# Home-Based Workers: 2019–2021

# **Current Population Reports**

By Clayton Gumber and Michael Burrows P70BR-184 October 2023

# INTRODUCTION

Home-based work has long played a role in the functioning of the U.S. economy. Prior to the 1980s, most who worked at home were family farmers or professionals (such as doctors and lawyers) based in home offices.<sup>1</sup> These groups largely disappeared amidst the decline of family farms and the consolidation of professional jobs into larger firms. However, improved availability of information technology since the 1980s has facilitated rising numbers of home-based workers over the past few decades.

The initial phase of the COVID-19 pandemic provided a new catalyst for the expansion of home-based work, as the initial push for social distancing compelled many people to work from home.<sup>2</sup> According to the Survey of Income and Program Participation (SIPP), the percentage of U.S. jobs worked on-site or "in person" decreased by roughly 10 percentage points between 2019 and 2021, from about 84 percent to 74 percent of all jobs (Figure 1).<sup>3,4</sup> The expansion of working from home since the onset of the COVID-19

# WHAT IS SIPP?

The Survey of Income and Program Participation (SIPP) is a nationally representative, longitudinal survey administered by the U.S. Census Bureau that provides comprehensive information on the dynamics of income, employment, household composition, and government program participation. The SIPP is also a leading source of data on economic well-being, family dynamics, education, wealth, health insurance, child care, and food security. The SIPP interviews individuals for several years and provides monthly data about changes in household and family composition and economic circumstances over time. Visit the SIPP website at <www.census.gov/ sipp> for more information.

pandemic has dramatically changed how U.S. workers relate to their jobs and workplaces. Because the SIPP collects uniquely detailed information about respondents' jobs, it is particularly well-suited to describe changes in home-based work. This brief will identify overall trends in home-based work, including the share of jobs worked on-site, at home, and a mix of both. It will go on to present key work schedule characteristics associated with each type of job, and will close with an outline of how type of job varies by class of work, industry, and occupation.



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<sup>&</sup>lt;sup>1</sup> Phillip Salopek, "Increase in At-Home Workers Reverses Earlier Trend," *Census Brief*, CENBR/98-2, U.S. Census Bureau, Washington, DC, 1998.

<sup>&</sup>lt;sup>2</sup> Erik Brynjolfsson, John J. Horton, Adam Ozimek, Daniel Rock, Garima Sharma, and Hong-Yi TuYe, "COVID-19 and Remote Work: An Early Look at US Data," NBER Working Paper Series, Working Paper 27344, National Bureau of Economic Research, Cambridge, MA, 2020.

<sup>&</sup>lt;sup>3</sup> For technical documentation and more information about SIPP data quality, visit the SIPP Technical Documentation page at

<sup>&</sup>lt;sup>4</sup> The U.S. Census Bureau reviewed this data product for unauthorized disclosure of confidential information and approved the disclosure avoidance practices applied to this release. CBDRB-FY23-POP001-0100.

#### GROWTH OF HOME-BASED JOBS

The share of home-based jobs roughly doubled from 11 percent of jobs in 2019 to 23 percent in 2020, before declining to 21 percent in 2021.<sup>5</sup>

Mixed jobs, often referred to as "hybrid" jobs, represented the smallest share of all jobs worked each year. After falling from about 4.6 percent of jobs in 2019 to 4.1 percent in 2020, mixed jobs increased to 5.7 percent of jobs in 2021 (the same year that homebased jobs declined).

# CHANGING CHARACTERISTICS OF HOME-BASED JOBS

Though jobs with mixed schedules make up a small share of all jobs, interest in hybrid work has increased as COVID-19 public health protections have ended, and employers and workers seek a balance between working in the office and working remotely.

