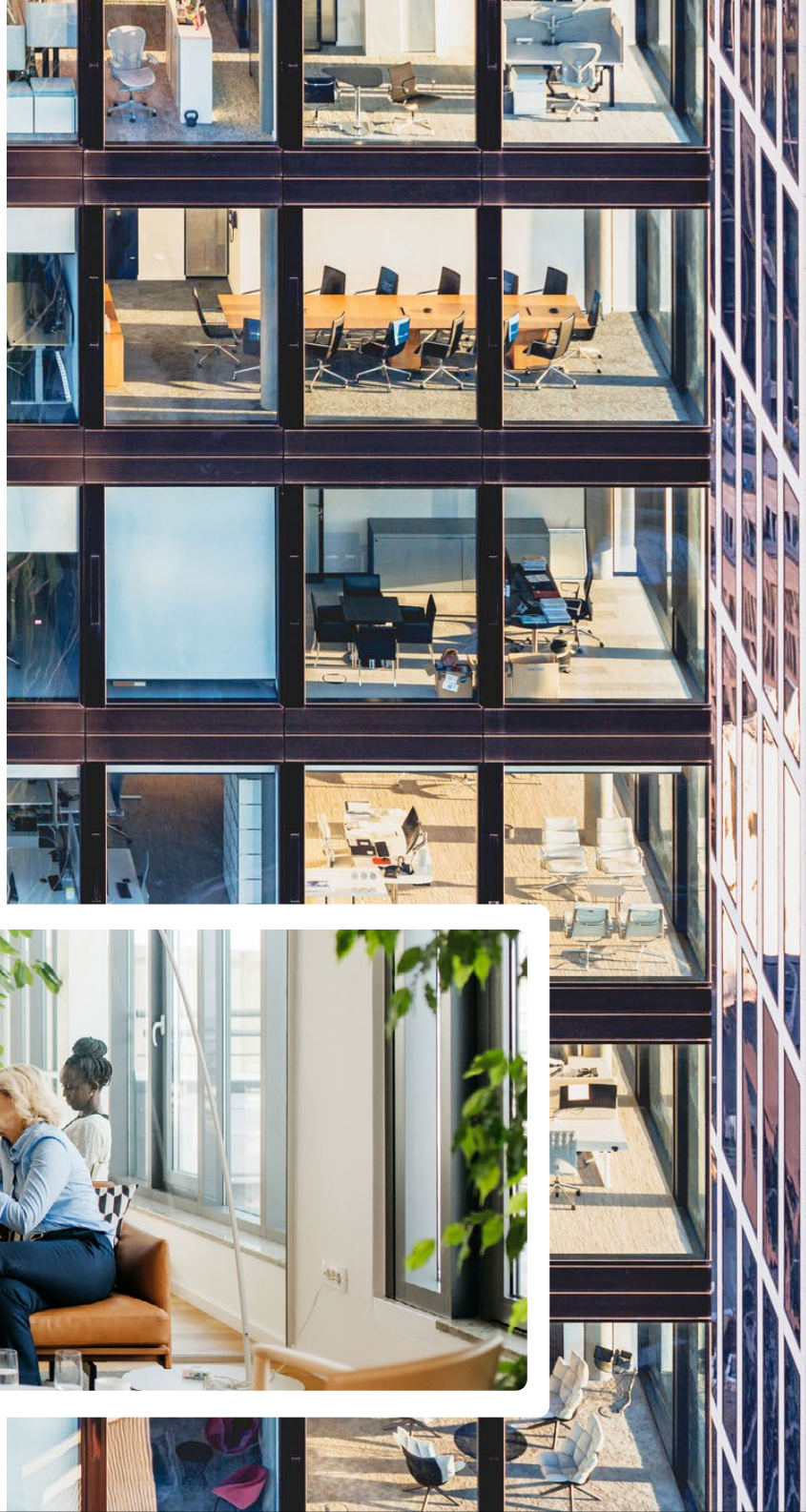




The Occupancy Intelligence Index

4TH EDITION

January 2024 - June 2024



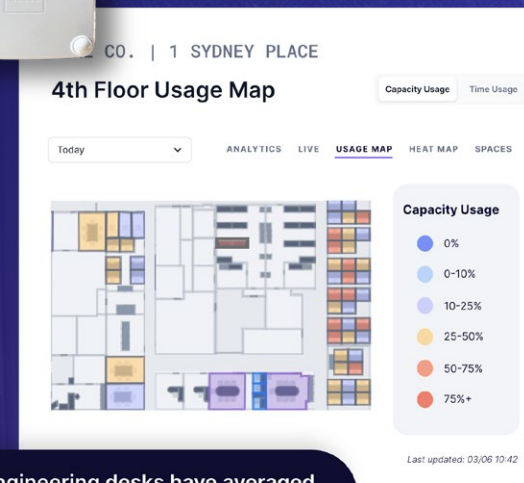
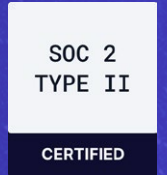
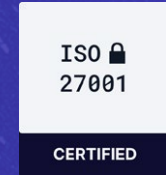
200+ GLOBAL ENTERPRISES

50 COUNTRIES

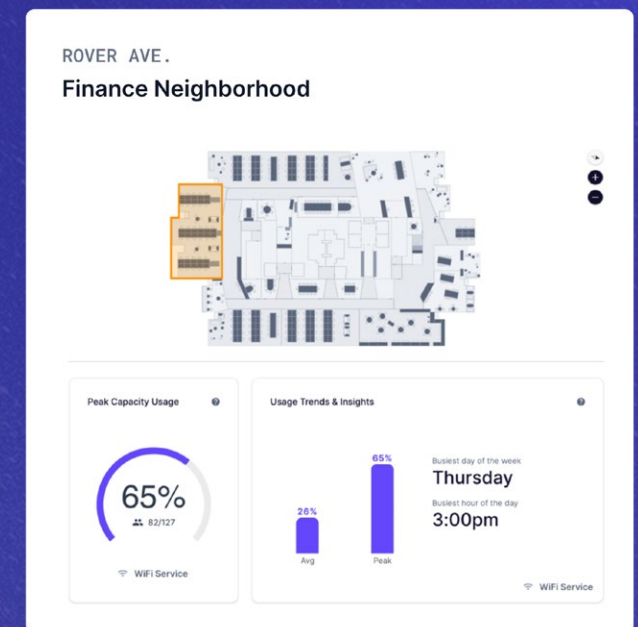
140M+ SQFT

The Most Comprehensive Occupancy Data Set Across Enterprise

The Occupancy Intelligence Index features active and passive usage data anonymously captured by VergeSense occupancy sensors and analyzed by the proprietary Occupancy Intelligence Platform.



i Engineering desks have averaged 13% usage for the past 2 months.



Introduction



We're officially halfway through 2024, and already we've seen major changes throughout workplaces. This year has been one of the most innovative and groundbreaking years for the workplace, and this is just the beginning.

Enterprises around the world have embraced hybrid workplace strategies, making permanent changes to their organizational structures to support new ways of working. Whether they operate on a full-time in-office strategy or require in-person attendance several times a week, companies are embracing new working patterns, and using new technologies like artificial intelligence (AI) to drive productivity and increase efficiency.

Over the last several years, we saw the transition to flexible workplace strategies take place. We hypothesized that the office would become a hub for collaboration – virtual, hybrid, and in-person. What we've assumed to be true is now reflected in utilization data, signaling a global shift in the way we use the office.

When people are in the office, they spend more time working in collaboration spaces, which presents workplace leaders with an opportunity to adjust their space designs to better align with team needs and behaviors.

If enterprises around the world don't adapt their spaces to support the evolving ways employees want to work, they will likely face significant challenges. These include increased employee turnover, wasted costs in a budget-constrained environment, negative impacts to sustainability goals, and difficulties fostering collaboration and connection among teams, possibly stagnating employee development and company innovation.

Gaining a better understanding of how offices are being used will enable workplace leaders to make more informed decisions. That's why in the fourth edition of The Index, we're reporting on global average capacity usage and space usage trends from the first half of 2024, and diving into key elements of space design and space utilization.

We analyzed customer occupancy and space utilization data from Q1 and Q2 of 2024, uncovering new trends and insights from over 140M SqFt. Within this analysis, we've uncovered interesting trends and patterns across space type frequency, active and passive usage of different space types, design allocation and behaviors, and more. We hope that you can use these insights to guide your real estate, facilities, and workplace decisions, and to help support workplace improvements.

Methodology & Definitions



Dates Analyzed:
January - June 2024



50 Countries



140,000,000+ SqFt.



180,000+ Spaces



200+ Global Enterprises



Space Type Definitions


Metrics

Space Count

The total number of measured spaces.

Average Capacity Usage

This metric measures how effectively spaces are used over time. It is calculated by dividing the average number of people present in measured spaces over time by their combined capacity.

Average Capacity Usage: 

$$\frac{\text{\# of people in a space}}{\text{User-defined capacity of the space}}$$

Total Time Usage

Total Time Usage measures the combined amount of time spaces are either passively or actively used over a given period. It is calculated by dividing the time


spaces are used, both actively and passively, by the total time measured.

Active Time Usage

This measures the amount of time spaces are actively used over a given period. It is calculated by dividing the total active time (when spaces are actively used by people) by the total time measured.

Passive Time Usage

This measures the amount of time spaces are used due to the presence of objects left behind by people over a given period. It is calculated by dividing the total passive time (when spaces have objects but no people) by the total time measured.

