Telecommuting: Steady growth in work-at-home culture, Yahoo or not

Telecommuting is a rapidly growing work-life style. Yahoo's recent ban of remote work sent a wave of concern through white-collar legions who consider themselves fortunate – and more productive – working in pajamas at home or holed up in a Starbucks cafe.

By Eilene Zimmerman | Christian Science Monitor – Tue, May 7, 2013

The "office" is a mutable concept for Joy Hahn.

Her typical workday starts early, in the tidy spare bedroom of her suburban Silicon Valley home, tapping out the first e-mails of the day. Then it's off to her mobile office, the family's light tan Cadillac STS – neat and clean aside from the presence of a few Mad Libs pads, because Ms. Hahn often drives clients. She keeps pens and notepads stowed in the glove compartment and memo pads in the trunk. Hahn takes the first call of the day in the car, on the way back home after dropping her 11-year-old daughter off at school, picking up dry cleaning, and buying groceries for her mom.

As business development manager for Cornerstone Technologies, a data archival and protection company in Campbell, Calif., just a few miles from her house, Hahn spends much of her time in meetings, virtual and real, organizing events, seminars, and webinars. She's also on the road a lot, meeting with clients. Work, for her, happens just about anywhere. When she runs out to take her mom to the doctor, she works from the waiting room on her iPad; at her daughter's singing lesson, she's on her laptop. She even works while driving, using Siri on her iPhone to dictate e-mails or create calendar appointments.

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Hahn has telecommuted 50 percent of the time for the past five years, videoconferencing and Skyping her way through the day while squeezing in loads of laundry, dinner prep, errands, and soccer practices. For Hahn and lots of other professionals – especially working parents – it's often the best possible scenario.

"Life happens," she says. "I can be a mom and a caregiver, but pick up working anytime and anywhere I need to."

And that may actually be one of the downsides. Because when Hahn works at home, the reality is that she often plows the time she's saving by not commuting or chatting at the water cooler back into her work. She sometimes feels a little guilty answering e-mails or doing prep work long after her husband and daughter are home: "Work-life balance is definitely a challenge. My husband is good at giving me verbal reminders though, saying 'OK you're done. It's our time now.'"

With all its pluses and minuses, Hahn’s telecommuting is an example of a lifestyle-career meld that has been touted as the wave of the future ever since personal computers began appearing in offices in the 1970s. While under a quarter of the workforce telecommutes regularly now, there was a huge outcry when Yahoo chief executive Marissa Mayer banned working from home, saying the struggling company could use the solidarity of employees working side by side. (Last week, some critics were mollified by Yahoo's announcement of a new extended parental leave benefits program.)

Though the numbers vary, it's clear that there has been a growth spurt of telecommuting in the past decade. On the low end is US Census data that shows telecommuting to be up 35 percent between 1997 and 2010, with 13.4 million of the 143 million Americans in the labor force working at home at least one day a week.

But independent employment research firm Telework Research Network's more recent data suggests that 20 million to 30 million Americans work from home at least one day a week, a 73 percent increase between 2005 and 2011.

Broken down, those numbers represent 15 million to 20 million road warriors, 10 million to 15 million home-based
Technological advances in software, applications, devices, and engineering continue to aid and abet telecommuting’s growth—from iRobot’s telepresence robot, which lets physicians make rounds without being in the hospital, to the very real possibility of your boss strolling the halls holographically, thanks to advances from the Massachusetts Institute of Technology’s Object-Based Media Group.

Of course, a large portion of the workforce will simply never be able to telecommute—think emergency-room nurses, manufacturing workers, and police officers. In fact, research shows that the small percentage of the overall workforce that telecommutes is typically middle-aged, college-educated, salaried, and in professional roles, earning an average of $58,000 a year. That means telework so far is the domain of middle-to-upper-class professional America.

And that portion of the labor force is where the discomfort is highest over the decision by Yahoo and other companies to put the brakes on working from home. Yahoo’s memo to employees said that togetherness at the office makes for more effective communication and collaboration. Some speculated that Ms. Mayer—who had already taken a controversial work-life balance stand by working through her maternity leave—was frustrated that the Yahoo parking lot was slow to fill up in the morning and emptied quickly at 5 p.m.

A few weeks after Yahoo’s decision, electronics retailer Best Buy scaled back its "Results Oriented Work Environment" program. Employees working from home now have to discuss with managers if they can continue to do so. Best Buy, with slow sales, has been trying to cut costs and announced that, in a turnaround situation, "it is truly all hands on deck."

In December, Bank of America added more restrictions to My Work, its work-from-home program that started in 2005. Google and Twitter encourage staffers to work from the office, believing it promotes collaboration and, ultimately, innovation. But when asked recently how many Google employees work remotely, the company’s chief financial officer, Patrick Pichette, answered: "As few as possible."

