

New forms of employment ICT-based mobile work, Netherlands

Case study 32: YoungCapital

As a new internet-based company, YoungCapital is strongly focused on using ICT-based innovation to make work more efficient and more mobile.

Introduction

The Dutch use the phrase ‘new world of work’ to define any sort of working condition that creates more flexibility for companies and their workers. In contrast, the European Commission’s definition of ICT-based mobile work, as used by Eurofound, puts a specific emphasis on the use of ICT in creating more mobile working conditions, such as employees being able to work from home, have flexible working hours or a flexible workspace (so they do not have their own place in the office). Recent research shows that in 2012 17% of all Dutch employees worked under these new conditions, up from 11% in 2007.

This case study of ICT-based mobile work focuses on YoungCapital, a company which aims to make its employees as mobile as possible.

YoungCapital used to be called the KingField Group, but changed its name on 1 January 2014. It is a temporary employment agency that started as an internet company, matching students, graduates and young professionals to jobs. ICT has always been very important to it and the company closely follows new developments in this field. This has resulted in the company using mobile devices and applications to help their employees handle all their tasks, whether they are visiting clients, other company locations, meeting customers or working from home.

The case study is based on interviews with four different stakeholders in the company: one of the founders (for the opinion of higher management), a representative of the HR unit (for further company and employee information) and two employees who work for StudentenWerk, one of the company’s brands. The first employee interviewed is an account manager who had been in this job for almost two years at the time of the interview (January 2014). The second employee is a regional manager who had been with the company for 10 years at the time of the interview (January 2014), and had worked in a number of different positions in the company.

General characteristics of Young Capital

YoungCapital started in 1999 as an internet company connecting students, graduates and young professionals with jobs via an online database. In 2000 YoungCapital became a temporary employment agency when it added recruitment to its activities. Its first office opened in 2001 and one year later the first employee was hired. Since then, YoungCapital has developed into the biggest temporary employment agency for students, those looking for their first job and young professionals in the Netherlands. It has 1.2 million registered candidates looking for a job and, as of 2014, the company has 25 offices, with more than 250 employees. YoungCapital’s turnover in

2012 was €73.6 million, putting it 16th among the Dutch temporary employment agencies on this indicator. This figure was 23% up on 2011, when its turnover was €60 million. This is a remarkable performance, because these were the years of economic recession and a generally shrinking market for temporary agency work.

YoungCapital has four brands:

- Studentenwerk (focused on students);
- YoungCapital (focused on starters and young professionals);
- YoungCapital Professionals (IT-posting of workers);
- StudentJob (international job database).

Although StudentJob is active in other European countries and in the United States, YoungCapital does not have offices in these countries and operates mainly from the Netherlands.

YoungCapital is a private company with the three founders as the main shareholders. Until January 2013 they ran the company. Then they hired a CEO who leads a management team, regional managers, location managers, and recruiters. In general, the organisation of the company is very flat and decentralised. People work in small teams at various locations, run by a location manager who coordinates daily activities and keeps in touch with the staff at headquarters. The company is not very hierarchical and managers can be easily approached. The employees mainly have a higher education (higher professional education – level 5 EQF) The CEO is the only employee over 40 and the average age of employees is 29. Most of the recruiters are in their early twenties, whereas most managers are in their early thirties.

The recruiters have usually just joined the firm and mostly work on temporary contracts. Full-time and open-ended contracts are offered to employees who have worked for the company for longer. The employees also include many interns and outsourced workers. The workers have a regular work agreement with the usual benefits and social security provisions that are dictated by collective work agreements for the sector and by the law.

YoungCapital is heavily focused on using ICT-based innovation to make work more efficient and more mobile. The company's ICT department is therefore very important and has its own programmers, text writers, and web designers. Their work includes creating applications that allow workers to work on the move using laptops and smartphones. These applications can be used by the company's 100 or so recruiters, but they are mainly used by the managers who travel the most between different locations and clients. Mobile workers are mostly female. Three quarters of the regional managers are women.

Design and implementation process

The company started as an internet company, and the internet is therefore crucial to its growth. The work process has been digital for over a decade for both candidates and clients. YoungCapital was one of the first companies in the Netherlands offering candidates the opportunity to apply for a job and register the worked hours online, which greatly increased efficiency.

