

VERGE
SENSE

Transforming Life Sciences Workplaces with Occupancy Intelligence

Introduction

The life sciences industry, fueled by continuous innovation and technological advancements, is experiencing significant growth through groundbreaking research, cutting-edge therapies, and rising demand for healthcare solutions. However, this dynamic landscape is not without its challenges. The COVID-19 pandemic introduced new complexities, particularly in the realm of real estate, where rising costs and inflation are now forcing companies to rethink their strategies.

Life sciences companies have traditionally occupied significant real estate, with the U.S. market leading globally at 193 million square feet according to [UBS Asset Management](#), primarily in Boston, San Francisco, and San Diego. In the UK, the “Golden Triangle” of Cambridge, Oxford, and London dominates the 30 million square feet of research and development (R&D) space. However, these key markets are now facing an oversupply of lab space, with demand expected to take years to catch up.

Despite life sciences companies’ sizable real estate footprint, capacity usage for their facilities remains strikingly low. In the first half of 2024, [average capacity usage stood at just 9.3%](#), a slight increase from 8% in the previous quarter. This low utilization is the result of various factors, including new working styles aligned to hybrid work trends. As companies increasingly embrace remote and hybrid work models, the need for large, traditional workspaces diminished, leaving many facilities underutilized.

According to [CBRE](#)'s 2024 Life Sciences Outlook, despite growing funding in many cities, companies are facing tight budgets and ongoing layoffs, which only add to the challenge. These shifts have led to higher vacancy rates, a preference for shorter leases, and a move toward smaller, more adaptable spaces that better align with the evolving needs of a modern workforce. As a result, life sciences companies must rethink their real estate strategies, focusing on maximizing [their office spaces](#).

Occupancy intelligence provides workplace leaders with detailed insights so they can better understand how office and lab spaces are being used, and make decisions to optimize spaces, reduce costs, ensure sustainability, and [improve employee experience](#). Life sciences companies must not only right-size their spaces, but also strategically optimize their real estate to ensure they are maximizing the return on their investments. As companies navigate these challenges, they must focus on creating more efficient, flexible environments that can adapt to the evolving demands of research and innovation, while also managing budgetary pressures and sustaining growth.

Here are six ways VergeSense solutions can help life sciences leaders reach their workplace goals.

#1

PORTFOLIO EVALUATION

Make Portfolio Right-Sizing Decisions

Make Portfolio Right-Sizing Decisions

Life sciences companies are facing increasing pressure to reduce costs in response to a variety of economic challenges and evolving work environments. These issues are further compounded by a sharp decline in venture capital and IPO markets, with life sciences funding dropping 46.3% since its 2021 peak, as highlighted by [GlobalData](#) in 2022.

Budget constraints are forcing companies to reconsider their real estate footprints, leading to decisions to downsize or sublease unused space. This trend is exacerbated by the post-pandemic shift towards remote and hybrid work models, which reduce the need for physical lab space.

As noted in [CBRE](#)'s 2023 Life Sciences Market Report, major markets like Boston, San Francisco, and San Diego are grappling with a significant oversupply of lab space, fueled by a 345% surge in new construction. This rapid expansion has led to high vacancy rates as tenant demand in these areas softens. With

rising real estate costs, highlighted by [CBRE](#) and [JLL](#) – \$438 per square foot in Boston, \$466 in San Francisco, \$416 in San Diego, and an average of €484 across the UK – many life sciences companies are now exploring ways to [optimize their spaces](#) and reduce expenses. Companies are leveraging this oversupply to negotiate shorter lease terms, indicating cautious optimism and a desire for flexibility.

At the same time, [JLL](#)'s Life Sciences Industry and Real Estate Report highlights how the supply and demand imbalance in key markets like Boston and San Francisco is driving companies to explore alternative strategies. Many are now looking toward other cities, such as Raleigh-Durham, Denver, and Austin, which are rising in popularity due to their expanding life sciences ecosystems, more affordable real estate, and greater availability of space.

