

EMPLOYER ATTITUDE TOWARDS TELEWORK IN REAL ESTATE SECTOR

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Abstract. Telework usage is increasing together with wide spread of information communication technology (ICT). White-collar workers are familiar with working from outside of the regular workplace, e.g. from home or when travelling. Nevertheless, the employers' attitudes towards teleworking vary in a large extent and the companies have different rules concerning enabling teleworking to their employees. Purpose of the study was to find out managers' attitudes towards telework and how they perceive factors that are related to telework of older employees. Special interest is paid on senior employees, who are more experienced and therefore more independent when choosing their way and place to work. Interviews with chief executive officers (CEO) from 10 real estate companies from Estonia were conducted to collect primary data for this study. The results: telework in real estate companies is ordinary; CEOs see flexibility as the main benefit of telework; the main threats that were indicated by CEOs, were: a) communication between employees is insufficient, b) there is nobody in office sometimes, c) reasons of employees' poor results remain unclear. From one side, telework suits better to the experienced employees as working alone is easier for them compared with less experienced employees and they need less help from colleagues regarding their job-related issues; from the other side, the older people have more challenges with using ICT.

Key words: telework, real estate sector.

JEL code: J14, J26, J28, J62

Introduction

Telework as a concept was first introduced as telecommuting by Jack Nilles (Nilles J., 1976). Telework is often defined as a way of work where information communication technology (ICT) enables employees access to work remotely, usually from home (Sullivan C., 2003). According to the European Trade Union Confederation, telework is defined as a form of organizing and/or performing work, using information technology, where work, which could also be performed at the employers' premises, is carried out away from those premises on a regular basis (Implementation, 2006). In current research, telework is defined as a work that is carried out outside the central office, involving new technology that permits communication (Arvola R. *et al.*, 2015). Working from home offers a lot of benefits to the employees and employers. For employees the benefits could be: savings in time and expenses; strengthening of working motivation; flexibility of the working mode; fitting work into own rhythm and situation of life; peace to do work etc. From the viewpoint of the employers, the benefits, the advantages are: lower overhead costs; increase in productivity; keeping the skilled employees etc. There are also advantages on less impact on the environment:

less traffic; decrease in emission caused by fuel consumption and traffic; less consumption of resources; savings in infrastructure; improved local economy etc. Some of the authors bring out the disadvantages for the employees connected with telework: having to reserve space for work at home; the health hazards of office equipment; the risk of social alienation; the risk of burnout as the work continues at home endlessly. The disadvantages for the employer are as follows (Heinonen J., 2000): risk concerning data security, initial investment expense etc. Most of the teleworkers visit their office at least once a week, so many of the risks can be reduced. The possibilities and willingness to carry out telework is individual and one of the main factors that incline the worker towards telework is the distance from home to work. There are other important factors, like the place where the (nursery) school of children is located or the quality of info-communication equipment at home and they are much better at the permanent workplace (Arvola R., 2006).

There are examples from the foreign literature (Krugman P., 1988; Nuur C. & Laestadius C., 2012) that since 2000 the people who have left their places of birth to the bigger cities for work, are now coming back as their living conditions in

big towns are not good (noise, stress, pollution), particularly not healthy for the young generation (small children); the housing is expensive in the cities etc. Therefore, young people and also elderly who want more silent places for living, are going back to their roots. The tendency in Latvia is yet that the proportion of rural population is decreasing because of the lack of challenging jobs in the countryside (Vitola A. & Baltina I., 2013). Here, telework can help. According to research, there are some work procedures that are better organized on the permanent workplace, like copying, scanning and printing services. Therefore, the company has to invest in the beginning of the telework organization, but afterwards the investments will stabilize. There are advantages and disadvantages of telework. The Latvian research (Vitola A. & Baltina I., 2013) showed that the majority of working age people in cities as well as in rural areas is willing to be involved in telework.

There are some determining factors for "yes" or "no" to telework or for developing the telework at the rural area (Sullivan C., 2003): 1) transportation; 2) ICT-equipment level; 3) ICT systems security; 4) individual factors, like small children or elderly people wish to live away from towns; 5) the workplace location of the partner/husband.

Generally, the authors point out that home-based telework appears to be as one of the major areas where the new technology has the potential to change people's daily practices and thereby create better life quality to the individual (Vitterso J. *et al.*, 2003).

There are many problems connected to the development possibilities of telework. For example, as said above, the responsibilities for childcare would restrict participation in conventional on-site work. This gives the advantage to telework (Sullivan C. & Lewis S., 2001). There are some sources that deal with the gender influence on choosing "telework" (Bae K.B. & Kim D., 2016). The results showed the

positive relationship between the organizational adoption of telework and the employees' job satisfaction. Female workers are likely to have a more favourable attitude toward teleworking than their male counterparts (Bae K.B. & Kim D., 2016). Telework in particular is one of the most widely implemented types of family friendly policies. It is defined as "periodically, regularly, or exclusively overforming work for their employers from home or another remote location that is equipped with the appropriate computer-based technology to transfer work to the central organization" (Hunton J.E. & Norman C.S., 2010).

