TRANS SCAN

A global scan of emerging trends in mobility and the built environment

Strike uncovers the real potential of telecommuting

Although New York's three-day public transport strike caused considerable disruption, one unexpected factor that saved the city from total gridlock was telecommuting.

Journalists covering the December dispute found the streets of Manhattan "unusually quiet". Instead of battling to the office by car or taxi, thousands of stranded office workers simply stayed at home - and commuted via the Internet.

Two of New York's Internet service providers even tried to assist the telecommuting operations by offering local companies free teleconferencing and web-conferencing services for the duration of the strike.

In fact, for perhaps the first time it was demonstrated that telecommuting really is a valid alternative to more traditional forms of working and commuting.

The Wall Street Journal actually quoted a New York real estate broker, Mr Sandy Jacolow, saying that thanks to the strike he was forced to telecommute - and completed his day's work much faster.

Even without the strike, staying at home saved him at least a 75-minute car drive, and at home Mr Jacolow completed his work so quickly that in the afternoon he accompanied his daughter to a school sports competition.

"Three or even two years ago, you'd have to get in a car or find some way to get to the office," Mr Jacolow said. "Now you can do anything at home that you can do from your office."

Ted Balaker, a research fellow at the Los Angeles-based think-tank, the Reason Foundation, pointed out much the same thing in a report published by the foundation a few weeks before the strike was called.

"Telecommuting may be the most cost-effective way to reduce rush-hour traffic and it can even improve how a weary nation copes with disasters, from hurricanes to terrorist attacks," he wrote.

Mr Balaker's report found that telecommuting is actually growing significantly and for want of more friendly local planning laws could play an even greater role in the way companies and governments operate.

He said that in the US telecommuting was the only mode of commuting that had gained market share since 1980.

"The (US) Census Bureau notes that from 1990 to 2000 the number of those who usually worked from home grew by 23%, more than twice the rate of growth of the total labor market," Mr Balaker said.

"Since 2000, telecommuting has continued to grow in popularity. Roughly 4.5 million Americans telecommute most working days, roughly 20 million telecommute for some period at least once per month, and nearly 45 million telecommute at least once per year."

He says that in some cities like San Diego, Dallas and Phoenix, telecommuters now outnumber public transport commuters. In Okalahoma City telecommuters outnumber transit commuters by nearly five to one.

"Many strong social trends suggest that telecommuting will become even more prevalent in the future," Mr Balaker said.

"For example, telecommuting-enabling technology continues to improve, telecommuting-friendly jobs are becoming more prevalent, and workers have shown they enjoy telecommuting. And why not? Telecommuting offers potentially big cumulative timesavings.

"In most of our nation's large cities, those who telecommute 'usually' (three out of five work days) for a year would save five or more calendar days (roughly 15 eight-hour work days). New York City commuters would save the most time - nearly eight days (23 work days) per year."

Yet despite the benefits there are still formidable barriers to increased telecommuting: "technology, perception, and public policy", he says.

"Slow, complicated, and expensive technology can make telecommuting more trouble than it's worth," he says. "Yet technological barriers are becoming less daunting all the time and as they continue to recede, other barriers become more significant by comparison.

"Telecommuting often improves bottom lines and yet managers are slow to embrace the practice. Many still regard telecommuters as low-grade slackers, loafing at home when they should be in the office working.

"It is odd that public policy so often hinders telecommuting, particularly since elected officials are some of telecommuting's most enthusiastic supporters. But, from unfriendly zoning ordinances to frustrating tax laws, political barriers to telecommuting can be found at every level of government.

"The right reforms can end the disconnect between lawmakers' kind words and their less than cordial policies."

The scan also showed:

Loyalty benefits

In Australia most companies now view telecommuting as an important benefit for maintaining worker loyalty. The Melbourne-based employment consultancy, Mercer Human Resource Consulting, reports that 2005 saw 67% of Australian companies offering a telecommuting option as an employment benefit.

That was 16% up on the previous year's figure. It also fits in with recent recommendations from the Western Australian branch of the Institute of Chartered Accountants that an offer of telecommuting is one of the best ways to encourage young people to stay in the State.

(An institute survey of 300 Western Australians between the age of 18 and 30 showed 44% wanted to leave WA to pursue a career elsewhere.)

Better equipped

Australians are becoming better equipped to take advantage of telecommuting. The latest survey from the Australian Bureau of Statistics shows two-thirds (69%) of Australian households are now connected to the Internet - 28% of them via broadband. In 1998 households linked to the Internet totalled just 16%.

Global homework soars

The US-based technology research company, Gartner Inc calculates that worldwide 82.5 million people are now telecommuting at least one day a month - double the figure in 2000. Gartner is predicting the figure will rise to 100 million telecommuters by 2008.

Reshaping business

Today companies are so dependent on telecommunications that very few could continue operating without them.

This also means that an increasing amount of a company's operations could be managed remotely. According to US-based telecom consultant, David Honour, business should be encouraging such developments because the scattered distribution of a workforce provides a company with "inherent resiliency."

"Teleworking can enable continuity of business during mundane business interruption incidents, such as snowstorms or traffic problems preventing staff being able to travel into a central office; and teleworking can protect against more unusual and esoteric threats," said Mr Honour in an article published by Continuity Central."

For example, it reduces the risk of losing a cohort of critical members of staff due to a single geographical incident or disaster; and offers a business continuity solution to wide area incidents such as pandemic influenza; or a terrorist attack."

Mr Honour suggests companies should not only promote telecommuting but also modify work activities so that they can be carried out from home.

Published by the Western Australian Department for Planning and Infrastructure and Main Roads WA