

Employer Telework Study

Prepared for:

Valley Metro
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Table of Contents

<u>Section:</u>	<u>Page #:</u>
Executive Summary and Conclusions	ii
I. Introduction.....	1
A. Background and Methodology.....	1
B. Respondent Characteristics.....	2
II. Perception of Important Valley Issues Facing Businesses.....	3
III. Awareness and Status of Telework.....	6
A. Working at Home.....	6
B. Familiarity with Telecommuting	7
C. Status of Teleworking	8
IV. Organizations Supportive of Telework.....	13
A. History of Telework.....	13
B. Scope of Telework Options	19
C. Support for Telework.....	26
D. Impact of Telework.....	28
E. Success of Telework Program	30
F. Measurement of Work Performance.....	34
G. Future of Telework	35
V. Non-Telework Organizations	38
A. Compatible Jobs.....	38
B. Reasons Teleworking Not Allowed.....	41
C. Support for Telework Among Non-Telework Employers	42
D. Reconsidering in Upcoming Year.....	44
E. Outside Sources for Information and Assistance.....	45
F. Employee or Prospective Employee Requests.....	50
Questionnaire	Appendix A
Cross Tabulations.....	Under Separate Cover

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, not surprisingly, 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%).
- As in 2006, the average percentage of employees reportedly allowed to telework at Valley businesses is 35%. For the first time, the percent of those reported to actually telework essentially matches the percentage of employees who are allowed (34% up from 30% in 2006).

- 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.

I. Introduction

A. Background and Methodology

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 teleworking 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 during July and August 2008. All were screened to make sure they were the person who is in charge of local staffing and employment issues. Trained and experienced interviewers made calls from the WestGroup Interviewing Center. The margin of error for the total sample is $\pm 4.5\%$ at a 95% confidence level.

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+). The Maricopa Association of Governments provided the sample database for employers with six to 49 employees. The sample database for employers with 50 or more employees was provided by Valley Metro from Maricopa County's Trip Reduction Program's (TRP) list of employers with more than 50 employees. All respondents were selected at random.

The following report summarizes the results of the cross-tabulated results of the survey and includes tracking data from similar studies conducted in 2001, 2004 and 2006. Differences between organizations with and without a current telework program are discussed, as are differences between 2001, 2004 and 2006 findings. The cross-tabulated results for this study are available under separate cover.

B. Respondent Characteristics

As in the past, two-thirds, or 66%, of respondents interviewed in 2008 were female. The main industries represented in the study include manufacturing (10%), construction (9%), retail (8%), healthcare (7%), and hospitality (5%).

Table 1: Respondent Demographics

Characteristic	2008 Total (n=501)	2006 Total (n=517)	2004 Total (n=409)	2001 Total (n=403)
Gender				
Male	34%	32%	33%	36%
Female	66%	68%	67%	64%
Number of Employees (Weighted %)				
6-10	39%	39%	40%	40%
11-20	26%	26%	25%	25%
21-49	18%	18%	17%	17%
50+	17%	17%	18%	18%
Industry				
Manufacturing	10%	10%	10%	13%
Construction	9%	7%	4%	6%
Retail	8%	9%	10%	12%
Healthcare	7%	8%	7%	4%
Hospitality	5%	5%	6%	6%
Distribution	4%	3%	5%	4%
Finance/banking	4%	3%	2%	4%
Real Estate	4%	3%	-	-
Sales	3%	6%	5%	2%
Service	3%	4%	6%	16%
Education	3%	4%	3%	3%
Non-profit	3%	3%	2%	3%
Automotive	3%	-	-	-
Food and beverage	3%			
Transportation	2%	4%	3%	-
Computer	2%	-	-	-
Property management	2%	2%	-	-
Legal	2%	2%	-	-
Engineering	2%	-	-	-
Insurance	2%	2%	2%	2%
Advertising	2%	2%	2%	-
Don't know	1%	4%	-	-
Other	17%	17%	15%	9%

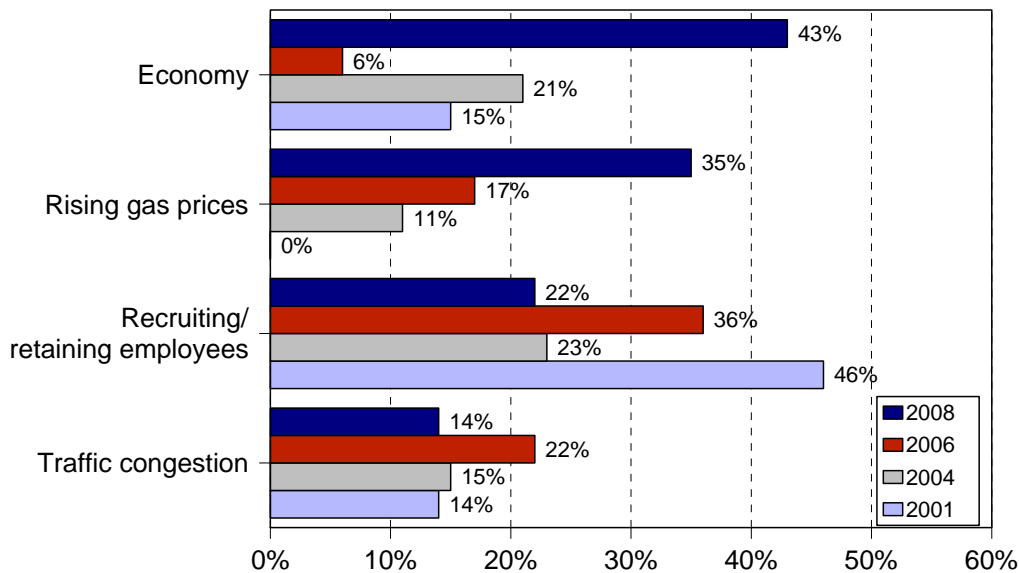
II. Perception of Important Valley Issues Facing Businesses

There has been a significant shift in the perceptions of employers regarding important issues facing Valley businesses this year. **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, as well as issues regarding traffic congestion, has significantly declined since 2006.

Overall, smaller companies (those with fewer than twenty employees) are more likely to be concerned with the economy and a competitive business environment than their larger counterparts (50% compared to 30% respectively). Additionally, companies that allow teleworking are more likely to be concerned about attracting and keeping good employees (28% vs. 18% of those not allowing teleworking).

Most Important Issues for Businesses

What do you think are the TWO most important issues facing businesses in the Valley today?



(2001 n=403; 2004 n=409; 2006 n=517;n=501)

Table 2a: Top Two Important Issues for Businesses - 2008

Issues	2008 Total (n=501)	Telework Status	
		Offer telework ¹ (n=161)	Do not offer telework ² (n=340)
Economy	43%	38%	46%
Rising gas prices	35%	35%	34%
Recruiting/retaining high quality work force	22%	28%	18%
Traffic congestion/ transportation	14%	17%	13%
Labor costs/Salaries/wages/cost control/overhead costs	7%	10%	6%
Demand	4%	4%	4%
Benefits/affordable healthcare	4%	4%	4%
Growth and development	3%	3%	3%
Immigration	3%	2%	3%
Retention	2%	4%	1%
Taxes	2%	2%	2%
Competitive business environment	2%	2%	2%
Decline in housing industry	2%	2%	2%
Making a profit	2%	1%	2%
Customer service	2%	2%	1%
Quality of life for employees	2%	1%	2%
Other *	10%	11%	10%
Don't know	10%	8%	10%

*Q1: First of all, what do you think are the TWO most important issues facing businesses in the Valley today? *Indicates consensus of 1% or less.*

¹ This column represents a combination of businesses that currently allow telecommuting, those that allow it but have no employees currently telecommuting and those that have considered telecommuting as an option and have decided to allow it. This compilation is used frequently throughout the report; deviations from this format are specifically noted where appropriate.

² This column combines the responses of employers currently not offering the option to telecommute, those who have considered the option and have not decided whether or not to allow it, and employers that have not taken telecommuting into consideration. This compilation is used frequently throughout the report; deviations from this format are specifically noted where appropriate.

Table 2b: Top Two Important Issues for Businesses - Tracking

Issues	2008 Total (n=501)	2006 Total (n=517)	2004 Total (n=409)	2001 Total (n=403)
Economy	43%	6%	21%	15%
Rising gas prices	35%	17%	11%	-
Recruiting/retaining high quality work force	22%	36%	23%	46%
Traffic congestion/ transportation	14%	22%	15%	14%
Labor costs/Salaries/wages/cost control/overhead costs	7%	4%	5%	8%
Benefits/affordable healthcare	4%	3%	3%	5%
Demand	4%	-	-	-
Growth and development	3%	7%	3%	4%
Immigration	3%	-	-	-
Competitive business environment	2%	6%	4%	4%
Taxes	2%	5%	3%	2%
Quality of life for employees	2%	3%	5%	2%
Decline in housing industry	2%	-	-	-
Retention	2%	-	-	-
Profitability	2%	1%	2%	5%
Customers/customer service	2%	1%	2%	4%
Low wages	1%	2%	-	-
Road construction	1%	-	-	-
Crime/safety	-	1%	2%	-
Advertising/marketing	-	-	2%	2%
Other**	8%	7%	17%	4%
Don't know	10%	3%	25%	15%

Q1: First of all, what do you think are the TWO most important issues facing businesses in the Valley today? **Indicates consensus of 1% or less.

III. Awareness and Status of Telework

A. Working at Home

Overall, three in ten employers indicate their employees both work overtime at home and have access to the computer network from home (31% up from 27% in 2006). Specifically, 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 - two issues that indicate potential for teleworking at organizations. When looking at 2008 compared to previous years, the reported percentage of employees working overtime has only increased slightly; however, the percentage of employees having access to their organization's computer network has significantly increased (36% in 2004, 40% in 2006 and 49% in 2008).

Not surprisingly, employers who offer telework as a work option are significantly more likely than those who do not to report that their employees both work overtime at home and have access to the computer network (65% have both vs. 15% of those who do not offer telework). Similarly, larger organizations (those with 50 or more employees) are more likely to report that employees both work overtime at home and have access to the network (49% vs. 29% of those with 49 or fewer employees).

