



# *Telework Boom in Europe*

*New Surveys show 9 million Europeans now Teleworking. Growth over 30% in Germany.*

## *- Press Information -*

*(Aarhus, Bonn, Brussels, 21<sup>st</sup> September 1999)* In 1994 a high level expert group advised the Commission to set a target for Europe of 10 million teleworkers by 2000. New survey results from the ECaTT project show that this target will be achieved: there are already 9 million Europeans teleworking.

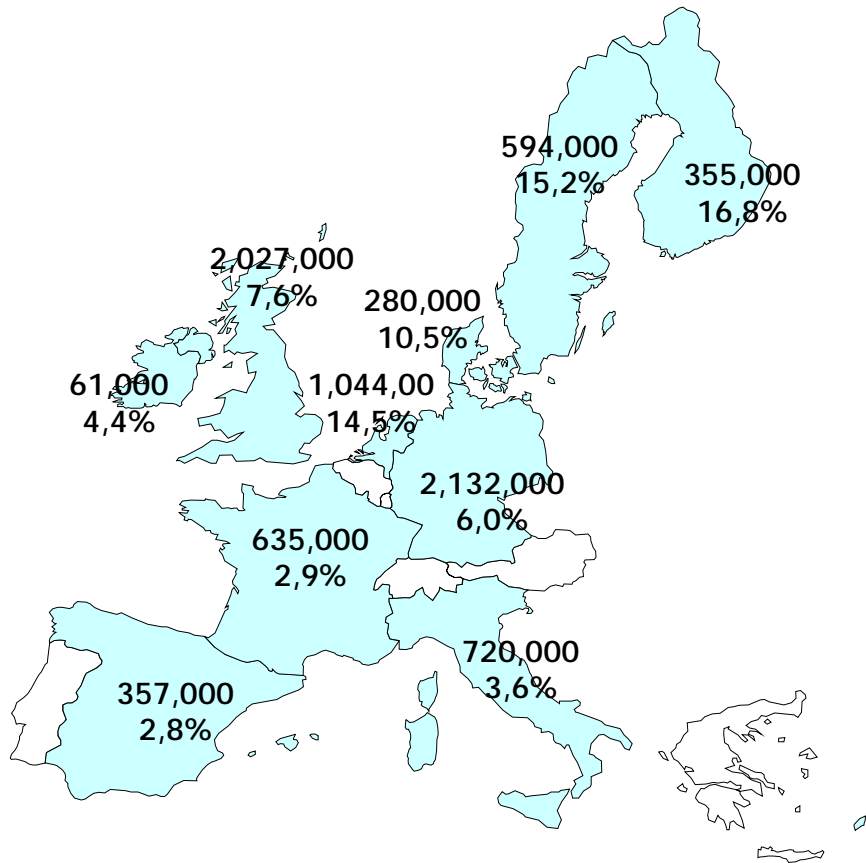
The figure of 9 million teleworkers covers all kinds of telework, not only those regularly working a day or more per week away from the office at home or on the road using computers and online connections (6 million) but also those who do so less often, the "occasional" or supplementary teleworkers (3 million).

The overall European figure translates into an average of 6% of the European workforce. Here the ECaTT survey exposes huge variation across the Member States. Whereas in some countries only half the average has taken up telework to date, in other countries such as Finland a massive 17% of the workforce is already taking advantage of these new techniques.

This variation in penetration across Europe is the result of quite recent trends. ECaTT partners have access to comparable figures from 1994 and further back for 5 countries, and these show how the growth of teleworking has differed over that period, from a modest 8% in the UK - starting from a leading position in 1994 - to a boom in Germany with an average 34% annual rate of growth over the 5 year period.

The ECaTT (Electronic Commerce and Telework Trends) project is co-funded by the European Commission as part of the ESPRIT and ACTS programmes and is designed to provide reliable benchmark information on Europe's progress towards new ways of working and new forms of business.

