



PRELIMINARY WORKING DRAFT

NATIONAL SURVEY OF REMOTE WORKERS

Gather, Richmond

May 19, 2021

VEDP | Virginia
Economic
Development
Partnership
VEDP.org



BACKGROUND AND TIMELINE



BACKGROUND

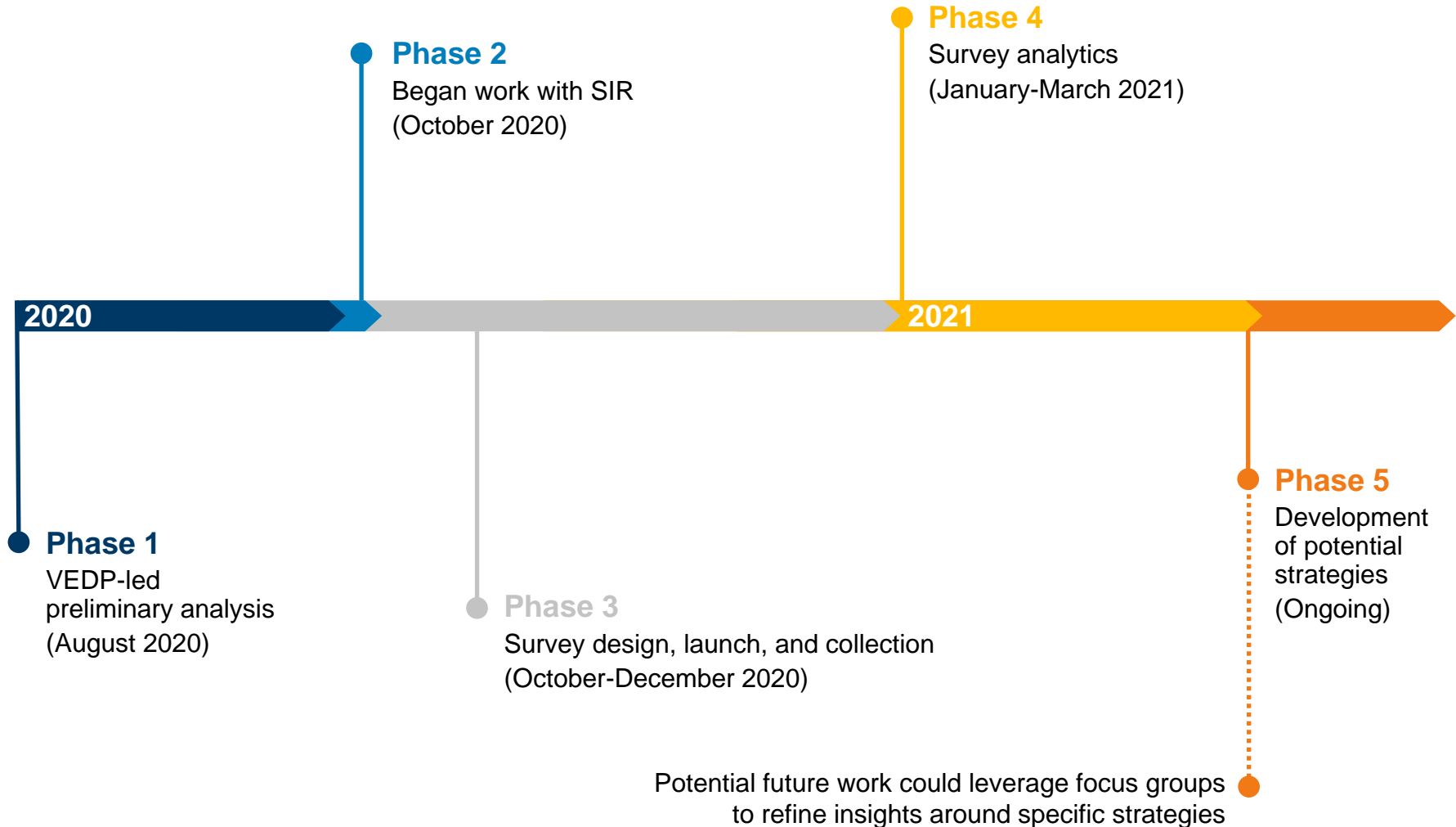
With the transition to remote work in 2020 due to the pandemic, and with other states taking steps to attract remote workers, VEDP wanted to understand the size of the opportunity and to develop potential strategies to capture remote work-related growth

