

New forms of employment ICT-based mobile work, Latvia

Case study 31: Belam Riga

This case study examines mobile work in Belam Riga Ltd, a data and telecommunications solutions company with offices in Latvia, Lithuania, Belarus and Uzbekistan. Its project managers, client support specialists, and high-level managers – around 10% of its staff – operate mainly as mobile workers.

Introduction

Mobile work involves being located outside a company's office and communicating with clients, partners and colleagues from wherever the mobile employee is working. Mobile work technologies were developed in order to reduce the need for face-to-face meetings (Krasnā, 2008).

Mobile work is gradually being introduced in Latvia, especially in the ICT sector where the computer and the employee's intellectual potential are the main work tools. Latvia has good internet infrastructure; internet download speed in Latvia is in the top five in Europe, and in the top 10 in the world. Ease of transferring high volumes of data through the internet makes it easier to work outside the office. According to an external stakeholder, the increasing use of the e-signature also promotes the spread of mobile work. Since mobile employees are not tied to any particular location, information technologies play an important role in making this form of work possible.

Mobile work has the advantage of providing a more flexible working schedule for an individual who wishes to work outside normal office hours. However, there is a danger of converting resting places into workplaces. Research shows that one of the essential conditions of mobile work is selecting employees for appropriate types of working arrangements (Cisco, 2007). Before introducing this employment form in an enterprise, it must have management support and there must be trust between employees and managers. When both of these conditions are in place, it is necessary to train the employees before putting mobile work into practice (Nestere, 2013).

So-called distance working, which is a particular type of mobile work, is relatively widespread and has been researched in the Baltic state. For example, data from a survey carried out as a part of Micropol, an EU project promoting ICT-based work (funded by the European Regional Development Fund under the Interreg IVC programme), in December 2012 show that 81% of 1,335 respondents would be willing to work from a distance. They would also be willing to work not only from home but also from telecentres – places close to home where an individual workplace can be furnished with the necessary equipment (computer, internet and other office equipment) and with access to rooms suitable for meetings with clients and colleagues (Kārkliņa, 2013).

This case study looks at the application of mobile work in Belam Riga Ltd, a company that provides telecommunication services. The report is based on desk research on mobile work in Latvia, information sources such as newspapers (the largest morning newspaper *Diena* among others), and five interviews. The interviews were conducted with a management representative from Belam Riga, two employees, one external expert from a trade union and a stakeholder representing the ICT sector.

General characteristics of ICT-based mobile work in Belam Riga

In early 2014, Belam Riga celebrated its 20th anniversary. The private enterprise has 130 employees, with offices in Latvia, Lithuania, Belarus and Uzbekistan. Belam Riga has two main groups of staff that can be classified according to where they work – programmers, who work mainly in the offices; and project managers, client support specialists, and high-level managers, whose work entails a number of meetings and thus are constant mobility. Around 10% of all employees are involved in mobile work. Given that the enterprise operates in the ICT sector, the introduction of mobile work was a logical development.

Initially, the enterprise was established to deal with telephony communications. Given technological developments, however, the company has restructured to focus on computer and telephony integration. Belam Riga deals with the construction of telephony and computer networks to facilitate data transmission at global and local levels. The enterprise offers clients unified voice and data communication capabilities, such as voice communication, status of presence display, correspondence, document exchange and audio and video conferences.

Between 2008 and 2012, Belam Riga had a turnover of €28.5 million. Although the enterprise was affected by the economic crisis, it was able to maintain a stable turnover because it had diversified its risks and put considerable effort into developing its business outside Latvia. The enterprise has a certificate attesting that it has a quality management system and meets ISO standards.

The enterprise participates in social networks, but it could be more active in this field because it does not have a marketing department and typically works with large individual clients. The enterprise is a member of the Latvian Telecommunications Association.

