



Returning to the office: *May update*

NAREIM members outline their
return to office, vaccination,
benefits and annual meeting
strategies

*Real estate investment management best
practices and NAREIM member survey.
May 2021.*

RETURN: Date earmarked for a partial or full return to office

26.4%
**July or
August**

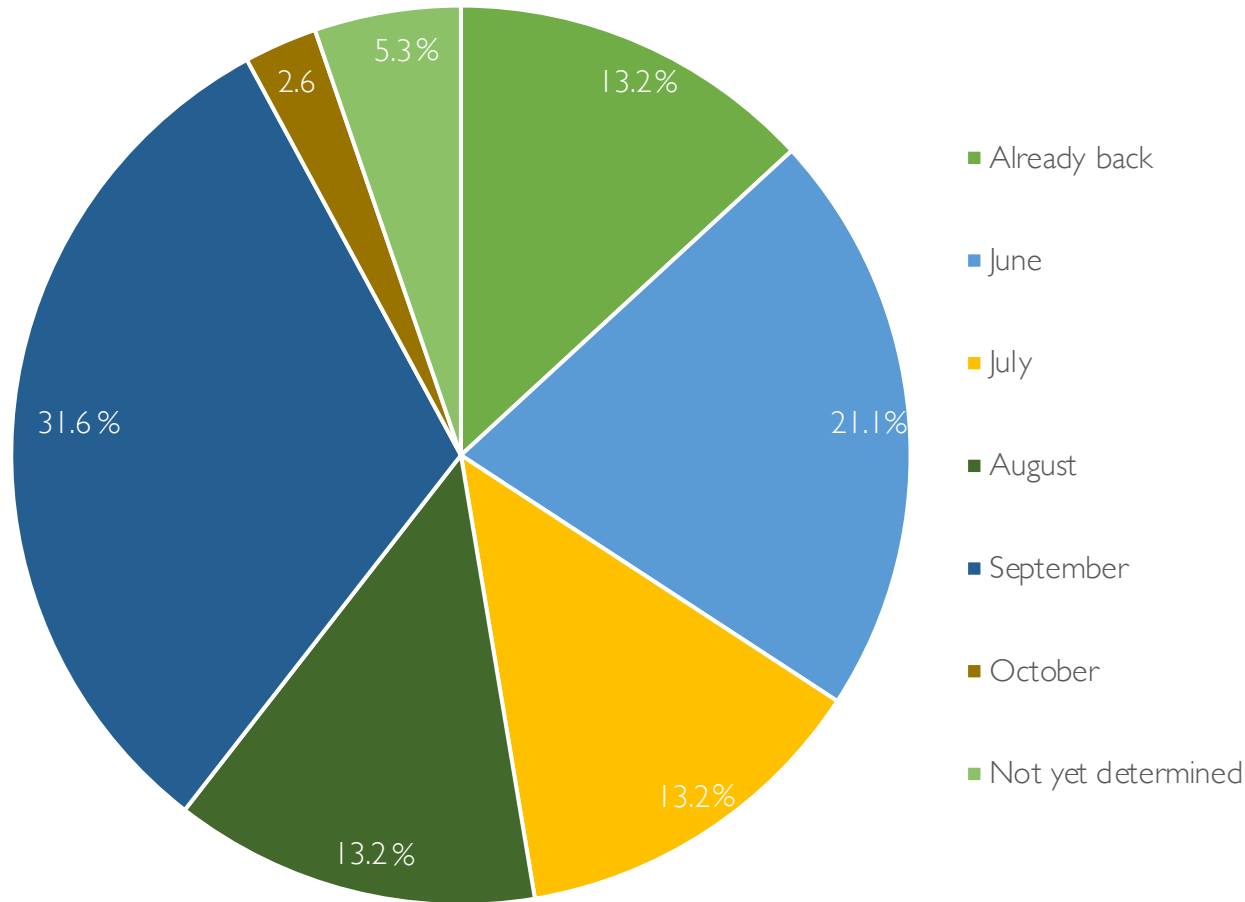
31%
**September/
Labor Day+**

More than half of NAREIM members said they were planning a partial or full return to the office for July, August or September – a similar percentage when the survey was last conducted in March.