The company's founders decided, right from the start, to make work at the company more mobile as part of digitalising the entire work process. Since 2000 it has been possible to log in remotely to company emails and basic information. However, making work more mobile in YoungCapital has been a gradual process, determined by what is technically possible.

One of the deciding factors in making work more mobile was the company's desire to increase efficiency by making the work process easier, less dependent on one location and more flexible, to cut down on wasted time, effort and expense. Mobile work was expected to make the work process more cost efficient by reducing the need for office space and by helping workers to

reduce time wasted between out-of-office appointments. Workers whose task is to oversee multiple locations can handle tasks related to all these different locations even though they might be visiting a client elsewhere. Mobile work has allowed the company to expand without the need for big financial outlay. The company tends to see itself as a continuous ICT innovator. All employees are encouraged to make suggestions; however, the main responsibility for ICT innovation is with the founders and the ICT department. They are constantly searching on blogs and forums for new technologies and applications that could help make the employees more mobile. They pay a lot of attention to technologies that are used in the USA, the frontrunner in ICT-based, mobile work.

Before new technologies and applications are implemented throughout the company, a small group of employees is asked to try them out. If so, they are implemented across the entire company.

The interviewed workers said the ICT applications used for mobile work do not require extra training. Workers have gradually got used to mobile work and, moreover, the majority of managers and employees at the company are relatively young, which means they use mobile devices easily in their daily lives as well as at work.

Working method, processes and procedures

The company provides laptops and smartphones, which are the devices most used for mobile work. The backend information, such as the database of clients, vacancies and candidates is cloud-based. Access to the backend information can be obtained at any of the companies' offices as well as clients' offices, on the road, in a café or at home, as long as the employee concerned has internet access and an approved IP address.

Access to the backend information and company email can be obtained on a computer, laptop and to a lesser extent on a smartphone or tablet. The employees may use their laptop to login onto the server and access their own files. On smartphones the employees can access their email accounts and other internal systems. However, they cannot use mobile devices yet to access the client database (CRM-System). Although all employees can work mobile, there are differences, depending on post, concerning the time spent outside the office. The regional manager we spoke to started out as a recruiter. According to her, increased responsibilities make it more important to have full access to company data at all times. Recruiters are at the bottom of the company and typically work at a more local level. This means that the clients they work with are near the office. The main responsibility of recruiters is to find candidates for clients in the area. They do this from their own chosen permanent workplace. Despite this, they can, on average, spend about 10% to 15% of their work time out of the office, mainly visiting clients. However, they seldom work mobile because their office is close to that of the clients. The regional manager told us that, as a recruiter, working mobile was especially helpful when the unexpected happened, because she could log in to the company database and solve problems without having to go back to the office. It would be possible for recruiters to be even more mobile. According to one of the founders, an office is, in theory, no longer necessary because employees can work wherever they want.

Recruiting new employees can be done via the internet. However, before a temporary employee is hired, there has to be at least one meeting in person to get to know the candidate better. However, an office is not really necessary because other places, such as the companies where candidates are potentially going to be deployed, could be used. Nevertheless, one of the founders says recruiters usually like coming to the office because they enjoy the social interaction. In practice, offices are used as meeting places between colleagues and to meet potential candidates. Recruiters are, more than workers in higher functions, bound by office hours because they have to be available for their clients who work during these hours.

Tasks

Regional managers are responsible for different company locations within a given region. Some of the tasks they are responsible for include:

- developing business plans;
- setting targets for turnover;
- planning how to achieve these targets and guiding and assessing employees.

Regional managers do not have a permanent workplace, given that they often travel between different offices and visit clients all over the region. Compared with recruiters, they usually have a longer commute between locations and, in general, spend more time out of the office. During this time mobile work allows them to perform certain tasks related to the different locations in their region. Examples of these tasks include:

- helping recruiters to solve problems;
- managing recruiters;
- monitoring their performance.

