

# Strong cities



City attractiveness, office market, HR trends

H1 2024

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

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## Katowice

Prepared  
in cooperation with



Michael Page

# Katowice

-  **City area**  
**164.7 sq km**
-  **Population**  
**279,100**  
(Katowice, GUS 2023)  
**2,142,800**  
(GZM, InfoGZM 2022)
-  **Population forecast**  
**261,050**  
(2030, Katowice)
-  **Unemployment rate**  
**1.0%**  
(06.2024, GUS)
-  **GDP growth**  
**18.0%**
-  **PKB per capita**  
**PLN 85,131**
-  **Average salary (gross)**  
**PLN 9,636.77**  
(in the business sector, 06.2024, GUS)

## Investment attractiveness

Rankings

- 7<sup>TH</sup> PLACE** in the **"Top 10 Large European Cities of the Future 2024 - fDi Strategy"** City's strategy for attracting foreign direct investment
- 2<sup>ND</sup> PLACE** in the ranking of **Business-Friendly Cities** of "Forbes" - cities and municipalities of 150,000 - 299,000 inhabitants
- 3<sup>RD</sup> PLACE** in the **"Polish Cities of the Future 2050"** ranking - in the sub-ranking of office, residential and "after hours" and **1<sup>ST</sup> place in the school category**
- TITLE:** **"European City of Science" 2024**  
awarded by EuroScience Association
- CERTIFICATE:** **"Standards of Investor Service in Local Government"**

## Investment incentives

The Investors Assistance Department is a special unit in the Katowice City Hall. It provides various services ranging from supporting investors who create business service centres, developers of the residential space, hotels and offices, to creating an ecosystem for start-ups and a friendly environment for the SME sector.

Providing investors with support based on their individual expectations and requirements: preparing market analyses, information on investment locations, offering image-building assistance, organising investors' visits, coordinating cooperation with universities, etc.

Katowice Special Economic Zone - the best in Europe and one of the best in the world (fDi Intelligence), offering income tax exemptions.

Structured educational projects to support the development of talent in the city from secondary school to higher education: P-TECH, Corporate Readiness Certificate (CRC).

A chance to invest inside a centre that has been implementing sustainable development policies based on Agenda 2030, UN.



## Quality of life

Rankings

- 2<sup>ND</sup> PLACE** in Business Insider's ranking - **Best city to live**
- 2<sup>ND</sup> PLACE** in the "Europolis" ranking of the Schuman Foundation for **the most ecological Polish cities**
- 1<sup>ST</sup> PLACE** for the **Culture Zone** in the "Top Municipal Investment of the Decade" poll of Portal Samorządowy
- 2<sup>ND</sup> PLACE** in **"Electromobile Cities Ranking"** by Polityka Insight
- 6<sup>TH</sup> PLACE** in Poland among cities with more than 100,000 residents in terms of **quality of life** assessment in the "Newsweek" ranking
- silver award for sustainable development**, in the category of cities with more than 400,000 daily population, in The International Awards for Liveable Communities LivCom Awards 2023


## Quality of life in numbers

- Implementing the 17 UN Sustainable Development Goals and the objectives of the Development Strategy City 2030 - equitable transformation, climate change and equity.
- Green urban transport: 28 electric buses, 22 hybrid buses and 8 CNG buses, 197 EV charging points.
- District of New Technologies - Katowice Gaming and Technology HUB - PLN 596.6m.
- District of New Technologies - development of the Poniatowski mining shaft area stage 6 - PLN 2.5m (documentation).
- Construction of the Jerzy Kukuczka Himalayan Centre - PLN 81.6m.
- Katowice 'Kilar's House' Music Education Centre and a permanent exhibition - PLN 21.8m.

Tasks to be completed in 2024:

- Construction of a municipal stadium in Katowice - PLN 355.3m.
- Construction of new road systems to connect functional areas housing and services in the city - PLN 224.1m.
- Construction and modernisation of city parks in Katowice - PLN 42.2m
- Improving the safety of road users through construction and modernization of engineering facilities along public roads in the area in Katowice - PLN 31.8m.
- Witos' Community Centre and a park - PLN 28.8m.
- Katowice Bicycle Infrastructure - Velostrada - construction of the Velostrada bicycle road no. 6 - approx. PLN 18.5m.
- Katowice Resident Card - 133,604 active cards.
- Participatory Budgeting - PLN 20m including Green Budget - PLN 3m.

