

# Trends in Remote Work

**Steven J. Davis**

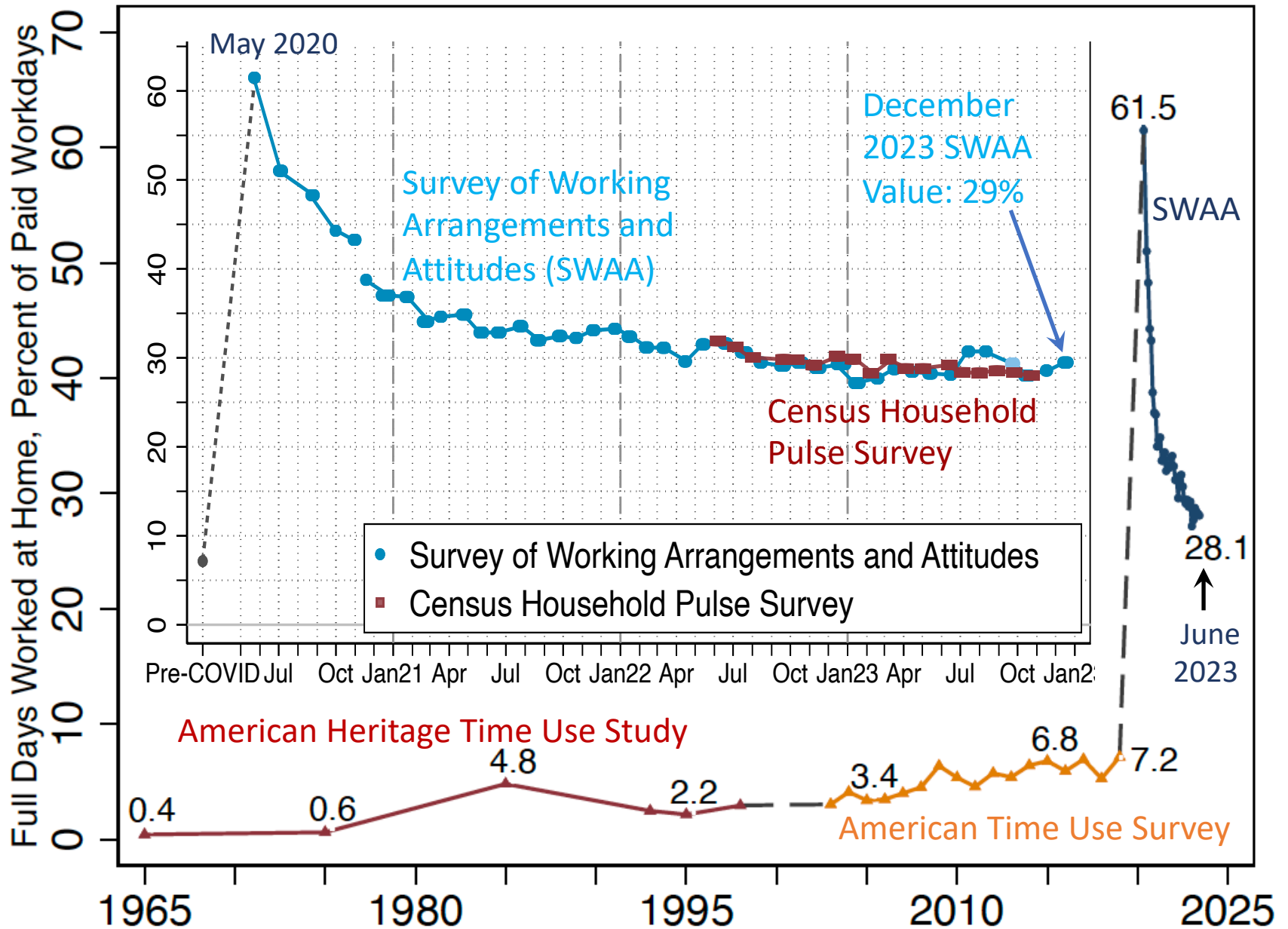
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Hutchins Center Conference on the  
Recent Evolution of Labor Markets

**Brookings Institution**  
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# Work from Home over Time in the United States



# How Much WFH in the United States?

Among persons 20-64 years of age with annual earnings > \$10K (or HH income > \$25K):

1. WFH averages 29% of full workdays in 2023 in the HPS and the SWAA.
2. WFH averages 22% of paid workhours in the ATUS but only 15% in the CPS.
3. One-third of persons engage in some “telework” on a typical day in the ATUS, while only one-fifth do so in a typical week according to the CPS.
4. 15% of persons worked in a fully remote capacity in a typical week in the ACS (2022), 14% in the SWAA (2023), and 10% in the CPS (2023).

