

TELEWORKING IN CENTRAL AND EASTERN EUROPE

Claudiu Chiru¹

Abstract: *Teleworking is a remote activity carried out by information and communication technology (ICT) equipments so that the employee is able to perform his job duties away from his office. Teleworking is a kind of flexible work which is more and more used as a way of reducing personal costs, improving productivity, reducing pollution. This paper is an introduction to teleworking and presents concepts related to this area, also presenting the evolution and trends of this form of work in the European Union and Central and Eastern Europe.*

JEL Classification: M15, O33

Keywords: Teleworking, telecommuting

1. Introduction

Teleworking is a form of work activity using the technology information in the context of a contract of employment, in which work, usually done at the headquarters of the employer is executed away from that office, on a regular basis. In other words, telework is a remote work in a flexible working environment in which the employee carries out his / her activities in an approved workplace, different from the location from which the employee would normally have worked.

Adopting a policy of teleworking in a company is dictated by several factors, legal, economic, social, technical, among which we can mention:

- Legal factors.
 - **The voluntary character of this activity.** Remote work is voluntary for the employee and employer. Remote work may be mandatory as part of the initial job contract or may be included later as a voluntary arrangement. Certain types of employment duties do not allow remote work. If the distance work is not part of the original employment contract and the employer offers the possibility of remote work, the employee can accept or refuse the offer.
 - **Frequency.** Under the applicable law, collective agreements, company regulations and individual work contracts the remote worker manages his own work program, within the limits and conditions established by the employer's instructions. This requires a worker's self-responsibility. The written contract (individual) contains the frequency of remote work, where applicable, the days for the remote work, days and / or hours of presence at the employer's headquarters and hours or periods in which remote workers must be available and by what means. It is important that the employee is not isolated from the rest of the community working within the firm. This can be achieved, for example, by offering the opportunity to meet with colleagues on a regular basis and by giving access to company information.
 - **Data protection.** The employers responsible for taking the appropriate measures especially with regard to software, to ensure the protection of data used and processed by the remote worker in the interests of the service. The employer must inform the distance worker of all relevant laws and regulations concerning data protection.
- Social factors. Education of the employees.
- Technological factors. IT infrastructure.

¹ Associate professor at Spiru Haret University. Contact address: Claudiu_chiru@yahoo.com

- Economic factors. Level of well-being has a significant influence on the adoption of teleworking.

Teleworking has many advantages looking from the employer's side as well as from the employee's point of view. The employer benefits are: a flexible working time, lower costs, strong relationship with the family, improved balance between work and family life, possibility to participate in the activities of local communities. On the other side the employer benefits are: lower costs, increased productivity, flexibility, stability of the personnel. There are also social and economic advantages like decongesting of the traffic, reduced pollution, access to work for people with different kinds of handicaps.

2. Teleworking IT technology

The technology used in teleworking is not a special technology, but the components must be chosen so that the stated goals of the job can be achieved. Anyway, both software and hardware as well as communication must meet high quality requirements.

The criteria that companies may use are:

Security: The company has to evaluate the importance of the data being transmitted through the corporate network and outside the corporation to the teleworker location. High security requirements does not mean that the company should abandon the teleworking policy but it has to be careful with data security.

Scalability: Company has to develop a telework policy and make forecasts concerning the number of teleworking positions for a year, five years and more. If the number of teleworkers is significant then the infrastructure IT requirements modify: high speed internet connection, access to the corporate network, access corporate software resources.

Computers: If the employee uses his own computer the employer does not have control over it, over the software that the computer contains, what is downloaded or uploaded or who uses the computer. If the employee uses a company's computer then the employer has greater control over the teleworker's computer and may safely implement the security policy. It also has control over the software and the access on that computer.

Corporate network access: Access to the corporate network is through VPN. The VPN offers the teleworker a secure internet connection. The teleworkers will have access to the company network which will improve the employee's productivity. The teleworkers that have not the resources to connect to the company network would use basically e-mails for communication and transferring files over the network.

Internet connection: The Internet connection may be wired (DSL, cable modem, fiber, broadband over powerline), wifi, satellite or mobile telephony. Upload and download speed are very important for videoconferencing or sending/receiving emails, sending/receiving files. The higher the upload and download speeds the better the transmission quality. Nowadays upload and download speeds are about tens of Mbs when using wired transmission.

