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Employees Don't Miss Commute, Office Interruptions

By Rita L. Zeidner

DURHAM, N.C. — Mary Ann Bailey rolls out of bed at the crack of dawn, makes a pot of coffee and is at her computer by 6 a.m. Several hours, thousands of keystrokes and a couple of phone calls later, she walks into her kitchen to fetch another cup of coffee, and around noon, fixes her lunch.

At 3:30 p.m., Bailey is finished for the day and by 3:35 p.m. can be pushing her lawnmower across the grassy acre that surrounds her home.

A month ago, Bailey, an accounting technician for the Environmental Protection Agency's Superfund division here, embarked on a six-month experiment that allows her to do most of her work at her house.

Bailey was one of seven workers chosen to participate in a pilot program that EPA officials say could change the agency's way of doing business.

A small embroidered sampler in Bailey's office provides some insight into why she jumped at the chance to be part of the experiment. It reads: "There ought to be a better way of starting the day than by getting up in the morning."

As Bailey sees it, the arrangement doesn't remove the burden of starting the day, but it does make getting to work a little easier.

"The benefit is not having to get up and get dressed and fight



The benefit is not having to get up and get dressed and fight the traffic. A lot of days I find I don't put my make-up on until I get off work."

— Mary Ann Bailey

the traffic," she said. "A lot of days I find I don't put my make-up on until I get off work."

Others seem to feel much the same way. A 1987 study by Link Resources estimates that 23.3 million American workers are actively engaged in some kind of home-based employment, also known as telecommuting or telematics and flexiplace. The same study projects that 25 to 40 million workers will be working

at home by next year.

Private companies' growing interest in flexible workplace arrangements has prompted managers at a handful of agencies — including the EPA, the Air Force, Health and Human Services and the National Science Foundation — to find out if the arrangement can work for their employees.

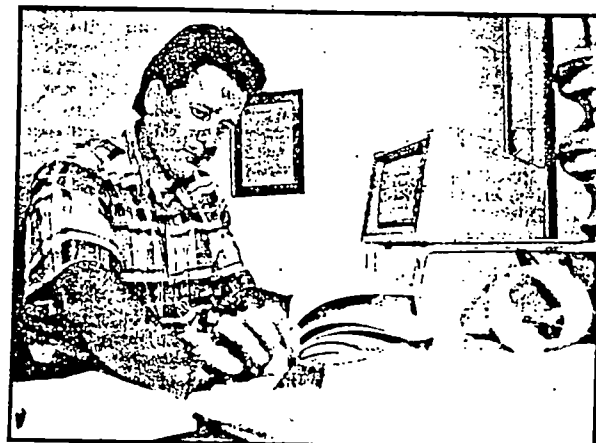
Their interest was bolstered by OPM's decision to launch a governmentwide pilot program to give more agencies the chance to start work-at-home programs. Guidelines are being reviewed by agencies and unions, and the program is scheduled to begin this fall.

Attractive Benefit

OPM psychologist Wendell Joice said flexible workplace arrangements can help both management and employees. Many workers see working at home as a way to balance the demands of their personal lives against their careers. They also see it as a way to cut travel time and reduce expenses such as clothing and transportation costs.

Managers see it as a possible way to boost productivity, improve morale and enhance recruitment, according to Joice. In addition, many are looking down the road and see potential savings resulting from reduced facility and maintenance costs.

Bill Hooks of EPA said the agency began considering work-at-home arrangements after looking closely at the changing demographics of the work force. At Research Triangle Park, a



Federal Times/Steve Elfers

David Christofel, an EPA auditor in the work-at-home project, cautions that details should be worked out in advance.

large industrial complex between Raleigh and Durham, the agency had concerns about competing with many higher-paying local employers.

"We began asking questions like who's going to be doing the work when the existing cadre retires," he said. "We found that replacing folks and hiring quality graduates is very difficult. We certainly can't woo folks on the salary."

Hooks said employees in the Office of Information Resources Management were particularly well-suited to the experiment, since much of their work revolves around using a computer. Participants were selected based on the recommendations of division managers, but only people who said they

were interested in working at home were considered.

Pat McBride, a personnelist at Los Angeles AFB, said the Air Force hopes a work-at-home plan could reduce the 32 percent attrition rate currently plaguing operations. The high cost of housing near the installation has forced many to live in outlying areas and to commute as much as five hours each day. Allowing people to do some of their work at home, she said, could make the base a more attractive place to work.

Goofing Off?

In some instances, decisions to allow working at home have

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Not All Jobs Suited for Home

People experienced with work-at-home programs say there are no firm rules on what kinds of jobs best lend themselves to home-based employment or which employees are best suited. But most agree that a good program has the following characteristics:

- Participation on the part of both managers and employees should be voluntary.
- It should reflect the philosophy that the arrangement benefits both the organization and the employee. However, it should not be viewed as a benefit such as a solution to child care arrangements or as a shortened workday.
- People working at home should be provided with all equipment and supplies they need to do their jobs. This includes dedicated phone lines, computer equipment, even pens, staplers and scissors.
- The program should include training for both employees and supervisors at the start-up as well as ongoing support groups to ensure that problems are being ironed out.
- All employees should be assured that people working at home receive the same benefits, status, promotion opportunities and rights as in-office workers.
- Managers and employees must recognize that not all jobs are suitable for work-at-home arrangements.
- People working at home should be required to spend a minimum amount of time in the office to help reduce feelings of isolation.
- If bargaining unit employees are to be involved in the project, their union should be offered a chance to participate in the plan's development.

— Rita Zeidner

Federal Times

network

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been based on an employee's health.

Janice Siemsen, chief of classification at Los Angeles AFB, recently started working at home after her doctor ordered her to remain in bed for the duration of her pregnancy. "I had a lot of outstanding projects, and I found myself on the phone a lot," she said.

Siemsen, 34, gave up her supervisory functions while she remains homebound and has chosen to work only part-time until she has her child. But without the normal workplace interruptions, she said she's able to get as much done in only part of the day as she did working full-time. She hopes to be a model for the larger work-at-home program the base is now planning.

"I get up every day, take my shower, and I sit down and work straight through from 8 to 1. At the office, no matter what happens you have a lot of interaction and a lot of interruptions," she said.

George Busso of the National Science Foundation said he entered into a work-at-home arrangement after he began to experience worsening effects of

multiple sclerosis. "If I can cut down on commuting, I have more energy for some other things," he said.

While managers are increasingly willing to consider flexible arrangements and are currently being egged on by OPM, the support was not always there. A 1986 project involving a variety of different occupations and grade levels at the National Institutes of Health was never made into a permanent situation, even though all participants showed an increase in productivity at no additional cost.

"The program didn't go any further because the department didn't do anything about it," said John Migliore, who oversaw the pilot. "I think the department was very conservative. They didn't want to deal with it."

But recently asked if he would be interested in participating in the OPM pilot, Migliore said he jumped at the occasion. "Why wouldn't we want to participate?" he asked rhetorically.

Managers who are reluctant to consider work at home arrangements tag most of their concerns to productivity. Without someone there to crack the whip, some believe, employees are likely to slack off. This phi-

losophy, however, runs counter to running a successful work-at-home program, according to Randy Brady of EPA.

"Managers need to begin managing for results," he said. "They have to focus on the product rather than on the process," he said.

To let managers and employees know exactly what is expected of them, EPA worked out an elaborate agreement with the American Federation of Government Employees, which represents several of the people involved in the pilot. The agreement meticulously lays out the personnel policies, covering issues such as time and attendance, personal injury, leave and pay.

"I think it's good for all the details of the arrangement to be worked out in advance," said David Christofel, an EPA auditor who is also participating in the project.

A number of questions remain unanswered. Among the most pressing concerns is whether the arrangement will help or hinder a workers' advancement potential.

"We're learning, we're groping a little bit, we're having some fun. But the jury is still out," says EPA's Hooks.

Locality

From Previous Page

quit rate was higher than the 4.1 percent rate for professionals, the 2.1 percent rate for administrative employees and the technical employees' rate of 4.3 percent.

Medical and law enforcement jobs also have higher than average quit rates. The data could lead to separate pay scales for these occupations. A National Advisory Commission on Law Enforcement will release its recommendations on law enforcement pay this October.

Fixing the pay system won't be cheap.

The Pay Agent estimated that to bring just General Schedule workers up to snuff with their nongovernment counterparts in fiscal 1990 would run \$14.4 billion.

Wyatt used last year's 26.2 percent pay gap figure minus the January 1989 4.1 percent raise to estimate the cost of 1989 federal pay comparability at \$11.7 billion.

Correction

An article in the Aug. 28 issue gave an incorrect radon reading for the Des Moines (Iowa) Federal Building at 210 Walnut Street. The federal building and courthouse at 316 6th St. in Sioux City, Iowa, had a reading of 55.9 pCi/l. No radon levels taken at the Des Moines federal building measured above 4 pCi/l.



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45-49	4.67	9.33	18.67	37.33	56.00
50-54	6.75	13.50	27.00	54.00	81.00
55-59	10.00	20.00	40.00	80.00	—
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DoD News

DoD List of Base Closings Could Spark Political Skirmish

By Grant Willis

Another round of base closings is coming, but it could become embroiled in politics.

Efforts by Defense Secretary Richard Cheney to close bases in the United States and overseas will face a stern challenge in the Congress. Cheney, unlike his predecessor, Frank Carlucci,

will not opt to form a bipartisan commission to propose closures. He will send his list directly to Congress.

The impact on federal workers is not clear, although it is sure to cause some relocating. And some U.S. citizens who have been "homesteading" at military installations overseas for years may need to return to the states for reassignment.

About 20,000 civilians will be affected by base closures and realignments announced two years ago.

Among the Army installations mentioned as candidates for the Cheney hit list are Fort Ord in California and Fort McClellan in Alabama. Both employ about 2,000 civilians. Navy installations being considered include the Long Beach Naval Shipyard, Treasure Island NAS and the Oakland Naval Supply Center, all in California. There are about 6,500 civilians at the shipyard.

No sizable Air Force bases were mentioned. The service sustained big losses in the previous round of cuts.

A key difference between Cheney's proposal, which was scheduled to be released Jan. 29, and the bipartisan commission's recommendations two years ago, a congressional aide said, is that the commission's list was presented to Congress on an "all or nothing" basis. This gave individual lawmakers no way to save bases in their own districts without voting against the entire package.

The aide noted that Cheney's list will be subject to tinkering and deal-making in Congress.

Key members were cautious in their comments and stressed the importance of closing bases overseas.

"I remain uncommitted until the proposal becomes fully apparent," said Sen. Alan Dixon, D-Ill., who chairs the Senate Armed Services readiness subcommittee.

Dixon fought hard two years ago to derail a vote which closed a base in his home state. But while the 1988 base closure package is causing tremendous economic suffering in his state, he said, there is a case to be made for tailoring the military's facilities to its shrinking force.

"We have to take the lead in closing foreign bases," Dixon added. "To the extent (Cheney's list) is loaded with foreign base closures, it will be received in more friendly manner."

Rep. Patricia Schroeder, D-Colo., said, "I do not agree with each base the

secretary proposes for realignment. And, I want to make sure that no base is being closed for political reasons. So, my subcommittee will be reviewing this plan closely."

Schroeder said Cheney did "a great service by revealing his plans for the future," but she said his base closure proposal should have included many more foreign bases.

Cheney's list includes foreign bases, although some of the closures in Europe might have to wait for the successful conclusion of negotiations between NATO and the Warsaw Pact on conventional force reductions.

The Navy would have a larger share of bases affected by the Cheney proposal than the other services.



Defense Secretary Richard Cheney's list will be subject to tinkering and deal-making in Congress.

Cheney's list targets such places as Naval Station Treasure Island and the Oakland Naval Supply Center in California. More than a dozen Army installations could be closed or consolidated.

The proposal faces so many political hurdles that some observers suggest Cheney may be using it as a way to put certain lawmakers in an election-year dilemma. If members of Congress advocate defense spending cuts and a "peace dividend," this reasoning goes, they will have a hard time justifying tax dollars to maintain obsolete military bases.

Hiring Freeze Chills Promotions

By Ellen Rafshoon

There will be no promotions for civilian employees as long as the Defense Department hiring freeze is in effect.

A Jan. 22 memorandum from Christopher Jehn, the assistant Secretary for force management and personnel, to top DoD officials, clarifying the previously announced hiring freeze, said it applies to both appropriated and non-appropriated fund employees. All hiring, including that from within, is prohibited until Sept. 30.

Since Defense agencies and the services are forbidden from hiring employees from within DoD, promotions are effectively killed, said Larry Kirsch, a Pentagon personnel management specialist.

"There will be no promotions unless the Secretary determines they are critical," he said.

The services can continue to make job offers through their college and university recruiting, Presidential Intern and summer intern programs. Teachers can be hired for DoD Dependents Schools, the memo said.

Jobs that involve medical, safety and security also can be filled, but the memo did not specify what sorts of occupations meet those requirements. Kirsch said he expected

Jehn will provide the DoD Civilian Personnel Policy Office staff with a more detailed policy on the occupations. In the meantime, service secretaries will decide if hiring is appropriate in those areas, he said.

The freeze, according to the memo, does not apply to child care and auditor positions. In the 1990 Defense Appropriations Act, Congress mandated staff levels for those positions.

The ban includes non-appropriated fund employees, and the move took some DoD morale, welfare and recreation officials by surprise, sources said. The goal of the hiring freeze is to reduce the civilian work force as a budget-cutting measure, but NAF workers are not paid with tax dollars.

Service officials are preparing appeals to the NAF hiring freeze, and DoD sources said they hoped the ban could be reversed within the next two weeks. Some NAF activities, such as fast-food restaurants, experience as much as 100 percent turnover within a year, so the hiring freeze could be devastating, DoD sources said.

The freeze, which went into effect Jan. 11, is the most stringent ever applied by DoD management. DoD officials estimate that by the end of fiscal year 1990, it could result in a loss of 65,000 jobs.

Mapping Out Work-at-Home Plan

Air Force Union Leaders Seeking Role in Writing Policy

By Ellen Rafshoon

Air Force union members will not be left out of a plan to allow employees to work from their homes, their union leadership says.

Representatives from the Air Force's largest unions — the American Federation of Government Employees and the National Federation of Federal Employees — said they are eager to work with the service in developing projects to test the flexible workplace concept.

The fact that Air Force officials have broached the plan to the unions at such an early

stage suggests to union officials that their concerns will be successfully addressed.

"A lot of our members would very much welcome it. We know our members in California would love not having to drive to work and not sit in traffic for three or four hours each day," said NFFE's legislative director, Josh Neiman. Neiman met with Air Force civilian personnel leaders about a month ago to discuss the service's intention to proceed with a work-at-home pilot program.

"If the Air Force continues to work with the unions, we foresee no major problems," he said.

Various command installation personnelists are devising small-scale projects with a June 1 starting date for their employees, who would work at home up to three days each week.

At a recent conference, Air Force civilian personnel staffers said that if unions did not support the so-called flexplace experiment, the service would pursue it only for non-bargaining unit members.

Diane Witiak, an AFGE spokeswoman, said the union has interpreted that comment in a positive way. "They are saying they won't go around the

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Federal Times/Ellen Rafshoon

Air Force personnel representatives get advice from a private management consultant on setting up a work-at-home program.

Jobs

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Send applications for the following to Commander in Chief, U.S. Army, Europe & Seventh Army, AEAGA-CRC, APO New York 09403. Phone AV 370, ask for 6449 for commercial 011-49-6224-76091.

Battle simulation ctr. mgr. (Hohenfels), GS-301-12, # CRC-SR-89-40, Feb 8; community club mgr. (Fulda), GS-1101-11, # CRC-SR-89-34; ornaments corps spec. (Tel Aviv), GS-1101-14.

NAF — Purchasing agent (Baumholder), UA-1105-7, # CRC-NAF-89-23; housing mgr. (Gruenewald), UA-1173-9, # CRC-NAF-89-22.

Send applications for the following to Seoul CPO, Eighth U.S. Army Special Troops Cmpl, ATTN: EAST-CP-RP, APO San Francisco 96301-0008.

Supv. pers. mgt. spec. (Seoul), GS-201-12, # KOR-89-10-963(SCPO), Feb 5; log. mgt. spec. (Gume), GS-346-12, # KOR-89-13-486A, Feb 9; gen. off. (Seoul), GS-905-12, # KOR-89-907(EAS), Feb 12; oper. rch. ana. (Seoul), GS-1515-12, # KOR-89-917(RM), Feb 8; flight instructor (heli.) (Pyeongtaek), GS-2181-11, # KOR-89-704(AEAS), Feb 12; occup. therapist (Taegu), GS-631-11, # T302-89; maintenance mgr. (Waegeon), GS-1601-12, # T-305-89, Feb 5.

Send applications for the following to U.S. Army Support Cmpl, Hawaii, ATTN: CPO (CMSA), Fort Shafter HI 96858-5000. (808) 438-2406 or AV Hawaii Military 438-2406. Enviro. protection spec., GS-0028-11, # 33-90C, Feb 20. Johnston Island — Enviro. engr., GS-819-12, # 1263-89d.

Send applications for the following to HQ, 6th Infantry Div. (L), U.S. Army Garrison (AK), ATTN: AFVR-CP-E, Fort Richardson AK.

99505-5350, (907) 862-8118 or AV 317-862-8118. Alaska — Trans. spec. (Elmendorf AFB), GS-2101-11, 12.

Send applications for the following to HQ, U.S. Army South (Garrison), ATTN: SOGA-PCC-4, APO Miami 34004-5000. (507) 285-5201 or Panama Military 285-5201. Panama — Clinical psychologist, NM-180-12; oper. room nurse, NM-6710-9; nurse, NM-610-9, 10; nurse (anesth.), NM-610-11; nurse (educator), NM-6710-12; pharmacist, NM-660-9, 11; librarian, NM-1410-9.

17th Area Support Group, ATTN: ADCP-DPCA, APO San Francisco 96343-0082. Pharmacist, GS-660-9, # A-153-89-B; supv. editor, GS-1082-9, # A-179-89-B.

Send applications for the following to Saudi Arabia CCPO, OPM Sang, APO NY 09038-5005. 1-966-1-464-6156, ext. 279. Contract spec. (Riyadh), GS-1102-12, # RQNGA-0-010; indust. property mgt. spec. (Riyadh), GS-1103-11, # RQNGA-0-002.

NAVY OVERSEAS

BERMUDA

CCPO, U.S. NAS, Bermuda, FPO NY 09560-5008. Fire chief, GS-0081-11, 12, # 119-89; engr. tech., GS-802-9, 11, # 118-89; electro. tech., GS-856-12, # 108-89.

CUBA

Naval Base CPO, Box 77, U.S. Naval Station, FPO NY 09593. Pers. mgt. series, GS-200-11, 12, # RR-21-89.

GUAM

CCPO, Box 183, U.S. Naval Station, Code 21E, FPO San Francisco 96630-2901. Cyatechnologist, GS-044-11, # NH-27-89; med. officer, GM-602-14, # NH-390-89, Feb 17; supv. engr. tech., GS-802-11, 12, # NAVCAMS-17-89, Feb 9; comp. spec., GS-334-11, # SRF-113-89, Feb 16; supv. historian, GM-170-14, # 90B-82, Feb 21.

SINGAPORE

ComFleAd Yokosuka, CCPO, Code 512B, Box 22, FPO Seattle 98762-2930. Supv. contract spec., GS-1102-11, 12, # PHIN-924; supv. production controller (aircraft), GS-1152-11, 12, # CFWP-8-88.

SPAIN

CCPO, Naval Station, FPO NY 09540-1020. Elec. engr., GS-850-12, # CR-83-89; mech. engr., GS-830-11, # CR-59-89.

ICELAND

CPD, NAS, Box 3, FPO NY 09571-0008. Indust. hygienist, GS-690-12, # MED-89-001; interdisc. counseling psychologist/social worker, GS-180, 185-11, # FSC 008/87.

ITALY

Naval Support Acty., CCPO, Box 29, FPO NY 09521-1000. Contract spec., GS-1910-11, # 89-62R; qual. assur. spec., GS-1910-11, # 89-62R. CPO, Fleet Mail Ctr., FPO NY 09523-1000. (Sigonella) Pers. mgt. spec., GS-201-11, # USC-90-018; rec. spec., UA-188-7, # NUSC-90-001.

JAPAN

ComFleAd Yokosuka, CCPO, Box 22, FPO Seattle 98762-2930. (Atsugi) Production controller (aircraft), GS-1152-11, # CFWP-2-89; housing mgr., GS-1173-11, # NAF-3-89.

CPO, MCAS, FPO Seattle 98764-5001. (Iwakuni)

Housing mgr., GS-1173-9, 10, # RR-21-89; clinical psychologist (child & adolescent), GS-180-13, # NG-61-88; mgt. ana., GS-343-11, # RR-44-89; budget ana., GS-560-9, # RR-59-89; civil engr., GS-810-12, # RR-44-89; librarian, GS-1410-9, # RR-59-89. CCPO, Marine Corps Base, Camp Smedley D. Butler, Okinawa, FPO Seattle 98773-5000. Supv. contract spec., GS-1102-12, Feb 12. ComFleAd Yokosuka, CCPO, Box 22, FPO Seattle 98762-2930. (Yokosuka, Yokohama) Safety & occup. health mgr., GS-018-11, # SRF-23-89; supv. firefighter, GS-081-10, 11, # CFAY-24-89; intel. oper. spec., GS-132-7, 9, 11, 12, # NISOJ-12-89; intel. rch. spec., GS-132-12, # CNFJ-05-89; social worker, GS-185-11, # NH-30-89; supv. rec. spec. (outdoor acty.), UA-188-7, # MWR-01-89; pers. staffing spec., GS-212-9, 11, # CFAY-19-89; empl. rel. spec., GS-230-9, 11, # CFAY-20-89; supv. empl. rel. spec., GS-230-12, # CFAY-16-89; comp. spec., GS-334-12, # SRF-138-89; supv. comp. spec., GM-334-13, # PWC-04-89; mgt. ana., GS-343-11, # NCSJ-6-89; comm. mgt. spec., GS-391-9, 11, 12, # NCSJ-3-89; budget & acc. officer, GS-501-12, # SRF-24-89; financial mgr., GM-505-14, # PWC-10-89; supv. oper. acct., GS-510-12, # NSD-29-89; med. officer, GS-602-14, 15, # NH-66-88; dietitian, GS-630-09, # NH-21A-89; physical therapist, GS-633-9, # NH-36A-89; engr. tech., GS-802-11, 12, # SRF-06-89; engr. tech., GS-802-12, # SRF-27-89; engr. tech., GS-802-11, 12, # SRF-29-89; civil engr., GS-810-7, 9, 11, # NSD-28-89; electro. engr., GS-855-7, 9, 11, 12, # NEE-6-89; electro. tech., GS-856-11, 12, # SRF-18-89; electro. tech., GS-856-11, 12, # SRF-31-89; electro. tech., GS-856-12, # SRF-05-89; dub mgr., UA-1101-7, 9, # NCSJ-5-89; rec. & mess prog. mgr., GS-1101-9, 11, # NCSJ-4-89; morale, welfare & rec. dir., UA-1101-13, # NAF-5-89; production controller, GS-1152-9, 11, # SRF-28-89; production controller (ships), GS-1152-12, # SRF-35-89; maintenance supt., GM-1601-13, # PWC-12-89; facility mgr., GS-1640-12, # SRF-16-89; childcare ctr. mgr., GS-1702-9, # FAS-5-89; supv. gen. supply spec., GS-2001-11, # CF-2-89; log. support ana., GS-2001-11, # SRF-21-89.

SES Openings

SES positions listed below are open to (a) all qualified persons or (b) all qualified federal employees. The positions are salaried at between \$68,700 and \$80,700. The closing date and phone number are given.

ARMY — Chief, Interior Ballistics, Army Ballistics Lab., Aberdeen Proving Ground, Aberdeen MD, # DA-53-89, Feb 5. Contact S. Boone (202) 274-9415.

Chief, Syst. Engr. & Concepts Ana., Div., Army Ballistics Rsch. Lab., Aberdeen Proving Ground, Aberdeen MD, # DA-54-89, Feb 5. Contact S. Boone (202) 274-9415.

NAVY — Prog. mgr. for comm. (RF) Satellite Syst., Space & Naval Warfare Syst. Cmpl., Crystal City VA, # PMS-146-90133, Feb 5. Contact B. Guthrie (202) 692-3300.

Dir., field oper. subprogram, Naval Sea Syst. Cmpl., Arlington VA, # SEA-65-90113, Feb 5. Contact B. Guthrie (202) 692-3300.

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PANAMA

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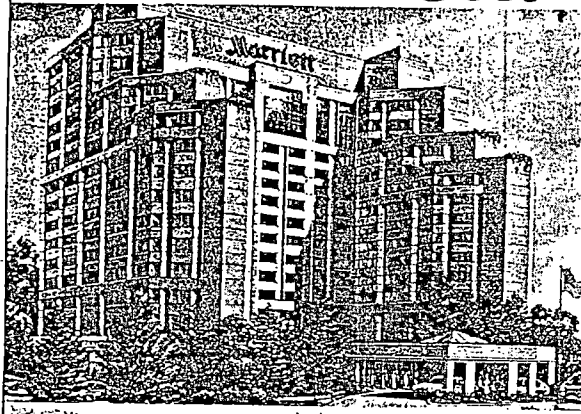
692-3300. **HEALTH & HUMAN SERVICES** — Dir., Office of Extramural Prog. Rev., Nat'l Inst. on Alcohol, Drug Abuse & Mental Health Administration, Rockville MD, # 89-266, Mar 1. Contact M. DuBrow (301) 443-5030. Dir., Div. of Oncol. & Pulmon. Drug Products, Cr. for Drug Eval. & Rsch., FDA, Rockville MD, # FDA-90-026-B, Feb 23. Contact (301) 443-1755. Dir., Piat Drug Evaluation Staff, Cr. for Drug Evaluation & Rsch., FDA, Rockville MD, # FDA-90-025-B, Feb 23. Contact (301) 443-1755. **MERIT SYSTEMS PROTECTION BOARD** — Assoc. dir. for appeals policy, Office of Appeals Counsel, Washington DC, # 90-053 CH, Feb 9. Contact J. Min (202) 653-5916. **NASA** — Chief, Laboratory for Atmospheres, NASA Goddard Space Flight Ctr., Greenbelt MD, # 89-SES-910-13, Feb 16. Contact D. Hagerty (301) 286-8319. **OTHER** — Dep. for sci., tech. & oper. aeromed. supt., Human Syst. Div., AF Syst. Cmpl., Brooks AFB TX, # ST 90-01, Feb 5. Contact A. Pohk (301) 981-3887.

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PHILIPPINES

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Home

From Page 4

unions' backs," she said.

Although the Air Force has not presented any specifics for the work-at-home plan, the unions have some general questions and concerns about the concept.

They are apprehensive about any project that would force employees to accept higher productivity requirements in exchange for the privilege of working at home. In such a scenario, they said, an employee would be asked to enter 50 more documents into a computer data base in exchange for being allowed to work at home several days each week.

"It's always a question with homework. Is someone given more work at home than in the office?" Neiman said.

To prevent that type of arrangement, said John Mulholland, AFGE's field service director, the union would likely oppose working at home for employees who would be most susceptible to that type of exploitation.

"Anything that measures key-strokes or widgets, we're not interested in," Mulholland said. "We don't want to get into any piecework."

For that reason, the union will ask the Air Force to keep lower graded employees out of the experiment, he said.

"The lower the grade, the more they can be pushed

around. This shouldn't be applied to production-type jobs unless there are huge safeguards. We see this going for more sophisticated jobs," Mulholland said.

With higher level jobs involving research or budget analysis, for example, the employee would be responsible for a specific project with a deadline and then would benefit from the flexible hours during which he or she could complete the project, he said.

Neiman said NFFE wants to make sure the service will cover the cost of any equipment needed to make flexiplace work, such as computer terminals, modems or telephone lines.

"The Air Force would have to supply the equipment as well as proper training and liability for that equipment," he said.

Mulholland said he would be willing to entertain the idea of employees' footing their own phone bills in exchange for the savings incurred through not paying parking or commuting expenses.

But Neiman said that would not be acceptable to NFFE. "The attractive part to working at home is to save on gas and parking costs, so requiring the employee to pay something like a phone bill makes the saving superfluous. What's the incentive then?" he said.

Both Mulholland and Neiman said working at home should not be used by the service or employees as a substitute for child care.

DoD News

Air Force Lays Groundwork for Work-at-Home Program

By Ellen Rafshoon

MARCH AFB, Calif. — Faced with mounting employee retention problems, the Air Force is rushing to get work-at-home programs off the ground this year.

Pentagon civilian personnel policy officials have asked 18 command representatives to come up with small-scale experiments by June 1.

"We want to lead the pack," Ron Sanders, Air Force deputy director for civilian personnel policy, told the representatives who gathered here for a work-at-home training and planning session.

The policy staff has briefed officials from the service's largest unions on intentions to proceed with so-called flexiplace arrangements, Sanders said.

So far, he said, the unions have been receptive but have not shaken concerns about possible abuses due to the exploitative nature of past homework arrangements which flourished in the garment industry.

If unions don't support flexiplace, Sanders said, the program will be tailored to non-bargaining unit employees.

What is driving the effort, Sanders told the command representatives, is the service's need to find new ways of competing with the private sector.

With a Defense Department hiring freeze in effect, the service is hard pressed to do what it can to meet the individual needs of its employees, whether they be disabled or merely eager for greater independence, he said. As of Jan. 11, no one can be replaced without approval from service secretaries.

The Jan. 17 and 18 session was led by Gil Gordon, a New Jersey management consultant who has helped a number of private companies establish flexiplace



File Photo

Employees like those at Eielson AFB, Alaska, are likely candidates for a

programs.

Gordon advised the Air Force representatives to construct arrangements that do not allow the employee to work at home more than three days each week.

He warned that flexible work arrangements are not an answer to childcare difficulties. Flexiplace employees should be advised to maintain their childcare arrangements so as to minimize distractions from their work.

Home work arrangements, he said,

work-at-home program because of miserable commutes in the winter.

are suitable only for employees who have met time-on-the-job and performance standards. Managers can give employees the "privilege" of working at home only if they have earned their trust, Gordon said.

Any work-at-home program will provide a test for supervisors, he said. They no longer will be able to fall back on managing through observation. Instead, they will have to be intimately aware of the employee's work habits and productivity before launching a homework ar-

range so they can be certain the employee continues to meet standards, Gordon told the command representatives.

Only employees who volunteer should be selected for flexiplace programs, he said. Those selected should have the space and equipment they need, all of which should be inspected for safety since the employer remains responsible for job-related injury compensation, Gordon said.

Many of those who attended, buoyed by growing interest among their work forces, seemed eager to try the concept. Some, like personnel management specialist Barbara Warren from Los Angeles AFB, already had begun to arrange at-home work schedules for a handful of base employees.

Since last July, nine Los Angeles AFB employees have spent from one to three days each week working in their homes. Three were having trouble juggling child care and work, one was not able to travel to the base due to a difficult pregnancy, another because of debilitating illness, and all "wanted to get away from the 405 Freeway for three hours," Warren said.

Most of the command representatives echoed the desire of the Los Angeles employees, and said they see work-at-home arrangements as a way to relieve what is the worst part of many employees' days: the commute.

For the Alaskan Air Command's 2,500 civilian employees, it's a "God awful" commute during the winter, said Pat Stewart, command director of civilian personnel.

"Last winter, the worst we had in 10

See Home, Page 18

Navy Waives Discipline for Meridian Officers Charged With Bias

By Ellen Rafshoon

Navy officials have decided not to discipline two officers at Meridian Naval Air Station, Miss., whom base civilians charged with racial discrimination and improper conduct.

The two officers, former Meridian commander Capt. William Meneeley and former Morale, Welfare and Recreation officer Lt. Cmdr. Otto Storr, were relieved of their duties last May pending a Navy Judge Advocate General investigation of the charges. A partial copy of the Sept. 29 investigative report was obtained by *Federal Times*.

Meneeley never returned to his position and was transferred to Kirtland AFB, N.M., where he serves as director of plans and operations for the field command of the Defense Nuclear Agency, said Cmdr. Ray Kempisty, spokesman for the Chief of Naval Education and Training, Meridian's parent command.

Storr was removed from his position and assigned to the staff of the commanding officer, Kempisty said. The spokesman would not say if the transfers had any relationship to the outcome of the investigation.

The report shows that Navy investigators found numerous flaws in Meneeley's management of civilian employees and confirmed employees' tales of Storr's wild behavior on a trip. But command officials decided they were not serious enough to warrant disciplinary action.

"While Capt. Meneeley's service as commanding offi-

cer fell short of my expectations, it was not so far short as to require disciplinary action or characterization as detachment for cause," said Adm. John S. Disher, chief of Naval Education and Training, in his review of the report.

Meneeley's management, according to the investigator's summary, "meant less than minimal compliance with on-station EEO training requirements, absence of affirmative action and upward mobility, insensitive and naive reactions to major breaches of appropriate military-civilian and management-labor relations."

In the end, investigators and officials placed blame for a rash of civilian Equal Employment Opportunity complaints on the attitudes and prejudices of the surrounding community and a lack of attention to affirmative action on the part of base officials.

But they also questioned the competence and loyalty of the civilian employees who lodged some of the EEO complaints and the charges of mismanagement.

Some of the civilians contend the investigation and its results were a "whitewash" designed to mitigate the seriousness of their complaints.

"It's like the Iowa investigation," said former Meridian EEO manager Don Curto, referring to the recent Navy investigation of an explosion on the battleship Iowa, which placed the blame on one of the sailors killed.

Curto had charged Meneeley with ignoring his pleas to resolve discrimination complaints and had sought assistance from Disher.

In the report, command officials said Curto should not be reappointed to any EEO positions. The report details Curto's employment track record with extensive information on his excellent job performance and involvement in off-base EEO training. But in an analysis of his credibility as a witness, investigators described him as "having failed to keep himself professionally qualified to perform his duties" and accused him of disloyalty to the command and Navy administration.

