FROST & SULLIVAN

Renaissance of the Workplace

Unlocking Workplace Performance with a Full Stack AV Platform

By Alexander Michael, Vice President, Information & Communications Technology

FROST & SULLIVAN WHITEPAPER

In collaboration with

Q-SYS

Contents

Skyrocketing Demand for Superior Experiences

Wherever people gather to collaborate and drive productivity—be it bustling offices, higher education campuses, convention centers, or event spaces—the demand for superior experiences is evident. These spaces now serve as extensions of a company's or institution's brand, designed to deliver exceptional outcomes for staff, students, guests, and owners.

The debate has shifted beyond hybrid work itself to the purpose of presence. US average gasoline prices rose sharply above $4 per gallon during the second quarter of 2026, with some regions experiencing increases of over 25–30%. This heightened economic burden of commuting further amplifies the need to justify in-person time through differentiated, high-value experiences that cannot be replicated remotely. Such experiences encompass diverse work styles, human behavior, and support needs, driving significant investments in commercial real estate and the advanced technology that powers digital work.

> The focus has shifted away from designing physical spaces primarily for efficiency metrics like square feet per employee. New metrics and design principles place more emphasis on how the human experience affects performance and productivity.

Spaces that accommodate personal choices and support an increasingly diverse set of activities (e.g., listening to music, casual conversations, or volunteerism) support mental health and cultivate community and trust. Consequently, workplace design increasingly incorporates greenery, water features, natural materials, light, and shapes, elements typically associated with the hospitality industry, to create engaging communal office and campus spaces.

Renewal is no longer the default response when existing leases are about to expire. Decision makers are taking a more intentional approach to justifying leases and in defining the role of each space, floor, and building. This presents opportunities for tenants, commercial property owners, and technology providers alike to drive positive change. Key drivers for change include the need for flexible, adaptable spaces under shorter lease terms, the migration to cloud-based technology and data, and evolving collaboration styles.

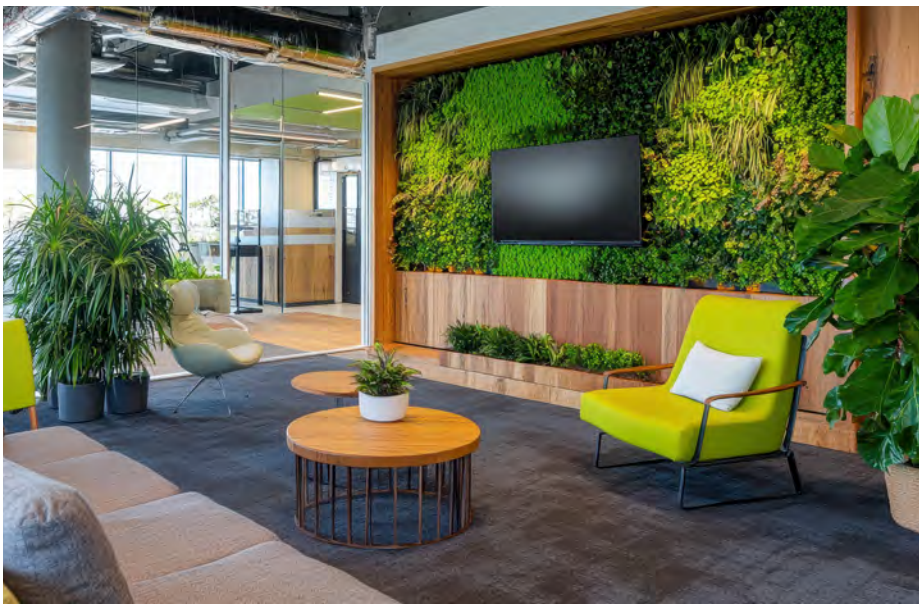
To address evolving business and workforce needs, companies are downsizing their square footage but investing in prime-location Class A properties with state-of-the-art facilities characterized by advanced technology infrastructure, superior architectural standards, and outstanding amenities. This trend is particularly pronounced in large organizations that have more scope for optimizing their real estate. They will need less space overall, but it will be more sophisticated, often multi-functional, and far more technologically advanced.

