

Executive Summary

Valley Metro commissioned WestGroup Research of Phoenix to conduct a telephone survey of Phoenix-area employers to measure awareness, attitudes, and current business practices regarding telework as a work option.

A total of 501, 10-minute surveys were completed with human resource directors, personnel managers, administrators, owners, vice presidents, and presidents of Phoenix-area employers with six or more employees in July and August 2008. Approximately 20% of the sample came from employers with six to ten employees, 20% with 11 to 20, 20% with 21 to 49, and 40% with 50 or more employees. The results for the study, however, are weighted to reflect the actual proportions for these employer sizes in the total population of businesses in Maricopa County (39% 6-10; 26% 11-20; 18% 21-49; 17% 50+). All respondents were screened to make sure they were the person in charge of local staffing and employment issues. The margin of error for the total sample is $\pm 4.5\%$ at a 95% confidence level.

Perception of Important Valley Issues Facing Businesses

- In 2008, the two most important issues for employers are the economy (43%; up significantly from 6% in 2006) and rising gas prices (35%; up significantly from 17% in 2006).
- As more employers focus on economic issues, the importance of recruiting and retaining employees (36% to 22%), as well as issues regarding traffic congestion (22% to 14%), has significantly declined since 2006.

Awareness and Status of Telework

- Two out of five employers (39%) indicate their employees work overtime at home and nearly one-half (49%) report that their employees have access to their company's computer network from home.
- The reported percentage of employees who work overtime from home and also have access to the company computer network from home has continued to rise (24% in 2004, 27% in 2006 and 31% in 2008).
- Six in seven employers (86%) indicate they are familiar with the term "telecommuting."
- The percentage of employers in Maricopa County currently offering teleworking to their employees increased slightly from 24% in 2006 to 26% in 2008 and the percentage who have considered it, but remain unsure if they will offer it, also increased from 9% to 13%. Employers with 50 or more employees are most likely to offer telework (45% vs. 25% of those with fewer than 50 employees).

- Slightly more than three in seven employers (43%) are considered to have the potential to offer telework as an alternative work schedule option; this is up from 39% reported in 2006 and is the same potential as reported in 2004.
- According to the population projections, the number of employers currently allowing telework at their organizations in the Valley has increased from 5,750 in 2001 to 8,995 in 2008.
- Overall, the number of employers that currently have potential for telework (i.e., currently allow, will allow, or considered and are undecided) has increased from 10,000 in 2001 to 14,910 in 2008 (and up from 12,350 in 2006).

Organizations Supportive of Telework

- Three in ten employers who currently allow employees to telework report that the program began within the past two years, down slightly from 2006 (30% vs. 35%). Organizations began allowing their employees to telework an average of four years ago.
- Those who started a program in the last three years were asked where they went for assistance in setting up their program. The majority of these employers (61%) indicate they did not turn to an outside source, but handled the transition internally. Two percent (2%) indicate they turned to Valley Metro for assistance.
- Four percent (4%) of all employers report they do not currently have a telework program, but intend to offer telework in the future.
- As in previous years, a desire to accommodate the employee need to balance work and personal demands (19%) and to increase productivity (18%) were the primary reasons for allowing telework. In addition, this year more employers mention the convenience of teleworking and time savings as factors (both at 13%).
- It also appears that increased gas prices have triggered more employers to look at telecommuting as an option, with 9% mentioning it for the first time.
- The mix of telework options offered by employers with telework programs has not changed significantly since 2001. However, there was a slight increase between 2006 and 2008 in the percentage of employers indicating they allow full-time teleworking (32% to 37%) and teleworking on an “as needed” basis (83% to 87%).
- The average percentage of employees reportedly allowed to telework at Valley businesses with a telework program is 41%. The percent of those reported to actually telework is at 34%. Both of these percentages represent an increase over 2006 (allowed up 35% to 41%; actual up 30% to 34%).

- The vast majority of employers look at an employee's job responsibilities when deciding whether or not to allow that employee to telework (57%).
- As in previous years, Maricopa County employers are most likely to report that their telework program is "informal" or allowed on a "case by case" basis (79% of organizations that allow/will allow/or allowed in the past).
- Connectivity continues to be a key factor for teleworking at most organizations. Access to email accounts (91%) and organizational work files (90%) remain the two most commonly provided services for teleworkers today.
- Reported support for telework among organizations currently allowing teleworking increased at all levels between 2006 and 2008 (up three to 12 points) and more closely reflect percentages reported in 2004. The highest level of reported support is among senior management (69% giving a "4" or "5" rating). The greatest shift from 2006 to 2008 was the level of support from co-workers increasing from 50% to 62%.
- As in previous years, employers are most likely to report that telework has had a positive impact on employee morale (78% gave a "4" or "5" rating; down two points from 2006), work/life balance for their employees (76% down ten points from 2006), and employee productivity (76% up one point from 2006).
- Among organizations that have a current telework program or had one in the past, three-fourths of employers report their program was/is successful (74% gave a "4" or "5" rating; "5" = "very successful").
- Interestingly, employers at smaller companies are more likely than those at larger companies to give their program a high successful rating (82% vs. 57%). In fact, approximately one in six of the larger employers with telework programs gave low or "unsuccessful" ratings (16% "1" or "2" ratings).
- When employers were asked why they thought their telework program was successful (those rating the program a "3", "4", or "5"), three in ten (31%) mention that it improves productivity and an additional 26% state that they are not experiencing any problems, overall it is just a good program.
- Only twelve organizations report that their program is unsuccessful (giving a "1" or "2" rating). Five of the 12 companies attribute the lack of success due to not having a formal policy and that not everyone in the office is allowed to telework.
- Seven in eight employers report that telecommuter work performance is not measured differently than work performed by employees who do not telework (88%).

