



Article

# **Exploring Green Office Building Choices by Corporate Tenants** in Malaysia

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Abstract: This paper aims to explore corporate tenants' considerations for office space choices at green office buildings in Kuala Lumpur, Malaysia. This study focuses on the office choice perspectives between corporate tenants at two main locations in Kuala Lumpur's business districts. The study then considers how these perspectives are similar and different amongst the various types of corporate tenants. This research is based on existing literature and semi-structured interviews that examined several themes in the context of leasing purpose-built green office buildings. Using a qualitative approach involving semi-structured interviews along with desk research, this paper explores how the different profiles of corporate tenants of green office buildings that are located at different locations in Kuala Lumpur portray varying considerations for green office building choices. The responses gathered from the interviews revealed differing aspects of considerations. The various types of tenant organisations place varying importance on several themes that have emerged which include location, finance and cost, building features, health and well-being, image and branding and social corporate responsibility (CSR). Although the sustainability aspects are perceived to add value to the business for the tenants' organisations, the office buildings' choice can be influenced by the company's profile and size and the structure of the business which will eventually influence the decision to occupy green office buildings. As highlighted by an earlier study, the company policy in relation to the sustainability strategy of the organisation that meets the business needs also plays a role in green office building choices. These findings could be significant to green office providers in anticipating the future demand for green office buildings which in turn would contribute towards the achievement of the sustainable development goals of cities in Malaysia.

Keywords: green office buildings; location; sustainability strategy; corporate tenants' choice



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#### 1. Introduction

As the commercial centre of Malaysia, Kuala Lumpur has the majority of large corporate organisations head offices occupying top-grade office buildings. In response to the growing movement towards sustainability, there is a trend towards the development and construction of green office buildings as well. With the development of green building rating tools worldwide, Malaysia has also undertaken to develop several tools. The prominent tool that has been adopted by newer green office buildings in Kuala Lumpur is the Green Building Index (GBI). The Green Building Index (GBI) introduced in 2009 provides the guidelines for the development and rating of green buildings in Malaysia. As of 2018, there were currently thirty-four (34) official GBI- and other green building-rated purpose-built office buildings (either built as GBI-rated or refurbished) within Kuala Lumpur. Most of these rated buildings are acknowledged as generally being the most advanced buildings that have been designed to incorporate a number of sustainable features. It is useful to note that unlike the United Kingdom (UK), where the regulatory framework drives sustainable initiatives, in Malaysia there is no such regulation that focuses on sustainability

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implementation by the users of commercial buildings [1]. Given this trend and the gap of knowledge following the notion that corporate tenants are profit-seeking entities as identified by the neo-classical economy, this study seeks to establish the factors that are considered by them in the green office building choice within Kuala Lumpur and the role of perceived sustainability within this realm of notion. This study suggests that selecting a building that is certified green may not be the ultimate driving factor as many tenants have placed more emphasis on other factors which include micro location factors and accessibility [1,2]. This study intends to reinforce the finding that corporate tenants generally seek accommodations with respect to office space that can "add value" to their specific business, especially in the Kuala Lumpur area. Another study in Poland also showed evidence that office spaces are in demand when the buildings are both accessible and sustainable [3]. For many tenants, sustainable features are a key influence on their decision-making which relates to how they manage their corporate real estate interests. However, it has been shown that location can be a major influence on office occupation [2,3]. In another study, the other factors that pose an influence include real estate location, availability of sustainable buildings, and accessibility which remain to be of paramount importance [4].

The research methodology for this study includes a selection of case studies of green office buildings in Kuala Lumpur, with the aim to better understand and explore the following main aim of the study: to explore the factors considered by tenant organisations within their business operations that require sustainability as well as locational elements for their office space choice.

The following research questions lead to exploration towards the achievement of the main aim:

RQ1. What are the factors of consideration for leasing green office buildings amongst corporate tenants at green office buildings in Kuala Lumpur?

RQ2. What are the considerations affecting the tenants' office space choice in green office buildings at two distinct office locations in Kuala Lumpur comprising the city centre and suburban areas?

This paper will consider each research question by examining relevant theories based on the review of the literature, as well as the empirical studies that are based on semi-structured interviews with tenants in green office buildings located at two distinct office locations in Kuala Lumpur, i.e., in the city centre and suburban. As there was limited access to conduct interviews with all the tenants of the green buildings at the identified locations, the interviews were conducted with tenants who were willing to participate leading to a small sample size of thirteen (13) interviewees at six (6) separate buildings comprising three (3) buildings in the city centre and three (3) buildings in suburban areas. This study adopts an interpretivist stance with a qualitative research approach. A multiple case study approach is adopted in conducting the exploratory case study. Two distinct locations have been selected as Case Study 1 and Case Study 2. Case Study 1 is the Kuala Lumpur city centre whilst Case Study 2 is the suburban area. Thematic analysis and cognitive mapping are used to analyse the data with the assistance of NVivo 11.

# 2. Literature Review

# 2.1. Green Office Buildings and Sustainability Movement in Kuala Lumpur

From the overview of the development of green office buildings, the city centre of Kuala Lumpur has a greater number of buildings, with twenty-one (21) buildings as compared to the suburban area of Kuala Lumpur which has a total of thirteen (13) green office buildings with various green buildings rating systems which include the Green Building Index (GBI), LEED rating system and Green Mark certification scheme in 2018. With the growing numbers of green office buildings in the various locations in Kuala Lumpur, it would be useful to know the office space choices of the future corporate tenants anticipating the major considerations for sustainability preferences.

As the construction of green buildings has increased over time, rating schemes were introduced. The rating schemes are used to assess and monitor the directions of green

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construction practices all over the world. Every rating is developed based on various considerations which include climatic conditions. Malaysia has several rating tools and the one that has been adopted by commercial buildings in Malaysia is the Green Building Index which was developed in 2009, as a rating tool to suit the local circumstances. The GBI was introduced in Malaysia to serve as a tool that gives developers an opportunity to construct green buildings and create healthier spaces, make energy and water savings, greener systems and allow for recycling for their projects and accessibility with public transportation. The differences between this tool and other tools is the fact that the rating tools are designed specifically to suit the tropical climate and the social and economic infrastructures in Malaysia. In addition, several other bodies in Malaysia have also created rating systems known as GREEN PASS (Green Performance Assessment System), PH JKR (Skim Penarafan Hijau JKR) and GreenRE (Green Real Estate) [5]. International rating schemes are also being recognised by the office building providers in Kuala Lumpur and the most common rating systems that are chosen include LEED and Green Mark.

## 2.2. Locational Decision Making: Neo-Classical and Behavioural Approaches

In the locational literature, the neo-classical economy was used by many economists in the past [6,7], and, later, the behavioural approaches subsequently took place complementing the traditional economic approach. The neo-classical economy has the notion that the market comprises rational actors and operates with perfect information [8]. The market has an environment of costless transactions which will be explained as the demand in the central business district (CBD) area is much higher than in suburban areas. The deductive decision for locational decision making is based on the basic understanding of those responsible for the decision making [9,10]. This phenomenon explains that the decision-making is being made by a deductive approach and this is known as the normative locational theory.

