

## Is working from home really the new normal? – Script

Covid-19 is transforming people's relationship to work, with millions now out of a job and many more getting used to working in a very different way. The proportion of Americans working from home full-time has gone from 1 in 50 to more than 1 in 3.

Covid has been a transformation and that raises a whole bunch of questions. Do you need as much expensive office space? And do individual workers need to commute into the office every day?

The need for workers to gather together in offices has shaped almost every aspect of modern life and the shift towards remote working could have far-reaching consequences. It could alter the shape and purpose of cities, affect gender equality and even change how we think about time.

The modern office emerged along with the Industrial Evolution when people migrated to cities in search of work.

*Philip Coggan: Factories required everybody to be together so they could take advantage of the powered machinery. That started to bring everybody into cities where they work together and easily walk to the place where they were working. That, in turn, led to the growth of the offices to manage all those companies.*

Early offices were organised into rows of desks for clerks overseen by a central manager, mirroring the production line on the factory floor. And 200 years later, despite the rise of the internet, the basic function of the office persists.

*PC: We made the leap from seeing that people could communicate via electronic means, like email, via shared documents, without realising that it didn't mean the everybody had to be at the same place. We've had 200-odd years since the internet and office's design is really only starting to reflect the real possibilities of that change.*

The uncomfortable truth about offices is that they are expensive and inefficient. Companies spend on average 10,000 dollars on office space per employee every year. The most expensive office real estate is in Hong Kong, where every square foot costs on average 265 dollars per year. Beijing and London are the next expensive locations. a

*PC: I've talked to companies that say they're thinking of maybe using two floors in a building instead of four. Or maybe using regional offices and sub-offices so that not everyone has to commute into a big city.*

The idea of workers clocking in and out at the same time every day also dates back to the Industrial Revolution. Before that, people were paid based on how much they made rather than the amount of time they spent at work. And if the office ceases to be the centre of working life, the idea of working set hours or the the nine-to-five will become meaningful.

*PC: We may well work on a Sunday or Saturday afternoon, if that's more convenient for us. We're shifting back again to people being paid for their function, and not for the time they turn up.*

Tech companies are leading the charge towards remote working. Twitter has already said their staff need never come back to the office if they don't want to. And Facebook says half its staff could be working remotely in a decade. These types of high-skilled, highly paid roles have a disproportionate impact on the economy. They are known as knowledge jobs. And where they are physically located is important as they support entire ecosystems of other jobs around them.

Alice Fulwood: *For every knowledge job, there are five other jobs that are dependent on that job. Some of these are very highly skilled, like lawyers and doctors, but most of them are lower skilled jobs like baristas, yoga instructors and other sort of urban services. Once you add up all the spillovers that they contribute, the majority of Americans are employed in a way that means that they are dependent on knowledge jobs.*

Although it's impossible to know exactly how many of the roles are supported by these so called knowledge jobs, if they were to become remote positions, it would have a profound impact on the jobs they support in the wider economy. But this isn't a one-way street. Knowledge jobs are such powerful drivers of the economy because they are usually based in cities.

AF: *The reason knowledge jobs tend to be located in cities is because they depend very heavily on these agglomeration effects, so when you put those people very closely together, they become much much more productive. So Americans living in agglomerations with more than a million people are more than 50% more productive than ones living in metros with smaller populations. The question for knowledge workers is whether you could replicate those productivity benefits with a looser relationship to a city or with no relationship to a city.*

Those able to work from home are a privileged minority. And in general, the higher a country's GDP per head, the more people are able to work remotely. In Cambodia, just 11% of jobs can be done from home, compared with 45% in Switzerland, or 37% in America. But the work-from-home revolution is having a particularly pronounced effect on some groups within the workforce. Women are more likely to work in face-to-face roles, so they have been disproportionately effected by the recession caused by Covid-19. In previous recessions, men have generally been more likely to be laid off as they were overrepresented in manufacturing and construction. This time around, more women in America have lost their jobs. And those who've kept their jobs have extra challenges. Mothers are now interrupted over 50% more often than fathers. But the normalisation of home working during pandemic could also have long-term benefits to some female workers.

AF: *Each remote work becomes this way of working that has no stigma attached to it. And I think that requirement that you drop everything and be in the office all the time for these sort of highly powered careers will sort of slacken slightly and it might be a good thing for women to sort of help them break through.*

Although offices are sitting empty, corporate leases can run for as long as a decade. There has not yet been a rush to sell office real estate, so the office, in some form, looks set to survive the pandemic.

AF: *I'm sceptical when people say „Oh well, we sort of proved that we can do it from anywhere“. I'm like „really, just try to do it for a year and we'll see you're as productive as you were.“*

The global experiment in remote working has shown there are some things that are hard to foster online, like corporate culture and creativity and these will be the mainstays of the post-pandemic office.

AF: *Younger workers, they make friends and connections, and a network where they can get on in life later on. It's very hard to build a kind of esprit de corps in a company for people who haven't met. Offices will be less of a prison cell and more of a collaborative area, more of a games room, where you go in to try and shoot the breeze with colleagues and come up with something different.*

It may feel like the pandemic has revolutionised working life, but in some ways it has simply come full circle. Before the industrial revolution, there was no working week, no 9 to 5, or fixed workplace for many people. And thanks to Covid-19, this may be closer to the way things will look when the world emerges from lockdown.