

# *Sensis® Insights Teleworking Report*



June 2005

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## Teleworking

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# Introduction

The Sensis® *Business Index*, formerly known as the Yellow Pages® *Business Index*, is an ongoing series of surveys tracking confidence and behaviour of Australia's small and medium enterprises (SMEs). The primary objectives of the Sensis® *Business Index* are to track small and medium business activity over the past three months; expectations over both the current three and 12 month periods; and, to measure overall confidence among SMEs. A second purpose is to provide an independent, objective assessment of proprietors' experiences and attitudes on key issues.

The Sensis® *Business Index* enables broad scrutiny of the SME market, as well as an understanding of trends and issues relevant to this sector. It examines the differences in attitudes and experiences between regional and metropolitan SMEs, and between small and medium enterprises. The aim of the Sensis® *Business Index* is to reflect the attitudes and behaviour of approximately 99 per cent of the Australian business sector.

The Sensis® *Consumer Report* is a survey designed to measure the confidence and behaviour of Australia's consumer population. The primary objectives of the Sensis® *Consumer Report* are to measure consumer confidence and expectations for the next 12 months. A second purpose is to provide an independent, objective assessment of consumers' experiences and attitudes on key issues.

The Sensis® *Business Index* is based on a sample size of 1,800 SMEs from metropolitan and regional areas of Australia. It includes businesses within the accommodation, construction, communication, health, community services, cultural and recreational industries. The Sensis® *Consumer Report* is based on a sample size of 1,500 Australians from metropolitan and regional areas of Australia. It includes people from all states and territories, of ages ranging from 14 years and older. Demographics such as gender, employment status, income ranges and family status are collected to enable cross-analysis of data collected.

Data for both of these reports is collected concurrently with many questions being asked of both businesses and consumers. This allows comparisons between these two groups to be made, to enable a better understanding of the interaction of supply and demand in the Australian economy.

The Sensis® *Business Index* and the Sensis® *Consumer Report* are initiatives of Sensis Pty Ltd. Sensis is a wholly owned local advertising and search subsidiary of Telstra Corporation Ltd. Approximately 90 per cent of Sensis' 420,000 paying Australian customers are SMEs. Sensis manages two of Australia's leading brands, Yellow Pages® and White Pages®, along with a leading internet city guide brand CitySearch®, the location and navigation brand Whereis®, Australia's leading publisher and distributor of mapping and travel-related products, Universal Publishers, and the Trading Post® brand in Australia.

## About the surveys

The May 2005 Sensis® *Business Index* results are based on telephone interviews conducted with 1,800 small and medium business proprietors. The sample size is divided between 1,400 small businesses and 400 medium businesses (the latter defined as businesses employing between 20 and 199 people). Businesses interviewed for the May 2005 Sensis® *Business Index* were drawn from all metropolitan and major non-metropolitan regions within Australia. Quotas were set on geographical location and type of business in order to produce the standard sample structure shown below. At the analysis stage, results were weighted by selected Australian New Zealand Standard Industrial Classification (ANZSIC) divisions within the metropolitan and non-metropolitan region of each state and territory. This ensured the sample reflected the actual small and medium business population distribution. The Australian Bureau of Statistics (ABS) Business Register, as at June 1998, was used to weight the sample to be representative of the total business population.

Location of business			
	Total	Metro	Non-metro
New South Wales	300	240	60
Victoria	300	240	60
Queensland	300	165	135
South Australia	225	195	30
Western Australia	225	195	30
Tasmania	150	90	60
Northern Territory	150	90	60
Australian Capital Territory	150	150	-
<b>Total</b>	<b>1800</b>	<b>1365</b>	<b>435</b>

Division	
Manufacturing	200
Building/Construction	250
Wholesale Trade	150
Retail Trade	250
Accommodation, Cafes and Restaurants	100
Transport/Storage	150
Finance and Insurance	100
Communication, Property and Business Services	300
Health and Community Services	150
Cultural, Recreational and Personal Services	150
<b>Total</b>	<b>1800</b>

The Sensis® *Consumer Report* is based on a survey of 1,500 Australians which commenced in May 2004 in conjunction with the Sensis® *Business Index* to enable the measurement of consumer behaviour, as well as the interaction between demand and supply in the Australian economy. To ensure a good cross representation across the states and territories and by demographics, quotas were set on age, gender and location as detailed in the charts below. The results have been weighted according to the latest Australian Bureau of Statistics (ABS) population figures (2001 Census) so that results more closely reflect the population distribution within each state and territory.

Sample Structure - Demographics			
	Total	Male	Female
14 – 17 years	100	50	50
18 – 19 years	100	50	50
20 – 29 years	250	125	125
30 – 39 years	250	125	125
40 – 49 years	250	125	125
50 – 64 years	300	150	150
Over 64 years	250	125	125
<b>Total</b>	<b>1500</b>	<b>750</b>	<b>750</b>

Sample Structure - Location			
	Total	Metro	Non-Metro
New South Wales	250	200	50
Victoria	250	200	50
Queensland	250	140	110
South Australia	190	160	30
Western Australia	190	160	30
Tasmania	125	75	50
Northern Territory	125	75	50
Australian Capital Territory	120	120	0
<b>Total</b>	<b>1500</b>	<b>1130</b>	<b>370</b>

All interviews were conducted via telephone by the survey research firm, Sweeney Research over the period 18th April 2005 to 15<sup>th</sup> May 2005. To enhance readability, charts in blue in this report contain data sourced from the Sensis® *Business Index* and charts in magenta are sourced from data from the Sensis® *Consumer Report*.

# Executive Summary

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## Teleworking

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This report brings together data from two surveys which included complementary questions on teleworking to both business owners and individuals. Data on individuals was sourced from the Sensis® *Consumer Report*, which surveys 1500 consumers and data on businesses was sourced from the Sensis® *Business Index*, which surveys 1800 small and medium enterprise (SME) owners. For this survey, teleworking was defined as working away from your usual workplace during normal business hours aided by some form of technology.

## The extent of teleworking

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In summary, these surveys found that 30 per cent of individuals that were either employed either in their own or someone else's business reported teleworking to some extent. Demographics more likely to telework included males (37 per cent), those in their 30s (42 per cent), those employed full time (33 per cent) and those that owned their own business (42 per cent). Whilst teleworking was defined as taking place during normal business hours, only 27 per cent of those in the workforce reported that they never worked outside these hours just to get through their standard workload.

Australian businesses have likewise embraced teleworking, with over one-third (34 per cent) reporting that they had employees that teleworked. Positively, in terms of business performance, SMEs that had teleworking employees reported significantly higher levels of confidence than those that did not embrace teleworking. Apart from business confidence, teleworking businesses also performed higher in other performance indicators, most notably sales and profitability.

## The impact of teleworking

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Overall, the study found an overwhelmingly positive impact for teleworking, both from individuals and businesses. However, on balance, businesses reported even higher levels of satisfaction with teleworking than individuals, with individuals facing some negative consequences, while the business experience had almost no downside. Coupled with the higher performance levels of businesses that teleworked, the case for introducing teleworking in the business environment is particularly strong.

For individuals, 62 per cent of those that had teleworked reported a positive impact, and 73 per cent of businesses that had teleworking employees reported a positive impact. The key positive impacts reported by individuals were that it was more flexible and convenient, gave them an option to work from home and outside the office and increased productivity. Business owners cited the ability to access information from anywhere, improved productivity and time saving as the top positive impacts of teleworking.

In terms of negative aspects of teleworking, 13 per cent of individuals reported a negative impact from teleworking, with the main negative impacts being a belief that it had not increased productivity, they had had to work longer hours and it meant that they had less time to spend with their families. Only one per cent of businesses reported negative impacts from teleworking, which had been that they could not effectively manage their staff when they were working at home.

While the case for businesses to introduce teleworking was strong, only a further four per cent were currently looking at doing so. This compares to one-quarter of individuals that would like to telework. This included some individuals that were not currently in the workforce, but would like to telework, making the increased options available through teleworking important for future workforce expansion.

