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## **Excel Data: Denmark's first satellite office**

### **Short description**

The IT-services company, Excel Data AS, located in the relatively peripheral and rural region of Mid Jutland, Denmark, has established the country's first satellite office, directly building upon the mixed experiences employees have had of teleworking from home. These include the positive benefits of individual empowerment and reduced stress especially for employees with families, as well as the negative consequences of professional and social isolation. The satellite office has been able to counter the latter problems by providing an environment for three employees in which the isolation factor has been considerably reduced if not completely abolished. It has also highlighted for need for completely new management techniques and shown how to develop effective on-line communication.

Excel Data and its satellite office has already become an exemplar of a way of working which is likely to become mainstream in the near future and contributes in important ways to an understanding of how beneficial telework can be implemented to increase social and environmental sustainability. The company has reduced employee commuting, and has shown how peripheral areas can retain and attract well qualified labour. Significantly, the satellite office is the first step towards the geographical decentralisation of employment opportunities within a peripheral area. Social benefits have also been obtained through easing the daily stress of employees with families without increasing isolation, providing a way to reconcile work and private life and opening up individual choice and empowerment.

The effectiveness of the satellite office concept is being monitored by the Occupation Health Clinic of Herning Central Hospital as part of a 30-month evaluation project.

### **Participants in the activity**

The management and employees of the IT-services company Excel Data AS, located in Herning, Mid Jutland, Denmark, with a satellite office in Billund, 65 kilometres to the south-east.

### **Target groups:**

Private sector.

### **Objectives**

- To use telework supplemented by a satellite office to both provide a working environment for employees which optimises and reconciles their individual family and professional needs through flexible working.
- To improve company efficiency and performance and secure and extend its labour market.

### **Achievements**

A range of achievements have been made:

- Denmark's first functioning satellite office for employees living a long way from the normal workplace
- An exemplar of a way of working which is likely to become mainstream in the near future .contributes in important ways to an understanding of how beneficial telework can be implemented
- Highlights for need for completely new management techniques
- Helps develop effective on-line communication, especially e-mail language .makes a range of contributions to social and environmental sustainability:
  - reduces commuting and therefore transport; in a typical week at least 2,000 km are probably saved in travel
  - shows how peripheral areas can retain and attract well qualified labour
  - the satellite office is the first step towards the geographical decentralisation of employment opportunities within a peripheral area
  - increases social sustainability through easing the daily stress of employees with families, provides a better

- integration of work and private life and gives greater personal choice and empowerment
- opens opportunities for extending company labour markets and employee job markets

### **Detailed description**

A satellite office for IT-services company, Excel Data AIS, has been established in Billund, Mid- Jutland, 65 km from the company's offices in Herning. It is already showing how a number of social and professional problems associated with home teleworking can be solved, at the same time as saving employees precious commuting hours and increasing their personal flexibility and empowerment. As far as is known, this is Denmark's first normal functioning satellite office, set up as a result of a request by employees to exploit the advantages of home teleworking whilst combating the disadvantages of isolation.

Partner and Managing Director, Poul Viller, was willing to set up the satellite office for the three employees as part of the company's long-standing policy of increasing efficiency through flexibility whilst attempting to maximise the quality of life for the individual employee. He says that the company has always had an open personnel policy in which management listens to the needs and wishes of staff. A widespread wish was to achieve as much flexibility in day-to-day working arrangements as possible. The company undertakes a wide range of tasks, many of which need to be performed outside of normal working hours, such as programming and the maintenance and upgrading of clients' networks and servers. In 1997, therefore, Excel Data embarked upon a home teleworking trial by providing employees with all necessary equipment and communication facilities, and this enabled employees to perform such tasks from home. Forty employees took up the chance and typically do so a couple of times a week, sometimes spending the whole day at home, sometimes half a day, at other times working in the evenings or at weekends, in order to achieve as much individual flexibility as possible both for the employee and the company. Savings in transport are variable, depending upon needs in a given week, but probably are at least about 500 km per week.

For the families involved this was a great benefit, as for example for Finn Jacobsen who is a single parent with two children. But very quickly the employees involved noticed the effects of professional isolation as they were no longer being exposed to daily contact with colleagues. Working at home meant an end to the unplanned, in formal conversations which inevitably take place at a workplace during which the individual hears what others are doing and, for example, how they have solved problems with a particular piece of software. Finn Jacobsen specifically missed professional exchanges across the lunch table, as well as social contact with colleagues. It was also feared that this isolation would have a deleterious affect upon the individual's career opportunities, as well as upon the overall learning capability of the organisation.

All the tele-homeworkers agreed about both the advantages and the problems, and out of this discussion an idea arose for a third way of working, which the management was keen to support. In summer 1998, a satellite office was therefore established in Billund for employees living locally. Bente Rasmussen, a Systems Consultant with Excel Data, reports great relief at being able to save two hours transport time each day. She is now able to do her shopping during normal opening hours, and doesn't need to take half a day off work if she needs to visit the doctor. Bente lives in Billund, as does Finn Jacobsen as well as a third colleague Steen Guldborg. Each one previously commuted to the Herning office or spent a couple of days a week teleworking from the confines of their own homes.

