



Flexibility at Work

Latest data and research
September, 2025



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Most firms remain flexible



66% of firms embrace flexible work

42% have a structured hybrid model; 24% are fully flexible

RTO trends are strongest in F100; combination of increased 5-day demands and 3 day hybrid policies

Smaller and new firms remain more flexible; 67% of firms under 500 employees are fully flexible (remote or employee choice)

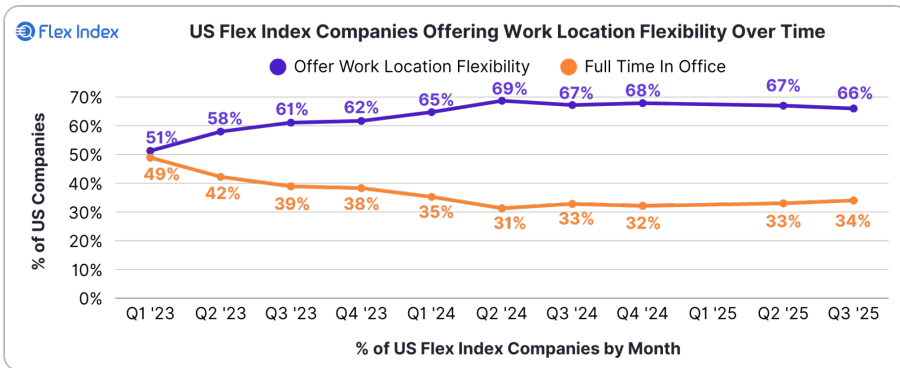
Policy isn't compliance: policy days are up 12%, office usage up only 1-3% through end of Q2

RTO mandates negatively impact employees, culture and retention

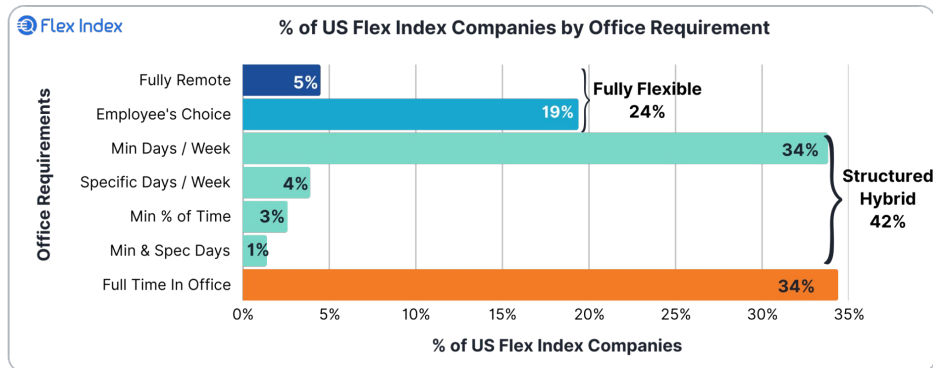
Flexible work boosts productivity and engagement

67% of US-based firms flexible; 43% are “structured hybrid”

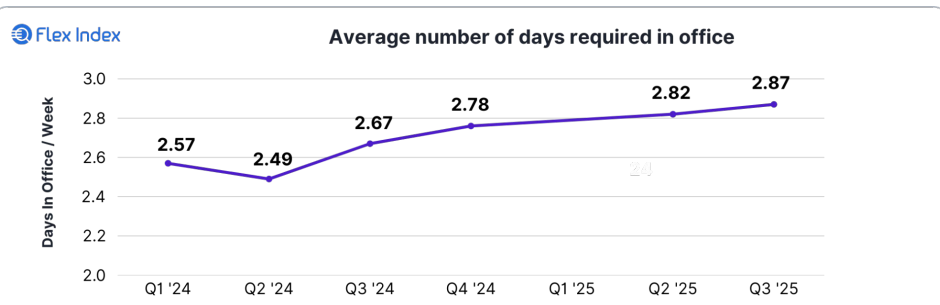
Full-time in office up from 31% to 33% of firms in last year; average days + 13%



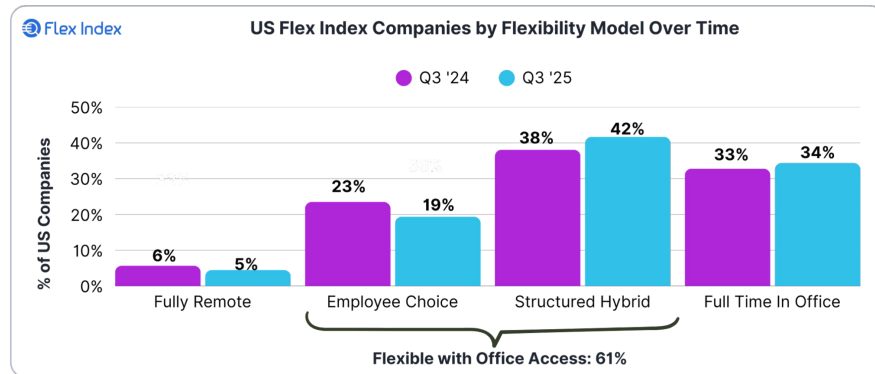
Source: [Flex Index](#) (flexindex.com) employer-provided policy data and publicly available data on company office requirements for companies with headquarters in the US, N = 9,132 companies. Flex Index data has been re-weighted using the Current Population Survey industry data to better approximate the US working population.



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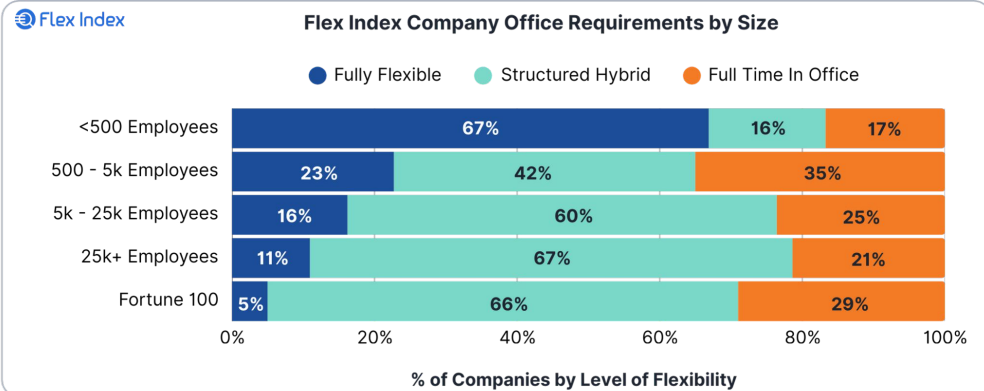
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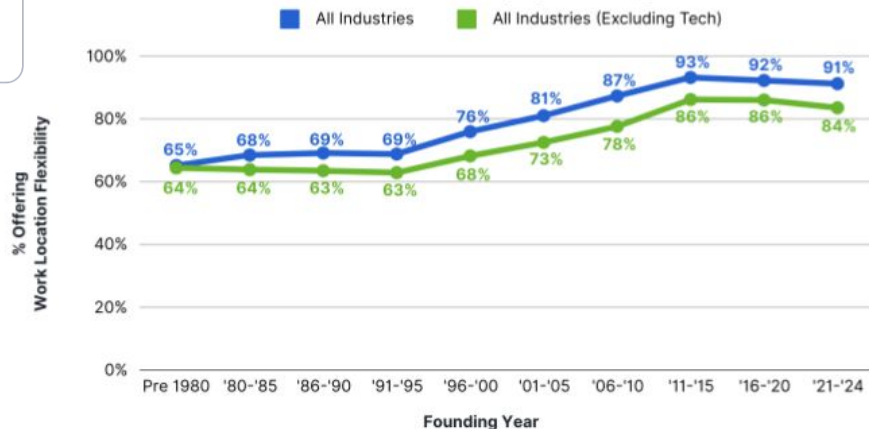
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Fortune 500 policies getting more strict

F100 more stringent than F500; smaller, newer firms are less likely to be following suit



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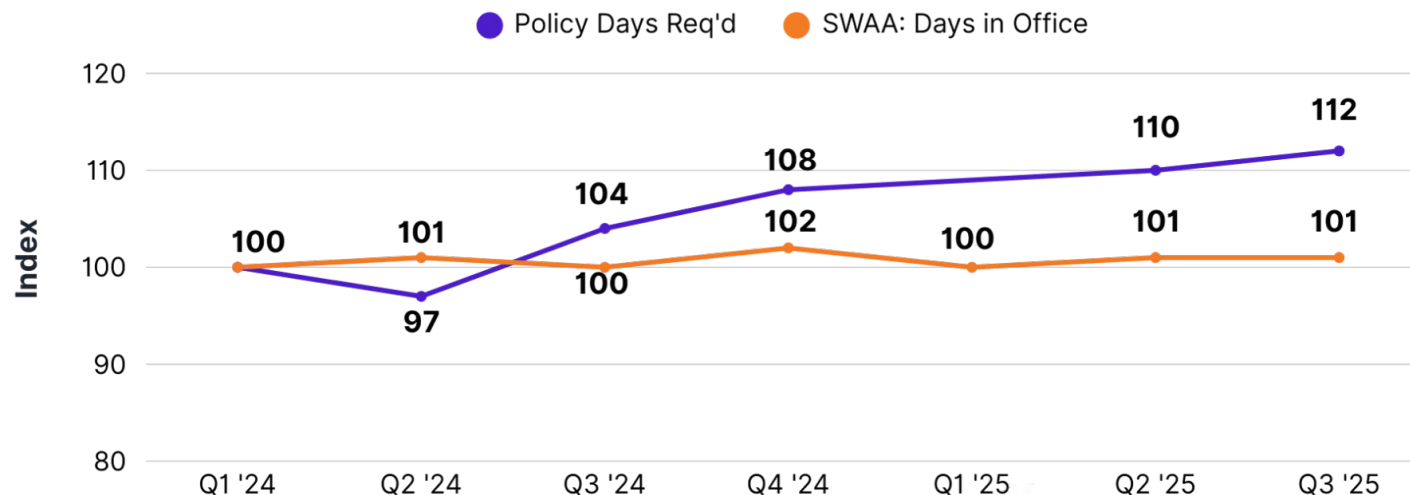
Sources: [Flex Index Q3 2025 report](https://flexindex.com) on workplace policies of 9.1k+ US-based organizations; Fortune 100 data updated as of July 18th, 2025

Policy and Compliance gap persists

Since Q1 '24, policy days +12% vs office days only +1-3%



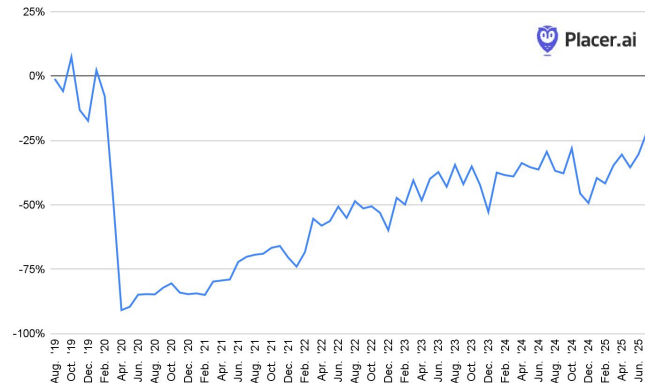
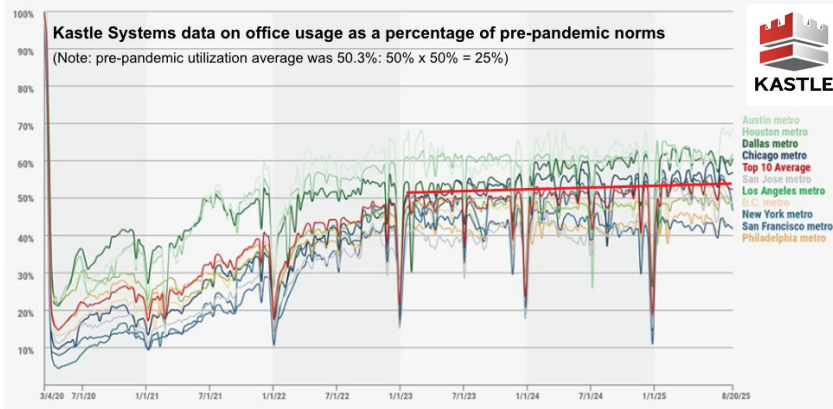
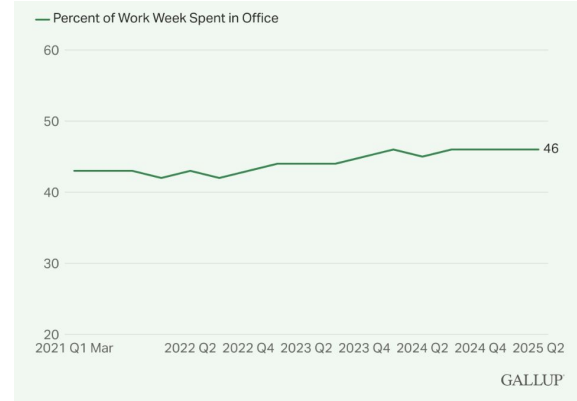
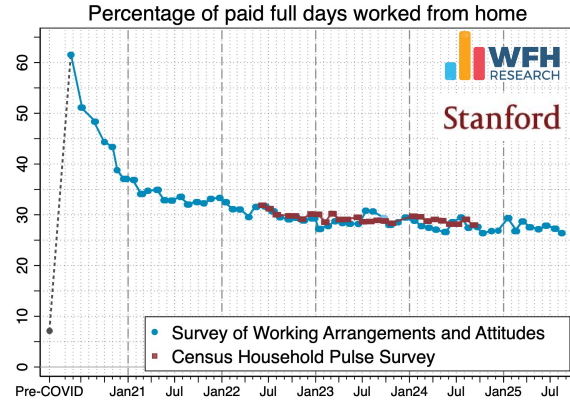
Comparing Policy Required Days vs Stanford SWAA Actual Days, Index vs Q1 '24



Source: [Flex Index](https://flexindex.com) (flexindex.com) employer-provided policy data and publicly available data on company office requirements for companies with headquarters in the US, N = 9,132 companies. [Barrera, Bloom & Davis Survey of Working Arrangements and Attitudes \(SWAA\)](#), Full Time employee reported actual days WFH including frontline employees (those without workplace flexibility); see www.wfhresearch.com

Office utilization up 1-3% year on year through end 'Q2

Based on multiple data sources: Stanford, US Census, Gallup, Kastle, Placer.ai

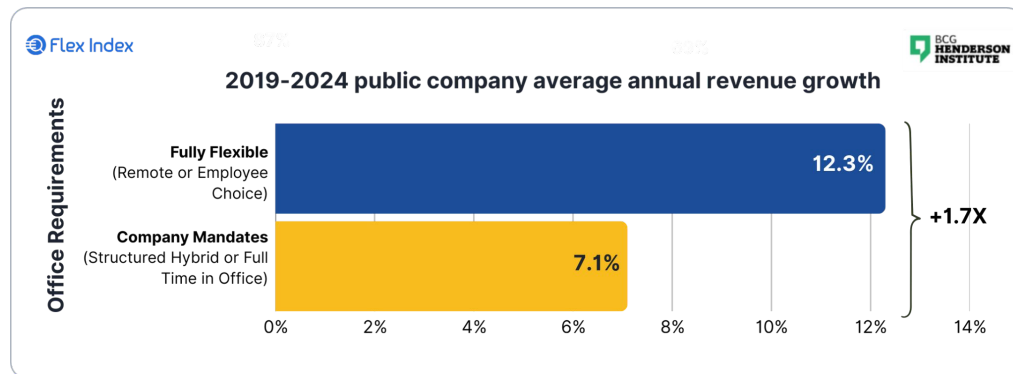


Placer.ai change in office traffic '25 vs '24

- Q1: -0.3%
- Q2: +3.0%
- July: +7.6%

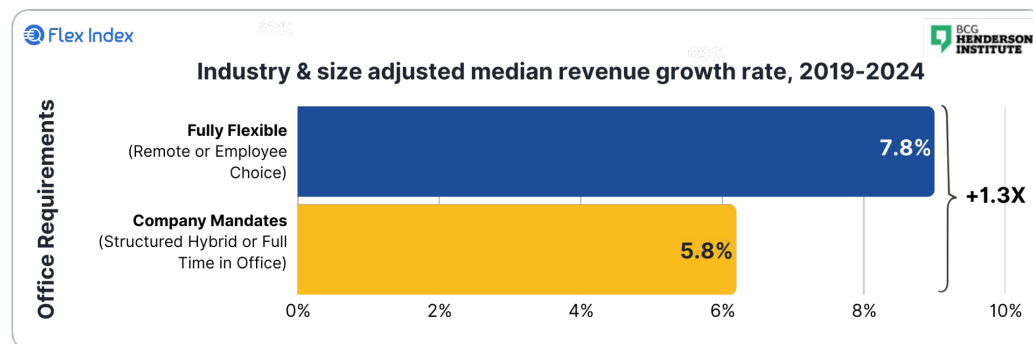
Fully Flexible firms grew 1.7X faster than mandate-driven

Even after accounting for size and industry, growth advantage of 1.3x annually



Based on BCG and Flex Index analysis of 493 publicly traded companies revenue growth 2019 through 2024

- Comparing Fully Flexible firms (fully remote or employee choice) vs Company Mandates (structured hybrid or full time in office)
- Adjusting for industry and size of firm, differential of 1.3X is statistically significant (p=0.026)





Location has little impact on productivity


Academic studies are variable, but basically depend on management

- **Negative** outcome studies of **remote**:
2020 in India, unmanaged workers
- **Positive** outcome studies of **remote**:
3-6% gains in controlled experiments
- Higher and consistent gains for **hybrid**:
+0-12% higher productivity


Key learnings:

- 35-50% of commute time goes back to work (balance to personal life)
- People self-select home vs office based on personal productivity
- Time together best set at team level (ex., 1-2 days/week vs 1 week/month)

Employees with location flexibility report

 **8%**
higher productivity scores

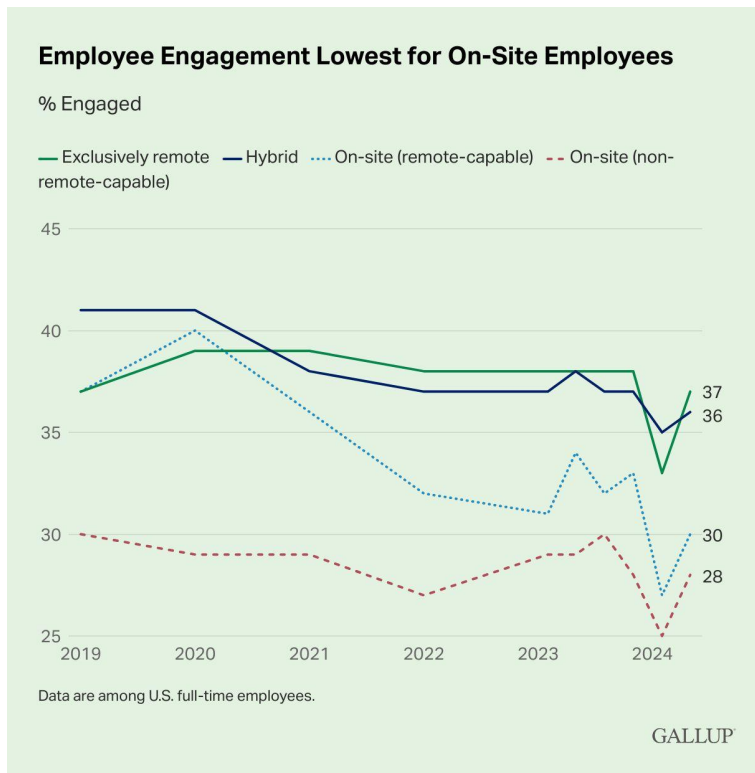
Optimal for team outcomes:

 **~25%**
time together, at team discretion



Five days in office results in decreased engagement

Hybrid and Remote workers more engaged



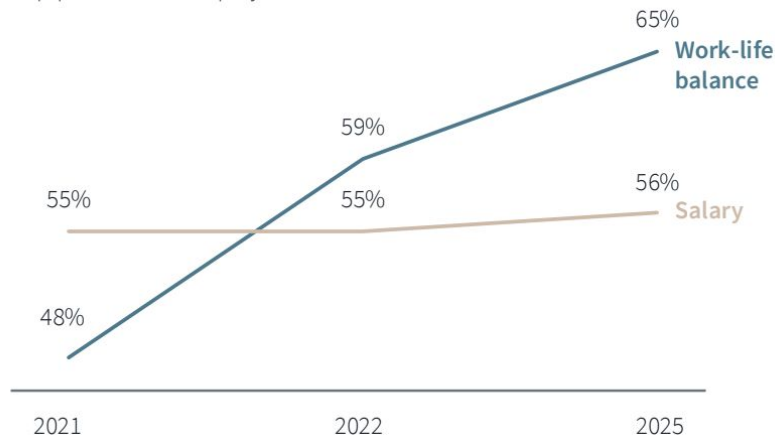
Source: [Gallup, October 2024](#)

Work-life balance increasingly important

Access to flexible schedules matters – often more than location

Work-life balance: increasingly important

Top priorities for employees



Source: JLL Research, 2025



Work-life balance is the top priority for

65%

Salary and finding a sense of purpose at work are 2nd and 3rd most important factors



