HqO

Creating Flexible Workplaces

How owners and operators are supporting the workforce and differentiating their properties through 'work anywhere' strategies.





Introduction Pages 3–9

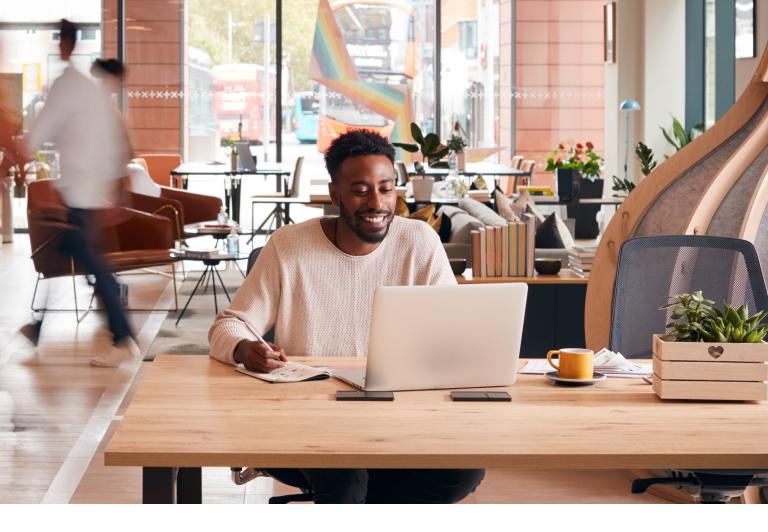
The CRE Evolution *Pages 10–17*

Technology as a Conduit *Pages 18–23*

Flex Forward Pages 24–25



Chapter 1 Introduction



Ushering in 'Work from Anywhere'

Work-from-home. Remote work. Hybrid work.

The past few years have introduced an abundance of buzzwords to the commercial real estate (CRE) industry, all focused around the idea of empowering tenants and their employees to work in the environments that best match and support their needs.

We can trace these discussions back to numbers portraying a drastic shift in the use of office space since the beginning of the COVID-19 pandemic: A <u>report</u> by Owl Labs found that 55% of employees said they spend most of their time working remotely rather than in the physical office. This same report found that only 36% of people currently believe the office is best suited for individual work. Because of this, many landlords and property teams have started to retire the concept of the traditional 9-to-5 office, trading it in for modern adaptations that better help tenants and their employees do their most productive work.

In Colliers' *Flex Forward* 2022 forecast, they explain that a significant 77% of flex and coworking operators have reported an increase in hot desk-type membership packages. They also explain that — though historically such products were notoriously difficult to run profitably — changes in working practices have turned these products into an important revenue generator for landlords and owners of real estate. Further supporting this notion, CBRE <u>reports</u> that companies expect to increase their use of flexible office space by approximately 26% on average over the next two years. No matter where you look, the data is clear: the power of flexible work environments resonates with both tenants and landlords as they navigate the future of commercial office buildings. But exactly how are landlords and property teams creating these flexible offices, and how much value does your team stand to gain from investing in your properties?

In *Creating Flexible Workplaces*, we guide you through the recent evolution of CRE, how flexible office space creates unparalleled value for your portfolio, the different types of flex space strategies, and how workplace experience platforms play a pivotal role in helping you achieve your goals.

Let's begin.





The Benefit of Creating a Value-Driven Environment

In order to understand the needs of your tenants, you first need to look at the profile of the modern employee. After all, employee sentiment has been <u>the most significant factor</u> driving tenant company decisions since the onset of the pandemic.

According to multiple <u>research firms and sources</u>, here are just a few high-level insights into current employee habits and demands:

- » 40% of people feel the greatest benefit of remote work is the flexible schedule.
- » Companies allowing remote work have 25% lower employee turnover than those that don't.
- » 76% of workers would be more willing to stay with their current employer if they could work flexible hours.
- » People who work remotely at least once a month are 24% more likely to be happy and productive.
- **»** 4.3 million people in the USA work from home at least half the time.

On the other side of the equation, many employers are debating the impact of remote and hybrid work on employee productivity. In fact, some business leaders and industry experts have shared data that shows employee productivity has <u>increased</u> with the rise of remote work, while others revealed that employee productivity is <u>still higher</u> in the physical office.

Because of conflicting information in the market alongside the need to address employee demands to engage and retain talent — the question property teams need to ask themselves is no longer about *where* the best place to work is. Instead, it's about *how* they can make investments into their properties that will provide the right environment for tenants and their employees.

This is where flexible properties, spaces, and policies can offer significant value in the workplace. Not only can they support the needs of tenants and employees who want to routinely come into the physical office, but they can also elevate the experience for those who only need to leverage the office for <u>specific reasons</u> such as team-based collaboration and engaging in company culture.