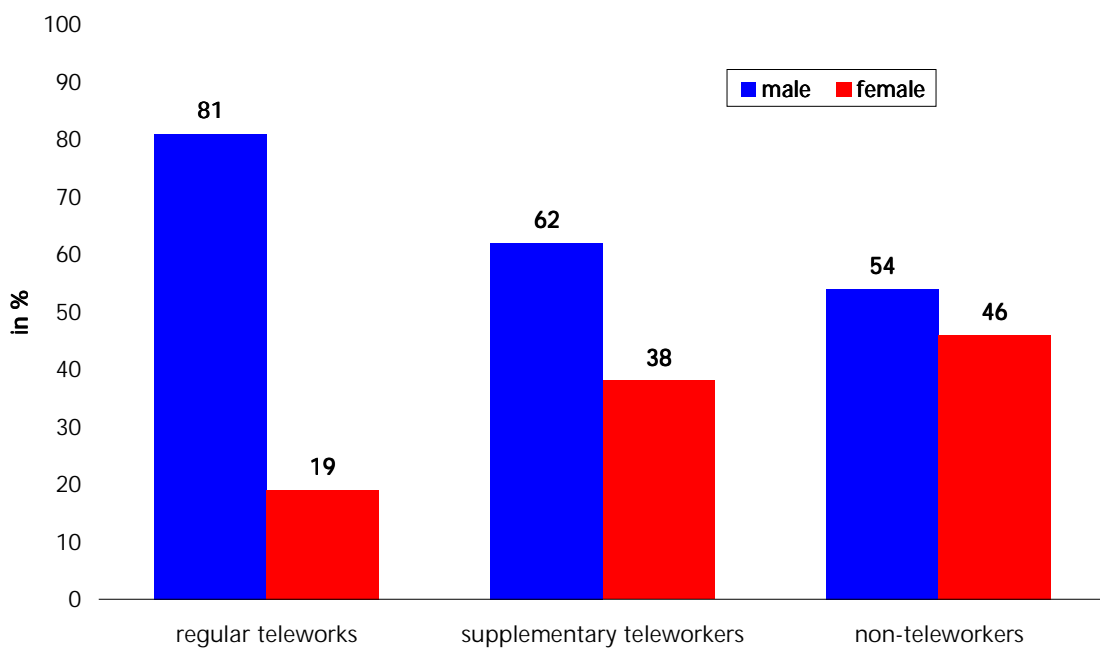




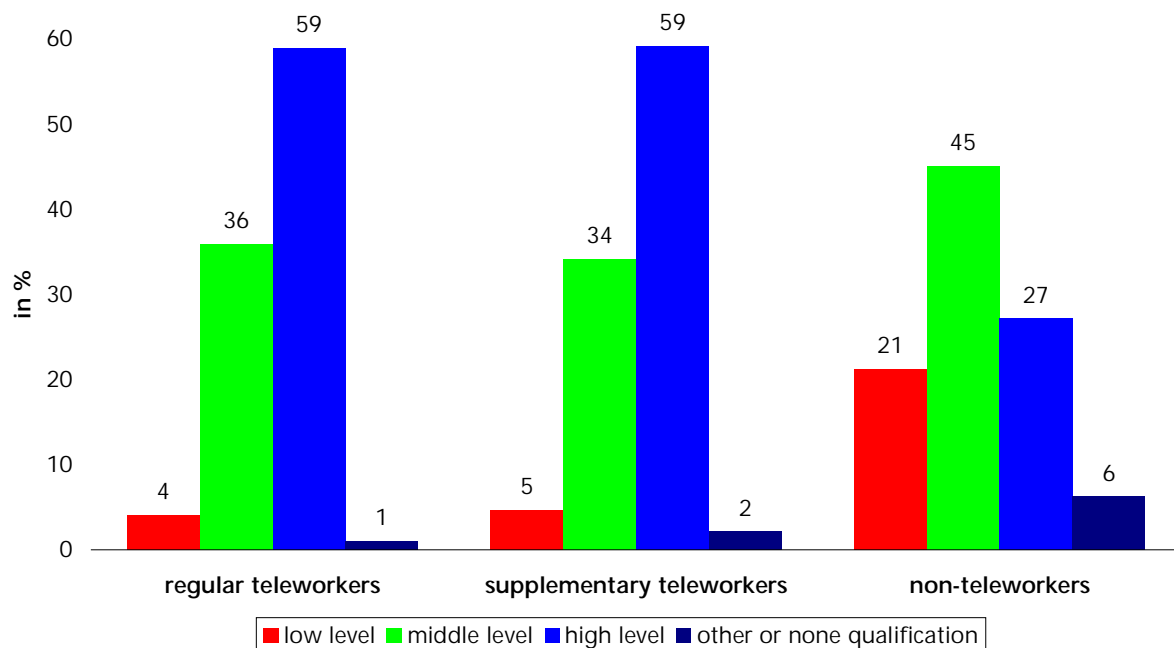
According to the results from the ECaTT project most teleworkers in Europe are male, significantly more than the average in the working population.

