

CRAIN'S CHICAGO BUSINESS

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January 24, 2022 06:30 AM | UPDATED 22 HOURS AGO

The key to working from anywhere? Some office time.

Chicago tech firm Cameo runs a return-to-the-office experiment, discovers a big productivity boost and rethinks its remote-only stand.

JOHN PLETZ ON TECHNOLOGY



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Cameo CEO Steven Galanis

Chicago tech firm Cameo runs a return-to-the-office experiment, discovers a big productivity boost and rethinks its remote-only stand.

Steven Galanis, the poster boy for working from anywhere but an office, was sitting in a glass-walled cube—and loving it.

He was in an office, surrounded by about 100 salespeople working their phones, trying to sign up talent to join Cameo, the Chicago-born app that allows users to order up custom video shout-outs from athletes and celebrities for prices ranging from \$15 to several hundred dollars.

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In early November, after Cameo suffered a drop in productivity among its sales team, Galanis—who declared Cameo wouldn't need permanent offices after COVID

lockdowns sent everyone home—rented space at 1871, the tech incubator in the Merchandise Mart where [Cameo got its start](#).

By the end of the first day, the 70-person sales team had made more than 3,000 outbound contacts with prospects, roughly four times what it had been doing weekly.

“I couldn’t believe it,” says the 34-year-old CEO. “We were doing a month of work in a day. That’s the number I can’t stop thinking about.”

His conclusion: “An office is part of ‘work from anywhere.’”

Cameo is confronting challenges facing every company as we approach two years of pandemic life in which most employees have been working from home, connected to bosses and co-workers by the thin digital tethers of Zoom, Slack, Teams, text messages and email: Does remote work have a point of diminishing returns? Do companies require employees to come into the office? If so, does the rule apply to everyone?

Many companies reported an initial burst of productivity at the start of the pandemic from workers who no longer were spending time commuting or being distracted by colleagues. Human resources consultant Mercer reported that 94% of companies it surveyed early in the pandemic said productivity was as good or better than before COVID-19 struck.

It’s unclear whether it will last, says Sara Moreira, an assistant professor of business strategy at Northwestern University’s Kellogg School of Management.

“There was an increase in labor productivity in 2020 and early 2021. We saw that during the global financial crisis (in 2008),” she says. “The long-term impact is very uncertain. There are surveys that some people are more productive at home, but it’s hard to measure. It’s not clear if this is across the economy and whether it will last. Companies aren’t sure.”

[Echo Global Logistics](#), an online freight broker based in Chicago, saw something similar to Cameo when it began bringing workers back to the office in June. The delta variant sent people back home, but not before CEO Doug Waggoner noticed some of his teams were more productive in the office.

“We really want to get people back into the office at some point,” he says. “We don’t believe that it will look like it did pre-COVID and will have a lot more flexibility. People have grown accustomed to this style of life, and Gen Y and Gen Z really value work-life balance. So there will be a new normal, but we would like for that to include some time in the office.”

Not everyone needs to be in an office. Coders, accountants, analysts and lawyers can easily do their jobs in solitude. So can salespeople, but they also benefit from the camaraderie, as well as competition, that can be found in working together in person.

“There is a feeding effect of having those individuals together, whether it’s cooperation or competition,” says Brad Alge, an associate professor at Purdue University’s Krannert School of Management. “When you’re remote, the social pressure isn’t as front and center.”

Cameo ran into a productivity problem last summer “when the world functionally reopened,” he says. [After raising \\$100 million in March](#), Cameo tripled its sales staff. Productivity started dropping, with the amount of new talent being signed up per employee sliding by about one-third.

As a hyper-growth startup, one of the newly minted Chicago “unicorn” companies valued at \$1 billion or more, Cameo no doubt has some unique challenges. The company grew from about 125 employees before the pandemic began to just over 400 now. Many of them are 20-somethings in their first or second job.

“There’s really no playbook for what we do,” Galanis says of Cameo’s business model, which essentially comes down to hiring celebrities as gig workers on social media. Getting new hires up to speed “used to take 90 days. Now it takes nine months,” he says.

More established companies that don’t have many new employees may not feel the same strain from remote work as a young, fast-growing company. But it’s worth paying attention to Cameo’s experiment.

“Everybody is struggling with this,” Alge says. “There’s a cost savings if you’re working remote. If it’s countered by lost productivity, then it might be worth the expense of having people physically together. From a leadership development standpoint, it’s hard to develop talent without interaction. Most feedback in a remote setting is just based on results: Did you produce? If the answer is yes, remote is fine. If you don’t have good feedback, your performance is likely to go down. That’s a problem.”

Galanis admits he doesn’t have the answers yet.

“Will I force everyone to come sit at a desk every day? Probably not,” he says. “The days of everyone coming to an office five days a week are over. . . . People will need to come together more frequently than we planned. The tough part is mandating versus not. I’m still wrestling with that.”

The biggest challenge is figuring out the balance between working from anywhere and working somewhere at least some of the time.

"We think some people are fatigued from working from home," he says. "There are other people who, if we told them they have to come back to the office, they'd quit tomorrow. It's a delicate dance."

Galanis has extended his lease at 1871 through the first quarter. He notes that the in-office experiment has only involved the sales team, and he says he's still a fan of remote work generally. "My thoughts on being fully distributed haven't changed. We've hired some great people. We're a more talented team than we've ever been.

Cameo now has workers in 34 states, which makes it harder to bring people together. "If there are offices, who needs to move if you're going to mandate people come into these cities? It's game of whack-a-mole."

"I've told my senior leadership team: Figuring out how we work this year is more important than what we're going to work on," Galanis says. "If we get the first part right, we can figure it out, even if we initially get the second part wrong."

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