



GIL GORDON
ASSOCIATES

Rethinking The Workplace

BIOGRAPHY - GIL GORDON

Gil Gordon is founder of Gil Gordon Associates, a management consulting firm specializing in the implementation of telecommuting/virtual office and other alternative work arrangements, and in strategic employee retention strategies. He's recognized around the world as a leading telecommuting expert and a true pioneer in the field. His blue-chip client list includes companies such as General Electric, AT&T, Merrill Lynch, American Express, Nationwide Insurance, and many more, as well as a long list of public-sector employers and government agencies in the U.S. and around the world.

Since 1982 he has worked with public and private sector employers in the U.S., Canada, Europe, Japan, New Zealand, and Australia to plan and implement successful, bottom-line-oriented telecommuting programs. He edits the monthly newsletter TELECOMMUTING REVIEW (published since 1984), co-authored the book TELECOMMUTING: HOW TO MAKE IT WORK FOR YOU AND YOUR COMPANY, co-edited the book TELEWORKING EXPLAINED (John Wiley, 1993) has been a conference speaker across the U.S. and around the world, and (since 1992) hosted the annual TELECOMMUTE conference for business and government leaders. His World Wide Web site (www.gilgordon.com) has become the predominant Internet resource for telecommuting and related topics.

He has a B.S. in Business Administration from Northeastern University and an M.S. in Organizational Behavior from Cornell University. Before starting his consulting business, he worked for almost ten years in Human Resources with Johnson & Johnson. He has worked at home since 1982, where (among other things) he is generally responsible for doing the laundry and other household chores.

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SAYING ADIOS TO THE OFFICE

Now that her commute to the office lasts all of 10 seconds, Vicki Hall has lots of time on her hands. A senior communications analyst for Visa International, Hall used to drive some 2½ hours each day to and from Visa's San Francisco headquarters. After moving to Pensacola, Fla., Hall, a single mother, is still taking care of business. With the blessing of her California bosses and armed with a company-paid PC, fax, ISDN phone line, and storage shelves, Hall has turned a spare bedroom into an office. "Telecommuting gave me my life back," she says.

As professional men and women attempt to do justice to their careers while attending to family and personal needs, more and more are working without visiting the office more than once in a blue moon. The appeal is enormous. At home, you can spend more time with the kids, work in casual clothes, and tailor a schedule that lets you tackle your job at odd hours. Some 9.9 million people work outside their main corporate offices at least three days a month, up from 9.1 million in 1997 and 5.4 million in 1993, according to Raymond Boggs, director of home-office research for International Data Corp. in Framingham, Mass.

Telecommuting has gotten

an added boost from a strong economy in which employers must make accommodations to attract the best and brightest workers. There are also environmental and political pressures as companies respond to Clean Air Act provisions that aim to cut traffic. And businesses want to pare real-estate costs by creating "hoteling" arrangements in which, say, 10 people share a single cubicle on an as-needed basis. Companies are finding that telecommuting can boost productivity 5% to 20%, according to

Jack M. Nilles, author of *Managing Telework* (John Wiley & Sons, \$29.95).



TELECOMMUTING

Technology is helping people break free of the office. With laptops, speedy modems, the Internet, and the emergence of corporate intranets, jobs are becoming portable. Employers and employees can easily swap E-mail and share PC documents from afar. This cuts down on faxing and overnight-courier costs.

Is telecommuting for you? Nearly 75% of teleworkers responding to an AT&T survey last year said they were more satisfied with their personal and family lives than before they started working at home. But telecommuting is not for every person or job, and you'll need a massive dose of self-discipline to pull it off. Ask yourself if you can perform your duties with-



out the boss breathing down your neck. On the other hand, would you go stir-crazy without being able to schmooze with officemates?

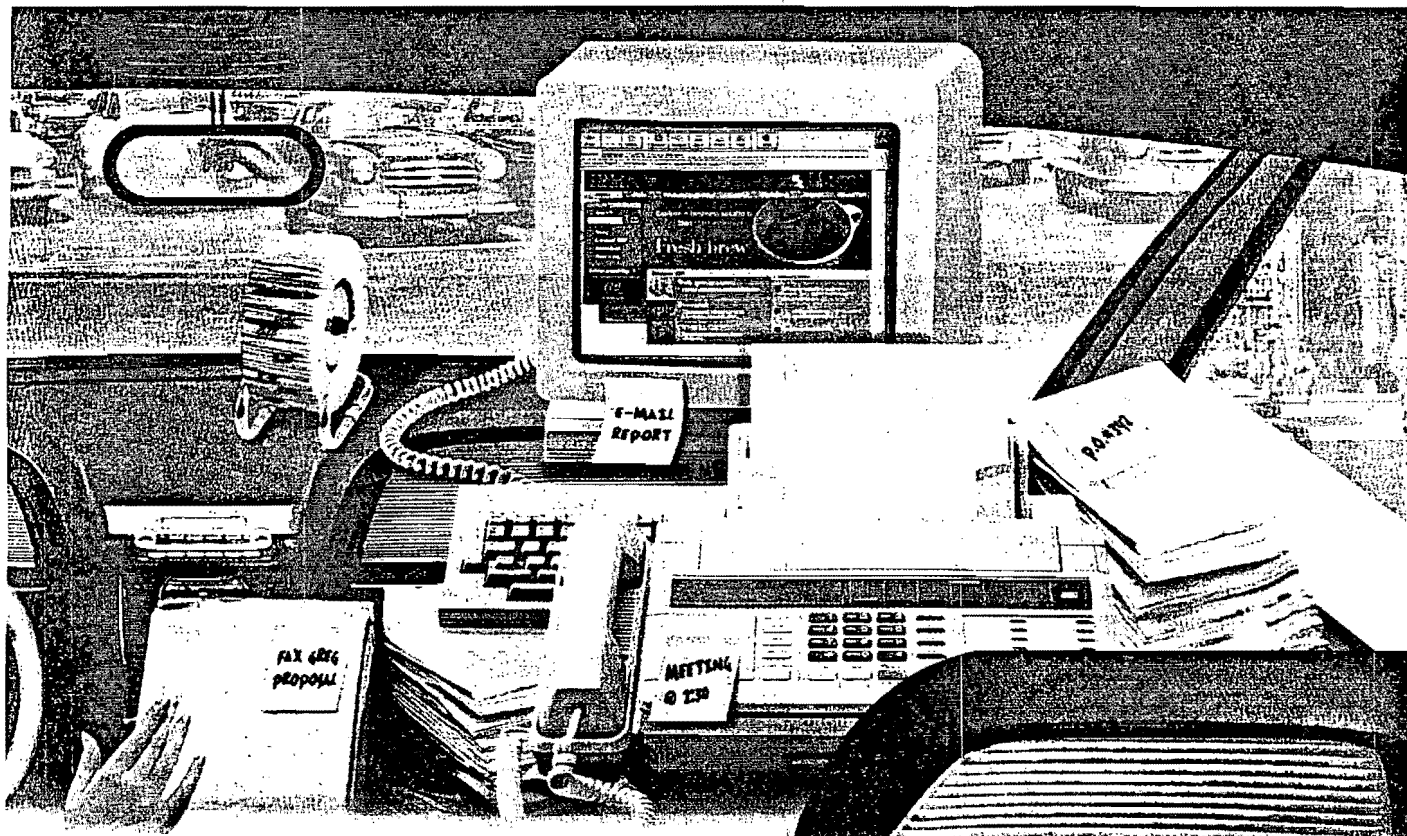
Many companies insist that you iron out a schedule with your supervisor before you begin. You may prefer to work at 6 a.m. and hit the links at 3 p.m.—just be sure you're available for those 9 a.m. meetings. Not every company will require formal training before you set up a remote office, but it's a good idea to sound out your boss about his or her concerns.

APPEARANCES COUNT. It's equally smart to assuage the fears of co-workers. Your colleagues may become resentful if they think you're on paid vacation or suspect they'll get saddled with extra work in your absence. As a result, you may want to trade favors with your cohorts—by covering for them if they leave early one day, for example. And make sure they know they can call you at home. Appearances count: If you choose to work two days a week at home, you may not

want to make them Monday and Friday, advises telecommuting consultant Gil Gordon in Monmouth Junction, N.J. Peers might think you're taking long weekends.

It's also imperative to set up ground rules with your family. The good news about telecommuting is that you can be close to your loved ones. That's also the bad news. Spouses and small children have to understand that even though you're in the house, you are busy earning a living. It's fine to throw in a few loads of laundry or answer the door when the plumber comes. It's another thing to take the kids to the mall or let them play games on your office PC.

Clearly demarcate your workspace by using a separate room with a door you can shut. Let your family know that, emergencies excepted, the space is off-limits during working hours. Some employees wear corporate badges or business attire at home to alert the family that they do not want to be disturbed.



If you have infants or toddlers, arrange for child care. "Telecommuting is not a substitute for dependent care," says Barbara M. Reeves, a virtual-office program manager for Boeing. "With a young child, you're really trying to hold down two jobs—and probably not doing very well with either one."

Once you get down to business, you may have to work hard to remain in the loop. That's why so many telecommuters stay at home only a couple of days a week. Aside from rubbing elbows with bosses and cohorts, there are meetings and other situations where face time is essential. Just one in five telecommuters responding to the AT&T study

indicated that they felt more isolated working at home. But some teleworkers worry that being out of sight means being out of mind, and that that will hurt their chances for a promotion or a bonus. Moreover, you may be concerned that if bad times hit, you'll be the first to get sacked.

BE A STAR. The best way to eliminate such concerns is to produce. "You need to establish your credibility," says Betty Sun, who works from her house in Bethesda, Md., as an acquisitions editor for publisher John Wiley & Sons in New York. Of course, while it's important to put in a full day of work while telecommuting, also remember that there's a time to

leave the office. When the lines between your home and office blur, it can be hard to pull yourself away.

Maintaining the balance has not been a problem for Sun. She has been promoted since she began telecommuting and now manages two New York employees from a distance. But there may come a time when you'll have to ponder a difficult question: Would you rather climb the corporate ladder or the stairs to your home office? The higher up you move in your organization, the more likely it is that your presence at headquarters may be required at all times. Telecommuting can be terrific at certain stages of your life and

career. But when the kids are older, you may be ready to return to the office full-time.

Even though the telecommuting phenomenon continues to mushroom, you may still encounter old-fashioned employers who are resisting the trend. But if you're a star performer, lots of companies will let you telecommute if that's the way to hook you. "The whole drift of the '90s is to introduce flexibility into work flow," says Thomas E. Miller, a vice-president for Cyber Dialogue, a New York-based research and consulting firm. That's good to know if you find the back-and-forth pull of train or car commuting is pulling you apart at the seams. *Edward C. Baig*

Your Telework To-Do List

KEEP THE BOSS HAPPY

Find out your manager's concerns before you begin working at home. Agree on performance standards, and meet those goals.

SCHEDULE YOUR TIME

Create definite work hours. Attend meetings by phone, communicate regularly with bosses and coworkers, and visit the main office often.

SET UP AN OFFICE

Establish a clear workspace at home. Determine whether your company will pay for home-office equipment.

ESTABLISH GROUND RULES

Let your family know when you cannot be disturbed. If you have small children, arrange for child care during those times.

COMMENTARY

By Mike McNamee

GIVE TELEWORKERS A TAX BREAK

In Southern California, the Internal Revenue Service encourages its agents to stay off the freeways and telecommute. With computers, E-mail, and IRS-provided secure file cabinets, agents can track cases and prepare for audits from home. But these telecommuting enforcers can't even think about claiming a home-office deduction on their Form 1040s. To deduct work-related expenses at home, they—and you—have to show that telecommuting is for an employer's convenience. And since those IRS agents could find desk space downtown if they chose, their home offices don't meet the deduction test.

Keep that in mind if you're looking for a tax break for expenses you rack up working from home. Sure, many employers see the value of telecommuting and will underwrite equipment to turn your guest room into a corporate outpost. But for the many telecommuters who cough up cash for their own computers, fax machines, and workspace, the tax code offers little relief.

That's not right. A basic principle of the income tax is that business costs shouldn't be taxed. Big companies deduct most of their expenses. But for home workers—be they telecommuting employees or the self-employed—the bar is higher.

NIX THE KIDS. To prove you're working at home for your employer's sake, a letter from the boss should do the trick. But the IRS can demand more, including a corporate policy guaranteeing the same deal to all similar employees. Mixed-use equipment poses another problem. No one tracks how many hours office workers spend playing games on the Internet. But share your home PC with your kids, and you're expected to log your keyboard hours vs. theirs and claim only your share of computer costs on your tax return. And if your kids play in your office, the IRS will question whether it's a separate space used exclusively for work. If

it's not, forget about deducting utilities, rent, or depreciation.

Even if a telecommuter can claim deductions, they're not worth much. Unreimbursed employee expenses fall into a catch-all category of "miscellaneous deductions."

The two-thirds of taxpayers who take the standard deduction can't claim those expenses at all. Even

itemizers can deduct only those costs that exceed 2% of adjusted gross income. Unless you have lots of other miscellaneous deductions, employee expenses aren't likely to add up to a tax break.

How could Washington level the playing field?