By addressing these challenges strategically, life sciences companies can navigate the evolving real estate landscape and support growth and innovation goals effectively. To address these challenges, real estate and workplace leaders need occupancy intelligence. By understanding space utilization trends, companies can make informed decisions about right-sizing their portfolios while balancing costs with employee needs.



Occupancy intelligence enables life sciences workplace leaders to:

Make portfolio right-sizing decisions and adjustments to workplace strategies/policies based on accurate and comprehensive space usage data at the building and floor level.

Eliminate excess capacity or identify expansion opportunities by understanding occupancy trends, peaks, and averages over time.

Make Portfolio Right-Sizing Decisions

REAL WORLD EXAMPLE

Fresenius wanted to consolidate its North American headquarters to reduce costs, but lacked the data to make a confident decision. Manual observation studies and feedback from department leaders weren't sufficient for informed decision-making. By leveraging occupancy intelligence from VergeSense, they discovered that one of their headquarters buildings had an average space utilization of only 20%. This data empowered them to confidently forgo renewing the lease on that building, resulting in a lease avoidance of \$60 million over 10 years.

[LEARN MORE](#)

Analytics insights that can help life sciences leaders understand occupancy trends across office and lab spaces:



People Count

By understanding the number of people (or peak number) at the building and floor level within a given timeframe, leaders can understand how actual usage compares to capacity and stated office policies to identify and shed underutilized spaces or make updates to office policies.

Floor Level

By understanding average person count compared to the total number of spaces and stated capacity, workplace leaders can make decisions about expanding or shrinking portfolio footprint to accommodate actual space usage.

#2

SPACE AVAILABILITY

Optimize Office and Lab Footprints

Optimize Office and Lab Footprints

For life sciences workplace leaders, capturing space utilization data on office and lab usage is essential for maximizing real estate costs and reducing inefficiencies. In a market where facilities in some of the world's most expensive cities are often significantly underutilized, this data becomes invaluable. Adding to the challenge, the upkeep of high-end lab equipment can account for up to 20% of their total ownership costs in maintenance alone, according to [Beroe Inc.](#) This highlights the critical need to optimize both space and equipment usage to avoid unnecessary expenses and [enhance office effectiveness](#).

By utilizing occupancy intelligence, workplace leaders can gain a clear understanding of exactly how their lab spaces, office areas, and meeting rooms are being used. This data-driven approach allows them to identify underutilized areas that can be repurposed or identify opportunities for space consolidation, such as [decommissioning an entire floor](#), ultimately

reducing overhead costs. With these insights, companies can implement strategies that not only cut costs, but also increase productivity and ensure that resources are allocated where they are most needed.



Occupancy intelligence enables life sciences workplace leaders to:

Optimize office and lab spaces via design, policy, or amenities changes and **increase availability by viewing historical and real-time space usage**, understand availability trends, space type popularity, and space shortage patterns.

Increase availability through space booking automation to improve employee experience.

Eliminate costs associated with wasted meeting space through space booking automation.

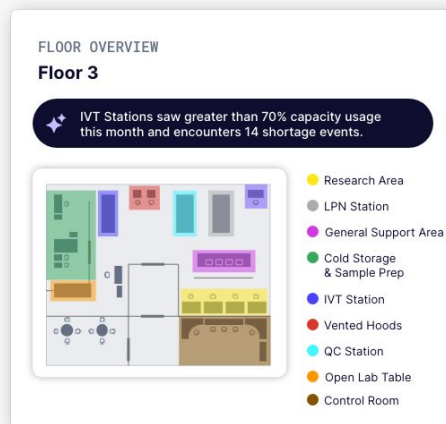
Optimize Office and Lab Footprints

REAL WORLD EXAMPLE

A global pharmaceutical organization relies on VergeSense to better understand how often their lab equipment is being used. As you know, this equipment is incredibly expensive and understanding it's utilization is critical when assessing the overall efficiency of their lab spaces. VergeSense wired area sensors provided the solution to their dynamic lab by offering poll rates every 30 seconds, ensuring the frequent movement of people between equipment is accurately captured.

