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**APPLICATION FOR A  
PhD BY PUBLISHED WORK**

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**BSc., MA, MIPD**

**UNIVERSITY OF GREENWICH**

**July 1998**

PhD

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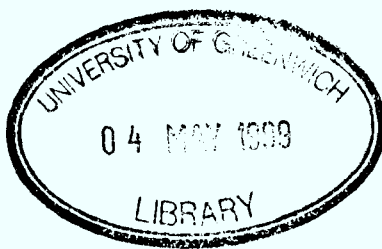
**APPLICATION FOR A PhD BY PUBLISHED WORK**

**BY CELIA STANWORTH BSc, MA, MIPD**

<b>CONTENTS</b>	<b>PAGE</b>
<b>Abstract</b>	<b>2</b>
<b>Submitted Work</b>	<b>3</b>
<b>Introduction</b>	<b>5</b>
<b>Conclusions</b>	<b>18</b>
<b>Literature Review</b>	<b>20</b>

**APPENDICES**

- I Book: Telework - The Human Resource Implications (separate)**
- II Book: Work 2000 - The Future for Work and Industry (separate)**
- III Book: Self-Employment and Labour Market Restructuring (separate)**
- IV Book: Working at Home - A Study of Homeworking and Teleworking (separate)**
- V Chapters from Books**
- VI Published Journal Articles**
- VII List of Academic Conference Papers 1988 to date**
- VIII Press Coverage/Reviews of Submitted Publications**
- IX Figure 1 - Population Trend of UK Self-Employed With/Without Employees, 1984-97**



## **ABSTRACT**

The body of research presented here represents an important contribution to knowledge in the field of the future of work with particular reference to work facilitated by Information and Communications Technology (ICTs). The work encompasses a number of levels of analysis: the macro level, the organisational level and the workforce level. It has explored previously neglected areas of self-employment, and has contributed to understanding of both corporate and self-employed telework.

The submission document is organised as follows: following the list of submitted work the Introduction explores the background to the research area, and then provides a detailed commentary on each piece of submitted work, including clear information on the author's contribution to publications which are co-authored. The Conclusion outlines how the research has added to the existing body of knowledge in the subject fields, and this is followed by a Literature Review which sets the submitted work into the broader context of research on telework and the future of work and employment.



## SUBMITTED WORK

The submitted work consists of:

### **Books:**

*Work 2000*, (with J. Stanworth), Paul Chapman Publishing, 1991, 262 pages.

*Telework: The Human Resource Implications*, (with J. Stanworth), Institute of Personnel Management, 1991, 138 pages.

*Self-Employment and Labour Market Restructuring: the Case of Freelance Teleworkers in Book Publishing*, (with J. Stanworth and D. Purdy), University of Westminster Press, 1993, 33 pages.

*Working at Home - A Study of Homeworking and Teleworking*, Institute of Employment Rights, 1996, 40 pages.

### **Chapters in books:**

'Enterprise 2000: Workbase the Electronic Cottage?' in *Paths of Enterprise: The Future of the Small Business*, (with J. Stanworth), edited by J. Curran and R. Blackburn, Routledge Social Analysis, 1991, pp. 34-50.

'Problems of Definition and the Marketing of High-Technology Homework', in *Towards the Twenty-First Century: The Challenge for Small Business*, (with J. Stanworth), edited by M. Robertson, E. Chell and C. Mason, Nadamal Books, 1992, pp. 268-281.

### **Journal Articles:**

'Home Truths about Teleworking', *Personnel Management*, (with J. Stanworth), 21, 11, 1989, pp. 48-52.

'Visions of the Future', *Personnel Management*, (with J. Stanworth), 23, 6, 1991, pp. 35-39.

'Saved or Damned? The Case of Freelance Teleworkers', *European Journal of Teleworking*, (with J. Stanworth) 1, 4, 1993, pp. 9-15.

'Teleworking - The Social Dimension', *European Journal of Teleworking*, (with J. Stanworth), 2, 3, 1994, pp. 4-8.

'The Self-Employed without Employees - Autonomous or Atypical?', *Industrial Relations Journal*, (with J. Stanworth), 26, 3, 1995, pp. 221-229.

'Self-Employment Career Dynamics: The Case of Unemployment Push in UK Book Publishing', *Work Employment and Society*, (with B. Granger and J. Stanworth), 9, 3, 1995, pp. 499-516.

'Subbing the Night Away: the Increasing use of Freelancers in Book Publishing is not Sustainable', *New Economy*, March 1996, pp. 43-47.

'Telework and Human Resource Management', *The Home as an Office*, Digest on the Colloquium, Institute of Electrical Engineers, 1996/043, pp. 5/1-5/6.

'Ethical Issues of Teleworking', *Business Ethics: A European Review*, (with C. Moon) 6, 1, 1997, pp. 35-45.

'Managing an Externalised Workforce: Freelance Labour Use in the UK Book Publishing Industry', *Industrial Relations Journal*, (with J. Stanworth) 28, 1, 1997, pp. 43-55.

'Reluctant Entrepreneurs and their Clients - the Case of Freelancers in the British Book Publishing Industry', *International Small Business Journal*, (with J. Stanworth) 16, 1, October/December 1997, pp. 58-73.

'Telework and the Information Age', *New Technology Work and Employment*, 13, 1, Spring 1998, pp. 51-62.

## INTRODUCTION

This submission is based on publications (listed under submitted work) resulting from research conducted between 1988 and 1998. During that time, I have held a number of full-time and fractional research fellow posts (ranging from 1.0 to 0.2) at Westminster University Business School where I was a founder member of the Future of Work Research Group formed in 1988. In 1993, I also became a fractional (0.7) Senior Lecturer with the University of Greenwich Business School, and was subsequently granted a research time allowance as a member of the Employment Flexibility Research Group. I have continued research work within both institutions and was entered for the 1996 Research Assessment Exercise separately by both universities (which was unique in the category), entering four different publications with each institution.

For the purposes of clarity in this Introduction the research work is divided into three phases, Laying the Foundations; Empirical Work; and from Teleworking to the Information Age.

The work has centred around one of the most far-reaching and profound debates in the study of employment and in the human resource area: the study of the future labour market and employment in the UK and allied issues of continuity and change. Within this field, there has been an avalanche of material, some purely speculative and some based on empirical research, on new work patterns. The work presented here has investigated 'non-standard' forms of work, with telework as the central focus. Non-standard work patterns are those which move away from the full-time, co-located, master-servant relationship with a contract of indefinite duration on which most of UK labour law, welfare and employment protection legislation has been based.

The period of the research (1988-1998) witnessed substantial changes in the UK labour market including the continuing decline of the manufacturing sector in terms of job numbers and the growth of the service or tertiary sector, along with marked increases in self-employment and part-time working. It has also witnessed the continuance of the trend towards a reduction in the labour market activity rates of men and increasing labour market activity rates amongst women. Fears stemming from the globalisation of product markets, the need for more rapid innovation, and increasing competition from recently industrialised countries, have influenced the employment strategies of many companies, and along with economic recessions and free market ideology have influenced employers' labour use decisions. The results have been 'downsizing', delayering and outsourcing, and an increasingly 'contingent' work force (often non-standard in nature), where the existence of jobs is now more closely tied to fluctuations in the demand for the firm's products or services, with employees less likely to be offered a long-term 'deal' or access to an internal labour market. This is having important effects upon attitudes to work, career patterns and the relationship between workers and employers.

Much recent theory on labour markets and organisational change, both in the telework field and in non-standard work generally, has been based upon the premise that the 1980s represented a radical break with the past (for example the flexible firm model

of Atkinson and Piore and Sabel's flexible specialisation thesis) rather than the continuance of incremental changes, and has tended to ignore or downplay historic continuities in labour use. The research has endeavoured to assess and to question the reported extent and consequences of changes in the use of the human resource, and to evaluate the validity of aspects of these theories.

Telework, defined as work mediated by information and communications technologies (ICTs) undertaken away from the employer's location, is the non-standard work form which has been a particular focus of the research. The uncertainty of the business environment in recent times has tended to affect the way in which telework has been operationalised in the UK. Telework is a relatively new phenomenon which has been made possible, and increasingly affordable, by the revolutionary developments in information and communications technologies from the 1970s onwards. The 1970s saw reductions in the cost of computing equipment which was matched by rapid improvements in its speed, reliability and capacity. The more recent development which is of significance is the integration of computers with telecommunications equipment using a common digital code which opens up great possibilities, more so now that television itself is becoming digitised. Compression allied to digitisation now offers the possibility of transmitting multi-media materials in a variety of ways: by optical fibre cables, satellites or digital radio. This 'information superhighway' will be interactive, with the Internet seen only as its low tech precursor.

However, the potential of this technology to uncouple work from temporal and locational constraints should not be taken to mean that it will automatically be adopted by employers or individuals, since technology alone does not determine the outcomes for work and employment. It is mediated by societal, organisational and cultural factors which may inhibit as well as drive the growth of telework or lead to the development of certain types of telework rather than others. Some of the literature has fallen into the trap of technological determinism, and has also entered the realms of speculative futurology, often based on flimsy evidence, with the tendency to predict a singular, usually optimistic future for work organisations and workers, rather than admit the possibility of more diverse outcomes. The telework, and latterly the information age, literature often foresees a utopian future where reskilled, collaborative workers will operate in liberating, high trust environments. This overlooks the possibility of continuing gender and status divisions in the work force, the possibility of deskilling as well as upskilling outcomes, or the likelihood of the exploitation of workers as well as opportunities for liberation, associated with the use of information and communications technologies applied to paid work.

Telework is not a unitary category but can take many forms. It links with other forms of non-standard work of a more long-standing nature, because it can be organised in a variety of ways. Teleworkers may be employed, or outworkers, or independent self-employed workers. They may be full-time, part-time or temporary workers. The occupations and sectors in which they are found are very disparate. Different forms of telework have diverse outcomes for the individuals or occupational groups involved, and for work organisations.

Other areas of non-standard work which have been investigated are own-account self-employment and reduced hours (part-time and job share) employment. Although most of the work has been concerned with issues from the supply-side point of view, it has also been complemented by research into employers' rationales for using particular work patterns and forms, taking the view that one aspect cannot be fully understood without investigating the other. The research has indicated continuity with the past as well as change, and has questioned some of the sweeping assumptions made in the existing literature regarding homeworkers and the own account self-employed. The methodologies used have encompassed both quantitative and qualitative approaches, and use of case studies has illuminated debates such as the dynamics of change in the self-employed population of the UK.

### **Research Phase One - Laying the Foundations**

This phase began with the inception of the Future of Work Research Group in 1988 at the London Management Centre (now Westminster Business School) which was partly funded through HEFCE. I was involved with two main strands of related research during this first phase. One was for a book for the Institute of Personnel Management (now the Institute for Personnel and Development) on the development of telework in the UK, with reference to the Human Resource Management implications of employing teleworkers. This was based on teleworker interviews and case study material drawn from two company telework schemes, one in the financial services sector and the other in the IT sector, plus extensive secondary research. **The role of my co-author, John Stanworth, was as an enabler, and his reputation was important in negotiating the contract with the publisher. I wrote the entire manuscript, with my co-author acting as editor and proof-reader, and also negotiating access to the case firms.**

Beginning in the late 1980s there had been a growing media interest in the UK in the phenomenon of telework which was predicted to transform the way in which work was carried out. Utilising information and communications technologies (ICTs), work would be 'freed' from the constraints of time and location, and the modernist paradigm of the permanent, nine-to-five job on the employer's premises would be challenged if not replaced. There were predictions, some no more than poorly-informed speculation, that there would be several million teleworkers by the mid 1990s (for example: 'A Cost-Benefit Analysis of Teleworking', Henley Centre for Forecasting, 1988; 'IT Futures - IT Can Work', NEDO, 1987). However, actual cases of teleworkers in the UK were hard to find at that time and typically involved very small numbers. Research evidence from both the UK and particularly from the USA, where teleworking had a longer history, demonstrated that there were problems as well as opportunities for employers and employees in adopting this work pattern. Accordingly, the Institute of Personnel Management book was designed to provide a more realistic assessment of the possibilities of the various forms of teleworking and to outline the personnel issues involved in employing teleworkers. It also put forward what was considered as current best practice in the employment of teleworkers, implicitly adopting a 'soft' or humanistic Human Resource Management approach, based on developing a long-term relationship with employees to produce 'resourceful humans'. The resulting book was published as:

*Telework: The Human Resource Implications*, Institute of Personnel Management, 1991. (with J. Stanworth)

This is attached separately at Appendix I.

The second area of research in which I was involved took the form of research for a book on the future of work and employment which looked forward to the millennium. This was based on 26 interviews with major British decision-makers and opinion-formers which formed Part One, as well as secondary research for the theory chapters in Part Two. The book was designed to bring together the thoughts of experienced practitioners and opinion-formers from commerce, industry and politics, and to use the experience of the recent past to inform the future. **The conception of this book was that of my co-author, who negotiated the contract and carried out most of the interviews. In my supporting role, I carried out interviews with a human resource director and the head of a poverty pressure group, and wrote five of the 'themes and issues' chapters, which were as follows:**

#### Chapter 4. The Future Shape of the Economy

Economic Trends in the 1980s; After Fordism, Production Methods of the Future; Regional Trends; Strategies of Fragmentation; Small and Large Firm Links; Growing the Small Firm; Franchising.

#### Chapter 5. Corporate Cultures

Social Class and Corporate Culture; Japanese Culture; The American Ethos; Organizational Structure and Culture; Changing Corporate Culture; Adapting to other Cultures; Future Issues.

#### Chapter 6. Enterprise Culture and Intrapreneurship

The Petit Bourgeoisie; Enterprise Subcultures; Small Business Subculture; Intrapreneurship; Ownership; Sponsorship; Funding and Rewards; Holism; The Future of Enterprise Culture.

#### Chapter 7. Exploring Patterns of Work

Recent Interest in Flexibility; Changes in the Flexible Workforce; Implications for Management; Working Patterns - the Changing Agenda; Employment Strategies for the 1990s; Telework.

#### Chapter 9. The Management of People in the 1990s

Types of Human Resource Management; From Compliance to Commitment; From Collectivism to Individualism; Human Resources or Financial Resources?; The Future.



The book was published as:

*Work 2000: the Future for Industry, Employment & Society*, Paul Chapman Publishing, 1991. (With J. Stanworth)

This is attached separately at Appendix II.

The main findings and their implications were presented for a practitioner audience as:

'Visions of the Future', an article in *Personnel Management*, June 1991 (With J. Stanworth). This is presented in Appendix VI, marked 1.

