

Teleworking in Organizations

¹Sanjar Salajegheh, ²Vahid Pourshahabi and ³Forough Farzan

¹Department of Management, Islamic Azad University, Kerman Branch, Kerman, Iran

²Member of Young Researchers and Elite Club, Zahedan Branch, Islamic Azad University, Zahedan, Iran. PhD Student in Public Administration, Department of Management, Islamic Azad University, Kerman Branch, Kerman, Iran

³Member of Young Researchers and Elite Club, Mashhad Branch, Islamic Azad University, Mashhad, Iran. PhD Student in Public Administration, Department of Management, Islamic Azad University, Kerman Branch, Kerman, Iran

Received: 10 September 2014; Revised: 23 October 2014; Accepted: 27 November 2014, Available online: 1 December 2014

© 2014 AENSI PUBLISHER All rights reserved

ABSTRACT

Working from home (also called telecommuting or telework) is becoming an increasingly common practice. Telework, like other employment flexibilities, can assist managers in attracting, recruiting, and retaining the best possible workforce. In addition, by decreasing employee commute times, other work/life stressors, and improving organizational communications telework can help employees and managers be more effective in their jobs. So in this article, after the definition of telework and its variants, and also Organizational Constraints and Adoption of Teleworking, benefits of telework for the teleworking employee, their employer, and society as a whole have been studied. At the end, telework adoption in Zahedan Municipality is investigated. In this paper, the student t-test and Friedman test was used for analyzing data in SPSS statistical software. The results show that from the perspective of municipal employees, Telework affects sensible factors, validity, service variety, communication, politely, and human works with computer in Municipality of Zahedan.

Key words: Teleworking, Telecommuting, Working at home, Organization, Municipality of Zahedan.

INTRODUCTION

Human Resource Management plays a very important role in the success of an organization. Organizational policies, culture, compensation and benefits and employee relations control the motivation level of employees and help in retaining valuable employees.

Human Resources may set strategies and develop policies, standards, systems, and processes. The notion of “fit” as a way to explain the presence or absence of various employment practices has a long history in the field of human resource (HR) management [8, 14, 16, 19, 27]. The basic argument in this literature is that, to be effective, HR policies and procedures such as variable pay plans [4] must be contingent on the organization’s particular needs, and these needs are a function of such idiosyncratic factors as firm age [7], workforce composition [4, 32], and top executives’ management style [30, 39].

This literature also emphasizes that employment practices are not implemented in isolation but tend to be consistent with each other [26]. One practice that has rarely been studied through this view is teleworking. As Technology companies have been predicting that telework soon will become the most

common mode of work [29]. Therefore, given the importance of this issue, in this paper we have studied teleworking and then the impact of implementing telework in Zahedan municipality was examined.

Definition Of Teleworking:

Interest in the idea of telework first arose during the oil crises of the 1970’s [34]. Teleworking is defined as working at home or another alternative location (e.g., a satellite office) using information technology to communicate with supervisors, peers, and customers [5, 17]. In other words, the term ‘teleworking’ is used broadly to refer to any work that is conducted outside of the designated place of business. This includes work undertaken at home, use of mobile devices in transit, or at a different place of business [20].

Types Of Telework:

Many authors acknowledge the role of communications and information technology in creating the ability for individuals, including knowledge workers, to work anywhere, anytime, anyplace, thereby changing the way they and the organization operates [6]. There are several ways in

which telework can be implemented. Georgetown Law (2010) identifies four main approaches to telework:

- "Hot desking" is a type of telework where the employee works from a remote location part or most of the time, and from the main office the rest of the time. When the employee is in the main office, they use a non-dedicated, non-permanent workspace assigned for use on an as-needed basis, as opposed to having a reserved office space that goes unused when teleworking.
- "Hoteling" is similar to hot desking, but employees must reserve a space ahead of time.
- "Telework centers" are facilities that provide workstations and other office facilities that employees from several organizations can use.
- "Collaborative offices" are virtual work environments in which employees can work cooperatively from different locations using a computer network [28].

ATAC (2006) considers two additional types of teleworkers:

- "Mobile teleworkers" spend at least 10 hours per week doing work while away from their main place of employment, including via their mobile phone while on the move; and
- "Day extenders" are those who work from home during evenings or weekends on an ad hoc basis, usually as required to meet deadlines during busy periods [10].

