

ARTICLE | Adaptive Spaces

The Hybrid Reality: Why the Office Is More Important Than Ever



Part 1 of our 2026 Global Workplace
& Occupancy Insights series

Introduction

The workplace is undergoing a profound transformation, with the office reimagined as a dynamic hub for connection, collaboration and community. The widespread adoption of hybrid work has catalyzed this shift, compelling organizations to adopt proactive strategies that optimize space, drive cost savings and elevate the employee experience. Drawing on the latest data and trends from the 2026 Global Workplace Occupancy Benchmarking program, this article explores how hybrid work is reshaping the office landscape, the challenges organizations face and the metrics that matter most in this new reality.

Access our [Office Occupancy Management Benchmarks Dashboard](#) for more benchmarking data.

Metrics That Matter

We are back.... almost. The Return-to-Office does not look like before, as hybrid models drive utilization.

The global average building utilization rate has dramatically increased to 53%, its highest since before March 2020. This is a significant jump from 38% in 2024 and 35% in 2023, and it's approaching utilization of more than 65% that most respondents (79%) identified as their target. This significant increase validates the effectiveness of hybrid strategies in driving more in-office activity and highlights the ongoing value of office spaces as well as tightly communicated return-to-office requirements.

Additionally, average peak utilization now stands at 80%, exceeding the target utilization (>65%) for the first time post-pandemic. This suggests that employers are doing a good job bringing employees back into the office for events or collaboration-based activities. However, this also may suggest that offices might be overcrowded during peak times, which could negatively impact employee comfort, productivity and the consistency of attendance. The data paints a picture of a workforce adapting to hybrid models and an alignment of strategic approaches.

The improved utilization rates are a direct result of corporate real estate (CRE) teams actively optimizing their property footprints. This involves the complex task of aligning a dynamic workforce (employees) with the less-flexible aspects of buildings, floors and space plans.

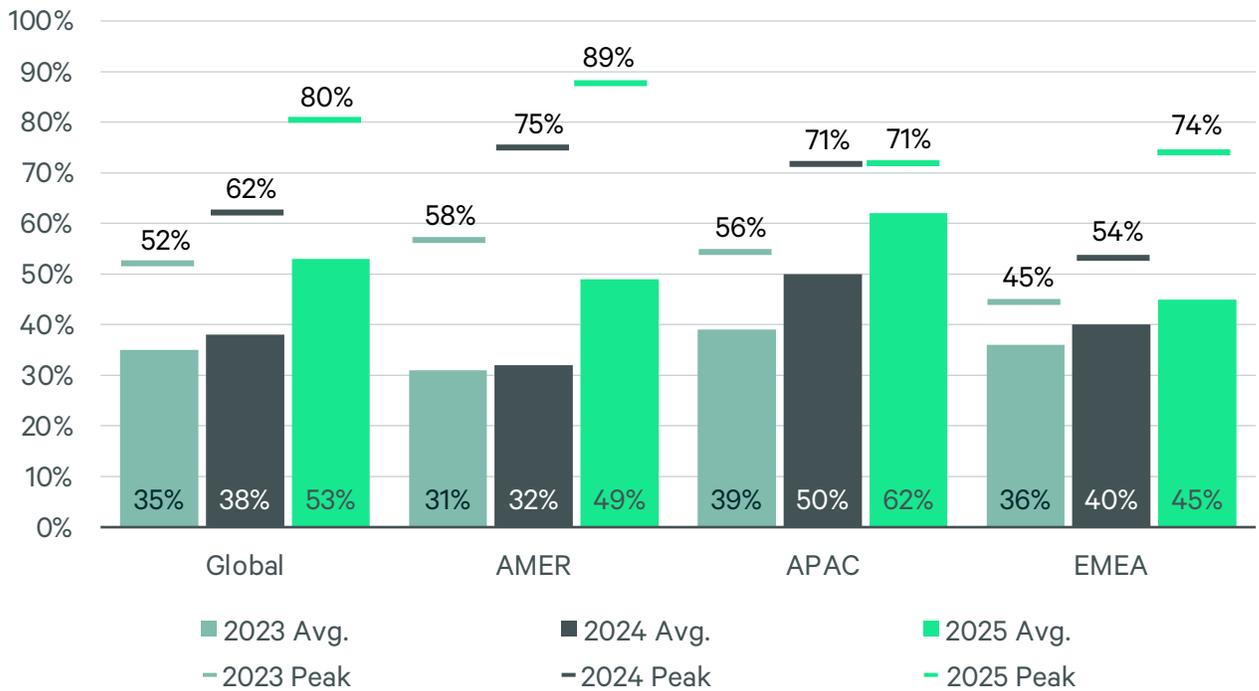
Average utilization rate for respondents