Besides being a male phenomenon, qualification levels are high among teleworkers: the majority are qualified professionals.

Gender distribution: teleworkers and non-teleworkers

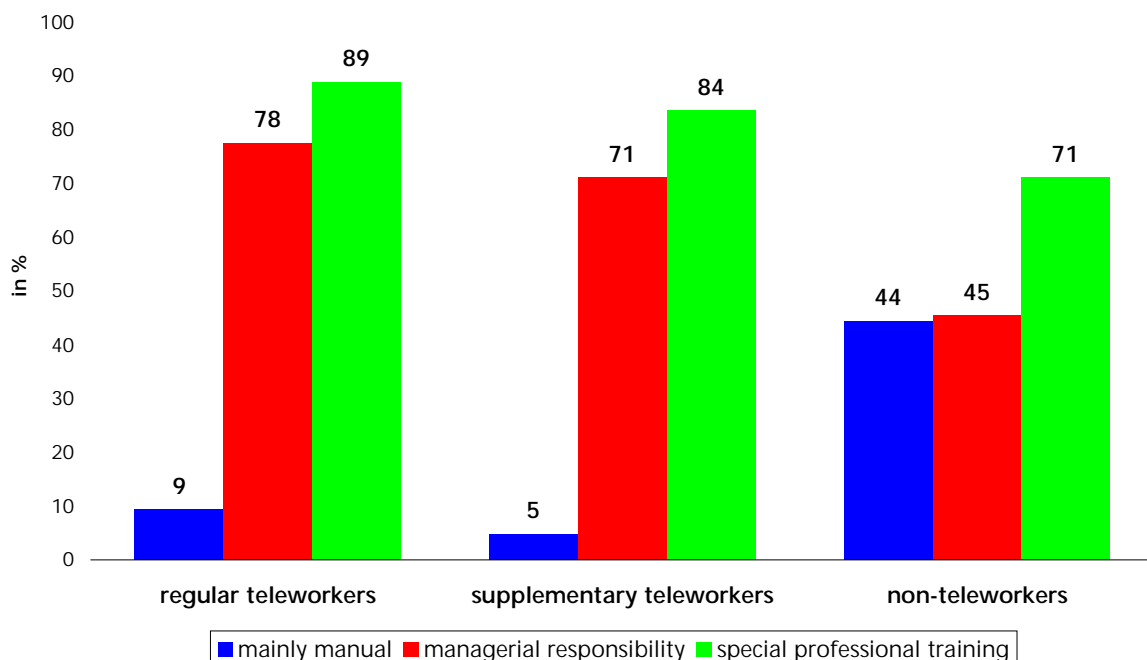


### Educational level of teleworkers and non-teleworkers



Almost all teleworkers - regular as well as supplementary ("occasional") ones - have gone through a special professional training before starting their working life, and around 75% of them have managerial responsibility in their job. This is markedly different to non-teleworkers, where only 45% have some sort of managerial responsibility.

