



COVID-19



and the changing world of work



DEEP EXPLORATORY RESEARCH INTO
PSYCHOLOGICAL AND BEHAVIOURAL TRENDS

A DISCUSSION PAPER



INTRODUCTION

Since March 2020, the Covid-19 pandemic has had an undeniable impact on Australia's workforce. Following lockdown on 23 March 2020, 1.6 million Australians suddenly found themselves working from home – leaving thousands of square metres of office space suddenly vacant.

With a vaccine yet to be developed, both the short and long term future remains uncertain.

However, it seems that our experiences in 2020 have already paved the way for some exciting changes to the business landscape, and the way we approach work and life itself.

The important question to ask: is this something new? Or is it simply an acceleration of changes that had already begun to occur through the digital transformation of business?



“LIFE’S BIG CHANGES RARELY GIVE ADVANCE WARNING.”

- *H Jackson Brown Jr.*

TAKING RESEARCH BEYOND THE SURVEY

Mirvac has been working to understand and define the future of work for some time, undertaking research into the future of smart precincts, activation of workplaces, experiential design and more. Digitisation has been the theme uniting this work – and it’s a trend that’s accelerated drastically since the pandemic hit.

When it comes to understanding consumer preferences, psychology and behaviours, quantitative data can only tell us so much. Aiming to gain deeper insights, Mirvac undertook a qualitative research project into the impact of Covid-19 on the workplace as we adjusted to lockdown, facilitated by our award-winning innovation team, Hatch.

In April and May 2020, Mirvac completed two ‘deep dive’ scans: one with Mirvac employees, and the other with office customers and relevant stakeholders (including workplace experts, architects, potential partners). Methods of gathering insights included surveys, casual conversations, deep dive interviews, and desktop research.

This paper outlines our key insights, which will inform Mirvac’s future pathway.

RESEARCH SCOPE:

27 Mirvac employees interviewed

(Consideration given to gender, location, position, tenure and business unit to ensure a representative slice).

25+ casual conversations and 9 deep dive interviews with office customers

8 interviews with customer management

7 interviews with architects and workplace experts

100+ academic papers, reports and research articles reviewed

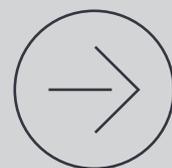
Participants included those from Westpac, PwC, Suncorp, TOLL, Servcorp, Karoon Gas Australia, Quantum, Blackstone, Cushman & Wakefield, International Workplace Group, Lander & Rogers Lawyers, Corrs Chambers Westgarth, GESB and the Australian Government Department of Health.

KEY INSIGHTS

THERE ARE ELEVEN KEY INSIGHTS WE DREW FROM OUR RESEARCH:

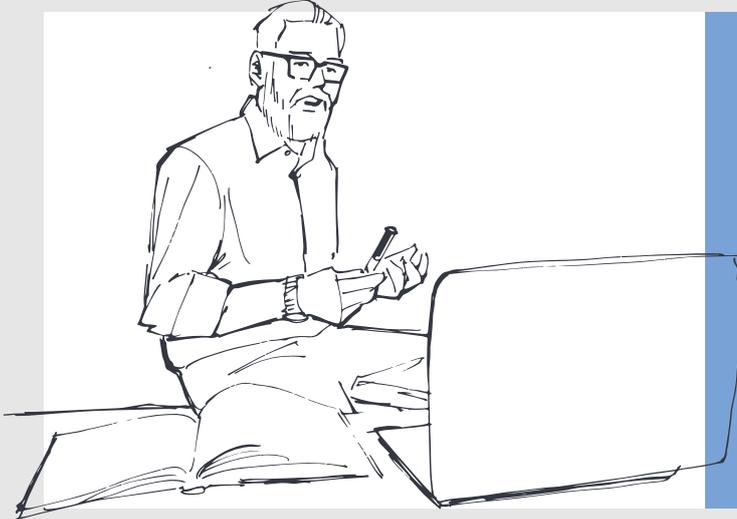
- 1 It turns out people aren't change-resistant after all
- 2 The office needs a serious re-think
- 3 Omni-channel workers are on the rise
- 4 Flexibility trumps density in the new world of work
- 5 Technology will be the double-edged sword we can't live without
- 6 We've realised which 'in person' interactions matter most
- 7 The wellbeing goalposts have shifted
- 8 Conventional metrics of office value no longer cut it
- 9 Productivity is proving a complex equation
- 10 Our culture bubbles are fragile – and they're at risk
- 11 We crave both separation and togetherness

To follow, we have also included some of the more surprising consequences and opportunities that have resulted from Covid-19, along with Mirvac's intended next steps.



