

February 2007

Telework
Trendlines
for 2006

2007



SURVEY BRIEF

A report by WorldatWork based on data collected
by The Dieringer Research Group

WorldatWork
The Total Rewards Association

About WorldatWork



WorldatWork (www.worldatwork.org)

is the association for human resources professionals focused on attracting, motivating and retaining employees. Founded in 1955, WorldatWork provides practitioners with knowledge leadership to effectively implement total rewards—compensation, benefits, work-life, performance and recognition, development and career opportunities—by connecting employee engagement to business performance. WorldatWork supports its 30,000 members and customers in 30 countries with thought leadership, education, publications, research and certification.

The WorldatWork group of registered marks includes: WorldatWork®, workspan®, Certified Compensation Professional or CCP®, Certified Benefits Professional® or CBP, Global Remuneration Professional or GRP®, Work-Life Certified Professional or WLCP™, WorldatWork Society of Certified Professionals®, and Alliance for Work-Life Progress® or AWLP®.

www.worldatwork.org

Media Contact:

Marcia Rhodes
14040 N. Northsight Blvd.
Scottsdale, Arizona
85260-3601

480/348-7285
Toll free: 877/951-9191
Fax: 480/483-8352
mrhodes@worldatwork.org



©2007 WorldatWork Any laws, regulations or other legal requirements noted in this publication are, to the best of the publisher's knowledge, accurate and current as of this report's publishing date. WorldatWork is providing this information with the understanding that WorldatWork is not engaged, directly or by implication, in rendering legal, accounting or other related professional services. You are urged to consult with an attorney, accountant or other qualified professional concerning your own specific situation and any questions that you may have related to that.

No portion of this publication may be reproduced in any form without express written permission from WorldatWork.

Telework Trendlines for 2006

From WorldatWork, based on data collected by The Dieringer Research Group

Introduction and Methodology

The following report includes data from the Telework Module of the “2006 American Interactive Consumer Survey,” a random digit dialed (RDD) telephone survey conducted Oct. 17 through Nov. 5, 2006 by The Dieringer Research Group, Inc. The telecommuting questions in the “2006 American Interactive Consumer Survey” are commissioned by WorldatWork through a special arrangement with The Dieringer Research Group.

One thousand and one telephone interviews were conducted with adults 19 years and older in the United States using computer generated random-digit telephone lists. The data were weighted to match current population norms for U.S. adults 18 years and older, using four weighting factors: age, gender, educational attainment and U.S. Census region.

Data for all U.S. adults in the survey (n=1,001) is considered reliable at the 95 percent confidence interval to within +/- 3.1 percent. The primary goal of the larger “2006 American Interactive Consumer Survey” is to generate representative population projections for selected segments of both online and offline U.S. adults 18 years and older.

Definitions Used in this Report:

- **Telecommute:** To either periodically or regularly perform work for one’s employer from home.
- **Telework:** To perform all of one’s work from any remote location—either for an outside employer or through self-employment.
- **Employee Teleworker:** A regular employee (full or part time) who works remotely at least one day per month during normal business hours.
- **Contract Teleworker:** Self-employed individual who works remotely at least one day per month during normal business hours.

Finding No. 1: Employers Are Expanding Teleworking Opportunities

The number of Americans whose employer allows them to work from home at least one day per month increased to 12.4 million in 2006, up from approximately 9.9 million in 2005, according to research conducted by WorldatWork through The Dieringer Research Group. The rise represents a 25-percent one-year increase, and a 63-percent two-year increase. In 2004, the number of employees allowed to work from home at least one day per month was approximately 7.6 million (See Figure 1).

