



Return to the office: Flex & hoteling: January update

NAREIM members outline their flex schedule strategies and the impact of hybrid on use of corporate space in 2022

Real estate investment management best practices and NAREIM member survey. January 2022.

Credit: [Gosling Gao](#)

KEY TAKEAWAY: 3-2 becomes industry standard

64%

Of firms are offering a 3-2 flex strategy. Tuesday, Wednesday and Thursdays are the core days most people are in the office

Since August 2021, the real estate investment management industry has increasingly been moving towards offering flex schedules on a 3-2 basis – three days in the office and two days at home.

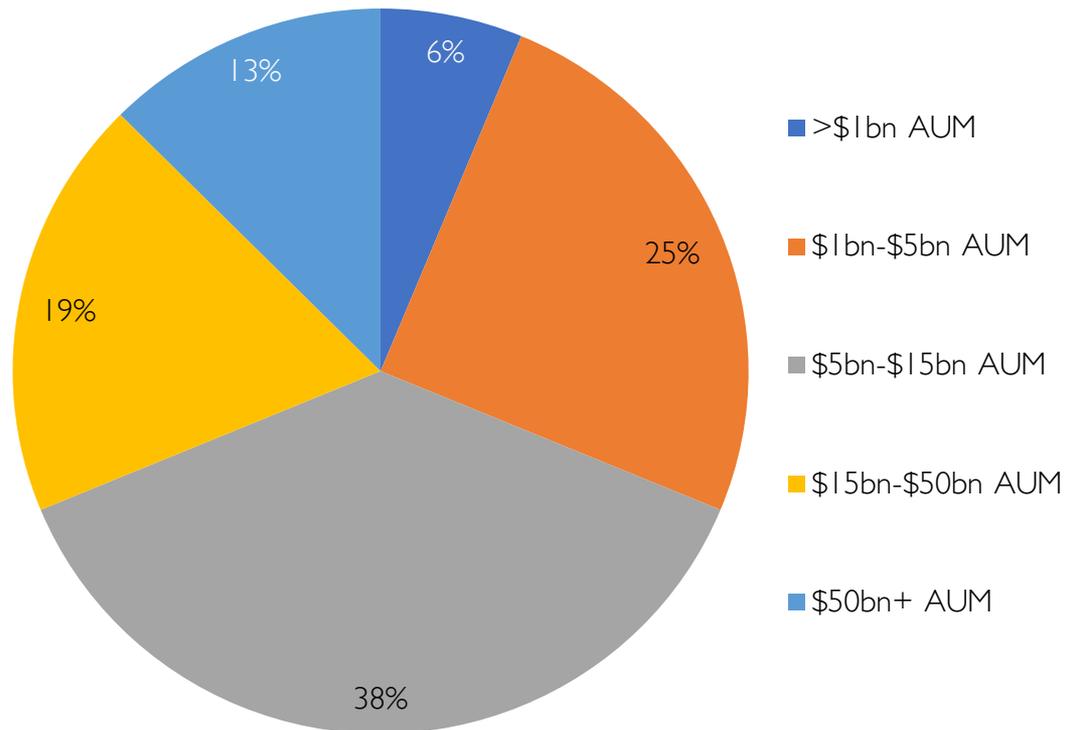
In August 2021, the NAREIM Return to Office member survey revealed that almost half of firms were offering 3-2 flex schedules. By January 2022, this had grown to 64.3% of firms offering 3-2 schedules to employees.

Interesting to note is that firms are moving away from offering full work from home or just one day in the office, concentrating flex strategies around three, four or five days in the office. As part of the January update, we also asked which days more than 51% of FTEs were coming into the office, with Wednesday and Thursday taking a slim lead over the rest of the week.

SURVEY DEMOGRAPHICS: FTEs and AUM

NAREIM regularly conducts member surveys to help member firms understand organizational policies and strategies of peers. This is the latest in a series of member surveys conducted on return to office strategies. A total of 16 organizations participated in the survey, conducted between January 12 and January 18, 2021. Firms represented almost 2,500 employees in total, with an average employee count of 154 and a media employee count of 105. More than a third of firms (38%) participating had between \$5bn and \$15bn of AUM, while another quarter (25%) had between \$1bn and \$5bn of AUM.