# Teleworking

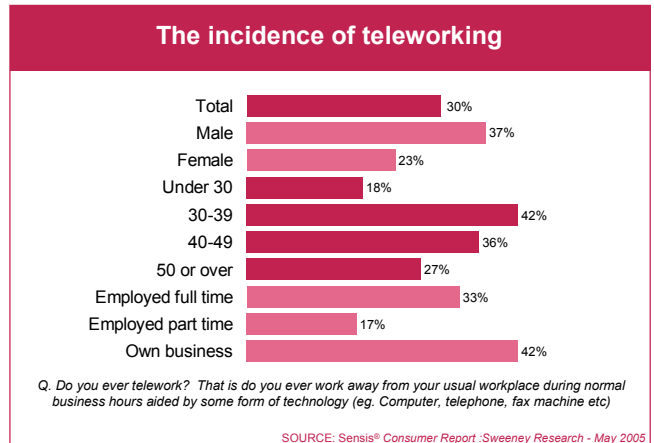
## The incidence of teleworking in the Australian population

This report aims to provide a snapshot of how one aspect of technology, teleworking, is impacting on Australian society. This snapshot uses data from both the Sensis® *Business Index* and the Sensis® *Consumer Report* to capture the attitudes of Australian consumers and business owners to teleworking in April and May 2005.

In this report, teleworking has been primarily defined as *working away from your usual workplace during normal business hours aided by some form of technology*.

However, it should be kept in mind that Australian society and Australian businesses are diverse by their nature, and that any definition will to some extent be inadequate in meeting every case. To give a few examples of this, approximately two-thirds of Australian businesses are home-based. Whilst many will consider teleworking to take place in general in employees homes, for many in Australia the home can be the usual place of work, or the sole premises for a business. The Australian workforce is mobile. For many, there will be no fixed workplace, with work taking place in a client's premises for example. As to how each of these circumstances is considered will remain the prerogative of the policy-maker's interpretation, and will depend on the intent of the policy decision. Because of this, in some instances the full flexibility offered by the survey instruments has been used to analyse the data, dependent on a range of factors, rather than be limited solely to the strict definition at the analysis stage.

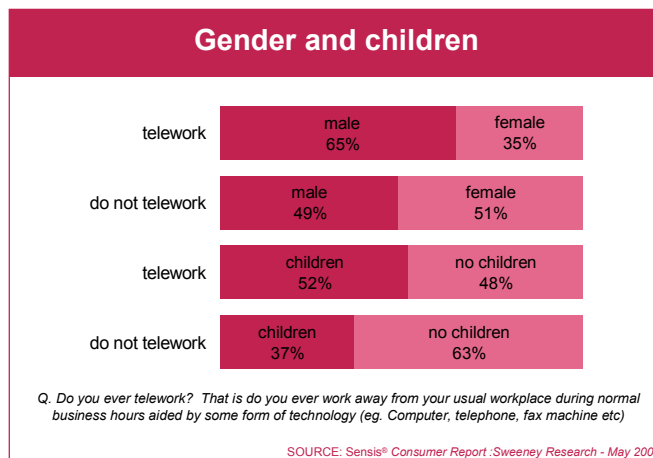
However, despite the limitations, there can be no doubt from the data that teleworking has had a striking impact on Australian society. Overall, the Sensis® *Consumer Report* found that 30 per cent of Australians that are either employed or run their own business consider that they telework to some extent. The incidence of teleworking was seen to be higher amongst males (37 per cent); those Australians aged in their 30s and 40s (42 per cent and 36 per cent respectively); and, not surprisingly considering the demographics of Australian businesses, amongst those that owned their own business (42 per cent).



## Other demographic factors

Whilst the previous page showed that 37 per cent of males and 23 per cent of females reported teleworking, it can be seen in the table to the right, that almost two-thirds of those that telework are male and just over one-third are female. However, of those that do not telework, the genders are almost equally split (49 per cent male and 51 per cent female).

It can also be seen on the table at right that those that telework are more likely to have children than those who do not report teleworking. The Sensis® *Consumer Report* found that some 52 per cent of those that telework have children, as opposed to only 37 per cent of those that do not telework.



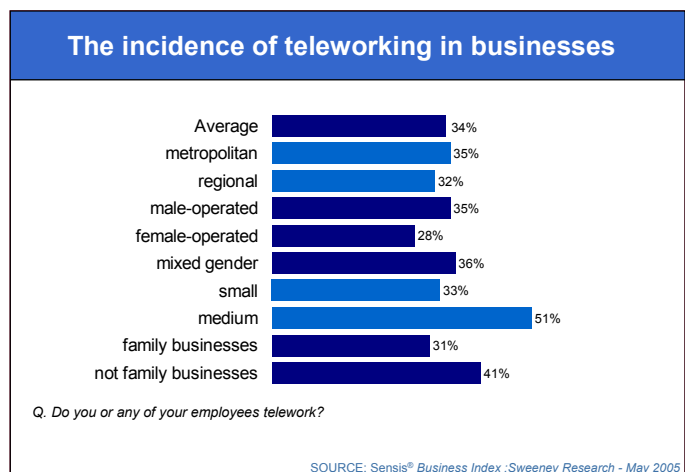
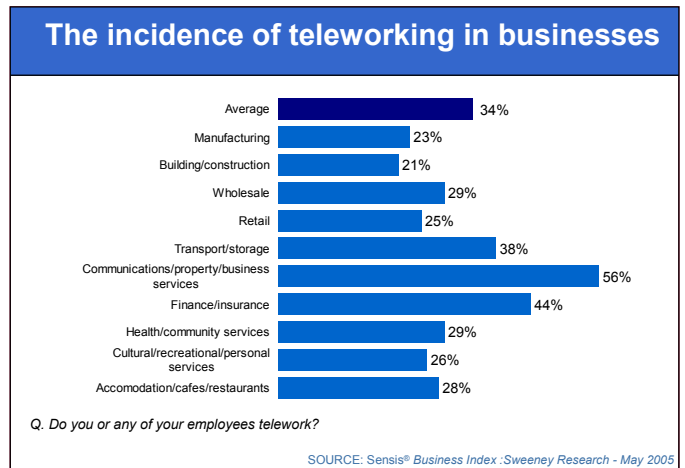
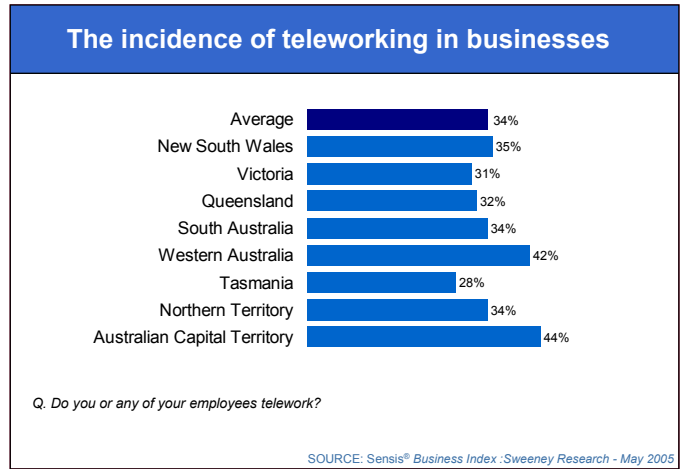
## The incidence of teleworking in Australian businesses

Whereas the previous data from the Sensis® *Consumer Report* examined the demographics of teleworkers, the data presented in the blue charts following examines the propensity of businesses to have teleworking occurring in their business. This data was collected as part of the May 2005 Sensis® *Business Index*.

As can be seen from the charts on the right, just over one-third of businesses have someone that teleworks. Looking at a state breakdown, those businesses in the Australian Capital Territory are most likely to have teleworkers (44 per cent), with those in Tasmania the least likely (28 per cent).

On a sectoral basis, not surprisingly businesses in the communications, property and business services sector were the most likely to have teleworking, with manufacturing and building and construction firms the least likely.

