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TELEWORK: BREAKING NEW GROUND?

HEARING

BEFORE THE

SUBCOMMITTEE ON FEDERAL WORKFORCE, POSTAL SERVICE, AND THE DISTRICT OF COLUMBIA

OF THE

COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM

HOUSE OF REPRESENTATIVES

ONE HUNDRED TENTH CONGRESS

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TELEWORK: BREAKING NEW GROUND?

TUESDAY, NOVEMBER 6, 2007

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON FEDERAL WORKFORCE, POSTAL SERVICE, AND THE DISTRICT OF COLUMBIA,
COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM,
Washington, DC.

The subcommittee met, pursuant to notice, at 10:05 a.m. in room 2154, Rayburn House Office Building, Hon. Danny K. Davis (chairman of the subcommittee) presiding.

Present: Representatives Davis of Illinois, Sarbanes, Cummings, Marchant, and Issa.

Staff present: Tania Shand, staff director; Lori Hayman, counsel; Cecelia Morton, clerk; Charles Phillips, minority counsel; and Alex Cooper, minority professional staff member.

Mr. DAVIS OF ILLINOIS. The subcommittee will come to order.

Ranking Member Marchant will probably be here soon, but we are going to proceed. Depending on where we are, we may obviously interrupt so that he can give an opening statement, should he choose to do so.

Let me welcome Mr. Marchant and members of the subcommittee, hearing witnesses, and all of those in attendance. Welcome to the Federal Workforce, Postal Service, and the District of Columbia's Subcommittee hearing on Telework: Breaking New Ground? The hearing will examine why telework, which has strong support of Congress and personnel experts as a strategy for addressing emergency preparedness and energy consumption, is not being universally embraced and implemented by Federal agencies.

Hearing no objection, the Chair, ranking member, and subcommittee members will each have 5 minutes to make opening statements, and all Members will have 3 days to submit statements for the record.

I am going to begin, and then we will follow along as Members are present.

Ranking Member Marchant, members of the subcommittee, and hearing witnesses, welcome to the subcommittee's hearing on telework. Today's hearing will examine why telework continues to be under-utilized by Federal agencies and the improvements that are needed to allow more Federal employees to participate in telework programs.

Telework provides numerous benefits, including increased flexibilities for both employers and employees, continuity of operations during emergency events, and decreased energy use and air pollution. The Office of Personnel Management [OPM], defines telework

as work arrangements in which an employee regularly performs officially assigned duties at home or other work sites geographically convenient to the residence of the employee.

Many of the current Federal programs were developed in response to a provision included in an appropriations bill enacted in October 2000. This law requires each executive branch agency to establish a telework policy under which eligible employees may participate in telecommuting to the maximum extent possible without diminishing employee performance.

Under the current legislative framework, the General Services Administration [GSA], and OPM have leading roles in implementing Government-wide telework initiatives. Unfortunately, telework is not being used to the extent it should be. According to OPM's most recent report, only about 119,000 of the approximately 1.8 million Federal employees participated in telework in 2005. That figure represents only 6.6 percent of Federal agency employees.

Some of the barriers to telework include office coverage, organizational culture, management resistance, and technology security and funding.

Today we want to examine ways to address these barriers and encourage teleworking.

On May 7, 2007, I, along with my colleague, Ranking Member Kenny Marchant, and the full committee chairman and ranking minority members, Henry Waxman and Tom Davis, sent a letter to 25 Federal departments and agencies requesting information on the telework programs of those agencies. The letter was intended to help us better understand how well agency telework programs are working.

What we found is that not only is telework inconsistently defined across agencies; many agencies do not effectively measure and track teleworkers. Some agencies do not even know how many of their employees are actually teleworking.

In recent years telework has increasingly been viewed as an important tool for ensuring continuity of essential Government services in a time of crisis, such as in the event of a natural disaster or a terrorist attack. To help improve the preparedness of the Federal Government's operation in emergency situations, last session I introduced H.R. 5366, the Continuity of Operations Demonstration Project Act. This legislation provided for a demonstration project under which at least two Federal agencies would perform services and operations under a simulated emergency in which Federal employees would have to work at locations away from their usual workplace, including home, for at least 10 consecutive days.

A number of agencies have taken the initiative to perform demonstration exercises in the last several years, but there are still many agencies that have not done so. I would like to see more agencies test their ability to continue operations in an emergency and incorporate telework into their continuity of operations plans.

I am pleased that Representative John Sarbanes, along with Chairman Henry Waxman and Representative Frank Wolf, will join me in introducing the Telework Improvement Act of 2007. This legislation will bring together the efforts of my colleagues and breaks new ground by ensuring that eligible Federal employees

have the opportunity to telework, and that agencies are incorporating telework into their continuity of operations planning.

Several other legislative proposals have been introduced in the House and in the Senate. This issue is receiving some well-deserved attention. The Federal Government can set the example for teleworking. There are some very successful agency and sub-agency telework programs that can serve as models for the public and private sector.

I thank you and look forward to the testimony of today's witnesses. We are fortunate to have a distinguished group of witnesses with us today, and I certainly want to thank you for being here.

[The prepared statement of Hon. Danny K. Davis follows:]

**STATEMENT OF CHAIRMAN DANNY K. DAVIS
AT THE SUBCOMMITTEE ON FEDERAL WORKFORCE,
POSTAL SERVICE, AND THE DISTRICT OF COLUMBIA
HEARING ON**

"TELEWORK: BREAKING NEW GROUND"

Tuesday, November 6, 2007

Ranking Member Marchant, members of the Subcommittee, and hearing witnesses, welcome to the Subcommittee's hearing on telework.

Today's hearing will examine why telework continues to be under utilized by federal agencies and the improvements that are needed to allow more federal employees to participate

in telework programs. Telework provides numerous benefits including increased flexibilities for both employers and employees, continuity of operations during emergency events, and decreased energy use and air pollution.

The Office of Personnel Management (OPM) defines telework as "work arrangements in which an employee regularly performs officially assigned duties at home or other worksites geographically convenient to the

residence of the employee." Many of the current federal programs were developed in response to a provision included in an appropriations bill enacted in October 2000. This law requires each executive branch agency to establish a telework policy under which eligible employees "may participate in telecommunting to the maximum extent possible without diminishing employee performance." Under the current legislative framework, the General Services Administration (GSA) and OPM have

leading roles in implementing government-wide telework initiatives.

Unfortunately, telework is not being used to the extent it should be. According to OPM's most recent report, only about 119,000 of the approximately 1.8 million federal employees participated in telework in 2005. That figure represents only 6.6% of federal agency employees. Some of the barriers to telework include office coverage, organizational culture, management resistance, and technology

security and funding. Today we want to examine ways to address these barriers and encourage teleworking.

On May 7, 2007, I, along with my colleagues, Ranking Minority Member Kenny Marchant and the full committee Chairman and Ranking Minority Members Henry Waxman and Tom Davis sent a letter to 25 federal departments and agencies requesting information on the telework programs of those agencies. The letter was intended to help us better understand

how well agency telework programs are working. What we found is that not only is telework inconsistently defined across agencies, many agencies, do not effectively measure and track teleworkers. Some agencies do not even know how many of their employees are actually teleworking.

In recent years, telework has increasingly been viewed as an important tool for ensuring continuity of essential government services in a time of crisis, such as in the event of a

natural disaster or a terrorist attack. To help improve the preparedness of the federal governments operation in emergency situations, last session, I introduced H.R. 5366, the "Continuity of Operations Demonstration Project Act." This legislation provided for a demonstration project under which at least two federal agencies would perform services and operations under a simulated emergency in which federal employees would have to work at locations away from their usual workplace, including home, for at least

10 consecutive days. A number of agencies have taken the initiative to perform demonstration exercises in the last several years but there are still many agencies that have not done so. I would like to see more agencies test their ability to continue operations in an emergency and incorporate telework into their continuity of operations plans.

I am pleased that Representative John Sarbanes, along with Chairman Henry Waxman and Representative

Frank Wolf will join me in introducing the "Telework Improvement Act of 2007." This legislation will bring together the efforts of my colleagues, and breaks new ground by ensuring that eligible federal employees have the opportunity to telework and that agencies are incorporating telework into their continuity of operations planning. Several other legislative proposals have been introduced in the House and in the Senate. This issue is receiving some well deserved attention. The federal government can set the

example for teleworking. There are some very successful agency and sub-agency telework programs that can serve as models for the public and private sector.

Thank you and I look forward to the testimony of today's witnesses. We are fortunate to have a distinguished group of witnesses with us. Thank you for being here today.

***

Mr. DAVIS OF ILLINOIS. Now it is my pleasure to yield such time as he might consume to the ranking member, Mr. Marchant, for any opening statement that he would like to make.

Mr. MARCHANT. Thank you, Mr. Chairman.

Congress often focuses on where Government is failing and how the American taxpayer is not getting what he or she is paying for. Today we will be discussing telework, an issue which demonstrates an opportunity for the Federal Government to increase productivity while decreasing infrastructure and environmental costs. I look forward to hearing about these opportunities.

Mr. Chairman, for the sake of time I will leave the rest of my opening statement for the record. And I would also like to submit for the record an opening statement by Ranking Member Tom Davis.

Mr. DAVIS OF ILLINOIS. Thank you very much, Mr. Marchant. I would also yield time as he might consume to Representative Sarbanes, who has indicated and demonstrated a tremendous amount of interest in this area of concern. I recognize Mr. Sarbanes.

Mr. SARBANES. Thank you, Mr. Chairman. I want to thank you for holding the hearing.

I am very excited about the prospects to increase the use of telecommuting and teleworking within the Federal Government and serve as the kind of model which you alluded to, which the Federal Government can be, joining with others in private industry that have done so much in this area.

I had the privilege of being able to offer earlier this year an amendment onto the energy bill that would try to promote this sort of thing, and I want to thank the chairman for taking the initiative to introduce this in a stand-alone form, as he will be doing and I will be joining with him in that.

I also want to acknowledge, as he has done, Congressman Wolf's efforts over many years to bring this issue to the forefront. We look forward to working with him, as well.

I represent a District which has a tremendous number of Federal employees who commute in and out of the District of Columbia every day, and I have heard from many of them about the promise of telecommuting and what a difference it can make.

My original approach to this issue was with respect to how the Federal Government can help reduce its carbon footprint by promoting teleworking, but obviously the benefits go far beyond that. There are many, many dimensions to the issue.

In Maryland we are about to absorb many new jobs as a result of Base Realignment and Closure Commission recommendations. I think that telecommuting can help both in that transition as well as over the long term as the number of jobs increases and, frankly, as the degree of congestion in many parts of my District also increases. That all lends itself to the need for telecommuting.

I, myself, commute every day. I was saying this morning to somebody that until we can vote remotely I may not, myself, be able to take advantage of the telecommuting opportunity, but I expect that folks in my office can eventually, and bring it in to the legislative branch, and certainly there are so many in the Federal executive branch that can take advantage of this. But I understand what it

means to be caught in gridlock, and so that is certainly a perspective that I bring.

The opportunity to save money, the opportunity to promote more flexibility in the work force and in work arrangements, all of that is part of the discussion that we are going to have today, and so I think it is a tremendous win/win opportunity if we pursue this in a more formal way by looking at how to enact and then implement policies, have people that are dedicated in their focus to the telework option within Federal agencies.

I agree with the chairman that the Federal Government is in a position to really model this in some innovative and creative ways. I know many agencies have begun to do that, but we can, of course, do more across the board.

I am looking forward very much to hearing the testimony of all of our witnesses today and again thank you, Mr. Chairman.

Mr. DAVIS OF ILLINOIS. Thank you very much, Mr. Sarbanes.

We are now prepared to hear from our witnesses, but let me just indicate that we had hoped to have Representative Frank Wolf as our first witness because he has been a pioneer in promoting these concepts and ideas and, unfortunately, could not be here at the moment, and so he might still get an opportunity to come in, and if he is able to do so then we would look forward to hearing from him.

Our panelists are, first of all, Mr. Daniel Green, who is the Deputy Associate Director of the Center for Employee and Family Support Policy for the Office of Personnel Management. Mr. Green is currently responsible for developing Federal employee benefits policy covering the multi-billion-dollar retirement and insurance programs administered by OPM. He is also responsible for promoting important employee and family support programs like telework.

Mr. Green, thank you so much.

We have Mr. Stan Kaczmarczyk. He is the current Acting Deputy Associate Administrator for the U.S. General Services Administration's Office of Government-Wide Policy. Mr. Kaczmarczyk has policymaking authority over several key areas, including personal and real property, travel and transportation, information technology, regulatory information, and use of Federal advisory committees.

Ms. Bernice Steinhardt is the Director of Strategic Issues and has held a variety of leadership positions within the U.S. Government Accountability Office. Congress' analytic and investigative arm. Ms. Steinhardt is responsible for examining Government-wide management issues and supporting the Federal Government's transformation to meet 21st century challenges.

It is the custom and tradition of this committee, as well as it is others, to swear in witnesses, and so if you would stand and raise your right hands.

[Witnesses sworn.]

Mr. DAVIS OF ILLINOIS. The record will show that each one of the witnesses answered in the affirmative.

We thank you very much, and we will begin with you, Mr. Green.

STATEMENTS OF DANIEL A. GREEN, DEPUTY ASSOCIATE DIRECTOR, CENTER FOR EMPLOYEE AND FAMILY SUPPORT POLICY, OFFICE OF PERSONNEL MANAGEMENT; STAN KACZMARCZYK, PRINCIPAL DEPUTY ASSOCIATE ADMINISTRATOR FOR GOVERNMENT-WIDE POLICY, GENERAL SERVICES ADMINISTRATION; AND BERNICE STEINHARDT, DIRECTOR, STRATEGIC ISSUES, GOVERNMENT ACCOUNTABILITY OFFICE

STATEMENT OF DANIEL A. GREEN

Mr. GREEN. Thank you, sir. Mr. Chairman and members of the subcommittee, I am pleased to be here today to discuss OPM's role in promoting telework in the Federal Government.

Telework and other work life flexibilities are important tools used by agencies to recruit and retain employees. Telework is also an important component of emergency preparedness, helping ensure the Federal Government can continue core operations from remote locations in terms of a short or long-term crisis.

According to the latest numbers gathered by OPM, 49 of 8 executive branch agencies had more employees teleworking in 2006 compared to 2005. Those who do telework are teleworking relatively frequently. In fact, over half of them are working from an alternative work site at least once per week.

Despite these successes, there was a slight decrease in the total number of teleworkers reported Government-wide from 119,248 in 2005 to approximately 111,000 in 2006. This slight overall reduction was largely due to decreased numbers of teleworkers reported at a few large agencies.

According to information OPM was given by these agencies, there are two major reasons for the decrease: data gathering reporting problems and data security concerns. We found that the internal tracking systems used to gather data vary widely in their efficiency and effectiveness, leading to inconsistencies in the information reported to OPM year to year. Agencies are developing internal systems to improve their data collection.

The second major issue is data security, which had an impact on actual telework participation. Agencies have justifiably become increasingly concerned with the security of information systems overall and may perceive remote access as a particularly problematic.

We are working on various initiatives to address this issue and to further explore what security measures are currently in place and what recommendations need to be made to achieve a telework environment that maintains data security.

Balancing these challenges are positive drivers for telework that resulted in program growth for the majority of agencies in 2006. One major driver is the recognition by many organizations that telework is a valuable tool to ensure that vital operations continue during a continuity of operations or pandemic influenza event. OPM strongly recommends in our telework guide that agencies have an effective routine telework program and that as many employees as possible should have telework capability.

In my written testimony I provide information on how three agencies—Department of Labor, U.S. International Trade Con-

sumer magazine, and OPM itself—have used telework as a means to meet their individual operational objectives.

Telework is an important tool in emergency planning, and we continue to support agencies in their efforts to integrate telework into COOP and pandemic influenza preparation.

In responding to President Bush's implementation plan for the national strategy for pandemic influenza, OPM issued a completely new guide to telework in the Federal Government on August 3, 2006. The guide was distributed to all Federal agencies and is posted on the inter-agency telework Web site, telework.gov.

OPM integrates telework in its pandemic planning and guidance briefings for agencies and town hall meetings for Federal employees. OPM staff visits Federal managers, H.R., and technical personnel and others to provide a comprehensive review of policy regarding pandemic preparedness.

We are pursuing many activities to foster telework utilization. I would especially like to point out our collaboration with the Chief Human Capital Officer's Counsel on several telework-related activities.

In February 2007, OPM staff helped organize the Chico Training Academy session focused on agency telework best practices. There were over 50 attendees representing more than 20 agencies at this session, which highlighted the telework efforts of three Federal agencies.

In addition, OPM is working with the CHCO Counsel Emergency Preparedness Subcommittee exploring how best to refine current telework definitions and enhance agency metrics in order to strengthen the program.

Mr. Chairman and members of the subcommittee, this concludes my remarks. I would be pleased to respond to any questions you may have.

[The prepared statement of Mr. Green follows:]

STATEMENT OF
Mr. DANIEL A. GREEN
DEPUTY ASSOCIATE DIRECTOR
CENTER FOR EMPLOYEE AND FAMILY SUPPORT POLICY
U. S. OFFICE OF PERSONNEL MANAGEMENT

before the

SUBCOMMITTEE ON FEDERAL WORKFORCE, POSTAL SERVICE AND THE DISTRICT OF COLUMBIA
HOUSE COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM
UNITED STATES HOUSE OF REPRESENTATIVES
on

TELEWORK: BREAKING NEW GROUND

November 6, 2007

Mr. Chairman and Members of the Subcommittee:

I am pleased to be here today to discuss OPM's role in promoting telework in the Federal Government. Telework and other work/life flexibilities are important tools used by agencies to recruit and retain employees. Telework is also an important component of emergency preparedness, helping ensure the Federal government can continue core operations from remote locations in case of a short- or long-term crisis.

Status of Telework in the Federal Government

According to the latest numbers gathered by OPM, forty-nine of 80 Executive Branch agencies had more employees teleworking in calendar year 2006 compared to calendar year 2005. Those who do telework – defined in our annual survey as "any arrangement in which an employee regularly performs officially assigned duties at home

or other work site geographically convenient to the residence of the employee" - are teleworking relatively frequently. In fact, over half of them are working from an alternative worksite at least once per week. Despite these successes, there was a slight decrease in the total number of teleworkers reported governmentwide, from 119,248 in 2005 to 111,549 in 2006.

This slight overall reduction was largely due to decreased numbers of teleworkers reported at a few large agencies. According to information OPM was given by these agencies, there are two major reasons for the decrease: data gathering/reporting problems, and data security concerns.

We found that the internal tracking systems used to gather data vary widely in their efficiency and effectiveness, leading to inconsistencies in the information reported to OPM year to year. Issues like automatic tracking vs. hand-counting agreements, changes in the personnel collecting the data year to year, and lack of communication between large sub-agencies have led to problems.

Agencies are developing internal systems to improve their data collection. In addition, OPM has continued to refine the yearly survey tool, based on agency feedback and our own observations about the data. Next year, for instance, we plan to have some of the large agencies break out their data into sub-components, so that we can get a better sense of both their successes and challenges.

We have also been working with payroll service providers as they routinely update their systems to maximize the use of the time and attendance systems to track telework. This will enable us to collect basic telework data more consistently governmentwide.

The second major issue is data security, which had an impact on actual telework participation. Agencies have justifiably become increasingly concerned with the security of information systems overall, and may perceive remote access of any kind as particularly problematic. We are working on various initiatives to address this issue– for example, OPM added two new questions to the 2007 telework survey to further explore what security measures are currently in place and what recommendations need to be made to achieve a teleworking environment that maintains data security. We are also working with several intelligence community agencies to explore how telework centers can be adapted to a more secure environment.

Balancing these challenges are drivers for telework that resulted in program growth at the majority of agencies in 2006. One major driver is the recognition by many organizations that telework is a valuable tool in ensuring that vital operations continue during a Continuity of Operations (COOP) or pandemic influenza event.

OPM strongly recommends in our Telework Guide that agencies have "an effective routine telework program" and that "(a)s many employees as possible should have telework capability (i.e., current telework arrangements, connectivity, and equipment commensurate with their work needs and frequent enough opportunities to telework to ensure all systems have been tested and are known to be functional)."

Using Telework as a Workplace Tool

The U.S. Department of Labor is a good example of the positive impact of COOP/pandemic influenza planning preparedness on telework program participation. From 2005 to 2006 the agency had a 43% increase in the total number of teleworkers. Agency staff credit pandemic influenza planning exercises, which have given employees

and managers practical experience teleworking, as being key to this growth. In addition, the agency conducts telework briefings for staff and management, and telework is also integrated into new employee orientation sessions. As a result, there is wider acceptance of telework as a viable flexible work option across the Department.

Telework succeeds in other places due to excellent processes and implementation. The use of telework at the U.S. International Trade Commission more than quadrupled from 2005 to 2006, which Commission officials attribute to the ease of administration of their telework program. A well-designed automated application and tracking system makes participation easy for employees and their managers. The telework program's ease of implementation and good reputation – participants report higher levels of job satisfaction and productivity – have led to this rapid growth. The Commission has utilized telework in their recruitment efforts, citing this flexibility as an attraction for younger applicants.

Additional drivers for telework governmentwide include the demographic shifts we are experiencing in the workforce. At OPM, 23% of all eligible employees teleworked in 2006 (compared to a governmentwide average of slightly less than 9%), and the number teleworking three or more days per week more than quadrupled. These gains are largely the result of our in-house implementation of the Career Patterns initiative, a governmentwide program created by OPM to help agencies build environments suited to the 21st century workforce by reviewing individual positions and determining which workplace flexibilities, such as telework, should be offered to job applicants and employees to attract and retain talented people.

Continuing Efforts

Telework is an important tool in emergency planning, and we continue to support agencies in their efforts to integrate telework into COOP and pandemic influenza preparation. In May, 2006 President Bush announced the *Implementation Plan for the National Strategy for Pandemic Influenza* which described critical actions the Federal Government would take to detect and respond to a potential pandemic. The *Implementation Plan* directed OPM to update existing telework guidance to provide additional guidance to Federal agencies regarding workplace options during a pandemic. In response, OPM issued a completely new "Guide to Telework in the Federal Government" on August 3, 2006. This Guide is directed towards Federal employees and managers.

The Guide was distributed to all Federal agencies, and is posted on the interagency telework website, www.telework.gov. OPM integrates telework in its pandemic planning and guidance briefings for agencies and Town Hall meetings for Federal employees. OPM staff visit Federal managers, HR and technical personnel and others to provide a comprehensive review of policy regarding pandemic preparedness.

In addition to issuing the new guidance, OPM is promoting telework on several other fronts. We have been working with the Chief Human Capital Officers (CHCO) Council on several telework-related initiatives. In February 2007, OPM staff helped organize a CHCO Training Academy session focused on agency telework best practices for CHCOs and their designees. There were over 50 attendees representing more than 20 agencies at this session, which highlighted the telework efforts of three Federal agencies. Attendees learned how effective and valuable telework has been for the Defense Information Systems Agency (DISA), a DOD component, in preparation for the Base

Realignment and Closure (BRAC) activities. The Director of Administration and the President of the local AFGE union from the U.S. International Trade Commission co-presented their agency's telework tracking system, a technology solution which allows employees to effortlessly establish their telework schedules. And, OPM shared highlights and findings from our agency's September 2006 telework exercise, conducted under the leadership of Director Springer. The goal of this exercise was to test the state of readiness of agency systems and the ability of our employees to conduct mission critical functions and activities in the event of an emergency such as a pandemic influenza outbreak. While we encountered a few small technical difficulties along the way—mainly involving equipment, software, or connectivity—overall, the exercise was carried out smoothly and exposed no serious deficiencies in participants' ability to work from remote locations. The evaluation process is ongoing, and we will continue to monitor telework readiness and take necessary action to make sure employees have what they need to conduct OPM's mission-critical functions from remote locations.

In addition, OPM is working with the CHCO Council Emergency Preparedness Subcommittee, exploring how best to refine current telework definitions and enhance agency metrics in order to strengthen the program.

OPM continues its work with agency telework coordinators by hosting telework meetings that focus on up-to-date issues and topics and staff make agency visits to provide technical assistance on individual telework programs and policies.

Additionally, we are improving the accessibility of information available on telework.gov and identifying ways we can help employees and managers link from our

website back to their own agency resources quickly and easily. OPM is also exploring training to help managers optimize a flexible work environment.

Mr. Chairman and Members of the Subcommittee, this concludes my remarks. I would be pleased to respond to any questions you may have.

Daniel A. Green

Deputy Associate Director
Center for Employee and Family Support Policy
U.S. Office of Personnel Management

Dan Green has spent 35 years with the Office of Personnel Management (OPM) in a variety of positions in retirement and insurance operations. Dan is currently responsible for developing Federal employee benefits policy covering the multi-billion dollar retirement and insurance programs administered by OPM and promoting important employee and family support programs, like telework, health promotion and Employee Assistance Programs. Recent accomplishments include issuing the Telework Guide for Federal employees and managers and establishing voluntary dental and vision insurance programs for Federal employees, retirees, and their families.

The current Federal Government civilian workforce is approximately 1.8 million employees (not counting postal workers). The U.S. Office of Personnel Management is the President's agent and advisor for the Government's human resources management systems. OPM's primary responsibility is to ensure the Federal Government has an effective workforce.

Mr. DAVIS OF ILLINOIS. Thank you.

We will proceed to Mr. Kaczmarczyk.

STATEMENT OF STAN KACZMARCZYK

Mr. KACZMARCZYK. Thank you. Mr. Chairman, Ranking Minority Member Marchant, and members of the subcommittee, I appreciate the opportunity to appear before you today to discuss the General Services Administration's views on how telework programs succeed.

Successful implementation of telework in the Federal Government requires effective tools, useful guidance, proactive senior leadership, and flexible implementation.

Telework programs succeed when they have the basic tools necessary to complete the program. Legislation that would remove barriers to Federal telework is welcomed, and we look forward to working with Congress on appropriate telework legislation.

Another factor leading to successful telework is useful guidance. Last year GSA published Federal Management Regulation Bulletin 2006-B–3, which established guidelines for alternative workplace arrangements in the Federal Government. This year we followed up with FMR Bulletin 2007-B–1 covering technology, security, and privacy issues for telework. This document helped establish that telework, when appropriately implemented, can maintain information security.

Successful programs ensure that the entire work force is aware of telework laws, policies, benefits, and practices. To that end, our efforts include a very active listserve and Web site, along with videos, promotional materials, and press releases.

Another critical ingredient in successful programs is aggressive top-level involvement and support. A good example of this is the recently issued challenge by our Administrator, Lurita Doan. She is pushing GSA to lead by example and to increase the number of eligible employees participating in telework. The goal is to have 50 percent of eligible GSA employees teleworking at least 1 or 2 days per week by the end of calendar year 2010.

In furtherance of leading by example and prior to any legislative requirement, GSA will appoint a telework managing officer, as called for in both the Senate and House versions of the Telework Enhancement Act of 2007.

Proactively demonstrating that she is walking the talk, Administrator Doan recently spent the day working at one of the GSA-sponsored telework centers and announced plans to continue teleworking every month.

We encourage other agencies to challenge themselves to use telework to its greatest advantage. We will support their efforts through workplace solutions offered by our Federal Acquisition Service and our Public Building Service.

An examination of telework programs shows that flexibility implementation is another key to making programs a success. Along these lines, Congress and GSA established the telework center's pilot project in the Washington, DC, metropolitan area. These centers offer Federal workers a convenient and effective telework alternative to working at home and are located between 16 and 80 miles from downtown D.C. Telework centers add the program flexi-

bility needed to make telework a successful option for those who want to avoid the commute but can't work at home.

To illustrate, I would like to show you our new flash video, the first flash video ever to be posted on GSA's Web site, immediately after my conclusion.

In conclusion, GSA believes that successful Federal telework programs can be cost effective, significantly reduce traffic, and improve air quality. They can help improve continuity of operations, recruitment and retention of staff, and quality of work for our Federal work force.

Characteristics of successful programs include: effective tools, useful guidance, proactive senior leadership, and flexible implementation.

I would be happy to answer any questions you may have.

Now we would like to show the video.

[Video presentation.]

[The prepared statement of Mr. Kaczmarczyk follows:]

STATEMENT OF

STANLEY KACZMARCZYK
PRINCIPAL DEPUTY ASSOCIATE ADMINISTRATOR

OFFICE OF GOVERNMENTWIDE POLICY

U.S. GENERAL SERVICES ADMINISTRATION

BEFORE THE

SUBCOMMITTEE ON FEDERAL WORKFORCE,
POSTAL SERVICE, AND THE DISTRICT OF COLUMBIA

COMMITTEE ON OVERSIGHT AND
GOVERNMENT REFORM

U.S. HOUSE OF REPRESENTATIVES

NOVEMBER 6, 2007

Mr. Chairman, Ranking Minority Member Marchant, and Members of the Subcommittee, I appreciate the invitation to appear before you today to discuss the General Services Administration's (GSA's) view on why and how some telework programs succeed. You will note that I did not mention the issue of why some programs fail. That's because, in our experience, once effectively implemented, very few if any Federal telework programs fail. In our opinion, therefore, the issue is why programs succeed and what can be done to facilitate this success.

We have experience with our own agency's program as well as experience with successful programs sponsored by the Office of Personnel Management (OPM). But after more than 15 years of continuing efforts to build a robust and vital Federal telework program, levels of participation are still not as high as they can and should be.

Successful implementation of telework in the Federal Government involves useful policies, implementation guidance, effective tools, program support, pro-active senior leadership, and culture change. These characteristics are evident in successful telework programs such as those at the Department of Commerce's Patent and Trademark Office and the Treasury Inspector General for Tax Administration.

Telework programs succeed when they have the basic tools necessary to support the program. Legislation that would remove barriers to Federal Telework is welcomed, and we look forward to working with Congress on appropriate telework legislation. One legislative area that might be addressed is travel pay associated with long-distance telework, that is, telework from locations beyond the local commuting area of the employing organization's facility where the employee would work but for the telework arrangement. Under existing law, these long-distance telework arrangements typically require an increase in agency travel expenses, since the telework location is the employee's official duty station for pay and travel purposes. For example, if a Patent and Trademark Office employee chooses to live in San Francisco and telework to the PTO's

Alexandria, Virginia location, and if the PTO requires the employee to occasionally report to the Alexandria location, the PTO is responsible for the travel costs since it is considered travel away from the employee's official duty station, even though it was the employee's decision to live in San Francisco instead of Northern Virginia. These travel costs serve as a disincentive to establishing such arrangements and hamper potential beneficial program

expansion. Making the payment of such travel expenses optional could help agencies with their efforts to retain valued employees, who would like the choice of living somewhere else even if they would have to pay to travel back for a meeting once and a while, and remove a barrier to the expansion of successful telework in the Federal Government. We support PTO's recent informal draft bill that would amend 5 U.S.C. 5710 to extend GSA authority to approve travel expense test programs that would allow agencies to test new and innovative methods of reimbursing travel expenses and giving employees more choices of where to live.

Useful Guidance

Another factor leading to successful telework is clear and effective operating guidance. Last year, GSA published Federal Management Regulation (FMR) Bulletin 2006-B3, which established guidelines for agencies implementing and operating alternative workplace arrangements in the Federal sector. This document helps agencies resolve commonly encountered telework implementation issues, such as the provision of workplace equipment to teleworkers and the payment of utility costs for alternative worksites.

This year, we followed up with FMR Bulletin 2007-B1, "Information Technology and Telecommunications Guidelines for Federal Telework and Other Alternative Workplace Arrangement Programs." This document, which integrated guidance from the National Institute of Standards and Technology, the Office of Management and Budget, the Government Accountability Office and GSA, was designed to help agencies identify and provide for the technology necessary for successful and secure telework programs. GSA recognized the need to provide telework technology and security information in a consolidated, easy to read format that covered technology topics such as basic equipment, telecommunications, security, privacy, training and support. By clarifying the technology, security and privacy policy guidance for telework, this document helped establish that telework, when appropriately implemented, can maintain information security. Upcoming FMR bulletins will provide further guidance on telework.

Implementation Guidance

A key tool that is increasingly important as a determinant of telework success is an adequate and secure technology infrastructure. As we all know, technological advance is both fast and complicated. Successful programs have the necessary

information to enable optimal deployment of technology. To provide this information, GSA conducted two in-depth studies and published important and useful findings which will help agencies increase their telework participation. The study findings are based on survey and other information from agency chief information officers, managers, teleworkers, telework coordinators, and others involved in telework programs. These studies are available on our website at http://www.gsa.gov/telework.

Some highlights from the research are:

- Information Technology (IT) management officials need to be more effectively engaged in telework planning, budgeting, and implementation to ensure the successful and effective incorporation of IT in telework programs.

- To create a successful enterprise-wide approach to telework and simultaneously maximize total benefits and return on investment, agencies should include telework technology in enterprise planning and architecture.

- The necessary IT security products and services that address telework-related security requirements do currently exist.

- Telework technology costs are invisible to senior executives in most organizations and most agencies are not making telework part of their agency-wide strategic vision.

In short, no IT issue is of such a degree that it is a barrier to the growth of telework and there are solutions to address the perceived barriers.

An examination of telework programs shows that flexible implementation is another key to making programs a success. Along those lines, Congress and GSA have long known that while home-based telework is fine for the majority of teleworkers, it does not work for many who have personal or work-related issues that require a different setting than their homes. As a result, Congress and GSA established a Telework Centers pilot project in the Washington, DC metropolitan area. These Centers, managed by GSA, offer Federal and non-Federal workers a convenient and effective telework alternative to working at home. The services and amenities available at the Centers include typical workstation and office equipment, Internet access, workspace options ranging from private and semi-

private offices to cubicles, and conference rooms with videoconferencing capability. Currently, the Centers are located between 16 and 80 miles from downtown DC. Telework Centers add the program flexibility needed to make telework a successful option for those who want to avoid the commute but still need to get out of the house.

