

# New forms of employment ICT-based mobile work, Slovenia

Case study 34: Faculty of Social Sciences at the University of Ljubljana

Employees at the University of Ljubljana's faculty of social sciences have a history of mobile working, or working from home, dating back to the mid-1970s. Mobile work is practised informally by a relatively high share of the faculty's employees, particularly academic staff.

#### Introduction

Flexible forms of employment, it appears, are applied in the Slovenian labour market in two ways. The first is the formal and standard application that includes predominantly the classic, legally unquestionable, flexible forms of employment such as fixed-term contracts, part-time employment, self-employment and student work. The second, and informal, application shows a much more flexible and innovative (mostly on the side of employers) labour market with increasing demands for transformation of classic employment contracts to contract work and/or self-employment.

This 'split personality' of the Slovenian labour market is also evident in the case of mobile work. This form of flexible employment is virtually non-existent on the legal face of the Slovenian labour market. While not explicitly mentioned in the Employment Relationship Act (ERA-1), mobile work can be put under the much broader term which is defined in the Act as 'work at home'.

As Article 66 of the ERA-1 stipulates, 'work at home means work performed by the workers at their homes or in places of their choice, which are outside the working premises of the employer' (MOLFSA, 2012). This broad definition covers other similar forms of flexible employment such as teleworking – explicitly defined in the same article as work performed by a worker with support of ICT, with the possibility of being mobile.

It is important to mention that the Act determines that workers at home (as well as mobile workers) have the same rights as workers that traditionally work in the premises of the employer, including the right to participate in management and union activities. The rights, obligations and conditions which depend on the nature of the work at home are arranged between the employer and workers with an employment contract.

The formal foundations for the development of this relatively new form of employment in Slovenia were laid down in 2000 with the adoption of the Operational Programme for the Introduction of Work at Home and Telework. The programme was put out by the Development Centre for Small Business in the context of the government's National Employment Action Plan for the year 2000–2001. The purpose of the programme was a systematic promotion of new forms of business opportunities. There is no official data on the actual utilisation of mobile work, work at home or telework in the Slovenian labour market. Instead, data can be gathered from some surveys performed by different institutions. For example, a Chamber of Commerce and

<u>University of Maribor</u> study showed that most mobile teleworkers were employed in the service sector (70%–80%), knowledge workers constituted almost 30% (Drobnjak and Jereb, 2007).

Mobile work is most widespread in international businesses, and those that collaborate closely with foreign companies. It is also popular among companies providing intellectual services in the areas of information technology, for example computer programming, and the advertising and publishing sectors are among those that apply mobile work most widely.

Perhaps this lack of reference to mobile work in the ERA-1 is the reason for the reluctance of the majority of companies and organisations contacted (mostly from the ICT sector) to explicitly admit that they practise mobile work. It remains to be analysed whether this is the result of:

- extensive bureaucratic, rigid procedures;
- fear that any legal change in the employment status will further increase labour costs;
- the deep economic and financial crisis that hit Slovenia in the past five years;
- the combined result of all of the factors above.

And, on the other side, this case study shows that there is a way, at least informally, to take advantage of the specific working situations and of the increasingly powerful ICT and use mobile work as an employment form that benefits the company and the majority of its employees.

This case study focuses on the Faculty of the Social Sciences at the University of Ljubljana, and is based on:

- interviews with a faculty management representative and three employees, all on full-time contracts: one female researcher, one male professor and one female representative of the administrative support staff head of HR department.
- desk research performed using the available documents on flexible forms of employment in Slovenia, telephone and personal (face-to-face) contacts with different (mostly HR) representatives of ICT companies/organisations as well as internet sources.

# General characteristics of the Faculty of Social Sciences

The Faculty of Social Sciences at the University of Ljubljana is the largest interdisciplinary public institution for education and research in the social sciences in Slovenia. The Faculty was established in 1961 as the School of Political Sciences. In 1991, it was renamed as the Faculty of Social Sciences. In its over 50 year history, the faculty has developed into a quality higher education institution with more than 3,000 students enrolled in 13 undergraduate study programmes, 19 master study programmes and four international master study programmes, as well as varied interdisciplinary doctoral programmes. The faculty is part of the University of Ljubljana, which is a publicly financed autonomous institution.