There are at least five technologies that may improve teleworking performance: Cloud computing and virtualization, Virtual private network, Electronic management of documents, modern phone systems and web or video conferencing. These technologies bring additional resources for better communication, better on line services, better management of documents, etc.

3. Teleworking worldwide

According to 2016 PGI Global Telework Survey (PGi, 2016) teleworking is getting more and more used by the companies. PGI polled thousands of workers in North America (NA), Europe, the Middle East and Africa (EMEA) and Asia Pacific (APAC). The results are very encouraging for the teleworking supporters and for the companies wishing to implement teleworking policies (PGi, 2016):

- About 60% on average telework at least 1 day/week;
- More companies are positive towards telecommuting say (EMEA 77%, NA 67%, APAC 80%) of the teleworkers;
- Flexible work conditions were very satisfying for the workers so that they skipped long commuting into the (EMEA 57% 15-30 min/day, NA 28% 15-30 min/day, APAC 24% 15-30min/day);
- A large percent of the interviewed teleworkers (EMEA 58%, NA 43%, APAC 83%) report they want to telecommute more often, at least 2-3 days a week.

4. Teleworking in EU and Central and Eastern Europe

In UE has been a constant interest in promoting alternative types of work like teleworking. Social partners, The European Trade Union Confederation (ETUC), the Union of Industrial and Employers' Confederations of Europe / the European Union of Crafts and Small and Medium-Sized Enterprises (UNICE/UEAPME), and the Centre of Enterprises with Public Participation (ECPE) have signed a framework agreement on telework aimed at establishing a general framework at European level on employment conditions of teleworkers and harmonizing flexibility and security issues shared by employers and workers. This framework offers teleworkers the same overall level of protection as employees who work at employer's premises.

According to the statistics provided by the EWCS (EWCS, 2005) for the 27 Member States, the Czech Republic, at the level of 2005, has the highest percentage of teleworkers (15%). Also, the statistics provided in Table 1 show that teleworking is viewed as a part-time job rather than a full-time work in most of the countries.

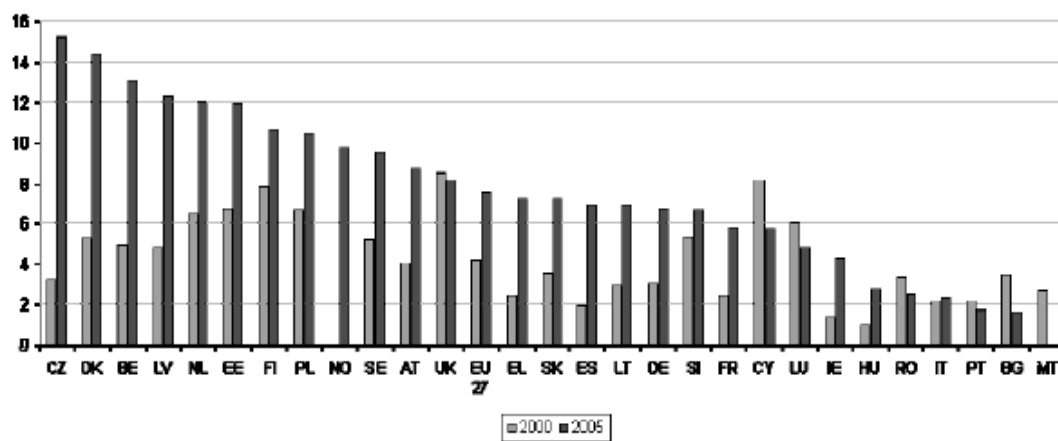
Among the CEE countries, a group of countries with significant percentages of teleworkers is clearly delineated: the Czech Republic, Latvia, Estonia, Poland. Among the Western European countries, Denmark, Belgium, Finland, the Netherlands are countries with higher percentage and there is a group with a low rate of teleworkers (some East European and South Europe countries – Bulgaria, Romania, Italy, Portugal)

Figure 1 shows the development of teleworking in the 2000-2005 period. The percentage of teleworkers has been constantly increasing and in countries like Czech Republic, Denmark, Belgium, the growth rate has been very high (in Czech Republic the growth rate has been 500%). In Luxembourg and Bulgaria the percentage of teleworkers has decreased.