The results though highlight that NAREIM members have become more certain in their plans, with just 2% still considering their return timelines, compared to 18% in March, and an increasing number of firms saying 2021 was the year to target a full return to the office.

RETURN: Date earmarked for a partial or full return to office

A third of NAREIM members said they were planning for a partial – often 100% - return to the office for September or after Labor Day, with another quarter earmarking July and August for a significant return to the workplace. One in five managers are getting the majority of their teams back in person in June.



EMPLOYEE METRICS:

employees; % of workforce earmarked for partial or full return



of employees within
your company, real estate
employees only

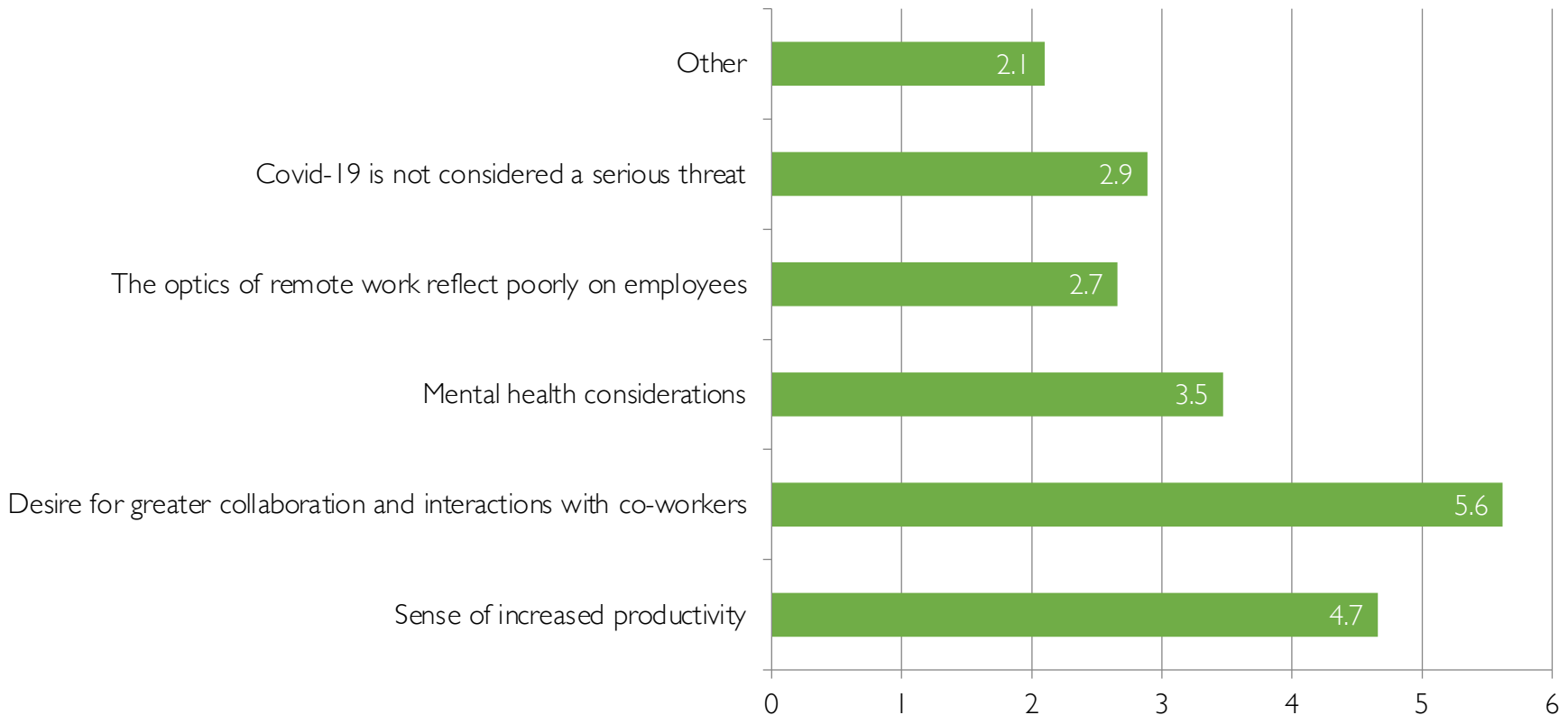
Total #: 10,992
Median #: 140



EMPLOYEE METRICS: Drivers of return

Top drivers for employees returning to the office

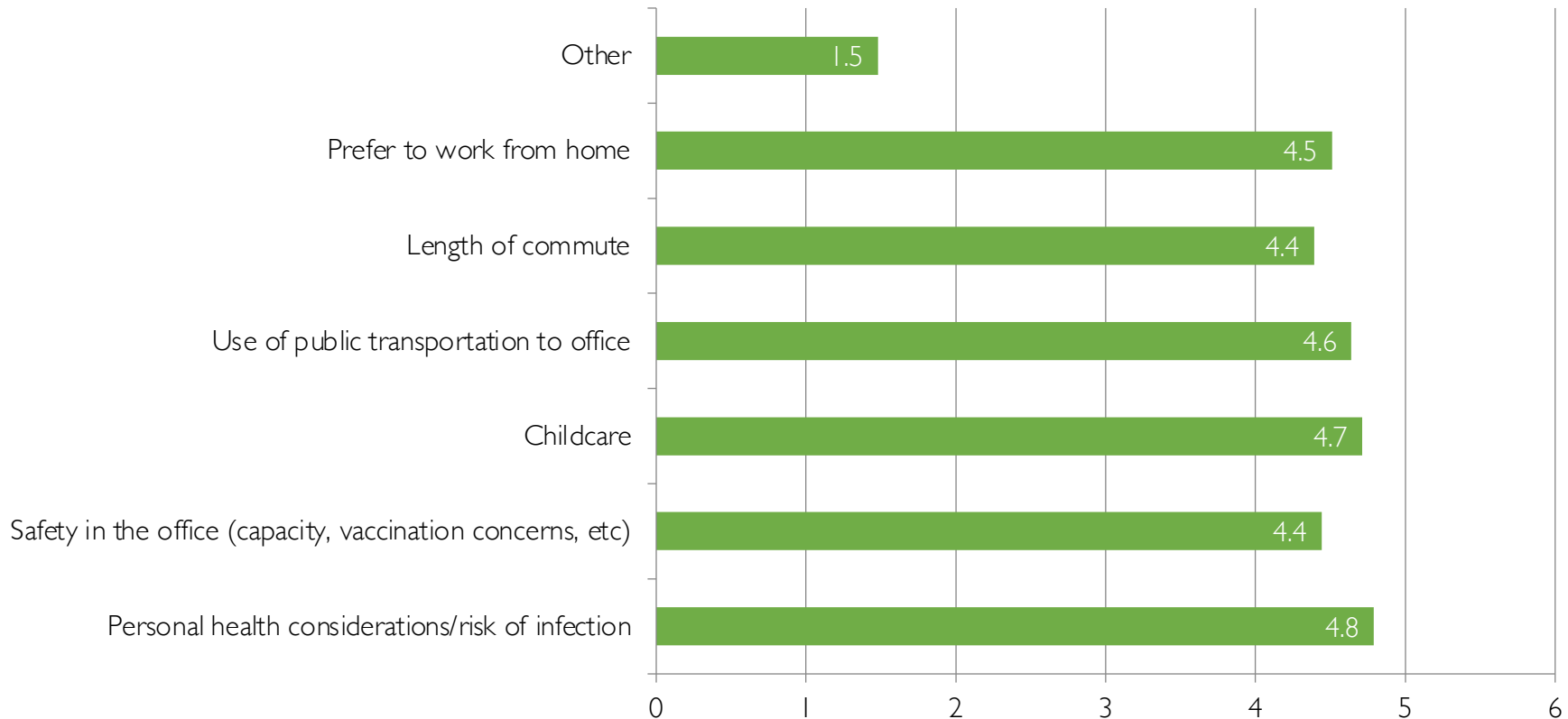
NAREIM members were asked to rank the drivers for employees returning to the workplace in priority order. The higher the score, the more important the issue was deemed to be to employees when considering a partial or full return to the office



EMPLOYEE METRICS: Concerns amid return

Top employee concerns for returning to the office

NAREIM members were asked to rank employee concerns in priority order. The higher the score, the more important the issue was deemed to be to employees when considering a partial or full return to the office



VACCINES:

Are you requiring employees to be vaccinated to return to the office?