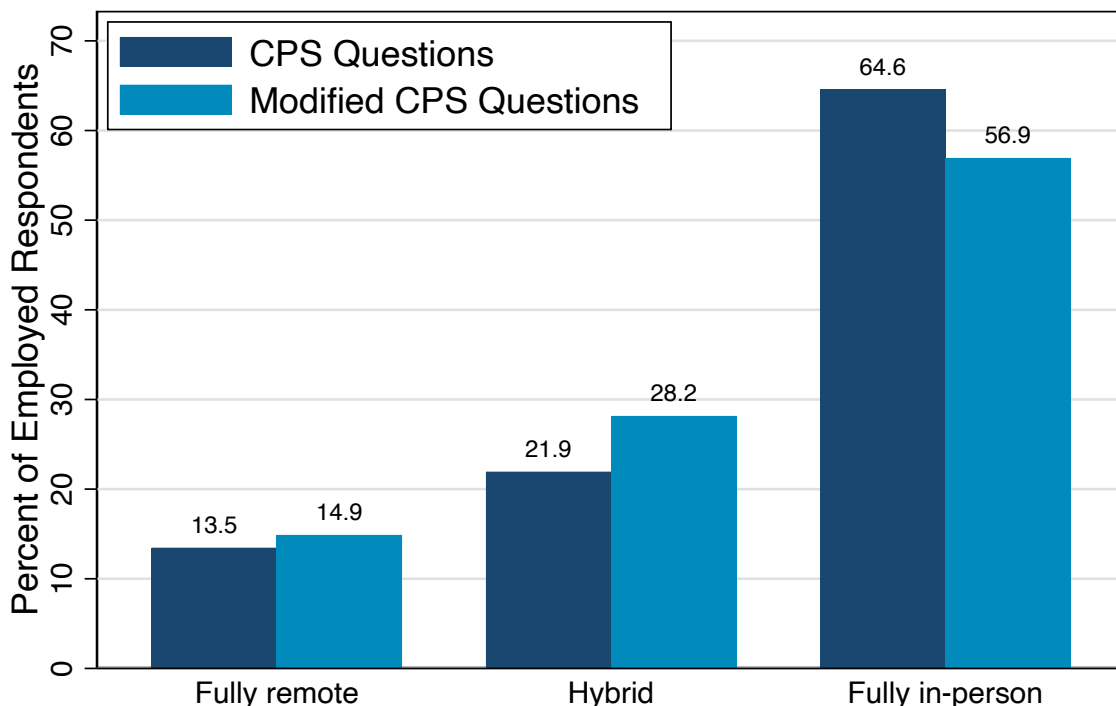
This slide summarizes selected results in “How Much WFH in the United States?” Work in progress by Barrero, Bloom, Buckman and Davis.

# Using the SWAA to Assess the CPS Question Design

## WFH Share of Workhours by Question Design:

Actual CPS: 23%      Our Modified CPS: 26%

### Fully Remote, Hybrid, and Fully In-Person Workers Share Across Different Question Formulations



Bottom line: Small modifications to the CPS question design raise the WFH share of hours by 3 ppts and the uncidence of WFH by 8 ppts. Question design matters more for women and for young workers.

## Actual CPS Questions:

- We have some questions related to how the COVID-19 pandemic affected where people work. At any time LAST WEEK did you telework or work at home for pay?

- Last week, you worked N hours. How many of these hours did you telework or work at home for pay?

## Our Modified CPS Questions:

- Did you spend any time LAST WEEK working at home for your job?

- Last week, you worked N hours. How many of these hours did you work at home (or at a friend's place, coffee shop, or the like)?

**Notes:** Data are from the October 2023 SWAA wave. We randomly assigned each respondent to one set of questions (including a third set not shown). We focus on workers who earned \$10,000 or more in the prior year, and who worked for pay in the week prior to the survey. We reweight the raw responses to match the Current Population Survey by age-sex-education-earnings cells.

