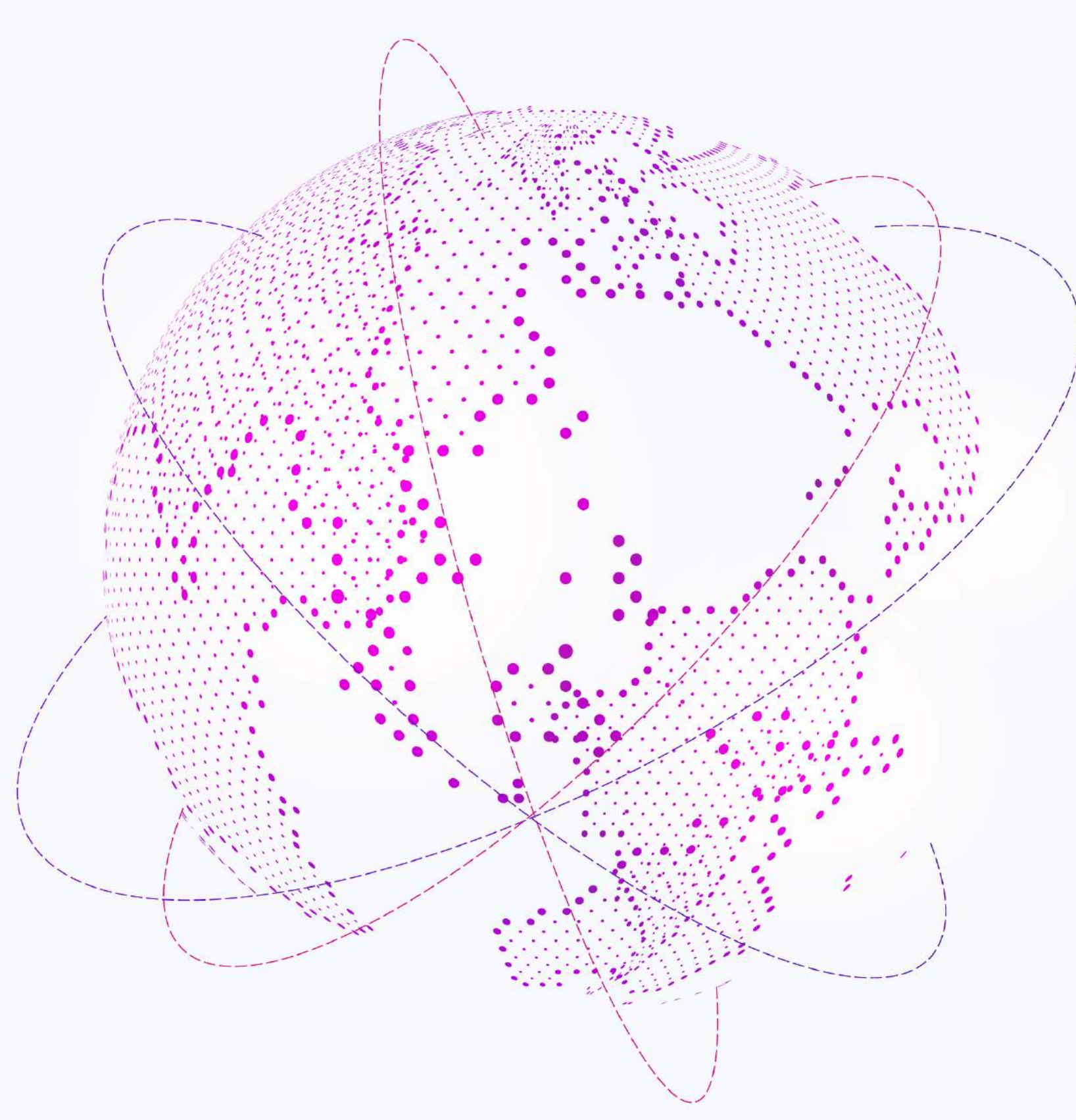


The Work-from-Anywhere Report

A report from Aura Talent Analytics

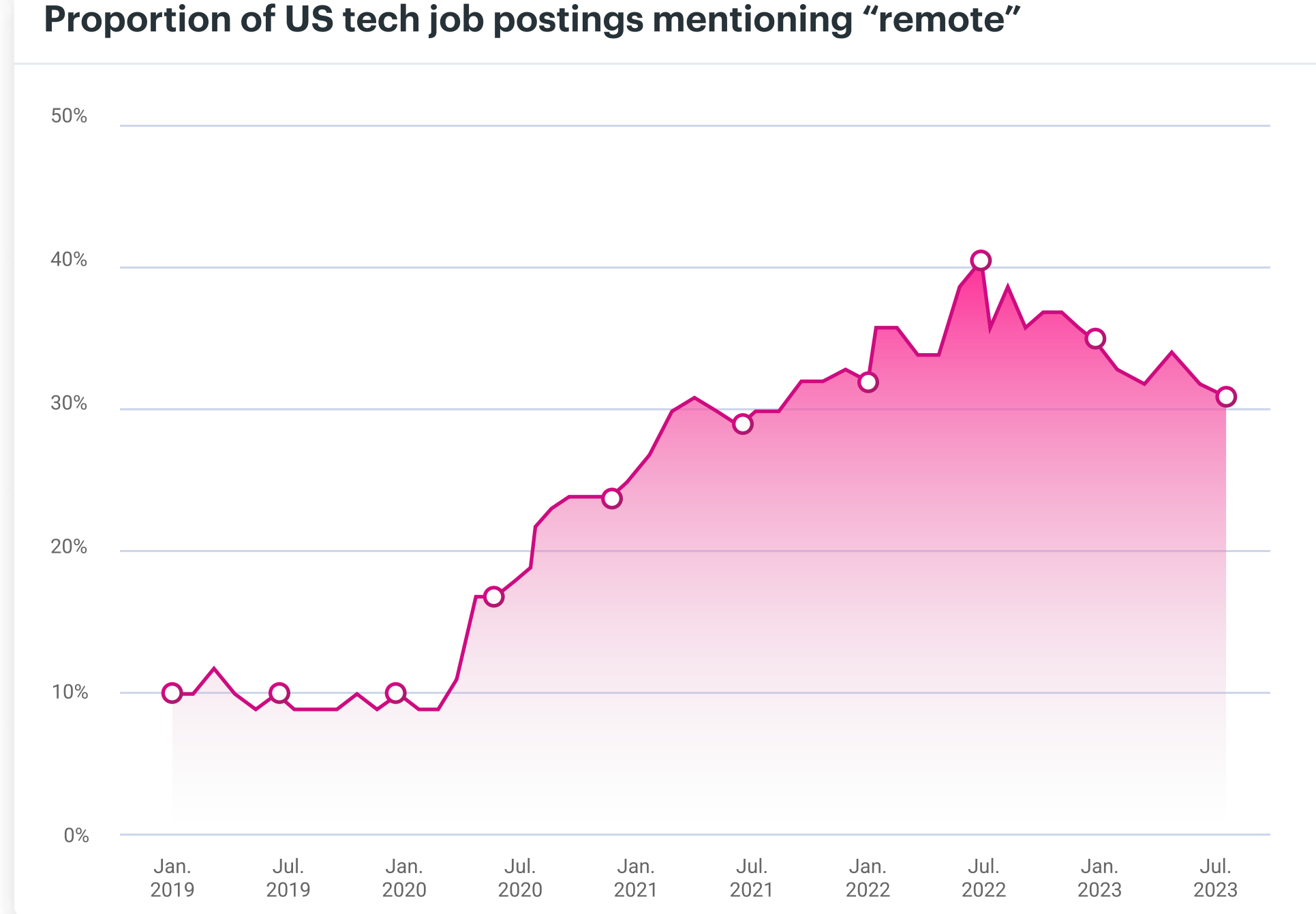
The covid-19 crisis unlocked a paradigm-shift in the way organizations think about flexible working. A post-pandemic gold rush ensued as firms enacted sweeping 'all remote' policies to capitalize on clear benefits to employee wellbeing and reductions in capital expenditure. However, **a backlash has been taking shape** at major firms in recent months following concerns over impact to **long-term productivity and team connectivity**.

Yet many organizations continue to go all-in, ditching hybrid models in favor of fully-remote options for all, and are starting to reap the benefits of access to much wider talent pools. The question remains **how firms will converge on balancing these competing pressures**, and to **what extent a true "work from anywhere" model will materialize in the talent marketplace**.



