

# Telework Management Certificate Program

## *Course #6 " The ROI of Telework"*

All attendees are in listen-only mode.

**Allan:** Hello and welcome to today's webinar course, "Telework Management". This is course number six in a six-part certificate series on telework management, and today our panel of experts is going to be talking about the ROI, the return on investment, in federal telework, setting goals and measuring results. Just before we get started, I would remind everyone that we do encourage your questions and comments throughout. You can use your question box on your module to type in a question, and we'll see that and we'll try to answer your questions throughout the webinar and then at the end, if we have a little bit of time. Today we are also pleased, courtesy of the USDA, to be close captioning the event. You've got the closed captioning link there, I will also put it into the chat box, so you don't have to furiously write this down, you can just click on that link in the chat textbox if you would like to take advantage of the closed captioning. And it'll be there throughout the course today.

Very important that you know where to find everything that's related to this course today. So, first off, you would go to [tmgovu.org](http://tmgovu.org). Many of you have already done that. What you might notice this time is a much different looking site. We've upgraded the site, we've added quite a few new features. But essentially, it works the same. You would click on a banner, in this case "Let's Talk Telework", or you would click on a box below that corresponds to the series or the course that you're interested in taking. When you do that, you'll be asked to either register or subscribe to the course that you're interested in. That course might be last week's "Tools and Technology in Telework" or it might be today's course. Whatever it is, just click on that course that you're interested in, and that will take you to a course page that looks like this below. The tools and technology of telework, where you'll find things like questions and answers and can participate in a dialogue with the instructors and other students. You'll also be able to take an online course and, by taking that online course and answering at least 4 out of 5 of the questions associated with the course correctly, you will earn a certificate of completion automatically. Now, you'll also earn a certificate of completion just by attending at least 15 minutes of today's course so, by attending the live course, you avoid having to answer those challenging questions that are associated with the online course. But it's important for you to know that, if you ever miss a course and want to catch up, they're all here, they're all available. In fact, after today, gives us a few days, probably next Monday, there will be all six of the courses in this certificate program available to you.

OK, well today we're very fortunate to have an experienced panel to take us through this important question of return on investment measuring the effect of telework. Mika Cross, who has been with us through all six and is really the founder of this series, who is the life and wellness program director at USDA. Kate Lister, who is the president of Global Workplace Analytics at [globalworkplaceanalytics.com](http://globalworkplaceanalytics.com). Jody McDaniel, who is the director of strategic planning for USDA's National Agricultural Statistics service, obviously a very close alignment to what we'll be talking today, so welcome, Jody, as well. And Rebecca Ayers has been with us before, who manages the

Performance Management Solutions at OPM. So welcome to all of our panelists. I'm going to turn it over now to Mika Cross to take it from here, and we're going to launch our first poll.

**Mika:** Thank you so much, Allan, and welcome again, everyone, to our last in a six-part series on telework management. And I'm very excited, as you all look at this poll question and answer for us, whether or not your agency measures results for its telework program. To just tell you why we care about this topic so much, I'm really pleased about this panel today. I've worked with Kate Lister, as well as Rebecca Ayers, at OPM, to develop metrics and measures by which USDA can figure out cost savings and calculated deficiencies and help to really build and strengthen the business case for our own telework program. And we all collectively thought it would be really important to tell the story. What's great about having Jody on the line is that, from a practical perspective and a management perspective, he has been able to see the results of what ineffective teleworks program, along with other strategic business practices, has done for his particular organization. That's why I'm excited that he'll be able to tell his story today, along with expert panelists, Rebecca and Kate, about best practices and how to calculate ROI for telework across government.

So, Allan, does it look like our audience has selected one of the answers there? One of the things we hear quite frequently on the Office of Personnel Management Telework Advisory Board Committee, these are federal agencies who come across government to help shape initiatives and develop resources for the rest of the government, is that none of us are really doing this well yet. And so you'll hear from our panelists on some really practical tips and measures on how you might be able to start thinking about measuring return on investment and developing these calculations yourselves, in your own particular organization. Because, as you can see here, we only have about 35% of those of you on the line today that know that their agency really is doing that. So, with that, I'd like to go ahead and introduce Rebecca Ayers from our Office of Personnel Management to start leading the discussion today. Rebecca?

**Rebecca:** Thank you, Mika. Well, there are a number of ways to measure program performance, especially telework program performance, and there are a number of resources that can point you to a whole variety of sophisticated measures, as well as very simple measures. And so, for the purpose of today's webinar, we wanted to focus on what would be most relevant for those of you calling you. What would be the low hanging fruit, we like to call it, that the monkeys on the pictures can grab and implement and test out for our telework program? And so we felt that these 5 areas, productivity, attraction/retention, absenteeism, COOP, and transit subsidies were the most relevant and relatively easy to implement at almost any level in your telework program. But, before we start, and we will dig deeper into all of this, we wanted to get a feel for whether or not you are already, this 35% of you, have any indication whether or not you are measuring this or which one you think would be the hardest measure? So, Allan, you can pull out the poll.

**Allan:** Great. Well there it is, Rebecca. Give people a few seconds to answer that. If anyone has a question, this would be a wonderful time to ask it, so go ahead. Sorry, Rebecca, I think I cut you off there.

