



NOW & NEXT

The State of Workplace

2025



Now & Next

Welcome to *The State of Workplace*, a strategic publication from Stantec that explores the evolving dynamics of work, space, and culture.

This report is the first in our annual series designed to illuminate the trends shaping the future of the workplace. The State of Workplace is grounded in data, enriched by design expertise, and driven by human insight.

The Now & Next issue explores emerging workplace themes, from cognitive diversity to hybrid culture, sustainability, and Gen Alpha readiness. It also reflects on the shifting nature of informal connection at the modern-day water cooler. Together, these insights reveal how today’s workplaces must evolve to foster performance, belonging, and resilience.

📷 Front Cover: Abbrdn Philadelphia, PA



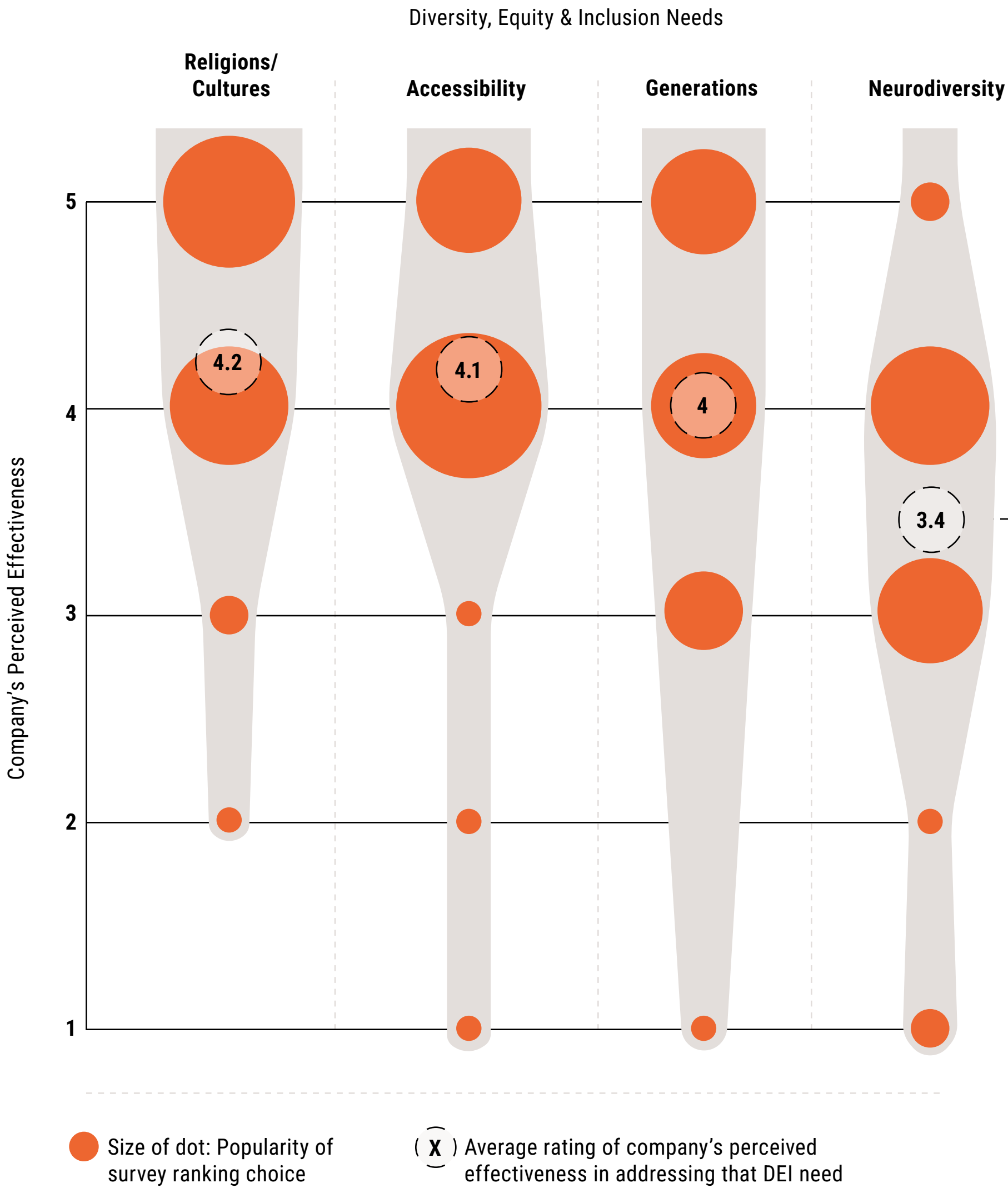
People power performance. Supporting cognitive diversity unlocks it

At the core of every organization’s success is its people—not just because they perform tasks, but because their thinking, creativity, and decision-making drive innovation, resilience, and growth.

Our Workplace Now and Next survey reveals that while organizations recognize the value of human potential, they often fall short in creating environments where individuals truly thrive. This isn’t just about having people in seats—it’s about how those people think, collaborate, and solve problems. In *Why Workplace Wellbeing Matters*, researchers Jan-Emmanuel De Neve and George Ward show that employee happiness and cognitive engagement directly correlate with productivity and financial performance. Their work reveals that how people feel and think at work shapes organizational outcomes.

To close this gap, we must invest in spaces, systems, and cultures that support diverse thinking, meaningful connection, and well-being. When people feel seen, supported, and empowered, the organization flourishes.

Company’s perceived effectiveness on Diversity Equity and Inclusion



People are the heart of an organization’s success—or failure¹. Companies that find themselves at the top... foster a culture that inspires innovation, dedication, and enthusiasm among employees². *Harvard*

“There’s still lower focus on neurodiversity compared to other inclusivity aspects. We need neuro-inclusive considerations to reduce anxiety and enhance peak performance and flow.”

