

Work from Home Before and After the Covid-19 Outbreak

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*This research is a collaboration with the Dallas Fed. Results from the RPS do not represent official forecasts or views of the Federal Reserve Banks of St. Louis and Dallas, the Federal Reserve System, or the Federal Open Market Committee.

Today

1. Document **trends** in work from home (WFH)
2. How much WFH in the **future**?
3. WFH and **Job Flexibility**

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 2. *Last week, how many days did you **commute** for this job?*

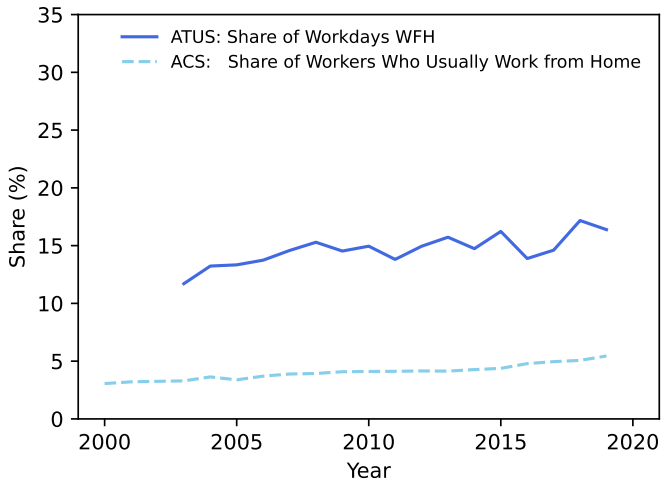
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 - WFH Status
 - ▶ **Commute-Only**: Days commuted = Days worked
 - ▶ **WFH Some Days**: $0 < \text{Days commuted} < \text{Days worked}$
 - ▶ **WFH-Only**: Days commuted = 0
- *Note: WFH excludes days partly WFH, secondary jobs, home production

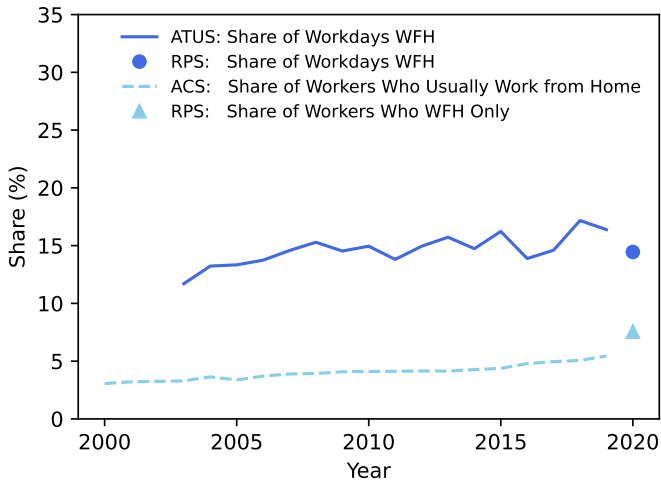
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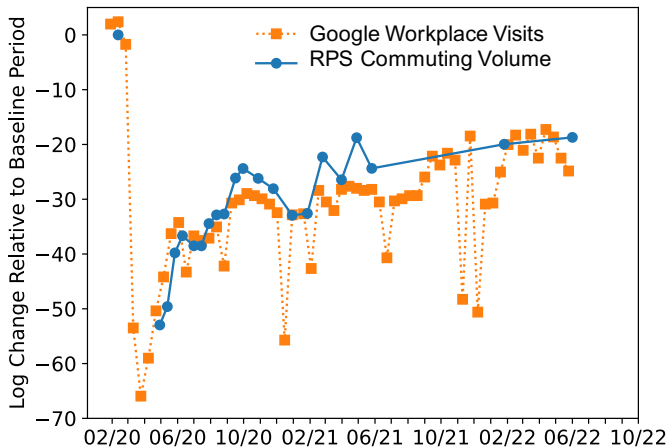
Slow Increase in WFH Before COVID-19



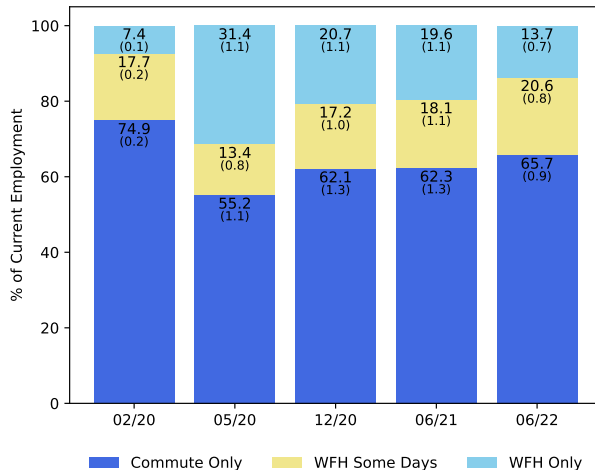
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Fast Collapse and Partial Recovery of Commuting Trips



