

## Forecasting Space Demand: A Study in Colombo Office Space Market

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### Abstract

Office space is a critical resource for firms in many industries. For some industries, it represents the only type of real estate they may ever need to occupy. These industries are the so-called “office-using” sectors. The ability to forecast and explain changes in the demand for office space is highly valuable to owners and developers of office buildings. It can help them to conduct business planning and make investment decisions. In my report, I have to give a clear idea about how to calculate required office space for the office in Colombo Space market and identify factors which influence to determine future space demand in the space stock. As per the details when owners did not identify required office space in their office they lost a lot of money as rent or other real estate expenses. Hence, the most second highest expenses of the company budget are real estate. Because of the above reason, there is needed arise to study forecasting methods of space demand of the current property market. However, Research design means all the issues involved planning and execution of the research project with begging which identified the research problem through to report. Data analysis strategy in the study consists of both descriptive and case study based analysis. The statistical Package for Social Science (SPSS version 20) and Microsoft Excel 2016 is used for data analysis. Sampling design the questionnaires have been distributed among backgrounds in various disciplines data source. The method of data collection is generally based on the type of research objectives and the type of data or information required. In this research is identified 213 Square feet need for a person in their workplace. There is 16% of employment growth in the Colombo office market. However, there is a shortage of supply of office space stock compare with space demand. It can say in another way, there is undersupply of space stock in Colombo City. Further, Research is found factors which affected to determine space demand in different ways. Finally, this research provides a possible solution to prevent or minimize the shortage of office spaces.

**Keywords:** Forecasting Model, Space Demand, Office Space