INSIGHT #1.

It turns out people aren't change-resistant after all.



**74% OF CFOs PLAN TO
SHIFT 5%+ OF PREVIOUSLY
ON-SITE EMPLOYEES TO
PERMANENTLY REMOTE
POSITIONS POST COVID-19**

Australian businesses have embraced flexibility more and more in recent years, with a large percentage offering remote working options. At Mirvac, we were already moving towards greater digitisation, equipping staff with laptops, shifting to output-focused KPIs, and introducing systems like SharePoint – however a business-wide shift to remote working seemed a long way off.

Mirvac had planned to transition to Microsoft Teams over the course of six months supported by a change management program. Due to the pandemic, this ended up being achieved in a single weekend with no external assistance.

Does this mean change management is overrated? Or does necessity drive adoption? Either way, our customer research revealed a recurring pattern of employees transitioning to working from home with surprising ease. One office customer told us they transitioned 8,000 workers to WFH in one week, and noticed a correlating increase in productivity. Another customer reported that their 15,000-strong workforce made a similarly easy switch, while a government organisation told us they'd made a change to digital signatures in just two days.

The common thread: all these organisations had already begun their digitation journey, whether it was by equipping staff with laptops, implementing a flex policy, or investing in IT infrastructure and video conferencing tools. In one case a virtual office manager role had even been created 9 months before the pandemic broke out, making the transition to remote working much easier.

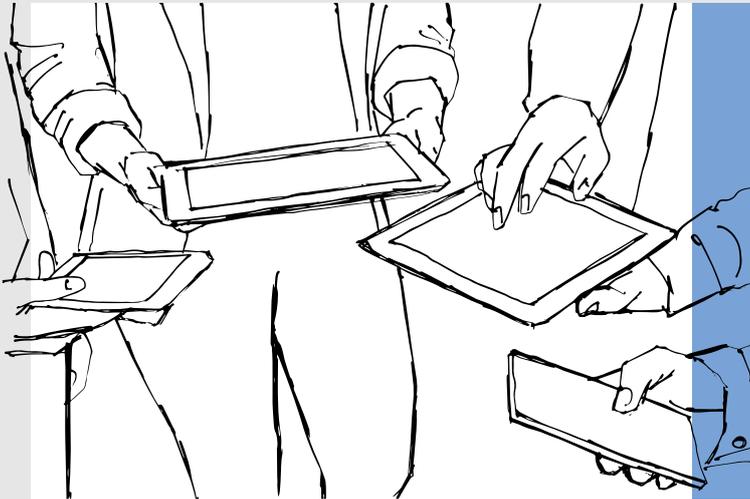
The most encountered obstacles during the transition to WFH were to do with infrastructure rather than people – such as the need to purchase equipment or increase bandwidth to cope with the new level of online connection.

**“BEFORE COVID-19, NO ONE WORKED FROM HOME.
NOW, EVERYONE DOES. WE WENT FROM DEBATING THE COST
OF SKYPE, TO BUYING MS TEAMS OVERNIGHT. WE’VE FOUND
THAT PRODUCTIVITY HAS ACTUALLY INCREASED.”**

- Mirvac office customer

INSIGHT #2.

The office needs a serious re-think.



AN OFFICE WILL NEED TO DELIVER ENVIRONMENTS IN WHICH WE CAN CULTIVATE CULTURE AND NETWORKS

Given the success of remote working, it is no surprise that companies are reviewing their office requirements. However, none of our participants questioned their need to have a physical office, continuously referencing the importance of face-to-face for relationships, interactions, learning, collaboration, creativity, problem-solving and innovation. The office often acts as a representation of a company's identity and brand, expressing what they stand for in a physical realm – and helping to attract talent in the process.

What's likely to change is the core purpose and physical footprint of our office spaces. We are seeing task jobs move to remote locations, where workers can focus with fewer disruptions. Additionally, organisations are shifting from a hierarchical to a networked structure, leading to empowered teams. With these changes, some businesses may look for decentralised office solutions, while still requiring a headquarters (HQ). Some may consider re-constructing

their offices as hubs with 'spokes' or 'satellites', but the jury is out on how this would work in practice. Employees are expressing a desire to move to location based working (LBW), using a web of different locations to suit different activities, rather than be limited to one place. If meetings and task work can be done at home or near home, then this leaves the office as a place focused on bringing people together to collaborate and connect as needed.