Stephen Parker
Mental + Behavioral Health Planner

Action

To truly prioritize people, we must move beyond surface-level inclusion and **build systems that support how individuals think, process, and contribute**. This means designing workplaces that accommodate sensory needs, offer flexible collaboration zones, and foster cultures where cognitive outliers are not just included—but celebrated.

Technology has made hybrid work a strategic priority—but it’s also quietly fracturing culture.

What happened to Monday morning encounters at the water cooler? Small in-person interactions were the building blocks of workplace relationships, trust, and cultural cohesion.

Hybrid work has become the dominant model for many organizations, offering flexibility and autonomy—but creating a paradox. While employees feel more engaged with their *work*, they feel less connected to their *workplace culture*. This disconnection challenges the ability of the workplace to foster belonging.

Are water cooler moments relevant in today’s hybrid world? The human desire for connection remains as strong as ever, but the mechanisms that once made it effortless have vanished. Enter the modern water cooler—not a fixture, but a philosophy. The modern water cooler is designed for the “in-betweens”—those spontaneous, authentic moments that emerge not from mandates, but from intentional space planning and user experience.

80%

Eighty percent of survey participants said that their company has a hybrid workplace strategy

96%

Ninety-six percent of respondents agreed that technology has influenced their company’s culture

76%

Seventy-six percent of respondents expect AI to reshape workplace policies within five years, but only 43% feel their organization is prepared to integrate AI in ways that support diverse working styles

Workplace Engagement & The Impact of Technology

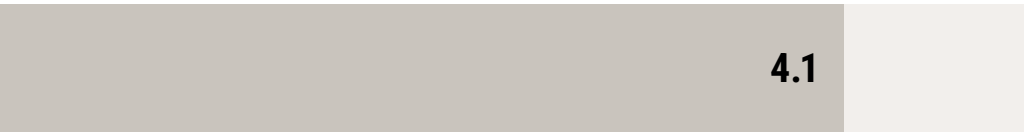
0: Strongly Disagree Strongly Agree: 5



Do you feel your employees are engaged in their work?



Are your employees engaged in the office workplace culture?



Has technology influenced your company’s real estate strategy?



Do you feel that AI will change the physical design of the workplace environment?



Do you feel your company’s workplace strategy is effective?



Do you feel your workplace strategy creates productivity amongst employees?

Workplace Engagement Impact of Technology
X.X Average of all survey answers

Technology: Connector and Divider Research from MIT¹ and Harvard² shows that remote workers experience fewer spontaneous interactions, which are essential for building trust and social capital. Meanwhile, the American Psychological Association reports that loneliness has surged among remote workers, with 61% saying they feel less connected to their colleagues³.

“Balancing technology use with opportunities to unplug is essential. Employees need moments to disconnect and reset.”

Stephanie Wood US Workplace Strategy Leader

Action

According to Gallup⁴, employees who feel connected to their organization are 3.5 times more likely to be engaged at work. To bridge the gap between autonomy and connection, organizations should:

- **Curate hybrid rituals** that reinforce shared purpose—like virtual onboarding ceremonies, hybrid team huddles, and culture-focused offsites.
- **Empower cultural stewards** to lead connection initiatives and welcome new hires.
- **Design inclusive tech ecosystems** that support equitable participation and don’t replace—but complement—human interaction.
- **Invest in hybrid collaboration spaces** that allow both in-person and remote participants to engage fully.

Demand for authentic environmental alignment is rising.

Organizations have a clear opportunity to gain a competitive advantage by strengthening workplace strategy to align more closely with employee environmental values.

Our survey data shows that employees place high personal importance on sustainability and climate change, and they rate their organizations’ sustainability policies and initiatives positively, indicating a strong foundation and shared values.

Cities are placing increasing emphasis on both decarbonization and people-centric planning. Yet many organizations are still not operating at that level. Bridging this gap requires bold investment in spaces, systems, and cultures that reflect not only environmental responsibility but also human potential.

In what ways, if it all, does sustainability play a role in your workplace?

Does your company have any specific policies or codes of conduct related to sustainability or social impact?



Are there any sustainability initiatives that are currently being implemented?

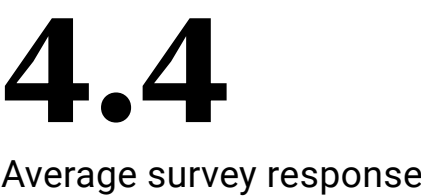


Are there any current corporate goals for 2025–2030 that are underway?

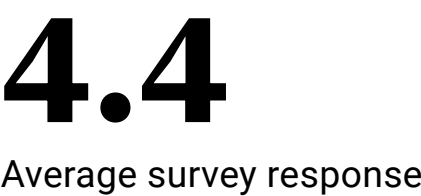


Percentages reflect average of all survey answers collected

On a scale of 1 to 5, how important is sustainability to you?



On a scale of 1 to 5, how concerned are you about climate change?



Research consistently shows that sustainability-focused workplace design drives measurable business benefits:

1,300

Capgemini’s research shows that over 1,300 organizations plan to increase sustainability investments in the next 12–18 months¹

80%

80% of Gen Z workers seek jobs that reflect their values, in which sustainability is a key factor²

“LEED is evolving beyond sustainability to embrace broader themes like quality of life, decarbonization, resilience, well-being, health, and equity—making it more aligned with the priorities shaping today’s built environment.”

Rachel Fitzgerald
Lighting Practice Leader

Action

Expand the implementation of sustainability initiatives—especially those that directly impact the employee experience.

By embedding authentic sustainability into workplace design and operations, organizations can unlock:

- Deeper engagement and loyalty
- Improved productivity and innovation
- A powerful edge in the competition for talent and market leadership

This isn’t just about compliance—it’s about creating environments where people thrive, values align, and business grows.