Table 3: Working at Home During Non-Work Hours

Responses	2008 Total (n=501)	2006 Total (n=517)	2004 Total (n=409)	2008	
				Offer telework (n=161)	Do not offer telework (n=340)
NET YES TO BOTH	31%	27%	24%	65%	15%
Employees work overtime at home	39%	37%	37%	69%	25%
Access to computer network from home	49%	40%	36%	86%	31%

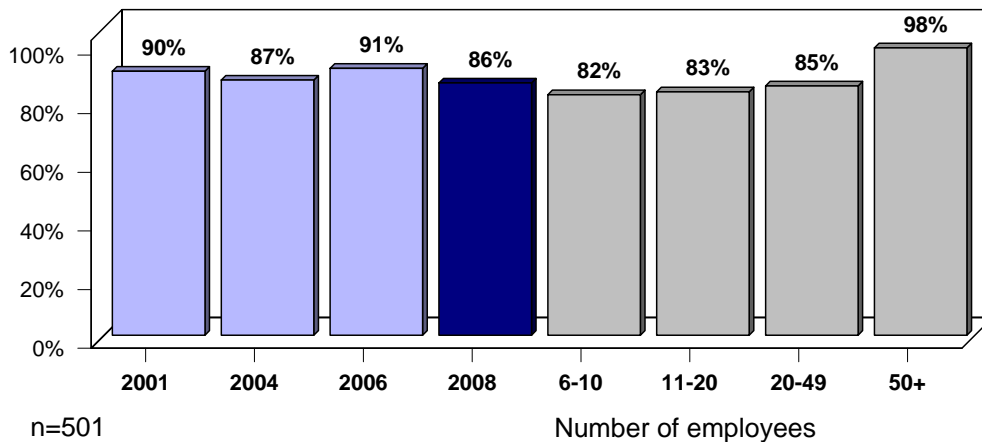
Q2-2b: To the best of your knowledge, do any of your employees ever work overtime hours at home and/or work at home during non-scheduled work hours? Q2b: Do any of your employees have access to your organization's computer network and their work files from home?

B. Familiarity with Telecommuting

In 2008, familiarity with the term “telecommuting” has declined slightly compared to previous years. Six in seven employers (86%) indicate they are familiar with the term. Familiarity is highest among large employers (98% for companies with 50+ employees). Awareness of the term is significantly higher among employers who currently allow telework than among those who do not; however, the majority of those who do not allow telework are still familiar with the term (95% of those allowing telework vs. 81% of those who do not).

Familiarity with "Telecommuting" Term

Are you familiar with the term "telecommuting"?



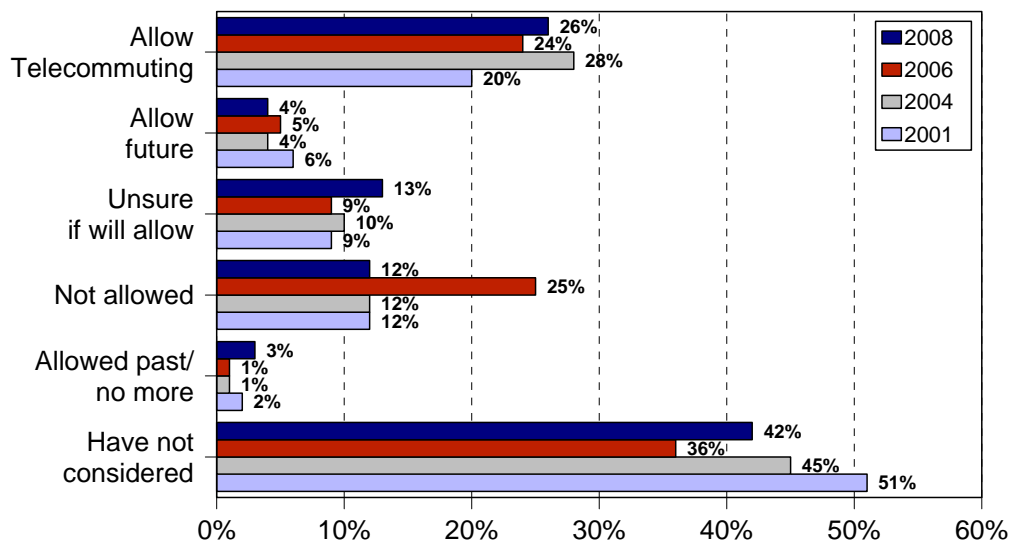
C. Status of Teleworking

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 but remain unsure if they will offer it also increased from 9% to 13%. Employers with 50 or more employees, not surprisingly, are most likely to offer telework (45% vs. 25% of those with fewer than 50 employees).

Interestingly, the percentage of employers who report that they have considered telework as a work option and have decided not to allow telework decreased from 25% in 2006 to 12% in 2008, reflecting the same level reported in 2004 and 2001. However, there is a significant increase in the percent of employers who indicate they have not considered telework at all for their organization (42% vs. 36% in 2006).

Status of Teleworking

Which of the following conditions best describes the status of telecommuting at your organization?



(2001 n=403; 2004 n=409; 2006 n=517; n=501)

Tables 4a, 4b, 4c and 4d also show a “Net Potential” category. This is comprised of employers who have the greatest potential to have a telework program – employers who currently allow telework, those who are going to allow it in the future, and those who have considered it but remain undecided. **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 an increase from 2006 (39%), but is comparable to the potential reported in 2004.** Large companies (those with 50 or more employees) have the greatest potential for having a telework program (65% vs. 40% for smaller companies).

Table 4a: Status of Teleworking

Responses	2008 Total (n=501)	2006 Total (n=517)	2004 Total (n=409)	2001 Total (n=403)
Net Potential (allow, will allow, considered but unsure)	43%	39%	42%	n/a
Have not considered	42%	36%	45%	51%
Allow telecommuting	26%	24%	28%	20%
Have considered but unsure if will allow	13%	9%	10%	9%
Have considered/ will not allow	12%	25%	12%	12%
Have considered/ will allow in the future	4%	5%	4%	6%
Allowed in the past, but no longer	3%	1%	1%	2%

Q4a-f: Which of the following conditions best describes the status of telecommuting at your organization?

Table 4b also shows that employers with fewer than fifty employees are notably less likely to have considered telework for their employees than larger organizations (46% vs. 20%). Similarly, larger organizations are the most likely to allow telework (45%) and **it appears that as the size of the company increases, so does the likelihood that telework would be offered.**

Table 4b: Status of Teleworking – 2008

Responses	2008 Total (n=501)	Size of Employer-2008*			
		6-10 (n=101)	11-20 (n=100)	21-49 (n=100)	50+ (n=200)
Net Potential (allow, will allow, considered but unsure)	43%	33%	43%	43%	65%
Have not considered	42%	52%	46%	37%	20%
Allow telecommuting	26%	16%	26%	29%	45%
Have considered but unsure if will allow	13%	13%	14%	9%	16%
Have considered/ will not allow	12%	12%	9%	19%	12%
Have considered/ will allow in the future	4%	4%	3%	5%	4%
Allowed in the past, but no longer	3%	4%	2%	1%	2%

*Data in columns for size of employer are not weighted. The total column is weighted.

Table 4c shows the projected number of employers and the status of teleworking at the organizations when the percentages from the study are applied to the total population of employers with six or more employees. According to Maricopa Association of Government estimates, there are approximately 35,000 employers with six or more employees in Maricopa County. Table 4d shows the breakdown by size of company for 2008.

According to the population projections, the number of employers currently allowing teleworking 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).

Table 4c: Status of Teleworking

Estimated Projections to Population of Employers with 6 or more employees

Responses	2008 Total (35,000) ±5%	2006 Total (32,000) ±5%	2004 Total (29,000) ±5%	2001 Total (28,600) ±5%
High TC Potential	14,910 (43%)	12,350 (39%)	12,180 (42%)	10,000 (35%)
♦ Allow telecommuting	8,995 (26%)	7,680 (24%)	8,120 (28%)	5,750 (20%)
♦ Have considered/ will allow in the future	1,330 (4%)	1,725 (5%)	1,160 (4%)	1,725 (6%)
♦ Have considered but unsure if will allow	4,585 (13%)	2,945 (9%)	2,900 (10%)	2,550 (9%)
Low TC Potential	20,090	19,650	19,430	20,825
♦ Have not considered	14,770 (42%)	11,425 (36%)	13,050 (45%)	14,875 (52%)
♦ Have considered/ will not allow	4,375 (12%)	7,875 (25%)	3,480 (12%)	3,400 (12%)
♦ Allowed in the past, but no longer	945 (3%)	350 (1%)	290 (1%)	300 (1%)

Percentages and population estimates have been rounded down to prevent an exaggerated sense of accuracy with the estimates.

Table 4d: Status of Teleworking by Size of Company
 Estimated Projections to Population of Employers with 6 or more employees

Responses	2008 Total* (35,000) ±4.5%	2008 Number of Employees**			
		6-10 (13,650) ±10%	11-20 (9,100) ±10%	21-49 (6,300) ±10%	50+ (5,950) ±7.1%
High TC Potential	14,910 (43%)	4,460 (33%)	3,910 (43%)	2,705 (43%)	3,865 (65%)
♦ Allow telecommuting	8,995 (26%)	2,155 (16%)	2,365 (26%)	1,825 (29%)	2,675 (45%)
♦ Have considered/ will allow in the future	1,330 (4%)	545 (4%)	270 (3%)	315 (5%)	205 (4%)
♦ Have considered but unsure if will allow	4,585 (13%)	1,760 (13%)	1,270 (14%)	565 (9%)	980 (16%)
Low TC Potential	20,090 (57%)	9,185 (67%)	5,185 (57%)	3,590 (57%)	2,080 (35%)
♦ Have not considered	14,770 (42%)	7,025 (52%)	4,185 (46%)	2,330 (37%)	1,190 (20%)
♦ Have considered/ will not allow	4,375 (12%)	1,620 (12%)	815 (9%)	1,195 (19%)	740 (12%)
♦ Allowed in the past, but no longer	945 (3%)	545 (4%)	180 (2%)	60 (1%)	145 (2%)

**Weighted percentages and population estimates have been rounded down to prevent an exaggerated sense of accuracy with the estimates. **unweighted data*

IV. Organizations Supportive of Telework

A. History of Telework

1. Length of Time Telework Allowed

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%). The largest percentage of employers indicates their telework program began three to five years ago (45%). Four years ago is the average number of years organizations began allowing their employees to telework.

Table 5: Length of Time Teleworking Allowed at Organization

Time	2008* Current Program Began (n=129)	2006* Current Program Began (n=124)	2004* Current Program Began (n=114)	2001 Current Program Began (n=90)
Within past year/ Less than 1 year	16%	14%	15%	17%
1-2 years ago	14%	20%	18%	33%
3-5 years ago	45%	26%	38%	26%
6+ years ago	16%	33%	19%	13%
Don't know	9%	7%	10%	11%

Q5: How many years ago did you begin allowing your employees to telecommute?

(Among those who allow or have allowed telecommuting).

**In 2004, 2006 and 2008, this was only asked of those with a current telework program. Previous years included those who currently had a program as well as those who had had one in the past.*

Table 6 shows that employers with more than twenty employees implemented teleworking earlier, with 23% indicating that they let their employees work from home six years ago. In 2008, we see that smaller companies (those with fewer than ten employees) are more likely than larger organizations to have started a telework program within the past year, with 38% reporting they have recently started allowing their employees to telework.

