

**Testimony of Stephen W.T. O’Keeffe
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**before the
Senate Committee on Homeland Security and Governmental Affairs
Subcommittee on Oversight of Government Management,
the Federal Workforce, and the District of Columbia**

**Hearing on
*Assessing Telework Policies and Initiatives in the Federal Government***

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Subcommittee Chairman Akaka, Ranking Member Voinovich, and Subcommittee Members: Thank you for the opportunity to speak to you today and for your commitment and interest in promoting telework. I’d also like to take a moment to thank Senator Stevens and Senator Landrieu for introducing S. 1000, The Telework Enhancement Act of 2007, which I’ll speak more about later in my testimony. My name is Steve O’Keeffe and I am the executive director of Telework Exchange, a public-private partnership focused on increasing awareness and adoption of telework in the Federal government. In that role I speak regularly to Federal employees about the status of telework in the various agencies, as well as to industry experts who provide the technology that makes telework possible and easy to use. On behalf of Telework Exchange, its 16 industry members, 6 affiliates, and thousands of Federal, state, and local registrants, who all support moving the ball forward on government telework, we are pleased to be here today to discuss the current status of telework in the Federal government.

With only 19 percent of eligible Federal employees teleworking, Telework Exchange believes that significant progress has yet to be made to establish telework as a mainstream standard operating procedure in the Federal government.¹ Telework brings benefits to agencies, employees, and the region alike. It is a win-win proposition but many agencies are hesitant to move forward. S. 1000 is a common-sense proposal to encourage telework expansion in the Federal government and will help to overcome many of the barriers to telework I’ll discuss with you today.

About Telework Exchange

Telework Exchange is a public-private partnership focused on eliminating telework gridlock. We focus on demonstrating the tangible value of Federal telework initiatives, serving the emerging education and communications requirements of the

¹ Office of Personnel Management, “The Status of Telework in the Federal Government 2005.”

Federal teleworker community, and measuring Federal agencies' progress on telework requirements. Telework Exchange is an online community that features a series of capabilities at www.teleworkexchange.com, including:

1. Commuting Costs and Telework Savings Calculators: Telework value calculators tally Federal telework potential cost saving and environmental dividends as well as provide a mechanism to gauge Federal agencies' relative telework performance
2. Online Telework Eligibility Gizmo: Used in tandem with the Telework Exchange Commuting Costs and Telework Savings Calculators, the Online Telework Eligibility Gizmo empowers employees to make an integrated business case for telework to management. Telework Exchange conducted an analysis of Federal agencies telework eligibility policies and found that there is no consistent framework or eligibility criteria exist. We thus created an Online Eligibility Gizmo, a quiz-based calculator that helps employees cut through the double-speak and ambiguity surrounding their eligibility to telework. The Online Eligibility Gizmo is available at www.teleworkexchange.com/gizmo
3. An interactive forum called The Water Cooler that allows employees to collaborate and discuss telework issues and share best practices
4. A resource center that includes a repository of useful tools for teleworkers, teleworker managers, and information technology professionals
5. *The Teleworker*, a bi-monthly news resource reporting exclusively on Federal telework. The Teleworker is available online at <http://www.teleworkexchange.com/teleworker-05-07.asp> and is distributed free to thousands of government employees

In addition, we frequently publish the results of surveys we commission with our industry partners to quantify telework-related information. Throughout my testimony, I will refer to some of the results of our studies that indicate perceptions, attitudes, and trends prevalent throughout the Federal government. As a public-private partnership, we work with the private industry who supply technology and services that agencies and employees need and use to telework effectively. We also host an annual Town Hall Meeting and awards program that recognizes and honors excellence in government telework. As well, we meet regularly with Federal government employees who manage telework programs and thus believe we are in a unique position to serve as an information clearinghouse to facilitate sharing knowledge and best practices about telework. We design all of our programs to increase telework awareness and adoption in our goal to establish telework as a mainstream standard operating procedure in the Federal government.

Background

In 2000, the key legislation on telework (Public Law 106-346 section (§) 359) was signed into law. It states that each executive agency must establish a telework policy so that eligible employees can telework, yet maintain performance standards. The law states that within six months, the mandates should be applied to 25 percent of the Federal workforce, and an additional 25 percent each year thereafter. Based upon this statute, all Federal agencies were required to have telework policies in place for 100 percent of the eligible Federal workforce by 2005. While all agencies have policies, these vary from agency to agency and measurement remains challenging.