An area closely related to teleworking is that of homeworking, and there were several current debates in this field. One of these concerned whether or not routine telework, such as data entry or word processing, is significantly different to traditional manufacturing homework or outwork. A second was whether traditional homework, which is often low-paid, unregulated and exploitative, was declining or increasing. Hakim, who was very influential at the time in her research role with the Department of Employment, in her analysis of national homeworking data ('Homeworking in Britain' 1987) had concluded that the traditional vision of the poorly-paid and exploited female homeworker was a thing of the past. By including in her analysis both dependent and independent workers using their homes as a workplace or a base for their activities, the particular employment situation of homeworkers was downplayed, even disguised. **I developed an alternative typology of home-based work to that of Hakim, in order to integrate, but not conflate, telework jobs with more traditional occupations carried out at or from home and to clearly identify the continuance of gender and status divisions in this work force.** This typology was recently reproduced with acknowledgment in Juliet Webster's book 'Shaping Women's Work: Gender, Employment and Information Technology', illustrating that teleworking preserves the sexual division of labour in society (1995: 97).

**My research also involved analysing teleworking schemes that existed at the time and using them to demonstrate the variety of potential telework forms of occupation, contract and employment relationship.** It supported the contention of Child (in 'Organisations - A Guide to Problems and Practice', Second Edition, 1984) that information technology could be operationalised in ways which can upskill jobs or alternatively have job-degrading consequences, and that there is an element of strategic choice in these decisions. It also called into question the popular notion in writings such as those of Handy ('The Future of Work', 1985: 'The Age of Unreason', 1989) that teleworkers were a privileged group of managers and professionals. Aspects of this work were published firstly for the personnel practitioner audience, and secondly as part of a book of readings on the future of small enterprise in Britain in the Routledge series on small business. **The initial contacts which resulted in both of the following publications were made by my co-author, John Stanworth. However, I researched and wrote both manuscripts with my co-author acting as editor.**

‘Home Truths about Teleworking’, an article in *Personnel Management*, November 1989 (With J. Stanworth). This article is presented at Appendix VI, marked 2.

‘Enterprise 2000: Workbase the Electronic Cottage?’ a chapter in *Paths of Enterprise*, edited by J. Curran and R Blackburn, Routledge, 1991 (With J. Stanworth), The book chapter is presented at Appendix V marked 1.

Two further aspects of telework research were developed during this period. One analysed problems associated with defining the concept of telework while the other traced the historical separation of home from the workplace. The latter explained the different relationship between home and work for men and women, and how this could impede the acceptance of homebased teleworking, particularly for men. Defining telework has been, and still is, a preoccupation in this field, since definitions are not watertight, with a number of ‘grey’ areas on the periphery. A very loose definition could include almost anyone in paid work who uses ICTs, whilst a very tight definition could exclude all except full-time homebased teleworkers working on-line and using sophisticated hardware and software. Also, if self-employed teleworkers are excluded from statistics, which is often the case due to the difficulties in identifying this grouping, the extent of teleworking appears very minor.

The historical material used traced the separation of home from work since the Industrial Revolution, particularly for men, but argued that for women, despite their increasing activity in the labour market, the home and domesticity still have a defining influence. With the advent of telework, which could bring work for men as well as women back into the home, there could be resistance from men because of the gendered connotations of ‘home’ and the negative associations with traditional forms of manufacturing homework. The chapter developed from an ISBA conference paper co-written with John Stanworth. **I wrote the chapter with my co-author acting as editor.**

‘Problems of Definition and the Marketing of High-technology Homework’, in *Towards the 21st Century*, edited by M. Robertson, E. Chell and C. Mason, Nadamal Books, 1992 (With J. Stanworth).

This is presented at Appendix V, marked 2.

### **Research Phase Two - Empirical Work**

Having previously focused on the issue of telework amongst company employees, this second phase consolidated the research into the future of work with a large-scale project at the University of Westminster into self-employed teleworkers in the UK book-publishing industry. The supply-side characteristics and labour market position of freelance proof readers and editors was investigated. The first primary data gathering stage consisted of a postal survey of 800 teleworkers who were members of the Society of Freelance Editors and Proofreaders (of whom 371 responded) and 40 follow-up telephone interviews, and was carried out in 1992 and 1993. The response rate of just under 50 per cent was very high for a postal questionnaire, and this was



felt to be due to its distribution along with the Society's newsletter, as well as the highly educated occupational group from which the respondents were drawn.

It was found that book publishing freelancers were a homebased, casualised workforce and, mainly because of economic factors and restructuring in the industry, the use of freelance labour had increased during the 1980s and early 1990s. The level of technological sophistication was modest. The advantages of the job were seen as time flexibility, a degree of independence and intrinsic job satisfaction. The disadvantages were loneliness and isolation, fluctuating earnings and workload, and low pay rates. The major routes into freelance work amongst these respondents were redundancy and to a lesser extent, family-building. A four-fold typology emerged from the data: 'Refugees', who moved to freelancing after redundancy, and who would wish to return to in-house work if the opportunity arose: 'Trade-offs' who began freelance work because of childcare or caring, and who would also return to in-house work if it were available. The third grouping was 'Missionaries' who were pre-disposed to telework by, for example, a dislike of organisational life, and fourthly 'Converts' who were initially pushed into telework, generally through redundancy, but through experiencing it came to prefer it to in-house work. **The initial contact with the Society which provided the database for the survey was John Stanworth's, and the idea of investigating self-employed teleworkers was joint between myself and John Stanworth. I designed the project, developed the questionnaire, and wrote up the first draft of the final project report. Follow-up interviews were carried out by Bill Granger, and the project was supervised by John Stanworth.** This piece of research remains the largest UK survey of self-employed teleworkers to date. The supply-side data was published as:

*Self-employment and Labour Market Restructuring: the case of freelance teleworkers in book publishing*, University of Westminster Press, 1993 (With J. Stanworth and D. Purdy)

This is attached separately at Appendix III. The press coverage is at Appendix VIII. It was featured for a European audience in two articles in a specialist teleworking journal **which were both co-written**:

'Saved or Damned? The Case of Freelance Teleworkers', *European Journal of Teleworking*, 1, 4, 1993 (with J. Stanworth) and

'Teleworking - The Social Dimension', *European Journal of Teleworking*, 2, 3, 1994 (With J. Stanworth).

These articles are attached at Appendix VI, marked 3 and 4 respectively.

The data from this research project also formed the basis for two further journal articles. The first located the position of book publishing freelancers in relation to a continuum of self-employment labour market identities ranging from disguised wage-workers to the fully independent entrepreneur. It questioned the assumption contained in much of the literature on self-employment that the own account self-employed were simply located at an early stage of growth and would ultimately become employers of

others. It found that the book publishing freelancers were more akin to quasi-employees than independent entrepreneurs. Using the evidence it was noted that the freelancers were typically heavily dependent upon just one or two publishers for most of their work, and that their independence was more illusory than real. These findings added to the research evidence for a great deal of 'reluctant entrepreneurship' within the self-employed workforce, and helped to explain the only growth area of that workforce - the self-employed without employees (see the graph at Appendix IV).

The second article used the data to contribute to the development of theory relating to the flows into and out of self-employment during the 1980s and early 1990s. The increase in the self-employed work force in the UK since a nadir in the late 1970s, and the subsequent ebbs and flows in the national statistics, have been explained as a sign of economic vitality with a resurgence of the entrepreneurial spirit, or alternatively as a reaction to exclusion from the mainstream labour market during periods of economic turbulence or recession. In the early 1990s the characteristic negative correlation between self-employment and economic trade cycles was broken, which led to much speculation. The models used in the past have been somewhat static, and had tended to emphasise the initial rationales for entry into self-employment, neglecting the dynamics which may subsequently operate to retain individuals in self-employment, or alternatively to lead them to eventually rejoin the mainstream labour market. The article argued that there was a need to study the subjective aspects of self-employment, and data from the in depth interviews were used to do this, and use made of the four-fold typology which had emerged - Refugees, Missionaries, Trade-offs and Converts. Both entrepreneurial pull and, rather more commonly, unemployment push factors were revealed to be in operation, plus the effects of changes in outlook resulting from the experience of self-employment itself. **Both articles were written in equal collaboration with the co-authors.**

The articles were:

'The Self-Employed without Employees - Autonomous or Atypical?', *Industrial Relations Journal*, 26,3, September 1995 (With J. Stanworth) and

'Self-Employment Career Dynamics: The Case of Unemployment Push in UK Book Publishing', *Work Employment and Society*, 9,3, September 1995, (With B. Granger and J. Stanworth).

These articles are attached at Appendix VI, marked 5 and 6 respectively.

Aspects of the research relating to the growth of outsourcing and its effects on the long-term social reproduction of labour were explored in an article for the journal of the economic 'think-tank' the Institute for Public Policy Research. It used the book publishing industry case study to argue that an increased use of freelance labour, though sustainable in the short-term because the current labour force had benefited firstly from earlier in-house training, and secondly because redundancy had created an ample supply of freelancers, was likely to result in future labour shortages. The increasing use of contingent labour by employers may currently be buffered by an abundant supply created within more stable internal labour markets of the 1960s and

1970s, so that a possible skills crisis is predicted only when these workers retire. **This article was written on a solo basis:**

‘Subbing the Night Away: The Increasing Use of Freelancers in Book Publishing is not Sustainable’, *New Economy*, March 1996.

This article is presented at Appendix VI, marked 7.

A second phase of the book publishing research followed in 1994, which involved 14 telephone interviews with commissioning editors from 12 UK publishing houses. This investigated the growth of freelance work from the demand side perspective, with particular reference to testing out the core-periphery theory of the firm put forward by Atkinson in the 1980s, by evaluating the rationales for the increased use of freelance labour within the industry. The methods of management control and performance evaluation of a remote work force were also investigated. The issue of the managerial control of teleworkers, of trust and remote supervision, has been a thread running through the telework literature. The fear of loss of control and resistance amongst managers has been cited as one of the main reasons for the failure of predictions of the exponential growth of telework to materialise.

The results showed that in all the established publishing houses there had been an increase in the use of freelancers accompanied by a stasis or reduction in the number of in-house staff doing editorial work. New publishers entering the industry had employed a lean in-house team, supplemented by a large ring of freelancers from the outset, because of the need for cost-minimisation in the face of acute competition in a plateaued book market. Management control methods used were primarily those of prior acculturation into the norms and values of publishing by means of previous in-house experience, and served to bind the freelancers to their client publishers without the need to employ them in-house. The control of this particular remote workforce, who rarely if ever met face-to-face was relatively unproblematic to the publishers, ensuring a satisfactory quality of work whilst reducing costs and shifting the risks of intermittent work-flow onto the freelancers. Another significant finding was the identification of two further distinct sub-groups within the freelance workforce, Regulars and Casuals, the latter experiencing a much more precarious work situation than the former, being unlikely to enjoy anything approaching a regular income flow. **The interviews were carried out by Bill Granger, and the transcriptions were analysed and interpreted by myself and John Stanworth in collaboration.** The results were published as a journal article:

‘Managing an Externalised Workforce: Freelance Labour Use in the UK Book Publishing Industry’, *Industrial Relations Journal*, 28,1, March 1997 (With J. Stanworth).

This article is presented at Appendix VI, marked 8.

The UK book-publishing research was brought together in a final article addressed to a different audience - that of international small business academics. This provided an opportunity to write up the study as a whole and to link it to research into the self-

employed, in particular the large segment of the self-employed in the UK who are own account workers employing no-one. This grouping is relatively unexplored in social science research, despite the fact that around two thirds of all UK self-employed fall into this category, and there has been a substantial growth in own account self-employment during the 1980s and 1990s, accompanied by a reduction in numbers with employees (see Appendix IX). **This was written in collaboration with John Stanworth** and published as:

‘Reluctant Entrepreneurs and their Clients - the Case of Self-employed Freelances in the British Book Publishing Industry’, *International Small Business Journal*, 16, 1, October/December 1997 (with J. Stanworth).

This article is presented at Appendix VI, marked 9.

### **Research Phase Three - from Teleworking to the Information Age**

This phase coincided with a resurgence of interest in telework as part of the predicted ‘information age’, due to the slow, but significant, growth in the use of various forms of electronically-mediated remote work by UK employers. I was invited to write a publication for the Institute of Employment Rights, a labour law ‘think tank’, on homeworking and teleworking. This was to coincide with the 1996 International Labour Organization (ILO) Conference when a Convention on Homeworking was adopted. The background research involved interviews with trade union officials representing sectors and occupations where teleworking was a current issue (the Civil Service and its agencies, journalism and media, financial services, information technology and telecommunications) and with the TUC, as well as secondary and desk research into the history of traditional and ‘new’ homework.

The publication traced the history of homework or outwork, and found its use in the UK to be increasing, with industrial restructuring and technological change leading to its use in new areas of work. Telework can also encompass disadvantaged groupings as well as the highly paid and qualified (which links into the earlier research into homebased work) and the conclusion reached was that there was qualitatively little difference between certain types of ‘electronic’ homework and traditional, usually manufacturing, homework. Measures to protect homeworkers and teleworkers were outlined, and the views of trade unions who are beginning to represent teleworkers were discussed. The findings showed that the unions representing higher status workers tended to be more positive about telework, but the picture was more mixed amongst unions representing routine staff. Where employers were deskilling work and pursuing cost-minimization strategies the unions were often being outflanked. The final chapter called for a re-appraisal of labour law to reflect the growth of ‘non-standard’ work forms, such as homework and telework, in the UK, to ensure equal rights with the ‘standard’ work force, in terms of benefits and employment protection. **This was researched and written by myself**, and published in June 1996 as:

*Working at Home - a Study of Homeworking and Teleworking*, Institute of Employment Rights, June 1996.

This booklet is attached separately at Appendix IV. It was reviewed in the British Journal of Industrial Relations in September 1997, and a copy is attached at Appendix VIII.

Much of the writing on telework has promoted the positive aspects of remote work, (in some cases to sell information technology and communications products) and has tended to downplay negative aspects. A paper given to the Institute of Electrical Engineers' Colloquium in 1996 put forward a more realistic assessment of how telework was being implemented in the UK, and its links to the prescriptions of Human Resource Management (HRM). Using current empirical evidence, the paper concluded that a cost-minimisation approach rather than a developmental approach was more common. Comparing the literature on teleworking to the ideas of Human Resource Management, many parallels were identified. Telework fits in with employers' interest in the flexibility and adaptability of the workforce, as it offers time and location flexibility and can also operate under different forms of contract relationship. ICTs can facilitate the development of new organisational forms which are more decentralised, delayed and adhoc, in order to respond to rapid changes in the business environment. Teleworkers are often depicted as responsibly autonomous and assumed to operate in high trust environments.

The reality of teleworking in practice, however, appeared to be much more mixed, with the major emphasis on cost-cutting and a short-termist approach, rather than one which treated people as long-term assets. This was explained with reference to the external pressures on UK work organisations, in terms of increased competition, low levels of economic growth and recurring recessions, as well as the Conservative government's policy of deregulating the labour market. Teleworkers' bargaining power was important in determining how their work was organised, and the use of ICTs was by itself no guarantee of enlightened treatment or job security. It concluded that in the current climate, creating resourceful teleworkers was less of a priority than deploying people at the lowest possible cost. **This was written by myself** and published as:

'Telework and Human Resource Management' *The Home as an Office*, Digest on the Colloquium at the Institute of Electrical Engineers, 1996/043.

