The talent-optimizing workplace is one that exists in more than one location.
There is no single “one size fit all” solution. But employers who can distinguish the right answers for their organizations—and then execute a clear workplace strategy around them—will gain two key competitive advantages: They will succeed in recruiting the best talent, and then they will maximize their employees’ effectiveness.
The Multiverse of Work

Executive summary

No single way of working was disrupted more or for longer by the COVID-19 pandemic than knowledge work—what until recently was often called “office” work. Millions of workers were forced to retreat suddenly from their office buildings to their homes; most of them have yet to return full-time. The fate of the corporate workplace is now the subject of significant debate, as positive experiences of homeworking contrast with organizations and individuals eager to get back to collaborating in person. But what does the research actually say about the merits of alternative work strategies?

In an extensive review of academic and business data collected before and during the pandemic, Avison Young has identified the following truths about knowledge work that will shape its future:

- **Knowledge workers want a “Multiverse of Work.”** This means both the flexibility to work remotely and a place to gather with coworkers, not either one or the other.

- **Corporate workplaces remain an indispensable tool in maximizing talent.** Offices are uniquely capable of supporting a full range of what workers need to excel.

- **Experiencing a Multiverse of Work boosts individual and corporate performance.** Academic research conducted before the pandemic and real-world experience during it agree that balancing work across locations is optimal for business outcomes.

- **High-performing workplaces attract talent and enable excellence.** Both remote and at the office, workplace quality matters.

- **The multiverse is not a single prescription, but a concept that unleashes the power of flexibility.** Flexible work arrangements will be tailored to a variety of circumstances, but they will also have much in common.

Over the past decade, users of commercial space have increasingly viewed their locations and spaces through the lens of talent: Attracting it, retaining it, and getting the most out of it while at “work.” These findings simply describe the next evolution in optimizing workplaces for human performance. Avison Young’s analysis reveals what comes next, why it will happen, and, most importantly, why it will succeed.
The Multiverse of Work

Resolving a paradox

Tech giants Facebook¹ and Twitter² grabbed headlines in 2020 as both announced significant long-term moves toward remote work as a core workplace strategy. By contrast, Google—famous for its innovative, avant garde workplaces—has made clear that its employees are expected to live within commuting distance of their assigned Google offices...and to return to those offices at least 3 days per week once circumstances allow.³ Similarly, Amazon has announced its plans for an “office-centric culture” going forward.⁴ Whether these approaches are as different as they appear is up for debate. Facebook, after all, has been one of the most active leasers of office space during the pandemic.⁵ But their shift towards flexible working nevertheless encapsulates the debate playing out in boardrooms and chatrooms across the globe: Will “going to work” ever be the same again?

The answer is almost certainly “no.” A multitude of surveys have shown that working from home has been a positive experience for many employees. They have found aspects of remote work beneficial to their performance, and they have enjoyed upsides of working flexibly that they would like to retain in the future. But the longer people have been away from offices, the more they have missed their colleagues. For some, inadequate work infrastructure or crowded, distracting living spaces are an ongoing trial. And self-perceptions of productivity, while useful, do not capture everything important about knowledge work.

To understand how this will play out, we explore the multiverse by answering several key questions:

- What do employees actually want?
- Why do we still need offices?
- Does flexible work...work?
- Does workplace quality matter?
- What will life in the Multiverse of Work look like?

Knowledge workers want a “Multiverse of Work.”

If there is one clear message from knowledge workers about the future of their work, it is that they want the best of both worlds: The flexibility to work from anywhere and a place to gather with their colleagues.

Workers asserted the desire and expectation of frequent future remote work relatively early in the pandemic, which was revealed by a variety of industry studies. For example, the consultancy Global Workplace Analytics (GWA) conducted a survey of nearly 3,000 global employees in the spring of 2020. They discovered that more than three out of four (76 percent) wish to work from home at least once weekly on a go-forward basis. This would represent a dramatic increase from the 31 percent who did so before the COVID-19 pandemic.  Other surveys produced similar results. There is also clearly a degree of passion behind this preference. In the 2020 edition of its annual State of Remote Work report, technology provider Owl Labs found that nearly half of workers say they would not return to a job that did not allow them to work remotely after the pandemic, with a quarter at least claiming a willingness to take a pay cut to continue doing so. Furthermore, according to Gartner’s 2021 Digital Workplace Experience Survey, 59 percent of workers would only consider a new job that allows a choice of location. And this is not simply a pandemic-driven phenomenon: According to Gallup’s landmark State of the American Workplace report (released in January 2020, before the onset of COVID-19 in the US), 54 percent of office workers would leave their job for one that offered more a flexible work arrangement.