Effective Tools

GSA also provides agencies a useful cost analysis tool called the Cost Per Person Model (CPPM). The CPPM is an Excel-based tool designed to enable users to benchmark and compute the cost per person for workspace, information technology, telecommunications, telework and other alternative work environments. This tool can also calculate potential cost savings for different workspace scenarios. A copy of the CPPM can be requested online at http://www.gsa.gov/cppm.

Specific features of the Cost Per Person Model:

- Enables Federal agencies to compute separately or in aggregate the cost per person for workspace, telecommunications, information technology and alternative costs
- Compares the cost of working in an office facility versus alternative work environments
- Provides both national and regional benchmark costs for workspace, information technology, telecommunications and alternative work environments
- Depicts cost per person results using graphs
- Calculates potential cost savings for various workspace, information technology, telecommunications and alternative work environments
- Offers a user-friendly manual with step-by-step instructions

Program Support

Finally, successful programs ensure that the entire workforce is aware of telework laws, policies, benefits and practices. To that end, our efforts include a very active listserv and website along with videos, promotion materials, press

releases, and beneficial partnerships with advocacy organizations. GSA recently posted the following web-based program promotion materials:

- New Flash Video - This is the first flash video ever to be posted on GSA's website. Complete with both video and synched music, it can be viewed at http://www.gsa.gov/teleworkvideo. A looping file of the video is also available to use in making presentations and staffing exhibits.

- New "4 Easy Steps to Register and Start Using a Telework Center" process - The registration process is now stated in "4 Easy Steps" with interactive website links. These may be found just below the video at http://www.gsa.gov/teleworkvideo and in a series of new publications now offered at http://www.gsa.gov/teleworklibrary.

- New Interactive Map to Locate Telework Centers - Website visitors may now locate a center and see what it looks like by just clicking on the link at "Easy Step," number 2. Just scroll to a center location to view it or click on it to find the exact address and rate.

- New Publications and Poster - Agency telework coordinators and other website visitors will now find several new publications and a telework centers poster at http://www.gsa.gov/teleworklibrary under "Telework Promotion Materials" and "Telework Centers Resource Materials."

Pro-Active Senior Leadership

Another critical ingredient in successful programs is aggressive top-level involvement and support. A good example of this is the recently issued challenge by our Administrator, Lurita Doan. She is pushing the agency to "lead by example" and to increase the number of eligible employees participating in telework. The goal is to have 50% of eligible GSA employees teleworking at least one or two days per week by the end of calendar year 2010. She has also set interim goals of achieving a participation rate of 20% by the end of calendar year 2008 and of 40% by the end of calendar year 2009. GSA participation in telework is already more than twice the Federal proportion.

In furtherance of leading by example and prior to any legislative requirement, GSA has appointed a "Telework Managing Officer" as called for in both the Senate and House versions of the Telework Enhancement Act of 2007. Furthermore, to streamline bill paying procedures and thereby increase

incentives for GSA organizations to utilize telework centers, the Administrator is creating a central fund set aside for Telework Center user fees and centralizing the fee payment process. Thus, managers can approve an employee to use a telework center and simply send a request to the central fund instead of the Telework Center user fees being taken from the manager's budget.

Pro-actively demonstrating that she is walking the walk, Administrator Doan recently spent the day working at one of the GSA-sponsored Telework Centers and announced plans to continue teleworking every month. The Administrator has made it clear that this effort is the next step toward using telework to its fullest advantage as we accomplish the wide range of work that we have to do across the agency, including encouraging other agencies to challenge themselves to use telework to its greatest advantage and supporting their efforts through our Federal Acquisition Service and our Public Building Service offerings. The Administrator believes that GSA's Workplace Solutions can be an effective tool for improving agencies' telework participation.

Culture Change

GSA is also establishing an internal policy and system for classifying jobs as telework eligible. This system will boost the continuity, efficiency, and equity of our telework program. We are also establishing formal telework agreements for all teleworkers, regardless of whether or not they are regular teleworkers. In addition to providing a consistent telework platform for program, COOP, and resource planning, this will go a long way in helping to eliminate the large security risk typically associated with informal telework.

Within the past year, GSA has also incorporated telework codes within our Electronic Time and Attendance Management System (ETAMS) which allow employees to capture hours spent teleworking. These codes reflect current GSA policy on telework and will allow monitoring of telework participation. The agency is also, in conjunction with development of enhanced telework policy, considering additional options for tracking telework.

Benefits

Telework programs are successful because they also take advantage of the many beneficial applications of telework. Aside from the many environmental and family-friendly aspects, investments in telework support other critical agency-

wide objectives, including IT modernization efforts, support of mobile workers, and legislative compliance. It is also a key tool in our efforts to prepare for national emergencies such as pandemics and natural disasters.

There has been widespread interest in the incorporation of telework as a mechanism for emergency Continuity of Operations (COOP) Plans. This is a natural benefit of telework, but you cannot wait until an emergency to implement a COOP telework program. Federal agencies must have a viable telework program in place as part of a normal operation plan so that employees can fully transition to this alternative work arrangement in the event of an emergency. The result is a properly trained and equipped work force that is allowed to participate in telework to the maximum extent possible.

Other valuable telework applications include:

- Combining telework with alternative officing to enable agencies to reduce costs and improve the utilization of existing facilities.
- Utilizing remote alternative worksites to accommodate workers who need to work in a high security environment and/or are adversely affected by Base Relocation programs.
- Enhancing recruitment and retention of Federal workers by improving work/life balance.

Using estimated averages based on agency responses to a survey conducted by the GSA, an investment of approximately $16 million over three years to provide a "basic" teleworker-at-home solution for 50,000 teleworkers at an agency with 100,000 staff can, in appropriate circumstances, be offset with a realization of over $36 million in benefits over the same three-year period.

Conclusion

In conclusion, GSA believes that effective telework programs can and are being implemented by Federal agencies. These programs can be cost-effective and significantly reduce traffic, improve air quality, and reduce the dependence on foreign sources of oil. They can also provide additional value in the areas of continuity, recruitment and retention of staff, and quality of life for our Federal workforce. The ingredients of successful programs include pro-active top-level leadership, clear guidelines, solid program support and integration of telework into overall agency planning, utilization of telework applications and recommended practices, and high-visibility program promotion.

I would be happy to answer any questions that you may have.

ADDITIONAL MATERIAL (NOT PRESENTED IN HEARING)

TELEWORK AT GSA

Of a total of 12,205 employees at GSA, 11,190 or 92 percent are potentially eligible for telework based on their job classification. GSA is currently reviewing all positions as part of the annual assessment process to ascertain the eligibility of each position.

The following table is a summary of telework participation at GSA:

Telework Participation

Type of Telework	**Number of Employees**	**Average Days Per Month**
Core Telework		
3 or more days/week	305	12*
1 or 2 days/week	761	4 or 8
Non-Core Telework		
At least once/month	490	Unknown
Intermittent	Unknown	
Total	1,556	

* The level of participation for employees teleworking three or more days per week ranges from that three day minimum to five days per week

Mr. DAVIS OF ILLINOIS. Thank you very much, Mr. Kaczmarczyk. As a matter of fact, your demonstration reminds me of the comment that is often made at my church that I attend, where people say, I'd rather see a sermon than hear one any day. So we thank you very much.

We will to go Ms. Steinhardt.

STATEMENT OF BERNICE STEINHARDT

Ms. STEINHARDT. It is going to be hard to follow that.

Thank you very much, Mr. Chairman and Mr. Marchant and Mr. Sarbanes. We appreciate the opportunity to be here today to talk about the Federal Government's efforts to promote telework for its employees.

Over the years we have reported on Federal telework programs, and over those years it has been clear to us that the Congress has been rather frustrated in its efforts to try to make telework a more widely used tool.

In our view, though, that frustration is likely to continue until agencies bring a more results-oriented approach to managing their telework programs.

What do I mean by that?

Right now Congress has quite a few aspirations for telework, and OPM and the agencies have incorporated those aspirations into their policies, and everyone is looking to telework to yield a whole variety of benefits, some of which were mentioned in the video, others have been talked about this morning. Agencies are looking to telework to recruit and retain a skilled work force, to ease traffic congestion and improve quality of life, to provide for continuity of operations in emergency events, and so on. But all of these aspirations have never been translated into program goals. No one is managing to them, no one is setting targets for them, and there is not a lot of information that is being collected to help in evaluating telework programs.

When we did a study several years ago of four agencies' telework programs, we identified 24 key practices that agencies should follow, based on industry best practice. And four of those practices had to do with managing for results. But these practices were among the least employed, and none of the agencies were fully implementing them. None of them had goals or targets or information for evaluation, and without this information they had no way of making improvements, either.

Even in the most basic program performance measures we found problems. In a study we did in 2005 in which we looked at five other agencies, we found that most of them were measuring employee participation based on their potential to telework. They were counting agreements for telework, rather than counting who was actually teleworking or how frequently.

And for even more basic measures, like eligibility, agencies used such differing methods of calculation that there is no really meaningful picture when you look across the Federal Government. As a result, we recommended in that report that Congress determine ways to promote more consistent definitions and measurements related to telework.

I would note that the committee's survey found very similar findings: that there was a need for much greater consistency and more meaningful measures.

We also went on to suggest that Congress might want to have OPM work with the Chief Human Capital Officers Council to come up with a set of definitions and measures that would allow for a more meaningful assessment of progress in telework programs.

Some of the information could be improved by more consistent definitions, like eligibility. Every agency sets its own programs and policies to meet its own local conditions and circumstances, but there shouldn't be widely disparate terms for basic things like eligibility.

Some of this effort would take additional effort to collect. For example, on actual usage of telework, some agencies have now put into place time and attendance systems that can measure when people are actually teleworking, the extent to which they are actually working. Others are working on it. Others are not. Some information might be already available through existing sources. The Federal benefits survey and Federal human capital survey, for example, already ask Federal employees about their satisfaction with telework.

In any case, it is our view that OPM and the CHCO Council are very well positioned to sort through these issues and to consider what information would be most useful to them as they try to manage for results.

I want to close by just saying that, as we have in the past, we would be pleased to continue to work with you and your staffs as you make this very important effort to introduce new legislation.

Thanks very much.

[The prepared statement of Ms. Steinhardt follows:]

United States Government Accountability Office

GAO

Testimony

Before the Subcommittee on Federal Workforce, Postal Service, and the District of Columbia, Committee on Oversight and Government Reform, House of Representatives

For Release on Delivery
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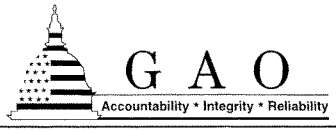
HUMAN CAPITAL

Telework Programs Need Clear Goals and Reliable Data

Statement of Bernice Steinhardt, Director
Strategic Issues



GAO-08-261T

November 6, 2007

GAO
Accountability·Integrity·Reliability

Highlights

Highlights of GAO-08-261T, a testimony before the Subcommittee on Federal Workforce, Postal Service, and the District of Columbia, Committee on Oversight and Government Reform, House of Representatives

HUMAN CAPITAL

Telework Programs Need Clear Goals and Reliable Data

Why GAO Did This Study

Telework continues to receive attention within Congress and federal agencies as a human capital strategy that offers various flexibilities to both employers and employees. Increasingly recognized as an important means to achieving a number of federal goals, telework offers greater capability to continue operations during emergency events, as well as affording environmental, energy, and other benefits to society.

This statement highlights some of GAO's prior work on federal telework programs, including key practices for successful implementation of telework initiatives, identified in a 2003 GAO report and a 2005 GAO analysis of telework program definitions and methods in five federal agencies. It also notes more recent work where agency officials cite their telework programs as yielding benefits.

As GAO has previously recommended, Congress should determine ways to promote more consistent telework definitions and measures. In particular, Congress might want to have the Office of Personnel Management (OPM) and the Chief Human Capital Officers Council develop definitions and measures that would allow for a more meaningful assessment of progress in agency telework programs.

What GAO Found

Through a number of legislative actions, Congress has indicated its desire that agencies create telework programs to accomplish a number of positive outcomes. Many of the current federal programs were developed in response to a 2000 law that required each executive branch agency to establish a telework policy under which eligible employees may participate in telecommuting to the maximum extent possible without diminishing employee performance. The legislative framework has provided OPM and the General Services Administration with lead roles for the governmentwide telework initiative—providing services and resources to support and encourage telework. Although agency telework policies meet common requirements and often share characteristics, each agency is responsible for developing its own policy to fit its mission and culture.

In a 2003 report, GAO identified a number of key practices that federal agencies should implement in developing their telework programs. Four of these were closely aligned with managing for program results: (1) developing a business case for telework, (2) establishing measurable telework program goals, (3) establishing systems to collect data for telework program evaluation, and (4) identifying problems and making appropriate adjustments. None of the four agencies we reviewed, however, had effectively implemented any of these practices. In a related review of five other agencies in 2005, GAO reported that none of the agencies had the capacity to track who was actually teleworking or how frequently, relying mostly on the number of telework agreements as the measure of program participation.

Consistent definitions and measures related to telework would help agencies better manage for results through their telework programs. For example, program management and oversight could be improved by more consistent definitions, such as eligibility. Some information may take additional efforts to collect, for example, on actual usage of telework rather than employees' potential to telework. However, other valuable information may already be available through existing sources, such as the Federal Human Capital Survey. The survey—which is administered biennially—asks federal employees about their satisfaction with telework, among other things. OPM and the Chief Human Capital Officers Council are well-situated to sort through these issues and consider what information would be most useful. The council and OPM could also work together on strategies for agencies to use the information for program improvements, including benchmarking.

To view the full product, including the scope and methodology, click on GAO-08-261T. For more information, contact Bernice Steinhardt at (202) 512-6806 or steinhardtb@gao.gov.

Mr. Chairman and Members of the Subcommittee:

I am pleased to be here today to discuss our observations of federal telework programs based on our past work, particularly those practices that are closely aligned with managing for program results. Telework is increasingly recognized as an important means to achieving a number of federal efforts, including effective strategic human capital management of the federal workforce, and a greater capability to continue operations during emergency events, as well as affording environmental, energy, and other benefits to society. However, in the absence of clear program goals and reliable data, agencies cannot identify problems or issues with their programs and cannot develop and implement changes necessary to improve their success.

Congress has demonstrated its keen interest in promoting the use of telework in the federal government by establishing a wide-ranging statutory framework. This framework has included provisions directed at increasing employee eligibility for telework, requiring reporting and evaluation of telework implementation, establishing agency telework coordinators to lead the program, setting goals for application of telework provisions to the federal workforce, and even withholding funds from some agencies that fail to show progress.

My statement today will describe first, the statutory framework that drives the agency telework programs and processes. I will also share observations from our past work that pertain to four key practices related to managing for results and our findings regarding the extent to which agencies have implemented them.

My comments are based on previously issued GAO reports that were developed in accordance with generally accepted government auditing standards. This statement highlights some of GAO's prior work on federal telework programs, including key practices for successful implementation of telework initiatives, identified in a 2003 GAO report and a 2005 GAO analysis of telework program definitions and methods in five federal agencies. It also notes more recent work where agency officials cite their telework programs as yielding benefits.

Congress Has Established a Statutory Framework to Promote Agency Telework Programs and Increase Employee Participation

Through a number of legislative actions, Congress has indicated its desire that agencies create telework programs to accomplish a number of positive outcomes. These actions have included recognizing the need for program leadership within the agencies; encouraging agencies to think broadly in setting eligibility requirements; requiring that employees be allowed, if eligible, to participate in telework, and requiring tracking and reporting of program results. Some legislative actions have provided for funding to assist agencies in implementing programs, while other appropriations acts withheld appropriated funds until the covered agencies certified that telecommuting opportunities were made available to 100 percent of each agency's eligible workforce.

The most significant congressional action related to telework was the enactment of Sec. 359 of Pub. L. No. 106-346 in October 2000, which provides the current mandate for telework in the executive branch of the federal government by requiring each executive agency to establish a policy under which eligible employees may participate in telework.In this law, Congress required each executive branch agency to establish a telework policy under which eligible employees of the agency may participate in telework to the maximum extent possible without diminishing employee performance. The conference report language further explained that an eligible employee is any satisfactorily performing employee of the agency whose job may typically be performed at least 1 day per week by teleworking. In addition, the conference report required the Office of Personnel Management (OPM) to evaluate the effectiveness of the program and report to Congress.

The legislative framework has provided both the General Services Administration (GSA) and OPM with lead roles for the governmentwide telework initiative—to provide services and resources to support and encourage telework, including providing guidance to agencies in developing their program procedures.[1] In addition, Congress required certain agencies to designate a telework coordinator to be responsible for overseeing the implementation of telework programs and serve as a point of contact on such programs for the Committees on Appropriations.

[1]GAO reported that the efforts of OPM and GSA, with lead roles in implementation of telework in the federal government, had not been well coordinated, and, in response, the two agencies took a number of actions to improve coordination, including developing and signing a joint memorandum of understanding. GAO, *Human Capital: Key Practices to Increasing Federal Telework*, GAO-04-950T (Washington, D.C.: July 8, 2004).

GSA and OPM provide services and resources to support the governmentwide telework implementation. OPM publishes telework guidance, which it recently updated, and works with the agency telework coordinators to guide implementation of the programs and annually report the results achieved. GSA offers a variety of services to support telework, including developing policy concerning alternative workplaces, managing the federal telework centers, maintaining the mail list server for telework coordinators, and offering technical support, consultation, research, and development to its customers. Jointly, OPM and GSA manage the federal Web site for telework, which was designed to provide information and guidance. The site provides access for employees, managers, and telework coordinators to a range of information related to telework including announcements, guides, laws, and available training.

Although agency telework policies meet common requirements and often share some common characteristics, each agency is responsible for developing its own policy to fit its mission and culture. According to OPM, most agencies have specified occupations that are eligible for telework and most apply employee performance-related criteria in considering authorizing telework participation. In addition, OPM guidance states that eligible employees should sign an employee telework agreement and be approved to participate by their managers. The particular considerations concerning these requirements and procedures will differ among agencies.

Better Performance Measures and Program Evaluations Could Improve the Assessment of Telework in the Federal Government

In our 2003 study of telework in the federal government,[2] we identified 25 key practices that federal agencies should implement in developing their telework programs. Among those were several practices closely aligned with managing for program results including

- developing a business case for implementing a telework program;
- establishing measurable telework program goals;
- establishing processes, procedures, or a tracking system to collect data to evaluate the telework program; and

[2]GAO, *Human Capital: Further Guidance, Assistance, and Coordination Can Improve Federal Telework Effort*, GAO-03-679 (Washington, D.C.: July 18, 2003).

- identifying problems or issues with the telework program and making appropriate adjustments.

Yet, in our assessment of the extent to which four agencies—the Department of Education, GSA, OPM, and the Department of Veterans Affairs—followed the 25 key practices, we found these four practices to be among the least employed.

None of the four agencies we reviewed had effectively developed a business case analysis for implementing their telework programs. In discussing the business case key practice in our 2003 study, we cited the International Telework Association and Council, which had stated that successful and supported telework programs exist in organizations that understand why telework is important to them and what specific advantages can be gained through implementation of a telework program. According to OPM,[3] telework is of particular interest for its advantages in the following areas:

- Recruiting and retaining the best possible workforce—particularly newer workers who have high expectations of a technologically forward-thinking workplace and any worker who values work/life balance.
- Helping employees manage long commutes and other work/life issues that, if not addressed, can reduce their effectiveness or lead to employees leaving federal employment.
- Reducing traffic congestion, emissions, and infrastructure effect in urban areas, thereby improving the environment.
- Saving taxpayer dollars by decreasing government real estate costs.
- Ensuring continuity of essential government functions in the event of national or local emergencies.

In addition, some federal agency telework policies suggest other potential advantages. For example, the Department of Defense's telework policy includes enhancing the department's efforts to employ and accommodate people with disabilities as a purpose of its program. The Department of State's policy notes that programs may be used to increase productivity.

[3]U.S. Office of Personnel Management, *A Guide to Telework in the Federal Government* (Washington, D.C.: Aug. 3, 2006).

As another example, the U.S. Department of Agriculture credits telework with having a positive effect on sick leave usage and workers compensation.

A business case analysis of telework can ensure that an agency's telework program is closely aligned with its own strategic objectives and goals. Such an approach can be effective in engaging management on the benefits of telework to the organization. Making a business case for telework can help organizations understand why they support telework, address relevant issues, minimize business risk, and make the investment when it supports their objectives. Through business case analysis, organizations have been able to identify cost reductions in the telework office environment that offset additional costs incurred in implementing telework and the most attractive approach to telework implementation.

We have recently noted instances where agency officials cited their telework programs as yielding some of the benefits listed above. For example, in a 2007 report on the U.S. Patent and Trademark Office (USPTO), we reported that, according to USPTO management officials, one of the three most effective retention incentives and flexibilities is the opportunity to work from remote locations.[4] In fiscal year 2006, approximately 20 percent of patent examiners participated in the agency's telework program, which allows patent examiners to conduct some or all of their work away from their official duty station 1 or more days per week. In addition, USPTO reported in June 2007 that approximately 910 patent examiners relinquished their office space to work from home 4 days per week. The agency believes its decision to incorporate telework as a corporate business strategy and for human capital flexibility will help recruitment and retention of its workforce, reduce traffic congestion in the national capital region, and, in a very competitive job market, enable the USPTO to hire approximately 6,000 new patent examiners over the next 5 years. As another example, in a 2007 report on the Nuclear Regulatory Commission (NRC), we noted that most NRC managers we interviewed and surveyed considered telework and flexible work schedule arrangements to be very to extremely valuable in recruiting, hiring, and

[4]GAO, *U.S. Patent and Trademark Office: Hiring Efforts Are Not Sufficient to Reduce the Patent Application Backlog*, GAO-07-1102 (Washington, D.C.: Sept. 4, 2007).

retaining NRC personnel and would be at least as valuable in the next few years.[5]

With regard to the second key practice aligned with managing for results, none of the four agencies had established measurable telework program goals. As we noted in our report, OPM's May 2003 telework guide[6] discussed the importance of establishing program goals and objectives for telework that could be used in conducting program evaluations for telework in such areas as productivity, operating costs, employee morale, recruitment, and retention. However, even where measurement data are collected, they are incomplete or inconsistent among agencies, making comparisons meaningless. For example, in our 2005 report of telework programs in five agencies—the Departments of State, Justice, and Commerce; the Small Business Administration; and the Securities and Exchange Commission—measuring eligibility was problematic.[7] Three of the agencies excluded employees in certain types of positions (e.g., those having positions where they handle classified information) when counting and reporting the number of eligible employees, while two of the agencies included all employees in any type of position when counting and reporting the number of eligible employees, even those otherwise precluded from participating.

With regard to the third key practice—establishing processes, procedures, or a tracking system to collect data to evaluate the telework program—in our 2003 review we found that none of the four agencies studied were doing a survey specifically related to telework or had a tracking system that provided accurate participation rates and other information about teleworkers and the program. At that time, we observed that lack of such information not only impeded the agencies in identifying problems or issues related to their programs but also prevented them from providing OPM and Congress with complete and accurate data. In addition, in our 2005 study at five agencies, we found that four of the five agencies measured participation in telework based on their potential to telework

[5]GAO, *Human Capital: Retirements and Anticipated New Reactor Applications Will Challenge NRC's Workforce*, GAO-07-105 (Washington, D.C.: Jan. 17, 2007).

[6]U.S. Office of Personnel Management, *Telework: A Management Priority—A Guide for Managers, Supervisors, and Telework Coordinators* (Washington, D.C.: May 2003).

[7]GAO, *Agency Telework Methodologies: Departments of Commerce, Justice, State, the Small Business Administration, and the Securities and Exchange Commission*, GAO-05-1055R (Washington, D.C.: Sept. 27, 2005).

rather than their actual usage. The fifth agency reported the number of participants based on a survey of supervisors who were expected to track teleworkers. According to OPM, most agencies report participation based on telework agreements, which can include both those for employees teleworking on a continuing basis as well as those for episodic telework. None of the five agencies we looked at had the capability to track who was actually teleworking or how frequently, despite the fact that the Fiscal Year 2005 Consolidated Appropriations Act covering those agencies required each of them to provide quarterly reports to Congress on the status of its telework program, including the number of federal employees participating in its program. At that time, two of the five agencies said they were in the process of implementing time and attendance systems that could track telework participation, but had not yet fully implemented them. The other three agencies said that they did not have time and attendance systems with the capacity to track telework.

Based on our findings, the conference report for the fiscal year 2006 Appropriations Act that covered these agencies included the following language for them:

"The conferees are troubled that many of the agencies' telework programs do not even have a standardized manner in which to report participation. The conferees expect each of these agencies to implement time and attendance systems that will allow more accurate reporting."

Despite this language, four of the five agencies have not yet developed such systems and are still measuring participation as they did in 2005. In the fifth agency—the Department of Justice—an official told us that the department has now implemented a Web-based time and attendance system in most bureaus and that this system allows the department to track actual telework participation in those bureaus. The Federal Bureau of Investigation (FBI) was the major exception. This fiscal year, however, the FBI began a pilot of a time and attendance application that will also have the ability to track telework. Upon completion of the pilot, the official said that all of the Department of Justice bureaus would have the ability to track telework.

As for the fourth key practice closely related to managing for program results—identifying problems or issues with the telework program and making appropriate adjustments—none of the four agencies we reviewed for our 2003 study had fully implemented this practice and one of the four had taken no steps to do so despite the importance of using data to evaluate and improve their telework programs. An OPM official told us, for

example, that she did not use the telework data she collected to identify issues with the program; instead, she relied on employees to bring problems to her attention.

To help agencies better manage for results through telework programs, in our 2005 study we had said that Congress should determine ways to promote more consistent definitions and measures related to telework. In particular, we suggested that Congress might want to have OPM, working through the Chief Human Capital Officers (CHCO) Council, develop a set of terms, definitions, and measures that would allow for a more meaningful assessment of progress in agency telework programs. Program management and oversight could be improved by more consistent definitions, such as eligibility. Some information may take additional effort to collect, as for example, on actual usage of telework. Other valuable information may already be available through existing sources. The Federal Human Capital Survey, for example—which is administered biennially—asks federal employees about their satisfaction with telework, among other things. In the latest survey, only 22 percent indicated they were satisfied or very satisfied, while 44 percent indicated they had no basis to judge—certainly, there seems to be room for improvement there. In any case, OPM and the agency CHCO Council are well situated to sort through these issues and consider what information would be most useful. The CHCO Council and OPM could also work together on strategies for agencies to use the information for program improvements, including benchmarking.

In conclusion, telework is a key strategy to accomplish a variety of federal goals. Telework is an investment in both an organization's people and the agency's capacity to perform its mission. We continue to believe that more fully implementing the practices related to managing for program results will significantly contribute to improving the success of federal telework programs.

Mr. Chairman and members of the subcommittee, this completes my statement. I would be pleased to respond to any questions that you may have.

Contacts and Acknowledgments

For further information on this testimony, please contact Bernice Steinhardt, Director, Strategic Issues, at (202) 512-6806 or steinhardtb@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this

testimony. Individuals making key contributions to this testimony include William J. Doherty, Assistant Director; Joyce D. Corry; and Judith C. Kordahl.

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Mr. DAVIS OF ILLINOIS. Thank you very much, Ms. Steinhardt.

I want to thank each one of you for your testimony. We will begin with a round of questions, and I will begin with you, Mr. Green.

Could you describe how successful OPM has been in increasing the awareness and comfort level of managers over the past, say, 2 or 3 years?

Mr. GREEN. Yes, sir. I don't have metrics to show a quantitative increase in satisfaction. I can talk about the things that we have done. I think the most important document that we have produced is the Telework Guide which is on our Web site and was widely distributed to all Federal agencies. That guide does a couple of things. The primary point is that it is directed straight at managers of teleworkers and employees wanting to telework, and gives them off-the-shoulder, straightforward information on how to maximize that experience.

The other thing that the Telework Guide does is it talks about issues of importance to agencies and furthering their missions and helping them to integrate telework in some important, critical areas, most specifically in their continuity of operations planning and pandemic planning and in dealing with issues of security and protection of data while working remotely.

That is the most important thing we have done. We meet with agencies regularly. We are working with the CHCO Council, as Ms. Steinhardt alluded, to develop matrix and to expand and discuss issues of definitions, of matrix for measuring telework, and for ways to promote a better understanding of what telework can accomplish, what the issues are involving telework, and how to deal with them.

Mr. DAVIS OF ILLINOIS. It has come to the committee's attention that OPM gave notice to its employees that effective October 29, 2007 that your telework program has been suspended. Could you explain to us why OPM has suspended its program?

Mr. GREEN. Well, that is not actually correct. The program is not suspended; however, telework has been temporarily suspended or will be temporarily suspended for some employees who are currently teleworking. The overall program is still active, but the employees who are involved in retirement claims operations will be brought in on a temporary basis for a couple of reasons. One is, as you know, we are going through a retirement systems modernization effort, and involved in that will have to be retraining of employees, and those employees will be needed, as well, to transition from the current legacy systems to the new RSM.

But of more immediate concern to Director Springer and to managers at OPM is the security of personal identifiable information, and the issue there is the retirement case files, which have a lot of personal information, of course, about people, are taken home and worked on when people telework. So management wants to find ways of protecting that information, and once that is done then there will be a re-emergence of telework, I am sure.

I think, frankly, that RSM will be an alternate, huge help in protecting data, because we will be in the electronic mode and there won't be this same reliance on paper in the future.

Mr. DAVIS OF ILLINOIS. So, at best, one could then say that there is a temporary suspension of some aspects of the program while it undergoes review to make adjustments that OPM feels is necessary?

Mr. GREEN. Yes, sir. Exactly.

Mr. DAVIS OF ILLINOIS. All right. Let me just ask Mr. Kaczmarczyk, what policies has the GSA put in place to help ensure that personally identifiable information is adequately protected and how can you assure that agency networks are adequately protected when people are doing telework?

Mr. KACZMARCZYK. Sure. Well, as an agency we annually inventory all of our IT systems that deal with personally identifiable information to make sure that the program managers are aware of their responsibilities.

As far as teleworkers go, teleworkers, of course, receive IT security training as teleworkers, but also as agency employees, because we are dealing with the same systems in the office that we are dealing with when we work from home, so everybody gets annual IT training, everybody is aware of the issues, and there are technological solutions for teleworkers with virtual private networks so you can work at home or from a telework center securely and maintain the same security over personally identifiable information from a remote location as you can in the office.

The general answer is that the policies are in place, the technology is there to support it, and the issue is the same, whether you are working from the office or working from another location.

Mr. DAVIS OF ILLINOIS. And you are comfortable that this is working well and will continue to work well?

Mr. KACZMARCZYK. In GSA, yes.

Mr. DAVIS OF ILLINOIS. Thank you very much.

I am going to stop and yield to Mr. Marchant.

Mr. MARCHANT. This question will be for any of the three panelists. Tracking worker productivity while under the telework program seems to vary between agencies and seems to be the major issue when going into teleworking by supervisors and the administration. Which agency do you believe has established the fairest system to the employee and to the agency in tracking worker productivity? Or is there a working system out there to track productivity?

Mr. GREEN. I would like to take a stab at that, if I may. OPM has advocated for a number of years, and it is not unusual in doing so, that managers manage by results. Those results can be measured by using performance standards that track results and not processor or personnel aspects. So those results can be measured whether a person is working at the office, remotely at a telework center, or wherever. Therefore, that is really the answer for a manager that is concerned about whether the employee is working when the manager is watching them or not watching them. What did they accomplish? Did they meet their objectives?

Ms. STEINHARDT. If I can add on to that, I completely agree with Mr. Green. The real issue is creating management cultures that are focused on results, on what our goals are and what we need to accomplish, and not where a person is and whether you can see them.

But that is exactly why we feel so strongly about the telework, the way the telework program is being managed now, because you really can't manage for results until you have clear goals for what you are trying to accomplish with telework.

If you want to increase recruitment and retention, if you want to improve employee morale, you need to have goals for those and you need to use telework as a tool that can help you accomplish them. You need to set performance expectations for managers so that they know what they are being held accountable for. You need to cascade those expectations down to individual staff so that they know what they are expected to do.

Telework is just one way to operate. It really needs to be viewed in the context of what the agency is trying to accomplish.

Mr. KACZMARCZYK. I agree with that.

Mr. MARCHANT. Thank you. Go ahead.

Mr. KACZMARCZYK. I agree with the two witnesses. There are good managers and bad managers, there are productive employees and less-than-productive employees, and issues are the same no matter where the work is being carried out. Sometimes, as a way of maybe discouraging telework, you will hear that maybe a manager requires a teleworker to report in advance exactly everything he or she is going to work on for that 1 day at home. You wouldn't dream of asking that the other 4 days that the person is in the office. We need to have the mind set that the work is independent from the place where it is done.

Mr. MARCHANT. OK. Thank you.

Mr. KACZMARCZYK. Thanks.

Mr. DAVIS OF ILLINOIS. Mr. Sarbanes.

Mr. SARBANES. Thank you.

Can you describe what it means, I guess Mr. Green, when you talk about training somebody in teleworking? Just give me a sense of what you envision. What does it mean to train a person in telework or offer them best practices, or what have you?