In 2021, workers with mixed jobs were more likely to work from home toward the start or end of the workweek, and more likely to work on-site closer to the middle of the workweek (Figure 2). The most common weekdays for mixed jobs to be conducted from home were Friday (about 53 percent) and Monday (about 50 percent). The least common weekdays for

# DEFINITIONS

**On-site job**: On-site jobs are conducted by workers who reported that they did not work any full days from home as part of their work schedule.

**Mixed job**: Mixed jobs are conducted by workers who reported working from home at least 1 full day in a typical week, but also reported working on-site.

**Home-based job**: Home-based jobs are conducted by workers who reported working from home every day they worked and did not report working on-site.

**Industry**: Industry describes the kind of business conducted by a person's employing organization. Individuals provide descriptions of what is made, what is sold, or what service is provided by their employer.

**Occupation**: Occupation describes the kind of work a person does on the job.

**Class of worker**: Class of worker categorizes people according to the type of ownership of the employing organization.

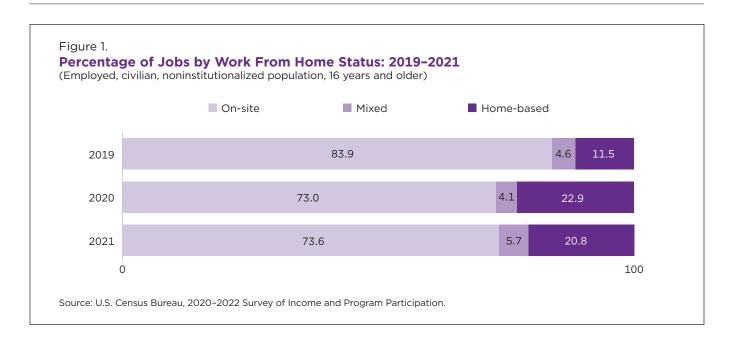
workers with mixed jobs to work from home in 2021 were Tuesday (about 33 percent) and Thursday (about 35 percent).

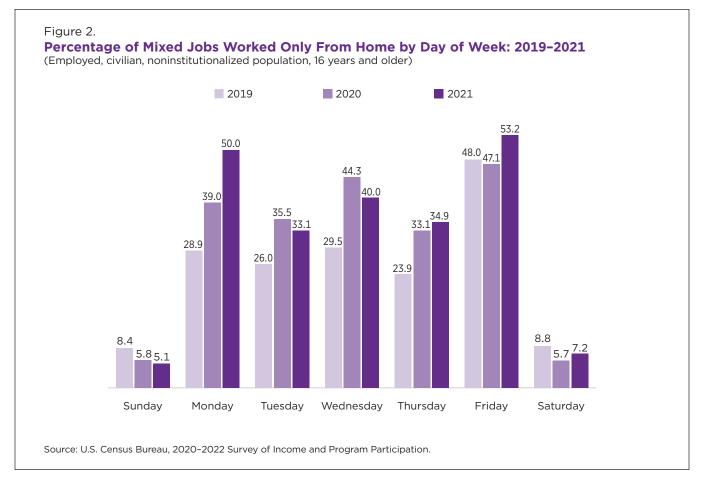
This pattern roughly corresponds to the general pattern in 2019, when the most common weekday to work from home was also Friday (about 48 percent), and the least common was Thursday (about 24 percent). Though the overall patterns were similar across years, the percentage of workers with mixed jobs who worked from home increased substantially between 2019 and 2021 for every weekday and declined somewhat for Saturdays and Sundays.

