



VERGE
SENSE

2022

State of the Workplace Data Report

Spatial Intelligence Insights Drawn from
Millions of Square Feet Across the Globe

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INTRODUCTION

In the past year, office utilization has increased by 87% and continues to rise.

In the past year, office utilization has increased by 87% and continues to rise. The surge of Omicron cases in Q4 2021 delayed return to office plans for some, but the general trend is an optimistic one. Companies today are primarily remote, but many are experimenting with staggered returns to the office. There is still significant distance to travel to arrive at pre-pandemic office utilization rates, and workplace leaders should continue to pay close attention.

Many workplace leaders feel a sense of uncertainty as they monitor volatile workplace utilization across their corporate portfolios.

This is where the need for spatial intelligence arises — to become truly adaptable to changing employee behaviors, businesses need to have the tools in place to continuously collect employee data to make informed decisions. This data informs how space is used, impacting how buildings and facilities are managed and spaces are optimized.

DEFINING SPATIAL INTELLIGENCE

Spatial intelligence is the ability to identify patterns, create insights, and make predictions across physical space and the way people use it.

To help your business understand how workplace utilization is shifting and the upcoming trends you can expect, VergeSense analyzed space utilization across 550 buildings globally, which includes over 100,000 spaces.

→ **Here are the key findings from this report.**

KEY FINDING 1

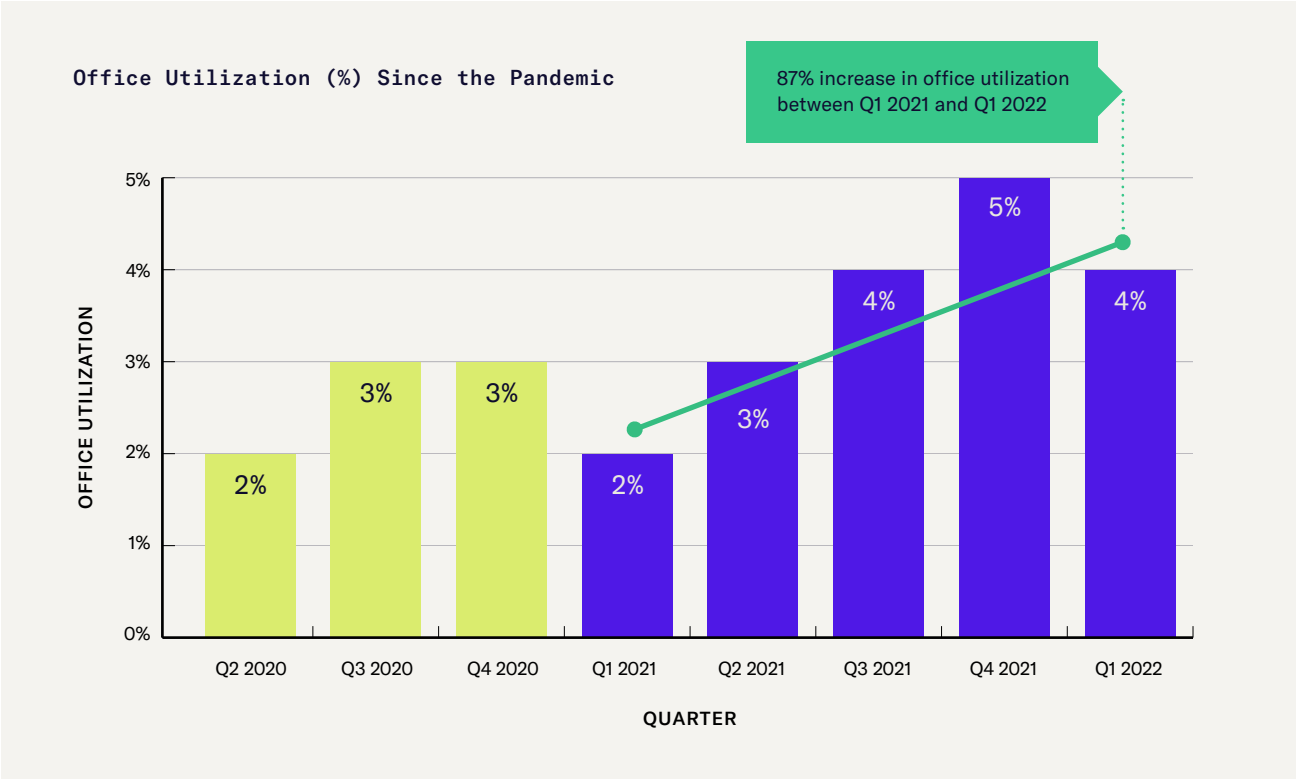
Office utilization has increased by 87% in the past year and is likely to continue to climb.