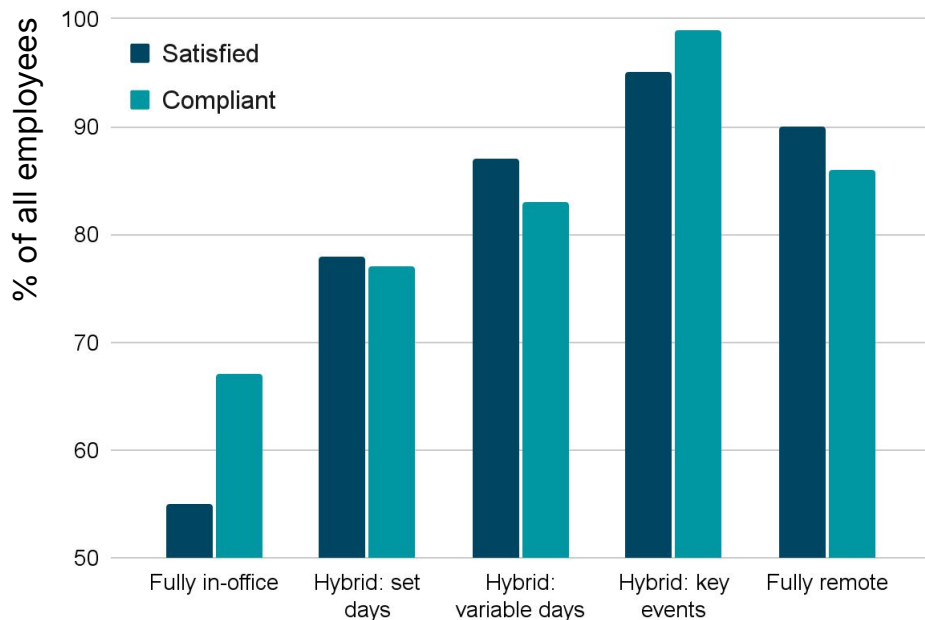
The flexibility gap: expectations versus access

57% say flexible **hours** are important – only half have access overall, higher for men than women



Team-oriented flexibility drives higher engagement

Common elements: minimum standards for team gatherings, team-level agreements



People on teams that regularly review their working norms are

2.4x

less likely to leave

Teams that set their flexible work policies together are **more effective** and **happier at work** than if policies are top-down or individually set



Source: BCG surveys of ~1,500 global desk/office-based workers conducted March 2023 through May 2023



Gallup: Team-based norms perform best

Hybrid is still the most popular policy for workers, by far – small dip coupled with rise in remote, some in fully on-site = net even

Who sets the policy? Roughly 1/3rd each individual, team and senior leadership

Team-based norms perform best:

- Team or individual policies both seen as equally “fair” by employees (91%)
- Team policies result in lower burnout and fatigue than individual choice

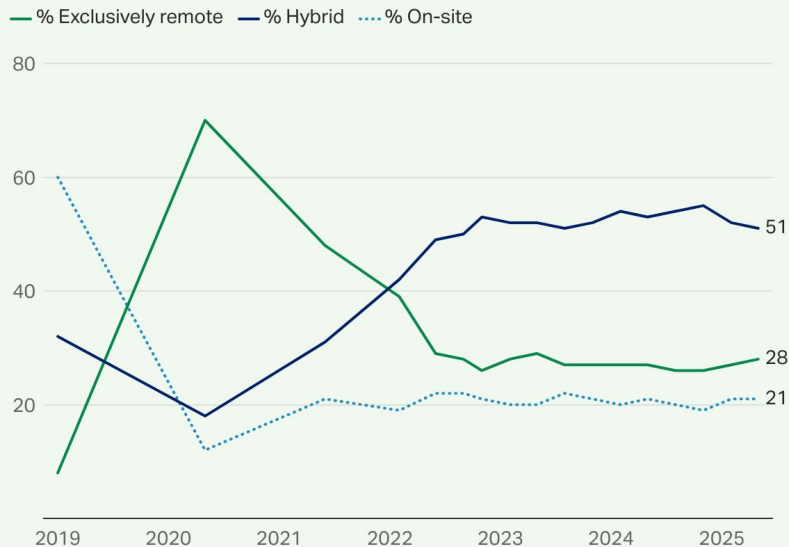
“When teams establish shared norms, people are more productive and less anxious.”

Aka, lowers the coordination tax!

Source: [Gallup. Sep 2025](#)

Remote Also Rises

As Hybrid Declines, On-site and Remote Work Increase



Data are among U.S. full-time, remote-capable employees.

GALLUP



Mandates damage engagement, diversity and top talent

Research: no positive financial or stock impact; flex firms outperform peers

Gartner HR Research Finds High-Performers, Women, Millennials Are Greatest Flight Risks When Strict Return to Office Mandates Are Implemented

Forty-eight Percent of Employees Claim RTO Mandates Prioritize What Leaders Want Over What Employees Need to do Good Work

	Discretionary Effort	Employee Engagement	Intent to Stay
Average Employees	▲ +3%	▲ +1%	▼ -8%
High-Performing Employees	—	—	▼ -16%
Gen Z Employees	—	▲ +5%	—
Millennial Employees	▲ +3%	▲ +2%	▼ -10%
Managers	▲ +3%	▲ +2%	▼ -8%
Women	▲ +2%	▲ +2%	▼ -11%

FORTUNE

‘The system is not working for women’: Companies with return-to-office mandates are hemorrhaging female talent

The Washington Post
Democracy Dies in Darkness

BUSINESS

Ordered back to the office, top tech talent left instead, study finds

The Washington Post
Democracy Dies in Darkness

No, office mandates don't help companies make more money, study finds

New research shows that return-to-office mandates don't play any role in a company's financial performance, but do have negative side effects for its workforce

Gartner Newsroom

Gartner HR Research Finds One-Third of Executives Given a Return-to-Office Mandate Plan to Leave Their Employer

STAMFORD, Conn., May 9, 2024

FORTUNE

Considering an RTO policy? Think again. Firms with remote working options record better financial performance

Sources: 1) Ma, [University of Pittsburgh](#) re fin impact, declining engagement; 2) Lattanzio re [flex and stock](#); 3) Flynn, Ghent et al [Cornell 2024](#) re no equity impact; 4) Gartner 2023 survey [high performers](#); 5) Austin et al [U Chicago](#) more experienced employees 6) [Upwork Aug 2024](#) impact on women; 7) Gartner 2024 survey of [executive leaders](#);



Gallup: “The Achilles’ heel of remote work is trust”

82% of managers who manage remote workers trust their teams to be productive when they are working remotely; 54% strongly agree

(Note: only 4% disagree or strongly disagree)

4 practices that crank up trust by 30 percentage points:

- Timely and consistent communication about what’s happening on my team.
- My team has a strong sense of community.
- My manager holds me accountable for meeting performance expectations.
- I receive the same opportunities for feedback and development.

The Trust’s the Thing

When hybrid individual contributors strongly agree to the following items, trust increases substantially.

% of individual contributors who strongly agree they are trusted when working remotely



GALLUP

Flex Index

WFH and Office Utilization

Return to Office mandates

Productivity

Culture & Connection

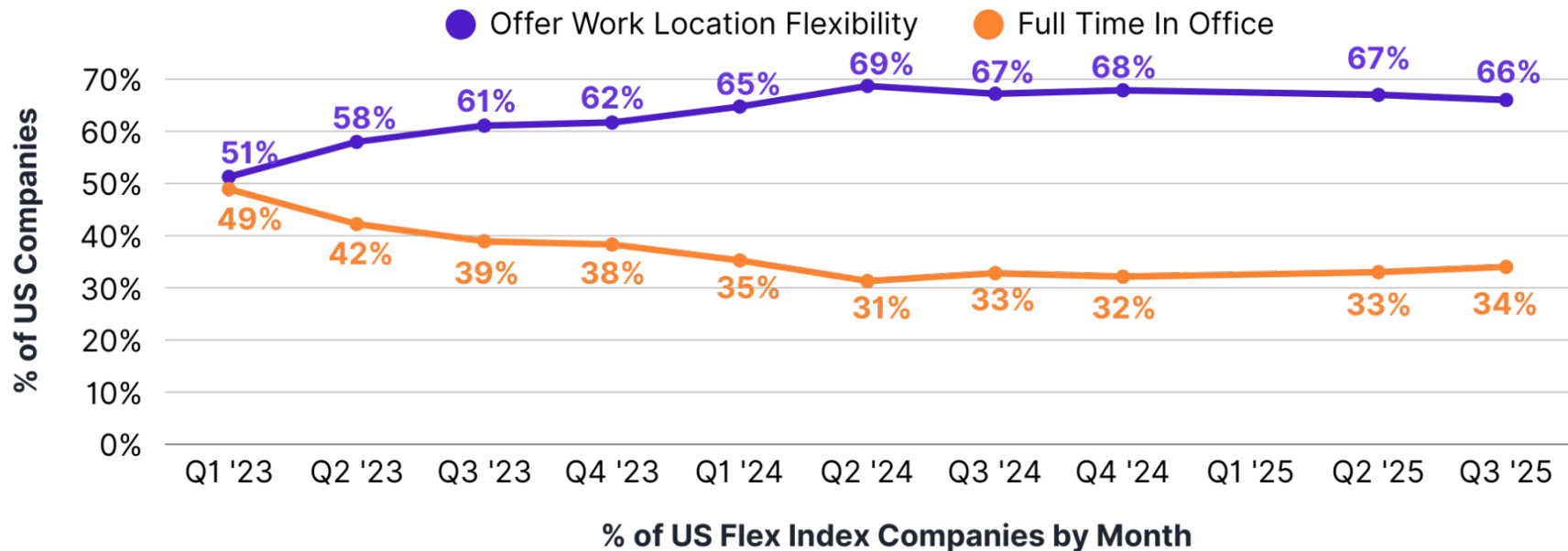
Innovation

What Works...

Vast majority of firms are flexible



US Flex Index Companies Offering Work Location Flexibility Over Time

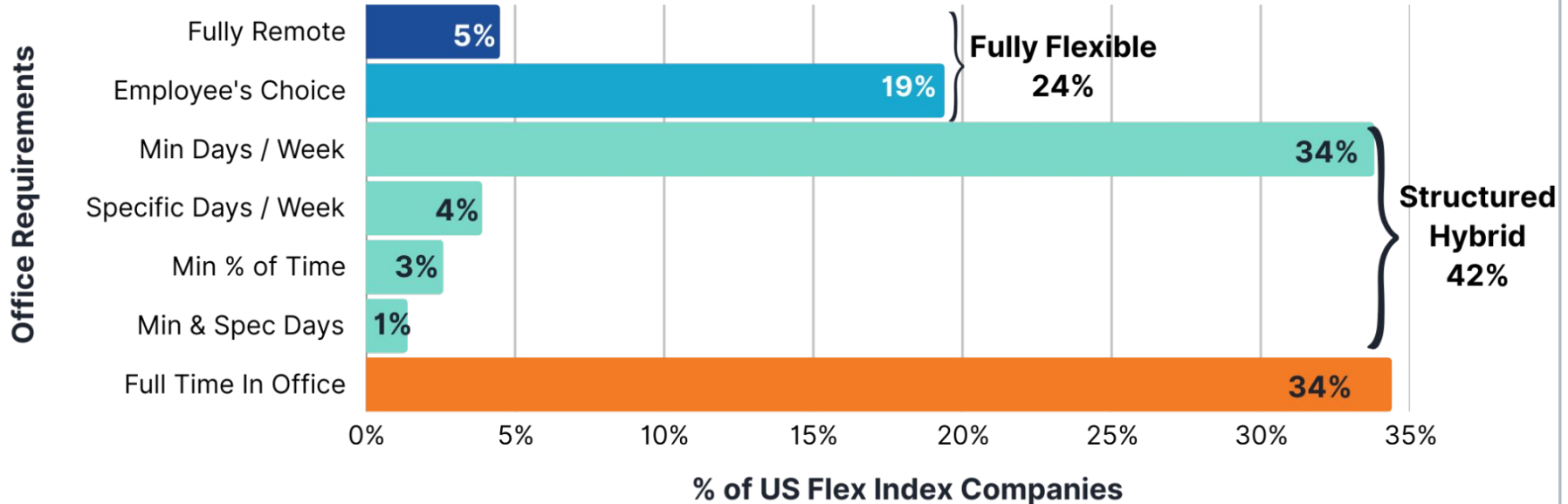


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Structured Hybrid still dominant (Min Days / Week)



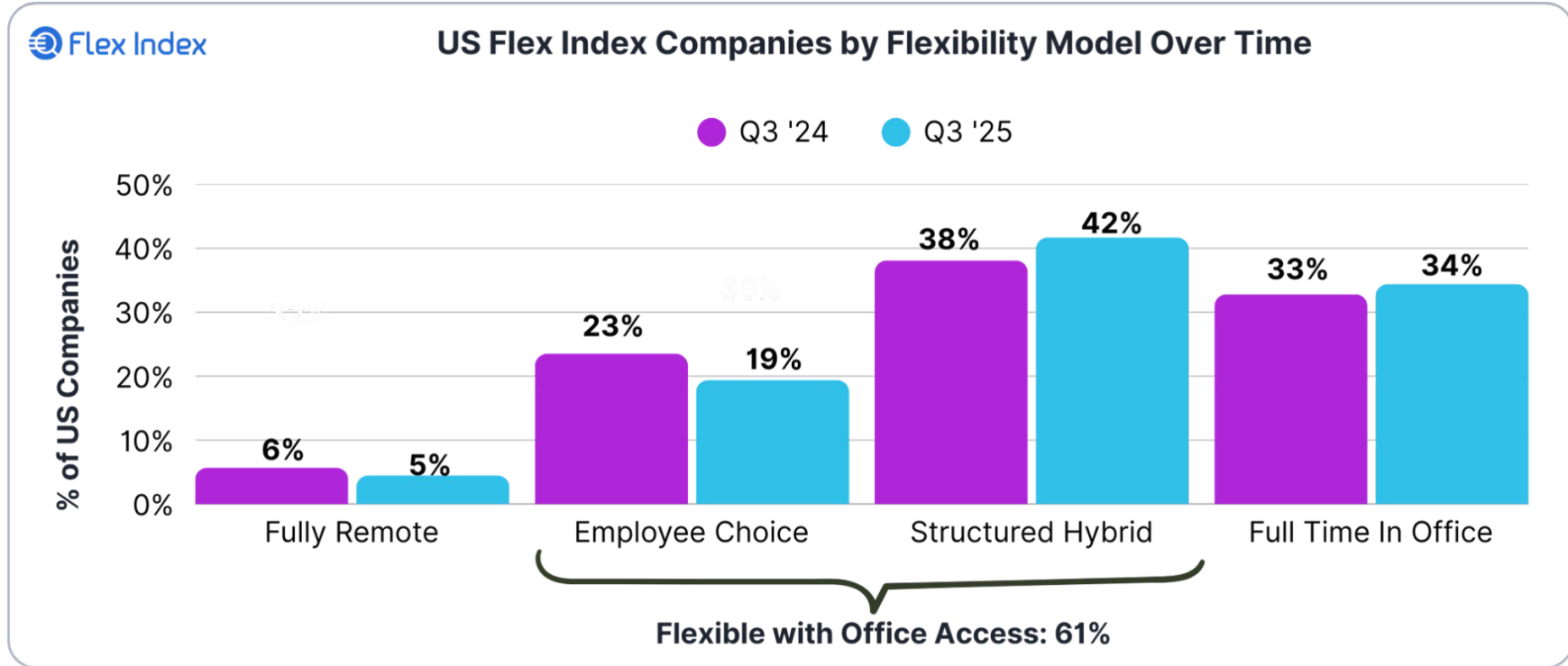
% of US Flex Index Companies by Office Requirement



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Digging deeper: Structured Hybrid highest growth year on year

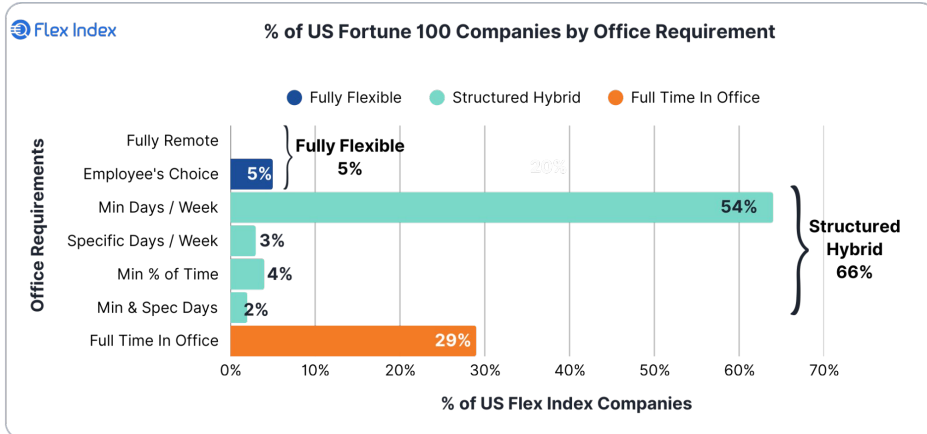
Fully Flexible (Fully Remote + Employee) down from 29% in Q3 '24 to 24% today



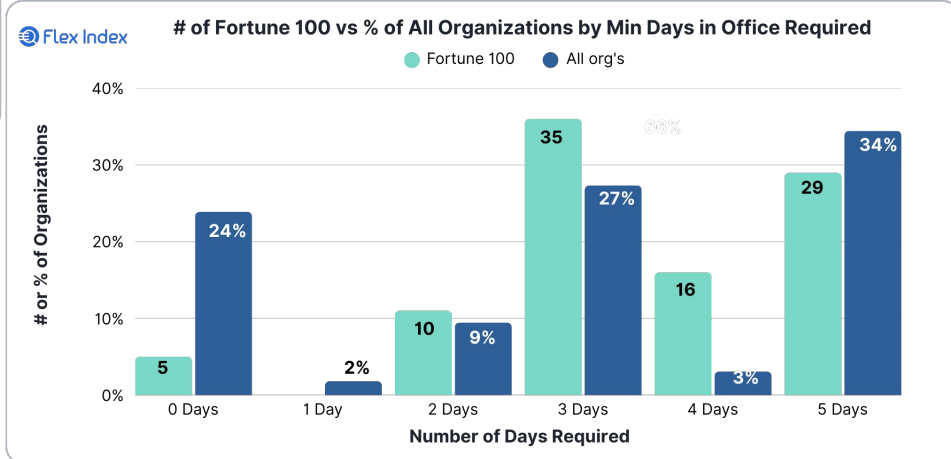
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Digging deeper: Fortune 100 still Hybrid, but less flexible

16 of the Fortune 100 have 4 day a week hybrid policies; 45 have 4 or 5 days



Source: [Flex Index](https://flexindex.com) (flexindex.com) employer-provided policy data and publicly available data on company office requirements for companies with headquarters in the US, Fortune 500 companies. N = 99 companies (Berkshire Hathaway allows portfolio companies to set their own policies).



Source: [Flex Index](https://flexindex.com) (flexindex.com) employer-provided policy data and publicly available data on companies with headquarters in the US with Structured Hybrid office requirements. N = 99 companies... (Berkshire Hathaway allows portfolio companies to set their own policies) and two firms currently utilize % of Time models at 50%.

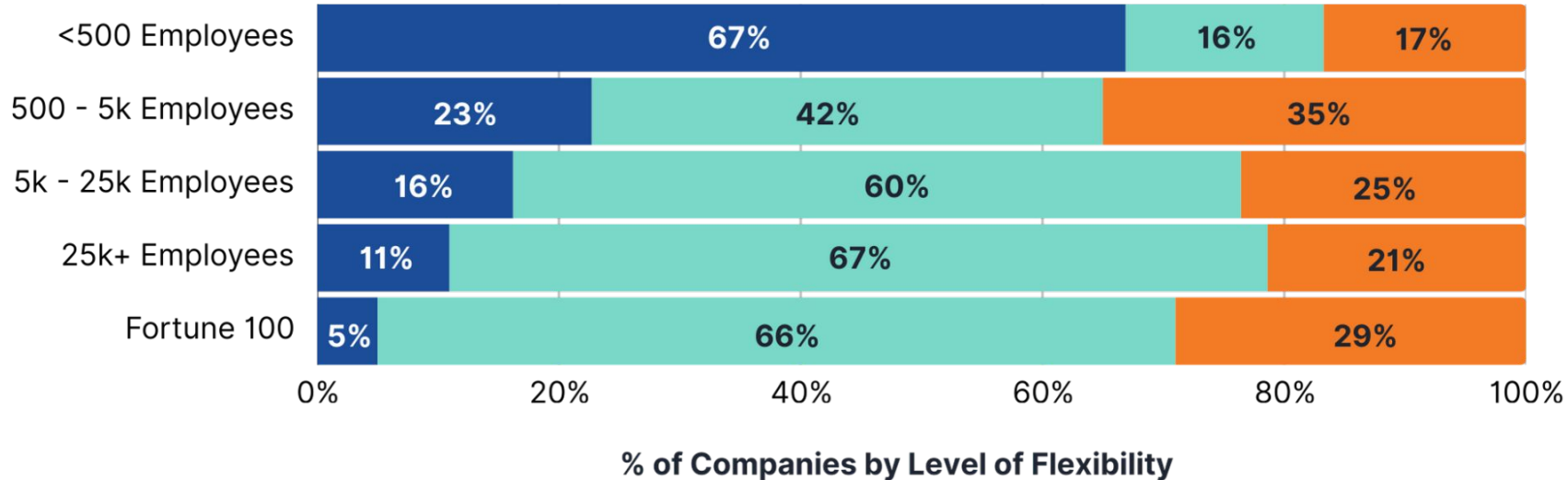
Smaller companies more likely to be Fully Flexible

67% of firms under 500 employees are fully flexible vs 11% over 25k

Flex Index

Flex Index Company Office Requirements by Size

Fully Flexible Structured Hybrid Full Time In Office



Source: [Flex Index](https://flexindex.com) (flexindex.com) employer-provided policy data and publicly available data on company office requirements for companies with headquarters in the US, N = 9,132 companies.