Many companies are diving head-first into these trends. According to statistics from Accenture, <u>63%</u> of high-growth companies already use a hybrid work arrangement that supports both in-office and remote work use-cases. They also noted that regardless of your company's location, ensuring your workforce is productive and healthy produces the best bottomline benefits.

Due to their growing popularity, simply offering flexible workspaces and properties is not enough to remain competitive in the market. The even bigger question now becomes: *How are you differentiating yours?*

> "Many offices will start playing in on the flexibility of the office environment, whether it's working from home, having drop stations, or giving employees the chance to work at a different office location. I don't think office space will go away [...] but this means that office owners will make the best of what they can do with their buildings, which will be about flexible workplaces and policies."

Adam Gibbs, Assistant Property Manager at Cousins Properties



Some employees work best outside of the typical 9-to-5 schedule.



The Evolution of Work

The following excerpt is authored by HqO friend and partner Peter Knutson, the Chief Strategy Officer at <u>Architecture</u> <u>Plus Information</u> (A+I). Peter's most recent focus has been on creating flexible workplaces to serve New York real estate clients and redefine the future of work. What we know of and understand as 'work' has changed.

In today's landscape, work has fully and irreversibly become digitized and mobile in ways that were only incompletely distributed prior to the pandemic. Long after the tools we used to work became fully portable, most companies were still stuck in an Industrial Revolution mindset that assumed people needed direct supervision and should be assigned a location. Companies that refused to fully embrace cloud-based tools and frameworks — or those who had the infrastructure but didn't fully deploy it for all employees — had that decision forced upon them in the outset of the pandemic.

Though this allowed companies to work fully distributed during the initial work-from-home era, such distributed power — coupled with safer workplaces — can totally change what it means to work together. People with mobile tools and the freedom to move can invent wholly new ways of working, collaborating, and engaging with one another around tasks. This is not a small change at all. People still need support and to come together frequently, but can now explore novel and more dynamic ways to do so.

Putting People First

People-first workplaces are becoming the new standard moving forward. We've come a long way in a decade of trying to figure out how to best support employees. The frippery of pool tables, bean bag rooms, and beer taps (well, maybe not beer taps) were never meaningfully motivating. Even then, young employees wanted spaces that supported how they wanted to work, not spaces that pretended to be a distraction.

For both real estate and tenant spaces, that's becoming more apparent. Spaces that build a sense of support, community, and a bit of luxury around work are far more meaningful than spaces that try and claim the diminishing moments in a day that we aren't working.

It's because of this that the physical office is more important than ever. In the past, when we expected everyone to be sitting in proximity during a traditional 9-to-5 work day, the value of the physical office to bring and coordinate collective work was an afterthought. You didn't have to think about why and when you always would be together, because it was assumed you were always together.

Now, we need to better interrogate what about space supports our process and collective productivity. This becomes an active challenge to manage; it requires we be more thoughtful, be more engaged managers, and have more thoughtfully designed and delivered spaces.

Managing Pressure

One of the biggest challenges facing real estate today is managing the inevitable pressure that the unpredictable demand for more flexible work schedules will create.

It will be much easier for building owners to make available space to accommodate days of high demand, than for individual tenants to keep extra space simply to support infrequent high demand days. This might take the form of buildings providing more individual workspaces and flexible spaces, such as libraries, lounges, cafe workspace, and phone rooms — leaving tenants to create collaborative whole-office meeting spaces that speak to brand experience and promise. This might also play out where buildings create amenitized environments for the less frequent, all-staff gatherings, letting tenants build more spaces to house the day-to-day resources for employees who seek the energy of the office. I think both are legitimate, and not necessarily distinct and opposed options.

Technology is an essential component to these goals.

First, it allows us to be fluid in where and how we work — and even when. Second, it's going to be the bridge that allows us to connect when our locations are everchanging. If not already, it will be the main channel for how we coordinate and find each other when we need to. Third, it will be how we flex into these more subscription-like spaces our buildings will provide. This means rooms and catering, as well as tools and environments that can be reserved, scheduled, and engaged through our mobile devices. Technology is the key to establishing predictive environments that can help us understand what is available, and how it can make us happier and more efficient at what we need to do so we can engage in what we want to do more often.



Committing to Success

Ultimately, the key in creating value for the modern workforce is about committing to redefine whose problems your properties are solving.

They're not just facilities and leasing teams problems you're actively managing. It's the day-to-day success of individuals. Buildings that see customers in their users will be more dedicated to giving them the in-themoment-support that's going to keep them happy. As real estate drifts towards a-la-carte and subscription spaces in partnership with leased spaces, the better, more successful buildings will be the ones that offer this mixed environment support.

And that's exactly where the future of work resides.

It will have to become a mixed-mode environment. Public spaces that augment private, mobile environments — or the merging of digital and physical spaces. Tenant spaces bleeding into building environments, that grasp the potential of fluidity in how we engage with our work. **If our work is going to follow us everywhere, let it follow us to spaces we're excited to be in.** Our challenge, as designers, is to effectively integrate all of these into meaningful and joyful experiences. That's why it's important for landlords and property teams everywhere to share that vision.







