

Telecommuting: Was Yahoo doing it right?

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This Feb. 20, 2013 file image released by NBC shows Yahoo CEO Marissa Mayer appearing on NBC News' 'Today' show, in New York to introduce the website's redesign. As Mayer goes about her CEO business of saving Yahoo, which now involves a ban on working from home, a new study shows a significant jump in the number of U.S. employers offering flex and other quality-of-life perks. (AP Photo/NBC, Peter Kramer, file)

Yahoo's leaked edict under CEO Marissa Mayer that calls remote workers back to the office lit the Twitterverse on fire, angering advocates of telecommuting and other programs intended to balance



work and home life.

A new study from the nonprofit Families and Work Institute shows a tide moving the other way, with more workers now telecommuting—and men significantly more likely than women to be granted the freedom to work at least partially at home.

Left mostly unanswered is the question Mayer appears to be dealing with: Is that a good thing? Or has the rise in telecommuting led to a drop in productivity or creativity?

Chances are, one telework supporter said, the tech giant just wasn't doing it right.

"If you don't know where your people are and what they're doing, then you haven't implemented properly, so she's got her hands full," said Kate Lister in San Diego, California, co-founder of Global Workplace Analytics, which collects data on the subject for its Telework Research Network.

Slogging through decades of research on the value of telecommuting is complicated. Small studies have been done by employer membership organizations, companies looking at their own ranks, consulting firms and government agencies, along with academics. Some use small samples, others rely on a wild array of statistics from the U.S. Census, the Small Business Administration or the <u>Bureau of Labor Statistics</u>. The verdicts are mixed and the research often so focused on a work force or issue related to flex options that it's difficult to make conclusions.

The new Families and Work Institute study, on the other hand, deals solely with employers in the U.S., delving into a broad range of family friendly programs, policies and benefits. The institute found that 63 percent of employers surveyed allow at least some employees to work



partially at home on an occasional basis. That's up from 34 percent in a comparable study done for the institute in 2005.

More of the workers were higher-wage earners. Overall, the number of employees who work entirely from home was 3 percent, compared to 64 percent who sometimes do, said Ellen Galinsky, the institute's president and co-founder.

Men were significantly more likely than women to work partially at home—67 percent compared to 59 percent of women, partially a reflection of more men in jobs where the option is possible. Men also were more likely to work mainly from home.

Neither Lister nor Galinsky has the inside scoop on what's happening at Yahoo, but Galinsky was steadfast about one thing.

"To take away all flexibility for everyone all the time is an overreaction," she said. "If you know that people will be more innovative and collaborative by being together, that is a positive. But sometimes people need time alone. Why do the best ideas occur in the shower, or when we're walking the dog?"

Galinsky and others who study work-life balance don't anticipate a backlash among other employers due to Yahoo. And the company itself followed up an internal memo leaked to the tech blog All things D with a curt statement indicating the prohibition might not be forever.

Meantime, Lister said about 2.5 percent of the U.S. civilian population, or about 3 million people, work at home at least half the time, according to U.S. Census data. The rate of growth was slowed by the recession, with some researchers suggesting it's flat at the moment.





This Jan. 29, 2008 file photo shows a Yahoo worker walking into Yahoo headquarters in Sunnyvale, Calif. As Marissa Mayer goes about her CEO business of saving Yahoo, which now involves a ban on working from home, a new study shows a significant jump in the number of U.S. employers offering flex and other quality-of-life perks. (AP Photo/Paul Sakuma, file)

Why isn't the number even higher? "The biggest reason is that managers don't trust their employees," Lister said. "They're still managing the 21st-century work force with 20th-century styles of commands and controls, back to the days of sweatshops and typing pools. They like to be able to see the backs of their heads."

The perceived benefits for workers are clear. While 37 percent of the companies in Galinsky's report cite retention of employees as the main reason for developing workplace flexibility and other programs, Lister



said 90 percent of teleworkers "feel being able to work flexibly improves their quality of life."

But what about for employers?

The leaked Yahoo memo, written by Jackie Reses, the company's human resources director, said in part:

"Some of the best decisions and insights come from hallway and cafeteria discussions, meeting new people and impromptu team meeting. Speed and quality are often sacrificed when we work from home. We need to be one Yahoo!, and that starts with physically being together."

Researchers in the field note a dearth in credible studies that confirm a boost in creative flow or innovation from face time.

And telecommuting may actually boost productivity, at least where it stands in the number of hours worked, said researchers Mary C. Noonan and Jennifer L. Glass in a study of telecommuting published last June in the Monthly Labor Review, a publication of the U.S. Bureau of Labor Statistics.

The two studied employees who work regularly but not exclusively from home and found that for them, telecommuting was not a substitute for working onsite during an agreed upon work week but rather was in addition to a full week, at least half the time.

"People have only looked at the benefits without seeing that maybe some of these policies can come back to bite you," said Noonan, a sociologist who teaches classes on the American family and statistics at the University of Iowa in Iowa City.

Parents, Glass said, are no more likely to telecommute than non-parents;



women no more likely than men.

The report from the Families and Work Institute said gains have been made in other flex options as well as working from home over the seven-year period covered. The offer of flex time, for instance, increased to 77 percent from 66 percent. Daily time off when important needs arise went from 77 percent to 87 percent.

The institute's survey, conducted by Harris Interactive by phone and questionnaire, included 1,126 U.S. employers with 50 or more workers.

Galinsky had expected the recession would squeeze workplace flexibility, and attributes much of the gains to companies looking to cut real estate costs and other expenses. Of companies with at least eight family-friendly policies, she said, 9 percent cited increased productivity as the reason. Five percent cited increasing employee commitment or engagement. One percent cited recruiting and retaining women.

Only 10 percent of the employers in the study cited a potential loss of productivity and difficulty supervising staff as reasons for not adopting more family-friendly policies. Twenty five percent cited cost, 12 percent cited job requirements and workloads, and 7 percent potential abuse.

Some have decried the Yahoo ban as something that would hurt women—an especially heated argument because Mayer had become a potent feminist symbol when she was hired last July while pregnant.

But Galinsky said most companies offer flexibility because of benefits to the bottom line rather than a commitment to work-family balance.

After the revelation, Yahoo urged the world not to read too much into the ban beyond the walls of Yahoo itself. The company has declined further comment.



Glass, a professor of sociology and population research at the University of Texas at Austin, suspects little to no reliable research supports the notion that hallway meetings are anything more than gossip sessions or recaps of baseball scores from the night before. Does proximity, in this age of videoconferencing, social networks and other tools, still matter?

"Certainly there is nothing out there that you can easily find that suggests innovation is linked to face time," she said.

Some former Yahoos, as company employees are called, have been quoted anonymously in news and blog reports as saying dead wood is hiding at home and the ban isn't such a bad idea.

"If you've got a performance issue with people, deal with that as a performance issue," Galinsky said. "If people are slacking off and not working, then deal with it that way. This was a blunt instrument."

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