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What do employees want?

But while such findings have captured media attention, remote work is only a piece of what knowledge workers want. The same GWA survey cited above reports that only 16 percent of workers want to work remotely all the time. In fact, the data from this and other surveys suggest that, on average, knowledge workers prefer to split time roughly evenly between remote and onsite work, spending the equivalent of 2-3 days at each during a normal week. It is possible that current demands for the right to work flexibly will moderate as the pandemic recedes, but it seems likely that keeping talent happy in the 2020s will require supporting work in a wider variety of locations than in the past—what we call a “Multiverse of Work.”

Leading employers across industries have already recognized this and implemented incarnations of the multiverse that best suits their needs. For example, tech giant Microsoft says it will treat part-time remote work as “standard for most roles” going forward. Software-as-a-service firm Salesforce expects that most employees will be in the office 1-3 days per week and will expand its recruiting efforts “beyond traditional city centers” to accommodate remote-first talent. And the global financial institution Standard Chartered Group recently cut a deal with IWG (parent company of Regus) to allow its employees to utilize any of the flex-office providers locations for the whole of 2021.

What do employees want?

These companies have been quite explicit about the role employee sentiment is playing as they develop strategies that embrace a multiverse. Tanuj Kapilashrami, Head of HR at Standard Chartered, explained her firm’s rationale to Bisnow in precisely these terms. “We ran three surveys last year, and the data was very clear,” she said. “More than 75 percent of our colleagues globally wanted to work flexibly at least 50 percent of the time.” And, like the workers in the surveys cited above, they still wanted a place to gather: Less than 10 percent wanted to be remote full time. For Kapilashrami, the lesson was clear. “It showed us we needed to design the future based around what our colleagues wanted.”

Salesforce President & Chief People Officer Brent Hyder also cited employee feedback in an article on the company website. “Employee feedback has guided our re-opening strategy and how we’ll work going forward. We learned that nearly half of our employees want to come in only a few times per month, but also that 80 percent of employees want to maintain a connection to a physical space.” They are, he says, “hungry for the connection, camaraderie and innovation that come from gathering in-person.”

Microsoft is yet another firm building its workplace around the desires of its employees. In March of 2021, the company released its own perspective on hybrid work, calling it “the next great disruption.” One conclusion: “Flexible work is here to stay, and the talent landscape has fundamentally shifted.” In other words, talent demands a Multiverse of Work, and that is what employers will provide.

Do we still need offices?

Corporate workplaces remain an indispensable tool in maximizing talent.

Supporting a Multiverse of Work will present huge challenges to organizations, not to mention their landlords. It is worth asking the question: Is it really necessary, even if employees want it? Why not save cost by reducing offices to mere skeletons, or eschew them entirely? After all, many workers were surprisingly productive when COVID-19 forced many of them to work entirely remotely for a year or more. CFOs counting the cost of empty offices are asking whether extensive portfolios of prime office space are really needed.

Productive during the pandemic?
To answer this question, a clear-eyed examination of the effectiveness of remote work is in order. Much is made of employees’ perception of their own performance. Overall, a strong majority of them report working effectively during the pandemic. According to GWA’s survey, 68 percent say they have worked successfully while at home, with 70 percent of their managers agreeing that remote work has had a neutral or positive impact on team performance.16

But this success is uneven. Younger workers, for example, are having a more difficult time than their older counterparts. Only 59 percent of Millennials and 44 percent of Generation Z feel successful working at home.17 Similarly, half of younger respondents to a Gensler survey feel it is harder to avoid distractions at home than at the office.18 This is not altogether surprising given that these younger workers are

Do we still need offices?

demographically more likely to live either with roommates or young children. By definition, they are also at earlier career stages, and many have not yet built the kind robust professional networks that underpin career success.

Generation is only one dimension that correlates with the effectiveness of remote vs. onsite work. For many workers, the setup of the home office is simply inadequate for working effectively. According to a Stanford University survey, only 65 percent of American workers have an Internet connection that is reliably fast enough for video conferencing. The remaining 35 percent require another solution—either a corporate office or a tech-enabled third place like a coffee shop or coworking location—to be effective.

The type of home office setup is another key driver of effectiveness working remotely. According to Your Workplace of the Future, a report released in January 2021 by Leesman, this makes all the difference vis-à-vis working in an office: “For those who work from a dedicated office at home, the home provides a better experience than the office”—an issue we will return to later in order to understand why this is the case. However, Leesman also note that “In contrast, those who worked in non-work specific areas at home had a better experience in the office overall.”

