HR Considerations for Remote Employees

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Your Presenter:

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- 20 years of practical HR management and corporate training experience
- Former President of Society of Human Resource Management (SHRM) – San Diego Chapter
- Instructor for HR and management courses
- Investigator for harassment and discrimination complaints
79% OF PEOPLE WOULD WORK FROM HOME IF THEY COULD

Source: www.teleresearchnetwork.com, 2011

THE BUSINESS CASE FOR WORK-AT-HOME:

- Saves money
- Increases productivity
- Results in higher morale and job satisfaction
- Lowers employee stress and turnover
- Reduces absenteeism
- Allows for flexibility of work schedule
Business case:

Businesses lose $600 million per year to workplace distractions^  

- **INCREASED PRODUCIVITY:**  
  More than two thirds of employers report increased productivity among their telecommuters.  

- **REDUCED COST OF TURNOVER:**  
  Losing a valued employee can cost an employer $10,000 to $30,000. 46 percent of companies that allow telecommuting say it has reduced attrition costs.

^Source: www.teleresearchnetwork.com, 2011

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**HR Considerations**

- Operational & Cultural fit  
- Management and Oversight  
- Wage and Hour Issues  
- Security/Confidentiality  
- Workers Compensation  
- OSHA/Ergonomics  
- Tips for Success
Operational & Cultural Fit

- Company location
- Nature of the work
- Overhead expenses
- Productivity
- Management
- IT issues
- Customer expectations

- Time served vs. Work performed
- “Green” Environmental consciousness
- Family consciousness
- Employee wellness
- Employee morale
- Recruit/retain

TROUBLESHOOTING

“WILL MANAGING REMOTE EMPLOYEES REQUIRE MORE TIME AND ENERGY FOR THE SUPERVISOR?”

Not necessarily.

A 1997 survey by Lundegaard found that managers often find they have more time for their own tasks when less direct supervision is required. This is in part because communication between work-at-home employees and supervisors is of better quality.
Management & Oversight

- Clearly define expectations
- Train and support managers
- Establish performance measurements
- Communicate and provide feedback
- Use technology
  - To communicate (Skype, IM, on-line meetings)
  - Track productivity and performance
  - Monitor work quality

An effective manager….

- Manages with agreed-upon standards and deadlines
- Invests time to establish a trusting relationship with the remote employee
- Understands how to employ a virtual management style without being too “hands-off”

1 out of 5 workers in the US telecommutes for normal business activities

Source: www.teleresearchnetwork.com, 2011
Wage & Hour

- Exempt vs. Non-exempt
- Tracking hours worked-overtime
- Meal periods
- Laws in the state where the employee works prevail

Security Considerations

1. Authentication
   - Require passwords with a high-difficulty level.
   - Set passwords to change often.

2. Data transmission
   - Achieve secure data transmission through an encrypted Virtual Private Network (VPN).
   - Ensure that all data is encrypted and no outside party can decipher it.

3. Workspace security
   - Train employees on proper procedures for locking computer when leaving workspace.
   - Require employees to work from home only on the secure server, no public HotSpots.
Workers Compensation

- If an employer exerts control over home working conditions, the employer probably will be responsible if an accident occurs at home. But if the employer does not exert control, dangerous home conditions might exist that still would result in employer liability.
- While daily oversight of telecommuters is virtually impossible, you should establish guidelines for home offices or workstations.

OSHA

- General Duty Clause
  - The General Duty Clause describes the employer’s obligation to "furnish to each of his employees employment and a place of employment which are free from recognized hazards that are causing or are likely to cause death or serious physical harm to his employees."

- Ergonomics
  - http://www.ergohealthy.com
Remote and work-from-home trends and benefits

**Rapid increase** in the # of remote workers

- July 1-09: 2000 Cisco employees telework 2 days per week and report **higher productivity and timeliness**, improved during telework (annual company **savings of $277 million**).

- Feb 09: The Journal of Applied Psychology. Study identify positive results of telecommuting including: increased control, increased work/family balance, improved supervisor-staff relationships, **reduced stress**, increased job satisfaction, worker retention, and **improved productivity** and career prospects.

**Employee telecommuters in the U.S. increased 39 percent, from 12.4 million in 2006 to 17.2 million in 2008.**

34 million Americans (1/4 of the workforce), work outside of the traditional office setting at least once a month.

Remote ergonomics studies

- **Studies by SW Ergonomics Institute**
  - Results are similar to onsite assessment process
  - Assessment time cut by 37%
  - Total cost reduced by 53%
  - 19% of online assessments... an onsite assessment was recommended due to complex musculoskeletal symptoms
  - Satisfaction levels by participants are similar to onsite
  - Over 60% of participants report that the process is not intrusive, saves time, and were satisfied with the outcomes.
Questions from organizations

- Are we in compliance with the safety rules of my State?
- Are we required to do anything special for OSHA?
- Can ergonomics improve effectiveness and productivity?
- Can effective ergonomics prevent musculoskeletal injuries?
- Can ergonomics assessments improve injury outcomes for office workers?
- Will this save my company money?
- Will this have a positive impact on WC insurance costs?

Answers

- Eco-friendly process
- Compliance State and Federal OSHA regulations
- Improvements in effectiveness, productivity, and morale
- Improvements in posture and work environments resulting in reduced potential for musculoskeletal injuries
- Faster return to work and reduced injury costs for workers’ compensation injury cases
- Insurance cost savings potential (credits) and improved impression on workers’ compensation carriers (xmod improvements)
US Teleworker Bills and Project Savings

- Telework Improvements Act Could Save $10.7 Billion a Year

OMB estimate of $30 million cost over five years is less than half of a single snow day

- Telework could save businesses $60B year

Before

After
Tips for Telecommuting Success

- Leadership buy-in and support
- Policy development
- Management training
- Offer telecommuting selectively
- Pilot program
- Use technology effectively
- Carefully keep track of hours worked
- Set goals
- Assess progress
- Give regular feedback
- Measure results