Total Time Usage 

$$\frac{\text{Time actively used} + \text{Time passively used}}{\text{Total time measured}}$$



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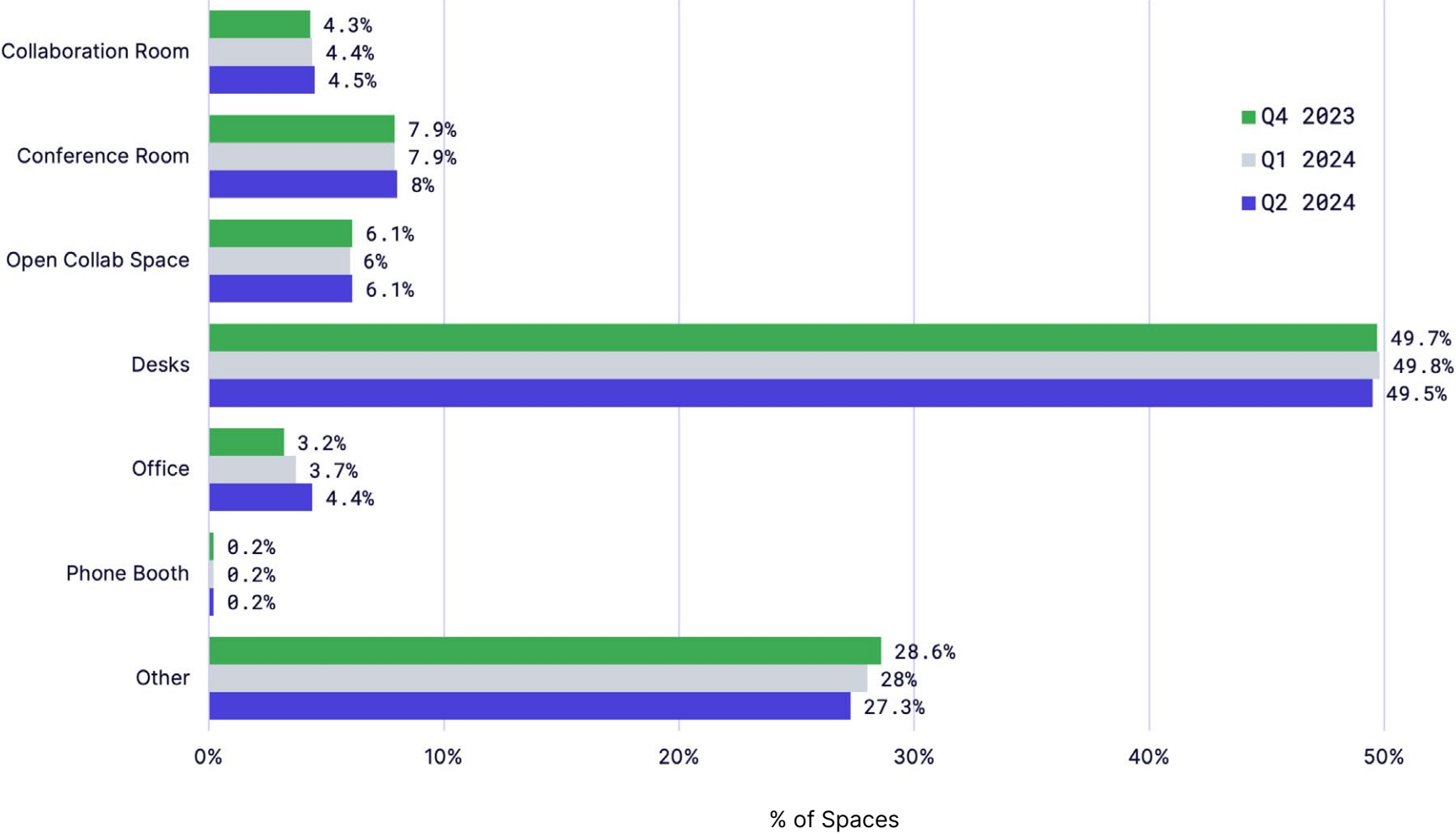
Global Space Design: Office Elements and Employee Behaviors

To start, we analyzed over 180,000 spaces to understand the current space mix in offices across the globe. Since we published the last version of The Index, the number of spaces in our data set increased by about 65,000, but there were no significant changes amongst space types.

Desks are still the most frequently used design element in customer offices, and while the mix of collaboration and focus spaces has stayed relatively the same, the way people are using these spaces has not.

i We've added a new space type, Other, to encompass spaces previously not defined in our data which includes, cafes, lounges, and lobbies. The addition of this space type allows for better accuracy when looking at collaboration and focus spaces.

Space Mix Changes Over Time

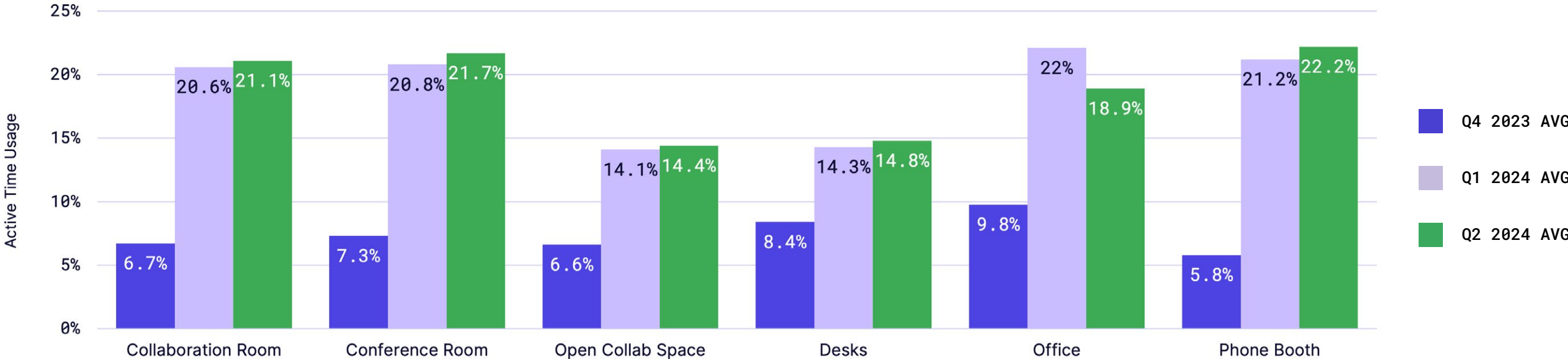


Increasing Collaboration: A New Era for the Office

People are spending more time using collaboration spaces when they're in the office. Compared to 2023, active time usage in collaboration spaces has significantly increased, so much so that all collaboration spaces, Collaboration Rooms (Q1, 20.6%; Q2, 21.1%), Conference Rooms (Q1, 20.8%; Q2, 21.7%), and Open Collaboration Spaces (Q1, 14.1%; Q2 14.4%), each now have a higher active time usage than Desks (Q1, 14.3%; Q2, 14.8%).

While this has long been assumed, as the publisher of the largest source of space usage data in the world, we can now confirm that the data supports this claim. We are witnessing the shift we have anticipated for some time.

Space Types by Active Time Usage (All Days)

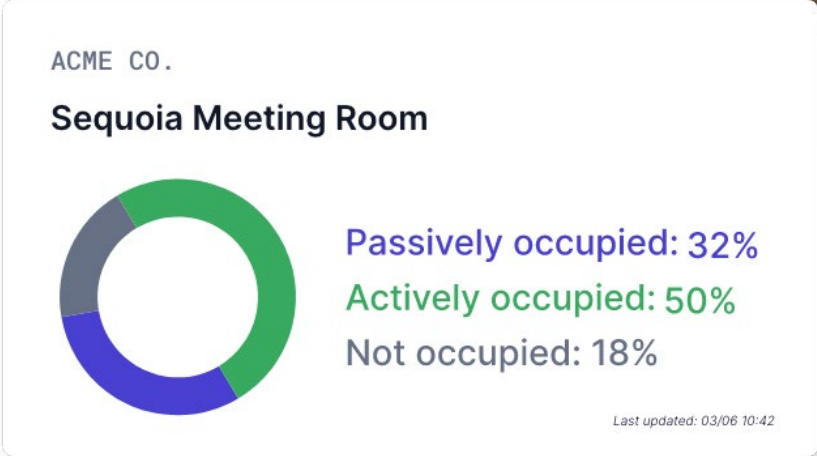


Increasing Collaboration: A New Era for the Office

When we look at the total time usage of each space type, the percentage of active time usage in collaboration spaces is higher than the percentage of active time usage in Desks or Offices.

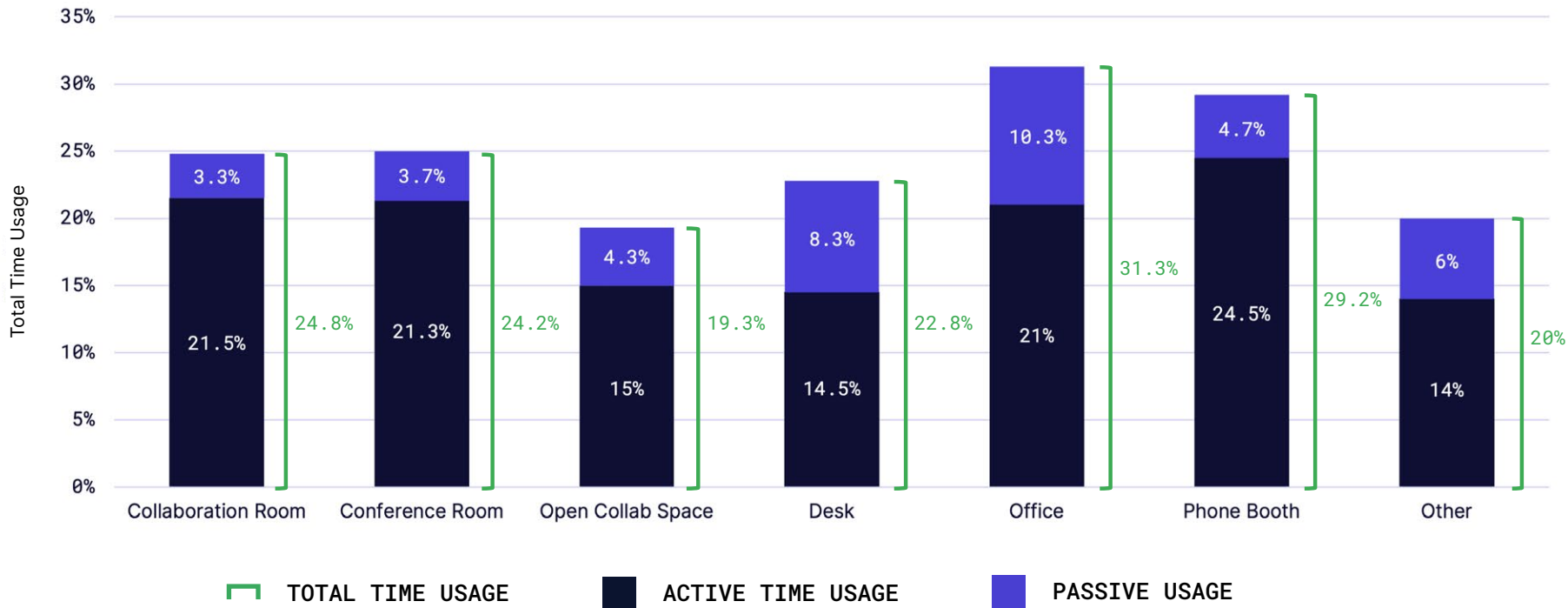
On the other hand, when we compare how **passive and active time usage** account for overall time usage, Desks and Offices have a higher percentage of passive time usage than any other space type.

