

Office Space

Does Working At Home Work For Corporate America?

Well, That Depends

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In Greater Boston and beyond, the “office of the future” is a present-day reality, and part of this workplace transformation is the role of the virtual office. Globally, a new generation of workers, enabled by technology tools, is in place, with more employees setting up shop at home or at other remote locations. In fact, studies show that the number of mobile workers grew 66 percent from 2005 to 2010, and that trend is continuing.

Then along comes Yahoo! CEO Marissa Mayer, who shouts, “Whoa” and directs teleworkers back to the office. Her new policy has fueled headlines and blogs, some applauding Mayer, others blasting her. While the still-ensuing dialog has been healthy, let’s put this debate in perspective: The answer to “Does working at home work for your company?” is not a simple yea or nay.



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Let’s not take Mayer’s inferences about mobility at face value. Clearly, Mayer is concerned about the dynamics that have allowed a once-exciting work environment to lose its luster while the company loses in the innovation and talent wars against the likes of Google and Facebook. Ultimately, the message in Mayer’s memo is that Yahoo! needs “all hands on deck,” and she wants employees to be accountable and interactive. Actually, Mayer may be onto something, because studies show that the strongest companies have the strongest cultures.

A Question of Balance

Companies don’t need a cookie-cutter approach to the workplace. They need customized workplace solutions to meet their unique needs. In this regard, they will often find that the answer regarding mobility lies in a question of balance:

Virtually Yes.

On one hand, it’s impossible to ignore the potential benefits of remote offices. First, a reduced office footprint results in significant reductions in the cost of real estate. Second, remote offices accommodate the legitimate needs of some workers to spend more time at home. Third, as globalization trends continue, this begs the need for more flexible work arrangements. Fourth, in addressing the productivity part of the equation, we should review industry studies, some of which show that telecommuters work more hours and more efficiently than in-house staff.

Virtually No.

On the other hand, the challenges presented by virtual offices need careful attention. These include management and reporting issues, communication gaps, the chance to become disconnected, and the blurring between work and play. At the end of the day, people need to meet in person to develop meaningful connections; they need to see body language and hear inflections. They need to interact, to be part of a team and part of a process. For this to happen, mobile workers must return to the office at least on occasion. And the office they return to must be engaging, sustainable, and fun.

In this kind of environment, collaboration and teamwork will thrive. But this type of workplace – and the culture it fosters – doesn't just happen. It needs to be carefully planned and implemented so that mobile workers and, of course, your mainstay 9-to-5ers will actually want to come to work.

A Vision And A Strategy

- Before companies decide on their virtual office policy – including the level of their mobility program – they should consider several key variables:
- What is the goal of your workplace program? Is it to more effectively manage real estate costs by reducing space? Is it to recruit and retain top talent? Promote collaboration? Or all of the above? (As companies continue to scrutinize the bottom line, we can't forget that real estate is still the second largest corporate expense, after labor.)
- What are the demographics of your organization in terms of Millennials, stay-at-home parents, retirees, and the multi-cultural breakdown? (As the Baby Boomer generation yields to new demographics, the workplace paradigm must adjust.)
- What percentage of your workforce is best-suited to work out of the office? Are you growing your sales force and service field offices, or are you a headquarters or back-office operation? (In the former case, you can push for more seat sharing and consider a mobile workforce of approximately 75 percent; in the latter example, more staff needs to be in-house, but you can still reduce seat requirements by up to 30 percent.)
- What technological tools will you provide to remote workers? (To promote communication, laptops, cloud solution services, and video conferencing are important ways to keep employees connected.)
- What are you planning to do regarding managers who fear they will lose control and accountability with less direct staff contact? Is training in place to help managers support and stay connected with remote staff? (Here, change management programs are critical.)
- In other words, before you jump headlong into a workplace solutions program, you should consider many variables and be strategic in your approach.

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