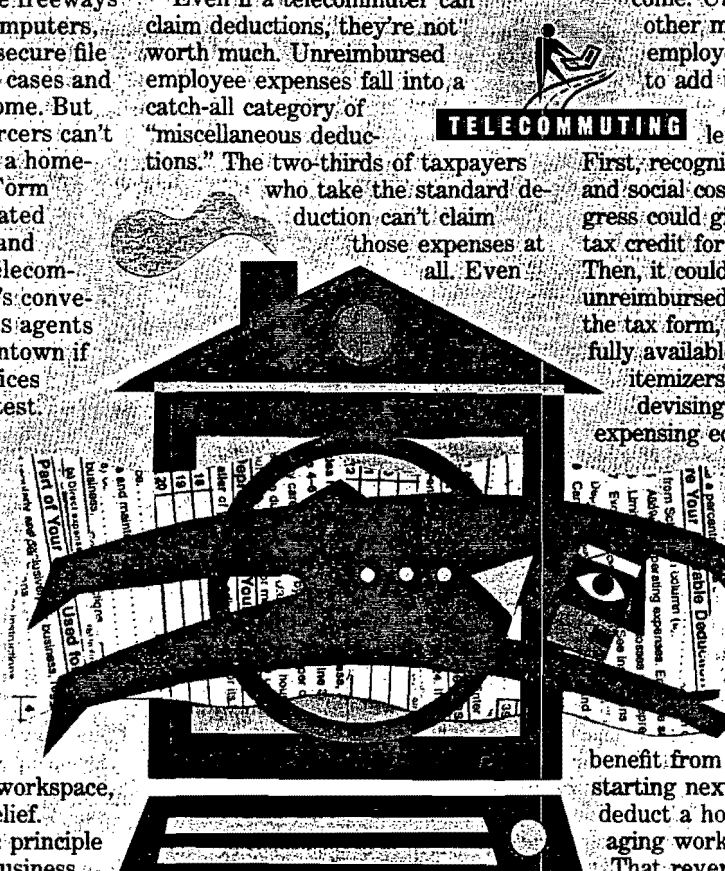
First, recognizing the environmental and social costs of commuting, Congress could give employers a small tax credit for wages earned at home. Then, it could move telecommuters' unreimbursed expenses to the front of the tax form, as an income adjustment fully available to itemizers and non-itemizers. The IRS could help by devising common-sense tests for expensing equipment and home-office space used predominantly for business for employees and the self-employed.

RELIEF. Self-employed home workers have it better—in some ways. Most of their expenses reduce pretax income dollar-for-dollar. They'll also benefit from a 1997 tax law that, starting next year, will let them deduct a home office used for managing work performed elsewhere. That reverses a 1993 court ruling that barred, say, a plumber from claiming a home office because his actual job was repairing pipes at clients' houses.

But the self-employed still have plenty of tax gripes. The biggest—a cap that lets them deduct only 45% of their health-insurance premiums—will be fixed if the Republican tax bill now in Congress escapes a threatened Presidential veto.

Stay-at-home workers will never have the resources big companies use to shrink their tax tab. But as their numbers proliferate, they deserve the benefit of the doubt. Lots of work is going on in home offices. Congress and the IRS should make allowances for this economic reality.

McNamee covers tax issues from Washington.



Tips for Dealing With Uncle Sam

GET IT ON PAPER

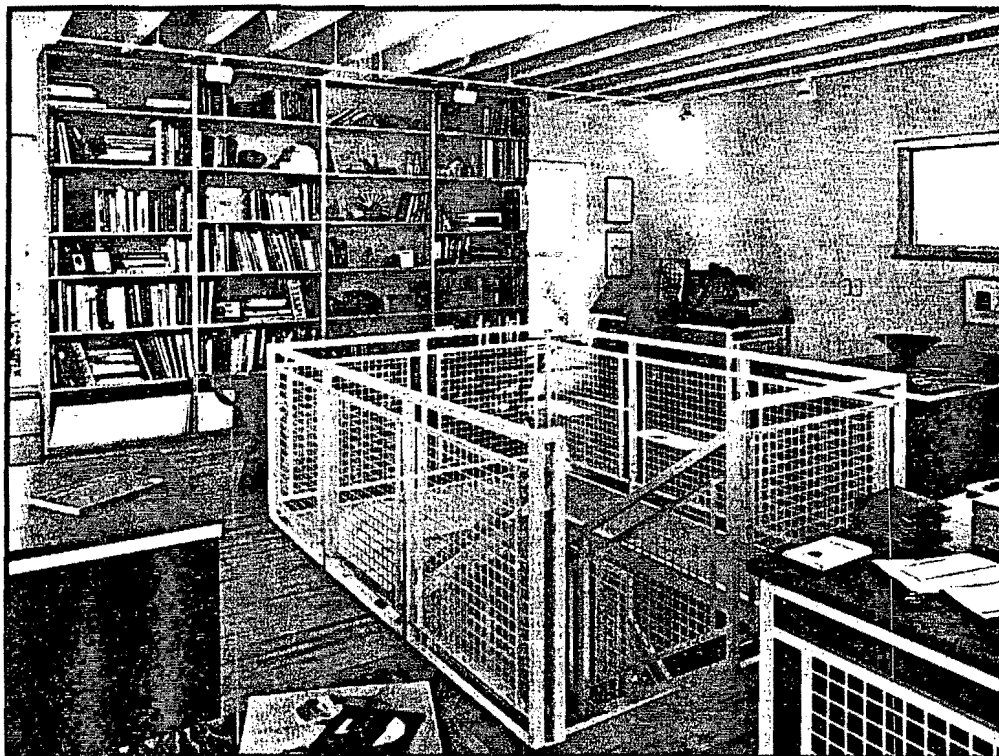
Your chances of claiming work-related expenses on your return improve with a letter from your boss stating that the arrangement is for your employer's convenience.

REIMBURSEMENT BEATS WRITING OFF

Better to get 100% of an expense from your employer than a tax savings worth at most 39.6%.

WATCH YOUR PHONE COSTS

Don't deduct any share of your basic service. But you can write off a second phone line or business services, such as voice mail.



BUILD YOUR DREAM WORKSPACE

Brent Marmo got so fed up with his daily 45-minute commute between Excelsior,

Minn., and downtown Minneapolis that he built an office in his own backyard. The office, which looks like a blue cube

and includes a studio and a client reception area, set him back \$220,000. But to Marmo, a graphic designer, it's money well spent. "Now, I just have to take a few steps to get to work," he says.

Like Marmo, a growing number of Americans work full- or part-time at home. But setting up a comfortable and efficient home office requires more than just putting a spare desk and chair by your phone. While it need not involve a contractor or tons of money, it does call for careful planning—from your budget to

your telecommunications requirements.

Before you start your shopping list, make sure it's O.K. with the local authorities for you to have a home office. Many municipalities have zoning ordinances that require licenses for business

use of the home—even for part-time work. "Such laws were written to prevent unwanted traffic"—lots of visitors and deliveries to a residence—says Randy Johnson, president of the Rocky Mountain Home-based Business Assn. in Aurora, Colo. (303 367-1918, www.rmhbba.org), which advises people who work at home. They're also a way for authorities to know who

they can tax, he adds. If such laws are a problem, look into getting a variance. Otherwise, expect to pay a penalty should a neighbor snitch.

The next step is to stake out a space—whether it's a spare bedroom or an alcove. "Choosing a location is probably the most critical part of the process," says Neal Zimmerman, an architect from West Hartford, Conn., and author of *Home Office Design* (\$19.95, John Wiley & Sons). "Working at home is not something you do crossing your legs on the couch," he says. Not only does a dedicated space let you function

THE WORKS

Marmo's two-story, backyard office boasts a studio, a reception room, and a storage area

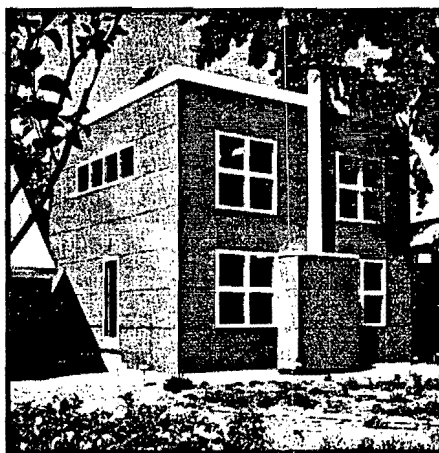
efficiently but it also preserves your sense of professionalism. Marmo chose to add on to his house, while Zimmerman remodeled his attic. Ideally, the spot you pick should be comfortable, well lit, and removed from distractions.

Once you've chosen a location, it's time to think about general layout and furniture. How much surface area do you require for equipment and to do daily tasks? What are your storage and lighting needs? Do you need an area to meet with clients? You must also consider how much you want to budget. Bear in mind that in some cases, you can take a tax deduction for costs related to setting up and maintaining your office.

DEPRESSING. If you can afford an architect or interior designer, great. A two-hour consultation may cost at least \$500. But a tight budget shouldn't be an excuse for poor design, says Marilyn Zelinsky, a home-office planner in Fairfield, Conn., and author of *Practical Home Office Solutions* (McGraw-Hill, \$19.95). "A lot of people get discouraged that they can't afford the perfect home offices they see in magazines," she says, so they settle for rickety tables and worn chairs and pay little attention to arrangement. Papers pile up, and wires crisscross the floor. "It gets depressing," says Zelinsky, because "design and psychological well-being are tied together."

If you're taking the economical route, Zelinsky recommends going to furniture and shelving retailers such as Ikea or Container Store that not only sell inexpensive products but

TELECOMMUTING



BLUE CUBE
An exterior view of Marmo's studio



CLOSETED

Anne Britt, a mortgage banker, converted a 10 x 10 storage closet into her home office

more than one room, so you may have to consider your other appliances as well. If your neighborhood is subject to power outages or fluctuations, Perryman advises installing an uninterrupted power supply, or UPS, which hardware stores carry for about \$200. These devices contain storage batteries and supply enough power so you can save data and safely shut down your

have employees trained to help customers make the most of a space. "They aren't designers, but they can be true problem-solvers," she says. Another way to cut expenses: Check business-to-business phone directories for furniture wholesalers and liquidators. These outfits sell new and used office chairs, desks, and such for 50% to 70% off retail.

To avoid discomfort and even disability, buy furnishings that fit. "Don't get anything that may force you into an awkward posture," says Scott Wright, an ergonomics consultant in Los Banos, Calif. A computer desk should have a keyboard tray at your seated elbow height and a pedestal that raises a monitor to just below eye level. Chairs should support the small of your back and be deep enough so there is a fist-size amount of room between the edge and your knees. Also, make sure your feet can rest flat on the floor.

Arrange furniture so there is freedom of movement. Lisa Kanarek, an organizational consultant in Dallas and author of *Organizing Your Home Office for Success* (Blakely Press, \$14.95), says

you should be able to "turn full circle in your chair without hitting anything," and pathways should be clear. Put everything you regularly use within reach—and that means without your having to stretch. A common gripe among home-based workers is a shortage of storage space. Sarah Gaventa, author of *Home Office* (DK Publishing, \$18.95), advises planning for twice the storage you

think you will need. Make use of your walls with shelving and corner racks. Put file cabinets under tables.

Most people wouldn't dream of working at home without a PC. But now printers, copiers, scanners, and fax machines have also become necessities. You might want to consider a unit that does the work of all four but takes up less room and may cost less than buying everything separately. Plan on paying at least \$300 for one.

However you choose to equip your office, check that you have enough power to run your equipment—or you might have to install another circuit into the work area. You can calculate your energy needs by totaling the amperage draw of all your machines (check labels on the back) and comparing it with the ratings of the electrical circuits that feed the office. If the machines' power requirements are listed in watts, multiply the figure by 1.4 and divide by 120 to get amps. "Most residences have 15-amp circuits," says Melvin Perryman, master electrician with American Residential Services in Houston. Don't forget that a circuit can feed

equipment in case of an outage. They also regulate the voltage reaching your machines, preventing glitches.

Home-office experts strongly recommend getting a separate business telephone line. "It's very hard to look professional with family members answering your phone," says Kanarek. Anne Britt, a mortgage banker with Norwest who works at home in Houston, has a separate business line that is off-limits to her four young children. "The kids call me on that line when I'm working," she says.

Britt also has an answering service provided by her local phone company for about \$7 a month. Many phone companies offer packages for home-based businesses that include services such as call waiting, three-way calling, and Internet access. Some companies, such as SBC Communications in San Antonio, have work-at-home divisions (800 700-1100, www.swbell.com/workathome) that provide free consulting. Seek out such advice and talk to veteran telecommuters when devising your overall plan. Remember, great home offices require a lot of homework. *Kate Murphy*

Ways To Save When Outfitting Your Office

- Seek design ideas from consultants who work for home-furnishings retailers such as Ikea or Container Store
- Buy chairs, desks, and file cabinets from office-furniture wholesalers or liquidators
- Rather than purchase a separate copier, printer, scanner, and fax machine, use an all-in-one device that costs about \$300

SO YOUR WORKERS WANT TO TELECOMMUTE

Tracey Curvey had enough to worry about when Fidelity Investments asked

her to manage a whole new group of people in an entirely different business unit in 1996. The last thing the marketing executive wanted to deal with was the five telecommuters she was inheriting among a crew of 40. "Was I willing to continue that situation?" she wondered. "Was I willing to take that risk?"

