Innovations from the Far East

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January 21 2016
Fast rental cycle
High density
High efficiency
Different cultures

What’s Next?
The forecast information and analysis in this study was prepared by IDC using a multifaceted approach. Information sources used to develop this forecast include the U.S. Census Bureau, the Bureau of Labor Statistics, and other similar government statistics for other regions and countries, as well as primary and secondary resources. Primary sources include surveys of vendors and mobile users, and secondary sources consist of publicly accessible information and in-depth meetings and discussions with vendors. This study also incorporates surveys and forecasts published in related programs. International Data Corporation (IDC) is the premier global provider of market intelligence, advisory services, and events for the information technology, telecommunications, and consumer technology markets.

WORKPLACE RESEARCH REPORTS AVAILABLE

1. FAST FORWARD 2030
   - Title: GENESIS RESEARCH REPORT OCT 2016
   - Description: The Future of Work and the Workplace

2. SPACE UTILISATION: THE NEXT FRONTIER
   - Description: How Asian market conditions are driving relocation faster and farther

3. ASIA PACIFIC OCCUPIERS’ FIT-OUT COST GUIDE
   - Title: GLOBAL CORPORATE SERVICES 2015

CBRE

CBRE | IFMA WORKPLACE EVOLUTIONARIES | FAR EAST PERSPECTIVE
Future of Work and Workplace
“The future is already here, it’s just not very well distributed.”

William Gibson, 1992
WHAT IS THE FASTEST GROWING ECONOMY TODAY
THE SHARING ECONOMY

BEST NEW OPPORTUNITIES

STILL OPPORTUNITIES

LOW INTEREST

DONE WELL

SHARING ECONOMY’S MARKET SIZE WORLDWIDE

Unit: billion dollar

2010  2011  2012  2013

0.85  1.47  2.7  5.1

airbnb

CBRE
2030: COMPETITIVE ADVANTAGE

70 interviewee perspectives

- Talent
- Innovation
- Adaptability
- Technology
- Authenticity
2030: CHANGING ATTITUDES

Youth workshops with 150p in 11 countries

- Responsibility
- Freedom & Control
- Fulfilment
- Sharing

“It is more important for 70% of parents in Korea that children are happy (than financially secure)”
2030: WHAT IS WORK?

- Creative intelligence
- Emotional intelligence
- The ability to leverage artificial intelligence
  … and creating experiences for others
THE WORLD IS CHANGING

If 50% of jobs won’t exist – what next for FM?

- Workplace Managers (not facility managers)
- Chief of Work
- Head of Guest Services
- Experience Curator
- Campus Director
- Concierge
- Sensor Analytics Engineer
- Real Time Space Manager

Source: David Ratman, ‘How Technology is Destroying Jobs’ MIT Technology Review, 2013
We share … **including ideas**
Reproduction is free … how do we fund **production**?
Work … We do meaningful things that we are passionate about
The evolution of corporations

- The competitor
- The small ‘big’ companies

- The third wave in China

- The incumbent
- The network hierarchy

>40% of the US workforce are already contingent workers

John Kotter XLR8
“by 2030, 50% of all real estate transactions will be online”

Mark Gilbreath – Liquid Space

real time markets

real time experience

connecting talent
Landlords deliver hardware now … this will change into an integral solution (hardware and software).

Landlords will rate their buildings value not by the cash flow of rent but in the cash flow from the services.”

Source: Fast Forward 2030 – Future of Work and Workplace

It’s happening in Asia and Pacific too!
PLANNING FOR NEXT GENERATION TENANTS

Source: AMP Capital
LOBBIES ARE PLACES TO WORK AS WELL AS SHOP

Source: AMP Capital
SHARED SPACES FOR TENANTS DISTRIBUTED VERTICALLY

Source: AMP Capital
IMPORTANCE OF WELLNESS

CBRE Downtown Los Angeles – Worlds First Well Certified Office

THE SEVEN CONCEPTS OF THE WELL BUILDING STANDARD®

AIR
WATER
NOURISHMENT
LIGHT
FITNESS
COMFORT
MIND
Leveraging artificial intelligence …

To enhance experience and performance
Built for a way of work rapidly disappearing

ASIA NOW: ONE SIZE FITS NOBODY

You get back to that you get back to that you get back to that you get back to that cubicle and start thinking outside the box! Can’t collaborate can’t concentrate can’t innovate.

In Asia this is done as well (poorly) as anywhere else in the world – except we miniaturize it!
## DIVERSITY AND CHOICE

<table>
<thead>
<tr>
<th>Interruptible work</th>
<th>Uninterruptible work</th>
<th>Working together</th>
<th>Structured Calls</th>
</tr>
</thead>
<tbody>
<tr>
<td>38%</td>
<td>22%</td>
<td>26%</td>
<td>10%</td>
</tr>
</tbody>
</table>

### Other

- **create** (anywhere)
- **test** (group)
- **mix** (group)
- **develop** (solo)

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**CBRE | IFMA WORKPLACE EVOLUTIONARIES | FAR EAST PERSPECTIVE**
In terms of ideas, our group's strongest desire is for freedom.
ASIA – A REGIONAL PERSPECTIVE

ADOPTION OF ALTERNATIVE WORKPLACE STRATEGIES IN FINANCIAL SERVICES - ASIA

Source: CBRE
DENSITY AND PRODUCTIVITY

Figure 1: Static Workplace Density range in Asia Pacific by Country (per sq. ft. per desk)

- **High Risk of Productivity Impact**
- **Potential Risk of Productivity Impact**

Static Dynamic Density Matrix

<table>
<thead>
<tr>
<th>Productivity Risk</th>
<th>Significant Productivity Risk</th>
</tr>
</thead>
<tbody>
<tr>
<td>Moderate Savings</td>
<td>High Savings</td>
</tr>
</tbody>
</table>

Shifting your workplace cost saving strategy from static to dynamic density achieves similar savings whilst creating potential for more effective workplaces.

Source: CBRE, September 2015.
Utilisation by Country

Utilisation by Industry
Indicative cost savings per annum in USD (per floor or c. 200 employees) by recapturing under-utilisation.

- India: Up to $320,000
- Singapore: Up to $293,000
- China (inc. Hong Kong): Up to $240,000
- UK: Up to $313,000
- US: Up to $347,000
- Aust / NZ: Up to $342,000
- Japan: Up to $477,000

Source: CBRE, September 2015.
CBRE WORKPLACE COMPASS

A framework for explaining new workplaces

1. TRADITIONAL SOLUTION
2. HOT DESKING
3. COLLABORATIVE WORKPLACE
4. ACTIVITY BASED WORKPLACE

SHARING
(HIGH EFFICIENCY WORKPLACES)

DIVERSITY
(HIGH PERFORMANCE WORKPLACES)
$ savings are a **funding mechanism** for better workplaces

Option 3+4
40% more meeting seats
More quiet places to work
What if we could find a way to create a better workplace that
• is happier and more productive
• supports diverse work styles
• improves engagement

and costs less … in fact it saves us money
In this new workplace I have learned to lead differently.

I work from an office when I have lots of meetings booked with my direct reports. Sometimes I sit amongst one of my teams so I can ‘feel the pulse’. When I really need to escape and think I find a small phone room with a view.

But what works best for me in the new workplace is the informal work areas near my teams. When I work in these areas my team approach and talk to me in ways and about issues that they never have before.”
TWO THIRDS OF THE WORLD IS COVERED BY WATER. THE OTHER THIRD BY US