32% of IT/telecom decision makers have or plan to have more geographically dispersed workplaces

46% are modernizing office technology

50% are offering more office perks

This does not mean that companies are necessarily reducing their geographic footprint. Frost & Sullivan research finds that, to improve employee experiences, 32% of IT/telecom decision makers have or plan to have more geographically dispersed workplaces, 46% are modernizing office technology, and 50% are offering more office perks. Smaller, conveniently located regional and local hubs in major cities help to retain and appeal to new top talent through reduced daily commutes and better technology to achieve personal and company success. Technology behemoths like Amazon, Google, Microsoft, Salesforce, and Zoom have done this in numerous cities around the world, including Chicago, London, Tokyo, and Melbourne.

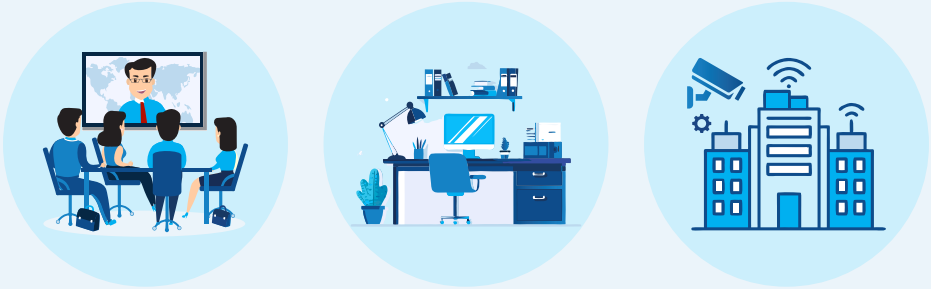


The High-performance Workplace: A New Paradigm for Success

In 2022, Frost & Sullivan and Q-SYS published a paper about high-impact spaces: a category of meeting space characterized by a focus on achieving outcomes driven by sophisticated, intelligent audio, video, and control (AV&C) capabilities, rather than defined by room size.

High-performance Workplaces

High-performance Workplaces encompass a variety of environments that bridge the physical and digital worlds through enhanced integration of AV into collaboration and building technologies, workspace design, and work processes.



AI Driven by AI

High-performance Workplaces harness the full potential of data generated within the built environment to increase productivity, enhance outcomes, and provide a deliberate workspace experience that evolves with the needs of businesses and institutions.

Key technologies include:

- AV platforms
- Video
- Control systems
- Advanced lighting
- Building management
- HVAC
- Sensors
- Wayfinding
- Security
- Space utilization

Meanwhile, the high-impact vision has spread from traditional office and meeting spaces and is energizing hospitality, learning environments, lobbies, and all the spaces in-between. We call this new and growing trend “high-performance workplace.” These workplaces integrate technology into most user-facing spaces of the entire built environment, creating a deliberate, coherent experience that drives successful outcomes and inspires more productive work practices that may involve shorter, purposeful meetings and asynchronous collaboration.

In a high-performance workplace, technology enhances the user experience seamlessly in the background, without requiring direct engagement. Spaces become multi-purpose and reconfigurable, not just through divisible rooms and movable furniture, but by transforming cafeterias, reception areas, campus common areas, and outdoor spaces into welcoming, experiential environments.

The technology is future flexible, scalable, and cloud enabled with functionality increasingly delivered via software, ensuring that use cases can evolve rapidly as needs develop, avoiding the long technological cycles that have characterized building systems and other operational technology (OT). Moreover, the high-performance workplace addresses longtime challenges of working in traditional offices and issues that have arisen with newer work styles.

Boosting Productivity through Dynamic Collaboration

On-site collaboration must be as effective as remote collaboration. AI continues to enhance participant inclusion, equity, and productivity in collaboration with features such as automated audio and video quality adjustments, notetaking, summarization with sentiment analysis, action items, and much more. However, meetings and multi-party collaboration sessions are often conducted as events scheduled for predetermined times and rooms, leaving spontaneous, ad-hoc use of collaboration tools among groups as a less common use case. The connected, high-performance workplace makes collaboration tools more readily accessible and available to support a much wider range of use cases and collaboration styles, from one-to-one to many-to-many.