Organizational Constraints And Adoption Of Teleworking:

Two of the most common organizational constraints the contingency literature examines to explain the adoption of alternative work practices are firm "age" and "size" (e.g., Donaldson, 2001). In general, younger and smaller firms are less bureaucratized and therefore more open to considering adopting nontraditional HR methods to overcome their economic constraints. Next, we extend those arguments to the case of teleworking [26].

Firm Age:

The HR literature suggests that younger organizations are more likely to adopt innovative HR practices for several reasons [4, 22, and 24]. Young organizations are exposed to the liabilities of newness, lack of financial and material resources, lower organizational legitimacy, and a high level of uncertainty [26].

Teleworking offers employees high flexibility (an important nonmonetary reward), and it is relatively easy and inexpensive to implement. Young firms use broad and diverse social networks to overcome liabilities of newness, thus increasing their early performance and enhancing their probability of survival and growth. Telework improves access to these networks (for instance, by connecting to a more

diverse workforce) and creates new ways in which firms are able to organize [36].

Firm Size:

Similarly, smaller firms that are less bureaucratized are more likely to pursue innovative HR practices such as teleworking for financial, operational, and cultural reasons.

First, some of the contingency-based HR literature suggests that smaller companies buffer short-term economic pressures by replacing higher salaries with other incentives that promise greater potential rewards [4]. Second, smaller firms make it more difficult for poor performers to go undetected [9]. Small settings allow managers to give employees more autonomy (e.g., through telework) without the need to increase formal controls to prevent deviant behaviors (such as misstating number of hours worked or shirking work). The agency-based literature in economics and finance suggests that larger firm size makes it more difficult to monitor individual behavior; hence, larger organizations tend to invest more in supervisory systems and implementing formal rules and regulations to ensure employee compliance with expectations [26].

Since telework involves more employee discretion and autonomy (the opposite of close supervision), it seems reasonable to expect that larger firms would deemphasize its use and instead rely on more traditional work-in-the-office methods where direct observation by supervisors and accountability to superiors are more feasible on a day-to-day basis [26].

Finally, from a cultural perspective, small companies tend to experience less organizational inertia [33] and develop a more entrepreneurial spirit [15]. Smaller firms tend to have a clan type culture and emphasize employee involvement, with looser task and supervisory structures [21]. Accordingly, they are more inclined to adopt innovative employment practices [37]. Hence, these organizations should have more freedom to offer telecommuting to employees who might benefit from it, not investing as much in formal control systems and worrying less about whether other employees may perceive such arrangements as unfair.

But contrary above, Rane (2011) found that in the US it is larger businesses that are more likely to offer telework to employees, with more than three-quarters of all businesses with 500 or more employees allowing some remote work, compared to less than half of all businesses with fewer than 10 employees (see Chart 1).

Benefits Of Teleworking:

The potential benefits of teleworking are wide-ranging, and accrue to the teleworking employee, their employer, and society as a whole. Some of these benefits are direct financial impacts, while

others are more qualitative [20]. This chapter reviews these benefits.

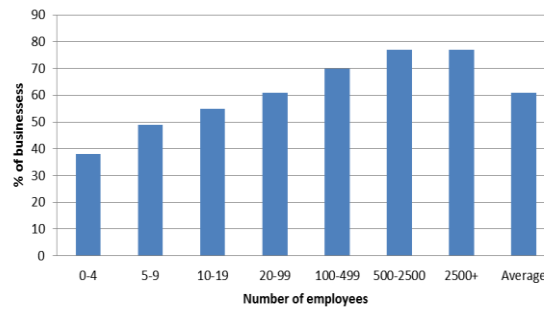


Chart 1: Businesses allowing remote work, USA, 2010/11.

1- Employer:

Those employers that have adopted telework have found it an overwhelmingly positive experience. Lafferty (2000) reports results of a survey reviewing the perceived advantages of

telework among businesses that had adopted telework. Table 1 reports the percentage of businesses that perceived each of the nominated benefits as 'highly important' outcomes of telework.

Table 1: Perceived advantages of telework, businesses with telework.