The enterprise has no trade unions or work council, but management has said they are actively looking for tools to increase the efficiency of the work process, and to keep abreast of the rapidly changing global work environment. The enterprise employs people of different ages, but many newcomers are young people who are familiar with new technology. In some cases, they are still studying at a university or other higher education establishment, and they appreciate the opportunity to continue their studies while working at Belam Riga.

Most employees at Belam Riga have higher education degrees in IT or radio engineering. The staff turnover rate is very low – only two or three people have retired since the launch of the business. New employees have been recruited to fill these vacancies and those left by engineers who have left Latvia.

One of the employees interviewed often works remotely. He is 41 years old with degrees in physics and mathematics. He is the manager of a sales group, and spends approximately 50% of his work life away from the office. As the enterprise has subsidiaries in Belarus and Uzbekistan, he is constantly away on business trips, participating in conferences, and working from hotels, airports and clients' offices. He is able to work successfully outside the office on tasks that would traditionally have been performed at the office. These include not only working with clients, but also management duties like overseeing the work of the department of project managers, monitoring their progress, and providing feedback on their performance.

The other interviewed employee is in his early 30s and holds a bachelor's degree in business administration. He is a Client Account Manager/Sales Manager and spends approximately two

days a week out of the office. He is also able to successfully work outside the office, as long as he has an internet connection.

Design and implementation process

At Belam Riga, the company's specific field of operation makes some degree of mobile work inevitable. However, the introduction of mobile working was a gradual need-driven process which evolved in line with technological developments. It can be argued that technologies have changed the way in which mobile work is performed but, in one way or another, Belam Riga has been using this employment form for ten years.

Belam Riga, and others like it that deal with technological advances, were among the first to introduce the newest developments in their own daily operations because they had more knowledge and more experience of using different technological tools. However, the most important reason for using mobile work in this company was the need to find ways to make every business process less expensive and less time consuming. The manager of Belam Riga favoured mobile work, assuming that cost efficiency would increase work efficiency and labour productivity. The employees did not have a say in the introduction of mobile work since it was determined by technological development and the opportunities it offered.

Initial capital investment was needed. The goal was to reduce the length of the decision-making process in the company's work with clients and so increase efficiency. In 99% of cases, projects are introduced by a team rather than an individual. This made it vital to have a technological tool that assists employees who may not be on site in the office, and does not interfere with business and project implementation. Employees welcomed the development of mobile work for both business reasons and the advantages it offered for their social life situations (family, school and so on), supporting better work-life balance.

Ten years ago Belam Riga employees had to exchange emails and call the office to communicate with colleagues, using a public network. The next step after the introduction of email communication was to enable remote access to documents on the enterprise's server using a Virtual Private Network (VPN) channelled through public networks. When the first steps in Instant Private Network (IPN) telephony were taken, it was also possible to use voice communication. Clients of Belam Riga were part of the technology system, that is, while the employee was out of the office, whether at home, in a hotel or in a meeting with a client, it became possible to make a 'phone call' over the internet via a computer rather than the public network.

Today, technological advances mean that an employee outside the office only needs to open their laptop to gain access to documents which are located on the enterprise's servers, rather than using a technology that 'tunnels' through the public network. The employee can choose a folder and find the necessary document while maintaining data security. Currently work is in progress making usage as simple as possible. For communication, Belam Riga uses Microsoft Lync, a tool that provides voice, text communication, video, documents, desktop sharing or exchange of content on the same platform.

Working method, processes and procedures

Belam Riga management uses additional technological tools in addition to the basic tools that support mobile work. The cost was covered by the enterprise itself. Since the enterprise's activities have expanded beyond Latvia's borders, some of its engineering staff and project managers regularly travel to other countries. Employees can do their work from their offices or in remote hotels as long as they have access to the internet. The employer's view is that working remotely causes employees no loss of functionality when communicating with colleagues or working with documents.