What is your firm's AUM?



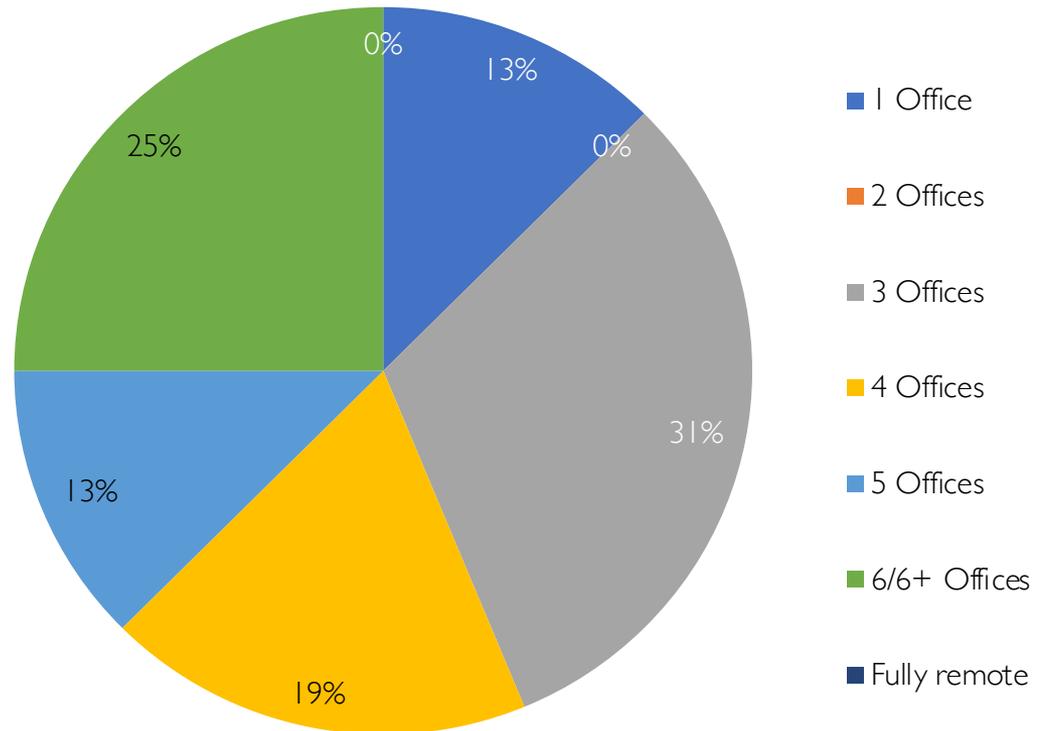
How many employees in your firm? (Real estate employees only)

- Total: 2,475
- Average: 155
- Median: 105

SURVEY DEMOGRAPHICS: Offices and operations

The member survey was relatively split between members with US-only operations and those with international operations. Given regional variations in policy relating to Covid and return to the office, NAREIM focused questions on use of corporate space to US operations only. Almost a third of firms participating in the Survey had three offices in the US, while almost half of firms (47%) had four or more offices.

How many offices do you have in the US?

