

# The Distributable Workforce: A Valuable Emergency Management, Transportation Demand Management, and Organizational Effectiveness Strategy

**A White Paper Developed by ICF International**

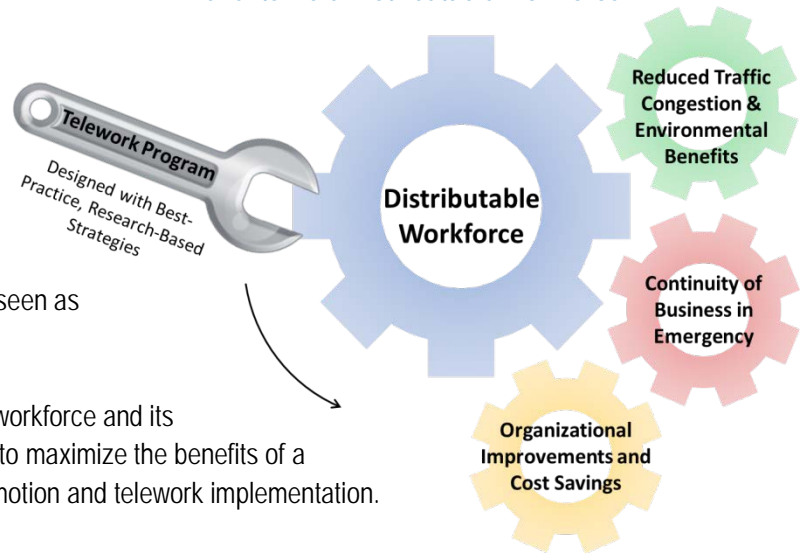
Beth Heinen, Ph.D.  
Allison Alexander, Ph.D.  
Brian Cronin, Ph.D.



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Establishing a distributable workforce is a way to strategically use telework to create broad benefit to a region, organizations, individual employees, and the environment by enhancing continuity of operations (COOP) in the face of an emergency, reducing traffic congestion and commute times, improving organizational performance and lowering their carbon footprint and costs, and enriching employees' work/life balance (see Exhibit 1). ICF International is a multidisciplinary research, management, and policy consulting firm with experts in emergency management, transportation demand management (TDM), workforce research and telework implementation, and strategic communications. Our multidisciplinary team can work together to help motivate and aid organizations in the implementation of effective and long-standing telework programs that will significantly reduce vehicle miles traveled (VMT), prepare organizations to sustain operations in times of emergencies, and provide other benefits to both organizations and individual employees that are seen as outcomes of telework programs.

**Exhibit 1: How a Telework Program Generates Extensive Benefits via a Distributable Workforce**



This white paper will first discuss a distributable workforce and its benefits followed by details of telework solutions to maximize the benefits of a distributable workforce, specifically telework promotion and telework implementation.

## What is a Distributable Workforce?

A distributable workforce is one in which employees regularly telework or are able to episodically telework, which provides flexibility in location to the overall workforce. Telework is a flexible work arrangement in which employees are able to work from somewhere other than the traditional workspace, such as their home office. Although the most common telework location is an employee's home, an employee can also telework from a satellite office or another offsite location. Teleworking refers to the individual arrangement of working offsite, which creates the ability to have a distributable workforce broadly across an organization and/or a region.

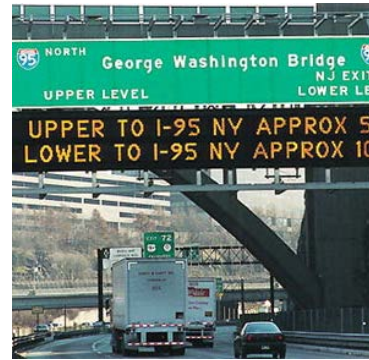
When a telework system is in place, it provides the opportunity for employees to work remotely using technology such as the internet, computer software (e.g., virtual private networks – VPNs), video conferencing, and phone systems. Telework programs can be implemented differently based on the needs of organizations and employees. For example, telework does not have to occur on a full-time basis. Employees could work from home on a specific day or days during the week or they could telework only when it is necessary or desired based on personal, organizational, or external (e.g., weather) needs. While telework is often thought of as an arrangement for individual employees, a distributable workforce refers to a larger group of people, such as in a metropolitan area or a region, who are able to work where it is best for the organization and the individual employees.