The answer, it turned out, was yes. But it took hesitation, anxiety, and—crucially—a lot of talking and listening before Curvey was won over. Her tale is a case study for managers who must learn to cope with telecommuting workers, as well as for what workers should expect of a boss who is still getting used to the concept of the virtual office.

The unit Curvey led serves employers who contract with Fidelity to run their 401(k) and other retirement plans. Among other functions, Fidelity provides them with materials such as videos to promote worker participation. "This place moves very fast. You get a lot of demands from your clients," explains Curvey, daughter-in-law of Fidelity President James Curvey. "Sometimes, when they want something today, they want it today." Curvey was not sure telecommuters could meet those demands.

BUILDING TRUST. So what did she do? Before agreeing to continue the remote work arrangements, Curvey asked around to gauge how valuable each telecommuter was to the business. "I then sat down with everybody and said: 'O.K., how do we want to work this?'" Curvey in-

sisted on nailing down in writing when each telecommuter would be in the office and available at home, how company-related travel would affect schedules, and how deadlines would be met. "Writing it helped us make sure we were all on the same page," she says.

Getting a detailed agreement was a key to building trust and easing her employees' anxiety, too. "One of the

from now her direct manager wouldn't say, 'I want you in here five days a week.'"

That telecommuter, Assistant Vice-President Lorna Mackey, confesses to having been worried on Curvey's arrival. When Fidelity moved her operation from downtown Boston to suburban Marlborough, it turned Mackey's one-hour commute from Plymouth by train into an hour and 45 minutes by car.

Would the new boss put Mackey back behind the wheel five days a week? Talking with Curvey helped, she says, and "it became a nonissue very shortly."

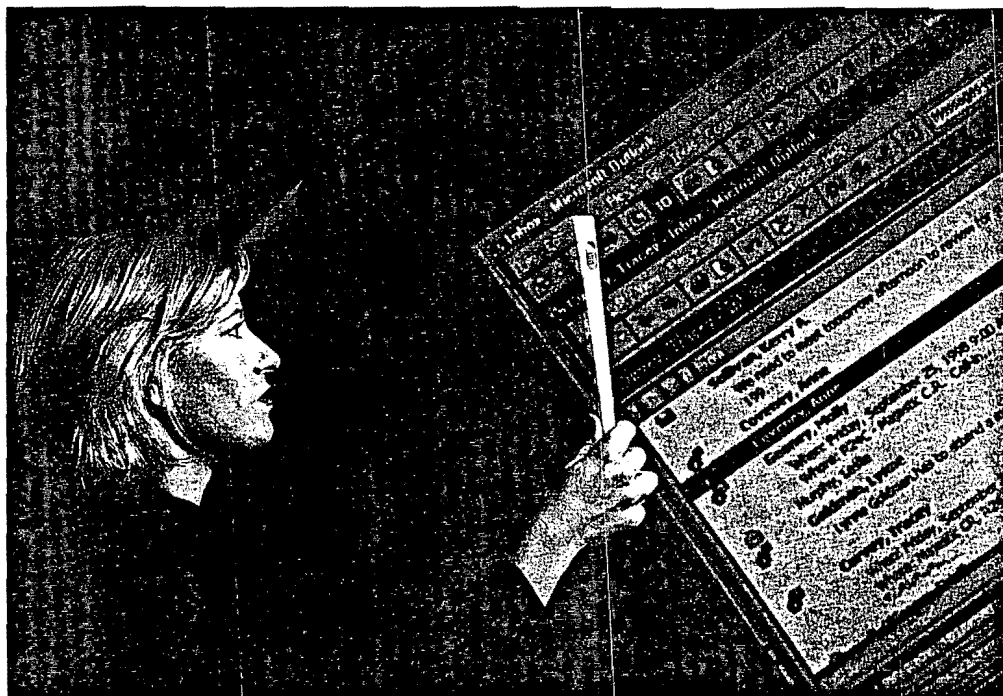
After getting over the hump, Curvey began moni-

as usual," Curvey says.

She also didn't want to penalize the telecommuters because they weren't always on site. She kept everyone informed and handed out plum assignments evenly. When it came to assigning offices, "we had to make sure that even though a couple of folks were only there four or three days instead of five, there wasn't an implicit assumption they were going to be stuck in a corner somewhere." Even though that didn't sit well with some office-bound workers, she concluded that the telecommuters deserved "the same kind of treatment when they're here in the office."

If it sounds like Curvey's view of telecommuting turned 180 degrees, it did.

TELECOMMUTING



"I then sat down with everybody and said: 'O.K., how do we want to work this?'"

TRACEY CURVEY

Senior V-P, Fidelity Investments

people only wanted to be in the office two days a week because of a long commute," Curvey says. "We needed to make sure that six months

toring progress. Her main concern was that business get done. So she watched for regular participation in conference calls and frequent contacts by telephone and E-mail with colleagues in the

office. "It was great to hear people say: 'Oh, yeah, I talk to this person two or three times a day.' It just seemed like business was happening

Early this year, Curvey was promoted out of the retirement services group, where she was a vice-president, to senior vice-president in Fidelity's retail division. Shortly after starting in her new post, she learned her assistant was looking for another job to avoid a long commute. Without hesitating, Curvey offered her a flexible schedule with fewer days in the office. For Curvey, telecommuting has come to be a solution, not a problem. *Robert Barker*



MAKING STAY-AT-HOMES FEEL WELCOME

To understand the merits of telecommuting, just look at Cisco Systems, the computer-networking giant based in San Jose, Calif. Cisco telecommuters have improved their productivity by up to 25%, while the company has saved about \$1 million on overhead, and retained key employees who might otherwise have left. What's more, those who have traded suits for sweats say they love setting their own schedules, skipping rush hour, spending more time with their kids, and working at least part-time in comfortable surroundings. "It's surprising the number of engineers who will respond to a question at 11:00 on a Saturday night," says John Hotchkiss, Cisco's human resource manager. "We can solve a problem that would not have been solved until Monday morning."

If you're looking to land a

job that lets you clock in from home, you'd do well to find a company like Cisco that has formal telecommuting policies in place. Although ad hoc arrangements are still common, they are often inconsistent and can be seen as unfair. Fortunately, an increasing number of companies are instituting formal telecommuter programs that spell out training requirements and make clear who will pick up what costs (table, page 156). That lets you know telecommuting enjoys the support of top management and can mean the difference between a commitment to working out the



TELECOMMUTING

kinks and a transfer back to the office, says Joseph Parante, who runs KPMG Peat Marwick's telework consulting practice.

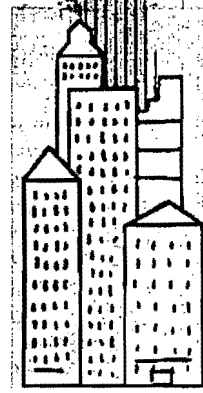
Companies that top most consultants' lists of good employers for telecommuters tend to be in high-tech or knowledge-driven industries. But telecommuting can work in any field, provided a job requires more time on the computer or phone than in face-to-face meetings.

A successful program needs employees with the discipline, independence, and organization to make it work, and managers who don't confuse time spent at the office with output or effectiveness. IBM "didn't do as good a job initially" as it could have, says Bob Egan, who manages the company's telecommuting program from his home in Salt Lake City. The problem:

While telecommuters spent less time gossiping, they also had fewer opportunities to talk shop. Rather than scrap the program, IBM decided to schedule meetings and other social interactions that used to happen automatically. Today, about 20% of IBM's 270,000 global employees spend at least two days a week at home or visiting clients.

STANDARDS. Some companies go to great lengths to avoid making mistakes when putting telecommuting programs in place. Merrill Lynch lets employees and managers try telecommuting on for size during a two-

At Merrill Lynch, would-be teleworkers can do a two-week dry run



Personal Business

week simulation in New York and elsewhere. While working with gear they will take home, employees communicate via phone or E-mail. Face-to-face encounters are forbidden. "It gives them an idea of what to expect," said Camille Manfredonia, the program's director.

But dry runs, questionnaires, and other evaluation tools are only part of a successful program. Like Merrill, Arthur Andersen's Performance & Learning group in St. Charles, Ill., requires prospective telecommuters to attend training sessions,

ask employees who set up shop in the corner of the family room to tell the kids to play elsewhere during work hours.

PAT ON THE BACK. Although training tends to focus on employees, companies that are serious about telecommuting usually recommend that managers attend sessions, too. At Merrill Lynch, managers are taught to spot problems and to pat telecommuters on the back from afar. "The people I have reported to have all had a simple attitude, which is we don't care how you do it or where you do it, just be

ends up costing more in terms of support," says Gil Gordon, a telecommuting consultant in Monmouth Junction, N.J.

Still, even the best programs shift some of the cost of doing business onto employees' shoulders, says Christena Nippert-Eng, an assistant professor of sociology at Illinois Institute of Technology. AT&T's telecommuters typically receive laptops, cellular phones, and second phone lines. IBM supplies those, plus pagers and printers. But few companies pay a portion of a telecom-

says Nippert-Eng, who estimates that at least 20% of the arrangements she studied failed.

Perhaps the biggest threat is the very thing that makes telecommuting attractive: distance. Companies risk damaging their cultures and discouraging informal problem-solving. Indeed, the need for periodic in-person meetings is acute at companies like IBM, which are doing away with regular offices for telecommuters in favor of shared cubicles they use when they come in the office.

REQUIRED VISITS. Indeed, some companies require telecommuters to stop in at the office—if only for a day or two a week. Arthur Andersen also hosts informal lunches for its St. Charles telecommuters. Despite all the growing pains, Deborah Lis, who markets IBM products to local governments in

Telecommuting-Friendly Employers

COMPANY	PERCENTAGE OF WORKFORCE THAT TELECOMMUTES	SPECIAL FEATURES
AETNA	2%	Telecommuter is assigned an office "buddy"
ARTHUR ANDERSEN	20*	Conducts safety inspections of home offices
AT&T	55**	Manager, employee work out details
BOEING	1***	Rules differ for business unit
CISCO SYSTEMS	66	24-hour technical support, ergonomic furniture required
GEORGIA POWER	5†	May soon allow some to work at company sites near home
HEWLETT-PACKARD	8	Recommends ergonomically correct office
IBM	20	Teleworkers use shared space in the office
MERRILL LYNCH	5	Employees can test telecommuting in two-week simulation
THE LEISURE CO./AMERICA WEST	16	Arranges monthly potluck team dinners to keep everyone in touch

*Performance & Learning group

**Managers

***Washington state only

†Atlanta headquarters employees

DATA: BUSINESS WEEK

where topics include time management and virtual teamwork. Both companies also inspect home offices to make sure safety standards are met, such as having sufficient lighting. It's typically up to the employee to maintain a safe work environment.

Because telecommuting blurs the line between home and work, good programs set standards designed to create boundaries. "Setting up a workspace on a card table is not a good long-term solution," says David Mead, CEO of Telecommuting Success, a Colorado consulting firm. Few companies require telecommuters to devote an entire room to work. But many will

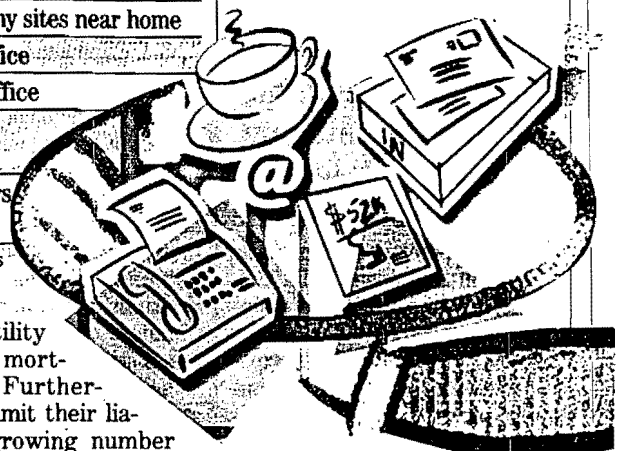
productive," says Susan Scherbel, a Merrill managing director in investment banking, who began telecommuting eight years ago, following the birth of the first of her three children.

When training is complete, consultants advise managers and subordinates to hammer out written agreements covering everything from what work will be done at home to how accessible the telecommuter will be. Experts also agree that companies should foot the bill for essential equipment, although what's essential varies by company and job. "While it's tempting to require employees to use their own computers, my experience is that it

muter's utility bill or mortgages. Furthermore, to limit their liability, a growing number of companies require ergonomically correct chairs and desks—an expense employees often assume.

Although the telecommuter ranks are growing, many companies have yet to accept the idea of a remote workforce. Only a third of the more than 1,800 companies William M. Mercer recently surveyed offer employees the option to telecommute. Some existing programs are hamstrung by resistant managers, isolated employees, and insufficient opportunities for teamwork,

California from her home or from client's offices, says telecommuting has been a big plus for her career. Being close to clients helps Lis brings in twice the revenue she did four years ago, when she worked from an IBM office in Los Angeles. Still, Lis says her colleagues often get together face-to-face to hash out work-related problems. Even telecommuters have something to gain by gathering around the office water cooler from time to time. *Anne Tergesen*



New Jersey

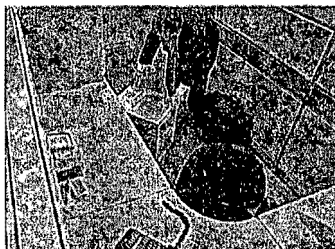
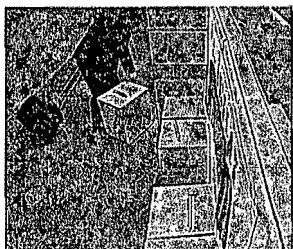
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Section

13

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My Office, Myself



The 40 employees who work at the Montvale office of Cisco Systems don't really work there. The workers, mostly salespeople, reserve cubicles in an office "hotel" when needed and have their phone calls routed there. Brian Harkins rolls in a wheeled cabinet holding his personal property, then plugs in his laptop computer and goes to work.