As a result of the investigation, the training command was to have sent a team to Meridian to examine ways of improving EEO programs. Kempisty said that effort has begun and a new deputy EEO officer had been named, but the process of improvement is not complete.

But one of the civilian complainants, Larry Carter, a GS-4 library worker, said officials are still dragging their feet in resolving his EEO complaints. Carter charged that one of his supervisors who made racial slurs against him was promoted, and that another official tried to stop employees from filing complaints by claiming their poor attitude could lead to a base closure.

The investigation was prompted by a rash of racial discrimination complaints against top officials followed by allegations of retaliation. There also were charges of financial mismanagement at the base MWR facilities.

Suit

From Page 1

distributions are taxable.

Unlike private plans, however, federal employee contributions are taxed up front, whereas private-employer plans provide tax exemption of employee contributions.

The 39-page brief traces the

history of the tax treatment of pensions and tax code revisions under the 1986 Tax Reform Act. "Plaintiff's position harks back" to earlier codes, Justice Department attorney Kenneth Gobetz wrote. The contention that the lump sum is a tax-free distribution that allows retirees to recover their investment in their account before reporting income "applied prior to 1942,"

Gobetz said.

In addition, IRS has ruled since 1952 that the [CSRS] fund is a "qualified" trust under Section 401 of the tax code, the government's brief contends, and only under the tax code may an employee defer taxation of the employer's contributions to his account. Otherwise, it says, tax would be due immediately on the government share, even though it would remain in government coffers.

Drawing from the Senate report on a 1960 tax law, the government quotes, "Civil service annuities and certain other retirement benefits... are treated as distributed under 'qualified' pension plans, and when distributions are made to the annuitant he is not taxed on the portion of the payment representing his own contributions to the pension."

The tax code provides rules for how an individual may recover his investment in an annuity contract. "Under these rules, Mr. Shimota excludes 4.1 percent of the monthly annuity payment he receives from the [CSRS] fund," the government says.

Shimota, in the brief filed by Thomas O'Rourke of the Washington, D.C., firm of Neill, Mulenholz and Shaw, argues that the lump sum is not received under an annuity contract. Rather, he says, the lump sum is

provided under Title 5 of the U.S. Code, which establishes civil service law.

Title 5 defines the lump sum as "the unrefunded amount consisting of retirement deductions made from the basic pay of an employee."

The government dismisses Title 5, arguing that tax law, Title 26, "applies to all distributions from the [CSRS] fund."

The brief also discusses an apparent conflict between the Federal Employees Retirement

sum payment received by Mr. Shimota is a 'refund' of his contributions under the CSRS statute, the characterization of the benefit by the CSRS statute does not control for tax purposes. Title 5 is not a taxing statute."

A second issue in the suit is whether Shimota, in taking the lump sum, owes a 10 percent penalty because he failed to meet any of the exceptions, particularly that he received it before reaching age 55. As an FBI agent, Shimota was subject to special law-enforcement retirement provisions which encourage early retirement.

"Congress has prescribed that the additional tax is applicable to all [emphasis in original] distributions... unless a specific exemption is found in the statute," the government contends. As it finds none in the tax code, the government says Shimota owes the penalty.

O'Rourke said the government brief sets up a clear argument between the two titles of federal law, civil service and tax. The judge will make that determination after Shimota files his response in February.

"Gobetz did exactly what I would have done in his position," O'Rourke said. "But Title 26 doesn't come into play until you determine what [the lump sum] is." And, he said, Title 5 defines it as "a return of capital."

As an FBI agent, Shimota was subject to special retirement provisions which encourage early retirement.

System Act of 1986, which created the lump sum, and repeal of an earlier tax provision which allowed annuitants to exempt their retirement payments from taxes to recover their contributions. The government implies that the tax repeal holds precedence because its enactment occurred after that of the FERS law.

"Even if plaintiffs are correct in their assertion that the lump-

Contract

From Page 11

Justice and Delinquency Prevention currently have a \$70 million budget. More than half is provided in the form of grants to state and local governments and non-profit organizations that serve young people with criminal backgrounds or behavioral problems.

In administering the grants, employees decide whether the programs meet the standards of the 1974 Juvenile Justice and Delinquency Act of 1974.

The principal means of determining a state's eligibility is the state's progress in removing from adult prisons and other institutions children convicted of crimes that would not be considered criminal if they were adults. Such crimes include running away from home and

failing to attend school.

At times the employees enter into negotiations with state and local representatives over the amount of funding. "It seems to us inappropriate for a private contractor to be involved in that type of negotiating," said one employee.

The Justice crime prevention offices also provide grants to non-profit groups, such as the National Congress of Black Churches and the National Center for Missing Children, both headquartered in Washington, D.C.

Employees said the concept of a private firm giving grant money to another private group raises ethical questions. "Bureaucrats may be slow and stodgy but at least we're honest. I don't think contractors would have that sensitivity," said an employee in the research division.

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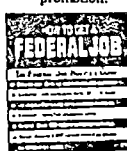
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Home

From Page 4

years with temperatures 60 below, people were just unable to come to work. We lost enormous production time," Stewart said. On one of the coldest days, 125 cars were stranded on the road between Elmendorf AFB and its nearest residential community, she said.

Stewart said she foresees flexplace arrangements for white-collar employees such as engineers, procurement agents and budget analysts.

Other command representatives said they believed the office atmosphere was too distracting or cramped for employees to get their work done.

Kay Cole's staff of 35 at the Air Force Civilian Appellate Review Agency spends at least two weeks each month on the road conducting Equal Employment Opportunity investigations or grievance hearings. When the investigators and examiners return to the office at Lowry AFB, Colo., "they're stuck in a little hallway," said Cole, the agency's director.

"When one person gets a phone call, unless they wear earphones, every other employee is distracted," she said.

Since the investigators already are equipped with lap-top computers and spend their time at the office writing reports, Cole said she believes they are ideally suited for flexplace arrangements.

When they return to their commands, the representatives said they face the challenge of convincing managers, some of whom are military officers resistant to change, that the work-at-home concept will work.

For that reason, programs must be devised carefully, said Ernie Balanzuela, Air Force Systems Command personnel management specialist.

"Anything someone does wrong to abuse it will throw it off track [in the eyes of top officials]," he said.

The personnelists also will have to devise a marketing approach so they can secure funding for any start-up costs such as equipment purchases, they said. But those costs, Sanders told the representatives, "pale in comparison with leaving a job vacant or retraining expenses."

Books

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Classic in the Field

The Functions of the Executive by Chester I. Barnard; 1938; Harvard University Press, Cambridge, Mass., and London, England; 334 pages; \$10.95.

Barnard's book is not easy reading, but recommended as a classic in the field by Harold F. Gortner, chair of the public affairs department at George Mason University, Fairfax, Va.

From a different direction, Barnard edges into one conclusion similar to Jackall's stated above — "The ethical ideal upon which cooperation depends requires the general diffusion of a willingness to subordinate immediate personal interest for both ultimate

personal interest and the general good, together with a capacity of individual responsibility."

This conclusion also gives you some feel for how difficult it can be to dissect Barnard's syntax.

Some Famous Theories

Mastering Public Administration: From Max Weber to Dwight Waldo by Brian Fry; 1989; Chatham House Publishers Inc., Chatham, N.J.; 254 pages; \$16.95.

Fry offers concise looks at the lives and work of eight famous pioneers of theories of public administration, including Chester Barnard. So, if you don't want to work through Barnard's sometimes difficult prose, you can find it condensed in Fry.

He was motivated, he said, by the lack of easily digestible information. All he could find available were too-short treatments in textbooks or too-long books by the pioneers.

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Guidelines for Pilot Flexible Workplace Arrangements

Purpose

A government wide project is underway which permits Federal employees to work at home or at other approved sites away from the office for all or part of the workweek. Such alternative work arrangements are known as flexible workplace arrangements.

The Flexible Workplace Project, sponsored by The President's Council on Management Improvement (PCMI), will test the feasibility and utility of such flexible workplace arrangements, on a limited basis, through pilot tests scheduled to begin in early 1990.

The project guidelines are the product of an interagency task force and are designed to facilitate the implementation of pilot flexible workplace programs in Federal agencies.

Background

Flexible workplace, work-at-home, telecommuting, and teleworking all refer to paid employment away from the traditional office.

Telecommuting and teleworking imply the use of high-tech telecommunications and computers to perform work from remote locations. Work-at-home, as defined in the Flexible Workplace Project, covers work regardless of high-tech or low-tech applications.

Many home workers need nothing more than an ordinary telephone, typewriter, or pen and paper to accomplish work objectives. In addition to working at home,

flexible workplace covers work done at satellite offices as well. It is, in the most general terms, not limited by geography or technology.

Flexible workplace always implies an employer-employee relationship where the location of the work site is shifted away from the primary traditional work site. It should not be confused with home based businesses (cottage industries) or independent contractor arrangements in the home.

It is also quite different from situations where employees permanently work out of their homes, traveling daily to clients or audit and inspection sites on premises not controlled by their employers. In these instances, their homes, not their work sites, are considered their official duty stations.

Moreover, flexible workplace arrangements are a relatively new trend, driven by new technology and long-term growth, in the service sector of the economy. The service sector is a broad category that includes government, education, medicine, research, and other industries characterized by service delivery rather than production.

Airlines, express mail carriers, and fast food are also service industries. However, in these industries, performance of work is dependent upon the location of the workplace, thus not lending themselves to flexible workplace arrangements.

Many service workers are employed in clerical occupations or are considered "information or knowledge workers" who collect, process and disseminate information or knowledge. Thanks to new technology, information workers can conduct their jobs from virtually anywhere.

Computers, facsimile machines, data communications, cellular telephones, interactive video, satellite dishes, and other technological innovations make it possible, if not easy, to shift work from a centrally located office to a private residence or satellite office in the suburbs.

These trends are reinforced by demographic and societal changes, especially noted by the increase in the number of women in the workforce, as well as increases in two income families and single parent households. In addition:

- There is growing competition for a shrinking labor pool (the "baby bust" phenomenon) while employers are simultaneously facing severe shortages in many skill categories.
- Suburban sprawl and traffic gridlock make it more difficult to commute to offices in metropolitan areas. Construction and leasing costs for traditional office space are rising rapidly as is repair and maintenance of aging buildings.
- Global competition makes it all the more important for American employers to find ways to reduce costs and increase efficiency. Flexible workplace arrangements have the potential to alleviate some of these problems and can be an attractive alternative for employers and employees alike.

A pilot test of the telecommuting concept in Federal agencies can help determine whether the Government can benefit from such arrangements.

For those agencies wishing to conduct pilot tests, there will be additional information and assistance available from the PCMI. On behalf of the President's Council

on Management Improvement, we are pleased to provide the attached guidance for participating in a pilot test of this concept.

The project directors for this effort are:

- Thomas Cowley
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(202) 566-1580
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Either of them will respond to any technical questions you may have. The Office of Personnel Research and Development (OPM) will coordinate implementation and evaluation activities.

SECTION A: Establishing Flexiplace Programs

1. Basic Considerations

Agencies wishing to establish flexiplace arrangements should first identify the reason or reasons for initiating a pilot. Such reasons should form a basis to justify employee use of the home or other location away from the main office as an alternative worksite.

They may include increased ability to attract and retain employees in critical occupations and positions, such as technical and scientific researchers or computer programmers; targeting new labor markets such as severely handicapped individuals; reducing space and associated costs; or enabling agencies to better conduct the organization's work by allowing increased flexibility in the location of the work site.

The reason or reasons for instituting a program should be clearly spelled out and communicated to managers and employees throughout the organization. Clearly defined expectations that show benefits to the organization and flexiplace employees alike are the foundation for a successful program.

2. Project Considerations

This section highlights important aspects of the pilot projects. Federal agencies are encouraged to volunteer to set up pilot projects for flexible workplace arrangements based on guidelines and other information provided in this document. All agencies conducting pilots will be required to notify OPM, agree to provide data for purposes of evaluation, and to comply with all legal and regulatory requirements.

OPM's Office of Personnel Research and Development is coordinating project implementation and evaluation activities (See Appendix A for a general overview of agency responsibilities).

- Participating in the Federal flexiplace pilot effort will enable agencies to benefit from intense support of all PCMI agencies. However, agencies are not precluded from setting up flexible workplace programs outside the parameters of these guidelines, in accordance with GAO requirements.

Agencies setting up independent programs may need to check with GAO to ensure they meet pertinent requirements. In addition, independent programs may not qualify for certain exemptions from normal Governmental requirements currently in pending legislation.

- The Federal flexiplace pilot program is primarily targeted to current employees. However, flexible workplace arrangements (flexiplace) may be used as a marketing tool when recruiting new employees, especially handicapped individuals.

Consideration can be given to permitting new employees to participate in the program after the results of the minimum rating period have been obtained. Employees should have a fully successful rating in order to participate.

- Flexiplace workplace arrangements should provide for in-home workstations, satellite offices, or both. Several agencies may share a satellite office, managed for example through a local Cooperative Administrative Support Unit (CASU), that offers a variety of services and resources not available in the home (i.e., photocopying and printing services, facsimile machines, computer terminals and

printers, library, conference room services, etc.).

- Tangible benefits should accrue to both the Government and to flexiplace employees. Agencies should achieve better workforce recruitment and/or retention, reduced need for office space, and/or other benefits. Flexiplace employees should benefit from reduced commuting time, cost savings in areas such as parking, commuting, wardrobe, food and child care expenses, and greater employment opportunities to name a few.

Existing programs in both the private and public sectors have also experienced increased productivity. It should be noted, however, that studies have shown that some of the reported productivity gains are illusory in that employees actually worked longer hours to achieve gains in work output.

Increased productivity requires that employees increase work output without increasing hours worked.

- Agencies will be requested to submit evaluations on general cost issues. They should be prepared to determine associated costs to the Government and to the flexiplace employee, if any. Costs should be specified at the middle and the end of the project.

- Participation should be voluntary. Total self-selection by the employee is undesirable. Supervisory agreement and concurrence is a must. Programs should provide for careful screening and training of potential telecommuters and their supervisors. OPM will provide materials to assist in the screening process.

- OPM will develop, provide, and

administer general orientation and training modules for flexiplace employees and supervisors through its Training Facilities on a reimbursable basis.

Agencies should be prepared to work with OPM to support and facilitate this training. The project training plan is contained in Appendix C. Agencies should also be prepared to enhance the general training by developing and administering any specific training that may be needed. Such specific training may include: equipment operation (i.e., computers, modems and facsimile machines) and any agency specific policies or procedures. Training may also be needed to address software applications, especially those for communications with the office. Periodic refresher and update courses may also be necessary.

- While the project task force is providing general information on project guidelines, design, and implementation requirements, a committee of potential participants and union representatives should help develop organization-specific design and implementation details.

- Agencies will be required to collect and submit evaluation data as prescribed in Appendix B. Agencies may also want to develop and collect baseline and other evaluation information for use in customizing telecommuting to meet their own particular needs.

- The task force is providing guidelines for selecting appropriate jobs and participants for this project. These guidelines are covered in various places in this document as well as in Appendix B. Agencies should carefully review and screen jobs and participants for this project.

- Management has the right to remove individual employees from the program when performance declines or the program no longer benefits organizational needs. While participation in flexible workplace arrangements is not an entitlement or a right, termination of employees from the program must be done in accordance with established administrative procedures and union negotiated agreements.

- Managers of telecommuters must be able to communicate well with their employees and measure performance by results rather than observation. The OPM-developed training will cover management by results. Managers who are not comfortable managing by results and who need to observe actual employee performance should be screened out.

Participating managers must clearly define specific tasks and expectations. Actual work performance should be measurable against established or developed quantity and quality norms so that managers may certify time and attendance records.

- Flexiplace employees' work schedules need to be established to identify the days and times the employee will work in each work setting. Work schedules can parallel those in the office or be specific to the flexible workplace. The process of establishing work schedules should be sufficiently flexible to permit periodic work schedule adjustments, if any, to achieve an optimal schedule suiting employee and organizational requirements.

For details on setting up alternative work schedules, see FPM Supplement 990-2, Book 620.

- Experience has shown that most flexible workplace arrangements should provide for a minimum work time in the traditional office setting, for instance, two or three days per week. This will allow for face-to-face meetings, provide access to facilities not available at the alternative workplace, and, equally important, will counter feelings of isolation.

- Agencies should assess the equipment needed for the employee to accomplish his/her job and determine whether such equipment (computers, modems, facsimile machines, or other devices) needs to be supplied to the employee and whether employee-owned equipment can be used. Each agency must determine what, if any, equipment it will purchase and/or whether to assist employees in the purchase of equipment. In several of the private sector programs, employees use their own personal equipment.

If employees are allowed or required to use their own equipment, agencies must ensure the employee is aware he/she is responsible for servicing and maintaining it.

If Federal Agencies provide employees with computers, modems, printers, etc. for use in the home the Government must retain ownership of equipment, software, and data.

- Agencies should identify services that the employee will need while working at the alternative workplace. The agency will need to ensure that the flexiplace employee has access to reference sources and other materials necessary to carry out the job.

- Agencies should establish methods for evaluating work performed at alternative sites and reporting requirements to

facilitate employee-supervisor communication.

- Flexible workplace arrangements are not a substitute for child care. Based on experience in the private and public sector, the care of young children is likely to provide too many distractions for successful completion of work.

However, Flexible workplace arrangements can provide valuable assistance in the management of work/family schedules. Employees seeking to volunteer solely for child care purposes should be informed of the likely pitfalls, and discouraged from any unwise participation plans.

3. Flexible Workplace Scenarios

The project task force has written sample descriptions of typical flexible workplace arrangements. The scenarios, attached in Appendix E, describe how personnel specialists, computer programmers, typists and other employees might work at home.

After a decision has been made to participate in pilot testing, the agency needs to use these guidelines to examine targeted positions before final selection decisions are made.

SECTION B: Position and Performance Issues

Flexible workplace program participation will include both union and non-represented employees, encompassing a broad range of occupations and grade levels.

Agencies are encouraged to seek union views about the identification and selection of the types of jobs within bargaining units that are suitable for flexiplace arrangements.

As provided by section 4302 (a) (2) of title 5, U.S.C., employee participation in developing performance standards is encouraged.

Although the substance of performance standards and elements is outside the duty to bargain, unions also may participate where positions are within bargaining units they represent. Similarly, unions may be invited to provide input into the development of work agreements.

1. Position Descriptions

Preliminary review of position descriptions can help identify jobs suitable for flexible workplace arrangements. Such jobs will typically be those which can be conducted independent of the work location, for at least a portion of the week. Supervisors should review position descriptions of flexiplace employees and make modifications if necessary.

The flexible workplace arrangement will seldom require major changes in position descriptions, but may affect factors such as supervisory controls or work environment. If flexiplace changes actual duties, agencies should examine all factors for impact.

2. Performance Standards

Critical elements and performance standards for flexible workplace employees should generally mirror current standards for such employees, with adjustment flexibility for unique circumstances encountered working outside the office setting. Objective, results-oriented standards which provide a reasonable basis for measuring performance, from a quantitative or qualitative standpoint, are most appropriate for employees in the flexible workplace arrangement.

Since many performance standards are too general and subjective for use in certifying time and attendance, supervisors may need to establish explicit and objective norms on quantity and quality of work at home for given projects or periods of time. Alternatively, supervisors can monitor work directly (described in the section on time and attendance).

Generally, measures of work output for flexible workplace employees should be based on experience with traditional workplace employment. If, due to the nature of the job or other circumstances, this is not possible, then such measures should be expressed in terms of quantity and quality norms developed through supervisory judgment and monitored through scheduled and required progress reporting.

3. Work Agreements

Flexiplace employees should sign work agreements with their agencies covering items such as:

The voluntary nature of the arrangement, length of time, official duty station, hours of duty, timekeeping, distribution of work be-

tween home and office, leave approval, overtime, workers compensation, performance norms, ownership, care of property, equipment, and data, Government right to inspect the home office, standards of conduct, criteria for termination, and FLSA status.

Due to the voluntary nature of the program, flexiplace employees have the right to terminate their participation at any time.

A sample of a work agreement for employees participating in flexiplace work arrangements is attached at Appendix F. It may be modified or supplemented by an agency and/or organizational unit as necessary.

SECTION C:

Time and Attendance, Hours of Duty, Alternative Work Schedules

1. Overview

Existing rules in Title 5, U.S.C on hours of duty and scheduling work, and in the Fair Labor Standards Act, on overtime, apply to flexible workplace arrangements.

Flexiplace employees may work traditional hours or follow alternative work schedules (AWS). FPM guidance on alternative work schedules provides for an astonishing variety of flexible or compressed work schedules that can meet almost any need.

An important point to note is that the process of establishing flexiplace work schedules should be sufficiently flexible to permit periodic work schedule adjustments. Because flexiplace arrangements are new, they may require some trial and error adjustments to determine the optimal schedule to meet the needs of both the employee and the organization. For details on planning AWS arrangements, see Book 620 in FPM Supplement 990-2.

Agencies should note that employees within a bargaining unit may not be included in any flexitime program unless expressly provided for under a collective bargaining agreement.

Each type of schedule has advantages and disadvantages. A regular schedule makes it easier to stay in touch with colleagues and to be available to clients. However, flexible work schedules can serve the same purpose by scheduling flexiplace employees to be available to others during certain core hours. The rest of the day falls into flexible time bands

within which employees may set their own hours.

Some employers and employees may prefer a compressed schedule to take advantage of the time saved from not commuting. On a compressed schedule of 10-hour days, an employee can finish his/her work week in 4 days. The 10-hour work day may actually be more attractive than work time on an 8-hour day because of less commute time.

All such arrangements, even Maxiflex schedules, provide a structure for scheduling work and accounting for time and leave. Employees working under such schedules can, depending on the degree of flexibility permitted, tailor their work hours within the parameters permitted by the agency or organization. However, completely unstructured arrangements, where employees simply work at will, may violate legal requirements and public policy and will probably not meet GAO certification requirements for time and attendance.

Agencies must schedule work hours in accordance with individual employee's actual work requirements regardless of work location. Failure to properly schedule work may make the agency liable for premium pay under title 5. See 5 CFR 610.111 and 610.121.

Agencies should be careful about potential liability for "suffered or permitted" overtime under the FLSA which can strain personnel budgets and employee relations. See 5 CFR 551.401, 411, and 421. Scheduling work to avoid unnecessary overtime is a long standing public policy.

"First 40-hour" arrangements may be used only when it is impracticable to prescribe a regular schedule of definite hours of duty for each work day of a regularly scheduled administrative workweek. Definite

schedules are not "impracticable" in this sense merely because work at will is administratively convenient or suits someone's preference. The mere fact of flexiplace employment does not make a definite schedule impracticable.

Work schedules and tours of duty should be tailored to accommodate periodic focus group meetings arranged and conducted by the agency (see Appendix D for a discussion of focus groups).

In addition, research with flexible work place programs in the private sector and state and local governments indicates that employees should spend at least part of the workweek in the office. This minimizes isolation and communication problems, facilitates integration of the employee with those in the office, and may also ease supervisors' adjustment.

Most flexiplace employees should be scheduled to work no more than 1 to 3 days per week outside of the office, at least for the first few months of the pilot. As experience and confidence are gained, this can be increased; however, agencies are strongly urged to schedule at least a day or two in the office for all employees participating in flexible work place arrangements.

Written agreements with employees should address hours of duty and work schedules. For instance, the agreement could cover type of schedule, whether regular or flexible, days and hours of work, length of the unpaid lunch break, periods when the employee must be available to colleagues, etc.

2. Leave

The rules and procedures for leave administration depend on the work schedule.

The work schedule, not the work site, controls leave. For a regular schedule at home, the regular rules apply (see Book 630, FPM Supplement 990-2 for leave administration).

Under flexible or compressed work schedules, see Book 620 in FPM Supplement 990-2. Written agreements between employees and agencies should address leave administration.

3. Certification and Control of Time and Attendance (T&A)

Proper monitoring and certification of employee work time is critical to the success of flexible work place arrangements. Supervisors must report time and attendance to ensure that employees are paid only for work performed and that absences from scheduled tours of duty are accounted for.

Although agencies establish their own procedures for certifying time and attendance, those procedures must follow standards set by the U.S. General Accounting Office (GAO) in the Policy and Procedures Manual for the Guidance of Federal Agencies. Title 6 of the Manual covers Pay, Leave, and Allowances. The most recent changes address self-certification and paperless T&A systems.

Although it does not directly address flexible work place arrangements, the new title 6 of the GAO manual could be a starting point for modified agency procedures for such arrangements. This should not be completely new. To some extent, agencies have reported unobserved time and attendance for years. Timekeepers and supervisors cannot actually observe employees on business trips or those permanently stationed at their homes, traveling daily to audit or inspection sites.

The GAO guidelines require agencies with employees working at remote sites to provide reasonable assurance that they are working when scheduled. The guidelines list the following approved techniques:

- arrangements with other timekeeping or supervisory personnel to provide observation, where feasible;
- occasional supervisory telephone calls to an employee during times the employee is scheduled to be on duty;
- occasional visits by the supervisor to the employee's work site;
- determining reasonableness of work output for the time spent.

The last technique in the above list is probably the most likely technique for use with flexiplace arrangements.

These techniques are consistent with earlier decisions where the Comptroller General ruled that there was no general legal prohibition against work-at-home, provided actual work performance can be measured against established quantity and quality norms and that there was a reasonable basis to justify the use of a home as a workplace. The following decisions of the Comptroller are examples.

GAO approved a work-at-home arrangement for an employee of the Department of Housing and Urban Development with Multiple Sclerosis. GAO concluded that it was reasonable for the employee to work at home because actual work performance could be measured against established quantity and quality norms so as to verify time and attendance. (65 Comp. Gen. 826)

In another decision, GAO did not object to the Veterans Administration paying a

select group of typists to type at home, provided the agency had adequate monitoring controls. The GAO decision expressed no opinion as to the desirability of assigning employees to home work sites, indicating merely that GAO raised no legal objection to paying the typists assigned to work at their homes under the proposed plan. (B-214453, Dec. 6, 1984)

These and other Comptroller General decisions indicate that the work-at-home option is valid if an agency is able to certify time and attendance records for work at home, usually where actual work performance can be measured against established quantity and quality norms (the fourth of the approved techniques).

Jobs with industrially engineered work standards lend themselves readily to this method. Existing performance standards in most other jobs may be too vague and subjective for certifying home work and may need to be modified for such use. Norms should be established before approving a flexible workplace arrangement and continually refined during the pilot.

Agencies must ensure that such norms are not at variance with existing expectations of work output. The resulting standards would then serve as the basis for monitoring work output and certifying time and attendance. (See discussion of performance standards under Position and Performance Issues).

Persistent failure to meet norms after fair warning is grounds for termination of the flexible workplace arrangement. Termination may be subject to administrative or negotiated grievance procedures. Failure to meet work norms may lead to other performance-based actions besides termination of the arrangement.

Some jobs can be remotely monitored, even though performed away from the supervisor and timekeeper. Computer programmers may log onto a mainframe system which tracks all their work: Time on and off, files opened and modified, programs run, etc. (Programmers also have established work standards for so many lines of error free code per day.) The work of clerical and other workers, who may not have production standards, but who work with application software such as word processors, spreadsheets, and data bases, can be monitored. Special systems software on microcomputers can record all activity: log/on time, files opened and closed, keystroke counts, etc. Periodically, employees can send to their supervisors, via electronic mail, updated copies of those log files.

Alternatively, supervisors can remotely monitor the log files or actual work-in-progress with remote operation software. Remote monitoring is a technological extension of the technique of direct observation.

Supervisors can use phone calls and electronic mail to ensure that employees are actually on duty when scheduled to work. Phone calls or messages during the normal course of business are less intrusive than direct check up calls. Written agreements should specify times employees must be available. Occasional visits by the supervisor to the home work site are another approved technique, but can be very intrusive and undermine mutual trust. If used at all, visits as well as any other monitoring activity should be done in accordance with the written agreement and in a manner that preserves mutual trust and respect.

4. Administrative Leave, Dismissals, and Emergency Closings

The alternate work site may be unaffected by emergencies that lead to closings and dismissals at the central office, e.g., local power blackout, building fire, or tornado. As may happen with different offices in the same metropolitan area, some may be affected by the emergency and others not. Whether home office or government office, the principle is the same. If work can proceed at a particular work site, then employees may not be excused from duty just because other employees elsewhere have been dismissed or excused from reporting.

Hence, a home-based worker may not be excused on a snow day unless the home based work is so intimately connected with the central work site as to become impossible. Conversely, agencies may excuse a home worker for a power blackout that affects the home but not the central office.

Agency guidelines on dismissals and closings should be sufficiently flexible to cover the great variety of potential situations. If the flexiplace employee was scheduled to come into the office on a snow day, should he/she work at home or get the day off? If the employee was scheduled to come to the office for only part of the snow day, then excused absence might be granted for that portion of the day (for example 2 hours instead of the full 8 hours other employees receive).

If the emergency affects only the home and not the central work site, the considerations are reversed. Home emergencies that begin after the flexiplace employee begins working (or is scheduled to begin working) can be excused, particularly if they are of minimal duration. Similar occurrences that start well before

the work period begins (and it is known will continue for all or most of the work time) can be handled by granting the employee annual leave, rescheduling the work, or having the employee report to the office. Interruptions that are scheduled in advance should be dealt with by granting leave or having the employee report to the office.

5. Fair Labor Standards Act (FLSA)

Federal employees in positions designated as "nonexempt" benefit from the overtime provisions of the Fair Labor Standards Act. Overtime entitlements under the FLSA are independent of those that nonexempt employees have under title 5, and nonexempt employees get the benefit of whichever entitlement is greater. Some activities are work under FLSA but not title 5. The FLSA sets an overtime standard of 40 hours per week; the number of hours in a day does not matter.

Under title 5, agencies pay only for overtime officially ordered and approved. Under the FLSA, employees may earn overtime pay even though the overtime work was voluntary and not officially ordered or approved. The FLSA counts as overtime any work that a supervisor "suffers or permits" his/her subordinates to work. Suffered and permitted overtime is any work performed for the benefit of the agency, whether ordered or not, provided the supervisor knew or had reason to believe that the work was being performed and had a chance to stop it.

It is a responsibility of management to exercise appropriate supervision to ensure that only that work for which it intends to make payment is performed. Since the supervisor is not on the scene of work at home or at the satellite office, FLSA overtime (or

potential liability for FLSA overtime) could be hard to control. Nevertheless, the benefits of flexible workplace are so great, that pilot programs should not exclude FLSA nonexempt workers.

Supervisors should take care to communicate work rules, to limit access to key systems, and to monitor work activity as suggested in the section on certifying time and attendance.

Nonexempt flexiplace employees who habitually work in excess of the hours approved by management should be removed from the flexible work place arrangement. Agencies may not discipline nonexempt employees for working suffered or permitted overtime under the FLSA or for putting in claims for backpay under the FLSA.

6. Injuries, Continuation of Pay, Worker Compensation

Flexiplace employees can qualify, under the Federal Employees Compensation Act (FECA), for continuation of pay (COP) or workers compensation for on-the-job injury or occupational illness. Continuation of Pay can last up to 45 days. The Department of Labor administers workers compensation beyond 45 days, but charges it back to the agencies. Reports of injuries should be carefully scrutinized to ensure that they are really work related.

Flexible work place arrangements can help put injured employees back to work and take them off the compensation rolls.

Agencies may be able find work that such employees can perform at home or agencies may be able to "restructure" existing work so that some of it may be performed at home.

SECTION D: Pay Issues

1. Duty Station

The definition of "official duty station" in the Federal Travel Regulations (FTR) affects entitlements to special salary rates, travel allowances, and relocation expenses. In flexiplace arrangements, employees work part of the time at home and report to the office the rest of the time. Many employees will actually work more hours at home than at the office.

Regardless of whether or not the employee spends the majority of work hours at a home work site, the current conventional Federal office is the official duty station for purposes of special salary rates and travel.

The General Counsel at the General Accounting Office agrees that Congress did not intend agencies to base entitlement to special salary rate or travel benefits on place of residence. In this respect, flexiplace arrangements are different from situations where field auditors, agricultural extension agents, and quality assurance specialists work out of their homes, office, field, or factory. In those situations, their homes are their official duty stations. They do not commute to a Federal office.

2. Special Salary Rates

Except for certain worldwide or nationwide authorizations, most special salary rate schedules cover a very limited geographical area. The Federal office, not the home, is the official duty station for special salary rates.

The legislation on special rates is designed to assist agencies with recruitment and

retention problems associated with Federal office locations. If the home is in an authorized area, but the office is not, special rates would not apply. Otherwise there would be different treatment for people working out of the same office but living in different areas.

3. Premium Pay

Work schedules determine premium pay entitlements. Night differentials are for regularly scheduled work at night. Sunday Pay is for regularly scheduled nonovertime work performed on Sundays. Holiday pay is for nonovertime work performed on holidays.

Whether at home or at the office, the normal rules apply to regular work schedules and special AWS rules apply to flexible and compressed work schedules.

Overtime work at home is more difficult. There is considerable potential for either misunderstanding or outright abuse. For instance, the rule on call-back overtime does not apply to work at home. The rule prescribes a 2-hour minimum, even when actual overtime work is much less. The reason for the 2-hour minimum is to compensate employees for the inconvenience of travelling back to the work site, a rationale that obviously does not hold when the employee works at home.

Compensatory time is an alternative to overtime pay only for irregular or occasional overtime work, but not for regularly scheduled overtime work. However, those on official flexible work schedules can get compensatory time for regular overtime work. Compensatory time off, instead of overtime pay, must be at the request of the employee.

Subsequently, agencies can mandate compensatory time for employees whose basic pay is higher than the maximum rate for GS-10 on the regular General Schedule. Agencies should apply strict controls to prevent abuse in this area.

Finally, agencies should be sure FLSA non-exempt employees and their supervisors are fully aware of the rules on "suffered or permitted overtime." Supervisors must not accept the results of unapproved overtime work and must act vigorously to discourage it.

Agencies may have to discipline supervisors who suffer or permit unapproved overtime. At a minimum, employees who work unauthorized overtime should be removed from the work at home arrangement.

SECTION E:

Facilities Issues

1. Satellite Offices/Shared Work Space

Satellite work offices can be an alternative to having employees work at home. Such offices can be located close to where employees live and simultaneously serve the needs of employees of many agencies.

