

THE POST-COVID CHANGES TO BDO OFFICE LIFE

Lessons from the pandemic and lasting
effects on BDO workplace culture



INTRODUCTION

In October 2021, the Real Estate & Construction (REC) global industry group started gathering responses from the Managing Partners of BDO domestic firms on initiatives and strategies connected with the return to the office. The focus was on current and near-future initiatives with the aim to gather insight and inspiration for all our firms and for our large REC client base.

In many countries, the lockdowns were over, and the percentage of people returning to the offices was climbing steadily.

By mid-November, we had received input from 65 countries around the globe. Given this number and the spread of replies, the survey is statistically relevant and provides a fair, balanced view. While this survey data represents a snapshot in time, the responses and the initiatives that have been launched across our global organisation illustrate how BDO firms have navigated this generational event, thanks to great work and innovation.

The lessons of the last couple of years demonstrate that leaders and their teams must navigate increased uncertainty and develop adaptable work strategies and initiatives.

In addition, the longer-term effects of the pandemic are becoming increasingly evident. They include risks of an eroding sense of belonging and increased mental stress for employees. This is a focus area for all businesses, and the ongoing talent shortage further underlines the need to address our colleagues' developing concerns, needs, and desires.

What is also clear is that, while the purpose of an office may have changed post-pandemic, the bricks and mortar of our businesses still play a critical role in contributing to the culture of our organisations.

BDO Global's Managing Partner survey and associated lessons learned from our global organisation can serve as inspiration for such initiatives. Perhaps the insights and programmes described in this report can be used to develop initiatives tailored to your specific situation and work culture.

01

FLEXIBILITY DRIVES
CHANGES IN OFFICE
EXPECTATIONS

When surveying BDO firms with plans to allow their people to spend one or more days a week working outside the office, the prime drivers are flexibility, employee work-life balance and smart leadership based on results rather than hours worked.

IF YOUR PLAN IS TO APPLY FLEXIBLE WORKING PATTERNS, ON WHAT CRITERIA DID YOU BASE YOUR DECISION?

Flexibility



Work-life balance and employee wellbeing



Smart leadership based on result-oriented management and not on hours performed



Innovation and creativity



Daily commute – environmental impact



Cost saving



You have created a general teleworking policy with Compensation & Benefits optimisations



BDO takeaways:

The prime reasons for flexible work models are underlined by the need to meet employee demands and increased competition for talent. As one respondent put it:

"Our competitors follow the same strategy, and if we don't respond according to employees' preferences, we will lose talent."

When deploying new solutions and work schemes, it is important to consider demographics. Employee composition, including age groups, can profoundly affect how many days employees are the happiest spending in the office.

Lessons learned:

Adaptability and more flexible, results-driven management approaches can help talent acquisition and retention. Many workers, especially the younger generations, now demand such schemes and flexibility. The results reinforce the view that work in the office has changed and that the old way of working nine to five from Monday through Friday is likely not going to be the standard going forward. This is especially true for young families and employees who are a substantial part of our workforce and a prime target for recruiting talent.

We see new approaches and ways of thinking about the office's core value and function. Limited time on-site increased the need to coordinate to ensure teams maximise value and output.

Another broadly applicable core lesson is that remote work has become normalised – but the office is far from dead space. On the contrary, it will continue to serve as the foundation for critical parts of attracting and retaining talented employees.

Ensuring value in the office

BDO UK has introduced systems to help optimise time spent in the office. For example, employees can use online systems to ensure that they sit close to or next to other team members and coordinate, so that team members spend the same days on-site in the office.

02

INCREASING ENGAGEMENT
& BELONGING IN AND
OUT OF THE OFFICE

Maintaining employee engagement is one of the respondents' prime reasons for requesting a return to the office. Employees are likely to return to offices that look, feel and function differently.