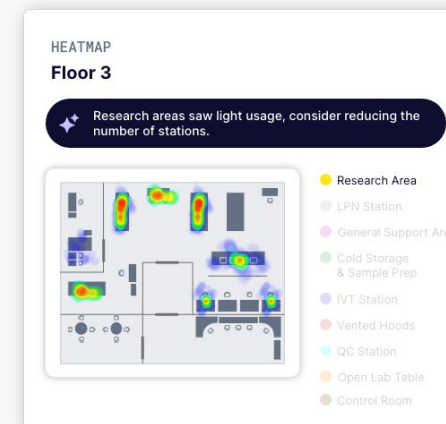
Use accurate space data to understand lab usage patterns to optimize designs and control costs so your most expensive space never goes to waste

Use accurate space data to understand lab usage patterns to optimize designs and control costs so your most expensive space never goes to waste:



Usage Map

Make the necessary lab space adjustments to optimize your real estate spend by understanding, at a glance, how many people are using each of your labs - and how often. Identifying employee usage patterns will uncover if more or less of certain lab spaces are needed, or if designs need to be reconsidered to achieve optimal work flows within the space.



Heat Map

Easily understand how frequently each individual workstation and piece of equipment is being used with heat maps. Determine hotspots in seconds and optimize your designs for productivity and cost efficiency.

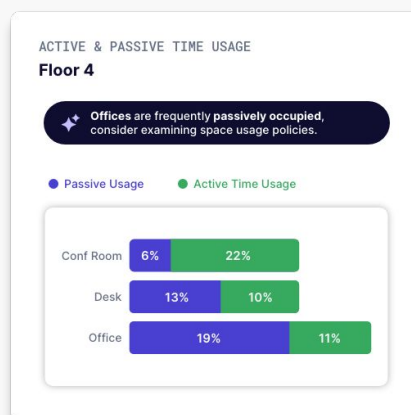
Optimize Office and Lab Footprints

REAL WORLD EXAMPLE

A biotechnology company leveraged VergeSense and discovered that many spaces were consistently “occupied” by laptops, bags, and clothing – not humans. This insight led the team to create designated areas for personal belongings, which allowed them to increase workspace availability. By observing this passive occupancy trend, they realized they could assign 30% more employees to their existing office footprint, avoiding a \$13M portfolio expansion by unlocking more available space within their existing footprint.

[LEARN MORE](#)

Analytics insights that can help life sciences leaders understand occupancy trends across office spaces:



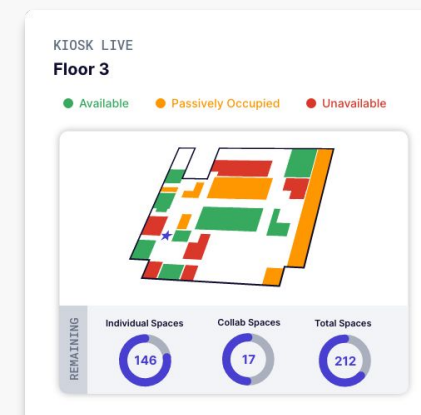
Passive Time Analytics

By understanding both active and passive occupancy and real-time and historical space utilization, workplace leaders can implement design or policy changes to increase space availability and improve employee experience.



Space Booking Automation

By integrating with leading booking systems, space can be automatically booked or released based on the presence or absence of people or objects in a given space.



Real-time Availability via Kiosk

By combining real-time availability data with booking and wayfinding apps, workplace leaders can make it easier for employees to find available spaces on-the-fly.