Mr. GREEN. Certainly. Most of it is rather mundane, frankly. It is things like, again, managing to results, and that an employee understands that they are responsible for their work, and that doesn't change, whether they are working remotely or working in the office. They have a responsibility to do their job. I mean, that is basically it.

The other things, though, are practically things like there should be a safety evaluation done of the work site, whether it is at home or the telework center, to make sure that they are working in a safe and secure environment; that information they do bring home or use on their computer, whether it is the VPN side or not, is protected; that there is an understanding—and we recommend written telework agreements to support this—that there is an understanding between the manager and the employee as to when they will be teleworking, how they will be able to communicate with each other while teleworking, and what the expectations are, not necessarily a blow-by-blow minute of what I am going to be doing while I am teleworking, but generally what I will be working on and, as I say, most especially being able to communicate with the employee during the day.

Mr. SARBANES. So, Ms. Steinhardt, I guess the concept of the manager being trained in telework is as important as the employee being trained. And would you regard it as useful to think in terms of there being kind of a transition period or having workers transition to telecommuting status during which transition they would be understanding better the managing for results imperative, and so forth?

Ms. STEINHARDT. That is a good question. I don't know that I would envision necessarily a transition period. Clearly, managers need to know what the expectations are, as well, but I think the key here is really creating a culture within the organization. That obviously is going to take a while to occur. But it needs to be that everyone in an organization needs to understand that they are working toward something. Telework shouldn't be regarded as an employee reward. That is not what it is about at all. It is a way to get work done, and it needs to be viewed as a tool to accomplish some organizational goal.

Managers do need to understand that, but it is part of a larger kind of change in the way that they view their work. And managers need to be held accountable for what the organization is trying to accomplish through telework. It is not just the employee; it is managers, as well.

Mr. SARBANES. Thank you. And Mr. Kaczmarczyk, is there a difference between a telework center and a satellite work location? I am trying to understand. In other words, could you have a satellite office that, itself, was the hub of telecommuters who were working from home, as distinguished from a telework center that people go to during the day and then they are teleworking from that center to the main agency location? Or am I dancing on the head of a pin here?

Mr. KACZMARCZYK. No. Satellite centers are more common in the private sector than in the Government, but a satellite center might be set up by a corporation if they had a concentration of employees in a geographic area a certain distance from the main office, and then those employees would report to that satellite center to work every day.

Now, if those responsibilities included some kind of client service or sales function, maybe the satellite center is their main office and they do "telecommute" while they are on the road. I guess they could also work from home, decide to work from home as well as the satellite centers for continuity of operations.

The concept of the telework center is that every agency can use them, so you have 1 day a week, 2 days a week, different Federal employees from different agencies using a center that is geographically convenient to their home.

Mr. SARBANES. OK. All right. Thank you, Mr. Chairman.

Mr. DAVIS OF ILLINOIS. Thank you.

Ms. Steinhardt, you have placed a great deal of emphasis on having clear goals as a way to facilitate the utilization of teleworking. Do you think that it would be very helpful to have Government-wide goals that every agency would be expected to adhere to or pursue, as well as individual agency goals that would be left to the latitude of the agencies, themselves?

Ms. STEINHARDT. That is a really good question. I would say yes, there are some goals that are not necessarily unique to an agency. Some are. For example, recruitment and retention, employee morale—those I think are related. Certainly every agency has some effort to attract a skilled work force, to maintain high employee morale. But the conditions vary agency to agency.

But commute time, for example, I would think that all agencies, that is a Government-wide issue, and so reducing congestion, reducing energy use might be Government-wide goals. They are not specific to any one agency. That is just by way of example.

Mr. DAVIS OF ILLINOIS. In your testimony you also mention awareness training as a way of helping facilitate movement. Are you aware of any results or how much help that might have been or appear to be?

Ms. STEINHARDT. I am not aware that there have been any kinds of evaluations there. I would say, just anecdotally, based on GAO's own experience, there clearly needs to be clear guidance on what telework is and under what conditions it is available to employees and the kinds of procedures, rules, policies they need to follow.

But I think one of the best measures to promote telework is actual experience with teleworking, and particularly among staff who believe that it would be helpful to them on an intermittent basis, you know, where they might occasionally want to telework. Once people become familiar with it, both employees and managers, it seems to be much more widely accepted. People know how to use it, and then people may actually start using telework on a more regular basis.

Mr. DAVIS OF ILLINOIS. Mr. Kaczmarczyk, you mention in your testimony that you will propose legislation to address travel pay associated with long-distance telework. Could you share some more thinking about that?

Mr. KACZMARCZYK. Yes. This is mostly based on the experience of an agency such as Patent and Trademark Office, that employs a lot of full-time teleworkers from other locations, and they find that—well, PTO is always one of the best examples because they have cases and processing, and you have widgets that you can measure for productivity, so they can demonstrate that people who work from home actually produce more widgets, get through more cases over the course of a week than people who are in the office, so they have the opportunity to hire people who have the right skill set but who live elsewhere out of the Washington, DC, area or who would like to move out of the Washington, DC, area.

So, for example, if somebody lived in San Francisco and wanted to telecommute full time out of their home to PTO in Crystal City, that can be done. The issue becomes if the person needs to come into the office periodically for training or orientation. That then becomes a travel expense that the agency has to pay because their home office is San Francisco and not in Crystal City.

Now, for one person it is not a big deal, but if you had several hundred people in the situation and you had to bring them all in periodically for orientation or training or just for a face to face meeting, it could be a considerable extra travel expense to the agency, so it is felt that acts as a deterrent to encouraging these types of virtual work arrangements.

Mr. DAVIS OF ILLINOIS. It seems to me that Administrator Doan is a bit more aggressive than some other agency directors and agency heads and has actually laid out some pretty aggressive ideas and goals. Does this include the establishment of telework centers, as well?

Mr. KACZMARCZYK. She is very much interested in promoting telework centers. The first step is to increase the utilization of our existing 14 centers, and she plans to telecommute herself at each one of them and to invite other senior agency leaders to join here on these days and see for themselves how it is.

She also plans for GSA to centralize the funding for telework centers so that there will be a pot of money that will buy a certain number of seats, and then GSA managers won't have a financial constraint, themselves. It won't come out of their program budget. They can take advantage of the telework centers.

Once we get the current 14 telework centers fully utilized, then we would be happy to look at other locations, as warranted.

Mr. DAVIS OF ILLINOIS. Thank you very much.

Mr. Marchant, do you have any additional questions?

Mr. MARCHANT. I don't have any additional questions for this panel. Thank you.

Mr. DAVIS OF ILLINOIS. Mr. Sarbanes, do you have any?

Mr. SARBANES. Just a couple, real quick.

Are you aware of any agencies that have advanced enough through this that they are actually in their recruitment of new employees holding this out as one of the options that is available as a way of motivating the hirings?

Mr. Chairman, I ask that because I know that the Partnership for Public Service just launched this major effort to recruit, I think in the next couple of years, 200,000 or so mission critical Federal employees. I would imagine that the ability to hold that out as an opportunity to folks might help with recruitment, so I was curious about that.

Ms. STEINHARDT. If I can offer GAO as an example——

Mr. SARBANES. Sure.

Ms. STEINHARDT [continuing]. We include telework, flexible work arrangements including telework, as part of our recruitment materials, and we actually administer a survey to new staff to find out the kinds of things that attract them to the agency, and those flexible work arrangements are among the top 10 reasons, so they remain a key part of our recruitment and retention strategy.

Mr. SARBANES. Great.

Mr. GREEN. OPM, itself, includes teleworking capability in its recruitment efforts. I would also point out, in my testimony I speak a little bit about the efforts of the U.S. International Trade Commission and how they are using telework as a recruitment tool, as well. And there are other examples.

Mr. KACZMARCZYK. Administrator Doan has required that all the managers go through all the position descriptions in the entire agency and designate them as to whether they are basically eligible or not for telework, and then as vacancies come up against those position descriptions the actual job announcement will note that it is a telework-eligible position.

Mr. SARBANES. Great. Thank you.

Mr. DAVIS OF ILLINOIS. Thank you very much.

Let me thank this panel. We appreciate your being here, your testimony, and you are excused. Thank you.

While we are preparing for panel three I will go ahead with the introduction of our panelists.

Ms. Margaret J.A. Peterlin was sworn in as Deputy Under Secretary of Commerce, Intellectual Property, and Deputy Director of the U.S. Patent and Trademark Office, USPTO, in April 2007. As Deputy Director of the USPTO, she administers the laws of granting patents and trademarks and the day-to-day management of the $1.9 billion agency and its more than 8,500 employees.

Mr. Lee J. Lofthus is the Assistant Attorney General for the Department of Justice. He is responsible for Department-wide financial reporting, budget formulation and execution, accounting operations, assets future fund, operational support, procurement, and debt management support. He also oversees Department-wide facilities management, human resources, business services, and planning.

Let me welcome both of you. It is our custom and tradition, if you would stand to be sworn in and raise your right hands.

[Witnesses sworn.]

Mr. DAVIS OF ILLINOIS. The record will show that the witnesses answered in the affirmative.

We thank you very much for being here with us. We will proceed and begin with Ms. Peterlin.

STATEMENTS OF MARGARET J.A. PETERLIN, DEPUTY UNDER SECRETARY OF COMMERCE FOR INTELLECTUAL PROPERTY AND DEPUTY DIRECTOR, U.S. PATENT AND TRADEMARK OFFICE; AND LEE J. LOFTHUS, ASSISTANT ATTORNEY GENERAL FOR ADMINISTRATION, DEPARTMENT OF JUSTICE

STATEMENT OF MARGARET J.A. PETERLIN

Ms. PETERLIN. Thank you, Mr. Chairman, Ranking Member Marchant, Mr. Sarbanes, and the subcommittee and distinguished guests.

I appreciate the opportunity to be here today to discuss the USPTO's telework programs. I appreciate the opportunity to discuss them because it is very important that leaders of agencies work to balance home life and work requirements.

If I may take a moment, I would just like to recognize my sister, Megan Quarter, and my fiance, Dan Kinnery, who often remind me to make sure that I have a work life balance.

On behalf of the agency, I thank the subcommittee for taking a careful look at telework issues in the 110th Congress and look forward to working with you in the future.

The success of the USPTO telework programs is driven by top-level agency support and clearly defined then communicated performance measures. We trust our employees to perform their responsibilities without micromanaging observations. These are fundamental principles that work well in the telework environment.

For very practical reasons, the USPTO is changing the boundaries of old workplace patterns. Our vision is for our employees to perform their responsibilities regardless of their physical location.

As a result, the telework program has led to improved employee retention, higher productivity, and increased morale.

Over the past 10 years we have identified a number of important guiding principles. These are our lessons for creating and sustaining a successful two program. They are: First, a successful telework program is contingent upon careful planning. We started small, with a pilot of only 18 examining attorneys, and continually assessed our progress along the way. Over the course of the last 10 years, we have expanded our telework initiative and currently have 3,609 employees participating, which is 40.7 percent of total positions at the USPTO.

Second, the USPTO management views telework as a corporate business strategy and human capital flexibility.

Third, our managers build and maintain a relationship of trust with employees, whether they are working on the Alexandria campus or at home. Since the nature of patent and trademark work lends itself to telework, our managers are very comfortable with results-based management techniques. They also understand the relevance of devising and clearly communicating performance measures. Managers and employees set and agree upon a list of goals ensuring a mutual understanding of expectations.

Fourth, involving labor unions in the development of telework programs engages represented employees and increases the likelihood of union support. At the beginning of our first pilot program, we initiated a labor and management working group to develop guidelines, procedures, and selection criteria for telework participation. Today the group meets on a regular basis addressing arising telework program issues.

Fifth, at the USPTO we believe that training and education are a necessary precondition for and sustaining requirement of a successful program. Before being granted the privilege of teleworking, employees receive non-IT and IT management training.

Sixth, having a talented telework coordinator at the USPTO has proven extremely beneficial to our organization. Telework is a winning proposal with numerous benefits. For many employees, telework means less time on the road, which also translates to lower auto emissions, gas consumption, and reduced traffic congestion. USPTO employees, alone, who telework collectively save more than 613,000 gallons of gas per year and save more than $1.8 million annually in fuel costs. Additionally, there is combined reduction in emissions of more than 9,600 tons per year.

For the agency, the benefits have included: retention of seasons, high-quality employees; maximizing use of space; avoiding the cost of acquiring additional real estate as the agency has grown; and maintaining high performance. Performance has been measured over the years, and we have been able to compare our performance and quality standards both inside and outside the telework program.

Over the past decade, the USPTO has realized the benefits of implementing a robust telework program and has demonstrated that telework is a business strategy that works for our employees, our agency, and the economy.

I thank you very much for the opportunity to testify before the subcommittee on this issue.

[The prepared statement of Ms. Peterlin follows:]

STATEMENT OF
THE HONORABLE MARGARET J.A. PETERLIN
DEPUTY UNDER SECRETARY OF COMMERCE FOR INTELLECTUAL PROPERTY
AND
DEPUTY DIRECTOR OF THE
UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE
SUBCOMMITTEE ON FEDERAL WORKFORCE, POSTAL SERVICE, AND THE DISTRICT OF COLUMBIA
COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM
United States House of Representatives
"Telework: Breaking New Ground"
November 6, 2007

Chairman Davis, Ranking Member Marchant, and Members of the Subcommittee:

I am delighted to be here today to discuss the United States Patent and Trademark Office's (USPTO) telework programs. In 2003, Congress designated October as "National Work and Family Month." Telework is integral to work-life balance, and therefore this is an exceptionally appropriate time to highlight our innovative and cutting edge telework programs, which assist our employees in balancing their work and family responsibilities. I commend you for holding today's hearing and for working diligently to ensure that our Federal Government is in the vanguard of telecommuting efforts.

For very practical reasons, the USPTO is changing the boundaries of old workplace patterns. We have a workforce of motivated, high performing employees. Our vision is for those employees to perform all their responsibilities regardless of physical location. The USPTO is a performance-based organization that operates by the principles of communicating expectations and managing by results. We trust our employees to do what

is required of them, without micro-managing observation. The principles of communicating expectations and managing by results are, we believe, requisites for a functional telework environment.

Current Statistics

The USPTO's employees are crucial to intellectual property in America. Therefore, we strive to do everything we possibly can to ensure they work in an environment of trust, respect, and opportunity. Telework is one of our many family friendly initiatives that has earned the USPTO recognition by *Business Week* magazine as one of the best places in America to launch a career and to round out one's career and by *Families* magazine as one of the best places in the Washington area to work if you have a family.

The strength of our programs is a testament to the professionalism of our employees. As of October 19, 2007, there were 3,609 USPTO employees participating in some form of telework. This is 40.7% of our total workforce and 45.7% of total eligible employees, making the USPTO's telework program the largest and most progressive within the Federal Government.

I would like to take the rest of this opportunity to share with you the USPTO's background with telework, discuss lessons we have learned, and let you know where we are headed.

History of USPTO's Telework Program

Trademark Work-at-Home Program

The USPTO's experience with telework began in 1997 when, in response to employee suggestions, the Trademark Work-at-Home (TWAH) program began as a two-year pilot program. Trademark management worked closely with the representative union, NTEU 245, and eighteen examining attorneys started working from home three days per week. Employees on the pilot shared office space with other program participants two days a week.

After measuring both the productivity and quality of work, and finding positive results, in 1999 the Trademark organization expanded its pilot to an additional 60 examining attorneys. The Trademark Work-at-Home program continued its expansion to 89 examining attorneys in 2001. Also in 2001, the USPTO received the "2001 Commuter Connections Employee Recognition Telework Award" from the Metropolitan Council of Governments and the "Government Agency Excellence in Telework Award" from the International Telework Association and Council for its Trademark Work-at-Home Program.

In November 2001, a hoteling pilot was initiated. Twenty-one of the TWAH participants spent 90% of their workweek at home and just four hours per week at the official work site. Participants' individual offices were freed for other uses, while participants shared dedicated banks of offices called "hotels" which they reserved on-line before coming into the office. The pilot proved successful as productivity among hotelers was higher,

compared with non-hotelers, while quality and customer service levels were maintained. As a result, in 2003 the TWAH program moved completely to hoteling, with all the then 110 TWAH participants giving up dedicated office space in favor of hoteling space.

More than 10 years later, the TWAH program is a leading, comprehensive program involving more than 240 employees (86% of the eligible examining attorneys) who spend the majority of their work-week at home and share reservable space in the office. The most recent awards won by the Trademark organization include the "2007 Telework Driver Award" from the Telework Exchange, the "2007 Work-Life Innovative Excellence Award" from the Alliance for Work-Life Progress, and the 2006 "Telework Program with Maximum Impact on Government Award" from the Telework Exchange. Other notable awards won by the USPTO include recognition from the Metropolitan Washington Council of Governments, the Mid-Atlantic Telework Advisory Council, and the International Telework Association and Council.

Patent Hoteling Program

After Trademark's success with its work-at-home programs, the USPTO expanded its telework initiative to include patent examiners. In 2006, a group of approximately 500 patent examiners participated in the Patent Hoteling program. This program built upon the lessons learned from the USPTO's Trademark Work-at-Home program and quickly mimicked the successes of Trademarks. Similar to the Trademark program, the Patent Hoteling program is a flexible telecommuting program that provides participants the ability to access all relevant USPTO patent business systems, job performance tools,

patent information, and patent application documentation as efficiently at their remote worksite as on our Alexandria campus.

To date, over 1,000 patent examiners hotel as part of the Patent Hoteling Program. I was extremely pleased when earlier in the year the Patents Hoteling Program received the "Excellence in Telework Leadership Award" from the Telework Exchange, an honor designated specifically for programs initiated within the last 12 months, taking into account start-up challenges and early accomplishments. Over the next several years, the USPTO expects to hire 1,200 new patent examiners a year, and by the end of fiscal year 2011, we expect to have some 3,000 patent examiners hoteling.

Other Programs

Rather than taking a "one size fits all" approach, the USPTO has 15 other formalized telework initiatives and 3 telework pilots in progress within 7 of our corporate business units, each addressing the specific needs of the business unit and its employees. These include programs for Patent and Trademark managers, the Patent Legal Instrument Examiners, the Board of Patent Appeals and Interferences, the Trademark Trial and Appeal Board, the Trademark Assistance Center, the Office of Civil Rights, our Office of Human Resources, Office of the Solicitor, and Office of General Law. Pilot programs are currently underway within our Office of International Intellectual Property Protection and Enforcement, our CFO's office, and our CIO's office. Participants in these programs and pilots telework anywhere from one day a week to four days per week.

Security

The USPTO has an extensive IT security infrastructure and a strong security policy that work together to ensure that both personally identifiable information and business sensitive information are adequately protected from loss or theft. These protections have been implemented throughout the USPTO telework program and help to prevent the possible occurrence of a sensitive information security breach.

Senior Level Telework Coordinator

In January 2006, the USPTO hired a highly qualified senior level Telework Coordinator at the USPTO, who spends 100% of her time developing and overseeing the implementation and operations of our comprehensive telework and hoteling programs. Our Coordinator promotes telework by effectively communicating to employees and managers our telework policies, programs, procedures, and eligibility requirements. She encourages all eligible employees and business units to participate in telework to the maximum extent possible.

Telework Working Group

In January 2007, at the initiative of our Telework Coordinator, the USPTO established a Telework Coordinators Working Group. Every business unit within the USPTO has a designated Telework Coordinator who represents their group on telework matters and is responsible for gathering and reporting quarterly telework participant numbers and successes. These Coordinators meet regularly to share information between the various business units, analyze the telework needs of the agency, address eligibility issues,

examine current trends in telework, and discuss both IT and non-IT solutions to establishing telework programs within the agency.

Telework Website

In early 2007, also at the initiative of our Telework Coordinator, the USPTO established a Telework Resources Web Site on our Intranet site. The web site provides answers to employee's frequently asked telework-related questions, guidelines for existing USPTO telework programs, and safety guidelines for the home workplace. USPTO telework contacts, current news articles on telework, case studies from other organizations, and links to various telework informational web sites are also listed on the Telework Resources Web Site.

What We Have Learned

During the course of the past 10 years, as we have incorporated telework as a business strategy, we have learned to start small, gather metrics, and continually revisit our telework strategies. We have involved our labor unions early in the process. Training and education, for both employees and managers, must be an integral part of any telework initiative. We know that management support, at the highest levels, is necessary but not sufficient for telework success – managers at all levels must value and support telework. Finally, we have found that having a senior level Telework Coordinator overseeing our telework policies and procedures has helped us build on success in both a scalable and sustainable manner.

1) Start Small, Assess, Then Scale - A successful telework program does not happen overnight. Like running a start-up business, Federal Government agencies should not expect or demand immediate returns. The USPTO has insisted on a conservative, studied, incremental approach, in addition to a patient, committed approach, with its focus on metric-based fundamentals, which has reaped dividends. Pre- and post-implementation surveys and focus groups of managers, participants, and employees remaining in the office are paramount to ensure that the needs of all the stakeholders are met. Pilot programs help us learn lessons promptly and permit quick modifications that allow for program success.

2) Management Commitment is Key - Management participation and approval is a critical piece of any successful telework program. Managers must understand the benefits of teleworking to alleviate their concerns about the potential for lost productivity and losing control over their employees' work product. While senior management commitment is fundamental, it is not sufficient. Managers at every level of the organization must understand and support the benefits of telework, or else they can create a "self-fulfilling prophecy" environment where employees fail because they are not permitted to succeed.

3) Metrics Make Managing Easier - The nature of our patent and trademark examination work easily lends itself to employee telecommuting. When we first began our telework program over 10 years ago, we believed we could accomplish our goals because we had clear production requirements. However, as mentioned earlier in my testimony, we have

expanded to include telework programs throughout the entire agency, and have since realized that working in a production environment is not a necessary precondition for success. To succeed, managers must be open to "managing by objective," with metrics, service-level-agreements, and understood deadlines in place before employees telework. Clearly defined goals must be agreed upon and then communicated carefully to employees. The employees' appraisals then need to be measured on the achievement of these objectives. Trust between managers and employees is an essential component of any successful telework program.

4) Unions - Involving labor unions in the development of telework programs engages employees and increases the chances for union support. Telework works well for both employees and management and should be promoted as a voluntary benefit that will enhance quality of life for employees.

5) Train Early and Often - Training and education are critical to the success of a telework program. Employees and managers must be trained in the technology of working at home with an emphasis on computer security. When employees and managers are comfortable with the technology, the telework mechanics become facilitation tools. Without that comfort level, the technology can be an obstacle to completing even simple tasks, thus discouraging both managers and employees. Training employees to anticipate what it is like to work at home helps teleworkers maintain high productivity and quality without feeling isolated from their colleagues at the office. Training managers who supervise

teleworkers, including how to better communicate in a telework environment and how to set the right performance metrics, ensures their employees are successful.

6) Telework Coordinator - Having a full-time Telework Coordinator who carefully monitors and provides continuous assessments of the USPTO's telework programs, who seeks program improvement and expansion, who recommends and oversees pilot programs, and serves as a liaison between employees and managers has proven very beneficial to the USPTO.

In summary, successful telework programs are comprised of well-trained and educated employees who have the resources they need at home to do their jobs well. Telework must be utilized as an agency business strategy and management must provide clear performance expectations and transparently manage change. Also, assessments of each program must be on-going.

Telework Benefits

For the USPTO, telework has meant different things to different people.

Commuting – Not surprisingly, many employees favor telework because they're finally getting enough sleep, not having to get up early or stay late to avoid morning and evening traffic jams. For many employees, telework means far less commuting and commuting anxiety, which frankly, adds hours of "found time" to an otherwise hectic and exhausting day.

Enhanced Work/Life Balance - For other employees, the most important benefit of telework is their improved work/life-family balance, giving employees the ability to volunteer in their child's classroom, take their children to their doctor's appointments, spend time with their spouse, or care for an aging parent, all resulting in stronger family ties and unity. Others express greater control over workloads allowing for more time for leisure activities such as spending time in their garden or taking an art class, while others enjoy being more involved with their community by volunteering at their parish or synagogue, local animal shelter, or with disadvantaged children.

Overall Benefits - Some employees have emphasized the various health and safety benefits of telecommuting, including having less communicable diseases such as the cold or flu, a reduction in stress-related illnesses, and an improved feeling of well-being from being able go for a run or to the gym during lunch or being able to walk their dog. And a few employees find that reduced personal costs, including money spent for gas, parking, vehicle maintenance, and other incidentals make telework a bottom-line benefit.

Whatever our employees perceive as the primary personal benefit of telework, our telework program helps us improve overall employee retention - - thus reducing the costs of recruiting and training associated with high staff turnover rates. For the USPTO, telework also means higher employee productivity and increased morale and employee satisfaction. This is shown by a survey taken at the USPTO by trademark examiners, with 99% of trademark teleworkers reporting increased job satisfaction because of telework.

Telework has been a significant factor in helping us strive to meet our agency's quality, timeliness, e-government, and efficiency targets for the past several years. For example, the expansion of the Trademark telework program in 2003 coincided with – and facilitated - the USPTO's e-government efforts to replace paper files with an electronic system. Telework can help Federal agencies provide accommodation options for individuals with disabilities. Additionally, our telework initiatives help us fulfill continuity-of-operation requirements in case of a future threat or disaster.

Telework has obvious benefits for the country and community. Telework means reduced auto emissions that contribute to air pollution, less gas consumption, and reduced traffic congestion. Based on 1,130 USPTO employees working remotely 4 days per week, the USPTO estimates a savings of 372,000 gallons of gas with a reduction in emissions of 5,855 tons per year. Additionally, this is saving USPTO employees approximately $952,000 in gas costs each year.

Proposed Test Program

The USPTO has informally submitted to Congress and this Subcommittee legislation that would allow GSA to approve travel expense test programs for agencies to test new and innovative methods of reimbursing travel expenses and giving employees more choices of where to live. Outside of the Washington, D.C. metropolitan area, the USPTO has teleworking employees residing in Pennsylvania, New York, Illinois, North Carolina, South Carolina, Georgia, Colorado, Texas, West Virginia, and Delaware. These

employees voluntarily requested to live and telework outside the local commuting area. However, they are required to report to the office at least once per week to maintain the official duty station at USPTO headquarters (and to receive the locality pay for Washington, DC). Maintaining DC as the duty station for these employees allows USPTO to avoid placing these employees on travel status, which would entitle them to reimbursement for their travel expenses and also to travel during official working hours. USPTO is concerned that placing these persons on travel status, as required under current statutes, would reduce their time doing productive work as well as increase travel costs above the amounts currently budgeted. The pilot program would allow employees to maintain their homes as their official duty stations and only commute when their job requires them to do so.

Virtual Art Unit

At the USPTO, we continually explore innovative methods and unique combinations in order to determine the most efficient and effective approach tailored specifically to suit the needs of each business unit. In April 2007, the USPTO began a Virtual Art Unit Pilot where 13 patent examiners and their supervisor began hoteling. Thirty-seven non-participating examiners within the art unit remained on the USPTO campus.

Production among pilot participants increased by approximately 10% which is similar to what we have found for our patent hotelers. In addition, pilot participants roughly doubled the amount of overtime worked in previous years. Random quality reviews showed that there was no significant difference in the quality of work performed by the

Virtual Art Unit participants when compared to non-participants. Surveys were administered to both participants and non-participants within the art unit. The participants were all satisfied with the pilot, indicated high levels of job satisfaction, rated their equipment and tools at home as Good or Excellent, and all indicated a desire to continue with the Virtual Art Unit concept. Two-thirds of the non-participants indicated there was no change or they experienced an actual increase in access to the Virtual Art Unit examiners.

Remote Meetings and Training

In July of this year, our Trademark organization hosted an interactive web cast of an all-hands meeting, a first for the USPTO. Trademark employees who telework had the option of either coming in to the office for the meeting or signing on remotely, and 207 of them took the remote option. The web cast was interactive and allowed viewers to submit questions, with most of the questions coming from the hotelers. According to an on-line survey taken after the meeting, almost 95% of off-site participants rated the meeting as excellent or good. Employees also provided many useful suggestions that Trademarks plans to use for future meetings.

In addition, in April 2007, the Supreme Court decided *KSR Int'l Co. v. Teleflex Inc.*, dealing with the standard for obviousness under 35 U.S.C. § 103. The USPTO provided training to the entire patent examining corps on the ramifications of the Court's decision.

Our patent hotelers were given the option to come into the office for training or train from home. Hundreds of our patent hotelers opted to train remotely.

National Workforce

The USPTO's future lies in developing a national workforce where some of our employees work full-time at headquarters, some telecommute one day a week, some hotel, and some live outside of the metropolitan area and rarely come to headquarters. We are developing a full range of telecommuting and remote collaboration tools to allow employees to work as effectively from home as they do in the office. By expanding our concept of an "Office" in this way, the USPTO will leverage the potential of the digital age to allow our workplace to best serve our employees. This strategy will help us hire the best and brightest employees from outside the Mid-Atlantic Region, retain employees in a highly competitive market, and minimize real estate costs associated with workforce expansion.

Conclusion

A successful telework program can result in greater employee productivity, higher levels of sustained performance, reduced traffic congestion and air pollution, and reduced real estate costs. In addition, telework provides options for individuals with disabilities, assists agencies with their recruitment and retention efforts, helps to reduce gasoline expenses, and provides agencies with continuity of operations in case of a future threat or disaster. Teleworking can greatly improve the quality of life and morale for employees by

reducing their commuting time and costs, giving them more control over their schedules, and assisting them in achieving a balance between work and their personal lives and family.

The USPTO has demonstrated that telework is a business strategy that works for our employees, our agency, and the American public. We appreciate this opportunity to testify before the Committee and look forward to working with you closely during the 110th Congress on this important issue.

Mr. DAVIS OF ILLINOIS. Thank you very much.

Before I go to Mr. Lofthus, I would like to just take a moment and acknowledge the presence of two dear friends of mine who stopped by. Dr. Herbert B. Slutski, who is the retired deputy commissioner of the health department for the city of Chicago, retired university professor, and management consultant, and his wonderful wife, Maureen, who is a retired educator. We are delighted that you both stopped by. Thank you very much.

Mr. Lofthus, would you proceed?

STATEMENT OF LEE J. LOFTHUS

Mr. LOFTHUS. Thank you. Good morning, Chairman Davis, Ranking Member Marchant, and distinguished members of the subcommittee. I appreciate the opportunity to appear before you this morning to discuss telework.

The Justice Department was one of the earliest agencies to initiate a telework pilot program through our participation in the 1990 Federal flexible workplace pilot known as flexiplace. That early program, developed by the Office of Personnel Management and the General Services Administration, was established in response to a recommendation by the President's Council on Management Improvement and was implemented with support from the White House, Congress, and the major unions representing the Federal employees. It was designed to test alternatives to the traditional work environment.

Since that time, DOJ organizations have continued to look for opportunities to expand the use of telework where it supports the Department's mission; however, an inherent challenge to DOJ's ability to expand telework is the law enforcement, national security, and intelligence gathering nature of what we do.

We have always recognized the practical reality that certain positions—correctional officers in prison, deputy marshals in duty in a courtroom, and evidence technicians, for example—must perform their duties at specific locations.

The Department's overall telework participation rate is currently at 4 percent of eligible staff. Eight of our non-law-enforcement components have participation over 6 percent, and our law enforcement entities continue to look for ways to utilize telework flexibilities.

The Justice organizations with the top four highest participation rates are the Office of Community Oriented Policing Services [COPS], at 30 percent; the Bureau of Alcohol, Tobacco, Firearms, and Explosives at 21 percent; the Office of Justice Programs at 13 percent; and our Civil Division at 12 percent. Additionally, my own organization has a participation rate of over 10 percent.

Let me briefly describe some of these programs.

ATF has 504 employees, or 21 percent of its eligible work force, teleworking. ATF's success is, in part, attributed to a comprehensive communication plan that educates employees and managers on how and when telework can best be used to meet the ATF mission and support ATF employee efforts to balance work and family responsibilities. ATF regularly surveys its managers to determine the effectiveness of telework arrangements and to obtain ideas on how to further enhance the program.

The Department's civil division is comprised of over 1,100 attorneys, paralegals, and support staff, and civil has been working successfully to make telework a viable option across the division.

In my organization, as the head of Justice Management Division, I can report that we have more than 98 employees on telework, over 10 percent of our total JMD work force. My organization has everything from attorneys to accounting staff paying bills to librarians to painters and the plumbers, so we are a good example of a highly diversified organization where telework works well in some jobs and less so in others.

Last week I discussed telework with my senior managers and directors as a prelude to supervisory training on telework flexibilities we are doing throughout November in my organization. We also helped facilitate department-wide awareness about telework through our DOJ work life Web site. On this site, DOJ managers and employees can learn about telework flexibilities and how to participate.

Telework is an important part of three major Department initiatives: human capital as it relates to recruiting and retaining a diverse and talented work force for the 21st century; continuity of operations [COOP]; and our pandemic planning efforts.

In closing, at Justice we are trying to use telework where it makes sense in a law enforcement and national security organization. At the same time, we are trying to use telework without opening ourselves to increasing cyber-threats to our systems, networks, and the critical national security, law enforcement, and personally identifiable information contained in those systems and networks.

Mr. Chairman, once again thank you for the opportunity to speak this morning. I would be pleased to answer any questions you or the panel may have.

Thank you.

