

WFA – Are Companies Ready to Let Go?

Andrew West

September 2022

Before COVID struck us all in early 2020, if I asked you to describe the typical office workspace, you would immediately be able to conjure up a mental picture. Lines of hot desks, maybe with partitions, offices in each corner for management. Meeting rooms with large rectangular tables and chairs, coffee rooms as de facto meeting spaces. The list goes on.

The other image would be of people. Some working diligently on their computers, others on phones, a very few with headsets on involved in online meetings. Many walking around communicating in person mainly about relevant work, but also about the weekends and upcoming holidays, current news and life in general. The office was the central point of most in-person interactions and relationships. We spent more time with our co-workers than our families.

For the 30 odd years of my working life, this has been my experience. If I think back to my first job at Shell Oil Company in Phillip Street Sydney, the office layout was exactly the same as I described above. Sure, the technology was different, with mainframe Vax computers on most desks. Orange monochrome text on our small but impossibly heavy cathode ray tube monitors, no graphics or images possible.

If I wanted something typed, I would take my handwritten page to the secretary in the typing pool. As I was a junior, I always smiled and tried to use my charms, emphasising the importance of the memo requested by my boss. She would smile and then put my page at the bottom of the pile in her inbox, thinking I didn't catch a glimpse as I walked away.

Over the last 30 years the technology has changed. Now we type our own correspondence, communicating via email and other message platforms across the globe at rapid speed. There are still computers on every desk, we still congregate in the central place of the office, to work together for hopefully a common goal. The synergies and random communication of the office, bringing otherwise strangers together created inter-personal bonds and a purpose.

But now that has changed. During COVID-19 lockdowns, offices mostly became the hollowed-out vessels of their former selves.

As we exit COVID-19 lockdowns in 2022, the new promise is the ability to work from anywhere. During COVID-19 lockdowns, this was work from home. Now theoretically it can be anywhere on the planet, anywhere on the grid of electricity and reliable internet.

This is particularly the case for knowledge workers. The term knowledge worker was created by management thought leader Peter Drucker in his book 'The Landmarks of Tomorrow' (Drucker, 1959). His definition stated knowledge workers as "high level workers who apply theoretical and analytical knowledge, acquired through formal training, to develop products and services."

More and more work is now completely knowledge work, or comprises elements of knowledge work. This is no longer the realm of high-level workers. Also, the theoretical and analytical knowledge is acquired more through the work experience than formal training. This is particularly the case for fast moving technology-based companies.

There is fierce competition for top talent for the global tech companies. One of the ways to lure this talent is by offering WFA. Many global tech companies have touted their flexible working policies.

In May 2022, in the Forbes article 'If the office didn't exist, would we invent it?' (Prater, 2022), Air BnB CEO Brian Chesky outlined how his company has changed its remote work policy. Stating this is now permanent after COVID. After the broad announcement of the change to WFA, the Air BnB careers page had nearly 1 million hits from all over the world.

In the article, Chesky made the observation of the change in client bookings to Air BnB. Where these used to be for one-week holidays to major global cities of London, Paris, Rome and New York, now there is a rise in booking for one or two months. This is due to workers moving to new locations to WFA and experience a whole range of work environments and cultures. He called this the growth of **workations**.

One of the first movers to a WFA policy was Spotify in March 2021 (Westerdahl, 2022). As part of a one-year review, they found that this change had three main benefits.

Firstly, is accessing new talent, as 50% of their new hires during this period was outside the regions they had hired before. This is the case for me. Since the beginning of 2022, I have been working as an analytics consultant for a tech company based in France. They have software developers across the globe. Morning meetings in Europe, fit with evening meetings in Australia. I still retain my connection with the Australian higher education industry, with various consulting, academic board and lecturing positions, but these are also primarily work from anywhere.

At Spotify, the second finding was retaining staff. During the time of the 'great resignation' this did not occur at Spotify. Staff were able to make a change by moving to a new city or state but stayed. However, this was often within the same country and often within the same state.

Finally, it allowed Spotify to be more efficient. Interestingly, even with this choice, about 60% of workers chose to go to the office as their main place of work.

The Australian \$100bn tech company Atlassian has a similar WFA policy, named 'Team Anywhere'. This policy 'allows staff to work anywhere it has a legal right to employ on a reasonable time zone' (Bonyhady, 2022).

Atlassian are hedging their bets and still believe in the office space. In August 2022 they announced a \$1 billion plus 40 storey development in the Sydney Tech Central hub on the current site of Central Railway Square YHA. With the expected opening in 2027, Atlassian staff can work from anywhere, but still be enticed to come into the Atlassian HQ (Bonyhady, 2022).

Not all global tech companies have embraced the WFA policy. Since May 2022, Apple employees are expected to be in the office 3 days a week (Reichhert, 2022). Google required their employees to come into the office three days a week from April 2022. Twitter followed a similar work arrangement. It seems most tech companies have pursued a hybrid model.

The standout is Elon Musk and Tesla. In June 2022 he wrote his famous email to Everybody titled "To be super clear" (Nicolas and Hull, 2022). In the email he stated, "Everyone at Tesla is required to spend a minimum of 40 hours in the office per week". "If you don't show up, we

will assume you have resigned.” To a Twitter post questioning his “antiquated management style”, Musk replied “they should pretend to work somewhere else” (Nicolas and Hull, 2022).

WFA is an ongoing experiment in human relations management and organisational productivity. It must be remembered that work from anywhere, can easily be Employed From Anywhere. For knowledge-based companies, such as tech companies there is a broad range of management approaches. How employees respond will be worth watching and which is the more successful model in the long term.

References

Bonyhady N (2022) Atlassian begins work on Sydney ‘silicon hills’ tower, Sydney Morning Herald, <https://www.smh.com.au/technology/atlassian-begins-work-on-sydney-silicon-hills-tower-20220818-p5baxt.html> , viewed 21st August, 2022.

Drucker, P (1959) *The Landmarks of Tomorrow*, Routledge, New York.

Nicolas K and Hull D (2022) Elon Musk’s Ultimatum to Tesla Execs: Return to the Office or Get Out, <https://www.bloomberg.com/news/articles/2022-06-01/musk-s-tesla-ultimatum-return-to-office-or-work-somewhere-else?leadSource=verify%20wall> , viewed 15th August, 2022.

Prater D (2022) If the Office Didn’t Exist, Would We Invent It? <https://fortune.com/2022/05/08/airbnb-solidifies-permanence-of-remote-work-era-with-new-announcements-work-from-home-telecommute-brian-chesky-workcation> , Viewed 21st August, 2022.

Reichert C (2022) Google, Apple, Twitter Reveal Return to Office Policies, <https://www.cnet.com/tech/google-apple-twitter-reveal-return-to-office-policies>, viewed 15th August, 2022.

Westerdahl A (2022) The Reality of Working From Anywhere, <https://hrblog.spotify.com/2022/03/29/the-reality-of-working-from-anywhere/>, viewed 10th August, 2022.

Adjunct Professor Andrew West is a Fellow of the Centre for Scholarship and Research