

# Another Remote-Work Year Looms as Office-Reopening Plans Are Delayed

Return dates get pushed to September or beyond, keeping firms and employees in 'moment of limbo'

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Return-to-office dates have shifted so much in the past year that some companies aren't sharing them with employees.

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One of the hardest questions for American corporations to answer: When should offices reopen?

From Silicon Valley to Tennessee to Pennsylvania, high hopes that a rapid vaccine rollout in early 2021 would send millions of workers back into offices by spring

have been scuttled. Many companies are pushing workplace return dates to September—and beyond—or refusing to commit to specific dates, telling employees it will be a wait-and-see remote-work year.

The delays span industries. Qurate Retail Inc., QRTEB 0.48% the parent company of brands such as Ballard Designs, QVC and HSN, recently shifted its planned May return to offices in the Philadelphia area, Atlanta and other cities until September at the earliest. TechnologyAdvice, a marketing firm in Nashville, initially told employees to plan on Feb. 1 as their return date. The company then pushed the date back to August. Now, TA has decided it will begin a hybrid in-office schedule in the fall of 2021, letting workers choose whether to work remotely or come in, the company says.

Return-to-office dates have shifted so much in the past year that some companies aren't sharing them with employees. Shipping giant United Parcel Service Inc., UPS - 0.81% based in Atlanta, and financial-services firm Fidelity Investments Inc., based in Boston, haven't announced return dates, instead telling workers signing on from home that the companies are monitoring the coronavirus pandemic and will call workers back when it is safe.

Nearly a year of makeshift work at home has weighed on employees, leaders say. While many companies say productivity is up, executives worry that creativity is suffering and say that burnout is on the rise. Even so, bosses struggle to say when things will change.

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“Everyone’s in the moment of limbo. They want certainty, but they know they can’t have it,” says Elizabeth Mygatt, an associate partner at consulting firm McKinsey & Co., who advises companies on organizational performance. Companies that assigned return dates last year now hesitate to do so, she adds.

"I have seen fewer companies be actually super clear on what the future looks like," she says.

A new survey of 2,200 U.S. workers by the Conference Board, a research group, found that 44% of employees polled didn't know their company's plans to return to the workplace. That is up from last September, when 37% of respondents polled by the group said they were unclear on their back-to-the-office plan.

Many executives say it has become tougher to predict when white-collar employees should go back to offices than it was last year. They cite news about a slower-than-hoped vaccine rollout, the fast spread of mutant virus strains and polls that show many workers remain anxious about in-person settings.

"Sometime in 2022 is where I'm thinking" all staffers will feel comfortable coming back, says Khalid Parekh, chief executive of Amsys Group, a Houston technology company that employs about 350 people. "Then we can feel safe."

The evolution of office spaces as told through popular films and TV shows.



20TH CENTURY FOX/EVERETT COLLECTION

Labor Day is an increasingly popular target date for employers. Alphabet Inc.'s GOOG -1.49% Google recently delayed its expected return date to September, from July. Grant Thornton LLP, one of the biggest accounting and consulting firms in the U.S., expects most of its 8,500 workers to return to the office with flexible schedules in late summer or early fall. ZocDoc Inc., an online doctor-appointments service that employs 550 people, plans to reopen its New York City office after Labor Day. By then, CEO Oliver Kharraz says he expects many of his employees will be vaccinated.

"In some ways, Labor Day is a completely arbitrary date," he says. "On the other hand, it's the start of a new school year."

Continued school closures across much of the U.S. have created great difficulties for working parents, and some executives say they think a complete return to the office will be tough until schools are fully back in session.

Current office-occupancy rates are highest in parts of the country where large school districts have reopened, according to data from Kastle Systems, a security firm that monitors access-card swipes in more than 2,500 office buildings, from skyscrapers to suburban office campuses.

Right now, that means Texas: In Dallas, Austin and Houston, major school districts have offered in-person learning for many months, and offices are roughly 35% full, according to Kastle. By comparison, in New York City, where schools are open part-time for in-person learning, office occupancy is less than 15%.

Some Wall Street banks have had workers back in some areas for months, and a few businesses, including French luxury-goods giant LVMH Moët Hennessy Louis Vuitton SE, LVMUY -0.21% which recently acquired jeweler Tiffany & Co., are asking employees to report to offices at least a couple of days a week, starting next month. Others say they will wait for the population to reach herd immunity before reopening, a goal that could further cloud timing.

At toy maker Hasbro Inc., HAS -1.00% 100 out of 1,100 workers come to the Providence, R.I., campus on any given day. That contingent includes designers, painters and engineers who work on prototypes and with equipment that can't be accessed remotely, says CEO Brian Goldner. Longer term, he expects only 60% of employees will be in a facility at any given time. When that broader back-to-work plan goes into effect remains to be seen, he adds.

Andrew Le, a physician and the CEO of Buoy Health Inc., a Massachusetts healthcare tech firm, says he wants 80% to 85% of the population vaccinated before he reopens offices, a figure cited by health officials as safe for resuming normal life. Dr. Le says he expects that to happen by the fall, based on guidance from health officials, but knows it can be tough to zero in on a date.

"I'm hopeful that there's a lot of progress this summer" in vaccinating the general public, he says. "But that might be the optimistic CEO mind-set."

In Austin, Andy Bonner, the CEO of Healthcare2U, says his company has brought about half its workers back. With 50% capacity, people in the office can keep their distance in conference rooms and spread out at desks. The company continues to hire new salespeople and call-center personnel. Keeping half the workforce remote helps the company grow without increasing its real-estate footprint, he adds.

"This allows us, honestly, to expand even further than where we thought we could," Mr. Bonner says, adding that the hybrid office model will continue after the pandemic ends.

*—Emily Glazer and Paul Ziobro contributed to this article.*