

state of remote work 2021

5TH
ANNUAL
EDITION

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Global
Workplace
Analytics

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2021 WAS THE YEAR THE WORLD STAYED REMOTE.

As the pandemic continued to evolve throughout the year, so did the way we work. Employee expectations permanently shifted, with many choosing to resign for a better work life balance or more flexibility in where and when they work. And with nearly **70%** of full-time U.S. workers having worked remotely - with many still doing so - employers started adjusting their workplaces to fit a new hybrid working model.

For the 5th Annual State of Remote Work report, Owl Labs, in collaboration with leading remote work consulting firm Global Workplace Analytics, surveyed **2,050 full-time workers** in the U.S. to learn more about the current state of remote and hybrid work and what lies ahead. This survey data was collected in September of 2021.

We learned that productivity didn't suffer, with **90%** of respondents that worked from home during the pandemic saying they were as productive -- or more -- working remotely when compared to the office. **84%** of respondents also shared that working remotely after the pandemic would make them happier, with many even willing to take a pay cut. Employers, listen up, if you haven't adjusted and created new workplace policies yet, read on to understand why you should.

Key Findings

- 1 Of those that worked from home during the pandemic, 73% have returned to the office at least one day a week, with 25% returning in September 2021
- 2 Of those that have returned to the office, 78% say that they feel more included, and 57% say that they prefer working from home full-time
- 3 1 in 4 changed jobs or are actively seeking a new opportunity for many reasons
- 4 20% of workers said they relocated during the pandemic, 4% moved permanently
- 5 Of those that worked from home during the pandemic, 70% of employees say virtual meetings are less stressful
- 6 83% say they are at the same productivity level -- or higher -- working from home compared to the office
- 7 55% say they work more hours working remotely than at the physical office
- 8 Of those that worked from home during the pandemic, almost 70% needed to provide care for children or a dependent during the pandemic
- 9 76% said working from home after the pandemic would make them happier
- 10 3 in 4 (74%) said after the pandemic working from home is better for their mental health
- 11 38% said they would be willing to take a 5% pay cut to work remotely at least part of the time
- 12 1 in 4 would quit their job if they could no longer work remotely after the pandemic, with an additional 19% still undecided
- 13 70% want a hybrid or remote working style after the pandemic is over
- 14 39% of employers are requiring employees to be in the office full-time post-pandemic, but only 29% want to be
- 15 38% said that their employer has upgraded their video technology to allow for more hybrid collaboration
- 16 Since the start of the pandemic, 22% of companies have reduced office space, while 21% have increased their office footprint
- 17 Only 36% of people believe the office is best suited for individual work

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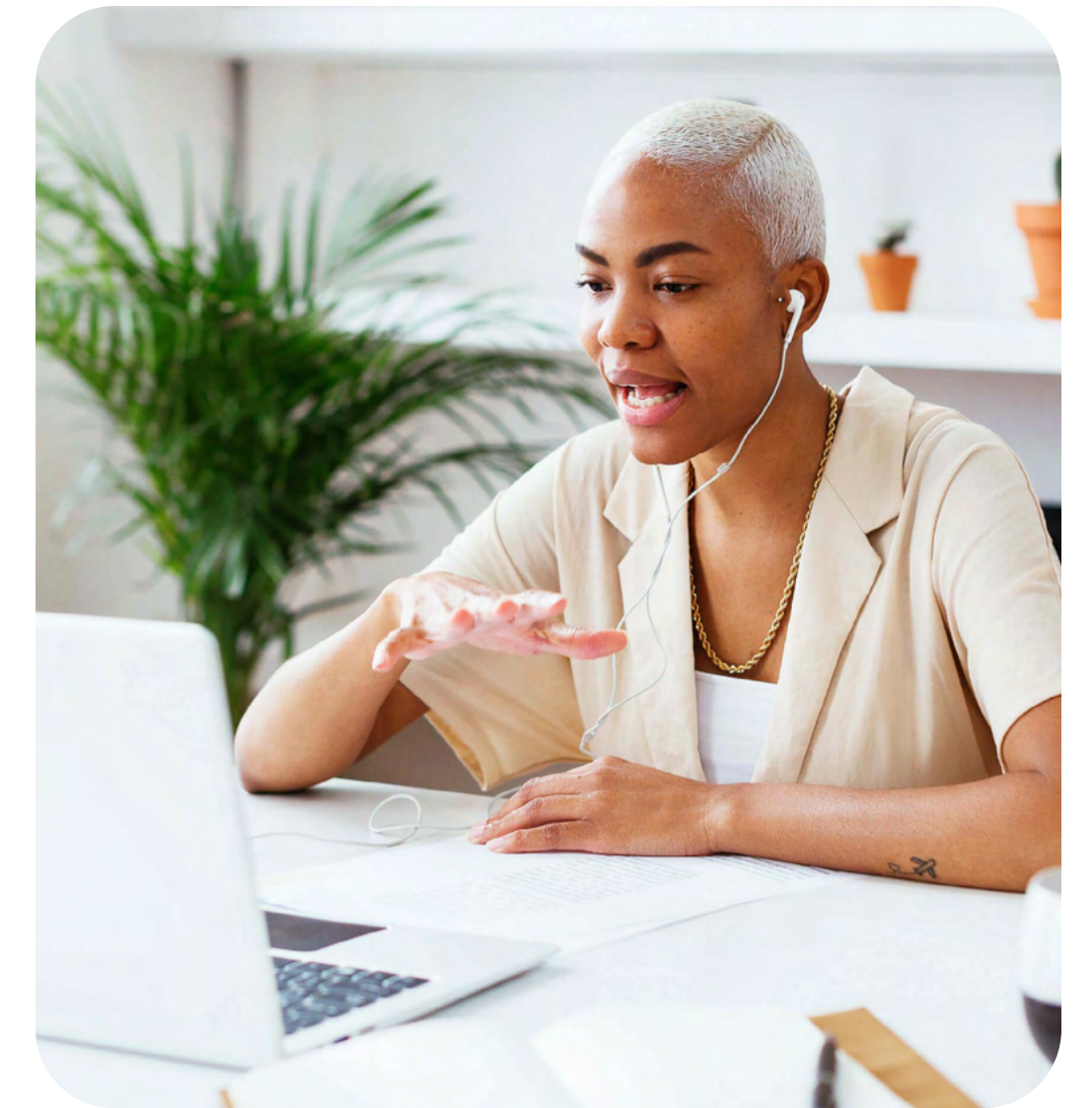
Background +
demographics

Hybrid work isn't going anywhere

The global pandemic transformed how we work **overnight** - and because of this, we've officially fast-tracked to the *future of work*.

You're probably quite familiar with some of the major shifts that have happened in the past 18 months ('Zoom' is officially a verb now, so there's that). However, there is one notable change that sticks out above the rest: employees now expect flexibility in not only where they work, but when.

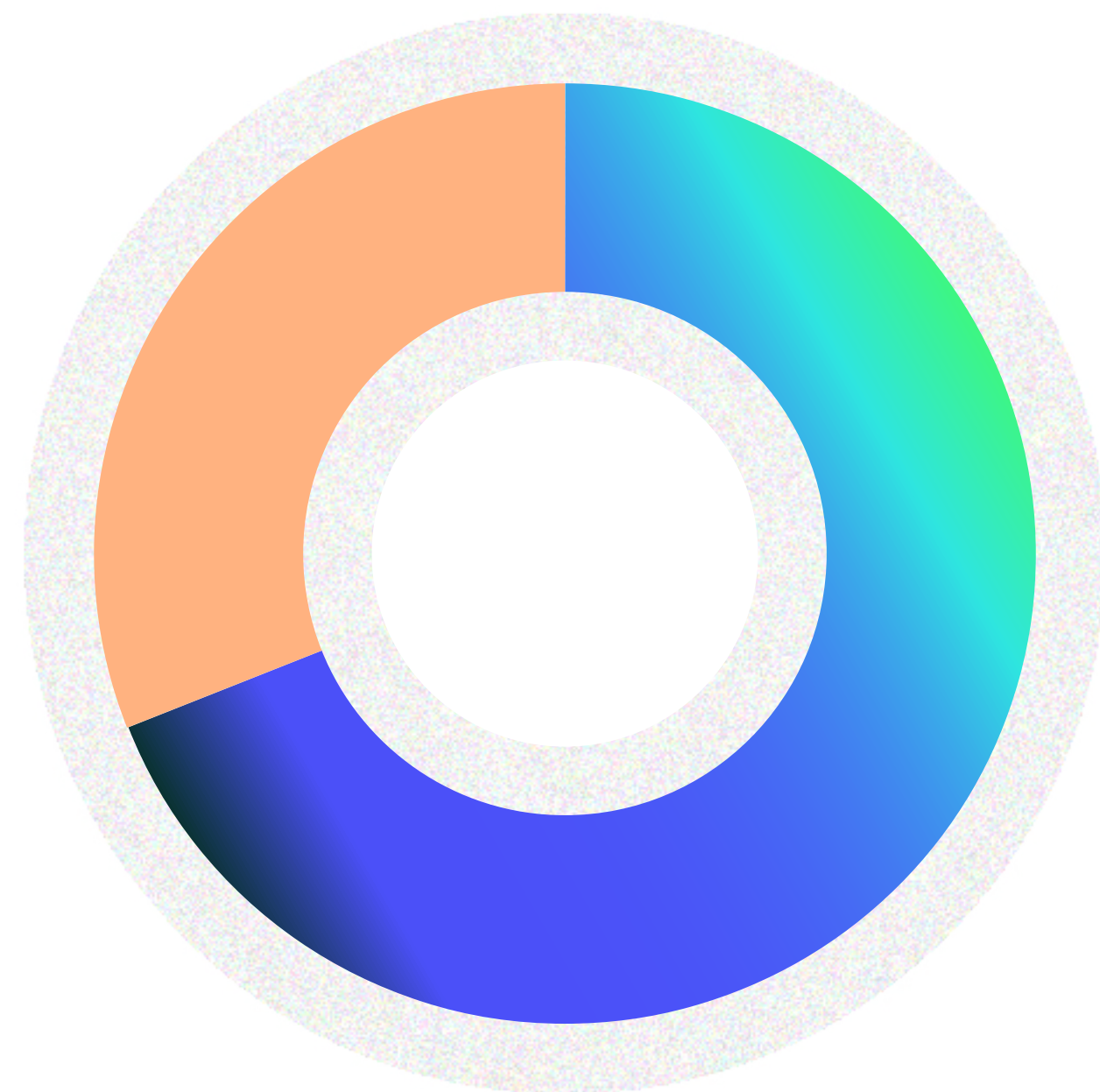
In fact, **nearly 1 in 2 people (48%)** said that if they were no longer able to work remotely, they would start looking for another job that offered more flexibility in when they worked, with men saying they would quit nearly **60% more** than women. In the U.S., **81%** of those that worked from home



during the pandemic said they want a hybrid or remote working style once the pandemic is over. This shows there is a clear path forward post-pandemic.

Flexibility is essential for workplace success.

How many people worked -- or are still working -- from home during the pandemic?



69% Working or worked remote during the pandemic

31% Working or worked onsite

Of those that specifically worked from home during the pandemic: If they were not able to work remotely going forward...

1 IN 3 (32%)

said they would quit their job with an additional 18% still undecided

MORE THAN HALF (56%)

would quit or look for a new job that offered flexibility in when they work

58%

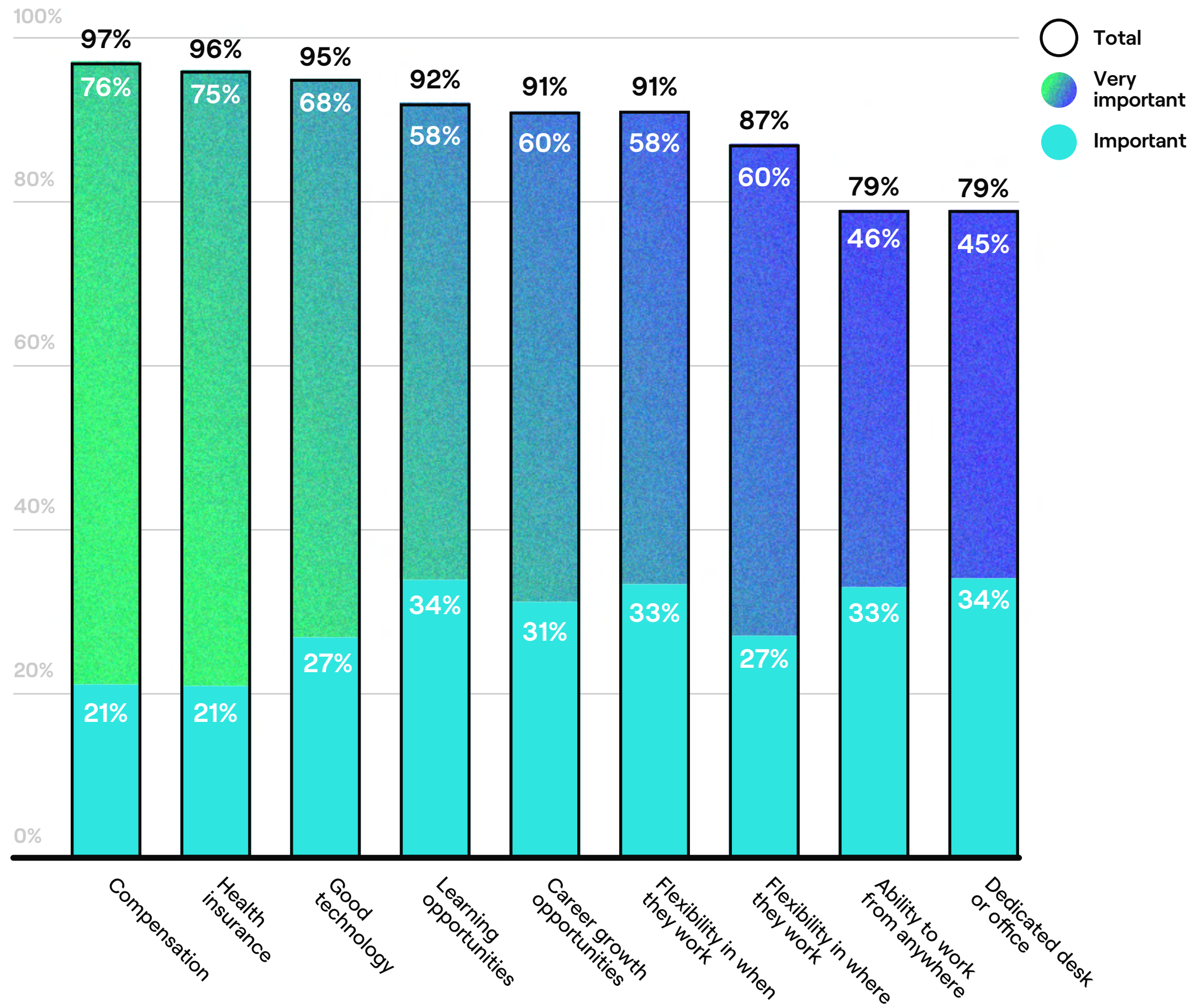
would expect a pay raise

NEARLY HALF (48%)

would stay in their current role, but would be less willing to go the extra mile

REMOTE VS. ONSITE

What is the modern employee looking for from their employer?