In 2004, Congressman Frank Wolf of Virginia inserted a provision to the Fiscal Year 2005 omnibus spending bill to withhold \$5 million from the budgets of the Departments of Commerce, Justice, State, as well as the Small Business Administration (SBA) and Securities and Exchange Commission (SEC), if they do not ensure that telework opportunities are made available to 100 percent of the eligible workforce. The following year, the National Aeronautics and Space Administration and the National Science Foundation were included as well. The legislation also required each Department or agency to designate a “Telework Coordinator” who would be responsible for overseeing the implementation and operations of telecommuting programs. The following year, these agencies were required to certify that telework opportunities have increased over levels certified in the previous year. In sum, despite some progress, there is much room left for improvement and growth so that telework can become a mainstream operating procedure.

Benefits of Telework

In spite of these mandates from Congress, we do not see telework adoption happening at as fast a pace as proponents such as ourselves would like. Based on the 2005 Office of Personnel Management (OPM) Status of Telework in the Federal Government Report, 81 percent of eligible employees are not teleworking.² We firmly believe telework is a win-win proposition for Federal agencies and employees, through the varying benefits it provides.

First among the benefits I’d like to describe are those afforded to the employees who telework.

- Reduced commuting time. Telework Exchange research finds that the average Federal employee spends 245 hours commuting each year, but can get 98 hours of their life back by teleworking two days per week³
- Reduced commuting costs. Telework Exchange research shows when gas prices average \$3.00 per gallon, the average full-time Federal employee who commutes 5 days per week spends \$138.80 per month on gasoline. However, teleworking two days per week, would save the employee \$55.52 per month⁴

² Office of Personnel Management, “The Status of Telework in the Federal Government 2005.”

³ Telework Exchange, “Federal Telework: No Free Ride,” November 16, 2005.

⁴ Telework Exchange, “Gas Prices Fuel Telework,” May 9, 2006.

- Flexibility to manage work/life balance. Telework Exchange research finds Americans spend more time commuting than on vacation⁵
- Ability to conduct work without interruption

Second, there are many-fold benefits for Federal agencies whose employees telework:

- Continuity of Operations (COOP). During both minor events, such as a snow storm, and major events, such as when an agency building is unusable, telework can be used to continue agency operations. The President's pandemic plan calls out telework as a central plank in preparedness.⁶ The OPM Human Capital Planning for Pandemic Influenza includes the following: "Telework allows the Federal Government to remain responsive to the nation's needs at all times and should be an integral part of any agency's plans for COOP."⁷ Telework Exchange research shows the Federal government will grind to a halt in the event of a pandemic – 73 percent of respondents assert that they will not show up at the office⁸
- Reduction of office space requirements. The United States Patent and Trademark Office (USPTO) reports that at least 320 Patent examiners have relinquished their office space to work from home four days per week
- Personnel recruitment and retention. According to OPM, 60 percent of the Federal government's General Schedule employees, and 90 percent of the Senior Executive Service will be eligible to retire in the next ten years.⁹ Telework can be a valuable recruiting tool in recruiting and retaining a knowledgeable workforce. For example, USPTO started their Trademark Work at Home Program in 1997 with 18 participants. All but one are still with the agency

Third, telework offers valuable regional benefits as well. The President earlier this year stated his goal was to reduce gasoline use by 20 percent over the next decade. When employees telework, the region as a whole experiences:

- Less traffic on already congested roads
- Reduced wear and tear on all modes of transportation
- Reduced pollution. Telework Exchange research finds that if all eligible Federal employees telework two days per week, we would spare the environment from 2.7 million tons of pollutants¹⁰

⁵ Telework Exchange, "Federal Telework: No Free Ride," November 16, 2005.

⁶ Homeland Security Council, "National Strategy for Pandemic Influenza: Implementation Plan," May 2006.

⁷ Office of Personnel Management, "Human Capital Planning for Pandemic Influenza, Second Installment," July 7, 2006.

⁸ Telework Exchange, "'Federal Contact: Bird Flu in America' – A Federal Government Pandemic Flu Continuity of Operations (COOP) Preparedness Study," May 11, 2006.

⁹ Office of Personnel Management, "Federal Human Capital Survey 2006," January 2007.

¹⁰ Telework Exchange, "Federal Telework: No Free Ride," November 16, 2005.