Typically, employees would be assigned to work at the satellite work office (with infrequent work at home) in lieu of reporting to a down town location.

Satellite work offices could use either existing, under-used space in Federal office buildings or new space. It takes at least six months to arrange for new space, if existing space is not available. Satellite offices can exist as several environments:

- **The Satellite Office.** A geographically convenient extension of a headquarters office. Employees report to work at this location when not reporting to the headquarters office or to the home. Employees would have facilities comparable to those in the headquarters office environment: personal telephone, individual workspace, shared office equipment.
- **The Shared Work Space.** A limited work space environment. Employees would share telephones, desks/workspaces, and office equipment. Like the satellite office, it is geographically convenient for commuting.
- **The Cooperative Administrative Support Unit.** A geographically convenient administrative services bureau. It gives employees access to services or equipment not available in the home such as

copy centers, meeting rooms, library, imprest fund, office machine repair.

Cooperative Administrative Support Units (CASU's) can play a major role in locating and equipping office space.

CASU, a PCMI initiative, is a voluntary program for local Federal agencies. Each CASU is controlled by a local policy board of users with a National Board of Directors reporting to the PCMI.

A small interagency staff in Washington, D.C. can help local managers and agencies set up CASU's. Local programs are run to suit local needs. Programs often differ in the services they provide and the agencies they serve. The 24 CASU's now in operation provide consolidated administrative services to member organizations in multi-tenant buildings, complexes, or scattered locations within metropolitan areas.

CASU's could provide the technical assistance for acquiring and servicing telecommunications equipment through users groups and consulting services.

For further information, call FTS 523-5278 or write CASU Interagency Staff (CN), 18th and F Streets, N.W., Washington, D.C. 20405.

2. Home Office Space and Inspections

Offices in the home require adequate work space, light, telephone service, power, and temperature control. Requirements vary depending on the nature of the work and the equipment needed to perform that work.

All work at home arrangements should require employees to have a specific room or area in a room which is adequate for the performance of their official duties. In

addition, flexiplace employees should be required to have a telephone to facilitate communication with their supervisors and organizations.

Where applicable, agencies should advise employees to clear work-at-home arrangements with landlords. Landlords may have legitimate concerns such as cost factors associated with the use of utilities necessary for operating work-related electronic equipment.

For example, temperature requirements for rooms containing computers are fairly stringent. Equipment manufacturers establish environmental limits for their products and, outside those limits, their machines may malfunction or pose a hazard.

Agencies need to ensure that existing wiring and electrical connections are safe for equipment provided by the Government. If extensive re-wiring or other modifications need to be made to bring the work space up to standards, it may not be cost effective or in the Government's interest to make such modifications. Other less costly alternatives may need to be explored if the agency wishes to include an employee whose proposed home work space is not adequate.

Finally, agencies and employees must take measures to ensure that, where applicable, equipment considered safe for adults is also safe in the presence of children.

Agencies can require smoke detectors. If local building codes do not require such detectors but an agency requires them as part of the work-at-home arrangement, the agency should pay for the smoke detector.

The work agreement, signed by the employee and his/her supervisor should allow agencies to inspect the in-home work space, both at the time of installation

of any Government owned equipment and at periodic intervals. Such inspections should be conducted at reasonable times and only as needed to protect the Government's interests. Provision of Government-owned equipment as well as participation in the work-at-home program should be made contingent on passing such inspections.

Programs should require that employees work only in their approved alternative workplace (whether home, satellite office or elsewhere). Even though technically feasible, it would not be wise to let employees "work" at places of public refreshment, recreation, or amusement, such as restaurants, parks, or the beach.

3. Home Utility Expenses and Reimbursement

Work-at-home arrangements may increase an employee's home utility costs. Balanced against these increases are potential savings to the employee resulting from reduced commuting, child care (savings during the period the employee would otherwise be commuting to and from work), meals and clothing expenses. Potential costs and savings to the employee and the Government cannot be viewed in isolation from each other.

Currently, most private sector flexiplace programs do not pay any portion of employee utility expenses. The rationale is that the benefits of working at home, both tangible and intangible, offset any incidental increase in utility expenses.

A recent GAO decision concluded that "absent legislation authorizing such expenditures, incremental utility costs associated with the residential workplace may not be allowed" (B-225159, June 19, 1989). In that decision, GAO noted that "as

a general rule, appropriations for necessary expenses of any agency may be used for purposes not specifically set forth in the appropriations act, if the expenses in question are for the direct support of the agency's mission; residential utility costs normally are considered the personal expenses of federal employees."

An agency may not use appropriated funds to pay for items of personal expenses unless there is specific statutory authority. GAO has allowed exceptions to this rule only where there is clear and convincing evidence that the expenditure that would ordinarily be a personal expense primarily benefits the government.

In this regard, an employee may be reimbursed for business-related long distance phone calls over the employee's personal phone. GSA regulations (41 CFR 101.7) provide for reimbursement on SF 1164 for telephone calls approved by the supervisor. This area will be carefully monitored during the pilot testing to determine if legislation is needed to deal with the issues raised.

SECTION F: Telecommunications and Equipment

1. Telephones and FTS 2000

Section 1348 of Title 31, U.S. Code prohibits Federal agencies from paying for telephone installation and service in private residences with appropriated funds. This has been confirmed by GSA's (the agency that administers this provision of law) Office of General Counsel. Some employees may need another phone line for voice traffic and/or connecting to modems, computers, and fax machines.

The legal restriction would also prevent the Federal Government from installing residential phone lines to connect to the new FTS 2000 service a FTS 2000's fiber optic network which will carry a varied mix of voice, data, and video services on a single line.

Section 1348 also prohibits the Government from purchasing a fax machine for installation in a private residence. Facsimile machines are a special kind of telephone that can switch between voice and fax modes.

Modems and automatic voice/data switches do not come under the prohibition of section 1348 and agencies may use their appropriated funds to pay for such items if necessary to conduct Government business.

2. Computers, Property, Services and Support

Federal Information Resources Management Regulations provide general guidelines to Federal agencies for their

policies on end user computing (EUC) off site (see FIRMR Bulletin 30).

Agencies may place computers and telecommunications equipment in their employees' homes while retaining ownership and control of hardware, software, and data.

All Government provided equipment is for official business; employees are prohibited from using such equipment for private purposes. The Government is responsible for maintaining and repairing such equipment.

Classified or sensitive data should not be accessible from an off site system, unless agency ADP security officials certify that the system adequately protects records and that such use conforms to applicable laws or policies.

Agency computing policy should also identify such records and restrictions for off site use. All files, records, papers, or machine readable materials created using Government owned equipment are the property of the United States.

For policy advice on electronic security procedures, see FIRMR Part 201-7, Security of Personal Privacy; and Security of Personal Computer Systems: A Management Guide, NBS Special Publication 500-120, U.S. Department of Commerce, National Bureau of Standards.

FIRMR Bulletin 56 establishes guidelines for the acquisition of automatic data processing equipment that helps handicapped Federal employees. (See discussion under Section F.5. Accommodating Handicapped Employees.)

3. Remote Electronic Accessibility

Flexiplace employees will often need access to records, regulations, handbooks,

manuals, and files normally maintained at the office site. While it may not always be practical to duplicate paper records or maintain a library in the home or satellite office, personal computers and modems will allow employees to communicate with the office from any location and access records stored electronically.

Electronic records are in many forms: operating data bases, on-line research data bases, files on personal computers. Payroll and personnel data bases are examples of operating data bases that are only accessible from the office.

For Privacy Act and security reasons, such data bases are not accessible through dial-up (off-site) lines. This is a serious constraint for flexiplace employees whose jobs require access to such databases.

By contrast, research data bases vendors such as Dialog, Westlaw, CEMPAR-2, and JURIS designed their services for access over dial up lines. Regarding the latter, connect time charges are a consideration.

Correspondence files and historical records are likely to be one-of-a-kind and may not be taken from the office site location. Since these records exist mainly in hard copy, they are inaccessible through electronic means. Scanners and imaging systems, computer networks, electronic mail, bulletin boards, remote operating software, etc. can help solve such problems.

4. Privacy Act Implications

Care must be taken to ensure that records subject to the Privacy Act are not disclosed to anyone except to those who are authorized access to information in order to perform their duties. Agencies allowing employees to access records subject to

the Privacy Act from a remote worksite must maintain appropriate administrative, technical, and physical safeguards to ensure the security and confidentiality of the records.

When records subject to the Privacy Act are maintained or used by employees working at home or other remote locations, agencies should revise the appropriate record system notices to indicate that the off-site system location is authorized.

5. Accommodating Handicapped Employees

Handicapped employees are a valuable source of talented and dedicated workers. Current employment efforts which focus on accommodating handicapped employees in the regular office environment will continue. Such efforts can be supplemented, however, by flexiplace work arrangements to help agencies further tap the reservoir of unemployed handicapped persons.

Some severely disabled individuals cannot commute to work or work for long periods without rest. Special computer technology and telecommunications can enable them to be valuable home workers.

Speech recognition systems, infrared controllers, or simple mouthsticks allow those with mobility impairments to control computers.

Optical character readers, speech synthesis software, and tactile picture devices can provide valuable assistance to blind employees.

Video teleconferencing lets deaf employees communicate by sign language.

For information on work opportunities for handicapped individuals, both at home and at the office, see the handbook, Managing End User Computing for Users With Disabilities, prepared by the Clearinghouse on Computer Accommodation (COCA) in the General Services Administration.

GSA's Federal Information Management Regulations, in FIRM Bulletin 56, establish Government-wide guidelines for acquiring ADP equipment that helps handicapped Federal employees.

Other agencies, such as the Departments of Veterans Affairs, Commerce, and Justice, have resource centers that help managers assess accommodation requirements.

SECTION G: Other Issues

1. Labor-Management Relations

Federal employee unions have a right to consult and negotiate, as appropriate, on regulations affecting conditions of employment. This applies to flexible workplace regulations.

The Office of Personnel Management has consulted on flexiplace with the National Offices of Federal employees' unions in accordance with 5 USC 7117(d), but individual agencies must satisfy their National Consultation Rights obligations under 5 USC 7113 with the National Offices of unions granted those rights by the agency.

Negotiations with local unions may also be required by the terms of collective bargaining agreements.

If a flexiplace program is to be implemented in an organization where employees are represented by a labor organization accorded exclusive recognition under 5 USC Chapter 71, management is, at a minimum, obligated to notify the union concerning the program and to bargain in good faith on any negotiable proposals submitted by the union. Unions recognized as exclusive bargaining agents also have the right to negotiate on impact and implementation of flexible workplace programs.

This bargaining may involve union proposals which agencies may consider non-negotiable because, for example, they infringe on management rights under 5 USC 7106 (such as the right to determine work methods, assign work, and direct work). If the negotiability of such proposals

is not satisfactorily resolved between the parties, their negotiability would be resolved by the Federal Labor Relations Authority under 5 USC 7117.

Also, any impasses in bargaining would be resolved through the services of the Federal Services Impasses Panel (FSIP) under 5 USC 7119. Agencies should consult with unions previous to implementing the program. Labor-management partnership in creating flexible work place programs can go a long way to disarm suspicion and prevent unnecessary disputes.

The mechanism for ensuring union involvement and representation is one for mutual resolution by agencies and exclusive representatives. A committee may be established to oversee implementation, or conversely, a project team to implement and administer the program can be established. The most important consideration is ensuring meaningful opportunities for input into the process by employees and their union representatives.

While labor-management cooperation is not a replacement for collective bargaining, it could be a viable approach for implementing a flexiplace program. Management should consider bringing employees and their unions into the process of developing and implementing its flexiplace program at an early stage through a cooperative arrangement.

For instance, unions should have input into the types of positions/employees eligible for participation, the procedures to be utilized in performance appraisal, home inspections, time and attendance monitoring, criteria for evaluation and other areas of the project. Union representatives should also be invited to attend flexiplace focus group meetings.

Making the union a partner in the process of creating a flexiplace program could greatly reduce or even eliminate disputes, especially negotiability disputes and impasses, which otherwise may hamper or effectively prevent the attainment of a result that could be beneficial to both the agency and its employees.

2. Liability

Federal Employees Compensation Act (FECA):

Employees working at home are covered under the Federal Employees Compensation Act (Workers Compensation) and can qualify for payment as a result of on-the-job injury and occupational illness.

Military Personnel and Civilian Employees Claims Act:

The Military Personnel and Civilian Employees' Claims Act of 1964 authorizes the head (or designee) of each agency to pay claims up to \$25,000 for damages to, or loss of, personal property incident to an employee's service.

A claim, to be cognizable under the Act, must be by a member of the uniform services or a civilian officer or employee and must be for damage or loss to personal, not real, property.

Under 31 U.S.C. 3721(f)(3), a claim is allowable only if the damage was not caused in whole or in part by the negligent or wrongful act of the claimant. The loss or damage must be incident to service.

In addition, a claim may not be allowed if the personal property damage or loss occurred at quarters that were not assigned or provided in kind by the Government. Current authoritative rulings and decisions do not establish that the employee's

residence would be considered "assigned" for purposes of this statute under the Flexible Work Place Project. If a claim is not adjudicable under this statute, an employee may have a claim under the Federal Tort Claims Act.

Federal Tort Claims Act:

The Federal Tort Claims Act is concerned with suits filed by third parties against the United States Government for the negligent or wrongful acts of its employees. In order to establish governmental responsibilities in tort under the provisions of the Act, three conditions must be satisfied.

First, any monetary claim arising out of injury, death, or property damage suffered by a third party must have been caused by the negligent or wrongful act or omission of a Government employee.

Second, the employee must have been acting within the scope of his/her office or employment at the time of injury.

Third, the right of the third party to recover, if any, is determined by the law of the place where the negligent act or omission occurred.

An employee who suffers damage or injury to his/her home caused by Government equipment may have a potential claim under the Federal Tort Claims Act. A showing of negligence on the part of the Government would be required; the mere fact that a fire started would not be enough. The employee would have to show that the Government was negligent in some act of commission or omission, such as failing to warn of some known defect.

Third parties, such as family members, tenants of the building, or the owner of the building who suffer injuries or damages as

a result of an accident involving agency equipment used at home, could sue under the Federal Tort Claims Act. They would have to show that their injury was caused by the negligence of a Government employee "while acting within the scope of his/her office or employment."

This might be the employee who used the equipment or another employee who failed to properly train the using employee, inspect the equipment, or acted or failed to act in a situation that could be shown to constitute negligence.

Depending on what act or acts of negligence are alleged, it may be irrelevant whether or not the equipment was being used to conduct Government business at the time of the accident.

Auto or Homeowner's Insurance:

Employees working at home commute less frequently to the office. As a result, they might be eligible for lower rates on auto insurance (for driving less) and homeowners insurance (greater protection against loss from theft).

On the other hand, employees may have to pay higher rates because of the increased possibility of claims for damage to personally owned equipment used to conduct Government work.

In either case, changes in insurance rates are strictly the responsibility of the employee.

3. Tax Benefits

Does an employee who devotes a portion of his or her home to Government work qualify for a Federal income tax deduction?

The Internal Revenue Service has provided the following guidance on the deductibility

of home offices and equipment for Federal income tax purposes.

Deduction for Home Office or Work Space:

In order for expenses allocable to a portion of an employee's dwelling unit to be deductible for federal income tax purposes, section 280A(c)(1) of the Internal Revenue code of 1986 (Code) requires that the portion of the dwelling unit used must be used exclusively on a regular basis:

- As a principal place of business of the employee;
- As a place of business used by patients, clients, or customers in meeting or dealing with the employee in the normal course of business; or
- In the case of a separate structure not attached to the dwelling unit, in connection with the employee's trade or business.

In addition, the employee's use must be for the convenience of the employer but does not have to be a required condition for employment.

Thus, to the extent employees do not devote work space at home exclusively to business, no expenses allocable to that space are deductible. This deduction proscription does not include expenses that are otherwise deductible such as home mortgage interest, certain taxes, and casualty losses.

In addition, even if work space at home is exclusively devoted to business, such space must be the principal place of business of the employee, except in the case of space for meeting with patients, clients, or customers and the case of use of space in a separate structure.

Proposed Income Tax Regulation section 1.280 a-2(b)(3) lists the following as examples of facts and circumstance to be taken into account in determining what is the principal place of business:

- The portion of the total income from the business attributable to activities at each location;
- The amount of time spent in activities related to that business at each location; and
- The facilities available to the taxpayer at each location for purposes of that business.

Finally, even assuming some office-in-the-home expenses are deductible, they are deductible under Code section 67(a) only to the extent that the total of all the employee's miscellaneous itemized deductions (including office-in-the-home expenses) exceeds two percent of the employee's adjusted gross income for the taxable year.

Deduction For Depreciation Of Personal Computers And Related Equipment Paid For By An Employee:

This expense would be deductible, but the deduction is limited in four important ways:

- Code section 274(d)(4) requires that the business use of "listed property" be substantiated by adequate records or sufficient evidence corroborating the taxpayer's own statement (concerning the amount, time, place, and business purpose of the expense) before deductions attributable to the listed property are allowable.

Code section 280F(d)(4)(A)(iv) defines as listed property any computer or peripheral equipment;

- Code section 280F(b) limits the amount of depreciation that may be deductible and may require recapture of some previously taken depreciation deductions if the business use of listed property does not exceed 50 percent in any taxable year;

- Code section 280F(d)(3)(A) provides, in part, that any employee use of listed property (including any use in connection with the performance of services as an employee under Code section 280F(d)(3)(B)) shall not be treated as use in a trade or business for purposes of determining the amount of any depreciation deduction unless such use is for the convenience of the employer and required as a condition of employment.

If the employee's use of the property is not treated as use in a trade or business, any expense for depreciation would be a non-deductible personal expense under Code section 262(a); and

- Like the expenses attributable to the dwelling unit, the depreciation expense if deductible would be a miscellaneous itemized deduction, deductible only to the extent that the total of all the employee's miscellaneous itemized deductions exceeds two percent of the employee's adjusted gross income for the taxable year.

Deductibility Of Non-Capital Expenses That Are Not Reimbursed By The Government:

For taxable years beginning after December 31, 1988, Code section 262(b) expressly provides that any charge (including taxes thereon) for basic local telephone service with respect to the first telephone line provided to a taxpayer's residence shall be treated as a personal expense, and thus would be non-deductible under Code section 2626(a).

Further, the deductibility of any other non-capital expenses, assuming they were otherwise deductible business expenses under the Code, would be allowed only to the extent that the total of all the employee's miscellaneous itemized deductions exceeds two percent of the employee's adjusted gross income for the taxable year.

Employees who believe they may be entitled to tax deductions for any of the items discussed above should consult their tax adviser for the latest information on tax laws and interpretations of the IRS.

4. Local Zoning Regulations

Zoning regulations are administered locally by the city, county or other political entity. Restrictions vary widely. Zoning restrictions in most areas should not pose an obstacle to the conduct of flexiplace arrangements. Typical provisions in zoning ordinances are:

- Work at home is allowed under most local ordinances.
- Zoning ordinances are aimed at jobs that affect the character of neighborhoods with noise, odors, extra traffic, extra demands on municipal services, signs.
- Zoning authorities are generally unconcerned with work at home until neighbors complain, whereupon authorities may act against the home office worker.
- The newness of the work at home trend has caught many local planning officials unprepared. There is considerable confusion over whether telecommuting is a regulated "home occupation." Persons engaged in "home occupations" must have

a license, pay a fee, and are subject to specific restrictions.

Since local zoning ordinances vary widely, Federal Executive Boards (FEBs), Federal Executive Councils (FECs), and Federal Executive Associations (FEAs) should coordinate collecting and disseminating detailed information on zoning regulations on work-at-home arrangements for jurisdictions in their geographic areas.

APPENDIX A:

AGENCY RESPONSIBILITIES

AT-A-GLANCE

Following is a brief overview of responsibilities for agencies participating in the Federal Flexible Workplace Project. This overview is meant for handy use and should not be construed as comprehensive. In general, agencies are responsible for:

Reviewing these guidelines and disseminating project information throughout their organizations, nationwide.

Informing the project task force of their intention to participate (submission of Intention To Participate form).

Designating an agency coordinator who will:

- Assign and keep track of project codes
- Maintain up-to-date list of agency participants
- Coordinate selection of participants as requested in the Selection Plan (Appendix B): Participants include flexiplace control group employees, their supervisors and individuals having a work-based relationship with flexiplace employees
- Serve as the liaison between the project task force and coordinator's agency and its participants
- Ensure that all project requirements and activities are handled appropriately

- Direct agency participation in accord with task force procedures
- Ensure dissemination of evaluation materials and procedures; ensure completion of evaluation procedures
- Follow-up problem areas
- Ensure dissemination of task force communications
- In all other matters, as needed, coordinate agency participation;

Working in conjunction with local unions, design and develop local agency participation details, procedures, and criteria;

Scheduling participants, prior to initiation of a Flexiplace pilot test, for training modules developed and administered by OPM and:

- Provide training facilities
- Develop and administer additional agency or organization specific training such as equipment usage/maintenance or agency-specific policies, etc
- Reimburse OPM for training costs

Using the guidelines to develop flexiplace work agreements which must be read, understood, and signed by all participants.

Reading, understanding, and adhering to project requirements and guidelines as specified in the enclosed document.

Scheduling all participants for periodic focus group meetings as specified in the guidelines and designating an employee to conduct the meetings, take notes, and report highlights to the OPM evaluation team.

Providing evaluation materials and information as specified in the guidelines.

Funding, procuring, installing, and/or maintaining Government equipment, if any, at the flexiplace work site.

Inspecting or otherwise ensuring the adequacy of the Flexiplace work site.

Ensuring the work-related interpersonal and occupational well-being of the participants.

APPENDIX B:

Evaluation plan / Participant Selection plan

EVALUATION PLAN

Federal Flexible Workplace (FW) Pilot Project

This evaluation, which is being conducted by the Office of Personnel Research and Development (OPM) on behalf of the PCMI, covers the initial large scale Federal involvement in FW arrangements.

Consequently, during this pilot, a great deal of refining and adjustment will occur as the various aspects of the project proceed; this is a learning process.

It should be clearly understood that this project is a feasibility pilot of Federal FW arrangements; the OPM evaluation team is not trying to compare FW with traditional arrangements and/or determine which is better.

EVALUATION GOALS:

To determine the feasibility and desirability, from both individual and organizational standpoints, of Federal use of FW arrangements as an alternative to traditional, officebound working arrangements.

To profile the most workable programmatic procedures for FW arrangements.

To evaluate the effectiveness of FW training.

To evaluate the effectiveness of FW focus groups.

PARTICIPANTS:

Diverse sample of volunteer Federal employees.

Corresponding supervisors of participating employees.

TIME FRAMES:

Pilot project will operate for one calendar year.

For evaluation purposes, the one-year project period will be divided into two 6-month rating periods.

The following time frames for evaluation materials apply to all goals and objectives (see chart of evaluation activities):

- FW and Control Employee Background Questionnaires (Attachs. 3 & 4): administered prior to project implementation
- FW Employee Evaluation of the FW Experience (Attach. 5) and Control Employee Evaluation of job experience (Attach. 6): administered after each 6-month period in the project
- Supervisory Evaluation of Organizational Unit Performance (Attach. 7): administered prior to project implementation and after each 6-month period in the project
- Supervisory Evaluation of FW and Control Employee Performance (Attach. 8): administered prior to project implemen-

tation and after each 6-month period in the project

- Local Union Evaluation of FW Experience (Attach. 9): administered after each 6-month period in the project

- FW Employee Evaluation by Individuals with Work-Based Interrelationship (Attach. 10); administered after each 6 - month period in the project

- Procedures (Attach. 11) and Forms (Attach. 12 & 13) for Termination or Transfer of Participation Prior to Project Completion: administered upon notice of such action

- Focus Group Narrative Reports: submitted after each meeting of FW focus groups (monthly during first 6 months and bi-monthly during last 6 months) by focus group facilitators (see "focus group" requirements in FW guidelines)

EVALUATION OBJECTIVES AND METHODS:

Goal - Feasibility Determination

Objective 1: Determination of self-perceived impact of FW participation on employee's job performance.

Method: Survey of FW and Control employees.

Items: 1-9, 54 in Employee Evaluation of FW Experience (Attachment 5); Control Questionnaire (Attachment 6).

Objective 2: Determination of supervisor perception of impact of FW participation on organizational performance.

Method: Survey of supervisors of FW employees.

Items: 1-26 in Supervisory Evaluation of Organizational Performance (Attachment 7).

Objective 3: Determination of supervisory and interrelating respondent appraisal of FW employee performance.

Method: Survey of supervisor and interrelating respondent ratings on research-based performance appraisal form.

Items: Supervisory Evaluation of FW Employee Performance (Attachment 8) and Interrelating Questionnaire (Attachment 10).

Objective 4: Determination of supervisors estimation of FW costs.

Method: Survey of supervisors of participating FW employees.

Items: 27-47 in Supervisory Evaluation of Organizational Performance (Attachment 7).

Objective 5: Determination of FW employee satisfaction with FW work site and FW costs.

Method: Survey of project participants.

Items: 33-37, 46-53 in Employee Evaluation of FW Experience (Attachment 5).

Objective 6: Determination of spontaneous focus group reactions regarding feasibility issues.

Method: Review of focus group summary reports.

Objective 7: Determination of Union reaction to FW.

Method: Survey of local unions at participating agencies.

Items: Union Questionnaire (Attachment 9).

Goal - Desirability Determination

Objective 1: Determination of self-perceived impact of FW participation on employee personal factors (morale, personal life, etc.).

Method: Survey of project participants.

Items: 9-63 in Employee Evaluation of FW Experience (Attachment 5) Control Questionnaire (Attachment 6).

Objective 2: Determination of supervisor perception of impact of FW participation on organizational desirability factors.

Method: Survey of supervisors of participating employees.

Items: 7,15,16 in Supervisory Evaluation of Organizational Performance (Attachment 7).

Objective 3: Determination of supervisor perception of impact of participation on FW employee factors.

Method: Survey of supervisors of participating employees.

Items: 9-14 in Supervisory Evaluation of FW Employee Performance (Attachment 8).

Objective 4: Determination of spontaneous focus group reactions regarding desirability issues.

Method: Review of focus group summary reports.

Goal - Workable Programmatic Procedure Determination

Objective 1: Determination of impact of participant characteristics on FW operation (performance, costs, desirability, etc.).

Method: Survey of participant characteristics.

Items: Participant Background Questionnaire (Attachments 3 & 4).

Objective 2: Determination of impact of supervisor characteristics on FW operation.

Method: Survey of supervisor characteristics.

Items: Supervisor background questions in Attachment 7.

Objective 3: Determination of impact of FW program variations.

Method: Review and categorizing of FW program descriptions for each project participant.

Items: Flexible Workplace Program items in Attachment 5.

Objective 4: Determination of spontaneous focus group reactions regarding program factors.

Method: Review of Focus Group summary report.

Goal - Evaluation of FW Training Effectiveness

Objective 1: Determination of FW employee and supervisor perceptions of training impact and adequacy.

Method: Survey of FW employees and supervisors.

Items: Training evaluation items in Attachments 5 and 7.

Goal - Evaluation of FW Focus Group Effectiveness

Objective 1 : Determination of FW employee and supervisor perceptions of focus group impact and adequacy.

Method: Survey of FW employees and supervisors.

Items: Focus group items in Attachments 5 and 7; focus group narrative reports.

DATA COLLECTION:

Survey:

FW project participants (employees and supervisors) will be surveyed using questionnaires and optical scan answer sheets.

Survey materials will be sent from OPM to designated agency coordinators who will disseminate them to project participants.

Upon completion of surveys, participants will mail responses in pre-addressed envelopes directly to the OPM evaluation team.

Access to individual responses will be limited to the evaluation team.

The evaluation team will review submissions and report missing/incomplete submissions to agency coordinators who will conduct follow-up.

Focus Group Reports:

Facilitators for FW focus groups will take notes during group meetings and, afterward, prepare narrative reports summarizing and highlighting the meetings.

The facilitators will forward these reports to the OPM evaluation team.

General instructions and information on the purpose and conduct of the focus groups is provided in Appendix D.

Data Analysis/Reporting by Project Evaluation Team

Answer sheets will be scanned, evaluation data bases created, and statistical analysis performed.

Based on findings from data analyses, preliminary reports covering each of the four evaluation periods will be written.

A final report will be prepared at the conclusion of the project.

Federal Flexible Workplace Project Chart of Evaluation Activities for One Year Pilot

Evaluator	Time Frame		
	Prior to Implementation	After 6 months	End of Pilot (12 months)
FW Employees	Attach 3	Attach 5	Attach 5
Control Employee	Attach 4	Attach 6	Attach 6
Supervisor (FW Employee)	Attach 7 Attach 8	Attach 7 Attach 8	Attach 7 Attach 8
Supervisor (Control Employee)	Attach 8	Attach 8	Attach 8
Local Union Representative		Attach 9	Attach 9
Individuals with Work-Based Interrelationship with FW Employees		Attach 10	Attach 10
Focus Group* Facilitator	once/month (first 6 months)	once every other month (final 6 months)	

***Focus Group Facilitator will prepare narrative reports and will not use evaluation forms. The focus group reports will be sent directly from the facilitators to the project evaluation team**

ATTACHMENT TITLES ARE LISTED ON THE FOLLOWING PAGE

TITLES OF EVALUATION MATERIALS

**Sample Evaluation Materials are Provided as the
Indicated Attachments in the Supplement to these
Guidelines**

- 1..... **EVALUATION PLAN**
- 2..... **PARTICIPANT SELECTION PLAN**
- 3..... **FW EMPLOYEE BACKGROUND
QUESTIONNAIRE INSTRUCTIONS,
INSTRUMENT, SAMPLE ANSWER SHEET**
- 4..... **CONTROL EMPLOYEE BACKGROUND
QUESTIONNAIRE INSTRUCTIONS,
INSTRUMENT, SAMPLE ANSWER SHEET**
- 5..... **FORMS FOR FW EMPLOYEE EVALUATION
OF THE FW EXPERIENCE**
- 6..... **FORMS FOR CONTROL EMPLOYEE
EVALUATION OF JOB EXPERIENCE**
- 7..... **FORMS FOR SUPERVISORY EVALUATION
OF FW AND CONTROL EMPLOYEE
PERFORMANCE**
- 8..... **FORMS FOR SUPERVISORY EVALUATION
OF FW AND CONTROL EMPLOYEE
PERFORMANCE**
- 9..... **EVALUATION MATERIALS FOR LOCAL
UNIONS**
- 10..... **EVALUATION MATERIALS FOR
NON-PARTICIPATING INDIVIDUALS WHO
HAVE WORK-BASED
INTERRELATIONSHIPS WITH FW
EMPLOYEES**
- 11..... **PROCEDURES FOR TERMINATION OR
TRANSFER OF PARTICIPATION PRIOR TO
PROJECT COMPLETION**
- 12..... **TERMINATION FORM (EMPLOYEE)**
- 13..... **TERMINATION FORM (SUPERVISOR)**

Participant Selection Plan: Federal Flexible Workplace Project

Selection of participants for this pilot project is a key initial activity and will be guided by our efforts to achieve a broad and, to the extent feasible, representative sample with sufficient numbers to substantiate project findings.

The inter-agency task force assigned to develop this project has agreed upon required and recommended criteria for participant selection. Depending upon availability, 2 to 5 types of volunteer participants are requested for this pilot:

1. FW employees - the participating employees who work at home, in a satellite office, or some other location away from their conventional worksite
2. Supervisors of FW employees
3. Control Group Respondents (if conveniently available) non-participating employees who merely complete evaluation materials and serve as a control (contrast) for evaluations of FW employees
4. Supervisors of Control Group Respondents (if available)
5. Interrelating Respondents (if available) non-participating individuals who have work-based interrelationship with FW employees (customers, clients, etc.)

Following are procedures and criteria for selecting the 5 types of participants.

PROCEDURES:

The task force is providing each of the designated agency coordinators with (1)

technical details governing participation in the project and (2) participant selection procedures and criteria.

The agency coordinator will canvass the agency, nationwide, regarding project participation and will provide technical details and selection criteria as needed.

The agency coordinator will develop a summary list of participants and forward this information to the task force.

To ensure that this procedure is successfully and efficiently completed, the taskforce will make every effort to provide assistance, as needed, to the coordinators.

CRITERIA FOR SELECTION:

Agencies/Organizations:

There are no restrictions on agency/organization participation; any Federal agency or organization, nationwide, may participate. Special arrangements will be made for internationally located participating organizations, if any.

The task force will encourage participating agencies to provide a reasonable and flexible minimum number of participants; no maximum restriction on number of participants is anticipated.

Occupations/Jobs:

FW work is any work which is portable; it does not have to be quantifiable in a production-oriented sense or continuously

available to monitoring as with computer operations.

Generally, any occupation/job containing portable work can be considered for inclusion in the project.

Occupations such as receptionist/typists may be included via use of mixed schedules and/or job-sharing arrangements.

NOTE: All Participants must be volunteers.

FW Employees:

Must have a most recent performance rating of record of 'Fully Successful' or higher.

Must be willing to sign and abide by a letter of agreement developed by the employing agency in conjunction with the project task force (see Appendix F "Flexible Workplace Project Work Agreement").

Must have supervisor approval for participation (also, supervisor must be willing to supervise the employee's participation in this project).

Must be able to work without close supervision.

Should be self-starters and have the trust and confidence of their supervisors.

Supervisors of FW Employees:

Must be willing to participate in accord with project guidelines (training, focus groups, evaluations, etc.).

Must be willing to focus on management for results, assigning and evaluating work in terms of results expected.

Should be or become thoroughly familiar with the work of the FW subordinate.

Must have or be willing to develop management style and relationship with subordinate suitable to the needs of successful FW operation.

Control Group Respondents (Recommended but not required):

To the extent practical and convenient, agencies should select a group of non-participating employees similar in number and characteristics to the group of FW employees.

The control group respondents will simply be asked to complete evaluation forms prior to the project and after each 6-month period during the project.

Such respondents must have a most recent performance rating of record of 'Fully Successful' or higher.