Top: Workplaces can offer flexible working configurations like desks or entire suites.

Above: Amenity spaces might vary by size, accommodating one person or many.

Left: On-site amenities may include a cafe or be located to nearby restaurants. Chapter 2 The CRE Evolution



Same Concept, Different Applications

Flexible workspace, aptly coined "flex space," is no stranger to the office sector. In fact, early stages of flex space date back to 2010. Companies such as <u>WeWork</u> made the coworking model — which consists of flexible workplaces where individuals and teams can rent single desks or entire suites to share equipment, ideas, and knowledge — more appealing to the public eye.

According to JLL, 30% of all CRE space is projected to be flex space by 2030. They also report that the sector has grown an average of 23% each year since 2010, accounting for nearly two-thirds of the country's office market occupancy gains.

Flex space has evolved beyond the coworking model to incorporate all ready-to-use configurations that serve as a community resource for businesses and individual customers in today's world. Though the practice of shared spaces took a temporary hit from the pandemic due to concerns around health and safety, many companies realize that they need in-person work environments to survive.

The demand stems from the rise of hybrid and remote work models, where CRE teams have identified a need for investments in flexible customer service to allow tenants and their employees to choose how, when, and where they work. The flex space vendor economy has followed suit, lowering the barriers of entry to provide versatile and customizable solutions for every business case.

Additionally, flex space lowers the risk of return-tooffice strategies in a post-pandemic world compared to longer-term leases. With rolling contracts, flexible terms, and even the ability to pause a contract with certain providers, it can support companies facing uncertainty in the CRE landscape and allot the freedom to adapt to upcoming needs at a moment's notice.

These factors work together to form a more-than-positive outlook: Colliers <u>reports</u> that 90% of their building occupants believe lease flexibility will increase in the future, with 25% of these respondents suggesting this will take the form of more flexible workspace agreements. Additionally, another 44.5% indicated that greater flexibility will be built into traditional leases.

Across the board, the consensus remains that the workplace of the future will be more inherently flexible. In the next section, we dive into the different shapes and sizes of flexible office space, and how they might apply to your portfolio.



Popular Flex Space Strategies

Though there is no one-size-fits-all solution, there are strategic ways to think about offering a flexible working environment for tenants and their employees. Below, we walk you through four major questions to align your goals with the best results across your entire portfolio.

Who Will You Serve?

When it comes to flexible workplaces, there are generally two main customers for landlords and property teams: tenants and the general public.

In terms of the tenant customer, flexible office space enables property teams to add value to existing leases. This retains the leases you already have, while allowing you to generate more income on new leases. Flexible space also enables tenants to support hybrid work while reducing their footprint — a footprint that can be leased at a higher price-per-square-foot due to the added value of flex space.

Additionally, you might want to create flexible workplaces for the general public. This approach can bring immense value to property teams; by preventing the disintermediation of third-party coworking companies, operators and owners of real estate have the unique chance to create an additional stream of revenue and enhance their property's branding.

What is Your Offering?

Generally, there are four types of flexible workspace: coworking, shared amenity space, private suites, and enterprise offerings:

- » Coworking: Perhaps the most well-known version of flex space, coworking is where companies and individuals can work alongside each other in a neutral space. They can work independently or collaborate, but most importantly, they can use communal resources and benefit from shorter-term contracts. Though it still encourages flexibility, the downside of a true coworking model is that members are tied more directly to the company facilitating the coworking space than the building's landlord.
- » Shared amenity space: Shared amenity spaces merge the traditional workplace with the coworking model, consisting of features like bookable desks, different-sized conference rooms, lounges, and more. Companies using

the space can still retain their company's identity and branding, but they can also reap the benefits of optionality from a more hybrid work environment. This model also brings to question the needs of your specific business. For example, some office owners may limit flexible amenity centers to the tenants of their building. For those thinking more long-term, they may want to open up their amenities to the public to increase building engagement and attract future tenants.

- » Private suites: Another popular flex option is private suites. These are dedicated, fully-fitted out and pre-furnished spaces of varying sizes that occupants can lease for short periods of time. Leveraging a flexible lease can help tenants who need temporary work environments as they determine their next move — all while still benefiting from an office building's conveniences such as internet access, catering, resources, and more.
- » Enterprise offerings: This kind of flex space is similar to private suites but on a much larger scale. This category is broad, and can include the following: shared rooms or floors within a larger building community, individual <u>satellite</u> offices, and even larger <u>hub-and-spoke</u> models. These options enable employees to work flexibly — in the office, in work-near-home locations, and even remote. By giving new life to previously underutilized space, landlords can increase tenant engagement with their building through empowering workers to use open space, seating, and amenities throughout their assets.

How Will You Structure Your Offering?

