

Can't Telecommute? Try This

By Vanessa Gisquet
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Being stuck in traffic, shoving your way into the subway, leaving an hour early and still being late--let's face it: America's way to work is often mind numbing and time consuming. By 2006, an estimated 50 million employees--one-third of the U.S. workforce--will forgo their daily ordeal by becoming telecommuters, but what about the rest of us? The future for commuters may be slightly less grim than we think.

A two-year-old initiative from the U.S. Environmental Protection Agency and the Department of Transportation has helped 2,000 employers de-stress the daily commute. The businesses--70 to 80 of which are top-ranking public companies--are using everything from mass-transit subsidies to carpooling incentives and staggered work schedules to keep employees focused on their work instead of their speedometers. To date, even in the face of cutbacks across the board, no employer registered with the Best Workplace for Commuters Program has opted to cut out its commuter benefits, the EPA says.

To qualify as a Best Workplace for Commuters employer, a company must sign a voluntary agreement or enroll online with the EPA and the DOT, thereby committing itself to offering various benefits for commuters. The primary benefit is either a monthly transit or vanpool pass subsidy of at least \$30 per employee or a parking cash-out equivalent to at least 75% of the employee's total parking costs. Companies whose headquarters have been recognized as a "Best Workplace" include Costco (nasdaq: COST - news - people), Hewlett-Packard (nyse: HPQ - news - people) and Apple Computer (nasdaq: AAPL - news - people).

"On average, 15% to 30% of the employees offered these benefits will switch from the drive-alone commute to the train, vanpool, bus, carpool, telecommute, etc.", says Margo Oge, director of the EPA's Office of Transportation and Air Quality.

Carpools rule at Nike (nyse: NKE - news - people). Though now part of the Best Workplace program, the footwear maker had been encouraging commuting alternatives before the government program's launch. Linda Bainbridge, Nike's employee transportation coordinator, says the 4,200 headquarters employees took approximately 28,800 carpool trips last year, meaning that at least 57,600 people carpoled. Nike even reserves a limited number of parking spaces for carpoolers, a luxury that would probably be much more highly coveted in New York City where parking is an expensive problem. (Nike's suburban Portland, Ore., headquarters has a seven-story garage).

In addition, Nike's local manufacturing employees have a compressed workweek. Instead of commuting five days a week, they work three 12-hour days, alternating with four 12-hour-day weeks. And it makes sense that the world's leading sport shoe manufacturer promotes bicycling to work by offering bike racks and showers. Bainbridge estimates that between 15% and 20% of employees at Nike's headquarters participate in the Best Workplace for Commuters Program.

The EPA-DOT program is heavily supported by tax incentives for employers and employees. In the state of Oregon, 35% of Nike's total cost of transit subsidies and incentives counts as a tax credit, spread out over five years. For the first year of participation by its Minneapolis, Minn. operations, American Express (nyse: AXP - news - people) paid that municipality's Metro Transit a lump sum of \$1.8 million based on an estimate of how many employees would ride the bus. Employees could then purchase monthly bus passes for \$25 pretax instead of the usual price of \$76. Of the financial services company's 6,000 employees in Minneapolis, approximately 70% use the program, according to the EPA. Who knows, maybe one day getting there will be half the fun.