



# Telecommuting: A Responsible Business Approach of Business Process Outsourcing (BPO) Organizations

## KEYWORDS

Telecommuting, Teleworker, Sustainable development, Responsible Business, Corporate Social Responsibility (CSR) and Triple Bottom Line (TBL)

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## ABSTRACT

*Being Corporate Social Responsibility (CSR) evolved as a popular concept in different context of business management; telecommuting becomes a sustainable strategy for sustainable business development. Many organizations offer telecommuting jobs opportunities for Person with Disabilities (PWD), women and people from marginalized sections as part of their affirmative action. When the whole world is very concerned about issues like global warming and climate change, telecommuting can be adopted as an 'alternative' and a viable solution to lessen traffic congestion and infrastructure constraints and thereby to achieve reduced carbon footprint. Present study portrays some opportunities of telecommuting with reference to Business Process Outsourcing (BPO) companies.*

## 1. Introduction

The phenomenon of unbalanced growth is emerging as a looming crisis all over the world. While a lion part of the wealth accumulates at the hand of a minority, billions of people strives to overcome poverty, unemployment, illiteracy, malnutrition etc. Eying at huge profit, business explores and exploits environment and society at the cost of common public. Albeit governments strive to ensure faster, sustainable and inclusive growth, it not yet gets rid from the vicious circle of poverty. In order to ensure equitable and sustainable growth, business sector needs to join hands with governments and NGO's by exhibiting socially responsible business practices that in turn ensures distribution of wealth and attainment of well-being of the communities in which the business operates. Thus, beyond making profits, companies are responsible for impacts it leaves on people and the planet. In the wake of this realization, multitude of corporations started to design their business strategy by incorporating sustainable elements. Among these, telecommuting – working outside the principal office, is emerging as a global trend. Even though it has manifold dimensions, telecommuting has a significant impact on sustainable development.

## 2. Problem definition

According to a Reuters, approximately "one in five workers around the globe, particularly employees in the Middle East, Latin America and Asia, telecommute frequently, and nearly 10 percent work from home every day. In January 2012, Reuters predicted that telecommuting "is a trend that has grown and one which looks like it will continue with 34 percent of connected workers saying they would be very likely to telecommute on a full-time basis if they could." (Reaney, 2012). It is apparent that telecommuting has a considerable role in business as a strategy for sustainable and responsible business development, in the context of increased apprehension of global community over myriad negative social and environmental impacts of business (Boas and Ilan 2012). Even though it's a cost minimization strategy, for communities, telecommuting offers fuller employment. Additionally, it's a blessing for circumstantially marginalized groups such as; the disabled, women, caregivers, work at home parents, retirees, and people living in remote areas. It reduces traffic congestions and accidents, reducing green house gases (GHG), reduc-

ing energy use, relieving pressure on transportation infrastructure, improving disaster preparedness, and reducing vulnerability to terrorism. The heartening fact is that telework increases the access to technology for rural populace. Thus intentionally or unintentionally many organizations choose telecommuting as a strategy to catalyze inclusive development. It is evident from the aforesaid facts that; telework can enhance and empower people and nation along with mitigating multiple social and environmental concerns.

## 3. Business Process Outsourcing (BPO)

Offshore financing now emerged as a catalyst for economic development especially in developing countries. Developed countries are striving to find safe heavens to outsource their manifold jobs. Among these countries India came out as an attractive destination for developed countries considering its well developed ICT (Information, Communication and Technology) infrastructure. Even though debt crisis and unemployment tightens many countries, BPO's are not losing its relevance. Amid tensions, call centre services, medical transcription, voice over IP etc. are booming and telecommuting evolved as a new mantra for the development of IT industry in India.

