Survey of Employers

The Partnership for New York City surveyed more than 160 major employers between April 21 and May 4, 2022, to gauge the status of return to office among Manhattan's one million office workers and the implications for the future of the Manhattan central business districts.

As of mid-April 2022, 38% of Manhattan office workers are currently at the workplace on an average weekday. Only 8% are in the office five days a week. The share of office employees that are fully remote dropped from 54% in late October 2021 to 28% as of late April. Return to office rates will increase after Labor Day, with 49% of workers expected in the office on an average weekday in September 2022.

Remote work is here to stay, with 78% of employers indicating a hybrid office model will be their predominant post-pandemic policy, up from just 6% pre-pandemic.

Employers remain committed to New York City: 58% expect their New York City office employee headcount will increase or stay the same over the next five years; only 8% expect a decline in headcount. Among those who may reduce their New York presence, high costs, taxes and public safety rank among the biggest factors.

The Partnership survey of employers found:

On an average weekday, 38% of Manhattan office workers are in the workplace as of late April 2022.

- 8% of Manhattan office workers are in the office full time (five days a week)
- 11% are in four days per week
- 17% are in three days per week
- 21% are in two days per week
- 14% are in one day per week
- 28% of Manhattan office workers are fully remote

49% of Manhattan office workers are expected to be in the office on an average weekday by September 2022.

- 9% of Manhattan office workers are expected to be in the workplace five days per week by September 2022
- 12% will be in four days per week
- 33% will be in three days per week
- 19% will be in two days per week
- 13% will be in one day per week
- 14% of Manhattan office workers will still be fully remote

The real estate industry has by far the highest average daily attendance (82%) as of late April, followed by law (46%), tech (44%), media (43%), consulting (41%) and financial services firms (40%).

- Real estate firms expect average daily attendance to increase slightly to 85% by September; law firms expect 54%; financial services firms expect 52%.
- Industries with the lowest projected return to the office by September include consulting (44% daily attendance), public relations (35%) and accounting (26%).

Larger firms project the slowest pace of return to offices:

- Among firms with fewer than 500 employees, 53% of employees have returned to the office on the average weekday. Average daily attendance is expected to increase to 59% by September.
- Among firms with more than 5,000 employees, 31% of employees are currently in the office on the average weekday and 42% are expected back by September.

The Partnership also asked employers about their office attendance policies:

- Prior to the pandemic, 84% of employers had a mandatory daily attendance model, while 7% permitted departmental discretion. Only 6% used a hybrid model and 1% were fully remote.
- Post-pandemic, 78% of employers currently or plan to deploy a hybrid model and only 10% will require daily attendance. The remainder will rely on departmental discretion (9%) and employee discretion (4%).

- Among employers with mandatory daily attendance pre-pandemic, 77%, say they are instituting a hybrid model post-pandemic.
- 91% of employers are encouraging employees to return to the office and nearly two-thirds (64%) are offering at least one incentive to those that return to the office.
  - Common incentives include social activities (50% offering), free or discounted meals (43%), transportation subsidies (13%) and child care support (10%).
- 30% of companies are offering additional remote work flexibility during the summer. The most common arrangements include a hybrid schedule during the summer months, summer Fridays and permitting remote work in August.

The Partnership asked employers to provide their post-pandemic outlook on their New York City real estate footprint and headcount:

- 39% of employers expect to increase their New York City office-based workforce in the next five years.
  - Only 8% expect their office employee headcount will decrease and 18% expect headcount to remain the same.
  - Among employers that expect to reduce New York City headcount, 75% cited high costs of doing business in the city as driving their decision. Additional motivating factors include employee requests (58%), uncompetitive tax burden (50%) and crime and public safety (33%).
  - 21% of employers say their future headcount depends on business conditions, while 13% say they do not know at this time.
- 18% of companies plan to increase their New York City real estate footprint in the next five years.
  - A slightly larger share of companies—22%—expect to reduce their footprint; the majority of employers either expect their footprint to either remain the same (32%) or do not know at this time (29%).

The Partnership asked employers to identify which factor or intervention would be most effective in encouraging employees to return to the office:

- 32% indicated greater return to office rates among peer companies would be most effective.
- 31% of employers indicated that reducing the presence of homeless and mentally ill individuals on streets and subways would be most effective.

- 22% indicated that expanded police presence on the streets and subways would be most effective.
- 10% of companies identified a combination of the above factors or additional factors. Nearly two-thirds (64%) of the additional interventions referenced by employers related to homelessness or public safety.

Employers provided additional detail on office policies and summer internship programs:

- 38% of employers will continue to require vaccinations for employees who work in the office even if all government vaccine mandates are lifted, 18% say they will not continue to require vaccinations while 44% have not yet decided.
- Among employers with 2022-2023 summer internship programs, 50% will have in-person programs, 48% will have hybrid and 2% will have remote programming.

Additional information:

- The majority of surveyed employers have offices in Midtown West (38%), Midtown East (33%) or the Financial District (16%).
- The majority of respondents are in financial services (35%), real estate (17%), law (11%), tech (6%), media (6%), consulting (4%) and accounting (4%).