



JLL

*Achieve
Ambitions*

Global CRE trends

2018

Marie Puybaraud

*Global Head of Research
JLL Corporate Solutions*



Top 10 CRE Trends for 2018

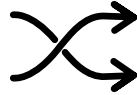


Dynamic workforce



Rapidly changing workforce environment

Flexspace



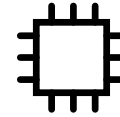
Coworking and flexible workspaces

Innovation culture



A work environment supporting creativity, cross-collaboration and innovation

Digital drive



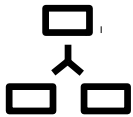
Harness digitisation and rich data

Smart real estate



Digitally enabled real estate

Adaptive organisation



Responsiveness to a rapidly changing operating environment

Future skilling



Rethinking skills base and profiles

Wellness



Being in good health as an actively pursued goal

Humanisation



Reintroducing the human factor at the core of the enterprise

Community



Nurturing a network of interdependent individuals

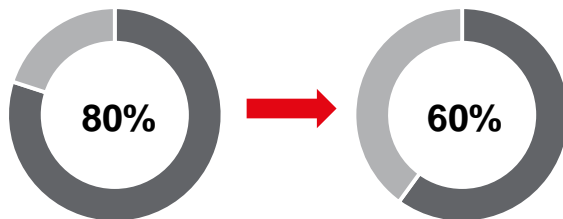


Dynamic workforce

Rapidly changing workforce environment

Liquid and contingent workforce is driving a radical transformation of corporate real estate.

Portfolio career



of all employees during the 1980's worked for the same employer for **upwards of 15 years.**

of the workforce nowadays switches employers after **only four.**

Source: Trends in the Workforce: Changing Attitudes, New Opportunities, M. Smit, Accenture, 2017

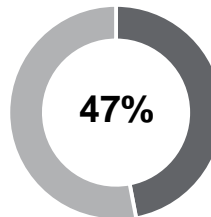
Liquid workforce

Between **20%** and **30%** of the working population is already working in the on-demand or gig economy.

Source: Independent Work: Choice, Necessity and the Gig Economy, Mckinsey, 2016

Coworking

of <35 yo work in third places compared to 27% of employees aged 35 yo or more.



Source: Human Experience Survey, JLL, 2017



Adopt a user-centric approach to respond to a dynamic workforce.

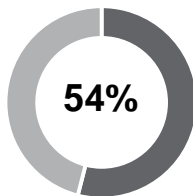


Flex-space

Coworking and flexible workspaces

The proportion of flexspace within CRE portfolios will continue to grow in 2018.

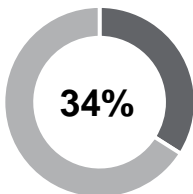
Flexible working



of employees work from home at least once a month.



of employees say access to external co-working spaces has a positive or a very positive impact on their engagement and productivity at work.



of employees work at least once a month from third places such as internet cafes, public libraries or co-working spaces.

Source: Human Experience, JLL, 2017

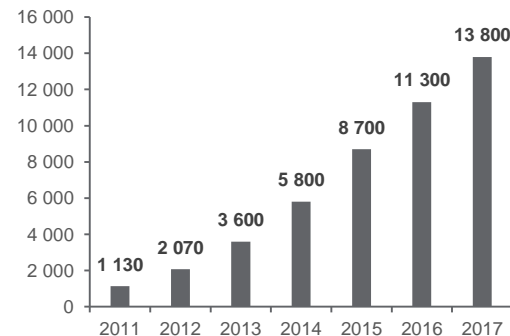
Workplace utilisation

About **30-40%** of space is underutilised during a typical workday.

Source: Occupancy Planning Annual Report, JLL 2017

Supply side growth

No. of coworking spaces worldwide



Source: Coworking Survey, Deskmag, 2017



Incorporate flex-space as a core part of workplace and portfolio strategy.

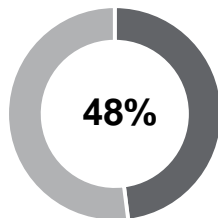


Innovation culture

A work environment supporting creativity, cross-collaboration and innovation

New collaboration imperatives are changing corporate innovation infrastructure.

