



State of The Workplace 2021

What does the future of work look like?
How can you make the hybrid work model work? We spoke to some of the most prominent startups to Fortune 100 companies to find the answers.

Table of Contents

- Introduction
- WFH Pros & Cons
- The Productivity Hurdle
- The Culture Challenge
- The Environmental Impact
- Next steps

Introduction - Charging Boldly Forward into the Future of Work

As we emerge from the Shelter-in-Place guidance, with many organizations opting to pursue a remote work or hybrid work model indefinitely, underlying assumptions about how much and what kind of in-person office space may be needed is changing.

It's interesting to note that many of our conversations early in the pandemic revealed people were happier and more productive working from home. But, as the pandemic dragged on into the summer and fall, the novelty of working from home started to lose its appeal, and more people reported feeling burnt out from lack of work/life balance.

Still, the majority of employees don't want to return to the traditional 9-5 in-office schedule.

So, what does that mean for the state of work in 2021?

Over the last year, Codi has collected data from 464 individual data points, ranging from:

- HR and People leaders
- Real Estate and Facilities leaders
- C-suite executives

We've gathered a wide perspective from some of the most prominent and forward-thinking startups to Fortune 100 companies, which used to be based in cities like New York, Seattle, Austin, and San Francisco. Read on as we unpack the benefits, challenges, and trends facing today's workforce. In this report, we'll share our findings, recommendations, and insights from leaders adapting to meet the needs and wants of their employees.



1. WFH Pros & Cons: Who Comes Out on Top? Employees? Employers? Both?

For many employers and employees, the COVID19 pandemic and subsequent Shelter-in-Place precautions initiated a work from home order for the very first time. Companies that never dreamed they'd have a remote workforce were suddenly faced with the necessity to support all-remote teams. Many struggled, and many more adapted.

This "new" model of working has been very appealing to both employers and employees in different ways. Employees suddenly found themselves with greater flexibility in how they structure their days, more time with family, and the ability to essentially do their jobs from anywhere. At the same time, employers saw overhead costs for things like office space drop drastically, and their talent pool expand significantly.

Despite this, the switch to working from home full-time is not without its challenges. In order to implement a successful remote or hybrid work policy, it's important to do it right.

So, what are some of the pros and cons of remote work models for both employees and employers?

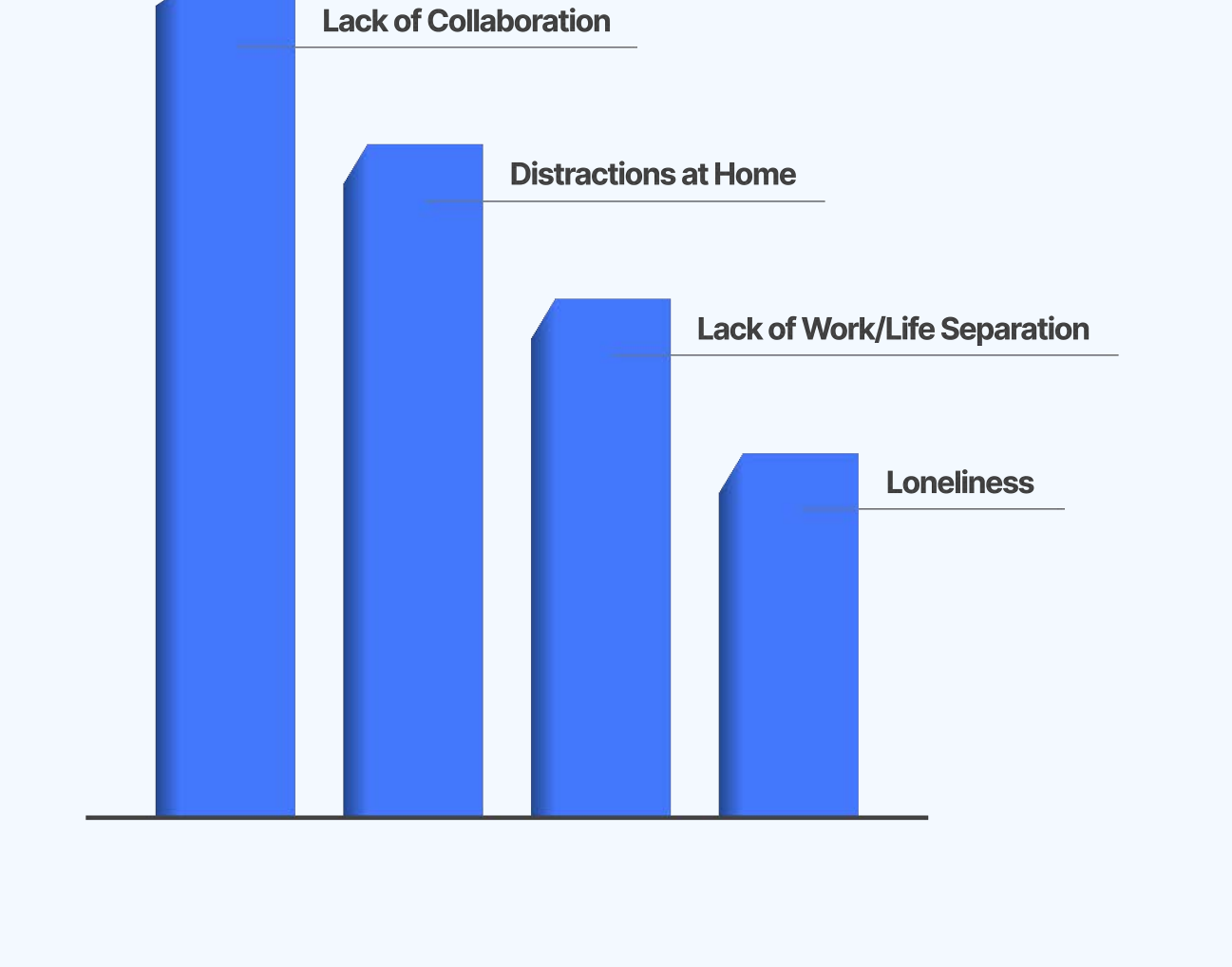
What We Found from Employees:



What We Found from Employers:

- Many financial teams, investors, as well as Wall Street, view **long term real estate leases as a risk** on their books. Companies generally don't want long term commercial leases anymore unless they have a established or certain of their trajectory with headcount, expansion, and forecasted success.
- Heads of RE appreciate not having to pay as much for large HQs, Food & Beverage (F&B), and facilities costs.
- When a company is in high growth mode it can be challenging to provide office space to new hires in new cities. The Codi model takes days or a week to implement as opposed to months or even years for traditional RE.
- A Codi workplace benefit helps the company **save on average \$24,393 per employee per year and 235 hours of commute** compared to an in-office employee.
- Remote teams give employers the capacity to hire talent nationwide.

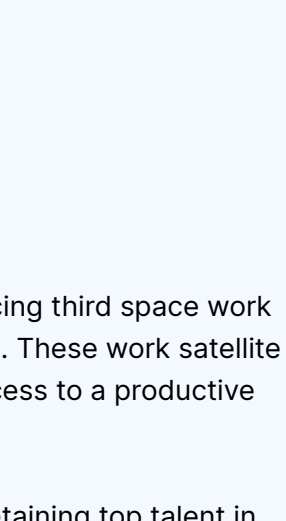
In this report, we'll explore how employers can maximize the pros and overcome the cons to remote work by addressing employee wellbeing, sustainability, and cost savings for three key areas:



We are experiencing a powerful democratization of the workplace. **When you empower people to achieve results in locales and workspaces that suit their lifestyle**, and flex to fit all seasons of life, **huge potential is unlocked**. Breaking free of the office mentality is the superpower of tomorrow's most sought-after employers, and remote work is rapidly becoming an underdog expectation by both top talent and progressive organizations.

