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CORNER OFFICE

What Bosses Really Think About the Future of the Office

C.E.O.s are eager for employees to return — and afraid of alienating those who have grown accustomed to working from home.

By David Gelles

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People think about the office differently now — including the C.E.O.s who for so long kept a watchful eye on which workers were at their desks.

Bosses who once relished face time have grown less attached to crowded elevators and overstuffed conference rooms. Executives who got promoted by putting in 15-hour days sitting in Aeron chairs under fluorescent lighting now accept that the workday can sometimes end at 3 p.m. or 11 p.m., depending on what is best for the employee. And C.E.O.s eager to attract young workers are adapting to changing norms, and realizing how nice more flexibility would have been earlier in their careers, when they had young children.

And yet, after careers spent climbing the corporate ladder, many C.E.O.s can't help but pine for the office, too.

"I do miss meetings in which you can stand up and go to the whiteboard and draw what you're thinking and have others look at it," said Sundar Pichai, the chief executive of Google and its parent company, Alphabet.

Across the country, employers are struggling with how, when and even if they will bring employees back to the office. In conversations with leaders at companies in a broad variety of industries — the people charged with making the ultimate call — the consensus was that there was no consensus.

C.E.O.s are struggling to balance rapidly shifting expectations with their own impulse to have the final word on how their companies run. They are eager to appear responsive to employees who are relishing their newfound autonomy, but reluctant to give up too much control. And they are constantly changing policies in response to worker demands, re-examining aspects of their business that they might not have tinkered with otherwise.

"Preferences are changing during this pandemic," said Tim Ryan, the U.S. chairman of PwC, the accounting and consulting firm, which announced that it would let its U.S. workers work remotely forever. "We knew that there's a segment of our people who would like not just to work flexibly, which we already had in place, but to work completely virtually."

The diverging approaches — and priorities — are on display less than a mile away from each other, in Chicago.

Late this summer, Upwork, a technology company that matches freelancers with jobs, welcomed employees back to its downtown office after more than a year of pandemic-induced slumber. Weeks later, with concerns about the Delta variant of the coronavirus mounting, Upwork's chief executive, Hayden Brown, decided to shut the office once again.

"We didn't over-agonize over it," Ms. Brown said. "It was kind of the prudent thing to do."

Just a few blocks from the Upwork office, the headquarters of Harrison Street, a private real estate investment firm with $40 billion under management, have been bustling for months. The company allowed employees back on a voluntary basis last year and called all its employees back, five days a week, after Labor Day.

"We take our responsibility and the money we manage very, very seriously," said Chris Merrill, a co-founder and the chief executive of Harrison Street. "And we're going to be able to do a better job if we're together. There's just no doubt about it."

Many factors are influencing this profound reordering of the work force and office life. After a year and a half spent logging on from their bedrooms or spare rooms, many white-collar workers have grown accustomed to their newfound flexibility. Companies are reassessing the need for — and the costs associated with — large offices, especially as business has remained strong and the markets have remained buoyant even with so few workers at their desks. And in recent months, the tight labor market has given employees the upper hand in setting the terms of how, and where, they do their work.

By this summer, PwC had already taken several steps to accommodate its 40,000 client-facing employees in the United States, who had been working remotely for over a year. Meetings were reduced by 25 percent. Video meetings were banned on Fridays, and many people could stop working at noon that day to get an early start on the weekend.

Then in early October, PwC announced that remote work was a permanent option. Workers had two weeks to decide what they would do. Those who decide to change cities or remain remote may have their assignments changed, but are not at risk of being let go.

It is a shift that Mr. Ryan said he believed other companies would be making in the months and years ahead.

“C.E.O.s are now just beginning to realize that if you’re employing thousands and thousands and thousands of people, you need to have multiple options,” Mr. Ryan said. “I believe what we announced will be commonplace for the mass employers in a matter of months. It’s just catching up with how fast the world is moving.”

“We basically just listened to the work force, and everybody said remote work was working really well,” said Ms. Brown, Upwork’s chief executive. Peter Prato for The New York Times

What Workers Want

Liz Fraser's first day as chief executive of Kate Spade, the fashion brand owned by Tapestry, was March 2, 2020. Less than two weeks later, much of the world had shut down.

