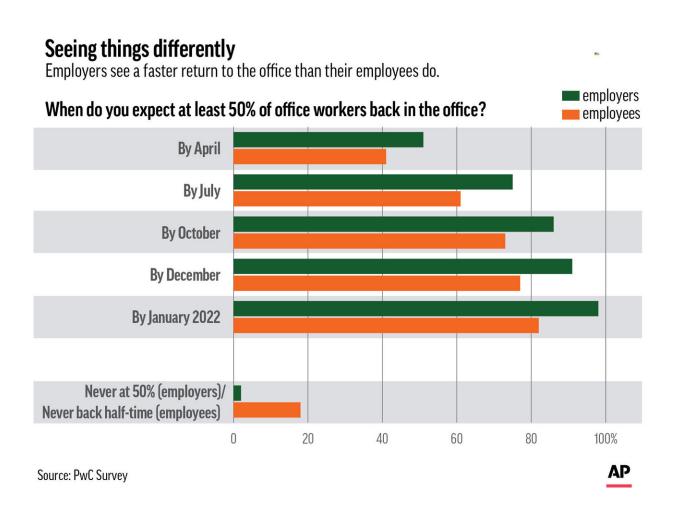


Will work from home outlast virus? Ford's move suggests yes

March 17 2021, by Tom Krisher and Christopher Rugaber



Employers see a faster return to the office than their employees do.

It's a question occupying the minds of millions of employees who have worked from home the past year: Will they still be allowed to work



remotely-at least some days-once the pandemic has faded?

On Wednesday, one of America's corporate titans, Ford Motor Co., supplied its own answer: It told about 30,000 of its employees worldwide who have worked from home that they can continue to do so indefinitely, with flexible hours approved by their managers. Their schedules will become a work-office "hybrid": They'll commute to work mainly for group meetings and projects best-suited for face-to-face interaction.

Ford's announcement sent one of the clearest signals to date that the pandemic has hastened a cultural shift in Americans' work lives by erasing any stigma around remote work and encouraging the adoption of technology that enables it. Broader evidence about the post-pandemic workplace suggests that what was long called tele-commuting will remain far more common than it was a year ago.

A <u>report this week</u> from the employment website Indeed says postings for jobs that mention "remote work" have more than doubled since the pandemic began. Such job postings are still increasing even while vaccinations are accelerating and the pace of new confirmed COVID cases is declining.

"If job postings are a guide, employers are increasingly open to remote work, even as some employees return to the workplace," said Jed Kolko, chief economist at Indeed.

The share of Indeed's job postings that mention "remote work" or "work from home" reached 7% last month, up from just below 3% a year ago. But in some industries, the gains were far more dramatic, including those that haven't traditionally welcomed remote work.

In legal services, for example, remote-work postings for jobs including



paralegals and legal assistants jumped from under 5% in the second half of 2019 to 16% in the second half of 2020, according to Indeed data. In banking and finance, for such jobs as actuaries and loan underwriters, remote-work postings surged from 4% to nearly 16%. For mental health therapists, they rose from 1% to nearly 7%.

Such shifts could, in turn, trigger changes in where people live and affect the varying economic health of metro areas. Some highly skilled workers could migrate from high-cost coastal cities, where they had clustered in the decade after the Great Recession, to more affordable cities or small towns. Downtown offices could shrink and exist mainly for collaborative work. The tax revenue of large cities could tumble as fewer workers patronize downtown bars, restaurants and coffee shops.

"The pandemic has broken the social and cultural norms for how we work," said Timothy Golden, a professor of management at Rensselaer Polytechnic Institute. "Remote work has become much more accepted."

Ford is just the latest company to allow more work from home after the pandemic. Salesforce, Facebook, Google and other tech firms have said they'll continue work-from-home policies indefinitely. Target Corp. will leave one of four downtown Minneapolis office locations because it's moving to a hybrid model for 3,500 workers. It will keep other downtown offices.

Flexible remote work is hardly an equal opportunity perk. It is disproportionately concentrated among more educated, well-paid workers. The jobs of lesser-paid employees generally require on-site work or face-to-face contact with the public.