After conducting preliminary analysis, VEDP hired Richmond-based SIR (Southeastern Institute of Research) to conduct a nationally representative survey of workers

Key objectives of the study include:

- **Quantify the size of the opportunity**
 - How many remote workers are considering relocation?
- **Understand remote workers' constraints** including their employer's longer-term plans for remote work
- **Identify personas** of potential future remote workers
- **Understand what drives remote workers' decisions to potentially relocate**
- **Assess the top states / regions remote workers may consider for relocation**
- **Develop strategies to attract remote workers to VA**

TIMELINE AND PROGRESS TO DATE





SURVEY OVERVIEW

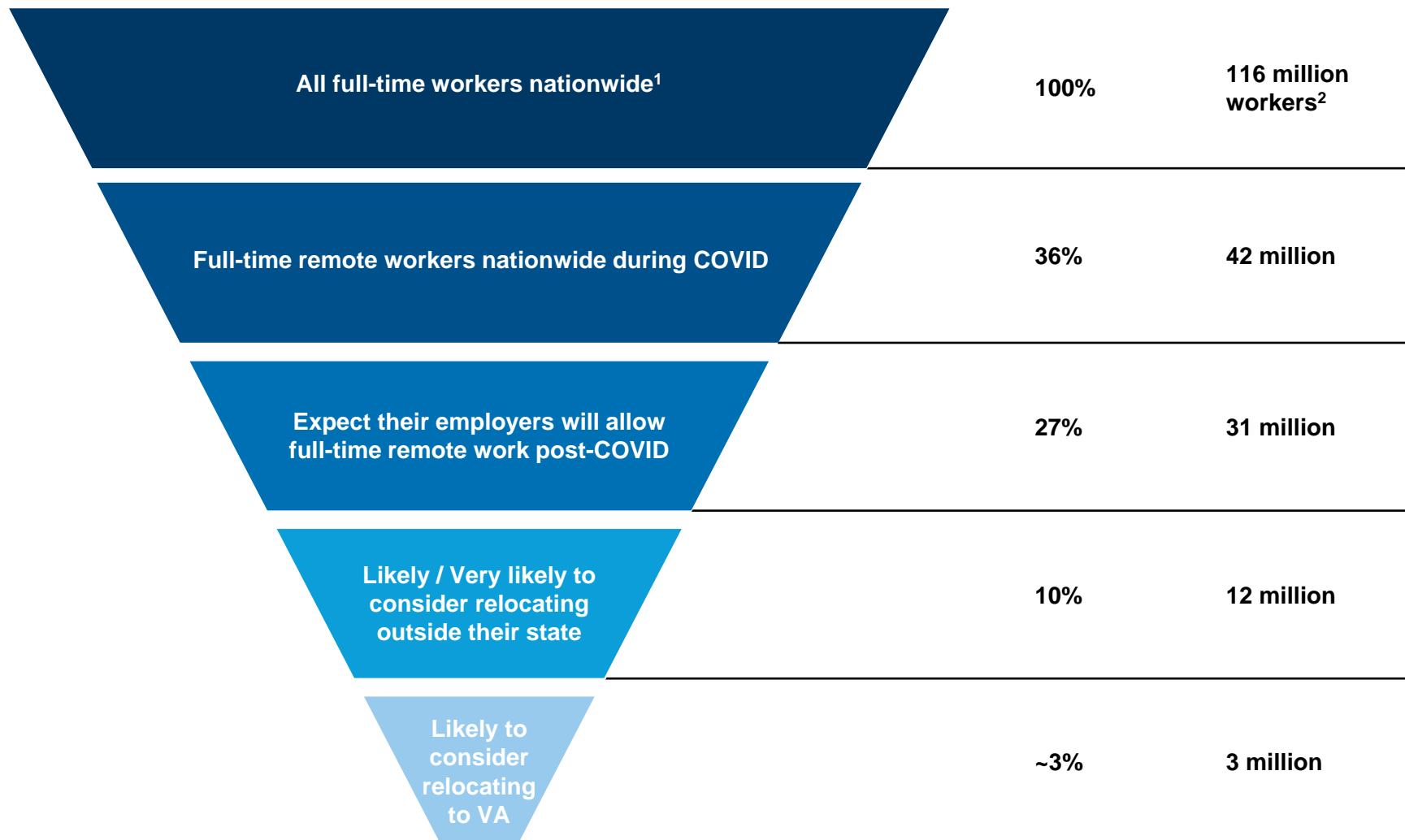


SURVEY TARGET AUDIENCES AND RESPONDENT DATA

Segment	Description
Nationally representative sample of workers	Age 21+, employed full-time
Full-time Remote Worker (FTRW)	Age 21+, employed full-time, not a VA resident, currently working from home, a subset expects to continue working remotely post-COVID
FTRW open to relocation	Full-time remote worker open to moving
FTRW likely to consider relocating to Virginia ¹	Full-time remote worker open to moving to Virginia or likely to consider Virginia

¹ Respondents who answered likely or very likely to the question: "How likely would you be to consider Virginia as a place to move and continue to work remotely?"

FULL-TIME REMOTE WORKERS (FTRW) OPEN TO RELOCATING TO VIRGINIA MAKE UP 3% OF ALL FULL-TIME WORKERS NATIONWIDE



¹21 Million or 18% were working remotely full-time prior to COVID-19

²Bureau of Labor Statistics: 116,305,000 U.S. adults age 20 years and over worked full-time in 2019

QUANTIFICATION OF EACH SEGMENT WAS BASED ON RESPONSES TO THE FOLLOWING “FILTERING” QUESTIONS

	Question	Answer	% of total FTW	# of FTW (M)