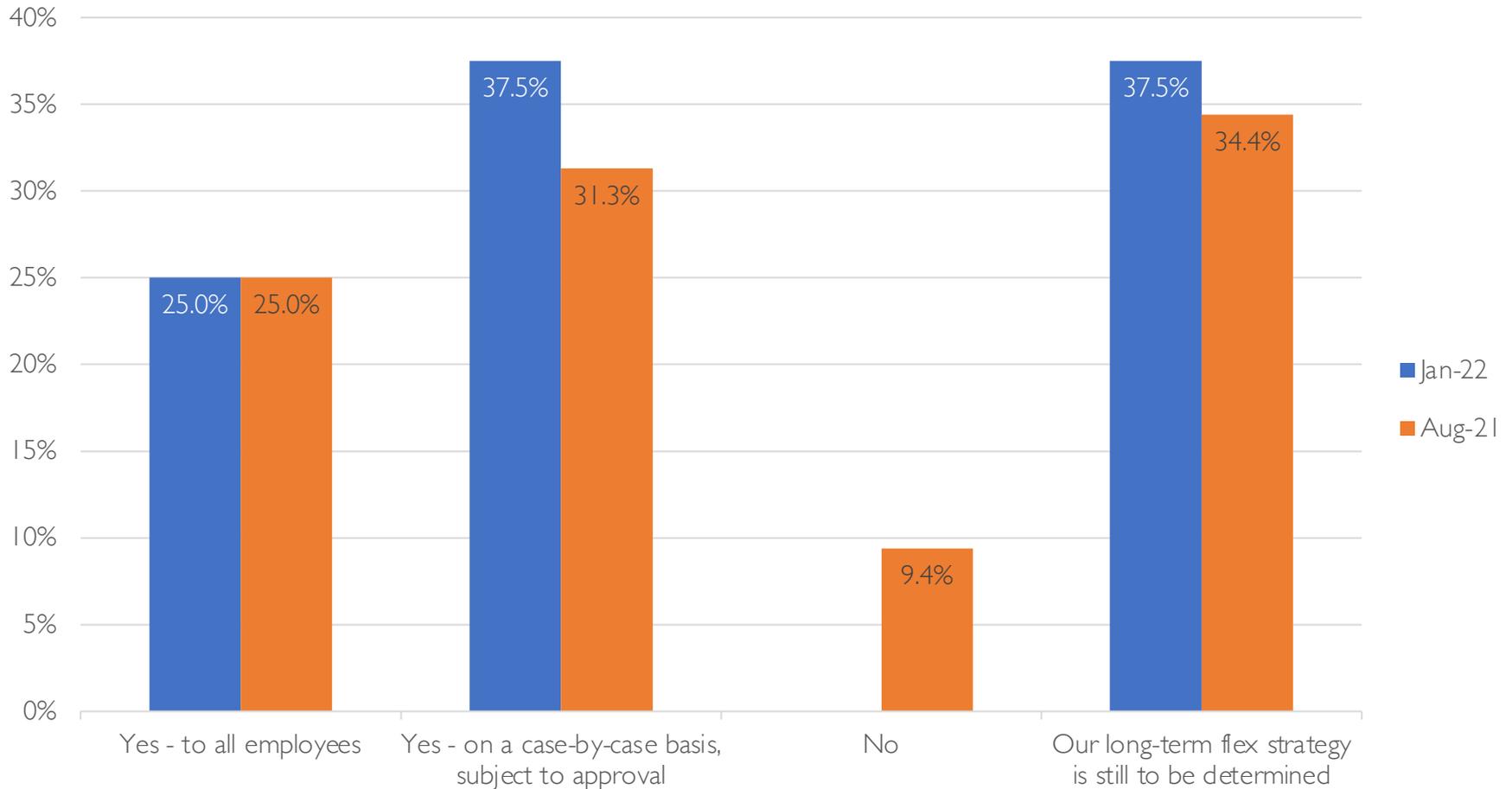


Does your firm have US-only or international operations/employees?

