

It is time to put broadband to work at home – it's just a matter of trust!

Telework should become a significant broadband application with huge benefits for individuals and their respective organizations.

The Australian Telework Advisory Committee (ATAC) report to the Commonwealth released this week [1] noted that “despite research that demonstrates teleworkers [2] can be up to 40 per cent more productive than workers located in traditional office environments, many workers and businesses are still reluctant to utilise these arrangements effectively”. The main impediments are not ICT related but “attitudinal, educational and management related.”

Win-win-win

There are clear benefits for employers in increased productivity and reduced accommodation costs. Increased productivity also improves worker satisfaction which leads to other business performance benefits. The costs of staff turnover can cost between 150–400 per cent of an employee's annual salary [3]. A 2004 survey found that teleworkers were 67 per cent more likely to be loyal to their employers [4].

Employees benefit from better control of work-life style balance and reduced commuting. They clearly like teleworking. A 2002 survey found that over 30 per cent of respondents claimed to prefer the option of teleworking over a higher salary [5].

And there are broader community benefits too. Melbourne is about to host the Commonwealth Games and traffic congestion will be acute. Teleworking could reduce such pressures and is a key component of the Australian Government's National Greenhouse Strategy's Greenhouse Gas Abatement Program aimed at improving air quality [6]¹.

Oh, and the telecommunications service providers would be big winners from the increased adoption of telework too, of course!

British Telecom

The BT experience [7] puts some figures on some of the benefits. By early 2006, 11,000 of its 100,000 employees were home workers. On average they,

- each save the company accommodation costs of circa GBP 6,000 per annum,
- have a productivity rate between 15% and 31% higher than office colleagues,
- average only 3 days sick absence against an industry average of 12 days pa and
- some have turned down job offers to retain the flexibility of teleworking

All of this adds up to an annual saving of in excess of GBP60 million per year from ICT enabled teleworking.

¹ Australian Greenhouse Office (AGO), *National Greenhouse Strategy: 2000 Progress Report*, http://www.greenhouse.gov.au/government/ngs/pubs/progress_report2000.pdf

BT also has 70,000 flexible (nomadic or occasional home based) workers. Flexible working has also allowed BT to make efficiency savings. For example, in 2001 BT saved GBP 10 million on fuel (12m litres of fuel saved) through the use of tele/video conferencing. Obviously, there are also time-saving costs.

A sea-change ahead?

The Canadian Telework Association (CTA) estimated in 2004 that 65 per cent of jobs would be amenable to telework; primarily for occupations in professional and knowledge-intensive sectors [8].

An important enabler for teleworking is broadband access at home. The ACCC reports that there were 2.6m broadband subscribers at the end of September; double a year earlier. The ABS reports that in 2004-05 a third of households in metropolitan areas had broadband internet access.

ATAC does not know how much telework is currently being done but, with a few enlightened exceptions, it seems precious little exists. With the increasing ubiquity of broadband access, it is time to seize the opportunity for telework. It should be adopted by the larger organizations and government departments where knowledge work is most prevalent. It works best where there is high level of trust between staff and their managers and robust performance tools that ensure people have clear objectives. These may be harder to fix than broadband access.

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- [1] http://www.dcita.gov.au/ie/broadband/australian_telework_advisory_committee
- [2] ATAC's definition of telework includes any work which is performed away from the traditional office environment which is enabled by ICT, such as mobile telephony or the Internet
- [3] National Office for the Information Economy' (2003), *Broadband Teleworking*, www.dcita.gov.au/data/assets/pdf_file/21055/Broadband-Teleworking.pdf
- [4] www.netilla.com/pressRelease/release_83.htm
- [5] Information Technology Association of America (7/2002), www.itaa.org/isec/pubs/e20027-01.pdf
- [6] Australian Greenhouse Office (AGO), *National Greenhouse Strategy: 2000 Progress Report*, http://www.greenhouse.gov.au/government/ngs/pubs/progress_report2000.pdf
- [7] BSG (2004) *The Impact of Broadband-Enabled ICT, Content, Applications and Services on the UK Economy and Society to 2010*
- [8] Canadian Telework Association *US Telework Scene – Stats and Facts*, www.ivc.ca/studies/us.html