[Download the full report](#)

Remote working is here to stay, but has declined from its post-pandemic peak



31%

Remote postings in June 2023

3x

Higher than than the pre-pandemic norm

Aura job postings data shows a **surge in adverts for "remote" positions** in US tech firms at the onset of the pandemic in March 2020, rising steadily to **a peak of 41% in July 2022**. The past year saw a relative decline in remote postings however, reaching **31% in July 2023**, with high-profile tech companies such as Google and Meta putting an end to fully remote options as part of a partial 'return to office' policy.

In contrast, many smaller companies have been encouraged by clear evidence of the benefits to the **employee value proposition, savings on physical office space**, and access to **a much larger pool of talent**, choosing instead to embrace remote working as a permanent fixture. With remote postings **3x higher than the pre-pandemic norm of ~10%**, the distributed working model is likely here to stay.

Companies are reaping the benefits of a decentralized workforce, but a true "work from anywhere" model will take time to materialize

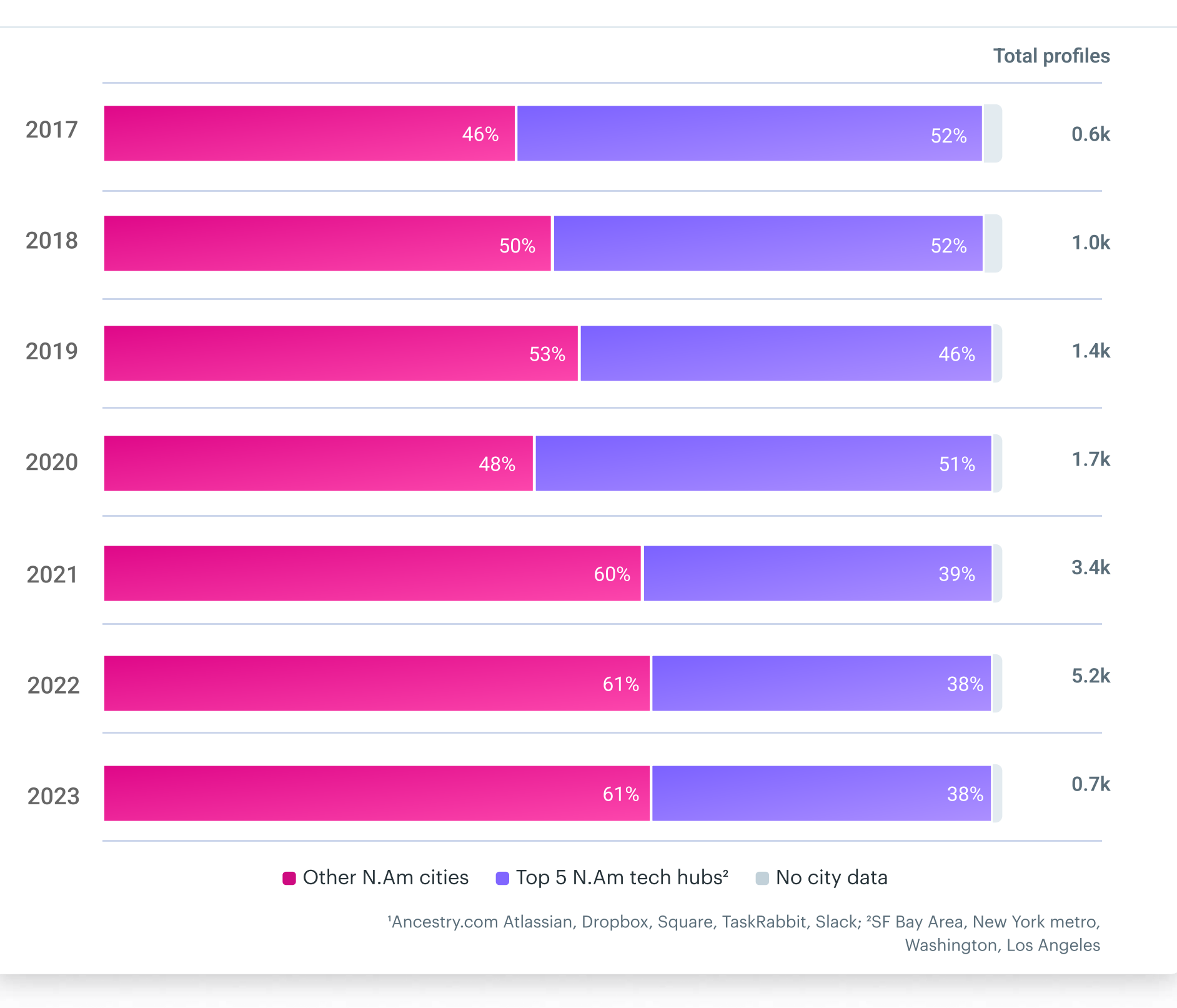
Remote-first companies are increasingly hiring outside of major tech hubs