	Bureau of Labor Statistics (BLS) count of adults age 20+ that worked full-time in 2019	NA	100%	116 ²
	Which of the following best describes your current employment situation?	"I work remotely full-time, and rarely/never go into an office" ¹	36%	42
	How confident are you that your company will continue to allow remote working full-time after COVID-19?	"Very confident" or "Confident"	27%	31
	Since you work remotely full-time, how likely are you to consider moving to a different place outside of the state where you currently live in the next 12 months?	"Very likely" or "Likely"	10%	12
	How likely would you be to consider Virginia as a place to move and continue to work remotely?	"Very likely" x 50% "Likely" x 25%	~3%	3

¹21 Million or 18% were working remotely full-time prior to COVID-19

²Bureau of Labor Statistics: 116,305,000 U.S. adults age 20 years and over worked full-time in 2019

WHO ARE THE APPROXIMATELY THREE MILLION PEOPLE THAT ARE LIKELY TO CONSIDER RELOCATING TO VIRGINIA?

The approximately three million people:

- Were working remotely full-time at the end of last year, prior to vaccine distribution
- Feel that it is likely or very likely that their employer will allow them to continue to work remotely full-time once the population has been vaccinated
- Are likely or very likely to consider moving to another state in the next 12 months¹
- Are Likely or very likely to consider relocating to Virginia, among other potential states

Additionally, they tend to be:

- **Younger** (45% vs. 34% nationally)
- Have **children in the household** (69% vs. 50% nationally)
- Have **higher income**, making over \$100K/HH (46% vs. 25% nationally)
- Have **higher education** (77% Bachelor's or above, vs. 54% nationally)
- Have a **manager/professional** occupation (67% vs. 43% nationally)
- **Work in technology** (35% vs. 14% nationally)