To accommodate this shift in focus, workplace strategy will be key. The 'new' workplace will be re-designed as a web of spaces, including employees' homes, third spaces, co-working environments and HQ. An office HQ will need to deliver experiences which entice the workers back, delivering environments in which we can cultivate culture and networks. Companies will also need to elevate the services they're offering, especially in terms of health and wellbeing, hygiene and connectivity. The office will be a place to build trust and forge relationships, where a company's

values and purpose are entwined with its place. This overarching shift mirrors what's happened in the retail sector, with experiences now traversing both physical and digital environments. The opportunity to create a separation between home and work has never been so important, as employees seek the differentiation.

Another focus area will be the services supporting operations, especially with regard to health and safety. With customer expectation for physical and psychological safety reaching new heights, we may see a rapid adoption of contactless technology such as facial recognition enabling 'touchless' interactions in places like entry/exit points, reception, toilets and lifts.

Cleaning and hygiene will also remain top priorities, even influencing the materials chosen for fitouts and the potential to 'shut down' areas within a building to isolate any contamination and maintain continuity.

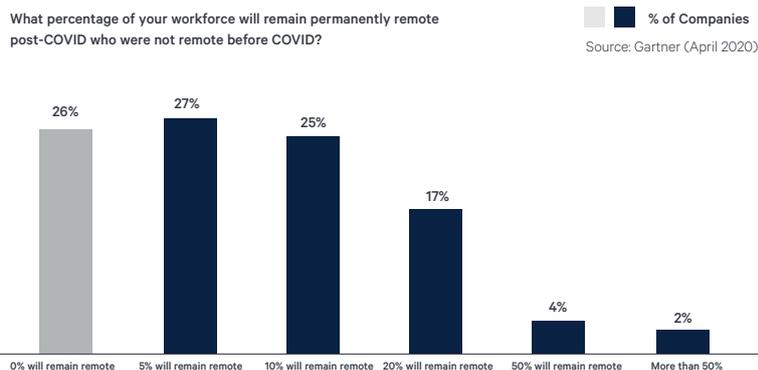


“INSTEAD OF AN INDIVIDUAL BUILDING APPROACH, WE ARE FOCUSED ON USING OUR PORTFOLIO OF ASSETS AS A PLATFORM FOR OUR CUSTOMERS TO WORK FROM AND SUCCEED.”



*Paul Edwards, General Manager Strategy & Customer,
Commercial Property*

Figure 1: 74% of Companies Plan to Permanently Shift to More Remote Work Post COVID

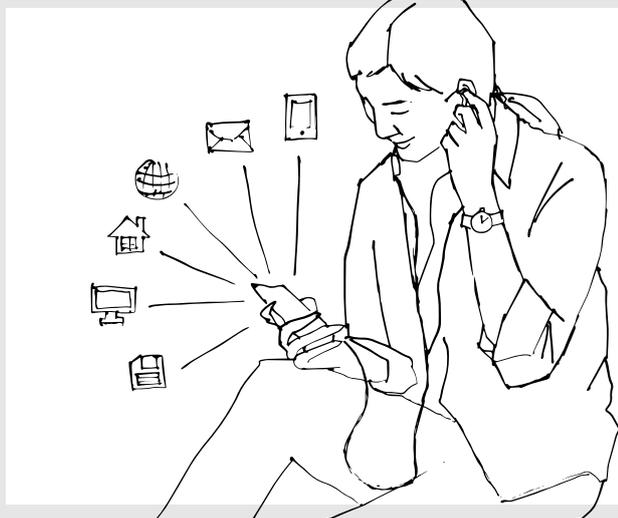


- ◆ 71% of workers said they want their company to offer some sort of flexible office provision
- ◆ 44% said WFH once a week would be optimum in future
- ◆ 34% said WFH more than once a week would be ideal

Source: Biznow survey

INSIGHT #3.

Omni-channel workers are on the rise.



WORKERS WITH CHOICE IN WHERE TO WORK PRIOR TO COVID-19 SPENT 72% OF THEIR AVERAGE WORK WEEK IN THE OFFICE COMPARED TO ONLY 12% WORKING FROM HOME

Source: Genster 2020 Work From Home Survey

Workers have embraced the benefits of remote working, enabled by technology, from the ease of ‘no commute’ to the increase in family time. There will be an expectation that at least some degree of flexibility can be retained – an EY study found that 65% of employees love not commuting, and 20% never want to return to the office.