But as it is possible to sign contracts via a smartphone, a manager can approve certain plans without having to be present. This speeds up the work process because employees no longer have to wait for the regional manager to come into the office. The account manager also has to travel a lot for her job, as her main task is to visit clients all over the country. Her team is also very mobile. This means that, while travelling, she often has to do tasks that include leading her team, answering emails or doing work that relates to other locations. Regional managers and account managers are generally slightly less bound by regular office hours. This allows them more freedom in organising their own work and where it is done. In general, the regional manager and account manager are very positive about their ability to do mobile work. They feel it helps them do their job well and makes it easier and more pleasant.

Employees are covered by the company's insurance for anything that may happen to them during their work. While working out of the office, employees are covered by the working conditions regulations of the companies and offices they visit. All employees engaged in mobile working have lease-cars from the company and accidental damage is also covered by the company's insurance. However, damage or loss of personal belongings due to an accident or burglary is not covered. For this, employees have to use their own personal insurance.

Autonomy

In general, employees at the company have a great deal of freedom. Everybody has a standard work week that is laid down in their contract, which does not further specify the mobile element. Workers with the most mobile work usually have managerial roles, as it is assumed that they are responsible enough to handle this kind of independence.

The regional manager interviewed said that it is hard to control people when they are on the road. Employees do have a schedule in which they can specify where they will be at a given day. But this is not done to control workers, rather as a way of keeping colleagues informed. No further reports on time out of the office are necessary. The job descriptions of regional managers are more focused on their tasks, responsibilities and results than on the number of hours worked. Their tasks and targets are defined clearly (the number of candidates to be recruited, the number of clients to be visited, and the number of successful placements). If the targets are not met, the employee will receive a negative evaluation and lose their bonus. If a worker continues to miss the targets then there is a joint assessment of the reasons for this. If targets are missed regularly, this may have more serious consequences, such as being sacked.

External support

YoungCapital is, for the most part, independent of external support for the implementation of new ICT applications and/or procedures for connecting databases and consulting colleagues while working out of the office. The company has its own ICT department and in-house programmers who develop the software used by the employees, which means the software used for recruiting and matching can be designed exactly according to the needs of the company (including mobile work).

The CRM system used by the company is the only piece of software supplied by an external party because it is too expensive to produce in-house. Therefore, they are dependent on what the external party can deliver when they would like changes to be made to the system. As a result, the CRM system was not mobile-ready as of January 2014.

The ICT department is always available to help employees. Therefore, any other form of external support, apart from the software for the CRM system, is not necessary. The company pays for its own software development and does not get any external financial support.

Outcomes

In the past decade the company has expanded all over the Netherlands and to other European countries such as Germany, France, Spain and even the US. This could not have been achieved without the mobile work option. For example, in Germany, if the company was not handling most of its business online it would have had to establish at least 50 offices. Most of the work is done from the Netherlands via the internet. When establishing a relationship with new foreign clients it can be important to visit them. This can be done at a foreign client's office or at any other location while still staying connected to the necessary company data, and business back at headquarters in the Netherlands.

According to one of the founders, mobile work does not make a great difference to employees' working conditions. Most employees still work regular hours in order to be available to their clients. At the same time, employees of YoungCapital may be available during the evening by email or phone. But they are not obliged to be available outside of their working hours. The interviewed regional manager said she turned off push messages (messages which are received instantly) from company email after 5.30 pm, although the account manager said she is sometimes tempted to check her email while on vacation. This is something, according to both managers interviewed, that is up to individual employees. Another way in which employees may be encouraged to work during regular office hours is that facilities such as day care for children are usually available only at these times. This makes it harder for workers to change the hours they choose to work.

Even though it is normal for managers to have more freedom than other employees, mobile work can add even more flexibility. According to the account manager, she could not do this job without mobile working. She lives a long way from the company's headquarters. As a mobile worker she can do some of the work at home, visit clients from where she lives and leave the house an hour later to avoid traffic. Furthermore, mobile working allows employees to use their time on the road most efficiently. Workers are frequently in contact with colleagues and clients by phone or email, even when at another location or travelling. Mobile work can help workers to improve their work-life balance by allowing them to finish their work during regular working hours; for instance by being able to complete tasks such as answering emails while waiting for a client. The account manager felt that, without the ability to work mobile, she might otherwise have to finish her work during the evening. One of the founders of the company said mobile work did not increase his employees' stress levels. This was confirmed by the interviewed employees. People who work for the company are relatively young and often this is their first job. Most are used to working a lot with ICT. The company recently researched the amount of techno stress

experienced by job candidates, and by their own employees who were under 30, which showed that 26% of respondents do not mind continuous online availability. Another 50% simply turn off devices when they do not want to be available (Studentenwerk, 2013). According to one of the company founders, new employees who worked in other companies before starting to work for YoungCapital sometimes do experience some techno-stress. They need a (short) transition period to get used to the new stream of information in ICT-based, mobile work.