More than one-third of Asian employees and a quarter of whites worked from home because of the pandemic in January, according to an analysis of government data <u>by the Conference Board</u>, a business research group.



Just 19% of Black workers and 14% of Hispanics were able to do so.

Ford has found over the past year that employees and supervisors believe that more work can be done remotely, that they can still connect with each other and that they have the means to do their jobs, said Kiersten Robinson, chief people and employee experiences officer. So when its hybrid schedule begins in July or soon thereafter, Ford will give teams a choice of when to come to the office.

Robinson said a flexible schedule will also help Ford compete for talent.



This Feb. 15, 2018, file photo shows a Ford logo on the grill of a 2018 Ford Explorer on display at the Pittsburgh Auto Show. Edsel B. Ford II is retiring from the board of Ford Motor after serving as a board member for 33 years. The automaker also named some other members of the famous family as board



nominees. Board nominees will be up for election at Ford's annual meeting on May 13, 2021. (AP Photo/Gene J. Puskar, File)

"I do think we're seeing a real shift in expectations among candidates," she said.

Among the employees pleased by the new policy is Kelly Keller, Ford's chemistry and material compliance manager. Keller, who has been working a hybrid schedule since the pandemic erupted a year ago, wouldn't want to go back to commuting to work each day. Now she generally works three days from home and then commutes for the next three workdays, an hour each way, to a lab in Dearborn, Michigan.

Sometimes when she's home, she gets to take her daughter to elementary school and start work a little late before finishing later in the day.

"I definitely enjoy the flexibility," Keller said. "I would be grateful for the opportunity to continue the hybrid arrangement, for sure."

Of the workers she supervises, seven commute to the lab every day; four work from home. The at-home workers, Keller said, have been more productive than they were before the coronavirus struck because they often work during the time they would have been commuting.

"For most," she said, "I think they put in longer days."

A study last month by Alexander Bick, an economist at Arizona State University, and two colleagues <u>found that</u> nearly 13% of workers they surveyed plan to work from home full time after the pandemic—nearly double the 7.6% who did so in February 2020. An additional 25% expect to do so at least one day a week, up from 17% before the pandemic.



Company executives overwhelmingly report that remote work has succeeded during the pandemic, according to research by consulting firm PwC. About 55% said they envision allowing continued remote work, according to the survey of 133 executives of mostly large companies. Just 17% said they wanted employees back in the office as soon as possible. An additional 26% said they preferred only limited remote work but recognized that it's become popular with employees.

Ford and other companies have been redesigning their offices, or considering doing so, to reflect fewer cubicles and personal offices and more conference rooms and other spaces for workers, who may be onsite for just part of the week, to collaborate.

A more flexible attitude about workplaces could deal a blow to the largest U.S. cities. Many Americans are already capitalizing on remote work to leave New York, Los Angeles, Boston and the San Francisco Bay Area in favor of Phoenix; Tampa, Florida; Austin, Texas; Charlotte, North Carolina; and other less expensive areas, real estate data shows.

One telling detail: Even as the number of homes for sale has tumbled nationally in the past year, the supply of for-sale houses in New York, San Francisco and Los Angeles has actually increased, according to the real estate brokerage Redfin. And the drop in available homes has been much smaller than the national average in other large coastal cities, such as Seattle, Boston and Washington.

Many cities may also absorb a financial hit even if remote workers don't move. One academic study estimates that spending by workers at downtown businesses will shrink 5% to 10% after the pandemic.

Daryl Fairweather, chief economist at Redfin, said the pandemic has accelerated a trend that predated the virus: More Americans have sought cheaper homes in lesser-known cities and suburbs.



Fairweather herself left Seattle last summer after wildfires in Oregon turned the city's skies smoky and dark. Originally, she, her husband and two small children planned to stay for just a month in a small town in Wisconsin, near his family. Soon, though, they decided to make it permanent, and Fairweather has been able to work remotely.

"We liked the pace of life—we liked being near family," she said. "It's so affordable here."

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Citation: Will work from home outlast virus? Ford's move suggests yes (2021, March 17) retrieved 26 June 2024 from <u>https://phys.org/news/2021-03-home-outlast-virus-ford.html</u>

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