Xymax Real Estate Institute
RESEARCH REPORT

Greater Tokyo Company Survey on Work Styles and the Workplace | August 2020

Capturing the ever-changing situation with data

September 18, 2020

Following the global outbreak of the novel coronavirus (COVID-19) in spring 2020, many companies and office workers were forced to reconsider their work styles as the Japanese government recommended companies to introduce off-peak commuting and telework. The restrictions of staying at home as much as possible and working without physical contact with others seem to have almost forcibly promoted working from home and other forms of telework. This has stimulated discussions about the workplace, which had hitherto been carried out in the context of work style reforms.

Since 2016, Xymax Real Estate Institute (hereinafter, "Xymax REI") has conducted nationwide Metropolitan Areas Office Demand Surveys on a semi-annual basis to visualize companies' office demand. The spring 2020 survey was carried out between June 4 and June 16, not long after the state of emergency was lifted, and included additional questions on work styles and the workplace under the corona crisis, in addition to the regular questions on office demand. The results of the regular questions and the additional questions were released as reports on July 29, 2020[1] and July 15, 2020,[2] respectively. The surveys revealed that companies were having a hard time considering future workplace strategies, with some companies claiming they were not sure of the best balance between coming to the office and telework.

Based on the idea that timely dissemination of information would be extremely helpful amid rapidly changing situations due to COVID-19, Xymax REI carried out a special survey of companies in the Greater Tokyo area between August 19 and August 31 about the current state, issues and strategies of work styles under the corona crisis. This report covers the results of the survey. Since the target respondents differ from those of the office demand survey in June and many new questions are included, a time-series comparison from June to August was done for only a portion of the questions and is listed at the end of the report as a reference.

[1] *Metropolitan Areas Office Demand Survey Spring 2020 (Carried Out in June)*, released July 29, 2020
https://www.xymax.co.jp/english/research/images/pdf/20200729.pdf

[2] *Companies' Work Styles and the Workplace under the Corona Crisis*, released July 15, 2020
https://www.xymax.co.jp/english/research/images/pdf/20200715.pdf

Main Findings

1. Use of the office

- Around 80% of the companies have kept the percentage of employees coming to the office to work lower than before the corona pandemic.
- While the target percentage of employees coming to the office and the current actual percentage were less than 50% among more than 40% of the companies, nearly 80% of the companies intended to increase the rate of employees coming to the office to more than 50% in the future.
- The most popular rule concerning coming to the office was "Recommend off-peak commuting" (66.0%), followed by "Decide according to the work, such as the department or job type" (50.0%) and "Each department decides its own rules" (43.9%).

2. Implementation of telework

- Around 90% of the companies have introduced a work-from-home policy. About half of such companies offered the policy to all employees.
- Around 40% of the companies have introduced a satellite office.

3. Work styles and operation of the workplace

- While many companies' initiatives assumed employees coming to the office, such as "Recommend off-peak commuting" (72.2%) and "Enforce thorough anti-infectious disease measures such as ventilation and disinfection" (68.8%), efforts to promote telework were also taken, including "Enhance internet network and increase provision of IT devices assuming telework" (58.4%).
- The major issues in operating the workplace were those stemming from telework, such as "Management is difficult in telework (business, attendance, evaluation, etc.)" (42.3%) and "Limited availability of electronic means for authorization, etc. (custom of using seals)" (41.8%).

4. Post-corona work styles

- More companies favored coming to the office (39.1%) than telework (33.0%) for after the pandemic.
- In terms of office size, companies that wished to downsize (30.4%) substantially outnumbered those that wished to expand (3.2%).
- As for future intentions toward the workplace, the most popular reply was "Use both the main office and telework" (54.1%).

1. Use of the Office

When we asked the percentage of the companies' employees currently coming to the office to work, around 80% of the companies had kept the percentage lower than before the corona pandemic (sum of "Controlling the percentage of employees coming to the office to have zero workers in the office as much as possible" (13.8%) and "Controlling the percentage of employees coming to the office to a lower level than before the pandemic" (65.4%)) **(Figure 1)**. On the other hand, a certain number of companies required or recommended employees to come to the office (7.0%) or did not impose any restrictions in particular (13.8%).

Figure 1: Controlling the Percentage of Employees Coming to the Office (n=586)

| 0% | 20% | 40% | 60% | 80% | 100% |

| 13.8% | 65.4% | 7.0% | 13.8% |

■ Controlling percentage of employees coming to the office to have zero workers in the office as much as possible
■ Controlling percentage of employees coming to the office to a lower level than before the pandemic
■ Requiring or recommending employees to come to the office
■ Not imposing any restrictions in particular
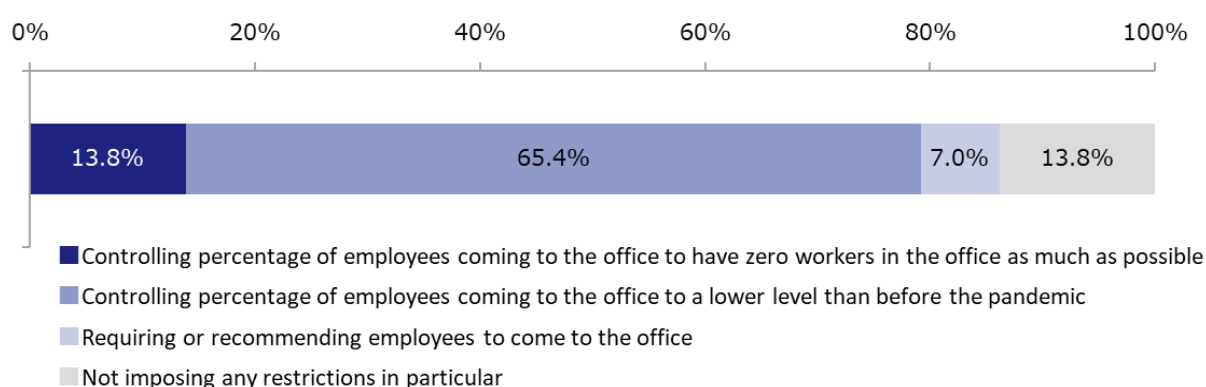
We then asked the companies that replied in **Figure 1** that they either controlled the percentage of employees coming to the office to have zero workers in the office as much as possible or to a lower level than before the pandemic about their rules or target percentage of employees coming to the office ("target percentage"). We also asked all companies the current percentage of employees coming to the office ("current percentage") and the target percentage of employees coming to the office after the pandemic has subsided ("future intention"). With "100%" defined as all employees coming to the office, we grouped the replies into the following four groups: "0%," "More than 0%, less than 50%," "50% or more, less than 100%" and "100%" **(Figure 2)**. While more than 40% of the companies had less than 50% in both the target percentage and the current percentage, the most popular percentage in future intention was "50% or more, less than 100%" (57.5%), indicating that, together with "100%" (18.9%), nearly 80% of the companies intended to raise the percentage to 50% or more after corona.

In terms of breakdown in increments of 10%, the target percentages that stood out were "30% or more, less than 40%" (24.6%) and "50% or more, less than 60%" (26.9%). However, there were differences between the current percentage in all groups, which indicate that there are discrepancies between the target and the reality **(Figure 3)**. In terms of future intentions, the most popular percentage was "50% or more, less than 60%" (23.4%), which reveals that around a quarter of the companies intends to reduce the percentage of employees coming to the office after the pandemic to a half of the percentage before the pandemic **(Figure 4)**. On the other hand, some companies intended to have their employees return to the office completely ("100%" (18.9%)).