People are using Desks and Offices, but about a third of the total time usage for each of these space types is passive. This means they leave behind their belongings, like jackets and bags, while they use other space types, like collaboration spaces. This suggests that these spaces are used as a homebase while in the office, but aren't the central place for getting work done.



Increasing Collaboration: A New Era for the Office

Q1 & Q2 Average Total Time Usage: Active vs. Passive Time Usage (Mon-Fri)



% of Total Time Usage That is Passive

Space Type	% of Total Time Usage That is Passive
Desks	36.5%
Offices	33%

% of Total Time Usage That is Active

Space Type	% of Total Time Usage That is Active
Collab Room	86.6%
Conf Room	84.7%
Open Collab Space	77.7%
Offices	67%
Desks	63.5%

i Notice that Phone Booths have one of the lowest percentage of passive time usage. People don't use phone booths the same way they use desks. Unlike conference rooms, which serve as private spaces for virtual meetings, phone booths are not utilized for day-to-day work or storage.

Increasing Collaboration: A New Era for the Office

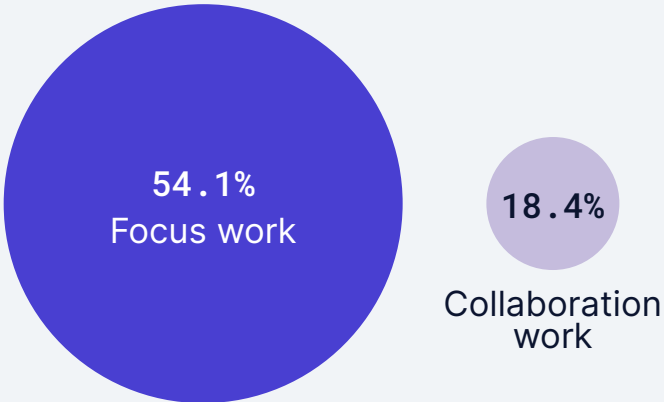
In 2023, people weren't using the office in the way flexible workplace strategies intended. We hypothesized that as people increasingly split their time between home and the office, the office would become a place for collaboration amongst teams, which would be shown through increased active time usage in collaboration space. Despite our hypothesis, focus spaces had a higher active time usage than collaboration spaces.

As we examine 2024 trends, we've observed a shift towards more time actively spent in collaboration spaces and more time passively spent at Desks. We predict this trend will continue as flexible workplaces continue to evolve.



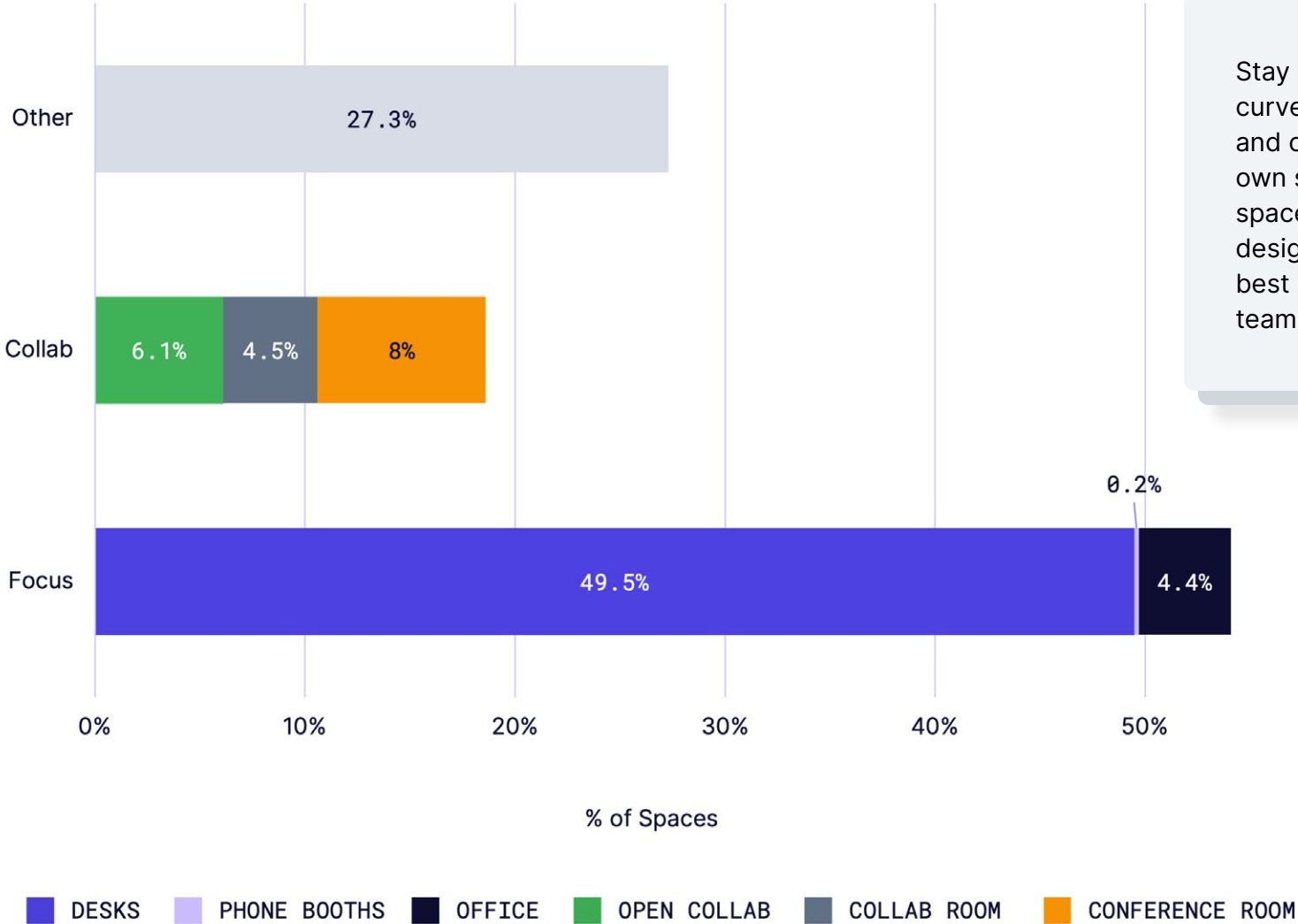
Design Allocation vs. Employee Behavior

Now that we better understand the trends across how people are using different space types, let's take another look at office space mix. At the end of Q2, about half of office space is set up for focus work, while less than 20% is set up for collaboration work.



This is an important point to consider because while the way people work is changing, the space mix isn't. Time usage data shows that while people are spending nearly 3x more time actively using collaboration spaces than focus spaces, current layouts aren't designed to facilitate these work trends. This represents an opportunity to reallocate more space towards virtual and hybrid collaboration to better align workplace design with employee behavior.

Space Mix Breakdown (Q2, 2024)



Stay ahead of the curve. Start analyzing and comparing your own space mix and space usage to inform design changes that best suit the way your team prefers to work.

Tactical Changes to Align the Workplace with Employee Behaviors

Tactical Changes to Align the Workplace with Employee Behaviors

Repurposing your space doesn't have to mean a full office redesign. There are time and cost-effective ways to adjust your office layout to better meet the needs of your employees.

With occupancy intelligence, you can pinpoint which spaces are being under or over-utilized. If you're running into recurring **space shortages** or have **low average capacity usage** across a specific floor, it's time to experiment with your space.

To the right, are three tactical design adjustments to better align workplace layouts with employee behaviors.

Remember, a crucial part of any space change management is clearly communicating changes and soliciting feedback along the way to ensure employee buy-in.

1

Add dividers and planters

Privacy concerns could be contributing to dwindling desk area usage. Adding dividers and planters to open spaces can create flexible, semi-private areas that can be used for video calls or one-on-one meetings. This simple addition could free up meeting rooms and increase desk usage.



2

Update technology

Technology is crucial to successful and productive work. If spaces are going unused, adding another screen or new video camera could be just what the space needs to enhance the environment.



3

Right-size meeting rooms

If you are concerned that you're running out of meeting rooms, it may be time to audit your spaces. Large meeting rooms are often underutilized, and right-sizing larger spaces into multiple smaller rooms could be the simplest solution.