Other comments:

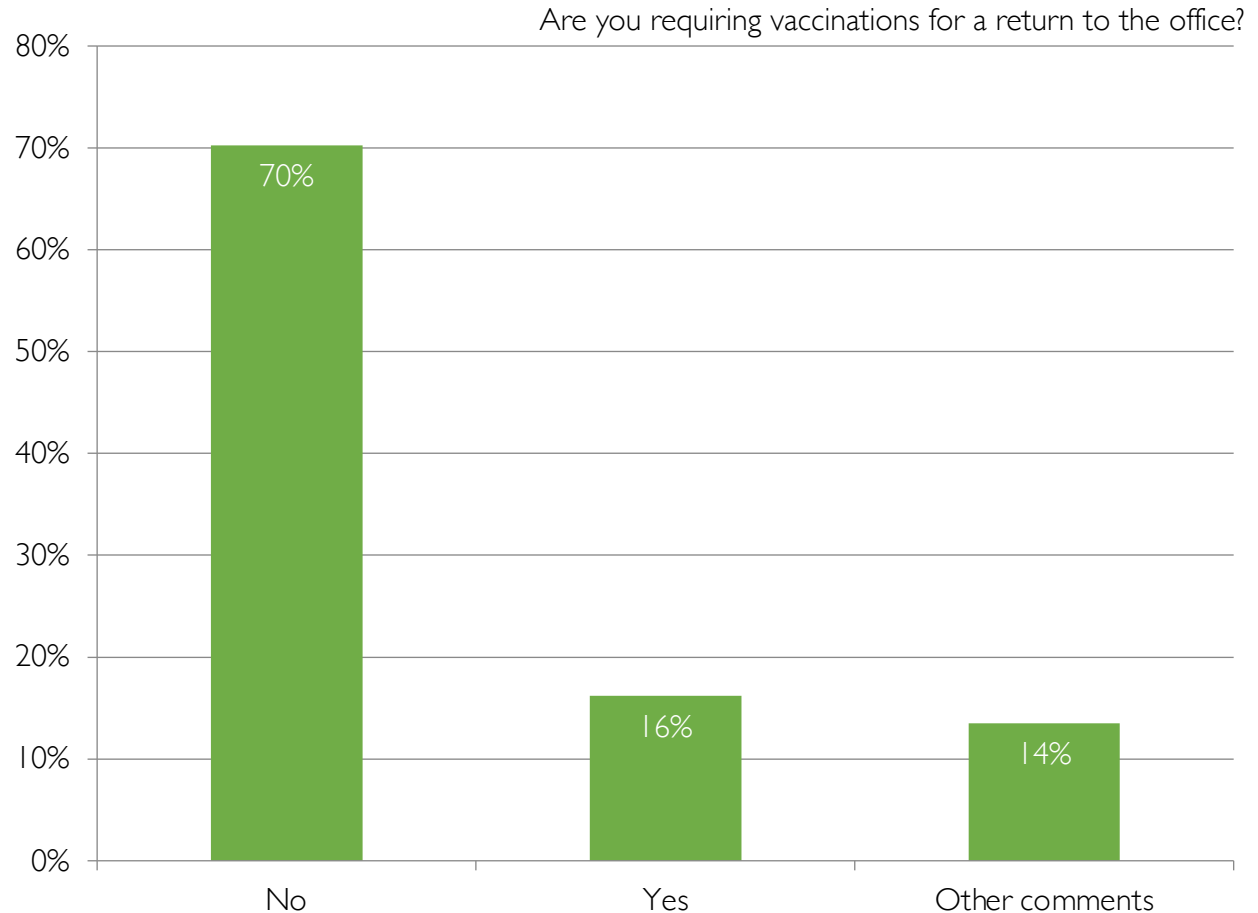
We do not require a vaccine currently, but we are strongly or highly encouraging vaccine take-up where needed

Not sure/unsure at this time/still deciding,

Incentives:

The vast majority of firms are not offering incentives for vaccination, but for those that are, incentives include:

- PTO (e.g. 2 hrs per dose, extra paid day off)
- Childcare costs to cover vaccine day
- Vaccines in the office building
- \$1,000
- Lifting of mask requirements for vaccinated employees



OFFICE:

What Covid-related measures will be in force in the office upon return?