The faculty is organised into four departments, including sociology, political science, communications and cultural studies. The Social Sciences Institute, the largest research institute for social sciences in Slovenia, consists of 21 research centres. The faculty has 235 employees of which 120 are professors (academic staff), 37 researchers and 78 administrative or support staff. Most academic staff are at least partly researchers as well. For example, they work 70% of the time as professors and 30% as researchers, and they all have permanent contracts. On the other hand, almost all of the researchers have fixed-term contracts, because their contracts depend on the duration of the research project. Almost all of the administrative staff have permanent contracts, except those who work specifically on research projects, namely 19 out of 78. Women represent 53 % of employees, while 47% are men.

There are two trade unions operating in the faculty. One is part of the Higher Education Trade Union of Slovenia, which is part of <u>Pergam</u>, a national-level trade union confederation. The other one is the Independent Workers' Union of the University of Ljubljana (NSDLU).

Mobile work at the faculty has a very long tradition – some interviewees mentioned that this working arrangement dates back to the mid-1970s. This is partially related to the academic nature of the work of the majority of the employees and to the relatively poor working conditions – mostly lack of space for the growing number of academic, research and administrative staff. After renovation and partial rebuilding of the faculty's premises, the working conditions were much improved. This did not particularly affect mobile work as such. Many employees who were mobile workers due to the lack of space are still doing it even though working conditions at the faculty improved.

The interviewed employees are between 40 and 65 years old, and have completed graduate or post-graduate studies in the social sciences. They have been employed at the faculty for 15 to 44 years.

### **Design and implementation process**

With the fast development of ICT technologies and the acceptance of new forms of employment by the state, terms and conditions have improved and mobile work has become a normal and important part of academic life in Slovenia.

ICT is of utmost importance for the faculty. Because of the nature of their work, academic staff and researchers often work outside the faculty premises. Researchers do their work from around the country as well as from abroad. Academic staff participate in exchanges with other domestic and foreign faculties, sometimes for more than half of the year. But in past few years, even administrative staff, depending on their specific areas of responsibility, have started to use mobile work with support of ICT.

However, administrative staff have recorded the evidence of working time daily for years – at first with a special device for stamping, three years ago with a special Excel table and now with an automatic computer application. In case of working at home, they can use these hours for compensation instead of regular leave, meaning that they are not paid for these hours but can use them for going home earlier on some days. If they work eight extra hours, they can stay at home for one day without using regular leave.

This kind of adjustment is interesting mostly for young personnel with few days of regular leave. A few young mothers also work at home – depending on their tasks – for few hours a day or for one or more days a week.

## Working methods, processes and procedures

Mobile work is practised informally by a relatively high share of the faculty's employees. According to the latest data (for January to March 2014), 41% to 46% (the share varies from month to month) of all employees worked outside the faculty's premises for more than a week (in a given month). It is not possible, from the available data, to determine whether employees are working from home or are really mobile, but it could be presumed that this is actually predominantly work at home. Such work is done mostly by researchers and academic staff, and less by administrative staff. The reason for this is that administrative staff are expected to be available at the offices at the faculty's premises.

The tasks performed by mobile workers depend on the position of the employee at the faculty. They perform purely administrative tasks or much more demanding tasks that require high levels of concentration – such as reading, writing and analysing.

The broader organisational rules were written for traditional work but acknowledge the possibility of 'out of the office' work, such as work at home and meetings out of the office. They specify that an employee should foresee the number of hours to be spent outside the office and seek approval from the head of their department and the secretary general. Once approval is received,

the mobile work hours are counted towards working hours. But in practice, because it is very hard to predict and plan work in the above described scenario, employees usually record the working hours afterwards. There are no specific guidelines for mobile work.

There are no formalised specific procedures for monitoring and evaluating mobile work. The human resource department, run by three employees, is responsible for overall control over HR tasks – administrating, monitoring and evaluating working arrangements at the faculty.

All the working processes – access to information, documents and materials, communication with employees and students at the faculty – are organised with the support of ICT. Even working time is monitored by a special application that is placed on employees' office computers, which are linked to the faculty's internal network. For the administrative staff, the application only allows subsequent input (which support staff use, when they work from home) – meaning that they input their work from home the day after – when they are at their work place at the faculty. For academic staff and researchers, it is considered that they are working from home or are mobile if they are not logged into the application on a given day (and are not on sick leave or work absence). This software is now used for approval (and counting) of annual leave, business trips of employees, orders of new computers and office equipment and so on. For one of the interviewees, due to the specific nature of the job, the faculty has enabled her direct remote access to the faculty server and to all relevant documentation it contains.

