# Working Group Summary: Remote Workers

On February 23, 2012, Professor Brad Bell and CAHRS Managing Director Steve Miranda facilitated a day-long discussion on the role of HR in designing, supporting, and managing remote work arrangements. The working group was attended by 8 executives from CAHRS partner organizations including Aetna, Boeing, Caterpillar, Coca-Cola Company, Darden Restaurants, and OSI Restaurants.

This was the third working group CAHRS has conducted in the area of remote work. This working group was designed to drill down on a few of the issues that emerged in the earlier sessions, as well as to explore other pressing issues raised by the executives in attendance. The discussion focused on the following issues: (1) the different types of remote work arrangements utilized by the companies, (2) fears and anxieties experienced by teleworkers, (3) cultural, fairness, and legal issues surrounding remote work, and (4) managing remote workers.

We would like to thank all of the participants for their contributions to the meeting. We would like to especially thank Daisy Ng, Samir Gupte, Julie Huntley, and Craig Soles of Darden Restaurants for generously hosting the event.

Remote Work Arrangements. We began the third working group with a discussion of the different remote work arrangements used by the companies in attendance, during which several issues were raised.

1. Drivers of remote work. The participants indicated that there are a number of factors driving remote work in their organizations. For example, one executive indicated that in his/her company there are three main reasons why people work remotely: (1) environmental (e.g., the person lives in a distant location), (2) real estate (e.g., a job site has been closed), and (3) generational preferences (e.g., new generation of employees increasingly demand work flexibility). In another company, remote work arrangements are determined based on three criteria: (1) job (e.g., can the job be done from home), (2) employee (e.g., can the employee work from home), and (3) environment (e.g., is the home environment conducive to remote work). Some of the companies that were in the earlier stages of launching their remote work programs had more focused arrangements which targeted a specific organizational need. For example, one company is examining job sharing as a way to expand the talent pools for specific,
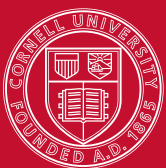
hard-to-fill jobs. Most companies indicated that they do not specifically ask employees why they want to work remotely, although it will sometimes arise during conversations. Rather, it is more important to determine whether remote work is appropriate.

2.   Prohibitions on remote work.
The participants noted that it is important to specify not only those situations in which a person is eligible for remote work but also those situations when remote work is not permitted. For example, one participant noted that his/her company does not allow employees to work remotely if they work with personally identifiable information. Also, companies that work on government contracts need to be careful that remote work is allowable.

Fears and Anxieties of Remote Workers.
A new issue that emerged during this working group concerned the effects the recession had on remote workers. One participant, for example, noted that during the recession his/her company laid off a disproportionate number of part-time and temporary employees, many of whom were remote workers. This has created tension among current remote workers about what may happen the next time there is an economic downturn and has made other employees hesitant to move into remote work arrangements for fear of their job security. Another participant noted that   they have experienced a similar issue involving

situations in which a manager changes roles. There have been cases when the incoming manager is not as open to remote work as his or her predecessor and gives employees the option of returning to the office or exiting the company. This has created anxieties among teleworkers in the company about what will happen if their current manager changes roles. Ultimately, it was noted that these issues highlight the importance of remote workers staying relevant and visible. Also, remote workers need to recognize that the arrangement is not guaranteed and can change over time.

Cultural, Fairness, and Legal Issues.
The participants spent significant time discussing various cultural, fairness, and legal issues that are important to consider with respect to remote work. These issues are summarized below.

1.   Fairness issues.
The executives noted that fairness is a key issue and challenge when dealing with remote work. For example, one participant noted that although his/her company has remote work policies, it can still be challenging to decide who should and should not work remotely. The challenge is further compounded by the fact that some areas in the company have significant uptake of remote work, whereas other areas have been slow to adopt remote/

flexible work. The result is that employees sitting next to each other may be on different work arrangements due to having managers that differ in terms of their support of the programs. One company has addressed these issues by creating a telework board consisting of HR, labor relations, legal, and business leaders. If an employee's request for telework is declined, the board will review the case. The board does not have the power to impose telework, but it does try to work with managers to resolve the situation. Also, participants noted that if managers consistently deny requests for remote/flexible work, it will begin to hurt their talent pipeline because people will not apply to work in their department. This is often enough to get managers to consider remote work as an option.

2.   **Cultural issues.** Consistent with earlier working groups, participants cited cultural support as critical to the success of remote work initiatives. One strategy that companies have used to develop this support is to use training and education to prepare leaders for remote work initiatives. In fact, one company conducts the training in groups so that leaders can hear directly from other leaders that remote work is critical to the business. Some companies have partnered with other firms, such as IBM, to help them sell the initiatives. Particularly in the early stages of launching a remote work initiative, it can be helpful for employees to hear from other high profile companies that have successfully adopted remote work. Other companies

have formed project teams consisting of IT, real estate, operations, legal, procurement, HR, and other business leaders to help launch their programs. Finally, a consistent recommendation from all members of the group was to start with small, informal arrangements to build momentum. In many cases, remote work is already happening informally, so it can be captured, studied, and used to show the benefits of such arrangements.

3.   **Legal issues.** There are also a number of legal issues that companies need to consider when adopting remote work arrangements. For example, one participant noted that his/her company requires employees working from home to have at least $100K in liability insurance. Participants also noted that teleworking is more challenging in Europe due to legal restrictions surrounding data transfer across country borders.

Managing Remote Workers. The executives devoted a portion of the working group to discussing the management of remote workers. In general, the participants agreed that remote leadership/management requires many of the same skills and qualities needed in more traditional settings. However, some of these skills, such as goal setting, planning, communication, and feedback, become even more critical when leading remote workers. Remote managers often have a greater span of control, which makes these skills even more critical. Also, participants noted that managers are key to helping their employees manage or prevent work-life spillover. For example, managers should model work-life balance. Several participants noted that their company provides both managers and employees with training on how to manage work-life issues (e.g., tips and strategies for segmenting work and life demands).

.

Topics for Future Meetings

At the end of the session, participants discussed several issues that may be covered in future working groups on this topic.

1)   **Technology showcase** – What are some of the cutting edge technologies being used by companies in their remote work programs? What are some of the benefits and challenges that companies have experienced with different technologies?

2)   **Company showcase** – What are some of the key lessons that companies have learned? What can new adopters learn from those with established remote work programs and vice versa?

ABOUT

This Summary Report was prepared by Brad Bell and Steve Miranda for use by participants of the CAHRS Remote Workers Working Group and CAHRS Partner organizations.

The Center for Advanced Human Resource Studies (CAHRS) at Cornell University's ILR School is an international center devoted to advancing the HR function and providing corporate partners with critical tools for building and leading highperforming human resource organizations. CAHRS' mission is to bring together partners and the ILR School's world-renowned HR Studies faculty to investigate, translate and apply the latest HR research into practice excellence.

For more information about CAHRS working groups and CAHRS partnership, visit www.ilr.cornell.edu/cahrs.