53%

Target utilization rate

>65%

FIGURE 1: Average Office Utilization and Average Peak Office Utilization Rates



Source: CBRE Workplace & Occupancy Benchmarking Program, 2026.

Hybrid work's prevalence is especially evident in the global occupancy rate, which in the more than five years of tracking this metric has reached an all-time high of 111%—meaning more people are allocated to buildings than there are physical seats. This is a substantial increase from 101% in 2024 and reflects a shift in work patterns that demands strategic management of space and schedules. This high occupancy rate, enabled by hybrid work, highlights the importance of rotating schedules and flexible work arrangements.

It also indicates that organizations have been actively optimizing their space usage for the last several years, recognizing that not every employee needs to be in the office simultaneously. This signals a managed return to the office, with hybrid strategies driving higher utilization and occupancy rates.



Global Occupancy Rate:
More people are allocated
to buildings than there are
physical seats

111%

Both design density (190 sq. ft./seat vs. 196 in 2024) and people density (158 sq. ft./person vs. 172 in 2024) are tightening. Office design continues to aggressively fit more workstations into existing footprints while balancing the need for collaboration and interaction that employees value in the office. People density is also the tightest it's ever been, as organizations are fitting more people into existing spaces, often on a rotating basis, leading to higher occupancy and utilization rates.

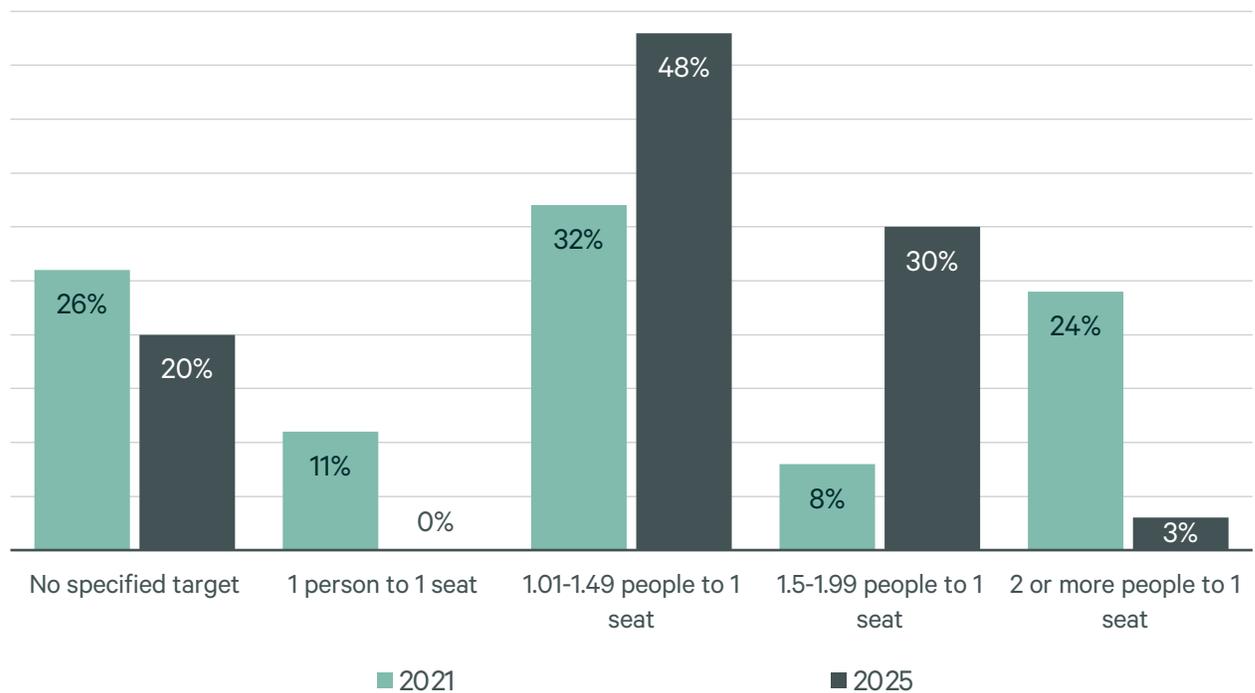
This trend demonstrates a focus on leveraging office space, an organization's second-highest expense, to drive cost savings and avoidance. However, it also presents potential challenges. Organizations need to carefully consider the impact of higher density on employee well-being, productivity and overall work experience, especially during peak usage times. To mitigate the negative effects of increased density and create a positive and productive work environment, organizations must invest in thoughtful space design, flexible furniture, noise-reduction solutions, well-managed schedules and technology to help manage those schedules. They also need to gather employee feedback and sentiment to understand their experiences and adapt their strategies accordingly.

