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# ASSESSING TELEWORK POLICIES AND INITIATIVES IN THE FEDERAL GOVERNMENT

## HEARING

BEFORE THE

OVERSIGHT OF GOVERNMENT MANAGEMENT, THE FEDERAL WORKFORCE, AND THE DISTRICT OF COLUMBIA SUBCOMMITTEE

OF THE

COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS UNITED STATES SENATE

ONE HUNDRED TENTH CONGRESS

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# ASSESSING TELEWORK POLICIES AND INITIATIVES IN THE FEDERAL GOVERNMENT

**TUESDAY, JUNE 12, 2007**

U.S. SENATE,
SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT
MANAGEMENT, THE FEDERAL WORKFORCE,
AND THE DISTRICT OF COLUMBIA,
OF THE COMMITTEE ON HOMELAND SECURITY
AND GOVERNMENTAL AFFAIRS,
*Washington, DC.*

The Subcommittee met, pursuant to notice, at 2:35 p.m., in Room SD–562, Dirksen Senate Office Building, Hon. Daniel K. Akaka, Chairman of the Subcommittee, presiding.

Present: Senators Akaka, Voinovich, and Stevens.

## OPENING STATEMENT OF SENATOR AKAKA

Senator AKAKA. This hearing will come to order. I want to welcome all of you to this hearing of the Subcommittee on Oversight of Government Management, the Federal Workforce, and the District of Columbia as we meet to consider the issue of telework, otherwise known as telecommuting, in the Federal Government. We will also be reviewing S. 1000, the Telework Enhancement Act of 2007, introduced by my good friend Senator Stevens to promote telework programs.

Telework programs have allowed Federal employees to work from their home offices or telework centers close to their homes for nearly two decades. As the Internet and wireless communication technologies have become commonplace in the work environment, the costs and concerns with security for teleworking have diminished significantly.

Over the past 10 years, the option for government employees to work from home or a remote location closer to home has become not only a quality-of-life issue but a necessary component of Federal agencies in addressing continuity of operation plans.

Congress, and rightly so, has been vigorous in its efforts to enhance telework and encourage more agencies to implement comprehensive and robust programs. Telework has emerged as a dynamic option for agencies to offer more flexible work schedules, reduce overall traffic congestion, continue operations in the event of an emergency, limit overall costs, and improve energy efficiency.

With nearly 50 percent of the Federal workforce eligible for retirement in the next 5 years, agencies must use all available tools to keep and attract talented Federal workers. Telework allows agencies to compete in today's marketplace. Offering employees an

option to work from home or a location closer to home improves an employee's quality of life and in the process eases the traffic burden on metropolitan areas.

According to a survey by the Texas Transportation Institute, the National Capital Region ranks third behind Los Angeles and San Francisco for the worst traffic congestion in America. In Hawaii, gas prices rank seventh among the highest in the Nation. The Department of Transportation has launched an initiative in this area, the National Strategy to Reduce Congestion on America's Transportation Network, which promotes public and private employers to use telework as a primary tool in reducing congestion and saving commuters' money on escalating gas prices.

As the largest employer in the National Capital Region, and one of the largest employers in Hawaii, the Federal Government has a responsibility to help reduce commuting times and costs for area workers. Furthermore, it is imperative that we develop strategies to maintain continuity of government operations should a natural or manmade disaster disrupt services.

OPM and GSA have been leaders in providing telework resources for agencies. They launched the Interagency Telework Site and worked with other agencies to implement telework programs. A few shining examples include the Patent and Trademark Office—who I look forward to hearing from this afternoon—the Treasury Inspector General for Tax Administration Office, and the Federal Aviation Administration.

Telework implementation should not be stalled by trepidation. I look forward to discussing ways to improve governmentwide telework policies and practices and hearing our witnesses' thoughts on the Telework Enhancement Act. Again, I thank you all for being here today.

Now I would like to call on my friend, Senator Stevens, for his statement. Senator Stevens?

## OPENING STATEMENT OF SENATOR STEVENS

Senator STEVENS. Well, thank you very much, Senator Akaka. I am pleased you called this hearing today to review the proposal before us. It is time to take a real serious look at the current telework program.

This has far-reaching benefits not only to employees and employers but to the whole Nation, I think, because clearly it involves national security as well as the sustainability of our environment. And the period of time we are going through right now with global climate change as well as the intensive national security issues, I think, warrants taking a look at what has happened to the legislation we enacted in 2000. It was signed into law that year as part of the highway bill. That required agencies to establish a policy under which eligible employees of the agency may participate in telecommunicating to the maximum extent possible without diminished employee performance. It was intended to apply to 25 percent of the Federal workforce, and an additional 25 percent of the workforce each year thereafter, and the objective of the 2000 legislation was to alleviate traffic congestion and increase Federal employee ability to participate in telework.

Our bill's conference report made it clear that each Federal agency should establish telework criteria, remove barriers to implementation, and provide all the assistance necessary to carry out that policy.

Two agencies really have carried out this mandate. The Office of Personnel Management and the General Services Administration formed a common website to facilitate the advancement of the telework program, and I think the efforts have brought about a degree of success.

Between 2001 and 2004, Mr. Chairman, 150,000 Federal employees gained eligibility for telework, bringing total eligibility up to 44 percent of the Federal workforce. But despite the loose definition of "telework," which is an employee who works from home 1 day per week—that would be a teleworker—only 19 percent of those eligible were deemed as having teleworked in 2004. There are some who say that this low percentage is due to insufficient information available to employees and difficulties with program coordination and workforce culture issues.

OPM and GSA should be commended for the strides they have made to try and implement this program, and over the course of the past 7 years, there have been several enhancements to help achieve the original goals of the program.

Senator Landrieu and I introduced a bill to bring about additional improvements, the bill that you mentioned, S. 1000. I do believe that we need to build upon the existing telework program to ensure maximum telework participation among our Federal workforce, and our bill is designed to improve the cost efficiency of the Federal Government, encourage Federal employees to drive less, reduce traffic congestion, save fuel that in and of itself that will restrain the greenhouse emissions in major cities. It, I believe, will enhance efforts by our Federal Government with respect to continuity of operations, and provide incentives to the employees to try to adopt this means of working.

This should attract and retain highly skilled Federal personnel if the program is administered to its fullest. I do believe there are models for this program in some of the private sector. I do hope those of you who are witnesses here today will help us find ways to increase the effectiveness of this program, and I look forward to the testimony, Mr. Chairman.

Again, I thank you very much and I thank the witnesses for coming.

Senator AKAKA. Thank you very much, Senator Stevens.

At this time I want to welcome our first panel. Let me introduce the first panel, and then I will call on Senator Voinovich for his statement.

Daniel Green is Deputy Associate Director for Employee and Family Support Policy for the Strategic Human Resources Policy Division at the Office of Personnel Management.

Jon Dudas is Under Secretary of Commerce for Intellectual Property and Director of the Patent and Trademark Office.

Stan Kaczmarczyk is Principal Deputy Associate Administrator for Governmentwide Policy at the General Services Administration.

And Bernice Steinhardt is Director of Strategic Issues for the U.S. Government Accountability Office.

Good to have you, and let me call on Senator Voinovich for his opening statement.

**OPENING STATEMENT OF SENATOR VOINOVICH**

Senator VOINOVICH. Thank you, Mr. Chairman. Thanks for holding this hearing to discuss the status of our telework programs and consider legislation before the Committee to increase participation throughout the Federal workforce. Off the top, I am very interested in this because my daughter-in-law takes advantage of this every day in her home with her four children.

One of my top priorities as Senator has been to transform the culture of the Federal workforce, something I conscientiously undertook with the city and State workforces as Mayor of Cleveland and Governor of Ohio. As Senator, I have held 26 hearings on the crisis of human capital in the Federal Government and introduced numerous human capital reform bills, including the Homeland Security Act of 2002 and the Federal Workforce Flexibility Act. I know that investing in our workforce pays big dividends.

We have an aging workforce that has difficulty attracting young people to public service careers. The image of the public sector can be bureaucratic, an impression that too often discourages young, creative college students. We must be able to recruit the best candidates, provide training and professional development opportunities, and reward good performance.

To compete as an employer of choice in the fast-paced 21 Century knowledge economy and improve our competitiveness, we need to create an environment that supports those with the desire and commitment to serve. Just as other aspects of their lives have been informed by technology, we need to acknowledge that this next generation will have different expectations of what it means to go to work. Growing up with cell phones and hand-held devices makes it far more likely that working anytime from most anywhere will be the new norm.

As I stated in my 2000 report to the President on the crisis in human capital, Federal agencies should enable as many employees as possible to telecommute or participate in other types of flexible workplace programs. Not only will this make Federal service more attractive to many employees, especially parents of young children, it has the potential to reduce traffic congestion and pollution in large metropolitan areas. An additional reason that was made plain on September 11, 2001, is the need for a workforce that can be dispersed and decentralized so that essential functions can continue during an emergency.

My good friend Senator Stevens has introduced S. 1000, the Telework Enhancement Act of 2007, to ensure that executive agencies begin with the presumption that all Federal employees are eligible to telework unless specifically exempt and to extent this principle to the judicial and Legislative Branches by encouraging participation wherever possible.

According to the most recent OPM survey on Federal human capital, only 22 percent of employees, when asked about worklife, and family-friendly benefits, said they were satisfied with current telework communicating opportunities. Another 44 percent responded that they had no basis to judge. Even though teleworking

has increased since OPM began reporting in 2001, participation is far short of what it should be and what the Federal workforce needs if our government is to remain an employer of choice.

So I thank you, Mr. Chairman, for this hearing, and I want to thank Senator Stevens for the introduction of S. 1000.

Senator AKAKA. Thank you very much, Senator Voinovich.

As you know, our Committee has rules that require that all witnesses testify under oath. Therefore, I ask you to please rise with me and raise your right hand. Do you solemnly swear that the testimony you are about to give this Committee is the truth, the whole truth, and nothing but the truth, so help you, God?

Mr. GREEN. I do.

Mr. DUDAS. I do.

Mr. KACZMARCZYK. I do.

Ms. STEINHARDT. I do.

Senator AKAKA. Let the record note that the witnesses answered in the affirmative. Welcome, and before we begin, let me tell you that although your oral statement is limited to 5 minutes, your full written statements will be included in the record.

Mr. Green, will you please proceed with your statement?

**TESTIMONY OF DANIEL A. GREEN,[1] DEPUTY ASSOCIATE DIRECTOR FOR EMPLOYEE AND FAMILY SUPPORT POLICY, STRATEGIC HUMAN RESOURCES POLICY DIVISION, OFFICE OF PERSONNEL MANAGEMENT**

Mr. GREEN. Mr. Chairman and Members of the Subcommittee, I am pleased to be here today on behalf of Director Linda M. Springer of the Office of Personnel Management to discuss the status of telework in the Federal Government. Telework has become an important human capital management tool for ensuring the Federal Government has an effective and flexible civilian workforce capable of meeting 21 Century challenges. As Director Springer seeks to advance the Strategic Management of Human Capital component to President Bush's Management Agenda, we are seeing increased signs that Federal agencies are keenly aware that telework is a useful tool which can help attract and retain a 21 Century high-performing workforce that produces high-quality results.

We also recognize the relationship between telework and Continuity of Operations (COOP) planning and the impact telework can have on traffic congestion and energy consumption. Additionally, telework can be used as a method to increase available employment options for individuals with disabilities.

As you may recall, last year Director Springer introduced our Career Patterns initiative. This new approach for bringing the next generation of employees into the Federal Government highlights telework as a High Impact HR Flexibility. In preparation for the looming retirement wave, we have encouraged Federal agencies to shift their thinking about the work environment to make it more appealing to non-traditional employees and applicants. We are pleased to see that many Federal agencies have begun to operate and hire using OPM's Career Patterns approach.

[1] The prepared statement of Mr. Green appears in the Appendix on page 35.

We recognize that telework can also be a critical component for emergency COOP activities. Director Springer initiated a telework exercise at OPM in September 2006 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. While we encountered a few minor technical difficulties along the way, the overall exercise was carried out smoothly. We are encouraging other Federal agencies to incorporate telework into their own COOP planning efforts.

President Bush's Implementation Plan for his National Strategy for Pandemic Influenza specifically directed OPM to update existing telework guidance to include information about teleworking in the event of a pandemic influenza. In response to this requirement, OPM issued a revised comprehensive "Guide to Telework in the Federal Government," which was distributed to all Federal agencies. In addition, OPM is now visiting with Federal agencies to provide comprehensive briefings on policies regarding pandemic preparedness and telework.

OPM is using the Chief Human Capital Officers (CHCO) Council chaired by Director Springer to highlight best practices on telework across the Federal Government. In February 2006, the Council's Training Academy conducted a session with over 50 attendees representing more than 20 agencies. Attendees learned how effective and valuable telework is for the Defense Information Systems Agency and preparation for Base Realignment and Closure activities. The International Trade Commission's Director of Administration and the union president of the local American Federation of Government Employees co-presented their agency's telework tracking system.

OPM also conducts an annual survey of agencies with respect to telework. In our most recent surveys for 2005 and 2006, we have worked to further clarify terminology and eligibility definitions in order to solicit more complete and focused data. In addition, we are now seeking more detailed responses from agencies through these surveys with respect to information security. While we will shortly be releasing the latest data from our most recent surveys, we are pleased that during the administration's first term, telework by Federal employees nearly doubled from 73,000 in 2001 to over 140,000 in 2004.

Mr. Chairman, your letter of invitation also asked me to address S. 1000, the Telework Enhancement Act of 2007, which was recently introduced by Senator Ted Stevens. We appreciate Senator Stevens' longstanding advocacy for Federal employees, and we appreciate the Subcommittee's interest in moving this legislation forward. We are looking forward to talking more with your staff on specific issues. As the legislative process moves forward, we want to ensure our mutual goals can be effectively met with respect to enhanced use of telework by Federal managers and employees.

In conclusion, we believe Federal agencies recognize the value and impact telework can have with respect to strategic human capital management, effective COOP planning, traffic congestion, and energy consumption. We are committed to working with GSA, GAO, this Subcommittee, and others to ensure telework policies are effectively managed and promoted.

Mr. Chairman, I would be pleased to respond to any questions you or Members of the Subcommittee may have.

Senator AKAKA. Thank you very much, Mr. Green.

Mr. Dudas, will you please proceed with your statement?

**TESTIMONY OF HON. JON W. DUDAS,[1] UNDER SECRETARY FOR INTELLECTUAL PROPERTY, AND DIRECTOR, U.S. PATENT AND TRADEMARK OFFICE, U.S. DEPARTMENT OF COMMERCE**

Mr. DUDAS. Thank you, Mr. Chairman, Ranking Member Voinovich, and Senator Stevens. Thanks for the opportunity to appear before you and testify about the perspectives from the U.S. Patent and Trademark Office (USPTO) on the Federal Government's telework policies and how to better encourage the use of telework to improve satisfaction of Federal workers and the bottom lines of Federal agencies. Throughout my testimony, I will limit my comments to the one experience I know, which is the U.S. Patent and Trademark Office. I am happy to tell you where the USPTO was, where we are now, and where we think we are going in terms of teleworking and why we think S. 1000 can be helpful in that process.

Where we were is quite simple. Ten years and 2 weeks ago we had no teleworking in the agency at all. It took courage and determination to make it happen, and there were many obstacles ranging from negative attitudes and naysayers to insufficient technology at the time. But the agency did have great people and they had vision and motivation. Today the USPTO has 3,414 employees teleworking in more than a dozen different teleworking programs; 1,255 employees are working 4 days a week from home, including 85 percent of all eligible trademark examiners.

We are at the beginning stages of recognizing that we can not only be a successful local teleworking force, but that we could become a nationwide workforce through teleworking. We currently have teleworkers working in 14 States and the District of Columbia, including teleworkers as far away as Colorado, the State of Washington, and the State of Hawaii.

The USPTO has received numerous notable awards, including from the Metropolitan Washington Council of Governments, the Telework Exchange, the Mid-Atlantic Telework Advisory Council, the Telework Coalition, the International Telework Association Council, and the Potomac Forum. We have a slide showing the different awards which we are extremely proud to have received, which shows how we have become a leader in teleworking.

Just last week, we celebrated our tenth anniversary of teleworking at the agency. Seventeen of the 18 original people on the telework pilot are still with the agency, 10 years later.

We have also been chosen by *Business Week Magazine* as one of the best places in the United States to launch a career and by *Family Magazine* as one of the best places in the Washington area to work if you have a family. That is due in part to our teleworking programs, and it is critical for us to be an employer of choice. As

[1] The prepared statement of Mr. Dudas appears in the Appendix on page 44.

Senator Voinovich talked about, telework is so important for government agencies.

Why do we do it? Quite honestly, pretty selfish reasons. We do it because it helps us with our business, it helps us with our bottom line. It solves problems in our agency. We do it because it has employee advantages. It improves morale. It makes employees want to do more, and employees are able to do more. So really for us it involves a lot of bottom-line issues. We recognize there are a lot of additional advantages to that beyond what it does for the agency, but fundamentally what we have found is that it solves problems for us.

Where we are going is important to us as well. The USPTO is exploring the feasibility of creating a nationwide workplace where an examiner can work from anywhere in the country. Our goal is to meet current and future workforce requirements by attracting the best and the brightest examiners and employees from outside the Mid-Atlantic Region, to increase our retention rates at the Patent and Trademark Office, and to manage the real estate costs associated with the expansion that is underway. We are hiring 1,200 new engineers every year at the Patent and Trademark Office. Retention is very important to us. Recruitment is very important to us.

What do we need to get there? We need to be sure that the necessary training and full collaboration are there. That falls on us at the USPTO. This requires training in technical skills and managerial skills, as well as new and better technology for collaboration. But as we transition from a very real success story of a local teleworking unit to what I believe could be a real success story as a fully integrated nationwide teleworking agency, we'll have one important need. The USPTO would like to propose some sort of demonstration project that would give discretion to the USPTO to reimburse telework employees for travel expenses when reporting to the official Alexandria worksite.

The current law, we believe, as we transition to a nationwide workforce, deters potential workers from voluntarily locating outside the area. In other words, we have people that are working in 14 different States and the District of Columbia. We cannot tell them that we do not need them in the office, but they have told us, "If I could pay my own expenses and come back, I would like to do that." There are ways that we can do that through a demonstration project. A change to that travel policy would help USPTO utilize telework in its efforts to retain a highly qualified workforce.

We are very pleased that Senators Stevens and Landrieu introduced the Telework Enhancement Act of 2007. For any telework program to be productive, all eligible employees should be encouraged to participate in telework to the maximum extent possible. Managers must be on board, and telework officers should be aggressive in expanding the agency's telework program, including proposing new pilot programs.

The Telework Enhancement Act of 2007 changes telework eligibility to make all Federal employees eligible, unless determined otherwise by each agency, with few exceptions. At the USPTO, we think that is the right way to approach it, with more serious con-

sideration being given in deciding who is eligible for telework. Based on our experiences, having a senior-level full-time telework coordinator at the USPTO who works with the various business units and serves as a liaison between employees and managers has been invaluable to us in promoting and supporting telework and coordinating telework programs throughout the USPTO.

S. 1000 also revises the definition of telework to be an arrangement where an employee works at an alternative work site at least 2 days per week versus the current definition of 1 day. At the USPTO, our experience has been having a 1-day requirement is actually helpful. You certainly have to be able to measure how many people you have teleworking, but right now we have one program with 1,500 people teleworking from home. We think that there are certain positions where having a person working 1 day at home can be helpful. In fact, that has been a transition point at the USPTO where people have worked 1 day at home and then move on to work 4 days a week at home. So we would encourage the Subcommittee and look forward to working with the Subcommittee to find a way that we can maximize all the programs across the board to promote teleworking. Thank you.

Senator AKAKA. Thank you very much, Mr. Dudas.

Mr. Kaczmarczyk, your statement, please.

**TESTIMONY OF STANLEY KACZMARCZYK,[1] PRINCIPAL DEPUTY ASSOCIATE ADMINISTRATOR FOR GOVERNMENTWIDE POLICY, U.S. GENERAL SERVICES ADMINISTRATION**

Mr. KACZMARCZYK. Mr. Chairman, Ranking Member Voinovich, and Members of the Subcommittee, I appreciate the invitation to appear before you today to discuss the General Services Administration's view on improving Federal telework participation and current telework activity. GSA's partnership with the Office of Personnel Management on the Governmentwide Telework Program is very active and well documented.

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 we believe they can and should be. Successful implementation of telework in the Federal Government involves culture change and proactive senior leadership, along with useful policies, implementation guidance, program support, best practices, and effective tools. Over this time frame, GSA and OPM have worked continuously with other Federal agencies to identify and provide the needed guidance and tools.