Table 6: Length of Time Teleworking Allowed at Organization – 2008

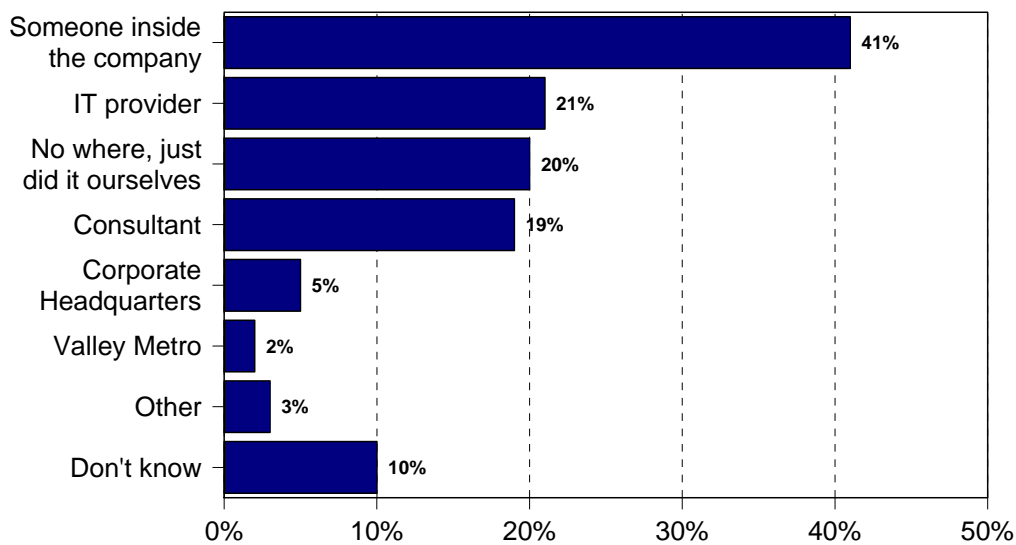
Time	2008 Total (n=129)	Size of Employer-2008*			
		6-10 (n=16)	11-20 (n=26)	21-49 (n=29)	50+ (n=90)
Within past year/ Less than 1 year	16%	38%	15%	7%	4%
1-2 years ago	14%	19%	15%	17%	8%
3-5 years ago	45%	31%	54%	55%	42%
6+ years ago	16%	6%	12%	21%	23%
Don't know	9%	6%	4%	-	22%

*Data in columns for size of employer are not weighted. The total column is weighted.

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. One in five employers indicate they used an outside source, either an IT provider (21%) and/or a consultant (19%). A small percentage turned to their corporate headquarters for assistance (5%), and a few indicate they asked for assistance from Valley Metro (2%).

Telework Program Assistance

Where did you go for assistance in setting up your telework program?



(n=59; Among those who began allowing their employees to TC within past 3 years)

Thirteen employers reported that they had allowed teleworking in the past, but no longer do so. Eight of the thirteen employers had allowed teleworking for less than a year before it was terminated.

2. *Steps in Development of Telework Program*

Nineteen employers (4% of employers) report they do not currently have a telework program, but intend to offer teleworking in the future. These employers were asked what steps they were going to take when they set up their telework programs. Seven of the nineteen employers had not thought that far or did not know what steps they would take, but the remaining employers share their plans below:

Probably follow the parent company's lead.

We're meeting with a consultant, and we're actually working on something and designing software with the consultant.

We only have three employees, so whatever works, we would take that route.

We're developing some different avenues of business.

Just get the information we need and proceed with it. Getting information off the Internet.

Make the network accessible from home.

We're just looking at the jobs that can telework at this time.

Evaluate the needs of it and see what employees can. More research to see if it's feasible.

The exempt employees, hard to work from home.

Compressed workweeks, but since we couldn't offer it to everyone, we decided not to.

Need to outline some guidelines to track employee output. Ways to communicate with employees.

How to determine the schedule so that it is more compatible with morning shifts and evening shifts. Check out with the company next door to see if they want to participate as well.

3. *Main Reasons Teleworking Allowed*

Employers allowing telework (or who allowed in the past) were asked to name the top two reasons telework was started. **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 key factors (both at 13%).

Interestingly, each year fewer people are mentioning the need to stay in compliance with the TRP and other environment regulations as a reason to telework, decreasing from 22% in 2001 to only 5% in 2008. **However, it appears that increased gas prices have triggered more employers to look at telework as an option with 9% mentioning it for the first time.**

Top 5 Reasons Telework is Allowed

What are the main reasons your organization decided to allow telecommuting?

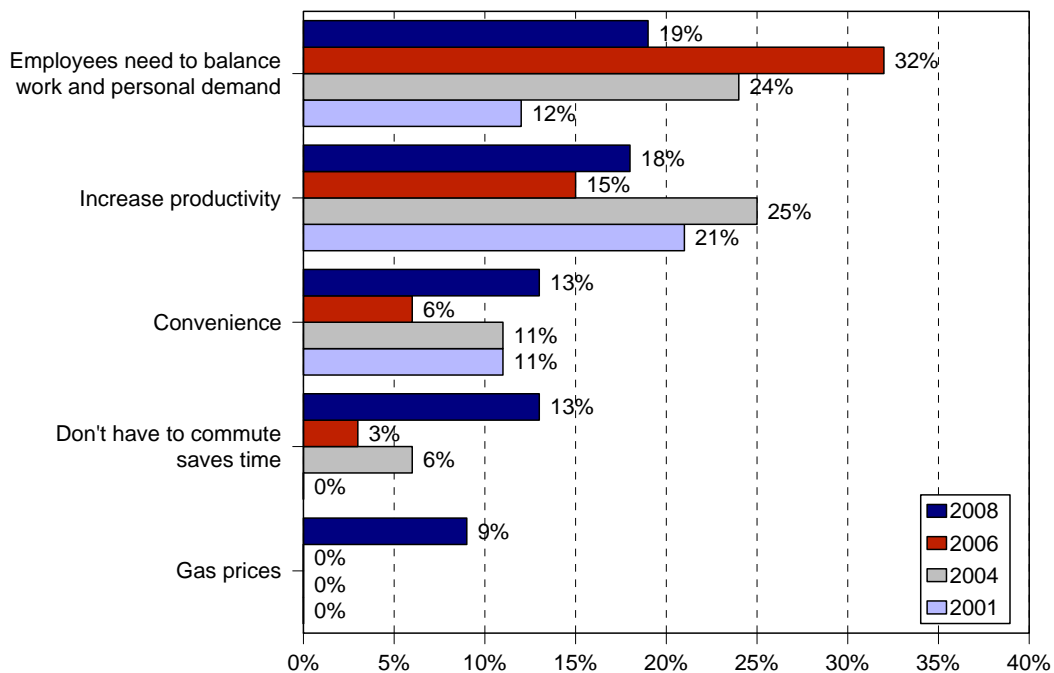


Table 7: Main Reasons Telework is Allowed

(Among those who allow teleworking, allowed in the past, or will allow in the future)

Main Reasons	2008 Total Allow TC (n=161)	2006 Total Allow TC (n=130)	2004 Total Allow TC (n=117)	2001 Total Allow TC (n=118)
Employees need to balance work and personal demands	19%	32%	24%	12%
Increase productivity	18%	15%	25%	21%
Convenience	13%	6%	11%	11%
Don't have to commute/saves time	13%	3%	6%	-
Gas prices	9%	-	-	-
Savings on office space costs	7%	8%	8%	10%
Needed/necessity (unspecified)	6%	-	-	-
To offer flexible schedule	6%	-	-	-
Improve employee retention	5%	11%	8%	8%
Compliance with environ. regs./TRP	5%	7%	12%	22%
Job lends itself to TC/work is able to be done from the office	5%	-	-	-
For certain/special projects	5%	-	-	-
Cost effective	5%	2%	5%	-
Employees request	4%	-	-	-
Improve employee morale	3%	5%	10%	2%
Go green/environment	2%	-	-	-
Work at home	2%	-	-	-
Improve customer service	2%	3%	-	-
Needed for employees who travel	1%	3%	-	-
Reduce absenteeism	-	8%	3%	1%
Improve recruiting	-	6%	8%	4%
Assist employees with disabilities	-	4%	-	4%
Work at night	-	3%	-	-
Other/Don't know/NA	13%	18%	16%	6%

Q11: What are the main reasons your organization decided to allow telecommuting? In 2008 question was changed from "two main reasons" to just "main reasons".

B. Scope of Telework Options

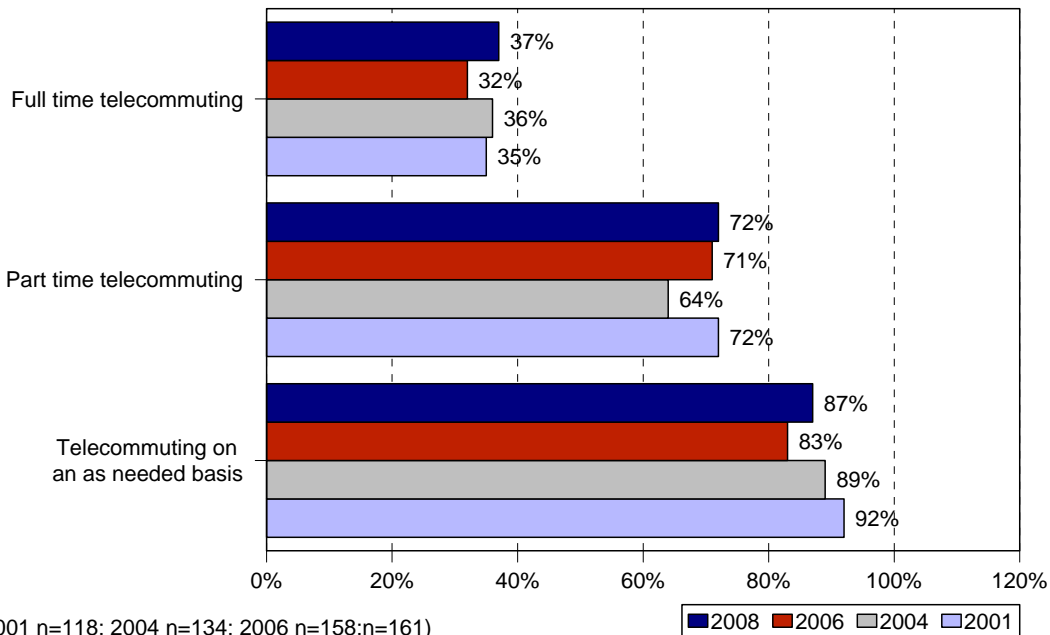
1. Telework Options

The mix of telework options offered by employers who have 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%). Currently, 37% allow full time teleworking, 72% allow part-time and the majority allows teleworking on an “as needed” basis (87%).