Bente immediately experienced a clear difference between working in the satellite office and working at home, especially the positive benefits of being able to draw a distinct line between private and working life, as, for example, when working at home it was often very difficult to actually switch off from work. Finn recalls having a bad conscience whilst working at home when taking time out to make coffee. Now he is working in the local satellite office, he feels much more at ease being so close to his children as he can now very quickly drive home to them or collect them from school if there is a need for this.

The three employees in the Billund satellite office are still able to telework from home when it suits both the task and their needs at a given point in time, but it is now something which is combined flexibly on both an hourly and daily basis with working in the satellite office, in the central Herning office, or with client visits and similar. Typically, they now travel once a week to Herning, to participate in project meetings, resulting in total transport savings of about 1,500 km each week.

Working like this has a significant de-stressing effect. Nothing is more stressful than remembering in the middle

of an important client task that the kids must be collected from the kindergarten in an hour's time. Work, individual and family life can all be combined in a manner which optimises the requirements of a variety of otherwise competing responsibilities. Important and urgent tasks can often be performed or completed in the evenings or at weekends, and thereby fitted into the demands of a family timetable without detracting from the task itself.

For the company, this significant improvement in staff satisfaction is very important, and the fact of now having a satellite office in Billund is also proving beneficial for company recruitment. Poul Viller is clear that establishing the office was a direct response to the needs of employees, but he is now also using this as a deliberate tool to attract much-sought-after qualified personnel as it extends the geographical reach of the company. It was a coincidence that three of the teleworking employees live in Billund, but this location is within half an hour of the whole of the recruiting ground of the so-called Triangle District of Denmark (the south-eastern part of the central area of Jutland between the three large towns of Vejle, Kolding and Fredericia), which boasts a large, well educated workforce and significant economic activity. The Triangle District is outside the commuting range of Herning.

Poul realises that, given the general shortage of well qualified staff, it is necessary for companies like his to provide attractive and exciting working environments and, although this has not been a problem until now, constant efforts are needed in order to ensure that this remains the case in the future. This is particularly important from a base in Herning which has no further or higher educational institutions in its immediate catchment area.

The Billund satellite office is able to house more than the current staff of three, up to eight or nine in total, and this would be preferable in order to avoid the group being over-dominated by the personal relationships between two people, or to avoid the day to day atmosphere of the office being changed by holidays, client visits or similar absences. A satellite office in the large regional centre of Aarhus (Denmark's second city located in East Jutland), with its higher educational and professional institutions, extensive resources of highly qualified workers and its dominant culture, was also a possibility considered by Excel Data. However, says Poul Viller, although this may have solved the recruitment problem it would destroy or at least dominate the company culture carefully built up in the more pragmatic and less formal area of Mid Jutland and which marks the company out and makes it what it is.

In this way, Excel Data's satellite office in Billund can be seen as a first but important step towards the geographical decentralisation of employment opportunities within a peripheral area, rather than gravitation towards an economic core region which is often the case with high value-added activities and well paid jobs.

After the spatial separation between the Managing Director and three of his staff, it has been necessary to re-think the appropriate management style and approach of the company. Given the sector within which it operates, the company has had an email culture for some time, so there have not been many changes in these terms, but not everything can be communicated by writing emails. Occasionally, reflects Poul Viller, it is necessary to confront an employee with a mistake or inappropriate behaviour, and this is best done by using the incident to learn how to improve in the future. This can be easily misunderstood in an email and normally needs face-to-face contact to be beneficial for all concerned. Although the email style is constantly evolving to make it more sensitive and flexible, real physical contact will always be preferable in certain situations. Excel Data has developed its own email conventions based upon a distinctive set of key words, phrases and concepts, as well as upon the use of smileys and similar devices to sensitise messages and comments and give them some elements of oral communication. Emails should also, of course, be supplemented with telephone conversations, videoconferences or web-meetings, and even face-to-face meetings, although the company has found that the precision of emails is very appropriate for project-based work and increases its effectiveness. The issues of management and communication will inevitably rear themselves again when the Billund satellite office attracts new employees which do not know the management or other employees personally.

Excel Data's practical experience and continuing exploration of telework and the satellite office concept are being closely monitored and studied by the Occupation Health Clinic of Herning Central Hospital. This evaluation project, which will last 30 months, also covers other companies in the region. Specific areas being assessed include how telework affects company culture, how it affects the individual employee, how management needs to respond to the challenges, how email culture needs to develop as an organisation's primary communication medium and what are the demands this places on the individuals concerned. The

Project Manager and Chief Psychologist, Ole Nørby Hansen, thinks that the satellite office concept can become a solution to the problem of how to retain and attract qualified labour in peripheral areas of Denmark like Mid and West Jutland. He uses the term "reversed mobility" to describe the effect whereby employees can remain and work in the area in which they reside, and employers can design the workplace according to the needs and wishes of employees. By applying sensitive teleworking solutions, Excel Data has already made great progress in this area.

It is clear that the good practice lessons learned by Excel Data have wide applicability to all enterprises and organisations which use modern information and communication technologies. However, it is also clear that, although many of Excel Data's findings reflect those experienced in other countries this is not automatically the case and that there are important national, and even local, cultural differences. Those between Mid and East Jutland, which are otherwise separated by only a few tens of kilometres, are a case in point.

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