The solutions required by the entrepreneurs in the business environment contradict the neo-classical economic theory on locational decision making. It has been highlighted that the neo-classical economic theory is traditional location literature which focuses on maximising profits [9]. On the other hand, studies on behavioural approaches and location analysis do not necessarily focus on profit but on other perceptions, assumptions or opinions of decisions. In the case of this study, the opinion of tenants would not necessarily be focused on profit but also on other factors. Greenhalgh [9] also emphasised that the locational decision is focused exclusively on the decision making of large companies, with the size of organisations considered important to drive the locational decision. The study also explained that many factors and variables could also influence the locational decision of an organisation, in which large organisations and small organisations have different preferences and there are many processes for them to arrive at the locational decision.

Neo-classical economy theories have always been used in real estate mantras and the focus of recent research has shifted to behavioural approaches. The behavioural approaches are more likely to explain the economy whereby they theorise that human behaviours are more complex than what is posed by the traditional economy theories [9]. Greenhalgh [9] also revealed that behavioural factors are the most important influences on location and these factors include considerations of the company status, company culture and structure which would strongly influence the office location decision. The location decision is dynamic because the companies make decisions to locate their business based on the importance of their needs to make considerations in the current situation and for their future needs. Good location of operations affects the conditions in which they will be conducted, including the size of operations, which would depend on the attractiveness of the location, the level of the costs incurred, as well as the productivity of the company [11]. When deciding the office space choice, the drivers that influence the decision of the tenant organisations would include size, nature, structure and culture which form important factors in decision making [1,9]. In addition, a study in Paris has highlighted that tenants are more sensitive to extra costs even when there is long-term potential for lower operating

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expenses in green office buildings. They tend to be cost-centred and are more interested in the flexibility to adjust business requirements and relocate [2]. These drivers will influence the other factors that are considered while deciding on locating a business. For example, corporate social responsibility may be influenced by the structure of a company which has its own policy for running a business.

# 2.3. Demands for Green Office Building

A review of the occupiers' perspective on green buildings from the 'business case' has been outlined by Livingstone and Ferm [4] which highlighted occupiers' motivations fall primarily into three areas: (i) reduced operational costs (property level driver); (ii) enhanced productivity and employee well-being (corporate level driver) and (iii) reputation and brand strategy (corporate level driver). Thus, it has been said that tenants have exhibited their willingness to pay for individual green features [12]. The green office building if not given attention will lead to dissatisfaction compared to the conventional building [13]. A study in Krakow has found that the demand for green office space was higher and tenants were willing to pay the premium rental to occupy green office buildings [3]. Recent studies on green office buildings in Malaysia have mainly looked into the perspectives of energy performance that relate to energy measurement and efficiency [14–17].

Having reviewed various works of literature on the demand for green office buildings, it has been observed that several themes that have emerged are related to the demand to occupy green office buildings. The first theme is (i) building features, as one study has highlighted that corporate tenants demand green office buildings, and this phenomenon pushes the investors to fulfil the tenants' expectations. However, the study also found that a company wanted to go green but found it difficult to do so [18]. A previous study has also mentioned that there was evidence that certified green buildings attract tenants in comparison to ordinary buildings [2,19]. Larson [20] also emphasised that tenants need green certification to reach their sustainability goals. The quality of a commercial office building is measured according to the range of criteria and the service. Several studies [21,22] have listed the green office building characteristics for ranking guidance to determine the importance of green office buildings.

The second theme that is an important consideration is (ii) cost and financial commitment. It has been revealed that lower operating costs were observed in green office buildings [23]. However, several works of literature have posed arguments about the expectations of the operating costs of green office buildings [3]. A study in Krakow has proven that the additional cost of occupying a green office building is not viewed as a barrier. It is noted that the development of teleconferencing has changed the way people work as it will decrease the cost of business trips for companies [24,25]. The capability of substituting the trips will decrease the companies' carbon footprints [26]. The change in work practice will also fully benefit the energy efficiency of the office space and reduce the costs incurred in the process. Energy efficiency has direct and indirect costs that affect tenants and the economic aspects under consideration can be considered important. Other than operating costs, certification costs, rental costs, and turnover rate of labour affect the cost and financial commitment of the company.

The subsequent theme is (iii) health and wellbeing. Within the health and well-being aspects, comfort has been defined as the absence of unpleasant sensations, which has a positive effect on wellbeing [26]. The findings of a study by Brown [27] revealed that there are possible links to improving health and productivity within the organisational culture. An analysis showed that the specific building features may influence user comfort which poses an impact on productivity. For example, air conditioning, openable windows, and mechanical ventilation will be the comfort criteria for the user of the space [26]. Office tenants showed the highest willingness to pay for access to light and improved indoor air quality, individual temperature controls and lease structures that include tenants—landlord incentive energy saving. The findings showed that health and productivity increased after working in green office buildings and a green working environment provided greater

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benefits to the management than to employees. Other than that, employee satisfaction with their workplace had increased work productivity. Green office buildings remain attractive to tenants due to the cost savings and better working environment elements which ultimately lead to a better working environment [28]. Due to the high productivity and comfort of the building, these factors tend to reduce absenteeism due to the improvements in indoor air quality, which can affect the economic bottom line through the reduction of absenteeism and health care costs [29,30].

The next theme is (iv) image and branding. Under this theme, it has been shown in the literature that working in green office buildings increases the organisation's image. It tends to increase the capability of organisations as service providers that are engaging with the customers, clients, employees and their actions. Since organisations with a good image have also considered their employees, it is likely that the employees will hold positive perceptions towards their work and will likely want to remain working for the organisation [31]. The goodwill also exists among groups of stakeholders and they are keen to maintain this key asset of organisations. Goodwill is also based on the performance of the organisation to date and the image that the organisation has created [3]. In the United Kingdom, there are certain bodies that will monitor the environmental, social and governance (ESG) factors for the corporate branding of the organisation [32]. The recognition of occupying green office buildings will play a significant role in the organisation. Image is also related to the corporate social responsibility of the organisation. The awareness of environmental-friendly organisation practices is normally dependent on the company structure and its size.

The final theme is (v) corporate social responsibility (CSR). Several studies explored the benefits of CSR from a sustainability context. The changes in corporate attitudes and the benefits of CSR have been reflected in the choice of building [33]. A study also found that green office buildings tend to attract longer-term tenants [34]. Sayce [28] also pointed out that many organisations are occupying green office buildings due to their CSR policies. The study also indicated that all institutions are supportive of green office buildings. CSR is also influenced by the types of organisations. A study found that tenants from the government sector choose green office buildings more so for the purpose of social and environmental reasons and less so for financial aspects [34]. CSR also influenced the culture of the company in the determination of the demand for office spaces due to the business core itself [35]. The relationship between the tenant and landlord is also important in order to improve the communication of green features and the management of the knowledge on the level of building performance [21]. Tenants in Hong Kong proved that they are attracted to the concept of a 'green-minded' landlord in order to pursue their CSR policy. This study then concluded that the building tenants also considered space in buildings that would promote the environmentally-friendly vision of their organisations [36]. As a result of incorporating CSR within the office occupation considerations, the demand from many sectors for green space has increased over time. The embracement of CSR from the perspective of green innovation has also been studied whereby the initiatives will eventually lead organisations to be able to improve their corporate image. It has been emphasised that it is necessary for managers to bring green benefits to consumers through the practice of green innovations [37–39].