Igniting Creativity in AI-enhanced Environments

AI has moved decisively beyond assistive features to become a fully embedded operational layer across the workplace. With the rise of agentic AI, intelligent multimodal systems now coordinate tasks, shape environments, and streamline workflows in real time. Rather than simply supporting human activity, these systems actively participate in execution, adapting continuously to deliver better outcomes.

As routine work is increasingly automated, organizations want to encourage creative, analytical, and change-driving human talent. High-performance workplaces unlock that potential by designing environments that energize both the mind and the senses.

Lighting that aligns with natural rhythms can sharpen focus and boost energy, while curated soundscapes reduce stress and support sustained concentration. Interactive, digital surfaces further accelerate ideation, enabling teams to capture, refine, and evolve ideas fluidly. Together, these elements create spaces where creativity is not just encouraged, but consistently activated..

Catalyzing Development and Building Culture

Limitations of existing tools and workstyles have contributed to burnout that is a critical retention issue for many organizations, in part due to work habits formed since 2019. Multitasking during virtual meetings, lack of work-life boundaries, restrictive routine, and isolation, for example, contribute to the disengagement that diminishes work quality. Those most affected have been new hires and early-career professionals, resulting in decreased productivity, lower quality work and higher turnover.

By addressing the nature of work, behaviors, and habits more holistically, and by offering options tailored to different preferences, organizations can mitigate burnout and avoid costs associated with rehiring and training. Extensive remote experiences surfaced additional unexpected challenges that, now recognized, are helping to catalyze in-office work initiatives.

High-performance workplaces are highly valued over solitary, methodical cubicle life because they stimulate organic experiences that inspire employees to want to be in the office. Training, mentorship, and culture-building flourish as shoulder-to-shoulder in-office experiences with colleagues and leaders make it far easier to provide employees with the professional environment and perfect mix of visualization, collaboration, and computational tools that allows skilled and promising employees to thrive and work efficiently on complex tasks without technical limitations.

Executing on the High-performance Workplace Vision

Top-manager familiarity with the high-performance workplace vision is increasing, in part owing to the experience centers that many organizations invest in today to showcase brands, products, and services in a memorable way. Naturally, customer loyalty and brand advocacy help clarify the value of high-performance workplaces, but C-level executives are more likely to grant budget approvals when they see workplace design changes translated into financial terms and business effect.

Effect on Property Values

The financial benefits of high-performance workplaces can be understood in terms of occupancy, building usage, and profitability metrics, which help establish total cost of ownership and the link between office environment and productivity. AV&C investment has strong potential to lower energy costs over time. However, energy savings can only be a small part of the equation because many budget owners think of energy as a fixed cost, although it is clearly variable. Overall, revenue and profit increases will always be powerful key investment drivers for budget owners.

In owner-occupied buildings, another positive of high-performance workplaces is the relationship between balance sheets and high-performance workplace investments. Workspace quality increases corporate real-estate values significantly. At the other end of the spectrum, the devaluation of commercial office real estate to Class B or lower reflects the insufficient quality needed for safe, engaging work environments and proper brand representation.

Vacancy in older buildings will remain elevated as occupiers continue a flight to higher quality, per CBRE Research (CRBE 2025 U.S. Real Estate Market Outlook, December 2024). The trend is driven by heightened demand amid return to pre-pandemic occupancy levels, need for compelling workplaces within low unemployment conditions, need to reduce costs through reduced lessee turnovers, and other factors. On the other hand, higher turnover and higher vacancy in older and sub-Class A properties offer opportunities for internal stakeholders to upgrade to a high-performance workplace and improve their overall real estate equity and classification.

Stakeholder Convergence

Historically, the responsibilities for AV&C, communications, IT, and building management have been divided. However, increasing convergence and collaboration on technology choices between all the teams that influence the workplace and campus experiences is beginning to improve outcomes. This means that decisions on AV&C and building management systems, which have traditionally been made at the operational level, are now moving up in priority to senior executives because the implications are becoming strategic. The more senior the decision makers, the more likely it is that an organization will be on the forefront of implementing high-performance workplaces.

Organizations should incorporate a granular view of day-to-day processes on the ground into technology and workspace design. Aligning stakeholders, from the CEO to HR and operational management ensures the prioritization of processes that can be improved by technological advancements. New stakeholder roles (e.g., Chief AI Officers) are increasingly central to these decisions.

