

Go Green – Employee Commuter Benefit Program Management Innovation: Human Resources

The Challenge:

Rhode Island Housing strives to balance the needs of its employees with that of the greater community and environment. One such example is the agency's Employee Commuter Benefit Program, which works to overcome commuting issues and retain skilled employees while reducing negative impacts to the environment. While Rhode Island is the smallest state in the country, it lacks the infrastructure to adequately address the transportation needs of its residents, and has only recently begun to aggressively identify and implement alternative commuting options. The situation has been negatively impacted by a stagnant economy, increased fuel costs and decrease in transportation opportunities due to the state's budget deficit. All these factors combine to result in high transportation costs, reduction of transportation options and increased commuter times on over-populated and congested roadways for our employees. The problem is further exacerbated by a lack of parking in the downtown central business district in which our offices are located. Rhode Island is the smallest state in the country, but we face some of the biggest transportation challenges.

National figures underscore the need for employers to step in and lead the way in promoting alternative commuting options and easing the pressures felt by employees regarding their commutes. Nationally, about 10.7 percent of workers 16 and older carpooled to work in 2006, according to the most recent statistics available from the U.S. Census Bureau. In Rhode Island, according to the Census Bureau, only 8.9 percent of workers carpooled to work in 2006, putting Rhode Island 45th among all states.

The Response:

Commuting conditions strongly affect job satisfaction and productivity. In response to the current situation, Rhode Island Housing has created and implemented a comprehensive Employee Commuter Benefit Program. Realizing that each of our employees has diverse transportation needs, we have created a program that addresses the many different individuals that work here. The majority of our employees (90%) reside in Rhode Island, although 80% of our staff lives outside the city of Providence, in which our offices are located.

Rhode Island Housing's Commuter Benefit Program has been tailored to our agency's and employees' needs while also striving to positively impact the environment. Our multi-faceted approach ensures that each employee can access a transportation option that meets their needs while also reducing the overall impact of our daily commutes on the environment. The Program consists of financial assistance, free public transportation passes, parking passes, carpool matching, and lockers and showers for those that walk or bike to work.

Financial Assistance: Rhode Island Housing provides a transportation allowance to employees, which provides each with the flexibility to choose which transportation option best suits their needs. The amount of the stipend has recently increased as transportation costs have increased. The Agency provides \$205 monthly to employees as a transportation benefit and offers the following options for commuting:

- **Free Public Transportation Passes**
Monthly Rhode Island Public Transit Authority (RIPTA) passes are provided to employees choose environmentally-friendly mass transit and eliminate the higher expenses associated with driving to work such as gas, insurance and auto maintenance. Employees using this

option receive the difference between the cost of the RIPTA pass and the \$205 (appropriate income and social security taxes are withheld). For example, the cost of the pass is currently \$45 per month. Therefore, employees using this option would be paid an extra \$36.92 each week. Those who choose transit can pocket the remaining amount, thereby increasing disposable income. The ability to be able to add to their paychecks is an added incentive to employees to use public transportation.

- **Parking Passes**

Monthly parking passes at various parking facilities are provided for those employees who choose to drive to work, with Rhode Island Housing paying 100% of the total cost. As several parking lots are located within walking distance from our offices, employees have various options when choosing their preferred parking lots; if their preference is for a less expensive lot, they are able to pocket the remaining amount and use it for other life necessities. Many employees choose parking locations further away from our offices to gain the additional healthy benefits of walking.

- **Carpool Matching**

Our Human Resources department promotes and coordinates our carpooling program, which matches up employees from the same geographic region of the state with one another so they may share the cost of commuting to work. Rhode Island Housing actively reaches out to employees to promote carpooling and works to remove any barriers to carpooling by working to match employees with one another as well as providing parking passes for safe and accessible parking. Rhode Island Housing has taken significant steps to promote alternatives to driving alone for the work commute. With single occupancy vehicles as the biggest source of air pollution, we realize that the removal of cars on the road will make a difference while also reducing the demand for limited or expensive parking. Additionally, carpooling allows employees to get to know one another and strengthen their personal connections.

Employees who do not require a RIPTA pass or financial assistance for parking, receive the full \$205 as taxable income of \$47.30 per week. For example, if an employee gets a ride to and from work or finds a less expensive place to park, he/she would receive an additional \$2,460 per year. This not only helps to defray the costs of commuting, but greatly incentivizes employees to choose options which have a lesser impact on the environment such as carpooling or public transportation.

