

# Webinar

## Future of Work

Date: October 29, 2020

00:00:05 --> 00:00:09: Good afternoon everyone. Welcome to today's webinar,  
 00:00:09 --> 00:00:14: which is a collaboration between EY and ULI.  
 00:00:14 --> 00:00:18: We are very excited that we do this webinar today  
 00:00:18 --> 00:00:21: Because it marks the launch of a piece of work.  
 00:00:21 --> 00:00:25: ULI and EY have been working on over the past  
 00:00:25 --> 00:00:26: couple of months.  
 00:00:26 --> 00:00:28: It's about the future of work,  
 00:00:28 --> 00:00:32: a global real estate, players POV.  
 00:00:32 --> 00:00:37: It's a topic that's been heavily debated at the moment  
 00:00:37 --> 00:00:41: in metric with very varying opinions on whether we ever  
 00:00:41 --> 00:00:43: need offices again.  
 00:00:43 --> 00:00:48: Whether after COVID-19 anything will have changed and  
 00:00:48 --> 00:00:53: what the  
 00:00:53 --> 00:00:55: ultimate impact will be of the current pandemic on the  
 00:00:55 --> 00:00:59: way we work where we work.  
 00:00:59 --> 00:01:01: How we work. So I'm very pleased that you are  
 00:01:01 --> 00:01:04: all joining us today.  
 00:01:04 --> 00:01:07: To listen to this webinar.  
 00:01:07 --> 00:01:09: Before we start, I have a few practical things.  
 00:01:09 --> 00:01:13: If you encounter any technical issues,  
 00:01:13 --> 00:01:13: please use the chat and the team is there to  
 00:01:13 --> 00:01:17: help you.  
 00:01:17 --> 00:01:20: If you if you want to ask a question which  
 00:01:20 --> 00:01:24: I would then encourage everyone to do,  
 00:01:24 --> 00:01:28: you can use the Q&A button and type your question.  
 00:01:28 --> 00:01:32: I will pick those up as the moderator during during  
 00:01:32 --> 00:01:34: the conversation and also after the presentation.  
 00:01:34 --> 00:01:39: For those of you that don't know me,  
 00:01:39 --> 00:01:39: I'm Lisette van Doorn and I am the CEO of

00:01:39 --> 00:01:44: ULI Europe and I will moderate today's webinar.  
 00:01:44 --> 00:01:47: So without further ado, let's get started.  
 00:01:47 --> 00:01:51: We will first start with a brief presentation of the  
 00:01:51 --> 00:01:53: report that EY and ULI  
 00:01:53 --> 00:01:56: I have been working on together.  
 00:01:56 --> 00:02:00: Their presentation will be done by Vincent Raufast he's  
 00:02:00 --> 00:02:02: partner EY Consulting,  
 00:02:02 --> 00:02:07: investment, location and attractiveness. And after the  
 00:02:07 --> 00:02:10: presentation there will  
 00:02:10 --> 00:02:13: be the opportunity for some questions.  
 00:02:13 --> 00:02:15: So if you have some related to the presentation,  
 00:02:15 --> 00:02:19: please put them in the Q&A.  
 00:02:19 --> 00:02:21: Francois will you start?  
 00:02:21 --> 00:02:23: Yes, so thank you very much.  
 00:02:23 --> 00:02:27: He said so good morning,  
 00:02:27 --> 00:02:31: good afternoon and maybe good evening to everyone.  
 00:02:31 --> 00:02:33: So when we decided to run this global survey back  
 00:02:33 --> 00:02:37: in in July of this year,  
 00:02:37 --> 00:02:41: there had been already quite a number of report analysis  
 00:02:41 --> 00:02:43: and studies around the new ways of working and its  
 00:02:43 --> 00:02:46: impact on our businesses.  
 00:02:46 --> 00:02:51: And you know, global footprints and so on.  
 00:02:51 --> 00:02:54: But you know all these reports and studies were quite.  
 00:02:54 --> 00:02:58: Using different methodologies and and,  
 00:02:58 --> 00:03:00: you know, providing very different kind of results and were  
 00:03:00 --> 00:03:04: quite country focused as well.  
 00:03:04 --> 00:03:08: So the COVID-19 pandemic and the new ways of working  
 00:03:08 --> 00:03:11: that I've been accelerated with this global pandemic.  
 00:03:11 --> 00:03:14: Being so global, we really felt the need for a  
 00:03:14 --> 00:03:17: global survey because in our opinion,  
 00:03:17 --> 00:03:21: this is the the only way for us to detect,  
 00:03:21 --> 00:03:24: validate, anticipate, you know mega trends.  
 00:03:24 --> 00:03:28: Out of these, the future of work and new ways  
 00:03:28 --> 00:03:29: of working and to measure the impact of the future  
 00:03:29 --> 00:03:31: of work on,  
 00:03:31 --> 00:03:37: you know our business models on,  
 00:03:37 --> 00:03:38: you know, cooperate global footprints and and real estate  
 00:03:38 --> 00:03:42: cooperate  
 00:03:42 --> 00:03:46: strategies.  
 00:03:46 --> 00:03:47: So maybe before we move to a selection of key  
 00:03:47 --> 00:03:48: takeaways that we have selected here for for this webcast  
 00:03:48 --> 00:03:49: today,

00:03:47 --> 00:03:50: let me just have a very quick word about the  
00:03:50 --> 00:03:53: methodology that we've used.  
00:03:53 --> 00:03:55: So next slide please, you will see.  
00:03:55 --> 00:03:59: So as I said, it's it's designed to be a  
00:03:59 --> 00:04:00: global survey,  
00:04:00 --> 00:04:05: so for that we have interviewed exactly 555 respondents from  
00:04:05 --> 00:04:09: the real estate communities or real estate investors.  
00:04:09 --> 00:04:12: estate developers, real estate consulting firms,  
00:04:12 --> 00:04:15: urban architects, urban planners and architects,  
00:04:15 --> 00:04:19: and so on. And we've interviewed them across the three  
00:04:19 --> 00:04:20: main regions.  
00:04:20 --> 00:04:22: So you have the Americas.  
00:04:22 --> 00:04:23: You have EMEA, a region,  
00:04:23 --> 00:04:26: and Asia Pacific, and they've been asked to.  
00:04:26 --> 00:04:30: The survey itself has been conducted through an online  
survey  
00:04:30 --> 00:04:34: over August and September and what we've asked them is  
00:04:34 --> 00:04:37: to provide their insights as we estate professionals,  
00:04:37 --> 00:04:39: but also to deliver there.  
00:04:39 --> 00:04:45: Insights around there? You know clients needs and  
expectations and  
00:04:45 --> 00:04:49: how these will transform over the next few years.  
00:04:49 --> 00:04:53: So now I'm going to take you through some key  
00:04:53 --> 00:04:56: takeaways and if we can go to the to the  
00:04:57 --> 00:04:57: next slide,  
00:04:57 --> 00:05:01: the very first question that we had to to ask  
00:05:01 --> 00:05:05: ourselves and to ask are you know our sample of  
00:05:05 --> 00:05:10: respondents was around what the future of work.  
00:05:10 --> 00:05:12: Looks like really you know what?  
00:05:12 --> 00:05:14: What it is that we're talking about.  
00:05:14 --> 00:05:18: So they told us that it's it's gotta be more  
00:05:18 --> 00:05:18: remote,  
00:05:18 --> 00:05:22: more digital is going to be based on more on-demand  
00:05:22 --> 00:05:25: type of services and it's going to be more self  
00:05:25 --> 00:05:26: employed.  
00:05:26 --> 00:05:28: So I think here you know it's not.  
00:05:28 --> 00:05:31: It's not you know, breaking news.  
00:05:31 --> 00:05:34: It's not, you know, big surprise for any of us.  
00:05:34 --> 00:05:38: But what's actually? I think very interesting is to see  
00:05:38 --> 00:05:40: how widely shared.  
00:05:40 --> 00:05:44: These four characteristic of what makes future of work,  
00:05:44 --> 00:05:47: are you know, a among the sample of respondents that

00:05:47 --> 00:05:49: we have interviewed,  
00:05:49 --> 00:05:52: and so if you take the example of the remote  
00:05:52 --> 00:05:53: work,  
00:05:53 --> 00:05:56: we have 96% of them that tell us that is  
00:05:56 --> 00:05:59: going to be more remote when it comes to digital.  
00:05:59 --> 00:06:03: You know the fact that remote work with future of  
00:06:03 --> 00:06:06: work will involve more artificial intelligence,  
00:06:06 --> 00:06:10: business automation, digital skills, it's 85%  
00:06:10 --> 00:06:13: of them so. You know it's quite a massive trend  
00:06:13 --> 00:06:18: that we're seeing here from our global sample of  
respondents.  
00:06:18 --> 00:06:20: So now we know that you know,  
00:06:20 --> 00:06:23: especially when we look at remote work.  
00:06:23 --> 00:06:27: We know that it's not going to be everybody working  
00:06:27 --> 00:06:31: remotely all the time for all kind of activities.  
00:06:31 --> 00:06:36: So pre covid, we have our respondents telling us that  
00:06:36 --> 00:06:37: approximately 20%  
00:06:37 --> 00:06:40: of employees were working remotely 20%  
00:06:40 --> 00:06:44: of their time, three to five years from now.  
00:06:44 --> 00:06:47: It's expected that there will be more than 60%  
00:06:47 --> 00:06:52: of employees. Who will be offered remote work  
arrangements for  
00:06:52 --> 00:06:53: more than 40%  
00:06:53 --> 00:06:55: of their time? So it's quite,  
00:06:55 --> 00:06:58: you know, it's quite a big change that we need  
00:06:58 --> 00:07:01: to anticipate altogether and in terms of the activities,  
00:07:01 --> 00:07:04: so of course it's not going to be.  
00:07:04 --> 00:07:08: You know, all the activities that would be performed remotely  
00:07:08 --> 00:07:11: and they're telling us that the execution type of work  
00:07:11 --> 00:07:14: is the one which is more likely to be performed  
00:07:14 --> 00:07:18: remotely, whereas all these strategic management activities,  
00:07:18 --> 00:07:22: the creative thinking. You know the business,  
00:07:22 --> 00:07:26: development and so on will always require some form of,  
00:07:26 --> 00:07:29: you know, physical interaction to be productive.  
00:07:29 --> 00:07:32: So these strategic activities, management,  
00:07:32 --> 00:07:36: creativity and business development are more likely to  
remain on  
00:07:36 --> 00:07:37: site in office.  
00:07:37 --> 00:07:39: But as we will see later,  
00:07:39 --> 00:07:42: this office will be quite different from what it is  
00:07:42 --> 00:07:43: today,  
00:07:43 --> 00:07:45: so we've all experienced you know,  
00:07:45 --> 00:07:49: the beauty of the pros and cons of the future

00:07:49 --> 00:07:49: of work.

00:07:49 --> 00:07:51: Over the past few months.

00:07:51 --> 00:07:54: And we all know that you know there are,

00:07:54 --> 00:07:56: you know opportunities and challenges around that.

00:07:56 --> 00:07:59: We've interviewed our respondents about that.

00:07:59 --> 00:08:01: So if we move to the next slide,

00:08:01 --> 00:08:02: please.

00:08:02 --> 00:08:06: Yes, here you see what are the opportunities and challenges

00:08:06 --> 00:08:10: according to this sample of global sample of respondents in

00:08:10 --> 00:08:13: terms of opportunities there will be,

00:08:13 --> 00:08:17: you know, improvements. Probably depending how this is

00:08:17 --> 00:08:19: implemented.

00:08:17 --> 00:08:19: But improvement in terms of agility,

00:08:19 --> 00:08:24: flexibility in work, flexible, more flexible office footprint an let's

00:08:24 --> 00:08:27: say in general better working environment.

00:08:27 --> 00:08:31: However there will be challenges too in terms of cost

00:08:31 --> 00:08:35: and especially it cost because of the IT infrastructure.

00:08:35 --> 00:08:39: Had also probably a more strategic challenge around a risk

00:08:39 --> 00:08:42: for loss of corporate culture,

00:08:42 --> 00:08:46: depending how the future of work is being implemented and

00:08:46 --> 00:08:49: even a less effective talent management.

