The Future of Work

A Report on Technology Leaders in the German Market

ALBANY*

alphalist

Chief Technology Officers share their current ways of working, and viewpoints on: productivity, travel/relocation, and personal preferences for balancing remote and office work environments.

Introduction

It is forecasted that "fully remote and hybrid knowledge workers will account for 49% of the German workforce" by the end of 2023 (Gartner 2023).

Abstract

Albany and Alphalist asked technology leaders with a focus on the DACH region about the nature of their working environment, in order to understand how companies at various stages, sizes, and domains choose to set up their engineering teams for success.
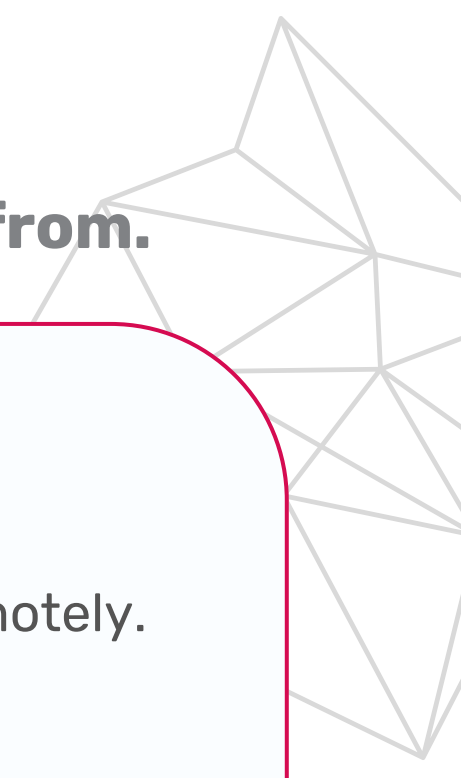
The results particularly reflect the German market, and how CTOs across the region view remote flexibility in considering their next career move, and how they believe remote working impacts engineering productivity.

Work environments across Germany adapted to a remote-first approach in a necessary response to the global pandemic - after the 'tech reset' began in 2022, will the future of work remain forever changed? Continue reading to find out.

Summary of Key Findings

The findings in this survey best reflect the German market, where 80% of our replies stemmed from.

01. Hybrid working is by far the most common environment, across all size/scale of business.

02. Most hybrid environments are more remote than in-person, with the most common set up of 3 days a week spent remotely.

03. There is a consensus among technology leaders that remote work increases engineering team productivity.

04. Those who work remotely are the happiest with their working environment.

05. Remote companies have not adopted "hire anywhere" policies. In Germany, they often exclusively hire within the timezone.

06. CTOs are twice as likely to consider relocating compared to VPEs, and most CTOs will frequently travel for a new role.

07. Tech leaders feel that work environment is an important factor in considering career opportunities.

Participants

53 technology leaders, across **Albany Partners** & **Alphalist's** network, shared their ways of working and in-depth views with us.
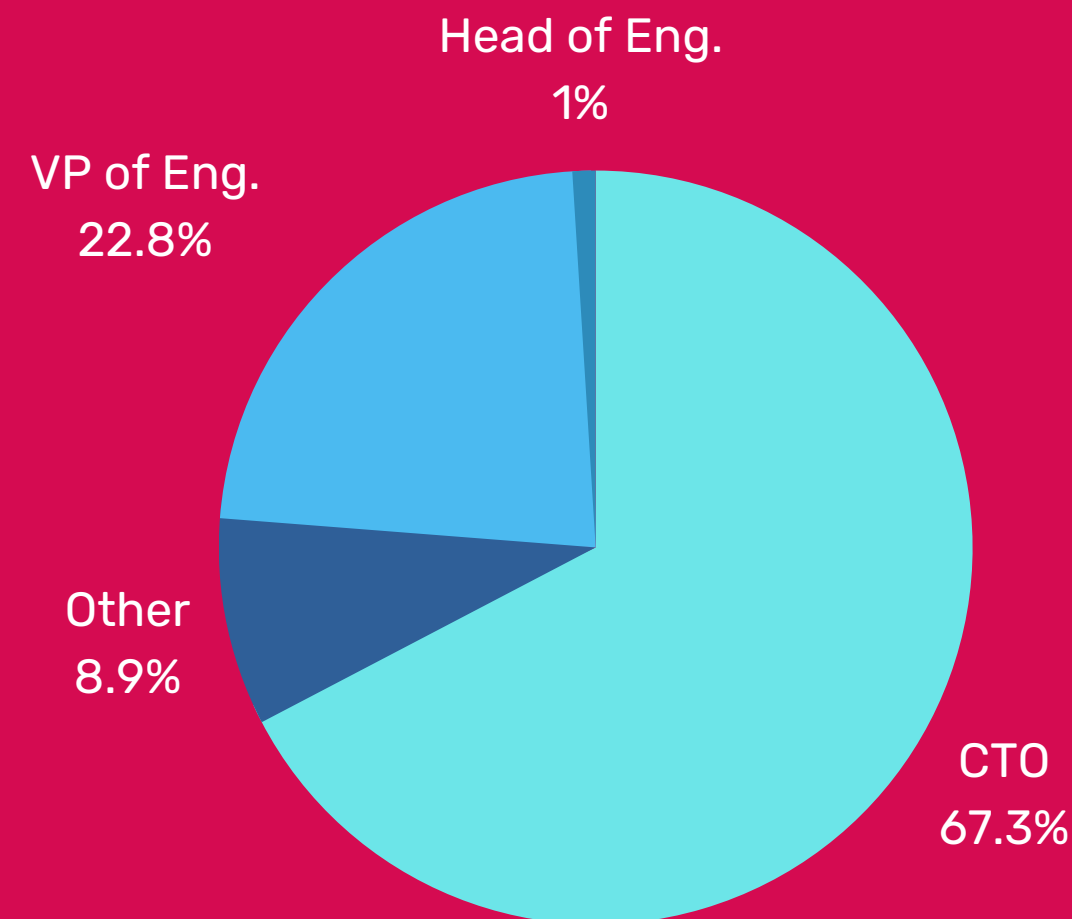
Gender, age, & ethnicity:

94% of participants are male, 4% female, 2% 'Preferred Not to Say'

94% of participants identified as white, 4% as other race, 2% as Asian.
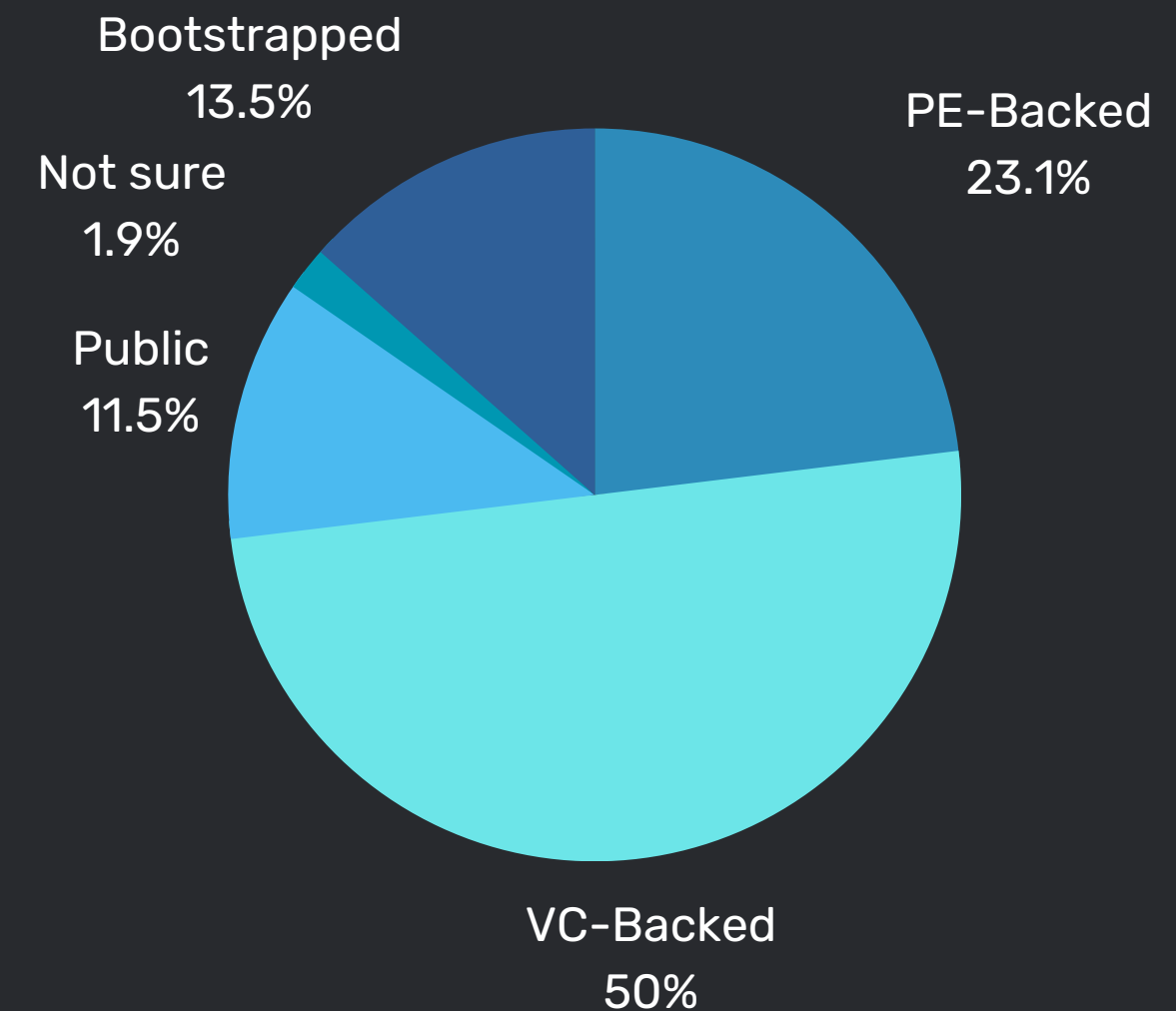
All participants were aged between 31 and 60.