Additionally, Rhode Island Housing participates in the annual Anything But a Car Day (ABC Day), promoting alternative modes of transportation. The goal of ABC Day is to reduce traffic congestion, air pollution, and the demand for parking, as well as make Rhode Island a better place to live and work. ABC Day complements the other aspects of our Employee Commuter Benefit Program by encouraging staff to seek alternatives to vehicular use. Our HR staff work to share the message of ABC Day throughout the year, helping staff plan their route to work and joining others who walk or bike to work. Rhode Island Housing also provides a secure place for staff to store their bikes while at work, as well as lockers and showers. Information on maps of the best bike routes into the city is shared with interested staff members and recent improvements to the state's bike path have assisted Rhode Island Housing with offering alternatives to vehicular commuting. In addition, we actively promote other bicycling and walking activities for staff to aid them in leading healthier lives and to highlight the commuting possibilities which exist. Our staff regularly participate in fundraising activities relating to bicycling and walking such as walk-a-thons and charity bike rides.

Not only is this HFA helping to protect the environment by reducing traffic congestion and air pollution, but gaining a competitive advantage by offering our employees an important benefit that broadens their commuting options. Our Employee Commuter Benefit Program demonstrates Rhode Island Housing's commitment to a healthy environment and a healthy employee. Employees who have less stress about their commute, cost of commuting, parking options and participate in biking or walking to work lead healthier lives, increasing their work productivity as well. Rhode Island Housing has stepped up as a leader by recognizing the needs of its employees and working to address this need in a thoughtful and comprehensive manner. Numerous senior staff bike and/or walk to work, setting a positive example for good health and a healthy environment within the organization. The Program has helped to raise awareness of environmental issues and illustrates Rhode Island Housing's commitment to stewardship of the environment.

Success to Date:

Through the successful implementation of the Commuter Benefits Program, we have been able to overcome commuting issues and retain skilled and healthy employees. The Program works by encouraging employees to seek alternatives to single-ridership commuting and reducing stress and costs associated with commuting to and from work through financial assistance as well as direct involvement from HR in coordination of commutes. Following the implementation of our Program, we have witnessed an increase in ridership using public transportation and carpooling options. Additionally, the Program has resulted in improved employee satisfaction, productivity, recruitment and staff retention by reducing commuting costs and stress. Our flexible Commuter Benefit Program contributes significantly to our high employee morale, low turnover rate, enhanced recruitment and improved public image. Our multi-faceted approach to alternative commuting options has removed cars from overpopulated roadways, increased carpooling among employees, reduced absenteeism and relieved parking issues.

We have already witnessed tangible results and the numbers are impressive: approximately 25% of our staff utilize alternative means of transportation for their daily commute, this is up considerably from only 7% a few years ago. Rhode Island Housing works closely with other organizations in the downtown area to identify commuting options for employees. Agency staff took part in a survey in the Spring of 2008 of the commuting habits of downtown workers. Results of the survey are helping a consortium of local organizations to identify the commuting habits of workers, as well as their commuting needs and preferences. We are working to utilize this data to further expand our program and work collaboratively with other organizations to offer additional commuting options. Based upon the collaborative efforts of participating agencies, plans are in the works for a ride share pilot program to begin in 2009.

Our program has been honored on the annual list of New England's Best Workplaces for Commuters by the U.S. Environmental Protection Agency (EPA), most recently on the 5th annual listing in 2007. Rhode Island Housing is one of only four organizations in Rhode Island to be included in the 2007 listing. To qualify, employers must provide at least one primary commuter benefit, such as a subsidy for monthly transit passes, cash in lieu of free parking or a significant telecommuting program; plus at least three supporting benefits, such as carpool incentives, lockers and showers for bicyclists and walkers, incentives for living near work or onsite amenities such as daycare or dry cleaning. In addition, employers must actively promote and coordinate commuter benefits and information via a central contact point and provide access to a guaranteed emergency ride home program. Rhode Island Housing is the only HFA to achieve the 2007 EPA's National Standard of Excellence in commuter benefits in New England and one of only two to receive this recognition from throughout the country.