Implementing a formal telework program throughout the organization is a best practice that the majority of top organizations already have in place. More organizations are starting to consider or implement telework programs as they understand and realize the benefits of these programs. For their list of best companies to work for in 2012, Forbes found that 85 of their top 100 companies to work for in the U.S. offered telework programs. For example, Cisco has 90% of

their employees identified as “regular” teleworkers and Pricewaterhouse Coopers includes a workforce of 70% teleworkers<sup>1</sup>. Many different types of organizations are able to recognize the benefits of telework programs, from Federal and State agencies to private organizations. The Federal government is also using telework to achieve greater flexibility in managing its workforce with the passage of the Telework Enhancement Act of 2010<sup>2</sup>. The Federal government and top organizations are implementing telework programs because telework improves work/life balance, enhances continuity of operations, decreases costs, and improves employee retention, all of which help organizations to be successful and meet their goals.

## Telework and Transportation Demand Management

Transportation Demand Management (TDM) programs focus on changing or reducing travel demand and making road usage more efficient. Traffic congestion - one area in which TDM is working to reduce - is not only a problem for the people who travel at busy times, but it leads to productivity loss due to time spent commuting to and from work in traffic, costing the nation \$63.1 billion in wasted time and fuel<sup>3</sup>. Telework is a successful strategy to help reduce traffic congestion, as it keeps employees off the road during heavy travel hours when they would typically be driving to or from work. When telework is adopted, there is a reduction in vehicle miles traveled (VMT), number of people on the road, and time driving. In addition to reducing congestion, telework helps reduce carbon monoxide and other air pollution<sup>4</sup> due to the reduction in car travel. As such, telework is a program that can help meet the goals of TDM programs, while providing benefits to the environment and organizations.



### VMT Reduction Success Story

In Minnesota, eWorkPlace is a state-sponsored program in the Twin Cities Metropolitan area that encourages employers to adopt telework programs. In the first two years of the program, more than 4,200 individuals participated in the program. This participation resulted in a reduction of VMT by 7.5 million miles per year. Further, there was a reduction of over 8 million pounds of CO<sub>2</sub> emissions over the year. The success of this program shows the TDM-related benefits that can be experienced by implementing a distributable workforce in a metropolitan area.

Source: University of Minnesota Press Release (<http://www.eworkplace-mn.com/LinkClick.aspx?fileticket=P6Sp4xwrjYg%3d&tabid=246>)

## Telework and Emergency Preparedness



Recent natural disasters, such as Hurricane Sandy and large snowstorms, have kept employees from being able to travel to their work locations, causing organizations to lose a significant amount of money in reduced employee productivity and delayed or stopped operations. For example, it was estimated that businesses in New Jersey lost \$63.9 million after Hurricane Sandy due to interruption to their businesses<sup>5</sup>. While not all of this loss could be overcome by the use of telework programs (e.g., manufacturing facilities that were damaged), having employees who are prepared to telework in such situations would help to decrease business losses in the face of a disaster. Similarly, because of Hurricane Isabel in

2003, the Office of Personnel Management had to shut down the National Capital Region for two days at a cost of \$120 million<sup>6</sup>. Telework as part of a business continuity plan can help to mitigate these type of expenses.

In addition to weather-related natural disasters, illness pandemics can also keep people from the office, as employees do not want to be exposed to new or dangerous viruses. To proactively combat these issues and better plan for continuity of operations (COOP), organizations can implement telework programs. Telework can be a key component in planning for COOP, as it allows organizations to develop a plan that will enable a distributed workforce and continued essential operations in the face of an emergency, such as a natural disaster or a pandemic<sup>7</sup>. In these types of situations, it is important to be able to communicate with employees and have a system that allows essential work operations to continue. Having a formal telework program available to employees helps reduce absenteeism during large natural disasters or severe illness pandemics.

While telework is an important aspect to provide continuity of work in the face of an emergency, it is important that a formal telework program be in place *before* these events occur and that employees are actively able to telework in their normal work situations. The capability to telework cannot be reactively developed or implemented once a disaster occurs; systems must already be in place and functional to ensure that work can continue. As such, it is important that all systems and technology are in place and operational, employees are familiar with the technology and able to use it, and that managers know how to manage their employees remotely to ensure that a telework program will be effective when an organization is faced with an emergency.