Advantage	% of businesses rating as 'highly important'
Higher productivity	54.8
Increased adoption of communications technology	44.5
More flexible use of staff	44.1
Better retention of experienced staff	23.0
More flexible use of infrastructure	22.4
Improved employee morale	21.5
Greater commitment to company goals	19.0
Reduced cost of office accommodation	5.8

Source: Lafferty 2000

1-1- Recruitment and retention:

The option to telework means that the firm finds it easier to recruit and retain staff. When seeking new employees, individuals who do not live in the city where the employer's office is located can still be hired if teleworking is available. This means that the employer is able to recruit the 'best employee' rather than the 'best employee in the area'. The ability to recruit these superior workers brings real productivity gains to the employer [20].

Lister (2011) estimates that allowing telework as a means of avoiding the loss of employees who relocate would lead to a reduction in employee attrition of seven per cent. Rane (2011) reviewed the impact of telework in the ability of firms to retain workers. They found that more than two-thirds of all businesses who had implemented flexible work practices believed it helped with recruiting and retaining workers.

1-2- Office expenses:

As more employees take up teleworking, the requirements of the office decline. More teleworkers equates to fewer 'in-office' workers, and as the number of teleworkers grows there is scope to cut the overall size of the office, reducing the amount of rent paid [20].

1-3- Absenteeism

Telework does not stop the incidence of illness among a firm's employees; however it may lead to a reduction in illness and other personal leave-related time off work [11].

Telework also leads to a reduction in small periods of time that employees spend away from work to manage personal affairs. Telework enables flexibility in working hours that means an employee who takes time off during standard operating hours to rearrange their working day without losing work time. Without this flexibility, Doherty (2000) reports that most teleworkers would take leave or simply cut short their working day to manage personal affairs when required (see Table 2).

1-4- General increases in productivity from workers:

Baard (2010) notes that teleworking employees are commonly more productive than they would have been were they still in the traditional office. Lister (2011) reports that in Canada it is estimated that teleworkers give back around 60 per cent of the time they would otherwise have spent commuting as time spent doing work. Stafford (2011) reports that, on average, Australians spend 27 minutes commuting to work each day, although for many Australian workers living in major cities this time can be substantially longer.

Table 2: How teleworkers would manage personal needs if they could not telework.

Approach	Rate (%)
Take personal leave	33
Take sick leave	17
Leave work early	14
Have someone else do it	13
Go to work late	11
Leave, then return to work	9
Take leave of absence	8

Source: Doherty 2000

2- Employees:

There are a wide range of benefits associated with telework for employees.

2-1- Travel savings:

For an employee, adopting telework (be it part or full time) brings financial gains from avoiding travel to work. This is primarily in the form of the cost of fuel avoided (or, where the worker takes public transport, the cost of that transport) and varies according to the distance between home and work. For those who use a private vehicle to travel to work, there are also reduced vehicle maintenance costs and, in some cases, parking expenses avoided.

Teleworking employees also avoid the time cost of travelling to and from work. In addition to the improved time flexibility avoiding travel creates, teleworking has broader workplace flexibility outcomes. Teleworking enables the employee to manage their workload around family needs, as – where the workload permits – unconventional hours can be worked [20].

2-2- Workplace flexibility and work/life balance:

Closely related to workplace flexibility is the idea that telework facilitates work/life balance improvements. By avoiding the time cost of travelling to and from the office, the teleworker has greater leisure time than previously, and avoiding rush hour also removes the stress of commuting.

Flexible work arrangements that facilitate improved work/life balance have a significant positive impact, with better physical and psychological health, and lower levels of stress [38].

2-3- Job satisfaction:

As well as facilitating an improvement in work/life balance, avoiding the stress of commuting may lead to an employee feeling overall more positive towards their work and their employer. Increased job satisfaction from telework may also be driven through the sense of empowerment that an employee may feel in that their employer trusts them enough to not feel the need to constantly look over their shoulder to ensure they are working hard. This sense of empowerment is consistently shown to be one of the highest contributors to job satisfaction [25].

2-4- Flexibility of location:

Just as those who already live in regional areas may have more scope to move into the workforce through engaging in telework, those living in urban areas due to workforce necessity may be able to utilise telework to choose to live in a more remote location [20].