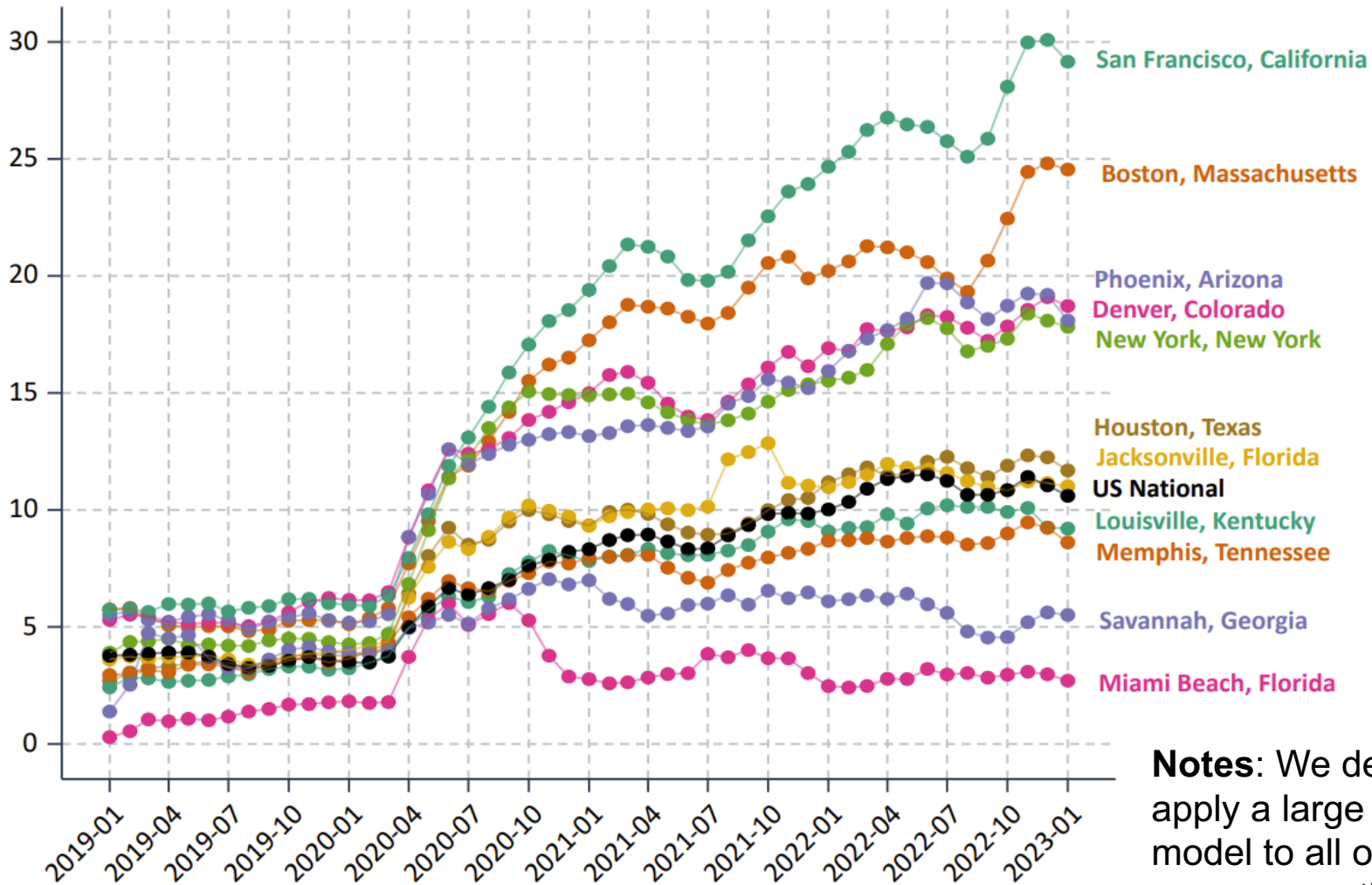
**N = 1,453 (CPS Questions)**

**N = 1,443 (Modified CPS Questions).**

Source: See previous slide.