Source: [Flex Index](https://flexindex.com)

Smaller companies creating almost all net new jobs in '25

In 2024, the split between large companies and small companies was nearly even

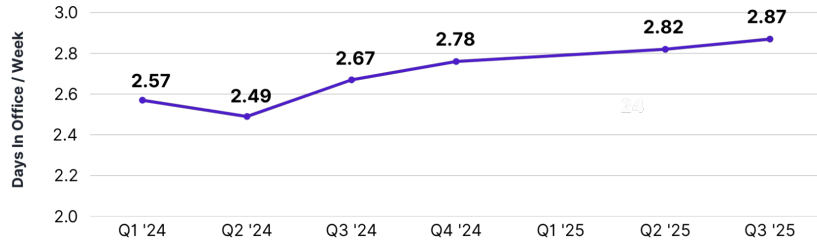
Establishment size (# empl)	Added (Hires)	Laid off	Quits	Total separations	Net change
<1,000 *	28,240,000	7,840,000	19,070,000	27,261,000	979,000
1,000–4,999	1,624,000	577,000	1,049,000	1,671,000	-47,000
5,000+	464,000	130,000	276,000	412,000	52,000
TOTAL	30,328,000	8,547,000	20,395,000	29,344,000	984,000

Average US firm now requires 2.87 days / week in office

12% increase from Q1 2024

 Flex Index

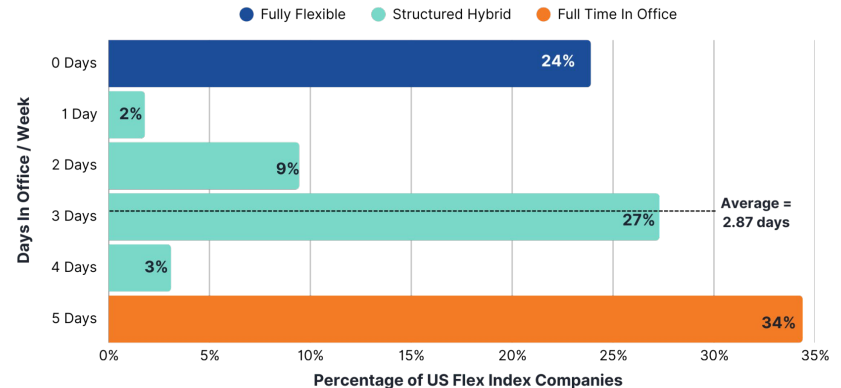
Average number of days required in office



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 Flex Index

% of US Companies by Number of Days Required In Office Per Week

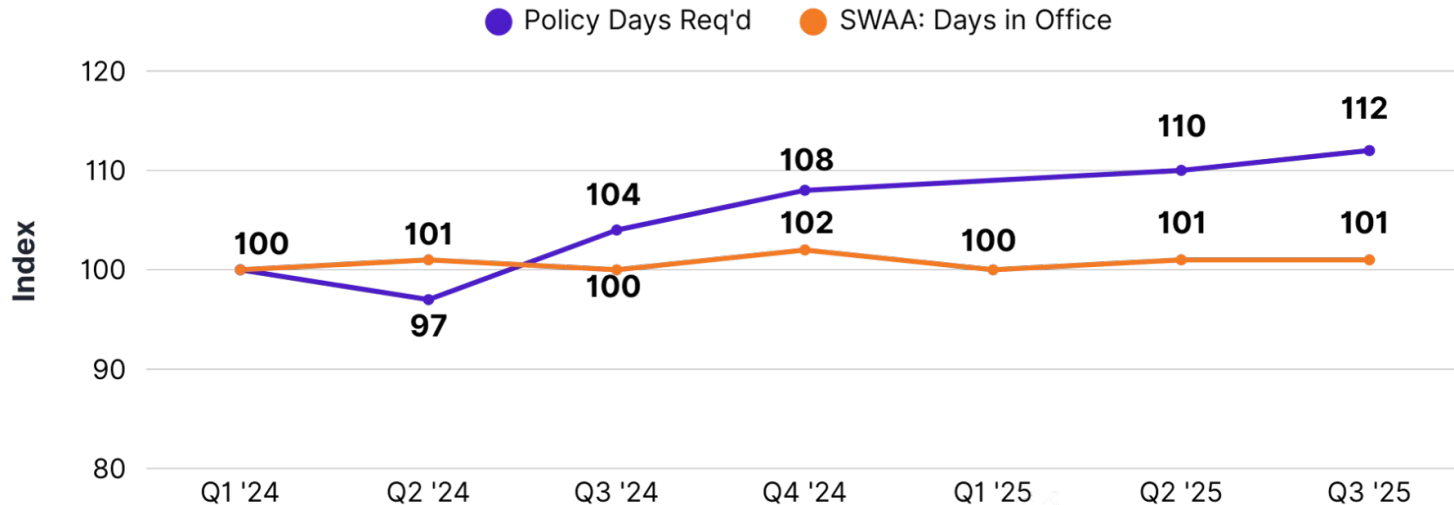


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Policy and compliance gap persisted through end of Q2

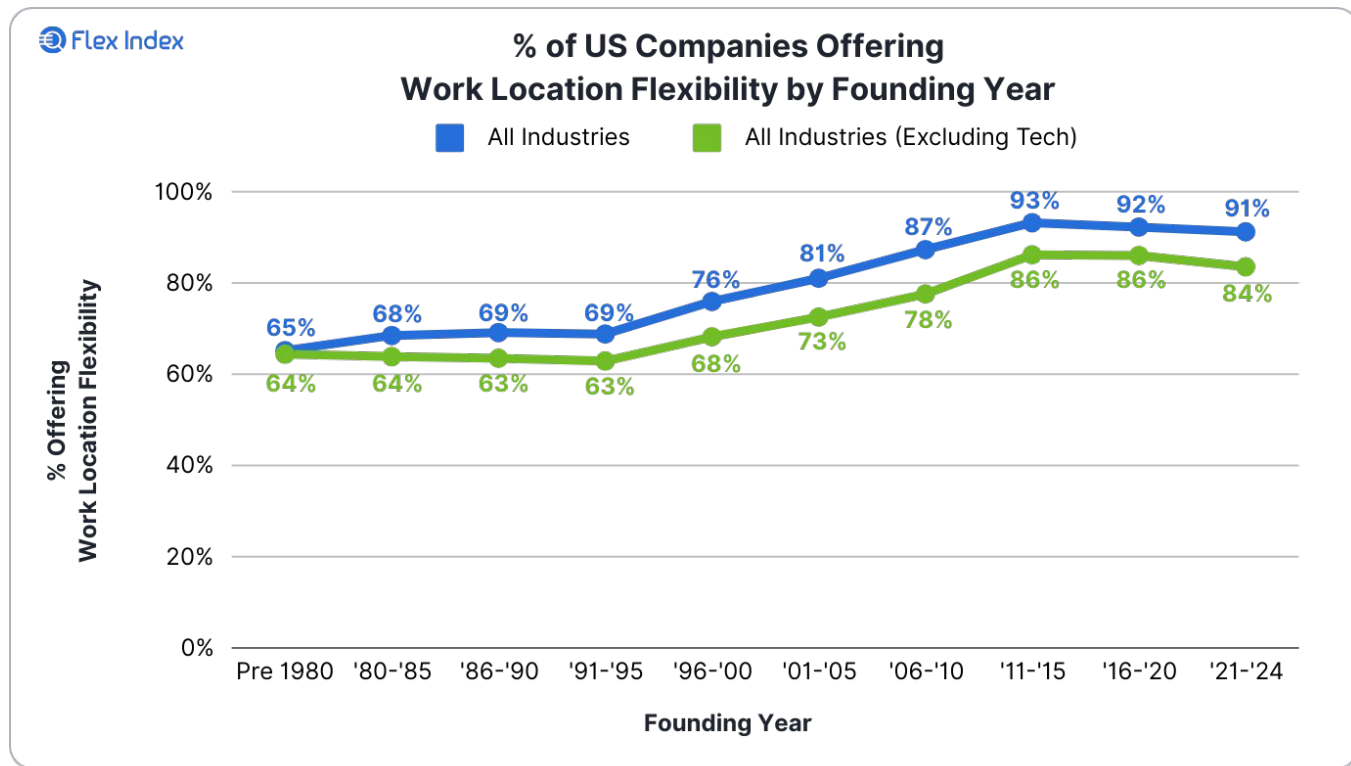


Comparing Policy Required Days vs Stanford SWAA Actual Days, Index vs Q1 '24



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Newer companies are flex natives



Source: [Flex Index](https://flexindex.com) (flexindex.com) employee surveys and publicly available data on company office requirements for companies with headquarters in the US, N = 5,694 companies. People Data Labs data on company founding year.

Strict RTO policies are an effort to reduce headcount

[Federal Reserve Aug '25](#): “multiple Districts reported reducing headcounts through attrition—encouraged, at times, by return-to-office policies and facilitated, at times, by greater automation”

Stricter RTO typically associated with cost cutting, office investments

Big Tech: correlation visible back in '23










Stricter policies following layoffs

- Amazon
- AT&T
- Dell
- UPS

Financial stake in commercial real estate

- Blackstone
- Goldman Sachs
- JP Morgan Chase

Intention to shrink stated: Federal agencies
(note reversals at some Fed agencies, State of Texas)

	Size of layoffs	RTO after?	Flex policy	Notes
	●	●	●	Were highly flexible; layoffs started Feb '23, 3 days RTO April '23, more layoffs and tighter mandates 2024
	●	●	●	From team determination to layoffs starting Jan '23, RTO 3 days announced Feb '23, 5 days announced Sep '24
	●	●	●	First layoffs March '23, hybrid policy announced June '23
	●	●	●	Sales team 4 days RTO fall '22, layoffs started Jan '23, broader policies by function reinforced June '24
	●	●	●	3 days/week policy announced 2021, layoffs started Jan '23, reinforced policy but no changes
	●	●	●	50% guidance announced Feb '22, layoffs started Jan '23
	●	●	●	Flexible work policy; almost no layoffs
	●	●	●	Flexible work policy; no layoffs
	●	●	●	Hybrid policy announced 2021; no layoffs

Key question: do the “right” people leave?

Flex Index

WFH and Office Utilization

Return to Office mandates

Productivity

Culture & Connection

Innovation

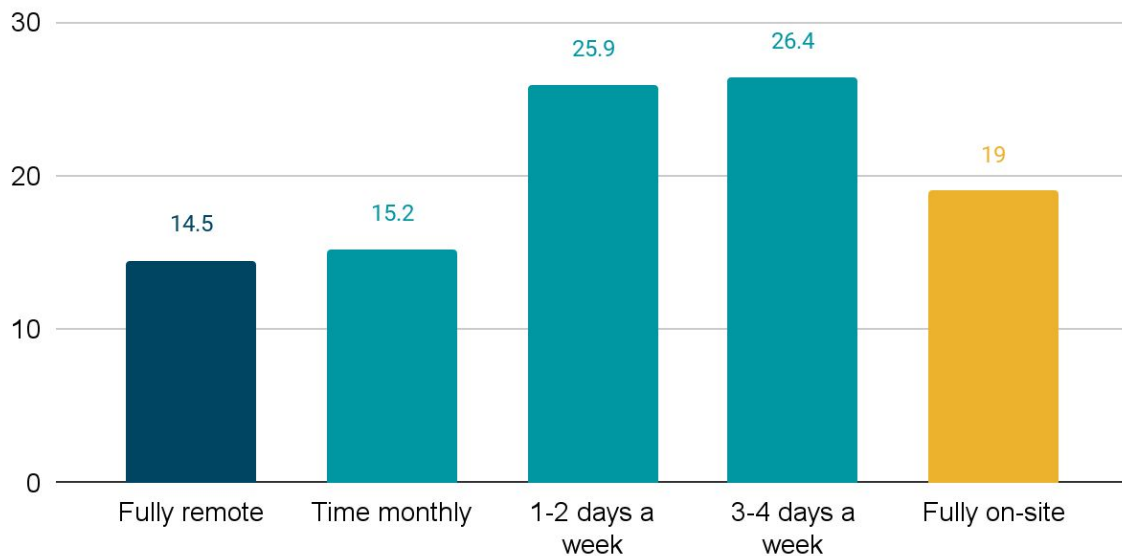
What Works...



Some form of “hybrid” fits what most people want

Key question: is your team co-located, or distributed across locations?

Percentage of Global *Office* Employees

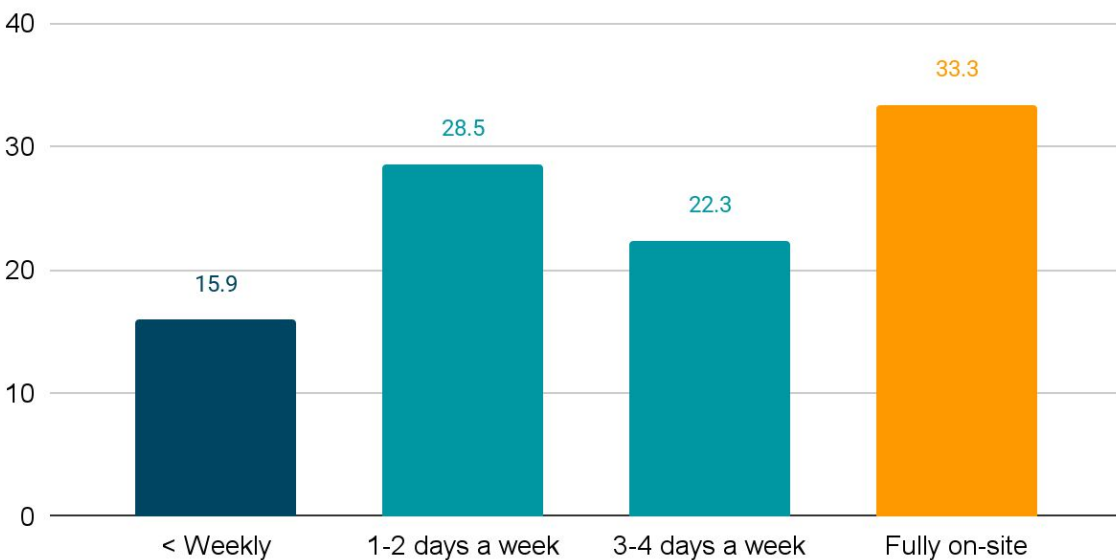




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Percentage of All Employees, SWAA

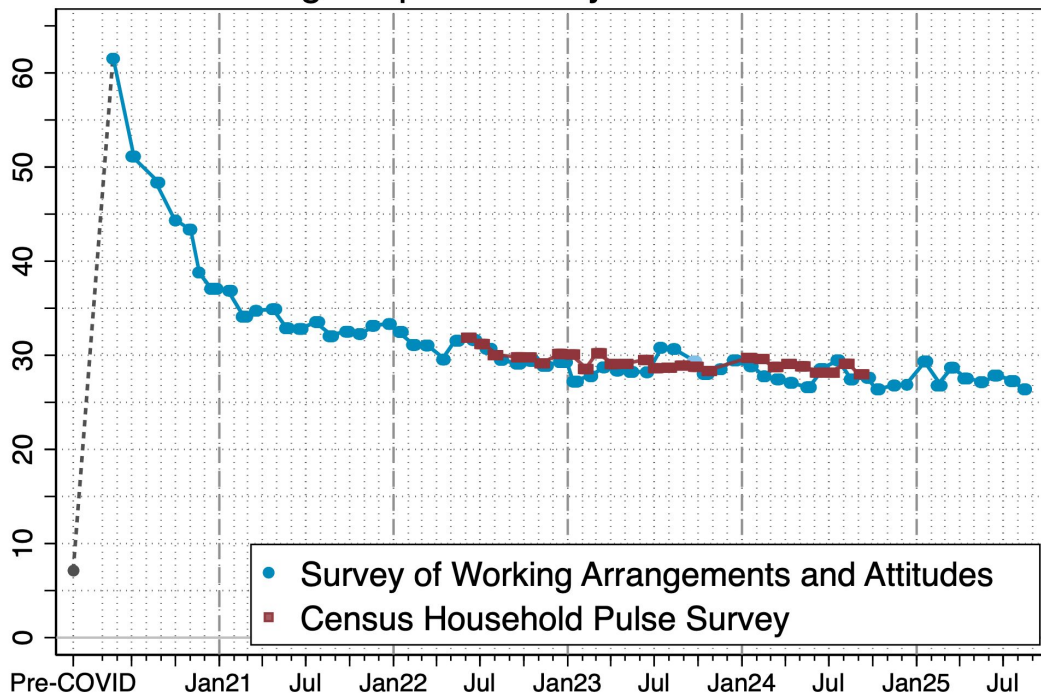


*Data on all workers,
including frontline
employees*

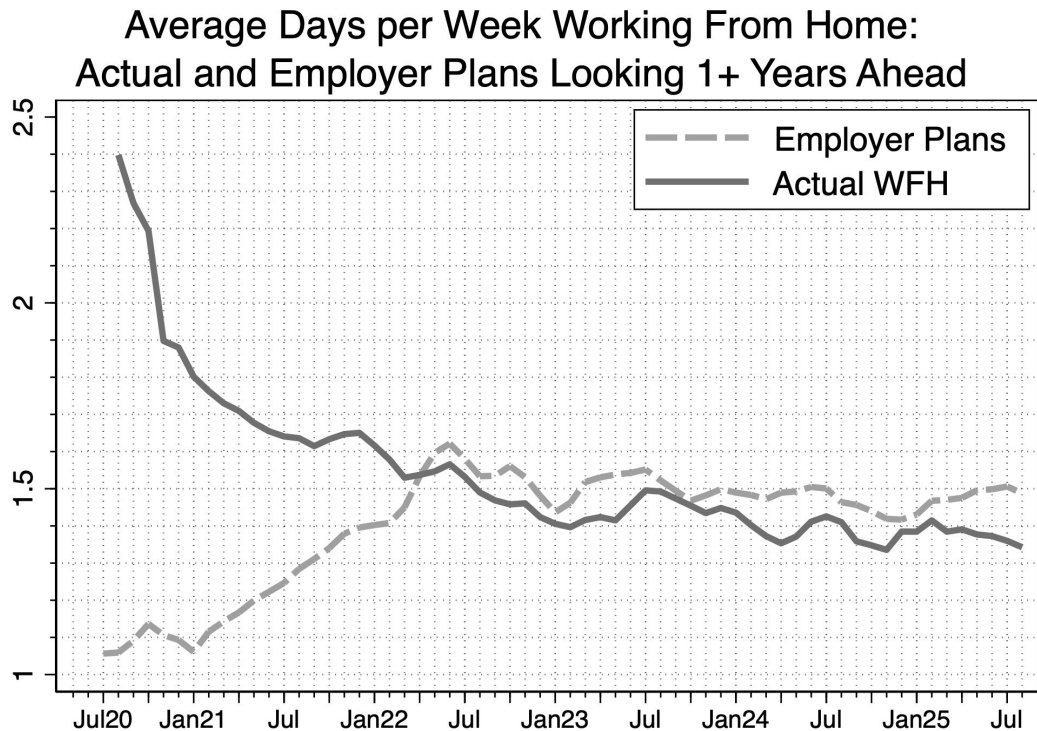
Bloom et al: WFH largely stable for the last two years

