

# The telecommuting and its effects



On September 20, 1994, some 32, 000 AT&T employees stayed home. They weren't sick or on strike. They were telecommuting. Employees ranging from the CEO to phone operators were part of an experiment that involved 100, 000 people. It's purpose? To explore how far a vast organization could go in transforming the workplace by moving the work to the worker instead of the worker to work. Today AT&T is just one of many organizations pioneering the alternative workplace (AW-also known as telecommuting) - the combination of nontraditional work practices, settings, and locations that is beginning to supplement traditional offices (Apgar, 121).

According to IDC/Link Resources, New York, approximately 8 million Americans currently telecommute. A survey conducted by Olsten Corp., Melville, N. Y., reports that 62 percent of North American companies encourage telecommuting (Riggs, 46). In addition, research shows about 50% of all employees either have a job that lends itself to telecommuting or want to get involved in telecommuting. Most researchers agree that telecommuting growth is fastest in companies employing more than 1, 000 and in those with under 10 employees (Harler, 26).

Telecommuting came into existence out of necessity. First, increasing global competition has brought pressures and opportunities to businesses, consultants, and service vendors. As a result, the Yankee Group predicts that as many as 80 percent of all employers will have to adopt remote work in order to compete in world markets by mid-to late nineties (Manire, 51). Second, the Information Age necessitates that companies move faster and thus act and react to business conditions sooner. Third, telecommuting has been increasingly enforced at state and federal levels due to the Clean Air

Act (CAA) of 1970, as amended in 1990. The CAA affects any firm with over 100 employees in areas with "severe ozone attainment levels", which covers every good-sized city in the nation (Harler, 27).

### The Impact of the Internet on Telecommuting

The Internet is widely becoming part of the plan when implementing and integrating telecommuting solutions. The Internet can add a powerful dimension to the management of both internal and external information functions and strengthen the organization's human resource management information systems.

Communicating Internally. The Internet is redefining how we communicate at all organizational levels - with individuals, teams and groups, and the corporation's entire labor force (Kuzmits and Santos, 35). While the Internet is not about to eliminate phones, fax machines, or the U. S. postal service, it will gradually wean us from our reliance on traditional forms of communication, and will reduce the need to conduct one of the biggest time-wasters: face-to-face meetings. This can be effectively achieved by using e-mail, which reduces toll charges on phone calls and rounds of frustrating attempts via voice mail. Internet "phones", while limited, currently allows for free communication without the toll charges of traditional phone networks (Kuzmits and Santos, 36).

Communicating Externally. With the Internet's links to millions of computers across the world, human resource professionals can now tap into a rich array of external information resources. There are numerous links to human resources and management associations, consultants, research

organizations, and local, state, and federal government organizations. Publishers of human resource information and journals are also on the Internet, providing an important source of articles on current human resources issues and trends (Kuzmits and Santos, 37).

Telecommuting provides many benefits to both employers and employees. Telecommuting increase productivity, decrease office space (and thus fixed costs), improved morale, and absenteeism. Disabled workers can benefit enormously from working at home, and can save companies some of the costs of in-depth compliance with the American Disabilities Act (Harler, 27). In addition, the following benefits could be derived:

Achievement of the balance between work and personal time

Geographic dispersion of staff resources (Berhard, 22).

Implements a means to distribute resources strategically and accommodate customers with measurable satisfaction ratios (Berhard, 22).

Achieve new levels of operational efficiency

Contemporary trend toward executive management using remote connectivity for video conferencing and global access to mission-critical application systems (Berhard, 22).

Gives companies an edge in vying for - and keeping - talented, highly motivated employees.

In addition, compensation will eventually be changed to reflect the new workenvironment. The valued role of incentive rewards may increase as a result of the extra hours that employees are now clocking (Hein, 9).

Closer teamwork and greater flexibility (Apgar, 127).

Value that employees place on increased personal time and control (Apgar, 127).

There are also numerous issues and disadvantages to telecommuting that human resources should be aware of and anticipate. Among these include:

Human Resources should be able to handle ending an AW relationship, especially if the company feels it must eliminate a person from its program for poor performance.

There is difficulty in anticipating deterioration in the employee" s at-home situation. For example, a divorce can result in the company losing an established office address, phone and fax number. What processes is or should be in place to assure invoices or work documents delivered to the former home are forwarded to the new location?

Cost considerations for the telecommuter go above the basic infrastructure requirement.

Integrating telecommuting into the corporate culture involves cautiously estimating personnel considerations, support issues, long-term investment strategy and productivity standards.

Higher recurring expenses and a steeper cost impact to support remote computing.

Corporations must start investing capital dollars in security economics-the analyzed loss of corporate information as a result of data piracy. Proper planning and careful review of security procedures helps corporations overcome this problem.

The alternative workplace provides both tremendous tangible and intangible benefits. However, as most economists would point out, " There" s no such thing as a free lunch". There are many human resources problems and issues that must be addressed before telecommuting can be optimally and positively impacted.

#### Examining the Obstacles to Telecommuting

First, companies wishing to utilize telecommuting should uncover any potential obstacles that could deter or impact its effectiveness. During the planning process for telecommuting, it is important to brainstorm to uncover any possible problems or threats. In addition, access to the Internet, inappropriate transmission of potentially offensive materials and electronic mail are also concerns for companies wishing to deploy telecommuting should address (Courtenay, 67). Among the potential obstacles that must be overcome include ingrained behaviors, cultural and system improvements, and legal and tax ramifications.

Ingrained behaviors and practical hurdles make telecommuting hard to implement (Apgar, 121). This may result in employees who will resist the

effort to this new paradigm. A special concern for human resources should be old-line managers. Old-line managers are one of the biggest obstacles to the alternative workplace. The problem is they manage by observation, not by results (Harler, 27).

Managing both the cultural changes and the system improvements required by and AW initiative are substantial (Apgar, 121). Human Resources must "retool" to support the new type of employee. For example, at Levi Strauss. A family task force was created to assist in reconciling between work and family life. The task force was formed to examine the changing needs of employees in terms of flex time, part-time jobs and other issues.

The task force, which meets monthly, is chaired by the CEO, a fact that underscores its credibility and organizational priority (Riggs, 47). Among the system improvements include time management. Managers in an AW environment, particularly one in which employees work from a distance, must also pay close attention to time management. Failure to do so will severely impact the workflow of a telecommuter (Apgar, 128).

Companies should look at the legal and tax ramifications of a corporate telecommuting program. Among those legal issues that must be addressed include insurance, liability and workers compensation, and local legal and union issues. What would happen if company owned property is stolen or damaged from a worker's home? Does the worker's homeowners insurance cover it, or does the employer? While liability and workers compensation is a concern for employers, the issues have not been totally defined, and therefore not worth of much worry. In addition, court cases have not defined

this area (Harler, 28). When companies research local legal issues, they should particularly look at zoning in the employee" s hometown. Some condominium bylaws, for example, forbid working out of the home (Harler, 28).