Employees

Even upon a partial or full return to the office, all firms agreed they would maintain Covid-related safety measures, particularly requiring employees to socially distance and wear masks in common areas, especially given vaccinations are not required to return to the office. But that is all subject to local regulations, CDC rules and employee vaccination rates, with many anticipating the ability to relax mask wearing restrictions in the near future.

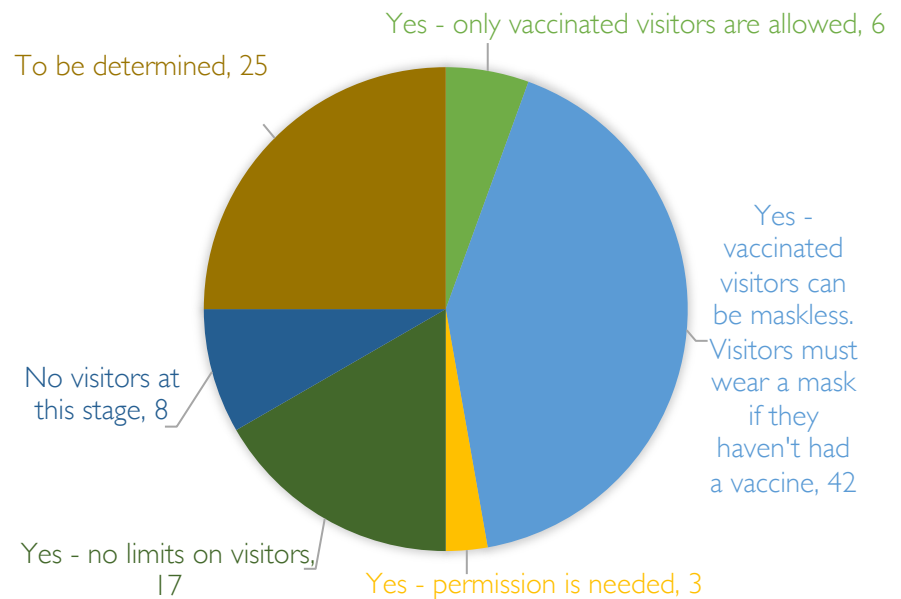
In priority order, NAREIM members highlighted the following measures as likely to be in force upon a return to the office:

- Social distancing
- Mask wearing
- Deep or extra cleaning
- Desk capacity restrictions/increased spacing
- Attestations/contact tracing



Visitors

Overall, visitors to the office are being allowed but with restrictions. Most NAREIM members agreed that visitors will abide by the same Covid-related protocols as employees, not least mask wearing and social distancing as well as contact tracing and attestations – especially if they haven't had vaccinations. Largely visitors are allowed and allowed to be maskless, if they have been vaccinated. Most agreed this was an evolving issue, with some saying only essential visitors would be allowed before September or that it was too early to determine a policy. Numbers below represent %.



