



Angela Quinlan, who set up her company in her basement, feels staff are more focused at home. Picture by Frank McGrath

IS 'WORK FROM HOME' OVER OR JUST GETTING STARTED?

Amazon's office mandate could be a sign things are changing



Ireland loves working from home – experts weigh in on whether the model is sustainable. **Niamh Horan reports**

Ireland's workforce has transitioned to hybrid working at a greater rate than any other country in the EU. Figures from the Central Statistics Office (CSO) showed the number of people working mainly from home increased by 173pc between 2016 and 2022, from 94,955 workers to 259,467.

In addition, the latest CSO census findings also show nearly a third of Ireland's workforce, or around 750,000 employees, worked from home at least one day a week.

Last week, Amazon's decision to tell its staff to return to the office five days a week hit the headlines and caused ripples for remote work employees worldwide. Will other companies now follow their lead?

We spoke to Irish bosses who are embracing the world of remote or hybrid working, an expert who questions Amazon's direction and a leader in commercial real estate who says all the data points one way: productivity is falling as people work from home.



'Is Amazon's five-day 'return to office' a back-door route to cutting staff?'

Nick Bloom, professor of economics at Stanford University and leading expert on remote work, said the move will likely lead to a surge in workers quitting.

I predict the impact of this will be a surge in quit rates. The data backs it up because this is almost exact-

ly the reverse of the hybrid experiment on Trip.com, published in June this year, which went in the opposite direction – from five days in the office to three days hybrid.

That move saw a 35pc drop in quit rates. So I guess quit rates will rise by 20pc or 30pc. Especially given that employees report valuing hybrid work as much as an 8pc pay increase.

So removing hybrid is going to have a similar impact as an 8pc pay cut, which will drive quit rates. I think one reason for Amazon's announcement is that they are struggling to manage their current hybrid employees. It can be a struggle when hybrid is not co-ordinated and folks come in on different days.

Another reason could be that this is part of a back-door lay-off plan. In the memo, Amazon mentioned they wanted to slim-down managerial numbers to speed up decision-making. Perhaps they also want to reduce numbers overall.

By forcing a five-day return to the office, they know quits will spike, particularly folks living further away or those with more complex care-duties, such as people with children. The problem with this is often the company's best employees leave, as they have the best outside options.

The question now is will other firms follow Amazon? Amazon is iconic in the tech sector so other tech firms, including many start-ups, will take notice. So there's some risk other firms could push for a more aggressive return to office policies.

However, Amazon is also unusual within tech as it has over a million ground-force employees in the warehouses and delivery fleet. These folks have to come in to work every day, and the contrast with the roughly 300,000 office workers may have been painful for senior managers, prompting them to push for a return to the office.

So I don't see Google or Microsoft paying as much attention as pure tech firms, compared to Amazon which is more of a retailer.

In the future, I see three possible scenarios. One is that Amazon

will have a wave of quit rates and struggle with hiring, but power on through. They will recruit and retain folks that like five days in the office.

That skews slightly younger and more male, so over time the demographics of Amazon will change. They may see issues keeping, in particular, middle and senior managers with children.

Another scenario is they change course in the next year or so. Almost 40pc of US employees have had two or more "return to office" plans, so it's quite possible their policy takes another twist.

Finally, they may find the policy is hard to enforce as quit rates surge, and decide it's not worth enforcing. So perhaps in mid-2025 the policy remains but enforcement quietly ends.

If people are wondering if this means the work from home trend is ending I would point them to big data from the US Survey of Working Arrangements and Attitudes SWAA (wfhresearch.com), Kastle and the US Census which all show work from home has been flat since early last year.

For every big firm like Amazon pushing for a return to office, there are others increasing working from home, often when their office leases expire. The media seems to only focus on firms forcing return to offices, which is why this seems so common, but many other firms are quietly relaxing this and moving in the opposite direction.

'My staff take lunchtime sea swims and work from abroad and are happy and productive'

Dan Gandesha, co-founder and CEO of Onate, has mastered the art of managing a remote-first team and believes it is the future.

We provide short-term finance to property investors in Ireland and Spain. We launched at the height of Covid in 2021 so it was a "no-brainer" to have a "remote-first" business. In my experience, it's very, very difficult to have a hybrid approach when the days of team members don't overlap. "Fully remote" or "all office" is much easier. When your team is fully remote, like our Irish team is, you have to manage by output, not input. Judging performance based on the



Onate's Dan Gandesha says he has a far happier team who perform better thanks to remote working. Picture by Gerry Mooney

hours people sit at their desks simply isn't an option.

When you are "remote first" you have to be crystal clear about what you want people to achieve and what "good" looks like. We use a PPPs tool, which stands for "Plans, Progress and Problems". Everyone completes this document – myself included – every Friday.

It sets out what we expected to achieve, what we did achieve and what problems are getting in the way. Everyone can see everyone else's PPPs, which in itself helps support a performance and accountability-based culture as opposed to facetime or hours at a desk.

