

DEI and the built environment

By [Maha Khan Phillips](#) | November/December 2023 (Magazine)

The real estate industry needs to consider DEI – not only in terms of its workforce but also the space it builds. Maha Khan Phillips reports

Diversity, equity and inclusion (DEI) has been a key theme in the real estate industry for the past few years. But it has not always translated into how practitioners think about the built environment. A 2021 [CBRE](#) survey revealed that inclusive design was a low priority for office occupiers, for example, even though organisations are working to attract and retain diverse talent.



The regeneration of Soapworks in Bristol is costing £215m, and is an example of developers working with every different type of community member

Only 36% of CBRE clients who were surveyed said that inclusive design was either “very important” or “so important that the decision would turn on it”. Moreover, 32% felt that it was “not important at all” or even “not relevant” to real estate.

All that is changing, however, and not just in the office space. “ESG conversations include conversations about social impact, and many of our clients are beginning to walk the talk,” says Guzman de Yarza Blache, global head of workplace strategy at JLL. “They recognise that one of the key pillars of any good ESG strategy is to have spaces that cater to DEI.”

He points out that the idea of inclusive design in and of itself is not a new one. “It has been around for decades, but it has been building significant traction in the last five to seven years because the notion of what [is] inclusive design is being expanded. Twenty or 30 years ago it was about accessibility and addressing codes and regulations, but frankly, it wasn’t high on the agenda of many corporates.”

What inclusivity looks like in practice today is different depending on location, what type of building is being constructed or managed, the communities it is serving and a host of other factors, say industry practitioners.

De Yarza Blache points out, for example, that some spaces will need to be more stimulating and others less so when it comes to neurodiversity and mental wellbeing. When designing office buildings, considerations could be around everything from colour palettes and the design of collaboration spaces, as well as secluded working spaces. For people with visual impairment, there would be considerations about the use of light, whereas, from an ethnicity or cultural point of view, it could be about what type of images are used to support a company’s culture around the office, or what type of food is served in a canteen. There could be a provision of separate



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microwaves for halal and non-halal food, the provision of a mother’s room or gender-neutral toilets, for example.

Given the wide range of needs for a diverse community, leading developers are recognising that there is no one-size-fits-all, says Georgina Fraser, head of human capital at CBRE. “Historically the approach to picking diverse buildings was a checklist – ‘do we have a ramp’ or ‘do we have a lift’ – but now there is a recognition that different cities and countries and industries need different things, that the diverse requirements of each community are a little bit different,” she says.



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The industry needs to spend time looking at these issues, she argues. “The physical environment people walk into has such an impact on them from a diversity perspective. If you think about doing DEI right, the result is a sense of belonging and the physical environment can not only promote a sense of belonging but also impact the way we interact with others.”

Olaide Oboh, executive director at Socius, the UK-based impact developer, believes that to build inclusive spaces, the industry also has to bring more diverse voices to the table at the design point. “Architecture is male-dominated, and then you get spaces between buildings that may not be particularly well lit, where sometimes you don’t think about the safety of women and girls,” she says.

“Or it’s covered in greenery where someone can hide and no one can see them. I am a massive advocate of having a balance in the room when you’re making key design decisions. We are not the users of these spaces. Most of our industry is incredibly middle class. We don’t always live in the spaces that we are creating, and we have our own ideas for what a nice space looks like.”

Oboh says that Socius actively engages with all the communities it builds for, ensuring there are spaces that work for every different type of community member. Current projects include the mixed-use redevelopment of the former AMEX House in Brighton, the £215m regeneration of Soapworks in central Bristol, a work-live campus in Cambridge city centre, the £500m Botanic Place office scheme in Cambridge and MK Gateway, a future-focused development of workspace and homes in the centre of Milton Keynes.



Socius is developing the £500m Botanic Place office scheme in Cambridge

“You have to make sure you’re open to listening,” she says. “Find the users, don’t make assumptions based on your own experiences. Go through the numbers, look at what the biggest industries are in the area and what some of the challenges are.”

Practical approaches

What best-in-class looks like will vary, depending on the needs of the inhabitants of a particular space. For Texas-based social impact real estate investment firm Comunidad Partners, which specialises in affordable housing in culturally diverse neighbourhoods, it means supporting residents with a range of different initiatives.

Two years ago, the firm launched a free 24/7 virtual healthcare programme for its residents, partnering with Veritas Impact Partners because, for many residents, health insurance and access to primary care services are difficult to access. Comunidad also offers fitness classes and access to nutritious food through meal distribution partners. It provides after-school programmes for children, virtual tutoring, science, technology, engineering and mathematics (STEM) programmes, English-as-a-second-language classes, and health education. It also offers financial literacy and job placement workshops, tax assistance, credit building and pathways-to-home-ownership programmes.

Antonio Marquez, managing partner and founder of Comunidad Partners, set up the firm to invest in underserved communities. His father was an immigrant who came to the US and was a farm worker in California for many years. Marquez says his father did not speak English and only had a fifth-grade education.

“I was trying to reimagine housing in terms of improving the lives of the residents that are extraordinarily diverse,” he says. “Many have challenges in terms of financial equity, health access and educational achievement. All these things are extraordinarily critical, not just because it is the right thing to do but because it helps those families find economic outcomes for themselves and drives value to our assets.”

For practitioners who want to think about how to expand inclusivity in their physical spaces, Fraser has some suggestions: hold yourself accountable and listen to the groups of people you are serving.

“There is a growing recognition that you need to start early and that the process never really ends,” she says. “Whether it is identifying a potential location for development or starting the development journey all the way to the end product – the built space – you have to know that things change. As the world changes, sensitivities change. There needs to be some flexibility in the environment so that it can adjust as required.”



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For practitioners who are worried about getting it wrong, or cannot afford to make a widespread transformation, Fraser emphasises that it is not a zero-sum game: change can come incrementally.

But change will also require the industry to address DEI in broader terms. “You can put everything in place, but if you don’t do the work around leadership, education and understanding cultural nuances, then you aren’t going to put the necessary measures in place to make people feel

included. It will almost feel like a box-ticking exercise,” says Hannah Awonuga, group head of DEI at Knight Frank.

De Yarza Blache wants the industry to step up. “This needs committed people and committed leaders. Some of the topics we address are controversial, like gender identity and the creation of gender-neutral toilets. It’s a sensitive topic. Sustainability can be easier, but with DEI it is tougher because there are many dimensions and each one is multi-faceted. So we need advocacy in this space.”

He says the industry can no longer afford to ignore the issue. Just as buildings that fail to meet sustainability requirements are becoming obsolete, companies will in the future need to be able to demonstrate their DEI credentials in the built space. “Right now, it’s a nice-to-have, but we have pressure coming from the occupier side, and landlords are saying, okay I hear the noise, I’ll wait a couple of years and see if this is something they would be willing to pay a premium for. I think that moment is coming, and it will become a fundamental part of their location strategies.”

Awonuga agrees. “I think the S in ESG will become amplified,” she says. “Our clients, customers and communities are going to start asking questions, and that’s where we are going to see some traction. It is getting to the point where regulators are already holding banks and financial services institutions accountable to DEI. I think we’ll see something similar happening in the built environment.”

Fraser believes it is only a matter of time before the issue takes even more of the limelight. “The need for belonging is a deeply human need. In the last few years, people have almost felt empowered to ask for it more. There has been an increase in awareness around this space, and I don’t think that is something that will go away.”