



# Identifying the Right Square Footage for my Association in a Post-Covid World

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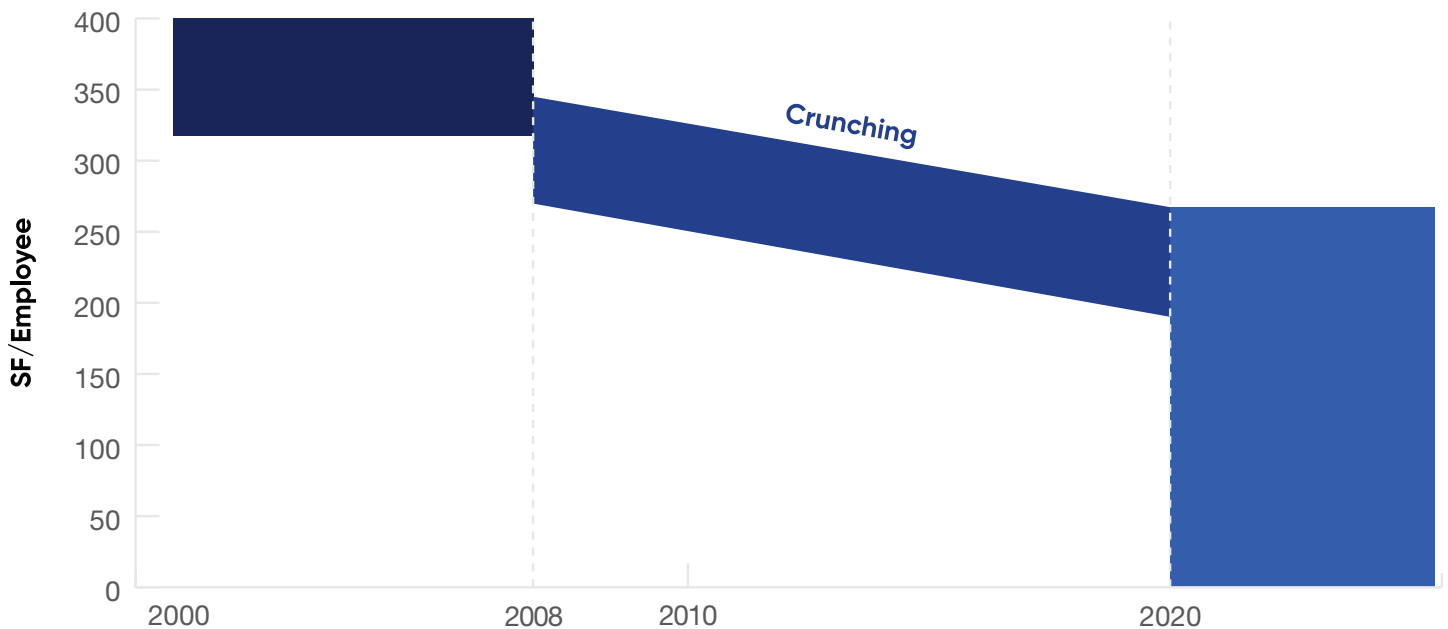
Many associations have effectively shuttered their offices during Covid-19. Post-pandemic, the office will never be the same. Some associations are planning to eliminate the office completely, but most expect to maintain an office in some form. What will the new office space look like?

Association offices have been trending smaller for the last decade, and post-Covid offices will be even smaller. How should associations manage the next level of downsizing and efficiencies?

There will certainly be more variety in how associations use office space in the coming years. With less industry benchmarking to guide decisions, each association will have to clearly outline their own path forward.

## Association Trends

### Range of Association Standards for Square Footage/Employee



We consider the “post-Covid” era as the time that a vaccine has been broadly distributed to the American population. With three vaccines currently showing efficacy above 90%, predictions for the post-Covid period are ranging from early to mid-2021.

Most associations are finding it difficult to identify their post-Covid office occupancy strategies while the majority of employees are still working from home. However, office strategies take time to implement so, associations with pending decisions in the next 24-36 months should start evaluating their needs immediately.