Finally, as the pandemic wore on through the latter half of 2020 and into 2021, evidence emerged that perceived improvements in productivity and collaboration eventually either disappeared or reversed under an enforced 100-percent remote working model. Corporate executives also began to notice the deleterious effects of constant separation from coworkers, and an increasing number say they will encourage or mandate in-office work when conditions allow.

Do we still need offices?

Academic investigation
In addition to self-reported productivity during the pandemic, evidence from academic literature suggests that, within certain parameters, remote work can be at least as productive as working in the office. In a landmark study conducted by Stanford University researchers and published by the National Bureau of Economic Research, Ctrip, a Chinese travel company, conducted a randomized, controlled study of workers in its Shanghai call center. The results of the nine-month study, fielded in 2010-2011, showed a 13 percent increase in productivity among those who worked from home 4 days per week (with the 5th day being in the office) compared to those who worked all 5 days in the office.

Again, there is more to the story. At the end of the study, workers were allowed to choose whether they wanted to work remotely or in the office. About half of each group chose to switch, and the subsequent increase in productivity across the entire team was 22 percent.24 This indicates the importance of the office to the productivity of a meaningful portion of CTrip’s workforce. Furthermore, some who elected to work in the office may have been motivated a small but significant “promotion penalty” effect discovered by the researchers: Those in the initial group chosen to work from home were less likely to be promoted than their in-office colleagues.

Do we still need offices?

Additional limitations of these findings should be noted. First, call center work is consistent and repetitive. This lends itself well to productivity analysis but is far from representative of most knowledge work. It is also worth emphasizing that study participants who worked from home were subject to strict standards, including a physically and technologically adequate work setup and an absence of interruptions at home.

Other research provides additional support for a blend of remote and onsite work. In 2007, the *Journal of Applied Psychology* published a meta-analysis of several earlier studies on remote work. The analysis found overall increases in job satisfaction and performance among remote workers, which they attributed to higher perceived autonomy and lower work-family conflict. These effects were mitigated, however, by a negative impact on supervisor-coworker relationships when remote working exceeded 50 percent. 25

The preponderance of the evidence suggests that remote work is beneficial within limits but can be “too much of a good thing” when it goes beyond them. Much of this research was conducted before the era of collaboration tools like Slack, Zoom, and Microsoft Teams. It is reasonable to think, however, that while technology might expand the appropriate boundaries of remote work, it cannot eliminate them. Furthermore, the boundaries themselves will vary by role and by person. We can conclude that corporate offices will remain a vital part of the Multiverse of Work.

Evidence suggests that remote work is beneficial within limits but can be “too much of a good thing” when it goes beyond them.

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Does flexible work...work?

Experiencing a Multiverse of Work boosts individual and corporate performance.

It is one thing if talented knowledge workers want to spend a significant amount of time working remotely while also needing access to a corporate office; it is something different if this arrangement actually makes them better at what they do. It turns out that this is indeed the case: Working in a multiverse increases organizational performance. Standard Chartered’s Kapilashrami has likened its power to the impact of a disruptive technology. “In two-or three-years’ time,” she said, “not adopting hybrid working will be like not adopting email 20 years ago. If you understand and manage the technology well, it can be a huge boost to people’s productivity.”

Employee engagement

Work by Gallup offers strong support for the multiverse as a performance enhancer. From time to time, the company conducts meta-analyses on the employee research it performs on behalf of clients. This research is based on Gallup’s proprietary measure of “employee engagement,” a composite metric built from 12 survey-based inputs. In its 2017 review, the firm evaluated the performance of business units based on their percentage of engaged employees. Compared to those in the bottom quartile, those in the top quartile experienced:

- 21 percent greater profitability
- 20 percent higher sales
- 17 percent higher productivity
- 41 percent lower absenteeism
- 24-59 percent lower employee turnover (depending on an industry’s structural turnover)

These figures are striking; investing in employee engagement generates big returns. And additional data from Gallup suggests that this investment should include supporting a variety of workplaces for employees.

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Does flexible work...work?

The firm’s 2020 *State of the American Workplace* report revealed that engagement is highest (36-41 percent) among employees who work both remotely and onsite. On the other hand, engagement was lowest (30 percent) among employees who either always or never worked remotely.\(^\text{28}\) Considering the differences in business outcomes noted above, even small increases in engagement resulting from a Multiverse of Work will have a big impact on performance.

