

Telecommuting Guidelines for Exempt Employees

Table of Contents

BACKGROUND.....	3
TELECOMMUTING PRINCIPLES AND GROUND RULES	4
TELECOMMUTING PRINCIPLES.....	4
TELECOMMUTING GROUND RULES	4
SELECTION CONSIDERATIONS.....	5
TELECOMMUTER CHARACTERISTICS	6
MANAGING SUPERVISOR CHARACTERISTICS.....	6
EQUIPMENT CONSIDERATIONS	7
MANAGEMENT GUIDELINES.....	8
PERFORMANCE MANAGEMENT AND APPRAISAL	8
TIMEKEEPING/REPORTING AND LIABILITY	8
OVERTIME	8
COMPENSATION AND BENEFITS.....	8
INFORMATION AND SECURITY	8
HOME ENVIRONMENT FOR TELECOMMUTERS.....	9
SAFETY AND ON-SITE INSPECTIONS	9
GENERAL ENVIRONMENT	9
HOME ADJUSTMENTS	10
TELECOMMUTING AGREEMENT.....	10
TELECOMMUTING ASSESSMENT FORM.....	11

Background

Increasingly, employers are finding that allowing employees to work at home or at alternate work locations, can in fact result in increased productivity and job satisfaction, and are aligned with business strategies. Telecommuting is one of the most important options in providing a flexible work environment for employees as well as an important tool to ensure continuation of business activities despite natural disasters such as earthquakes or major transportation modifications. Additionally, telecommuting acknowledges that performance and completion of job activities can be done successfully from locations other than the primary company locations, and in some instances, may be more effective if done on customer premises or within customer proximity.

This flexible work option is known by a variety of terms such as “telecommuting,” “flexiplace,” “telework,” “location-independent work,” or “work-at-home.”

Telecommuting is the partial or total substitution of telecommunications technology for the trip to and from work. Simply put, it is moving the work to the workers, instead of the workers to the work.

This document is intended to provide clear and consistent guidelines to work teams currently using telecommuting, and for groups who wish to consider it.

From a Human Resources perspective, the company views telecommuting as a management tool that can contribute to a more effective working environment, and a way to retain, attract, reward and develop our employees.

Even as telecommuting provides new solutions to employee problems such as commuting issues, it also can present tangible advantages to the company. These advantages may include productivity increases, increased customer satisfaction, expanded recruitment pool, and floor space reduction. In addition, by allowing employees more individual flexibility over their work hours and workplace, organizations can gain increased flexibility and responsiveness – recognized as key to success in today’s competitive marketplace.

The following pages of this document provide principles and suggested guidelines to help assist work groups in determining if telecommuting is feasible; and where it is so, for successfully implementing telecommuting.

The following principles and guidelines are evolving and subject to change by the company at any time.

Telecommuting Principles and Ground Rules

Telecommuting Principles

(Assumptions which govern telecommuting at _____.)
Company

- ◆ Telecommuting is a cooperative management arrangement between supervisor and employee, not an entitlement, and is based on:
 - The needs of the job, work group and company.
 - The employee's past and present levels of performance.
- ◆ Jobs suitable for telecommuting are characterized by clearly defined tasks and deliverables. A telecommuter's performance is measured by results, not work location.
- ◆ Each telecommuting arrangement will be cost-justified, subject to cost-benefit tracking and reviewed for continued mutual benefit at regular intervals.
- ◆ Each telecommuting arrangement is jointly agreed upon between supervisor and employee; telecommuting is voluntary and may be terminated, at-will, at any time, by either the company or the employee.
- ◆ **Supervisors are responsible for compliance with this policy and for ensuring that all telecommuters have signed Telecommuting Agreements.**
- ◆ Company-provided equipment at home is not an entitlement of telecommuting; depending on the job, equipment needs for telecommuters will vary from as little as phone, paper and pencil to as much as computer, modem, printer, data line and fax capability.
- ◆ Duplication of equipment is discouraged. Whenever possible, telecommuters should move their office computer equipment to their home, or trade in their personal computer for a laptop.