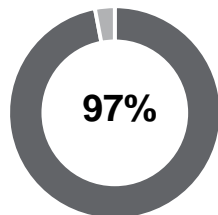
Cross-Collaboration



of CEOs plan to enter new strategic alliance or joint venture.

Source: 20th Annual CEO survey, PwC, 2017

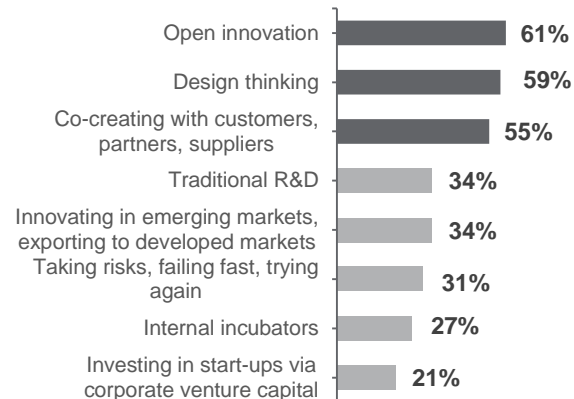
Open Innovation



of large companies stated that open innovation is important or critical to higher levels of future business performance.

Source: Building a Digital Ecosystem: Collaborate for Growth, Accenture, 2017

Operating models for innovation



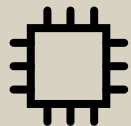
Q: what operating models does your organization currently use to drive innovation? Percentages denote the number of companies using these innovation models.

Source: PwC's Innovation Benchmark; Base: 1,222

Source: Innovation Benchmark, PwC, 2017



Review innovation infrastructure to foster hyper-collaboration within and outside the organization.

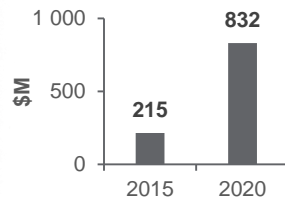


Digital drive

Harness digitisation and rich data

Integrated technology and ecosystems will drive new levels of enterprise performance.

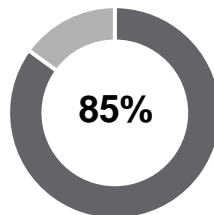
IoT investment



IoT investments by businesses are projected to grow dramatically over the next few years.

Source: Leveraging the Upcoming Disruptions From AI and IoT, PwC, 2017

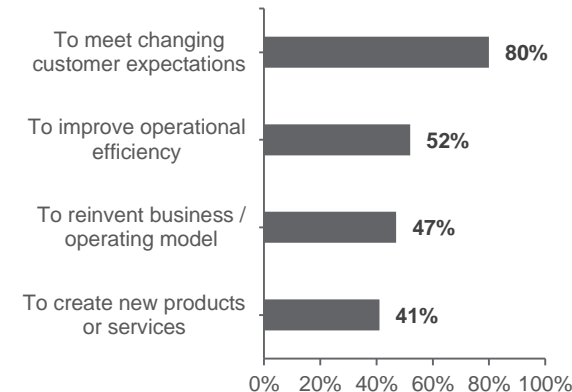
AI Investment



of executives report they will invest extensively in AI-related technologies over the next three years.

Source: Technology Vision, Accenture, 2017

Digital drivers



Q: Why companies feel the need for digital transformation.

(Survey of leaders responsible for digital transformation initiatives).

Source: Digital Trends Report, Nimbus Ninety, 2017



Align CRE strategy with enterprise-wide digital transformation.

“Traditional real estate organisations need to engage with PropTech companies in order to adapt to the changing global environment.”

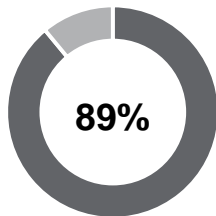


Smart real estate

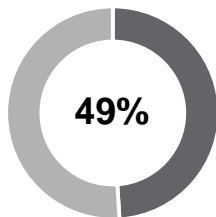
Digitally enabled
real estate

*Smart real estate
technology is transforming
the real estate life cycle.*

Technology partnerships



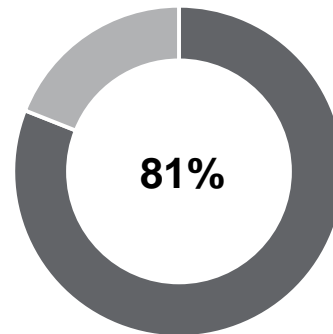
of real estate decision makers
agree with the statement



of real estate decision makers
expect to collaborate with an
existing or new supplier to
develop their technological
innovation capability.