To ensure high-performance workplaces evolve continually, organizations must remain vigilant to potential improvements and emerging requirements. Forming a workplace committee with cross-functional stakeholders is helpful to stay informed and forward-looking. This committee should have C-level sponsorship to drive decision-making and execution across the organization effectively.

Moving at the Speed of Software

The typical building design process spans several years, and this makes upfront AV&C and collaboration technology integration almost impossible. Because early technology selection would result in outdated equipment by the time the building was completed, AV&C choices are made late and added on to workplace designs decided years earlier.

Consequently, organizations should limit fixed architectural infrastructure. Making buildings modular, upgradable, and adaptable to business dynamics allows the workplace to evolve at the speed of software.

Building infrastructure has long been static, but it now needs a transformation—similar to the automotive industry—towards standardized interfaces and flexible, software-driven upgrades. In a high-performance workplace, a full stack AV platform is part of the solution that ensures workspace designs continually meet diverse departmental needs, embody organizational values, and deliver desired outcomes.

When senior executives provide their high-level vision for the workplace before construction or refurbishment begins, they should be mindful of the social dynamics in the workplace. In this context, a full stack AV platform has the potential to effectively represent the organization's brand and culture, mitigating resistance to change and lowering performance barriers.

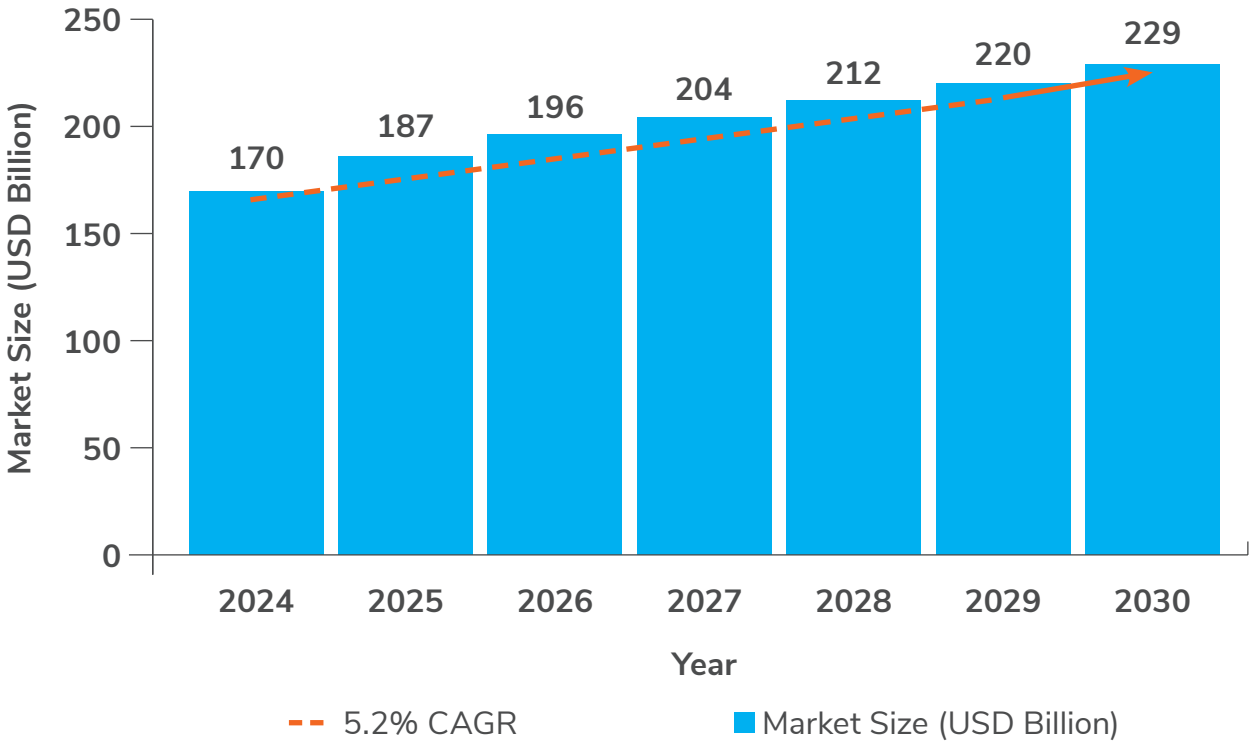
The High-performance Workplace: $196 billion US Market