Ranked by order of importance, Managing Partners view the following seven areas as the most important for requesting a return to the office:

01

Employee engagement, belonging and social well-being

02

Employee efficiency and productivity

03

Stronger team dynamics/ easier access to management

04

Enhancing trust/better monitoring and authority

05

Offices are equipped to provide different types of workspaces

06

Lack of proper working conditions at home

07

Local regulations

BDO takeaways:

Updates to the office are likely needed to keep it a hub for innovation, collaboration and employee bonding. Finding the optimal ways to collaborate and socialise – in and out of the office – looks pivotal for future success.

Many employees still work from home – at least part of the week – and the longer-term effects of being unable to see colleagues in person and enjoying a full social work life are becoming increasingly evident. We see examples of severe

Lessons learned:

A critical element of the office's role in our work life is as a hub for informal social interactions and for employees to socialise. Today, an exceptional workplace experience is a competitive advantage.

An ideal workplace facilitates teamwork, collaboration and productivity without sacrificing operations. Achieving these goals will likely involve in-office changes, work-from-anywhere models and hybrid approaches. Developing an innovative, intuitive, and seamless experience for employees should be a strategic priority.

Updates can include an increased focus on sustainability and climate impact through office carbon footprint, energy consumption and emissions. The growing emphasis on ESG criteria also brings a changing view on mobility, which could further impact the use of the central office.

Furthermore, the office of the future makes health and safety a priority to inspire the next generation of office innovations, such as adding sanitation stations, improving air circulation systems, and installing touchless automated technologies to reduce physical touchpoints.

BDO GLOBAL REAL ESTATE & CONSTRUCTION

impacts across all age groups, especially younger employees. Maintaining a sense of 'belonging' to others, including colleagues, is crucial to mental well-being.

While in-person events and being in the same physical space as your co-workers is undoubtedly a boon, we need to find alternatives that allow some types of interactions and bonding events to move online.

The prioritised top seven list of why Managing Partners have made changes to the workplace are:

01

Attracting and motivating employees to be back

02

Health, safety & environment (HSE)

03

The office functionalities are changing

04

More flexibility and collaboration spaces, less personal spaces

05

Cost-saving

06

Corporate rebranding

07

Environmental impact and emissions footprint

Virtual running club

BDO Thailand has had success with starting a virtual running club. Here, BDO employees track their runs and compete against each other in teams to help build team cohesion and a sense of belonging.

03

OFFICE REAL ESTATE
SHORT-TERM FUTURE

Most respondents say that their office costs will likely remain similar for the short-term future.

Recent investments to make offices ready for safe, socially distanced working, as well as upgrades in accordance with insights regarding the future functions of the office are likely to be contributing factors.

WHAT HAS BEEN TAKEN INTO CONSIDERATION FOR THE CHANGES TO THE OFFICE WORKPLACE?

3Cs: Collaborative, Concentration and Conferences



Integration of tech solutions and digitalisation



Reducing the office area/square metres (Optimisation)



Rearrangement of desks (Health & Safety)



Complete redecoration and changing of the workplan (More flexibility and less personal space)



Workplace cultural differences



BDO takeaways:

The near-future outlook for office space and costs looks steady across many countries and regions. However, there may well be longer-term changes that we will start to see come into effect in the coming years.

One example may be a reduced need for offices to be centrally located, an increased focus on flexible office calibrations and ease of access for a geographically more dispersed workforce.

The office of the future might increasingly look like a hub-and-spoke model, where the hub is a centrally located office that acts as a work location and cultural centre. Satellite offices or co-working locations (the 'spokes') will reduce employees' commutes to the hub and decrease overall leasing obligations.

Lessons learned:

We see increased employee openness to look beyond traditional geographic areas when considering where to live. Many considerations are tied to expectations that office trips will only happen a couple of days a week, allowing the prioritisation of affordable housing and living closer to nature.

In the current talent crunch, finding a way to accommodate such desires can be critical. However, initiatives must be counterbalanced with strategies to build inclusion and a sense of belonging.