Other business types that exhibited above average tendencies to have teleworking were those in metropolitan areas (35 per cent); those businesses that were predominantly operated by males or an equal gender split (35 per cent and 36 per cent respectively); medium businesses with between 20 and 199 employees (51 per cent); and businesses that were not family-based (41 per cent).



## Teleworking and business performance

The Sensis® *Business Index* regularly tracks the confidence of businesses every quarter. In May 2005, the Sensis® *Business Index* found that net confidence among the Australian SME community was net 52 per cent. When one examines the confidence levels of teleworking businesses compared to those that do not telework, it can be seen that businesses with teleworking are more likely to feel confident about their business prospects for the next year than those that do not telework (net 61 per cent compared to net 47 per cent).

Apart from business confidence, the May 2005 Sensis® *Business Index* found higher net balance results across all performance indicators for SMEs that had teleworking. The gap in these performance indicators was most noted for sales (19 percentage point difference); profitability (13 percentage point difference); and wages (10 percentage point difference). On top of this, SMEs that teleworked were also more likely to export than those that did not (16 per cent compared to 11 per cent).

In interpreting this data, it is important to keep in mind the context of the operating environment for businesses at the time. The May 2005 Sensis® *Business Index* found that SMEs were operating at the stage of the business cycle which was just past its peak. Whilst confidence was not weak, it had dropped significantly from historically high levels that had been consistently recorded for the year previously. Indicators such as sales and profitability had recorded significant falls, with employment, a lagging indicator, still at historically high levels.

In this context, it can be seen that those SMEs that teleworked had managed to record consistently higher performance, particularly across sales and profitability as well as general business confidence, than their non-teleworking counterparts.

### Overall confidence May 2005

	SMEs with teleworking	SMEs without teleworking	All SMEs
Extremely confident	15%	13%	14%
Fairly confident	56%	51%	53%
Neutral	19%	19%	19%
Fairly worried	9%	13%	12%
Extremely worried	1%	4%	3%
Total confident	71%	64%	67%
Total worried	10%	17%	15%
<b>*Net Balance</b>	<b>+61%</b>	<b>+47%</b>	<b>+52%</b>

Q. Thinking about the next twelve months, how confident do you feel about your business prospects?

SOURCE: Sensis® *Business Index*  
Sweeney Research – May 2005

### Business performance indicators May 2005

	SMEs with teleworking	SMEs without teleworking	All SMEs
Sales	+19%	+0%	+6%
Profitability	+7%	-6%	-1%
Capital expenditure	+1%	-1%	-1%
Employment	+8%	+7%	+8%
Exports**	+13%	+10%	+11%
Wages	+16%	+6%	+9%
Prices	+24%	+21%	+21%

\*net balance of the proportion of SMEs reporting an increase minus the proportion reporting a decrease

\*\*base – those that exported (16 per cent of teleworking SMEs, 11 per cent of those that didn't telework and 13 per cent of SMEs on average)

SOURCE: Sensis® *Business Index*  
Sweeney Research – May 2005

## Teleworking characteristics

As part of this study, the Sensis® *Business Index* and the Sensis® *Consumer Report* asked both individuals and businesses about the way they telework. When examining this data it should be remembered that two quite different populations are being surveyed here – individuals who are responding about their own experiences; and business owners who are responding about how they incorporate teleworking into the organisational context.

Looking at individuals first, the Sensis® *Consumer Report* found that of those Australians who teleworked, over half (54 per cent) did this work in their home. The other main place where telework was performed was at a client’s or customer’s premises (31 per cent). On top of this, Australians did their work at a range of other locations including in vehicles, at interstate or overseas locations, in hotels and motels, in coffee shops, libraries and airports and other corporate premises that were not the usual place of work (35 per cent in total for other responses). There is a certain amount of cross-over represented in this statistic, with some Australians doing telework in multiple locations. The most common amount of telework that was performed on a weekly basis for individuals was up to five hours, with over four in five reporting that they spent up to a quarter of their working week teleworking. Teleworkers were most likely to be full-time employees (62 per cent), followed by part-time employees (16 per cent); business owners with employees (14 per cent); and business owners with no employees (eight per cent).

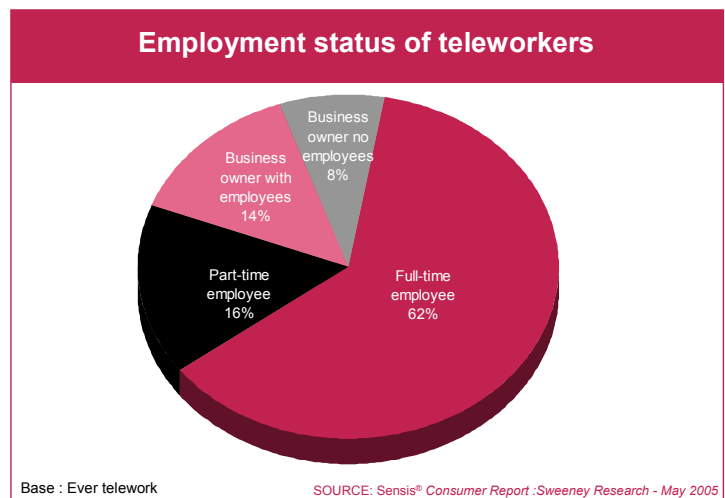
Looking at the organisational context, the Sensis® *Business Index* found that most businesses had up to five people teleworking, keeping in mind that in the Australian context most businesses have less than five employees. Most businesses reported that their employees did telework at a client’s or customer’s premises (52 per cent), closely followed by their homes (49 per cent) and elsewhere (24 per cent), with multiple locations again provided in responses to this question. Apart from the home and client premises, other locations mirrored the responses provided by individuals and included: vehicles, other business premises, meetings and conferences, interstate and overseas locations, cafes, airports and remote country areas. Again, most employees were teleworking up to five hours a week, however slightly higher hourly numbers were given by businesses in their responses.

Teleworking characteristics	
<b>Where do you Telework?</b>	
Home	54%
Customer's/clients premises	31%
Elsewhere	35%
<b>How many hours a week do you telework?</b>	
Up to 5	54%
6 to 10	17%
11 to 20	12%
Over 20	12%
<b>What proportion of working week?</b>	
Up to 25 per cent	81%
26 to 50 per cent	11%
51 to 75%	4%
76 to 100%	4%

Base : Ever telework SOURCE: Sensis® Consumer Report :Sweeney Research - May 2005

Teleworking characteristics	
<b>Where do your employees telework?</b>	
Home	49%
Customer's/clients premises	52%
Elsewhere	24%
<b>How many of your employees telework?</b>	
1	52%
2 to 5	41%
6+	7%
<b>How many hours a week do they telework?</b>	
1 to 5	36%
6 to 10	22%
11 to 20	23%
Over 20	16%
Not stated	2%

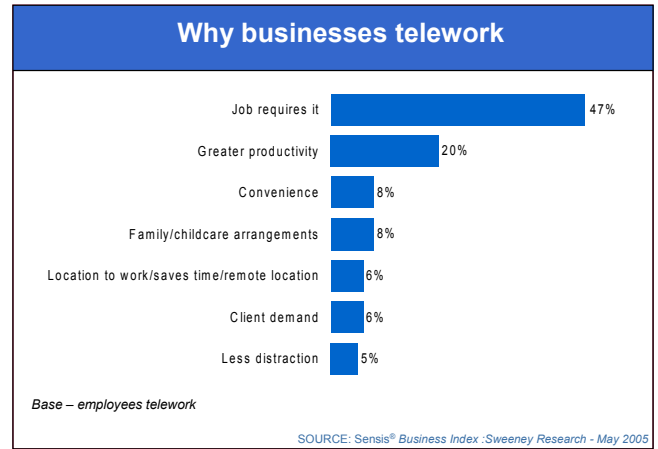
Base : Employees telework SOURCE: Sensis® Business Index :Sweeney Research - May 2005



## Reasons for teleworking

The Sensis® *Business Index* asked businesses with teleworking employees for the main reasons that their employees teleworked. Overwhelmingly, the survey found that the main reason given was because the job required it (42 per cent), followed by greater productivity (20 per cent).