The pendulum shifts (slightly): Desk sharing is key, but ratios lean conservative as more companies communicate a policy.

Desk sharing is now the norm, with 69% of clients reporting more than 40% of their population shares desks. The majority (48%, up significantly from 21% in 2024) are targeting a sharing ratio between 1.01 and 1.49 people per seat, reflecting a trend toward optimized space utilization. While this reflects a more efficient use of office real estate, the data also reveals a retreat from more aggressive sharing models: Only 33% of respondents now target sharing ratios greater than 1.5:1, a substantial decrease from 62% in 2024. Notably, no organizations report a 1:1 seating target, suggesting widespread embrace of desk sharing, albeit with a more conservative approach in many cases.

This shift toward more moderate sharing ratios is likely influenced by employers communicating the number of days they expect their employees to come into the office and the growing reliance on data to inform their space-allocation strategies. Indeed, the move away from guesswork is evident, as organizations increasingly base their sharing ratios on data-driven insights. Sharing ratios are now informed by job functions (83%), space-utilization data (78%), and supply/demand data (68%). This evidence-based approach marks a significant transformation in office space management, with organizations leveraging data to optimize space allocation and create more efficient and adaptable workplaces.

FIGURE 2: Target Sharing Ratios, 2021 vs. 2025



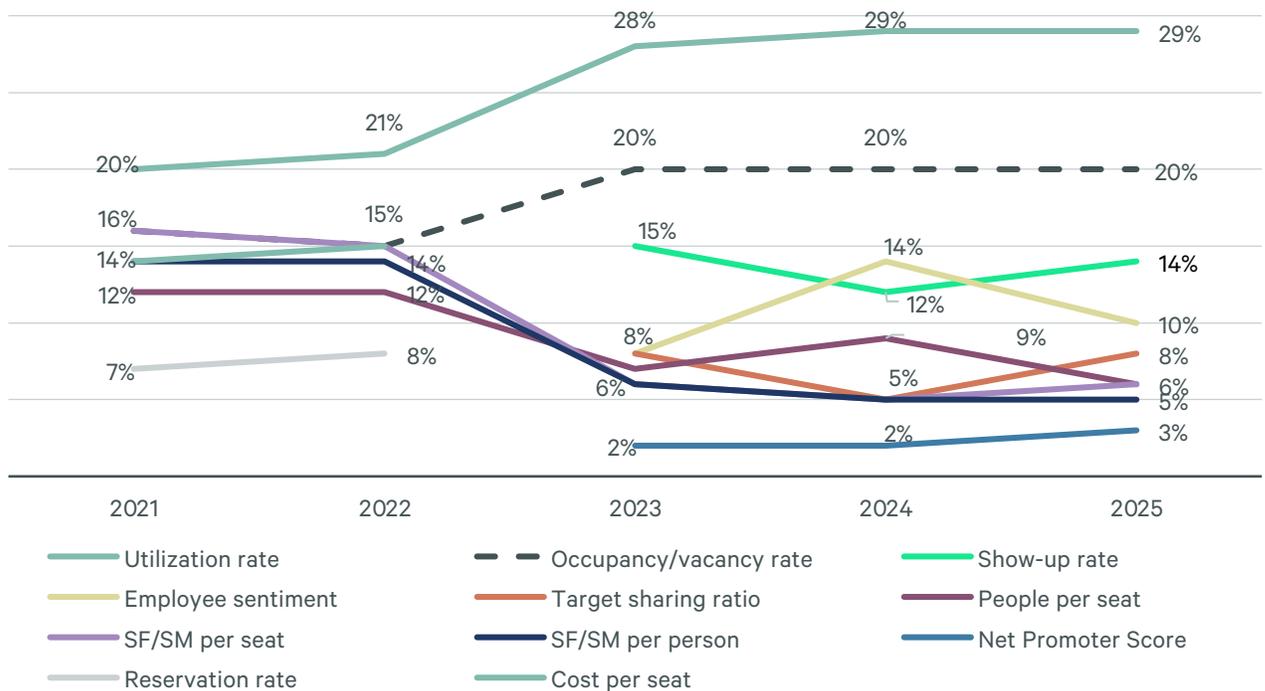
Source: CBRE Workplace & Occupancy Benchmarking Program, 2026.

CRE teams prioritize utilization in the hybrid era.