**Rebecca:** No, I was just going to say, based on the poll results, we may focus a little bit more on one of these than another, so it's one of the reasons why we wanted to put it out here first. And definitely, if you have a question like why is another area there, we'd be happy to tackle that and address maybe that area in particular, an area that we could measure and demonstrate

**Allan:** OK. Well let's—

**Rebecca:** How does the voting look, Allan?

**Allan:** it looks good. If you're about to answer this question, go ahead. I'm going to close the poll in 3, 2, 1. There we go. There's the results.

**Rebecca:** Not a surprise. Productivity is one of the most difficult areas, and I like to say the most negative areas to try to measure because it differs from person to person, job to job. And so, when you think about productivity and think about trying to measure productivity, you've got to really look at each organization and the work at hand and be able to find what is productivity for that organization and then how can you measure that productivity. And I think this is actually a great segue into the first one that we want to talk about, which is productivity. And so I'll hand it now over to Kate to talk about how we can measure productivity and what productivity does for demonstrating the success of a telework program.

**Kate:** Thanks, Rebecca. Like you said, there's really no surprise that this was the one the most majority of people felt it was hard to measure. It's kind of the Holy Grail, how do you measure productivity in the information age. Limp in, thread on it for a while, we had over 300 comments. It's a really, really hot topic. So I'm going to talk about one of the reasons or many of the reasons that productivity does tend to increase, but then also show you some organizations that are, in fact, measuring it, and how you can think about measuring it. Study after study and a wide range of industries show that home-based employees tend to be 10 to 55% more productive than traditional staff. And these are some of the reasons shown here. Just take interruptions. All the research says that it takes 15 to 25 minutes to recover from an interruption, so just think about 2, 3, 4 interruptions a day. Somebody popping their head in your cubicle, hours worth of productivity. Other research consistently shows that teleworkers tend to give back 15 to 50 of the time they would have otherwise spent commuting. You get up, you grab a cup of coffee, you do a few personal things and then get to work. So there's another half an hour gained in productivity. I think there's also a tendency to work harder. The empowerment, the feeling of trust that comes from being allowed, given this privilege to telework. It's a good gig. And people don't want to lose it. In some cases, where people work can flexible hours, as well as flexible days, allows them to work on their most efficient and, for a lot of people, that's not from 9 in the morning to 5 at night. And then finally because such a telework program is based on having goals and being accountable for meeting them, sort of being present, but not really working is greatly reduced.

Next slide, Allan. So here are some cases. At AT&T, 95% of employees and 98% of managers agree or strongly agree that they're more productive when they're working at home. The Apollo Group, the University of Phoenix, they've measured a 34% increase in productivity across 16 objective measures as a result of their integrated telework program. Participant actually said that they saved an average of 49 minutes a day due to distractions and interruptions. I'm actually surprised that it's that low. Of course, you all know that PTO reports a 10% increase in productivity through telework. There's a typo there, it should say USAS, sorry. The Air Force Adjudication Facility, where 95% of employees telework, actually saw a 55% increase in their productivity in the first year of the telework program. [Health Agency that credited telework a 9% increase in processed cases, and 77% decrease in unprocessed, in basket items, so stuff that never gets done. There's also a great study by Brigham University, that 24,000 employees worldwide were polled, and the question they asked is, "At what point do you reach the point of burnout in your job, where it really sort of over into your personal life?" And teleworkers said 57 hours a week. Office employees reach their limit at 38 hours a week. A 19 hour difference. One Silicon Valley executive – I love this – described telework as a "buy 3, get 1 free" program. The other side of this, the dark side of this, is that overworking is common. And it's something that managers out there really need to consider. It's very hard to turn it off at the end of the day when your office is right there.

Next slide, Allan. Of course, how you measure it is, as I said, the Holy Grail. But our organizations are doing it through a variety of surveys, through output measures, where possible, even things like speed and accuracy tests. Have somebody take an accuracy test or speed test while they're sitting in the office and then have them do the same thing at home. It's not 100% applicable, but it does give you some indication. Others are using customer ratings, measuring reductions overtime, and some of these other things on the list, I'm not going to go through them one by one. though, you can't measure productivity gains or losses unless you have something to start with. So I would highly recommend, before you do your telework program, before you send people out, you measure in the same way that you're going to measure it once they're out of the building. You measure their productivity now so you've got some base to start with. I love GSA's that telework doesn't create management problems, it reveals the problems. One of the key things that reveals is that too many managers are mistaking presence for productivity. If you're not managing by results, whether the people are in the building or out of the building, you're really not managing. So it doesn't matter where people work, you need to be managing by results.

Next slide. So there'll be some links to whitepapers at the end here and it'll have lots of details, it'll include, for example, those case studies that I mentioned earlier, so you'll be able to go grab them, and a variety of others. And they'll speak to the organization measuring some of these results in each of these categories, as well as other categories. There'll be a link at the end to our federal telework savings calculator that includes over 600 calculations and over 4,000 data sources. So here's a little bit of math. Assuming a 12.5% increase in productivity, and that's for standard federal assumption backed up by all the studies that I talked about and others in the whitepapers, and roughly the formula here, our calculator shows that twice weekly telework among USDA's eligible teleworkers would yield about 300 million dollars a year in annual savings. If you apply that out across government, the savings would exceed 3.5 billion a year. So Mika, Rebecca, Jody, what's it like in your life? How do you measure productivity?