Title:

67% of respondents had a Chief Technology Officer title, (defined as reporting into the CEO or board).

Head of Eng.
1%

VP of Eng.
22.8%

Other
8.9%

CTO
67.3%

Employers:

Most participants work for venture-backed businesses (50%), followed by private-equity backed (23%).

Bootstrapped
13.5%

Not sure
1.9%

Public
11.5%

PE-Backed
23.1%

VC-Backed
50%

Location

84% of participants are based in the DACH region - with the majority in Germany (80%).

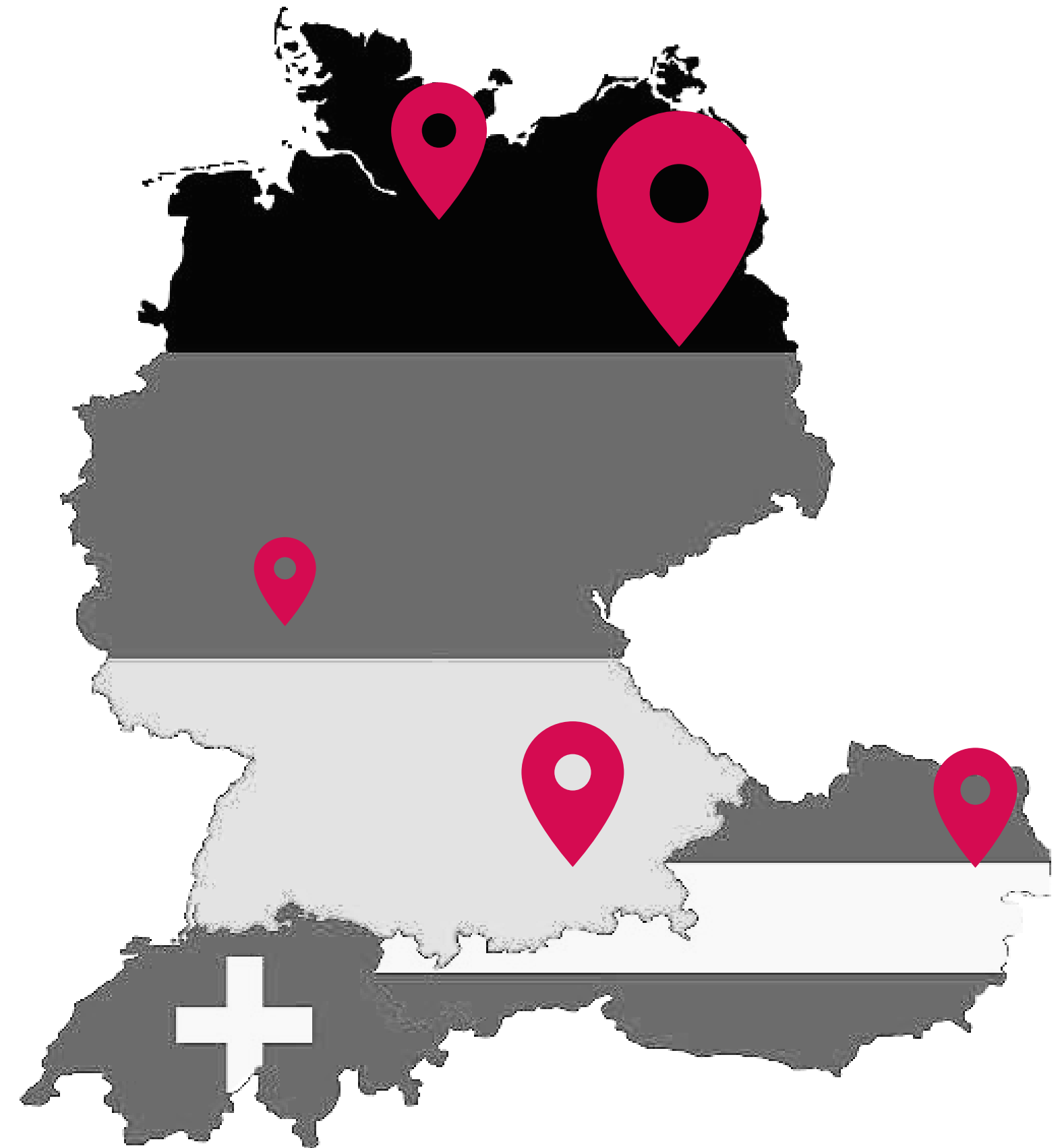**57%** Berlin

13% Munich

8% Hamburg

4% Vienna