# Work-from-Home Adoption Rates Vary Greatly Across U.S. Cities

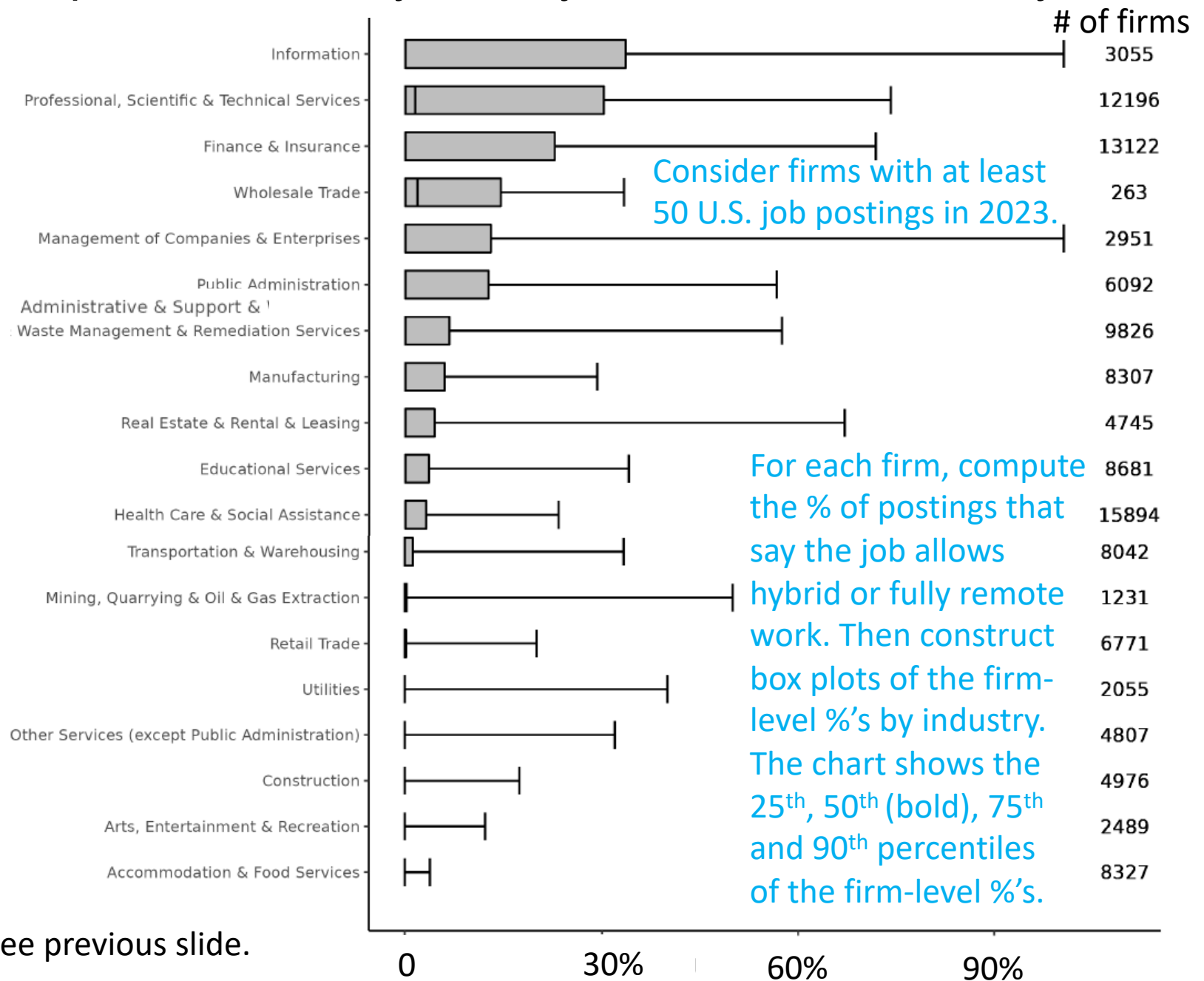
Percent of vacancy postings that explicitly say job offers hybrid or remote work



Reproduced from “[Remote Work across Jobs, Companies, and Space](#),”  
By Hansen, Lambert, Bloom, Davis, Sadun and Taska.

**Notes:** We develop and apply a large language model to all online job vacancy postings in the US (from Lightcast) to create these data. Updates at [www.wfhmap.com](http://www.wfhmap.com).