Telework Options

(Among those allowing telecommuting/allowed in the past /will allow in the future)

Which of the following telecommuting options DOES/WILL/DID your organization allow?

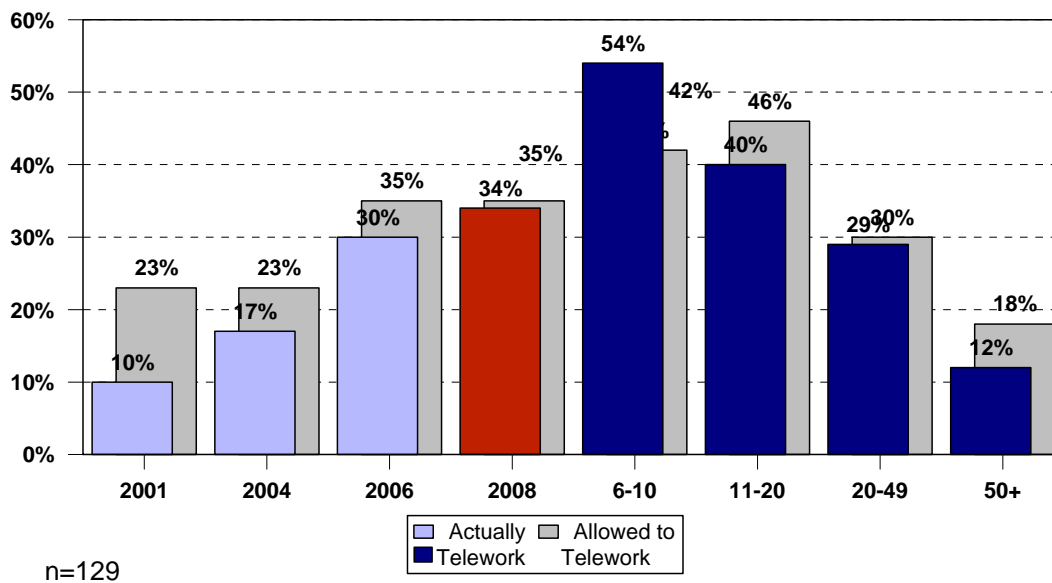


2. *Proportion of Employees Teleworking*

As in 2006, the average percentage of employees reportedly allowed to telework at Valley businesses is 35%. Interestingly, for the first time, the percent of those reported to actually telework essentially matches the percentage of employees who are allowed (34% up from 30% in 2006). The percentage of employees allowed to telework is notably higher at organizations with fewer than 20 employees (42% to 46%) than at organizations with more than 20 employees (18% to 30%). In addition, a larger percentage of employees at small organizations actually telework compared to the percentage at larger organizations.

Comparison of Employees Allows vs. Employees that do Telework

Among those currently allowing teleworking



3. *Determining Which Employees are Allowed to Telework*

The vast majority of employers look at an employee's job responsibilities when deciding whether or not to allow that employee to telework (57%). Considerably fewer employers mention the next two factors when determining an employee's ability to telework; 15% of employers look at the personality of the individual, analyzing each employee on a case-by-case basis, and 12% of employers indicate that anyone at their organization can telework.

Employers at large organizations (50+ employees) are more likely to report that the support of management and supervisors play a role when determining which employees are allowed to telework (14% vs. 5% of companies with less than 50 employees).

Table 8: Criteria to Determine Which Employees are Allowed to Telework - 2008

(Among those who allow teleworking, allowed in the past but no longer do, or will allow in the future)

Criteria	2008 (n=161)	Size of Employer			
		6-10 (n=24)	11-20 (n=31)	21-49 (n=35)	50+ (n=102)
Job responsibilities, position, job description	57%	62%	58%	54%	52%
Depends on the individual person being responsible, motivated, case by case	15%	12%	16%	17%	16%
No criteria, everyone is allowed	12%	12%	19%	11%	3%
Only if it's practical, useful, convenient, successful	7%	4%	6%	14%	6%
It's up to management, supervisor, president	7%	4%	6%	3%	14%
Depends on project, workload	5%	4%	3%	6%	6%
If they have computer access, internet	2%	-	6%	-	1%
Depends on distance from work to where they live	1%	-	-	3%	3%
If they have computer skills, know how to use computer	1%	-	-	6%	-
Tenure with company	1%	-	-	-	3%
Other	4%	4%	-	9%	3%
Don't know	8%	4%	6%	6%	16%

Qnew1: What criteria are used to determine which employees are allowed to telecommute and which employees are not allowed. Question added in 2008.

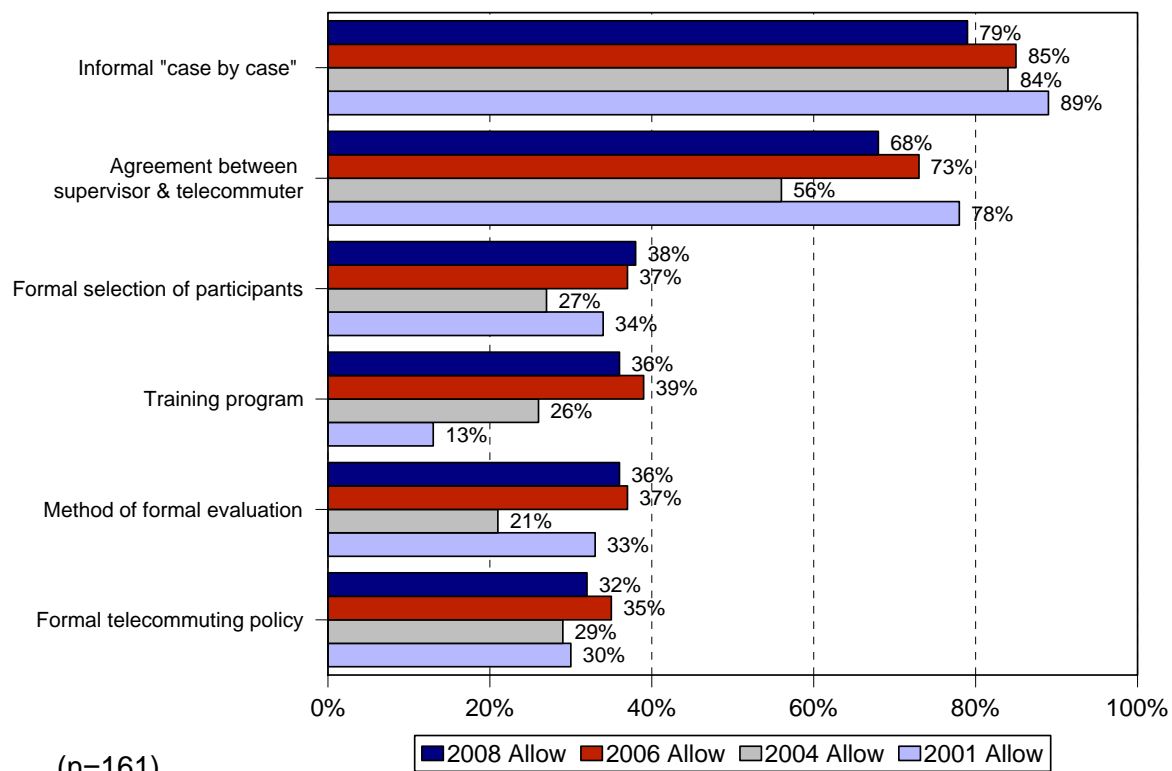
4. Program Elements

As in previous years, Maricopa County employers are most likely to report that their telework program is “informal” or is allowed on a “case by case” basis (79% of organizations that allow/will allow/or allowed in the past). Although not statistically significant, this percentage has declined from previous years (84%-89% in 2001-2006).

Overall, employers report having fewer formal telework elements in 2008 compared to 2006, with the exception of having a formal selection of participants (37% in 2006 to 38% in 2008).

Program Elements

(Among those allowing teleworking)



As shown in Table 9, large companies are most likely to have formal telework policies along with an agreement between their employees working out of the office and their supervisors, whereas mid-size companies with 21 to 49 employees are most likely to have a formal method of evaluation for teleworking.

Table 9: Program Elements - 2008
(Among those who allow teleworking, allowed in the past but no longer do, or will allow in the future)

Elements	2008 (n=161)	Size of Employer			
		6-10 (n=24)	11-20 (n=31)	21-49 (n=35)	50+ (n=102)
Informal "case by case" telecommuting	79%	75%	81%	83%	78%
Agreement between supervisor and telecommuter	68%	62%	55%	83%	77%
Formal selection criteria for participants	38%	50%	23%	43%	35%
Training program	36%	38%	36%	43%	30%
Method of formal evaluation	36%	42%	26%	49%	28%
Formal TC policy	32%	33%	19%	29%	43%

Q7: Which of the following program elements DID/DOES/WILL your company have?

5. *Resources Provided or Subsidized for Teleworkers*

As Table 10 indicates, **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.** More than three-fourths of employers (76%) provide or subsidize the necessary software for teleworkers and three in five (61%) provide/subsidize computers. Supplemental services such as Internet services and phone lines are less likely to be provided or subsidized. Small companies (6-10 employees) are least likely to offer any assistance to employees compared to organizations with at least ten employees (55% vs. 30%).

Table 10: Telework Equipment/Services Provided and/or Subsidized
(Among those who allow telework or will allow in the future)

Equipment	2001 (n=94)	2004 (n=132)	2006 (n=152)	2008 (n=148)
E-mail account access*	62%	86%	84%	91%
Access to org. network/work files	80%	88%	87%	90%
Software	81%	77%	66%	76%
Computer	54%	61%	55%	61%
High speed connection	43%	50%	43%	45%
Internet service at home*	-	48%	38%	37%
Additional phone lines	32%	35%	31%	32%

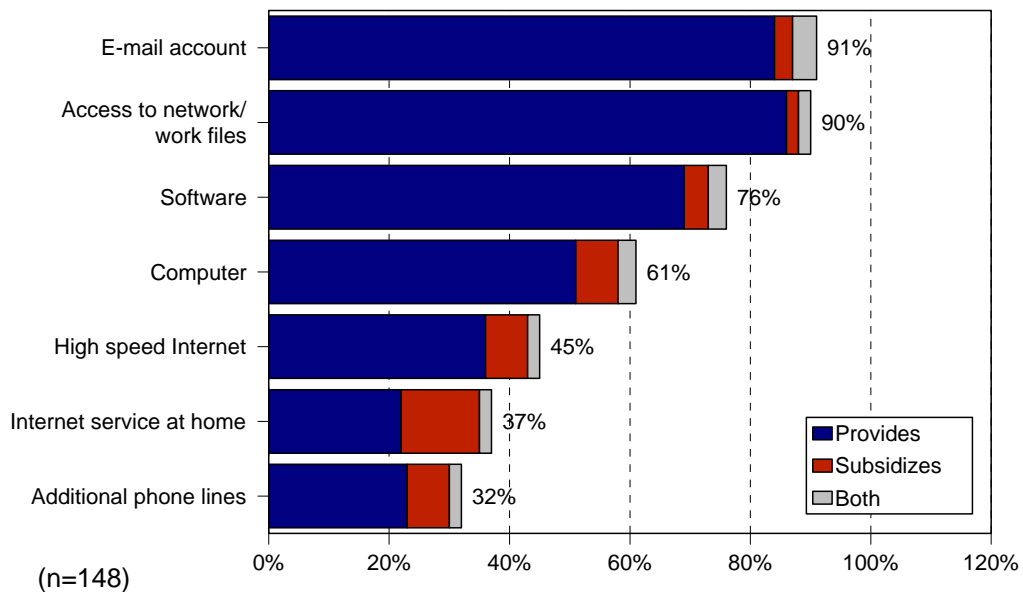
Q14: Which of the following DOES/WILL your organization provide or subsidize for telecommuters?

