Works Round C Working group C2

New Communications Technologies and Teleworking: Current situation and Prospects in Greece

Executive Summary

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1. Introduction

In most European countries the spreading of flexible forms of labor organization through the use of new information and communications technologies has been becoming an ever popular topic for discussion. One of the arguments expressed for the promotion of such organizational models is the fact that new technologies allow workers greater flexibility in terms of the place and time they perform their work, thus achieving work-life balance. Moreover, due to this flexibility, such models can create new jobs for vulnerable population groups (long-term unemployed, women, disabled persons), hence providing opportunities for their social inclusion. Within such framework, teleworking, or electronic work, as is the most current term (e-work), is expected to play an important part in the adaptability of workers and the flexibility of the labor market in Europe.

Given that particular awareness has been raised among the Commission, and most European States about issues concerning teleworking, the setting up of a an interdisciplinary working group within the e-business forum has been deemed appropriate. The objective of such group had been to examine the current situation, the problems and prospects of development of teleworking in our country and to propose initiatives aiming at the strengthening and implementation of actions about teleworking, announced within the operational programs "Information Society" and "Employment and Vocational Training" under the 3rd CSF.

The main issues that the specific working group has dealt with included:

- evaluation of the European experience with regard to teleworking and the existing practices in various countries as these arise from the most recent bibliography;
- assessment of the current situation in Greece and examination of characteristic cases;
- analysis of the financial, institutional, social, and sector-related factors favoring/ hindering the spreading of teleworking in the country;
- possible initiatives for the promotion of teleworking, as well as methods for their implementation by the State and other bodies.

This is an Executive Summary of the final deliverable of Working group C2 and it focuses on:

- the polemics developed by the Group during its consecutive meetings and on the ascertainments of the Group with regard to the situation and particularities of the working environment in Greece with regard to teleworking practices; and
- the proposals of the Group to the State for the adoption of measures concerning the promotion of teleworking.

1.2 Working group Composition – Methodological Approach

Working group C2 was coordinated by Ms. Natasa Konstantelou (ICCS-NTUA) and Ms. Aggeliki Polimenakou (Asst. Professor at the Athens University of Economics and Business). Ms. N. Konstantelou was the Group's rapporteur and has also been responsible for the drafting of the last deliverable. The Working group comprised of persons from the private,

public and wider public sector which were either (a) summoned individually to participate in the Group's works due to their position and experience in this subject, or (b) showed particular interest and willingness to contribute to the dialog about teleworking in the Group. The members that participated in at least one meeting are listed by name in the following table. A full list of all persons that expressed particular interest in being informed about the Group's website in e-business forum.

Table 1: Participants in Working Group C2

Lambrakis Research Foundation	Nikitas Kastis
Oracle Hellas - Applications Consultant	Ioanna Dimaki
ICAP	Georgios Drossos
Kraft Foods	Kostas Hatziraptis
PricewaterhouseCoopers Greece	Ioannis Nikolaou
SUN MICROSYSTEMS (HELLAS) S.A.	Panorea Karanikolopoulou
Telestet S.A.	Lara Kalfa
Development Company of the Prefecture of Hios	Mihalis Vafopoulos
Ministry of Labor	Vissarion Tsouknidas
ALTEC COMMUNICATION NETWORK (ACN)	Stratos Koutozos
ICAP	Zeller Michael
KPMG - Salary surveys	Giorgos Poulakos
Economic and Social Committee (ESC) – Public Law Corporate	Stamatina Giannakourou

The Working Group held a total of 6 meetings where the following issues were discussed in detail:

- definition of teleworking and its various forms What <u>isn't</u> teleworking
- search of interested links, reports/ studies
- identification of cases of application in Greece
- viewpoints on teleworking Expression of opinions
 - > by employees
 - by the company
- Pending matters on teleworking in Greece:
 - acceptance by employees prospects of personal development;
 - management and development of human resources in the company;
 - types of professions that could be integrated requirements;
 - operational design, operation and teleworking;
 - sectoral issues;

- > support by information and communications technologies;
- institutional framework;
- · Suggestions to the State for promoting teleworking.