Room for Improvement: Meeting Room Efficiency

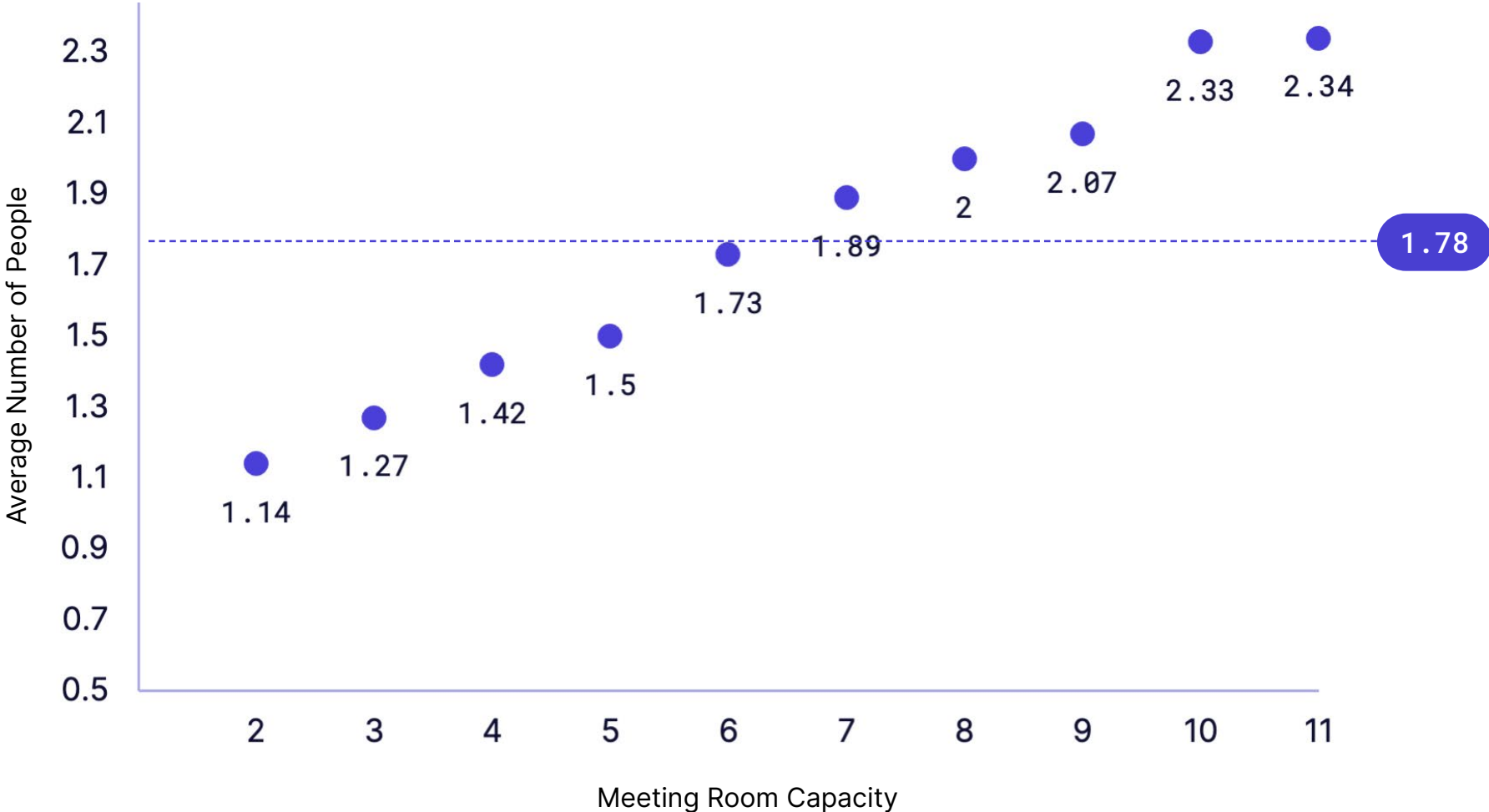
In the second edition of The Index, we revealed a stark inefficiency in the physical footprint of meeting rooms relative to their actual capacity usage. Regardless of a meeting room's capacity, on average, only 1.93 people occupy a room. In 2024, we're still seeing similar patterns.

While the total number of meeting rooms increased, average capacity usage decreased. **The average number of people occupying a room regardless of the meeting room's capacity is 1.78.** It's safe to say, there is still no correlation between the size of the room and the average number of people using it.

i Regardless of a meeting room's capacity, on average, only 1.78 people occupy a room. The 7.7% decrease from the previous year may correlate with an increase in hybrid meetings where fewer meeting participants are physically in a meeting room.



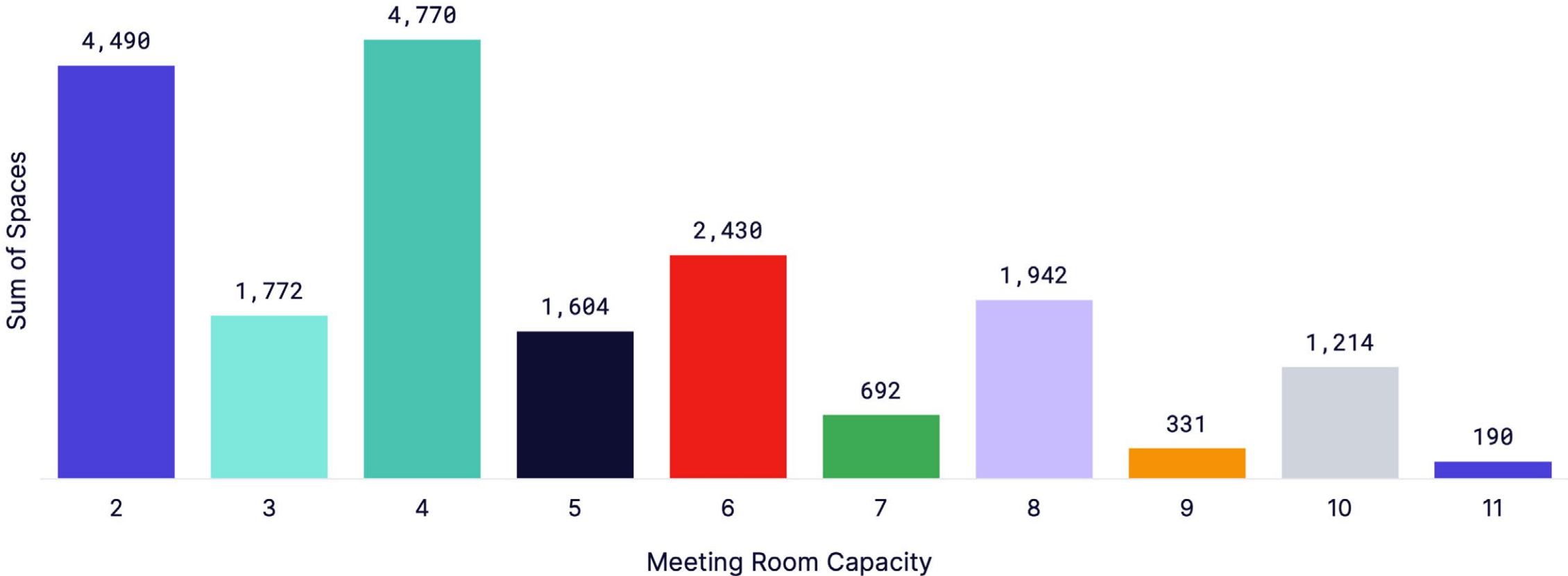
Average Occupancy Across Meeting Rooms (Q1 & Q2, 2024)



Room for Improvement: Meeting Room Efficiency

When it comes to meeting rooms, inefficient space use issues persist. Based on average capacity usage, meeting rooms with a capacity of six or larger aren't being used to their full potential throughout the day. Instead they're only being occupied by one or two people, not even half of their design capacity. Spaces like these can be repurposed into smaller spaces to better support hybrid and virtual collaboration.

Global Meeting Room Supply by Capacity



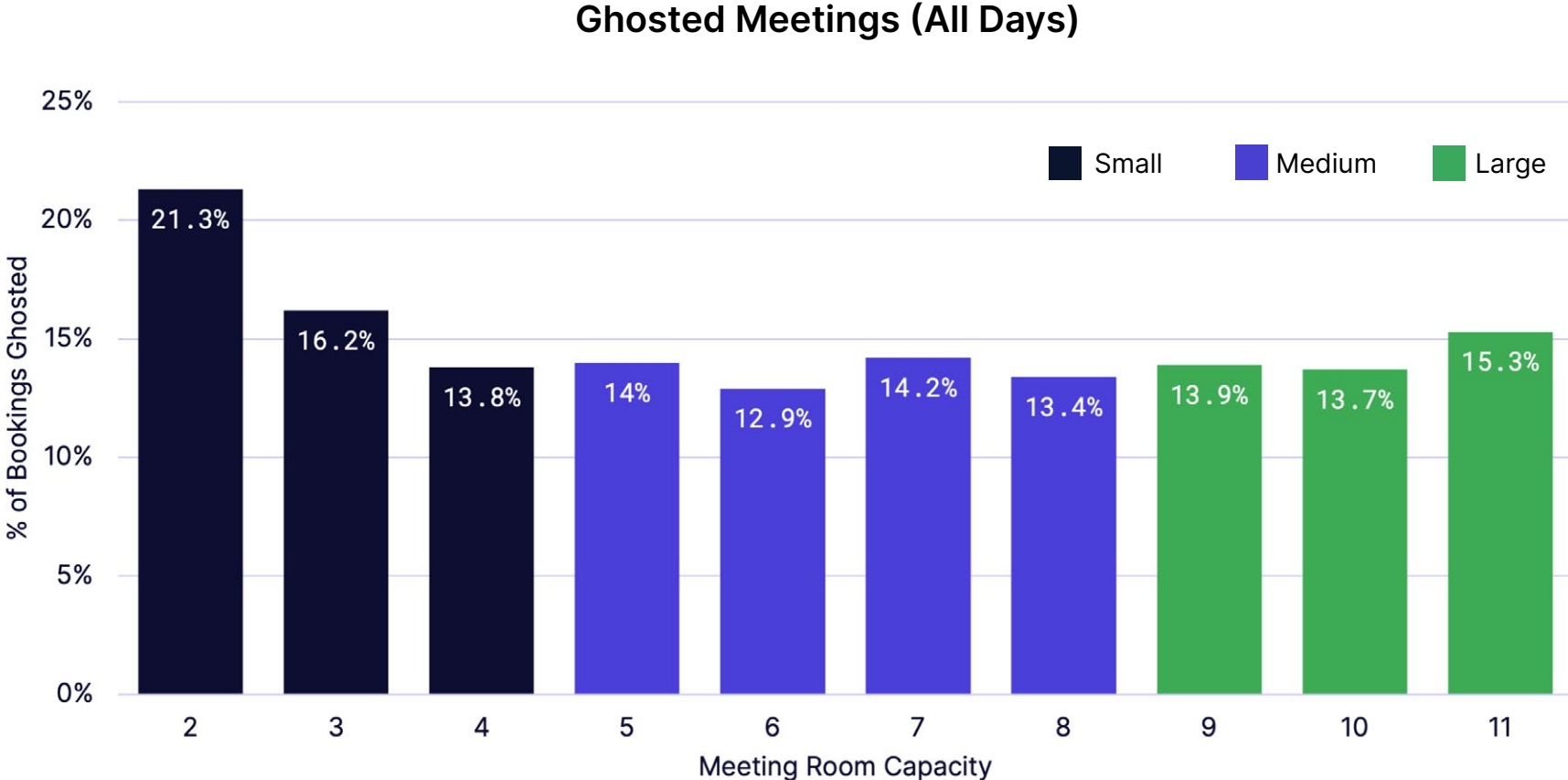
Room for Improvement: Meeting Room Efficiency

Next, we examined if there was a correlation between meeting room size and ghosted meetings, and found there was little to no correlation. On average, **ghosted meetings take place 13-15% of the time** a space is booked, regardless of the meeting room's capacity. The only outlier is meeting rooms with a two person capacity.

i Ghosted meetings occur when attendees fail to physically attend a meeting in a reserved meeting space and do not cancel their space reservation. This leads to wasted space and resources.