This article is attached at Appendix VI, marked 10.

The weakening of trade union representation and collective bargaining during the 1980s and 1990s, as well as downsizing and delaying within companies, has led to a resurgence of interest in the ethical responsibilities of the human resource function for the employees of the organisation (Gli Amici, 1996). An emphasis on profit maximisation and benefits for shareholders is beginning to give way to a renewed concern for people. A paper for the first UK Conference on Ethical Issues in Contemporary HRM at Imperial College discussed the ethical issues arising from the use of telework. Using case studies and evidence from the UK, the variable outcomes of teleworking were discussed, contrasting the creation of 'limited attachment' with that of more long-term and developmental employment relationships. The reasons for the prevalence of cost-driven short-termism were outlined, the probable outcomes



being the inhibition of skills acquisition and a lack of deep commitment to the work organisation. The paper set out a Charter for employed teleworkers the general tenets of which were that teleworking should not be used to worsen terms and conditions, or used as a substitute for childcare, or to weaken trade union representation or to casualise the workforce. The issues of electronic surveillance and health and safety were also addressed. **This was co-written with Christopher Moon** and published for a European-wide audience as:

‘Ethical Issues of Teleworking’, *Business Ethics: A European Review*, 6,1, January 1997 (With C. Moon).

This article is attached at Appendix VI, marked 11.

An invited paper was given to the 15th Annual Labour Process Conference in Edinburgh in March 1997, which presented a theoretical and critical review of the ‘information age’ literature, both popular and serious. There has been an enormous amount of literature written on this subject, ranging from light newspaper articles, through popular futuristic books to (less commonly) serious academic research. Much of the output is in the tradition of post-industrialism, foreseeing a future of material plenty and job creation where reskilled knowledge workers using ICTs operate in high trust, non-conflictual work situations. These predictions were then compared and contrasted with evidence from the UK in terms of ‘virtual’ organisations and various forms of telework. The paper also discussed the attractions of the literature for managers, as much of the writing is targeted at the managerial and executive market. It concluded that the generally optimistic predictions regarding the information age are often at variance with the current evidence in terms of the work and employment outcomes. This was then submitted to the journal *New Technology, Work and Employment*, and was quickly accepted by the editor, whose letter is attached at Appendix VIII. **The article was written solo** and published as:

‘Telework and the Information Age’, *New Technology Work and Employment*, 13, 1, Spring 1998. This article is attached at Appendix VI, marked 12.

### **Conference Papers**

Twenty related academic conference papers (listed in Appendix VII) have been presented to date. One of these papers has been accepted for publication in *Gender Work and Organization* journal subject to minor changes, another is submitted for the journal *Community, Work and Family*, and another two on ethical aspects of the research are being expanded into book chapters, due for publication in 1998 and 1999. Contributions have been made to the most significant human resource, industrial relations and specialist telework conferences in the UK in recent years.

### **Application of the Research**

The research has a number of linkages both with teaching in the two Universities in which I work, and to external bodies. I have given guest presentations to undergraduate Business Studies students and post-graduate students on business

courses in both institutions on the future of work, telework, and the information age, as well as several Research Seminars, plus a presentation on HRM and the flexible workforce to the annual HRM Conference at Westminster University for postgraduate Institute of Personnel and Development students in 1997, and on Ethics and Flexibility for the same event in 1998.

The telework book in 1991 resulted in a presentation on telework to the IPD National Conference in September 1991, and to an IPD Branch in 1992. This and the research undertaken for the book 'Work 2000' led to advisory work for the Diverse Production TV Company on a series of television programmes on work and employment which was broadcast in 1992 (Nine-to-Five). One of the programmes concerned telework, and this included footage of myself being interviewed.

Through my research I have also established links with the Manufacturing, Science and Finance (MSF) trade union for whom I gave two presentations, on telework in 1994, and telework and the trade unions in 1997. This has led to a collaborative research project, currently under way, in collaboration with the Finance branch of the union. It aims to survey the prevalence of, and attitudes towards, various forms of 'flexible' work (including telework) amongst insurance workers in six companies, and to interview Human Resource managers about technical change and its effects upon the organisation, job design and the experience of work in the UK insurance industry. The questionnaire survey will begin in June 1998.

Through links with the London Borough of Greenwich developed in the Business faculty at Greenwich University I carried out a survey into the patterns of work and attitudes of 200 reduced hours workers (part-timers and job-sharers) employed by the borough, the results of which were presented to the HRM - The Inside Story Conference at the Open University in 1996 (see Appendix VII).

Another strand of the telework research, that involving gender and teleworking, resulted in an invitation from the Women Returner's Network Annual Conference to give a presentation on opportunities for women in the information age in 1996. This was further developed and presented to the Gender Work and Organization Conference at UMIST in Manchester, January 1998 and has also been submitted for publication in the Gender, Work and Organization journal.

I have also been invited to write a chapter on Flexible Work Patterns (with particular reference to telework) in a forthcoming book on Ethical Aspects of Human Resource Management, edited by Diana Winstanley and Jean Woodall, scheduled for publication in late 1998. A draft was submitted to the editors in April 1998.

I became a Fellow of the Royal Society for Arts in April 1998. I have a special interest in their on-going project 'Redefining Work', and hope to be able to contribute to the RSA's future debates on this issue.

## CONCLUSION

The future of work and the 'virtual society' are currently nationally supported areas of research, of continuing concern to academics, managers, human resource practitioners and policy makers, and this submission outlines work which has made a significant contribution to our understanding of the changing nature of work and employment. The body of research presented here represents important contributions to knowledge in the field of the future of work with particular reference to work facilitated by ICTs. Within this there are advances within three interrelated fields: the impact of technological change on work organisations and workers; change and continuity in the UK labour market and in employers' labour usage; the situation and attitudes of teleworkers, both employed and self-employed.

The work has encompassed a number of levels of analysis, the first being the macro level. 'Work 2000' was an analysis of future work and employment in the UK, and the latest article on telework and the Information Age returns to this broad level debate. The second level is organisational, and the contributions on ethics and telework, Human Resource Management and telework, and the case study of the management of teleworkers in book publishing illuminate debates on the effects of changing work patterns on organisational structure and the employment relationship. The third level is that of the workforce, which has been profoundly affected by change in recent times, but whose viewpoint has often been neglected. The first phase of the book publishing study, and the research on the situation of homeworkers and the self-employed without employees in the UK encompass the impact on the individual worker.

In particular, the research has opened up important but previously neglected aspects of self-employment, firstly the non-growth potential of large parts of the self-employed work force, and secondly the dependent nature of some self-employment and the precarious nature of the employment relationship involved. More specifically, the four-fold typology of labour market transitions from employment to self-employment which emerged from the book publishing data has been used subsequently in studies of career development, and the typology of homeworkers has also been cited in literature on gender and work. The discovery of subgroups within the freelance editorial work force, of regulars and casuals, further develops the research on externalised, market based employment relationships, which is also discernible in other occupations and sectors (see for example Druker, Stanworth and Conway, 1997).

In terms of teleworking, the research outlined here has contributed to understanding of both corporate and self-employed telework, has explored the nature of control exercised over a remote work force, and the implications for workers of ICT based homework. It has illuminated the flexible firm, core-periphery debate through the detailed case study work in book publishing. The findings support the theory in terms of a core/periphery division, but conclude that it is not a strategic response. The detailed work at firm and sector level on telework has also been complemented by contributions at the macro level, both to knowledge about flexible work patterns in the



UK in general, and the implications for work and employment of the transition to the information society.

## LITERATURE REVIEW

This review of the literature on telework, and the future of work and employment, is organised partly on a chronological basis, but also around themes and issues within this literature. It surveys mainly, but not exclusively, the UK writings and research, and concentrates on the more academic contributions. It will link the submitted publications to the debates on the future of work generally and work facilitated by telematics or ICTs in particular. There is a huge body of work on this subject, including popular, academic and technical contributions, so that the review cannot possibly be exhaustive, but hopefully gives a flavour of some of the relevant debates.

Although the subject of computer technology and its impact on work and employment was not new in the UK in the 1980s, the bulk of the work had focused on the manufacturing sector (for example Buchanan and Boddy, 1983; Winch, 1983; Knights et al, 1985) with rather less interest in its application in tertiary services. This was because the application of computer technology, though available to services, tended to lag behind the take up in the manufacturing sector until the late 1980s. There had been some apocalyptic predictions concerning the effects of computers on job numbers in the UK economy, which foresaw the widespread application of Information Technology (IT) in services leading to widespread job destruction (Jenkins and Sherman, 1979). Research in the UK at this time, with a few exceptions (for example a chapter in Forester, 1987) tended to focus on the effects of new technology on conventional workplaces based on co-location. Telework tended to be discussed as a future possibility for the UK in the mid-1980s (Gill, 1985) and the tripartite institution NEDO (now abolished) produced some of the early UK publications on the implications of 'working by wire', and developed some futuristic scenarios in which remote work facilitated by ICTs was predicted to increase. Telework was also considered as one solution to the demographic 'time-bomb' which was predicted to lead to labour shortages in the early 1990s (for example NEDO, 1987; NEDC, 1989; NEDO, 1989).

These studies tended to imply that remote work facilitated by ICTs would involve net job creation. Handy (1985) in his popular book on the future of work raised some of the issues around the possibility of work being freed from the constraints of location and time. He cited some of the early UK experiments in telework which were FI Group, ICL and Rank Xerox (Judkins et al, 1985) which also formed the basis for Kinsman's popular book (1988). Many of the futuristic predictions made at this time tended to overestimate the existing amount of telework in the UK, and tended to cite the same limited cases. **The Personnel Management article (Stanworth and Stanworth, 1989) questioned the actual extent of telework at that time and highlighted the limited number of cases used to support the argument.** By the early 1990s the earlier predictions of massive increases in the extent of totally home based telework were already being questioned, for example by Wilson (1991), who nevertheless predicted a proliferation of workers who no longer spent all their working time in the office, instead dividing their time between home and office locations.

Handy's book 'The Future of Work' (1985) also predicted a number of far-reaching changes in jobs and work at the end of the twentieth century against a backdrop of persistent unemployment, a chaotic, insecure and globalised environment, and rapid technical change. The growth of telework as one form of 'flexibility' was forecast. **Work 2000 (Stanworth and Stanworth, 1991) was partly conceived as an alternative to Handy, being more embedded in the experience of mature experts and practitioners from varied fields, and more cautious in its expectation of the extent of change.**

There was also an interest in teleworking from the 'Green' movement where the return of work into the home and the local community was seen as a force for improving the quality of life, following on from the work of Toffler in the US, (1981) provided it was used in an eco-friendly way (Robertson, 1985). The seeds of the development of telecottages (local centres providing the community with access to computer and telecommunications equipment, information services and work) in the UK and the interest in the rural aspect of teleworking can be traced back to these writings on the 'good life', which inspired the founding of Ownbase, an association for people running home-based businesses, and was one of the influences on the Telecottage Association (TCA). The access to telecommunications in rural areas for remote working as well as other forms of economic activity was surveyed by the Rural Development Commission (RDC, 1989) at the time that they and British Telecom were sponsoring the beginnings of the telecottage movement. They considered that the rural deficit in access to telecommunications could hinder future rural economic development and regeneration. Telework was considered to be one way of revitalising rural areas, and since that time we have seen the development of over 150 telecottages in rural villages and towns, but whether telematics has had a discernible effect on rural job creation or regeneration has been questioned (Gillespie et al, 1995: Huws, 1997).

Huws' pamphlet for the Low Pay Unit (1984) on new technology homework can be considered in the context of the continuing work on traditional homework and outwork, as well as being part of the early UK literature on telework. It surveyed routine clerical homeworkers, mostly women using computer technology, whose employment relationship was considered to be generally exploitative, similar to that of traditional homeworkers. Hakim's survey (1987) of homework in the UK, by contrast, played down the class, gender, and status divisions in the home-based workforce. **The debate on this aspect of telework was developed in the Personnel Management article (Stanworth and Stanworth, 1989) and in the chapter in 'Paths of Enterprise' (Stanworth and Stanworth, 1991). The later overview of the research on homework and telework, plus primary survey data from trade unions and the TUC, also argued that workforce segmentation in terms of gender and occupational status was as salient as was technology in explaining the differences in outcomes for work and employment (Stanworth, 1996).**

Huws' survey also began the research work on gender, homework and telework in the UK which had parallels in the United States (for example Olson 1989: Olson and Primps 1984: Christensen, 1987: Kraut 1989). It was the first of a number of surveys in the UK of the effects of telework on women, on gender roles, family and

domesticity (for example Haddon and Silverstone, 1993: Fothergill, 1994: Phizacklea and Wolkowitz, 1995: Huws et al, 1996). Generally this research found that telework in the home had little effect on the segregation of sex roles, with women still mainly responsible for domestic chores and child rearing. Women in high status and shortage occupations were most satisfied with their work pattern. Occupations where women predominated were often used as a high skill, low cost workforce, **and this was also one of the findings of the freelance book publishing study (Stanworth et al, 1993: Stanworth and Stanworth 1995; 1997a; 1997b)**. Latterly, the debates have widened from an emphasis on home based work using ICTs to analyses of the impact of telematics more generally on women's work and employment. An overview of the future UK labour market in the 'information age' and the opportunities and threats for women was the subject of a recent conference paper (Stanworth, 1998) which is currently submitted for publication.

A UK conference in 1988 sponsored by British Telecom and the Henley Future of Work Forum attracted much media attention, and began a phase of high profile marketing of the concept of teleworking in the UK both by commercial interests in the telecommunications industry and by succeeding UK governments. The results of a survey undertaken for the conference (Henley Centre for Forecasting, 1988) found that a high proportion of UK employees were positively disposed towards the idea of telework in the home. A similar survey of employees as well as managers in commerce and industry in several European States (Huws et al, 1990) also concluded that the UK had a relatively high potential level of acceptance of ICT facilitated flexible work patterns. In the same book an estimate of the amount of telework in the UK was ascertained by surveying the existing case material, and again the same cases previously cited by Kinsman (1988), with some additions, reappeared. Typically all of these involved modest numbers.

The 1988 Conference also triggered interest in telework by employing organisations, in particular in the financial services sector and in local government. The Thatcher administrations in the 1980s also encouraged employers to develop flexible labour deployment, and telework was one of the working patterns advocated. Guides to teleworking for managers and employers were published by the government and the telecomms industry after this time (for example Employment Department Group, 1993; BT, 1993). **The Institute of Personnel Management (now the Institute of Personnel and Development - IPD) commissioned a book to promulgate best practice in teleworking for employers in the UK (Stanworth and Stanworth, 1991) which is still cited in the second edition of the Telecottage Association's Handbook (TCA, 1998) as comprehensive and useful to both managers and teleworkers.** In 1993 another guide was published by a BT technology specialist and two telework consultants (Gray et al, 1993) for a similar market which explained in layman's terms how the technology could be used by work organisations.