Barriers to Telework Adoption

In our work, we speak regularly to Federal agencies about telework policies. It truly is a mixed bag. Some agencies have exemplary leadership and have taken the opportunity to develop excellent programs that benefit both the agency and their employees. In particular, we would highlight the Federal Deposit Insurance Corporation (FDIC), Defense Information Systems Agency (DISA), Internal Revenue Service (IRS), USPTO, and Treasury Inspector General for Tax Administration (TIGTA). However, many agencies do not have the resources to embark on comprehensive awareness plans for managers and employees and do not have top-down support for telework – two issues about which I will now address.

First, a major challenge we hear about regularly from Telework Coordinators is the lack of time they have to devote to telework programs. Despite the fact that 100 percent of Telework Coordinators have experienced increased interest in telework from employees from 2005 to 2006, Telework Exchange research finds that only 47 percent of Telework Coordinators spend 50 percent or more of their time on telework. However, this does show progress in comparison to the 11 percent of Telework Coordinators who spent 50 percent of their time on telework in 2005.¹¹ S. 1000 addresses this issue by creating the position of the Telework Managing Officer. We support creating a full-time position to implement, promote, and expand telework programs within an agency. Many Telework Coordinators simply do not have the time to educate managers and employees about telework, provide necessary training, and update agency telework policy. As such, many agencies have out of date policies, as well as uneducated managers and employees about how telework can benefit them.

Second, a huge barrier to telework adoption is management resistance and agency support. We find that Telework Coordinators rate management resistance as the number one obstacle to Federal telework adoption.¹² As a direct result of hearing about lack of managerial support, Telework Exchange conducted a study on management perspectives. We set out to obtain insight on why managers do not support telework. If many Federal employees view managers as the barrier, what is the reason for this management resistance?

In spite of Congressional mandates and a Federal Emergency Management Agency Federal Preparedness Circular which encourages telework as a part of COOP, just 35 percent of Federal managers believe that their agencies support telework.¹³ Telework Exchange research finds managers have low awareness of telework's importance in COOP strategies, pointing to a management misalignment with agency priorities. If managers don't believe that their agencies support telework, then they have very little motivation to encourage their own employees to telework, or to have a positive opinion about telework if one of their employees asks for that permission.

¹¹ Telework Exchange, "The Telework Two-Step: Agencies Dancing Around the Issue," April 2, 2007.

¹² Telework Exchange, "The Telework Two-Step: Agencies Dancing Around the Issue," April 2, 2007.

¹³ Telework Exchange, "Face-to-Face with Management Reality," January 22, 2007.

Additionally, a common misperception we hear from government employees is that managers are worried about productivity. While tracking productivity can be challenging, studies have shown that productivity does increase. For example, the Trademark Work-at-Home program at the Patent and Trademark Office documented an average of 10 percent higher productivity among examining attorneys in the program.¹⁴ An assessment of a telework program at the Immigration and Naturalization Service's administrative appeals office from 1998 to 1999 found productivity increased by approximately 71 percent.¹⁵ We recommend that agencies implement tracking systems to better help managers track telework trends and productivity.

Our research finds that as managers' telework involvement increases, they express more favorable attitudes toward telework. Managers most involved in telework, i.e. those that telework themselves, report favorable impressions with 21 percent greater frequency than managers who do not telework or manage teleworkers.¹⁶

In the wake of last year's scandal surrounding the Department of Veterans Affairs laptop stolen from an employee's home, we heard many comments on the security pitfalls of telework. Through information later released, we learned this employee was not a teleworker. We recently completed a research study that uncovers what has changed since the Veterans Affairs laptop scandal and what still needs to be addressed in agencies' data security policies.

Our research finds the Federal government is becoming significantly more mobile. Forty-one percent of respondents indicate they use a laptop for work, and of those, almost half have switched to a laptop in just the last year.¹⁷ Although data security received significant Congressional attention following the stolen laptop, only 48 percent of respondents said their agency provided training following the incident.¹⁸ Teleworkers have received security training at a higher rate than non teleworkers, and alarmingly this point is reinforced when 54 percent of non teleworkers report carrying files home.¹⁹ With mobility on the rise, agency data is moving outside the agency and non teleworkers, such as the VA employee, remain a high liability for Federal agencies.