Measure of all employees, not just office employees

Percentage of paid full days worked from home

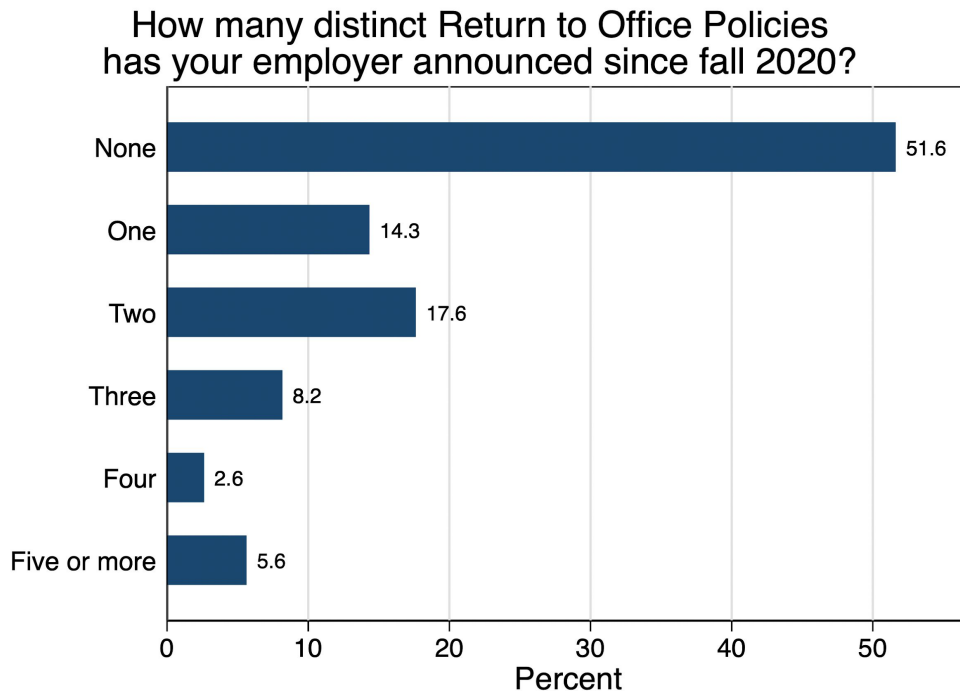


Employer Plans and actual days working from home are largely stable

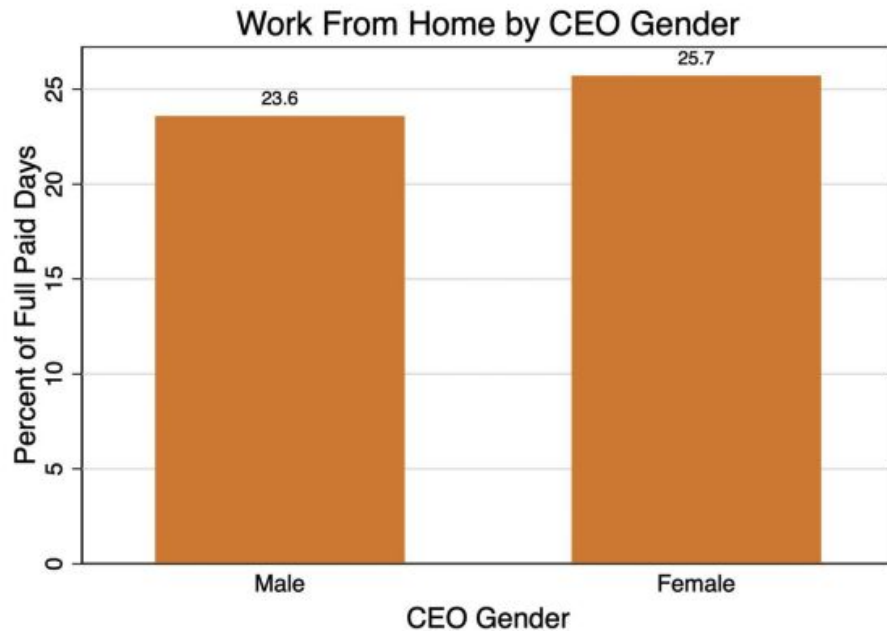
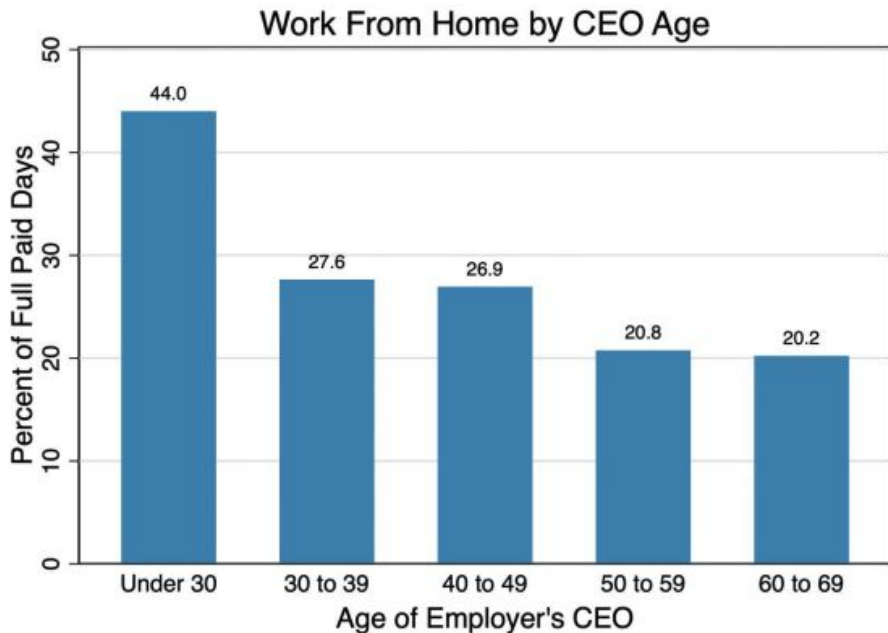




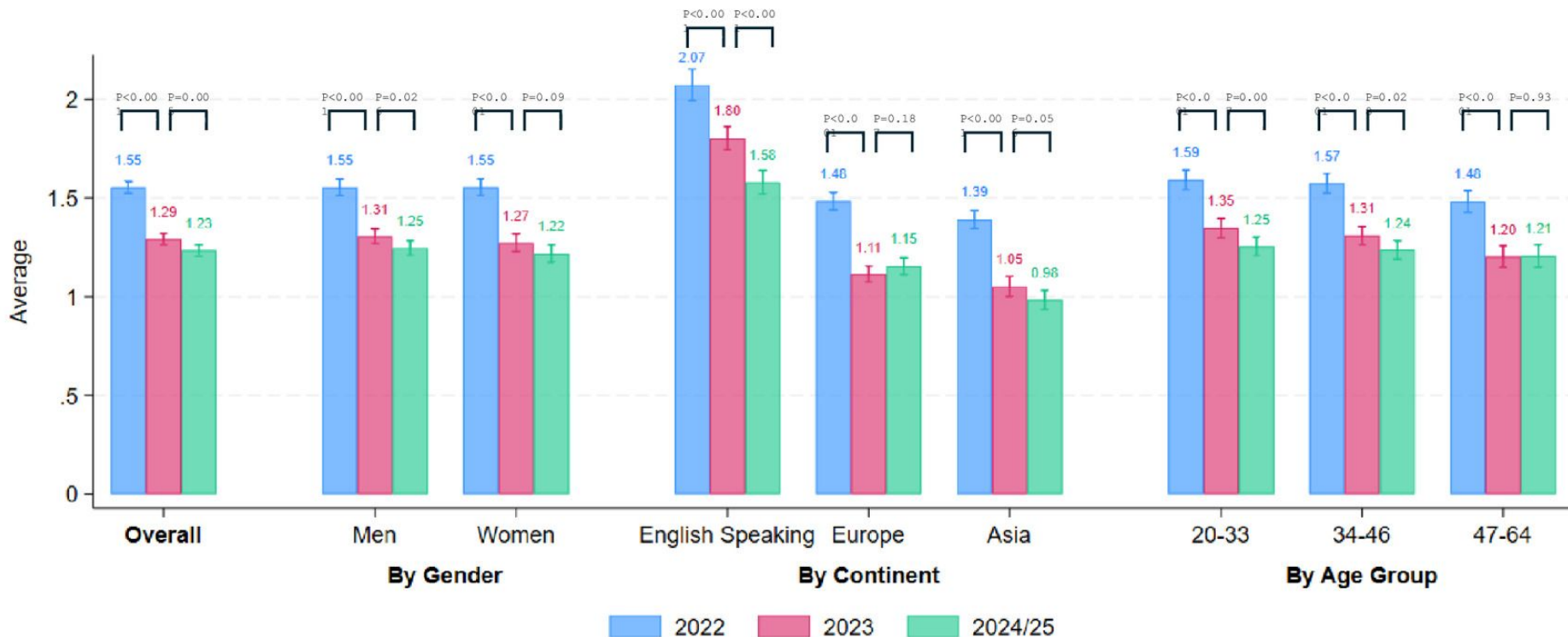
33% Say Their Employer Has Announced More than One RTO Policy Since Fall 2020



RTO rates are higher for firms with older, male CEOs



WFH rates have largely stabilized globally in 2024-25



Slight uptick in attendance, sizable cost in engagement

Hassell survey of 15k global office workers (Australia, Hong Kong, Singapore, South Korea, UK, US)

Mandates miss the mark: stricter policies have 0% impact on office attendance and reduce satisfaction by 14%.

No reason, no return: 41% lower compliance when companies give no reasons for their RTO policies.

Good design = higher attendance: 15% higher attendance at companies that have recently renovated spaces or upgraded equipment

Shifts in where people work year by year



Offices were only 50-65% utilized pre-pandemic

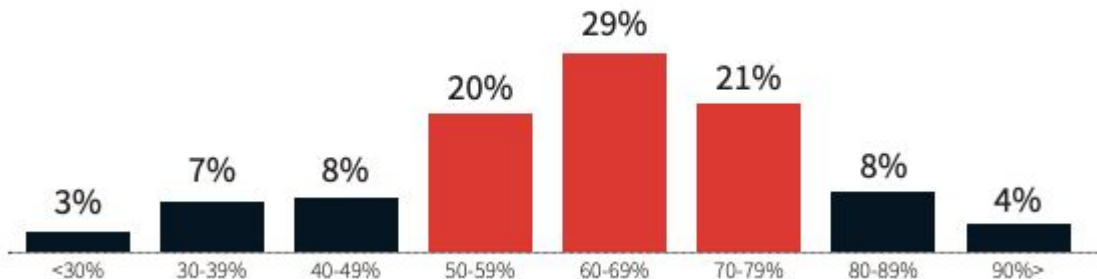
Cushman & Wakefield and JLL data from 2019

51%

AVERAGE TOTAL SPACE
UTILIZATION
INDIVIDUAL SPACES



Office/Administrative space utilization rates

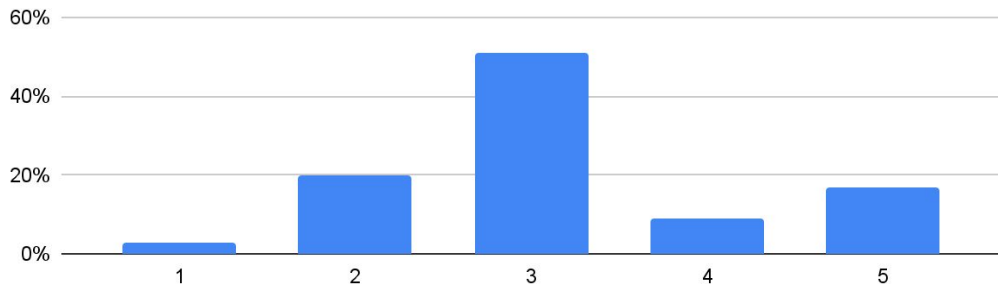




CBRE: Companies asking for 3 days, getting 2

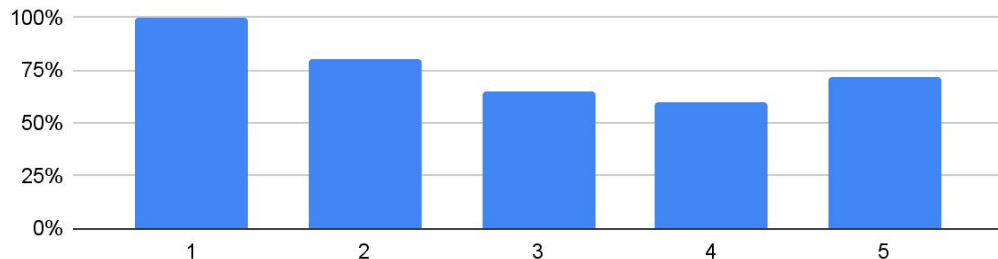
Not a surprise: pre-pandemic when 5 days was norm, 3 days was reality

Percentage of CBRE respondents



Number of days required

Compliance vs. # days



Policy average 3.2 days
Attendance average 2.2 days
Compliance gap 1.0 days

Smaller companies report being more likely to monitor and enforce vs large: “Only 22% of the largest companies (10,000+ employees) report enforcing their attendance policy”

Gallup: Little to no change in office attendance for last two years



“Hybrid workers now spend 46% of their workweek in the office, or the equivalent of 2.3 days. That’s up from 42% in 2022. But all that increase happened in 2023. **There has been no movement in the past year.**”

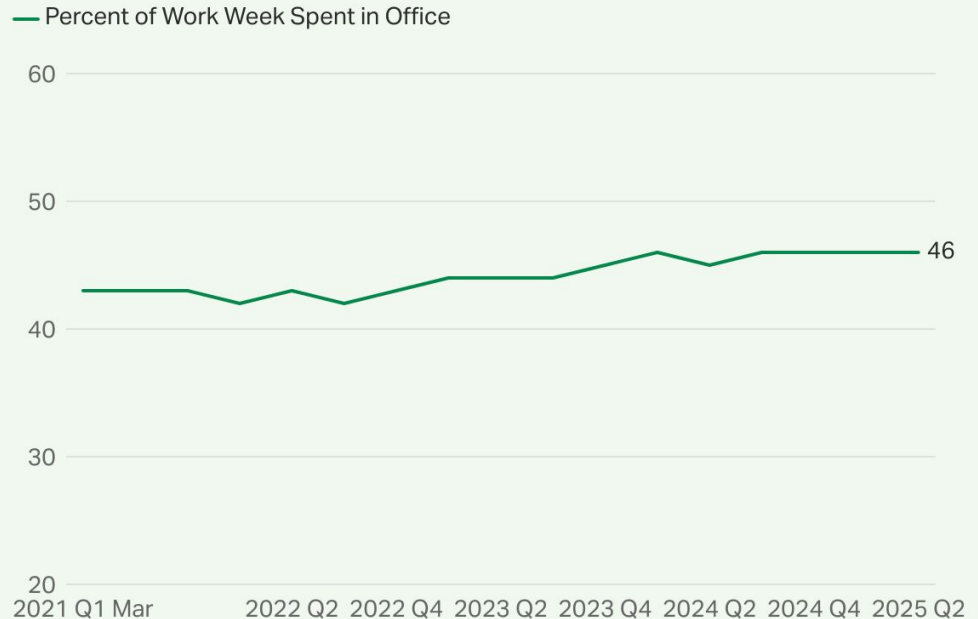
Held true even after the impact of Federal workforce RTO (flexibility fell from 61% to 28%)

Why would this be?

- Federal workforce is shrinking – higher percentage going in, but fewer people
- Big companies pushing RTO hardest are also flat or shrinking employees
- Employment growth in 2025 is in small companies which are more flexible

An Office Half Full?

Percentage of Week in Office for Hybrid Employees



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Gallup: Team-based norms perform best

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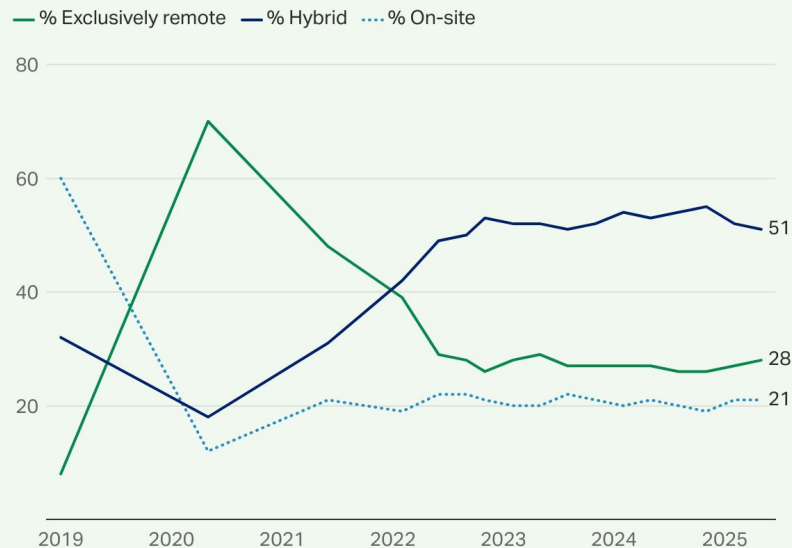
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Source: [Gallup. Sep 2025](#)

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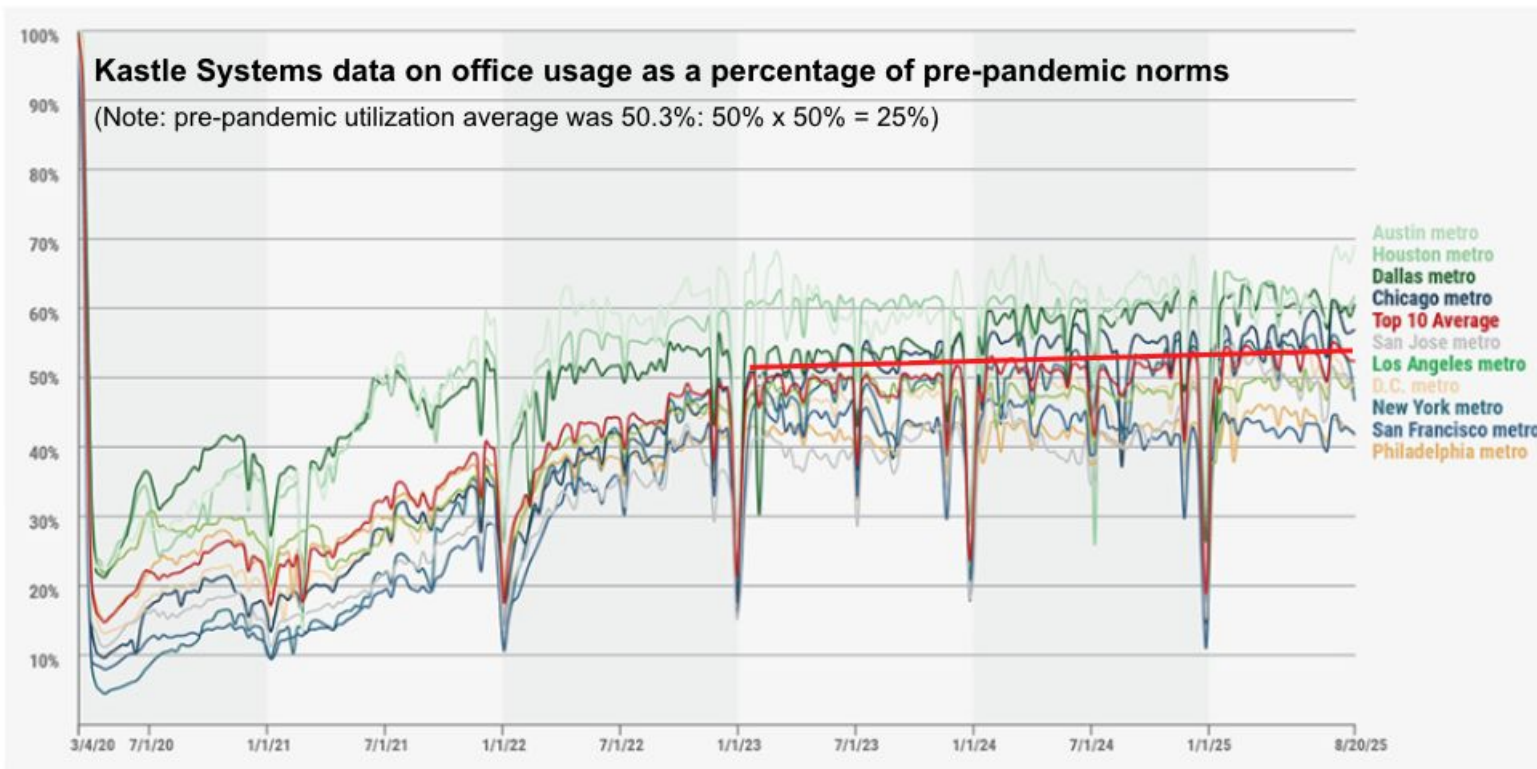
Data are among U.S. full-time, remote-capable employees.

