Young workers fear they must return to offices in order to save their careers

BY MARC DANIEL DAVIES
Bloomberg

Jason Alden/Bloomberg

Commuters walk along the concourse after arriving at London Waterloo railway station in London on June 7.

Managers hoping to lure employees into offices may find their youngest and newest staff are their strongest allies.

Young white-collar staff feel caught between a rock and a hard place — they value quality of life over old-fashioned 9-to-5 commuting, but are even more worried about seeing their careers stall unless they head back into an office. That's encouraging many to be among the first to return to their desks.

While experienced employees often have established professional networks and dedicated home offices, younger staff say the pandemic has left them under-informed and cut off from their teams. There are now growing concerns that they are missing out on career opportunities older colleagues took for granted.

Well over half of staff ages 21 to 30 stressed the importance of being able to meet and work with colleagues in person again, according to a 6,000-person survey carried out for Sharp Corp., results of which were shared with Bloomberg. Nearly 60% said working in a modern, collegiate office environment has become more important to them over the past year.

Despite a majority under 30 saying remote work made them more productive, over half of the survey's respondents across Europe — ranging in age from 18 to 45 — say they feel anxious about a lack of training and career opportunities when thinking long-term about the future of work.

Sophia McCully, a 28-year-old working in public policy research, has worked from home ever since starting her current role. She believes the enforced isolation has had a significant impact on her professional development.

"I think the ability to make those connections and network has been more difficult," McCully said. Starting a new job in a virtual setting also made it "harder to get yourself across," at least at first.

Still, while young workers may crave in-person connections and relief from pressures on their health and well-being, they remain skeptical of returning to the status quo before covid-19. Instead, they are looking for value and purpose in office-based activities while retaining the right to work remotely. McCully said working from home allowed her to spend time with her young child while remaining professionally productive, and wants that to remain an option.

In fact, more than 60% of employees aged 18 to 40, who have spent all their adult lives in a tech-centric environment, favor some kind of hybrid arrangement, according to a global survey of 2,000 people by workplace technology provider Citrix.

Offices of the future are seen as "hubs for collaboration, innovation and connection" while staff believes the option of working remotely — not just at home — remains crucial to well-being, the Citrix survey shows. Separately, almost half of the millennial and Gen-Z staff say they may even quit their jobs without that option, Bloomberg reported recently.

"I think the office is critical. The key question is why and what for?" said Michael Smets, Professor of Management at Oxford's Saïd Business School.

"If we think that coming to the office is about learning, we need not everyone but people who want to learn and those they want to learn from in the office at the same time."

Navigating this terrain presents major challenges for executives puzzling over how to design the workplace of the almost-here future. While Wall Street banks including Goldman Sachs Group Inc. and JPMorgan Chase & Co. are pushing ahead with plans to fill offices up again, other companies across a host of sectors are experimenting with hybrid arrangements they hope will offer staff the flexibility many now expect.

Some companies are refitting offices, while others are focusing on upgrading digital infrastructure. Some companies, such as Apple, are telling staff to come in on certain days, a move that led to criticism from the tech giant's staff.

Few companies claim to have fully solved the puzzle, yet early career professionals stand to lose out the most if disconnection and "artificial silos" are reinforced once offices reopen, Smets said.

"Socialization into the organizational culture, making connections, understanding the soft tissue — the unwritten rules — of the organization, that is where time together is also really, really important. To build and feel the culture of the organization, that is particularly critical for younger people," he said.

Specific groups of employees — notably those with young families or caring responsibilities, who are likely to aim to work from home more often — are at greater risk if they are excluded from organizational culture, said Smets. That could stall or reverse progress made against gender, racial and other inequalities.

As organizations become more mindful of these challenges, they may need to become more disciplined in ensuring information and opportunities are available to all staff, to avoid exacerbating old inequalities or opening up new ones, Smets said.

Helen Jamieson, managing director of human resources consultancy Jaluch, who has focused on hybrid solutions for over a decade, says young workers who may still wish to work mostly at home "don't understand what they may be missing" in terms of long-term career development.

Jamieson advocates dedicated "collaboration days," and suggests that new hires and young staff could work mostly from offices during their first six months, before opening up work-from-home options.

The calculus, Jamieson says, is to set aside personal preferences and focus on balancing business needs with a strategy for staff engagement and retention. "Because quite frankly if companies don't look after young people, they'll lose them."

