

## TELEWORKING TRENDS IN EUROPE

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### ABSTRACT

In the paper we would like to present the situation on the field of telework worldwide, in Europe and Slovakia, the project aimed to the development of the capability of enterprises to deal themselves with introduction and management of teleworking – ELITE - and brief description of basic terms in the teleworking.

### KEY WORDS

teleworking (in world, EU, Slovakia), technology, ELITE project

### 1. Introduction

In our time, because of the spread of ICT, telework has been able to develop and broaden. It seems to be destined to prevail during the following years, probably in a mixed form combining telehomework and telework in companies. Telework is a very flexible and effective organisational approach to working and is tuned to the modern means of communication. It presents an alternative to the traditional way in which work is projected, organised and executed, and is centred on the possibility of acting and working away from the principal office. It can be done using portable computers, high-speed telecommunications and wireless pocket communication devices, etc.

Various terms (like telework, e-work, internet, telecommunications, etc.) and their different meaning are often used during discussions and it's leads into misunderstandings. That's why we decided to present a brief glossary of basic terms connected with the field of teleworking.

There are many activities of EU leaders concerned to enlarging work market – there are various projects concerned on the informatization of our lives. One of them is ELITE project.

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### 2. Basic terms

There are many commonly used words, which should be understood in different ways, in the field of teleworking. That's why we decided to propose a short glossary of basic terms like the Internet, communication, telework, virtual, etc.:

- **ICT** (short for *Information and Communications Technology*) - the study or business of developing and using technology to process information and aid communications
- **Telecommunication** - the transmission of signals over a distance for the purpose of communication. Computer communication across the Internet, such as e-mail and instant messaging, is just one of many examples of telecommunication. [3]
- **The Internet** - an intercontinental network of networks originally based on military and academic systems but increasingly used for commercial and private communications. [3]
- **Telecommuting, e-commuting, telework, or working from home (WFH)** - a work arrangement in which employees enjoy limited flexibility in working location and hours. Common synonyms for teleworking are *telecommuting, location-independent working, distance working, flexi place working and remote working*.
- **e-Work** - a term extensively used in Europe, an amplification of the original 1980s and '90s concepts of Telework or Telecommuting: working at a distance using information and communications technology. [3]
- **virtual** - an adjective referring to something whose effect and behaviour is not matched by its physical presence, and whose operation is enabled by computing and networking (especially Internet or INTRANET); as in virtual team, virtual organisation, virtual reality, virtual university. [3]

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- **virtual company** - a trading organization formed by a group of people who have no permanent connection with each other. [4]
- **virtual office** includes unified messaging services for voice, fax, and e-mail. It also involves telecommuting via remote networking applications. Virtual offices have changed white-collar employment by enabling complex work processes and creating intensive dependence on information technology.

## 2.1. Types of teleworking

One way for differentiation of teleworking depends on the place, where the teleworker does his job. Usually it should be done at home, near teleworkers' home or somewhere else.

- **At home:**
  - **tele-homeworking** - the main form of decentralised work enabling the teleworker with a contract as employee or co-worker to carry out his main activity at home. Telehomework can be carried out by both a company's employees and by self-employed workers with more than one client.
- **At a location usually closer to home than to the traditional workplace:**
  - **neighbourhood centres** - provide electronic facilities which are shared by different users and belong to local communities, various enterprises or independent entrepreneurs. Also can be used for additional purposes, such as tele-education, teleshopping or leisure activities
  - **telecottages/community telecentres, tele docks, telequartars, televillages** - electronic centres which provide local communities with immediate access to ICTs, skill development, and the networking and socialisation aspects of work that may be missed by a home based worker. They assemble teleworkers from different companies during their whole or partial working hours in the same professional environment with a complete technological infrastructure. 'Telecottages' can be homes in the country that have been reconverted, parts of school buildings — or even parts of conventional office buildings.

- **call centres** - places where telephone operators make or take calls, using of automated call distribution technology and often also computer/telephone integration. Call centres may provide different services including telemarketing, telebanking, customer services and enquiries, help hotlines, airline reservations, sales, marketing, and emergency services.

- **At various locations changing in time** - mobile or nomadic work, work done across countries and continents:
  - **transborder teleworking** - generally applies to teleworking situations where the provider and the receiver parts are located in countries that share a common border.
  - **offshore teleworking** - usually refers to teleworking where work has been transferred to lower cost or less-regulated working environments, generally much more geographically distant. [1]

## 3. Current situation in the field of teleworking

### 3.1. Telework in Europe

The use of new information and communication technologies (ICT) in our lives is increasing rapidly in recent years. This expansion of ICT leads into new working form in labour market – teleworking. In Europe, more than 50% of the total work force and approximately 80% of the work force used in new workplaces (created in the various economic fields), carry out activities that can be totally or partly related to the activity of 'information processing'. Some companies are choosing to institute 'alternating' telework arrangements, where employees work for one or two days at home but otherwise continue to be office-based. This may have the advantage of achieving some of the advantages of teleworking while reducing its possible negative consequences.