Flexible working models take many forms. Many firms are opting for a hybrid or "hub and spoke" model, requiring employees to live within commuting distance of an office location to allow a few visits each week. Others have recognized the benefits of a **"work from anywhere" model**, allowing employees to live and work from any location, and employers to source talent wherever they can find it.

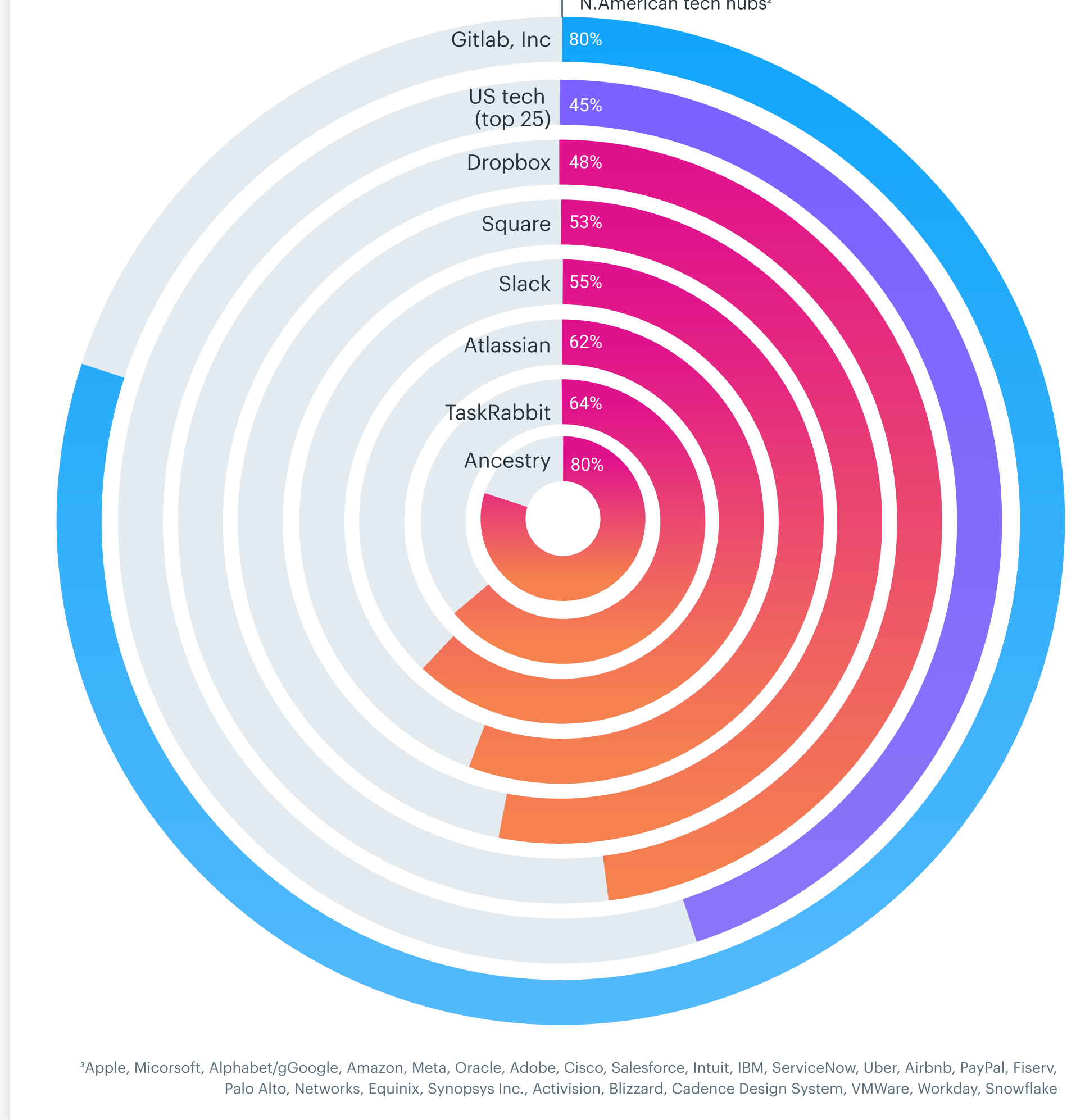
Aura analyzed data from 6 US-focused software companies that have adopted "work from anywhere" policies since the pandemic (Ancestry.com, Atlassian, TaskRabbit, Dropbox, Slack, Square) revealing a **gradual hiring shift away from the top 5 N.American tech hubs** (SF Bay Area, NY, Washington, LA, Seattle). **~50%** of pre-pandemic hires were from outside of these cities, rising to **>60%** since 2021, suggesting these firms are starting to tap into a much wider pool of talent.