MUST NOT be interrelating respondents (see below).

May have supervisors who are also supervising FW employees or may not have such supervisors.

Should be randomly selected, where possible, within these criteria.

Supervisors of Control Group Respondents (Recommended but not required):

To the extent practical and convenient, agencies should request the supervisors of control group respondents to complete a brief evaluation form on each control group subordinate; this evaluation will be requested prior to the project and at each of two 6 - month intervals in the project.

Such supervisors must be willing to provide an honest and accurate evaluation, which will remain confidential.

Interrelating Respondents (Recommended but not required):

To the extent practical and convenient, agencies should select a group of individuals (Federal employees or otherwise) who have a continuing work-based interrelationship with an FW employee which began at least 3 months prior to the project and which is based on either of the following:

- Regular receipt of services, work products, space consultation, etc. from the FW employee or
- Work/business directly contingent or dependent upon the job performance of the FW employee

Such individuals may be:

- Clients, certain co-workers, and certain subordinates of FW employees
- Must not be supervisors of FW employees
- Must not be control group respondents

DIVERSITY:

The following factors describe the expected diversity of the selectees. Where practical, there should be a broad range of each:

- Grade level
- FLSA coverage
- Occupation
- Demographics
- Supervisory/non-supervisory position
- Performance rating (Fully Successful rating of record or above)

- Type of work:
(1) production-oriented/project-oriented/other (2) professional, clerical, administrative, scientific (3) machine-based/people-based, etc.
- Organization:
(1) size (2) location (urban/suburban) (3) availability of parking/transportation access
- Commute:
(1) distance (2) mode (car, car pool, public transportation)

APPENDIX C:

Training Plan

OPM and GSA are developing a set of training modules for participants. All participating workers and their supervisors will be required to complete the training (projected to be a one-day course) prior to working in the flexiplace arrangement.

The training will cover Federal flexiplace policies and regulations, personal and occupational aspects of flexiplace arrangements, remote supervision, procedural, and "how to" matters. Most of the training should be conducted in classes of 30 or fewer participants.

OPM training centers will offer flexiplace training on a reimbursable basis, with costs and schedules yet to be determined. In addition to reimbursement costs, agencies will be responsible for coordinating with trainers, providing suitable facilities, and scheduling participants for training.

Following is a sample of some of the topics to be covered.

EMPLOYEE TOPICS:

- Federal flexiplace policies and regulations
- Ways to avoid isolation, guilt, or inability to leave work
- Finding the best mix of home and office hours

- Communicating with supervisors
- Progress reporting
- Work planning
- Expectations on personal responsibility, dependability and accountability, self-discipline, deadlines
- Adequacy of work station and facilities
- Family issues
- Focus groups
- Contacts and meeting with coworkers and clients
- Image, self esteem
- Time management; work schedules
- Admitting when the arrangement does not work out

SUPERVISOR TOPICS:

- Managing for results; rating work products
- Establishing quantity and quality norms
- Planning, scheduling, and tracking assignments, milestones, and deadlines
- Federal flexiplace policies and regulations
- Administration of work schedules, time and attendance, leave, premium pay
- Trusting the employee
- Equitable treatment with office colleagues

APPENDIX D:

FOCUS GROUPS

Experience has shown that periodic meetings of focus groups are very helpful for successful adjustment to flexible workplace arrangements. Flexiplace focus groups consist of 5-15 participants (employees and supervisors meet in separate groups) to discuss and share their experience with flexiplace.

These meetings will help ease participants through adjustment difficulties; provide new information, ideas, and techniques for future flexiplace program planning; enhance work-related personal contacts; and provide a source of spontaneous evaluation information.

During the first six months of the pilot, focus groups should meet monthly; during the latter six months, the groups should meet every other month.

AGENCY RESPONSIBILITIES:

- Scheduling the meetings
- Providing facilities
- Providing facilitators who will open and close the meetings, encourage discussion, and take notes on highlights. These notes will be forwarded to the task force evaluation team.

The meetings should be fairly unstructured, somewhat group directed, and suitable for open discussion. Time length of meetings should be flexible and based on group needs and discussion.

The recommended time period is 1 - 2 hours.

FOCUS GROUP FACILITATOR:

As noted above, each participating agency will designate an individual to facilitate separate focus group meetings for participants and their supervisors.

Generally, facilitators will convene meetings, explain the purpose, encourage discussion, take notes, and adjourn the meetings.

While an outline of desired discussion topics is provided in this appendix, the facilitator should encourage open and free discussion without formal structure. The facilitator should ensure that all are heard and gently nudge reactions and/or information from reluctant participants.

As much as possible, the facilitator should remain in the background. Typically, if there is a lull in the discussion and everyone has had an opportunity to speak on a given issue, the facilitator should move the group to the next topic.

If no topics remain, it is time to adjourn. The group may find it helpful to briefly summarize what was covered. Facilitators should give participants time to complain, ventilate, and describe experiences; where problems are surfaced, the facilitator should encourage constructive solutions. Immediately after the meetings, the facilitator should review notes and prepare a brief summary which should be forwarded to the evaluation team.

Facilitators should be individuals with training, teaching, discussion-leader, or related experience, who are comfortable leading group discussions, are interested in facilitating these groups, and have the time to do so.

It is recommended that participating employees or supervisors not be used as facilitators. Sensitivity and judgment should be used to select facilitators who, by their nature or position, will not inhibit full and open group discussion.

DISCUSSION TOPICS:

Discussion should include, but not be limited to the following:

- Notable incidents/experiences regarding flexible workplace arrangements.
- Successes, positive aspects encountered
- Surprises encountered
- Problems encountered
- Solutions tried/results
- Group's recommendations
- Actions planned/taken
- Ways to improve the usefulness of focus groups

FACILITATOR DUTIES:

- Maintain confidential list of focus group participant names
- Schedule meetings and meeting rooms
- Facilitate group discussion on flexiplace experience, generally following topics as outlined earlier;

● At the initial meeting:

(1) Remind participants of the dual purpose of the focus group: experience sharing (support) and evaluation. (2) Inform participants that the facilitator will take notes, write summary reports on the meetings, and submit the reports to the project evaluation team. (3) Inform participants that the meeting reports will not contain individual names or references, will be used for research purposes only, will not be subject to agency review, will be sent directly to the project evaluation team, and will be subject to review by the focus group if it chooses

- Allow the group participants to structure the meetings to suit their general comfort

- Prepare and submit focus group report

The facilitator should take notes on the proceedings during the meeting. Immediately after each meeting, the facilitator should draft the report summarizing the proceedings and highlights using the following report format.

REPORT FORMAT:

- (1) Facilitator name, agency, project code (as provided by the agency coordinator)
- (2) Meeting date and length
- (3) Attendance
- (4) Summary/Overview of participant level of activity (participation) and any main highlight (if any)
- (5) Specific discussion points as related to topic outline
- (6) Other points
- (7) Facilitator Comments

To preserve the accuracy of facilitator's report of the meeting, the facilitator should

draft the report immediately after each meeting (while details are still freshly in mind). Typed report should be mailed within 3 working days after each meeting to:

Dr. Wendell Joice
OPRD (Project Evaluation Team)
U.S. Office of Personnel Management
1900 E Street, N.W.
Room 6462
Washington, DC 20415

Report any attendance, disruption, or facility problems to agency coordinator and, in brief, to Dr. Joice.

APPENDIX E:

Flexible Workplace Scenarios

The following scenarios are designed to illustrate how flexible work place arrangements can work in different work environments. They outline typical duties for a variety of occupations and deal with work scheduling issues and possible work at home arrangements.

They are intended to serve as possible models to help agencies structure their own particular flexible work place programs. They are not intended to be rigid models, but rather to spur creative thinking about ways to structure flexiplace work arrangements to best serve the needs of agencies and participating employees and their supervisors.

OPERATING LEVEL CLASSIFIER

Joan Morgan is a Position Classification Specialist, GS-221-11, in an operating personnel office. She classifies jobs, advises managers on job design, critiques draft position descriptions (pd's), carries out desk audits, writes evaluation statements and comments on proposed organizational changes.

Tour of duty:

Standard agency work schedule:

8:00 a.m. to 5:00 p.m., with one hour non-compensated lunch period (12:00 p.m. to 1:00 p.m.)
Monday thru Friday
8 hours each day/40 hours per week

Flexiplace schedule:

Two days a week at home (Monday and Friday)

Three days a week at the office (Tuesday thru Thursday)

Typical work day - Office

At the office, she gets new assignments in the flow of paperwork from serviced organizations. For routine classification actions, she compares draft pd's against existing pd's in office files and with the mission and functions statements in the GSA Organizational Manual and with published classification standards. As necessary, she phones or meets face to face with authors of pd's to clarify duties/language or advise on job restructuring. If necessary, she audits the job.

Typical work day - Home

Every morning she calls in from home. Colleagues and administrative contacts have her home phone number. Joan pays for all outgoing calls. Joan has few distractions at home; her husband has a regular office job just off the Beltway and they have no children yet.

At home, she studies audits notes, pd's, and copies of classification standards and drafts the evaluation statement. She uses a popular word processing package on a MS-DOS computer which she owns. GSA's standard computer uses a different operating system, disk format, and word processor, all of which are incompatible with the home computer.

Nevertheless, at the office, the secretary takes the floppy disk with the evaluation statement to the information center. A technician there converts the evaluation statement to the agency standard document exchange format on a compatible disk. After the supervisor finishes her review, the secretary makes the changes, prints it out and stores soft copy on hard disk.

The information center later converts the final version of the evaluation statement back to the DOS word processing format for Joan to keep at home.

STAFF LEVEL PAY SPECIALIST

Alex Walters is a Personnel Management Specialist, GM-13 and a leading expert on pay administration, hours of duty, and leave. Alex writes official directives, issue papers, studies, letters, memoranda, and reports, and researches and recommends settlement of claims and lawsuits against GSA involving back pay.

Personnelists around the country consult him on subjects as diverse as grade/pay retention, excused absence, the Fair Labor Standards Act, travel as hours of work, severance pay, special salary rates, alternative work schedules, and highest previous rate.

Alex uses microcomputers for applications like word processing and spreadsheets and to connect to a mainframe. The mainframe runs GSA's automated personnel system and a bulletin board and can access Payroll records on tape. It has a fourth generation programming language that can generate rosters and statistics or disk files and tapes to transfer data into spreadsheets, mailmerge, and data bases on micros.

Alex executes mass updates on the mainframe for general pay increases or to

correct problems. He also uses a CD-ROM application to research the Federal Personnel Manual, laws and regulations, and decisions of the Comptroller General.

Tour of duty:

Flexitour schedule

Within agency established guidelines, employee preselects his fixed starting and ending times for each day of the week

Core hours are 9:30 to 11:30 and 1:30 to 4:00, both at home and at the office (with one-half hour non-compensated lunch)

Flexible time bands are 8:00 a.m. to 9:30 a.m. and 4:00 p.m. to 5:30 p.m., both at home and at the office

Monday thru Friday

8 hours each day/40 hours per week

Flexiplace schedule

Three days a week at home (flexible depending on schedule set by supervisor and employee)

Two days a week at the office (flexible depending on schedule set by supervisor and employee)

Typical work day-Office

Alex has to go to the office to access the mainframe or for meetings. For security, the mainframe cannot be reached through dial up lines.

Alex does most in-depth research at the office, using loose-leaf services, the library, and the CD-ROM system. At home he has a modest reference collection of directives, part of the Federal Personnel Manual, the Civilian Personnel Law Manual, etc. If necessary, a proxy researcher at the office can send him in-depth research via electronic mail. The same system can transfer any kind of file: formatted documents, spreadsheets, and graphics.

He also accesses several on-line data bases. He can do this either from the office or his home work site.

Typical work day - Home

Alex sends electronic mail (E-mail) messages to his boss and timekeeper each time he starts and stops work. Phone calls and E-mail traffic help document the fact that Alex is on the job. At home, Alex makes voice calls over his regular home line. It is a local call to the office; long distance calls go thru the FTS 2000 Network.

Alex has a Government-owned computer compatible with the agency standard; an auto-answer modem supports unattended passing of electronic mail over a second phone line, installed at Alex's expense. When he is home, phone calls and electronic mail coming into the office are forwarded automatically to Alex's home.

CLERK - TYPISTS

Michelle Daniels and Alan Lincoln are assigned to a pool of clerk-typists serving a large group of attorneys and paralegals.

They transcribe dictation from audio cassettes and type up legal papers from drafts written by hand on traditional yellow legal pads. Because of new legislation, the case load of the office has increased dramatically. The agency has added clerk-typists to the pool but the office is overcrowded. Tempers are short and error rates are up.

Tour of duty:

Gliding schedule

Within agency established guidelines, employees may vary arrival and departure time without notification

Core hours are 9:00 a.m. to 2:00 p.m., both at home and at the office (with 45 minute non-compensated lunch)

Flexible time bands are from 7:00 a.m. to 9:00 a.m and 2:00 p.m. to 6 p.m. both at home and at the office -

Monday thru Friday -

8 hours each day/40 hours per week

Typical work day - Office

To ease the crowding, Michelle and Alan work alternate days at the office, where they share a desk, and work at home on the other days. At the end of an office day, they take home audio cassettes and handwritten drafts for transcription the following day.

Michelle and Alan are just one of four "duets" of clerk-typists who work this way. All were selected from among the high performers in the pool, based on typing speeds and measures of actual output and error rates. The supervisor certifies time and attendance by comparing actual work products to their individually established work norms for quantity and quality both at the office and while working at home.

Typical work day - Home

Their home work stations are equivalent to those at the office (same computer hardware, software, and tape deck, all Government owned). At home they also have a facsimile machine. For quicker turn around, lawyers and paralegals fax handwritten drafts to the typists' homes. Completed work is brought into the office the next day on floppy disks.

ARCHAEOLOGIST

Frank Larson is an archaeologist and member of an interdisciplinary team that reviews environmental impact statements

(EIS) for hydroelectric projects on Federally controlled waterways.

An EIS is a mandatory part of the application for a site license. Through consultants, a developer sponsors scientific research on the impact of the proposed power station on hydrology, wildlife, recreation, and the archaeological record of human habitation of the site. Water impoundments either destroy archaeological artifacts or make them inaccessible to investigators.

Tour of duty:

Standard agency work schedule

9:00 a.m. to 5:30 p.m., with a one-half hour non-compensated lunch period (12:00 p.m. to 1:00 p.m.)

Monday thru Friday-
8 hours each day/40 hours per week

Flexiplace schedule

Three days a week at home (Monday, Wednesday and Friday)

Two days a week at the office (Tuesday and Thursday)

Occasional evening work is not officially ordered and approved (FLSA exempt employee not entitled to overtime compensation)

Occasional weekend work is officially ordered and approved by the agency (employee is entitled to overtime pay or may elect to request compensatory time in accordance with the agency's policy)

Typical work day - Office

The team members write sections of the agency's environmental impact assessment according to their scientific disciplines. Members comment on each other's work in the draft report and even

on their colleagues comments. Work group software keeps the original draft distinct from comments and identifies the author of each comment.

During his in-office days, meetings are held with members of the team reviewing EIS's and with developers or consultants to acquire information or exchange materials which cannot be done by phone, computer, or fax machine. The team also discusses problems which can be more easily resolved through face-to-face communications.

Typical work day - Home

Networking software links his home computer to the computer at the office, providing a gateway for electronic mail and computer conferences with team members.

Through his agency subscription to on-line bibliographic data bases, Frank can do literature searches to help him evaluate the archaeological significance of the site. He obtains the literature in three ways: as full text reprints mailed to his office from the on-line vendor; from the agency library on inter-library loan; and as full text downloads from specialized data bases.

Phone calls, electronic mail, conference software, computer logs at the on-line data base, and written work products allow the supervisor to certify time and attendance.

COMPUTER PROGRAMER

Patricia Weygand is a computer programmer, who writes COBOL programs for a mainframe based payroll and accounts payable and receivable system. She does most of her programming on a MS-DOS personal computer.

She is blind and owns specialized equipment to enable her to work at home. The agency provided her with certain software WordPerfect and the new release of Lotus 1-2-3, the standard word processor and spreadsheet at the agency.

Her supervisor bases certification of time and attendance on activity logs on the mainframe and the number of lines of code produced. The programming shop has quantity and quality norms that all programmers must meet.

Tour of duty:

Variable day schedule

Within agency established parameters, employee may vary the length of the workday without prior notification core hours are 9:00 to 2:00 p.m., both at home and at the office (with one-half hour non-compensated lunch)

Flexible time bands are 5:00 a.m. to 9:00 and 2:00 p.m. to 8:00 p.m. (employee has 8 or more hours available for work between 6:00 a.m. and 6:00 p.m. and is not entitled to night pay for hours she elects to work outside these hours)

Monday thru Friday

40 hours required each week (employee may earn and use credit hours to fulfill basic work requirement)

Flexiplace schedule

Three days a week at home (flexible depending on schedule set by supervisor and employee)

Two days a week at the office (flexible depending on schedule set by supervisor and employee)

Typical work day - Office

Since Patricia is blind, she uses a Braille terminal that can connect to either the PC or the mainframe which provides a tactile window of what is on the screen. She writes programs with a regular text editor and compiles, tests, and debugs them on the PC. A high-speed modem and terminal emulator software lets her upload programs to the mainframe some miles away.

The Braille device gives her access to electronic mail on the mainframe. Patricia must keep up with a fast moving field where most books and articles are never translated into Braille. She uses a hand held scanner that reproduces characters, symbols, and even simple graphics on a bed of vibrating pins that she feels with her index finger, one letter at a time.

Typical work day - Home

Her work days at home are similar to those in the office. She uses similar equipment and works on the same types of projects. However, her work days at home minimize the trips she must make to the office and allows her to work more productively since she does not have as many long tiring commutes.

TECHNICAL WRITER

Ms. Weston is a GS-9 technical writer who writes and edits technical articles and publications. Ms. Weston has no personal computer and does not type her drafts. Consequently, she does most of her writing during the evening period at home.

She is a single parent with two children enrolled in elementary school and is able to work full time only because of the flexibility provided by AWS and the Flexiplace program

Tour of duty:

Variable week schedule

Within agency established parameters, employee may vary the length of the workweek as well as the workday without prior notification

Core hours are 9:00 to 2:00 p.m., both at home and at the office (with one-half hour non-compensated lunch)

Flexible time bands are 6:00 a.m. to 10:00 and 2:30 p.m. to 12:00 a.m. (employee has 8 or more hours available for work between 6:00 a.m. and 6:00 p.m. and is not entitled to night pay for hours she elects to work outside these hours)

Monday thru Friday
80 hours required each pay period
(employee may earn and use credit hours to fulfill basic work requirement)

Flexiplace schedule

10 a.m. to 2:30 p.m. at the office

8 p.m. to 12:00 a.m. at home

Typical work day - Office

During the office period, she handles most of the administrative work such as meetings, progress reporting to her supervisor, assigning and proofing the word processing of her drafts, etc.

Typical work day - Home

During the period she works at home she does actual writing and editing of text. Without the normal disruptions of the office environment she finds she is able to work more productively and often completes her writing assignments ahead of schedule.

CLAIMS EXAMINER

Everett Smith is a Federal claims examiner and a disabled veteran. Mr. Smith reviews claims and initiates appropriate action which may include some investigation via telephone.

Tour of duty:

Everett's disability is eased if he limits the length of continuous work time. Therefore his schedule gives him maximum flexibility to work within this constraint.

Maxiflex schedule

Within agency established guidelines, employee may vary the length of the workweek as well as the workday

Core hours are 10:30 to 2:00, both at home and at the office (with one-half hour non-compensated lunch)

Flexible time bands are 6:00 a.m. to 10:30 a.m. and 2:00 p.m. to 9:00 p.m., both at home and at the office (employee has 8 or more hours available for work between 6:00 a.m. and 6:00 p.m. and is not entitled to night pay for hours he elects to work outside these hours)-

Monday thru Saturday- 80 hours each biweekly pay period

Flexiplace schedule

Three days a week at home (flexible depending on schedule set by supervisor and employee) three days a week at the office (flexible depending on schedule set by supervisor and employee)

The following represents a typical biweekly pay period for Everett:

Week 1 - 39 hours total for week:

Monday, Wednesday and Friday

10 a.m.- 2:30 p.m.

(office) - 4 hours each day

(home) 6 p.m. - 9 p.m. - 3 hours each day

Tuesday and Thursday

(office) 10 a.m.- 2:30 p.m. - 4 hours each day

(home) 6 p.m. - 9 p.m. - 3 hours each day

Saturday

(home) 9 a.m. - 1:00 p.m. - 4 hours

Week 2 - Total of 41 hours for week:

Monday, Wednesday and Friday

(office) 10 a.m.- 2:30 p.m.- 4 hours each day

(home) 6 p.m. - 9 p.m.- 3 hours each day

Tuesday and Thursday

(home) 10 am.- 2:30 p.m.- 4 hours each day

(home) 6 p.m. - 9 p.m. - 3 hours each day

Saturday

(home) 9 a.m. - 3:00 p.m. - 6 hours

Typical work day - Office

Everett is given new claims assignments and discusses problems with his supervisors and colleagues. He researches legal, regulatory or policy issues, previous precedent cases, etc. using office files and hard copy reference sources. He makes long distance telephone calls to get additional information from claimants outside of the local calling area. He gives completed claims to clerical support staff for processing.

Typical work day - Home

Everett develops claims at home. He follows up on missing items or with questions to claimants who live within the local calling area. He writes up his findings in long hand and makes recommendations for disposition of the claims which he takes to the office to have typed by support staff.

MANAGER

Jeanne Cook is a manager of a Federal legal research office. She reviews special requests and agency needs; plans, schedules, and assigns work; and reviews the research-based drafts, briefs, and other preparations of her independently-working staff.

Tour of duty:

Variable day schedule

Within agency established parameters, employee may vary the length of the workday without prior notification

Core hours are 9:00 a.m. to 2:00 p.m., both at home and at the office (with one-half hour non-compensated lunch)

Flexible time bands are 5:00 a.m. to 9:00 a.m. and 2:00 p.m. to 8:00 p.m. (employee has 8 or more hours available for work between 6:00 a.m. and 6:00 p.m. and is not entitled to night pay for hours she elects to work outside these hours)

Monday thru Friday - 40 hours required each week (employee may earn and use credit hours to fulfill basic work requirement)

Flexiplace schedule

Two days a week at home

Three days a week at the office

Typical work day - Office

On her days in the office she attends meetings with her boss and other offices which she deals with. She also concentrates on going over assignments with her staff and counseling them about problems they are having. Since she must sign time and attendance records on the second Friday of every pay period she makes sure she is in the office that day.

Typical work day - Home

On her home work days she concentrates on projects requiring concentration. She writes up performance appraisals for her staff and then meets with them in the office. She develops reorganization plans, works on her budget and drafts of research documents developed by her staff. Using her computer and a modem she can transmit revised drafts to her office. She is also frequently in touch thru use of her telephone, fax machine and E-mail.

APPENDIX F

FLEXIBLE WORKPLACE PROJECT WORK AGREEMENT

The following constitutes an agreement between:

(Agency) _____

(Employee) _____

of the terms and conditions of the Flexible Workplace Project

1. Employee volunteers to participate in the experimental pilot testing phase of the project and to adhere to the applicable guidelines and policies. Agency concurs with employee participation and agrees to adhere to the applicable guidelines and policies.

2. Employee agrees to participate in the project for a period not to exceed one year, beginning _____ and ending _____

3. Employee's official tour of duty will be: _____ to _____
(including a one-half hour non-paid lunch period) on _____
thru _____

(e.g. 8 a.m. to 4:30 p.m. Monday thru Friday). This is merely a sample item; agencies should tailor this item to fit their particular circumstances. At a minimum, this item should cover hours and days of duty for each worksite, lunch period, core hours (if any), and flexibility of schedule.

4. Employee's official duty station is: _____

The alternate duty station (the location in which the employee is designated to work while not at the official duty station) is: _____

All pay, leave and travel entitlements will be based on the employee's official duty station.

5. Employee's timekeeper will have a copy of the employee's Flexiplace schedule. Employee's time and attendance will be recorded as performing official duties at the official duty station.

6. Employees must obtain supervisory approval before taking leave in accordance with established office procedures. By signing this form, employee agrees to follow established procedures for requesting and obtaining approval of leave.

7. Employee will continue to work in pay status while working at his/her residence. If employee works overtime that has been ordered and approved in advance, he/she will be compensated in accordance with applicable law, regulation, and FPM guidance. The employee understands that the supervisor will not accept the results of unapproved overtime work and will act vigorously to discourage it. By signing this form employee agrees that failing to obtain proper approval for overtime work may result in his/her removal from the Flexible Workplace Project or other appropriate action.

8. If employee borrows Government equipment, employee will borrow and protect the Government equipment in accordance with the procedures established in FIRM Bulletin 30, October 15, 1985. Government owned equipment will be serviced and maintained by the Government. If employee provides own equipment, he/she is responsible for servicing and maintaining it.

9. Provided the employee is given at least 24 hours advance notice, the employee agrees to permit periodic home inspections by the Government of the employee's home work site at periodic intervals during the employee's normal working hours to ensure proper maintenance of Government owned property and work site conformance with safety standards and other specifications in these guidelines.
10. The Government will not be liable for damages to an employee's personal or real property during the course of performance of official duties or while using Government equipment in the employee's residence, except to the extent the Government is held liable by Federal tort Claims Act claims or claims arising under the Military Personnel and Civilian Employees Claims Act.
11. The Government will not be responsible for operating costs, home maintenance, or any other incidental cost (e.g. utilities) whatsoever, associated with the use of the employee's residence. By participating in this pilot program the employee does not relinquish any entitlement to reimbursement for authorized expenses incurred while conducting business for the Government, as provided for by statute and implementing regulations.
12. Employee is covered under Federal Employee's Compensation Act if injured in the course of actually performing official duties at the official duty station or the alternate duty station.
13. Employee will meet with the supervisor to receive assignments and to review completed work as necessary or appropriate.
14. Employee will complete all assigned work according to work procedures mutually agreed upon by the employee and the supervisor and according to guidelines and standards stated in the employee's performance plan.
15. Employee's job performance will be evaluated on criteria and milestones determined by the supervisor.
16. The evaluation of the employee's job performance will be based on norms or other criteria derived from past performance, occupational standards, and/or other standards consistent with these guidelines. For those assignments without precedent or without standards, regular and required progress reporting by the employee will be used by the supervisor to rate job performance and establish standards.
17. At intervals specified in the Federal Flexiplace guidelines, the supervisor and the employee will complete surveys and performance ratings which summarize flexiplace impact on the office, the employee, the supervisor, and other organizational elements.
18. Employee's most recent performance rating of record must be fully successful.
19. Employee's current performance plan contains performance standards covering work completed at the office (official duty station) as well as work completed at the employee's residence (alternate duty station).
20. Employee will apply approved safeguards to protect Government/agency records from unauthorized disclosure or damage and will comply with the Privacy Act requirements set forth in the Privacy Act of 1974, Public Law 93-579, codified at Section 552a, title 5 U.S.C.
21. Employee and supervisor agree to promptly complete and submit evaluation materials and to attend periodic focus group meetings as required by the guidelines.

22. Employee may terminate participation in this project at any time. Management has the right to remove the employee from the project if the employee's performance declines or if the project fails to benefit organizational needs; such removal must be accomplished in accord with established administrative procedures and union negotiated agreements.

23. Employee agrees to limit his/her performance of his/her officially assigned duties to his/her official duty station or to agency approved alternate duty stations. Failure to comply with this provision may result in loss of pay, termination of the flexiplace arrangement, and/or other appropriate disciplinary action.

Supervisor

Date

Employee

Date

Agency Project Coordinator

Date Reviewed

GUIDELINES FOR PILOT FLEXIBLE WORKPLACE ARRANGEMENTS



**Sponsored by
President's Council on Management Improvement
Human Resources Committee
December 13, 1989**

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SUPPLEMENT TO APPENDIX B - this supplement which is not included in the formal project guidelines contains sample evaluation materials and is available upon request from the Office of Personnel Management, Office of Personnel Research and Development (OPRD). OPRD is serving as the lead organization for project evaluation activities. Contact Dr. Wendell Joice, OPRD, for information or materials, FTS 632-6037.

Guidelines for Pilot Flexible Workplace Arrangements

Purpose

A government wide project is underway which permits Federal employees to work at home or at other approved sites away from the office for all or part of the workweek. Such alternative work arrangements are known as flexible workplace arrangements.

The Flexible Workplace Project, sponsored by The President's Council on Management Improvement (PCMI), will test the feasibility and utility of such flexible workplace arrangements, on a limited basis, through pilot tests scheduled to begin in early 1990.

The project guidelines are the product of an interagency task force and are designed to facilitate the implementation of pilot flexible workplace programs in Federal agencies.

Background

Flexible workplace, work-at-home, telecommuting, and teleworking all refer to paid employment away from the traditional office.

Telecommuting and teleworking imply the use of high-tech telecommunications and computers to perform work from remote locations. Work-at-home, as defined in the Flexible Workplace Project, covers work regardless of high-tech or low-tech applications.

Many home workers need nothing more than an ordinary telephone, typewriter, or pen and paper to accomplish work objectives. In addition to working at home,

flexible workplace covers work done at satellite offices as well. It is, in the most general terms, not limited by geography or technology.

Flexible workplace always implies an employer-employee relationship where the location of the work site is shifted away from the primary traditional work site. It should not be confused with home based businesses (cottage industries) or independent contractor arrangements in the home.

It is also quite different from situations where employees permanently work out of their homes, traveling daily to clients or audit and inspection sites on premises not controlled by their employers. In these instances, their homes, not their work sites, are considered their official duty stations.

Moreover, flexible workplace arrangements are a relatively new trend, driven by new technology and long-term growth, in the service sector of the economy. The service sector is a broad category that includes government, education, medicine, research, and other industries characterized by service delivery rather than production.

Airlines, express mail carriers, and fast food are also service industries. However, in these industries, performance of work is dependent upon the location of the workplace, thus not lending themselves to flexible workplace arrangements.

Many service workers are employed in clerical occupations or are considered "information or knowledge workers" who collect, process and disseminate information or knowledge. Thanks to new technology, information workers can conduct their jobs from virtually anywhere.

Computers, facsimile machines, data communications, cellular telephones, interactive video, satellite dishes, and other technological innovations make it possible, if not easy, to shift work from a centrally located office to a private residence or satellite office in the suburbs.

These trends are reinforced by demographic and societal changes, especially noted by the increase in the number of women in the workforce, as well as increases in two income families and single parent households. In addition:

- There is growing competition for a shrinking labor pool (the "baby bust" phenomenon) while employers are simultaneously facing severe shortages in many skill categories.

- Suburban sprawl and traffic gridlock make it more difficult to commute to offices in metropolitan areas. Construction and leasing costs for traditional office space are rising rapidly as is repair and maintenance of aging buildings.

- Global competition makes it all the more important for American employers to find ways to reduce costs and increase efficiency. Flexible workplace arrangements have the potential to alleviate some of these problems and can be an attractive alternative for employers and employees alike.

A pilot test of the telecommuting concept in Federal agencies can help determine whether the Government can benefit from such arrangements.

For those agencies wishing to conduct pilot tests, there will be additional information and assistance available from the PCMI. On behalf of the President's Council

on Management Improvement, we are pleased to provide the attached guidance for participating in a pilot test of this concept.

The project directors for this effort are:

- Thomas Cowley
General Services Administration
(202) 566-1580
- Dr. Wendell Joice
Office of Personnel Management
(202) 653-5703

Either of them will respond to any technical questions you may have. The Office of Personnel Research and Development (OPM) will coordinate implementation and evaluation activities.

SECTION A: Establishing Flexiplace Programs

1. Basic Considerations

Agencies wishing to establish flexiplace arrangements should first identify the reason or reasons for initiating a pilot. Such reasons should form a basis to justify employee use of the home or other location away from the main office as an alternative worksite.

They may include increased ability to attract and retain employees in critical occupations and positions, such as technical and scientific researchers or computer programmers; targeting new labor markets such as severely handicapped individuals; reducing space and associated costs; or enabling agencies to better conduct the organization's work by allowing increased flexibility in the location of the work site.

The reason or reasons for instituting a program should be clearly spelled out and communicated to managers and employees throughout the organization. Clearly defined expectations that show benefits to the organization and flexiplace employees alike are the foundation for a successful program.

2. Project Considerations

This section highlights important aspects of the pilot projects. Federal agencies are encouraged to volunteer to set up pilot projects for flexible workplace arrangements based on guidelines and other information provided in this document. All agencies conducting pilots will be required to notify OPM, agree to provide data for purposes of evaluation, and to comply with all legal and regulatory requirements.

OPM's Office of Personnel Research and Development is coordinating project implementation and evaluation activities (See Appendix A for a general overview of agency responsibilities).

- Participating in the Federal flexiplace pilot effort will enable agencies to benefit from intense support of all PCMI agencies. However, agencies are not precluded from setting up flexible workplace programs outside the parameters of these guidelines, in accordance with GAO requirements.

Agencies setting up independent programs may need to check with GAO to ensure they meet pertinent requirements. In addition, independent programs may not qualify for certain exemptions from normal Governmental requirements currently in pending legislation.

- The Federal flexiplace pilot program is primarily targeted to current employees. However, flexible workplace arrangements (flexiplace) may be used as a marketing tool when recruiting new employees, especially handicapped individuals.

Consideration can be given to permitting new employees to participate in the program after the results of the minimum ninety day rating period have been obtained. Employees must have a fully successful rating in order to participate.

- Flexiplace workplace arrangements should provide for in-home workstations, satellite offices, or both. Several agencies may share a satellite office, managed for example through a local Cooperative Administrative Support Unit (CASU), that offers a variety of services and resources not available in the home (i.e., photocopying and printing services, facsimile machines, computer terminals and

printers, library, conference room services, etc.).

- Tangible benefits should accrue to both the Government and to flexiplace employees. Agencies should achieve better workforce recruitment and/or retention, reduced need for office space, and/or other benefits. Flexiplace employees should benefit from reduced commuting time, cost savings in areas such as parking, commuting, wardrobe, food and child care expenses, and greater employment opportunities to name a few.

