

D302:
Flexible Working Handbook
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1. Introduction

1.1 About this handbook

This handbook is provided by the Flexwork Project. Flexwork aims to support the practical take-up of new ways of flexible working by Small to Medium sized Enterprises (SMEs) particularly those in remote regions.

The handbook will support the business advisor in providing appropriate advice to SMEs about introducing flexible working practices. Business advisors may be consultants, business counsellors, management consultants, business change advisors, chambers of commerce, enterprise agencies or any organisation involved in providing advice to SMEs.

The handbook is organised in four sections:

- An Introduction
- Flexible Working Basics – introduces types of flexible working, the technology and tools required, models and potential benefits
- Flexible Working Issues – discusses a range of issues
- Flexible Working Planning and Implementation – methods and tools for introducing flexible working.

1.2 How to use the handbook

It is recommended that the business advisor works through the handbook in conjunction with the Flexwork web site (at www.flexwork.eu) where registration will allow access to further briefings, cases and tools.

Implementing flexible working raises a broad range of issues. By working through Sections 2 and 3 of the handbook in a systematic way, the business advisor will be guided through the topics that SMEs need to consider. The advisor should be selective and pick out the relevant issues for a particular company. Contacts and links to other sources of relevant information are provided and can be followed up as necessary. Supplementary material is available at the Flexwork web site.

The final section of the handbook provides practical advice about how to implement flexible work. It is recommended that advisors support companies in developing a 'Flexible Working Implementation Plan' (FWIP). This plan is designed to support policy, strategy and then operational decisions. A number of operational tools are then presented which may be used by companies to support implementation. These tools are particularly suitable for medium to large size companies. Further tool support is available at the Flexwork web site.

2. Flexible Working Basics

This section presents an overview of the nature of flexible working with some simple examples, a summary of the tools and technologies required, business models and benefits and an outline of general benefits.

2.1 What is flexible working ?

'Flexible working' is a broad term which describes all working practices which fall outside the traditional models of work.

Flexibility can be introduced for:

- the employee at a personal level - organising work to fit in with other aspects of their life such as care responsibilities, family life, leisure pursuits.
- the employee at a professional level – organising work to allow them to meet work demands in ways that better fit both their task and professional objectives.
- the employer - organising labour resources to meet the varying needs of customers, or the variance of demand.

Commonly there are elements of flexibility for both employee and employer.

Flexible working practices have resulted from advances in technology development particularly in telecommunications and computer applications. Communications technologies have freed companies and employees from working at a fixed time and place. Now companies can adopt innovative management strategies for better productivity and improved working conditions.

Ways of becoming flexible

Location

- Employees can work from home.
- Companies can use a local telecentre
- Employees can work from a number of sites (belonging to the company, its collaborators or clients)
- Employees can work while on the move
- Employees of several companies can work together as a team organised to suit a task

Employees who work away from a fixed business location are often termed teleworkers. Those working in transit are often called nomadic workers. And those working from a fixed or mobile location as part of a distributed team are often referred to as a virtual team.

Time

- Companies can introduce schemes such as:
 - flexi-time
 - term-time working (employees take school holidays as unpaid leave)
 - annual hours (hours worked are arranged over an annual period)
 - part-time working
 - job sharing
- Companies may operate outside of 'normal' hours and collaborate with others in different time zones.

Contracts

- Companies offer different types of contract:
 - fixed term contracts,
 - use of 'contract' labour,
 - outsourcing to other companies,
 - use of agency labour (where contracts remain with the agency, rather than the company),
 - freelance workers (using people on a per job basis and allowing them to take work elsewhere),
- Companies work together for 'critical mass' to deliver larger contracts.
- Companies participate in collaborative design and production.
- Companies play a role in providing 'supply chains' to larger companies.

Work processes and tasks

- Workers become responsible for how it is organised and conducted.
- Work becomes fully networked, covering both physical interaction as well as virtual interaction.
- Work becomes more project-oriented with specific goals, budgets, processes, organisation and time horizons.
- Work becomes more dynamic and flexible in response to rapidly changing market situations.

Management and work relations

- Management focuses on strategic development, creating appropriate work cultures, team facilitation, and measuring work by output.
- Work relations become much more complex, multifarious and equal, with individuals often in more than one role (such as manager, partner, colleague, team member).
- Greater trust becomes the key to good work relations and flexible attitudes are encouraged.

Organisation

- Work takes place in a number of smaller organisational units with flatter structures.
- Delegation and horizontal communication are used both within and outside an organisation.
- Organisational boundaries and permanence break down as work is performed by virtual organisations and teams set up for the duration of the task.

Terminology

Information and Communications Technologies (ICTs)

Forms of technology which enable information to be used, modified, stored or shared and which support communication. Examples include: e-mail; company Intranets and the world wide web.

Telework

Telework simply defined means working at a distance. It includes:

- working at home
- working on the move
- working at a distance from the 'traditional' work site
 - e.g. diagnosing computer problems over the telephone line rather than visiting a site.
 - e.g. teaching someone remotely rather than in a classroom.
 - e.g. working as part of a team involving partners from other companies.

Telework can be done from home, on the move, at another office, in a telecentre, or wherever. A key feature is the use of technologies - mainly computers and telecommunications - to link people and places. It can involve remote working with an employer, colleagues, clients, suppliers and customers.

Telecentre & telecottage

The terms 'telecentre' and 'telecottage' are often used interchangeably. Generally a telecottage provides its local community with easy, affordable access to computer and telecommunications equipment. Local people and small businesses can work with the equipment or use other resources. Some also provide IT training local people.

Telecentres usually support specific types of work involving the use of computers and communications and can be:

- the remote office of a large organisation (such as a customer call centre)
- a 'flexible office' used by a group of organisations (a managed work space run on the lines of a commercially based telecottage).

Although telecentres are frequently referred to in the context of flexible working, in practice there are few examples of commercially successful telecentres.

2.2 Illustrations of different types of flexible working

Here are three examples of the ways in which companies might implement flexible working. More examples can be found in Section 3.2 and on the Flexwork web site.

A virtual software house

A software wizard decided to set up his own company to produce software solutions for clients. He based the company in his own remote region, but did not let the geography determine who he could employ. From its inception the company used a flexible approach to market demand and employee skills. The company has a bank of 'employees' all of whom are self employed and are paid a fee according to their output. Employees are hired to projects depending on the skill set required by the project. All the employees are fully equipped at home. The company makes extensive use of telecommunications to support collaboration, e-mail and file transfer between team members.

Initially there were some problems with communication and some software packages but these were overcome with good communication procedures and training.

The company is able to respond to market requirements without having responsibility for a large work force and substantial overheads. The employees manage their own financial affairs and see a direct relationship between effort and reward.

Job sharing overcomes skill shortage

A small design company had trouble attracting experienced staff to work as project leaders. Many of their staff who had trained on the job had been women and they had taken career breaks to have children. Experienced female designers were reluctant to take up full-time posts while their children were small, so the company decided to offer jobs on a job-share basis. Two (or more) applicants had to apply for a post together and share the hours between them. They had to be prepared to work co-operatively (at a distance) to fulfil the requirements of the full-time post. This scheme was successful experienced female designers were brought back to work in a flexible way. The company ensured that all work-related benefits were available to the job share staff - but on a pro-rata basis.

Improving efficiency for mobile agents

A small independent insurance brokerage had agents who visited clients in their homes. The company decided to streamline their operation to make it more efficient. With good communications and portable technologies they found it possible to improve the efficiency of their staff without compromising the quality of working life. Agents had previously made home visits, taken notes and then waited until the following day to go to the office to enter details into the system and receive a quote that was then relayed to the client. The company equipped each agent with a portable computer and a PC at home - linked to the main office system. Agents entered details straight into the computer and were able to upload details and obtain quotes at home the same evening. Clients received their quotes more quickly, agents reduced the number of trips to the office and the company found that agents could cover more clients during their working week. The scheme was judged a success all round.

The above scenarios illustrate that there are many ways in which companies and employees can be flexible and many different types of benefit result from flexible working.

2.3 Flexible working technology - access and tools

Many forms of flexible working can be supported by technology which companies already have or with minimal new investment. This section briefly summarises the technologies which companies might use for flexible working now. New technologies are emerging which will provide better facilities for rural areas and which support new ways of working. These new developments will be described in later versions of this handbook.

For further detailed information on each of the types of technology see the Management Briefing, 'Flexible working technology – access and tools', at the Flexwork web site (www.flexwork.eu.com)

For flexible working the following general points should be considered:

- Do not always assume that a massive investment in new technology is needed. Much can be achieved with just a PC, a modem and a phone line. However, keep a watch on new developments for anything that meets your needs. Use the FlexWork website for information and good local suppliers.
- The initial cost of the technology should not be the over-riding factor in the decision. Reliability, warranty and support from the supplier are far more important than a cheap initial price. Many businesses have learnt that a “bargain buy” has cost them more to maintain and put them out of action when it has failed.
- When buying hardware or applications to support flexible working, do not assume that the most expensive is the most suitable. It is always wise to buy a system that allows room for expansion, but take advice from a good supplier on the configuration best suited to your needs.
- Use only technology that has been tried and tested by other people, and maintain a good support contract with the supplier. The newest version of any technology will have new facilities but might also have a few unresolved problems.
- Don't be afraid of the technology! Try out new packages and invest some time discovering their potential.
- Choose software and equipment that will inter-work with that used by customers, colleagues and suppliers. Companies might want to be able to share information and work on common documents.

Types of Technology

The following areas of technology should be considered:

Applications – software programmes including word processors, e-mail packages, collaborative working tools, design packages, project management tools or web-browsing tools. Collaborative working tools, (eg Lotus Notes), are particularly useful for flexible working since they enable information sharing amongst a geographically dispersed team. Many small businesses already have the most common applications available and the more sophisticated features of these can be utilised to support flexible work.

Hardware – usually PCs and standard communications equipment. Most companies will already have most of their hardware. However some decisions might need to be made: whether to buy portable or desk-based equipment; what configurations are most suitable; whether a server is necessary.

Intra-office networks – used to connect equipment on your site so that people in different offices or departments can work together more effectively. Usually know as a Local Area Network (LAN) they can be set up using cables or a wireless connection.

Services – flexible working can be supported by off-site service providers such as messaging services; telephone conferencing services; Internet Service Providers (ISP); Application Service Providers (ASP).

Access networks – for access to global communications networks. Choices between the different services can be made on the basis of performance, bandwidth, reliability, availability and cost. Existing telecommunications services include: telephony; Integrated Services Digital Network (ISDN); leased lines and wireless local loop. Newer services include: Asymmetric Digital Subscriber Line (ASDL); Cable Modems; Satellite and terrestrial broadcasting; Powerline and fixed wireless access.

Mobile – Mobile technology is a special case of above technologies. Many technologies are available which support the mobile worker: mobile phones including those that support the Wireless Access Protocol (WAP); portable computers; personal digital assistants (PDAs), Portable equipment is continually being improved in terms of performance and reduced size making mobile working a more practical reality.

2.4 General Benefits of Flexible Working.

Flexible working can benefit companies and individuals in many ways.

- Flexible working using ICTs can benefit competitiveness, productivity and working conditions within European businesses.
- To benefit from the new network economy businesses need to be more flexible in their approach to trading and co-operation.
- Flexibility involves new types of work, ways of performing work and organisation.
- New ICTs provide many opportunities for small rural businesses which were previously disadvantaged through their inaccessibility.
- Networking, virtual teams and e-commerce are all ways in which SMEs can interact together and make the most of new work opportunities.
- Through the internet, small companies have access to many of the resources used by big business.
- There are many business benefits from flexible working:
 - Increased productivity
 - Improved competitiveness and market access
 - New products and services
 - New kinds of business organisation
 - Better use of personnel and skills

Flexible working methods based on ICTs have the potential to benefit competitiveness, productivity and working conditions. To make the most of these benefits requires re-organisation in business structure and practices.

The new networked economy is adding a new and powerful dimension to business activities. As organisations use technologies to carry out trading and cooperative relationships, flexible ways of working are necessary to achieve the benefits desired. The traditional organisation is being re-configured in a number of ways:

- using a dispersed labour force working in virtual teams
- using out-sourced labour
- purchasing services or collaborating with other companies

Flexible working using ICTs is not an objective in itself, but a means of achieving a wide variety of ends. Thus:

- many organisations now see flexible working as a direct means of increasing productivity and market flexibility as well as of achieving global reach (for example, by getting work done for the most advantageous quality-price-delivery combination, regardless of where the workers actually are)
- many development agencies now use flexible working as a tool in socio-economic development and job creation
- many individuals now incorporate flexible working in their daily lives in order to increase their own control of work and to achieve a better fit between work, family and personal life.

Work in the Information Society is increasingly becoming not “where you go” but “what you do” and “how you do it”. Flexible working is a lot more than working at home a few days a week (the traditional view of telework). ICTs can be fully exploited to devise whole new patterns of work to fit the needs of the economy, the organisation, the worker and the community. Flexible working extends the employer’s labour market and the worker’s job market. It enables transformation of organisations and leads to more complex, trust-based management and working relationships. It supports both physical and virtual networks and the re-engineering of tasks and processes. Above all, flexible working increases individual responsibilities, skills and independence.

Benefits for the Region.

Business activities can be located or conducted anywhere. Traditionally, physical access was the primary factor. Flexibility through ICT means other factors are more important such as cheaper labour, high amenity and environmental values, high quality of life, relatively cheap land, property and services, etc. Regional agencies responsible for development have new advantages to manipulate because they are accessible via technology.

The Internet, and other forms of IT networking, provides inexpensive forms of interaction, for example:

- access to much of the information and knowledge used by large companies
- marketing mechanisms and channels which reach out on a global basis
- teleworking and flexible working generally.

SMEs cannot easily achieve economies of scale or get rapid access to skills, capital and knowledge. Forming ICT-based collaboration networks with other SMEs can allow them to compete. Typical benefits for a region can include:

- Allowing employees to work remotely can increase job opportunities. Those who would find it difficult to commute due to transport difficulties or not having the time, can attend a regional telecentre or work from home. The pool of potential employees is increased and the region benefits from greater employment opportunities.
- SMEs and micro-businesses can take on work from companies in other regions, so boosting the local economy.
- SMEs can work together to bid for large contracts from outside the region, and even for new kinds of work so boosting the economy and increasing local skills and competence.