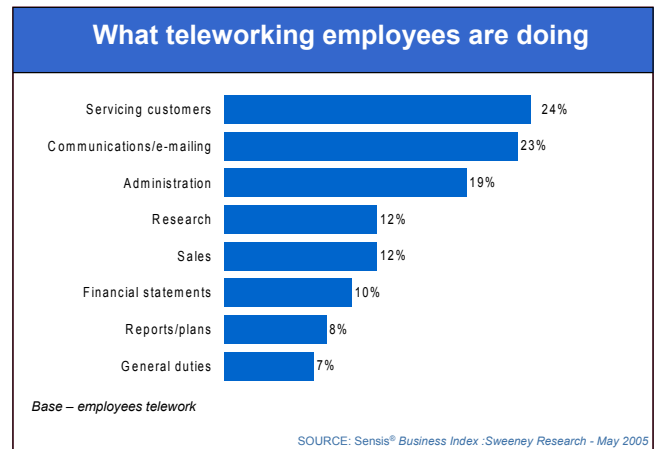
While these were the only responses to be mentioned by over 10 per cent of teleworking businesses, there were a number of lower order reasons for teleworking that were identified by business owners. These included: convenience and the family/childcare arrangements (eight per cent for each response); because of the location to work, with savings being identified in terms of travel and the ability to work in remote locations, as well as demand by clients to do work in their premises (six per cent each); and less distractions (five per cent).



## Tasks performed by teleworking employees

The Sensis® *Business Index* asked businesses with teleworking employees what the main tasks were that their employees performed while they were teleworking. From the chart on the right, it can be seen that the type of tasks that were reported encompassed the full range of standard business operations.

The most frequent tasks reported to be performed by teleworking employees was servicing customers, which was reported by 24 per cent of teleworking businesses. This was very closely followed by communications tasks and e-mailing (23 per cent).



It is also interesting to examine some of the differences between industry sectors at this point. While overall servicing customers was the main tasks reported, and while it was reported at a high level for most sectors, it was only the top response in two sectors: retail and cultural, recreational and personal services. Communication and e-mailing were the top tasks in the manufacturing, construction, wholesale trade and transport and storage sectors. Administrative work was the main tasks performed in the communications, property and business services and the health and community services sectors. For the finance and insurance and accommodation, café and restaurant sectors, financial reporting and statements were the main teleworking tasks.

Another important sectoral tasks were quoting, which was performed by 39 per cent of teleworking businesses in the building and construction sector, and the second main task for businesses in that sector. Research was also a key task for the finance and insurance sector, as well as those businesses in the accommodation, café and restaurant sector. For these businesses it was the second highest reported teleworking task performed by their employees.

## Teleworking tools

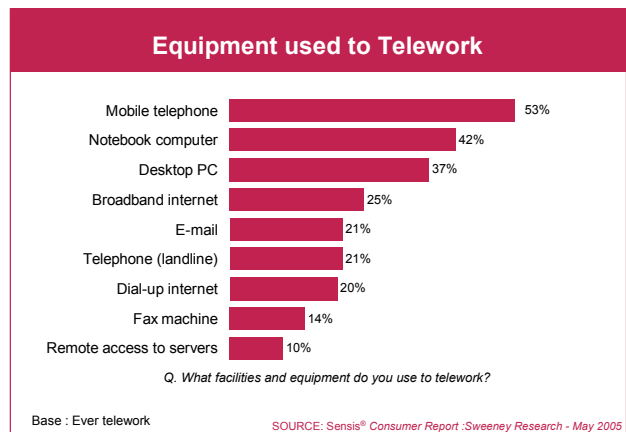
The Sensis® *Business Index* and the Sensis® *Consumer Report* also asked both individuals and businesses about the equipment they use to telework and who provides that equipment. Again, the surveys are of different populations – individuals and businesses, and the responses need to be interpreted in this context.

However, for both populations, the most common item of equipment used to telework was the mobile phone. Over half of individuals (53 per cent) reported using a mobile phone to telework, and almost three-quarters (72 per cent) of businesses reported having employees using mobile phones for this purpose. Individuals reported that approximately two-thirds of mobile phones used for teleworking were provided by employers, with almost 90 per cent of businesses that reported mobile usage for teleworking saying that they had provided employees with this equipment.

The second most common piece of equipment used for teleworking was a notebook computer, which was reported by 42 per cent of individuals and 44 per cent of businesses, with both populations reporting over three-quarters of teleworking notebooks as provide by businesses.

After notebooks, individuals reported the use of desktop computers (37 per cent); broadband internet (25 per cent) e-mail (21 per cent); telephone land-lines (also 21 per cent) and dial-up internet (20 per cent) as all being used by at least one in five teleworking individuals. The only equipment items that individuals reported using and more likely to have provided themselves than obtained from their employers were desktop computers and dial-up internet, however broadband access and land-line telephones for teleworking were reported as being almost equally split.

Businesses reported fairly similar equipment usage patterns, with e-mail being reported more frequently as the third most used item for teleworking in their business. For most items used by their employees, businesses reported much higher rates of having provided their employees with the equipment than individuals reported having received from their employees, however, it must be remembered that each business response may cover multiple teleworkers and reflects an organisational perspective.

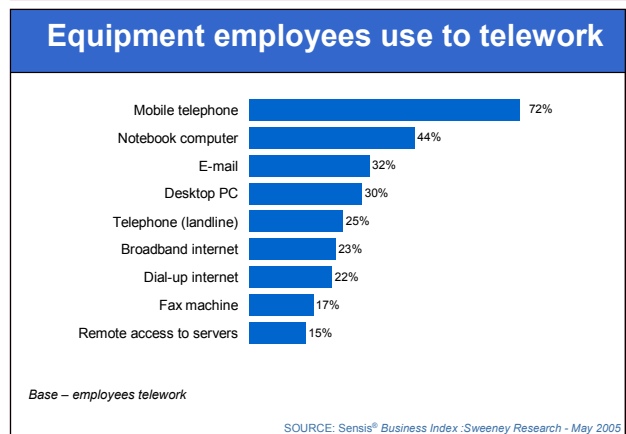


### Equipment provided by employer

	Employer provides	Employee provides	Total use
Mobile telephone	34%	19%	53%
Notebook computer	33%	9%	42%
Desktop PC	17%	20%	37%
Broadband internet	13%	12%	25%
E-mail	14%	7%	21%
Telephone (landline)	11%	10%	21%
Dial-up internet	9%	11%	20%
Fax machine	8%	6%	14%
Remote access to servers	8%	2%	10%

Q. Which of these is provided by your employer?

Base : Ever telework and not in own business SOURCE: Sensis® Consumer Report :Sweeney Research - May 2005



### Equipment provided by employer

	Employer provides	Employee provides	Total use
Mobile telephone	65%	7%	72%
Notebook computer	38%	6%	44%
E-mail	26%	6%	32%
Desktop PC	23%	7%	30%
Telephone (landline)	14%	11%	25%
Broadband internet	15%	8%	23%
Dial-up internet	16%	6%	22%
Fax machine	14%	3%	17%
Remote access to servers	2%	13%	15%

