



CORENET GLOBAL

# VIRTUAL POP UP

A pop in community for **corporate real estate professionals**

Thank you to our Virtual Pop Up sponsor for the week of 11 May:



**Pop-Up Webinar: Key Takeaways**

**12 May 2020**

**Earlier we were hearing that companies were planning to bring back perhaps 25 percent of their employees in the first wave. Now we are starting to hear that some companies will have less than that. What are your thoughts?**

- I am working with a couple of different companies. One is in the 25 to 30 percent range, and the other is in that same range, but they have changed to a building by building and business unit by business unit approach, and on an as-needed basis only. Originally, they were using May 18 as the date to open the business. Now they have gone completely away from that to an approach based on business need, and they have no urgent push to get back into their buildings.
- I am hearing that some companies will not start back until September.
- We are in no hurry to get back into the office until there are better guidelines.
- Several tech companies on the West Coast are not opening until September, and some are even saying January.
- My son works for a bank in New York City, and they are not going back into any of their spaces except retail until September. Until then, they will work from home.
- We are a manufacturing company, and we are considered essential services. In our manufacturing space, all those team members are back in place. For our office space, there really is no timetable at this point. We have told our office personnel that it is yet to be determined and will be on a country-by-country basis.

**Is anyone currently reconfiguring their workplaces, while most people are out of the office?**

- We are having conversations with various furniture companies on behalf of our clients and their projects. People are taking out every other workstation and extending heights of the sidewalls and front walls and putting in partitions. Evidently some research is saying that it is a little better if you are spaced facing each other as opposed to sideways. Not sure why that is, but I am hearing that too.

- We install AV equipment. We are being tasked to do construction projects with modification and relocation of equipment to get that visual messaging out. There is some infrastructure work being done right now with the offices not occupied.

**What are you doing regarding masks and face coverings for employees returning to the office?**

- I saw a useful graphic that helps explain face masks and their role in keeping people safe. It shows that masks can lower your risk of catching COVID-19 from somebody else by at least 70 percent.
- I saw a great [blog](#) that shows how easily the virus spreads in various environments and through different spaces in the built environment.
- Checking out your ventilation systems will be important. The virus is airborne, and ventilation systems can move it around and thus infect others.
- Cleaning of coils, ductwork and the entire system must be part of the solution.

**Have you talked about the steps you will take if there is a resurgence of cases? We are seeing a resurgence in several countries. Is that part of your planning process?**

- As time goes on, the plans are changing so much. The longer people are out of the office, and life goes on, we recognize that there is not much of a rush to get back. It is different at different companies. One company I work with has a three-month plan to be back at 100 percent occupancy. Once they start going back in early June, they expect to be back at full operation in three months. I have basically told them that they will not be able to do this, but they are continuing down that path. Another company I work with is just the opposite. They have thrown out the calendar completely and will open only when they are confident that they can remain open. I do not think anyone wants to close again if there is a resurgence of cases.
- I do not know how you can have a back-to-office plan and not take into consideration a possible resurgence of cases. You just need to be prepared for the inevitable. We have offices around the country and around the globe. Staying on top of all the changes from governing jurisdictions is a full-time job. No matter what the governments say, we are taking their advice and then slow rolling it even more.
- In round one of this, all the corporations were good citizens. If in the fall we go to round two, there will be a lot more pushback and a lot less automatic acceptance of sitting at home. I live in New Jersey and work a fair amount of time in New York. If you are in this market, you know exactly what all this is about, but if you are in a rural area where it was not so bad, you are really going to question whether you need to stay at home or whether your business needs to shut down.

**Is anyone doing maintenance and repairs on their facilities?**

- We are doing some of that. We are assessing the criticality of the work. If it is critical, we may want to move forward to get it done. If it is less critical, we are going through an evaluation process. Even if it is less critical, it might make sense to get it done when the building is empty. If a rooftop crane is involved, that would require some street closures.
- We decided to cancel capital improvements for now because we need the money.
- We are determining which projects to defer. Does it make sense to defer, or go ahead and complete? In some cases, the projects are so far along that it would involve storage of materials. If we decide that it is too late to defer, we will carry on with that type of work. We are going project by project, evaluating whether it makes sense to defer or go ahead and get it done now.

**Which projects moved to the top of the list, and which fell to the bottom?**

- We have delayed some infrastructure projects that are not impacted by COVID-19. As an example, a rooftop replacement, which is a significant expense, but no real impact on our daily operations. We are moving ahead with several mechanical-type repairs in various facilities. We

are moving ahead with refurbishment types of projects. Regarding the projects we delay, if we fast-forward one year, does the project remain the same? Does the use case remain the same? Those are our bigger concerns. For anything we are working on now that has a design implication, such as a six-foot distance, the size of the desk, or the desire for more privacy-focused spaces, we are going project by project and discussing them with the business.

**Are you on a COVID-19 task force comprising senior leaders within your company? What kind of influence have you had on that decision making?**

- Yes. While we were still in the office, our task force focused on keeping us safe. Then we had to get us all working from home. Now the group has a slightly different form or composition. Various department heads are invited to spearhead certain things that impact their areas of operation. I am leading on real estate, facilities, and construction.
- Our task force is made up of our CEO, Chief Customer Officer, Chief HR Officer, Chief Counsel, me (Director of Workplace/Real Estate), Director of Change Management, and Director of Corporate Communications.
- From what I have observed, every company structures its business continuity and disaster planning effort slightly differently. At the enterprise level, business continuity is definitely very global in many of the major corporates, and over the years these groups have always had representation across all of the major functions based on my experience at big banks and consulting firms. I currently sit on a tri-state task force where we do 0800 daily calls and we go through a standardized checklist of governmental guidance and corporate announcements, and we go through different workstreams posing questions. Companies' task forces are leveraging learning about COVID-19 from Asia and now from the United States too. In terms of Real Estate having a seat at the table, certainly in this kind of crisis, it is very much front and center with high visibility since real estate touches every part of the business. The conversation is still around returning to work. We fully expect that over the next six to eight weeks the conversation will shift to more discussion around scenario planning and how it relates to longer-term actions on the portfolio. Those discussions will be slightly different in each case depending on what type of building they are in, whether the location is urban or rural, whether it is a single tenant building or a multi-tenant building, etc. All that information is included in business continuity planning. And as much as Real Estate is front and center in all this, we are very much joined by other department heads, our HR business partners and the C-Suite in driving the cadence of which employees come back to the office when.

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