

PERSONNEL NOTEBOOK

For Your Most Important Resource

TELECOMMUTING

Part III — Observations and Feedback

In part I and II of our *Personnel Notebook* on telecommuting (TC), we reported on the basic concepts and the legal issues. We also asked for comments and feedback from our readers and others on this subject. In this, part III, we will report on the observations and feedback as well as the tips and advice from some experts.

A. Observations

Broader Definition

There certainly are many organizations that recommend TC and report its amazing growth in the workplace. Part of that growth can be attributed to the new definition of TC.

We started this series defining TC as an employee performing the work from his or her home. But, the statistics being reported are based on the following definitions:

- *Telecommuting*: Performing work for an employer from home at least one day each month.
- *Satellite Offices*: Working from home and occasionally reporting to a satellite or extension office away from the headquarters office.
- *Hoteling*: Working from home but having access to an office at

headquarters by booking office use in advance.

Telecommuter Demographics

According to Business and Legal Resources (BLR), approximately 15 percent of the American workforce (approximately 20 million employees) is telecommuting. However, the number has been declining since 2008; that is, the number of employees who are TC is declining, but the number of work hours being done by telecommuters is increasing. This is partly because of layoffs resulting from the current economic downturn. One surprising note about the decline in numbers is that it is also because TC employees are often the first to go during layoffs, but we'll look at that later in the issue.

About 75 percent of employees surveyed want to telecommute. They report they would give up 5 percent of their pay if they could work from home one to two days each week.

More than 70 percent of telecommuters are hourly paid, even the professionals. (**Note:** Although it is illegal to pay a nonexempt (hourly paid) worker as an exempt (salaried) employee, it is not illegal to change a nonexempt (salaried) worker to an hourly employee.)

The typical TC employee is a 40-year-old college graduate, who works from home at least one day per month.

The primary users of TC employees are call centers where one company may hire thousands of home-based workers. Next is the federal government, as several agencies are using TC extensively. The federal government actually requires that all agencies offer a TC program as part of a mandated flexible work schedule program.

B. Feedback

Employee Telecommuters

“Telecommuting has reduced my costs by over \$350 monthly, and I get the required work accomplished in much less time than when I was in the office. I think I am much more engaged in my work without all the office politics.”

“TC is the reason I stay with this company even though I could make more money elsewhere. It saves me and the company money, and it certainly helps the environment.”

“It took a long time to convince the company to do this, but now over 10 percent of our employees are TC. My supervisor says that our measured productivity is 6 percent higher than before. I get so engaged in my work that a phone call from the office seems like an interruption.”

“In our company of 64 employees, 15 of us are now TC. Ten are full-time telecommuters, but they only work four days each week. The other five are both TC and working in the office. Those of us on full TC are using inexpensive software for home computers, like SKYPE, G-mail, and Drop-Box instead of the more expensive, complex corporate software.”

“Our company doesn’t pay for our Internet access, electricity, office furniture, etc. We all agreed that our savings on gas, lunches, laundry,

etc. was a reasonable trade-off with no complicated repayment systems. They get a savings on the home office costs, and we take the tax deduction.”

“In our company we thought about who should pay for the related utilities, office space, Internet connection, etc. Should it be the company or the employee? We allowed each employee to decide, but the general approach we suggested was that hourly paid workers would be paid a stipend for those related expense and salaried employees would not. This is because most salaried employees itemized their tax deductions while few hourly paid employees do.”

“Roll out of bed at 10:00 a.m. and walk 20 feet to my office, and I’m at work. That’s the freedom working from home allows and that makes for happier, more productive employees.”

“It didn’t work for me. My family and friends see me as ‘at home’ and not ‘at work’. It added to my workload because I was the one at home. I also missed the friendship and the significance of having someplace to go in the morning. I also gained a lot of weight. I told my manager to let me back in the office or let me go. I am now back ‘at work.’”

“I am not TC, but several of our employees are. They don’t share the workload that we do. They seem to have time to go shopping, run errands, gossip on the phone with their friends in the office, and take afternoon naps. I don’t find them to be nearly as productive or valuable to the company, especially when we are working late on special projects.”