There are many different ways property teams can structure their flexible workplace offerings, which can be determined with the help of a flex space provider or partner. Some examples we've seen at HqO include: branded managed space, complete with prefurnished suites; using flex space technology services to bring traditional tenants and flex tenants under the same unified experience; creating membership opportunities for tenants leasing with a certain landlord by connecting select properties in their network with shared amenities and experiences; and even providing portfolio-wide benefits to tenants through complete cross-building flexibility.

How Will Tenants Use This Space?

Flexible workplaces need to bring value to your tenant companies, and thus you need to make sure that your goals align with their goals. Not only will flexible office space support the hybrid workforce, but it will help tenants reduce their office footprints and — in some cases — help tenants explore and enjoy other properties across your portfolio under a shared, enhanced experience.

Once you've gone through the process of determining what your flexible office strategy is, it's time to figure out how you will execute this strategy. One of the most efficient ways to quickly get up to speed is through workplace experience technology, which can also serve as the key behind supporting and differentiating your flex offerings.

> "We're focused on providing flexible public spaces that can be booked for meetings, used as lounge space, or used as ad-hoc meeting space when it's not reserved [...] It's designed with great technology that they can use for free, so that they don't have to worry about that expense."

Pat Rippe, Managing Director of Portfolio Optimization at Pennybacker Capital



Flexible spaces allow employees to work alone or as a group.



Rendering of SwitchPoint Quincy, Quincy Center

A Canvas for Workplace Experience

FoxRock Properties is one of the fastestgrowing commercial real estate firms in the Greater Boston area. Their team has developed a diverse portfolio of properties comprising over 4 million square feet of medical, retail, office, and industrial space. We recently sat down with Jack Rasweiler, head of their FoxRock Flow program, to discuss the company's take on the future of the workplace and how they're setting up communities for success with flexible office strategies.

Its so wonderful to meet you, Jack! Can you tell me a little bit about your background?

Absolutely. I'm originally from New Jersey, and I moved out to Boston five years ago. I went to Assumption University at the time, still Assumption College. Before joining FoxRock, I had previously spent six years at WeWork wearing many hats along the way. To be able to join FoxRock at this time – and to be able to infuse creative ideas into this space – is really exciting. We have an amazing product.

So you truly have seen the evolution of coworking, from it's conception to what it is now – which are arguably two completely different things!

Absolutely. I think that there was a strong pendulum swing maybe two or three years ago — even prepandemic — where coworking was not just for startups anymore. That's when enterprise businesses started really focusing on employee experience and having a more nimble work style. Once the larger companies embraced this model, it took some of the stigma away from how the business world preserved coworking. When that domino fell, it fundamentally changed the way the larger real estate world viewed the trend of flexible space offerings.

How have you been able to apply your previous experience to your current role at FoxRock?

In a lot of ways! I started with FoxRock back in November to help steer the ship on our Flow initiative by building out programming and turning some of our office suites into a space-as-a-service offering. It's really the first of its kind to have a local owner doing this, where we are positioning this offering as an added amenity to tenants within our portfolio. This model requires you to have a long-term lease within FoxRock's network, and it becomes an extension of your office. It gives you the best of both worlds — your own private dedicated space, as well as access to additional premium space throughout the region. We are very excited to roll out Flow over the coming months.

What other trends are you seeing in the market that will impact the future of work?

I think that there are two main factors in the future of work. The first is flexibility. That encompasses the questions like: Where can I go to work? Where can I have touch down space? Can I branch outside of my current network? The second is experience. Gone are the days of having a single office space to offer your workforce. Property teams can no longer simply provide four walls and a coffee maker and expect to win deals.

Now, people want to come to a place where their life is made better every day through the experiences at work. In the future of work, tenants have much more of a personal relationship with their office or provider. In the past, there might have been three or four people within a company that even knew who the landlord contact was. In today's world, the flow of information has become so much more accessible. It gives the average team member a seat at the table, and allows them to provide feedback directly to the landlords of their daily office experience. Having more inclusive feedback has been incredibly valuable in how to shift FoxRock's offerings and shape the future of our portfolio.

The Weld Building, 176 Federal Street Boston, MA

If landlords and property teams don't focus on these shifts, what do you think could happen?

I think some of the repercussions of not embracing these shifts are going to be that you're going to lose out on tenant retention. The market right now is looking for a lot of these types of personalized experiences — and if it ever was a nice-to-have, it is now becoming a must-have. You now need to make sure all of your tenants are happy, beyond the few representatives you usually reach out to. We're in an incredibly difficult labor market, so attaining and retaining top talent is a challenge. You also want to make sure that once you get the right people, they love coming to work every day. The office is an asset that is critical to your company's culture, which is enhanced through the value of experiences in your space.



And what is FoxRock's specific take on workplace experience?