[The prepared statement of Mr. Lofthus follows:]

Department of Justice

STATEMENT

OF

LEE J. LOFTHUS
ASSISTANT ATTORNEY GENERAL FOR ADMINISTRATION

BEFORE THE

SUBCOMMITTEE ON FEDERAL WORKFORCE, POSTAL SERVICE, AND
DISTRICT OF COLUMBIA
COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM
U.S. HOUSE OF REPRESENTATIVES

CONCERNING

"TELEWORK: BREAKING NEW GROUND"

PRESENTED ON

NOVEMBER 6, 2007

STATEMENT OF
LEE J. LOFTHUS
ASSISTANT ATTORNEY GENERAL FOR ADMINISTRATION
BEFORE THE
SUBCOMMITTEE ON FEDERAL WORKFORCE, POSTAL SERVICE, AND DISTRICT OF COLUMBIA
COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM
U.S. HOUSE OF REPRESENTATIVES
Concerning
"TELEWORK: BREAKING NEW GROUND"
NOVEMBER 6, 2007

Thank you Chairman Davis and members of the House Oversight and Government Reform Subcommittee on Federal Workforce, Postal Service, and the District of Columbia.

I am pleased to be here today to discuss the status of telework at the Department of Justice. I would like to begin by telling you that we at the Department of Justice (DOJ) are pleased that the Department was one of the first agencies to initiate a telework pilot program through its participation in the 1990 Federal Flexible Workplace Pilot (Flexi-place) Program. The program, developed by the Office of Personnel Management and General Services Administration, was established in response to a recommendation by the President's Council on Management Improvement and was implemented with the support from the White House, Congress, and the major unions representing Federal employees. It was designed to test alternatives to the traditional work environment.

DOJ components continue to look for opportunities to expand the use of telework where it supports the Department's mission. DOJ has many positions that are technically eligible for teleworking. However an inherent challenge to DOJ's ability to expand telework participation is the nature of what we do, *enforce the law*. We have always recognized the practical reality that certain positions – correctional officers in a prison, deputy marshals in the courtroom, and evidence technicians, for example – perform duties at specific locations. We believe this is a primary reason that the Department's overall telework participation rate, based on the total number of employees eligible to telework, is four percent. However, eight of our non-law enforcement components have participation rates over six percent; and our law enforcement components continue to look for ways to utilize telework flexibilities.

The components with the top four highest participation rates are the Office of Community Orienting Policing Services at 30 percent; the Bureau of Alcohol, Tobacco, Firearms, and Explosives at 21 percent; the Office of Justice Programs at 13 percent, and our Civil Division at 12 percent.

As the head of the Justice Management Division, I can report that we have 98 of our employees or 10 percent of the total JMD workforce teleworking. Within JMD, we are working to expand telework participation through a new Flexible Work Schedule Program. JMD

managers and employees will receive training on our new Program to learn how to utilize available work schedule flexibilities in support of maintaining focus on "mission first".

The Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) has 504 employees, or 21 percent of its workforce, teleworking. ATF's success with telework is in part attributed to a comprehensive communication plan that educates employees and managers on how and when telework can be used to meet the ATF mission and to support ATF employee efforts to balance work and family responsibilities. ATF also regularly surveys its managers to determine the effectiveness of employees serving on telework schedules and to obtain ideas on how to further enhance the program.

Enhancing the telework program through surveys and communication plans can be an effective tool to increase telework participation. JMD helps to facilitate Department-wide awareness about telework through a comprehensive Worklife Program website. Within this site, DOJ components and their employees can learn about telework schedules and flexibilities and how to apply.

Further, telework has become an important part of three of the Department's major initiatives: Human Capital, as it relates to recruiting and retaining a diverse and talented workforce for the 21st century, Continuity of Operations (COOP), and our Pandemic Planning efforts. I would like to take this opportunity to address the important role our telework program plays in each of these three initiatives.

Human Capital Initiative

The Department of Justice's Human Capital Strategic Plan seeks to effectively support the Department's mission representing the rights and interests of the American people. An important vehicle to help us strengthen our Nation's law enforcement efforts is employee performance, creativity, and dedication; and, as technology improves, our jobs can be redefined to support employees and to maximize their performance by making available practical and workable solutions to manage the demands of work and personal lives.

One of the goals of DOJ's Human Capital Strategic Plan is to pursue innovation by effectively using available flexibilities and tools, develop innovative programs, and proactively seek additional authorities to improve performance. The Department continues to encourage and educate managers on the use of telework as a strategic tool in enhancing morale and productivity, and calculating measurable results. During the 3rd Quarter FY 2007, DOJ informed all DOJ telework coordinators of the opportunity for employees to enroll, at no cost, in one of the General Services Administration's sponsored telework centers through September 30, 2007.

DOJ continues to make notable progress in phasing in the upgraded payroll system that includes codes for tracking telework, and is expanding telework opportunities at the sub-agency level. With most DOJ components, using the new National Finance Center (NFC) "Star Web System," the Department has the ability to quickly and accurately derive "real time" information on telework participation in response to OPM and Congressional requests.

Continuity of Operations (COOP)

Telework is a critical component of the Department of Justice's emergency COOP activities. Because of this, DOJ participates in COOP exercises to test our state of readiness and the ability of our employees to conduct mission critical functions and activities in the event of an emergency. These exercises were carried out smoothly, and we did not uncover any serious deficiencies in our abilities to work from remote locations. We are continuing to evaluate and monitor our performance and abilities in this area to ensure our employees have what they need to safely conduct mission-critical functions in a secure and timely manner.

Our components are integrating telework into their emergency preparedness/COOP plans. The number of employees equipped, trained and ready to telework in the case of a long term crisis, e.g., pandemic influenza, is 4,236.

DOJ has conducted educational sessions for all DOJ telework coordinators that included information on regional telework initiatives, automated telework tracking and integration of telework into continuity of operations plans. We have briefed agency COOP officials on the strategic importance of telework in responding to a pandemic crisis. Several DOJ components have issued new revised telework policies and conducted management training to encourage broader use of telework.

Pandemic Plan

The Department of Justice is committed to maintaining a working agency should an influenza pandemic occur in the United States. Plans and strategies have been developed to ensure continuous operation of the Department and our authorities. One critical element of our Pandemic Plan is our telework policy. Employees have agreements in place that allow them to work either from home or from another location convenient to their home a few times per week or per month, as appropriate. In the event of a pandemic, we will enhance our telework program to allow employees to telework for "social distancing" purposes. Employees will also be able to telework during periods when an alternative care provider is available to care for a sick family member. We are encouraging all components within the Department of Justice to discuss with their employees how to handle a pandemic scenario. The Department is also practicing teleworking in preparation for a pandemic, and discussing with employees currently not teleworking the possibility of emergency telework should it be needed. We plan to continue conducting telework and IT security training for first time teleworkers. The Department has and will continue to conduct testing exercises which include telework, to ensure all systems are in place if the pandemic should occur.

Enhancing Telework

The Department continues to assess its use of telework to help achieve the DOJ mission and to assist employees balance professional and personal responsibilities. We recognize that in any effort to expand our telework participation, it is important that we remain cognizant of the challenge of doing so in a law enforcement agency. A variety of issues including, information technology security, IT funding, organizational culture and the disposition of classified information, office coverage, and the nature of our work as a law enforcement agency pose challenges to the full use of telework as a workforce flexibility.

As we move forward to strengthen our telework program, we will continue to educate our employees and managers, work to increase the budget for technology that support teleworking, and establish further pilot telework programs.

Mr. Chairman, once again, thank you for the opportunity to testify and I would be pleased to respond to any questions you or other Members of the Subcommittee may have.

Mr. DAVIS OF ILLINOIS. Thank you. Thank you very much, Mr. Lofthus. We will proceed with questions.

Let me just begin with you, Ms. Peterlin.

What position classifications are eligible to telework at the Patent and Trademark Office?

Ms. PETERLIN. Thank you, Mr. Chairman. We have 17 programs at the U.S. Patent and Trademark Office, because we have found that, based on the work that our employees are doing, we may need some flexibility. But if you look at our two largest programs, the eligibility requirements are quite consistent, and that is the employee needs to be on a full-time status, they need to have a fully successful rating, they need to demonstrate the ability to work independently, they need to have no performance or disciplinary actions against them, and they need to have high-speed broadband internet at home.

So those generally who would be ineligible then, sir, would be those whose primary responsibilities include interaction with internal employees or customers.

Mr. DAVIS OF ILLINOIS. And so you have a level of comfort that the individuals who are eligible are going to be able to function at a pretty high level without supervision in a sense, or certain level of supervision?

Ms. PETERLIN. Yes, sir. Certainly at the USPTO it is our hope that our managers are still engaged, very engaged with our employees who are teleworking, so that type of supervision would still be ongoing.

In our trademarks business unit, that would mean you have full signatory authority, that you can make the final determination about whether a trademark, like Coca-Cola, should or should not be registered, because we want to make sure that our employees have the sufficient training and experience that we are setting them up for success, and then everyone in our managers and our employees participate in the title work training program, and that gives us additional confidence.

Mr. DAVIS OF ILLINOIS. I wish all of my employees were like that. I think that you have one of the more successful programs and activities. But could you also explain why the USPTO has been so successful at teleworking?

Ms. PETERLIN. Yes, sir. I appreciate the question because I think if you had called us to testify 10 years ago we would have a different story, sir. We would say that we are embarking on it and we would only have had 18 examining attorneys. I think the reason why 10 years later we are very grateful to be described as a success story is because we have very carefully progressed, assessed the results. We started small, we assessed our results, we implemented training, we implemented the necessary IT security, and we kept pushing ourselves. We kept saying these results are great. We are getting 99 percent of return on our surveys with employees saying, I feel better about my job. We have productivity increases of 10 percent in our patents and trademark area. So we kept seeing excellent results as we became more and more confident over time.

So I think our success today is because we were willing to start, and then the successes kept building one on the other.

That being said, sir, certainly there have been challenges along the way, and some managers needed to be brought to the issue and some employees needed to gain comfort in teleworking.

Mr. DAVIS OF ILLINOIS. What advice would you give to other agencies, if you had the opportunity to do so, to increase their telework numbers?

Ms. PETERLIN. Sir, I think the best advice is always the advice that taps into a specific experience that we have confidence in. For us, that has been to have the necessary IT security structure in place, have training for managers and employees, identify what the management criteria will be.

If your organization is already managing by results, then you are setting the necessary preconditions to have a successful telework program. If it is managing by observation, then you probably don't have the necessary preconditions in place for teleworking.

So I would say start off by having a good management structure, by managing by objectives, and that is successful for you whether you are teleworking or not. Then engage your managers at every level, both at the senior level of the organization and the first level managers. Participate in the necessary training. Endorse that training. Then start a program, start a pilot program, have assessment metrics for the program, survey the individuals, be willing to make adjustments to your program, but then move out. Identify the successes.

One success for the PTO, sir, if I may continue my answer, is that we are hiring at the PTO, because of our strategic planning in a situation where we found we were under-staffed, 1,200 examiners per year over 5 years. We have a beautiful new campus in Alexandria, VA, which would still not hold the rate of increase that we have found necessary for us to meet our requirements.

So without the telework program in place, we would not be able to even hire sufficiently to meet our mission requirements, so teleworking for us is sort of a bottom line flexibility in order for us to achieve our mission.

Mr. DAVIS OF ILLINOIS. Thank you very much.

I am going to stop and yield to Mr. Marchant.

Mr. MARCHANT. Thank you, Mr. Chairman.

Do you have a defined, stated goal as to where you want to be 10 years from now as far as your telework program?

Ms. PETERLIN. Sir, what we are doing right now at the USPTO is we are looking at whether or not we should move to a nationwide work force, which would have a distributed work force across the United States.

On our patent side, most of our patent examiners have multiple degrees. We have many Ph.D.s. The examination process is a very rigorous process. Because we can't make that job any easier, the way to retain and attract talented people for us is to try to make the job as flexible as possible.

So our stated goal right now is to look at what a nationwide work force would look like. I think if you asked us maybe even a year ago we would have said, teleworking is great. Since then we have looked at it and said, teleworking may be an interim step to a distributed work force as a nationwide work force, so that if a major company has a layoff there will be many talented people that

we would love to have working and recruiting at the USPTO, but their church is in another State, their family is in another State, and their kids are in high school in another State, and so if we can give them an opportunity there, that benefits the USPTO and it also develops the loyalty to an organization that we would like to benefit from.

So I don't know that our 10-year goal is teleworking as an end goal. It may be teleworking as a means to a nationwide work force.

Mr. MARCHANT. If someone comes to you and they know that they are obviously qualified for the job they are applying, and they know that you would like to hire them, are they free to propose to you the terms of their telework? Can they say, I will be happy to take this job, but I want to telework 3 days a week? Are they free to do that, or do you hire them based on them doing the job in the office and then negotiate the telework with them?

Ms. PETERLIN. Thank you for the question. That is something that we are looking at in terms of the types of flexibilities we can have, because one of our pressures as an organization, as I mentioned to the chairman, is a real estate issue and whether or not someone in the teleworking program, specifically in patents, would still need a dedicated office space, or they would be involved in shared office space.

Unless we are hiring someone who had retired from the PTO and decided to come back—and we very fortunately have that. You will be hearing from someone in the next panel, sir, who was in our trademark side and then left, enjoyed a successful time in the private sector, and then decided to come back to the PTO and is teleworking. But there is an initial period of time, if you are not a return employee, an initial period of time so that you can have your full signatory authority, or you have your certified exam passed on the patent side before we have a telework relationship established. That is, again, to make sure that we are setting our employees up for success.

Mr. MARCHANT. OK.

Mr. Lofthus, the percentages you gave on your various departments, are most of those people on a 1-day? I mean, of the percentages you gave us that participate, what percentage of those are 1 day, 2 days, 3 days? Those percentages obviously were for any part of the job that they telework, right?

Mr. LOFTHUS. Correct. At least half of those folks are on 1-day-a-week telework schedules. There may be folks who work more than 1 day a week. That may also be situational, meaning their basic telework schedule may be 1 day a week, but if the situation allows it, maybe their supervisor allows them to work an additional day, that is more situational than the way we do the schedule.

Mr. MARCHANT. I think you probably recall last year or the year before where someone that I think was involved in some kind of a telework project at the VA had taken some hard files or had some files at home that were stolen from their home. It was not good. There is nothing good about it. Those are obviously some of the drawbacks and some of the pitfalls of telework. You guys, since that incident have you sat down and talked about it and said, OK, this is something about telework that we can't afford to have happen, and taken some corrective action?

Mr. LOFTHUS. That is something that concerns us. While we want to encourage telework at the Department of Justice, we want to do it even though we are a law enforcement organization where some jobs simply are location specific and problem aren't that suitable for telework. But, nonetheless, we want to encourage telework wherever we can.

One of the barriers that I see, though, in all candor, is the fact of information security and working with classified information. The example that you point out is very much in our minds as we deal with these issues.

When we look at the cyber threats that are out there now and that are increasing, we want to make sure that we are not exposing the agency and the information we have to risk as we expand telework.

I think if you set the clock back a few years, I think it was very easy for folks to say, well, I have a home computer and I will be able to work from home and things will be just fine. Just having a home computer I think is no longer just the way you need to look at telework. Those home computers do insert an element of risk in the agency operations. Certainly they do in an intelligence or national security operation.

We don't control that security domain over your home computer and since we don't control that, that does introduce an element of risk, and that is something that we want to be very vigilant when we manage for those type of risks.

Mr. MARCHANT. Thank you.

Thank you, Mr. Chairman.

Mr. DAVIS OF ILLINOIS. Thank you very much, Mr. Marchant.

Mr. Sarbanes.

Mr. SARBANES. Thank you.

You, Ms. Peterlin, talked about how you would bring people together, labor unions and management and so forth, and others to tackle the challenges that have been presented with respect to telecommuting. Can you just give an example of something that came up, a theme, a problem that was being identified kind of across the board, if it was, that you were able to take on and push through and now look back and say, We were able to move past that?

Ms. PETERLIN. Certainly. I will give you a current example, if I may, and it is one that I think I confess we are still pushing through and working past, but I think it is important to use this example because it reveals how the team comes together.

We have technology centers at the USPTO that look at particular types of innovation, and within those technology centers we have then art units. We had an art unit that became a virtual art unit where the art unit, its managers, and the examiners went home and worked together virtually. There were still other people in the technology center. So you had in some ways some people in the same office teleworking and some still in the office, because we were trying to test could we send an entire unit at this level home.

What we found is that we need to make sure that the people who were still at the USPTO don't carry all the burden of training the new examiners that are on board, because we saw that—and this is something that our union has raised to our attention and some of the employees in the surveys raised to our attention—that peo-

ple had an inclination to want to seek training from the person that they could go next door to their office, and there was a little bit of a barrier of thinking, oh, I don't want to call them because they are at home.

That, to me, raises just a management issue of going back and saying, they are not at home, they are teleworking today, and they want you to pick up the phone and talk to them.

This is an example of an issue. I think it is the type of issue you are asking me to talk about.

Mr. SARBANES. Right.

Ms. PETERLIN. And I would say that we just finished the virtual art unit pilot, so we just had this assessment about the fact that some people are reluctant, just personally reluctant to reach out to the teleworking trainer more so than the trainer that may be a few doors down. And so we are going to approach that by talking to our managers and saying, Look, it is important that you don't have that instinct, because that instinct is a bit artificial. The trainer at home is confident and interested and wants to be involved in training, as well.

Mr. SARBANES. OK. That is a great example.

Either one can answer this question, or both. It picks up on what Mr. Marchant was saying. As a practical matter, we talk about telecommuting or teleworking, the definition qualifying based on 1 day a week or 2 days a week or 20 percent over 2 weeks, or whatever. But somebody gets into a good telecommuting arrangement, is it not the case, practically speaking, that they are going to move toward a kind of full-time telecommuting arrangement? Or am I missing? Because, particularly in terms of saving space and other things, I would imagine that, until you get to that kind of tipping point, maybe you are not getting the benefit of it so much.

I am just curious across in both offices, across the work force that is telecommuting, how many are in that full-time telecommuting category?

Mr. LOFTHUS. We don't have many in the full-time telecommuting category yet. One of the things that is coming down the pike, though, that I think will help in this area is the ability to track telework and the job series of the folks that do telework and how frequently they telework.

We at the Department of Justice or in the National Finance Center at the Department of Agriculture supporting our payroll systems, and they have a new system—or new to us—called Star Web, and Star Web allows us to start tracking at a time and attendance recordkeeping level, meaning a very detailed level, how often people are telecommuting, and we can really get now for the first time really good statistics on who is doing it, how frequently they are doing it, if the success of what they have already done allows them to expand their use of telecommuting.

I think that gives us an advantage over the more anecdotal data we had a couple of years ago, so I am looking forward to the fact that we can use that kind of information that will help us target other areas in the Department where telecommuting may be a viable option and people just haven't looked at it yet in those areas.

Mr. SARBANES. OK.

Ms. PETERLIN. Yes, sir. I have a lot of statistics in front of me, and so I want to give you what I think might be the most useful statistics.

We have found that it isn't always the case that if you are teleworking 1 day now that you will migrate to 4 days, because what we are trying to do is the reason why we have 17 programs at the USPTO is because we find that, depending on the business needs of the particular mission, your job may allow you to telework 1 day a week.

We have customer call center personnel who work 4 days a week, but the requirements of their job would allow that, if they consolidate administrative type of work into 1 day, they can telework during that day.

Then we have other positions where they can telework 4 days a week.

So right now in our trademarks examining attorneys working from home 4 days a week, we have 246 examining attorneys working at home 4 days a week. We have 26 who work at home 3 days a week, 7 2 days a week, and 55 1 day a week.

So, depending on the position and the requirements of the position, that does influence the number of days where teleworking makes sense, which does impact the return on investment that the agency might——

Mr. SARBANES. Are the ones that are working 4 days a week, does that mean 1 day a week they are coming in to the main location, or they are just working 4 days a week according to a flex schedule?

Ms. PETERLIN. They are working 4 days a week from home, and so 1 day a week they would be in the office. There is a requirement that folks come in for 1 hour per week to establish their duty station for pay purposes.

Mr. SARBANES. I see. OK.

Mr. DAVIS OF ILLINOIS. Thank you very much, Mr. Sarbanes.

Mr. Lofthus, recognizing that the Department of Justice is a law enforcement agency, isn't there a large number of law enforcement positions that could be eligible for telecommute?

Mr. LOFTHUS. Mr. Chairman, yes, I think that is true. I think there are law enforcement positions that are suitable for telework. But what we have learned is it depends on an individual's duties, and I can give you an example of that.

At Justice we have a job series called investigator, criminal investigators, and we have investigators across our law enforcement components. At the ATF we happen to have a large number, I think nearly 400, investigators who are telecommuting, and they are doing that very successfully. These are investigators that go out into industry and they do reviews and they write reports. ATF has found it very viable for those investigators to do that report writing and assimilate their information from telecommuting centers or from their homes, so that is working very well.

At the same time, in that same broad job series, investigator or criminal investigator, we have investigators at DEA and FBI who have really quite different duties. They may be working on case investigations that involve informant information, may involve undercover operations, may involved classified information. So those

investigators really have duties that are more site specific and they come into the office for the protection of the data.

So you have similar-sounding jobs with actually quite different duties. So when we look at our opportunities for teleworking, what we found is we have to go below the job series and really look at the specific duties of the individuals.

But your point is an excellent one. What we have learned, again, I think, from some of the new data we are getting, is the opportunities for attorneys—the civil division example—the opportunity for attorneys to telework is one that I think there is some potential there. We have had pockets. My organization has a small number of attorneys, but some of those telework. Civil Division has been successful. The U.S. Attorneys Organization has attorneys that telework. So there are people in the Justice/law enforcement environment that can telework, and we are looking for those opportunities.

Mr. DAVIS OF ILLINOIS. The Department of Justice has some innovative programs for telework, but we think that some of it bureaus are lagging. Recently the ATF gave a group of 50 employees in the position of legal instrument examiner the choice of relocating to West Virginia or leaving employment at ATF. West Virginia would be a 3-hour commute for many of these employees. Telework was not an option made available to them.

The reason given is it would require automation of form processing, which ATF has claimed would cost $2.7 million. Could you explain how the ATF arrived at $2.7 million to automate the work of the legal instrument examiners and, aside from money, what would prevent the legal instrument examiners from teleworking?

Mr. LOFTHUS. Mr. Chairman, that case is one where I would prefer to be able to get back to you on the specifics. I do know that ATF was concerned that the cost of any system improvements which would be needed to make telework a viable option there. But if I may, I would prefer to get back to you with specifics.

That falls again in the category where I think we are serious about looking for opportunities to make these telework options available to our staff, but sometimes there are barriers.

Mr. DAVIS OF ILLINOIS. Thank you.

In a letter sent on May 7, 2007, the subcommittee asked the Department of Justice whether the agency excludes any categories of employees from teleworking. DOJ provided a long list of job categories covering over 47,000 employees that are excluded from telework. DOJ said these jobs are excluded because they require handling secure materials or performing onsite activities.

Just some of the categories of jobs that are not eligible for telework at the Department of Justice include: building maintenance, intelligence analysts, security specialists, supply program manager, language specialist, legal clerk, and paralegal specialist. That is just a sample that DOJ identified, and actually identified many more jobs that are excluded from telework.

I can understand why it would be difficult for some of these employees to work from home. For example, an employee performing building maintenance obviously needs to be present at the building in order to perform maintenance on it. But DOJ's list includes a number of jobs where, at least based on the job titles, it seems like

the employees may be able to perform at least some of their duties from an alternate work site.

Do legal clerks and paralegals need to be present all of the time? Can't they perform research and other work from alternate work sites? And what happens if an employee in one of these job categories asks to telework? Is that employee automatically excluded based on his or her job title, or does DOJ look at specific responsibilities and activities of each employee who would like to telework?

Mr. LOFTHUS. We need to look at the specific duties. I don't want to have a Justice environment where we have such sweeping decisions made to exclude people based on job series, alone, because of the things I have already pointed out, in the sense that criminal investigators or investigators may have the same job title but very different duties, so I think we need to look at the underlying duties.

While we did have a long list of jobs that were excluded, 59,000 jobs were deemed eligible for telecommuting. If one were to take an extremely restrictive view of the eligible positions, you might say only 40,000 jobs at Justice would be eligible for telecommuting.

I think we have tried to be optimistic and include as many jobs as we can to make them eligible, which is how we got up to the 59,000 number of eligible positions. So I think we are trying to give telecommuting the benefit of a doubt and not exclude people based on job title, alone.

I think if you look at the fact that we have 22,000 agents, we have 30,000 plus correctional officers, there is 50,000 positions, alone, that one could say those you just can't telecommute. Correctional officers may be one thing where you have to be present at the institution and there at the prison, but the agents, we do have a small number of agents where we are experimenting with telecommuting. I think that is an example where we are trying not to exclude people automatically just on a series title, but give people an opportunity to try it, see if it works, see if the supervisors like it.

As some of the other panelists have talked about, results are what really matter here. If we can do this and get good results, then I think our position would be we want to be open to that type of consideration for our employees.

Mr. DAVIS OF ILLINOIS. Thank you very much.

Ms. Peterlin, as I noted earlier, Representatives Marchant, Waxman, Davis, and I sent a letter on May 7, 2007, to 25 departments and agencies requesting current information on the agencies' telework information. In response to that letter, we received general information from the Department of Commerce, but no specific information on the agencies within the Department, including the Patent and Trademark Office.

Given the apparent success of PTO's program, it would be helpful to have more specific data in order to compare it with other agency programs. Would you be willing to submit for the record answers to the questions we asked in our May 7th letter?

Ms. PETERLIN. Yes, sir, we would be delighted to.

Mr. DAVIS OF ILLINOIS. Thank you both very much.

Mr. Sarbanes, do you have any additional questions?

Mr. SARBANES. Just real quick.

At the USPTO, is there any expense that you, as a policy, are willing to incur with respect to outfitting a telecommuter's home office, or do you put that burden exclusively on the employee?

Ms. PETERLIN. No, sir. As we are looking at our cost/benefit analysis, and somehow this is always an X factor of the retention value to the employee, the morale, the productivity increases that we see, we outfit their home offices. And we actually also pay for the cost of the telework training for the manager and the employee.

Mr. SARBANES. OK.

Ms. PETERLIN. But we still find that cost/benefit analysis leads to benefit for the agency.

Mr. SARBANES. The two objections that I can think of, or the things that I focus on the most as obstacles or the resistance to teleworking, are, one, this whole productivity question. I am completely assured by the testimony that if the managing to results is done properly, that is easily overcome as an objection. The other I guess would just be this less tangible esprit d'corps dimension, the notion that people are far-flung and you don't see them. This is the good part of face time. There is a bad part of face time, right? The good part of face time is that you see the people and it helps to congeal spirit within the office, and so forth.

Can you speak to that? I mean, I guess the extent everybody is teleworking in your office is still coming in to a central location for some period of time during the week. It offers opportunities for meetings and other group activities, if you will, that can address that issue of esprit d'corps, but maybe you could just talk about that briefly. And Mr. Lofthus, as well, if you would like.

Ms. PETERLIN. Yes, sir. I appreciate your focus on that question because it is a focus that a lot of our senior management has spent time on. What are the necessary collaboration tools? Our examining attorneys and our patent examiners need collaboration tools and search tools in order to do the work that they perform, and in order to complete this examination, but they also need collaboration tools in order to be able to connect.

I think this is something where you don't ever reach a plateau. It is always going to be a management issue. How do you connect with someone who is living in Michigan if the main office is in Alexandria, VA? I think some of that has to do with the comfort of the employee and feeling that they can connect through the collaboration tools.

Some of the tools that we have are as simple or as basic as telephone, voice mail, e-mail, but we are doing more and more and hold a town hall. In our trademarks area we had a video town hall so that the teleworkers actually logged on at home on their computers and they had an all-hands meeting or a town hall meeting.

So I think making more frequent use of town hall meetings or using instant messaging, you have to use the IT tools that currently exist, and then you also have to have managers who will, just as a good manager does swing by a cubicle every now and then just to see what is going on, swings by electronically the employee's cubicle.

But I think that is a challenge. I think it is OK for it to be a challenge, to recognize it as a challenge, and then you just have to figure out how to reduce the impact of that challenge.

Mr. SARBANES. OK. Thank you.

Mr. DAVIS OF ILLINOIS. Thank you very much, Mr. Sarbanes.

I note that we have been joined by Mr. Cummings. I know when you have a work schedule and load as heavy as his, it is difficult to be in three or four places at one time, so thank you, Mr. Cummings.

Did you have any questions or comments?

Mr. CUMMINGS. Thank you very much, Mr. Chairman, first of all, for acknowledging my schedule. I appreciate that. And I will be very brief. I just have one question.

We are finding that, despite the legislative leeway to doing so, agencies are not promoting telework programs as broadly as I would think they would have. Are there certain barriers to this? And is there a legislative solution?

Mr. LOFTHUS. If you don't mind, I will go first.

Mr. CUMMINGS. Sure.

Mr. LOFTHUS. In terms of barriers, I think at the Department of Justice what we have found so far, other than inherent law enforcement issues where there is a deputy marshal who has to be on duty in a courtroom, so if you look past what I will call those inherent site location jobs to the jobs that are more suitable for telework, you need tone at the top where senior leadership at your agency or department says that telework is an important program for the agency, it is important for the operation of the agency, and it is important for the quality of work life for our staff, so you need positive tone at the top.

You need open-minded supervisors. What we are finding at the DOJ, as telework expands and as we see pockets of success—for instance, with our investigators at ATF, with the attorneys in the civil division, with other jobs—as you see pockets of success, I think that breaks down barriers in the rest of the Department where people may have said, Well, I don't think such and such a job is very suitable. We can demonstrate otherwise.

So it comes back to being able to have open-minded managers and people who are behind the program and that are supportive of it. That is what we are finding at Justice.

Ms. PETERLIN. What I would like to add to that list, sir, and what has been a primary issue to us, one of the barriers to telework is having the development of a reliable and secure computer system so that our folks could actually get immediate access to the same documents that they would have been able to have access to were they in their office, and that they are able to download them reliably.

So because we were able to start small years ago, we have been actually able to anticipate and include in our program designs and upgrades that the system would accept teleworking and would be able to provide that sort of instant response, high band-width capability, and security needs.

Mr. CUMMINGS. Thank you.

Thank you very much, Mr. Chairman.

Mr. DAVIS OF ILLINOIS. Thank you very much, Mr. Cummings.

Mr. Issa, did you have any questions or comments?

Mr. ISSA. No, sir. Not at this time.

Mr. DAVIS OF ILLINOIS. Well, we want to thank both of you very much. We certainly appreciate your presence here this morning and we appreciate your participation.

Thank you, and you are excused.

Mr. LOFTHUS. Thank you.

Ms. PETERLIN. Thank you.

Mr. DAVIS OF ILLINOIS. As we prepare to hear from our last panel, let me just begin with the introduction of our witnesses.

Mr. John Wilke is a Trademark Examining Attorney with the U.S. Patent and Trademark Office. In 1981 he left the USPTO to take a staff position at General Mills in Minneapolis as an attorney. Mr. Wilke works for the USPTO out of his tome in Long Grove, IL, under the office's extended geographic telework program.

Mr. Steve O'Keeffe is the founder and executive director of Telework Exchange, a public/private partnership focused on promoting the adoption of telework.

Ms. Ann Bamesberger is vice president of SUN Microsystems Open Work Service Group, an organization focused on creating an infrastructure that supports the increasingly global dispersed and mobile work force.

And Mr. Haywood J. Talcove is vice president of public sector americas for Juniper networks. With his teams, Mr. Talcove supports the networking and security needs of Government through his company's broad range of high-performance technology solutions.

I want to thank you all for being here.

It is the custom and tradition of this committee, as well as others, that all witnesses are sworn in, so would you stand and raise your right hands.

[Witnesses sworn.]

Mr. DAVIS OF ILLINOIS. The record will show that the witnesses answered in the affirmative. We thank you all very much.

We will proceed and will begin with Mr. Wilke.

STATEMENTS OF JOHN WILKE, TRADEMARK EXAMINING ATTORNEY, PTO TELEWORKER; STEPHEN W.T. O'KEEFFE, EXECUTIVE DIRECTOR, TELEWORK EXCHANGE; ANN BAMESBERGER, VICE PRESIDENT, OPEN WORK SERVICES GROUP, SUN MICROSYSTEMS, INC.; AND HAYWOOD J. TALCOVE, VICE PRESIDENT, PUBLIC SECTOR AMERICAS, JUNIPER NETWORKS, INC.

STATEMENT OF JOHN WILKE

Mr. WILKE. Thank you, Chairman Davis, Ranking Member Marchant, honorable committee members, and distinguished guests. My name is John Wilke. I am a Trademark Attorney Examiner at the U.S. Patent and Trademark Office. It is my honor and privilege to testify before this committee this morning.

I have been asked to testify because I am a trademark office teleworker and I am also participating in a USPTO pilot program

which allows employees to work from geographically remote locations.

In my case, I work for the PTO from my home in Long Grove, IL, just north of Chicago. I am testifying from my home office today. This is my lovely basement here.

I first worked as a trademark examiner at the USPTO from 1979 to 1981. This was my first attorney position and I learned a great deal from those first few years at the office.

I left the PTO to work as a trademark attorney in private industry for the next 23 years. I eventually became trademark counsel for Monsanto Co. and then patent and trademark counsel for American Tool Companies, another Chicago company. During that time I was elected to the Board of Directors of the International Trademark Association, and I served as chairman of several ITA committees, including the ITA Patent and Trademark Office Committee.

Following the takeover of American Tool, I considered several trademark positions in law firms and other companies, but when the PTO offered me this position I was very glad to return to the office.

I worked at PTO headquarters in Alexandria for over a year, really becoming re-qualified, and when I became eligible for the office's telework program I requested that I be allowed to work from my home here in Chicago.