**Mika:** Well it's interesting, Kate, because you and I have worked on these productivity measures for a while. I've tried to submit a presidential save award using these calculations for a number of years now, but I feel like sometimes, on a practical level, it's really hard for everyday managers, leaders in their organizations, to really take time to measure productivity. And so you've got to start somewhere. So, first and foremost, at USDA, we're looking at ways to leverage technology during incidents when our employees are not able to get to the traditional workplace and how they are able to continue working through the facilitation of our effective and successful telework program. So, for instance, we just celebrated a happy snow Patrick's Day on Monday. That was kind of an unplanned event. It dumped several inches of snow in the Washington DC area, otherwise would have shut down the government overall and cost tax money to pay salary for work that's not getting done. Instead, we have our telework-ready employees ready, equipped, able and expected to continue working. That's one way that we look at productivity and we're looking at out time and attendance information there. And, of course, when you're looking at knowledge workers, how are you, as you mentioned, managing productivity and accounting for it when they're in the office? So, if you have the same exact measures with regards to response time, to customers and to coworkers, even, maybe are you meeting product deadlines inquiries, so if you have a deadline to reply to customer or employee feedback or customer emails, and are you able to attend meetings the same way, those kinds of things, when you're looking at knowledge workers, are really important. But I know Jody has some really neat examples that he might be able to share about his experience at our NASS agency, specific to his mission. Jody, do you want to chime in a little bit about the things that you've seen and being able to measure engage productivity in your organization?

**Jody:** Sure, Mika. And, actually, you stole my thunder with our snow Patrick's Day. I was going to give the example and, just for everyone to benefit, NASS is primarily a knowledge worker organization. We are comprised of about 1,200 employees distributed across the United States, with about 450 here, in the Washington DC metropolitan area. And, with our snow Patrick's Day Monday, we actually had over 350 of our headquarters employees that were still logged in and working all day that day. So, instead of losing a day of productivity, we actually found that we gained an extra 8 hours that otherwise would have been lost for a week and actually focused on things which we've seen which are typically increased levels of staff engagement during the telework days. It gives them time to focus on being more innovative in their processes and actually focusing more into their work. It also makes them available, which sounds odd, because you always talk about presenteeism, but, when you have a teleworker, a lot of times you find out they're actually more available than when they're actually in their cubicle. And it goes back to what Kate mentioned about the amount of time you lose on focus just with, I always like to refer to it as like a. It's when someone pops their head over a cubicle wall. Now, as far as being able, a big thing for us, being a knowledge-based organization, which we're going to touch on later, of course, is being able to retain those centers of excellence or knowledge in the organization.

**Mika:** Yeah, that's a really key issue. And thank you so much, Jody, for sharing your perspective on that. What we're going to talk about next is a sweet spot for human capital strategists and leaders. But really, managers and leaders across government, how are we going to attract and retain the next generation of fed workers across this government? So I'm going to pass the mike over to Rebecca to talk a little bit about ROI in those important areas that deal with the workforce. Rebecca?

**Rebecca:** Thank you, Mika. And thank you, Jody, for a great transition to talking about attraction and retention. All of the sequestration and budget, attracting and retaining talent may not be high on federal managers list of worries right now, but it should be because, if the government expects to the best and brightest, it'll need to compete with not just the average private sector employee, but the best of the bunch. And I'll tell you what the best of the bunch are looking for workplace flexibilities. We know that, as a result of the recession, as a result of the pay freeze, our employees are more bummed out, burnt down and stressed out than ever, and engagement is at an all-time low. In fact, according to a recent Gallup Survey, more than 70% of the workforce is not engaged, and obviously this is across government and non-government industries. And almost 20% of those that are disengaged are what Gallup defines as wandering around in the fog or actively undermining their coworkers' success. So what can we do to move people to that engagement level? What can we do to attract them to the federal government and to them?

If you go to the next slide, Allan, one that we found is what employees of all age groups want is the flexibility to determine for themselves where, when and how they work. About 87% of employee surveys last year said workplace flexibility would be very or extremely important to job search. And other study show it to be second only to salary in importance to employees. And some studies even find it at the top of the list. So you and everyone on the webinar here, workplace flexibility is at the top of the list. I mean if I am out looking for a job, in fact the thing that keeps me at my current job is that I'm a full-time teleworker out of , North Carolina, and I work with individuals all across the country in DC. And if my job required me to move to DC, I would probably quit from the position because it's important for me to stay in that location and be able to have that opportunity. just to follow up, over 40% say that they would give up some pay for the ability to work flexibly, absolutely agree with this. And, as you probably know from the latest Federal Employee Viewpoint Survey result, it shows that engagement and job satisfaction between 11 and 22% are higher among teleworkers. So telework offers a solution to strategic issues not just because teleworkers are less

likely to quit, but because it expands the beyond geographic boundaries, i.e. you can go find someone to work for DC that may not actually be located in DC, and provide access to people that would otherwise be difficult to recruit.