00:08:49 --> 00:08:53: So altogether these challenges can result,

00:08:53 --> 00:08:56: you know into a loss of productivity,

00:08:56 --> 00:09:00: which is of course a big problem for all businesses.

00:09:00 --> 00:09:04: So and you know, actually these key findings are leading

00:09:04 --> 00:09:05: us to.

00:09:05 --> 00:09:08: The next key takeaway. So if we go to the

00:09:08 --> 00:09:09: next slide,

00:09:09 --> 00:09:12: which is to me very interesting,

00:09:12 --> 00:09:14: but also a great paradox,

00:09:14 --> 00:09:17: which is that the more remote work,

00:09:17 --> 00:09:21: or the more the remote work progresses and expands,

00:09:21 --> 00:09:26: the more real estate becomes critical and we have 93%

00:09:26 --> 00:09:30: of the sample who are telling us that the office

00:09:30 --> 00:09:34: the workplace is important to attract and retain talent,

00:09:34 --> 00:09:36: and we even have 61%

00:09:36 --> 00:09:40: of them. Well, telling us that it's also very important

00:09:40 --> 00:09:43: for us to create a strong corporate culture,

00:09:43 --> 00:09:44: which will be, you know,

00:09:44 --> 00:09:48: so decisive for the years to come by implementing the

00:09:48 --> 00:09:49: future of work.

00:09:49 --> 00:09:52: So now you know. Having said that,

00:09:52 --> 00:09:55: we've tried to to look at what the future of  
00:09:55 --> 00:09:59: office or the Office of the Future could look like.  
00:09:59 --> 00:10:02: So if we move to the next slide.  
00:10:02 --> 00:10:06: You're going to see here that two main takeaways,  
00:10:06 --> 00:10:11: number one, the the real estate quantity will go down  
00:10:11 --> 00:10:14: and #2 the real estate quality will go up so  
00:10:15 --> 00:10:16: quantity will go down.  
00:10:16 --> 00:10:21: So it means that the square meters or square feet  
00:10:21 --> 00:10:21: will be,  
00:10:21 --> 00:10:26: you know will decrease in terms of needs from corporate  
00:10:26 --> 00:10:27: users.  
00:10:27 --> 00:10:31: 53% of the sample is telling us that this is  
00:10:31 --> 00:10:32: their expectation.  
00:10:32 --> 00:10:34: There is even a 25%  
00:10:34 --> 00:10:39: out of these 53% who is expecting this decrease in  
00:10:39 --> 00:10:43: square meters square feet by more than 20%  
00:10:43 --> 00:10:46: in terms of the quality going up,  
00:10:46 --> 00:10:50: they expect the workplace to be more khela made the  
00:10:50 --> 00:10:54: expect more flexible real estate footprints.  
00:10:54 --> 00:10:58: Flexible lease lease contracts and so on.  
00:10:58 --> 00:11:03: They expect also more technology you know to equipped.  
00:11:03 --> 00:11:08: Our buildings they expect healthcare building amenities more  
space for  
00:11:08 --> 00:11:10: collaboration and meetings,  
00:11:10 --> 00:11:14: and also they expect companies to be looking for or  
00:11:14 --> 00:11:19: to collocate their activities next to like minded companies.  
00:11:19 --> 00:11:22: So these two trends, the quantity going down,  
00:11:22 --> 00:11:27: but the quality going up are kind of competing together  
00:11:27 --> 00:11:30: until we find you know the right business model to  
00:11:31 --> 00:11:34: make the future of work actually work so.  
00:11:34 --> 00:11:36: Maybe we can go to the next slide,  
00:11:36 --> 00:11:41: which is about some other key and interesting findings  
around  
00:11:41 --> 00:11:43: the impact of the future of work on.  
00:11:43 --> 00:11:47: You know what we call ESG so environmental and social  
00:11:47 --> 00:11:48: governance.  
00:11:48 --> 00:11:52: So for the environmental impact we can see that there  
00:11:52 --> 00:11:55: will be positive impact in terms of,  
00:11:55 --> 00:11:57: you know, the home of his commuting,  
00:11:57 --> 00:12:01: which is expected to decrease quite significantly.  
00:12:01 --> 00:12:06: International business travel, which. Which will decrease as  
well.  
00:12:06 --> 00:12:09: But there will also be some challenges here because the

00:12:09 --> 00:12:14: right infrastructure which is required to support the development of

00:12:14 --> 00:12:17: future work will be much more important and will be

00:12:17 --> 00:12:21: developing fast. So that's a challenge also for the environment

00:12:21 --> 00:12:24: in terms of the social impact depending how it is

00:12:25 --> 00:12:25: implemented.

00:12:25 --> 00:12:28: But if it's properly implemented,

00:12:28 --> 00:12:32: the quality of life you know the agility flexibility in

00:12:33 --> 00:12:33: work.

00:12:33 --> 00:12:37: The quality of the working environment might well improve as

00:12:38 --> 00:12:40: a result of the future of work,

00:12:40 --> 00:12:43: but future of work also means there will be a

00:12:43 --> 00:12:48: blurring of boundaries between professional life and personal life,

00:12:48 --> 00:12:50: which you know can result in,

00:12:50 --> 00:12:53: you know deterioration of productivity,

00:12:53 --> 00:12:57: but also in terms of that might affect the housing

00:12:57 --> 00:12:58: offering itself,

00:12:58 --> 00:13:01: because as you may be experienced,

00:13:01 --> 00:13:04: or you know, some colleagues have experienced.

00:13:04 --> 00:13:07: The housing is not always well equipped for,

00:13:07 --> 00:13:12: you know, to provide a suitable suitable workplace and and

00:13:12 --> 00:13:13: and then it has an impact.

00:13:13 --> 00:13:18: Also on productivity and happiness at work I'd say.

00:13:18 --> 00:13:20: So if we move to the next one,

00:13:20 --> 00:13:23: which is our final, you know conclusion on that,

00:13:23 --> 00:13:26: we wanted to, we have a strong opinion about what

00:13:26 --> 00:13:27: will be,

00:13:27 --> 00:13:30: you know, the drivers of the new real estate models

00:13:30 --> 00:13:34: which will emerge from the implementation of future of work.

00:13:34 --> 00:13:39: And we believe these drivers are quite different depending on

00:13:39 --> 00:13:41: the time scale that we're looking at.

00:13:41 --> 00:13:45: And short term, we expect the main driver to be

00:13:45 --> 00:13:48: and remain cost optimization,

00:13:48 --> 00:13:51: which will translate into you know,

00:13:51 --> 00:13:56: less frequent user space. People and companies looking to move

00:13:56 --> 00:14:00: out of towns and city centers to lower cost areas

00:14:00 --> 00:14:01: or nice you know,

00:14:01 --> 00:14:04: environments to to live your life.

00:14:04 --> 00:14:09: If you are real estate decisions and ultimately.

00:14:09 --> 00:14:11: A strong investment demand. However,

00:14:11 --> 00:14:14: we do believe that in the long term,

00:14:14 --> 00:14:18: what might well happen is that what we call the

00:14:18 --> 00:14:22: HR value of real estate will increase and we create

00:14:22 --> 00:14:26: a different type of environment where there will be more,

00:14:26 --> 00:14:30: you know, collaborative space, more space for employee,

00:14:30 --> 00:14:34: the quality of real estate itself will increase,

00:14:34 --> 00:14:38: and that might well result into a urban renaissance as

00:14:38 --> 00:14:39: we call it.

00:14:39 --> 00:14:42: Where city centers you know,

00:14:42 --> 00:14:46: well connected city centers that can provide a an attractive

00:14:46 --> 00:14:47: leave,

00:14:47 --> 00:14:51: work and play environment will be coming back and will

00:14:51 --> 00:14:52: be you know,

00:14:52 --> 00:14:57: most desired by corporate users so as to really leverage

00:14:57 --> 00:15:00: the HR value of real estate attract,

00:15:00 --> 00:15:04: retain their talent. So I'm going to stop here.

00:15:04 --> 00:15:08: I'm happy to take you know a few questions before

00:15:08 --> 00:15:10: we move to the panel discussion.

00:15:10 --> 00:15:14: And thank you very much for your attention.

00:15:14 --> 00:15:15: Thanks a lot Vincent,

00:15:15 --> 00:15:19: that's really interesting and actually we have a couple of

00:15:19 --> 00:15:19: questions.

00:15:19 --> 00:15:22: One is an interesting one that we also debated a

00:15:22 --> 00:15:26: lot when we analyze the results and that's all about

00:15:26 --> 00:15:27: the regional differences.

00:15:27 --> 00:15:31: Someone is asking wonder about the regional differences in

00:15:31 --> 00:15:33: response

00:15:33 --> 00:15:37: to associates to needing less space.

00:15:37 --> 00:15:40: The challenges I'm hearing, officers are fully occupied in Asia

00:15:40 --> 00:15:45: with limited interesting in working from home.

00:15:45 --> 00:15:47: Because housing doesn't lend itself to working from home

00:15:47 --> 00:15:50: space.

00:15:50 --> 00:15:53: And and the other one.

00:15:53 --> 00:15:56: I'll just throw them out and then you can answer

00:15:56 --> 00:15:58: the questions in one go is very interesting.

00:15:58 --> 00:16:02: Figures on the reason to go back to the office

00:16:02 --> 00:16:05: and work from home?

00:16:05 --> 00:16:07: Did you see any significant difference by tenant sectors or

00:16:07 --> 00:16:11: type of company large versus?

00:16:11 --> 00:16:12: Corporate versus smaller and then someone asked,

00:16:12 --> 00:16:16: is asking about whether the slides will be made available

00:16:16 --> 00:16:16: after the webinar.

00:16:16 --> 00:16:16: Yes, both the slides as well as the report will



00:16:16 --> 00:16:19: be available on your allies Knowledge Finder.

00:16:19 --> 00:16:23: Yes, so all very good questions indeed.

00:16:23 --> 00:16:26: So we've looked at what you know,

00:16:26 --> 00:16:31: some cultural bias based on the sample of respondents that

00:16:31 --> 00:16:32: we have here.

00:16:32 --> 00:16:37: To be honest, there are a few differences by region,

00:16:37 --> 00:16:39: but it's not so significant.

00:16:39 --> 00:16:44: I would say the few differences that we that we

00:16:44 --> 00:16:46: found are rather in Europe,

00:16:46 --> 00:16:51: where the trends the. The trends that we're seeing are

00:16:51 --> 00:16:54: a bit more intense than what we would see in

00:16:54 --> 00:16:55: other regions.

00:16:55 --> 00:16:59: And that's you know, probably because of the culture,

00:16:59 --> 00:17:04: but also because for most of the European countries with

00:17:04 --> 00:17:07: already experienced full lockdown situation,

00:17:07 --> 00:17:11: then a full almost full you know come back to

00:17:11 --> 00:17:14: to the office in many of the of the European

00:17:14 --> 00:17:15: countries.

00:17:15 --> 00:17:18: So I would say that we think that there are

00:17:18 --> 00:17:20: fewer cultural differences,

00:17:20 --> 00:17:24: probably to be early, you know to really be able

00:17:24 --> 00:17:26: to analyze these.

00:17:26 --> 00:17:29: Cultural or regional differences from our statistics,

00:17:29 --> 00:17:31: at least in terms of sectors,

00:17:31 --> 00:17:32: I would do the same.

00:17:32 --> 00:17:36: You know, conclusion? We've looked at that and we didn't

00:17:36 --> 00:17:39: find any significant gap from one sector to another,

00:17:39 --> 00:17:41: but I would be very.

00:17:41 --> 00:17:43: I think these two questions are still,

00:17:43 --> 00:17:46: you know, very valid to be honest with you at

00:17:46 --> 00:17:49: the beginning in our and there is a section about

00:17:49 --> 00:17:51: cultural differences highlighting.

00:17:51 --> 00:17:56: You know the few cultural differences and regional

00:17:56 --> 00:17:57: differences in

00:17:57 --> 00:18:00: the full report.

00:17:57 --> 00:18:00: But we didn't select them as a key takeaway because

00:18:00 --> 00:18:03: it's not so big for two now for today,

00:18:03 --> 00:18:06: but there is no doubt that the question is very

00:18:06 --> 00:18:09: valid and I'm very curious to see how this will

00:18:09 --> 00:18:10: play out.