It has also been highlighted that those tenants will tend to choose offices that suit their organisations which would also be associated with the organisation's own profile. For example, the size of the company will affect the location and size of the office space itself. In addition, the companies' structures tend to affect their choice. Through the occupation of green buildings at a given location, companies need to maximise their existing resources for the benefit of the company. The review of the literature on office locational decision theories and the demand for green office buildings presented earlier provided the overall overview of the conceptual approach to this study. The framework of tenants' green office buildings decision choice is developed from the merging of the two concepts—location decision and sustainability intend to fill the gap of exploring the nature of green office buildings

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decision choice that is made by tenants in Kuala Lumpur, Malaysia. As previous studies on green office buildings have focused on the performance and efficiency of these buildings in Malaysia, the previous findings have not revealed the perspective of the occupiers, especially corporate tenants who would have to make business decisions with respect to their choice of office location. A summary of the literature that outlines the themes is shown in Table 1.

**Table 1.** Summary of the literature.

Theme	Author
Building Features	Nappi-Choulet, I. and Decamps, Aurelien [2] Zieba, Belniak and Gluszak [15] Andelin, M., Sarasoja, A.L., Ventovuori, [16] Jailani, Reed and James [23] Khan, Wang and Lee [22]
Cost and Financial	Zieba, Belniak and Gluszak [15] Pivo and Fisher [24] Feige, Wallbaum, Janser and Windlinger [27] Brown and Cole [28] Sayce, Smith, Cooper and Venmore-Rowland [29]
Health and Wellbeing	Feige, Wallbaum, Janser and Windlinger [27]. Sayce, Smith, Cooper and Venmore-Rowland [29] Fiskand Rosenfeld [30] Sharma and Vredenburg [31]
Image and Branding	Zieba, Belniak and Gluszak [15] Rashid, Spreckelmeyer and Angrisano [32] Cajias and Fuerst [33]
Corporate Social Responsibility	Robinson, Simons, Lee and Kern [12] Sayce, Smith, Cooper and Venmore-Rowland [29] Fiskand Rosenfeld [30] Dixon, Ennis-Reynolds, Roberts and Sims [34] Boldy and Barnes [36] Andrea, Piet and Nils [37]. Myers, Reed and Robinson [40] Yang and Roh [37] Roh, Li, Yang [38] Roh, Noh, Oh, Park [39]

#### 3. Methodology

## 3.1. Research Design

As this study encompasses a comprehensive assessment of a group on the subject matter to address the 'how' and 'why' questions to be posed to the tenants of green office buildings at two distinct locations in Kuala Lumpur, the case study strategy was chosen. This will enable the researcher to access the actual phenomenon and the corporate tenant's behavioural perspective. By comparing cases of two locations in Kuala Lumpur, the phenomenon and the differences between both case studies can be identified. One of the strengths of a case study is that it enables the researcher to uncover the complex reality under scrutiny [41]. In addition, a case study enables contributions to the development of the understanding of a phenomenon by comparing cases [42]. As for this study, the application of holistic multiple case designs was chosen as this study entails the investigation of green office space choices at two different locations in Kuala Lumpur [43]. This study also uses the replication logic by applying two case studies in the same context. Furthermore, multiple case-study designs lead to replication logic. Through multiple-case study design, the results are reinforced by replicating the pattern matching. The use of multiple-case sampling added to the validity and generalisability of the findings [44]. From the two (2) case studies chosen in the study, the tenants at green office buildings have been chosen as respondents while a document review and interviews are the

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methods for exploration used in this study. Figure 1 shows the research design process for the case study matrix in this research.

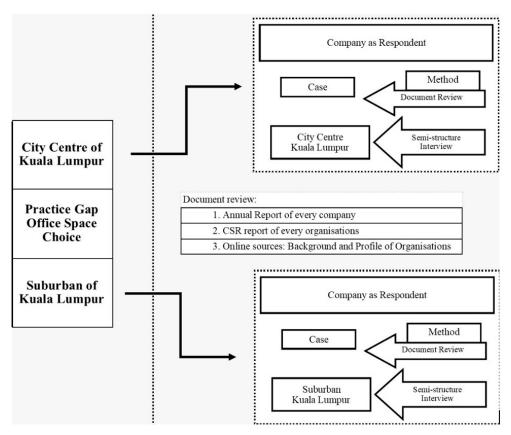


Figure 1. Case study matrix.

# 3.2. Data Collection

As this research needs to select the respondents according to the predetermined criteria, purposive sampling is adopted for the selection of respondents. This method is often used in case study research that uses small samples. Since the tenants or organisations in green office buildings are limited, this sampling is suitable and appropriate for this study. The respondents were chosen based on their decision-making role during the office occupation stage. The respondents may be a facilities manager, property department manager or a person in charge of the finalisation of office space decisions for the organisations. This study also chose the respondents that were willing to be interviewed based on their availability and consent that was gathered after the letter of invitation was given to all tenants in the green office buildings in Kuala Lumpur. Since the study encountered the limitation of participation by tenants at green office buildings in Kuala Lumpur, the study has included only the respondents in the two case studies that were willing to share their perspectives. In this respect, these respondents may not be a representation of all the green office buildings identified in the study.

Letters for invitation to participate and the case study brief were sent to the tenant organisations at thirty-four (34) green office buildings at two (2) different locations in Kuala Lumpur. Follow-up telephone calls and e-mails were made subsequently. Thirteen (13) tenants agreed to participate in this study; with most of them being personnel in the property and administration department. The total sample of thirteen (13) tenants at six (6) green buildings originates from two different locations comprising organisations that have located their business in green office buildings. There is no major variation in the green rating achievements for the six (6) buildings in which the tenants are located. Two of the buildings at each of the locations have achieved higher levels of green rating while the remaining has achieved the lowest level of certification. Out of the thirteen (13)

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organisations, there are nine (9) foreign organisations that were willing to participate as compared to local organisations. These identified tenants at green office buildings are mostly from foreign organisations that have their own policies towards being green. The respondents comprise middle management staff with various positions in departments that are related to office occupation decision making. Notwithstanding the industry that the tenant organisations represent, the interviews were aimed at gathering insights which would reflect the green office building choice decision. In addition, snowball sampling was also adopted in the attainment of respondents. This is a method whereby the following respondents are attained from information given by previous respondents [45,46].

The total number of thirteen (13) respondents is deemed sufficient for the study in line with [44] who postulated an appropriate sample size for a qualitative study is one that adequately answers the research questions. In addition, the number of respondents is considered adequate when new categories, themes and explanations cease to emerge from the data. This is the point where the data become saturated. Guest [47] carried out a study and found that the saturation had occurred in the early stage because the high level of homogeneity among the population may be sufficient to enable the development of meaningful themes and useful interpretation.