Benefits for Business.

Flexible working can provide benefits related to a wide range of critical business issues.

- Access to skills - many companies can find scarce talents by employing remote workers. Workers may be remote due to living in a rural location or because of mobility (e.g. skilled women with family commitments).
- Access to new work – flexible working allows easier access by SMEs to work opportunities in other regions. This not only increases revenue but opens access to new kinds of work and new markets.
- Increased productivity – flexible working allows specific workers to become more productive by letting them work in preferred ways. They may need to work away from the office when a crucial report needs undivided attention, while other workers benefit from more extensive periods at home for work requiring close concentration (e.g. programming, editing etc.).

Flexible working can also allow a company to organise staff activities for benefit:

- reduced costs (e.g. fewer business trips, less office and parking space)
 - easier co-ordination of work between employees at different locations
 - easier allocation and distribution of work according to need
 - easier use of staff according to need
 - fewer staff sick days
 - being unaffected by disruptions to work, such as bad weather, floods, fires, bombs, strikes, transport breakdowns
 - improved management of information and knowledge within the organisation, enabling more systematic organisational learning and faster access to the right information at the right time
 - faster access to information and knowledge external to the organisation
- Business start-up – sole traders and freelancers who telework often start new business activities with low overheads. Such businesses often expand to employ more workers - there are many examples of start-ups which exploited teleworking as a first step.
 - Cost savings - some businesses can reduce office costs through flexible working. Using freelancers to explore new work areas is a way of developing new lines of work safely, while retaining the option of having people work in-house later if the new project line takes off. Some businesses use a ‘hot-desking’ approach where there are fewer office spaces than workers, but the workers attend the office at different times and so share desks and other resources. This approach reduces accommodation overheads which is particularly important in expensive urban areas.
 - Improving ability to respond to patterns of demand – with a flexible work force, businesses can plan when the most effort needs to be applied and so can set work patterns that will meet the demand.
 - New products and services can be developed using flexible working techniques, especially in collaboration with other companies.
 - Setting up task-specific or event-specific teams using persons from more than one company and/or externals such as freelancers.

Benefits for the environment

- Reduced travel time and resources - fewer transport facilities are used for commuting when employees work from home or a local centre and so reducing fuel and other travel related expenses.
- The roads benefit from reduced traffic, and pollution is lowered. Telework is seen as a 'green' activity, especially since home offices take less energy to heat and light than commercial office space, and the home would often be heated and used anyway.
- Reduced need for travel through collaborative working as fewer meetings need to be attended.
- Communications technology can also reduce the need for travel as videoconferences and audioconferences replace some face-to-face meetings.

Benefits for the worker

- Balancing Family and Work - many people (both male and female) find flexible working allows them to get the best from family life and working life. Being more involved in the family requires having flexibility to work to a preferred schedule (when possible). This is a key area for people with young children.
- Job loss and/or relocation can be avoided by working from home. When a company moves valuable staff can be retained as flexible workers if they do not want to move. Similarly, if one partner changes job, working from home can be a solution to avoiding general upheaval.
- Reducing wasted commuting hours - some employees free up time by not travelling to work (those who are based at home or local telecentre), while others work in transit (nomadic). The optimum solution is a matter of preference and practical application. Some employees utilise the time spent travelling (e.g. on train journeys) to work and then use flexi-time to reduce time spent at the office.
- Equal opportunities for work can be provided by flexible working. People with disability are already exploring working from home across Europe (see www.ISDAC.ORG), and many women returners, or people with responsibility of care, can re-enter work via teleworking.
- Gaining wider experience – for those on flexible contracts such as employees working freelance or on contract to more than one company, there are great opportunities to expand the range of projects worked on and so develop a broader portfolio of skills and experiences.
- Increased worker motivation through personal style of working and development.
- Easier to train staff by exploiting 'networked' workforce.

Possible drawbacks for the worker

- Less direct interaction between flexworkers working different times.
- Complications in support for infrastructure and technology (e.g. delay in repairs etc.)

3. Flexible working issues

Section 3 provides discussion of specific issues. Each section begins with a summary of the key statements followed by explanatory text. Further material is included in the Flexwork web site.

3.1 Staff selection

KEY STATEMENTS

For effective flexible working appropriate staff members must be selected. A number of factors should be taken into account:

- Employee preference – the employee should be interested in the scheme and will perceive some personal benefit (eg reduction in travel time; flexibility of working hours; opportunity to learn new skills; working with a more varied set of colleagues; being available at home.)
- Trust and loyalty – flexible working may involve potential security risks (taking company information home; working with other companies) and requires good self-management skills. Employees should be trustworthy and loyal to the organisation.
- Length of service – the employee should have been employed for some time to ensure familiarity with the way things are done and so that good relationships with colleagues are in place.
- Type of job – not all jobs are suitable for flexible working. Most suitable are those which require little direct supervision or face-to-face contact. Examples are given in the box below.
- Personality factors – psychometric tests can be employed to determine personality traits. Remote workers need to be good decision makers, effective at problem solving, able to work independently and skilled at self and time management. Working in a collaborative setting requires a set of personal skills such as good communication, open-mindedness, willingness to try new ideas, ability to work to deadlines, ability to focus on task output/results.
- Equal opportunities – all employees should have the opportunity to work flexibly. There may be grounds for preferential selection if a valued employee would otherwise have to leave (eg due to care responsibilities, problems travelling to work).
- Working from home – the home environment should be assessed for suitability.

Section 4.3 provides more details and the Flexwork web site has a checklist on employee suitability.

Examples of flexwork jobs

professionals and management specialists: architects, accountants, management, marketing, public relations, human resources, finance, financial analysts and brokers.

professional support workers: book-keepers, translators, proofreaders, indexers, researchers.

itinerant field workers: company representatives, surveyors, inspectors, property negotiators, auditors, journalists, insurance brokers.

information technology specialists: systems analysts, software programmers and engineers.

clerical support workers: data entry staff, word processor operators, directory enquiry staff, telesales staff.

3.2 Types of Flexible Working

KEY STATEMENTS

- Flexible working is very varied in nature being a flexible adaptation of working procedures, styles, management, timing, location, to increase the benefits (and/or minimise the costs) for the people and organisations involved, (see also Section 2.1)
- Categorisation is difficult as each case has its own unique features.
- Five main types have been identified - these types are not mutually exclusive and often overlap in the same company. They are:
 - SMEs whose employees telework
 - Flexible working by SMEs in the traditional activities of rural and peripheral areas.
 - Flexible working by SMEs exploiting new opportunities
 - Flexible working to deliver local services
 - SMEs in flexible working networks (virtual teams, supply chain collaboration, etc.)

SMEs whose employees telework.

This is where employees work flexibly in time and/or place using ICTs. A variety of different modes are common:

- tele-homeworking, where the employee works at home for some (or all) of the time.
- telecentre and satellite office work, where the employee spends time in a telecentre (not owned by the employer and typically shared with others) or a satellite office (owned by the employer) to work closer to home or to a client.
- multi-site (or alternating) teleworking, where the employee alternates between the main workplace and other sites, including the home, a telecentre, the customer's or partner's premises.
- mobile or nomadic telework, where the employee is on the move and uses technology to keep in touch, access data, for example sales representatives, maintenance workers.

Example: The Excel company, Herning, Denmark -an IT software company in Herning, Jutland, has for many years used tele-homeworking. It also established one of Denmark's first satellite offices in Billund in 1998 for 3 local staff to reduce commuting, help reconcile employees' family and work commitments, improve company efficiency and performance, and help strengthen a peripheral area. Excel's experience shows that:

- the satellite office concept can provide local working facilities without the sense of isolation some staff feel if they work at home for too long
- new types of management techniques, including management by email, need to be established
- the daily stress of staff with families is reduced
- commuting is reduced by at least 2,000 km per week – only travel to head office in Herning about once per week, and also closer to some of company's customers.

Flexible working by SMEs in the traditional activities of rural and peripheral areas.

This is where flexible working methods are implemented in traditional activities, such as:

- fishing, forestry and farming
- processing of primary products, for example food processing, timber products, etc.
- service activities such as tourism or public sector services

Flexible working can strengthen such activities by:

- making them more effective and increasing productivity
- extending markets up to global level where this is relevant
- retaining and/or attracting more of the value-added chain
- retaining and/or attracting investment
- enabling regional SMEs to act as though they were big in terms of information, networking and market reach. This includes “getting closer to your customer”, both by using the technology to have a local “presence” and because the technology enables the enterprise to interact directly with individual customers, thereby better understanding their changing needs and thus being able to tailor the product/service exactly to these.

Example 1: Trångsviken, Jämtland, North Sweden. This case illustrates the use of ICT and flexible working as strategic tools to expand and diversify business opportunities in existing rural industries. The area in northern Sweden has traditional industries (aluminium and timber), as well as commercial trading, plus a small number of highly specialised companies with international connections and export. A community infrastructure (House of Associations) has been established where ICT companies make their expertise available to traditional industries through the networking capacity of the local business association. New products and markets have been developed within these traditional activities, for example:

- specialised packaging, tubing, art paper, etc., based on timber resources
- high value-added aluminium travel kits and plates designed for microwaves

In both cases, companies have started to work flexibly both internally and as part of local and international networks, and workers use telework from home and collaborate with distant clients and partners. Twenty per-cent of sales now go through the Internet and flexible working relations are established with companies world wide.

Example 2: La Gâtine, Poitou-Charentes, France. In this case, markets have been widened and extended using flexible working and electronic commerce in the agri-food sector. The area Gâtine in rural France is a region of livestock breeding and rearing, including sheep and cattle. Since 1994, a comprehensive bovine/ovine quality meat programme has been developed to improve the quality of meat production, through bovine/ovine selection, quality certification, price control, product promotion, marketing and auction. The overall aim is to improve the value chains and thus strengthen the industry, its income and employment. Two actions have been implemented to this end: the rehabilitation of abattoirs, and the establishment of an electronic platform for flexible working within the sector and, specifically, for developing e-commerce services. Breeders, slaughterhouse staff and retailers in the meat sector, as well as other agro-food producers at the marketing level, work together using ICTs and have considerably strengthened the turnover and income generation of the industry.

Flexible working by SMEs exploiting new opportunities.

Due to technological developments the location where work is performed is becoming irrelevant, particularly work involving high informational or knowledge content. Rural and peripheral areas can capture some of this work by matching the particular skills and competencies or the products and services of their companies with the needs of partners or clients, wherever they happen to be, based on the competitive factors such as:

- the quality of the work performed
- the price
- the terms of delivery, including delivery date.

Exploiting the new opportunities for flexible working provided by ICTs can be based both upon local and inward investment and through the transformation of existing SMEs and the creation of new companies or branches of companies.

Example 1: Isle of Lewis, Western Isles of Scotland - where more than 200 jobs have been created through three initiatives:

- Lasair Ltd. specialises in high value-added document abstracting and publishing with many permanent clients and partners mainly in the UK and in USA (cultural, language area). Lasair is itself based in the main town of Stornoway and is responsible for marketing, sales, administration, quality control, and the training of its workers, many of whom telework from home in the surrounding rural areas.
- companies networking both regionally and internationally and specialising in CD-ROM production, multi-media, broadcasting and film production, webmastering, etc.
- a call centre set up by inward investment from a major international company provides Internet support services for the company's clients worldwide.

The success of these initiatives is directly based upon a focussed marketing strategy by the Isle of Lewis, the high level of skills and qualifications possessed by the inhabitants, and the existing organisational culture based on the long established flexible approach to work derived from the tradition of pluri-activity inherited from the crofting way of life.

Example 2: Longford, central Ireland - where a concerted campaign to explore the new opportunities provided through flexible working has had a number of beneficial outcomes. The harnessing of collective skills and imagination, both internal and external to the region, creation of a virtual community linking Longford and its worldwide networks (including the Longford diaspora), and development of a cohesive strategy for increasing the investment in and use of ICT throughout the county. The campaign has led to:

- the compilation of a study of the potential applications of ICT in Longford,
- the establishment of a software company which has provided 16 teleworking new jobs based on both local investment capital, national grants and venture capital investment
- the implementation of a number of technology-related services and projects in the county.

Example 3: New self-employment on a remote farm, Germany. Konstruktionsbüro Pollozek is an example of "new self-employment". A few years ago, a formerly employed woman started a new career as a freelance designer from her home-base on a farm in a very remote area with no job opportunities. Now she runs a very successful one-person company which occasionally uses subcontractors for specific tasks and has developed a solid customer base. Roswitha Pollozek has a history in the design industry with many connections and is an expert in computer-aided design technologies. After her marriage to a farmer living near Ansbach, she initially helped with the farming before deciding to work as a designer again. She now runs her own design office from her home where she produces CAD designs for a number of well-known industrial enterprises. The customers are located 6 - 200 km away from her office. The farm house has been extended now offering 120 square metres office space, and the annual turnover is impressive.

Flexible working to deliver local services.

Although the traditional economic activities of rural areas lie mainly in the primary, low-tech and low value-added manufacturing sectors, the economic mainstay is often public sector subsidy. This includes the indirect subsidy of transfer incomes, more direct investments and subventions, as well as the establishment of public administration institutions involved in providing a wide range of services, including those which may be made available by the private commercial sector. Local service provision is therefore very important for employment, both directly as a result of the jobs in these services themselves, but also in the central role of services in supporting the whole underlying viability of the local economy. The implementation of flexible working based upon ICTs can improve local service provision in the public sector itself or in private sector SMEs through:

- greater efficiency of service
- reduced cost of service
- greater comprehensiveness of service
- increased accessibility of service, for example more people can be reached, there can be 24-hour electronic “opening times”, etc.