GALLUP



Kastle Systems: utilization up ~2% last two years

Kastle Systems tracking is vs “pre-pandemic” norm, est at 50.3%

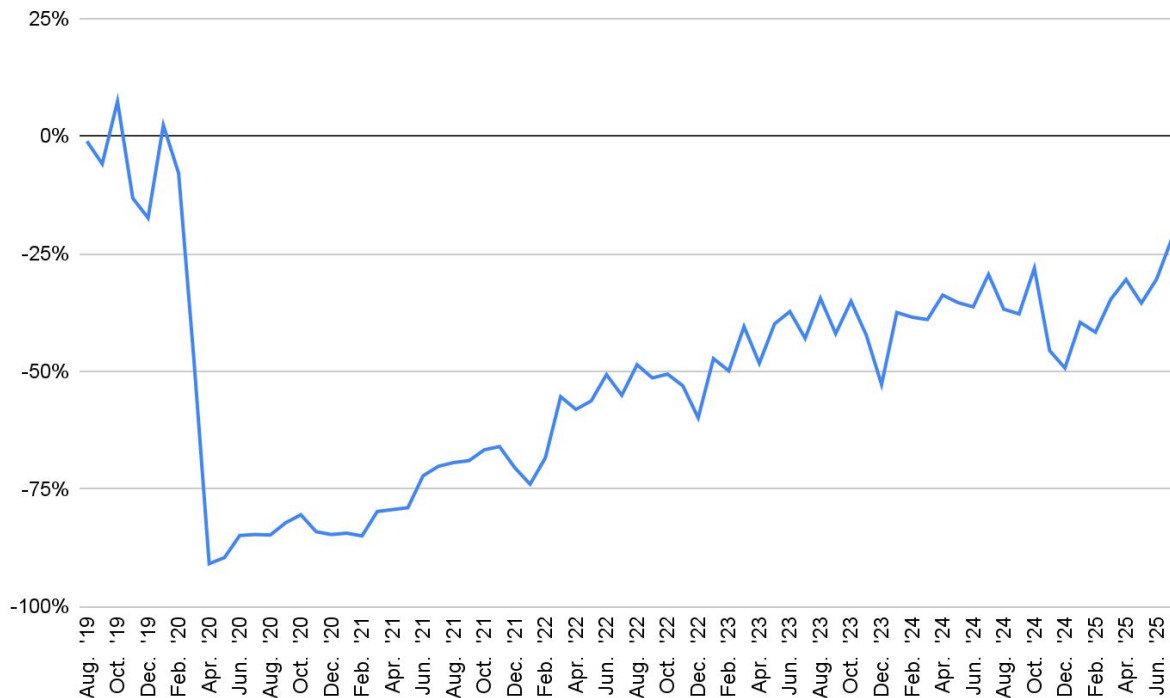


Placer: Traffic flat Q1, up 3% in Q2 then 7.6% in July



Placer.ai tracks cell phone usage; *note that origin point shifts monthly*

Monthly visits compared to July 2019



Change vs '24:

Q1: -0.3%

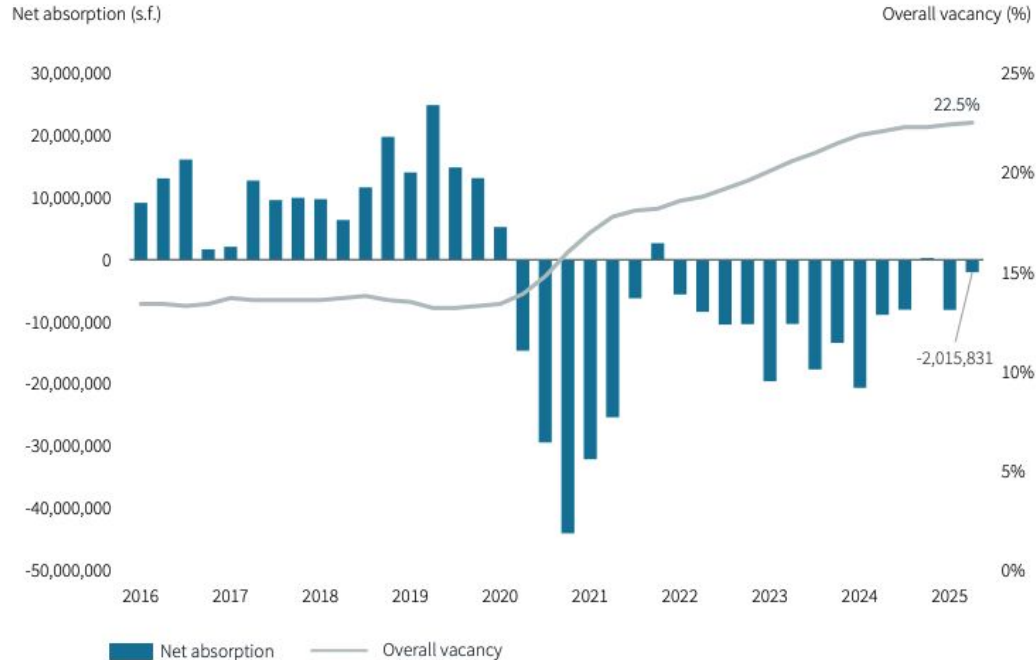
Q2: +3.0%

July: +7.6%

US office vacancy rates at new high of 22.5%

JLL data, Q2 2025

Historical absorption and vacancy

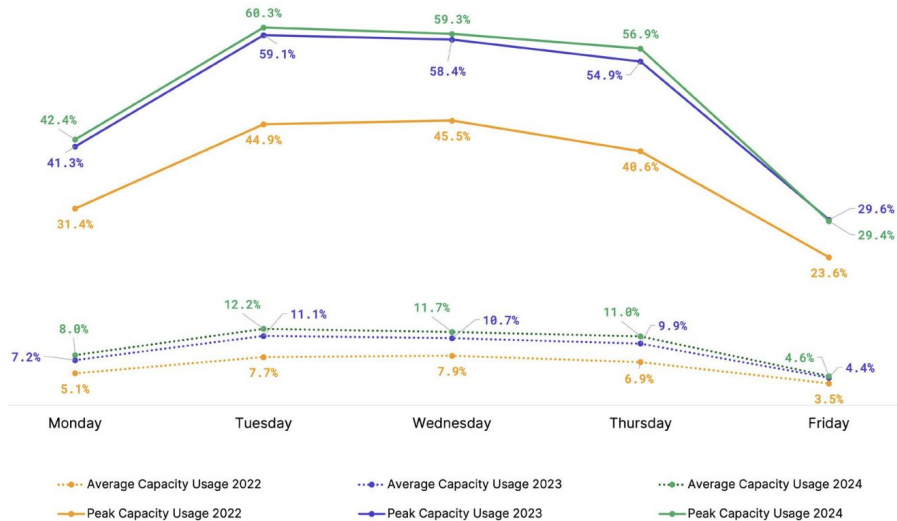


Vergesense: globally, 2024 looks almost like 2023

US trails in “RTO”, over 50% of space unused even on peak days, peak months

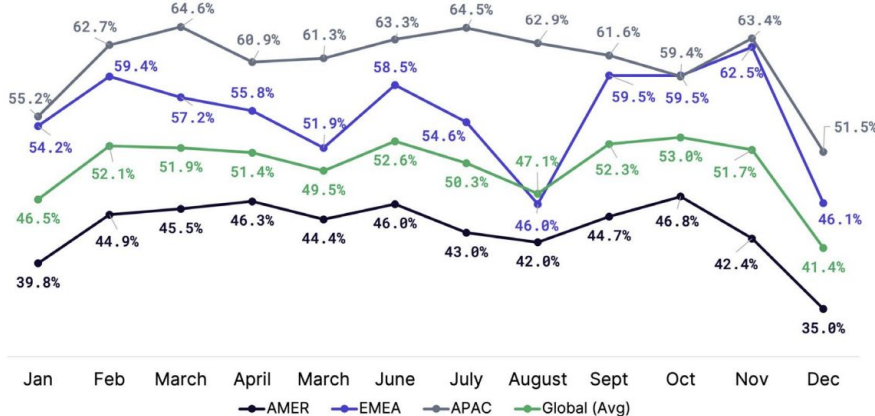
Avg global utilization ‘24 was ~1% higher than ‘23

Figure 9: Average Capacity Usage and Peak Capacity Usage
Global, 2022-2024



US Peak Day Utilization 47% in Peak Months

Figure 11: Peak Capacity Usage by Region
By Region, 2024

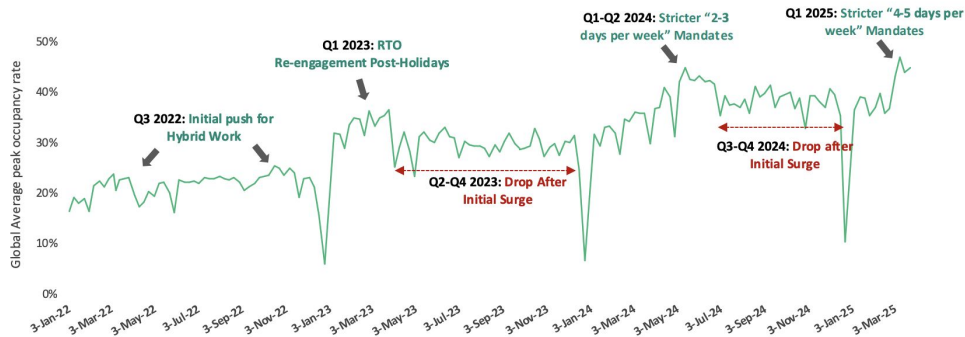
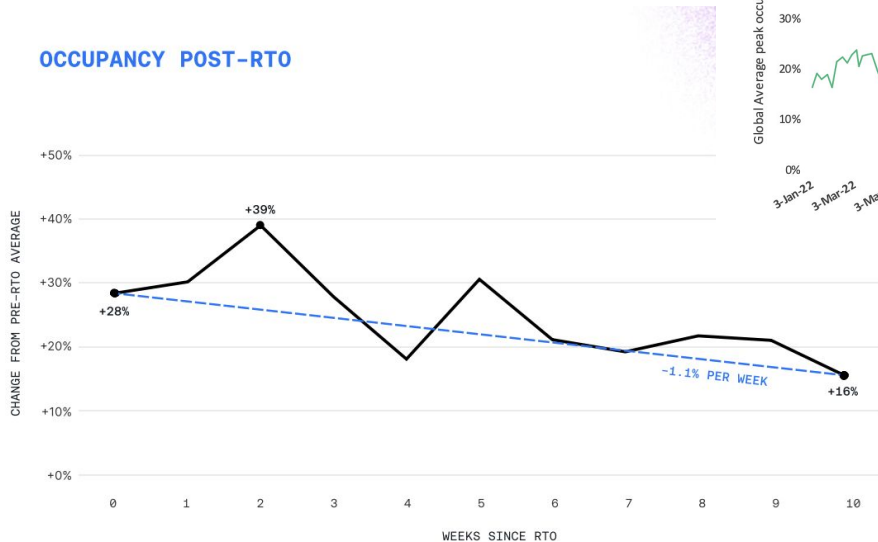


RTO Mandates impact declines over 1-2 months

Density: ~40% attendance bump declines to 10%; Basking similar trend (143 offices globally)

Density

Basking



This KPI illustrates how well-utilized offices have been globally with respect to their workstation capacity (2022-2025).

McKinsey: modest increase to office usage policies

A modestly higher number of employees reported working fully on-site in 2024 compared with 2022.

Work arrangement,¹ % of full- and part-time respondents



Note: Figures may not sum to 100%, because of rounding.

¹In 2024, respondents who indicated "5 days or more" of working from home were categorized as fully remote, even if they were only offered part-time remote opportunities by employer.

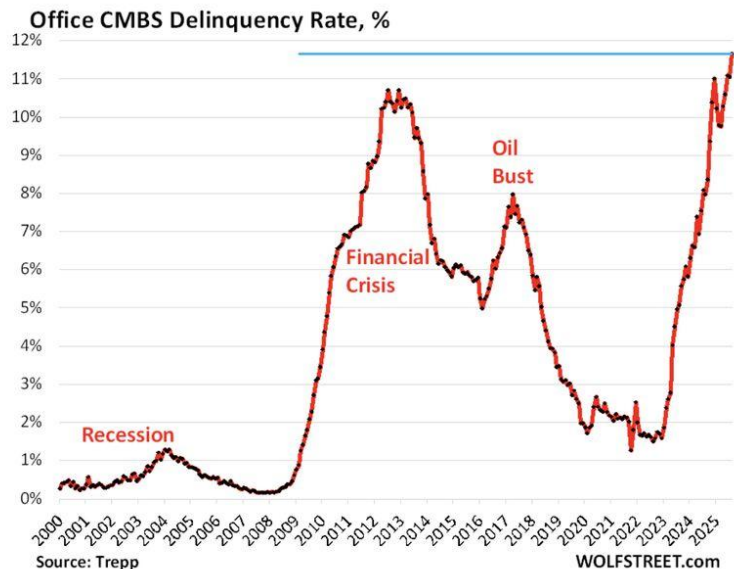
Source: McKinsey American Opportunity Survey, Spring 2022 and Summer 2024

McKinsey & Company

Aug '25: office mortgage delinquencies at all-time high

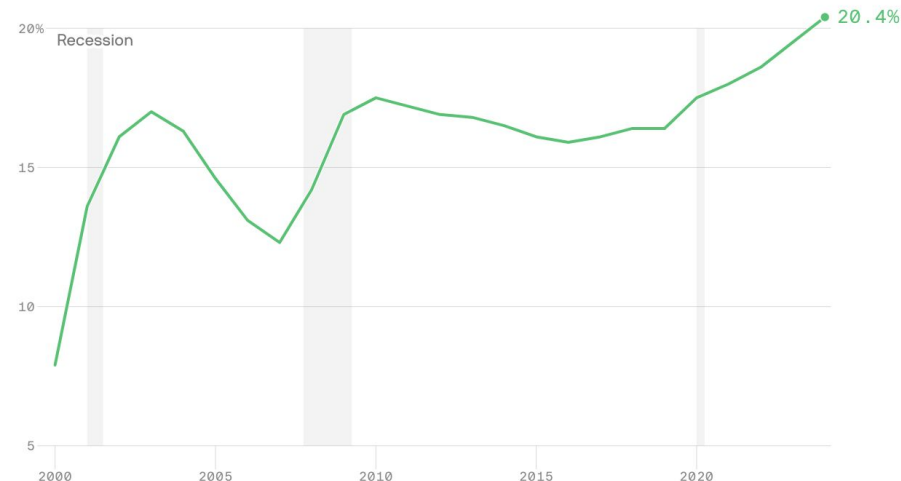
Q4 '24: vacancies at all time high

RTO push not as significant as headlines would lead you to believe



U.S. office vacancy rate

Annual average across top 50 U.S. metro areas; 2000–2024

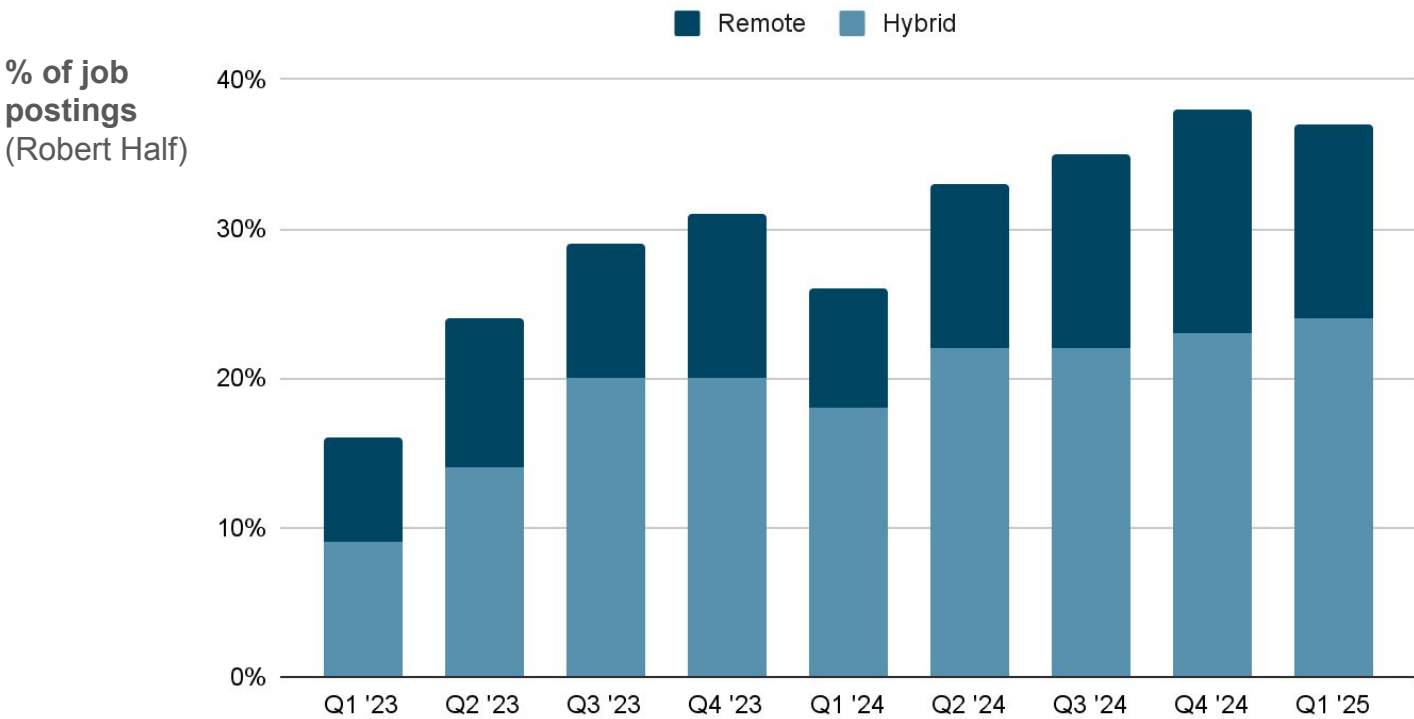


Data: Moody's; Chart: Axios Visuals

Source: [Moody's January 2025](#); Wolfstreet Jan '25 CBMS: Wolfstreet [delinquency](#) rate of office mortgages securitized into commercial mortgage-backed securities



Job listings: mix shift to hybrid in '24



Flex Index

WFH and Office Utilization

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Productivity

Culture & Connection

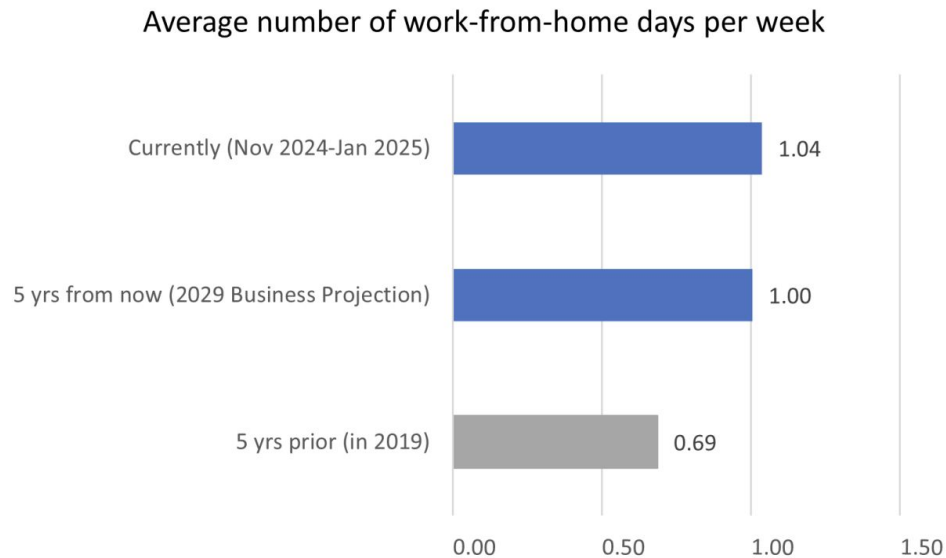
Innovation

What Works...



US firms predict no major change in WFH next five years

Survey of 150,000 firms: essentially unchanged



Source: BTOS-WFH Supplement Questions 27-29: https://www.census.gov/hfp/btos/data_downloads. Responses were received from over 150,000 firms for the BTOS WFH-Supplement survey conducted from November 2024 to January 2025.



Your CEO Wants to RTO

What to do when the boss says "I've had enough, call them all back."



What problem are we trying to solve?

What's our talent strategy?

Are our teams co-located, or distributed?

Does one size fit all our businesses, functions?

Will we enforce? Really?