00:18:10 --> 00:18:13: You know, in the coming months or years where when

00:18:13 --> 00:18:15: we get more experienced with,

00:18:15 --> 00:18:18: you know the development of the future of work.  
 00:18:20 --> 00:18:23: Thanks for a few more questions have come in.  
 00:18:23 --> 00:18:26: I'll do one more round and then we'll move on  
 00:18:26 --> 00:18:28: to the next part of the of the session.  
 00:18:28 --> 00:18:31: Someone is saying or younger teams are very happy.  
 00:18:31 --> 00:18:35: Unhappy working from home. Are we sure that it's increased  
 00:18:35 --> 00:18:39: working from home is not skewed by the sample being  
 00:18:39 --> 00:18:42: asked a question and someone else is asking.  
 00:18:42 --> 00:18:44: Again, I think you touched on that,  
 00:18:44 --> 00:18:47: but maybe you can repeat because I saw a couple  
 00:18:47 --> 00:18:48: of people joining later.  
 00:18:48 --> 00:18:52: Could you go into who was surveyed?  
 00:18:52 --> 00:18:58: OK, so about younger generations being unhappy working  
 from home.  
 00:18:58 --> 00:19:02: That's very interesting because so we we saw in as  
 00:19:02 --> 00:19:06: one of the key results that we're going to shift  
 00:19:06 --> 00:19:09: from a world pre covid where we had 20%  
 00:19:09 --> 00:19:14: of employees working 20% of their time remotely right and  
 00:19:14 --> 00:19:18: will move to a situation where we have 60%  
 00:19:18 --> 00:19:20: of employees working at least 40%  
 00:19:20 --> 00:19:23: of their time and we've heard.  
 00:19:23 --> 00:19:26: In many webcast we've had feedbacks,  
 00:19:26 --> 00:19:29: you know from our clients and so on,  
 00:19:29 --> 00:19:33: telling us that you know up to two days a  
 00:19:33 --> 00:19:34: week remotely.  
 00:19:34 --> 00:19:38: Employees are, you know, very happy and you have a  
 00:19:38 --> 00:19:38: productive.  
 00:19:38 --> 00:19:41: Your productivity increases and so on.  
 00:19:41 --> 00:19:44: And more than two days a week your productivity starts  
 00:19:44 --> 00:19:45: to decrease.  
 00:19:45 --> 00:19:48: So I think it's really a matter of how you  
 00:19:48 --> 00:19:49: implement that.  
 00:19:49 --> 00:19:52: It's a matter of, you know how you can respond  
 00:19:52 --> 00:19:56: to the expectations of different generations so as to make  
 00:19:56 --> 00:19:57: them happy and productive.  
 00:19:57 --> 00:20:00: So it's not. You know it's not good or bad,  
 00:20:00 --> 00:20:03: it's a future of work is not good or bad  
 00:20:03 --> 00:20:03: really.  
 00:20:03 --> 00:20:05: Depends how you make that  
 00:20:05 --> 00:20:09: happen and in terms of the sample of respondents,  
 00:20:09 --> 00:20:14: so very quickly we have interviewed exactly 555 people from  
 00:20:14 --> 00:20:16: the real estate world.

00:20:16 --> 00:20:21: So real estate investors, developers wasted consulting firms,  
00:20:21 --> 00:20:24: urban planners, architects and so on.  
00:20:24 --> 00:20:29: And we have interviewed then across the three regions,  
00:20:29 --> 00:20:31: Americas, EMEA and Asia Pacific,  
00:20:31 --> 00:20:35: and we've asked them to provide their insight.  
00:20:35 --> 00:20:38: As real estate players, so that's why it's called.  
00:20:38 --> 00:20:41: You know real estate point of view.  
00:20:41 --> 00:20:44: But also we asked them to provide their insights in  
00:20:44 --> 00:20:47: terms of their client needs right there.  
00:20:47 --> 00:20:49: You know what would be their clients,  
00:20:49 --> 00:20:55: the real estate, corporate users needs and expectations and  
how  
00:20:55 --> 00:20:58: they will transform over the next few years.  
00:20:58 --> 00:21:02: Thank you so there are actually many more questions  
coming  
00:21:02 --> 00:21:02: in,  
00:21:02 --> 00:21:06: so maybe you could look through also asking about different  
00:21:06 --> 00:21:09: elements that were or were not considered.  
00:21:09 --> 00:21:12: Maybe you can answer a couple by just typing the  
00:21:12 --> 00:21:15: question 'cause I would really like to move on.  
00:21:15 --> 00:21:17: Thanks a lot. It's been so informative.  
00:21:17 --> 00:21:19: Thanks a lot for your contribution.  
00:21:19 --> 00:21:22: Thank you very much for attention.  
00:21:22 --> 00:21:26: Thank you, we're moving now to the second part of  
00:21:26 --> 00:21:29: the of the session and I'm very pleased to be  
00:21:29 --> 00:21:30: joined today by a.  
00:21:30 --> 00:21:34: and industry players.  
00:21:34 --> 00:21:39: First of all I would like to introduce Kathryn Harrison,  
00:21:39 --> 00:21:43: Thomas. She's global business partner for Deutsche Bank  
AG based  
00:21:43 --> 00:21:44: in London.  
00:21:44 --> 00:21:48: Lee Polisano, Founding Partner and CEO, PLP Architecture  
00:21:48 --> 00:21:53: also based in London. Peter Ballon, Global Head of Real  
00:21:53 --> 00:21:56: Estate,??CPPIB??based in Toronto,  
00:21:56 --> 00:21:57: Canada.  
00:21:57 --> 00:22:00: And then last but not least,  
00:22:00 --> 00:22:03: David story partner and Amy EIA,  
00:22:08 --> 00:22:13: Also based in London can I ask all of you  
00:22:13 --> 00:22:16: to switch on your videos?  
00:22:16 --> 00:22:19: And it would be great to get started there.  
00:22:19 --> 00:22:23: Actually a couple of questions that I think will come  
00:22:23 --> 00:22:26: back later in the discussion as well.  
00:22:26 --> 00:22:30: Very interesting ones. Obviously around the demands and

the impact  
00:22:30 --> 00:22:31: on rents and yields.  
00:22:31 --> 00:22:33: But let us first start.  
00:22:33 --> 00:22:37: I would like to ask each of you too.  
00:22:40 --> 00:22:44: Very good each of you to briefly introduce yourself a  
00:22:44 --> 00:22:48: bit more in detail and maybe consider a couple of  
00:22:48 --> 00:22:54: the following general questions just to kick off the  
conversation.  
00:22:54 --> 00:22:57: What's your your or your own teams or your overall  
00:22:57 --> 00:23:01: corporate experience being over the past months?  
00:23:01 --> 00:23:03: Working from home since the outbreak,  
00:23:03 --> 00:23:07: and what I would be interested in is whether those  
00:23:07 --> 00:23:12: views have changed overtime and where the different  
generations think  
00:23:12 --> 00:23:15: differently about the experience and how,  
00:23:15 --> 00:23:20: maybe the. The dip endemic so far is impacted your  
00:23:20 --> 00:23:22: portfolio of assets,  
00:23:22 --> 00:23:27: workplace demands, client amounts. And of course,  
00:23:27 --> 00:23:31: we're very interested in hearing your general feedback on  
their  
00:23:31 --> 00:23:32: report.  
00:23:32 --> 00:23:34: Catherine, can I start with you,  
00:23:34 --> 00:23:38: please? Sure, welcome everybody. My name is Kathryn  
Harrison Thomas.  
00:23:38 --> 00:23:42: I'm the global business partner for real estate and services  
00:23:42 --> 00:23:43: at Deutsche.  
00:23:43 --> 00:23:45: I cover pretty much our entire portfolio,  
00:23:45 --> 00:23:48: except Germany, Spain, Italy and Belgium,  
00:23:48 --> 00:23:52: and that's our private banking and covered by my colleague.  
00:23:52 --> 00:23:54: I think like many organisations,  
00:23:54 --> 00:23:58: we've been actively involved in learning from this recent  
giant.  
00:23:58 --> 00:24:01: Working from home kind of pilot,  
00:24:01 --> 00:24:05: I think we're maybe an interesting client in that we've  
00:24:05 --> 00:24:09: got very particular needs as being an investment bank.  
00:24:09 --> 00:24:13: We have the regulator lens.  
00:24:13 --> 00:24:17: And and supervisory requirements that we've also had to  
kind  
00:24:17 --> 00:24:20: of work through as we sent sort of.  
00:24:20 --> 00:24:22: Basically, I think in the end,  
00:24:22 --> 00:24:24: at one point we had 92%  
00:24:24 --> 00:24:27: of our workforce working from home at the height of  
00:24:27 --> 00:24:28: the pandemic.

00:24:28 --> 00:24:30: I would say a few things.

00:24:30 --> 00:24:33: Maybe on our experience I think 1.

00:24:33 --> 00:24:35: We've been through, I guess,

00:24:35 --> 00:24:36: a bit of a wave on this.

00:24:36 --> 00:24:39: You know, initially huge relief that all of the IT

00:24:39 --> 00:24:42: held up and that we were able to service their

00:24:42 --> 00:24:43: clients right?

00:24:43 --> 00:24:46: Because obviously the last thing the world needed at that

00:24:46 --> 00:24:49: point was a large bank like us not able to

00:24:49 --> 00:24:50: service clients,

00:24:50 --> 00:24:53: not, you know, not enabling companies for to manage their

00:24:53 --> 00:24:54: pensions payrolls,

00:24:54 --> 00:24:58: not insuring capital in the market for businesses to continue

00:24:58 --> 00:24:58: operating.

00:24:58 --> 00:24:59: And so we took a,

00:24:59 --> 00:25:01: you know, huge responsibility there,

00:25:01 --> 00:25:05: along with many others in the industry to ensure that

00:25:05 --> 00:25:06: that was secure.

00:25:06 --> 00:25:08: I'm, I think then we got into a surprise mode

00:25:09 --> 00:25:12: where we were just surprised how well it was going

00:25:12 --> 00:25:15: and that we really didn't see any productivity drop.

00:25:15 --> 00:25:18: We really had no issues or fat finger payments or

00:25:18 --> 00:25:21: any of those things that we might have been concerned

00:25:21 --> 00:25:22: about with.

00:25:22 --> 00:25:24: You know, such a dispersed,

00:25:24 --> 00:25:27: you know working environment.

00:25:27 --> 00:25:31: And I think that's largely now turned to almost curiosity

00:25:31 --> 00:25:36: where we're really being quite introspective and thinking

00:25:36 --> 00:25:38: about.

00:25:36 --> 00:25:38: What is the right way forward for us?

00:25:38 --> 00:25:41: I think one thing we have decided is it's not

00:25:41 --> 00:25:45: this we we definitely don't agree as some companies have

00:25:45 --> 00:25:47: come out and said that you know we will allow

00:25:47 --> 00:25:51: all of our staff you know subject to regulatory requirements

00:25:51 --> 00:25:52: to work from home.

00:25:52 --> 00:25:55: I don't. I don't think that works for us is

00:25:55 --> 00:25:55: a bank,

00:25:55 --> 00:25:58: but I think we've also made the decision that we

00:25:58 --> 00:26:01: don't really want to go back to the way it

00:26:01 --> 00:26:02: was before covid.

00:26:02 --> 00:26:05: And so we're in that process now of asking ourselves

00:26:06 --> 00:26:07: lots of questions.

00:26:07 --> 00:26:09: We have engaged our staff in two surveys.

00:26:09 --> 00:26:12: Now at the entire sort of 100,000 plus workforce,

00:26:12 --> 00:26:16: including our sort of full-time contractors and things like that

00:26:16 --> 00:26:20: 'cause we want to understand the broadest possible view and

00:26:20 --> 00:26:22: it's been really interesting,

00:26:22 --> 00:26:24: I think at the start 78 or percent of people

00:26:25 --> 00:26:28: said that they didn't really want to work from home

00:26:28 --> 00:26:28: very often,

00:26:28 --> 00:26:31: and now we've got almost the reverse of that,

00:26:31 --> 00:26:35: with 78% of staff saying they'd really like to work

00:26:35 --> 00:26:37: from home one or two days a week.

