The Flex Report

Q3 2023

Flex Index
PRESENTED BY scoop

Table of Contents

About the Flex Report

Here we go again!

It's almost Labor Day in the United States. This will be the fourth Labor Day since the beginning of COVID-19. Regular as clockwork, it also will be the fourth annual debate on whether return to office will accelerate after the holiday.

Read through the archives of stories on return to office, and you'll find lots of articles in **2020**, **2021**, and **2022** stating that employees will largely be back in office after Labor Day. This year is no exception, with **JLL claiming** that one million additional employees will be required back in office after the holiday.

Yet looking back over the last few years, the Labor Day return to office has largely looked like...more of the same. In 2022, office usage reached **50%** post-Labor Day and is still roughly there, according to **Kastle**.

In 2023, are we in for a change or more of the same? The labor market continues to be strong, with unemployment at a **historically low 3.5%**. Will companies desiring more office time succeed in luring employees back more frequently, or will a tight labor market that **prizes flexibility** dampen return to office plans?

In this report, we look at trends in office requirements year to date to better predict what might happen after Labor Day. We track the changes across industries, regions, company sizes, and even the year a company was founded to see how flexibility is evolving across the United States. With that data, not only can we make some predictions about the rest of 2023, but even what percentage of companies might require Full Time In Office over the long run.

Flexible Work Categories

Fully Flexible

Companies that give their employees a choice over whether to come into an office. Fully Flexible companies have adopted either a Fully Remote or Employee Choice model.

Fully Remote

Companies that do not have physical office space. All employees work remotely.

Employee's Choice

Employees can choose when or if they work from an office.

Structured Hybrid

Companies that have set specific expectations on when employees work from an office. The different Structured Hybrid models are:

Minimum Days

Companies that set a minimum number of days employees must work from the office each week (ex: two days per week).

Specific Days

Companies that set specific days of the week employees must work from the office (ex: Tues/Thurs).

Minimum & Specific Days

Companies that set minimum and specific days per week employees must work from the office.

Minimum Percentage of Time

Companies that set a minimum percentage of time employees must work from the office (ex: 40%).

Full Time In Office

Companies that require employees to work from the office full time.

Key Findings

1 The Full Time In Office Fadeaway

Full Time In Office is steadily decreasing as a percentage of total US companies. 39% of US companies require Full Time In Office, down from 49% at the start of 2023. Based on historical trends, we predict that Full Time In Office will decline to 15% of companies or less over the coming years.

2 Age Matters

93% of Flex Index companies started since 2011 offer work location flexibility. And it's not just technology companies—we see this trend across all industries. 85% of non-tech companies founded since 2011 offer work location flexibility. Companies started in the last 10-15 years are the best indicators of what work location flexibility will look like in the future.

3 Return To Office In 2023 Has Been...Non-Existent

Companies with a Minimum Days/Week model, on average, require 2.56 days in office (up from 2.49 in January). That sits squarely between what the average employer wants (2.75 days) and what the average employee wants (2.21 days), which is likely a big reason why occupancy rates are flat year to date. There may not be much more return to office movement from here.

4 Smaller Companies Are Embracing Flex

Companies under 500 employees are increasing their adoption of work location flexibility. 76% of Flex Index companies under 500 employees are Fully Flexible. Excluding tech companies, 59% of Flex Index companies under 500 employees are Fully Flexible.

5 Tech In The Lead

A whopping 97% of tech companies offer at least some work location flexibility. Media & Entertainment is the 2nd most flexible industry (91%). Insurance, Professional Services, and Financial Services round out the top 5 most flexible industries.

6 Massachusetts Takes The Top Spot

MA takes the top spot in the most flexible states rankings, with 86% of companies offering work location flexibility for their corporate employees. Companies in the West and Northeast US dominate the top 10, whereas companies in the South and Midwest tend to be less flexible.

7 The Bay Area Dominates On Flexibility

San Jose, San Francisco, and Austin are neck and neck and neck when it comes to being the most flexible work cities in America, but flexibility is contributing to commercial real estate woes in their respective metros.

Spotlight on...

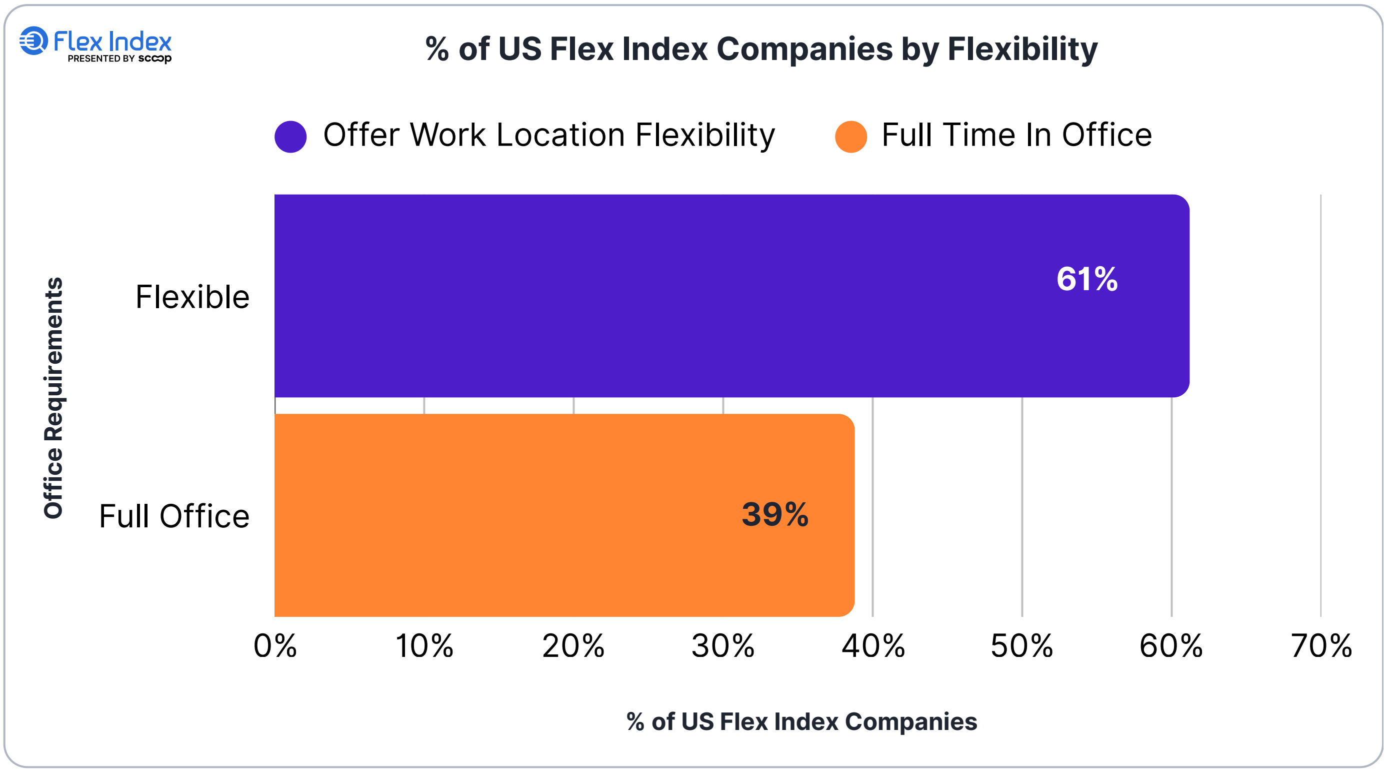
Adoption of Work Location Flexibility

Share

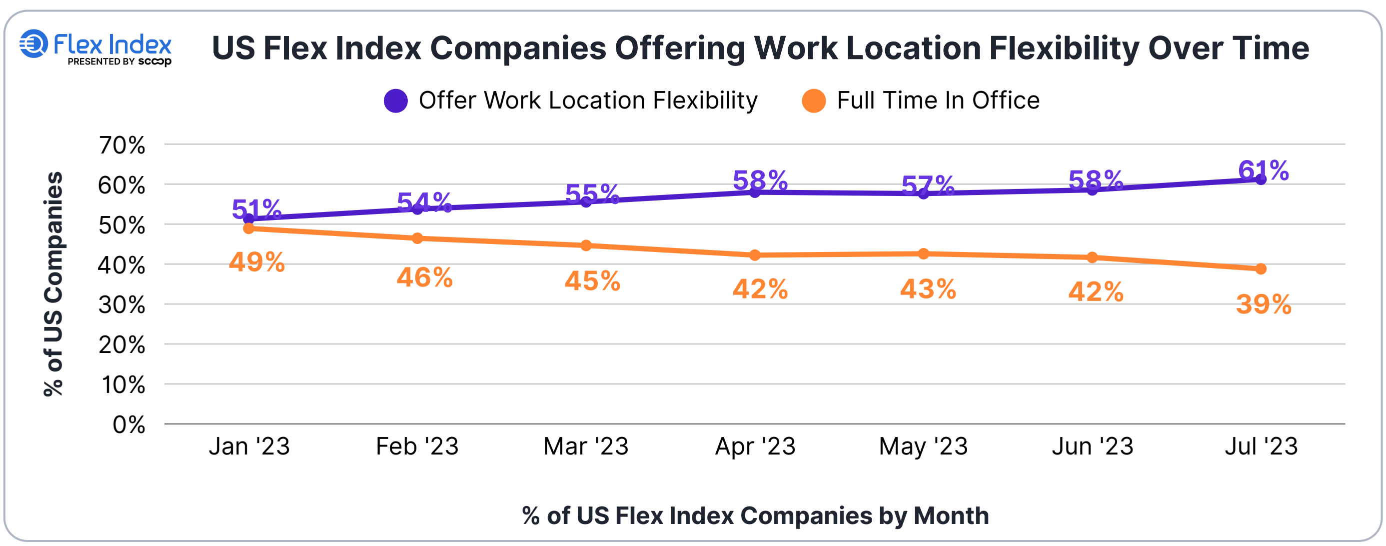
ADOPTION OF WORK LOCATION FLEXIBILITY

61% of US companies now offer work location flexibility, up from 51% at the start of 2023. Full Time In Office has now dropped to 39% of US companies, down 10 points from the start of 2023 and 3 points over the last three months.

