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Mahmoud Watad
Fairleigh Dickinson University

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Managing Distributed Workforce in a Telework Environment

Mahmoud M. Watad

College of Business Administration

Fairleigh Dickinson University

1000 River Road- H323E

Teaneck, NJ 07666 U.S.A

Voice (201) 692-7283

Fax (201) 692-7219

e-mail: watad@alpha.fdu.edu

Abstract

As we are heading toward the 21st century, more companies will institute formal telework \ telecommuting programs and a substantial portion of the workforce will be conducting its work away from the traditional office and from direct supervision. This paper focuses on managerial challenges that arise in managing distributed workforce in a telework environment. Telework environment as a work arrangement demands organizational and managerial adjustment in communication patterns, performance management, corporate culture, and the work itself. The insights in this paper are drawn from the results of a telework survey and managerial focus groups.

Introduction and Research Framework

In the 1990's, telework (TW) has emerged as a vital opportunity that is enabled by an advanced IT infrastructure. Telework or telecommuting (TC) is the practice of working at a location other than the central office but being linked by means of IT. While informal TC requires only a supervisor's permission, a formal TC effort requires careful planning. Implementing a formal TC program creates an enormous impact on the company and demands adjustments in most organizational dimensions and policies. New skills must be spread throughout the organization in a very short time, and a significant amount of capital must be spent to update the company's information infrastructure and train employees (Watad and DiSanzo, 1996).

This study explores the perceptions of middle managers regarding the introduction of telework programs in their companies and the challenges in managing distributed workforce. The analysis focused on two main areas: alternative work arrangements, and organizational-related factors such as performance measurement. The importance of this study is to explore the organizational factors associated with the dynamics of introducing telework programs. This study will provide insights for policy makers to adjust or devise new policies. For example, findings of this study highlight the importance of training for cultural change. Therefore, organizations should direct some of their training resources to this end.

The research methodology consisted of a survey and a focus group discussion. Responses were obtained from 142 middle managers from 40 organizations. The survey focused on middle management opinions, since any type of alternative work arrangement program would affect their positions. Consequently, their support is crucial to its success. The analytical approach involved evaluating each of the propositions with a dependent variable representing the middle managers' perceptions of TC-related issues. Perceptions were evaluated with a five-level scale representing different levels of behavior or agreement such as rarely, occasionally, somewhat frequently, frequently or very frequently. The basic analysis for each of the propositions was based on the null hypothesis that there was a uniform or consistent perception that was held by middle managers.

Results and Discussion

For middle managers to support telework programs certain challenges must be addressed. The study focused on alternative work arrangements and organizational-related factors such as performance measurement and organizational culture.

Alternative Work Arrangement.

The widespread use of TC has been widely reported (Nilles, 1994; Kugelmass, 1995; Schepp and Schepp, 1995). Nevertheless, many managers still express a concern about the use of TC as an option to solve business problems or as a reward (Austin, 1994; Weiss, 1994). This study examined the interest of adopting a telework program as a viable business solution, in contrast to other alternative work arrangements.

The preferences for several alternative work arrangements were compared with conventional status quo work arrangements. These alternatives included status quo arrangements (e.g., carpooling and the use of public transit) which would not alter the arrangement of work, and three alternatives that would alter the arrangement of work (i.e., TC, working shifts and working alternate days). The results of the survey indicate

that middle managers had a high degree of consensus in supporting status quo arrangements, as opposed to arrangements that would require altering the nature of work.

Consensus was defined as a significant proportion of the middle managers who responded with either a high level of support or a low level of support. Approximately 47% of the middle managers surveyed strongly supported TC. These numbers were not significantly different from the null hypothesis, and thus there was no consensus among managers. These results indicate that managers clearly are ambivalent about TC. The mixed support for TC was independent of age and gender. While results indicate that middle managers generally support the status quo, they would choose TC over other types of work arrangements. For example, while 53% were strongly against work shifts arrangement, only 31% were against TC.

The choice of status quo would require no alterations in the supervision, scheduling, or communications with employees. Status quo would seem to be inconsistent with the relatively strong support for full-time telecommuting, unless we consider that full-time telecommuting is a choice between other "alternative work arrangements": working shifts or working alternate days. Imposing a shift work or working alternate days would significantly burden the manager with additional problems and considerations. Scheduling would become more difficult, and in the case of working shifts, additional managers or supervisors may be required. These problems may have helped presenting full-time telecommuting as a viable, alternative work arrangement.

Organizational Factors

The importance of performance management, managerial control, corporate culture, and security to the adoption of a TC program has been widely reported (Weiss, 1994; Korzeniewsky, 1997; Watad and DiSanzo, 1996; Patterson, 1997).

Managing the performance of teleworkers is a challenge to middle managers because they must adjust their practices and policies. The emphasis on managing for results requires highly developed communication skills with both the telecommuters and the managers (Jizba and Kleiner, 1990; Campagna, 1996; Jacobs and Van Sell, 1998). Rotter (1996) reviewed the applicability of cognitive processing in performance appraisal of telecommuters, and she concluded that outcomes are most effectively judged when appropriate memory aids and logs (email and faxes) are employed in the appraisal process. While logs and time sheets may indicate to managers when telecommuters were working, the lack of visual control can be a problem when managers have not been trained to focus on results (Austin, 1994; Fowler, 1996).

The importance of an appropriate corporate culture for TC has also been suggested (Girard, 1997; Cohen, 1997; Zeidenberg, 1996), although most authors indicate that TC has been adopted where the corporate culture is suitable for its acceptance. This may change as more firms institute TC policies to reduce costs, and thus these organizations must change the culture of the firm to foster an acceptance of TC (Zeidenberg, 1996; Dutton, 1994).

The results of the survey indicate a lack of consensus concerning security (35%) and performance evaluation (37%), and a significant consensus concerning the difficulty of resolving managerial control (48%) and cultural issues (59%). Numbers indicate the percentage of managers that perceived these issues to be extremely difficult to resolve. Therefore training programs must focus on security, performance evaluation and managerial control issues in order for middle managers to support TC. However, the most important obstacle that must be addressed is related to corporate culture. The high level of difficulty associated with resolving cultural change problems indicates that middle managers understand the critical role of culture in affecting a successful TC/TW program.

Summary

Advances in IT have made TC/TW a viable alternative for many organizations. Adopting a telecommuting policy changes communication patterns, performance management, relationships, corporate culture, and potentially the work itself. The findings of this study indicate that middle managers have the potential to support radical initiatives. Managers may consider telecommuting as both a solution to organizational problem and an opportunity to innovate. Their support to TC means that they are willing to accept one time radical change, but they are not willing to accept too much variation in their daily routine. It appears that middle managers prefer to support a TC program in which every participant telecommutes all the time. This conclusion has serious implications on how TC programs should be introduced in organizations.

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