Office utilization has increased by 87% in the past year, specifically looking at the time period Q1 2021 to Q1 2022.

The 7% decrease in office utilization between Q4 2021 and Q1 2022 can be attributed to the spread of the Omicron variant coupled with the holiday season, however this brief decline is negligible when compared to overall increase in space use.

This increase has been rapid and indicates that employees are starting to reacclimate to the physical workplace. Given the continuous upward trend, it's fair to assume that office utilization will continue to climb in the upcoming months.

This key finding is a significant one, as the pandemic reduced office utilization by 86%, from Q4 2019 to Q3 2021. We have not yet returned to pre-pandemic office utilization, however the upward trend indicates that space use will continue to grow.





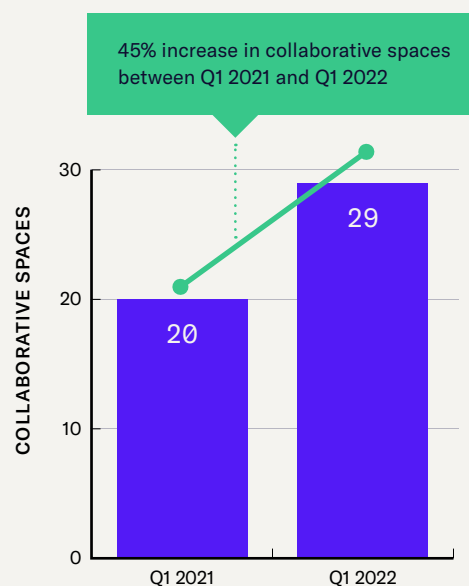
KEY FINDING 2

The number of collaborative spaces per floor has nearly doubled since the pandemic.

From Q1 2021 to Q1 2022, we've seen a 45% increase in the average number of collaborative spaces per floor.