 **Bike paths**  
**197 km**






 **Green areas**  
**50%** of the city's area

## Facts & Figures

-  **Number of students**  
**50,848** (Katowice)  
**91,083** (GZM)
-  **Number of graduates**  
**12,549** (Katowice)  
**22,862** (GZM)
-  **Number of universities**  
**12** (Katowice)  
**19** (GZM)
-  **Airport - distance to the city centre**  
**30 km**
-  **Airport - number of passengers**  
**5.61m** (2023)
-  **BSS sector - number of centres**  
**105** (Katowice)  
**140** (GZM)
-  **BSS sector - number of employed**  
**26,600** (Katowice)  
**33,400** (GZM)

# Katowice




H1 2024

- ▶  Existing stock **751,000 sq m**
- ▶  Supply under construction **59,000 sq m**
- ▶  Vacancy rate **20.8%**
- ▶  New supply **0 sq m**
- ▶  Take-up **25,000 sq m**

## Coworking operators in Katowice

City Space | Regus  
Wlasne B. | Cluster Offices

## Standard lease terms in new buildings

- ▶  Service charge PLN/sq m/month **14.00-27.00**
- ▶  Rent-free period **1-1.5 month** for each contract year
- ▶  Fit-out budget EUR/sq m **350.00-500.00**

▶ Currently, Katowice boasts over 751,000 sq m of modern office space, positioning it as the fourth largest regional office market in Poland. During the second quarter of 2024, the demand for office space witnessed an upturn compared to the previous quarter, reaching 14,000 sq m. Even though the total office supply remained unaltered from the first quarter, there was a slight increase in the vacancy rate. Meanwhile, rental rates maintained their stability.

### SUPPLY

For the past three quarters, Katowice has not seen the introduction of any new office buildings. Currently, there are over 59,000 sq m under construction, the highest volume among regional cities. Should developers adhere to their timelines, Katowice's office space supply is expected to increase by over 36,000 sq m by year-end, with the remaining space scheduled for delivery in 2025. Notable ongoing projects include Grundmanna Office Park A, with 21,000 sq m expected by the end of 2024, and the Eco City Katowice complex, with 18,000 sq m planned for 2025.

### TAKE-UP

The demand for office space in Katowice is increasing. During Q2 2024, close to 14,000 sq m of office space were leased in the city, marking an 18% increase compared to the previous quarter. The total take-up in the first half of the year surpassed 25,000 sq m, denoting a 6% increase compared to the same period last year.

In the first half of 2024, most of the leased office space resulted from lease renewals and new agreements, constituting 41% and 40% respectively. Expansions accounted for over 10% of the leased space, marking the second highest rate in Poland, with only the Lublin market experiencing more expansion activity. The remaining 9% of the leased space in Katowice was designated for self-use.

### VACANCY RATE

In Q2 2024, the vacancy rate in Katowice stood at 20.8%, slightly up from 20.6% in Q1 2024, but down from 21.5% in Q4 2023. Notably, the vacancy rate exhibits significant variation, standing at 17% in the city centre and 24.9% in non-central areas.

Katowice retains the second highest vacancy rate among regional cities, trailing only Łódź, where the vacancy rate is 23.3%.

### RENTS

By the end of Q2 2024, asking rents in Katowice remained stable, typically falling between EUR 9.00 and 14.50/sq m/month. Service charges generally ranged from PLN 14.00 to 26.00/sq m/month.

# Office market in Poland

H1 2024

- ▶  Existing stock **13m sq m**
- ▶  New supply (H1 2024) **125,000 sq m**
- ▶  Take-up (H1 2024) **602,000 sq m**
- ▶  Supply under construction **530,000 sq m**
- ▶  Vacancy rate **14.4%**

