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Testimony to the U.S. House Select Committee on the Modernization of Congress

Hearing on Innovative Workplaces, Historic Spaces: Modernizing House Office Buildings

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Thank you Chairman Kilmer, Vice Chair Timmons and all the members of the House Select Committee on Modernization of Congress. I am James Ossman, and I am Vice President of Workplace and Strategic Sourcing at Etsy. I am deeply honored to be here today.

A little about Etsy if you're not *yet* a user.

For centuries, some of the most popular consumer products have been crafts and artwork designed by local artisans and creators. And for most of that time, the only place to buy these items were in specialty retail stores, arts fairs, and tourist destinations.

Then in 2005 came Etsy, a first-of-its-kind specialized online marketplace that lets artisans and creators in the United States and across the globe sell handmade and unique items to customers looking for just the right piece of home decor or special gift, unlike anything they could find at chain stores or mammoth online sellers.

More than 5 million creators are now selling on Etsy, mainly women (79%) and businesses of one (84%). Our sellers live in nearly every county in the United States, 1 in 4 in rural areas, and almost all of them work from home.

Etsy provides a true on-ramp to entrepreneurship. Anyone with 20 cents and a creative idea can start a business and pave their own path to financial success. And for many, their creative work is a full-time job that not only provides important income, but is also a labor of love. In fact, 44 percent of Etsy sellers leaned on their creative skills and started their business during the first year of the pandemic. For them it was a great renewal, not a resignation.

With 100 million buyers, Etsy sellers in the United States contributed \$14.3 billion to the U.S. economy in 2021, created 3.8 million jobs (population of Los Angeles) while generating nearly \$3.8 billion in income to U.S. households.

While we're headquartered in Brooklyn, we have seven offices in the United States and across the globe, including London, Dublin, Mexico City, and Sao Paulo. Today, we're just north of 2,400 employees, and designing our people programs and spaces with creativity and inclusion in mind is part of our DNA.

It's probably no wonder to you that a company about creativity and community connections would integrate that value deeply into our company's culture as well. And we're very proud of the innovation we've tried to bring to our workspace.

Etsy's offices capture the essence of the marketplace. We worked with local makers to create furniture and art that's not just inspiring, but shows off the deep connection we have with our seller community. The spaces are largely furnished and decorated with handmade and micro-manufactured furniture and decor from local artists and Etsy sellers. We also believe in bringing the community in through partnership with local vendors on food operations, partnerships with nonprofits for employees to volunteer, etc.

But our workplace philosophy is more than just about aesthetic creativity. It's also about innovating how and where we work, keeping sustainability and inclusion at the forefront.

I'd like to start by talking about our underlying design and workspace principles and then I'll shift to the ways we've adapted during the pandemic.

Since we began the planning for Etsy's HQ, our approach to office design and programming has been a collaborative effort with the architecture firm Gensler.

First, sustainability is at the core of everything in our workplace.

At our Brooklyn headquarters, the majority of the wood on our floors and everywhere else was either Forest Stewardship Council certified (FSC), salvaged or reused. For example, the stairs in our entryway were constructed with wood from the water tower that once sat atop the building. We also repurposed multiple industrial doors from when the building housed a printing and publishing house.

Some of the best lighting at Etsy is free, with an open floor plan, and by placing workspaces near windows, we're able to harvest daylight and reduce energy use, saving an estimated 80,000 kWh of energy each year.

For electricity, a 12 kW solar power system on our roof is helping to power a portion of our office, and the rest is sourced from renewable energy projects. And all the non-natural lighting in the building comes from LEDs, which are 30 percent more efficient than traditional bulbs.

We've outfitted all of our bathrooms and kitchens with low-flow water fixtures and, each time it rains, our rooftop collects rainwater in a 3,400 gallon cistern, helping to reduce runoff and flooding in our neighborhood.

We've also chosen plants that help store rainwater before it hits the city's stormwater system. An innovative irrigation system connects the rainwater cistern to our living walls, creating self-sustaining mini-ecosystems indoors while reducing water waste.

Additionally, CO2 and temperature sensors, along with an app-based HVAC control, allow employees greater control over their indoor air quality and temperature. Operationally, Etsy uses green cleaning products certified by the EPA to keep indoor air free of chemicals and impurities.

Second is inclusivity.

