

Editorial

Focusing on the human experience is key to building a thriving and more inclusive post-pandemic world

POSITION

Like all companies, we had to move our people out of global offices practically overnight, and the challenge of the century was upon us. As designers and architects, creating space that no one wanted to be in felt ominous, but given that we thought the shutdown would be over in about three months, it seemed like a small price to pay. Famous last words: it has now been a year and a half, and the road to recovery is difficult, but one I am very optimistic about. There is no question that COVID-19 will have a lasting influence on all aspects of our lives for the foreseeable future. We also know from previous major upheavals that we experience great change and expansion on the economic front. Socially, there will be an acceleration in the adoption and influence of technology, innovation, art, music, medicine, education, and social justice movements such as Black Lives Matter will continue to push for a more inclusive world.¹

COVID-19 has highlighted a wide range of experiences since March 2020, when cities, regions and entire countries went into various states of lockdown. Businesses and work lives were completely upended, as was the way most of us worked. While new technologies enabled some of us to live a Zoom-centric lifestyle, frontline workers, women and disadvantaged groups including

racial and ethnic minorities were negatively impacted to a disproportionate degree.

But before focusing on the future, let us look back at some key events happening prior to the onset of the pandemic. We were already in a transformative period. In August 2019, the Business Roundtable, a collection of CEOs of the country's biggest companies, which was at the time helmed by JPMorgan Chase's Jamie Dimon, announced a fundamental rethinking of what it means to be a corporate entity in the US,² committing to providing value to the full range of a company's 'stakeholders', not only including its shareholders but also its employees, customers, and communities. On the sustainability front we saw a huge uptick in companies — including mine — committing to some form of corporate social responsibility (CSR) programmes, which demonstrate how sustainability, diversity and inclusion are not only good for humanity but also good for business: CSR programmes³ are magnets for talent, support local and disadvantaged communities, and attract clients and investors. These initiatives acknowledge what matters to people and align with their values. So, as we emerge in the coming months, I believe that organisations will continue to push this agenda forward by addressing the following six areas.

SAFETY AND SECURITY

Preparing for re-entry is complicated. We now have vaccinated and non-vaccinated populations and different sets of rules across geographies. Organisations must at a minimum conduct thorough reviews of their physical spaces such as office, retail and hotel environments, rethink layouts and pay particular attention to hygiene. A recent WorkHuman survey⁴ found that workers need to feel comfortable before they will return to the office. When asked about the biggest change they would like to see when the world reopens after COVID-19, write-in responses included ‘healthy facilities’, ‘increased measures of safety and cleanliness’ and ‘better contingency planning’. But even if organisations can demonstrate they have taken extra safety measures, it may not be enough to fully resuscitate the traditional 9-to-5, everyone-in-the-office-simultaneously schedule. These points clarify the need to create a more human-centered approach to work that puts employees first.

HEALTH AND WELL-BEING

We have certainly learned a lot about ourselves and our people over the last year and a half. ‘Resilient’ hardly describes the fortitude that so many have demonstrated. The pandemic forced us to rethink how and where work happens while also highlighting the importance of not making rash, long-term decisions about physical space. Culture and talent are huge components of any successful company. A reactive response and one-size-fits-all approach almost always leads to the wrong place. Making thoughtful, well researched decisions is key. Reassess your talent strategy: understand what your people need to do their jobs and where work is done is critical to fostering a healthy workplace. This requires having the right resources, programmes and support structure in place to protect the mental and emotional well-being of employees.

GENDER AND MINORITY EQUITY

As the leader of a company where women compose 60 per cent of the leadership and employee base, it is clear the pandemic has exacerbated the inequities that women, minorities and disadvantaged groups around the world have been dealing with — both at work and at home.

According to a McKinsey & Company study, ‘The pandemic’s gender effect’,⁵ one in four women —versus one in five men — are considering leaving the workforce or downshifting their careers. While all women have been impacted, three major groups have experienced some of the greatest challenges: working mothers, women in senior management positions and black women.

By improving gender equality now, the global GSP could increase by an estimated US\$13tr in 2030. According to research the McKinsey Global Institute⁶ conducted last summer, women’s jobs were almost twice as vulnerable to the pandemic as compared to men. If the gender-negative impact of COVID-19 on women is not effectively addressed, projected global GDP growth could decrease by as much as US\$1tr in 2030 compared to where it would be if the pandemic had affected men and women equally in their respective areas of employment. But acting now to achieve best-in-region gender-parity improvements by 2030 (including investments in education, family planning, maternal health, digital and financial inclusion, and correcting the burden of unpaid-care work related to childcare and caring for the elderly) could add US\$13tr to global GDP versus the gender-regressive scenario. It would also raise the female-to-male labour-force participation and create hundreds of millions of new jobs for women globally. That is a significant and substantial economic opportunity.⁷

The two studies above are striking in their findings and impactful for those of us who lead organisations. Women and minorities play a vital role in creating a thriving

economy and we need to ensure we do not regress on this front.

SUSTAINABILITY

The corporate real estate (CRE) and design and construction industries account for over 40 per cent of the world's carbon, making this an enormous area of opportunity. According to IEA,⁸ a total of US\$240bn was invested in energy efficiency across the building, transport and industry sectors in 2019. This trend has intensified in 2021 with the change of direction in Washington, DC and the expectations by institutional commercial real estate investors to track environmental, social, and governance (ESG) initiatives. Three key areas that organisations should incorporate into their plans include biodiversity to support a reduction in carbon emissions; conservation to increase climate resilience; and promotion of a circular economy to preserve and repurpose materials in use, reducing emissions and plastic pollution. Together, these can make a major impact on the health of our people and climate change.

THE CONVERGENCE OF TECHNOLOGY WITH THE BUILT ENVIRONMENT

The digital transformation was well underway before COVID-19. Technology and the Internet of Things (IoT) had changed our lives, and the pandemic only accelerated this exponentially. Artificial intelligence (AI) and the emergence and adoption of virtual reality (VR) and augmented reality (AR) and other immersive technologies are enabling people to interact with space and objects that were things of science fiction just a few short years ago. As the digital convergence plays out and people are connecting with physical space in all its forms from work, travel, entertainment, retail, healthcare, or hospitality, it is enhancing the user experience and thus

changing the expectations of space and the built environment.

Companies across all sectors are asking about the latest developments in technology and the possibilities of supporting a better overall user experience. Commercial real estate and architecture and design all need to be at the forefront of creating and adapting buildings and space to meet these new realities.

FUTURE PANDEMIC PREPAREDNESS

I can say from our company's own experience, and that of our partners and clients, we truly responded with lightning speed to move all our employees out of the office enabling people to work from home, and while we made it work, we were not prepared for an unprecedented healthcare crisis that was global in scale. It has become clear how important it is to develop robust business continuity and disaster recovery plans to be more prepared for the next pandemic.

SUMMARY

The history of this time period has yet to be written, and the challenges and opportunities in front of us are enormous. If the Business Roundtable, government and organisations that made commitments to redefining shareholder value and CSR programmes stay the course, the implications for CRE together with the design and construction industry are immense. Investing in communities, repurposing buildings, providing an ability to work anywhere and aligning CRE needs with CSR goals is transformational. Real estate organisations that embrace technology will be in the best position to succeed. People want to feel secure and confident in their environment and adapting to this new-normal requires a human centred approach. The physical workplace will continue to be a place that drives culture, brand and collaboration. It is also where people meet and

build their teams. Consequently, as we think about the future it is in our best interest to push for a more sustainable, inclusive and thriving world.

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