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Get ready for the return of the office

Gene Marks, Thu 25 Mar 2021

A strange thing is happening, thanks to the pandemic. While everyone is stuck working from home, some of the country's largest tech companies are snapping up real estate like nobody's business.

Google, for example, announced just last week that it was investing more than \$7bn to open new offices and expand data centers across the country. The tech giant is opening offices and data centers in various locations and intends to expand data centers and workspaces in several states.

The tech giant will "keep growing our offices across the US", a spokesman for the company said in the Fox Business report. And Google is not alone in this real estate expansion.

It's not just the tech giants that are snapping up real estate. Leases are quietly being signed by companies – big and small – in downtown and suburban areas across the country like Denver, Phoenix and even San Francisco.

The leaders at Facebook, Google, Apple, Microsoft and Amazon see a not-too-distant-future where cities return to their normal levels of activity.

"We are believers in offices, and I think there will continue to be good opportunities, particularly in the markets oriented around innovation, research, and content development," said the senior managing director and global co-head of real estate for an investment company recently. "I think New York and San Francisco are experiencing a lot of pressure right now, but long-term, we think urban areas will get back to thriving."

Considering that these tech companies built the platforms that have enabled millions of workers to work remotely you would think that they would be the biggest champions of reduced office spaces. But no, that's not the case.

That's because the people running these tech companies know full well that their products have limitations. They know that technology can provide mobility, flexibility, independence and a better quality of life. They understand that their software, hardware and e-commerce platforms have enabled millions of business people to operate their businesses even when they're not in the office.

But they also know that an office, a workspace, a shared environment where humans interact face to face over coffee and donuts is a crucial part of any business. They understand that people working remotely do not connect, innovate, share ideas, debate, argue and brainstorm like they do when they're together. They get that a company's culture of innovation can't be built from people's homes, but from a place where people congregate.

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