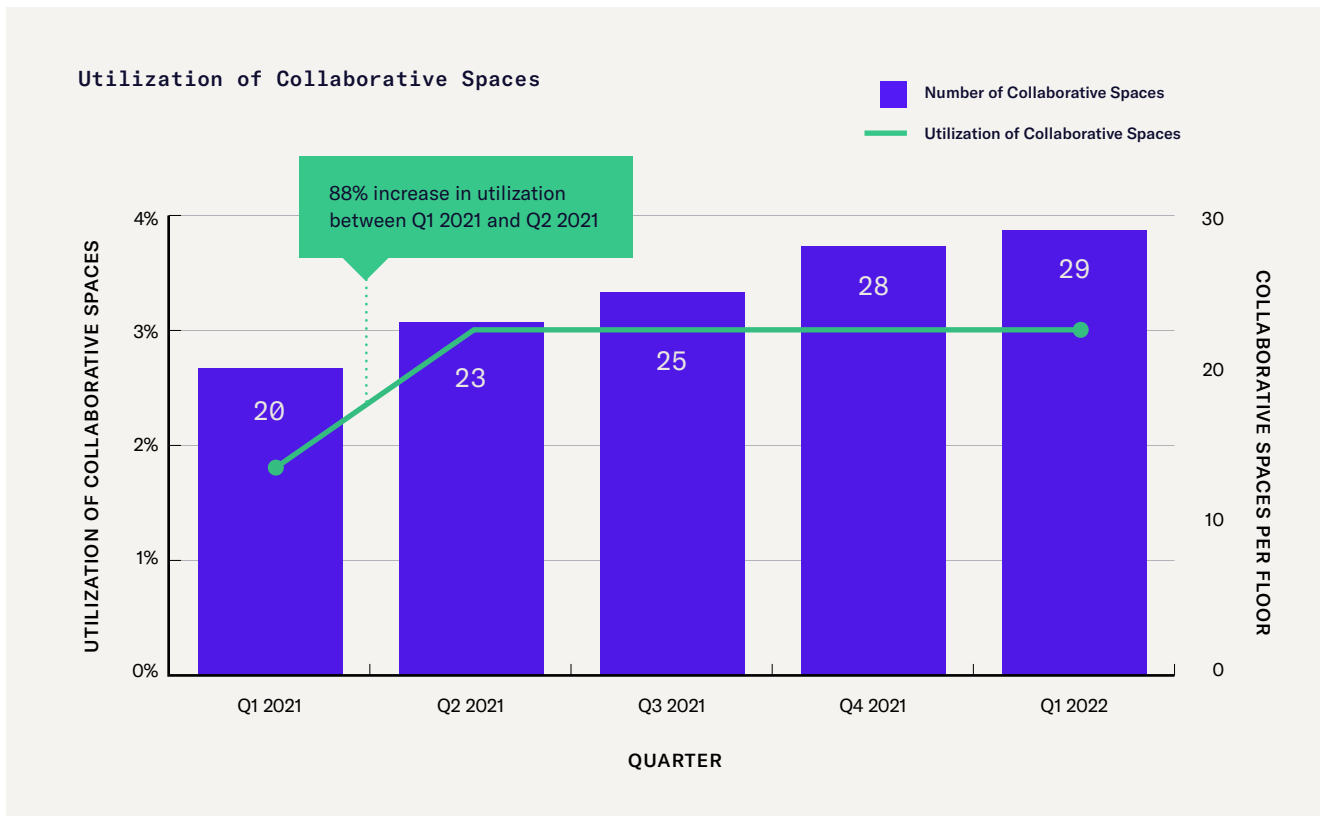
Prior to the pandemic, on average 10% of spaces per floor were collaborative. Today, 25% of spaces per floor are dedicated to collaboration. This indicates that workplace leaders are adjusting office space with the expectation that employees will return to the office to work together in person.

Collaborative Spaces Per Floor



KEY FINDING 3

The utilization of collaborative spaces is holding steady as investment in this space type grows.



We discussed how the average number of collaborative spaces per floor has increased. Now let's look at the utilization of those spaces.

In the short period between Q1 and Q2 2021, the utilization of collaborative spaces increased by 88%. Since then, the rate of utilization of these spaces has remained consistent for the past four quarters.

Looking at these two data points together is especially interesting. The fact that utilization is holding steady as the average number of spaces are increasing indicates an overall increase in the use of collaborative spaces in the office.

So far workplace leaders are correct in their predictions, and we'll likely continue to see use of collaborative space rise. Employees are coming into the office more for the "we" work rather than "me" work, as heads down tasks can be completed at home.

KEY FINDING 4

Businesses are relying on data to right-size the workplace.

Now let's look at a different space type: individual workstations, like single desks or offices.

HOW DOES THE USE OF THESE SPACES DIFFER?

What is most notable here is the steady decline in the average number of individual spaces per floor. Likely, many companies are leveraging spaces previously dedicated to individual work and transforming them into collaboration spaces. This is a smart right-sizing exercise in order to boost the utilization of the workplace overall.

It's likely working. The fact that utilization of individual spaces is on the rise overall since Q1 2021 indicates that workplace leaders are on their way to finding the right balance.



In fact, utilization of individual spaces is slightly higher than collaborative spaces, as seen in the chart to the right.

WILL THERE BE A POINT IN WHICH WORKPLACE LEADERS MAY OVER INDEX ON THE VOLUME OF COLLABORATION SPACES NEEDED?

It's in the realm of possibility. It will be essential to keep an eye on the ratio between growth in the number of collaboration spaces and the utilization rate of those rooms. When and if utilization begins to decrease as new spaces are added, that could indicate a potential problem.

For those new to right-sizing strategy, it is one of the best ways to lower the bottom line by making the best possible use of your space. A right-sized office is one where there are exactly the right amount of spaces, and types, to match employees' use.