## 3.3. Data Analysis

The data obtained from the interviews conducted with the respondents use the individual cases among themselves (within-case analysis) and subsequently across the other case in the same context (cross-case analysis). In this study, the within-case analysis of six (6) respondents in Case Study 1 is analysed and the themes are identified. The same procedure is conducted with Case Study 2, in which both cases are examined thoroughly on an individual basis before a cross-case of both studies is conducted. Cross-case analysis, the use of replication logic, is similarly used in multiple experiments [42]. As suggested by Eisenhardt [48], the approach used for this study involves the selected categories in this case, which represent the following categories: factors that influence the tenants in occupying green office buildings in Kuala Lumpur; different locations in Kuala Lumpur; respondents involved in office space choice; and thereafter the process to look for the same categories of the within-group, similarities and inter-group differences between each pair.

# 3.4. Case Study and Profiles of Respondents

Case Study 1 which is in the city centre of Kuala Lumpur has a higher number of green office buildings as compared to Case Study 2 which is the suburban area. From the total number of thirty-four (34) green office buildings in Kuala Lumpur, the city centre (CC) of Kuala Lumpur has a greater number of buildings, with twenty-one (21) buildings, as compared to the suburban area (SU) of Kuala Lumpur which has a total of thirteen (13) green office buildings. Seven (7) respondents participated in Case Study 1, whilst for Case Study 2, six (6) respondents participated. The determination of the profiles and backgrounds of the respondents is necessary to uncover the significance of the choices behind their office occupation choice for green office buildings, which relate to the case studies. The information is gathered through document review analysis to uncover the buildings' profiles along with the companies' profile and business objectives which include the corporate social responsibility (CSR), mission and vision, the companies' backgrounds and other sources needed for this study. A summary of the tenants' profiles is shown in Table 2.

## 3.5. Mind Map for the Case Study

After identifying the background of the tenants and the buildings they occupy, the case study analysis was carried out through the interviews made with the respondents. The case study analysis for this study comprises two case studies which are Case Study 1 and Case Study 2. These two case studies represent the two locations within the Kuala Lumpur area that have been identified. Figure 2 below depicts the case study for this study. Case study 1 represents the city centre (CC) of Kuala Lumpur and Case study 2 represents

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the suburban area (SU) of Kuala Lumpur. The results of the responses of the interviews with the respondents emerged from the themes and nodes using NVivo 11.

Table 2. Sur	mmary of th	ne tenants'	profiles.
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Respondent	Location	Structure of Organisation	Sustainability Mission and Vision	Type of Organisation	Size Organisation
RS1	Suburban	Sewerage and Collection Service	Yes	Local Organisation	Medium
RC2	City Centre	Oil and Gas	Yes	Foreign Organisation	Large
RC3	City Centre	Construction	Yes	Foreign Organisation	Large
RC4	City Centre	Construction	Yes	Foreign Organisation	Large
RC5	City Centre	Finance	Yes	Local Organisation	Large
RS6	Suburban	Information Technology	Yes	Foreign Organisation	Large
RC7	City Centre	Naval Technology	Yes	Foreign Organisation	Medium
RS8	Suburban	Finance	Yes	Foreign Organisation	Large
RS9	Suburban	Information Technology	Yes	Foreign Organisation	Medium
RS10	Suburban	Information Technology	No	Foreign Organisation	Medium
RC11	City Centre	Insurance	Yes	Local Organisation	Large
RS12	Suburban	Food and Beverage	Yes	Local Organisation	Large
RC13	City Centre	Information Technology	Yes	Foreign Organisation	Medium

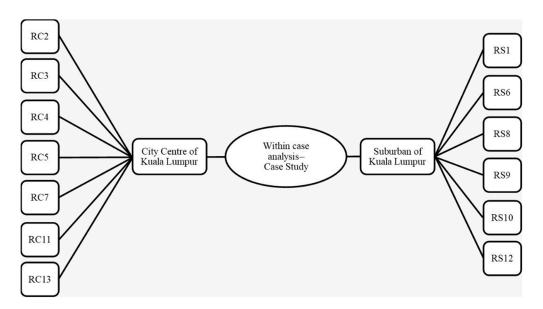


Figure 2. Mind map for the case study.

# 4. Results

The results of the data collection are divided into two sections. The first will illustrate the results of the interviews between the two (2) case studies individually. The results of the multi-case analysis are then shown thereafter. The key aim of analysing the case study individually is to uncover the responses from each case study on drivers that influence the tenants in the green office building choices at the two locations.

Though not initially identified as a theme that was identified earlier in the Literature Review, the analyses of the interviews identified the location as one of the main themes that influence tenants' building choice of green office buildings in Kuala Lumpur. Thus, the six (6) themes that were identified are location, CSR, finance and cost, branding and marketing and building features. Each main theme has sub-themes that support the findings from the interviews. The findings indicate that the significance of each one is affected by the type, size and structure of the company in the market. It was apparent from the interviews

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that there were some factors that are non-negotiable and others that although important would not necessarily result in a tenant seeking alternative accommodation. The summary of the results delineating the themes from each of the case studies is shown in Figure 3 (Case Study 1) and Figure 4 (Case Study 2).

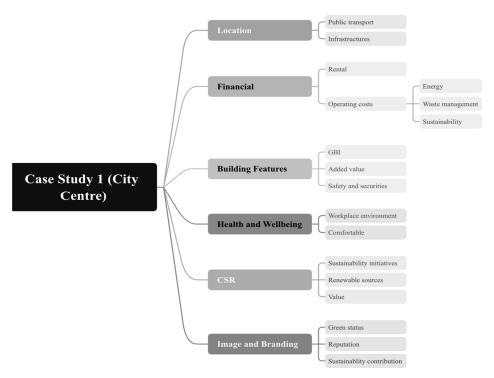


Figure 3. Summary of findings for Case Study 1 (city centre).

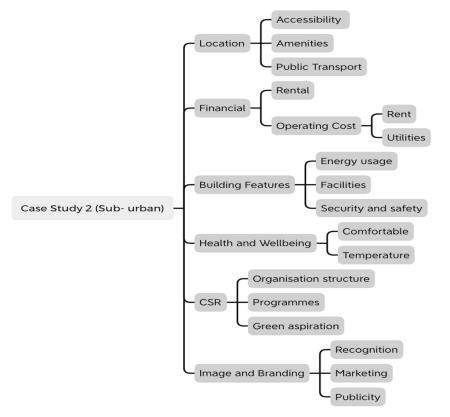


Figure 4. Summary of findings for Case Study 2 (Sub-urban).

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#### 4.1. Location

# 4.1.1. Case Study 1 (City Centre)

There are varying responses given by the respondents with respect to location as shown in Table 3. With regards to location, the respondents have also considered accessibility to the area as important. It is said that it can contribute to easy access and lower transportation costs for the staff. Due to this reason, the agglomeration economy had created clusters of businesses within the city centre area, contributing to the traffic congestion that has led several businesses to move to suburban areas. Thus, accessibility is important to RC3 and RC7. However, RC7 emphasised the traffic condition as a consideration although the location is popular and prone to congestion. The availability of public transportation such as buses, MRT, LRT and other services will allow the staff to come to work without hassle. RC3 and RC4 agreed that the availability of public transportation not only assists staff but also the clients. RC11 and RC3 also emphasised the support for the availability of public transportation in the area. RC2 briefly revealed the strategic location for public transportation will allow the organisation's staff to reduce the usage of cars due to the accessibility of public transportation. The interview also revealed that expatriate workers also need amenities and facilities that are near to the office which can assist them during work, such as accessibility to the various transportation terminals.