Office portfolio restructuring and lease auditing are among the strategies companies can pursue. Clearly, increased remote working can eliminate tremendous costs for both companies and their employees.

Using satellite offices

BDO India is among a handful of countries reporting increased use of satellite offices. Here, cutting commute time – which in India's case could sometimes be many hours – alongside potentially lowering overall office costs are some of the benefits achieved.

Offline and online lunch

BDO Netherlands had a small team of partners deliver lunch meals to their extended teams during the morning and everyone convened online for a team lunch.

04

OFFICE
UPGRADES
ABOUND

Flexible working arrangements are likely to be here to stay, and the office's role is changing. For Managing Partners, top-of-mind priorities include determining what office upgrades to invest in and how to prioritise them.

The core tools for enabling most changes are digital.

WHICH IMPROVEMENTS IN DIGITAL TOOLS HAVE YOU IMPLEMENTED?

Knowledge sharing, online training, webinars



Digital tools available to conduct meetings in a smooth manner (e.g. Skype, Slack, Teams, Zoom, Webex, etc.)



Office app for desk reservations, parking spaces, lunch, meeting rooms



Paperless working / digital signatures of documentation



Digital file sharing and external storage of documents



Client-facing digital tools (e.g. client onboardings)



Other



BDO takeaways:

Digital transformation remains a top priority for BDO and many clients. While COVID is a force for change, many shifts and technological upgrades were already in the works, and the events of 2020/2021 pressed the fast forward button.

Optimising employee experience and powering productivity with digital solutions increases the need for focus on related areas such as cybersecurity. Introducing new technologies and work styles also requires training, getting used to using new systems, adapting to novel processes, etc. During the introductory period, the overall efficiency of those adapting to change may be lower.

Lessons learned:

The performance of BDO in 2020 and 2021 demonstrates how agile decisions and technological investments equipped the organisation with the global infrastructure and digital solutions to deliver long-term value for our clients.

BDO has invested proactively in market-critical acquisitions, with a strong focus on niche advisory, digitalisation and technology service providers.

The job is not complete, as we continue realigning the function of offices as events unfold. Improving space use, supporting collaboration and productivity, and embracing mobility concepts to cater to new generations of employees are ongoing projects. The same applies to investing in digitisation and automation technologies to transform workflows and back-office functions for additional cost efficiencies.

Before and during the transition phase to new solutions, leaders should pay close attention to how their organisation effectively and empathetically leverages technology to enable their people to work faster, better, and smarter.

Getting continual employee feedback will contribute to achieving optimal results.

Setting an office distance

BDO Slovak Republic has set a general rule that employees should be able to get to the office within 90 minutes, should the need arise. This is linked to a desire to be able to service a client within a given timeframe.

05

HOW THE CORPORATE REAL ESTATE (CRE) FUNCTION CAN HELP MAINTAIN WORKPLACE CULTURE



With the vast array of challenges and strategic decisions in mind, Managing Partners – and all other business decision-makers – need the best possible information, foundation and tools to chart the future of the office.



One of the areas to address is evaluating real estate for site selection and portfolio management. Leaders will want to know the purpose of the space, including what specific functions will be occurring on-site versus in alternative environments.

One part of the answer to the situation has been increasingly seeking input from the CRE department when reviewing and making decisions about digital transformation.

Like other functions and departments, CRE's potential and future role has changed during COVID-19. Today, it increasingly plays a role in the integration strategy, unifying different cultures and separate sets of real estate assets with varying levels of digital maturity.

Furthermore, CRE can help address information challenges if it has access to the right workplace metrics and underlying data. For example, metrics detailing employee satisfaction, turnover rate and recruiting conversion. This data is often placed elsewhere throughout the business but can generate great results if fed back to the CRE function.

Developing an agile workplace strategy and increased data flow can, in other words, help the CRE function unlock value, increase employee engagement, improve recruitment and retention and support operational efficiencies to bolster firmwide success.