A full "work from anywhere" model is yet to materialize however, with the proportion of hires in Aura data located outside of major tech hubs **remaining stable at ~60% since 2021**.

Employee location by hire year for 6 "remote-first" US Tech companies¹ (US workforce)



Employee location by company (North American workforce)



Remote-first policies are gradually enabling a more decentralized workforce

45%

US tech industry employees working outside of the top 5 tech hubs

~80%

GitLab employees working outside of the top 5 tech hubs

Changes in hiring practices are allowing these firms to achieve a **more distributed workforce vs the wider US tech industry**, which sources only 45% of its staff outside of the major hubs.

Yet there is still room to decentralize further. Companies such as Gitlab deploying an **"all remote" model since inception** have been able to achieve much more distributed workforces¹, with **~80%** of employees located outside of major tech hubs.

¹Ancestry.com remains an exception to this group, with a large proportion of its workforce located near its HQ in Lehi, Utah

A new set of software engineering hotspots are emerging away from cities with physical office outposts

An increasing share of employees are choosing to work from locations with no office presence

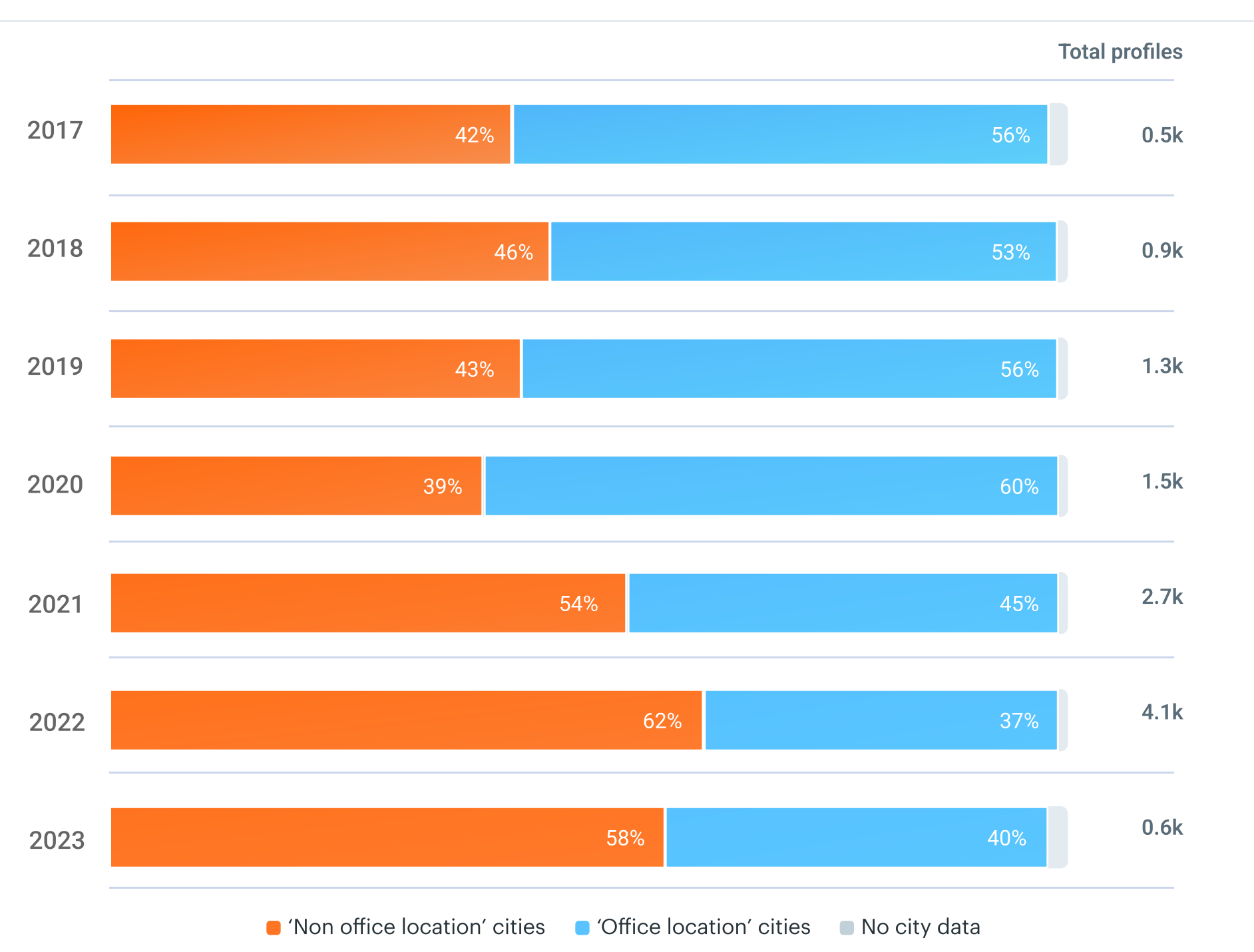
40~45% Pre-pandemic

~60% Post-pandemic

A more distributed workforce doesn't need to mean more office locations. Hiring data from 5 US-focused software firms, finding that **an increasing share (~60%) of new employees** are located in cities with **no physical office presence at all**, vs 40-45% pre-pandemic.

Workers are starting to take advantage of "work from anywhere" policies to live where they please, with employers now able to tap into larger and larger talent pools without the requirement of setting up new office spaces.

Employee location by hire year for 5 "remote-first" US Tech companies¹ (US workforce)



Rank	Job title	Share of "non office location workers"
1.	Software engineer	11%
2.	Senior software engineer	5%
3.	Engineering manager	1%
4.	Product manager	1%
5.	Tasker	1%
6.	Independent contractor	1%
7.	Senior data scientist	1%
8.	Data scientist	1%
9.	Account manager	1%
10.	Senior product manager	1%