The pattern is consistent: regardless of a meeting room's size, ghosting still occurs, resulting in underutilized space. This leads to problems such as perceived space shortages, reduced office usage, and inefficient use of valuable real estate.

Both of these behavioral learnings highlight an opportunity for workplace leaders to right-size their spaces. To address these challenges, workplace leaders can consider easily executable optimization



opportunities to facilitate collaboration. Larger meeting rooms could be turned into smaller technology enabled spaces, or private spaces for focus work. VergeSense space booking automation and auto release features can help prevent ghosted meetings, saving valuable resources and time. Larger rooms intended for teams to colocate may need more policies and managed booking. Occupancy Intelligence can guide these decisions and bring to light areas that need to be improved.

Customer Story: Optimizing Workplace Efficiency

Recently, Jason Finneran, Workplace Experience Specialist at Bread Financial, led a redesign project at the company's headquarters. He used Occupancy Intelligence to make crucial decisions, ensuring that the space supported both leadership goals and employee experience needs.

The company recently adopted a hybrid work strategy, requiring an adjustment to the office layout to better support employee needs. Originally their space was lined with cubicles, but they wanted to transition to strategic neighborhoods with open seating. Embracing a tech-forward approach was essential.

Finneran and his team integrated new technology into their workplace, including VergeSense's Occupancy Intelligence Platform and desk booking software so they could measure space usage, better understand their team's needs, and create a more flexible work environment.

He relied on both qualitative and quantitative data to get started in the design process, allowing the data-driven insights he discovered to guide his decisions.



Jason Finneran

Workplace Experience Specialist

BREAD FINANCIAL



Customer Story: Optimizing Workplace Efficiency

Data Collection

Finneran's conducted a brief employee experience survey to collect feedback, and discovered three core principles to guide the process: flexibility, equity, and community.

Flexibility

Create adaptable neighborhoods spaces that cater to employees' various work styles.

Equity

Ensure all employees have access to the same resources and opportunities.

Community

Foster a sense of belonging and collaboration among employees, both in-office and remote.

Along with employee surveys, Finneran used VergeSense sensors to measure occupancy and analyze space configurations. This helped him understand space utilization, including capacity and active time usage.

Analysis and Decisions

After gathering survey and sensor data, they analyzed trends and insights, which informed decisions on technology, amenities, and design. Based on their findings the team made several strategic additions to their office layout:



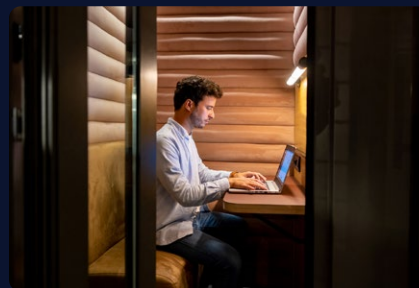
Single Dock Stations

Provided individual workstations with laptop docks and monitors that cater to both in-office and hybrid employees, promoting flexibility.



Studio Build-Out

Developed areas specifically for collaborative work, such as team meetings and creative brainstorming sessions.



Privacy Pods

Created quiet zones for focused work, which addressed the need for spaces that support concentration and privacy.

Finneran and his team optimized the office layout to better align with workplace behavior. **The updated space now supports diverse working styles and meets a broader range of employee needs.**

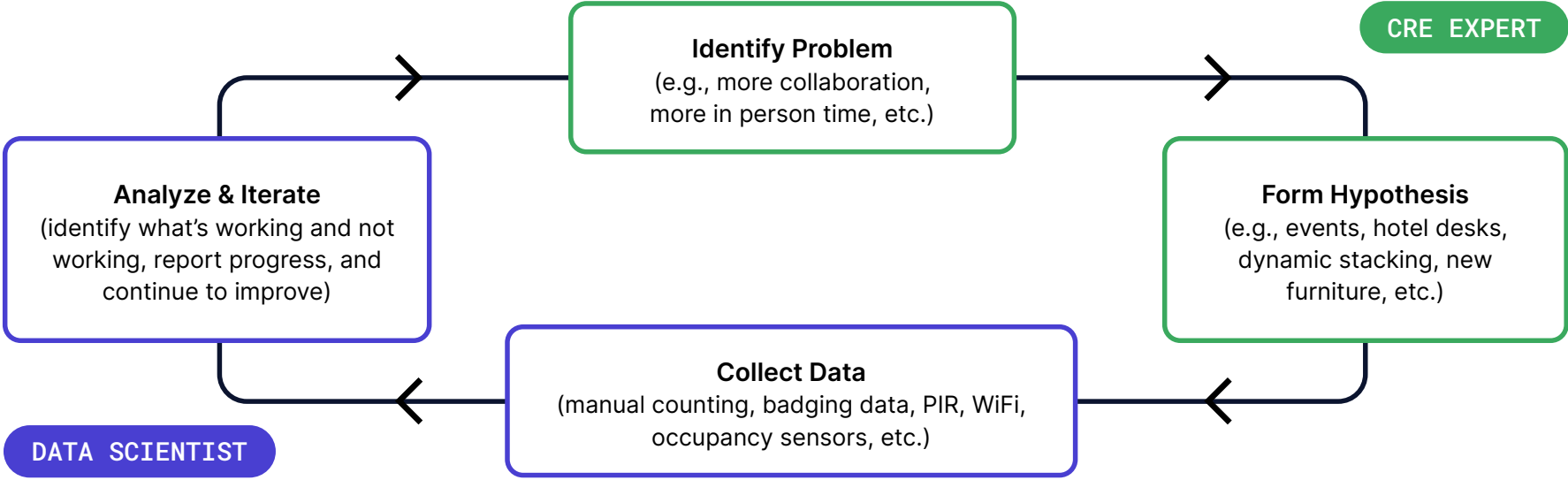
With Occupancy Intelligence, Finneran was able to make data-driven decisions and activate unused office space.

CTO Corner: Leveraging AI for Workplace Decisions

The office has gone through a major transformation over the last several years. We've seen workspaces evolve from static one-to-one employee-to-seat ratios to dynamic hybrid work environments built for flexibility and agility.

Our data shows that while employees are adjusting their behaviors to match new flexible workplace policies, offices are still evolving. Making impactful workplace decisions is more important than ever to ensure your workspace is aligned with employee needs.

Thanks to new technology, leaders have access to more data than ever before and can better understand how people use the office. While this influx of data is positive, for many, analyzing data and actually turning it into impactful decisions is challenging and time consuming, especially if they don't have a data scientist or commercial real estate expert on the team.



Workplace Decisions are Complex

Kelby Green
Chief Technology Officer
VERGESENSE

New Product Feature | More On The Next Page

Workplace Assistant
What would you like to know about your workplace? |

What changes can I make to free up more available conference rooms?

CTO Corner: Leveraging AI for Workplace Decisions

AI is poised to revolutionize how organizations approach occupancy data analysis. Rather than spend hours on manual data analysis, AI can identify trends and offer personalized recommendations to optimize your spaces. Our latest AI innovation, **Workplace Assistant**, puts the power of a data analyst, occupancy analyst, and workplace experience expert right in your hands, so you can turn data into decisions in a matter of minutes.



Easy Interaction with Data

Empower your team with an intuitive natural language interface. Say goodbye to complex dashboards and hello to easy, conversational data interactions to understand occupancy trends across your organization.

BENEFIT

Simplifies data access, allowing leaders to focus on strategic decisions rather than manual data analysis.



Personalized, Strategic Recommendations

Leverage generative AI to transform occupancy data into actionable insights. Workplace Assistant not only identifies trends but also provides strategic recommendations tailored to your unique needs.

BENEFIT

Optimize workspace efficiency and effectiveness with customized strategies that align with your organization's goals.



Accelerated Decision-Making

Eliminate weeks of data gathering and analysis. With Workplace Assistant, achieve rapid results and make informed decisions in minutes.

BENEFIT

Speed up your decision-making process, allowing your organization to swiftly capitalize on opportunities and adapt to changes.



Enterprise-Grade Security

With a strong emphasis on privacy and security, Workplace Assistant ensures that all data remains protected, giving users peace of mind.

BENEFIT

Ensure your data remains protected, so you can securely make data-driven decisions.

Global Average Capacity Usage

As always, our goal is to share helpful and accurate data, while preserving data continuity across Index editions. In the fourth edition of The Index, we continue to grow and refine our metric normalization, which is reflected in the insights below.

In this section, we'll explore global office average capacity usage data by region and by industry, highlighting trends and patterns that emerged in 2024. These benchmarks and insights can help workplace leaders consider their own data and utilization strategies on a global scale, and make impactful optimization decisions moving forward.

To refresh your memory, we'll be looking at the metrics referenced to the right.

For both sets of data (by region, and by industry) we look at everyday usage (Monday through Friday) and usage specifically recorded on the most popular in-office days (Tuesday, Wednesday, Thursday).