In spite of the sudden major adjustments required, many businesses have also reported that productivity has actually increased, with some customers suggesting this lift has been in double-digits (although others have questioned whether this will be sustained).

The disruption to the life of the office worker has led to the rise of the omni-channel worker – someone who enjoys choosing to perform their role across multiple locations, using technology to enable their work (and in doing so, breaking the long held connection to a fixed location).

With remote working set to become a more enduring norm, there are some challenges that will need to be addressed. Firstly, it’s important to have the right setup and tools, and the home needs to be thought of as an extension to the physical office. The onus is on both employer and employee to make this happen – whether it’s by investing in ergonomics and equipment,

or establishing clear structure and boundaries between work and home (an issue that many participants raised). Companies are also beginning to question the Health and Safety risks associated with employees working from home.

Transparency and trust between employer and employees will be pivotal, as there still appears to be something of a stigma around working from home. The way work is measured will need to be reviewed and revised to be output-focused – in the words of Mirvac CEO and Managing Director, Susan Lloyd-Hurwitz, “It’s not where you work, it’s what you do that counts”.

**“IT’S NOT WHERE YOU WORK,
IT’S WHAT YOU DO THAT COUNTS.”**

*Susan Lloyd-Hurwitz
CEO & Managing Director*



“WE ARE FOCUSED ON FIXING WHAT’S NOT WORKING AT HOME BECAUSE WE WILL NOT BE RETURNING TO 100% CAPACITY SOON.”

Mirvac office customer

“...WE THINK WE’LL SEE A SHIFT IN THINKING WHERE WORK WILL BE A THING YOU DO, RATHER THAN A PLACE YOU GO AND OF COURSE, IF IT’S A THING YOU DO, YOU DON’T ALWAYS HAVE TO DO IT IN AN OFFICE.”

Dr Gunn, KPMG



Kickstand Communications, a communications and research firm, recently took the pulse of remote workers to see how they’re adjusting to current changes. It turns out, 85% of employees enjoy working from home, 27% say they’re more productive, and 75% of work from home. What’s more, 79% of employees agreed that remote work policies will now be a factor when searching for new employment opportunities.

INSIGHT #4.

Flexibility trumps density in the new world of work.



THE FOCUS OF OFFICE SPACES MAY CHANGE AS NETWORKED BUSINESSES ADOPT A TRULY AGILE WORKING STYLE

Density will continue to be a consideration in office design – but it'll no longer be about squeezing in more people per square metre. Physical distancing currently means more space is needed per employee, but greater flexibility will enable fewer people to be in the office at any given time. Spaces also need the flexibility to accommodate changing scenarios throughout an unpredictable return-to-work journey and future change of use.

The focus of office spaces may also need to change as networked businesses adopt a truly agile working style. A new level of flexibility and adaptability, offering their teams the opportunity to 'hack the space' to suit the project or style of work. There'll be more focused on collaboration, creativity and learning – perhaps fewer task spaces and more collaboration environments, blended with technology.

The change in use for the workplace will inevitably lead to a discussion on metrics. Customers currently use the number of people per workpoint, and workpoint per square metre as metrics of value. If we reduce workpoints at the office, what metric will be used to determine the value of the office?

“WHAT’S PARTICULARLY EXCITING ABOUT THIS TIME, WHILE IT’S ALSO TOUGH IN MANY WAYS, IS THE OPPORTUNITY TO INNOVATE AND CREATE SOMETHING NEW.”

*Amy Pooser,
Convене Global Chief Operating and Chief People Officer*

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**THE NOTION OF PUTTING
7,000 PEOPLE IN A BUILDING
MAY BE A THING OF THE PAST.**

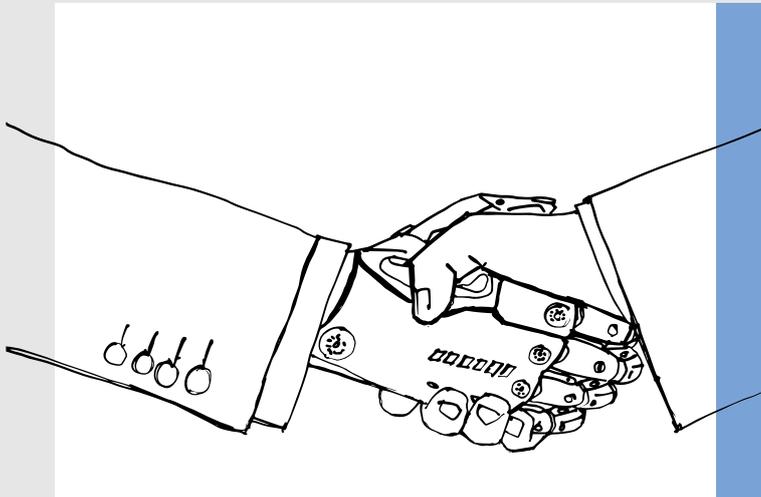
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Jes Staley, Barclays CEO



INSIGHT #5.