Existing programs in both the private and public sectors have also experienced increased productivity. It should be noted, however, that studies have shown that some of the reported productivity gains are illusory in that employees actually worked longer hours to achieve gains in work output.

Increased productivity requires that employees increase work output without increasing hours worked.

- Agencies will be requested to submit evaluations on general cost issues. They should be prepared to determine associated costs to the Government and to the flexiplace employee, if any. Costs should be specified at the middle and the end of the project.
- Participation should be voluntary. Total self-selection by the employee is undesirable. Supervisory agreement and concurrence is a must. Programs should provide for careful screening and training of potential telecommuters and their supervisors. OPM will provide materials to assist in the screening process.
- OPM will develop, provide, and

administer general orientation and training modules for flexiplace employees and supervisors through its Training Facilities on a reimbursable basis.

Agencies should be prepared to work with OPM to support and facilitate this training. The project training plan is contained in Appendix C. Agencies should also be prepared to enhance the general training by developing and administering any specific training that may be needed. Such specific training may include: equipment operation (i.e., computers, modems and facsimile machines) and any agency specific policies or procedures. Training may also be needed to address software applications, especially those for communications with the office. Periodic refresher and update courses may also be necessary.

- While the project task force is providing general information on project guidelines, design, and implementation requirements, a committee of potential participants and union representatives should help develop organization-specific design and implementation details.
- Agencies will be required to collect and submit evaluation data as prescribed in Appendix B. Agencies may also want to develop and collect baseline and other evaluation information for use in customizing telecommuting to meet their own particular needs.
- The task force is providing guidelines for selecting appropriate jobs and participants for this project. These guidelines are covered in various places in this document as well as in Appendix B. Agencies should carefully review and screen jobs and participants for this project.

- Management has the right to remove individual employees from the program when performance declines or the program no longer benefits organizational needs. While participation in flexible workplace arrangements is not an entitlement or a right, termination of employees from the program must be done in accordance with established administrative procedures and union negotiated agreements.

- Managers of telecommuters must be able to communicate well with their employees and measure performance by results rather than observation. The OPM-developed training will cover management by results. Managers who are not comfortable managing by results and who need to observe actual employee performance should be screened out.

Participating managers must clearly define specific tasks and expectations. Actual work performance should be measurable against established or developed quantity and quality norms so that managers may certify time and attendance records.

- Flexiplace employees' work schedules need to be established to identify the days and times the employee will work in each work setting. Work schedules can parallel those in the office or be specific to the flexible workplace. The process of establishing work schedules should be sufficiently flexible to permit periodic work schedule adjustments, if any, to achieve an optimal schedule suiting employee and organizational requirements.

For details on setting up alternative work schedules, see FPM Supplement 990-2, Book 620.

- Experience has shown that most flexible workplace arrangements should provide for a minimum work time in the traditional office setting, for instance, two or three days per week. This will allow for face-to-face meetings, provide access to facilities not available at the alternative workplace, and, equally important, will counter feelings of isolation.

- Agencies should assess the equipment needed for the employee to accomplish his/her job and determine whether such equipment (computers, modems, facsimile machines, or other devices) needs to be supplied to the employee and whether employee-owned equipment can be used. Each agency must determine what, if any, equipment it will purchase and/or whether to assist employees in the purchase of equipment. In several of the private sector programs, employees use their own personal equipment.

If employees are allowed or required to use their own equipment, agencies must ensure the employee is aware he/she is responsible for servicing and maintaining it.

If Federal Agencies provide employees with computers, modems, printers, etc. for use in the home the Government must retain ownership of equipment, software, and data.

- Agencies should identify services that the employee will need while working at the alternative workplace. The agency will need to ensure that the flexiplace employee has access to reference sources and other materials necessary to carry out the job.

- Agencies should establish methods for evaluating work performed at alternative sites and reporting requirements to

facilitate employee-supervisor communication.

- Flexible workplace arrangements are not a substitute for child care. Based on experience in the private and public sector, the care of young children is likely to provide too many distractions for successful completion of work.

However, Flexible workplace arrangements can provide valuable assistance in the management of work/family schedules. Employees seeking to volunteer solely for child care purposes should be informed of the likely pitfalls, and discouraged from any unwise participation plans.

3. Flexible Workplace Scenarios

The project task force has written sample descriptions of typical flexible workplace arrangements. The scenarios, attached in Appendix E, describe how personnel specialists, computer programmers, typists and other employees might work at home.

After a decision has been made to participate in pilot testing, the agency needs to use these guidelines to examine targeted positions before final selection decisions are made.

SECTION B: Position and Performance Issues

Flexible workplace program participation will include both union and non-represented employees, encompassing a broad range of occupations and grade levels.

Agencies are encouraged to seek union views about the identification and selection of the types of jobs within bargaining units that are suitable for flexiplace arrangements.

As provided by section 4302 (a) (2) of title 5, U.S.C., employee participation in developing performance standards is encouraged.

Although the substance of performance standards and elements is outside the duty to bargain, unions also may participate where positions are within bargaining units they represent. Similarly, unions may be invited to provide input into the development of work agreements.

1. Position Descriptions

Preliminary review of position descriptions can help identify jobs suitable for flexible workplace arrangements. Such jobs will typically be those which can be conducted independent of the work location, for at least a portion of the week. Supervisors should review position descriptions of flexiplace employees and make modifications if necessary.

The flexible workplace arrangement will seldom require major changes in position descriptions, but may affect factors such as supervisory controls or work environment. If flexiplace changes actual duties, agencies should examine all factors for impact.

2. Performance Standards

Critical elements and performance standards for flexible workplace employees should generally mirror current standards for such employees, with adjustment flexibility for unique circumstances encountered working outside the office setting. Objective, results-oriented standards which provide a reasonable basis for measuring performance, from a quantitative or qualitative standpoint, are most appropriate for employees in the flexible workplace arrangement.

Since many performance standards are too general and subjective for use in certifying time and attendance, supervisors may need to establish explicit and objective norms on quantity and quality of work at home for given projects or periods of time. Alternatively, supervisors can monitor work directly (described in the section on time and attendance).

Generally, measures of work output for flexible workplace employees should be based on experience with traditional workplace employment. If, due to the nature of the job or other circumstances, this is not possible, then such measures should be expressed in terms of quantity and quality norms developed through supervisory judgment and monitored through scheduled and required progress reporting.

3. Work Agreements

Flexiplace employees should sign work agreements with their agencies covering items such as:

The voluntary nature of the arrangement, length of time, official duty station, hours of duty, timekeeping, distribution of work be-

tween home and office, leave approval, overtime, workers compensation, performance norms, ownership, care of property, equipment, and data, Government right to inspect the home office, standards of conduct, criteria for termination, and FLSA status.

Due to the voluntary nature of the program, flexiplace employees have the right to terminate their participation at any time.

A sample of a work agreement for employees participating in flexiplace work arrangements is attached at Appendix F. It may be modified or supplemented by an agency and/or organizational unit as necessary.

SECTION C:

Time and Attendance, Hours of Duty, Alternative Work Schedules

1. Overview

Existing rules in Title 5, U.S.C on hours of duty and scheduling work, and in the Fair Labor Standards Act, on overtime, apply to flexible workplace arrangements.

Flexiplace employees may work traditional hours or follow alternative work schedules (AWS). FPM guidance on alternative work schedules provides for an astonishing variety of flexible or compressed work schedules that can meet almost any need.

An important point to note is that the process of establishing flexiplace work schedules should be sufficiently flexible to permit periodic work schedule adjustments. Because flexiplace arrangements are new, they may require some trial and error adjustments to determine the optimal schedule to meet the needs of both the employee and the organization. For details on planning AWS arrangements, see Book 620 in FPM Supplement 990-2.

Agencies should note that employees within a bargaining unit may not be included in any flexitime program unless expressly provided for under a collective bargaining agreement.

Each type of schedule has advantages and disadvantages. A regular schedule makes it easier to stay in touch with colleagues and to be available to clients. However, flexible work schedules can serve the same purpose by scheduling flexiplace employees to be available to others during certain core hours. The rest of the day falls into flexible time bands

within which employees may set their own hours.

Some employers and employees may prefer a compressed schedule to take advantage of the time saved from not commuting. On a compressed schedule of 10-hour days, an employee can finish his/her work week in 4 days. The 10-hour work day may actually be more attractive than work time on an 8-hour day because of less commute time.

All such arrangements, even Maxiflex schedules, provide a structure for scheduling work and accounting for time and leave. Employees working under such schedules can, depending on the degree of flexibility permitted, tailor their work hours within the parameters permitted by the agency or organization. However, completely unstructured arrangements, where employees simply work at will, may violate legal requirements and public policy and will probably not meet GAO certification requirements for time and attendance.

Agencies must schedule work hours in accordance with individual employee's actual work requirements regardless of work location. Failure to properly schedule work may make the agency liable for premium pay under title 5. See 5 CFR 610.111 and 610.121.

Agencies should be careful about potential liability for "suffered or permitted" overtime under the FLSA which can strain personnel budgets and employee relations. See 5 CFR 551.401, 411, and 421. Scheduling work to avoid unnecessary overtime is a long standing public policy.

"First 40-hour" arrangements may be used only when it is impracticable to prescribe a regular schedule of definite hours of duty for each work day of a regularly scheduled administrative workweek. Definite

schedules are not "impracticable" in this sense merely because work at will is administratively convenient or suits someone's preference. The mere fact of flexiplace employment does not make a definite schedule impracticable.

Work schedules and tours of duty should be tailored to accommodate periodic focus group meetings arranged and conducted by the agency (see Appendix D for a discussion of focus groups).

In addition, research with flexible work place programs in the private sector and state and local governments indicates that employees should spend at least part of the workweek in the office. This minimizes isolation and communication problems, facilitates integration of the employee with those in the office, and may also ease supervisors' adjustment.

Most flexiplace employees should be scheduled to work no more than 1 to 3 days per week outside of the office, at least for the first few months of the pilot. As experience and confidence are gained, this can be increased; however, agencies are strongly urged to schedule at least a day or two in the office for all employees participating in flexible work place arrangements.

Written agreements with employees should address hours of duty and work schedules. For instance, the agreement could cover type of schedule, whether regular or flexible, days and hours of work, length of the unpaid lunch break, periods when the employee must be available to colleagues, etc.

2. Leave

The rules and procedures for leave administration depend on the work schedule.

The work schedule, not the work site, controls leave. For a regular schedule at home, the regular rules apply (see Book 630, FPM Supplement 990-2 for leave administration).

Under flexible or compressed work schedules, see Book 620 in FPM Supplement 990-2. Written agreements between employees and agencies should address leave administration.

3. Certification and Control of Time and Attendance (T&A)

Proper monitoring and certification of employee work time is critical to the success of flexible work place arrangements. Supervisors must report time and attendance to ensure that employees are paid only for work performed and that absences from scheduled tours of duty are accounted for.

Although agencies establish their own procedures for certifying time and attendance, those procedures must follow standards set by the U.S. General Accounting Office (GAO) in the Policy and Procedures Manual for the Guidance of Federal Agencies. Title 6 of the Manual covers Pay, Leave, and Allowances. The most recent changes address self-certification and paperless T&A systems.

Although it does not directly address flexible work place arrangements, the new title 6 of the GAO manual could be a starting point for modified agency procedures for such arrangements. This should not be completely new. To some extent, agencies have reported unobserved time and attendance for years. Timekeepers and supervisors cannot actually observe employees on business trips or those permanently stationed at their homes, traveling daily to audit or inspection sites.

The GAO guidelines require agencies with employees working at remote sites to provide reasonable assurance that they are working when scheduled. The guidelines list the following approved techniques:

- arrangements with other timekeeping or supervisory personnel to provide observation, where feasible;
- occasional supervisory telephone calls to an employee during times the employee is scheduled to be on duty;
- occasional visits by the supervisor to the employee's work site;
- determining reasonableness of work output for the time spent.

The last technique in the above list is probably the most likely technique for use with flexiplace arrangements.

These techniques are consistent with earlier decisions where the Comptroller General ruled that there was no general legal prohibition against work-at-home, provided actual work performance can be measured against established quantity and quality norms and that there was a reasonable basis to justify the use of a home as a workplace. The following decisions of the Comptroller are examples.

GAO approved a work-at-home arrangement for an employee of the Department of Housing and Urban Development with Multiple Sclerosis. GAO concluded that it was reasonable for the employee to work at home because actual work performance could be measured against established quantity and quality norms so as to verify time and attendance. (65 Comp. Gen. 826)

In another decision, GAO did not object to the Veterans Administration paying a

select group of typists to type at home, provided the agency had adequate monitoring controls. The GAO decision expressed no opinion as to the desirability of assigning employees to home work sites, indicating merely that GAO raised no legal objection to paying the typists assigned to work at their homes under the proposed plan. (B-214453, Dec. 6, 1984)

These and other Comptroller General decisions indicate that the work-at-home option is valid if an agency is able to certify time and attendance records for work at home, usually where actual work performance can be measured against established quantity and quality norms (the fourth of the approved techniques).

Jobs with industrially engineered work standards lend themselves readily to this method. Existing performance standards in most other jobs may be too vague and subjective for certifying home work and may need to be modified for such use. Norms should be established before approving a flexible workplace arrangement and continually refined during the pilot.

Agencies must ensure that such norms are not at variance with existing expectations of work output. The resulting standards would then serve as the basis for monitoring work output and certifying time and attendance. (See discussion of performance standards under Position and Performance Issues).

Persistent failure to meet norms after fair warning is grounds for termination of the flexible workplace arrangement. Termination may be subject to administrative or negotiated grievance procedures. Failure to meet work norms may lead to other performance-based actions besides termination of the arrangement.

Some jobs can be remotely monitored, even though performed away from the supervisor and timekeeper. Computer programmers may log onto a mainframe system which tracks all their work: Time on and off, files opened and modified, programs run, etc. (Programmers also have established work standards for so many lines of error free code per day.) The work of clerical and other workers, who may not have production standards, but who work with application software such as word processors, spreadsheets, and data bases, can be monitored. Special systems software on microcomputers can record all activity: log/on time, files opened and closed, keystroke counts, etc. Periodically, employees can send to their supervisors, via electronic mail, updated copies of those log files.

Alternatively, supervisors can remotely monitor the log files or actual work-in-progress with remote operation software. Remote monitoring is a technological extension of the technique of direct observation.

Supervisors can use phone calls and electronic mail to ensure that employees are actually on duty when scheduled to work. Phone calls or messages during the normal course of business are less intrusive than direct check up calls. Written agreements should specify times employees must be available. Occasional visits by the supervisor to the home work site are another approved technique, but can be very intrusive and undermine mutual trust. If used at all, visits as well as any other monitoring activity should be done in accordance with the written agreement and in a manner that preserves mutual trust and respect.

4. Administration Leave, Dismissals, and Emergency Closings

The alternate work site may be unaffected by emergencies that lead to closings and dismissals at the central office, e.g., local power blackout, building fire, or tornado. As may happen with different offices in the same metropolitan area, some may be affected by the emergency and others not. Whether home office or government office, the principle is the same. If work can proceed at a particular work site, then employees may not be excused from duty just because other employees elsewhere have been dismissed or excused from reporting.

Hence, a home-based worker may not be excused on a snow day unless the home based work is so intimately connected with the central work site as to become impossible. Conversely, agencies may excuse a home worker for a power blackout that affects the home but not the central office.

Agency guidelines on dismissals and closings should be sufficiently flexible to cover the great variety of potential situations. If the flexiplace employee was scheduled to come into the office on a snow day, should he/she work at home or get the day off? If the employee was scheduled to come to the office for only part of the snow day, then excused absence might be granted for that portion of the day (for example 2 hours instead of the full 8 hours other employees receive).

If the emergency affects only the home and not the central work site, the considerations are reversed. Home emergencies that begin after the flexiplace employee begins working (or is scheduled to begin working) can be excused, particularly if they are of minimal duration. Similar occurrences that start well before

the work period begins (and it is known will continue for all or most of the work time) can be handled by granting the employee annual leave, rescheduling the work, or having the employee report to the office. Interruptions that are scheduled in advance should be dealt with by granting leave or having the employee report to the office.

5. Fair Labor Standards Act (FLSA)

Federal employees in positions designated as "nonexempt" benefit from the overtime provisions of the Fair Labor Standards Act. Overtime entitlements under the FLSA are independent of those that nonexempt employees have under title 5, and nonexempt employees get the benefit of whichever entitlement is greater. Some activities are work under FLSA but not title 5. The FLSA sets an overtime standard of 40 hours per week; the number of hours in a day does not matter.

Under title 5, agencies pay only for overtime officially ordered and approved. Under the FLSA, employees may earn overtime pay even though the overtime work was voluntary and not officially ordered or approved. The FLSA counts as overtime any work that a supervisor "suffers or permits" his/her subordinates to work. Suffered and permitted overtime is any work performed for the benefit of the agency, whether ordered or not, provided the supervisor knew or had reason to believe that the work was being performed and had a chance to stop it.

It is a responsibility of management to exercise appropriate supervision to ensure that only that work for which it intends to make payment is performed. Since the supervisor is not on the scene of work at home or at the satellite office, FLSA overtime (or

potential liability for FLSA overtime) could be hard to control. Nevertheless, the benefits of flexible workplace are so great, that pilot programs should not exclude FLSA nonexempt workers.

Supervisors should take care to communicate work rules, to limit access to key systems, and to monitor work activity as suggested in the section on certifying time and attendance.

Nonexempt flexiplace employees who habitually work in excess of the hours approved by management should be removed from the flexible work place arrangement. Agencies may not discipline nonexempt employees for working suffered or permitted overtime under the FLSA or for putting in claims for backpay under the FLSA.

6. Injuries, Continuation of Pay, Worker Compensation

Flexiplace employees can qualify, under the Federal Employees Compensation Act (FECA), for continuation of pay (COP) or workers compensation for on-the-job injury or occupational illness. Continuation of Pay can last up to 45 days. The Department of Labor administers workers compensation beyond 45 days, but charges it back to the agencies. Reports of injuries should be carefully scrutinized to ensure that they are really work related.

Flexible work place arrangements can help put injured employees back to work and take them off the compensation rolls.

Agencies may be able find work that such employees can perform at home or agencies may be able to "restructure" existing work so that some of it may be performed at home.

SECTION D: Pay Issues

1. Duty Station

The definition of "official duty station" in the Federal Travel Regulations (FTR) affects entitlements to special salary rates, travel allowances, and relocation expenses. In flexiplace arrangements, employees work part of the time at home and report to the office the rest of the time. Many employees will actually work more hours at home than at the office.

Regardless of whether or not the employee spends the majority of work hours at a home work site, the current conventional Federal office is the official duty station for purposes of special salary rates and travel.

The General Counsel at the General Accounting Office agrees that Congress did not intend agencies to base entitlement to special salary rate or travel benefits on place of residence. In this respect, flexiplace arrangements are different from situations where field auditors, agricultural extension agents, and quality assurance specialists work out of their homes, office, field, or factory. In those situations, their homes are their official duty stations. They do not commute to a Federal office.

2. Special Salary Rates

Except for certain worldwide or nationwide authorizations, most special salary rate schedules cover a very limited geographical area. The Federal office, not the home, is the official duty station for special salary rates.

The legislation on special rates is designed to assist agencies with recruitment and

retention problems associated with Federal office locations. If the home is in an authorized area, but the office is not, special rates would not apply. Otherwise there would be different treatment for people working out of the same office but living in different areas.

3. Premium Pay

Work schedules determine premium pay entitlements. Night differentials are for regularly scheduled work at night. Sunday Pay is for regularly scheduled nonovertime work performed on Sundays. Holiday pay is for nonovertime work performed on holidays.

Whether at home or at the office, the normal rules apply to regular work schedules and special AWS rules apply to flexible and compressed work schedules.

Overtime work at home is more difficult. There is considerable potential for either misunderstanding or outright abuse. For instance, the rule on call-back overtime does not apply to work at home. The rule prescribes a 2-hour minimum, even when actual overtime work is much less. The reason for the 2-hour minimum is to compensate employees for the inconvenience of travelling back to the work site, a rationale that obviously does not hold when the employee works at home.

Compensatory time is an alternative to overtime pay only for irregular or occasional overtime work, but not for regularly scheduled overtime work. However, those on official flexible work schedules can get compensatory time for regular overtime work. Compensatory time off, instead of overtime pay, must be at the request of the employee.

Subsequently, agencies can mandate compensatory time for employees whose basic pay is higher than the maximum rate for GS-10 on the regular General Schedule. Agencies should apply strict controls to prevent abuse in this area.

Finally, agencies should be sure FLSA non-exempt employees and their supervisors are fully aware of the rules on "suffered or permitted overtime." Supervisors must not accept the results of unapproved overtime work and must act vigorously to discourage it.

Agencies may have to discipline supervisors who suffer or permit unapproved overtime. At a minimum, employees who work unauthorized overtime should be removed from the work at home arrangement.

SECTION E:

Facilities Issues

1. Satellite Offices/Shared Work Space

Satellite work offices can be an alternative to having employees work at home. Such offices can be located close to where employees live and simultaneously serve the needs of employees of many agencies.

Typically, employees would be assigned to work at the satellite work office (with infrequent work at home) in lieu of reporting to a downtown location.

Satellite work offices could use either existing, under-used space in Federal office buildings or new space. It takes at least six months to arrange for new space, if existing space is not available. Satellite offices can exist as several environments:

- **The Satellite Office.** A geographically convenient extension of a headquarters office. Employees report to work at this location when not reporting to the headquarters office or to the home. Employees would have facilities comparable to those in the headquarters office environment: personal telephone, individual workspace, shared office equipment.
- **The Shared Work Space.** A limited work space environment. Employees would share telephones, desks/workspaces, and office equipment. Like the satellite office, it is geographically convenient for commuting.
- **The Cooperative Administrative Support Unit.** A geographically convenient administrative services bureau. It gives employees access to services or equipment not available in the home such as

copy centers, meeting rooms, library, imprest fund, office machine repair.

Cooperative Administrative Support Units (CASU's) can play a major role in locating and equipping office space.

CASU, a PCMI initiative, is a voluntary program for local Federal agencies. Each CASU is controlled by a local policy board of users with a National Board of Directors reporting to the PCMI.

A small interagency staff in Washington, D.C. can help local managers and agencies set up CASU's. Local programs are run to suit local needs. Programs often differ in the services they provide and the agencies they serve. The 24 CASU's now in operation provide consolidated administrative services to member organizations in multi-tenant buildings, complexes, or scattered locations within metropolitan areas.

CASU's could provide the technical assistance for acquiring and servicing telecommunications equipment through users groups and consulting services.

For further information, call FTS 523-5278 or write CASU Interagency Staff (CN), 18th and F Streets, N.W., Washington, D.C. 20405.

2. Home Office Space and Inspections

Offices in the home require adequate work space, light, telephone service, power, and temperature control. Requirements vary depending on the nature of the work and the equipment needed to perform that work.

All work at home arrangements should require employees to have a specific room or area in a room which is adequate for the performance of their official duties. In

addition, flexiplace employees should be required to have a telephone to facilitate communication with their supervisors and organizations.

Where applicable, agencies should advise employees to clear work-at-home arrangements with landlords. Landlords may have legitimate concerns such as cost factors associated with the use of utilities necessary for operating work-related electronic equipment.

For example, temperature requirements for rooms containing computers are fairly stringent. Equipment manufacturers establish environmental limits for their products and, outside those limits, their machines may malfunction or pose a hazard.

Agencies need to ensure that existing wiring and electrical connections are safe for equipment provided by the Government. If extensive re-wiring or other modifications need to be made to bring the work space up to standards, it may not be cost effective or in the Government's interest to make such modifications. Other less costly alternatives may need to be explored if the agency wishes to include an employee whose proposed home work space is not adequate.

Finally, agencies and employees must take measures to ensure that, where applicable, equipment considered safe for adults is also safe in the presence of children.

Agencies can require smoke detectors. If local building codes do not require such detectors but an agency requires them as part of the work-at-home arrangement, the agency should pay for the smoke detector.

The work agreement, signed by the employee and his/her supervisor should allow agencies to inspect the in-home work space, both at the time of installation

of any Government owned equipment and at periodic intervals. Such inspections should be conducted at reasonable times and only as needed to protect the Government's interests. Provision of Government-owned equipment as well as participation in the work-at-home program should be made contingent on passing such inspections.

Programs should require that employees work only in their approved alternative workplace (whether home, satellite office or elsewhere). Even though technically feasible, it would not be wise to let employees "work" at places of public refreshment, recreation, or amusement, such as restaurants, parks, or the beach.

3. Home Utility Expenses and Reimbursement

Work-at-home arrangements may increase an employee's home utility costs. Balanced against these increases are potential savings to the employee resulting from reduced commuting, child care (savings during the period the employee would otherwise be commuting to and from work), meals and clothing expenses. Potential costs and savings to the employee and the Government cannot be viewed in isolation from each other.

Currently, most private sector flexiplace programs do not pay any portion of employee utility expenses. The rationale is that the benefits of working at home, both tangible and intangible, offset any incidental increase in utility expenses.

A recent GAO decision concluded that "absent legislation authorizing such expenditures, incremental utility costs associated with the residential workplace may not be allowed" (B-225159, June 19, 1989). In that decision, GAO noted that "as

a general rule, appropriations for necessary expenses of any agency may be used for purposes not specifically set forth in the appropriations act, if the expenses in question are for the direct support of the agency's mission; residential utility costs normally are considered the personal expenses of federal employees."

An agency may not use appropriated funds to pay for items of personal expenses unless there is specific statutory authority. GAO has allowed exceptions to this rule only where there is clear and convincing evidence that the expenditure that would ordinarily be a personal expense primarily benefits the government.

In this regard, an employee may be reimbursed for business-related long distance phone calls over the employee's personal phone. GSA regulations (41 CFR 101.7) provide for reimbursement on SF 1164 for telephone calls approved by the supervisor. This area will be carefully monitored during the pilot testing to determine if legislation is needed to deal with the issues raised.

SECTION F: Telecommunications and Equipment

1. Telephones and FTS 2000

Section 1348 of Title 31, U.S. Code prohibits Federal agencies from paying for telephone installation and service in private residences with appropriated funds. This has been confirmed by GSA's (the agency that administers this provision of law) Office of General Counsel. Some employees may need another phone line for voice traffic and/or connecting to modems, computers, and fax machines.

The legal restriction would also prevent the Federal Government from installing residential phone lines to connect to the new FTS 2000 service a FTS 2000's fiber optic network which will carry a varied mix of voice, data, and video services on a single line.

Section 1348 also prohibits the Government from purchasing a fax machine for installation in a private residence. Facsimile machines are a special kind of telephone that can switch between voice and fax modes.

Modems and automatic voice/data switches do not come under the prohibition of section 1348 and agencies may use their appropriated funds to pay for such items if necessary to conduct Government business.

2. Computers, Property, Services and Support

Federal Information Resources Management Regulations provide general guidelines to Federal agencies for their

policies on end user computing (EUC) off site (see FIRMR Bulletin 30).

Agencies may place computers and telecommunications equipment in their employees' homes while retaining ownership and control of hardware, software, and data.

All Government provided equipment is for official business; employees are prohibited from using such equipment for private purposes. The Government is responsible for maintaining and repairing such equipment.

Classified or sensitive data should not be accessible from an off site system, unless agency ADP security officials certify that the system adequately protects records and that such use conforms to applicable laws or policies.

Agency computing policy should also identify such records and restrictions for off site use. All files, records, papers, or machine readable materials created using Government owned equipment are the property of the United States.

For policy advice on electronic security procedures, see FIRMR Part 201-7, Security of Personal Privacy; and Security of Personal Computer Systems: A Management Guide, NBS Special Publication 500-120, U.S. Department of Commerce, National Bureau of Standards.

FIRMR Bulletin 56 establishes guidelines for the acquisition of automatic data processing equipment that helps handicapped Federal employees. (See discussion under Section F.5. Accommodating Handicapped Employees.)

3. Remote Electronic Accessibility

Flexiplace employees will often need access to records, regulations, handbooks,

manuals, and files normally maintained at the office site. While it may not always be practical to duplicate paper records or maintain a library in the home or satellite office, personal computers and modems will allow employees to communicate with the office from any location and access records stored electronically.

Electronic records are in many forms: operating data bases, on-line research data bases, files on personal computers. Payroll and personnel data bases are examples of operating data bases that are only accessible from the office.

For Privacy Act and security reasons, such data bases are not accessible through dial-up (off-site) lines. This is a serious constraint for flexiplace employees whose jobs require access to such databases.

By contrast, research data bases vendors such as Dialog, Westlaw, CEMPAR-2, and JURIS designed their services for access over dial up lines. Regarding the latter, connect time charges are a consideration.

Correspondence files and historical records are likely to be one-of-a-kind and may not be taken from the office site location. Since these records exist mainly in hard copy, they are inaccessible through electronic means. Scanners and imaging systems, computer networks, electronic mail, bulletin boards, remote operating software, etc. can help solve such problems.

4. Privacy Act Implications

Care must be taken to ensure that records subject to the Privacy Act are not disclosed to anyone except to those who are authorized access to information in order to perform their duties. Agencies allowing employees to access records subject to

the Privacy Act from a remote worksite must maintain appropriate administrative, technical, and physical safeguards to ensure the security and confidentiality of the records.

When records subject to the Privacy Act are maintained or used by employees working at home or other remote locations, agencies should revise the appropriate record system notices to indicate that the off-site system location is authorized.

5. Accommodating Handicapped Employees

Handicapped employees are a valuable source of talented and dedicated workers. Current employment efforts which focus on accommodating handicapped employees in the regular office environment will continue. Such efforts can be supplemented, however, by flexiplace work arrangements to help agencies further tap the reservoir of unemployed handicapped persons.

Some severely disabled individuals cannot commute to work or work for long periods without rest. Special computer technology and telecommunications can enable them to be valuable home workers.

Speech recognition systems, infrared controllers, or simple mouthsticks allow those with mobility impairments to control computers.

Optical character readers, speech synthesis software, and tactile picture devices can provide valuable assistance to blind employees.

Video teleconferencing lets deaf employees communicate by sign language.

For information on work opportunities for handicapped individuals, both at home and at the office, see the handbook, Managing End User Computing for Users With Disabilities, prepared by the Clearinghouse on Computer Accommodation (COCA) in the General Services Administration.

GSA's Federal Information Management Regulations, in FIRMR Bulletin 56, establish Government-wide guidelines for acquiring ADP equipment that helps handicapped Federal employees.

Other agencies, such as the Departments of Veterans Affairs, Commerce, and Justice, have resource centers that help managers assess accommodation requirements.

SECTION G: Other Issues

1. Labor-Management Relations

Federal employee unions have a right to consult and negotiate, as appropriate, on regulations affecting conditions of employment. This applies to flexible workplace regulations.

The Office of Personnel Management has consulted on flexiplace with the National Offices of Federal employees' unions in accordance with 5 USC 7117(d), but individual agencies must satisfy their National Consultation Rights obligations under 5 USC 7113 with the National Offices of unions granted those rights by the agency.

Negotiations with local unions may also be required by the terms of collective bargaining agreements.

If a flexiplace program is to be implemented in an organization where employees are represented by a labor organization accorded exclusive recognition under 5 USC Chapter 71, management is, at a minimum, obligated to notify the union concerning the program and to bargain in good faith on any negotiable proposals submitted by the union. Unions recognized as exclusive bargaining agents also have the right to negotiate on impact and implementation of flexible workplace programs.

This bargaining may involve union proposals which agencies may consider non-negotiable because, for example, they infringe on management rights under 5 USC 7106 (such as the right to determine work methods, assign work, and direct work). If the negotiability of such proposals

is not satisfactorily resolved between the parties, their negotiability would be resolved by the Federal Labor Relations Authority under 5 USC 7117.

Also, any impasses in bargaining would be resolved through the services of the Federal Services Impasses Panel (FSIP) under 5 USC 7119. Agencies should consult with unions previous to implementing the program. Labor-management partnership in creating flexible work place programs can go a long way to disarm suspicion and prevent unnecessary disputes.

The mechanism for ensuring union involvement and representation is one for mutual resolution by agencies and exclusive representatives. A committee may be established to oversee implementation, or conversely, a project team to implement and administer the program can be established. The most important consideration is ensuring meaningful opportunities for input into the process by employees and their union representatives.

While labor-management cooperation is not a replacement for collective bargaining, it could be a viable approach for implementing a flexiplace program. Management should consider bringing employees and their unions into the process of developing and implementing its flexiplace program at an early stage through a cooperative arrangement.

For instance, unions should have input into the types of positions/employees eligible for participation, the procedures to be utilized in performance appraisal, home inspections, time and attendance monitoring, criteria for evaluation and other areas of the project. Union representatives should also be invited to attend flexiplace focus group meetings.

Making the union a partner in the process of creating a flexiplace program could greatly reduce or even eliminate disputes, especially negotiability disputes and impasses, which otherwise may hamper or effectively prevent the attainment of a result that could be beneficial to both the agency and its employees.

2. Liability

Federal Employees Compensation Act (FECA):

Employees working at home are covered under the Federal Employees Compensation Act (Workers Compensation) and can qualify for payment as a result of on-the-job injury and occupational illness.

Military Personnel and Civilian Employees Claims Act:

The Military Personnel and Civilian Employees' Claims Act of 1964 authorizes the head (or designee) of each agency to pay claims up to \$25,000 for damages to, or loss of, personal property incident to an employee's service.

A claim, to be cognizable under the Act, must be by a member of the uniform services or a civilian officer or employee and must be for damage or loss to personal, not real, property.

Under 31 U.S.C. 3721(f)(3), a claim is allowable only if the damage was not caused in whole or in part by the negligent or wrongful act of the claimant. The loss or damage must be incident to service.

In addition, a claim may not be allowed if the personal property damage or loss occurred at quarters that were not assigned or provided in kind by the Government. Current authoritative rulings and decisions do not establish that the employee's

residence would be considered "assigned" for purposes of this statute under the Flexible Work Place Project. If a claim is not adjudicable under this statute, an employee may have a claim under the Federal Tort Claims Act.