Table 3. Summary of Responses—Location (city centre).

Respondents	Responses
RC2	"The proximity to public transportation and it is proximity to major highly access within from vicinity []".
RC3	"[] Whether location has all the infrastructures and by occupying in a green building that is accessible is a bonus to us []".
RC4	"[] has selected this building specifically because of its strategic location, lots of our staffs drive to work, they choose the building that close to the bus stop, close to train station and it's a so walkable area to city centre []"
RC7	"As a big organisation, we want clients and not just the employee can come to the office easily, either by car or public transport []. Even though the accessibility is good and most of our staff live outside KL and they are prone to use the car rather than use the public transport []"
RC11	"[] it is very convenient for us to centralise at downtown, transportation here is very good with the LRT, monorail, trains. As organisation is a general insurance, motor insurance and all that and of course [], we do have expatriates' staff that have found the location to be convenient [] to go to the airport very easily."

## 4.1.2. Case Study 2 (Suburban Analysis)

Location is considered to be one of the top factors by the respondents, as summarised in Table 4. They choose the location because of its accessibility and the distance of the office from the main transportation hub. All respondents agree that the office's location can give them an advantage in many ways, and it can be observed that accessibility is a major consideration with regards to location. The aspects that are considered include accessibility to major highways and public transportation. The completion of the MRT to the suburban areas of Kuala Lumpur has improved the accessibility to the location. Employees do not have to use their cars as the location of the green buildings is near public transportation hubs. RS10 values the amenities that are identified by the respondents including a clinic, market, shopping mall and other amenities which would be beneficial to the tenants and make the building more marketable. Apparently, good amenities allow the tenants to have a good choice of services which can be enjoyed by the staff and these amenities would be an additional influencing point for the tenants to occupy a green office building. Even though the suburban location is far from the CBD of Kuala Lumpur, public transportation

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can access the location easier than before. In addition, it was highlighted that they do not have to pay the premium rent in order to obtain the best location with great accessibility to services. RS8, who deals with financial services and handles foreign customers, had indicated that easy access to the city's airport terminals is an important consideration.

<b>Table 4.</b> Summary of Responses—Location (suburban
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Respondents	Responses
RS1	"Accessibility is not too good here. Before we have the MRT, there is only bus here. Good to have the MRT."
RS8	"We choose here because of location. It's the centre of the town and near LRT. As we don't usually deal with local client, we would have a lot of overseas clients, so access from KLIA is an important".
RS9	"[] usually, when we go out from our buildings, we would see a highway outside. This building is located in an area not surrounded by highways but walkways"
RS12	"Accessibility as we have a lot of people coming from two ends one from KL"
RS6	"This place is very strategic for people to access, for the building itself, it is located beside highway, very accessible"
RS10	"[] surrounding area, that has LRT as well as medical clinic, shopping mall, market which is reachable []"

#### 4.1.3. Summary of Findings under Location

For this theme, having a prestigious location, good accessibility, amenities, and external pressure from the company's main headquarters are the other factors that are considered by the corporate tenants in deciding whether to occupy green office buildings. The type of companies that gave the responses for the prestigious location include international companies that deal with operations within Southeast Asia and have expatriates from overseas. This element actually assists the tenants in being known by their customers as they are able to compete with similar business and establish their name by using the strategic location. The availability of public transportation such as the LRT and MRT that connect the CBD and suburban of Kuala Lumpur can actually reduce the transportation cost. Currently, the location of the green office buildings is near to public transportation and provides accessibility to other public transportation. Most of the tenants in green office buildings are foreign companies and due to external pressure from the companies' headquarters (HQ), the choice of location needs to fulfil the aspects of locations that enhance the success of the business. Accessibility and a location near to the various amenities such as hotels and airport transfers are some of the aspects supporting the tenants' choice of green office location.

# 4.2. Finance and Cost

## 4.2.1. Case Study 1 (City Centre)

Responses from tenants have extensively emphasised the rental expenditures. However, RC4 and RC2 have considered the rental rate to be reasonable considering that their buildings are grade A office buildings. It is accepted that the rental rate is competitive as the buildings are provided with good amenities and facilities. Apparently, all the respondents have made a comparison between the rent offered by green and conventional (non-green) office buildings. Thus, the rent may differ due to the location and the various factors determining the rent. When considering occupancy costs, RC3, RC7, RC11 and RC4 believed that although the cost is the main consideration, the budget to occupy green office buildings has already been accounted for in accordance with when the decision to a occupy green office building was made. It is expected that operating costs for a green office building can be minimised. The summary of the responses given by the tenants is listed in Table 5.

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Table 5. Summar	y of Responses-	—Finance and C	Cost (city centre).

Respondents	Responses
RC11	"By moving to the energy saving building and cost effectivefor being going green. Although the rent is quite expensive, we do not have to pay for the encumbrance and hidden charges []".
RC2	"It would be rentcost, in terms of building, this building has certification, GBI and the rent is suitable for this office space."
RC3	"Benefit is for sustainability, in terms of cost saving, in terms of the saving the environment for the future generation []".
RC7	"[] because of location and charges applied (cost)"
RC4	"[] it's not so much about the cost, occupying green office has been considered in the budget."
RC11	"Well in term of this one, ensuring that maintenance will be kept to the standard, ensure that the building management is able to give us what has been expected []".
RC4	"Sustainability is about how you sustain, in terms of operating costshow to manage sustainability, energy efficiency, waste management []"

## 4.2.2. Case Study 2 (Suburban)

The responses from the suburban tenants are shown in Table 6. RS10 claimed that occupation of green office buildings is much more expensive, citing the higher rental costs, the cost of transportation and other hidden costs. RS6 then mentioned that the company's management is cautious of the cost to be borne by the company and would attempt to reduce it. RS1 also mentioned the budget that they need to maintain. In considering sustainability, the respondents have mentioned the concern that relates to the budget for the organisation's operation. So instead of following the sustainability movement, they must also adhere to the budget that the organisation has set for the operations of the business. For the finance and cost aspect, the costs that have been highlighted includes many aspects such as operating costs, utilities and other costs. The tenants in the suburban area also emphasised the high rate of rent that is higher when compared to non-green office buildings. However, there are also tenants who have regard for the reasonableness of the rent in consideration of the location and amenities provided at these buildings.

Table 6. Summary of Responses—Finance and Cost (suburban).