Technology will be the double-edged sword we can't live without.



**94% OF END USERS
SURVEYED THINK THAT
EXPANDED USE OF VIRTUAL
MEETINGS (VS. FACE-TO-
FACE MEETINGS) WILL LAST
BEYOND THE CURRENT
CRISIS**

From video conferencing to mobile apps, technology has been the glue holding our new world of work together. For forward-thinking organisations, this move to technology-enabled mobility has merely sped up the inevitable – and those who hadn't already invested in infrastructure and bandwidth were quick to do so.

While connectivity (particularly internet) has been a pain point for many, tools such as Zoom, and MS Teams have brought plenty of benefits – some of them unexpected. Video conferencing has enabled meetings that are shorter, more effective and with quicker decision making. Remote employees also report feeling a greater sense of quality and equality with closer connection. Suddenly the person who is not in the room with their colleagues can have a voice, and no longer feels alone.

Technology is also helping address concern over physical contact and proximity. People have shown great creativity in finding innovative and engaging ways to ensure virtual connection – including black tie events, drinks nights, pet shows and more. In a world of physical distancing, staggered starts, team A+B and regular rotation, businesses need to manage a dynamic workforce and many have had to fall back to spreadsheets and manual booking system. As such, we now have a chance to create a workforce management systems that combines information from diaries, space and people with beacons and sensors. Employees want to interact with the workplace without touching it, whether it means calling a lift from their phone, voice-activating AV equipment, or entering the building with a smile. Technology to manage

key requirements like space utilisation and people management will increase the need for data sharing between customer and landlord, also will also pose questions about privacy and data security. How do we take care of people, yet keep their information safe?

Technology comes with surprising drawbacks, too. Workers have reported mental fatigue after being on back-to-back voice calls all day, as both employee and employer struggle to create the structure required for continuously working at home. HSE systems built for flexible working were not designed to deal with full time remote working, nor was the typical home set up. This is leading to increasing issues with wellbeing – but the real impact has yet to wash through.

**“I'D NEVER DIALLED MULTIPLE PEOPLE IN MEETINGS BEFORE,
AND THOUGHT IT WOULD BE CUMBERSOME. I DIDN'T REALISE
TECHNOLOGY HAD BECOME SO SIMPLE.”**

Mirvac office customer

“

“ZOOM FATIGUE” STEMS FROM HOW WE PROCESS INFORMATION OVER VIDEO. ON A VIDEO CALL THE ONLY WAY TO SHOW WE’RE PAYING ATTENTION IS TO LOOK AT THE CAMERA. BUT, IN REAL LIFE, HOW OFTEN DO YOU STAND WITHIN THREE FEET OF A COLLEAGUE AND STARE AT THEIR FACE? PROBABLY NEVER. THIS IS BECAUSE HAVING TO ENGAGE IN A “CONSTANT GAZE” MAKES US UNCOMFORTABLE — AND TIRED.

”

Harvard Business Review



INSIGHT #6.

We've realised which 'in person' interactions matter most.



OVER TWO THIRDS OF AUSSIES (68%) BELIEVE THAT CULTURE AND OUTPUT OF A WORKPLACE IS BEST WHEN EVERYONE IS WORKING IN ONE PLACE

Source: Mccrindle survey

While the pandemic has shown us that it's no longer necessary to fly interstate for a half-hour meeting, it's also revealed which interactions are difficult to replicate online. Collaboration was repeatedly raised as a challenge, with many finding workshops are much easier and more effective when run in person. Adjacency also makes it easier for workers to learn via osmosis, and recognise and reward colleagues.

Incidental encounters and 'bump ins' are also something people miss. Not only do people draw energy from social interactions, they also see 'bump ins' as valuable opportunities for innovation and diversity of thought. With a distributed workforce, companies need to work harder and find new ways to maintain culture, such as forming online chat groups or calling people they used to sit near to.