The minutes of the Working Group meetings can be found in the Group's worksite in the ebusiness forum site.

2. Teleworking: an overview

2.1 Teleworking: definition, forms and characteristics

The term teleworking refers to any type of work including electronic data processing and employing a telecommunications link with a remote employer or client for assigning and delivering projects. Thus, it is work performed remotely by using a computer and distributed over computer networks, and mainly over the Internet.¹

The term "teleworking" covers a wide range of work activities. Table 2 shows a first attempt to determine the various dimensions of the term. Here teleworking is classified depending on the type of the employer – employee employment relationships and the workplace. Hence teleworking may be performed "internally", namely the teleworker is required under a contract to complete specific tasks within a given deadline. In addition, the teleworker may work at home or be constantly moving, depending on the needs of the projects undertaken.

Table 2: Forms of teleworking

Type of employment relationship/ contract
Permanent
Outsourced

Self-employed teleworkers and independent workers
Commuting teleworkers
Commuting teleworkers

Teleworking from home and independent workers
Commuting teleworkers

Various terms are used in bibliography to denote this work model, such as digital work, Internet work, e-work and variations thereof.

Remote "offices"	 Remote back offices and communication centers Teleworkers in common premises – corporate or non corporate 	 Specialized services provision companies Outsourced communication centers
Source: FMFRGENCE Report (2002)		

It should be noted that all of the above available options regarding the "how" and "where" of teleworking are not absolute, since it is possible to have combinations of such options. A complementary effort to delimit this concept is given in Table 3, where once more the various types of teleworking are given depending on the workplace and the employment relationship.

Table 3:Types of teleworking

Type of teleworking	Description
Teleworking from home	The work is performed at the teleworker's home
a) constant	The teleworker does their work, almost in its entirety (over 90%), from their home
b) alternating	The teleworker does a small part of their work (under 10%, but at least once a week) at their home, and the rest at the company's premises
Teleworking on the move	Teleworkers are constantly on the move (over 10 hours weekly) and use personal workplaces and online connection during their trips
Small Office-Home Office (SOHO)	Self-employed and independent teleworkers providing their services remotely and have home offices
Complementary teleworking	Teleworkers perform a small part of their work (over 10% and less than once a week) at home and the rest at the company's premises
Source: ECaTT Report (1999)	

All types of teleworking have grown in recent years. The need for increased productivity, increased travel costs, the need for flexibility and technology development in combination with the various social factors have paved the ground for the development of this new way of work. As far as businesses are concerned, the main reason is the ascertainment that the application of this work model results in a drastic reduction in total operational cost. With regard to the employees, the main argument for promoting teleworking is that they can attain easier a work-life balance and cut down on their trips taking up their leisure time, reducing their productivity, and increase their stress load. In theory, teleworking may contribute to an increase of workers' productivity since it allows the establishment of flexible working hours, and gives all those that wish to work from home the possibility to concentrate more on their work. The promotional and limiting factors of teleworking are examined in detail in the next paragraph.

2.2 Promotion factors and limiting factors for teleworking

The following tables summarize the benefits and challenges presented by the application of the teleworking model, as these appear in international bibliography, for workers, businesses, and the society in general.

Table 4: Teleworking: Benefits and challenges for workers

	Benefits	Challenges
•	Stress reduction, increased flexibility and work satisfaction	Jealous colleagues
•	Fewer interruptions during work allow greater focus and improved staff productivity	 Reduced social interaction may lead to social and professional isolation
•	Decreased participation in office politics	
•	Time saving (clothing, transportation, fuel, etc.)	 Less opportunities for professional development, reduced influence on professional matters
•	Less commuting	 Possible difficulties in monitoring the worker's performance
•	Reduced need to relocate to the area where the business is established	Possibility of working longer hours
•	Reduced personal leave	
•	Possibility of job access to those in geographically remote areas	
•	Aids in attaining a work-life balance / motivates dual career households	 Family peace and balance may be jeopardized if teleworkers become work addicts
•	Reduces traffic accidents	
•	Encourages the disabled to work	