These benefits can be especially important in rural areas where the costs per head of service provision are generally much higher than in urban or core regions, for example because of the difficulties of reaching out to a dispersed and often sparse population over what can also be difficult terrain. ICTs also make it possible to provide physical outreach services where, for example, local authority staff can visit outlying areas, say, once a week to provide in-person advice and consultation services backed up by on-line access to the town hall’s databases.

Example: Sainte-Agrève, Rhône-Alpes, France. At the end of 1995 an initiative was launched using existing ordinary telecom and ISDN networks and an SME was set-up to provide Internet services and videoconferencing facilities in a partnership with the public sector. The aim was to support electronic public sector services in local administration, health and education through flexible working based on ICTs. Partnerships with national and regional authorities have for example provided:

- free multimedia equipment for schools
- training of teachers
- training of medical staff
- users as public agents in local administrations

This has been a mixed public sector technology-push initiative in partnership with the private sector SME and France Telecom as telecom provider. Three spin-off SME activities currently employing more than 200 people have been created working in the above areas.

SMEs in flexible working networks.

One of the keys to developing any region lies in identifying and strengthening physical clusters of firms in related sectors and markets (clusters may be based on supply, delivery and value-chains). Clusters are an important springboard for building ICT-supported (or virtual) networks, as they are based upon human relations, with economic, social and cultural components. This means that there is often an element of spatial proximity in digital network creation and development, despite their inherently virtual nature. The digital economy is not completely divorced from the traditional physical one. Networks grow faster and are stronger when there is a social and cultural component, which is why regions are important for network creation and growth. Thus, networks based upon ICT-supported flexible working are most successful when arising out of real local or regional clusters characterised by trust, risk sharing, common learning, imitation and social interaction.

Two distinct ways in which networking using ICTs can be beneficial:

- to complement existing forms of networking based on traditional communication media and co-operation, for example those which focus on physical face-to-face contacts and retain the human benefits of such contact but also provide the enrichment and efficiency of information broadcast and storage.
- by providing completely new opportunities to create networks of flexible working individuals and organisations which were not possible before the advent of ICTs, in five specific ways:
 - by extending the spatial range of networks (or so-called communities of interest) through linking people potentially on a global basis
 - by extending the number and range of participants in a network
 - by increasing the intensity of interaction in the network
 - by increasing the information-handling capacity of the network.
 - by transforming what the network actors (enterprises, public bodies and organisations) can do with ICT, e.g. where each party specialises for the benefit of all in a value-chain which optimises efficiency and the rapidity of response to new situations.

Example: Paralelo 40 - is a flexible working network initiative based on ICT carried out across 14 Spanish LEADER territories, co-ordinated by one Local Action Group. An Intranet rural tourism system has been developed which features rural accommodation and other local activities/events. It has been integrated into travel agents' systems at national and international levels on the Internet. Each of the 14 areas is responsible for collecting and updating data, training local people in system use and providing monitoring and assistance. The main aim is to make rural tourism information more readily available to the agencies and the customers, so as to be less reliant upon traditional marketing, e.g. at regional and national fairs.

3.3 Management of flexible working

KEY STATEMENTS

- Traditional management style and attitudes are a barrier to successful flexible working – however to be successful flexible working needs to have management support.
- Managers have to be able to trust employees working flexibly.
- Managers should have access to education and training about flexible working.
- Managers should be taught to enhance their communication skills to support flexible working – this might include the use of ICTs.
- Flexible work has a number of disadvantages from a traditional management viewpoint (e.g. difficult to manage workers by physical presence), but these can be countered by using new management techniques.
- Managers should be encouraged to develop a new management style based on trust, delegation and teamwork.

Management reluctance

One of the key barriers and challenges to flexible working is conservative and traditional management attitudes. Many employers remain sceptical about the benefits of flexible working (eg. teleworking at home). Being surrounded by staff in a traditional office is still an important status symbol for workplace managers. Organisations where staff are rewarded for being seen and being seen to work for long hours, following rules and saying the right things at meetings, will have managers who are resistant to flexible working. Many workplace personnel systems are also at odds with the unpredictability of flexible working.

Often senior staff start flexible working first on an ad hoc basis, knowing that they can do some of their work more effectively away from office distractions. However, learning to trust those lower down the scale is much more difficult.

Trust

Managers must be encouraged to trust and support their flexible workers. This is often difficult, as the traditional manager likes to control staff through physical presence and, at least, the appearance of working activity. It is difficult for many managers to let go and trust staff, especially when they cannot be seen, to get the job done. It is important to avoid the situation where rigid adherence to traditional management practices stifles flexible working – but also the manager should not feel dis-empowered and over-ruled by the new working arrangements..

Training and Education for managers.

When managers are reluctant to contemplate flexible working a concerted effort must be made to educate them (e.g. through workshops, briefings, information campaigns), and to address the real or imagined drawbacks of flexible working. Particular emphasis should be put on communication problems between workers, and between workers and managers. Communication is often seen as the most problematic issue for flexible working. Training and education are particularly important for managers who have had bad experiences with such innovations in the past.

Middle management should receive the right training, incentives, responsibilities and tools to build a new management style. Sufficient time should be allowed for managers to become accustomed to new ways of working. Managers should themselves be empowered and encouraged to work flexibly using ICTs.

Potential disadvantages

The traditional manager sees a number of disadvantages of flexible working using ICTs because this can:

- make it more difficult to monitor productivity – this requires a switch to measuring the quality of the results or output rather than simply hours put in
- make it more difficult to manage workers by physical presence
- make it more difficult to directly motivate workers
- cause too rapid changes in the organisation
- result in a dispersed organisation and culture
- cause additional technical and logistics problems and costs
- cause additional problems of information and data security

However most of these can be overcome by developing new management techniques, e.g. performance should be monitored by results rather than by presence. Good communication strategies are essential along with appropriate training to gain new technological skills. Investment in appropriate technological support can also alleviate problems such as data security.

New Management Style

Managers need to be able to cope with rapid and unpredictable change. They need to be able to support workers who are becoming simultaneously more *independent* (by being responsible for planning their own work and time, and for balancing work and private life) and more *dependent* (upon management and colleagues for support, trust and co-operation while remote team working).

Flexible working requires a new management style based upon trust, delegation and teamwork. The manager needs to become more of a team leader, promoting innovative cultures and strategies, as well as co-ordinating and distributing work. A style based upon management control of work processes in detail, where managers act as channels and filters of information, is counterproductive to the benefits which flexible working can bring. It is generally felt that flexible working works best where hierarchies are flat, bureaucratic rules are minimised, job descriptions are flexible and workers are encouraged to work to targets which they have negotiated with their managers or team mates. The best managerial style is nurturing and enabling, rather than autocratic or dictatorial – in which trust plays a crucial role.

3.4 Self organisation and time management

KEY STATEMENTS

- Flexible work requires workers to be autonomous, have good self-management skills and take greater responsibility for their own tasks.
- Companies should be aware of the demands of flexible work and select and train staff appropriately.
- Not every worker is suitable for types of work that require a great deal of self management. However, every worker should be entitled to take part in training measures that teach these skills.
- Flexible work influences self-organisation in two ways: the switch from ‘eyeball management’ to management by objectives and the blurring of boundaries between work and private life.

Management by objectives

This management style allows workers to set their own objectives, but they have to plan and manage the work process themselves. This might include deciding about:

- the time of work and the order in which tasks are handled;
- the work tools needed for the job, where to get them, and how to apply them;
- what kind of input is needed from other people (external as well as internal), how to ensure that it is provided, and which communication techniques/ technologies to use;
- which work location to select for the task.

Supervisors must consider which aspects of work organisation become the responsibility of workers and which remain under supervisory control. Most importantly, changes to key responsibilities should be discussed to avoid misunderstandings which might have a negative on the work process.

Blurring of boundaries between work and private life

This area needs consideration by prospective flexible workers. Key aspects are:

- the allocation of time between the two spheres, both in the everyday situation and in the case of emergencies (such as sick children, home emergencies);
- the allocation of space (and other resources) between both spheres, e.g. setting up an office at home.
- being able to draw mental boundaries between both spheres to achieve a balance between concentration on the work and prevention of 'workaholism' and lack of recreation.

To achieve a good balance between work and family life requires the following skills:

- self-discipline in general;
- specific self organisation and self management techniques;
- time management techniques;
- communication skills, including mastery of communication technologies (e.g. e-mail, workflow systems).

Workers may already have these skills, or they must be taught or coached to acquire them. It is recommended that SMEs implementing flexible working analyse the current work organisation to determine:

- the extent to which these skills are required already;
- the existence of latent skills that are not yet in demand but can be utilised after introducing flexible work;
- the shortfalls and deficits that exist;
- the measures needed (such as training programmes) to bring staff skills in line with future requirements.

A number of instruments (questionnaires, self-assessment tools, checklists) have been produced to help organisations with self-evaluation. An example checklist which has been developed specifically for the introduction of telework can be found from the Flexwork web site.

3.5 Equipment/technology considerations

KEY STATEMENTS

Companies must confront a number of issues concerning technology for flexible working. These include:

- Deciding which equipment and technology to purchase – it may not be necessary to make a big investment.
- Who pays for equipment, furnishings and consumables which are used out of the office – commonly the company provides all items or gives employees an allowance towards their cost.
- To what extent should the company fund the home office – companies often pay for installation of telephone lines, business line expenses and may fund better wiring and additional electrical sockets.
- How is maintenance and equipment support handled – the company is responsible for maintenance and different arrangements may be necessary to support remote workers.
- Insurance arrangements – insurance cover must be provided for equipment kept off-site and companies should be aware that they could be liable for accidents at the home office which are a result of poor equipment maintenance.
- The internet has particular potential as a method of supporting flexible work.

See Section 2.3 for information on the most useful tools and access technologies for a flexible working scenario. Further information on technology can be found at the Flexwork web site.

Which equipment ?

Do not rush out and buy expensive new equipment for flexible working, but take a more reasoned approach to facilitating flexibility. At the outset a company should identify any requirements unique to the proposed flexible work scheme, i.e. tasks which are not currently supported by technology. Some examples include: a need to work on a shared document from two locations; a need for an employee to be able to work in several locations; a need for virtual meetings between collaborators from different companies, etc.

Once a requirement has been outlined, the company should investigate whether they already have suitable equipment (perhaps by using it in a different way), or what additional resources might be necessary. The two areas where new equipment may be needed are to enhance communications capabilities and to provide equipment for use at home or portable items of equipment (laptops, mobile phones etc.). In each case the company should determine how often a facility may be required or how critical it is before deciding on the appropriate level of investment. A company whose business involves the production of documents in collaboration with other organisations will be able to justify more investment in application sharing technology (or good e-mail facilities) than a company which exchanges documents once a year.

For sporadic usage hiring equipment or negotiating use of resources kept elsewhere (such as in a telecentre, or local college) might prove more cost effective than buying equipment outright.

Who pays ?

Employees working remotely may need some additional technological support. It is usual for small businesses to provide all relevant IT equipment (such as computers, scanners, photocopiers, faxes, modems etc.) and supply a separate telephone line (or multiple lines). Having a separate 'business' line is important so that a distinction can be made between business and personal usage. The number and type of phone lines necessary depend on the nature of work to be done at home. Separate lines are sometimes required for dedicated fax or modem usage. High bandwidth lines may be required where the work involves high volume data transmission.

When supplying equipment the company should provide an inventory, security marking and determine procedures for return, updating and maintaining equipment.

Some employers, particularly larger companies, also provide furniture such as workstations and appropriate chairs. Others give employees an allowance to buy appropriate furniture as standard office furniture is often too large for a home situation. Similarly some organisations provide stationery and other consumables from central stores while others pay an allowance to the employee or expect the employee to claim reimbursement.

For people working at home, another consideration is whether there are adequate power sockets and lighting. Some companies might be prepared to pay for installation of better wiring to support more sockets and provide a surge-suppressed socket to protect the computer from fluctuations in the power supply (or make a contribution towards such costs). Good lighting and ventilation are important health and safety factors and should be considered during the initial home check.

Equipment maintenance and technical support

When investing in new technology companies should investigate the after sales service available and its costs. Sometimes a cheap initial investment might prove costly in the long run if no after sales support is included. By shopping around the company might find a deal which includes some level of warranty and technical support. The value of technical support depends on the extent to which employees have the technical capabilities to fix their own problems.

When an employees are remotely based (e.g. at home, a telecentre or on the move), technical support arrangements should be specified as part of the flexible working agreement. If a company has supplied equipment, then it should provide back up services. Getting rapid assistance is essential for the homeworker since she/he may be unable to use another machine during the repair period. It might be worth investigating the costs and conditions of telephone helplines and remote diagnosis services. Often such services require a regular subscription similar to an 'insurance' policy. Technical assistance is often expensive and unfortunately its quality cannot be assessed until an emergency arises.

Beside hardware problems, there may be software problems. Remote support requires usage of special access software (e.g. Timbuktu, PC Anywhere, etc.) and someone based at the company to do the support (may mean a change of job spec.), or extension of any out-sourced support arrangements.

Insurance and Liability

When a company supplies equipment for use at home insurance arrangements should be checked to ensure that it should be still included under the employer's cover, or additional cover should be arranged. Companies should take into account that they may be liable for any accident or injury, etc. arising from the condition of the equipment or lack of maintenance. A home policy for equipment 'on loan' to a home worker should be considered. The flexible working agreement should include a clause covering the home worker's right to use and maintain equipment while on loan. Additional payments or benefits to the off site flexible worker may be necessary to balance costs.

Making use of the Internet

The internet is an inexpensive gateway to many forms of flexible working. Many companies, even SMEs, already have the necessary equipment and services in place to make use of the internet. It is a ready-made platform for collaboration. Some of the activities which it can support are:

- Marketing – companies can produce their own web site or have a page hosted by another company. Effectiveness can be monitored by checking how often the page or site is accessed.
- Research - the Web can be used for research 24 hours a day – useful for out-of-hours workers – subscriptions to sites with specialised information are a reasonable alternative to journal subscriptions or library membership.
- Mail order facilities – companies which offer products and services which are suitable for mail order can sell direct to customers over the web . One method is to produce an on-line catalogue - many companies offer off-the-shelf packages for shopping sites.
- Getting supplies - many resources are available for purchase over the web. It can be a cost effective method of purchase and it enables direct comparison between different suppliers.
- 'Chat' rooms/bulletin boards for collaborative work – these areas can be useful for virtual teams to discuss ideas. They are also useful for home based workers and freelancers who want to keep in touch and miss the banter of office life.
- Asynchronous shared workspaces – products are being developed through which participants can 'post' information to the web and receive feedback. A cost-effective way of supporting collaborative working.

