



COMMONWEALTH of VIRGINIA

Office of the Governor

Mark R. Warner
Governor

July 20, 2005

TO: The Honorable William J. Howell
Speaker of the House
Virginia House of Delegates

The Honorable John H. Chichester
President Pro Tempore
Virginia State Senate

FROM Sandra D. Bowen
Secretary of Administration

Pierce Homer
Secretary of Transportation

SUBJECT: **Status of Telecommuting in the Commonwealth**

Consistent with the provisions of 2.2-203.2 of the Code of Virginia, we are reporting jointly to the members of the General Assembly on the status of telecommuting in the Commonwealth.

Telecommuting by Employees of State Government

- Presently, 775 employees in state agencies telecommute. This data is based on information reported by agencies in the Personnel Management Information System (PMIS). This represents an increase of 280 employees or 56% from when we last reported to you.
- Because of the nature of many state agency operations, the extent of telecommuting from agency to agency varies greatly. Agency heads have to determine the feasibility of telecommuting and its compatibility with agency requirements. We continue to encourage agency heads to consider telecommuting and to use it whenever they can.

- There have been no requests from either localities or the private sector for assistance or advice in the planning, developing, and administering programs, projects, policies, or other activities to promote or encourage telecommuting of employees.
- Currently, the Department of Human Resource Management (DHRM) is developing guidelines to assist agencies in addressing the requirements of House Bill 2612 which requires: 1) agencies to identify broad categories of positions determined to be ineligible for telecommuting and the justification for exclusion; and 2) inclusion in budget requests specific information technology, software, or other equipment needed to increase telecommuting.
- Past actions related to telecommuting have included:
 - Revisions to Policy 1.61, Telecommuting, that permits agencies to establish telecommuting as a condition of employment; requires agencies to assess the suitability of telecommuting for their positions; and provides guidelines for identifying positions and employees best suited for telecommuting.
 - Examination of state job titles and agency missions to estimate the potential numbers of classified jobs that may be candidates for telecommuting.

DHRM continues discussions with representatives of the Department of Rail and Public Transportation (DRPT) on the status of telecommuting of state employees. The DHRM role in this regard is limited to state employees, while the DRPT has staff knowledgeable in telecommuting and currently has data available regarding telecommuting initiatives in the private sector.

Telecommuting in the Private Sector

In fiscal year 2005, fifteen commuter assistance programs funded directly by the Department of Rail and Public Transportation continued to promote telework to private sector businesses as a means to reduce trips in the Commonwealth. Additionally Telework!Va, a private sector financial incentive pilot program sponsored by DRPT, was promoted in Northern Virginia by the nine commuter assistance programs that serve that area.

As part of a VDOT/DRPT study conducted in 2001, the Southeastern Institute of Research (SIR) performed a survey in the Richmond, Roanoke, and Norfolk-Virginia Beach-Newport News (Hampton Roads) Metropolitan Statistical Areas (MSAs). Teleworking participation rates in terms of the workforce in each of the areas were 8.3% in Richmond, 6.7% in Hampton Roads, and 4.7% in Roanoke. The teleworking frequency was also the highest in the Richmond area, averaging at 2.35 days/week.

The teleworking frequency in Hampton Roads was 1.58 days/week and in Roanoke 1.79 days/week. It is expected that the teleworking participation rates in other small urban areas, such as Charlottesville, Danville, Harrisonburg, and Lynchburg, would be similar to the participation rate in Roanoke. Even if none of the people in the other areas of Virginia telework, the average teleworking participation rate across the state would be approximately 8% (an estimated 260,000 teleworkers).

In fiscal year 2006, DRPT will place special emphasis on promoting telework in Virginia using existing staff and currently programmed resources. DRPT will use revenues anticipated for fiscal year 2006 under current programs and the existing network of commuter assistance professionals across the state to create greater awareness of the benefits of teleworking and the technical resources available to assist employers with the start-up and expansion of telework programs.

By far, the most active region for telecommuting is the **Greater Washington area**. Findings from research conducted in 2004 by the Metropolitan Washington Council of Governments in the Washington, D. C., metropolitan area are outlined below. These findings should help other regions formulate their telecommuting policies and plans:

About one in eight Washington area commuters telecommutes, but potential exists for additional telecommuting growth.

