

The downsides of remote working

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The corporate headquarters of Apple, located at One Apple Park Way in Cupertino, California, looks like a spaceship that has just landed. Nicknamed “The Ring”, the facility occupies 2.8 million sq ft and houses 12,000 employees.

At the office’s unveiling in 2017, the media described it as “the company’s biggest launch ever”, with “flawless curves, milled aluminium, [and] endless glass” — descriptions one expects to read off a new iPhone review.

In many ways, the firm’s headquarters captures — and bolsters — its position as a vanguard in the tech industry: A powerhouse factory producing sleek and fashionable tech, powerful enough to foster a large following of diehard fans.

The office has always been a place where companies solidify their branding, either through the design of a space, layout or furnishings. Fit-outs such as corporate logos, colours, photos and subtle architectural nods like transparent board rooms are also ways in which firms can express their unique brand, points out Cushman & Wakefield (C&W) in a report on the future of the office. For larger organisations with multiple offices, office space can also help connect disparate locations of a business and provide corporate unity, says marketing firm GNU Group.

Culture takes a hit

Although the office building has always been the embodiment of corporate culture, never has its existence been so threatened than ever by the Covid-19 pandemic. With the widespread practice of working remotely, businesses that give up their office space entirely lose out on the opportunity to communicate their culture through their offices.

An organisation’s traditions and symbols — such as how the firm recognises individuals, celebrates its achievements, and its rules and expectations — like dress codes and punctuality — are ways in which a firm can establish its culture, says C&W. But this is hard to carry across remotely.

In the era of work from home, culture could also manifest itself in the form of employee satisfaction. For instance, if employees feel a degree of alienation from their teams due to remote working, that could be indicative of the firm’s culture, C&W adds.

Ultimately, the relationship between culture and working modes works both ways. Research finds that while culture influences the degree to which an organisation will adopt remote working, the adoption of re-



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ote working can, in turn, influence culture too. In the current practice, C&W, therefore, advises managers adopting more remote working to “think conscientiously about how to build a culture with greater degrees of remote work”.

In a global survey of over 500 real estate professionals, 78% of respondents highlighted the loss of corporate culture as a challenge in the new norm of remote working. The survey, by Urban Land Institute (ULI) and EY Consulting, was held from Aug 4 to Sept 15.

Virtual offices shackle creativity

Another casualty of the virtual office is its cap on creativity. As roles have evolved to require more creative and knowledge-based skills, the key output of talent in knowledge companies is their ability to innovate new ideas and be creative, says C&W. Creative solutions are often sparked over fluid interactions between colleagues: Around the water cooler, in the office pantry or along the hallways.

In a webinar organised by CBRE on Oct 21, Alan Miyasaki, senior managing director of real estate group and head of real estate Asia acquisitions at Blackstone, even goes as far as to say that “no innovation ever happened on a Zoom call”.

Face-to-face interactions are key to culti-

vating innovation. C&W’s report highlights that in a study of new product development teams at five European firms, researchers note that remote working actually increased product development performance and the speed with which new innovations occurred. However, this only happened over a working arrangement where all organisations still had face-to-face contact, even with flexible work schedules or hot-desking.

Not all jobs are created equal

Although some jobs are impacted more by working remotely, others are less so. Citing architecture theorist Francis Duffy in his 1997 book called The New Office, C&W posits that the framework for understanding the ability to work remotely depends on a combination of two key factors: The degree of autonomy that the individual worker has to perform their work and the level of interaction that is required for work.

Employees with more autonomy therefore get to exercise greater control, responsibility and discretion in their work, and would benefit more from a remote working arrangement. On the other hand, jobs requiring face-to-face contact are better performed in the office.

If every role is different, then the arrangement for the optimum way of working should also differ for each role. Workers with high

autonomy and high interaction can engage in offices called “clubs”, reminiscent of old coffee houses or social clubs, where workers can meet together and ride the benefits of the spillover effects of impromptu discussions, it states.

“Because their work is high-order, but still requires face-to-face interaction, they will regularly engage in in-office work but only meet on an ‘as-needed’ basis to satisfy the interaction. With greater ability to work from anywhere, their previous needs for office space can sometimes be met by virtual office systems,” it says.

Meanwhile the low-autonomy, low interaction workers are what Duffy calls “hives”, evoking the idea of worker bees. Such functions are like the role of call centres, says C&W, which may not necessarily require office space at all. Such jobs are increasingly outsourced to other countries, it says, and are incredibly able to be managed remotely without the need for a physical office.

The future model for work

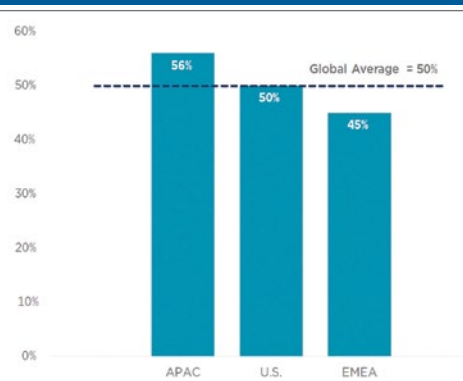
Looking ahead, what is likely to happen is that the future of work will be a hybrid between remote working and having an office presence. Erwin Chong, head of corporate real estate strategy and administration at DBS Bank, is doubtful that companies can sustain remote working in the long term. “You’re going to lose a lot of things: a sense of belonging, culture, and the things that make a company innovative and tick very well,” he says in the webinar by CBRE. Things like getting everybody together for a brainstorm session is kind of difficult to do when everyone is virtually connected, he adds.

To that end, data is needed to help firms decide on how much office space they require. “Being able to really get good data — who’s in, who’s not, who’s actually using what space — and then plot the trend to really figure out both predictively, or even reactively, how to transform the space by determining how many people go into the space and figuring out how many spaces that organisation needs to build internally,” says Chong.

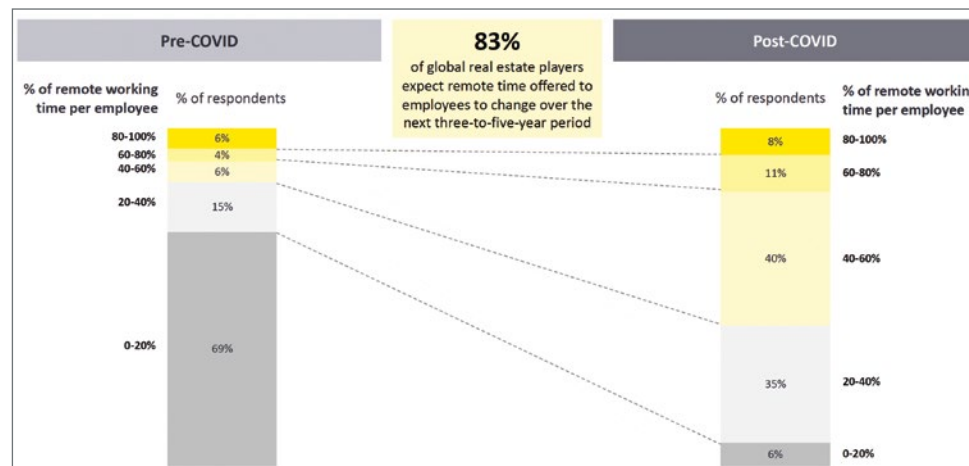
If every tenant shares such information, it will then make it nimbler for everyone to be able to at least predict the rise in demand for workspaces, he says. **E**

C&W

Workers connection to company culture while working from home during Covid-19



According to over 75% of respondents, employees may be working remotely between one and three days per week post-Covid-19



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