Telecommuting Ground Rules

(Basic terms of telecommuting at _____.)
Company

- ◆ The telecommuting work option is presently available to exempt employees only.
- ◆ Telecommuters' salaries, job responsibilities, benefits and company sponsored insurance coverage do not change as a result of telecommuting.
- ◆ Telecommuters will have regularly scheduled work hours agreed upon with their supervisors.
- ◆ Telecommuters will be as accessible as their on-site counterparts during their agreed upon regular business hours, regardless of work location. In order to increase accessibility, telecommuters should have access to a telephone at home or a pager. Telecommuters and their supervisors should agree upon how telecommuters can ensure they are accessible to their clients, customers, and co-workers, and the response time for returning phone calls. For example, they should use voice mail greetings that reflect their daily work schedule or use pagers as appropriate.
- ◆ Telecommuters who work at home will have a designated workspace agreed to by the company, maintained by the employee. This workspace will be subject to supervisor visits upon request by the supervisor or employee, and with the permission of the employee, to ensure that safe work conditions exist. Telecommuters will be generally responsible for absorbing any costs related to remodeling and initial set-up (e.g. furniture) of the designated workspace. Telecommuters will be responsible for the ergonomics of their home offices.

- ◆ Telecommuters will take all precautions necessary to secure proprietary information in their home, and from wherever they work, and prevent unauthorized access to any company system.
- ◆ Telecommuters may, at the company's discretion, be provided with telecommuting equipment (e.g. computer, modem, printer, telephone access line) as agreed upon between the supervisor or department and employee, and based on business need. Such equipment will remain the property of the company.
- ◆ Telecommuters' tax implications related to the home workspace are the responsibility of the employee. Telecommuters are advised to discuss any such issues with their tax advisor.
- ◆ Telecommuters who work at home will manage dependent care and personal responsibilities in a way that allows them to successfully meet job requirements.
- ◆ Telecommuters and their supervisors will jointly sign a Telecommuting Agreement that can be terminated at any time by either the company or the employee. Telecommuters and supervisors should identify specific goals, completion dates, and measurements for work performed by the telecommuter. Both the supervisor and the telecommuter have the responsibility to ensure that the identified tasks are completed at minimum in the same quality manner and with the same timeliness commensurate to the work done in the office.
- ◆ The misuse of company time and/or company-provided equipment will be grounds for terminating the telecommuting agreement.

Selection Considerations

Each telecommuting arrangement should be jointly agreed upon between supervisor and employee. There are three selection criteria that should be considered while assessing the feasibility of telecommuting in a particular work group:

- ◆ The characteristics of the job,
- ◆ The characteristics of the individual telecommuter, and
- ◆ The characteristics of the managing supervisor.

Job Characteristics

Which jobs are most suited for telecommuters? According to Gil Gordon, national telecommuting consultant:

“Jobs with a higher degree of predictability, jobs that allow measurement of beginning and end points, and jobs in which the need for interaction with people is predictable are suitable. At the heart of many failed telecommuting attempts are attempts to integrate jobs that don't fit.”

Generically, jobs well suited for telecommuting have the following characteristics:

- ◆ Low face-to-face communication requirements (communication can be easily handled over the telephone, voice mail, electronic mail or facsimile).
- ◆ Individual already works alone handling information, such as writing, reading, telephoning, planning, computer programming, word processing, and data entry.
- ◆ Clearly defined tasks and deliverables.
- ◆ Measurable work activities.

- ◆ Objectives with identifiable timeframes and check points.
- ◆ Content versus process-oriented.
- ◆ Tasks requiring concentration and/or large blocks of time when the employee works independently of others.
- ◆ Can be performed without close supervision.
- ◆ Minimal requirements for special equipment.

Telecommuter Characteristics

Telecommuting can pose a problem of reduced management supervision over employees as work is distributed to various semi-autonomous workstations. Perhaps the best way to solve this problem is for managers to select their telecommuters by carefully gauging the compatibility of telecommuting with specific skills. The best telecommuters are strong performers with a high knowledge of the job, and who are self-disciplined, highly motivated, and comfortable being alone. Those who need constant direction, are inclined to overwork, or who do not like isolation, make poor telecommuters. Telecommuting is generally not for the employee who is marginal or just learning his/her job.

It is recommended that telecommuters have the following set of characteristics regardless of their reasons for wanting to telecommute. These traits include:

- ◆ Proven ability to perform and high job knowledge.
- ◆ Self-motivation, self-discipline, self-direction.
- ◆ A desire to make telecommuting work.
- ◆ Above average managerial skills (e.g. good planning and organization skills, efficient in managing time, high level of communication skills, ability to establish and meet clear standards and objectives, etc.).
- ◆ Won't miss office interaction too much; data suggests that a person who likes to be alone would work at home successfully with relatively few adjustments.

