

## Telework in Canada

### Overview

This case study provides an overview of telework issues, initiatives and resources of interest to Canadian stakeholders.

Telework involves the use of information technology to enable work outside a traditional office environment. It is a flexible arrangement that can occur in a variety of places, on either a part-time or full-time basis.

Telework offers significant benefits to individual employees, their employers, and their communities. There are also challenges to successful telework, but there are few that cannot be overcome through careful program planning and implementation.

Canadian governments have been less proactive in enabling and promoting telework than those in the United States. There are supportive initiatives in place in several Canadian municipalities, with the City of Calgary as a leading example. Non-governmental organizations are also active in raising awareness of telework benefits and best practices among Canadian employers.

One Canadian company has emerged as a world leader in telework. Nortel Networks has made flexible work arrangements a priority, and has reported significant benefits in terms of employee productivity and real estate efficiencies.

### Resources

- Transport Canada's *Commuter Options* guide, Chapter 8 ([www.tc.gc.ca/commuter](http://www.tc.gc.ca/commuter))
- Canadian Telework Association ([www.ivc.ca/cta](http://www.ivc.ca/cta))
- Smart Commute Association telework module ([www.smartcommute.ca/tma\\_toolkit](http://www.smartcommute.ca/tma_toolkit))
- United States federal government interagency telework site ([www.telework.gov](http://www.telework.gov))
- Victoria Transport Policy Institute, telework page ([www.vtppi.org/tdm/tdm43.htm](http://www.vtppi.org/tdm/tdm43.htm))



### Introduction: What is telework?

Telework is work performed away from a traditional office with telecommunications and computer technology. It is a non-traditional employment arrangement that reflects the evolution of technology, a changing workplace culture, shifting objectives of businesses and their employees, and a growing public awareness of the environmental and social impacts of travel.

Telework can be a full-time, part-time or occasional activity, and can occur in four locations:

- Home-based telework allows employees to completely eliminate their commute on teleworking days.
- Telework from an employer's satellite office allows commuters to minimize travel while still working in a more traditional office environment.
- Telework from telework centres, which are open to the public and can be used by various employers on a fee-for-service basis.
- Mobile telework permits an employee to work from a variety of locations.

Through teleworking, employees are now able to live a great distance away from their place of employment. Many businesses employ full-time teleworkers who live hundreds or even thousands of kilometres away. However, most teleworkers travel to their main worksite at least occasionally. When they do, many use shared "drop-in" workstations rather than a permanent office or cubicle.

### Benefits and challenges for employees

There are many potential benefits for individual teleworkers, as outlined in the following paragraphs.

**Better work-life balance and productivity.** Teleworkers have greater control over when and how they work, giving them greater ability to meet personal and family commitments.

**Time savings.** By avoiding their commute, full-time teleworkers can save time. A half-hour commute each way translates into six work weeks per year spent on the road. That's time that can be better used for either personal or corporate benefit.

**Better employment opportunities for persons with disabilities.** Many employees with disabilities can be better accommodated in their home environment.

**Better employment opportunities for residents of remote communities.** People living in remote communities can expand their job opportunities through teleworking.

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Teleworkers need to be aware of several challenges that come with a commuting-reduced lifestyle.

**Reduced workplace exposure.** A lack of face-to-face interaction with colleagues can lead to a sense of personal isolation and of being “out of the loop”. Teleworkers may find it harder to access workplace amenities and resources, and may feel they are missing out on promotions, recognition and career advancement opportunities.

**Overlap of work and personal life.** Teleworkers may tend to work longer hours, blurring the distinction between family and work time.

**Reduced physical activity.** Teleworkers may be less active than on-site workers, due to the lack of a commute (which offers opportunities for walking or cycling) and the compact size of a home relative to a large office (which reduces walking during the day).

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It is important to acknowledge that teleworking is not suitable for all employees, and that some jobs simply require employees to be present at their worksite. Successful teleworkers are most likely to be in roles with the following characteristics:

- Work tasks are primarily information-based, and information technology is used consistently and effectively.
- Meetings and other face-to-face interactions can be scheduled in advance.
- Individual performance is measured using objective, results-oriented criteria.