**In 2001, Internet service and e-mail account access were combined.*

The graph below shows that in all cases, organizations are most likely to provide the items used by teleworkers. Those services most likely to be subsidized are Internet service and additional phone lines.

Items Provided and/or Subsidized by Employers for Teleworkers

*Which of the following does/will your organization provide or subsidize for telecommuters?
Among those who currently allow or will allow telecommuting*



C. Support for Telework

Reported support for telework among organizations currently allowing teleworking increased at all levels between 2006 and 2008 (up 3 to 12 points) and more closely reflects the support 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 in the percentage of employers reporting a high degree of support from co-workers, increasing from 50% to 62%.

Interestingly, non-TRP affected organizations are more likely to report a high level of support at all levels in comparison to TRP-affected organizations (72% vs. 64% senior management; 67% vs. 48% middle management; 62% vs. 60% co-workers; 69% vs. 50% overall support).

Support for Teleworking- Among those allowing/did/will allow teleworking

Summary of 4 + 5 Rating, where "5" means "very supportive"

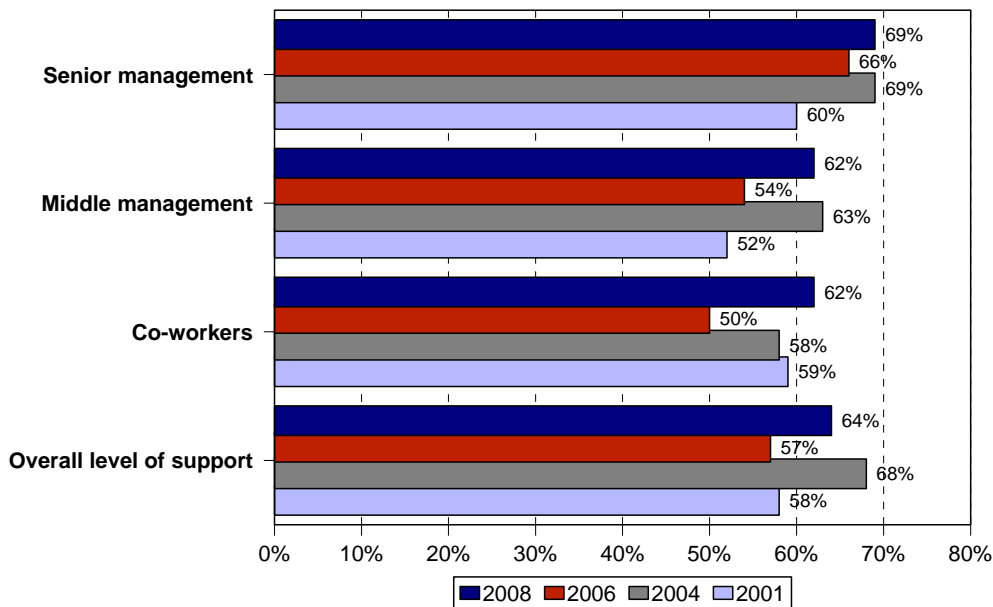


Table 11: Level of Support of Teleworking - 2008

(Among those who allow teleworking, allowed in the past but no longer do, or will allow in the future)

Groups (n=161)	Very Supportive			Not at all Supportive		Don't know	Avg. Rating
	5	4	3	2	1		
Senior management	52%	17%	14%	7%	7%	3%	4.0
Middle management	48%	15%	18%	7%	6%	7%	4.0
Co-workers	43%	18%	18%	6%	8%	6%	3.9
Overall level of support	40%	24%	23%	6%	5%	2%	3.9

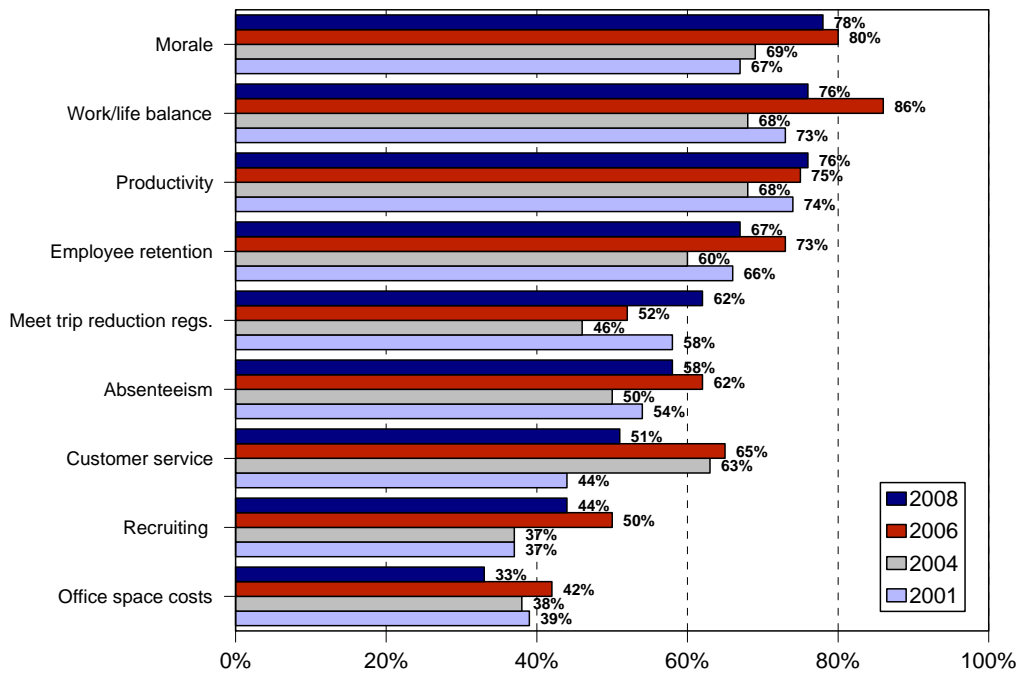
Q9a-d: Using a scale from 1 to 5 where 1 means "not at all supportive" and 5 means "very supportive," how would you rate the level of support for telecommuting among each of the following groups at your organization?

D. Impact of Telework

As in previous years, employers are most likely to report that teleworking 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). In general, the percent of employers reporting a positive impact on the organization from teleworking decreased on most measures when compared to 2006. The two measures that did increase are employee productivity from 75% to 76% and meeting trip reduction regulations, increasing significantly from 52% to 62%.

Impact of Teleworking

Summary of 4 + 5 Rating, "5" means "it had a very positive impact"



Employers with six to ten employees are most likely to report a highly positive impact on employee retention (78%) and absenteeism (72%). Large organizations are most likely to report a positive impact on office space costs (42%).

Table 12: Impact of Telework - 2008
(Among those who allow teleworking or allowed in the past –
Only includes those with an opinion and those giving a “4” or “5” rating)

Issues	2008 (n=161)	Size of Employer			
		6-10 (n=24)	11-20 (n=31)	21-49 (n=35)	50+ (n=102)
Employee morale	78%	80%	82%	70%	79%
Employees work and personal life balance	76%	68%	77%	79%	79%
Employee productivity	76%	75%	80%	82%	69%
Employee retention	67%	78%	64%	70%	57%
Progress toward TRP goals	62%	53%	68%	59%	70%
Absenteeism	58%	72%	52%	45%	56%
Improve customer service	51%	58%	48%	56%	42%
Recruiting employees	44%	42%	41%	46%	47%
Office space costs	33%	27%	35%	25%	42%

Q12a-i: To the best of your knowledge, after telecommuting was allowed at your organization, please describe the impact of telecommuting on each of the following issues. Rate each issue on a scale of 1 to 5 where 1 means it had a very negative impact and 5 means it had a very positive impact.

E. Success of Telework Program

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”). Employers at smaller companies, those with fewer than 50 employees, 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%).

Success of Telework Program

(Those who allow teleworking or allowed in the past and only those with an opinion)

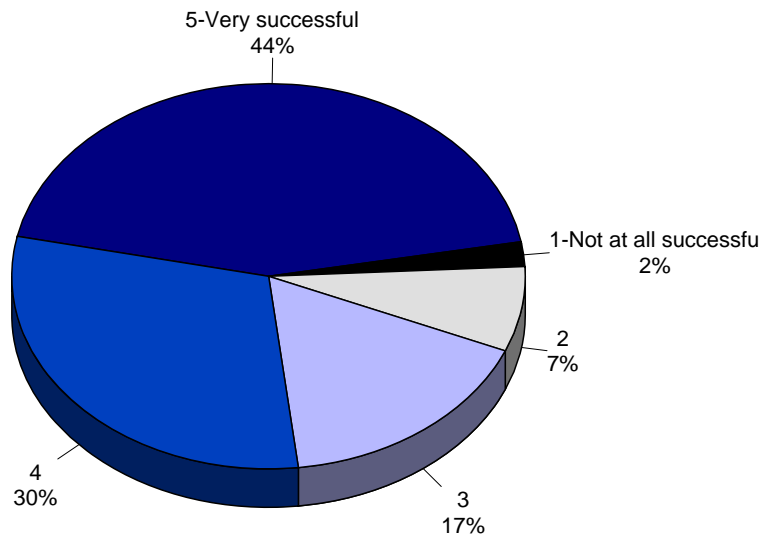


Table 13: Success of Telework Program - 2008

(Among those who allow telework or allowed in the past and only those with an opinion)

Rating	2008 (n=137)	Size of Employer			
		6-10 (n=20)	11-20 (n=27)	21-49 (n=29)	50+ (n=89)
NET Successful (4+5)	74%	80%	74%	90%	57%
5-Very successful	44%	60%	37%	48%	33%
4	30%	20%	37%	41%	25%
3	17%	10%	18%	10%	27%
2	7%	10%	7%	-	10%
1-Not at all successful	2%	-	-	-	6%

Q.New2: Using a 1 to 5 scale where a 1 means “not at all successful” and a 5 means “very successful”, please indicate how successful you believe your telecommuting program is/was.