Fortunately, the office was able to accommodate that request as part of a new geographic expansion pilot program, and I have been working remotely from here since last January.

The office's telework program has truly been a wonderful blessing for me. It has allowed me to remain close to my family and friends and has allowed me to participate more fully in the life of my community here.

My family and I have lived in the Chicago area for nearly 20 years. My wife, Ophie, and I raised our three children in Buffalo Grove. They all graduated from Stephenson High School in Lincolnshire. Our son, Sean, went to Columbia College in Chicago, and Matthew went to DePauw. They both now live and work in Chicago itself.

Ophie works at Lutheran General Hospital in Park Ridge. We are active members of the St. Mary Parish in Buffalo Grove. I sing in the choir. She is a eucharistic minister. We have a lot of friends here that we have made over the 20 years we have been here.

The telework program with PTO has made it possible for me to work for the office and at the same time stay near our children and among our long-time friends. It has truly enhanced the quality of my life and the life of my family.

I believe the telework program has also been of great benefit to the Patent and Trademark Office, itself. Thanks to this program, I was able to return and actually make a valuable contribution to the trademark examining operation. Soon after my return I was given the responsibility in assisting in the training of new examining attorneys, and I have served as a mentor for six young attorneys so far. I have also maintained the highest production and quality levels, and have achieved a rating of outstanding for every rating period since my return.

Last month, in fact, I was recognized by the American Intellectual Property Law Association with an award that was given to me here in Washington for outstanding performance as an examining attorney in the Patent Office.

The office has greatly benefited from the contributions of many employees who have joined the PTO or who have come back to the PTO or who have remained at the PTO in large part because of its excellent telework program. While there is still a need to address the problem of the weekly office visit requirement, which is one of the barriers that was mentioned here earlier, I feel the PTO is still the best telework program in Government or in private industry. It has truly enhanced the quality of my life and has benefited the agency, as well, by allowing it to attract and retain capable and experienced employees.

I believe other agencies and other Federal employees would also greatly benefit from the adoption and implementation of similar programs.

Thank you very much for allowing me to join you there today. I would be happy to answer any questions you might have.

[The prepared statement of Mr. Wilke follows:]

Statement of John Wilke
Trademark Examining Attorney
United States Patent and Trademark Office
on
"Telework: Breaking New Ground"
Before the
Subcommittee on the Federal Workforce, Postal Service,
and the District of Columbia
Committee on Oversight and Government Reform
United States House of Representatives
November 6, 2007

Chairman Davis, Ranking Member Marchant, Honorable Committee Members, and Distinguished Guests. My name is John Wilke. I am a Trademark Attorney Examiner at the United States Patent and Trademark Office (USPTO). It is my honor and privilege to testify before this Committee this morning.

I have been asked to testify because I am participating in a USPTO pilot program which allows USPTO employees to work from geographically remote locations. In my case, I am working from my home in Long Grove, Illinois, just north of Chicago and I am testifying remotely from that location today.

I first worked as a Trademark Examiner at the USPTO from 1979 to 1981. It was my first attorney position, and I learned a great deal in those first few years at the Office. After leaving the USPTO, I worked as a trademark attorney in private industry for the next 23 years. I eventually became Trademark Counsel for Monsanto Company, and

then Patent and Trademark Counsel for American Tool Companies. During that time I was elected to the Board of Directors of the International Trademark Association (INTA), and served as chairman of several INTA committees.

Following the takeover of my company in 2004, I considered several trademark positions in law firms and companies. When the USPTO offered me a position, I happily returned to the USPTO and worked at headquarters for two years. When the opportunity arose to telework, I requested to work remotely from Chicago. The Office was able to accommodate my request earlier this year as part of a geographic pilot program, and I have been working remotely from my Chicago home since then.

The Office's telework program has truly been a blessing to me. It has allowed me to remain close to my family and friends and has allowed me to participate fully in the life of our community.

For almost twenty years my family and I have lived in the Chicago area. My wife and I raised our three children in Buffalo Grove, and they all graduated from Stevenson High School in Lincolnshire. Our son Sean graduated from Columbia College in Chicago, and Matthew graduated from DePaul, and both now live and work in Chicago. My wife works at Lutheran General Hospital in Park Ridge. We are active members of St. Mary Parish in Buffalo Grove. I am a member of the parish choir and my wife is a Eucharistic minister. We have many friends here. The telework program has made it possible for me

to work for the USPTO while at the same time enjoying the blessing of living near my children and among our long time friends. It has truly enhanced my quality of life.

I believe the Office's telework program has also greatly benefited the USPTO. Through this program I was able to return to the Office and make a valuable contribution to the Trademark Examining Operation. Soon after I returned, I was given the responsibility of assisting in the training of new examining attorneys, and I have served as a mentor for six young attorneys so far. I have maintained the highest production and quality levels and have achieved a rating of Outstanding for every rating period since my return. Last month, I was recognized by the American Intellectual Property Law Association with an award for outstanding performance as an examining attorney.

I feel the USPTO has the best telework program I know of in government or private industry. It has truly enhanced my quality of life, and has benefited the agency as well, by allowing it to attract and retain capable and experienced employees. I also believe other agencies and other federal employees would benefit through the adoption and implementation of similar programs.

Thank you.

Mr. DAVIS OF ILLINOIS. Thank you very much, Mr. Wilke. We will proceed now to Mr. O'Keeffe.

STATEMENT OF STEPHEN W.T. O'KEEFFE

Mr. O'KEEFFE. Chairman Davis and subcommittee members, thank you for the opportunity to speak today. My name is Steve O'Keeffe, executive director with the Telework Exchange. We are a public/private partnership.

Every Federal agency is actively involved in the membership of our organization, and we have more than 6,000 Federal employees who have registered on our site to understand the telework opportunity. This is my third testimony on telework. Your focus for the hearing is on breaking through, and so I am going to dispense with formality and cut to the chase.

While telework is moving, the programs are locked in traffic jams and new action is required to move things forward.

So why should America care about telework? Let's start with cost and gas consumption. The Federal work force spends $20 billion a year on commuting. Extrapolating to the U.S. white collar work force, America spends $572 billion a year on commuting. This is significantly more than the gross domestic product of the Republic of Ireland.

As Americans, we burn $26 billion of gas by commuting each year. That is 62 percent of the U.S. strategic petroleum reserve.

Now to pollution. The average Fed pumps 8 tons of pollution per year into the environment commuting. This translates to 14.4 million tons across the Government. If all eligible Feds teleworked 2 days a week, we would eliminate one-quarter of the emissions from the Federal work force each year.

Now to time and productivity. The average Fed spends 245 hours commuting each year; in fact, more time commuting than on vacation each year. If all eligible Feds teleworked just 2 days a week, the Federal work force would reclaim 73.3 million hours of their lives back each year. That is an additional week off work for each Federal employee per year.

Now to pandemic planning. As we approach the season, clearly this is top of mind. Only 27 percent of Feds would show up for work in the event of a pandemic, according to a recent study. Just 21 percent say they are aware of their agency's pandemic plans, and out of these Feds only 27 percent know if their agencies incorporate telework into continuity of operations plans.

The question is: who will tend to America if Uncle Sam calls in sick?

So where are the road blocks? First, eligibility. OPM reports only 10 percent of eligible Feds telework today. A CDW study shows that 79 percent of Feds would telework if given the option. Clearly, the math does not add up. This is why the Telework Exchange rolled out the telework eligibility gizmo to allow Federal employees to quickly understand approximately their eligibility status. As you know, the eligibility criteria vary widely among agencies.

In fact, it was good to see OPM testifying again. We would like to see more from OPM in the way of telework leadership. We offered to partner with OPM to establish a telework friendly seal of approval for telework positions on USAJOBS.GOV. This would

allow agencies to identify new jobs as telework friendly, to make Government jobs more attractive. We posed this program to OPM almost 2 years ago, and we are still waiting for an answer.

At consecutive hearings, Members have asked OPM for its success in getting managers to buy into telework. Again, the same answer: no quantifiable data. I would ask why.

We asked if OPM will step up to provide much-needed leadership or continue to take a back set on telework.

Other roadblocks—management resistance. Management resistance is still the elephant in the room. Regrettably we see in the Federal Government the continued culture of management by walking around. That said, as managers experience telework they become more favorable to it. Managers that manage teleworkers are more favorable than managers that don't, and managers that telework, themselves, are still more favorable. The problem is that too few Federal managers are teleworking.

Poor mission alignment. Just 35 percent of Federal managers believe their agencies support telework. If telework is a critical plank in continuity of operations, then clearly the message is getting lost in translation from the leadership to middle management and we need to redouble our efforts here.

Lack of resources. Agencies do not dedicate the time to telework. The majority of telework coordinators today spend less than 25 percent of their time on telework.

So it can't be all bad news, right? That is true. GSA announced an aggressive telework challenge, which we heard about this morning. PTO, DSSA, and other agencies area already blazing the trail. Representative Wolf proposed a National Telework Week, and we strongly support that. And there are many activities afoot on the Hill, including these hearings, the S. 1000 proposed legislation, and the Telework Amendment to the Energy bill. So telework is not completely gridlocked, but traffic is clearly moving too slowly.

So what can we do? Benjamin Franklin said that the definition of insanity is to assume the same behavior and expect a different outcome. What we need to do is innovate. First we need to address eligibility. We need to offer telework as an opt-out rather than an opt-in for Federal employees. And we also need to require them to justify why they are making positions ineligible.

We need to address management resistance, educate managers, and encourage management specific pilot programs so managers actually have hands-on experience teleworking. We need to test drive continuity of operations. Telework is not a break glass in case of emergency proposition, and we need up-front commitment from agencies, and we need to allocate resources, one full-time senior level telework coordinator per agency, and that person should participate on a team with the IT planning support organization.

I would like to put forth a challenge. As I mentioned earlier, we have been waiting for OPM to respond to us for almost 2 years to set up this notion of the telework friendly seal of approval. The Telework Exchange will independently launch a Government telework friendly job bank on our Web site in 2008. Agencies will be able to post telework friendly job postings at www.teleworkerchange.com. People will then be able to go to the Web site and check out Federal jobs that they may be interested

in applying for. The door is always open for OPM to come back to the table in terms of partnership.

We also encourage other agencies to take the same kinds of commitments as GSA, DSSA, and PTO in the telework drive.

Thank you for your time this morning. We appreciate your consideration.

[The prepared statement of Mr. O'Keeffe follows:]

Testimony of Stephen W.T. O'Keeffe
Executive Director, Telework Exchange
before the:

House of Representatives, Committee on Oversight and Government Reform, Subcommittee on Federal Workforce, Postal Service, and the District of Columbia

Hearing Titled:
"Telework: Breaking New Ground"

November 6, 2007

Chairman Davis and Subcommittee Members, thank you for the opportunity to speak to you today and for your commitment and interest in promoting telework. My name is Steve O'Keeffe and I am the executive director of Telework Exchange, a public-private partnership focused on demonstrating the tangible value of telework and serving the emerging educational and communication requirements of the Federal teleworker community. Our partnership includes Federal agencies and leading private-sector companies. In that role, I have spent hundreds of hours listening to Federal employees talk about telework successes and challenges, as well as to industry experts who provide the technology that makes telework possible and easy to use. On behalf of Telework Exchange, its 14 industry members, six affiliates, and thousands of Federal, state, and local registrants, we are pleased to be here today to highlight telework programs in the Federal government, reasons some programs succeed, and offer insight on why telework is not being universally embraced and implemented by Federal agencies.

Telework Exchange facilitates communication among Federal teleworkers, telework managers, and IT professionals. We live and breathe Federal telework. We demonstrate the tangible value of telework through an online repository of resources, telework value calculators, and research studies that quantify the value of Federal telework to various stakeholders. We work closely with industry and government leaders to cross-pollinate telework best practices and facilitate more pointed conversations regarding telework.

Telework Exchange provides:

- **Commuting Costs and Telework Savings Calculators:** More than 6,000 Federal employees have registered at www.teleworkexchange.com to understand the cost of their commute, the amount of pollution they put into the environment, and the percentage of their after-tax income spent getting to and from work. Telework value calculators tally Federal telework potential cost savings and environmental dividends across Telework Exchange's 6,000 plus registrants to show the impact and benefits of widespread government telework adoption. The calculators are available to registrants and can be used to present a business case for telework to management
- **Online Telework Eligibility Gizmo:** So who is eligible for telework? Telework Exchange conducted an analysis of Federal agencies' telework eligibility policies and found that no consistent framework or eligibility criteria exist among agencies. Office of Personnel Management (OPM) reports 70 percent of the Federal workforce is eligible for telework, but 90 percent are not doing so.[1] On the contrary, a recent survey by CDW-G reveals that 79 percent

[1] Office of Personnel Management, "The Status of Telework in the Federal Government 2006," June 2007.

of Federal employees would telework if given the option.[2] 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. 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

- **Research Studies:** Often, Telework Exchange polls Federal employees, managers, executives, and IT professionals to report on pressing telework issues such as gas consumption and savings, telework and business continuity, overcoming management resistance, and myths associated with telework and security incompatibility. We leverage study findings to the Federal community and media to reveal Federal agencies' relative telework performance, challenges that remain, and offer recommendations on how to overcome barriers
- **Online Resource Center:** Includes a repository of useful tools for teleworkers, telework managers, and information technology professionals. The Resource Center provides information on Continuity of Operations (COOP), security, telework technology, telework options for workers with disabilities, telework management tips, Federal agency information, agency best practices, and legislative developments in telework
- ***The Teleworker:*** A bi-monthly news resource reporting exclusively on government telework. *The Teleworker* is available online and is distributed at no cost to thousands of government employees
- **Peer-to-Peer Discussions:** Telework Exchange's online Water Cooler is an interactive forum that allows employees to collaborate and discuss telework issues and share best practices. In addition, we hold bi-monthly Visionary Committee Meetings, which are face-to-face roundtable discussions focused on the latest telework developments
- **Promotional Events:** Telework Exchange hosts grass-roots campaigns such as the "Money Tree" and "I Scream for Telework" events. These promotional events generate significant "buzz" within the Washington D.C. area and aim to increase awareness of telework and initiate conversations with potential teleworkers and managers
- **Town Hall Meetings:** Semi-annual meetings that bring together hundreds of agency telework proponents, government telework managers, teleworkers, industry supporters, and affiliated organizations to provide attendees with the know-how required to adopt and expand telework programs. At the September 12, 2007 Town Hall Meeting, Lurita Doan, administrator, General Services Administration (GSA), announced an agency telework challenge. Her initiative calls for 50 percent of GSA's eligible employees to telework one or more days per week by 2010 – an aggressive goal given only 10 percent of eligible GSA employees currently telework. Our next Town Hall Meeting is scheduled for April 22, 2008 in Washington, D.C.

In an effort to further promote telework in the Federal government, Telework Exchange initiated dialogue with OPM regarding a Telework-Friendly Seal of Approval – a simple designation that agencies can attach to their job listings to identify a position as telework friendly on the USAJOBS Web site. This seal would empower agencies to attract personnel that find the telework option appealing. We are waiting to hear from OPM on their approval to promote a seal. That said, Telework Exchange will continue its telework-friendly job promotion efforts by launching an independent government telework-friendly job bank on its Web site in 2008.

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[2] CDW, "2007 CDW-G Telework Report," March 19, 2007.

At the epicenter of Federal telework, we serve as an unbiased resource in the community and thank you for the opportunity to report on what can be done to push telework forward. Throughout Telework Exchange's testimony, I will offer insight on why telework is a viable option for agencies, highlight successful Federal telework programs, and where barriers remain.

Shifting Telework into Drive

As you appreciate, we firmly believe telework is a win-win-win proposition for Federal agencies, Federal employees, and America. Telework supports the Federal government's business continuity, pandemic planning, recruitment and retention, and real-estate savings goals. Additionally, telework can reduce greenhouse gas emissions and offer a remedy to employees' burdensome commutes. All these important drivers pave the road for telework.

Agency Benefits

- **Ensure Business as Usual – COOP:** The view from behind the wheel shows the Federal government will grind to a halt during an emergency situation – 73 percent of polled Feds assert that they will not show up at the office in the event of a pandemic.[3] Telework ensures Federal agencies can operate during an extended emergency situation. The President's pandemic plan calls out telework as a central plank in preparedness.[4] OPM's Human Capital Planning for Pandemic Influenza explicates that "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"[5]
- **Recruit and Retain Valuable Employees:** The government must work to retain a knowledgeable workforce while recruiting younger generation employees who demand greater flexibility and more work/life balance. 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 10 years.[6] Telework is a valuable tool that empowers the Federal government to recruit and retain a knowledgeable workforce. For example, the United States Patent and Trademark Office (USPTO) started their Trademark Work at Home program in 1997 with 18 participants. All but one of these original teleworkers are still with the agency
- **Reduce Office Space Requirements:** Telework is a viable solution to reduce physical office space. USPTO reports that at least 320 Patent examiners have relinquished their office space to work from home four days per week[7]

Environmental Benefits

- **Reduce Greenhouse Gas Emissions:** Americans are looking for more ways to go green – telework is a readily available alternative fuel that can reduce carbon footprints. According to Telework Exchange research, the average Federal employee who commutes five days a week

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[3] Telework Exchange, "Federal Contact: Bird Flu in America – A Federal Government Pandemic Flu Continuity of Operations (COOP) Preparedness Study," May 11, 2006.
[4] Homeland Security Council, "National Strategy for Pandemic Influenza: Implementation Plan," May 2006.
[5] Office of Personnel Management, "Human Capital Planning for Pandemic Influenza, Second Installment," July 7, 2006.
[6] Office of Personnel Management, "Federal Human Capital Survey 2006," January 2007.
[7] Danette Campbell, Senior Advisor for Telework, USPTO, Before the Subcommittee on the Federal Workforce and Agency Organization, Committee on Government Reform, U.S. House of Representatives, Hearing: "Telecommuting: A 21st Century Solution to Traffic Jams and Terrorism," July 18, 2006.

disperses 8 tons of pollutants into the environment each year.[8] Congestion creates a $78 billion annual drain on the U.S. economy inclusive of 2.9 billion gallons of wasted gas.[9] Household vehicles account for 51 percent of CO^2 emissions in the air.[10] Telework can significantly reduce carbon footprints by keeping cars off the roadways. For example, Telework Exchange research shows if all eligible Federal employees teleworked two days per week, we would spare the environment 3.3 million tons of pollutants each year[11]

Individual Benefits

- **How Bad is the Commute?:** Washington D.C. traffic is ranked the second worst in the country.[12] Telework Exchange research finds that Americans spend more time commuting each year than on vacation[13]
- **Reduce the Burden on America's Wallet:** If all eligible Federal employees teleworked two days a week, they would collectively save $781 million a year[14]
- **Improve Work/Life Balance:** If all eligible Federal employees telework two days per week they would realize 73.7 million hours collectively back in their lives each year[15]

Telework Roadblocks

With the pavement laid down, why are Federal telework "roadways" in disarray? The reality of Federal telework is large stretches of pot-holed, unmarked roads. According to OPM's most recent report on Federal telework, 70 percent of Federal employees' positions are eligible for telework, but 90 percent of them are not doing so.[16] So, let's consider the roadblocks.

- **Rules of the Road:** 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.[17] 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 do not believe that their agencies support telework, then they have very little motivation to allow their employees to telework
- **Poor Policing:** We find that management resistance is the number-one obstacle to Federal telework adoption. Based on this observation, Telework Exchange, the Federal Managers Association, and TANDBERG polled managers on perceptions of telework. 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

[8] Telework Exchange, "Federal Telework: No Free Ride," November 16, 2005.
[9] Texas Transportation Institute, "2007 Urban Mobility Report," September 19, 2007.
[10] Environmental Protection Agency, Fuel Smart Economy, http://www.fueleconomy.gov/feg/contentIncludes/climate_inc.htm.
[11] Based on 2007 Telework Exchange registrants' data.
[12] Texas Transportation Institute, "2007 Urban Mobility Report," September 19, 2007.
[13] Telework Exchange, "Federal Telework: No Free Ride," November 16, 2005.
[14] Based on 2007 Telework Exchange registrants' data.
[15] Telework Exchange, "Federal Telework: No Free Ride," November 16, 2005.
[16] Office of Personnel Management, "The Status of Telework in the Federal Government 2006," June 2007.
[17] Telework Exchange, "Face-to-Face with Management Reality," January 22, 2007.

favorable impressions with 21 percent greater frequency than managers who do not telework or manage teleworkers[18]

- **Not Enough Driver's Ed:** A major challenge we regularly hear 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.[19] Many telework coordinators simply do not have the time to educate managers and employees about telework, provide necessary training, and update agency telework policies. As such, many agencies have out-of-date policies, and have not educated managers and employees on how telework can benefit them
- **Gridlock Scare:** A common misperception we hear from government employees is that managers are worried about productivity. Studies have shown that productivity increases while teleworking. For example, USPTO documented an average of 10 percent higher productivity among examining attorneys in the Trademark Work at Home program.[20] 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[21]
- **Green Means Go:** As a result 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. According to recent Telework Exchange research, Federal Chief Information Officers (CISOs) give telework the green light. While securing mobile devices is a top priority for these executives, 94 percent of CISOs do not consider official telework programs a security threat. Along these lines, Telework Exchange reveals that "unofficial teleworkers," who work at home on nights and weekends, are a data security Achilles heel as opposed to teleworkers in an official agency program. Agencies must audit and understand the full population of employees working from locations other than their primary work site, ensure all telework eligible employees are operating in official telework programs, and provide training and encrypted devices to all mobile workers[22]
- **Driving Policy Confusion:** Our analysis of Federal agencies' telework eligibility policies found there is no consistent framework or eligibility criteria. OPM reports approximately 90 percent of eligible employees are not teleworking.[23] 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.[24] Telework Exchange's Telework Eligibility Gizmo, launched on June 11, 2007, helps employees cut through the double-speak and ambiguity surrounding their eligibility to telework

Telework Driving Warranties

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[18] Telework Exchange, "Face-to-Face with Management Reality," January 22, 2007.
[19] Telework Exchange, "The Telework Two-Step: Agencies Dancing Around the Issue," April 2, 2007.
[20] United States Patent and Trademark Office, "Trademark Work-at-Home," http://www.uspto.gov/web/offices/com/strat21/action/waht09.htm.
[21] United States Department of Justice, "Report: Assessment of the Flexible Workplace Pilot Program at the INS Administrative Appeals Office," 1999.
[22] Telework Exchange, "Feds Walking the Talk on Security?," June 4, 2007.
[23] Office of Personnel Management, "The Status of Telework in the Federal Government 2006," June 2007.
[24] CDW, "2007 CDW-G Telework Report," March 19, 2007.

In spite of all these roadblocks, we do have agencies that are speeding ahead. For the past two years, we have recognized agencies for excellence in government telework. In addition, we see overwhelming support from the Hill with the introduction of S.1000, the "Telework Amendment" included in H.R. 3221, Congressman Wolf's proposal for a "National Telework Week,"[25] and GSA's aggressive telework commitment goal.[26] But even with the fuel promoting adoption, only a few agencies are filling up.

Lack of a Federal mandate means that many agencies are not even considering telework options. Those agencies working towards telework adoption are failing due to a lack of internal support. Adoption usually initiates with a specific mission, need, or pilot program, but until telework has strong legislative support, agencies will fail to take the new road. Beyond policy, telework requires personnel, technology, culture, and training commitments to reap its myriad benefits. Like any program with return on investments, there are initial costs associated with development.

Some successful agencies include the Internal Revenue Service's Wide Shared Services Virtual Office Program; Federal Aviation Administrations' Flights Standards, Western Pacific Region, San Francisco International Field Office; and the Federal Deposit Insurance Corporation. Examples of agencies that took the right road with their telework programs include:

Defense Information Systems Agency (DISA), Department of Defense:

Faced with the challenge of relocating offices to Fort Meade, Maryland in 2010 due to Base Closure and Realignment Commission (BRAC), DISA implemented a robust telework program. Importantly, management did not solely implement telework because of BRAC and employee retention – they looked to telework as a great recruitment tool and wanted better work/life balance for employees.[27] Supporting telework 100 percent, DISA's director, Lt. Gen. Charles Croom signed the agency's new telework policy at the end of 2005.[28] In an effort to be aggressive with its approach, DISA chartered a telework "SWAT" team to get its new program underway.

The "SWAT" team was led by a senior human resources manager and a senior IT manager. Both leaders provided critical guidance and expertise to ensure the program was up and running within 90 days. The team made recommendations on the standard equipment for teleworkers and network security practices, and developed and provided training to DISA employees and management. DISA also developed an automated tool that allows for real-time tracking of applications with percentages of approvals, disapprovals, and pending requests.[29] To appease the security concerns associated with the telework program's expansion, DISA made a significant investment in laptop computers with docking stations. The agency bought enough equipment to stay ahead of the increasing number of teleworkers.

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[25] "Wolf Calls for National Telework Week," October 2, 2007.
[26] "Administrator Doan Issues GSA Telework Challenge," remarks by Lurita A. Doan, administrator, GSA, 2007 Telework Exchange Town Hall Meeting, Washington, D.C., September 12, 2007.
[27] *The Washington Post*, "High-Tech Defense Office Takes Lead On Telecommuting," November 20, 2006.
[28] *Federal Computer Week*, "DISA Says 'Yes, Sir' to Telework," March 27, 2006.
[29] *The Teleworker*, "Keeping Telework on Track: Automated Tracking Systems Enhance Accountability," August 2007.

DISA opened a telework center at Fort Meade, Maryland to further promote telework. The DISA liaison facility/telework center has six workstations with Internet access, plus printing, faxing, and copying facilities, and meeting space. As demand grows, so will the center – as many as 30 employees eventually will work from there each week.[30]

DISA also implemented a new policy for determining employee telework eligibility, yielding more than 2,000 additional eligible employees.[31] This eligibility requirement is a fundamental attribute to the success of the program. DISA deemed half its workforce eligible for telework – 2,500 of its 5,000 employees. The agency's goal is to ensure all eligible employees participate in the telework program.[32]

The number of employees teleworking at DISA has grown 10-fold in the past 12 to 18 months. Approximately 1,200 employees now work at least part time from their homes.[33]

Treasury Inspector General for Tax Administration (TIGTA):

TIGTA is a recognized leader among Federal agencies and incorporated telework as an integral part of its business continuity strategy. TIGTA's telework program, in place for more than five years, allows employees to conduct audits of Internal Revenue Services (IRS) programs and systems as well as investigate waste, fraud, and abuse from alternate work locations nationwide.

TIGTA initiated a phased approach to telework with a comprehensive network of technical, human resources, and senior management support. The agency implemented its telework program in-tandem with an agency-wide technology upgrade, moving all employees from desktop to laptop computers. Security costs were also built in across the board. Additionally, the agency included a field in TIGTA's management information system that tracks participation levels.[34]

Currently, 95 percent of TIGTA's 840 employees are eligible to telework with 740 employees participating in the program – nearly half of them telework two or more days each week. As a result, the agency has a robust COOP plan.[35] TIGTA's human resources specialist and telework program manager credit the agency's telework program for aiding employee retention and real-estate cost savings. Moreover, employees had positive responses to the program based on the agency's employee satisfaction survey.[36]

USPTO:

In 1997, USPTO initiated its Trademark Work at Home program which began as a feasibility pilot for 18 teleworkers. Additionally, in 2006 the agency initiated the Patents Hoteling Program for patent examiners. Rather than taking a "one-size-fits-all" approach, USPTO has over a dozen

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[30] *The Teleworker*, "Telework News Updates," August 2007.
[31] *The Teleworker*, "Head of the Class –Telework Exchange 2007 Tele-Vision Awards," August 2007.
[32] *The Teleworker*, "DISA Makes Huge Strides in Telework Program," February 2007.
[33] *Federal Computer Week*, "HR/CIO Link is Key to Telework Success, Says DISA Official," August 16, 2007.
[34] Employer Telework Case Study, Commuter Connections, http://www.mwcog.org/commuter/Telework%20Case%20Studies_072706TIGTA.pdf.
[35] Recipient of the 2006 Telework Exchange, "Excellence in Telework Leadership" Tele-Vision Award, June 2006.
[36] Employer Telework Case Study, Commuter Connections, http://www.mwcog.org/commuter/Telework%20Case%20Studies_072706TIGTA.pdf.

additional formalized telework initiatives to address the specific needs of each business unit and their employees.[37]

Telework programs include measurable goals in the evaluation of worker performance. All of these programs follow procedure set forth in the USPTO Enterprise-wide Telework Policy and are overseen by the telework coordinator.[38] In order to provide ongoing education about existing and new telework initiatives, USPTO created a Telework Resources Web Site on the agency Intranet site. In addition, USPTO established a Telework Working Group, comprised of business unit telework coordinators that meet on a quarterly basis to address eligibility issues, current trends in telework, and both IT and non-IT solutions to establishing telework programs within the agency. In addition, examiners working from home have access to collaborative communication technologies which engage them in more intimate communication among colleagues and supervisors.[39]

Currently, more than 3,000 of USPTO's approximately 8,500 employees are participating in some form of telework. A recent survey found that 99 percent of trademark teleworkers reported increased job satisfaction because of telework and that participants are able to average four fewer sick hours per month than they would have if they worked on site.[40]

All of these programs demonstrate executive leadership, management buy-in, allocation of dedicated resources, implementation of tracking systems, security, and identification of eligibility criteria. All of which are fundamental to the success of telework programs.

Driving Full Speed Ahead

In short, Federal agencies have been slow to adopt telework because of lack of mission, legacy management resistance, cultural and perceptional inertia, lack of time and resources among telework coordinators, 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 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. Telework Exchange recommends the following initiatives to drive telework forward:

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[37] Recipient of the 2006 Telework Exchange "Telework Program with Maximum Impact on Government" Tele-Vision Award, June 2006.

[38] Jon W. Dudas, Director of UPSTO, Before the Subcommittee of Oversight of Government Management, the Federal Workforce, and the District of Columbia, "Assessing Telework Policies and Initiatives in the Federal Government," June 12, 2007.

[39] Jon W. Dudas, Director of UPSTO, Before the Subcommittee of Oversight of Government Management, the Federal Workforce, and the District of Columbia, "Assessing Telework Policies and Initiatives in the Federal Government," June 12, 2007.

[40] Jon W. Dudas, Director of UPSTO, Before the Subcommittee of Oversight of Government Management, the Federal Workforce, and the District of Columbia, "Assessing Telework Policies and Initiatives in the Federal Government," June 12, 2007.

- **Test Drive Continuity of Operations:** Telework is not a "break-glass-in-case-of-emergency" proposition – ongoing commitment from all angles is required. We recommend testing the Federal government's ability to telework in the event of an extended emergency situation to determine lessons learned and level of preparedness. For example, Congressman Wolf's "National Telework Week" would empower agencies to conduct COOP-related planning exercises that would test employee's ability to engage in telework and test the scalability of IT infrastructures to see if they can handle increased bandwidth. Such exercises would pay significant dividends in ensuring that agencies have robust business continuity plans. The Department of Labor has a collaborative planning process ensuring all its branches develop agency plans that incorporate telework in response to pandemic planning[41]
- **Management:** Focus on management resistance to telework by educating management on the benefits of telework, as well as incorporating and encouraging telework programs that can address management concerns. We recommend agencies implement manager-specific pilot programs, educate all management levels on telework drivers and benefits, emphasize its importance to COOP strategies, implement performance-based review processes, build support gradually with a phased roll-out approach, and incorporate face-to-face technology solutions to ease concerns over disconnect
- **Allocate Resources:** Provide at least one full-time, senior-level telework coordinator, or Telework Managing Officer, per agency to focus exclusively on expanding or implementing agencies' telework programs. Include COOP planning teams as well as IT departments when building a telework plan
- **Implement Tracking Systems for Telework:** Measure and evaluate telework programs to demonstrate the associated progress and tangible benefits
- **Address Security Misconceptions:** Agencies must adhere to security guidelines and provide training and encrypted devices to ensure a secure mobile environment. Agencies must audit and understand the full population of employees who work from locations other than their primary work site and ensure all telework-eligible employees are working within an official telework program. Note, employees working in an official telework capacity are more secure than those that work remotely on an ad-hoc basis
- **Address Eligibility:** Address eligibility issues by defining eligibility in a more consistent fashion across the Federal government and make it an opt-out rather than opt-in criteria for employees and their managers

Conclusion

Mr. Chairman, it is our sincere hope that telework continues to build momentum 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 Subcommittee to bring about additional improvements to telework in the Federal government.

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[41] "Pandemic Flu: If America Sneezes," remarks by Pamela Budda, Work/Life Program Manager, Department of Labor, 2007 Town Hall Meeting, Washington, D.C., September 12, 2007.

Mr. DAVIS OF ILLINOIS. Thank you very much, Mr. O'Keeffe.

We will go to Ms. Bamesberger.

STATEMENT OF ANN BAMESBERGER

Ms. BAMESBERGER. Thank you, Chairman Davis. And thank you, members of the committee, for having me here. I very much appreciate the opportunity to share with you some ideas from the private sector, having spent the last 10 years working in the area of life balance, work balance. I am very pleased to see my Government taking action along the same lines.

I would like to just briefly explain the context of SUN Microsystems. It is a computer system. We have been in business since 1982. It started at Stanford, University. That is, indeed, what SUN stands for. It is Stanford University Network. We were one of the first networking companies to embrace Unix as an open system.

We are not that large. We are about 35,000 employees, and we are at about $15 billion revenue. I mention those numbers so that you have some context for some of the numbers that I will be telling you and scale that up according to the population that you are probably considering in terms of opportunities for the Government.