Average Capacity Usage:

of people in a space

User-defined capacity of the space

Active Time Usage

Total time space in active use

Total work hours space is available

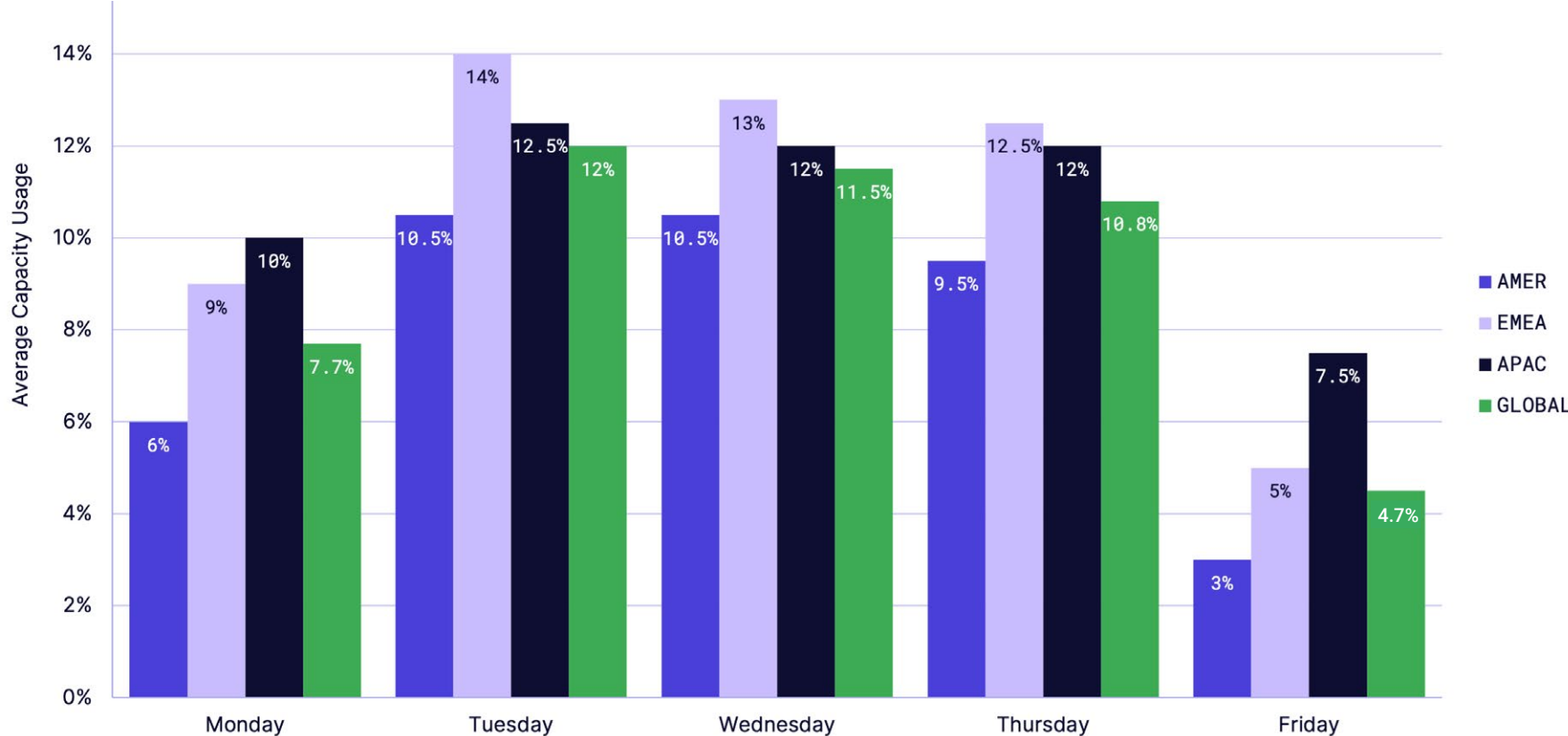


Global Average Capacity Usage

Average Capacity Usage by Day of the Week

Let's examine average capacity usage by day of the week. In the last two editions of The Index, we found that Tuesday, Wednesday, Thursday were the most popular office days based on average capacity usage, and this trend continues today. Overall Tuesday, Wednesday, Thursday had the highest average capacity usage, specifically Tuesday with an average of 12%.

Average Capacity Usage by Day of Week & Region



Things start to get interesting when we look at the range of average capacity usage by day, by region. Average capacity usage dropped on Mondays and Fridays in North America (AMER) and Europe, Middle East, and Africa (EMEA) regions; but stayed consistent throughout the whole week in the Asian Pacific (APAC) region.

Keep this in mind as we focus on average capacity usage by region.

Range of average capacity usage throughout the week:

	Lowest day		Highest day	Range
AMER	3%	→	10.5%	7.5%
EMEA	5%	→	14%	9%
APAC	7.5%	→	12.5%	5%

Global Average Capacity Usage

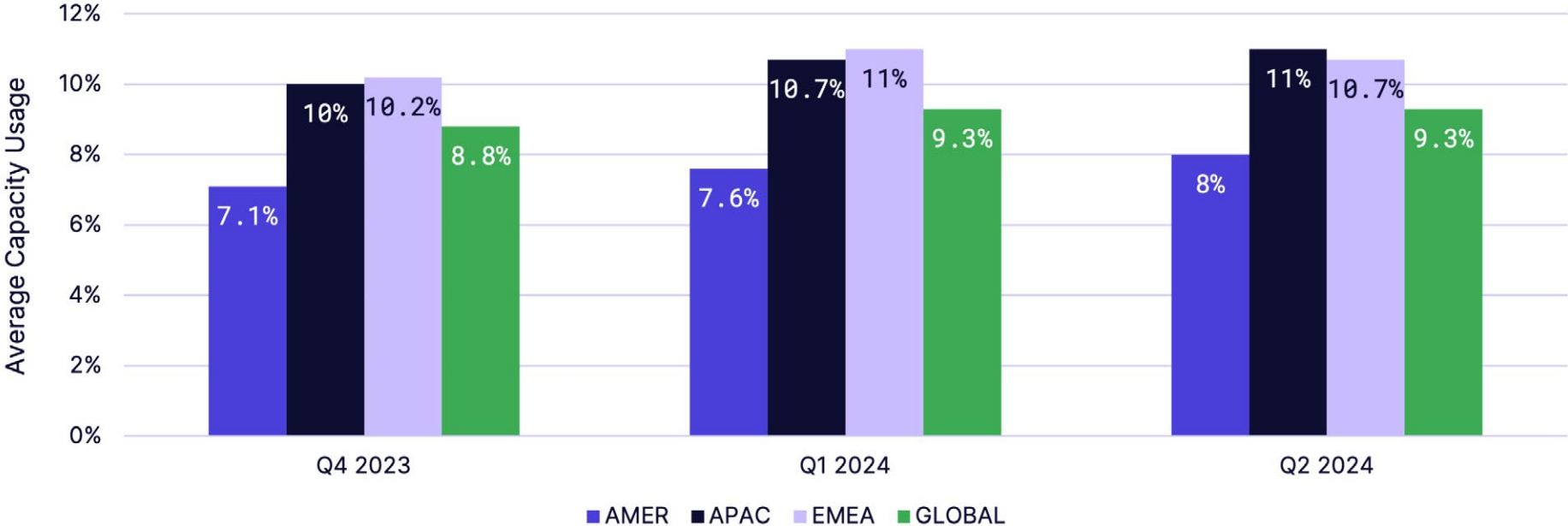
Average Capacity Usage by Region (All Days)

Global occupancy saw a steady increase in Q1 and Q2 of 2024 after a decrease around the holidays in Q4 of 2023. This is a trend we've seen in the past and expect to continue in the future. Q1 is the start of the new year and signals a new start for companies around the globe. Occupancy rose from 8% in Q1 to almost 10% in Q2, and continues to trend steadily until we approach the summer months.



In Q1 and Q2 of 2024, EMEA and APAC had the same rate of average capacity usage of 10.8%. Out of the three regions listed, both regions have continued to have the highest overall average capacity usage quarter after quarter.

Average Capacity Usage by Region (All Days)



Global Average Capacity Usage

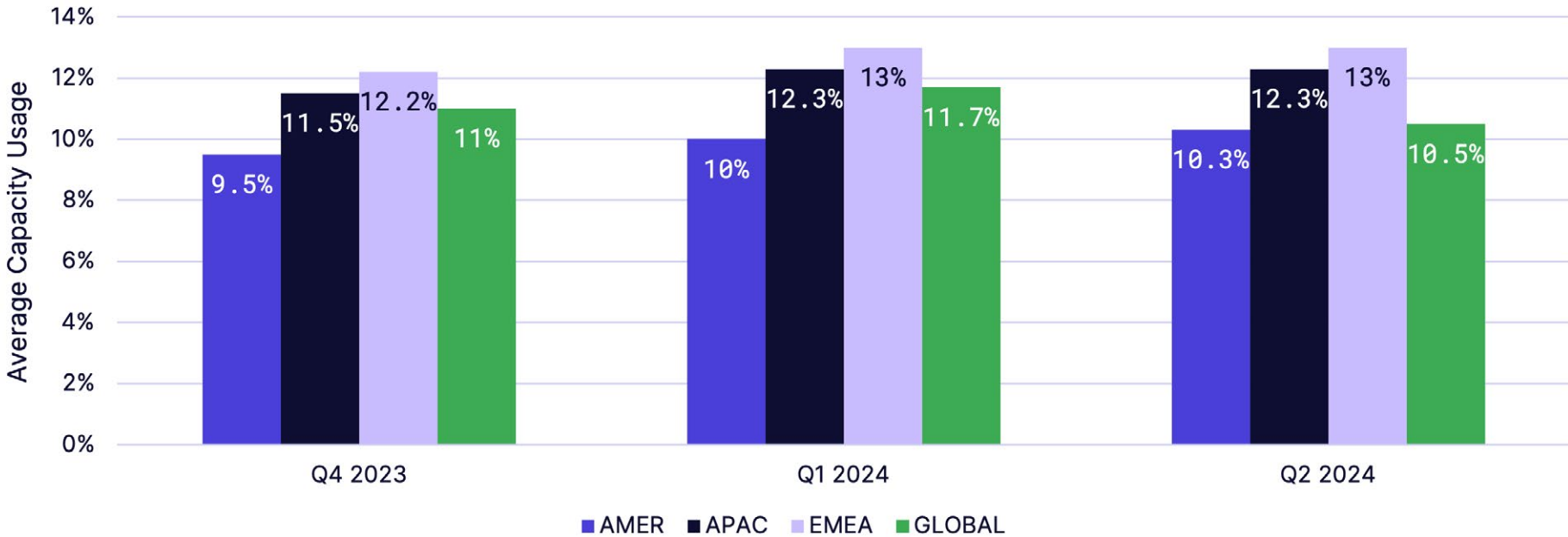
Average Capacity Usage by Region (Tuesday, Wednesday, Thursday)

Average capacity usage increased on the most popular in-office days (Tuesday, Wednesday, Thursday), which is to be expected. EMEA had the highest average capacity usage (13%), followed by APAC (12.3%), and AMER (10.3%).