### SZCZECIN

187,000 sq m  
6.3%  
EUR 10-14.5

### POZNAŃ

674,000 sq m  
13.9%  
EUR 11-15.5

### WROCLAW

1.38m sq m  
18.2%  
EUR 10-16

### KATOWICE

751,000 sq m  
20.8%  
EUR 9-14.5

### KRAKOW

1.82m sq m  
20.2%  
EUR 10-16

### TRICITY

1.05m sq m  
12.5%  
EUR 11-15.5

### WARSAW

6.26m sq m  
10.9%  
EUR 10-27

### ŁÓDŹ

645,000 sq m  
23.3%  
EUR 9-15

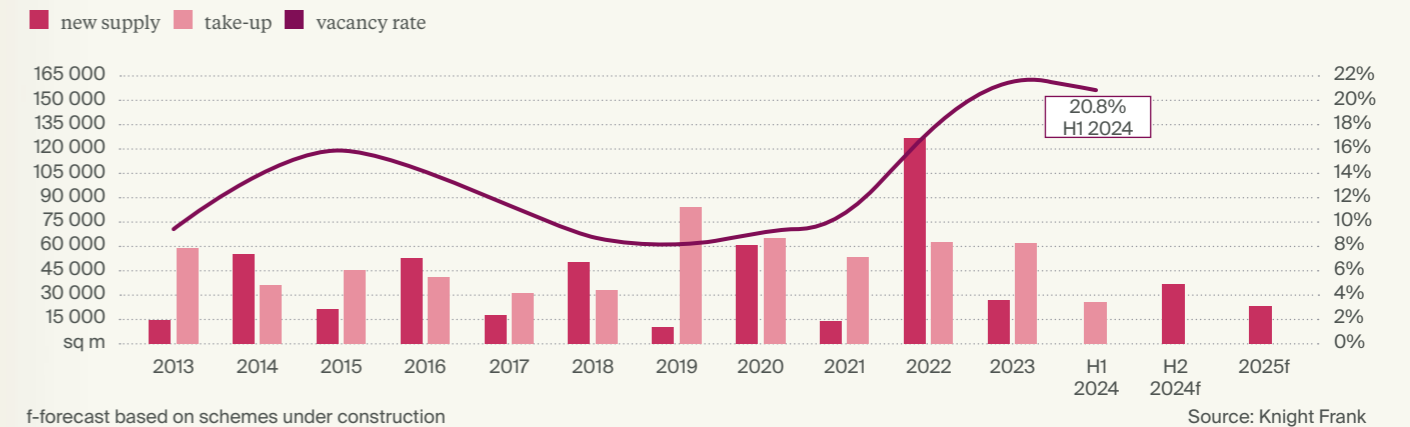
### LUBLIN

221,000 sq m  
12.3%  
EUR 9-13

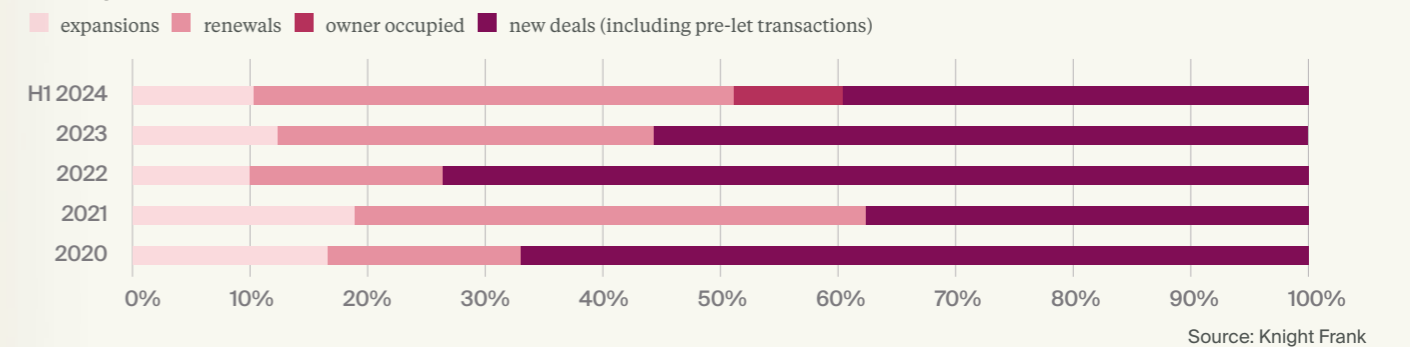
 - office stock  - vacancy rate  
 - asking rents (per sq m per month)

Source: Knight Frank

## Annual new supply, take-up and vacancy rate in Katowice



## Take-up structure in Katowice



# Human Leadership: Effectively Managing Teams in the Digital Era

Despite Poland achieving the lowest unemployment rate in the EU in 2024, job vacancies are on the rise, particularly in IT, data analysis, sales, marketing, and fields related to digitalisation and AI. The European Commission reports that 77% of companies struggle to hire suitable specialists. Given these shifts, leaders must adapt their strategies to effectively manage teams in the digital era by adopting the Human Leadership approach.