Managing Supervisor Characteristics

Just as critical to the success of a telecommuting arrangement, is the role of the managing supervisor. As with a telecommuter, there are prevalent traits that help telecommuting work. They are:

- ◆ An open, positive attitude toward telecommuting.
- ◆ A mutual trust and respect in ongoing relations with the telecommuter.
- ◆ Above average organizational and planning skills.
- ◆ The ability to establish clear objectives and measurements (ability to evaluate results).
- ◆ Provides feedback regularly.
- ◆ Facilitates an open channel for communication.
- ◆ An innovative and flexible approach to managing subordinates.

Equipment Considerations

Telecommuting need not require computers or sophisticated telecommunications equipment, although such equipment may be deemed essential for some jobs, and may enhance the amount and effectiveness of telecommuting that can occur in other jobs. Depending on the job, equipment needs for telecommuters vary from as little as a phone, paper and pencil to as much as computer, modem, printer and fax capability.

Equipment and space considerations are essential elements of assessing the potential costs and benefits of telecommuting for work groups considering it. For example, since nearly all telecommuters work at home on a part-time basis, one attractive option growing in popularity is shared portable equipment (e.g. a department sharing a portable laptop computer).

The need for telecommuting equipment is determined on a case-by-case basis by supervisor and employee. The company will not provide telecommuting equipment and/or access lines unless it is justified based on the needs of the business and the nature of the work assignment.

The following are additional guidelines for establishing network, data and/or equipment service in the home:

- ♦ The company, at its sole discretion, may choose to provide equipment and related supplies for use by the employee while telecommuting, or may permit use of employee-owned equipment subject to company rules and limitations.
- ♦ The decisions as to type, nature, function and/or quality of electronic hardware, modems, systems access, data and phone lines shall rest entirely with the company.
- ♦ The employee agrees that the use of equipment, software, data and supplies provided by the company for use at the employee's residence and/or remote location is limited to authorized persons and for purposes related to business for the company.
- ♦ In the event that the company deems that the employee's job assignment no longer necessitates/requires in-home equipment services, or discovers abuse of company time or equipment, or the employee is terminated, the employee is obligated to return all company-owned equipment, software, data, and supplies. The decision to remove or discontinue the use of such equipment rests entirely with the company. The company does not assume and liability for loss, damages, or wear of employee-owned equipment.
- ♦ The employee agrees to designate an appropriate workspace within his/her remote work location for placement and installation of any company-provided equipment.
- ♦ It is permissible for approved telecommuters to take a reasonable number of office supplies (pens, pencils, stationery, envelopes) home for telecommuting.
- ♦ The company will reimburse the telecommuter 100% of all business-related phone calls while telecommuting.
- ♦ The company may at any time change any or all of the conditions under which employees are permitted to telecommute and the company will not be liable for employee's costs, including but not limited to any investment in furniture or equipment for the designated workspace.

Management Guidelines

Performance Management and Appraisal

A major concern for some managers may be the supervising and performance evaluation of off-site employees. When it comes to evaluating and off-site employee's work, two primary criteria should be:

1. Quality of work, and
2. Completion of projects.

This involves managing by objectives and results rather than monitoring. The suggested advice given by many consultants to ensure successful telecommuting:

“Set up a plan for what is to be accomplished over 90 or 180 days, then judge all employees, whether they come to the office or telecommute, by whether those goals are met, not by the amount of time spent on the job.”

Timekeeping/Reporting and Liability

The telecommuter and his/her supervisor should agree upon a schedule of regular work hours. This is important for the purpose of defining a telecommuter's shift period during which the company has liability for job-related accidents or illnesses and during which workers' compensation laws apply. If a schedule is not agreed upon, the work hours are assumed to be 8:00 a.m. to 5:00 p.m., Monday through Friday. Any change in work hours or work location should be reviewed and approved by the telecommuter's supervisor in advance.

Overtime

It is expected that, as exempt employees of our company, employees may be required to work beyond the customary 40 hours per week to ensure successful completion of job responsibilities. This applies to telecommuters as well as on-site employees.

Compensation and Benefits

Employee salary, benefits and company-sponsored insurance coverage will not change due to telecommuting.

Information and Security

The same security requirements that apply to on-site workers apply to telecommuters. The telecommuting employee is responsible for ensuring such security. As with all employees, supervisors are responsible for ensuring that telecommuters sign all appropriate agreements regarding confidentiality, trade secrets, and inventions. Remote access to company computer systems may call for special security measures.

