

Survey of Employers

The Partnership for New York City surveyed more than 160 major Manhattan office employers between August 29 and September 12, 2022, to gauge the extent to which employees have returned to the office or are still working remotely.

As of mid-September 2022, 49% of Manhattan office workers are currently at the workplace on an average weekday, up from 38% in April. Only 9% of employees are in the office five days a week. The share of office employees that are fully remote dropped from 28% in April to 16% as of mid-September. Return to office rates are projected to increase gradually through the rest of 2022, with 54% of workers expected in the office on an average weekday by January 2023.

Consistent with past surveys, 77% of employers indicated a hybrid office schedule will be their predominant post-pandemic policy, largely in response to employee preference. For employers with a hybrid model, the survey reports that 55% of employees are in the office at least three days a week.

Employers remain committed to staying in New York City: 54% expect their office employee headcount will increase or stay the same over the next five years; only 10% expect a decline. Moreover, most do not have plans to reduce their real estate footprint in the city at this time despite the increase in days of remote work.

The majority of employers expect to reduce domestic and international business travel relative to pre-pandemic levels.

The Partnership survey of employers found:

On an average weekday, 49% of Manhattan office workers are in the workplace as of September 2022.

- 9% of Manhattan office workers are in the office full time (five days a week)
- 12% are in four days per week
- 37% are in three days per week

- 15% are in two days per week
- 11% are in one day per week
- 16% of Manhattan office workers are fully remote

54% of Manhattan office workers are expected to be in the office on an average weekday by January 2023.

- 11% of Manhattan office workers are expected to be in the workplace five days per week by January 2023
- 12% will be in four days per week
- 42% will be in three days per week
- 15% will be in two days per week
- 8% will be in one day per week
- 12% of Manhattan office workers will still be fully remote

The real estate industry has the highest average daily attendance (82%) as of mid-September, followed by law (61%) and financial services (56%) firms.

- Real estate firms expect average daily attendance to remain at 82% by January 2023; law firms expect 63%; financial services firms expect 61%.
- The tech industry has a 47% average daily office attendance as of mid-September, which is expected to increase to 50% by January 2023.

Office attendance increased among larger firms:

- Among firms with more than 5,000 employees, 44% of employees are currently in the office on the average weekday—up from 31% in April—and 50% are expected back by January 2023.
- Among firms with fewer than 500 employees, 54% of employees have returned to the office on the average weekday, up slightly from 53% in April. Average daily attendance is expected to increase to 56% by January 2023.

The Partnership also asked employers about their office attendance policies:

- 77% of employers plan to or currently deploy a hybrid schedule; only 10% require daily attendance. The remainder rely on departmental discretion (11%) or employee discretion (2%).

- 90% of companies encourage their employees to return to the office; 10% do so at managers' and departments' discretion.
 - 59% of companies are offering incentives to employees who return to the office. Common incentives include social activities (49% offering), free or discounted meals (41%), transportation subsidies (11%), and child care support (7%).
- Among employers implementing a hybrid model, most say their employees' feedback on their new work model is positive (30%) or mixed but leaning positive (58%).

The Partnership asked employers the primary reason why employees are negative about returning to the office. Most commonly cited objections include:

- Employees say productivity working from home equals or surpasses the office (36% of companies cite this as employees' primary reason for not wanting to return to the office)
- Public transit is not safe or reliable (24%)
- Other companies and colleagues are not back in the office (20%)
- Desire for additional flexibility/work-life balance (6%)
- Length of commute (3%)
- 9% of companies cited a combination of the above factors. Only 1% of companies cited either fear of COVID-19 contagion or difficulty managing child care duties as the main driver of negative employee feedback, a significant shift in sentiment from previous surveys.

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 workforce in the next five years, consistent with findings from the Partnership's April survey.
- Only 10% expect their office employee headcount will decrease and 15% expect headcount to remain the same.
- 21% of employers say their future headcount depends on business conditions, while 13% say they do not know at this time.
- 20% 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; most employers either expect their footprint to either remain the same (33%) or do not know at this time (25%).

Employers also provided projections on post-pandemic business travel spending:

- Most companies expect domestic business travel spending to be lower than pre-pandemic either “slightly” (44%) or “significantly” (16%). Only 5% expect domestic business travel expenditures to increase; 35% estimate domestic business travel to equal pre-pandemic levels.
- The international business travel outlook is similar: 41% expect international business travel spending to be “slightly” lower while 20% expect a significant reduction. Only 4% expect an increase in international corporate travel expenditures while 35% project no change.

Additional information:

- 19% of companies stated that the New York City mandate that businesses require employees who perform in-person work to be vaccinated has a negative impact on their company.
- The majority of respondents are in financial services (34%), real estate (18%), law (11%), media (7%), and tech (5%).

About the Partnership for New York City

The Partnership for New York City represents the city’s business leaders and largest employers. We work with government, labor, and the nonprofit sector to promote economic growth and maintain the city’s prominence as a global center of commerce and innovation. Through the Partnership Fund for New York City, the Partnership contributes directly to projects that create jobs, improve economically distressed communities and stimulate new business creation. Visit pfnyc.org to learn more.