Legislation that would remove barriers to Federal telework is welcomed, and we look forward to working with Congress on appropriate telework legislation.

Last year, GSA published Federal Management Regulation Bulletin 2006–B3. This first-of-its-kind guidance 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.

[1] The prepared statement of Mr. Kaczmarczyk with attachments appears in the Appendix on page 59.

This year, we followed up with FMR Bulletin 2007–B1, "Information Technology and Telecommunications Guidelines for Federal Telework and Other Alternative Workplace Arrangement Programs." By clarifying the technology, security, and privacy policy guidance for telework, this guidance helped establish that telework, when appropriately implemented, can maintain information security.

Technology has often been cited as a barrier to increased telework in the Federal Government. GSA conducted two in-depth studies on this topic based on survey and other information from agency chief information officers, managers, teleworkers, and telework coordinators. These studies are readily available on our website at gsa.gov/telework.

There has been widespread interest in the incorporation of telework as a mechanism for emergency Continuity of Operations Plans (COOP). 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 normal operations plan so that employees may fully transition to this alternative work arrangement in the event of an emergency.

Other valuable telework applications include: Telework combined with alternative officing can enable agencies to reduce cost and improve the utilization of existing facilities.

Telework is also a great way to enhance recruitment and retention of Federal workers and to improve work/life balance. Would you rather be stuck on the Beltway at rush hour or be done with your work in time to make the kid's soccer practice?

And the environmental impact of telework should serve as additional motivation for stronger telework participation policies.

In order to provide an alternative to home-based telework, GSA has established 14 telework centers to provide alternative workplaces for those employees who cannot or prefer not to work at home. These centers, located in Maryland, Virginia, and West Virginia, are established in convenient locations for use by employees who can reduce their traditional commutes by working at a center near their homes. We believe there is a market for center-based telework, and, in fact, I am a long-time user of our Fairfax Telework Center.

In conclusion, GSA's goals of improving the growth of Federal telework requires proactive top level leadership; strong policy mandates and clear guidelines; increased program support and integration of telework into overall agency planning; increased demonstration and utilization of telework applications and recommended practices; and high visibility program promotion.

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

Senator AKAKA. Thank you very much, Mr. Kaczmarczyk. Ms. Steinhardt.

**TESTIMONY OF BERNICE STEINHARDT,[1] DIRECTOR OF STRATEGIC ISSUES, U.S. GOVERNMENT ACCOUNTABILITY OFFICE**

Ms. STEINHARDT. Thank you very much, Senator Akaka and Senator Stevens. We appreciate the opportunity to be here today to talk about the Federal Government's efforts——

Senator STEVENS. Could you turn on your mike?

Ms. STEINHARDT. Is it on now? Yes. Thanks.

Over the years GAO has reported on these efforts, and we have noted Congress' great interest and desire for greater progress. Currently, you are considering S. 1000, the Telework Enhancement Act of 2007. We have a number of comments on the bill which we have discussed with your staffs and which I have covered in my statement, but let me say at the outset that we appreciate your efforts to try to bring greater coherence to this governmentwide program.

The potential benefits of telework to employees, employers, and to society are by now well known. My colleagues here have mentioned them, as well as others. Yet GAO's work over the last few years suggests, as we usually do, that more could be done to better realize the potential of telework within the Federal Government, beginning with the fundamental concept of managing for results.

By this I mean that agencies need to have meaningful measures of what they are trying to achieve through telework, and they need to be using this information to achieve better results.

For example, if we are trying to reduce vehicle congestion or attract and retain top talent, then we should be measuring the extent to which telework contributes to these goals. I think Mr. Dudas at PTO incorporates some of these practices in their program.

In our 2003 report, though, on telework programs, we identified 24 key practices that Federal agencies should follow in implementing their telework programs. Four of them were related to managing for results. But when we looked at how four agencies—the Department of Education, VA, OPM, and GSA—were implementing their programs, we found that these four practices were among the least employed and that none of the agencies were effectively implementing any of them.

Clearly, the weakest area, the one in which none of the agencies had any efforts underway, was in establishing measurable program goals. Although OPM's Telework Guide at that time suggested that agencies should be evaluating the effect of telework on productivity, on operating costs, morale, recruitment, retention, none of the agencies had established these or any other relevant program goals. They had not set targets for them, and they had not collected the information that could allow for evaluation. And without this kind of information, agencies could not implement one of the other key practices, which is to identify problems or issues with the telework program and make appropriate adjustments.

In a later review we conducted in 2005, we looked at how five other agencies—Departments of Commerce, Justice, State, the SEC, and SBA were implementing their telework programs, and we found that most of them measured employee participation in telework based on their potential to telework—that is, by counting telework agreements rather than actual usage. None of the agen-

[1] The prepared statement of Ms. Steinhardt appears in the Appendix on page 66.

cies had the capability at that time to track who was actually teleworking or how frequently, although we understand that the Justice Department seems to have made some progress on this since then.

Even for more basic measurements like eligibility, agencies used such differing methods to calculate them that there really isn't a meaningful picture of eligibility when you look across the entire Federal Government.

To help agencies better manage for results through telework programs, our 2005 report 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 Council, develop a set of definitions and measures that would allow for a more meaningful assessment of progress in agency telework programs. Some information 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. Some of the information may already be available through existing sources, like the Federal Human Capital Survey and the Federal Benefits Survey that ask Federal employees about their satisfaction with telework. But, in any case, we believe that OPM and the Chief Human Capital Officers Council, the CHCO Council, are well positioned to sort through these issues and to consider what information might be most useful.

Let me just say in closing that we would be pleased to continue to work with you and your staffs. We look forward to it, and with that, I would be happy to answer any questions. Thank you.

Senator AKAKA. Thank you very much, Ms. Steinhardt, for your statement. I understand your questions and your statement about consistent definitions.

Mr. Green, according to your agency and GSA, telework is defined as "the ability to work at a location other than your official duty station." Agencies, however, may define telework differently when it comes to reporting the number of eligible and participating employees. One hundred forty-one thousand Federal employees currently telework, but we do not know what that really means without a uniform definition.

Mr. Green, how do you define telework as it relates to eligibility and participation? And what is your plan for developing a more uniform definition of telework?

Mr. GREEN. Yes, sir. First of all, I agree with you 100 percent. The definitions needed work and specificity because they were too broad and ephemeral to be useful. So, we worked with agency telework coordinators and others over the past few years to come up with a new set of structured definitions, which we have incorporated into our most recent report using the 2005 data. We expect this report to be issued in the next few days, and the report using the 2006 data, which we are now analyzing and will be issued subsequently.

These new definitions take into account current legislation, which says that employees are eligible to telework with certain specified exceptions, primarily those who work with classified infor-

mation, or whose presence on the job is absolutely necessary every day.

We have defined telework participation based on three separate telework frequencies: 1 or 2 days a week, 3 more days a week, and less than 1 day a week but at least 1 day a month so that we capture a broad range of information but still structure it based on the current status of telework. I think that will lead to more consistency across agencies in our reporting.

Senator AKAKA. Thank you.

Mr. Kaczmarczyk, telework centers such as the one in Honolulu can offer Federal employees a more convenient location to commute to than their regular office location. Public-private partnerships help facilitate these remote sites. What is GSA doing to forge public-private partnerships?

Mr. KACZMARCZYK. All of the telework centers that we operate currently operate under an agreement with some sort of public-private partnership usually involving a university such as George Mason University or Bowie State University, so maybe public-public is better. There is also one that is with Lockheed Martin. There are collaborative efforts that are funded by GSA. The users are charged fees to use the telework centers. And in addition to being used by Federal workers, they are also eligible to be used by private sector users. I have myself seen many private start-up companies using the telework center in lieu of renting office space until they get on their feet. Many of the universities that we work with will actually work with small businesses to help them set up a business and develop and grow until they can find office space and be successful on their own. And they are tremendous community resources.

So, in a sense, they are not strictly Federal facilities, but they are, both in terms of the operations and management and in terms of the use, true public-private partnerships.

Senator AKAKA. Have you identified a list of private companies that are able to address some of the security and logistical challenges of teleworking? And how are you sharing this information with participating agencies?

Mr. KACZMARCZYK. We have actually worked with Booz Allen Hamilton, a consultant to GSA, when we published those two studies I mentioned in my statement that take a pretty thorough look at the different information technology barriers and needs. And we have identified solutions for every existing information technology and security barrier that there is for telework. And we have disseminated that information to the Federal Government.

Senator AKAKA. Mr. Dudas, how did the Patent Office convince its leaders and managers to support telework?

Mr. DUDAS. The leaders really had to be convinced originally by some very bright people within the office who recognized the good that could be done and that telework would improve morale. Managers who were just honored at the tenth anniversary of our program went to leadership at the highest levels to request we get this done. Then it was just a matter of making certain all the managers realized this is our direction and vision.

I was not there at the time, but there were pioneers who were. It really took some guts at the top and then the managers had to be trained well.

Senator AKAKA. Since you have been working with telework, what advice would you have for other agencies struggling to get buy-in from their leadership?

Mr. DUDAS. I would say take a look at the issues you have facing your agency, the problems you face, and find out how teleworking can help you. Now that we are hiring 1,200 patent examiners a year, we would not fit in our space without telework. We have a new building that it took 20 years to get in place, and we would not even fit in our space without telework. So teleworking actually is the solution to a lot of the issues we have. I would say to leaders of agencies, just tell people you are going to get it done.

Senator AKAKA. Thank you, Mr. Dudas. Senator Voinovich.

Senator VOINOVICH. Senator Stevens, do you have some other things to do and would you like to go next?

Senator STEVENS. Go right ahead.

Senator VOINOVICH. OK. Mr. Kaczmarczyk, one of the conclusions from the GSA's May 2006 Telework Technology Cost study was to expand telework to a significant number of an organization's staff—25 to 50 percent—the organization needs to be able to provide basic telework infrastructure, services, and technology to its teleworkers.

What is GSA doing to monitor the status of an agency's ability to support telework, including making sure that telework program investments will achieve cost savings over time? You have to have the money to put the infrastructure in and I would be interested in how GSA approach this?

Mr. KACZMARCZYK. Unfortunately, our role is basically to do the analysis, to publish it, and to educate Federal agencies. We do not really have any oversight role as to how they spend their IT money, but the study was actually pretty interesting if you go through it in detail because it said that a lot of the money that you need to spend for IT infrastructure in support of telework is already being spent in terms of continuity of operations programs, emergency preparedness, supplying workers with laptops who travel to make presentations. So it is really more a matter of coordinating what is already being spent more so than it is spending additional funds. And so our job is really to educate, I think, the chief information officers, and we did brief one of their subcommittees, and we need to do some more work with them to educate the CIOs around the agencies about a more strategic way to plan their IT spending to include coordinating the spending for the telework programs.

Senator VOINOVICH. Mr. Dudas, you stated that the Patent and Trademark Office decided to offer employees more than a dozen telework programs tailored to the needs of different functions rather than take a one-size-fits-all approach. What makes this the best approach for USPTO? And what trade-offs are there in administering multiple programs?

Mr. DUDAS. Certainly, our benefits are that we have different people working in different jobs measured in different ways. We do measure just about everything at the Patent and Trademark Office. So it has given us the opportunity to tailor the programs to what

would be best for individuals within that job description. For patent examiners and trademark examiners, having an almost full-time work-at-home program seems to be the very best program. For patent judges and trademark judges, it has been the same thing.

The trade-off has been that we do not have a one-size-fits-all program. This means we have to be able to evaluate each job description carefully, making certain that we are testing each program and making certain that it is getting good value and that it is getting the intended benefits. That is why having one coordinator working throughout the USPTO has made it very easy for us to make those trade-offs. We can recognize which programs are being successful. All the numbers I gave you before are only programs that we think are successful. We have other programs underway. And another issue is, we have three different labor unions within the Patent and Trademark Office. We certainly want to make certain all employees feel that they are being treated equally.

Senator VOINOVICH. And in terms of the labor unions, they have been cooperative with——

Mr. DUDAS. They have. In fact, we have a press release that was just released as we came in today. NTEU has lauded the cooperative efforts that they have had with the USPTO and other agencies in bringing teleworking to the forefront. Cooperation with the labor unions is important because we are bringing benefits to the employees.

Senator VOINOVICH. You talked about productivity and reduced office space requirements. Have you really been able to measure increased productivity because of this?

Mr. DUDAS. I would probably put a caveat that we have seen increased production. Per hour productivity has not gone up, but what we have seen is that the people who have gone to work at home are as productive. We measure productivity down to the tenth of an hour in the patents area and down to the quarter of an hour in the trademarks area throughout the year. Every 2 weeks there is a report. We have seen that people who are working at home are as productive or more productive, but we also see that they have a couple extra hours where they might work. So if you look overall at how much work someone working at home can get done in a year, they tend to get more work done because there is less time on the road. So as for productivity per patent examination per employee, we see that going up, and we see that per hour productivity is at least as good.

As to your other question on building space, we used to be located in Crystal City. When we expanded our teleworking program in 2003, we cleared three floors in Crystal City. That saves a million and a half dollars in rent a year—a very obvious savings. Then when we moved into our new campus in Alexandria, we were able to build those costs in as we expanded the number of people that we had in place. We now have a hoteling concept. You do not have an entire office to yourself all week and have your work station at home. You hotel. So we have seen a cost savings—a very real measurable savings in terms of both dollars and space. And, again, we would not fit in the campus we have now if we did not promote teleworking as aggressively as we have it.

Senator VOINOVICH. In terms of the workload, you have an idea what a good worker would produce in terms of their examinations?

Mr. DUDAS. Yes.

Senator VOINOVICH. So what you are saying is that they do as well as or better than if they were sitting in an office at Crystal City?

Mr. DUDAS. Yes. We have a bonus structure. If you get beyond a certain amount done, then you get a bonus for doing more work. We see more people working at home going for the highest bonuses or at least the minimum level of production. We see them doing as much or more than people at the office.

Senator VOINOVICH. So it is the workload rather than the time that generates this?

Mr. DUDAS. Yes. I do not think I was entirely clear. We find that on a per hour basis they are about equally productive. But we find that people who are working at home tend to work more hours because—I will surmise a guess—they are not on the road for the extra hour or two.

Senator VOINOVICH. So the agency gets the benefit of that.

Mr. DUDAS. Yes, it seems we do.

Senator VOINOVICH. Thank you.

Senator AKAKA. Thank you very much, Senator Voinovich. Senator Stevens.

Senator STEVENS. Thank you, Mr. Chairman.

This bill would require each agency to have a telework managing officer or coordinator type of position. How many agencies have those now? Do you have one, Ms. Steinhardt? Do you have someone who manages a telework program?

Ms. STEINHARDT. At GAO?

Senator STEVENS. Yes.

Ms. STEINHARDT. Yes, we do. I think most of the agencies have telework——

Senator STEVENS. A full-time position?

Ms. STEINHARDT. Yes, at GAO, the telework coordinator is a full-time employee but with other responsibilities.

Senator STEVENS. All of you have a full-time position now?

Mr. GREEN. No, sir.

Mr. KACZMARCZYK. Not full-time. It is the responsibility of somebody in the HR Department.

Senator STEVENS. Well, in an area such as ours or any of these major cities, we had, when we started this program, envisioned the concept that if you took an office of 100 people, 20 of them would come in a day for 5 days. So there would still be a sense of belonging to the system, but we would reduce the traffic by 80 percent. We would reduce the need for parking in a city by 80 percent, and we could get an increased performance by the people because they could concentrate better in doing their work.

That does not seem to have happened, does it? We have not had the real—it sounds like the Patent Office may have, but I do not sense that the overall Federal agencies have concentrated on the concept of telework. Am I wrong?

Mr. GREEN. No, you are not wrong.

Senator STEVENS. Why can't that be done, Mr. Green?

Mr. GREEN. Well, it can be done. I don't know about a goal of 80 percent teleworking. I am not that far along with you on that. But we agree that more can be done.

Senator STEVENS. With the great advantages now of the whole net—the concept of computers and the networks of computers you can work on, I have the vision that so many people really are glued to their computer all day long. Am I wrong?

Ms. STEINHARDT. For many types of positions, absolutely.

Senator STEVENS. Well, have the agencies examined those positions to see how many of them could be done at home?

Ms. STEINHARDT. I think they have to some extent, and perhaps Mr. Green can shed more light on this. But I think the concern that we have and the issue that we have raised in our work is that the agencies really are not measuring—with some exceptions, PTO apparently—how much time or what people are actually—how they are using telework.

What we know and what OPM reports is how many people could be teleworking, how many agreements we have in place. But are they absolutely reducing their commuting time? Are trips being reduced? We do not have the capability now to judge that because agencies are not measuring for that.

So to answer your question, Senator Stevens, are we making progress, well, we need to have some good measures of progress, and then we will be able to tell.

Senator STEVENS. Well, I have the suspicion that the heads of agencies or the heads of divisions have the feeling that a teleworker is just someone who is going to go home and not work for the day, that there is no way of knowing whether they are actually doing their work. Is that a wrong impression?

Ms. STEINHARDT. I think that is a very important point, Senator Stevens. I am really glad you brought that up. We actually did a report about 10 years on telework, and in talking to some folks then, we found that the whole culture, the whole management culture really needed to shift. We still have remnants of this kind of industrial era of management by observation. I sort of picture a shop floor manager overlooking a factory floor.

You do not have to see your employees, you should not have to see your employees to know if they are getting their work done. You should be managing for results. And it is that kind of culture that we need to move to, managing for results.

Senator STEVENS. There is a great book, "The Soldier and the Great Warrior." I read that, in Italy, how the people on those floors made more mistakes because they were asleep, and just didn't quite keep going. No one was keeping awake. But it is one of those things——

Ms. STEINHARDT. Despite the observation.

Senator STEVENS. I really have to find some way to deal with the question of how we can increase the effectiveness of this now because it is getting to be even more important, I think, that concentration of our cities has increased to the point where it takes so long for an employee to get to work, it is so long for him to get home, that they are going to be more tired if they go through that traffic every day and their performance will be lower. It should be stimulated to do more of their work at home if it is at all possible.

I also want to commend you on the concept of having a telework center perhaps in places like Fort Meade or other places. That seems to be a reasonable alternative to having to drive into town to do nothing but sit in front of a computer and do the work you could do elsewhere.

How many of you are looking at that? Is your agency looking at that at the Patent Office?

Mr. DUDAS. Yes, we are. We are looking at the local teleworking commuting stations. In fact, the concept of the nationwide workforce for us really means that you could have telecommuting stations throughout the United States and people could choose where to live. So we think we are within 5 years of being able to do that, where there would be telecommuting stations throughout the country.

Senator STEVENS. You are all too young to remember it, but President Eisenhower had the idea of decentralizing the Federal Government so that we could reestablish the small cities of the country and give them an identity by virtue of having employees of a particular agency be a major portion of any such small city. Has that been accomplished at all through telework in any of your agencies? Have you had a concentration of people living so that they could have interaction together in a small location and still be part of the overall system in terms of the agency itself?

Mr. DUDAS. We have not yet at the USPTO, but that is what we are striving for within the next 5 years. In fact, we examine technology in every field, so perhaps it would be advantageous to have more of our examiners who work on high-technology working in areas where they can have more face-to-face interviews with people in Silicon Valley and Telecom Valley in Southern California. We think we will maximize efficiency both for our employees and for the patent system as a whole.

But I will say we are not there yet, but we believe we can be there within the next 5 to 10 years.

Senator STEVENS. What can you tell us of the plans to measure the effectiveness of this concept as far as plans for the future? Can we believe that we can move forward and get some type of human capital officer of the overall agency so that they could supervise these individual telework managers in, say, the bureaus of a major department? I worked in the Department of Interior here in Washington during the Eisenhower Administration, and everybody came to the same building every day, and everyone went home in the same traffic every day. It has gotten worse now. But I have never understood why we did that, why we concentrate an agency in downtown Washington when the separate bureaus should be around in various places and get together once in a while for a conference of the overall agency. I do not see any tendency toward that now, do you? Has the GAO looked at this concept? How can we get people out of downtown Washington?

Ms. STEINHARDT. Well, GAO certainly has people outside of downtown Washington. We have 11 field offices around the country, and we think it is really important to doing our job.

Senator STEVENS. Well, you have got the field offices. I know that. We have got one in Alaska, too, but I wonder sometimes if that is not really teleworking, that is just sort of regionalization.

Ms. STEINHARDT. Well, it is being closer to where the rest of government is and where the people are. But I think we have learned—and perhaps other Federal agencies as well—in the course of working with field offices, we have learned how to work with people at a distance.