3.6 Health & Safety

KEY STATEMENTS

When flexible working involves employees working remotely or outside normal office hours, special health and safety considerations apply:

- Home workers – companies are still responsible for the health and safety of home working employees. Companies may be legally obliged to carry out a health and safety workplace risk assessment on home offices (depends on company size and nationality).
- Workers on the move – companies should be aware that the use of mobile phones and laptops pose particular health and safety problems and should check employees regularly. Attention should also be paid to work schedules.
- Working outside office hours – procedures need to be specified to deal with emergency situations and equipment failure as the usual support staff may not be on the premises.
- Employer liability – employers may be liable for any accidents occurring in the home office. Extent of responsibility should be clearly outlined in a flexible working agreement.

Health and Safety requirements may differ in different countries. Companies are advised to take advice from their local health and safety advisory body. Most countries provide guidance on Health and Homeworking. For example, the UK Health and Safety Executive produces a booklet on safety for homeworkers which might prove a useful resource in this area (Homeworking: Guidance for employers and employees on health and safety ISBN: 071761204X).

Employees working from home

The Health & Safety guidelines that apply in the office environment apply equally to other work environments such as the home. In Europe, there are extensive guidelines produced by Governments and Health Authorities which guide the use of Computer equipment and Display Screen Equipment (VDUs). These include advice about lighting conditions, reflection/glare on the screen, levels of radiation, ergonomics of the work chair and desk, environmental factors such as noise, heat and humidity, providing adequate corrective glasses for computer work, measures to guard against Repetitive Strain Injury (RSI),

In most countries, employers with a specified number of workers are legally required to carry out a health and safety workplace risk assessment on home offices. This might take into account risks to the family from having work equipment and consumables at home, placement of furniture, cables etc., provision of adequate fire extinguishing appliances and security measures. Details of health and safety assessments (e.g. frequency, notice given, who should conduct them etc.) should be included in a flexible work contract.

Home workers should be advised in the same way as office workers regarding health and safety at work:

- to take regular breaks, particularly if long hours are spent at the computer
- to maintain social contact with colleagues
- to have defined separation between home and work life etc.

Home workers should be advised to keep records of any accidents involving individuals, equipment or the fabric of the home. These will be necessary to settle any ensuing insurance claims.

Employees working in-transit

Two items of equipment might pose problems for the mobile worker:

- the mobile phone – studies concerning the potential hazards of long-term usage are on-going. Workers should be encouraged to limit the time spent on the phone. Clearly mobile phones should not be used while driving. Recent research has shown that using a mobile phone (even hands-free) seriously reduces the driver's ability to concentrate on road conditions and hazards. Use of mobile phones while driving is a prosecutable offence with financial penalties and licence endorsements.
- laptop computers – can cause postural problems because it is difficult to adopt a comfortable working position (due to the proximity of the keyboard to the screen). As laptops are often used in ad hoc places – such as balanced on the knee or while on the train, the risk of postural damage is greater than with conventional computer equipment. In addition, many laptops are heavy and cause shoulder and arm problems when they are carried.

Working practices should be reviewed to ensure that the mobile worker has breaks and does not work for too many hours in the day. Travel time should be included in the assessment of working hours.

Employees working outside office hours

Employees working flexible hours will benefit from the same attention to health and safety as mainstream office staff. However they may suffer from an absence of the usual support mechanisms. In workplaces there are usually requirements for trained officials to take charge in the event of disaster (e.g. first-aides, fire safety officers etc.). As these staff may be absent after hours, it is important for clear procedures to be available to assist the employee in the event of a problem. Adequate reporting mechanisms should be in place in the event of equipment failure so that the employee is not individually responsible.

Liability

Liability needs to be considered for flexible workers – especially those working from home. Normally a company is responsible for the worker while they are using the home office. Therefore it is important that the employer has taken steps to ensure that the home office environment is appropriate, safe and conforms to the usual health and safety guidelines. Employers are also responsible for equipment used at home. They should ensure that it is checked and maintained on a regular basis, in accordance with the company's usual on-site practice. To reduce the risk of injuries such as RSI which stem from poor furniture and physical support, employers should consider supplying work furniture or at least having the furnishings checked to ensure they provide the correct support.

Employers should be careful to spell out the extent of their liability - some employers specify that they are not liable for accidents involving third parties or family members. In this case a home worker should make sure that he/she has adequate insurance cover in the event of such accidents.

Many insurers offer policies for companies which cover employees working from home but some have conditions such as clearly specifying the 'working area' within which the employer is liable. Here, the employer should ensure safety within the work area e.g. that the electrical wiring in the work area is safe; placement of equipment is optimised, etc. Any accidents occurring outside the designated work area would not fall within the employer's liability, e.g. if the employee falls down the stairs and sustains an injury.

3.7 Security: company security and personal security

KEY STATEMENTS

Both company security and personal security are important issues when implementing flexible working.

- Company security includes data and network security and confidentiality.
- Data and network security can be assured by employing appropriate technical solutions.
- To enhance confidentiality only allow trustworthy staff to work flexibly and include specific safeguards in contracts for flexible workers and collaboration agreements.
- The physical security of remote workers should be given special attention - many common sense measures can enhance physical.
- Equipment located off-site might also be at risk (from theft, vandalism, flood)
- The remote worker must guard against security problems when using computer equipment (virus attacks, good back-up facilities).

Company Security

Risks should be considered at the outset so that measures can be introduced to minimise or eradicate them. A recent survey of decision makers in organisations carried out in 11 European countries has revealed that European managers' main concern is data security. This feature was quoted as the major barrier to telework introduction in 62% of the organisations (cf. empirica ECaTT 2000: www.ecatt.com). This fear stems from a lack of data security and protection policies in many organisations, particularly SMEs.

Data and Network Security

Many security procedures used by companies to protect data can be modified and applied within the flexible working scenario. For example, if secure document waste is normally shredded, but the employee working from home does not have a shredder, the documents will have to be returned to the office for shredding. If some documents must be locked up at the office, then the home based worker must agree to lock them into a secure cabinet.

Flexible working often means a greater reliance on the transmission of data over networks and the internet which has associated risks: unauthorised personnel might gain access, the data might be accessible by a 'hacker' etc. So companies who rely on using networked computers for transmission of important data should investigate technical solutions for security. These include:

- Restricted access - only calls from pre-programmed addresses are accepted.
- Incoming call ID security checking.
- Callback where the remote worker gives a password and then is called back by the server on a pre-programmed number.
- Password Authorisation Protocol (PAP) where a simple password protocol is transmitted to a central server for authentication.
- Challenge Handshake Authorisation Protocol (CHAP) where the server sends a random challenge to enable encryption of the home based worker's password.
- Dynamic password authentication servers are third party products which use dynamically changing passwords.
- Encryption techniques

Companies with internet links from their network should consider firewall protection to safeguard against unauthorised use. Firewall software is particularly important if you use an "always on" connection to the network. Firewalls create a

wall between your systems and the outside world that only legitimate users can pass, and thus make unauthorised access to your systems almost impossible.

Companies should also set up procedures for the back up of data. Nowadays so much information is stored in a transient form (e.g. on a hard disk) and is at risk in the case of a hardware crash, fire, theft, vandalism or floods. Good backup facilities help to reduce the impact of such disasters.

Confidentiality

Employers are concerned that having an employee out of the office could result in a loss of control and worry about company information being used inappropriately. The best safeguard is to ensure remote flexible workers are employees who are trusted by their managers. Employees who have a number of years service are more easily trusted than relatively unknown newcomers. Similar worries emerge when companies collaborate closely on joint projects. Safeguards need to be written into contracts of collaboration which govern the work in progress.

Confidentiality is obviously a risk when employees work on a flexible contract basis and might undertake contracts with rival companies. Security procedures must be written into flexible working contracts so that it is clear if employees act in breach of contract.

If there is a risk that an employee (past or present) might set up in competition or give information to competitors, then investigate password protection systems on your computer or network. Also, if sensitive information is stored on computer get an access-control program that can lock files and directories denying access to anyone who does not know the password.

Personal Security

Home based workers often feel more vulnerable than their office-based colleagues because they no longer have the back up of a large organisation or the support of people around them.

Physical security at home

The most problematic incidents for the home worker are fire and theft. Most homes are not well supplied with fire extinguishers, smoke alarms or clear evacuation routes. The home worker should seek advice from the fire service about appropriate safety measures. Theft can have a dramatic impact on the home worker as the consequences must be dealt with personally – computers make obvious targets.

If an employer needs to visit the employee at home, e.g. to check on health and safety issues, data confidentiality; care must be taken to avoid misunderstandings. If the home working environment is separate from the main family home, e.g. an annex or outbuilding, problems are likely to be minimal, but where the home office is in a bedroom special care is required. Other family members, neighbours or partners may misinterpret a home visit. Terms for home visits should be agreed at the start of the flexible working arrangement and it is wise to have two members of company staff present for inspections.

The employee should not give out a personal telephone number, but just use a separate 'business' line when working at home. Equally, the home address of the employee should remain confidential and any post should be addressed to the usual company address and then re-directed. Home workers should not hold meetings with clients at their home, but book meeting space at the company premises.

Equipment security

Home based employees need to be aware of security procedures because they have extra equipment, data and working papers at home. Many insurance companies have special schemes for teleworkers. The issue of equipment liability and security should be clearly outlined in any flexible working agreement – often companies pay the extra insurance contribution.

There are many obvious measures to guard against theft such as: not allowing casual visitors to see equipment; installing good locks on outside doors and locks on windows; locking away ladders and other tools. To protect equipment, an inventory should be drawn up listing all equipment and serial numbers, computers can be locked to furniture or fittings, computers can be alarmed against movement or tampering, equipment can be labelled by etching onto its casing. Companies may undertake some of these measures when they supply home equipment.

Computer usage

The home based worker is more likely to transfer data and documents using disks than the office-based worker and so is at risk from virus attack (viruses are malicious pieces of software which can delete or corrupt files). Passing an infection on to a client or other company sites could be embarrassing for the worker. Good anti-virus software should be present on all PCs and on the hardware which connects to the outside network. This will provide protection against almost all viruses - as long as it is updated at least once a week, since new viruses are continually appearing.

Home workers should make sure that they back up work stored on a hard drive. Home based and nomadic workers should follow the procedures used in the office. As the home worker may only have one copy of recent work, regular backing up is essential. Some backups could be stored away from the home environment in case of theft, fire or flood which could destroy both computer and backups. Some companies offer remote backup facilities, allowing automatic dial up and uploading of data to a central repository.

If computer equipment can be accessed by children, an access control program should be used to protect files from tampering or deletion. Only those knowing the correct password will be able to work on the files.

Security for the worker on the move

Nomadic teleworkers such as salesmen who work from their car and home are particularly vulnerable to burglary and car crime due to the high value of equipment and samples carried. They should take measures to protect themselves such as keeping valuable objects out of sight and using labelling strategies and alarms. Procedures may need to be specified whereby the employer can check on the personal safety of the mobile worker at intervals.

3.8 Finance: taxation, benefits, personal finance considerations

KEY STATEMENTS

- Some financial considerations are relevant for flexible working – only general advice can be given here – exact details depend on the regional location of the company.
- Local government and taxation departments should be contacted for specific requirements operating within a region.
Considerations include:
 - Tax allowances may be payable for employees working from home or those with childcare expenses
 - Payments levels should be equal for home based and office based staff
 - Allowances may be payable to home workers to offset costs
 - Personal considerations:
 - getting appropriate tariffs for home services
 - recording business expenditure
 - travelling expenses
 - safeguards against periods of unemployment for the freelancer.

Taxation and allowances

Many governments and authorities realise the potential benefit of flexible working and some have introduced, or are considering introducing, measures to encourage it. In some countries employees working from home can claim additional tax allowances or receive a flat payment against expenses each year (e.g. Germany - tax deductions; Netherlands – annual payment; UK – New Deal for Lone Parents provides tax breaks and allowances towards childcare). In many countries the use of computer equipment at home (for work purposes) is not considered a benefit in kind and so no additional tax is payable.

Levels of payment

Many flexible workers who operate from home notice significant benefits such as savings in travel, costs of meals at work, less use of car, etc. So long as wages are on a par with office workers these benefits should be maintained. It might be tempting for SMEs to consider reducing payments to home based staff. For some home based workers the use of a room is a loss of potential income (e.g. lodger, etc) or simply a loss of amenities and so should be considered against any financial savings. Several trade unions have issued guidelines suggesting that home based workers are paid the same as office based workers.

Paid Allowances

Employers should consider paying allowances to the home based worker for a range of costs which include:

- the 'use of the home as office' - a common tax allowance item
- telecommunications costs – best if separate business use line is installed
- heating, lighting and power costs (can be included in home office allowances).

Some employers reduce the allowances given because the home based worker makes savings such as reduced travel costs. An agreed flexible working contract should detail benefits and allowances payable up front.

Personal Finance

When an employee is based at home for a significant portion of the working week, local authorities and utility companies might want to charge their services at business rates. Usually the tariffs are higher, but have benefits such as priority for maintenance in the event of a fault. The exact conditions under which business tariffs apply vary from company to company and across countries. If a home based worker thinks that they are being treated unjustly, regional support groups can provide advice (e.g. national telework associations).

In some countries, if an employee is based at home for the majority of their time, they can claim the cost of travelling between home and the office as a legitimate expense. Home based workers should be encouraged to investigate their local tax authority position.

Flexible workers based at home, on the move or working as freelancers, should keep a record of work related expenditure. Companies should reimburse expenses incurred as part of the working arrangement – or provide an allowance in advance.