Yet those who study the workplace, like Jennifer L. Glass, a sociology professor at the University of Texas at Austin’s Population Research Center, say that despite corporate pushback the number of telecommuters continues to rise, whether dressed waist-up for work and waist-down in sweats, as Hahn sometimes is, or in jeans and sneakers at a Starbucks table.

A closer look at those in the telecommuting trenches shows how it has changed their lifestyle for better and worse, and what corporate America stands to gain and lose from it.

FREEDOM BLURS INTO LONGER HOURS

Some of the biggest myth-busting research on telecommuting was published in the Monthly Labor Review last June. "The Hard Truth About Telecommuting" found that telework often lengthened the workweek well beyond the traditional 40 hours, blurring work-life boundaries, said coauthors Professor Glass and Mary C. Noonan, an associate professor of sociology at The University of Iowa in Iowa City.

When people talk about telecommuting, says Glass, they mean substituting hours at home for hours at work. But that’s not really the case, she says: "Most people don’t telecommute that way. People in certain professional or managerial occupations in particular are expected to be working from home when the office is closed, so it’s become a way to extend the workday, not really substituting one for the other."

The study draws on data collected from both the National Longitudinal Survey of Youth 1979 panel and special supplements from the US Census Current Population Survey, and looks at trends over time. Seventy-eight percent of telecommuters work more than 40 hours per week, says Glass: "Telecommuting is not necessarily saving workers time. It’s costing them more time."

Travis Bright, vice president of sponsor relations for Mother Nature Network, an environmental news and information website, works largely from his Nashville, Tenn., home and says he works "all the time." Twice a month he makes the 250-
mile trip to Atlanta to spend a couple of days at MNN’s headquarters. He’s been doing this since the company launched in 2009. Even though it’s helpful for someone like Mr. Bright, who has two young children at home, he says: "It’s harder to turn off work, because your office is right there. And if there’s something you can take care of, you do. There’s not that barrier."

Another thing: Telecommuting isn’t always a perk. A good chunk of the rise in telework is due to a recessionary increase in the contingent workforce and the numbers who are self-employed, says Anne Fisher, the "Ask Annie" career columnist for Fortune.com who has been covering workplace issues since 1996.

"A lot of those millions of people that got laid off are still working for their companies. It’s just that they are 1099 employees now and aren’t getting benefits," she says.

Ms. Fisher left her own office at Fortune Magazine in 2003 to telecommute from upstate New York, after her husband started a business in the small town where the couple had a weekend house. Although she says she’s much more productive working at home, at first she felt isolated and sometimes still does. "I do miss the community," she says.

**CAR-IN-THE-PARKING-LOT METRICS**

When it comes to productivity, telecommuting appears to be a boon for both employees and employers. A February Stanford University study showed that when call center employees at China’s largest travel agency, Ctrip – which has 16,000 employees – were allowed to work from home, their productivity increased 13 percent. About 250 employees in the Shanghai call center participated in the study, working from home four days a week and spending a fifth day in the office. Home workers had a 9 percent increase in the number of minutes they worked during their shifts, taking fewer breaks and sick days. And a 4 percent improvement came from an increased number of calls-per-minute-worked. Attrition fell sharply among home workers, dropping by 50 percent when compared with those working full time from the Shanghai center. And those working at home also reported substantially higher work satisfaction, saying it was a lot quieter, and in surveys had a more positive attitude.

Telecommuters themselves insist they are far more productive working at home. Brande Plotnick now telecommutes, but used to spend as much as three hours a day in the car commuting from her Philadelphia home to her New York City job as a product marketing manager for a medical-device company. She now spends one week a month at the company’s headquarters but otherwise telecommutes.

"I work from home in big, uninterrupted chunks of time, and I don’t need the social interaction of an office that some other people need. I work much better without it," she says. To stay plugged into what’s happening in New York, she Skypes into meetings so she can see everyone and they can see her. In fact, Ms. Plotnick has been so productive that she found the time to create a start-up – Tomato Envy – a lifestyle website focusing on sustainable living, gardening, and cooking. (She still puts in about a 45-hour workweek, but used the time she would have spent commuting to start another business.)

Companies like Yahoo that scrap telecommuting because they believe workers are slacking off, says Sara Sutton Fell, founder and chief executive officer of FlexJobs, a company that specializes in helping people find jobs with flexibility, are missing the real problem: management.