- About 12.3% of total survey respondents said they telecommuted at least occasionally. But telecommuters accounted for 12.8% of regional commuters, workers who were not self-employed and would otherwise travel to a worksite outside their homes if not telecommuting.
- The percentage of regional telecommuting, 12.8% of regional commuters, appears to have increased from the 2001 level of 11.3%. We note that the 2004 survey used a more restrictive definition of telecommuting than did the 2001 survey, excluding respondents, such as sales staff, who travel to multiple client sites during their workday and respondents who work at home for only a portion of a day. These respondents would have been considered telecommuters under the 2001 definition. To enable a comparison between results for the two years, the 2001 telecommute results were revised to exclude respondents who would not have been counted as telecommuters under the 2004 definition. This adjustment estimated that 11.3% of regional commuters telecommuted at least occasionally.
- The 2004 survey also showed that an additional 18% of commuters who do not telecommute today “could and would” telecommute if given the opportunity. These respondents said their job responsibilities would allow them to telecommute and they would like to telecommute. About two-thirds of these interested respondents said they would like to telecommute “regularly,” while one-third would like to telecommute “occasionally.”

Telecommuting in the Washington area is concentrated in certain demographic and employment groups.

- Telecommuters were statistically more likely to be male, of white ethnic background, with incomes greater than \$60,000, and to commute distances of more than 30 miles.
- Telecommuters also were statistically more likely to be employees of non-profit organizations or private employers; employees of very small employers (fewer than 25 employees) or employers with 251 to 999 workers; and to be employed in technical, professional, and executive/managerial occupations.
- The potential for additional telecommuting seems to be primarily in the sub-groups in which telecommuting is now common. But high latent potential does exist in two sizeable groups in which telecommuting is now under the average: employees working for large (251 or more employees) organizations and federal agency workers. Significant telecommute potential exists for federal agency workers, even though the percentage of federal workers who telecommute has increased from about 7% of total federal workers in 2001 to 12% in 2004.

“Informal” telecommuting arrangements predominate in the Washington area, but formal programs have increased since 2001.

- About 15% of all respondents (both telecommuters and non-telecommuters) said their employer had a formal telecommute program, and 20% said telecommuting is permitted under informal arrangements between a supervisor and employee. Formal programs were most common at federal agencies and among large employers.
- About one-third (32%) of current telecommuters said they telecommuted under a formal arrangement. The remaining telecommuters worked under an informal agreement with their supervisor. This suggests employers are more willing to craft individual agreements for selected employees than to institutionalize telecommuting. But the percentage of formal programs increased from only 27% in 2001, perhaps signaling a greater acceptance of formal telecommuting.

Most Washington area telecommuters telecommute from home.

- The overwhelming majority of telecommuters (95%) worked exclusively from home. The remaining 5% telecommuted from a satellite office provided by an employer, a telework center, or both home and other location.
- Respondents who telecommuted from a location outside the home traveled on average 13.2 miles to those locations. The majority (68%) drove alone to these locations.

The average frequency of telecommuting in the Washington area seems to have increased slightly from 2001.

- Telecommuters telecommuted about 1.3 days per week on average. This was a slight increase in telecommute frequency from the 1.2 days per week estimated in the 2001 survey. Note that the 2001 frequency reflects the adjustment noted earlier to estimate 2001 results under the 2004 telecommute definition.

Telecommuters in the Washington area get information on telecommuting from a variety of sources.

- More than half of the telecommuters surveyed said they obtained information on telecommuting from a “special program at work” or “word of mouth.” About one in six said they “initiated request on my own.”
- Just over 5% of telecommuters surveyed said they received telecommute information directly from Commuter Connections or MWCOG, either from the Telework Resource Center or an MWCOG website.
- An additional 3% said they learned about telecommuting through advertising. Although this was not necessarily advertising from Commuter Connections, COG has advertised widely about telecommuting, so this response could indicate some additional telecommuters who learned about telecommuting from Commuter Connections’ outreach. A portion of “special program at work” also could be the result of Commuter Connections’ outreach and assistance to employers.

We hope this information is useful. Our respective offices and agencies continue to support telecommuting initiatives and provide assistance to each other as needed. Should you have any questions or need additional information, please let us know.