Increasing office utilization is a top goal for 81% of CRE teams, with utilization rate now the most tracked (83%) and important (29%) metric. Utilization continues to grow in importance as hybrid models are more prevalent. This trend reflects a growing emphasis on how space is actively used, rather than simply headcount against capacity. Organizations are moving beyond traditional occupancy measures to focus on dynamic utilization patterns—tracking not just who is present, but how, when and why spaces are used. Further reinforcing this trend, 62% of respondents expect that office usage will increase over time.

Continuous efforts to balance demand with supply and the rise of hybrid work has made utilization data more critical than ever. Fluctuating attendance and desk sharing require real-time insights to make informed decisions about portfolio optimization, rightsizing and workplace design. As a result, 87% of organizations now set explicit targets for building utilization rates, with nearly half aiming for 76%–85% utilization. The widespread adoption of utilization rate as a key performance indicator underscores its crucial role in aligning real estate strategy with broader business goals, enhancing employee experience and optimizing cost management. The focus on utilization is not merely about filling seats; it's about creating efficient, engaging and cost-effective workplaces that support the future of work.

FIGURE 3: Occupancy Metrics that Matter Most, 2021-2025



Source: CBRE Workplace & Occupancy Benchmarking Program, 2026.



Contraction on the rise: Hybrid work fuels portfolio changes

CRE teams remain focused on portfolio optimization (83%), which remains the #1 goal since 2021, primarily through disposing of underutilized space (81%), subletting (64%) and accommodating growth within existing space (63%). The trend toward contraction is accelerating: 57% expect portfolio contraction over the next three years, up from 48% last year, while only 31% anticipate expansion. In fact, expecting more contraction than expansion has been the norm since 2023, despite a brief narrowing last year.