While Etsy adheres to the Americans with Disabilities Act (ADA) standards in all our offices, we're also investing resources to go beyond these standards to make our spaces as accessible and inclusive as possible. Changes we're beginning to invest in include increasing automated doors to meeting rooms and amenity spaces, introducing more accessible furniture, and updates to our wayfinding.

Beyond basic accessibility, we have gender neutral restrooms that are identical inside and there are feminine hygiene products in every stall!

For the new mothers and fathers who work at Etsy, our generous parental leave policy (26 weeks in the U.S.) doesn't distinguish between gender or primary and secondary caregivers, and when parents return to work, there are cozy places to do all the things that new parents need to do, including lactation rooms.

Finally, we've created multiple employee wellness areas including a quiet, green library. We have a "breathing room" for meditation and yoga, and we have a bike room, which encourages carbon-neutral and more healthy and planet friendly commuting.

Third, is a biophilic (ie, nature oriented) design.

Our open floor plan and abundant windows provide lots of natural light, and great views of surrounding greenery. We've filled our rooftop and terraces with 60 species of native plants which are well-adapted to our local environment, creating a healthy habitat for insects, birds, moss, and ferns.

Shade-tolerant grasses create a rich, green environment of soft textures, providing a tranquil and pleasant place to unwind, socialize, and relax.

Employees also have access to our beautifully landscaped roof and two outdoor terraces. These are key places employees can use for private, informal meetings, where sound doesn't easily transfer, as well as to socialize or gather informally.

Those three core philosophies are ironclad. But of course, the **pandemic changed everything and like Congress and all workplaces, we had to adapt quickly and learned a lot in the process.**

Just months before the pandemic, Etsy was 90 percent office-based and 10 percent remote. Today, Etsy is about 60 percent office-based and 40 percent remote. Our work is 100% hybrid, meaning that everything is designed for remote or in person participation.

For Etsy, the end of the omicron wave is more than just about returning to work; it's about the future of work. **We call it How and Where We Work (HWWW).**

To start, we have three work modes that all employees can choose from:

Flex is our default mode in which staff are generally expected to work from one of our offices at least 4-6 days per month.

Remote is for staff who will continue to work primarily from home.

Office-Based is for staff who commit to working in-office at least four days a week.

The foundational goal of HWWW is to ensure that access to great career opportunities and actual career outcomes stay the same regardless of work mode. That means promotions, performance ratings, and employee engagement should not be affected by how and where you work as long as you do great work.

No matter which mode you're in, we have designed our workflows and work spaces to be fully hybrid and accessible to office and remote workers alike. This required some changes to how we use our spaces.

We've shifted from assigned seating to unassigned seating, with lockers and other storage so people have a place to drop their belongings as they move around the space. We know that people are mostly coming to our offices for connection and collaboration, not necessarily to sit at their particular desk all day as they might've done before.

We've added colorful felt screens between our desks, which allows for greater privacy and for calls to be taken from desks -which is much more common in a hybrid world- without distracting those around you as much.

We've increased by 300% the quantity of informal, flexible seating in common areas. These include comfortable furnishings like couches and coffee tables, as well as more structured seating. These allow people to "work from anywhere" and also to easily find a place for meetings without booking space.

We've increased by 150% the number of large configurable and reservable meeting spaces to support multiple types of collaboration or the need for privacy during sensitive conversations. We've also dedicated an entire floor to provide highly adaptable settings capable of accommodating a range of collaborative activities. These spaces have furniture that can be adapted for specific needs and are equipped with hybrid technology like digital whiteboards and video conferencing.

We also have dedicated quiet zones where anyone can go to get work done without disruption.

And we've invested in training, change management, and norm setting, mostly related to desk booking, location signaling, way finding, social signaling, and how to participate in a hybrid meeting for both in person and remote participants. We even have multicolored buttons that let people signal whether they prefer a hug, an elbow bump, or just a wave from colleagues so that as people ease back to our offices after the pandemic, they can have some control over how much people are in their physical space. This brings everyone together onto a set of common norms and tools to help us maintain productivity and inclusivity.

We are very proud of our workplace approach from our core philosophies to our transitions during the pandemic. We moved quickly but thoughtfully with a goal of ensuring our offices enable worker productivity, collaboration and connection.

Finally, you're all welcome to visit our Brooklyn Headquarters anytime and I stand ready to give you a full tour.

Thank you again for the opportunity to address you today, and I welcome any questions you may have.