

Case study:

Hewlett-Packard Company

- **Telework**
- **High-tech, manufacturing, sales**
- **28 major sites, more than 600 sales offices and worksites in 120 countries.**

“I want HP to be the employer of choice.... When people come to work here, they want to stay here.”

–Lew Platt, CEO

Business benefits:

- Retention of top performers, increased work/life satisfaction.
- Enhanced employee effectiveness.
- Office space and travel savings.
- Improved customer service.
- Emergency coverage.
- Disaster recovery.

Statistics:

- Formal telework began: 1994.
- Teleworkers: 6-10% of HP's U.S. staff work at home at least once a week.

The HP way

You don't have to be at Hewlett-Packard long before someone refers to *the HP way*. Co-founders Bill Hewlett and Dave Packard built an international corporation based on the belief that men and women want to do a good job – and they will do so if they are provided the proper environment. These days, providing the proper environment at Hewlett-Packard can mean helping employees work at home instead of the office, when the option meets business needs.

Summarizing HP's experience with telework, Tom Johnson, Human

Resources Manager at the Measurement Solutions Division in Lake Stevens, WA, says, “Telework is a tool, which can be used effectively in many jobs and circumstances.”

Between 6 and 10% of HP's 68,000 U.S. employees work from home or other remote locations during business hours on a consistent basis. Technology, some of it invented and manufactured by HP itself, has provided a backbone to support the growth of telework.

Telework provides business edge

Two points uppermost in managers' minds when reviewing an employee's telework request are the benefits to the individual's job performance and the problem telework resolves, or the opportunity it creates, for a specific HP division.

HP managers find telework a desirable work option for a variety of business reasons. Key reasons include: retention of top performers due to increased work/life flexibility, the ability of employees to work more effectively, emergency coverage, disaster recovery, office space and travel savings, and a better ability to serve global clients through flexibility in work location and length of business day.

CEO Lew Platt likes the fact that telework helps recruit and retain high-tech employees. “I want HP to be the employer of choice,” he says. “That means that college graduates want to interview with HP. When people come to work here, they want to stay here.”

Work options linked to work/life balance

Because Platt previously had been widowed and left with two young daughters, he used his first-hand experience with work and personal issues when he became CEO by championing the 1993 introduction of a package of work/life initiatives, including telework.

Since 1995, when HP began surveying employees about work/life balance, employee satisfaction with how work and life fit together has jumped an average of 10 points. Attrition rates are stable or down in most areas of HP. Because it costs HP at least the equivalent of one year's salary to replace an employee, retention – especially of technology workers – is a bottom line issue.

Decisions emphasize return on investment

Darryl Roberts, a human resources manager located at HP's Bellevue, WA,

offices, characterizes telework as an “employee-driven business decision.” In most cases, an employee requests it, then a cost analysis by their manager focuses on the return to HP compared to the budget outlay. Managers are encouraged to account for intangible benefits, such as retention and effectiveness, in their decisions. An interactive, seven-question form asks potential teleworkers to establish how their work arrangement will meet a business need and asks managers how results will be measured.

HP support system

Teleworkers are provided remote but critical support from Information Technology, and HP reserves the right to have a representative from Health and Safety make a home visit to ensure the work environment meets ergonomic standards. Telework information on HP's intranet includes an explicit list of equipment and services enabling managers to determine precise costs and to order appropriately.

Costs vary from \$0 to \$5,000

Existing telework arrangements represent a broad continuum of business and personal needs. Set-up costs to HP can range from zero to more than \$5,000, per teleworker. In many situations, \$30 per month of remote network access may be all that is required to make a laptop user fully functional at home one day a week. A systems engineer with a physical handicap has worked from home for several years using a UNIX work station installed by HP. Experienced systems engineers are a valuable resource in the high-tech employment market. The decision to have him telework was easy for HP, and the additional cost outlay of \$3,500 justifiable based on productivity and retention reasons alone.

Teleworker profiles

As a Learning Products Engineer, Cheryl Marks finds ways to help people do their work faster, cheaper and easier. Given her mission, it is not surprising that Marks works from home one to two days per week so she can focus and comprehend the information she has gathered.

“One of the reasons I stay with HP is because they allow me to telework,” she says. “If you knew me, you would understand how much happier a person I am because of working at home. I get burned out if I can't be as productive as I want to be.”

Nikki Cheatham, an HP Traffic Manager, teleworks one day a week. “In Nikki's job, it is very, very valuable to have her telework,” Procurement

Manager Cathy Thran says. “If she didn't do a lot of uninterrupted reading on Tuesdays to stay up to date on export regulations, she wouldn't be as crisp on her job as she is.” Cheatham estimates it takes her roughly half as much time to absorb complex information at home than in her office cubicle.

85% affirm effectiveness increases

HP surveys its entire workforce every two years to track employee satisfaction. Its last survey indicated 85% of all employees who telework feel it enables them not only to maintain, but to increase effectiveness. In fact the effectiveness question scored higher than the questions relating to increased job satisfaction and accommodation of personal needs.

Johnson says it is difficult to measure effectiveness increases because in many cases the work products are intangible. “But I believe we have enough hard data and anecdotal evidence to suggest telework can increase productivity in a wide variety of jobs and tasks,” he says. “Most important is the issue of fit. Employers should ask if telework fits the job content, the individual's work habits, the manager's style and the corporate culture.”

Space and overhead savings

Hewlett-Packard sales offices throughout the nation have “hot desks,” or unassigned desks, for employees who work from home, the road and customer sites, but need to drop by the office once or twice a week. The Bellevue sales office has nine hot desks. Of 250 Bellevue employees, 15 to 18 have a home office. Approximately 60 more work at home at least one day a week as needed. The full-time teleworkers save HP sales offices significant space and overhead costs. Even part-time teleworkers cut fuel and maintenance costs by decreasing travel to the office in a company car.

Emergency capacity enhanced

Telework is a piece of HP's emergency management plan for weather-related down time or disasters. The company has already reaped a return on a minimal connectivity investment by enabling employees who fill critical roles to telework when they have car trouble, a sick child or during a snow storm.

Moving work to the workers

HP is well-versed in remote management. Eighty percent of employees in Bellevue are managed by people in other offices across the nation. The same is true in varying degrees at most HP worksites. “When changes in product lines or organizational structure occur, we've found you don't need

to move the employee to the work. Knowledge work can move to the employees,” says Human Resources Representative Sharon Watts. In fact, Watts cites instances of people who report to one site, are based out of another site, and also work from home one or more days per week.

“Informal” telework growing

The use of telework is growing at HP, but not within the standard program, which requires employees to fill out an application with their manager and establish a regular schedule. It is the number of informal teleworkers that is increasing; however, it is difficult to confirm an exact number.

Corporate Work/Life Manager Jerry Cashman does know that approximately 30,000 of Hewlett-Packard's 68,000 United States employees have remote network access, 19,000 have borrowed surplus equipment, and 550 U.S. field employees have given up their HP offices for a full-time telework arrangement.

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