

Strong cities



City attractiveness, office market, HR trends

H1 2023

The office market sentiment, the investment potential of the city and the labour market.

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Tricity

Prepared
in cooperation with



Michael Page

Tricity

-  **Metropolitan area**
531.6 sq km
-  **Metropolitan population**
~1.6m (2021)
-  **Metropolitan population forecast**
~1.58m (2030)
-  **Migration balance**
(+) 790
(Tricity)
-  **Unemployment rate**
1.8%
(06.2023, Statistics Poland)
-  **GDP growth**
9.7%
-  **GDP per capita**
PLN 89,995
-  **Average salary (gross)**
PLN 9,003.30 (Gdańsk)
(in the business sector, 06.2023)



Investment attractiveness

Rankings

- 1ST PLACE** Outsourcing Stars 2021, 2022 in the City category for **the fastest growing city in the BSS sector in Poland**, Pro Progressio
- 1ST PLACE** in 2022 for Tricity as **the most dynamically developing city in Poland**, CEE Shared Services and Outsourcing Awards
- 1ST PLACE** in 2020 and 2022 for Tricity as **the best place to do business** in Poland by ABSL
- European Entrepreneurial Region 2020**
- Gdańsk, Gdynia and Pomeranian Voivodeship in **TOP 10 of fDi European Cities and Regions of the Future 2022/2023** ranking. Pomeranian Voivodeship in the category fDi strategy - medium-sized regions. Gdańsk was awarded a distinction as a business-friendly medium-sized city, and in the category of small cities, fDi strategy - Gdynia

Investment incentives

- Invest in pomerania**
Dedicated employer branding campaign, access to recruitment platform, dedicated recruitment campaign, support in immigration matters, scholarship for relocation, temporary office for investors.
- Economic zones**
Employment grant and investment grant in the form of CIT exemptions.

- Government support**
Employment and investment cash grant for investors.

Quality of life

Rankings

- 1ST PLACE** for Gdańsk in **People Friendly Cities 2020** ranking by Forbes
- 3RD PLACE** for Gdańsk in **Quality of life category** in Emerging Europe Awards, 2020
- 2ND PLACE** for Gdańsk in quality of life category during last 5 years according to **Report on the Quality of Life in European cities**
- 55TH PLACE** in Europe - **Quality of Life Index** by Numbeo (mid-2022)
- 142ND PLACE** in the world - **Quality of Life Index by Numbeo (mid-2022)**







Quality of life in numbers

- Gdańsk systematically monitors quality of life and residents' satisfaction.
- According to Report on the Quality of life in European Cities, 2020, Gdańsk residents declare satisfaction with life in the city at - 97%.
- Activation measures and investments as part of revitalization program in four areas of Gdańsk: Biskupia Górka/Stary Chełm, Dolne Miasto/Plac Wałowy/Stare Przedmieście, Nowy Port with Fortress Wisłoujście, Orunia.
- Gdańsk leads disease prevention programs aimed primarily at groups of increased risk. The city also takes actions to improve the quality of medical and social care.
- Bronze award - Gdynia as an example of clean living quality, The International Awards for Liveable Communities 2021.
- Launch of the first Polish subsidy program for the purchase of cargo bicycles in Gdynia. 90% of the funds allocated for this purpose have been used. There is also a cargo bike rental in the city with a fleet of 16 electric vehicles.
- In Gdynia there is a position in local government structure of vice-president for quality of life, who is responsible for education, health and smart city activities.
- In 2021, Gdynia joined the ranks of five cities in the world receiving ISO 37122 certification, a distinction designed for cities that effectively create and implement a sustainable development strategy using available technologies.
- Air protection program for the City of Gdańsk.
- Development of the groundwater monitoring system in the area of Gdańsk, Sopot and the commune of Pruszcz.