Table 5: Teleworking: Benefits and challenges for employers

	Benefits		Challenges
•	Saves office space	•	Teleworking start up and operational costs (telework policy, guidelines, training, evaluation, etc.)
•	Increased productivity (by 20% on average)	•	Jealous and/ or resistant colleagues
•	Reduced absenteeism or absences due to illness		
•	Cost savings reduce need to downsize	•	IT equipment and support costs Possible difficulties in monitoring and supervising work Issues related to the security of information transmitted
•	Reduced personnel travel costs	•	Workers safety and health
•	Increases flexibility to staff during peak	•	Could affect the creation of organizational
	workloads		culture

- Accommodates the disabled and persons with health problems
- Creates the conditions for retaining key employees, and reduces needs for new recruits
- Taps labor markets from geographically remote areas (domestic or international)
- Possibilities for tax credits and other incentives
- An option to relocating employees

Table 6: Teleworking: Benefits and challenges for society

	Benefits	Challenges
•	Reduces traffic congestion, accidents and demand for public transportation	Possible implications to merchants
•	Reduced fuel consumption and pollution	
•	Helps balance work and family life	
•	Provides better job opportunities for the disabled	
•	Provides a financial boost for businesses in rural areas	
•	Retention capabilities aid economic development, global competitiveness, and the "brain drain"	

Source: http://www.ivc.ca/proteleworkers.html

3. The situation in Greece

3.1 Current situation

In Greece there is no systematic monitoring and recording of the teleworking phenomenon through statistics collected both from General Population Surveys and enterprises on a regular basis. A first attempt to record and measure this phenomenon was made within the framework of a survey conducted Information Society SA through GRNET SA and was funded through the "Information Society" Operational Program. The main findings of this survey in terms of the spreading and dynamics of teleworking in the country show an intense interest of users for the new way of work organization and an optimistic attitude towards the possibility it offers for changing the daily life of workers and their employment relationship.²

Besides the above statistical findings that concern mainly the trends in the spreading of teleworking among the population, as far as businesses are concerned, the issue of teleworking in Greece is very limited and concerns mainly:

² The detailed survey results were not available at the time of writing of this report.

- large enterprises multinationals that have started adopting the teleworking practices and models of their mother companies abroad;
- the self-employed in professions that require familiarization with and the use of new communication technologies (PCs, Internet). Such professional categories are writers, journalists, translators, accountants, programmers, architects, etc.

Three specific actions were detected that had functioned in the past (some of which still function) as mechanisms for reinforcing teleworking in the country. More specifically, the following actions were detected:

- 1. the Human Network for the Dissemination of the Research & Technology Knowledge about Telework "TELEWORKING 2000";
- 2. the pilot tele-center in Larissa, DIMITRA;
- 3. the tele-network created by ZEUS CONSULTING SA.

The last two actions are of a regional nature, while the first one is an action for reinforcing the cooperation among agencies of the wider public and private sector on teleworking issues. It should be noted that out of these three actions, the only one that still continues is the tele-network of ZEUS Consulting SA. It is equally important to note that all three actions have been implemented within the framework of European initiatives and have received relevant funding.

Besides the above initiatives and actions, the consultations of the specific Working Group brought up interesting cases of businesses in the private sector that have started to apply teleworking methods at an experimental level. As an indication the cases of two such businesses are examined next, whose representatives participated in the meetings of the Working Group and presented their experience from the experimental implementation of such methods.

3.2 Current situation in SMEs

In accordance with statistics, the vast majority of businesses in our country are microenterprises employing less than 10 persons and very often are managed by the members of a family (family businesses). On the other hand, the self-employed represent about 54% of all businesses. Together with micro-enterprises, they make up for the majority of businesses (97.5%).