Figure 2: Percentage of Employees Coming to the Office

Target percentage (n=464): 1.5%, 48.3%, 48.7%, 0.6%, 0.9%

Current percentage (n=586): 0.9%, 44.0%, 44.7%, 10.4%, 0.0%

Future intention (n=586): 0.5%, 21.0%, 57.5%, 18.9%, 2.0%

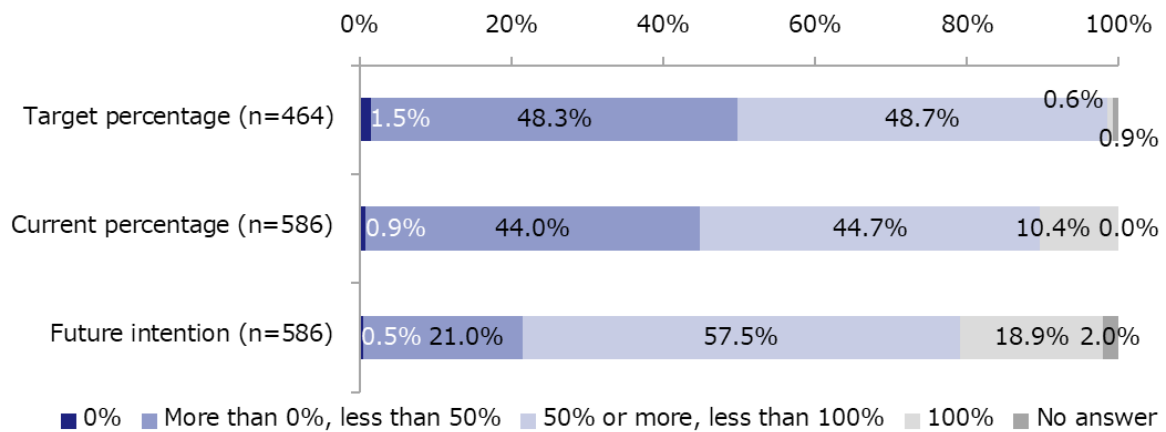Legend: ■ 0% ■ More than 0%, less than 50% ■ 50% or more, less than 100% ■ 100% ■ No answer

Figure 3: Histogram of Target Percentage and Current Percentage of Employees Coming to the Office

Category	Target percentage (n=464)	Current percentage (n=586)
0% or more, less than 10%	2.2%	3.8%
10% or more, less than 20%	6.3%	9.9%
20% or more, less than 30%	10.3%	8.5%
30% or more, less than 40%	24.6%	14.7%
40% or more, less than 50%	6.5%	8.0%
50% or more, less than 60%	26.9%	11.6%
60% or more, less than 70%	6.7%	8.0%
70% or more, less than 80%	8.2%	8.7%
80% or more, less than 90%	5.8%	8.9%
90% or more, less than 100%	1.1%	7.5%
100%	0.6%	10.4%
No answer	0.9%	0%

Legend: ■ Target percentage (n=464) ■ Current percentage (n=586)
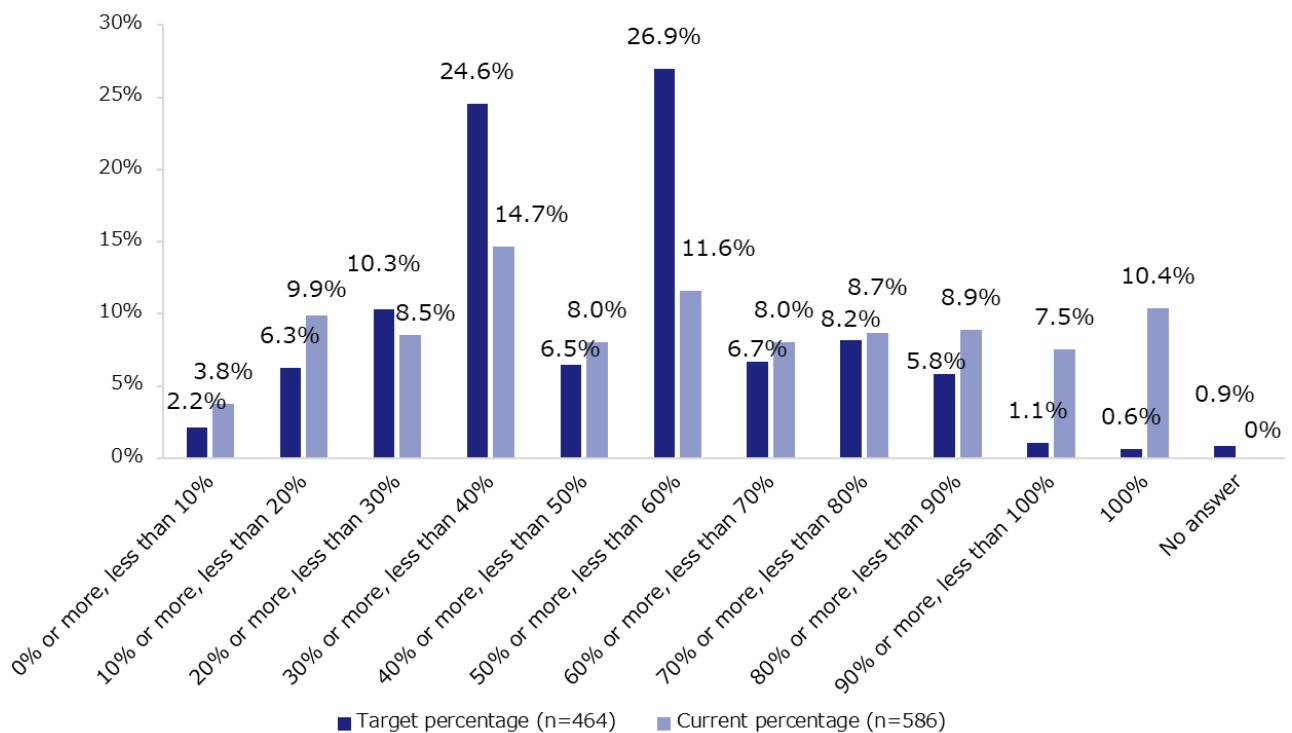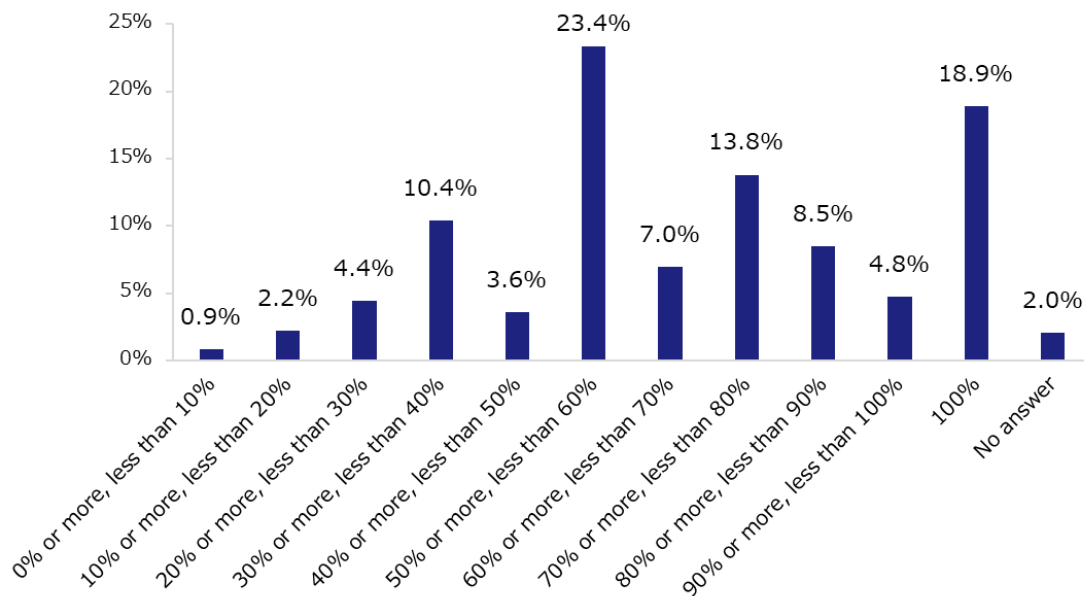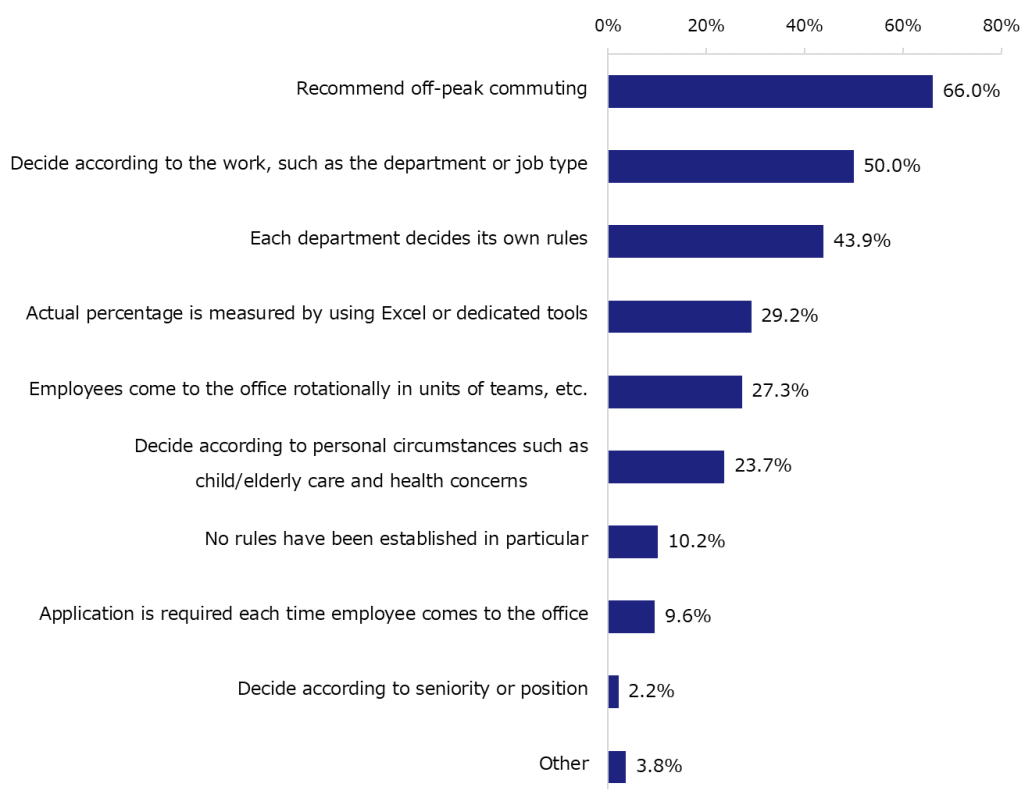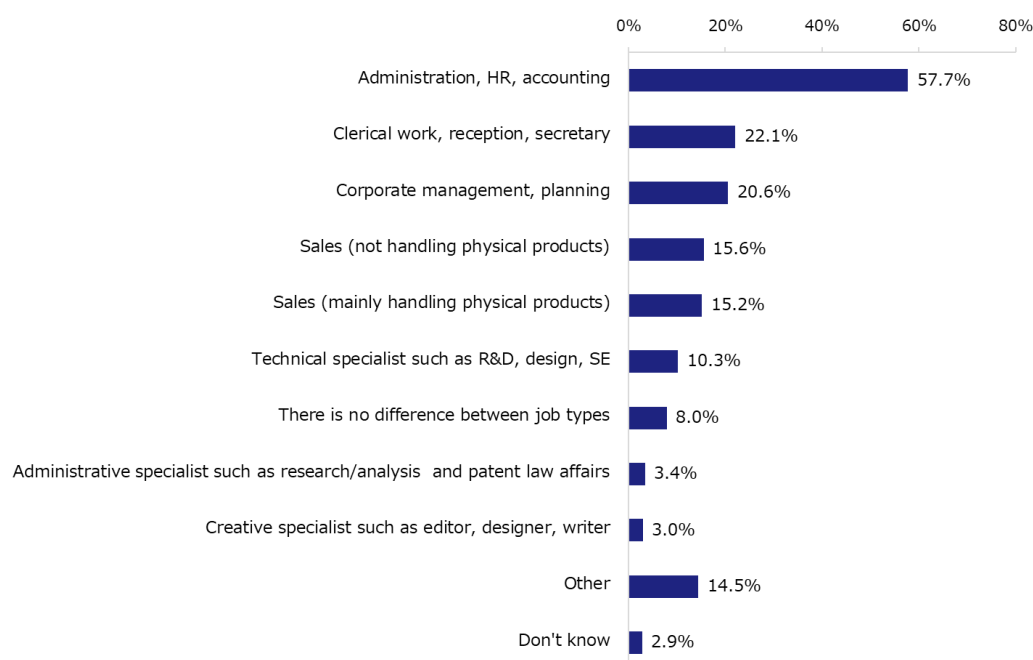
Figure 4: Histogram of Future Intention of Percentage of Employees Coming to the Office (n=586)