On Tuesday, Wednesday, Thursday, EMEA has the highest average capacity usage emphasizing their use of flexible workplace strategies.

Average Capacity Usage by Region (Tuesday, Wednesday, Thursday)



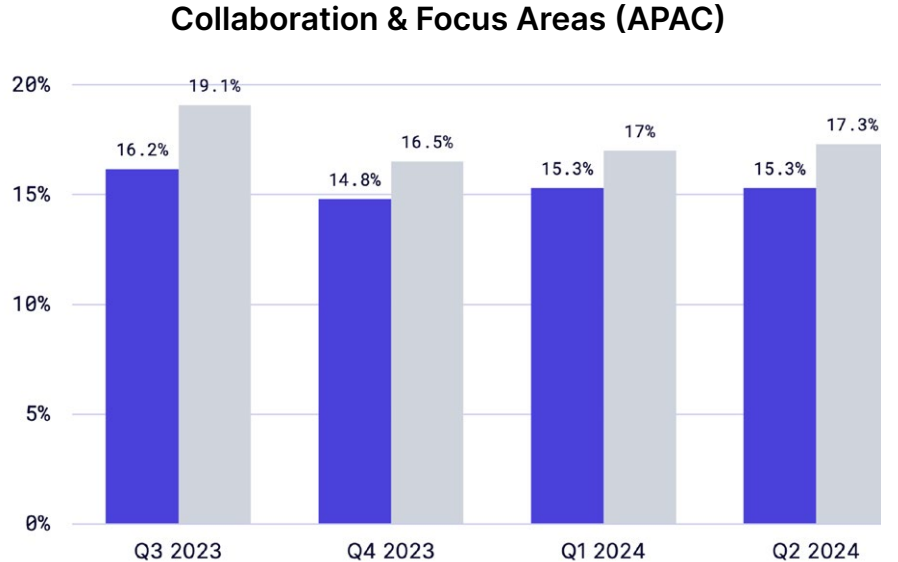
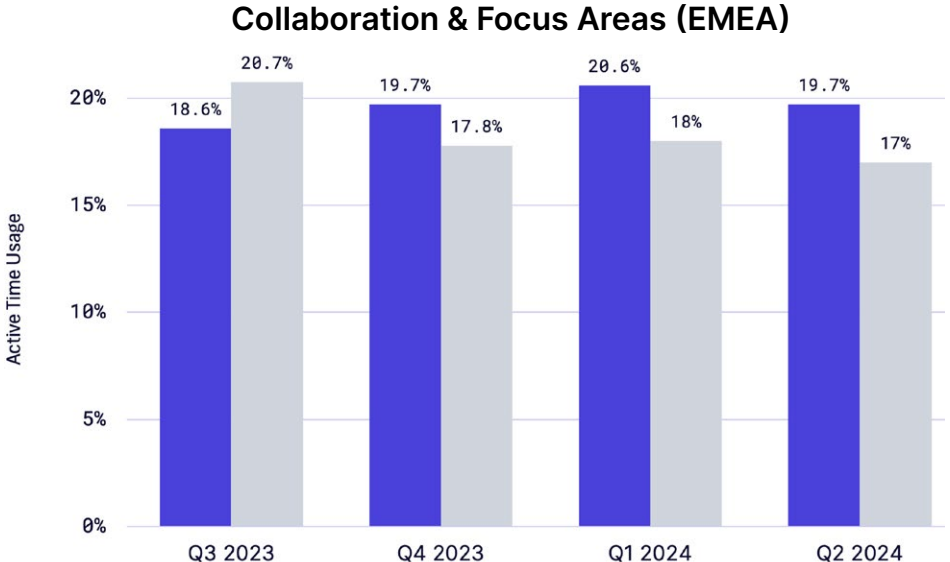
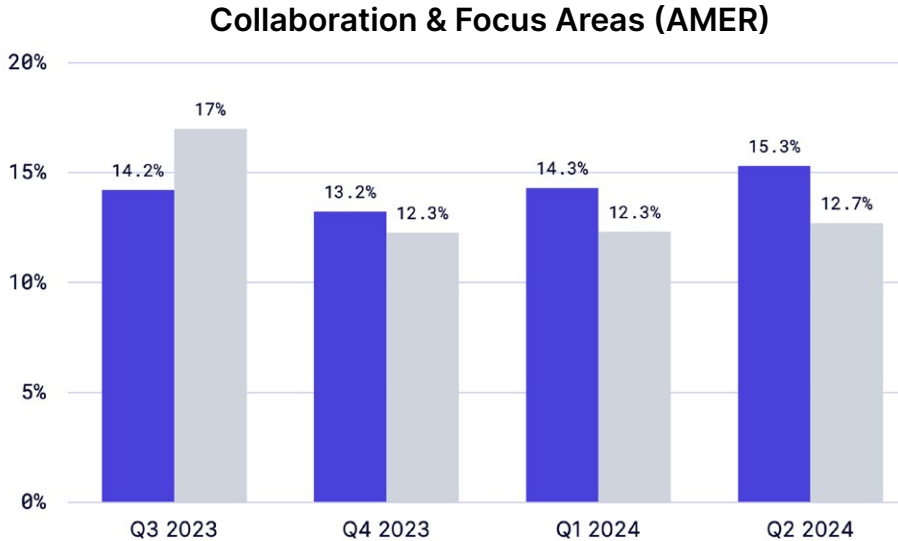
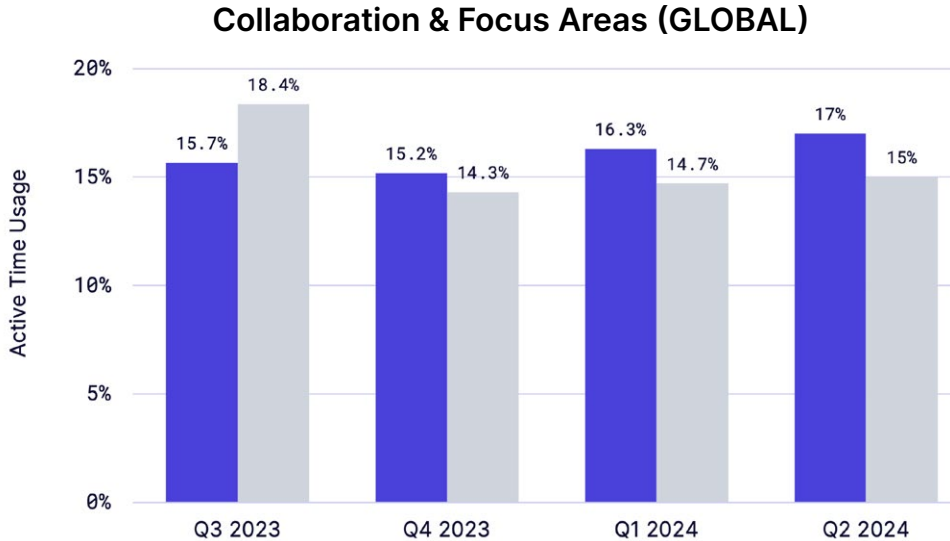
Global Average Capacity Usage

Focus vs. Collaborative Active Time Usage (All Days)

Over the last four quarters we've seen a change in active time usage in collaboration and focus workspaces. At the start of 2023, active time usage was higher in focus workspaces than it was in collaboration spaces on a global scale. By the end of 2023, we observed a shift towards more time spent in collaboration spaces.

Over the last three quarters, active time usage in collaboration workspaces in EMEA and AMER has increased, and collaboration spaces now have higher active time usage than focus workspaces. In APAC, active time usage for focus spaces still continues to outpace active time usage for collaboration spaces, although we should note the gap between the two is getting smaller.

We are starting to see the results of new workplace strategies reflected in our utilization data. After the transition to hybrid work, we hypothesized that people were using offices for collaboration, and the data supports it.



■ **Collab** = Conference Rooms, Collaboration Rooms, Open Collaboration Spaces ■ **Focus** = Desks, Offices, Phone Booths