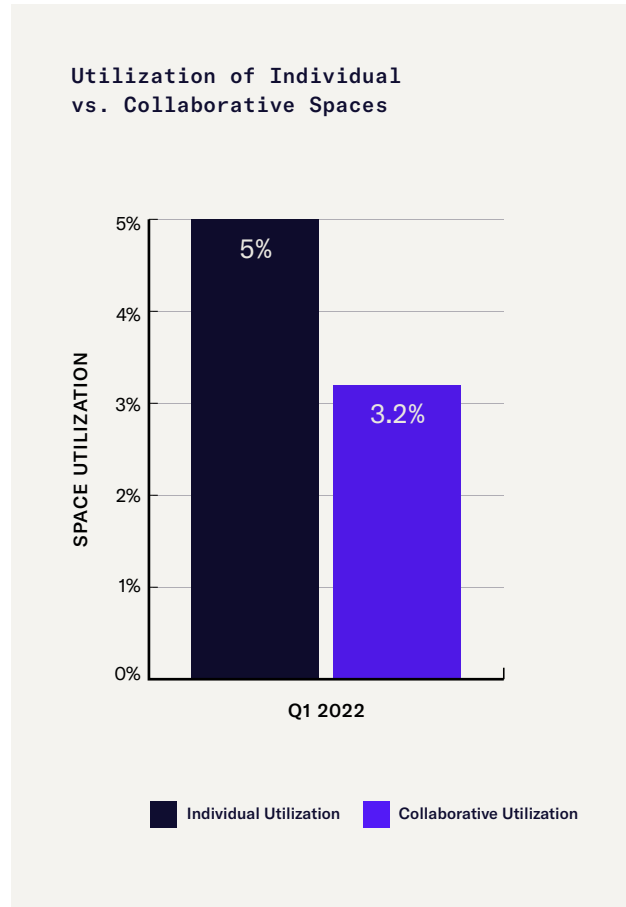
How do you right-size your workplace?

THE ANSWER IS SIMPLE: DATA.

Workplace analytics platforms like [VergeSense](#) provide workplace utilization information to help you make data-informed decisions regarding your real estate portfolio. Without these insights, you will likely work on assumptions and generalized findings, which can often lead to wasted space, poor operations and sustainability, a decreased ROI, and a negative employee experience.

For example, the best way to ensure you have a right-sized number of individual workspaces for employees is to [calculate your office's employee-to-seat ratio](#). This metric indicates the ideal number of workplaces, desks, conference rooms, and other amenities that you should offer your employees based on their specific attendance patterns. Some companies even look at these ratios across different buildings, floors, business units, departments, and more.

Knowing this ratio enables organizations to optimize their office space by allocating areas on a need basis, which not only allows enterprises to avoid excessive real estate costs, but also helps them save space and derive value from existing spaces.



KEY FINDING 5

Tuesday and Wednesday are the busiest days at the office, with nearly 50% of all weekly utilization taking place on these days.



It's likely unsurprising that the middle days of the week feature the highest office attendance.

It's not unusual for meetings to happen on those days, and thus employees are more inclined to come into the office so they can collaborate with their coworkers in person. The data also suggests that employees prefer working from home at the start and end of the week, perhaps to complete focused work or even as a nice tie-in to their weekend.