So, Allan, speaking of results and the difference between non-teleworkers and teleworkers, I think this slide just says it all in terms of the numbers and it really shows the difference those who have the ability to telework and do telework versus the non-teleworkers and what they think about federal employment. So, across the board, those who are able to telework, federal employees, a higher percent agree that they have improvement opportunities, perceived accountability, personal empowerment, job satisfaction, work/life balance and they would recommend their agency. If you're trying to sell telework in your agency right now, I would pull these numbers of the slide and give this to your management and say, "Look at the difference, the increase of the satisfaction that we have with employees when they are able to telework."

Moving on to the next slide, looking at goals related to attraction and retention, industry experts put the cost of turnover at 150 to 200% of salary for and 75% of age is for exempt employees. And that doesn't include the cost of lost organization memory, potential disgruntled customers or ability to deliver and serve the American public, and other employees that follow to the exit. And so here are some examples of attraction/retention factors that you might establish around: voluntary turnovers, diversity, boomer retention, decision to stay, engagement and satisfaction, all areas that you can focus to measure and demonstrate how workplace flexibility can help retain employees.

And so, again, moving on to the next slide, Allan, here's an example of how you can quickly measure retention impact, because of the workforce flexibility, cost to replace, so what is the percent of salary times the average salary times the total number of teleworkers times the reduction in turnover, and take a look at your retention impact. Or you can easily add all of those numbers into the federal telework savings calculator listed below.

But here is another point in time where we'd like to hear from you. So the audience poll is, assuming you were allowed to telework, to what extent would that impact your decision to stay with your agency? To a large extent, to some extent or not at all.

**Mika:** Rebecca, while the audience is weighing in on that, speaking of the federal Employee Viewpoint Survey, we took a look at the agencies that were rated highest on the "Best Places to Work" index and you can see a direct correlation between the high levels of telework satisfaction and adoption in those particular agencies and their ranking on the best places to work. Do you have any thoughts around that?

**Rebecca:** I agree absolutely. And that's no surprise. The additional things that a lot of those organizations do that are high on "Best Places to Work" is they focus on the employee. And that's really the key here to having a well-functioning organization, if you can focus on the employee, if you can enable them, engage them in turn, you do meet some of those outcomes of higher productivity and higher performance. When they feel that you care about them, they in turn learn to care about the organization. When you place and trust in them, then they in turn respond. And I think that resonates with everyone on the line, if you think about it, you're part of an organization when you're the organization cares about you as an individual and realizes that work is part of life and they want you to contribute 100% when you are at work, but that you do have other priorities in life. I think that translates to all of those key questions that gives us the results for the "Best Places to Work". So, can we look at the poll results?

**Mika:** Yeah, absolutely. Yeah, this is not a surprise. Kate, is this surprising to you at all?

**Kate:** Not at all. And what I was going to say was the private sector mirrors this maybe even to a greater extent because private sector organizations are really trying to reach out globally to hire and retain talent. They're having much more critical talent shortages. And so they're really looking to this flexible work to attract and retain talent.

**Mika:** That's great. Allan, do we have any question that came in from the audience that we might want to take before moving on?

**Allan:** Yeah, why don't we take a question now? The first one is from Pam. She asks, "How does an organization measure productivity during in-office work time and how come the in-office method translate to telework or can it?"

**Kate:** I'm sorry, who was the question for?

**Allan:** Anyone on the panel.

**Kate:** Oh, well, since I did the productivity section, they're absolutely right. It is the same thing. Whether the person is sitting at their desk and you can see the back of their head, it doesn't mean they're working. In fact, office employees admit to wasting 2 hours a day, and that's not including lunch and scheduled breaks. So even your office employees, one of the things that I think telework does is it sort of brings up that level of management to understand that they need to be measuring by results, not by presence. And so, whatever metrics you're going to use outside of the office, they're exactly the same metrics you should be using inside the office.

**Allan:** And, just to follow-up to that, Diane asks, "Does productivity tend to go down for people who are left at the office when one or more person starts teleworking?" Any idea?

**Kate:** Not if it's done right. In some circumstances where it's not done properly, where people aren't trained properly or they're not equipped to actually work remotely, sometimes what happens is people on the office feel like they're the ones stuck, doing all the things that a person who's out of the office can't do. "I don't have access to this file" or "I need to respond to this emergency" or whatever. But, as organizations learn how to do this successfully, they don't know that that can't happen. Some of them even create like a system so that, if there is that occasional thing that you can't do while you're teleworking, you have somebody that will do it for you and vice-versa, when they're do it for them.

**Mika:** Right. That's one of the things we talked about in our best practices series employees and supervisors on this "Let's Talk Telework" certification program. So we talked about setting office protocols team norms and communicating that upfront before we get started, so if you haven't seen those courses, they're available at TMGovU and ready for you to watch on-demand in the near future. So, Jody, you know at USDA, our leadership is extremely committed to cultural transformation. And what's nice about that is that it's really focused on setting up this workforce to recruit and retain top talent and to keep them motivated, engaged and productive while they're here, really just to. What we've seen through implementing flexible workplace programs overall the department tie in exactly to what Rebecca was saying with regards to incorporating diversity in our hiring and our workforce, insuring that we're incorporating an inclusive workplace that focuses on hiring and retaining individuals with disabilities and targeted disabilities, as well as returning military veterans and just overcoming some of those socioeconomic barriers that traditionally where there. Do you have any examples, though, specific to NASS, since you are such a highly technical organization? You have specialized skills that you need to operate your mission. Do you think or do

you have data that talks to the retention and recruitment piece and how telework might have led to that, Jody?