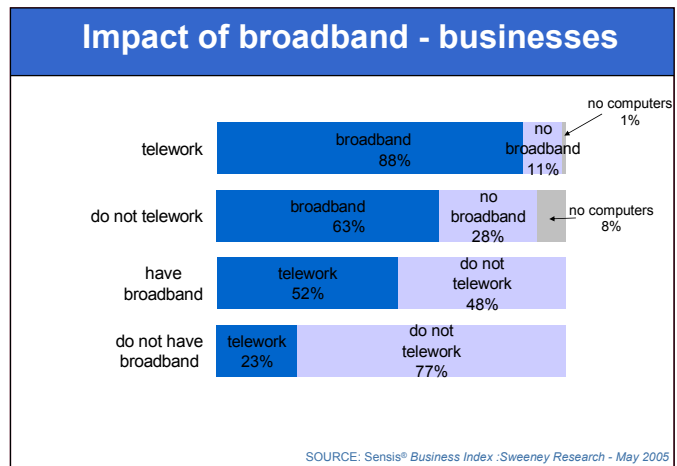
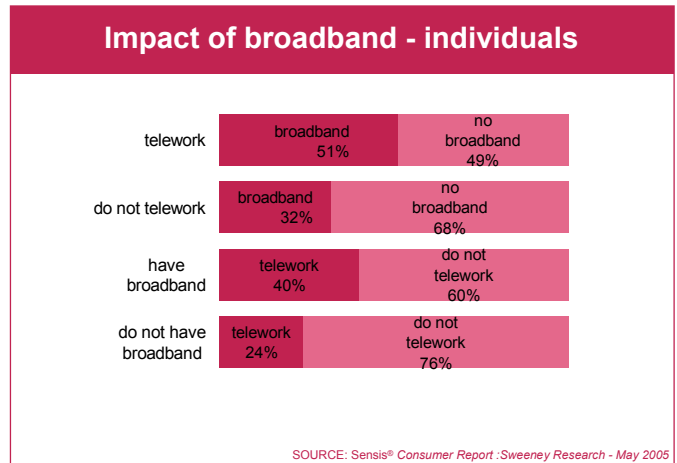
Base – employees telework SOURCE: Sensis® Business Index :Sweeney Research - May 2005

## The impact of broadband on teleworking

From the data seen on the previous page, it was seen that 25 per cent of individuals reported using broadband to telework, and 23 per cent of businesses saying that their employees used broadband to telework. However, it is also interesting to examine whether or not teleworking is more likely for those with broadband access, and vice versa.

For individuals, those who teleworked were almost equally likely to have broadband as not have broadband (51 per cent compared to 49 per cent). Those that did not telework were much less likely to have broadband (32 per cent with broadband compared to 68 per cent without). In addition, those consumers that had broadband were much more likely to telework. With 30 per cent of those in employment, on average, being found to telework, 40 per cent of those with broadband reported teleworking, and only 24 per cent of those individuals who did not have broadband reported teleworking.

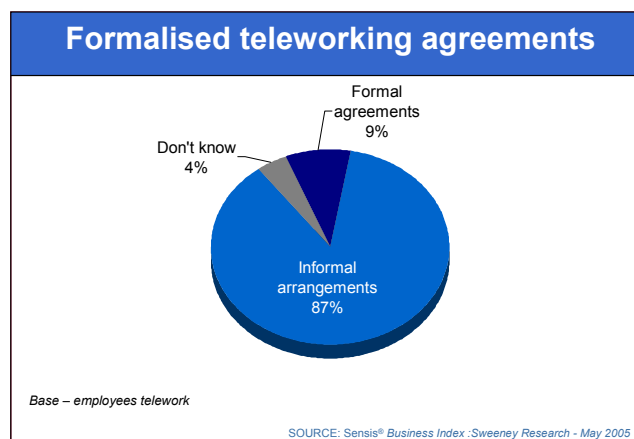
For businesses, those that had broadband were much more likely to report employees teleworking than those that did not (52 per cent compared to 23 per cent). Conversely, those that had employees teleworking were much more likely to have broadband connections to the internet than those businesses that did not have employees teleworking (88 per cent compared to 63 per cent).



## The incidence of formalised teleworking

The Sensis® Business Index found that employees and businesses were much more likely to enter into informal teleworking arrangements. Of those SMEs that had employees teleworking, only nine per cent had entered into formal arrangements with their employees, with 87 per cent reporting informal arrangements and four per cent being unsure as to what arrangements were in place.

Formal agreements were most likely to be in place in the Australian Capital Territory (18 per cent) and in medium sized businesses (14 per cent). Businesses in Western Australia reported the lowest usage of formal teleworking agreements (two per cent).



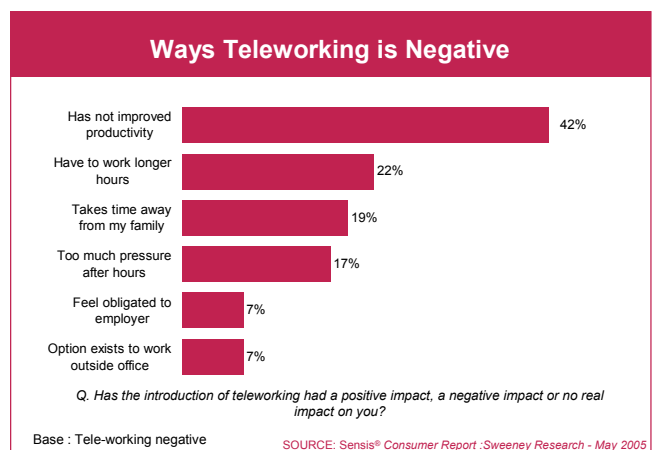
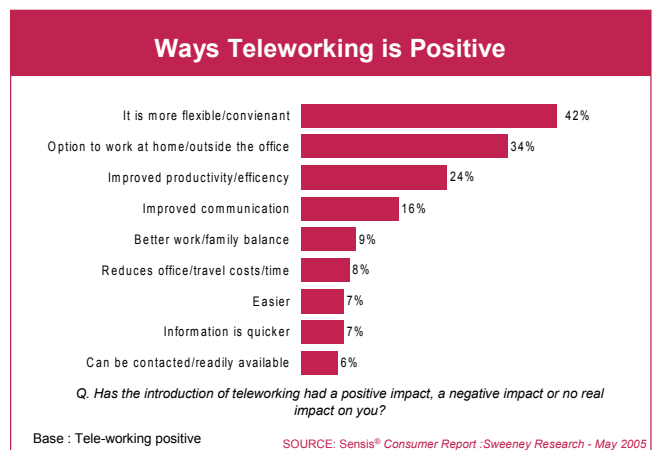
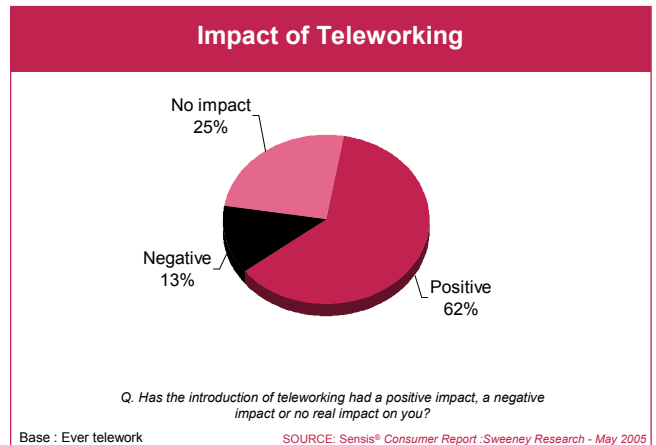
## The impact of teleworking – the views of teleworkers

The Sensis® *Consumer Report* found that individuals were very positive about their teleworking experiences. Overall, 62 per cent reported a positive impact from teleworking, with one-quarter reporting no real impact and 13 per cent reporting a negative impact.

The main responses as to why individuals found teleworking positive related to flexibility and convenience. Forty-two per cent of those who were positive about teleworking reported finding it more flexible and convenient, with 34 per cent saying that it gave them the option to work outside the office, 24 per cent feeling that it had improved their productivity and efficiency and 16 per cent believing that it had improved communications. Other positive responses given by employees included the belief that teleworking had improved their standard of living, enabling them to spend time with the family that they would not have otherwise done, that they had saved on travel time, it was easier, quicker, that they were readily contactable and that they had been able to do more work.

However, teleworking proved to be a two-edged sword for individuals to some extent. Of the thirteen per cent that reported having had a negative experience with teleworking, the main reason was a belief that it had not improved productivity. In addition to this, 22 per cent believed that they now had to work longer hours, and 19 per cent reported that it took time away from their families. In addition, employees noted that it had increased the pressure on them to work out of normal office hours. This correlates with the earlier finding that employees that undertake regular work outside standard hours are more likely to be teleworking. The extent of the pressure felt by those teleworking was also noted in responses indicating that it made employees feel obligated towards their employer and meant that the option to work outside the office now existed, whereas work had previously been confined to the office.