Something that we've always focused on is exceeding our tenants' expectations, and making sure that we're actively listening to them. For us, a key part of this is making sure you're gathering feedback and taking action on it. I can't tell you how surprised people are when you respond to an open text survey and tell them directly that you are working on their request, rather than an automated response. Instead of this cold approach, we like to follow up with an ask to get a coffee with us and talk about how they are using the spaces and what they want to get out of those spaces. Once we have put a face to our organization and established that connection, tenants really feel seen and heard. It's an immensely valuable part of the experience!

That is such a great way to field tenant feedback. What are some investments FoxRock is making based on these conversations?

Right now, we're doing a major revamp of all our amenity areas and food offerings to match what our tenants are looking for. I can't put a blanket label on it, because it's unique to every building and community. These offerings are being customized to meet each market's needs. FoxRock has a large local footprint, allowing us to be able to use our buildings across the network as a campus. So if you're a South Shorebased tenant, and you need to go to Burlington or Downtown Boston — Go ahead! You can use our app to book a space in the Flow program, and arrive at a space that feels familiar with the same top-level experience you would enjoy at your own office.

Being able to use the campus approach with our properties is something that we're extremely excited about — this is what truly enables the space-as-aservice model I explained earlier. Whether it's flexible work space, golf simulators, or any of our other fun amenities, you can use it. We're focusing on providing the tools and resources in order for tenants to create and improve their own workplace experience. We want tenants actively involved in our programming and the planning of their space.

Let's talk a little more about the connected campus approach. What does that specifically look like?

That's actually where Flow comes in, for creating a shared experience. FoxRock Flow incorporates touchdown space and bookable offices or conference rooms depending on your needs for a given day. You can reserve everything right through our app. And, as a member of our network, you'll be able to go to multiple locations. It'll give any user from any part of our portfolio access to those dedicated spaces, as well as our shared amenities.

I love that! You've mentioned your app quite a few times, and it seems like a big tool for your network. How is technology fueling your vision?

Technology is really changing the game and helping us meet our tenants where they are. It allows us as a landlord to further reach the tenants we couldn't before, and to solicit feedback and programming ideas that are actually meaningful to them. Our app also serves as a way to broadcast messages to entire buildings at once — it gives us invaluable access to the tenants.

That's incredible, and on par with a lot of what our other customers are doing. How did all of these ideas come into being for FoxRock?

We saw that there have been ever-changing needs from before the pandemic, but especially since after the pandemic. Companies are constantly right-sizing and trying to find the right balance of work-from-home and in-office work. We wanted to make sure that we were keeping up and able to support our tenants by offering hybrid solutions to supplement their current office demands. That's how we came up with Flow and how flexible it is: from the touchdown desks, to private offices, to the state-of-the-art conference rooms.

One of the focuses that we had when programming our spaces was taking the things that people really want in their office and finding ways of bringing them out of their four walls. This gives tenants back necessary space in their areas so they can build a leaner office. A tenant may not necessarily need a 30-person conference room every day, but it would be great to have one per quarter. Through Flow, we can offer those things at a portfolio level. That way, tenants have access to the whole network of amenities and are still able to find a solution for their unique needs within their own space.

How has the partnership with HqO helped you with these efforts?

I think that our partnership will supercharge what Flow and our app can do. Originally, our HqO app was just for tenant engagement programming. Now, it's an essential tool to help tenants book the rooms, spaces, and amenities that they need. HqO has really been amazing to work with and served as a liaison to other vendors in the field — whether it's resource booking, a WiFi partner, or anything in the tech world. You all have done a first round of vetting in order to bring trusted vendors to FoxRock across all of these categories. Our dedicated Customer Success team is always willing to look into things for us, and they've never said no. We always discover creative solutions together. It's been a really collaborative partnership!

I'm so glad to hear! To wrap things up, where do you see the future of the workplace heading?

I think the future of work is actually going to swing back towards more offices. Culture is extremely important to any company, and people want to be involved and be seen. The office will come back just in a more diverse, flexible way. It'll be much more experiential and driven by choice. We've seen that in everything: from the coffee shop to the gym to real estate.

In the past, real estate has been a transactional relationship. It was 'Here's your lease, good luck.' Now, it's becoming much more of a hospitality and service-focused industry. It's all to make people feel seen, to become more like a team of concierge working together to create a great experience. That goes for everyone, from the facilities team to the leasing team. It's about adopting a hospitality mindset and really making sure that the buildings are living and feeling well. That's why at FoxRock, it's not a one-lease-anddone relationship. We see every tenant as a partner for the long term.

To learn more about FoxRock Properties, visit them at: <u>https://www.foxrockproperties.com</u>







Top: Office and retail shops located at 2 South Orange Avenue, Orlando, FL.

Above: Office located at 141 Longwater Drive, Norwell, MA.

Left: Mixed-use space located at 1495 Hancock Street, Quincy, MA. Chapter 3 Technology as a Conduit



Flex Space and Workplace Technology

Your flex space strategy should always take into consideration the overall workplace experience. By this, we mean that any portfolio's flex capabilities need to also create necessary <u>hospitality experiences</u> that enhance the workplace for tenants and their employees.

