



The Rise of the Urban Knowledge Campus

To reinvigorate office life, large companies are relocating to mixed-use neighborhoods that offer easy access to transit, housing, and amenities. by [Richard Florida](#), [Masaki Hamura](#), [Vladislav Boutenko](#) and [Natalia Konyukova](#)

[From the Magazine \(May–June 2026\)](#)



Paul Wearing

Summary.

Corporate headquarters aren't vanishing; they're being rebuilt as vehicles for collaboration, innovation, and talent attraction. Traditional office districts impose heavy costs through long commutes and fragmented daily logistics. But knowledge...more

JPMorgan Chase's new multibillion-dollar New York headquarters at 270 Park Avenue rises nearly 1,400 feet and occupies an entire city block. It's organized around a large public plaza with restaurants, retail outlets, and green space. The new headquarters of Pfizer and of BlackRock in Hudson Yards—two sculptural towers—sit atop a dense mix of transit, retail, and public space. One Vanderbilt, another supertall multibillion-dollar tower, is connected to Grand Central Terminal and creates a vertical neighborhood of restaurants, lounges, terraces, and meeting suites. Across the Atlantic, Google, Meta, and Universal Music have turned former rail yards near King's Cross in London into a thriving hub for technology, media, and creative firms.

At the very moment when corporate headquarters were expected to fade away, they are being reinvented—at extraordinary scale and with unprecedented investment—as a new kind of urban campus, woven into the fabric of a city and drawing on the energy of urban life. We call this new model for corporate location the *knowledge campus*. It has more in common with a university campus than with a traditional office tower. It supports the full rhythm of daily life—work, meetings, learning, socializing, and movement—within a single, highly connected place. And because these campuses are often connected to major transportation hubs, they improve workers' productivity and overall life satisfaction by reducing commuting time—a notorious drain on both quality of life and workplace performance.

What's more, the shift to knowledge campuses is not limited to the world's superstar cities. Variations are appearing in cities of all sizes, as well as in suburbs and even rural areas, as places move away from single-purpose office districts and residential-only development toward more dynamic environments that better integrate work, daily life, and connection.

Drawing on a detailed survey of professional knowledge workers and our analysis of major downtown business districts in 13 global cities, in this article we explain how and why place has become a key factor in talent attraction and workplace productivity. We then outline four elements of this new model, using two of Tokyo's leading districts as a starting point. Finally, we lay out the core principles that business leaders can use to think more deliberately about location—not as a real estate cost or as a marker of status but as a central element of strategy and a driver of competitive advantage.

The Connection Between Productivity and Place

The office wasn't supposed to come back. Digital technology was going to make it obsolete. And for a moment during the pandemic it looked like remote and hybrid work were the future. But the “end of the office” didn't happen. Instead, the office is being reinvented. That's because for work that depends on collaboration, judgment, and learning from one another, being together still matters. Working side by side makes coordination easier and helps colleagues build the trust that organizations rely on. So rather than vanishing, corporate headquarters are being rebuilt as vehicles for collaboration, innovation, and talent attraction.

Currently, the case for returning to the office rests on a narrow view of productivity: one that measures only what workers do at work (output per hour of work). But that approach misses a critical piece of the equation. Productivity has two interconnected dimensions. *Work productivity*—what is accomplished at the office—relies on *life productivity*—what gets accomplished outside of it. Life productivity includes activities such as commuting to the office, taking care of personal obligations, and getting enough rest to refuel our capacity to work. It makes sustained performance at work possible.

In 2025 we surveyed 1,200 professional knowledge workers across seven countries—France, Germany, India, Japan, the United Arab Emirates, the United Kingdom, and the United States. Our survey was designed to assess both dimensions of productivity. We found that overall workplace productivity is significantly higher in office environments than it is working from home, driven by greater collaboration, more interaction, and shared problem-solving. But the picture shifted when we considered life productivity. Commuting is the biggest drain: Workers in our survey spent an average of 75 minutes traveling to and from the office, time that cannot be used productively at work or at home. More broadly, we found that the time lost to errands, fragmented routines, and the stress of coordinating childcare or personal obligations also erodes energy and focus during work hours.