### Job characteristics of teleworkers and non-teleworkers (in %)

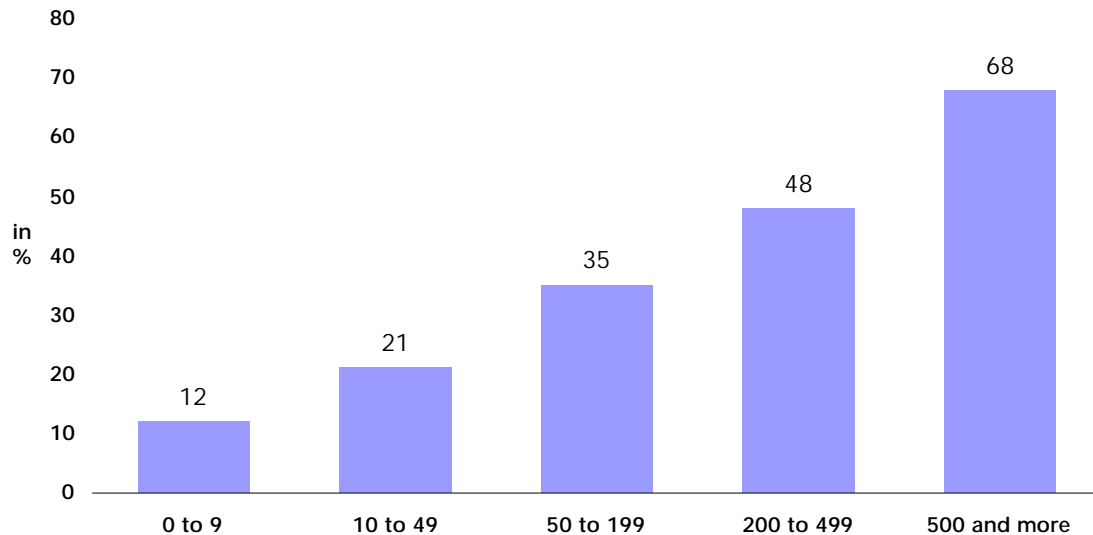


The majority of teleworkers comes from the financial and business services sector – 14% of the labour force in this sector is made up by regular or supplementary teleworkers – followed by the distribution, transport and communication sector (7%). Public administration ranks rather low with only 4% of its workforce being regular or supplementary teleworkers.



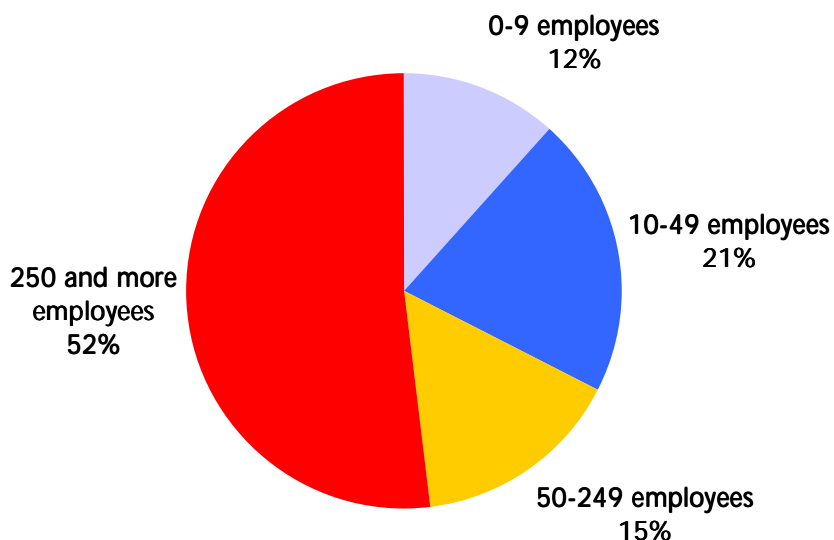
More than 2/3 of the very large establishments in Europe (those with 500 employees and more) already employ regular teleworkers. The figures are significantly lower among SMEs with just 12% in those with less than 10 employees and around 20% in establishments with 10 to 49 employees.

Penetration of regular telework in establishments  
establishment size



More than half (52%) of all regular teleworkers in Europe are employed in organisations with 250 and more employees.