This can be accomplished through technology, namely through a well-adjusted workplace experience platform that can bring hospitality to both those in the physical workplace and those working from elsewhere. Since there are so many different types of flexible workplaces, there are also many different functions required to run each space.

For example, users of flex space will need easy selfservice to do everything from accessing a room, booking a space, welcoming visitors, ordering food, to even submitting work orders. If set up correctly, technology will connect these otherwise disparate functions into a seamless workplace experience that elevates your property's brand. Additionally, accessing all of these capabilities from a single building app will enable employees to easily manage their entire workplace experience using the consumer-style technology they <u>expect</u> everywhere — so they can spend more time getting work done. As an added benefit, implementing a technology solution for the workplace will enable your staff to focus on the hospitality side of your experience. Instead of juggling room booking, visitor registration, or other manual tasks, your staff will have more time to focus on the most important part of your property: its people.

These tactics work together to help you brand your experience in a unique and personalized way, allowing you to stand out from the competition and enable your tenant companies to engage and retain talent in a highly competitive market.

> "The flexibility of our [building] app lends itself well for cross multi-functional organizations and different locations. If you imagine, I might commute to other Cadillac Fairview properties across the country and I could have access to those buildings through this app. So if I'm traveling from Toronto to a Vancouver office, I could still simply use my phone to access all of the building's services and amenities without having to do much at all."

Patrick Nurse, Manager of Tenant Relations at Cadillac Fairview

Going Flex with HqO

When looking for a workplace experience technology partner, it's important to choose a solution that can bring end-to-end solutions to your portfolio.

The HqO Workplace Experience App can not only provide you with a fully-branded building app that powers every type of flexible work space, but also offers complimentary workplace solutions that contribute to a greater experience for traditional tenants, flex members, and tenants following an asneeded flex space model. **Examples include digital events and programming, visitor management, food ordering, and community-building tools like direct landlord-tenant communications and social forums.**

Because of our user-friendly app, native capabilities, and robust technology ecosystem, tenants and their employees enjoy seamless digital capabilities while your team empowers them to use the spaces throughout your property that best suits their needs. With HqO, you can control who uses shared resource spaces and their price range, while managing memberships and invoices, allocating monetary booking credits, and creating robust booking rules that vary per tenant or tenant company.

Offering for Landlords

- » Short-term flexible lease management
- » Credits and payment management
- » Accounting system support
- » Granular booking rules

Offering for Members/Tenants

- » Reserve available space based on membership rules
- » Generate invoice and apply credits at booking
- » View membership levels and rules

HqO's Flex Features

- » Resource booking: Streamline meeting room processes and charge for rooms based on type, time, and length of booking. All bookings are contactless through the HqO app.
- » Contract management: Send proposals to potential customers, allow them to preview details of a future contract, and let them sign contracts or documents with our Digital Signature feature.
- **» Invoicing:** Automate renewal reminders and invoices, collect payments automatically every time a new invoice is created, and manage invoices and discount codes with ease.
- » Memberships: Create new revenue streams by offering different memberships and product types such as short-term space leasing, coworking, dedicated desks, and meeting room reservations.
- » Credits: Create new revenue streams by offering different memberships and product types such as short-term space leasing, coworking, dedicated desks, and meeting room reservations.
- » Access control: Reduce touchpoints, keep track of occupancy levels, and run more efficiently by allowing your members to enter your space while limiting contact, all through our leading mobile access partners and integrations.

"A lot of the offices here are now set up for co-working, where people can choose a space and the social aspect of work when they need to. By using the [HqO] app, we [...] are able to promote things, help companies socialize together, and make sure that we encourage that human connection we've all missed out on."

Grant Powel, CEO at The Arterial Group



Providing a 'Better Day at Work'

Architecture Plus Information (or A+I) is a strategy-led, integrated design agency that uses information and creativity to align vision, people, and space to create the places and environments that allow people to thrive. To better understand the trends and happenings in commercial real estate, we sat down with A+I's Peter Knutson, Chief Strategy Officer, to discuss some of his most recent work and uncover what his clients are looking for in the modern workplace.

HqO has partnered with A+I in the past – It's great to see you again, Peter! Being at the forefront of workplace design, you've seen the trends hands-on. In your opinion, what is the biggest consideration for the modern workplace?

For everyone, work culture and the expectations of the workplace — both in policy and facility — have fundamentally changed. Likewise, for every company, the models of experience pre-pandemic and even during these later stages give an incomplete understanding of the future. It's causing a lot of companies to question decision-making.

I agree, I think there is a lot of uncertainty and confusion in the market. What do your clients ask you about the most?

Frankly, everyone is asking, 'What is everyone else doing?' But also, the big question is, 'How can we understand what demand will look like and what happens if we mis-gauge? How can we correct and adapt?'