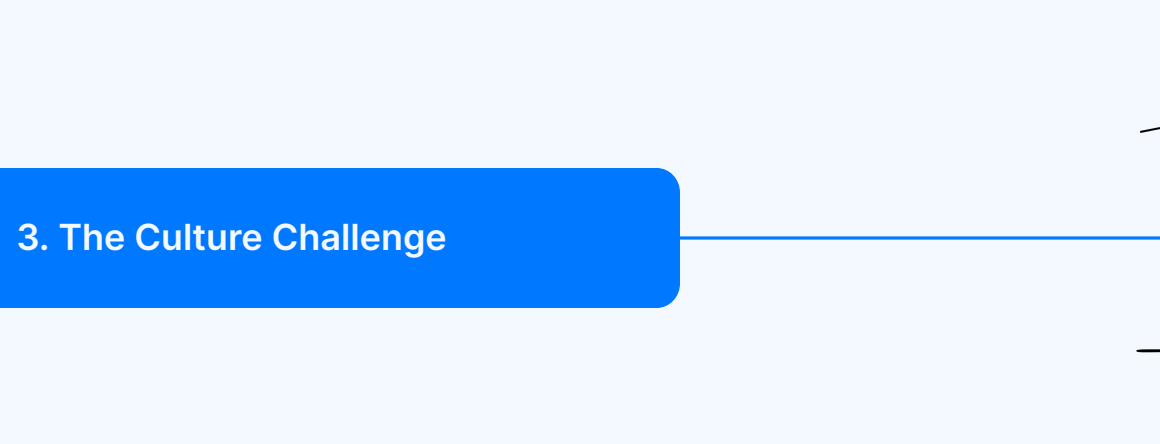
-Darren Murph, Head of Remote, GitLab

2. The Productivity Hurdle



Surprisingly, or perhaps not so surprisingly, employee preferences on working from home can vary due to age, gender, and socioeconomic status. Our research shows that this is often due to a variety of factors that can get in the way of productivity and performance.

The hurdles that most readily get in the way of employee productivity include:



So, how can employers ensure that all their employee needs are being met in a remote or hybrid work model?

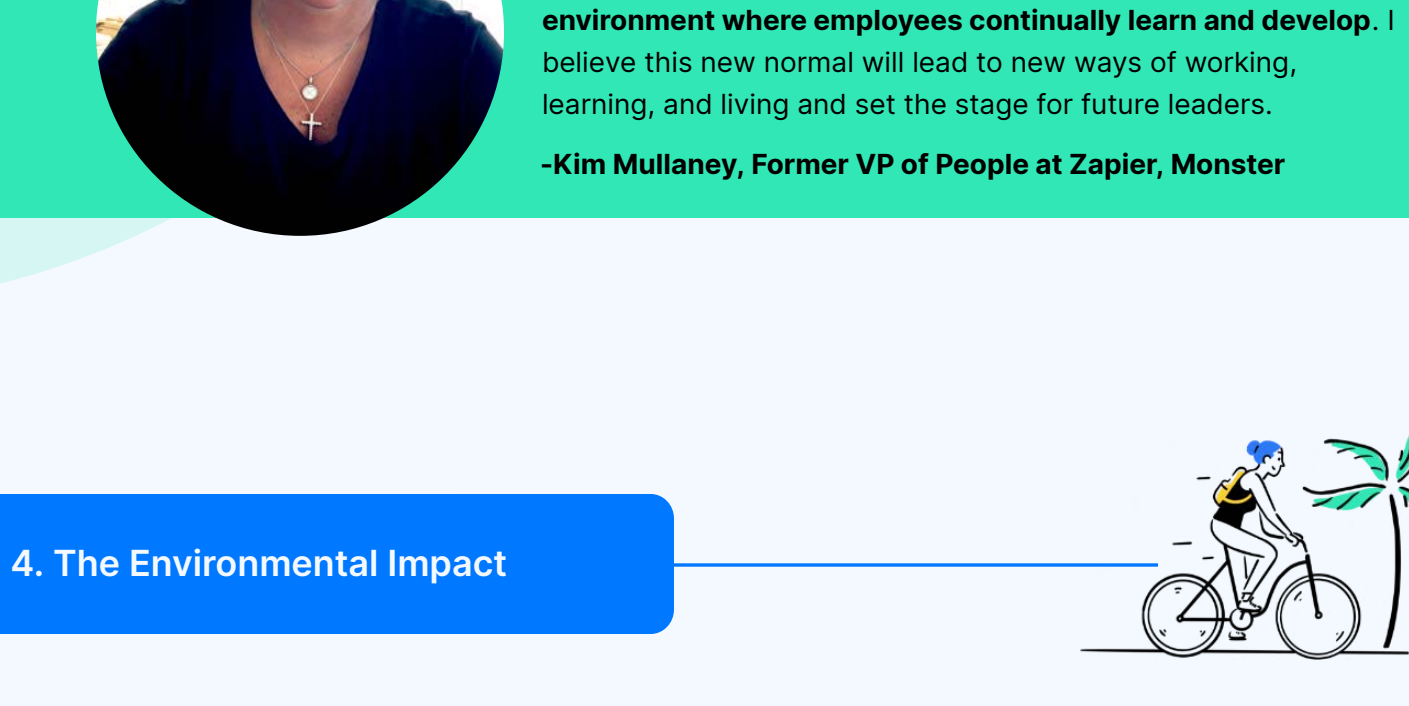
Some tactics employers can take advantage of to mitigate productivity challenges include:

- **Office stipends** to cover the costs of updating equipment for the home office
- Company provided **childcare or child care stipends**
- Clearly defined rules and boundaries that **protect workers' rights**
- Company provided access to **local workspace benefits** like Codi, coworking communities, or satellite work hubs in the neighborhoods where employees live

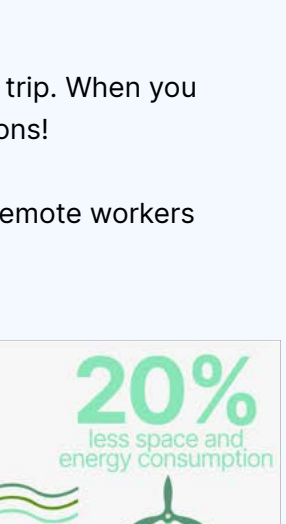
The Solution?

Our prospects have seen a significant jump in remote employee wellbeing by introducing third space work options that enable employees to separate their work life and home life when needed. These work satellite hubs, which exist where employees live, ensure that employees everywhere have access to a productive and collaborative environment when needed.

Flexible local work options, not fancy HQs in big cities, will be key to attracting and retaining top talent in 2021 and beyond.



3. The Culture Challenge



While there are numerous benefits when we transition from office work to remote work, certain elements of office life can be hard to replace. One of the biggest challenges a company can face with a work from home model is maintaining company culture. How can companies continue to foster socialization and camaraderie without a physical space that prompts the things that used to happen organically—water cooler banter, coworker lunch dates, the ability to set up in-person happy hours, or other morale-boosting activities?

This last year has forced many organizations to think about company culture differently. Coworking communities and satellite hubs may challenge the idea of the traditional office space but can provide a much needed outlet for human connection, social interaction, as well as personal and professional growth for employees.

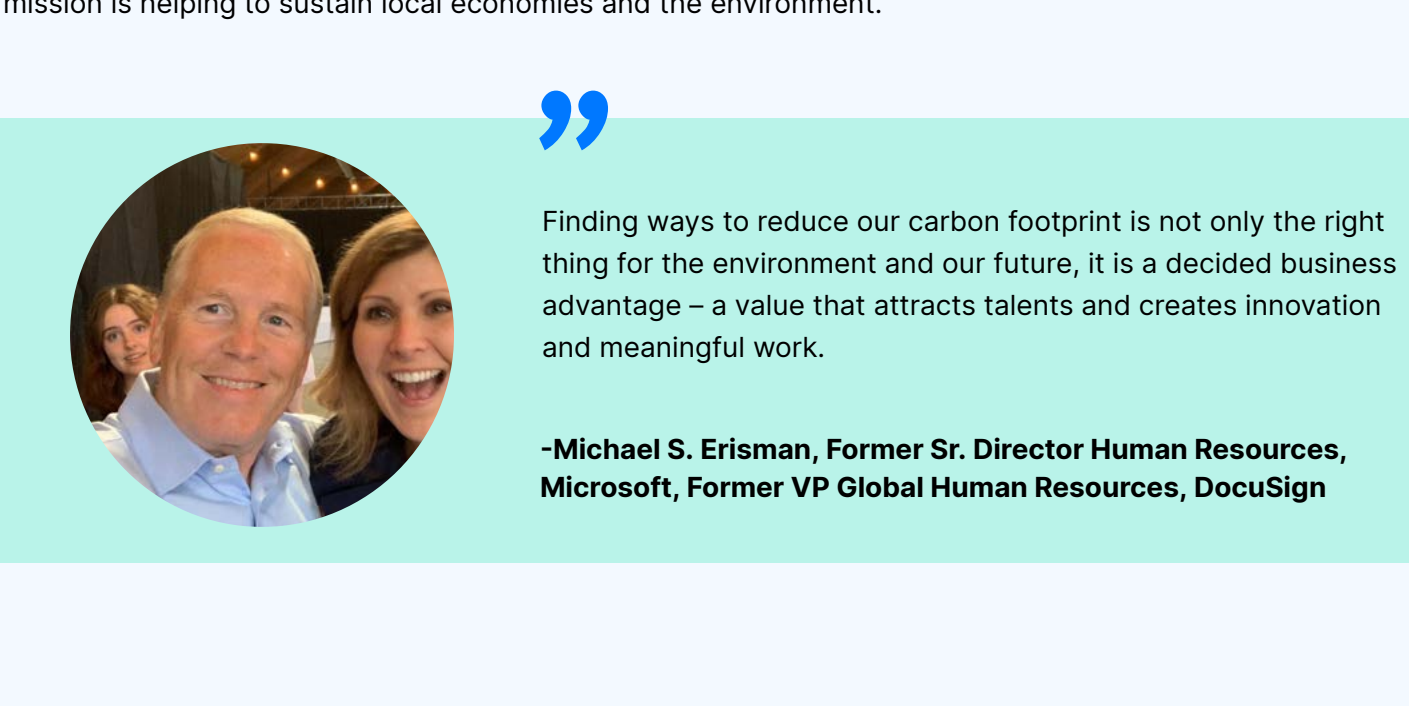
So, what are some of the solutions and trends we're seeing to promote culture in a remote environment?