PRIORITIES

Employer needs vs. employee expectations

As the workplace has changed, so have employee expectations. Those who worked from home during the pandemic have now experienced the challenges and benefits of remote work firsthand. Because of this, the question becomes: do employees' new expectations align with what employers are planning to offer post-pandemic? Not exactly.

Take the return to the office. Of the respondents that worked remotely during the pandemic, **60%** have returned to the office in some capacity over the past six months. It's encouraging to see businesses of all sizes open their doors again.

But as companies reopen, it's important that every employer takes a step back to evaluate how their current workplace policies and practices impact their business and their employees.

39% of employers are requiring employees to be in the office full-time post-pandemic, but **only 29%** want to be. And **1 in 4 (25%)** of total respondents say they would quit their job if they could no longer work remotely after the pandemic. Hybrid work is clearly what employees expect going forward, but don't dismiss the physical office. Employees also want days in-office to meet with their teams, engage with leadership, brainstorm and more.

Employers may have to reconsider their plans.

Of those that worked from home during the pandemic, 73% have returned to the office at least one day a week, with 25% returning within the last month

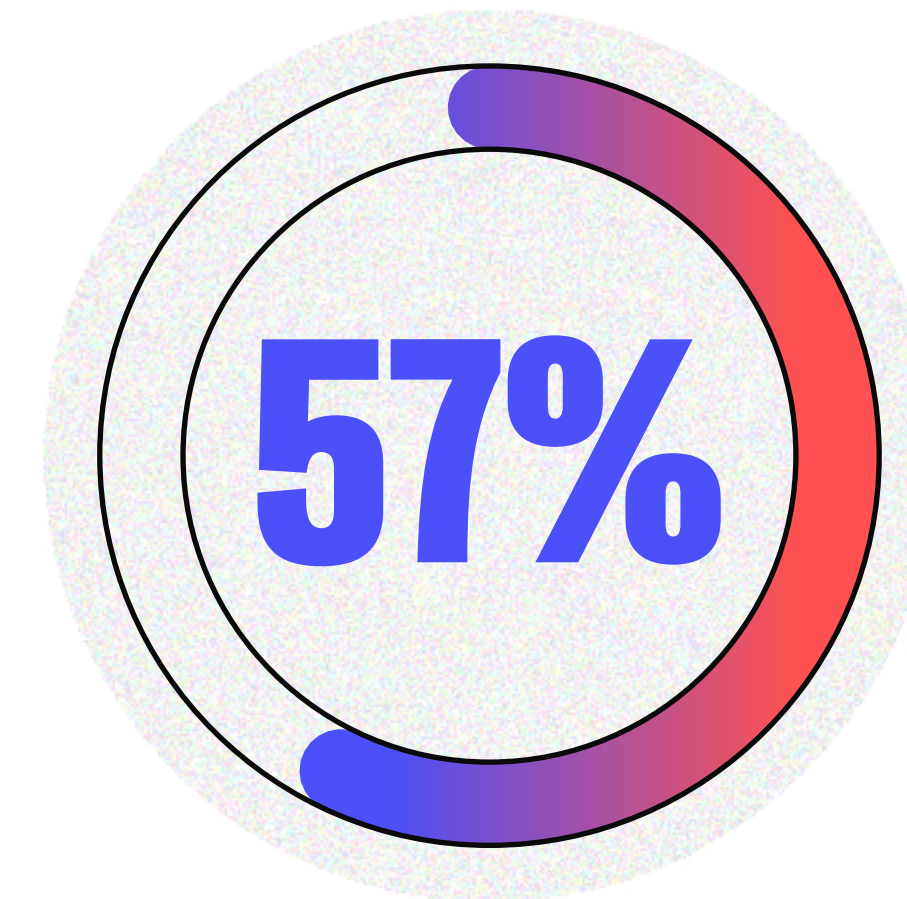
RETURN TO THE OFFICE



- 27%** have not returned to the office
- 25%** returned one month ago
- 21%** returned 2-3 months ago
- 13%** returned 4-6 months ago
- 8%** returned 7-12 months ago
- 6%** returned 13-18 months ago

REMOTE VS. ONSITE

Of those that have returned to the office:



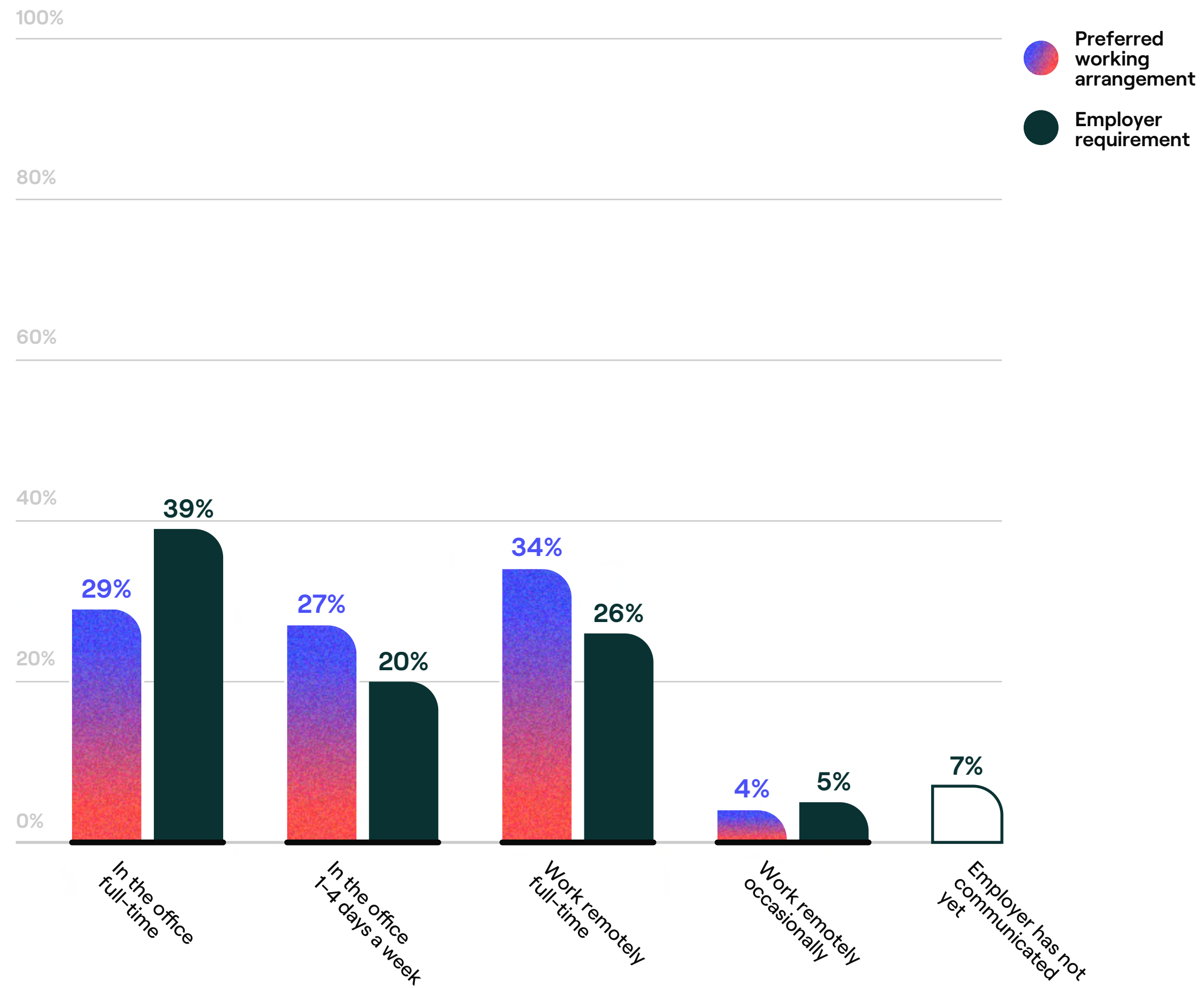
say that they prefer working from home full-time

42%

say they are feeling stressed about uncertainty around their employer's in-office requirements

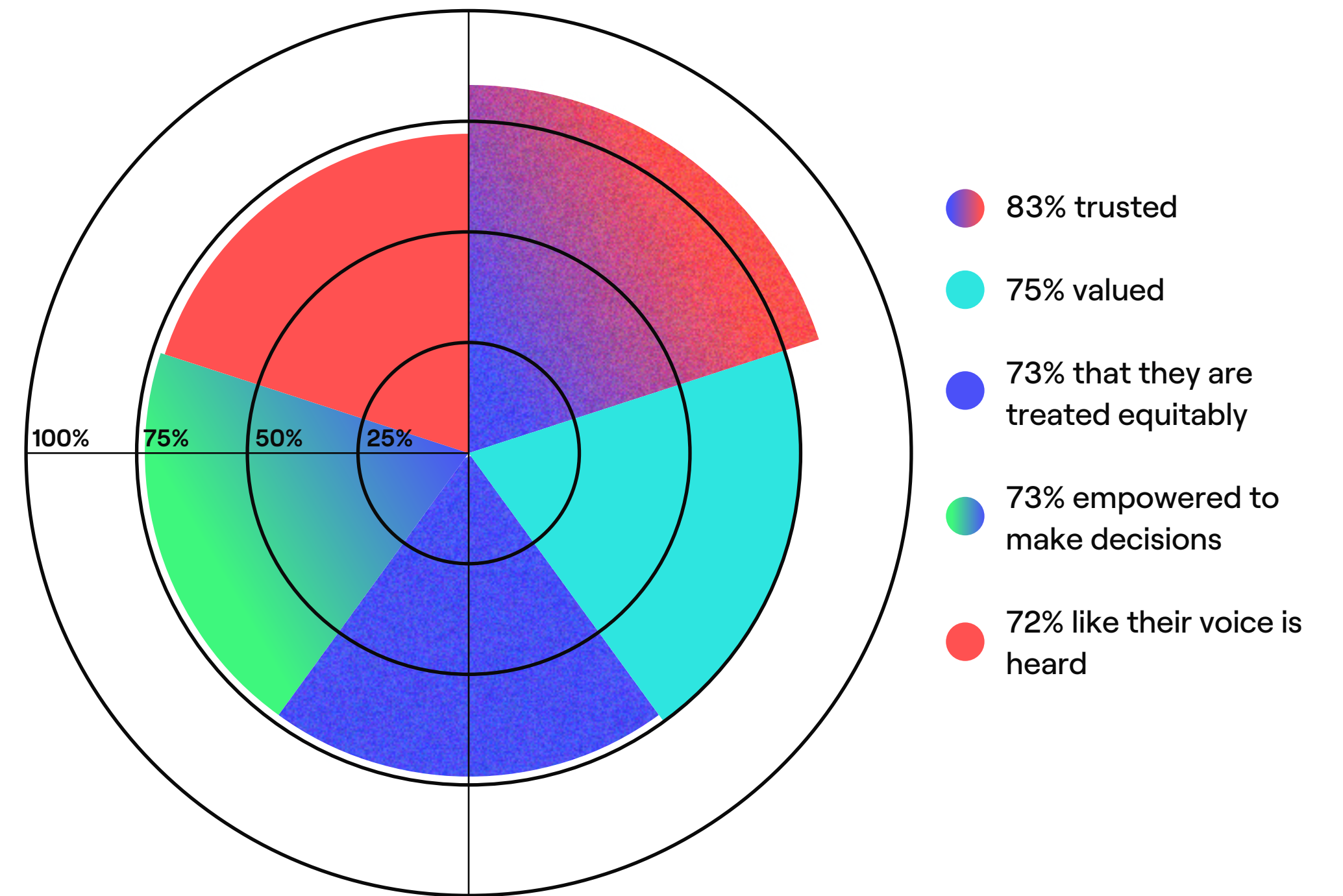
HYBRID EXPECTATIONS

Employees' preferred working arrangement vs. what their employer is requiring them to do:



Overall, how are employees feeling right now?