2% Frankfurt

16% Rest of World

Tech Leaders Work Environments

Hybrid is by far the most common way of working (approx. 81%)

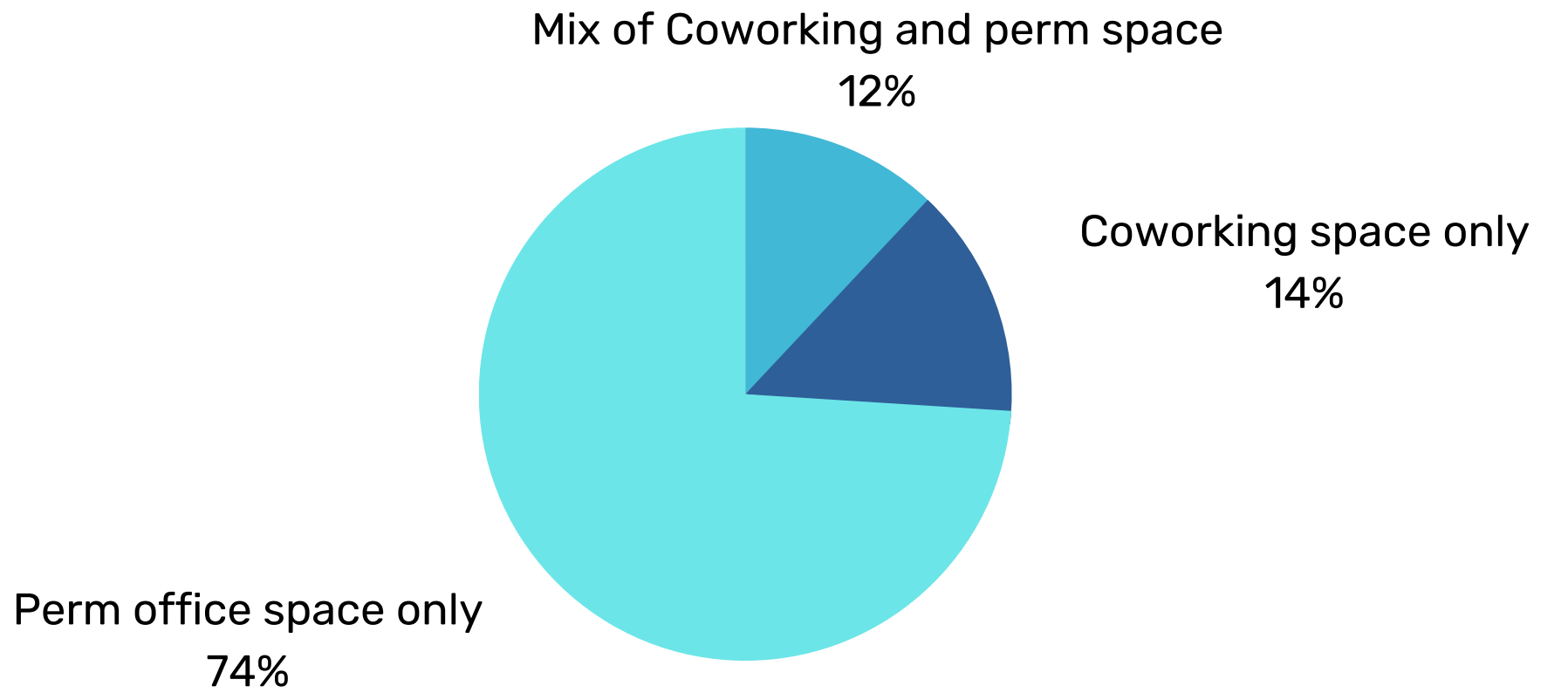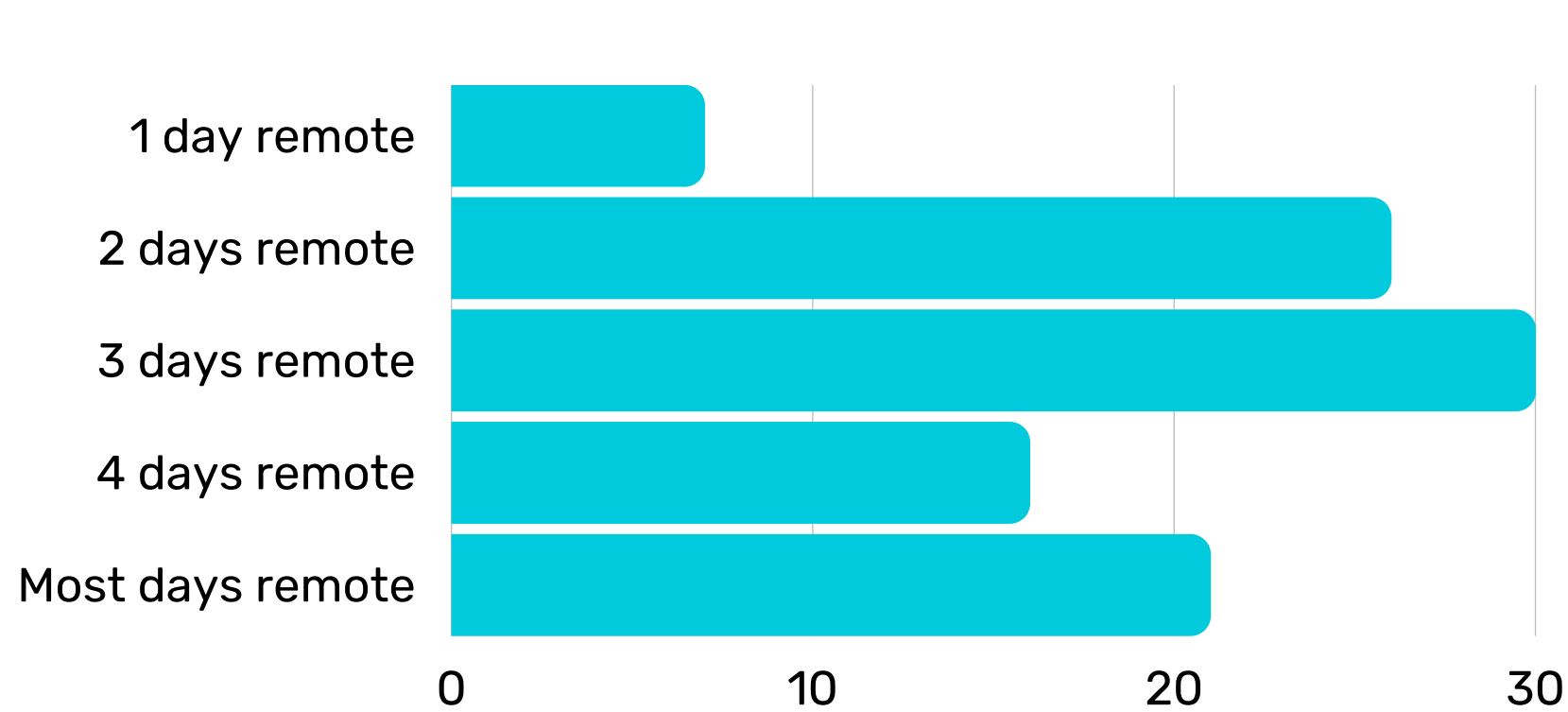**Only 1 survey participant worked exclusively in-person.**

