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Why organisations are shifting to flexible workspaces in Covid times

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The adoption of flexible and serviced office spaces even at distributed locations could be the best and the most cost-effective option from the perspective of both the organisation and employees.



By having distributed and smaller offices at different locations, the organisations save big on energy spending and other related expenses.

The world came to a standstill in March 2020 when the pandemic hit us. The lockdowns that followed the pandemic saw organisations shutting their doors, and it pushed a big part of the global as well as the Indian workforce to work from home. Many *Fortune 500* companies and Corporates started releasing their leased office spaces due to the high rental and maintenance costs.

The 'Work from Anywhere' model without a doubt came to the rescue for organisations and their employees with many added benefits. The organisations were able to reduce their real estate and overhead costs. Also, they were now able to expand to multiple locations giving them better reach with multiple but smaller flexible office spaces. They were also able to hire talent across the globe without any geographical hindrances. The employees in return got the flexibility of working from a location of their choice, enjoyed reduced travel time and lesser travel costs with a better work-life balance.

Let's take a sneak-peek as to why organisations have started shifting to smaller and distributed office spaces, resulting in a win-win situation for themselves and their employees:

Benefits of Distributed Office Spaces:

- 1. Minimal Capex:** Buying/Leasing office space and their upfront costs of procurement can be a huge expenditure that hits the bottom lines. Switching to a flexible office space even in multiple cities can be much more cost-effective for any organisation.
- 2. Flexible Lease Terms:** Having a leased space could get an organisation into a fix due to the long and stringent lease terms. Shifting to a smaller serviced office could be the best solution due to the shorter and flexible lease terms that they offer.
- 3. Flexibility:** This pandemic has taught us all that nothing is permanent. Any organisation would either grow rapidly or just need to slow down a bit sometimes. Serviced Office spaces offer the flexibility to scale up/down as per their requirement.
- 4. Business Support Services:** May it be Legal and statutory compliances, Tax filing, Travel arrangements or Concierge Services, they all can be a big pain for organisations to handle. Serviced Office spaces have experts on board who help you solve all needs while you remain focused on your core business.

5. Ready to move-in: In today's era where everything is fast, buying/leasing an office and then getting the setup done could take forever. With Serviced Office Spaces the organisations get plug-n-play office spaces wherein they can start working from day one without any delay.

6. Recurring Costs: Recurring costs could take a big bite from the company profits. Right from the upkeep of the common areas to getting the backup generators up and running. From Insurance to AMCs of all equipment, Serviced Office Spaces take care of all.

7. Reduced Carbon Footprint: By having distributed and smaller offices at different locations, the organisations save big on energy spending and other related expenses. Followed by reduced commute implies fewer vehicles on roads and lesser energy being consumed, which inadvertently contribute towards making our environment cleaner and free from Carbon Footprint which is indeed a sore need of the hour.

8. Shared Common Areas: In a big and single office setup you land up maintaining the areas that are seldom used or are under-utilised, the biggest example being common areas. In a serviced office setup, however, you can enjoy the entire space along with the other tenants without the hassles of paying for the upkeep of the same.

Benefits for Employees:

1. Cost Saving: The biggest relief for employees working from serviced office spaces closer to their home is not having to undertake long and tedious commutes. All that time and money saved as an outcome can essentially be utilised for personal/family use.

2. Work Environment: The right work ambience boosts productivity while the wrong one can be harshly detrimental to it. With Serviced Office spaces one gets ergonomically designed and lush green spaces which boost both productivity and morale.

3. Ready to move-in: The employees just need to plug in their workstations to the internet-ready office and start working without any hassles, eventually saving on all the time and energy that goes into setting up their workstations in a leased office space.

4. Lesser Work Load: The admin managers need not worry about searching for vendors and negotiating with them to hire the relevant services, since each service has been carefully curated and provided by the service provider end keeping in mind all the needs.

In a nutshell, the adoption of flexible office spaces/serviced office spaces even at distributed locations could be the best and the most cost-effective option from the perspective of both the organisation and employees.

(By Vineet Taing, President, Vatika Business Centre)