FEELINGS



What working from home really looks like

Today's remote employees have to balance a number of roles *while* working from home.

Whether they are a parent, caretaker or pet owner, many employees have been challenged with fulfilling the needs of their employer with the needs of their families or households. Maybe that's why it's called work-life **balance**.

One trend that surged during the pandemic for employees: moving. Many have moved - both temporarily or permanently - to better accommodate their needs and the needs of their families. Of those that worked from home during the pandemic, **more than a quarter (27%)** relocated during that time, with younger employees (ages 21-40) temporarily relocating **14X more** than older ones (ages 40+).



Here's a better picture of what a modern 'home office' looks like.

40%

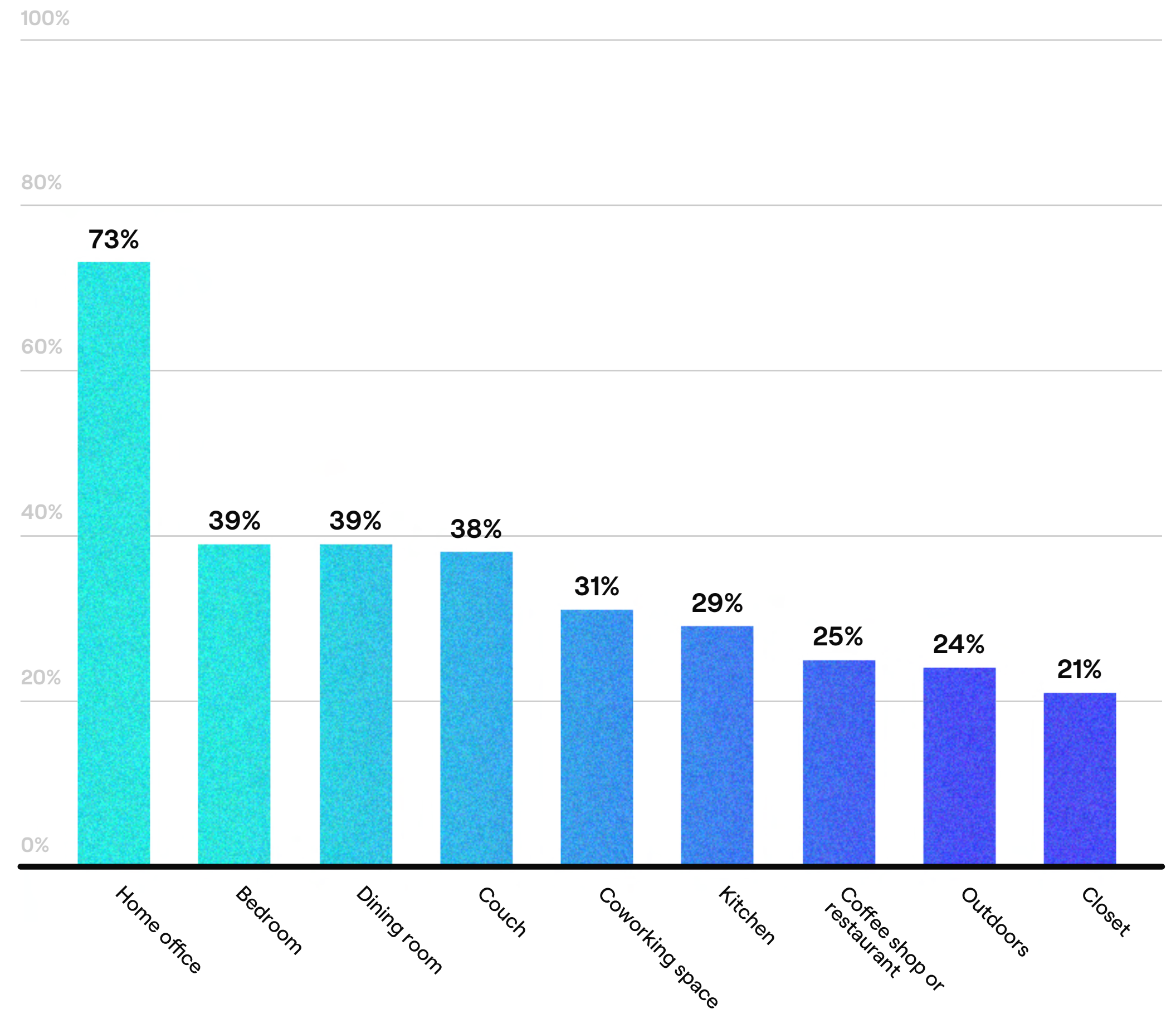
of employers provided a one-time payment to employees for work from home expenses...

35%

of employers provided a monthly stipend

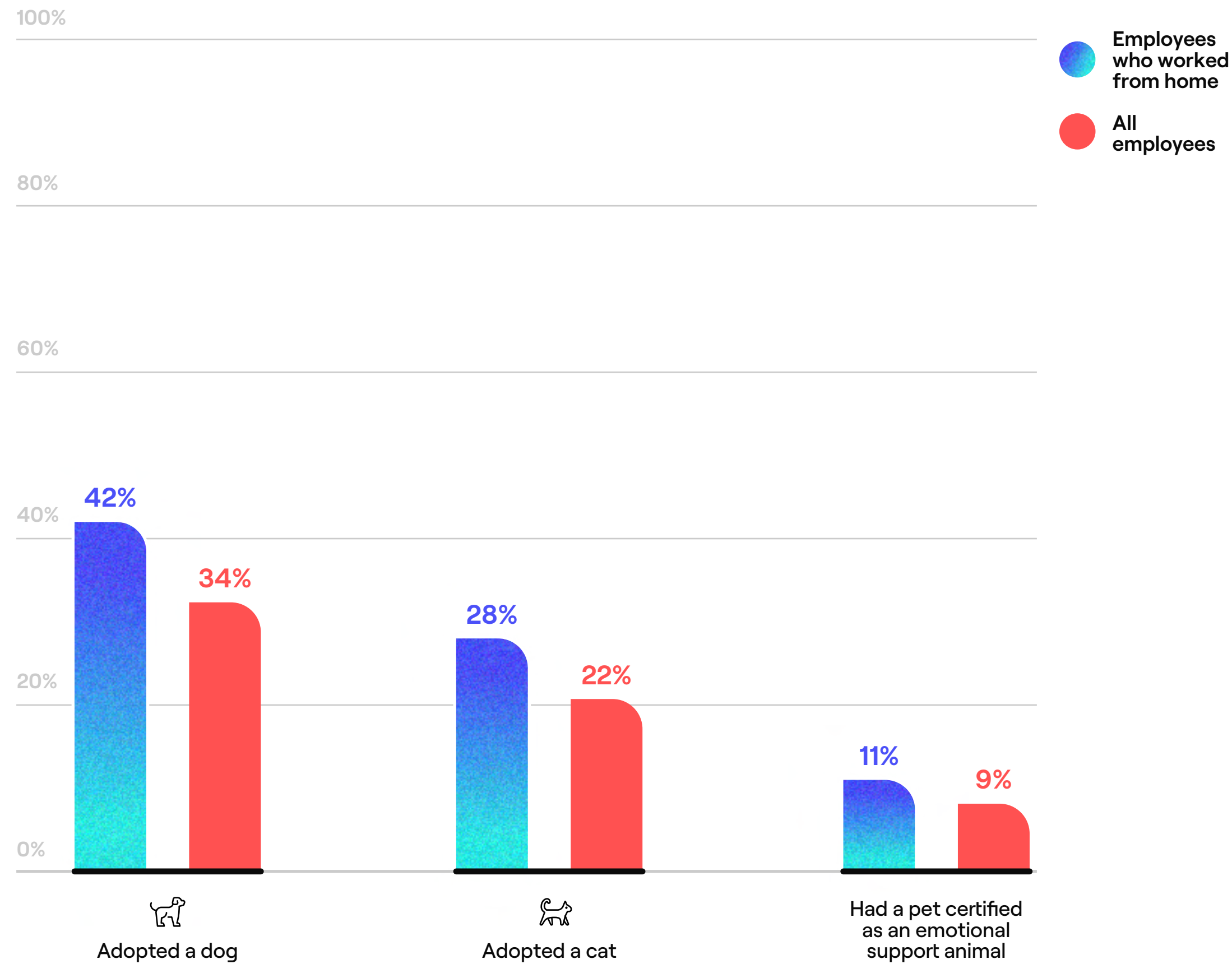
Of those that worked from home during the pandemic, the most popular places to work are:

WHERE TO WFH



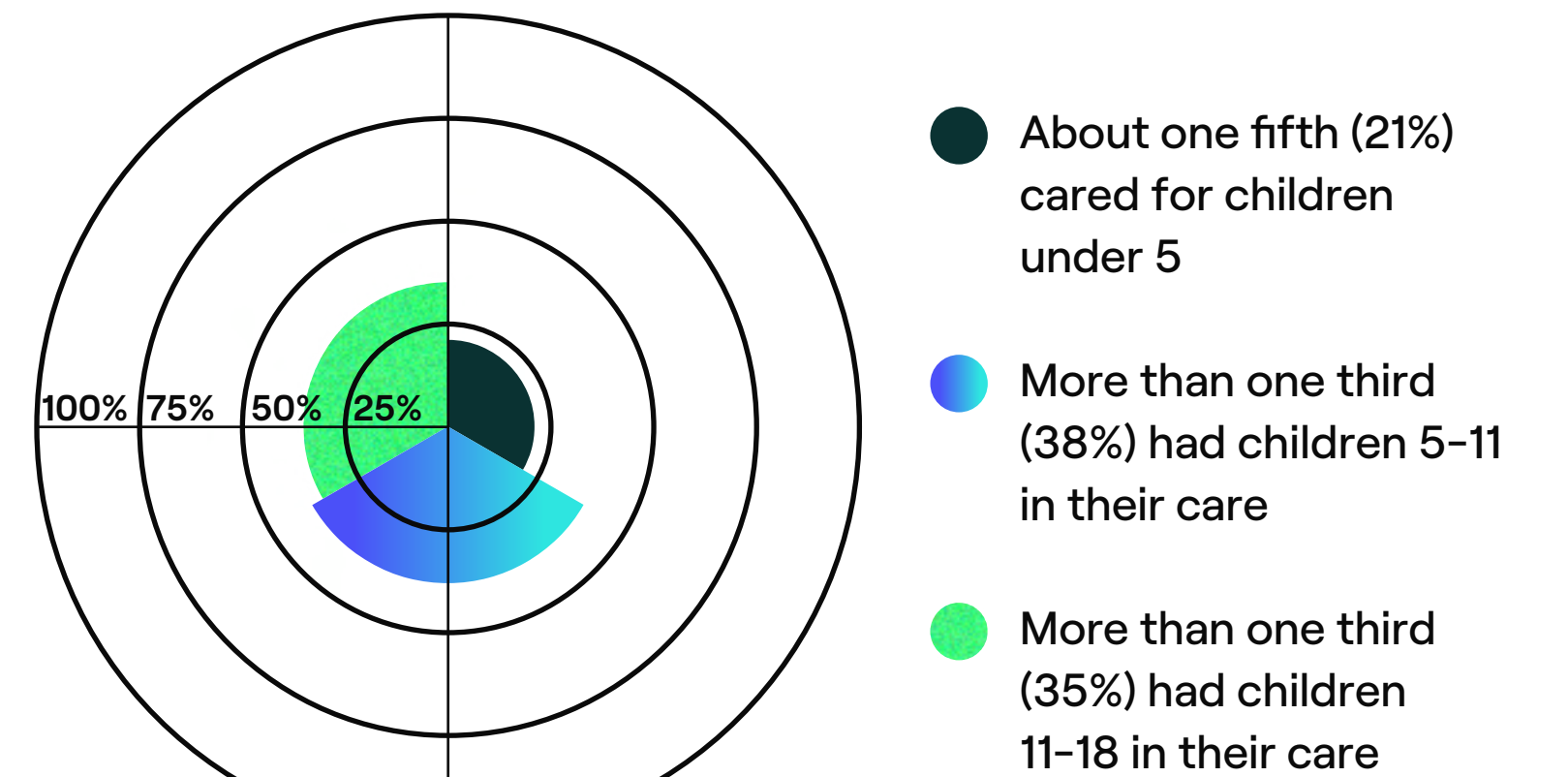
PANDEMIC PETS

Of those that worked from home during the pandemic, 1 in 2 (51%) adopted a pet



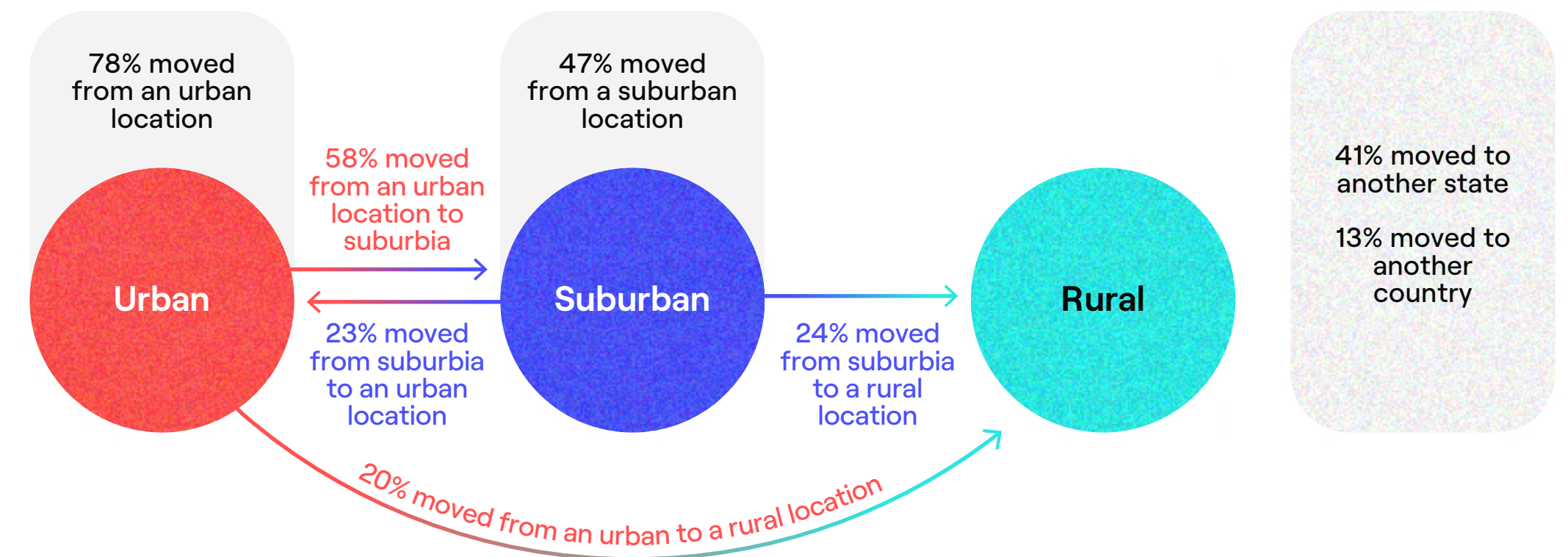
CARETAKERS

Of those that worked from home during the pandemic, 63% needed to provide care for children or a dependent during the pandemic