It appears that the importance of work location flexibility to **job seekers** is having an impact on company policy and full time office requirements.



Source: Flex Index (flex.scoopforwork.com) employee surveys and publicly available data on company office requirements for companies with headquarters in the US, N = 4,762 companies. Flex Index data has been re-weighted using the Current Population Survey industry data to better approximate the US working population. The Flex Index is presented by Scoop (scoopforwork.com).

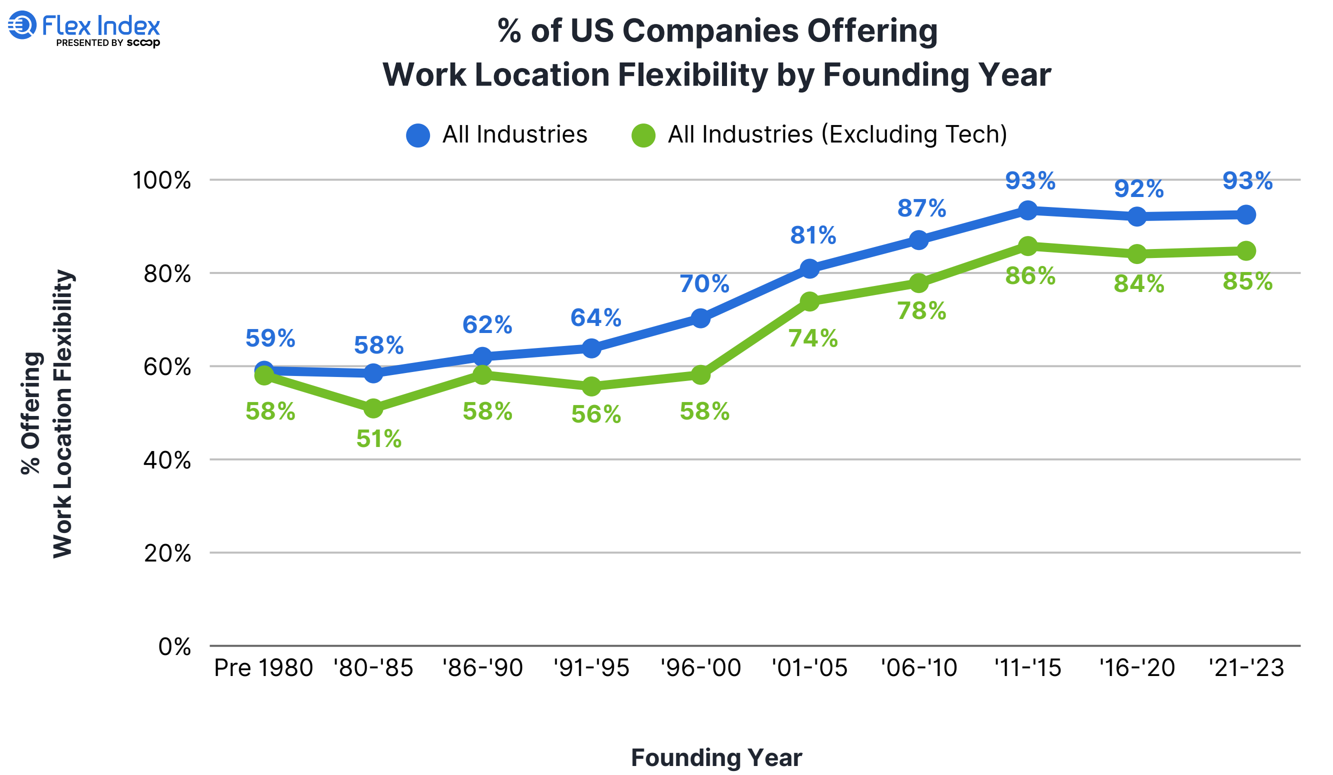


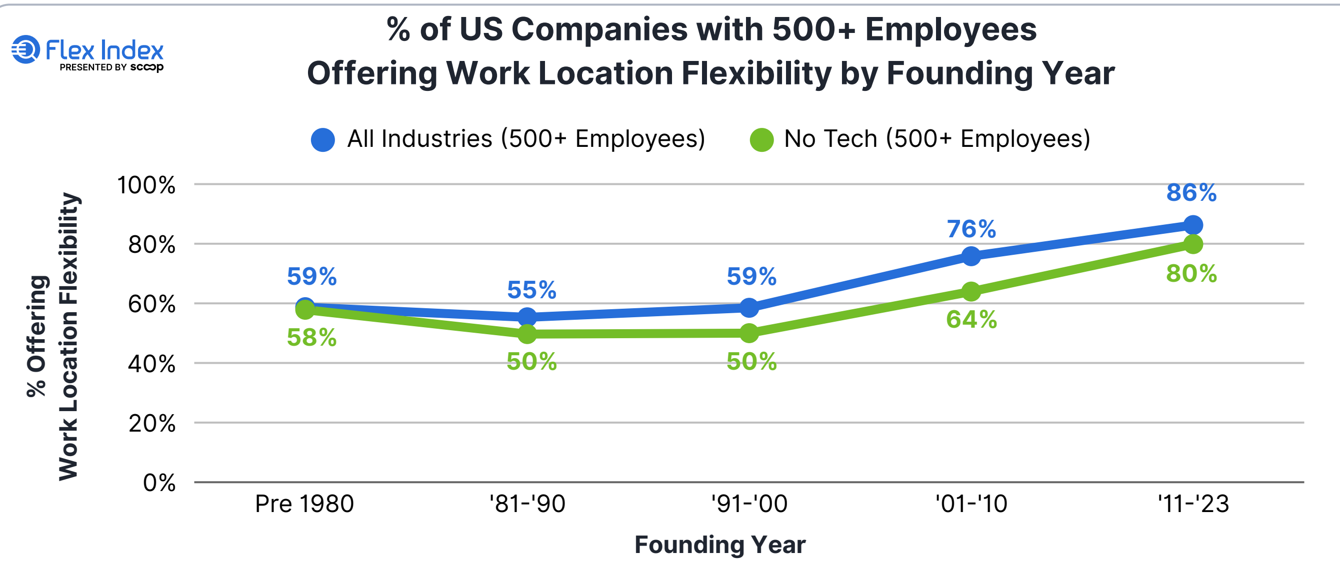
Source: Flex Index (flex.scoopforwork.com) employee surveys and publicly available data on company office requirements for companies with headquarters in the US, N = 4,762 companies. Flex Index data has been re-weighted using the Current Population Survey industry data to better approximate the US working population. The Flex Index is presented by Scoop (scoopforwork.com).

Looking at companies founded in the last 15 years gives the best indication of where work location flexibility will head in the future. With each passing year, companies started since 2010 will be a greater percentage of the overall US company base.

93% of Flex Index companies started after 2010 offer work location flexibility. Excluding the tech industry, 85% of companies started after 2010 offer work location flexibility.

Based on this data, we expect Full Time In Office to decrease to 15% or less of US companies over the coming years.





Source: Flex Index (flex.scoopforwork.com) employee surveys and publicly available data on company office requirements for companies with headquarters in the US, N = 4,018 companies. People Data Labs data on company founding year. The Flex Index is presented by Scoop (scoopforwork.com).

Spotlight on...