The move to a flexible work environment, originally sparked by the pandemic, is here to stay.

This is corroborated by feedback we hear from speaking to CTOs everyday; the vast majority will not consider roles that require 4 days a week or more in the office.

Hybrid

Fully Remote

In Person

1 day remote
2 days remote
3 days remote
4 days remote
Most days remote

0   10   20   30

Mix of Coworking and perm space
12%

Coworking space only
14%

Perm office space only
74%

Hybrid Trends

Across all those who work in hybrid settings, **the most common number of remote working days was 3 per week** (30%).

Two-thirds of hybrid workers surveyed **spend the majority of the week working remotely** (67%).

A fifth of participants go to the office **less than one day a week**, in a form of hybrid working that verges on fully remote (21%).

The vast majority of hybrid work environments **still rely on a permanent office** — 86% to be exact.

Remote Trends

**Earlier stage businesses are more likely to be fully remote than late stage.**

Companies with the greatest remote flexibility are early stage (pre-seed to A). 42% of participants with early stage employers are hybrid and 10% are completely remote.

Remote workers are **happier** with their environment, scoring the **highest** on satisfaction ratings by +12%.

How German Employers Hire Remote Engineers

	+/-2 hours	+/-1 hour	same country
	20%	40%	40%
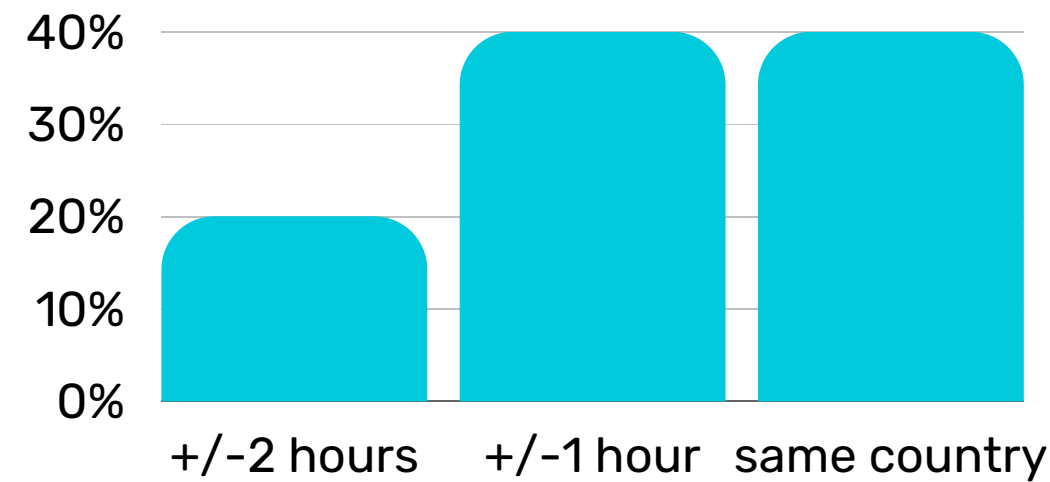
How Rest of World Employers Hire Remote Engineers

	+/-2 hours	+/-1 hour	same country
	56%	22%	22%
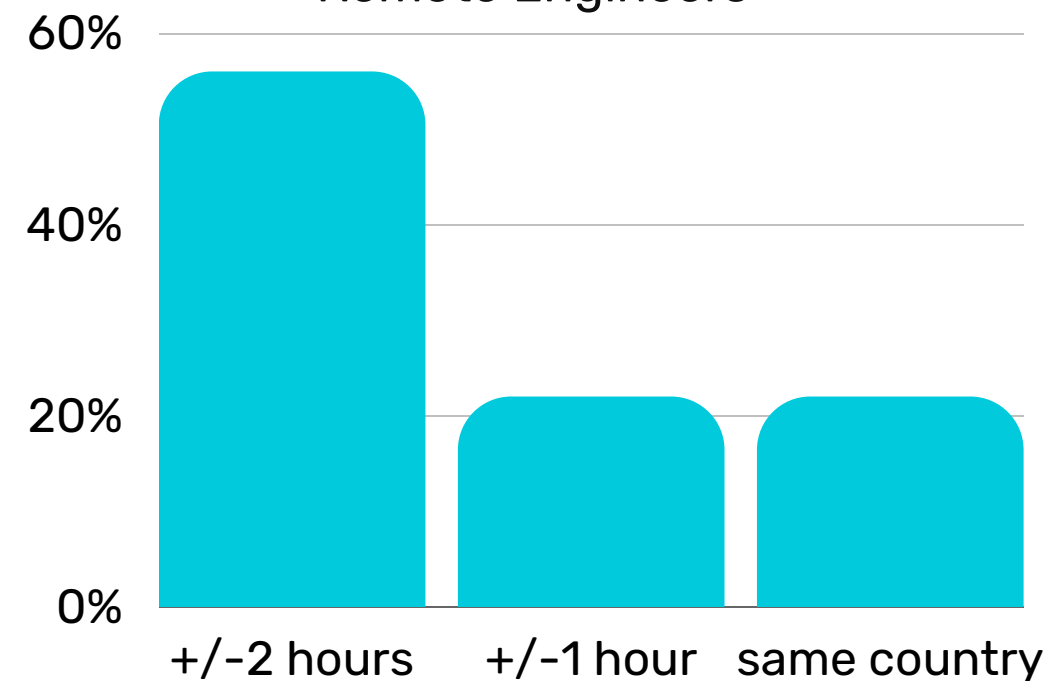
Despite having distributed teams, fully-remote employers in Germany still seek to hire engineers within the country, or maximum +/-1 hour outside of the timezone.

Only 20% of German employers are open to hiring engineers +/-2 hours or more from the nearest hub.

Conversely, outside of Germany employers are much more open to hiring engineers operating further away.

56% would consider a +/-2 hour time difference.