From the start of the teleworking movement during the 1990s there have been contradictory predictions of either a huge growth or a total stalling of this market worldwide. One of them – the growth of the number of teleworkers – is presented in Table 1.

Table 1. Employed Teleworker Forecast Worldwide, 1998 – 2008 (in millions) – source: Gartner Dataquest

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Teleworkers >8hrs/month	25.55	32.15	38.08	44.48	52.19	63.29	73.78	82.47	89.46	94.88	100.13
Growth		25.8%	18.5%	16.8%	17.3%	21.3%	16.6%	11.8%	8.5%	6.1%	5.5%
Teleworkers >8hrs/week	9.80	11.96	14.40	17.63	21.48	26.39	30.54	33.95	36.82	39.18	41.39
Growth		22.1%	20.4%	22.4%	21.9%	22.8%	15.8%	11.2%	8.5%	6.4%	5.7%
EP	2,661.93	2,698.56	2,735.75	2,768.75	2,800.35	2,832.39	2,864.86	2,897.78	2,931.14	2,964.97	2,999.25
Penetration of EP >8hrs/month	1.0%	1.2%	1.4%	1.6%	1.9%	2.2%	2.6%	2.8%	3.1%	3.2%	3.3%

Penetration of EP >8hrs/week	0.4%	0.4%	0.5%	0.6%	0.8%	0.9%	1.1%	1.2%	1.3%	1.3%	1.4%
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#### EP – Employee Population

As the trend grows, the motivations for teleworking have extended to include corporate benefits like reducing outlay on office space and gaining tax incentives. In common with other global trends, some parts of the world have been in a prime position to take advantage of this new way of working from the beginning, while others have waited, or are still waiting, for management styles and communications infrastructure to develop sufficiently to enable teleworking. [2]

Since the 1990s, teleworking has been gaining ground in Western Europe, but employed population has been variable from country to country. The highest rates are found in Finland, Sweden and Netherlands, although the United Kingdom and Germany have the highest populations of teleworkers (Table 2.).

Table 2. Number of teleworkers in European countries that leads in teleworking (in 2005)

Country	Teleworkers	%
UK	4 million	15%
Finland	300,000	13.6%
Norway	50,000	11.4%
Sweden	400,000	10.3%
Ireland	40,000	2.9%
Germany	800,000	2.4%
France	300,000	1.3%

While there will be growth in the overall trend to utilize telework, there will also be a significant strengthening of existing programs within the region. Recent legislation across the region will act to strengthen employee demands for more flexible working. In March 2000, the Lisbon European Council launched a strategy designed to make the EU "the most dynamic and competitive knowledge-based economy in the world." The knowledge society opens new perspectives for the quality of work: creating the conditions for change in existing jobs, generating new working methods and new ways of organising work, and allowing greater flexibility in the workplace. Modernisation of work organisation in a knowledge-based economy is one of the 11 areas identified by the eEurope 2005 Action Plan. The main accent is now on new collaboration structures, value creation, mobility at work and knowledge management for professional (cyber)communities, as they complement the market dimension of eBusiness with the reengineering required of working methods and organisations.

#### 3.1.1 ELITE - project

At the present time for the small and medium enterprises should be very important the results of the project No. SK/04/B/F/PP – 177421: *E-learning for*

*Introduction and Management of Tele-working – ELITE [6].* This project is organized by European Union program Leonardo da Vinci.

The ELITE project is aimed to the development of the capability of enterprises to deal themselves with introduction and management of teleworking, to optimization of the work with skilled workforce and to minimization of the environmental dependence for SMEs and raising awareness in the area of teleworking in order to speed the process of its implementation.

This goal will be reached through:

- *The development and delivery of the new training courses based on distance learning methodology*
- *Preparation of Handbooks for managers of SMEs, HRD professionals and trade unionists in order to facilitate introduction of Tele-working*
- *Preparation of the comparative study on WEB based collaborative environment for Tele-working*
- *Identifying current best practices and future oriented best practice models on Tele-working*
- *Organisation of the Workshops and Information days on Tele-working*

#### 3.2. Telework in Slovakia

The EU-level central social partner' agreement on telework, concluded in July 2002 (EU0207204F), was neither reflected in labour legislation nor applied in collective agreements during 2002. Telework has also not yet been discussed with the social partners. However, in the new Labour Code, a new provision was introduced allowing employees to work at home on conditions agreed with the employer.