Despite the fact that the recording and monitoring of employment relationships in SMEs is inadequate due to non compliance with official statistics, the studies and evaluations that have been performed to date result in the following with regard to the employment relationship models applied by SMEs:³

• SMEs mostly employ young people, women and the temporarily employed, resulting in greater flexibility in the organization of work.

The information presented are taken from Opinions 18, 62, 64, and 73 of the Economic and Social Council (ESC) which are available at the ESC website at www.oke.gr

- However, working hours in small enterprises are longer than in the large ones. This is a
 result of the greater flexibility of SMEs, the lack of control from the competent State
 bodies, but very often it is also a result of the will of employees themselves who accept
 such conditions in return for a salary increase.
- There are viewpoints referring to a number of informal benefits offered by many SMEs to their staff (informal leaves, arrangements, non declared remuneration, etc.), including the possibility to work from home.
- The main problem for the smooth development of employment relationships in SMEs, is also failure to set up trade unions within them, and this is due to the fact that pursuant to Article 78 of the Civil Code a minimum of 21 employees is required for setting up such trade unions. This results in the inexistence of trade unions in 98.43% of the country's businesses, employing 64.67% of the work force.

From the above, on the one hand certain flexibility in the work organization methods is evidenced, which, however, has not been recorded, thus making it impossible to be assessed. On the other hand the rather low levels of Internet penetration in SMEs means that such flexibility matches traditional "work from home" methods, rather than the development of teleworking methods.

4. Ascertainments of the Working Group

4.1 General

On the basis of international experience and practice, as discussed in the meetings, and the actions and experience to date concerning the promotion of teleworking in the Greek reality, the Working Group concluded the following:

- Facilitating the flexible operation of businesses in combination with the efforts made to keep their total operating costs from rising, are prerequisites for businesses to gain competitiveness and survive in an enlarged European market. Teleworking may become one of the means for attaining such objective.
- Despite that, the society and economy in Greece show certain stagnancy and reserves, since the implications of introducing new work organization models have not been examined and evaluated, and workers feel threatened and that their social achievements and labor rights are at stake.
- 3. The following factors were determined as the most important factors potentially influencing the development of teleworking:

At macroeconomic level

- (i) the geography and morphology of the country;
- (ii) the existence of modern, reliable, and affordable telecommunications infrastructure;
- (iii) the educational system;
- (iv) the size and number of businesses;

- (v) the promotion and motivation of teleworking by the State and intermediaries (including the regulatory framework);
- (vi) the rate of unemployment.

At individuals and organizations level

- (vii) the level of penetration and use of new Information and Communications Technologies (PCs and the Internet);
- (viii) the scope of activities (manufacturing, production, services);
- (ix) business design, the organization and operation of businesses (e.g. extensive outsourcing);
- (x) IT infrastructure and support of operational procedures through communications technologies;
- (xi) participation in relevant European programs and initiatives;
- (xii) foreign language proficiency;
- (xiii) the social framework of labor.
- 4. While teleworking in Greece could, in theory, have positive development prospects due to the geography and morphology of the country, however, it faces problems relating to other factors, such as the educational system, the level of penetration and use of new technologies, business design and operation, the social framework of labor, and promotion of teleworking by the State through appropriate institutional regulations.
- 5. Another important suspending factor is also the lack of integrated IT structure in businesses, which is the supporting base for teleworking.

4.2 The institutional framework in Greece about teleworking⁴

Due to the lack of a definition of the concept, there is confusion about the forms of work covered under the term "teleworking" (e.g. teleworking from home, work provided at call centers, or "satellite units", "teleworking centers", "teleworking beyond frontiers", etc). The core of the concept lies in the fact that it is work performed by one person or unit located at a place other than the one where the premises of the business is located, and the activities of which imply the use of IT, telecommunications and the possibilities provided by means of multi-communication.

Greek Law does not provide for a special legislative framework for regulating teleworking, which is mainly considered to be a form of house work, from which it has evolved.

