

Is The Office Dead? Don't Bet on It

Is office space a thing of the past? During the pandemic, businesses let employees work from home. Some believe that working from home, at least for some part of the workweek will continue as businesses discover ways to remain productive. Many employees find working from home convenient and economical as they avoid commuting expenses and save travel time, while employers have found that worker productivity has not decreased as a result.

So it only stands to reason that the demand for office space will probably decline as more businesses embrace “virtual” employment. However, it may be premature to declare a permanent decline of office space as we emerge from the pandemic. There is some data that indicates that office space demand is returning. Noah Kirsch in Forbes magazine has cited some interesting data and trends ([Read Article here](#)). It appears there is currently a significant uptick in office space demand.

The article does not explore reasons for this uptick, except to speculate that companies may have postponed expansion because of the pandemic are now going forward with these plans. Another explanation could be that different space is needed now post-pandemic than was utilized pre-pandemic. There is no question that employees prefer to work from home or at least to be in a hybrid situation where they split time between the office and home. Surveys indicate that at least 65% of the workforce is hesitant to return to “full” office life. It should be noted that some of the hesitancy is still related to Covid fears. Those fears should continue to subside as we start to reach herd immunity.

While employees are leaning toward staying at home, many

employers and managers feel differently. According to an article in [CNN Business](#), many businesses prefer employees to return to work. Some of the reasons stated were as follows:

- Many businesses believe that communication is better when all workers are located in the same space.
- The exchange of ideas and brainstorming does not seem to work as well in virtual work settings, and that creativity declines.
- Employees are actually spending more time working when at home, sometimes late into the night. Some believe that this could lead to burnout or a decline in creative thinking.
- Individual learning suffers in a virtual office system.
- Coworkers are missing the social interaction that occurs at an office.

Over the next 6 to 12 months, trends will emerge as businesses transition to a “post-pandemic state”. While one can expect that many companies will transition to a different arrangement than pre-pandemic, it may be far too early to declare that office space will decline significantly.