As for rules concerning coming to the office, the most popular rule was "Recommend off-peak commuting" (66.0%), followed by "Decide according to the work, such as the department or job type" (50.0%) and "Each department decides its own rules" (43.9%) **(Figure 5)**. Many companies are flexible in their rules on allowing employees coming to the office, such as according to the department or job type, instead of enforcing a single rule across the board.

In addition, replies such as "We had adopted flex time but abolished the core time following the pandemic" and "Employees come to the office as needed on their own judgment" suggest that many companies are experiencing a transition from a work style where all employees come to the office and start work at the same time to work styles not bound by place or time in the wake of the pandemic.

Figure 5: Rules on Employees Coming to the Office (Multiple Answer; n=586)

Recommend off-peak commuting	66.0%
Decide according to the work, such as the department or job type	50.0%
Each department decides its own rules	43.9%
Actual percentage is measured by using Excel or dedicated tools	29.2%
Employees come to the office rotationally in units of teams, etc.	27.3%
Decide according to personal circumstances such as child/elderly care and health concerns	23.7%
No rules have been established in particular	10.2%
Application is required each time employee comes to the office	9.6%
Decide according to seniority or position	2.2%
Other	3.8%

Under such circumstances, we asked companies which job type involved a higher rate of employees coming to the office. "Administration, HR, accounting" was the top job type by a considerable margin (57.7%), followed by "Clerical work, reception, secretary" (22.1%) and "Corporate management, planning" (20.6%) **(Figure 6)**. There are differences in the percentage of employees coming to the office depending on the job type.

Figure 6: Job Types with a High Percentage of Employees Coming to the Office
(Multiple Answer; n=525)*Excludes companies with 100% of employees coming to the office

Administration, HR, accounting	57.7%
Clerical work, reception, secretary	22.1%
Corporate management, planning	20.6%
Sales (not handling physical products)	15.6%
Sales (mainly handling physical products)	15.2%
Technical specialist such as R&D, design, SE	10.3%
There is no difference between job types	8.0%
Administrative specialist such as research/analysis and patent law affairs	3.4%
Creative specialist such as editor, designer, writer	3.0%
Other	14.5%
Don't know	2.9%

2. Implementation of Telework

1. Working from home

As for companies' work-from-home situation, nearly 90% of the companies continued a work-from-home policy to this day (sum of "Had introduced from before the pandemic" (11.4%), "Had introduced from before the pandemic and enhanced/expanded in the wake of the pandemic" (34.6%) and "Introduced a policy following the pandemic and continue to offer it" (41.3%)) **(Figure 7)**. Companies that introduced a policy or enhanced/expanded it in the wake of the pandemic accounted for more than 70% of all companies, indicating that the pandemic boosted the spread of working from home.