Senator STEVENS. Let me just close, Mr. Chairman. I am sorry to take so much time. I know there is another panel. But when you look at the question of OPM—and you, Mr. Green, you are OPM, aren't you?

Mr. GREEN. Yes, sir.

Senator STEVENS. Have you had any concept of trying to have conferences of the managers, personnel managers from the various agencies, to encourage the use of teleworking?

Mr. GREEN. Yes, sir. Through our Chief Human Capital Officers (CHCO) co-counsel in February, we had a training session in which 50 individuals representing over 20 agencies attended. We presented best practices from three agencies, including OPM, and others spoke to share information on telework. PTO has participated in previous training conferences.

We also meet quarterly with telework coordinators from each agency and share best practices, discuss issues, discuss problems and ways to work around those.

Senator STEVENS. Well, could I just suggest this: That each of you think of what we might do to reduce what I would call the managerial resistance to telework.

Mr. GREEN. Yes.

Senator STEVENS. And see if we can improve this bill somehow by bringing about a mandate for periodic review of positions and periodic review of the effectiveness of the program to encourage teleworking in the various agencies. Would you give us your comments, please?

Thank you very much, Mr. Chairman.

Senator AKAKA. Thank you very much, Senator Stevens.

We will have a second round of questions here. For my second round, the first question goes to Ms. Steinhardt. You talked about implementing telework by using business cases. In your 2003 report, you recommended establishing a business case for implementing telework programs and for agencies to make appropriate adjustments for problems with identifying telework. Subsequently, you note that this was not the tactic used by agencies in moving forward with their programs.

For agencies who have not established a business case for implementation, is it too late?

Ms. STEINHARDT. Absolutely not, and I think it still remains essential. And I think listening to Mr. Dudas' testimony about what PTO did offers a very good object lesson in how to do it. If you have large numbers of people coming in, large new recruits, you have a business case to be made for retaining a skilled workforce in whom you are investing a great deal, and you need to be thinking about telework as well as a number of other strategies that are going to help you achieve that goal. You need to be setting the goal and thinking about how you are going to measure the use of telework in contributing to that goal.

Senator AKAKA. Mr. Green and Mr. Kaczmarczyk, agencies look to OPM and GSA for guidance in establishing telework programs. Could you each describe what the major problems you were told by agencies were in setting up those programs? Mr. Green.

Mr. GREEN. Yes, sir. In addition to the usual issues, of course, they are concerned with how to finance the infrastructure and tracking systems and how to ensure that the mission of the agency is being accomplished. We also hear frequently is that there needs to be greater support at the executive level for the agencies, and there needs to be greater understanding and awareness by both employees and managers. To that end, one of our strategic goals for this coming fiscal year is to introduce additional telework training into as many management training courses as we can.

Senator AKAKA. Mr. Kaczmarczyk.

Mr. KACZMARCZYK. Yes, thank you. Well, in addition to the basic how-to's, how to set up a telework program, what are the best practices, how to do a telework agreement—and all of that is available on the joint website, telework.gov—a couple of issues that have been identified repeatedly over the years is the IT and security issues. So we issued that guidance that I mentioned in my opening statement.

We have done numerous things with OPM over the years to try to educate managers as to how to manage teleworkers, how to manage by results. And just most recently, with the telework centers that we manage, we ran a promotion particularly aimed at managers in the Federal Government. There was a survey that was done by the Telework Exchange, who I believe are on the next panel, and one of the findings of the survey was that managers who had teleworked themselves were more favorably disposed towards a telework program because they understood what it was all about. They understood you could work outside of the office and get something done.

So we ran a promotion, and since the beginning of the promotion early this year, we have 40 managers across the Federal Government who have signed up to try teleworking at one of our centers. And just to put it in perspective, there are up to 14 centers; there are about 250 total seats across those 14 centers. So 40 potential new users who not only are going to use the centers themselves and hopefully stay on, as the enticement of the free offer is intended to do, is a good number in itself, but also if they go back to their office and realize that telework is a viable option for the people who work for them, hopefully that can fan out across that population.

Senator AKAKA. Thank you very much.

Mr. Dudas, I want to draw on your experience. Performance management is critical in any telework program. A loss of productivity because of a telework program really defeats its intended purpose.

What steps did the Patent Office take to ensure that there was no loss of productivity in an employee's performance and that their performance appraisals were not negatively impacted by their participation in a telework program?

Mr. DUDAS. Two things. One, we were fortunate at the U.S. Patent and Trademark Office that even before we began teleworking

we had solid performance metrics in place, measuring production down to the tenth of an hour and measuring quality based on objective factors. So essentially what we did was make certain that the same factor that applied for production, productivity, and quality applied at home as well as in the office. We cannot have a slip in productivity in either place.

The other thing is that piloting programs allows managers and employees to build confidence. For each program we have had, we have piloted it at first so that we have people who can experience the program, bring their experiences back, and show that good things happen because of the program.

For example, we began a pilot about a month ago where we have entire units who are telecommuting, that is the manager, the senior-level employees, and the junior-level employees. If that works, that will be the basis then for our nationwide workforce.

So we think having good measurements in place in the absence of telework is necessary. Keeping them in place with telework will protect the employee, and then have pilot programs.

Senator AKAKA. Well, thank you for that experience.

I would like to now pass it on to Senator Voinovich.

Senator VOINOVICH. I am interested in Senator Stevens' frustration with this thing not working as fast as it should. Is there anybody at OMB that is really interested in this issue who is promoting it through the agencies?

Mr. GREEN. Well, OMB has been very helpful recently by issuing guidance to all agencies about security, reinforcing the security issues involved and reinforcing the requirements that security of government property, and of government information——

Senator VOINOVICH. Is OMB, Clay Johnson and company, promoting teleworking throughout the Federal Government?

Mr. GREEN. I would ask them, sir.

Senator VOINOVICH. So you do not know. Does anybody know? Well, that may be one of the reasons why it is not moving as fast as it should.

Mr. Kaczmarczyk, you represent GSA. You have agencies coming to you all the time, and they want buildings. And I am sure you have to review them. But do you ever take telework into consideration when looking at an agency and ask, Gee, you are in here asking for more space, how much teleworking are you doing in your agency? That is another hammer that could be used to get agencies' attention in terms of the use of teleworking. You expect to do the job here in the Federal Government and you have got X space; a portion of that should not be needed because you have employees who are teleworking. Do you do any of that?

Mr. KACZMARCZYK. Yes. In fact, that is one of the functions of my office, the Office of Governmentwide Policy, as opposed to the part of GSA that provides space, which is the Public Buildings Service. It is our job to do that kind of due diligence, and we have worked with the Public Buildings Service over the years to develop a program they call "Workplace 2020," which basically will do that type of analysis, with the customer coming to PBS for space, and to make sure that they really need that much space, and to make sure they are taking a hard look at using alternative work arrangements, such as telework, in place of new office space. There have

been several successful pilot projects done across the country as a result.

Again, like all telework in general, even that pilot program is slow rolling out into the mainstream of Federal space use, but we are working very hard to have those kinds of discussions with our customers.

Senator VOINOVICH. If I came in as the Secretary of an agency, like the Nuclear Regulatory Commission, and want more space, would you say, "Do you really need all of this space?" And what percentage of staff in the NRC are working in telework arrangements? Do you ever ask those kinds of questions?

Mr. KACZMARCZYK. We would ask about those types of questions. Also, it comes up in the context of customers who are upset about the cost of their rent bill, and we actually worked with PTO on their program, even though it cost us—when they vacated those three floors of space, we had to take that space back and either find another tenant for it or buy out the space. So, we are trying to do the due diligence and making sure that agencies really do need the space.

We also did some work years ago with the Equal Employment Opportunity Commission who also were interested in doing more teleworking because their rent bills were too high and they were not getting the money in their budget, so we worked with them to work through the analysis of how that could be done. I think they may be still looking to implement that program. I am not sure if they have implemented it yet.

Senator VOINOVICH. Mr. Green, how hard is OPM pushing?

Mr. GREEN. We are doing a lot, Senator, and to put in another plug for my colleagues at GSA and OMB, we are all working to promote telework in as many ways as we can. We are particularly proud of the Telework Guide that we issued this past year that provides guidance to both employees and to managers on how to be an effective teleworker and how to effectively manage telework. We also work with the CHCO Council, as I mentioned before, we visit with agencies, we provide guidance to them, we review agency telework policies, and we help them resolve issues on a case-by-case basis. Director Springer has mentioned in numerous speeches the importance of telework, especially with the Career Patterns initiative that we have underway.

Senator VOINOVICH. Well, I am really happy to hear about the CHCO Council because that is something that we put in our legislation early on, back in, I think, 1999 and 2000 with Senator Akaka.

Mr. GREEN. It is very effective,

Senator VOINOVICH. Just as an aside, I would like to have John Salamone, Executive Director of the CHCO Council, give us a report about what you have accomplished in this area and maybe some other things.

Mr. GREEN. I am sure he would be delighted to do so.

Senator VOINOVICH. Best practices, getting people together, talking about it. Mr. Dudas, do any of your staff show up at CHCO Council meetings to share with them your best practices?

Mr. DUDAS. We do. I have not shown up, but our full-time coordinator has shown up. In fact, we have a website explaining our experiences so others can look at that as well.

Senator VOINOVICH. Ms. Steinhardt, have you determined a set of metrics that you have shared with OPM? Are you monitoring what is happening over there? Does OPM have standard reporting definitions and measures to ensure that agencies are reporting eligibility and actual participation separately? You need metrics to determine whether or not this is working, right? That is your job.

Ms. STEINHARDT. Exactly.

Senator VOINOVICH. Do they understand the metrics that you are using to judge their performance in this area? Or is that still up in the air?

Ms. STEINHARDT. Well, it is still up in the air. That is exactly the problem. There is not a consistent set of metrics and certainly not a complete set of metrics. When we looked at what was going on across the agencies, we found the shortcomings, and that is why we suggested that OPM take that role, along with the CHCO Council, working with all of the agencies through their CHCOs to come up with that set of measures, ones that will yield the intended results, or at least be able to observe intended results.

Senator VOINOVICH. Mr. Green, is it possible that you could get together with Ms. Steinhardt and talk about those metrics so that maybe you could report to——

Mr. GREEN. Senator, we were talking about doing exactly that before this hearing started.

Senator VOINOVICH. I am very glad we are having this hearing then. [Laughter.]

I think that the Chairman and I would be very happy to get a report back in the next 6 weeks about how you have come together on those metrics.

Mr. GREEN. Now I know we will do that.

Senator VOINOVICH. Thank you.

Senator AKAKA. Thank you, Senator Voinovich. Senator Stevens.

Senator STEVENS. I failed to ask you, Ms. Steinhardt, about your recommendation for a Chief Human Capital Officers Council. Could you explain that for us?

Ms. STEINHARDT. Yes, I would be happy to. As I was saying to Senator Voinovich, we recommended or suggested that Congress take some action here in having OPM work with the Chief Human Capital Officers Council to come up with that consistent set of metrics so that we could tell whether we were making progress and what kinds of progress we were making in the telework program.

Senator STEVENS. Has anyone followed the suggestion yet?

Ms. STEINHARDT. I think that was Senator Voinovich's intent in his suggestion for us to—well, for OPM to do precisely that, and we would certainly be happy to support them.

Senator STEVENS. You had that in your annual report last year?

Mr. GREEN. The recommendation? No, that was GAO.

Senator STEVENS. I thought that was a GAO request.

Ms. STEINHARDT. It was a recommendation in GAO's 2005 report, which we mentioned earlier.

Senator STEVENS. Well, what does OPM say about the data that you are getting from the agencies now concerning telework? Is it

such that you can rely on to really understand whether the program is working or not?

Mr. GREEN. I believe it is. Is it perfect? No, sir, it is not. We are working with the payroll providers to come up with a set of standard definitions and standards on what is telework. For example, if a person works from home 4 hours out of an 8 hour workday, is that a day of telework or not?

When you start doing electronic measures and information systems measures, you have to start examining fundamentals in order to build a report that is completely reliable. But we are doing that, and we are going to share that with agencies, and hopefully more and more will adopt it. Many agencies already have time and attendance systems that capture telework.

As was mentioned earlier, other agencies report their amounts of telework based on the agreements that they have in place. So there are differences. But when we get our survey information from agencies, we do not just report what they say and move on. We review it and compare it to what they previously reported. That is why it is very important to have consistency in our annual reports and to try to keep the data the same year to year. We make changes only if we think it is going to be an improvement.

But we take a look at the data and follow-up with agencies to ask questions about discrepancies. We scrub it. That is why it takes us a little while to issue a report. And when we issue a report, we believe it is a good snapshot of what is going on with Federal agencies and that it helps the Congress, OPM, and all Federal agencies see where they are and see where they need to be.

Senator STEVENS. Mr. Chairman, my closing remark would be that it is just too bad we exempted the Senate from this bill. I think we could have teleconferencing of hearings such as this and still be available and transparent to the public, and you could be in Hawaii and I could be in Alaska, and George could be suffering in Ohio's heat. [Laughter.]

Thank you very much.

Senator AKAKA. Thank you very much, Senator Stevens. Our non-contiguous States can certainly benefit by this.

Senator VOINOVICH. Mr. Chairman, the weather in Ohio is wonderful right now. [Laughter.]

Senator AKAKA. Yes. Well, I want to thank this panel. I am sure there are other questions, but I will keep the record open for about a week for Members to submit questions or statements that they have, and in some cases ask for you to respond to some of them. But I want to thank you very much. You have been helpful to us in further working on and crafting the bill that is there and even amending it so that it can be better. But we are relying upon you and your experiences to help us do that, so thank you very much again.

Now I would like to call up our second panel. On our second panel, we have Tom Davison, Trustee of the Board for Chapter 275 of the Federal Managers Association; Stephen O'Keeffe, Executive Director of the Telework Exchange; and David Isaacs, Federal Government Affairs Director of Hewlett-Packard.

As you know, we have a requirement here to take the oath, so I ask the three of you to please rise with me and take the oath.

Do you solemnly swear that in the testimony you give to this Committee, that it will be truth, the whole truth, and nothing but the truth, so help you, God?

Mr. DAVISON. I do.

Mr. O'KEEFFE. I do.

Mr. ISAACS. I do.

Senator AKAKA. Let the record show the witnesses responded in the affirmative.

Mr. Davison, will you please proceed with your statement?

**TESTIMONY OF TOM DAVISON,[1] TRUSTEE OF THE BOARD, CHAPTER 275, ENVIRONMENTAL PROTECTION AGENCY REGION 5, ON BEHALF OF THE FEDERAL MANAGERS ASSOCIATION**

Mr. DAVISON. Chairman Akaka, Senator Stevens, my name is Tom Davison. On behalf of the nearly 200,000 managers and supervisors in the Federal Government whose interests are represented by the Federal Managers Association, please allow me to thank you for the opportunity to present our perspective on the government's telework policies and recommendations to encourage the use of telework.

Currently, I serve as the Human Resources Officer for the Environmental Protection Agency Region 5, Chicago, a position I have held for over 4 years. I bring with me today 34 years of service in the Federal Government. Please keep in mind that I am here on my own time and on my own volition representing the views of FMA and do not speak on behalf of EPA.

In Region 5, I provide guidance to employees and managers about the EPA program and represent the region in dealings with our local union. In Region 5, we have about 560 employees participating in our regular telework program; 350 on episodic telework and others using telework in the event of a temporary medical condition or disability.

While I am pleased that well over half of EPA's employees are enrolled in telework, we still have more to learn about the impact of telework in the workplace.

As managers and supervisors in the Federal Government, we at FMA are committed to being responsible stewards of taxpayer dollars. Telework has the potential to revolutionize Federal agency operations and is a vital resource in meeting the challenges of retaining experienced professionals and recruiting talented employees. Creating a flexible and modern workforce to compete with the private sector demands innovative management techniques and supervisory training. At the same time, we must be mindful of management concerns regarding telework administration.

In conjunction with FMA, the Telework Exchange completed a first-of-its-kind study of Federal managers' perceptions of telework in which over 45 Federal agencies and departments participated. The study revealed that as managers become more involved in telework, they express more favorable attitudes towards it. Sixty-six percent of managers who supervise teleworkers find that they are as productive as their in-office counterparts.

[1] The prepared statement of Mr. Davison appears in the Appendix on page 78.

Nevertheless, the study also found that Federal managers' perceptions of the drivers of telework are not aligned with that of the agencies. Managers view the balance between work and private life and the impact on recruitment and retention as major telework drivers. Conversely, agencies perceive continuity of operations planning as the purpose of telework. We believe this finding indicates agencies need to embark on programs to educate managers on the priorities for and agency mission benefits of embracing telework as a standard operating procedure.

These survey results highlight that supervisors are ambivalent about whether employees can get their work done effectively at alternative workstations. We at FMA believe managers should have the flexibility to decide which employees can participate in teleworking programs. If an employee is underperforming or requires more supervision, they should not be allowed to telecommute. Establishing clear guidelines and goals before using telework will help ensure no one takes advantage of the system.

Managers cite fears of not having control over employees and productivity issues as the top telework inhibitor. Strong policies and clear procedures need to be in place before allowing employees to telework. This will ensure employees to know what is expected of them and allow them to focus on their work. Improved performance management systems would also help alleviate management concerns.

Currently, OPM offers two free online training courses to teach managers, supervisors, and employees how to make the most of telework arrangements and to make them aware of their responsibilities, agency responsibilities, and Federal policy on telework. EPA supervisors are expected to take the course, and any EPA employee who wants to participate in the program must also complete the course. We encourage all Federal agencies to use these programs. Without educating managers and employees regarding these opportunities, participation will not advance. Training is an essential part of helping both employees and the agencies realize the benefits of teleworking. We support these training programs and believe they will be vital to the success of and participation in those programs.

In order to assure success of telework programs, we ask Congress to consider a separate line item in the appropriations process to ensure training programs are properly funded and administered.

Thank you for your time, and I would be happy to answer your questions.

Senator AKAKA. Thank you very much, Mr. Davison.

Mr. O'Keeffe, you may proceed with your statement.

## TESTIMONY OF STEPHEN W.T. O'KEEFFE,[1] FOUNDER AND EXECUTIVE DIRECTOR, TELEWORK EXCHANGE

Mr. O'KEEFFE. Subcommittee Chairman Akaka, Senator Stevens, thank you for the opportunity to speak to you today. I would also like to take a moment to thank Senator Stevens and Senator Landrieu for introducing S. 1000, the Telework Enhancement Act of 2007. My name is Steve O'Keeffe, and I am the founder of the

[1] The prepared statement of Mr. O'Keeffe appears in the Appendix on page 85.

Telework Exchange, a public-private partnership focused on unlocking the gridlock in Federal telework. Our partnership includes Federal agencies and leading private sector companies.

I sit here before you as the voice of Federal employees and agencies on this telework issue. We have had more than 5,000 Federal employees register on the Telework Exchange website to understand the cost of their commute, the cost savings they can realize by teleworking, and the ability for their teleworking to reduce effluent and pollutant into the environment.

We have spent hundreds of hours listening to Feds talk about telework successes and challenges, so let's consider the view from behind the wheel. How does commuting look for Feds in America? A few data points.

How bad is the commute? Feds spend more time commuting than they do on vacation each year, some 245 hours per annum.

How much are we spending on commuting? At $3 a gallon, the average full-time Fed commuter spends $1,656 a year on gas alone. Consider today as gas prices approach $4 a gallon.

How much gas are we burning? The average Federal employee uses 530 gallons of gas per year. Feds eligible to telework that are not doing so could save enough gas to fill more than 5,000 Boeing 747s each year.

Let's consider what this means for survivability or business continuity of government. Consider one case: Pandemic planning. The Federal Government will grind to a halt in the event of a pandemic outbreak. According to a recent study, just 27 percent of Feds note that they will show up at the office should America start to sneeze. My testimony showcases four factors:

Weak rules of the road. Legislation so far is a sad tale of insufficient horsepower and misfires.

Road blocks. What is stopping agencies from putting telework into gear?

Race leaders. Agencies that are getting it right and how we can use their example and proven best practices to guide telework adoption.

And turbocharging. S. 1000, how the legislation allows us to get more out of the Federal telework by focusing on generating greater horsepower from the engine.

Considering the existing rules of the road, the 2000 legislation on Federal telework required agencies to ensure that 25 percent of eligible employees would be empowered to telework within 6 months, with an additional 25 percent qualifying year over year. Hence, 100 percent of eligible Federal employees will be working by 2005.

