

## BIRLING Think Strategically

# The Remote Work Reckoning: The Cost of Five Years of Resistance on Businesses, Cities, and Careers

### February 24, 2025

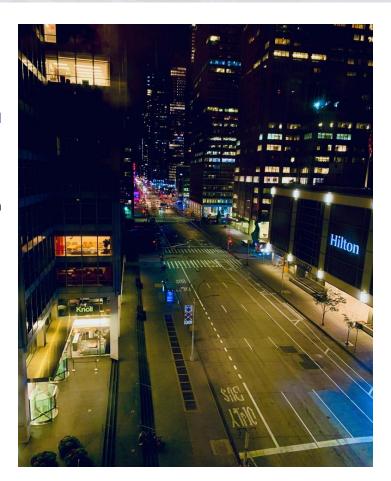
By Francisco Rodríguez-Castro, President & CEO

#### Five Years After the Pandemic: A Workforce in Denial

The photo that illustrates this week's column was taken by me in NY Midtown from our balcony overlooking 6th Avenues and 54th Street on Friday, September 25, 2020, at 8.00 pm, the mere desolation it shows. I hope we will never see again.

It is shocking that, five years after the pandemic, many employees still refuse to return to the office, expecting the rest of society to function normally for their convenience. While remote work was a key response to a global crisis, it was never intended to be a permanent arrangement for most businesses.

During the height of the pandemic, my company and all co-workers worked remotely for only one month before obtaining a permit to return to work in person. Yet, in 2025, a significant portion of the workforce remains entrenched in remote work, claiming it is "better for them" while ignoring the broader consequences.



As the pandemic ended, the reluctance to return to pre-pandemic work structures persists, harming businesses, weakening company culture, and disrupting economic productivity. Thus, what was implemented to allow people to continue to make a living safely has become an acquired right. The US has some of the most vigorous resistance to returning to the office, with 22.8% or 35.13 million employees working remotely. The United Kingdom pushed toward office-based work, with nearly 90% of UK workers required to attend the office. British employers, particularly in finance, law, and public administration, have phased out hybrid work to restore pre-pandemic business operations.

Europe, Australia, and Latin America are open to hybrid work, but in-person work is the preference, and Asia has returned to in-office work.

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President Donald Trump issued an executive order mandating all executive branch employees terminate remote work arrangements and return to in-person work full-time.

#### The Hypocrisy of Permanent Remote Work

What is most infuriating is the blatant hypocrisy of those who demand the "right" to work from home while expecting essential workers to continue showing up in person for their benefit. These individuals insist that:

- Restaurant workers cook and deliver their meals.
- Retail employees stock stores so they can get same-day groceries.
- Healthcare professionals provide in-person care in hospitals and clinics.
- Teachers educate their children in classrooms.
- Maintenance and janitorial staff clean office buildings, gyms, and public spaces.
- Police officers and firefighters ensure their safety.

The expectation that millions of workers should continue operating in traditional roles while they enjoy the luxury of working from home is not just unfair—it is an abuse of privilege. This imbalance erodes workplace equity and fosters resentment among those who do not have the luxury of remote flexibility.

#### **CEO's Perspectives on Remote Work**

Several high-profile CEOs have spoken out against the overuse of remote work and its adverse effects on businesses:

- **Jamie Dimon, CEO of JPMorgan Chase**, emphasized that remote work damages mentorship and career growth. "It doesn't work for young people. It doesn't work for those who want to hustle".
- **Andy Jassy, CEO of Amazon**, has required employees to return to the office five days a week, highlighting the importance of in-person collaboration, arguing that remote work hinders innovation and team cohesion.
- **David Solomon, CEO of Goldman Sachs**, has repeatedly emphasized that remote work is "an aberration that must be corrected" to restore company culture and loyalty.
- **Sam Altman**, **CEO of OpenAI**, emphasizes the necessity of in-person interactions and skepticism about long-term remote work, suggesting that the belief in fully remote setups was one of the tech industry's "worst mistakes".