Figure 7: Situation of Work-From-Home Policy (n=586)
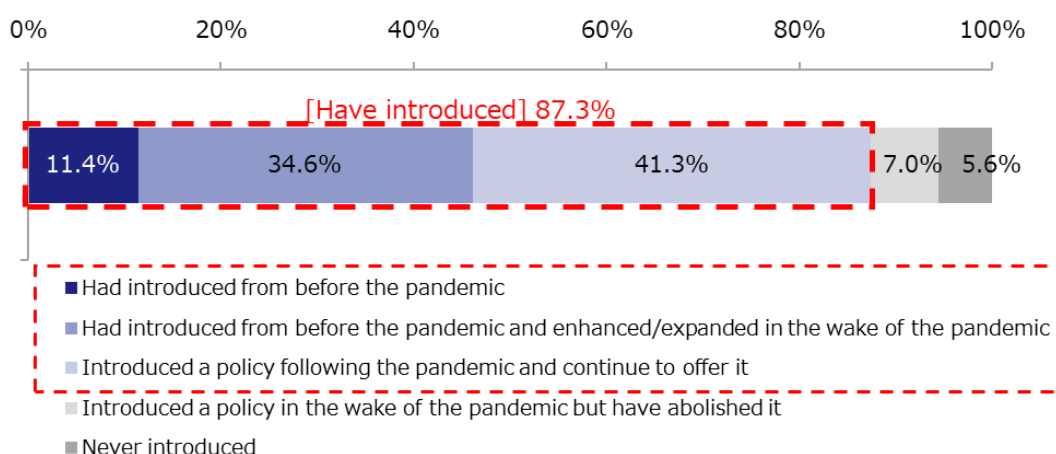
We asked companies that introduced a work-from-home policy about the percentage of employees eligible for the policy and that of those actually using the policy, and grouped the replies into "100%," "50% or more, less than 100%," "More than 0%, less than 50%" and "0%" **(Figure 8)**. As for the percentage of those eligible for the policy, around half of the companies replied "100%" (46.5%). Together with "50% or more, less than 100%" (40.2%), as much as 90% of all companies allowed 50% of their employees or more to work from home. As for the actual users of the policy, more than 70% of the companies replied that 50% of their employees or more used the policy (sum of "100%" (25.6%) and "50% or more, less than 100%" (48.4%)), indicating that the policy is not only in place but is actually used. In terms of breakdown in increments of 10%, "100%" was the top reply for both eligible and user employees **(Figure 9)**.

Figure 8: Percentages of Employees Eligible for and Using Work-From-Home Policy
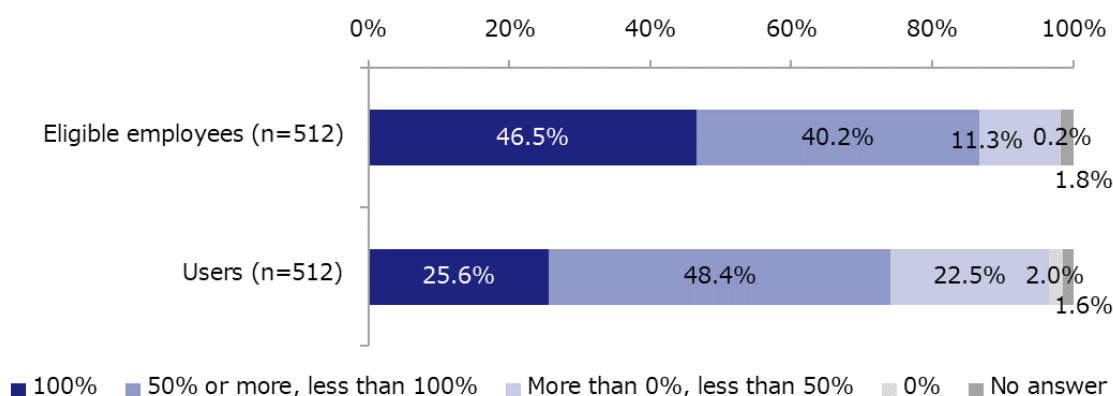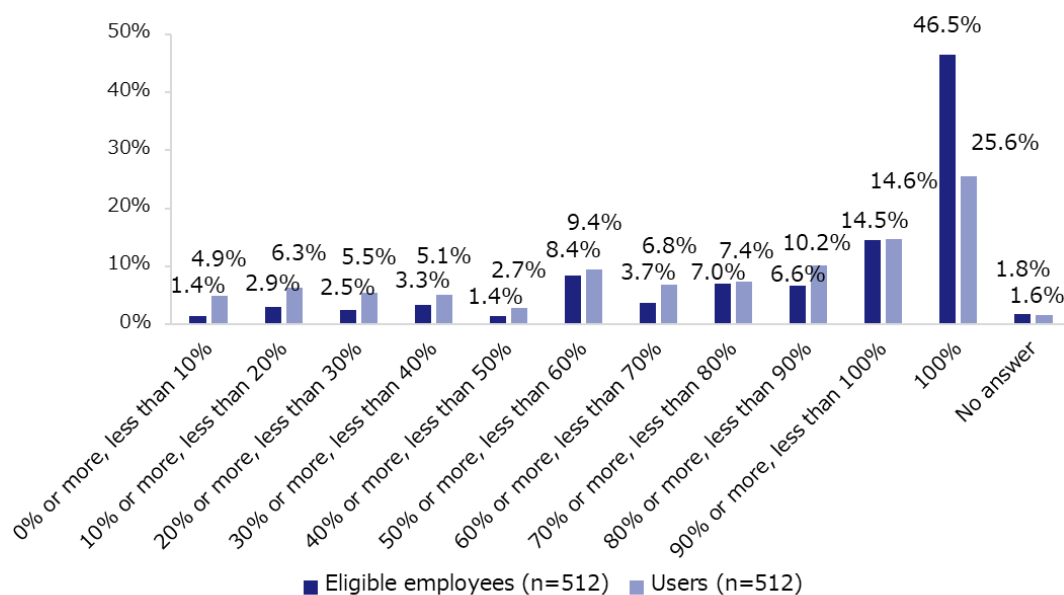
Figure 9: Percentages of Employees Eligible for and Using Work-From-Home Policy (Histogram)

We then asked companies that replied in **Figure 7** that they introduced a work-from-home policy in the wake of the pandemic but have abolished it (7.0%) about the reason for abolishing the policy. The top reasons included "The state of emergency was lifted," which indicate that working from home was a temporary measure in response to the state of emergency, as well as inconveniences and difficulties experienced when actually implementing working from home, such as "Work cannot be done efficiently from home" and "Business management and personnel management is difficult."

2. Satellite offices

As for satellite offices, around 40% of all companies had introduced such offices (sum of "Had introduced from before the pandemic" (26.6%), "Had introduced from before the pandemic and enhanced/expanded them in the wake of the pandemic" (6.8%) and "Introduced following the pandemic and continue to offer them" (8.7%)) **(Figure 10)**. Although companies that have "Never introduced" a satellite office still account for a majority of the companies (55.8%), the results indicate that satellite offices are spreading among companies, as suggested by the fact that some had introduced or enhanced/expanded such offices following the pandemic.
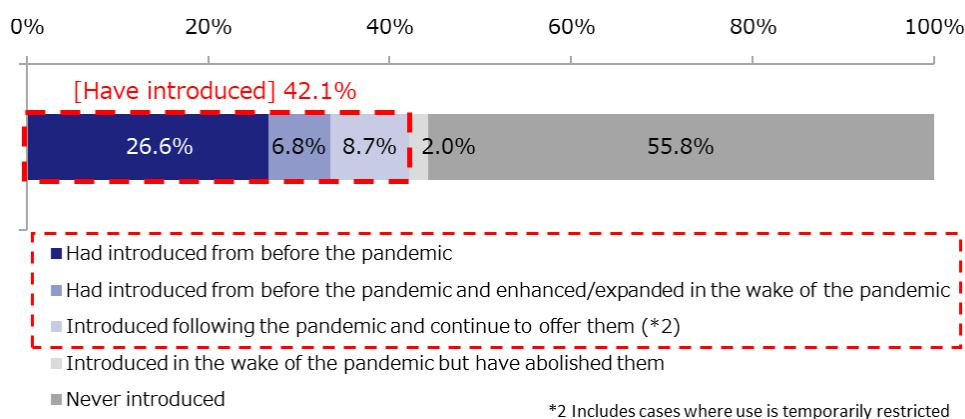
Figure 10: Introduction of Satellite Offices (n=586)

*2 Includes cases where use is temporarily restricted

Figure 11 shows the percentages of employees at companies that have introduced a satellite office who are eligible for using the satellite office and those who are actually using it. Around half of the companies replied that 50% or more of their employees were eligible for using the satellite office (sum of "100%" (27.5%) and "More than 50%, less than 100%" (25.5%)). As for users of satellite offices, around 10% of the companies replied that 50% of their employees or more used them (sum of "100%" (2.4%) and "More than 50%, less than 100%" (5.3%)). In terms of breakdown in increments of 10%, "100%" was the top reply for eligible employees (27.5%), while "More than 0%, less than 10%" was the most popular percentage for user employees (47.4%) **(Figure 12)**.