The duration and frequency of mobile work depends on duties, but on average it is more than 50% of all working time. Employees are, for the most part, results-oriented. Nevertheless, managers try to keep track of employees' hours so that they do not work more than is allowed. Employees have mentioned difficulty keeping precise track of hours worked, since interruptions are more likely when working remotely. This way of working cannot be compared with coming into work at 9am and leaving at 6pm.

There are primarily two groups of people in the enterprise who use mobile work – engineers and project and departmental managers. Mobile work follows from particular work tasks which are tailored to specific employee functions.

There is no legislation regulating mobile work in Latvia. According to an interviewed external stakeholder, the nature of ICT work is not subject to high levels of risk, especially when compared with sectors posing physical or environmental risks. Moreover, work safety has been improving because of advances in the quality of computer monitors. In the opinion of an external stakeholder, employees should be aware of working conditions and should be encouraged to follow up recommendations and/or regulations concerning working conditions.

Basically, the enterprise uses two main technologies for organising mobile work. The first is DirectAccess, a Microsoft technology which provides distance access from a public network to documents located on servers in an office. The second technology is Microsoft Lync which provides different types of communication between employees. Sometimes these technologies are used not just between employees but also between employees and clients. In addition to those technological tools, employees also use speakerphones. As a result of the increasing distribution of Microsoft Lync, Belam Riga also creates what it calls 'federations' of enterprises which use this technology, including clients and partners. This means that an employee has a broad spectrum of communication forms available, not only within their enterprise but also with partners or clients at other enterprises that also use this communication tool.

The rationale is very simple – enterprises use these technological tools themselves first and only after testing do they provide these tools to their clients. Of course, the analysis of ICT solutions was carried out before these solutions were introduced to enterprises; however, the concept of working remotely has not been studied before.

Salary depends on work done and this is a great motivator to use working time efficiently. A basic salary which is paid regardless of the work done. Nevertheless, Microsoft Lync has embedded an option known as presence status. It is a very efficient monitoring tool – the employer can see that an employee is free or is currently engaged in negotiations, working in the office, consulting a client, attending a meeting, and so on. Status can also be determined from the time planner at an employee's computer. This supplementary monitoring tool is even more efficient for the employer than submitting a time sheet. The interviewed external stakeholder agrees that this type of technology enables the employer to partly supervise the employees.

Employees have accepted this presence as part of their job and do not feel as if they are being watched.

According to one employee, mobile technology can help work continue during minor illness, on business trips, while doing overtime, or when they would like to work from home in order to take care of their family. Usually the time just before a project deadline is very stressful; employees do extra work at home, supported by technology.

According to one employee, there are situations when it is preferable to finish writing a document at home; on other occasions it is necessary to go to work and visit a client. Usually, managers can reach employees that are out of the office through IP. This saves financial resources by using an internal communication tool. The main criterion for success is access to the internet.

External support

Belam Riga sought external support for introducing mobile work for training on how to use relevant technologies. However, Direct Access introduction has made access from a distance simpler and, as a result, the employees can use it without specialist training.

Outcomes and effects

The application of mobile work on a small scale affects employees and employers (micro level) instead of the labour market and the national economy (macro level). Although Latvia has one of Europe's fastest growing ICT sectors and technologies offer wide opportunities, mobile work is not widely used.

Mobile work makes it more and more convenient for employees to execute their work duties in different circumstances. In the opinion of employees, mobile work provides an opportunity to improve work–life balance and offers more flexibility. However, employees do not take into account negative aspects which might influence work and life quality such as high work intensity, and working while sick, among other factors.

Belam Riga considers that its goals have been achieved. Although the introduction of mobile work did not create new jobs, it has increased work efficiency and reduced costs.

It is, however, difficult for the employer to influence the work environment of its mobile workers. Employees say that when working from home, working conditions can be improved to some extent by, for instance, creating a separate work space. A manager cannot guarantee a comfortable working environment at home, but they can make recommendations during discussions. In line with ISO standards, all employees have work instructions and once a year they have to have a work safety briefing that takes into account each employee's form of work.