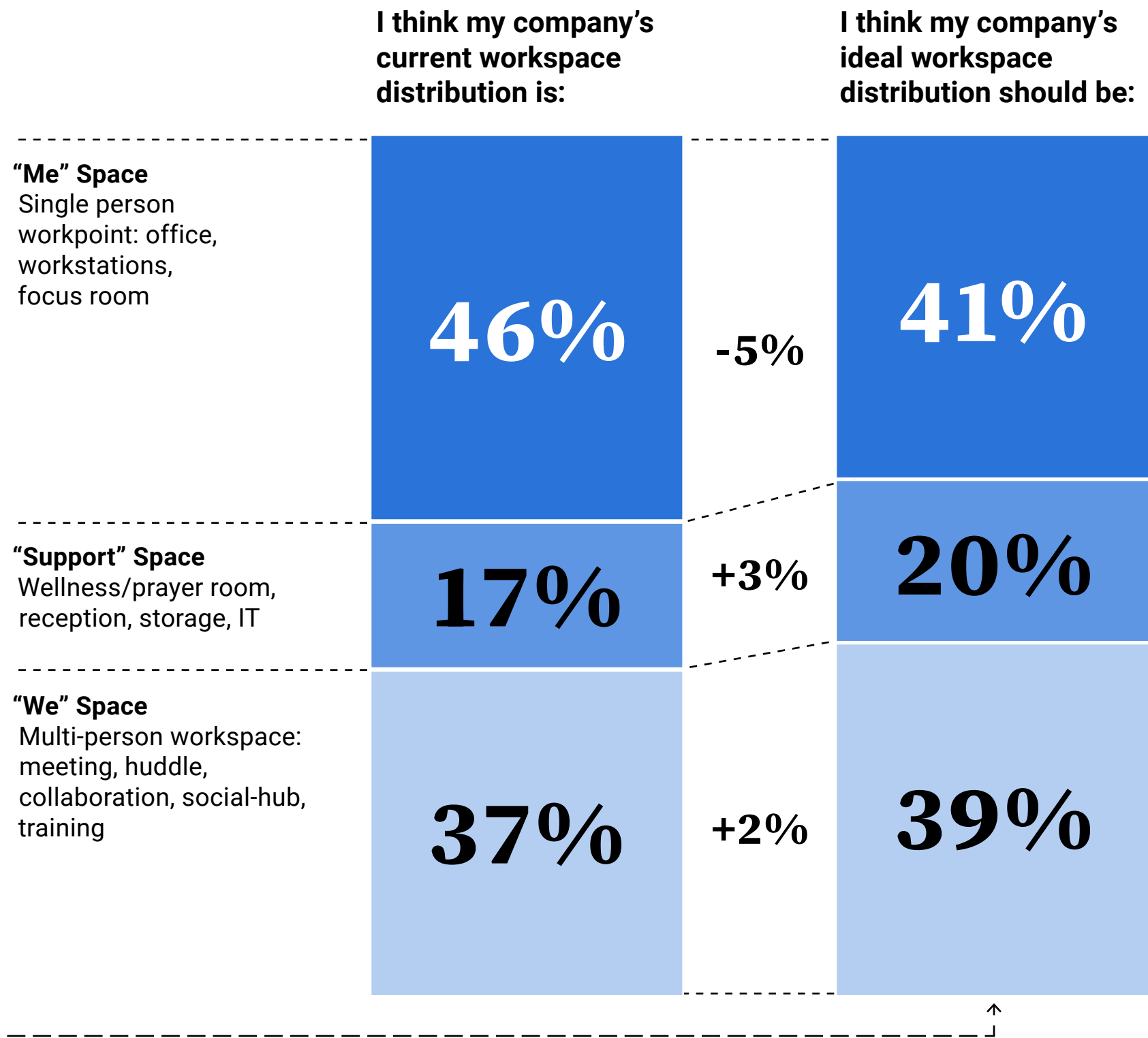
The shift toward “We” space is accelerating—but overlooking types of spaces needed will undermine performance

Executive leaders are indicating a shift toward increasing “we” space, recognizing that collaboration and connection are essential for hybrid work.

Simply adding more collaborative areas, especially open-plan spaces, will not address the needs of today’s workforce. Our Now & Next survey shows organizations are moving toward a more even balance of “me” and “we” space, but leaders and employees alike emphasize the need for enclosed, tech-enabled “we” spaces that support hybrid meetings and focused teamwork.