¹As of November 2020



SURVEY INSIGHTS

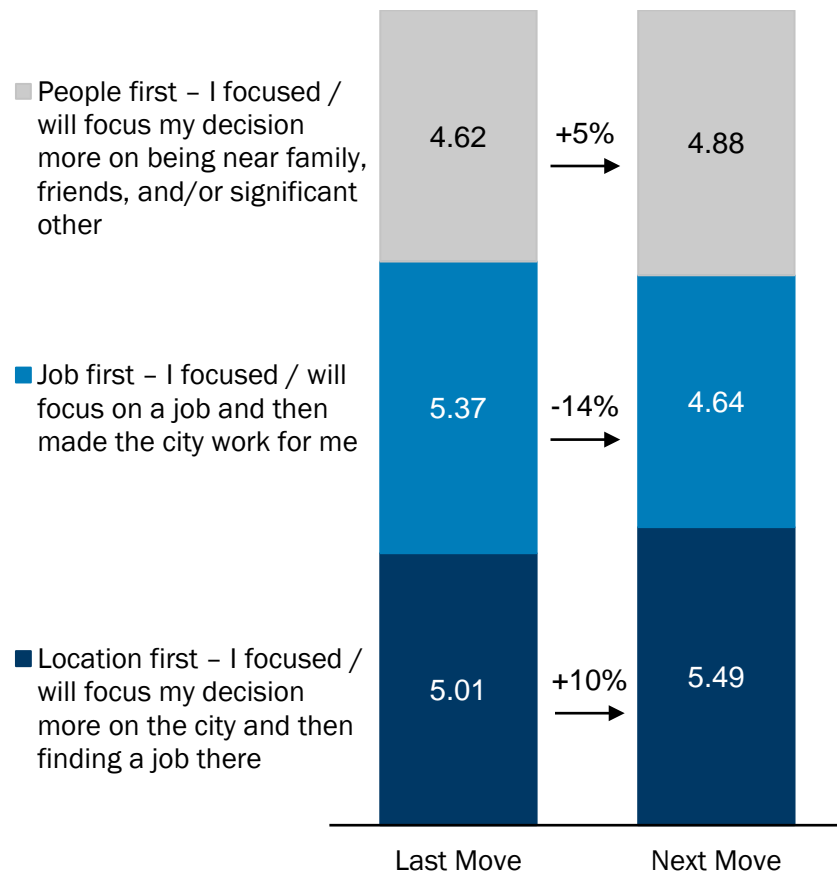


CONSULTANTS IDENTIFIED SIX KEY INSIGHTS FROM THE SURVEY DATA

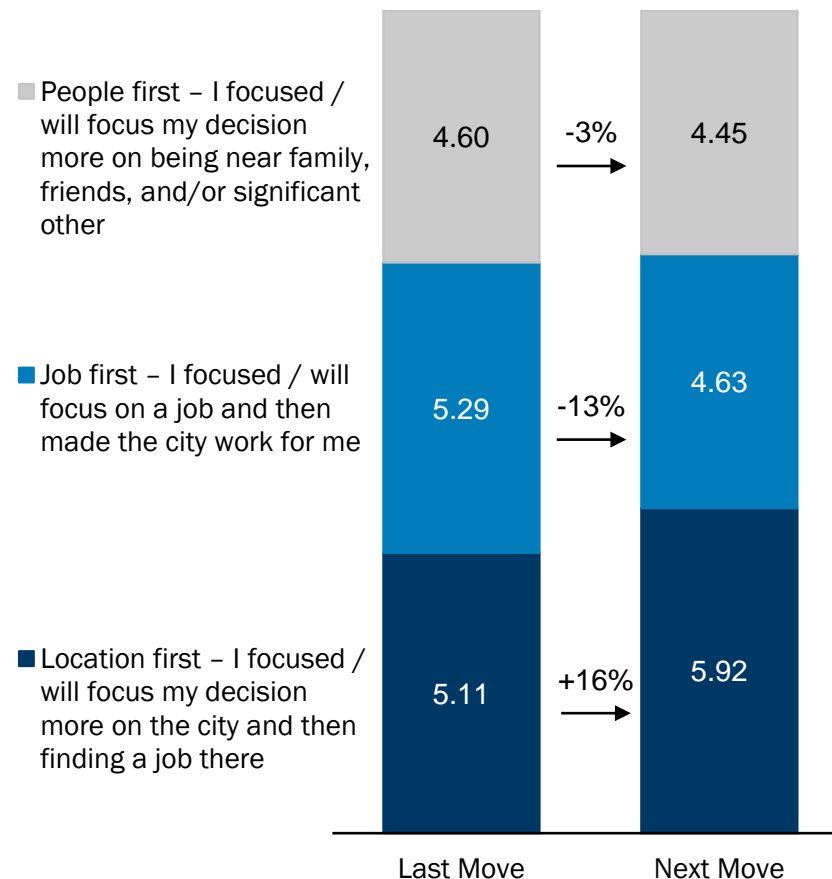
- 1** The majority of workers that are currently working remotely full-time feel their employers will continue to allow full-time remote work post-COVID
- 2** Those who are considering relocating to Virginia thoroughly enjoy working remotely and feel more productive
- 3** Community size is an important factor for those considering relocation
- 4** Workers with connections to Virginia are more likely to consider relocation to the state
- 5** Workers considering Virginia have positive perceptions of the state; however, improvements can be made in certain categories
- 6** Those who are less likely to consider Virginia do not share the same positive perceptions in some aspects