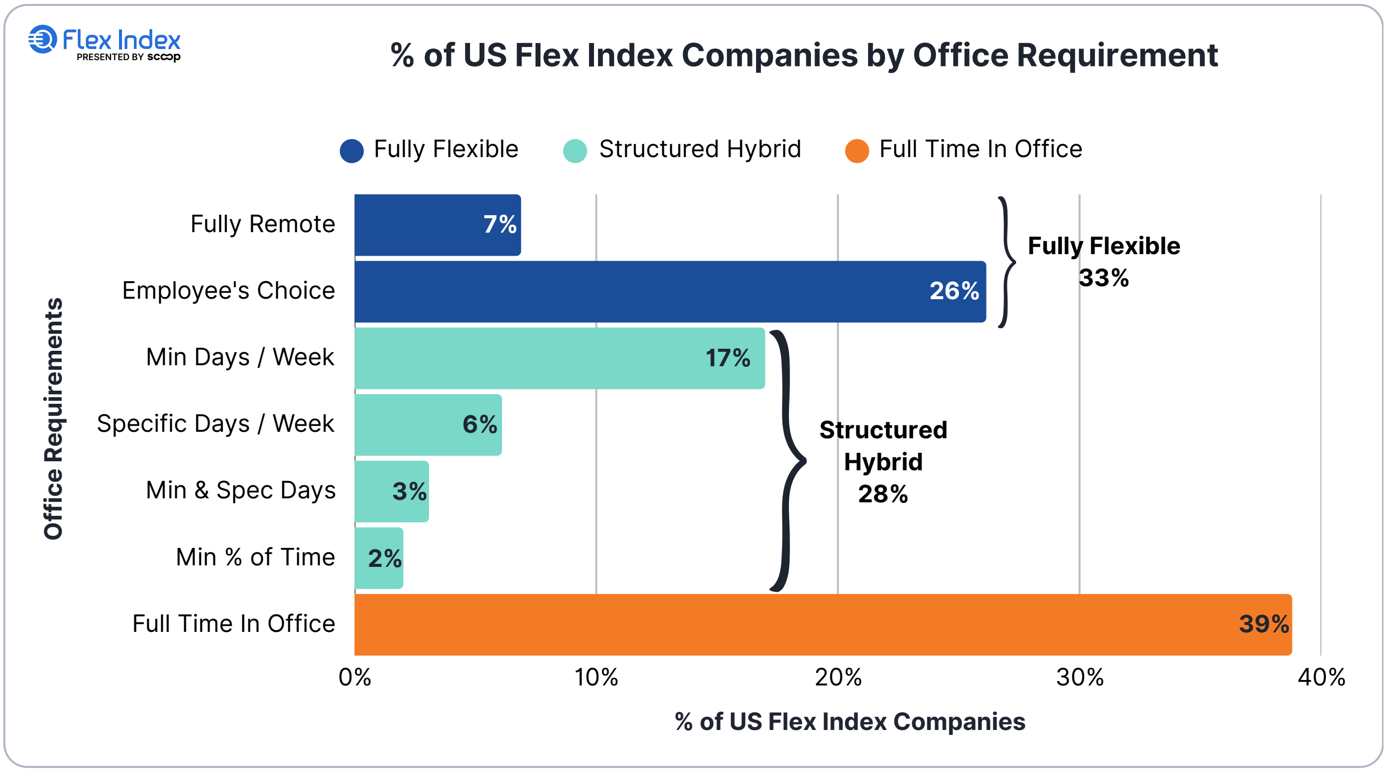
Office Requirements

OFFICE REQUIREMENTS

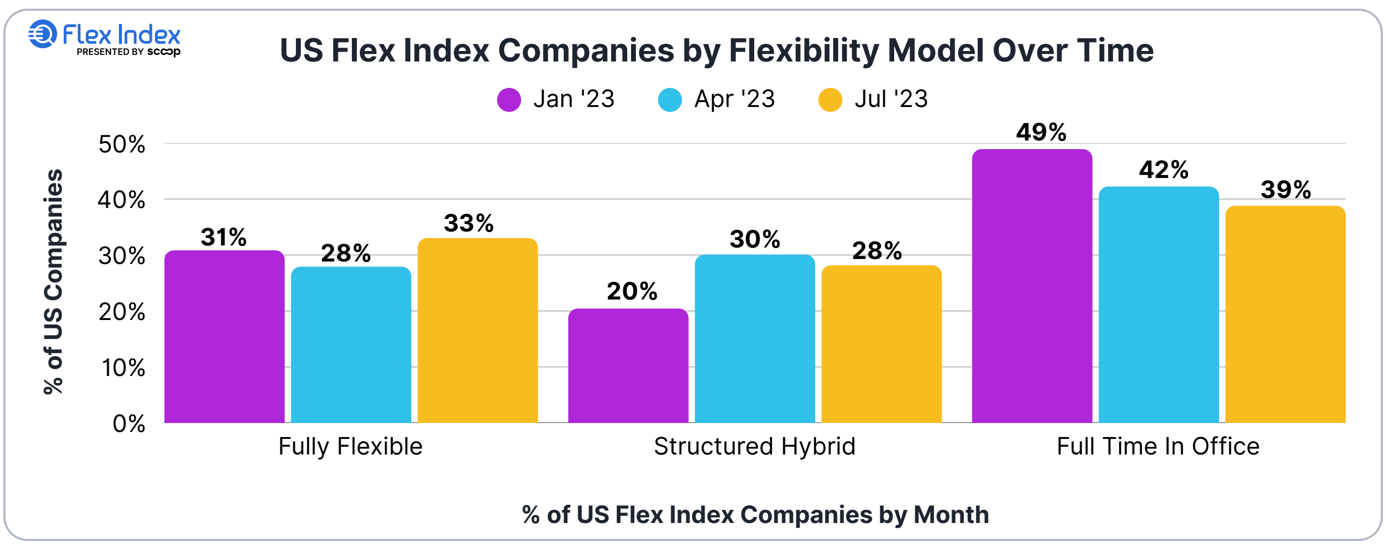
Share

Full Time In Office is becoming less common, leading to growth in companies adopting both Fully Flexible and Structured Hybrid models.

Fully Flexible is most popular at smaller companies that continue to have offices, but give employees choice on how often to go. Larger organizations are gravitating toward Structured Hybrid, in particular setting a minimum expectation on days in office.



Source: Flex Index (flex.scoopforwork.com) employee surveys and publicly available data on company office requirements for companies with headquarters in the US, N = 4,762 companies. Flex Index data has been re-weighted using the Current Population Survey industry data to better approximate the US working population. The Flex Index is presented by Scoop (scoopforwork.com).



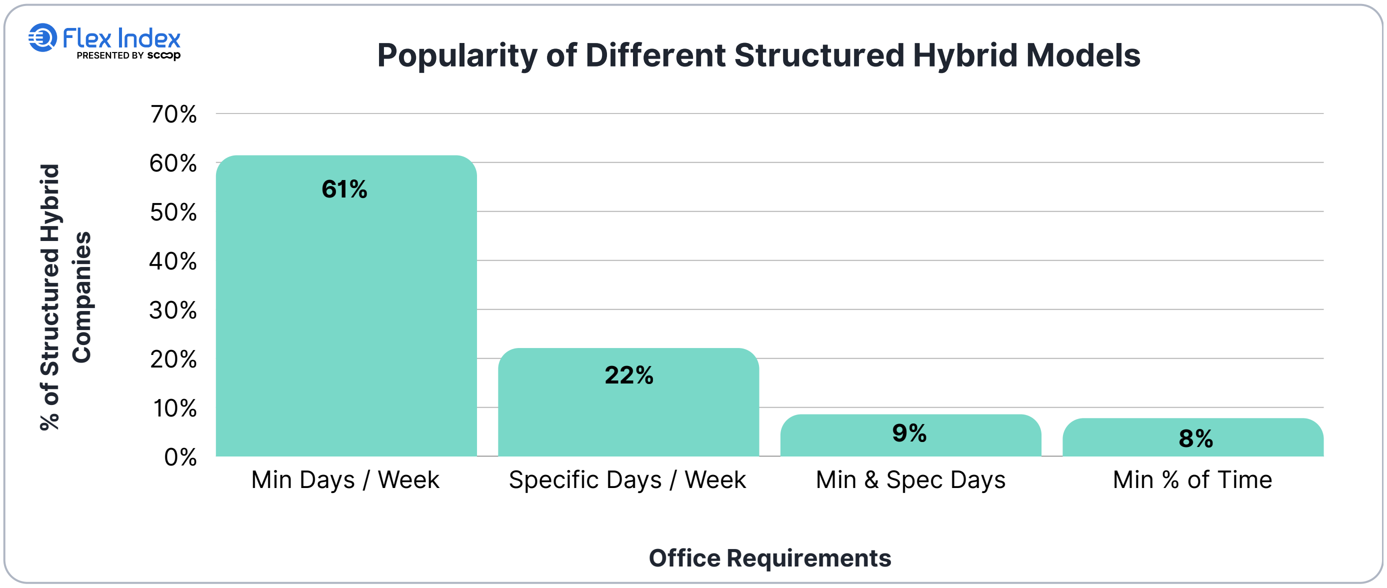
Source: Flex Index (flex.scoopforwork.com) employee surveys and publicly available data on company office requirements for companies with headquarters in the US, N = 4,762 companies. Flex Index data has been re-weighted using the Current Population Survey industry data to better approximate the US working population. The Flex Index is presented by Scoop (scoopforwork.com).

Spotlight on...

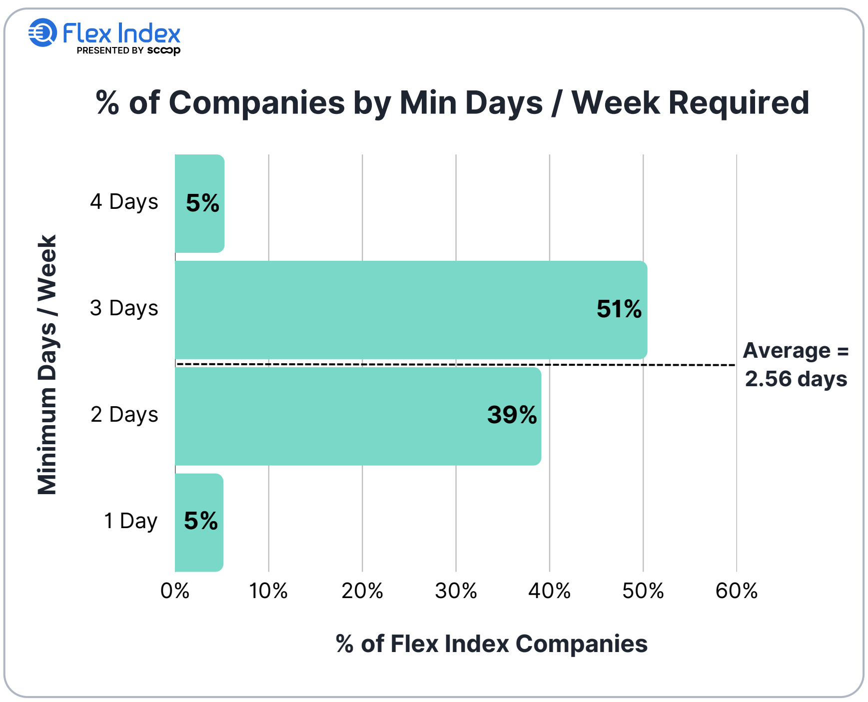
Time In Office

STRUCTURED HYBRID: DAYS / WEEK REQUIRED

Minimum Days / Week continues to be the most popular Structured Hybrid model. 70% of companies have at least a minimum days component to their Structured Hybrid policy (61% just minimum days, 9% minimum & specific days).



Source: Flex Index (flex.scoopforwork.com) employee surveys and publicly available data on US companies with Structured Hybrid office requirements. N = 1,139 companies. The Flex Index is presented by Scoop (scoopforwork.com).



Source: Flex Index (flex.scoopforwork.com) employee surveys and publicly available data on US companies with a min day / week office requirement. N = 769 companies. The Flex Index is presented by Scoop (scoopforwork.com).

💬 GOOD TO KNOW

The vast majority of Structured Hybrid companies expect 2-3 days per week in the office.