#3

INTELLIGENT SPACE DESIGN

Increase Space Usage and Foster Collaboration

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In the life sciences industry, where [46.21% of space is currently allocated to desks](#), there is a growing opportunity to reimagine work environments to better support modern employee experiences. Forward-thinking companies are adopting innovative office and lab designs that enhance collaboration, flexibility, and efficiency. By reimagining traditional spaces to include adaptable layouts and open, multipurpose areas, these companies are creating environments that seamlessly facilitate teamwork and organic interactions, driving both innovation and productivity in the industry's fast-paced landscape.

At the same time, due to the industry's commitment to driving advancement, the competition for top talent remains fierce. Even in the face of layoffs, the 2024 Industry Report by [Advanced Clinical](#) notes high demand across the industry for specialized skills in areas like biotechnology, pharmaceutical research, and clinical development. This

ongoing demand is driving companies to reimagine facilities that foster collaboration, flexibility, and well-being – key elements that resonate with today's modern workforce, foster continued innovation and growth, and allow them to remain competitive for top talent.

Occupancy intelligence empowers life sciences workplace leaders to implement innovative approaches and meet evolving workstyles in their office and lab spaces.



Occupancy intelligence enables life sciences workplace leaders to:

Make data-driven space design decisions and adjustments to ratios, characteristics, and amenities by understanding how space supply aligns to demands across space type.

Reduce underutilized space and optimize space allocation with insights derived from accurate historical and real-time usage data.

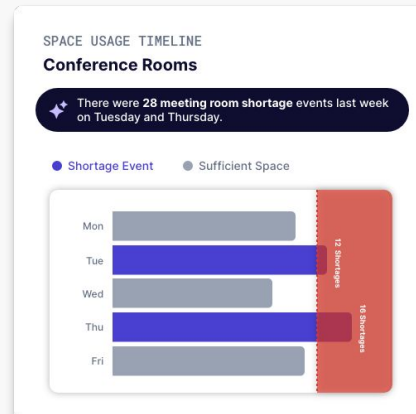
Improve global design standards through better understanding of space usage across job functions, regions, and facilities types.

Increase Space Usage and Foster Collaboration

REAL WORLD EXAMPLE

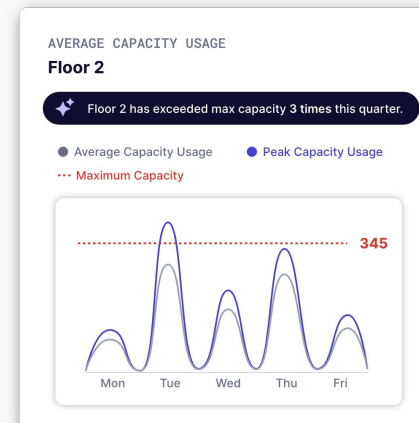
A pharmaceutical manufacturer uses VergeSense within their lab spaces to monitor each workstation as its own space with a maximum capacity of two. This allows them to easily understand how frequently each workstation is being used and whether it is properly sized and located.

Analytics insights that can help life sciences leaders understand occupancy trends across office and lab spaces:



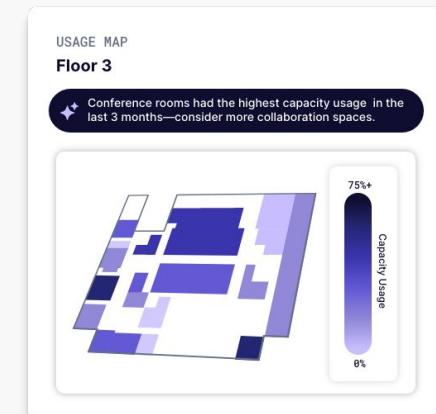
Space Usage Timeline

Track which space types are running out and when to understand where more of a space type might be needed and make design adjustments.



Capacity Usage

Understand inefficient space usage to inform space redesign decisions.