Organizational psychologist Viola Kraus, who worked on Sharp's European survey, says firms should engage with staff on how they fared over the last year and identify critical needs.

"I'd advise them to really take a step back, review the learning, then have a cross-generational talk within your organization," she said.

"Companies don't have to satisfy every employee's wish, but they need to retain that talent, so they need to open that line of dialogue."

Many moved to less pricey housing markets in 2020

BY ALEX VEIGA
Associated Press

Dreamstime

A home for sale via Redfin on November 2019, in Santa Clara, California. A recent study shows that real estate commissions are trending lower.

LOS ANGELES — Many Americans who moved last year relocated to areas where homes were, on average, bigger and less expensive.

On average, people who moved to a different city in 2020 ended up in a ZIP code where average home values were nearly $27,000 lower than in their previous ZIP code, according to Zillow.

People who relocated last year also moved to ZIP codes where the average home sold was 33 square feet bigger than their previous home, the real estate information company said.

Zillow based its findings on an analysis of data from tens of thousands of moves nationwide handled by relocation company North American Van Lines.

While the data doesn't show how many people who moved ended up buying a home, it suggests many Americans used the pandemic, and the broader acceptance of working remotely, as an opportunity to flee higher-cost metropolitan areas.

Home prices have been steadily rising over the past decade, but 2020 was the first year since at least 2016 where people, on average, weren't moving into areas with higher housing costs than they faced in their previous location, Zillow found.

"What that suggests to me is more movement away from the more expensive housing markets in the country," said Jeff Tucker, a senior economist at Zillow.

A survey by Redfin of people who moved to a different metropolitan area in the 12 months since March 2020 found similar trends. About two-thirds of respondents now have the same or lower housing costs, and nearly as many said their new home is the same size or bigger. The survey was made up of 500 people who use the online brokerage's website.

Many Americans continued moving to more affordable and less densely populated areas in the first three months of this year, according to some 300,000 moves handled by relocation tech company Updater.

The company found that pricey metropolitan areas like New York, Los Angeles and Boston, or midwestern cities like Cleveland and Indianapolis, continued to lose residents in favor of largely Southern and Western cities such as Nashville, Phoenix, Dallas and Tampa, Florida.

Still, outflows from dense urban cities such as New York, San Francisco and Boston slowed in the first quarter, the company said.

Rising prices, a dearth of homes on the market and the ability to work remotely motivated many Americans to relocate last year, especially those eager to move out of dense urban areas in the Northeast like New York City in favor of more suburban areas.

In the Zillow analysis, some of the metropolitan areas that saw the highest net outbound moves last year were Chicago, Los Angeles, New York, San Diego and San Francisco. Among the cities that saw the biggest net gain in people moving in: Phoenix, Dallas, Austin, Texas, Charlotte, North Carolina and Sarasota, Florida.

The Sunbelt cities in the South and West have been relocation hot spots for years as many Americans seek relatively affordable housing and warmer weather. And, of course, snowbirds and retirees from the Northeast and Midwest have long flocked to Florida, Arizona and Nevada, among other Sunbelt destinations.

The pandemic in many ways just intensified existing migration patterns and accelerated established trends, including that of people moving from the Northeast and Midwest to the Sunbelt, Tucker said.

Last year's relocation wave, happening during a red-hot housing market, likely benefited relocating homeowners in particular. Competition would have helped push up their selling price, while moving to a less pricey area likely put them in the position to buy a bigger home at a lower cost.

Nationally, the average home value in ZIP codes with a net increase in move-ins was $419,344, while the average value of a home in ZIP codes with net increases in move-ins was $392,281, nearly 7% lower, according to Zillow. That dynamic reflects more moves originating in larger metropolitan areas where home values tend to be higher.

For example, Los Angelenos who moved to another metropolitan area last year could expect home values to be $591,517 lower, on average, than they were in L.A., according to Zillow. While the typical home value in areas movers relocated to in Los Angeles was $614,793 higher, on average, than in the areas they moved from.

Zillow also found that the average size of homes in ZIP codes where people moved to last year increased to 1,913 square feet from an average of 1,880 square feet in their previous location. That increase in square footage is about the size of a walk-in closet, pantry or bathroom.

"The move toward bigger homes is also consistent with this hypothesis that its being driven by home workers, because one thing they need is a home office in most cases," Tucker said.