Nonetheless, there are some individual regulations which although they do not apply directly to teleworking, they include it. Such regulations are as follows:

 Pursuant to the provisions of Article 1(2) of Law 1876/1990 on free collective negotiations, the law shall also apply to natural persons that perform dependent work

This section has been contributed by a member of the Working Party, Dr. Matina Giannakourou, who is a scientific collaborator of the Economic and Social Council (ESC). The institutional framework for teleworking is being analyzed from the Labor Law point of view.

and need protection equivalent to that of salaried workers, although they are not salaried employees. In practice, this means that collective wage agreements also apply to teleworkers, and that special wage agreements can be concluded for such workers categories, provided, of course, they are represented by trade unions.

• Pursuant to the provisions of Article 22 of Law 1902/1990, self-employed natural persons and mainly those working in production and packaging or provide their services to one or more businesses, are paid on a lump sum basis and work from their home or workshop outside the premises of such businesses, even if they use their own tools.

The issue is whether the provisions of Labor Law apply to teleworkers. Traditionally, Labor Law concerns solely dependent salaried work. Dependence is a legal concept and it has been formulated by legal sciences and case law. It is considered that there is dependence of employees on employers when the time, place, and manner of work is determined by the latter, who, through their instructions and surveillance, supervise, guide and control such work.

Teleworkers are a typical case in which it is difficult to characterize any employment relationship as dependent, since the fact that work is performed outside the company's premises implies less possibilities to supervise and control such work on the part of employers. The decentralization of work in terms of "when" and "where" renders the dependence of workers on employers weaker, thus it is not easily discernable when teleworking is actually covering up dependent work, in which case the provisions of Labor Law apply, and when it is the case of independent collaborators (issue of services receipt, project contract, etc.) The provisions of Article 1 of Law 2639/1998 (on the regulation of employment relationships, the set up of a Work Inspection Team and other provisions) tends to contribute to the explanation of such matters. Pursuant to such provisions, the agreement between the employer and teleworkers does not imply a dependent work agreement, provided that such agreement is concluded in writing and notified to the competent Work Inspectorate within 15 days. Moreover, it is expressly stated that employers must, within 9 months from the publication of the Law, submit to the competent Work Inspectorate a complete list of any possible agreements concluded between the former and persons employed under special employment regimes (such as teleworking) stating the date of making of such contracts, and the full name of employees. Should such list not be submitted, it is considered that such contracts imply dependent work.

But even in those cases where it is considered that teleworking constitutes dependent work, there are still many doubts on the application of legal provisions in terms of working hours (e.g. breaks, overtime, night shift, etc), health and safety at work, rights to equal treatment, rights to education and training, the way in which the employer controls such work, and compatibility with the protection of private and family life, etc.

For that reason, there is need for a special regulation, which would be more appropriate through collective negotiations and the conclusion of a collective wage agreement at national level, as is envisaged under the optional European agreement on teleworking that has been concluded recently by the European social partners.

5. Conclusions - Suggestions

From the overview of international experience and the ascertainments concerning the current situation and problems in Greece, the Working Group reached certain conclusions and made proposals addressed to

- 1. Businesses
- 2. Workers and their representatives (trade unions and collective bodies)
- 3. the State and competent policy makers

Businesses

- Any business that wishes to apply a teleworking scheme must design its implementation
 by clearly separating teleworking and work at home. The first type is governed by the
 terms and conditions of an agreement entered into between the employer and the
 employee, while the second type is usually agreed upon on an informal basis. A first
 approach is would be to set up working groups in order to study the various dimensions
 and requirements of such enterprise (e.g.
 - i) a group responsible for IT and communications matters;
 - ii) a group responsible for HR matters;
 - iii) a scheme management group.
- Teleworking should be implemented gradually, starting from an experimental stage and moving to the various company departments on the basis of an evaluation of the scheme.
- Teleworking must be voluntary for employees and under agreed and clear terms and conditions
- Teleworkers shall have the same rights and obligations as their colleagues working in the company
- The selection of the persons to perform telework should be transparent and based on the requirements on their specific jobs and the possibility of their tasks to be performed remotely.
- The business should follow a policy for the development of information and communications technologies and provide teleworkers with the necessary infrastructure.