When looking at the specific attributes of employers who rate their telework program as successful (“3” to “5” rating) compared to those who rate the program as unsuccessful (“1” or “2” rating), it is clear that there are several factors that provide insight into the reasons some programs are successful and others are not. However, it is important to keep in mind the small sample size of employers rating their programs as unsuccessful, and while most differences cited are not statistically significant, the consistency of the findings make them meaningful.

Table 14 shows that employers rating their program as unsuccessful are notably less likely than those with successful programs to indicate they have formal elements in their telework program, and are more likely to indicate their program is “informal.” Table 14b shows that the level of support for telework at all levels within the organization is lower at those with “unsuccessful” programs than it is as those with “successful” programs.

Table 14a: Program Elements by Success of Program

(Among those who allow telework, allowed in the past but no longer do, or will allow in the future)

Elements	Success Rating	
	“3-5” Rating (n=125)	“1” or “2” Rating (n=12)
Informal “case by case” telecommuting	81%	93%
Agreement between supervisor and telecommuter	67%	48%
Formal selection criteria for participants	36%	19%
Training program	35%	7%
Method of formal evaluation	30%	22%
Formal TC policy	30%	7%

Table 14b: Level of Support for Telework by Success of Program

(Among those who allow telework, allowed in the past but no longer do, or will allow in the future)

Groups	Success Rating	
	“3-5” Rating (n=125)	“1” or “2” Rating (n=12)
Senior Management	77%	14%
Middle Management	70%	17%
Co-workers	67%	17%
Overall Support	72%	7%

Other key indicators of employers with unsuccessful programs include a lower percentage of employees allowed to telework (21% vs. 39%), a higher percentage reporting the primary motivation for setting up telework program was to accommodate employee child/elder care needs and/or the direct request by the employee, and being less likely to report positive impacts on the company because of the telework policy.

When employers were asked why they thought their telework program was successful (those rating the program a “3”, “4”, or “5”), one 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. Other reasons for rating a program as successful include that it makes the employees happy (16%) and helps companies to retain quality employees (8%). A few employers, although giving a higher rating, also indicate that the teleworking is not as successful as it could be because not everyone is eligible to use the program and those that are eligible are not using it (14%).

Table 15: Reasons Telework program is Successful

(Among those who allow telework or allowed in the past and gave a “3,” “4,” or “5” success rating)

Reasons	2008 (n=125)	Size of Employer			
		6-10 (n=18)	11-20 (n=25)	21-49 (n=29)	50+ (n=75)
More productive, work can always get done	31%	50%	8%	45%	23%
It’s good, successful, no problems, it helps	26%	28%	24%	21%	29%
Makes employees happy	16%	28%	8%	10%	15%
No set policy, not everyone in the office can use it, people aren’t using it	14%	6%	20%	3%	27%
Able to retain quality employees	8%	11%	8%	7%	7%
Can work from home/WIFI spot	8%	11%	8%	7%	4%
Everybody uses/supports it	7%	17%	--	7%	4%
Depends on the employee	5%	-	20%	-	-
Less commuting, save on gas	5%	-	8%	7%	7%
Necessary for our company	5%	-	16%	3%	-
Still new, only used it short time	4%	6%	4%	-	4%
Keeps cost down	3%	6%	-	7%	1%
Uses less office space	2%	-	4%	3%	1%
It needs improvement, still room for improvement	2%	-	4%	-	4%
Lack of support from Management	2%	-	4%	-	4%
Allows flexibility in our jobs	7%	6%	4%	14%	8%
Other (includes 1% or < of consensus)	11%	6%	-	27%	16%

*Q.New3: Please explain your rating *Based to those rating their TC program a 3,4,or5 in Qnew2.*

Only twelve organizations report that their program is unsuccessful (giving a “1” or “2” rating). Five of the twelve companies attribute the lack of success to not having a formal policy in place and the fact that not everyone in the office is allowed to telework.

Table 16: Reasons Telework Program is Not Successful

(Among those who allow telework or allowed in the past and gave a “1” or “2” success rating)

Reasons	2008 (n=12)
No set policy, not everyone in the office can use it	5
Depends on the employee, works for some but not others	2
Hasn't helped with employee retention	2
Lowers morale when everyone can't telecommute	2
Would be fine without telecommuting	1
It's good, no problems	1
Doesn't work for our industry	1

*Q.New3: Please explain your rating*Based to those rating their TC program a 1 or 2 in Qnew2.*

F. Measurement of Work Performance

Seven in eight employers with telework programs report that teleworker job performance is not measured differently than work performed by employees who do not telework (88%). Smaller companies (6-10 employees) and mid-size companies (21-49 employees) are more likely than large companies to report that work performance is measured the same. Among the seven employers who report teleworkers are measured differently, most indicate they have higher standards because employees are examined more closely and their performance is based on production.

Table 17: Measuring Performance of Teleworkers
(Among those who allow telework or allowed in the past)

Responses	2008 Total (n=142)	2006 Total (n=130)	2004 Total (n=117)	2001 Total (n=94)
Measure performance the same	88%	83%	78%	86%
Measure performance differently	5%	7%	14%	7%
Ways measurement is different	(n=7)	(n=9)	(n=16)	(n=7)
It is more analyzed	3	-	-	-
Base on production/production per hour	2	2	3	-
Cannot monitor someone working at home	-	-	-	3
Work doing is different overall	-	2	3	2
Other/Don't know	2	4	10	2

Q10a: Is/was the work performance of telecommuters measured the same or differently than on-site employees? Q10b: In what way is/was it different?

G. Future of Telework

1. Plans to Expand Telework Options

Almost three in ten employers that currently offer teleworking, or have in the past, report that their organization will be expanding their telework program (31% up from 26% in 2004 and 2006). Companies with fewer than ten employees are less likely than companies with more than twenty employees to indicate they have plans to allow more teleworkers (75% vs. 50%).

Table 18: Plans To Allow More Teleworkers
(Among those who currently allow or allowed in the past)

Responses	2008 Total (n=142)	2006 Total (n=130)	2004 Total (n=117)	2001 Total (n=118)
Yes	31%	26%	26%	38%
No	60%	57%	63%	50%
Don't know	9%	17%	11%	12%

Q15: Are there plans to allow more employees to telecommute or expand your telecommuting program?

The top two reasons employers would not allow more employees to telework than they already are is because their line of work does not allow it (27%) and there is not a need for more teleworking (26%).

Table 19: Reasons For Not Allowing More Teleworkers
(Among those who currently allow or allowed in the past and do not plan to allow more teleworkers)

Reasons	2008 (n=86)
Line of work does not allow it	27%
No need, those that can already are	26%
Staying the same, works fine as is	11%
Not at this time	8%
It's up to management	5%
Small company	4%
Already met mandated percentage	4%
On as needed basis	3%
Other	14%
Don't know	4%

Q15b: IF NO in Q15: Please clarify

2. *Barriers to Expansion*

One-third of the organizations that are planning to expand their telework program do not foresee any barriers during the process of expansion (33%). However, this percentage is notably lower than it was in 2006 (45% reported seeing no barriers), meaning employers are more likely to cite barriers to expansion than in 2006. **The top issues of concern to employers include lack of jobs suitable for telework (21%) and budget constraints (12%), both increasing in mentions this year, as did mentions of concern about poor performance or lack of productivity (6% up from 1%).**

Table 20: Barriers that may Slow Expansion of Program
(Among those with plans to expand)

Barriers	2008 (n=44)	2006 (n=34)	2004 (n=31)	2001 (n=45)
No barriers	33%	45%	27%	20%
Lack of jobs suitable for telecommuting	21%	16%	20%	18%
Budget constraints	12%	8%	7%	13%
Management resistance	8%	9%	7%	4%
Concerns about employee responsiveness to client schedules and needs	8%	7%	10%	9%
Lack of work performance/productivity	6%	1%	9%	-
Lack of equipment	2%	-	-	-
Short staffed/need everyone in the office	1%	1%	8%	7%
Frequent unplanned face-to-face meetings	-	6%	-	-
Other	9%	5%	10%	2%
Don't know	9%	11%	8%	13%

Q16: What, if any, are the barriers to expanding your telecommuting program?

3. *No Plans to Expand Telework Program*

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%).** Over the years, the lack of teleworkable tasks has been the primary reason employers did not expand their program; however, each year we see an increasing number of employers attribute not having qualified employees as the reason. Slightly fewer cite there is no need to expand the program because those who can telework are already doing it (17%). Reasons less likely to be a factor compared to 2006 include: lack of employee interest (3% vs. 13%) and lack of management interest (6% vs. 12%).

Table 21: Major Factors Stopping/Preventing Expansion
(Among those who will not expand)

Factors	2008 (n=86)	2006 (n=74)	2004 (n=73)	2001 (n=51)
Lack of telecommutable tasks	23%	23%	30%	43%
No more eligible employees	23%	19%	6%	4%
No need for it/those who can are doing it	17%	12%	17%	10%
Management not interested in expanding or continuing	6%	12%	10%	12%
Lack of employee interest	3%	13%	6%	2%
Telecommuters come in to work anyway	3%	6%	-	-
Small company	3%	-	-	-
Security/confidentiality issues	2%	6%	10%	4%
Poor economy, business is slow	2%	-	-	-
Legal/risk management issues	2%	4%	-	-
Management trust issues	1%	4%	4%	4%
Lack of resources to provide PCs at home	1%	4%	3%	2%
Loss of productivity	1%	-	-	-
Other	7%	5%	9%	8%
Don't know	14%	22%	17%	10%

Q17: What are the major factors that stopped the development of your telecommuting program or are preventing it from being expanded?

V. Non-Telework Organizations

The following set of questions was asked of those who have not considered teleworking, those who have considered and decided against it, and those who have considered and are not sure.

A. Compatible Jobs

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).

Between 2004 and 2006 there was a significant jump in this percentage, increasing from 33% to 45%, and again this year this percentage increased by nine points.

Not surprisingly, those most open to teleworking, among the organizations that currently do not allow telework, are characterized as “undecided” (90% NET potential; see Table 16b). These findings suggest that many employers may be coming to view telework as an option for employees, particularly in a tight economy.