Software engineers are the most likely to locate away from the office

16%

Software engineering roles

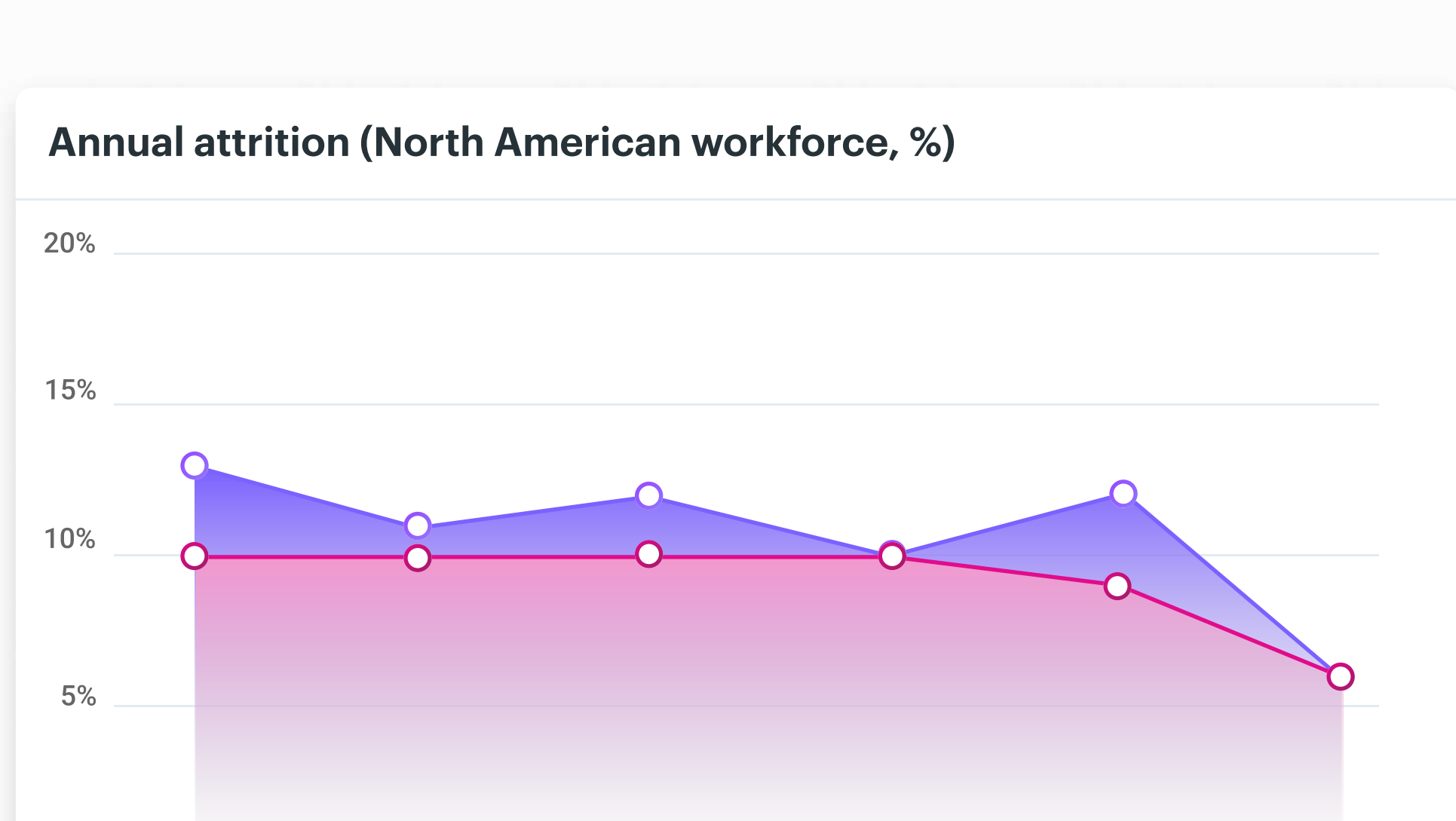
These workers are particularly likely work in **software engineering roles**, taking up the top 2 job titles for employees working away from company office locations, at a combined total of **16%**.

Salt Lake City and Boston are the top small cities for remote workers

"Work from anywhere" policies are enabling the **emergence of new tech hotspots** too. Whilst some remote workers will inevitably come from existing major hubs where firms haven't chosen to place an office (LA, NY), large numbers of workers are locating in much smaller cities such as **Salt Lake City (2%)**, **Boston (2%)**, **San Diego (2%)** and **Denver (2%)**.

Rank	City	Share of "non office location workers"	Population
1.	Los Angeles, CA	4%	4M
2.	Chicago, IL	3%	3M
3.	Salt Lake City, UT	2%	0.2M
4.	Boston, MA	2%	0.7M
5.	New York metro	2%	~20M
6.	San Diego, CA	2%	1.4M
7.	Denver, CO	2%	0.7M

Flexible working policies might be attracting more committed employees



7%

Average attrition in 2022

Aura attrition data suggests that firms which implemented post-pandemic "work from anywhere" policies might be attracting more committed and longer-serving workers. Whilst these companies suffered from historically higher attrition rates than comparably-sized (<\$20Bn revenue) US tech companies, with a 2017-19 average of 12% vs 10%, attrition data from 2022 shows that these firms have **brought employee attrition in-line with the larger industry at 7%** since introducing these policies.

A spike in turnover in 2021 to 12% suggests that **the transition to fully-remote can be a difficult one**, however. Time will tell how successful this model will be in convincing distant workers to remain committed and loyal in 2023 and beyond.

The next phase of the "work from anywhere" movement is a globally-distributed workforce

The first wave of remote working following the pandemic saw workers relocate to new locations within their home countries. Even employees with full "work from anywhere" policies often require staff to remain within the same country as a company home office for most of the year.

These firms are slowly moving towards a more geographically distributed model, however. The proportion of the workforce from our group of "work from anywhere" companies within North America **fell from 75% to 67%** in 3 years. Workers in **Asia** rose particularly sharply, **more than tripling from 3% to 10%** since 2017.

Given the domestic shift already happening in the US, and the clear benefits of a distributed model to workers and employers alike, perhaps it is only a matter of time before a genuinely global "work from anywhere" model emerges.

Employee location by continent for 6 "remote-first" companies¹ (US workforce)