00:26:37 --> 00:26:40: We didn't we then see quite a big drop-off actually

00:26:40 --> 00:26:41: beyond that one to two days,

00:26:41 --> 00:26:44: and so I guess you know from the report that

00:26:44 --> 00:26:46: was presented this morning,

00:26:46 --> 00:26:49: we really relate to the statistics that were provided around

00:26:49 --> 00:26:49: that.

00:26:49 --> 00:26:51: I would say one last thing,

00:26:51 --> 00:26:52: and then I'll hand over,

00:26:52 --> 00:26:54: you know, I think you can't look at this,

00:26:54 --> 00:26:57: and certainly we're not looking at this in the in

00:26:57 --> 00:26:58: isolation,

00:26:58 --> 00:27:01: and I think there were two other key topics that

00:27:01 --> 00:27:02: you guys brought up,

00:27:02 --> 00:27:04: and I think they're really critical.

00:27:04 --> 00:27:06: The first is.

00:27:06 --> 00:27:08: You know what is the future of work and the

00:27:08 --> 00:27:12: impact of digitalization on work and people and what they

00:27:12 --> 00:27:13: will provide in in the future.

00:27:13 --> 00:27:17: And really, when you combine that with generational change

00:27:17 --> 00:27:20: and recognizing that in the next few years you know we'll

00:27:20 --> 00:27:23: have five to six generations in the workplace,

00:27:23 --> 00:27:27: ensuring that that's inclusive and that the working practices

00:27:27 --> 00:27:30: we put forward are inclusive are going to be really critical.

00:27:30 --> 00:27:33: So I thought the report was absolutely fascinating.

00:27:33 --> 00:27:36: And yeah, looking forward to the discussion.

00:27:38 --> 00:27:41: Came together and that's been really helpful.

00:27:41 --> 00:27:43: Peter, can I turn to you?

00:27:43 --> 00:27:46: How was the experience been for you and your colleagues?

00:27:46 --> 00:27:49: And also as a big investor in offices around the

00:27:49 --> 00:27:50: globe?

00:27:50 --> 00:27:54: How's that been? Surely that then hello everyone,  
00:27:54 --> 00:27:56: very happy to be here.  
00:27:56 --> 00:27:58: This is one of the benefits of covid.  
00:27:58 --> 00:28:00: They're very few of them,  
00:28:00 --> 00:28:04: but to participate in these conferences and I didn't have  
00:28:04 --> 00:28:07: to fly anywhere was very nice and convenient,  
00:28:07 --> 00:28:09: and it's great to see so much interest.  
00:28:09 --> 00:28:13: Almost 400 people attending, so I think that's great,  
00:28:13 --> 00:28:17: and I think it speaks to the relevance of this  
00:28:17 --> 00:28:19: topic as a real estate investor.  
00:28:19 --> 00:28:22: I think this is one of the biggest question marks  
00:28:22 --> 00:28:25: that has come out of covid and so it's all  
00:28:25 --> 00:28:27: so relevant to us and clearly to the people who  
00:28:27 --> 00:28:32: have called in only talk briefly about our corporate experience  
00:28:32 --> 00:28:33: because I think.  
00:28:33 --> 00:28:36: From my perspective, you know we're not as a big  
00:28:36 --> 00:28:37: user of office space.  
00:28:37 --> 00:28:41: We might be representative, but I must say I pay  
00:28:41 --> 00:28:44: more attention to what the big users are using them,  
00:28:44 --> 00:28:46: and we have 2000 employees.  
00:28:46 --> 00:28:49: I'm very focused on what is relevant for the big  
00:28:49 --> 00:28:50: corporate users.  
00:28:50 --> 00:28:53: The tenants that are in the buildings that we own  
00:28:53 --> 00:28:54: or want to own,  
00:28:54 --> 00:28:56: and that's really what matters.  
00:28:56 --> 00:28:59: But I'll just say very briefly,  
00:28:59 --> 00:29:02: I'd say it's probably similar to what a lot of  
00:29:02 --> 00:29:04: others are saying everyone is.  
00:29:04 --> 00:29:06: Surprised how productive this has been.  
00:29:06 --> 00:29:08: We would have guessed it.  
00:29:08 --> 00:29:09: We've been able to, you know,  
00:29:09 --> 00:29:12: I'd say be as productive as we were pre,  
00:29:12 --> 00:29:14: which is code which is a bit scary.  
00:29:14 --> 00:29:16: I don't know how that works,  
00:29:16 --> 00:29:19: but I actually think we'll be diminishing overtime.  
00:29:19 --> 00:29:22: But we do have a joint venture model where we  
00:29:22 --> 00:29:25: are very reliant on our local partners so we don't  
00:29:25 --> 00:29:26: have to be everywhere.  
00:29:26 --> 00:29:29: We have a model that we can leverage off of  
00:29:29 --> 00:29:30: our partners,  
00:29:30 --> 00:29:34: but that will change overtime because we need new partners  
00:29:34 --> 00:29:34: and.

00:29:34 --> 00:29:37: You know to build a relationship you can't do that  
 00:29:37 --> 00:29:38: over zoom forever,  
 00:29:38 --> 00:29:41: so I actually don't think this is sustainable,  
 00:29:41 --> 00:29:44: but our productivity has been excellent,  
 00:29:44 --> 00:29:47: which is a surprise, but I think others have experienced  
 00:29:47 --> 00:29:49: the same in terms of enjoyment.  
 00:29:49 --> 00:29:53: You know it's very hard to separate between work from  
 00:29:53 --> 00:29:55: home and covid.  
 00:29:55 --> 00:29:56: The fact of the matter is,  
 00:29:56 --> 00:29:59: I don't think anyone's having fun these days,  
 00:29:59 --> 00:30:01: and so might be fun to be home,  
 00:30:01 --> 00:30:02: but if there's nowhere to go,  
 00:30:02 --> 00:30:04: then what's the point? So,  
 00:30:04 --> 00:30:07: you know, you know, that's one of those things you  
 00:30:07 --> 00:30:07: know.  
 00:30:07 --> 00:30:11: Stress levels are high everywhere and CPP is no difference.  
 00:30:11 --> 00:30:12: We're very conscious of that.  
 00:30:12 --> 00:30:15: This is being very stressful for everybody,  
 00:30:15 --> 00:30:18: and I think we all know the various reasons everyone  
 00:30:18 --> 00:30:21: has their own unique experiences were very empathetic to  
 that,  
 00:30:21 --> 00:30:24: as are all of our peers and colleagues and all  
 00:30:24 --> 00:30:25: that.  
 00:30:25 --> 00:30:26: I don't think it's. Unique,  
 00:30:26 --> 00:30:29: but we're aware of the high stress levels were trying  
 00:30:29 --> 00:30:30: to manage that.  
 00:30:30 --> 00:30:32: It's again, it's, you know,  
 00:30:32 --> 00:30:33: this is a pandemic. There isn't.  
 00:30:33 --> 00:30:35: There's nothing good about it,  
 00:30:35 --> 00:30:38: and it's stressful.  
 00:30:38 --> 00:30:40: In terms of and, I know there's other speakers.  
 00:30:40 --> 00:30:42: I'll try to be brief.  
 00:30:42 --> 00:30:44: You know, I'm trying to absorb as many of these  
 00:30:44 --> 00:30:46: reports as possible.  
 00:30:46 --> 00:30:48: 'cause I, as I alluded to before this is really  
 00:30:48 --> 00:30:50: question number one in my mind.  
 00:30:50 --> 00:30:53: I think they report this is really excellent.  
 00:30:53 --> 00:30:55: It's it's really one of the best I've read,  
 00:30:55 --> 00:30:56: and if you know me,  
 00:30:56 --> 00:30:59: I wouldn't just say that because I'm here.  
 00:30:59 --> 00:31:02: I actually think it's it's an excellent report.  
 00:31:02 --> 00:31:05: Having said that, and not to suggest an excellent report.



00:31:05 --> 00:31:07: I don't think we know the answer there.

00:31:07 --> 00:31:09: No one knows the answer just yet.

00:31:11 --> 00:31:14: The truth of the matter is we're making these decisions

00:31:14 --> 00:31:17: in a unrealistic environment and not knowing how we're all

00:31:17 --> 00:31:20: going to react once things return to normal.

00:31:20 --> 00:31:23: For sure, everyone would like to take their Fridays off

00:31:23 --> 00:31:24: and work from home,

00:31:24 --> 00:31:27: and things like that. But does this mean that it's

00:31:27 --> 00:31:28: the right thing for the companies?

00:31:30 --> 00:31:32: Is this the right thing for people in general?

00:31:32 --> 00:31:35: Do they really want it on a sustainable basis?

00:31:35 --> 00:31:37: Yes, Fridays for sure. Maybe the odd Monday is a

00:31:37 --> 00:31:38: four days a week.

00:31:38 --> 00:31:40: I don't think people know yet.

00:31:40 --> 00:31:42: We don't know the impact on Covid.

00:31:42 --> 00:31:44: I think some of us I've noticed a lot of

00:31:44 --> 00:31:47: the questions I see that everyone who's writing in kind

00:31:47 --> 00:31:50: of gets the issues is different for different people.

00:31:50 --> 00:31:53: And at the even the corporate users.

00:31:53 --> 00:31:54: So me as an investor,

00:31:54 --> 00:31:55: I don't have the answer.

00:31:55 --> 00:31:58: I would suggest even the big corporate users.

00:31:58 --> 00:32:01: They don't have the answer because we all know that

00:32:01 --> 00:32:04: we're competing for talent and at the end of the

00:32:04 --> 00:32:07: day it's the talent that will ultimately make the decision

00:32:07 --> 00:32:10: if there. If they have a choice and I don't

00:32:10 --> 00:32:11: think that's known,

00:32:11 --> 00:32:13: I think one of the participants are sorry.

00:32:13 --> 00:32:16: One of the I guess participants put in the question

00:32:16 --> 00:32:19: that you know some of the surveys and on not

00:32:19 --> 00:32:20: suggesting this one is.

00:32:20 --> 00:32:23: You know it could be biased because you're typically surveys

00:32:23 --> 00:32:26: are getting responded to by more senior people,

00:32:26 --> 00:32:27: whether it's male or female,

00:32:27 --> 00:32:30: perhaps males or maybe even more.

00:32:30 --> 00:32:33: Less impacted and whatnot may not be representative,

00:32:33 --> 00:32:36: but certainly my guess is allowed.

00:32:36 --> 00:32:39: The surveys were reading do not reflect the views of

00:32:39 --> 00:32:40: the younger people,

00:32:40 --> 00:32:43: which are typically the people we want,

00:32:43 --> 00:32:46: and if they're not as valuable today in five to

00:32:46 --> 00:32:46: 10 years,

00:32:46 --> 00:32:50: they will be valuable and they will probably make the  
00:32:50 --> 00:32:51: decision what they want.  
00:32:51 --> 00:32:54: Do they want to be working out at their farm  
00:32:54 --> 00:32:55: or in the countryside?  
00:32:55 --> 00:32:57: They want cool urban centers.  
00:32:57 --> 00:33:00: I wouldn't best bet against urban centers and but.  
00:33:00 --> 00:33:02: You know that you know that's all,  
00:33:02 --> 00:33:04: and I recognize this report actually,  
00:33:04 --> 00:33:05: said urban centers will thrive.  
00:33:05 --> 00:33:08: There are many reports that are saying the opposite.  
00:33:08 --> 00:33:10: That's more of a US centric perspective,  
00:33:10 --> 00:33:11: but we can't ignore that anyways.  
00:33:11 --> 00:33:13: I can keep talking and fill right to the end,  
00:33:13 --> 00:33:16: so I'm just gonna stop right now.  
00:33:16 --> 00:33:21: Thanks, Peter, you've already thrown so many different  
points out  
00:33:21 --> 00:33:23: which we can come back later.  
00:33:23 --> 00:33:27: I think it's a great segue how you ended to  
00:33:27 --> 00:33:28: David.  
00:33:28 --> 00:33:30: Being active in people advisory services,  
00:33:30 --> 00:33:32: any views on the talent?  
00:33:32 --> 00:33:33: What is your view generally?  
00:33:33 --> 00:33:35: Thanks for that and just to echo,  
00:33:35 --> 00:33:38: you know, peers comments and I think this is going  
00:33:38 --> 00:33:40: to be a great discussion.  
00:33:40 --> 00:33:43: It's a good survey. You managed to put together a  
00:33:43 --> 00:33:44: very diverse panel,  
00:33:44 --> 00:33:46: which is great. We're all going to come at this  
00:33:46 --> 00:33:50: from different viewpoints and we are learning 'cause it's a  
00:33:50 --> 00:33:52: very live topic at the moment.  
00:33:52 --> 00:33:53: So I'm coming at this.  
00:33:53 --> 00:33:54: I suppose wearing two hats.  
00:33:54 --> 00:33:57: One is that I'm leading the project within EY in  
00:33:57 --> 00:33:58: the United Kingdom,  
00:33:58 --> 00:34:01: at any rate. To really look at our future work  
00:34:01 --> 00:34:04: strategy and vision in terms of how we're going to  
00:34:04 --> 00:34:05: go forward.  
00:34:05 --> 00:34:08: So on one level, I've got the internal role on  
00:34:08 --> 00:34:08: another level.  
00:34:08 --> 00:34:12: I'm leading our efforts from an external perspective in terms  
00:34:12 --> 00:34:15: of supporting clients with their decision making process,  
00:34:15 --> 00:34:18: and I've probably been engaging with 30 to 40 very

00:34:18 --> 00:34:22: large organisations consistently over the last six months.