Distribution of regular teleworkers according to size of  
organisation



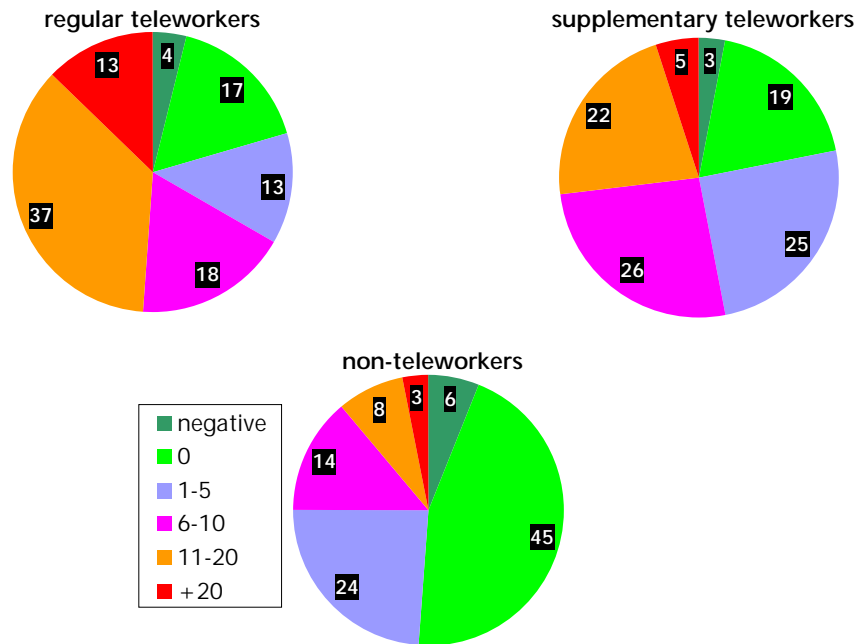
Self-employment is more widespread among regular teleworkers than among "normal" workers or supplementary teleworkers. 30% of regular teleworkers are working as self-employed as opposed to 17% of the non-teleworkers and 14% of supplementary teleworkers.

Teleworkers do work longer hours than "normal" workers. Almost half of the regular teleworkers report actual weekly working hours which are more than 10 hours above those



specified in the contract of work. This compares to slightly less than 30% among the occasional teleworkers and only around 10% of the "normal" workers.

### Difference weekly working hours according to contract/ actual working hours



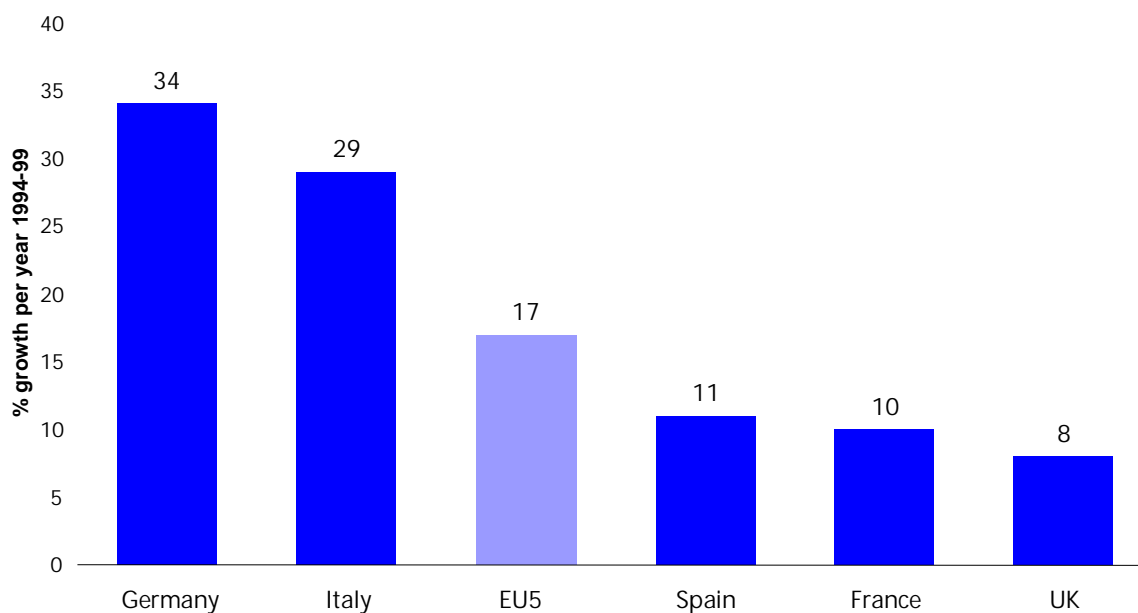
The majority of teleworking schemes has been set up recently in most countries. In most countries, the implementation of teleworking on a larger scale took place rather recently. For instance 54% of the teleworking schemes in Germany have been set up during the past two years. There is a marked difference towards for instance the UK and France, where most of the teleworking schemes have been implemented some more years ago. In those countries with recent support and stimulation programmes on telework a more rapid increase in telework diffusion and penetration can be observed.