Results of Morganson *et al.* (2010) investigation showed that the main office and home-based workers had similar high levels of work-life balance support and job satisfaction. Thus, allowing employees flexibility in choosing their work locations is related to positive outcomes.

The current paper is concentrated on the real estate workers whose work is "networked" (Garrett R.K. & Danziger J.N., 2007) in such a way that they regularly work in a combination of home, work and field contexts. Unfortunately, telework can be a source of work-life imbalance. Especially, in high stress jobs, working from home may not allow workers to escape work, both mentally and physically (Russell H. *et al.*, 2009). Telework enables workers to continue working for longer hours (Hill E.J. *et al.*, 2003). As a result, teleworkers may experience increased stress and overload (Konradt U. *et al.*, 2003; Russell H. *et al.*, 2009; Towers I. *et al.*, 2006).

Technology continues to be a catalyst for change in all areas of business and industry, and the real estate market is no exception (Garebaglow S., 2016). Today's worker is more mobile and business can operate anywhere. While telecommuting may not be a viable option for all companies or for all employees within the company, many organizations have utilized

remote work models with great success. This mode of work is reducing the amount of office space and is changing the dynamics of what constitutes an ideal-real expensive location. In addition to reducing the amount of office space that company needs, and re-imagining how that space is used, technology is also bringing down barriers between potential tenants and real estate owners. Developments in cloud-effective and real-time property information, which means many leasing activities, are taking place online. As young families want more space for living, they retreat to suburban and exurban homes and this will not limit the professional options for work to them.

As of September 2015, more than 3.7 million employees work from home in the U.S. at least half of time, according to Global Workplace Analytics (Thorsby D., 2015). One of the biggest problems for people working at home is that they do not work 7-8 hours, but they work 24 hours per day, 7 days per week. A special space for your office helps. Everyone works differently, and the great advantage of the home office is: it can be personalised so that people become as productive and happy as possible. Telecommuting has a growing influence on commercial real estate sector: telecommuting is on the rise; companies have trimmed costs by reducing their need for physical space. Fewer employees are required to be on site; improving productivity and retaining employees; continuity (work is possible also in extreme weather conditions, not go out from home), expanding the talent pool (teleworking gives the possibility to work for disabled people, living in other geographical regions, as well as for single parents etc.) (Hauser D., 2014). The author suggests that from 2014 based on the trends in teleworking, a 69 % increase of teleworkers from 2014 levels is expected by 2016.

Problems: 1) What are the main factors that are considered by the employers when they consider telework in their company?

2) Is telework seen as a tool for extending work life of older employees?

Aim and tasks of the research to solve the problem: are ageing people eager to work further when reaching the retirement age if telework is proposed to them as the mode of work?

Novelty and topicality of the research: the work topic is very topical for Estonia, where the work-force is decreasing. Are older workers (with the experience in the real estate field 10 years and more) more appreciated by the employers than very young workers or even students in the shortage of workforce?

The problem was solved by the qualitative study in 10 real estate companies from Estonia. The analysis of the interviews with the CEOs of these real estate companies was used.

A great number of real estate companies have experienced telework for many years. Therefore, the real estate sector was selected as a focus for the current research.

Research questions: (1) To what extent the managers of the real estate companies see that telework is applicable for senior employees?

(2) What are the circumstances that affect telework utilization for senior employees?

Research method

Qualitative approach was applied for solving the research questions.

Data for the research were collected by the semi-structured interviews. An interview guide with open-ended questions was prepared.

Content analysis was applied. Thematic units were used for coding and the coding schedule was as follows in Table 1.

Table 1

Coding schedule

No	Topic
1	Share of teleworkers in the company
2	Assessment on possibility to apply telework in the company, that interviewee represents
3	Time that employees work remotely
4	Importance of employees' presence in the office
5	Management's attitude towards teleworking
6	Employees' attitude towards teleworking
7	Existence of senior employees in the company
8	Attitude towards employees who postpone their retirement with the help of telework
9	Senior employees' ability to cope with telework
10	Senior employees' motivation to postpone their retirement

Table 2

Sample description

Interviewee	Company size (number of employees)	Approximate amount of teleworkers
1	65	0
2	40	0
3	35	25
4	150	10
5	70	20
6	20	15
7	15	3-4
8	12	0
9	25	23
10	30	0

Source: interview transcriptions

Sample was compiled from 10 chief executive officers (CEO) of real estate companies as the nature of research question needed experts as interviewees. In the beginning, 11 companies were selected, but one CEO was not able to find time for the interview. Company profiles are described in Table 2. Information about demographic profile of interviewees was not collected because it is less important information

in expert interviews. Only company size was asked in the interview.

