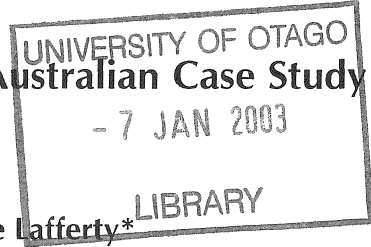


Assessing the Benefits of Telework: Australian Case Study Evidence



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This paper is part of a three-year research project on the adoption of telework in Australian organisations. In the previous stage of the research, we conducted a national survey of telework in over 2500 Australian organisations. In this paper, we report on the case study stage of the project, which includes interviews and focus groups with managers, supervisors and teleworkers. The paper begins with an introduction to telework research and an overview of the case study organisations. It goes on to discuss the experiences of managers, supervisors and teleworkers in two areas in which telework offers potential benefits: productivity and work-family balance. The paper then addresses strategies for more effective telework implementation.

Introduction

Telework and flexibility

Among the varied forms of work organisation with potential to extend working-time flexibility, telework (work performed away from a central organisation, through the use of computer and communications technologies) has several distinguishing characteristics (Diamond and Lafferty, 2000). For example, while it facilitates widely used measures such as flexible start and finish times, averaging of hours and time-off-in-lieu, it extends beyond time flexibility to time saving (such as reduced time spent on peripheral tasks or office socialising) and possibly enhanced productivity. Telework offers space as well as time flexibility, and thus often substantial savings in commuting time, as well as the ability to easily "return" to work outside office hours. It can also allow workers greater autonomy from direct supervision (except in such situations as electronic monitoring of workstations), with a greater emphasis on task completion than presence at a desk (Jackson and van der Wielen, 1998; van Sell and Jacobs, 1994).

The evidence to date suggests that telework in Australian organisations is not being used as a numerical flexibility strategy (such as the use of casual appointments), and is more likely to be available for full-time than part-time employees (Lafferty and Whitehouse, 2000: 245). Also, any cost-cutting potential it may have (such as savings on inner-city

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office accommodation) is usually offset by considerable set-up costs. While it is apparent that telework is not simply a low cost option, and there is little evidence that early trade union concerns that it would result in "electronic sweatshops" have been realised, neither is it entirely clear that telework delivers positive outcomes in practice. Productivity increases associated with telework may reflect longer hours spent on task-based work – a form of work intensification for employees. Also, increased autonomy over working time may occur only in cases where high levels of autonomy already exist, and may not necessarily translate into an enhanced capacity to balance work and family responsibilities (Leidner, 1988).

To date, little evidence has been available to assess the extent to which telework improves productivity, autonomy or work-family balance, although these are often cited as the goals of telework programs. Our earlier National Telework Survey research showed that the most common reasons managers offered for adopting telework were to increase productivity and allow employees greater flexibility (56 and 57 percent respectively of organisations employing regular teleworkers), while 38 percent stated that assisting workers with family responsibilities was a primary rationale. Similarly, the benefits most frequently noted as the result of using telework were increased productivity (62 percent of organisations employing regular teleworkers) and more flexible use of staff (56 percent) (Lafferty and Whitehouse, 2000: 247-8). In this paper, we investigate whether and how these anticipated and perceived benefits are being attained at the workplace level, and consider the ways in which the positive potential of telework might best be realised. To address these questions we draw on a series of organisational case studies conducted in 2000 and 2001. The cases, data collection and analysis are described in the following section of the paper. We then report our findings in two sections: the first addressing productivity; and the second addressing work-family balance. In conclusion, we consider strategies to achieve telework's claimed benefits.

Overview of cases

The eight case study organisations were recruited from those respondents to our survey who agreed to participate in further research, augmented by other organisations found to have telework. Four of the organisations were based in NSW, three in Queensland and one across NSW and Victoria. Table 1 provides a basic description of the organisations, the types of teleworkers they employ and their rationale for introducing telework.

For each case organisation, interviews were held with senior management to attain basic organisational information, their impressions of telework and to assist in arranging focus groups of teleworkers and their supervisors. The teleworker focus groups varied in size from two to six teleworkers while the supervisor groups were smaller, varying in size from one to three. Two research team members were present at each focus group.