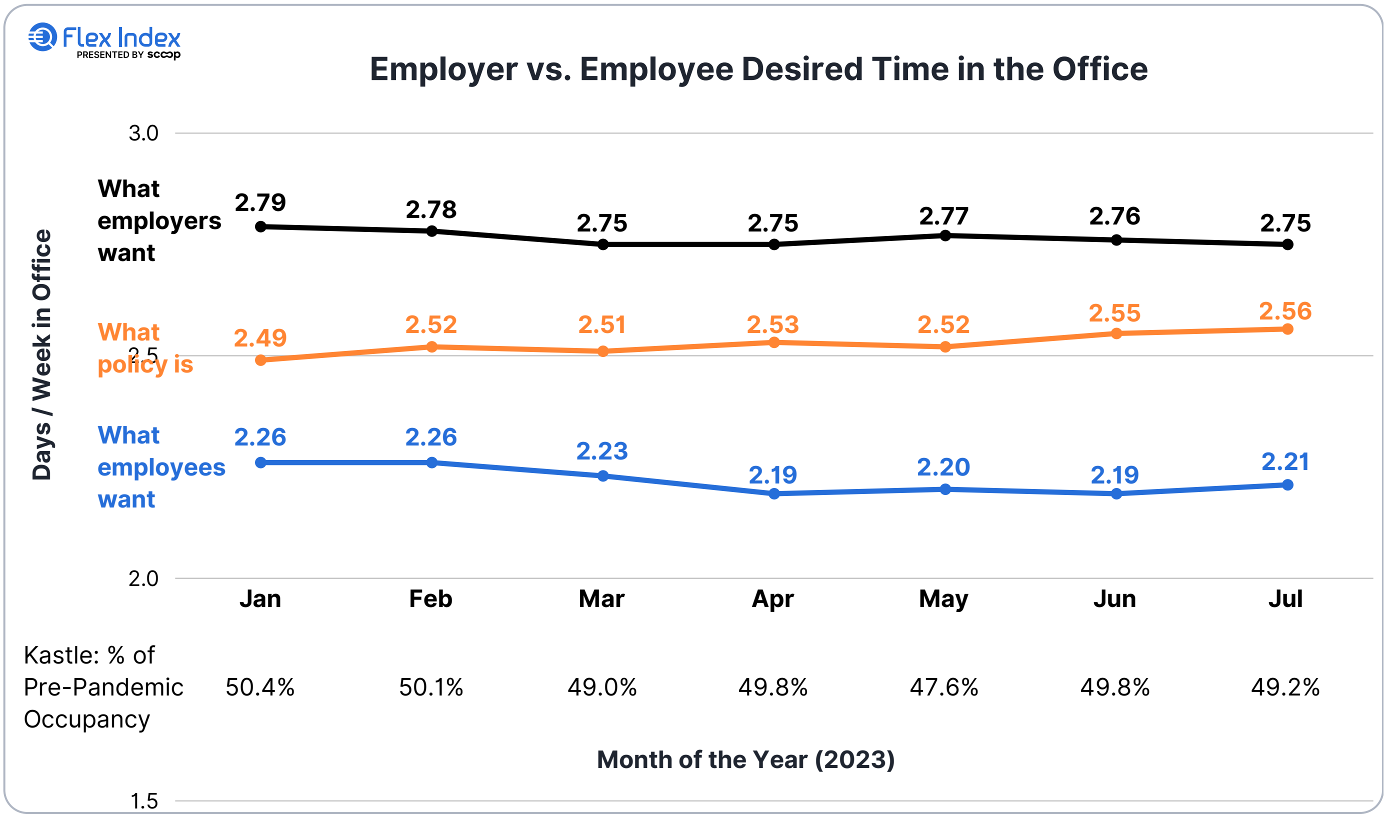
90% of companies with a Minimum Days / Week model require 2 or 3 days in the office.

If you're looking at companies with a Structured Hybrid model, expect to spend about 50% of your time in the office.

REACHING EQUILIBRIUM ON TIME IN OFFICE

For the first time in a Flex Report, we combine data across three of the leading return to office datasets -- [Flex Index](), [SWAA](), and [Kastle]() -- to give a robust view of the state of return to office.

Average company policy on days in office (2.56 days / week) sits squarely between what employers want (2.75 days) and what employees want (2.21).



Source: Flex Index (flex.scoopforwork.com) employee surveys and publicly available data on US companies with Structured Hybrid office requirements. N = 1,139 companies. The Flex Index is presented by Scoop (scoopforwork.com). Barrero, Jose Maria, Nicholas Bloom, and Steven J. Davis, 2021. "Why working from home will stick," National Bureau of Economic Research Working Paper 28731. Kastle Weekly Occupancy Report from Kastle Access Control Systems Data (data taken from last week of each month).

💡 KEY INSIGHT: NO NOTICEABLE RETURN TO OFFICE IN 2023

According to Kastle occupancy data through the end of July 2023, there has been no increase in office utilization year to date. Why is that the case?

Company policy on required office days is already balanced between what employers want and what employees want. Contrary to what you might see in the news, the average employer does not want employees in the office more than three days a week. As a result, we're likely to stay at 2-3 days / week in the office on average with limited increase in occupancy rates in the future.

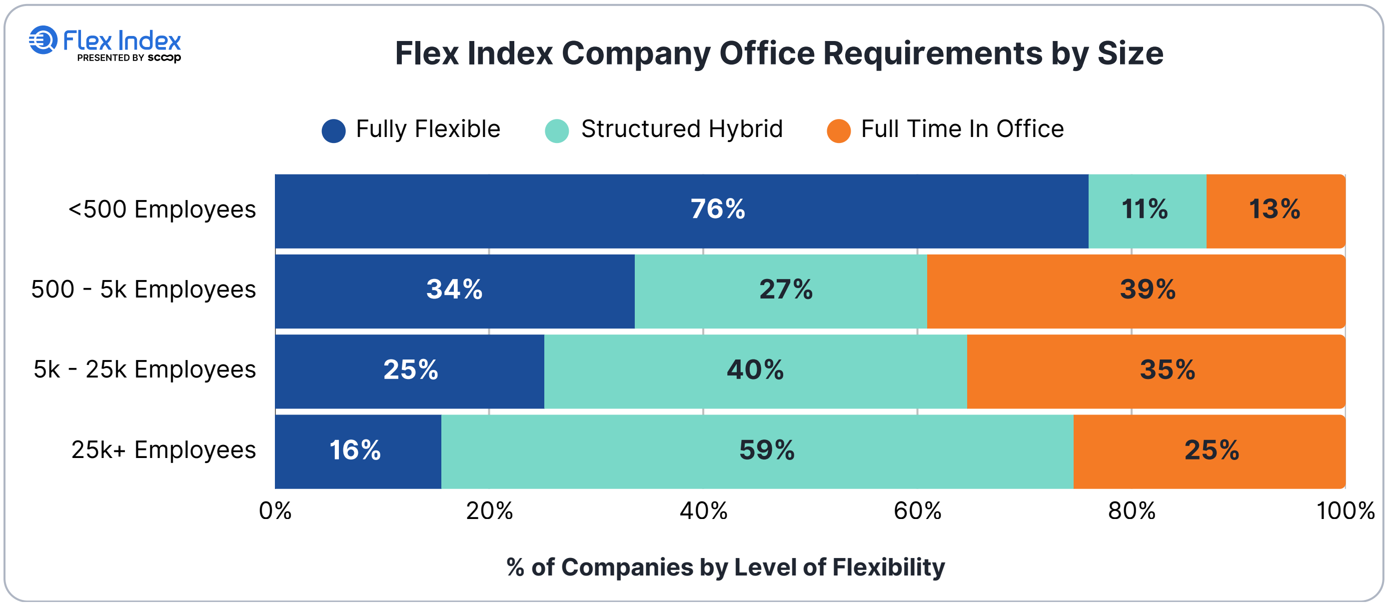
Flexibility by Company Size

Share

FLEXIBILITY BY COMPANY SIZE

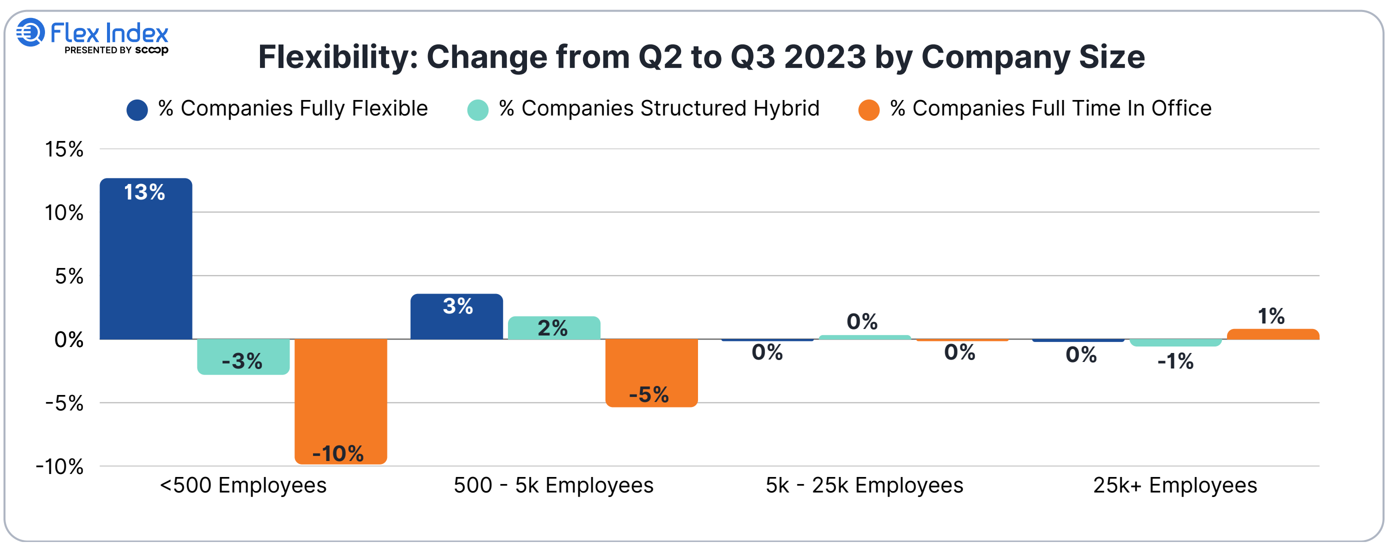
Companies with less than 500 employees are overwhelmingly flexible. 76% of US companies in the Flex Index are Fully Remote or do not require employees to come into the office. Only 13% of companies with <500 employees are Full Time In Office.