EPILOGUE

The 2021 BDO Global workplace survey was preceded by the webinar 'workplace agility: rethinking the office to meet workforce needs,' initiated by BDO's Real Estate & Construction industry group.

In this webinar, hosted by BDO USA, a panel including speakers of Drees & Sommer, client Re:Invent, the International Monetary Fund and BDO Israel dealt with questions like:

- Has the purpose of the office changed post-Covid?
- What role does the office have in our work processes?
- What does it mean for the people? What impact does the office have to enterprise profit?
- What performance does the office have, and which of our performance metrics are strengthened by it?
- How does it contribute to our productivity?

The purpose was to foster a broader talk about place, rethinking the importance of location and geography to adjust to the new post-Covid reality and work experience.

The Real Estate & Construction industry group continues work on the theme Rethinking the office that remains extremely relevant to our business, as much as to our clients' business.

In autumn of 2022, we are planning to re-run the survey and update the findings, to see how takeaways have been implemented into daily life, share best practices and check how BDO firms have further adapted their workplace.

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HOW BDO CAN HELP: GLOBAL EXPERTISE IN CORPORATE REAL ESTATE

The group of BDO experts and specialists in the future of the workplace is growing.

BDO workplace specialists from various countries, including Australia, Belgium, Canada, Germany, Netherlands, South Africa, the UK and USA are providing services around the future of the workplace. Refer to the next page for BDO subject matter insights.



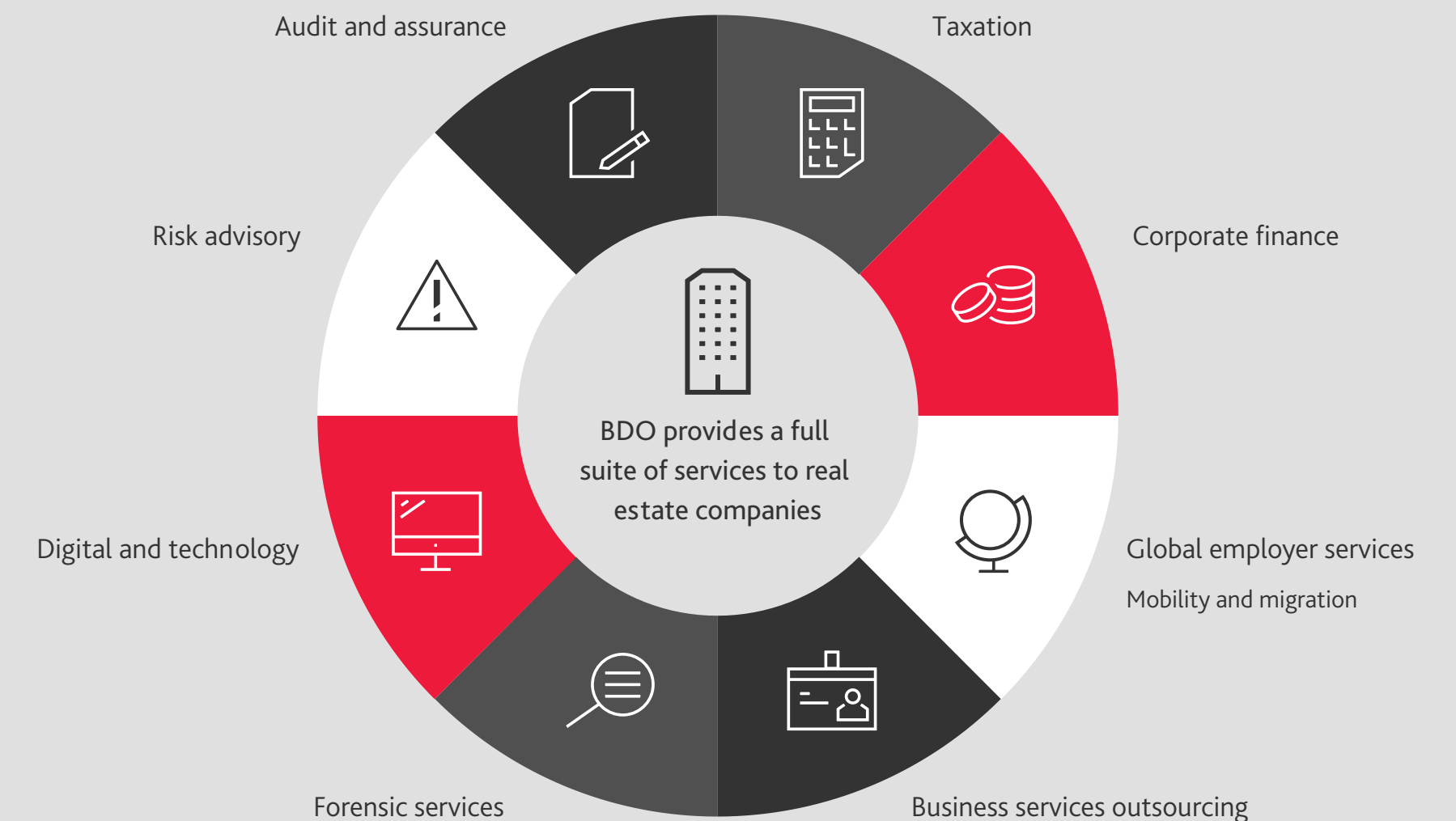
Visit [BDO Global dedicated page: 'The Post-COVID change to BDO Office Life'](#)