For months, Ms. Fraser scrambled to keep the business afloat while also trying to connect with her new colleagues. "My hardest point was like six months in," she said. "I was like, 'Oh, I still don't know anybody.'"

After countless hours on Zoom calls, Ms. Fraser said, she finally felt she had gotten to know most of her close associates. Yet on a recent Friday, she was still working from her home in Brooklyn and celebrating Halloween on Zoom with colleagues, while the Kate Spade offices in Midtown Manhattan remained mostly empty.

If there is a lack of urgency to return to the office, that is largely because Kate Spade employees seem to prefer working from home.

"We've kind of worked around everybody's needs," Ms. Fraser said. "You know, let's just be flexible. From a professional perspective, but also from a personal perspective, what do they need to make this strange time work?"

At Upwork, too, employees are helping to shape company policies and determine the future of their shared office life.

"I think they do have more power now," Ms. Brown said. "Companies are listening to their employees more than ever before, and I think that's partly because the war for talent is greater than ever."

Even IBM, which for much of the 20th century had a reputation for a formal office culture where men were expected to wear suits and ties every day, is among the companies that are essentially letting employees set the terms of how and when they do their work.

Arvind Krishna, the chief executive of IBM, said he no longer cared whether office workers showed up at 5 a.m. or 11 a.m., or whether their workday ended at 3 p.m. or 9 p.m., so long as they were productive.

"Why should I, as an employer, care as long as you can get the work done and you're highly productive?" he asked. "I should not try to be overly dictatorial about that."

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The broad deference to employees is a stark change for corporate America. For decades, workers put in longer hours and extra days, working, on average, an additional full month more per year than in 1980, according to the Pew Research Center. Given that, and the fact that wages have not kept up with increases in productivity, perhaps it's not surprising that employees are eager to keep working from home, reclaiming some measure of independence.

"What employees are saying they want in their work environment going forward is going to be a lot more important than a bunch of senior executives at the top of an organization determining what that will be," said Andi Owen, the chief executive of MillerKnoll, the maker of the Aeron chair and other office furniture, which has yet to bring all of its own white-collar workers back full time.

It was input from Upwork employees that left Ms. Brown with no hesitation about re-closing the Chicago office, or with permanently shutting down the company's former headquarters in Silicon Valley earlier in the pandemic.

"We basically just listened to the work force, and everybody said remote work was working really well," she said. This month, Upwork reopened its Chicago office a second time to workers who want to go in.

“We are working on some borrowed time, in terms of working on memories of the relationships you have and the connections you have,” said Mr. Pichai, Google’s chief executive. Erik Tanner for The New York Times

Being Present

For Mr. Merrill of Harrison Street, the romanticization of remote work is balderdash.

“Being in the office makes sense,” he said. “It’s very, very important for the younger people to be together. That is where they learn. That is where they grow. That is where you’re going to create upward mobility.”

Mr. Merrill said there was no chance he could have gained the experience needed to start a successful firm if he had spent his early career working from home.

“My learning was sitting in my boss’s office and listening to a call, or sitting in on a meeting, or bumping into someone in the lunchroom,” he said. “It’s very important to get the younger employees in the office, collaborating and working hard.”

Mr. Pichai said that Google, where some workers have returned on a voluntary basis but most are still working remotely, remained productive (and profitable), but that going so long with limited in-person interactions with colleagues was getting old.

“We are working on some borrowed time, in terms of working on memories of the relationships you have and the connections you have,” Mr. Pichai said. “It’s taking a toll.”

As Google prepares for more employees to come back to the office next year, it is planning a makeover of many of its office spaces. They will feature modular furniture that can be easily rearranged and privacy robots capable of inflating balloon walls to create temporary rooms.

IBM, too, is eyeing a day when more of its workers are back in the office, collaborating together. “For a certain kind of work, let me call it creative work, as well as decision making, it is much easier and faster to do it when you are together,” Mr. Krishna said.