When working remotely, communication and learning doesn't happen by osmosis – that overhearing of conversations or coffee machine chat isn't there. To compensate for this, we have a "written first" culture which is complemented by "quick-fire" Zoom calls.

We also use a tool called Slack so we can have lots of different communication channels going at once across different members and groups in the team. It is far easier than email or text.

With a remote-first team, it is essential to have a good communications architecture. No one wants a boss looking over their shoulder, so when you have the right tools and management style in place a remote-first culture will empower your team to get their best work done on their own terms.

They know what is expected and they can structure their day around that. It means I have a far happier team who perform better as a result.

When you treat people like adults, you get the best out of them.

I'll give you a few little experiences I've had over the past while to show you what I am talking about.

On one of our recent team Zoom calls, one person arrived with wet hair and mentioned, "I just managed to fit a sea swim in at lunch time". It would have been easy for that staff member to leave their video off and not mention the topic, but I was delighted because it means our model is working.

Every week each line manager has a one-on-one meeting with each of their direct reports. I typically do mine walking around St. Stephen's Green. For those who live further away it may be in person only once every two weeks, and a walk-and-talk phone call in-between.

So if an employee is having a difficulty at home they find it hard to share or a problem in work or a half-baked idea they want to express, this is the right space for it.

Some of our biggest innovations have come out of bouncing ideas on these walks.

Remote work means I can hire the best people from all over Ireland. I think our approach makes us a far more attractive employer, which gets us the best people and is ultimately in the best interest of our business.

'I have weekly meetings while jogging with my staff'

Angela Quinlan is MD of Key Patents Innovations.

I set up the business in my basement in the depths of Covid in 2020 and we've always been remote. I have a team of 11 people who are based all over Ireland, from Cavan to Wexford. Remote first means commutes aren't an issue. We don't waste time on the road.

In my experience I can say it's absolutely not true to say people are less productive at home. I have two kids under eight and every parent who has ever worked in an office knows about "the knot".

That is what you call the feeling in the pit your stomach when you can see the clock ticking an hour before you have to pick up your children. Every parent will tell you they're not even listening properly on calls and meetings in that last hour. They're fretting about the traffic and wondering if they will make it on time. Whereas when you are at home you're much more focused and in control.

From managing our team, I can say that if the only way you can monitor if someone is doing well at their job is by seeing them at their desk, then you're a really poor manager.

I heard the news about Amazon and for me there isn't a job in the world you would get me to do if it meant being back to the office five days a week.

The companies that have mandatory office days are limiting their options for hiring within that catchment area where people probably have to pay for more expensive housing. And for what? So you can see them at their desks looking miserable?

I see all these big companies paying for "wellness initiatives" and providing "free yoga classes". You don't need any of that if your life is manageable and you are empowered to organise your time the way you want.

Every week I go jogging with one of the women on my team for an hour after the school drop-off. We bash out all the issues at work as we puff it out. It clears your mind and a lot of our best ideas have come out of those runs.

The idea that people are not productive at home is nonsense. Since we launched, we've grown to become one of the biggest companies in the world at what we do. We have great revenues and great returns.

If multinational companies ramp up their return to office they will lose some of their best workers and my prediction is that small- and medium-sized companies will reap the benefits. We can't offer the canteen or the fancy gym, but we can give people genuine flexibility.



'Return to office mandates will harden in the interest of productivity'

Aidan Gavin is MD and country head of Cushman & Wakefield – one of the biggest commercial real estate companies in Ireland

Before turning to the outlook for remote or hybrid working, it's worth reiterating that while working from home was not the norm pre-Covid, it was certainly becoming more common as employers and employees sought to in particular to improve work-life balances.

Pre-Covid we estimate that office occupancy stood at between 70-75pc on average, with factors like commute times, cost of living and childcare all feeding the desire for greater flexibility. Then in March 2020 came our black swan event and well, we all know the rest – the whole world was remote working within a week.

Only now, however, are we starting to get a fuller picture of the impacts, both good and bad, of remote working.

Our global research on the topic indicates that the raison d'être for the office as a place of work very much revolves around the needs for collaboration, socialisation and even putting an effective boundary between work and life.

Four years on from the pandemic, questions are beginning to be asked around whether some of these needs are suffering as a result of the current prevalence of remote working. And when we look at US productivity, it becomes more difficult to escape the possibility that remote working could now be having some negative impacts on levels of business innovation and ultimately performance.

For example, in the last six months US productivity has dropped from 73pc to 59pc, while there has also been a 13pc drop in the ability to focus and a 12pc drop in collaboration. Companies thrive on collaboration, so it will be a worry to see some of this data come through.

Our sense is that their views on the longer-term success of remote working are shifting somewhat. What might this mean for remote or hybrid working over the next number of years?

Well in our view, hybrid working is likely here to stay as it continues to support employees' needs for a good work-life balance, an important influence in attracting and retaining a high quality workforce.

But at the same time, the balance is likely to shift to one where companies' return to office mandates harden in the interest of improving productivity. In our view, that should culminate in office attendance improving over the medium term.

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