**Jody:** Actually, I jotted down an example that I think can resonate with a lot of folks. As we went through a few budget cycles in the federal government that caused what we would call a basic contraction, our organization actually went from 46 in our field structure down to 12 and we've been retained a small in 34 additional sites. What telework allowed us, because we were actually an early adopter of telework, probably 15-20 years ago is when we actually launched in the program, we were able to offer telework arrangements that allowed us to retain the knowledge that was essential to us our mission. And then, on the other side of that "how", because that's how we retained, I can tell you from being on the front-side now, looking to higher pick on the millennial generation. It's one of the leading questions you get in a job interview, is, "How supportive the organization is of telework presence?" because a lot of folks, it's balancing that work/life need that is more important about generation, and I think it's something, especially here, at USDA, that I see as having a really large focus on.

**Mika:** Yeah, absolutely. But it has taken that leadership support from the top, quite frankly. So it's about building the business case through ROI, which incidentally, you have those resources available at Global Workplace Analytics ROI calculator, as well as looking at other agencies who have done it well, so referring to the OPM ROI whitepaper and seeing those best practices. I just think is really key. So thank you for sharing that. Now let's talk about continuity of operations and continuity of government. So let's get started with that conversation. Kate?

**Kate:** Yeah, I have to apologize for this slide, given how much you've seen of this. I happen to live in San Diego, so it's really a foreign concept to me, but I did grow up in Philadelphia. But who would have thought, Mika, when we put together a similar webinar for OPM, and I calculated the USDA potential savings from continuity of operations, we assumed one snow day a year. We're up to what, five now? Five or six? I don't know.

**Mika:** I think it might be six.

**Kate:** Yeah. So a single day of lost productivity. You're still paying with salaries, the benefits are still associated with the salaries, so just based on the average government salary, you're losing \$500 per person per day for everyday that people can't get to work. So, obviously, don't forget to report those results in your data call. For USDA, that amount is 3 million dollars per snow day across government so far this year, and I think I based this on five, because it was a couple of days ago and I figured we were done with the snow. The savings would have been a half of billion dollars a year. So here's the calculations you need to figure that part out. So let me turn it over to Rebecca, and Rebecca is going to talk about absenteeism.

**Rebecca:** Thank you, Kate. So the third thing that we wanted to talk about today in terms of measuring ROI is absenteeism. There is an impact of telework absenteeism that we've seen measured. One of the things we know is that unscheduled absences can cost employers billions and billions of dollars. They require staffing redundancies, you can inconvenience coworkers and customers and then, of course, overall, reduce productivity and morale. One of the things that we found is that teleworkers are sick or absent less because of the reasons shown here, but perhaps the more important reason is that they're absent less because they are more satisfied with their job and therefore less likely to take. The other thing the Teleworker is, if you have a long commute into your job and your home and your life and personal appointments are all back where you live, it means that, if you ever need to take sick leave for a doctor's appointment or a dentist's appointment, you

generally end up taking the entire day. But, if you're able to telework that day and then only take a couple of hours to go out, run to the dentist for that dentist's appointment and come back, there's a huge increase there in productivity and a lack of absenteeism just by the sheer fact that you've been able to work from home that day, when you had to take that appointment.

So, looking at absenteeism goals, on the next slide, consider that every day an employee is absent, it costs you about \$500 a day in lost productivity, the same thing as we talked about with COOP and snow days, and the number goes up if you have to bring in replacements or, for example, let's say customer service suffers because the individual, your account manager for a particular account isn't there the call because they've taken yet another day for another reason. So here are some interesting metrics that you might want to track in regards to absenteeism. You can probably take a look at how many sick days individuals are acquiring once they start teleworking. You can look at worker comp claims, you can look at long term disability. In fact, just a few years ago, I was playing in a soccer game and had the reconstruction surgery, but it was about a six week recovery time. And we were still new to telework, at least in my office, and they enabled me to sit at home, leg propped up on the couch, and I was able to continue to work, call in to meetings, to add value to the organization while I recuperated from a major knee surgery. So just another example of where my agency was able to save because they afforded me the opportunity to telework during that time. One of the things that we looked at, for example, is, thinking about the idea about \$500 a day in lost productivity, if USDA's eligible teleworkers were absent 3 or fewer days a year, the savings would total over 90 million dollars a year. So huge cost savings just by looking at absenteeism.

Now, if you want to calculate the impact of absenteeism in your agency, and Allan, if you can go to the next slide, here, again, is an easy calculation that will help you demonstrate the impact that absenteeism can have or won't have when you allow this workplace flexibility. And so you want to look at the average annual salary divided by workdays per year times the fewer absent days per pay period times the number of teleworkers. Or, again, and some of you have already asked where is the link, and I think Allan shared that in the chat, you can go to the Federal Telework Savings Calculator. But I would like to hear from Jody and Mika in how has telework helped decrease absenteeism at USDA.