The primary driver for contraction is “less space is needed due to more hybrid work” (67%), underscoring the profound impact of hybrid models on real estate decisions. It’s noteworthy that only a small percentage (13%) of those anticipating expansion cite over-contraction during the pandemic as the reason; most attribute it to other factors (59%) or new workplace design standards (36%).

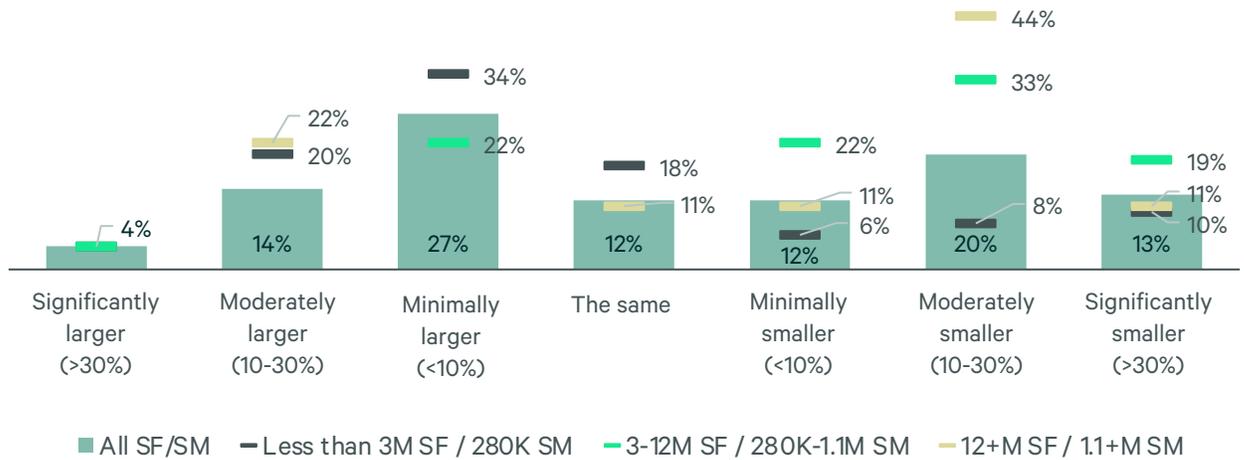
67%

of organizations say the primary driver for contraction is “less space needed due to hybrid work”

The data paints a clear picture: Hybrid work is fundamentally reshaping CRE strategies. The relentless focus on portfolio optimization, driven by the need for less space, highlights the increasing importance of efficiency and cost management. As organizations adapt to hybrid models, they must prioritize data-driven decisions, strategic space utilization and a flexible approach to portfolio management to ensure they are meeting the needs of their employees and the demands of the evolving workplace.

FIGURE 4: Portfolio Changes, 2022-2028

How has the portfolio changed since January 2022?



How do you expect the portfolio size to change over the next three years?



Source: CBRE Workplace & Occupancy Benchmarking Program, 2026.

Hybrid Work: From Reaction to Strategy

Where did hybrid work come from? Born out of necessity during the pandemic, it's now often a strategic business imperative. Today, 89% of organizations have a formal hybrid work program—slightly down from 92% in 2024, but still representing a vast majority. The focus has shifted from simply enabling remote work to designing hybrid strategies that align with business goals and optimize space utilization.

From Reactive to Proactive: The Evolution of Hybrid Strategies

- **Then:** Hybrid work was often a hurried response to the pandemic, primarily focused on enabling remote work quickly.
- **Now:** Organizations are proactively designing hybrid strategies aligned with business goals. This includes building out the necessary infrastructure and leveraging data to optimize space and policy.