WHILE JOBS HAVE BEEN THE BIGGEST DRIVER, LOCATION APPEARS TO BE TAKING THE LEAD FOR FUTURE MOVES

Full-time remote workers considering relocating



Full-time remote workers considering relocating to VA



Question: Thinking about the LAST/NEXT time you made a decision on a location to live, how important were each of the following in your decision-making process? Please assign a total of 15 points across each of the three options below.

MOST FTRW CONSIDERING RELOCATING TO VIRGINIA DESIRE A LOCATION SIMILAR IN SIZE

Percent of all full-time remote workers considering relocating to Virginia (%)

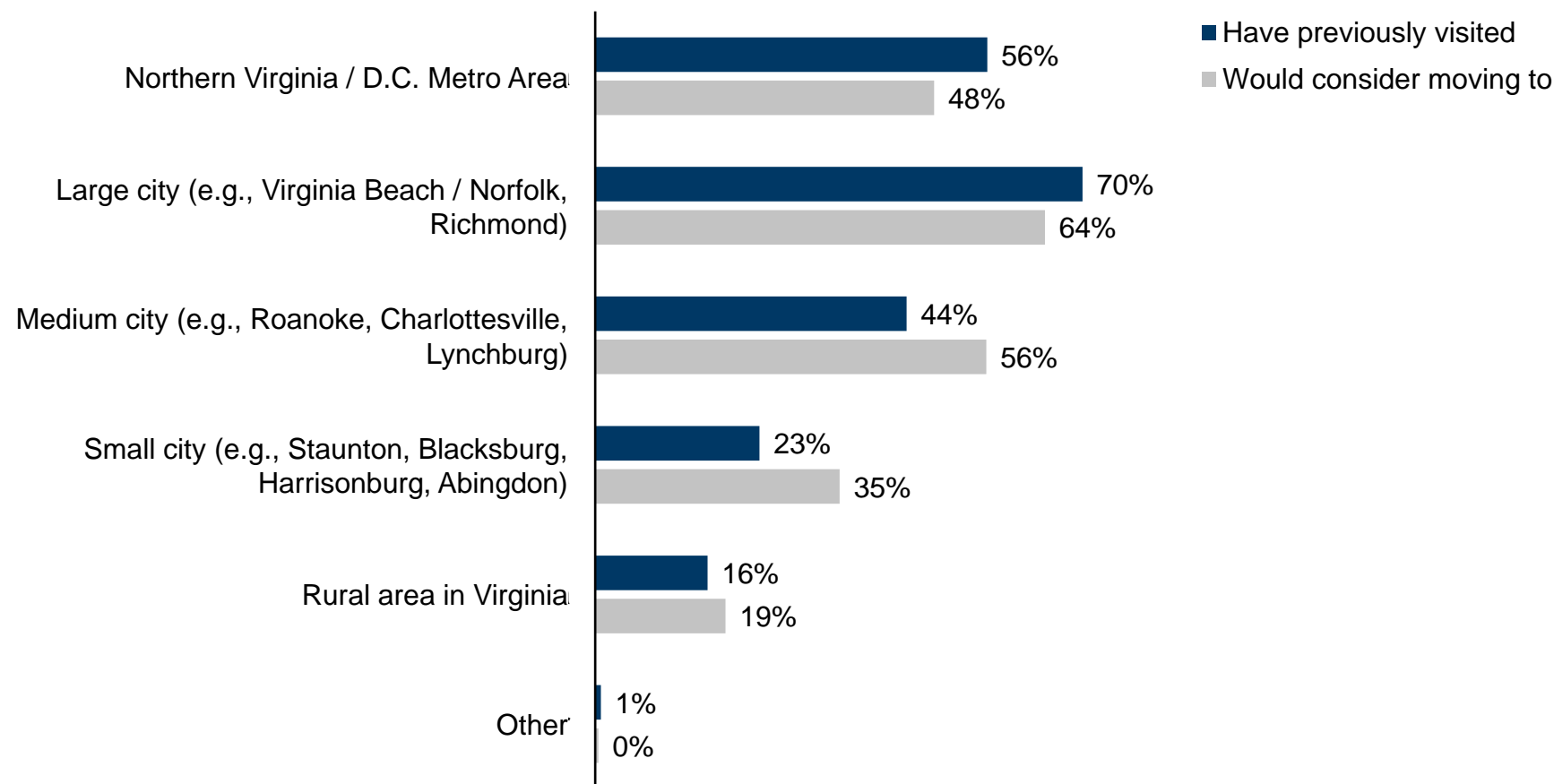
Ideal	Current					Total
	I don't live near any city	Small city or town, <500K	Medium city, 500K to <1M	Large city, 1M to <3M	Major metro area, 3M+	
I don't want to live near any city	0	1	0	0	0	1
Small city or town, <500K	.4	9	5	2	1	17
Medium city, 500K to <1M	.4	6	19	6	4	35
Large city, 1M to <3M	.4	3	9	15	3	30
Major metro area, 3M+	0	0	1	4	11	16
Total	1	19	33	27	20	100