Mobile work and the constant availability of the regional managers and account managers have resulted in their co-workers expecting them to be always available and to respond quickly. The interviewed regional manager stated that co-workers now often simply send an email instead of calling, even if it is very urgent because they expect the email to be handled quickly. This forces the manager to check email constantly, and this continuous disturbance can make time management more difficult. According to the regional manager, if she delays her response to emails co-workers learn to call only when it is really urgent. The company also offers training, for instance on work planning and time management, and offers assistance if needed.

The company considers training as an important part of the job. For in-house training the company uses several ICT applications. Employees can, for instance, do most of their training online and therefore choose where they are when they participate. Furthermore, the company offers video conference-based group training so workers from all over the country do not have to meet in person. However, certain courses do require face-to-face contact.

Strengths and weaknesses

Legal framework

The collective work agreement for temporary employment agencies does not contain any specific rules about mobile work. However, companies offering mobile work do have to abide by the same rules as other companies. Some of these rules set boundaries for what is possible in mobile work. According to the trade union interviewee, whenever relevant, the unions try to include a few rules about flexible working hours and flexible working location in collective work agreements. However this has not resulted in an explicit right to flexible and mobile work. The interviewee felt that the rules included in the collective work agreement are sufficient. According to this interviewee, an important characteristic of mobile work is that it should be based on trust between the employer and employees, rather than being completely bound by rules.

There are no laws aimed specifically at regulating mobile work. However, there are several laws that companies applying mobile work need to consider, such as the law limiting the amount of hours employees are allowed to work and the law regulating working conditions. According to the trade union interviewee this can cause difficulties because employers are responsible for the working conditions of employees even though they are working mobile. At YoungCapital it is assumed that whenever their employees visit clients' offices working conditions are up to standard. When employees work at home the assumption is made that employees have organised a suitable working place.

One restriction that applies specifically to YoungCapital is the law requiring workers to have ID and for employers to check it before workers can start a new job. Even though candidates can be recruited online, at least one face-to-face meeting is always necessary to follow this law. So while, in theory, YoungCapital's employees are not tied down to regular office times, this law does oblige them to meet candidates and therefore can slightly restrict their mobility.

The Dutch government is developing policies based on the notion of the 'Participative Society' which asks citizens for more direct contribution to societal welfare and well-being. However, to do this there is a need for company-level responses that would allow employees more flexibility in organising their work. For this purpose the trade unions have contributed to an amendment of

the law on working conditions. It was passed in 2012 and makes it easier for employees to work outside the office in a location of their choice. As a consequence, companies which have employees working outside the office now have more limited responsibility regarding the working conditions (for instance, with regard to the restrictions concerning the amount of noise workers are allowed to work in).

YoungCapital does not have an official works council, even though it is required by law for companies with over 100 employees. However, the company is very horizontally organised, which makes the managers easy to approach. Furthermore, the input of employees in the company is assured by allowing them to contribute their ideas in innovation groups. These groups are organised around themes. Someone who is an expert on a certain topic, such as ICT innovation or human resources, can take the initiative for such an innovation group. Frequently, meetings are organised where any employee can contribute their own ideas. Ideas that come out of these meetings can go directly to higher management.

