

## The office of the future: a return to the past?

The COVID-19 outbreak has had a profound impact in many spheres and on many social and economic habits. Where and how we work is just one of them. Up until now, offices were spaces for working, meeting and socialising. Nonetheless, working can be increasingly carried out from anywhere. Meetings can also often be held remotely. As for socialising, with the current physical distancing measures, doing so in the office is made all the more difficult. In times of coronavirus, are offices doomed?

### The origin of the office: from monasteries to skyscrapers

During the Middle Ages and the Age of Discovery, only a few organisations dealt with written documentation and had places remotely similar to today's offices. Monasteries, with their copyist chambers or *scriptorium*, and companies that exploited the trade routes with Asia and the New World are some examples of this. In the early 18<sup>th</sup> century, the British East India Company, which specialised precisely in trade with Asia, had as many as 300 secretaries, notaries and accountants who often worked side by side. But they did so in private homes or in old palaces, not in buildings specifically designed for this purpose.

Other professionals for whom written documentation was essential, such as lawyers, also worked in their homes for centuries. In a way, «teleworking»<sup>1</sup> was the norm at that time, even in professions which today we associate with an office environment. One clearly illustrative case is that of the insurance company Lloyd's of London. In the 17<sup>th</sup> century, independent maritime insurance brokers worked in their homes, but they would meet in Edward Lloyd's coffee house located near the Tower of London to share information and close negotiations, so the coffee house informally served as an office. Years later, with the arrival of the Industrial Revolution, these insurance brokers became associated under the name of Lloyd's, and in 1774 they decided to rent different spaces in the Royal Exchange of London in order to conduct their activities together.

In fact, the origin of the modern office is closely linked to the Industrial Revolution. With the boom in manufacturing production and international trade that it brought, certain professions gained prominence and new economic activities emerged, the natural habitat of which was the office. Besides the offices of insurance companies, banks or trading companies, factories themselves needed to adapt new spaces in which to carry out these new activities: offices were born.

In the last few decades of the 19<sup>th</sup> century and the first three of the 20<sup>th</sup> century, advances in telecommunications (the electric telegraph first, followed later by the telephone) enabled a physical separation between administrative and manufacturing tasks. With this development, offices acquired an identity of their own in buildings exclusively designed for performing these administrative tasks.

This separation between offices and manufacturing centres, combined with the enormous industrial development of the US, gave rise to the phenomenon of skyscrapers. The large American industrial companies of the time decided to «relocate» their administrative headquarters in the big cities, taking the form of very tall buildings that also served as a symbol of their prestige and power. Chicago and New York were the pioneering cities in this race to the sky. The Home Insurance Building, which opened in 1885 in Chicago and was the headquarters of the Home Insurance Company, was the first skyscraper in the world. And it is well known that the Chrysler Building in New York, home to the American automotive company, held the title of the world's tallest skyscraper for just 11 months - a title that was snatched from it by the Empire State Building, partly funded by General Motors. The history of offices would be linked to architecture and urban planning forever.

### The office of today...

After the Second World War, offices continued to proliferate as the services economy grew. Over the next 70 years, they would also undergo major transformations as a result of the economic and technological changes in our society. In particular, the transition towards the knowledge economy has led offices to turn from what some experts have called «paperwork factories» into «idea factories». And in order to enhance the flow of these ideas, office designs with more open and flexible workstations, informal meeting areas, and welcoming and homely spaces for leisure and rest have come to dominate. In a way, offices have tried to make us feel «at home».

1. In this and the subsequent articles of this Dossier, we will use the terms teleworking and remote working interchangeably to refer to the format of working from home, although in legal terms the two concepts can denote different ways of working.

## Past, present and future of the office



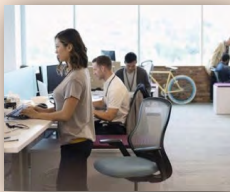
5<sup>th</sup>-15<sup>th</sup> c.  
**MIDDLE AGES**

15<sup>th</sup>-16<sup>th</sup> c.  
**RENAISSANCE**



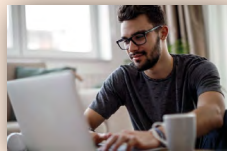
18<sup>th</sup> c. - early 20<sup>th</sup> c.  
**INDUSTRIAL REVOLUTION /  
AGE OF THE SKYSCRAPERS  
IN AMERICA**

1945-1960  
**POST-WAR**



The office of today  
**VERSATILE, OPEN  
OFFICES**

The office of the future  
**TELEWORKING  
+ SOCIALISING**



Indeed, since the advent of the Internet in our lives more than a quarter of a century ago, numerous voices had predicted precisely the end of offices in favour of the comfort of the home thanks to teleworking. But nothing could have been further from the truth. Even the technology companies of Silicon Valley, as curious as it may seem, had mostly not opted for teleworking prior to the current health crisis. On the contrary, they had overwhelmingly opted for these informal offices with versatile, open spaces. The main reason for this is the belief that innovative ideas emerge more readily in such an environment.

### ... and the office of tomorrow

While it is still early to determine the magnitude of the change that offices might undergo, the ever-cutting-edge technology companies can offer us some clues. Indeed, many of them have already begun to announce that the possibility to work remotely could be extended beyond what is dictated by the pandemic if employees so desire.

In fact, various factors support a shift towards increased teleworking. On the one hand, some studies already indicate that the flexibility of being able to work remotely on a regular basis boosts workers' productivity (see the article «[Teleworking and productivity: a complex binomial](#)» in this same Dossier). Furthermore, a better work-life balance or a more environmentally-friendly society are growing social demands that both push for teleworking (see the article «[How does teleworking affect society and our way of life?](#)» in this same Dossier). Another driving factor is the enormous improvement and evolution of ICT in recent years. These are innovations that facilitate teleworking, but were perhaps not fully disseminated in the economy. The shock of the COVID-19 outbreak, however, has accelerated this dissemination. Finally, in a world dominated by ideas, reflective work will gradually replace repetitive tasks, and such kinds of work can no doubt benefit from the tranquillity that remote working can offer.

But what about ideas that emerge from office chats? In a context of a lower incidence of the coronavirus, no doubt a mixed option, where working remotely is combined with working in a new kind of office that favours meeting, talking and collaborating with our peers even more than before, can be a good balance. In short, Edward Lloyd's coffee house could be our office of tomorrow.

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Source: CaixaBank Research.