I don't think I need to dwell on the drivers that have caused us at SUN to embrace what we call open work. We don't call it telework. We don't call it telecommuting, because for us it has become the way of work. Clearly, since we are a computer company, we are clearly very, very comfortable with technology, and yet over the last 10 years I have seen a sea change literally in the last 2 years. Even here I notice a lot of your staff running around with Blackberries. I'm sure they didn't do that 2 years ago.

We are looking to hire next generation employees, and the Gen-Y people that we are studying now in research combinations with the universities are very tech savvy. We will see our kids texting each other. That is a form of collaboration. It is not necessarily face to face, but it is becoming a new way of engaging, and universities are embracing this, and so we are watching universities so that we, ourselves, can remain at the leading edge.

Global markets, technological innovation, you have seen them all. You know that business continuity is a big issue. What I haven't heard a lot of today, which actually surprises me, is the cost containment opportunities that this kind of work actually affords.

I remember Ms. Peterlin, who struck me as being a subject matter expert in many ways, did indicate that they are investing money in technology and yet still coming out ahead of the curve. The truth is you save so much on real estate by not continuing to proliferate traditional office environments that, I would submit, if you look around today are not 100 percent occupied. People are in meetings, people are out, people are traveling. So even today you probably have an opportunity to do some cost containment.

Our response in that way is that over 10 years we have now contained over half a billion dollars from our real estate run rate, which is the second-highest run rate after salary. I would imagine that is true for you, as well. The truth is, we can also save in technology. We have adopted what is called a thin client approach to computing, which will become more and more the norm as we look

to the future. It is really what web2.0 is starting to be all about, the kids doing IM, the kids going on Facebook, the communication that is happening very, very fluidly on top of the computer networks. So networks are not going to be quite the same as they once were, and the fluidity of communication, you will be able to see more and more of an increase.

But what I really want to do is focus not just on how we have benefited, but you spend a little bit of time on what I have heard from you to be your primary barriers, and I would welcome questions.

Management resistance is, indeed, a barrier. I would be foolish not to say that I don't have some scar tissue. The truth is the line of sight is a very strong perception of control, and psychologically a belief system is a very powerful thing to try to break.

We at SUN have not tried to break that belief system. We have, rather, tried to work with it and validate managers' concerns and, in fact, enlist them in providing the solution that would work both for them and for their employees.

It is doable. It is not as insurmountable as it seems when you first start, nor does it have to take 10 years. Again, I am seeing a leapfrog. I am seeing a sea change, so that in the next year or two I submit that managers will become more and more aware of how their employees are working this way, and the expectation of managers will be that they will manage in that way a lot more than we have seen in the past. I am seeing that at SUN.

I also share that, from a management perspective, the default of having this be the way of work would be a terrific shift in the mind set of managers, so that they, rather than trying to choose who is eligible, would have to work with their staff on who isn't and why.

It is quite true that across all types of work—and we have marketing people, we have legal people, we have engineering people—the differences among job classes is really minuscule, and you will find that the type of embracing of this work is just a matter of experimentation, trust, and time.

I see my time is up. I also want to really touch on two other things. What I didn't see here today was a systemic approach. I saw the real estate folks potentially talking about the telework centers, which is terrific. I saw the human resources people talking about management. But what would really help is if you thought of this as a system, because the total cost of operations, the real estate savings could be reinvested in the management side, and that is non-trivial. Inside a corporation like mine, our functions are siloed, so trying to get the savings from one entity and reinvest in another is a challenge, but it is doable and it is very valuable to the employee. The employees really, really appreciate this.

I strongly encourage you to embark. Don't try to boil the ocean. Don't try to do it all. Don't try to get it right. Leverage Ms. Peterlin. She was terrific. And I would start small. Again, I would set very clear outcomes for your pilots, keep them small, set the metrics with regard to your business objectives, not necessarily your telecommuting objectives, but what is the business trying to accomplish. What you will find is you will probably be able to accomplish those better, faster, and cheaper by using a different way of getting people to work and having the work come to them.

I thank you for your time, and I look forward to answering questions.

[The prepared statement of Ms. Bamesberger follows:]

Before the Committee on Oversight and Government Reform
Subcommittee on Federal Workforce, Postal Service, and the District of Columbia
United States House of Representatives

Hearing on:
Telework: Breaking New Ground

November 6, 2007

Testimony of:
Ann Bamesberger
Vice President, Open Work Services Group
Sun Microsystems, Inc.

I am pleased to be able to provide testimony to the Committee today on what I have found to be some of the most important components for implementing a successful telework program. As Vice President for the Open Work Services Group at Sun Microsystems Inc., I have had the opportunity firsthand to both witness and shape the evolution of our own telework program. Fortunately, we have had tremendous success with our program, called "Open Work", and that has allowed us to reap significant benefits in a number of areas, but that is no accident. It has been the result of a deliberate and sustained process including: 1) attention to providing the necessary technology infrastructure, 2) identifying and supporting appropriate workspaces, 3) cultivating policies and practices that address the needs and concerns of employees and management, and pursuing ways to effectively integrate these three arenas.

Sun Microsystems, founded in CA back in 1982, is one of the lead developers for the technologies that power the global marketplace. Guided by a singular vision -- "The Network is the Computer" -- Sun drives network participation through shared innovation, community development and open source leadership. Our highly scalable and consistently reliable network systems and services are now at the core of the next wave of computing: the Participation Age.

Through our Open Work program Sun has improved our ability to attract and retain top talent, saved millions of dollars of cost on real estate consolidation and utilization, reduced further millions of dollars on IT spending and power, dramatically reduced carbon emissions and commuter congestion, improved employee morale and performance, and helped to ensure our business continuity in the face of natural or man-made disruptions. Let me be clear, Open Work is a phenomenal benefit to the company. The following account of our internal employee initiative should provide greater insight into the 'what's and 'how's of our program.

1.Description of Open Work at Sun

Open Work at Sun is much more than a showcase for Sun's corporate vision of "Everything and Everybody Connected to the Network" - it is an internal initiative that has profoundly impacted the company's work, and its workforce.

Open Work consists of a solution suite of products, policies, and support tools that enable Sun employees to work effectively wherever their work may take them; whether at the office, at home, or in many places along the way. To do this, Open Work provides a distributed work environment that includes flexible Sun workspaces, Drop-In Centers, employees' homes, on-the-road, a variety of

group work settings, as well as traditional workspaces for those who need them.

Open Work at Sun integrates edge and web technologies, forward thinking work and management practices, and new workplace ideas to support employees' work needs and preferences, optimize resources, control costs, and enable business agility. Key to this is the work infrastructure – technology, workplaces, best practices, and support – which Sun has been steadily rebuilding during the past 10 years to support an increasingly mobile and distributed employee population.

Today, about 20,000 of Sun's 35,000 employees and on-site contractors participate in Open Work at Sun. This participation includes employees from all of Sun's Business Units, representing nearly all job types within Sun: Sales, Service, Engineering, Marketing, Operations, and Corporate. In fact, to some degree, roughly 70% of all employees in the company are mobile (travel frequently from place to place to do their jobs) or distributed (choose to work in locations some or much of the time that are apart from their main work groups). These figures continue to grow, reflecting a phenomenon found in businesses today wherever *knowledge workers* are found.

2.Open Work Development

Open Work's roots can be traced to changing assumptions about the work practices of knowledge workers, and the unique characteristics of a knowledge-based business. Today's knowledge workers have widely varying needs that stem from different kinds of job types and work tasks, geographically distributed customers and partners, personal and family situations, and work styles. The nature of knowledge work, which relies on thought and information rather than muscle and machinery, allows for greater freedom for individuals to choose where and when to work, but only if the work infrastructure accommodates such choice.

Business organizations also have diverse and dynamic requirements based on rapidly evolving and globally dispersed product and labor markets, changing rates of organizational growth, and product innovations generated from within and without. These dynamic needs inevitably challenge the organization's work infrastructure to evolve in concert with changing business environments, with little or no lag time.

Against this background, Sun has collected a variety of workforce and work pattern data confirming that traditional work infrastructure does not match many employee's actual work patterns.

Rather than supporting the way people are already working, traditional workplace and technology provisioning and management practices are ineffective for many employees. In a Sun study 4 years ago, roughly 35% of all employees were not even badging into their assigned buildings on a typical work day, and those who did were often in meetings, or traveling between Sun locations to engage with colleagues and partners. Clearly, there is a pent up demand for a different work infrastructure solution to better support an increasingly mobile and distributed workforce. Since data confirms that employees are, to a large extent, mobile, distributed, and often out of the office, the need to rethink design of the work environment is a business imperative, both to better support employees as well as to make more efficient use of dollars devoted to work infrastructure.

3.Cross-Functional Partnerships

Sun's Open Work Solutions Group (OSG) has been the primary facilitator of Open Work development and delivery since the program's inception in 1994. Based on its research into the phenomenon of mobile and distributed work, OSG architected the first generation of Open Work standards. At the time a part of Sun's Workplace Resources organization (WR), OSG focused mainly on those aspects of Open Work that it could control; namely, design of the physical environment. While OSG and WR were delivering the first few Open Work places – known as Flexible Offices - the foundation was being laid for strategic partnerships with IT and HR, without whose commitment and involvement in program development Open Work would be incomplete.

Today, Open Work reflects full integration across the domains of people, places and technology,

and continuous improvement of the program is driven by strong cross-functional partnerships. The result is an ever evolving suite of Open Work products, tools, services, and support that contribute to program effectiveness, and a high rate of employee satisfaction.

From a process standpoint, an Open Work Council, comprised of representatives from each functional organization, ensures synchronization of Open Work development. In addition, an Open Work Executive Committee, composed of senior leaders from each function, establishes development priorities, and offers guidance and support for expansion of the program. A variety of tools, such as the Change Acceptance Process (CAP), Product Life Cycle (PLC), and Sun Sigma (quality assurance methodology) are employed at various levels to ensure robust Open Work development.

Collaboration between functional groups was expanded in 2004 to include Sun's Sales & Marketing, and Professional Services, who are working with OSG to develop Open Work Solutions as a revenue opportunity, offering Open Work to external customers for the first time.

4.Open Work Value Propositions

4.1 Value To The Company:

- A flexible workforce infrastructure enables agility in all parts of the company
- Sun's Open Work infrastructure supports business continuity when the unexpected happens
- Open Work positions Sun to quickly, effectively respond to *next waves* of growth in the industry with manageable capital expenditure
- Cost control results from highly efficient use of Open Work's technology and real estate infrastructure

4.2 Value to Business Units and Managers:

- Helps attract and retain the best people globally, regardless of their location
- Uses the network to organize, expand and integrate work groups across the company, breaking down traditional organizational, physical, and technological barriers
- Employees who choose a flexible work arrangement report higher morale, high productivity

4.3 Value to Employees:

- Having a choice in when and where to work enables more efficient and effective use of time
- Provides great flexibility in planning work and meetings commitments
- Has positive impact on self-reported productivity and job satisfaction
- Fosters improved work/live balance . . . Open Work saves time.

5. Key Components of Open Work

The basis of Open Work's success lies in its IT, physical, and policy infrastructure, developed and bundled to meet rigorous objectives for performance, customer acceptance and satisfaction, scalability, and cost effectiveness. The following is a list of the essential components of the Open Work infrastructure:

5.1 Choice of Work Arrangements:

- *Flexible*: For employees who benefit from having flexibility in choice of work location, whether to be with customers, colleagues, or teammates, or to engage in heads-down individual work. Flexible employees do not have assigned offices, but have reservation privileges for unassigned Flexible Workspaces which are available in almost every Sun office building around the world. Flexible employees who choose to work from home 1-2 days per week also receive some at-home

provisioning and support from Sun.

- *Home Assigned*: For employees who benefit from working primarily from home, whether because there is no Sun location nearby, because they face long commute times, or because of personal circumstances. These employees do not have an assigned office, working from home 3-5 days a week instead. Home Assigned employees receive a full array of at-home provisioning and support from Sun, and also have reservation privileges for Flexible Workspace at their Sun anchor office building.
- *Sun Assigned*: For employees who have specific work practice, infrastructure, or technology needs that require them to work primarily in a single location. These employees have a fully provisioned assigned workspace in a Sun office building, and limited advance reservation rights in Drop-In Centers.

5.2 The Network of Places:

A variety of workplace types are used to meet the needs of Sun's mobile and dispersed workforce. Employees can work from any number of Flexible Offices around the world, where offices are shared, and workspace can be reserved in advance through Sun's web-based reservation system, SunReserve. Currently, there are over 90 Flexible Office locations around the world.

Sun's Drop-In program includes strategically located, full-featured Drop-In Centers, as well as individual Drop-In Stations, and Flex Zones within Sun office buildings. Drop-In workplaces include a mix of seats, both reservable in advance via SunReserve, and first come, first served non-reservable seats. Drop-In Centers are provided in major metropolitan locations, on Sun campuses, and along selected commute routes. These centers allow employees to utilize unproductive time between meetings with customers or time spent in traffic during peak commute hours. Flexible Zones are provided in traditional Sun office buildings for flexible and Home Assigned employees who are visiting for meetings, team work, and other activities.

In addition, Sun provides a robust support system for employees who want to work from home, either part time or full time. Today, nearly 2,000 Sun employees work primarily from home, and any of Sun's 15,000 Flexible employees are able to work from home up to 2 days per week, when they need to, or choose to do so.

Sun is dedicated to offering and maintain a comprehensive Work From Home program that benefits employees and significantly improves the ability to work effectively at home by addressing and overcoming the historical technology, organizational, and workspace barriers. Once these barriers are eliminated, the many benefits to working from home become apparent:

- *Increased job satisfaction*: self-reported in employee surveys
- *Improved work/life balance*: better use of time, greater work flexibility
- *Enhanced job performance:* choice of working at personal peak times
- *Less hassle:* Decreased commute hours, less associated cost and stress

5.3 Technology Solutions:

"Everything and Everybody Connected to the Network" is Sun's fundamental belief, and vision for the future. Sun's technologies make this vision a reality today, enabling the Open Work program to work the way our employees, do, whether on Solaris, Linux or any number of desktop and mobile devices. Sun hardware, software and network intelligence are crucial to the success of Open Work, providing secure access to information, data, applications, and services anywhere, anytime.

Essential Open Work technologies include Java Badge for consistent authentication,

Java Desktop System for a consistent desktop, employee portal (universal user interface), services like mail and calendar, and SunRay, at home and in the office. SunRay is a stateless, zero admin client device which allows persistent sessions, global login, and secure mobile session access. These tools provide support for Sun's growing mobile and distributed workforce. Today, many Sun employees no longer need to rely on a fixed office in a single location in order to work effectively; instead, their session, phone, and data are available wherever they go.

Summary of Key Open Work IT Components

- *Solaris 9/Linux* operating system
- *Java Desktop System (JDS)*
- *SunRay* thin client desktop
- *Java Card*
- *GNOME* user interface
- *Mozilla* browser
- *StarOffice 7* productivity suite
- *MS Interoperability*

5.4 Distance Collaboration:

Communication, knowledge sharing, collaboration, and teamwork take on new dimensions within distributed organizations. Sun has established a Distance Collaboration program to improve the ability and ease with which Sun employees work with colleagues from a distance – whether across town, or around the world. The program builds awareness and adoption of Distance Collaboration tools and best practices, as well as development and further improvement in tools and best practices needed for effective distributed work.

Since a considerable amount of interaction occurs via scheduled meetings, the Distance Collaboration program is focused in its initial phase on improving distributed meetings at Sun. Meetings are considered to be distributed when participants are dispersed across two or more locations, and therefore at least some participants are not physically present in the same room.

The program to improve distributed meetings was developed by a cross-organizational team. Based on input from Sun employees worldwide, the team identified the following factors as most important, or critical to quality, for achieving the goal of improving distributed meetings at Sun:

- *High quality audio*: Ensuring that audio equipment is the highest available quality, reducing extraneous noise, and encouraging all meeting participants to speak loudly and clearly.
- *Conference room maintenance*: Providing conference rooms with proper equipment that is reliable and consistently maintained.
- *Meeting materials availability*: Providing fully supported, reliable data conferencing tools (or, if not used, ensuring meeting materials are distributed to all participants in advance).
- *Meeting practices awareness:* Enabling equal participation for all meeting attendees, regardless of their location by planning in advance, practicing good virtual facilitation skills, and following good distributed meeting behaviors.

5.5 Open Work Policy & Provisioning:

Explicit policies, outlining the guiding principles and big rules for employee participation and management approval are crucial to the success of Open Work at Sun. When endorsed by upper management, and made readily available to employees, such policy statements have an important stabilizing affect, especially in the areas of change

management and user acceptance. Sun's Open Work Policy includes an exceptions section, which identifies conditions for opting out of participation in the initiative based on business conditions. Equally important are the policy statements addressing provisioning of furniture and equipment, and reimbursement of employee incurred Open Work costs.

The following is an overview of the current Open Work Policy:

- Every employee is eligible to participate in the Open Work category selection process Open Work Select. Open Work Select is a web-based service that provides employees with the opportunity to carefully consider his or her work arrangement in light of job needs, workgroup's needs, and personal circumstances and preferences. Managers, in consultation with Sun Workplace Resources, may choose to have their employees go through the Open Work Select process as a group.

- Final Open Work category decisions are the responsibility of managers. In making these decisions, and in considering impact on business and workgroup needs, managers should give strong consideration to the employees' preferred category. Generally, these needs should not be in conflict if the employee and manager have been objective in their assessment. The goal of the Open Work Program is to ensure maximum productivity, with minimal cost and full consideration of employee needs.
- Managers should not establish a single, mandatory category for an entire workgroup, department, or business unit.
- Each Open Work category provides a specific set of provisions, and unless an exception is granted, Sun will provide only the provisions set forth for that specific category. Every employee is entitled to, and limited to, the provision of his or her Open Work category. Managers are responsible for ensuring that approvals for reimbursements, and other provisions and exceptions, comply with this policy. Provisioning Guidelines are widely available.
- Sun Workplace Resources (WR) is responsible for setting Headcount/Seat ratios by which the real estate portfolio can be efficiently managed on a building, campus, and/or metro area basis. The aggregate of individual work arrangement selections must fit within the HC/Seat envelopes established by WR. Therefore, WR must approve changes in work arrangement selections that affect the need for office space.

5.6 Education & Training:

In order to learn about Open Work, prepare themselves for change, and to quickly become effective in the new work environment, people require easy access to information. Relevant, effective education and training programs are essential aspects of change management and user acceptance. Therefore, Sun has established various web-based and classroom Open Work training courses for both employees and managers, whose needs differ. Focal areas include time management and personal organization, remote management, staying connected to colleagues, and distance collaboration.

One of the most important areas of Open Work education and training involves providing managers with the skills, tools, and support required to excel at remote management. Remote management refers to managing employees who are dispersed among various locations, whether in another country, another city, down the road, or at home. Managers of dispersed individuals and/or teams benefit from learning about, and incorporating, best practices as a way to maintain affiliation, integration, performance, and accountability in the Open Work environment.

"Best Practices for the Remote Manager" is an example of the Open Work education and

training collateral available within Sun. This training manual covers several areas known to be important to managers:

- Setting clear goals and direction – including changes in goals, course corrections, conflicting priorities and timelines
- Establishing operating agreements on communications and collaboration
- Building and maintaining remote relationships
- Maintaining alignment across the teams
- Assessing work remotely, and measuring progress against goals
- Rewarding, motivating, coaching and career development

Many other Open Work support vehicles covering a range of topics are available to managers and employees, including classroom and web courses, team training, online tools and websites, and localized Open Work forums.

Other Critical Enablers

6.1 Services & Support:

Scalable, effective, user-friendly tools and services are required to make employee participation in Open Work at Sun a quality experience. The following are considered to have high impact on employee acceptance of, and satisfaction with, Open Work:

- **SunWeb portal:** The comprehensive internal employee portal, featuring up-to-the-minute information on news, life and work at Sun. The portal provides personalization capabilities for users, making it a model for delivery of web services. The Sun Dynamic Portal Service delivery allows users to view features and functionality based on who the user is, what their function is, and what kind of a connection they have.
- **Open Work website:** A site on the SunWeb portal that provides Sun employees and managers with a one stop source of services and information about all aspects of Open Work. Users are able to easily find links to detailed information about Open Work at Sun, as well as to tools and support, policies, and Open Work reports.
- **Open Work Select:** A web service for employees, and their managers, Open Work Select enables users to learn all about Open Work, take an on-line Open Work Suitability Assessment, and initiate an automated Category Change process. Open Work Select provides a standard methodology for determining which Open Work category is the best fit for each individual, and upon manager approval, also facilitates all aspects of the category change.

Step 1: Understand Open Work and Know Your Options

- What is Open Work? Program description, background, and history
- Open Work Categories: Sun Assigned, Flexible, Home Assigned
- Open Work Infrastructure: Workplaces and Technology
- Open Work Best Practices for Managers and Employees

Step 2: Select Your Work Arrangement

- The Open Work Suitability Assessment: Become familiar with the web service
- Take the Assessment: Which Open Work category is the best fit for you?
- Meet with your Manager: Review assessment results; set collaboration and communication expectations; develop agreement

Step 3: Request a Change of Category

- The Open Work Select Change Service: Learn how to request a change in your

category
- The Change Process Flow: Become familiar with the process requirements, and what you need to do
- Submit a Change Request: Launch the Open Work Select Change Service

Step 4: Get Approvals

- Approval Criteria: Infrastructure availability; Finance/Manager agreement
- Approval Process: What you need to know
- If Approved: New category provisions and privileges

Step 5: Initiate Your Move

- Identify Your Move Requirements
- Understand the relocation logistics
- Initiate work infrastructure changes (data, phone, mail, etc.) as needed

SunReserve: A Sun web-based tool that enables employees to reserve Flexible Workspace in advance, and locate mobile colleagues, anywhere around the world.
Accessline: A communication management system chosen by Sun to enable employees to manage their telephone calls and faxes in the Open Work environment. Accessline gives mobile employees the ability to direct calls to multiple locations and devices, making it easy to stay in touch with colleagues regardless of distance or location. Accessline will soon be supplemented by Voice over IP on the SunRay thin client.

6.2 Change Management:

Sun's ability to expand Open Work hinges on the use of effective change management tools. Employee and manager awareness, readiness, and acceptance are three distinct areas of change management upon which the success of Open Work at Sun depends. Robust communications planning, socialization of issues, education and training are equally important in achieving these goals. Two key Change Management tools Sun uses are:

- **Sun CAP Methodology:** The Change Acceptance Process (CAP) is Sun's standard approach to managing change effectively in our business, enabling change capability across the company. Sun CAP facilitates change by identifying obstacles – such as stakeholder resistance, or lack of alignment – and providing tools for analyzing and overcoming those obstacles.
- **Engagement Agreement:** The Open Work Engagement Agreement is the primary tool delineating the standardized roles, responsibilities and expectations for delivery of an Open Work Project. It is the service level agreement, or contract, between members of the Open Work project team representing end users. Each entity is responsible for specific deliverables, and each is evaluated/scored, based on the quality timeliness of those deliverables.

7.Measuring Success

A variety of metrics indicate the impact Open Work has on people, business, and cost:

7.1 Open Work Scorecard Survey:

An on-line survey is administered annually to all employees working in Open Work environments. Data collected reflects levels of satisfaction with Open Work across a range of areas such as technology, workspace, and management support. Current data indicate that overall employee satisfaction with Open Work at Sun stands at 73%. Sun's Corporate, Engineering, and Americas Field employees rate their satisfaction at over 80%. Our

European and Asian employees (where all components of the program are not yet fully available) rate satisfaction at about 65%. Scorecard data is used to identify and prioritize continuous improvement efforts each year.

The Open Work Scorecard Survey addresses specific areas which are crucial to the success of the program. Data is used to establish improvement priorities based on trends over time, as well as differences in user satisfaction by Open Work category and geographic location. Survey questions focus on the following areas:

- Work task effectiveness
- Workspace effectiveness
- Technology effectiveness
- Distance collaboration
- HR practices and effectiveness
- Management support
- Employee satisfaction
- Work group productivity
- Assimilation of new assignees

7.2 Business Impact:

Currently, our primary measure of business impact focuses on infrastructure costs saved or avoided. In FY04, implementation of SunRays resulted in $53 million of savings. Reductions in our real estate portfolio through the Flexible Office program allowed Sun to avoid/save $71 million in FY04.

Though impacts on business are often difficult to quantify, they are nonetheless evident through observation in the areas of Business Continuity, Organizational Agility, and Productivity.

7.2.1 Organizational Agility:

Our Sales organization in the U.S. was able to reorganize its market coverage model from a geographic to an industry and customer focus, without incurring the time and dollar costs normally associated with moving people based on new reporting and work group relationships.

7.2.2 Business Continuity:

Open Work has played a significant role in Sun's ability to respond to emergency situations, supporting rapid recovery of operations, and enabling work despite debilitating events. The loss of a major Sun facility at the World Trade Center, the impact of SARS on travel and work arrangements and a shut-down blizzard in Colorado are all events which Sun was able to quickly mitigate with its networked, flexible Open Work infrastructure.

7.2.3 Productivity Indicators:

Information about employees' perceptions of Open Work, and how the initiative affects their jobs, are gleaned from a variety of sources:

- **Performance Reviews:** Analysis of annual performance reviews indicate that Sun Assigned, Flexible, and Home Assigned work arrangements, when matched to an employee's work needs and preferences, each results in the demanding performance ratings profile that Sun targets each year. The key to impact on performance is not the specific work arrangement, rather, it is the proper match of arrangements to an employee's work and preferences.
- **Employee Turnover:** Voluntary turnover data indicates some higher-than-normal voluntary turnover during the first months of implementing the Open Work program within a business group, and then rapidly declining to significantly lower-than-average

turnover as the group goes through the change process.

- **Employee Choice:** Self reported productivity scores are very high for those employees who are able to choose their work arrangement, and are supported in that arrangement by their managers.
- **Time Saved:** Data on time saved through flexible and home options indicate that Sun's employees typically give Sun 60% of the time saved, and take 40% of the time saved for themselves and their families . . . a real win-win outcome.

8.Lessons Learned

The level of success of Sun's Open Work Initiative has, from the beginning, relied on continuous improvement efforts driven largely by lessons learned through implementation. Many factors contribute to Sun employees' positive perception of Open Work, but we have found the following themes to be critically important in delivering quality Open Work solutions inside Sun:

8.1 Collect Data:

Sound data is the most persuasive argument for change, and forms the foundation for decision making and commitment. Open Work at Sun has essentially been built on data that sheds new light on employee attitudes, work effectiveness, and infrastructure cost and functionality. This data, and resulting strategies for improvement of Sun's work environment, has given Open Work credibility and viability throughout the company, and has had a strong influence on people's willingness to accept and embrace.

8.2 Understand Ability:

The migration toward new ways of working, triggered by new business realities and evolving technologies, is made possible by knowing exactly how people work, and what they need to succeed in their jobs. Understanding business goals and objectives, management issues, and group/individual work profiles is essential to knowing how Open Work solutions can make a positive impact.

Mandates to adopt a particular work arrangement can cause great resistance, often because the mandate does not match up with the work that people do.

8.3 Understand Willingness:

Gaging people's willingness to adjust their work patterns is another important aspect of change management. Providing compelling evidence that the benefits of the change are real, and that the value proposition is clear, can mitigate resistance, influence expectation, and help build momentum. People are more willing to accept change when they are convinced that the change will measurably improve their work experience.

8.4 Provide Support:

For flexible work solutions to succeed, thoughtful development and implementation must be followed by effective operational support. This means establishing support services for technology set-up and troubleshooting, providing training on how to use new technologies, and offering education on best practices and organization skills. In addition, providing remote management training, and emphasizing communication and leadership skills for managers, are ways to help sustain program success.

8.5 Gain Alignment:

Experience tells us that without strategic partnerships between the internal organizations responsible for people, places and technology, flexible work programs like Open Work at Sun are difficult to develop, deliver, or sustain. Each of these organizations is, most likely a key stakeholder, with specific interest in the outcome, and something to contribute to the solution.

8.6 Manager Acceptance:

One of the most important issues when rolling out flexible work programs has to do with management perception. To many managers, the value proposition is apparent, and the program is seen as an opportunity. To others, such programs are seen as unnecessary complications, or intrusions into the status quo. In order to minimize resistance, it is crucial to understand managers' concerns while providing proof that the program ultimately enhances their ability to succeed in an ever changing business world. Here too, providing effective, responsive training is key to acceptance and program success.

9.Taking Open Work to Market

In response to considerable growing interest in Open Work from the press, industry, and customers, Sun is now positioning itself to help our customers implement their own Open Work programs, drawing upon 10 years of research, development and internal implementation experience. OSG is developing a complete business solution, including an Open Work consulting service, that will be a recognized and scalable component of one of Sun's Sales Solutions.

The goal of the Open Work Go-To-Market initiative is to leverage Sun's internal Open Work success story, analyze the unique needs of each customer, and tailor an Open Work implementation plan to meet those needs. Sun believes that Open Work has the potential to be its most complete and transformative business offering, delivering on the company's motto "The Network is the Computer."

Many existing and potential Sun customers see a direct link between Open Work infrastructure services and their own business needs. Work – integrating Sun technologies with best practices and change management – is seen as a way of liberating untapped potential for many enterprises, including managing cost, enabling business agility, and supporting mobile and distributed workers. As a result of its own experience developing the program internally, Sun has a distinct competitive advantage: no one else can tell the Open Work story better, with more authority and credibility, and no one can offer a more comprehensive package of technologies, best practices, and change management through its own consulting service.

10. Summary

Sun has developed its Open Work program over a number of years. Currently, about 56% of its workforce are active participants. We have developed tools, processes, policies, and the needed IT and Real Estate infrastructure for an effective program. Development and improvements will continue in the years to come. We now have the capability to help Sun's customers develop and implement similar programs to support their mobile and distributed workforces, whether for purposes of cost control, employee benefit, customer benefit, business continuity, or environmental concerns. These are all important needs that an effective, flexible work program can address, and that we are now ready to offer Sun's customers.

OPEN WORK @ SUN

Redefining the Work Environment to achieve great things for our employees, our company, and our community

Ann Bamesberger
Vice President, Open Work Services Group
Sun Microsystems Inc

www.sun.com/openwork

Overview

> Introduction to Sun Microsystems

> Problem Definition

> Open Work @ Sun

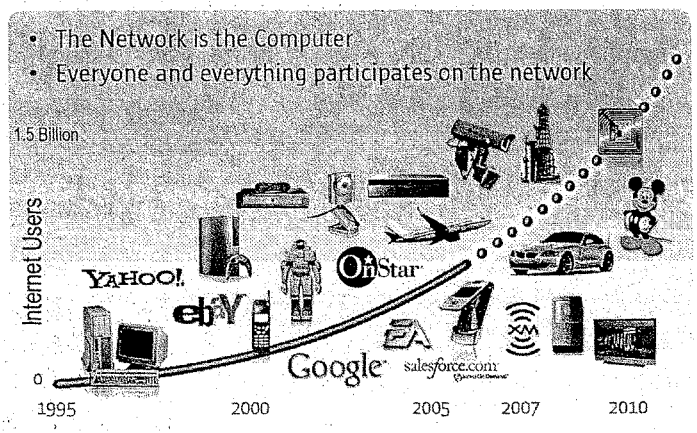
> By The Numbers – Open Work Impact

> Business and Government Imperatives
- >Talent Management
- >Business/Government Continuity
- >Eco-responsibility

> Public Policy

Sun's Vision

- The Network is the Computer
- Everyone and everything participates on the network



3

The Global Power of Sun

Fortune 211 Company

Annual Revenues $13+ Billion

Annual R&D ~$2 Billion

Worldwide Employees 37,000

Java Devices 3.8 Billion

Java Developers 5 Million

Storage 1/3 of the World's Data

SPARC Embedded Processors 44+ Million

U.S. Patents 5,000+

Solaris 10 Licenses 6+ Million

Cash $4.8 Billion

Business Presence 100 Countries

SERVERS | SOFTWARE | STORAGE | SERVICES

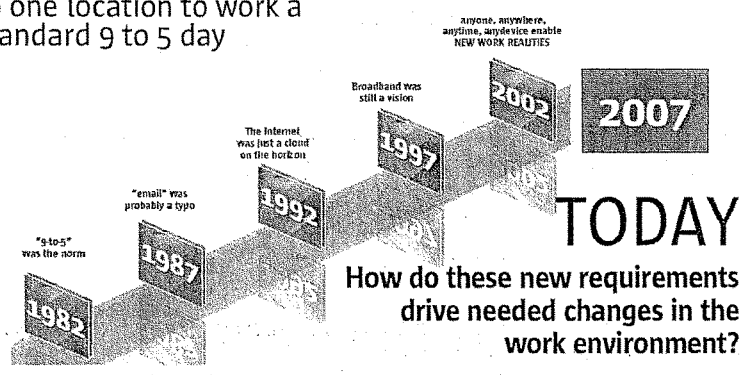
Problem Defined

THE NATURE OF WORK ~~IS~~ *HAS* CHANGED

Sun

The Nature of Work is Changing...