"Telecommuters can be a bellwether for management and productivity issues. You see problems sooner with work relationships that involve telecommuting. If someone is in the office, you think their physical presence means they are working. But that’s a false metric," she says. If home workers don’t communicate with their managers about productivity, accomplishments, and deliverables, managers check in to see if something is wrong, says Ms. Fell. Managers may be far less aware of the true productivity of employees they see in the office every day.

In fact, knowing how to measure productivity for employees working at home is a significant problem for businesses.

"No one wants to figure that out," says Glass, who is a proponent of giving employees options and working toward a results-oriented system of evaluation for all employees. She’s called Mayer’s decision to end telecommuting "the Dilbertization of Yahoo." If long hours at the office produced the most innovation, says Glass, the Japanese would have a great economy. "Instead they have had economic doldrums for the last 20 years and have one of the lowest birthrates in the world. Look at
other countries with better work and family balance and you see happier, more productive people, more gender equality and higher birthrates – because they have the time for kids. We can have global teams now; we don't need to sit in a cubicle in Silicon Valley."

Jody Greenstone Miller, cofounder and CEO of Business Talent Group in Los Angeles, a firm that places independent professionals in project-based assignments, echoes that sentiment. She wrote an essay in The Wall Street Journal in March calling for corporate leaders to create a culture in which talented people are judged not by the quantity of their work, but by the quality of their contributions. "This can't be hollow blather," wrote Ms. Miller, who has telecommuted for the past two decades. "Someone who works 20 hours a week and who delivers exceptional results on a pro rata basis should be eligible for promotions and viewed as a top performer." And if they can do that work at home, fine, says Miller, as long as the company judges them by metrics other than when their car was seen in the parking lot.

THE ELECTRONIC WATER COOLER

The growth of telecommuting would not be happening without advances in technology. Tools that enable real-time collaboration and communication have made working remotely relatively frictionless. It's also a big reason corporations allow it. There is already a host of collaboration tools like Skype, Personify Live, Google Hangout, Google Chat, and iMeet, and there are more in the works.

Hahn's tool box, for instance, includes Microsoft Office 365, which gives her access to documents and applications she needs anywhere, and GoToMeetings from Citrix, which allows her to schedule a videoconference with clients, all from her phone if need be.

Although some companies will invest in the infrastructure needed to set up a home office, it's not common, says Tom Harnish, senior scientist at Global Workplace Analytics, whose research arm is the Telework Research Network. Mr. Harnish says because of the bring-your-own-device nature of the workplace today – with employees coming to the office with their own laptops, tablets, and smart phones – companies generally provide very little assistance with setting up a home office. Cisco, for example, gives employees the tools to work at home – like a laptop and access to Cisco's secure internal network – but doesn't necessarily pay for broadband, says spokesperson Bessie Wang.

Still, 70 percent of Cisco's workforce telecommutes at least one day per week. Some companies, however, will pay for broadband services and computer equipment. "These companies are making an investment in their employee's success because they are saving money in other ways," explains Harnish, such as renting less commercial office space. And recent occupancy studies, he says, suggest that on any given day 70 percent of desks in corporate America are empty because of remote work done at home, while traveling, or out on sales calls.

Fell, at FlexJobs, says the greatest demand at her company comes from those looking for telecommuting jobs. FlexJobs itself is virtual so everyone there telecommutes, and Fell says it's "the mostly highly engaged and productive work environment I've ever experienced."

Weekly staff videoconferences and individual team meetings are organized using Join.me. Yammer, a private social network for businesses, is used as a virtual water cooler. "We've created different groups on it – a research group for work stuff, but also a healthy cooking group that shares recipes and tips, a biking group. People will post questions every week like 'What's your favorite movie?' " says Fell.

Sean O'Brien, executive vice president of strategy and communications for PGi, which makes the collaboration tool iMeet, says the rise of telecommuting mirrors advances in technology: "People now take the power of their office with them. With iMeet and lots of other tools, you can push rich, multimedia content to those devices. You share files, show someone what's on your desktop, meet in video."

Barrie Hadfield, cofounder and CEO of Workshare, a platform that lets workers collaborate socially and share confidential information securely, agrees. "The new HTML 5 standard that's about to come out will be adopted by all new browsers, and it has videoconferencing built into it. That means any browser you use, you will be able to connect by video to anyone else
using the browser, with very minimal plug-ins required," he says. "It's going to become increasingly easier for us to see each other when we work – whether we're in the office next door, around the corner, or across the world."

THE BUSINESS CASE FOR TELECOMMUTING

Businesses, of course, do benefit from telecommuting programs. Why else would Elance, an online staffing platform for freelance work that launched in 2007, have 500,000 businesses advertising a million jobs a year on its site?

"These businesses have already embraced the idea that work doesn't have to be done onsite. A lot of these are next-generation businesses, too, many in technology and marketing," says Fabio Rosati, the company's CEO.