Table 1: Case study organizations

Org.	Sector	Size ²	Industry	Occupations of teleworkers ³	Main rationale for introducing telework ⁴
A	Public	4000	Pub. admin.	Admin., technical officers	Reduce office accomm.
B	Public ¹	700	IT	IT professionals	Retain employees; flex. for employees
C	Public	8000	Local govt	Multi-skilled field officers, their supervisor, finance officer	Regionalisation; reduce office accomm.; work-family/retain employees
D	Private	40	IT	IT professionals	Increase productivity; retain employees
E	Private	15	IT	IT professionals	Reduce office accomm.; attract/retain employees
F	Private	1500	Financial services	Stockbroker, project manager	Flexibility; retain employees; work-family
G	Private	10000	Financial services	OHS officer, call centre advisors, personal assistant, business process analyst	Retain employees; reduce commuting; flex. for employees
H	Private	600	Medical research	Research coordinators	Interstate project and staff

1. Fully commercialised
2. Approximate number of organisational employees within Australia
3. Occupations of teleworkers who participated in focus groups
4. Based on assessment of management interviews as not all organisations were survey respondents, and those which were tended to list multiple reasons.

These were semi-structured sessions which proceeded with reference to a broad interview schedule. Each session was taped and transcribed, and the transcriptions checked for accuracy by one of the interviewers. The transcripts were analysed in terms of selected themes, and were reconstructed in a tabulated form for cross-referencing.

Productivity

Although Table 1 shows that productivity was rarely given as the main rationale for introducing telework in our case study organisations, it was implicitly linked with the reasons cited, and frequently raised by managers and teleworkers in discussions in all eight organisations. It was, however, rarely monitored. Our assessment of the impact of telework on productivity is consequently based on the impressions of managers, supervisors and teleworkers, and evidence we discovered on such factors as relocation of inefficiencies to elsewhere in the organisation, or work intensification pressures on teleworkers.

The main way in which managers and teleworkers thought productivity increases were being achieved was through the isolation of workers from the interruptions of the office

environment, encouraging improved quality and quantity of work and time savings. Productivity advantages were also thought to be the result of better time organisation by the teleworkers. In the case of a telecentre attached to Organisation A, for example, quantitative improvements were attributed to improved flexibility and control over work organisation – although these factors may be linked more to the smaller size of the new worksite than to telework per se.

Organisational productivity could also be enhanced by improvements in the ability to attract and retain high quality employees; and the interview data did indicate that attraction and retention of staff was seen as an important goal of telework programs in most of our case organisations (see Table 1). Several organisations aimed to be an “employer of choice”, especially for younger workers who “are more e-savvy and probably couldn’t see the reason for being stuck at their desk” (Senior Manager, Organisation G).

There was also some evidence in our research of an expectation that teleworkers would make an extra effort in return for the “privilege” of teleworking. Many teleworkers seemed comfortable with this sort of expectation, particularly when telework was on trial in the organisation, and were prepared to work longer hours. Teleworkers in Organisation B, for example, observed that “... [the organisation] gets its five days value out of four days” as the staff “... want to give something back for what they’ve given to us”. There was considerable evidence that teleworkers contributed significant amounts of unpaid time, often outside normal business hours, and that they saw this as reasonable (particularly since their commuting time had been reduced). In some cases claims for overtime were not permitted when teleworking.

In part, increased hours were associated with the convenience of having an “office” so close to hand. In Organisation C, for example, employees were more likely to check their computers on their days off. Thus, while there was evidence of considerable autonomy over hours, there was also a tendency for more work to be undertaken outside normal hours. Also, in several cases management clearly expected that extra hours would be worked, but that teleworkers would also be “available” during normal office hours. This expectation was often unspoken, but several teleworkers indicated their awareness of it. On the other hand, teleworkers also reported how they could resist the expectation – for example, by pretending not to have read email messages.

In summary, it appears that there are several avenues through which telework can in practice deliver productivity increases. However, the case study findings do not indicate clear long-term advantages. For example, reducing interruptions in one location may concentrate them in another: as a manager in Organisation A observed, “If [the teleworker] is not there [the office co-worker] gets all the little quick check jobs ... and her day will be blown to pieces”. Concerns were also expressed about the possible loss of a “critical mass factor” in the office, causing difficulties in coping with sudden workload changes. Furthermore, productivity gains achieved through isolating workers

from interruptions may not be sustainable, and the loss of interaction with co-workers may be detrimental to long-term productivity. Also unlikely to be sustainable are productivity gains achieved through the additional effort and longer hours of 'privileged' teleworkers. Less direct contributions to productivity – such as the attraction and retention of staff – are inordinately difficult to measure, and our research found very little evidence that perceptions of productivity improvements through telework were based on any systematic collection and analysis of data. Overall, our observations suggest the need for an assessment of productivity change across the organisation as a whole, and over longer time periods, if the effects of telework on productivity are to be estimated with greater confidence.