It is clear that younger employees have been disproportionately impacted by the change to WFH – whether it's due to lack of space at home to work effectively, loss of social connections at work, or the impact on learning, recognition and mentoring. As we transition to a digital workforce, people will need to learn continuously just to keep up. How will companies create learning workplaces where employee growth is ensured?

“MILLENNIALS NEED NURTURING, WHICH IS MOST NATURALLY DONE IN PERSON. HOW DO YOU MANAGE THIS AND ENSURE IT CONTINUES?”

Mirvac office customer

INSIGHT #7.

The wellbeing goalposts have shifted.



“I NOW REALISE WE LIVE IN A REALLY AMAZING SUBURB. IT IS REALLY CONVENIENT AND WE CAN CONNECT WITH NATURE.”

Mirvac employee

Employee wellbeing has taken on a new dimension since the pandemic. On one hand, there is the matter of physical health – which companies are taking extreme measures to protect. Empowering people to work remotely certainly helps minimise their risk of infection, however some have found it difficult to adjust to this new norm. According to the Australian Bureau of Statistics, around one in five people reported finding it difficult to maintain a healthy lifestyle in lockdown. Some were unable able to stick to their usual exercise routine; others found themselves drinking more alcohol or smoking more – none of which may be

as critical as contracting Covid-19, but still isn't conducive to great health.

Equally significant is the impact of Covid-19 on employees' mental health. People recognise the need for structure to set boundaries and be able to switch off at night, with many noting they struggled to find the right balance between work and home. Some found themselves working too late; those with children struggled to juggle work and home schooling, while those living alone felt isolated and cut off. Constant video calls can also cause stress and fatigue. Millennials seem to be the hardest hit, with a study by Australian National University reporting that the proportion

of 18-24-year-olds experiencing severe psychological distress increased from 14% before the Covid-19 pandemic, to 22.3% by April 2020. One upside: working from home has made access to nature easier for many, which can have a positive impact on mindset and mental health.

Something that is definitely clear: companies will need to continue prioritising employee wellbeing programs, and even explore enhancing the office through biophilic design. Something that is less clear: who will take responsibility for the risks associated with working from home?

“I FEEL LIKE I’M ALWAYS SWITCHED ON, QUITE OFTEN VIDEO CONFERENCING, TALKING TO PEOPLE CONSTANTLY. ONE OF MY PAIN POINTS IS THAT I DON’T EVER FEEL I’M SWITCHED OFF.”

Mirvac office customer



“AROUND ONE IN FIVE PEOPLE HAVE REPORTED THAT THEY ARE EXPERIENCING DIFFICULTIES MAINTAINING A HEALTHY LIFESTYLE, WHICH WAS MORE OF A PROBLEM FOR THOSE AGED 18 TO 24 YEARS (22 PERCENT) THAN THOSE AGED 65 YEARS AND OVER (9 PERCENT).”



Michelle Marquardt, Head of Household Surveys, ABS.

In the transition back to work, Australian companies plan to implement measures including cleaning protocols (86 percent), expanded hand-washing requirements (77 percent), limiting in-person group meetings (60 percent), keeping associates separated by having only a portion in the office at a time (55 percent) and temperature checks (36 percent).

Source: CoreNet Global Post-Covid survey 11000 members

INSIGHT #8.

Conventional metrics of value no longer cut it.



**THE IMPORTANCE OF
CONNECTIONS AND
NETWORKS WILL BE CRITICAL
TO THE SUCCESS OF A
BUSINESS IN THE FUTURE**

In recent years, number of workpoints and density have been customer measures of office cost and value, with companies seeking to maximise their investment by making physical space work harder.

However, as we look to the future, it seems unlikely that dollars per square metre will remain an adequate metric. For a start, the use of the office is likely to change, with fewer workpoints, and more devoted to collaboration

and interactions. It will no longer be as simple as weighing up 'people per workpoint'.

Density will remain a consideration, but we will also need to look at the other ways in which offices can deliver value – whether it's through safety and security, the quality and range of experiences the space enables and facilitates, or simply the output derived from the space.

How do we put a value on considered design, seamless & safe operations

and next-level smart services that support health, wellbeing and learning? The importance of connections and networks will be critical to the success of a business in the future, with a new focus on learning to ensure we continue to upskill the workforce, how will businesses apportion value to the physical space. The answer is yet to be determined, however several architects and businesses we spoke to have noted the possibility of new metrics aligned to joint value creation.