Global Average Capacity Usage

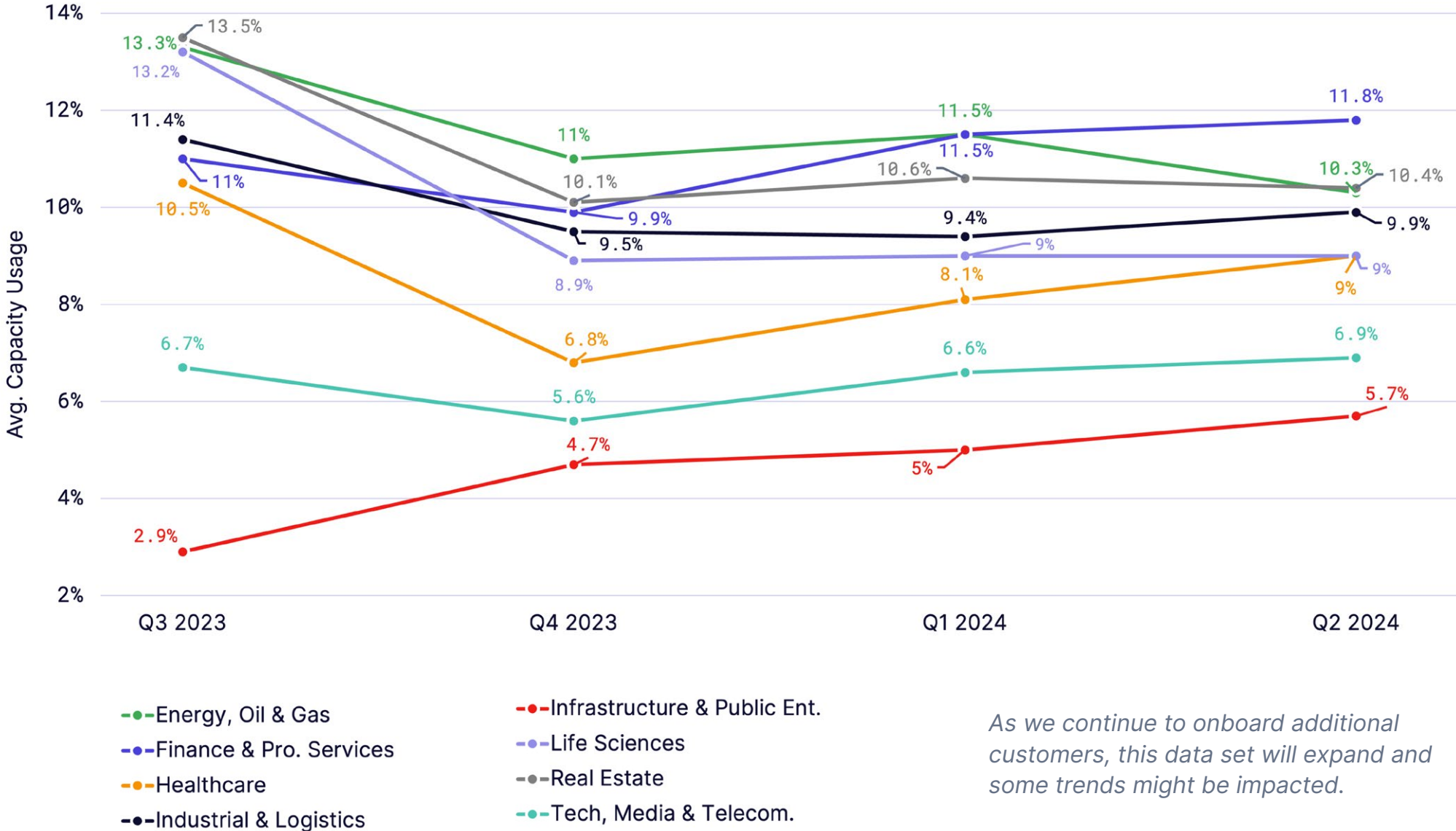
Average Capacity Usage by Industry

Similar to what we observed by region, average capacity usage by industry dropped at the end of the year and increased at the start of the new year, leveling out around March. In 2024 Q1 and Q2, **Financial & Professional Services (11.5%, 11.8%)** had the highest average capacity usage, followed by **Energy, Oil, & Gas (11.5%, 10.3%)**, and **Real Estate (10.6%, 10.4%)**.

These trends can help inspire, guide and inform workplace decisions. Understanding industry and regional standards can help leaders identify strengths and areas that need improvement, set realistic and achievable goals, and generate new innovative ideas.

Workplace leaders can leverage global occupancy trends to inform major workplace decisions. By integrating industry and regional benchmarks into your decision-making process, you can make informed, data-driven decisions that enhance performance, drive innovation, and maintain competitiveness in their respective fields.

Average Capacity Usage by Industry



As we continue to onboard additional customers, this data set will expand and some trends might be impacted.

Conclusion

Based on our findings in The fourth edition of The Occupancy Intelligence Index, there are still many decisions for workplace leaders to make. Whether those are conference room adjustments, open seating area transformations, or amenities that can be updated to meet new employee needs. Workplace trends will continue to evolve, and without significant design and policy changes organizations will likely start to feel a strain on their existing offices.

Our global benchmarks and insights are useful tools that can guide and inspire workplace decisions, ensuring leaders are on the right track. Leaders have access to more data than ever before, and new technology is enhancing the decision making process, making it easier than ever to uncover solutions to common workplace challenges.

We encourage workplace leaders to rely on data when identifying next steps. Audit offices, examine design trends, and learn how teams are using different spaces

to identify opportunities to better align with and support employee behavior.

By leveraging accurate utilization data, workplace leaders can analyze their entire portfolio and identify areas of improvement. Occupancy Intelligence empowers leaders to uncover unique trends within their organization, enabling them to optimize the workplace, reduce costs, and streamline operations.



About VergeSense

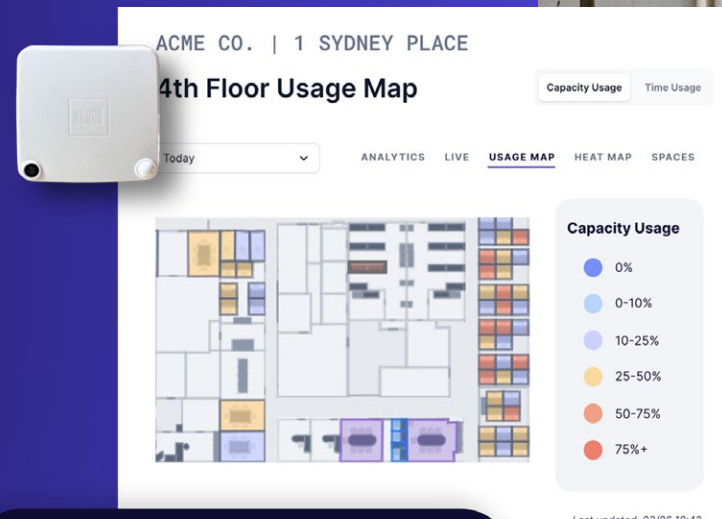
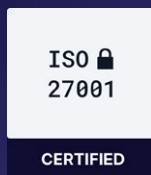
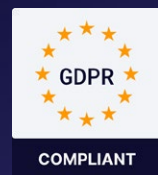
Helping Global Enterprises Unlock the Full Potential of Their Spaces

VergeSense is the leading Occupancy Intelligence Platform trusted by global enterprises to guide workplace decisions that optimize spaces, reduce costs, ensure sustainability, and improve employee experience.

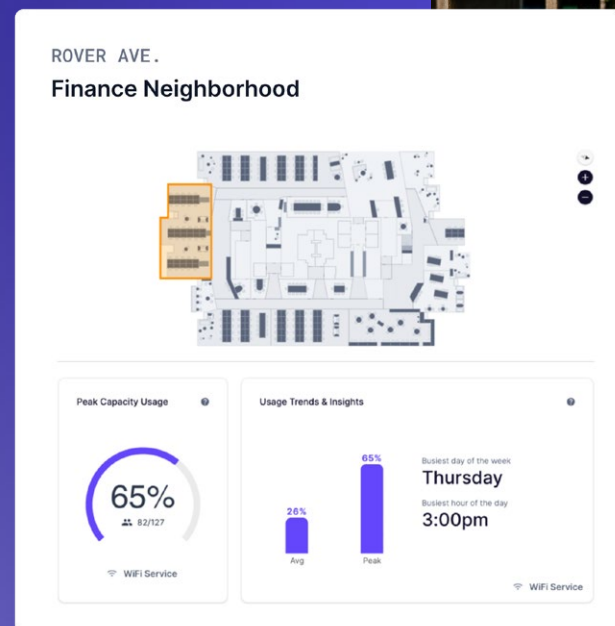
Through AI-powered recommendations to make decisions that build the foundation for flexible workspaces of the future, businesses leverage VergeSense to evaluate their portfolios, increase space availability, improve space design, conduct neighborhood planning, and automate office operations.

Over 200 enterprise customers like Cisco, Autodesk, and BP partner with VergeSense to optimize over 140 million square feet of real estate across 50 countries.

For more information, visit www.vergesense.com.



i Engineering desks have averaged 13% usage for the past 2 months.



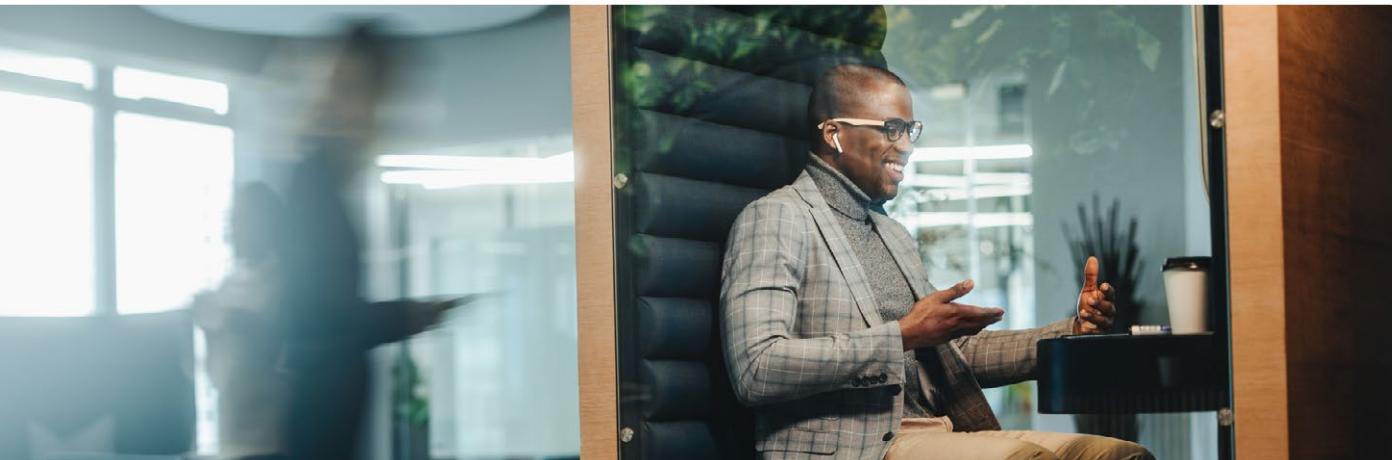


How Can Data Support Your Workplace Design Decisions?

Occupancy intelligence provides you a true understanding of how your office space is being utilized so you can make impactful optimization decisions. Our team of workplace experts are here to work with you to understand how your organization's occupancy stacks up against industry averages and trends.

Schedule a workplace strategy session with one of our experts. On this call, we'll:

- ✓ Review your priorities for the year
- ✓ Discuss benchmarks in your industry and region
- ✓ Walk through examples of VergeSense customers who have used occupancy intelligence to power their intelligent space design and optimize space usage



[SCHEDULE A SESSION TODAY](#)



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