Strengths

The workers interviewed say that mobile work can give a lot of freedom and can generate many benefits for both employees and employers. As mentioned above, mobile work makes it possible to live further from the office. The trade unionist interviewed thinks that one of the greatest advantages of flexible working hours and workplaces is the opportunity for a better work–life balance. This can be beneficial to workers who provide informal care to relatives or acquaintances. Mobile work will become even more important as recent and pending budget cuts in national healthcare have increased the importance of informal care. However, because workers at YoungCapital often have to deal with clients, and are therefore more controlled by regular working hours, this benefit may not always apply. Another strength is the more efficient use of working time. Time that was usually lost on waiting or travelling can now (at least partially) be used on answering emails, approving invoices, and solving problems, all of which once had to be handled at the office. This is a benefit for employers because employees can use their time more efficiently. However, the regional manager also stated that she feels mobile work is an advantage for her because she feels more productive during the day. As stated before, it can also help employees finish all their tasks within regular working hours. Even though employees are not obliged to finish work outside of their regular working hours, they could be tempted to do this, because they are mainly assessed by targets accomplished rather than the amount of time spend working. The interviewed account manager said that mobile work allows her to keep in contact with colleagues at other locations. When visiting a city for a meeting with a client she always plans to work at the office in that city for a couple of hours before moving on to the next appointment. This way she can stay in touch with colleagues at different locations while still being able to finish all the tasks that would otherwise have to be done at the main office.

The ability to work anywhere is also beneficial if the unexpected happens. For instance, if a candidate does not show up for work, this needs to be solved instantly. If something happens in the evening it is convenient to be able to solve this from home instead of having to go to the office. This is both time efficient for the client and more convenient for the worker.

Another strength mentioned by the regional manager is that mobile work can help give a better overall management perspective. When a manager is at the office employees will take up a lot of time by asking questions. But when a manager is not there all the time and he or she has to be called or emailed employees tend to become more independent and try to find their own solutions. This helps the managers to take a step back and think more about how to handle a situation or solve basic managerial problems. This can, of course, also be a problem for employees who may find it difficult to handle this level of responsibility. It is the managers' task to make sure employees are not burdened with problems they cannot handle.

Weaknesses

Mobile work can present certain challenges. Possible problems with time management and work-life balance have already been mentioned. Given that workers no longer spend all of their time in their own office, another challenge is the decreased level of interaction with direct co-workers and their managers. Even though mobile work gives workers the opportunity to work at different offices all over the country and thus work with colleagues at different locations this does result in them having diminished contact with their direct colleagues and managers. YoungCapital anticipated this challenge by having workers and their managers contact each other regularly. This contact can take place over the phone as well as face to face. Depending on function and need, a conversation with a senior manager takes place weekly or biweekly.

Both employees say that personal contact is both pleasant and necessary. One of the risks of mobile work is that personal contact is reduced too much, but important decisions can be made more easily in face-to-face conversations. However, arranging such a meeting can sometimes be time-consuming. The company used an application called a 'lync-session' which allows employees (such as managers who are located all over the Netherlands) to talk and see each other via the internet while also being able to exchange information or even give a PowerPoint presentation.

Being able to access company data is very convenient for workers because they can now perform all of their tasks even when not in the office. However, checking in remotely on the company server can make using the information system slower than working in the office. File protection is another issue, as it can make this data harder to access for workers out of the office. Currently, certain files are protected while others are easier to access.

The client database (CRM) is organised in external software that, as has been mentioned, cannot yet be accessed by employees on a smartphone or tablet. Mobile employees solve this problem by calling colleagues and asking them to check the client database. Another option is to access the client database via a laptop with a Wi-Fi connection. Yet Wi-Fi internet is not always available (company laptops do not have mobile internet connection).

According to the representative of the Temporary Work Agency employers association, a possible weakness of companies using mobile work is their increasing dependency on software suppliers. The association therefore keeps in close contact with the software suppliers in order to support companies that have mobile workers. However, YoungCapital is not nearly as dependent on external software suppliers as other companies are. Most applications used by YoungCapital have been custom built by their in-house programmers.

Future plans

One of the company's founders and the interviewed employees felt mobile working has, so far, been successful. The founder felt the company had nearly accomplished its goal of increasing efficiency. The final goal is to have all the company's applications, including the client database (CRM) available on mobile devices such as smartphones and tablets, but the company is not yet ready for this as it is still waiting for a third party to deliver the software. However, even after this is accomplished, there will always be room for improvement.

