

Googlers moving from NY, Silicon Valley face up to 25% pay cut

Article

The news: Google has said it will allow certain employees to move depending on their team and type of work, but Googlers opting to move to areas in the US with a lower cost of living could have their pay cut by up to 25%, [per](#) Insider.

Why it's worth watching: The rest of the world looked to Big Tech companies and their remote and hybrid work solutions during the pandemic. As the world prepares for the big

return to office in 2022, strategies used in mega corporations could be adapted across various industries.

- All Google employees are expected back at their desks under a new hybrid schedule by January 10, but the company is letting employees put in requests to change offices or work remotely.
- Google said in August that it **approved 85% of about 10,000 employee requests to work remotely** or relocate, [according to](#) Bloomberg. About **55%** of the applications Google received were for office transfers, while **45%** were for full-time remote.
- Googlers leaving New York City and Silicon Valley will see the biggest pay cuts. Google maintains that the company's compensation packages have always been "determined by location."
- Google's Big Tech rivals like **Facebook**, **Microsoft**, and **Twitter** are applying similar salary cuts for relocations. But other companies, like **Spotify**, **Zillow**, and **Reddit**, won't cut employees' pay even if they move—and startups attracting new talent are similarly averse to changing compensation, [per](#) a survey from Lightspeed Venture Partners.

The bigger picture: **65%** of US workers say they **would take a pay cut** of up to **5%** for a job that lets them work remotely, [according to](#) a survey conducted by insurance company Breeze, [via](#) Bloomberg.

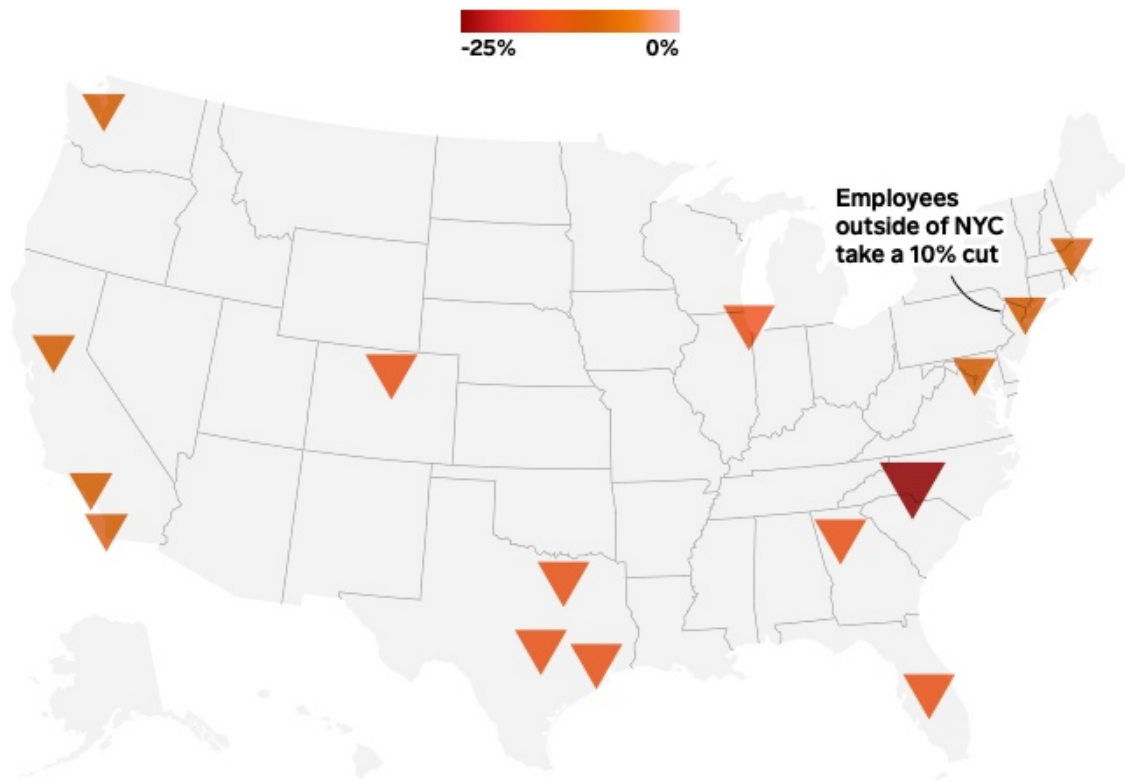
- **15%** of respondents went even further, saying they would be **willing to take a 25% salary cut** to work remotely full time.
- The pandemic has become a turning point for mass resignations. The US Bureau of Labor Statistics revealed **4.4 million Americans** quit their jobs in September 2021.

What if it doesn't work? Companies need to handle this work transformation carefully or risk losing talent to competitors during a time of high turnover due to the "[Great Resignation](#)," or the trend of millions of workers leaving jobs during the COVID-19 pandemic.

- Businesses are now challenged to think about salaries as well as benefits and perks to best entice employees to remain engaged. Perks like free snacks, gym memberships, and commuter benefits no longer fit the remote work reality.
- Big Tech will inevitably be the proving ground for pandemic-era return-to-work strategies because of their large headcounts and mix of in-office, remote, and hybrid teams.

Google employee pay cuts by location

Employees moving from NYC and the Bay Area take a cost-of-living pay decrease



Map: Sawyer Click • Source: Google's internal salary calculator

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