Respondents	Responses
RS10	"From my perspective; for business, the cost is important for the organisation, as the cost cover the rental and maintenance"
RS9	"[] I think the rental rate is quite expensive; We must pay for electricity after working hours and it is costly []."
RS1	"[], for business, the budget has been set".
RS6	"[] agree with that price [rental], as it is accepted"

### 4.2.3. Summary of Findings under Finance and Cost

The rental and occupancy costs are the important elements considered by the tenants in their choice to occupy green office buildings. This can be influenced by the size of the organisation and the structure of the organisation. The perspective of operating cost reduction is viewed differently depending on the structure of the organisation. As the cost of operation is vital, it is important for them to make sure that every aspect of the cost for occupation is aligned and profitable to the organisation. The rent of green office buildings is higher than the rent of non-green office buildings which could be a cost consideration for some organisations. However, the tenants' organisations that placed importance on green certification are more willing to consider the higher rental costs given the understanding that the green building certification ensures the reduction of the long-term operation cost.

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The willingness to pay the rental premium can be supported by the larger tenants as they have the financial allocation to occupy green office buildings in fulfilling the sustainability requirements set by the policy of the organisation.

## 4.3. Building Features

## 4.3.1. Case Study 1 (City Centre)

The respondents agreed that certification is important for the company's aspiration. They also support local certifications as well as those given by international certification organisations. RC2 has indicated that the company chose to occupy green office buildings with certification as this was required by the market. RC2 also believed that the occupation of green building is used to pursue sustainability goals. In addition, the green building certification is an 'added value' to the business. As shown in Table 7, respondents gave different reactions to this element. RC11 believed that safety and security are very important, and they are willing to pay more for this factor. It is noted that the tenants have determined safety and security as being very important. Both tenants from the green building in the city centre felt that safety is important since the building is located in an area that was formerly known to have criminal incidents. In addition, energy efficiency has direct and indirect costs affecting tenants as shown from the responses given by the respondents. Energy efficiency is being assessed to reduce the usage of utilities.

**Table 7.** Summary of Responses—Building Features (city centre).

Respondents	Responses
RC11	"[] this certification is good with the certification and all that []""the security it itself is so good, we have the auxiliary police, it is so good []"."[] energy saving itself with sensors".
RC 4	"[] The aspirations come from this office space and its green platinum certification. "The energy saving, and we believe in term of green building, the air-conditioning in the room is in optimal mode []".
RC7	"The condition is very clean and the automatic system for the air conditioning and light system"."Green office building is more modernised, and it has good security which is provided by the building".
RC2	"Safety has very high priority []. When we go to certain building we go through safety, infrastructures that are available in the building"

### 4.3.2. Case Study 2 (Suburban)

The energy efficiency features in green buildings can be in many forms such as monitoring utilities, lighting, sensors and electrical supply which would be crucially important as mentioned by the respondents in the suburban area. Table 8 summarises the responses. RS1 commented on the environment that the green office building has portrayed and created. However, one of the respondents has added the importance of maintaining sustainability for future generations. Under this element, amenities, security and safety were also mentioned as considerations. Sustainability is not necessarily just about energy saving but encompasses other factors that also affect the decision which include other building services as shown from the response in Table 8. Respondents RS1, RS10 and RS9 have included CCTV, fire prevention, lift capacities and police presence as being important considerations when deciding to occupy an office building. These features are important as tenants need to feel safe while working.

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**Table 8.** Summary of Responses—Building Features (suburban).

Respondents	Responses
RS1	"Security here is very tight []"
RS10	"Safety, [], CCTV, fire control and system []".
RS9	"[] the security here, with a CCTV []"

## 4.3.3. Summary of Findings under Building Features

Under this theme, the structure of the organisations seems to influence the choice of tenants in occupying green office buildings. The certification, safety and security, and amenities have attracted tenants to occupy green office buildings. The buildings must be able to cater to organisations' needs to fulfil their requirements in occupying green office buildings. The discussions in relation to these factors are as follows:

Green Certification Helps to Improve the Image and Branding of the Organisation

It was found that the tenants in the city centre occupy green office buildings due to the green certification. It was observed that the tenants in the city centre placed emphasis on the highest green certification which contravenes the responses given by tenants in the suburban areas who had indicated that the certification is not necessarily important to them. As mentioned in the earlier section, most of the organisations in the suburban areas are small organisations which tend to put more emphasis on their business operation rather than on certification or image.

# Energy Efficiency Reduces the Cost of Operations and Other Services

The findings also identify that the energy efficiency of the green office building influences the tenants' decision to occupy green office buildings. It was found that the larger tenants who rely heavily on the electrical supply have mentioned the need to reduce business operating costs with regard to energy consumption as they tend to occupy larger spaces. The suburban tenants also have high regard for the other building features and services in addition to the energy saving features.

#### 4.4. Health and Wellbeing

### 4.4.1. Case Study 1 (City Centre)

Health and wellbeing are also another focus under consideration by some of the tenants. The respondents feel that health and wellbeing are an important foundation as they will affect the productivity of the employees of the organisations as highlighted by RC4 (as shown in Table 9). A good workplace environment would reduce the rate of absenteeism due to poor health which would eventually reduce the cost of employee health coverage. This aspect is another consideration in addition to the profit maximisation objectives of the organisation so as to retain good talents in the organisations.

Table 9. Summary of Responses—Health and Wellbeing (city centre).

Respondents	Responses
RC4	"Workers' health and wellbeing [] is making people feel comfortable and healthy, "[] would mean higher productivity higher [] people don't fall sick and save the company some money"

# 4.4.2. Case Study 2 (Suburban)

Table 10 highlighted the responses of the tenants in the suburban area on health and wellbeing. It is shown that the comfort level and the temperature of the tenanted space may affect the level of comfort experienced by the staff. As such, the comfortable environment may affect the health and wellbeing of the staff of the tenant organisations.

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Respondents	Responses
RS1	"[] as the environment is comfortable, [] definitely it places the roles for motivation for this company []".
	"The green building is related to the productivity and healthiness of

occupiers and it will reduce the cost for the organisation by investing in the green office building"

Table 10. Summary of Responses—Health and Wellbeing (suburban).

# 4.4.3. Summary of Findings under Health and Well-Being

It was found that health and wellness are not regarded to be the important factor of consideration to the tenants that occupy green office buildings in the city centre and suburban areas. However, by occupying green office buildings, the tenants acknowledged the purpose of providing a comfortable environment to the staff for the enhancement of work productivity. The findings found that health and wellbeing are fully embraced by all the tenants. Unfortunately, the responses that were given by the tenants have shown that the level of awareness towards health and wellbeing is still low.

The larger organisations with a reputable profile are usually more aware of the health and well-being of the staff in their organisation. It can be seen that the tenants from the oil and gas and food and dairy sectors have acknowledged that the health and well-being of their staff can affect productivity. The smaller organisations, however, do not seem to have a similar perspective as the cost of monitoring and implementing the policy may be high. It can be seen that the considerations of the tenants in the city centre area are different when compared with the tenants in the suburban areas as the environment differs. The decision to provide better health benefits may be drawn from the stakeholders as they decide what is best for the organisation.

#### 4.5. Corporate Social Responsibility (CSR)

### 4.5.1. Case Study 1 (City Centre)

**RS12** 

All the respondents have their own CSR policies which relate to CSR initiatives. It was highlighted by RC3 and RC7 that these initiatives for sustainability are in place echoing their headquarters' initiatives at the local level (as shown in the responses in Table 11). The existence of CSR will reflect their organisations' vision and mission as in the case of a tenant, RC3, who aims to pursue its value in the environment.