Based on government estimates of 149.3 million workers in the U.S. labor force (2005), the 2006 data means that roughly 8 percent of American workers have an employer that allows them to telework one day per month. The rising trend in the past two or three years is likely a combination of factors, including the proliferation of high speed/ broadband and other wireless access (which has made it both less expensive and more productive to work

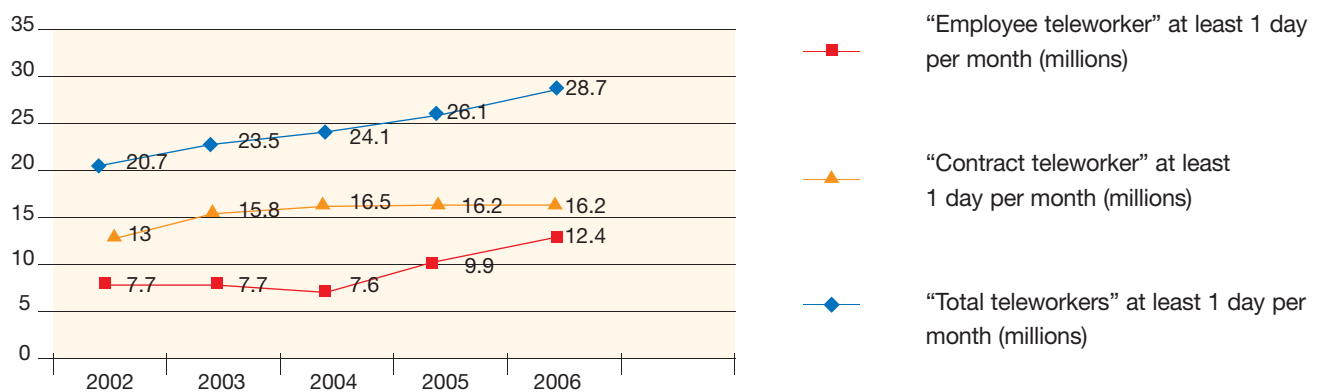
remotely) and the trend by more employers to embrace work-life balance and flex-scheduling concepts.

As shown in Figure 1, the 2006 survey also found that the number of “contract teleworkers” who work remotely at least one day a month held steady between 2005 and 2006 at approximately 16.2 million Americans.

In total, the simple sum of “employee teleworkers” and “contract teleworkers” working remotely at least one day per month has risen from approximately 26.1 million in 2005 to 28.7 million in 2006, a 10-percent one-year increase. Since 2002, the total number of U.S. once-a-month teleworkers has risen by roughly 39 percent.

Figure 1

Five-Year Teleworker Trend Line



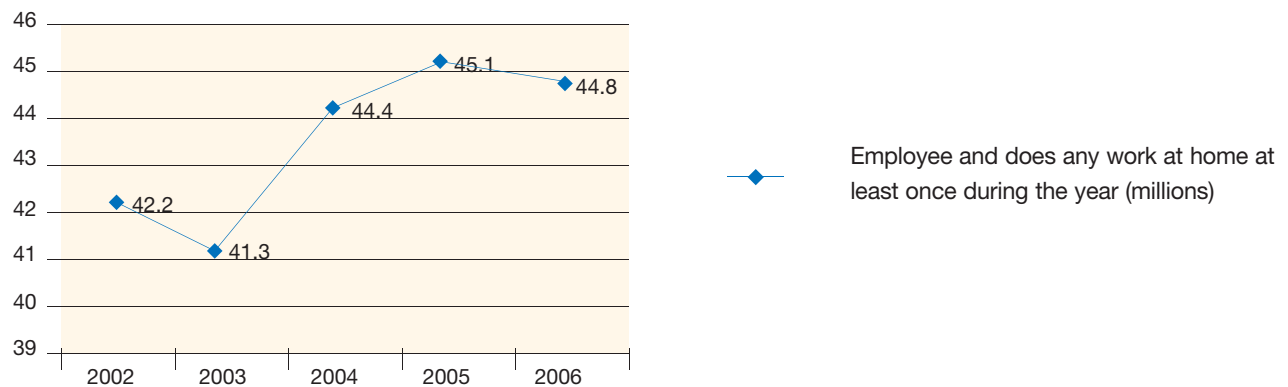
Note: “Employee Teleworker” is a full- or part-time employee who works remotely at least one day per month, and “Contract Teleworker” is a self-employed teleworker who works outside the office at least one day per month.