 23% want a larger city
  54% want a same-sized city
  21% want a smaller city

Question: What is the population of the city you live closest to? When considering a move, what is the size of the city you would ideally want to live in?

WHILE MORE HAVE VISITED LARGER CITIES, MANY WOULD CONSIDER SMALLER / MEDIUM-SIZED CITIES FOR RELOCATION

Percent of all full-time remote workers considering relocating to Virginia



Question: Which of the following areas in Virginia have you visited? Select all that apply. Which of the following areas in Virginia would you consider moving to? Select all that apply

AMONG WORKERS CONSIDERING RELOCATING, SOME STATES STAND OUT MORE THAN OTHERS

FTRW likely to consider relocating to another state



FTRW likely to consider relocating to Virginia



Question: What place or places are you considering moving to?

REMOTE WORKERS CONSIDERING RELOCATING TO VA FOCUS MORE ON THE STATE'S POSITIVE ASSOCIATIONS

FTRW likely to consider relocating to another state

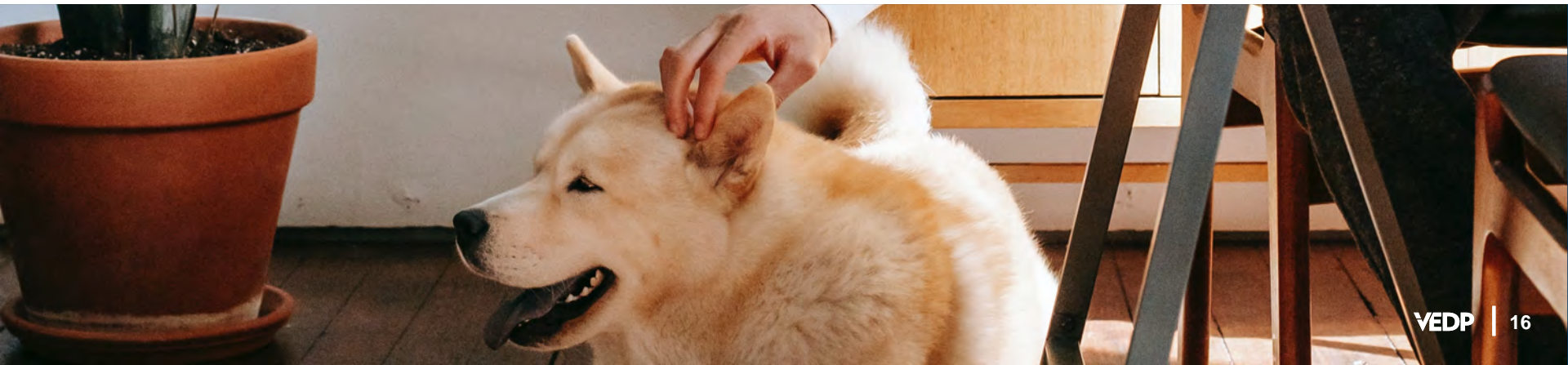


FTRW likely to consider relocating to Virginia





CONSIDERATIONS AND POTENTIAL NEXT STEPS

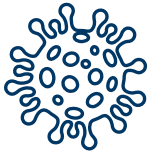


VEDP IS EVALUATING OPPORTUNITIES PURSUED BY OTHER STATES FOR POTENTIAL IMPLEMENTATION IN VIRGINIA

- **Marketing** Virginia as an excellent state from which to work remotely, possibly in partnership with the Virginia Tourism Corporation
- Supporting **expanded broadband** and increased connectivity (already underway)
- Promoting **remote working “hubs”** in Virginia through marketing and incentives
- Providing **technical assistance** to remote workers and employers through webinars and consulting
- Partnering with **job matching** platforms to connect potential Virginians who want to work remotely with Virginia companies
- Providing **low-interest loans** for remote workers to purchase equipment, modeled after the existing program for individuals with disabilities
- Providing **direct cash incentives** to remote workers interested in relocating to Virginia
- **Relaxing requirements** for new job incentives for remote work positions (recently adopted by the General Assembly)
- **Reimbursing remote workers or companies** for expenses related to working remotely

REMOTE WORK COULD PRESENT AN ATTRACTIVE OPPORTUNITY, BUT THERE IS REASON FOR TEMPERED OPTIMISM

Media outlets such as *The Wall Street Journal*, *The Economist*, and *The Guardian* provide notes of caution relative to enthusiasm for remote work as an economic driver



Current perspectives **reflect individual views prior to widespread vaccinations**, on whether employers will continue full-time remote work once the population has been vaccinated