Productivity

We asked tech leaders to share their view on how remote environments impact their team's productivity levels.

The average engineering team productivity scores equates to 6. This indicates that productivity was enhanced by remote working.

Tech leaders that scored remote engineer productivity between 5 (neutral impact) to 7 (positive impact) also had the largest engineering teams.

The spike of respondents that are unsure or neutral about the impact of remote work on productivity suggests that further study on the impact of remote work would be beneficial.
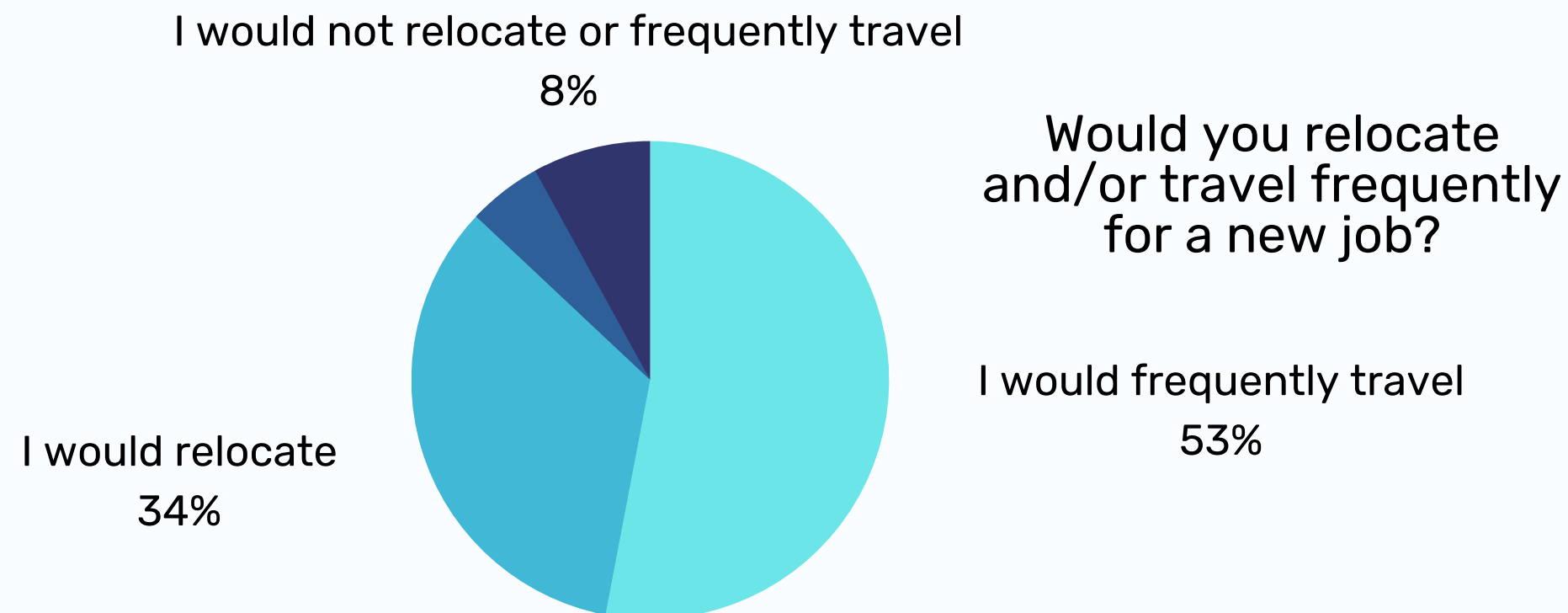