Telecommuters have a growing choice of ways to get there from here — without leaving here

By DEBRA GALANT

HOMI BYRAMJI'S normal commute from Boonton Township to Lake Success on Long Island takes about an hour and 20 minutes. That's on good days. On bad days, that commute can stretch to three hours. Not that Mr. Byramji doesn't make the most of his car-bound solitude. "I have listened to every self-improvement, sales and motivational tape in creation," he says.

But once a week, usually on Friday, Mr. Byramji, the 44-year-old chief executive of Market Guide Inc., a publicly owned company that sells financial data, skips the commute altogether. Instead, he just walks down the hall to his home office, where he can do the more contemplative parts of his job — and make phone calls — in relative peace. "Nobody has an issue with it," says Mr. Byramji, who worked from home as an independent consultant for many years before taking his current job. In fact, he recently read an article by the management expert Tom Peters suggesting that if chief executives aren't spending one day a week working from home, they should be asking themselves why not.

Mr. Byramji works from home routinely for the most obvious of reasons: It saves travel time. As such, he is considered a telecommuter, one of an estimated 8.7 million people in the United States who work from their homes at least one day a week but are not self-employed.

Telecommuting has become so common that telephone companies have had to issue new area codes in droves to keep up with all the extra phone lines, and decorating magazines routinely run features about turning attics and spare bedrooms into offices. Like so many other trends, the idea of working from one's patio really started in California, but many of the conditions that spurred telecommuting in the Golden State apply to the Garden State, too. Southern California's smog and traffic may be more legendary, but New Jersey's car-clogged landscape has likewise been an im-

Continued on Page 10



Photos by 2001a (top) and The New York Times

My Office, Myself: Telecommuters' Paths to Staying Home

Continued From Page 1

to get commuters off the roads. "We had yucky air, and we still have yucky air," says Gail Nelson, president of TRS Consulting, a consulting firm in Union that specializes in flexible work arrangements. "That's where our involvement came from."

Like California, New Jersey is home to many knowledge workers, people who make their living by manipulating ideas rather than objects and therefore don't need to be tied to a particular place. "We're not making widgets," says Karen Patten, president and founder of the Synergy Group, a telecommuting consulting company based in Norville, and president of New Jersey Telecommuting Advisory Council.

Telecommuting gets another push from the fact that many high-tech corporations are based here, and they are well represented among the 171 companies that have told the state Department of Transportation that they have telecommuting programs. Nineteen percent of AT&T's New Jersey employees telecommute regularly, according to a 1996 survey by the company. Lucent Technologies, the equipment-manufacturing spinoff of AT&T, is another telecommuting leader, as is Bell Atlantic. "Just about everybody in this place does it from time to time," says a Bell Atlantic spokesman, Tim Ireland. "We've got it. We sell the stuff. And as a backyard to Wall Street, New Jersey is heavily populated by traders, analysts and investment bankers who consider their computers and high-speed Internet connections as important a part of their housewares as, say, refrigerators or washing machines. Although some have personal computers and modems just to get extra work done at night — still commuting every day — some stay at home once in a while to write a report. And their home offices often serve well in emergencies.

Take Laura Congilario, a stock market analyst who follows the computer industry for Goldman, Sachs & Company. Marooned in her Manhattan home for three days after the blizzard of January 1996, Ms. Congilario simply set up shop there. "I felt reasonably effective," says Ms. Congilario, who had a personal computer at home and an assistant in the office. But the three phone lines she had in place were not enough to handle all the voice and data traffic she and her husband generated. She now has a fourth phone line and is ready for any weather.

Gil Gordon, a telecommuting guru who works out of his home in Monmouth Junction, calls Ms. Congilario's blizzard experience an example of episodic telecommuting. "For as it's a snowstorm," he says. "For California, it's an earthquake. For Atlanta, it's the Olympics." But episodes just like these can completely change the way a company thinks about setting up employees with phones and computers.

Still, some telecommuting advocates in New Jersey have found the concept a hard sell, especially now that the 1993 amendments to the Federal Clean Air Act, which mandated that companies with 100 employees or more find ways including telecommuting — to reduce the number of trips their employees make to work, became voluntary last year.

As Many Reasons As Telecommuters

While telecommuting represents a major reorganization of the workplace and society, it also is about personal histories. For there are almost as many reasons to work from home as there are individuals who do it.

For Margaret Moran, a 30-year-old associate manager of employee benefit plans at the Prudential Insurance Company of America, telecommuting is a way to manage motherhood and a 90-minute commute. Actually, Ms. Moran's arrangement — which allows her to work part time, two mornings from home and one full day in the office — was her boss's idea, and he broached it even before her son, Denis, was born nine months ago.

"He's real good at retaining associates, and he wanted to make sure he kept the experience," Ms. Moran says. "I thought it was terrific." She is writing an employee benefits catalogue on a laptop computer from her spare bedroom in Manassquan.

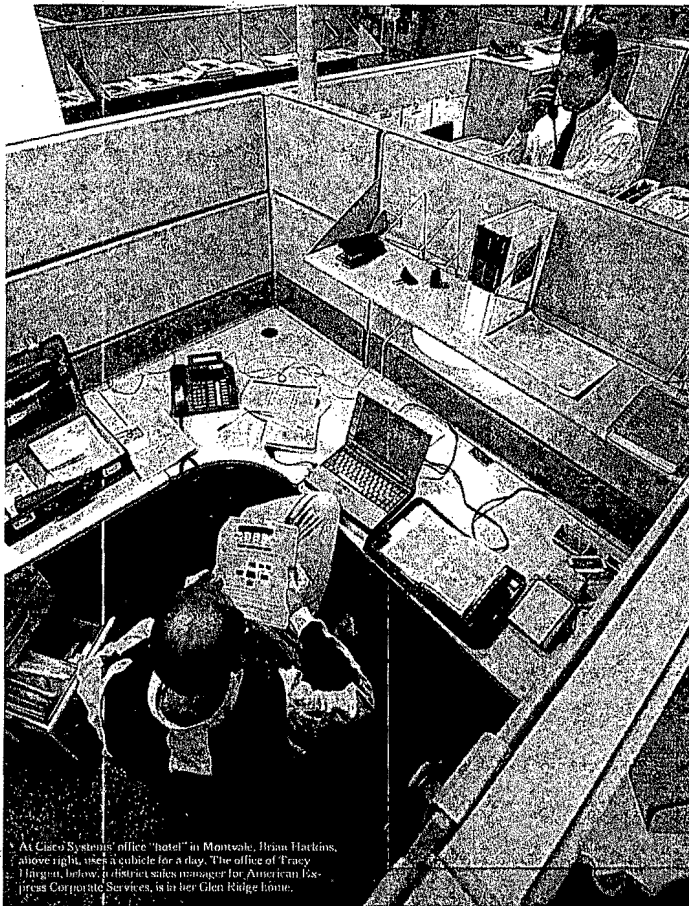
Becky Siman, a Bell Atlantic manager who helps large business customers set up their telecommuting networks, knows firsthand the demands that family life can place on employees. In 1995, her husband had a dislocated ankle and needed help with dressing and driving. Working largely out of a home office allowed Ms. Siman to meet both job and family needs.

"I come with the baggage of the 80's," she says. "I had a husband who was immobile for a while; I have a school-age child, and I have aging parents. They need rides to the doctor. They need to be picked up." Despite juggling all these roles, Ms. Siman won a promotion last year. "I don't always buy out of sight, out of mind," she maintains. "It's what you do to make it work."

Susan DeCandia, who does market research on the drug Claritin for Schering-Plough Pharmaceuticals, also telecommutes for personal reasons. When her son was born with some neurological damage six years ago, she and more than the usual pressures of a typical new mom. Ultimately she worked out a reduced schedule that allows her to take Mondays off for special medical and therapy appointments. On Fridays, she works from home. DeCandia says that her extra productivity on Fridays is what allows her to essentially cram five days' worth of work into a four-day week. "The telecommuting part of it is what makes it work," she says. "That day at home allows me to get twice as much done."

Indeed, most people who work at home insist that they get much more work done than they would in a regular office with the constant distraction of meetings and chitchat. "A hospital is a large place to get well," Mr. Gordon says. "An office is a terrible place to do office work."

Not only can an office be distracting; these days it can also be irrelevant. With the globalization of business, knowledge workers in the 1990's are about as likely to be



At Cisco Systems' office "hotel" in Montvale, Brian Hastings, above right, uses a cubicle for a day. The office of Tracy Hargen, below, a district sales manager for American Express Corporate Services, is in her Glen Ridge home.

ing to hold down real estate costs. Based on figures from the Building Owners and Managers Association International, the average monthly real estate cost for just one office worker ranges from \$2,500 in a suburban of Camden to \$5,800 in downtown Newark.

Give the employee a laptop computer instead of a desk, and it's easy to see how quickly the savings add up. The strategy makes especially good sense with salespeople, who spend a lot of time on the road anyway.

Cisco Systems, a maker of computer networking equipment based in San Jose, Calif., has more than doubled its work force since last year, and expects it to double again in the coming year. "Conventional real estate — one office, one person — is a major challenge, and can get in the way of growth," says Marina van Overbeek, workplace strategist for Cisco.

Pictures of the Family On the Laptop

So, like many high-tech companies, Cisco has embraced alternative work strategies — including telecommuting — in a big way. And the 40 Cisco employees who work out of the Montvale office don't really work there at least most of the time.

Instead, Cisco is using a concept called hoteling, which allows workers who don't need permanent office space to touch down every so often in a place with phones, desks, chairs and photocopiers. When Cisco's Montvale workers, mostly salespeople, need to go into the office, they must first check out a conference room or even a special telephone booth — and then wait for their phone number to be routed to that station.

Like turtles carrying their homes on their backs, these telecommuters take their offices wherever they go. So leaving messy desks is a no-no. Personal property is stored in locked mobile pedestals — essentially filing cabinets on wheels — which the workers can roll to different locations. And what about pictures of the spouse and children? "My kids' pictures are the wallpaper on my laptop," Ms. van Overbeek says.

Lucent Technologies, based in Murray Hill, is also aggressively finding ways to send workers home. Karen Sansone, alternative work strategist for Lucent Real Estate, says that whenever a lease is about to expire, she starts asking for volunteers who would like to telecommute. After a fairly elaborate screening and training process, certain employees become telecommuters. Some will set up shop at home full time, while others will come in, say, half the time, sharing desk space with another part-time telecommuter.

And at American Express, there are actually divisions that have never shared any commercial real estate. Tracy Hargen, district sales manager for American Express Corporate Services, manages a team of five from a small spare bedroom in her Glen Ridge home. Mrs. Hargen's husband, T.J., also telecommutes, but between their toddler, Connor, their dog, Madison, and a babysitter there's not much room left, so he rents his own office space in the middle of town.

One of Mrs. Hargen's biggest challenges is "trying to build camaraderie" in her sales team, all working out of their homes. The bonding that would normally come from sitting together in the same office and eating the same lousy cafeteria chili has to be achieved deliberately. So last year, Mrs. Hargen's team went to a Yankee game (it snowed) and sponsored a charity that involved a telethon, a golf outing and visiting sick children. She also encourages team members to talk to one another on the phone when they're having a rough day. And they meet informally, sometimes sitting cross-legged on the floor in jeans, to discuss goals.

Although Mrs. Hargen now says she can't imagine a life that would involve dressing up all the time and a long daily commute, not everybody could manage the life style she has chosen. Jean Bellas, owner of the design concern Space, notes that there have been cases in which whole divisions of companies have realized plans to let them work at home. "It's a very big emotional issue," she says, and she points out that many people live in small houses, where there is no spare bedroom or where there may be a lot of commotion during the day. "People who are available to telecommute are of a class that has extra real estate," Ms. Bellas points out. "It's at the senior management level where you'll have the luxury of an extra room."

For many people, the idea of rolling out of bed, putting on jeans and walking down the hall to work would be an unimaginable luxury. But the life of the telecommuter is not always sweet. It can be lonely. For some people, without discipline, it can be a set-up for failure. For other people, with too much discipline, it can expand one's job into a 24-hour occupation. "It can be the workaholic's dream," Mr. Gordon says.

Then there's the issue of proving to the people who matter that you're actually doing something productive when you're out of their sight. AT&T's Jim Cumie has a telecommuting contract, which names specific goals, so that his boss can evaluate him. "The manager really has to manage by results," he says. "That is, frankly, extra work." Even the consultant Gail Nelson, who helps companies set up telecommuting programs, admits to getting a little nervous when she calls employees who work at home and doesn't get an answer. "You still have to get rid of some of your biases," she says. "People are used to managing by seeing."

