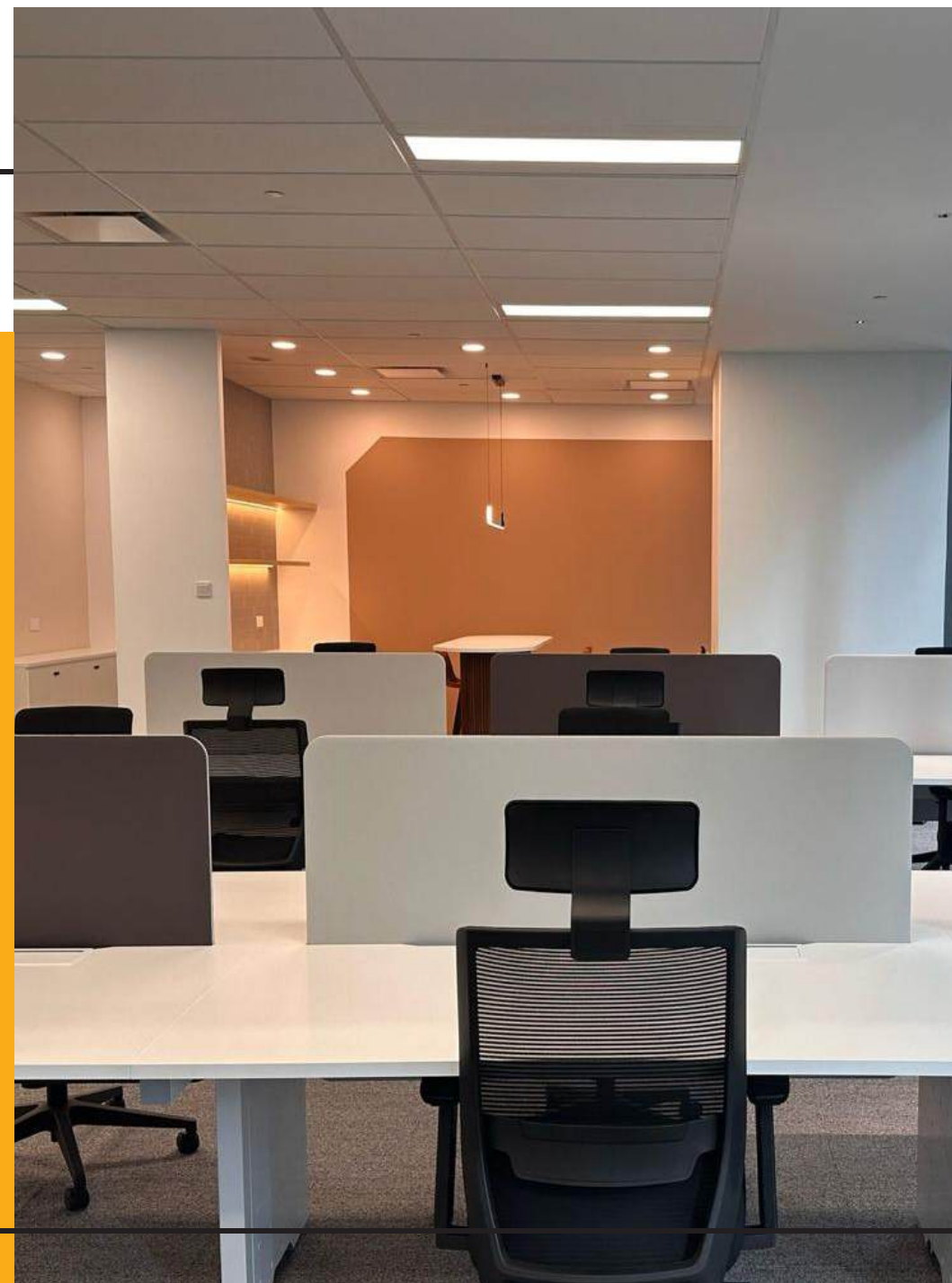




## THE HYBRID WORK DILEMMA: HOW TO RIGHT-SIZE YOUR SINGAPORE OFFICE SPACE

The way we work has fundamentally changed. The rigid 9-to-5, five-days-a-week office model has been dismantled, replaced by the fluidity of hybrid work. For business leaders and office managers in Singapore, this shift presents a critical dilemma: How much office space do we actually need?

Sticking with a large, underutilised lease is a costly drain on resources. But downsizing too aggressively can stifle collaboration and company culture. The solution lies in a strategic, data-driven approach to "right-sizing" your office—creating a space that is both cost-effective and purpose-driven.



This guide will walk you through the steps to find that perfect balance for your Singapore-based organisation.

## WHY RIGHT-SIZING IS NON-NEGOTIABLE IN TODAY'S MARKET

Singapore's commercial real estate is premium. Every square foot counts, and an inefficient space directly impacts your bottom line. Beyond cost, the modern office is no longer just a place for individual work. It has evolved into a hub for collaboration, culture, and connection.

A right-sized office isn't just a smaller one; it's a smarter one. It's designed to support how your team actually works today, leading to:



### **Significant Cost Savings:**

Reduce rent, utilities,  
and fit-out costs.