The following personal characteristics also help to determine an employee’s chance of teleworking successfully:

- Motivated, self-disciplined and results-oriented
- Able to work independently and focus on priorities and deadlines
- Skilled at decision-making and problem-solving
- Highly organized, with good time management skills
- Responsible and trustworthy
- Able to ask for feedback when necessary

The home work environment is also a key to successful telework. It should be a quiet, dedicated space that is free from interruptions. It should replicate key office infrastructure including desk, chair, task lighting, computer, printer, telephone and fax machine. Teleworkers should make arrangements for family commitments, to avoid the need to care for dependants during the workday.

## Benefits and challenges for employers

The following paragraphs outline the major benefits that telework can offer to employers.

### Greater employee motivation and productivity.

Empowering employees to manage their own time, decisions and deliverables can increase personal motivation. Productivity can also grow due to fewer interruptions, reduced absenteeism, teleworkers’ ability to work outside normal office hours, and the elimination of commuting time.

### Enhanced employee recruitment and retention.

A telework program with defined policies and guidelines is attractive to new employees. Successful teleworkers often stay with an employer simply because of their work arrangement, leading to reduced employee turnover and cost savings related to hiring and training.

### Reduced need for office space and parking spaces.

Full-time teleworkers don’t require dedicated offices or workstations, and part-time teleworkers can share an office or use “drop-in” workstations. Telework by auto commuters will also reduce on-site parking demands—an important consideration for businesses that are expanding or relocating.

**Reduced employee relocation needs.** Teleworking helps employers avoid the cost of internally relocating an employee’s workstation, which might otherwise be needed as a result of job changes, corporate restructuring or facility moves.

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Employers do, however, need to consider the obligations and challenges that telework brings. Most of these can be addressed through telework program planning and implementation.

**Teleworker management.** Most managers prefer to have their subordinates work on site, where they can be monitored directly. Learning to manage by outcomes can require professional training and a willingness among managers to adopt new ways of thinking.

**Set-up costs.** These can include upgrades to computer networks and communication lines, training courses for teleworkers and their managers, and drop-in workstations and home equipment for teleworkers (e.g. computers, telephones, ergonomic furniture).

**Employee health and safety.** Employers will want to ensure that teleworkers' health and safety is not compromised. They may require teleworkers to certify that their home work environment meets applicable standards, and may even conduct a home inspection. The employer's potential liability for in-home accidents to teleworkers or their families could also be a concern.

**Security and confidentiality.** Depending on the employer and a teleworker's job function, security of work information could be a major concern. Providing employees with secure remote access to electronic files requires particular technologies and protocols to be in place. The need for teleworkers to take home printed information such as client files could also pose a challenge in some workplaces.

**Labour agreements.** Collective agreements may require renegotiation to adjust workplace determination clauses. Bargaining groups may want teleworkers to keep their dedicated on-site workstation, which would undermine one of telework's major benefits for employers.



## Benefits and challenges for communities

Communities can reap positive benefits from an increase in teleworking.

**Reduced travel demands and vehicular emissions.** Telework is most likely to reduce or eliminate commuting trips during rush hours, when congestion peaks and the environmental benefits of reducing vehicular travel are greatest. Furthermore, teleworkers may tend to have longer than average commutes—making the elimination of their work trips even more beneficial.

**Flexibility for responding to security, energy, weather or construction events.** The maintenance of economic activity in the case of a major transportation system disruption is a growing public policy concern. In the face of many possible adverse circumstances (e.g. ice storm, earthquake, energy crisis, terrorist attack, freeway or bridge reconstruction) the ability to replace a large number of physical commutes with virtual ones can help determine how well a community continues to function. Telework can thus play a large role in emergency preparedness.

**Improved ability to keep or attract residents.** As congestion levels and fuel prices rise, people with jobs in urban centres may see rural communities as less attractive places to live. Ensuring that telework is an option for residents, such as by working with telecommunications companies to enable broadband Internet connections, can help preserve the economic viability of satellite communities.

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While the negative impacts that telework might have on a community are unlikely to outweigh the positives, they should be acknowledged.

**Rebound effects.** While telework can reduce commuting travel, it can increase other forms of travel and energy consumption. Teleworkers may use their car to run errands that otherwise would be made on the way to or from work. Vehicles previously used for commuting may become available for other household members to use. Teleworkers may also increase their home energy usage for heating, cooling and electronic equipment.