And then there are the telecommuting equivalents of snowstorms, earthquakes and traffic jams. Like a computer that goes on the fritz when there's no technician in sight. Or a local power outage because a tree fell during last night's storm. Running out of toner for the printer. Or not being able to log on to American Online for a month.

On the other hand, maybe it's really just a matter of attitude. "I don't want to be slow — it could be held up because of AOL — but there's a lot of work we do off line," Mr. Byram says philosophically. "If I can't work, I can read. If I can't read, I can think. If I can't think, I'm in trouble."



Laura Victoria Davis for The New York Times

dealing with employees or clients halfway across the country as they are to be working with someone at the next desk. "My colleagues are scattered around the world," says Jim Cumie, director of business planning and development for AT&T Electronic Commerce Service. Mr. Cumie talks of

"virtual teams," which have virtual meetings by conference call.

Paul Nogliows, a New Jersey native who became an Internet analyst with the San Francisco brokerage concern Hambrecht & Quist in May, was able to telecommute across four time zones in December. Mr.

York throughout the month. Instead of spending the entire Thanksgiving-Christmas season lying between clients, he decided to take his family east for the holidays and set up shop in his old house in Little Silver, which he had never sold.

Mr. Nogliows got the phone company to install four lines — one for the family and three for work. A message on his voice mail in San Francisco gave clients a New Jersey number. And he made liberal use of Hambrecht & Quist's New York office.

His boss didn't object, and neither did his clients. "I don't think there's a stigma any longer about saying that you're working from home," Mr. Nogliows says. And with technology linking people and computers from virtually any point on the planet, geography is no longer destiny. "Ninety percent of my job is on the phone or on the Internet or exchanging E-mail or exchanging voice mail," he says. "I can do that from anywhere, be it the beach or the mountains."

But telecommuting is not just a perk for a lucky elite. More and more, these days, telecommuters are booted from their offices and told to set up shop at home.

One of the most powerful pushes for telecommuting comes from corporations look-

Meet the Real Boss, Age 4

By DEBRA GALANT

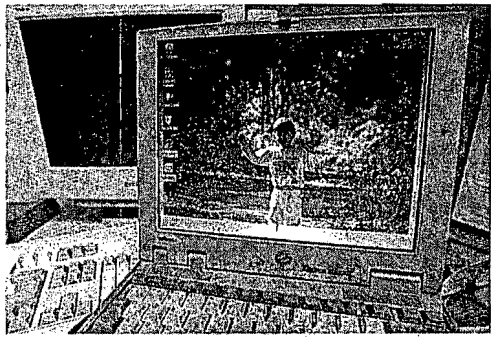
"I'm on the phone with my editor. We're on deadline. We've been playing telephone tag for hours, and my brain is twisted into a pretzel. Suddenly there's a knock on the office door. Since it's coming from a spot about three feet up, I can tell with 89 percent certainty who it is. It's a person who carries my DNA and who lights up my soul like a 3,000-watt kilg. My 4-year-old, Noah."

"Go away!" I shout. "The knocking continues. 'The door's locked!' I say firmly. 'That means you can't come in!'"

I try to sound professional, but the door-knob starts twisting. Noah's not giving up. I put my editor on hold and answer the door. Silently, Noah hands me a piece of paper.

It's a message from the housekeeper, instructed to keep the children downstairs at all costs. They insist, the note says, on hanging out in the playroom next to my office.

Oh. Nobody said working out of your home would be easy. O.K., they said it would be easy, but when did they know? Just try getting anything done when one of your children acts as if her life is coming to an end because she doesn't get two-digit subtraction and the other one wants to show you a cool toy advertised on Nickelodeon. Forget the housekeeper. General Patton didn't have an army big enough to keep my



children away from my office when they decide to attack.

There were 8.7 million telecommuters in the United States last year and 16.4 million other people who run their own businesses from home. But there are no statistics on the number of children who live in houses where serious work is supposed to be going on. Just war stories.

"You have these embarrassing interrup-

tions," says Homi Byramji, an executive who telecommutes one day a week. "You act like nothing's going on. And then you do the conversation and scream at them."

Experts say it's best to first lay down a clear set of ground rules. Gil Gordon, a consultant on telecommuting, says one client told his children, "I don't want you coming in my office unless there's smoke or blood — and a lot of it."

The Call of the Fridge

Pudding, Pound Cake, Calories Are Home Office Pitfalls; 'Tapioca Talks to Me'

By LAUREN LIPTON
Special to THE WALL STREET JOURNAL

DAVID KOHN is disciplined enough to have earned an M.B.A. and a Ph.D. and passed a CPA exam. He is focused enough to run his businesses and investments out of his home in Westchester County, N.Y.

But he has no willpower at all when it comes to tapioca pudding. "I hear it calling all the time," says Dr. Kohn, 54 years old, who, among other things, is chairman of Charles Booth Professional Haircare. "I have my office just off the kitchen, and the food talks to me. It says, 'Dave, I'm luscious.'" After two years of working from home, Dr. Kohn discovered he had put on 15 pounds.

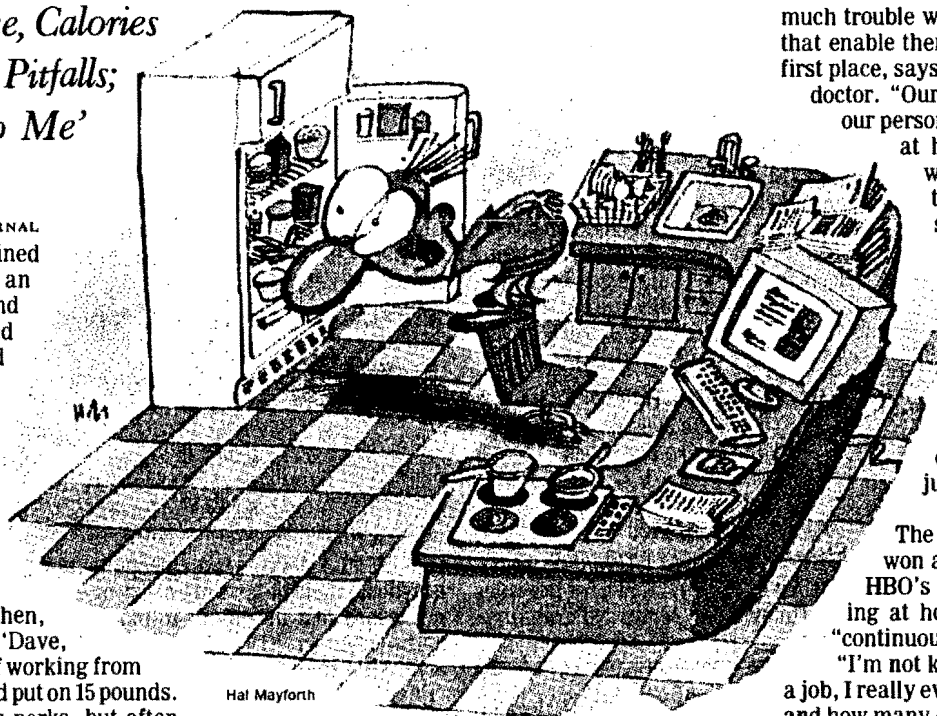
Having a home office has its perks, but often weight loss isn't one of them. While going to the office has its own temptations—bagels at business meetings, gummy bears on co-workers' desks—working from home, even just for a day or weekend, is no piece of cake.

Or maybe it's too many pieces of cake. Anybody with a home office can empathize with a 1996 survey of home-business owners by Income Opportunities magazine. The survey found that 36% reported eating and drinking more since working from home. Almost one-quarter admitted to using eating and drinking as an excuse to take a break. And—surprise—

one-third reported gaining weight.

What makes so many people with home offices—who often thrive despite the lack of formal structure and corporate supervision—have so

Having a home office
is no piece of cake—or maybe
it's too many pieces of cake.



Hal Mayforth

much trouble with the fridge? The same qualities that enable them to get work done at home in the first place, says Stephen P. Gullo, a New York diet doctor. "Our eating behavior is influenced by our personality," he says. "People who work at home like to do things their own way. They are intense. They do not tend to be moderate people. So why should it be surprising that when it comes to their favorite foods, they're not satisfied with just a little?"

Two Pitfalls

Add to that two major pitfalls of working too close to the fridge. Pitfall No. 1 is that leftovers and munchies are always just steps away.

"It's awful," says Gail Parent. The Los Angeles comedy writer, who won an Emmy last year for her work on HBO's "Tracey Takes On..." says working at home lets her indulge her habit of "continuous grazing" while she writes.

"I'm not kidding," she laments. "When I get a job, I really evaluate how much money it will pay and how many calories I'll take in. I'm happy for a minute, and then I think, 'Oh my God, I'm going to gain weight.'" When Ms. Parent goes to a production office at Universal Studios, where she is working on a midseason replacement sitcom for CBS, her snacking is more under control, she says—because a public pigout would be unseemly.

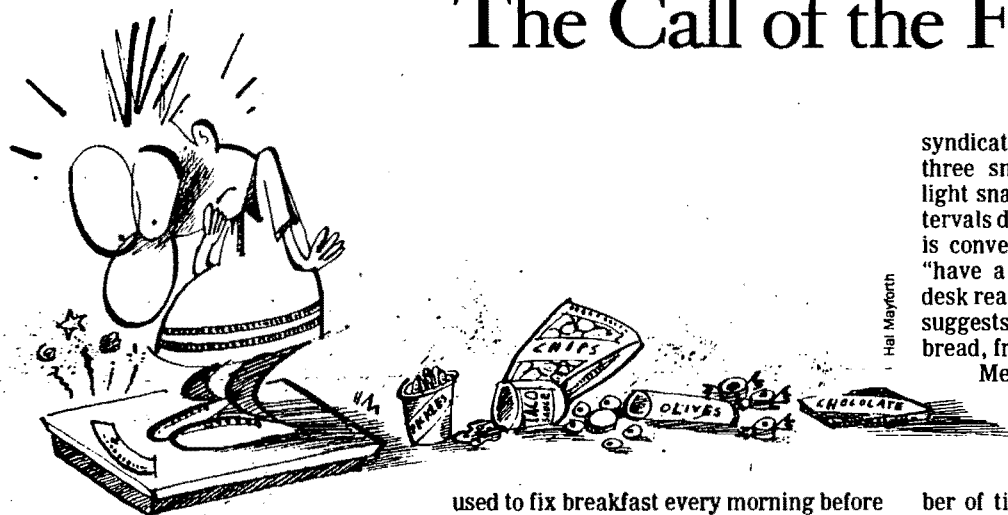
Pitfall No. 2 is what Janie Williams calls "free-flowing time." When people work at home, they may not have a typical 9-to-5 day, with a natural pause for breakfast and a designated lunch break, so they often fail to schedule meals altogether. Ms. Williams, 52, has gained at least

Please Turn to Page W11C

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HOME OFFICE

The Call of the Fridge



Continued From Page W1

15 pounds since starting a bookkeeping and tax business out of her Long Beach, Calif., home five years ago. "Oh, yeah. My weight has gone way up," she says. Often, she gets so busy that she forgets to eat for hours, then finds herself in front of the refrigerator, gulping green olives out of the jar. "It happened today again," she admits. "I'll be starving and eat whatever's most accessible."

Ten years ago, Gary Waldron, 57, went from working at a Chicago advertising agency to running a marketing company from his home in Wheaton, Ill. He probably hasn't had a sensible breakfast since. "I

used to fix breakfast every morning before I went to the office," he remembers. "Now I start to work at about 6 a.m., and I'll just have a cup of coffee." Four hours later, "I will schlep upstairs to the cookie jar, absolutely ravenous." Recently, he attacked a cookie with such gusto that he broke a tooth.

Some Solutions

But it is possible to keep things under control. One way is to seek professional help. Since July, Dr. Kohn says he has lost "all the weight I'd gained" by enlisting Dr. Gullo, whose program includes a tailor-made diet, weekly monitoring and an arsenal of pithy commandments, such as: Thou Shalt Not Work in the Kitchen and Thou Shalt Not Eat While Standing Up. But it costs \$695 to get in Dr. Gullo's door, and half-hour follow-ups are \$195. A more frugal option? Some common-sense behavioral changes.

Those who forget to eat, or who have trouble with unstructured time, should actually schedule meals. Carrie Wiatt, a Los Angeles nutritionist and host of her own

syndicated television show, recommends three small, low-calorie meals and two light snacks at three-hour to four-hour intervals daily. To avoid devouring whatever is convenient, such as olives or cookies, "have a plate of cut-up veggies on your desk ready for when you need it." She also suggests keeping tuna, whole-wheat bread, fruit and healthful soups on hand.

Meanwhile, seasoned home-office workers have devised a few additional coping strategies.

Some only allow themselves into the kitchen a certain number of times a day. Others do something physical—Mr. Waldron walks his dog—when they need a break.

Regina Corby, 34, of Lyndhurst, N.J., locks food in her car. "You have to do crazy things to keep the weight off," says Ms. Corby, who lost 60 pounds three years ago and now works part time as a Weight Watchers group leader. Her home office is in the kitchen, but she's not tempted. "My son's football team is having a dinner tonight, and right now I have pound cake on a tray under the seat of my Voyager."