It is interesting to note that the impact of teleworking on work and family balance is seen as both positive and negative by individuals. It is important to keep in mind the relevant bases when analysing this result. Whilst 19 per cent of those reporting a negative impact from teleworking reported that it took time away from their families, overall, individuals were much less likely to give a negative response, and the proportion reporting positive impacts for family reasons was over twice as great as those reporting negative impacts in total.



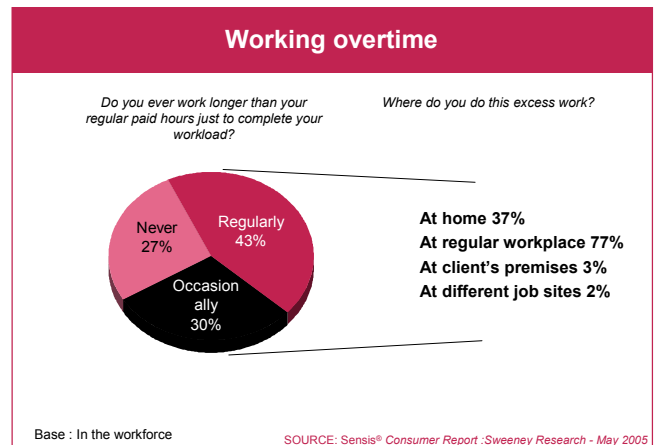
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## Teleworking and excess work

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Those Australians that were in full time employment also had a greater propensity to telework (33 per cent). This is perhaps not surprising when looking at the top chart on this page, which found that of those Australians that were employed, 43 per cent reported that they regularly had to work outside their paid hours just to complete their workload, with a further 30 per cent saying that they occasionally did this. Of those, some 37 per cent said that they did at least some of this work at home, with 77 per cent saying that they did at least some of this at their regular workplace. This highlights the inherent difficulties in defining teleworking. Should this be seen as teleworking if technology of some form is involved?

From the survey, there was a correlation between working significant excess hours and identifying as a teleworker. While those that only worked excess hours occasionally were no more likely than the general working population to consider themselves teleworkers (30 per cent), those that regularly worked excess hours were considerably more likely to telework, with 41 per cent reporting teleworking. Only 11 per cent of those that never worked excess hours reporting that they teleworked.



## The impact of teleworking – the views of businesses

Whilst it was seen earlier that most individuals had found teleworking a positive experience, after examining the responses given it is perhaps not surprising to see that businesses had gained more than individuals from teleworking.

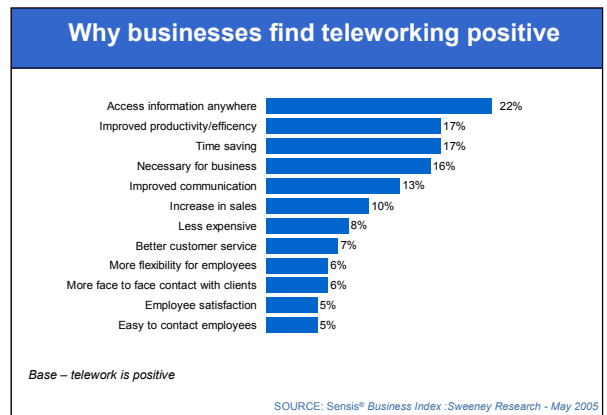
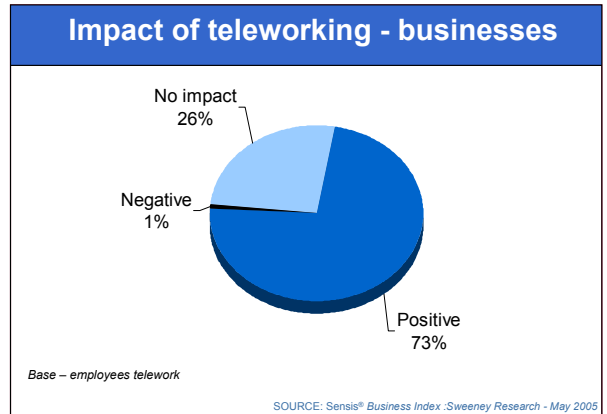
Overall, the Sensis® *Business Index* found that 73 per cent of SMEs who had teleworking employees had found it to have had a positive impact on their business. A further 26 per cent reported that they had not noticed any real impact, and only one per cent reported having had a negative experience from having their employees telework.

Again, the reason as to why teleworking had been so positive for businesses related to flexibility and productivity. Twenty-two per cent noted that teleworking had given them the ability to be able to access information from anywhere, no longer limiting the sphere of their business to an office. Seventeen per cent noted that it had improved their productivity, with an additional number reporting that it had saved them time.

The survey reported that 16 per cent of SMEs where teleworking had a positive impact felt that it was a necessary part of how they did business, with 13 per cent reporting improvement in communications. In line with the improved business performance seen earlier in this report, ten per cent reported increased sales as a positive impact of teleworking, with nine per cent noting that they had made savings through teleworking and seven per cent noting better customer satisfaction.

There was also a range of responses from business operators pointing to benefits to their business from increased employee satisfaction. With the May 2005 Sensis® *Business Index* finding 13 per cent of SMEs in general reporting difficulties finding quality staff, and with this problem at record levels, it is interesting to note that SMEs saw teleworking as providing better conditions for their employees. These ranged from more flexibility to increased satisfaction and for the businesses, more ease in being able to contact their employees. It is interesting to note that the May 2005 Sensis® *Business Index* found that a slightly lower percentage of SMEs who had teleworking staff (11 per cent) had reported difficulties finding staff than SMEs on average (13 per cent).

Only one per cent of those SMEs that had teleworking employees reported having a negative impact on their business from teleworking. The only reason given for the negative impact was that they could not effectively manage staff that were working from home.



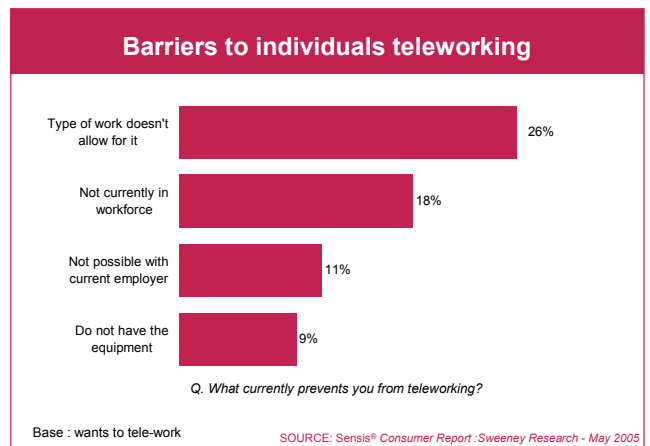
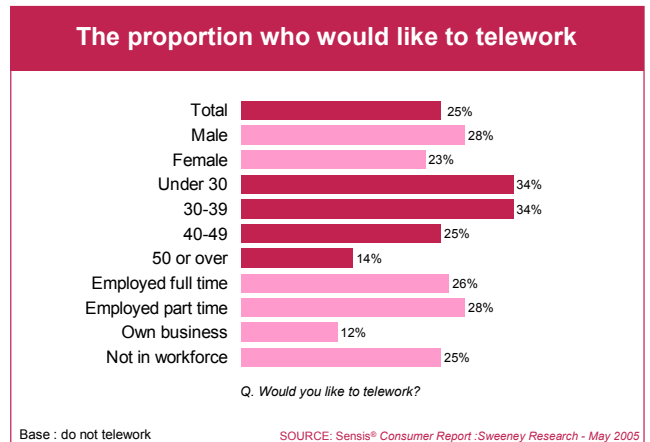
## The desire to telework

Whilst teleworking was more likely to benefit businesses and did have some downsides reported for individuals, of those that did not currently telework, one-quarter reported that they would like to telework. The demographics that were more likely than average to report wanting to telework were males (28 per cent), those under 40 (34 per cent) and employees (26 per cent of full-time employees and 28 per cent of part-time employees). Considering the importance currently placed on increasing the workforce to counter the impact of an ageing demographic, 12 per cent of those who are currently retired said that they would like to telework.