“THIS UNPRECEDENTED TIME PROVIDES THE CIRCUMSTANCES THAT ARE COMPELLING US TO TAKE A DEEPER LOOK AT WHAT’S REALLY IMPORTANT ABOUT COMING TO WORK. IT IS FROM THIS POSITION OF CURIOSITY THAT WE CAN CREATE SOMETHING NEW AND BETTER THAN BEFORE.”

Davenport Campbell

INSIGHT #9.

Productivity is proving a complex equation.



RESEARCH SHOWS THAT, ON AVERAGE A PERSON IS ONLY PRODUCTIVE FOR 3-4 HOURS DURING AN 8 HOUR DAY

Productivity has always been a Holy Grail for businesses – it’s incredibly important, but incredibly hard to measure as it’s impacted by so many variables. Since the pandemic, there’s been a lot of talk about productivity actually improving, but is this the truth? Research shows that, on average, a person is only productive for 3-4 hours during an 8 hour day. Are we just being optimistic to think the pandemic could have changed this?

One thing that’s clear is that working from home has removed a lot of distractions, travel and incidental interactions. This alone has compressed time between meetings, as there’s no need to walk to a meeting room – you simply hit a button. Commute time is also now non-existent. As a result of these things, many people say they’re either getting their work done more quickly, or doing additional work on top of their previous load (after all, it’s now so easy to jump back on the laptop to finish something off after dinner).

In light of this, it’s easy to see why people are saying individual productivity has increased. However, what about organisational or business productivity? This kind of productivity relies heavily on face to face interactions, conversations around meetings, creative thinking and unexpected bump-ins. The question remains: will we see companies struggle with innovation as the pandemic continues to unfold – and will business performance suffer?

“THE DAYS I GO INTO THE OFFICE ARE THE DAYS I EXPECT TO BE BOMBARDED BY QUESTIONS, REQUESTS, CONVERSATIONS. I NOW HAVE THE MINDSET THAT I DON’T TRY TO DO THAT FOCUS WORK AT THE OFFICE, I SAVE IT FOR MY DAYS WORKING FROM HOME.”

Mirvac employee

INSIGHT #10.

Our culture bubbles are fragile – and they're at risk.



“THERE IS A DANGER IF BUSINESSES ACT TOO QUICKLY TO EMBRACE ADDITIONAL FLEXIBILITY, CONCERN THAT WHOLESALE WORK FROM HOME CANNOT BE SUSTAINED, HOW DO STAFF BUILD TRUST AND RAPPORT IN A VIRTUAL WORLD?”

Mirvac Office customer

Through our research and discussions with customers, it has become evident that people are missing the social fabric that underpins the culture of a company. Social interactions between staff lead to ideas, curiosity, relationships and rapport – all of which helps companies to build trust. Relationships and trust are fundamental to any successful workforce and become even more important when you

have a distributed workforce. It is clear that companies cannot underestimate the value of the strong social network within a business that holds it together.

For many people ‘work friends’ play an important role in their social network. It’s at work that we are exposed to diversity on all levels, as we are exposed to people of different ages, backgrounds and personality types. To remove this

exposure from a person’s social network would undoubtedly have a profound effect on their evolution as a person.

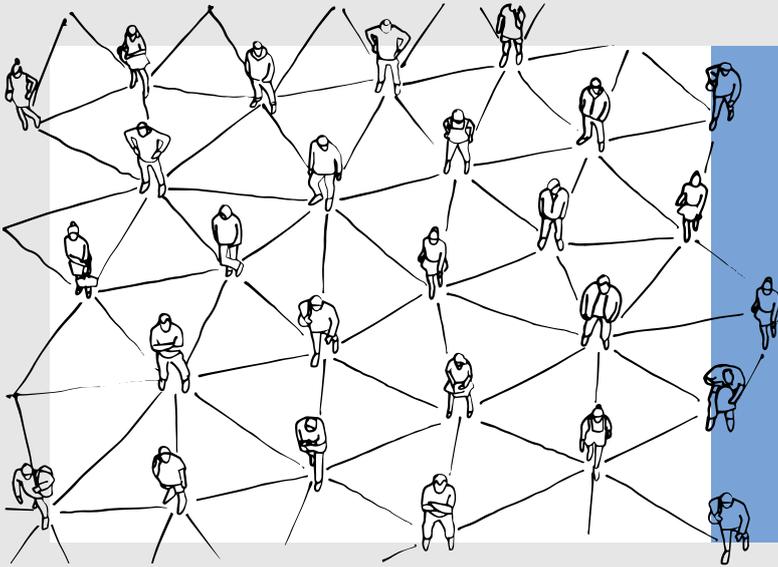
Could the key to bringing people back to the office be social? An experience that’s curated around social interactions that feels familiar, yet broaden our horizons?