Frost & Sullivan research suggests that 80% of medium to large organizations will be influenced by the high-performance trend within the next five years. Global investment in workplaces, including AV&C technologies, is experiencing sustained growth, with broadly consistent patterns observed across international markets. Nevertheless, the specific drivers of this trend—such as sustainability imperatives and energy efficiency goals—are often shaped by regional policy frameworks, particularly in Europe where government-led initiatives play a significant role.

In 2024, the US had 9.1 billion square feet of office space, with approximately 5.6 billion square feet classified as Class A properties. Frost & Sullivan considers these Class A properties potential candidates for high-performance workplaces over the next decade. Communal areas in Class A properties are likely to receive more investment—and earlier—than mass deployment spaces, because typical communal areas are not yet equipped with the technology to reach their full potential.

Frost & Sullivan estimates that the total addressable market (TAM) for US high-performance workplace AV&C solutions will reach approximately $196 billion in 2026. Market insights and projections are based on independent research conducted by Frost & Sullivan. These projections do not imply immediate annual revenue realization. They represent the theoretical upper bound of market potential, assuming universal and simultaneous adoption of high-performance workplace technologies. Consequently, the projections cannot be construed as an expression of the revenue potential of AV&C vendors individually or collectively.

US High-performance Workplace AV&C Solutions, TAM



Market insights and projections based on independent research conducted by Frost & Sullivan (Renaissance of the Workplace, 2026)

This valuation excludes several critical technology domains—such as advanced lighting systems, integrated building management platforms, sensors, and digital wayfinding—which are integral to the high-performance workplace paradigm. The inclusion of these complementary technologies would significantly expand the overall market valuation.

By 2030, Frost & Sullivan projects that the TAM will have grown to $229 billion in the US, driven by the construction of additional Class A office space, new functionalities, and inflation increasing the value of average AV&C technology deployments.

Frost & Sullivan's TAM forecast is based on detailed research into the US commercial real estate market, for which solid statistics exist. The calculation factors in projected US construction of new office buildings and an AI-assisted projection of office space downgraded to Class B annually.

Embracing the Full Stack AV Platform

With the introduction of its comprehensive full-stack AV platform in 2024, Q-SYS demonstrated a leading role in the advancement of integrated audio, video, and control technologies. The platform is designed to consolidate devices and data within a cloud-centric architecture, underpinned by a unified operating system, thereby facilitating real-time responsiveness and enabling data-informed decision-making.

The Q-SYS full stack AV Platform is foundational to the high-performance workplace because it enables organizations to harness real-time data to shape the workplace experience dynamically, meeting the expectations of employees, students, administrators, and business owners. A unified platform that connects the myriad systems and technologies within the built environment helps business decision-makers understand their physical space requirements and usage better. Real-time data can trigger automated actions based on environmental factors like CO_2 levels, temperature, and lighting. By turning real-time user behavior into actionable data, and by using AI to adapt and enhance the workplace experience, the platform strengthens work quality and supports collaboration, productivity, and differentiation.

Full Stack AV Platform Components: Multimodal I/O, Intelligent Platform OS, Cognitive Cloud

The Multimodal I/O connects to the physical world, acting as the eyes and ears for raw data inputs from the vast portfolio of native Q-SYS devices as well as third-party devices available from the extensive Q-SYS ecosystem. After the raw data is processed through the stack, the Multimodal I/O handles the outputs that deliver the desired experience back into the physical world.

The Intelligent Platform OS is a fully integrated AV&C engine that distributes processing based on functional and proximity needs. It moves data bidirectionally throughout the stack and orchestrating the operation of the platform. The Intelligence Platform OS becomes a single operating system for the organization to make integration easier and remove points of failure.

The Cognitive Cloud is an advanced cloud infrastructure that offers future capabilities for harnessing AI cognitive services and machine learning. As the platform develops, it will generate actionable insights from the Q-SYS deployment and its connected ecosystems across time and spaces, offering enhanced decision-making and operational efficiency.