## Additional Telework Benefits

Not only can telework help to improve transportation- and emergency management-related outcomes, such as reduced traffic congestion and providing continuity of operations, it can also offer benefits to employees and organizations. This section describes these benefits, listing positive outcomes and examples of the telework benefits that have been realized by organizations. One of the top organizational advantages of telework is cost savings. Examples of these cost savings include the following:

- **Reduced property rental costs:** The Department of Commerce is able to avoid real estate leasing costs of over \$17M through its telework programs<sup>8</sup>.
- **Reduced utility costs:** During their Telework Week 2012, the USDA was able to save the equivalent to what 50 homes would use over the course of a week through telework.
- **Financial incentives:** Telework!VA promotes a telework tax credit for businesses in Virginia.
- **Additional cost reductions:** In FY2012, the USDA was able to avoid costs of nearly \$8M due to reductions in Transit Subsidy Benefit programs due to the use of a telework program<sup>8</sup>.
- **Lower employee absenteeism:** Telework helps to reduce absenteeism, which helps organizations reduce costs. Employers can save 63% of the cost of absenteeism per teleworking employee (equal to \$2,086 per employee/year)<sup>9</sup>.

When employees are able to telework, organizations also experience improvements in performance and their workforce. These gains come in many forms, including the following:

- **Increased worker productivity:** Based on industry research, one author suggests an increase in productivity of 27% on days that employees were able to work from home (due to fewer interruptions, effective time management, flexible hours)<sup>10</sup>.
- **Increased employee satisfaction:** The Federal government shows that in 2012, 73% of teleworkers were satisfied with their jobs while 65% of non-teleworkers reported being satisfied<sup>11</sup>.
- **Increased employee retention:** Replacing employees can be very expensive due to the need to recruit and train new employees as well as the cost of lost productivity when trying to find a replacement employee. In fact, it has been suggested that the cost of turnover is approximately 138% of an employee's wages<sup>12</sup>. Research shows that employees are more likely to stay with their employer if telework is offered<sup>13</sup>, creating cost savings and continuity of work for organizations.

### Organizational Improvement Success Story

The Federal Highway Administration (FHWA) was struggling with a lack of qualified applicants in the Washington D.C. area ; they determined that cost of living was a major factor in why these jobs were remaining open. To combat this problem, they implemented an Alternative Duty Location (ADL) program in which employees live and work in areas where there is a lower cost of living. As such, employees do not need to be in the main office and the workforce is distributed in a way to maximize the effectiveness of the organization. Benefits of implementing a distributable workforce for FHWA included the following:

- Increased applicant pool with more qualified applicants
- Increased employee morale
- Lower turnover, as employees now feel that they can advance in the organization without relocating to Washington, D.C.

Finally, telework programs provide benefits to employees. Examples of these benefits include the following:

- **Less time commuting:** Teleworkers who work at home 50% of the time gain back 2-3 weeks' worth of time in a year. This time can be spent with families, on personal business, or can be used to work<sup>14</sup>.
- **Employees save money:** Employees who telework half time would save from \$2,000 to \$7,000 per year in gas and other work costs<sup>Error! Bookmark not defined.</sup>.
- **Increased work/life balance:** When employees telework, they are often able to schedule work in a way that can meet their personal or family needs and spend less time away from home, thereby increasing their work/life balance.

## What Telework Solutions Can Benefit TDM and Transportation Organizations?

As described, there are many benefits to organizations that can be provided through the introduction of telework programs. While it may seem that telework programs can be easily implemented, there are important factors that must be considered. For example, organizations should identify potential barriers to implementing telework programs, including both organizational barriers (e.g., technology changes, job compatibility with telework) and employee barriers (e.g., lack of understanding telework, managing teleworkers) and develop ways to overcome these barriers. Organizations should also make sure that the telework program is working and change or adapt it to ensure long-term sustainability. Developing a strong, formalized telework program will help ensure that it is effective and will help



organizations, both on an everyday basis and when an emergency necessitates its use. The following sections provide guidance on how to motivate and provide resources and guidance to organizations to implement successful telework programs.

## Telework Promotion

Each teleworking employee takes cars off the road, especially during peak rush hours. The ability for employees to telework is controlled by their employers and so each organization needs to be motivated to implement a telework program in order to increase the prevalence of teleworking employees throughout a region. As discussed, there is a serious business case for telework. Organizations with formal telework programs benefit from increased employee retention and morale, increased productivity, reduced overhead costs, and decreased absenteeism. Many top organizations already embrace a distributable workforce by having a formal telework program in place with a large percentage of their workforce teleworking or able to telework when the need arises<sup>15</sup>. Despite the increasing prevalence of telework, many business leaders do not understand the full extent of advantages that a distributable workforce and telework can bring and are not motivated to encourage or implement a telework program within their organizations. Leaders need to hear about and understand the incredible benefits for their organizations and their employees in order to persuade them to take action.