“THE OPPORTUNITY TO SEE A COLLEAGUE WHICH SPARKS A THOUGHT, IDEA AND THEN SIMPLY GRAB THEM FOR A CHAT, HAS DISAPPEARED. THESE MOMENTS ARE CRITICAL FOR INNOVATION AND CREATING NEW BUSINESS OPPORTUNITIES. WE HAVE NOT FOUND A DIGITAL SOLUTION TO THIS.”

Mirvac office customer

INSIGHT #11.

We crave both separation and togetherness.



**“I FEEL LIKE THE NARRATIVE
OF MY LIFE LACKS
THE PUNCTUATION
IT HAD BEFORE.”**

Mirvac office customer

There are two forms of separation that are beginning to place enormous strain on the remote workforce. The first is the lack of separation between home and work – an issue that’s causing many people to question their ability to sustain a remote working lifestyle, long-term. Our customers have told us that, while the benefits of no commute and increased choice are undeniable, this lack of delineation is adding to their stress, as they’re essentially ‘always on’. In the words of one customer “Even just a five minute walk from work to home

means I get the chance to acknowledge I am leaving work and heading home.”

The second form of separation that’s challenging is the distance we feel from colleagues, clients and people in general. Even in states and countries where the lockdown is relaxing, there’s a growing acceptance that remote working means we inevitably lose out on human interactions and group gatherings. Many people are mourning the get-togethers with colleagues and friends that, for decades, have been a key function of the office.

With people now having to live on one stage, so to speak, they are also missing the opportunity to express different sides of themselves. A singular environment means a singular self, as it’s not always easy to operate in different modes within the four walls of home (especially for those with children).

Will separation drive people back to the office? Only time will tell.

**“WORKING AT HOME MEANS THERE’S NO BALANCE ANYMORE,
AS THE DAYS AND HOURS BLUR INTO ONE. CLIENTS KNOW
YOU ARE AT HOME AND ASSUME YOU’RE ALWAYS AVAILABLE.
THERE’S NO DISTINCTION BETWEEN WEEK AND WEEKEND, NO
TIME OFF AND NO ACKNOWLEDGEMENT YOU NEED TO CARVE
OUT PERSONAL TIME. IT’S A BIT DEPRESSING.”**

Mirvac office customer

AND A FEW SURPRISES...

In addition to the insights above, Mirvac's research also revealed that the pandemic has already had some unexpected consequences and opportunities, both good and bad.

- > Lower emissions. With cars off the roads and people off the streets, nature has returned to our cities and global emissions have fallen (in New York, they're down 50% compared to last year).
- > An increased uptake of biking and walking. Given the risks around public transport, more people are getting around in more sustainable ways. Cities (including Sydney) are responding to this by building more cycle paths and walkways, and investing in behaviour change programs.
- > Health risks from being stuck at home. Some of these we've covered above, however it's believed that the implications will take some time to bear out. A study in the UK suggests long-term psychosocial stress can reduce sleep length and increase sleep disturbance, which can, in turn, reduce individuals' ability to cope and respond to stressors, and worsen health outcomes.
- > More family time is a blessing and a curse. While many have enjoyed additional time with family, lockdown has amplified pressure on family units, leading to a spike in domestic violence (in NSW, 10% more victims are seeking help compared to pre-Covid times).
- > Questions marks around who pays for what. Now people are using their homes for work purposes, should their employers contribute towards costs like rent, utility bills, insurance and internet? In Switzerland, it's already happening, with companies required by law to make contributions towards workers' home rent.

SO WHAT NOW?

Globally, the Covid-19 situation is complex and ever-changing – and while Australia is faring relatively well so far, our world is still subject to unexpected and sudden shifts. At Mirvac, we are conscious of the uncertainty this creates, so we're regularly checking in with our customers and employees to ensure we have our finger on the pulse. Our next customer check in is scheduled for October, and we will be updating our insights with any key developments and additional insights.

As an integrated business with development and construction capabilities, Mirvac is uniquely positioned to adapt to times like these. The way in which we reimagine our places will ultimately come down to what people need – and this is yet to be defined. We invite feedback from all our stakeholders who have ideas to share, and look forward to keeping you updated as this journey unfolds. If there is a particular theme in this research that is of interest or has a large impact on your business, I would love to hear from you and engage in an ongoing dialogue.



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