Source: Bridging the gap, Global
PropTech Survey, KPMG 2017

Return on investment

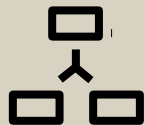


of occupants report that smart buildings
improve employee retention.

Source: Smart Buildings Decoded, BPIE 2017



*Deploy emerging smart real estate solutions to optimise user-experience
and enhance enterprise performance.*

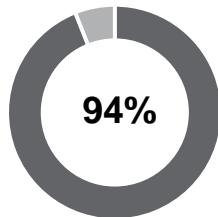


Adaptive organisation

Responsiveness to a rapidly changing operating environment

Nurture an agile culture and workplace against the backdrop of market and digital transformation.

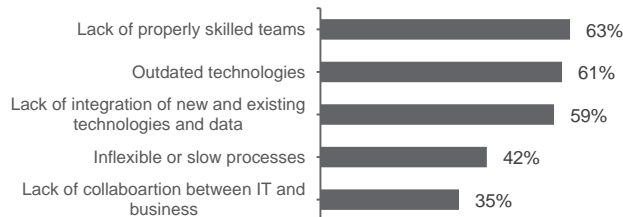
Agility



of companies report that “agility and collaboration” are critical to their organization’s success, yet only 6% say that they are “highly agile” today.

Source: Global Human Capital Trends, Deloitte, 2017

Key obstacles to digital transformation



What’s stalling digital transformation efforts?

Source: Global Digital IQ Survey, PwC, 2017

Drivers

Why Businesses should improve agility?

Management-level executives rated the top reasons for improving agility.



84%

believe the capability to respond more quickly to new opportunities will give them a distinct advantage.



65%

expect higher customer satisfaction and retention.



58%

expect higher employee productivity and retention.

Source: The State of Business Agility, CA Technologies, 2017



Embed agility in the organisation to seize new opportunities and respond to a volatile operating environment.

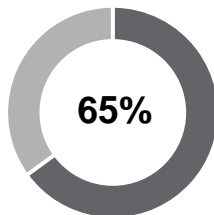


Future skilling

Rethinking skills base and profiles

Adapting team competencies to meet future CRE challenges.

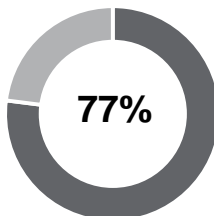
Changing profiles



of HR professionals say that skills needed for jobs in their organisation are changing.

Source: Resourcing and Talent Planning Survey, CIPD / Hays, 2017

Retrain or redesign

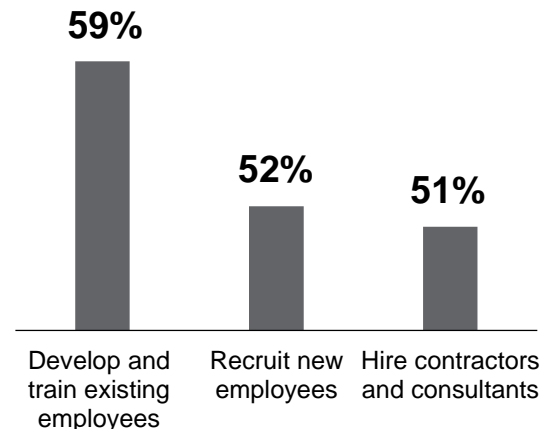


of companies will either retrain people to use technology or will redesign jobs to better take advantage of human skills.

Source: Global Human Capital Trends, Deloitte, 2017

Talent strategy

Top approaches to get sufficient talent to support business strategy:



Source: Digital Business Global Executive Study, Deloitte, 2017



Consider new and atypical profiles to drive the future of your organisation and enhance CRE performance.



Wellness

Being in good health as an actively pursued goal

Support mental and physical health at work by aligning workplace and HR strategy.

Current state

Only about **9.5%** of today's workforce is covered by any kind of workplace wellness programs or services.