3- Society as a whole:

3-1- Workforce participation:

Those who are currently outside of the workforce due to disability or illness, or because they are providing full-time care for a dependant child or family member with a disability or illness may be able to join or return to the workforce if they could participate through teleworking. Engagement in the workforce by some of these individuals will increase total economic output, increasing the overall welfare of citizens [20].

3-2- Transport and infrastructure gains:

As well as the private financial savings attained by teleworking individuals from avoiding travel to work, this avoided travel generates a reduction in greenhouse gas emissions. This reduction in emissions is a benefit of the private decision that extends to all residents through lower pollution levels [20].

3-3- Participation in the local community:

The improved work/life balance that teleworkers are able to achieve may see them find more time to be involved in the community. The time that was previously spent travelling to and from work may instead be put towards community organizations and volunteer activities. This may occur as parents seek to be more involved in their children's activities, or as teleworkers are able to structure their workload around community-based activities that would otherwise have taken place at a time when they were in the office [20].

Case study:

In this section of paper the impact of telework in Zahedan municipality has been examined from the perspective of employees.

Research Variables:

Variables examined in this study is derived from a study conducted by Ahmadi *et al.* (2013), And includes the following items:

Sensible factors:

Secondary indicators such as: availability of physical facilities, having suitable software and staffs with arranged appearance.

Validity:

Work and doing tasks till fixed time, showing will for solving clients' problems, amendments in service at first time, presentation of services in fixed time, report without any mistakes.

Responsibility:

Secondary indicators such as: information providing speed, willing in help to users and update clients.

Confidence:

Secondary indicators such as: composing information, updating information by system, accuracy in reports and feel safety.

Sympathy:

Attention to clients, suitable time work for all clients, staffs attention to clients personally, asking the best benefits for clients, staffs understand special needs of clients.

Effectiveness:

Effectiveness is the capability of producing a desired result. When something is deemed effective, it means it has an intended or expected outcome, or produces a deep, vivid impression.

Services:

Service, is an activity or insensible benefit that one presents to another one and doesn't have any ownership.

Communication:

Ability of communication with client in a way with understanding.

Politeness and Humility:

Politeness and humility presented by service presenter related to client.

Human and Computer:

Simple using and acceptability of system for user.

Also, the results of the Friedman test (Table 3) shows that with the implementation of teleworking in Municipality of Zahedan, human works with

Conclusion:

It is clear that the potential cost savings and productivity gains from increased teleworking are large. However if these gains are to be realised there is a need for significant infrastructure, particularly

Research Hypotheses:

In light of the above-mentioned variables, this study attempts to test the following hypotheses:

1. Telework affects sensible factors in Municipality of Zahedan.
2. Telework affects validity in Municipality of Zahedan.
3. Telework affects responsibility in Municipality of Zahedan.
4. Telework affects confidence in Municipality of Zahedan.
5. Telework affects sympathy in Municipality of Zahedan.
6. Telework affects effectiveness in Municipality of Zahedan.
7. Telework affects service variety in Municipality of Zahedan.
8. Telework affects communication in Municipality of Zahedan.
9. Telework affects politely in Municipality of Zahedan.
10. Telework affects human works with computer in Municipality of Zahedan.

Research Population:

This present paper is interested in investigating effective factors in service quality in teleworking at Municipality of Zahedan, Iran. Total items of the research population amount to 374. Due to the small number of the research population, the researcher has adopted the census method for data collection.

Method of Data Collection:

The present study has adopted the questionnaire method for collecting primary data necessary for the study. The data of the questionnaire have been collected by contacting employees in informal interviews. The researcher handed them lists of questions and gave them enough time to answer the questions.

Methods of Data Analysis and Testing Hypotheses:

The researcher has used the student t-test and Friedman test in SPSS 19 statistical software for data analysis and hypotheses testing (see Table 2 and Table 3).

According to the results of hypothesis testing (Table 2), with 95% confidence we can say that Telework affects sensible factors, validity, service variety, communication, politely, and human works with computer in Municipality of Zahedan.

computer will have the greatest impact and Sympathy Will have minimal impact.