That did not materialize. In fact, OPM's latest report finds that only 19 percent of Federal employees are actually teleworking. Congressman Frank Wolf of Virginia inserted provisions into the 2005 omnibus spending bill to reprimand agencies within his Subcommittee's control if they fail to meet the telework law requirement. Regrettably, Congressman Wolf's legislation proved a paper tiger. The Subcommittee did not enforce the appropriations holdbacks. It is time to establish some legislation with some real authority.

So let's consider the road blocks. If this riding in a car is such an awful disease, why aren't agencies lining up for the telework

cure? Lack of ownership. Telework coordinators within the agencies are overrun. The majority of telework coordinators spend less than 25 percent of their time on telework issues. They do not have the time to effectively promote telework in their agencies.

Eligibility. There is no consistent framework or eligibility criteria. OPM reports that 81 percent of eligible employees are not teleworking, but a recent survey by CDW–G reveals that 79 percent of Federal employees would telework if given the option. Something does not add up. That is why we at the Telework Exchange have introduced a new telework eligibility gizmo which allows Federal employees to go online and identify their eligibility within seconds.

Management intransigence. Telework coordinators rate management resistance as the number one obstacle to Federal telework adoption. Just 35 percent of Federal managers believe their agencies support telework.

Productivity. We hear many managers are worried about productivity. USPTO and Department of Justice studies have shown that productivity increases of 10 to 70 percent can be realized through telework initiatives.

Security. A recent concern shows that Federal teleworkers are, in fact, more secure than the majority of their in-office colleagues. Too many in-office colleagues actually carry their files home, and that practice was the driver for the Department of Veterans Affairs' security breach last year.

Despite these road blocks, there are many agencies that are speeding ahead. DISA, IRS, FDIC, TIGTA, and the USPTO are leaders. One factor they have in common: The management of these agencies all support telework. DISA has reversed conventional thinking on telework eligibility, establishing eligibility as an opt-out rather than an opt-in management decision.

I ask you to consider the potential to cross-pollinate the factors that have driven successes. S. 1000 provides a series of solutions.

Not enough driver's ed. Twenty-five percent of telework coordinators is not the answer. S. 1000 creates the telework managing officer position to implement, promote, and expand telework programs within each agency.

Who gets to drive policy confusion? Each agency has its own telework eligibility policy which drives mass confusion about who is allowed to telework. S. 1000 confronts this issue head on by turning the tables on eligibility so that everybody is eligible until proven otherwise.

Poor policing. S. 1000 addresses management training on telework by requiring training for new employees and managers.

Legislative paper tigers. S. 1000 requires annual reporting from the Government Accountability Office to track telework adoption effectively before Congress, putting teeth for the first time in the jaw of telework initiatives.

Mr. Chairman, in closing, I ask you to take this opportunity to support S. 1000 and put telework into drive. I look forward to answering any of your questions.

Senator AKAKA. Thank you very much, Mr. O'Keeffe. Mr. Isaacs.

**TESTIMONY OF DAVID ISAACS,[1] DIRECTOR OF FEDERAL GOVERNMENT AFFAIRS, HEWLETT-PACKARD COMPANY**

Mr. ISAACS. Chairman Akaka, Senator Stevens, good afternoon. My name is David Isaacs. I am Director of Federal Government Affairs for the Hewlett-Packard Company here in Washington, DC. We appreciate the opportunity to speak with you today and share our views with you on teleworking within the Federal Government. We would like to express our appreciation to Senator Stevens for his leadership in this area and express our support for the Telework Enhancement Act of 2007.

Our views in this area are informed by two perspectives: One is as a technology provider to the Federal Government where we provide solutions to government, including teleworkers; and, second, as a major U.S. corporation that offers a range of teleworking arrangements to our employees. We have over 10,000 employees in the United States that are teleworkers, and thousands of others work remotely from time to time, including myself.

I think our company has achieved the benefits that have been articulated about teleworking, including business continuity, increased productivity, worker satisfaction and retention, and environmental benefits, and we have been recognized by the U.S. EPA in receiving their Commuter Choice Award.

In short, I think telework is a good example of how technology can help the government and society at large address major societal challenges. I would like to focus today on some of the perceived obstacles that are preventing the adoption of greater teleworking and discuss ways that technology can address those concerns.

First, you have heard security mentioned a couple times today and the widely reported incidents like the Department of Veterans Affairs' lost laptops. The HP solution to this problem is by offering laptops or notebook computers that have security features embedded into them. For example, we offer the government teleworker notebook computers that have biometric access features, software programs that allow laptops to be tracked down and recovered, and as well as remote wipe capabilities in which data on a computer can be erased remotely.

Senator STEVENS. What is that? Say that again?

Mr. ISAACS. Software in which the data on a computer hard drive can be erased remotely over the network.

You have also heard from the government panel that there are different types of workers with different teleworking needs, and we think that those needs need to be addressed as well. There is no one-size-fits-all solution for the teleworker, and, therefore, we recommend that procurement decisions take into account these different needs and allow for different computing, printing, voice, and other features that the individual worker may need and choose a vendor that can address all those needs comprehensively and allow for growth and change as technology evolves.

I know another concern is with remote service and support to employees working offsite, and we think that can be addressed through technical solutions like online support and next-business-day services, and the like.

[1] The prepared statement of Mr. Isaacs appears in the Appendix on page 93.

Finally, another concern that we have heard is the lack of face-to-face collaboration with remote workers. One way of addressing that, certainly at the telework center level, is through videoconferencing. We think that it makes sense for these telework centers to install videoconferencing and capabilities, and HP, for example, has one solution that we call a "Halo Virtual Collaboration Studio" that enables direct capability and would allow you, Senator Akaka, to hold this hearing from Hawaii and, you, Senator Stevens, to be in Alaska, and allow the same level of productivity as if you are in the same room, whether you are across town, or across an ocean.

So the bottom line is that we think that technology can readily address the concerns that have been articulated and make teleworking as common and as productive as working in the office.

In conclusion, we would like to express our support for Senator Stevens' bill and emphasize the role that technology can play in promoting telework, and we thank you again for the opportunity to present our views. Thank you.

Senator AKAKA. Thank you very much, Mr. Isaacs. I want you to know that your full written statement will be included in the record.

Mr. Isaacs, as you mentioned in your testimony, information security is a critical concern when dealing with telework. The loss of laptop computers—and you mentioned that—the mishandling of information, and the security of working from a remote location cannot be overlooked. What should agencies be doing that they currently are not doing to improve their security policies to prevent loss of information?

Mr. ISAACS. Well, as I articulated in my testimony, I believe that purchasing decisions for the remote worker need to incorporate security requirements into those procurement policies, and security can be achieved in many ways. I mentioned biometric access to ensure that only authorized individuals have access to that device. Then accidents do happen. We know that. So to ensure that devices can be tracked remotely and located as well as what I refer to as the remote wipe capability, which is the erasing of data remotely, those are kind of basic security safeguards that we think need to be adopted and including in Federal purchasing decisions.

Senator AKAKA. Mr. Davison, we have seen in the telework survey and heard in testimony that the culture of an agency can present one of the greatest challenges to implementing a vigorous telework program. I understand that you manage employees who telework and coordinate telework policy. Based on your experiences, what can employees or managers who want to telework, do to change the culture of an agency to promote telework?

Mr. DAVISON. I think it is the expectation that is set by top management and then down through the management chain that teleworking is expected, that it is the norm, that it is what we want to see. I think that is happening in Region 5. I think our employees understand that our top management does support it. I think that the struggle that individual managers have is that the individual likes teleworking, they like to make it available to employees. We receive strong support from our union to do more with teleworking. But the difficulty often is to deal with the employee who is in the

position that might be susceptible telework but whose performance or conduct leaves the supervisor in doubt whether they are a good candidate for that program. And we have a great deal of difficulty dealing with that situation.

The other issue that I have not heard discussed here as much, but I know a lot about it in the Human Resources office, is that teleworking is now seen as a very desirable method of reasonable accommodations for employees with disabilities. And some of these disabilities are very clear to us. People may have heart conditions or they may have cancer, and we are very sympathetic to it. Other disabilities are of a more chronic nature, dealing very often with mental health problems. And, again, we want to provide employees an opportunity to work at home, but I think the managers have concerns about how successful the employee will be if they are suffering from a severe medical condition.

Senator AKAKA. Mr. O'Keeffe, the Telework Exchange has been promoted as a resource for agencies. However, it seems that dispelling some of the myths of telework and changing the cultural barriers continues to be a challenge. What events, activities, and programs has Telework Exchange developed to promote telework at agencies?

Mr. O'KEEFFE. Thank you, Chairman Akaka. We have engaged in a series of studies working collaboratively with the Federal Managers Association to look at management resistance. Consistently, we hear a number of objections. One of the primary objections is management resistance. And so as we continue to slap each other on the back and talk about the virtues of telework, if we do not include the managers who in many circumstances are put forth as the principal obstacles to rolling out telework as a standard operating procedure across major agencies, then we are never going to understand what their attitudes are and start to turn those people. So working collaboratively with the managers to understand their perspectives, I think, has been very important.

You mentioned earlier concerns about security, so when the Department of Veterans Affairs' laptop goes missing, it makes headlines and it is a very major issue, not just from a security standpoint but in terms of Americans' faith in their brand of government, where they have confidence in their government. And so as we investigate that situation, what we find is that the person who lost the laptop was indeed not a teleworker. They were a regular employee who took their files home with them on a regular basis. And we recently conducted a new study which looks at, is the government walking the walk on security. And what we find is that mobility is increasing exponentially. The number of Federal employees using laptops has increased exponentially year over year. I think something like 40 percent of the people using laptops in the Federal Government have started using those laptops in the last year. And when we ask those employees what percentage of them have encryption loaded on their laptops, what percentage of them have been trained on appropriate privacy and policy, what we find is that the teleworkers are exponentially better educated, better equipped to safeguard that information.

We also put together a magazine that comes out every other month called the *Teleworker,* which focuses on telework issues, pro-

moting successes, challenges, and opportunities in telework. We host meetings every other month called the Visionary Committee meetings where the agencies and the private sector come together to cross-pollinate best practices. We have a town hall meeting that takes place once a year, which is a conference specifically focused on telework.

So there are a large number of activities that we are engaged in from studies to publishing to meetings and the like in order to provide a platform for cross-pollination of best practices and education.

Senator AKAKA. Would you say that Telework Exchange has a training program for managers and employees on telework?

Mr. O'KEEFFE. We have actually put forth to OPM a program where we would work with organizations like the Society for Human Resource Managers to provide training to Federal managers on best practices, not just for managers but also for employees, in terms of teleworking, and we are awaiting a response from OPM on that issue.

Senator AKAKA. Senator Stevens.

Senator STEVENS. Thank you, Mr. Chairman. Mr. O'Keeffe, you have mentioned the problem of the VA—we have to find some way to make sure that Federal employees know that security information cannot leave the office in their personal computers or be taken home by them. I think we all would agree with that.

We noticed your study, but I wonder if one of the defects is the failure of the agencies to develop the systems of signing out. All you have to do is have your fingerprint and security access, or some combination of security access, and access from home as a teleworker rather than take home these documents, as was the case of the VA employee that cost the loss of so many addresses.

Have you examined that at all in terms of your relationship with the agencies as to what we could do to increase telework by convincing those that are taking the stuff home illegally, that they should just stay home and do it and access from home? [Laughter.]

Mr. O'KEEFFE. We are constantly engaging with agencies. I think that what you see is there is a cadre of telework advocates in the agencies, and what we need to do is work with OPM. You mentioned the issue where is OMB in this discussion, and we would like to know and work more closely with OMB and OPM on these issues, and we appreciate your leadership. I think that the challenge today is how do we take telework to the next level, and that is why we really applaud your efforts in S. 1000, because we think you hit a lot of the issues right on the head.

Senator STEVENS. Well, I would make the same request of you that we did of the other panel. If you have any suggestions for improvements, I would like to have them. The Subcommittee would like to have them.

Mr. Isaacs, thank you for coming in from the private sector to tell us about your experience. Could you answer just one question? What about the potential for a promotion from a teleworker as compared to one that is in the office? It seems that the people who get the promotions are the ones that are within sight or reach rather than at home? Have you made any study on the potential for promotion for teleworkers?

Mr. ISAACS. Well, Hewlett-Packard is a global company, and we have managers, senior executives all around the world. I think that their promotion prospects have not been hindered by failing to be at headquarters. My boss is based at Palo Alto at our corporate headquarters, Palo Alto, California. I run our DC. office. I have been promoted several times even though we are 3,000 miles away. I just think it is ingrained into our——

Senator STEVENS. That is the reward for staying in the city, I think. [Laughter.]

Mr. ISAACS. True. I think it is ingrained in our corporate culture, and many companies in the private sector, that—the term "manage by results" was used earlier. I think that is the way it is in the private sector. Obviously, a certain amount of face-to-face contact is necessary and appropriate, but much of the work can be done through remote means. I do not believe it is a barrier.

Senator STEVENS. Thank you. Have you done any studies on the potential for promotion for those who are teleworking as opposed to those who are in the office?

Mr. O'KEEFFE. We have not as yet put together that type of study, but it is actually in the pipeline, so we would love to come back and talk to you about the results of that study as it comes out.

Senator STEVENS. Have you run across anything along that line, Mr. Davison?

Mr. DAVISON. I have not seen studies, but I know that our managers are nearly all teleworkers, and so I know it is not an impediment to their advancement.

Senator STEVENS. All right. Good. And your managers, are they teleworkers on a 1-day-a-week, 2-day-a-week situation?

Mr. DAVISON. It probably varies. Probably not more than 2 days a week, and certainly at least 1 day a week. That is what we are encouraging as part of our COOP exercises, that our managers learn how to telework.

Senator STEVENS. Good. Thank you very much, Mr. Chairman. I am sorry to say that quorum call going off means I have to go to the floor. I appreciate very much your holding this hearing.

Senator AKAKA. Well, thank you very much, Senator Stevens. You have been a champion in this. We are looking forward to implementing some of the advice that we have been hearing, and we put this hearing together to try to get all the information we can on what is happening out there. As we look to the future, there need to be changes, and as you mentioned, costs, traffic, and all of that, it is not only a future impediment or future problem, but it is a problem that is now. And so we need to get to work on this as quickly as we can, and we would really encourage you to contact us with additional information that you have.

As I mentioned before, there will be questions from Members of the Committee as well, and we will keep the record open for a week for that.

Again, there are many other questions that we have, but I want to thank all of you and the witnesses for your responses, and I look forward to working with you.

This hearing is adjourned.

[Whereupon, at 4:30 p.m., the Subcommittee was adjourned.]

# APPENDIX

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**STATEMENT OF**
**DANIEL A. GREEN**
**DEPUTY ASSOCIATE DIRECTOR**
**FOR**
**EMPLOYEE AND FAMILY SUPPORT POLICY**
**STRATEGIC HUMAN RESOURCES POLICY DIVISION**
**OFFICE OF PERSONNEL MANAGEMENT**

**before the**

**SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT MANAGEMENT, THE FEDERAL WORKFORCE, AND THE DISTRICT OF COLUMBIA**
**COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS**
**UNITED STATES SENATE**

**on**

***Assessing Telework Policies and Initiatives in the Federal Government***

**June 12, 2007**

Mr. Chairman and Members of the Subcommittee:

I am pleased to be here today on behalf of Director Linda M. Springer of the Office of Personnel Management (OPM) to discuss the status of telework in the Federal Government. It is clear that telework has become an important human capital management tool for ensuring the Federal Government has an effective and flexible civilian workforce capable of meeting 21st century challenges. As Director Springer seeks to advance the Strategic Management of Human Capital component to President Bush's Management Agenda, we are seeing increased signs that Federal agencies are

keenly aware that telework is a useful tool which can help attract and retain a 21st century high-performing workforce that produces high-quality results.

We also recognize the relationship between telework and Continuity of Operations (COOP) planning as well as the impact telework can have on traffic congestion and energy consumption, especially in the National Capital Area where more than 280,000 Federal employees work each day. Additionally, telework can be used as a method to increase available employment options for individuals with disabilities.

I would like to discuss some of the more recent efforts OPM has undertaken which involve telework. First, as you may recall, last year Director Springer introduced our Career Patterns initiative. This new approach for bringing the next generation of employees into the Federal Government highlights telework as a High Impact HR Flexibility. In preparation for the looming retirement wave, we have encouraged Federal agencies to shift their thinking about the work environment to make it more appealing to non-traditional employees and applicants. We are pleased to see that many Federal agencies have begun to operate and hire using OPM's Career Patterns approach. Agencies have also developed workforce planning and marketing strategies to attract specific career pattern scenarios. These agencies have begun to improve work environments and to advertise the broad range of opportunities and arrangements that are available in their agencies.

Evidence of agency progress can be found in improved vacancy announcements that highlight worklife characteristics important to applicants, such as telework options, nontraditional hours, part-time work, and other flexibilities which can contribute to the accomplishment of agency missions. As Director Springer noted in her Performance and Accountability Report to Congress for Fiscal Year 2006, we have been particularly pleased with the progress the U.S. Patent and Trademark Office has been making with career pattern awareness efforts – particularly with respect to telework options. We are happy they are here this afternoon to testify about their efforts.

As I mentioned, we recognize that telework can also be a critical component for emergency COOP activities. Because of this, Director Springer initiated a telework exercise at OPM in September 2006 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 that did not allow access to our headquarters building in downtown Washington. While we encountered a few minor technical difficulties along the way, the overall exercise was 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. Working with our partners at the Federal Emergency Management Agency (FEMA), we are encouraging other Federal agencies to incorporate telework into their own COOP planning efforts.

Another area where OPM has been very active over the last year concerns President Bush's Implementation Plan for his National Strategy for Pandemic Influenza. In that plan, the President specifically directed OPM to update existing telework guidance to include information about teleworking in the event of a pandemic influenza.

In response to this requirement, OPM issued a revised comprehensive "Guide to Telework in the Federal Government" on August 3, 2006, which was distributed to all Federal agencies. This Guide, which is also available on the web at www.telework.gov, details the benefits of telework for managers and employees, as well as their rights and responsibilities in implementing telework. As required, the Guide also includes information about emergency planning, and specifically about pandemic influenza.

In addition, OPM is now visiting with Federal agencies – and specifically their managers, HR, and technical personnel – to provide comprehensive briefings on policies regarding pandemic preparedness and telework.

OPM is also using the Chief Human Capital Officers (CHCO) Council chaired by Director Springer to highlight best practices on telework across the Federal Government. In February 2007, the Council's Training Academy conducted a session with over 50 attendees representing more than 20 agencies. Attendees learned how effective and valuable telework is for the Defense Information Systems Agency (DISA), a DOD component involved with preparation for Base Realignment and Closure (BRAC) activities. In addition, the International Trade Commission's (ITC) Director of

Administration and the President of the local American Federation of Government Employees (AFGE) union co-presented their agency's telework tracking system, a technology solution which allows employees to establish their telework schedules with relative ease. OPM also shared highlights from our recent COOP telework exercise during this same meeting.

Mr. Chairman, in addition to these efforts, OPM is continuing to work with agency telework coordinators, hosting quarterly staff-level telework meetings to share best-practices across agencies and to provide a forum for airing agency issues and concerns. In addition, we visit with Federal agencies to provide technical assistance and guidance on telework programs and policies. We are also pleased that our continuing collaboration with the General Services Administration (GSA) has helped to further promote telework. We are particularly pleased with our most visible endeavor, our joint website, www.telework.gov, a one-stop shop for any agency HR professional that wants to start or expand their telework program. It's also a great place for employees and managers to go to learn more about telework. With OPM's expertise in human resources issues, and GSA's expertise in technical, equipment, and telework center issues, we are working hard to ensure that the ability to telework can be effectively implemented across government.

OPM also conducts an annual survey of agencies with respect to telework. In our most recent surveys for 2005 and 2006, we have worked to further clarify terminology and eligibility definitions in order to solicit more complete and focused data. In addition,

we are now seeking more detailed responses from agencies through these surveys with respect to information security, as it has become increasingly clear to us that, as a matter of agency policy, security concerns need to be effectively addressed, from a technological connectivity standpoint, prior to telework arrangements being implemented.

In terms of agency telework policies, we believe the Federal Government is continuing to make progress, though we would like to see even more progress made as I indicated. However, we are encouraged by the fact that all Federal agencies have implemented telework policies, and all agencies have designated a telework coordinator to facilitate their telework programs. In addition, while we will shortly be releasing the latest data from our most recent surveys now under review at OPM, we are pleased that during the Administration's first term, telework by Federal employees doubled from 72,844 in 2001 to 140,694 in 2004. At OPM, I can tell you that as of May, 2007, among our almost 5,660 employees, 928 employees telework at least once per month, including 638 employees teleworking at least once a week. So almost 1 out of every 5 OPM employees is currently teleworking. The telework numbers do not include our field investigators and test administrators whose principal duty station is their home since the work they do does not require them to report to a traditional workplace, thereby excluding them from OPM's definition of telework.