These findings are in line with what we heard from managers who do telework. Forty-three percent of managers who have no exposure to telework were concerned about security issues, but that number more than halved when asking managers who are teleworkers the same question.²⁰ We can thus conclude that teleworkers are more secure and recommend that telework programs be used as a model for security training and procedures for other Federal employees.

¹⁴ United States Patent and Trademark Office, "Trademark Work-at-Home," <http://www.uspto.gov/web/offices/com/strat21/action/waht09.htm>.

¹⁵ United States Department of Justice, "Report: Assessment of the Flexible Workplace Pilot Program at the INS Administrative Appeals Office," 1999.

¹⁶ Telework Exchange, "Face-to-Face with Management Reality," January 22, 2007.

¹⁷ Telework Exchange, "Feds Walking the Talk on Security?," June 4, 2007.

¹⁸ Telework Exchange, "Feds Walking the Talk on Security?," June 4, 2007.

¹⁹ Telework Exchange, "Feds Walking the Talk on Security?," June 4, 2007.

²⁰ Telework Exchange, "Face-to-Face with Management Reality," January 22, 2007.

Third, an issue I touched upon earlier is eligibility. Our analysis of Federal agencies telework eligibility policies found there are no consistent framework or eligibility criteria. OPM reports that 81 percent of eligible employees are not teleworking²¹ However, a recent survey by CDW-G reveals that 79 percent of Federal employees would telework if given the option, highlighting a clear gap between employees who are eligible and interested in telework and those who are actually teleworking.²² We commend Senators Stevens and Landrieu for their leadership in confronting this eligibility issue head-on through S. 1000. There are countless government employees who are fully equipped to handle a telework environment and these employees need to know and understand their eligibility to telework. An additional measure to ensure this happens would be to have telework be a part of the performance element of senior executives. For example, we understand that the DISA senior executives are held accountable for ensuring that 50 percent of their eligible workforce teleworks.

Telework Exchange launched an online tool, the Telework Eligibility Gizmo, on Monday, June 11, 2007. This quiz-based calculator helps employees cut through the double-speak and ambiguity surrounding their eligibility to telework. Used in tandem with the Telework Exchange Commuting Costs and Telework Savings Calculators, the Online Telework Eligibility Gizmo empowers employees to make an integrated business case for telework to management. The Online Eligibility Gizmo is available at www.teleworkexchange.com/gizmo

Fourth, another issue I would like to mention is the reporting mechanism for tracking telework's progress in the Federal government. The last year for which data is available on telework adoption across government agencies is 2004. The only way to measure and evaluate effectively if agency telework programs are growing, is to require annual reporting from a neutral government body, as included in S. 1000 by requiring the Comptroller General to publish an annual report.

²¹ Office of Personnel Management, "The Status of Telework in the Federal Government 2005."

²² CDW, "2007 CDW-G Telework Report," March 19, 2007.

Recommendations

In short, Federal agencies have been slow to adopt telework because of lack of time and resources among Telework Coordinators, legacy management resistance and inertia, and inconsistency among Federal agency telework eligibility policies and definitions. Addressing these concerns will be critical to moving telework forward. I would also like to stress that telework is not an all or nothing proposition. Depending upon an employee's position and their work duties, an employee might be able to telework from their home or telework center one or two days per week. However, there are other employees who might only have work that can be done while teleworking once a pay period.

To overcome the barriers to telework, Telework Exchange recommends the following steps, many of which are included in S. 1000:

1. Provide at least one full-time Telework Coordinator, or Telework Managing Officer, per agency to focus exclusively on expanding or implementing agencies' telework programs
2. Implement a telework performance system, to track usage as well as productivity. By implementing a performance tracking system, agencies can alleviate concerns as well as report results to the agency
3. Focus on management resistance to telework by educating management on benefits of telework, as well as incorporating and encouraging management-specific telework programs that can address management concerns
4. Educate all management levels on telework benefits, including telework's importance in COOP planning
5. Address eligibility issues by defining eligibility in a more consistent fashion across the Federal government
6. Require an annual reporting mechanism from a neutral government body, such as the Government Accountability Office, to evaluate each agency's telework policy

Conclusion

Mr. Chairman, it is our sincere hope that telework continues to be a personnel trend in the Federal government. Much room exists for improvement however. Our recommendations and observations are but a start toward getting telework established as a mainstream standard operating procedure in the Federal government. We are ready and willing to discuss our initiatives and recommendations and look forward to working with you and the Committee to bring about additional improvements to telework in the Federal government.