



**FlexBulletin #42: The Pitfalls of Offsite Work**

January 25, 2011

*[In our first Bulletin of the year – **FlexBulletin #41: Notable Flex 2010, Opportunities 2011** – we observed that offsite work in its many forms was fast becoming the dominant form of flexibility in our workplaces. We define those forms of offsite flexibility as:*

- **Telecommuting** – working offsite (often at home) 1 to 3 days a week
- **Remote Work** – working offsite (often at home) on a full-time basis
- **Mobile Work** – working offsite in various random settings (client site, hotel, airport, etc.)

*We noted that like any business practice, offsite work has powerful positive and nagging negative impacts that have to be addressed for success. True to our promise to take up some of these issues in future **Bulletins**, this seemed like a good time to start. As you will see below, the timing is enhanced by our release (today) of a new **FlexPaper** that highlights how attentive management should go hand in hand with the rules and regs that mark the offsite world.*

*Before plunging forward let us emphasize that for decades we have been strong supporters and users of well-designed and well-managed offsite options. All critical comments are aimed at improving a tidal wave of change so that it advances and doesn't overwhelm flexibility.]*

There are many compelling drivers of telecommuting, remote and mobile work. The appealing business gains today are below, most often in this order of priority – and with caveats:

- **Employee Retention** – a proven outcome, especially when voluntary for employees
- **Lower Space Costs** – a strong contributor to today's rapid growth, made possible by large numbers of remotes and telecommuters who may or may not be volunteers
- **Enhanced Productivity** – a great value from offsite work that needs effective management
- **Employee Attraction** – a highly desirable outcome that benefits from immediate eligibility
- **Business Continuity** – a clear value that has been energized by security and weather concerns
- **Carbon Footprint** – A value that seems to ebb and flow with gas prices and politics

**OPTIMIZING BEST PRACTICES Comes Down to How Well Managers Manage**

If you scan the business gains above, it is clear that each of these depends to some degree on how well the mix of telecommuting, remote and mobile work is designed and delivered.

For instance, **employee retention** can flourish or decrease as employee satisfaction changes, and that can depend on factors such as voluntary participation, manager effectiveness, quality of technology, etc. Similarly, if many **employees want to telecommute**, but only remote work is available, satisfaction can take a hit. How these dimensions play out can have an impact on offsite employee productivity and word-of-mouth outside the company – and thus on **employee attraction**. Offsite work does not demand super-managers; but it flourishes with well-trained quality managers. And when a growing part of the workforce is remote from manager and team, managers need to be more, not less capable.

We assume that many companies and managers are doing a splendid job managing their offsite workforces. Their areas of competence include:

- Quality selection of participants in the various roles available
- Effective training of both managers and employee participants

- Clear goal-setting and direction on a timely basis
- Regular one-on-one and team communication
- Involvement in developmental opportunities

Each of these strengths requires such skills as planning, systems development, regular communication, problem-solving, etc. The mix varies, the intensity shifts and the scope differs. Two interesting things arise from these facts: managerial skills vary and we (including the royal we) have no way of knowing or tracking the skill levels and practices of the tens of thousands of managers who are coordinating the activities of offsite employees.

### **WHAT CAN OVERTIME PRACTICES Tell Us About the Risks of Remote Management?**

Absent a massive inquiry about the state of management in this area, we cannot know how remote managers manage. We can hope for the best or have a jittery moment when we hear an anecdote that suggests that all is not as well as we would hope. Such a moment came for us last December when we helped a client look at the questions of 1) how common was it for nonexempt employees to work offsite and 2) was there any litigation exposure due to deficient overtime and expense tracking.

We have just published a summary of the findings of this work as **FlexPaper #1: Risks for Nonexempt Remote Employees**. (For a free copy, [click here](#).) Our key findings were:

- Research suggests over 80% of organizations allow non-exempt access to offsite work
- Most companies agreed that there was legal and financial exposure if these overtime-eligible employees were not monitored for breaks, overtime and expense reimbursement
- Few companies had in place the key elements necessary to manage these practices
- Some organizations had exemplary systems in place, showing that it could be done

The paper offers greater detail on the risks associated with these practices and the simple solutions available to address them. The purpose of this example is not to alarm those responsible for designing and implementing offsite work initiatives. Rather it is to alert champions to one concrete area of risk and to suggest another:

*If this most basic area of management is not being addressed well, then it may be time for all of us to look at the quality of managerial attention being brought to other aspects of remote work and telecommuting. When offsite work was a one-off event for a few exempt employees, lapses might have mattered less. But when companies are moving thousands or even tens of thousands of employees out of headquarters, more is required. Even impressive cost savings can be eaten up by people pulling in the wrong directions.*

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