00:34:22 --> 00:34:24: Dealing with these issues. So I think I've got a

00:34:24 --> 00:34:26: fair sense of where they're going,

00:34:26 --> 00:34:29: so I'm going to stick my answer in terms of

00:34:29 --> 00:34:31: our experience.

00:34:31 --> 00:34:33: Much like others caption described,

00:34:33 --> 00:34:35: we managed to flip 275 thousand people.

00:34:35 --> 00:34:37: You know 95% from work pretty seamlessly.

00:34:37 --> 00:34:40: We were lucky in some ways because we made a

00:34:40 --> 00:34:41: very extensive,

00:34:41 --> 00:34:45: hardly investments the other, for particularly our global business center

00:34:45 --> 00:34:47: of over 80,000 people in India.

00:34:47 --> 00:34:50: Many of the GBS centers in India didn't have laptops

00:34:50 --> 00:34:52: available for their staff and they suffered.

00:34:52 --> 00:34:55: We got away with that and we also rolled out

00:34:55 --> 00:34:57: teams literally two months beforehand,

00:34:57 --> 00:35:00: so we had the software solution ready as well so.

00:35:00 --> 00:35:03: That helped a lot, but it wasn't the only thing.

00:35:03 --> 00:35:06: I think the that there has been a lot of

00:35:06 --> 00:35:10: innovation in terms of redesigning processes from a virtual perspective,

00:35:10 --> 00:35:13: whether it's recruitment on hand or the entire way in

00:35:13 --> 00:35:16: which we deliver services declines from how we pitch.

00:35:16 --> 00:35:19: You know, all the way up through to delivery,

00:35:19 --> 00:35:22: which is has been fantastic.

00:35:22 --> 00:35:26: And we've also made substantial investment in remote enablement in

00:35:26 --> 00:35:27: mental Wellness,

00:35:27 --> 00:35:30: where we invested heavily and in team cohesion,

00:35:30 --> 00:35:31: all of which have helped.

00:35:31 --> 00:35:33: So we're at that point.

00:35:33 --> 00:35:36: I'm on the project thinking about we now know it's

00:35:36 --> 00:35:37: possible.

00:35:37 --> 00:35:40: The key question is what is preferable going forward?

00:35:40 --> 00:35:43: And as Peter said, we are operating in a very

00:35:43 --> 00:35:45: artificial environment,

00:35:45 --> 00:35:48: both in terms of the covid bias that goes with

00:35:48 --> 00:35:50: things but also very importantly,

00:35:50 --> 00:35:54: the reason why this. Experiment is worked is because everybody

00:35:54 --> 00:35:56: was forced to do it at the same time,

00:35:56 --> 00:35:59: it would be incredibly difficult for anyone organization to try

00:35:59 --> 00:36:02: this at scale without the other organizations around it,  
00:36:02 --> 00:36:04: its ecosystem, clients, providers, etc.  
00:36:04 --> 00:36:06: Doing the same thing. Now,  
00:36:06 --> 00:36:09: one level, the longer the abnormal loss and we operate  
00:36:09 --> 00:36:09: this way,  
00:36:09 --> 00:36:11: the better the habits are formed.  
00:36:11 --> 00:36:13: The bigger the momentum for change,  
00:36:13 --> 00:36:16: but it is artificial and the complexities only really going  
00:36:16 --> 00:36:19: to kick in when cancer in her organization do something  
00:36:19 --> 00:36:21: different from my organization.  
00:36:21 --> 00:36:23: And yet we have to work together.  
00:36:23 --> 00:36:25: And that's you know when it's going to start to  
00:36:26 --> 00:36:28: become a lot more complex as we go forward,  
00:36:28 --> 00:36:29: but very similar to us,  
00:36:29 --> 00:36:32: I think our clients have written the initial disruption,  
00:36:32 --> 00:36:34: have gotten used to it,  
00:36:34 --> 00:36:36: are working on things, and they are now looking to  
00:36:37 --> 00:36:37: the future.  
00:36:37 --> 00:36:40: What Catherine talked about, the curiosity,  
00:36:40 --> 00:36:43: peaceful, tried pretty much every single one has set up  
00:36:43 --> 00:36:46: task forces to look at the future work particularly harbored.  
00:36:46 --> 00:36:49: Those task forces are LED either by the CHRO or  
00:36:49 --> 00:36:49: the Co,  
00:36:49 --> 00:36:51: or a very often by the CEO,  
00:36:51 --> 00:36:54: so they are. They are led by the top leaders  
00:36:54 --> 00:36:55: in the organization.  
00:36:55 --> 00:36:58: All of them intend to make major changes.  
00:36:58 --> 00:37:01: I don't think it's any question that there will be  
00:37:01 --> 00:37:02: a major shift,  
00:37:02 --> 00:37:05: so you know where the pendulum swings back remains to  
00:37:05 --> 00:37:05: be seen,  
00:37:05 --> 00:37:08: but anybody thinking it's it's gonna go all the way  
00:37:08 --> 00:37:11: back is very optimistic there will be changes in work  
00:37:11 --> 00:37:13: modes in office design and in  
00:37:13 --> 00:37:15: real estate footprint without question.  
00:37:15 --> 00:37:18: Almost all of those task forces to already have a  
00:37:18 --> 00:37:21: penciled in real estate footprint cut that they are testing  
00:37:21 --> 00:37:23: out from a hypothesis perspective,  
00:37:23 --> 00:37:25: and the numbers are bigger than the 20%  
00:37:25 --> 00:37:29: in the survey. So we can talk about that.  
00:37:29 --> 00:37:31: The second thing though, is that you know Peter talked  
00:37:31 --> 00:37:32: about this as well.

00:37:32 --> 00:37:34: Is that all of them I think are starting to  
00:37:34 --> 00:37:35: pause a little bit.  
00:37:35 --> 00:37:38: And realize this is a longer term approach is required  
00:37:38 --> 00:37:41: unless that under release timing pressure they want to make  
00:37:41 --> 00:37:43: a decision now around the building.  
00:37:43 --> 00:37:45: I don't think many people are going to act very  
00:37:45 --> 00:37:48: quickly and the reason for that is a the abnormal  
00:37:48 --> 00:37:51: ads abnormality of the situation is continuing for much longer  
00:37:51 --> 00:37:54: than most scenarios now. Kind of spring next year where  
00:37:54 --> 00:37:54: you could.  
00:37:54 --> 00:37:56: You could see a new normal.  
00:37:56 --> 00:37:59: Or is I think there were some people optimistic that  
00:37:59 --> 00:38:02: it would already have happened so that slowing people  
00:38:02 --> 00:38:05: down.  
00:38:05 --> 00:38:05: You can't test hard work arrangements until you've got  
00:38:05 --> 00:38:06: people  
00:38:06 --> 00:38:09: both on premise and remote,  
00:38:09 --> 00:38:09: and at the moment in many countries they all remote  
00:38:09 --> 00:38:09: right,  
00:38:09 --> 00:38:10: so that makes it different,  
00:38:10 --> 00:38:12: difficult. And the third thing is,  
00:38:12 --> 00:38:14: I think they're realizing the complexity of it,  
00:38:14 --> 00:38:16: so they slowing down. I have a lot of clients  
00:38:16 --> 00:38:19: who saying things along the lines of we no longer  
00:38:19 --> 00:38:20: competing to get in the newspaper.  
00:38:20 --> 00:38:23: This is 1 where you don't want necessarily want to  
00:38:23 --> 00:38:24: come first in making your decisions.  
00:38:24 --> 00:38:27: You want to see how it goes and learn from  
00:38:27 --> 00:38:28: others.  
00:38:28 --> 00:38:30: If I had to give at least some up quickly  
00:38:30 --> 00:38:31: on on the kind of key questions,  
00:38:31 --> 00:38:34: they're all asking, right? It would be the following ones.  
00:38:34 --> 00:38:37: How do they align in the future while navigating potential  
00:38:38 --> 00:38:38: leadership?  
00:38:38 --> 00:38:41: Bias? Because we're we're all experts on this,  
00:38:41 --> 00:38:42: 'cause we're all working from home,  
00:38:42 --> 00:38:46: right? And many suspect their leaders are going to be  
00:38:46 --> 00:38:48: the biggest obstacle to change.  
00:38:48 --> 00:38:52: How do you calculate the remote viability of Adderall level  
00:38:52 --> 00:38:53: or job family level?  
00:38:53 --> 00:38:55: Because from a label or perspective,  
00:38:55 --> 00:38:58: many are concerned about the logic of employees  
segmentation.

00:38:58 --> 00:39:01: What happens when you say to an employee wants X  
 00:39:01 --> 00:39:02: but they can only have?  
 00:39:02 --> 00:39:05: Why? When someone else is getting X,  
 00:39:05 --> 00:39:07: how do you justify that and the justification has to  
 00:39:08 --> 00:39:11: be scientific and it's gotta be rolling activity based what  
 00:39:11 --> 00:39:14: he's productive collocation because being in the office for a  
 00:39:14 --> 00:39:16: few days is a ridiculous statement and I think people  
 00:39:16 --> 00:39:19: have found that out as people came back to the  
 00:39:19 --> 00:39:22: office with social distancing that if if you're not coming  
 00:39:22 --> 00:39:24: back for a purpose, and in fact if you spending  
 00:39:24 --> 00:39:27: all your time doing what we're doing now on teams  
 00:39:27 --> 00:39:27: or zoom,  
 00:39:27 --> 00:39:29: you may as well be doing it at home,  
 00:39:29 --> 00:39:31: which is why so many people went back home when  
 00:39:31 --> 00:39:32: when offices opened up.  
 00:39:32 --> 00:39:34: So what are you going in for?  
 00:39:34 --> 00:39:35: Who you going in with?  
 00:39:35 --> 00:39:37: Who you working with him?  
 00:39:37 --> 00:39:39: What are you doing that's going to be the key  
 00:39:39 --> 00:39:41: question in terms of productive collocation,  
 00:39:41 --> 00:39:42: and there I must say,  
 00:39:42 --> 00:39:44: I think that some of the report findings on the  
 00:39:44 --> 00:39:47: understood between execution on one side which could be  
 00:39:47 --> 00:39:50: remote  
 00:39:47 --> 00:39:50: versus strategic and business being in the office.  
 00:39:50 --> 00:39:52: I think I wanted to take some of those going  
 00:39:52 --> 00:39:52: forward.  
 00:39:52 --> 00:39:55: Obviously there's a big implications for real estate footprints,  
 00:39:55 --> 00:39:59: floor space design technology, everybody's talking about  
 00:39:59 --> 00:40:02: culture,  
 00:39:59 --> 00:40:02: everybody's talking about inclusion, everybody's talking  
 00:40:02 --> 00:40:04: about social capital.  
 00:40:02 --> 00:40:04: Everybody's talking about mental Wellness.  
 00:40:04 --> 00:40:06: Those are the key people issues.  
 00:40:06 --> 00:40:11: The tradeoff between employer, employee choice and  
 00:40:11 --> 00:40:13: planning certainty.  
 00:40:11 --> 00:40:13: More choice. You give people a hard,  
 00:40:13 --> 00:40:15: it is to plan from real estate onwards and how  
 00:40:16 --> 00:40:19: you plan around real estate and optimization of it.  
 00:40:19 --> 00:40:22: Key questions there also the tradeoffs between an access to  
 00:40:23 --> 00:40:24: a global talent pool.  
 00:40:24 --> 00:40:26: Yippee, but then on the other hand,  
 00:40:26 --> 00:40:28: lots of risks from a text commercial cyber side in

00:40:28 --> 00:40:29: terms of distance,

00:40:29 --> 00:40:33: remote work, so that's another one people are struggling with

00:40:33 --> 00:40:36: and having to confront it very quickly because there are

00:40:36 --> 00:40:38: lots and lots of people knocking on HR doors at

00:40:38 --> 00:40:40: the moment saying if this is going to carry on,

00:40:40 --> 00:40:43: would you mind if I go work from Tuscany,

00:40:43 --> 00:40:46: but there are lots of implications for their decision and

00:40:46 --> 00:40:50: people want to policy and tax response in that regard.