**Mika:** Well you know this, Rebecca. It's a challenge to really track this corporately across organizations out large because we just simply don't have the right kind of systems, other than depending upon our time and attendance data, so many of us have payroll providers that we have to go through in order to collect that data to do comparisons, and then, of course, as you mentioned, looking at the workers' cases and disability claims are an important measure. So I'm here to acknowledge that, across the department, we're still working on that to really catalogue it, but what we have done well is been able to anecdotally look at organizations, like our NASS, like other agencies as well, to hear stories about the impact of reducing absenteeism. And one thing I wanted to mention about what you are saying is, in our best practices series on this topic, a lot of people ask questions about, "How can they really be working if they're sick?" and really the key here is that, if they're well enough to be able to still work, but maybe they're contagious or, as you mentioned your knee surgery recovery, they still can be productive. You have to trust them and hold them accountable for the work that they're performing. Of course, if they're out of service and they have something that really does put them under the gun and not be able to perform, then no, they need to use appropriate leave. But I just wanted to mention that as well. And, Jody, I know you have some good examples to share with us from NASS about how you've been able, in your agency, to see the impact that decreasing absenteeism through telework has had. Can you talk a little bit about some stories that you might share?

**Jody:** Sure, Mika. Actually, I very close just to my immediate staff, because I can give you some just legitimate, live examples. I have to mention that I actually had a meniscal tear myself about 2 years ago, so I'll tell you, in my six weeks being out of the office, I was back up and working the second day after surgery. So situational telework is something we are strong advocates for here, at NASS, and that is when one of your staff or, in my case, any of my staff, have a minor illness, whether it be a cold, all the way up to they have had a medical procedure, but it allows them to still be engaged in the office, again, assuming that they are willing and able to still provide to the organization. So the other big thing, because being here, in the DC metropolitan area, so those of you listening in here can appreciate us, most everyone has about an hour commute to get to their job. So, if you have a doctor's appointment that happens to be at 10 in the morning, that can take you out of the office for well over half the day if you had to come to your physical work site. What we're been able to see here, at NASS, is that we are seeing staff that use situational telework on those days when they have medical appointments, and they're able to get to and from their doctors in less than an hour and a half to two hours, so we're gaining back that two hours of productivity from that employee by allowing them to work from home. And I think that's where we see, actually, our biggest outside of the years where we have 5-7 snow days, of course.

**Mika:** Yeah, exactly. Thank you for sharing that. One of the things that we start to at USDA right off the back when we implemented the provisions of the Telework Enhancement Act were looking at ways that we could calculate cost savings with regard to our transit subsidies. So how do we reduce the number and amount of transit subsidies that we paid out which were out in the high millions each year for commuters across the country through the increase of telework adoption? So Rebecca is going to talk, too, a little bit about how we're doing that across government and maybe some best practices on how you might think about doing that for your own organizations. Rebecca?

**Rebecca:** Yeah, thank you, Mika. So, while it seems like a minor impact compared to some of the other benefits that we talked about, what transit subsidies several hundred dollars a person per month, it does add up. And, if you're able to eliminate those at least on the days that individuals are not coming in, it can translate to cost savings of millions of dollars for an agency. So, say, for example, assuming a two day a week telework among USDA's eligible teleworkers, a transit subsidy savings could add up to 10 million dollars a year. That's huge for an agency like USDA. And, obviously, USDA is quite large and so the numbers are large, but translate that across government. If we were able to reduce that and then translate, reduce that to the tax payer as well. But, when thinking about transit subsidy goals, many agencies do offer transit subsidies to their employees and, by allowing employees to telework agency. In an example of how to calculate savings, you want to look at the number of teleworkers to surrender the transit subsidy and then the total amount of subsidies surrendered against the total number of telework days performed during that time. So full time teleworkers or remote teleworkers can even or not even coming in at all, and so that's even a huger saving. The more days fewer people coming in, obviously that's what costs. So the transit subsidy is one of the most direct and easiest thing to measure, and it shows a real, tangible cost saving to the agency because each of you, those of you who get transit subsidy, know what it costs you a day to travel into the office. And you individually can sit down and take a look at, "If I telework so many days per pay period, I know that I save my agency, in some cases, bucks a month because I've chosen to work from home." And those of you who are looking at building a business case for telework or for more telework in your agency, you can certainly bring easy numbers like that to your leadership to demonstrate some real cost savings. And, of course, if you're measuring transit subsidy, the impact is pretty straight forward and here is again another example. Taking a look at total telework days times the average transit subsidy per day times the percent of teleworkers who

use the subsidy, and so that will give you the overall impact. And, of course, again, you can go to the website and plug those numbers in and let it do the calculation for you.

So this brings us to the end of the five sort of low hanging fruit areas that we thought were most relevant for this group in terms of trying to understand return on investment for your telework program. So, Kate, I'll turn it over to you to talk about more goals related or other ways that you can measure return on investment.

**Kate:** Thanks, Rebecca. What Rebecca said, there's sort of that big five and some of these may be harder for some individuals to calculate, but I want to go through them quickly, just so you know they're there. You can refer to them, you can start to maybe think about them when you're doing your data call. The first one, reduced space needs, it's huge on the magnitude of productivity, but you may not really have control over the space if you have what some of the larger agencies are doing, what some of the advanced agencies are doing, we're actually reconfiguring that office space and letting go of .This is the biggest driver in the private sector right now. It was improving work/life balance maybe before the recession, but since the recession it's really been about reducing space needs and going to hoteling and some other kinds of arrangements that allow them to cut down on space. I'm not going to go through every one of these. Again, tuck them away. You can access them, again, at TMGov and I think they'll also be up at the OPM's community of practice.