Larger companies are more likely to embrace Structured Hybrid models.



Source: Flex Index (flex.scoopforwork.com) employee surveys and publicly available data on company office requirements. N = 4,762 companies. The Flex Index is presented by Scoop (scoopforwork.com).

Small companies are adopting more flexible policies, likely to win talent from bigger, less flexible competitors and to save on real estate costs. 500-5k employee companies are becoming more flexible in line with their bigger and smaller peers.

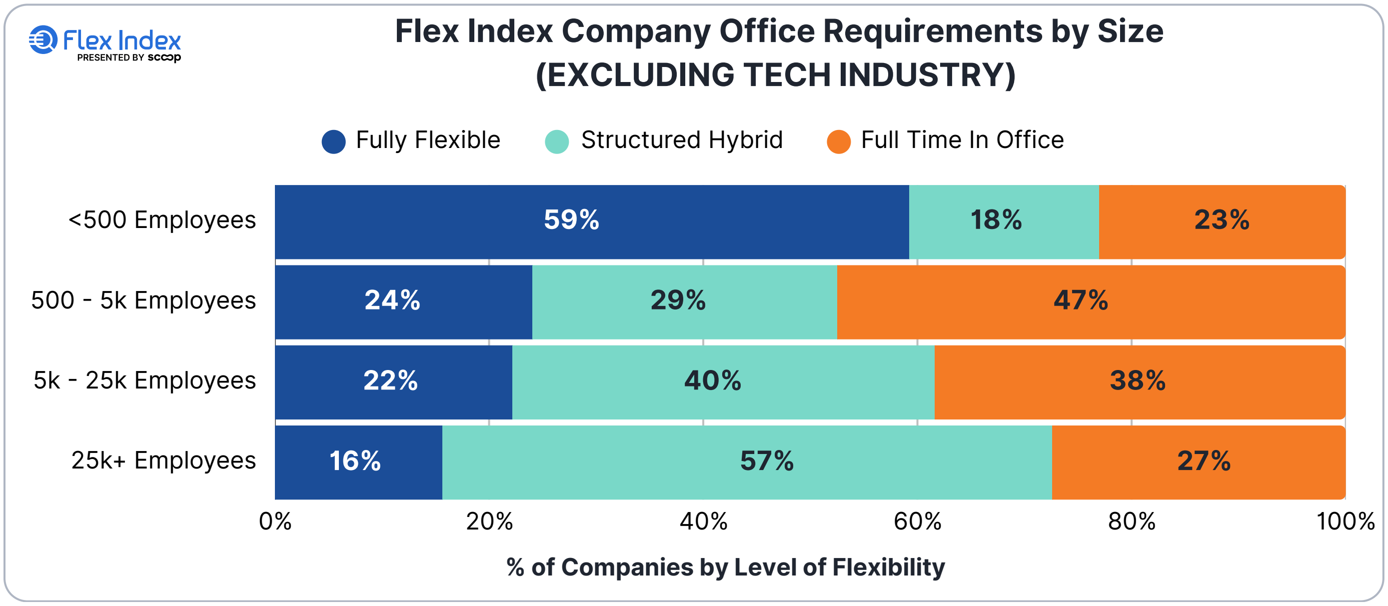


Source: Flex Index (flex.scoopforwork.com) employee surveys and publicly available data on company office requirements. N = 4,762 companies. The Flex Index is presented by Scoop (scoopforwork.com).

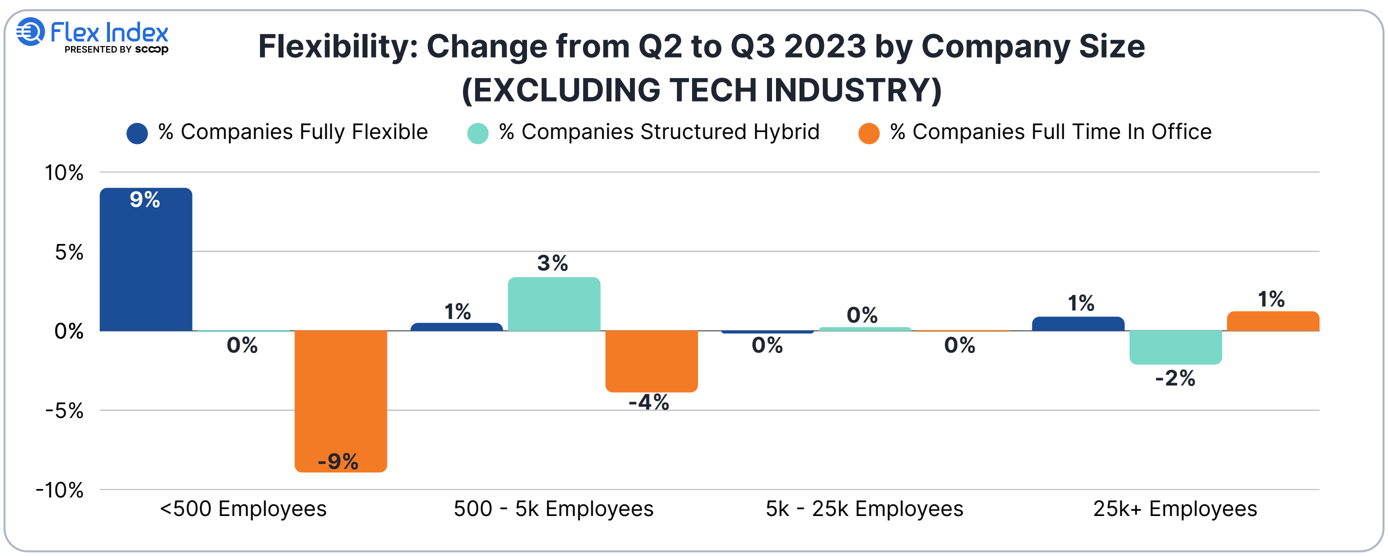
FLEXIBILITY BY COMPANY SIZE (EXCLUDING TECH INDUSTRY)

Even outside the technology sector, the smallest companies embrace Fully Flexible work, and the larger ones lean more toward Structured Hybrid.

Like their tech counterparts, the question for other small companies remains — as they grow and the complexity of their operations scales, will they need to require more in-office time like their larger peers?



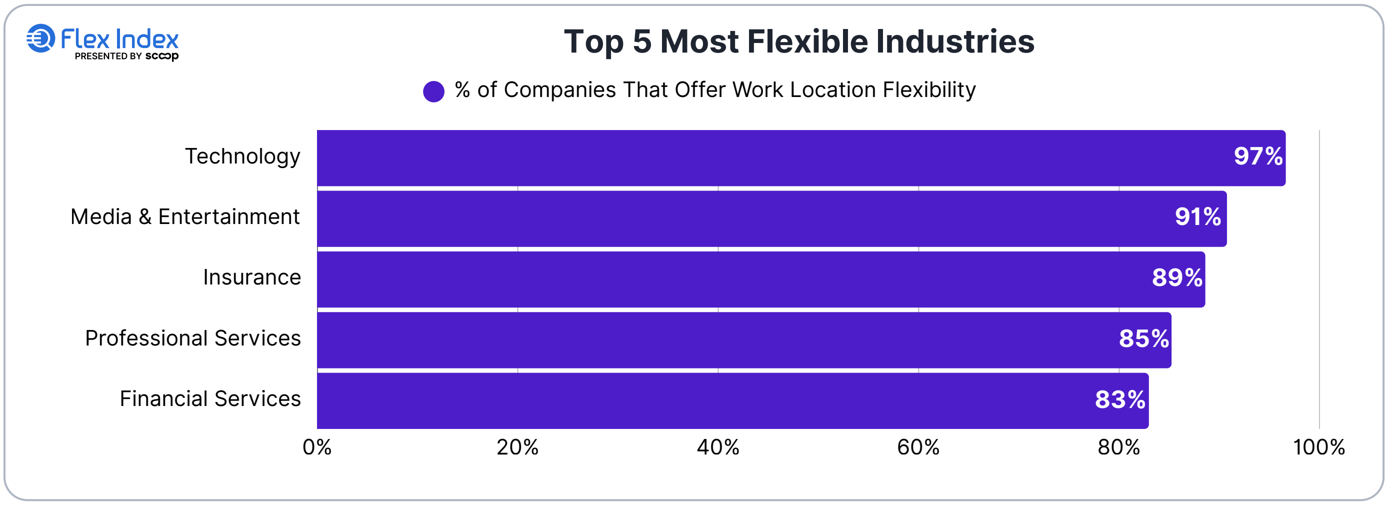
Source: Flex Index (flex.scoopforwork.com) employee surveys and publicly available data on company office requirements. N = 4,762 companies. The Flex Index is presented by Scoop (scoopforwork.com).