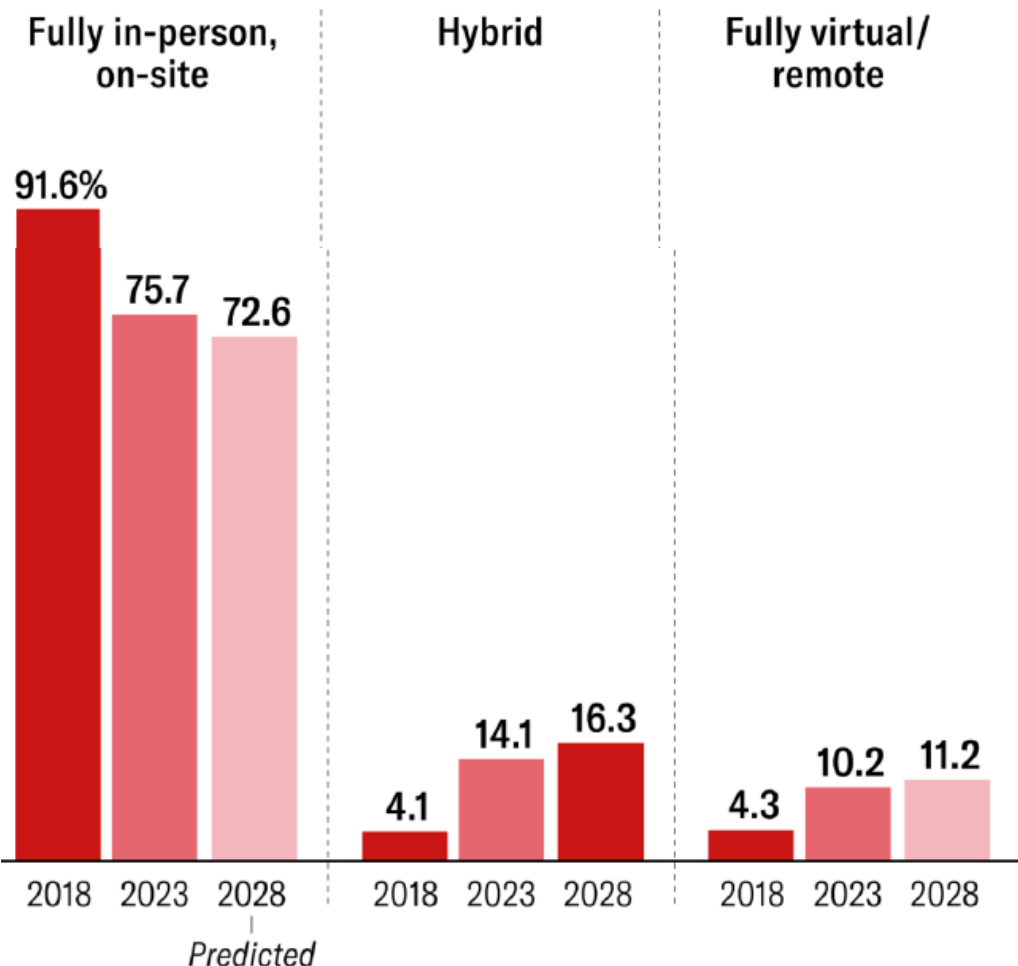
# WFH Adoption Rates Vary Greatly Across Same-Industry Firms



Source: See previous slide.

# U.S. Business Executives Expect Work-from-Home Rates to Rise in the Next Five Years

What share of your firm's full-time employees are in each category?



Data Source: Survey of Business Uncertainty, a monthly panel survey of U.S. business executives fielded by the Federal Reserve Bank of Atlanta in July 2023 in cooperation with Nick Bloom and Steve Davis.

Reproduced from "[Remote Work Isn't Going Away – And Executives Know It,](#)" Bloom, Barrero, Davis, Meyer and Mihalov, *Harvard Business Review*, 28 August 2023.

# Productivity Effects of Remote Work<sup>1</sup>

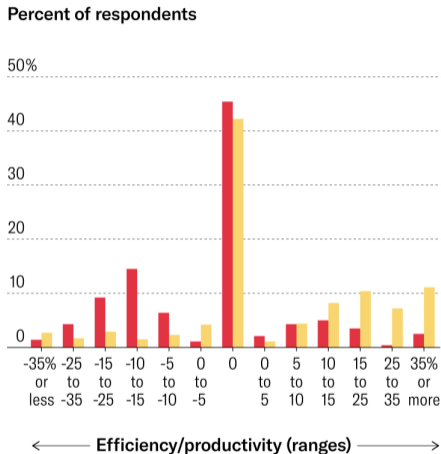
Natalia Emanuel

Brookings · 18 January 2024

<sup>1</sup>Views expressed do not represent those of the Federal Reserve Bank of New York or the Federal Reserve System.