"Businesses are able to access this very broad pool of talent and it levels the playing field, especially for businesses in more remote areas," he adds. Allowing more employees to work remotely also enables businesses to cut real estate costs and, depending on the location, that can be substantial. In an April 2010 paper, "Workshifting Benefits: The Bottom Line" from the Telework Research Institute, the average cost of an office was calculated to be $16,422 per year. An employee telecommuting half time reduced that cost by 18 percent. And there are energy savings, too. Sun Microsystems' Open Work platform, which provides nearly 20,000 employees – more than half its workforce – the ability to work remotely, has been in place more than 15 years. A study the company did on the program showed that employees working at home (they work about 2.5 days a week from home) consumed about half the power that equipment in the Sun-supplied office did.

And in that Stanford study of Ctrip, the Chinese travel agency, the firm estimated it saves $2,000 per year per employee working at home, and after the experiment ended, offered the work-from-home option to the entire firm.

The Telework Research Institute examined more than 500 telecommuting studies and found that benefits to business include improved employee satisfaction, reduced attrition (losing an employee can cost a business $10,000 to $30,000) and fewer unscheduled absences.

Cindy Auten, general manager of Mobile Work Exchange in Alexandria, Va., a partnership between government and industry that promotes best practices in mobile IT and telework, says telecommuting is now seen as an important tool for recruitment and retention. "We are seeing a generation entering the workforce that has grown up on the Internet and is comfortable with new technology. They already have all this mobility and know how to work online," says Ms. Auten. "They want their employer to trust them to get the work done even if they are doing it remotely."

Already, the youngest members of the workforce, Generation Y, bristle at the notion of working full time from a cubicle. Take Lauren Anderson. At 28, she handles marketing strategy for 15Five, a San Francisco company that provides businesses with an employee feedback system. She prefers to work at home, leveraging the technology needed to stay in close contact with her boss and her team.

"I've only worked a job in an office once, and even then I set my own hours. I'm very comfortable working from home. For me it's much more motivating," she says. "I can work my own schedule. For instance, I’m most productive starting at 6 a.m. until about 11, and then I go to a yoga class, come back and keep working. For me it’s not about working hours, but working efficiently. I feel if I were at an office, I would do the required time and that would be it. I'm actually doing more work this way."

But Auten says the youngest workers aren’t the only ones demanding telework. She says that, especially for Generation X dual-income families trying to balance kids and aging parents, having the option to telecommute gives them something they desperately need: time. "That’s often more valuable to them than a raise, and it’s a way to retain good people," she says. "There's no question companies that offer telework have a competitive edge when hiring."

THE TELECOMMUTING TYPE

Yet even if companies increasingly offer telework as an option, not every employee is cut out for the lifestyle. It takes discipline and the ability not to be distracted by things like children, the television, the fridge, laundry, or Facebook.

Katie Rophie, a writer and professor who works from both her home and office, recently wrote "The Case Against Working At
Home” for Slate. She questions whether it’s possible that “our ideas, our creativity, our wilder bursts of thought are often, or at least sometimes, better achieved outside the home, in a more neutral space.” Ms. Rophie wrote that there are very few spaces people can go now where work can’t find them. "Rather than desperately pursuing any further mingling," she wrote, "the separation of work and life might, in fact, be something to strive for or long for, something rare and more precious than we think."

Jody Miller, of Business Talent Group, argues against Gen Y working remotely most of the time. Well-rounded workers, she says, need the social skills learned in an office environment before they opt for more independent work. "We have hired a lot of young people, and I think there is a social component to business that they haven't really been trained to understand yet," she says. "For people who are newer to the professional world, an office setting is actually important in the beginning."

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And given that most US jobs still entail working at an office, the immediate future of telecommuting is shaping up as a hybrid model, with time in the office and some at home.

For many baby boomers, this is how work looks at the end of long careers in bricks-and-mortar offices. Ritch Blasi, for example, retired from AT&T after more than 35 years and now works for the technology consulting firm Communicano, from homes in New Jersey and Florida.

"My workplace is either the table on my deck in New Jersey or a table on the lanai in my Florida home. I use my cellphone, my iPad, and I have a laptop. None of them have a Wi-Fi connection; I just use the cellular network and a 4G connection. There's no difference for me working this way. It's seamless," he says.

Ultimately the key to telework is balance and flexibility, says Auten of the Mobile Work Exchange. She is a working mother with two children who telecommutes as much as she can and is in the office when she needs to be. "Having this flexibility really helps me now. I want to be able to see my kids at dinner time and before they go to bed," she says. "I wouldn't if I had to commute to the office every day, and honestly, I don't think I could do that for very long."

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