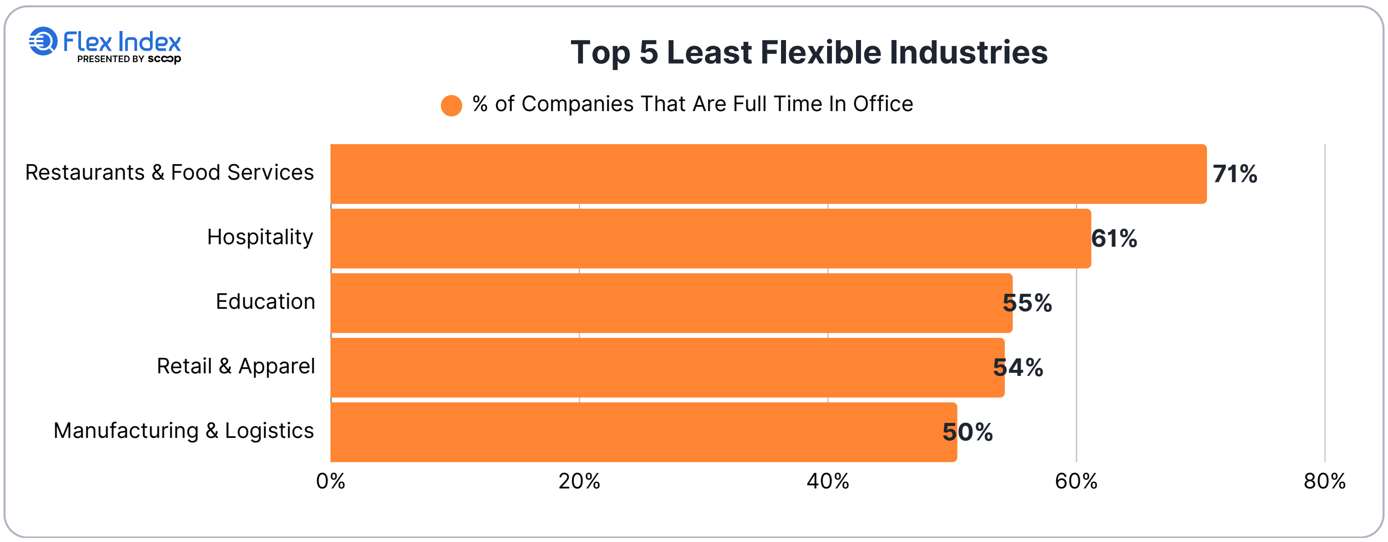
Source: Flex Index (flex.scoopforwork.com) employee surveys and publicly available data on company office requirements. N = 4,762 companies. The Flex Index is presented by Scoop (scoopforwork.com).

Flexibility by Industry

FLEXIBILITY BY INDUSTRY



Source: Flex Index (flex.scoopforwork.com) employee surveys and publicly available data on company office requirements. N = 4,725 companies. The Flex Index is presented by Scoop (scoopforwork.com).



Source: Flex Index (flex.scoopforwork.com) employee surveys and publicly available data on company office requirements. N = 4,725 companies. The Flex Index is presented by Scoop (scoopforwork.com).

MOST FLEXIBLE

Tech continues to lead on flexibility, with 97% of tech companies offering at least some work location flexibility.

Media & Entertainment takes the #2 spot (91%). The Financial Services industry -- despite calls from some **big bank CEOs** for return to office -- continues to be one of the most flexible industries (83%), along with Insurance (89%).

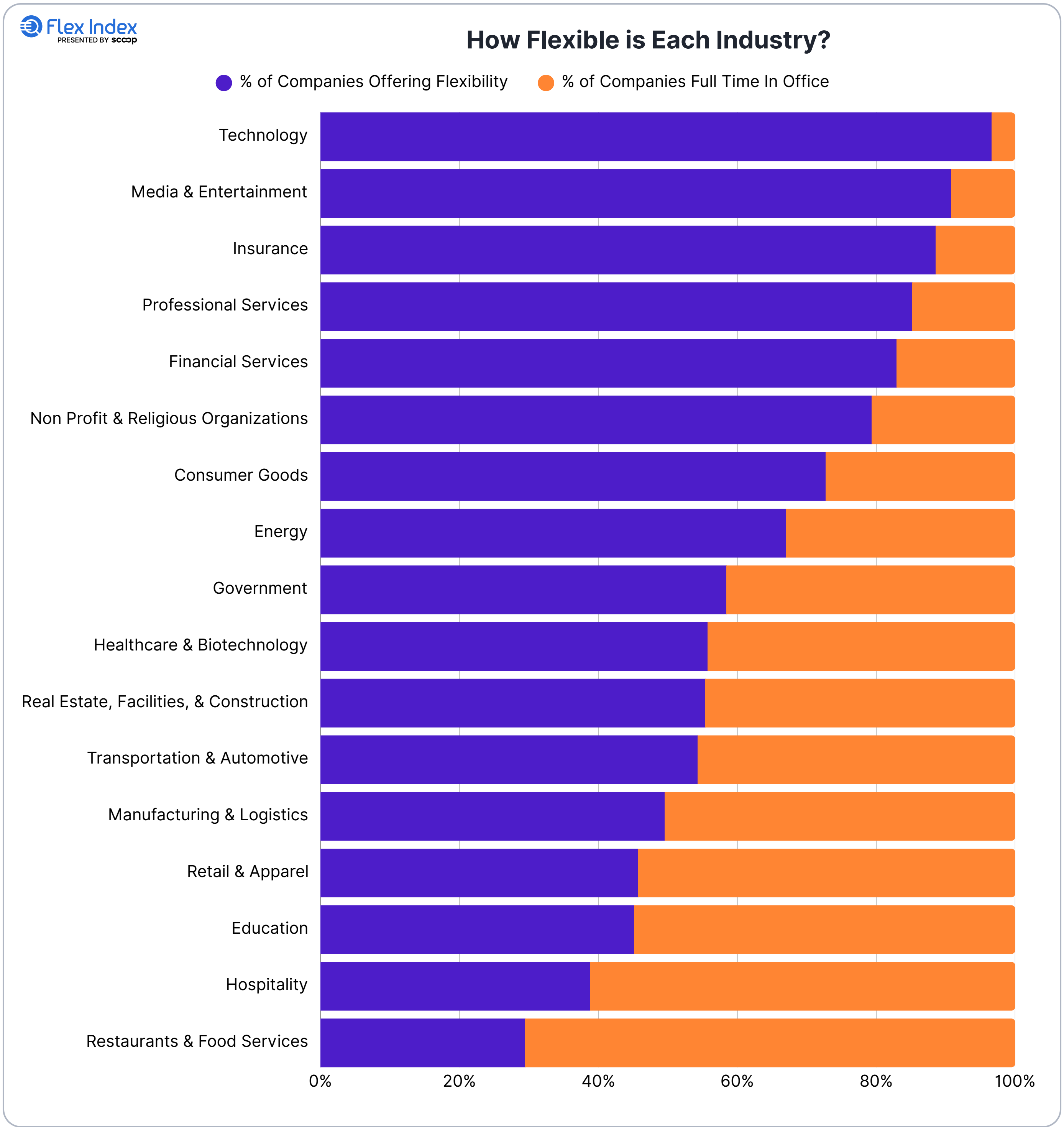
LEAST FLEXIBLE

The industries most dependent on foot traffic are understandably the most prominent holdouts on flexible work.

Restaurants & Food Services takes the top spot with 71% of companies requiring Full Time In Office for corporate workers. Hospitality, Education, Retail & Apparel, & Manufacturing round out the top five.

The majority of companies in most industries (except the bottom five) offer work location flexibility.

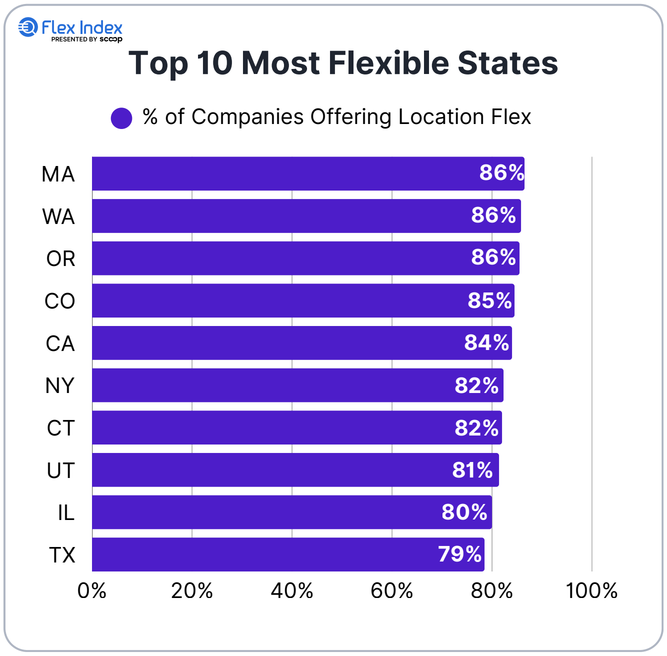
Non Profit & Religious organizations are frequent adopters of flexible work, so if you want some flexibility while giving back, you're in luck!



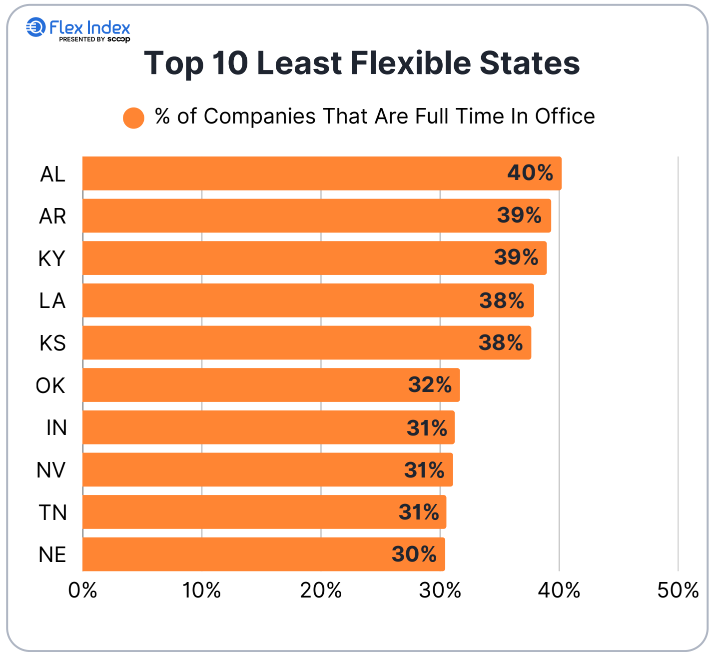
Source: Flex Index (flex.scoopforwork.com) employee surveys and publicly available data on company office requirements. N = 4,725 companies. The Flex Index is presented by Scoop (scoopforwork.com).