Next slide, Allan. The environment is a big winner here, too. And I think that's something that you need to think about, including just based on the reduction of commute or travel and not the rest of these potential savings here, which, in fact, are real. In fact, let me speak about paper usage. A number of large organizations, Glaxo, for example, a big pharmaceutical company, moved 4 buildings in downtown Philadelphia. They didn't move the building, they moved the people, to one new building. And they gave everybody a milk crate-sized box to take whatever they needed out of the building. And that's all they got to take. They reduced paper storage by 95%. It was huge. And they're not the only ones. There's lots of companies doing that, but OK, just based on the commuter travel savings, twice a week telework among USDA's eligible population would result in greenhouse gas equivalent of planting 1.1 million trees a year. So that's the reduction in greenhouse gases just from two day a week telework just from those people who would have otherwise driven solo. show you the calculations here because it's not for the weak of math, so use a calculator to figure that out. Not a regular calculator. We've got one, there are a number of calculator around where you can look at the reduction in commuter travel and what that does to greenhouse gases.

Next slide. There's also the employee savings, and you might say, "Well, the agency doesn't really care about employees saving money," but they actually do. It's part of the reason that people are so anxious to do this, why they're willing to hold on to a job or even hold on to a they would have otherwise left. Depending on how many caramel macchiatos they consume in a workday and other factors, the annual saving for a two day a week teleworker range is anywhere from about 500 to 4,500\$ a year. It just depends on how they travel and a number of other things. More importantly, though, they gain back 2 to 5 weeks of time they would have otherwise spent in traffic. And also teleworkers say that they're far less stressed, so it helps them retain their sanity.

Next slide. Here are just some other broader society benefits, the bigger picture that probably the folks in the Oval Office have considered in their for telework. Again, just tuck these away and, if they happen to come up or happen to be relevant, you can start using them in your data call.

Next slide. There's also the reality, and I think we kind of miss this sometimes because government tends to be a bit more than the private sector. You've got all of these different mandates, other than

the Telework Enhancement Act, that telework does benefit. And so, as you're scouting around for some of those savings, we mentioned COOP in terms of snow. The original reason for teleworkers continuity of operations strategy was actually. They were worried about a pandemic. Modernizing IT. This often goes alongside of implementing telework programs, and that can have a big impact on efficiency and effectiveness. Reducing telework technology inefficiencies. Again, it doesn't create management problems, it reveals them. It doesn't create technology problems, it reveals them. So it helps to improve those efficiencies. Again, I won't read all of these and will hand this off now to Allan, because I these are a couple of pretty important polls.

**Allan:** Yes, thank you, Kate. And please just answer this as best as you can. We'll try to take a few questions now. Let me just pull up the question box here and I'll start asking. Does NASS have an agency wide weather-related policy for teleworkers? Now I don't know, this is quite a specific question. Does anyone know about the NASS rules?

**Judy:** Hi, Allan. I can actually speak to that. We actually have to the OPM guidance, but then we refer our employees back to our telework policy that states, if they are telework-ready, they are expected to work during increment weather or government closures. And by telework-ready we mean, of course, that you have equipment, you have the appropriate childcare and that you have power, internet connectivity, things of that nature. But the expectation is that all NASS employees are actually on a situational telework agreement that allows them to on that benefit when we actually have a government shutdown from increment weather, as an example.

**Allan:** Great. Thank you. Why do agencies not allow for more flexible telework hours? Is it determined at the agency level usually or by each component within agencies?

**Mika:** Rebecca, do you want to take that one from OPM's advantage?

**Rebecca:** Absolutely. So OPM has decided, and rightfully so, to give us a maximum amount of flexibility to agencies as possible in determining how they want to implement and execute on their telework program. So, to answer the question, yes, that can differ, and it should be based on the business needs of the agency and even to the individual level in the number of days that telework can be accomplished. And so you are going to see a variety across the government and then even within a single agency you're going to see a differentiation among the different groups. And that should, again, be based on the business of the organization and whether or not the functions and the work being done can be done remotely. And, because the federal government is largely a knowledge-based organization, we do expect to see quite a bit of telework to be able to be accomplished. Another reason why we see a little bit of variety, too, is this is a huge cultural shift for the federal government. And some are leading and some are lagging. That's completely normal. So it's expected to see that, even beyond just a business case and business reasons for the agency, that there may be a little bit of a lag or offered in their telework program.

**Allan:** Thanks, Rebecca. We have the results of the first poll. Why don't we address those and then we'll go to our next poll?

**Rebecca:** It's definitely encouraging to see that the most of you have either much or somewhat better. And, in fact, our next poll actually helps dig in a little bit deeper about where else you feel you would be better at setting goals and measuring results for your program and what would help you. More trainings, more examples of specific goals or more examples of how to measure results.

**Allan:** Great. And, while we wait for the response to that, the question from Maria. Do you know of any agencies that allow telework utilization rates to manager performance results? I guess, do managers do better when people telework?