00:40:50 --> 00:40:53: Concerns around how you prevent talent in equity and rewarding

00:40:53 --> 00:40:56: equity going forward and Rd is going to become a

00:40:56 --> 00:40:59: bigger and bigger issue as we go forward as different

00:40:59 --> 00:41:03: packages and work modes are thought about.

00:41:03 --> 00:41:06: Technology capacity to run this to default out and then

00:41:06 --> 00:41:07: that demand uncertainty.

00:41:07 --> 00:41:10: So for example, in my project we are spending time

00:41:10 --> 00:41:13: with clients asking them the question how are you going

00:41:13 --> 00:41:16: to relate to service providers going forward?

00:41:16 --> 00:41:18: Traditionally, we've come onto your premises to work with you.

00:41:18 --> 00:41:20: Are you still going to have space to do that?

00:41:20 --> 00:41:22: Are we going to be forced to change or if

00:41:22 --> 00:41:23: we decide to change,

00:41:23 --> 00:41:25: is that going to be good for you etc etc.

00:41:25 --> 00:41:26: Once you get into that,

00:41:26 --> 00:41:28: mutuality of demand, then it gets more difficult.

00:41:28 --> 00:41:30: I'll pause there again, I could go on all day

00:41:30 --> 00:41:31: as well.

00:41:31 --> 00:41:35: It's a fascinating subject, and hopefully that throws up some

00:41:35 --> 00:41:36: things we can debate.

00:41:36 --> 00:41:40: Thanks a lot David. This was really.

00:41:40 --> 00:41:44: Hi Ed Italian Ann Lee coming out at an I

00:41:44 --> 00:41:46: think you also wear two hats.

00:41:46 --> 00:41:50: Know as a as an employer with the team and

00:41:51 --> 00:41:54: as an architect advising clients on.

00:41:54 --> 00:41:58: The future office. I will probably come out of this

00:41:59 --> 00:42:02: at a very different point of view.

00:42:02 --> 00:42:04: And I'll tell you a little bit about our own

00:42:04 --> 00:42:05: experiences,

00:42:05 --> 00:42:07: what our clients doing. But I for me,

00:42:07 --> 00:42:11: I'll contextualize this. In in in a very simple way.

00:42:11 --> 00:42:15: We're here because we're all involved in real estate and

00:42:16 --> 00:42:19: real estate has a role in what we now know

00:42:19 --> 00:42:22: to be the two most fragile elements in our human  
 00:42:22 --> 00:42:27: lives on the environment, the relationship between us in the  
 00:42:27 --> 00:42:29: environment created the pandemic,  
 00:42:29 --> 00:42:33: and to the inability of local communities to step in  
 00:42:33 --> 00:42:38: and fill a vacuum that central governments failed to do.  
 00:42:38 --> 00:42:41: Which is why we now have an extended period of  
 00:42:41 --> 00:42:42: time.  
 00:42:42 --> 00:42:45: A large spread of the pandemic and maybe those two  
 00:42:46 --> 00:42:49: things we could come back to in the context of  
 00:42:49 --> 00:42:53: real estate and maybe investigate in the context of the  
 00:42:53 --> 00:42:57: report and where where we should be thinking about about  
 00:42:57 --> 00:42:58: the future,  
 00:42:58 --> 00:43:01: but generally with my other hat as a.  
 00:43:01 --> 00:43:04: We we sort of measure productivity in a very,  
 00:43:04 --> 00:43:09: very different way. We don't measure productivity as such.  
 00:43:09 --> 00:43:14: We measure creativity, creativity and innovation and.  
 00:43:14 --> 00:43:17: We reopened our studio five months ago and to make  
 00:43:17 --> 00:43:19: a Long story short,  
 00:43:19 --> 00:43:22: on any given day now we have at least 100  
 00:43:22 --> 00:43:23: people in the studio.  
 00:43:23 --> 00:43:27: I'm not sure that many of our colleagues are doing  
 00:43:27 --> 00:43:27: that,  
 00:43:27 --> 00:43:31: but. The range of things that we do.  
 00:43:31 --> 00:43:36: From buildings to consumer products and other things means  
 00:43:36 --> 00:43:39: that  
 00:43:39 --> 00:43:41: we need to be together for a period of time  
 00:43:41 --> 00:43:45: and we need to exchange ideas.  
 00:43:45 --> 00:43:48: We need to use our prototyping facilities.  
 00:43:48 --> 00:43:48: We have a big physical content too to what we  
 00:43:48 --> 00:43:52: do,  
 00:43:52 --> 00:43:56: so we found that it was important to be together  
 00:43:56 --> 00:43:59: and we started thinking we must always be here.  
 00:43:59 --> 00:44:03: And we're a little bit more relaxed about that out  
 00:44:03 --> 00:44:05: of both necessity and out of realizing that when we  
 00:44:05 --> 00:44:09: were all outside of the studio,  
 00:44:09 --> 00:44:12: we actually were very, very productive.  
 00:44:12 --> 00:44:12: So we have a balance of sort of two or  
 00:44:12 --> 00:44:16: three days,  
 00:44:16 --> 00:44:17: three days within the studio in two days at home,  
 00:44:17 --> 00:44:19: for each of our teams.  
 00:44:19 --> 00:44:24: But we did find that.  
 00:44:19 --> 00:44:24: We need the time together at all generations to talk



00:44:24 --> 00:44:28: and to mentor people and to talk to our clients.

00:44:28 --> 00:44:32: There is a the one interesting point that was raised

00:44:32 --> 00:44:33: about context.

00:44:33 --> 00:44:37: I mean there is a contextual divide within our work

00:44:37 --> 00:44:42: between our Asian clients who largely never left the office

00:44:42 --> 00:44:46: and who are now suffering from zoom fatigue from,

00:44:46 --> 00:44:49: you know, from all of the discussions and the need

00:44:49 --> 00:44:52: to make decisions around very big,

00:44:52 --> 00:44:55: big things 'cause we're dealing with,

00:44:55 --> 00:44:59: you know some projects with 25 year life spans that

00:44:59 --> 00:45:00: need to be decided.

00:45:00 --> 00:45:05: Quickly, some parts of it need to be decided quickly

00:45:05 --> 00:45:07: and our European clients,

00:45:07 --> 00:45:11: particularly our clients, more locally who.

00:45:11 --> 00:45:15: We don't. We don't sort of feel that way.

00:45:15 --> 00:45:18: I will tell you that I'm designing of the building

00:45:18 --> 00:45:20: site on the corporate side.

00:45:20 --> 00:45:24: None of our corporate clients and they include a number

00:45:24 --> 00:45:28: of tech companies have changed their overall requirements

00:45:28 --> 00:45:32: for space.

00:45:32 --> 00:45:35: They've changed the narrative and we're looking at a

00:45:35 --> 00:45:39: different

00:45:39 --> 00:45:42: narrative for how the spaces is can be used,

00:45:42 --> 00:45:45: and that's largely a result of a learning factor that's

00:45:45 --> 00:45:47: taken place while people have been locked down,

00:45:47 --> 00:45:51: so I think that's a good thing because it's leading

00:45:51 --> 00:45:52: to more variety more interest,

00:45:52 --> 00:45:56: more uses within the real estate than maybe they anticipated

00:45:56 --> 00:45:58: before,

00:45:58 --> 00:46:02: such as Community uses educational facilities and spare

00:46:02 --> 00:46:06: capacity.

00:46:06 --> 00:46:09: So I like to think in that regard,

00:46:09 --> 00:46:10: the. Big discussion around the net to gross being the

00:46:10 --> 00:46:14: main factor driving real estate decisions in the past.

00:46:14 --> 00:46:17: Covid has killed the net to gross and now it

00:46:17 --> 00:46:21: is about quality.

00:46:21 --> 00:46:22: It is about spatial variety and for me that we

00:46:22 --> 00:46:26: see that as adding value now.

00:46:26 --> 00:46:29: The office is dead. We don't believe that the city

00:46:29 --> 00:46:33: is dead.

00:46:33 --> 00:46:36: I think that's largely been a discussion in the UK

00:46:36 --> 00:46:39: and in the United States,

00:46:39 --> 00:46:42: and again. Our Asian clients and the people were doing

00:46:33 --> 00:46:37: big urban things for don't share the view that the  
00:46:38 --> 00:46:41: western media does that the city is dead.  
00:46:41 --> 00:46:44: And I think it all comes back again to this  
00:46:44 --> 00:46:47: notion of how we use this time to build strong  
00:46:47 --> 00:46:51: communities and which real estate has a very,  
00:46:51 --> 00:46:54: very big role in and how we use this time  
00:46:54 --> 00:46:59: to reevaluate our relationship between ourselves and our  
environment,  
00:46:59 --> 00:47:02: which again, real estate has a big problem.  
00:47:02 --> 00:47:05: The report hits a lot of these points.  
00:47:05 --> 00:47:07: I think the big one for me is quality is  
00:47:08 --> 00:47:09: on everyone's agenda.  
00:47:09 --> 00:47:13: And, well, maybe. Office uses coming the need for office  
00:47:13 --> 00:47:17: space is coming down and quality is rising.  
00:47:17 --> 00:47:19: The quantum take to achieve their quality.  
00:47:19 --> 00:47:22: You may in the end not have a diminished quantum  
00:47:22 --> 00:47:22: of of space.  
00:47:22 --> 00:47:25: You just may have different kinds of space.  
00:47:25 --> 00:47:27: Junk is interesting things to look at.  
00:47:29 --> 00:47:34: Thanks, Lee. I think Catherine this is a nice bridge  
00:47:34 --> 00:47:35: back to you.  
00:47:35 --> 00:47:39: Is that what how Deutsche Bank is looking at it  
00:47:39 --> 00:47:43: at the moment in terms of quality and quantity?  
00:47:43 --> 00:47:46: Yeah, so I think there's a few things I think,  
00:47:46 --> 00:47:49: like any, I think banks will come with it slightly  
00:47:49 --> 00:47:50: differently,  
00:47:50 --> 00:47:52: probably from many other sectors.  
00:47:52 --> 00:47:54: We tend to focus a lot on costs,  
00:47:54 --> 00:47:57: obviously, and I don't think it's you know a state  
00:47:57 --> 00:48:00: secret that Deutsche Bank's on a on a huge you  
00:48:00 --> 00:48:00: know,  
00:48:00 --> 00:48:02: crusade to reduce its cost base.  
00:48:02 --> 00:48:05: But I agree with the statement around quality and I  
00:48:05 --> 00:48:09: agree with the statement around purpose and we are really  
00:48:09 --> 00:48:11: looking at you know what is going to be the  
00:48:11 --> 00:48:14: main purpose of the office going forward.  
00:48:14 --> 00:48:17: I would venture to offer a few thoughts on that,  
00:48:17 --> 00:48:21: you know. Firstly, I think you know maintaining corporate  
culture  
00:48:21 --> 00:48:24: and brand Association for employees is really critical.  
00:48:24 --> 00:48:27: When you when you don't really know who you work  
00:48:27 --> 00:48:27: for,