Some Jobs are Teleworkable

Weighted Data

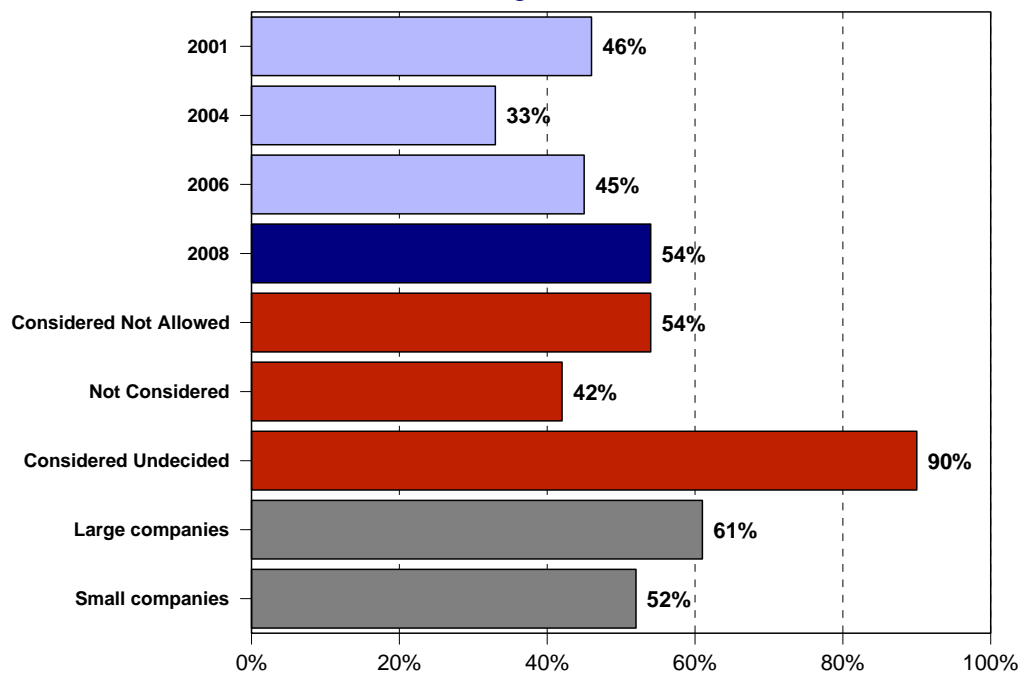


Table 22a shows that **organizations that currently do not allow telework, but believe there are some jobs that could be done while teleworking, are most likely to indicate that employees might be able to telework on as “as needed” (44%) or part-time basis (33%)**. Large companies are most likely to indicate that there are jobs that can be accomplished through teleworking on a part-time basis (45% compared to an avg. of 30% for smaller employers; see Table 22b). Companies with 50 or more employees and companies with less than ten employees are more likely than mid-size companies (11-49 employees) to indicate they have positions that can telework on “as needed basis” (54% and 50% vs. 35%).

Table 22a: Feasibility of Teleworking – Tracking
(Among those employers currently not allowing teleworking)

Potential	2008 Total (n=340)	2006 Total (n=359)	2004 Total (n=275)	2001 Total (n=285)
NET Potential	54%	45%	33%	46%
On an “as needed” basis	44%	32%	28%	42%
Part time (1 to 3 days/week)	33%	25%	19%	24%
Full time (t to 5 days/week)	20%	19%	9%	11%

*Q18: We know that telecommuting may not work for all employees, but are there any jobs at your organization that you think could be accomplished through telecommuting...? (Among those who have not considered, or have considered and decided against it, or considered and have not decided.) *Question changed in 2008 from “usually does not work” to “may not work”.*

Table 22b: Feasibility of Teleworking by Number of Employees - 2008
(Among those employers currently not allowing teleworking)

Potential	2008 Total (n= 340)	2008 Telework Status			Number of Employees	
		Cnsdred/ not allowed (n=63)	Not cnsdred (n=212)	Cnsdred/ undecided (n=66)	6 – 50 (n=211)	50+ (n=98)
NET Potential	54%	57%	43%	90%	52%	61%
“As needed” telecommuting	44%	40%	32%	84%	40%	54%
Part time telecommuting	33%	26%	23%	73%	30%	45%
Full time telecommuting	20%	19%	16%	37%	21%	22%

Table 22c shows that 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 from Table 16a are applied to the population estimate of all employers. This represents 37% of all employers, compared to 31% in 2006 and 22% in 2004.

Table 22c: Telework Potential Among All Employers
Estimated Projections to Population of Employers with 6 or more employees

	2008 Total (35,000)	2006 Total (32,000)	2004 Total (29,000)	2001 Total (28,600)
Net Potential Among those without a TC Program (i.e., indicated may be jobs at organization that could full-time, part-time or telecommute on “as needed” basis)	12,950 (37%)	9,990 (31%)	6,550 (22%)	9,580 (33%)

*Percentages and population estimates have been rounded down to prevent an exaggerated sense of accuracy with the estimates.

B. Reasons Teleworking Not Allowed

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%). One in ten employers report that an employee not having the equipment to work effectively from home is a factor affecting telework policy. Although still the second most mentioned factor, the percentage of employers listing this as a reason for not having a program decreased significantly from 25% in 2006 to 10%.

Table 23: Main Reasons for Not Allowing Teleworking

(Among those who have considered and decided against, have not considered, or have considered and not decided, and/or among those who feel there are some jobs that could be performed by some type of teleworking).

Responses	2008 (n=340)	2006 (n=359)	2004 (n=275)	2001 (n=285)
Nature of job responsibilities	70%	70%	80%	76%
Employee wouldn't have equip. and services to work effectively	10%	25%	18%	10%
Security/confidentiality	6%	9%	7%	4%
Short staffed/need everyone in office	5%	7%	4%	6%
Haven't looked into it	3%	-	-	-
No need	3%	2%	2%	6%
Not enough information or assistance to start program	2%	6%	1%	1%
No senior level/mgmt. Interest/ "Corporate culture" does not support it	2%	3%	2%	3%
Too costly to implement/ not cost effective	1%	4%	4%	1%
Concerned with impact on productivity	1%	4%	3%	1%
Lack of monitoring/supervision	1%	-	-	-
No interest from employees	1%	4%	-	-
Other/Don't know **	10%	9%	7%	5%

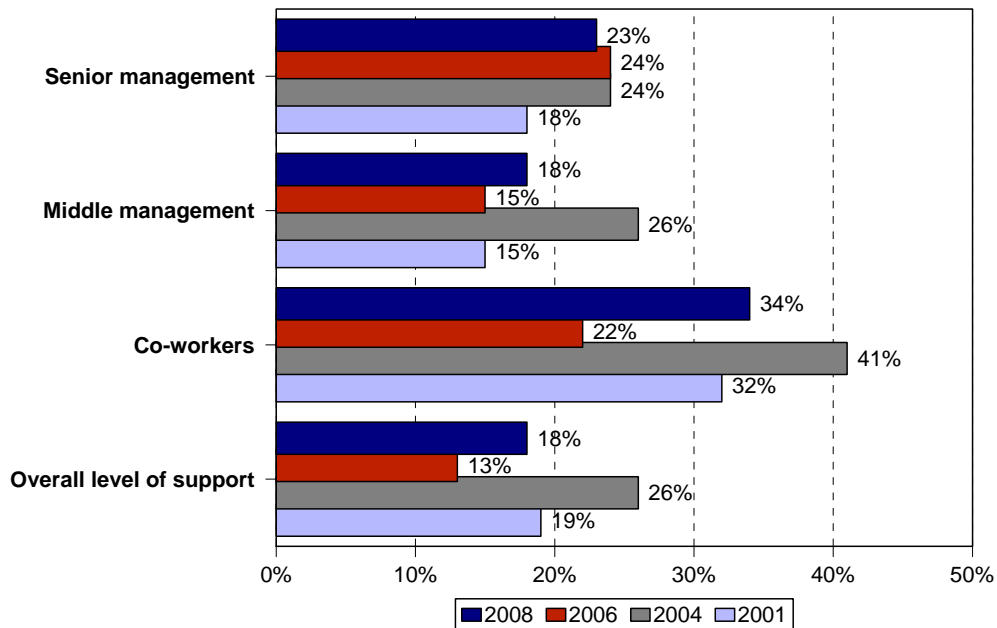
Q19: Please list for me the main reasons your organization does not allow employees to telecommute at this time. ** Other includes 1% or less consensus. Question changed in 2008 from "list the two main reasons" to "list for me the main reasons".

C. Support for Telework Among Non-Telework Employers

The level of support for telework among employers who do not currently offer a telework option improved 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%).** Interestingly, the increase in support among co-workers mirrors a similar increase in support by co-workers that was reported by employers currently allowing telework. It appears that perhaps a shift in attitudes toward telework among those who are unable may be occurring.

**Support for Telework -
Among those without telework**

Summary of 4 + 5 Rating, where "5" means "very supportive"



(Among those whose management could be persuaded to reconsider; n=185)

Table 24: Support of Employers Not Offering Telework - 2008

(Among those who will not allow/have not considered/have not decided on teleworking and who have jobs that could be accomplished through teleworking, and whose management could be persuaded to consider or reconsider teleworking.)

Management level (n=185)	Very Supportive		Not at all Supportive			Don't know	Avg. Rating
	5	4	3	2	1		
Sr. Mgmt.	13%	11%	24%	12%	31%	10%	2.6
Middle Mgmt.	11%	7%	31%	12%	21%	18%	2.7
Co-workers	20%	14%	26%	6%	24%	11%	3.0
Overall support	10%	9%	40%	12%	19%	10%	2.7

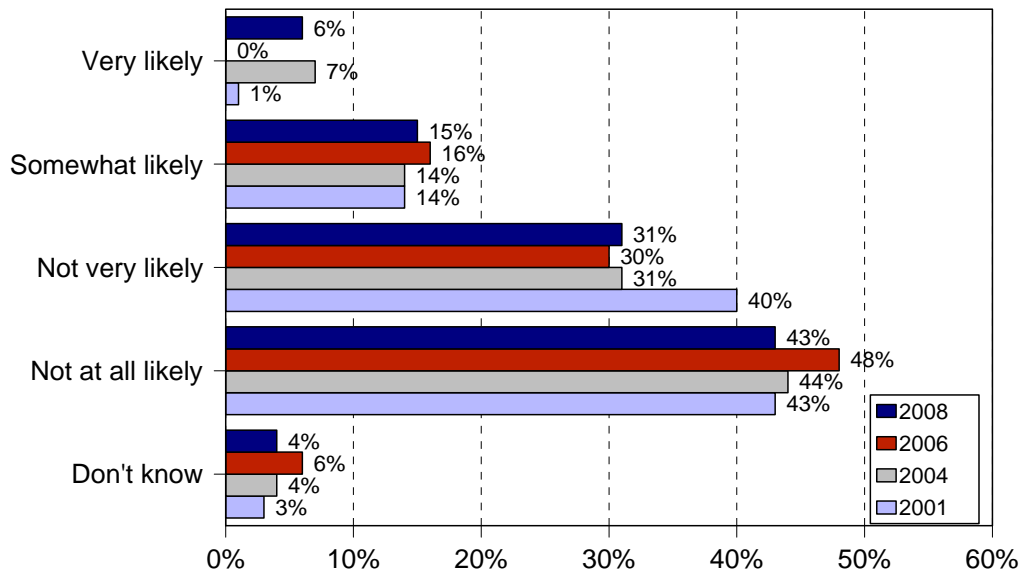
Q21: Using a scale from 1 to 5 where 1 means "not at all supportive" and 5 means "very supportive," how would you rate the level of support for telecommuting among each of the following groups at your organization...