Mr. Chairman, your letter of invitation also asked me to address S. 1000, the "Telework Enhancement Act of 2007" which was recently introduced by Senator Ted Stevens. First, let me say that we appreciate Senator Stevens' longstanding advocacy for

Federal employees, and we appreciate the subcommittee's interest in moving this legislation forward. Director Springer has sent a letter on behalf of the Administration which outlines OPM's suggestions and concerns with respect to this bill. We are looking forward to talking more with your staff on how this language might best be modified. As the legislative process moves forward, we want to ensure our mutual goals can be effectively met with respect to enhanced use of telework by Federal managers and employees.

Let me make a few specific comments on the proposed bill, consistent with the letter we just sent to your subcommittee and to Senator Stevens. First, the bill would presume that all Federal employees are eligible to telework unless determined otherwise by their employing agency, with exceptions for Federal employees who handle secure materials or special equipment, as well as those who are assigned to national security or intelligence positions. We believe this presumption would be consistent with current OPM guidance on this subject. However, the bill would redefine telework as an arrangement where the employee regularly works at an alternate site at least two business days per week. We would recommend continuing with the current one day per week definition in order to provide maximum flexibility.

In addition, we believe that incorporating telework training at new employee orientation, as the bill requires, may not be the most appropriate timing for such training. Telework training, in our view, is training on how to be an effective teleworker, and we believe it is best taught "just before" or concurrent with an employee actually beginning

to telework. We agree, however, that new employees should be made aware of various flexibilities, benefits, and agency programs during orientation, including telework, and we agree that periodic reviews of employee telework arrangements should be conducted.

S. 1000 would also require each agency to appoint a full-time senior-level employee to be the Telework Managing Officer within the Chief Administrative Office, or comparable agency office, to oversee the agency's telework program and "serve as liaison between employees engaged in teleworking and their employing entity" – a role which is somewhat unclear given the relationships which still need to exist between managers or supervisors and their employees, regardless of whether they are teleworking. As I mentioned previously in my testimony, agencies already have designated telework coordinators – all of whom are listed at www.telework.gov. We work with these individuals regularly and they also serve as our points of contact with respect to our annual survey and data collection effort.

The bill would also require the Government Accountability Office (GAO) to evaluate each agency's telework policy, and publish a report that rates each policy and the level of employee participation. We believe it may make more sense to have OPM continue collecting agency telework implementation information since it is something we have been doing for several years now. We feel we already have a process in place for that effort – which provides a good benchmark for judging the effectiveness of telework policies and agency programs -- and we do share those results with the Congress and GAO on a regular basis, in addition to posting those results on the OPM website.

In conclusion, we believe Federal agencies recognize the value and impact telework can have with respect to strategic human capital management, effective COOP planning, traffic congestion and energy consumption. We are committed to working with GSA, GAO, this Subcommittee, and others to ensure telework policies are effectively managed and promoted. And we are prepared to work further with your Subcommittee and Senator Stevens with respect to S. 1000 as we appreciate and share your expectation that more progress can be made with respect to telework. Mr. Chairman, I would be pleased to respond to any questions you or other Members of the Subcommittee may have.

**STATEMENT OF**

**THE HONORABLE JON W. DUDAS**

**UNDER SECRETARY OF COMMERCE FOR INTELLECTUAL PROPERTY**
**AND**
**DIRECTOR OF THE UNITED STATES PATENT AND TRADEMARK OFFICE**

BEFORE THE

**SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT MANAGEMENT, THE FEDERAL WORKFORCE, AND THE DISTRICT OF COLUMBIA**
**COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS**
**United States Senate**

**"Assessing Telework Policies and Initiatives in the Federal Government"**

**June 12, 2007**

Chairman Akaka, Ranking Member Voinovich, and Members of the Subcommittee:

I would like to thank you for inviting the United States Patent and Trademark Office (USPTO) to testify today on telework policies and initiatives within the Federal Government. I commend you for holding today's hearing and for working hard to ensure that our Federal Government is in the vanguard of telecommuting efforts.

***USPTO Corporate Business Strategy***

The workplace today goes beyond just the walls that surround an office building. Currently, more than 3,000 of the USPTO's approximately 8,500 employees are participating in some form of telework.

According to the International Telework Association and Council, over 44 million Americans work remotely at least part of each week. And, according to the most recent Metropolitan Washington Council of Governments State of the Commute Report, 12.8%, or 320,000 of the region's workers currently telework at least 1.5 days per week.

Changing the boundaries of old workplace patterns allows for decreased commute time, greater control over workloads, and even a more balanced lifestyle. This all translates into increased employee productivity and satisfaction, as well as higher employee retention.

During my tenure at the USPTO, I have had an opportunity to witness a commitment by USPTO leadership to support our telework initiatives. At the USPTO, we believe that our workforce is a good candidate for a program that allows employees to work anywhere and the nature of our patent and trademark work certainly has facilitated robust telework programs. We believe that the USPTO's decision to incorporate telework as a corporate business strategy and for human capital flexibility will help recruitment and retention of our 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.

Agencies facing budgetary issues, facilities dilemmas, and staffing shortfalls can follow the USPTO's lead in expanding their workforce without acquiring additional physical space.

***National Workforce***

The USPTO is currently exploring the feasibility of creating a nationwide workplace where an examiner can work anywhere in the country. Three potential options are being analyzed: (1) expanding the successful Trademarks Telework and Patents Hoteling Program to create a more geographically diverse workforce; (2) creating regional offices, or a brick and mortar presence, in different locations across the country; and (3) a storefront approach which is a hybrid of the possibilities (1) and (2). The site selection criteria will include employment pool, quality of life, public transportation, and real estate costs.

The goal of this initiative is to meet current and future workforce requirements while minimizing costs of expansion, and specifically to increase our success in attracting the best and brightest employees from areas outside of the Mid-Atlantic Region, increase patent examiner retention rates, and manage the real estate costs associated with workforce expansion.

***rams***

ed in 1997, the Trademark Work at Home program began as a feasibility pilot of teleworkers partnered to share physical offices and alternate days at home with e office. Ten years later, this program is a leading, comprehensive program more than 220 employees (85% of eligible examining attorneys) who spend the of their work-week at home and share reservable space in the office through a rrangement. Employees make electronic reservations for their time in the office rm the majority of their trademark examination duties from home. Each is provided with the necessary equipment to establish a secure connection to y's network, and automated systems enable users to perform all of their on duties electronically.

er in the development of government telework programs, the Trademark Work program has proven to be an innovative telework prototype. It combines ent-by-objective with hoteling, which translates into documented space and st savings for the USPTO. By incorporating measurable performance goals in ation of worker performance, Trademarks has created a model of an extremely l telecommuting program for government agencies.

ry of this year, the USPTO received the 2007 Work-Life Innovative Excellence m the Alliance for Work-Life Progress (AWLP) for our Trademark Work at gram – the highest honor offered by the AWLP. In addition, in June of 2006 the k Work at Home program received the "Telework Program with Maximum

Impact on Government" award from the Telework Exchange. This award recognized that Trademarks has created an extremely successful telework program that can serve as a model for other government agencies. Other notable awards include those from the Metropolitan Washington Council of Governments, the Mid-Atlantic Telework Advisory Council, and the International Telework Association and Council.

The Trademark Work at Home program also demonstrates that flexibility of both time and location enables employees to maximize efficiency of working hours and is reflected by an increase in examining production by its participants. The phenomenally low attrition rate experienced with these teleworkers establishes that agencies facing recruitment and retention problems can offer similar telecommuting options to attract and retain qualified workers. A recent survey found that 99% 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.

There are numerous environmental benefits to working from home as well. Based on 49.35 miles roundtrip and an average of 30 MPG[1] the Trademark Work at Home Program saves 72,380 gallons of gas and reduces emissions by 1,140 tons annually. In addition, telework is critical for business continuity and also provides accommodation options for individuals with disabilities.

[1] Information prepared by Telework Exchange

The Patents Hoteling Program, introduced in 2006, is a flexible telecommuting program that provides participants with the option to perform officially assigned duties at an alternative worksite during paid working hours. Major elements of this program, which incorporates the use of collaborative communication technologies, include remote online access to all relevant USPTO patent business systems, job performance tools, patent information, and patent application documentation. The Patents Hoteling Program includes a hoteling component whereby participants can remotely reserve workspace for required time spent in hoteling suites located throughout the USPTO's Alexandria campus. To date, approximately 910 patent examiners have relinquished their office space to work from home four days per week. At this rate, 3,000 patent examiners will be working from home by 2011.

Using USPTO-supplied equipment, participants can remotely connect to PTOnet, and view patent applications, perform prior art searches, create and electronically sign necessary documents, and access timesheet reporting, electronic mail, and other support systems available at the USPTO.

I was extremely pleased when, just last week, the Patents Hoteling Program received the Excellence in Telework Leadership Award from the Telework Exchange. Patents received this award designated for programs initiated within the last 12 months, taking into account start-up challenges and early accomplishments.

The Patents Hoteling Program is providing employees with an improved quality of life by reducing their commute, giving them more options to balance work and family, as well as reducing stress. The program is realizing a reduction in USPTO office space requirements associated with increased hiring goals and achieving innovative means of flexibility and responsiveness by the Patents organization to meet its mission with respect to increasing workloads and changing technology.

In addition to providing superior technology for an effective and productive telework environment, the Patents Hoteling Program provides comprehensive training to hoteling examiners and to their supervisors. The examiner training includes information about using remote access tools, equipment set-up, collaboration tools, and troubleshooting for hardware/software problems. Supervisory training addresses supervisory responsibilities, techniques, and strategies for managing the performance of employees in a hoteling environment, and emphasizes performance-based management and communication techniques for successful employee performance. To date, 310 supervisors have participated in this training.

Teleworking for patent examiners also translates into additional time for the employee to achieve a better balance between work and home, and has made patent examining in the Washington metropolitan region more attractive to potential candidates who currently reside outside of the region. The program helps the USPTO to recruit from a highly qualified hiring pool and retain existing valuable employees.

***Other Programs***

Rather than taking a "one size fits all" approach, the USPTO has over a dozen additional formalized telework initiatives to address the specific needs of each business unit and their employees. All of these programs follow procedure set forth in the USPTO Enterprise-wide Telework Policy and are overseen by our Telework Coordinator.

In order to provide ongoing education about existing and new telework initiatives, the USPTO has created a Telework Resources Web Site on the USPTO Intranet site. This site also includes information about current telework pilots at the USPTO, case studies, current news articles, and provides links to various telework informational sites. All formal USPTO telework program guidelines and requirements are listed on this site as well.

In addition, the USPTO has established a Telework Working Group, comprised of business unit telework coordinators, that meets 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.

Position eligibility for telework is contingent upon the needs of the specific business unit. Eligibility is determined by position and category of employment. The USPTO excludes from eligibility those positions where the primary duties include face-to-face interaction with internal and external customers.

Prior to participating in a telework program, each employee receives instruction on how to access USPTO systems remotely. In addition, each teleworking employee must be fully versed in the USPTO's "Rules of the Road"- a guide that explains employee responsibilities when using USPTO information technology resources.

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.

***What We Have Learned***

During the course of the past ten years as we have incorporated telework as a business strategy, we have found that education, communication, training, and collaboration are integral parts of a successful telework initiative. We have also learned to start small, gather metrics, and continually revisit our telework strategies.

***A Progressive Model***

I believe that the Trademark Work at Home Program and the Patents Hoteling Program are progressive efforts that will continue to serve as models for Federal agencies and that they are some of the best telework programs that the Federal Government has to offer.

A USPTO employee recently sent the following note, which I thought, might be of interest to the Committee:

"Since I have been on telework, I have found that my initial apprehensions were unfounded and that I am now an enthusiastic supporter of telework, including managing staff remotely. Arranging to get the equipment, to set it up and to learn to use it was no problem at all. I don't feel isolated when working at home. I find that I have no problem staying in touch with and productively interacting with staff or co-workers. When I need help, help is always readily available. As for keeping the work flowing, I am at least as productive as I was when working full time at the Office, and in many ways, more productive. With all of my normal Office tools available and working just as well at home as at the Office, I find myself in a familiar Office setting doing the same kinds of work I do at the Office. In addition, it has been great to be more available to help at home when the need occurs. That availability, plus the time saved, and being freed from a difficult commute cannot be underestimated. Whatever my initial expectations were with respect to going on the Patent Managers Telework Program, those expectations were far exceeded when it came time to actually participate in the program. "

***What Makes A Successful Telework Program***

The USPTO has developed and implemented successful telework programs because it has insisted on a studied, incremental approach, always concentrating on meeting the needs of the individual business unit while maintaining enough flexibility to attract employees to the program.

Our telework programs begin with the gathering of statistics and metrics. Performance appraisal plans must contain specific goals so that clear expectations of employee performance are communicated. 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. Documentation of program expectations through guidelines and work agreements helps manage expectations of supervisors and employees. Pilot programs help us learn lessons promptly and modifications can be made quickly to allow for program success.

Involving labor unions in the development of telework programs engages employees and promotes buy-in. Telework is a win-win for employees and management and should be promoted as a voluntary benefit that will enhance quality of life for employees.

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. Practice using the technical tools and managing the expectation of what it is like to work at home helps teleworkers maintain high productivity and quality without feeling isolated from their colleagues at the office.

Teleworkers must have all the tools at home they need to successfully perform their jobs. At the USPTO, those who telework the majority of their workweek are provided the hardware and software needed to perform their jobs well, including a desktop on their home computer identical to that at the office. In addition, the USPTO either reimburses

teleworkers for their broadband costs or provides the high-speed connection that they need for relaying large amounts of data to the USPTO and its customers.

In summary, successful telework programs are comprised of well-trained employees who have all the resources they need at home to do their jobs well. Telework must be utilized as an agency business strategy to attract and retain the best and brightest employees. Management must provide clear performance expectations and manage change transparently. In return, telework will be seen as a way for agencies to meet their performance goals, avoid real estate costs, and improve the quality of life for their employees.

**The *"Telework Enhancement Act of 2007"***

We were pleased that Senators Stevens and Landrieu introduced the "*Telework Enhancement Act of 2007*" which would maximize telework participation within the Federal Government, and look forward to working further with the Committee on this legislation. Although Federal agencies have made great strides with their telework efforts and are far ahead of the private sector in allowing their employees to telework, further penetration could produce even more benefits.

Having a senior level telework coordinator at the USPTO demonstrates the significance and support that the USPTO gives to our telework initiatives. Our coordinator promotes telework by effectively communicating, to both employees and managers, our telework

policy and procedures, provides ongoing assessments of the programs, seeks program improvement and development and serves as a liaison between employees and managers.

The *Telework Enhancement Act of 2007* changes telework eligibility to make all federal employees eligible, unless determined otherwise by each agency, with exceptions made for employees handling secure materials or special equipment and those assigned to national security or intelligence positions. We feel strongly that more serious consideration should be given in deciding who is eligible for telework.

S. 1000 revises the definition of telework to be an arrangement whereby the employee works at an alternative work site at least two days per week versus the current definition of one day. Requiring at least two days per week would not provide sufficient flexibility for agencies and not permit them to implement telework in ways to fit their individual business needs.

For any telework program to be productive, managers must be totally on board. Without proper education and understanding of the benefits of teleworking, managers resist allowing their employees to telework because of concerns regarding productivity and fear of losing control over their employee's work product. However, once managers receive appropriate training and see that they are able to supervise teleworkers, or even telework themselves, their concerns are quickly alleviated.

As noted in S. 1000, all eligible employees should be encouraged by their agency's telework manager to participate in telework to the maximum extent possible. Telework officers should be aggressive in expanding the agency's telework programs, including proposing pilot programs for employees and mangers.

September 11th, Hurricane Katrina, and the potential threat of a flu pandemic have taught us the need to be prepared in the event of a disaster. Telework should be used by Federal agencies as a major component of any continuity plan.

***USPTO Demonstration Project***

We support a USPTO demonstration project that would give discretion to the USPTO to reimburse telework employees for travel expenses when reporting to the official Alexandria worksite. Under current GSA travel guidelines, if a telework employee has his or her Official Duty Station outside of the locality, the government is required to reimburse travel expenses when the employee reports to the official worksite. Agencies, therefore, are reluctant to allow employees to reside outside the local area due to increased travel costs. Giving agencies discretion regarding the payment of travel expenses in this limited situation would permit more teleworkers to voluntarily locate outside the area, assist agencies and employees in balancing work and personal needs, and help agencies with their efforts to retain valued employees.

***Conclusion***

In conclusion, as the nation's largest employer, the Federal Government should be the leader in telework policy. 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 offset the high price of gasoline, 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 works and is a winning proposition 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.

# STATEMENT OF

STANLEY KACZMARCZYK
DEPUTY ASSOCIATE ADMINISTRATOR

OFFICE OF GOVERNMENTWIDE POLICY

U.S. GENERAL SERVICES ADMINISTRATION

BEFORE THE

SUBCOMMITTEE ON OVERSIGHT OF
GOVERNMENT MANAGEMENT, THE FEDERAL
WORKFORCE, AND THE DISTRICT OF COLUMBIA

COMMITTEE ON HOMELAND SECURITY
AND GOVERNMENTAL AFFAIRS

UNITED STATES SENATE

JUNE 12, 2007

Mr. Chairman, Ranking Member Voinovich, 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 improving Federal Telework participation and current telework activity. GSA's partnership with the Office of Personnel Management (OPM) on the Governmentwide Telework Program is very active and well documented.

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 we believe they can and should be. Successful implementation of telework in the Federal Government involves culture change and pro-active senior leadership, along with useful policies, implementation guidance, program support, best practices, and effective tools. Over this timeframe, GSA and OPM have worked continuously with other Federal agencies to identify and provide the needed guidance and tools.

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 also 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, such 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. Thus, if an agency occasionally requires an employee to report to the employing organization's facility, the agency must pay for the travel to and from the facility since it is travel away from the employee's official duty station -- even though the need for travel results from the employee's personal choice of a telework site. These travel costs serve as a disincentive to establishing such arrangements. Making the payment of such travel expenses optional could help agencies with their efforts to retain valued employees and remove a barrier to the expansion of telework in the Federal Government.

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 first-of-its-kind guidance 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 policy 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 fundamentals 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 guidance helped establish that telework, when appropriately implemented, can maintain information security. Upcoming FMR bulletins may provide further policy guidance on telework.

In order to provide an alternative to home-based telework, GSA has established 14 telework centers to provide alternative workplaces for those employees who cannot or prefer not to work at home. These centers, located in Maryland, Virginia, and West Virginia, are established in convenient locations for use by employees who can reduce their traditional commutes by working at a center near their homes.

We believe there is a market for center-based telework and, in fact, I am a long-time user of our Fairfax center. Over the years, GSA has run several "free trial" promotions to attract new users to the telework centers, including the recent promotion for Federal managers. GSA's goal is to facilitate culture change by giving managers the actual experience of telework. To date, we have 40 managers signed up for the program.

Technology has often been cited as a barrier to increased telework in the Federal Government. GSA conducted two in-depth studies on this topic 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 other involved in telework programs.

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 exist currently.
- 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.

- Using estimated averages based on agency responses, 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 benefits realization of over $36 million over the same three-year period.
- Investments in telework support the entire organization as well as other critical agency-wide objectives, including enhancement of continuity of operations programs, IT modernization efforts, support of mobile workers, and legislative compliance.

In short, no IT issue is of such a degree that it is a barrier to the growth of telework implementation and there are solutions to address perceived barriers. These studies are readily available on our website at http://www.gsa.gov/telework.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 may fully transition to this alternative work arrangement in the event of an emergency. The result would be a more well trained and properly equipped work force that is allowed to participate in telework to the maximum extent possible.

Other valuable telework applications include:

- Telework combined with alternative officing can enable agencies to reduce cost and improve the utilization of existing facilities.
- Remote alternative worksites can be used to accommodate workers who need to work in a high security environment; and to reduce the adverse effects on employees impacted by Base Relocation programs.
- Telework is a great way to enhance recruitment and retention of Federal workers and to improve work/life balance. Would you rather be stuck on the Beltway at rush hour or be done with your work in time to make the kid's soccer practice?
- The environmental impact of telework should serve as additional motivation for stronger telework participation policies. . As an example, if 50 percent of the Federal workforce teleworked 2 days per week, that theoretically could cut nearly a fourth (23 percent), or 944,000 tons of work trip emissions produced by Federal workers who commute to work in single occupancy vehicles. Collectively, these teleworkers could theoretically save nearly 2 billion miles of vehicle travel, more than 90 million gallons of gasoline, more than 277 million dollars in gasoline expenses, and more than 32,000 typical work years of time.