European managers' main concerns about introducing telework include data security. Despite the evidence, many managers also continue to have doubts as to the productivity of teleworkers or the quality of their work. Few problems with trade unions are expected and few expect their workforce to resist introduction of telework. Unlike 5 years ago, in managers' assessment of telework, issues of technology availability and cost have become relatively unimportant.

Despite these concerns telework has experienced a rapid growth over the past five years. The average annual growth in the number of teleworkers from 1994 to 1999 has been 17%.

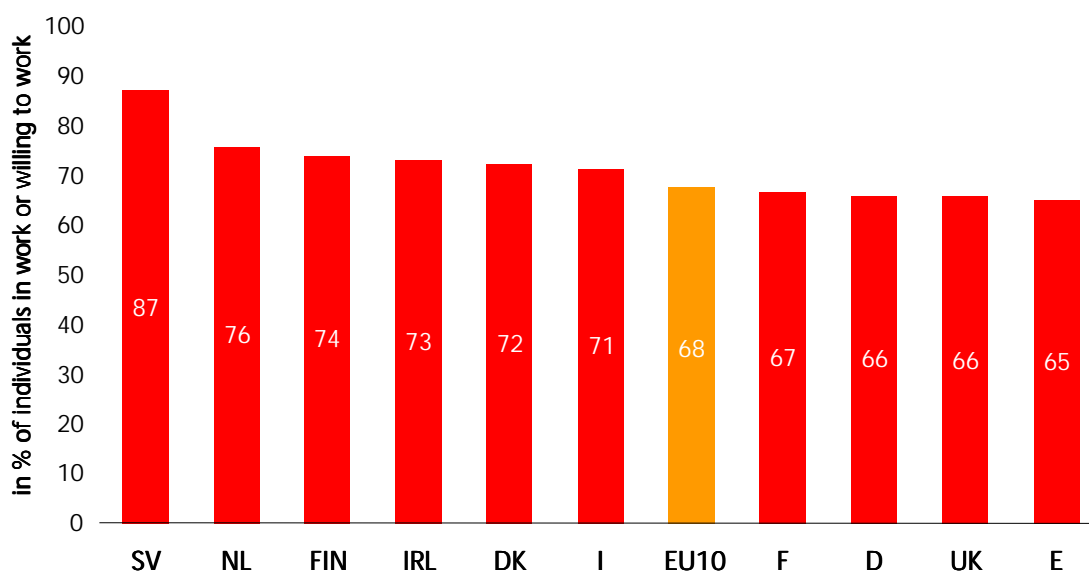


## Annual increase of teleworking population 1994-99 in %



As a result of this development an average of around 70% of the European workforce (incl. individuals willing to work) already practise telework or are at least interested in practising it. The idea of working away from a traditional office has clearly become highly acceptable.

## Demand side interest in telework: Any kind of telework



Compared to 1994 three to four times as many establishments practise regular telework today. The range is from 15% in Italy to almost 50% of all establishments in the frontrunner countries Finland (48%) and Denmark (47%). On average already 30% of European establishments practise regular teleworking. If one adds the supplementary teleworkers this figure reaches 36%.



The interest among European managers in introducing telework, if they have not done so already, is currently quite low. However, more than half of those companies already active in teleworking are interested in expanding practise. Especially German companies seem to have made very positive experiences with telework since some 2/3 show an interest in expanding telework in their organisations. The results suggest that the pattern to be expected is that most expansion of telework takes place in establishments already using this mode of working.

Assuming that telework continues to grow only at the same rate as to date, over 1.5 million Europeans will take up their new way of working each year, with telework in Europe breaking the 10 million barrier well in time for the millenium.

Given the increasing capability of telecommunications technology, the enormous investment in the sector, and the continuing pressure on prices from increasing competition, and given the willingness now nearly universal across Europe to work away from the traditional office, there is every reason to expect telework to become the normal way of working for Europeans just a few years into the new century.

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### Electronic Commerce and Telework Trends

Benchmarking Progress on New Ways of Working and  
New Forms of Business across Europe

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