

All work and no play ... doesn't work: Commercial real estate experts say office perks have become a recruiting tool as the economy has bounced back

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Jeremy Neuer, senior vice president, CBRE. - (AARON HOUSTON)

Talent-snatching takes a pingpong table, an indoor basketball hoop and a 401(k).

Though a job candidate might not rank benefits' importance in that order, Jeremy Neuer of CBRE's East Brunswick office said fun inclusions in an office are becoming more of a recruiting perk every day.

A senior vice president at the national commercial real estate firm, Neuer is as conversant about the challenges associated with current job recruiting as anyone.

“There's a war being waged right now for talent — it's something we're all aware of,” Neuer said. “And that war is being won by companies that provide a great experience, which begins with having a great work environment.”

Neuer spoke specifically of WorkWave, a flourishing cloud-based field service and fleet management solutions company that has been adding employees left and right. The company has many amenities — including that aforementioned pingpong table and basketball hoop — in its base in the brand new Bell Works in Holmdel.

“If someone were helping a company like WorkWave hire employees, if they didn't speak immediately of that space, they're doing a terrible job, and doing that company a disservice,” he said. “You have to use any advantage you've got to compete for the state's top talent.”

Anecdotal as it is, CBRE's office environment is the very first thing Neuer talks to people about when trying to get them to join his company.

As recently as the start of the Great Recession a decade ago, someone in his position might not have needed to pull out all the stops like that.

“When the economy went off the cliff, people were happy enough to just hold onto their job,” Neuer said. “But we're in a market now in which people are choosing where they work based on everything they can get out of it.

“It's much different than a mentality like I had coming out of college, which was to get a job and stay there forever — to be a Derek Jeter. Today's workers tend to be more like LeBron James.”

Another reason real estate has entered conversations around recruiting is the buzz surrounding the booming tech company campuses that have amenities around every corner.

A less-remote future

One trend the commercial real estate world grapples with when it comes to employee preference has to do with many workers not wanting to be in an office at all.

Jeremy Neuer of CBRE and Richard Gottlieb of Keystone Property Group are adamant that remote working options aren't going to replace the traditional office in toto.

Each of them individually brought up the example of IBM, one of the first and biggest proponents of remote work, deciding in March that it would be reversing its policy on remote work. The company's remotely working employees were called back into physical locations.

“And this is a company that sells tools for mobile working as part of their business platform,” Neuer said.

The real estate experts say remote work options might serve as a supplement to a company's office environment, which they believe has reasons to remain central.

“Google believes so much in accidental interaction that their managers have to walk through people they don't manage to get to the restroom,” Gottlieb said. “The trend seems to be encouraging people to interact in a way that fosters innovation, which isn't always possible remotely.”

“Facebook’s and Google’s campuses look a certain way,” Neuer said. “And I would say they’re doing something right, being these are some of the most successful businesses — and it’s where everyone wants to work.”

Of course, what he is chiefly speaking to is the courting of millennial workers.

Richard Gottlieb, chief operating officer and president at Keystone Property Group, said millennial employees are the most receptive to seeing a fun office as a reason to join a company.

“They like working in these cool spaces,” he said. “It’s something they tell friends about. It’s exciting, and it’s providing to them something more than just going into work every day.”

At the same time, the expectations of workers across all generations have gone up, forcing a reevaluation of space planning in commercial real estate.

“There were a number of years in which the industry was spending time fixing up lobbies and maybe the bathroom, and that’s all people expected,” Gottlieb said. “Now, you have offices being part of a company’s recruiting model, so the bar is higher.”

The commercial real estate industry long catered to a preference among business leaders for small-stakes amenities, such as small gyms or game rooms.

“So, originally, people were asking why are we doing this — because there was a trend of these additions just not being used by employees at all,” Gottlieb said. “The business owner wanted to have it there, and whether employees did didn’t factor in as much. We’re excited to see that people actually use these nowadays.”

Gottlieb agrees that there’s a good correlation between a company’s recruiting and the features it has in its workplace. He says that with the obvious proviso — not all companies will be able to afford adding expensive amenities to their office.

That’s not to say that all such features are expensive. In fact, losing a battle in the so-called talent war may prove more costly.

“Companies already know what it costs them to lose a talented person, and to hire and train someone new,” Neuer said. “Given that, enhancing employee experience seems much better to spend money on.”