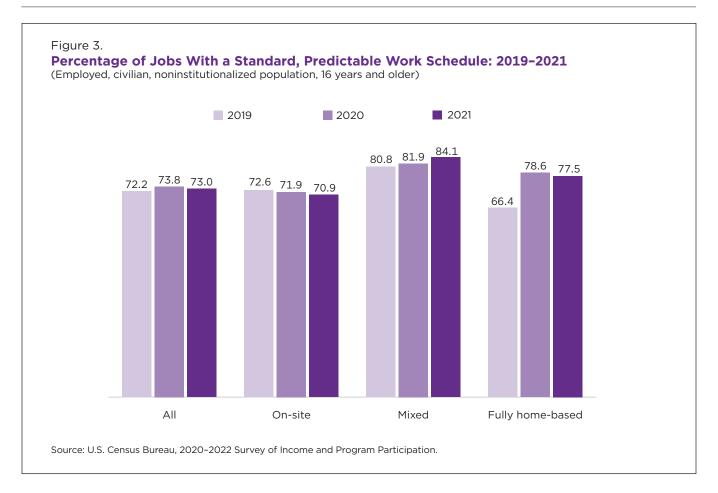
The falling percentage of mixed jobs worked on weekends hints at the increasing percentage of

mixed and home-based jobs offering standard, predictable work schedules with regular daytime hours. Most workers overall have jobs with regular daytime schedules but the percentage of on-site, mixed, and home-based jobs with these schedules has changed substantially since the start of the COVID-19 pandemic (Figure 3). The percentage of on-site jobs offering a standard, predictable work schedule fell slightly, from 72.6 percent to 70.9 percent. Among mixed jobs, the share with a standard, predictable schedule increased from 80.8 percent in 2019 to 84.1 percent in 2021. Most strikingly, about 66.4 percent of home-based jobs offered a standard, predictable schedule in 2019 compared to 77.5 percent in 2021.

<sup>&</sup>lt;sup>5</sup> The SIPP collects information on multiple jobs for applicable respondents. The universe for this analysis includes all jobs reported by a respondent, such that the statistics displayed represent the share of all jobs and not necessarily the share of all workers.



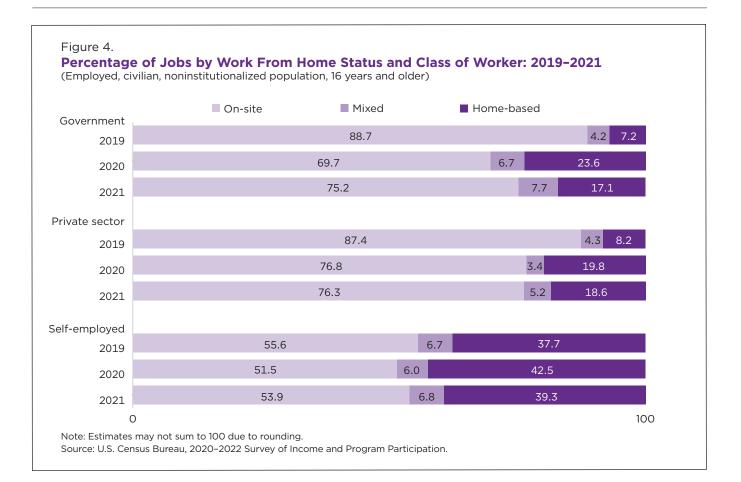




The significant increase in homebased jobs with regular daytime hours may be a function of the types of jobs that disproportionately converted to home-based work during the COVID-19 pandemic. Per recent research drawing from the American Community Survey, workers with higher incomes and workers in the information industry and management, business, science, and arts occupations were particularly likely to work from home in 2021.<sup>6</sup> Higher incomes and the aforementioned industry and occupations have been associated with regular schedules, so it is likely that the types of jobs that have tended to accommodate home-based work in the context of the pandemic also offer standard, predictable work schedules.<sup>7</sup>

<sup>&</sup>lt;sup>6</sup> Michael Burrows, Charlynn Burd, and Brian McKenzie, "Home-Based Workers and the COVID-19 Pandemic," *American Community Survey Reports*, ACS-52, U.S. Census Bureau, Washington, DC, 2023.

