GM employees will be back in the office next year. Not all of them are happy



The Detroit News

The Detroit News October 17th, 2022

Years after having the choice to work remotely, General Motors Co. white-collar workers will be required to return three days a week starting in January 2023.

Cities and businesses affected by the loss of people going to the office during the pandemic are pleased with the prospect of thousands returning to GM's Renaissance Headquarters in downtown Detroit and to the automaker's Warren Global Technical Center.

But employees aren't as happy. They've taken to online forums such as <u>reddit</u> to express their frustrations after thinking GM's flexible work strategy would mean they wouldn't be required to return. But experts say there's not much they can do about it.

"The folks you're talking about at General Motors are almost entirely nonunion, they're clerical employees, they're lower-level management ... they have really no recourse," said Susan Schurman, a professor of labor studies at Rutgers University.

Though "if they get a big enough pushback from enough people who start looking to work elsewhere, that could change things, especially right now when the labor market's still pretty tight," she said.

Last year, GM, like other companies, implemented a flexible "Work Appropriately" model, which allowed teams to work from home, a lab, an office, or wherever they do their best work. The company pointed out this model was not a policy but more a mindset.

Employees were <u>caught by surprise</u> one September Friday afternoon when GM sent out a note informing teams they would be required to return to the office three days a week. After pushback from employees, GM said it was putting off those plans for the time being.

As far as why GM is mandating a return to the office, spokesperson Maria Raynal said the company is "in the middle of a historic transformation of our

business, and in-person collaboration is a critical success factor as we move into a period of rapid launches."

GM has several major electric-vehicle launches next year, including the Chevrolet Silverado EV, Blazer EV and Equinox EV.

Posts on a reddit forum show frustration among employees and suggest some have resigned from GM.

Employees will work out with their team leaders on what specific days they will return, with exceptions to the policy being considered on a case-by-case basis.

"This evolution is not a "one-size-fits-all" approach — leaders and employees will work together to assure employees have flexibility where needed, while still balancing the needs of the enterprise," Raynal said in a statement.

The Detroit automaker and other companies have used the flexibility of remote work to hire outside of Michigan and allow employees to work where they live. The employees that GM hired or designated as remote will stay remote, the company previously said.

GM has a goal to be "the most inclusive company in the world" and has promoted the "Work Appropriately" model as "a philosophy that enables us to achieve these aspirations."

Crosstown rivals Stellantis NV and Ford Motor Co. have hybrid work models.

Stellantis expects employees to spend 30% of their time in the office as part of its New Era of Agility initiative. Similar to GM's "Work Appropriately" model, Ford allows employees to determine with their manager whether they'll work on campus or remotely.

The push to get workers back in the office is being done, employment experts say, to make sure culture isn't lost.

"Employee engagement needs kind of gas in the tank every quarter, so let's say you're a fully remote team, you should be meeting with your team every quarter to keep morale full ... And after that quarter goes by, after those three months, engagement tends to fall," said Mark Ostach, a Clarkston-based keynote speaker, author and consultant for companies on the hybrid work approach.

For older companies, like GM, there's also a mindset that employees should be working at the office.

If you think about GM's history and culture, there's a bias that says, 'We need to be able to have eyes on people in order to make sure that they're really being productive," Schurman said.

Joe Vicari, owner of Joe Muer Seafood and Andiamo restaurants at the Renaissance Center, says business at his restaurants is still down 30% from pre-pandemic levels. While he's excited for the return of employees to the GM headquarters, he's also cautious about the impact will be.

"Time will tell; we have not opened Andiamo for lunch, maybe this will be a reason to open up for lunch," he said. "We've been closed for lunch since the pandemic. I think we just got to try to get people back to work and get back to normalcy, what used to be normal. I just think the mindset will be better."

The Highlands restaurant at the top of the Renaissance Center never got a real sense of what having employees back inside the HQ would mean for business since it opened right before the pandemic. That makes Richard Camarota, a partner in the business, cautious about what the return will mean.

"It'll really just be an opportunity to continue doing what we've already done ... just try to excel," he said. "The biggest thing it'll be beneficial for will be our bar."

The restaurant "probably won't do lunchtime anytime soon."

The shift to work from home cost the City of Detroit thousands of dollars in income tax revenue, and spokesperson John Roach responded positively to GM's move to call employees back downtown.

"This is certainly welcome news," Roach said in a statement. "We have been seeing more and more workers return to the office. That's a positive thing for restaurants and other small businesses that benefit from the weekday foot traffic."

The City of Warren does not tax the incomes of employees working in the city, but Mayor James Fouts said he is still "enthusiastic and happy to have employees back because when they come back, they shop at our restaurants, they buy gas, they go to our party stores, whatever. It obviously gives a boost to the city."

khall@detroitnews.com