D. Reconsidering in Upcoming Year

One in five employers not currently allowing teleworking are likely to consider or reconsider offering it in the future (21% rating “likely” or “very likely”), increasing from 2006 by five percentage points. In addition, organizations reporting they are “very likely” to consider/reconsider the option in the next year increased from 0% in 2006 to 6% in 2008.

Likelihood of Reconsidering Telework in Next Year

How likely is your organization to consider or reconsider telecommuting in the next 12 months?



(2008 n=185)

E. Outside Sources for Information and Assistance

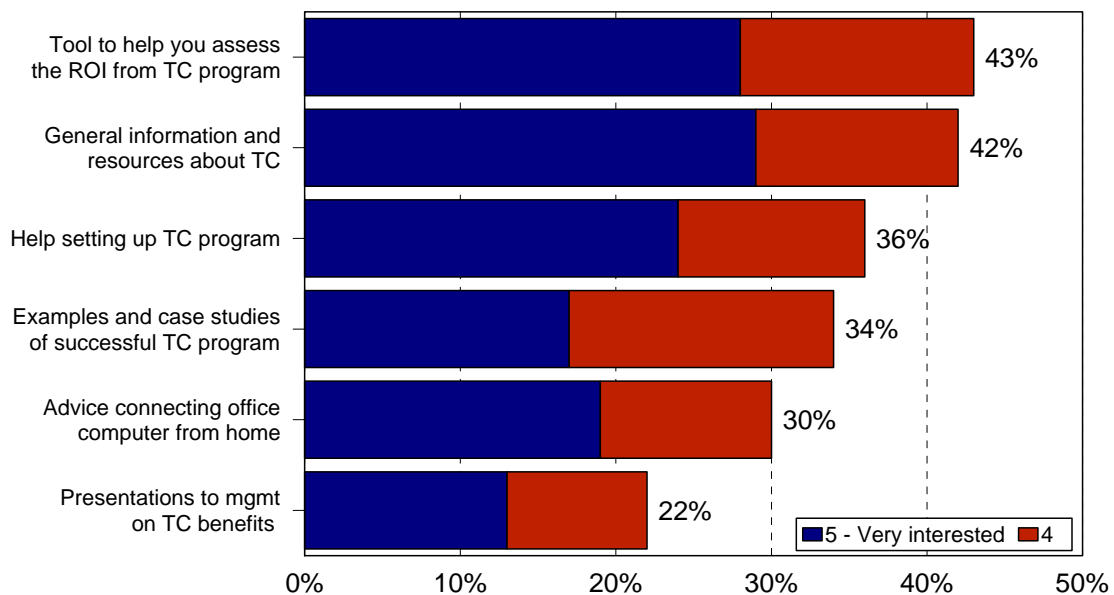
1. Interest in Outside Assistance

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 42% respectively). Approximately one in three of these employers also indicated they are interested in receiving help in setting up a telework program (36%; up from 20% in 2006) and/or see examples of other organizations who use teleworking successfully (34%). Three in ten employers would like advice on connecting their employees from home to the office computer. As was the case in 2004 and 2006, employers are least interested in presentations to management about telework benefits (22%).

Interest in Outside Assistance

(Among those very or somewhat likely to reconsider/consider allowing TW)

Summary of 4 + 5 Rating, where "5" means "very interested"



(n=59)

Table 25a: Interest in Outside Assistance- Summary of 4+5 rating

(Among those not allowing teleworking and whose management could be persuaded to re/consider teleworking and who are "very or somewhat likely" to re/consider teleworking.)

Type of Assistance	2008 Total (n=59)	2006 Total (n=45)	2004 Total (n=31)	2001 Total (n=41)
A tool to help assess the ROI on the TC program*	43%	n/a	n/a	n/a
General information and resources about TC*	42%	n/a	n/a	n/a
Help setting up TC program	36%	20%	30%	22%
Examples and case studies on successful TC programs in AZ*	34%	n/a	n/a	n/a
Advice connecting office comp. from home	30%	29%	43%	29%
Presentations to mgmt. on TC benefits	22%	26%	26%	27%

*Q22b: I am going to read you a list of different types of assistance that may be available at no cost to help businesses set up a telecommuting program. Using a scale from 1 to 5 where 1 means you would not be interested in that type of assistance and 5 means you would be very interested in that type of assistance, please rate your level of interest in.....*Categories added in 2008.*

Table 25b: Interest in Outside Assistance - 2008

(Among those not allowing teleworking and whose management could be persuaded to re/consider teleworking and who are “very or somewhat likely” to re/consider teleworking.)

Type of Assistance	Very Interested			Not at all Interested		Avg. Rating
	5	4	3	2	1	
A tool to help assess the ROI on the TC program*	28%	15%	26%	11%	20%	3.2
General information and resources about TC*	29%	13%	27%	12%	20%	3.2
Help setting up TC program	24%	12%	33%	9%	22%	3.1
Examples and case studies on successful TC programs in AZ*	17%	17%	16%	27%	22%	2.8
Advice connecting office comp. from home	19%	11%	19%	7%	44%	2.5
Presentations to mgmt. on TC benefits	13%	9%	17%	16%	43%	2.3

2. *Outside Source Would Turn to About Teleworking*

The employers who currently are without a telework program but also indicated their organization was “very” or “somewhat” likely to reconsider a program in the future were asked what outside source they would turn to for assistance. **One in four of these employers (27%) indicated they would first turn to someone inside their company for information about telework.** An additional 13% would look for information on the Internet and 9% mention Valley Metro as a resource, down from 15% in 2006. More than one-third of the organizations do not know where they would go for assistance (35%).

Table 26: Outside Sources

(Among those not allowing teleworking and whose management could be persuaded to re/consider teleworking and who are “very or somewhat likely” to re/consider teleworking.)

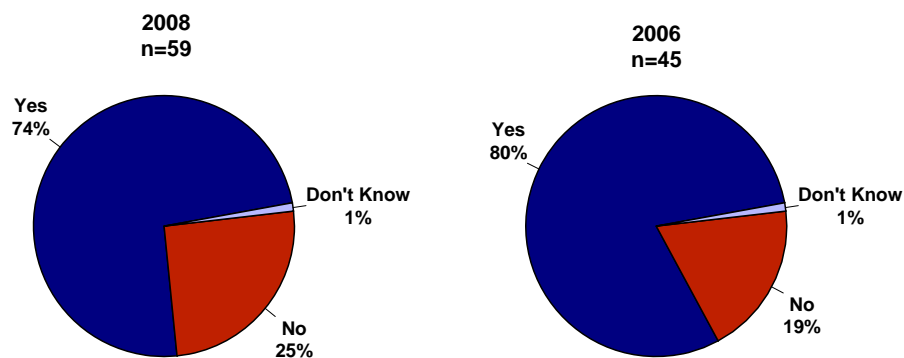
Source	2008 Total (n=40)	2006 Total (n=16)	2004 Total (n=13)	2001 Total (n=41)
Someone inside company	27%	16%	14%	15%
Internet	13%	12%	-	7%
Valley Metro/TRP people	9%	15%	-	5%
HR/Consultant	8%	3%	10%	5%
Phone companies	5%	-	8%	-
Other employers allowing telecommuting	3%	3%	-	2%
Corporate Headquarters	3%	-	-	-
Other	8%	5%	20%	5%
Don't know/can't think of anyone	35%	47%	54%	44%

Q23: What outside source would you turn to if you were to CONSIDER/RECONSIDER telecommuting?

Approximately, three-fourths of employers who were willing to reconsider 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 last year when 80% felt they had the expertise to do so.

In-house IT Expertise

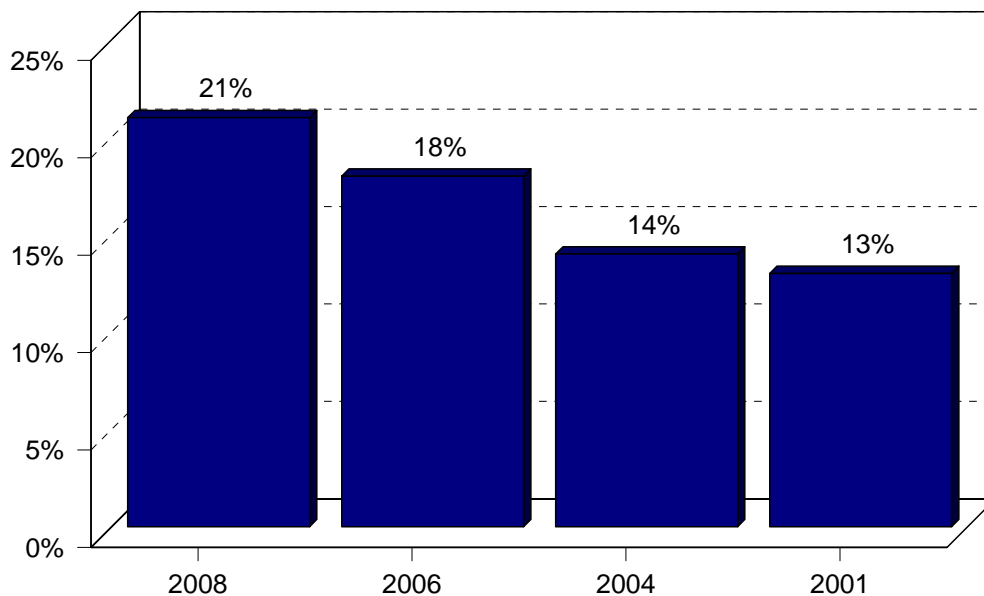
Does your company have the IT expertise necessary in house to set up the connection between the office and your telecommuters?



F. Employee or Prospective Employee Requests

One in five employers (21%) indicate that their employees and/or job applicants ask about the availability of teleworking. As we look at the progression of requests from 2001 to now, each year the idea of teleworking is becoming more popular among employees and potential employees. Large organizations (50+ employees) are significantly more likely than smaller organizations (<50 employees) to report employee requests for this work option (40% vs. 20%).

Employee/Applicant Requests for Teleworking



Appendix A