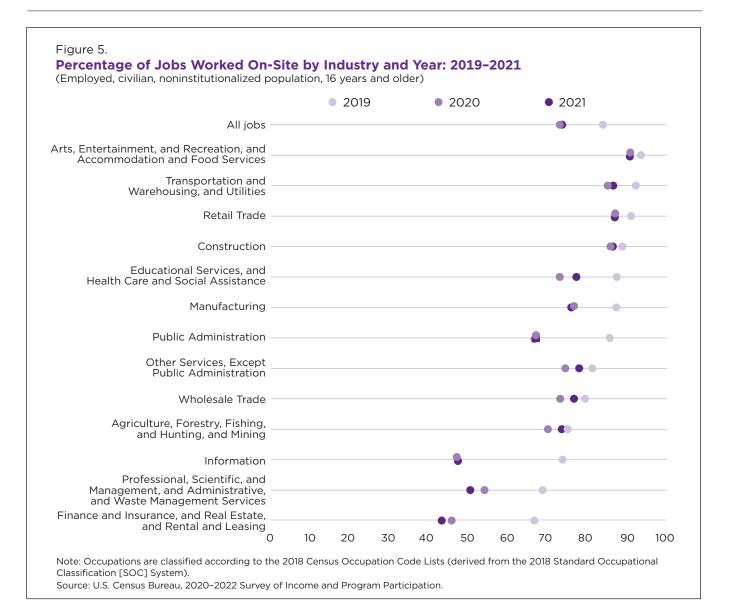
<sup>&</sup>lt;sup>7</sup> Clayton Gumber and Briana Sullivan, "Occupation, Earnings, and Job Characteristics," *Current Population Reports*, P70-178, U.S. Census Bureau, Washington, DC, 2022.



# EMPLOYMENT CHARACTERISTICS

SIPP data provide complementary evidence that the possibility of working from home differs by key employment characteristics, including class of work, industry, and occupation.

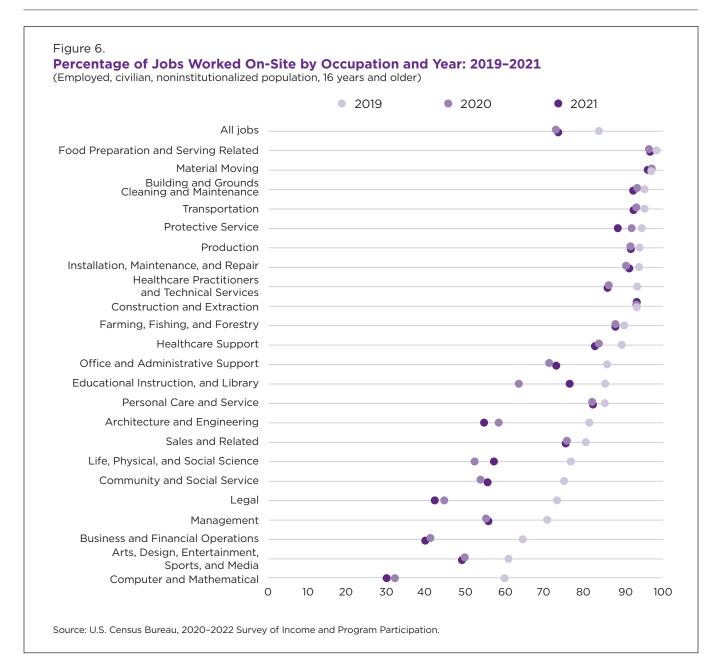
Home-based work increased among government jobs from about 7 percent of jobs in 2019 to almost 24 percent in 2020 before dropping to roughly 17 percent in 2021 (Figure 4). In the private sector, home-based jobs increased from about 8 percent in 2019 to 19 percent in 2021. Among the selfemployed, working from home was already much more widespread in 2019, with about 38 percent of jobs being conducted from home. That figure increased to about 42 percent in 2020, but (unlike other classes of work) nearly returned to 2019 levels, dropping back down to about 39 percent of jobs in 2021. By 2021, mixed jobs were more prevalent amongst government and self-employed workers than those in the private sector. While the share of home-based jobs fell for each class of worker category between 2020 and 2021, the share of jobs in hybrid work environments did not. From 2020 to 2021, the percentage of mixed jobs was stable in government and selfemployed work, and increased in the private sector.