Figure 11: Percentages of Employees Eligible for and Using Satellite Offices
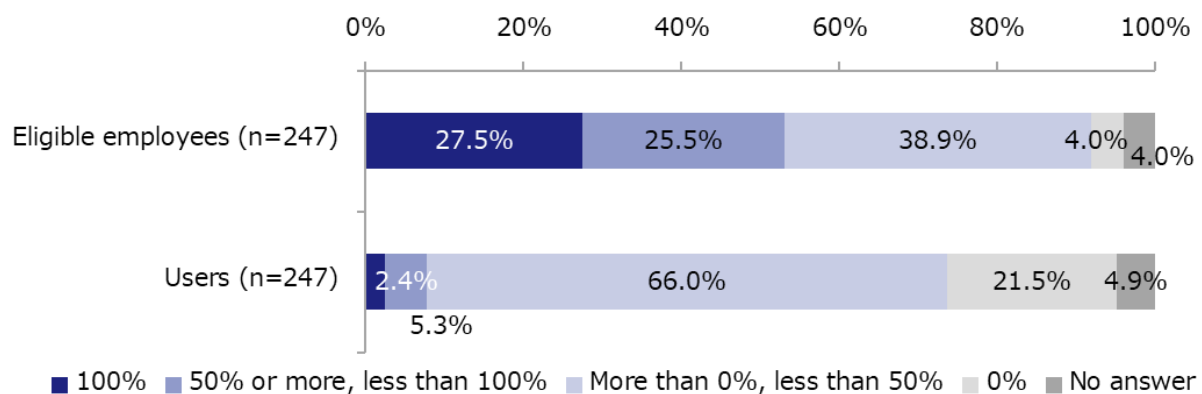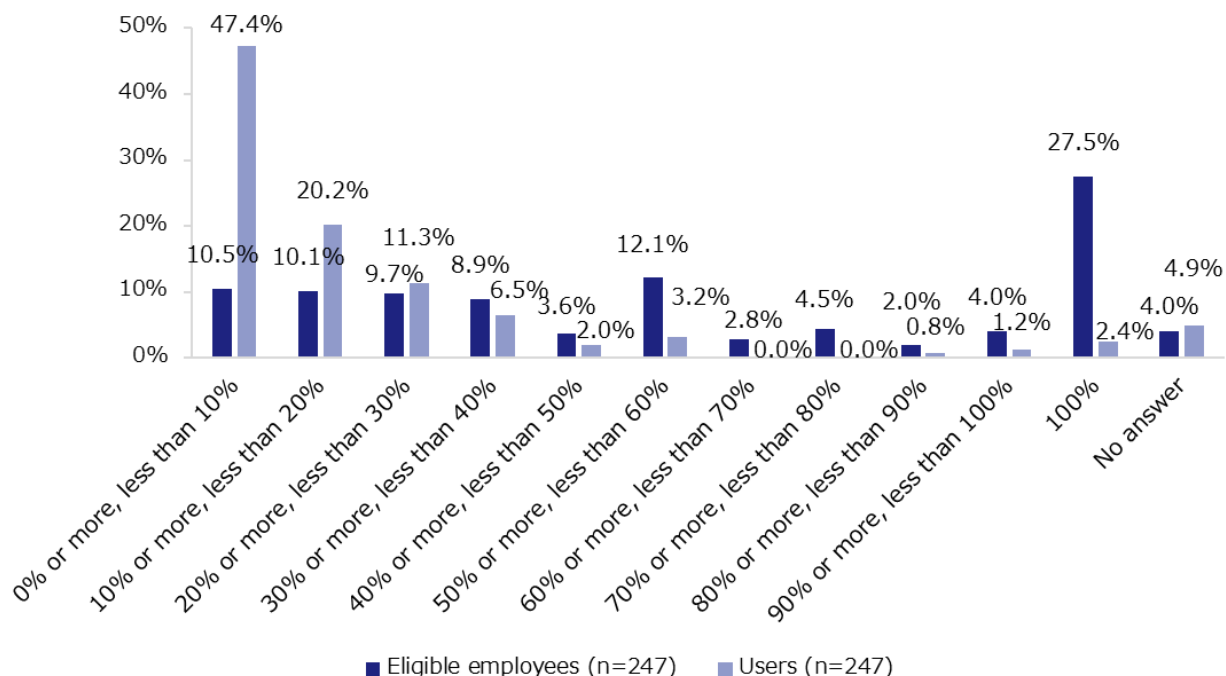

Figure 12: Percentages of Employees Eligible for and Using Satellite Offices (Histogram)

Telework operation rules revealed efforts to promote telework, such as "The maximum usage frequency was abolished following the pandemic" and "Telework is basically recommended, with employees required to come to the office if needed."

3. Work Styles and Operation of the Workplace

As for companies' initiatives concerning their current work styles and the workplace, many companies were engaged in initiatives that assumed employees coming to the office, such as "Recommend off-peak commuting" (72.2%), "Enforce thorough anti-infectious disease measures such as ventilation and disinfection" (68.8%) and "Ensure social distancing in the office (distance between desks, limiting number of users of meeting rooms, etc.)" (52.4%) **(Figure 13)**. On the other hand, many companies were also engaged in efforts to promote telework, including "Enhance internet network and provision of IT devices assuming telework" (58.4%) and "Promote paperless" (43.7%).

Figure 13: Initiatives in Work Styles and the Workplace (Multiple Answer; n=586)
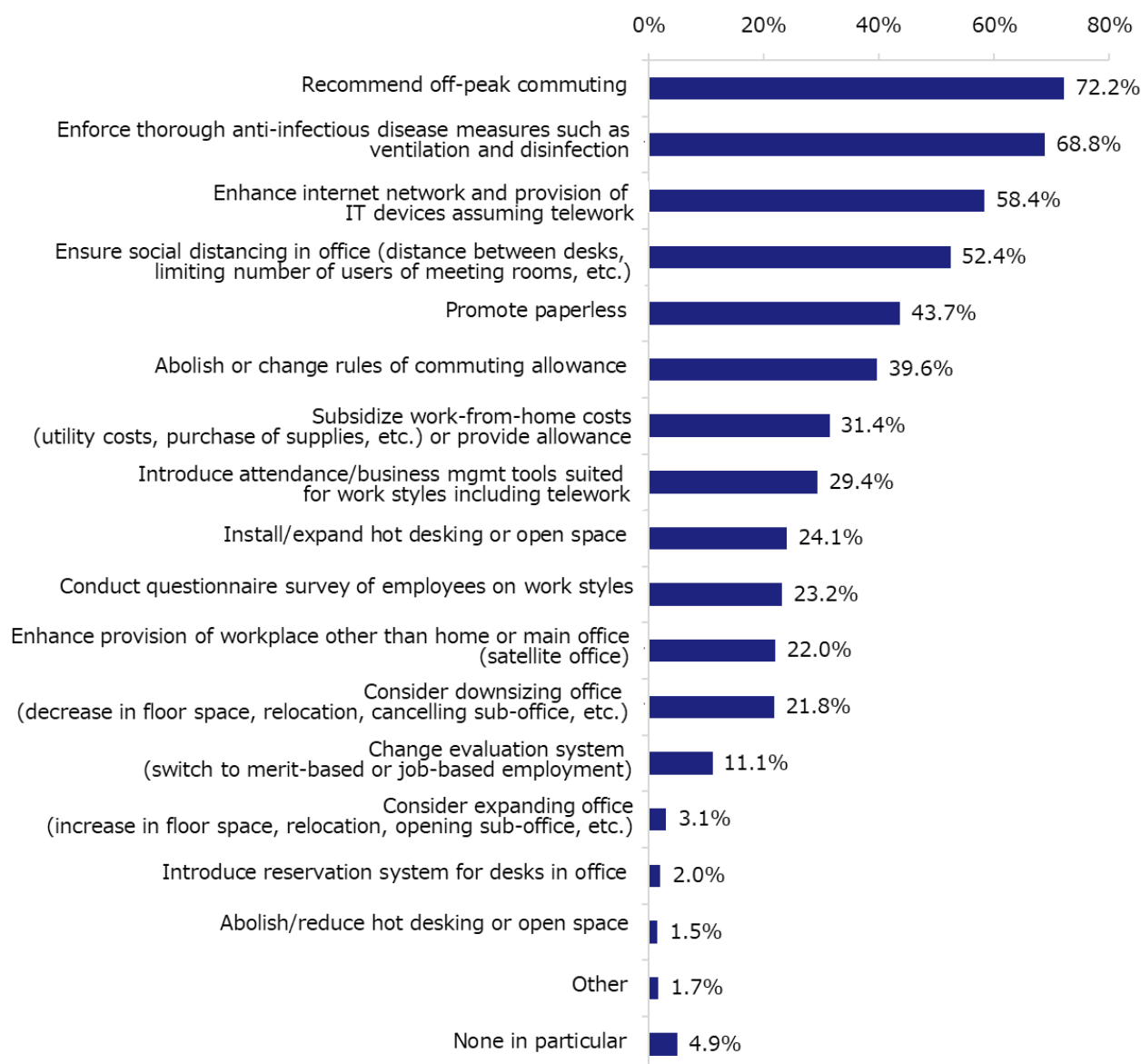
Furthermore, we asked companies that replied in **Figure 13** that they were either considering expanding the office space (increase in floor space, relocation, opening sub-office, etc.) (3.1%) or considering downsizing the office space (decrease in floor space, relocation, cancelling sub-office, etc.) (21.8%) about their reason and purpose **(Figure 14, 15)**. The top reason for considering expanding was "To ensure social distancing" (61.1%), followed by "In response to headcount increase" (44.4%) and "To improve comfortability" (33.3%). The top reason for considering downsizing was "Less space required due to telework" (85.2%), followed by "To reduce office costs" (74.2%) and "To review office layout (improve office space efficiency)" (39.8%).