Flexibility by State & Metro

FLEXIBILITY BY STATE



Source: Flex Index (flex.scoopforwork.com) employee surveys and publicly available data on company office requirements; People Data Labs data on firm employment by metro. N = 34,525 State data points.



Source: Flex Index (flex.scoopforwork.com) employee surveys and publicly available data on company office requirements; People Data Labs data on firm employment by metro. N = 34,525 State data points.

MOST FLEXIBLE

The top states for flexibility overwhelmingly are located in the West and Northeast of the United States.

Massachusetts takes the spot with 86% of companies offering at least some work location flexibility.

Texas is the sole entrant from the South (79%), partially supported by the high level of flexibility in the Austin area.

LEAST FLEXIBLE

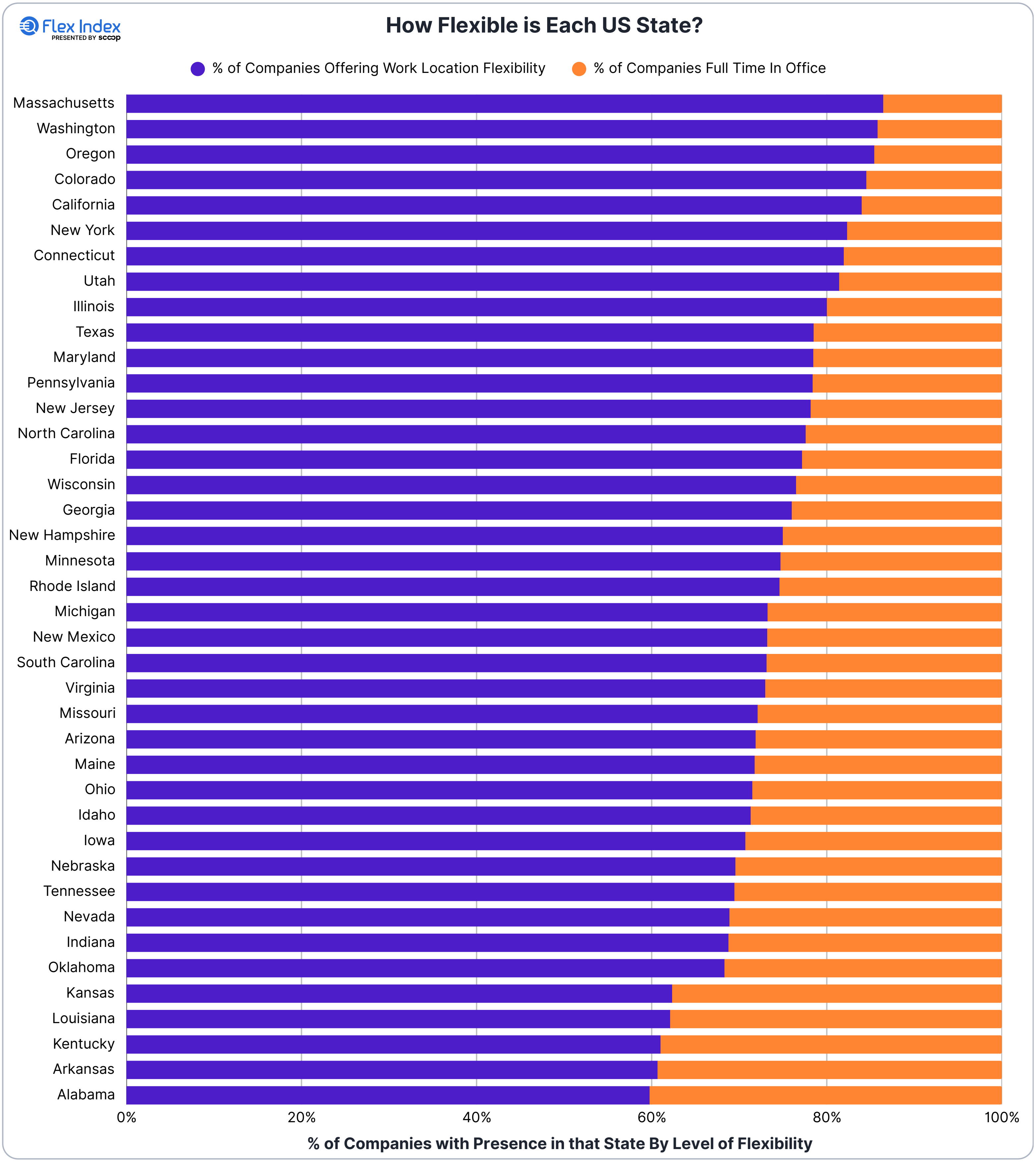
The least flexible states are mostly located in the South and Midwest of the United States.

Alabama leads the way with 40% of companies that have offices in AL requiring Full Time In Office work.

Arkansas, Kentucky, Louisiana, and Kansas round out the top five, all with 38% or more of companies requiring Full Time In Office work.

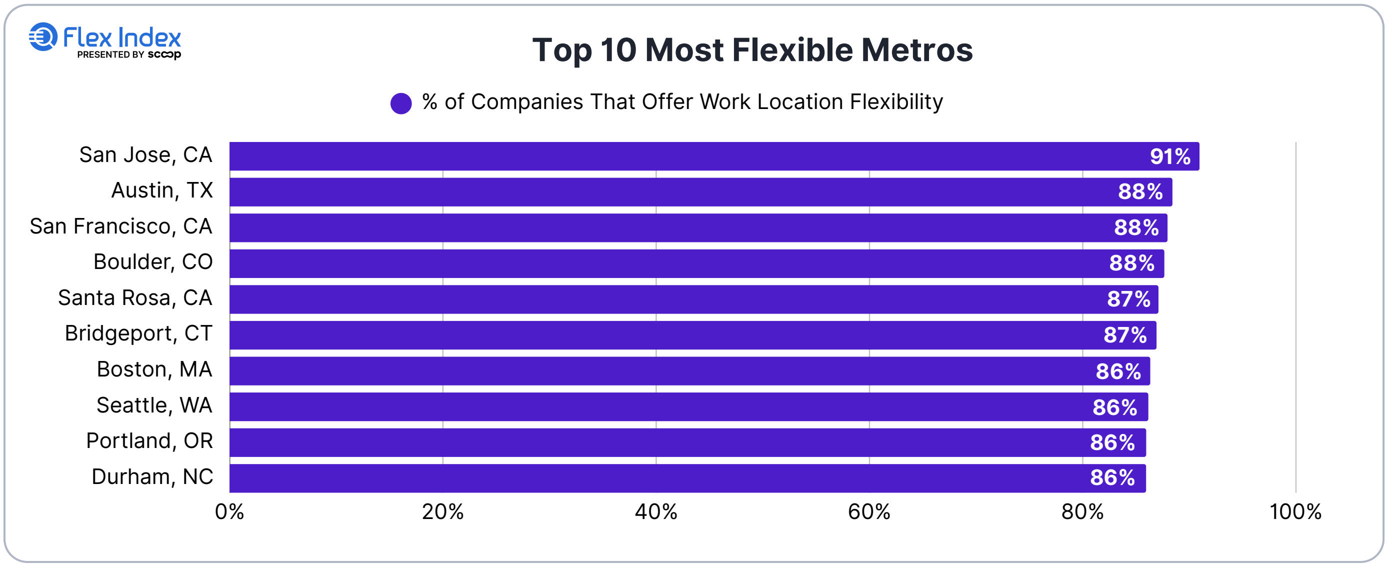
Share

FLEXIBILITY BY STATE

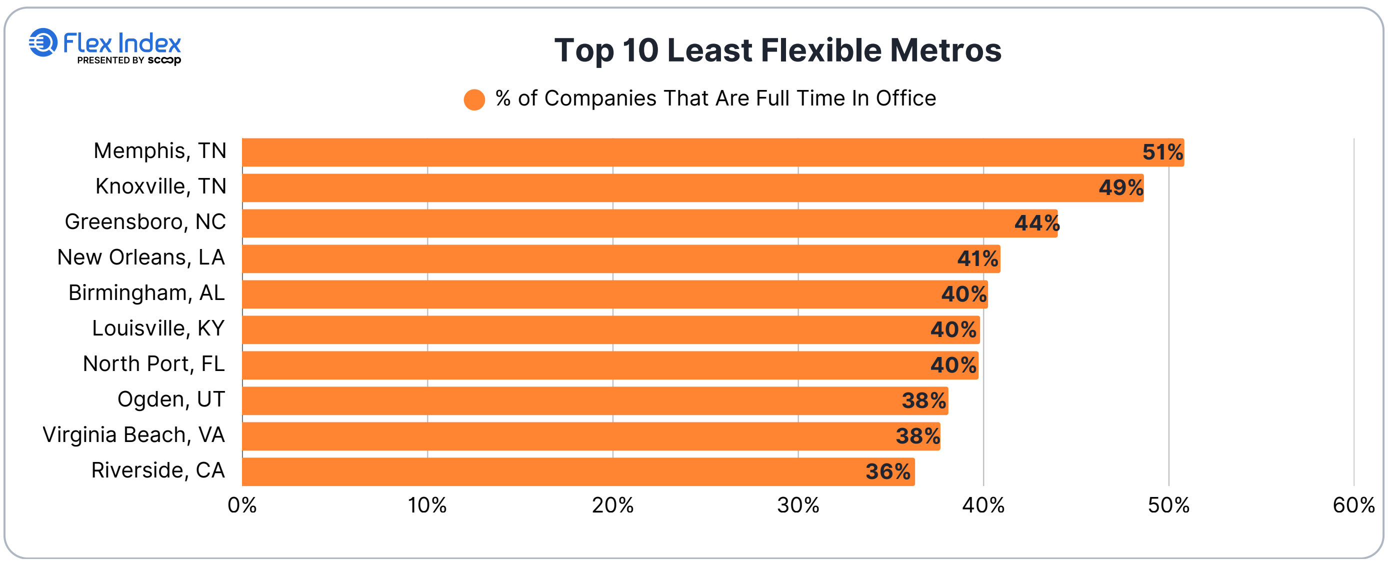


Source: Flex Index (flex.scoopforwork.com) employee surveys and publicly available data on company office requirements; People Data Labs data on firm employment by metro. N = 34,525 State data points. The Flex Index is presented by Scoop (scoopforwork.com).