That trade-off between work and life productivity is not inevitable. In the right location and designed the right way, offices can preserve the advantages of in-person work while reducing the daily friction associated with leaving home to work.

The Rise of the Knowledge Campus

To forge a better connection between work and life productivity, leaders should think of the office not as the building itself but as the broader place in which it is embedded—an environment that integrates workspaces with transit, services, and amenities so that employees can move seamlessly between professional and personal responsibilities. The knowledge campus's mix of spaces (work, retail, entertainment) and transit access cuts the cost of long commutes and fragmented routines. Perhaps the clearest example of a knowledge campus is a typical high-rise complex near one of Tokyo's major train stations. The towers function as vertical cities—with hotels and apartments on the upper floors, restaurants and clubs in the middle, and innovation hubs and coworking spaces at the bottom. Executives sometimes live in the same buildings where they work. Visiting team members can stay in hotels connected to the office complex. Workers with families can reach the district by rail in 10 to 20 minutes. When the office, lodging, restaurants, leisure outlets, and transit are all in the same place, employees stop wasting time coordinating logistics. The place itself sets the rhythm of the day.

To better understand knowledge campuses, we examined 39 downtown business districts in 13 global megacities, focusing on 15 districts that have undergone the most significant transformation since the 1990s. From that analysis we developed our knowledge campus index, built around four core dimensions that distinguish places where work and life productivity reinforce each other.

First, knowledge campuses reintegrate key parts of daily life with work. They bring offices together with housing, services, culture, and amenities—food, fitness, and even childcare are on-site or next door. What’s more, many of the new headquarters and districts we studied were explicitly built to draw on the energy of the surrounding city. Cafés, sidewalks, parks, and public spaces are part of the workday—places for walking meetings and quick resets, which boost the social energy that makes in-person work productive.

Second, they intensify interaction and connection. By bringing professional and personal worlds into closer proximity, knowledge campuses generate the informal encounters that sustain culture, reinforce trust, and spark collaboration and new ideas.

Third, they take shape around distinctive industry clusters, such as finance, technology, or creative fields. Proximity strengthens knowledge sharing.

And fourth, because they are anchored to major transit hubs, they reduce commuting friction, which is a key driver not just of work productivity but also of worker life satisfaction.

In our survey, workers at knowledge campuses reported a higher ability to concentrate, collaborate, and manage daily routines than workers in traditional downtown districts did. On a normalized 0–100 scale, knowledge campus workers had an average work productivity score of 63.4, compared with 56.8 for those in traditional downtowns—a 6.6-point, or roughly 12%, advantage. The gap in life productivity was even larger: 57.9 versus 50.4, a 7.5-point difference equivalent to an approximately 15% advantage. Interviews with managers reinforced these findings; managers in knowledge campuses described employees who were more focused, energized, and able to sustain high performance.

Understood in this way, knowledge campuses lay bare the reasons for the decline of old corporate headquarters and traditional business districts. Many were built as single-purpose office zones, designed around what happened inside the building while leaving workers to manage their everyday needs on their own. And because these districts were often poorly integrated with transit and housing options, the commute became a daily burden. As these older central business districts struggle, nearby downtown areas are often thriving. Former industrial zones, waterfront districts, and neighborhoods anchored by universities or medical centers are seeing stronger demand, rising rents, and lower vacancy—even when they sit just a few blocks away. (See the sidebar “Why Traditional Downtowns Decline While Nearby Districts Thrive.”)

