

# Office prospects in 2021: Will hybrid workplace become the norm? 1/32/21



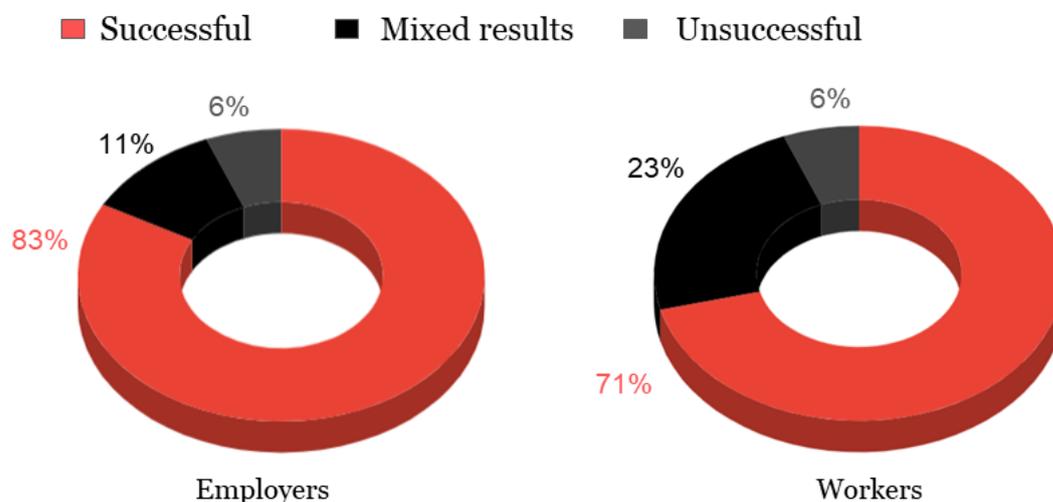
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CEOs and workers are increasingly embracing remote work. CEOs plan to invest more in order to support adoption of the hybrid work model. Workers are not so eager to return to the office as their managers. CEOs face difficult decisions about using office space. These are just a few of the issues and findings from a recent PwC survey.

[As part of a remote work survey conducted](#) in late 2020 and early 2021, PwC US interviewed 133 CEOs and 1,200 office workers in the US to find out how efficient their remote work has been. Although the findings relate to the US environment, we can see some parallels relevant to the work environment in Latvia.

Employers and workers are increasingly embracing remote work. For example, 83% of employers (up from 73% in June 2020) find that the shift to remote work has been successful in their companies. The work productivity data shows a positive attitude in both groups finding that remote work boosts productivity. These positive trends observed between the two surveys suggest that future forms of work will include remote work.

## Remote work has been a success



Q: How successful was the shift to remote work because of Covid-19 for your company? (responding 'successful' and 'very successful')  
Source: PwC US remote worksurvey  
January 12, 2021. Base: 133 US executives and 1,200 US office workers.

Over 60% of CEOs plan to invest more in developing the hybrid work environment. Key investment goals include virtual collaboration tools, security and connectivity of IT infrastructure, staff training on working in virtual teams, and transforming the physical office (e.g. adopting the open workplace principle, setting up co-working space, and adapting the conference room equipment for virtual communication).

The survey also shows differences in expectations. Employers are more prepared to return to the office than workers. The same is true for the desired time model. More than half of workers would like to work remotely at least three days a week, while 43% of CEOs prefer in-office work or a very limited remote work

schedule.

One in five employers says they want to return to the office as soon as possible because they find it critical for their corporate culture and performance. The survey suggests this strategy could be a solution for companies with a very strong employer image, while those already struggling to recruit could find themselves losing the fight for workers embracing flexibility and remote work opportunities.

The rapid environmental and behavioural changes resulting from the pandemic will force companies to revise how they organise work and use office space. CEOs do not have a single approach to this issue. Only 31% of CEOs plan to cut office space with the percentage of remote work going up. 56% of CEOs plan to expand office space either due to a growing headcount or because they need to provide each workplace with more private space for epidemiological reasons.

Organising hybrid work requires an even better thought out plan for the functionality and use of office space. The year 2021 could change the assumption that organising remote work saves on property costs. Workers find the office important for training and career growth, while CEOs say the office is needed to boost workers' productivity and develop corporate culture. Both groups agree that office space is needed to encourage collaboration and hold in-person meetings.

Since the pandemic has considerably accelerated changes to the work environment, CEOs should be able to choose the working model quickly (hybrid work is likely to become dominant in the work environment) and to redefine the purpose of office. This certainty will allow them to understand how and where work is done, how much office space is needed, and how they can help their employees work efficiently in any work environment. There is no single approach or correct answer but changes are taking place already. In choosing a particular strategy (to change or return to the pre-pandemic regime) we should be aware of the need to change our culture, communication, and priorities.