

## Here's how some large employers are stepping up return-to-office mandates this year

Escalated in-person requirements may not trigger spike in leasing



Amazon plans to begin requiring all its corporate employees to commute to offices, including its Seattle headquarters, for five days a week in 2025. (CoStar)

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If 2024 was the year companies gained some clarity on future office needs, 2025 is expected to be the year they start calling workers back to fill them.

From corporate giants to smaller professional services firms, employers across the country are stepping up their in-person requirements in an attempt to move past the pandemic-related shift toward increased flexible work arrangements. Office market stakeholders point to the escalated mandates, many of which take effect in 2025, as a signal that demand for office space will be on the rebound after years of depressed leasing activity.

Across the [United States](#), the debate over flexible work policies has settled somewhat since early in the COVID-19 pandemic, but it remains a sticking point between employers and their workers as well as the broader office market. Hybrid work mandates have largely been attributed to contributing to the national vacancy rate rising to a record high of about 14%, according to CoStar data.

Up until now, office attendance has largely flatlined, and employees are spending about 60% of their working days in a corporate office, a marginal increase compared to this time last year, according to Stanford University's Survey of Working Arrangements and Attitudes.

Some of the country's largest landlords say the stricter in-office mandates are enough to bolster growing optimism that the demand for space will climb as corporate heavyweights push to revert back to their pre-pandemic workweek schedules. The number of CEOs who expected their companies to adopt a full return to a five-day workweek climbed to about 85% from the 64% reported last year, according to a recent KPMG survey.

"This is a sign of things to come," Kilroy Realty CEO [Angela Aman](#) recently told analysts. "We're seeing tenants who had reduced space or were actively planning on reducing space in 2025, come back and sort of begin conversations with us because they believe they've overshot those reductions."

Even so, more workers regularly commuting to an office may take some time to result in any corresponding spike in demand that landlords and developers have been hopeful about.

"For the most part, we haven't seen return-to-office mandates translate in to leasing demand," said Phil Mobley, CoStar's national director of office analytics. "There may be fewer move-outs now, but there hasn't been much of an increase in leasing activity to drive any meaningful growth. The sheer force of math suggests that we're going to be looking at high vacancy for a long time, and it will probably keep rising over the next 12 to 18 months."

Here are some of the largest companies that will pave the way in 2025 for other office tenants to follow their lead in calling more employees back to physical office space.

Amazon

## Headquarters: Seattle

In-person policy: The retail giant plans to effectively eliminate its remote-work in 2025 when it begins demanding all corporate workers to return to an office for five days a week starting in January, though it has postponed that requirement for some employees in cities where Amazon says it doesn't yet have enough space. The company had been operating on a hybrid policy that asked employees to be in person at least three days per week.

Who it affects: Roughly 350,000 corporate employees.

What they say: "We've decided that we're going to return to being in the office the way we were before the onset of COVID," Amazon CEO Andy Jassy said of the decision behind adopting the upcoming mandate. "When we look back over the last five years, we continue to believe that the advantages of being together in the office are significant."

## Southwest

### Headquarters: Dallas

In-person policy: Starting Jan. 6, the air carrier is [requiring employees](#) to report to its headquarters at least four, if not five, days per week. The escalated policy sheds the company's pandemic-era flexibility that allowed workers to commute about three days a week.

Who it affects: Corporate employees

What they say: "Corporate campus employees who are hybrid will transition to working onsite Monday through Thursday and Friday as needed," said Lynn Lunsford, Southwest's senior communications adviser. "We are working to enhance employee engagement while ensuring we have a vibrant corporate campus that fosters collaboration and promotes Southwest's culture."

## Starbucks

### Headquarters: Seattle

In-person policy: The coffee conglomerate plans to ramp up enforcement of its three-day office policy for corporate employees beginning Jan. 1. The company recently issued a warning to its workforce that those who don't meet that requirement will risk possible termination.

Who it affects: The policy applies to about 3,500 corporate Starbucks employees, a small fraction of the company's roughly 380,000-person global workforce, much of which is based in retail outposts.

What they say: "We are continuing to support our leaders as they hold their teams accountable to our existing hybrid work policy," a Starbucks spokesperson said in a statement to CoStar News.

## Salesforce

Headquarters: San Francisco

In-person policy: The company recently began requiring most of its employees to work from an office four to five days a week. It's a stark reversal for the company, one of the nation's first to implement a pandemic-induced flexible work policy, with CEO Marc Benioff previously saying "office mandates are never going to work."

Who it affects: Employees across the company's sales, workplace services, data center engineering and other departments are beholden to the escalated mandate.

What they say: "Salesforce has always been a hybrid work company," a spokesperson said in the statement. "Our guidelines focus on in-person connection, while also recognizing the value of working away from the office."

## IBM

Headquarters: Armonk, New York

In-person policy: IBM demands all managerial roles to report to an office at least three days a week, a mandate measured by badging data. Employees that previously worked remotely and lived more than 50 miles from an IBM office or client location were required to relocate.

Who it affects: All executive and manager-level positions.

What they say: The company is "focused on providing a work environment that balances flexibility with the face-to-face interactions," a spokesperson told CoStar News.

"Consistent with that approach, we're requiring executives and people managers in the United States to be in the office at least three days per week."

## Washington Metropolitan Area Transit Authority

Headquarters: Washington, D.C.

In-person policy: Metro employees will no longer be able to work from home starting February 2025, the transportation agency told workers earlier this month. The escalated mandate came several days after D.C. Mayor Muriel Bowser's talk with members of Congress, telling them she was eager to work together to bring federal workers back to the office, a longstanding goal among local officials as they look to aid the city's post-pandemic recovery efforts.

Who it affects: The new mandate applies to the agency's entire workforce, which includes about 13,000 employees. Many of them have been working on site each day, but now remaining employees and directors will return to the office five days a week.

What they say: "We are an essential service to the region," Metro told employees in a recent memo. "The vast majority of our employees work on site every day, and we remain committed to fostering a unified culture where every team member feels valued and

supported. As we prepare for 2025, which promises to be a pivotal year for Metro to support large-scale regional events, leadership is focusing on enhancing collaboration and strengthening our efforts to work as one Metro."

## Dell

Headquarters: Round Rock, Texas

In-person policy: The tech company now requires its sales staff to return to the office starting five days a week, ditching an earlier policy that allowed its U.S. employees to pick between working remotely or following a hybrid schedule that let them commute at least three days per week. The new mandate is tracked by security badge swipes.

Who it affects: The company's global sales team with the exception of fully remote positions.

What they say: "The sales floor is a unique environment that combined high energy with a culture of collaboration and continuous improvement," Bill Scannell, Dell's president of global sales and customer operations, and John Byrne, its global president of sales told employees in a recent memo. "To harness this energy and grow skills, we believe our sales teams need to be together in the office. Additionally, our data shows that sales teams are more productive when onsite."

## The Washington Post

Headquarters: Washington, D.C.

In-person policy: Starting next year, the daily news organization will ramp up its in-person mandate by requiring its workforce to commute to the office Monday through Friday, effectively terminating the remote and hybrid policy it adopted in the early weeks of the pandemic.

Who it affects: Post managers were told they will have to come back starting in early February, with the rest of the newsroom's roles returning in June.

What they say: "I want that great office energy for us every day," Publisher Will Lewis wrote in a recent memo viewed by CoStar News. "You know how much we all must do to improve our company, and I do not believe we can do that successfully via Zoom. We are really good when we are working together in person."