Federal Tort Claims Act:

The Federal Tort Claims Act is concerned with suits filed by third parties against the United States Government for the negligent or wrongful acts of its employees. In order to establish governmental responsibilities in tort under the provisions of the Act, three conditions must be satisfied.

First, any monetary claim arising out of injury, death, or property damage suffered by a third party must have been caused by the negligent or wrongful act or omission of a Government employee.

Second, the employee must have been acting within the scope of his/her office or employment at the time of injury.

Third, the right of the third party to recover, if any, is determined by the law of the place where the negligent act or omission occurred.

An employee who suffers damage or injury to his/her home caused by Government equipment may have a potential claim under the Federal Tort Claims Act. A showing of negligence on the part of the Government would be required; the mere fact that a fire started would not be enough. The employee would have to show that the Government was negligent in some act of commission or omission, such as failing to warn of some known defect.

Third parties, such as family members, tenants of the building, or the owner of the building who suffer injuries or damages as

a result of an accident involving agency equipment used at home, could sue under the Federal Tort Claims Act. They would have to show that their injury was caused by the negligence of a Government employee "while acting within the scope of his/her office or employment."

This might be the employee who used the equipment or another employee who failed to properly train the using employee, inspect the equipment, or acted or failed to act in a situation that could be shown to constitute negligence.

Depending on what act or acts of negligence are alleged, it may be irrelevant whether or not the equipment was being used to conduct Government business at the time of the accident.

Auto or Homeowner's Insurance:

Employees working at home commute less frequently to the office. As a result, they might be eligible for lower rates on auto insurance (for driving less) and homeowners insurance (greater protection against loss from theft).

On the other hand, employees may have to pay higher rates because of the increased possibility of claims for damage to personally owned equipment used to conduct Government work.

In either case, changes in insurance rates are strictly the responsibility of the employee.

3. Tax Benefits

Does an employee who devotes a portion of his or her home to Government work qualify for a Federal income tax deduction?

The Internal Revenue Service has provided the following guidance on the deductibility

of home offices and equipment for Federal income tax purposes.

Deduction for Home Office or Work Space:

In order for expenses allocable to a portion of an employee's dwelling unit to be deductible for federal income tax purposes, section 280A(c)(1) of the Internal Revenue code of 1986 (Code) requires that the portion of the dwelling unit used must be used exclusively on a regular basis:

- As a principal place of business of the employee;
- As a place of business used by patients, clients, or customers in meeting or dealing with the employee in the normal course of business; or
- In the case of a separate structure not attached to the dwelling unit, in connection with the employee's trade or business.

In addition, the employee's use must be for the convenience of the employer but does not have to be a required condition for employment.

Thus, to the extent employees do not devote work space at home exclusively to business, no expenses allocable to that space are deductible. This deduction proscription does not include expenses that are otherwise deductible such as home mortgage interest, certain taxes, and casualty losses.

In addition, even if work space at home is exclusively devoted to business, such space must be the principal place of business of the employee, except in the case of space for meeting with patients, clients, or customers and the case of use of space in a separate structure.

Proposed Income Tax Regulation section 1.280 a-2(b)(3) lists the following as examples of facts and circumstance to be taken into account in determining what is the principal place of business:

- The portion of the total income from the business attributable to activities at each location;
- The amount of time spent in activities related to that business at each location; and
- The facilities available to the taxpayer at each location for purposes of that business.

Finally, even assuming some office-in-the-home expenses are deductible, they are deductible under Code section 67(a) only to the extent that the total of all the employee's miscellaneous itemized deductions (including office-in-the-home expenses) exceeds two percent of the employee's adjusted gross income for the taxable year.

Deduction For Depreciation Of Personal Computers And Related Equipment Paid For By An Employee:

This expense would be deductible, but the deduction is limited in four important ways:

- Code section 274(d)(4) requires that the business use of "listed property" be substantiated by adequate records or sufficient evidence corroborating the taxpayer's own statement (concerning the amount, time, place, and business purpose of the expense) before deductions attributable to the listed property are allowable.

Code section 280F(d)(4)(A)(iv) defines as listed property any computer or peripheral equipment;

- Code section 280F(b) limits the amount of depreciation that may be deductible and may require recapture of some previously taken depreciation deductions if the business use of listed property does not exceed 50 percent in any taxable year;

- Code section 280F(d)(3)(A) provides, in part, that any employee use of listed property (including any use in connection with the performance of services as an employee under Code section 280F(d)(3)(B)) shall not be treated as use in a trade or business for purposes of determining the amount of any depreciation deduction unless such use is for the convenience of the employer and required as a condition of employment.

If the employee's use of the property is not treated as use in a trade or business, any expense for depreciation would be a non-deductible personal expense under Code section 262(a); and

- Like the expenses attributable to the dwelling unit, the depreciation expense if deductible would be a miscellaneous itemized deduction, deductible only to the extent that the total of all the employee's miscellaneous itemized deductions exceeds two percent of the employee's adjusted gross income for the taxable year.

Deductibility Of Non-Capital Expenses That Are Not Reimbursed By The Government:

For taxable years beginning after December 31, 1988, Code section 262(b) expressly provides that any charge (including taxes thereon) for basic local telephone service with respect to the first telephone line provided to a taxpayer's residence shall be treated as a personal expense, and thus would be non-deductible under Code section 2626(a).

Further, the deductibility of any other non-capital expenses, assuming they were otherwise deductible business expenses under the Code, would be allowed only to the extent that the total of all the employee's miscellaneous itemized deductions exceeds two percent of the employee's adjusted gross income for the taxable year.

Employees who believe they may be entitled to tax deductions for any of the items discussed above should consult their tax adviser for the latest information on tax laws and interpretations of the IRS.

4. Local Zoning Regulations

Zoning regulations are administered locally by the city, county or other political entity. Restrictions vary widely. Zoning restrictions in most areas should not pose an obstacle to the conduct of flexiplace arrangements. Typical provisions in zoning ordinances are:

- Work at home is allowed under most local ordinances.
- Zoning ordinances are aimed at jobs that affect the character of neighborhoods with noise, odors, extra traffic, extra demands on municipal services, signs.
- Zoning authorities are generally unconcerned with work at home until neighbors complain, whereupon authorities may act against the home office worker.
- The newness of the work at home trend has caught many local planning officials unprepared. There is considerable confusion over whether telecommuting is a regulated "home occupation." Persons engaged in "home occupations" must have

a license, pay a fee, and are subject to specific restrictions.

Since local zoning ordinances vary widely, Federal Executive Boards (FEBs), Federal Executive Councils (FECs), and Federal Executive Associations (FEAs) should coordinate collecting and disseminating detailed information on zoning regulations on work-at-home arrangements for jurisdictions in their geographic areas.

APPENDIX A: AGENCY RESPONSIBILITIES AT-A-GLANCE

Following is a brief overview of responsibilities for agencies participating in the Federal Flexible Workplace Project. This overview is meant for handy use and should not be construed as comprehensive. In general, agencies are responsible for:

Reviewing these guidelines and disseminating project information throughout their organizations, nationwide.

Informing the project task force of their intention to participate (submission of Intention To Participate form).

Designating an agency coordinator who will:

- Assign and keep track of project codes
- Maintain up-to-date list of agency participants
- Coordinate selection of participants as requested in the Selection Plan (Appendix B): Participants include flexiplace control group employees, their supervisors and individuals having a work-based relationship with flexiplace employees
- Serve as the liaison between the project task force and coordinator's agency and its participants
- Ensure that all project requirements and activities are handled appropriately

- Direct agency participation in accord with task force procedures

- Ensure dissemination of evaluation materials and procedures; ensure completion of evaluation procedures

- Follow-up problem areas

- Ensure dissemination of task force communications

- In all other matters, as needed, coordinate agency participation;

Working in conjunction with local unions, design and develop local agency participation details, procedures, and criteria;

Scheduling participants, prior to initiation of a Flexiplace pilot test, for training modules developed and administered by OPM and:

- Provide training facilities

- Develop and administer additional agency or organization specific training such as equipment usage/maintenance or agency-specific policies, etc

- Reimburse OPM for training costs

Using the guidelines to develop flexiplace work agreements which must be read, understood, and signed by all participants.

Reading, understanding, and adhering to project requirements and guidelines as specified in the enclosed document.

Scheduling all participants for periodic focus group meetings as specified in the guidelines and designating an employee to conduct the meetings, take notes, and report highlights to the OPM evaluation team.

Providing evaluation materials and information as specified in the guidelines.

Funding, procuring, installing, and/or maintaining Government equipment, if any, at the flexiplace work site.

Inspecting or otherwise ensuring the adequacy of the Flexiplace work site.

Ensuring the work-related interpersonal and occupational well-being of the participants.

APPENDIX B:

Evaluation plan / Participant Selection plan

EVALUATION PLAN

Federal Flexible Workplace (FW) Pilot Project

This evaluation, which is being conducted by the Office of Personnel Research and Development (OPM) on behalf of the PCMI, covers the initial large scale Federal involvement in FW arrangements.

Consequently, during this pilot, a great deal of refining and adjustment will occur as the various aspects of the project proceed; this is a learning process.

It should be clearly understood that this project is a feasibility pilot of Federal FW arrangements; the OPM evaluation team is not trying to compare FW with traditional arrangements and/or determine which is better.

EVALUATION GOALS:

To determine the feasibility and desirability, from both individual and organizational standpoints, of Federal use of FW arrangements as an alternative to traditional, officebound working arrangements.

To profile the most workable programmatic procedures for FW arrangements.

To evaluate the effectiveness of FW training.

To evaluate the effectiveness of FW focus groups.

PARTICIPANTS:

Diverse sample of volunteer Federal employees.

Corresponding supervisors of participating employees.

TIME FRAMES:

Pilot project will operate for one calendar year.

For evaluation purposes, the one-year project period will be divided into two 6-month rating periods.

The following time frames for evaluation materials apply to all goals and objectives (see chart of evaluation activities):

- FW and Control Employee Background Questionnaires (Attachs. 3 & 4): administered prior to project implementation
- FW Employee Evaluation of the FW Experience (Attach. 5) and Control Employee Evaluation of job experience (Attach. 6): administered after each 6-month period in the project
- Supervisory Evaluation of Organizational Unit Performance (Attach. 7): administered prior to project implementation and after each 6-month period in the project
- Supervisory Evaluation of FW and Control Employee Performance (Attach. 8): administered prior to project implemen-

tation and after each 6-month period in the project

- Local Union Evaluation of FW Experience (Attach. 9): administered after each 6-month period in the project

- FW Employee Evaluation by Individuals with Work-Based Interrelationship (Attach. 10); administered after each 6 - month period in the project

- Procedures (Attach. 11) and Forms (Attach. 12 & 13) for Termination or Transfer of Participation Prior to Project Completion: administered upon notice of such action

- Focus Group Narrative Reports: submitted after each meeting of FW focus groups (monthly during first 6 months and bi-monthly during last 6 months) by focus group facilitators (see "focus group" requirements in FW guidelines)

EVALUATION OBJECTIVES AND METHODS:

Goal - Feasibility Determination

Objective 1: Determination of self-perceived impact of FW participation on employee's job performance.

Method: Survey of FW and Control employees.

Items: 1-9, 54 in Employee Evaluation of FW Experience (Attachment 5); Control Questionnaire (Attachment 6).

Objective 2: Determination of supervisor perception of impact of FW participation on organizational performance.

Method: Survey of supervisors of FW employees.

Items: 1-26 in Supervisory Evaluation of Organizational Performance (Attachment 7).

Objective 3: Determination of supervisory and interrelating respondent appraisal of FW employee performance.

Method: Survey of supervisor and interrelating respondent ratings on research-based performance appraisal form.

Items: Supervisory Evaluation of FW Employee Performance (Attachment 8) and Interrelating Questionnaire (Attachment 10).

Objective 4: Determination of supervisors estimation of FW costs.

Method: Survey of supervisors of participating FW employees.

Items: 27-47 in Supervisory Evaluation of Organizational Performance (Attachment 7).

Objective 5: Determination of FW employee satisfaction with FW work site and FW costs.

Method: Survey of project participants.

Items: 33-37, 46-53 in Employee Evaluation of FW Experience (Attachment 5).

Objective 6: Determination of spontaneous focus group reactions regarding feasibility issues.

Method: Review of focus group summary reports.

Objective 7: Determination of Union reaction to FW.

Method: Survey of local unions at participating agencies.

Items: Union Questionnaire (Attachment 9).

Goal - Desirability Determination

Objective 1: Determination of self-perceived impact of FW participation on employee personal factors (morale, personal life, etc.).

Method: Survey of project participants.

Items: 9-63 in Employee Evaluation of FW Experience (Attachment 5) Control Questionnaire (Attachment 6).

Objective 2: Determination of supervisor perception of impact of FW participation on organizational desirability factors.

Method: Survey of supervisors of participating employees.

Items: 7,15,16 in Supervisory Evaluation of Organizational Performance (Attachment 7).

Objective 3: Determination of supervisor perception of impact of participation on FW employee factors.

Method: Survey of supervisors of participating employees.

Items: 9-14 in Supervisory Evaluation of FW Employee Performance (Attachment 8).

Objective 4: Determination of spontaneous focus group reactions regarding desirability issues.

Method: Review of focus group summary reports.

Goal - Workable Programmatic Procedure Determination

Objective 1: Determination of impact of participant characteristics on FW operation (performance, costs, desirability, etc.).

Method: Survey of participant characteristics.

Items: Participant Background Questionnaire (Attachments 3 & 4).

Objective 2: Determination of impact of supervisor characteristics on FW operation.

Method: Survey of supervisor characteristics.

Items: Supervisor background questions in Attachment 7.

Objective 3: Determination of impact of FW program variations.

Method: Review and categorizing of FW program descriptions for each project participant.

Items: Flexible Workplace Program items in Attachment 5.

Objective 4: Determination of spontaneous focus group reactions regarding program factors.

Method: Review of Focus Group summary report.

Goal - Evaluation of FW Training Effectiveness

Objective 1: Determination of FW employee and supervisor perceptions of training impact and adequacy.

Method: Survey of FW employees and supervisors.

Items: Training evaluation items in Attachments 5 and 7.

Goal - Evaluation of FW Focus Group Effectiveness

Objective 1 : Determination of FW employee and supervisor perceptions of focus group impact and adequacy.

Method: Survey of FW employees and supervisors.

Items: Focus group items in Attachments 5 and 7; focus group narrative reports.

DATA COLLECTION:

Survey:

FW project participants (employees and supervisors) will be surveyed using questionnaires and optical scan answer sheets.

Survey materials will be sent from OPM to designated agency coordinators who will disseminate them to project participants.

Upon completion of surveys, participants will mail responses in pre-addressed envelopes directly to the OPM evaluation team.

Access to individual responses will be limited to the evaluation team.

The evaluation team will review submissions and report missing/incomplete submissions to agency coordinators who will conduct follow-up.

Focus Group Reports:

Facilitators for FW focus groups will take notes during group meetings and, afterward, prepare narrative reports summarizing and highlighting the meetings.

The facilitators will forward these reports to the OPM evaluation team.

General instructions and information on the purpose and conduct of the focus groups is provided in Appendix D.

Data Analysis/Reporting by Project Evaluation Team

Answer sheets will be scanned, evaluation data bases created, and statistical analysis performed.

Based on findings from data analyses, preliminary reports covering each of the four evaluation periods will be written.

A final report will be prepared at the conclusion of the project.

Federal Flexible Workplace Project Chart of Evaluation Activities for One Year Pilot

Evaluator	Time Frame		
	Prior to Implementation	After 6 months	End of Pilot (12 months)
FW Employees	Attach 3	Attach 5	Attach 5
Control Employee	Attach 4	Attach 6	Attach 6
Supervisor (FW Employee)	Attach 7 Attach 8	Attach 7 Attach 8	Attach 7 Attach 8
Supervisor (Control Employee)	Attach 8	Attach 8	Attach 8
Local Union Representative		Attach 9	Attach 9
Individuals with Work-Based Interrelationship with FW Employees		Attach 10	Attach 10
Focus Group* Facilitator	once/month (first 6 months)	once every other month (final 6 months)	
*Focus Group Facilitator will prepare narrative reports and will not use evaluation forms. The focus group reports will be sent directly from the facilitators to the project evaluation team ATTACHMENT TITLES ARE LISTED ON THE FOLLOWING PAGE			

TITLES OF EVALUATION MATERIALS

**Sample Evaluation Materials are Provided as the
Indicated Attachments in the Supplement to these
Guidelines**

- 1..... **EVALUATION PLAN**
- 2..... **PARTICIPANT SELECTION PLAN**
- 3..... **FW EMPLOYEE BACKGROUND
QUESTIONNAIRE INSTRUCTIONS,
INSTRUMENT, SAMPLE ANSWER SHEET**
- 4..... **CONTROL EMPLOYEE BACKGROUND
QUESTIONNAIRE INSTRUCTIONS,
INSTRUMENT, SAMPLE ANSWER SHEET**
- 5..... **FORMS FOR FW EMPLOYEE EVALUATION
OF THE FW EXPERIENCE**
- 6..... **FORMS FOR CONTROL EMPLOYEE
EVALUATION OF JOB EXPERIENCE**
- 7..... **FORMS FOR SUPERVISORY EVALUATION
OF FW AND CONTROL EMPLOYEE
PERFORMANCE**
- 8..... **FORMS FOR SUPERVISORY EVALUATION
OF FW AND CONTROL EMPLOYEE
PERFORMANCE**
- 9..... **EVALUATION MATERIALS FOR LOCAL
UNIONS**
- 10..... **EVALUATION MATERIALS FOR
NON-PARTICIPATING INDIVIDUALS WHO
HAVE WORK-BASED
INTERRELATIONSHIPS WITH FW
EMPLOYEES**
- 11..... **PROCEDURES FOR TERMINATION OR
TRANSFER OF PARTICIPATION PRIOR TO
PROJECT COMPLETION**
- 12..... **TERMINATION FORM (EMPLOYEE)**
- 13..... **TERMINATION FORM (SUPERVISOR)**

Participant Selection Plan: Federal Flexible Workplace Project

Selection of participants for this pilot project is a key initial activity and will be guided by our efforts to achieve a broad and, to the extent feasible, representative sample with sufficient numbers to substantiate project findings.

The inter-agency task force assigned to develop this project has agreed upon required and recommended criteria for participant selection. Depending upon availability, 2 to 5 types of volunteer participants are requested for this pilot:

1. FW employees - the participating employees who work at home, in a satellite office, or some other location away from their conventional worksite
2. Supervisors of FW employees
3. Control Group Respondents (if conveniently available) non-participating employees who merely complete evaluation materials and serve as a control (contrast) for evaluations of FW employees
4. Supervisors of Control Group Respondents (if available)
5. Interrelating Respondents (if available) non-participating individuals who have work-based interrelationship with FW employees (customers, clients, etc.)

Following are procedures and criteria for selecting the 5 types of participants.

PROCEDURES:

The task force is providing each of the designated agency coordinators with (1)

technical details governing participation in the project and (2) participant selection procedures and criteria.

The agency coordinator will canvass the agency, nationwide, regarding project participation and will provide technical details and selection criteria as needed.

The agency coordinator will develop a summary list of participants and forward this information to the task force.

To ensure that this procedure is successfully and efficiently completed, the taskforce will make every effort to provide assistance, as needed, to the coordinators.

CRITERIA FOR SELECTION:

Agencies/Organizations:

There are no restrictions on agency/organization participation; any Federal agency or organization, nationwide, may participate. Special arrangements will be made for internationally located participating organizations, if any.

The task force will encourage participating agencies to provide a reasonable and flexible minimum number of participants; no maximum restriction on number of participants is anticipated.

Occupations/Jobs:

FW work is any work which is portable; it does not have to be quantifiable in a production-oriented sense or continuously

available to monitoring as with computer operations.

Generally, any occupation/job containing portable work can be considered for inclusion in the project.

Occupations such as receptionist/typists may be included via use of mixed schedules and/or job-sharing arrangements.

NOTE: All Participants must be volunteers.

FW Employees:

Must have a most recent performance rating of record of 'Fully Successful' or higher.

Must be willing to sign and abide by a letter of agreement developed by the employing agency in conjunction with the project task force (see Appendix F "Flexible Workplace Project Work Agreement").

Must have supervisor approval for participation (also, supervisor must be willing to supervise the employee's participation in this project).

Must be able to work without close supervision.

Should be self-starters and have the trust and confidence of their supervisors.

Supervisors of FW Employees:

Must be willing to participate in accord with project guidelines (training, focus groups, evaluations, etc.).

Must be willing to focus on management for results, assigning and evaluating work in terms of results expected.

Should be or become thoroughly familiar with the work of the FW subordinate.

Must have or be willing to develop management style and relationship with subordinate suitable to the needs of successful FW operation.

Control Group Respondents (Recommended but not required):

To the extent practical and convenient, agencies should select a group of non-participating employees similar in number and characteristics to the group of FW employees.

The control group respondents will simply be asked to complete evaluation forms prior to the project and after each 6-month period during the project.

Such respondents must have a most recent performance rating of record of 'Fully Successful' or higher.

MUST NOT be interrelating respondents (see below).

May have supervisors who are also supervising FW employees or may not have such supervisors.

Should be randomly selected, where possible, within these criteria.

Supervisors of Control Group Respondents (Recommended but not required):

To the extent practical and convenient, agencies should request the supervisors of control group respondents to complete a brief evaluation form on each control group subordinate; this evaluation will be requested prior to the project and at each of two 6 - month intervals in the project.

Such supervisors must be willing to provide an honest and accurate evaluation, which will remain confidential.

Interrelating Respondents (Recommended but not required):

To the extent practical and convenient, agencies should select a group of individuals (Federal employees or otherwise) who have a continuing work-based interrelationship with an FW employee which began at least 3 months prior to the project and which is based on either of the following:

- Regular receipt of services, work products, space consultation, etc. from the FW employee or
- Work/business directly contingent or dependent upon the job performance of the FW employee

Such individuals may be:

- Clients, certain co-workers, and certain subordinates of FW employees
- Must not be supervisors of FW employees
- Must not be control group respondents

DIVERSITY:

The following factors describe the expected diversity of the selectees. Where practical, there should be a broad range of each:

- Grade level
- FLSA coverage
- Occupation
- Demographics
- Supervisory/non-supervisory position
- Performance rating (Fully Successful rating of record or above)

● Type of work:

(1) production-oriented/project-oriented/other (2) professional, clerical, administrative, scientific (3) machine-based/people-based, etc.

● Organization:

(1) size (2) location (urban/suburban) (3) availability of parking/transportation access

● Commute:

(1) distance (2) mode (car, car pool, public transportation)

APPENDIX C:

Training Plan

OPM and GSA are developing a set of training modules for participants. All participating workers and their supervisors will be required to complete the training (projected to be a one-day course) prior to working in the flexiplace arrangement.

The training will cover Federal flexiplace policies and regulations, personal and occupational aspects of flexiplace arrangements, remote supervision, procedural, and "how to" matters. Most of the training should be conducted in classes of 30 or fewer participants.

OPM training centers will offer flexiplace training on a reimbursable basis, with costs and schedules yet to be determined. In addition to reimbursement costs, agencies will be responsible for coordinating with trainers, providing suitable facilities, and scheduling participants for training.

Following is a sample of some of the topics to be covered.

EMPLOYEE TOPICS:

- Communicating with supervisors
 - Progress reporting
 - Work planning
 - Expectations on personal responsibility, dependability and accountability, self-discipline, deadlines
 - Adequacy of work station and facilities
 - Family issues
 - Focus groups
 - Contacts and meeting with coworkers and clients
 - Image, self esteem
 - Time management; work schedules
 - Admitting when the arrangement does not work out
-
- Federal flexiplace policies and regulations
 - Ways to avoid isolation, guilt, or inability to leave work
 - Finding the best mix of home and office hours

SUPERVISOR TOPICS:

- Managing for results; rating work products
- Establishing quantity and quality norms
- Planning, scheduling, and tracking assignments, milestones, and deadlines
- Federal flexiplace policies and regulations
- Administration of work schedules, time and attendance, leave, premium pay
- Trusting the employee
- Equitable treatment with office colleagues

APPENDIX D:

FOCUS GROUPS

Experience has shown that periodic meetings of focus groups are very helpful for successful adjustment to flexible workplace arrangements. Flexiplace focus groups consist of 5-15 participants (employees and supervisors meet in separate groups) to discuss and share their experience with flexiplace.

These meetings will help ease participants through adjustment difficulties; provide new information, ideas, and techniques for future flexiplace program planning; enhance work-related personal contacts; and provide a source of spontaneous evaluation information.

During the first six months of the pilot, focus groups should meet monthly; during the latter six months, the groups should meet every other month.

AGENCY RESPONSIBILITIES:

- Scheduling the meetings
- Providing facilities
- Providing facilitators who will open and close the meetings, encourage discussion, and take notes on highlights. These notes will be forwarded to the task force evaluation team.

The meetings should be fairly unstructured, somewhat group directed, and suitable for open discussion. Time length of meetings should be flexible and based on group needs and discussion.

The recommended time period is 1 - 2 hours.

FOCUS GROUP FACILITATOR:

As noted above, each participating agency will designate an individual to facilitate separate focus group meetings for participants and their supervisors.

Generally, facilitators will convene meetings, explain the purpose, encourage discussion, take notes, and adjourn the meetings.

While an outline of desired discussion topics is provided in this appendix, the facilitator should encourage open and free discussion without formal structure. The facilitator should ensure that all are heard and gently nudge reactions and/or information from reluctant participants.

As much as possible, the facilitator should remain in the background. Typically, if there is a lull in the discussion and everyone has had an opportunity to speak on a given issue, the facilitator should move the group to the next topic.

If no topics remain, it is time to adjourn. The group may find it helpful to briefly summarize what was covered. Facilitators should give participants time to complain, ventilate, and describe experiences; where problems are surfaced, the facilitator should encourage constructive solutions. Immediately after the meetings, the facilitator should review notes and prepare a brief summary which should be forwarded to the evaluation team.

Facilitators should be individuals with training, teaching, discussion-leader, or related experience, who are comfortable leading group discussions, are interested in facilitating these groups, and have the time to do so.

It is recommended that participating employees or supervisors not be used as facilitators. Sensitivity and judgment should be used to select facilitators who, by their nature or position, will not inhibit full and open group discussion.

DISCUSSION TOPICS:

Discussion should include, but not be limited to the following:

- Notable incidents/experiences regarding flexible workplace arrangements.
- Successes, positive aspects encountered
- Surprises encountered
- Problems encountered
- Solutions tried/results
- Group's recommendations
- Actions planned/taken
- Ways to improve the usefulness of focus groups

FACILITATOR DUTIES:

- Maintain confidential list of focus group participant names
- Schedule meetings and meeting rooms
- Facilitate group discussion on flexiplace experience, generally following topics as outlined earlier;

● At the initial meeting:

(1) Remind participants of the dual purpose of the focus group: experience sharing (support) and evaluation. (2) Inform participants that the facilitator will take notes, write summary reports on the meetings, and submit the reports to the project evaluation team. (3) Inform participants that the meeting reports will not contain individual names or references, will be used for research purposes only, will not be subject to agency review, will be sent directly to the project evaluation team, and will be subject to review by the focus group if it chooses

- Allow the group participants to structure the meetings to suit their general comfort

- Prepare and submit focus group report

The facilitator should take notes on the proceedings during the meeting. Immediately after each meeting, the facilitator should draft the report summarizing the proceedings and highlights using the following report format.

REPORT FORMAT:

(1) Facilitator name, agency, project code (as provided by the agency coordinator)

(2) Meeting date and length

(3) Attendance

(4) Summary/Overview of participant level of activity (participation) and any main highlight (if any)

(5) Specific discussion points as related to topic outline

(6) Other points

(7) Facilitator Comments

To preserve the accuracy of facilitator's report of the meeting, the facilitator should

draft the report immediately after each meeting (while details are still freshly in mind). Typed report should be mailed within 3 working days after each meeting to:

Dr. Wendell Joice
OPRD (Project Evaluation Team)
U.S. Office of Personnel Management
1900 E Street, N.W.
Room 6462
Washington, DC 20415

Report any attendance, disruption, or facility problems to agency coordinator and, in brief, to Dr. Joice.

APPENDIX E:

Flexible Workplace Scenarios

The following scenarios are designed to illustrate how flexible work place arrangements can work in different work environments. They outline typical duties for a variety of occupations and deal with work scheduling issues and possible work at home arrangements.

They are intended to serve as possible models to help agencies structure their own particular flexible work place programs. They are not intended to be rigid models, but rather to spur creative thinking about ways to structure flexiplace work arrangements to best serve the needs of agencies and participating employees and their supervisors.

OPERATING LEVEL CLASSIFIER

Joan Morgan is a Position Classification Specialist, GS-221-11, in an operating personnel office. She classifies jobs, advises managers on job design, critiques draft position descriptions (pd's), carries out desk audits, writes evaluation statements and comments on proposed organizational changes.

Tour of duty:

Standard agency work schedule:

8:00 a.m. to 5:00 p.m., with one hour non-compensated lunch period (12:00 p.m. to 1:00 p.m.)

Monday thru Friday

8 hours each day/40 hours per week

Flexiplace schedule:

Two days a week at home (Monday and Friday)

Three days a week at the office (Tuesday thru Thursday)

Typical work day - Office

At the office, she gets new assignments in the flow of paperwork from serviced organizations. For routine classification actions, she compares draft pd's against existing pd's in office files and with the mission and functions statements in the GSA Organizational Manual and with published classification standards. As necessary, she phones or meets face to face with authors of pd's to clarify duties/language or advise on job restructuring. If necessary, she audits the job.

Typical work day - Home

Every morning she calls in from home. Colleagues and administrative contacts have her home phone number. Joan pays for all outgoing calls. Joan has few distractions at home; her husband has a regular office job just off the Beltway and they have no children yet.

At home, she studies audits notes, pd's, and copies of classification standards and drafts the evaluation statement. She uses a popular word processing package on a MS-DOS computer which she owns. GSA's standard computer uses a different operating system, disk format, and word processor, all of which are incompatible with the home computer.

Nevertheless, at the office, the secretary takes the floppy disk with the evaluation statement to the information center. A technician there converts the evaluation statement to the agency standard document exchange format on a compatible disk. After the supervisor finishes her review, the secretary makes the changes, prints it out and stores soft copy on hard disk.

The information center later converts the final version of the evaluation statement back to the DOS word processing format for Joan to keep at home.

STAFF LEVEL PAY SPECIALIST

Alex Walters is a Personnel Management Specialist, GM-13 and a leading expert on pay administration, hours of duty, and leave. Alex writes official directives, issue papers, studies, letters, memoranda, and reports, and researches and recommends settlement of claims and lawsuits against GSA involving back pay.

Personnelists around the country consult him on subjects as diverse as grade/pay retention, excused absence, the Fair Labor Standards Act, travel as hours of work, severance pay, special salary rates, alternative work schedules, and highest previous rate.

Alex uses microcomputers for applications like word processing and spreadsheets and to connect to a mainframe. The mainframe runs GSA's automated personnel system and a bulletin board and can access Payroll records on tape. It has a fourth generation programming language that can generate rosters and statistics or disk files and tapes to transfer data into spreadsheets, mailmerge, and data bases on micros.

Alex executes mass updates on the mainframe for general pay increases or to

correct problems. He also uses a CD-ROM application to research the Federal Personnel Manual, laws and regulations, and decisions of the Comptroller General.

Tour of duty:

Flexitour schedule

Within agency established guidelines, employee preselects his fixed starting and ending times for each day of the week

Core hours are 9:30 to 11:30 and 1:30 to 4:00, both at home and at the office (with one-half hour non-compensated lunch)

Flexible time bands are 8:00 a.m. to 9:30 a.m. and 4:00 p.m. to 5:30 p.m., both at home and at the office

Monday thru Friday

8 hours each day/40 hours per week

Flexiplace schedule

Three days a week at home (flexible depending on schedule set by supervisor and employee)

Two days a week at the office (flexible depending on schedule set by supervisor and employee)

Typical work day-Office

Alex has to go to the office to access the mainframe or for meetings. For security, the mainframe cannot be reached through dial up lines.

Alex does most in-depth research at the office, using loose-leaf services, the library, and the CD-ROM system. At home he has a modest reference collection of directives, part of the Federal Personnel Manual, the Civilian Personnel Law Manual, etc. If necessary, a proxy researcher at the office can send him in-depth research via electronic mail. The same system can transfer any kind of file: formatted documents, spreadsheets, and graphics.

He also accesses several on-line data bases. He can do this either from the office or his home work site.

Typical work day - Home

Alex sends electronic mail (E-mail) messages to his boss and timekeeper each time he starts and stops work. Phone calls and E-mail traffic help document the fact that Alex is on the job. At home, Alex makes voice calls over his regular home line. It is a local call to the office; long distance calls go thru the FTS 2000 Network.

Alex has a Government-owned computer compatible with the agency standard; an auto-answer modem supports unattended passing of electronic mail over a second phone line, installed at Alex's expense. When he is home, phone calls and electronic mail coming into the office are forwarded automatically to Alex's home.

CLERK - TYPISTS

Michelle Daniels and Alan Lincoln are assigned to a pool of clerk-typists serving a large group of attorneys and paralegals.

They transcribe dictation from audio cassettes and type up legal papers from drafts written by hand on traditional yellow legal pads. Because of new legislation, the case load of the office has increased dramatically. The agency has added clerk-typists to the pool but the office is overcrowded. Tempers are short and error rates are up.

Tour of duty:

Gliding schedule

Within agency established guidelines, employees may vary arrival and departure time without notification

Core hours are 9:00 a.m. to 2:00 p.m., both at home and at the office (with 45 minute non-compensated lunch)

Flexible time bands are from 7:00 a.m. to 9:00 a.m and 2:00 p.m. to 6 p.m. both at home and at the office -

Monday thru Friday -
8 hours each day/40 hours per week

Typical work day - Office

To ease the crowding, Michelle and Alan work alternate days at the office, where they share a desk, and work at home on the other days. At the end of an office day, they take home audio cassettes and handwritten drafts for transcription the following day.