Mandates damage engagement, diversity and top talent

Research: no positive financial or stock impact; flex firms outperform peers

Gartner HR Research Finds High-Performers, Women, Millennials Are Greatest Flight Risks When Strict Return to Office Mandates Are Implemented

Forty-eight Percent of Employees Claim RTO Mandates Prioritize What Leaders Want Over What Employees Need to do Good Work

	Discretionary Effort	Employee Engagement	Intent to Stay
Average Employees	▲ +3%	▲ +1%	▼ -8%
High-Performing Employees	—	—	▼ -16%
Gen Z Employees	—	▲ +5%	—
Millennial Employees	▲ +3%	▲ +2%	▼ -10%
Managers	▲ +3%	▲ +2%	▼ -8%
Women	▲ +2%	▲ +2%	▼ -11%

FORTUNE

‘The system is not working for women’: Companies with return-to-office mandates are hemorrhaging female talent

The Washington Post
Democracy Dies in Darkness

BUSINESS

Ordered back to the office, top tech talent left instead, study finds

The Washington Post
Democracy Dies in Darkness

No, office mandates don’t help companies make more money, study finds

New research shows that return-to-office mandates don't play any role in a company's financial performance, but do have negative side effects for its workforce

Gartner Newsroom

Gartner HR Research Finds One-Third of Executives Given a Return-to-Office Mandate Plan to Leave Their Employer

STAMFORD, Conn., May 9, 2024

FORTUNE

Considering an RTO policy? Think again. Firms with remote working options record better financial performance

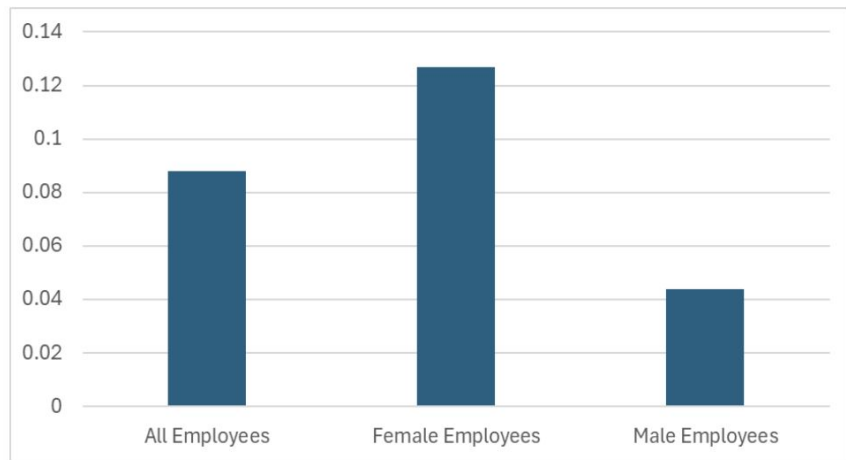
Sources: 1) Ma, [University of Pittsburgh](#) re fin impact, declining engagement; 2) Lattanzio re [flex and stock](#); 3) Flynn, Ghent et al [Cornell 2024](#) re no equity impact; 4) Gartner 2023 survey [high performers](#); 5) Austin et al [U Chicago](#) more experienced employees 6) [Upwork Aug 2024](#) impact on women; 7) Gartner 2024 survey of [executive leaders](#);



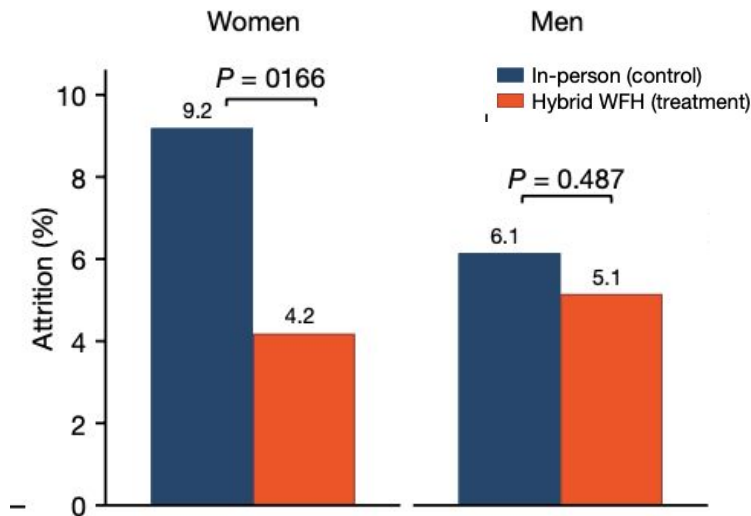
RTO mandates have 3:1 impact on women

Note: most of the mandates studied to date have been 3 day, not 5 days in office

RTO mandates in Tech and Fin Services drove **3X higher turnover among women** than men¹



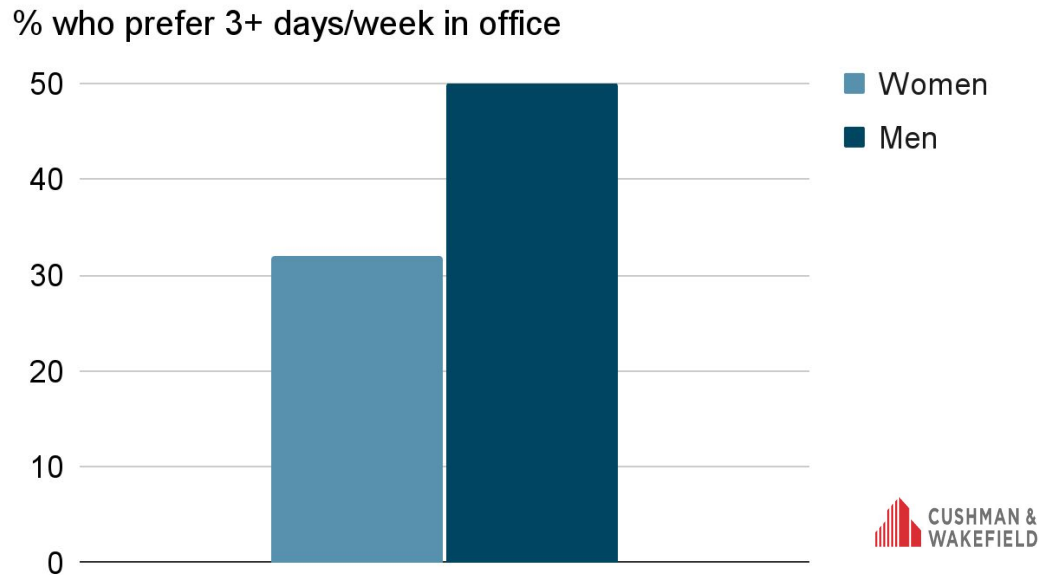
Shift from full time office to 3 day hybrid **reduced attrition 54% for women vs 16% for men**²



63% of C-suite leaders whose companies mandated RTO said the policy **led a disproportionate number of women to quit**; over 50% also saw negative impacts on productivity³

Women and other historically underrepresented groups have stronger preference for flexibility

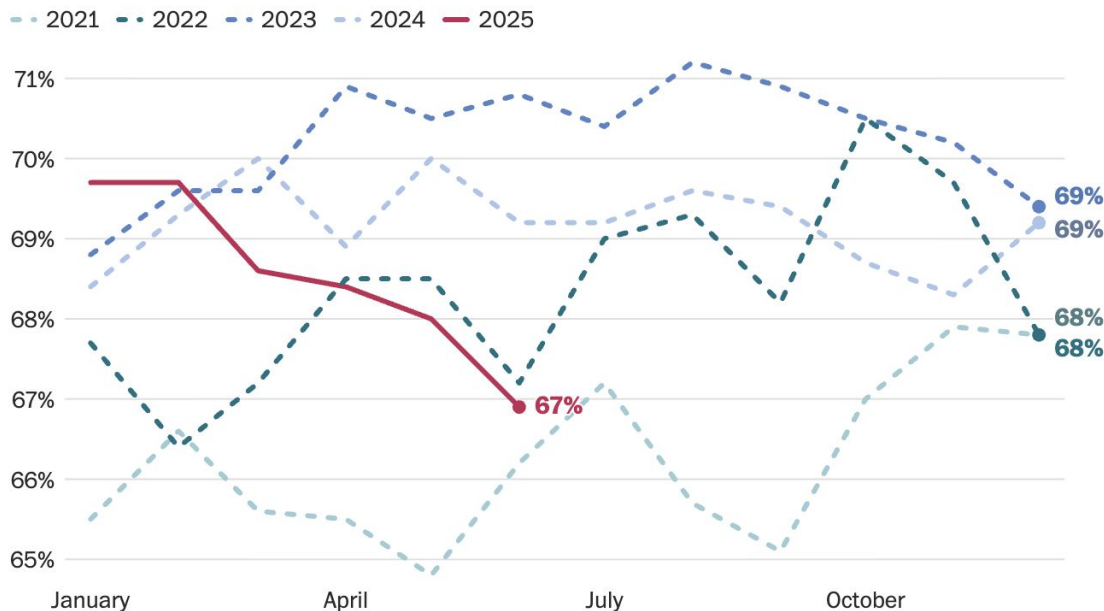
Research shown consistent gap for over 5 years, regardless of caregiving



Labor force participation among women with children under 5 has dropped 3 ppt from peak in Sep '24

Mothers of young children are leaving the workforce

Labor force participation rate, women ages 25 to 44 living with children under 5



"It's become harder for women, particularly those with caregiving responsibilities, to thrive in this job market. It's clear that we're backsliding ... that the return-to-office chest pounding is having a real ripple effect."

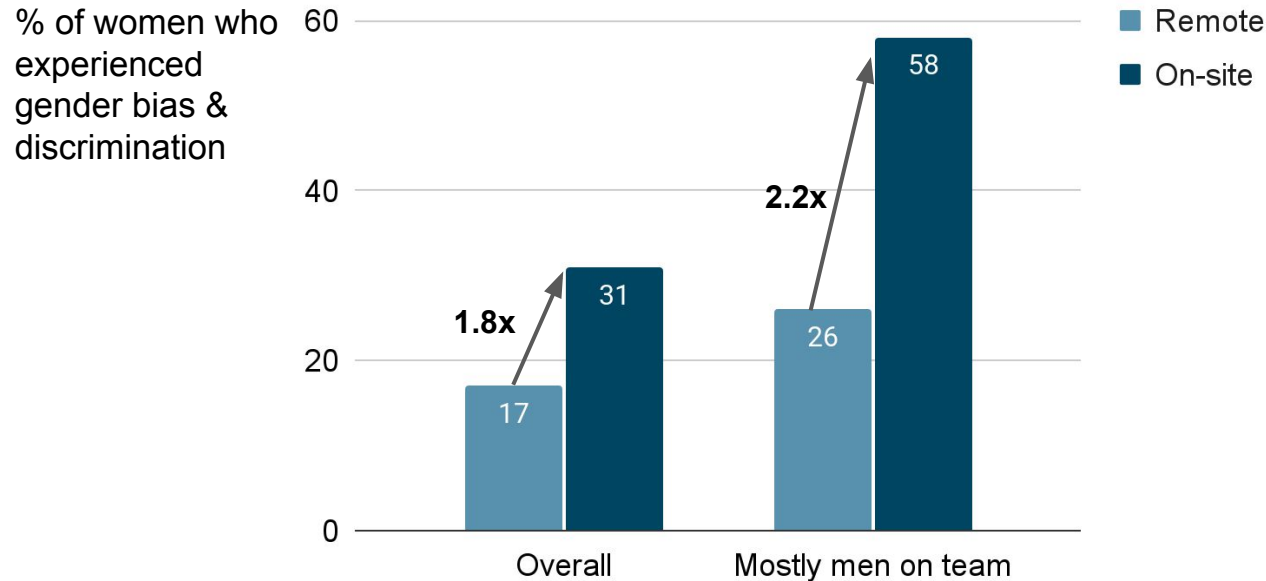
— Labor economist Misty Heggeness

Source: Misty Heggeness using Current Population Survey, Census Bureau/Bureau of Labor Statistics via ipums.org

ABHA BHATTARAI / THE WASHINGTON POST

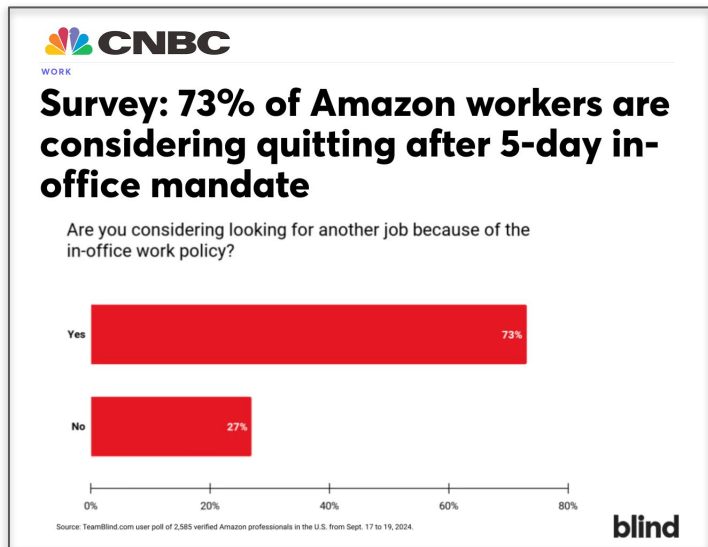
Women 2X more likely to experience discrimination at work when on-site

Impact doubles when on a team composed of mostly men



Amazon case study: rocky road, may never get there

Amazon, JPMC are high-paying, high brand quality companies: not the Federal gov't



Amazon 5-day RTO

- Announced Sep, target January, [delayed in December](#) in multiple locations to spring or summer; rumors of “never” in many locations
- Insufficient seats, space even for those pressed back
- Management by exception: can't lose top talent

January 2025 survey: distributed teams as a key issue

- >66% say they're likely to leave during 2025
- 45% say they report to different offices than their managers
38% say they work in the same office as one-fifth or less of their team members.
- 87% say the policy will reduce their productivity.

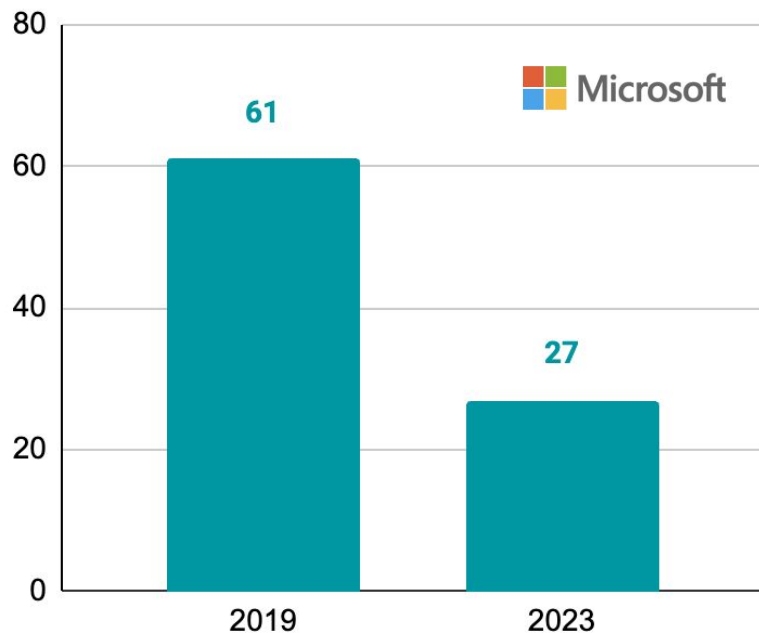
“Further, 80% of Amazon professionals ... know of a colleague considering looking for another job.”



Teams don't have to be remote to be *distributed*

Forcing 3-5 days/week in office for people whose teams are distributed across locations makes them less productive

% of teams fully co-located



Any organization past minimum scale is **distributed**

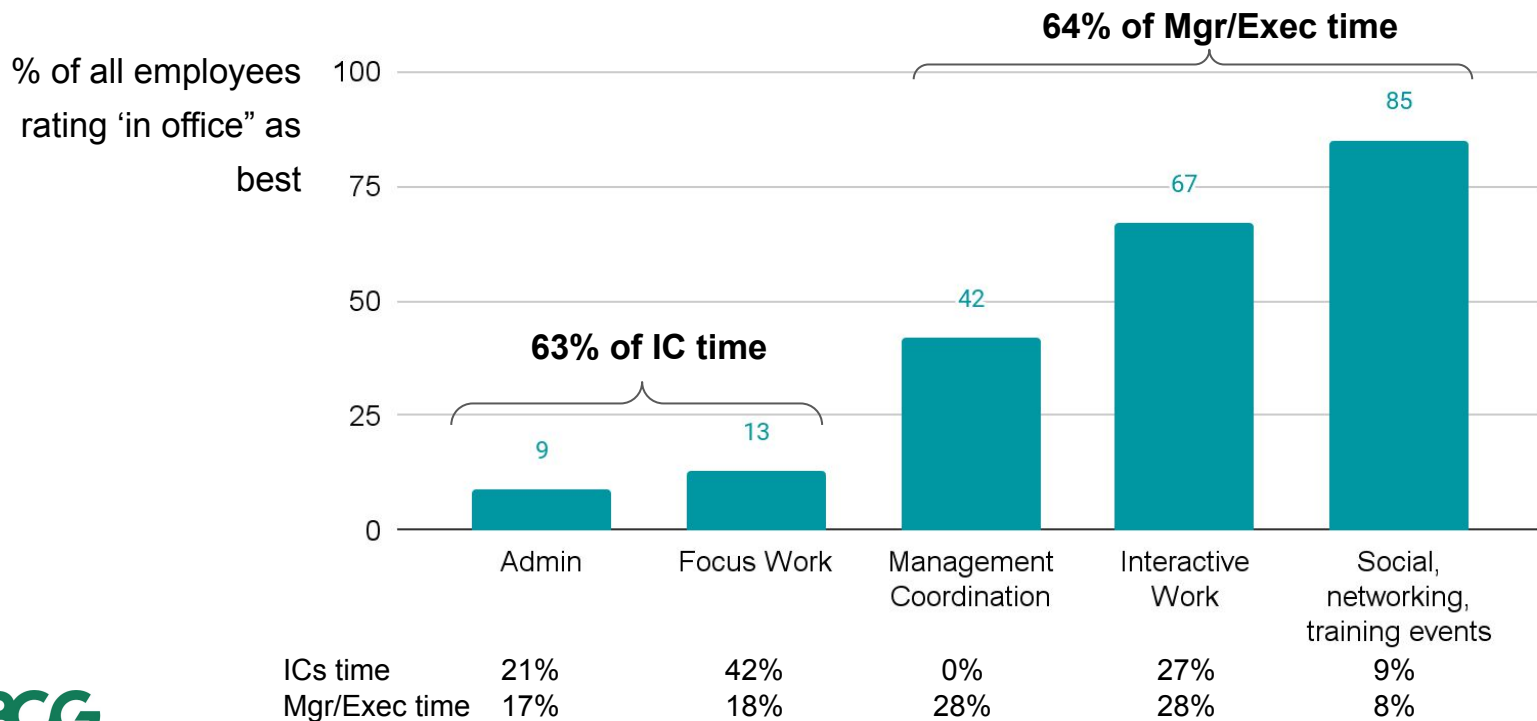
Project teams are spread across buildings, cities and countries

Managers have to be trained, supported and given the tools to manage distributed teams

Distributed teams need core hours, not days/week in the office (ex., 9am-noon PT)

Effective programs leverage purpose over policy

Reminder: executives and ICs have a very different mix of work



Source: BCG surveys of ~1,500 global desk / office-based workers conducted March 2023 through May 2023

1. "Given the option, where do you do your most effective..." for the categories included. "Overseeing work," "Team Logistics," and "Coaching" only asked to those who self-identified as "Manager / direct supervisor" or "Executive / leadership team role"; 2. Includes <1% respondents who selected 'not sure'; 3. Data for this category includes a previous survey version which described this as "Collaborative work"

Individual
free-for-alls
don't work either





Team agreements: moving from “me” to “we”

Traditional

Organization



Team



Individual

Pandemic

Individual



Team



Organization

Future State

Team



Organization



Individual

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Culture & Connection

Innovation

What Works...



Location has little impact on productivity


Academic studies are variable, but basically depend on management

- **Negative** outcome studies of **remote**:
2020 in India, unmanaged workers
- **Positive** outcome studies of **remote**:
3-6% gains in controlled experiments
- Higher and consistent gains for **hybrid**:
+0-12% higher productivity


Key learnings:

- 35-50% of commute time goes back to work (balance to personal life)
- People self-select home vs office based on personal productivity
- Time together best set at team level (ex., 1-2 days/week vs 1 week/month)

Employees with location flexibility report

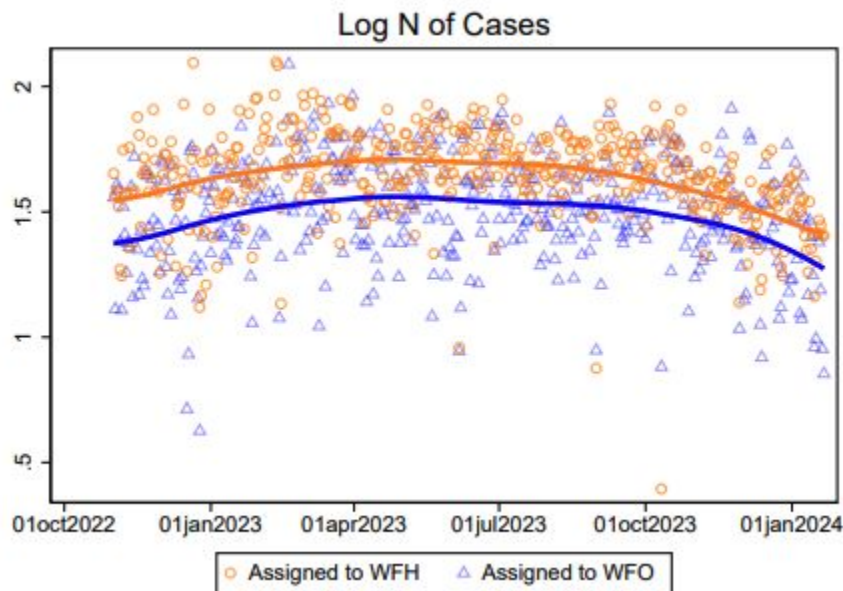
 **8%**
higher productivity scores

Optimal for team outcomes:

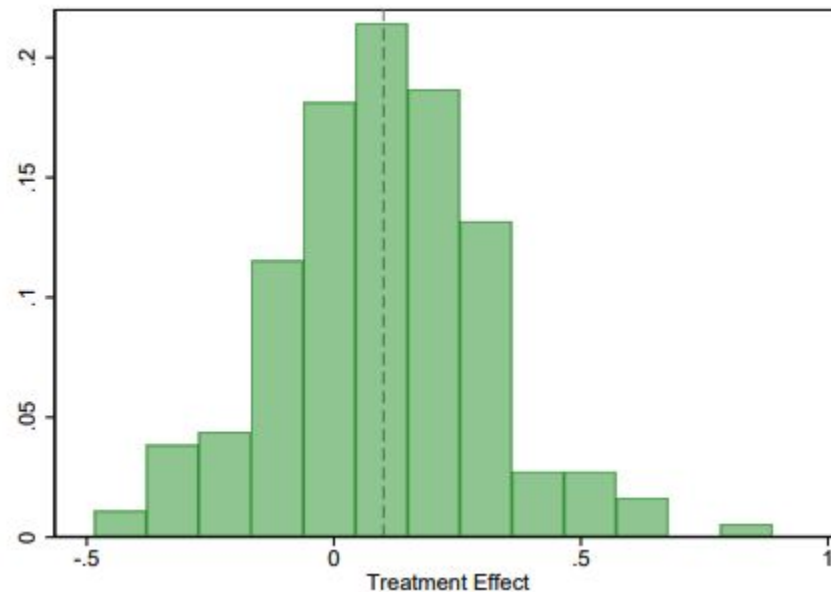
 **~25%**
time together, at team discretion

UK government workers: +12% average productivity boost

On average, WFH increased productivity +12%; gains consistent over time, primarily driven by reduced distractions



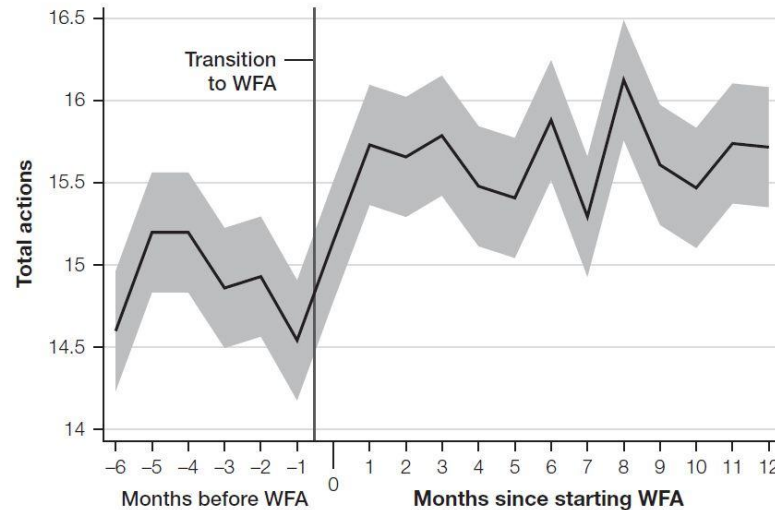
Individual performance can vary; assignment in cooperation with supervisor led to 2X better average performance



US Patent & Trade Office: 4.4% productivity gain from “work from anywhere”

Predicted output (total actions) for patent examiners before and after starting a WFA pilot, by month

The vertical line in the graph represents the transition to WFA; the gray area indicates the range of predicted output for this time period with 95% confidence.