RELOCATION

Many moved during the pandemic (some more than once). Of those that moved:



Of those that permanently moved while working from home during the pandemic:

Ages 26-40 accounted for **approximately 2/3** of the move from urban to suburban (**68%**) and urban to rural (**63%**), and **more than half (57%)** of the suburban to rural moves

Boomers represented the largest portion of the group that moved from rural to urban (**40%**)

Takeaway: Younger generations moved to suburbia when older generations moved to urban areas.

Boomers represented the largest age group to move to another state (**35%**)

Millennials represented **over half (50%)** of the moves to another country (followed by Gen X at **33%**)

The benefits of working from home

For many, transitioning to remote work started with setting up a dedicated workspace, learning new virtual collaboration tools, and adapting to new ways of engaging with colleagues and clients virtually. But that was all temporary, right? Not so much.

Today, these same employees that have become remote work pros are evaluating what their return to the office looks like - with many asking if they will return at all.



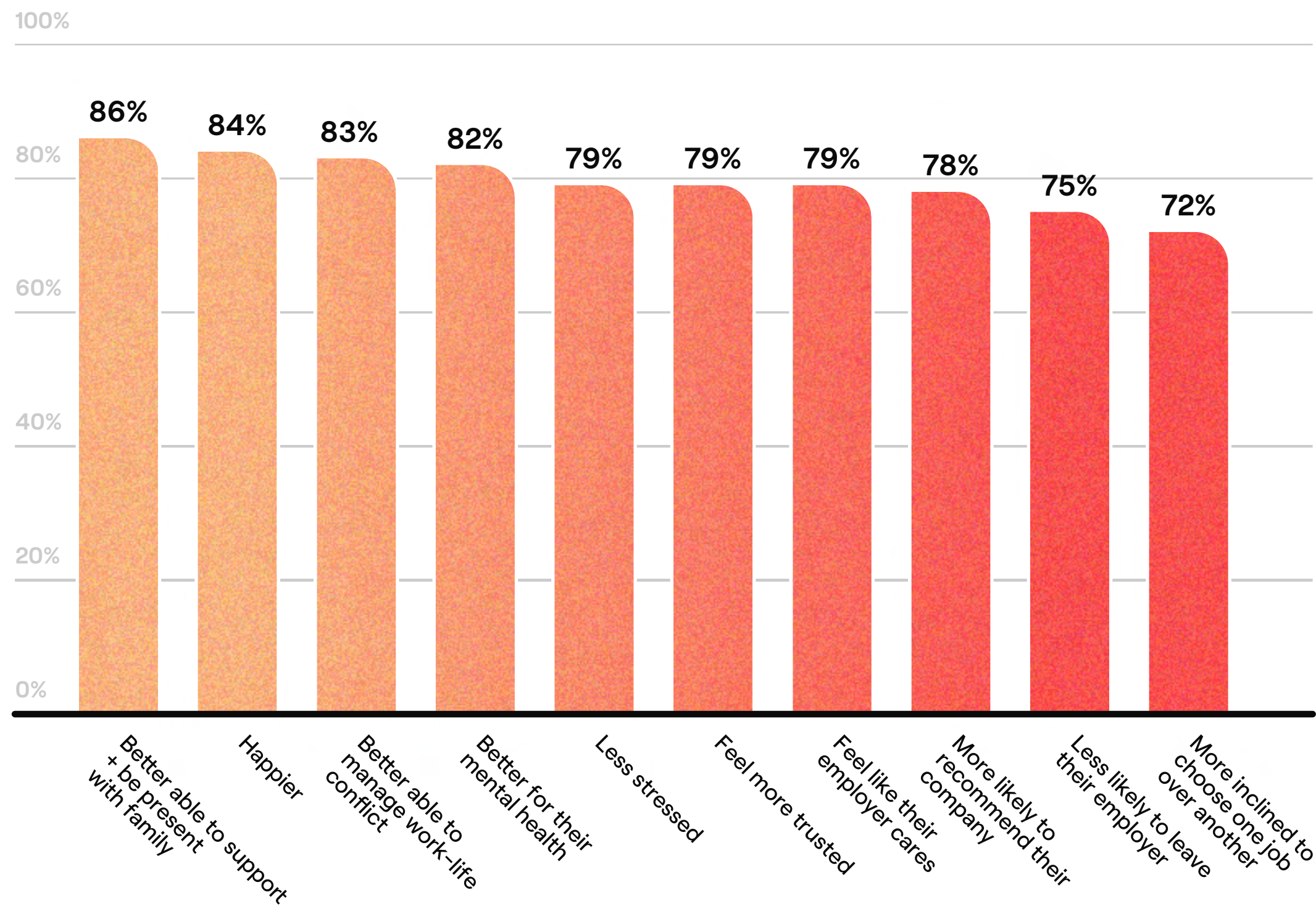
The modern workforce has a new set of needs and expectations - with **only 1%** of employees that worked from home during the pandemic saying they are less productive, proving that remote and hybrid work has to continue to be part of the equation. That said, managers are still skeptical. For those that manage remote workers and teams, **36%** are concerned about employee productivity and **36%** are worried about reduced focus.

It's clear that employees are seeing and feeling the benefits of remote work, but there are also drawbacks - long hours, increased stress, and of course, *burnout*. Managers and employees must work together to overcome these challenges.

There are clear benefits to working from home.

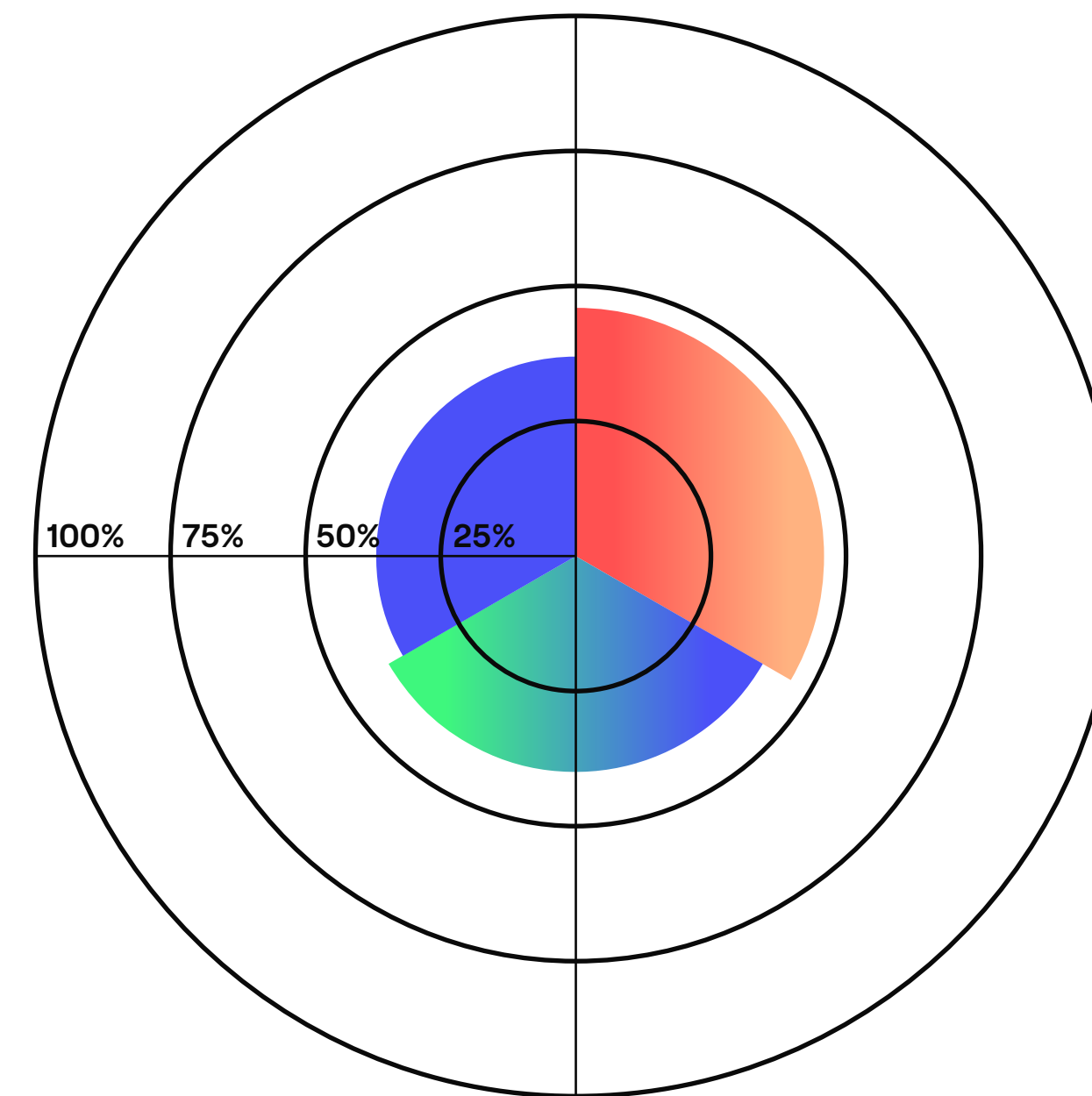
WFH POST-PANDEMIC

For those that worked from home during the pandemic, being able to work from home -- *at least some of the time* -- post-pandemic said it would make them:



For those that worked from home during the pandemic:

PAY CUTS



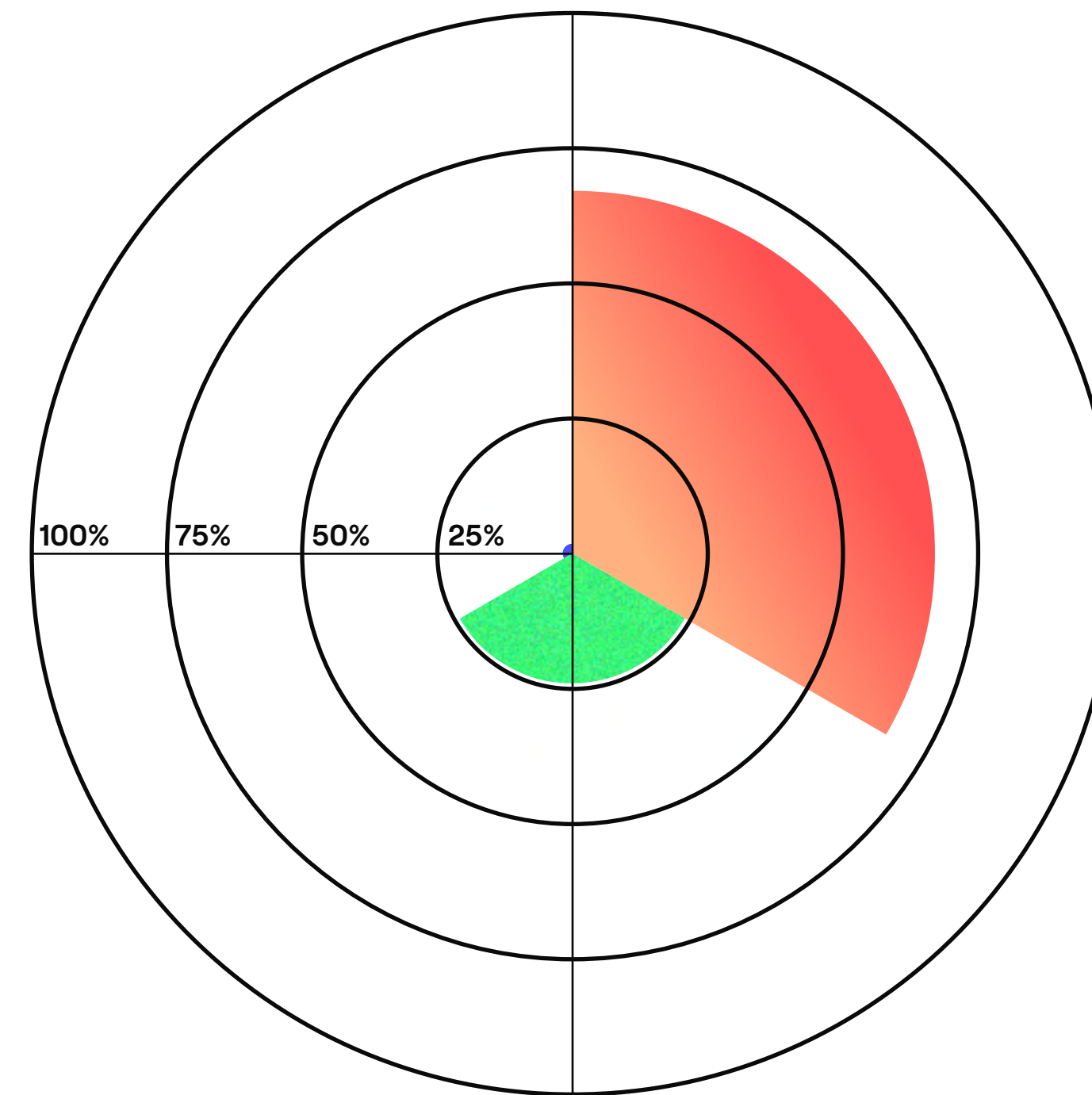
- Almost 1 in 2 (46%) would take a pay cut of up to 5% to be able to work remotely at least part of the time in the future
- 40% would take a pay cut of up to 10%
- 37% would take a pay cut of over 10%

Of those that worked from home during the pandemic:



say they are at the same productivity level -- or higher -- working from home compared to the office

For those that worked from home during the pandemic:



- 67% are more productive while working at home
- 24% said their productivity is the same working from home
- 1% feel much less productive working remotely

But, there are also drawbacks.