## Human Leadership

Human Leadership is a management style grounded in empathy, understanding employees' needs, and building trust. In today's job market, where attracting and retaining talent is vital, leaders must view employees as individuals with unique needs and aspirations. Key elements of this approach include effective communication, flexibility, adaptability, and technological proficiency.

## Communication and Empathy

Effective communication and empathy are crucial in managing teams, especially in the context of remote work. Leaders should regularly meet with their teams, listen to employees' opinions, understand their needs, and encourage open dialogue. In a competitive job market, understanding individual employee needs can significantly improve retention rates.

## Flexibility and Adaptation

Leaders need to quickly adapt to changes, adopting new work models and adjusting strategies to a dynamic market. The Talent

Trends 2024 report indicates that 45% of companies plan to increase hiring in 2024, emphasising the importance of flexibility in attracting talent.

## Technological Proficiency

Leaders should be well-versed in digital tools, support innovation, and build digital competencies within their teams. In Poland, the demand for automation specialists is growing, making it crucial for leaders to bridge the gap between technical and non-technical team members.

## Benefits of Implementing Human Leadership

Companies that have implemented Human Leadership report increased employee engagement and productivity, better talent attraction and retention rates, and a stronger organisational culture. Prioritising career development, work-life balance, competitive compensation, investing in employee development, fostering open communication, and building trust all contribute to organisational success.



► For more information on Human Leadership and employee retention, please see our latest study [Talent Trends 2024](#).

## Recruitment in the Manufacturing and Supply Chain Sector

According to data from the Central Statistical Office (GUS), approximately 6.5 million people are currently employed in Poland. In the industrial sector alone, there are 2.8 million employees, making up 17.5% of the total 16 million employed. With a low registered unemployment rate of 4.9%, companies must compete with increasingly attractive offers to recruit production workers. Is it worth it? Yes. Experts highlight that well-selected and motivated team members can boost productivity by up to 18% and improve production quality by 15%.

### Operational Efficiency in the Hands of Manufacturing Workers

Recruiting qualified workers in the manufacturing sector is one of the key challenges for industrial companies. This is crucial for maintaining operational continuity, high product quality, and cost optimisation.

A report by the Polish Economic Institute titled Poles on Foreigners in the Job Market – Facts, Myths, Opinions revealed that last year, 70% of employers reported difficulties in finding Polish workers. As a result, they are increasingly hiring foreign employees.

Experts from the Polish Confederation Lewiatan estimate that the Polish economy needs about 2.5 million workers from abroad annually, and there is no indication that this number will decrease. Our society is aging, and the number of available qualified workers is diminishing.

### Consequences of Recruitment Errors

Recruitment errors can significantly impact an organisation's productivity and profitability, leading to high financial costs associated with re-recruitment processes, training, and onboarding new employees. The departure of an employee just a few months after being hired, during which they received an average monthly salary of 7,998.81 PLN gross, can realistically cost the employer around 100,000 PLN.

### Best Practices

Effective recruitment in the production sector includes precisely defining job requirements, using multiple recruitment channels, employing advanced selection tools, and promoting a strong company culture and development opportunities. Systematic evaluation and optimisation of the recruitment process are key to its effectiveness.



## TOP 3

Positions in the Manufacturing and Supply Chain Sector.

### ► KATOWICE & KRAKOW:

- **Automation Engineer**  
12,000 – 16,000 PLN gross
- **Process Engineer**  
13,000 – 16,000 PLN gross
- **Technical Manager**  
20,000 – 27,000 PLN gross

### ► WROCLAW & POZNAŃ:

- **Automation Engineer**  
12,000 – 14,000 PLN gross
- **Quality Planning Engineer**  
10,000 – 13,000 PLN gross
- **Quality Manager**  
20,000 – 25,000 PLN gross

### ► WARSAW, ŁÓDŹ & TRICITY:

- **Automation Engineer**  
12,000 – 16,000 PLN gross
- **Project Manager**  
15,000 – 25,000 PLN gross
- **Quality Manager**  
20,000 – 25,000 PLN gross

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Investors Assistance Department is a dedicated unit of the Katowice City Hall, which provides comprehensive services: from supporting business services investors, residential and commercial developers, to creating a friendly environment for start-up and the SMEs sector. Investors Assistance Department focuses on providing solutions customized to the needs of investment projects. Thanks to a wide range of innovative products an experienced team of experts supports investors in achieving their business goals in Katowice and in gaining and maintaining a competitive advantage.

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