

## **Bönders GmbH: Telework in the Transportation Industry : SME Case 10**

### *Overview*

Bönders freight forwarding company was established in Krefeld in 1944. The company develops intelligent logistics concepts for organisations from various industrial sectors. The company has seven branches and employs 140 employees of which around 40 work within administration. During 1993/94 the data processing system used by Bönders reached its capacity limit due to the intensive use of the electronic data exchange. The resulting delays put the “on time” handling of orders at risk. The two alternatives for action were upgrading to a new system, costing six-digit figures, or the more efficient use of the old system. A way out of this situation was offered by an innovative work model – teleworking. Its implementation not only made it possible to design the utilisation of electronic data processing more efficiently; it also resulted in remarkable competitive advantages.

### *Practice*

Management decided on the introduction of telework coupled with the extension of the data processing system operation time in order to counteract capacity bottlenecks during peak times. The first employees to be offered telework came from the order-billing department. Further departments, not requiring time critical work, such as invoicing, accounting or balancing, followed. These, non time critical, tasks can be carried out from home by teleworkers who can freely choose their working times. The amount of time teleworkers spend at their home workplace is up to forty percent depending on the current situation and the requirements within the company. So far home workplaces have been set up for ten employees living in a radius not higher than sixty kilometres from company headquarters. One of the homeworking employees is the managing director of Bönders GmbH who practices telework himself: he can pursue all management activities from home without any problems.

It usually is the employees themselves who apply for telework. Management decides which of the employees are suitable to carry out telework. With new employees it is generally intended that they are first fully integrated into the company and get to know the corporate culture prior to teleworking on their own.

The company provides the hard- and software required for equipping the home workplace, which also allows access to the company headquarters. When selecting the data processing units, attention is paid to modern, up to date technology, compatibility and operational security. Extensive testing is carried out before the teleworkers are authorised to use the systems. The company permits private use of the computer at the home workplace. For data protection and data safety reasons teleworkers must clear certain security barriers prior to dialling into the company headquarters though analogue or digital connections. No compatibility of the data packets to be sent is

expected from customers. The various data formats are converted to the specific “Bönders-format”.

The project manager is able to dial directly into the individual teleworkplaces – from headquarters or his/her home workplace – in order to manage and look after the spatially distanced employees appropriately. Target definition and assessment of target achievement is left to the employees. If it is not possible to resolve a hard- or software problem by self-rectification or telephone support, the employee is provided with an identically configured system in order to avoid unnecessary order delays. Teleworkers and management personnel supplied with mobile phones are available to customers at any time. Telephone calls to headquarters can be diverted to the teleworkplaces or the mobile phones by means of a telecommunications system.

### *Experience*

The trust given to the employees and supervisors by the company has been worthwhile. The employees have realised that cooperative teamwork is a prerequisite in order to carry out telework successfully for all involved. Eventhough teleworking employees are sometimes being missed in the office it has become evident that the cooperation runs without complications and that team spirit has improved since the introduction of telework. By implementing this new work model the freight forwarding company has been able to achieve a productivity increase of ten to fifteen percent and a turnover increase of twenty percent while keeping the same workforce and without using overtime. During an order bottleneck it is possible to fall back on employee resources within the branches because of the data processing infrastructure created for telework.

There is nothing to stop the expansion of telework within the company, in particular as both employees and the company are benefiting from it, managing director Lothar Krengel believes. In addition, telework offers “an additional enhancement to the quality of life for all involved, provided the corporate culture is right”. The technical concept implemented by Bönders, developed for spatially distributed working, has, in the meantime, matured so far that other companies in the industry have already adopted it.

Communication between all levels of the company has been increased since the managing director is also practising telework. All employees have own email address in order to exchange information effectively and without complications.

An argument often brought against management personnel themselves teleworking is loss of control on the side of management. Mr Krengel finds that the reason for this is clearly on the management side. Management personnel handle the matter far too anxiously and are concerned about their position within the company. However, leadership does not need to take place by control and presence in the office. A corporate culture where open and direct communication is practised, where the

management provides a convincing, working role model and where trust is the predominant management technique, enables the successful utilisation of telework for everybody within the company. “Telework only works on the basis of delegating responsibilities” and the whole company benefits from it.

Mr Krenge takes the view that SMEs in particular are predestined for the successful implementation of telework on all corporate levels including management. Managing directors of small and medium sized businesses have much more direct contact with their employees than in large companies. They are therefore in a better position to manage employees also from a distance. Mr Krenge based this conclusion not only on his experience as the managing director of a small to medium sized business, but also on many years of working within a large company.