Interviews were conducted from September to November 2013. Each participant was introduced with telework definition before the interview.

Interviews were in face-to-face form and each interview lasted about two hours. All interviews were recorded and later on transcribed.

Research results and discussion

Interviews revealed that managers' experiences and attitudes vary in a large scale. Some CEOs said that their experience with telework has shown rather undesirable results, while others expressed that the place of work does not matter much. None of the CEOs said that telework in their company has been imposed by the employer.

The following results were derived from the analysis of the interviews by the topics presented in Table 1.

1. Share of the teleworkers in the company

Share of teleworkers among all employees also varied. One CEO said that in their company it is almost impossible to do telework because the nature of the job requires the presence and telework is conceivable only in some rare cases.

There were also companies where telework is feasible, but it is not supported by the company and the presence in office is required, except when meeting with the clients at sailing objects etc. These CEOs also had previous experience with telework in their company. One CEO who did not favour telework, expressed his own opinion that employees in their company seem to prefer working in their office together. However, majority of CEOs recognized that many or even prevailing majority of the employees are teleworkers as they work remotely a part of their work time. Recently mentioned interviews with particular CEOs revealed that the decision for teleworking is made by the employee and accepted by the employer.

2. Assessment of possibility to apply telework in the company

As mentioned above, telework cannot be utilized in every job or company. In the current research, there was one company, whose profile was entirely related to the real estate maintenance and majority of the jobs in this area are difficult to adapt for teleworking.

Others admit that it is possible. Some interviewees justified their resistance to telework with lack of control, social contact or with their earlier experience.

Interviewee 3: *"/.../ "we do not control people and we cannot know what they actually do and where they actually are."*

Interviewee 6: *"You can communicate with people and exchange your thoughts, because this work needs colleague's opinions, even on price levels. Therefore, this immediate contact is also good as well as having a cup of coffee together in the mornings".*

Interviewee 10: *"We have had years ago people who have wanted it (telework) and we have allowed these people to use it, but the economy requires to measure the results and they do not show that working from home is expedient, effective, lucrative or more profitable compared to being out from home at the office".*

Nevertheless, most of the interviewees stated that telework is not only possible but also a natural work mode in their sector. It was also seen as an advantage to provide flexibility, which is considered to be important for customers.

Interviewee 2: *"The reason why we use telework is to adapt to new circumstances and flexible use of working-time is one of the valued benefits in real estate broker's work".*

Many interviewees expressed that telework needs special attention by stakeholders and its impact is wider than only employee's individual result.

Interviewee 9: *"If it is organised in the company so that there are certain times when people need to get together and they know what*

they do and to whom and how they provide service to, then I think it is very OK".

They also referred that telework suits individually. Even those interviewees who did not support telework generally, admit that telework is suitable if an employee is experienced.

Many interviewees indicated that together with telework there is one "important aspect" connected with the image of the company that needs to be settled: some of the customers want to visit the company's office without warning and it needs to be taken care of that there is always somebody present and available.

3. Time that employees work remotely

Interviewees altogether estimated that the share of work time when employees work remotely is 30 % to even 90 %. A common assessment was that employees work at least half of their work time remotely. Exception was one company that stated that telework generally couldn't be applied in their company.

4. Importance of the employees' presence in the office

Prevailing opinion was that employee's work results are more important than being present. It was also common to suppose that for older and experienced employees' presence is less important than for younger employees.

Some interviewees see employees as entrepreneurs and therefore it is up to employees to decide over how they work and the company cannot forbid telework. They also pointed out that telework is common in real estate sector.

At the same time, some interviewees referred to the importance of communication and direct contact in team.

Interviewee 3: *"Firstly, information goes around here and secondly it motivates people and thirdly, according to training, because /.../ there are million different situations, then from each situation it is learnt case by case".*

5. Management's attitude towards teleworking

Some interviewees said that they do not support telework. One admitted that managers in their company do not share the same views on telework.

Compared to telework opposition, the majority of the interviewees liberally tolerate telework, letting employees to decide over their work form. Two interviewees mentioned telework's individual suitability. One of them told that telework can be supported only if work results show the improvements due to that and the other interviewee emphasized on telework's unsuitability for younger and inexperienced employees.

One CEO said that for an owner it is pleasant to work in the same office with others rather than to work remotely even if it is possible.

There was no sign of attitude that some companies impose telework for their employees.

6. Employees' attitude towards teleworking

Interviewees expressed their opinion about employees' attitude. Two interviewees said that employees' opinion is not considered. One of them added that telework issue was discussed already within their recruitment process.