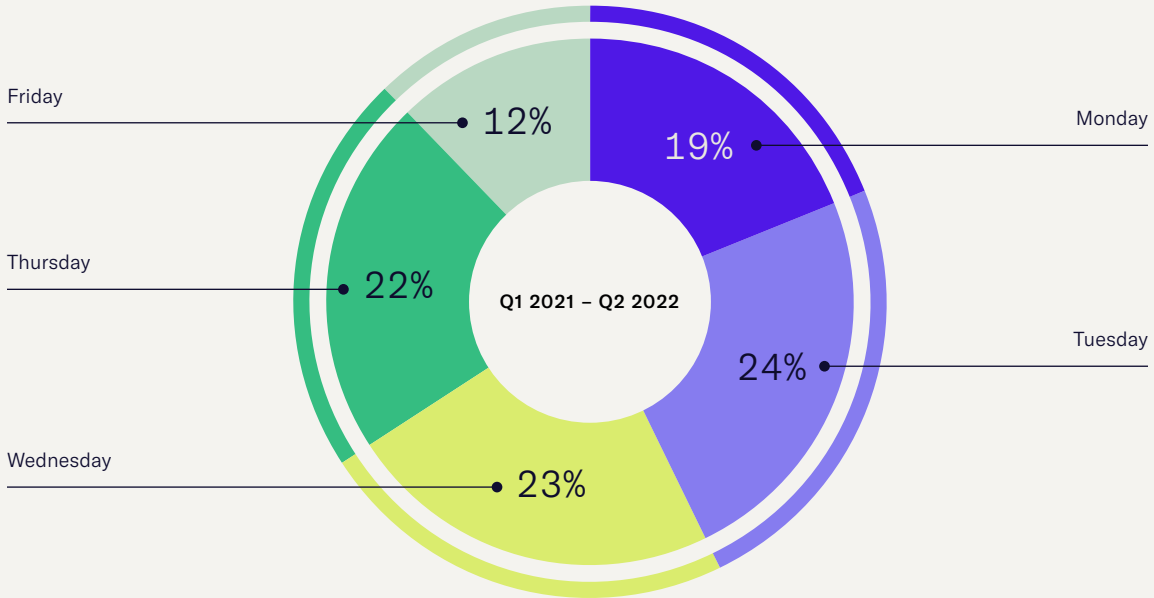
SO, WHY DOES THIS DATA MATTER?

Having an understanding of your company's most popular days at the office, as well as the space types that are experiencing the most demand on those days, is critical when creating a workplace strategy.

This helps with:

- 01 Regulating unpredictable attendance
- 02 Ensuring that there are enough amenities in place for employees when they do come into the office

Total Average Utilization (%) by Day of the Week



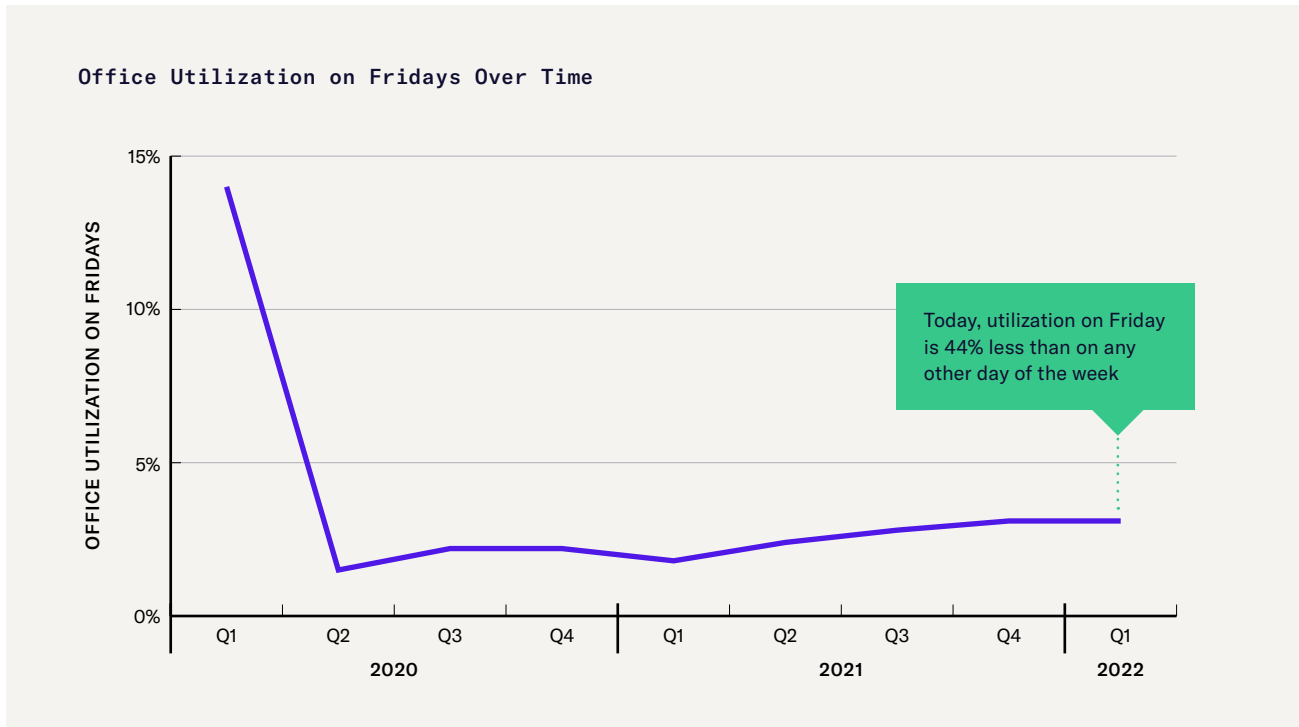
There is nothing more discouraging for employees than commuting into the workplace only to find that their preferred desk is occupied, that the office is too crowded for their liking, or to find that no one is there.