## 4. Impact of Telecommuting on Sustainability

It is conspicuous that telecommuting contributes for the development of marginalized and underdeveloped. As an inclusive and responsible approach, many organizations can consider telecommuting as an option for benefitting local people and to promote sustainable development. However, Crede (1995) reports that companies neither realized it as a sustainable strategy nor promoted it as a Corporate Social Responsibility (CSR) initiative even though telework expands the spectrum of sustainable practices by breaching the boundaries of exclusion. Studies (Irani et al 1999) reported that saving of time as the most significant advantage of teleworking (67 per cent), while cost-effectiveness/ profitability is the next important advantage (nearly 40 per cent). Improved efficiency (14.4 per cent), ease of use (9.4 per cent) and reliability / accuracy (5.6 per cent) are the other significant considerations.

The role of telecommuting in the conservation of resources is suffice to gain the attention of management. American

Consumer Organization considers telecommuting as an opportunity for employment generation, reducing carbon footprint, widening ICT application, technology access for rural population and, increasing benefits for employees. It leads to a more energy-saving environment without adversely impacting profit. A brief description on the benefit of telecommuting is given below.

#### 4.1. Environmental Protection and Energy Conservation

Initially, United States adopted telecommuting as a viable option for employment creation. It gained momentum after the amendment of Clean Air Act which aimed at increasing its activities to investigate enforcing interstate air pollution transport, ambient monitoring studies and stationary source inspections. (Bronson, 1993 and Siano, 1998). The act envisaged companies with over 100 employees to encourage public transportation, car pools, shortened workweeks, and telecommuting. In 2004, an appropriations bill was enacted by Congress to encourage telecommuting for certain Federal agencies. Also, the US Congress passed legislation "Telecommuting and Air Quality Act (HR2556, S1521) to significantly promote telecommuting (Allenby, 2001). The bill forced to withhold money from agencies that failed to provide telecommuting options to all eligible employees.

The city of Phoenix, Arizona began a telecommuting program in 1995 based on research that indicated about 50 percent of all their workers were interested in telecommuting or had jobs that were well-suited to telecommuting (Harler, 1997). Lister and Kate (2009) found that if the 40% of the U.S. population that holds telework-compatible jobs and wants to work from home did so half of the time:

- The nation would save 280,000,000 barrels (45,000,000 m<sup>3</sup>) of oil (37% of Gulf oil imports).
- The environment would be saved the equivalent of taking 9 million cars permanently off the road.
- The energy potential from the fuel savings would total more than twice what the U.S. currently produces from all renewable energy sources combined.

Johnson (1994) in an article 'ten advantages to telecommuting' describes about the benefit of telecommuting in the areas of energy conservation, environmental protection, enhancement of worker safety, and the promotion of family values. He observed that telecommuting has a great potential to save energy by less use of vehicles, equipments, infrastructure and other supporting resources. For instance; an increased commutation to work increase the need for expanded highways and associated road maintenance. The heating, cooling and lighting requirements of building, use of construction materials and the cost of maintenance incur a lot of cost. At the same time working from home requires only nominal incremental demands on energy for heating, cooling and lighting needs, and makes optimum use of existing resources like building, space and facilities.

Roads, parking facilities and associated structure are increasingly consuming large quantities of land and other resources. As a result of overreaching carrying capacity of roads, there occur thousands of traffic-related deaths every year and a large number of people are being severely injured. Additionally, there is substantial loss of resources associated with traffic accidents, which happens mostly in the furious rush of people from home to the office or back. Giuliano (1981) and Seaman (1997) identified increased high-

way traffic, declining of air quality, and depletion of atmospheric ozone levels are some of the related environmental impacts. A study by the Texas Transportation Institute found that the average time spent stuck in traffic in major US cities amounted to 56 hours per year in Los Angeles while Atlanta and Seattle followed closely with a total of 53 hours (Longman, 2001; [khttp:// mobility.tamu.edu](http://mobility.tamu.edu) May 7, 2001). If we combine the traffic jams with the average total length of commute of more than 30 miles each way in those cities the total adds up to well over 400 hours per year (Samia and Richar, 2006). If companies convert possible jobs as telecommuting, existing transportation infrastructure can maintained properly and parking lots could be utilized effectively.