 **Bike paths**
293,7 km






 **Green areas**
123 sq km

Facts & Figures

-  **Number of students**
77,174
-  **Number of graduates**
18,237
-  **Number of universities**
24
-  **Airport - distance to the City centre**
15 km
-  **Airport - number of passengers**
4,600,000 (2022)
2,154,563 (2021)
1,472,945 (2020)
-  **BSS sector - number of centres**
185
-  **BSS sector - number of employed**
36,000

Tricity

H1 2023

-  Existing stock **1.02m sq m**
-  Supply under construction **38,100 sq m**
-  Vacancy rate **14.3%**
-  New supply **6,800 sq m**
-  Take-up **68,600 sq m**

At the end of Q2 2023, the office market stock in the Tricity reached almost 1.02m sq m, making it the third largest in terms of size among the regional markets, just behind Kraków and Wrocław.

In H1 2023, the Tricity market gained over 6,800 sq m of new space - nearly 6% of the volume delivered to the office markets in regional cities. In Q2 2023, the local market grew by almost 2,100 sq m of modern office space, through the commissioning of the Matarnia Office Park A (Domesta).

At the end of June 2023, approximately 38,100 sq m was under construction. If developers keep to their planned schedules, nearly 30% of this space will be delivered to the Tricity market in 2023. The largest investments under construction are: Waterfront II (15,000 sq m, Vastint Poland), and Punkt (12,500 sq m, Torus), both of which are expected to be delivered to the market in 2024.

In H1 2023, the transaction volume in the Tricity amounted to over 68,600 sq m, accounting for 21% of the total volume of contracts signed in the regions. This was the third highest result among the regional cities, just behind Kraków and Wrocław. In H1 2023, the largest share, nearly 49%, came in renegotiations, with new contracts accounting for 47% of the transaction volume, and expansions only 4%. In Q2 2023, Demand for office space of nearly 21,000 sq m was recorded.




Despite the reasonably high demand, the delivery of the single new office project resulted in a 1.1 pp increase in the quarter's vacancy rate which, at the end of June 2023, stood at 14.3%. Compared to the same period of 2022 however, this rate decreased by 1 pp.

Asking rents in the Tricity at the end of June 2023 remained stable compared to the previous quarter, ranging from EUR 10.00 to EUR 15.00/sq m/month. Persistently high construction costs, along with the still high costs of servicing construction loans, are limiting investor negotiating possibilities. Thus, rent increases, particularly in new buildings, remain a possibility. Service charges ranged from PLN 19.00 to PLN 33.00/sq m/month.






Coworking operators in Tricity

Spaces | Regus | Chilliflex | O4 | Collab | City Space






Standard lease terms in new buildings

-  Service charge PLN/sq m/month **19.00-33.00**
-  Rent-free period **1-1.5 month** for each contract year
-  Fit-out budget EUR/sq m **100.00-300.00**

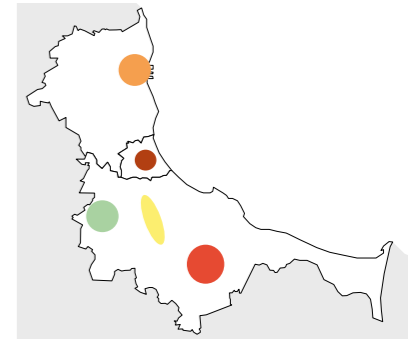
Selected schemes under construction

WATERFRONT II		PUNKT	
 15,000 sq m	 2024	 12,500 sq m	 Q2 2024
 Vastint Poland		 Torus	
 Total office space	 Completion date	 Developer / Owner	

Office space

	EXISTING STOCK	SUPPLY UNDER CONSTRUCTION	VACANCY RATE	MONTHLY ASKING RENT
 Gdańsk Al.Grunwaldzka	463,400 sq m	17,400 sq m	11.9%	EUR 11.5-15 sq m
 Gdańsk City Centre	120,500 sq m	5,700 sq m	12.6%	EUR 11-15 sq m
 Gdańsk airport	66,000 sq m	0 sq m	10.3%	EUR 13-14 sq m
 Gdynia	217,000 sq m	15,000 sq m	22.0%	EUR 10-15 sq m
 Sopot	35,200 sq m	0 sq m	23.9%	EUR 11-14 sq m

