

calculate what a telework program can do for the bottom line

Here is a worksheet to help you estimate some of the key benefits and costs associated with establishing a telework program. Actual results may vary.

Benefit to Employer per Teleworker	Recurring Yearly Benefit	Sample Recurring Yearly Benefit*	Details
Increased employee productivity (On average, productivity increases 10 – 20%)	\$_____	\$6,000	[annual salary of potential teleworker] x [10 – 20%]
Increased organizational effectiveness (On average, about 2%*)	\$_____	\$800	[annual salary of potential teleworker] x [2%]
Decreased employee absenteeism (On average, teleworking reduces absenteeism by 2 - 4 days/yr)	\$_____	\$522	[daily salary of potential teleworker] x [3 (days)]
Decreased employee turnover rate (Avoid equivalent of 5% of salary for search and training costs*)	\$_____	\$2,000	[annual salary of potential teleworker] x [5%]
Reduced parking requirements (On average 30% reduction (part-time) and 95% reduction (full-time)*)	\$_____	\$360	[monthly parking cost] x [30%] for potential part-time teleworker or x [95%] for potential full-time teleworker; then [resulting number] x [12 (months)]
Office space savings requirements (On average 30% reduction (part-time) and 95% reduction (full-time)*)	\$_____	\$3,240	[office space square footage which can be proportionally reclaimed] x [30%]; then [resulting number] x [your company's monthly cost per sq. ft] x 12 (months)
Total Annualized Benefit per Teleworker	\$_____	\$12,922	To get total annualized benefit per teleworker, add column totals together

Note: Other benefits may include decreased air pollution resulting in meeting air quality regulations & increased business competitiveness.

* JALA International Inc. Sample numbers assume: \$40,000 annual salary, 15% increase in employee productivity, 230 work days/year, parking costs @ \$100/month, 150 sq. ft. office space @\$6/month per sq. ft

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Cost to Employer per Teleworker	One-time Cost	Recurring Yearly Cost	Sample One-time Cost*	Sample Recurring Yearly Cost*	Details
Selection and Training	\$ _____	\$ _____	\$175	\$0	Training cost for teleworker (and supervisor). Hiring a training consultant is an option
Computer, printer, software, voice and data telecommunications, etc.	\$ _____	\$ _____	\$960	\$1,035	One-time cost is usually zero if Recurring cost for phone line/modem
Home office set up; furniture, file cabinet, etc.	\$ _____	\$ _____	\$1,200	\$0	One-time cost is zero if supplied by employee. Include moving costs
Other	\$ _____	\$ _____	\$0	\$70	Equipment liability insurance if applicable, etc.
Annualized Cost	\$ _____	\$ _____	\$2,335	\$1,105	Add column totals
Total Annualized Cost	\$ _____		\$3,440		To get total annualized cost, add total one-time cost and total recurring cost together

Note: Due to one-time costs, telework program expenses should decrease after the first year for the same teleworkers

Total Annualized Benefit	\$ _____	Sample \$12,922
Total Annualized Cost	\$ _____	\$3,440
Net Benefit per Teleworker Subtract the total annualized cost from the total annualized benefit	\$ _____	\$12,922

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