

Google to spend \$9.5B this year on US offices and data centers

Article

The news: Just as it brings employees back to [offices](#), **Google** plans a major investment in its US physical footprint, signaling a continued physical growth trajectory.

- Google announced it will invest **\$9.5 billion** in US offices and data centers this year, expecting to create at least **12,000 new full-time jobs** by year's end, [per](#) The Wall Street Journal.

- For context, the tech giant has spent more than **\$37 billion** expanding its office and data center footprints over the past five years, including **\$7 billion** in 2021.
- Google employees returned to the office this week for the first time since the coronavirus pandemic began two years ago. They will be working three days in-office and two days remotely in Google's hybrid work plan, [per](#) CNBC.

What it means: Google and other tech companies embraced remote work during the pandemic, providing tools such as Google **Meet** and **Drive**, which allowed other businesses to adopt the software and follow suit. Now that its digital transformations have been adopted, the pressure is on to keep delivering.

- The market's demand for digital innovations is triggering Google's data center expansion—part of a global trend driven by cloud providers, social media companies, and [large enterprises](#).
- Following unprecedented [cloud growth](#) in 2021, data centers are a hot sector for developers, with **40%** of the existing global supply of [hyperscale](#) data centers currently under construction. Even more growth is expected over the next three years, [per](#) Bisnow.
- That rise in data center usage requires innovative [software](#) solutions to bolster it, created by highly sought-after software engineers that Google likely wants inhabiting its new offices.

The bigger picture: With the tech industry hardly immune to The Great Resignation, Google may have a battle ahead attracting talent to those 12,000 new roles by year's end. Given reports of [employee dissatisfaction](#) and inevitable grumblings from workers battling traffic during their return to commuting, it's a daunting task.

- At the same time, with [IT roles](#) in the US particularly hard to keep filled, the tech giant may have to rely more heavily on automation to maintain data centers once they're built.
- The company's data centers worldwide use about **twice as much electricity as San Francisco**, according to CNBC. As they aren't all powered by renewables, sustainability [measures](#) are needed, like Google's plan to invest in server materials that emit less heat.
- Scaling up and measuring the impact of such changes are becoming necessary as investors, cloud users, and the [SEC](#) insist on seeing more than [decarbonization promises](#).

Frequency with Which US Workers Want to Work from Home When It Is Safe*, by Gender, March 2021

% of respondents in each group

	Female	Male	Total
All the time	22%	15%	19%
More often than they used to	21%	19%	20%
About as often as they used to	14%	15%	15%
Less often than they used to	10%	12%	11%
Never	30%	36%	33%
None	3%	2%	3%

*Note: n=4,678 ages 18+; numbers may not add up to 100% due to rounding; *relating to the coronavirus pandemic*

Source: CNBC and SurveyMonkey, "International Women's Day 2021," March 8, 2021

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