The basic principles include, but are not limited to:

- ◆ Information is a valuable company asset and must be protected from unauthorized, incorrect or accidental access, use, modification, destruction or disclosure.
- ◆ Employees will be held accountable for securing information by taking reasonable and prudent measures to safeguard information on a routine basis.
- ◆ Information will be protected by the employee in a manner consistent with its business value, in all forms (e.g. paper, verbal, video, computer) throughout its life cycle.

Home Environment for Telecommuters

If an employee is to work at home on a regular basis, adequate space and a proper home environment are essential. The decision of where to locate a workstation will be made by the employee, and he/she is responsible for absorbing any costs related to remodeling and initial setup. A dedicated workspace is highly recommended. This will enable the telecommuter to make the physical arrangements recommended in this section. It will also have the psychological advantage of allowing the employee to separate work and home, a consideration that experienced telecommuters have found helpful.

Safety and On-Site Inspections

The employee has the responsibility to maintain his/her home workspace in a safe condition, free from hazards or other dangers. The employee agrees that the company reserves the right to visit the employee's home workspace for the purpose of determining that it is safe and free from hazards. The company does not assume any liability for loss, damage or wear of employee-owned equipment, furniture, etc.

General Environment

The same ergonomic thinking applied to a company office should be considered when creating a home office. The following is a list of recommendations to be taken into account.

- ♦ Noise – Many homes have higher noise levels than offices. Locate work site away from sources of noise, conversation and traffic—kitchen, family room, laundry room, etc.
- ♦ Work Surface – Glare-free surface with rounded corners and proper height (preferably adjustable).
- ♦ Monitor Display Surface – Screen placed so that no excessive head or eye movement from normal line of sight is required to see screen, especially if screen is used often.
- ♦ Visual Accessibility – Clear, convenient access to all materials/items used frequently. Entire area should be free from obstacles—you shouldn't have to look over, around, or behind something to see what you're working on.
- ♦ Reach and Position – Position materials in a hierarchical order—ones used most often should be closest. Also, keeping things in a certain place enhances the feeling of order and organization.
- ♦ Chair – Probably the most important part for the work area, the chair affects posture, circulation, and amount of energy spent to maintain a given position.
- ♦ Lighting – If using display terminal, keep light sources (lamps/windows) out of direct line of sight. Position screen so light isn't reflected back from light sources. Minimize surfaces that reflect light or glare.

Home Adjustments

Telecommuting from home may require adjustments to individual lifestyle and family patterns. Employees need to be aware of the problems others have experienced and evaluate them in accordance with their own circumstances to ensure that both they and the company will benefit from the telecommuting experience. Considerations include:

- ◆ “Training” of the family is needed to prepare for a work-at-home arrangement.
- ◆ Some individuals experience increased stress because of conflicting work and non-work responsibilities.
- ◆ Studies of those working at home indicate that some felt they had problems with physical habits at home: they ate more, drank more coffee, and smokers smoked more.
- ◆ Work-at-home may facilitate some flexibility in family care, however, telecommuting is not an alternative to family care, and major changes in current child or elder care arrangements are not advised.
- ◆ Frequent or full-time telecommuters may initially feel isolated, and they need to make adjustments in their communication patterns (e.g. using voice mail or electronic mail).

Telecommuting Agreement

I have read and understand the attached *Telecommuting Guidelines*, and agree to the duties, obligations, responsibilities, and conditions for telecommuters described in that document.

I agree that, among other things, I am responsible for establishing specific telecommuting work hours, furnishing and maintaining my remote work space in a safe manner, employing appropriate telecommuting security measures and protecting company assets, information, trade secrets and systems. I also understand and have completed the *Telecommuting Assessment Form*.

Employee's Signature

Date

Telecommuting Assessment Form

1. Remote Work Location

Employee Residence: _____

Employee Home Telephone: _____

Description of workspace at remote work location: _____

2. Telecommuting Schedule

On a weekly basis as follows: _____

On a monthly basis as follows: _____

No regular schedule (separate permission for each telecommuting day): _____

3. Regular Telecommuting Work Hours:

From _____ to _____.

4. Company assets to be used at remote work location (Description & ID Numbers):

5. Company Information Systems to be accessed from remote work location:

6. Non-company equipment, software and data to be used at remote work location:

7. Other:

Employee's Signature

Date