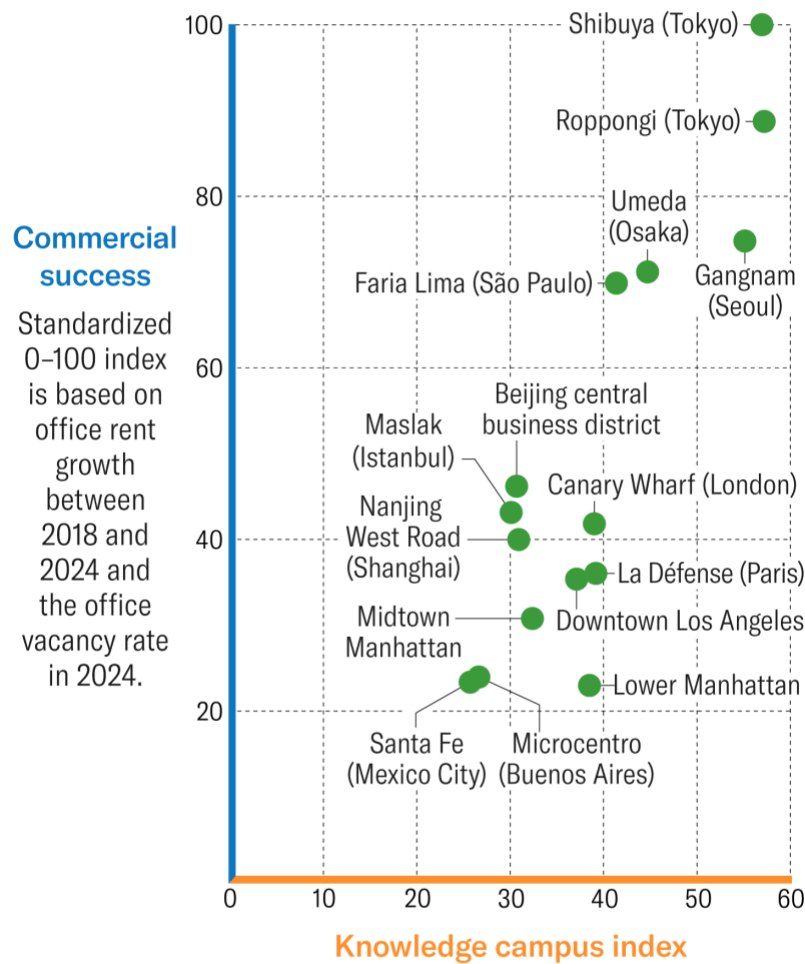
The same logic helps explain the limits of another once-dominant model: the suburban tech campus. Most of these campuses offer internal amenities—cafés, gyms, green space—but they are typically isolated, car-dependent, and disconnected from daily life. They often entail long, exhausting commutes by car that sap workers’ time and energy before the workday even begins. That is why many startups and technology firms have shifted away from suburban campuses and toward urban districts in San Francisco, New York, Tokyo, and London.

A New Model Emerges in Tokyo

We compared urban districts around the world by plotting their scores on our knowledge campus index against commercial performance, as measured by sustained rent growth and low vacancy. (See the exhibit “How Downtowns Around the World Stack Up.”) Tokyo’s Roppongi and Shibuya districts rank the highest on both dimensions. By contrast, many well-known, more traditional business districts—including New York’s Midtown and Lower Manhattan, London’s Canary Wharf, and Paris’s La Défense—score lower on the index and deliver weaker commercial outcomes.

How Downtowns Around the World Stack Up

Rather than vanishing post-Covid, corporate headquarters are being reimagined as knowledge campuses, which reintegrate daily life with work and are anchored to major transit hubs. When comparing 15 business districts, research found that districts that conform more closely to the knowledge campus model tended to be more commercially successful.



Source: Richard Florida et al.



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What explains this divergence? Tokyo began creating knowledge campuses decades before New York and London caught on. In the 1990s and early 2000s developers in Tokyo were already building mixed-use districts, anchored by transit stations, at the scale of entire neighborhoods. These developers took a long-term approach—working 15 to 30 years to assemble land parcel by parcel and coordinate with hundreds of small-business and residential owners. As many Western cities continued to build single-purpose office towers, Tokyo was creating complete urban neighborhoods.

Tokyo's ascendance was easy to miss because it unfolded during a long period of national deflation and slow economic growth. But the underlying model proved remarkably durable. To understand how it works in practice, we conducted field research there, interviewing developers, corporate executives, and local officials and closely examining the evolution of the city's two leading districts.

Roppongi: from nightlife district to knowledge campus.

