

TELEWORK CASE STUDY:

SKLD Information Services

“Teleworking has proven to be a tremendous benefit to our employees and the company’s bottom line. Since implementing the telework program, turnover and absenteeism have both reduced dramatically, saving our company significant training and overtime expenses.”

-David A. Floyd, President

Program Highlights

Statistics:

Pilot began: 2001
Full-time teleworkers: 20
Part-time teleworkers: 4

Employer Benefits:

- Reduced employee turnover – 0% voluntary turnover
- Up to 87% reduction in unscheduled absences
- Reduced Worker’s Comp claims
- Lower overhead through reduced occupancy cost

Employee Benefits:

- Better morale
- Flexible scheduling
- No need to outsource, jobs remained in the U.S.

Community Benefits:

- 190,000 commute-miles saved annually
- 11,320 pounds of pollution prevented

SKLD Information Services, LLC has been providing professional information to the title insurance industry for over 35 years, specializing in information retrieval and collection. SKLD provides a wide range of reports and listings based on information from the actual real estate transactions recorded in 14 Colorado counties. Currently, SKLD employs 49 people.

Telework at SKLD Information Services, LLC

SKLD initially viewed telecommuting as an employee perk and a way to reward performance. Beginning in the fall of 2001, SKLD allowed a test of their first telecommuting employee. By the end of the first year, five additional data entry telecommuters were successfully working from home. Currently, SKLD has 20 employees telecommuting full-time and four telecommuting part-time.

SKLD provides teleworkers with a computer, monitor, firewall, an ergonomic chair and all necessary technical support. This provides for added security and protection of the network from viruses. The firewall provided by SKLD allows for multiple PC connections. Teleworkers provide their own desks, printers, etc. SKLD pays monthly high-speed Internet access, averaging \$50 per month per employee. Average set-up takes about one hour of technical support and anywhere from \$100 to \$250 in fees from the ISP provider depending upon the technology used.

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Policies and Requirements – Employees must first prove adequate job knowledge and the ability to work on their own. An agreement is signed outlining the expectations and policies. SKLD internal production statistics provide management the ability to view an employee’s productivity throughout the day. Through the use of standards in production, as well as tracking login/out times, and start/stop times, each employee can be effectively monitored. Failure to meet company standards could end the employee’s telecommuting privileges.

Issues SKLD has addressed and overcome:

- Policy review – SKLD has taken the approach that all employees are provided the same benefits whether telecommuting or not. As a result, some policies have been altered in order to accommodate all parties equally.
- Supplies and reimbursed expenses
- Compensation for travel time and expenses when the telecommuter is required to come into the office
- Return of company-owned equipment upon termination or resignation
- Payroll- Insuring the employee has their paycheck on payday, either through direct deposit or mailing early
- Disaster Recovery – Planning for problems with T1 lines, VPN/router failures or Internet provider issues
- Maintaining a team concept with the employees.

Results:

SKLD has experienced very positive results, especially with regard to employee turnover. Prior to 2002, voluntary turnover averaged 30% and was as high as 60%. Since the telework program was introduced, voluntary turnover has been reduced to 0% through mid-year 2005. Likewise, absenteeism has been reduced – an overall 66% reduction in unscheduled absences. When comparing the year before teleworking was introduced to the first year of the program, an 87% reduction in telecommuters’ unscheduled absences was realized.

SKLD admits that teleworking is not for everyone and that managers often need to learn to manage two groups of employees. However, they have also discovered that with the flexibility of a telework program, employee morale is higher, there are fewer personality conflicts, and employees report better job satisfaction. SKLD emphasizes that telework cannot replace day care and requires buy-in and understanding from the entire family. Voice mail and e-mail communications have become very important. Employees appreciate the flexible scheduling and consequently are available for overtime during drive time, evenings, and weekends when needed, providing a better product to SKLD’s customers.

Because of their successful telework program, SKLD has also lowered overhead through reduced occupancy costs for the company. They have also eliminated the need to outsource, keeping jobs in both Colorado and the United States. For the future, developing on-line training will be a priority, allowing anyone, anywhere to work from home and greatly expanding the labor market.



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