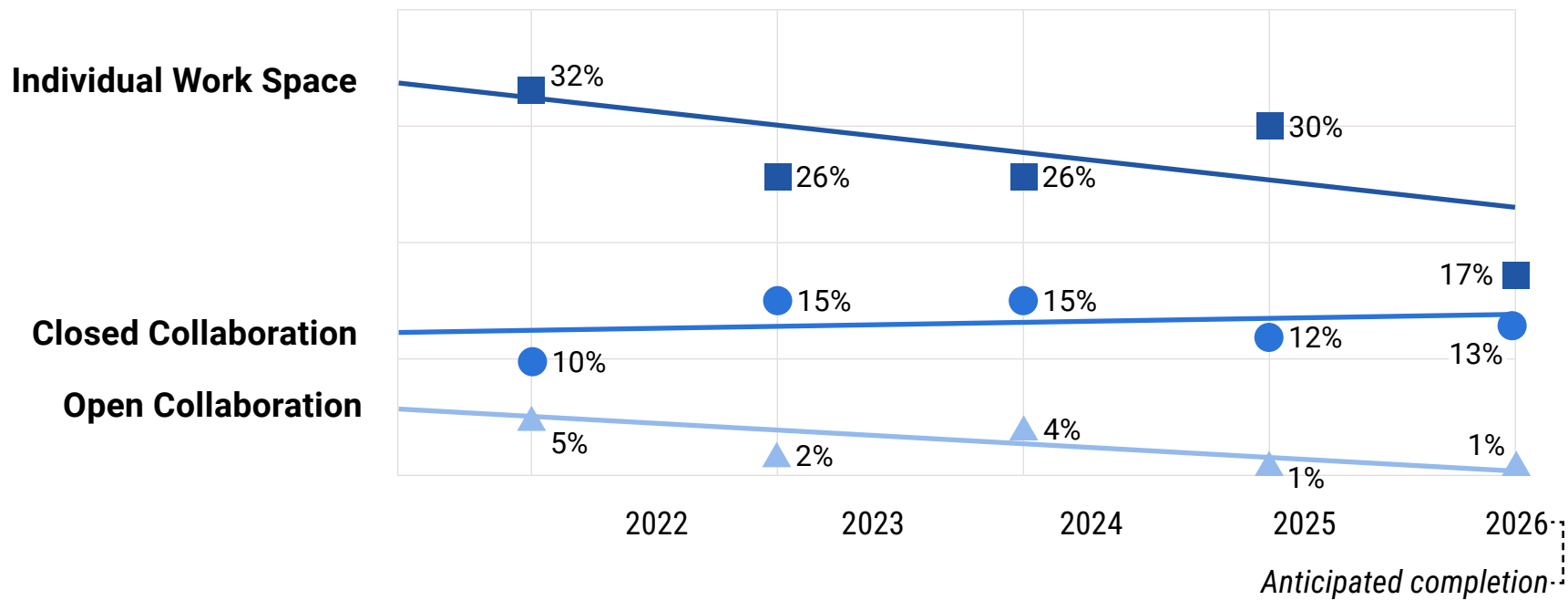
Recent research confirms that open offices are increasingly misaligned with the demands of hybrid work and are associated with higher distraction, lower perceived productivity, and reduced ability to focus—especially when hybrid meetings are involved.¹ As hybrid meetings become the norm, employees need enclosed, tech-enabled “we” spaces that allow both in-person and remote participants to engage equally.

Now & Next Survey: Current/ideal distribution of workspaces



Trends in work space needs
Data source: Stantec benchmarking

Percentages are out of the total usable square footage (USF)



“I think open office will wane and industry will trend back towards individual spaces.”

Direct quote from *The State of Workplace Now & Next* survey

Action

- **Prioritize enclosed, hybrid-ready “we” spaces.** Move beyond open-plan layouts and invest in enclosed collaboration zones equipped with reliable technology and acoustic privacy, and environmental controls to support hybrid meetings and focused teamwork.
- **Avoid the open-plan trap.** Resist defaulting to open office layouts that increase distraction and reduce participation. Instead, create spaces that foster inclusion, focus, and meaningful connection.
- **Redefine focus spaces.** Support cognitive engagement by making them quiet, tech-enabled, and adaptable—ensuring they serve diverse working styles.

Organizations that default to open office layouts and overlook the need for enclosed, hybrid-ready “we” spaces risk creating environments where employees are easily distracted, struggle to focus, and can’t fully participate in hybrid meetings. Without environmental control—like privacy, acoustics, and reliable tech—engagement drops, stress rises, and collaboration suffers. This can lead to lower productivity, reduced satisfaction, and challenges in attracting and retaining top talent.

When workplaces adapt, people thrive-and organizations excel.

Modern work demands presence—not just physical, but cognitive.

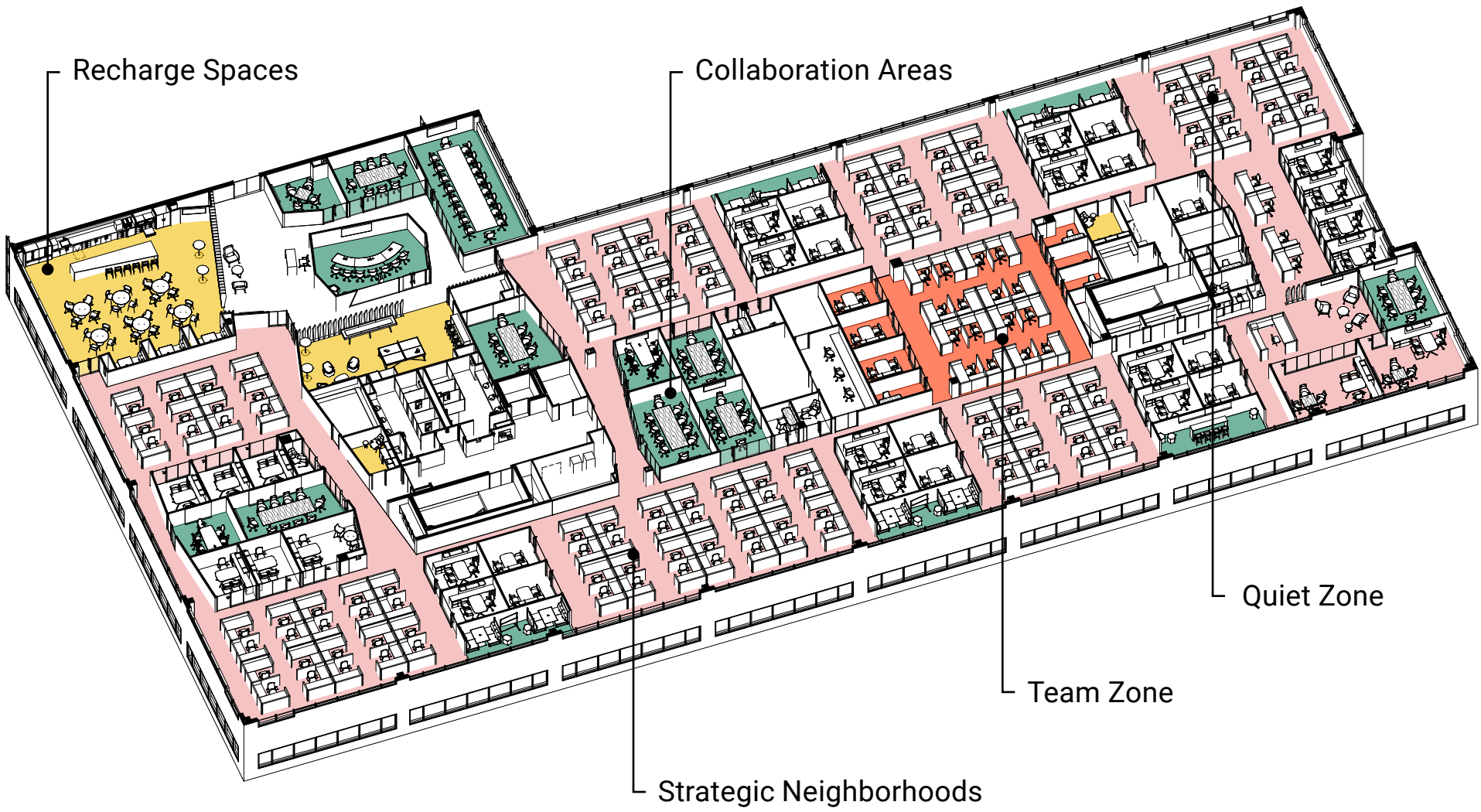
In an era of constant multitasking, employees seek environments that allow them to be fully engaged in the moment. This means designing spaces that don’t require people to always “go somewhere else” to meet their needs but instead adapt fluidly to support a range of tasks, moods, and interactions.

