Work from Home Before and After the Covid-19 Outbreak

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Technology-Enabled Disruption Conference

* 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
Ho do we measure WFH?


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

  - WFH Status
    - Commute-Only: Days commuted = Days worked
    - WFH Some Days: 0 < Days commuted < Days worked
    - WFH-Only: Days commuted = 0

*Note: WFH excludes days partly WFH, secondary jobs, home production*
Ho do we measure WFH?

- Ask each worker about their main job last week [and in February 2020]:
  1. *Last week, how many days did you work for this job?*
  2. *Last week, how many days did you commute for this job?*
Ho do we measure WFH?

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WFH Status

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Outline

1. Trends in WFH
2. How Much WFH in the Future?
3. WFH and Job Flexibility
4. Conclusion
Slow Increase in WFH Before COVID-19

- ATUS: Share of Workdays WFH
- ACS: Share of Workers Who Usually Work from Home

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Slow Increase in WFH Before COVID-19

ATUS: Share of Workdays WFH
RPS: Share of Workdays WFH
ACS: Share of Workers Who Usually Work from Home
RPS: Share of Workers Who WFH Only
Fast Collapse and Partial Recovery of Commuting Trips

![Graph showing the log change relative to baseline period for Google Workplace Visits and RPS Commuting Volume. The graph includes data points from February 2020 to October 2022.]
Post-Pandemic WFH Trends Driven by Commuting-Only & WFH-Only

<table>
<thead>
<tr>
<th></th>
<th>02/20</th>
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<th>12/20</th>
<th>06/21</th>
<th>06/22</th>
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</thead>
<tbody>
<tr>
<td>Commute Only</td>
<td>74.9 (0.2)</td>
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<tr>
<td>WFH Some Days</td>
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% of Current Employment
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*
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* [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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% of Current Employment
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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
  ▶ Share who could move anywhere in US and keep job doubled (11% vs. 5%)
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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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- 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)