# Survey of Employers

The Partnership for New York City surveyed more than 140 major Manhattan office employers between January 5 and January 28, 2023, to gauge the extent to which employees have returned to the office or are still working remotely.

As of late January 2023, 52% of Manhattan office workers are currently at their workplace on an average weekday, up from 49% in September 2022. Only 9% of employees are in the office five days a week, unchanged from September. The share of office employees that are fully remote dropped from 16% in September 2022 to 10% as of late January.

Return to office rates are approaching employers' expected "new normal" occupancy rates of 56%.

Consistent with past surveys, 82% of employers indicated a hybrid office schedule will be their predominant policy in 2023. For employers with a hybrid model, the survey reports that 59% of employees are in the office at least three days a week.

Many employers expanded New York City headcount during the pandemic and remain committed to the city: 40% increased their New York City headcount during the pandemic and 38% maintained headcount levels; only 21% decreased headcount. About half (48%) of employers expect to increase their New York City workforce, 45% expect to maintain current headcount, and only 7% expect to reduce headcount.

While 29% of employers have reduced their real estate footprint since February 2020, 17% increased their footprint and 54% had no change. A larger share of employers (26%) expect to increase their real estate footprint over the next five years than expect to reduce it (18%); the majority (56%) expect to maintain their current footprint.

The Partnership survey of employers found:

**On an average weekday, 52% of Manhattan office workers are in the workplace as of late January 2023.**

- 9% of Manhattan office workers are in the office full time (five days a week)
- 15% are in four days per week
- 35% are in three days per week
- 18% are in two days per week
- 12% are in one day per week
- 10% of Manhattan office workers are fully remote

**Employers project 56% will be the “new normal” average daily occupancy in Manhattan offices.**

- 10% of Manhattan office workers are expected to be in the workplace five days per week
- 16% will be in four days per week
- 40% will be in three days per week
- 17% will be in two days per week
- 9% will be in one day per week
- 7% of Manhattan office workers will still be fully remote

**The real estate industry has the highest average daily attendance (80%) as of late January, followed by financial services (59%) and law (58%).**

- Real estate firms expect a “new normal” of 81% average daily office attendance; financial services firms expect 62%; law firms expect 61%.
- The tech industry has a 43% average daily office attendance as of late January, which is expected to increase to a “new normal” of 49%.

**Office attendance increased among larger firms:**

- Among firms with more than 5,000 employees, 49% of employees are currently in the office on the average weekday—up from 44% in September 2022 and 31% in April 2022—with expectations of a 53% “new normal” average daily occupancy.
- Among firms with fewer than 500 employees, 59% of employees have returned to the office on the average weekday, up slightly from 54% in the fall. Average daily attendance is expected to increase to a “new normal” of 62%.

**The Partnership also asked employers about their office attendance policies in 2023:**

- 82% of employers will have a hybrid schedule in 2023; only 9% require daily attendance. The remainder rely on departmental discretion (7%) or employee discretion (2%).
- Among companies with additional offices outside of New York City, the vast majority (92%) said their remote work policy is uniform across geographies; 5% said their New York City office(s) offers more remote work flexibility than offices outside the city and 3% said their New York City office(s) offer less flexibility.
- Half of companies are still offering incentives to employees who return to the office, down from 59% in September. Common incentives include social activities (38% offering), free or discounted meals (36%), transportation subsidies (7%), and child care support (3%).

**New to this survey, the Partnership asked employers to evaluate the impact of remote work and their new office attendance policy. In most instances, a plurality of companies indicated that remote work had no impact on business outcomes/company dynamics. See the table below for detailed data.**

| | No Impact | Negative Impact | Positive Impact |
|---|---:|---:|---:|
| Company Profitability | 78% | 8% | 14% |
| Client Relationships | 75% | 12% | 12% |
| Employee Productivity | 49% | 16% | 34% |
| Professional Development | 42% | 46% | 13% |
| Company Culture | 33% | 36% | 30% |
| Employee Attraction/Retention | 33% | 13% | 56% |

**The Partnership asked employers the primary reason why employees resist returning to the office. Most commonly cited objections include:**

- Remote work offers greater flexibility (57% of companies cite this as employees' primary reason for not wanting to return to the office)
- Productivity working from home equals or surpasses the office (11%)
- Length and/or cost of commute (11%)
- Public transit is not safe or reliable (6%)
  - In the Partnership's September 2022 survey, 24% of companies cited lack of safety or reliability on public transit as employees' primary objection.
- Other companies and colleagues are not back in the office (3%)
- Fear of COVID-19 or other illness (3%)
- 7% of companies cited a combination of the above factors. Only 1% of companies cited difficulty managing child care duties as the main driver of negative employee feedback.

**The Partnership asked employers whether they expanded their presence in the city during the pandemic:**

- 40% of employers increased their New York City headcount during the pandemic (since February 2020).
  - 21% of employers decreased their headcount during the pandemic and 38% maintained headcount levels.
- 29% decreased their New York City real estate footprint during the pandemic; most companies maintained (54%) or increased (17%) their footprint.

- When asked to project New York City headcount levels over the next five years, about half (48%) expect to increase their New York City workforce, 45% expect to maintain current headcount, and only 7% expect to reduce headcount.
- Most employers (56%) expect no change in their real estate footprint over the next five years, 26% expect to expand, and 18% expect to downsize.

**Additional information:**

- The majority of respondents are in financial services (37%), real estate (17%), law (11%), tech (6%), media (6%), and consulting (4%).
- The majority of surveyed employers have offices in Midtown West (54%), Midtown East (23%), or the Financial District (15%).

**About the Partnership for New York City**

The Partnership for New York City represents the city's business leaders and largest employers. We work with government, labor, and the nonprofit sector to promote economic growth and maintain the city's prominence as a global center of economic opportunity, upward mobility, and innovation. The Partnership Fund for New York City contributes directly to projects that create jobs, improve economically distressed communities, and stimulate new business creation. Visit pfnyc.org to learn more.