Finally, GSA's Position is that to facilitate the necessary culture change, it is important to ensure that the entire workforce be made 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.

In conclusion, GSA's goals of improving the growth of Federal telework requires pro-active top level leadership; strong policy mandates and clear guidelines; increased program support and integration of telework into overall agency planning; increased demonstration and utilization of telework applications and recommended practices; and high visibility program promotion.

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

Following is additional information and detail in support of our testimony.

GSA EXAMPLE OF THE VALUE OF POLICY CLARIFICATION

A case study example of the importance of clear and strong policies for telework comes from an Inspector General audit of our GSA telework program. Our Chief Human Capital Office (CHCO) requested the audit. Briefly, the auditors found that:

- Policies and procedures need to be updated to comply with new OPM requirements
- Program not consistently implemented across GSA
- Monitoring controls not in place to ensure accurate reporting on participation

Our CHCO agreed with the auditor findings and is implementing corrective actions such as policy revisions; training for managers, coordinators, participants; improved process for tracking; and a Telework "Campaign" for the entire agency.

LOCATIONS OF FEDERAL TELEWORK CENTERS

MARYLAND : Bowie State University Telecommuting Center (Bowie State University); Frederick Telework Center (Frederick, MD); Hagerstown Telework Center (Hagerstown, MD); Prince Frederick Telework Center (Prince Frederick, MD); Waldorf InTeleWork Center (Waldorf, MD); Laurel Lakes Telework Center (Laurel, MD)

VIRGINIA : Fairfax City Telework Center (Fairfax, VA); Herndon Telework Center (Herndon, VA); Manassas Telework Center (Manassas, VA); Fredericksburg Telework Center (Fredericksburg, VA); Stafford County Telework Center (Stafford, VA); Woodbridge Telework Center (Woodbridge, VA); Winchester Telework Center (Winchester, VA)

WEST VIRGINIA: Jefferson County Telework Center (Biz Tech) (Kearneysville, WV)

GSA AGENCY TELEWORK PROGRAM

Of a total of 12,205 employees at GSA, 11,190 or 92 percent are eligible for telework.

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.

United States Government Accountability Office

GAO

Testimony

Before the Subcommittee on Oversight of Government Management, the Federal Workforce, and the District of Columbia, Committee on Homeland Security and Governmental Affairs, U.S. Senate

For Release on Delivery
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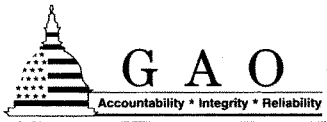
# HUMAN CAPITAL

# Greater Focus on Results in Telework Programs Needed

Statement of Bernice Steinhardt
Director, Strategic Issues




GAO-07-1002T

June 12, 2007

GAO
Accountability · Integrity · Reliability

# Highlights

Highlights of GAO-07-1002T, a testimony before the Subcommittee on Oversight of Government Management, the Federal Workforce, and the District of Columbia, Committee on Homeland Security and Governmental Affairs, U.S. Senate

## 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, including the capacity to continue operations during emergency events, as well as benefits to society, such as decreased energy use and pollution.

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. In addition, the statement discusses GAO observations on the Telework Enhancement Act of 2007, S. 1000.

## What GAO Recommends

This statement makes no new recommendations but reiterates that 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.

www.gao.gov/cgi-bin/getrpt?GAO-07-1002T

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

HUMAN CAPITAL

# Greater Focus on Results in Telework Programs Needed

## 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 the OPM and the General Services Administration (GSA) 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 capability to track who was actually teleworking or how frequently, relying mostly on the number of telework agreements as the measure of program participation.

S. 1000 is intended to enhance the existing legislative framework and provides that all employees of the executive, judicial, and legislative branches are eligible for telework except in some circumstances related to an employee's duties and functions. The bill also recognizes the importance of leadership in promoting an agency's telework program by requiring the appointment of a senior-level management official to perform several functions to promote and enhance telework opportunities. GAO's statement suggests changes to the assignment of responsibilities for rating and reporting along with changes to make the responsibilities for heads of agency and entities in the legislative and judicial branches more consistent with those of executive branch officials. The statement also points out several provisions of S. 1000 that are not clear in relation to existing legislation.

Mr. Chairman and Members of the Subcommittee:

I am pleased to be here today to discuss our observations of federal telework policies based on our past work and to provide additional observations that relate to the provisions of S. 1000, the Telework Enhancement Act of 2007. Telework is a human capital strategy which offers flexibilities to both employers and employees. It 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.

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 the application of telework provisions to the federal workforce, and even withholding funds from some agencies that fail to show progress. S. 1000 is intended to advance this framework and the implementation of telework programs and to increase the eligibility of federal employees for telework as well as its use.

My statement today will describe first the statutory framework that drives the agency telework programs and processes. We will also share observations from our past work that relate to agency telework methodologies, as well as our views of the specific legislation under consideration. And finally, we will offer some suggested next steps to advance the purposes of the bill.

My comments are based on previously issued GAO reports that were developed in accordance with generally accepted government auditing standards.

## 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 Telework Enhancement Act of 2007, S. 1000, continues the efforts of Congress to achieve greater participation.

The most significant congressional action related to telework was the enactment of Section 359 of Public Law 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 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 one 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 telework coordinators to be responsible for overseeing the implementation of telework programs and serve as points 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 in regard to 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. A full list of the key practices appears in appendix I. 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, and/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 Efforts*, GAO-03-679 (Washington, D.C.: July 18, 2003).

- identifying problems and/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.

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. 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. For example, making a case for telework as a part of an agency's Continuity of Operations (COOP) plan 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. None of the four agencies we reviewed, however, had effectively implemented this practice.

Moreover, none of the four agencies had established measurable telework program goals. As we noted in our report, OPM's May 2003 telework guide[3] 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

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

Exchange Commission—measuring eligibility was problematic.[4] 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 aligned with managing for results—establishing processes, procedures and/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. Also, in our 2005 study at five agencies, we found that four of the five agencies measured participation in telework on the basis of their potential to telework 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 a quarterly report 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.

[4]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).

Based on our findings, the following language was included for those five agencies in their fiscal year 2006 appropriations act's conference report:

"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, officials at four of the five agencies said that they have not yet developed such systems and are still measuring participation as they did in 2005. For the fifth agency—the Department of Justice (DOJ)—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 DOJ to track actual telework participation in those bureaus. According to this official, the Federal Bureau of Investigation is the major exception, but DOJ is working towards having all bureaus use this system.

As for the fourth key practice closely related to managing for program results—identifying problems and/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 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 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 Council, develop a set of terms, definitions, and measures that would allow for a more meaningful assessment of progress in agency telework programs. Some information could be improved by more consistent definitions, such as eligibility. Some information may take additional effort to collect, for example, on actual usage of telework. Some of this 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. 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 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.

## The Telework Enhancement Act of 2007, S. 1000, Addresses Key Telework Issues, but Some Provisions Merit Additional Consideration

S. 1000 is intended to enhance the existing legislative framework and provides that all employees of executive agencies are eligible for telework except in some circumstances related to an employee's duties and functions. In addition, the bill addresses the coverage of employees in the legislative and judicial branches and provides that within 1 year from the date of enactment, policies shall be established to allow such employees, unless otherwise excluded, to participate in telework to the maximum extent possible without diminishing employee performance or legislative or judicial branch operations. The bill further recognizes the importance of leadership in promoting an agency's telework program by requiring the appointment of a senior-level management official to perform several functions to promote and enhance telework opportunities.

We have several observations to offer on the bill. As we have discussed with your staff, we have specific concerns about section 5 of the bill, which would require GAO to establish and implement a rating system for agency compliance with and participation in telework initiatives and report the results. For executive branch agencies, we believe this function is more appropriately placed with OPM. A GAO rating system that does not have the benefit of a full GAO evaluation of the underlying information would raise concerns that our independence is compromised if we were asked at a future time to evaluate telework programs in the federal government. Accordingly, we have provided Committee staff with substitute language that would place these rating and report functions in OPM, the agency that is currently responsible for reporting on most telework activities and participation in the executive branch. Our substitute language would have the Comptroller General instead provide his views on the OPM report to the Senate Committee on Homeland Security and Governmental Affairs and the House Committee on Oversight and Government Reform within 6 months of the report.

We would also like to bring several other issues to your attention. The bill would extend coverage of these telework initiatives to the legislative and judicial branches. We suggest substituting a reference to "the head of each legislative branch entity" in sections 2(c)(3) and 4(a) of the bill so that the heads of the Library of Congress, the Government Printing Office, and GAO, for example, would be responsible for developing agency policies on

telework, determining which employees are eligible for telework, and designating senior-level employees to serve as telework managing officers. This approach would be consistent with the coverage of the executive branch under the bill where the head of each agency would perform similar functions.

With regard to the bill's requirement to appoint a telework managing officer in each executive branch agency, it is not clear how that employee's duties would relate to the duties of the agency officials currently designated as telework coordinators pursuant to the provisions of section 627 of Public Law No. 108-199. Another provision of the bill would define telework as occurring on at least 2 business days per week, leaving unclear how this would relate to the broader definitions of telework currently defined in existing legislation and OPM guidance, which includes episodic or occasional instances. It is also unclear whether the bill intends to allow agencies to consider employee performance in making telework eligibility decisions. Current legislation and agency practice requires employees to be performing satisfactorily.

The bill also provides for "productivity awards" for teleworking employees, but it is not clear whether nonteleworking employees would also be eligible to receive productivity awards and would be evaluated on the same performance standards. We would note that one of the key practices identified in our 2003 report was ensuring that the same performance standards are used to evaluate both teleworkers and nonteleworkers. The perception that care had not been taken to establish fair and equitable eligibility criteria could present performance and morale issues. Finally, the bill includes among the duties of the telework managing officer assisting the head of the agency in designating employees to telework in order to continue agency operations in the event of a major disaster as defined under the Stafford Act, 42 U.S.C. § 5122. We would note, however, that telework can be effective in a variety of emergency conditions not limited to those emergencies defined under the Stafford Act. For example, we reported that GAO's telework capability was significant to assisting the House of Representatives and minimizing the disruption to its own operations when anthrax bacteria were released on Capitol Hill in 2001.[5]

[5]GAO, *Human Capital: Opportunities to Improve Federal Continuity Planning Guidance*, GAO-04-384 (Washington, D.C.: April 20, 2004).

In conclusion, telework is a key strategy to accomplish a variety of federal purposes. Telework is an investment in both an organization's people and the agency's capacity to perform its mission. We continue to believe that OPM and the Chief Human Capital Officers Council are well-positioned to help agencies better manage for results through telework. Mr. Chairman and members of the subcommittee, this completes my statement. I would be pleased to respond to any questions that you might have.

## Contacts and Acknowledgements

Fore further information on this testimony, please contact Bernice Steinhardt, Director, Strategic Issues, (202) 512-6806 or at steinhardtb@gao.gov. Individuals making key contributions to this testimony include William J. Doherty, Joyce D. Corry, Allen Lomax, and Michael Volpe.

# Appendix I: Key Telework Practices for Implementation of Successful Federal Telework Programs

| |
|---|
| **Program planning**<br>• Designate a telework coordinator.<br>• Establish a cross-functional project team, including, for example, information technology (IT), union representatives, and other stakeholders.<br>• Establish measurable telework program goals.<br>• Develop an implementation plan for the telework program.<br>• Develop a business case for implementing a telework program.<br>• Provide funding to meet the needs of the telework program.<br>• Establish a pilot program. |
| **Telework policy**<br>• Establish an agencywide telework policy.<br>• Establish eligibility criteria to ensure that teleworkers are selected on an equitable basis using criteria such as suitability of tasks and employee performance.<br>• Establish policies or requirements to facilitate communication among teleworkers, managers, and coworkers.<br>• Develop a telework agreement for use between teleworkers and their managers.<br>• Develop guidelines on workplace health and safety issues to ensure that teleworkers have safe and adequate places to work off-site. |
| **Performance management**<br>• Ensure that the same performance standards, derived from a modern, effective, credible, and validated performance system, are used to evaluate both teleworkers and nonteleworkers.<br>• Establish guidelines to minimize adverse impact on nonteleworkers before employees begin to work at alternate worksites. |
| **Managerial support**<br>• Obtain support from top management for a telework program.<br>• Address managerial resistance to telework. |
| **Training and publicizing**<br>• Train all involved, including, at a minimum, managers and teleworkers.<br>• Inform workforce about the telework program. |
| **Technology**<br>• Conduct assessment of teleworker and organization technology needs.<br>• Develop guidelines about whether organization or employee will provide necessary technology, equipment, and supplies for telework.<br>• Provide technical support for teleworkers.<br>• Address access and security issues related to telework.<br>• Establish standards for equipment in the telework environment. |
| **Program evaluation**<br>• Establish processes, procedures, and/or a tracking system to collect data to evaluate the telework program.<br>• Identify problems and/or issues with the telework program and make appropriate adjustments. |

Source: GAO analysis of telework-related literature and guidelines.

Testimony
Before the United States Senate
Committee on Homeland Security and Governmental Affairs
Subcommittee on Oversight of Government Management, the Federal Workforce and the District of Columbia
June 12, 2007

Assessing Telework Policies and Initiatives in the Federal Government

# Try it and You'll Like It: Support for Teleworking Policies Breeds a Culture of Acceptance

**Statement of**
**Tom Davison**
**Trustee, Chapter 275, Environmental Protection Agency Region 5**
**Federal Managers Association**

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Chairman Akaka, Ranking Member Voinovich and Members of the Subcommittee on the Oversight of Government Management, the Federal Workforce and the District of Columbia:

My name is Tom Davison and on behalf of the nearly 200,000 managers and supervisors in the federal government whose interests are represented by the Federal Managers Association, allow me to thank you for the opportunity to present our perspective on the federal government's telework policies and recommendations on how to encourage the use of telework.

Established in 1913, the Federal Managers Association (FMA) is the largest and oldest association of managers and supervisors in the federal government. FMA was originally organized to represent the interests of civil service managers and supervisors in the Department of Defense and has since branched out to include some 35 different federal departments and agencies. We are a non-profit professional membership-based organization dedicated to advocating excellence in public service and committed to ensuring an efficient and effective federal government.

Currently, I serve as the Human Resources Officer for Region 5 (Chicago) of the Environmental Protection Agency (EPA), a position I have held for over four years. Region 5 is EPA's largest region covering Illinois, Indiana, Michigan, Minnesota, Ohio and Wisconsin. I previously served as the Human Resources Officer for Region 10 (Seattle) for 15 years. I bring with me today 34 years of service in the federal government.

I have experience administering telework policies at both EPA locations. Currently, I provide guidance to managers about the EPA program and represent the Region in dealings with our local union. Over the years, telework has been the subject of labor negotiations, several grievances, and one arbitration (decided in favor of the agency). While several members of my own staff telework, I do not. Teleworking options vary greatly from agency to agency. I am here today to tell you some of the things we are doing to promote telework in the Environmental Protection Agency and offer recommendations to expand the program government-wide.

As managers and supervisors in the federal government, we at FMA are committed to being responsible stewards of taxpayer dollars. Telework has the potential to revolutionize federal agency operations and is a vital resource in meeting the challenges of retaining experienced professionals and enticing talented employees. Creating a flexible and modern workforce to compete with the private sector demands innovative management techniques and supervisory training

Teleworking undoubtedly provides many benefits – not only to those participating, but to the agency and the nation as well. The immediate benefits can be felt by the flexible worker – less time in traffic,

less money spent on gas and an all around better quality of life. For managers, the ability to offer telecommuting options to potential hires serves as a recruitment and retention tool; one the private sector has been offering for years and with which the federal government is forced to compete. For an agency, having teleworking options in place allows for a means to remotely continue operations in the event of a natural disaster or terrorist attack. In addition, it can save the federal government money on things such as office rental space and commuter reimbursement costs. Nation-wide, we all benefit from fewer cars on the road, reduced congestion, less fuel consumption in a time of increasing gas prices and better air quality. In light of the above, it is no surprise that interest in telecommuting is on the rise.

In conjunction with the Federal Managers Association, the Telework Exchange, a public-private partnership focused on telework in the federal government, completed a first-of-its-kind study of federal managers' perceptions of telework, "Face-to-Face with Management Reality – A Telework Research Report." Over 45 federal agencies and departments participated, with 13 percent of the responses coming from the Department of Defense. Here is just a sample of the findings:

- As managers become exposed to or involved in telework, their approval of the practice improves significantly;
- Only 35 percent of managers believe their agencies support telework. In contrast with agency priorities, managers do not perceive Continuity of Operations (COOP) and pandemic planning as telework drivers; and,
- Managers ranked fear of not having control over employees and productivity issues as the top telework inhibitors.

The study further reveals that as managers become more involved in telework, they express more favorable attitudes toward telework. Managers who are teleworkers and managers who supervise teleworkers are more favorable toward telework than managers who do not supervise teleworkers. Sixty-six percent of managers who manage teleworkers find that teleworkers are as productive as their in-office counterparts.

The study also found that federal managers' perceptions of the drivers and benefits of telework are fundamentally out of sync with that of the agencies. We at FMA believe this finding indicates agencies need to embark upon programs to educate managers on the priorities for, and agency mission benefits of, embracing telework as a standard operating procedure. Managers across the board view the balance between work and private life, as well as the impact on employee recruitment and retention as major telework drivers. In contrast with agency priorities, managers do not perceive COOP and pandemic

planning as telework drivers. Interestingly, managers do not consider security or funding concerns as significant inhibitors to telework.

The study highlights the disconnect between the perception of telework and the practicality of telework. While funding seems to be the least significant impediment, managers must find a balance between performance output and employee supervision before agencies can fully realize the benefits of telework.

While, by law, 25 percent of the federal workforce should be telecommuting, only 35% of managers surveyed believe their agency supports telework. In 2000, Congress gave agencies the authority to establish policies for employees to "participate in telecommuting to the maximum extent possible without diminished employee performance." In 2004, Congress further mandated that each agency and department "provide quarterly reports to [Congress] on the status of telecommuting programs, including the number of Federal employees eligible for, and participating in, such programs." However, 44 percent of respondents to the Office of Personnel Management (OPM) 2006 Federal Human Capital Survey said they had no basis on which to judge their agencies' telework benefits and only 22 percent said they were satisfied with the benefits. In 2005, OPM reported that only 19 percent of eligible employees were telecommuting, while approximately 41 percent of employees were eligible to telework during that same period. A GAO Report from 2006 found that only 9 of 23 reporting agencies had plans in place for workers to telecommute. These are alarming statistics. We at FMA realize that cultural changes will have to take place in order for full implementation of telework programs government-wide.

Managers cite fear of not having control over employees and productivity issues as the top telework inhibitors, and it is likely that this is what is causing low agency participation. Within my workplace, I hear concerns from other supervisors on how to handle underperforming telecommuting employees. Strong policies and procedures in place before teleworking occurs is one way to ensure employees focus on their work. Improved performance management systems would also help alleviate management concerns. As such, managers must find a balance between performance output and employee supervision before agencies will realize the benefits of teleworking. Educating managers and employees alike on the benefits of teleworking would certainly make one more likely to participate. Training is an essential part of helping both employees and the agencies realize the benefits of teleworking. Pilot programs are also an excellent place to start.

It is unfortunate that these survey results highlight that supervisors believe their employees cannot be trusted to get their work done at alternative work stations. We at FMA believe managers should have

the flexibility to decide who can participate in teleworking programs. Of course, not all job positions and employees are able to utilize this option; some job functions simply require employees to be physically in the office. In addition, if an employee is underperforming or requires more supervising, they should not be allowed to telecommute. Establishing clear guidelines and goals before allowing teleworking will help ensure no one takes "advantage" of working from home.

EPA's Region 9 (San Francisco) recently received high accolades in the 2007 Best Places to Work in the Federal Government rankings compiled by the Partnership for Public Service and American University's Institute for the Study of Public Policy Implementation. Overall, the Environmental Protection Agency ranked 9th in the survey, with a score of 65.5 (out of a possible 100). Region 9, however, received a score of 79.7 in part due to their Flexiplace Program. From what we are hearing from our members, both managers and employees alike are pleased with the teleworking guidelines the agency has in place. The score highlights the significance not only current federal employees place on teleworking options, but also that such options allow for higher recruitment and retention.

