

Employers Seeking More Telecommuting Options, AT & T Says

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With job growth lagging in Connecticut, telecommunications companies are under pressure to develop new technologies that increase worker productivity and cut real estate and energy costs through telecommuting, industry officials said at an economic conference Thursday in Cromwell.

Phone giant AT&T said that businesses, driven by high energy prices and a weak economy, are increasingly looking for telecommuting options that might wrestle an extra hour or two out of their employees' workday by cutting down — or eliminating — their commuting time.

But if businesses want more services, AT&T officials said, Connecticut officials need to stop dictating where the new initiatives are introduced and let demand take over.

“We don't need policymakers stepping in and telling us how to do it or where to do it,” said Chad Townes, vice president and general manager of AT&T East, the keynote speaker at the economic conference that the Connecticut Business and Industry Association held Thursday. “We need our customers to tell us.”

AT&T ran into regulatory hurdles launching its new U-verse television service, which competes with cable TV by using telephone lines to deliver video and digital telephone and Internet service. The state attorney general and consumer counsel tried to force AT&T to offer the service to any interested household in a service area — a requirement of cable companies — and the state Department of Public Utility Control agreed.

But a Superior Court judge in Hartford overruled the DPUC last fall, allowing AT&T to operate under a new state law designed to promote cable competition and lower rates. On another front, the company is fighting state and local officials over the refrigerator-size boxes it must install on utility poles to distribute U-verse.

“They don't need to tell us where to build. They need to let us build where our customers are,” Townes said.

Comcast also offers business services that, among other things, allow employees to manage voice mail through e-mail and transfer e-mail to a cellphone or PDA.

In an annual survey of 752 businesses the CBIA released Thursday, 82 percent of respondents said they planned to offer telecommuting to their employees as an option or to increase the number of telecommuters during the next year. The major driving force: energy prices.

Nearly 40 percent of businesses identified energy prices, for the first time, as their greatest concern during the next year. "Energy really blew the other factors out of the water this year," said Jay Sattler, a partner at Blum Shapiro, which sponsored the survey.

Economists stressed that as job growth declines in the state and energy prices remain high, businesses will be forced to squeeze more productivity out of the workers they have. But they also warned that telecommuting may not boost productivity as much as expected.

"We're all maxed out," said Donald Klepper-Smith, chief economist and director of research at DataCore Partners LLC in New Haven, who gave a presentation on the need for a strong telecom infrastructure in the state. "The 40-hour workweek is passé."

Companies should instead look to telecommuting to do away with costly real estate, cut tax payments and save on energy costs, he said. Klepper-Smith estimated that an employee with a 45-minute commute could cut his monthly gas expense by 40 percent, or about \$80, if allowed to telecommute two days a week.

The telecommunications industry is, in some ways, showing the way. Comcast has equipped its technicians with wireless devices that allow them to go directly from their homes in the morning to customer appointments. The company is also piloting a "Work from Home" program for some customer service representatives.