→ **By providing visibility into your workplace attendance, employees can make choices that best suit them.**

Moreover, there's an opportunity to leverage this data to optimize facilities operations. For days that are less busy, rather than having office operations running at capacity (HVAC systems), CRE leaders can plan in advance for which spaces will be used, and based on that information, pre-schedule room availability to prevent excessive operational costs. This is also a more environmentally-conscious approach to the workplace, which will enable your business to maintain ESG standards.

KEY FINDING 6

Friday is the best day of the week for at-home work.



Historically, Friday has been the least frequented day at the office — even in pre-pandemic times.

PRE-PANDEMIC VS. TODAY

In fact pre-pandemic, office utilization was 32% lower on Fridays than on any other day of the week. Today, utilization on Friday is 44% less than on any other day of the week, and overall office utilization on this day has fallen by 78% over time. This indicates that employees are least interested in coming into the office on Fridays, and perhaps in-person meetings should be scheduled earlier in the week.

HOW ELSE MIGHT THIS DATA BE USEFUL?

There has been a recent increase in consideration of the four-day work week, or a less extreme option, “no-meeting Fridays.” If you are considering strategies like these to bring value to your own company culture, Friday is likely the best choice.

KEY FINDING 7

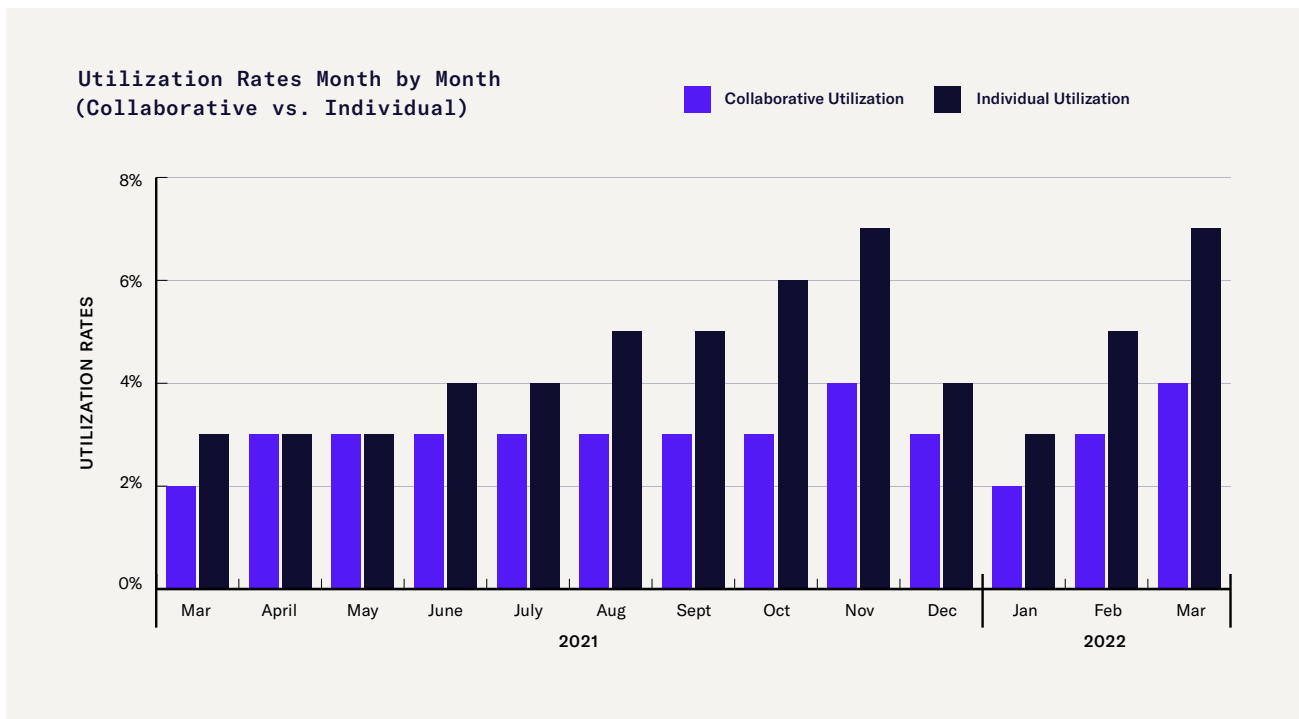
Unpredictable attendance is here to stay.