It was not until 1993 that a reliable estimate of the extent of telework in the UK first became available. The national survey for the Employment Department (1993) by Huws found that six per cent of UK employers were using telework, and a further seven per cent were considering introducing it. Huws' definition was quite narrow, excluding the self-employed, and specifying that 50 per cent or more of the

respondents' time had to be spent performing home based work. Undoubtedly if a looser definition had been used, a larger number of teleworkers would have been identified. A great deal has been written on the subject of the definition of telework (Huws, 1989: Stanworth, 1991: Gillespie et al, 1995) particularly as to whether workers in branch offices should be included as teleworkers. With time, the definition has tended to become looser and broader, for example the TCA now define it as :

“...working at a distance from those who pay you, either at home, on the road, or at a locally based centre. Teleworkers use email, phone and fax to keep in touch with their employers or customers.” (1998, p. 1)

As with the research on gender and telework, the focus has also moved from direct employment and home based telework to a broader analysis of the impact of ICTs on work and employment (Huws, 1995), as part of the shift to the ‘information age’. **The article for New Technology, Work and Employment is a contribution to this debate (Stanworth, 1998).** Exclusively home based work has predominated in quantitative survey work for understandable reasons, being easily identifiable, but it also appears to be the work pattern which has failed to materialise to the extent predicted. It was only in 1997 that questions on the extent of telework were incorporated in the national quarterly Labour Force Survey (LFS). This has found that there are just under a million teleworkers in the UK (70 per cent of whom are males) who worked at least one day at home during the survey week using computers and telecommunications equipment to enable them to do so (The Teleworker, Jan-Feb 1998). The inclusion of these questions will enable trends in this form of telework to be tracked. Interestingly, it is a somewhat higher figure than the previous national finding, representing about 2 per cent of the national work force compared to 0.5 per cent in Huws’ survey (1993). How much this is due to a real increase, and how much to the wider definition adopted in the LFS is a moot point.

The European Union, through its institutions, and by a series of teleworking and information society initiatives has made a distinctive contribution to the literature on telework and the future of work. In 1986 as part of the FAST programme Holti and Stern discussed the possibility of using telework and ICTs to transform work and employment in Europe. The Bangemann Report (1994) and the Working Parties arising from it, as well as Directorate General V and Directorate General XIII, generally take an optimistic view that telework in its various forms will assist regional development in Europe and will create jobs, especially when the telecommunications infrastructure in Europe is fully open to fair competition and the costs of electronic communication fall even further. The literature reflects the social partnership, consensual standpoint of the European Union, in contrast to the US literature which tends to take a neo-liberal, free market stance. The contrasting models of the information age and the implications for public policy were discussed in a conference paper given to the second international workshop on telework (Stanworth, 1997). The UK appears to be neither fully in tune with the social dimension of the European Union nor completely wedded to US ideology, and this seems to be as true of the ‘New’ Labour government as it was of previous Conservative administrations. Despite the promise of the benefits of telework highlighted in the European literature



(for example de Martino and Wirth, 1990, Bangemann, 1994), European legislation to prevent the exploitative aspects of telework and homework has not been ruled out (People Management, 1997). Most recently the Institute of Employment Studies - IES (partly funded by DGV) published guidelines on good practice in implementing telework, to encourage enlightened policies in the use of work patterns which are freed by the technology from the constraints of location and time (Huws et al, 1997).

The possibility of worker exploitation in telework has been a preoccupation of the trade union movement both in Europe and the UK. Telework offers the possibility of moving work to cheaper labour areas within the UK and also internationally and globally (ILO, 1990; Bibby, 1996; Horner and Day, 1986). It also makes representation of workers more difficult since it fragments and isolates workers (BIFU, 1993: 1996). **Employers have in some cases used telework to worsen terms and conditions of work, but there are also examples of comprehensive collective agreements on teleworking which are successful in protecting the workers covered (Stanworth, 1996).** The lack of worker 'voice' in self-employed telework is also a continuing theme, as well as other aspects which follow from the individualisation of the employment relationship, such as the issue of the reproduction of skills. **This was an issue arising from the survey of self-employed telework in the book-publishing industry (Stanworth, 1996).**

The overwhelmingly positive predictions in the literature on telework must be tempered by these findings. To understand why employers in the 1980s and 1990s have tended to operationalise telework by cutting costs and increasing control, rather than using a strategic, developmental, soft Human Resource Management (HRM) approach can partly be explained by examining the context within which this has taken place. **Economic uncertainty, and competitive pressures have led employers to search for short-termist work force 'flexibility' rather than concentrating on a longer term approach to labour deployment (Stanworth, 1996).** The shift in the power balance between employers and workers has led to a renewal of interest in ethics and HRM. The role of the personnel function in resolving ethical dilemmas, especially in workplaces without union representation, has become a live issue. **The ethical dilemmas of telework were discussed and developed in Moon and Stanworth (1997).**

Telework's association with the concept of employment flexibility goes back to 1986, when the IPM published a book outlining various forms of flexible work patterns including telework (Curson, 1986). Teleworking offers benefits to employers such as increased productivity, numerical flexibility in labour supply to cover peaks and troughs of demand, the facilitation of outsourcing and savings on office overheads. It can also be used to improve customer service (Wilson, 1991). It can offer mutual benefits to employer and employee by reductions in commuting, and greater autonomy in the organisation of work in terms of time and location (Gillespie et al, 1995). **There was evidence for the development of core and peripheral labour usage (Atkinson, 1984; Hakim, 1990) in the book publishing sector (Stanworth and Stanworth, 1997) with editorial departments becoming leaner, and making use of a larger pool of freelancers.**

Huws (1996) identified two main models of telework, the 'opportunities for flexibility' model and the 'exploitation' model. The former is usually associated with teleworkers with high occupational status, and the latter is mainly applicable to routine back office teleworkers. A number of research studies in the 1990s broadly support this dualistic typology (for example Fothergill, 1997; Huws, 1995; Phizacklea and Wolkowitz, 1995). **There is also some evidence for a third 'hybrid' model where teleworkers of relatively high occupational status (often women) have poorer terms and conditions than their office based counterparts, and this applies to the book publishing respondents (Stanworth et al, 1993: Stanworth and Stanworth, 1995 and 1997)** as well as some home based software engineers. The debate continues as to whether telework is fundamentally benign, or is a disguise for increasing casualisation and insecurity in the employment relationship. Clearly there is a degree of strategic choice in how technology is used in different work settings (McLoughlin and Clark, 1993) and the impact on occupational groupings varies. The situation is a dynamic one, with new forms and patterns of work continuing to emerge. Technical change continues to accelerate, as does the rate of change in organisational structures.

The organisation structure associated with telework and the future information society is the 'virtual' organisation, which is one stage on from the downsized, restructured, divisionalised organization which has become common in the 1990s. Much of the popular literature (for example Negropte, 1995; Grenier and Metes, 1995; Tapscott, 1995; Birchall and Lyons, 1995) outlines versions of this concept. Though there is no one agreed definition, the organisation generally lacks structure of any kind, and consists of people collaborating on short-term projects on a temporary basis, using ICTs. Typically the organizations are innovative and the work cerebral, involving 'symbolic analysis' of information (Reich, 1990). There is a similar debate in the academic literature as to what constitutes 'virtuality' (Jackson and van der Wielen, 1998) but there is some agreement that organizations are likely to become more elusive (Huws et al, 1990) and may create wealth but not employment, resulting in jobless growth (Stanworth, 1998). Some of the commentators (for example Barnatt, 1996 and Negropte, 1995) foresee that as a result of the growth of virtuality coupled with economic volatility, self-employment will be the dominant work form, and firm's labour markets will increasingly be externalised. **The effects of increased externalisation in editorial departments in book publishing were discussed by Stanworth and Stanworth (1997).**

The occupational profile of the future labour market resulting from technological change is an important area of speculation and dissension. The idea of the 'information age' derives from the predominance of 'information' work in the economy, and is one vision of the service economy of the post-industrial age (Bell, 1973, 1979; Nilles, 1993). There is a possible paradox in that, although it is predicted to increase in the short-term, knowledge work may not be the most common type of work in the future, though it may well be the source of wealth creation (Crouch, 1997; van den Besselar, 1997). The main job creation may be in personal service occupations (Loving, 1990; Reich, 1990) required to satisfy the wants of the affluent elite of knowledge workers, and these jobs may be similar to the low-paid and low-

skilled service work of today, which is performed mainly by women, within the contingent workforce (Stanworth, unpublished conference paper, 1998).

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## **APPENDIX V**

## 2 Enterprise 2000

Workbase the electronic cottage?

*John Stanworth and Celia Stanworth*

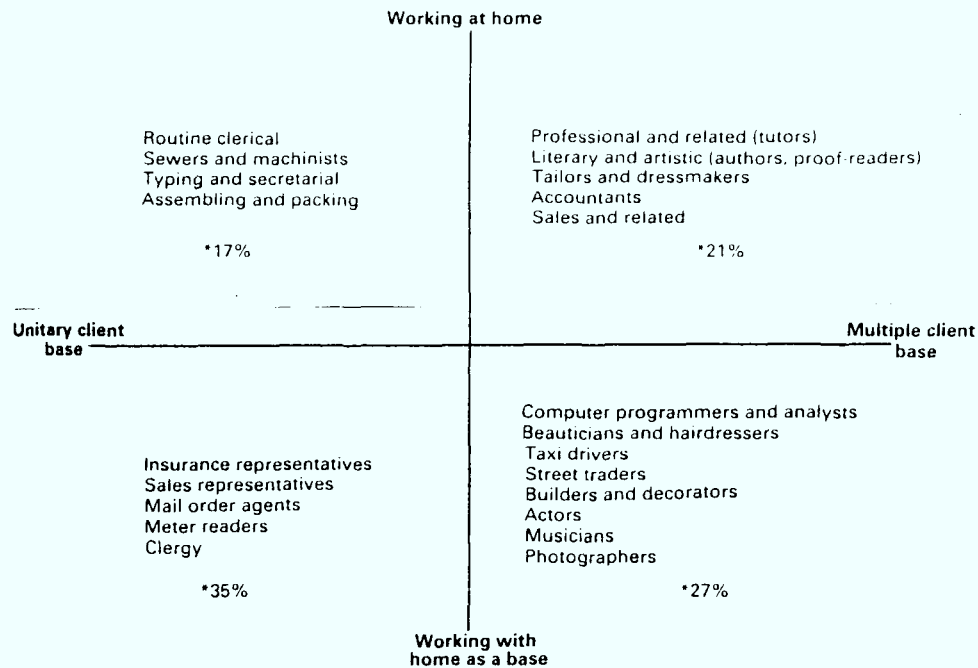
### INTRODUCTION

Home as a workbase is already familiar to several million people in Britain. In addition to many of the 'sweated' occupations traditionally associated with 'homeworking', around two-thirds of Britain's self-employed are one-person businesses operating mostly from home.

Technological changes and demographic trends are now leading to predictions that by the year 2000, a new army of millions of people currently working in large organizations will become home-based, computer-linked 'teleworkers', experiencing conditions akin to those experienced already by the many independently self-employed and widely recognized as requiring 'small business skills' (Toffler, 1981; CBI, 1988; Henley Centre for Forecasting, 1988). In some cases their legal status will actually be self-employed though in others it will be hybrid.

The argument that computer networks with modem and mainframe links could make the modern office largely redundant may be viewed as part of a wider phenomenon of large company divestment. Similarly, it is a method of embracing the concept of entrepreneurship in the service of needs for corporate restructuring. In place of the traditional employee, workers could increasingly start to resemble entrepreneurs 'telecommuting' from the 'electronic cottage' of the twenty-first century and requiring substantial psychological and attitudinal changes.

The move to 'homeworking', whether or not it is accompanied by the use of microchip technology, is also associated with debates on the 'casualization' of the labour force (Child, 1988; Dale, 1986). The reported growth of 'distancing' (Atkinson and Meager 1986), or the 'subcontracted' organization (Handy, 1985), may mean that the individual homeworker will have to bear increasing risks in attempts to achieve a secure income flow (Child, 1984).



\*Breakdown of Hakim's total sample

Note: The above figure gives some examples of occupations; it is not an exhaustive list.

Figure 2.1 A typology of home-based work

Source: Hakim, 1987.

## TOWARDS A TYPOLOGY OF HOME-BASED WORK

The definition adopted by Hakim (1987) of home-based work includes self-employed as well as employees, and those who work *from home* as a base as well as those working actually *at home* (see Figure 2.1). By using this very broad definition, a range of different contractual relationships and labour market situations are embraced as well as a diverse range of pay and remuneration (Allen and Wolkowitz, 1987). This tends both to dilute and to hide the particular situation and problems of the 'traditional' homemaker or outworker. It also includes an enormous diversity of employment positions, subsumed under the self-employed label, which need to be separated. These range from the truly freelance professional, who enjoys a relatively high degree of control and autonomy over the nature of the product or service provided (Allen and Wolkowitz, 1987), through to the sole trader, subcontractor, outworker and labour-only subcontractor. The two latter positions are typified by low levels of control, autonomy and ownership of

Type	Commonly found amongst	Form of remuneration	Employment status	Occupational progression	Occupational esteem
Freelance (Multiple-client based)	Authors Artists Journalists Architects Consultants Accountants Teleworkers Musicians Actors	Fees	Freelance- self-employed	High degree of control over nature of product/service and its marketing. No formal career structure. Progression by peer group and public recognition.	High status group
Corporate itinerants (Single-client based employer)	Sales and insurance representatives and executives Peripatetic teachers Community nurses and midwives Collector salesmen Mail-order agents Meter readers	Salary commission	Direct employees  Substantial amounts of time spent away from home	Usually part of a well-established career structure. Many may be home-based for their entire career.	Middle status group
Self-employed itinerants (Multiple-client based)	Builders and decorators Photographers Beauticians Hairdressers Taxi-drivers Gardeners Street traders Driving instructors 'Job' franchisees	Usually 'rate for the job'	Sole traders/ sub-contractors/ labour-only sub-contractors  Substantial amounts of time spent away from home	A minority grow to become small business owner-managers.  Most would be sole-traders or labour-only sub-contractors for their entire working life.	Middle/low status group
Personal services/ own account homeworkers (Multiple-client based)	Private tutors Music teachers Bookkeepers Childminders Tailors Dressmakers Telephone canvassers	Usually hourly or weekly paid/ Some get 'rate for the job' or fees	Self-employed  Work at home	Some would subsequently return to on-site direct employment.	Middle-low status group
'Traditional' homeworkers or outworkers  (Usually single- client based in manufacturing, often multiple- client based for clerical/typing, etc.)	Packers and assemblers Sewers and machinists Typists and secretaries Routine clerical workers Most teleworkers Knitters Key-punch operators Proof-readers	Payment by results (usually piece-rates)	Most are nominally self-employed contractors. A minority have direct employee status.  Mostly work at home	No career structure  Some may subsequently return to on-site or direct employment.	Low status group

Figure 2.2: A typology of home-based workers  
Source of occupations: Hakim, 1987.

the means of production. A study by Mason *et al.* (1988) of self-employment in Southampton claims that 26 per cent were in fact 'quasi-employees'.