### **Enhanced Employee Attraction & Retention:**

A modern, flexible workspace  
is a powerful perk.



### **Increased Productivity & Innovation:**

Spaces designed for  
specific tasks help  
employees do their  
best work.



### **Future- Proofing:**

Agile spaces can adapt  
to your company's  
evolving needs.



# THE DATA-DRIVEN GUIDE TO RIGHT-SIZING YOUR OFFICE

Moving from a reactive to a proactive real estate strategy requires evidence, not guesswork. Follow these four steps to make an informed decision.

## Step 1:

### Gather and Analyse Utilisation Data

Before you can decide on your future space, you must understand your current one. How is your existing office actually used?

#### Track Attendance Patterns:

Use badge-swipe data, desk booking software, or simple weekly surveys over a 2–3 month period. Identify patterns:

- What are the busiest and quietest days of the week?
- Which teams come in together?

#### Conduct a Space Audit:

Physically walk the floor at different times. How many desks are occupied? How are meeting rooms used? Are some areas constantly empty while others are overcrowded?

#### The Key Metric: Peak Concurrent Attendance.

Your goal is not to have a desk for every employee, but for every employee who is in the office on your busiest day. If your data shows you never have more than 60% of your staff in the office at once, a traditional 1:1 desk ratio is financially wasteful.

## Step 2:

### Redefine the Purpose of Your Office

With data in hand, ask the fundamental question:

**What is our office for?**

The answer will dictate your design. If your data shows employees come in primarily for focused collaboration and team meetings, your space should reflect that.

#### From a Sea of Desks to an Ecosystem of Spaces:

Shift your floor plan from a high density of assigned desks to a mix of purpose-built zones. A modern right-sized office might include:

- **Collaboration Zones:** Open areas with whiteboards, comfortable seating, and monitors for impromptu brainstorming.
- **Focus Pods:** Sound-proofed booths for deep work or private calls.
- **Hot Desks & Touch-down Stations:** Unassigned desks for employees who are in occasionally.
- **Social & Amenity Spaces:** A quality pantry or café area that encourages the informal interactions crucial for culture.



### Step 3:

## Calculate Your New Space Requirements

This is where the data transforms into a real estate strategy.

### The Core Formula:

Peak Concurrent Staff x Space per Person (in new model)  
= Required Usable Area

### Traditional Model (Pre-Hybrid):

- Desk-to-person ratio: 1:1
- Space per person: ~80-100 sq ft (including circulation and shared spaces)

### Modern Hybrid Model:

- Desk-to-person ratio: 1:1.5 to 1:3 (depending on how remote your team is)
- Space per person: ~50-70 sq ft (by replacing rows of desks with efficient shared zones)

### Example Calculation:

A company with 100 employees discovers its peak in-office attendance is 60 people on Tuesdays and Wednesdays.

- **Traditional Need:** 100 people x 90 sq ft = 9,000 sq ft
- **Right-Sized Need:** 60 peak staff x 65 sq ft = 3,900 sq ft

**Result:** A potential **space reduction of over 50%**, translating to massive savings on rent in a market like Singapore.

### Step 4:

## Explore Flexible & Cost-Effective Solutions

Singapore's real estate market has evolved to meet hybrid work demands. Consider these options:

1.

**Core & Flex Model:** Maintain a smaller "core" traditional office for your essential teams and anchor functions. Supplement with flexible workspace memberships (e.g., at WeWork, JustCo, IWG) for other teams, providing access to meeting rooms and day offices across the island without the long-term lease commitment.

2.

**Activity-Based Working (ABW) Fit-Out:** Invest in a fit-out that fully embraces the "ecosystem of spaces" model, maximising the utility of every square foot you lease.

3.

**Managed Offices:** Opt for a fully serviced and furnished office where the provider manages all fit-out, maintenance, and utilities. This offers flexibility and reduces capital expenditure.





# NAVIGATING THE SINGAPORE-SPECIFIC CONSIDERATIONS

Right-sizing in Singapore comes with unique local factors.

## **The Stamp Duty Implication:**

Downsizing may mean breaking your old lease and signing a new one. Remember that stamp duty is payable on lease documents, calculated at 0.4% of the total rent over the lease term. Factor this one-time cost into your business case.

## **The Security Deposit:**

You will need to provide a cash security deposit (typically 1-3 months' rent) for your new, right-sized space. Ensure you have a plan for the release of the deposit from your previous, larger office.

## **GST on Rent:**

Remember that a 9% GST (as of 2025) is applicable to all rental payments. This is a recoverable cost for GST-registered companies.

## **Conclusion:**

**From Real Estate Cost to Strategic Asset**

The hybrid work model is not a temporary trend; it is the new paradigm. The businesses that will thrive are those that see their office not as a fixed overhead, but as a dynamic tool for growth.

Right-sizing is the process that aligns your physical space with your operational reality. By embracing a data-driven approach, you can transform your Singapore office from a costly dilemma into a powerful, strategic asset that fuels collaboration, supports your people, and drives your business forward.

**Ready to right-size?** Start by tracking your office utilisation this week. The data you collect is the first step toward a smarter, more agile, and more profitable future.



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