Others enlist unsuspecting family members as diet cops. Ted C. Fishman, 40, a candy-loving free-lance writer from Chicago, says the only thing that keeps him from snacking nonstop is the fact that his two children aren't allowed to eat junk food. "The only time I can't really eat is when they are home," he says, "because I have to set a good example."

The rest of the time, though, he longs for a weight-loss product just waiting to be invented: "A bungee cord on my office chair that would stop just short of the refrigerator."

Have a question about your home office or equipment? We'll answer selected questions here. Sorry, no individual replies are possible. Write: home.office@news.wsj.com

Working at Home—the Right Way To Be a Star in Your Bunny Slippers

BY MELANIE WARNER

Nearly nine million U.S. workers have become telecommuters, and many of them are staying on top of their jobs and getting promoted. Here's how they do it.

Sure, working at home can be good for your health. No horn-honking commute to add stress, no germ-laden recirculated air to keep that flu virus incubating, and no harsh fluorescent lighting to wear away your retinal tissue. If you've got kids, it can also be good for your family life. You'll never miss another school pageant, and you can finally become the soccer parent of your dreams.

But what about your career? That's a much trickier question. Telecommuting presents fewer opportunities for sucking up to various Pooh-Bahs at the office, an essential component for getting ahead at some companies. And being out of sight and out of mind can have its drawbacks. Witness the telecommuting engineer at Bell Labs who missed an important last-minute meeting because no one told her about it. Or the homebound research analyst who wasn't among the chosen when his boss was awarding promotions. "It seemed like you weren't around much," the boss explained.

But working at home doesn't have to be a one-way ticket to corporate palookaville. You can still succeed at your job while gazing out over a row of potted petunias in the backyard. One study done in 1993 for the Small Business Administration found that telecommuters actually get promoted at greater rates than nontelecommuters. And there are plenty of signs that working at home is getting to be more acceptable at more companies. Gil Gordon, a telecommuting consultant based in New Jersey, estimates that at least two-thirds of FORTUNE 500 companies currently employ telecommuters. New York-based research firm Find/SVP puts the total number of telecommuters at almost nine million, more than double the number in 1990.

The trend is taking off at some household-name companies, which view telecommuting as a cost saver. IBM, for ex-

ample, used to maintain a surplus of office space, occupying more offices than there were employees. Now the company's gone mobile, with employees telecommuting, "hoteling" (being assigned to a desk via a reservations system), and "hot-desking" (several people using the same desk at different times). About 10,000 employees now share offices with four people, on average, although we suspect that CEO Lou Gerstner won't walk in and find someone hoteling in his corner suite.

To figure out whether you should start working at home more—or less—consider the following factors.

The right job. Many telecommuting consultants insist that nearly all of today's white-collar jobs have some component that can be done as well or better outside the office. Yet certain jobs lend

themselves more easily to telecommuting than others. Positions that require a lot of independent work, such as sales, and some kinds of consulting, writing, and research analysis, are a natural fit. People whose jobs require numerous unscheduled meetings with co-workers, such as those held by many managers, present more problems. Some companies explicitly state that they don't want managers telecommuting. Travelers Insurance Cos., for instance, encourages telecommuting in jobs where the need to manage is minimal or nonexistent.



But telecommuting as a manager is not impossible. Though it's generally assumed that face time with employees is essential, too many meetings with the boss can be harmful. Ed Kirk, vice president of the consulting firm Telecommuting Inc., suggests that managers ask themselves whether they get more work done when *their* boss is out of the office. "Everyone says yes, but no one wants to assume that they're getting in

other people's hair," says Kirk. Once the sting of realizing that your employees don't need you 24 hours a day eases, you, as a manager, might understand how you could benefit from being out of the office a couple of days a week. Most studies show that people's strategic planning skills go up dramatically when they telecommute because there's uninterrupted time to think clearly. "Who needs that more than managers?" asks Kirk.

Managing remotely can also work well if you're directing a team of senior-level employees. Claudia Baker, a global director of business development at IBM, manages a group of 25 people she sees in person only once every few months. She says mobility has worked for her because her employees depend on her for big-picture direction—not day-to-day instruction. "It would be a real deterrent if I had young people who needed guidance and counseling. It would be pretty hard for me to be there all the time for them to bounce ideas off," says Baker, who splits her time between traveling and working from her home in Boca Raton, Florida.

The right person. Working at home isn't for everybody. It's not just compulsive snackers who should think twice. ("Some people should not work under the same roof as their refrigerator," warns Gordon.) The best telecommuters can motivate themselves easily and have been at their job long enough to have established solid relationships with co-workers. E-mail can't substitute for impromptu meetings at the water cooler or one-minute pitch sessions in the elevator with someone you've been trying to catch all week.

The right reason. Although telecommuting had its genesis in work-family flexibility programs of the early Eighties, many telecommuting consultants advise that you shouldn't work at home primarily because you want to be there when Suzy charges home from school. Rather, make the decision based on whether you think you can be more productive at your job by working out of the office at least a couple of days a week. Studies show that people feel that they are anywhere from 5% to 20% more productive when they work at home, simply because there are fewer distractions. Nobody's stopping by to reenact the re-

cent Bulls game or boast about a winning weekend at the riverboat casino. Says Gil Gordon: "It's like the old saying that the hospital is a terrible place to get healthy. The office is a terrible place to do work."

The right boss. Whether you get duly rewarded for the hard work you do at home depends on your boss. You could be at home discovering cures for lethal diseases, but unless your boss recognizes your labors and shines the light upon you when you're not there to do it yourself, working at home won't be much of an asset to your career. "There's certainly plenty of com-

PEOPLE WORKING
AT HOME ARE 5%
TO 20% MORE PRO-
DUCTIVE BECAUSE
THEY HAVE FEWER
DISTRACTIONS.

panies in which managers are nervous about the idea of remote supervision," remarks Franklin Becker, director of the international workplace studies program at Cornell. A nervous boss can become a jealous, spiteful, and untrusting one—someone who's going to be suspicious that you're home cradling a bag of Doritos and watching the *Rosie O'Donnell Show*.

Jan Smith, a creative director in corporate marketing at Hewlett-Packard who works at home two days a week, wasn't sure at first how her boss would react to her telecommuting. Every day when Smith arrived in her office (down the stairs from the bedroom), she would call her boss to let her know that she'd arrived.

Smith would also E-mail her boss twice a day with lengthy updates on her work. After about a month of this communication avalanche, Smith's boss let her know it wasn't necessary to be so diligent and that she trusted Smith completely. But Smith was onto something. Sending a few extra E-mails and voice mails can go a long way toward overcoming the distance of telecommuting and letting your superi-

ors know how much work you're doing. Who knows? You might even find that you're schmoozing more with your boss than your office-bound co-workers.

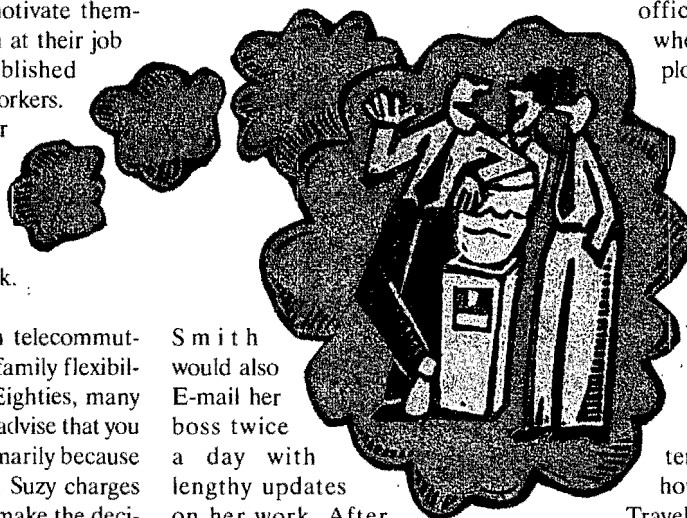
But beware of traditional command-and-control bosses, who are unlikely to deal well with telecommuting employees. In those cases, you basically have two choices. Stay in the office or find a new boss.

The right company. Technology is what makes working at home possible. A company with telecommuters needs to make a considerable investment in new technology so that employees can do their jobs no differently at home than they would in the office. This entails more than just a few new laptops. Among the essentials: a telephone system and computer servers that allow mobile employees access to things like company files, telephone listings, and, of course, the softball team game schedule.

Not all companies are willing to make this technological commitment, particularly if there isn't a large group of employees telecommuting. And not all companies are equally generous about covering the costs of the equipment and facilities you'll need in a home office. Many companies cover the cost of a new phone or fax line, but not computers and fax machines. At Hewlett-Packard, for instance, telecommuters have to buy new computer equipment. GTE will spring for office systems and equipment only when it doesn't duplicate what employees use at work.

Your company's wholehearted commitment to telecommuting also means hiring additional technology support staff so that, when your home computer crashes in the middle of a four-page E-mail to an irascible new client, you have someone to hyperventilate with. And, to address the inevitable employee discomfort with telecommuting, the ideal company will have some system in place to educate managers on how to work with telecommuters.

Travelers, for instance, gives orientation programs for telecommuters and their managers. The company also gives sessions for co-workers who do not telecommute. The more investment in management training, the better the chance that your boss will give you rightful praise for all that hard work you do in your bunny slippers. **F**



Money & Business

Section 3

For Stay-Home Workers, Speed Bumps on the Telecommute

By SUSAN J. WELLS

CATHERINE ROSSBACH swears that she will never work at home again.

After telecommuting for years for two publishing companies in New Jersey and California, Ms. Rossbach thought twice when Sage Publishing, based in Los Angeles, wanted to hire her as acquisitions editor on the East Coast — a post that required telecommuting from her home in Mamaronck, N.Y.

"I hated it thoroughly," Ms. Rossbach said of her previous experience. "I'd do my grocery shopping in the middle of the day when there were no crowds, and then I'd end up working until 2 A.M. I had no structure to my workday and felt totally isolated. I couldn't win."

Her solution? She persuaded Sage to lease her an office in a building in nearby Rye, N.Y., as a condition of accepting the job. "I like getting up and going to 'the office' every day," she said. "It's a separate, professional environment that gives me the discipline and structure I need to get my work done."

Ms. Rossbach isn't alone in her rejection of telecommuting, the work-at-home trend that has grown along with the Internet, personal-computer ownership and flex time. Those who study telecommuting say it is still growing, but they acknowledge that it may have hit a turning point — some say a coming of age — for some of the same reasons Ms. Rossbach and others have discovered.

"There's kind of a fork in the road occurring right now," said Gil Gordon, who has operated a telecommuting consulting firm in Monmouth Junction, N.J., for 15 years.



Gary Hallgren

"There was a lot of naiveté surrounding telecommuting — it sounded great to lots of people and everyone thought it'd be easy. But it's really not that easy. And a lot of workers and their companies are just now realizing this."

Forty-two percent of companies of various sizes have telecommuting arrangements, according to a 1996 study of 305 North American business executives by the Olsten Corporation, a Melville, N.Y., staffing services company. That figure is up from 33 percent in the 1995 study. But the companies surveyed said that only 7 percent of their employees ever telecommute — a number that has held steady for four consecutive annual surveys.

What is happening? One of every five telecommuting arrangements fails, estimated Christena Nippert-Eng, assistant

Continued on Page 14

Speed Bumps on the Telecommute

Continued From Page 1

professor of sociology at the Illinois Institute of Technology and the author of "Transition to Telecommuting," to be published by the University of Chicago Press.

Dr. Nippert-Eng says there are two reasons: Employees have unrealistic expectations, and employers are afraid of losing control.

"You need significant individual skills to manage yourself and your work from home," Dr. Nippert-Eng said. "People think telecommuting may be the ultimate way to balance work and family, but for a lot of them, working at home is just another stress producer."

One former telecommuter found that he could not concentrate on his work because his dog barked too much, Dr. Nippert-Eng said. If the master was home, the dog figured, it was play time. Another telecommuter, Dr. Nippert-Eng said, found that because she was the only work-at-home professional on her block, her house became the drop-off point for U.P.S. packages and other deliveries; neighborhood children even gathered there after school.

FROM the employer's perspective, "the workplace is still designed to value and reward commitment to the office and being there to prove your worth," Dr. Nippert-Eng said. "The authoritarian, surveillance-type concept of management really hasn't changed that much yet."

Peg Mauer, a technical writer who lives in Piercfield, N.Y., experienced that attitude first hand. She worked for a big company in Rochester for 21 years before asking to telecommute full-time. Her managers, she said, thought about the request for two years, then said no. "Telecommuting is a power and control issue, not a money issue," she said. "Management still perceives it as a risk — a risk they're scared to take." She ultimately left the company as a result.

Although many companies see benefits in telecommuting — lower real estate costs, lower turnover and increased productivity — the list of growing pains is also expanding. And both the benefits and disadvantages are difficult to measure.

"I liken telecommuting to a Rorschach test," said Tom Miller, vice president of the emerging-technologies research group of Find/SVP Inc., a consulting and research firm based in New York. "Everyone tends to see what they want to in it. It's really a slippery term, and therefore that makes it difficult to research."

Estimates of the number of American

telecommuters range from 9 million to 42 million. In its latest study, a phone survey of 2,000 households conducted in April, Find/SVP said there were 11.1 million telecommuters nationwide.

IDC/Link, a New York-based technology research company, uses an extremely broad definition of home workers. It includes self-employed contractors, part-timers and even people who simply bring work home from the office at night. The company estimates that there were 32.7 million work-at-home households and it projects annual growth of 8.2 percent through 2001.