Using Hakim's occupational examples, a five-fold typology of home-based workers can be constructed (Figure 2.2). This attempts to separate out meaningful categories of workers who share similar levels of control and autonomy, employment status, social esteem and occupational structure.

### **1 Freelances**

The first category in Figure 2.2, the 'freelances', is composed of traditionally home-based workers (authors, artists and musicians) as well as certain 'newer' occupations (computer programmers and systems analysts, management consultants, etc.) and professionals (architects and accountants). This group usually work on their own account in relatively high status occupations: there is no formal career structure, but progress may come through peer group and public recognition. They share a high degree of control over the product or service they provide, and its marketing, and could be described as the elite of the home-based workforce.

Freelance professionals, often with scarce, transferable skills, are likely to enjoy the advantages claimed by some to flow to everyone who experiences 'flexible' status in the labour market: that is, varied, satisfying, well-paid careers, largely organized on their own terms (Atkinson and Meager, 1986). But it should be noted that they are a small minority of the home-based workforce, as well as being only a tiny fraction of the 'peripheral' army of workers, of whom most are in low-status, low-paid, relatively insecure jobs.

### **2 Corporate itinerants**

The second category in Figure 2.2 represents a long-established part of the workforce, usually men working from home as a base. Typical examples are insurance salesmen and sales representatives, who are usually remunerated on a salary plus commission basis. The distinctive attribute of this group is that they are directly employed and have well-established career structures. They are very likely to spend their entire career working from home (Hakim, 1987), unlike many 'traditional' homeworkers, who eventually return to on-site employment of some kind.



### **3 Self-employed itinerants**

The third category in Figure 2.2 is again mainly male, working on their own account with multiple clients. Most of their working time is spent away from home. Some of this group are part of the 65 per cent of the 'small business' sector (Curran and Burrows, 1988) who are sole traders and are of particular interest because they are mainly people without separate premises, at the primary stage of self-employment. The evidence suggests that most of these enterprises will remain one-person businesses (Curran and Burrows, 1988) but that there will be a proportion amongst them who will progress to become 'owner-managers', at which stage they may also cease to be home based and have separate premises.

This group also includes self-employed subcontractors and many labour-only subcontractors, particularly in the building and decorating trades. A study by Marsh, Heady and Matheson (1981) of the construction industry concluded that there is a sharp division between labour-only subcontractors and self-employed construction workers who work directly for the public and take responsibility for all aspects of a job, sometimes 'employing' the former on a contract basis. Thus, for many men, as well as women home-based workers, there is little to distinguish the labour process of employees and self-employed (Dale, 1986).

In terms of the implications of different employment statuses, it could be argued that this category should itself be subdivided.

### **4 Personal services/own account**

The fourth category is distinctive because members work in their own homes, often with multiple clients, and the services they offer are of a distinctly personal nature, such as private tutoring, dressmaking and childminding.

Childminders have sometimes been excluded from definitions of home-workers because 'their problems are rather different from those of homeworkers' (Bisset and Huws, 1984: 4), but it is arguable that they share with other groups in the personal services category the wear and tear on their domestic premises, personal relationships with clients and 'careerlessness'. Another shared feature of this predominantly female grouping is that many would be currently constrained in their occupational choice by their responsibilities for bringing up young children. Many subsequently return to 'on-site', direct employment.

This group would also fall into the category of self employed in official statistics, although few, if any, would have employees or invest substantial amounts of capital. They are closer to 'sole-traders' than 'freelances'.

## 5 Traditional homeworkers

The last category, with the lowest work status, is 'traditional homeworkers' and, paradoxically, includes small numbers doing 'new' homework jobs or 'teleworking'. This grouping is distinctive because of its particular relationship with employers (Allen and Wolkowitz, 1987). Many are paid piece-rates. They also share the tendency to be paid less than equivalent 'on-site' workers doing similar tasks and because they are nominally self-employed and work intermittently and part time, they tend not to be covered by employment protection legislation. Thus this group have few, if any, of the advantages of employee status, with no evidence of the advantages of self-employment either (Hakim, 1984).

The best-known occupations associated with 'traditional' homeworking are in the manufacturing sector, but white-collar and service sector homeworking jobs are on the increase, according to official figures (Hakim, 1987). However, many homeworkers may be left out of official statistics, so that actual numbers may be much higher (Pugh, 1984). They are likely to be underrepresented because they are so 'casualized' and have such ambiguous status that they do not see themselves as part of the workforce (Cragg and Dawson, 1981). Also in some cases, under-reporting is due to fear of DSS disclosure. Claims of a decline in manufacturing homework have been disputed by Allen and Wolkowitz (1987).

This grouping shares with the 'personal services' category the tendency to be predominantly female. Many are constrained by domestic responsibilities into the homeworking workforce and trade flexibility for pay (Hakim, 1987). They may later return to on-site working, sometimes doing similar work, but often in an entirely different occupation.

## EXISTING TELEWORKING SCHEMES

Despite the predictions that more than four million people will be 'teleworking' by 1995 (Henley Centre for Forecasting, 1988), the literature on existing schemes in the UK tends to focus heavily on just four examples: Rank-Xerox, International Computers Limited (ICL), FI plc, and the Department of Trade and Industry Remote Work Units Project for Disabled Workers (Kinsman, 1987; Dale, 1986; Shirley, 1987; Huws, 1984; Judkins *et al.*, 1985). These examples between them employ only around 1,500 people. There appear to be other small-scale experiments in companies such as Texaco UK (Bailyn, 1988), but

generally, rhetoric appears to be running far ahead of reality in this field.

The purpose of this chapter is not to describe existing experiments in detail, since this has been done very adequately elsewhere (Kinsman, 1987). It will instead consider them in terms of the earlier typology of home-based workers (Figure 2.2), and examine whether the initial degree of autonomy and status position of the workgroups involved is a more accurate indicator of the effect of the 'new' technology upon them rather than any intrinsic characteristics of technical innovation *per se* (Child, 1986).

Child also tentatively links any moves to homeworking with the tendency for homeworkers to become self-employed subcontractors. He hypothesizes that the trend may lead to further growth of the 'peripheral' labour market, with homeworkers having to bear the risk for themselves of achieving a secure future income flow. These new self-employed subcontractors may have either primary or secondary labour market standing. That is, they may have skills and attributes which enjoy a high market value outside the employing firm (primary) or may have firm-specific skills, and be therefore tied (however tenuously in terms of employment status) to their existing organization (secondary). The examples of existing schemes will also be examined to investigate this hypothesis.

## **1 Rank Xerox UK**

This much-researched 'networking' scheme involved 60–70 'networkers', and was implemented during the recession of the early 1980s when Rank Xerox was fighting for survival. The firm had been 'targeted' by Japanese competition and it was decided to slim down the operation in order to cut costs (Hornby, 1988).

The 'networkers' involved were all middle or senior managers in the fields of marketing, finance, personnel, management services and corporate affairs (Judkins *et al.*, 1985), and a small group of five women used the scheme as a 'career-break' mechanism. Therefore the group, as employees, would have generally enjoyed considerable autonomy and control in the workplace, as well as high occupational status. Rank Xerox is also described as 'aggressively entrepreneurial' – one might rather say 'intrapreneurial' with employees virtually running their own semi-autonomous businesses and referring to colleagues as 'internal' customers and 'suppliers' (Kinsman, 1987). Thus the organizational culture heightens the importance of independence and risk-taking.

'New' technology, in this case, was used to establish the 'networkers' as 'freelance homeworkers, on the initiative, and with the financial

support, of their former employer' (Dale, 1986). Each individual formed a limited company and, for a period of 1–3 years until full independence was established, was cushioned by a contract with Rank Xerox for up to half the expected turnover of the fledgling company. As well as this, Rank Xerox provided its networkers with office furniture and micro-electronic equipment at a reduced price, and provided counselling facilities in 'small business' skills.

This group could therefore be categorized as 'freelances', since they own their means of production, invest more than 'non-trivial' amounts of capital (Hakim, 1987) and experience a high degree of autonomy over the work process (Dale, 1986). They also appear to be successfully making the transition from 'self-employed' to small business owner-managers because their companies now themselves employ about 150 people between them.

In this case involving high-level specialists able to secure work on their own account, contracting has shifted the networkers from the internal to the external labour market, while retaining a primary market standing (Child, 1988).

## **2 International Computers Limited (ICL)**

The home-based Contract Programming Service (CPS) of ICL was started in 1969 as a 'career-break' scheme 'to permit women with scarce computer skills to continue to serve the company part time and to keep up their skills and involvement with work' (Bailyn, 1988). The group are still predominantly female with a great deal (average fifteen years) of previous on-site experience with the company. Although CPS has become a semi-autonomous subsidiary of ICL, the homeworkers are directly employed, enjoy similar fringe benefits to on-site workers and use (but do not own) ICL equipment. Most work part time, are hourly paid and, if there should be no work, are retained with payment for sixteen hours per month (Kinsman, 1987). Thus, certain elements of their employment contracts differentiate them from their on-site counterparts.

Bailyn (1988) reports in her survey of CPS workers that the homeworking group 'are grateful to be allowed to work and to keep up their skills'. They are well aware that the computer market is very volatile and that, if they leave, it is extremely difficult to 'catch up' again. On the other hand, it is also to the employer's advantage to retain such valuable skills. The relationship could be characterized as 'symbiotic'.

In the case of the CPS group, 'new' technology was always an integral

part of the workgroup's occupation within the computer industry. In terms of the move to homeworking, it has retained these workers on an employment contract, with secondary market standing. Their skills and experience are closely linked with their employing organization, and they form a flexible and dependable labour supply in a rapidly changing market.

Therefore the CPS homeworkers are closer in character to the 'traditional homeworker' than to the 'freelance' category although, as direct employees, they enjoy fringe benefits and employment protection superior to the bulk of outworkers. They have a labour market advantage over most outworkers in that they offer relatively scarce skills in a highly paid sector of the labour market.

### **3 'FI' plc**

FI is a UK computer software house, employing about 750 'panel members' or homeworkers, who are predominantly women (93 per cent) (Shirley, 1987) with domestic responsibilities. The organization has a management hierarchy, most of whom are salaried employees, but the 77 per cent who are homeworkers are part time and nominally self-employed, subcontracted to FI, and therefore do not receive employee-type benefits such as sick pay, holiday pay or superannuation. Homeworkers must have at least four years' prior experience of the work in question, be prepared to work at least twenty hours a week, and be available to visit clients' premises.

'Panel members' are hourly paid, and paid a lower rate for travel time. Their work is closely monitored: each project is split up into time segments, and progress is monitored at each stage. Detailed productivity measures are kept, including monitoring of client visits and time spent 'on-line' using a computer. As with the ICL scheme, working with computers is an integral part of FI jobs. Their nominally self-employed status, subcontracted wholly to FI, puts them into the external labour market, providing the company with a flexible, part-time labour force. The fact that they are subcontracted to FI means they have secondary standing, and are not truly freelance, unlike the Rank Xerox 'networkers'.

Although FI 'panel members' are better paid than the bulk of homeworkers, in terms of their relationship with their employer, they can be most accurately classed among 'traditional homeworkers'.

#### **4 Department of Trade and Industry (DTI) Remote Work Units Project**

This scheme was set up in 1982 by the DTI. The first phase ran until 1984 and the second phase until 1986 (Kinsman, 1987). Ninety-five work units involving disabled people were set up over the two phases. DTI and the European Social Fund provide funding for equipment and consultancy. The jobs had to provide normal conditions of service, require no less than twenty hours' work a week and have long-term prospects and pay in line with similar on-site jobs. Since 1987 the scheme has been run by the Disablement Advisory Service.

The scheme involves teleworking with the employees linked, by modem and telephone, to a central point. It involves training inputs both from the employing organization and from the Manpower Services Commission (now the Employment Department Group) and most of the participants are still working. The least successful were individuals set up as self-employed. Evaluation of the scheme indicated that employers were willing to take part in the scheme, given funding incentives and the back-up of government agencies. It could be argued that such work for the disabled would not have been created without such a scheme.

In this case the homeworking project has been aimed at a specific group of workers who, because of a lack of physical mobility, are in a relatively weak market situation. It has been used to give them direct employment (internal labour market) with secondary status. It is questionable whether this scheme, with its special aims and resources, could be directly compared with the other examples, which are more exposed to the exigencies of the open market.

#### **5 Texaco UK**

The field force of Texaco UK comprises sales representatives and professionals covering the fields of surveying, property buying and selling, and construction. Pilot projects giving the sales force head-office-linked home computers, and transforming the professionals into homeworkers, were studied by Bailyn (1988).

The sales group had already been operating in 'output mode'. That is, they were judged by their output and not subject to direct surveillance over time or mode of working. One effect of the introduction of a computer link-up was to make it possible for superiors to time computer usage. This gave sales representatives a feeling of rather less autonomy in their work patterns than previously.

A second reported effect was to give representatives fuller access to information on which price and credit decisions could be made. Potentially this could make it possible to delegate more authority to them to make decisions (job enrichment).

The professional groups' move to homeworking proved less satisfactory, in that they felt more burdened by extra clerical duties after the move to 'telecommuting'. However, they also reported a greater freedom to organize their own time, which they felt was an advantage.

In both the Texaco experiments, the developments retained the workgroups in the firm's internal labour market. In this case, so far at least, the move to homeworking for the professionals, and to teleworking amongst the salesmen, has not led the employer to redefine the workgroups as self-employed subcontractors or 'quasi-employees' (Curran and Burrows, 1988).

## CONCLUSIONS

A table summarizing aspects of the five examples of homeworking involving the use of micro-electronic technology is presented in Figure 2.3. What is clear is that the employers' motivation for using IT and homeworking is very varied. Information technology can obviously be operationalized in many different ways, sometimes with outcomes which enrich jobs and sometimes with job-degrading consequences.

For women homeworkers with domestic commitments, it is this life-cycle constraint which appears more salient in explaining their current market situation than their qualifications, previous on-site experience or IT skills. Their overriding need for flexibility leads them to take homeworking jobs, sometimes with lower pay and lesser fringe benefits than on-site workers.

Homeworking, of itself, using these limited examples, does not appear to have a determining effect on the employment status of the groups involved. Figure 2.3 shows that they can be retained as direct employees, or become nominally self-employed subcontractors ('quasi-employees') or, alternatively, launched as potential stand-alone small business owner-managers.