The main barrier to individuals teleworking was that the type of work they were doing did not allow for teleworking (26 per cent). Interestingly, 18 per cent of those that expressed a desire to telework said that the main barrier was that they were not currently in the workforce, providing options to expand the workforce to additional demographics if teleworking was more readily available.

Looking at the demographics of those who gave this response found that just over one-quarter (26 per cent) were retired, 28 per cent were currently involved in full-time education, 22 per cent were unemployed and actively looking for work, and 27 per cent reported that they were responsible for looking after the home. They were also likely to have household incomes of less than \$25,000 per annum.

Other reasons that individuals gave for not teleworking were that it was not possible with their current employer (11 per cent) and they did not have the equipment they needed to telework (nine per cent).



## Barriers to the introduction of teleworking

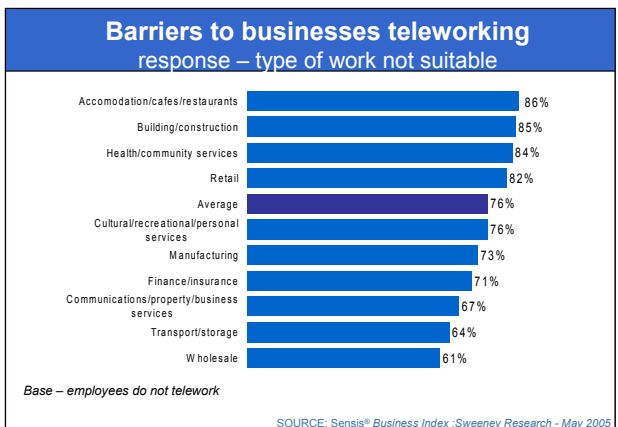
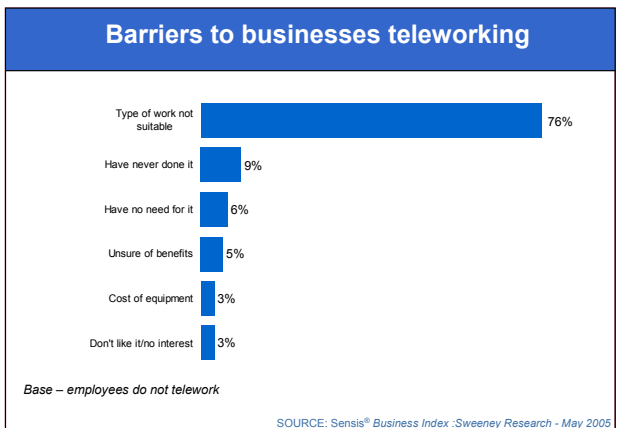
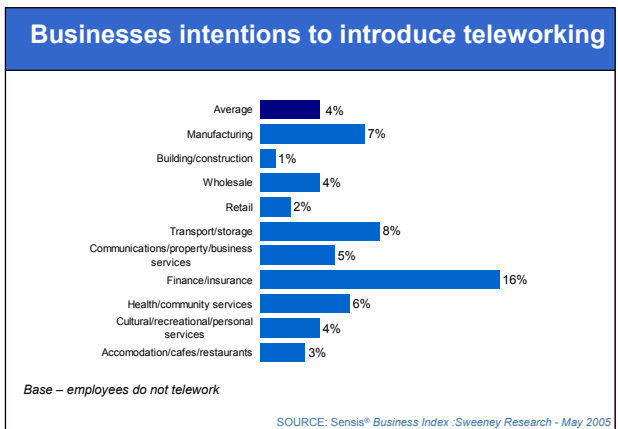
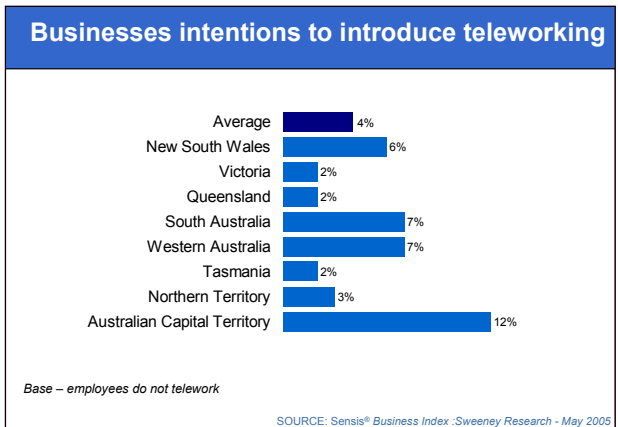
Despite businesses having the most to gain from teleworking, the Sensis® *Business Index* found that only four per cent of those SMEs that did not currently have employees teleworking were intending to introduce teleworking to their business. Businesses in the Australian Capital Territory were most likely to be intending to introduce teleworking, as were businesses in the finance and insurance sector.

Of those businesses that were intending to introduce teleworking, 58 per cent were intending to introduce it within the next year, with 23 per cent intending to introduce it the following year, and 20 per cent intending to introduce it over the next two years.

As was the case with individuals, the main barrier to businesses not introducing teleworking was a belief that it was not suitable for their type of work. This response was provided by 76 per cent of businesses that did not have employees teleworking on average.

It is interesting to look at this barrier particularly by industry sector. For every sector this was overwhelmingly reported as the main barrier preventing the introduction of teleworking. However, businesses in the accommodation, café and restaurant sector, the building and construction sector, the health and community services sector and the retail sector were more likely than average to have given the type of work as a barrier.

Whilst the type of work in some businesses does not lend itself as readily to teleworking as is the case in others, it can be seen that businesses within all of these sectors were able to introduce teleworking to some extent. For example, in the accommodation, cafes and restaurant sector businesses that did incorporate teleworking reported the preparation of financial statements and bookkeeping as the main tasks their employees performed while teleworking. In the building and construction sector the main tasks performed while teleworking were communications and emailing and quoting. Whilst performing quoting by teleworking was not unique to the building and construction sector, no other sector reported this task to the extent of this sector. For businesses in the health and community services sector, administrative tasks were the most commonly performed tasks, and in the retail sector servicing customers was most likely to be mentioned. So while some sectors were more likely than others to report barriers, examples existed in all sectors to provide evidence that at least some tasks could be performed by teleworking employees, even if the entire job was not suitable.



## Conclusion

Australians have a reputation for enthusiastically embracing technology. This report shows how Australians are using the flexibilities offered by technology to change how we do work and how we do business. Examining the data collected in this study shows that teleworking is already a dynamic part of the Australian business environment. The Sensis® *Business Index* found that over one-third (34 per cent) of Australian small and medium enterprises have already introduced teleworking as part of their operating environment, with the Sensis® *Consumer Report* finding that 30 per cent of individuals that were employed or owned their own businesses reporting that they teleworked.

This report also presents a strong business case for the adoption of teleworking. The study found an overwhelmingly positive impact for teleworking, both from individuals and businesses. However, on balance, businesses reported even higher levels of satisfaction with teleworking than individuals, with individuals facing some negative consequences, while the business experience had almost no downside.

For individuals, 62 per cent of those that had teleworked reported a positive impact, and 73 per cent of businesses that had teleworking employees reported a positive impact. The key positive impacts reported by individuals were that it was more flexible and convenient, gave them an option to work from home and outside the office and increased productivity. Business owners cited the ability to access information from anywhere, improved productivity and time saving as the top positive impacts of teleworking.

In terms of negative aspects of teleworking, only 13 per cent of teleworking individuals reported a negative impact from teleworking, with the main negative impacts being a belief that it had not increased productivity, they had had to work longer hours and it meant that they had less time to spend with their families. Only one per cent of businesses reported negative impacts from teleworking, which were that they could not effectively manage their staff when they were working at home.