**Rebecca:** I can—

**Mika:** Well certainly... I think Rebecca can talk about this. Go ahead.

**Rebecca:** So I haven't seen it specifically, that would be a great practice if, again, the performance indicators, the expectations for telework do match the business needs of that agency, and that is one way in which, if you culturally are having a difficulty getting an organization or a team or an office to telework, you can certainly put a little more accountability behind it by adding to those performance standards. But you want to make sure that the performance standards are fair and recognize the work of the office and the people within the office. And, in many cases, sometimes telework is not for everyone, and so we have to understand that, while we often see the praises of telework across the board, it makes sense in most cases, but not always, for everyone. Mika, I don't know if you have anything you wanted to follow up on that.

**Allan:** OK, well Penny—

**Mika:** Well certainly, at USDA... oh, go ahead.

**Allan:** Go ahead, sorry.

**Mika:** I was just going to piggy back on to what Rebecca was saying. At USDA, because telework, we have very specific goals and objectives each year set by our chief human capital officer and the telework management official, but telework overall is a component of USDA's commitment to cultural transformation. And so our secretary, in fact, has implemented performance measures across his leadership team from meeting those goals under a cultural transformation. And so we'd be happy to share some information with that and also I know some other agencies have done so as well, just with regards to goal settings and objectives, making that a performance measure for the leadership team. It's important in order to hold them accountable to implementing towards those goals and standards because really what gets measured gets done and we all know that.

**Allan:** Thanks, Mika. Just another couple of questions and we'll move on. I just want to make sure we get a couple in. And I thought this was a good question, from Anne. What is the response to the public perception or what should your response be to the public perception of federal workers doing telework? She's in a very small community. There's an impression that, if they're not in the office, they're not working. And, in this current anti-government climate, it seems to be given them fuel for complaint and jeopardizing her chances, at least, for future telework opportunities. Any experience of that?

**Kate:** I'll answer that, Allan. This is Kate. It's not just the public sector, the private sector as well would certainly be... the cameras are on the public sector at 2 in the afternoon and somebody sees you and know you're a federal worker. It's like, "Oh, the slacker!" But you might have been on a call at 5 in the morning with someone in a different time zone, and it really comes down to public relations, that culturally we have to get more used to this whole concept of people working flexibly and it's not about 9 to 5 anymore. I think it's coming around. I mean certainly the stigma against working from home has changed. 10 years ago, it was kind of like, "Oh. You work at home. Nice for you." They pat you on the head. But I think that has changed. And I think it's making people aware and talking about the kind of schedule you have with your neighbors and why it works and how it works and so forth.

**Allan:** Yeah, good point, Kate. In a small community, just talking about the reality of why you're working from home and how much you're working, I think, like you say, Kate, can really address that problem. The results are up. Any comments on the results?

**Mika:** Well this is surprising to me. Yeah, go ahead, Kate.

**Kate:** Yeah, I think, looking at those, this is a good result because it says that this is easy to do. We can put out some more examples, we can put out more examples of measuring results and setting goals. I'm really pleased with it.

**Allan:** And I think you have another example coming up, so... here we are.

**Kate:** Yeah, OK. So let's pretend that all of the federal workers who could and wanted to telework twice a week, this is the numbers. This is kind of the bottom line. The savings for total government would be over 6 billion dollars a year. I've already talked about some of these other savings, but 22 million trees are the equivalent offset in greenhouse gases. The numbers are just huge. Even things in terms of traffic accidents. You spend less time on the road, you're less likely to get in an accident.

Next slide, Allan. I'm just going to run through, these are some of the resources that we've been talking about, so you can follow these, download the PowerPoint here and just click on some of these resources available to you. Of course, telework.gov of resources. On our website, we've got lots of whitepapers you can download. There's a preview to a web-based training program. And, next slide, Allan. We also did recently something that might interest you, a whitepaper on the obstacles and opportunities in federal telework. It was based on actually doing a survey of some of the leaders in government and asking them, "OK, what are the problems and how do we fix them?" It was very informative for me and I think you might find some value there. Then, next slide. The ROI paper, in each section we talk about here's why you're going to save money and absenteeism, here's the 25 companies that are doing it, how they did it, how they measured it, how you can measure your own, so just a lot more detail about the kinds of things we talked about today. And then skip over 2 slides, if you will, Allan, to get to the OPM paper. Rebecca, do you want to say something about this one?

**Rebecca:** Sure. So this is the paper that exchange, and we interviewed a number of federal agencies to ask them how they're measuring return on investment, so it's got a number of examples from agencies on some of their success stories and how they've been able to tackle, for example, the 5 that we talked about today, as well as some of the other particular areas that you can measure that Kate presented. So it's a really great resource if you want to see what other agencies are doing.

**Allan:** Great. Well thank you very much. We don't have any time, actually, for the remaining questions, but we will try to post those to the course page at TMGovU. Thank you very, very much, everyone, for attending with us today in this final course in the certificate series in telework management. And thanks especially to our presenters, who generously gave their time today and, in many cases, throughout this certificate series. We really appreciate your wisdom and your experience and encourage those in the audience to share this recorded information. We have course set up for all six of these webinars that we've done and all are available. At least five are available now, and today's will be available by Monday, Tuesday at the latest, next week. So thank you all very much. That concludes today's webinar in this certificate series in telework management. Bye for now.