

TELECOMMUTING TODAY: ADVANTAGES AND DISADVANTAGES FOR EMPLOYERS AND EMPLOYEES

By Susan Harper

In 1877, a Boston bank president installed a phone line between his bank and home, and the concept of telecommuting was born. Today, according to the International Telework Association and Council (ITAC), an estimated 28.8 million Americans—one-fifth of the adult working population—have followed in the bank president's footsteps by working, at least one day a week, in a nontraditional office setting. Why is telecommuting so popular, and what advantages and disadvantages does it offer employers and employees?

Definition and Demographics of Telecommuting

The terms telecommute and telework are often used interchangeably, but ITAC prefers the latter: "Telework is a much broader term that means using telecommunications to work wherever you need to in order to satisfy client needs; whether it be from a home office, telework center, satellite office, a client's office, an airport lounge, a hotel room, the local Starbucks, or from your office to a colleague 10 floors down in the same building."

A 2000 research survey sponsored by AT&T and conducted by the Behavior Research Center found that teleworkers have a mean age of mid-40s, are more likely to live in urban areas, and usually work in manufacturing, business services, construction, banking, transportation, communication, and insurance. Of the telecommuters polled, most (89 percent) work from home. A survey conducted by ITAC in October 2001, and reported on in the February

2002 issue of *American Demographics*, revealed that most telecommuters are male, live in the Northeast or West, have a higher level of education and income than non-telecommuters, and are employed in professional or managerial occupations. This survey also found that 70 percent of the telecommuters polled are very satisfied with their job and 80 percent are very committed to their organization. According to the report, 72 percent of the telecommuters feel they are more productive from home, rather than from the office.



Advantages of Telecommuting

A major benefit of telecommuting for employers is a reduction in required real estate. For example, IBM, AT&T, and Hewlett Packard have each reduced their office space by 35 to 55 percent, and Merrill Lynch saves \$5,000-\$6,000 per office per year in overhead costs. Another benefit is increased worker productivity; a further study conducted by ITAC found a 22 percent productivity increase among telecommuting workers. The survey also showed that teleworkers were absent, on average, two days less than non-teleworkers. Decreased turnover is another advantage for employers. Telecommuting allows an employee to retain his or her position in the company, and yet still care for a child or elderly parent at home. Reduced turnover means an employer spends less money on searching, hiring, and training new people.

Teleworking offers benefits to employees

as well. The reduced amount of time spent commuting to an office means a savings on transportation costs. The employee also has complete control over his or her working environment and schedule, which helps create more of a balance between home and work life.

Disadvantages of Telecommuting

Some employers are concerned about the lack of supervision of remote workers and also the security of sensitive company information. Some also feel that telecommuting works against the spirit of teamwork within the organization.

Employees also have concerns about teleworking. They often miss the brainstorming sessions with their colleagues, and they worry that "being out of sight, out of mind" will result in their being passed over for a promotion.

Telecommuting has advantages and disadvantages, and its future is still unclear. It remains to be seen whether it will continue to grow as it did in the past decade or whether employer and employee concerns will result in its demise.



TELECOMMUTING RESOURCES

The Distance Manager: A Hands-On Guide To Managing Off-Site Employees and Virtual Teams.
Kimball Fisher and Maureen Duncan Fisher.
McGraw-Hill, 2000.

Provides practical information and tools to help managers bridge the communication gaps created by geographic separation and get peak performance from employees they rarely see.

101 Tips for Telecommuters: Successfully Manage Your Work, Team, Technology, and Family.
Debra A. Dinnocenzo. Berrett-Koehler, 1999.

Presents a collection of useful insights for both telecommuters and their managers on how to get the maximum benefits from this new way of working.

The Telecommuter's Advisor: Real World Solutions for Remote Workers. June Langhoff.
Aegis, 1999.

For anyone who wants to improve his or her remote working skills. It covers a broad range of topics, including designing a home office, selecting equipment, coping with e-mail, and using wireless communications.

TELECOMMUTING RESOURCES ON THE WEB

www.telecommute.org

Founded in 1993, the International Telework Association and Council (ITAC) is a non-profit organization dedicated to advancing the growth and success of work independent of location.



www.knowledgetree.com/ata.html

The American Telecommuting Association (ATA) is dedicated to helping its members make the most of their jobs, their careers, and their personal lives by providing access to relevant information, training, and discounts on products and services.

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