

# balance sheets

A series of information sheets for employers interested in helping employees balance their work, family, and personal responsibilities

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# Xsheets™

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The Center for  
**Work & Family**  
BOSTON COLLEGE  
CARROLL SCHOOL OF MANAGEMENT

**One Small Step** 

MIDWESTERN  
WORK-FAMILY  
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*"At a time when businesses are struggling to do more with less, telecommuting is a key way to get maximum effectiveness from staff, while letting them work more flexibly."*

*Gil Gordon Associates*

*A Contra Costa County (CA) Telecommuting and Family Impacts Study found that employees reported an average productivity increase of 21.2% when they began telecommuting.*

*Productivity gains were attributed to fewer distractions and interruptions and to the substitution of work time for commute time.*

*(Institute for the Study of Distributed Work)*

*The cost of equipping a regular telecommuter is about \$4,500 for the initial set-up and \$2,150 in annual upkeep.*  
*(Forrester Research)*

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## Telecommuting

**Definition:** An option for employees to work off-site, either at home or at a satellite office, during some or all of their regularly scheduled work hours.

Telecommuting is one of the most popular and fastest-growing flexible work options. LINK Resources, a research firm based in New York, predicts that by the year 2000 approximately 25% of the entire corporate workforce will be telecommuting either full- or part-time.

Typically, telecommuters work outside of the office only one to three days per week. While telecommuting is often thought of as occasional or regular work at home, it need not be home-based. Many telecommuters work from small satellite offices in suburb locations. In some cases, companies team up with other employers to create neighborhood work centers.

Many employers have discovered the value of telecommuting when natural disasters, such as severe storms or earthquakes, disrupt normal business operations. However, the increasing popularity of telecommuting programs is the result of a variety of driving forces.

### DRIVING FORCES

**Technological advances** - Various electronic communication devices, such as voice mail, e-mail, fax, video conferencing and other emerging technology enable certain employees to work at home or another work site.

**Quality of life** - Telecommuting reduces stressful and tiring commutes and can provide individuals with greater control over their schedules. Employees have more time in their day for family and personal priorities, and can also save money on expenses associated with working outside the home.

**Environmental concerns** - By reducing workers' commutes, telecommuting supports efforts to alleviate traffic congestion and improve air quality. Many employers have implemented telecommuting programs to comply with the federal Clean Air Act and local trip reduction ordinances.

**Economic concerns** - Reduced office space needs, improved productivity and retention, and decreased absenteeism and tardiness due to minor illnesses and commute problems are among the bottom line benefits of telecommuting.

## MODEL PROGRAMS

- **Focus on Performance and Business Needs.** Among the various eligibility requirements for telecommuting at *Coopers & Lybrand* in Boston, MA are two basic criteria: the individual must be a strong performer and the arrangement must meet a business need.
- **Pilot to Influence Culture Change.** The *Kaiser Permanente Northern California Region* began a year-long telecommuting pilot project in 1995 to test documentation, procedures, internal training, and manager/ employee tool kits aimed at supporting institutionalized telecommuting. The pilot will influence the culture change needed to establish telecommuting as an accepted practice.
- **From Pilot to Policy.** *AT&T* initiated trials in Los Angeles and Phoenix in 1989-1990 in an effort to comply with Clean Air Act regulations. At the same time, a cross-unit Flexible Work Arrangements Team was formed to examine all flex arrangements. Telecommuting was a top priority identified in a number of focus groups. A subteam was formed to develop a policy, which received Executive support and was implemented in all units in 1992.
- **Informal Practice in a Small Company.** *Holland Mark Martin*, a 120-employee marketing company based in Burlington, MA has had an informal telecommuting policy for several years. Employees work with HR and their supervisor to evaluate how a telecommuting schedule would impact the individual, company, co-workers and clients. Arrangements are tried out on a trial basis, and employees are counseled on issues ranging from how co-workers may react to communication vehicles and frequency.
- **Sharing Portable Equipment.** The *County of San Mateo* in CA initiated a telecommuting program in 1992 to respond to requirements to reduce vehicle traffic and to give employees more flexibility in balancing work and family. In addition to placing equipment in employees' homes and satellite offices, the County is also experimenting with having employees share portable equipment to maximize the benefits of equipment investments.
- **Expansion to Include the Virtual Office.** *Pacific Bell* in San Francisco, CA revised its original 1989 telecommuting policy in 1995 to include the concept of the Virtual Office. The new company-wide policy covers all varieties of work done off-site, whether at home, an alternative worksite, or mobile, and explicitly encourages work groups to utilize and experiment with the option. Telecommuting is viewed as part of an evolution toward more mobile and flexible work patterns.
- **Working Together.** The Smart Valley Telecommuting Pilot Project was initiated in 1993 to accelerate the deployment of telecommuting throughout California's Silicon Valley. This unique network, which includes *Hewlett Packard, Pacific Bell* and *Silicon Graphics, Inc.*, has produced an information guide and has conducted a pilot survey which measured productivity and the impact on quality of life and work/family balance.

## CONSIDERATIONS

- **Management Resistance.** Managers used to daily interaction find supervision and control more difficult when the employee is not present. According to a 1994 Conference Board study, manager resistance is the biggest challenge for employers trying to implement a telecommuting program.
- **Out of Sight, Out of Mind?** Telecommuters are often concerned they are missing out on important office communications. Scheduling regular time in the office, pairing telecommuters with in-office "buddies" and other creative communication strategies will ensure that business proceeds smoothly and telecommuters remain in-the-loop.
- **Telecommuters Agreement.** A letter of agreement confirming expectations and details of the arrangement, as well as on-going assessment are key elements of successful implementation.

- **Training and Performance Evaluations.** Both managers and employees can benefit from training sessions that introduce them to the different style of supervision and communication that telecommuting requires. Performance evaluations must be based on the accomplishment of objectives and the quality of work.
- **Initial and On-Going Costs.** It is necessary to determine what costs will be covered by the company and the individual. Costs to consider include phone and computer equipment, technical support and equipment maintenance, furniture, supplies, homeowners or renters insurance, and workers' compensation insurance.
- **Safety, Security & Legal Issues.** Telecommuting raises many questions regarding insurance, ergonomic issues, taxes, labor laws, and zoning regulations. Employee access to sensitive company data should also be considered.
- **It's Not For Everyone.** Not all employees are suited to telecommuting. Some cannot tolerate the isolation of working at home, while others lack the discipline and self-motivation that telecommuting requires. Others may run the risk of overwork and burnout, or may simply prefer keeping home and work separate.
- **It's Not For All Jobs.** Not all jobs are conducive to a telecommuting arrangement. It is important to establish eligibility guidelines.
- **It's Not a Dependent Care Solution.** It's almost impossible for a telecommuter to care for a child or relative and work productively at the same time.