Flexible workers should consider what would happen if they were unable to work for any length of time. Freelancers should investigate the range of insurance products to cover periods when they are ill or have little work, e.g. health insurance policies, mortgage safeguard policies. They should also investigate their pension position. Companies should provide details in the flexible working contract.

3.9 Family issues : childcare and work-life balance

KEY STATEMENTS

- Flexible working arrangements are often seen as a way for employees to achieve a better balance between work and family life.
- In practice achieving a good balance between home and work life can be difficult
- For parents good childcare arrangements are essential – companies are encouraged to be supportive.
- A variety of flexible hours schemes can suit workers with children or other care responsibilities.
- Even in a flexible working scenario problems of work-related stress should be considered.

Family relationships

Working from home can be a benefit and also a problem. With careful management a balance between family life, home issues, and work can be successfully achieved. Many parents, particularly mothers enjoy combining work and childcare. Many companies have been able to successfully retain valuable skilled staff by allowing home work as an option between maternity leave and return to full time employment.

Family relationships can be affected by working from home. People are thrown together for longer hours, and may enjoy this (distraction) or may not (stress). Another danger is that the employee gradually takes on more domestic responsibilities (by virtue of being around more). There is also a risk that the work of the person working from home will not be taken seriously and that they will be expected to let work commitments slip by other family members. Potential home workers must be encouraged to talk through such issues with their family.

Family relationships can also be affected by working flexible hours. Some parents arrange to share childcare responsibilities by working at different times of the day. So as one parent returns from work, the other goes out. This arrangement means that the parents can look after their children without outside help, but it often means that they do not see much of each other and the family cannot spend quality time together as a unit.

Childcare

It is important that employees do not expect to combine working at home with full-time childcare. Flexible workers based at home need to have a childcare solution in place just as much as office-based workers. There is a range of childcare options and companies can support employees by providing as much advice as possible. More information concerning local childcare facilities is available from local authorities.

Childcare options

- Workplace nurseries/crèches – some larger companies provide all day nursery facilities onsite.
- Private day nurseries – nurseries run on commercial principles which offer high quality group childcare with qualified staff. SMEs can negotiate to subsidise places for use by their employees.
- Nannies/day mothers – some parents employ a nanny to take care of their child(ren) in the family home. Nannies offer individual care but are quite an expensive option. Sometimes parents can arrange a nanny share with another family to help reduce costs.
- Childminders – look after children at their homes. In some countries they must be registered by the local authority and often look after more than one child at a time. Companies can support employees by holding a register of childminders that have been used in the past and so help parents to select someone suitable.

- After school clubs & holiday playschemes – these arrangements provide care for schoolage children after school and in the holidays. They are often run by local councils in conjunction with schools.
- Extended family care – some parents can arrange for other members of the family to take care of the children. This form of care can work out if it is set up on a formal basis with the carer receiving some form of recompense and agreeing to be available as required.

Some companies choose to pay their employees a form of subsidy to cover childcare costs. They may do this by providing a low-cost place in a workplace nursery or provide vouchers to be used at private nurseries or with childminders. There are tax implications for subsidies and the exact details should be checked with the local tax authority.

Flexible hours schemes

Once children have reached school age many parents combine work and childcare by working flexible hours. There are many possible arrangements:

- Part-time work – by working part of a week, hours can be arranged to fit with school hours. Difficulties are sometimes experienced during the school holidays.
- Job-share – two (or more) individuals achieve part-time work by sharing the responsibilities of a full-time post.
- Term-time working – the employee works during the term-time weeks and then is able to take unpaid leave, or is given a small retainer, during the school holidays.
- Annual hours – the hours worked by the employee are calculated on an annual basis and so it may be possible to reduce working hours during school holidays and make up hours during term-time. The pattern of hours is usually determined by the demands of the business.
- Combination of office and home working – some parents spend the school day at the office and then are able to top up their hours with work at home in the evenings.
- Flexi-time – having a degree of control over their working hours enables parents to have time off in lieu to attend children's appointments, school performances and take time off when a child is ill.

Stress

In the modern world, people are working longer hours than ever. There is an increasing proportion of households with both partners out at work, or where the only parent has to work all hours to make ends meet. Stress levels amongst employees in many fields seem to on the increase as does the incidence of stress-related illness. If employers and employees are willing to be flexible, it is possible to reduce stress and so enhance the quality of working life and gain better productivity and efficiency. Many benefits can be achieved from adopting flexible working practices:

- employees can reduce stress, and become more productive and motivated, and happier, as they achieve a better work-life balance
- companies can boost staff morale, and introduce practices which are more efficient and effective
- socially excluded groups who of necessity have to prioritise home life (e.g. because of caring responsibilities) may gain access to employment opportunities with companies which allow a better balance.
- companies can institute a quality not quantity approach to hours worked – here employees are encouraged to be productive and fit all their tasks into a shorter working day.

3.10 Communication: virtual teamwork, combating isolation

KEY STATEMENTS

- New developments in communication technology support teamwork even if the team members are remote from one another.
- Different types of team work can be supported: collaboration between SMEs, setting up 'virtual' teams; the inclusion of home based employees in teams; communication between office based team members and those on the move.
- Teams can have members in a variety of locations (both nationally and internationally).
- Technological support is available for communicating on a one-to-one level; communicating with a group, working on common documents; tracking the progress of on-going work.
- **Teams can also operate on an informal basis (such as clubs, associations or discussion groups) using the world wide web, bulletin boards and chat rooms. Informal teams can provide vital contact for the remote flexible worker.**
- Remote working can prove isolating for the remote worker/freelancer. However companies can take many steps to minimise this.
- A related area is Computer Supported Collaborative Working (CSCW) which concerns study of how people work in groups and how technology can best be applied to support their work.

Communication

Many forms of communication can be supported using the telephone and e-mail which are cost effective and reliable. However, communication or telecooperation can be enhanced by introducing new capabilities, such as:

- Online discussion or conferencing - here a group of three or more people can exchange messages easily. For very small groups this can be done by simply using the "copy addressees" facility of each person's email service, while larger groups can establish centralised "discussion list" or more sophisticated "computer conferencing" facilities.
- Information sharing - instead of sending documents and information to each other, each person places pages of information on the web so that others can find and use them. Like email and discussion groups this means that the information can be made available anywhere at a marginal cost per page.
- Video conferencing - using the Internet or other networks to hold live, person-to-person or group meetings without the need for travel.
- Computer data and application sharing - here people in an online meeting can actively share, manipulate and contribute data using application tools such as spreadsheets, databases, graphics and drawing "at a distance".

Email, conferencing and information sharing across the World Wide Web can be done at a very marginal cost, assuming that the people involved already have a computer with communications facilities. Satisfactory video conferencing and application sharing are more costly as they currently require additional technology.

There are two forms of telecooperation: 'Open' telecooperation - when people connect with each other across the open Internet in public. Individuals are free to join or leave the group at will. The open Internet supports many thousands of public discussion areas (email lists or newsgroups) in which people can meet others who share similar interests, exchange views and information, and help each other.

The contrasting 'Closed' telecooperation groups may be informal networks of people who have agreed to work together. Often they adopt common approaches, so any newcomers must commit to the group's agreed processes in

order to join. Alternatively members may be more formally linked - for example the employees in a company, or the members of a professional body.

Minimising isolation of remote workers

Isolation can be a problem for home based workers or freelancers. Studies have shown that home workers benefit from frequent visits to the office, or to clients, to ensure regular social contact. Indeed, many flexible working schemes dictate that some of the week is spent in the office. Working out of the office brings a loss of contact with the culture in the office, missing out on office gossip and other social interactions. If space is at a premium, 'hot desking' approach may be taken. Hot desking means that some desks are allocated for use by remote workers when they visit the office. These desks are not dedicated to a single user. Shared desk arrangements may need managing via a usage schedule or a booking system. Alternatively, home workers may visit a local telecentre and meet similar individuals who work remotely.

In addition, clever use of networking technologies can enhance 'social presence' (e.g. video, telephone conferences).

All employees who work off-site should be encouraged to join in with any company social activities to enhance social contact. Indeed if a social programme is not in operation, then starting one is a useful way to counteract work-related pressure and enhance team building and communication.

Computer Supported Collaborative Working (CSCW)

CSCW is the human activity of working together using the technology to help the group processes - information exchange, information sharing, discussion, joint authorship of texts, decision making etc. CSCW researchers study how people work in groups and how the computer can best be applied to support their work. CSCW can take place when all the people involved are located in the same office – however as it is quite common for team members to be located at a distance, CSCW practices must address the issues raised by people working remotely from one another and a central office.

Groupware

Groupware tools support people collaborating over a network or the internet. Commonly available packages to support editing of documents by multiple authors, electronic diaries, email conferencing, access to networked databases and electronic forms. They are often used to improve scheduling and messaging for a group and can be supported by portable technology.

Some shareware (free or cheap) applications are suitable for supporting group interactions and can be a cost effective way of trying out group working.

3.11 Training: provision, career development

KEY STATEMENTS

- Potential flexible workers worry that they will miss out on training and fail to progress in their careers.
- Companies should offer equal training opportunities to all workers and to maintain good communication concerning promotion and career development.

Employee Concerns

Employees located away from the office fear that they will miss out on information concerning promotions, training and informal information about job prospects. They may also be concerned that their performance will not be seen directly by a manager and so they may be forgotten.

Employees who work at different times from others also suffer a lack of informal communication concerning prospects. Part-time workers often feel they are second class employees and will miss out on training when they are away from the office. Term-time employees may also miss out in this way.

Employees who have opted to work on a different contractual basis may have similar fears considering their future. Employees who work through an agency and freelance consultants may find that training costs will no longer be met by the company. By agreeing to a 'per job' or fixed term contract, the employee may sacrifice job security and may face uncertainties about career progression.

Promoting career development

A number of simple can safeguard against employee fears about career development:

- regular office visits – for employees working away from the office it is important that they are welcome to maintain regular face-to-face contact with colleagues.
- informal chat-rooms or information boards – the company may decide to take a technological route to enhancing informal communication by providing chat rooms or bulletin boards accessible over the internet or via mail packages.
- companies should undertake to relay information concerning job opportunities and training courses to everyone at the same time
- the contract should be explicit about training opportunities
- companies should provide a detailed career plan – reviewed annually for each employee
- employees should have the right to stop being a flexible worker

3.12 Legal Aspects of Flexible Working

KEY STATEMENTS

- Flexible work is not properly represented and supported by current regulatory systems.
- Different countries will have different ways of dealing with legal issues, so only general advice can be given.
- The following topics have been identified as legal issues:
 - voluntary participation
 - insurance
 - control/monitoring
 - privacy
 - working hours
 - occupational injuries
 - termination
- These legal issues may be addressed through the development of a collective agreement or by amending an individual work contract (probably more appropriate for an SME).

Overview of the main legal issues which should be considered.

Voluntariness

When flexible working requires home-based telework voluntary participation of employees is essential. In most EU countries the sanctities of the home are guaranteed by constitutional law and jurisdiction so it is almost impossible to force an employee to work from home. In practice there are ways to do this, but they would not enhance motivation and productivity. If flexible working does not involve telework voluntariness is no longer required however it should remain a key target of the project management.

Insurance

Flexible workers should be covered by insurance that protects them from heavy losses, even in the event of gross negligence. Both employer and employee should acknowledge the need for insurance; they may have to negotiate to reach agreement about who pays for the policy.

Control/ monitoring

Employers are responsible for enforcing health and safety at work regulations, even if staff work out of the office. However, there are limits to the extent to which this is possible because of the limited control employers can exert e.g. over home offices. Companies have to check what responsibilities they still have, and shape their flexible work project to ensure that these requirements are met. Co-operation by employees is essential because monitoring against their will runs counter to applicable law.

Privacy

New information and communication technologies can enable ways of monitoring workers' behaviour. Companies should be careful to restrict monitoring to that necessary to enable efficient communication between working team members. Flexible workers should be informed about any monitoring procedures.

Working hours

One of the key elements of flexible working are flexible working hours. As much as this is appreciated by both workers and employers, it runs counter to one of the major achievements of 20th century social policy, i.e. regulated working hours. Employers who give their staff total freedom to decide about the time dimension of their work are in danger of breaching applicable law.

Occupational injuries

Flexible workers need to be protected from the consequences of injuries that are caused directly by their work. Companies should check that employees do not fall into 'gaps in protection' that might exist because of the tradition of work in central establishments.

Termination

Companies have to make provision for termination of the flexible working agreement by workers who want to return to their previous working mode.

There are different ways to take care of these legal issues. Collective agreements on flexible work which are negotiated between works councils (or even unions) and employers (employers' associations) play an important role in larger companies, but are less relevant for SMEs. Companies that plan to introduce flexible work will have to find out if the restructuring requires the participation of workers' representatives. If so, unions can exert a strong pressure on the employer to negotiate a company agreement prior to the widespread establishment of the new working practices.

Most collective agreements are very broad in scope and leave enough space for details to be worked out between employee and supervisor. Company agreements may also detail the results of the bargaining process between workers' representatives and the employer, so that subsequent haggling about compensations and privileges is avoided.

In addition to collective agreements, flexible work is usually regulated on an individual basis between employers and employees by means of an addendum to the individual work contract. This contract needs to fulfil a number of requirements to be legally effective. For instance, in most EU countries, a basic set of health and safety at work regulations applies irrespective of what has been agreed in the work contract (e.g. working hours legislation). A total revision of work contracts should be avoided.

The introduction of flexible working should not entail changes to the basic work contract - contracts should not be altered from 'employee status' to 'self-employed status'. Instead appropriate amendments can be made (see Section 3.13 for guidance). Companies should be careful to give staff a basic feeling of job security and to involve them in the change process to ensure good results..

3.13 Contracts for flexible working

KEY STATEMENTS

- For flexible working between companies, contracts will need to be drawn up between collaborating SMEs.
- If flexible working arrangements involve different working conditions then amendments will be required to employee contracts.
- Employee contracts should address the following issues:
 - Work conditions
 - Health and Safety
 - Management and worker inclusion
 - Employee status
 - Employee representation (e.g. by trade unions)
 - Responsibilities and entitlements

Some sample employee contracts are available at the Flexwork web site.