Do you have a particular client who addresses these challenges particularly well?

There are actually two I can talk about. There is Publicis on the tenant and end-user side, and Nuveen on the developer side. Publicis has begun to explore what it means to build space around the creative process, rather than around specific teams, clients, or agencies. This allows the organization and adjacencies of space to present as totally different. It's not a space built around where you're expected to sit, but around what space best supports your creative needs. Rather than a field of desks here and clusters of meeting spaces there, they prioritize spaces of varying size, scale, and importantly diversity of support for differing relationships between the people in them.

For Nuveen, they've taken some undervalued space in the basement and sub-basement and created an interconnected spatial experience that blends greeting, food and beverage, work, and wellness into a fluid landscape. It's built to present a singular identity for the property, but also an active way to back tenants in supporting and delivering more flexible modes of work to their employees.

What were their specific challenges at the beginning of those projects, and how did you work with them to find a solution?

Both initial requests predated the pandemic architecture can move quite slow, much slower than communicable diseases! Publicis realized that they needed space organized around the process of creativity rather than organized around client, campaign, or agency. Similarly, Nuveen embraced that real, productive work was happening more and more outside the traditional office. They built a sustainable, whole-building experience around making the building a supportive partner in the work day, year, and lifespan of a lease - and well beyond. In a very small floorplate building, tenants can use this landscape to grow and offer more diverse environments to their employees without taking more space, or feeling pressured to find a building with larger floorplates.

> Right and Previous: Rendering of the interior view of the south entrance located at 780 Third Ave, New York, NY.

Those are trends we are seeing with HqO clients as well, of which we have a lot of overlap. What was the feedback like on your solutions for Publicis and Nuveen?

In both cases response has been exceedingly positive. They're both still under construction, so real experiences of fully functioning spaces have yet to happen. There is much to learn as these spaces begin to fill back up with a more regular population. The users of Nuveen's building can peek into the nearly finished spaces, however, and there's a real palpable excitement of what will be possible.



How are they – or any of your clients, really – planning to stay adaptable and agile as workplace trends inevitably evolve?

Both spaces are meant to support unpredictable needs and demand. This will be the real future experience for a while, at least. They're not fixed spaces with singular expectations of their users, like a conference room or a workstation of the before-times would have been. It's not, 'Here's where you meet, here's where you sit the rest of the time.' They're built to allow people to move freely in and out of a place which helps with what work is at that moment, be it creative brainstorming, focused reading, or openended conversation. Because they're designed to accommodate an individual's ranging needs, they'll be better at accommodating the changing needs of a population — and the trends that motivate them.

In your opinion, how can real estate leaders best support the hybrid workforce in 2022 and beyond?

This is where Nuveen has really excelled in creating 780 Third Avenue. There is going to be an inexact prediction of demand for space on the tenant side for some time. Nuveen sees their building's broad portfolio of amenities as a way to ease tenant anxieties about the spaces they provide. This is the building serving as a partner to support the needs of their tenants. Nuveen sees their tenants as users and customers of their space.

By providing a useful outlet for oversubscribed tenant spaces, accommodating previously unseen or unexpected needs, or as supportive alternative spaces for their employees, Nuveen is actively involved in the success of the work experiences their tenants are providing their employees. You can think of it in this context: Whose problems are the building's public and amenity space solving? If the building sees itself full of customers instead of tenants, the expectations of space, how it's serviced, and how it's supported changes. It's a real estate company being involved in providing a 'better day at work' for anyone who walks in the door.

To learn more about A+I, visit them at: https://architectureplusinformation.com



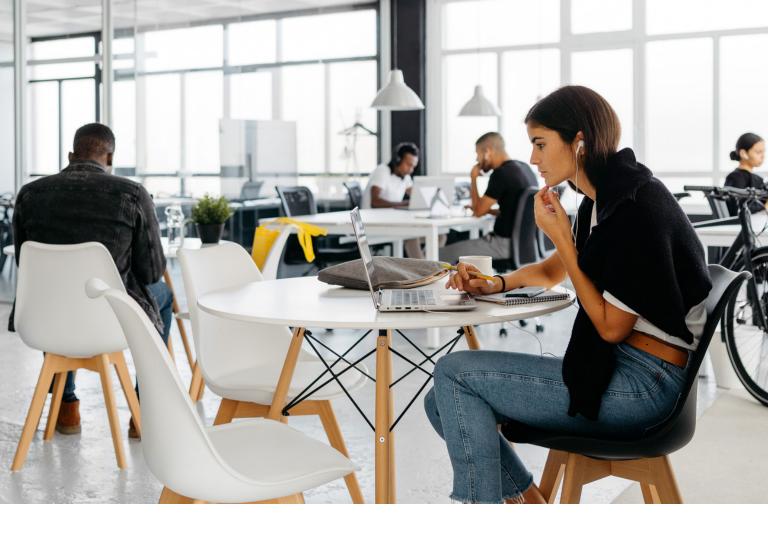




Top: Rendering of the restaurant within The Gardens.