- US-only: 44%
- International: 56%

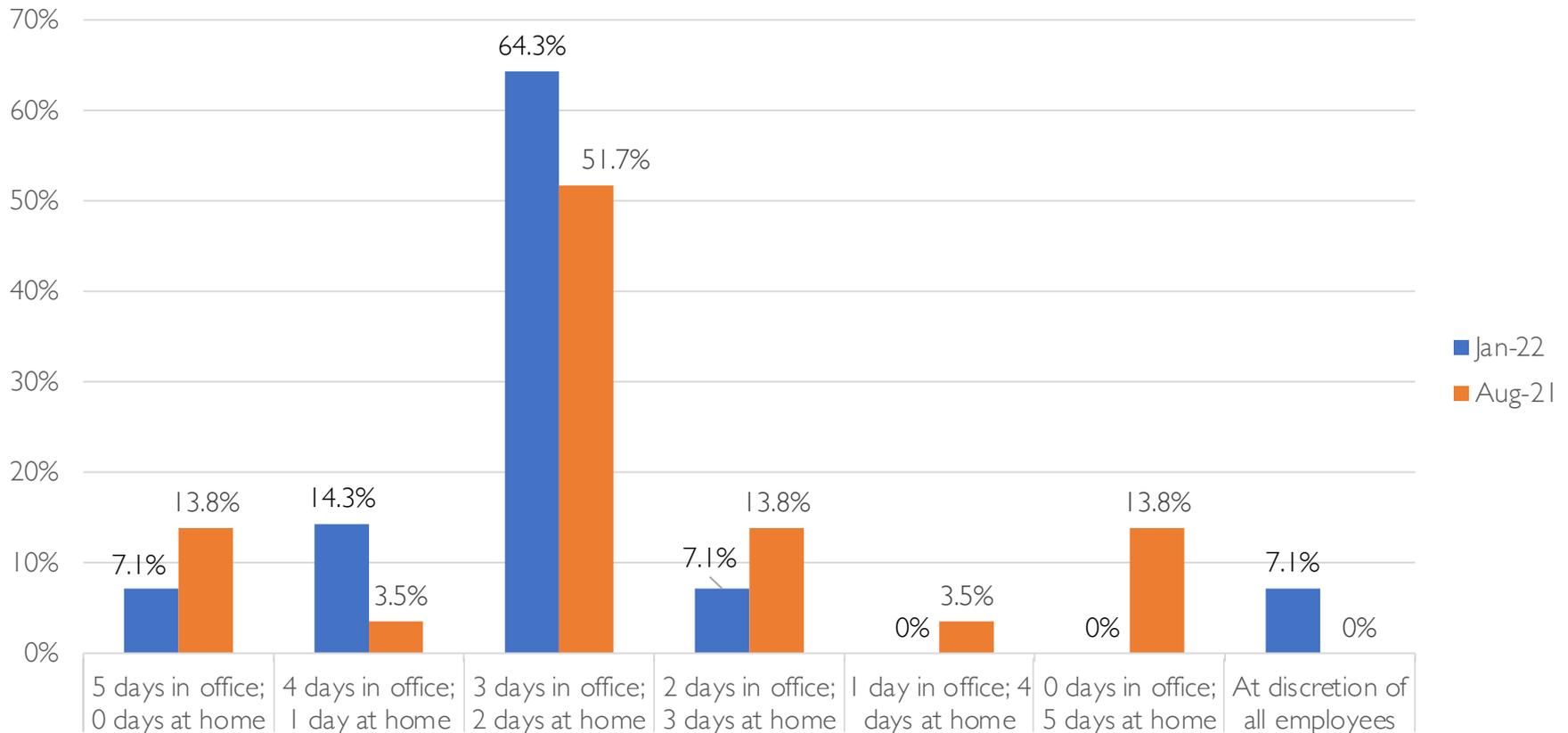
FLEXIBILITY: Is the ability to work from home offered to employees on a permanent/long-term basis?

NAREIM has asked members if work-from-home and flex schedules are to be a permanent feature of talent management strategies since August 2021. In August 2021, a similar response was received – with a quarter of survey participants saying flex schedules were being offered to all employees, while a third said it was being done on a case-by-case basis. Another third continue to determine the best policies for their organization.



FLEXIBILITY: What ratio of days in the office/days from home has or is being offered to employees?

Since August 2021, the real estate investment management industry has increasingly been moving towards offering flex schedules on a 3-2 basis – three days in the office and two days at home. In August 2021, the NAREIM Return to Office member survey revealed that almost half of firms were offering 3-2 flex schedules. By January 2022, this had grown to 64.3% of firms offering 3-2 schedules to employees. Interesting to note is that firms are moving away from offering full work from home or just one day in the office, concentrating flex strategies around three, four or five days in the office.