Contracts between collaborating SMEs

If flexible working involves a number of SMEs pooling their resources to fulfil a large contract it is important that agreements are set up between them. A contract might cover work processes, responsibilities, time-scales, critical path, copyright, etc. It should also cover failure to fulfil the contract by one party and outline measures to prevent jeopardising the job overall. A further agreement must be made with the client for the products or services.

Individual contracts for flexible working employees

If flexible working practices entail different working conditions for employees it might be necessary to make amendments to individual contracts. The amendments should outline all the agreed details of the scheme. If the flexible working arrangements require employees to work from home or while on the move quite extensive amendments may be necessary.

In most countries work associations / trade unions agree that flexible workers, particularly those who work outside of the office, should have an employment contract detailing the scheme. Most of these organisations emphasise that flexible workers should have equal rights with other employees. Some unions offer guidance about drawing up an appropriate contract. Interested employers should contact the relevant union for further information.

Below there is some general guidance about topics to be included in a contract. The guidance has been derived from a range of sources including trade unions and employer associations and is primarily aimed at flexible workers who work away from the office.

Work Conditions / Health and Safety

- Equipment should be provided, installed and serviced by the employer who is also responsible for, insurance and compliance with health and safety requirements. Desk, chair, paper, pens to be supplied also.
- There should be a separate room available at home for working, a separate telephone and payment for additional costs such as heating and lighting, and office consumables.
- The employer should accept legal responsibility for any accident or injury incurred while working in line with cover provided at the traditional workplace.
- To avoid isolation, contracts of employment should require home workers to periodically attend the office.
- Home based flexible workers should enjoy the same rates of pay and employment benefits as office based workers including child care provision and family leave.
- Flexible workers should have an agreement as part of their contract of employment and it should cover at least the defined number of working hours.
- Working from home should never be used as an alternative to adequate workplace or state childcare.

Worker Participation / Management / Inclusion

- There should be regular meetings between home workers and the provision of electronic mail and telephone links with other teleworkers, all to be provided at the employer's expense.
- There should be regular weekly liaison discussions between workers and supervisors / managers.
- Flexible working should be voluntary with a right to return to working from the office.
- No 'spy in the home' cameras or key depression monitoring to be fitted to a homeworkeer's VDU.
- Each homeworkeer should be able to meet their manager to discuss work issues at least once a week.
- A particular manager should be assigned to ensure regular contact.
- All workers should be included in career development and appraisal schemes including training opportunities.

Employment / Status

- Flexible workers should remain employees of an SME and not be deemed self-employed or forced into self employment through flexible working.
- All flexible workers should be entitled to an annual review of their working arrangements.

Worker Representation

- Flexible workers should have the same rights as other workers to join trade unions and have their own representatives.
- Flexible workers should have access to trade union representation and be able to attend meetings within working hours.
- Health and safety advisors and trade union representatives should be able to visit flexible workers.
- Where trades unions or workers representation is in place, flexible working contracts and agreements should be collectively agreed between management and the representative body, ensuring that individuals do not find their terms and conditions worsened in comparison with other staff.

Potential problems with flexible working contracts

Introducing flexible working and providing individualised contracts for employees can have a destabilising effect. By introducing fixed term contracts, employees may perceive a two tier system between permanent and non-permanent staff. For non-permanent staff insecurity about their job can become a real fear and a cause of work-related stress. (see: Innovative Employment Contracts: A Flexible Friend?, by David Guest, Kate MacKenzie Davey and Christopher Smewing. Report available from the Department of Organisational Psychology, Birkbeck College, University of London, Malet Street, London WC1E 7HX, UK).

4. Flexible Working Planning and Introduction

This section concerns the process of introducing flexible working within an SME. It is recommended that each business develop a Flexible Working Implementation Plan (FWIP). The FWIP is a policy level document outlining the strategy for the introduction of flexible working and operational details.

The Flexible Working Plan is described in Section 4.1. Companies may need further tool support to operationalise the introduction of flexible working practices. A number of useful tools for Cost Benefit Analysis and Telework Introduction are described in Sections 4.2 and 4.3. Checklists, questionnaires and tables can be found at the Flexwork web site.

4.1 Developing Flexible Working - from Policy to Implementation Plan

The Flexible Working Implementation Plan details the way in which the company will introduce flexible working. The document can be used as a resource within the company to ensure agreement between the different parties involved and as a planning aid during the implementation process. The plan can be developed iteratively so that sections can be re-worked as investigation proceeds, or as the implementation process gets underway. For larger organisations a flexible working pilot or trial scheme can allow a safe test of ideas. However for small organisations (less than 10 employees) running a pilot scheme may not be feasible.

A sample plan structure is described (following) and can be adapted by business advisors to suit needs. The sample plan covers a range of issues – however it is non-exhaustive and has a primary emphasis on teleworking as a major part of a flexible work approach. Advisors can acquire the relevant knowledge and information by working through Sections 2 and 3 of the handbook, accessing the Flexwork web site and other listed resources.

Flexible Working Implementation Plan

PART A

Introduction: Objectives and Strategic Focus

Introductory comments concerning:

- the status of the document
- the state of implementation
- identification of the members of the team who will introduce the scheme (note: it is important to try to include some employee representation, either by including an employee on the team or by including a trade union representative).
- timescales for phases of introduction

A.1 Rationale for flexible working

This section should consider the overall rationale for implementing flexible working within the company. Statements should be expressed at a general level as the details will be worked out in later sections.

SMEs consider flexible working for many reasons, some examples are listed here:

- to enhance the flexibility of their response to customer needs
- to make use of local resources through collaboration
- to retain and attract good staff
- to reduce time and money spent travelling
- to reduce accommodation costs
- to introduce a better ethos of balance between work and home life
- to test out new markets with minimum risk
- to attract skills and competencies from distant locations without them needing to relocate.

A.2 Types of flexible work which will be considered

This section will provide an outline of the forms of flexible working which are being considered. Companies may be interested in implementing a number of complementary measures. Examples include:

- enabling some employees to work from home
- introducing flexible time keeping schemes (term-time working; part-time; job share)
- making use of freelance labour or outsourcing for particular types of work
- using technology to collaborate with other SMEs on joint projects
- pooling resources with other SMEs to tackle new types of project
- enabling employees to work while on the move and avoid unnecessary journeys
- to employ workers selectively over time to meet periods of greatest demand.

Further examples are considered in his handbook.

A.3 Benefits of Flexible Working

All the expected benefits should be listed. These include benefits of different kinds:

- benefits for the region
e.g. increasing employment prospects through collaboration of SMEs
- benefits for the environment
e.g. reduced use of cars and time spent in traffic congestion when employees work from home
- benefits for the company
e.g. more motivated staff and better retention of staff
e.g. more operational flexibility and improved workflow
- benefits for the individual
e.g. reduction in travel
e.g. increased balance between work and family life – reduction in stress

A.4 Disadvantages/risks

As well as benefits flexible working arrangements might bring disadvantages or risks. Any worries or concerns should be identified at the outset so that the planning can take them into account. Possible disadvantages and risks include:

- technical problems managing remote access applications
- problems maintaining quality control
- problems over responsibility when fulfilling joint work with other companies.
- problems tracking progress when work is completed by freelancers or employees working flexible hours
- difficulties in adapting work processes and work flow for flexible working

A.5 Costs of flexible working

As well as benefits from flexible work there will be costs involved. These could include:

- Additional equipment (hardware and software)
- Additional telecommunications (lines, rentals, usage)
- Additional support staff and utilities to cover non-core hours
- Training and supporting employees who will work from home
- Increased management time (where applicable)

The cost side of the equation should be carefully considered and detailed (See the Cost Benefit tool in Section 4.2).

A.6 Model of flexible working

To consolidate the ideas and results in A.1 – A.5, the company should describe its model of flexible working – its vision. This description provides an illustrative summary of the way in which flexible working might be operated.

PART B

This section runs through the more detailed issues concerned with implementing flexible working. It is important to identify which issues are key for a particular company and how they should be addressed. Not all issues will be relevant for every organisation.

B.1 Flexible working staff

- who is suitable for flexible working ?
- which types of jobs would work within a flexible arrangement ?
- have home workers the appropriate environment at home ?
- have mobile workers the appropriate skills ?

B.2 Process and Workflow adaptation

- who is responsible for the work and how will it be organised and conducted ?
- have changes to the usual workflow been identified ?
- what networks and teams are necessary to conduct the work ?
- has a plan been devised with specific tasks, goals, deadlines and dependencies for the work ?

B.3 Management of flexible working

- how should the management strategy change
- what measures should be used to ensure quality of output

B.4 Self organisation and Time Management

- how should SMEs prepare potential flexible workers for the new organisation ?
- what skills must flexible workers have to be successful ?

B.5 Equipment/technology considerations

- what types of equipment are required to support flexible working at home, in a telecentre or on the move?
- for home workers who pays for equipment, additional wiring, communications links etc.?
- how should maintenance and updating of remote and mobile equipment be handled ?

B.6 Health & Safety

- what new provisions and procedures are necessary ?
- where does responsibility lie (e.g. for homeworkers, mobile workers, freelancers or members of other companies working on your site) ?

B.7 Security: company security, personal security, employee liability

- how can flexible working be implemented so that company security is not compromised ?
- how can access technology be protected against unauthorised usage ?
- how can employees based at home be safeguarded from personal attack ?
- who is responsible in the event of a crisis and how are they managed ?
- how can data at home be protected against loss and/or fraudulent use ?

B.8 Finance: taxation, benefits, personal finance considerations

- what are the taxation implications of flexible working ?
- are there additional benefits which should be considered for flexible workers?

B.9 Family issues : childcare and work-life balance

- are appropriate childcare arrangements in place for parents of dependent children?
- are expectations outlined (concerning working hours, communication etc.) ?
- how can flexible working reduce stress for employees ?

B.10 Communication: virtual team work, combating isolation

- what forms of team work are appropriate?
- how can team work be supported at home, in a telecentre, in a remote office or on the move?
- how can you guard against isolation of remote workers ?

B.11 Training: provision, career development

- do flexible workers have access to training and career development ?
- are there procedures to ensure people not based at the office are not left behind ?
- do flexible workers have the same opportunity to develop their careers ?

B.12 Legal Aspects of Flexible Working

- what legal issues are important in the context of flexible working ?
- which issues are pertinent for my company ?
- how can I find out more ?

B.13 Contracts for flexible workers at home and freelancers

- what topics should be included within contracts ?
- who should help develop contracts ?
- what guidelines are available for contract development ?

(See Flexwork web site for some examples)

PART C

Evaluating the Flexible Working Arrangement

When introducing flexible working some thought should be given to the evaluation of the process. Companies should be prepared to collect data from the outset. Often when beginning a new working arrangement an agreement is made as to how long the trial should run before evaluation is considered. An evaluation can help to establish whether the new arrangement is working, what problems exist and how they can be addressed.

When developing an evaluation plan, companies should look at expected benefits (specified in Part A) and set some concrete objectives. The experience of flexible working can then be assessed against these objectives. For example, if a company expects that flexible working will reduce staff absenteeism by 25%, they might check the level of success after the trial has been running for a period.

To be in a position to evaluate the new scheme effectively, a company should develop an evaluation plan. For a small scale trial an informal evaluation may consist of questioning those involved about a range of topics:

- Is the work happening as you would like it to?
- Are the flexible workers happy with the new working approach?
- Have the flexible work_ers identified any problems?
- Is productivity and work quality still acceptable? Better or worse?
- Is the remote access technology working?
- Are the flexible workers and their supervisors coping with technology?
- Are monitoring and time-keeping methods satisfactory?
- Are management and supervision arrangements working out well?
- Do management identify personnel issues or problems?
- How do those not involved in the scheme react to the new ways of working? Do they exhibit jealousy or resentment?
- Do flexible workers feel more or less isolated from the company under the new arrangement ?

For a larger scale trial, a formal and fuller evaluation could be conducted which would include interviews (structured), questionnaires, and focus group discussions (moderated around a structure). For larger scale implementations data such as health and safety / sickness records, employee churn rate, etc. should allow a dispassionate comparison between flexible workers and their colleagues. (See Section 4.3 for further information about evaluation).

4.2 Cost Benefit Analysis

- For successful introduction, flexible working should bring benefits which outweigh the costs of introduction (for both company and employee).
- In larger companies decision makers require a cost-benefit analysis prior to any change in working practices.
- There are a number of reasons why traditional cost benefit analysis tools are of limited value (e.g. they are based on quantitative measures, they only assess short-term profits and they overlook the co-operation between workers and only measure individual performance).
- A cost-benefit analysis method for flexible working is presented here.
- Common cost saving measures include desk sharing and ‘touch down’ offices for remote workers, apportioning costs between company and employee.
- Cost assessment measures should take account of Total Cost of Ownership for equipment and increased use of services (telecommunications, security measures).

Changing from any traditional way of working to a new flexible form of working is unlikely to happen when the perceived costs outweigh the benefits (at least in the middle to long term). This applies to the organisation setting up flexible work arrangements and the individuals who make use of these new arrangements.

Some companies require an initial cost benefit analysis for the implementation of flexible working to support decision makers. Appropriate tools for this are required. However, traditional economic efficiency analysis can only be adapted for flexible working to a limited extent, because most effects of flexible work are qualitative in nature and achieve payback only in the medium term. To use existing and traditional analysis tools could result in a depressed view of the potential of flexible work and possibly incorrect decisions about how to organise flexible work.

Traditional economic efficiency analysis tools are of limited use for the following reasons:

- the focus on criteria expressible in monetary terms that can be derived from the data provided by the company’s controlling department means that qualitative aspects are overlooked systematically;
- flexible work is a comprehensive re-organisational measure that does not aim at short-term profit maximisation but at a long-term, sustainable strengthening of human resources through a boost in employee morale and flexibilisation of labour deployment. If this is not recognised in cost-benefit-analysis, the results of these calculations are not in line with reorganisation objectives and therefore of limited use.
- the switch to flexible work directly or indirectly concerns co-operation relationships between teleworkers and their work partners. These so-called network effects must be accounted for in an efficiency analysis. However, mostly they are not taken into consideration: Costs and benefits are only researched and evaluated per single case, i.e. per flexible worker and his/her working place. Looking only at one part of the organisation as if it was a self-sufficient system means that possible negative or positive effects on colleagues’ performance and on the efficiency of business processes that involve more than one person are ignored.