### **Future growth of outwork/homework**

The salient characteristics of outwork are the purchase of labour in discrete and variable amounts; payment related directly to output; and



Name of organization	Occupational groups	Gender	Employment status	Full-time/part-time	Use of computers	Employers' motivation
Rank Xerox UK	Professional/managerial	Mainly male	Self-employed contracted to Rank Xerox	Full-time	Moderate	Cost-cutting/ reduce staff levels
International Computers Ltd (CPS)	Professional/technical	Mainly female	Employees	Part-time	High	Career-break scheme – utilize scarce skills/ retain talent
F International	Professional/managerial	Mainly female	Self-employed contracted to F International	Full-time/part-time	Moderate	Employ home workers with scarce skills
Department of Trade & Industry RWP	Clerical/professional	Not known	Employees	Full-time/part-time	High	Provide employment for disabled
Texaco UK (a) Sales force	Sales representatives	Male	Employees	Full-time	Moderate	Improve communications
(b) Professional groups	Professionals	Male	Employees	Full-time	Moderate	Facilitate homeworking

Figure 2.3 Summary of homeworking/telecommuting examples in the UK

Source: Adapted from Kinsman, 1987, p. 68.

an absence of direct supervision. Outwork is generally used to avoid the overhead costs associated with direct employment, and to exploit sources of low-paid labour.

In terms of future growth patterns in homeworking in general, and teleworking in particular, the economy will inevitably continue to produce occupations with these characteristics and enable employers to increase workforce flexibility whilst minimizing costs.

'New' technology will itself create opportunities for employers to create new forms of homeworking by 'disintegrating' the work process (for example in the printing and publishing industry). If computer hardware continues to become available at lower cost in the future, its home use by routine clerical or technical workers could soon become an economic proposition.

The supply of workers for homeworking is often associated only with unskilled labour, but in fact this is misleading. Employers often use carefully selected ex-employees as homeworkers, relying on their firm-specific skills. Workers undertake outwork for various reasons, sometimes because it is the only work available, or as an alternative to part-time work, or they are disabled, retired, engaged in child care or caring for dependent relatives. They have relatively poor opportunities in the wage-labour market, and are more likely to aim for 'target' earnings than for high recompense for their labour (Rubery and Wilkinson, 1981).

As long as such a labour supply exists, there are opportunities for homeworking. The demographic 'cliff' of the 1990s, may affect this reserve homeworking army. The shortage of young people entering the labour market may lead employers to provide new opportunities for women workers with young children to remain in 'core' on-site employment (McRae, 1988). Alternatively, they may seek to recruit and retain women on home-based, career-break schemes, some of which may involve teleworking. There may also be more newly retired potential homeworkers as the population ages, which could provide an alternative employment source.

### **Teleworking and occupational status**

Homeworking and teleworking may well have very different outcomes for the higher level managerial or professional worker, compared to the routine clerical or technical worker. Much confusion has been created by writers not clearly differentiating between these two types of employee (Bailyn, 1988).

However, there is evidence that, even within the 'service class' of

higher managerial and professional occupations, some groups may experience advantages in terms of the control they have over 'new' technology and what kind of homeworker they become. The presence of uncertainty, high social standing, non-routine aspects within a job, or a direct relationship with clients/external parties, reduces the likelihood of 'new' technology being used to substitute for their labour (Child, 1986). Groups of workers in such occupations might be more likely to be transformed into 'freelance' teleworkers or, if they are employed as 'homeworking employees', may have greater discretion and autonomy as a result of operationalizing microchip technology.

For clerical and technical occupations, which already embody a considerable routine element, the move to teleworking might be more likely to transform them into traditional homeworkers or outworkers, who are nominally self-employed subcontractors to their employers (quasi-employees), and become part of the secondary or peripheral workforce. Or 'new' technology might tend to be used to reduce the autonomy and independence of the job, and to monitor performance more closely.

### **Managing distance workers**

Teleworking, as one type of distance working, needs a different type of managerial control. There is a shift from managing *input* (i.e. controlling methods of working) to managing *output* (i.e. judgement by results) (Bailyn, 1988). Even with high-status employees, the freeing of work from traditional locational and time constraints seems to pose a difficult problem for managers and supervisors. They often wish to continue to control the hours their subordinates work, rather than give them autonomy over their own time and thus fully exploit the potential flexibility of teleworking. As with job-enrichment, one group's enlarged area of freedom frequently means a corresponding reduction of control for another.

Rothwell (1987) believes that the slow development of teleworking may stem as much from managers' fears and lack of flexibility as from the shortcomings of the technical infrastructure. Delegational skills are needed when managing distance workers. This requires an ability to trust an individual to complete a task after jointly agreeing the tasks or objectives to be met and methods to be used. New skills for drawing up these 'internal contracts' need to be developed.

### **Selection of distance workers**

In our research interviews with a sample of ten home-based workers, we encountered problems associated with organizing one's own time, separating work from domestic pressures, and feelings of isolation. In just the same way, teleworkers need personal competences to cope with independent working, so they need not only technical skills and knowledge, but also the ability to 'self-start', use small business skills, and cope with isolation. Extroverts with high affiliation needs may, for example, be unsuitable to become teleworkers or self-employed consultants (Rothwell, 1987).

For organizations to take advantage of the opportunities that distance-working provides, such as retaining or recruiting people with scarce skills, managers need to consider training and developing teleworkers as carefully as on-site workers (Rothwell, 1987). This tends to contrast with the manager's current perception of distance workers as a means of avoiding expenditure in this area.

### **Marginalization of teleworkers**

Although studies show that many occupations are suitable for adaptation to teleworking (e.g. Henley Centre for Forecasting, 1988), the fact remains that employees generally resist the home move. They believe that they will be marginalized from important aspects of the work organization. There are legitimate fears that being home based will result in exclusion from the organization's career ladder and isolation from the social and political life of the workplace. Home-based work of all kinds has a low social standing because of its associations with low-paid, unskilled occupations, and quasi-employee status, where many advantages of employee status are lost, and the individual homeworker is obliged to share the risks of fluctuating demand for the goods or services provided.

Managers may therefore face problems in introducing teleworking schemes, particularly amongst high status employees, unless they take steps to recruit the right individuals, train and develop them and provide good communication channels, initiate regular meetings and other schemes to prevent isolation from the organizational culture. For high status employees, teleworking may not be a cheap or easy option and this probably explains why it is still a relatively rare and novel work arrangement (Hakim, 1987).

For this group, instead of full-time teleworking, mixtures of on-site and distance-working will probably continue to grow in popularity.

Teleworking is already an addition to some executives' working week, for example financial analysts and software maintenance engineers (Shirley, 1987), or teleworking and office work could be part of a mixed-location contract.

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## Chapter 14

# PROBLEMS OF DEFINITION AND MARKETING OF HIGH-TECHNOLOGY HOMEWORK

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Although the concept of telework has aroused a great deal of interest amongst academics and management commentators amongst others, there are considerable problems of definition. The more efforts are made to pin down the concept, the more elusive it becomes. So far a water-tight definition has eluded academics despite endless attempts. There are problems in pinpointing the boundaries between telework and more conventional work patterns. As Huws argues:

“In common speech there does appear to be some consensus of opinion on what it means. The belief is that information technology has made it possible to decentralise many types of work involving the electronic

processing of information, and telework is simply the term used to describe workers who have been dispersed in this way. It is only when one attempts to collect empirical data on telework, so that its development can be quantified and future trends extrapolated, that this consensus dissolves. As soon as we try to count the numbers of teleworkers or locate the industries in which they are situated, it becomes clear that we have no stable or concrete definition of what we mean by the term (Huws et al, 1990: 1).

Some writers have tried to avoid the ambiguities and problems of definition by limiting discussion to home-based workers (Brocklehurst, 1989). This would limit the definition to the 'archetypal' telehomeworker, or 'electronic cottager', often self-employed, working at long distance from the client/employer, using data links. Brocklehurst discusses new technology homeworking which he defines as:

"the supply of work to be performed mainly in domestic premises which requires using a personal computer and which offers the highest degree of flexibility to the employer (Brocklehurst, 1989: 5).

Defining telework as a particular kind of homeworking is not without its problems. By concentrating on work at home, remote work in satellite offices, or in telecottages or neighbourhood centres is excluded. Also, does "mainly in domestic premises" limit the definition to those who spend more than 50 per cent of their working time at home? After all, there are many workers who combine work on-site at the office with work at home, or who spend some of their time working in clients' premises (IT specialists for example). Also excluded from this definition would be itinerant workers such as company representatives using mobile computers.

The International Labour Office (1990) feels that the term telework has been going through an evolutionary process, which has extended its original meaning of electronic homework to include more complex forms:

"Now telework is used to refer to a variety of flexi-place arrangements with different combinations of work in central offices, at customer sites, in satellite centres or at home" (ILO 1990:4). A definition in terms of computer usage is also problematic. Many home-based self-employed workers use a computer to help run their business as do many people employed on a contract of service (some journalists for

example) but this factor of itself is perhaps not sufficient to call them teleworkers:

” ... the simple fact of working from a home-base and using information technology is not a good enough basis from which to construct a definition of telework which is likely to be useful for analytical purposes” (Huws 1990:5).

Perhaps a more fruitful avenue is to define teleworkers as those using remote computers with links to an office mainframe and/or to other computers in some kind of network. Brocklehurst comments: “Strictly, the terms teleworking or telecommuting should only be applied where there is a link with other computers” (1990:33). But again, this definition would have to include all organisations with branch structures linked by public or private data networks, which would include banks, building societies, large retail chains and so on, which would clearly create a category so large as to be meaningless. Huws suggests drawing a distinction on the basis of the size of these remote operations:

“At one end of the spectrum are the huge, unwieldy regional offices of State organisations, or national or transnational corporations, at the other are small, suburban word-processing pools or individual agents. The latter seem closer to what most people seem to mean by telework, but where ... should the line be drawn? And could it be anything but arbitrary?” (Huws et al 1990:6)

A different distinction is drawn by the ILO (1990) who define two main types of telework. The first is telework performed in or near the workers’ home: the second is telework performed in a “business-determined location”, which would include satellite offices in suburbs, distant regions and offshore. This distinction again highlights the relative size of the operation, but also the fact that the former category represents a much greater change in lifestyle and working conditions for the individual teleworker. However, the latter category makes no attempt to distinguish the boundary between what constitutes a teleworked satellite office and a computer-linked branch office of a company, except in terms of the strategy of the organisation involved. “This form of telework is primarily aimed at cost reductions or better servicing of the market” (ILO 1990:4).

Thus, should the definition be limited to satellite offices which have

been set up to access more favourable labour markets, rather than to serve local consumers? This would restrict the term to remote offices doing back-office functions in suburbs, or Regions with higher unemployment, or offshore set-ups in Eire, for example, which perform mainly data-processing functions for American companies. Perhaps some combination of size and strategy criteria might be more fruitful.

Also, should the definition of teleworker be restricted to those who use sophisticated telecommunications links to communicate data? This would exclude workers who make extensive use of computers in their work but who communicate data by, for example, posting disks to clients or employers rather than via a modem, usually because it is cheaper to do so. Huws et al attempt to take this into account:

“It is work which relies primarily, or to a large extent, on the use of electronic equipment, the results of which work are communicated remotely to the employer or contractor. The remote communications link **need not be a direct telecommunications link but could include the use of mail or courier services**” (Huws et al 1990:10). (our emphasis)

Another possible variable is the contractual relationship with the client/employer: “The search for flexibility in contractual relationships with employees has undoubtedly contributed to the development of what is commonly thought of as telework” (Huws et al 1990:69). The development of information technology allows the possibility of disintegrating the work process, and this is one factor which has led to an increase in the sub-contraction of a wide range of services (Curran 1986, Mattera 1985). However, does this trend mean that the definition of a teleworker should necessarily be restricted to those who are self-employed or “quasi-employees” (nominally self-employed sub-contractors)?

The quest for flexibility, or cost-cutting was one important factor which led to the growth of self-employed teleworking during and after the recession of the early 1980s. More recently, however, the motivation amongst employers for initiating telework schemes is often to recruit and retain scarce skills, in the areas of management, technical and professional skills in particular. This grouping is usually employed on a normal contract of employment, and often works partly at home and partly on-site. Relatively low-skilled teleworkers, data-processors, word-processing staff and book-keepers are much

more likely to be self-employed or quasi employees.

Therefore telework does not determine the type of employment contract. Flexibility of location and time, which telework permits, can be operationalised equally well under various forms of contractual relationships. The relative strength of the labour market position of the manager or specialist compared to the back-office clerical worker is more salient in explaining the differences in the terms and conditions of these two groups than their use of information technology at a distance.

Huws et al outline a definition of telework based on three variables: the location of work; the use of electronic equipment; and the existence of a communications link with the employer or contractor:

“We define telework as work the location of which is independent of the location of the employer or contractor and can be changed according to the wishes of the individual teleworker and/or the organisation for which he or she is working. It is work which relies primarily or to a large extent on the use of electronic equipment, the results of which are communicated remotely to the employer or contractor. The remote communications link need not be a direct telecommunications link but could include the use of mail or courier services” (Huws et al 1990:10).

The ILO definition also brings together three concepts: organisation, location and technology, because they feel that remote work and use of information technology imply organisational changes:

” .... it seems appropriate to define telework as: a form of work in which (a) work is performed in a location remote from central offices or production facilities, thus separating the worker from personal contact with co-workers there; and (b) new technology enables this separation by facilitating communication” (ILO 1990:4)

Brandt (1983) presents a network of possible combinations of flexible work arrangements and work-coordination (FIGURE 1), which he feels are feasible using information technology. They range from the employee on a normal contract of service working in a central office location, to the other extreme of the home-based entrepreneur, and demonstrates that, in between, there are a multiplicity of possible arrangements. This network uses two dimensions, and does not include consideration of differences in the use and sophistication of

information technology.

FIGURE 2 includes a larger number of dimensions involved in the definition of telework. Although teleworkers are grouped into 3 main types: hybrid, teleworker or telehomeworker, it is possible that some individuals may have more varied 'profiles' as indicated by their positions along the various dimensions.

The various definitions discussed demonstrate that boundary lines between the teleworker and the conventional on-site employee on the one hand and the teleworker and the independent self-employed person on the other are inevitably somewhat blurred.

### **THE SEPARATION OF HOME FROM WORK**

The ideal of the separation of home and paid employment probably reached its high point in the 1920s and 1930s, when a considerable stigma attached to married women working outside the home, both in the middle and the working-classes, especially in the South-East of England. Married women in employment at that time were considered deviants, shaming their husbands and demonstrating that their husbands and children were not properly looked after:

"The development of new, cheap forms of transport, coupled with the growth of new council or privately-built estates at the edge of the major towns and cities, intensified the physical separation of home (for women) and work (for men): women worked at home in housing estates and suburbs: men were employed elsewhere" (Pahl, 1984: 74).