Currently, the Office of Personnel Management offers two free online training courses for managers, supervisors and employees to teach them how to make the most of telework arrangements and to make them aware of their responsibilities, agency responsibilities, and federal policy on telework. Supervisors in my region, EPA Region 5, must take the OPM courses before applying for the agency's Flexiplace Program. Additionally, any EPA employee who wants to participate in the program must also complete the telework course for employees prior to applying for the program. We would encourage agencies across the federal government to also utilize these programs as a way to not only dispel myths surrounding teleworking, but also as a way to familiarize employees with the law surrounding teleworking. Without educating managers and employees alike regarding teleworking opportunities available across the government, participation will remain stagnant.

According to the law, all employees must be determined to be eligible to telework before they are allowed to telework. Under S.1000, the Telework Enhancement Act introduced by Senators Stevens and Landrieu, all employees would be considered eligible unless found otherwise. The Telework Enhancement Act is divided into four key sections designed to facilitate implementation: eligibility and participation requirements, training and monitoring responsibilities, the establishment of managing employees, and annual agency ratings. Within one year of the Act's authorization, each Executive Agency must develop policies which allow eligible employees to participate in telework to the maximum extent possible so long as performance standards are not diminished. Many employees may be deemed

ineligible for telework, as their specific work detail requires the handling of sensitive material, involvement in national security or intelligence functions, and/or direct contact with special equipment. At present, security personnel, receptionists and lab employees, among others, are ineligible to telecommute.

Under the bill, implementation of training programs, incorporated into new employee orientation, is the responsibility of the head of each Executive agency, along with employee reviews to determine the effectiveness of telework on a case by case basis. We support these training programs and believe they will be vital to the success of and participation in these programs. However, as federal managers, we are all too aware that training dollars are the first to get cut when budgets are tight. We ask that Congress consider a separate line item in the appropriations process to insure the training programs are properly funded and executed.

The bill also calls for the creation of a Telework Managing Officer, whose duties would include, among others, ensuring telework policy is communicated and implemented effectively, encouraging eligible employees to partake in telework while maintaining performance requirements, develop and direct a performance reporting system, and maintain employer-employee dialogue. The Telework Managing Officer is also responsible, in collaboration with the agency head, for designating employees to telework in the event of a major disaster in order to maintain agency operations. We believe that the mere creation of such a position would be the first step in establishing a teleworking-friendly environment.

The Telework Enhancement Act of 2007 establishes the Comptroller General as the chief body of telework oversight, in charge of evaluating the telework policy of each agency while also evaluating participation in teleworking by their employees. A report published each year by the Comptroller General will include the number of employees in the agency, the number of telework-eligible employees, the number of employees who regularly engage in teleworking, and the number of employees who occasionally engage in teleworking. In agencies where a teleworking culture does not exist or is slowly forming, this may require additional oversight from Congress. Should this bill become law, we would ask that Congress insist on receiving this report from agency heads on their respective agencies' teleworking status.

All of us present here today have an opportunity to promote a program with benefits that far outweigh the costs. This committee has the ability to initiate the cultural changes necessary for successful implementation, carried out by federal managers and supervisors in the field. Managers' fears

of not having control over employees and of issues of decreased productivity should not suppress the evolution and expansion of telework. Federal agencies are in constant competition with the private sector to recruit and retain the best possible personnel, and the creation of a flexible workforce may tip the scales in our favor. This requires the help of Congress to ensure federal agencies are doing what the law requires of them. Every day, I am witness to the benefits a flexible work environment provides. Thank you for your time and consideration of our views and I look forward to answering any questions you may have.

**Testimony of Stephen W.T. O'Keeffe**
**Executive Director of Telework Exchange**

**before the**
**Senate Committee on Homeland Security and Governmental Affairs**
**Subcommittee on Oversight of Government Management,**
**the Federal Workforce, and the District of Columbia**

**Hearing on**
***Assessing Telework Policies and Initiatives in the Federal Government***

**June 12, 2007**

Subcommittee Chairman Akaka, Ranking Member Voinovich, and Subcommittee Members: Thank you for the opportunity to speak to you today and for your commitment and interest in promoting telework. I'd also like to take a moment to thank Senator Stevens and Senator Landrieu for introducing S. 1000, The Telework Enhancement Act of 2007, which I'll speak more about later in my testimony. My name is Steve O'Keeffe and I am the executive director of Telework Exchange, a public-private partnership focused on increasing awareness and adoption of telework in the Federal government. In that role I speak regularly to Federal employees about the status of telework in the various agencies, as well as to industry experts who provide the technology that makes telework possible and easy to use. On behalf of Telework Exchange, its 16 industry members, 6 affiliates, and thousands of Federal, state, and local registrants, who all support moving the ball forward on government telework, we are pleased to be here today to discuss the current status of telework in the Federal government.

With only 19 percent of eligible Federal employees teleworking, Telework Exchange believes that significant progress has yet to be made to establish telework as a mainstream standard operating procedure in the Federal government.[1] Telework brings benefits to agencies, employees, and the region alike. It is a win-win proposition but many agencies are hesitant to move forward. S. 1000 is a common-sense proposal to encourage telework expansion in the Federal government and will help to overcome many of the barriers to telework I'll discuss with you today.

***About Telework Exchange***

Telework Exchange is a public-private partnership focused on eliminating telework gridlock. We focus on demonstrating the tangible value of Federal telework initiatives, serving the emerging education and communications requirements of the

[1] Office of Personnel Management, "The Status of Telework in the Federal Government 2005."

Federal teleworker community, and measuring Federal agencies' progress on telework requirements. Telework Exchange is an online community that features a series of capabilities at www.teleworkexchange.com, including:

1. Commuting Costs and Telework Savings Calculators: Telework value calculators tally Federal telework potential cost saving and environmental dividends as well as provide a mechanism to gauge Federal agencies' relative telework performance

2. Online Telework Eligibility Gizmo: 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. Telework Exchange conducted an analysis of Federal agencies telework eligibility policies and found that there is no consistent framework or eligibility criteria exist. 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. The Online Eligibility Gizmo is available at www.teleworkexchange.com/gizmo

3. An interactive forum called The Water Cooler that allows employees to collaborate and discuss telework issues and share best practices

4. A resource center that includes a repository of useful tools for teleworkers, teleworker managers, and information technology professionals

5. *The Teleworker*, a bi-monthly news resource reporting exclusively on Federal telework. The Teleworker is available online at http://www.teleworkexchange.com/teleworker-05-07.asp and is distributed free to thousands of government employees

In addition, we frequently publish the results of surveys we commission with our industry partners to quantify telework-related information. Throughout my testimony, I will refer to some of the results of our studies that indicate perceptions, attitudes, and trends prevalent throughout the Federal government. As a public-private partnership, we work with the private industry who supply technology and services that agencies and employees need and use to telework effectively. We also host an annual Town Hall Meeting and awards program that recognizes and honors excellence in government telework. As well, we meet regularly with Federal government employees who manage telework programs and thus believe we are in a unique position to serve as an information clearinghouse to facilitate sharing knowledge and best practices about telework. We design all of our programs to increase telework awareness and adoption in our goal to establish telework as a mainstream standard operating procedure in the Federal government.

***Background***

In 2000, the key legislation on telework (Public Law 106-346 section (§) 359) was signed into law. It states that each executive agency must establish a telework policy so that eligible employees can telework, yet maintain performance standards. The law states that within six months, the mandates should be applied to 25 percent of the Federal workforce, and an additional 25 percent each year thereafter. Based upon this statute, all Federal agencies were required to have telework policies in place for 100 percent of the eligible Federal workforce by 2005. While all agencies have policies, these vary from agency to agency and measurement remains challenging.

In 2004, Congressman Frank Wolf of Virginia inserted a provision to the Fiscal Year 2005 omnibus spending bill to withhold $5 million from the budgets of the Departments of Commerce, Justice, State, as well as the Small Business Administration (SBA) and Securities and Exchange Commission (SEC), if they do not ensure that telework opportunities are made available to 100 percent of the eligible workforce. The following year, the National Aeronautics and Space Administration and the National Science Foundation were included as well. The legislation also required each Department or agency to designate a "Telework Coordinator" who would be responsible for overseeing the implementation and operations of telecommuting programs. The following year, these agencies were required to certify that telework opportunities have increased over levels certified in the previous year. In sum, despite some progress, there is much room left for improvement and growth so that telework can become a mainstream operating procedure.

***Benefits of Telework***

In spite of these mandates from Congress, we do not see telework adoption happening at as fast a pace as proponents such as ourselves would like. Based on the 2005 Office of Personnel Management (OPM) Status of Telework in the Federal Government Report, 81 percent of eligible employees are not teleworking.[2] We firmly believe telework is a win-win proposition for Federal agencies and employees, through the varying benefits it provides.

First among the benefits I'd like to describe are those afforded to the employees who telework.

- Reduced commuting time. Telework Exchange research finds that the average Federal employee spends 245 hours commuting each year, but can get 98 hours of their life back by teleworking two days per week[3]
- Reduced commuting costs. Telework Exchange research shows when gas prices average $3.00 per gallon, the average full-time Federal employee who commutes 5 days per week spends $138.80 per month on gasoline. However, teleworking two days per week, would save the employee $55.52 per month[4]

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[2] Office of Personnel Management, "The Status of Telework in the Federal Government 2005."
[3] Telework Exchange, "Federal Telework: No Free Ride," November 16, 2005.
[4] Telework Exchange, "Gas Prices Fuel Telework," May 9, 2006.

- Flexibility to manage work/life balance. Telework Exchange research finds Americans spend more time commuting than on vacation[5]
- Ability to conduct work without interruption

Second, there are many-fold benefits for Federal agencies whose employees telework:

- Continuity of Operations (COOP). During both minor events, such as a snow storm, and major events, such as when an agency building is unusable, telework can be used to continue agency operations. The President's pandemic plan calls out telework as a central plank in preparedness.[6] The OPM Human Capital Planning for Pandemic Influenza includes the following: "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."[7] Telework Exchange research shows the Federal government will grind to a halt in the event of a pandemic – 73 percent of respondents assert that they will not show up at the office[8]
- Reduction of office space requirements. The United States Patent and Trademark Office (USPTO) reports that at least 320 Patent examiners have relinquished their office space to work from home four days per week
- Personnel recruitment and retention. 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 ten years.[9] Telework can be a valuable recruiting tool in recruiting and retaining a knowledgeable workforce. For example, USPTO started their Trademark Work at Home Program in 1997 with 18 participants. All but one are still with the agency

Third, telework offers valuable regional benefits as well. The President earlier this year stated his goal was to reduce gasoline use by 20 percent over the next decade. When employees telework, the region as a whole experiences:

- Less traffic on already congested roads
- Reduced wear and tear on all modes of transportation
- Reduced pollution. Telework Exchange research finds that if all eligible Federal employees telework two days per week, we would spare the environment from 2.7 million tons of pollutants[10]

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[5] Telework Exchange, "Federal Telework: No Free Ride," November 16, 2005.
[6] Homeland Security Council, "National Strategy for Pandemic Influenza: Implementation Plan," May 2006.
[7] Office of Personnel Management, "Human Capital Planning for Pandemic Influenza, Second Installment," July 7, 2006.
[8] Telework Exchange, "'Federal Contact: Bird Flu in America' – A Federal Government Pandemic Flu Continuity of Operations (COOP) Preparedness Study," May 11, 2006.
[9] Office of Personnel Management, "Federal Human Capital Survey 2006," January 2007.
[10] Telework Exchange, "Federal Telework: No Free Ride," November 16, 2005.

***Barriers to Telework Adoption***

In our work, we speak regularly to Federal agencies about telework policies. It truly is a mixed bag. Some agencies have exemplary leadership and have taken the opportunity to develop excellent programs that benefit both the agency and their employees. In particular, we would highlight the Federal Deposit Insurance Corporation (FDIC), Defense Information Systems Agency (DISA), Internal Revenue Service (IRS), USPTO, and Treasury Inspector General for Tax Administration (TIGTA). However, many agencies do not have the resources to embark on comprehensive awareness plans for managers and employees and do not have top-down support for telework – two issues about which I will now address.

First, a major challenge we hear about regularly 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. However, this does show progress in comparison to the 11 percent of Telework Coordinators who spent 50 percent of their time on telework in 2005.[11] S. 1000 addresses this issue by creating the position of the Telework Managing Officer. We support creating a full-time position to implement, promote, and expand telework programs within an agency. Many Telework Coordinators simply do not have the time to educate managers and employees about telework, provide necessary training, and update agency telework policy. As such, many agencies have out of date policies, as well as uneducated managers and employees about how telework can benefit them.

Second, a huge barrier to telework adoption is management resistance and agency support. We find that Telework Coordinators rate management resistance as the number one obstacle to Federal telework adoption.[12] As a direct result of hearing about lack of managerial support, Telework Exchange conducted a study on management perspectives. We set out to obtain insight on why managers do not support telework. If many Federal employees view managers as the barrier, what is the reason for this management resistance?

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.[13] 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 don't believe that their agencies support telework, then they have very little motivation to encourage their own employees to telework, or to have a positive opinion about telework if one of their employees asks for that permission.

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[11] Telework Exchange, "The Telework Two-Step: Agencies Dancing Around the Issue," April 2, 2007.
[12] Telework Exchange, "The Telework Two-Step: Agencies Dancing Around the Issue," April 2, 2007.
[13] Telework Exchange, "Face-to-Face with Management Reality," January 22, 2007.

Additionally, a common misperception we hear from government employees is that managers are worried about productivity. While tracking productivity can be challenging, studies have shown that productivity does increase. For example, the Trademark Work-at-Home program at the Patent and Trademark Office documented an average of 10 percent higher productivity among examining attorneys in the program.[14] 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.[15] We recommend that agencies implement tracking systems to better help managers track telework trends and productivity.

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 favorable impressions with 21 percent greater frequency than managers who do not telework or manage teleworkers.[16]

In the wake 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. Through information later released, we learned this employee was not a teleworker. We recently completed a research study that uncovers what has changed since the Veterans Affairs laptop scandal and what still needs to be addressed in agencies' data security policies.

Our research finds the Federal government is becoming significantly more mobile. Forty-one percent of respondents indicate they use a laptop for work, and of those, almost half have switched to a laptop in just the last year.[17] Although data security received significant Congressional attention following the stolen laptop, only 48 percent of respondents said their agency provided training following the incident.[18] Teleworkers have received security training at a higher rate than non teleworkers, and alarmingly this point is reinforced when 54 percent of non teleworkers report carrying files home.[19] With mobility on the rise, agency data is moving outside the agency and non teleworkers, such as the VA employee, remain a high liability for Federal agencies.

These findings are in line with what we heard from managers who do telework. Forty-three percent of managers who have no exposure to telework were concerned about security issues, but that number more than halved when asking managers who are teleworkers the same question.[20] We can thus conclude that teleworkers are more secure and recommend that telework programs be used as a model for security training and procedures for other Federal employees.

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[14] United States Patent and Trademark Office, "Trademark Work-at-Home," http://www.uspto.gov/web/offices/com/strat21/action/waht09.htm.
[15] United States Department of Justice, "Report: Assessment of the Flexible Workplace Pilot Program at the INS Administrative Appeals Office," 1999.
[16] Telework Exchange, "Face-to-Face with Management Reality," January 22, 2007.
[17] Telework Exchange, "Feds Walking the Talk on Security?," June 4, 2007.
[18] Telework Exchange, "Feds Walking the Talk on Security?," June 4, 2007.
[19] Telework Exchange, "Feds Walking the Talk on Security?," June 4, 2007.
[20] Telework Exchange, "Face-to-Face with Management Reality," January 22, 2007.

Third, an issue I touched upon earlier is eligibility. Our analysis of Federal agencies telework eligibility policies found there are no consistent framework or eligibility criteria. OPM reports that 81 percent of eligible employees are not teleworking[21] 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.[22] We commend Senators Stevens and Landrieu for their leadership in confronting this eligibility issue head-on through S. 1000. There are countless government employees who are fully equipped to handle a telework environment and these employees need to know and understand their eligibility to telework. An additional measure to ensure this happens would be to have telework be a part of the performance element of senior executives. For example, we understand that the DISA senior executives are held accountable for ensuring that 50 percent of their eligible workforce teleworks.

Telework Exchange launched an online tool, the Telework Eligibility Gizmo, on Monday, June 11, 2007. This quiz-based calculator 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

Fourth, another issue I would like to mention is the reporting mechanism for tracking telework's progress in the Federal government. The last year for which data is available on telework adoption across government agencies is 2004. The only way to measure and evaluate effectively if agency telework programs are growing, is to require annual reporting from a neutral government body, as included in S. 1000 by requiring the Comptroller General to publish an annual report.

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[21] Office of Personnel Management, "The Status of Telework in the Federal Government 2005."
[22] CDW, "2007 CDW-G Telework Report," March 19, 2007.

***Recommendations***

In short, Federal agencies have been slow to adopt telework because of lack of time and resources among Telework Coordinators, legacy management resistance and inertia, 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 their 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.

To overcome the barriers to telework, Telework Exchange recommends the following steps, many of which are included in S. 1000:

1. Provide at least one full-time Telework Coordinator, or Telework Managing Officer, per agency to focus exclusively on expanding or implementing agencies' telework programs

2. Implement a telework performance system, to track usage as well as productivity. By implementing a performance tracking system, agencies can alleviate concerns as well as report results to the agency

3. Focus on management resistance to telework by educating management on benefits of telework, as well as incorporating and encouraging management-specific telework programs that can address management concerns

4. Educate all management levels on telework benefits, including telework's importance in COOP planning

5. Address eligibility issues by defining eligibility in a more consistent fashion across the Federal government

6. Require an annual reporting mechanism from a neutral government body, such as the Government Accountability Office, to evaluate each agency's telework policy

***Conclusion***

Mr. Chairman, it is our sincere hope that telework continues to be a personnel trend 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 Committee to bring about additional improvements to telework in the Federal government.

Testimony of
David Isaacs, Director of Federal Government Affairs
Hewlett-Packard Company

Before the
Senate Committee on Homeland Security and Governmental Affairs
Subcommittee on Oversight of Government Management,
the Federal Workforce, and the District of Columbia

June 12, 2007

**Introduction**

Subcommittee Chairman Akaka, Ranking Member Voinovich, and Subcommittee Members, first I would like to thank you for the opportunity to speak to you today about Telework Policies and Initiatives in the Federal Government. I'd also like to acknowledge Senator Stevens and Senator Landrieu and thank them for introducing S. 1000, The Telework Enhancement Act of 2007. HP supports this bill as a step forward in promoting telework within the federal government.

My name is David Isaacs, and I am the Director of Federal Government Affairs for Hewlett-Packard Company (HP). My company has a portfolio that spans printing, personal computing, software, services and IT infrastructure and is among the world's largest IT companies. HP focuses on simplifying technology experiences for all of its customers, which range from individual consumers to the largest businesses to the federal government.

Here in Washington, HP supports public policies that maximize the ability of individuals, companies, and the government to innovate, because innovation benefits our citizens, strengthens the U.S. economy and help companies succeed in the global marketplace. Telework policies are a prime example of how technology and innovation can help the federal government improve its operations and efficiency.

Our views on telework are informed by two perspectives: first, HP is a technology provider to the federal government that can provide solutions to the federal customer in areas such as security; and second, we are a major U.S. corporation that offers teleworking arrangements to thousands of our employees.

In short, telework is a good example of how technology and innovation can help the federal government to address major challenges.

**Telework in the U.S. Government**

Federal law states that "Each executive agency shall establish a policy under which eligible employees of the agency may participate in telecommuting to the maximum extent possible without diminishing employee performance." That law, Section 359 of Public Law 106-346 (the FY 2001 Department of Transportation and Related Agencies Appropriations Act), defines telecommuting as "any arrangement in which an employee regularly performs officially assigned duties at home or other work sites geographically convenient to the residence of the employee." It further defines eligible employee as ". . . any satisfactorily performing employee of the agency whose job may typically be performed at least one day per week at an alternative workplace." Part of this law required 100% of eligible Federal employees to telework by 2004, but by 2004, agencies had only achieved 14% compliance.

U.S. General Services Administration (GSA) has strong data on telework that provides a clear picture of the state of telework in the U.S. government today. Overall, according to GSA, telework continues to grow in the Federal Government. For example, from 2003 to 2004, there was a 37 percent increase in the number of teleworkers (102,921 to 140,694) and the number of employees teleworking as a percentage of those eligible increased from 14 percent in 2003 to 19 percent in 2004. Thirty-eight agencies (46 percent) reported that more than 25 percent of their workforce participated in telework during 2004. However, it is important to note that approximately only 41 percent of Federal employees were eligible to telework during 2004. So while that number is an improvement, the program is still not being utilized to its fullest potential.

