



## 2: Why Consider Telecommuting?

### The Business Case for Telecommuting

Telecommuting is no longer a work arrangement that only concerns certain managers and employees. It is a work alternative that provides flexibility and good results in meeting organizational goals as well as employee, customer and supplier needs. As a result, senior executives and managers are integrating telecommuting as a strategic tool and making good use of telecommuting benefits.

For some employers, budgetary savings is a primary reason for initiating a telecommuting program. For others, employee morale may be a top concern and incentive.

As the economy becomes more information based, telecommuting continues to grow because work has become more portable. Individuals working in a variety of areas don't need to be located at a central work base at all times. Also, real estate costs are rising and individual offices are shrinking. Computers and other communications technologies are increasing employee effectiveness and make telecommuting easy and affordable. Remote technology has become more secure, available and reliable. As long as telecommuters can communicate easily with their co-workers, managers, customers and suppliers, they can often work anywhere.

The most common objectives that organizations mention for introducing a telecommuting program include:

- Attract new employees
- Retain key and quality employees
- Provide better service to customers, business partners and suppliers
- Increase productivity and efficiency

- Provide a solution for peak periods and inconvenient working hours
- Ensure continuity of operations in emergency situations and major disasters
- Reduce office space
- Reduce operating costs
- Establish a flexible, virtual networked organization
- Fulfill environmental responsibilities by decreasing the number of employees who may be commuting alone by car

### COMPANIES REAP THE BENEFITS OF TELECOMMUTING

- Washington Mutual lowered its space costs by \$166,000 per month by permitting employees to work from home.

Source: Commuter Challenge, 2001

- One in five companies suffered a disaster that caused their organization to cease operations for a period of time.

Source: Partnership for Public Warning, commissioned by AT&T in 2004

- The Maryland Department of Transportation (MDOT) experienced a 27 percent increase in productivity when more than 100 employees opted to telecommute.

Source: The Telework Coalition, 2004.

- Dow Chemical reduced administrative costs by 50 percent annually and increased productivity by 32 percent by adopting telecommuting for its sales force.

Source: Dow Chemical, 2004.

### Identifying Telecommuting Benefits

While many private and public employers initially created telecommuting programs to address environmental mandates or enhance employee work/life balance, employers currently recognize many other benefits of allowing and enabling employees to telecommute.

Telecommuting has the potential to provide significant benefits for employers, employees and the community.

### Telecommuting will help your organization's:

#### Productivity

- More Work Accomplished
  - Greater Focus
  - Fewer Distractions
- Job Satisfaction
  - Improved Morale
  - Greater Commitment/Loyalty
- Greater Efficiency
  - Commute Time Savings
  - Less Stress
  - Flexible Work Schedule

#### Cost Efficiency

- Reduces Hiring and Replacement Costs
  - Relocation Costs
  - Hiring Expenses
  - Training Time and Expense
- Reduced Unscheduled Absences
  - Less Down Time
  - Reduced Costs Associated With Unscheduled Absences
- Real Estate Savings
  - Reduced Office Space
  - Increased Parking Efficiency
  - Shared Work Space
  - Reduced Operating Expenses
  - Controlled Expansion Expenses

#### Flexibility

- Less Down Time
  - Ability To Work on Snow Days
  - Ability To Work During Sick Leave
  - Ability To Work Remotely
  - Ability To Return To Work For Injured Employees
- Retention and Attraction
  - Retention Of Key Employees
  - Retention of Employees Relocating
  - Attraction of Employees Seeking Flexible Arrangement
- Wider Labor Pool
  - Access To Workers in Larger Geographic Area
  - Attract And Retain Qualified Persons With Physical Disabilities
- Less Absenteeism
  - Ability To Work Without Infecting Others
  - Ability To Work Outside Of Traditional Office Hours

### Telecommuting will help your employees:

- Reduce commute time, costs, and stress
- Increase job satisfaction
- Increase productivity
- Balance work and home life more easily
- Maintain better health
- Value, and remain with, the organization

#### TELECOMMUTING RESULT:

**Telecommuter employees at JD Edwards are 20 to 25 percent more productive than office workers.**

Source: Chicago Sun Times, May 23, 2004.

### Telecommuting will help the community:

- Decrease traffic congestion
- Conserve resources through reduced gasoline consumption
- Reduce air pollution
- Offer more employment opportunities for untapped labor force (e.g., disabled, part-time, retired, work-time availability)

### Setting Up A Telecommuting Program

It is important to note that benefits accrue from carefully planned and successfully managed telecommuting programs. Initiating a telecommuting program depends on many factors, including your organization's size, business and service offerings, strategic goals, management and culture. To establish a telecommuting program, it is essential to develop a detailed plan that shows implementation phases, costs, process steps, resources required and expected results.

### Telecommute Connecticut! Can Help

*Telecommute Connecticut!* has consultants who can assist your organization in:

- determining the feasibility of a program
- planning a tailored solution that will deliver specific measurable objectives
- promoting the program to management
- providing training to managers, telecommuters and co-workers
- implementing a telecommute program at your location
- tracking information

### STRATEGIC SAVINGS: IBM'S TELECOMMUTE SUCCESS STORY

"If for every telecommute day an office sits empty, the company isn't strategizing," says Bob Fortier, founder and principal of **InnoVisions Canada**, an Ottawa-based telecommute consulting business. "With office sharing or hotelling, you can really capture those savings."

**IBM Canada** has taken this concept very seriously. It currently saves \$20 million in operating costs annually and over 500,000 square feet of real estate with its telecommute program. It manages this by offering telecommuters the option of using its mobility centers to home-based employees who have to be on-site occasionally.

Employees call ahead to book a workspace, conference room or standing terminal (used mostly to check email), as necessary. They also have lockers, faxes, photocopiers, and full connectivity at their disposal. Though the company has had to expand some of these spaces, they are still substantially smaller than individual offices would be. The centers include designated stations for employees with disabilities, and, in some cases, concierge services.

"In a company like IBM, it's particularly important that we have telecommuting options," says Susan Turner, IBM Canada's diversity and workplace programs executive. "Future employees are looking for this flexibility."

Source: Telecommuting Transitions, Robert Colman, editor-in-chief, CMA Management magazine, Aug./Sept. 2004.