Finding No. 2: Number of “At Least Once Per Year” Teleworkers Remains Steady

Other data from the 2006 survey reveal that approximately 45 million Americans worked remotely at least one day during all of 2006. This question was posed to people who indicated that they worked either full or part time at home for an outside employer, were self-employed or who worked in a home-based business. Thus, although it does

capture the “at least once per month” teleworker from the previous question, it is using a different time frame for response (during the entire year, not at least once per month). The 45 million figure has been steady for about the past three years, although it is about 6 percent higher since 2002. (See Figure 2.)

Figure 2
Five-Year Trend of “Any Work Conducted At Home During the Year”



Finding No. 3: The Frequency of Teleworking is Growing

As Figure 3 shows, there has been an increase in how frequently people are teleworking. In 2006, there were sizable increases in the number of survey respondents answering “at least once per month” and “almost every day,” while the number of people

who say they do not or never telework at all has dropped by 24%—yet another sign of the growth in teleworking in the United States.

Figure 3
Frequency of Teleworking

	2005 (millions)	2006 (millions)	Percent change '05-'06
None/never	13.5	10.3	-24%
Any frequency	30.3	33.8	+11.5%
At least once/month	26.1	28.7	+10%
At least once/week	22.2	22.0	-1%
Almost every day (full time)	12.2	14.7	+20%

Finding No. 4: Broadband Use by Teleworkers

The number of teleworkers using a broadband connection at home increased by more than 45 percent in the 2006 survey, following an even-larger 65 percent rise in the previous survey (2005). Although these consecutive years of increase seem huge, they are logical given the explosion in broadband and high-speed Internet usage in the past

several years. Increased usage of broadband has helped employees more productively work from a distance, especially in accessing corporate networks. In 2004, 8 million home-based “employed teleworkers” used broadband; in 2006 the number is 19.1 million. (See Figure 4)

Figure 4

Broadband Use by Teleworkers

	2005			2006			Percent Change '05-'06
	Universe (mil)	BB Users (mil)	% Using BB	Universe (mil)	BB Users (mil)	% Using BB	
Employed and did any work at home during the year	45.1	25.6	57%	44.8	26.3	59%	2.7%
Employed teleworkers	26.1	13.2	51%	28.7	19.1	67%	45%

Finding No. 5: Teleworkers Are Far More Prevalent Users of Wireless

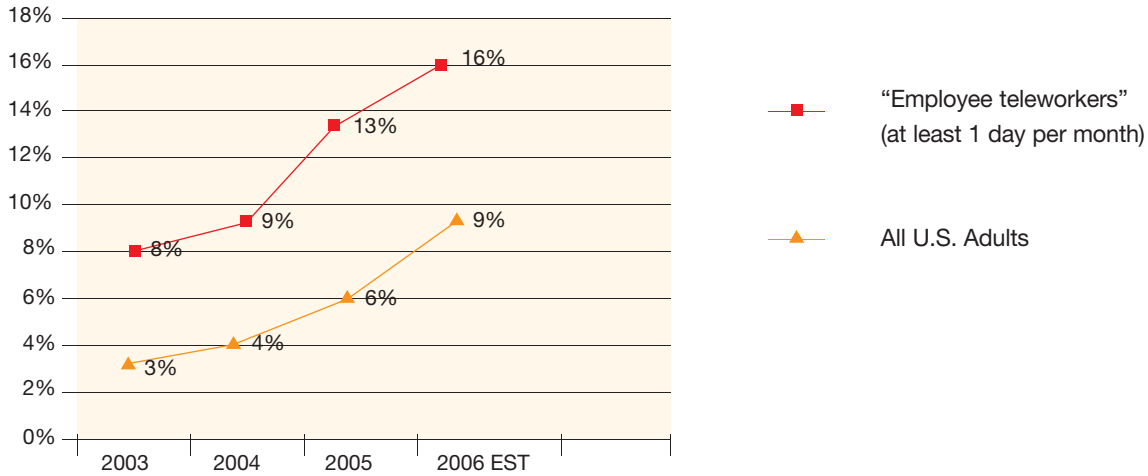
Because the “2006 American Interactive Consumer Survey” has traditionally focused on PC-based Internet access, the ability to be precise about wireless access and activity is somewhat challenged. To state it another way: the proliferation of wireless and handheld devices has complicated the ways in which a survey respondent may answer a seemingly simple question about their “access to the Internet.” This survey in future years will include more precise definitions for types of wireless access.

of wireless access to be 9 percent of all U.S. adults in 2006, and 16 percent of teleworkers. Thus the data in Figure 5 indicates that U.S. teleworkers are about 88 percent more likely to access the Internet via wireless device (nearly twice as likely) than all U.S. adults. It seems abundantly clear that employers and workers alike are increasingly equipped with wireless portable devices that allow easier synchronization of their offices, homes and other work locations.