The faculty's working time rules are enforced more strictly for the administrative staff. However, the faculty had problems with monitoring the working time of researchers and academic staff, because of their work outside of the office which was not recorded. Since all employees with permanent full-time employment contracts are expected to work 40 hours per week, there was and still remains a fear that working outside the premises means that someone could work fewer than 40 hours per week and still get paid for a presumed amount of hours worked.

With the implementation of the Fiscal Balance Act (ZUJF), the academic staff and researchers are now also requested to record their presence in the office. To begin with many of them perceived this regulation as an attempt to control their work. The problem was resolved when it was decided that when academic staff and researchers are not at the faculty (if they do not record their presence), their working time is automatically recognised as mobile work.

This has no implications on their number of hours usually worked and consequently no implications on their salary — with the exception that they are not reimbursements for commuting costs for the days that they are not at the faculty (for the days that they are not logged in on the application).

Most of the administrative (support) staff have business phones, some have PCs which are bought with public funds. While the equipment used by academic staff is funded from public funds, the researchers are asked to buy their equipment mostly from project funds they have helped raise. All the equipment is ordered by the faculty's computer centre in accordance with public procurement rules. The overall procedure can sometimes be lengthy, with employees receiving their equipment several months after filing the request. Employees can choose the complexity of the equipment (according to the needs of the work), but cannot choose specific products/producers. In line with this, all interviewees are equipped with a computer, printer, internet, and have wi-fi connection in their homes. The computers (except in the case of one interviewee), software and service of the computers are provided by the faculty. Mobile workers cover the costs of the internet connection.

According to faculty management, there are no specific working methods and procedures set by the management for those being mobile or working at home. Mostly it depends on the usual nature of the work and the requirements of the job that the specific person has. Due to the informality of the mobile work the faculty is not obliged to check the working environment (the employer in this case is not responsible for health and safety issues) and to set working standards.

On the other hand, the faculty expects mobile workers to perform all tasks in a timely manner and adhere to high quality standards. Staff say these high expectations do bring them any additional stress. A possible increase of work intensity is accepted as something that is related to better time management and work organisation.

Mobile workers do not perceive any form of control from the faculty – the interviewed staff felt that they had relatively high autonomy to select the time and tasks to perform. The perception of one interviewed employee is that the faculty controls results and not the work process. All employees are still paid on the basis of usual hours worked, which is determined in their employment contracts.

Due to the informality of the mobile worker status at the faculty, the majority of employees are not aware of regulations concerning mobile work. Only one interviewee, the HR representative, was aware that the application of mobile work in the faculty was not formalised. Formalising it would mean signing a new employment contract. This contract would define explicitly the number of hours worked at home and other relationships between the employer and employee, and with each potential mobile worker, and specific requirements would apply.

The employer must inform the Labour Inspectorate about the intended organisation of work at home before the beginning of the actual work and the Labour Inspectorate should check the working conditions at the employee's place of work. The employee said that the key objective in applying mobile work is to enable workers to be more efficient and not merely to meet formal requirements of the Employment Relationship Act. According to her, the faculty is not interested in increasing the extent of mobile work – at least not for administrative staff. She pointed out that the informality of the current mobile work status had one particular drawback in the event of accidents at home – such cases could not be reported as work accidents.

Academic staff and researchers do a certain amount of work in the evenings and sometimes during the night and they need support. This means administrative staff are expected to work from home to meet the needs of academic staff. In the past, because extra support was needed, some employees received extra pay for increased work volume and for being on permanent standby. The current financial situation and the implementation of Fiscal Balance Act do not allow that to happen anymore. Due to the financial disincentives, some employees say they are less interest in working at home.

# External support

The faculty did not use any external support to plan, design and or implement mobile work. The only, more or less indirect, type of external support is the preparation of the earlier mentioned automatic computer application for monitoring working time which was developed by an external contractor/company, in line with the faculty's special requirements. In March 2014, faculty representatives reported no special need for external support regarding the use of mobile work.

#### **Outcomes**

At a macro level, the effect of the mobile work utilisation is relatively small since mobile work does not represent a significant share in the pool of flexible forms of employment used in the Slovenian labour market. Due to the small number of mobile workers on the Slovenian labour market, they are rarely explicitly mentioned in social partners' negotiations at national level. On the other hand, it should be stated that all provisions agreed in the negotiations apply to all Slovenian workers due to the almost 100% coverage guaranteed by law.