Throughout the 1990s Roppongi was known more for nightlife and expatriate bars than for business or finance. In the early 2000s Mori Building Company—the developer that reimagined the district's future—launched Roppongi Hills and a series of other large-scale projects, reconceiving the neighborhood not as a collection of buildings but as a seamless district. The developer aimed to create what it called “urban productivity platforms”—innovation hubs and coworking environments designed to connect corporations, startups, and investors.

Persol Career, a Japanese HR services firm, saw immediate results after moving from Marunouchi—Tokyo's traditional central business district—to Roppongi. Within a year, voluntary office attendance rose by 75%, and the share of employees reporting easier collaboration increased from 61% to 84%, according to internal company data. The implication is straightforward: Place shapes performance. Location can function as a lever for culture and work productivity, not merely a backdrop for work.

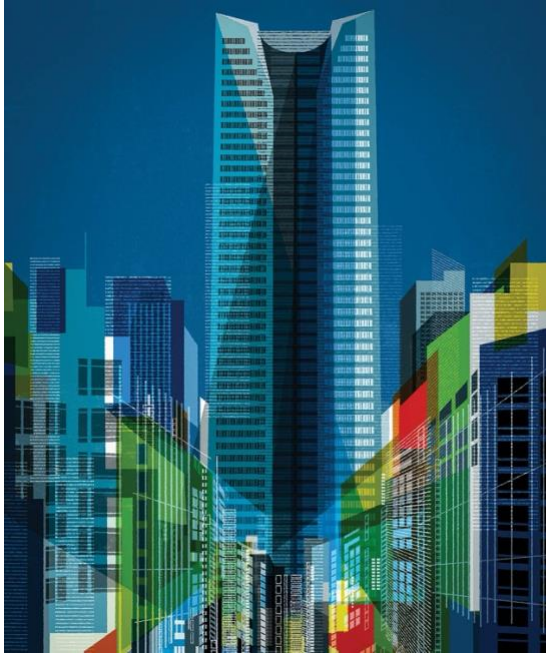
Roppongi's advantage is not just its amenities but the time it gives back to workers by compressing the logistics of the day. A major global technology company relocated its Japan headquarters from Shinjuku to Roppongi under the banner “No wasted time.” The move shortened commutes, reduced daily inefficiencies, and made it easier for employees to integrate work and life. Productivity and retention improved—not because attendance was mandated but because the location imposed fewer costs in time and energy. Global firms such as Goldman Sachs, Apple, and McKinsey have also based their Japan headquarters in Roppongi.

Shibuya: where culture meets connectivity.

While Roppongi was the result of a developer's master plan, Shibuya's advantage began with identity. It grew out of culture rather than commerce. In the 1970s and 1980s Shibuya was the heart of Tokyo's youth scene—fashion, music, art, and design. Anchored by art schools and grassroots experimentation, the neighborhood was a generator of new tastes and talent. That

creative DNA did not disappear as the economy evolved; it became the foundation for a district capable of absorbing global firms in technology, entertainment, and design without losing its energy.

Over the past two decades Shibuya translated its cultural magnetism into a tightly defined industry ecosystem centered on consumer-facing technology. Roughly 80% of major tenants are in B2C sectors, including firms such as Google and ByteDance/TikTok, alongside creative agencies such as Wieden+Kennedy and R/GA. HR firms and startups followed, reinforcing the cluster effects that support knowledge spillovers and talent mobility.



Paul Wearing

What made this ecosystem scalable was connectivity—specifically the integration of transit and development at the district level. Shibuya is anchored by Shibuya Station, where nine rail lines intersect, making it one of the most connected nodes in the Tokyo region. Tokyu Corporation, acting as both a major rail operator and a leading developer in the district, built commercial, retail, housing, and public space directly above and around the station, and then added shared innovation hubs and “third places” where people can meet, collaborate, and recharge.

The result is a district that draws from a vast labor market while remaining livable enough for people to stay active beyond office hours. Many employees live nearby, and several companies subsidize housing within two train stops to reinforce that dynamic. Tokyu’s surveys show that employee productivity and satisfaction have risen by roughly 40% alongside higher voluntary attendance—exactly the work-life reinforcement the knowledge campus model predicts.

