

Yahoo's board has been aware of these problems and has been trying to find the right CEO to turn things around. In 2012, Marissa Mayer was selected as the CEO of Yahoo in hopes that the former Google executive could bring new life to the struggling company. This is the fourth CEO within a year, and the company is in dire need of a new strategy and visionary leadership. During her first year, she reduced costs, got all employees new smartphones to be better in touch with what customers are using, and started pushing the app development market. However, there is still much to do to make Yahoo competitive again.

Mayer's bet is that employees will be inspired by "spontaneous interactions" to create new products and services that will enhance Yahoo's bottom line. She's had some success resulting from such interactions before. The new mobile app called Yahoo Weather came to be when someone from the Weather team and someone from the Flickr team encountered one another serendipitously on the Yahoo campus. After sharing projects, new ideas started flowing and led to the creation of the app. To inspire and capture more of these ideas, Mayer rolled out a policy that eliminated telecommuting at Yahoo. In the memo sent to all its employees, Yahoo executives wrote the following:

To become the absolute best place to work, communication and collaboration will be important, so we need to be working side-by-side. That is why it is critical that we are all present in our offices. Speed and quality are often sacrificed when we work from home. We need to be one Yahoo, and that starts with physically being together.

Thousands of Yahoo's employees telecommute at least once a week. Telecommuting allows employees greater flexibility in doing their jobs; managing their personal lives; and facilitating meetings between employees, customers, or suppliers. Previously, Yahoo used teleconferencing and videoconferencing to allow telecommuters to be part of meetings, and other work could be completed via e-mail, over the phone, or by using the company's virtual private network. The removal of the policy is leaving a number of its employees with families in a lurch and may force some employees to leave Yahoo. Further, telecommuting can reduce costs, as companies need less office space and less technology as well as spend less on electricity and employee benefits.

With the new policy, all employees will be forced to complete the normal 9 to 5 at the offices, though they are allowed to telecommute on weekends and after hours. Will the time in the office be as productive as Mayer hopes, or will the policy lead to different kinds of inefficiency? Only time will tell.

Discussion Questions

1. The memo stated this: "Speed and quality are often sacrificed when we work from home." How might Yahoo executives have come to this conclusion?
2. What type of message did such a decision send to Yahoo employees? To the rest of the world? How might the medium (an internal memo) have affected the employees' interpretation? What would have been a better way to communicate this change to employees?
3. How do you think this policy change affected employee attitudes and employee motivation? Do you think that this change positively or negatively affect communication within the organization in the short and long term? How could the situation influence organizational effectiveness?
4. Do you think that Yahoo really needed to remove telecommuting to enhance communication and collaboration? To enhance speed and quality? What else could Mayer and Yahoo managers done to motivate employees to be more accurate, swifter, more creative, more talkative, and more collaborative?
5. It seems that Mayer is counting on her employees to come up with the answer that will revitalize the company. What kinds of communication channels will be required? What changes do you think should be made to Yahoo's other policies and culture in order to facilitate the needed communication for new ideas?

Sources: Essig, T. (2013, February 28). Bodies matter: The inconvenient truth in Marissa Mayer banning telecommuting at Yahoo. *Forbes*. Retrieved from <http://www.forbes.com/sites/toddesig/2013/02/28/bodies-matter-the-inconvenient-truth-in-marissa-mayer-banning-telecommuting-at-yahoo>; Guynn, J. (2013, February 26). Yahoo CEO Marissa Mayer causes uproar with telecommuting ban. *Los Angeles Times*. Retrieved from <http://articles.latimes.com/2013/feb/26/business/la-fi-yahoo-telecommuting-20130226>; Johnson, D. (2013, August 9). In defense of Yahoo's telecommuting ban. Retrieved from <http://www.cbsnews.com/news/in-defense-of-yahoos-telecommuting-ban>; Null, C. (2013, May 13). Why Yahoo's telecommuting ban is still bad for business. *PCWorld*. Retrieved from <http://www.pcworld.com/article/2038639/why-yahoos-telecommuting-ban-is-still-bad-for-business>