Environmental Protection Agency (EPA) in the US found that telecommuting helps to reduce vehicle use of workers by 30 percent despite telecommuters likely to travel more for personal trips than other workers (Leonard, 1997). Georgia Power estimates that the use of satellite centers saves each employee "about an hour and a half of their" commuting time each day and "each center saves about 300 commute miles a day" (or 3,000 total commute miles per day for ten satellite centers) (Tanzillo, 1995, p. 14). The City of Phoenix, AZ reports that their telecommuting strategy helped to avoid 1.4 tons of pollutants to the air and a total reduction of 97,000 commuting miles in the first six months (Harler, 1997). The New York City Department of Transportation has proposed a "what if" measure. "If 15 percent of the workers in New York City telecommuted 3.7 days per month, the potential impact . . . would be 95,000 fewer commuting vehicles per day (and) 2.5 fewer tons of toxic emissions per day" (Betts, 1994). The California Engineering Foundation (CEF) comprises of leading organizations such as Xerox Corp, Pacific Bell., Bechtel Industries, and Rockwell International Corp. estimated that the state of California could "save close to \$5 billion a year in fuel costs and productivity loss" through telecommuting jobs (Cummings, 1992).

Allenby (2001) comments on environmental impact: "one gallon of gasoline produces 19 pounds of carbon dioxide (CO<sub>2</sub>), the 5.1 million gallons of gas teleworkers didn't use in 2,000 equate to almost 50,000 tons of CO<sub>2</sub> . . ." and continues by stating that "these are estimates based on reasonable assumptions, but they provide an idea of the magnitude of reductions in emissions which teleworking might support if engaged in on a global scale" (Allenby, 2001).

#### 4.2. Value Creation

The stress associated with workers commuting everyday back and forth to work especially those who are away from the home is real and alarming. Experts suggest telecommuting as a renewed opportunity for employees to rediscover the joys of working from their homes (Johnson, 1994). Taking leverage out of the sophisticated telecommunications technology, a sufficient number of workers can successfully choose "work-at-home" if it will not compromise productivity. Very interestingly, studies opine that telecommuting increase productivity of individuals (Jeffrey, Alan, Maria and Michelle, 2001). It is also heartening to point out that working from home offers people greater opportunity to spend quality time with family members; that obviously enrich family values and strengthen family ties and unity. Additionally, increased interaction with family members may nurture and foster healthy relations and resolution of family problems. Being the flow of social development progress through individual, family and society, links

of each chain should be sufficiently bonded with values and ethics.

### 4.3. Socio economic Benefits

Like environmental benefits, Telecommuting also has multiple socio-economic impacts. More exposure of rural community towards telecommuting may expedite faster, inclusive and sustainable growth. Considering telecommuting as a women empowerment strategy, Ahmed (1994) opines that telework improves productivity, employment opportunities, income levels and participation of women folks. It definitely brings hope to the context of sad state of affairs of Indian women. 60% of women in India spends their lives in four walls of their house and engaged in unpaid works. Most women in developing work much longer hours and have much less leisure time than the males (Buvinic, 1993). When proportion of women workers in US increased from 25 per cent in the 1960s to 53 per cent in the 2010s, there is no substantial increase in the case of Indian women which still below 25% (World Bank). It is often assumed that women are likely to be more motivated than the men to conserve the environment as they are more critically dependent on it for their survival. So, women with the help of environmentally sound technologies could provide the crucial bridge between socio-economic sustainability and environmental sustainability.

### 5. Conclusion

Telecommuting has a tremendous opportunity to promote sustainable development and responsible business. In order to par with developed economies, we need to consider people with equality and just. Equal sharing of wealth and benefits are the strategy for inclusive growth. While promoting this notion basic human rights should not be breached. Business need to protect human rights, provide welfare and ensure safety and security. Here researcher envisages that telecommuting will be emerged as sustainable practice in business. Findings of the study will motivate business enterprises to promote home based work. Also it will help authorities to ensure safe room for employees and employers to do responsible business. In short the proposal anticipates seeing adoption of people friendly teleworks promoted by government with the support of private players.

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