Meeting Needs

It is intuitive to believe that a “best of both worlds” arrangement of flexible work would produce the best outcome by making employees happier. But why might this be true? We have developed a framework for evaluating the contribution the Multiverse of Work makes to a high-performing workforce based on psychologist Abraham Maslow’s famous hierarchy of needs. This framework is explored in detail in Avison Young’s *Productivity, the Workplace, and COVID-19* report.\(^\text{29}\)

Stated briefly, Maslow posited different levels of human needs, starting with basic physiological needs (like food and shelter) and progressing through additional levels, including safety, belongingness, esteem, and ultimately to self-actualization. It is at this apex that human beings are able to maximize achievement and fulfillment. Conceptually, a similar hierarchy can be applied to work-related needs.

In the 2020s, practically all basic-level workplace needs can be met remotely. Tremendous portable processing power, secure cloud data storage, and especially video conferencing are all relatively recent technological advancements that place many home offices on par with corporate ones when it comes to the bare necessities of knowledge work (although as we have seen above, this is not always the case).

But even for workers who thrive at home, the relative importance of the corporate workplace becomes apparent when progressing up the hierarchy of workplace needs. Consider the need for belonging as it relates to work. The social aspect of work is not replicable by remote working technology to nearly the same degree as other aspects—even for younger generations who have grown up in an era of electronic communication. Indeed, in the Gensler survey referenced above, 74 percent of respondents said that interacting with colleagues is what they miss most about the office. Tellingly, 54 percent cited socializing specifically—the same percentage citing scheduled or impromptu in-person meetings.\(^\text{30}\)

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The management and organisation of individuals and teams in a way that maximises their individual and collective efficiency and effectiveness.

The design and fitout of the physical workplace that best supports the interactions, work processes and human needs of individuals and teams.

The data, information, knowledge and technology needed by teams and individuals to undertake their work.
Does flexible work...work?

Optimizing Engagement

Human relationships are also crucial to employee engagement. Gallup has identified two distinct elements of engagement related to building trust with coworkers: One with respect to peers, and another between employees and their supervisors. Here again, technology now supports interpersonal interactions better than ever before, especially when it comes to maintaining preexisting connections. But when it comes to establishing and deepening meaningful relationships—or “belonging” in Maslow’s hierarchy—embodied, physical proximity will always be superior.

A final element of engagement related to the workplace is public recognition for a job well done. (Conceptually, this maps closely to Maslow’s category of esteem, the second highest in his hierarchy.) While acknowledging excellent performance can be done electronically, the experience is not the same as an ovation, a physical display, a casual congratulation from a co-worker at the coffee machine, or some other visible mechanism for recognition that might regularly happen in an office. There are many ways to foster and invest in employee engagement, but these, in particular, are easier to do in a holistic manner at a corporate workplace. It may well be that they account for some of the positive difference in engagement between those who work remotely a few days per week versus those who are 100-percent remote.

When it comes to establishing and deepening meaningful relationships—or “belonging” in Maslow’s hierarchy—embodied, physical proximity will always be superior.
Does workplace quality matter?

High-performing workplaces attract talent and enable excellence.

If both employee preferences and business outcomes are best supported by working in a multiverse of locations, then it is clear that the existence of a variety of workplaces matters. But what about the quality of those spaces? According to research, quality matters a great deal, both at home and in the office.

As has already been noted above, Leesman has discovered that the remote experience is far superior for workers who have a space in their homes dedicated to working than it is for those who do not. We also recall that CTrip’s experiment depended on technological adequacy and lack of personal distractions at home offices. Other factors, such as natural light, air quality, noise level, and ergonomic comfort, matter as well. For example, in an April 2021 presentation of data from its WFH Ergonomic Assessment, office furniture manufacturer Herman Miller reported that over half of respondents are experiencing discomfort in the lower back, shoulders, or both. Only 15 percent say they have no physical discomfort working at home.31

But what about corporate offices? Is one office really different from another? To demonstrate exemplify just how important workplace quality can be, consider an example from Leesman of contrasting attitudes about remote and onsite work within a single large organization’s employees. Their analysis considered several different office locations using the Leesman Index (Lmi), a composite measure of workplace experience built from over 80 different metrics. One location had an Lmi of 79, which Leesman considers “outstanding” whilst another had a “suboptimal” Lmi of 55. Cleary, some offices are better than others.

31. https://wfh.hermanmiller.com
Does workplace quality matter?