BENEFITS: Flexible schedules/work from home

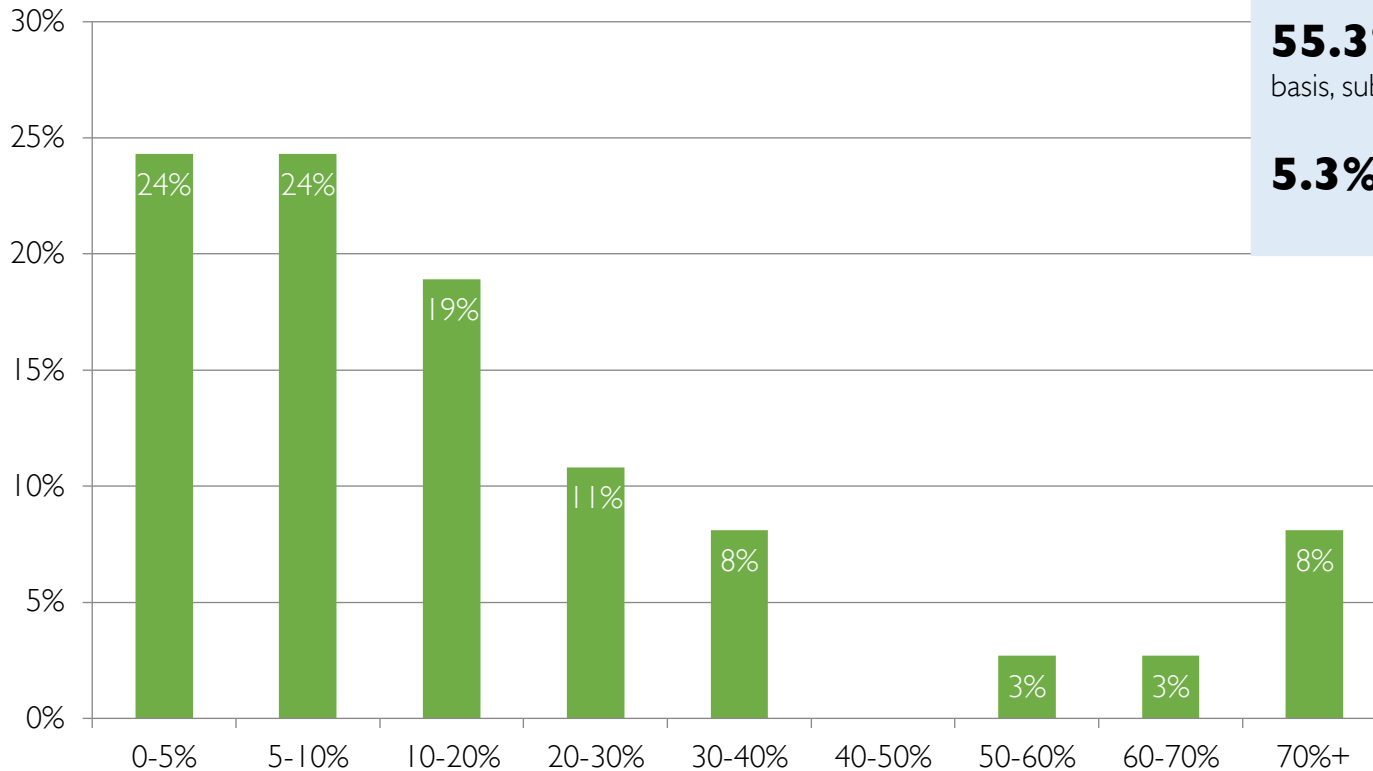
Will flexible schedules/work from home be offered upon a return to the office?

39.5% - Yes, to all employees

55.3% - Yes, on a case-by-case basis, subject to approval

5.3% - No

From recent employee surveys, what % of your team want to work from home permanently?



