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National Office Report

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Return-to-Office Push Not Over Yet

- While remote and hybrid work have become entrenched and office utilization remains at a fraction of prepandemic levels, the return-to-office push has continued in 2023. With the health crisis officially declared over in May and three years of experience with remote work, many large firms are mandating employees return to the office this year.
- After saying last year that the company had no plans to mandate employees returning to the office, Amazon CEO Andy Jassy reversed course in May, announcing an in-office policy of three days a week. Black Rock and Disney are mandating four days a week in office. Google, which announced a three-days-per-week policy last year, told employees that attendance will be a metric in performance reviews. Meta is beginning to mandate three days a week in the office this month and is no longer mentioning hybrid work in job listings. One of the most impactful return-to-office mandates could soon arrive from the federal government. The White House is pushing to bring government workers back into the office this fall, with Chief of Staff Jeff Zients writing to cabinet officials that “this is a priority of the President—and I am looking to each of you to aggressively execute this shift in September and October.” Any federal government return-to-office mandate has the potential to boost the Washington, D.C., market, which consistently sees below-average office utilization in Kastle’s Back to Work Barometer.
- Office workers remain resistant to returning to the office for a variety of reasons, but commute times are perhaps the biggest drawback. Many people are simply unwilling to give up that extra time they have become accustomed to each day. A higher unemployment rate would potentially give firms leverage in return-to-office conversations, but ultimately remote work is here to stay.
- Open-office floor plans that dominated the pre-COVID workplace landscape are out of line with the current needs of office workers and are particularly ill suited for Zoom meetings, which are not going away. Organizations will need to adapt workspaces to the post-pandemic world if they want to entice workers to go in. Amenities may help, but designing workspaces to be a place where people feel they can be productive will be equally important. Since teams concentrate meetings on in-office days, a variety of different-size meeting rooms will be necessary. Offices will also need an increased amount of enclosed rooms for focus time or privacy for video calls.