"Whether you are or are not a telecommuter is not cut and dried," said Mr. Gordon, the telecommuting consultant. "There's a mix of work going on."

But one thing is sure: telecommuting is on the rise. "If the economy is doing well, there are more jobs, and companies feel safe about their future," Mr. Miller said. "Then employees and their managers tend to be more agreeable to flexible work arrangements that can benefit both of them."

Some advocates of telecommuting agree with the estimates and heavily promote them; others do not. Robert Moskowitz, president of the 100,000-member American Telecommuting Association in Washington, said his group generally considered the

numbers overstated. Gail Martin, executive director of TAC/the International Telework Association, also in Washington, tends to believe the numbers are reliable and possibly understated.

Dr. Charles Grantham, president of the Institute for the Study of Distributed Work in Walnut Creek, Calif., said: "The lack of uniformity is rampant. In my opinion, a real problem is that no one has done a complete and large-enough random sample of U.S. residences to really find out what's going on out there."

DR. GRANTHAM bases his research on independent studies coupled with market data from the Bureau of Labor Statistics. He breaks the numbers down this way:

- Some 9 million to 14 million American workers are telecommuters, defined as those who work from their homes on a regular basis (at least two days a week) for an outside company.

- From 10 million to 12 million are home-based workers, or those who run businesses from their homes.

- Some 12 million to 16 million are independent contractors who work for multiple companies.

Dr. Grantham predicts that the number of independent contractors will explode over the next five years, far outpacing the number of telecommuters. Such contractors tend to be well-educated professionals who can — and do — demand a better quality of life. "And being out of sight, out of mind with the boss is a justifiable concern with telecommuters," he said — one that individuals working for themselves don't have.

The trend is somewhat self-regulating in that employees who dislike telecommuting stop — or the employer calls them back into the office. On average, workers give up telecommuting after 6 to 18 months, Mr. Gordon estimated.

"Something happens at that point — maybe the job changes, or there's a reason for the employer to call a professional-level worker back in, or the employee's personal situation changes," he said. "It's not always a forever deal."

Legislation may also play a part in encouraging — or discouraging — telecommuting.

A provision in the Federal budget and tax bills that would have widened the definition of independent contractors — making it easier for businesses to categorize telecommuting employees as outside contractors and thus save on benefit costs — did not make it to the final version signed by President Clinton on Aug. 5. Unions fought the measure, but business lobbyists said they planned to push the issue again next year.

Under the new tax law, rules that take effect in 1999 will enable more people to deduct the costs of a home office. Reversing a 1993 Supreme Court decision, the measure lets home-office workers deduct expenses if they do not conduct a substantial amount of administrative business elsewhere.

Other legislation under consideration would qualify employers' telecommuting costs — for an extra phone line, for example, — as tax-free transportation costs. This break would be similar to the transit subsidies for employers that pay workers' subway fares.

Despite their differences, researchers agree on one thing: Telecommuting tends to work best in companies that have clear, formal and tested policies — instead of having it start casually from the ground up, as one worker persuades one manager to try it. "Formal arrangements are almost always better for both parties," said Robert Straus, an analyst at IDC/Link. "The set-up itself is extremely important."

MANY companies have just recently latched onto the formal approach.

Consider Merrill Lynch. Since putting a formal telecommuting plan in place in early 1996, the firm, which had studied telecommuting since 1992, has had just one dropout out of 400 throughout the nation. That woman missed the interaction with co-workers, a spokeswoman said.

"We didn't just wake up one morning and say, 'We're going to do this, O.K., let's go with it,'" said Camille Manfredonia, vice president and director of alternative work arrangements at Merrill Lynch. "It was a well-thought-out structure."

The company, which has 21 pages of guidelines, developed a four-step preparation process. Much like a family counseling session, it includes a workshop in which the employee and the manager discuss issues that could poison the relationship. They consider how to measure productivity, work flow and time management; how the telecommuter will communicate with co-workers, and how to quell fears of career sabo-

EARNING IT

tage from being out of the office.

The final step is two weeks of practice in a telecommuting "lab," said Howie Sorgen, senior vice president and chief technology officer for Merrill Lynch's private client technology division, where 170 of 1,700 systems professionals telecommute. In the lab, employees work alone. Even though they are in the same building, they communicate with managers only by phone and E-mail — just as they would from home. They also learn how to troubleshoot problems with their personal computers, software and other equipment they will take home. Mr. Sorgen's goal for the division is 450 telecommuters by the end of 1998.

Like Merrill Lynch, AT&T asks managers and potential telecommuters to attend a series of training courses offered through the company's School of Business and Technology in Somerset, N.J.

The company now counts 36,000 employees, or 55 percent of its United States-based managers, as telecommuters, said Susan Sears, AT&T's telework project director. The average telecommuter at AT&T spends about six days a month out of the office.

Jenny Nelson, a fire protection engineering team leader for AT&T, has telecommuted for eight years. She started after having her first child, working from home part-time. She continued the arrangement informally until AT&T wrote a formal telecommuting policy in 1992. She has an agreement with the company that outlines her telecommuting in detail — from her daily routine to keeping in touch with the office to how her work and productivity are evaluated. "It gets very specific," she said. She now telecommutes two to three days a week and keeps in touch with the office by E-mail — she estimates that she answers 40 to 60 messages a day — pager and voice mail.

"I love it. It's easier for me to meet my personal needs, too," said Ms. Nelson, who now has three children, ages 3, 6 and 8. "If someone needs to come fix something at my house, for instance, I can be there." As part of her agreement, she also participates in what some AT&T employees call "the virtual water cooler," by meeting co-workers for lunch once a week.

"I'm actually in closer contact with more people now than ever before," she said.

Each telecommuter is expected to find ways to interact with co-workers on a regular basis, Ms. Sears said. The goal is to keep telecommuters in the loop.

"Telecommuters and their managers have to get concerns out in the open and address them up front," Ms. Nelson advised. "If you don't have a good match, it won't work well."

The best telecommuters, experts suggest, are self-directed, self-motivated, independent, focused, well-organized, dependable and have been in their jobs long enough to have developed solid, successful relationships with bosses and co-workers.

What about the boss? "It's tough for managers to let go," said Dr. Nippert-Eng, the sociologist. The best managers of telecommuters are more likely to be good communicators who put a lot of trust in employees and value their suggestions. They also tend to be more hands-off than hands-on, and reward results, not appearances.

The decision to telecommute, said Mr. Gordon, the consultant, comes down to three simple factors: the suitability of the job, the suitability of the worker and the manager, and the suitability of the home environment. "You can have the first two," he said, "but if you're tapping into the PC on the kitchen table surrounded by three noisy toddlers, it just isn't going to work." □

On-the-Job Issues, on the Home Front

New legal issues could affect the growth of telecommuting. Here is a sampling.

ACCOMMODATION A Federal District Court jury in San Francisco recently awarded an employee a schedule that includes one day a week of telecommuting, plus \$90,000 in damages, after his employer refused his telecommuting request. The employee, who complained of back and neck pain from his long commute to work, sued under the Americans With Disabilities Act. The employer is appealing.

The case is thought to be the first in which a court has granted a worker a right to telecommute. The employee argued that his job did not require a lot of time in the office.

LIABILITY Employment lawyers are encouraging companies to require telecommuters to sign agreements releasing the employer from liability for work-related injuries and negligence in the home office. But in some

states, it is the company's responsibility to insure safety.

California labor laws, for example, require employers to provide a safe workplace, even if it is someone's home. That is one reason Hewlett-Packard, based in Palo Alto, Calif., offers telecommuters a 33 percent discount on ergonomic furniture.

PRIVACY Just how much control can an employer have over a telecommuter's home? Can it, for instance, require an employee to have a child-care or an elder-care provider in place during working hours?

Watson Wyatt International, based in Bethesda, Md., has a policy calling for the telecommuter to have the same arrangements as when the employee is in the office.

"That brings up all kinds of workplace privacy issues," said Christena Nippert-Eng, assistant professor of sociology at the Illinois Institute of Technology.

SUSAN J. WELLS

Making It Work

Guidelines for telecommuting at Merrill Lynch are included in a managers' booklet on alternative work arrangements.

The guide urges that in assessing a potential telecommuting plan, both the job and the employee be judged to see if the arrangement is likely to work. It says that a detailed, formal proposal should be written, and that the manager needs to assess the proposal, then discuss it with the employee and reach a final written agreement. Afterward, the arrangement should be reviewed regularly. The handbook also offers guidelines for assessing whether a job — or an employee — is well suited to telecommuting.

IS THE JOB SUITABLE FOR TELECOMMUTING?

The job should be characterized by:

- Assignments that are clearly defined and easily measurable.
- Face-to-face interaction with colleagues/clients on an as-needed rather than daily basis.
- Work-related materials that can be moved easily from one location to another.
- Tasks (like writing, data entry, phone contact) that require long stretches of uninterrupted time.
- The use of electronic equipment for productivity and transmission of information.
- Responsibilities that can be handled from a distance. (For managers, these would include reports, proposals and documentation that require concentration.)

IS THE EMPLOYEE A GOOD CANDIDATE FOR TELECOMMUTING?

He or she should be a:

- Self-starter who can perform in an unstructured environment with minimal supervision.
- Self-disciplined individual who can separate job demands from home and family needs. (Telecommuting is not a substitute for dependent-care arrangements.)
- Better-than-average job performer with a history of solid performance appraisals, including high marks for motivation.
- Flexible and goal-oriented, with good planning and time management skills.
- Person who enjoys working independently with a minimum of social interaction.

OTHER CONSIDERATIONS

- Assuming the employee feels qualified to telecommute successfully, does he or she have a safe, dedicated work space that can be inspected? Is he or she willing to increase insurance coverage? (If the request to telecommute is approved, the individual must have a homeowner's or tenant's insurance policy with a rider for incidental business use.)

WORK & FAMILY

BY SUE SHELLNBARGER

Too Many Gadgets Turn Working Parents Into 'Virtual Parents'

WORKING PARENTS note: From the folks who brought you virtual reality and the virtual office, now comes a new kind of altered state: virtual parenting.

No one is pushing virtual-reality headgear as a substitute for parents — yet. But if Martians landed tomorrow and sampled a few high-tech ad campaigns, they might think we were close.

Many marketers are promoting cellular phones, faxes, computers and pagers to working parents as a way of bridging separations from their kids. A recent promotion by AT&T and Residence Inns suggests that business travelers with young children use video and audiotapes, voice mail, videophones and e-mail to stay connected, including kissing the kids goodnight by phone.

A joint promotion by three companies aimed at business travelers urges faxing homework back and forth or arranging family conference calls — “a virtual family reunion.” Kinko's, the business-services chain, promotes videoconferencing, and Motorola pushes pagers for families.

These ideas can work well, of course. Family use of all kinds of high-tech gear is booming, and the trend is meeting a real need for working parents, who often wish they could be in two places at once. When Mark Vanderbilt, a network systems engineer, was planning a scientific expedition to Antarctica, he taught his wife and three children to send and receive live video feeds over the Internet.

Phillip Mirvis, a consultant and University of Michigan management professor, e-mails his nine- and 10-year-olds when he travels or works late. And flight attendant Marianne Bradley-Kopec of St. Petersburg, Fla., made a video of herself singing lullabies for her baby; her sitter used it to calm him, she says.

BUT AT THE RISK of sounding cranky, I think some marketers are pushing a good thing too far. One joint brochure by AT&T and others suggests to parents that if they must miss a child's Little League game, they call the field for a play-by-play account by cellular phone. (“All it's going to do is bother everybody!” says Susan Ginsberg, a New York educational consultant who advised MCI on another family-oriented campaign.)

More advice from adland: Business travelers can dine with their kids by speakerphone or “tuck them in” by cordless phone. (If anyone suggested to my kids that they cuddle up with a cordless phone, they'd probably throw it across the room.)

Separately, a management newsletter recommends faxing your child when you have to break a promise to be home, or giving a young child a beeper to make him feel more secure when left alone.

The man who apparently coined the term “virtual parenting” — Gil Gordon, a Monmouth Junction, N.J., management consultant — sees a risk in such excesses. Mr. Gordon, a telecommuting expert, was among the first to warn against burnout among high-tech workers who overuse their gadgets. He uses faxes and e-mail with his own kids, ages 12 and 16. But again he sees a hazard in overusing technology, with working parents' using it “instead of being there.”

High-tech gear fails families when they try to use it:

1. As a substitute for warm human contact. A New York banker raised the ire of family members by



Carol Lay

calling them only from his car phone when stuck in traffic. His family knew he was reaching out only during time he couldn't spend doing anything else, says Wayne Myers, a psychiatrist and professor at Cornell Medical School.

2. As a Band-Aid for too much absence. At one East Coast company that pressures employees to stay at work late every evening, working parents try to compensate by secretly sending e-mail home, says Deborah Swiss, a Boston author and gender-equity consultant. In that setup, she adds, no one wins — the kids, their distracted parents or the employer.

3. As a stand-in for adults. Sharon Maltagliati, an Ellicott City, Md., entrepreneur, tested a computerized calling system with 50 families to check on children home alone after school.

BUT SO MANY parents failed to provide adequate backup, in the form of adults who would step in when needed, that she dropped it. “People were using it like a babysitting service,” she says.