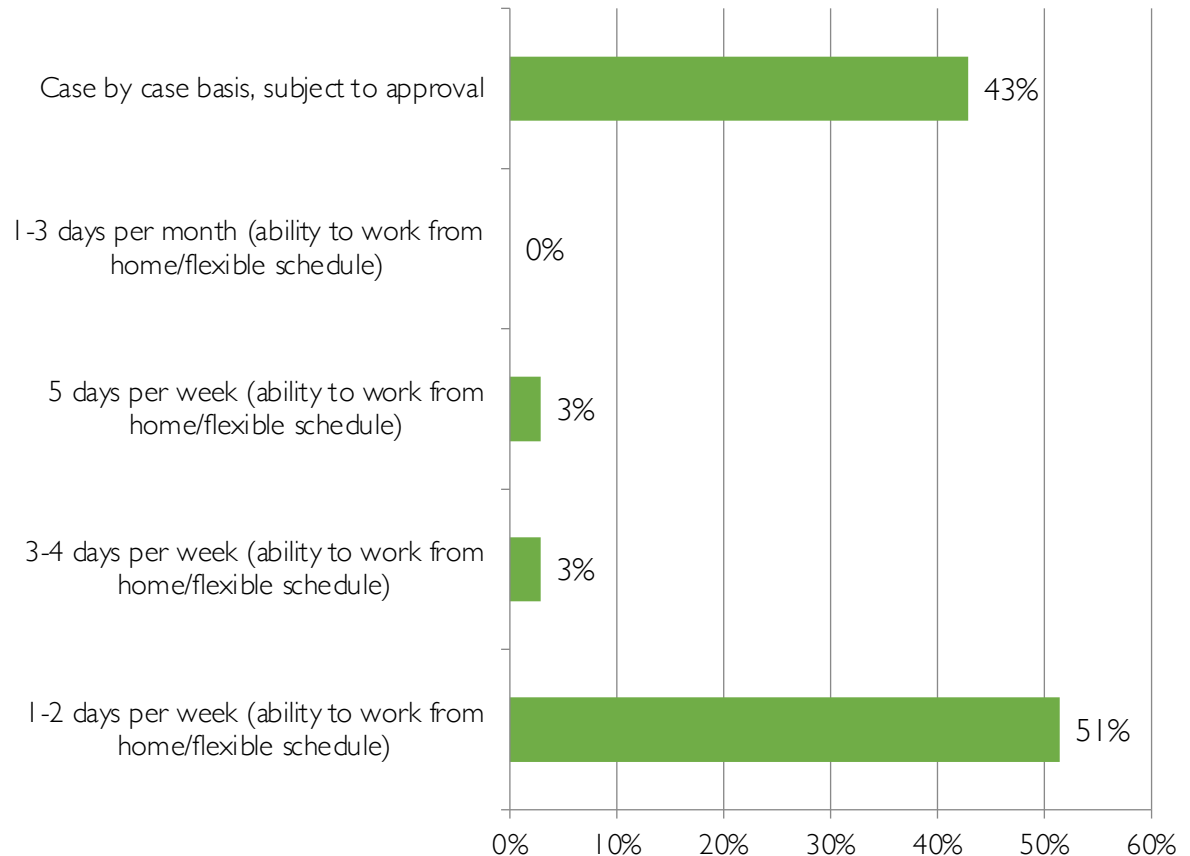
BENEFITS: Flexible schedules/work from home

Distinct policies for different functional areas:

We asked members what policies they were considering around flexible schedules:

- Offering full-time, work-from-home (WFH) or hybrid options based on job duties and scope of work and subject to maintaining performance standards.
- Accounting department has been remote and considering flexibility on case-by-case basis.
- For most teams, 1-day WFH per week. For others, such as IT and finance, could be allowed to WFH 3-5 days
- Reviewing individual teams and roles and basing decision on the amount of collaboration required. Also considering seniority, such as early career analysts and their need for job mentoring and collaboration.
- Hybrid model but some roles will lend themselves to being more remote than others.

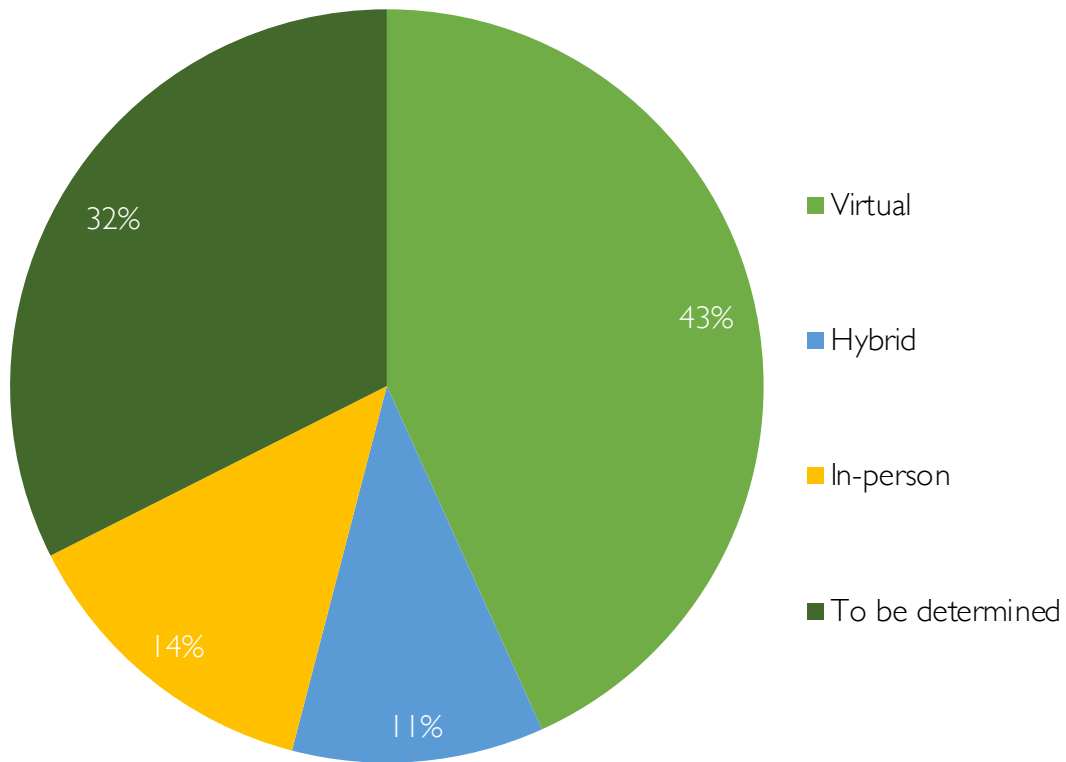
What flexible schedules/work from home opportunities will be offered?