Business leaders warn that prolonged remote work erodes culture, stifles productivity, and hinders young employees' growth.

#### The Impact on Businesses and the Economy

- 1. **Declining Productivity**: A Stanford University study in 2023 found that remote workers were 10-20% less productive than their in-office peers due to lack of supervision, reduced collaboration, and distractions. Also, a 2024 Microsoft study indicates that remote employees attended more meetings but contributed less impactful work than hybrid and in-office workers.
- 2. Weakening of Team Collaboration and Company Culture: the office is more than just a workspace—it is a hub for collaboration, mentorship, and innovation. Companies that maintain remote work structures struggle with weaker or no relationships among employees, reducing team cohesion. Lower creativity and problem-solving abilities, as spontaneous in-person discussions are rare, and a decline in mentorship opportunities makes it harder for employees to develop.

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3. Economic Consequences: The Decline of Cities and Businesses: permanent remote work is crippling urban economies and harming local businesses that rely on office workers. New York, San Francisco, and Chicago have reported a 25% drop in office occupancy rates, leading to declining commercial property values. Restaurants, coffee shops, and retail stores near corporate hubs have lost significant business, forcing many to close. A 2024 McKinsey & Company analysis found that remote work contributed to a \$1.3 trillion decline in commercial real estate value across major US cities.

**4. Imbalances and Career Stagnation:** Remote work also widens the gap between those who can and cannot work from home. The Blue-collar and service industry workers do not have the option to work remotely, leading to an economic divide. Fully remote workers are less likely to receive promotions and salary increases. A 2023 Harvard Business Review study found that remote employees were 38% less likely to be promoted than their in-office counterparts.

#### Abuses and Exploiting Work-From-Home Flexibility

While remote work has provided many employees greater flexibility and work-life balance, it has also been abused. Some have taken advantage of the lack of supervision, engaging in practices that undermine productivity and trust. We discuss the top five abuses:

- 1. Holding Multiple Full-Time Jobs: Some remote workers exploit the system by secretly working two or more full-time jobs simultaneously without informing their employers.
- 2. Working While Doing Personal Activities: many remote workers log into their work systems but spend most of their workday on personal tasks like errands, household chores, cooking, or watching TV while working.
- 3. Outsourcing Their Jobs to Freelancers: Some remote employees hire freelancers to complete their tasks while they collect a full-time salary.
- **4.** Taking Advantage of Unlimited Paid Time Off Policies: Some remote employees exploit lenient vacation policies by frequently calling in sick or taking excessive personal days without illness.
- 5. Relocating Without Informing Employers: Some workers move to cheaper locations or other countries without telling their employers. This can violate tax laws or company policies, especially for workers hired with location-based salary structures.

While remote work has many legitimate benefits, employers must balance trust and accountability by implementing a performance-based evaluation instead of hours worked tracking with clear KPIs, productivity expectations, and regular check-ins with employee engagement strategies.

#### The Final Word: Restoring In-Person Work and Shelving Remote Work for the Next Pandemic

Companies must implement hybrid work policies, requiring employees to be in the office at least four days a week to maintain collaboration and productivity. Clear performance expectations and key performance indicators (KPIs) should be established to measure efficiency. Businesses should invest in workplace perks and benefits to encourage office attendance, making in-person work more appealing. Finally, organizations must enforce accountability, ensuring that remote flexibility is not exploited at the expense of business operations.

Employees must recognize that the office remains essential for career growth, teamwork, and innovation. Workplace fairness matters—if essential workers are required to be present, corporate employees should also contribute in person. Clinging to remote work as a "personal preference" is unsustainable when it negatively impacts business performance, economic stability, and urban infrastructure.

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Working remotely was an emergency measure, not a long-term strategy. The pandemic is over—it's time to return to work and shelve remote work for the next pandemic.

Human connection is essential—both for growth and for meaning. Adults and Children thrive when rooted in real communities, yet many now drift through digital spaces, disconnected from the depth of actual human interaction.



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