Work and family

The promotion of work-family balance via telework (and other means) was of interest to all of the case study organisations, but to varying degrees. At each teleworker focus group session respondents were asked whether telework was helpful in balancing work and family. Of the 29 teleworkers (14 men, 15 women) who participated in the teleworker focus groups, 14 (six women, eight men, at least one person per group) identified themselves as having work-family issues – usually childcare shared with a partner, but also sole parent and other caring responsibilities.

Respondents pointed to numerous ways in which telework helped reduce conflict between work and family responsibilities. These could be mainly characterised as: additional flexibility and autonomy in their work (particularly the ability to assist with family emergencies); extra time available to them which would have been spent commuting; and, the possibility of simultaneous domestic work. The teleworkers also mentioned a variety of complications that sometimes accompanied these positive effects.

Many of the teleworkers found that when they were working outside the standard office environment, they had greater flexibility to accommodate their family needs. The autonomy to take advantage of this flexibility was also available to most of the teleworkers to at least some extent. (The teleworkers tended to have had flexibility and autonomy by virtue of the nature of their jobs but it was heightened by telework.) Everyday family needs could be attended to with less stress, for example, being able to drop off and pick up children from child care or school.

Being at home, or closer to home in the case of the telecentre, meant that teleworkers were more able to deal with family emergencies and could often return to work afterwards, rather than miss a day's work. Telework also made it possible for some employees to care for sick children and keep working – an advantage that also applied for other caring responsibilities not requiring exclusive attention. Similarly, two teleworkers from organisation G (one of whom was a supervisor) had been able to

continue working during an extended personal illness which, while not completely incapacitating them, made office work difficult.

Different organisational telework policies and practices, such as requiring teleworkers to be readily contactable, restricted their autonomy and impacted on the "family-friendliness" of telework. For example, an Organisation E teleworker expected to be able to finish work early if he had started early but his manager said he must be contactable during regular business hours. A teleworker from Organisation A told of being reprimanded after he could not be contacted because he was taking his son to hospital. Organisation G had "suggested" working hours in its telework guidelines, but managers claimed that actual hours were more flexible. Organisation B's policy stated that teleworkers should not work after 8pm, although they often did.

Teleworkers in organisations A, B and C felt they could not make full use of the autonomy and flexibility available to them and their families because they believed their supervisors and/or coworkers would be suspicious of them. In contrast, Organisation D prided itself on its "high-trust culture" (Supervisors, Organisation D) as did at least one team (dominated by teleworkers) from Organisation G.

The potential task and time autonomy and flexibility of telework contributed to the lengthening of the working days. Teleworkers from Organisations C, E and G (males who did not have primary domestic responsibilities), talked in terms of being "available" to their partners when teleworking, and of their ability to make up missed work time later in the day. Such long working days were often also compounded by teleworkers taking on additional work hours, either after a full telework day or an office-based day. For instance a teleworker from Organisation E said "one of the deals that I did here was I'd be eight hours a day. But ... I go home, spend time with the kids, they go to bed, then I just do catch up on work".

All of the teleworkers were pleased to have reduced their travelling times, hours which they could now use for themselves and their families. For example, some parents were happy they could reduce the time that children spent in child care; others could take over child care while their partners attended university of an evening. In some cases, this additional time was not solely spent on family, but paid work also.

In a few cases, telework enabled employees to live at home for a greater portion of the week. One teleworker from each of Organisations A and E lived more than a 90-minute drive away from the office and so would rent local accommodation for a number of weeknights to reduce their total commuting time. For an Organisation F teleworker who worked interstate, his ability to telework meant he too could be at home for longer periods. A manager from Organisation F told of another teleworker, employed in Asia, who was able to work from his family's Australian home for one week per month. Organisation G was able to retain a valuable employee when he moved interstate for family reasons, using a full-time telework arrangement.

In at least two organisations, B and G, telework was offered to women returning from maternity leave, often in tandem with part-time work. This meant a more gradual change in time/location routine for these women and their families, and had the added benefit of allowing at least one teleworker to keep breast-feeding.

Many teleworkers took advantage of their home-based location to undertake domestic tasks simultaneously with paid work. A number of teleworkers mentioned that they could progress household tasks before and after work and at break times on their telework days – although other respondents identified housework as a potential distraction. An Organisation G teleworker found that his at-home partner would often ask for assistance with domestic work while he was teleworking.