When looking at utilization rates month by month, and then breaking that down by space type, there has been quite a bit of volatility over the past two years.

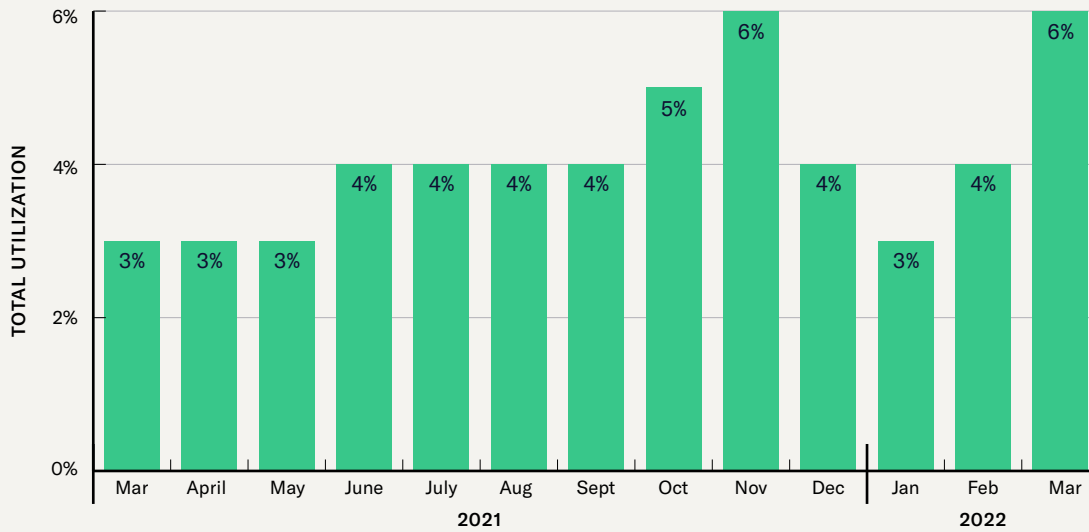
COLLABORATIVE AND INDIVIDUAL UTILIZATION

In early months of 2021, utilization of both space types were quite consistent. Compare that time period to November 2021, when utilization of individual spaces grew, while the utilization of collaborative spaces plateaued. It makes sense. November 2021 was the beginning of the rise of Omicron, and so while some employees were returning to the office, many perhaps expressed hesitation to use in-person time to collaborate.

Later in January 2022, we see yet another change. Both individual and collaborative utilization decreased. After that, utilization of both space types increased faster than ever in February and March 2022.



Total Utilization (%) by Month



From this data, it is clear that we have not yet settled into a predictable utilization trend.

We may never return to a predictable rhythm. If this is our future, it's important for workplace leaders to have access to their own workplace utilization data to understand the rate of change in workplace utilization and space type. With reliable data, companies can act with agility to adjust and thus get ahead.

01 DYNAMIC UTILIZATION

For example, some companies are making investments in dynamic spaces that can be easily transitioned into other space types, sometimes with movable walls. This is a growing strategy that allows leaders to keep a pulse on utilization of different workspace types and then quickly adapt space when necessary so it's effectively used.