Prioritizing the Employee Experience

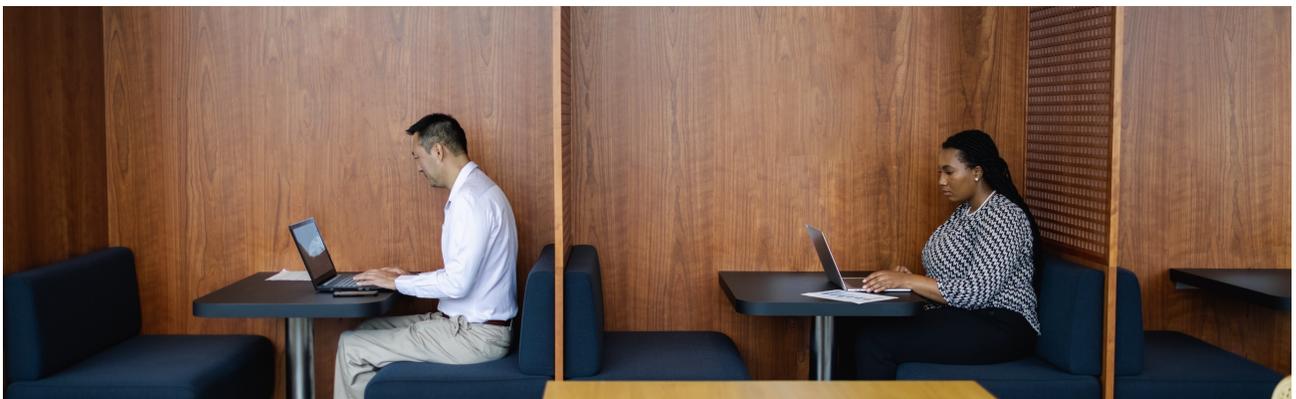
- **Then:** Functionality was the primary concern.
- **Now:** Creating a compelling in-office experience is paramount. This involves investing in amenities, fostering collaboration and building a sense of community.

The Evolving Role of the Office

- **Then:** The office was simply a place of work.
- **Now:** The office is being reimagined as a destination, a hub for connection, collaboration and community—the key reasons employees now seek in-office experiences.

CRE's Strategic Evolution: From Portfolio Management to Business Partner

- **Then:** CRE professionals primarily managed the real estate portfolio.
- **Now:** CRE has become a strategic business partner, actively shaping the future of work. This expanded role focuses on aligning real estate with business goals, employee experience and organizational culture.



Three or more days in-office is the new workplace standard for most.

Today, 96% of organizations have targeted in-office policies, with the most common being “mostly at the office 3+ days a week” (66%, up from 53% in 2024 and 49% in 2023). This trend indicates a narrowing definition of "hybrid," with organizations increasingly prioritizing in-office presence. Extremes—such as fully in-office (5%) or fully remote (0%)—are increasingly rare, and even a 50/50 mix of office and remote work has declined sharply, going from 33% to 23% in 2025.