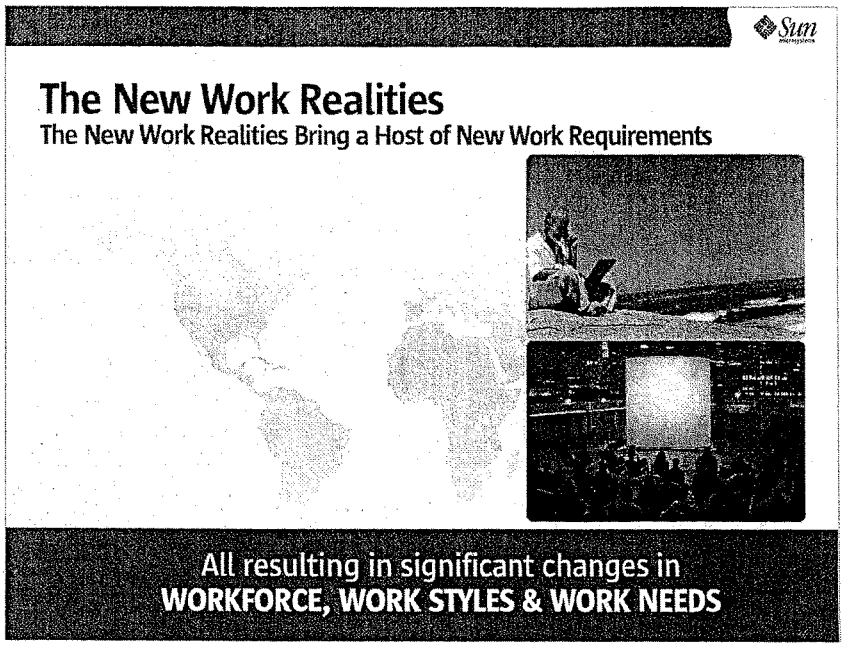
25 YEARS AGO....work was typically defined by traveling to one location to work a standard 9 to 5 day

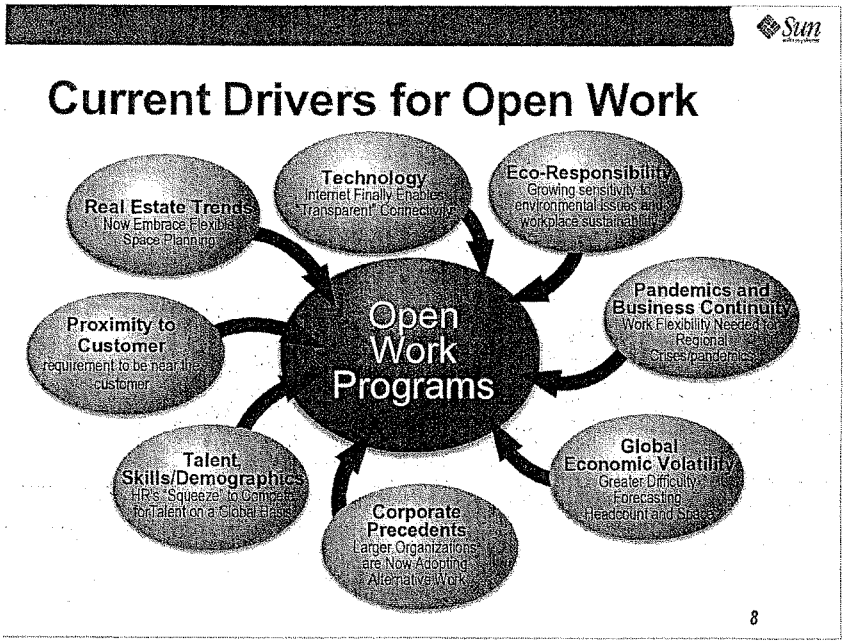


TODAY

How do these new requirements drive needed changes in the work environment?

6


Sun
The New Work Realities
The New Work Realities Bring a Host of New Work Requirements
All resulting in significant changes in
WORKFORCE, WORK STYLES & WORK NEEDS


Sun
Current Drivers for Open Work
Open Work Programs
Technology
Internet Finally Enables "Transparent" Connectivity
Eco-Responsibility
Growing sensitivity to environmental issues and workplace sustainability
Real Estate Trends
Now Embrace Flexible Space Planning
Pandemics and Business Continuity
Work Flexibility Needed for Regional Crises/pandemics
Proximity to Customer
requirement to be near the customer
Global Economic Volatility
Greater Difficulty Forecasting Headcount and Space
Talent Skills/Demographics
HR's "Squeeze" to Compete for Talent on a Global Basis
Corporate Precedents
Larger Organizations are Now Adopting Alternative Work
8

Big Business and Government Imperatives

- Talent Management: broader access, attraction and retention
- Business Continuity: being prepared for the unexpected
- Eco-responsibility: sensitivity to environmental impact and workplace sustainability
- Cost Reduction: improving infrastructure efficiency

9

Introducing the New
Enterprise Operational Model

OPEN WORK

Sun's Internal Response: "Open Work"

- Over 55% of Sun Employees do not have an assigned seat
  - > Working from home, reserving workspace in Sun offices and drop-in centers around the world, connecting with people and resources from anywhere
- Open Work consists of 3 work arrangements:
  - > "Flexible" Work anywhere
  - > "Home Assigned" Work primarily from home
  - > "Sun Assigned" Work primarily from Sun office
- Ingrained as part of Sun's corporate culture and policies
  - > Established policies and procedures for IT, HR, employees
- Support resources and tools
  - > Workspace (fully featured, varying office types, in many places)
  - > Technology (connection from anywhere, from any device)
  - > Support and training (online courses, helpdesk, community)

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Sun's Work Arrangement Choices

SUN ASSIGNED 44% of Sun	FLEXIBLE 48% of Sun	HOME ASSIGNED 8% of Sun
Use a company provided, dedicated workspace Rare need to work elsewhere No provisioning to work from home	Use a company provided, non-dedicated workspace Requirement to work from many places including home up to 2 days/week Limited company provisioning for home Remote work / management practices	Use home as the primary workplace 3-5 days/week May use a company provided, non-dedicated workspace as needed Adequate company provisioning to support working from home Remote work / management practices Employee / manager engagement agreement

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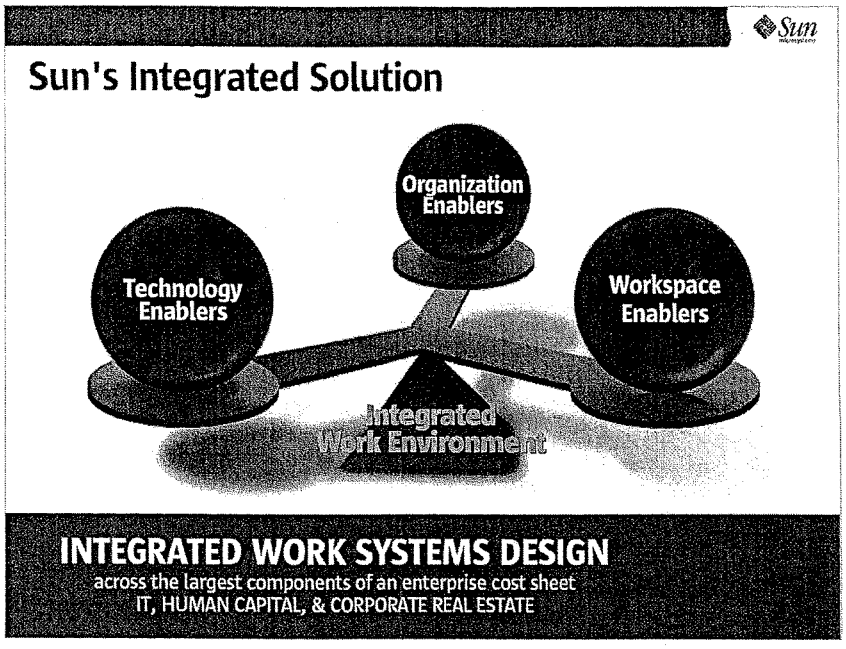
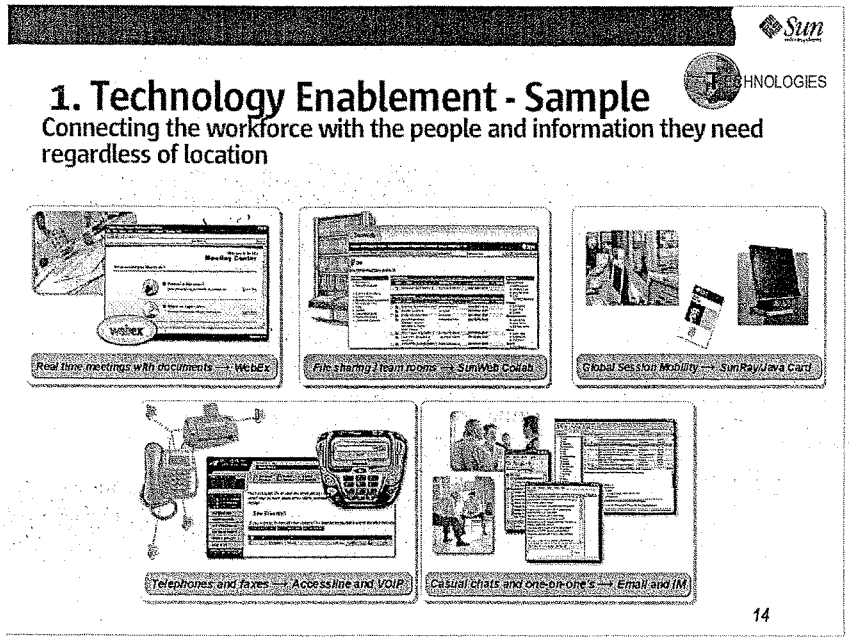
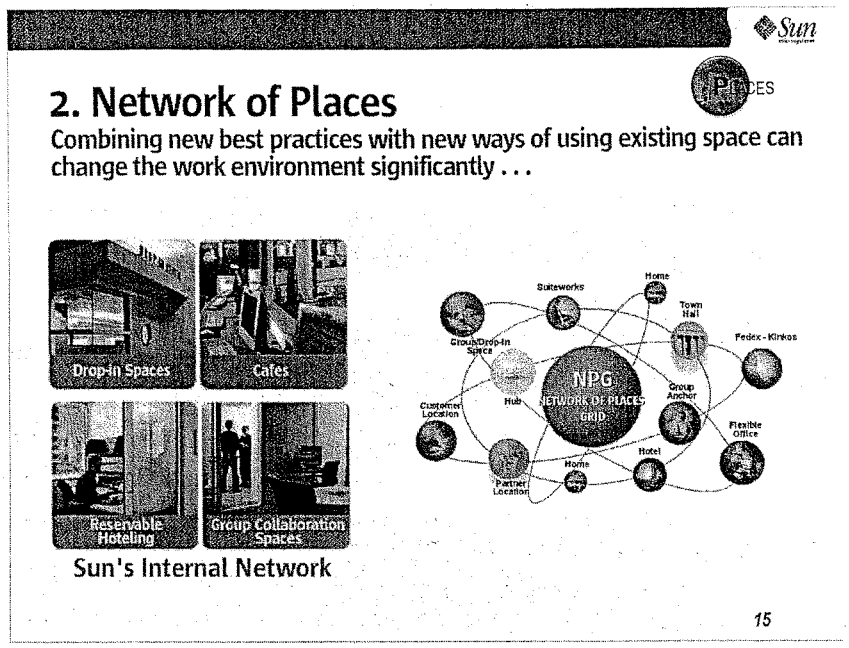
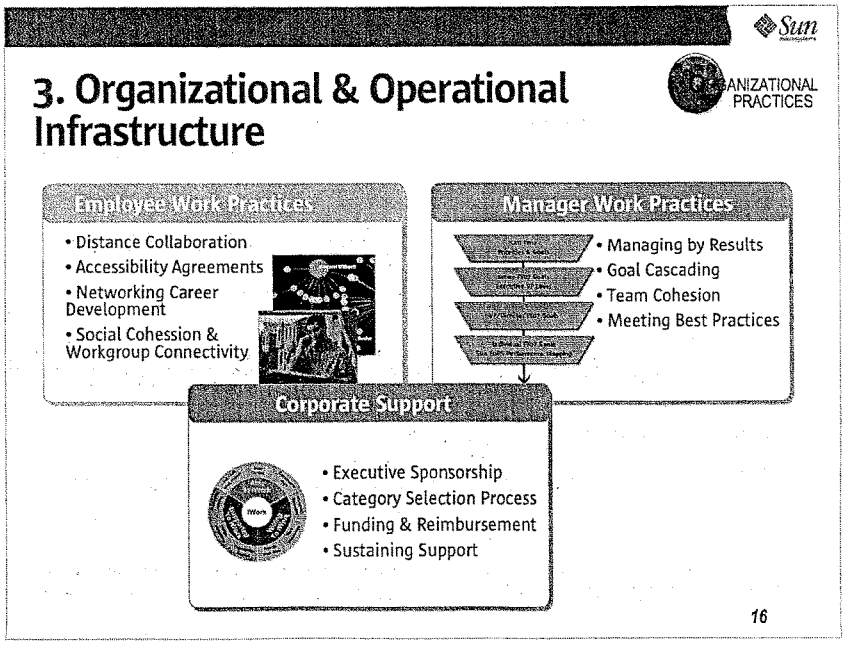

Sun
Sun's Integrated Solution
Organization Enablers
Technology Enablers
Workspace Enablers
Integrated Work Environment
INTEGRATED WORK SYSTEMS DESIGN
across the largest components of an enterprise cost sheet
IT, HUMAN CAPITAL, & CORPORATE REAL ESTATE


Sun
1. Technology Enablement - Sample
HNOLOGIES
Connecting the workforce with the people and information they need regardless of location
Real time meetings with documents → WebEx
File sharing / team rooms → SunWeb Collab
Global Session Mobility → SunRay/Java Card
Telephones and faxes → Access line and VOIP
Casual chats and one-on-one's → Email and IM
14


Sun
PLACES
2. Network of Places
Combining new best practices with new ways of using existing space can change the work environment significantly . . .
Drop-in Spaces
Cafes
Reservable Hoteling
Group Collaboration Spaces
Sun's Internal Network
Suiteworks
Home
Town Hall
Fedex - Kinkos
Group/Drop-in Space
Hub
NPG
NETWORK OF PLACES GRID
Group Anchor
Customer Location
Flexible Office
Hotel
Home
Partner Location
15


Sun
ORGANIZATIONAL PRACTICES
3. Organizational & Operational Infrastructure
Employee Work Practices
• Distance Collaboration
• Accessibility Agreements
• Networking Career Development
• Social Cohession & Workgroup Connectivity
Manager Work Practices
• Managing by Results
• Goal Cascading
• Team Cohesion
• Meeting Best Practices
Corporate Support
• Executive Sponsorship
• Category Selection Process
• Funding & Reimbursement
• Sustaining Support
16

Open Work — Benefits

Attraction, Retention & Broader Access to Talent

Work/life Balance, Flexibility and Proper Supported

Reduced Cost of Operations, Continuity Planning

Reduced Congestion, Reduced Emissions

17

Sun Open Work Program Impact

HUMAN CAPITAL
- Employee Performance (proxy measure for knowledge worker productivity) – Work From Home employees rated higher in multi year study as compared to flex or assigned. No significant difference between flex and assigned
- Employee Voluntary Turnover- no statistical difference between 3 categories but home assigned lower by 6%
- Power of Sun - # 1 reason why employees would recommend Sun as a great place to work
- "Boomerangs" - #1 reason why executives return to Sun

REAL ESTATE
- Approximately $500 M cost savings/avoidance over the life of the program from increased utilization of the real estate (~$70M/yr)
- Consolidation of underutilized space is possible because of organizational agility
- Space demand is no longer tightly linked to dynamic and inaccurate headcount forecasting
- Cost to move/restack is almost $0

INFORMATION TECHNOLOGY
- Approximately $100M in technology related savings over life of program from thin client, common web infrastructure and desktop infrastructure ($25M/yr)
- Vastly reduced system administration overhead, with increased availability and security
- Significant cost saving as a result of reduced power consumption ($3M annually).

BUSINESS CONTINUITY
- Ability to distribute workforce immediately
- Systemically insulated from natural and man-made disasters, pandemics, and any other form of business disruption

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Lessons Learned

1. Collect Data:
   > Understand your workforce (ability, willingness, support)
   > Create a solution based on data in support of business goals
2. Communicate:
   > Sr. Management sponsorship and public support
   > Develop effective, broad, and regular communication (website, handouts, posters)
   > Celebrate change leaders
3. Continuously Improve:
   > Monitor, measure, report out (best practices)
   > Introduce new elements, EOL old elements (PLC focus)
4. Support:
   > Get technology enablers in place (follow-me phone, reservation system)
   > Build an effective education system for end users
   > Develop required new skills for delivery and sustaining program success

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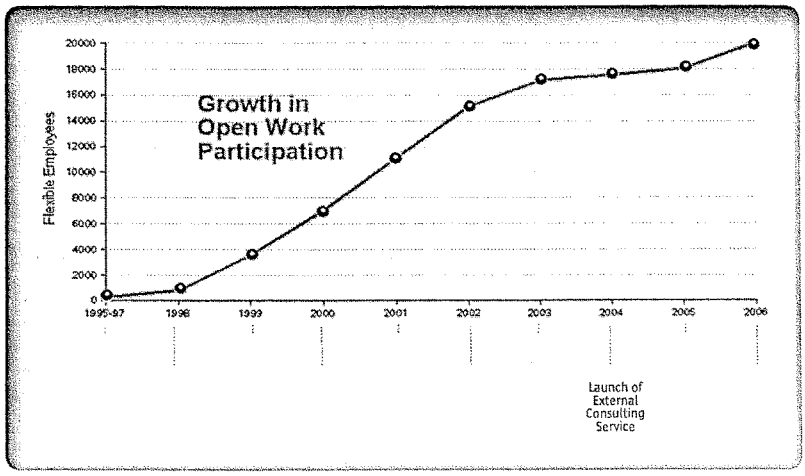
Open Work @ Sun

BY THE NUMBERS

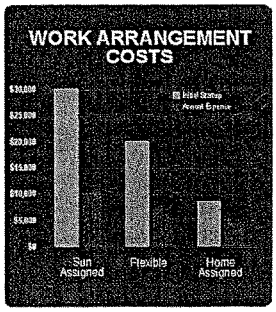
Open Work Program Development Highlights



When Are We Done?

Program Impacts - Highlights

- Employee
  - > 73% Satisfaction
  - > #1 Reason Employees Recommend Sun
  - > Reduced commute costs (gas, maintenance, tolls, parking, time)
    - > 160 Hours of Commute Time/ Employee / Yr
    - > +$2000 / Employee / Yr in Fuel, Maintenance & Depreciation Cost
- Real Estate
  - > $387 million over 6 years - Reduced office space and overall utilities costs
- Information Technology
  - > $ 24 million saved annually from thin client architecture (systems admin & energy costs)
- Enterprise
  - > Reduced employee business travel costs
  - > Reduced on-boarding and relocation cost
  - > Reduced CO2 and overall emissions footprint



Source: Sun, Sept. 2005

Benefits of Sun's Open Work Program Satisfaction

- Flexible and Home Assigned Employees in Sun's Open Work program are more satisfied with their jobs:
  - > Organizational support, work/life balance, flexibility and support to accomplish work objectives
  - > Highest scores in annual survey (over 70%)
  - > 66% of work-from-home employees are satisfied with their compensation, vs. 57% of assigned employees
  - > 85% of flexible employees would recommend Sun to external people

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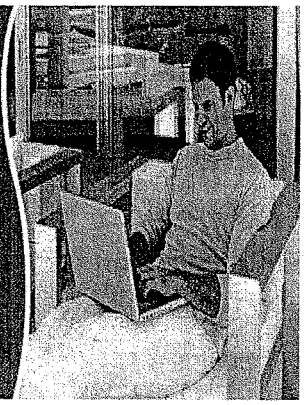
Benefits of Sun's Open Work Program Performance and Retention

- Performance Ratings, FY05 :
  - > An equal proportion of Sun-assigned and Flexible employees attained "Superior" rating
  - > The proportion of Home-assigned employees rated "Superior" was 2% higher than for other Open Work categories
  - > There was no difference across the Open Work categories in the proportion of employees rated as "Needs Improvement"
- Employee Voluntary Turnover compared to Sun overall :
  - > Flexible employees : -0.21%
  - > Home-assigned : -6.17%

(12 months to Q2, FY05)



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Sun

Industry Recognition

"Sun has created an impressive infrastructure of policies, systems and tools to enable flexible working on a large scale across the entire organization. In the process, the company has produced impressive cost savings and productivity improvements."

– The Career Innovation Group, 2005

Alliance for Work-Life Progress	the Optimas 2005 AWARDS	VIGNETTE the efficiency experts	CORENET GLOBAL
The 2006 AWLP Award for Innovative Excellence (by WorldAtWork)	The 2005 Optimas Award presented by Workforce Management	The 2004 Vignette Efficiency Award	CoreNet Global Innovators Award

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Sun

Eco-Responsibility and Open Work:

Meet business goals and achieve environmental and socioeconomic goals

Direct, Quantifiable Impacts on:

- Office space
- Energy/electricity
- Gasoline & commute time
- Employee work/life balance

GOOD FOR YOUR BUSINESS. GREAT FOR OUR PLANET.

Additional Benefits of Open Work

- Decreased Air Pollutants
- Reduced Traffic Congestion
- Safer Neighbourhoods
- Fewer Automotive Accidents
- Fewer Latch-key Kids
- Less Stress on Urban Transportation Infrastructure
- Better (and Cheaper) Than Building New Roads
- Reduced Dependence on Foreign Oil

27

Business Imperative

Talent Management:

Attracting and Retaining the Next Generation Workforce

Workforce is Changing

- Aging population in the industrialized nations
- Multi-generational workforce with differing values
- Global and highly diverse knowledge pool
- Woman outpacing men in college enrollment

By 2010 in the U.S., the number of 35-44 year-olds will not grow but decline by 10%. The number of workers ages 45-54 will grow by 21%, and the number of 55-64 year-olds will grow by 52%. *

In some other nations—The number of 35-44-olds will shrink by 19% in U.K., 27% in Germany, 9% in Italy, 10% in Japan, and 8% in China.

*US Bureau of Labor Statistics, Feb 2004

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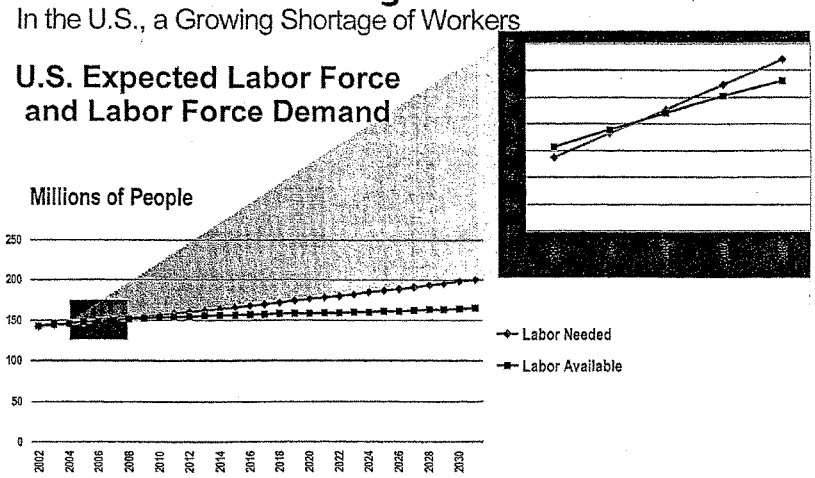
The Lines Are Crossing:

In the U.S., a Growing Shortage of Workers



Source: Employment Policy Foundation analysis and projections of Census/BLS and BEA data.

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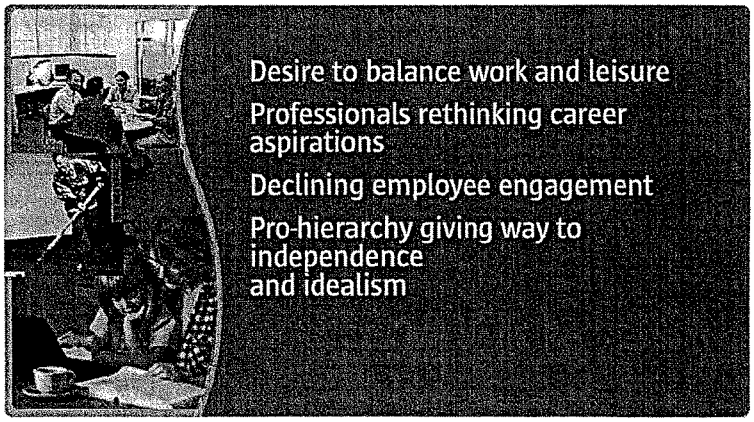
Projected Shortages in Critical Skills: U.S.

- Over the next decade:
  - > Less than 30% of U.S. twenty year olds will obtain a college degree
  - > Over 90% of the new jobs created in the U.S. will require a college degree
- Key skill sets will be in short supply:
  - > For example, the number of students that declared their major in computer science in the U.S. has declined for the past four years and is now 39% lower than in the fall of 2000
- Within the current U.S. adult population:
  - > 21% have only basic literacy skills
  - > 75% are estimated to require retraining to meet the job needs of the coming decade

Source: In part, The Seventh-Annual Workplace Report, Challenges Facing the American Workplace, Summary of Findings," Employment Policy Foundation, 2002; India Daily, October 12, 2005, citing McKinsey & Co. research; Computing Research Association, March 2005; Information Week, August 16, 2004

31

Workstyles are Changing



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Professional Women Rethinking the Path

- 37% of professional women leave the workforce at some point
  - > 44% of those leave primarily to address family responsibilities
    - – 40% of married professional women say their husbands create more work around the house than they perform
  - > 23% leave for education or retraining
  - > 17% leave because their job is not stimulating or enjoyable
  - > Only 6% leave because the job is too demanding
- 93% want to return to their careers
  - > Only 5% want to re-join the companies they left
- 74% who want to rejoin the ranks do
  - > Only 40% return to full-time professional jobs
  - > Women lose 37% of earning power if out for 3 years or more

Source: "Off-Ramps and On-Ramps," Harvard Business Review, March 2005

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Women May Not Be Alone In a Desire to Rethink

Senior Male Executives in Fortune 500 Firms:

- 84% say they'd like job options that let them realize their professional aspirations while having more time for things outside work
- 55% say they're willing to sacrifice income
- Half say they wonder if the sacrifices they've made for their careers
  are worth it
- 73% believe it's possible to restructure senior management jobs in ways that would both increase productivity and make more time available for life outside the office
- 87% believe that companies that enable such changes will have a competitive advantage in attracting talent
- The younger a male executive is, the more likely he is to say he cares about all of this

Source: Fortune, 2004

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The Challenges of the 21st Century Workforce

- To meet the need for skilled workers, managers need ways to access, attract and retain global talent
- To stay competitive and grow, companies need ways to attract, do business with, and retain customers worldwide
- Employees want more flexibility and work-life balance
- Add to these: "real-world" reasons to distribute the workforce
  - > Business continuity/disaster planning and recovery
  - > High cost of underutilized real estate

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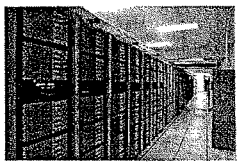
Business Imperative

Business Continuity:

Insulating the organization from unforeseen and sudden disruption

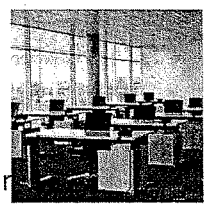
Disaster Strikes: Your Systems Survive. But Where Are Your Employees?

Traditional BCP/COOP addresses



- Systems – Uptime, data recovery, distribution, mirroring, etc.
- Facilities – Safety, locations, etc.

But during a disaster/epidemic, what about



- People – Who do the work?
  - > Can they travel to work?
  - > Are they allowed to travel?
  - > Do they need to care for family member

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Gartner

- Avian Flu Demands a New Kind of Business Continuity Planning
  13 December 2004. ID Number: G00125389

- Among recommendations:

"Establish or expand policies and tools that enable employees to work from home, with broadband access, appropriate security and network access to applications."

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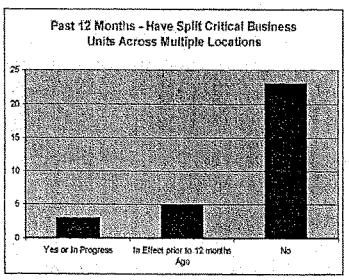
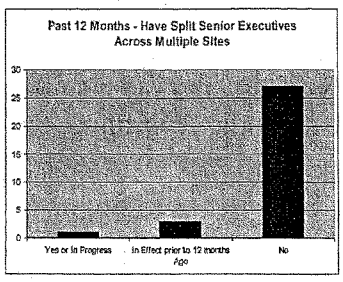
Companies Fail to Adequately Distribute People & Facilities:





Source: Securities Industry Association – 2005 Small Firms BCP Benchmark Survey

- Critical Facilities: 75% of firms have not made changes to business unit location
- Critical People: 87% of firms have not split senior execs across multiple sites

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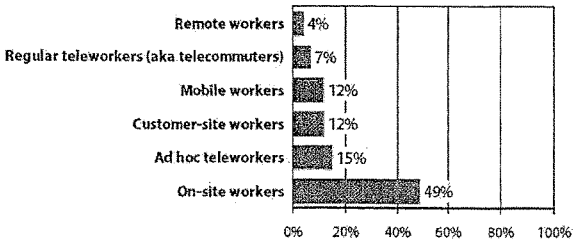
Where Your Workers Work

Figure 3. Where Workers Work

Recent research shows that off-site workers use lots of different worksites, not just home offices. Here's the breakdown:



Base: 2,057 adults working at companies with 500 or more employees
Percentages total 99% due to rounding.
Source: American Business Collaboration, 2002

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Business Imperative

Eco-Responsibility:

Creating a workplace that considers the impact on the environment

Sun

Why does "Going To Work" still means traveling to a specific office for so many organizations?

> For employees, extensive commute times and increasing personal expenses

> For employers, excessive real estate investments and escalating energy consumption

> For communities, unnecessary wear on public infrastructure and negative environmental impact

THERE MUST BE A BETTER WAY...

Impact on Our Workers and Communities

In 2000, the 75 largest metropolitan areas experienced
- > 3.6 billion vehicle-hours of delay
- > 5.7 billion gallons (21.6 billion litres) in wasted fuel
- > $67.5 billion in lost productivity

On Average, In the 75 largest US Cities:
- > 1982: Commuters faced 7 hours of travel delay/yr
- > 2001: Commuters faced 26 hours of travel delay/yr

~ Source: Texas Transportation Institute, 2003

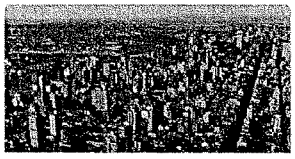
THERE MUST BE A BETTER WAY...

Impact on Our Environment

Impact of physical building on the environment

In the United States, office buildings consume
- 17% of the water
- 33% of the energy
- 40% of the raw materials
- 66% of the electricity

Buildings produce, directly or indirectly
- 40% of the landfill waste
- 33% of the carbon dioxide
- 49% of the sulfur dioxide
- 10% of the particulate emissions



Source: American Institute of Architects, October 15, 2005, "Creating the Sustainable Workplace", Rob Obenreder

THERE MUST BE A BETTER WAY...

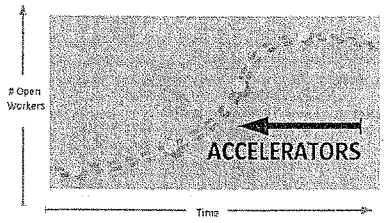
Where Do We Go From Here?

OPEN WORK PUBLIC POLICY PRIMER

The Way Forward

Sun

Two Broad Roles for Government to Play



1. Lead by Example by Promoting Public Sector Adoption

2. Create Favorable Policies to Increase Greater Adoption in the Market

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1. Investigate Measures to Drive Telework Adoption Among Public Sector Employees

(Some Federal Activity Underway, But Effectiveness is Mixed)

Federal Teleworker Act - 2000

Each executive agency shall establish a policy under which eligible employees of the agency may participate in telework to the maximum extent possible without diminished employee performance.

No later than 6 months after the date of the enactment of this Act, the Director of OPM shall provide that the requirements of this section are applied to 25 percent of the Federal workforce, and to an additional 25 percent of such workforce each year thereafter.

- Required that eligible Federal Employees be offered a Teleworking alternative.
- By the end of 2004, this was to result in approx 550,000 federal government employees having the legislated right to telework.

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Need for New Legislative Guidance

(Establish Goals and Facilitate Compliance)

Sarbanes Telework Enhancement Amendment

- Requires that all eligible federal employees be allowed to participate in telework program.
- Calls for training and monitoring for federal employees and managers.
- Calls for evaluation report.

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Key Legislative Components

Technology, Support and Monitoring

- Set Metrics for compliance.
- Establish objective measure to determine employee eligibility.
- Provide training for employees and managers.
- Ensure technical support
- Monitor and review participation.
- START NOW!

Strategic Planning Assumptions

U.S. FEDERAL GOVERNMENT

1.8M members of U.S. Federal Government Workforce (U.S. Office of Personnel Mgmt – March 2006)

1.6M are involved in knowledge / office work (U.S. Office of Personnel Mgmt – March 2006 – Total White Collar Group)

> Estimate 25% of knowledge workers have no ability to work on flexible basis

1.2M knowledge workers that would be more efficient working in flexible work arrangement

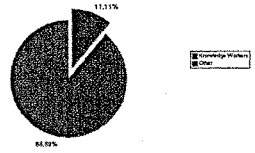
> >100k workers currently operating in formal flexible work program

> ~205k workers operating in ad hoc programs

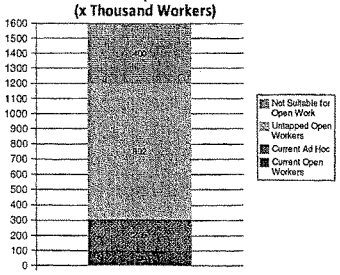
> ~892k workers operating in traditional business model

ESTIMATES

U.S. Office of Personnel Mgmt
March 2006



U.S. Federal Govt Open Work Potential
(x Thousand Workers)



2. Investigate Measures to Increase Open Work Adoption by Corporate America

Previous attempts have been made....Follow through is required.