Survey data provides compelling evidence that organizations are missing the most important elements of workplace wellness by focusing on standardized features rather than the personalization and choice that employees prioritize. More revealing is our finding that employees identify policy flexibility, team dynamics, and respect for individuality as the most important wellness factors, yet our workspace distribution data shows a fundamental misalignment: current workplaces are dominated by individual “ME space”, but employees desire more balanced environments with effective collaborative “WE space.” **This suggests that organizations are designing for assumed individual preferences rather than the actual collaborative and choice-driven needs that employees express.** As wellness evolves from optional perks to core infrastructure, it becomes a decisive factor in talent attraction, retention, and overall organizational performance.

Adaptive systems approach: The most successful organizations create *adaptive workplace ecosystems*. These systems don’t treat wellness, sustainability, technology, and cognitive diversity as competing priorities. Instead, these thoughtfully designed environments evolve with changing needs, accommodate individual differences, and integrate multiple organizational objectives. In adaptive ecosystems, personalization and choice become organizing principles for future workplace design. They support the full spectrum of human potential. And they enable organizations to attract and retain talent in increasingly competitive markets.

Implementation gap

Most common office wellness offerings don’t align with employees’ highest priorities. See below for the top three offerings/priorities ranked from 1-10.



Action

- **Design for adaptability:** Create spaces that shift seamlessly between focus and collaboration, supporting diverse cognitive and emotional states.
- **Integrate personalization:** Offer intuitive controls for lighting, temperature, and layout to empower individual comfort and productivity.
- **Elevate wellness from amenity to infrastructure:** Treat wellness not as a perk, but as a strategic asset that drives engagement, retention, and performance.
- **Support autonomy** through flexible work arrangements, personalized schedules, and choice in work environments.

The next unknown: Why future generations belong in today’s workplace strategy

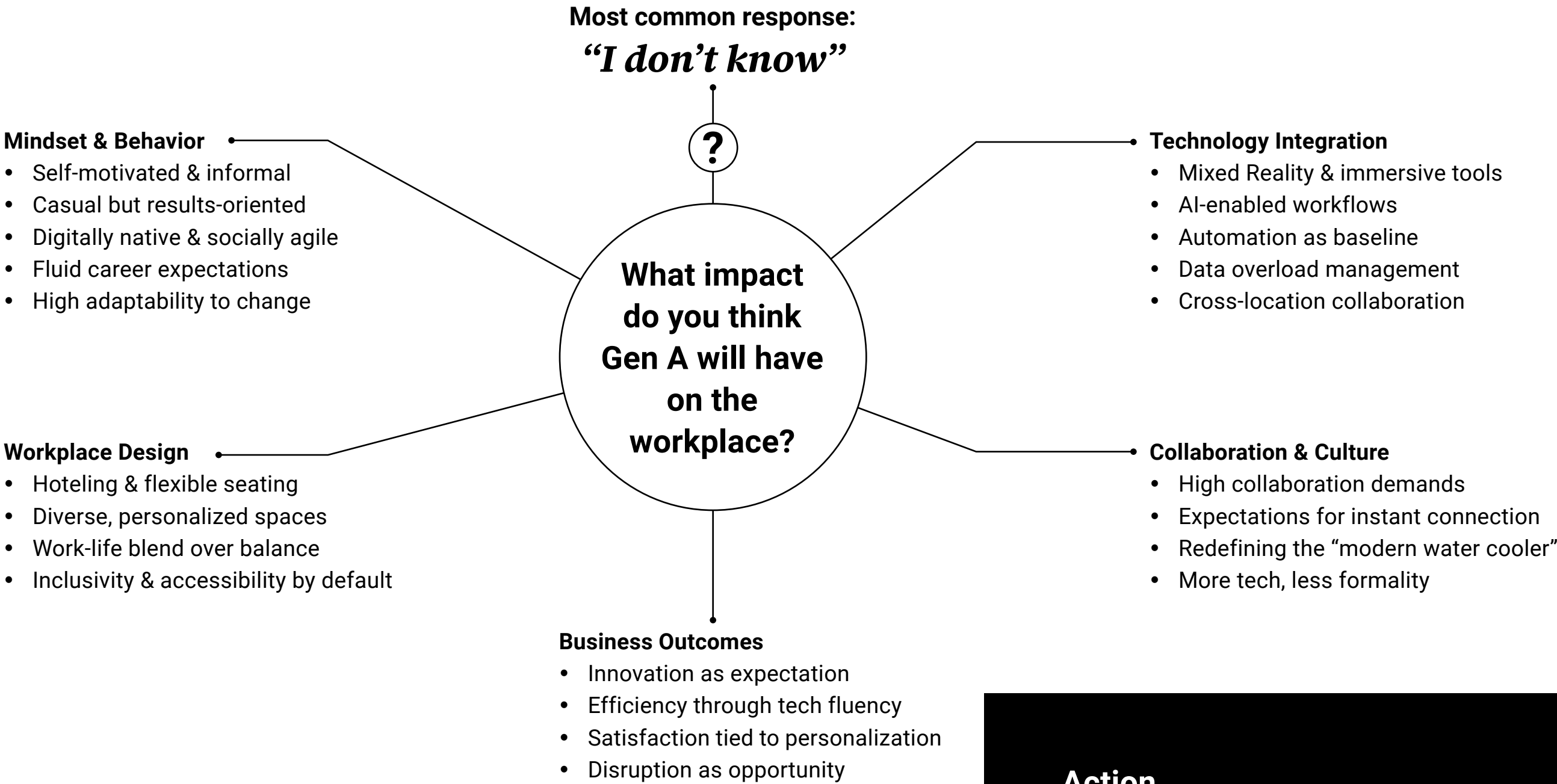
Consider this: Gen A will be entering the workforce in the next 10 years—are you ready for it? Currently, many organizations feel this generation is still “too young to consider.”