Michelle and Alan are just one of four "duets" of clerk-typists who work this way. All were selected from among the high performers in the pool, based on typing speeds and measures of actual output and error rates. The supervisor certifies time and attendance by comparing actual work products to their individually established work norms for quantity and quality both at the office and while working at home.

Typical work day - Home

Their home work stations are equivalent to those at the office (same computer hardware, software, and tape deck, all Government owned). At home they also have a facsimile machine. For quicker turn around, lawyers and paralegals fax handwritten drafts to the typists' homes. Completed work is brought into the office the next day on floppy disks.

ARCHAEOLOGIST

Frank Larson is an archaeologist and member of an interdisciplinary team that reviews environmental impact statements

(EIS) for hydroelectric projects on Federally controlled waterways.

An EIS is a mandatory part of the application for a site license. Through consultants, a developer sponsors scientific research on the impact of the proposed power station on hydrology, wildlife, recreation, and the archaeological record of human habitation of the site. Water impoundments either destroy archaeological artifacts or make them inaccessible to investigators.

Tour of duty:

Standard agency work schedule

9:00 a.m. to 5:30 p.m., with a one-half hour non-compensated lunch period (12:00 p.m. to 1:00 p.m.)

Monday thru Friday-
8 hours each day/40 hours per week

Flexiplace schedule

Three days a week at home (Monday, Wednesday and Friday)

Two days a week at the office (Tuesday and Thursday)

Occasional evening work is not officially ordered and approved (FLSA exempt employee not entitled to overtime compensation)

Occasional weekend work is officially ordered and approved by the agency (employee is entitled to overtime pay or may elect to request compensatory time in accordance with the agency's policy)

Typical work day - Office

The team members write sections of the agency's environmental impact assessment according to their scientific disciplines. Members comment on each other's work in the draft report and even

on their colleagues comments. Work group software keeps the original draft distinct from comments and identifies the author of each comment.

During his in-office days, meetings are held with members of the team reviewing EIS's and with developers or consultants to acquire information or exchange materials which cannot be done by phone, computer, or fax machine. The team also discusses problems which can be more easily resolved through face-to-face communications.

Typical work day - Home

Networking software links his home computer to the computer at the office, providing a gateway for electronic mail and computer conferences with team members.

Through his agency subscription to on-line bibliographic data bases, Frank can do literature searches to help him evaluate the archaeological significance of the site. He obtains the literature in three ways: as full text reprints mailed to his office from the on-line vendor; from the agency library on inter-library loan; and as full text downloads from specialized data bases.

Phone calls, electronic mail, conference software, computer logs at the on-line data base, and written work products allow the supervisor to certify time and attendance.

COMPUTER PROGRAMER

Patricia Weygand is a computer programmer, who writes COBOL programs for a mainframe based payroll and accounts payable and receivable system. She does most of her programming on a MS-DOS personal computer.

She is blind and owns specialized equipment to enable her to work at home. The agency provided her with certain software WordPerfect and the new release of Lotus 1-2-3, the standard word processor and spreadsheet at the agency.

Her supervisor bases certification of time and attendance on activity logs on the mainframe and the number of lines of code produced. The programming shop has quantity and quality norms that all programmers must meet.

Tour of duty:

Variable day schedule

Within agency established parameters, employee may vary the length of the workday without prior notification core hours are 9:00 to 2:00 p.m., both at home and at the office (with one-half hour non-compensated lunch)

Flexible time bands are 5:00 a.m. to 9:00 and 2:00 p.m. to 8:00 p.m. (employee has 8 or more hours available for work between 6:00 a.m. and 6:00 p.m. and is not entitled to night pay for hours she elects to work outside these hours)

Monday thru Friday
40 hours required each week (employee may earn and use credit hours to fulfill basic work requirement)

Flexiplace schedule

Three days a week at home (flexible depending on schedule set by supervisor and employee)

Two days a week at the office (flexible depending on schedule set by supervisor and employee)

Typical work day - Office

Since Patricia is blind, she uses a Braille terminal that can connect to either the PC or the mainframe which provides a tactile window of what is on the screen. She writes programs with a regular text editor and compiles, tests, and debugs them on the PC. A high-speed modem and terminal emulator software lets her upload programs to the mainframe some miles away.

The Braille device gives her access to electronic mail on the mainframe. Patricia must keep up with a fast moving field where most books and articles are never translated into Braille. She uses a hand held scanner that reproduces characters, symbols, and even simple graphics on a bed of vibrating pins that she feels with her index finger, one letter at a time.

Typical work day - Home

Her work days at home are similar to those in the office. She uses similar equipment and works on the same types of projects. However, her work days at home minimize the trips she must make to the office and allows her to work more productively since she does not have as many long tiring commutes.

TECHNICAL WRITER

Ms. Weston is a GS-9 technical writer who writes and edits technical articles and publications. Ms. Weston has no personal computer and does not type her drafts. Consequently, she does most of her writing during the evening period at home.

She is a single parent with two children enrolled in elementary school and is able to work full time only because of the flexibility provided by AWS and the Flexiplace program

Tour of duty:

Variable week schedule

Within agency established parameters, employee may vary the length of the workweek as well as the workday without prior notification

Core hours are 9:00 to 2:00 p.m., both at home and at the office (with one-half hour non-compensated lunch)

Flexible time bands are 6:00 a.m. to 10:00 and 2:30 p.m. to 12:00 a.m. (employee has 8 or more hours available for work between 6:00 a.m. and 6:00 p.m. and is not entitled to night pay for hours she elects to work outside these hours)

Monday thru Friday

80 hours required each pay period (employee may earn and use credit hours to fulfill basic work requirement)

Flexiplace schedule

10 a.m. to 2:30 p.m. at the office

8 p.m. to 12:00 a.m. at home

Typical work day - Office

During the office period, she handles most of the administrative work such as meetings, progress reporting to her supervisor, assigning and proofing the word processing of her drafts, etc.

Typical work day - Home

During the period she works at home she does actual writing and editing of text. Without the normal disruptions of the office environment she finds she is able to work more productively and often completes her writing assignments ahead of schedule.

CLAIMS EXAMINER

Everett Smith is a Federal claims examiner and a disabled veteran. Mr. Smith reviews claims and initiates appropriate action which may include some investigation via telephone.

Tour of duty:

Everett's disability is eased if he limits the length of continuous work time. Therefore his schedule gives him maximum flexibility to work within this constraint.

Maxiflex schedule

Within agency established guidelines, employee may vary the length of the workweek as well as the workday

Core hours are 10:30 to 2:00, both at home and at the office (with one-half hour non-compensated lunch)

Flexible time bands are 6:00 a.m. to 10:30 a.m. and 2:00 p.m. to 9:00 p.m., both at home and at the office (employee has 8 or more hours available for work between 6:00 a.m. and 6:00 p.m. and is not entitled to night pay for hours he elects to work outside these hours)-

Monday thru Saturday- 80 hours each biweekly pay period

Flexiplace schedule

Three days a week at home (flexible depending on schedule set by supervisor and employee) three days a week at the office (flexible depending on schedule set by supervisor and employee)

The following represents a typical biweekly pay period for Everett:

Week 1 - 39 hours total for week:**Monday, Wednesday and Friday**

10 a.m.- 2:30 p.m.

(office) - 4 hours each day

(home) 6 p.m. - 9 p.m. - 3 hours each day

Tuesday and Thursday

(office) 10 a.m.- 2:30 p.m. - 4 hours each day

(home) 6 p.m. - 9 p.m. - 3 hours each day

Saturday

(home) 9 a.m. - 1:00 p.m. - 4 hours

Week 2 - Total of 41 hours for week:**Monday, Wednesday and Friday**

(office) 10 a.m.- 2:30 p.m.- 4 hours each day

(home) 6 p.m. - 9 p.m.- 3 hours each day

Tuesday and Thursday

(home) 10 am.- 2:30 p.m.- 4 hours each day

(home) 6 p.m. - 9 p.m. - 3 hours each day

Saturday

(home) 9 a.m. - 3:00 p.m. - 6 hours

Typical work day - Office

Everett is given new claims assignments and discusses problems with his supervisors and colleagues. He researches legal, regulatory or policy issues, previous precedent cases, etc. using office files and hard copy reference sources. He makes long distance telephone calls to get additional information from claimants outside of the local calling area. He gives completed claims to clerical support staff for processing.

Typical work day - Home

Everett develops claims at home. He follows up on missing items or with questions to claimants who live within the local calling area. He writes up his findings in long hand and makes recommendations for disposition of the claims which he takes to the office to have typed by support staff.

MANAGER

Jeanne Cook is a manager of a Federal legal research office. She reviews special requests and agency needs; plans, schedules, and assigns work; and reviews the research-based drafts, briefs, and other preparations of her independently-working staff.

Tour of duty:Variable day schedule

Within agency established parameters, employee may vary the length of the workday without prior notification

Core hours are 9:00 a.m. to 2:00 p.m., both at home and at the office (with one-half hour non-compensated lunch)

Flexible time bands are 5:00 a.m. to 9:00 a.m. and 2:00 p.m. to 8:00 p.m. (employee has 8 or more hours available for work between 6:00 a.m. and 6:00 p.m. and is not entitled to night pay for hours she elects to work outside these hours)

Monday thru Friday - 40 hours required each week (employee may earn and use credit hours to fulfill basic work requirement)

Flexiplace schedule

Two days a week at home

Three days a week at the office

Typical work day - Office

On her days in the office she attends meetings with her boss and other offices which she deals with. She also concentrates on going over assignments with her staff and coaching them with problems they are having. Since she must sign time and attendance records on the second Friday of every pay period she makes sure she is in the office that day.

Typical work day - Home

On her home work days she concentrates on projects requiring concentration. She writes up performance appraisals for her staff and then meets with them in the office. She develops reorganization plans, works on her budget and drafts of research documents developed by her staff. Using her computer and a modem she can transmit revised drafts to her office. She is also frequently in touch thru use of her telephone, fax machine and E-mail.

APPENDIX F

FLEXIBLE WORKPLACE PROJECT WORK AGREEMENT

The following constitutes an agreement between:

(Agency) _____

(Employee) _____

of the terms and conditions of the Flexible Workplace Project

1. Employee volunteers to participate in the experimental pilot testing phase of the project and to adhere to the applicable guidelines and policies. Agency concurs with employee participation and agrees to adhere to the applicable guidelines and policies.

2. Employee agrees to participate in the project for a period not to exceed one year, beginning _____ and ending _____

3. Employee's official tour of duty will be: _____ to _____

(including a one-half hour non-paid lunch period) on _____

thru _____

(e.g. 8 a.m. to 4:30 p.m. Monday thru Friday). This is merely a sample item; agencies should tailor this item to fit their particular circumstances. At a minimum, this item should cover hours and days of duty for each worksite, lunch period, core hours (if any), and flexibility of schedule.

4. Employee's official duty station is: _____

The alternate duty station (the location in which the employee is designated to work while not at the official duty station) is: _____

All pay, leave and travel entitlements will be based on the employee's official duty station.

5. Employee's timekeeper will have a copy of the employee's Flexiplace schedule. Employee's time and attendance will be recorded as performing official duties at the official duty station.

6. Employees must obtain supervisory approval before taking leave in accordance with established office procedures. By signing this form, employee agrees to follow established procedures for requesting and obtaining approval of leave.

7. Employee will continue to work in pay status while working at his/her residence. If employee works overtime that has been ordered and approved in advance, he/she will be compensated in accordance with applicable law, regulation, and FPM guidance. The employee understands that the supervisor will not accept the results of unapproved overtime work and will act vigorously to discourage it. By signing this form employee agrees that failing to obtain proper approval for overtime work may result in his/her removal from the Flexible Workplace Project or other appropriate action.

8. If employee borrows Government equipment, employee will borrow and protect the Government equipment in accordance with the procedures established in FIRMR Bulletin 30, October 15, 1985. Government owned equipment will be serviced and maintained by the Government. If employee provides own equipment, he/she is responsible for servicing and maintaining it.

9. Provided the employee is given at least 24 hours advance notice, the employee agrees to permit periodic home inspections by the Government of the employee's home work site at periodic intervals during the employee's normal working hours to ensure proper maintenance of Government owned property and work site conformance with safety standards and other specifications in these guidelines.

10. The Government will not be liable for damages to an employee's personal or real property during the course of performance of official duties or while using Government equipment in the employee's residence, except to the extent the Government is held liable by Federal tort Claims Act claims or claims arising under the Military Personnel and Civilian Employees Claims Act.

11. The Government will not be responsible for operating costs, home maintenance, or any other incidental cost (e.g. utilities) whatsoever, associated with the use of the employee's residence. By participating in this pilot program the employee does not relinquish any entitlement to reimbursement for authorized expenses incurred while conducting business for the Government, as provided for by statute and implementing regulations.

12. Employee is covered under Federal Employee's Compensation Act if injured in the course of actually performing official duties at the official duty station or the alternate duty station.

13. Employee will meet with the supervisor to receive assignments and to review completed work as necessary or appropriate.

14. Employee will complete all assigned work according to work procedures mutually agreed upon by the employee and the supervisor and according to guidelines and standards stated in the employee's performance plan.

15. Employee's job performance will be evaluated on criteria and milestones determined by the supervisor.

16. The evaluation of the employee's job performance will be based on norms or other criteria derived from past performance, occupational standards, and/or other standards consistent with these guidelines. For those assignments without precedent or without standards, regular and required progress reporting by the employee will be used by the supervisor to rate job performance and establish standards.

17. At intervals specified in the Federal Flexiplace guidelines, the supervisor and the employee will complete surveys and performance ratings which summarize flexiplace impact on the office, the employee, the supervisor, and other organizational elements.

18. Employee's most recent performance rating of record must be fully successful.

19. Employee's current performance plan contains performance standards covering work completed at the office (official duty station) as well as work completed at the employee's residence (alternate duty station).

20. Employee will apply approved safeguards to protect Government/agency records from unauthorized disclosure or damage and will comply with the Privacy Act requirements set forth in the Privacy Act of 1974, Public Law 93-579, codified at Section 552a, title 5 U.S.C.

21. Employee and supervisor agree to promptly complete and submit evaluation materials and to attend periodic focus group meetings as required by the guidelines.

23. Employee agrees to limit his/her performance of his/her officially assigned duties to his/her official duty station or to agency approved alternate duty stations. Failure to comply with this provision may result in loss of pay, termination of the flexiplace arrangement, and/or other appropriate disciplinary action.

Date _____

Date _____

Date Reviewed

TRAFFIC REDUCTION BY TELECOMMUTING: A STATUS REVIEW AND SELECTED BIBLIOGRAPHY¹

by
Jack M. Nilles

Center for Effective Organizations
Graduate School of Business Administration
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Abstract

Telecommuting is defined as a subset of teleworking. Two main forms of telecommuting (home and regional center) are described. The means by which these forms of telecommuting may alter urban transportation patterns are outlined, followed by a review of the empirical evidence to date on the impacts and usefulness of telecommuting. Factors affecting the diffusion rate of telecommuting are discussed, including the commuting environment, technological sufficiency, technological familiarity, the social aspects of work, other telecommuter motivations, management issues, legal and regulatory barriers and incentives, and labor entitlement issues. A brief reference to other work in progress is followed by a set of forecasts of possible telecommuting futures.

The Nature of Telecommuting

Telecommuting is a term coined by the author in 1973 to refer to the partial or total substitution of telecommunications, with or without the assistance of computers, for the twice-daily commute to work. Telecommuting is a subset of *teleworking*, a similarly coined term that includes all work-related substitutions of telecommunications and related information technologies for travel (from substitution of telephone calls or electronic mail for personal visits to the use of full-motion videoconferencing as a substitute for executive travel). In either case the emphasis is on substitution: the worker newly engaged in tele-X-ing is altering his/her previous travel behavior.

The focus of this article is on telecommuting. Telecommuting is not a technology or collection of technologies. Rather, it is a work option that reduces dependency on transportation by increasing dependency on information technologies: telecommunications and, possibly, computers. Telecommuting can be accomplished with no more exotic a technology than a telephone. However it is likely that most telecommuters in the near future will also be using microcomputers and modems as major work tools. For some telecommuters, fairly elaborate telecommunications (including videoconferencing, for example) and computer facilities may be the norm.

Home-based Telecommuting

There are two main forms of telecommuting. The most newsworthy form is *home-based telecommuting* in which an individual works from home instead of a traditional office. There is a considerable body of literature, developed since about 1973 and continuing to the present, speculating on the likely success/failure and social implications of home-based telecommuting (examples are in references 1-21, 23-62). Much of this literature focuses on the nature and advisability (mostly negative) of full-time home-based telecommuting, in

¹A slightly revised version of this paper appears in *Transportation Research* (1988) 22A(4) 301-317.

change in the future. In particular, knowledge workers who use microcomputers and telephones to switch from working for some larger organization to becoming individual home-based entrepreneurs qualify as telecommuters. Current trends in the subcontracting of information work by large organizations indicate a steady rise in this form of telecommuting in the future (see Nilles, 1984).

Implications for Travel Reduction

Each of these forms of telecommuting has the first-order effect of reducing work-related travel to some extent. Further, the reductions occur at times when the transportation network is most highly stressed: rush hours². In most large urban areas the rate of increase of traffic congestion is steadily pulling away from all attempts to increase the number of passengers per vehicle-mile. In fact, average vehicle occupancy rates declined in the U.S. from 1970 to 1980 while travel times appear to be increasing at a rate close to 1% per year. Attempts at adding to, or even maintaining, urban mass transit systems are not meeting with major success in any urban area in the United States. As central business district land values escalate (as measured by office space rents), together with the daytime population density of the districts, the pressures on--and vulnerability of--the transportation grid climb apace. The dominant contemporary commuting pattern has shifted from suburb-to-central-city to suburb-to-suburb. (For an analysis of the above, see Pisarki, 1987.) Telecommuting must certainly offer some hope of resolving this impasse.

In order to estimate what, if any, hope is provided by telecommuting it is necessary to examine its specific forms of impact. First the positive effects.

Home-based telecommuting offers two travel reduction options:

- 1) complete substitution for the commute to and from work on the days when a home-based telecommuter is working the entire day from home; and
- 2) a shift of the commute time, presumably to times of lower traffic load on the network, on days when the home-based telecommuter goes to the office for only certain core hours, such as from 10:00 A.M. to 2:00 P.M.

Regional center telecommuting offers the following possibilities:

- 1) work trip length can be reduced to the extent that the residence locations of the center's telecommuters are closer to the center than to the telecommuters' previous offices (this requires that the company select center locations as centroids of clusters of current or prospective employee residence locations); and
- 2) modal choice may be altered for suitably near centers such that private automobiles are supplanted by walking, jogging, cycling, (weather permitting) or use of a local transit system (if any is available).

The magnitude of the impact of telecommuting on travel volumes depends on the number and modes of telecommuters, the number and physical disposition of regional centers, and the degree to which the telecommuters shift from their prior travel patterns.

To counter the positive effects there are some possible negative effects. First, demand may increase for additional trips, primarily shopping oriented, that were previously chained together with the commute from work or which took place during lunch periods. Second, to the extent that regional center telecommuting does not produce modal choice shifts, traffic may increase on local roads and streets to unacceptably high levels; that is, the heavy loads are shifted from freeways designed for high traffic levels to local streets incapable of

²In Los Angeles the rush "hour" lasts roughly 4 to 6 hours.

performed per day. This in turn may result from fewer distractions and interruptions and less commuting-related stress. One consequence of stress reduction is increased job satisfaction, hence a lower quit rate and fewer medical problems. Space savings accrue to the extent that part-time telecommuters share office space or confine their in-office use to conference rooms. Several organizations claim to have been able to use telecommuting as the key incentive to retain key personnel who would otherwise have quit, or to attract people who did not want to change residences or commute farther to work.

These incentives must be balanced against a major disincentive: the reluctance to adopt a distinctive new (hence unknown and implicitly risky) work and management style. This has been a significant barrier to adoption of telecommuting, as is discussed below.

Personal Factors

Cost savings (such as reduced clothing, lunch and automobile expenses) are part of the inducement for home telecommuters. A more powerful motivation may come from the enhanced ability to interleave work and personal time priorities. Home-based telecommuting gives exceptional flexibility in this respect.

Given these theoretical advantages, it is important to address current realities to assess the relative weights of the arguments.

The Empirical Evidence to Date

A Review

There are several difficulties to be overcome in acquiring empirical data on telecommuters' transportation habits. First, most contemporary telecommuters are employees of organizations that have no formal policies vis a vis telecommuting. Hence, it is difficult to locate individual telecommuters. Although several organizations have mounted formal telecommuting pilot projects over the past two decades, they have not kept records of the transportation effects of telecommuting in any controlled way. They also are generally loathe to release to the public whatever data they have. Hence the researcher must generally be content with anecdotal evidence and mini-case studies that are not readily generalizable. However, there is some empirical evidence to report on telecommuting-induced travel impacts.

In 1974 Nilles, et al. reported on a study of 108 employees of an insurance firm in Los Angeles, covering a six-month period in 1973 (Nilles, et al., 1974, 1976). These employees were telecommuters in two satellite centers. While the average one way commute distance for the company as a whole (2700 employees) was 10.7 miles, the satellite center telecommuters had an average one-way commute of about 3.8 miles, a 65% reduction in one-way commute distance. There were no home-based telecommuters in that study. Although no formal survey was made at the time, spot interviews elicited the comments by telecommuters that there was no associated, offsetting increase in leisure trips.

One other interesting finding of the 1973 study was that residence distance was proportional to organizational level of the employee. That is, although the average commute distance for all employees was 10.7 miles, the average distances of residences of executives, middle management and clerical workers from work was 16.6, 13.3 and 9.3 miles, respectively, in ratio of 1.8:1.4:1. These patterns probably could be considered typical for most contemporary large urban areas. The average commute distance in the Los Angeles area at that time was about 9.7 miles.

McClintock surveyed a set of 140 home-based telecommuters in 1983 (McClintock, 1984). He reported that half the responding telecommuters worked at home 31 hours or

2. Trip savings by home-based telecommuters are not offset noticeably by generation of new trips.
3. Some regional center telecommuters also telecommute from home.
4. Load spreading telecommuting (that is, telecommuting from home during peak traffic periods with trips to and from the office during non-peak hours) appears to be a significant option for telecommuters. Although this is a voluntary activity--impelled by the discomfort of rush-hour commuting--the result accrues to the benefit of the entire transportation system. Of course, this is true of *all* the public benefits derived from telecommuting that result from myriads of individual decisions.
5. The propensity to telecommute is proportional to commute distance/time. Therefore the most highly motivated telecommuters tend to be those who live farthest from the office.

Adoption Rate Considerations

What these data do not show is the rate of adoption of telecommuting. These few documented studies, covering a few hundred individuals, do not show how many telecommuters there are today. Nor do they show how many there will be in 5, 10 or 20 years. They also fail to point out what will be the distribution of modal choices in telecommuting. *If telecommuting is restricted to a small, possibly elite, fraction of the work force its impact on transportation congestion will be minimal.* If telecommuting accounts for reductions of 5% or more of vehicle trips in congested periods then its impact could be significant. It is the author's estimation that the latter case is more likely and that the 5% reduction (compared to what would be the case otherwise) will occur in at least one major U.S. city in the mid-1990s; earlier if there is another intervening energy crisis.

The key to understanding these issues lies in the nature of technological substitution and social change (see, for example, Linstone and Sahal, 1976). Telecommuting constitutes a classic example of substitution of a new technology (in this case an evolving complex of technologies) for an older one (primarily private automobile transportation). It is a case in which the substitution will never be complete. That is, some fraction of the work force will never telecommute. In particular, telecommuting is largely confined to information workers. That immediately restricts its potential use to slightly more than half the work force in developed countries.

Further, analysis of the nature of information jobs leads to the conclusion that about 20% of information jobs, at present, do not allow significant amounts of telecommuting, even from regional centers. In particular, the extent to which the tasks required for job performance are independent of the location of the worker is an indication of the "telecommutability" of the job. A job (such as butcher, baker, candlestick maker--all non-telecommutable) is a collection of interrelated tasks, some or all of which may be location-independent. Information jobs constitute between 50% and 60% of contemporary U.S. civilian jobs. The exact percentage depends on the method of estimation. Each of these jobs can be task-analyzed to arrive at a location-independence value. The details of the analysis are beyond the scope of this paper. For general estimates and methodology see Porat, 1977.

Assuming conservatively that 50% of the workforce comprises information workers, 80% (100%-20%) of the information workers and 40% of all workers are potential telecommuters. With an estimated 1987 workforce of 115 million, about 45 million are potential telecommuters in the US in 1987, most of whom live within metropolitan areas. This gives an indication of the upper limit size of the telecommuting universe. This universe should grow in the future as both new information jobs and more powerful information technologies develop.

socialization factor may be perceived as indistinguishable from that of home-based telecommuters. Our interviews of satellite office telecommuters in 1987, where the telecommuters generally came from different parts of the company, indicated that the telecommuters looked positively on the increased diversity of their in-office contacts. However, other satellite office experiments have reported greater anomie among the workers.

Employee Motivations. A major factor reported by almost all home-based telecommuters is that they feel more in control of their lives. Respondents to the 1987 survey also stated that they were better able to concentrate on crucial tasks, had lower feelings of work-related stress, and were able to get significantly more done. These personal satisfaction factors repeatedly have outweighed economic considerations for telecommuters. However, most of the telecommuters interviewed so far have been in the middle or higher family income range.

Management Issues. A major deterrent to telecommuting is managers' resistance to change. Of particular importance is the set of attitudes that effective management requires large amounts of direct visual observation and/or frequent face-to-face contact (Nilles, 1987). In brief, the perceived return from telecommuting must be significantly higher than the 'break-even' level before managers in most firms are willing to accept telecommuting. That is, although productivity improvements, reduced needs for office space, enhanced ability to attract or retain scarce talent, etc. can be claimed with increasing justification to significantly exceed the costs/risks of telecommuting, the risks perceived by managers--especially when combined with the lack of significant rewards for risk-taking or innovation and large penalties for failure--may still outweigh the claimed benefits.

Telecommuting requires a change in management style for some managers. Because of the loss of ready visual cues managers must move from a process to a product orientation when dealing with their subordinates; they must be significantly more concerned with identifying and negotiating for specific results than with monitoring work activities.

Additionally, managers do have to expend more effort on some management activities, particularly those of maintaining quality intra-unit communications. Also, development of regional offices requires effort in planning and acquisition of facilities, selection of facility managers, and development of telecommunications networks. All of these require relatively intensive efforts over a period of several months. It is significantly easier to set up home-based telecommuters on a case-by-case basis. This explains the relative paucity of regional centers at present.

For these reasons it appears that management apprehensions about loss of control and unrewarded effort currently are the pacing factors in the adoption of telecommuting. Nevertheless, the number of firms and government agencies testing telecommuting appears to be steadily increasing, currently numbering in the hundreds. Electronic Services Unlimited, a New York based consulting firm, estimates that more than 1000 U.S. companies employed telecommuters in 1987. In 1984 a review of a variety of information sources by the author produced a list of about 250 companies with telecommuters, almost all of which had no formal telecommuting program. Further, some technological advances, such as low cost videoconferencing, may materially lower these resistance barriers by allowing inexpensive, high quality emulation of face-to-face interaction. This, in turn, acts to alleviate much of the manager's uneasiness about being in touch with his/her subordinates.

Finally, although the research to date is largely based on telecommuters as employees of large organizations, the growth of home-based information enterprises is expected to grow significantly over the next decade. Many of these enterprises will behave, for transportation planning purposes, as if they were home-based telecommuters. One survey of big business intentions to subcontract information work led to forecasts of increases as

they do not give transportation planners an unassailable base of data upon which projections can be built today.

Some Alternative Transportation Futures

Figures 1 through 3 show estimates of the growth of telecommuting in the United States under different assumptions concerning the nature of the modal split for telecommuting and the market acceptance rates. They depict the future under very low growth, a reasonable 'nominal' case, and very high acceptance--"landslide"--conditions, respectively. The term CBD in the graphs stands for Central Business District. These forecasts were made in 1983. They all use the Blackman version of the technological substitution curve (see Linstone, 1976). The data and assumptions for the curves are included in Tables 1 through 3.

Figure/Table 1 deals with a low acceptance case in which most telecommuting is part-time and home-based. This is consonant with perpetuation of the initial phase of telecommuting in which most telecommuters are managers or professionals who make individual telecommuting arrangements with their supervisors.

Figure/Table 2 represents a nominal forecast; one in which telecommuting is dominated by corporate moves to set up regional centers. Figure/Table 3 shows a mix where essentially all potential telecommuters eventually become active telecommuters.

There is a significant problem in verification at this stage. Telecommuting in 1987 is widely and sparsely scattered in the U.S. Furthermore, many organizations that may have large numbers of part-time home telecommuters are not aware of the fact (at least at the Personnel Director's level and upwards). One estimate, based on the 1985-86 survey (Nilles, et al., 1986) is that, by the end of 1985 there were about 500,000 telecommuters of all sorts (excluding occasional telecommuters and home-based businesses). That places the "facts" somewhere between the totals of Figures 1 and 2; that is, just below the nominal case⁴.

Note that none of these curves represents the "real" future. Their primary utility is in representing the range of possible societal responses to technological change. If the nominal trend (Figure 2) is close to future reality, then more than 20 million employees would be telecommuting by 1995, about 40% of them part-time from home. If the home-based telecommuters were to do so one day per week, on average (but conveniently distributed uniformly across the work week), then about one-and-one-half million commuters would disappear from the roads every work day. About twelve million would be commuting about half of their former distance--and likely using different roads in the process⁵. It could not be predicted at this point what the patterns might be, either in selection of the path to work or the distribution of days of telecommuting.

⁴These estimates are based on extrapolating the manager/professional responses to the 1985-86 survey to the information work force in general, taking into account the fact that the responding organizations were relatively more "high tech" than the average of U.S. companies. The details of this extrapolation are beyond the scope of this summary paper. Other estimates mentioned in the press go as high as several million telecommuters at the end of 1986, far above the "landslide" case of Figure 3.

⁵That is, 40% of 20 million evenly divided by 5 days per week = 1.6 million per day; 60% of 20 million = 12 million regional center telecommuters daily.

Because of the lack of data it is not possible to go beyond speculation at this point. Greater certainty depends on better data and/or larger concentrations of telecommuters. Thus, transportation planners could easily rationalize postponing considerations of telecommuting as a means of altering transportation patterns. At least that is a common approach today. The key question is: how much lead time is necessary in transportation planning in a particular region? The risk of planning errors resulting from sins of omission (such as exclusion of considerations of potential telecommuting impact) is directly proportional to the necessary lead time. If the lead time is relatively short, say two or three years, then planners can afford to ignore telecommuting until better data are developed.

On the other hand, the transportation congestion problems in most cities continue to mount, in spite of our various attempts to smooth traffic flow, have smaller cars, push mass transit and ride sharing, or use flex time for workers. Hence, one could also take the approach that telecommuting should be at least as thoroughly and widely tested as many of our other approaches to congestion relief--if only to get good data sooner. If it continues the trend of current empirical results and is found to be benign to both employers and employees, it should be actively pursued.

At a minimum, telecommuting in particular, and teleworking in general, might allow cities to cope with increasing populations for a time without increasing investment in expanded transportation infrastructures. The telecommunications infrastructure necessary to widespread telecommuting is being developed rapidly by the private sector as the national telephone network converts to digital technology and switches to optical fibers for communications lines. Since this alternative is "free" in a sense (that is, it is not paid for out of transportation funds) it is important to intensify scrutiny of this alternative--or supplement--to the transportation options that are being examined today. One forecast seems certain: unless there is a significant alteration in current trends, for whatever reason, metropolitan areas will continue the present path of intensifying urban congestion. The telecommuting option is worth watching and/or trying as another means of alleviating this problem.