Additionally, the DC Metro area office market is historically tenant-favorable. Associations that can predict their post-Covid office needs will be uniquely positioned to capitalize on transactions associated with ample supply during a time of very limited office demand.



### Post-Covid Questions and Considerations:

#### Work From Home (WFH) Productivity – Covid-19 forced WFH experimentation

- Has your association maintained or increased productivity?
- Has your association hit a productivity plateau?
- Has your association’s productivity seen a gradual decrease as WFH drags on?
- Has your association effectively onboarded and trained virtually?

#### What is the purpose of your office?

- Communication
- Training
- Collaboration
- Productivity – are certain functions/jobs/tasks more productive when done in-person?
- Culture
- Mission
- Government Relations

With so much variability in how offices will be used in a post-Covid world, it is essential to clearly define why an association needs an office (if at all). Allow the “why” to drive the decisions.



### How will post-Covid WFH policies be created?

- CEO as decision maker
- Managers as decision makers for their teams
- Each employee allowed to make their own WFH plan
- By department – WFH policies will be based around the type of work being performed by each department. Departments requiring more collaboration for success will be required to come to the office more often.

### Considerations for reducing office costs

- **Tightening Space Standards (“Crunching”).** The last decade has seen a drop in square footage per employees as refined technology and a focus on collaboration have led to shrinking square footage requirements. Crunching down space per seat while still maintaining a “1 seat/1 employee” ratio may be a tool to accommodate an employee base that is using the office less frequently, post-Covid.
- **Hot Desking.** 1 seat per 2/3/4 employees will greatly reduce real estate costs. Hot desking should generally be evaluated for employees coming to the office 1-2 days a week.
  - How are desk reservations managed?
  - What if an employee who works 1-2 days a week in the office is replaced by an employee who wants to be in the office 4-5 days a week?
  - Is hot desking viewed as a negative arrangement, for hiring and retention?
  - Will your employees push back against hot-desking? Will they accept that hot desking may be a trade-off for more WFH flexibility?
- **Cheaper Locations.** Will your association continue to rely on Metro the way it has in the past? Can your association relocate to a cheaper office market with more parking? Where does your employee base live? Can a new location reduce existing employee commute times?
- **Newer Office Buildings.** Will your employees and managers require newer buildings with modern HVAC systems? If so, the increased cost per square foot should be considered.

### Employee location parameters

WFH has led to a more mobile workforce. Employees that are given the flexibility to WFH may decide to live in a different city than the association’s headquarters. WFH has driven employees to evaluate cities and towns with cheaper costs of living and higher quality of life. Many associations have experienced this already when employees that they hired in the DC Metro area moved to another city, and the association subsequently decided to keep the employee rather than rehire and retrain. Will this type of employee base be expanded? Some considerations include:

- Will you allow employees to relocate out-of-town?
- If so, will they ever be required to come to the office? How often?
- Will you actively seek WFH employees in cities and towns around the country?
- Will you allow existing employees to relocate to other cities and towns around the country?

### Has Covid shifted your association's long-term view of virus protection and mitigation?

Do you anticipate an event like this to occur again and will you take measures to mitigate exposure? Or, perhaps you believe that this was a once-in-a-lifetime pandemic and that you do not need to impose sweeping policy changes to your association once the vaccine hits the market.

### Tools to develop post-Covid workspace strategies

- Purpose and Visioning Sessions
- Internal Discussions
  - HR input. What can be done to retain talent and help employees feel both comfortable working back in the office and working remotely?
  - Management input. Which teams/divisions will be most successful with long-term WFH?
  - Board/Executive Committee Discussions. Experienced members of this team may have critical considerations for the success of the association; particularly if they have been through similar economic crises in their professional career.
  - Employee Surveys
  - Return to Office (near-term)
  - Work From Home (long-term)
  - Re-issue surveys at varying intervals during Covid. We've found answers within the same association can shift over time.
- Space Programming
  - Software research for space reservation and tracking
  - Scheduling exercises
  - Square footage reduction evaluation
  - Map all targeted square footage scenarios
- Scenario Planning
  - Identify cost savings

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