Research on collective agreements in Slovenia by the Institute for Labour at the Faculty of Law and the Association of Free Trade Unions of Slovenia 2014 touches on the subject of mobile work. It suggests the small share of work at home is the reason this type of employment does not appear in the majority of sector-specific collective agreements – telework does not appear in any

of them, while work at home (as a broader term) appears in one third (mostly by copying the provisions from the Employment Relationship Act and not adapting them) of all 26 analysed sector-specific collective agreements.

The reason few companies actually use mobile work in Slovenia is because employers want oversee their employees and their work process, both of which are difficult when employees are working remotely.

The faculty has resolved some issues like lack of space and poor working conditions in the office by applying mobile work. At the same time it offered employees the opportunity to be more efficient, and strike a better work-life balance (Černigoj Sadar, 2006; Kanjuo Mrčela and Ignjatović, 2006). Employees, especially those who commute every day, also stress the benefit of time saved when working from home.

Commenting on the possible effect of mobile work at the macro level, one interviewed employee stressed that mobile work could be a good opportunity for the Slovenian labour market and the Slovenian labour force to adapt to the current geographical labour force distribution which is not very centralised. The suggestion was that people living in remote areas could become mobile workers and join the active labour force.

Employees did stress that mobile work has a tendency to intrude into a person's private, free time. Great self-discipline and organisation is needed to be able to combine such work with daily life. And it does not necessarily have positive effects on the workers – especially if someone has a small apartment and small children at home.

For the faculty, according to employees, the effect could be also twofold – people could do more at home and out of the office, could be more efficient and the faculty could reduce fixed costs. But on the other hand, they could miss out on social aspects – meetings, contacts and exchanging ideas for example – which could reduce identification with the organisation.

The practice of mobile work at the faculty does not have any implications on skill development or employability of mobile workers since they all have permanent contracts and all have access to the same training opportunities.

Finally, mobile work at the faculty is recognised as a form of employment which increases the satisfaction of both employer and employee.

# Strengths and weaknesses

For the faculty, strengths related to the utilisation of mobile work are:

- increased productivity (effectiveness) of those using mobile work;
- better utilisation of office space;
- reduced material and maintenance costs.
- less sick leave (it is presumed that employees working at home and mobile workers do not report all cases of sickness).

Regarding the overall status of the mobile work, the faculty would probably reduce costs for premises by incentivising all researchers and academic staff to work from home or other locations, and sharing offices at the faculty, although space at the faculty is not an important issue at the moment.

Strengths for employees using work at home (in a broader sense) are saving on time, money and effort in commuting to work, better concentration at work, flexible working hours, and better balance between work and family life. Work at home is characterised also by a higher degree of autonomy and less control by the employer.

Weaknesses for the employer are mostly data security and loss of control over the working process. The main reason why mobile work is not more widely applied at the faculty is that heads

of different units still tend not evaluate the performance of workers by result but by the hours of work, and regulating working hours in the faculty as opposed to mobile work is more straightforward. When the worker is at home or working mobile, it is hard to control the working process and they have to trust them about reported hours of work.

The management representative also drew attention to jealousy among workers. All of them would like to do some mobile work, but they do not have permission, or the nature of their work does not permit the utilisation of such form of employment. There are no official conflicts, but in the future this problem will have to be addressed.

Employees mentioned several weaknesses related to mobile work. For one, working from home increased utility costs and may require personal investment in equipment if financed by the worker themselves. Some employees prefer to work on their own equipment instead of using that issued by the faculty. There is also the problem of availability of resources that are yet to be digitalised, like books, lists, records.

Another weakness highlighted was assessment and payment of the worked hours outside the faculty's premises which should be, according to one interviewee, organised differently – at least in the form of a reduced number of hours performed at the workplace. Teamwork also suffers in the case of mobile work.

All three interviewed employees said they experienced a lack of social and professional contacts with colleagues, even during free time, which reduced their identification with the organisation. According to one employee, some issues and work-related problems were more easily solved by live contact and team work which could not be done outside the workplace.

On the other hand, the three interviewed employees had different standpoints on a possible formalisation of mobile work. While some felt that formalising the process was not necessary and could further complicate things, one employee felt that formalisation was necessary and should happen gradually and transparently, with the input of employees that work mobile.