Usage Maps

Identify most popular vs. underutilized spaces within the context of floorplan to make design adjustments or incorporate into future design plans.



#4

NEIGHBORHOOD PLANNING

Implement Flexible Seating

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As the life sciences industry navigates the shift towards flexible working, studies show that a significant percentage of employees [value workplace flexibility](#) as a key factor in their job satisfaction and productivity. In fact, research by [McKinsey & Company](#) found that nearly 60% of employees prefer workplaces that offer a hybrid work model, yet many life sciences companies are still adapting to this new reality.

This gap highlights the growing importance for life sciences companies to align their workspaces with the evolving needs of their employees. [Neighborhood planning](#), which organizes workspaces into zones designed for specific activities, has emerged as a key strategy to help solve these challenges. For example, by implementing unassigned seating and flexible work points, companies can offer employees the freedom to choose their workspace based on their current tasks, whether they need a quiet area for focus work or a collaborative zone for team projects.

By leveraging occupancy intelligence, life sciences companies can continuously innovate their work environments, ensuring that their workspaces not only support, but also anticipate the changing needs of their teams.



Occupancy intelligence enables life sciences workplace leaders to:

Make data-driven decisions when responding to space change requests.

Conduct proactive neighborhood planning with real usage data to align with your headcount planning, sharing ratios, and team needs.

Implement Flexible Seating

REAL WORLD EXAMPLE

A life sciences company is using VergeSense to ensure that one of their campuses is designed effectively for the ways their teams uses space. By better understanding desk usage, meeting room usage, and shared space usage, they're making adjustments to their cafe, furniture and design choices, as well as the ways they're assigning seating.

[LEARN MORE](#)

Analytics insights that can help life sciences leaders understand occupancy trends across office and lab spaces:

NEIGHBORHOOD ANALYTICS Finance

Shortage events rose 20% last month; finance may need more collaboration spaces.



Neighborhoods

Assign spaces to neighborhoods and track utilization to understand how attendance and usage aligns with policies, and to facilitate data-driven space change discussions.

COMPARISON REPORTS 492 25th Ave

Floor 2 attendance had the lowest attendance today, consider reduced cleaning.

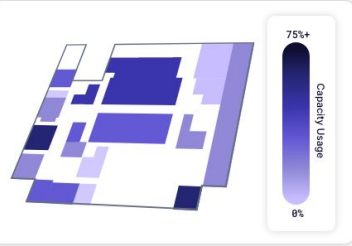
	Spaces	Capacity	Avg. Person Count	Peak Person Count
Floor 1	212	221	54	71
Floor 2	243	252	102	143
Floor 3	124	103	34	56
Floor 4	354	403	94	162

Comparison Reports

Compare neighborhood utilization (attendance & capacity) across buildings and floors to balance or update space ratios.

USAGE MAP Floor 3

Conference rooms had the highest capacity usage in the last 3 months—consider more collaboration spaces.



Usage Maps

Understand how a group is utilizing space within the context of a floorplan to make data-driven space, amenities, or policy changes.

SPACE USAGE TIMELINE Conference Rooms

There were 28 meeting room shortage events last week on Tuesday and Thursday.



Space Usage Timeline

Examine utilization of space groups over time to validate or negate space requests.