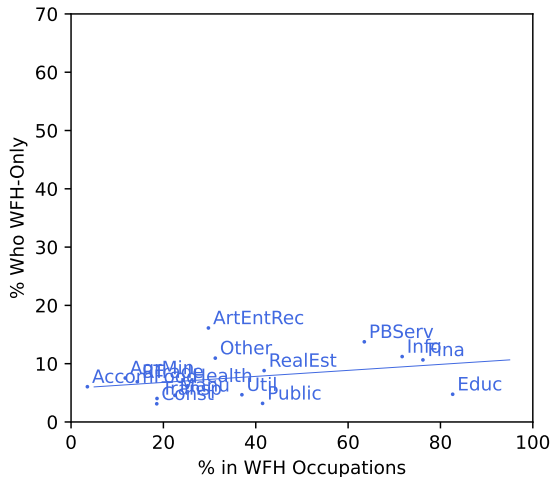
Post-Pandemic WFH Trends Driven by Commuting-Only & WFH-Only



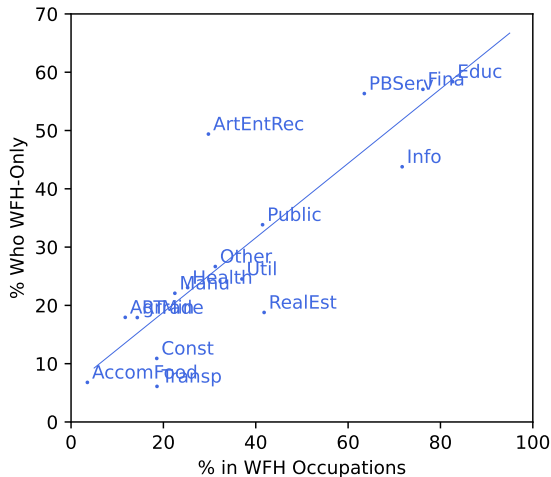
Increase in WFH During Pandemic Mainly Driven by

- pre-pandemic full-time commuters ...
- who began to WFH full-time ...
- still with their pre-pandemic employer ...
- who are highly educated ...
- and work in financial / information / professional / public services.

February 2020: Little Variation in WFH-Only Rates Across Industries



May 2020: WFH Potential Determines WFH-Only Rates



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Change in Employer WFH Policies Key for Increase in WFH

We ask job-stayers who switched from commuting to WFH:

Which best explains why you commuted to work every workday in Feb. 2020?

- a) My job **COULD NOT** be done from home
- b) Some or all of my job could have been done from home, but my employer **REQUIRED** me to commute each day
- c) Some or all of my job could have been done from home, but I **PREFERRED** to commute each day

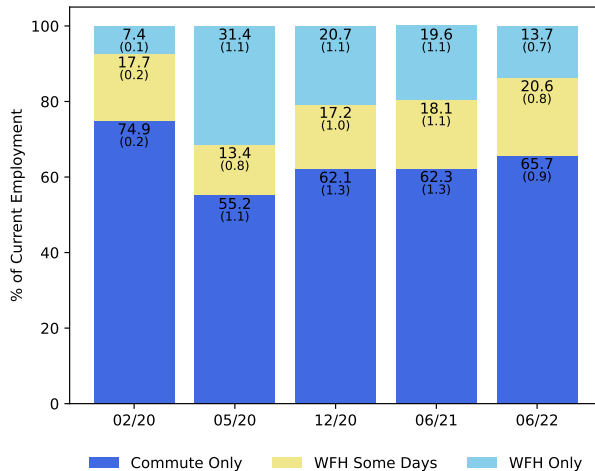
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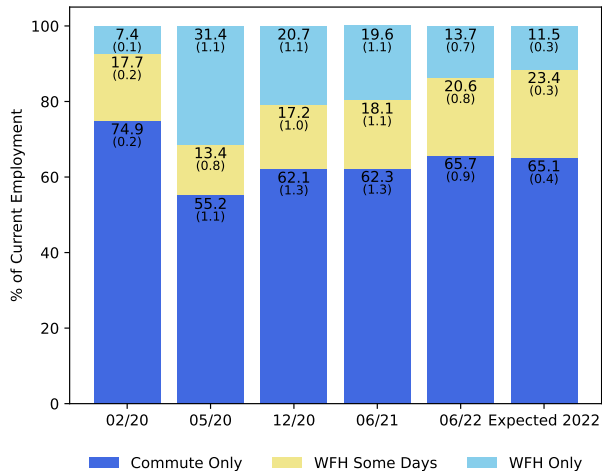
Which best explains why you commuted to work every workday in Feb. 2020?

- a) My job **COULD NOT** be done from home [18%]
- b) Some or all of my job could have been done from home,
but my employer **REQUIRED** me to commute each day [63%]
- c) Some or all of my job could have been done from home,
but I **PREFERRED** to commute each day [19%]

Workers Expect WFH to Remain Above Pre-Pandemic Level



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WFH makes Jobs More Flexible (June '22 survey)

- WFH:
 - ▶ Average weekly commuting time per worker decreased by 44 minutes, or 17%
 - ▶ More multi-tasking of work and personal activities among WFH workers
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- Work hours flexibility:
 - ▶ Share with flexible work hours increased by 9pp
 - ▶ Flexible work hours more prevalent among workers with WFH option (74% vs. 45%)

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Work from Home Before and After the COVID-19 Outbreak

- Feb '20: 14% workdays at home → May '20: 40% → June '21: 29% → June '22: 25%
- Expectation in Jun '22 for Jun '23: 21% of workdays at home
 - ▶ Shift from WFH-Only to WFH Some Days (hybrid mode)
- Increases in WFH concentrated among high educated workers in few industries (financial / information / professional / public services)