As a working parent who grew up on “Star Trek,” it's easy for me to harbor unrealistic wishes about technology. During years of missing my young children while traveling on business, I looked forward to sharing long talks from the road by phone. So when my daughter reached first grade, I called her one night from a hotel room 2,900 miles away and eagerly questioned her about her day. A pause ensued. “Mom, when are you coming home?” she finally asked. After mulling my answer, she reminded me that her favorite TV show was on and hung up. (Sometimes, I guess, you just have to be there.)

The trick for working parents is to find the middle ground — where technology enriches our ties with children, rather than underscoring separations. People already are drawing those lines on work matters. When AT&T tested an ad campaign for a fax machine that could be used to get work done on the beach, consumers told researchers they didn't want to work on the beach, an AT&T executive told a recent conference.

We might do well, it seems to me, to be just as thoughtful about using technology in family life.

Compliments Of
GIL GORDON ASSOCIATES
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GIL GORDON
ASSOCIATES

Rethinking The Workplace

May 11, 1999

Ms. Ruby Shamir
Office of Domestic Policy
Second Floor - West Wing
The White House
Washington, DC 20502

Dear Ruby:

Thanks very much for contacting me at Dan Pink's suggestion about your interest in telecommuting. As promised, I've enclosed some background materials for your review.

Please don't hesitate to call if you need anything else.

Yours truly,

Gil E. Gordon

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Telecommuting REVIEW

THE Authoritative Source of Telecommuting Information and Analysis Since 1984

FEATURE STORY

The Crystal Ball: 99 Bottles of Beer on the Wall—And Other Countdowns

SUMMARY: This year's look-ahead Crystal Ball feature is based on that familiar (at least in the US) drinking and party song. You remember how it goes: everyone sits around and sings verse after verse, slowly counting down until no bottles of beer remain. It was the only theme I could think of that related to 1999—but has nothing to do with whether or not telecommuters actually do drink beer while working at home.

Many parents have been driven crazy by hearing their children sing all 99 verses of "99 Bottles of Beer on the Wall" while in the back seat of the car during long trips. The kids get the pleasure of singing about the forbidden subject of beer while the parents grit their teeth, regretting they ever taught the kids that song in an attempt to keep them occupied and distracted. So much for creative parenting.

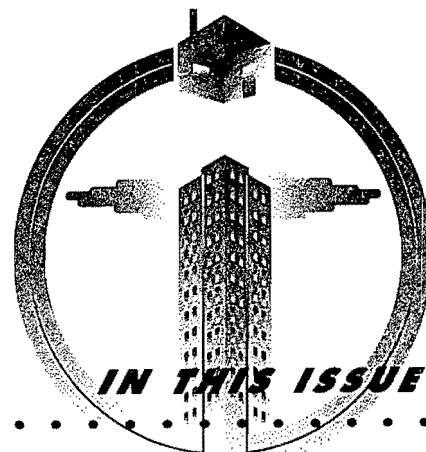
[For those of you not familiar with it, the song begins, "99 bottles of beer on the wall, 99 bottles of beer. You take one down, pass it

around, 98 bottles of beer on the wall. 98 bottles of beer on the wall..." and so on as you count all the way down to the last bottle of beer.

[The song also has its roots, of course, in various college drinking parties at which the partygoers would attempt to match their drinking pace with the declining numbers—or at least that's what I have been told...]

Throughout this year, we will be bombarded with reminders that we are counting down to the big day—the start of the new century on January 1, 2000. Well, we're going to avoid the big year-end rush by doing our countdown *this* January. If you are melodically inclined, you can sing along as we go through the "1999 Telecommuting Countdown"—with each "verse" sung to the tune of "99 Bottles of Beer."

Fear not—in the spirit of the missing-digit problem that underlies the Y2K chaos, I have come up with only 9—not 99—items in this countdown list. They are part observation, part prediction, and part suggestion. As is always the case with my "Crystal Ball" columns, this one is based on my reading, contact with clients, and finely-tuned



1 Feature Story
The crystal ball: 99 bottles of beer on the wall—and other countdowns

11 Real Estate and Office Space
Host Marriott Services plans "Cyber Flyer" clubs in airport bars; Colorado "cyber-development" boasts Y2K suitability; seeks to boost local economy; Alternative workplace study issued

15 Special Topics
Northern Telecom and telcos join to offer "one-stop-shopping"; Service lets your faxes follow you anywhere; Personal office cocoon

16 The Lighter Side
"I will stop eating at my desk...I will stop eating at my desk..."

G GIL GORDON
ASSOCIATES
Rethinking The Workplace

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TELECOMMUTING APPLICATIONS

"Cyber-Agent" Follow-Up: Employee-Status Issues Clarified

SUMMARY: A response from Willow CSN to the article in the 12/98 TR about that company's "cyber-agent" program provides some additional information about the questions that were raised about the likely legitimacy of classifying these agents as independent contractors and not as employees.

At the end of my article in the 12/98 TR about Willow's "cyber-agent" program (that uses self-employed, home-based agents to answer incoming calls for multiple client companies), I commented as follows:

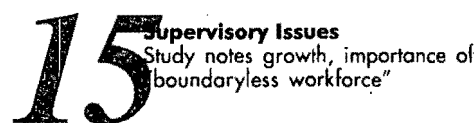
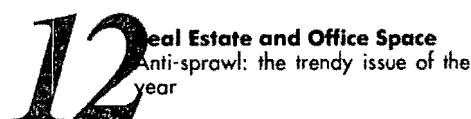
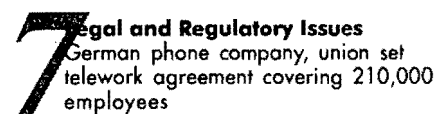
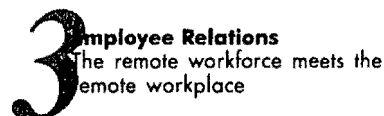
My other concern about Willow is one I've had from the beginning: are these Cyber-Agents truly independent contractors for whom the Willow clients—and Willow—have no statutory responsibility? I'm sure that Willow and its clients have considered this and feel confident that the independent contractor classification is supported. Working against this, however, is the Federal government's continued attention to potential misclassification cases—not the least of which is the high-profile case now involving Microsoft's "temporary" programmers.

A mutual friend who is subscribes to TR forwarded the article to Richard Cherry, Chairman and CEO of Willow CSN. Cherry sent along a copy of a May 15, 1998 letter he received from Robert Stamen, an attorney with the law firm of Packman, Neuwahl and Rosenberg. Willow had asked the firm to prepare an opinion about the tax status of the Willow agents. In the opinion letter, Stamen referred to various IRS regulations and rulings, including the well-known "20 factor test" the IRS uses to help determine whether an individual is an employee or independent contractor.

The letter is too long to reproduce here, but the key portion is an analysis of the Willow situation against the twenty factors. Stamen states that the facts as presented by Willow indicate that sixteen of the twenty factors "tend to support the classification of CyberAgents as independent contractors," while the four other factors "tend to support the classification of Cyber-Agents as employees."

Stamen concludes as follows:

Based on our review of the relevant authority, and subject to the comments mentioned in this Legal Opinion, it is our



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TELECOMMUTING APPLICATIONS

Sending Video E-Mail while Eating Lunch: The Road Warrior's Dream?

SUMMARY: This is an update to an article in the September 1998 *TR*, which described how a Burger King franchise in lower Manhattan installed twenty PCs equipped for Internet access. Customers get twenty minutes of access with certain purchases. This innovative program, which began last summer, has been expanded to include "video e-mail postcards" that can be sent to friends, family or colleagues. This may not be what you have in mind as "videoconferencing," but it's a great example of how technology is changing our world and our workplaces.

If you remember the article from last September's *TR*, you're aware that Peter Abramson made a significant investment in his Burger King franchise at 182 Broadway (in the financial district) so he could give his customers access to the Internet over a T-1 phone line. Spend a few dollars for a meal and you get to spend twenty minutes surfing the Net on one of twenty Compaq PCs—not bad.

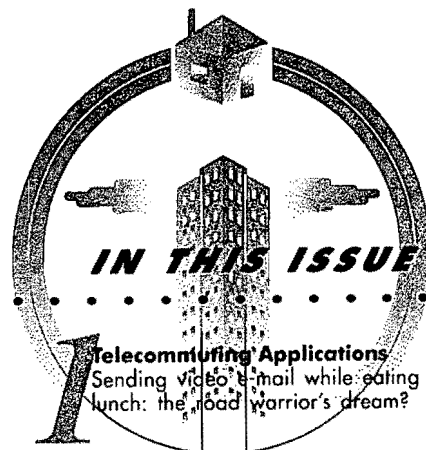
Abramson's foray paid off, apparently. He told me he has seen a dramatic increase in sales and store traffic since installing the equipment. In late February he announced the next stage in this

techno-dining trend, which he describes as "the convergence of video, data and lunch."

Starting on February 23 customers were able to send a video email postcard to friends, family or business colleagues anywhere in world. To send a video email postcard, customers sit at a PC equipped with a 3Com Bigpicture® video camera and follow simple instructions. After taking a snapshot and entering an email address and message, customers send the postcard to whomever they want—presumably someone who enjoys a Whopper and fries. The new equipment runs on newly-installed high-speed symmetrical digital subscriber lines (SDSL).

Abramson didn't mention any plans to install a mahogany conference table, wall-to-wall plush carpet, or high-back leather chairs in his restaurant, so I don't suppose you'll mistake it for your regular office or conference room. But if you're in the neighborhood, stop in and see this latest example of "work anywhere—eat anywhere."

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1 Telecommuting Applications
Sending Video e-mail while eating lunch: the road warrior's dream?

2 Legal and Regulatory News
OSHA announces proposed ergonomics rule—telecommuting exempted?

4 Products and Services
Virtual Private Networks come onto the telecommuting scene; Herman Miller adds "Levity" to furniture marketplace

10 Employee Relations
Big (tele)brother: pros and cons of remote monitoring

11 Supervisory Issues
Manage (and pay) for results, experts say

14 Special Topics
Thoughts on seeking, finding, and nurturing innovation

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Telecommuting REVIEW

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EMPLOYEE RELATIONS

Getting Away from It All — or Not

SUMMARY: A survey of business travelers suggests that—contrary to some popular opinion—office workers really don't miss the office and all that goes with it. Though the survey results may be skewed because the respondents were frequent travelers, they still indicate that all the features of the office presumed to be missed by telecommuters may not have that much of an appeal after all.

If people who work away from the office actually missed being there as much as is presumed they will, nobody would ever leave his/her chair for a moment. The reality is, however, that the office probably doesn't have an absolute hold on people.

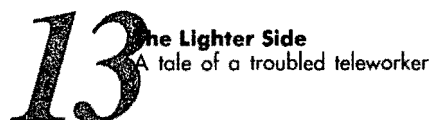
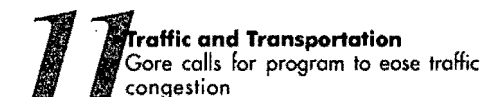
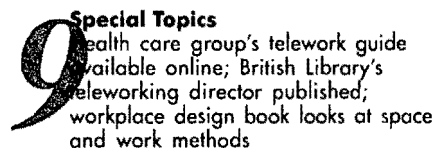
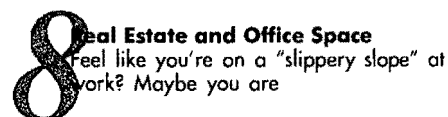
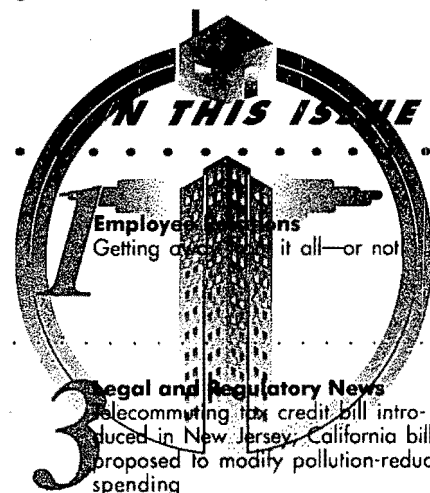
A survey was done among 1,250 extended-stay (away more than five nights at a time) business travelers for Residence Inn, Marriott Corp.'s extended-stay hotel brand. One question asked about the work activity that is least missed while away: "What is the work activity/responsibility you most enjoy 'escaping' while traveling on business?"

Respondents had to choose only one, and here are the rankings:

- 36%—Working in the Same Place Everyday
- 20%—Putting Out Office "Fires"
- 12%—Frequent Meetings
- 11%—Distractions from Co-Workers
- 7%—Boss Hovering Over You
- 5%—Office Noise
- 5%—Office Chatter/Gossip

[Ed. note: I have a summary of the major findings of the survey—including data on whether these business travelers feel guilty about being away, enjoy taking bubble baths in their hotel rooms, and other important insights. If you want me to e-mail a copy to you just let me know at <gil@gilgordon.com>.]

Surveys like this are, of course, not definitive—and not even necessarily indicative of how typical office workers would respond since these 1,250 people are away on trips of five or more days each—which automatically puts them in a different category of office worker. That's probably why the "working in the same place everyday" came out as the least-missed aspect of office work; these travelers probably wouldn't



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