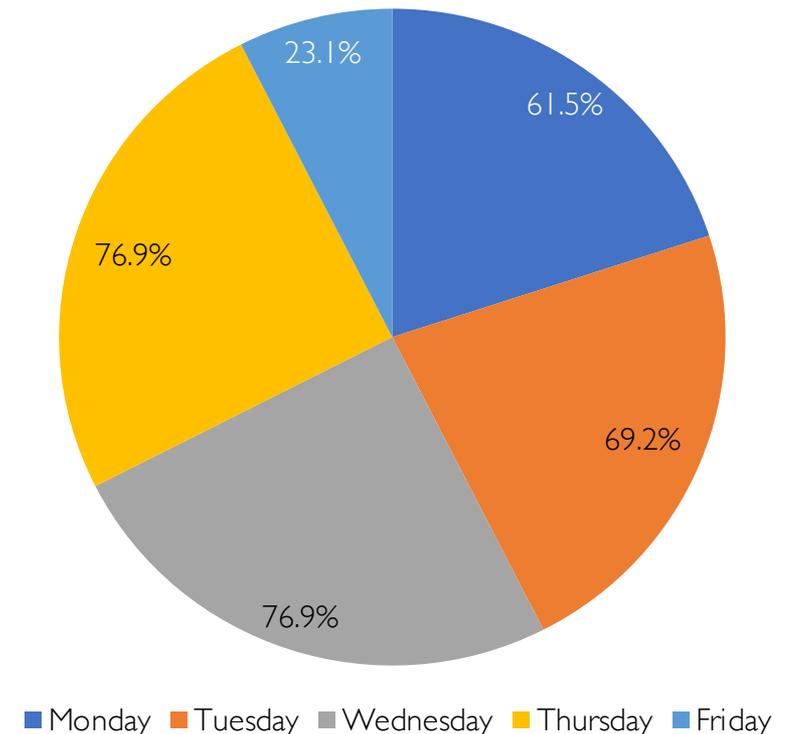
FLEXIBILITY: Which days in the office?

NAREIM members also left comments about their flex schedules strategies, with most noting that 3-2 was now becoming the “standard” strategy for the industry in terms of days in the office and days at home. Many were still trying to “figure it out”. As anecdotal evidence suggests, typically executive officers, acquisition, portfolio and asset management and deal teams were in the office more frequently, while back office functions were more likely to be remote. As part of the January update, we also asked which days more than 51% of FTEs were coming into the office, with Wednesday and Thursday taking a slim lead over the rest of the week.

Member feedback on FLEX:

- While general policy is full-time in office attendance, managers are able to use discretion to provide teams with flexibility if needed. Flexibility is typically reserved for senior team members and support roles.
- 40% remote work
- Still being sorted out
- It can deviate from (3-2) but this is the 'standard'
- Still trying to figure it out ... It is not expected that anyone will be in the office 5 days per week on a consistent basis.
- Depends on the team and need for collaboration. Deal teams are generally in the office 4 days per week. Other groups average at 3 days in the office. Some back office groups are fully remote or 1 day in the office.
- We are not yet open. Employees have a choice to go into the office at this time. In the future, we will be settling on a 3-2 ratio.
- Flexibility has varied depending on relative COVID risk; for many months, employees were expected to be in the office as usual, though there has been much more flex in general than pre-covid times.

Which days of the week are 51%+ of FTEs physically in the office?



SPACE USE: Are you introducing hoteling or hot desking in 2022?

During 2021, many NAREIM firms grew in terms of head count, for some significantly outgrowing their current corporate office space. As employees and firms look to hybrid or flex work schedules, as well as increased headcount in the next 12 to 24-months, organizations are thinking how best they can better manage their existing office space without the need to lease more space in the next 1-2 years. For almost one in five firms, that means hoteling or instituting a hot desk strategy for employees. More than two-thirds of NAREIM members said this wasn't a strategy for 2022.

19%

Yes

69%

No

12%

TBD



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 flex and vaccine strategies between January 12 and January 18, 2022.

A total of 16 member organizations submitted data. Firms represented almost 2,500 employees in total, with an average employee count of 154 and a media employee count of 105, submitted data.

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.