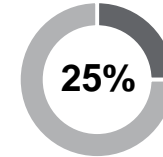
Source: Global Wellness Economy Monitor, GWI, 2017

According to WHO, by 2030 the largest health risk on earth will be depression. The global economic impact of mental health is estimated at US\$ 1 trillion per year in lost productivity.

Source: Global Wellness Summit, WHO, 2017

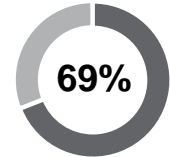
Desired state

Switching off and meditation



Q: What criteria would give you the feeling of having a unique experience of work?

Happiness at work



Source: Human Experience, JLL 2017

Wellness Architecture



Indoor air quality and ventilation



Thermal comfort



Daylighting and lighting



Noise and acoustics



International layout and active design



Biophilia and views



Look and feel



Location and access to amenities



Employee engagement

Source: "Building The Business Case: Health, Wellbeing and Productivity in Green Offices", World Green Building Council, October 2016



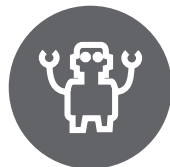
Create a new wellness architecture to activate and sustain human experience.



Humanisation

Reintroducing the human factor at the core of the enterprise

Create workplaces that are people orientated, experiential and personalized.



Automation

In the period **2018-2020** the expected annual growth rate of sales in service robots for professional use is expected to be between **20% and 25%**.

Source: World Robotics, International Federation of Robotics 2017

vs



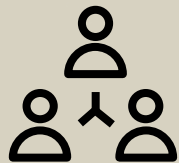
Humanisation

Only 22% of executives reported that their companies were excellent at building a differentiated employee experience.

Source: Digital Mobility | Talent 2017 Trends, Deloitte, 2017



Enhance human experience while building on the potential of automation and digitization.

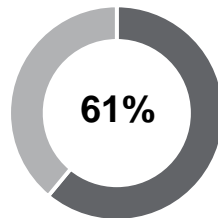


Community

A network of interdependent individuals

Buildings to become an epicentre for communities to share passions, experiences and ideas.

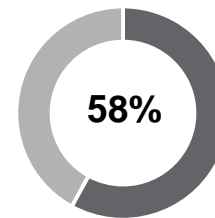
Building trust



of CEOs say building greater trust among external stakeholders and customers is a top three priority for their organisation today.

Source: Global CEO Survey, KPMG, 2017

Impact on employees



report a positive impact on engagement and productivity.

Q: Does access to spaces for shared community interests (vegetable gardens, spaces for artistic expression, spaces for leaving pets, etc.) have an impact on your engagement with the company and productivity?

Source: Human Experience, JLL, 2017



Meet community aspirations by seamlessly connecting people and creating comfortable spaces.

Act now and don't be left behind!

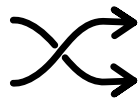


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Flexspace



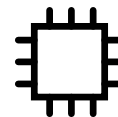
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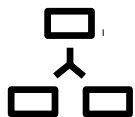
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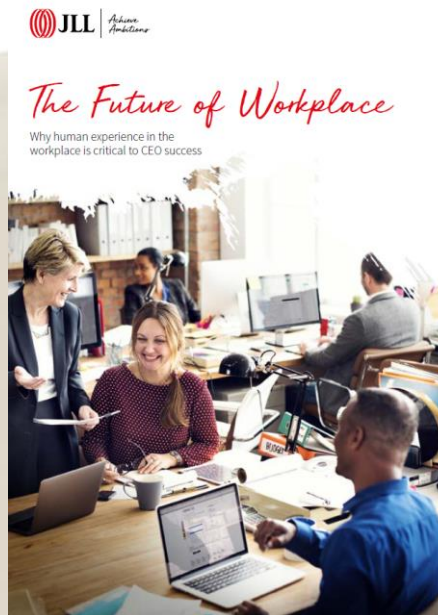
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Marie Puybaraud, PhD
Global Head of Research
JLL Corporate Solutions
Mob : +33 (0) 632 879 748
Marie.puybaraud@eu.jll.com

www.futureofwork.jll
www.humanexperience.jll



WEF 2018 – The Future of Workplace
http://www.jll.com/Documents/JLL_Future_Of_Workplace_Human_Experience_1.pdf

Thank you