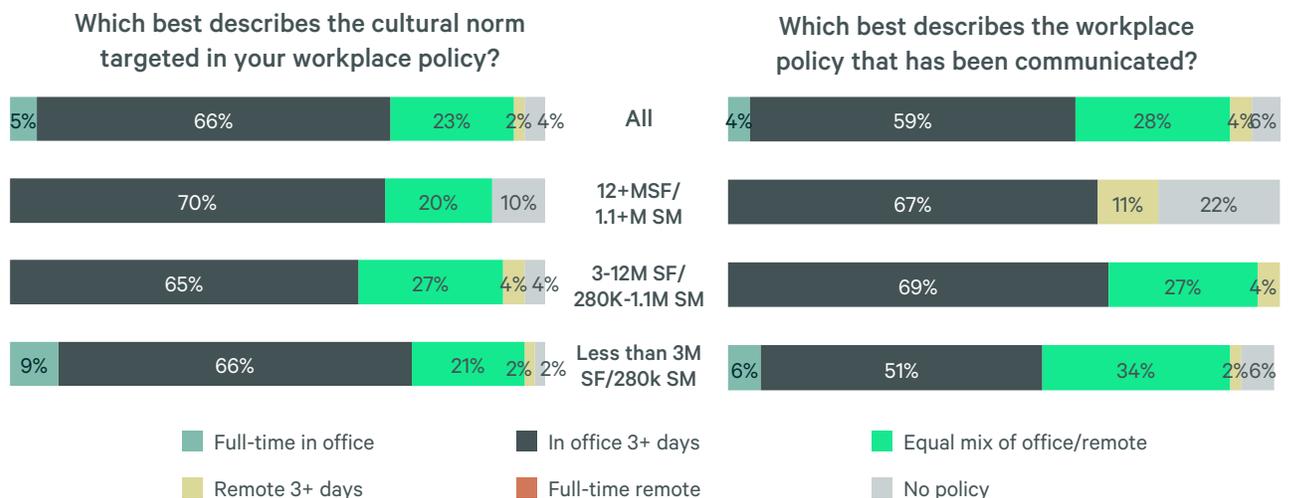
96%

Of organizations have targeted in-office policies

Approximately 73% respond that Tuesday has the highest attendance, far outpacing Wednesday (23%) and Thursday (3%), likely reflecting the prevalence of midweek in-office days. This "Tuesday effect" suggests a concentrated period of in-office activity, potentially driven by a need for in-person collaboration or specific events. This also highlights the potential for underutilized office space on other days of the week. Monday (0%) and Friday (1%) are far less popular, reinforcing the impact of hybrid work on office usage patterns.

Importantly, the communicated workplace policy closely matches the targeted policy, with only a three-percentage-point difference on average. This alignment is a positive sign, indicating that organizations are effectively communicating their expectations. However, the true test of success lies in whether those expectations are met.

FIGURE 5: The Difference Between Targeted Behavior and Communicated Requirements



Source: CBRE Workplace & Occupancy Benchmarking Program, 2026.

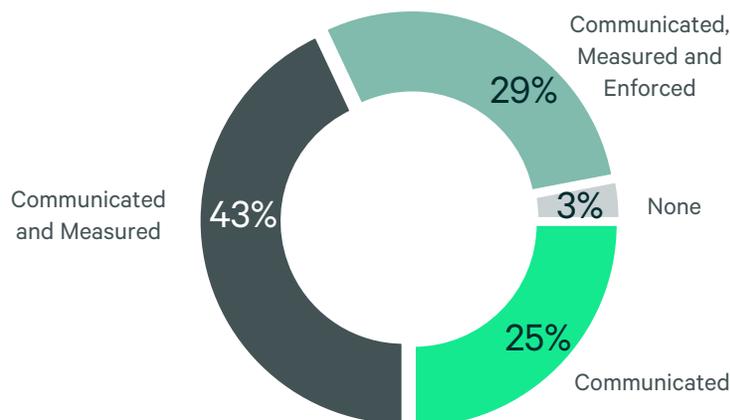
Most organizations (69%) do not expect changes to their workplace policy in the next year, and 42% do not expect any changes over the next three years. This level of stability suggests a degree of confidence in the current approach. However, the data also reveals a significant expectation gap: 70% of respondents report that employees are in the office less than leaders require or expect, up from 61% in 2024. This growing gap is a major area of concern. It suggests that employee behavior is not fully aligning with leadership's desire for in-office time, potentially leading to tension and undermining the goals of hybrid work. This gap warrants further investigation to understand the drivers of employee behavior and identify the factors contributing to noncompliance. Are employees seeking greater flexibility, prioritizing work-life balance or finding the in-office experience lacking?

While organizations have largely established their hybrid policies, the data reveals a complex landscape. The dominance of "mostly in-office" models and the "Tuesday effect" suggest the evolving nature of hybrid work and the need for organizations to adapt their strategies. The widening expectation gap underscores the critical need for organizations to understand the reasons behind employee resistance, foster open communication and create an office experience that aligns with employee needs and supports the broader goals of hybrid work. Without addressing this gap, organizations risk undermining employee morale, hindering collaboration and ultimately failing to realize the full benefits of their hybrid programs.