While the shift to full-time remote work may be sizeable, **hybrid remote-work could be more common**, precluding relocation



Remote-work may not be "an economic boon to all of America's communities. The places that will compete the best are those that offer unique amenities...that are close enough to big cities for occasional office visits." – *The Wall Street Journal*¹



Attractiveness of remote work for employees could decrease as activities return to normal; evidence indicates remote workers are currently putting in more hours than when they worked in person

¹ *The Wall Street Journal*: [How Remote Work is Reshaping America's Urban Geography](#)
Source: [SHRM](#); [The Economist](#); [The Guardian](#)

BASED ON THE FULL SET OF CONSIDERATIONS, VEDP IS CONSIDERING A "FAST FOLLOWER" STRATEGY

A "fast follower" strategy would entail:

- Actively monitoring what other states, regions, and localities across the U.S. pursue to capture economic growth related to remote work
 - Quickly replicating strategies that demonstrate impact
-

"Fast follower" thinking is based on:

- Uncertainty around the size of the opportunity based on the aforementioned considerations
- Limited ability to estimate ROI of specific strategies
- Scarcity of funding for existing priorities: site development, Virginia Talent Accelerator Program, and current marketing efforts, among others

NOTABLE DEVELOPMENTS RELATED TO REMOTE WORK

Ascend West Virginia: \$10K cash incentive over first year of relocating to WV; additional \$2K at the end of second year






- Additional perks include free outdoor recreation, coworking space, social programming, and professional and entrepreneurial support

Many employers see remote work option as key to attracting and retaining talent

Employer	Policy	Estimated workers
Google	Hybrid	135,000
Spotify	Full-time remote	5,500
Microsoft	Full-time remote	166,500
Twitter	Full-time remote	4,000
Ford	Full-time remote	30,000
Goldman Sachs	In-person	40,500

Note: Full-time remote is listed when it is optional or mandatory; the list is not exhaustive

NEXT STEPS

-  Actively monitoring what other states, regions, and localities pursue
-  Continuing to monitor emerging analysis of employer and employee trends and attitudes towards remote work
-  Updating strategies to capture remote work-driven growth based on new insights
-  Differentiating between state, regional, and local strategies and potential roles for VEDP in each
-  Continuing to pursue existing priorities to attract jobs and investment to the Commonwealth