

PREDICTING THE RETURN TO THE OFFICE

SEPTEMBER 2021

REPORT OBJECTIVES

Building on previous research and academic literature on the topic of the future of office, this report is the first of a three-part, global office series that will examine the following questions:

- 1) When will businesses return to the office en masse given the ongoing COVID-19 effects?
- 2) What will be the net impact on office leasing fundamentals given the latest recession-recovery trends and remote working dynamics?
- 3) How are businesses currently utilizing their office space, how are they designing for the post-pandemic future, and how will that vary by industry, geography and job function?

The primary objective of the first report in our series is to use the data and information available to us at this time (i.e., mid-September) to forecast when most employees will return to the office. There are many factors that will impact when workers return to the office on a regular basis. This report focuses on four critical factors that will be the key drivers of the return-to-office trajectory:

- **The virus:** Clearly the situation remains fluid as the Delta variant of the COVID-19 virus continues to spread throughout the world.
- **Vaccination rates:** Increasing vaccination rates have been a cause of increased optimism and consumer activity throughout 2021.
- **In-person schooling:** Given the impact on working parents, in-person school is a critical factor for predicting a fuller return to the office.
- **Government regulations:** Government guidelines will also play a critical role in boosting worker confidence and encouraging a return to the office. According to Oxford University, government stringency still varies substantially across different countries and cities.

This report is structured with an analysis of global trends followed by detailed regional sections for the Americas (U.S. and Canada), APAC and EMEA. Each global region's section includes the following:

- A review of the "current state" of the region, which examines the percentage of office employees that have already returned to the office as well as the latest thoughts on return to office plans.
- A study of the trajectory of the virus and IHME forecasts based on observations in several case study countries, as well as the trajectory of vaccination and expected timelines for achieving herd resiliency.
- Forecast scenarios for when businesses may return to the office.

GLOBAL KEY FINDINGS

- As of September 2021, approximately 40% of all global office workers have returned to the office. China is leading the return with over 90% back. All other regions of the world examined in this study fall between 27% and 40% of employees in the office on any given day.
- The latest COVID-19 projections indicate that global infections related to the Delta variant will peak in October or November 2021 and then trend lower. This is consistent with the pattern that COVID-19 has displayed throughout the pandemic—new cases often surge for two months before trending back downwards.
- At the current rate, most of the world will achieve herd resiliency—i.e., over 70% either vaccinated or infected—by Q2 2022. Herd resiliency will be achieved first in Canada (Q3 2021), followed by the U.S., Europe and China—all in Q4 2021. The rest of Asia Pacific will vary by country, but as a region overall, it is likely to lag by a quarter or two (Q1 or Q2 2022).
- In our study, if our assumptions hold true, we conclude that most office workers globally will be able to return to the office in the first quarter of 2022. Regionally, the return will be led by Greater China, followed by Europe, then the U.S., Canada and finally the Asia Pacific region. Again, timing will vary within countries.