IT-driven Platforms Prevailing

Major IT and OT participants in the commercial real-estate space want to position as a central junction for data. Frost & Sullivan research suggests that IT-driven platforms will likely prevail in accelerating delivery of standardized solutions that integrate devices and systems. IT innovation cycles are faster than those of building management systems and are far more attuned to open standards. It is precisely the open standards that make the full stack AV platform future flexible. Its open architecture will allow it to exchange data with other platforms and ecosystems, like future integrations with building management systems, to generate insights and trigger actions based on a much wider array of data sources.

Frost & Sullivan research also confirms that a full stack AV platform approach resonates strongly with enterprise decision makers. Their priorities are unmistakable: they emphasize platform integration and data democratization as key tech-stack initiatives to improve flexibility, customization, and outcomes.

For landlords, the platform approach is the most effective way to mitigate the need for shorter technology refresh cycles, and it reduces the need to replace equipment almost regardless of the systems and devices a new tenant wishes to use. A very attractive, high-performance workplace also makes it far easier to maintain tenants and higher lease prices over time. The 2025 acquisition of Industrious National Management Company by CBRE highlights tenant interest in flexible, high-quality real estate options and the desire to accommodate the trend that commercial real-estate leaders have.

The specific benefits of a full stack AV platform largely fall into three categories: cost savings, productivity, and sustainability.

Cost Savings and Avoidance:

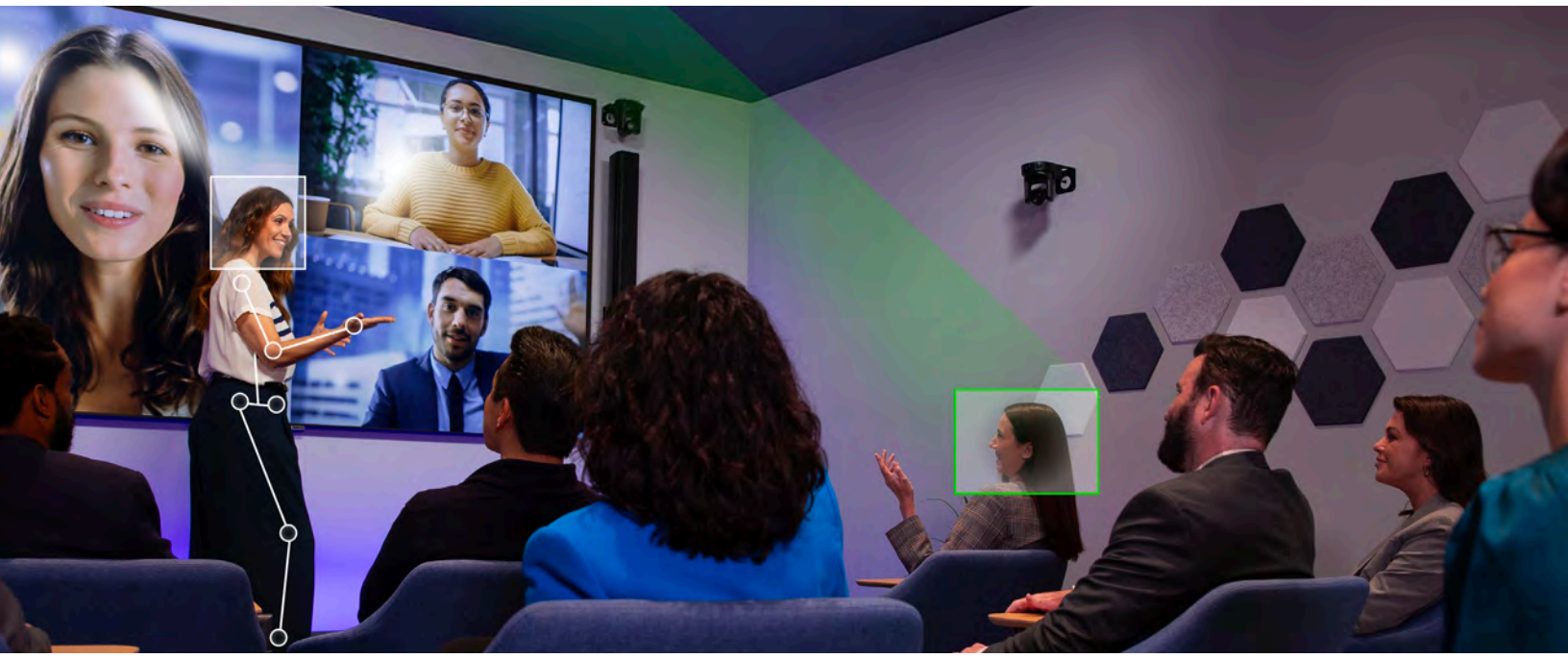
- Increased reliability, fewer points of failure and simplification of system management reduce the support burden and lead to lower support labor costs.
- The “evolutionary update” versus rip-and-replace approach protects the initial investment while allowing for future incremental investments. This is particularly significant in multi-tenant buildings.
- A happy, more engaged and better supported workforce leads to reduced churn and lower recruitment and training costs and more productive employees.
- Eliminated data silos drive enhanced insights into space needs and configurations leading to lower real-estate costs over time.