FLEXIBILITY BY METRO



Source: Flex Index (flex.scoopforwork.com) employee surveys and publicly available data on company office requirements; People Data Labs data on firm employment by metro. N = 46,853 metro data points. The Flex Index is presented by Scoop (scoopforwork.com).



Source: Flex Index (flex.scoopforwork.com) employee surveys and publicly available data on company office requirements; People Data Labs data on firm employment by metro. N = 46,853 metro data points. The Flex Index is presented by Scoop (scoopforwork.com).

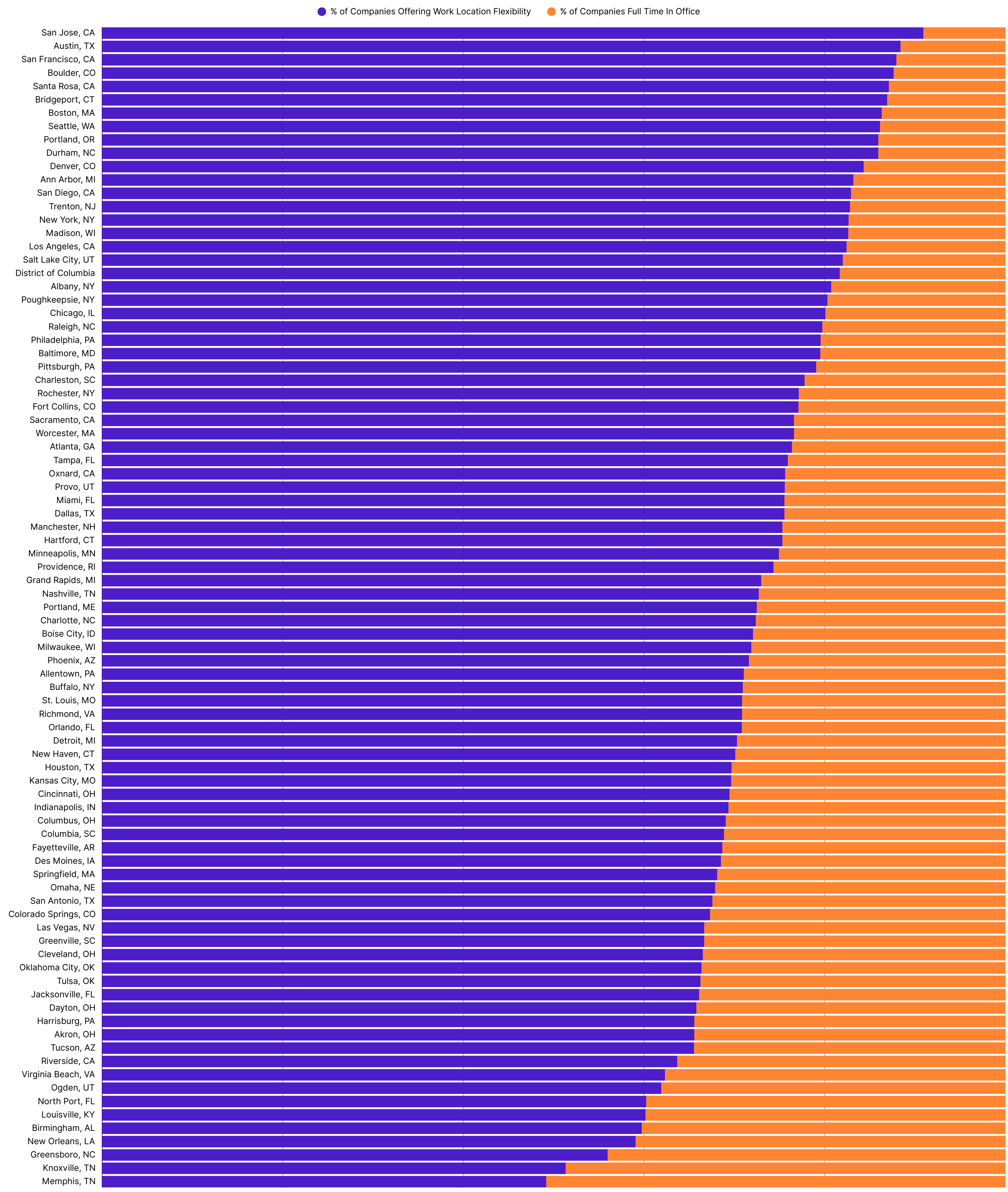
The Bay Area is home to two of the three most flexible metros in the country. Tech's embrace of flexibility is causing significant real estate pain in those areas.

Despite Austin's reputation as the most "back to work" city in America, office occupancy is just 57%, which is down 11% from March, according to **occupancy data from Kastle**.

The Sun Belt is home to many of the least flexible metros. Tennessee takes the top two spots for metros requiring Full Time In Office work.

Surprisingly, despite California's relatively welcoming views toward flexible work, Riverside, CA cracked the top 10 this quarter, proving that no state is a monolith. North Carolina also had metros on both the top 10 most flexible metros and top 10 least flexible metros lists.

How Flexible is Each Metro?



% of Companies with Presence in that Metro By Level of Flexibility

Source: Flex Index (flex.scoopforwork.com) employee surveys and publicly available data on company office requirements; People Data Labs data on firm employment by metro. N = 46,853 metro data points. The Flex Index is presented by Scoop (scoopforwork.com).

In Closing

In Closing

RTO is still a hot topic — and much debated one — among not only organizational leaders and employees, but also economists, city planners, and local business owners. The return to office appears to have already reached equilibrium, but that likely won't stop conversations about when the next return to office wave will happen, especially if the economy softens.

If occupancy rates don't increase much from current levels, will we see the corporate real estate crash that's been telegraphed by the **big banks**, **consulting firms**, and **leading academics**?

It's clear that Full Time In Office is trending down, and we expect that trajectory to continue until 15% or less of US companies require it. Job seekers will have an increasing number of flexible options available to them. That will put pressure on both real estate prices and the companies holding onto Full Time In Office.

At the same time, most large companies appear to be settling in on Structured Hybrid with 2-3 days per week in office. Will that prop up real estate just enough to avoid mass defaults?

The biggest risk to the Structured Hybrid model -- and office real estate as a result -- is the speed at which smaller companies are embracing flexible work. Companies with less than 500 employees are overwhelmingly Fully Flexible, using flexibility as a lever to win talent from bigger, less flexible companies and reduce real estate costs. If those companies grow up to be bigger Fully Flexible companies, or cause larger firms to change policies to compete, that will cause further pain in real estate markets.

Wherever we're headed, the Flex Index will continue to track the latest so you get the vital information you need on companies, their office policies, and the latest trends!

You can contribute to the breadth and quality of the **Flex Index** by adding your company information **here**.

Appendix

Appendix

About the Flex Index

The Flex Index by Scoop is the world's most robust source of company in-office requirements, from fully in-office to remote work and everything in between. The Flex Index represents 6,500+ companies, 45,000+ office locations, and 100 million people.

About Scoop

Scoop is the fastest way to plan your next great office day. With Scoop, employees get more out of going in, with easily scheduled in-office days and invites. For HR and workplace leaders, Scoop provides insights on work location trends, office usage, and additional workplace solutions to get the most out of hybrid work.

Contribute to the Flex Index

There are two ways to add your company depending on your role:

Short Survey

For any company employee.

This survey asks for only the most basic information about your company's office requirements and takes one minute to complete.

+ Add your company

Detailed Survey

For company representatives that are familiar with more detailed aspects of the company's policy.

*Companies that complete this survey will have a **verified** check mark displayed on their company page and be sorted to the top of search results.*

+ Add your company

You can also visit: **flex.scoopforwork.com** to contribute.

Methodology

The Flex Index collects firmographic and office requirements information on more than 6,500 companies. These companies collectively have more than 45,000 office locations and employ more than 100 million people.

Company office requirements are generated through a combination of online survey and manual entry of publicly available information. All surveys must be submitted by an employee of the company with an accompanying work email address to verify their employment. All surveys contributing to this Flex Report were conducted between October 2022 and July 2023. Once a company is incorporated into the Flex Index, company representatives are contacted to inform them of their inclusion. Companies can add or update their information on the Flex Index at any time.

Company office requirements reflect the most common office requirements for corporate employees. Companies can add detail to their company page to reflect job functions, roles, or geographies where there are different office requirements from the corporate policy. This includes opportunities for fully remote work, roles that are required to be full time in office, or other hybrid work arrangements.

Our partner People Data Labs provides the data on top employment locations and founding year for each company on the Flex Index. This data is used to inform state and metro flexibility analysis, as well as potential trends in flexibility in the future.

Contacts & Contributors

For questions and press inquiries, please reach out to:

Rob Sadow
CEO & Co-founder, Scoop
✉ rob@scoopforwork.com

Citations: Please cite "The Flex Index (flex.scoopforwork.com), Q3 2023 Flex Report"

Further Research: Subscribe to the Flex Index newsletter for research and insights.

Many thanks to the following people for their help in contributing to The Flex Report:

Michael Samuels
VP, Go To Market
Scoop

Rob Sadow
CEO and Co-Founder
Scoop

Kate Walsh
Marketing Lead
Scoop

Jon Sadow
CPTO and Co-Founder
Scoop

Sam Peniak
Lead Product Designer
Scoop

Nick Bloom
Stanford Economics
Professor & Scoop Advisor
Stanford University

Adam Wood
Content Support
Scoop (Contract)