Table 1. Incidence of telework in the EU27 and Norway, 2005 (%)

	% involved in telework at least 'a quarter of the time' or more	% involved in telework 'almost all of the time'
Czech Republic (CZ)	15.2	9.0
Denmark (DK)	14.4	2.6
Belgium (BE)	13.0	2.2
Latvia (LV)	12.2	1.8
Netherlands (NL)	12.0	1.9
Estonia (EE)	11.8	1.4

	% involved in telework at least 'a quarter of the time' or more	% involved in telework 'almost all of the time'
Finland (FI)	10.6	1.6
Poland (PL)	10.3	2.3
Norway (NO)	9.7	1.3
Sweden (SE)	9.4	0.4
Austria (AT)	8.6	3.2
United Kingdom (UK)	8.1	2.5
Slovakia (SK)	7.2	3.4
Greece (EL)	7.2	1.4
Spain (ES)	6.9	1.5
Lithuania (LT)	6.8	0.7
Slovenia (SI)	6.7	1.9
Germany (DE)	6.7	1.2
France (FR)	5.7	1.6
Cyprus (CY)	5.7	0.0
Luxembourg (LU)	4.8	0.0
Ireland (IE)	4.2	0.5
Hungary (HU)	2.8	0.5
Romania (RO)	2.5	0.7
Italy (IT)	2.3	0.5
Portugal (PT)	1.8	0.4
Bulgaria (BG)	1.6	0.0
Malta (MT)	0.0	0.0
EU27	7.0	1.7



Note: Figure shows the percentage of employees doing telework at least a quarter of the time or more.

Source: EWCS, 2005

Figure 1. Telework development in EU in 2000 and 2005

In 2012, Eurofund published the European Working Conditions Report in the European Countries, EWCS 2010 (EWCS, 2010), which introduces a new working category, e-nomad (electronic nomad), a person performing the same tasks as a remote worker (teleworker). The term e-nomad was preferred to explain better working remotely from different locations and using modern means of IT technologies. According to EWCS 2010, a quarter of European workers are e-nomads. The number of e-nomads varies considerably between studied countries: from 5% in Albania, Romania, Turkey to over 40% in the Netherlands, Denmark and Sweden and 45% in Finland.

According to EWCS 2010, 65% of the e-nomads are men, 55% have higher education and 45% are between 35-49 years. These categories of e-nomads work mainly in financial services, government and education. E-nomads work longer, especially on Saturday and Sunday evenings and more. With regard to the time worked in his free time it can be said that 1 in 10 e-nomad works longer in his free time than average workers that performs the same tasks.

In the years 2010-2013 (EurWork, 2014), the UE States continued its policy of promoting the concept of teleworking. EU teleworking is especially prevalent in the Nordic countries where the ratio of teleworkers in proportion to the number of employees is quite high. In Finland, for example, hours of work within flexible work increased from 60% to 70% since 2006, while 10% of workers were engaged in teleworking. These issues can be found mostly in the private sector than in the public one.

Published in 2015, European report on working conditions in European countries, EWCS 2015 (EWCS, 2015), analyzes the incidence of digital technology in Europe. The figures show that ICT (Information and Communication Technologies) is more and more used on a daily basis at work and also at home. 37% of the users of ICT use laptops, computers and digital devices at work very intensive. There is a large groups of ICT-mobile workers who work at home known as teleworkers. 9% of workers in the EU use ICT outside offices: 2% telework mainly from home and 7% are exclusively ICT-mobile workers. Northern countries like Denmark, Netherlands, Sweden have the highest percentage of teleworkers and ICT-mobile workers. The report does not present a situation of teleworking incidence by countries but rather by occupation and intensity of use.

Countries in Central and Eastern Europe have developed policies concerning teleworking and most of them have legal framework, codes and recommendations. Statistical data which refers to teleworking is poor for the Central and Eastern Europe Countries. Below we present a table with statistics referring to teleworking taken from Eurostat.

Table 2: % involved in telework

Country	Percent of total number of workers (%) 2011	Percent of total number of workers(%) 2013
Slovenia	6.8	7.3
Estonia	5.0	6.2
Poland	4.8	4.1
Slovakia	3.7	3.5
Lithuania	3.4	4.1
Czech Republic	3.3	3.5
Hungary	2.9	3.9
Latvia	2.2	2.3
Croatia	0.9	1.0
Bulgaria	0.6	0.5
Romania	0.5	0.3

Source: Eurostat, 2011 and 2013

Poland

In Poland, European Framework Agreement on Telework was implemented starting with June 2005 with a project of agreement on teleworking which was signed by Polish social partners (trade unions, employers' organizations). Later in 2007 there have been introduced some amendments to the Labor Code regulating regulating the rights and obligations of employers and teleworkers.