How much do employees *really* work at home?



55% say on average they work more hours than at the office

33% say they work the same hours than as at the office

12% say they work fewer hours than at the office

When it comes to gender:

30% OF MEN AND 21% OF WOMEN REPORTED WORKING 2+ EXTRA HOURS PER DAY

Employees are working significantly more,

YET ONLY 11% OF MANAGERS ARE CONCERNED ABOUT EMPLOYEE BURNOUT

WFH HOURS

Digging deeper by demos

For decades, employers have recognized that every employee operates differently. Some companies choose to administer personality-like tests in the workplace - like Myers-Briggs for example - to learn more about how their employees work collectively and independently.

The pandemic threw some employers and employees for a loop, with many employees having to rethink their work routines and habits basically overnight. And some of these adjustments haven't been easy. In fact, they've exposed some inequities between coworkers.

One challenge - employees are now split across locations making it harder for everyone to be part of the conversation and collaborate. In fact, **70%** said it's often or always difficult to contribute or be part of a

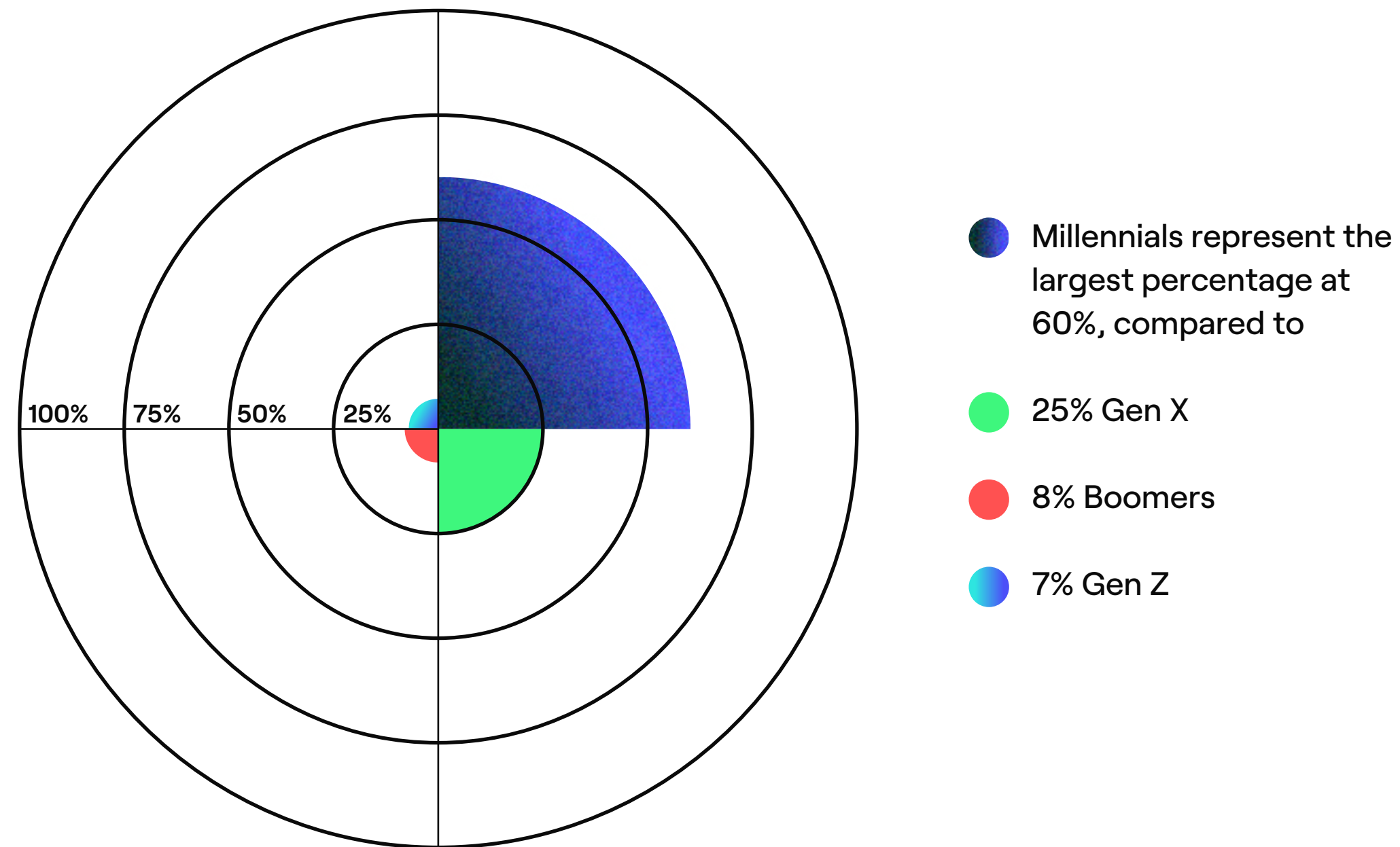


conversation when on video calls, **72%** said they can't tell who's speaking, **63%** can't see people's faces, and **62%** can't see the whiteboard. On the other hand, **71%** said it's easier to present on a video call than in person.

Let's take a look at a few other trends by age, gender, and location.

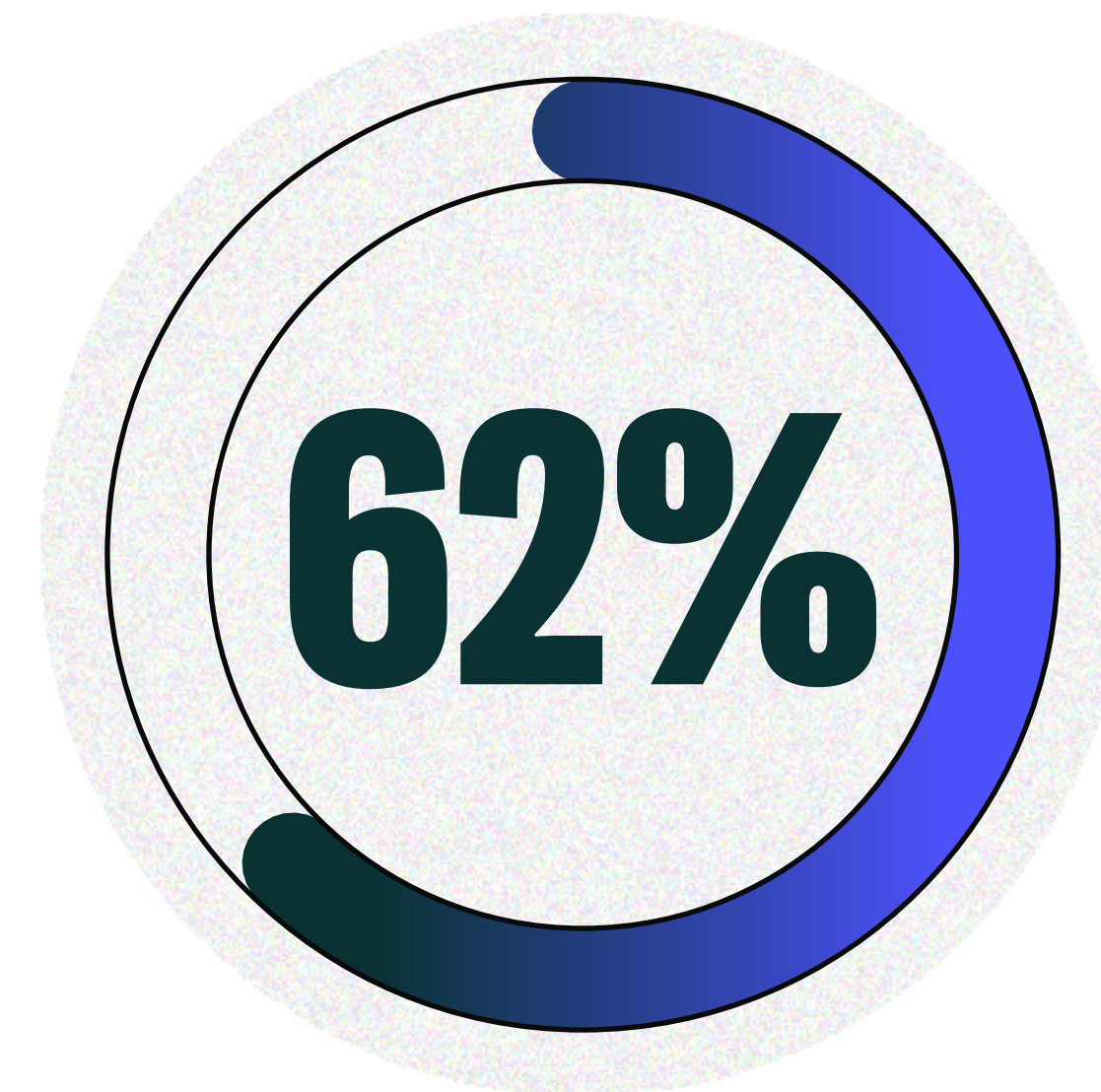
Generational differences

Of the 73% of employees that have returned to the office at least one day a week:



GENERATIONS IN THE OFFICE

Of the 25% that quit or are looking to change jobs during the pandemic, Gen Z accounted for:



...compared to just 4% of Boomers

CHANGING JOBS

When it comes to gender, not all things are created equal.

Men are **41% more likely** than women to work 10+ additional hours/week

...with women reporting working the same number of hours as they did in the office **56% more** than men

For those that moved, the reasons varied:

Men were **6X more likely** to relocate to start their own business than women

Women were nearly **2X more likely** to relocate for a better lifestyle

Women were more likely to relocate to be closer to family and friends

If they could no longer work remotely:

Men say they would stay at their job, but be less happy **34% more** than women

Men say they would expect a pay increase **34% more** than women

For those who worked from home and are now back in the office:








Men said they enjoyed the commute to the office **55% more** than women

Men said they enjoyed being back in the office **24% more** than women

WFH vs. in-office

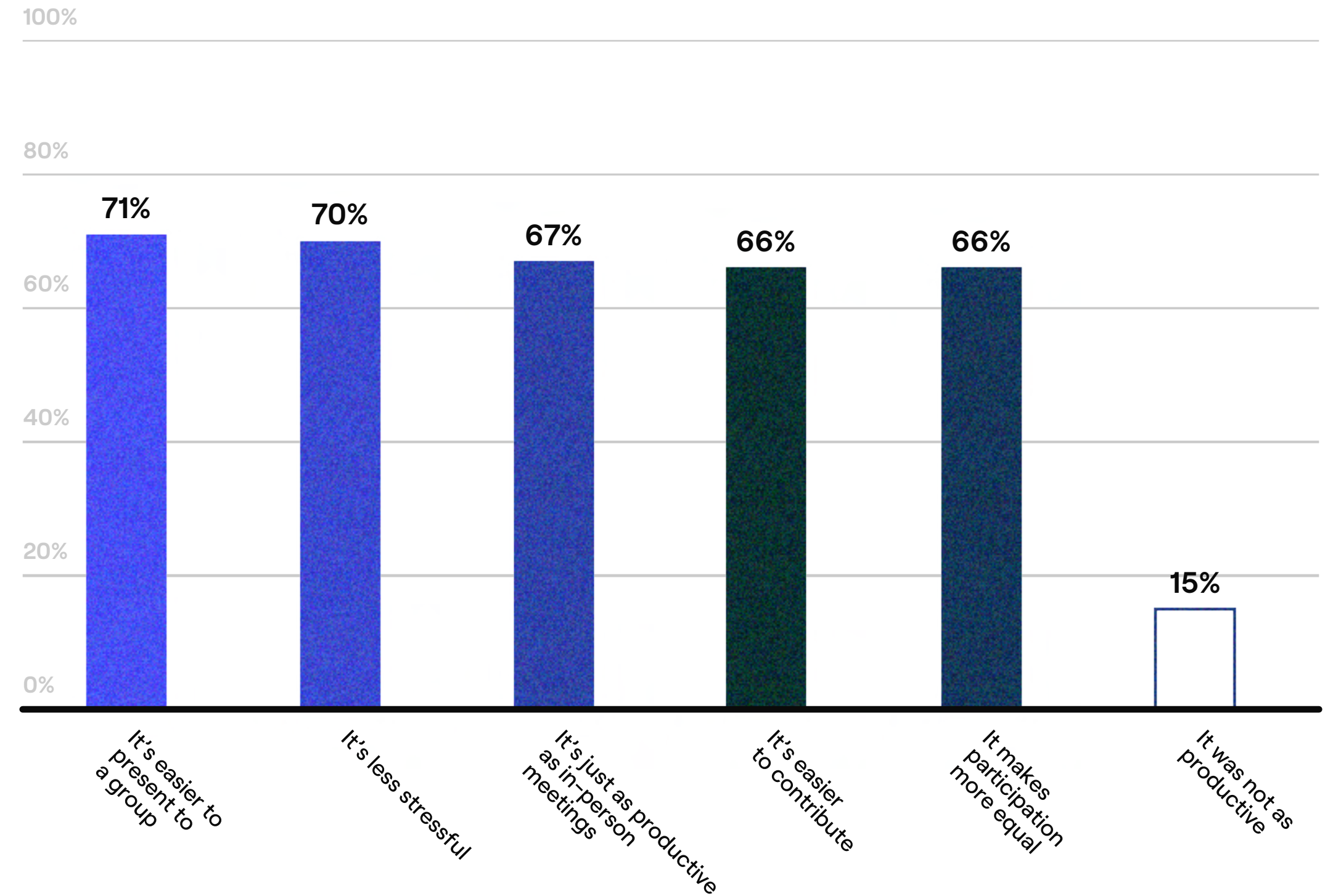
VIDEO CALL CHALLENGES

Of the 69% that worked from home during the pandemic, they learned a few things. Top challenges when on a video call while others are in-person:

