Transform Ghost Offices Into 24/7 Wellness-Monitored Co-working Offices and Capitalize on Tax Relief

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Initiatives: Digital Workplace Program and 2 more

COVID-19 triggered the shutdown of corporate offices, forcing employees to work remotely. This created so-called “ghost offices.” Application leaders can be socially responsible and take the lead by reinventing these offices as 24/7 wellness-monitored co-working smart spaces.

Overview

Impacts

- A second wave of infections — or localized superspreader events — may result in prolonged restrictions. These will derail organizational plans and negate improvements brought about by social responsibility.

- In the longer term, employees will expect hygienic, healthy and sustainable offices that are wellness-monitored 24/7.

- As employees continue to work from home, corporate office spaces will be underutilized, leading to excess real estate spending and losses.

Recommendations

Application leaders responsible for the digital workplace must:

- Take advantage of taxation-specific or COVID-19-specific stimulus relief by creating a social enterprise dedicated to public health services and ensuring the health of all workers that come through your doors.

- Adopt an emergency preparedness mindset by turning traditional offices into sustainable corporate offices that focus on employee health and wellness.

- Mitigate real estate losses by partnering with medical professionals and vendors for co-working spaces to provide employees with the ability to manage individual workspaces in a smart and sustainable workplace.

Strategic Planning Assumptions
By 2023, less than one-third of digital workers will select the corporate office as their preferred place to work.

By 2030, 48% of employees will work remotely, compared to 30% pre-COVID-19.

By 2022, 60% of hybrid workers will prioritize a wellness-equipped smart office over a remote office.

**Analysis**

Millions of employees are working from home for the first time. The COVID-19 pandemic has led to an exponential increase in remote work programs all over the globe, causing corporate offices to turn into ghost offices. An increase in remote working is likely to reduce office utilization rates and it is likely that the demand for sustainable, hygienic and healthy corporate offices will surge in the future. A Gartner survey revealed that 74% of companies intend to shift some employees to remote work permanently post-COVID-19. In fact, nearly a quarter of the CFOs have said that they will move at least 20% of their on-site employees to permanent remote positions. ¹

**Figure 1: What Percentage of Your Workforce (Excluding Those Who Were Remote Before COVID-19) Will Remain Permanently Remote Post-COVID-19?**

A permanent remote-work arrangement often increases the stress levels of employees who live in densely populated cities, in shared living or with young families. Such constraints make it difficult

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¹ Source: Gartner

n = 317 CFOs and senior finance leaders

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to carry out distraction-free, focused and productive work. The sudden introduction of remote work has also made some employees feel isolated and lonely. Organizations can’t expect 100% commitment, productivity and creativity from a stressed mind. To combat stress levels and maintain performance outcomes and increased engagement levels, employees must be given the flexibility to work where they want to work. Often, employees will not want to work from public places like cafes because of exposure to health risks.

The shutdown of offices may last a year, and longer in some cases. This can impact organizations, which face huge losses from empty offices that are either leased or owned. Real estate is one of the most expensive line items for organizations. Also, application leaders remain uncertain as to what the “new normal” will be as their employees return to the office. What is certain is that some employees will be eager to go back to the office after several months of adhering to lockdown laws, curfews and social distancing. Heightened concern over health and hygiene will drive the implementation of long-term safety measures in the workplace. In other cases, employees might have no physical office to return to as these offices will have closed due to financial burdens, with the organization permanently transitioning to remote work.

This research will provide guidance for application leaders looking to recover from real estate losses resulting from empty offices. Organizations should partner with medical professionals and vendors for co-working spaces to create sustainable and healthy offices. Organizations that build wellness-equipped workplaces will be able to counteract some of their expenses by sharing their excess space with any remote worker requiring such a space. This will also provide an opportunity to capitalize on tax relief and build your reputation as a socially responsible brand.

Offices that have been turned into wellness-equipped co-working spaces make employees feel safer. Corporate leaders must seek government help to ensure that they can build healthy and sustainable offices for employees while offsetting the impact caused by the COVID-19 outbreak.

Figure 2. Impact Appraisal for Application Leaders
A second wave of infections — or localized superspreader events — may result in prolonged restrictions. These will derail organizational plans and negate improvements brought about by social responsibility.

In the longer term, employees will expect hygienic, healthy and sustainable offices that are wellness-monitored 24/7.

As employees continue to work from home, corporate office spaces will be underutilized, leading to excess real estate spending and losses.

• Take advantage of taxation-specific or COVID-19-specific stimulus relief by creating a social enterprise dedicated to public health services and ensuring the health of all workers that come through your doors.

• Adopt an emergency preparedness mindset by turning traditional offices into sustainable corporate offices that focus on employee health and wellness.

• Mitigate real estate losses by partnering with medical professionals and vendors for co-working spaces to provide employees with the ability to manage individual workspaces in a smart and sustainable workplace.