- Boosting **cross-discipline collaboration and bonding** with company satellite hubs
- Hosting **virtual team events**
- Treating **ALL employees** equally, regardless of their physical presence at a hub or not
- Maintaining collaboration in digital and **remote FIRST**
- Utilization of **communication tools**
- Encouraging coworkers living nearby to **interact in-person**
- Customizing satellite hubs with the company core values and other features to create a **higher sense of belonging and reinforce company culture**

The Solution?

Coworking communities are helping to redefine company culture in remote work environments. In a world where it's not always practical to have everyone report to a single office location, satellite offices can provide the necessary space for teams to collaborate, socialize, and generate a sense of belonging.

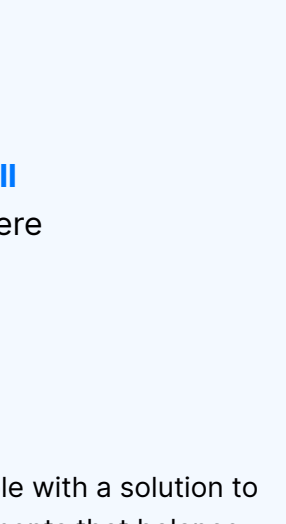
HR and Real Estate teams love the flexibility of the Codi model and feel it is a great option for collaboration and socialization amongst employees.



Create social initiatives — perhaps we cannot attend a cooking class, but let someone host one from their kitchen. **Create an environment where employees continually learn and develop**. I believe this new normal will lead to new ways of working, learning, and living and set the stage for future leaders.

-Kim Mullaney, Former VP of People at Zapier, Monster

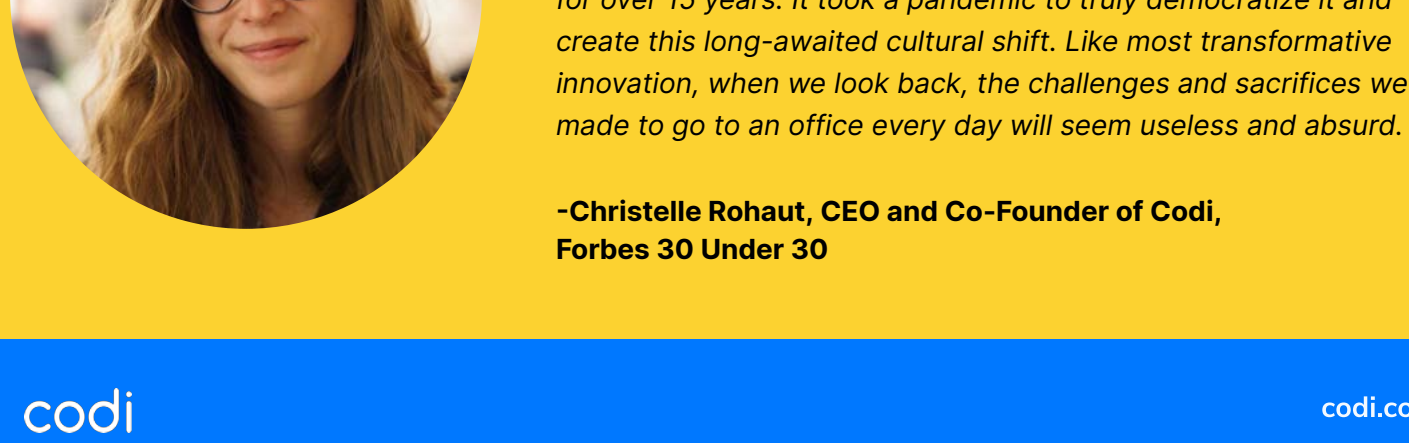
4. The Environmental Impact



One of the perhaps more unexpected benefits when a company implements a remote or hybrid work model is the positive impact on the environment. Climate change remains one of the biggest challenges facing current and future generations, and the daily office commute is one of the worst collective culprits of carbon emissions.