#5

DYNAMIC OPERATIONS

Enhance Sustainability

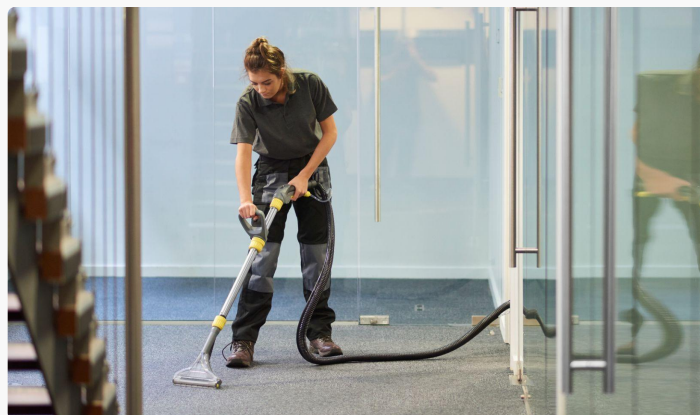
Enhance Sustainability

According to [CBRE's](#) 2024 U.S. Life Sciences Outlook, life sciences companies are being urged by regulators and investors to adopt greener practices and reduce environmental impact. As sustainability becomes a central focus across all industries, life sciences organizations face mounting pressures from regulations like the [Corporate Sustainability Reporting Directive](#) (CSRD). This directive mandates strict sustainability reporting for companies operating within the EU, pushing these organizations to prioritize the environmental footprint of their facilities. Unlike standard office spaces, lab buildings present unique challenges, requiring customized approaches to sustainability, particularly in areas like energy efficiency and waste management.

Occupancy intelligence offers life sciences workplace leaders powerful tools to meet these demands. Organizations can align Heating, Ventilation, and Air Conditioning (HVAC) and

cleaning schedules with actual space usage data, optimizing energy consumption and reducing wasted resources.

By leveraging automation and by integrating occupancy intelligence with building systems, life sciences companies can ensure compliance with stringent regulations to ensure safe and clean work environments for employees. At the same time, this approach helps advance sustainability goals, driving cost reductions and improving employee experience.



Occupancy intelligence enables life sciences workplace leaders to:

Renegotiate cleaning contracts & reduce resource requirements based on real space usage data.

Automate cleaning routes, tasks, and schedules by integrating space usage data into smart cleaning applications.

Decommission floors on the days they're not heavily used to **reduce facilities costs and carbon impact**.

Analyze additional workplace sensor data (HVAC, energy consumption, etc.) to **centralize office data management and analysis and automate workplace operations**.

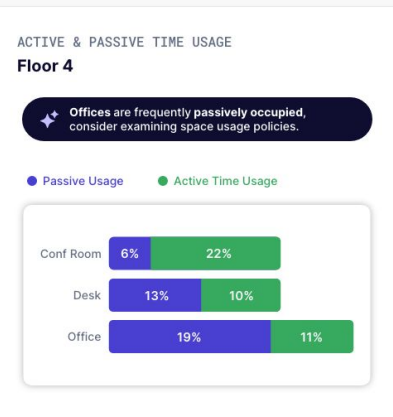
Enhance Sustainability

REAL WORLD EXAMPLE

The facilities management team at a global financial services firm used VergeSense occupancy sensors to enhance cleaning efficiency. They integrated occupancy intelligence with their building operations platform to update cleaning protocols based on actual occupancy, eliminating the cleaning of unused spaces. This approach enabled them to negotiate a 50% fee reduction with their cleaning contractor, significantly increasing operational efficiency and reducing costs by \$2M annually.

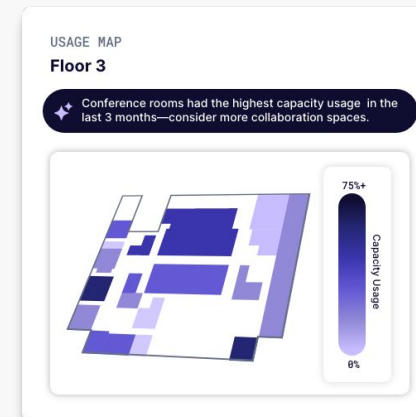
[LEARN MORE](#)

Analytics insights that can help life sciences leaders understand occupancy trends across office and lab spaces:



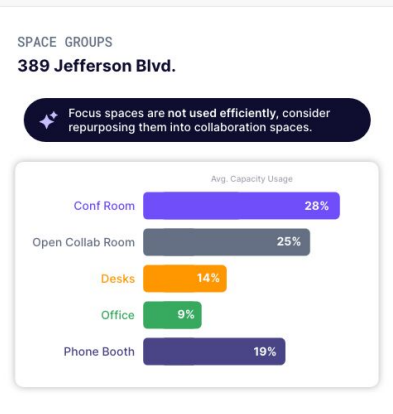
Passive Occupancy

By collecting comprehensive, accurate real-time and historical data on how people are using (or not using) space, companies can automate and create efficiencies for office operations.