- Almost three in ten employers that currently offer teleworking, or have in the past, report that their organization would be expanding their telework program (31% up from 26% in 2004 and 2006).
- One-third of organizations that are planning to expand their telework program do not foresee any barriers during the process of expansion (33%). The barriers that do concern employers are lack of jobs suitable for teleworking (21%) and budget constraints (12%), both increasing in mentions this year.
- Those not planning on expanding their telework programs were asked to indicate the major factors preventing such action. The lack of teleworkable tasks and not having eligible employees are the top two factors mentioned (23%).

Non-Telework Organizations

- More than half of organizations currently without a telework program (54%) indicate they have some jobs that could be accomplished by teleworking (or 37% of all employers).
- The number of employers in Maricopa County who have the potential to add telework programs has increased by 30% (from 9,990 to 12,950), while the total number of employers increased by only 10% when the net potential percentages are applied to the population estimate of all employers (35,000).
- Organizations that currently do not allow teleworking, but believe there are some jobs that could be done while teleworking, are most likely to indicate that employees might be able to telework on as “as needed” (44%) or part-time basis (33%).
- Similar to previous years, the main reason some organizations do not allow teleworking is that the employer believes the nature of the job responsibilities are not conducive for telework (70%).
- Support for telework among employers who do not currently offer a telework option increased or stayed the same at all levels from 2006 to 2008. The highest level of reported support is among co-workers (34% giving a “4” or “5” rating), while the lowest level was among “middle management” (18%).
- One in five employers not currently allowing telework are likely to consider or reconsider offering it in the future (21% rating likely or very likely), increasing from 2006 by five percentage points.
- Approximately three in seven organizations that will allow telework in the future along with those that are likely to consider offering telework in the next year indicate they would be interested in a tool that would assess their return on investment from a telework program as well as acquiring more information and resources about teleworking (43% and 41% respectively).

- When asked what outside source they would turn to for assistance, one in four employers who are likely to consider a program in the future (27%) indicated they would most likely turn to someone inside their company.
- Approximately three-fourths of employers who were willing to consider offering a telework program in the next year (74%) indicate they have the IT expertise necessary in house to set up the connection between the office and the teleworker, slightly fewer than in 2006 when 80% felt they had the expertise to do so.

Miscellaneous Information

- One in five employers (21%), indicate that their employees and/or job applicants ask about the availability of teleworking.

Conclusions and Recommendations

1. As concerns about the economy and rising gas prices dominate the issues facing local employers, teleworking, more than ever before, is a critical work option provided by many employers in Maricopa County. The potential for telework to be incorporated by more organizations also continues to increase. This is reflected in the increase in organizations offering teleworking, the increased percentage of employees taking advantage of the option, the perceived positive impact telework has on the organization and its employees, as well as the increased number of employers currently without a program that are considering implementing one.
2. With the overall increase in the percentage of employers with telework programs, there also was a shift toward more teleworking on an “as needed” basis and away from more formal program elements. With a notable portion of employers indicating that rising gas prices prompted them to allow telework, it may be that some organizations rather quickly decided to allow telework without taking the time to establish more formal policies.
3. Although the majority of employers with telework programs rated their program as successful, it is disconcerting that less than one-third of large employers rate their program as “very” successful and one in six believe their program is not successful. It appears that an opportunity exists for Valley Metro to provide increased assistance to TRP affected companies in building more successful telework programs.
4. Although sample sizes are small, it is fairly clear that a formal telework policy and program elements, as well as support for telework at all levels within an organization, are critical components of a successful telework program.
5. Once again, employers currently without a telework program are more likely to recognize that at least some of the jobs within the organization are telecommutable on an “as

needed” or part time basis than they were in the past. In addition, more employers are positioning themselves in the “undecided” category, meaning the door for telework continues to remain open and/or is being opened at many organizations in Maricopa County.

6. There is a very positive response from employers currently without telework programs to the possibility of having access to a tool that could help them evaluate the return on investment of a telework program as well as interest in receiving more information about teleworking. This high level of interest represents an important opportunity for Valley Metro.