Despite contrary advice in Organisation G's telework policy, a number of female teleworkers also cared for their children at home on their telework days. The supervisor of a number of these teleworkers was concerned about the quality and quantity of their work and that they were unable to make client visits, an integral part of their jobs, on these days. Another supervisor present in the same focus group said her staff knew that if they used telework in such a manner, it would be revoked.

Generally telework did appear to allow greater worker autonomy and flexibility, but there was also the potential for employees and their families to be disadvantaged. Many of the respondent teleworkers were working longer hours, some out of gratitude to their employer, others because of an organisational expectation and others almost inadvertently. Teleworkers in both Organisations C and G said they found it harder to "switch off" from work once it could be done at home. One recalled: "it's easier to get hooked up into it. My wife tends to pull me in very quickly. She says 'that's it, you've finished work'" (Teleworkers, Organisation C).

There was an expectation in many organisations, particularly those where telework was treated as a privilege, that it should be given up if the teleworker was "required" in person. More senior and specialist staff appeared to have to surrender their planned telework days regularly, particularly to attend meetings. This lack of certainty about their telework reduced their ability to make advance arrangements, such as picking children up from school.

Despite some shortcomings, most of the respondents said telework assisted them in their pursuit of work-family balance. It was also valued by managers as a recruitment tool, and to retain staff, such as the two teleworkers who said they would leave the organisation without it (Teleworkers, Organisation B). A manager from Organisation C explained that he liked to be able to offer telework to help his employees, which also benefited the organisation:

When I have [an] officer who comes to and me and says ... "I've got three kids under the ages of five. My wife's not coping. I can't cope" ... And you can say "Well, we'll put a

computer in your home. You spend your time with your family that best suits you." He puts in twice as many hours than he would have done ... [E]ither you lose your expertise ... or you think of ways of how you can keep those skills in.

These comments also underscore the ambivalent character of telework in these organisations: while it may offer employees autonomy and flexibility to use to benefit their families, there is the constant possibility (or even presumption) that this will be accompanied by longer working hours. To this extent, telework practices observed in our case study organisations do not address the problems for families associated with long working hours (Pocock et al., 2001), and may – in some cases – exacerbate them.

Implementation issues

The implementation of telework has posed several new problems for these case study organisations. It was evident from the case studies that planning and preparation were fundamental to the success of telework implementation.

Given the relative novelty of telework and its potential effects on managers, supervisors, teleworkers and non-teleworkers, it is particularly important to identify and address problems as early as possible. Running a pilot telework program in a single organisational unit has proved a successful strategy for several of the case study organisations (A, C and G) in this regard.

Technological issues (for example, data transfer and data security) emerged repeatedly as a critical area, since chronic problems, such as slow and unreliable dial-in access, can render successful teleworking impossible. Organisation C, in particular, reported recurrent data transfer difficulties, and there was a general consensus across organisations that technological issues should be dealt with, as far as possible, prior to introducing telework.

The set-up of home offices or mobile offices (for example, vehicles with laptop computer facilities) should also be conducted systematically prior to the introduction of telework. There were considerable variations among the case study organisations in terms of the supply of equipment (whether purchased by employer or employee), Occupational Health and Safety (OHS) and insurance provisions.

These issues relate to the earlier question of whether telework is seen as a privilege. If telework is to be a legitimate alternative working arrangement, with potential benefits for both the organisation and the teleworker, then organisations need to ensure that teleworkers have equivalent conditions (for example, facilities and OHS) to those expected in the central office.

Telework, therefore, should not be seen as a cost-cutting exercise. The overall question of funding is an important issue, and there were again substantial variations among the case study organisations: if telework implementation is centrally funded (as in Organisation C), then it is consequently seen as part of the organisation's overall operations, whereas if it is funded through a single unit (as in Organisation A) it continues to be seen as peripheral.

The selection of jobs suitable for telework and the selection of teleworkers constitute a major theme in the literature on telework implementation (for example, Nilles 1998: 18-43; Omari and Standen, 2000). In our case studies, those jobs involving long work cycles on in-depth problems seem most suited to telework, which indicates that telework was being used for specialised work, rather than the more routine data entry with which telework is often associated (Haddon, 1998). Some high-level professional, administrative jobs were performed via telework, but managerial positions (particularly where rapid responses to crisis situations were required) were seen as less suited. An organisation-level audit of jobs and tasks suited for telework would provide a systematic framework for the further implementation of telework.

