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## Eyes on Business

# Send workers home to boost productivity

**Businesses, employees benefit when telecommuting is an option**

**Premium content from Sacramento Business Journal - by Larry Mandelberg, Contributing writer**

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While organizations scramble to balance overworked staff with the increasing demands of a slowly building recovery, telecommuting is shifting from novelty to necessity.

According to a survey conducted by the Computing Technology Industry Association in 2008, "Companies that give their workers the option of telecommuting are benefiting from greater productivity, lower costs, more options for finding and retaining qualified staff, and improved employee health."

While the concept of managing virtual workers can have negative connotations, the aging of Generation Y and advent of Millennial workers are impacting the workplace in profound ways. These workers are demanding control over their work-life balance and are willing to leave their employers if they don't get it — even in this economy.

The good news is that if you do it right, your organization will benefit greatly by reducing turnover, improving morale and increasing productivity — without increasing costs. In fact, costs are often reduced.

The successful creation of virtual positions in your organization has three key aspects.

## **Operational**

Look at all the things your organization is doing operationally and determine whether those activities must be done in a central location or if they can be done remotely through electronic connectivity. Identify the jobs and tasks that are well suited to being done electronically.

Shifting a position, or part of a position, from in-house to virtual requires a number of actions to ensure all parties benefit. The two most important are to establish clear “virtual work” policies and procedures and to create hardware and software support mechanisms.

Compliance must be handled up front to ensure you are obeying all laws and minimizing potential liability. Wage and hour laws, Occupational Safety & Health Administration rules, workers’ compensation issues, the Americans with Disabilities Act and leave of absence policies are just a few of them.

Virtual work also requires a different approach to confidentiality and protection of proprietary information. Discrimination is another area to be careful with as it is easy to unwittingly create a virtual work policy that discriminates even though there was no intent to do so.

## **Financial**

While the creation of virtual work programs can appear to be a lot of work, setting them up is a one-time activity, while the benefits last for years.

Virtual employees need no centralized space, so office space requirements shrink with every task that transitions to virtual. Besides physical space, virtual workers don’t use electricity, heat or air conditioning in the employer’s office.

A virtual work force reduces demand for direct supervision, leading to a reduction in middle management and fixed overhead.

One of the most often overlooked benefits is reduction of turnover. Studies have consistently shown that the reason most employees leave their job is an inability to develop a good working relationship with their manager. Working virtually changes the entire managerial paradigm and eliminates the opportunity for the type of friction often cited as the reason for these poor relationships.

Managing a virtual work force does require enhanced skills. But these skills are easily taught, learned and implemented by competent managers, which leads to yet another benefit.

Developing a virtual program helps to identify and weed out the least efficient managers while increasing the skills of the best ones. Fewer managers can then provide oversight and accountability for larger groups of workers, thereby creating a greater return on all management-level positions.

The simplest way to think about implementing a virtual position for your organization is:

- Diminishing up front, one-time setup costs
- Ongoing reduction of overhead and labor costs through economies of scale
- Increased profitability resulting from increased productivity.

## **Cultural**

Perhaps the greatest benefit of a virtual program is the positive emotional changes that result from eliminating micro-management and trusting workers to deliver the results they were hired to deliver.

Most companies that have tried virtual positions benefit from fewer internal politics and better relationships among co-workers.

Having a virtual element in an organization promotes concise and precise communications resulting in fewer mistakes, a phenomenon often attributed to less socializing in the office.

The subtlety of these benefits can hide their far-reaching effects. It becomes easier to hire better people and more difficult for underachievers to survive. In other words, it helps to elevate the internal sense of quality and pride throughout the organization.

## **Bottom line**

Telecommuting has grown strong roots and is going to be a part of your future if you want to stay in business. You won't be able to avoid it much longer and there's certainly nothing you can do to stop it. Telecommuting is coming to a place near you. The decision you will be forced to make is not if, but when, to start implementing it.

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