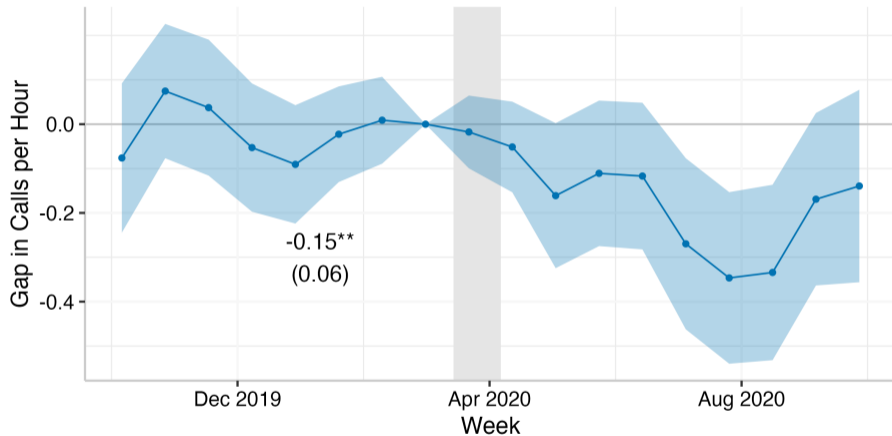


# Are you asking me? Or my boss?



(Bloom et al 2023)

## Fully Remote: Small Decrease

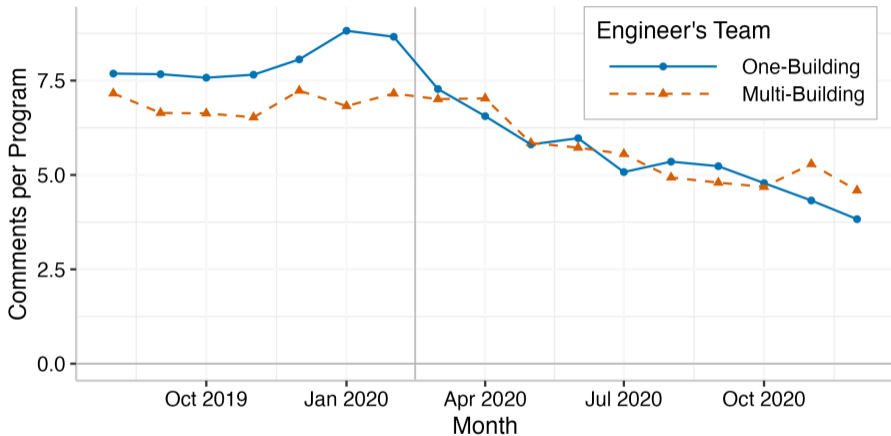


(Emanuel & Harrington, 2023)

# Communication Concerns

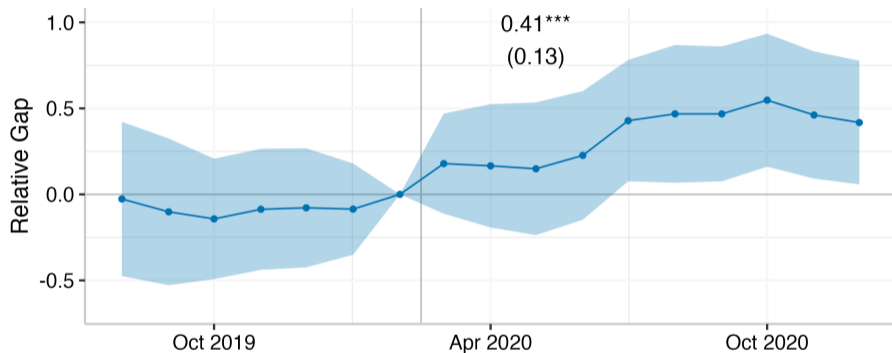
- ▶ Slower because we can't chat
  - Difficulty with remote work is “not having neighbors to turn to for assistance.” (Emanuel & Harrington, 2023)
  - Police dispatchers work faster when in the same room as others (Battiston, 2021)
  - Increased time in meetings and crowded out concentration time (Gibbs, Mengel and Siemroth, 2023)
- ▶ More siloed
  - Narrower communication network (Gibbs, Mengel and Siemroth, 2023)
  - Microsoft communication became more siloed (Yang, 2021)

# Communication Concerns



(Emanuel, Harrington & Pallais, 2023)

# Finite time



(Emanuel, Harrington & Pallais, 2023)

# Opting into Hybrid

- ▶ cTrip Travel Agency (Bloom et al, 2015)
  - Daily output increased by 13%, 9pp from extra time, 4pp more efficiency
  - Opt-in
  - Best WFH setup
- ▶ US Patent and Trademark Office (Choudhury et al, 2021)
  - Patents rose by 5%
  - Individual work
  - Onsite for two years first
  - Increases retention

# Considerations

- ① Is it solo work?
- ② When can you work from home: immediately or after training?
- ③ Is there coordination about when to show up in the office?
- ④ How valuable is experience for this job?