Major concentration areas



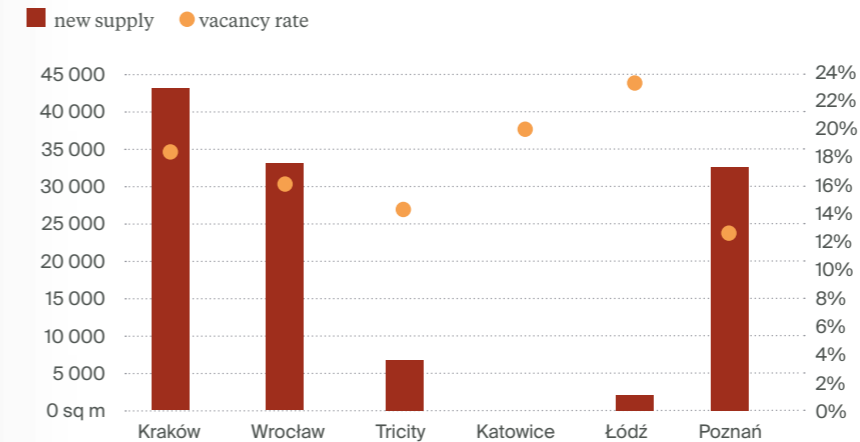
Major regional cities

H1 2023

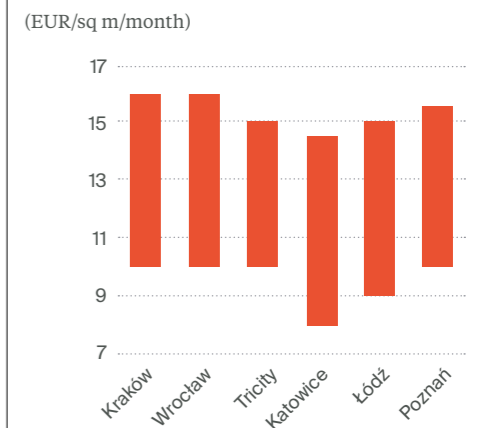
Kraków, Wrocław, Tricity, Katowice, Łódź, Poznań, Szczecin, Lublin



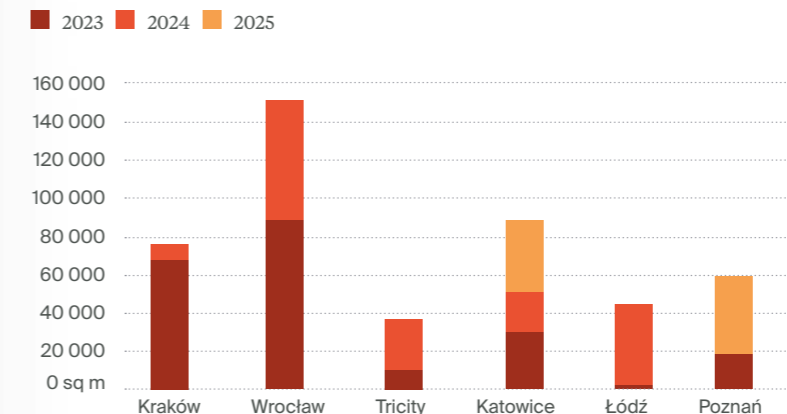
New supply and vacancy rate (H1 2023)



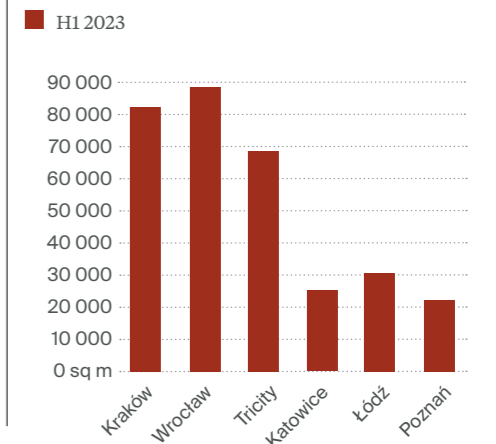
Asking rents (H1 2023)