Above: Rendering of the main entrance within The Gardens.

Left: Rendering of the cafe located within The Gardens. Chapter 4 Flex Forward



The Future of the Workplace

Seamless, flexible, and more personalized workplaces are the workplaces of the future.

"As the real estate industry continues to adapt to rapidly-evolving customer needs, we want to ensure that HqO provides our customers the best products and services to navigate this shifting landscape," explains Katie Muto, Director of Product Management at HqO. "Employers who want to attract and retain top talent need to be able to provide more flexibility and more robust amenity offerings to entice employees back into the workplace. This is where property teams, powered by HqO's platform and service offerings, can create a differentiated and customer-centric experience for each and every individual across their portfolio."

Through flexible spaces and policies, landlords and property teams can support hybrid workforces

and give tenants necessary choice in their working environments — while also meeting tenant and employee expectations in an increasingly digital world. Ultimately, this will differentiate properties through flexible and strategic offerings that add meaning and value to workplaces and the people who use them every day.

How are you preparing your office properties for a more flexible, tech-enabled world?

"Property teams will need to be creative and figure out how to adjust to remain as key players in the [CRE] industry. We'll have more settings to do work, like coworking spaces and flexible space people can rent."

Joanna Morrow, Senior Property Manager at LBA Realty



Index

Α

A+I 7, 8, 9, 21, 22, 23 Accenture 6 access control 20 С Cadillac Fairview 19 CBRE 1 collaboration 6, 12 Collier 1, 11 contract management 20 Cousins Properties 6 COVID-19 pandemic 1, 6, 7, 11, 16, 22 coworking space 1, 11, 12 credits 20

E

employee productivity 1, 6, 8 employee sentiment 6, 8, 1 5, 23, 25

enterprise offerings 13

F

flex space 1, 2, 6, 8, 9, 11, 12, 13, 14, 15, 16, 17, 19, 20, 21, 22, 23, 25

FoxRock Properties 14, 15, 16, 17

future of work 7, 8, 9, 11, 14, 15, 16, 17, 19, 21, 22, 23,25

н

hospitality 17, 19 HqO 13, 14, 15, 16, 17, 20, 21, 25 hybrid work 1, 6, 9, 13, 16, 19, 23, 25 L invoicing 20 L JLL 11 L landlord branding 12, 14, 15, 16, 17, 19

LBA Realty 25

Μ

memberships 20

Ν

Nuveen 22, 23

0

office 1, 2, 6, 7, 8, 9, 11, 12, 13, 14, 15, 16, 17, 22,23

Owl Labs 1

Ρ

Pennybacker Capital 13

private suites 13

Publicis 22, 23

R

remote work 1, 6, 7, 9, 13, 19, 23, 25

resource booking 20

S

shared amenity space 12, 13

T

The Arterial Group 20

W

WeWork 11, 14

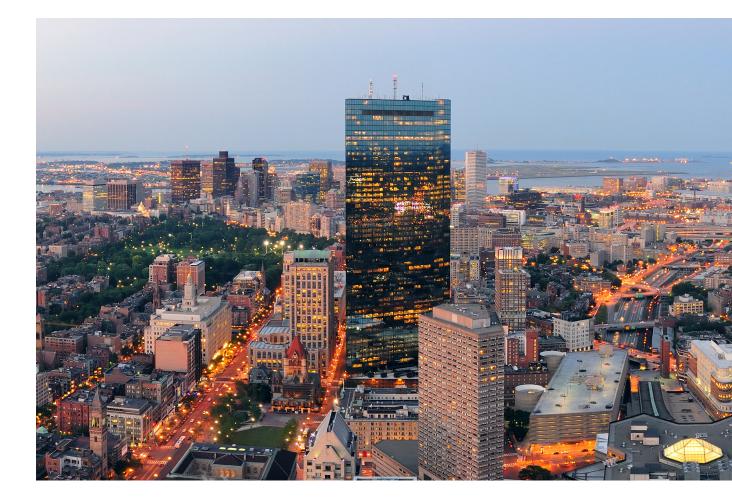
work from anywhere 1, 2, 6, 9, 13, 19, 23, 25

workplace culture 6, 8, 20

workplace experience platform *2, 13, 16, 17, 19, 20*

workplace policies 6, 9, 11

workplace technology 2, 8, 13, 15, 16, 17, 19, 20



About HqO

HqO is transforming how people connect with each other and the places they work. The HqO Workplace Experience Platform makes it easy for companies and commercial property teams to create modern workplaces through world-class amenities and services that allow people to thrive and produce the best results. Active in over 250 million square feet in 25 countries, 57% of the Fortune 100 rely on HqO to enhance their workplace experiences, improve employee satisfaction, and drive operational excellence. For more information, visit https://www.hqo.com/.