■ Size of Engineering Team

Average

Perceived Productivity of Engineers in Remote Environments
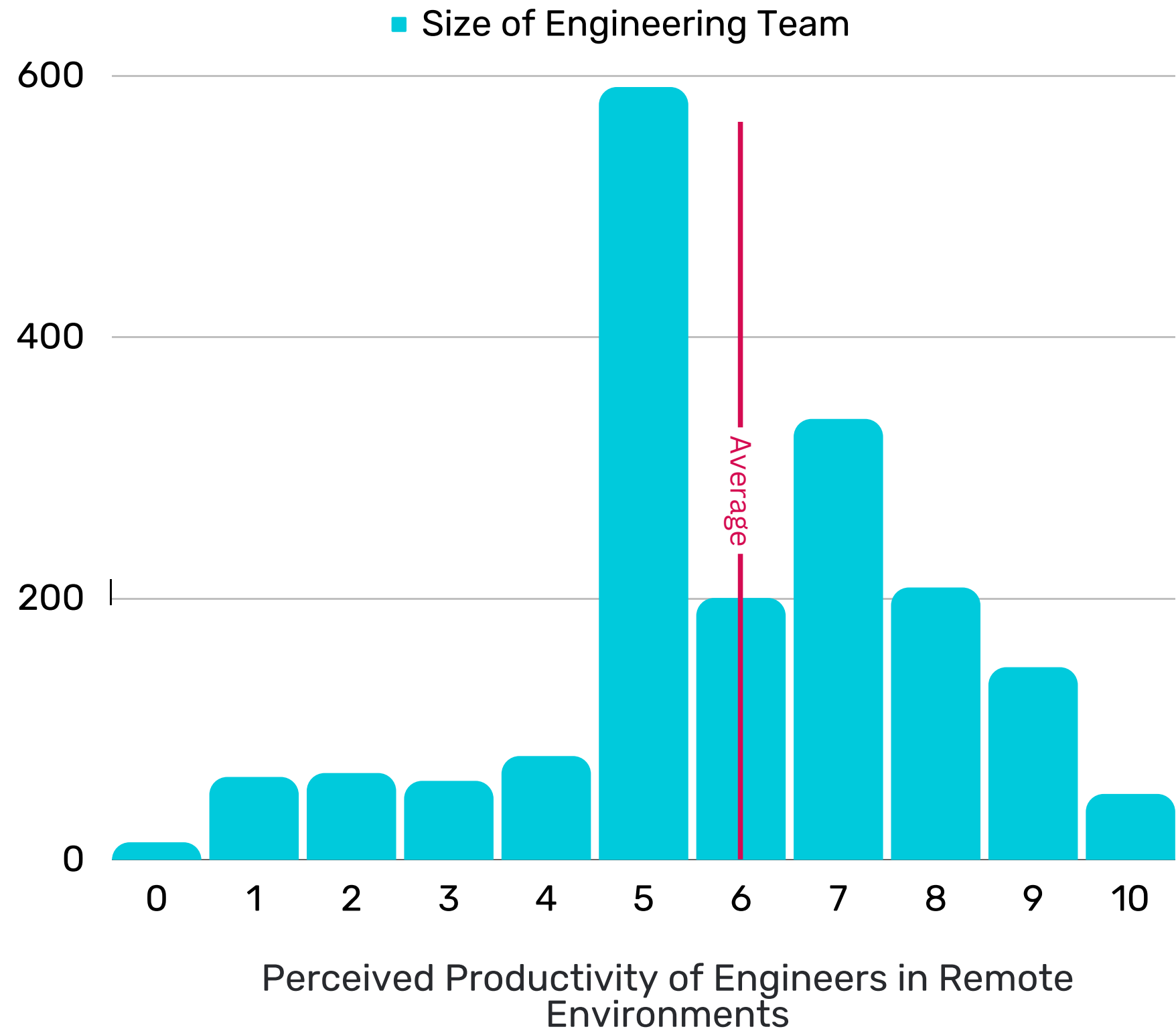
0 = Remote environment inhibits productivity
5 = Unsure/Neutral
10 = Remote environment increases productivity

Preferences

Working environment poses **a significant factor in technology leaders decision-making process** when considering a career move.

Neutral 5   7.7   10 Very Important

I would not relocate or frequently travel
8%

Would you relocate and/or travel frequently for a new job?

I would frequently travel
53%

I would relocate
34%

Travel & Relocation

Most participants **would** commit to frequent travel, but **would not** relocate (53%). Approximately 34% **would** relocate. **Only 8% would not consider either** relocation or frequent travel.

This varies with seniority

CTOs are **twice as likely to consider relocation** compared to those more junior. 53% of CTOs would frequently travel, 39% would relocate and/or travel, and 6% would not consider either.

Conversely, 50% of VPEs & HoEs would travel frequently, but only 17% would also consider relocation (half as likely as a CTO). 17% would do neither.

Conclusions

Tech leaders in the DACH-market have a high degree of flexibility in their daily working lives, and value this immensely.

The "new normal" is a hybrid environment biased towards remote work, however it appears tech leaders (and in particular CTOs) accept that this balance may require more frequent travel and are fine with this expectation. This may also be a reflection of the **"culture of job mobility" in Germany**, referring to the willingness to relocate for work (McKinsey, 2023).

As product and engineering search specialists, we see flexible working as a hiring mechanism: increasing your talent pool to pull from (with a byproduct of reducing overall attrition), and improving the share of gender diversity in a traditionally underrepresented field.

As the vast majority of DACH employers still have some form of permanent office space, this survey shows that remote flexibility is not a replacement for spaces to connect.
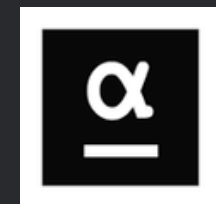
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