## **Future plans**

According to the faculty management, there has been little discussion on the status of mobile workers at the faculty. Accordingly, at the moment, there are no specific future plans.

This case study, however, reminded them about this issue and they detected several challenges which should be addressed by the management. One of the challenges of organising mobile work at the faculty is related to the coordination of work and evaluation of job performance. At the moment, there are no special mechanisms for coordination between management and mobile workers, and also no specific mechanisms for conflict resolution.

A challenge would also be to reduce fixed costs by estimating the costs of having academic staff full-time in the office and estimating the costs of having them work mobile. For example, the academic year is divided into semesters and professors do not have lectures every semester. With formalisation of working processes, professors could work from home in the terms of reduced educational activity. Of course, the future costs of preparing a standardised working environment at home should be also taken into consideration.

Another challenge is the newly introduced Real Property Tax Act which came into force on 1 January 2014. The implementation of the law will mean as much as eight times higher fixed costs on buildings. That is why the idea related to mobile work is more and more interesting in terms of reducing fixed costs, labour costs, preserving jobs and also in terms of the motivational factor (better reconciliation between private and working time).

In the future, the faculty management wants to establish standards for performing mobile work, maintain at least the same level of mobile work as currently, and systematically review the jobs where mobile work would be more reasonable.

The faculty did not start to use mobile work in order to reduce labour and fixed costs, but because of the nature of work among academic staff and to coordinate personal and working needs among administrative staff. In doing so, the faculty is trying to put into practice the concept of a family-friendly company. This change was welcomed by both the faculty and its staff.

At the same time, the faculty still has problems with providing appropriate working space for all employees. According to the rules, each full-time professor should get his own office. In light of this, the faculty management recently started to think about covering costs for internet and technical equipment for some professors and researchers who came to the faculty for just a few days a month.

#### Commentary

Slovenia's labour market maintains a relatively traditional structure that prevents rapid change, especially when it comes to values. The prevailing cultural pattern still favours permanent, full-time employment. Most prevalent flexible forms of employment are also more traditional ones: fixed-term contracts, part-time and self-employment. In the future, it can be expected that flexible forms of employment will spread more, but their effect on the Slovenian population should be alleviated by the preservation of a strong social security system.

The introduction of new forms of employment is intended to help cope with the rapid changes of the Slovenian economy and society, creating jobs and thereby reducing unemployment. Current neo-liberal economic theory offers flexibilisation as the sole solution for high unemployment in the global economy.

As a part of this global economy, the Slovenian labour market has already experienced significant changes, mostly towards the usage of predominantly numerical and functional flexibilisation, while other forms of flexibilisation (especially organisational and spatial) are not so frequently used. On the other hand, in a period when the Slovenian economy experienced only small GDP growth (in early 2014, after a prolonged period of negative GDP growth), Slovenian employers are extremely cautious about taking on new employees, with the result that a small number of new jobs are being created.

Slovenian society is becoming increasingly aware of the 'necessity' of further flexibilisation of the domestic labour market, emphasised continuously by the international institutions such as the Organisation for Economic Cooperation and Development (OECD) and the International Monetary Fund (IMF). But it is also relatively cautious in its implementation due to the negative consequences that could bring, predominantly forms of flexible employment that are unsympathetic to family life.

From the perspective of individuals, the flexibilisation should also provide better reconciliation of private and working life. And at the moment such development is limited to the more informal usage of different forms of flexible employment, as presented in this case study.

From an economic point of view, all three versions of home working – work from home, telework and mobile work – could have significant impact on the Slovenian labour market and the economy. They could increase the number of vacancies, reduce unemployment, and increase the gross domestic product. The introduction of work at home in all its versions could also have a positive impact on the increase of competitiveness of the whole economy. This type of work could also bring greater opportunities for employment of workers from rural areas and for people with special needs, because their work could be performed from different places.

The use of mobile work at the faculty and the available ICT to support it has also been linked and affected with economic cycles and political decisions. The years 2012 and 2013 have been very turbulent for the faculty and the university. The <u>Government of Slovenia</u>'s move to cut funding for educational and research projects and introduce the Fiscal Balance Act has increased the risk of lowering the quality of university and faculty services. It meant both the faculty and university

were forced to revise plans due the funding cuts. The resulting reduction in investment in ICT and software maintenance and purchases is producing a relatively high gap between individual ICT users at the faculty. This has affected mobile workers at the faculty. Some are using relatively new equipment while some are constrained to relatively old equipment.

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