Figure 14: Reason and Purpose of Expanding Office Space (Multiple Answer; n=18)
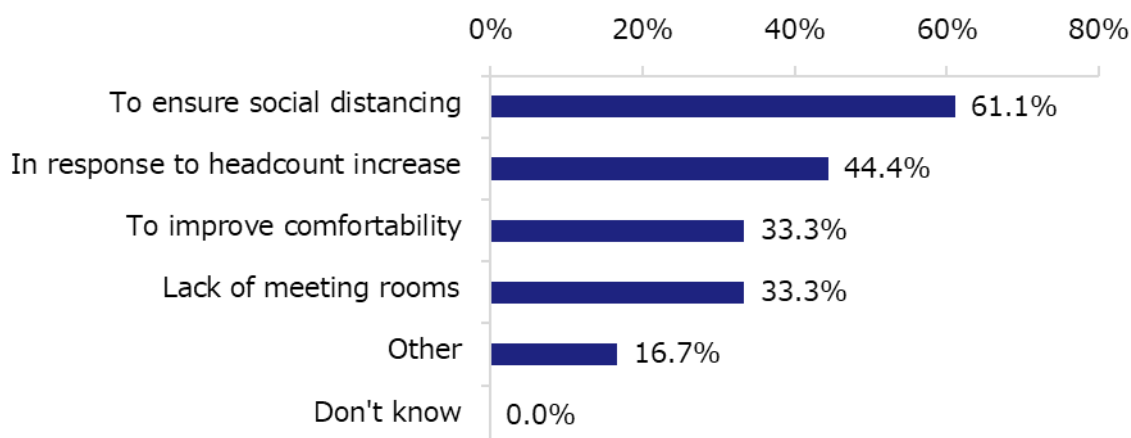
Figure 15: Reason and Purpose of Downsizing Office Space (Multiple Answer; n=128)
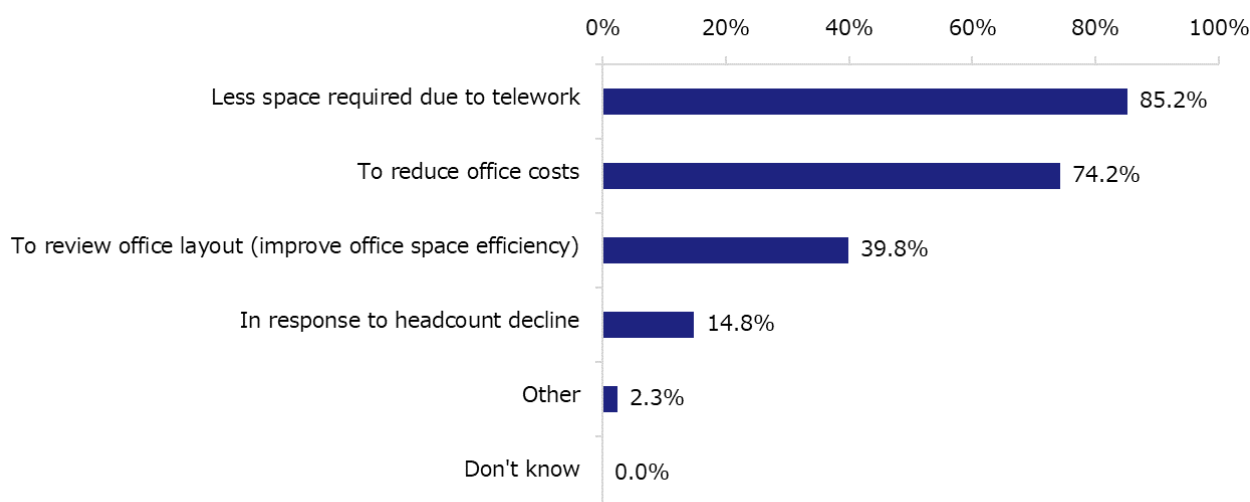
Figure 16 shows companies' issues and problems in workplace operation. The top issues were issues in conducting telework, such as "Management is difficult in telework (business, attendance, evaluation, etc.)" (42.3%), "Limited availability of electronic means for authorization, etc. (custom of using seals)" (41.8%) and "Limited paperless processes" (39.1%). Many companies seem to be facing challenges in the design and operation of workplace strategies since many of them had to quickly introduce telework measures such as working from home in response to the pandemic.

Figure 16: Issues and Problems in Operating the Workplace (Multiple Answer; n=586)

Issue	%
Management is difficult in telework (business, attendance, evaluation, etc.)	42.3%
Limited availability of electronic means for authorization, etc. (custom of using seals)	41.8%
Limited paperless processes	39.1%
Drop in employees' productivity & work efficiency during telework	37.4%
Inequality between those who can and cannot telework due to job type, etc.	33.1%
How to provide a safe and secure environment of the office	26.6%
Responding to costs borne by employees upon telework (utility/communication costs, fixtures)	25.6%
How to consider the optimal layout for the office	25.4%
Lack of network environment necessary for telework	21.5%
Difficult to set appropriate telework rate for each department or job type	18.6%
Difficult to set a rule for requiring employees to come to the office	13.7%
Huge costs for providing ICT devices necessary for telework	12.5%
Not sure of how to consider BCP measures	11.1%
Want to introduce hot desking but not sure of optimal operation	9.6%
Lack of other companies' examples to refer to	8.7%
Want to measure percentage of employees coming to the office but difficult or not sure how to	4.1%
Want to reduce office size but not sure how to	3.8%
There is no one to consult with on workplace issues	3.4%
Other	4.3%
None in particular	11.6%

4. Post-corona Work Styles

We asked the companies which work style—coming to the office or telework—they will focus on after the pandemic has subsided. Companies that will focus on coming to the office (39.1%: sum of "Focus on coming to the office" and "Somewhat focus on coming to the office") slightly outnumbered companies that will focus on telework (33.0%: sum of "Focus on telework" and "Somewhat focus on telework") **(Figure 17)**.