An economic efficiency analysis should apply the following principles:

- Participation: The more a corporate strategy focuses on the employee as a human resource, the more participation-orientated evaluation tools are needed. All groups directly involved (flexible workers, colleagues, supervisors) should participate.

- **Target orientation:** The evaluation of reorganisational measures has to be orientated towards its targets. Although this sounds self-evident, often cost-benefit analysis is totally detached from the intentions underlying an investment.
- **Comprehensiveness:** The analysis should not exclude certain criteria just because they are difficult to quantify or express in monetary terms. Instruments to include such criteria are available – though their usage may be more costly.
- **Avoidance of pseudo-objectivity:** Most economic efficiency calculations of flexible work take into account increases in productivity, e.g. by multiplying the increase in percentage with the day rate of the worker, arriving at a daily monetary value of the productivity increase. On the one hand, this makes calculations easier, as in most cases neither the individual contribution to gross value is known, nor does the change of performance affect the company's results directly (the exception proves the rule here, such as salesmen). On the other hand, to include evaluation criteria not directly expressible in monetary terms means that the final results are more dependent on assumptions which are difficult to verify.

To avoid manipulation of assumptions, a company should reach agreement on the assumptions of the analysis beforehand. The box below presents a short outline of extended economic efficiency analysis – a tool for cost-benefit analysis of flexible work.

Measuring real costs and benefits

An extended economy efficiency analysis can be applied to telework. The analysis compares the status quo (work at a central office) to the introduction of telework for a certain proportion of staff and other options. Likewise, various organisational types of telework can be compared.

The common methods of extended economic efficiency analysis consist of a combination of traditional capital expenditure accounts and benefit value analysis. The latter substitutes a non-dimensional scale for monetary quantities. Each digit on the scale indicates a certain degree of utility, similar to the marking system at school.

The procedure of the analysis can be outlined as follows:

- 1.** Define the system of targets as well as relevant sub-targets of the measure and identify criteria suitable to measure the success of the introduction of telework regarding each sub-target. In defining the target system it is important to choose criteria that are independent from each other. The main targets of the project should be defined by top management in order to secure accordance with the corporate strategy. Definition of the lower hierarchy levels of the target system should also include middle management to meet the principle of subsidiarity.
- 2.** Next, the relative importance of the targets and sub-targets is set. All groups directly involved should take part in this process (i.e. top management, teleworkers, supervisors, colleagues and possibly others).
- 3.** Data about criteria values, i.e. cost and benefit contributions, need to be collected. Three groups of criteria should be differentiated:
 - criteria directly expressible in monetary terms (e.g. equipment costs, operational costs and savings),
 - criteria only indirectly expressible in monetary terms (e.g. changes in productivity, time savings) and
 - criteria not at all expressible in monetary terms (e.g. employee satisfaction).

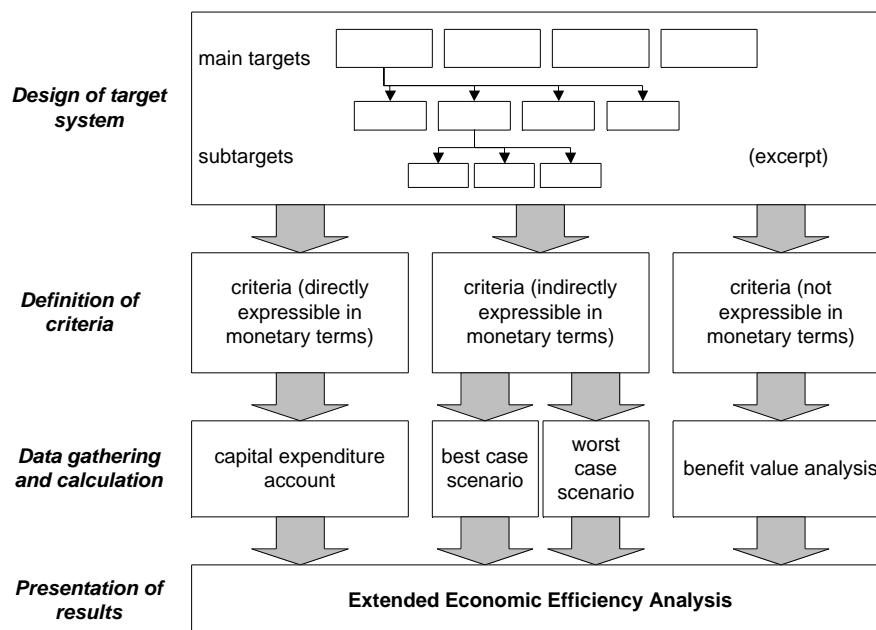
With the latter, the persons concerned (teleworkers, supervisors, etc.) should be asked for their judgement. Questions take the form: what effect has the measure (introduction of telework) had on a certain variable (e.g. employee morale).

4. The criteria values are added up separately for the three components of analysis:

- Criteria directly expressible in monetary terms, capital expenditure account is calculated.
- Criteria only indirectly expressible in monetary terms can mostly be calculated on the basis of assumptions. As assumptions have varying validity and are often spring from belief rather than knowledge, it is advisable to calculate best-case and worst-case scenarios to prevent pseudo-objective results.
- Criteria not at all expressible in monetary terms, a multiplication of value (e.g. "6" = very important) and the degree of change through reorganisation (e.g. "+2" = small improvements) is necessary. This leads to a partial benefit value for each criterion. These values can then be summed up.

5. Finally, the results of a) capital expenditure account and operational cost, b) calculation of costs and benefits not directly measurable in monetary terms and c) of the benefit value analysis can be integrated. There are various methods to choose from.

Usually, all monetary values must also be transferred into benefit values in order to arrive at a total benefit value of a measure.

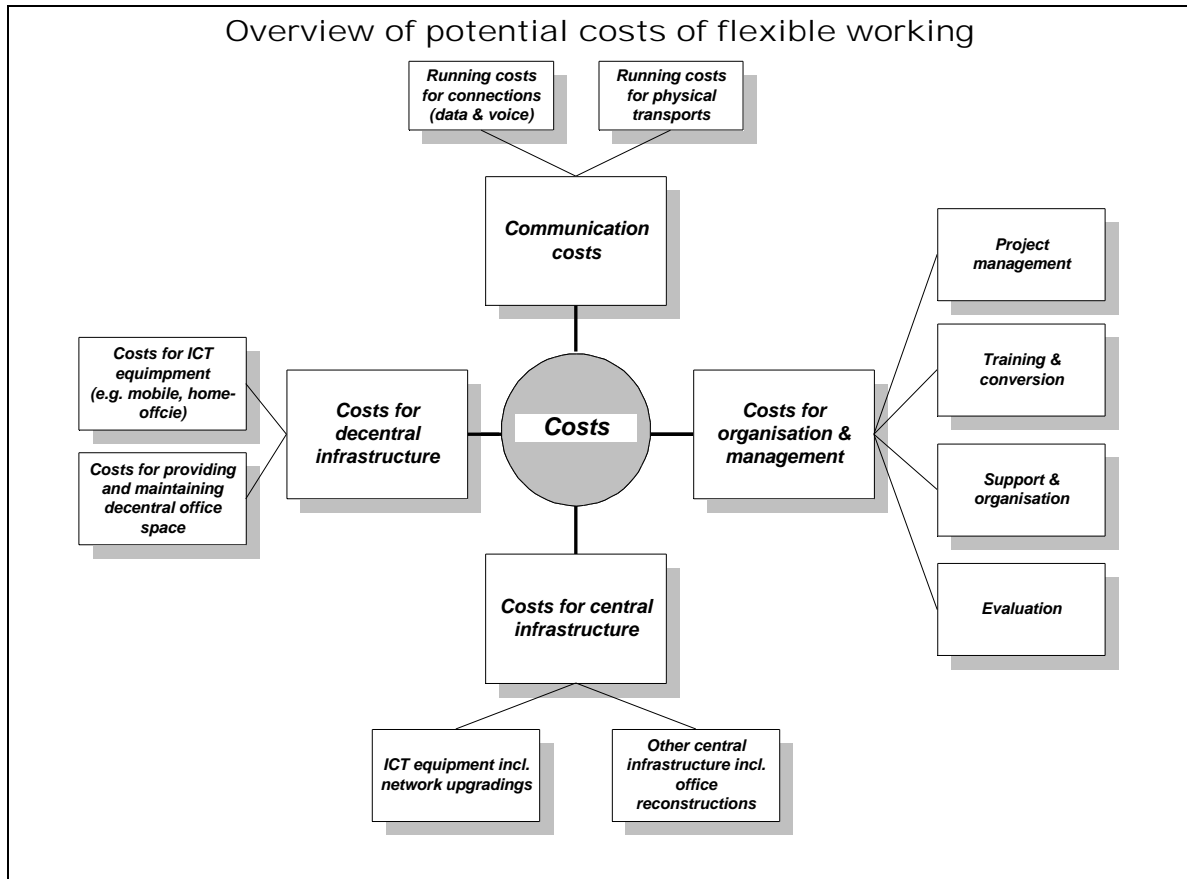


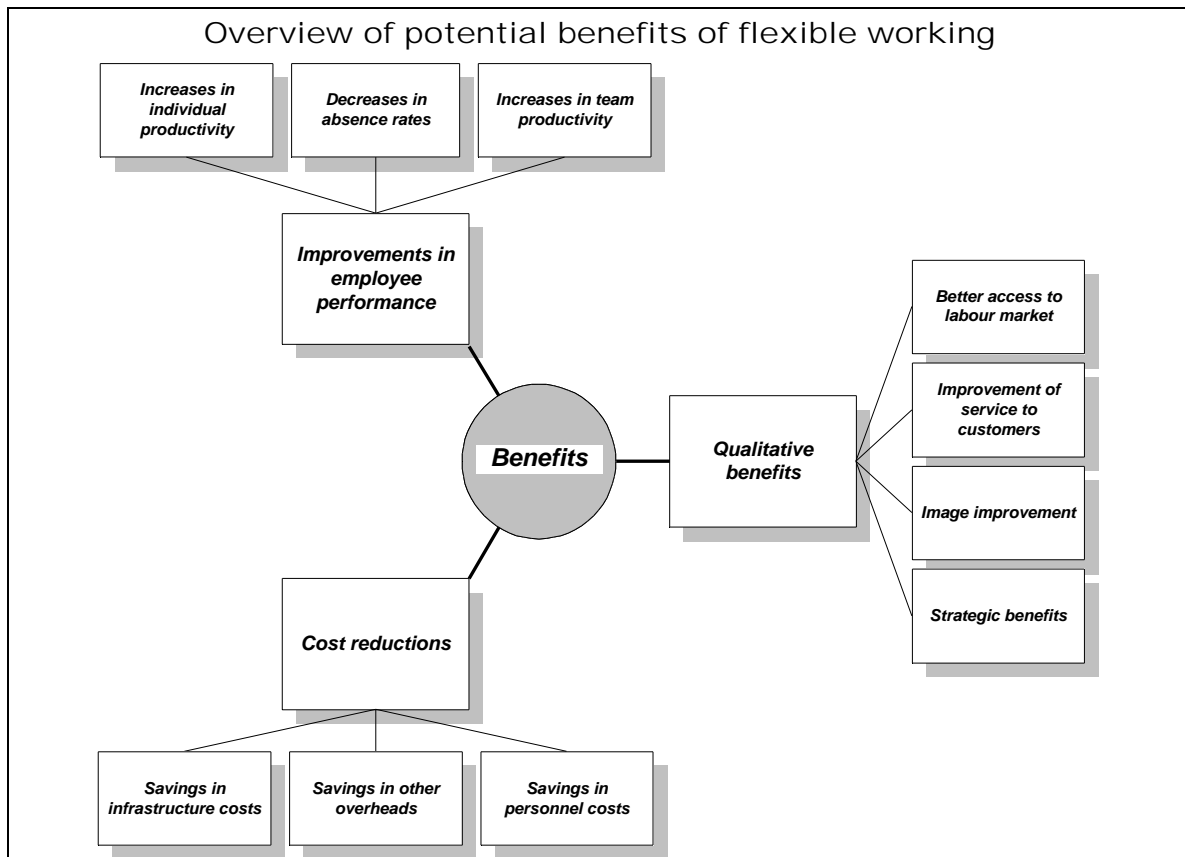
When presenting the outcome of the analysis to others, eg the executive board, the results of the three different analysis components should be kept separate. It is advisable to integrate them only to show that the total benefit value obtained herewith can be compared to alternative measures and the initial condition (with regard to their contribution to the reorganisation's objectives which have been set beforehand). Separate the results that have been obtained by different calculation methods clearly, and both analysis - and the assessments reached - will be far more transparent. At the same time, the participation of all interest groups in the valuation of sub-targets (see above) makes sure that their interests are taken into account (especially of those people who are to put the ideas behind the reorganisation into practice and make them work).

Source: Gareis, K. (1998). Telework and the Bottom Line - Costs and Benefits of Telework in German Insurance Companies. In: Suomi, R., Jackson, P., Hollmen, L. & Aspnäs, M. (Hrsg.): Telework Environments. Proceedings of the Third International Workshop on Telework, Turku, Finland, TUCS General Publication No. 8, Turku, S. 107-128.

The following figures give an overview of the parameters which need to be considered in an extended cost-benefit analysis of flexible working. The first figure presents the cost aspects ranging from those emerging at out-of-office workplaces (e.g. home offices), to those for necessary changes to the central ICT infrastructure, (tele)communication

costs and those for organisation and management of a pilot project. On the benefit side we find direct cost savings, those benefits resulting from an increase in productivity, and qualitative aspects.