According to the result of the particular SIBIS survey only 0.9% of persons in employment used the home-based teleworking in the Slovak Republic. In spite of an unfavourable situation in the real usage of teleworking in the Slovak Republic, a lot of employees in the country would appreciate this form of work. 76.5% of respondents in employment are interested in at least one type of telework. As we have already mentioned it, it is mainly due to the very high level of unemployment, what makes people more interested also in new, non-traditional ways and means of employment.

The next monitored form of teleworking was a mobile telework. SIBIS defines mobile teleworkers as those who spend 10 hours per week or more away from their home and their main place of work and make use of on-line connections while doing so. As the survey results show, in the Slovak Republic the situation in usage mobile in comparison with home-based teleworking – where the share was extremely low – is a little bit better, 1.9% of

employed population use mobile connection when travelling.

A characteristic feature of employment in the Slovak Republic is very low flexibility in the field of application of the new models of working organisation; in particular models based on the new information and communication technologies. This is affected by the level of using ICT in generally and also by the limited possibilities to use these technologies – especially the Internet – at home. On the other hand, the survey results signalize that a lot of employed persons perceive the advantages of teleworking and they are ready to accept any type of telework and that could positively effect the development of teleworking and thus also the whole employment in the Slovak Republic in the future.

As far as the tele-cooperating is concerned, it covers persons using e-mail, video-conferencing or electronic data transfer when communicating with external contacts. Within the ongoing process of worldwide economy globalization intensity of cooperation has been rapidly rising. With regard to increasing demand for contacts on a global scale, a tele-cooperation began to play a key role in modern economics. However, level of this type of cooperation is still low in the Slovak Republic. It reflects less IT equipment and insufficient know-how in the Slovak firms and households. Progress has been made in central bodies of state administration, which use tele-cooperation particularly within the integration process to the European Union. Situation is getting better step-by-step also in companies, which use Internet for doing business effectively with lower expenditures and spared time.

In generally, only 14% of employed population in the Slovak Republic use tele-cooperation what is by 24 percentage points lower than the EU-15 level. But 70% of the Slovak enterprises will not design to invest more than 50 thousand pound into a new technology for the purposing new form of e-work by the next five years.

By the results of the research, in the Slovak Republic has been increasing percentage of the new form –cyber boss. These cyber boss (managers till 40 years old) have very flexible reacted to the new modern technologies, for the new form of e-work. In the Slovak Republic 41% of the enterprises have using this form of a cyber boss.

- **Project Teleworking starting in Nitra landscape -** The aim purpose of this project is supporting of the issue – teleworking in Slovakia. It is pilot 36-month term project of the Association for the development of Nitra top section region supported by the European Social fund. The target group of the project will be Small and Medium Enterprises and senior citizens more than 50 years old.
- **IBM -** Only a few employees have using teleworking in Slovak Republic. In the main managers are using this form. The teleworking in the IBM is delaminated on the working no more than 5 days above work place.

- **SIEMENS -** The teleworking has been using only by 70 persons. There are managers and managers of project there. The firms are safeguards notebook.

#### *Target group and their interesting in teleworking*

Many of Slovak people are sceptic for the teleworking. The reasons have seen in the insufficient information about the advantages of teleworking. In the one hand, the lowest cost was transferred from the enterprises to the employee such as:

- **Increasing spending for electricity** – in average 390,- Sk (10 Euro/month);
- **Spending on Internet:**
  - network access (dial-up) 500 Sk (13 Euro/month)
  - DSL around 2 600 Sk (68 Euro/month)
  - cable connection costs 1 700 Sk (45 Euro)
  - and so on.

## **4. Conclusions**

Teleworking is widely used way of working in Western European countries, where we can find leaders with teleworking covered in legislation and highly developed and used IT structures like Finland, Sweden, UK, Norway, Ireland, Germany and France and their supporters like Spain, Italy, Austria and Greece that have created good legislation, but they have some imperfections in using IT in practical live or work market. Central European countries try to follow an example of Western countries. The interest of nationals is high, but teleworking in mentioned countries is still limited by legislation and accessibility of information technologies (like mobile networks, the Internet, features like videoconferencing, various types of data transfer, etc.).

The mentioned situation leads into many activities to support teleworking, its optimalization, dissemination and propagation across the EU and daily usage of IT by as much people as possible. There were developed many projects and various activities. One of them is the ELITE project, which was briefly presented above.

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