The average worker in the United States commutes 64 miles per day, one hour round trip. When you multiply that by 123 million automobiles—that's a concerning amount of carbon emissions!

According to the US Energy Information Administration, Global Workplace Analytics, remote workers reduce their carbon footprint by 69% with:



Even remote workers who were empowered to work from home just half of the time have seen:

Adopting a remote work or hybrid work model is undoubtedly a green behavior and one all environmentally conscious companies should consider. For many of those companies looking to ditch the daily downtown commute, however, their employees still need a place to go locally to provide a change of scenery, better focus, or space for human interaction.

The Solution?

Companies are choosing to be **location agnostic**. Therefore, they need to bring the workspace to the employee—instead of the other way around. Many have been pursuing a hub and spoke model with satellite hubs in the neighborhoods where their employees live. This provides a much needed separation from home and work, while also relieving the financial burden of a long-term real estate lease and reducing environmental waste at the same time.

Our prospects who implemented a company-provided Codi benefit for their employees were able to:

- Cut CO2 car emissions by **3x**
- Save **2.5 tons of CO2 emissions** per employee per year
- Boost **local economies** by 2.3x
- Cut fixed real estate costs by **over 60%**
- Save on **facilities, management, commuter benefits, and compliance**
- Reduce or **eliminate long-term leases**
- Save **\$25,000 and 470 hours** per employee per year
- Minimize commute while **maximizing productivity and collaboration**

Being environmentally conscious is one of our core values at Codi. We are proud that a product of our mission is helping to sustain local economies and the environment.

Finding ways to reduce our carbon footprint is not only the right thing for the environment and our future, it is a decided business advantage — a value that attracts talents and creates innovation and meaningful work.

-Michael S. Erisman, Former Sr. Director Human Resources, Microsoft, Former VP Global Human Resources, DocuSign

Next Steps - Have Your Remote Cake and Eat It Too

The biggest takeaway from what we've found is the fascinating duality surrounding remote work preferences. People miss their colleagues, culture, and in-person collaboration, but they do not miss their commutes or the rigid 9-5 office day. Fortunately, Codi is primed to support this with a safe, flexible, local workspace options all around the country. Consider the Codi workplace benefit as a "have your cake and eat it, too" scenario of sorts—or in other words, have your remote work and access to in-person collaboration, too.

So, now that you're armed with the stats, what are some actionable steps you can take to ensure your company's remote or hybrid work policy is successful in 2021?

- Implement stipends for **expected and unexpected costs** like child care and home office equipment
- Create a set of **clearly defined rules and boundaries** for your remote work teams to protect their time and energy while also boosting productivity and performance
- Encourage remote teams to **utilize satellite work hubs** (when safe to do so) to connect with colleagues and network amongst their community
- Talk to Codi about setting up a **productive environment for all employees** with satellite work hubs in the neighborhoods where your employees live — wherever that may be

At Codi, our goal is to amplify the benefits of work from anywhere and provide people with a solution to many of these remote and hybrid work challenges through flexible working environments that balance small group productivity, health and safety, and the financial cost savings that come with smaller, distributed workplaces.

The Codi workplace benefit is similar to a 401k benefit or a gym membership that a company might offer — not everyone will use it, but it's an indicative marker for sophisticated workplaces of the future.

We see the traditional, inflexible office as an outdated holdover, one which needs to be remapped to a modern, technologically savvy workforce. We envision a world where employees can access work environments where they feel most productive, wherever they live. We believe this vision to be more important than ever in a post-pandemic world.

Remote work is a straight net improvement for our quality of life, our local communities, and the environment. The 9-to-5 office model is in the past now. Our kids will only know this model from the movies.

Working remotely is nothing new. The technology has been here for over 15 years. It took a pandemic to truly democratize it and create this long-awaited cultural shift. Like most transformative innovation, when we look back, the challenges and sacrifices we made to go to an office every day will seem useless and absurd.

-Christelle Rohaut, CEO and Co-Founder of Codi, Forbes 30 Under 30