Table 11. Summary of Responses—Corporate Social Responsibility (city centre).

Respondents	Responses
RC3	"in terms of the overall group, we have a CSR initiative to go green. $[\ldots]$ , some activities that we have for communities"
RC7	"[] our organisation in France (HQ) is focusing towards sustainability [] Since we are focusing towards that [sustainability] and we want to create compatible service through community activities involvement".

# 4.5.2. Case Study 2 (Suburban)

As shown in Table 12, the respondents have shown the importance of CSR as each respondent has their own CSR policies to be achieved. The CSR policies are related to the organisation's structure. RS1 is an organisation that has a solid direction whereby it needs to heed the headquarters' corporate social responsibility (CSR) policies. RS6 and RS12 have also emphasised that other than occupying green office buildings, they are also involved in CSR work that is related to green aspirations but that is not related to office operations. All respondents agreed that as organisations, they have to show some commitment in relation to the CSR of the organisation. This suggests that through their CSR programme and by

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being a tenant of green office buildings, the achievement of the aim and mission can be easily reached.

<b>Table 12.</b> Summary	of Responses	s—Corporate Soc	ial Responsibilit	y (suburban).
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Respondents	Responses	
RS1	"Firstly, it is a group direction"	
RS6	"[] have to maintain CSR, have external activity [], not to pose as a danger to the environment"	
RS12	"[] we have a corporate social responsibility which we undertake through our employee engagement. [] CSR programme include [] beach cleaning, tree planting"	

## 4.5.3. Summary of Findings under Corporate Social Responsibility

Most companies consider that CSR affects their decision for them to occupy green office buildings. Every large company has their own aim to fulfil CSR for their staff and the public. This is also related to the type of companies choosing to occupy green office buildings. The IT company in the suburban area does not have any specific reason to occupy green office buildings other than the CSR policy that the company has. The policies in relation to CSR as followed by the companies are reflected as follows:

# Mission and Vision towards Sustainability

It was found that the main business of most of the companies in this study relates to environmental resources. As such, the companies believe that they have to comply with the policy. It is evident that their involvement in the sewerage, oil and gas, construction, and finance sectors has driven the need to attain their mission and vision of sustainability through the occupation of the green office buildings.

### Corporate Social Responsibility towards Sustainability

Most of the tenants accept that occupying green office buildings fulfils the requirement of the organisation's policy. This is reflected in the annual sustainability report for the dissemination of information on their sustainability contribution to the investors and the public. They have emphasised that through the occupation of green office buildings, the organisation's CSR and improvement of their image and branding to the investors that are related to sustainability and the public are fulfilled. In addition, it was observed that the larger organisations incorporate a business culture that is related to the staff or the clients in relation to comfortable office environments. This is usually the case with foreign companies that have their branch offices in Kuala Lumpur. In adherence to the CSR policy and stakeholder policy of their companies, they have to occupy green office buildings.

#### 4.6. Image and Branding

# 4.6.1. Case Study 1 (City Centre)

The tenants have highlighted the occupation of green office buildings adds to the image and branding of the organisation, as shown in Table 13. RC11 further explained that green office status is important as they want to compete with other brands while RC4 stated that their image as an organisation that commits to sustainability is reflected in their products. The image and branding also relate to the marketing strategy to the public. By occupying green office buildings, the tenants feel that they are able to portray a sustainable contribution to the market.

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Table 13. Summary	of Responses-	–Image and	Branding	(City Centre).

Respondents	Responses
RC11	"[] We move here because we want to show where we are [] we want to elevate our status in this business"
RC4	"[] in terms of an image, it is not about money, it's about building the reputation of our organisation"

# 4.6.2. Case Study 2 (Suburban)

The organisations that are occupying the green office buildings in the suburban have shown the organisation's directions to be important in the business aims and objectives. The business orientation influences the decision-making in which image and branding are more geared towards this theme. From the response by RS1 (as shown in Table 14) the image and branding are more oriented towards the prestige and recognition of the organisations as they want to publicise their tenancy of green office buildings as much as they can.

Table 14. Summary of Responses—Image and Branding (suburban).

Respondents	Responses
RS1	"[] good for them for recognition, marketing and publicity. The client will see where we occupy, not just an ordinary organisation, [] if you can rent or occupy a green office building, it can elevate the image"

#### 4.6.3. Summary of Findings under Image and Branding

The image and branding are related to the structure of the organisations. Since the tenants tend to portray their organisations as being green, an emphasis on the branding and image is important to them. The reputation of the organisation through green appreciation can help to enhance the image of the organisation. From the business perspective, the image and branding will help to publicise the organisation's profile. In support of sustainability, the findings found that the image and branding seem to be agreed among the firms as one the elements that are considered for the occupation of green office buildings. Another concern raised by the larger organisations within this context apparently relates to meeting the stakeholders' and directors' direction. On the other hand, smaller organisations are more concerned about the costs and tend to follow the client's requirements rather than market the profiles of their business to the public. However, occupation of a green office building would strengthen their image.

#### 4.7. Findings from the Cross-Case Study

In the cross-case analysis, this paper attempts to identify whether the two cases will suggest different or similar views on the choice of occupation of green office buildings so as to make the findings more conclusive. As certain themes are not identified in the case study during the interview, the result of the cross-case study would be based on the individual organisation's requirements as each organisation is heterogeneous. The tenants may prefer and require additional requirements for consideration. The discussions of these requirements are as follows:

## 4.7.1. External Pressure from the Company Headquarters (HQ)

External pressures from the company headquarters influence tenants' choice to occupy green office buildings. Foreign organisations with different backgrounds believe that the mission and vision of the organisation need to be fulfilled. It has been observed that foreign organisations from Australia, Japan, France and Britain tend to embrace the green concept. Thus, these organisations prefer to locate their branch offices in the city centre in order to adhere to the HQ requirements and policies of the alignment towards sustainability. In

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order to keep up with the inspiration of the business, all branches are to be located in green office buildings. The external pressure is influenced by organisations' culture with regards to where the organisations are located; in which the decisions are being monitored by the guidelines of their headquarters' management [1].

# 4.7.2. Large Organisations Occupation of Green Office Space

While Greenhalgh [9] has found that locational decision-making tends to focus exclusively on the decision-making of large organisations as the size of the organisation is essential to drive the locational decision, similar findings were found in this study. Although Toffler [40] stated that the location may be important for public organisations, this does not usually apply to small organisations as the location is mainly determined by the entrepreneur's domestic circumstances and existing business contacts. Green buildings and sustainable attributes are particular determinants for listed companies in France, in which they own a large amount of office space and are strongly sensitive to green buildings [2]. This study has found that an organisation located in the suburban area had located the business due to the clients' requirements. However, this is dependent on the structure of the organisation. Respondents RC2, RC3, RC4, RC5, and RC7 believe that locating the business in the prime area of the city centre would provide greater accessibility and visibility. This choice will assist the expatriates and clients in acknowledging their prime location. It will be more costly for the smaller organisations to be in the city centre compared to the larger organisations.