At companies where some workers remain remote while others show up in person, the rift between who’s in the office and who isn’t could have an impact on who is promoted to leadership roles, Mr. Krishna said.

“If you’re satisfied that the work you’re going to do is of an individual nature, you can do that remotely,” he said. “If the work you want to do is leadership, you have to spend some time in the office.”

And Ms. Owen of MillerKnoll warns that workers who resist going back to the office could find themselves isolated and at a disadvantage.

“One of my biggest worries is that we’re going to have remote orphans,” she said. “Walking down the hall to somebody’s office and knocking on the door, or doing a drive-by versus setting up a video appointment, these things are easier to do in person.”

For Mr. Merrill of Harrison Street, Zoom is simply no substitute for working alongside colleagues and partners.

“Personal interactions are what this is all about,” he said. “Being empathetic, being able to look someone in the eye and shake someone’s hand, just listening and sitting in people’s offices and bumping into somebody in the lunchroom and sharing an idea — that just doesn’t happen over Zoom.”

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Always On

While many office workers are still doing their jobs from home and enjoying newfound leverage with their employers, in some ways Americans are working harder than ever.

A full third of workers said last fall that they were putting in more hours than they had been before the pandemic, according to Pew. This was especially the case for people who used to commute. For many, the hours spent driving or taking public transportation had simply been subsumed into the workday.

“The work is not just happening in the workplace,” Mr. Pichai said. “It’s no longer defined by when it happens.”

Parents, too, have struggled to work from home with children around. Forty percent of working mothers said it had gotten harder to balance work and family responsibilities. And younger workers in particular said that even as expectations remained high, it was exceedingly difficult to stay focused and on task while working from home.

“I don’t necessarily buy into the mythology of people who are just working part time and hanging out in their beds, doing nothing,” said Ms. Owen of MillerKnoll. “I think people are working harder.”

The blurring of the lines between the workday and the rest of life has contributed to a growing sense of disaffection in the labor force, and may help explain the mass resignations that are upending the job market. A record 4.3 million Americans quit their jobs in August.

Yet with remote work likely to persist for at least two years for some office dwellers, and with smartphones, Slack, email and Zoom making it possible to work anywhere at any time, the boundary between one’s professional life and personal life is getting blurrier than ever.

“We have done a social experiment over the last 18 months,” said Mr. Krishna of IBM. “The world where the clock tower rings and everybody goes to work, then the clock tower rings and then you all go back home — that’s over.”

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A Hybrid Future

As PwC looks to a future when many of its employees may be working from home indefinitely, Mr. Ryan is hoping to create an environment where remote work is not viewed as being inferior to showing up in the office.

“There’s almost an inherent bias it’s negative,” he said of the impact on remote workers. “What happens if that’s the positive?”

If all the details aren’t sorted out yet, that’s OK with Mr. Ryan. He is moving fast in hopes of staying ahead of what he believes is a tectonic shift in how people work.

“What worries me the most is being the frog in the pot,” he said. “That’s why we did this. Worst case, it doesn’t work out. I’m OK with that. We’ll fix it.”

Ms. Fraser of Kate Spade is also trying to embrace a future where key employees might live thousands of miles away.

“I don’t even necessarily care where you live, as long as you have the flexibility to come to New York as needed,” she said. “You can live wherever.”

Ms. Fraser, who has worked relentlessly for years now and has an 18-year-old daughter, said she wished she’d had more opportunities to work remotely earlier in her career.

“It would have been a game changer for me to have had a little bit more flexibility so that I could take my meetings from home in the afternoon,” she said. “I definitely traveled a lot and I worked really hard, and I wanted to. I don’t regret it. But there’s no such thing as quality time. There’s just time.”

Whether the future is all remote, back in the office or somewhere in between, what is clear is that office work for many is unlikely to resemble what it was in the past. Employees may be in the office only a few days a week, if at all. Their manager may live in another state. It might be months or even years before colleagues who speak every day ever meet in person. And to hear many C.E.O.s tell it, that’s all OK.

“So many executives are holding on to remnants of the past and assuming that was normal,” said Ms. Owen of MillerKnoll. “The world is evolving. We changed as a society, and we changed what we know we can do.”