Hybrid's Hidden Hurdles

A significant majority (71%) of organizations with hybrid programs requiring in-office presence actively monitor employee attendance, primarily through methods like badge swipes, sensors and VPN logins (51%). Despite this widespread tracking, the most prevalent approach is to simply communicate and measure attendance policies without actively enforcing them (43%). Fewer than one-third of companies (29%) communicate, measure and enforce their policies. Furthermore, there are few incentives for adhering to these policies, with 55% of organizations offering none. The primary obstacle to enforcing these mandates is employee resistance, cited by 82% of organizations. This apparent mismatch between tracking and enforcement, coupled with a lack of incentives, raises questions about the effectiveness and purpose of these attendance policies. It suggests a potential disconnect between stated hybrid work intentions and actual practices, which could contribute to employee dissatisfaction and uncertainty about the long-term direction of hybrid work models.

FIGURE 6: Is the workplace policy any combination of communicated, measured or enforced?



Source: CBRE Workplace & Occupancy Benchmarking Program, 2026.

The most common components of hybrid programs are written guidelines (64%) and technology tools (61%). Written guidelines that clarify expectations for in-office time have seen the largest increase since 2024, likely contributing to higher building utilization rates. Surprisingly, manager training (15%) and employee training (16%) continue to be the least-prioritized program components for the third consecutive year, despite widespread agreement that training managers on hybrid workforce management yields significant impact. Compounding the challenge, the data reveals that while there is no manager training, manager discretion (67%) is the primary driver of hybrid work arrangements. Further, transparency is often lacking, with 55% of organizations not establishing predictable schedules for in-office time. This lack of structure helps explain why, five years after the pandemic, office occupancy remains below pre-pandemic levels.



This lack of clarity can fuel employee resistance and lead to perceptions of unfairness or favoritism. The low prioritization of manager and employee training further exacerbates the problem, limiting the ability of both groups to navigate the complexities of hybrid work effectively. The lack of training likely contributes to employee resistance by not equipping employees with the skills to work effectively in a hybrid environment, and by not preparing managers to provide clear direction and manage potential conflicts.

To overcome these obstacles and create successful hybrid programs, organizations must:

1. Prioritize transparency by publishing clear guidelines.
2. Provide regular updates and solicit employee feedback.
3. Invest in both employee and manager training, focusing on best practices for collaboration, communication and conflict resolution.

Ultimately, a successful hybrid approach requires building an organizational culture that fosters trust, connection and a sense of agency, even in a distributed environment.

Conclusion

Hybrid work is here to stay, but it will continue to evolve. Organizations are moving beyond the binary of office versus remote work, embracing nuanced strategies that balance flexibility, efficiency and employee experience. The office isn't dying—it's become more important than ever, evolving into a smarter, more purposeful space. As the data shows, success in this new era depends on clear policies, robust metrics with continuous measurement and a willingness to adapt to the changing needs of both business and people.

About the Series

CBRE's 2026 Global Workplace & Occupancy Insights is a four-part series that explores the hybrid workplace, offering a data-driven roadmap for organizations adapting their real estate, operations and culture. It covers recognizing hybrid's evolution, designing a connected employee experience, aligning leadership and employee expectations, leveraging AI and technology for space optimization and preparing CRE professionals for the future of work. The goal: building a thriving hybrid workplace.

Methodology

The 2026 Global Workplace & Occupancy Insights summarize five years of office benchmarking and sentiment surveys on how CBRE clients have adapted their office environments since 2021. The study examines global data from select CBRE clients representing 303 million sq. ft./28 million sq. m., with an average office portfolio size of 5 million sq. ft., and delivers insights by portfolio size, industry/sector and region/geography.

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