Crucially, the results revealed a striking difference between the two sites when it comes to employee attitudes to remote working. At the outstanding workplace, over 90 percent of employees expressed the desire to work remotely only 1 day per week. By contrast, at the suboptimal location, 72 percent of workers wanted to be remote at least 3 days per week. The implication is that the quality of the workplace itself is a crucial factor in how often employees would like to be there. Stated another way, a high-quality workplace actually attracts attendance.

Leesman’s analysis of outstanding workplaces uncovered another significant truth: Whatever else a workplace does, it must provide excellent support for individualized, focused work. Across the board, employees at locations with an outstanding Lmi cited their positive experiences with focused work at these offices. This is a key point. Much of the conversation about the future workplace focuses on the need for collaboration. And it is true that offices are uniquely situated to support the social, belongingness, and achievement needs of workers. Yet the importance of a quiet, comfortable, consistent place for focused work cannot be overlooked, and indeed is fundamental to employee experiences and assessments of workplace quality.32

The Multiverse of Work

What does the Multiverse of Work look like?

The multiverse is not a single prescription, but a concept that unleashes the power of flexibility.

Research from a variety of sources shows not only that knowledge workers want access to a Multiverse of Work, and that this helps them perform better. As companies adjust to this reality, what might it look like?

The next few years will see a great deal of experimentation with various workplace models. The frequency of remote versus onsite work will vary by industry, function, and geography, not to mention personal circumstance and preference. Some roles will always require more in-person collaboration with others, just as some personalities prefer more or less social interaction. Housing and family situations will still make working from home relatively easier for some people and more difficult for others. Clearly, no one solution will be universally applicable. Even so, there is much we can confidently say about how the multiverse will be implemented:
What does the Multiverse of Work look like?

1. **Offices will remain, and get better**
   Because offices are uniquely good at supporting certain worker needs, they will continue to function as a vital component of workplace strategy. But while very few companies will eliminate offices entirely, neither will they be the same as they once were. Some pandemic-driven features—such as touchless fixtures and improved air filtration and ventilation—will persist long after COVID fears subside. A renewed focus on physical wellness as a basic need will make offices in the multiverse healthier, more productive working environments. And just as employees will have flexibility about when they come to the office, they will also have more choices about where and how to work once they arrive. And though collaboration will be a primary driver of commuting to offices, the space itself will include plenty of comfortable, distraction-minimizing options for the inevitable individualized focused work that always must occur.

2. **Employees will get more support for remote work**
   A great many workers will spend a higher percentage of their time working away from the office than they did prior to 2020. As working remotely becomes mainstream in the multiverse, companies will offer more resources to their employees to make them successful while doing so. These resources will vary widely. Standard Chartered’s arrangement with IWG is one example. Others include stipends or reimbursements for home office setups, including reliable broadband, hardware and software for video conferencing, furniture, and ergonomic equipment. This will serve the dual purposes of maximizing employee effectiveness and distributing workplace flexibility as equitably as possible.

3. **Companies will invest even more in the workplace**
   Much has been made of the notion that, with fewer employees coming to the office on any given day, companies will sharply reduce their real estate footprints, saving millions in the process. Yet we believe that in the multiverse, successful companies will invest more in the workplace. Many will adjust the size and distribution of their portfolios to some degree – or make greater use of flex space options – both of which were already happening pre-COVID. But drastic cuts will be difficult to manage without purpose-defeating limitations on how many employees are allowed onsite at one time. To realize the advantages of less space, companies will spend on space management software to facilitate reservations, as well as technology to measure usage. Even the most aggressive remote-first organizations will eventually spend money on travel and lodging when bringing in far-flung employees for regular visits or for occasional large gatherings. Factoring in costs related to supporting workers while at home or other offsite locations, it seems more likely that workplace-related costs will shift or even increase rather than shrink.
What does the Multiverse of Work look like?

Yet this investment will yield a return. As we have seen, working in the multiverse leads to happier, more productive employees who do better work because they are more engaged with their organizations. With more workplace options, companies will have more dimensions to employ in attracting the talented people they need to compete. It is a concept many of them are already embracing. “As employers, we have an opportunity to create an even better workplace,” says Brett Hyder of Salesforce, “one that allows us to be more connected to each other, find more balance between work and home, and advance equality—ultimately leading to increased innovation and better business outcomes.”

The future world of knowledge work will be far more expansive than most people imagined just a few years ago. It will align not only with worker preferences for flexibility, but also with better results through optimal human performance. The solutions will be complex, but for companies that execute well, worthwhile.

Welcome to the Multiverse of Work.

For more on The Multiverse of Work, read the latest on the Avison Young Sightlines: avisonyoung.us/sightlines

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