ICT infrastructure, to ensure that teleworking presents a working experience as efficient as being in the office itself. Additionally, there is a need for cultural change among workers. Attitudes towards work remain geared towards the idea of travelling to

a specific workplace each day rather than working from home regularly. There is a need for government and employers to smooth the path towards teleworking in order to harness its benefits.

The results of this study showed that human works with computer, and then, communication, in

Municipality of Zahedan shall be most affected by the implementation of teleworking. On the other hand, sympathy and confidence will have a minimal effect on the implementation of teleworking.

Table 2: One-Sample Test.

	Test Value = 3					
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
sensible	35.650	373	.000	1.321	1.25	1.39
validity	23.705	373	.000	1.120	1.03	1.21
responsibility	-26.581	373	.000	-1.235	-1.33	-1.14
confidence	-34.021	373	.000	-1.163	-1.23	-1.10
sympathy	-41.739	373	.000	-1.318	-1.38	-1.26
effectiveness	-13.373	373	.000	-.719	-.83	-.61
service	16.220	373	.000	.856	.75	.96
communication	52.533	373	.000	1.626	1.56	1.69
politely	7.658	373	.000	.316	.23	.40
human	64.678	373	.000	1.623	1.57	1.67

Table 3: Ranks of Friedman Test.

Variables	sensible	validity	responsibility	confidence	sympathy	effectiveness	service	communication	politely	human
Mean Rank	7.74	7.31	2.63	2.76	2.46	3.27	6.69	8.35	5.25	8.53

Therefore, using the results of this study, by strengthening the lower ranking variables, managers may be programmed to implement telework in their organization.

References

- Ahmadi, Sayyed Aliakbar And Zamahani, Majid And Barkhordar, Naser And Sabet Tavasoli, Mojtaba. 2013. Evaluation of Effective Factors in Services Quality in Teleworking Organization. *World of Sciences Journal*, 2: 165-180.
- Australian Telework Advisory Committee (ATAC), 2006. *Telework for Australian Employees and Businesses*, Canberra.
- Baard, N. and A. Thomas, 2010. Teleworking in South Africa: Employee benefits and challenges, *South African Journal of Human Resource Management*, 8-1.
- Balkin, D.B., L.R. Gomez-Mejia, 1987. Toward a contingency theory of compensation strategy. *Strategic Management Journal*, 8: 169-182.
- Baruch, Y., 2001. The status of research on teleworking and an agenda for future research. *International Journal of Management Reviews*, 3(2): 113-129.
- Bentley, Kaye, Yoong, Pak, 2000. Knowledge work and telework: an exploratory study. *Internet Research: Electronic Networking Applications and Policy*, 10(4): 346-356.
- Budhwar, P.S., N. Khatri, 2001. A comparative study of HR practices in Britain and India. *International Journal of Human Resource Management*, 12(7): 800-826.
- Butler, J.E., G.F. Ferris, N.K. Napier, 1991. *Strategic human resources management*. Chicago: South Western.
- Cardon, M.S., C.E. Stevens, 2004. Managing human resources in small organizations: What do we know? *Human Resource Management Review*, 14(3): 295-324.
- Commonwealth of Australia, 2010-2011. *Next Generation Telework: A Literature Review*, Department of Broadband, Communications and the Digital Economy.
- Dixon, 2003. *Telecommuting: Issues in Public and Private Sector Employment*, Queensland Parliamentary Library, Brisbane.
- Doherty, S.T., J.C. Andrey and L.C. Johnson, 2000. *The Economic and Social Impacts of Telework*, Office of the Assistant Secretary for Policy, United Kingdom.
- Donaldson, L., 2001. *The contingency theory of organizations*. Thousand Oaks, CA: Sage.
- Dyer, L., 1985. Strategic human resources management and planning. In K. Rowland & G. R. Ferris (Eds.), *Research in personnel and human resources management*. Greenwich, CT: JAI Press.
- Ettlie, J.E., 1983. Organizational policy and innovation among suppliers to the food