Tokyo’s more traditional downtown districts are now following the same path. Marunouchi, once a nine-to-five financial center, has added plazas, pedestrian corridors, restaurants, housing, and cultural venues that keep it active after hours. Shinjuku—anchored by the Tokyo Metropolitan

Government complex and one of the world's busiest train stations—has evolved into a multifunctional hub with offices, hotels, entertainment venues, and shopping.

Roppongi and Shibuya share two structural advantages that reinforce each other: exceptional transit connectivity and land-use rules that allow housing to be built at scale near jobs. In Tokyo dense, diverse neighborhoods can function as true knowledge campuses—places where people can get to work easily and quickly, and where a meaningful share of the workforce can live close enough to avoid punishing commutes.

A New Playbook for Place

For decades the decision on where to locate a firm's headquarters was driven by traditional real-estate metrics—cost per square foot, lease terms, and the incentives developers and cities offered to lure companies to a location. That framework made sense when headquarters functioned mainly as places to house workers. But traditional incentives reveal very little about how a place actually performs.

Measure return on place.

The metric that matters most now is *return on place* (ROP): how effectively a location enables collaboration, reduces friction, and strengthens culture. The knowledge campus framework provides three key variables leaders can measure and manage during site selection, along with using traditional metrics such as cost and utilization.

Interaction and collaboration.

Managers should assess whether their location naturally produces frequent, informal interactions—both inside the workplace and across the surrounding district or campus. That includes the number and density of cafés, restaurants, shared meeting places, public spaces, and street-level activity where people run into one another throughout the day. Locations with active sidewalks and nearby places to meet allow collaboration to happen without being scheduled. That is why firms consistently pay higher rents in areas with strong street life—along corridors like Fifth Avenue in New York or near major transit hubs—than in nearby office districts that lack interaction opportunities.

Life productivity and the commute.

Location assessments must look beyond the walls of the building to capture how much time and energy people lose or retain by working there. This includes the true cost of commuting—distance, of course, as well as time, variability, and whether transit options allow for working en route. It should also incorporate the friction of everyday tasks like getting meals, running errands, or coordinating childcare. Locations that minimize these burdens enable employees to stay productive rather than exhausted.

Ecosystem strength.

Managers should evaluate the strength of the surrounding industrial and talent ecosystem. Use the density of nearby headquarters of related firms, suppliers, startups, universities, and institutions in the assessment. Strong ecosystems compound advantages in attracting and retaining talent and in generating collaboration inside and outside the office.

A clear-eyed assessment of those factors will help leaders decide on next steps for their location—whether that’s retrofitting an existing headquarters that still performs, building a new headquarters, relocating to a district that already delivers these conditions, or working with partners to help create them. The most forward-looking firms do not simply lease space; they actively shape the environments their organizations depend on.

Build districts, not buildings.

Headquarters in isolated buildings are now a liability. Attracting and keeping talent requires an ecosystem that extends beyond the office. In Manhattan the Core Club (an exclusive members-only social club) occupies the upper floors of the GM Building. Hudson Yards integrates the Equinox Hotel (a luxury fitness-focused hotel) into its office complex. One Vanderbilt houses Le Pavillon (a renowned fine-dining restaurant) and a private club; and JPMorgan Chase’s new headquarters includes wellness centers, meditation rooms, and outdoor terraces. As one executive put it, “You need these amenities even if people don’t use them every day. They signal that your company understands what talent expects.”

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Increasingly, headquarters are also merging with their environments. In New York, Google transformed St. John’s Terminal, a century-old freight hub, into a 1.3-million-square-foot urban campus, converting former rail platforms into green roofs and terraces that extend the High Line—and the city itself—directly into the workplace.