This study has identified that the space occupancy by a larger organisation is determined by the decision of the board of directors of the organisation. On the other hand, the decision of smaller organisations in green office buildings occupation tends to be mainly aligned towards client-based requirements.

### 4.7.3. Development of Information and Technology Communication (ICT)

Organisations that can align their operations with information technology capabilities tend to be in the suburban area while those that have face-to-face interactions tend to choose locations in the city centre. The city centre provides better opportunities for face-to-face interviews [49]. Since ICT is being widely used and with the emergence of video calling as well as coordination of meetings through the use of video conferencing platforms, this development tends to discourage certain organisations from locating their businesses in the city centre. Although the advancement of telecommunication has reduced the need for some interactions, face-to-face interactions are still deemed essential in order to exchange some tacit information [50–52]. The organisations in suburban area of Kuala Lumpur are mostly from the IT sector and they are mainly interested in being located in the suburban area that offers cheaper rents.

# 4.7.4. Decentralisation of Organisations with Specialised Function

Decentralisation tends to align relocation to the suburban area as a result of the growth of information technology (IT) and flexible working spaces [53]. This phenomenon can be observed within the buildings in the suburban area that tend to cluster the IT sector into one location. A location that has the Malaysia Digital Status tends to attract tenants to choose the space. For example, a suburban area has tenants within certain sectors (IT and Finance) where other business entities are located not far from each other. This explained the phenomenon that professional businesses tend to locate themselves near each other as reflected in the economies of agglomeration.

# 4.7.5. Additional Discussion

The early exploration of the factors that influence the choice of tenants in green office buildings has identified six (6) themes, i.e., location, Finance and cost, building features, health and well-being, corporate social responsibility (CSR) and image and branding. Under the theme 'Location', factors under this theme include accessibility, amenities and retainment of staff. A prestigious location with good accessibility and amenities gives

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advantages to the organisation's business. The different trades and businesses of the organisational structure affect the choice of tenants in green office buildings. Subsequently, under the theme of finance and cost, the size and structure of the organisation influence the decision on the financial commitment for office occupation. A larger organisation has the financial allocation to occupy green office buildings while smaller organisations may not have this provision as they are more sensitive to the rental cost and other financial commitments related to the occupancy cost. Under the building feature theme, the factors that tenants consider for the occupation of green office buildings are certification, safety and security, energy efficiency and amenities. It is observed that the tenants in the city centre have identified the green certification as being important. As in the case of the health and wellbeing theme, the emphasis of this theme relates to the productivity of the staff that can be drawn from the environment of the space. The important considerations under this theme relate to how the environment could increase productivity and reduce absenteeism with respect to health and wellbeing. Under the next theme, i.e., corporate social responsibility (CSR), tenants in both case studies have emphasised that CSR policies that are implemented within the tenant organisations have influenced the decision for them to occupy green office buildings. The CSR policies, however, are developed based on the structure and operations of the business of the organisations. Lastly, under the image and branding theme, the tenants in the city centre can enjoy a prestigious location in order to elevate the image of the organisations at the same time. It may differ for the organisations in the suburban areas as the location may not be an established business zone, but the image and branding of the organisation could be increased through the occupation of green office buildings.

When analysing the cases through cross-case analysis, some of the earlier identified themes are not considered by some of the organisations. Good and accessible locations are the major considerations for some of the organisations that require face-to-face interactions, and convenience to major transportation hubs and amenities for the employees and clients are highlighted by most of the tenants in Case Study 1. As for Case Study 2, the availability of major public transportation would assist in the provision of commuting convenience and the reduction of the occupancy costs for some of the tenants. There are no major differences in the considerations of the factors under the other themes; though there are variances among the choices due to the structure, size and nature of the tenant's business. It can be revealed that different tenant organisations from various profiles would consider the factors under the five themes. However, there are other considerations that may influence the choice to occupy green office buildings within the case studies. The emergence of ICT has certainly transformed how work can be conducted and with the occurrence of the COVID-19 pandemic worldwide, the choice of occupying green office buildings at various locations in a city may be influenced by other factors that may include the corporate strategies of the tenant organisations as well as the embracement of sustainability within the business sustainability paradigm.

# 5. Conclusions

This paper presents an exploratory study on the factors influencing tenants' choice of commercial green office buildings in Kuala Lumpur. As previous studies on green office buildings have focused on the performance and efficiency of these buildings in Malaysia, the findings have not revealed the perspective of the occupiers, especially corporate tenants, that would have to make business decisions for the organisation. The main attributes examined under the sustainability elements for green buildings were location, finance and cost, building features, health and wellbeing, CSR, and branding and image. These attributes have been examined across two major case studies comprising office buildings in city centres and suburban areas. The findings revealed some common features in green buildings, which are preferred regardless of the location of the office buildings. Features such as public transport (location), rental and operating costs (financial), security and safety

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(building features), and comfort (health and wellbeing) are listed as the features preferred by the office building tenants within the case study areas.

Nevertheless, in a comparison between the office buildings in the city centre and suburban areas, tenants have many different views in terms of the green office buildings. The decision to locate the green office buildings in the two prominent office locations in Kuala Lumpur also reflects the differences in choices among the tenants with different profiles. The findings strengthen the notion that tenants tend to choose offices that suit their organisation's needs which would also be associated with their profile. As such, the preferences for green building features differ based on location and specific needs, especially on accessibility and operating costs. Although it has been proposed that sustainability aspects can add value to the business, it was found that the office choice decisions can be influenced by several factors that include the company's profile, size, and structure, which would eventually encourage the tenants to occupy green office buildings.

This research also discovered that embracing sustainability within the organisation's policies is not the main factor organisations consider for the occupation of green office buildings. Still, many other factors drive the choice. All the respondents from the organisations provide varying responses that reflect the different nature of each organisation concerning the green office building choice. The organisation's decision maker, generally an individual from the upper management (which includes the board of directors and investors), would place varying emphasis on how sustainability should be considered concerning the nature of business. This perspective supports the notion that the organisation's decision would depend on the organisation's behavioural nature rather than the profit maximisation nature as portrayed by the neo-classical economy, which had assumed decision-makers to be homogenous. Within the perspectives identified, the behavioural aspects can be further elaborated within the application of neo-classical and behavioural economics. The neo-classical view, as defined by Leishman and Watkins [8], is that the market works in a costless transaction and operates with perfect information that assumes consumers are to be treated homogeneously. The neo-classical economy tends to focus on how people need to behave and not on knowing how people tend to behave. However, as explained by Greenhalgh [9], the neo-classical economy needs adjustments.

As there was no specific regulatory framework concerning the policies that drive sustainable initiatives in Malaysia during the study, it would not be easy to gauge the sustainability implementation by the occupiers of commercial buildings for future green office building developers. To drive the embracement of green initiatives to achieve sustainable development goals, policymakers must consider the current considerations of the major stakeholders of green office buildings in Malaysia. Hence, the findings from this study would be useful to green office building developers in Malaysia in meeting the requirements of future corporate tenants that may have different considerations for their green office building choices.

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