While businesses directly reported strong positive impacts from teleworking, this report also found independent correlation between teleworking and business performance. Businesses that had teleworking employees reported higher levels of business confidence and stronger levels of business performance across a range of economic indicators. This evidence further strengthens the business case for teleworking.

However, while the case for businesses to introduce teleworking was strong, the Sensis® *Business Index* found that only a further four per cent of businesses were currently looking at introducing teleworking. This compares to one-quarter of individuals that would like to telework. Importantly, this included some individuals that were not currently in the workforce, but would like to telework. The significance of this finding should not be overlooked. With the importance of demographic change and the impacts of an aging population having been highlighted in the Australian Government's *Intergenerational Report*, this finding provides evidence that the increasing uptake of teleworking may assist in encouraging expansion of the Australian workforce.

APPENDIX A –QUESTIONS - BUSINESSES

<b>SECTION : TELEWORKING (ASK ALL)</b>	
Q29a. Do you or any of your employees telework? That is, do you or your employees do work outside your usual business premises during normal business hours aided by some form of technology (eg. Computer, telephone, facsimile, etc...)	YES ..... 1
	<b>Skip to Q34</b> NO ..... 2
b. Where is that work performed? <b>DO NOT AID</b> <b>ALLOW MULTIPLE RESPONSE</b>	AT THEIR HOME ..... 1
	AT CLIENT/CUSTOMER PREMISES ..... 2
	OTHER (SPECIFY) ..... 3
Q30a. How many of your employees telework?	Record number: <input type="text"/> employees
b. On average, how many hours a week do your staff telework?	Record number: <input type="text"/> hours
c. How many of your employees do not telework?	Record number: <input type="text"/> employees
Q31a. What facilities and equipment do your employees use to telework?  <b>ALLOW MULTIPLE RESPONSE</b>	TELEPHONE (LANDLINE) ..... 1
	MOBILE TELEPHONE ..... 2
	FAX MACHINE ..... 3
	DESKTOP PC ..... 4
	NOTEBOOK COMPUTER ..... 5
	BROADBAND INTERNET ..... 6
	DIAL-UP INTERNET ..... 7
	E-MAIL ..... 8
	REMOTE ACCESS TO SERVERS ..... 9
	OTHER (SPECIFY) ..... 10
b. Which of these facilities do you provide to your employees to assist in teleworking?  <b>ALLOW MULTIPLE RESPONSE</b>	TELEPHONE (LANDLINE) ..... 1
	MOBILE TELEPHONE ..... 2
	FAX MACHINE ..... 3
	DESKTOP PC ..... 4
	NOTEBOOK COMPUTER ..... 5
	BROADBAND INTERNET ..... 6
	DIAL-UP INTERNET ..... 7
	E-MAIL ..... 8
	OTHER (SPECIFY) ..... 9
c. Do you have formal agreements in place for teleworking, or is teleworking managed on an informal basis?	FORMAL AGREEMENTS ..... 1
	INFORMAL AGREEMENTS ..... 2

d. And what are the main tasks that your employees undertake when they are teleworking?	
.....	
.....	
Q32. What are the main reasons that employees telework in your business?	GREATER PRODUCTIVITY..... 1 LESS DISTRACTIONS..... 2 FAMILY/CHILDCARE ARRANGEMENTS..... 3 <b>DO NOT AID</b> JOB REQUIRES IT..... 4 COST SAVINGS..... 5 OTHER (SPECIFY)..... 6
Q33a. Has the introduction of teleworking had a positive impact, a negative impact or no real impact on your business?	(ASK B) POSITIVE IMPACT..... 1 (ASK B) NEGATIVE IMPACT..... 2 (GO TO 34) NO REAL IMPACT..... 3
b. In what way has it had a (positive)/(negative) impact?(PROBE FULLY)	
.....	
.....	
Q34a. Do you intend to introduce teleworking in your business?	(ASK b) YES..... 1 (ASK c) NO..... 2 (ASK c) NOT SURE..... 3
b. When do you intend to introduce teleworking?	WITHIN THREE MONTHS..... 1 3 TO 6 MONTHS..... 2 6 TO 12 MONTHS..... 3 12 MONTHS TO 2 YEARS..... 4 OVER 2 YEARS..... 5
c. What are the main barriers preventing you from having introduced teleworking already?	COST OF EQUIPMENT..... 1 TYPE OF WORK NOT SUITABLE..... 2 UNSURE OF BENEFITS..... 3 STAFF HAVE NOT REQUESTED IT..... 4 CONCERNS ABOUT PRODUCTIVITY..... 5 HAVE NEVER DONE IT..... 6 OTHER (SPECIFY)..... 7

APPENDIX B –QUESTIONS - CONSUMERS

Q10a. Are you currently working either full-time or part-time either in your own business or another business or organisation?	YES, EMPLOYED FULL-TIME .....	1
	YES, EMPLOYED PART-TIME.....	2
	YES, OWN BUSINESS, NO EMPLOYEES.....	3
	YES, OWN BUSINESS, HAVE EMPLOYEES	4
	<b>SKIP TO 11</b> NO, NOT WORKING .....	5
b. Do you ever work longer than your regular paid hours just to complete your workload?	YES, OCCASIONALLY .....	1
	YES, REGULARLY .....	2
	<b>SKIP TO d</b> NO .....	3
c. Where do you do this excess work?	AT HOME .....	1
	AT YOUR REGULAR WORKPLACE.....	2
	OTHER (SPECIFY) .....	3
d. Do you ever telework? That is do you ever work away from your usual workplace <b>during normal business hours</b> aided by some form of technology (eg. Computer, telephone, fax machine etc)	<b>ASK E</b> YES.....	1
	<b>SKIP TO i</b> NO .....	2
e. Where do you telework?	AT HOME .....	1
	AT A CUSTOMERS/CLIENT'S PREMISES.....	2
	OTHER (SPECIFY) .....	3
f. And approximately, how many hours per week do you spend teleworking?	Record number: <input type="text"/> hours	
g. And approximately what proportion of your working week is that?	UP TO 25 PER CENT.....	1
	26 TO 50 PER CENT.....	2
	51 TO 75 PER CENT.....	3
	76 TO 100 PER CENT.....	4
h. What facilities and equipment do you use to telework? <b>ALLOW MULTIPLE RESPONSE</b>	TELEPHONE (LANDLINE) .....	1
	MOBILE TELEPHONE.....	2
	FAX MACHINE .....	3
	DESKTOP PC.....	4
	NOTEBOOK COMPUTER.....	5
	BROADBAND INTERNET .....	6
	DIAL-UP INTERNET.....	7
	E-MAIL .....	8
	REMOTE ACCESS TO SERVERS.....	9
	OTHER (SPECIFY) .....	10

<p>i. Which of these is provided by your employer? <b>ALLOW MULTIPLE RESPONSE</b></p>	<p>TELEPHONE (LANDLINE) ..... 1          MOBILE TELEPHONE..... 2          FAX MACHINE ..... 3          DESKTOP PC..... 4          NOTEBOOK COMPUTER..... 5          BROADBAND INTERNET ..... 6          DIAL-UP INTERNET ..... 7          E-MAIL ..... 8          REMOTE ACCESS TO SERVERS..... 9          OTHER (SPECIFY) ..... 10</p>
<p>j. Has the introduction of teleworking had a positive impact, a negative impact or no real impact on you?</p>	<p>POSITIVE IMPACT ..... 1          NEGATIVE IMPACT ..... 2  <b>SKIP TO 11</b> NO REAL IMPACT ..... 3</p>
<p>k. In what way has it had a (positive)/(negative) impact?(PROBE FULLY)</p> <p>.....</p> <p>.....</p>	
<p>l. Would you like to telework?</p>	<p>YES..... 1  <b>SKIP TO 11</b> NO ..... 2</p>
<p>m. What currently prevents you from teleworking? (PROBE FULLY)</p> <p>.....</p> <p>.....</p>	

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