Companies in smaller cities can adopt elements of the knowledge campus. Consider what’s happening in Detroit. Dan Gilbert moved Quicken Loans from the suburbs to downtown, taking advantage of discounted office towers and investing beyond workspace—adding plazas, restaurants, retail, and hospitality venues to make downtown a destination. That helped to spark a broader revival of Detroit, anchored by sports, entertainment, and nightlife. General Motors is now relocating its headquarters from the old Renaissance Center to a redeveloped complex in this district, with offices, residences, restaurants, and a luxury hotel. Other institutions have followed: Ford is redeveloping Michigan Central Station into a mobility and urban tech campus. And the University of Michigan is building its Center for Innovation in downtown Detroit. The lesson is clear: Start with a central location, integrate public spaces and hospitality, and anchor the district with innovation hubs. This approach turns a struggling downtown into a dynamic knowledge campus where work, culture, and community converge.

Manage location as a portfolio.

For some firms an ROP calculation for knowledge campuses points beyond a single headquarters. Rather than betting everything on one location, some companies are maintaining a presence in established centers while adding locations that better appeal to different kinds of talent.

Citadel, a leading hedge fund founded by Ken Griffin, is building a major new tower on Park Avenue in New York while simultaneously investing in a new headquarters in Miami, where it shifted its corporate base from Chicago. By operating in both places, Citadel can better accommodate how different people want to live and work. New York attracts younger recruits drawn by dense labor markets, social networks, and cultural life. Miami appeals to senior and midlevel executives with families and to empty nesters who can spend part of the year in Florida—all drawn by Florida's climate, lower taxes, and lifestyle.

Focus on housing.

One of the biggest constraints facing megacities today is housing affordability. High housing costs in places like New York, San Francisco, and London make it difficult—often impossible—for many workers to live close to job centers, pushing families into distant suburbs. In fast-growing metros, demand has outpaced infrastructure, leaving transit systems strained and commutes long and unpredictable.

Interestingly, in the late 1980s and early 1990s housing in Tokyo was among the most expensive in the world. Then the bubble burst, prices fell, and a sustained effort was made to build more housing. Today Tokyo builds nearly 150,000 new housing units a year—more than California and New York combined. Those changes dramatically improved housing affordability in Tokyo, and now the city is far more affordable than many of its global peers. It also benefits from Japan's significant investments in transit and high-speed rail, which enable workers to access more-affordable housing outside the city center.

The United States operates in a different context. Land-use rules are fragmented, infrastructure investment is uneven, and NIMBY politics often constrain housing supply precisely where demand is strongest. Firms cannot fix these problems on their own. But they are not powerless. Business leaders can decide where to locate their offices within the constraints they face.

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Knowledge campuses demonstrate the power of place as a competitive weapon. Location shapes how workers' time and energy are deployed and ultimately how productive an organization can be. When all is said and done, location is much more than just an address—it is an element of strategy.

Why Traditional Downtowns Decline While Nearby Districts Thrive

A common narrative holds that cities are being hollowed out. The more accurate story is that while older, office-only central business districts are struggling, many nearby mixed-use areas

are thriving. Jordan Rappaport, a senior economist at the Federal Reserve Bank of Kansas City, has documented this pattern across dozens of urban districts.

In San Francisco, the sharpest declines are concentrated in the traditional Financial District and older office-only parts of SoMa (South of Market), where office activity has fallen by approximately 25%. Nearby mixed-use districts such as Mission Bay and Potrero Hill, by contrast, saw gains of between 5% and 6%. Office activity in Denver's central business district declined by more than 20%, while in the adjacent mixed-use neighborhoods of RiNo (River North art district) and Cherry Creek, it rose slightly. Seattle's traditional downtown declined by about 25%, but South Lake Union grew by roughly 5%. Los Angeles's Financial District declined by more than 10%; Chinatown posted gains of almost 15%.

Research led by the real estate expert Christopher Leinberger similarly finds decline to be concentrated in traditional downtowns, where offices account for more than 70% of space. By contrast, nearby warehouse and industrial redevelopments, waterfront districts, and university-anchored neighborhoods, where housing, shopping, entertainment, and cultural uses make up roughly half to 70% of space, are flourishing.

In most of these cases, the dividing line between growing and declining places is typically just a few blocks apart. In other words, the quality of the place makes all the difference.