Source: Gartner
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Impacts and Recommendations

A Second Wave of Infections May Derail Organizational Plans

A major concern about COVID-19 recovery is that, once quelled, the pandemic will resurface with renewed strength causing a second wave of infections. There have been resurgences of COVID-19 in some countries in Asia. There are also risks associated with central ventilation or sanitization. In fact, 239 scientists from 32 countries are aiming to draw greater attention to airborne spread of COVID-19.

Organizations that continue to lease, maintain or own a physical office should apply commercial strategies to maximize improvements in their financial, social and environmental well-being. They can maximize their social impact alongside profits by making their physical 24/7 wellness-equipped offices available to remote workers from outside your organization for a nominal rate. Sustainable and healthy co-working spaces that are designed with social-distancing guidelines in mind are becoming a necessity for workers. As examined in a Harvard Business Review article, such an approach is not totally new and has been seen in the sharing economy:

- Airbnb has made one of the conference rooms at its new headquarters bookable (through Airbnb, of course) by anyone in San Francisco, for free.

- ING Direct built seven cafes (now called Capital One Cafés) where its workers could set up shop and interact with the café’s customers, who could also use the space for work.
In fact, the WHO has warned: “this virus may become just another endemic virus in our communities, and this virus may never go away.” The words “charity” and “profits” are not mutually exclusive. Make your well-designed, or soon-to-be smart offices available to remote workers both inside and outside your organization. These offices must be equipped with automated location awareness and promote social distancing. Offering better protection than traditional workplaces will mean incorporating artificial intelligence (AI)-powered sensors and high-quality cleaning services with scheduled sanitization alerts that provide prompts after desk usage.

Capitalize on taxation-specific or COVID-19-specific stimulus relief by creating a social enterprise that is dedicated to public health services. Protect the health of all workers that come through your doors. Consider partnering with a healthcare provider. The car manufacturer, Ferrari, is located in one of the worst COVID-19-hit geographies in Italy. They reopened their doors with healthcare professionals conducting COVID-19 blood tests, which 95% of their employees accepted. This helps to ensure that workers’ families are safe too, and soon tests will be extended to them.

As a social enterprise, you should seize the opportunity to make a genuine impact on the world during these unprecedented times, rather than just focusing on identifying opportunities for tax relief. In fact, one recent study found that 86% of U.S. consumers expect organizations to act on social and environmental issues. Furthermore, 87% of U.S. consumers will buy a product because a company advocated for an issue they cared about.

Recommendations:

- Maximize your social impact alongside profits by making physical 24/7 wellness-equipped offices available to remote workers from outside your organization for a nominal rate.
- Take advantage of taxation-specific or COVID-19-specific stimulus relief by creating a social enterprise dedicated to public health services and ensuring the health of all workers that come through your doors.
- Make a genuine impact on the world during these unprecedented times by advocating for social issues that your customers care about.

Employees Will Expect Hygienic, Healthy and Sustainable Offices That Are Wellness-Monitored 24/7

Organizations must shift toward an emergency preparedness mindset to protect their most important asset — their workers. Traditional offices that are not equipped with facilities focused on employee health and safety will no longer be appealing to employees. In the face of continued struggles with COVID-19, workplace wellness is key. Offices equipped with sustainability and...
wellness capabilities will attract stronger demand in the long term. Particularly important will be features related to indoor air quality, ventilation systems and water drainage systems, as well as any other indoor environmental features that improve employee comfort.

Organizations should invest in systems that monitor air quality in real time and keep employees informed. Also, organizations should look to invest in features that provide the ability to continuously disinfect, improving air quality by reducing airborne and surface contaminants like viruses, bacteria, germs, volatile organic compounds, smoke, and other allergens. Ultimately, cleaner air allows for improved recycling of air, which will contribute to energy-saving benefits as well as making the workplace healthier. Organizations must have medical professionals on staff, equipped with the latest health facilities to test for or attend to any infections.

Sustainable and healthy offices can be achieved by investing in integrated workplace management system (IWMS) solutions that see to the health and safety of employees. Building automation systems (BASs) also interoperate with the IWMS to ensure the comfort and welfare of the building’s occupants (see “Hype Cycle for the Internet of Things, 2019”). IWMS and resource scheduling applications (RSAs) that use the Internet of Things (IoT), motion sensors and beacons can remind employees to adhere to social distancing rules. Keep ahead with contact tracing, and promote the use of virtual personal assistants (VPAs) as wellness coaches for employees.

In the continued battle with COVID-19, traditional offices must be converted into smart offices with 24/7 wellness-monitoring programs and proper hygiene measures. Organizations must augment existing hygiene policies with features like temperature checks at doors, thermal imaging systems and regular cleaning and disinfection in the office areas. Disinfectant wipes and hand sanitizers must be provided in wellness-centered offices. They should be easily accessible. There should also be regular sanitization of common space areas. The “new normal” for employee workspaces will center on high standards of cleanliness, sanitation protocols, and bold communication and signage.