**Encouragement of sprawl.** Teleworkers may choose to take advantage of a commuting-reduced lifestyle by relocating to a rural area or satellite community. Such a move would increase the length of whatever trips to work they do make, and perhaps of shopping and personal trips. At a community scale, high levels of telework could lead to greater demand for housing and business development in rural areas around urban centres.

## Implementing telework

For employers, the creation of a successful telework program requires openness, flexibility and support from both management and employees. The encouragement of casual teleworking on an occasional basis may be straightforward, but the creation of a formal telework program may require more effort and the completion of tasks like those listed below.

**Create an interdepartmental planning group.** Human resources, facilities management, information technology, legal and business units all have a stake in telework. Unions should also be involved, where they exist, to ensure their understanding and support.

**Conduct an organizational evaluation.** An assessment of various jobs will help to identify those most suited to telework, and indicate the possible scale of a corporate program.

**Define telework location.** Most Canadian teleworkers are likely to be home-based. Public telework centres are still relatively rare, and corporate satellite offices are likely to be considered only by large organizations in metropolitan areas.

**Set goals and objectives.** This process will help to clarify why the organization is interested in telework, such as potential reductions in parking demand and office space, or employee retention and productivity.

**Create guidelines and policies.** Written guidance can help ensure that teleworkers enjoy the same rights, opportunities and benefits as other employees. Policies may define employer and employee responsibilities for providing equipment and ensuring security, “core hours” when teleworkers must be available, vacation and sick leave procedures, inspection and insurance requirements, and procedures to reimburse expenses.

**Provide training.** Teleworkers, their managers and office colleagues should be briefed about telework expectations and objectives, and about effective communication strategies. Training can improve teleworkers’ computer and time management skills and prevent them from feeling isolated, and can also help supervisors learn to manage by results.

**Pilot test larger programs.** A pilot project can control risk by measuring costs and benefits on a small scale. Their evaluation should take into account technological, legal, human resource and facility issues.

**Conduct ongoing monitoring and evaluation.** Comparing telework results with initial goals and objectives will help to determine program success and identify continued challenges. The telework program may also need to evolve based on past experiences, and in response to shifts in corporate objectives or activities.

## Encouraging telework

The job of enabling or promoting telework does not lie with any particular level of government, and can be a challenging objective. Telework is integrally linked to the operations and culture of individual employers, and is not well suited to legislation or regulation. Many major employers even have difficulty measuring the activity within their own organizations. Nevertheless, various agencies have undertaken efforts to raise awareness of telework among employers and employees, and to further integrate it into North American culture.

**Canadian federal government.** Canada’s Treasury Board has established a policy to guide federal departments and agencies in creating and administering telework opportunities. It has also initiated limited efforts in the areas of telework promotion and training. Some individual departments and agencies have taken internal initiatives to raise awareness of telework, develop their own telework policies, and improve telecommunications infrastructure.

**United States federal government.** The active encouragement of telework across the economy has been American public policy for several years. From 1999 to 2004, the U.S. Environmental Protection Agency (EPA) conducted a National Telework Pilot Project, known as ecommute. It motivated employers to allow telework and evaluated the air quality impacts in five pilot cities (Denver, Houston, Los Angeles, Philadelphia and Washington, D.C.). The project generated considerable activity around telework, but studies of its results were inconclusive.

The U.S. EPA also sponsors the Best Workplaces for Commuting Program, which promotes telework as a sustainable commuting option, develops information tools for employers, and recognizes businesses that made telework a more viable option for employees.

Within the U.S. federal government, the General Services Administration and Office of Personnel Management have created a comprehensive website ([www.telework.gov](http://www.telework.gov)) to offer advice to federal government employees, managers and administrators.

**Canadian communities.** Several local governments in Canada have taken a proactive policy stance on telework, although tangible initiatives are less common. As part of their broad transportation demand management (TDM) initiatives, a number of municipal agencies offer general information on telework to employers and individuals.