Statistical data offered by the Institute of Labor and Social Affair 2001-2002 taken from the research project "Flexibility in demand for telework in Poland. Analysis and simulation" (IPiSS, 2003):

- 2.3 % of enterprises declared that they are using telework
- 4.2 % companies declared that they will introduce telework in the future

According to an European Social Fund project survey "Telework. Nationwide training and promotional programme for enterprises" 2005-2006 :

- 16 % of enterprises are using telework
- 19% of enterprises declared that they will introduce telework in the future

Considering data from table 1 we can see that the number of teleworkers in Poland has slightly decreased. Many employers agree that teleworking is difficult in Poland because of the regulations. If an employer decides to hire a teleworker than he has to provide the teleworker with ergonomic equipment and also control employees and ensuring proper conditions in their workplace.

Hungary

In Hungary, there is a dispute over the benefits of teleworking. Some employers are optimistic about this issue and see an opportunity to reduce spending and increase productivity. Others look at this form of work with fear because, in their view, control over the employee is lost.

According to the Central Statistical Agency 2006-2014 (Központi Statisztikai Hivatal, KSH, 2014) telework has become a very popular form of work. Due to economic crisis many workers had lost their jobs and teleworking was an important alternative for them. KSH data show that the ratio of woman and men working in the teleworking sector has increased to almost 10%. The highest rate is in the central region of Hungary (14% in 2014). In the northern part of Hungary there are only 4.5% working as teleworkers.

The Hungarian Labor Code has provided, since 2004, special articles for those who carry out teleworking activities. It is recognized internationally that teleworking standards are adequate in line with EU requirements but due to the number of teleworkers and the reduced teleworking volume these rules could be put into practice quite rarely.

Czech Republic

Czech Republic has the most important growth of teleworker number among the CEE countries. According to the Czech Statistical Office in 2005 there were 85,800 economically active persons considering that teleworking was a serious option, 58,100 of whom were men and 27,700 were women. Teleworking was very popular in the 25–34 year age group, which is 28.4% of such workers, 26.4% of teleworkers were in the group of 35–44 years and 24.7% were in the group of 45–54 years.

According to Czech Statistical Office data for 2004, telework is used more often in micro-enterprises with 5–9 employees, and in the ICT sector or in ICT activities related sector (4.9% of all employees). Considering sectorial distribution, 4.6% of the employees work as teleworkers in the post and telecommunications sector followed by the manufacture sector 3.8%. of the employees work as teleworkers in manufacture of coke and petroleum products, chemicals, rubber and plastics sectors.

According to Eurostat statistics, Czech Republic has 3.3 % of their workforce involved in teleworking activities in 2011 (table 2). This percentage had a slight rise for the year 2013.

In 2016 The Czech Labor Code has been amended with the regulation of teleworking according with the framework agreement signed by social partners at the European level.

Romania

In Romania, until 2017, teleworking was defined only in the Labour Code, chapter 9 (working from home) and there was no other document that mentioned telework. National Statistics Institute, has no official statistics regarding teleworking in Romania. European Commission (Employment 2014 – Eurostat) published data about workers and their jobs in the UE. According to statistics listed in 2014 there were 0.4% workers aged 20-64 who worked at home. Figures from table 2 show that teleworking in Romania is not well developed (0.5 % teleworkers from the total number of workers). Romania is on the last place among East European Countries.

In 2017 (Romanian Government, 2017) the Romanian government has adopted a bill concerning teleworking. The document regulates telework, which will concretely represent a form of work organization in which the work of the employees could be carried out at the employer's premises, but is actually deployed from a completely different place with the help of the technology. For example, editors hired by a company holding a general information site could work directly from home, since their work involves internet work. Teleworking can only be volunteered on a regular basis on the basis of an individual employment contract. Specifically, telework will be "the form of work organization whereby the employee, on a regular and voluntary basis, performs his / her duties specific to the job, occupation or occupation he / she occupies in a place other than the workplace organized by the employer for at least one day per month using information and communication technology".