-  They can't tell who's speaking 72%
-  It's difficult to contribute or be part of a conversation 70%
-  They feel disengaged 67%
-  They can't see people's faces and miss visual cues 63%
-  Can't see the whiteboard 62%
-  Can't see the presentation 62%
-  They feel left out 60%

Those that worked from home during the pandemic say that when participating in meetings remotely compared to in-person:

REMOTE MEETINGS VS. IRL



64%

of employees that worked from home during the pandemic said that their top meeting style preference is a hybrid video conferencing call

Workplaces + spaces must evolve

The rise of hybrid work forced many organizations to operate differently, and because of this, the physical office space has taken on a new identity. An office used to be a place where employees would gather daily to do individual work, group work or socialize. Every space had its own characteristics - at one point, relaxation rooms were all the rage.

Don't get us wrong, there is absolutely a need for physical offices. In fact, of those employees that have returned to a physical office, **78%** say that they feel more included when at the office. It's just, the reason people will come to the office and how



they will use it has changed so the physical space must change, too.

In this new era of work, if a space isn't wired for hybrid collaboration, it's now a wasted space. It's really that simple.

Collaboration has always been at the center of work, but with hybrid workforces, the tools and spaces people collaborate in need to be elevated. To date, **only 38%** of employers have upgraded their video technology to improve hybrid collaboration. There's room for improvement.

It's clear that seamless connectivity and collaboration is key for those both in and out of the office, which is why employers need to step up and **rewire their offices**, so that employees can do their best work, wherever they are located.

The current state of office space

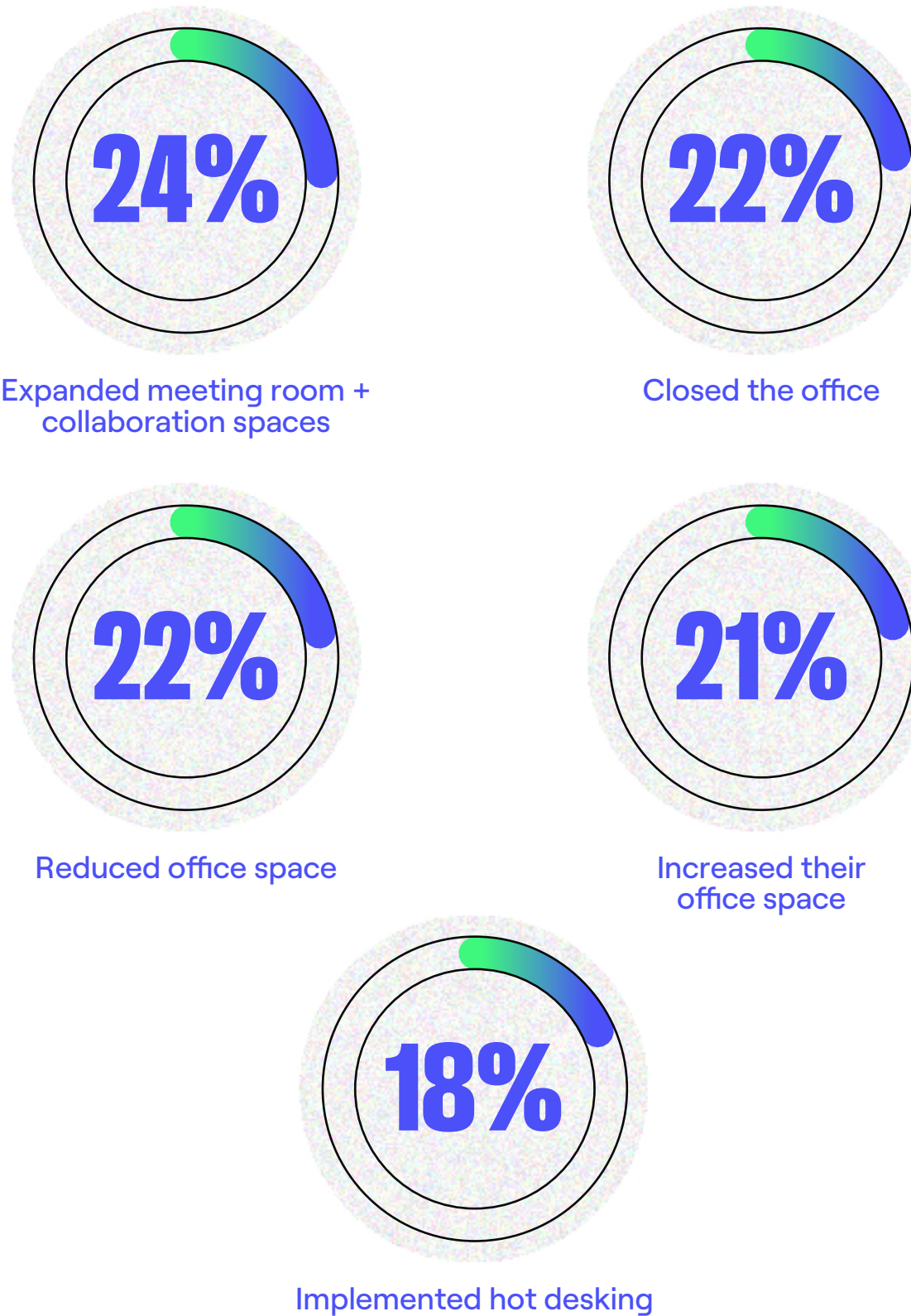
Only 36% of people believe the office is best suited for individual work

Of those that worked from home during the pandemic, 70% say virtual meetings are less stressful and 64% now prefer hybrid meetings

Roughly one-third of employees always or often experience difficulties on video calls

CHANGES IN OFFICE SPACE

Since the start of the pandemic, companies have:



The largest employers (10k+ employees) and smallest (1-50 employees) were least likely to have expanded spaces

More than 3 in 10 small to midsize employers (200-5k employees) increased space

More than a quarter of midsize to large employers (500-5k employees) added the option of coworking space for some or all employees

The largest employers (10k+ employees) and smallest (1-50 employees) were least likely to do so at 9% and 11% respectively

One-third of midsize employers (500-1k employees) reduced office space

The next normal – leadership, listen up

As an authority on the future of work, we are always looking towards, well – the future. So, if hybrid work is here to stay, what’s next? Many companies are looking beyond today to build more progressive workplace policies that will help employees thrive.

Employee engagement has always been at the forefront of the minds of companies of all sizes and all industries for a simple reason: engaged employees produce better work. And with **1 in 2 (49%)** managers who oversee remote workers concerned about employee engagement, it seems to be the topic on everyone’s mind.

So what happens if employees aren’t engaged? Well, for one thing, they look to leave. **1 in 4** changed jobs or have been actively seeking a new opportunity during

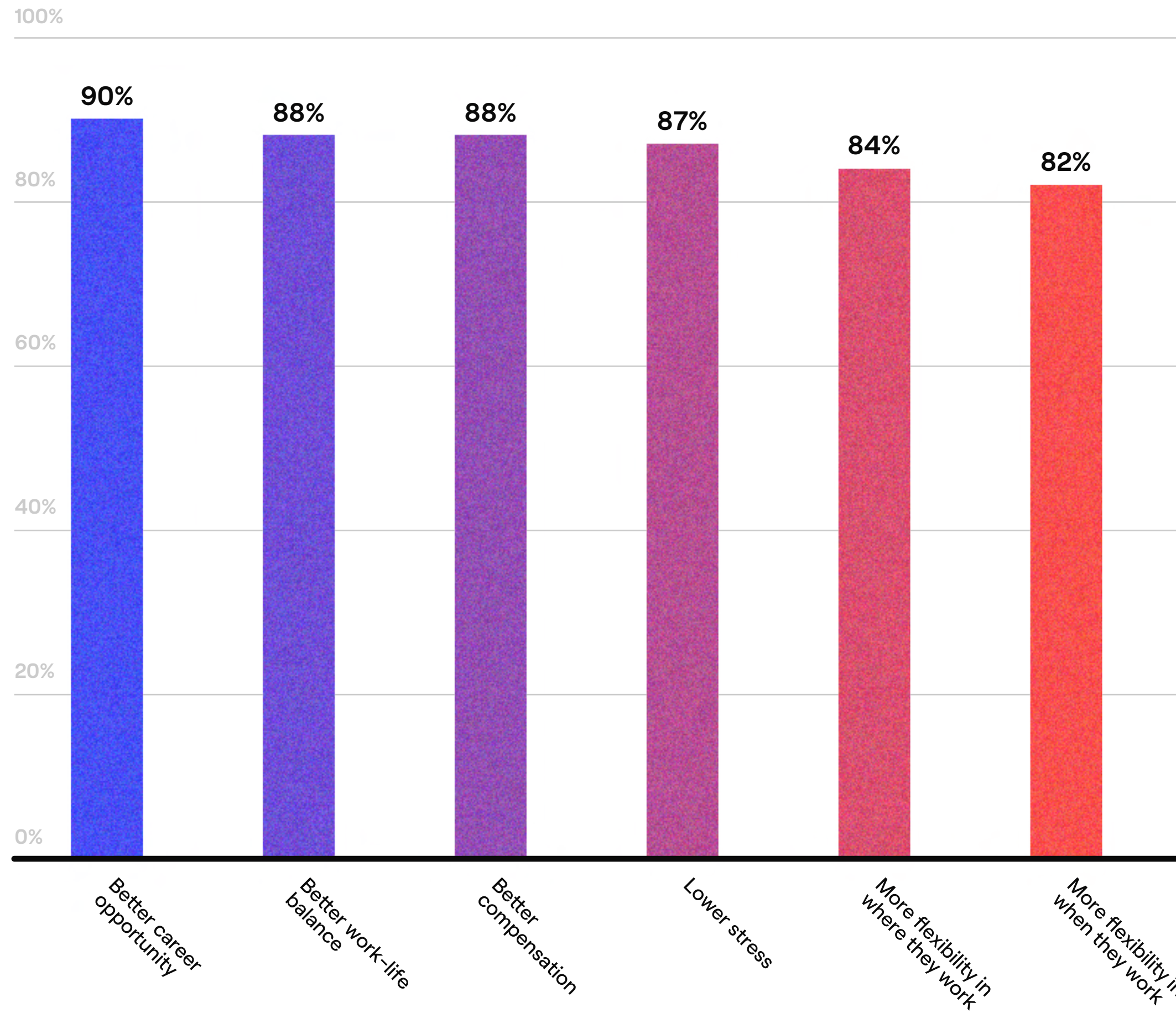
the pandemic. Women changed jobs **43%** more than men – yes, you read that correctly, **43%**.

To avoid employees leaving, but in hopes of saving their bottom line, some companies announced salary adjustments for those working from home. That also didn’t go over well. **81%** of employees said they should be compensated the same whether they work in-office or remotely.

Leadership must rethink their workplace culture to be more inclusive of remote and hybrid work – this is the next normal.