02 ACTIVE AND PASSIVE UTILIZATION

Another element that adds to unpredictability is the mix of active and passive utilization. Let's explain what this means.



DEFINING ACTIVE OCCUPANCY

The most common and obvious form of utilization, where a person is currently present and using a space.

DEFINING PASSIVE OCCUPANCY

A different form of utilization that refers to a space that is in-use, even if a person isn't present at that very moment.

If someone walks into a conference room, places down his or her computer, and leaves the room to go grab a cup of coffee, that room is still in use. A study by CBRE found that 50% of space use is passively occupied. That's substantial. To put that into perspective, that means if your sensors are telling you that 100 of your 500 desks are being used right now, it's likely missing another 100 passively occupied desks. In other words, 200 of your desks are actually in use at that moment.

How does that kind of inaccuracy impact your utilization metrics?

It's the difference between 20% utilization and 40% utilization. Putting that into perspective, it's obvious why having insight into passive occupancy is key.

Let's consider passive occupancy alongside the shifting landscape. We should prepare to see volatility in passive occupancy rates as activity-based working continues to rise. As the office becomes more agile, employees will move around the workplace at a much greater degree than ever before. An employee may use a phone booth, conference room, huddle area and an individual workstation all in the same day. This increased agility means that employees will occupy space more passively. Without tools in place to measure passive occupancy, we are left with unmeasured and consequently unoptimized space.

VergeSense is committed to helping its customers understand both active and passive occupancy and how it changes over time.

Signs of Life™ is one of VergeSense's most impactful spatial intelligence capabilities, as it leverages intelligent optical sensors not only to count people, but also to facilitate object detection to identify context clues that indicate use of space beyond a physically present human. This provides business leaders with the most accurate and scalable [passive occupancy detection on the market](#).



LOOKING AHEAD

Hybrid work will continue to evolve.

The findings in this State of the Workplace Report 2022 indicate that the ways in which we work will continue to evolve. Today's workplace is likely to be a hub for collaboration, as more and more employees are returning to the office to interact with each other.

The upward trend in utilization in the past three months has revealed that employees have steadily begun their return. We will continue to monitor if collaboration is indeed their primary objective when they're in the workplace, and whether workplace leaders can bullseye the necessary amount of individual workstations.

Also, the trends from the past few years have revealed that employees' use of space is perpetually shifting and will continue to evolve. With office reentry plans constantly changing, it is imperative to have tools in place to monitor and measure office utilization and attendance. Without this smart data, enterprises make decisions based on assumptions, resulting in enormous unnecessary costs and a compromised employee experience.

Spatial intelligence eliminates this unpredictability while offering employees the tools to make their office experience, whether at-home or in person, as frictionless as possible.

VergeSense is proud to be the leading provider of spatial intelligence to 29 of the Fortune 500. Powered by intelligent sensors and AI-driven insights, customers rely on VergeSense to reduce or reinvest in real estate, improve building operations, and create spaces that meet today's employee expectations.

The impact is:

- 01 Reduced costs
- 02 Higher productivity
- 03 Improved culture and employee retention
- 04 Better sustainability.

See how **Signs of Life** and **VergeSense** spatial intelligence can help you improve the ROI of your workplace.

[REQUEST A DEMO](#)

The background of the entire page is a blurred, blue-tinted photograph of an office environment. Several people are seen in motion, walking through the space, which is filled with desks and office equipment. The overall atmosphere is one of a busy, dynamic workplace.

VERGE SENSE

VergeSense is a Workplace Analytics Platform trusted by enterprises across the globe. Businesses use VergeSense to transform their static office into a dynamic workplace that matches today's employee needs and expectations. Its AI-driven platform includes intelligent sensors that collect real-time data, dashboards and insights that drive workplace strategy, and integrations with the leading workplace technologies.

Today VergeSense analyzes over 40 million square feet and supports customers across 34 countries, including 29 of the Fortune 500. VergeSense has integration partnerships with some of the leading workplace technology providers to help customers have the best end-to-end experience, so employees feel safe, productive, and at their best.

[VERGESENSE.COM](https://vergesense.com)