

More than 80% of CFO's view hybrid work as a cost saver, according to new data from IWG

Issued by [GO Content Lab](#)

30 Oct 2023

New data reveals CFO sentiment on current economic uncertainties and how they are saving on costs with the hybrid model





IWG, the world's largest provider of flexible workspaces and hybrid work solutions, revealed that 78% of CFOs are cutting costs because of ongoing economic uncertainties, and 81% see hybrid work as a top way to meet savings targets.

According to new findings from the *IWG CFO & Hybrid Work Survey*, hybrid work has rapidly increased in popularity over the last three years, and in today's economic landscape, the cost-related benefits will continue to accelerate its growth. The report highlights that moving to a shared office or co-working space, downsizing a company's owned space, or combining the two effectively reduces significant costs.

IWG founder and CEO Mark Dixon commented: *"Hybrid working helps businesses stay competitive and resilient, especially in times of economic uncertainty. The research shows that CFOs and business leaders are adopting hybrid working for many reasons. Not only does it support employee work-life balance and wellbeing, but it also provides a meaningful boost to a company's bottom line."*



Top takeaways of the IWG CFO & Hybrid Work Survey include:

- **CFOs feel the financial impact of the last year, and close to two-thirds believe we are in a recession**
 - Nearly all (92%) of CFOs surveyed said their company has been financially impacted by economic uncertainties and inflation over the past year, with 93% saying they have been significantly or somewhat impacted.
 - Two-thirds (66%) of CFOs surveyed think we are currently in a recession.
- **CFOs say hybrid working creates significant cost savings in the current environment and plan to embrace hybrid working for the long-term**
 - 81% of CFOs surveyed see hybrid working as a cost saver, and more than two-thirds (67%) of CFOs surveyed say their business will continue to work in the hybrid model, splitting time between the company's headquarters or local office/workspace and home in five years.
 - 74% are moving or actively looking to move to a shared office or flex space, and 64% have already reduced their space to accommodate hybrid work.
- **79% of survey respondents say CFOs act as decision-makers when it comes to office space decisions**
- **In addition to changing their office footprints as a cost-cutting measure, CFOs are also:**
 - Reducing new hires (54%)
 - Changing to a short-term lease agreement on office space (48%)
 - Reducing staff with layoffs (42%)
 - Reducing staff by not filling vacant roles (42%)

The report is the latest research from IWG, underscoring the company's commitment to sharing its wealth of insights and data on hybrid work.

IWG recently reported its half-year system-wide revenue — the highest ever reported for the 34-year-old company — grew 14% to a record £1.68bn (\$2.13bn) as the company continues its growth trajectory to meet the increasing demand for hybrid work through franchise and joint-venture partners. Since January 2023, IWG has added 612 locations to its global network and plans to add 1,000 more over the next year.

Research by Global Workplace Analytics also shows that hybrid working can save organisations an average of more than R200,000 per employee. Johannesburg alone recorded a higher percentage of office vacancies than the national average during the second quarter of 2023, as a sluggish economy resulted in reduced demand for space in the country's economic hub.

Most of IWG's new locations are planned in the heart of local communities, providing a workplace close to home, reducing the need for long commutes, and giving employees a better work-life balance and time to spend with their friends and families.

[Recent research](#) by Stanford University Professor of Economics Nicholas Bloom showed that "organised hybrid raises employee and firm productivity" as workers cited face-to-face collaboration (54%) and clearer boundaries between work and personal time (43%) as top benefits of working in person in a space provided by their employers. An earlier [National Bureau of Economic Research \(NBER\) study](#) by Professor Bloom found that adopting a work-from-anywhere approach yielded a 4% productivity gain.

About IWG

IWG is leading the workspace revolution. Our companies help millions of people and their businesses to work more productively. We do so by providing a choice of professional, inspiring and collaborative workspaces, communities and services. Digitalisation and new technologies are transforming the world of work. People want the personal productivity benefits of living and working how and where they want. Businesses want financial and strategic benefits. Our customers

are start-ups, small and medium-sized enterprises, and large multinationals with unique business goals, people and aspirations. They want workspaces and communities to match their needs. They want a choice.

Through our companies, we provide that choice and serve the whole world of work: Regus, Spaces, No18, Basepoint, Open Office and Signature. We create personal, financial, and strategic value for businesses of every size, from some of the most exciting companies and well-known organisations on the planet to individuals and the next generation of industry leaders. They all harness the power of flexible working to increase their productivity, efficiency, agility, and market proximity. Join us at www.iwgplc.com.

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