Figure 17: Degree of Focus on Coming to the Office or Telework after the Pandemic (n=586)
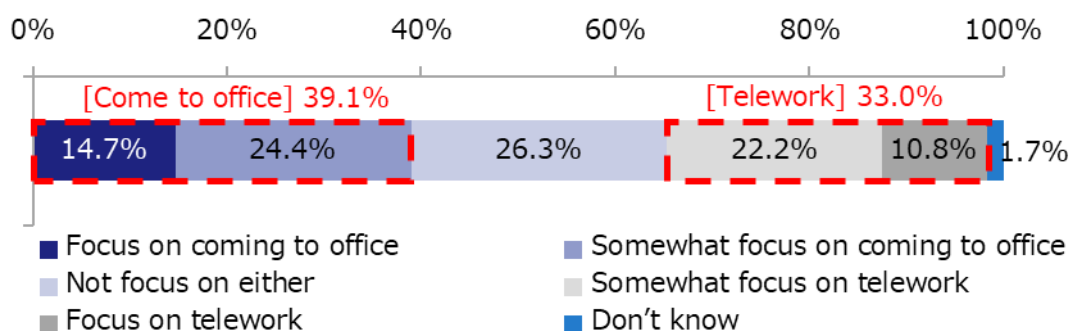
As for companies' intentions on post-corona office sizes, companies that wished to downsize (30.4%) significantly outweighed those that wished to expand (3.2%) **(Figure 18)**. The office demand survey released in June also showed that the percentage of companies intending to downsize exceeded that of companies intending to expand for the first time since the start of the survey, indicating a change in office demand caused by the pandemic.

Figure 18: Intentions on Post-corona Office Size (n=586)
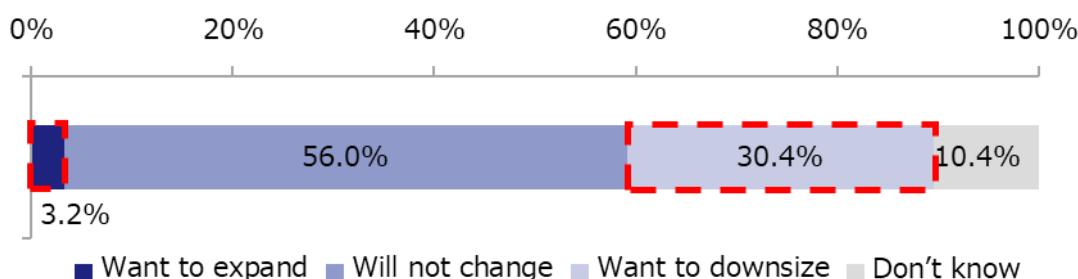
Finally, we asked the companies about their intentions toward work styles and the workplace for after the pandemic **(Figure 19)**. The top reply was "Use both the main office and telework" (54.1%), followed by "Promote working from home and reduce the number of employees coming to the office" (37.7%), "Review office operation to take employees' health and anti-infectious disease measures into consideration (hygiene management, human density, etc.)" (29.7%) and "Redesign the office to a flexible layout (hot desking, etc.)" (29.0%). These results point to companies' shift from the traditional work style where everyone came to the main office and worked for the designated amount of time to a flexible work style using telework.

Figure 19: Intentions toward Post-corona Work Styles and the Workplace (Multiple Answer; n=586)

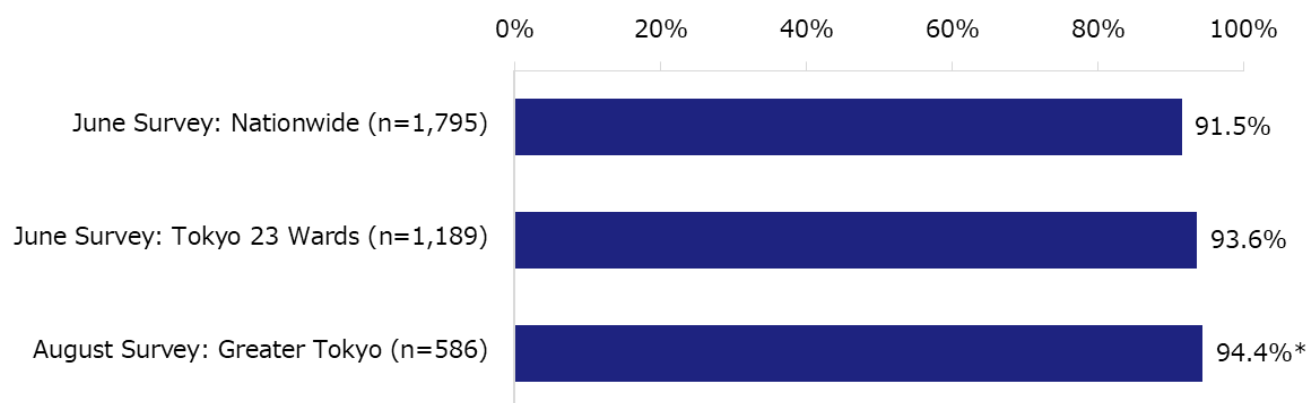| Category	Percentage
Use both the main office and telework	54.1%
Promote working from home and reduce number of employees coming to the office	37.7%
Review office operation to take employees' health and anti-infectious disease measures into consideration (hygiene management, human density, etc.)	29.7%
Redesign the office to a flexible layout (hot desking, etc.)	29.0%
Increase telework and downsize the office	21.2%
Come to the office as a rule and limit telework to emergency use	18.6%
Switch to evaluation system based on telework (switch to merit-based or job-based employment)	16.9%
Change the system to increase those eligible for and the frequency of telework	16.0%
Introduce attendance/business mgmt tools suited for work styles including telework	15.7%
Introduce digitalization in the office (IoT, desk booking app, utilization rate sensor, etc.)	14.8%
Switch to a labor system assuming telework (switch to flex system, etc.)	14.7%
Promote working in satellite offices and reduce number of employees coming to the office	14.0%
Return to previous state after the pandemic and do not change much	10.6%
Enable working in rural areas or resorts (workation)	5.3%
Disperse workplaces to suburbs	4.1%
Enhance the office more than before	1.9%
Concentrate workplaces to city centers	0.5%
Other	0.9%
Not yet considered; don't know	5.1%

5. Conclusion

Since spring 2020, companies have been forced to engage in different work styles from before to prevent the spread of COVID-19, including restricting employees coming to the office or introducing telework and off-peak commuting. It is no exaggeration to say that this has accelerated the hitherto gradual progress of work style reforms.

This survey has revealed companies' work styles and issues under the corona crisis and their intentions for after the pandemic. While many companies have adopted telework including working from home, they are facing challenges in business and attendance management, programs and corporate culture. How to solve these issues will be key to the establishment of telework going forward. Xymax REI intends to continue publishing survey results that are beneficial to the market.

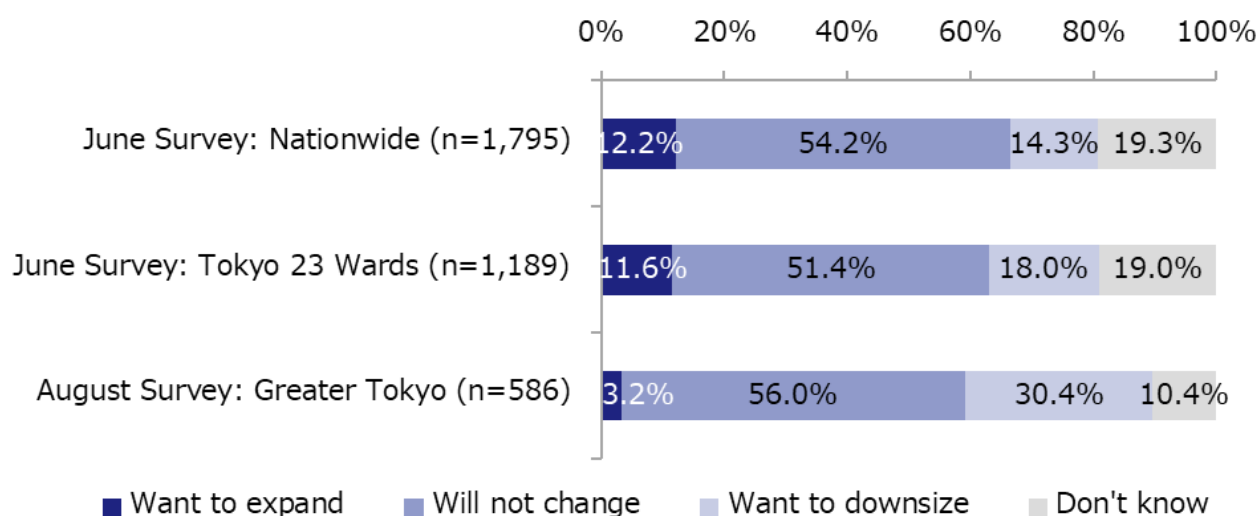# [Reference] Comparison with the Office Demand Survey in June

The following are comparisons of the comparable questions with the office demand survey carried out in June (hereinafter, "June Survey"). The June Survey showed the results of all of Japan and of the 23 wards of Tokyo, while the company survey introduced in this report covers the results of Greater Tokyo (Tokyo, Saitama, Kanagawa and Chiba Prefectures). Since the target respondents and the target of aggregation differ, the following are for reference use only.