Some common cost savings

Establishing flexible work may require substantial investments by an organisation, e.g. when workers choose to spend some of their working time at home or when employees work on the move. Two arrangements can minimise costs and avoid companies providing duplicate equipment for staff members for use in and out of the office. These are:

- Desk-sharing – where some desks are provided in the office for teleworkers to use when they are at the office.
- Touch-down offices – these are often provided for sales force members who mainly work at home or on the move. Here office facilities are provided as a general resource rather than each employee occupying an individual desk.
- Apportioning costs between company and employee – sometimes employees are willing to bear set-up expenses as they perceive many benefits from flexible working. The situation should be assessed by survey prior to introduction of new working practices.

Cost assessments

When assessing costs, companies should ensure they use ‘Total Costs of Ownership’ (TCO) for their ROI calculation, rather than simply costs of purchase. The total costs for ICT equipment include costs for installation and maintenance. These expenses are not necessarily fixed, but dependent on working process organisation. Remote workers who are located at decentral home offices cause higher maintenance costs than centrally located workers – even if some of these costs are born out by the employees themselves (e.g. obligation to transport equipment to the central office by themselves instead of on-site maintenance). Therefore, companies should take the extra effort to calculate TCO before starting their analysis.

Telecommunication has been seen as a major cost in setting up flexible working – however tariffs are becoming cheaper all the time. Making use of telecommunications networks does have implications for data security and companies may also have to invest in data protection software – such costs should not be overlooked in an analysis.

4.3 Phased Introduction

Phased introduction includes address to preparation, study, concept, implementation, control, extension.

- Introducing flexible working to an organisation and implementing it requires careful planning, a thorough procedure and a well balanced handling of relevant issues.
- An operational methodology is presented which details the relevant steps in introducing flexible working.
- The methodology is most useful to medium to larger sized enterprises.
- The methodology references the use of a number of checklists – these are presented at the Flexwork web site.

Introduction to the model

The following model is recommended for guiding the introduction and implementation of new forms of work in an organisation. It has been successfully applied in many organisations implementing telework, which is one form of flexible working. For the purpose of this handbook it has been adapted to suit SMEs and their business advisors. It mainly applies to medium sized companies with well developed management and operational structures. It is less applicable to micro enterprises with less than 10 employees which operate without such clear cut structures. However, even in these organisations the different phases and tasks apply in principal. This model does not apply to freelancers aiming to start their own business.

The step model describes a phased introduction of flexible working in six phases or steps each of which with a typical duration and a defined set of actions and tasks to be carried out:

Phase/step	Duration	Tasks
Preparation	Month 1	<ul style="list-style-type: none"> • Information and motivation • Involvement of top-management, middle-management, works council • Secure agreement of all parties • Project team building
Feasibility study	Month 2 – 3	<ul style="list-style-type: none"> • Decision on and definition of flexible working model • Identification and selection of application areas for flexible working • Measurement of interest in and willingness to make use of flexible working among employees • Selection of suitable candidates for flexible working • Cost-benefit analysis (ex-ante)
Concept	Month 4 – 6	<ul style="list-style-type: none"> • Definition of tasks and work procedures • Management and control of work performance • Technology concept • Training • Labour law aspects • Data protection and security
Implementation (and pilot operation)	Month 7 - 12	<ul style="list-style-type: none"> • Technology implementation • Training • Securing pilot operation • Further development of technological and organisational solutions • Support for ‘flexible’ workers, managers, colleagues and other employees

Monitoring and Controlling	Parallel	<ul style="list-style-type: none"> • Cost-benefit analysis (ex-post) • Measuring acceptance of and satisfaction with flexible working among all parties concerned • Identification of socio-psychological impact • Critical review of technological and organisational solutions • Identify any modifications and/or corrections resulting from experience in pilot phase
Extension	> Month 12	<ul style="list-style-type: none"> • Extension of flexible working in other areas and / or for further employees
Corrective phase	> Month 13	<ul style="list-style-type: none"> • Implement necessary corrections.

For each phase a brief task description and further relevant information is given.

Phase 1: Preparation

The introduction of any new form of flexible working requires the decision makers to be informed and motivated - in most SMEs these are the directors or managers with responsibilities in key areas of the company. Make a formal presentation outlining the type of flexible working at stake for these key people. The necessary information can be found in the different sections of this handbook, in the “Guides to Flexible Working” and an introductory presentation on “flexible working” offered on the FlexWork web site.

After the decision makers have been motivated, all the other parties involved need to be informed and an agreement sought on the new form of flexible working to be implemented. The involvement and approval of the works council should be sought at this stage (if the organisation has one). There are many examples where a lack of involvement of the employee representatives resulted in unnecessary failure to implement flexible working arrangements. Establish the project team with clear allocations of responsibilities (project manager, personnel manager, works council representative etc.).

Duration:

Month 1, but can be much shorter depending on the circumstances

Results:

- General agreement on type of flexible working to be implemented by all parties concerned
- General overall concept
- Established project team
- Allocation of responsibilities to project team members

Phase 2: Feasibility study

Conduct a feasibility study - this includes a first analysis of the economic efficiency in form of an ex-ante cost-benefit analysis.

Begin by identifying and selecting the application area(s) for flexible working. Normally organisations trial flexible working in a specific department. Only in very few cases – or where flexibility is just restricted to the flexibilisation of working times only – is the entire organisation involved from the beginning.

Decide on the precise definition of the flexible working model and determine the interest of the employees in this particular form of flexible working. In the case of telework for instance, a decision must be made as to whether to go for permanent home-based teleworking or an arrangement where the teleworker alternates between the central workplace in the company and the home-based workplace. The number of days per week to be spent at the different locations should be decided.

Next consider the selection of employees suitable for flexible working – not all employees are suitable. Checklists are available via the Flexwork web site. Checklist 1: Checklist for Future Teleworkers - supports the selection of suitable

candidates for teleworking. It has been designed for self-completion by the staff member interested in becoming a teleworker and addresses the following issues:

- Home-based workplace
- Mobile workplace
- Time management and self organisation
- Dealing with changing workplaces and work locations
- Productivity measurement, safeguarding of interests and further training
- Home environment
- Job environment
- Other.

The completed checklist gives the future teleworker an overview of suitability and further details of how to proceed to become a successful teleworker.

There is a further questionnaire for self completion by the future teleworker which will enable the employer to judge their suitability. Checklist 2: Questionnaire for Future Teleworkers - addresses issues relevant to teleworking such as:

- the domestic and family circumstance
- the availability of a separate study
- the work experience of the future teleworker
- the time spent working for this particular employer (useful as an indicator for independency in work)
- trust
- the preferred temporal model of teleworking etc.

For other forms of flexible working this checklist can be taken as a model which can be easily adapted to requirements.

Company decision makers will want to know whether flexible working is cost effective and efficient. For this purpose FlexWork partners have developed a cost-benefit calculation tool, which covers a large number of relevant aspects. This tool, which can be accessed and used on the FlexWork web site (or see section 4.2). Later on in phase 5 “Control” the same tool can be used for an ex-post cost-benefit calculation with real data becoming available during telework operation. Again, this tool can be adapted to other forms of flexible working.

Duration:

Month 2-3, but can be shorter depending on the circumstances

Results:

- Specification of the flexible working model for implementation
- Appropriate employee candidates for flexible working
- Information about the feasibility of the intended flexible working model in the organisation, including ex-ante cost-benefit calculations

Phase 3: Concept

In phase 3 a concrete implementation plan will be developed with a precise specification of the changes in tasks and work procedures, including mechanisms for management and control of work performance of the flexible workers. Very importantly managers need to be informed and made aware of the changes to their role and tasks resulting from the implementation of flexible working. In the case of teleworking, for instance, those managers not yet familiar with a ‘*management by objectives*’ working style will have to be trained to manage their staff members at a distance. At least they need to be made aware of this and many may be in a position to carry out the necessary changes themselves. Besides the planning of tasks, work procedures and work organisation, the related technology (ICT) concept supporting the implementation and operation of the flexible working model will be developed. Depending on the organisational and individual requirements, different ICT solutions will emerge. For the implementation of teleworking, Checklist 4: ICT Requirements Analysis Checklist for checking requirements for:

- PC components
- Printing, copying, scanning
- Fax
- e-mail
- Video communication
- Software
- Remote access
- Mobility.

Finally there is a requirements checklist concerning voice communication to ensure the best possible provision of telecommunications functionality at all work places. Using these checklists will help to ensure that no relevant issues are forgotten. The Management Briefing on “Flexible working technology – access and tools” (see Section 2.3 and Flexwork web site) provides further insight into the appropriate technologies recommended for flexible working. Depending on the type of flexible working, labour law aspects may need to be addressed. In teleworking these include e.g. laws governing tenancy, liability, accidents, tax issues, involvement of work council. These are all well documented in the literature. In addition, there are a vast number of collective agreements on teleworking and other forms of flexible working. These can be obtained from the web sites of different teleworking associations, related service providers, trade etc. Sample contracts are provided on the Flexwork Web site as well as links to useful sites providing support for telework introduction.

Depending on the flexible working model to be implemented different training requirements may emerge. In most flexible working arrangements ‘self organisation’ and ‘time management’ become crucial issues since flexible workers tend to be given more responsibility and independence. Two courses of action can be taken: either a specific training course can be developed or you can use commercial training courses. The latter path is recommended in most cases. Checklist 5: Checklist for the Introduction of Telework in SMEs - provides a helpful tool for checking whether all relevant issues in concept development have been addressed by the project team and – depending on the answer given by the respondent - provides relevant instructions on how to proceed further. It is provided at the Flexwork web site and addresses the following areas:

- Preparation
- Human / person-related aspects
- Organisational aspects
- Legal aspects
- ICT aspects
- Resources (personnel, financial)
- Data protection and security
- Evaluation and measurement of success.

Duration:

Month 4-6

Results:

- Organisational concept: specification of changes in tasks and work processes
- ICT concept
- Data security and protection concept
- Training requirements and concept (if necessary)
- Collective agreement between personnel department and works council
- Agreement on additional labour law aspects to be regulated
- Overall implementation plan including detailed allocation of responsibilities, effort allocation, budgeting and timing

Phase 4: Implementation

This phase deals with the pilot implementation of the organisational, data security and protection concepts developed. In addition the purchasing and implementation of the selected ICT solutions will be carried out. The phase includes some initial training prior to the start of the implementation, as required. The project manager (or the person responsible for personnel issues) should be prepared to provide some personal support for the flexible workers, their managers, colleagues and other employees because they are in a new situation, with completely new demands and requirements. This need is particularly apparent for individuals who have worked in the same way for a long time. The project manager also fulfils the role of a service hotline dealing with all questions asked.

It is recommended that a company runs a pilot for approximately six months to gain a wealth of experiences and ideas for improvement. The minimum duration should be three months.

The experiences gained will be used for a critical review of technological and organisational solutions. This will assess performance, cost and further development to make flexible working fit better with the overall objectives and company strategies.

Duration:

Month 7-12, minimum M 7-9

Results:

- Running pilot project
- Successful training courses

Phase 5: Monitoring and Controlling

To be successful, flexible working must be operated in a cost effective and efficient way. A cost-benefit analysis is the obvious way to make the assessment. As before, the FlexWork cost-benefit tool can be used for this purpose. Further details on this tool can be obtained in Section 4.2 and the Flexwork web site.

The results of the cost-benefit analysis will detail whether flexible working is effective and efficient.

To judge the overall success of the new flexible form of working all parties should be canvassed for acceptance and satisfaction with the scheme. The easiest way of doing this is the completion of a questionnaire by flexible workers, their managers and colleagues. It can be enhanced by less formal face-to-face interviews and/or by group discussions including all those concerned. The above techniques can also be used for the identification of the socio-psychological impact and problems which may emerge due to a change in workings patterns.

Ideally attitudes and expectations of workers have already been determined in a zero-measurement prior to beginning the pilot project. These measures can be repeated towards the end of the pilot phase as a late evaluation. This will enable a comparison of expectations at the start and the levels of achievement towards the end of the pilot operation and provide useful information as to the successes and failures of its implementation. Also issues that need modifications or corrections will be identified.

Duration:

In parallel, Month 6 and 12 (9)

Results:

- Cost-benefit measurement
- Measurement of acceptance of and satisfaction with flexible working by all target groups
- Identification of necessary modifications or corrections.

Phase 6: Extension

Based on the results of the pilot operation a decision needs to be taken whether to extend the application of flexible working and proceed towards a wider roll-out or to discontinue its operation. Experiences from a vast number of teleworking schemes has shown that many organisation do not even await the completion of the pilot phase but move ahead with a company-wide extension and roll-out even earlier.

Duration:

> Month 12 (9)

Results:

- Start of flexible working roll-out

Corrections and Modifications

Corrections and modifications which have been identified should be addressed at this stage.

Overview

This table illustrates which checklists and tools are appropriate for each phase of implementation.

Phase 1: Preparation	-
Phase 2: Feasibility Study	<ul style="list-style-type: none"> • Checklist 1: Checklist for Future Teleworkers • Checklist 2: Questionnaire for Future Teleworkers • Checklist 3: Telework Cost-Benefit Calculation Tool
Phase 3: Concept	<ul style="list-style-type: none"> • Checklist 4: ICT Requirements Analysis Checklist • Checklist 5: Checklist for the Introduction of Telework in SMEs
Phase 4: Implementation (and pilot operation)	-
Phase 5: Control	<ul style="list-style-type: none"> • Checklist 3: Telework Cost-Benefit Calculation Tool •
Phase 6: Extension	-

Annex 1: Summary Flexible Working Implementation Plan

FLEXIBLE WORKING IMPLEMENTATION PLAN
PART A Introduction A.1 Rationale A.2 Types of flexible work A.3 Benefits A.4 Risks A.5 Costs A.6 Model of flexible working
PART B B.1 Staff selection B.2 Process and Workflow adaptation B.3 Management of flexible working B.4 Self organisation and time management B.5 Equipment/technology considerations B.6 Health & Safety B.7 Security B.8 Finance B.9 Family/life issues B.10 Communication & team work B.11 Training B.12 Legal aspects B.13 Contracts
PART C Evaluation Plan timing method(s) to be used – formal / informal assessment of objectives / criteria analysis reporting