### **THE EIGHTEENTH CENTURY**

To trace the development of how this separation of the concept of 'home' from 'work' in the formal economy developed, and the place within this of paid work within the home, a start can be made with studies of the eighteenth century. The evidence shows that working families at that time used a variety of strategies in order to make a living, and regular full-time employment was not the norm:

"Broadly speaking, most members of an 18th century "labouring" household worked. Furthermore, they worked largely - but by no means exclusively - at home, pursuing a variety of tasks on an intermittent basis. Some of this work, for some households would have been waged work" (Brocklehurst, 1989: 11).



In the 18th century, factories did not yet exist (Malcolmson, 1988) and did not become the predominant place of work in a majority of industries until the end of the 19th century (Chambers, 1961). The household was therefore the main production unit, with domestic manufacture and small-scale farming existing side-by-side. Paid work outside the home was often intermittent or seasonal, much as casual rural agricultural labour is today.

Malcolmson (1988: 59) emphasises that the family economy was an enterprise in which all members shared: "The family economy was not normally centred around a single breadwinner: rather it was assumed that the family's sustenance would depend on the productive contribution of all its members, each of whom helped to sustain the whole". Women and children were involved in the work of the household, both as wage-earners and unwaged workers. There is very little research evidence about the position of women at this time (Berg, 1988). Some commentators see the 18th century as an age of equality between the sexes: it may well have been much more equal than it was a century later, with the coming of the factory system, and the gradual removal of women from waged work.

The idea of the 'home' as something separate from the world of work began only fairly recently. It is first noted amongst the 17th Century Dutch bourgeois and spread into England during the 18th century:

"By this time bourgeois homes were no longer a place of trade and employed work (other than domestic servants). Instead they became places of leisure: reading novels and indoor games became popular: past times such as billiards, embroidery, cards, dances and admiration of the garden all became widespread for the first time" (Brocklehurst, 1989: 12-13).

## **THE NINETEENTH CENTURY**

The idea of the home, as a sanctuary away from the depredations of industry and commerce, was developed during the Victoria era. Privacy and domesticity were the two great discoveries of the 'bourgeois' age. For the new middle-class gentleman of the late nineteenth century, the home was a retreat from the world's realities, and a contrast to its alienation:

"A cult grew up around the idea of the home as a private world where virtues flourished, defined and promoted in numerous books, maga-

zines and pamphlets on household management. Women were exhorted to construct oases of aesthetic, ethical and physical well-being for their menfolk to return to at night” (Design Museum ‘Housework’ reference book).

Besides the ‘moral’ considerations, there were very practical reasons why those who were able, separated work from home life. Homework in Victorian times was often extremely unpleasant, and a mark of the disreputable. Those who ran the philanthropic housing estates designed for the ‘respectable’ working-classes would not tolerate the ‘taking-in’ of work, and this was a common reason for instant eviction. Homework was therefore concentrated in the meanest areas of the cities:

“It was the mark of the slum-dweller to work from home. That work would cover anything from laundering clothes in the open sewers which still passed for rivers, to the dishonourable professions of bone-boiling, manure-making, soap-manufacture, refuse-gathering and the training of fighting dogs. Like the slums themselves, proximity to work was avoided by those who could afford to. It was therefore a sign of wealth and respectability to live as far away from your work as possible (Marshall and Wilcox, 1986).

The development of railways and horse-drawn buses to bring the workers in from the newly developed suburbs, created the first generation of commuters. The image of woman as housekeeper, man as breadwinner, took root, at this stage amongst the middle classes.

The cocooning of wives and daughters was a mark of men aspiring to economic and social success. In contrast, working-class women had always ‘taken-in’ work of various kinds and continued to do so, as well as spear-heading the development of an industrial workforce towards the end of the nineteenth century (Pahl, 1984).

The growth of urban and suburban areas, and the movement of paid work out of the home and into factories was not a uniform process, but tended to be fragmentary and subject to regional and sectoral differences:

“Putting-out to homeworkers continued to be the dominant form of work organisation in many industries well into the 19th century. Indeed, early industrialisation often led to an expansion of small-scale outwork industries” (Brocklehurst 1989: 13).

Where the factory system was well-established, whole families would be employed. This was true of the cotton industry in the 1830s and 1840s (Pollard, 1978) and also the East Midlands hosiery industry in the late 19th century (Bradley, 1986).

During the 19th century, legislation began to be passed which gradually excluded both children and women from waged labour (Oakley, 1977). The child in the household, from being an integral part of its economic structure, gradually took on the role of dependent, and with compulsory schooling legislation came a steep decline of children in the labour force. Oakley highlights the parallel development of the ideology that womens' role was exclusively that of housewife and child-rearer:

“At this time, the case for restricting women to unpaid work within the home began to be argued publicly ... Female employment was condemned on moral grounds, on grounds of damage to physical health, on grounds of neglect of home and family, and lastly on the grounds that it contravened the “natural” division of labour between the sexes.” (Oakley 1977:45)

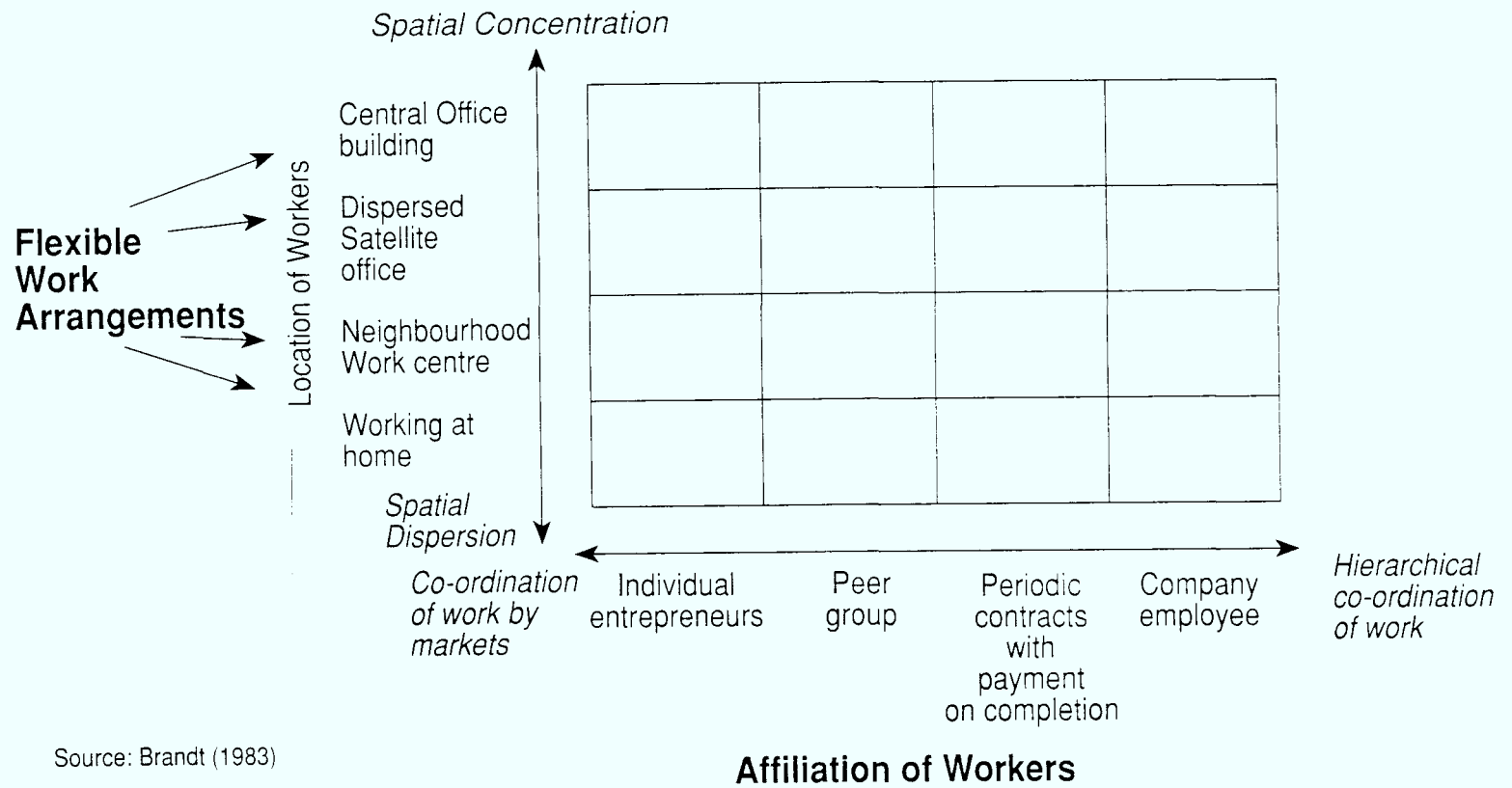
## **THE TWENTIETH CENTURY**

The ideal of the domestic sphere as the exclusive place of the woman did not trickle down to the working classes until the end of the 19th century, and is reflected in the figures for women employed at this time. During this century, the two World Wars led to dramatic increases in womens' participation in the labour-force, although the numbers fell dramatically after the end of each war, when women were exhorted to return to the domestic sphere, and all the support systems such as creches were rapidly removed. Even though, since the 1950s, women's participation rates in the formal economy have risen steadily, currently representing over 40 per cent of the labour force, the home and domesticity are still seen as womens' defining role:

“Through modern definitions of the role of housewife and the role of mother, industrialisation has meant the restriction of the role of woman-housewife to the home. The restriction is psychological more than physical. Today's housewife can and does leave the four walls of home for factory, office, school, hospital or shop, but her world is permanently divided from the world of the man.” (Oakley 1977:59)

The strength of this paradigm is demonstrated firstly in the way that

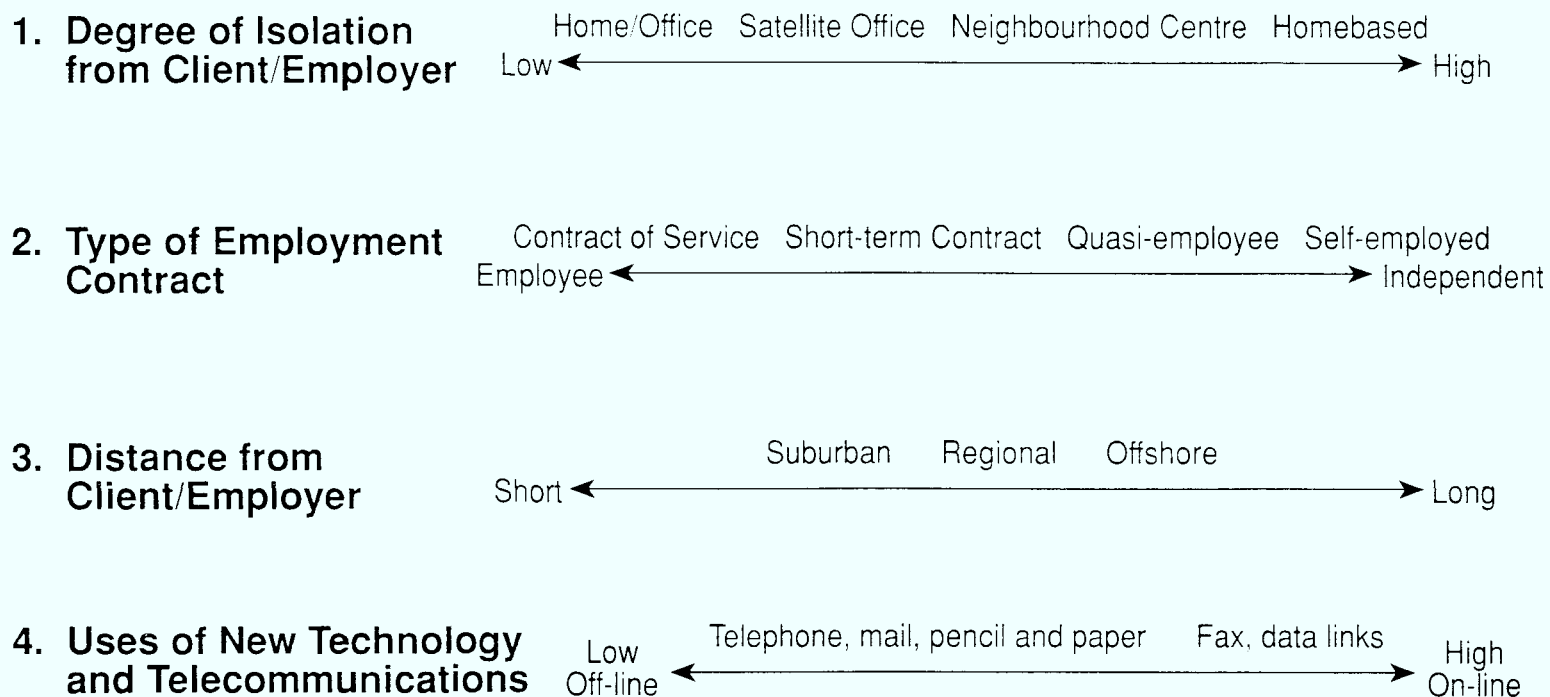
Figure 1  
**Organisational Forms of  
 Decentralisation and Work Co-ordination**



Source: Brandt (1983)

Figure 2  
**Some Dimensions of Telework**

On-site Worker ↔ Hybrid ↔ Teleworker ↔ Telehomeworker ↔ Independent Self-employed



social scientists during this century have concentrated upon full-time male occupations outside the home, and secondly, in the almost total invisibility of homework from the First World War, until its 'rediscovery' in the 1970s. Allen and Wolkowitz (1987) feel that there is no evidence to suggest that homeworking during this period was any less common. Brocklehurst (1989) considers that even feminist literature has ignored homework and instead has emphasised work outside the home as a tactic of liberation from domestic life, and when considering the home situation, has tended to stress the informal or unpaid aspects of womens' work. Homework, therefore has tended to be ignored because it brings together the two concepts of home and work:

"The term evokes "cognitive dissonance" (Festinger 1957) which is best resolved for most by not using or thinking about the concept. "Homework" does not fit in with the definitions of applied economics, of industrial sociology, the world of the full-time 9 to 5, finite working day. Rather, homework becomes marginalised - or even something exotic to be periodically uncovered by journalists." (Brocklehurst 1989:16)

Where homework cannot be ignored it can be defined as unimportant in another sense: seen as economically marginal both in terms of household income and the economy generally. This is rejected by Allen and Wolkowitz who suggest a more accurate view of the sexual division of labour:

"Not a division between male breadwinners and economically-dependent housewives, but a division between womens' need to fit paid work into the laborious, caring unpaid work of looking after their households, and mens' relative freedom in this respect." (Allen and Wolkowitz 1987:86)

The need to create a new image of home-based work results from the recent realisation that the combination of computer technology products and the telecommunications infrastructure makes it possible for many technical, managerial and professional functions to be carried out in the "home-office", and these are predominantly male groupings, enjoying relatively high economic status. Thus "homework" needed a completely revamped image to distance it from its "traditional" counterpart.