The Dieringer Research Group projects penetration

Figure 5

Wireless Access to the Internet, Teleworkers vs. All Adults



Finding No. 6: Increasingly Working from Anywhere

Although “home” is still the most common location for teleworkers to conduct their work in 2006, this year’s data demonstrates that more and more Americans—millions of them—are working from just about anywhere.

In the 2006 survey respondents were offered a question that included a variety of choices of locations that they might have conducted work during the past month. Figure 6 shows the most common categories indicated.

In addition to the above locations, one of the survey’s questions inquired about whether the respondent had worked while on vacation. In 2005, people identified as “employed teleworkers” were 4.1 times as likely to say that they conducted work while on vacation as all Americans in general. In 2006, this ratio changed little, so it would appear from two years of data that teleworkers are approx-

imately four times more likely to work while on vacation than non-teleworkers.

Figure 6

Locations Where Work Was Conducted During the Past Month (Millions of U.S. Adults)

Location	2006
Customer or client’s place of business	24.6
In the car	24.0
Café or restaurant	20.2
Hotel or motel	17.8
Park or other outdoor location	11.5
On airplane, train or subway	10.6
Airport, train depot or subway platform	9.1

Finding No. 7: Who is a Teleworker?

The 2006 survey provides a wide range of demographic information about who today's teleworkers are. Figure 7, provides a selective sample of the profile data from the survey for "employee teleworkers" who worked remotely at least one day a month in 2006.

The data in Figure 7 illustrate that:

- Three out of five employee teleworkers are male;
- Teleworkers are predominantly married or living with a partner; and
- The single largest group of teleworkers (43%) live in a household that earns \$75,000 USD or more per year.

Figure 7

Selective 2007 Teleworker Profile

The "Employee Teleworker"	
Number of "employee teleworkers" in the U.S.	12.4 million
Men	60%
Women	40%
<i>Marital Status</i>	
Married/Living Together	79%
Single/Never Married	17%
Separated/Divorced	8%
<i>Employer Size</i>	
Fewer Than 100 Employees	37%
100-999 Employees	20%
1,000-Plus Employees	38%
<i>Educational Attainment</i>	
High School or Less	17%
Some College/Vocational	11%
College Graduate (4yr)	72%
– Post Graduate	30%
<i>Household Income in US Dollars</i>	
Under \$40,000	20%
\$40,000-\$74,999	21%
\$75,000 or more	40%
Refused	15%

ABOUT THIS ANALYSIS

The telework data in this report were commissioned by special arrangement of WorldatWork through the "2006 American Interactive Consumer Survey" conducted by The Dieringer Research Group. WorldatWork wrote this summary analysis and is responsible for its content. Any data or tables taken from this summary for other purposes should be referenced as "WorldatWork 2006 Telework Trendlines commissioned from The Dieringer Research Group."

Customized analysis of these research results along with comparison to previous years can be commissioned from The Dieringer Research Group. For more information, please contact 1-800-489-4540. Members of the press should contact Marcia Rhodes, media relations manager for WorldatWork, at 480/348-7285 or mrhodes@worldatwork.org.

The Dieringer Research Group has been involved in tracking telework since conducting the first nationally recognized survey of the trend in 1985. Since 2003, WorldatWork and The Dieringer Research

Group, through the annual "American Interactive Consumers Survey," have collaborated to provide the latest data on people working from anywhere, also known as teleworkers.

The use of broadband by teleworkers was added in 2004. In 2005, an additional question was added to quantify the other locations from which people work. In 2007, further refinements will be made to the survey instrument to better capture the proliferation of wireless, handheld devices and remote access.