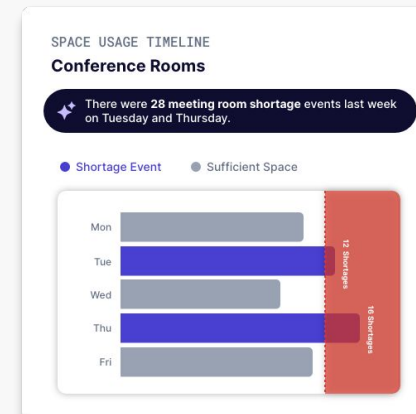
Usage Maps

By sharing usage maps with facilities teams, companies can inform and optimize cleaning processes.



Space Groups

By assigning spaces to business units, neighborhoods, or other segmentations, companies can track utilization and decommission unused spaces.



Space Usage Timeline

Analyze daily usage summary to understand which spaces were used and for how long to drive operational efficiencies.

#6

ARTIFICIAL INTELLIGENCE

AI for Strategic Workplace Operations and Planning

AI for Strategic Workplace Operations and Planning

Artificial Intelligence (AI) is already having a strong impact across various aspects of life sciences, such as drug discovery, clinical trials, and supply chain management. For example, [Thermo Fisher](#) highlighted how AI-powered solutions are streamlining clinical trials by automating data management and optimizing study designs, leading to faster and more accurate results.

The strategic use of AI extends beyond core scientific functions, playing a pivotal role in optimizing lab and office environments, and [improving operational efficiency](#). AI-powered solutions like [Workplace Assistant](#) enable life sciences workplace leaders to harness AI-driven insights to enhance facilities management, ensure compliance, and improve overall operational outcomes.



AI for Strategic Workplace Operations and Planning

REAL WORLD EXAMPLE

A biotechnology company uses Workplace Assistant to optimize workspace efficiency. By leveraging sensor data, the team systematically examines conference room usage, enabling them to analyze usage patterns and refine space design. This AI-driven approach has not only streamlined decision-making but also empowered this biotechnology company to adapt their workspaces dynamically, creating more agile and efficient environments.

[LEARN MORE](#)

AI and Workplace Assistant can help life sciences workplace leaders improve operations across office and lab spaces:



Accelerate Decision-making Speed

Capitalize on optimization opportunities through an intuitive, natural language interface. Using generative AI, Workplace Assistant analyzes occupancy data to identify trends and provide strategic suggestions to enhance workspace efficiency.



Streamline Decision-making

Access personalized recommendations integrated with VergeSense analytics dashboards.



Feel Confident in Decisions

Make decisions supported by AI-powered analysis of comprehensive occupancy and space usage data. Think of Workplace Assistant as a personal real estate, strategy & occupancy analyst.



Enterprise-grade Security & Privacy

With a strong emphasis on privacy and security, Workplace Assistant ensures that all data remains protected, giving users peace of mind.

VERGE
SENSE

Optimize the Workplace with VergeSense

The rapid change and innovation within the life sciences industry create a unique opportunity to optimize real estate and workplace strategies in response to rising costs, an oversupply of real estate, and evolving employee preferences.

By strategically utilizing occupancy intelligence to optimize office and lab spaces, life sciences workplace leaders can enhance collaboration, boost operational efficiency, and improve employee satisfaction, all while ensuring sustainability and controlling costs

Want to learn more about using VergeSense to optimize real estate?

[BOOK A CONSULTATION TODAY](#)