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Tables

TELECOMMUTING

FORECAST
FACTOR

NOMINAL GROWTH & ACCEPTANCE SCENARIO - 19 Mar 86
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	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	YEAR 1990	1991	1992
United States Labor Force	106940000	108215409	109506029	110812042	112133631	113471000	115688428	117949188	120254127	122604109	125000014	126254577	127521731
Infoworkers	53358996	54443230	55549494	56678238	57829917	59004920	61056244	63178882	65375315	67648108	70000008	70953289	71919552
Telecommuters													
Part-timers between X and CBD													
% of infowkrs	0.03	0.0493656	0.0811302	0.1330608	0.2175028	0.353612	0.5699336	0.9061585	1.4110547	2.1313373	3.0871397	4.2405757	5.4831416
# of home wkrs	16008	26876	45067	75417	125782	208648	347980	572501	922481	1441809	2160998	3008828	3943451
days/wk (average)	1	1	1	1	1	1.1	1.1	1.2	1.3	1.4	1.6	1.8	2.1
hours/wk	8	8	8	8	8	8.8	8.8	9.6	10.4	11.2	12.8	14.4	16.8
% of infowkrs	0.025	0.0305013	0.0372041	0.0453665	0.0552997	0.0673782	0.0820511	0.0998546	0.1214258	0.1475167	0.1790079	0.2169214	0.2624276
# Local ctr. wkrs	13340	16606	20667	25713	31980	39756	50097	63087	79383	99792	125306	153913	188737
days/wk (ave)	0.8	0.8	0.8	0.9	0.9	0.9	1	1.2	1.4	1.7	2	2.5	3
hours/wk	6.4	6.4	6.4	7.2	7.2	7.2	8	9.6	11.2	13.6	16	20	24
Part-timers between X & Local Ctr													
% of infowkrs	0.05	0.0641102	0.0821695	0.1052621	0.1347563	0.1723708	0.2202502	0.2810488	0.3580159	0.4550741	0.5768704	0.7287756	0.9167897
# of home wkrs	26679	34904	45645	59661	77929	101707	134477	177563	234054	307849	403809	517090	659351
days/wk (average)	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.6	0.6
hours/wk	4	4	4	4	4	4	4	4	4	4	4	4.8	4.8
Full-timers													
% of infowkrs	0.02	0.02441	0.0297877	0.0363428	0.0443297	0.054056	0.0658927	0.0802864	0.0977723	0.1189901	0.1446995	0.1757977	0.2133359
# of home wkrs	10672	13290	16547	20598	25636	31896	40232	50724	63919	80495	101290	124734	153430
% of infowkrs	0.1	0.1489383	0.2216486	0.3294637	0.4888616	0.7234974	1.0666793	1.5639492	2.2748127	3.2716115	4.6322202	6.4227112	8.6687805
# of loc ctr wkrs	53359	81087	123125	186734	282708	426899	651274	988086	1487166	2213183	3242555	4557125	6234548
Total Telecommuters	120058	172763	251051	368123	544035	808906	1224060	1851961	2787003	4143128	6033958	8361690	11179517
as % of infoworkers	0.2%	0.3%	0.5%	0.6%	0.9%	1.4%	2.0%	2.9%	4.3%	6.1%	8.6%	11.8%	15.5%
TCing days/wk	360175	529498	782783	1165049	1735249	2610122	3957644	6045537	9182814	13810494	20629338	29520222	41182959
Total Home TCers	53359	75070	107259	155676	229347	342251	522689	800788	1220454	1830153	2666097	3650652	4756232
as % of infoworkers	0.1%	0.1%	0.2%	0.3%	0.4%	0.6%	0.9%	1.3%	1.9%	2.7%	3.8%	5.1%	6.6%
Average Home TCing hrs/wk	4.4	4.7	5.1	5.4	5.7	6.6	6.9	7.8	8.6	9.5	11.0	12.5	14.6
Ave. home-CBD mi. (round-trip)	19.4	19.4	19.4	19.4	19.4	19.4	19.4	19.4	19.4	19.4	19.4	19.4	19.4
Ave. home-LC mi. (round-trip)	9	9	9	9	9	8.4	8.4	8.4	8.4	8.4	8	8	8
Annual passenger - miles saved	69978438	94147269	128926658	179976982	256196866	392415937	589076654	948898667	1.532E+09	2.442E+09	3.999E+09	6.093E+09	9.128E+09
Home workers	150747808	227351172	343058141	518994953	782033892	1.244E+09	1.895E+09	2.874E+09	4.323E+09	6.435E+09	9.77E+09	1.375E+10	1.884E+10
Loc. Ctr. workers	220726246	321498441	471984798	698971935	1.038E+09	1.636E+09	2.484E+09	3.823E+09	5.855E+09	8.877E+09	1.377E+10	1.984E+10	2.796E+10
TOTAL PASSENGER-MILES/YR SAVED													
Telecommuters' transport choice (%)													
Priv. auto	93.5	93.2	92.9	92.6	92.3	92	91.84	91.68	91.52	91.36	91.2	90.78	90.36
Bus	5.4	5.62	5.84	6.06	6.28	6.5	6.64	6.78	6.92	7.06	7.7	8	8.3
Rail	1.1	1.18	1.26	1.34	1.42	1.5	1.42	1.34	1.26	1.18	1.1	1.22	1.34

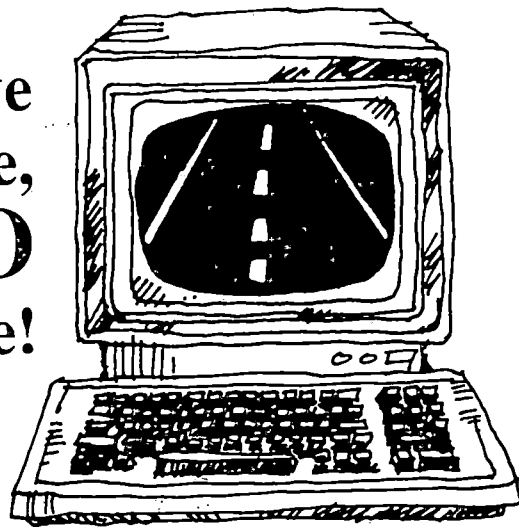
TELECOMMUTING FORECAST FACTOR

HIGH GROWTH & ACCEPTANCE SCENARIO - 11 Dec 86
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	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	YEAR 1990	1991	1992
United States Labor Force	106940000	108215409	109506029	110812042	112133631	113471000	115688428	117949188	120254127	122604109	125000014	126254577	127521731
Infoworkers	53358996	54443230	55549494	56678238	57829917	59004920	61056244	63178882	65375315	67648108	70000008	70953289	71919552
Telecommuters													
Part-timers between X and CBD													
% of infowkrs	0.03	0.0519405	0.0898549	0.1552298	0.26753	0.4591933	0.7827208	1.3188079	2.1804031	3.4994467	5.3757263	7.7834636	10.495648
# of home wkrs	16008	28278	49914	87982	154712	270947	477900	833208	1425445	2367309	3763009	5522623	7548423
days/wk (average)	1	1	1	1	1	1	1.1	1.1	1.2	1.3	1.5	1.8	2
hours/wk	8	8	8	8	8	8	8.8	8.8	9.6	10.4	12	14.4	16
% of infowkrs	0.025	0.0372041	0.0552997	0.0820511	0.1214258	0.1790079	0.2624276	0.3816444	0.5487463	0.7767086	1.0764698	1.4521415	1.8955767
# Local ctr. wkrs	13340	20255	30719	46505	70220	105623	160228	241119	358745	525429	753529	1030342	1363290
days/wk (ave)	0.8	0.8	0.8	0.8	0.9	0.9	1	1.1	1.2	1.5	1.9	2.4	2.9
hours/wk	6.4	6.4	6.4	6.4	7.2	7.2	8	8.8	9.6	12	15.2	19.2	23.2
Part-timers between X & Local Ctr													
% of infowkrs	0.05	0.067434	0.0909191	0.122533	0.1650485	0.2221508	0.2987114	0.4011222	0.5376855	0.7190365	0.9585412	1.2725574	1.6803665
# of home wkrs	26679	36713	50505	69450	95447	131080	182382	253425	351514	486415	670979	902921	1208512
days/wk (average)	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.6
hours/wk	4	4	4	4	4	4	4	4	4	4	4	4	4.8
Full-timers													
% of infowkrs	0.02	0.0329507	0.054262	0.0892884	0.1467394	0.2406597	0.3933689	0.6394896	1.0305879	1.6383016	2.5505092	3.8510849	5.5755204
# of home wkrs	10672	17939	30142	50607	84859	142001	240176	404022	673750	1108280	1785357	2732471	4009889
% of infowkrs	0.1	0.156577	0.2449388	0.3826188	0.5963607	0.9263099	1.4312163	2.1936158	3.3219504	4.9432174	7.1764844	10.080327	13.585444
# of loc ctr wkrs	53359	85246	136062	216862	344875	546568	873847	1385902	2171736	3343993	5023540	7152323	9770591
Total Telecommuters	120058	188431	297342	471406	750113	1196219	1934533	3117676	4981190	7831426	11996414	17340680	23900705
as % of infoworkers	0.2%	0.3%	0.5%	0.8%	1.3%	2.0%	3.2%	4.9%	7.6%	11.6%	17.1%	24.4%	33.2%
TCing days/wk	360175	578764	930762	1497256	2414304	3874393	6347224	10258092	16544215	26370218	41456193	62288973	88677894
Total Home TCers	53359	82930	130561	208039	335018	544028	900458	1490655	2450709	3962004	6219345	9158015	12766824
as % of infoworkers	0.1%	0.2%	0.2%	0.4%	0.6%	0.9%	1.5%	2.4%	3.7%	5.9%	8.9%	12.9%	17.8%
Average Home TCing hrs/wk	4.4	4.5	4.6	4.7	4.8	4.9	5.5	5.6	6.2	6.7	7.7	9.1	9.9
Ave. home-CBD mi. (round-trip)	19.4	19.4	19.4	19.4	19.4	19.4	19.4	19.4	19.4	19.4	19.4	19.4	19.4
Ave. home-LC mi. (round-trip)	9	9	9	9	9	8.4	8.4	8.4	8.4	8.4	8	8	8
Annual passenger - miles saved	69978438	119011162	202389491	344017950	584102262	989584378	1.742E+09	2.962E+09	5.124E+09	8.695E+09	1.47E+10	2.381E+10	3.546E+10
Home workers	150747808	240222845	382515046	608320471	969201100	1.621E+09	2.596E+09	4.122E+09	6.467E+09	1.003E+10	1.576E+10	2.269E+10	3.134E+10
Loc. Ctr. workers	220726246	359234008	584904537	952338421	1.553E+09	2.611E+09	4.337E+09	7.084E+09	1.159E+10	1.872E+10	3.046E+10	4.65E+10	6.68E+10
TOTAL PASSENGER-MILES/HR SAVED													
Telecommuters' transport choice (%)													
Priv. auto	93.5	93.2	92.9	92.6	92.3	92	91.84	91.68	91.52	91.36	91.2	90.78	90.36
Bus	5.4	5.62	5.84	6.06	6.28	6.5	6.64	6.78	6.92	7.06	7.7	8	8.3
Rail	1.1	1.18	1.26	1.34	1.42	1.5	1.42	1.34	1.26	1.18	1.1	1.22	1.34

1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
128801603	130094320	131400012	132434787	133477711	134528848	135588262	136656020	137466349	138281483	139101451	139926281	140756002
72898974	73891734	74898007	75819454	76752238	77696498	78652375	79260492	79730483	80203260	80678842	81157243	81638481
13.136653	15.367688	17.037065	18.176233	18.905558	19.353597	19.621888	19.78009	19.87253	19.926257	19.957388	19.975393	19.985795
9576485	11355451	12760422	13781121	14510439	15037067	15433081	15677796	15844464	15981508	16101389	16211478	16316100
2.3	2.5	2.7	2.8	2.9	2.9	3	3	3	3	3	3	3
18.4	20	21.6	22.4	23.2	23.2	24	24	24	24	24	24	24
2.3834535	2.8803919	3.3483525	3.7575624	4.0928546	4.3532371	4.5471501	4.6871028	4.7858404	4.8543883	4.9014474	4.9335061	4.9552315
1737513	2128372	2507849	2848963	3141358	3382313	3576442	3715021	3815774	3893378	3954431	4003898	4045376
3.4	3.9	4.2	4.4	4.6	4.7	4.7	4.8	4.8	4.8	4.8	4.8	4.8
27.2	31.2	33.6	35.2	36.8	37.6	37.6	38.4	38.4	38.4	38.4	38.4	38.4
2.203487	2.8640021	3.6815533	4.6688947	5.826484	7.1374638	8.565163	10.055192	11.542775	12.963554	14.264253	15.409653	16.384301
1606319	2116261	2757410	3539931	4471957	5545559	6736704	7969795	9203110	10397193	11508234	12506050	13375895
0.6	0.6	0.6	0.7	0.7	0.7	0.8	0.9	0.9	1	1	1	1.1
4.8	4.8	4.8	5.6	5.6	5.6	6.4	7.2	7.2	8	8	8	8.8
7.6543896	9.8912953	12.022258	13.829336	15.216608	16.202416	16.865116	17.294147	17.56517	17.733731	17.837554	17.901121	17.939897
5579971	7308850	9004432	10485327	11679087	12588710	13264814	13707426	14004794	14223030	14391132	14528056	14645859
17.455621	21.330143	24.846714	27.765472	30.013564	31.647425	32.785434	33.554794	34.064498	34.397664	34.613523	34.752582	34.841834
12724969	15761213	18609693	21051629	23036082	24588941	25786523	26595695	27159789	27588048	27925790	28204237	28444344
31225257	38670147	45639806	51706971	56838923	61142590	64797564	67665733	70027931	72083157	73880976	75453719	76827574
42.8%	52.3%	60.9%	68.2%	74.1%	78.7%	82.4%	85.4%	87.8%	89.9%	91.6%	93.0%	94.1%
120421951	153309350	184711176	211285308	233236735	249274512	263754569	273553909	279954821	286085321	290378280	294020659	298530604
16762775	20780562	24522264	27806379	30661483	33171336	35434599	37355017	39052368	40601731	42000755	43245584	44337854
23.0%	28.1%	32.7%	36.7%	39.9%	42.7%	45.1%	47.1%	49.0%	50.6%	52.1%	53.3%	54.3%
11.0	11.4	11.8	11.8	11.8	11.5	11.7	11.6	11.4	11.5	11.4	11.3	11.5
19.4	19.4	19.4	19.4	19.4	19.4	19.4	19.4	19.4	19.4	19.4	19.4	19.4
8	8	7.2	7.2	7.2	7.2	7.2	6.6	6.6	6.6	6.6	6.6	6.6
5.037E+10	6.55E+10	8.017E+10	9.181E+10	1.014E+11	1.075E+11	1.136E+11	1.166E+11	1.186E+11	1.201E+11	1.213E+11	1.223E+11	1.233E+11
4.127E+10	5.17E+10	6.58E+10	7.486E+10	8.24E+10	8.828E+10	9.274E+10	1.008E+11	1.03E+11	1.048E+11	1.062E+11	1.073E+11	1.084E+11
9.163E+10	1.172E+11	1.46E+11	1.667E+11	1.838E+11	1.958E+11	2.064E+11	2.173E+11	2.216E+11	2.249E+11	2.275E+11	2.296E+11	2.316E+11
89.94	89.52	89.1	88.68	88.26	87.84	87.42	87	86.7	86.4	86.1	85.8	85.5
8.6	8.9	9.2	9.54	9.88	10.22	10.56	10.9	11.08	11.26	11.44	11.62	11.8
1.46	1.58	1.7	1.78	1.86	1.94	2.02	2.1	2.22	2.34	2.46	2.58	2.7

Good-Bye
Commute,
HELLO
Telecommute!



The One-Minute Commuter

How to Keep Your Job
and Stay at Home
Telecommuting

Lis Fleming

How It Helps Your Company.

Telecommuting is loaded with benefits for the company. Because it often represents a change in the way supervisors manage, your employer won't want to let you telecommute unless you can show that there are sound business benefits for the company. Don't worry! There are lots of proven benefits other companies have realized from telecommuting.

– Improved productivity by 15-30 percent. Managers consistently report that the quantity and quality of work done by telecommuters goes up by an average of 20 percent.

– *Reduced cost of office space.* Home telecommuters provide their own office space. Rents for commercial offices are high and space made available adds up!

– *Improved morale.* Managers report employee morale consistently goes up along with performance. Telecommuters thrive on independence.

– *Improved management.* Managers of one-minute commuters must set clear goals and measure the results of work done. As they become better managers, productivity of both telecommuters and central office staff goes up. Telecommuters also become adept at managing their work and time.

– *Cutting commute trips.* Employers can comply with new laws that require reducing the number of work trips employees make. One-minute commuters reduce work trips and save money. Compare telecommuting savings to the cost of buying a commuter van and paying a driver.

– *Increasing staff without adding space.* Because one-minute commuters use less space at the central office, they make space available for new employees.

– *Off-peak use of computer equipment.* Because one-minute commuters often choose to work late nights or early mornings, they can access computer systems when no one else needs them. This avoids expensive delays.

– *Improved recruiting.* By offering telecommuting, companies find they can recruit people who otherwise would turn them down because of the long commute.

– *Reduced absenteeism.* One-minute commuters rarely miss a day's work. They work at home when children are ill. They even put in some hours when they don't feel well enough to make the drive to work. This is especially true for those who don't feel well in the morning and then have an "11 o'clock recovery," too late to drive to work.

JALA Associates, Inc.
971 Stonehill Lane
Los Angeles, CA 90049

Tel. 213 476 3703
Fax. 213 476 6007



February 20, 1990

Will Eagle
The White House
1600 Pennsylvania Avenue, NW
Washington, DC 20500

Dear Will:

I am enclosing four charts that may be of some assistance for the speech. Two provide a set of relevant "one-liners" covering some key factors for telecommuting vis-a-vis other transportation alternatives. The other two constitute a forecast for the nominal case of telecommuting in California. As far as I can tell, these forecasts are fairly realistic, given my current data on the status and trends of telecommuting in the State.

As to the sources of the current data, they include census data for California, earlier studies I have performed on the incidence of telecommuting in large corporations, estimates from other survey sources, computer models I developed in the early 1980s and since modified, and the results of various telecommuting pilot projects I have designed for public and private sector organizations since 1973. Taken together, they support the following conclusions and recommendations, mostly oriented toward California.

Impacts

Transportation

Telecommuting reduces transportation use in proportion to its acceptance. Current telecommuters in the State of California Pilot Project work from home slightly under two days per week, on average, reducing their commute trips by about one-third. Since these trips would otherwise be during the most congested hours, traffic congestion is similarly reduced.

Possible undesirable side effects of telecommuting appear not to occur. For example, household automobile use also seems to decrease — in addition to the commute cuts — for about 20% of the State telecommuters.

If telecommuting acceptance increases at the rate shown in the charts the impacts of traffic flow might begin to be noticeable in the mid-1990s. However, it might take some additional incentives to ensure that rate of acceptance. See below.

Telecommuting has a possible negative effect that must be closely monitored. Since telecommuting frees individuals from some of the constraints of office location, it — together with escalating home prices — may inspire a growing increase in commute distances as people move farther from urban hubs. Therefore it is

Page 2
Telecommuting Forecasts
February 20, 1990

imperative, in my opinion, that effort be increased to encourage regional/satellite telecommuting centers and to link telecommuting with zoning regulations — possibly nationwide — such that telecommuting does not increase transportation and other infrastructure demand.

Environment and Energy

Telecommuting also reduces air pollution in proportion to its acceptance. Commuting is still the largest single use of private automobiles that, in turn, are the single largest mobile source of air pollution. Telecommuting may produce a countervailing increase in demand for energy from stationary sources, principally electricity, and increase demand for household heating and cooling. Our data indicate that the increase might amount to as much as $\frac{1}{3}$ of the energy saved by the average telecommuter's reduced car use.

The Economy

This is also a major impact area. All my data since 1973 indicate that a well-designed telecommuting program will significantly increase productivity. Averages range from a few percent to over 20%, with increases in individual cases of over 100%. Since most telecommuters are likely to come from the mid- and upper-mid-level employees for the next few years this can mean a net bottom line impact of at least \$3,000 per year per telecommuter. If we were to have 5 million telecommuters in California by 2010 (a reasonable expectation) that would work out to at least a \$15 billion annual benefit (in 1990 dollars). This increased individual productivity has to effect comparable increases in profitability, competitiveness and jobs. And so on.

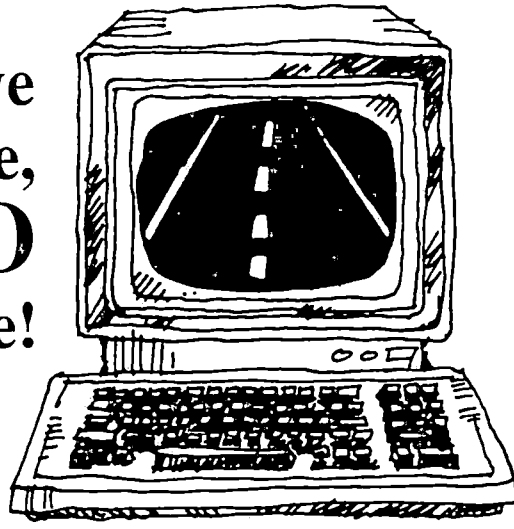
Aside from the direct impacts on productivity of properly selected and trained telecommuters, our data support the contention that the effectiveness of management increases as well. Further, telemanagers, because they begin to apply their new skills to their non-telecommuters, increase the effectiveness of the entire work group.

Telecommuting can be a major tool for disaster avoidance. Several telecommuting employees of the Public Utilities Commission were able to continue working immediately after the October, 1989 Loma Prieta earthquake even though the PUC offices remained closed for the rest of that week. The economic blow of the earthquake would have been substantially reduced had more companies had telecommuting programs in place. Some of my corporate clients are telecommuting effectively even though their regular offices are closed because of asbestos contamination.

Telecommuting increases the ability of an organization to retain its employees and attract new ones. Our recent survey of State employees indicates that telecommuting was a significant influence in changing their minds about quitting their jobs for as many as 20% of the telecommuters. Considering the cost of attracting, training and breaking-in their replacements, this conservatively amounts to an impact of about \$600,000 for this group of 150 telecommuters.

It has long been one of my favorite hopes that telecommuting could be used to bring jobs and education into low income districts. The potential is particularly great in California, where public transit is generally inefficient and sparse. Commute times for transit users in Los Angeles can approach those of Tokyo, costs may preclude marginal workers from entering the labor force, particularly when they are not English speakers. Why not use the technology to create/move jobs to local centers where these potential workers live instead? We hope to create one or more of these centers as part of the upcoming City of Los Angeles pilot project. Why not do it in other areas of the State/nation where there is a jobs/housing/education

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Commute,
HELLO
Telecommute!



The One-Minute Commuter

How to Keep Your Job
and Stay at Home
Telecommuting

Lis Fleming

YOU Can Become a **One-Minute Commuter!**

This great new way to work is changing the nation. Telecommuting gives you six simple steps toward improving your life. For anyone who commutes to work!

How much time do YOU spend on the road?

<u>One-way minutes</u>	<u>Round trip minutes</u>	<u>Hours per year</u>	<u>Equivalent no. 40-hour weeks</u>
10	20	80	2
20	40	160	4
30	60	240	6
40	80	320	8
50	100	400	10
60	120	480	12

Figures adjusted for vacation, holidays and sick leave time normally taken during a year. Source: Working from Home

— see next page

Lis Fleming brings you a short, easy-to-follow book packed with practical information guiding you step-by-step to telecommuting. She is an active author, publisher, lecturer and telecommuting consultant. Her writing includes the *Electronic Cottage Handbooks* and numerous other works in print and on CompuServe. She is advisory board member for *Home Office Computing* magazine and advisor on telecommuting to many California organizations.

\$9.95

ISBN: 1 - 877887 - 14 - 5

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REVISED
AND EXPANDED

WORKING FROM HOME

Everything you need to
know about living and working
under the same roof

- ☐ deciding whether working from home is for you
- ☐ setting up and operating an efficient home office
- ☐ handling family, friends, and neighbors
- ☐ solving problems of feeling isolated
- ☐ sticking to business and getting away from your work
- ☐ presenting a business image at home
- ☐ saving on taxes and insurance
- ☐ finding and managing the right help
- ☐ dealing with zoning, licenses, and legal obligations

NOW INCLUDES:

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- ☐ useful tips on how tax reform affects your home-office deductions
- ☐ latest information on equipping your home office with computers, copiers, fax machines, and printers
- ☐ additional possibilities for home-based ventures
- ☐ up-to-date resources for entrepreneurs and employees

PAUL and SARAH EDWARDS

CHAPTER ONE



Putting an End to Nine-to-Five, Office Politics, and the Daily Commute

For most of us, going to work from nine to five, or a version thereof, has been the story of our lives. For some, it's no longer a very satisfying way to live. For others, like the handicapped, the elderly, or parents with small children, working away from home isn't always feasible. But until recently there haven't been many other choices.

In the past ten years, people have begun to explore new options for living and working. Today we can say goodbye to the daily commute, the dead-end job, the office politics, and the feeling that everyone else is in charge of our lives. Today we can work from home.

Your workday can begin with a brisk walk from the breakfast table to the den. The extra twenty to one hundred and twenty minutes you save every day by not commuting to work can be used doing whatever you want—sleeping late, jogging, taking care of your children, gardening, or getting a head start on the job that needs to be done. Think of it. Even if you only have a twenty-minute commute each way, working from home is like getting an additional two-week vacation every year.

Interested? You're not alone. According to a recent Yankelovich, Skelly and White poll, nearly one-third of American workers would prefer to earn their livelihood at home. Today many of them have the choice, and more and more are exercising the option. The Bureau of Labor Statistics in a May 1985 survey found more than eighteen million Americans already work at home at least eight hours a week. This group is largely composed of individuals pursuing a new kind of life, liberty, and happiness.

TELECOMMUTING TRAFFAX

What's in a name?: The term "telecommuting" was coined in 1973 by USC professor Jack Nilles. Still, even UCLA graduates who have telecommuted find telecommuting a worthwhile concept, no matter who named it.

Growth: Conservative estimates put the number of current telecommuters at 10,000. It is expected that in the 1990's, up to 15 million people will regularly telecommute.

If only five percent of commuters in Los Angeles County telecommuted only one day each week they would travel 205 million miles less each year. How much is 205 million miles? Oh, a trip to the sun AND 18 round trips to the moon.

If only five percent of commuters in Los Angeles County telecommuted only one day each week they would put 47,000 fewer tons of pollution into the atmosphere. For purposes of comparison, 47,000 tons is roughly the weight of a battleship.

If only five percent of commuters in Los Angeles County telecommuted only one day each week, they would save 9.5 million gallons of gasoline in a year. This is roughly the same volume of crude oil spilled into Alaskan waters as a result of the Valdez disaster.

If only five percent of commuters in Los Angeles County telecommuted only one day each week, they would save a total of \$57 Million in a year. We'll let you imagine what \$57 Million could buy.

WHITE HOUSE STAFFING MEMORANDUMDATE: 2/23/90ACTION/CONCURRENCE/COMMENT DUE BY: 2/26/90 NOONSUBJECT: PRESIDENTIAL REMARKS: CALIFORNIA CHAMBER OF COMMERCE

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	☐	☒	MCCLURE	☒	☒
SUNUNU	☐	☒	NEWMAN	☐	☐
SCOWCROFT	☐	☐	PORTER	☒	☒
DARMAN	☒	☒	ROGICH	☒	☒
BATES	☒	☒	UNTERMAYER	☐	☐
CARD	☐	☒	ROGERS	☐	☒
CICCONI	☐	☒	WINSTON	☐	☒
DEMAREST	☒	☒	PINKERTON	☒	☒
FITZWATER	☐	☒	PETERSMEYER	☒	☒
GRAY	☒	☒	BENNETT	☒	☒
HAGIN	☐	☐		☐	☐

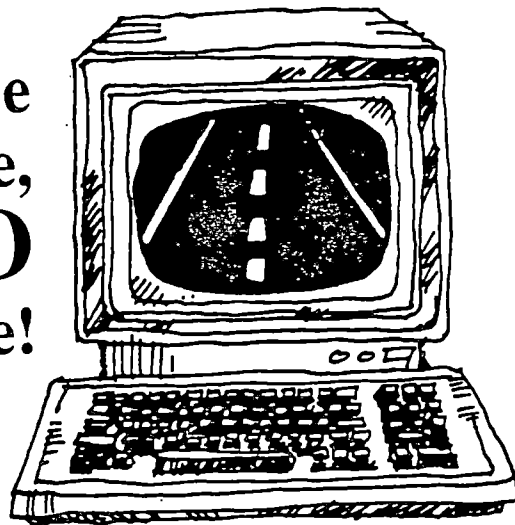
REMARKS:

Please forward any comments directly to Chriss Winston, Rm. 122, x2930, no later than NOON, Monday, February 26, with a copy to my office. Thank you.

RESPONSE:

James W. Cicconi
 Assistant to the President
 and Deputy to the Chief of Staff
 Ext. 2702

Good-Bye
Commute,
HELLO
Telecommute!



The One-Minute Commuter

How to Keep Your Job
and Stay at Home
Telecommuting

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How It Helps Your Company.

Telecommuting is loaded with benefits for the company. Because it often represents a change in the way supervisors manage, your employer won't want to let you telecommute unless you can show that there are sound business benefits for the company. Don't worry! There are lots of proven benefits other companies have realized from telecommuting.

– Improved productivity by 15-30 percent. Managers consistently report that the quantity and quality of work done by telecommuters goes up by an average of 20 percent.

– *Reduced cost of office space.* Home telecommuters provide their own office space. Rents for commercial offices are high and space made available adds up!

– *Improved morale.* Managers report employee morale consistently goes up along with performance. Telecommuters thrive on independence.

– *Improved management.* Managers of one-minute commuters must set clear goals and measure the results of work done. As they become better managers, productivity of both telecommuters and central office staff goes up. Telecommuters also become adept at managing their work and time.

– *Cutting commute trips.* Employers can comply with new laws that require reducing the number of work trips employees make. One-minute commuters reduce work trips and save money. Compare telecommuting savings to the cost of buying a commuter van and paying a driver.

– *Increasing staff without adding space.* Because one-minute commuters use less space at the central office, they make space available for new employees.

– *Off-peak use of computer equipment.* Because one-minute commuters often choose to work late nights or early mornings, they can access computer systems when no one else needs them. This avoids expensive delays.

– *Improved recruiting.* By offering telecommuting, companies find they can recruit people who otherwise would turn them down because of the long commute.

– *Reduced absenteeism.* One-minute commuters rarely miss a day's work. They work at home when children are ill. They even put in some hours when they don't feel well enough to make the drive to work. This is especially true for those who don't feel well in the morning and then have an "11 o'clock recovery," too late to drive to work.

"A thorough well-rounded reference...the Edwardses know exactly what they are talking about." *Publishers Weekly*

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PAUL and SARAH EDWARDS

THE WHITE HOUSE

WASHINGTON

February 27, 1990

MEMORANDUM FOR:

C. BOYDEN GRAY
DAVID Q. BATES, JR.
FREDERICK D. McCLURE
ROGER B. PORTER
DAVID DEMAREST
SIG ROGICH
GREGG PETERSMEYER
JOSEPH W. HAGIN II (FYI)

FROM:

Paul McNeill for
SHIRLEY GREEN
93 OEOB

SUBJECT:

(Draft Proclamation)
National Day of Prayer, 1990

Attached for your review is the above-mentioned proclamation designating May 3, 1990, as the "National Day of Prayer."

It was written in this office and based on recommendations from the Office of Public Liaison.

IMMEDIATE ATTENTION REQUIRED. Written or oral response required by no later than 5:00 p.m., Thursday, March 1, 1990.

For questions, discussion or routine clearance, contact Paul McNeill, via phone or interoffice mail, in room 93/extension 2276. Thank you.

cc: Ron Geisler

Chris, called CMB
you need to
clear/comment in
DD's absence.

OK - DOWNSIDE SB

NATIONAL DAY OF PRAYER, 1990

- - - - -

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA

A PROCLAMATION

"More things are wrought by prayer than this world dreams of," wrote Lord Tennyson more than a century ago. Today, we are deeply mindful of the truth of his words. Our Nation's history and the lives of millions of men and women around the world provide compelling evidence of the power of faith and the efficacy of prayer.

The Bible tells us what we have often seen for ourselves: that God answers the prayers of those who place their trust in Him. In the Old Testament story of Hannah and Samuel and the familiar parable of the Prodigal Son, we also find a universal experience of parenthood: long hours spent in waiting for a child and in prayer for his well-being. What mother or father has not, in unspoken thought, asked the Almighty to protect his or her little ones and thanked Him for their safekeeping?

Our ancestors believed that, in the lives of nations as well as individuals, the love of God is a great parental love like this. They saw history as the place wherein our Creator looks for His children, longing for them to come to Him and to do His will. As they braved the dark ocean to reach these shores, as they fashioned a system of government that would carry the United States into an uncharted future, as they shielded the spark of hope from the cold winds of tyranny, time and again they came, thankful and contrite, to the inextinguishable light of the Father's house.

So great was the faith of our Founding Fathers, and so firm was their belief in the need for God's blessing upon their bold experiment in self-government, that they frequently turned to Him in prayer both as individuals and as a community. Indeed, the first act of the Continental Congress, the same body that declared America's independence, was a prayer. Thomas Jefferson and the other Founders believed that the God who gives us life

gives us liberty as well, and if the American people are to keep a truly free and democratic government, they must acknowledge their dependence on His mercy and guidance. Thus, when they pledged to each other their lives, fortunes, and sacred honor in support of the Declaration of Independence, they did so "with a firm Reliance on the Protection of Divine Providence." When the Framers of our Constitution heeded Ben Franklin's call for daily prayer at the Federal Convention in 1787, it is as if they were profoundly aware of the gentle admonition found in the 127th Psalm: "Except the Lord build the house, they labor in vain that build it; except the Lord keep the city, the watchman waketh but in vain."

Today, we do well to place in God's hands our hopes and concerns for our families and our communities, just as our Nation's Founders entrusted their labors to Him. The childhood of our liberty was guarded by the love of God, and the "new birth of freedom" of which President Lincoln spoke was possible only because that love was faithful to a people bitterly divided by civil war. Today, our liberty is older and our Republic stands on the threshold of its third century, but we are still, as a people, in the infancy of our journey. So much greater is our need now to turn to God in prayer once again, seeking His blessing for the way that lies ahead.

On this National Day of Prayer, observed more than 200 years after the Continental Congress asked for God's blessing upon our young country, our prayers could have no better object than the safety and well-being of our children. It is for them that we labor and sacrifice, and it is for them that we struggle to uphold the noble ideals affirmed at our Nation's birth. Today, amidst our many blessings, we see the destruction of too many lives in their earliest flower -- too many young minds lost to drugs, delinquency, and despair. The suffering or loss of even one of these children is more than any parent can bear, and it is more than our Nation can afford to tolerate.

I therefore ask my fellow Americans to join with me in prayer for our children. Let us strive to help each of them sink their roots in the rich soil of God's love for the beings He has made in His own image. Let us show them through prayer that we, too, like our Nation's Founders, seek our shelter -- our rock and our salvation -- in the arms of God. Finally, let us dedicate this Nation once more to the protection of Divine Providence, remembering the words of the Psalmist: "How excellent is thy loving kindness O God! Therefore the children of men put their trust under the shadow of thy wings."

Since the approval of the joint resolution of the Congress on April 17, 1952, calling for the designation of a specific day to be set aside each year as a National Day of Prayer, recognition of such a day has become a cherished annual event. Each President since then has proclaimed a National Day of Prayer annually under the authority of that resolution, continuing a tradition that actually dates back to the Continental Congress, which issued the first official proclamation for a National Day of Prayer on July 12, 1775. By Public Law 100-307, the first Thursday in May of each year has been set aside as a National Day of Prayer.

NOW, THEREFORE, I, GEORGE BUSH, President of the United States of America, do hereby proclaim May 3, 1990, as a National Day of Prayer. I invite the people of the United States to gather together on that day in homes and places of worship to pray, each after his or her own manner, for the renewal of our Nation's moral heritage and for God's blessing upon each of us, especially our children.

IN WITNESS WHEREOF, I have hereunto set my hand this
day of , in the year of our
Lord nineteen hundred and ninety, and of the Independence of the
United States of America the two hundred and fourteenth.

Ken Hart - press

Telecomm.

OPM fact sheet

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