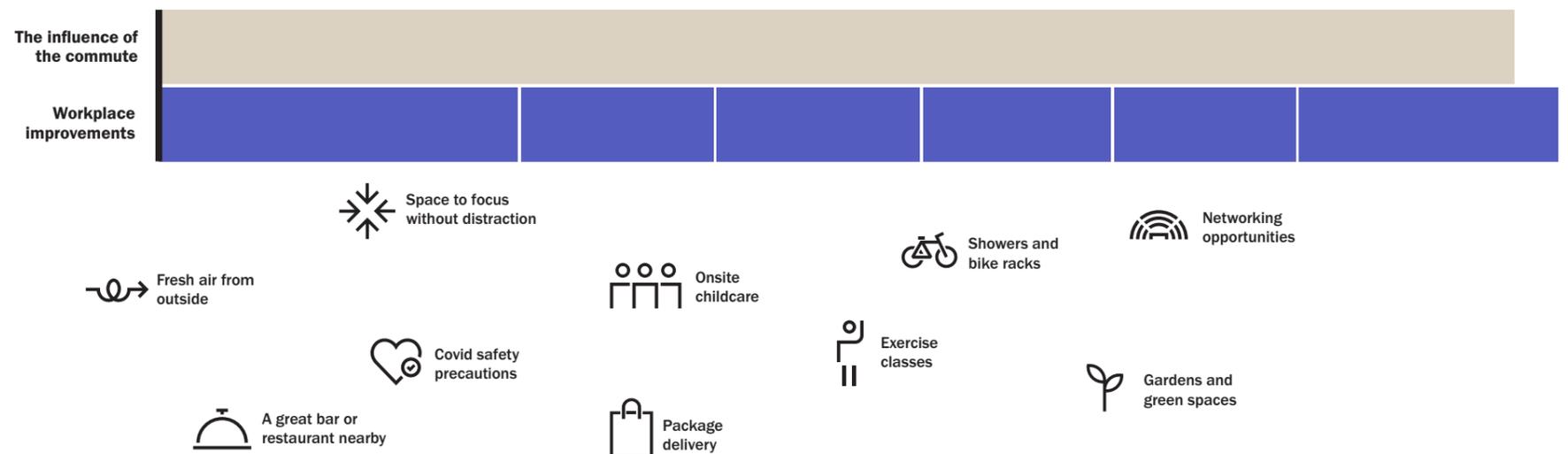
It's not one thing

A single amenity isn't going to be the make-or-break reason someone returns to the office. But joined together, a series of amenities begin to counteract the influence of things like commuting.

Workplace features correlated with higher rates of return



In aggregate, a collection of amenities becomes compelling



SUMMARY: KEY FINDINGS

Hybrid working is the new normal across countries worldwide spanning the UK, Australia, the USA, Singapore and China. As a result, the office must work harder, and we have to be much more deliberate in the types of experiences we want to create for people.

Creating a magnetic workplace is about knowing your people and finding features that appeal to your specific demographic. Location is more important than ever, and the quality of the office environment is critical. Services and perks such as good coffee are now expected, and not nice-to-haves anymore. Collectively these all add up to creating experiences that will draw people in.

The data has also confirmed that people tend to work from home due to personal preference, and work in the office because of what the space can give them. Offering some autonomy and flexibility to where employees work is paramount with the sweet spot for a more engaged workforce being 60-80% of the working week spent in the office — but only if employees have the freedom to choose.

GET IN TOUCH

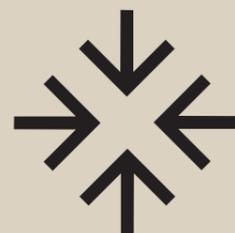
Want to share your thoughts or discover more?
We'd love to hear from you.



Hybrid is here to stay.



Make the office more like home, and incorporate things from outside (fresh air, greenspaces).



9-5 is dead. Figure out a new rhythm and use culture to bring people back.

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