Strengths and weaknesses

One of the strengths from the point of view of the employer is that the possibility of mobile work reduces the necessity for face-to-face meetings. This brings higher time efficiency at a lower cost in terms of higher productivity. For example, previously it was difficult to organise meetings. Now it is necessary only to agree on a date and time, and everyone, including people doing mobile work, can participate physically or virtually.

From the point of view of the employees, mobile work has several advantages. It offers flexibility because it is possible to work when and where it is convenient, as long as it is prearranged with the manager. An employee's physical absence from the office has to be registered and confirmed by the employee's direct supervisor. Also, an employee can be more productive and react more quickly when working mobile. An additional advantage of mobile work for employees is the convenience of not travelling to and from work. Undeniably, however, working in isolation entails loss of social contact, and some employees feel that personal contact is necessary.

A disadvantage from the employee perspective is that work and time off can lose all boundaries. According to one employee, mobile work organisation can lead to working significant overtime, difficulty in taking time off and stress. In the opinion of trade unions, a significant factor is how working time is accounted for, because in mobile work it is difficult to identify when one is working overtime. For one employee, it is essential to be in the office as part of a team; for the other flexibility is more important.

The trade unions see more disadvantages. They note that people working from home do not see the whole process of production taking place. The employee becomes a small piece in a puzzle and does not see whole picture, and therefore cannot develop professionally. Unions are also concerned about health and safety standards. There is almost no possibility of controlling them while the employee is working at home or while commuting. Therefore, when applying this

employment form, the employer should pay attention to raising awareness and educating employees on health and safety issues.

Unions also fear that employees who work from home have fewer opportunities for socialisation and so may not improve their soft skills – teamwork, tolerance and so on. However, mobile workers can still practice many of skills used in the office, namely presentation or effective communication, but with the support of ICT. Lack of clarity about how much time is actually spent working and the extent of overtime may influence payment for the work done, say the unions.

The main obstacle to acceptance of non-standard employment forms is lack of monitoring, and laws and regulations which do not permit diverse employment forms.

Future plans

Mobile work is an integral part of work processes in Belam Riga. Mobile work is a business instrument that in many instances helps to solve problems very quickly and efficiently. Belam Riga management sees great potential in mobile work in the future, but they do not consider it a permanent form of employment and do not think it will be extended to all employees.

In the opinion of the interviewed external stakeholder, the future of mobile work will be affected by two factors. First, further technological advances will provide increasing possibilities for working from any location. Second, more and more enterprises will work in the global economy, especially in the ICT sector, where many enterprises export products and manage employees from different countries. This will promote further application of ICT in the digital single market, consequently also more widespread mobile work.

According to the interviewed external stakeholder, there is no evidence that the increasing popularity of mobile work produces any negative effects. Companies should organise their work as best suits them and their employees. Employees and employers should agree on the most appropriate form of employment. The aim should be to enhance the satisfaction of employee, and ensure higher productivity is achieved.

Commentary

New technologies are paving the way for different forms of employment and are enhancing the popularity of flexible work organisation, such as mobile work. According to ICT professionals, new technologies are replacing the need to move by providing a more convenient way of reaching contacts in other countries, saving time and financial resources.

However, on the other side of the coin are the issues of working conditions and work safety. Employees interviewed for this case study had not taken into account the importance of working conditions such as the lighting of their work space or computer location. It remains difficult to monitor the working conditions of mobile work, and both employers and employees share responsibility for this.

This case study also highlights the lack of information about how many people are mobile workers and the lack of guidelines and recommendations regarding mobile work.

The unions are concerned that the increasing range of non-standard forms of employment comes in response to increasing demand for flexibility in the labour market, and for individual workers to carry out a more diverse range of work tasks. At the same time, the ICT association interviewed for this study has commented that mixing standard and non-standard forms of employment is probably the best approach, just as ICT training modes can be mixed, with some parts learned online and others in traditional classes.

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Linda Romele, EPC Ltd.