- Tax Credits for employees who work from home or other flexible locations.
- Tax incentives for employers who provide telework infrastructure.
- Pilot programs.
- Measure costs, benefits and savings.

51

Strategic Planning Assumptions

U.S. MARKET FORECAST

130M members of US Workforce (US Census – CY2000)

78M are involved in knowledge / office work (US Census – CY2000 Occupational Group Review)

> Estimate 25% of knowledge workers have no ability to work on flexible basis

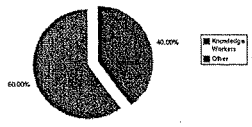
58.5M knowledge workers that would be more efficient working in flexible work arrangement

> >5M workers currently operating in formal flexible work program

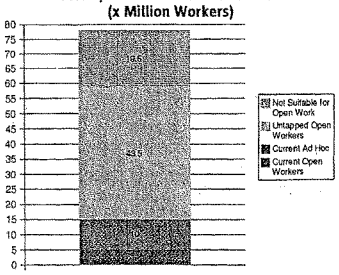
> ~10M workers operating in ad hoc programs

> ~43.5M workers operating in traditional business model

US Workforce - Census 2000



U.S. Open Work Market Potential (x Million Workers)



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Our Recommended Immediate Next Steps

- Measure Participation
- Set Goals and Metrics
- Communicate Policies
- Provide Training and Support
- Keep Technology Current
- Monitor Progress and Track Results
- Repeat...

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THANK YOU!

Ann Bamesberger
Vice President, Open Work Services Group
Sun Microsystems Inc

www.sun.com/openwork

Mr. DAVIS OF ILLINOIS. Thank you very much.

We will go to Mr. Talcove.

STATEMENT OF HAYWOOD J. TALCOVE

Mr. TALCOVE. Thank you very much, Mr. Chairman and members of the committee, it is a great privilege to testify before you today on a pressing need for policies that help promote and enable telework and remote access across the Federal Government.

Telework will radically alter in a very real way all facets of Federal Government, from how it conducts business and protects and serves citizens, to how it promotes good stewardship of the environment.

In four short years, the front edge of the Boomer generation will turn 65. This shift will have a significant impact on both the public and private sector. Through telework, we can help reduce and improve workers' accountability.

The benefits of telework are clear. First, telework promotes efficiency. It benefits the Federal Government by boosting worker productivity through instant, highly secure remote access to Government networks and resources that workers need to do their jobs.

Second, telework is an attrition remedy. Telework acts as an incentive that makes working past retirement age both feasible and attractive for Government employees who are needed to train and mentor the next generation of agency staff who will replace them.

Third, telework is both a motivational and recruitment tool, as we have heard today. It can empower employees to balance work and family life, which can result in lower rates of absenteeism and better retention.

Beyond the human capital benefits of telework, it is vitally important to highlight the important role telework plays in homeland security and Government continuity of operations. The past several years have been marked by manmade and natural calamities, such as the terrorist attacks of 9/11, Hurricane Katrina, the Minnesota Bridge collapse, and the southern California wildfires, have demonstrated like few other periods in recent history the importance of continuity of operations and emergency preparedness. It is at times like these that citizens rely on Government the most and expect Government to deliver needed services and support in a timely fashion.

For Government to respond in a timely manner, it must equip essential employees with the tools necessary to communicate and execute their responsibilities 24 hours a day, 7 days a week, 365 days a year.

The good news is that off-the-shelf technology already exists to support secure teleworking by employees. Secure socket layer, virtual private networks [SSLVPNs], can provide connectivity to IT assets so that employees can securely access resources from virtually any location using a variety of devices.

More to the point, because disruptions or disasters may strike at any moment, the best way to ensure that Federal workers are prepared for continuity of Government is to promote and practice telework as a part of everyday agency operations.

But perhaps of all the advantages of telework, it is the environmental benefits that most impact citizens in their everyday lives.

Most if not all of us here in this chamber have suffered through the maddening experience of inching along, or idling, as the case may be, in the Washington, DC, area traffic. Just consider for a moment how much cleaner the air would be if Federal agencies in this region, alone, promoted regular telework.

Among their employees, now consider the man hours saved and the aggravation spared if telework were more widely practiced. Of course, telework is not a magic bullet for all that ails the environment; it does, though, represent a way for us to cut commute times, lessen congestion, and decrease the county's dependence on non-renewable and foreign sources of energy.

Yet, despite all of these benefits of telework I have outlined today, some Federal agencies have been slow to adopt and enable the practice.

To get a better sense of the Government's plans for and current telework capabilities, Juniper Networks commissioned a third party to poll more than 1,400 Government employees. The survey revealed most notably that 8 in 10 respondents, 79 percent, said their agency allows telework in some form. Less than 3 in ten, 28 percent, actually do telework on a routine basis. Routine basis is defined as more than 20 percent of their time, or at least 1 day a week.

Additionally, although few Government respondents, 12 percent, reported that their agencies have telework training programs, the good news is that a majority, 51 percent, said their agencies had dedicated staff to support telework, the critical COOP component.

In conclusion, we at Juniper Networks recognize that implementing and promoting telework policies throughout the Federal Government is a daunting though not futile task. The good news is that some agencies, such as the U.S. Department of Labor, Mine Safety, and Health Administration and the General Services Administration are already leading the way with infrastructure in place to enable teleworkers or have ambitious plans to have half of eligible employees teleworking at least 1 day a week by 2010.

Private industry looks forward to helping these and other Federal agencies in every way possible as it moves toward the goal of enabling telework for all critical employees.

On behalf of Juniper Networks, I would like to thank you for the opportunity to speak to the committee today.

Thank you.

[The prepared statement of Mr. Talcove follows:]

Testimony by Mr. Haywood Talcove
Vice President, Public Sector Americas, Juniper Networks, Inc.
Before the House Subcommittee on the Federal Workforce, Postal Service and the District of Columbia

November 6, 2007

Chairman Davis and members of the Committee, it is a great privilege to testify before you today on the pressing need for policies that help promote and enable telework and remote access across the federal government.

Once federal agencies are able to implement telework on a routine basis, the practice will radically alter in a very real way how all facets of government — from how the federal government conducts business, to how it protects and serves citizens, to how it promotes good stewardship of the environment.

As an example, let's start with the coming retirement tsunami that agencies across government are facing.

In four short years, a shift in the labor force will occur, as the front edge of the boomer generation turns 65. This shift will have a significant impact on both the public and private sectors.

But its repercussions will perhaps be felt no where more keenly than in federal agencies. Federal agencies are more exposed to this shift than is the private sector, due to the unique effects that a sudden and continuous brain drain from agency ranks will have on their ability to provide critical services to citizens.

As all of us — government and industry alike — come to grips with the prospect of a mass exodus of experience and talent in the next few years, telework stands as the one viable and implementable practice that can help stem this trend.

Telework achieves this goal by empowering the federal government's most important asset — its people.

The benefits of telework are clear.

Telework promotes efficiency. It benefits the federal government by boosting worker productivity through instant, highly secure remote access to government networks and resources that workers need to do their jobs.

Telework is an attrition remedy. The ability to telework acts as an incentive that makes working past retirement age both feasible and attractive for government employees who are needed to train and mentor the next generation of agency staff who will replace them.

Telework is both a motivational tool and a recruitment tool. Telework benefits government agencies by empowering employees to balance work and family life, which can result in lower rates of absenteeism and better retention. And, as you know, the ability to reconcile family with work is often cited by prospective employees as an important factor in their choice of employer. Amid fierce competition from the private

sector for the best and brightest talent, the federal government must leverage every benefit it can offer.

Beyond the human capital benefits of telework, it is vitally important to highlight the important role telework plays in Homeland Security and government continuity of operations.

The past several years — marked by man-made and natural calamities such as the terrorist attacks of September 11th, Hurricane Katrina, the Minnesota bridge collapse and the Southern California wildfires — have demonstrated like few other periods in recent history, the importance of Continuity of Operations and emergency preparedness.

It is at times like these that citizens rely on government most and expect government to deliver the needed service and support required to make it through challenging times. For government to respond in a timely manner, it must equip essential government employees with the tools necessary to communicate and execute their responsibilities 24 hours a day, 7 days a week, 365 days a year.

To achieve this goal, agencies must know which critical operations to prioritize during a disruptive event. They also must have the infrastructure in place to permit critical employees to work remotely from home or at alternate sites.

Technology is not a barrier to telework.

The cornerstone of a round-the-clock Continuity of Operations capabilities is a secure, cost-effective high-performance communications infrastructure that can deliver instant, highly secure access information and resources to every remote user who has the need— where and when they need it.

Off-the-shelf technology already exists to support secure teleworking by employees: Secure Sockets Layer/Virtual Private Networks (SSL/VPNs) provide connectivity to IT assets so that employees can securely access agency resources from virtually any location, using a variety of devices.

More to the point, because disruptions or disasters may strike at any moment, the best way to ensure that federal workers are prepared for continuity of government is to promote and practice telework as part of everyday agency operations.

That way, government IT managers can solve network problems in an ongoing fashion, continually improving and fine tuning agencies' IT infrastructure to ensure network resiliency while policing network access and guarding against viruses, intrusions and other breaches.

Testimony by Mr. Haywood Talcove
Vice President, Public Sector Americas, Juniper Networks, Inc.
Before the House Subcommittee on the Federal Workforce, Postal Service and the District of Columbia

November 6, 2007

Perhaps of all the advantages of telework, it is the environmental benefit that most impacts every citizen in his or her everyday existence.

Most, if not all, of us here in this chamber have suffered through the maddening experience of inching along — or idling, as the case may be — in Washington area traffic congestion.

Worse still, many in this chamber also suffer from allergies caused or aggravated by auto and other emissions pumped into the atmosphere.

Just consider for a moment how much cleaner the air would be if federal agencies in this region alone promoted regular telework among their employees. Now, consider the man-hours saved and the aggravation spared if telework were more widely practiced.

Of course, telework is not a magic bullet for all that ails the environment. What it is, though, represents a way for us to cut commute times, lessen congestion and decrease the country's dependence on non-renewable and foreign sources of energy.

Yet, despite all the benefits of telework I have outlined today, some federal agencies have been slow to adopt and enable the practice.

According to recent government and industry reports, overall rates of telework in agencies still remain low.

To get a better sense of government's plans for and current telework capabilities, Juniper Networks commissioned a third party to poll more than 1,400 government employees. The survey revealed most notably that:

- While nearly 8 in 10 respondents — 79% — said their agency allows telework in some form, less than 3 in 10 — 28% — actually do telework on a routine basis (defined as more than 20% of the time or at least one day of the week).
  Reference supporting slide 12.

- Additionally, although few government respondents — 12% — reported that their agencies have telework training programs, the good news is that a majority — 51% — said their agencies have dedicated staff to support telework, a critical COOP component.
  Reference supporting slides 13 and 14.

Critical employees are, of course, not distributed equally across all federal agencies, which may account for part of the gap between agencies that have been leaders in implementing telework capabilities and those that are not.

Testimony by Mr. Haywood Talcove
Vice President, Public Sector Americas, Juniper Networks, Inc.
Before the House Subcommittee on the Federal Workforce, Postal Service and the District of Columbia

November 6, 2007

Nevertheless, the finding of overall progress toward telework implementation in federal agencies is clear. They well understand the critical link between telework and COOP.

In conclusion, we at Juniper Networks recognize that implementing and promoting telework policies throughout the federal government is — and will continue to be — a daunting, though not futile, task. Enabling and promoting the practice of telework directly impacts how government does business, how it protects and serves citizens, and how it helps care for the environment.

Juniper Networks is a long-standing proponent of telework. That is why we support Congressional action that encourages federal agencies to move aggressively toward adoption and routine use of telework.

However, some agencies, such as the U.S. Department of Labor's Mine Safety and Health Administration (MSHA) and the General Services Administration (GSA), are leading the way with infrastructure already in place to enable telework or ambitious plans to have half of eligible employees teleworking at least one day a week by 2010.

Private industry looks forward to helping the federal government in every way possible as it moves toward the goal of enabling telework for all critical employees.

At this time, I would be pleased to answer any questions you may have.

On behalf of Juniper Networks, I would like to thank you for the opportunity to speak before the Committee today.

Mr. DAVIS OF ILLINOIS. Thank you very much.

Mr. Talcove, let me just begin with you. In your testimony you mention that your company commissioned a survey of more than 1,400 employees on teleworking in the Federal Government. How many agencies did this survey cover?

Mr. TALCOVE. I believe it covered all Federal agencies and the majority of State and local governments, as well.

Mr. DAVIS OF ILLINOIS. Did the survey ask why so few employees actually telework when given the opportunity?

Mr. TALCOVE. It came down to a lot of the comments that were made by my colleagues that were testifying today. There are concerns from a management perspective. How do you run an operation if your employees aren't centrally located? There is concerns about technology and infrastructure. There is concerns about security. All those issues came up.

I can speak from my personal experience at my company, which has about 6,000 employees, and though it is challenging, we have overcome those obstacles and work remotely on a regular basis.

Mr. DAVIS OF ILLINOIS. And so in order to promote or further promote, what do you think we can do?

Mr. TALCOVE. I am going to talk from just my personal perspective in running my organization. I think it starts at the top. In my group it is not about being in the office 8 hours a day; it is about getting your job accomplished in a timely fashion and meeting the metrics that we have established.

It is also about trusting your employees to do the right thing; that when they are not in your direct visibility—I have an organization that is worldwide, from Washington, DC, to California to Germany. I can't see everyone every day, and I trust that they are going to do the right thing.

Then the third thing is the economies of real estate. Being in the private sector, it is incredibly expensive to open facilities. The cost of technology in telecommuting is significantly less.

Mr. DAVIS OF ILLINOIS. Ms. Bamesberger, let me ask you what role has telework played in helping your company, SUN Microsystems, recruit and retain the work force it needs?

Ms. BAMESBERGER. Mr. Chairman, I think Ms. Peterlin answered that question for me. We have, over time, learned that our initial capital is very difficult to recruit and retain. We are in Silicone Valley. We have the famous Google stealing from all of the companies that used to be the Silicone Valley babies. In order to be competitive, we have had to increase our reach to beyond just down the street, so we find our knowledge workers from wherever we can. In order to do that, our managers, themselves, have seen the value proposition, because they are managed to their results and their output, they have found that they need to be more flexible with regard to where they hire people.

So it isn't unreasonable at all to have hiring managers looking for people outside of the geographic area that would make sense to commute to a location.

So we have found that it has really helped recruiting and retention because we let the work go to the individual and not have the individual drive to work. And we are finding that the next generation employee is making lifestyle decisions before they make their

employer decisions. So if that is the case, then they will be choosing where to live before they choose where to work, in which case we would like to be prepared so that we can capitalize on that.

Mr. DAVIS OF ILLINOIS. Thank you.

Mr. O'Keeffe, what level of satisfaction has your company found as you have interacted with individuals in both the public and private sectors relative to satisfaction among employees who actually do telework?

Mr. O'KEEFFE. We recently completed a study with the Defense Information Systems Agency looking at its generation-wide recruits, the average age about 26 of people coming into Defense Information Systems Agency. So what we see there is not necessarily their level of satisfaction historically, but the priority they place on telework, and it is one of the three most important factors, the ability to work where they want to. The flexibility not with sitting in traffic, in their decision to come work for the Federal Government.

So consistently, though, we do see that telework comes up time and time again. Flexibility is a consistent factor in promoting job satisfaction and promoting retention and recruitment.

Mr. DAVIS OF ILLINOIS. Thank you very much.

Mr. Issa.

Mr. ISSA. Thank you, Mr. Chairman.

I am going to concentrate on a couple of areas of questions that I think the first couple are going to be sort of Government related.

Mr. Wilke, you are living in Chicago area. You work for an entity that is Washington based. We pay a premium at the PTO for people to work here in Washington. How does that work for you in that you have chosen to live in an area that has a certain cost versus the District of Columbia area?

Mr. WILKE. Well, my duty station is still Washington, DC.

Mr. ISSA. Do you think that is fair to the Federal Government that you get paid a premium for Washington, DC, while you can live anywhere in the world at any cost? Or do you think the Federal Government, if they allow telecommuting, should, in fact, not pay a premium for where either you choose to live as a high area or choose to live as a low area, that there should be one national rate if we allow telecommuting?

Mr. WILKE. Well, I don't know about whether there should be one national rate, but I think it would be fair to let everybody be compensated in accordance with the cost of their location.

Mr. ISSA. Why? Why should the Federal Government subsidize somebody's choice of where they are going to live if we are going to have telecommuting, if we are going to pay for the cost of wherever you choose to be? This is a private sector question to the public, but shouldn't we essentially say we are not going to pay a premium for where you choose to live? I mean, you could be doing this in Maui. Would we pay a little higher because you chose to be in Maui than if you chose to be in Arkansas? Would you think that is fair? I happen to think you have a lovely basement, but should I pay a difference based on where your basement is?

Mr. WILKE. Well, in this case, if my duty station was Chicago you would be paying a premium because Chicago is slightly a higher cost area than Washington, DC. I am fine with leaving it a standard rate, like you are suggesting, saying everything is Wash-

ington; that it doesn't matter if you want to live in a low-rent district or a high-rate district, you should all be paid the same. And that is the way it is right now.

Mr. ISSA. I guess I will go to my comparatively private sector panel. He was very fair, considering it is his paycheck. That is very hard to do in Government. But how would you see that as national policy for the Federal Government? How should we work with the differentials we pay when, in fact, that differential may not exist if someone is allowed to not come in at all? We are talking about people who are full-time commuters? Mr. O'Keeffe? And I will accept how people do things in their own company if that is the best reference.

Mr. O'KEEFFE. I think PTO talked about this notion of moving to a nationwide work force, and that is coming, and this is one of the issues that has to be addressed as we move to that. But I think looking at the pay differential, clearly it has to be addressed today, but there are other factors that need to be considered, as well.

Say, for example, we are looking at in many circumstances the agencies don't allow this type of distributed work, and so as those agencies need to—we talk about continuity of operations, we talk about the challenges of recruiting, and what you will, and so I think this needs to be factored. This is one factor that needs to be considered as we look at a broader remaking of the definition of duty station and the work environment.

Mr. ISSA. Ms. Bamesberger.

Ms. BAMESBERGER. Mr. Issa, what we do at SUN is we have differentials based on geography. I also happen to do site searching for the company when we plan expansions or retrenchments, and part of the exciting move to the countries that are lower cost had a huge wave of interest on the part of the company in order to save money. What we found is that hiring people in India has not necessarily proven to be so beneficial in the long run, although the whole total cost of being somewhere physically and then paying the salaries is taken as a composite.

So when someone chooses to go from a high-salary location and then they move to a lower salary, then they do actually get the lower salary, whatever the salary is in the geographic area they move to. If it goes in the other direction, that is up to the manager and the employee.

Mr. ISSA. OK. Mr. Talcove, how do you do it at Juniper?

Mr. TALCOVE. From our perspective I think there are two issues. First of all, regardless of where the employee is located you need to make sure that they can actually perform their job, so if we have an employee that is located in Washington, DC, that may be settling into the Federal Government and they decide that they wanted to move to a place that wouldn't be possible, obviously that wouldn't be something that we could accommodate.

The second, and just like SUN, we do have geographical pay differences, so the higher-cost areas, folks do get paid more than in the lower-cost areas. In my team, I have had people move in and out, and we change their salaries accordingly.

Mr. ISSA. Mr. Chairman, thank you.

My question was actually because this feeds into another hearing we had, which was where we found that people would accept a

duty station, for example, with the Border Patrol or some other group, that was more expensive, and then TDY to a lower expense. Or in my case, in southern California if you get a duty station in San Diego you get paid more than in, let's say, Los Angeles, well, in fact, you and your neighbor with the Border Patrol might both live in Temecula, and we deal with the fact that we get that complaints all the time in my office that these differentials get gamed.

Hopefully as we go through this and write legislation, we write it so that we in the Government can keep from having it gamed.

I appreciate the indulgence on my question. Thank you.

Mr. DAVIS OF ILLINOIS. Thank you very much.

Mr. Sarbanes.

Mr. SARBANES. Thank you, Mr. Chairman.

I am intrigued by the theme I hear from I think all of you that teleworking is not an end, it is a means to some other new, nontraditional workplace. I wonder, you know, when we consider the legislation one of the things we are going to be doing is asking agencies to articulate a policy and implement it and try to facilitate telework.

But I guess we could include the notion that as we do that they should take pains to identify what goals of their agency are going to be fulfilled or advanced by teleworking to make them more conscious of its benefits—in other words, not to simply assume the goodness of teleworking, although intuitively we are all attracted to that, but to really think through how this is going to benefit the agency and get it to a new place, and telecommuting is simply a means for doing that, so maybe you could just comment on that approach?

Ms. BAMESBERGER. If I may start on that one, since that is really my theme du jour, I have worked in this domain now for a long time, and I really have seen a huge change in terms of resistance, in that the resistance is rapidly going away as the benefits that are direct outcome results of what you are being managed to do actually improve.

I mean, I have a lot of data on that. I don't know if I have time to get into it. What we do is we don't measure the participation; we actually measure the business outcomes, and we will do surveys. We had data for the last 8 years on all of our pilots, and the pre and the post-data is quite astonishing with regard to managing to your objectives and the business outcomes. So managing by walking around is not necessarily an attributor to that; managing to result and having employees feel good about the fact that the managers trust that they are getting their work done adds a tremendous amount of loyalty and self respect to the equation, which has incredibly positive impact on the outcomes.

Mr. SARBANES. Mr. Talcove, the whole continuity of operation aspiration and goal is one that, by itself, could drive a lot of the telecommuting progress.

Mr. TALCOVE. Absolutely. I totally agree with that. Having been a former public servant—I was a city manager after I graduated college—one of the things that struck me when I was in that position was for the most part citizens didn't need my services until there was a situation, a snow storm, they couldn't get to work, they couldn't get to the hospital.

Citizens need Government most when there are surprises. It is incredibly important, particularly in this era, that we have the ability to communicate. Right now when you look at some of the statistics from the different surveys that were mentioned today, that is not available. Quite frankly, that is scary.

It is more important now than it ever was before, particularly in the world that we live in, that we have the opportunity to communicate and serve citizens during times of natural disasters, or man-made disasters.

Mr. SARBANES. Mr. O'Keeffe, you expressed impatience and frustration with how quickly or slowly the Federal Government is moving to where it ought to be with telecommuting. What industry is where it should be at this point? What workplace is the absolute model? Or does the whole society need to get moving faster in that direction?

Mr. O'KEEFFE. I'm not sure there are any perfect models, candidly. I think that the information technology marketplace where companies trade on their intellectual property provide an interesting example. Clearly, there is not a one-to-one comparison map between what the Federal Government does and what technology companies do. I think that some of the roles that have been designated or functions that historically have been considered off the table in terms of telework are being challenged.

JetBlue, for example, an airline carrier, has inbound call centers which are distributed. So the notion of if you work in a call center and you are accepting calls you have to come to work, well, that is not necessarily true. You can do both inbound and outbound work in a distributed fashion.

Mr. SARBANES. Thank you.

Mr. DAVIS OF ILLINOIS. Thank you very much.

Mr. Cummings.

Mr. CUMMINGS. Thank you very much.

Mr. Wilke, you thought we forgot you?

Mr. WILKE. Yes.

Mr. CUMMINGS. Let me ask you this. To set up this process, I mean, what do you go through? I mean, what is entailed in this and who sets it up? In other words, to create this ability for you to communicate with your fellow employees?

Mr. WILKE. Well, the office provides me with a laptop computer, two screens that I work from, two plasma screens. We have a VPN. We work through a land-based cable, Comcast, that has a line in to the office. Every day I go through a secure changing number to log in to the servers at Alexandria, VA. All the information is there. Really, this is like being at my desk at home working from here.

Mr. CUMMINGS. So then you see all these airplane commercials that says that you can be right there because the price is so cheap. I mean, do you see any disadvantage in not having the face to face interaction? Well, I guess you do have face to face, but, you know, being in the presence of another person, of other people?

Mr. WILKE. Well, there are some disadvantages to it, because a lot of times you want to discuss various cases and what decisions should be made with your co-workers and with your manager and senior attorneys. In most cases it is easy enough to just pick up the

phone to talk to them or send them an e-mail. It is not as good, but it is just about as good.

As I was mentioning, I was a mentor for young attorneys, and that is all done by e-mail and by phone, and it seems to work very well.

The times you really need to come to the office are for training, maybe trading in your equipment, or upgrading, whatever. Maybe you have to do an argument before the Trademark Trial and Appeal Board. Maybe you have to meet with your law office in a group meeting for everybody to touch base once in a while. So it is really important to get back to the office.

What is not important is just to come in as a pro forma sort of tag-the-base kind of requirement where you come in, stop in for the 15 minutes or half hour, and then leave, because that requires you to take a plane trip that uses fossil fuels. It is expensive, and essentially it is a waste of time because you are not being productive on those days when you are coming into the office without a real reason to be coming into the office.

Mr. CUMMINGS. So I take it that you, while other people may clock in, I guess you just kind of walk down the stairs and sit in front of your computer and turn it on, and you are instantly at work?

Mr. WILKE. Yes. Yes, as a matter of fact. The office can keep track of how long I have been on my computer every day if they want. But mostly our work is tracked by how much you do.

Mr. CUMMINGS. Yes.

Mr. WILKE. You have requirements, and if you don't get down here and work, every 2 weeks your manager looks at that and says, what have you been doing? So nobody really looks over my shoulder all day.

Mr. CUMMINGS. How long have you been doing this, this telecommuting?

Mr. WILKE. Just for about a year now.

Mr. CUMMINGS. OK. If you were trying to set some policies, you know, as one who has managed people, I think one of the things that people fear, management type fear, is that they will lose supervisory contact with the employee, you know, the employee go off and have a 3-hour lunch or something like that, or goof off. I think, because it has been our tradition to operate with folks in the office and to know that they are there, I think it is kind of hard for some people to accept the fact that this can work, and work very effectively.

But having had the experience that you have had, if you were, say, one putting together a program like this, what things would you be most concerned about? And what kind of things would you caution, say, the Congress to be careful about? You may not have anything. I don't know. I am just curious.

Mr. WILKE. Well, I think that any agency that has a mission that can be quantified where the employees have a set amount of work to accomplish have an easy time converting to this sort of system. That is exactly what the Patent and Trademark Office has. Everything we do is quantifiable and measurable, and it has been established over a number of years how much really can be done in a reasonable time.

So getting rid of the soft requirements might be one of the first things an agency would have to do. You would get down to things that really have to be objectively measured as far as work at home or telework employees would be required.

But I think that there should be some requirement that employees come back and meet with their team members and their other co-workers and their management to make sure everybody is on the same page and moving forward. That is what we are required to do, too.

So just actually scattering people across the county and saying, OK, we will see you next year, is probably not the best policy.

Mr. CUMMINGS. And so just one last question, Mr. Chairman. I just find it so fascinating that I am sitting here, and where are you?

Mr. WILKE. I am in Long Grove, IL, just north of Chicago.

Mr. CUMMINGS. It is fascinating that we are sitting here and having this hearing with you on the screen, and I guess we saved some money today, huh?

Mr. WILKE. Well, I saved some money because I didn't have to get on United or Southwest and come into town.

Mr. CUMMINGS. All right. But your testimony has been very helpful, and obviously it is working for you. I take it that it sounds like your employers don't have any complaints with what you are doing. I think you said you won all these awards and everything. That says a lot.

Mr. WILKE. Well, it has actually improved my performance to be able to be here where I can also have access to my family when they need me. I am not worried about taking a day's leave every time I have to meet with a contractor or have a doctor's appointment. I can work around it from here. But the geographic extension is the real icing on the cake, and that is the kind of thing that our agency is really in need of, especially on the patent side, to allow people to work really where they can best work and stay there.

Mr. CUMMINGS. Thank you very much.

Thank you, Mr. Chairman.

Mr. WILKE. Thank you.

Mr. DAVIS OF ILLINOIS. Thank you, Mr. Cummings.

You know, it sounds like the environment probably has a great deal to do with his productivity. I mean, he is in Illinois.

Mr. WILKE. The city of big shoulders.

Mr. DAVIS OF ILLINOIS. Well, let me just ask you one question, Mr. Wilke. It is pretty obvious from your responses and your productivity that this opportunity has in many ways enhanced your own quality of life, increased perhaps your own productivity, and worked extremely well for you and your family, so it has done a great deal, I think, in that sense.

What does it do for the agency?

Mr. WILKE. Well, for the agency it gives the agency the ability to keep people that it takes years to really train a trademark examining attorney or a patent attorney, patent examiner, and, frankly, the private industry pays more than the Patent Office does, so it is such a benefit to a worker to be able to work from home that the retention rate has increased dramatically—I think

Ms. Peterlin can speak to that—since telework was rolled out. The more it is implemented, the more effective that is.

Mr. DAVIS OF ILLINOIS. Would you say it is also cost effective in terms of, I think one of our witnesses mentioned containment, cost containment, earlier. Do you think that when you add it all up and get the bottom line that it has been more cost effective for the agency to have you work the way that you work than to have you come into an office every day and do what it is that you do?

Mr. WILKE. Absolutely. Absolutely. The trademark examining operation, we have over 500 people, almost 400 attorneys, yet we only occupy three floors out of those six buildings over in Alexandria. Everybody, if we were in the office, we would still have the same computer equipment that we are set up with at home, so there is no difference there. But there are about 200 to 300 offices that are not used or not needed in the Alexandria campus because of the telework program. I am just speaking for the trademark side. It is even larger, of course, on the patent side.

Mr. DAVIS OF ILLINOIS. Well, let me thank you very much. We appreciate your being with us. And I want to thank all of our witnesses. I think we have had a very productive morning. I want to thank our staff for the tremendous outreach that they have had and the recruitment that they have gone through to make sure that we have had witnesses that could give us great insight into this issue. We appreciate it very much.

With that, this hearing is adjourned.

[Whereupon, at 12:45 p.m., the subcommittee was adjourned.]

[The prepared statement of Hon. Frank R. Wolf follows:]

Statement of Representative Frank R. Wolf before the House Oversight Subcommittee on Federal Workforce, Postal Service, and the District of Columbia

HEARING ON TELEWORK: BREAKING NEW GROUND

November 6, 2007

Chairman Davis, thank you for the opportunity to testify on the benefits of teleworking.

To put it simply: Telecommuting works.

I have said many times that there is nothing magic in strapping ourselves into a metal box every day only to drive to an office where we sit behind a desk working on a computer when we can sit behind that computer elsewhere.

Telecommuting is the 21st century workplace.

Telecommuting is a traffic issue.

Telecommuting is an air quality and

environmental issue.

Telecommuting is a continuity of operations issue in a time of emergency.

Telecommuting is an energy savings issue.

And telecommuting is a quality of life issue.

As the nation's largest employer, the federal government should be the model for telework. As you know, because of a provision I inserted in the FY 2001 Transportation Appropriations bill, all federal agencies must allow every eligible employee who wants to telework and whose job lends itself to telework to do so.

However, we can only do so much in an appropriations bill. The time has come to pass a comprehensive framework for telework for the federal workforce.

I have been disappointed at the federal government's efforts in implementing the FY 2001 law. I am constantly contacted by federal employees who are being denied their right to telework. This constant back and forth must end. Efforts at OPM and GSA has made strides in promoting telework, but those strides need duplicating in every federal agency and with every federal manager.

To put some teeth into this effort, in both the FY 2005 and 2006 Science-State-Justice-Commerce Appropriations bills I inserted a provision to withhold $5 million each from the budgets of the departments of Commerce, Justice and State and now NASA, until those agencies ensure that all their eligible workers are permitted to telecommute.

Following Hurricane Katrina in 2005, I wrote President Bush asking him to make telework a priority of his administration. In the letter, I noted that many of the nation's leading security experts have pointed to telecommuting as key to ensuring that the government continues to operate during and after catastrophic events.

September 11, the anthrax scare, and Hurricane Katrina have exposed vulnerabilities in our nation which can disrupt government and business operations. In the wake of these events, a government-wide telework program should be the cornerstone of the federal workplace to ensure that necessary telework habits are in place in the event of a similar disaster in the future. With a federal telework model, the private sector could also expand its telework options to ensure that the public and private sectors – which operate as partners in so many areas – remain operational during any disaster.

Finally, rising gas prices are having a major impact on our nation's commuters who must travel dozens of miles each day to work, including federal

employees. My congressional district includes the Shenandoah Valley. Early in the morning when I am heading to meetings or events in this area, I see a steady stream of cars coming from places like Winchester and Front Royal toward Washington to the federal workplace. These commutes can take two or more hours each way.

An effective federal telework program would help these commuters not only save on gas, it would help the federal government retain workers who might otherwise look to the private sector for a workplace closer to home.

Telework is a win-win for the federal government. It increases worker productivity. It improves morale. It gives employees a chance to spend time with their families or simply use their

free time as they see fit. It improves air quality and it can save the federal government money by helping to reduce real estate costs and increase worker retention.

In short, telecommuting works. I encourage support of the comprehensive framework bill that I have been working on with Chairman Davis and Representative Sarbanes and also ask for your support for H.Con.Res. 224 to establish National Telework Week, which would set aside one week a year for employers and employees to give telework a try. I urge support for both of these measures. The time forthis legislation has come. The time for telework is now.

Again, thank you Mr. Chairman for allowing me to participate in this hearing. ***

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