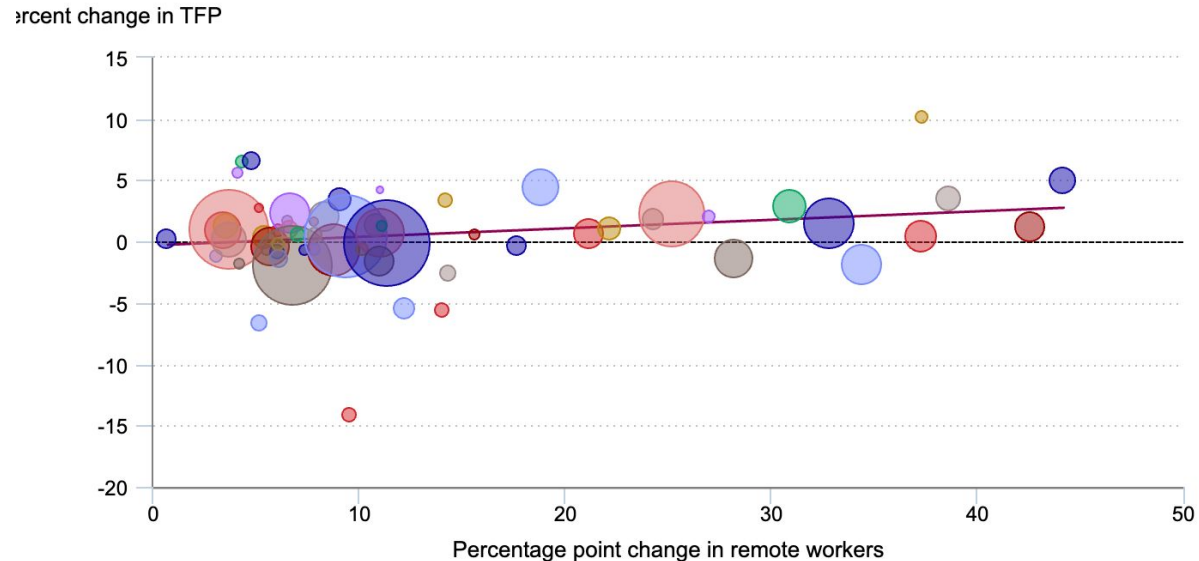


Source: [Choudhury, et al 2020](#)

Source: Prithwiraj Choudhury, Cirrus Foughi, and Barbara Larson, “Work-from-Anywhere: The Productivity Effects of Geographic Flexibility,” *Strategic Management Journal* 42, no. 4 (2021): 655–683.

BLS: Productivity increases as remote work increases

Chart 3. Relationship between remote work and total factor productivity across 61 industries, 2019–21



Hover over chart to view data.

Notes: Total factor productivity (TFP) growth is measured as the average annual percent change. The size of the bubbles represents the industry's share of total private business sector output in 2019.

Click legend items to change data display.

Source: U.S. Bureau of Labor Statistics.

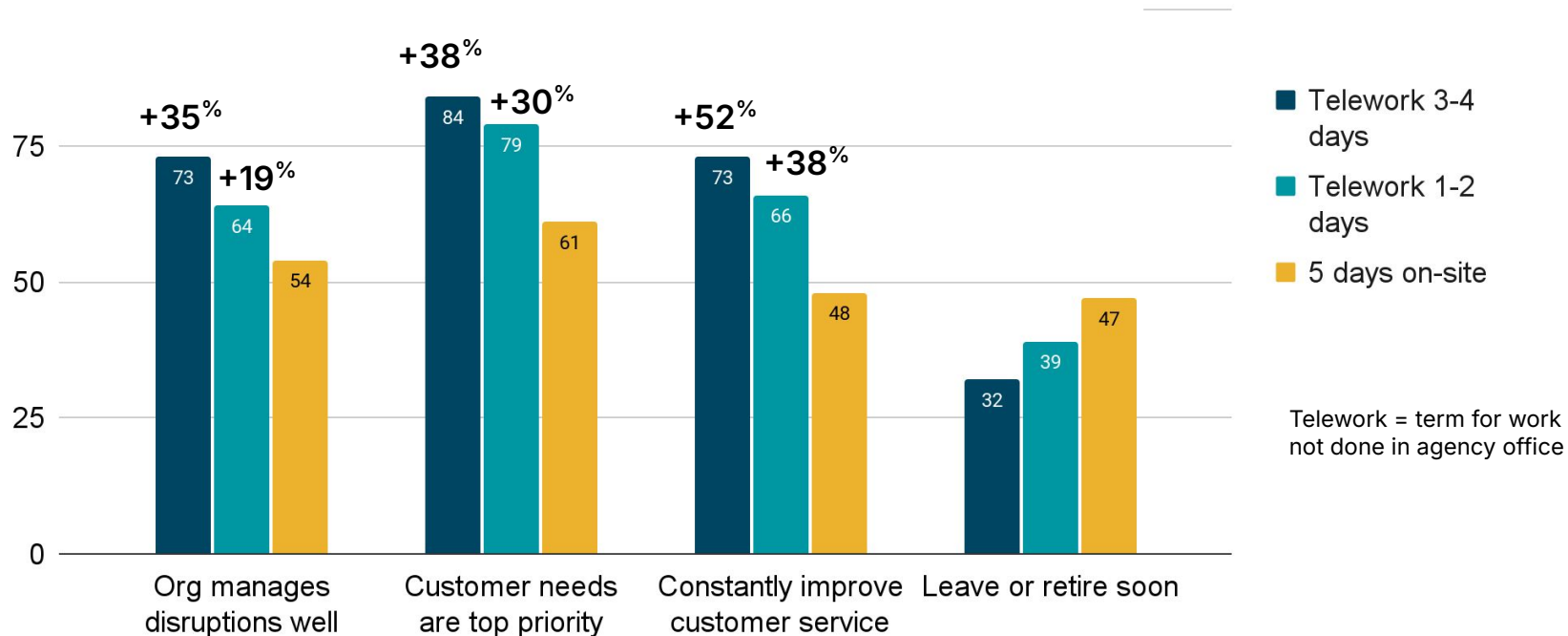
Source: [BLS, October 2024](#)





Flexible workers: more resilient, more focused on customers, higher retention

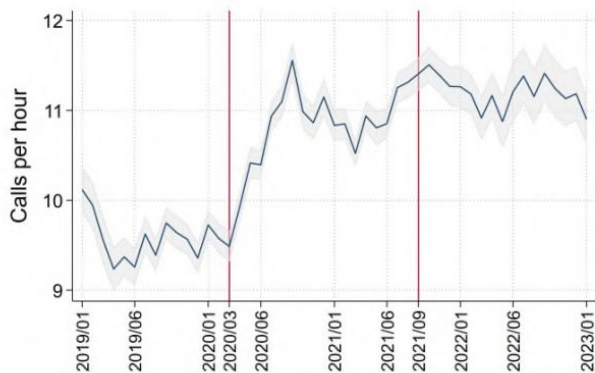
Percentage of Federal employees who agree



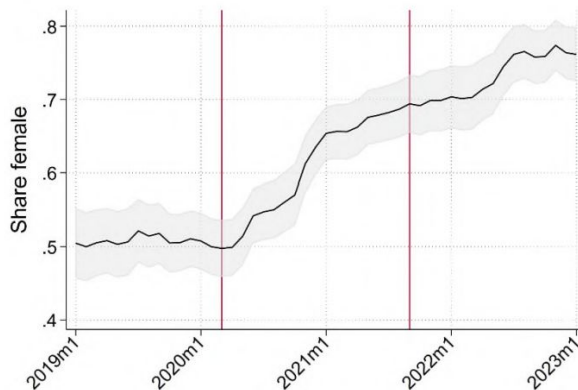
Remote call-center employees more productive, diverse and benefit from initial in-person training

Study of call center workers in Turkey

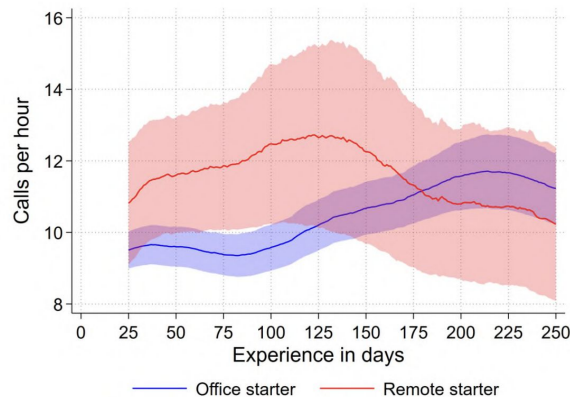
+10% higher productivity
(ex: calls/hour)



More diverse, higher educated, same cost
(ex., female agents)



Onsite training improves performance and retention
(ex: calls/hour)



Time matters more than place

80% of people want location flexibility; 93% want schedule flexibility



Employees with schedule flexibility report

39%



heightened productivity

64%



improved ability to focus

Blend in-sync and async for optimal results

Both Async (High Documentation) and Sync (Meetings) Collaboration Drive Performance

✓ Statistically significant positive impact

Intentional collaboration	Likelihood to achieve		
	Higher intent to stay	Reduced fatigue	Higher performance
Asynchronous: My team provides me with time to contribute ideas outside of meetings.	✓ 1.8x	✓ 2.4x	✓ 3.1x
Synchronous: My team has dedicated time for simultaneous teamwork.	✓ 2.2x	✓ 1.3x	✓ 2.8x

Q05: To what extent do you agree/disagree with the following statements regarding collaboration?
Source: 2022 Gartner FoW Reinvented Implementation to Drive Talent and Business Outcomes Survey

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Trust drives engagement and productivity

Employees who feel trusted

2x

higher
productivity
scores

1.3x

more likely to
put in extra
effort at work

0.5x

less likely to
be looking for
another job



High-performance organizations are

11x

more likely to have leaders who **trust**
their employees.



87%

of executives say their teams do not have visibility into each other's goals

Atlassian on outcomes-driven leadership

- **Focus:** 3-5 SMART goals, per team per quarter
- **Alignment:** goals ladder up to organization
- **Transparent:** goals visible to everyone
- **Low lift:** weekly (& monthly) tweet-sized updates

This is more about **culture** than about tools and processes (but you need both)



Goals That Matter: The Atlassian Blueprint

How transparent tracking and
ruthless focus created their
culture of accountability

Gallup: “The Achilles’ heel of remote work is trust”

54% of managers who manage remote workers "strongly agree" they trust their teams to be productive when they are working remotely.

(How many simply “agree”?)

4 practices that crank up that trust by 30 percentage points:

- My manager holds me accountable for meeting performance expectations.
- Timely and consistent communication about what’s happening on my team.
- My team has a strong sense of community.
- I receive the same opportunities for feedback and development.

The Trust’s the Thing

When hybrid individual contributors strongly agree to the following items, trust increases substantially.

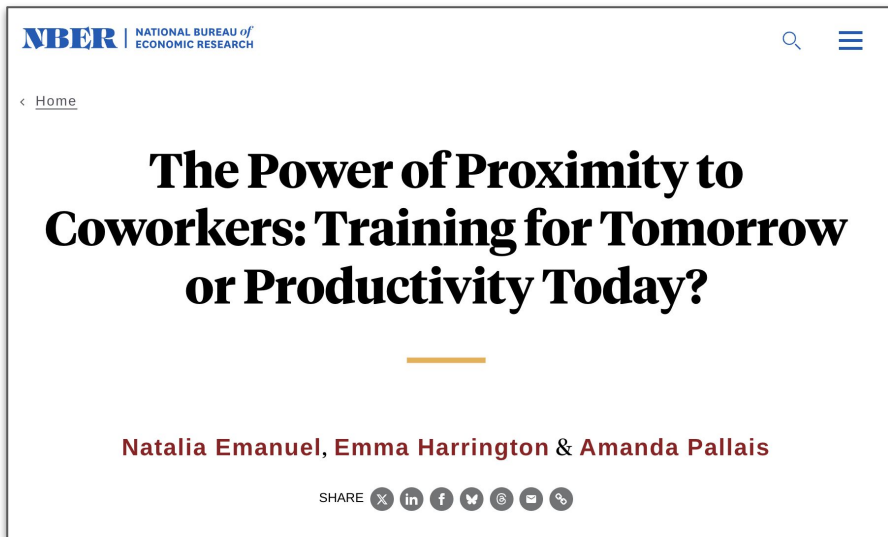
% of individual contributors who strongly agree they are trusted when working remotely



GALLUP

Mentorship and L&D can be problematic

Distributed is the same as remote: results same if people are in different office buildings as “fully remote”



Research study on software engineers at F500 firm

- Engineers in same building receive 22% more online feedback (Jira comments) than those separated
- Impact same if remote
- Worse for women engineers

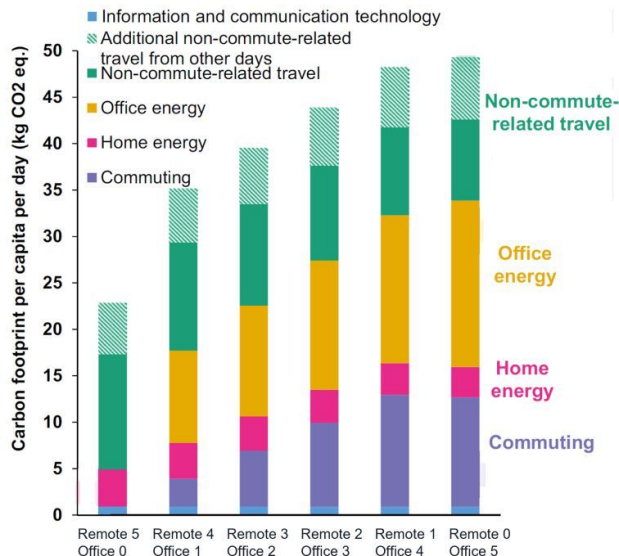
Tied to post-standup interactions based on timing

- Build digital interventions
- Drive manager awareness
- Reinforce weekly 1:1s

Environmental impacts can be a benefit

Studies vary in outcomes, but show at least modest positive impacts

Fully-remote can reduce 58% of employees carbon footprint vs fully in office.



Source: "Climate mitigation potentials of teleworking are sensitive to changes in lifestyle and workplace rather than ICT use", Proceeding of the National Academy of Sciences, September 18th 2023 by Yanqiu Taoa, Longqi Yangb, Sonia Jaffeb, Fereshteh Aminib, Peter Bergenb, Brent Hechthb, and Fengqi Youa

Tao, et al: impact on carbon emissions based on number of days WFH

- Commuting, non-commuting travel, office energy, home energy and tech energy usage
- 2 days WFH reduces carbon use by 11%, 4 days by 29% and 5 days a week by 58%
- Mainly from less commuting, closing offices

Ma, et al: satellite based impact on greenhouse gas emissions find less impact on commuting specifically

- Based on 2019-2023 data
- Little to no impact on CO2 (trips)
- Sizable impact on NO2 (congestion)

T

Flex Index

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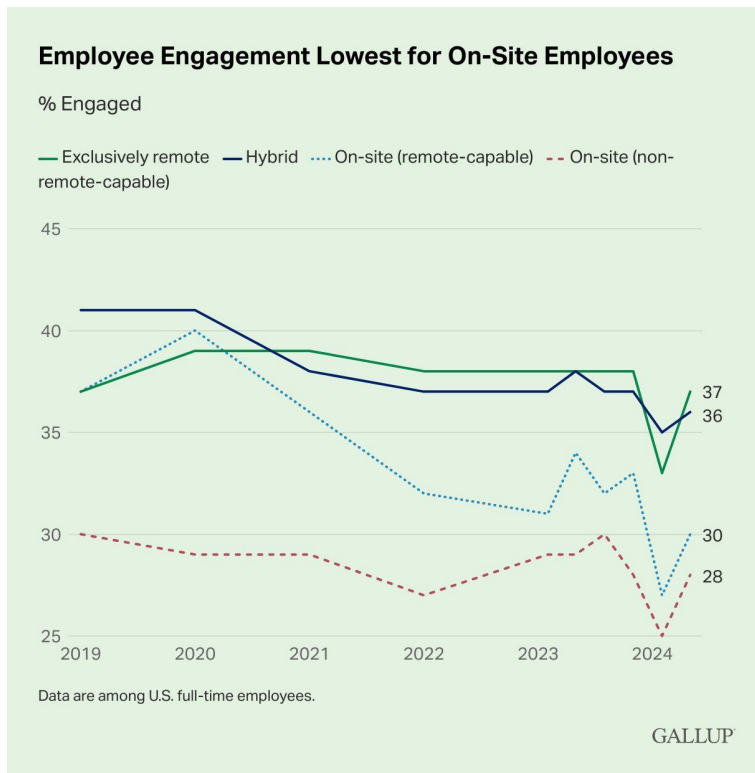
Innovation

What Works...



Five days in office results in decreased engagement

Hybrid and Remote workers more engaged



Source: [Gallup, October 2024](#)

Remote workers: more engaged, higher potential for burnout

Gallup: fully remote workers more engaged, less “thriving”, more lonely

Remote Workers Are More Engaged, Less Likely to Be Thriving

A closer look at engagement and life evaluations by employee work location.

■ Exclusively remote ■ Hybrid ■ On-site remote-capable ■ On-site non-remote-capable

% Engaged



% Thriving



Gallup's State of the Global Workplace: 2025 Report

GALLUP

Remote Employees More Likely to Experience Negative Emotions

■ Exclusively remote ■ Hybrid ■ On-site remote-capable ■ On-site non-remote-capable

% Stress



% Anger



% Sadness



% Loneliness



Gallup's State of the Global Workplace: 2025 Report

GALLUP

Causation or correlation?

Remote roles are more likely in industries like tech and roles like engineering – under a lot more pressure.

Remote workers are the tail on the whip of the drive for efficiency.

Demands that people “do more with less” results in a feeling that every moment has to be productive.