Annual meetings

As part of the return to office survey, NAREIM members were also asked about whether they would hold their annual investor meeting virtually, in-person or as a hybrid

Is your 2021 annual investor meeting being held virtually, in-person or hybrid?



CULTURE: Policies, strategies – and question you're struggling with

Policies to help build culture and collaboration for a hybrid model:

- More leadership training and tools for managing virtual teams
- Intentional focus on varied virtual events to bring people together; all meetings to have conference room location and dial-in
- More in-person team building/social engagement exercises and events for all staff. Offsite events
- Upping the amount of fun food opportunities, trivia nights
- Upgrading office amenities and technology to aid collaboration. Continue using Microsoft Teams
- Intentional time for collaboration, mentoring and development for remote workers
- Focus on communication and notice time for in-person events
- Energizing talent reviews to include individual results – with added focus on career development, wellness, mindfulness and mental health and corporate social responsibility
- Welcome return to office package
- Leadership in action

The biggest challenge facing members is the concern that a two-tier class of employees will emerge with a hybrid model or the ability to have some employees work from home. Members highlighted their biggest challenges below:

1. The biggest concern by far related to **employee engagement and morale**. As one member said: "We are concerned that there will develop two classes of employees. Those who are in the office gaining opportunities and organic learning versus those at home who will miss out on that natural interaction that occurs when you bump into someone in the hall or kitchen."
2. How to use the **office space** going forward was next on the list – not least how it needs to overcome the downside of a commute. "[How do] we energize the collaboration space to motivate employees to look forward to commuting?" said one member. Another added: "How [do we] get employees excited to return to the office regularly?"
3. Another challenge was how **vaccinated and non-vaccinated** employees co-existed in the office. As one member asked: "How [do we] handle seating, in particular?"
4. **Childcare** was a major challenge for those firms getting back to business travel. "With a lack of vaccinations for children and differing childcare options, working parents are at a disadvantage. This will negatively impact female employees' ability to fully participate and advance," said one member.

NAREIM

NAREIM is the industry association dedicated to the business of real estate investment management. Founded in 1990, NAREIM today represents real estate investment management firms with combined assets under management of more than \$2 trillion. For 30 years, NAREIM has been the home of real estate investment management benchmarking and best practices, where investment managers learn and share intelligence to drive investment returns and business performance.

NAREIM member surveys

NAREIM members often reach out to ask their peers about pressing concerns impacting their business. Return to the office is one such challenge facing the real estate investment management industry today and we invited members to share their best practices regarding return strategies between May 14 and 17, 2021.

A total of 38 member organizations submitted data with total real estate employee count of 10,992 and a median employee count of 140.

All survey answers are provided anonymously - to both fellow members and NAREIM.
For more information on the surveys please contact Zoe Hughes, CEO, zhughes@nareim.org.