Commentary

YoungCapital is a typical example of a relatively young company with young employees in the commercial services sector that took advantage of the new opportunities presented by the internet. The company started operating in 2000 with online recruitment services – a gap in the market at the time – and since then it has rapidly increased its turnover and developed into a large organisation with about 250 employees. The company has been very successful, even in the context of the recent economic downturn.

As a new internet-based company, YoungCapital has several characteristics that distinguish it from more traditional organisations. These characteristics contribute to an easier implementation of ICT-based mobile work:

- First, the company is a young company, with a young management and a young staff (age 20–30); these are all people who have grown up in the digital age and are well qualified to learn quickly how to apply the new ICT equipment that becomes available.
- Secondly, digitalisation and mobilisation of work processes is at the core of the company's business; from its beginning it used ICT to make its services, working methods and workers more flexible and mobile.
- A third characteristic is the company's flat and horizontal organisation type; this facilitates quick and direct communication, which is more efficient than slow processes along hierarchical lines that are typical of traditional bureaucracies.
- A fourth factor is the informal atmosphere in the company, with a focus on autonomy of workers, direct consultation between colleagues and a style of management based upon trust rather than extensive administrative surveillance.

There is a close connection between new ICTs, new forms of work and new types of services provided by the company. Mobile work has appeared 'naturally' with the steady application of the new ICT tools for developing services to clients. Mobile work was not 'introduced' at a specific moment, with a specific plan, according to specific procedure, and with specific facilities. It is embedded in the company's ICT applications. As such, it is part of ongoing daily practice, more than a specific (new) form of work organisation. The development of ICTs and the development of mobile work are parallel processes in the company. New ICTs generate new opportunities in the market. New ICT-based (online) services generate new forms of mobile work (such as being able to sign contracts anywhere from a mobile device, or being able to access the CRM system anywhere from mobile devices).

The case study also identified a number of specific management tools which address problems inherent to ICT-based mobile work.

- The 'flat organisation' of the company: widespread locations, with relatively small teams, autonomy of the workers, short and direct communication and joint problem solving. Direct support for mobile workers from colleagues in the back office (help desk) is continuously available.
- The 'management control system', based on trust, checks the mobile workers' targets to balance their autonomy. The company adjusts targets in accordance with employees' performance and actual developments on the market. Feedback on employee performance is well organised.
- The company takes care of its own 'in-house ICT development'. Thus, ICT applications can be customised to the specific needs of the employees. Workers always have people available on a help desk, who know their specific problems.
- The company has established several 'innovation groups' – groups of employees to promote new developments in the company. These groups provide direct input from workers to managers and ensure feedback between workers, managers and IT specialists.
- The company is aware of the problem of lack of visual contact between the mobile workers. To compensate for this, they organise the so-called 'lync-sessions' or video conferences. This allows the mobile workers to exchange work experiences and discuss problems. The workers also organise meetings at the office, for business and social reasons. These personal contacts are of great value to them.

The company has an 'on-line learning platform' for further in-company education and learning. This allows workers to balance their learning activities with working time and private activities. It facilitates learning-at-a-distance, which is especially useful for employees working mobile. It might stimulate career development.

There are several facts to be noted regarding mobile work in YoungCapital.

- The greatest advantage of mobile work is seen as greater efficiency. Using mobile work for a better work–life balance is not so important. This might be because mobile work is used to perform all tasks previously done in the employees' own office, while visiting other locations and clients. The employees are limited to the working hours of other companies and also locations other than workers' homes, so there is less opportunity for using mobile work to combine work and family.
- Although the company offers a lot of support in terms of training and feedback from co-workers or managers, the employees still have a lot of responsibility, especially when it comes to mobile work. Even though the company is responsible for their employees' working conditions, when employees work at home they are expected to act responsibly and provide an appropriate working space for themselves. This raises the question of what happens if employees are not able to handle this kind of responsibility. This case study has not provided a clear answer on this question.

It is important to note that only company managers were interviewed for this study, and not, for instance, recruiters. This was because it is managers who engage the most in mobile work. However, it is to be expected that managers will offer a more positive view of the company than those who work for them.

Working online is a key factor of YoungCapital's business model and crucial to the company's success. The management aims to become 'completely mobile' in the long run, which is an important push factor for further ICT-based development.

Information sources

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