Survey results indicate that Gen Alpha will have a profound impact on the future workplace, particularly in areas of technology, innovation, and mixed reality. As our research team noted, “We were talking about adding the VR space in our office because if we don’t, we’re going to get left behind...”—a reflection of the growing urgency to integrate immersive tech and AI-enhanced personalization into workplace design.

But despite this confidence, a significant unknown remains. Organizations are still grappling with how to prepare for a tech-native generation that values **authentic human connection, mental clarity, and purpose-driven environments**. As Stephanie Wood and Jennifer Nye wrote in Workplace Design

Magazine, “This generation’s comfort with technology doesn’t negate their need for belonging—it redefines it.”

These insights reinforce a critical shift: future generations expect workplaces that balance **digital fluency** with **emotional and cognitive wellness**. Planning for Gen Alpha isn’t about predicting the future, it’s about being ready for it. Future generations will expect workplaces to balance digital fluency with emotional and cognitive wellness, making them essential to today’s strategy, not tomorrow’s problem.



“Gen Alpha may be tech-native, but they also recognize the need to disconnect and reset.”

Amy Holzle
Higher Education Leader

“Companies that align workplace strategy with evolving generational expectations are more likely to outperform peers in engagement, innovation, and retention.”

Deloitte’s 2024 Global Human Capital Trends report¹

Action

- **Organizations must expand their planning horizon** beyond immediate needs and begin integrating future generational insights into workplace strategy now. Those that act today will be better positioned to attract, engage, and retain the talent that will shape what’s next.
- **Organizations should balance immersive tech with human-centric design.** While Gen Alpha is tech-native, they value authentic connection. Workplace strategy should blend immersive technologies with spaces that foster belonging and purpose

Evolve with Purpose: Strategies for Now and Next

Quick Wins

Low-cost, immediate actions

- Reconfiguring Hybrid Spaces**
Transform underused rooms into tech-enabled collaboration zones with privacy and environmental controls.
- Hybrid Rituals Introduction**
Intentionally create the modern water cooler moment, sustained shared behaviors and routines that foster connection and belonging.
- Empowering Cultural Stewards**
Identify ambassadors to lead connection initiatives and welcome new hires.
- Support Cognitive Diversity**
Design systems and spaces that accommodate sensory needs, enable flexible collaboration, and celebrate diverse ways of thinking.
- ★ Sustainability Policies**
Publish policies, track goals and implement actions like reducing paper waste and zero waste break rooms.

■ Insight 1: People matter most

● Insight 2: Technology vs. Culture

★ Insight 3: Authenticity & Sustainability

■ Insight 4: “We” space

▲ Insight 5: How organizations excel

● Insight 6: Generation Alpha

Enhancements

Moderate investment, strategic alignment

- Diversify focus spaces**
Support cognitive engagement by redefining focus areas: Create tech-enabled, adaptable spaces to sensory-rich work cafes that support your workplace ecosystem.
- ▲ Integrating Wellness Infrastructure**
Embed wellness into workplace strategy through recharge spaces, flexible workplace policies, and supportive team dynamics.
- ★ Sustainability and Adaptability**
Implement biophilic design, healthy building standards, and create multipurpose spaces for focus and collaboration.
- Boost your ROI through Inclusive Environments**
Prioritize lighting upgrades as part of a multi-benefit strategy that supports energy efficiency, personal comfort and cognitive diversity.
- Design inclusive tech ecosystems**
Complement—rather than replace—hybrid interaction by configuring furniture, audio, and visual technologies to support equitable participation

Investments

Transformational, foundational shifts

- Hybrid-Ready Collaborative Spaces**
Invest in enclosed collaboration zones equipped with reliable technology and acoustic privacy, and environmental controls to support hybrid meetings and focused teamwork.
- ★ Align Corporate Responsibility**
Make a bold investment in authentic sustainable actions, practices and policies. Invest in renewable energy, electric vehicle charging, embark on green procurement policies.
- ▲ Personalized Work Environment**
Provide intuitive controls for lighting, temperature, and layout to empower individual comfort and productivity in support of the adaptive workplace ecosystem.
- Generational Workplace Design**
Integrate immersive technologies with spaces that foster belonging and purpose to meet Gen Alpha and Gen Z needs, blending digital fluency with emotional and cognitive wellness.
- Design for Evolution**
Design spaces with modular grids and flexible utility systems to adapt seamlessly to changing physical, digital, and cultural-creating an environment where belonging and purpose are not static ideals, but living systems.