On the other hand Romania has taken significant steps to develop IT infrastructure. According to ITU (ITU, 2016) statistics, the number of internet users increased from 3.61% of the population in 2000 to 59% in 2016. Compared to 2015, in 2016, the average download speed experienced by fixed Internet users in Romania increased by about 78%, while the average download speed of mobile internet data recorded an increase of 35%. At this time, the price for a teleworking post is already accessible to middle-income Romanians so teleworking has all the technical conditions to develop in Romania.

5. Conclusions

Fifteen years after the European social partners concluded the Framework Agreement on Distance Work, on 16 July 2002, remote work is getting more and more appreciated. Today, information and communication technology offers a wide range of opportunities to organize work in a more mobile and flexible way. Telework offers them advantages to both employers and employees.

Employers can benefit from more satisfied and motivated employees, while benefits for employees include greater flexibility in work schedules and time, money and stress savings due to reduced need for commuting.

Telework can create logistical benefits on both sides. Also, telework can have a positive impact on the environment and the public community: it can reduce pollution by reducing the need for transport and commuting between employees and the office, which is a benefit for the society as a whole. Telework requires a high level of self-responsibility of the employee. The European social partners consider this new way of work to be one of the key levers for a better quality of life at work and for improving the performance of firms.

As we can see from the figures presented in this paper, teleworking in some eastern European countries is still at its beginnings. Although IT technology in these countries is

rather well developed, employers are still reticent towards this form of work, thinking that this requires additional costs or they might lose control over the employees. For example, in US in 2013, Yahoo company, through his manager Marissa Mayer (Tkaczyk, 2013), changed company's policy to require all workers to work in corporate offices. Yahoo Policy provided that some employees could perform the work remotely if their position was suitable. Another big company, IBM, told their employees to come back to office saying that "Team proximity appears to help foster better new ideas." (Kesler, 2017).

In the future, fast connections and the Internet will be standardized, networks will be present everywhere without being visible. There will be incredibly fast wired networks, home to work, and high-speed services will connect us wherever we are. The beginnings of the millennium start look at how these omnipresent networks will influence activity and quality of life. The benefits of being universally connected are a much more efficient trade and a more comfortable life. Also this will make teleworking a prevalent form of work.

References

- Central Statistical Agency (KSH) (2014). Central Statistical Agency, Budapest, 33/2015.
- Czech Statistical Office (2005). Retrieved from <https://www.czso.cz/csu/czso/statistics>
- Eurofund (2014). Developments in working life in Europe: EurWORK annual review, Retrieved from <http://www.eurofound.europa.eu/observatories/eurwork/comparative-information/developments-in-working-life-in-europe-2014-eurwork-annual-review>.
- European Working Conditions Surveys (EWCS) (2005), www.eurofound.europa.eu.
- Eurostat (2011). Retrieved from epp.eurostat.ec.europa.eu.
- Eurostat (2013). Retrieved from epp.eurostat.ec.europa.eu.
- EWCS, (2010). European Working Condition Surveys, Retrieved from <http://www.eurofound.europa.eu/surveys/european-working-conditions-surveys>.
- EWCS, (2015). European Working Condition Surveys, Retrieved from <http://www.eurofound.europa.eu/surveys/european-working-conditions-surveys>.
- Institute of Labor and Social Affair (IpiSS) (2003). Retrieved from <http://www.ipiss.com.pl/>
- ITU, (2016), International Telecommunication Union, <http://www.itu.int/en/ITU-D/Statistics/Pages/default.aspx>.
- Kesler, S., (2017). <https://qz.com/924167/ibm-remote-work-pioneer-is-calling-thousands-of-employees-back-to-the-office/>
- PGi, (2016), "PGi Global Telework Survey," Retrieved from <http://go.pgi.com/gengenspec-15telesur-SC1129>, Oct 2016.
- Romanian Government (2017). Retrieved from sgg.gov.ro/new/wp-content/uploads/2017/08/LG-5.pdf
- Tkaczyk, C., (2013, April 19), "Marissa Mayer breaks her silence on Yahoo's telecommuting policy," Fortune, Retrieved from <http://fortune.com/2013/04/19/marissa-mayer-breaks-her-silence-on-yahoos-telecommuting-policy/>.