00:48:27 --> 00:48:30: what what your work is contributing to and why you're  
00:48:30 --> 00:48:31: there.  
00:48:31 --> 00:48:33: Absolutely your productivity goes down.  
00:48:33 --> 00:48:37: Your Association to the company goes down in your loyalty  
00:48:37 --> 00:48:39: to the company goes down and so I think you  
00:48:39 --> 00:48:40: know,  
00:48:40 --> 00:48:42: whilst the office isn't the culture of a company,  
00:48:42 --> 00:48:45: it definitely is a framework.  
00:48:45 --> 00:48:48: That provides that security and identity that people can come  
00:48:49 --> 00:48:49: in.  
00:48:49 --> 00:48:52: They collaborate, they work with each other and they really  
00:48:52 --> 00:48:55: do identify with what the the companies about.  
00:48:55 --> 00:48:56: So I I, you know,  
00:48:56 --> 00:49:00: I would absolutely echo. I really don't see I don't  
00:49:00 --> 00:49:01: understand actually,  
00:49:01 --> 00:49:03: the narrative of the office is dead.  
00:49:03 --> 00:49:06: I think I think that slightly neurotic.  
00:49:06 --> 00:49:09: I would say that the office is really going to  
00:49:09 --> 00:49:10: be alive and well,  
00:49:10 --> 00:49:12: and playing a really important part.  
00:49:12 --> 00:49:15: It may be that we have less of it for  
00:49:15 --> 00:49:16: sure.  
00:49:16 --> 00:49:19: We will fund a lot of our investments back into  
00:49:19 --> 00:49:22: our portfolio through reducing our footprint,  
00:49:22 --> 00:49:25: right? You know, rent is the largest part of any  
00:49:25 --> 00:49:26: real estate.  
00:49:26 --> 00:49:28: Kind of cost base, and so you know,  
00:49:28 --> 00:49:31: the less you consume, the more you've got to invest  
00:49:31 --> 00:49:35: in it and an and make it a fantastically inclusive  
00:49:35 --> 00:49:36: working environment.  
00:49:36 --> 00:49:40: I think digitalization and the use of digital tools.  
00:49:40 --> 00:49:42: I think Covid is really speed up.  
00:49:44 --> 00:49:47: Acceptance of you know the use of digital tools.  
00:49:47 --> 00:49:50: Certainly in real estate, but also just generally,  
00:49:50 --> 00:49:51: I think in large corporates.  
00:49:51 --> 00:49:55: And certainly we've really. We've really seen that we're now  
00:49:55 --> 00:49:56: doing a lot of,  
00:49:56 --> 00:49:58: you know, using DocuSign across the globe.  
00:49:58 --> 00:50:00: We know we didn't have that before.  
00:50:00 --> 00:50:02: We're now.  
00:50:02 --> 00:50:06: Embedding our host application that we've partnered with  
CBR E

00:50:06 --> 00:50:06: on,

00:50:06 --> 00:50:09: you know, to help us manage our real estate in

00:50:09 --> 00:50:10: a more agile way.

00:50:10 --> 00:50:11: So I think you know,

00:50:11 --> 00:50:13: had covid not come along,

00:50:13 --> 00:50:15: I think it would have taken us a couple more

00:50:15 --> 00:50:16: years,

00:50:16 --> 00:50:19: maybe to get to the point we've got to already

00:50:19 --> 00:50:21: in such a short amount of time.

00:50:21 --> 00:50:24: I say one last thing which is.

00:50:24 --> 00:50:27: I think the office will almost go down the

00:50:27 --> 00:50:30: route of a lot of maybe the thought processes in

00:50:30 --> 00:50:33: the last few years around placemaking in city centers.

00:50:33 --> 00:50:35: I think offices will actually,

00:50:35 --> 00:50:39: you know, have place making kind of approaches to them

00:50:39 --> 00:50:42: where employers who want to be an employer of choice

00:50:42 --> 00:50:46: will provide an environment that people are stimulated and excited

00:50:46 --> 00:50:49: to come into because they have a choice not to

00:50:49 --> 00:50:50: come into it right?

00:50:50 --> 00:50:53: Cut sweat. That's really in essence in in in my

00:50:53 --> 00:50:53: view,

00:50:53 --> 00:50:56: what covid is done, it's provided.

00:50:56 --> 00:50:58: A much broader view. I'm in him in the employee

00:50:58 --> 00:50:58: base,

00:50:58 --> 00:51:00: which is, you know, I don't have to come into

00:51:01 --> 00:51:03: work to do my job that I agree with everybody

00:51:03 --> 00:51:03: on the panel.

00:51:03 --> 00:51:06: You know whether they're doing their job is effectively as

00:51:06 --> 00:51:07: people would like them to,

00:51:07 --> 00:51:09: or in the way that people would like to.

00:51:09 --> 00:51:11: That's obviously up for debate.

00:51:11 --> 00:51:12: And as we go through,

00:51:12 --> 00:51:15: this will learn more, but

00:51:15 --> 00:51:19: but I would say that definitely having that place making

00:51:19 --> 00:51:22: creating that pool for employees to want to work for

00:51:22 --> 00:51:26: you as a company and still come into the office

00:51:26 --> 00:51:29: and collaborate and create and do all of those things.

00:51:29 --> 00:51:33: I really believe that will be part of the offering

00:51:33 --> 00:51:34: going forward.

00:51:34 --> 00:51:37: So and I guess you know.

00:51:37 --> 00:51:39: I think Peter touched on it and and I think

00:51:39 --> 00:51:41: this was a really well made point.

00:51:41 --> 00:51:43: Stress levels are through the roof.

00:51:43 --> 00:51:47: You know this is a very unusual time.

00:51:47 --> 00:51:50: People are coming at this from a very individual perspective,

00:51:50 --> 00:51:52: whether it be multi generational living.

00:51:52 --> 00:51:55: You know having young kids and my dog is in

00:51:55 --> 00:51:57: the background in case anyone can hear it.

00:51:57 --> 00:52:01: All of those kinds of stressful things when you're trying

00:52:01 --> 00:52:01: to work.

00:52:01 --> 00:52:04: I think the office does offer now what it didn't

00:52:04 --> 00:52:05: use to potentially,

00:52:05 --> 00:52:07: which is a bit of relief from all that,

00:52:07 --> 00:52:08: and so I I think.

00:52:08 --> 00:52:11: Also just that whole aspect of mental well being and

00:52:11 --> 00:52:14: providing variety and not sitting in your little,

00:52:14 --> 00:52:16: you know, cubbyhole at home,

00:52:16 --> 00:52:19: wherever that might be, that you've managed to find to

00:52:19 --> 00:52:20: create your workspace.

00:52:20 --> 00:52:23: I think that does provide a relief,

00:52:23 --> 00:52:24: so I'm not, you know,

00:52:24 --> 00:52:27: I would say when I would say from from our

00:52:27 --> 00:52:28: perspective,

00:52:28 --> 00:52:31: we will absolutely cut our real estate portfolio.

00:52:31 --> 00:52:33: I don't think it will be as extreme as well.

00:52:33 --> 00:52:36: I know it won't be as extreme as some people

00:52:36 --> 00:52:39: have come out and said and that it will help

00:52:39 --> 00:52:40: us fund the necessary,

00:52:40 --> 00:52:47: you know, investments to really create something dynamic and exciting.

00:52:47 --> 00:52:50: Thanks, Catherine, that's very interesting.

00:52:50 --> 00:52:53: There are actually a couple of questions coming in kind

00:52:53 --> 00:52:54: of around.

00:52:54 --> 00:52:58: Yes, there's the the the focus on quality and everyone

00:52:58 --> 00:53:00: seems to agree on that,

00:53:00 --> 00:53:02: and the office is very important.

00:53:02 --> 00:53:05: What about, say, the flexible shell around it?

00:53:05 --> 00:53:10: Coworking spaces? Hotdesking edge of city locations to facilitate people?

00:53:10 --> 00:53:14: Maybe not. Not at least always coming in.

00:53:14 --> 00:53:16: Anyone who wants to comment on that?

00:53:19 --> 00:53:21: I mean, I can come in here.

00:53:21 --> 00:53:23: From our perspective, we find it quite hard to use

00:53:23 --> 00:53:24: coworking,  
00:53:24 --> 00:53:26: being a bank with a lot of regulated entities,  
00:53:26 --> 00:53:28: and so we can't just use drop,  
00:53:28 --> 00:53:30: invests and things like that generally.  
00:53:30 --> 00:53:32: But we do use some of the code working for  
00:53:32 --> 00:53:35: flexible spaces where let's say we've got a large project  
00:53:35 --> 00:53:38: team that we're bringing together and we need to work  
00:53:38 --> 00:53:39: for a period of time.  
00:53:39 --> 00:53:41: As long as we can kind of segregate the space  
00:53:41 --> 00:53:42: off of it.  
00:53:42 --> 00:53:45: We love to use, you know coworking environments for that,  
00:53:45 --> 00:53:48: it's very different environment typically to our banking offices.  
00:53:48 --> 00:53:50: So if you want people to think differently,  
00:53:50 --> 00:53:54: sometimes you need to surround them with a different  
environment,  
00:53:54 --> 00:53:56: right so? I I think I working's got a really  
00:53:57 --> 00:54:00: strong place there and I can see for other corporates  
00:54:00 --> 00:54:04: with less stringent kind of compliance requirements.  
00:54:04 --> 00:54:08: Coworking is a perfect way for them to help with  
00:54:08 --> 00:54:11: their flex kind of requirements.  
00:54:11 --> 00:54:14: Pete, thanks Catherine Peter, you wanted to comment as  
well.  
00:54:14 --> 00:54:17: I guess I would just add and I think Catherine  
00:54:17 --> 00:54:18: finished with that.  
00:54:18 --> 00:54:21: I don't think it's one size fits all.  
00:54:21 --> 00:54:25: If it's someone likely firm which where collaboration is critical,  
00:54:25 --> 00:54:28: then the physical space will will not change.  
00:54:28 --> 00:54:31: Well it will evolve, but it will know Covid isn't  
00:54:31 --> 00:54:34: going to change this and work from home isn't changing  
00:54:34 --> 00:54:35: dramatically.  
00:54:35 --> 00:54:38: The tech companies are very vocal about saying that work  
00:54:38 --> 00:54:40: from home works for them,  
00:54:40 --> 00:54:43: whether that pans out. It still remains to be seen.  
00:54:43 --> 00:54:45: I don't think that's a given because at the same  
00:54:45 --> 00:54:48: time they're saying that they keep renting more space,  
00:54:48 --> 00:54:50: so it's a little bit of a mixed message,  
00:54:50 --> 00:54:53: but it could still, you know they they might actually  
00:54:53 --> 00:54:55: act on what they're saying.  
00:54:55 --> 00:54:59: And then geographic differences. We've talked about that.  
00:54:59 --> 00:55:03: We talked about the difference or leave highlighted the  
difference  
00:55:03 --> 00:55:06: between Asia and perhaps Europe and the Americas,  
00:55:06 --> 00:55:10: but even within Asia I think there's new office and

00:55:10 --> 00:55:13: there could be nuances within Europe and the in the  
00:55:13 --> 00:55:13: US.  
00:55:13 --> 00:55:16: Their servant cities that are,  
00:55:16 --> 00:55:18: you know, walking distance, type settings,  
00:55:18 --> 00:55:22: city. So in Hong Kong the commute times aren't typically  
00:55:22 --> 00:55:23: very far,  
00:55:23 --> 00:55:26: and so if you know the elimination of the commute  
00:55:26 --> 00:55:30: isn't the issue and people live in different working.  
00:55:30 --> 00:55:33: Don't live in different physical spaces around the world.  
00:55:33 --> 00:55:35: Some have more space, some have less.  
00:55:35 --> 00:55:37: If you have less space at home,  
00:55:37 --> 00:55:39: you're more likely to want office.  
00:55:39 --> 00:55:42: So the challenge that lies ahead for us is the  
00:55:42 --> 00:55:42: variability.  
00:55:42 --> 00:55:45: You know, the one thing I would make and I  
00:55:45 --> 00:55:47: don't want this to sound too ominous,  
00:55:47 --> 00:55:51: but it's so important that we get views from outside  
00:55:51 --> 00:55:52: the industry.  
00:55:52 --> 00:55:56: The one thing I noticed about the shopping center industry  
00:55:56 --> 00:55:58: and I am part of it so I'm not trying  
00:55:58 --> 00:56:00: to critique others.  
00:56:00 --> 00:56:02: I was part of that is it's the ones that  
00:56:02 --> 00:56:05: are impacted are the last to see it and I  
00:56:05 --> 00:56:09: would say the shopping center community and for the most  
00:56:09 --> 00:56:12: part were underestimating the impact of E Commerce.  
00:56:12 --> 00:56:15: That, OK, it's you know that rapid growth is off  
00:56:15 --> 00:56:16: of a small base.  
00:56:16 --> 00:56:19: Well, now that rapid growth is off of a big  
00:56:19 --> 00:56:21: basin that was be pre covid too.  
00:56:21 --> 00:56:24: So I don't think it's just a covert thing so.  
00:56:24 --> 00:56:26: I think it's a warning to all of us is  
00:56:27 --> 00:56:30: to to hear from as many people outside the industry  
00:56:30 --> 00:56:31: as in the industry so.  
00:56:34 --> 00:56:36: Thanks thanks Peter.  
00:56:36 --> 00:56:39: We actually have only a few minutes left,  
00:56:39 --> 00:56:42: so I would like to give David and Lee still  
00:56:42 --> 00:56:44: the opportunity to to comment David.  
00:56:44 --> 00:56:47: Maybe you can build on what Peter was just saying  
00:56:47 --> 00:56:50: and fuse from outside the industry.  
00:56:50 --> 00:56:52: Are we a bit skewed in our views?  
00:56:54 --> 00:56:56: I would say yes, but at the same time I'm  
00:56:56 --> 00:56:58: not going to be true to negative.