Two interviewees who supported telework, reported employees' attitudes that were different from them. One told that older employees prefer working from office because they do not feel comfortable with ICT while telework is preferred by their younger colleagues. The other interviewee expressed some disappointment regarding the issue. Interviewee said that employees' attitude is unfavourable, because employees would like to see more colleagues in the office, but at the same time, it happens sometimes that there is nobody in the office on Friday.

Half of the interviewees communicated positive attitude towards telework by employees.

7. Existence of the senior employees in the company

Majority of the interviewed companies had about 10 % of employees that were at least 50 years old.

There was only one company with employees without any worker who is 50 years or younger. Nevertheless, the same company had earlier positive experience with over 70 years old worker, whose work results were the best in the company.

8. Attitude towards employees who postpone their retirement with the help of telework

Only one interviewee reported that in their company it would be impossible to use telework regardless of age.

Rest of the interviewees expressed at least in some extent positive attitude towards enabling teleworking for the older employees.

Some interviewees said in the retirement context that telework is not suitable for every employee and this is individual, but the prevailing attitude was rather favourable.

All examples that interviewees gave regarding telework, as an option to postpone retirement, were exclusively positive. It is important to point out that among them were two interviewees who did not support telework in general, but, as an option for older employees, it was considered to be benefit for the company.

One interviewee added exception for these older employees who had no experience in real estate sector.

Interview 6: *"But I do not approve the training of a new one and I am negative about it".*

Several interviewees emphasized that company benefits a lot if an employee postpones retirement and telework is suitable for the experienced employees.

Interviewee 9: *"/.../ "I believe that in some target groups pension-aged people are more trustworthy".*

Interviewee 7: *"/.../ "because loyalty and personnel stability are great values".*

Interviewee 2: *"Experienced worker's continuing is in a favour compared to new ones".*

9. Senior employees' ability to cope with telework

Opinions were divided. One common view was that telework, as it requires ICT use, is usually more challenging for older people. However, at the same time some of them added that the situation is improving. Others were positive about the older employees' coping with telework, but most of them still had to admit that older people have more challenges regarding ICT. Several interviewees pointed out that these ICT usage problems would be easier to solve from office than remotely.

10. Senior employees' motivation to postpone their retirement

A common opinion was positive and the majority of interviewees mentioned additional income as the main reason.

Interviewee 8: *"Estonian pension is as it is".*

Other reasons were brought out only by two interviewees.

Interviewee 7: *"I believe so, because real estate brokers' work enables communication with people and /.../ keeping active in life and I think for these reasons to do something, /.../ is the reason why people still continue to work".*

One of the interviewees added that older employees seem to enjoy their work and being with the others.

Interviewee 10: *"/.../ at this time as a manager I watch how nicely younger and older workers communicate with each other, then at least the pension-aged employees were excellent".*

Discussion, conclusions, recommendations

The majority of interviewees did not see that the form of working (i.e. teleworking) had significant impact on work results. Some managers see that the disadvantages of telework do not outweigh the flexibility created by

telework. Main threats concerning teleworking that interviewees pointed out were reduced social contact and communication between employees and reduced productivity, that were also described by Heinonen (2000). Current results did not support same circumstances (i.e. transportation, ICT-equipment level etc.) that were described by Sullivan (2003).

Although some interviewees pointed out that the older people have more challenges concerning ICT that is crucial for teleworking; attitude that prevailed, was following: when an employee is experienced and decides to continue working in telework form in retirement age, manager's reaction is positive.

Some pointed out that older employees are more experienced compared to younger ones and therefore more efficient when working alone.

Analysis of interviews led to conclusions:

- 1) telework in real estate companies is widely used;
- 2) CEOs see flexibility as the main benefit of telework;
- 3) main threats that were indicated by CEOs were: (a) communication between employees is insufficient, (b) possibility of having nobody in the office to serve unexpected customers, (c) reasons of employee's poor results remain unclear;
- 4) (a) on the one hand, telework suits better to experienced employees as working alone is easier compared to less experienced employees and they need less help from the colleagues regarding their job-related issues; (b) on the other hand, older people have more challenges with using ICT.

Later survey (n=73; carried out by the authors of the current paper) among employees from real estate companies in Estonia in 2017 showed that telework is still widely used by employees, mainly because it provides more freedom for employees. Less than 10 % of respondents were not using telework at all.

Telework was considered a popular incentive to support postponement the retirement.

Authors see great potential in intergenerational knowledge transfer in both directions regarding work arrangements in companies where telework is relevant.

Following suggestions were made:

- 1) senior employees need more training regarding ICT;
- 2) it is also important to set work arrangements that enable social contact, including mutual help of colleagues and knowledge transfer from more experienced to less experienced workers.

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