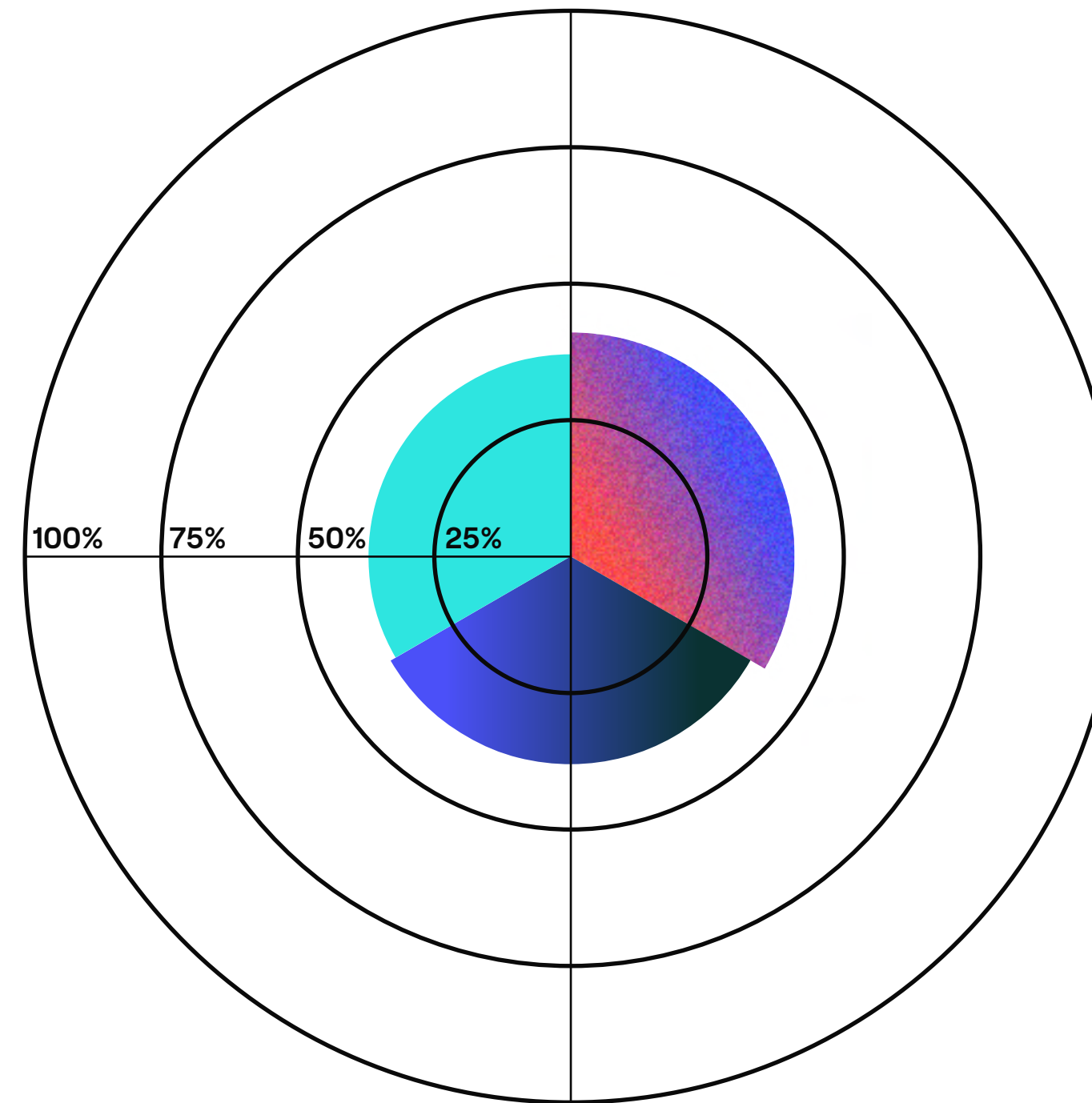
JOB SEEKING

Of those that changed jobs during the pandemic or who are actively seeking a new opportunity, they are looking for:



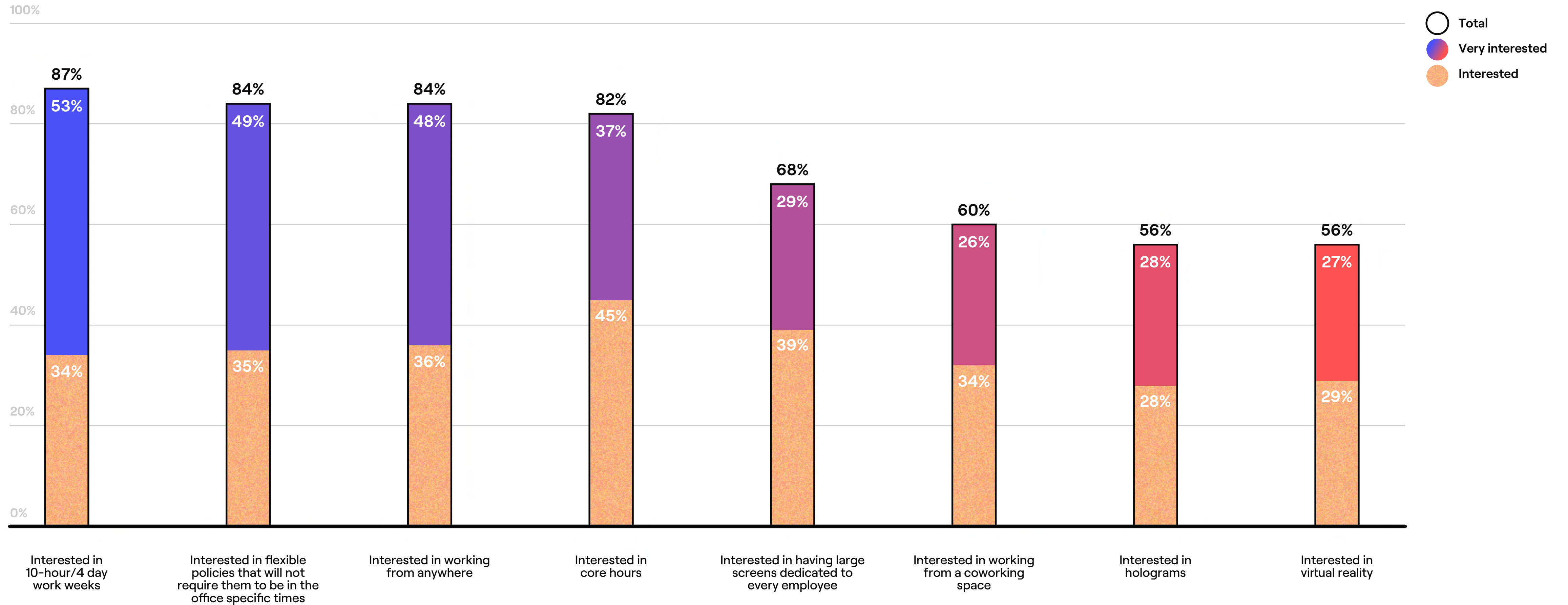
Employees are stressed:

STRESS



- 41% are stressed about having a meeting with their manager to request to work from home
- 38% are stressed about the uncertainty of needing to take a pay cut to work remotely
- 37% are stressed about not feeling seen or heard as a remote employee and feeling like a second-citizen to in-office employees

Top future working trends:



Conclusion

The pandemic has proven that anything can happen to disrupt our personal lives and businesses without notice. The good news? We learned a few things in the past two years, and now we can all prepare. We can all set ourselves up for future success.

We've had a forced try because of the pandemic, but now is the time to be proactive and strategic with our business decisions and priorities. Implement the right strategies, tools, products, processes and expectations to navigate any future disruptions. Your employees will thank you for it.

Successful companies are the ones thinking about long-term strategy

Reach out to press@owllabs.com with any press inquiries and questions.















rather than “let’s just survive this crisis”. The reality is, most businesses were forced remote, and are now hybrid. We all need to work together to create a new way of working that is productive for businesses and employees alike.

Thanks for taking the time to read our report. We hope you found it insightful and useful.

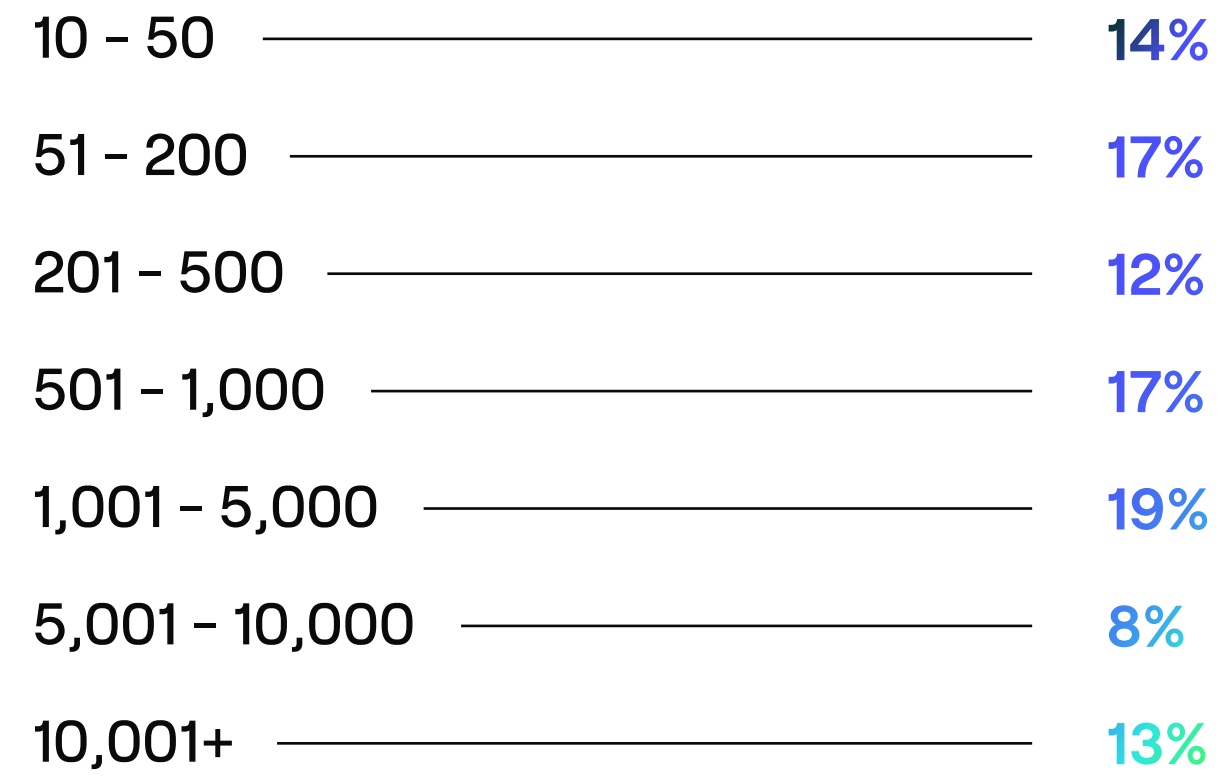
Background + demographics

Owl Labs in collaboration with Global Workplace Analytics (GWA) surveyed 2,050 full-time workers in the United States between the ages 21 and 65 at companies with 10 or more employees and a 50/50 gender split. This survey data was collected in September of 2021.