- processing sector. *Academy of Management Journal*, 26(1): 27-44.
16. Fombrun, C.J., N.M. Tichy, M.A. Devanna, 1984. *A framework for strategic human resource management*. New York: Wiley.
 17. Gainey, T., D. Kelly, J. Hill, 1999. Telecommuting's impact on corporate culture and individual workers: Examining the effect of employee isolation. *SAM Advanced Management Journal*, 64(4): 4-11.
 18. Georgetown Law, 2010. *Telework in the Federal Government: The Overview Memo*.
 19. Golden, K.W., V. Ramanujan, 1985. Between a dream and a nightmare: On the integration of the human resource management and strategic planning processes. *Human Resource Management*, 24(4), 429-452.
 20. Havyatt, Susan, Hutley, Nicki, Simes, Ric, Terill, Daniel, 2010. *Impacts of Teleworking under the NBN, Report by Access Economics Pty Limited for Department of Broadband, Communications and the Digital Economy, Commonwealth of Australia*.
 21. Heneman, R.L., M.M. Fisher, K.E. Dixon, 2001. Reward and organizational system alignment: An expert system. *Compensation and Benefits Review*, 33: 18-29.
 22. Heneman, R.L., J.W. Tansky, S.M. Camp, 2000. Human resource management practices in small and medium size enterprises: Unanswered questions and future research perspectives. *Entrepreneurship Theory and Practice*, 25(1): 11-26.
 23. Lafferty and Whitehouse, 2000. *Telework in Australian Organisations: Preliminary Findings from a National Survey*, University of Queensland.
 24. Leung, A., 2003. Different ties for different needs—recruitment practices of entrepreneurial firms at different developmental phases. *Human Resource Management*, 42(4): 303-320.
 25. Lister, K. and T. Harnish, 2011. *WORKshift Canada: The bottom line on telework*, Telework Research Network, April.
 26. Mayo, Margarita, Pastor, Juan-Carlos, Gomez-Mejia, Luis, Cruz, Cristina, 2009. Why some firms adopt telecommuting while others do not: a contingency perspective. *Human Resource Management*, 48(6): 917- 939.
 27. Milkovich, G.T., 1988. A strategic perspective on compensation management. In G. R. Ferris & K. M. Rowland (Eds.), *Research in personnel and human resources management* (Vol. 6). Greenwich, CT: JAI Press.
 28. Miller J., 2010. D.C. Telecenters to lose GSA funding, 28 October, Available at www.federalnewsradio.com/?nid=35&sid=2096698.
 29. Moore, Brian, Rhodes, Marcia, Stanley, Rose, 2011. *Telework A Worldatwork special report* Based on Data Collected by The Dieringer Research Group Inc. and WorldatWork. A WorldatWork Special Report.
 30. Ortiz-Fuentes, M., E. Fernandez-Sanchez, 2003. High-involvement practices in human resource management: Concepts and factors that motivate their adoption. *International Journal of Human Resource Management*, 14(4): 511-529.
 31. Rane, A. and T. Agrawal, 2011. *The future of workplaces, prepared for Skype, March*.
 32. Riggs, H.E., 1983 *Managing technology companies*. Belmont, CA: Lifetime Learning.
 33. Rumelt, R.P., 1995. Inertia and transformation. In C. A. Montgomery (Ed.), *Resources in an evolutionary perspective: Towards a synthesis of evolutionary and resource-based approaches to strategy* (pp: 101-132). Norwell, MA: Kluwer Academic.
 34. Scholefield, G. and S. Peel, 2009. 'Managers' attitudes to teleworking', *New Zealand Journal of Employment Relations*, 34(3): 1-13.
 35. Stafford, P., 2011. 'Australians' long commutes renew call for flexible working arrangements', www.smartcompany.com.au, Friday 11 March.
 36. Tapscott, D., 1999. *Creating value in the network economy*. Boston: Harvard Business School Press.
 37. Williamson, I.O. 2000. Employer legitimacy and recruitment success in small businesses. *Entrepreneurship Theory and Practice*, 25(1): 27-42.
 38. Working Families, 2011. *Work-life balance: working for fathers?*, Interim Report, with Lancaster University Management School.
 39. Wright, P.M., G.C. McManan, S.C. Snell, B. Gerhart, 2001. Comparing line and HR executives' perceptions of HR effectiveness: Services, roles, and contributions. *Human Resource Management*, 40(2): 111-123.