00:56:58 --> 00:57:00: I think he's absolutely right there.

00:57:00 --> 00:57:03: Let our relationship with space has to change what what

00:57:03 --> 00:57:05: that eventually means.

00:57:05 --> 00:57:06: We'll see it's going to evolve.

00:57:06 --> 00:57:09: The main point is that that it's it's.

00:57:09 --> 00:57:12: It's not that the office is better for collaboration.

00:57:12 --> 00:57:15: It's that people working together in close proximity is better

00:57:15 --> 00:57:16: for collaboration.

00:57:16 --> 00:57:20: Now when you workout what human physical relationships where they

00:57:20 --> 00:57:21: are important,

00:57:21 --> 00:57:23: whether not where they give you advantage or not,

00:57:23 --> 00:57:27: that's the first question. The second question is what is

00:57:27 --> 00:57:30: the best space or environment to encourage that to happen,

00:57:30 --> 00:57:33: and it could be the office could be coworking offices,

00:57:33 --> 00:57:35: it could be a variety of things and the issues

00:57:35 --> 00:57:38: of the office is going to have to compete for

00:57:38 --> 00:57:39: that attention.

00:57:39 --> 00:57:41: So to compete, it's going to have to change.

00:57:41 --> 00:57:45: And that relationship was. With the space will ship with

00:57:45 --> 00:57:46: it as as he was saying.

00:57:46 --> 00:57:49: I also think that we shouldn't get into shop example

00:57:49 --> 00:57:53: shopping centers numbers good or we shouldn't underestimate their investment.

00:57:53 --> 00:57:56: People are putting into their home working spaces.

00:57:56 --> 00:57:59: Over a million people in Britain border shed over lock

00:57:59 --> 00:57:59: down to working,

00:57:59 --> 00:58:02: committing people to have many more people intend to buy

00:58:02 --> 00:58:03: a shed,

00:58:03 --> 00:58:04: right? People like standing houses.

00:58:04 --> 00:58:07: It's it's more comfortable people getting it in a proper

00:58:07 --> 00:58:07: space.

00:58:07 --> 00:58:10: The less likely they are going to want to write

00:58:10 --> 00:58:10: again,

00:58:10 --> 00:58:13: they've got something to compete with the office.

00:58:13 --> 00:58:15: In that regard. I also think that the technology is

00:58:15 --> 00:58:18: going to improve dramatically over the next short period of

00:58:18 --> 00:58:18: time,

00:58:18 --> 00:58:21: which will make a lot of the things which we

00:58:21 --> 00:58:21: think alright,

00:58:21 --> 00:58:24: artificial now seem a lot less artificial.

00:58:24 --> 00:58:26: I can see that trend continuing and I can see



00:58:26 --> 00:58:26: in most of.

00:58:26 --> 00:58:29: Pods in the future, sitting in someone's house that put

00:58:29 --> 00:58:30: you back into a virtual office space,

00:58:30 --> 00:58:33: but I'll pause there 'cause I really want to hear

00:58:33 --> 00:58:34: from me as well.

00:58:34 --> 00:58:38: Kelly, can you please come at the final comments?

00:58:38 --> 00:58:41: And could you also? Because the question came in,

00:58:41 --> 00:58:45: and maybe we've that again is what can happen with

00:58:45 --> 00:58:49: all those outdated office spaces that we might not need

00:58:49 --> 00:58:49: anymore.

00:58:49 --> 00:58:54: Any opportunities there? The legacy that might result from

00:58:54 --> 00:58:57: this.

00:58:57 --> 00:58:59: So for me I I think all this.

00:58:59 --> 00:59:00: It can be lumped into.

00:58:59 --> 00:59:00: It's not a simple answer,

00:59:00 --> 00:59:04: but what's the nature of the cities that we're going

00:59:04 --> 00:59:06: to live in in the future?

00:59:06 --> 00:59:08: Going to look like? You know,

00:59:08 --> 00:59:11: and and the place is because work,

00:59:11 --> 00:59:12: whether we work at home,

00:59:12 --> 00:59:15: whether we work in an office.

00:59:15 --> 00:59:19: Whether we work in what we're now talking about,

00:59:19 --> 00:59:22: a fourth place, which is different than the home,

00:59:22 --> 00:59:23: the officer or a park,

00:59:23 --> 00:59:27: what's what's our city going to look like when I

00:59:27 --> 00:59:29: travel from West to east London,

00:59:29 --> 00:59:32: you know I moved from even today from a very

00:59:32 --> 00:59:34: busy place to an area that's desolate.

00:59:34 --> 00:59:38: And many businesses are are boarded up around where my

00:59:38 --> 00:59:38: office is.

00:59:38 --> 00:59:41: And we buy 2 or 300 lunches a week just

00:59:41 --> 00:59:43: so we can support local businesses.

00:59:43 --> 00:59:47: Because of the nature of what's happened.

00:59:47 --> 00:59:49: So I think the consequences of all this is an

00:59:49 --> 00:59:52: again I get back to the fact that everybody on

00:59:52 --> 00:59:56: this call has a relationship to the built environment into

00:59:56 --> 00:59:59: real estate. How we work in the future where we

00:59:59 --> 01:00:00: work.

01:00:02 --> 01:00:04: Whether it's at home, which means our the way we

01:00:05 --> 01:00:07: designed the places that we live is going to have

01:00:07 --> 01:00:10: to change or whether we work in an office or

01:00:10 --> 01:00:12: in a fourth place or in a shed,

01:00:12 --> 01:00:14: it has an impact on on the quality of the  
 01:00:14 --> 01:00:14: city,  
 01:00:14 --> 01:00:17: and it has an impact on a lot of other  
 01:00:17 --> 01:00:18: people.  
 01:00:18 --> 01:00:21: That rely on people who who can work at home  
 01:00:21 --> 01:00:24: because for every one of us that can work at  
 01:00:24 --> 01:00:24: home,  
 01:00:24 --> 01:00:27: there's you know, 100 or 200 of us in the  
 01:00:27 --> 01:00:29: world that can't.  
 01:00:29 --> 01:00:31: And so I think it be good for me.  
 01:00:31 --> 01:00:32: It starts to look at.  
 01:00:32 --> 01:00:36: We all have to start to think about how we  
 01:00:36 --> 01:00:37: reshape.  
 01:00:37 --> 01:00:40: The built environment to reflect technology,  
 01:00:40 --> 01:00:43: personal preferences, quality of life and things like that.  
 01:00:43 --> 01:00:47: And it changes the parameters of everything instead of  
 talking  
 01:00:48 --> 01:00:51: about a city or community around density like we all  
 01:00:51 --> 01:00:51: do,  
 01:00:51 --> 01:00:55: we need to start talking around livability.  
 01:00:55 --> 01:00:57: And on and on and on to those sort of  
 01:00:57 --> 01:00:58: things.  
 01:00:58 --> 01:00:59: So for me, I you know,  
 01:00:59 --> 01:01:02: I do agree with Peter that it's too early to  
 01:01:02 --> 01:01:05: say and Catherine is too early to actually say where  
 01:01:05 --> 01:01:06: it's all going,  
 01:01:06 --> 01:01:08: but it's not too early to say we need.  
 01:01:08 --> 01:01:10: We have an opportunity here,  
 01:01:10 --> 01:01:14: particularly it because we're all touching the built  
 environment to  
 01:01:14 --> 01:01:17: think about what the nature of you know of the  
 01:01:17 --> 01:01:18: world looks like,  
 01:01:18 --> 01:01:21: and the built environment looks like regardless of where  
 we're  
 01:01:22 --> 01:01:24: going to end up working or things like that,  
 01:01:24 --> 01:01:27: because it comes all back to that relationship,  
 01:01:27 --> 01:01:31: I think. To the fragileness of this environment and needed  
 01:01:31 --> 01:01:36: to strengthen our local communities so that they can fulfill  
 01:01:36 --> 01:01:40: a role that we clearly know now that most central  
 01:01:40 --> 01:01:44: governments can't, and we have a big saying that as  
 01:01:44 --> 01:01:46: people in this profession.  
 01:01:49 --> 01:01:51: Thanks, Lee. Thanks to all of you.  
 01:01:51 --> 01:01:55: I think it's been a very interesting discussion.

01:01:55 --> 01:01:58: I think we we have not touched on so many  
01:01:58 --> 01:02:00: topics we could have also touched on.  
01:02:00 --> 01:02:04: That also shows in the questions that that were raised.  
01:02:04 --> 01:02:07: I want to thank the audience for having been engaged  
01:02:07 --> 01:02:11: so actively and apologize if we couldn't answer all the  
01:02:11 --> 01:02:13: questions that were raised.  
01:02:13 --> 01:02:15: The report and the presentation,  
01:02:15 --> 01:02:19: as well as the recording of this session are available  
01:02:19 --> 01:02:21: on utilized Knowledge Finder.  
01:02:21 --> 01:02:24: You can find the address on the on the slide.  
01:02:24 --> 01:02:27: Um solely Catherine, David and and Peter.  
01:02:27 --> 01:02:31: Thank you so much an foresaw also thanks to you  
01:02:31 --> 01:02:33: for your contribution.  
01:02:33 --> 01:02:35: I found it really interesting.  
01:02:35 --> 01:02:39: We should do this maybe at least annually to see  
01:02:39 --> 01:02:41: how this topic is progressing,  
01:02:41 --> 01:02:45: as it seems that there's still so much not known  
01:02:45 --> 01:02:47: that will only become known overtime.  
01:02:47 --> 01:02:51: I would like to point everyone in the direction of  
01:02:52 --> 01:02:56: the upcoming webinars that you like Europe is organizing.  
01:02:56 --> 01:03:00: Wednesday the 4th of November next week is spotlight on  
01:03:00 --> 01:03:01: resilient cities,  
01:03:01 --> 01:03:05: how infector investors are factoring in city level climate risks  
01:03:05 --> 01:03:08: in their investment decision-making.  
01:03:08 --> 01:03:12: And Thursday the 5th next Thursday we will launch the  
01:03:12 --> 01:03:18: emerging trends in real Estate Europe report together with  
PwC.  
01:03:18 --> 01:03:21: And but for both, you can still sign up.  
01:03:21 --> 01:03:23: I want to thank everyone,  
01:03:23 --> 01:03:26: have a good evening or rest of your day and  
01:03:26 --> 01:03:29: hope that you can join at a future event.  
01:03:29 --> 01:03:30: Thanks everyone.

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