Managers and Owners

“Few managers are prepared to handle TC. This is a different kind of management. Most managers are collaborative, relationship-oriented people, who use observation, intuition, feedback, and counseling to keep things going and accomplishing assignments and goals. But, managers with TC staff must be analytical, using measurements, metrics, even key ratios (financial and management benchmarks) as well

as meaningful monitoring. They must have real trust in their staff as relationships do not factor into the work the same way. This means managers must be trained for TC work even more than TC employees.”

“TC is thought of as an employee benefit, a perk, or reward. It’s none of these; it’s a business tool, which, if skillfully applied by properly trained experts with a culture of trust, can actually produce measurable efficiency and productivity gains. The key to all this is that it’s not about employees, it’s about the work! Just assure that the work comes first.”

“Security becomes an issue. Can you reliably protect information distributed into private homes in the hands of people we probably don’t know? We couldn’t. Not being adequately prepared for that caused problems.”

“When layoffs came about, our managers tended to start with the TC employees. I think that was due to a number of unforeseen things: less proximity meant no relationship development; other employees don’t always like the TC employee — maybe there was some jealousy involved; or the TC was not here for the emergencies, the unexpected, or the tough times when we had to hunker together, putting in those extra hours. And, it’s harder to terminate someone you see every day; not so hard when you begin to forget what they look like.”

“There are many issues you need to consider before you start, like should we pay the same for TC as for in-office employees? The TC worker certainly gains many benefits not available to the in-office employees — much lower expenses, more freedom, less stress, no commute, more family time, less scrutiny — and often the in-office worker has to share burdens in rush cases or to pitch in and cover for other employees. Who deserves the higher pay?”

“In our case, we found that the time saved from the commute almost always went to productivity. And, I remember looking around the conference table during those Friday afternoon 3:30 meetings. Sure, everyone is

present and accounted for, but how much real work is getting done? I can measure the results of each week’s work now.”

“TC can be a way of reducing payroll. Some jobs can be reduced to three- or four-day work schedules. Some employees have seen this as a way to branch out and develop new clients to fill those free hours.”

A Few More Observations

A study by Regus (the world’s largest provider of flexible workspaces also known as satellite offices) found that “Most people want to go to work and not work from home, but most say they wish it were not so far.”

Is TC really good for the environment? A report from the British Broadcasting Company (BBC) tells of a study by the consulting firm WSP Environmental that found TC workers are the real polluters. According to the study, TC workers at home use their air conditioners or heating systems all day as well as their TVs, radios, washers, driers, cooking ranges, microwaves, home plumbing, and music devices, and they went shopping, picked up the kids, and ran errands with their cars. On-site workers are more likely to use public transportation and shared the more efficient facilities at work. The WSP Environmental study showed that telecommuters generate 33 percent more CO₂ than on-site workers. A similar study in the United States said that the measurable environmental savings of TC were negligible.

Workforce Management Magazine recently published its view of TC — both good and bad. It pointed out that the virtual office (as in TC) promises increased productivity and millions of dollars in reduced real estate costs, while employees ease commuting hassles and gain flexibility in their work and their lives.

The Workforce article also pointed out that TC employees struggle with feelings of isolation. They express fears that “out of sight is out of mind” when it comes to advancement opportunities. Managers, on the other hand, say

they grapple with the issues of accountability and quantifying the productivity of the virtual office. Plus, in-office workers may gripe about the alleged “sweet deals” their virtual colleagues enjoy.

With these issues in mind, Worforce created a 64-page handbook that describes the proven tools, techniques, and strategies for the virtual workplace from which they offer these seven tips.

Seven Shortcuts to Success

1. Good electronic communications **MUST** replace informal contacts and “eyeball management” when your team is dispersed.
2. Planning and scheduling **MUST** replace relying on chance encounters in the office.
3. Individual accountability is the key — your results count, so keep doing what you do well and get better at the rest.
4. For sales reps, more selling happens in front of the customer than anywhere else; spend your time accordingly and keep getting better in customer contacts.

5. Work **FROM** home, not **AT** home — get organized and disciplined to do so effectively.
6. Staff and managers have to develop and improve their work relationship and support each other.
7. The work team needs to invest some time and effort to build the team as a team, including having the opportunity to relax and socialize occasionally.

In our next issue, part IV on telecommuting, we will review the procedures, agreements, and forms for setting up a structured telecommuting program.

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