Appropriate and tailored strategic communications can help a range of organizations (i.e., small to large companies across a wide variety of industries) realize the value of a formal telework program and be motivated to implement one. A multi-modal approach to promotion can help maximize the number of organizations targeted and allow for messages tailored at different levels. Some examples of ways to promote telework include websites, webinars, social media, industry articles, and information packets. Each of these methods can be effective ways to spread the word about telework advantages and best practices and a combination of many or all modes maximizes the success of a campaign to increase the number of teleworking organizations and employees.

A centralized website with telework information and resources can be created and disseminated to interested organizations. This website can be used to house information targeted to organizations looking for more information on telework, leaders wanting to establish a telework program, or employees interested in starting or improving a telework arrangement. Social media and other advertising methods (e.g., radio spots) can be used to promote telework. These advertisements can feature teleworking tips, promotion of the website URL, and answers to frequently asked questions (FAQs). Hosting webinars is a cost-effective way to educate a large number of organizations on the benefits and best practices of successful telework programs. Webinars can be used for advertising (i.e., focusing on telework benefits and motivating organizations to implement programs), training companies on how to implement a program, or they can be used as a resource to collectively discuss and overcome challenges to teleworking arrangements. Information packets can be developed and distributed to interested organizations. These packets can include example policies, example preparation tools (e.g., criteria to identify eligible jobs and employees, supervisor checklist to complete prior to starting an arrangement), information about best practices, and common pitfalls to avoid.

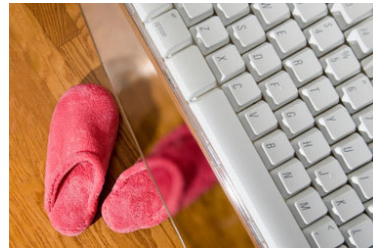
## Telework Implementation

Once an organization wants to implement a telework program, it is important to take certain steps to set up and execute a formal program to ensure the success of the program. When telework is considered, many organizations immediately look to technology as the solution. Although technology is certainly an essential component of a successful telework arrangement, the success often hinges on the appropriate preparation, implementation, and evaluation of telework

policies, teleworkers, and managers. The establishment of a formal program with a priori planning is essential, yet organizations that want to implement a telework program often do not take the time and steps to appropriately establish a formal program. Additionally, organizations may already have employees who are teleworking non-formally, but could greatly benefit from setting up policies and training to maximize the success of the program. Doing this properly takes resources (e.g., hiring a telework consultant, allocating a staff person as a telework manager), but the advantages and cost savings of a successful program far outweigh the initial costs.

Setting up a new or formalizing an existing telework program maximizes the benefits to organizations, employees, and the environment while minimizing issues with the program. Establishing a formal program involves the following processes:

- Determine telework eligibility
- Delineate telework policies and procedures
- Train employees and provide support
- Evaluate the success of the telework arrangement
- Provide telework resources.



Each of these tasks is described in the sections that follow.

### **Determine Telework Eligibility**

Not all jobs and tasks are able to be performed remotely and not all employees are able to successfully telework. For example, a barista at a coffee shop performs many tasks (e.g., making and serving a latte) that cannot be done virtually; thus that position or specific tasks could not be eligible for telework. That said, most positions have at least some tasks that could be eligible for telework on a sporadic or as-needed basis. For example, a coffee shop manager could order supplies or conduct performance appraisals from home when a blizzard forces a store to close or on a regular, periodic basis. In addition to position and task eligibility, person eligibility should be considered prior to commencing a telework arrangement. A poor performing employee who needs close monitoring would not do well in a telework arrangement and should not be eligible. It is important for organizations to identify the jobs and personnel appropriate for telework based upon their position and person-specific criteria.