The City of Calgary is a telework leader among Canadian municipalities. Calgary City Council has identified the promotion of telework as one of its fifteen key environmental priorities, and the City is in the process of developing a telework policy and employee pilot project for initiation in 2007. The municipality promotes telework through an alliance with Teletrips, a local company that helps local employers establish and monitor telework



programs. The City is also supporting a research study by the Haskayne School of Business at the University of Calgary (with funding from Transport Canada's Moving on Sustainable Transportation program) that is examining local teleworking barriers and opportunities.

**Non-governmental organizations.** In several Canadian communities, non-profit groups are working with employers to promote telework. Examples include Voyagez Futé (a transportation management association in downtown Montreal), the Smart Commute Association (and affiliated Smart Commute organizations across Greater Toronto Area and Hamilton) and Resource Conservation Manitoba. On a national level, the Canadian Telework Association has over 1,000 members and works to promote telework across Canada. Its website at [www.ivc.ca/cta](http://www.ivc.ca/cta) is both comprehensive and informative.

### Corporate telework profile: Nortel

Nortel is a Canadian-based global telecommunications company. For 15 years, the company has actively encouraged telework as a key element of its real estate strategy, environmental initiatives and support for employees' work-life balance. Nortel's Integrated Work Environment program encourages employees to maximize productivity and balance their work and family demands, while making cost-effective use of the company's facilities and technology infrastructure.

The company gives teleworkers secure and seamless access to corporate intranet, email, directories and applications. About 8% of Nortel employees are full-time teleworkers, while 80% of employees work from somewhere other than their regular desk at least occasionally.

Employee surveys show that Nortel's promotion of telework has achieved some remarkable benefits:

- Productivity has increased by an estimated 15% among teleworkers, with 94% of them reporting 15% to 20% greater productivity.
- Teleworkers report that they are 11% more satisfied than the overall employee population.
- Each teleworker saves the company about US\$9,000 annually in real estate costs.

Beginning in the early 1990s, Nortel started to see telework as a way of reducing facility costs and making its work environments more flexible. In 1994, several departments launched a telework pilot project at multiple sites. Early experience revealed a need to change the corporate culture, and particularly to overcome an expectation that employees had to be on site daily in order to be productive. The company created numerous tools (e.g. guidelines, questionnaires, checklists, help desk support) to promote telework among managers and employees, and established drop-in workstations for teleworkers.

Teleworking has proven its value to Nortel during times of rapid growth and periods of workforce reduction. In the late 1990s, when real estate shortages were commonplace, many employees chose to work from home. In the early 2000s, when buildings were being closed, many employees chose to work at home rather than relocate.

In 2006, Nortel was recognized for its telework and green commuting programs by receiving the Clean Air Day Award at the 2006 Smog Summit in Toronto, and the Research Triangle Park Alfred P. Sloan award for Business Excellence in Workplace Flexibility. In 2004, major Nortel worksites in North Carolina and Massachusetts earned the Best Workplaces for Commuters designation from the United States Environmental Protection Agency and Department of Transportation. In 1998 and 2000, Nortel received the Fortune 1000 "Excellence in Telework" award from the International Telework Association and Council for its pioneering spirit, thoroughness and success in teleworker motivation and satisfaction.

### Lessons learned

Telework is supported and encouraged by all levels of government and by many stakeholders in the transportation, environmental, technology and business sectors. It has numerous potential benefits, with those related to the environment and emergency preparedness rapidly growing in importance. Telework offers few challenges that cannot be addressed through appropriate planning and implementation strategies.

In the specific environment of an individual employer, however, there are likely to be considerable uncertainties around the issue of telework—including management concerns about productivity, supervisors' reluctance to have staff work at home, and union concerns about the location and conditions of employment. These uncertainties may create a level of inertia that requires concerted efforts to overcome.

The fact that telework is primarily driven by an employer's internal interests makes it difficult to encourage effectively from outside the organization. Employee-generated interest is probably a leading factor in motivating successful corporate telework initiatives. Other keys to success include the development of a corporate business case that reflects potential economic benefits related to employee productivity, real estate efficiencies, employee parking reductions, and slower rates of employee turnover.

There appears to be a valuable role for governments and non-governmental organizations in leading by example, and in rewarding and informing employer telework initiatives. The willingness of leading private-sector organizations (e.g. Nortel Networks) to share their tools and insights could also motivate others to follow in their footsteps.