HP supports efforts to promote teleworking within the federal government. The Telework Enhancement Act of 2007 (S. 1000), introduced by Senators Stevens and Landrieu, is an important step in making telework pervasive throughout the federal government. The requirements of that law would remove several of the barriers that are currently impeding the adoption of telework practices in the federal government.

**Benefits of Teleworking**

HP feels that telework policies should be enhanced for the Federal Government to not only maximize the number of eligible employees who are able to use this program, but also to increase the number of employees who are eligible in the first place. We take that position at HP because we see many benefits that teleworking can have to the Federal Government. Important benefits of teleworking include:

- Improved continuity of operations in the event of natural disasters, terrorist attacks, and other events;
- Reduced traffic congestion;
- Energy savings and reduced greenhouse gas emissions;
- Greater employee productivity, including the ability to stay connected while traveling;
- Greater employee job satisfaction from shorter commuting times and accommodation of work-life balance; and
- Increased ability to recruit and retain top talent for the Federal Government, including the ability to attract young workers entering the workforce who have grown up connected through technology and expect the same in their work lives.

**Major Technology Challenges**

Despite all of these important advantages to teleworking, some challenges certainly still exist and must be overcome before we can turn the goal of teleworking into a reality for more American workers. I currently see four major obstacles to implementing teleworker solutions for the Federal Government.

The first is information security. We have all seen news reports over the past several years of stolen or missing laptops from Federal agencies. Perhaps the most widely publicized example of this was the lost Department of Veterans Affairs laptop computer containing names, Social Security Numbers and other information on 26 million veterans a little over a year ago.

A second concern is the prospect of telework solutions that fail to meet the needs of each remote worker. Different employees have different technology needs in computing, printing, voice, and other services. A "one-size-fits-all" package that lacks flexibility will likely fail to achieve the anticipated benefits of teleworking in an efficient fashion.

Third, the ability to provide effective service and support for teleworkers has been another challenge. Many people worry that they will experience technical difficulties from a remote location, without the advantage of having a support specialist nearby to help fix the problem and get them back to work quickly.

And fourth, there have been technical challenges to ensuring that teleworkers are able to collaborate with their colleagues in other locations, including the ability for them to have secure network access.

**Technology Solutions**

Just as technology has enabled teleworking to exist in today's society, we in the technology industry have also made great strides to provide solutions to these challenges and enable even more workers to telework.

To address the first challenge I mentioned of information security concerns, there are now technology solutions to that problem. HP, for example, has been the first information technology company to provide a comprehensive solution offering for teleworkers. This includes an HP notebook computer ("laptop") that comes with built-in security features including secured biometric access. It also comes with Absolute software and a three-year subscription to Absolute services built into the price of the notebook. The Absolute software includes Computrace, a program that functions like a computer LoJack, allowing the machine to be tracked down and recovered. In the event the computer holds very sensitive data, the user can begin a remote data deletion through the network that will completely erase the hard drive and any danger of lost confidential data.

The second challenge I mentioned concerns the varying needs of different mobile workers. Telework solutions must take into account different job responsibilities and working styles. In short, there is no single type of mobile worker, and telework solutions must be flexible and focus on individual functionality and needs. Telework solutions must also take a holistic approach, and address the types of devices (computing, printing, etc.) and support and services in a comprehensive, integrated fashion. Procurement decisions for teleworkers should be structured in a manner that takes these considerations into account, while also allowing for growth and change as technology evolves.

The third challenge of providing effective service and support to remote employees can be addressed through services such as what we

call "HP Total Care." This program can be individually customized to meet the needs of users, and includes features such as:

- Virus protection
- 24/7 on-line professional support
- Next business day disk retention services and accidental damage protection
- Tracking of stolen or missing computers
- Remote deletion of data in the event a device is missing

The final challenge is enabling remote collaboration in a productive manner. One way of addressing this concern is through videoconferencing. In telework centers, for example, where employees work remotely from the office from a centralized facility for teleworkers, it makes sense to install high quality videoconferencing capabilities. HP, for example, has developed what we call a Halo Virtual Collaboration Studio. This service enables users to truly feel as if they are in the same room, thereby allowing employees and others to work productively in a remote fashion – across town or across the ocean.

**HP Telework Programs**

As we consider ways to increase the teleworking capacity of the U.S. Federal Government, I believe we can learn from the experiences and best practices of the private sector as well. HP is proud to advocate for policies that allow the Federal Government and others to increase the viability of teleworking, and we are also proud that we have put these beliefs into action for our own employees.

Approximately 10,400 employees in the United States and Canada telework, and many thousands more work remotely during travel or from there homes on an occasional basis. Our telework program at HP is available to employees based on their job responsibilities, approval from their manager, and other factors. Our program has numerous tools to ensure that the arrangement works effectively for everyone – such as a telework self-assessment, a checklist, a guide on setting up a home office and more.

The benefits we have seen from teleworking have been fantastic, not only for the company but also for our employees and for society as a whole. We have gained more employee satisfaction and retention, stronger business continuity, and enhanced productivity and real-time collaboration. Our employees have gained greater flexibility and work-life balance in addition to the cost savings of commuting. Finally, HP feels

strongly that there are also broad societal benefits to teleworking, especially from an environmental standpoint due to reduced energy consumption and traffic mitigation.

We estimate that in 2006, HP's telework program saved almost 2.5 million round-trip commutes, avoiding approximately 65 million miles of road travel and almost 28,000 tonnes of CO2 emissions. In recognition of this impact, HP received the U.S. Environmental Protection Agency's (EPA) Commuter Choice Award in 2002.

**Conclusion**

I hope this business perspective has helped add to the Committee's understanding of not only the current state of telework, but also how technology solutions can help address some of the issues, improve the situation and make the option of telework more widely available within the Federal Government. Technology solutions such as those provided by HP and others in the technology industry can now enable the Federal government to enjoy more of the benefits of telework, while at the same time minimizing risks and challenges.

Our own experience with telework at HP has shown us first-hand the benefits the flexibility of telework can provide to employers, employees and the broader community. We would be happy to work with you further to explain our program, or to demonstrate the technologies that are available for the Federal Government and others to use to allow for an increased number of Americans to realize the benefits of telework.

We are very pleased to see the leadership of this Committee and the leadership of Senators Stevens and Landrieu for taking action on this important issue. Again, I thank you very much for the opportunity to testify before you here today and we at HP remain eager to assist as you move forward with policies to enhance telework for federal employees.

**BACKGROUND**
**ASSESSING TELEWORK POLICIES AND INITIATIVES INT HEF EDERAL GOVERNMENT**
**June 12, 2007**

## Background

Telework, or telecommuting, is defined by the Office of Personnel Management (OPM) and the General Services Administration (GSA) as the ability to perform work at a location other than an employee's "official duty station."[1] With the growth of the Internet, e-communications, and portable computers, the opportunity in the federal government for employees to work from home or remote sites grows increasingly more viable. More importantly, the need for agencies to respond to an emergency situation makes to implementing telework policies more critical to the sustainability of government operations.

After the terrorist attacks of September 11, 2001, and the anthrax attacks that followed a few months later, the practice of telework became a critical component of the federal government in developing continuity of operations plans (COOP). Even more recently, Hurricanes Katrina and Rita and the threat of pandemic influenza have shown that agency preparation in the event of an emergency is paramount. Shortly after the 2001 events, OPM and GSA released a statement encouraging agencies to incorporate management flexibilities such as telework into their overall operational plans.[2] OPM further reported in its 2004 telework survey report that, "Telework is essential for agencies' emergency planning, whether for snowstorms, natural disasters, or terrorist events. For an agency to be effective in an emergency, a solid telework program must be in place before the event."[3]

Beginning in 1993, the General Services Administration set up telework centers around the Washington, DC metropolitan area. The goal was to help reduce overall traffic congestion by reducing the distance employees needed to travel to their job destination. Currently, there are fourteen telework centers stretching from Waldorf, Maryland to Fredericksburg, Virginia to Jefferson County, West Virginia.[4] Thirteen of the telework centers have formal agreements in place to reserve a total of 130 workstations with various federal agencies as part of their COOP strategy. The centers normally accommodate a total of 340 workstations, but other facility space could be converted

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[1] The Office of Personnel Management and U.S. General Services Administration Interagency Telework Web site, www.telework.gov.
[2] Congressional Research Service, *Telework in the Federal Government: Background, Policy and Oversight* RL30863, April 3, 2002.
[3] U.S. Office of Personnel Management, *The Status of Telework in the Federal Government, Report to Congress*, May 2004.
[4] U.S. General Services Administration, http://www.gsa.gov/Portal/gsa/ep/channelView.do?pageTypeId=8195&channelPage=%252Fep%252Fchannel%252FgsaOverview.jsp&channelId=-12950.

quickly to accommodate more teleworkers in a COOP situation.[5] However, this is not the only reason telework has become a high priority for federal operations.

The Washington, DC metropolitan area boasts the largest number of federal employees of any metropolitan area in the United States.[6] Furthermore, the Washington area has the third worst traffic congestion of all the major metropolitan areas behind Los Angeles, California and San Francisco, California according to the most recent report by the Texas Transportation Institute.[7] Employer sponsored telework programs can be instrumental to reducing the number of cars on the road and traffic congestion at the peak commuting hours.

To address the traffic congestion problem in the Nation's Capital and around the country, the Department of Transportation has adopted *The National Strategy to Reduce Congestion on America's Transportation Network* as part of its strategic plan for fiscal years 2006-2011. Included in its first tenet, "DOT will focus on our largest metropolitan areas and seek 'Urban Partnership Agreements' with as many cities as are willing to participate. The agreements will seek commitments from major employers in the region to allow more of their employees to adopt flexible schedules and telecommute…to improve traffic flow and thus reduce congestion."[8] Furthermore, by reducing the number of people commuting on a regular basis, telework also decreases the amount of vehicle emissions released into the air.

Telework is also a vital part of an overall human capital strategy as well. The need to attract and retain federal workers could not be higher. With nearly 50 percent of all federal employees and 60 percent of all federal managers eligible for retirement in the next few years, agencies must incorporate all available tools into their human capital plans. Allowing federal employees the flexibility to telework from home or a remote location closer to home can improve the overall morale of employees and their quality of life, which can work to attract and retain federal workers.

To help promote telework across the government, OPM and GSA established the *Interagency Telework Site* at www.telework.gov. The site was set up to "provide access to guidance issued by both agencies" and boasts itself as the central location for "employees who think they might like to telework (or are already doing so), for managers and supervisors who supervise teleworkers, and for agency telework coordinators."

**Concerns with Telework**

Many managers and agencies heads have concerns about introducing a robust telework program at their site for a number of valid reasons. In association with TANDBERG, the

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[5] Congressional Research Service, *Telework Centers and Federal Continuity of Operations Planning*, RL33352, January 24, 2007.
[6] U.S. Office of Personnel Management, Federal Human Resources Data, September 2006.
[7] Texas Transportation Institute and the Texas A&M University System, *The 2005 Urban Mobility Report*, David Shrank and Tim Lomax, May 2005.
[8] U.S. Department of Transportation, *FY 2006-2011 Strategic Plan: Reduced Congestion Strategic Goal*

Federal Managers Association and the Telework Exchange released a joint survey of attitudes and opinions of managers in the federal government on telework. According to the survey, management and productivity concerns are the main impediments to telework followed closely by concerns with security.[9]

Some managers and supervisors fear that without the ability to see and interact with their employees in the same geographic location productivity will suffer and respect for the authority of the manager will diminish.[10] Furthermore, neither the manager nor the employee wants to see employees' performance appraisals affected negatively due to a disconnected relationship with the manager. To address this, employee and management training have been offered as solutions to improve the comfort level for all of those involved in the program.

Another concern is determining which positions, and to what extent they, are appropriate for telework. OPM developed characteristics to help agencies determine which positions are more suitable for telework on work that: can be performed off-site; lends itself to easy measurement of its products and progress; requires tools that are easily portable; can be performed with the use of a telephone, computer, and/or facsimile machine; and can be performed by an individual, rather than a group.[11]

Those positions that may be inappropriate for telework have been characterized as involving extensive face-to-face interaction with the supervisor, or other employees, or the public; supervision of other employees; research that requires access to materials not accessible electronically, or that cannot be removed from the main office site; and the use of equipment that cannot be provided by the employing office.[12] For example, a Member of Congress or a Judge may be able to telecommute part of the time, but in general their jobs require them to be physically present to conduct their duties.

**Best Practices**

There are a number of agencies in the federal government who have implemented successful telework programs. The telework program at U.S. Patent and Trademark Office (PTO) allows employees greater flexibility in their work schedule. Their goal is to have as many PTO employees telecommuting as possible. The staff of the PTO has seen an overall improvement in morale, significant cost savings, and, because of the nature of the work, the employees' productivity has improved.

Two other agencies that have taken an aggressive stance on telework are the U.S. Department of Treasury Inspector General for Tax Administration and the Federal Aviation Administration. Last year, the displacement of the Internal Revenue Service

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[9] Telework Exchange, the Federal Managers Association, and TANDBERG, *Face-to-Face with Management Reality: A Telework Research Report*, January 22, 2007.
[10] Federal Managers Association, *2007 Issue Briefs: Congressional Oversight*, March 2007.
[11] Congressional Research Service, *Telework in the Federal Government: Background, Policy and Oversight* (RL30863), April 3, 2002.
[12] Congressional Research Service, *Telework in the Federal Government: Background, Policy and Oversight* (RL30863), April 3, 2002.

employees in Washington, DC due to flooding presented a challenge for the continuation of operations. Treasury relied on the use of telework to keep their virtual doors open. Both organizations will be submitting testimony touting their programs and the implementation of telework as a central part of their human resources policy.

**Congressional Action and Legislation**

In 1990 Congress authorized agencies to pay for the equipment used by federal employees in their homes to telework as part of a pilot program that became permanent in 1995.[13] Congress formally directed each executive branch agency to develop telework plans with the passage of the Department of Transportation and Related Agencies Appropriations Act for fiscal year 2001. Congressman Frank Wolf, Chairman of the House Appropriations Subcommittee on the Department of Transportation and Related Agencies, spearheaded the effort to establish telework policies throughout the federal government. OPM was charged with administering telework policies, guidelines, and assistance to agencies in developing their telework programs. The Act also required 25 percent of the federal workforce would be eligible to telework. [14]

In 2002 OPM released its first report on the status of telework policies and practices in the federal government after implementation of the requirements set forth in the FY01 Appropriations bill. According to the report, only 74,487 federal employees telecommuted.[15] According to the most recent report from OPM, in FY04 nearly 50 percent of federal employees, 752,337, are eligible to participate in a telework program, while 140,694 employees actually participate in some form of telework. This represents an 18.65 percent participation rate of eligible employees.[16]

As part of the fiscal year 2004 Appropriations bill for the Departments of Commerce, Justice, State, and the Judiciary, then-Chairman Frank Wolf (R-Va.) included bill language to require those agencies to designate a telework coordinator and use telework to the maximum extent possible. In order to do so, the measure appropriated $200,000 for each department and agency to implement telecommuting programs. The provision also required a report to the Appropriations Committees on the status of the implementation process.[17] Eight months later Congress passed a provision requiring the reports to be issued to the Committee on a quarterly basis and that the telework coordinator would be the point of contact for the Committees.[18]

In May 2007 Congressman Danny Davis (D-Il.), the chairman of the House Oversight and Government Reform Subcommittee on Federal Workforce, Postal Service, and the

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[13] Congressional Research Service, *Telework Centers and Federal Continuity of Operations Planning* (RL33352), January 24, 2007.
[14] PL 106-346 Section 359.
[15] U.S. Office of Personnel Management, *Report to the Congress; The Status of Telework in the Federal Government*, January 2002.
[16] U.S. Office of Personnel Management, *Report to the Congress: The Status of Telework in the Federal Government*, January 2005.
[17] P.L. 108-199.
[18] P.L. 108-447

**S. 1000, the Telework Enhancement Act of 2007**

Introduced by Senators Ted Stevens and Mary Landrieu, S. 1000, the Telework Enhancement Act 2007, would help promote telework in all three branches of the federal government. The measure directs the head of each employing agency in the federal government, including the legislative and judicial branches, to make all employees eligible to telework unless their position is otherwise determined to be exempt for specific reasons. Each employee and manager will then be required to participate in initial telework training, and each agency will continue to review whether a given position is suitable for participation in telework.

Most significantly, the bill establishes a Telework Managing Officer position to be created at each employing federal agency. This position's responsibility, among many other things, is to develop, implement, promote, and assess the telework program and its effectiveness at the given agency. As the legislation currently reads, the bill requires the Telework Managing Officer to report the scope of participation within the given agency to the Government Accountability Office (GAO) for review and analysis. Under current law, OPM is required to report on executive branch agency telework policies annually, but this would incorporate GAO into the reporting requirements on telework programs in all three branches of government.

**Additional Information**

- Congressional Research Service, *Telework in the Federal Government: Background, Policy and Oversight* RL30863, April 3, 2002.
- Congressional Research Service, *Telework Centers and Federal Continuity of Operations Planning* RL33352, January 24, 2007.
- Government Accountability Office, Continuity of Operations: Agencies Could Improve Planning for Telework during Disruptions, Testimony before the Committee on Government Reform, House of Representatives, May 11, 2006.
- Telework Exchange, the Federal Managers Association, and TANDBERG, *Face-to-Face with Management Reality: A Telework Research Report*, January 22, 2007.
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- U.S. Office of Personnel Management, *Report to the Congress; The Status of Telework in the Federal Government*, January 2002.

- U.S. Office of Personnel Management, *Report to the Congress; The Status of Telework in the Federal Government*, January 2003.

- U.S. Office of Personnel Management, *The Status of Telework in the Federal Government, Report to Congress*, May 2004.

- U.S. Office of Personnel Management, *Report to the Congress: The Status of Telework in the Federal Government*, January 2005.

## Responses to Questions from Daniel A. Green

1) **What percent of agencies report telework participating through time and attendance systems?**
The most current data, as reported in the 2006 Telework Report, indicates that 42 percent of agencies are tracking telework participation through time and attendance systems.

2) **How are agencies able to track actual participation otherwise?**
In the absence of any statutory authority for telework, we are unable to require that agencies use specific forms and methods of collection of data on telework participation. Accordingly, we must rely on agencies to track accurately the number of teleworkers and the telework frequency in their organizations.

Telework is tracked in a variety of ways that vary from agency to agency and, sometimes, even within an agency. From the 2006 Telework Report, 78 percent of the agencies that responded to the survey are tracking telework participation by counting the number of telework agreements. Other methods include tracking through the time and attendance systems (42 percent) and using another type of electronic system (23 percent). These numbers represent only the methods used by agencies responding to the survey and do not indicate the methods used by components of those agencies.

RESPONSE TO POST HEARING QUESTIONS FOR THE RECORD
FROM SENATOR GEORGE V. VOINOVICH

"Assessing Telework Policies and Initiatives in the Federal Government"
Regarding Testimony of Stan Kaczmarczyk

1. Describe the role of the General Services Administration (GSA) in ensuring that agencies have the IT capacity to support greater telework participation.

Response: As implied in my testimony, GSA's role is to

- conduct generic governmentwide needs assessment research to determine the IT capability specifics required for supporting increased levels of telework participation;
- analyze/interpret the findings and develop conclusions, recommendations, and guidance for Federal agencies;
- prepare and publish a report for use by Federal agencies;
- promote use of the contents of the report and offer tailored technical assistance as needed;
- where applicable, we include report information in our series of Policy Bulletins published in Federal Management Regulations;
- survey agencies (in our annual customer service review) regarding their perceptions of the utility and value of our work in this area.

2. Since this is a shared responsibility, how is GSA partnering with others on this issue?

Response:
In conducting the research, publishing the work, and providing technical assistance, we work with the GSA's Federal Acquisition Service, the National Institute of Standards and Technology, and National Telecommunications and Information Administration. In addition to engaging with these organizations while developing the findings and guidance, we consult with them on an ongoing basis regarding issues that arise from agency reaction to the report. Additionally, we provide the CIO Council with our findings and guidance and also obtain comments and concurrence from OMB prior to disseminating the report. Finally, we always work with a working group from selected Federal agencies to ensure the representativeness and applicability of our work.

3. In your view, what progress have agencies made in the past year to address the issues raised in this report?

Response:
At this point, we have not assessed formally agency progress in this arena. Judging from the numerous inquiries we receive from agencies, content of discussions in other telework projects, discussions in meetings with governmentwide groups (such as the network of agency coordinators), I would say that there has been an increase in agency awareness and understanding of the reported issues. Given the level of lack of information as well as the level of misinformation prior to the publication of our report, I would say that improved awareness, knowledge, and understanding is an important first step toward actual concrete progress.

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