Several industries experienced substantial decreases in on-site jobs, and corresponding increases in home-based work, between 2019 and 2021 (Figure 5). The finance and insurance, and real estate, and rental and leasing industry saw a sharp decline in the share of jobs conducted on-site, from roughly 67 percent in 2019 to 43 percent in 2021. In the information industry, the share of jobs worked on-site fell from about 74 percent in 2019 to 47 percent in 2021. The percentage of public administration industry jobs worked on-site also declined from about 86 percent in 2019 to 67 percent in 2021.

In contrast, the arts, entertainment, and recreation and accommodation and food services industry registered only small growth in home-based work and very little decline in on-site work, with about 91 percent of jobs in 2021 still performed on-site compared to 93 percent in 2019.

Occupations with high percentages of home-based workers in 2019 tended to maintain that distinction in 2021 (Figure 6). Computer and mathematical occupations had the lowest percentage



of jobs worked on-site, with about 60 percent of jobs worked completely on-site in 2019, 32 percent in 2020, and 30 percent in 2021. Among jobs in the legal occupation, about 73 percent were conducted on-site in 2019 compared to just 42 percent in 2021. At the other end of the spectrum among occupations were the material moving occupations, a group that includes jobs that often must be performed on-site: for example, stockers and order fillers and industrial truck and tractor operators. Within the material moving occupations, roughly 97 percent of jobs were worked on-site in 2019 and 2020, and 96 percent in 2021. The construction and extraction occupations displayed similarly high shares of jobs conducted on-site, at around 94 percent in 2019 and 93 percent in 2021.

### SUMMARY

The percentage of jobs conducted on-site decreased considerably between 2019 and 2021, while home-based jobs correspondingly increased. Mixed jobs increased at a slower pace and made up a very small share of all jobs during all 3 years, but increased between 2020 and 2021, when on-site jobs rebounded somewhat and homebased work slightly receded. Mixed and home-based work schedules also became increasingly predictable between 2019 and 2021, likely due to the types of jobs that disproportionately transitioned away from on-site work during the COVID-19 pandemic. By 2021, jobs in the government as well as the private sector were much more likely to be conducted completely or partly from home compared to 2019, though jobs among the selfemployed maintained relatively high levels of home-based work and mixed work throughout this period. Finally, those occupations and industries in which on-site jobs were already less prevalent in 2019 were typically among those with the lowest shares of on-site jobs in 2021, though not without some exceptions.

The SIPP will continue to provide nuanced information about the way workforce characteristics and commuting behaviors are changing in the United States.

#### SOURCE AND ACCURACY

Statistics from surveys are subject to sampling and nonsampling error. All comparisons presented in this report have taken sampling error into account and are significant at the 90 percent confidence level, unless otherwise noted. This means the 90 percent confidence interval for the difference between the estimates being compared does not include zero. Nonsampling errors in surveys may be attributed to a variety of sources such as how the survey was designed, how respondents interpret questions, how able and willing respondents are to provide correct answers. and how accurately the answers are coded and classified. To minimize these errors, the Census Bureau employs quality control procedures throughout the production process, including the overall design of surveys, wording of questions, review of the work of interviewers and coders, and the statistical review of reports. Additional information on the SIPP can be found at <www.census.gov/ sipp/> (main SIPP website), <www.census.gov/programssurveys/sipp/guidance/usersguide.html> (SIPP Users' Guides), and <www.census.gov/programssurveys/sipp/tech-documentation/ source-accuracy-statements. html> (SIPP Source and Accuracy Statements).

# CONTACTS

Additional information on the content and methodology of the survey can be found by contacting the SIPP Coordination and Outreach Staff at <census.sipp@census.gov> or 1-888-245-3076.

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### SUGGESTED CITATION

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