The selection of teleworkers in these organisations was generally on a case-by-case basis, usually on the opinions of managers or supervisors as to the suitability of individual employees for telework. Transparent selection processes with a register of those employees interested in telework, as was found in Organisations A, B and C, can help to formalise the selection process.

One priority that emerged in numerous interviews was that teleworkers should have a strong familiarity with the organisational culture – telework was not seen as appropriate for new recruits to an organisation. Organisation E was an exception with some employees negotiating to telework upon recruitment which appeared to cause confusion over work expectations. There was also general acknowledgment that full-time telework was undesirable: all teleworkers should have regular time in the central organisation, and there were certain issues that could only be dealt with effectively in person.

In the case study organisations, there was little formal monitoring and evaluation of telework. The low level of union involvement is a concern in this respect. Monitoring and evaluation should take into account not only the work patterns of teleworkers, but also how telework has changed the work of non-teleworkers, supervisors and managers. For example, to what extent are non-teleworkers required to take on extra responsibilities to cover for people who are teleworking, and how has telework affected organisational flexibility (such as the capacity to respond to crisis situations)? While telework may *offer* greater flexibility to teleworkers, it may *demand* greater flexibility from non-teleworkers. The relationships between teleworking and non-teleworking employees may become strained, particularly if telework is viewed as a privilege.

Telework was often seen in this way by teleworkers and managers. Some managers stated that they were prepared to withdraw the privilege of telework if performance was perceived as inadequate. In several instances, teleworkers stated that they were prepared to sacrifice career advancement in order to continue teleworking. As indicated in the previous section, they also felt under some moral pressure to demonstrate productivity and efficiency, and often reported that they were working longer hours than before. Therefore, telework may have impacts that, thus far, have remained largely hidden – for example, on family relationships and the possibility of burnout (as in the cases noted above, where teleworkers had to be told by partners to stop working).

The confusion in some cases as to the respective rights and responsibilities of managers, supervisors, teleworkers and non-teleworkers can compound these problems, indicating the need for clear written policies. In this respect, unions (which had a presence at only three of the organisations), have a necessary role to play in ensuring that these rights and responsibilities are agreed upon, documented and observed, and that information on telework as an option is freely available to all employees. This is crucial given the absence of specific legislative protections for teleworkers, and the general weakening and decentralisation of the Australian industrial relations system over recent years; although it should be noted that some limited success has recently been achieved with respect to long hours. The Australian Industrial Relations Commission (AIRC) decision in July 2002 in response to the Reasonable Hours test case presented by the Australian Council of Trade Unions (ACTU) has granted employees the right to refuse overtime that may result in work-family conflict (ACTU 2002).

These issues, and the absence of a coherent regulatory framework, point to the need for a more strategic, rather than ad hoc, approach to telework implementation. The ad hoc use of telework reinforces the perception of it as a “day off”, undermining its legitimacy as a working arrangement. The practice of treating telework as a privilege needs to be replaced by an understanding of telework as a legitimate workplace arrangement (like, for example, job sharing) – that is, an entitlement.

If telework is to be successful, a considerable degree of trust is essential – not only between managers or supervisors on one hand, and teleworkers on the other, but including those not directly involved, such as non-teleworkers. “Trust”, in this respect, may be seen as shorthand for a change in focus, from physical presence to the completion of work to be done. This reorientation can enable teleworkers to rearrange their working schedules to accommodate other commitments and to work at those times when they consider they are most effective.

Telecentres can solve some of the problems of individual telework (such as isolation) (Büssing, 1998: 159) and they are also appropriate for team-work situations. The quite distinctive organisational culture that developed in Organisation A’s telecentre has positive impact with respect to the implementation of telework in the broader organisational culture.

Conclusion

This paper has discussed the experiences of managers, supervisors and teleworkers in reference to productivity and work/family, two areas in which telework offers potential benefits. It has also identified the need for a more comprehensive understanding of the organisational impacts of telework, including those affecting teleworkers, managers, supervisors and non-teleworkers.

For the case study organisations, telework remains an alternative form of working that is confined to a small minority of employees. Yet there are considerable differences in the extent to which telework is viewed as a *legitimate* alternative to being in the central workplace. Nonetheless, the case study evidence suggests that the organisational question has moved somewhat from "why telework?" to "why not telework?"

Our evidence has also indicated a contradiction between increased flexibility for employees, particularly in relation to work and family commitments, and increased productivity for employers, achieved at least partly through longer working hours. The next stage of telework implementation will require adequate policies, strategies, monitoring and evaluation to ensure that the potential of telework to offer greater flexibility to employees is not undermined by informal work intensification.

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