2025 The State of Workplace Contributors



Angie Lee
Global Office/Workplace Sector Leader *Chicago, IL*
Angie is recognized for her award-winning design leadership and vision in shaping high-performance, future-ready work environments.



Jennifer Nye
Workplace Consulting Leader *Philadelphia, PA*
Jennifer is an industry-leading workplace strategist known for crafting human-centered environments aligning with the organizational performance.



Stephanie Wood
US Workplace Strategy Leader *Denver, CO*
Stephanie leads workplace strategy, shaping future-ready environments through data-driven design and deep client insight.



Rachel Fitzgerald
Lighting Practice Leader *Denver, CO*
Rachel leads the practice with a focus on delivering high-quality lighting that enhances experiences and promotes wellbeing.



Katie Formoso, PE
Office/Workplace Repositioning Leader *New York, NY*
Katie is an engineering principal with design and project management expertise in commercial infrastructure and workplace projects.



Amy Holzle
Higher Education Leader *Plano, TX*
Amy is known for translating emerging trends—like Gen Alpha’s evolving expectations—into inclusive, future-ready campus environments.



Stephen Parker
Mental + Behavioral Health Planner *Arlington, VA*
Stephen advocates for neuroinclusive design with sensory-enabled architecture.

About Now & Next: Sources and Additional Reading

Who Participated

Our survey reached a broad spectrum of organizations—from emerging ventures to global enterprises—spanning sectors such as life sciences, education, healthcare, technology, and professional services. Respondents included executives, HR leaders, workplace strategists, and employees at all levels, offering a wide variety of perspectives.

These diverse insights are not only representative but also actionable—relevant to both niche teams and enterprise-wide initiatives.

How We Gathered Insights

The findings in this report are drawn from four primary sources:

- Surveys conducted across market sectors and geographies, capturing the lived experiences and expectations of employees and leaders
- Benchmarking data comparing organizational strategies and spatial metrics across industries
- Third-party research including publications by peer organizations, industry benchmarks, and miscellaneous published research, offering broader context and validation
- Architecture and design perspectives from strategists, problem solvers, analysts, and thought leaders who shape the built environment every day

 Click insight titles to return to page

Insight 1: People power performance

1. Charan, R. (2022). What Defines a Successful Organization? [Harvard Business Review](#).
2. De Neve, J.-E., & Ward, G. (2021). Why Workplace Wellbeing Matters. Harvard Business Review Press

Additional Reading

- University of Oxford research shows one-point increase in employee happiness correlates with \$1.39-2.29 billion annual profit increase (McKinsey Health Institute, January 2025)
- Low employee engagement costs global economy \$8.9 trillion annually (9% of global GDP) (Gallup State of Global Workplace 2024)
- Only 23% of employees worldwide report being engaged at work (Gallup State of Global Workplace 2024)
- Depression and anxiety cost global economy \$1 trillion annually through reduced productivity (WHO Mental Health at Work)
- Organizations prioritizing human-centered approaches see ROI up to 800% through higher productivity and reduced turnover (Spill Mental Health Statistics)
- Why Your Teams Aren’t Clicking: The Neurodiversity Factor | Psychology Today

Insight 2: Technology vs. Culture

1. Deal, J. J., & Levenson, A. (2022). Figuring out social capital is critical for the future of hybrid work. [MIT Sloan Management Review](#).
2. Bloom, N., Barrero, J. M., Davis, S., Meyer, B., & Mihaylov, E. (2023). [Research: Where managers and employees disagree about remote work](#). Harvard Business Review.
3. American Psychological Association. (2023). [Work in America survey: Workplace health and well-being](#).
4. Gallup. (2024). Employee engagement. [Gallup](#).

Additional Reading

- McKinsey: “Sustaining inclusion in our new remote work environment” – Explores how remote work can erode inclusion and belonging, and offers strategies for rebuilding team dynamics and inclusive culture
- Harvard Graduate School of Education: “What is Causing Our Epidemic of Loneliness and How Can We Fix It?” – Links remote and hybrid work to rising loneliness and outlines demographic trends and potential remedies
- Stanford Institute for Economic Policy Research: “The Evolution of Working from Home” – Highlights productivity challenges and cultural barriers in remote work environments
- World Economic Forum: “Gen Z is driving change in the multigenerational workforce” – Emphasizes Gen Z’s role in tech-enabled transformation and their expectations for innovation and inclusion

Insight 3: Demand for authentic environmental alignment

1. McKinsey & Company. (2023). [Diversity matters even more: The case for holistic impact](#).
2. Pomies, P. (2025, February 13). [Employers can meet Gen Z’s expectations in 2025](#). Employee Benefit News

Additional Reading

- Capgemini Research Institute. (2025). [A world in balance 2025: Unlocking resilience and long-term value through environmental action](#).
- Reynolds, A., & Lewis, D. (2017, March 30). [Teams solve problems faster when they’re more cognitively diverse](#). Harvard Business Review.
- Wang, G. (2025). [Corporate sustainability and employee engagement: Fostering a green workplace culture](#). Journal of Lifestyle and SDGs Review (5).

Insight 4: Me Space vs. We Space

1. Leesman. (2023). [Leesman Futures: The Office Event](#).

Additional Reading

- Tang, J. C., Inkpen, K., Junuzovic, S., Mallari, K., Wilson, A. D., Rintel, S., Cupala, S., Carbary, T., Sellen, A., & Buxton, W. A. S. (2023). [Perspectives: Creating Inclusive and Equitable Hybrid Meeting Experiences](#). Proceedings of the ACM on Human-Computer Interaction, 7(CSCW2), Article 351.
- IWG plc. (2024). [The Future of Work: A Trends Forecast for 2024](#).
- Butler, J., Jaffe, S., Baym, N., Czerwinski, M., et al. (2023). [Microsoft New Future of Work Report 2023. Microsoft Research](#).