For remote workers, whose home environments are not equipped to work effectively, the need for sustainable and healthy offices is paramount. Temperature checks at entry points or thermal imaging systems for continuous tracking must be introduced as part of a complete wellness program. According to a 2020 U.S. workplace survey, a key concern raised by dynamic workers was the cleanliness of shared workstations. Workers said they spent an inordinate amount of time cleaning their workspaces even before they are able to work. Now, in the midst of a pandemic, co-working spaces that are typically flexible (including workstations, meeting and conference rooms, or space of every kind) will require even greater attention. Hygiene rituals like deep cleaning and disinfection must be carried out diligently after each use. During the cleaning and sanitization process, these spaces must not be available for reservation for at least 15 minutes to allow for ventilation. Through wellness-monitoring, office workers can be monitored and easily identified if they become symptomatic. This can act as a preventive measure and will help to reduce the spread of the virus. A healthy and safe workforce is a vital component of a productive, successful business in the long-term.
Corporate Office Spaces Will Be Underutilized, Leading to Excess Real Estate Spending and Losses

Converting offices into 24/7, healthy, co-working spaces will present organizations with added costs. However, it can be an important first step in a mitigation plan — allowing the organization to recoup some of its losses during a partial, phased or full reopening. Employees who do not want to work remotely or who lack a good work environment at home will be the first people to benefit from converted offices. Opening such facilities to remote workers from outside of the organization can present additional revenue opportunities, helping to recoup losses.

Transforming the physical office space into a smart wellness space is not an expenditure. It is part of a longer-term cost-reduction strategy for the organization. Instead of investing capital in transforming the workplace, organizations must partner with vendors for co-working spaces, and medical professionals, to create a new business model that benefits all parties. Organizations can offer their empty office spaces to co-working vendors, pitching them as smart and sustainable, healthy office spaces that can be managed with technologies and tools. Certified medical officers and practitioners can further add to the wellness quotient and safeguard the health and well-being of workers. Organizations can make it as an operating expense and opt for flexible payment methods instead of treating such investments as a capital liability.

After creating healthy co-working spaces out of the loss-bearing corporate real estate, remote workers with difficult work environments can use these office spaces. Booking co-working spaces whenever required through resource scheduling applications will become a convenience (see “Market Guide for Resource Scheduling Applications for the Workplace”). With the help of resource scheduling applications, employees can:

- Use technology to easily find parking spaces.
- Take advantage of quick authentication to check into the nearest office.
- Find a colleague.

Recommendations:

- Adopt an emergency preparedness mindset by turning traditional offices into sustainable corporate offices that focus on employee health and wellness.
- Enforce social distancing and keep ahead with contact tracing by adopting workplace applications that use location sensors and beacons. Encourage the use of virtual personal assistants as wellness coaches for employees.
- Commit to a holistic smart office program. Augment existing hygiene policies and put protocols in place for regular cleaning and disinfection in all office areas.
Organizations must relax their remote work policies in order to support these workers who want to use co-working spaces. Fixed stipends (similar to other flexible work arrangements) should be granted to remote workers as they incur charges for booking co-working spaces that allow them to fully perform their duties.

Recommendations:

- Mitigate real estate losses by partnering with medical professionals and vendors for co-working spaces to provide employees with the ability to manage workspaces in a smart and sustainable workplace.

- Equip remote workers with resource scheduling apps to find and reserve workstations and meeting rooms using their mobile devices.

- Reimburse employees or provide a co-working allowance as part of the remote workers’ policy. Work with HR and finance to ensure that employees are able to book coworking spaces when their home environment is not conducive to work.

Acronym Key and Glossary Terms

| Social enterprise | A corporate organization that has instituted a dedicated social responsibility plan in a given area (in this instance, the wellness of all workers throughout the COVID-19 pandemic). |

Evidence

1. “Gartner CFO Survey Reveals 74% Intend to Shift Some Employees to Remote Work Permanently.” Gartner Newsroom.

2. “As Countries Consider Lifting Lockdowns, Some in Asia Are Experiencing a Resurgence in Coronavirus Cases.” CNBC.


Recommended by the Authors

Workforce Resilience in the Eye of the Pandemic: Overcoming the Current Remote Work Situation While Planning for the Future

Tool: Guide to Preparing Your Office for the Return of Employees After COVID-19

An Upsurge in Digital Workplace Programs Is Driving Higher Global Digital Workplace Maturity

Survey Analysis: Global Nations Reveal How Organizations Can Overcome Digital Dexterity Hurdles

Survey Analysis: Digital Worker Workspace Preferences

Hype Cycle for the Internet of Things, 2019

Market Guide for Integrated Workplace Management Systems

Market Guide for Resource Scheduling Applications for the Workplace

Monitoring the Return to the Workplace

CRE Actions in Response to COVID-19: Week of 25 April 2020

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