**Reference 1: Percentage of Companies Adopting a Work-From-Home Policy
(Including Those That It Abolished Later)**

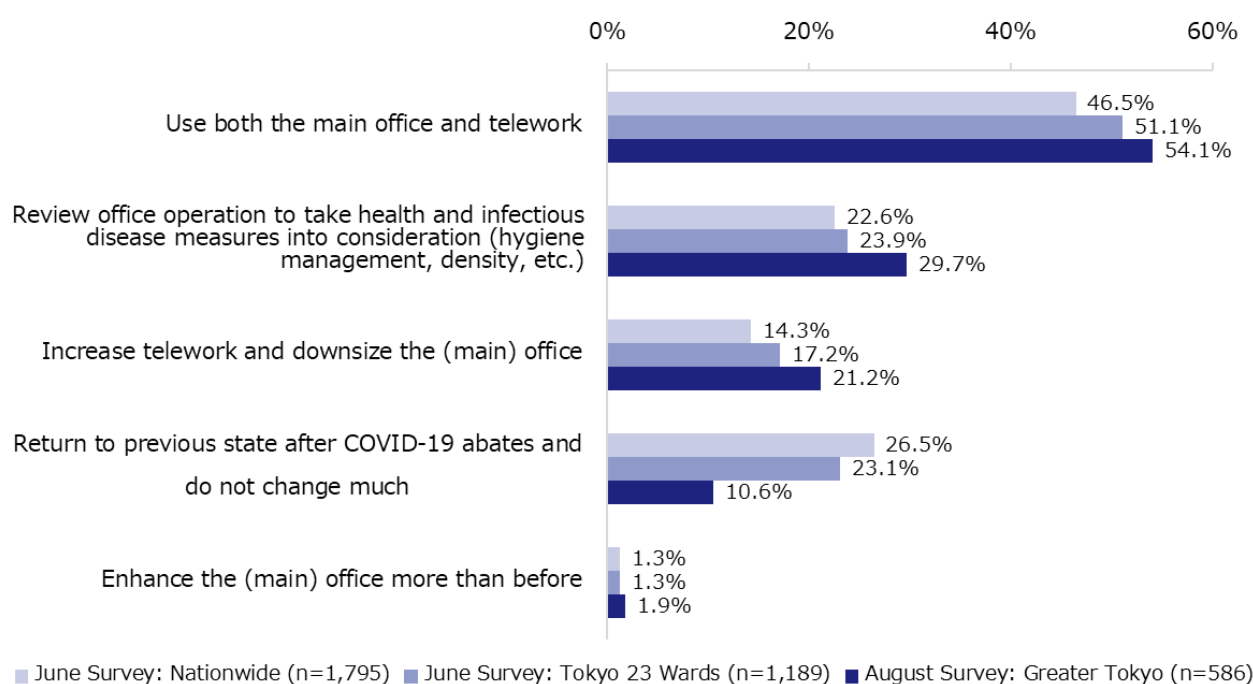|	
June Survey: Nationwide (n=1,795)	91.5%
June Survey: Tokyo 23 Wards (n=1,189)	93.6%
August Survey: Greater Tokyo (n=586)	94.4%*

*The sum of "Had introduced from before the pandemic," "Had introduced from before the pandemic and enhanced/expanded in the wake of the pandemic," "Introduced a policy following the pandemic and continue to offer it" and "Introduced a policy in the wake of the pandemic but have abolished it."

Reference 2: Intentions on Future Office Size

	Want to expand	Will not change	Want to downsize	Don't know
June Survey: Nationwide (n=1,795)	12.2%	54.2%	14.3%	19.3%
June Survey: Tokyo 23 Wards (n=1,189)	11.6%	51.4%	18.0%	19.0%
August Survey: Greater Tokyo (n=586)	3.2%	56.0%	30.4%	10.4%

■ Want to expand ■ Will not change ■ Want to downsize ■ Don't know

Reference 3: Intentions toward Work Styles and the Workplace

	June Survey: Nationwide (n=1,795)	June Survey: Tokyo 23 Wards (n=1,189)	August Survey: Greater Tokyo (n=586)
Use both the main office and telework	46.5%	51.1%	54.1%
Review office operation to take health and infectious disease measures into consideration (hygiene management, density, etc.)	22.6%	23.9%	29.7%
Increase telework and downsize the (main) office	14.3%	17.2%	21.2%
Return to previous state after COVID-19 abates and do not change much	26.5%	23.1%	10.6%
Enhance the (main) office more than before	1.3%	1.3%	1.9%

■ June Survey: Nationwide (n=1,795) ■ June Survey: Tokyo 23 Wards (n=1,189) ■ August Survey: Greater Tokyo (n=586)

Survey Overview

Survey period	August 19 – August 31, 2020
Target respondents	1,372 companies in total that include: ・Client companies of XYMAX INFONISTA Corporation ・ZXY member companies
No. of valid responses	586 companies; response rate: 42.7%
Geographical coverage	Greater Tokyo (Tokyo, Kanagawa, Saitama and Chiba Prefectures)
Survey method	By email
Topics covered in the survey	Status of office use ・ Existence of restrictions on employees coming to the office ・ Percentage of employees coming to the office (current target, reality, future intention) ・ Rules for coming to the office, job types that require employees coming to the office Status of use of telework ・ Status of work-from-home policy ・ Employees eligible for the work-from-home policy and actual users of the policy ・ Status of satellite offices ・ Employees eligible for and actual users of satellite offices ・ Specific operation rules Work styles and the operation of the workplace ・ Current initiatives ・ Reason and purpose of expanding or downsizing ・ Issues and problems in workplace operation Post-corona work styles ・ Degree of focus on coming to the office and telework ・ Intentions toward office size ・ Intentions toward work styles and the workplace Companies' current office ・ Office area under lease contract, number of users Company attribute ・ Sector, number of employees

Attribute of Respondent Companies (Upper row: percentage of total; Lower row: number of companies)

[Sector]

Agriculture & forestry	Construction	Manufactur-ing	Electricity, gas, heat, water supply	Telecommu-nications	Transporta-tion & postal service	Wholesale & retail	Finance & insurance	Real estate & lease of goods	Academic research, professional or technical service
0.2%	6.0%	19.5%	0.3%	18.1%	1.4%	14.3%	4.8%	4.9%	6.0%
1	35	114	2	106	8	84	28	29	35

Accommo-dation & restaurants	Daily life services & entertain-ment	Education & learning support	Medical & welfare	Multi-service business	Service (those not classified as other sectors)	Civil service (excl. those classified as other sectors)	Unclassifiable industries
0.3%	0.5%	0.2%	0.7%	1.9%	18.3%	0.5%	2.2%
2	3	1	4	11	107	3	13

[Number of employees]

Less than 100	100–999	1,000 or more	Unknown
37.2%	36.9%	21.7%	4.3%
218	216	127	25

[Location of office]

Tokyo (23 Wards)	Tokyo (other than 23 Wards)	Kanagawa Prefecture	Chiba Prefecture	Saitama Prefecture
89.6%	2.0%	5.1%	1.5%	1.7%
525	12	30	9	10

[Office area under lease contract in tsubo (1 tsubo = 3.3 sqm)]

Less than 30 tsubo	30 or more and less than 50	50 or more and less than 100	100 or more and less than 200	200 tsubo or more	No answer
10.1%	6.1%	10.1%	13.1%	35.2%	25.4%
59	36	59	77	206	149

The percentage mix in the charts contained in this report are rounded to the first decimal place and therefore may not add up to 100%.

For further inquiries please contact:

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