### **Delineate Telework Policies and Procedures**

Establishing clear telework policies provides the parameters, standards, rules, and expectations for both employees and the organization to follow in preparing and implementing a telework arrangement. Established policies provide consistency throughout the organization and increase trust and perceived fairness from employees. Telework policies may be written around the following topics:

- |  |   |
|--|---|
| <ul style="list-style-type: none"> <li>▪ Telework Eligibility</li> <li>▪ The Remote Office             <ul style="list-style-type: none"> <li>- Telework location</li> <li>- Safety</li> <li>- Equipment</li> <li>- Technology</li> <li>- Security</li> </ul> </li> <li>▪ Teleworkers' Responsibilities</li> </ul> | <ul style="list-style-type: none"> <li>▪ Supervisors' Responsibilities</li> <li>▪ Telework Procedures             <ul style="list-style-type: none"> <li>- Telework schedule</li> <li>- Work hours</li> <li>- Performance</li> <li>- Communication</li> <li>- Dependent care</li> </ul> </li> </ul> |
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Telework policies are often paired with a telework agreement. The agreement outlines the policies and each employee must sign the agreement before the commencement of a teleworking arrangement. Signing the telework agreement indicates that an employee understands and agrees to all policies contained in the agreement. The establishment of formal policies and an agreement proactively avoid and legally protect organizations from potential issues.

### **Train Employees and Provide Support**

Preparing for a successful telework arrangement requires employees to be well-trained on the details of their organization's telework policy, criteria for eligibility, roles and responsibilities, and expectations for maintaining high performance. Teleworkers, as well as non-teleworkers, will need to be highly competent with the new processes and procedures that will be implemented to facilitate remote communication. Regular and clear communication about all aspects of an organization's telework program, including strategy and policies, and open acknowledgement of the challenges is essential to building trust and avoiding misperceptions. Additionally, ensuring all employees are familiar with the telework policies, even employees who do not plan to telework regularly, maximizes the success and use of telework in emergency situations (e.g., natural disasters that prohibit ability to travel to work).

### **Evaluate the Success of the Telework Arrangement**

Even the most successful telework arrangement requires monitoring and some tweaks to adjust for new technology, new teleworkers, changes in culture, and other organizational and societal changes. Regular evaluation of a telework program ensures that the program is maximizing its benefits to both the organization and its employees.

The first stage in evaluation should be at the beginning of the process, starting with piloting the program to a subset of employees with close monitoring of the performance and satisfaction of teleworking employees and their managers. After the telework program has been implemented, it is important to regularly (e.g., once per year) evaluate its success, including measuring return on investment (ROI), and identify areas for improvement. Across all stages of evaluation, managers should evaluate employees' performance on results, such as products, services provided, or accomplishments, since it will be difficult to observe activities and behaviors. Monitoring performance includes measuring performance and providing feedback.

### **Provide Telework Resources**

Some organizations or MPOs may not want hands-on telework implementation assistance, but are in need of information about telework. Creating a clearinghouse or repository of telework resources, including documentation of research articles outlining telework benefits and best practices to example policies and tools, can serve as a resource to such organizations. These resources can be used to further "sell" telework programs to organizations and employees or help implement or formalize existing programs. Equally important to gathering a large amount of valuable telework resources is the organization and presentation of the information. It is essential to ensure that telework information is presented in a logical, easy-to-understand and easy-to-navigate way. For example, information may be organized by different audiences, such as organizational leaders (e.g., who want to implement a program), employees (e.g., who want to start or improve their personal telework arrangement), and transportation organizations (e.g., who want to implement or support telework across a large number of organizations). This repository can be housed on the telework website that was discussed previously.



## About ICF International

ICF is a financially strong research, management, and policy consulting firm with more than 4,500 employees, headquartered in Fairfax, VA. We are a multidisciplinary firm with a nationwide reach, operating more than 50 offices in the United States and abroad. ICF has a 45-year history of successful performance on government and commercial contracts. Forty-two percent of our full-time staff have advanced degrees (e.g., Master's , Ph.D.) and we have experts in telework implementation and research, transportation and TDM, emergency management, and strategic communications.

- ICF's **Center for Workforce Research and Performance (CWRP) Group** specializes in conducting studies of workforce and management challenges faced by organizations and the individuals within those organizations, such as telework arrangements.
- ICF's **Transportation Group's** TDM experts take a broad perspective to TDM, using innovative approaches to enhance 511 traveler information, manage parking, improve urban design and land use planning, and shift trips to off-peak periods.
- ICF's **Emergency Management Group** serves government, nonprofit, private sector, and community leaders in the design, implementation, and evaluation of disaster preparedness and response policies, programs, and systems.
- ICF's **Strategic Communications Group** has consistently been ranked among the top in government and social education public relations and is in the top 15 largest in the nation.

Our telework, TDM, emergency management, and strategic communications teams at ICF can work together to help motivate and prepare organizations to create a distributable workforce by implementing effective telework programs that significantly reduce VMT, prepare organizations to sustain operations in times of emergencies, and experience other organizational, environmental, and employee benefits of telework programs.

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