BDO group of workplace specialists is connecting and exchanging knowledge on a regular basis.

The group is sharing recent best practices and what are the changes required (in Corporate Real Estate), to support attracting and retaining talent (People & HR) and to help with efficiencies through the continued use of technology (Tech and IT).

Some BDO experts are advising clients externally, for example on hybrid office metrics and the new ways of work (NWOW) – but others are advising internally their own firms on workplace modernisation as part of corporate strategy.

Refer to the wheels on the right to learn more about the group's activities:



HOW BDO CAN HELP: GLOBAL EXPERTISE IN CORPORATE REAL ESTATE

Insights from BDO Australia

- Webinar: [The Future of the Office Space](#)
- Podcast: [How culture influences organisations in times of uncertainty](#)
- Article: [Workforce planning in the new normal: What's changed?](#)
- Article: [Workforce transformation: People with technology](#)
- Article: [Improving the experience of your deskless employees can pay off](#)
- Article: [Redesigning the way we work - flexibility, wellbeing and equality](#)

Insights from BDO UK

- Webinar: [BDO Professional Services: People & Property 3.0 - Continuing discussions around the future of the workplace](#)
- Article: [The post COVID-19 London office market – feast or famine for](#)
- Article: [People, property and the future of the office: Are we at an inflexion point in the big remote working experiment?](#)
- Podcast: [Industry Angles Episode 1 - Rethinking the](#)
- Webinar: [BDO Professional Services Event - Rethinking the office, a fresh perspective of how the workspace continues to evolve](#)

Insights from BDO USA

- Article: [Does Location Matter Anymore in Real](#)
- Poll: [Scalable Workforce Strategies for Uncertain Environments - Building Operational Elasticity](#)
- Article: [Landlords' Role in Maintaining Work Culture Amid Remote Work](#)
- Guide: [How to Create a Remote Worker Policy in 4 Steps](#)
- Article: [What's Next for Work? | The Workplace Reimagined](#)
- Guide: [How to Prepare for the Workplace of the Future](#)
- Whitepaper: [Redefining Real Estate Function as a Revenue Generator](#)
- Article: [Remote Work and the New Reality of Real Estate](#)
- Guide: [Agility at Work | Workplace Strategy for the Digital Age](#)

Insights from BDO Belgium

- Whitepaper: [Start building your hybrid working organisation of tomorrow, today | The key to successful hybrid working is in your hands](#)



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