Insight 5: When workplaces adapt, people thrive

Additional Reading

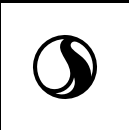
- Phillips, W., Dufresne, E., Hafner, M., Stepanek, M., Kotzen, D., Subel, S., & van Stolk, C. (2022). [Employee Wellbeing, Work Behaviours and Work Outcomes in a Hybrid Work Context. RAND Corporation](#).
- Corporate Wellness Magazine. (2023). [The Impact of Workspace Personalization on Employee Wellness](#).
- Adams, N., Allen, R., & Ojukwu, E. (2019). [Workplace Redesign: Current Trends, Challenges, and Opportunities](#). SHRM CAHRS White Paper.

Insight 6: The next unknown

1. Deloitte. (2024). [2024 Global Human Capital Trends: Thriving beyond boundaries](#). Deloitte Insights

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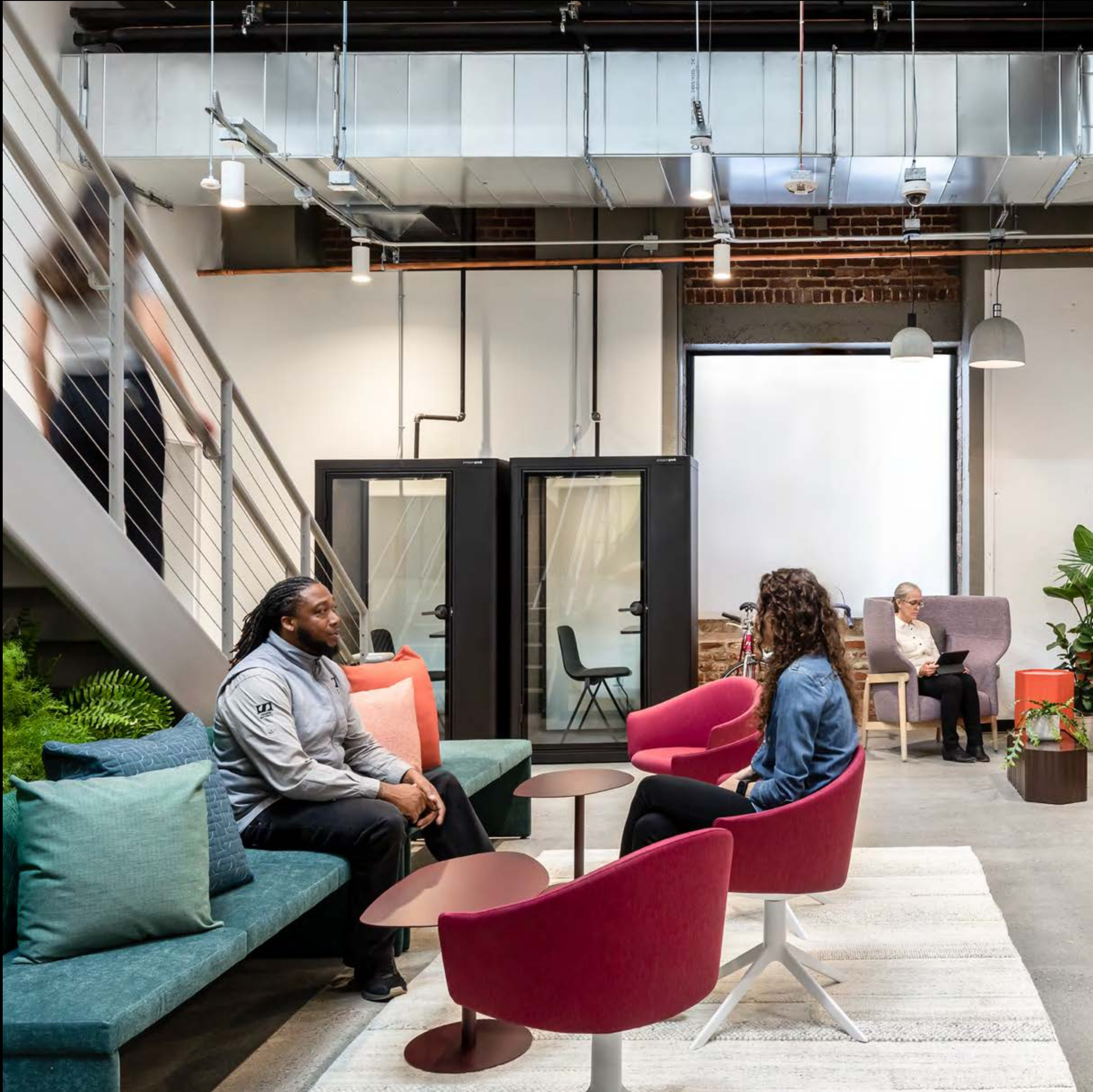
- Gartner: “6 Ways the Workplace Will Change in the Next 10 Years” – Forecasts shifts in work modalities and the growing influence of younger generations on workplace design and policy
- Forbes: “8 Assumptions About Gen Z Employees—And Why They’re Incorrect” – Details Gen Z’s desire for purpose-driven work, psychological safety, and integration of values into daily tasks
- Teitelbaum, A. (2025, February 27). [The Future of Work is Personal: How AI is Reshaping Employee Experience](#). SHRM.
- Pontefract, D. (2024, April 17). [It’s Time for Leaders to Embrace Digital Wellness](#). Forbes.



The State of Workplace

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CULTURE · PERFORMANCE · SPACE · EXPERIENCE

**Improving
work through
the power of
design**

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