Productivity

- A software-defined platform can be enhanced frequently to deliver customizations, new feature sets and increased value over time.
- By integrating data from multiple sources, such as scheduling data, access bookings, lighting, energy consumption, temperature, ventilation, AV system health status, and occupancy sensors, organizations can manage productivity and remove obstacles to performance.
- A full stack AV platform helps quantify workplace performance metrics. Critical insights inform data-driven interventions that enhance performance.
- Analytics help organizations understand how changes to workplace policy influence outcomes, enabling faster feedback cycles and better-informed decisions.
- Continuous feedback helps clients optimize workplace strategies.

Sustainability

- Less electronic waste as new functionality can be deployed via software upgrades using existing hardware.
- Promoting a culture of sustainability by using data on emissions, waste, water, and energy to help employees understand how their work affects the environment.
- Setting sustainability goals, targets and objectives, and continually measure, manage, communicate, and report on their performance.



The Last Word

Five years ago, smart buildings were still an emerging concept, and the market needed education on their benefits. Today, their value is widely recognized, and the conversation has moved beyond awareness to execution. Organizations are no longer asking whether to invest in intelligent workplaces, but how quickly they can operationalize them to remain competitive in an environment shaped by rapid technological advancement and evolving workforce expectations. Decision-makers must now connect a broader spectrum of benefits, particularly the tangible performance gains enabled by real-time insights delivered through centralized software platforms.

A full stack AV platform has become essential to measuring workplace performance and extracting actionable intelligence. As organizations deepen their understanding of employee and tenant needs, these platforms allow them to adapt environments dynamically and continuously improve outcomes. The rise of agentic AI is further accelerating this shift, transforming workplace systems from passive sources of data into active participants in execution that trigger actions, optimize conditions, and orchestrate workflows in real time.

This evolution delivers measurable benefits. Real-time monitoring enhances safety and well-being, while data-driven insights improve space utilization and operational efficiency. Cost savings extend beyond energy management, as simplified system architectures and evolutionary upgrades reduce support burdens and preserve capital investments. Data has become an operational necessity and a strategic asset, allowing organizations to demonstrate quantifiable links between workplace investments, employee performance, and financial outcomes.

As fuel, raw materials, components, and other operating costs rise rapidly, and as workforce behaviors shift, the pressure to rethink the workplace is intensifying. Organizations are moving decisively toward more purposeful, value-driven environments that justify every visit and every square foot. In this context, investing in a full stack AV platform is a strategic imperative to create future-flexible environments that adapt continuously, remove performance barriers, and stay aligned with evolving business priorities.

The high-performance workplace is no longer just a vision. It is quickly becoming the standard for how leading organizations operate and compete.

YOUR TRANSFORMATIONAL GROWTH JOURNEY STARTS HERE

Frost & Sullivan's Growth Pipeline Engine, transformational strategies and best-practice models drive the generation, evaluation, and implementation of powerful growth opportunities.

Is your company prepared to survive and thrive through the coming transformation?

Join the journey. ➜

FROST & SULLIVAN