Fully remote isn't what most people want. Need to invest in regular connection – both in-person and virtual



Flexibility boosts culture and connection

Culture isn't about slogans and connections aren't about perks: it's how you work together, what you resource, who you reward ... and whether you demonstrate trust

Remote and hybrid workers are

57% *more likely*

to say their company culture has improved over the past two years

These workers are

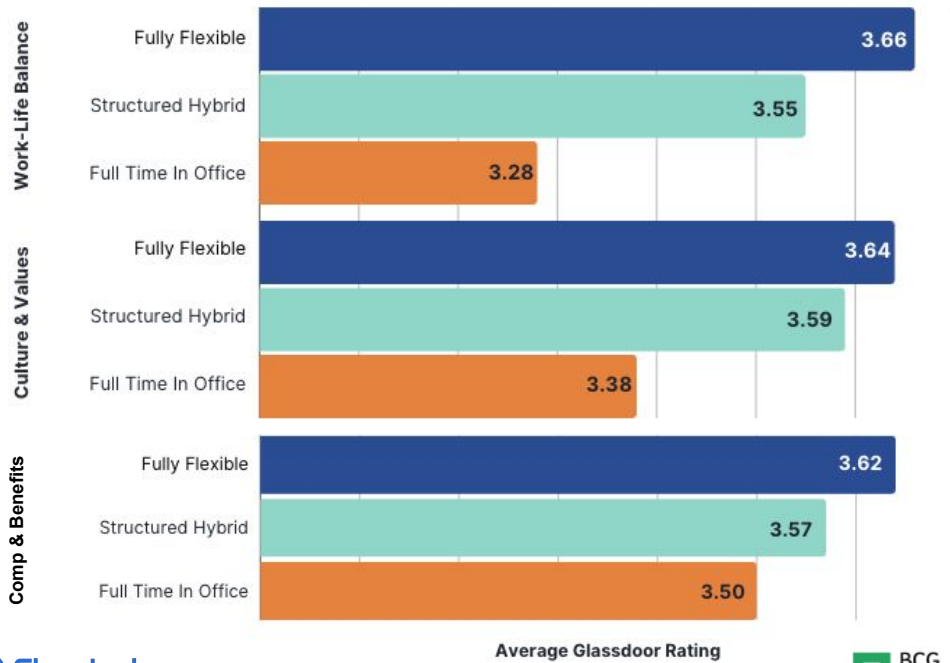
14% *more likely*

to say they feel “very connected” with their direct manager, executive leader, and company values



Fully flexible wins on work-life balance, culture and comp

Comparison of 450k Glassdoor ratings at 554 public companies



Remote and hybrid workers are

57% more likely

to say their **company culture has improved** over the past two years

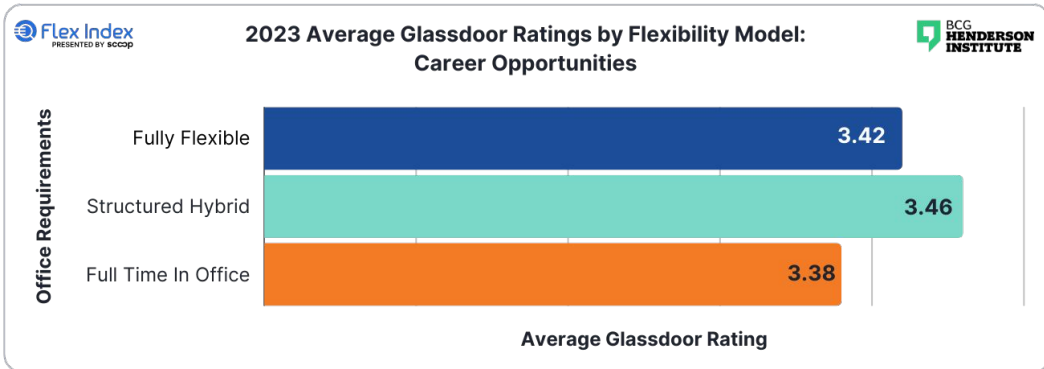


Source: [Flex Index](https://flex.scoopforwork.com) (flex.scoopforwork.com) employee surveys and publicly available data on public company office requirements. Boston Consulting Group analysis on Flex Index public company Glassdoor ratings from 2023. N = 554 public companies; 447,635 individual Glassdoor ratings. Flex Index is presented by [Scoop](https://scoopforwork.com) (scoopforwork.com).

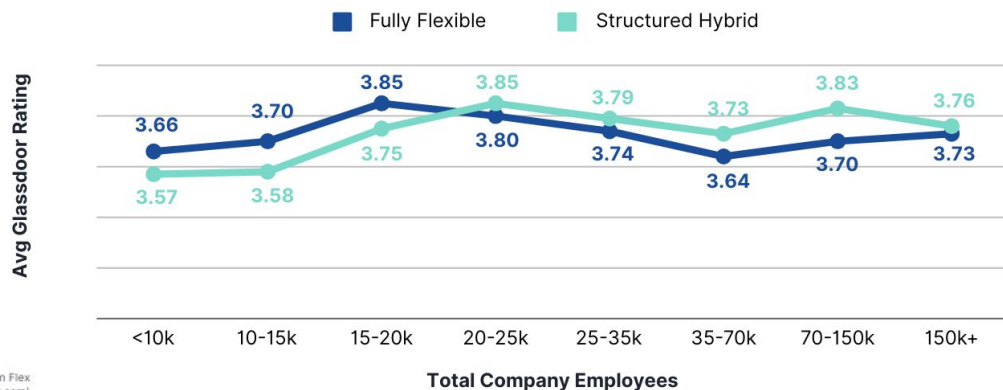
Future Forum Pulse, Wave 9, Number of completed responses = 10,243.

Structured hybrid wins for career opportunities, big firms

Comparison of 450k Glassdoor ratings at 554 public companies



2023 Average Glassdoor Ratings by Flexibility Model: Company Size Segmentation





Digital investments yield outsize results on connection, not just productivity

Employees who work for companies they describe as innovators or early adopters of technology

1.6x

higher productivity
scores

2.2x

greater sense
of belonging

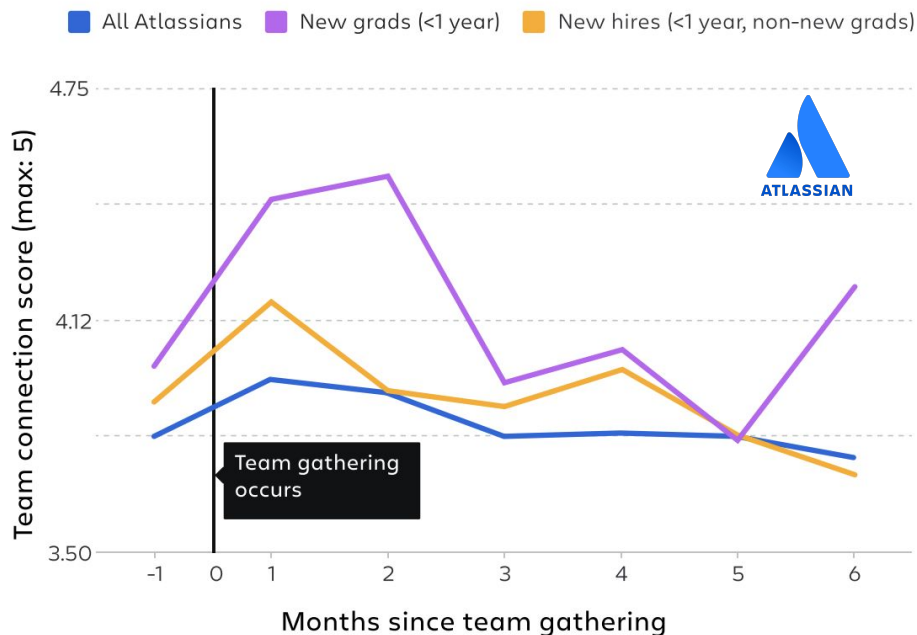
2.8x

higher overall
satisfaction

In-person gatherings: Airbnb, Atlassian, Zapier & Zillow

Most shifted from office-centric to remote-first, all have a “gatherings” strategy

Connection boost and decay from team gatherings



- zRetreats: 2-4X / year
- From strong to weak ties
- Instrument everything



- Monthly in-person Product
- Regional Gatherings

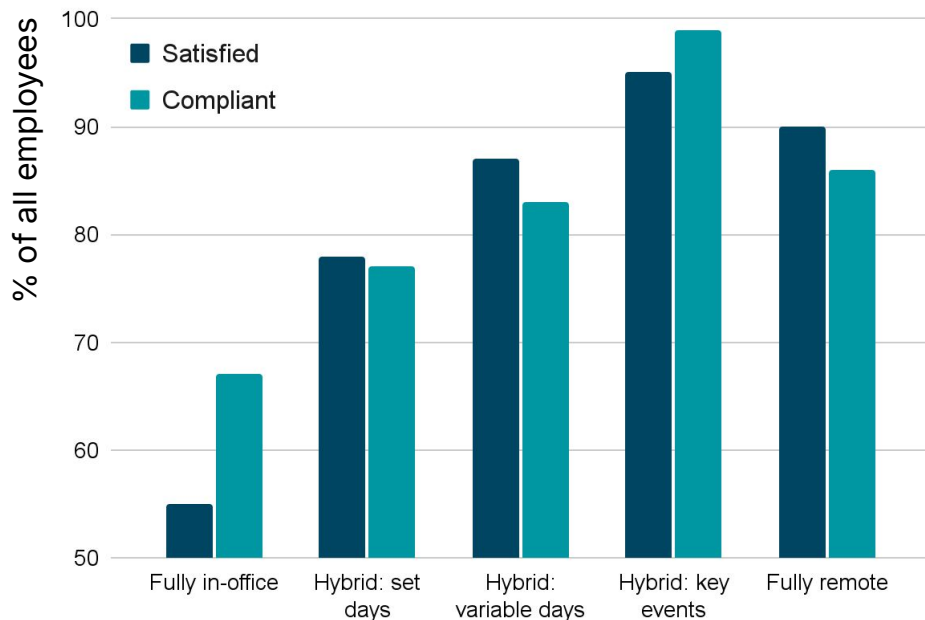


- Bi-annual company gatherings
- Regional meet-ups (funds)
- Team in-person, when approp.



Team-oriented flexibility drives higher engagement

Common elements: minimum standards for team gatherings, team-level agreements



People on teams that regularly review their working norms are

2.4x

less likely to leave

Teams that set their flexible work policies together are **more effective** and **happier at work** than if policies are top-down or individually set



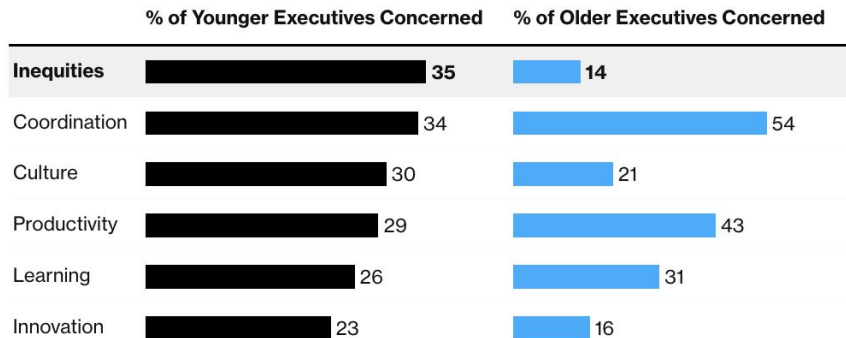
Source: BCG surveys of ~1,500 global desk/office-based workers conducted March 2023 through May 2023

Flexibility also creates risk of proximity bias

Executives top concerns about affording employees more flexibility

Generational Divide

Older and younger bosses don't agree on flexible work setups



Change in **work from office**
from 2021 to 2022

↑ **17%** for men

↑ **<1%** for women

Women vs men's share of
housework in 2022


>2X


Household chores,
childcare basics



Flexibility reduces quit rates; engagement through gatherings and digital headquarters

Introduction of work-from-home **reduced** quit rates:

 **33%**
for those with option to WFH
2 days/week

 **50%**
For those with option to WFH
4 days/week

Building connection & engagement in hybrid

- Minimum standards for team gatherings (ex., 3-4 times/year)
- Local social gatherings
- Digital communities
- Leadership engagement in digital tools

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What Works...

The New York Times

Do Chance Meetings at the Office Boost Innovation? There's No Evidence of It.

For some, the office even stifles creativity. As the pandemic eases in the U.S., a few companies seek to reimagine what work might look like.

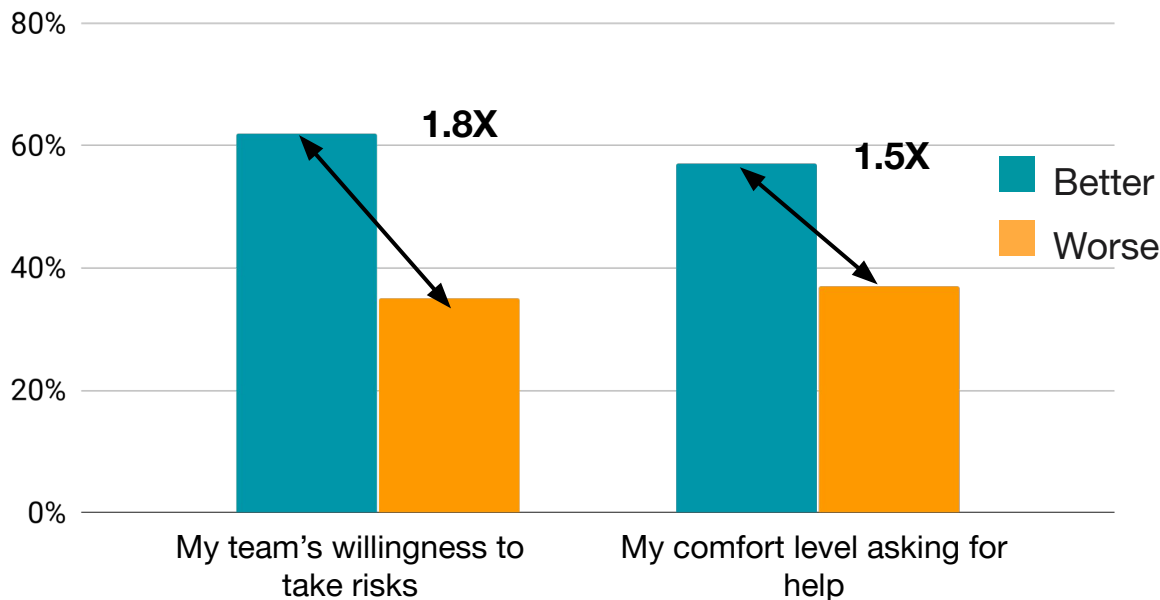


“There’s credibility behind the argument that if you put people in spaces where they are likely to collide with one another, they are likely to have a conversation,” said Ethan S. Bernstein, who teaches at Harvard Business School and studies the topic. “But is that conversation likely to be helpful for innovation, creativity, useful at all for what an organization hopes people would talk about? There, there is almost no data whatsoever.”



What matters is willingness to take risks, comfort asking for help ... aka "psychological safety"

My team is generating as many or more new ideas, products, services, campaigns, or processes as we were in the office (% who agree)



What makes teams effective and drives innovation?

Project Aristotle, Google* study released 2015

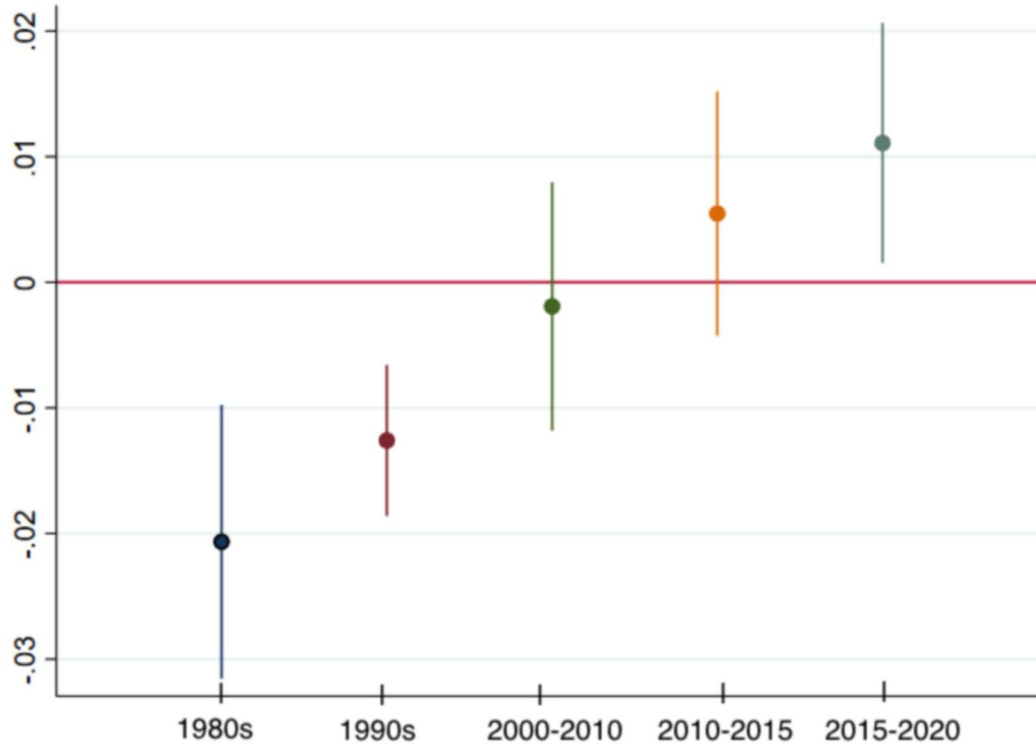
*Google may have forgotten this...



Distributed teams no longer dampen innovation

Technology has turned distance from a negative into a positive factor

The impact of spatial distribution on disruptive discovery by decade:



Flex Index

WFH and Office Utilization

Return to Office mandates

Productivity

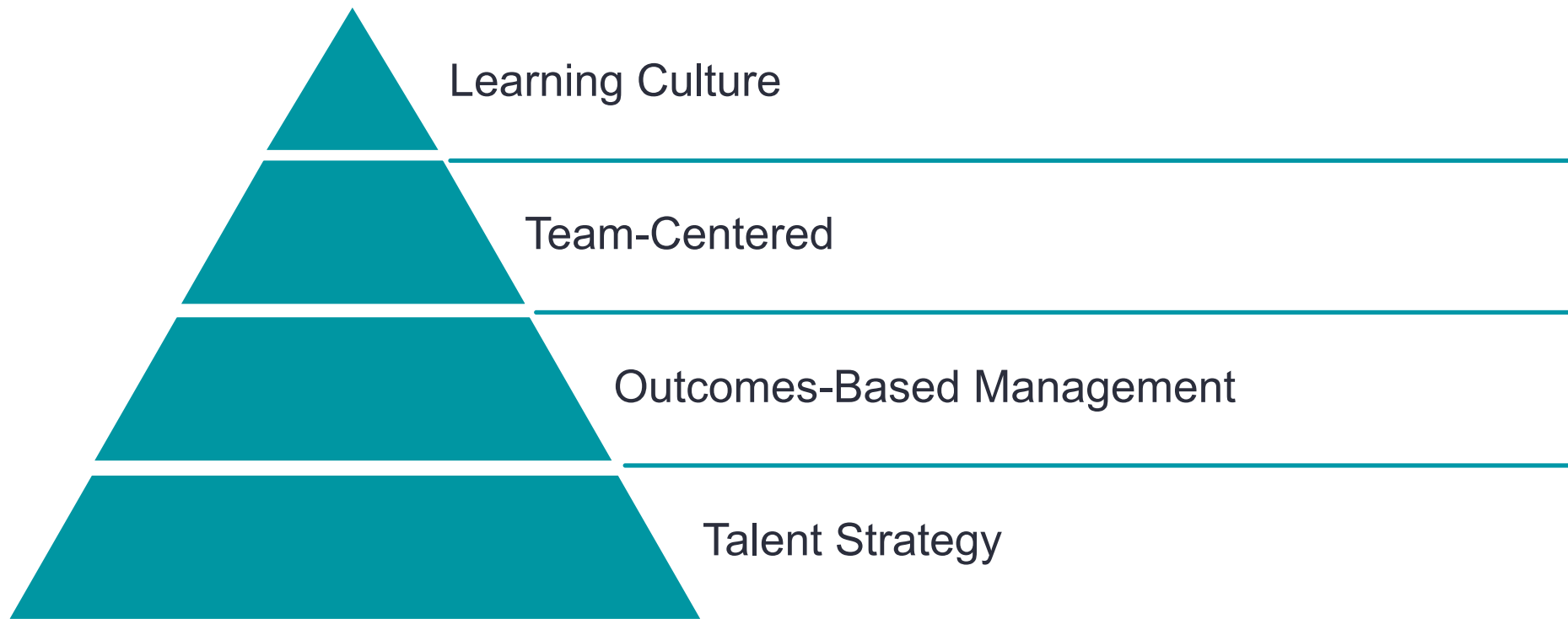
Culture & Connection

Innovation

What Works...

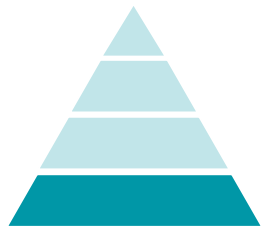


Winning the Future of Work



Talent Strategy

- Do I want engaged top talent?
- What's my Employee Value Proposition?
- What are my Principles & Guidelines?





Outcomes-based Management

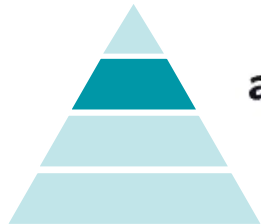
- Activity vs Results
- Goal Alignment
- Transparency

NMG
NEIMAN MARCUS
BERGDORF GOODMAN



Team-Centered

- Team Goals
- Team Norms
- Team-level Training





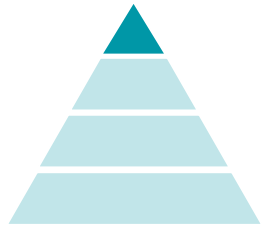
Learning Culture

- Investments
- Experimentation
- Leadership engagement

 **ATLASSIAN**

J&J

 **Dropbox**



What drives success in flexible work?



Principles not Policies

Outcomes not Activity

Teams at the Center

Culture of Learning



Winning the Future of Work