Employees and their representatives (trade unions and collective bodies)

 The active and substantial participation of social partners is a main prerequisite for teleworking to become a field of experimentation with innovative actions that may be drawn on in policy making.

- The legal framework should prevent unilateral changes to working conditions on the part
 of employers ignoring the needs of teleworkers, and pressuring them to accept worse
 conditions than those of comparable workers at the employers' premises.
- For that reason, teleworkers should be included in the existing collective representation bodies. On the other hand, the representatives of trade unions should have access to teleworkers.
- The suggestions of the Framework Agreement on Teleworking should be supported more.

The State and competent policy makers

- It should be investigated whether the legal framework on the insurance coverage of new
 forms of work in general, and teleworking in particular is adequate and be completed,
 where necessary, in order to make it more usable.
- The actions undertaken by businesses supporting teleworking promote an increase in the productivity of staff, thus leading to an increase in the workload of businesses and creating demand for employment. To that end, businesses should be assisted in creating the infrastructure necessary for the teleworking in the form of special measures (funding, financing of the creation of infrastructure for teleworkers, etc.).
- The funding of business plans aiming to the development and experimental implementation of such actions has been provided for and is included in Priority 3.5 of the Operational Plan of the Ministry of Labor within the framework of the "Information Society" Operational Program. This specific priority also prioritizes business plans facilitating the increase of employment in remote areas and among vulnerable population groups. The following are suggested for the implementation of this priority:
 - funding under this priority should concern both the development of business plans and their implementation. Implementation should involve the selection of all projects that have implemented satisfactorily the business plan, while such implementation shall be gradual through pilot applications;
 - ii) the marketing scheme of the services of the teleworking unit to be set up, as well as the possibility to export its services and its interconnection with international commercial units should be particularly important criteria in the selection process of the business plans to be funded;
 - iii) financial support should be granted on the basis of the cost per service rendered and not on the cost for the creation of infrastructure;.
 - iv) priority shall be given to the operational plans of regional bodies aiming at creating tele-centers oriented towards software development, mass media and advertising, the provision of consultation services, training, etc.
- The safety and trust provided by technology to teleworking are very important factors for its dissemination. Many businesses hesitate to adopt teleworking because they believe that the new information and communications technologies do not provide a satisfactory safety level. The provision of user friendly and cost effective solutions, such as the smart cards, in combination with the establishment of public safety mechanisms (such as the electronic signatures) shall contribute to the adoption of teleworking by businesses.

- The lack of clear standards guides on the adoption and extensive use of teleworking is an important limitation. Teleworking standards should be elaborated and the best manner for this to be achieved is through the adoption of teleworking by the public administration and services. If public corporations and organizations, as well as the public administration manage to be pioneers and efficient in this sector, very soon other private sector firms shall follow their example.
- Telecommunications expenses are another important issue for teleworking. The State
 could exercise pressure in order to achieve more favorable and, principally, stable rates
 for teleworking, initially for teleworkers in the public sector, and then it should ask that
 these be extended to all teleworkers.
- The need for extending the legislation on health and safety at work in order to also cover teleworkers when working from home is also imperative.
- The educational system must adequately prepare future workers for the new work culture. Such changes are considered important for the development of the competitiveness of industry in the near future.
- Particularly with regard to SMEs it is suggested that Consultation Centers be created
 within the respective Chambers to which they belong, in order for them use consultation
 and information services for matters concerning flexible forms of work and teleworking
 for their staff.
- Statistical surveys on the functioning of the labor market should include questions on the
 extent and the type of teleworking applied. More specifically, they should include
 questions assisting in the estimation of the number of teleworkers at home or commuting
 teleworkers.
- Lastly, the participation of all involved parties in an extensive and ongoing social dialog about the new forms of work organization, such as teleworking, is required, which dialog is a determinant factor for adaptation to new technologies.