Supply under construction by completion year (H1 2023)



Take-up volume



Talent Trends 2023: a complete transformation of workplace culture

80% of people who started a new job throughout the last year are open to new opportunities. The factors that have the greatest impact on candidates when choosing a new place of employment are salary (26%), flexibility (15%), and career growth (14%). This is clear to see in the Talent Trends 2023 survey, carried out by PageGroup experts on a group of Polish respondents.

Employees ready and willing to look for new opportunities

Employees are increasingly more open to change and are very flexible. Of the nearly 1,000 people who took part in the Talent Trends survey in Poland, 94% of respondents admitted to being ready for new professional challenges, and more than half said they were actively looking for a job or planning to look for it in the next six months. Interestingly, this attitude can be seen even in those employees who are satisfied with both their current employer and earnings.

The salary is the strongest motivator for change

These days, remuneration is the most common reason for quitting, the most frequent reason for accepting a new position, the key component of a job advertisement, and the core of the recruitment process.

Flexibility is the new basis

Employers should adapt their mindset to the new reality, prioritising work-life balance and staff well-being. 7 out of 10 people would choose mental health and work-life balance over professional success.

Career growth: the key element of the recruitment strategy

37% of employees claimed they prioritised those companies that invest in the career growth of their staff. Professional development plans should be clearly communicated and consistent with the culture of the organisation. In order to improve employees' loyalty, it is worth developing a transparent promotion path that will have a specific time frame.



► For more information on the transformation of workplace culture, make sure to read the findings of our latest [Talent Trends 2023 survey](#).

The ins and outs of the labour market in the SSC sector

in Poland

Over the last couple of years, global business has focused on transformations related to the digitisation and streamlining of processes. Poland has become one of the key beneficiaries of this trend, which proves its attractiveness. A large number of talented and competent candidates in our country is the main factor that helps to draw new investors toward it.

Here are the 5 major trends in the SSC sector that determine the trajectory of changes in the labour market in 2023:

Experienced recruiters = effective recruitment

In the face of stiff competition for candidates with specialist expertise, effective communication and recruiter experience are of primary significance. By understanding the mechanisms that take place in the labour market, recruitment consultants can effectively respond to the needs of both employers and candidates

20 days

A candidate's activity cycle on the market is a maximum of 20 days, and it results from the increased number of job offers received. Greatest effectiveness and best competitive advantage are achieved by those employers who cut down their recruitment to a maximum of 2 stages.

Building your own brand in conversations with candidates

As many as 77% of candidates are guided by the company's image on the market before deciding to take up a job. In 2023, meetings with candidates are crucial to show the values and position of the organisation.

Market diversification

Apparently, more and more strategic functions are being centralised these days. In 2022, roles in such areas as supply chain, purchasing, and human resources dominated in southern Poland, while positions in the controlling and financial analysis departments prevailed in the north. The trend is due to continue this year.



TOP 4

The most desired positions in the SSC sector:

- 1 ► **FP&A Expert:**
PLN 12,000 – 19,000
gross/monthly
- 2 ► **Process Excellence Lead:**
PLN 16,000 – 22,000
gross/monthly
- 3 ► **Procurement/Supply Chain Specialist:**
PLN 10,000 – 15,000
gross/monthly
- 4 ► **Reporting/Management Accounting:**
PLN 12,000 – 18,000
gross/monthly

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Reports are produced on a quarterly basis and cover all sectors of commercial market (office, retail, industrial, hotel) in major Polish cities and regions (Warsaw, Kraków, Łódź, Poznań, Silesia, Tricity, Wrocław, Lublin, Szczecin) and PRS sector in Poland. Long-term presence in major local markets has allowed our research team to build in-depth expertise of socio-economic factors affecting real estate market in Poland.

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