

How CORONA-19 has changed the way we work

The coronavirus outbreak is first and foremost a human tragedy, affecting hundreds of thousands of people. It is also having a growing impact on the global economy. WHO

declared COVID-19 a pandemic on March 11, 2020. In its message, it balanced the certainty that the coronavirus will inevitably spread to all parts of the world, with the observation that governments, businesses, and individuals still have substantial ability to change

the disease's trajectory.

Companies confronted with the coronavirus outbreak across the world have mandated employees to work remotely, setting up a test for what many consider a key tenet for the future of

work. Technology makes it easier than ever, but there are concerns over hard-to-analyze impacts like the value of spontaneous, face-to-face interactions. This has not only changed our culture of working but has also had severe business implications. Many businesses previously considering expansion and relocation of their offices are now delaying decision making. However, not all corporate real estate (CRE) heads can afford to wait too long for the uncertainty to lift, especially those faced with impending lease expirations. Although the long-term health, economic, and business impacts of

the COVID-19 outbreak cannot be fully predicted, the current situation presents an opportunity for CRE professionals to re-evaluate their real estate, business continuity plans, and workplace strategies in order to minimise business risks from COVID-19 and any future viral epidemics.

A lot is currently at stake for Indian real estate as cities go into complete lockdown mode to battle the spread of Covid-19. Commenting on its impact, Lincoln Bennet Rodrigues, Founder and Chairman, Bennet & Bernard Group, states that "While the emergence of the corona virus is expected to



▲ Lincoln Bennet Rodrigues, founder and chairman, Bennet & Bernard Group.

slow-down the real estate sector in general and may lead to lower footfalls, we feel that the decisions over commercial space take-up may be delayed due to travel restrictions. Also lots of developers in India depend on China for the supply of fixtures, furniture and fittings and that will be impacted to some extent. Going forward, we will have to keep a watch on the overall macro level as the longevity of the crisis is uncertain."

Echoing this thought, Rakesh Reddy, Director, Aparna Constructions and Estates, adds that "The impact of Coronavirus on the Indian real estate sector



will depend heavily on the duration of the outbreak. If prolonged, the commercial real estate market would be severely affected by the delayed expansion plans of foreign companies due to travel restrictions and the uncertain global economic scenario. There could be an indirect effect on construction as allied sectors such as steel and heavy machinery rely on importing raw materials from China. This would also impact the luxury real estate market that relies on high-end fixtures, fittings and furniture from China. A significant disruption in the supply-chain may force builders to source from alternate markets, which will impact costs. Any areas of high population density are susceptible to Coronavirus."

The government advisory to avoid social activities is certainly going to impact site visits and sales but these kind of digital launches will boost the developers' confidence and help revive the real estate sector on the



▲ Rakesh Reddy, director, Aparna Constructions



▲ Khazema Chitalwala from Designers Group



▲ Manish Dikshit, founding partner & design principal, Aum Architects



▲ Rohit Saraj, CEO & founder of Urban Zen

back of lower loan rates and reduction in stamp duty in some states.

It's not only developers; even architects are facing the brunt of it. The core architecture is practiced on the ground, at the building site and it is essential for an architect to witness ongoing construction at every step. Khazema Chitalwala from Designers Group is of the opinion that this pandemic comes with implications for the world economy. "In today's time with technology, collaborative and creative work can be done sitting at various locations. But we need to physically inspect sites under construction and on-ground interaction is essential for an architect. To see the designs transform to reality, from a piece of paper to a 3D structure is every architect's dream," adds Chitalwala.

The impact of the deadly novel coronavirus is having a cascading effect on numerous segments and supply chains. Manish Dikshit from AUM Architects, worries that this lockdown will delay a lot of ongoing and future projects resulting in huge losses.

According to Rohit Saraj, founding principal and design director at Urban Zen, with the current crisis, the world will go into self-preservation and conservation. This will extend itself to the architecture industry as well. Demand for such services will be hit in both the short and medium-term.

In a situation where the global economy is slowing down, investors and businesses are adopting a wait-and-watch approach; digitisation might certainly help in combating the Covid-19 crisis to some extent. ■

Echoing this thought, Rakesh Reddy, Director, Aparna Constructions and Estates, adds that "The impact of Coronavirus on the Indian real estate sector



will depend heavily on the duration of the outbreak. If prolonged, the commercial real estate market would be severely affected by the delayed expansion plans of foreign companies due to travel restrictions and the uncertain global economic scenario. There could be an indirect effect on construction as allied sectors such as steel and heavy machinery rely on importing raw materials from China. This would also impact the luxury real estate market that relies on high-end fixtures, fittings and furniture from China. A significant disruption in the supply-chain may force builders to source from alternate markets, which will impact costs. Any areas of high population density are susceptible to Coronavirus."