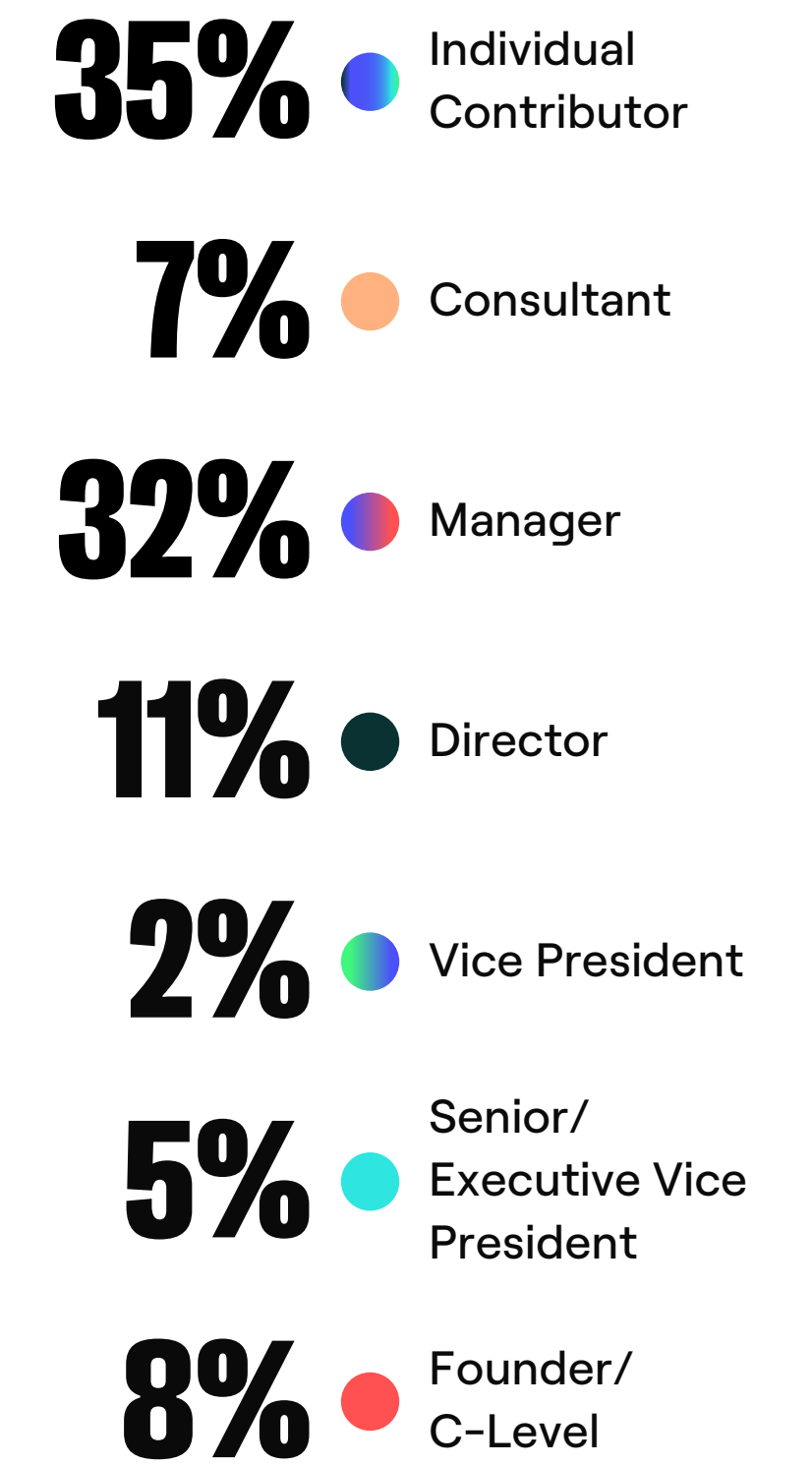
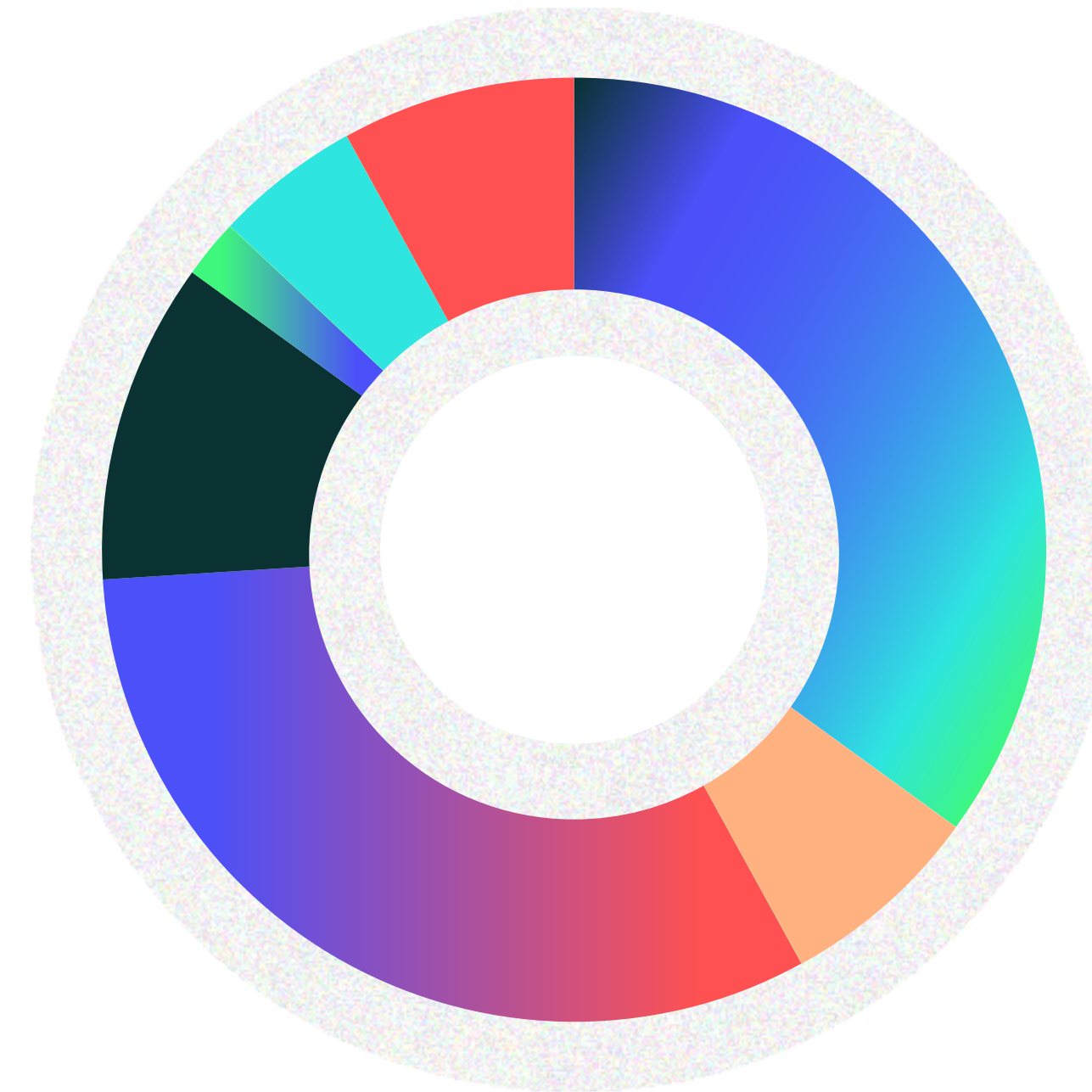
INDUSTRY

	Architecture, Construction + Engineering	5%
	Automotive	3%
	Consulting/Professional Services	4%
	Education	9%
	Entertainment/Hospitality	2%
	Financial, Insurance + Real Estate Services	13%
	Government	6%
	Healthcare	13%
	Manufacturing	8%
	Retail	8%
	Technology	13%
	Telecommunications	2%
	Transportation	2%
	Other	12%

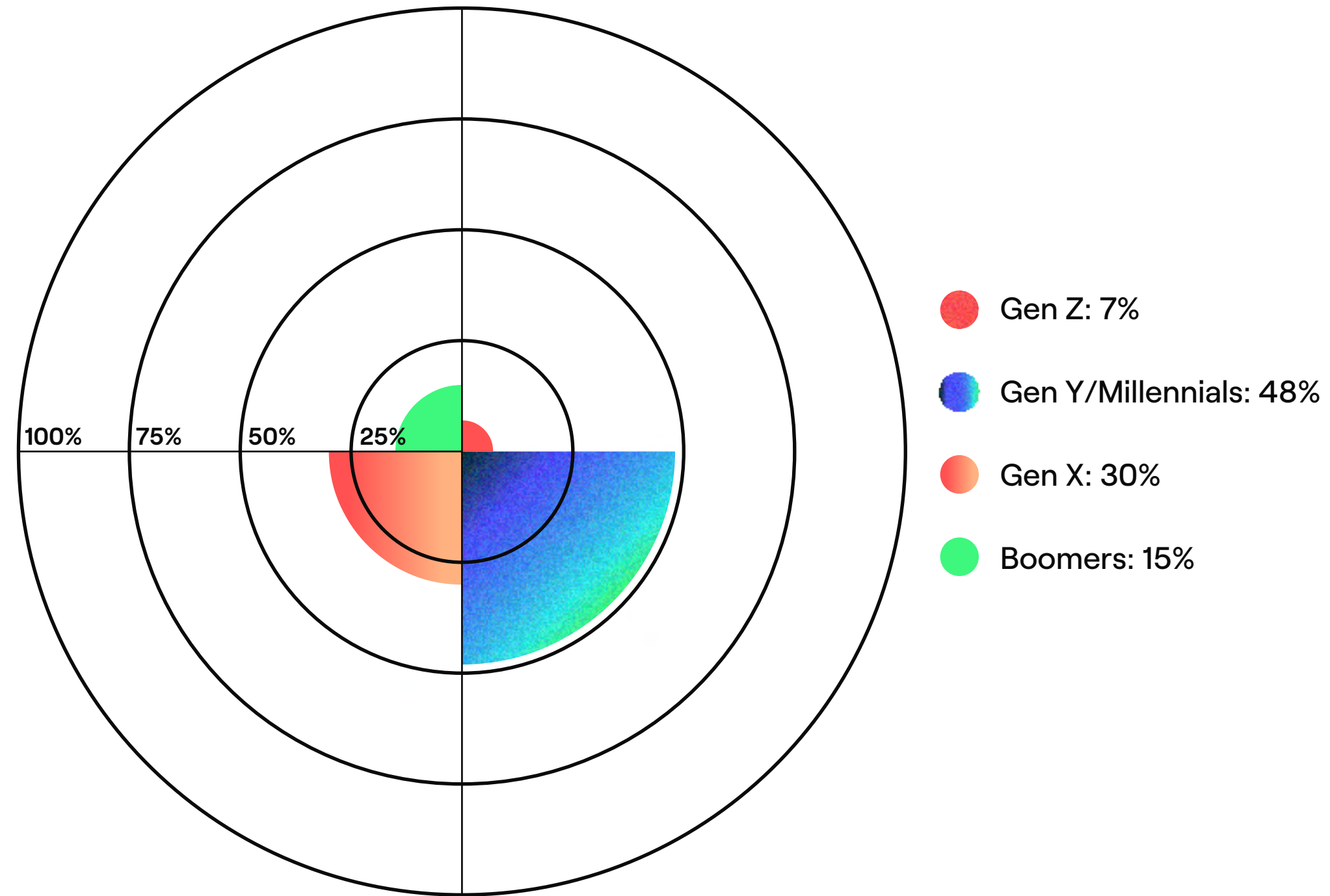
COMPANY SIZE



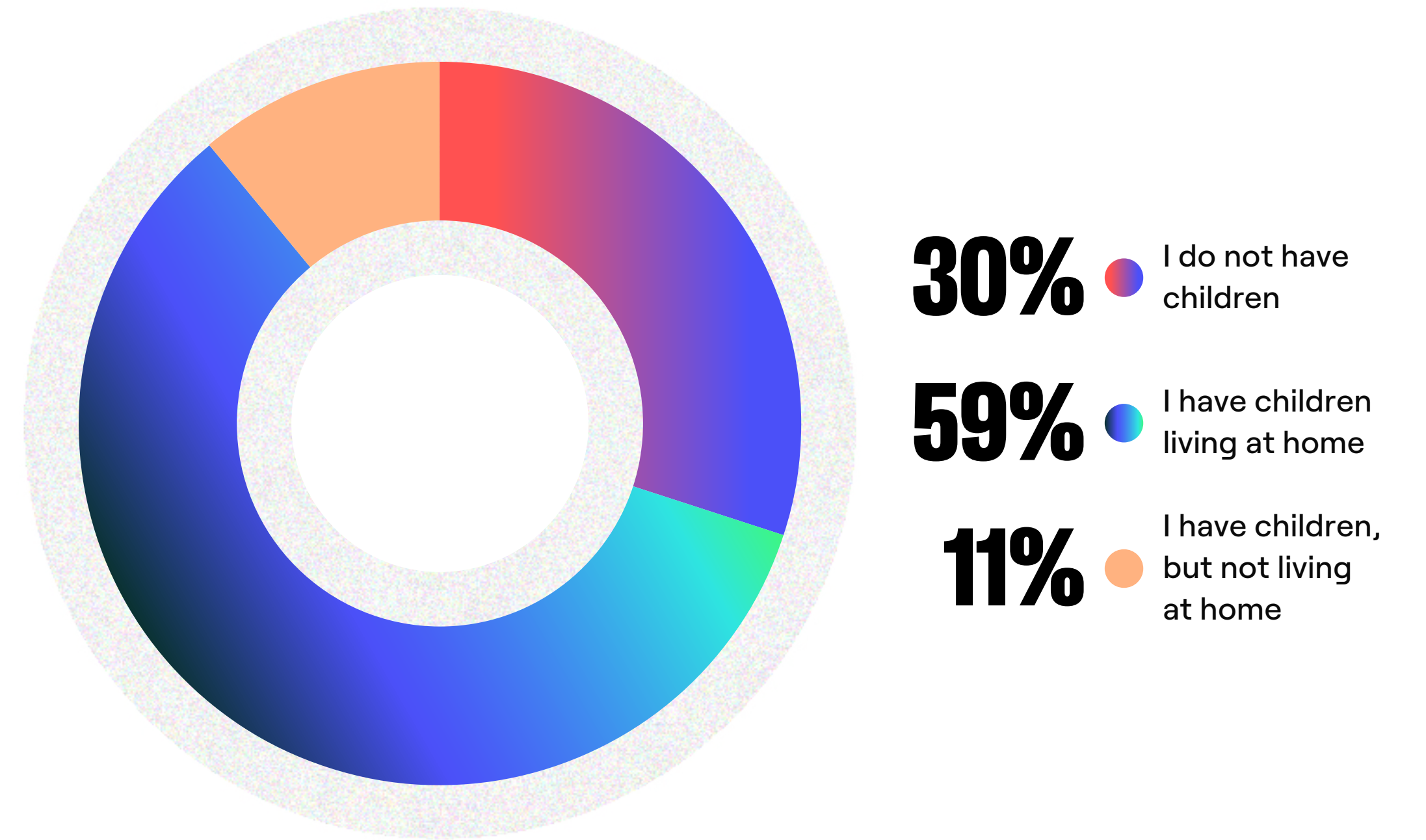
ROLE



AGE/GENERATION



CARETAKER ROLE



OWL LABS®

Owl Labs is a collaborative tech company revolutionizing how the world communicates, through its inclusive and immersive video experiences. Built for modern businesses, Owl Labs is dedicated to empowering hybrid and remote organizations with its award-winning technology and robust product suite. The company's flagship product, the Meeting Owl Pro, features a wifi-enabled, 360-degree camera, microphone, and speaker with Owl Labs' proprietary AI technology, that automatically focuses on the speaker using audio and visual cues. In 2020, the Meeting Owl Pro was honored as one of [TIME's 100 Best Innovations](#). Owl Labs continues to champion the hybrid work conversation with its annual [State of Remote Work](#) reports. To learn more about Owl Labs and to join the work and learn from anywhere movement, visit www.owllabs.com.



[Global Workplace Analytics](#) is a research-based consulting firm that has been helping employers launch and optimize distributed workplace strategies for nearly two decades. The firm's proprietary tools include a database of over 6,000 research papers, case studies, and other documents related to where and how people work and a Hybrid/Remote Work Savings Calculator© that a report to Congress described as "comprehensive and based on solid research." Kate Lister, president of Global Workplace Analytics, is a recognized thought leader on the future of work and trusted source of insights for news outlets including the *New York Times*, *Washington Post*, *Wall Street Journal*, *Newsweek*, and many others. In June of 2020, She was one of only three witnesses invited to testify before a U.S. Senate committee on the post-pandemic potential for remote work in government.