## **THE NEW IMAGE**

One element in the re-creation of homework has been its re-labelling (Allen and Wolkowitz 1987). Post-industrial homeworking is now known as teleworking or telecommuting which are terms which emphasise its high tech connotations and distance it as far as possible from the 'sweated labour' image of traditional homework. Its clean, safe aspects are highlighted, which carefully contrasts it with its Victorian counterpart, and with 'dirty' manufacturing industry.

Perhaps the most heavily-marketed aspect of teleworking is its links with the 'countryside'. Romantic, Arcadian rural cottages figure strongly in the advertising, reflecting the key tradition of anti-urbanism and the romance of the countryside in the English culture (Thrift 1989). It matters not at all that the future teleworker may live in a suburban semi or urban flat; the dream of the cottage in the country is sufficiently potent to overcome the reality:

"We are living through a time when the tradition of countryside images has reached a crescendo of feeling. The increase in rural conservation societies is one indication of this, as is the growth of folk-life museums. A further indication is the increase in readership of countryside related magazines" (Thrift, 1989: 26-27).

Brocklehurst (1989) suggests that post-industrial writers are using rhetorical techniques to sell new technology homework. To ensure that a concept is perceived favourably by others, the concept is linked to another which already has favourable connotations:

"The image of the electronic cottage, where new technology homework becomes associated with a village world of cottages, evokes a sense of "small is beautiful", domestic rural bliss in sharp contrast to the world of urban smokestacks. A golden past, conveniently beyond the reach of living memory, is thus equated with a golden future to come" (Brocklehurst, 1989: 62).

With telework, the favourable rural image can then be coupled with information technology products. The personal computer, fax machine and mobile telephone are all essentially 'masculine' products, which have a futuristic 'space-age' connotation.

The advertising of high-tech hardware is linked with upwardly socially-mobile males, business success and an international jetsetting

lifestyle. The ability to communicate worldwide without leaving the comfort of the (preferably rural) hearth is considered even better than actual travel:

“The post-industrial home already includes an office equipped with a personal computer, telephone answering machine and fax transmitter: there is no imperative to go outside to work. Its inhabitants are linked to strangers, colleagues and friends throughout the world, so that public and private spheres are re-united” (Design Museum ‘Housework’ reference book).

In this optimistic scenario, the home as workplace offers the freedom of self-regulated fulfilling work, and re-integrates work and personal life. In fact, it neatly closes a historic circle by shifting work from office back to the ‘electronic cottage’. A return to work at home also fitted into the philosophy of the Thatcher administration with its emphasis on ‘the family’ and its de-emphasis on collectivities and the concept of society itself. A privatised lifestyle is a central plank of this ethos. The peace and tranquillity of the home in post-industrial writing is also reminiscent of how it was perceived by the bourgeois classes in Victorian times:

“Working with new, clean technology in the “comfort” of one’s own home allows individuals to escape from public anarchy - from the influence of “undemocratic” trade unions and the increase in crime and vandalism committed in public places” (Brocklehurst, 1989: 64).

Despite the carefully-constructed new image of liberating, high-status, high-tech, homework, there is some evidence that moving jobs from office to home is resisted by some men (see Bailyn, 1988). Partly this is due to legitimate fears about being marginalised from promotion paths, and losing the psychological supports of the workplace. It can also be explained by the continuing strength of the image of homework as a predominantly female, low-status and economically unimportant form of work, and the persistence of the belief that the domestic sphere, the world of ‘home’ and ‘family’ is essentially a woman’s place.

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## **APPENDIX VI**

# VISIONS OF THE FUTURE

A new book to be published this month recounts the views of many of the great and good from different walks of life on the future of work as we know it. Celia and John Stanworth, the book's authors, explain what messages it holds for personnel practitioners

**T**HE YEARS leading up to the end of a century – in this case, a millenium – are bound to be characterised by introspection and speculation about the world being lost and what might come after. Few observers of the dynamics of the increasingly global world of business can be in any doubt as to either the pace of change or the scale of investment required in human resources if Britain is to remain in contention as a major world economy.

In a recent study by the Future of Work Research Group at the Polytechnic of Central London, in-depth interviews were conducted with three groups of uniquely placed business people, policy-makers and opinion-leaders to yield a broad-based view of the essential links between Britain's past, present and future. These groups were:

**Past masters** – representatives of the generation that emerged in 1945 to face the task of transforming a war-time economy to meet the challenges of a new era of peace and reconstruction. Interviewees included Lord (Jim) Callaghan, Sir Charles Villiers, Lord Ezra, Lord Boardman and Lord (Len) Murray.

**A special interest group**, including representatives of radical activist views and values across the political spectrum from Baroness Lockwood and Norman Willis to Bernard Juby (small firms spokesman) and Graham Mather (Institute of Economic Affairs).

**A practitioners group**, made up of people holding strategic managerial positions, including Sir Leonard Peach (IBM), Eric Caines (NHS), Peter

**John Stanworth** is director of the Future of Work Research Group at the London Management Centre, Polytechnic of Central London. **Celia Stanworth** is a member of the Future of Work Research Group and a visiting lecturer at the management centre.

Their book, *Work 2000 – the future for industry*, will be published by Paul Chapman Publishing this month.

Morgan (Institute of Directors), Jerry White (chief executive of Hackney Council) and Professor Andrew Thompson (dean of the Open University Business School).

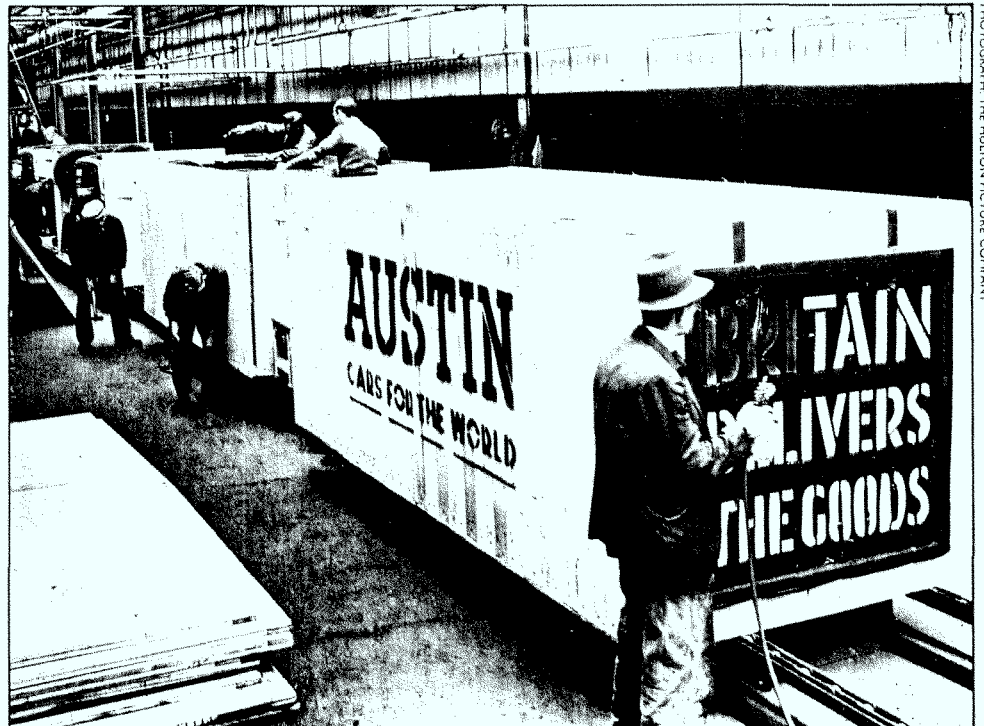
The aim was to address the topic of the future of work in a practical way, stripped of the romanticism and exaggerated predictions of 'paradigm shifts' which have characterised much previous work in this area.

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**"So as not to stifle the prospects of younger people, we must learn to use older people in new roles – more in advisory and consultancy activities"**

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Lord Ezra

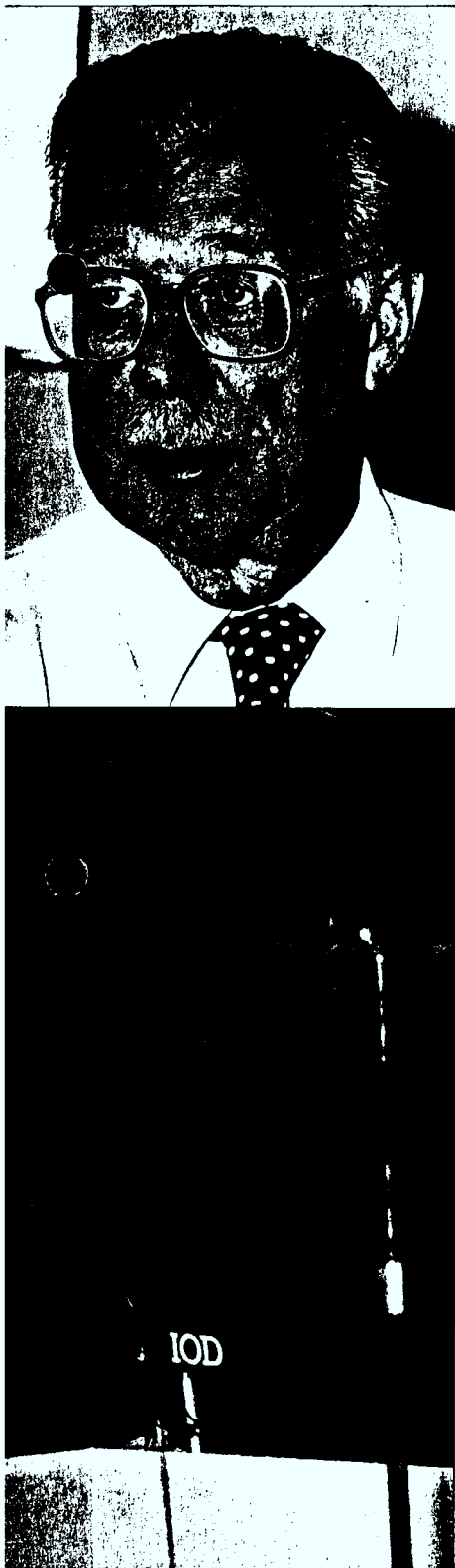


While its competitors concentrated on rebuilding and modernising their industries in the post-war period, Britain concentrated on immediate production needs

PHOTOGRAPH: THE HULTON PICTURE COMPANY







**“Economic individualism creates problems. In Britain everyone wants to go their own way”**

**Sir Charles Villiers**

Brian Wright, director of the London Enterprise Agency, while not disagreeing basically with Ezra, does feel that people are now taking more responsibility for their own lives and that an awareness of business methods and efficient ways of doing things is on the increase: "... We have sown the seed of enterprise, but it could yet be blown away".

Practically all our interviewees sounded alarm bells on the issue of education and training: "a chronic problem which needs to be tackled as a matter of considerably urgency". Many considered it a historic misfortune of gigantic proportions that the winding-down of the regulatory training structure (training boards) in the early 1980s coincided with a severe recession which presented companies with massive pressures to jettison long-term investment plans - training included. Germany, Japan, France and South Korea were specifically cited as possible role models for Britain here, though it was felt that, in the final analysis, a particularly British solution would have to be found.

To quote Len Murray: "I don't believe that you can simply transplant a national or business culture from one location to another - from Japan to Britain for instance - not attitudes and whole philosophies. But reflecting on the

**“It is clear that the time has come for boardrooms to stop seeing training as a cost and to start seeing it as an investment”**

**Peter Morgan**

experience and successes of other countries leads you to think about opportunities in your own culture."

Jim Callaghan feels: "We have a good population - especially if they were properly educated, trained and motivated ... the market will not invest sufficiently to cover our training needs". Andrew Thomson, dean of the Open University Business School (the biggest in Europe, in terms of student numbers), feels that, having failed to use North Sea oil revenues to rebuild our industrial base during the 1980s, the overall scale of investment now required for industrial training is so large that "there is no way in which government can pull out".

Even Peter Morgan of the Institute of Directors, normally a strong exponent of free markets, sees our current training problems as being so profound and deep-rooted as to warrant legislative action rather than a simple reliance on market forces: "It is clear that the time has come for boardrooms to stop seeing training as a cost and to start seeing it as an investment. We will not overcome the huge handicap of a low-skilled workforce without enlightened direction from the boardroom.

"Frankly, I do not think a voluntary scheme would succeed because current bad practice is too deeply ingrained. There is a beggar-my-neighbour attitude in all but the best companies. To the extent that enlightened com-

**“Politicians were mesmerised by candy-floss style service industries and felt that their growth would fill the gap left by manufacturing. They were wrong”**

**Lord Ezra**

panies already have excellent training schemes, a legislative framework would present no burden."

The fault here does not, however, lie entirely with employers. One of our interviewees, Baroness Lockwood, former and first-ever chairman of the Equal Opportunities Commission, had recently participated in a House of Lords Select Committee examining the issue of training in competitor economies. She commented: "Education and training needs to be a major issue in this country in the coming years. The Koreans are setting themselves the task of getting 80 per cent of their relevant age group into university by the year 2000.

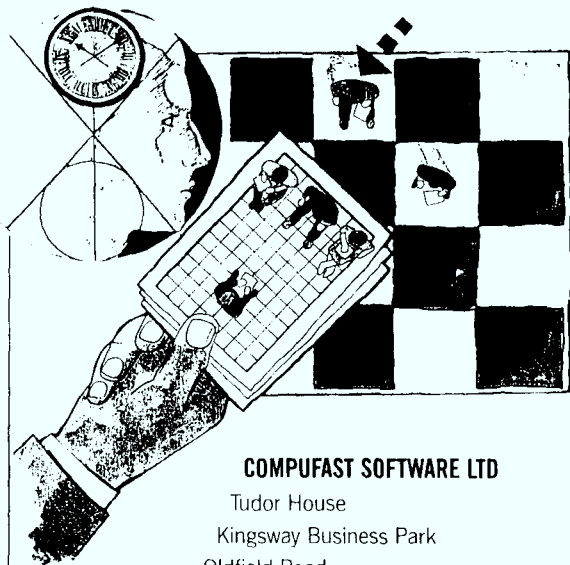
"Not only will employers' attitudes need to change but also those of employees. There is often little or no clamour for further education and training in Britain of the sort that many of our competitors see. We need nothing short of a revolution here - a cultural shift in attitudes. If we don't get this, then I'm afraid we are on our way to becoming a Third World economy."

While there was a large measure of agreement that we tend to educate too few people and that the education and training of the British workforce terminates too early, views were starkly polarised on our efficiency in identifying our most educable resources - the degree of meritocracy now operating in our society. Given that we now have an 'early school-leaver' Prime Minister committed publicly to a classless society, this is of particular interest. It was very noticeable that those interviewees with the greatest experience of social mobility were

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Eric Caines

generally the most sceptical as to both its fairness and its efficiency. For others, evidence of a movement towards meritocracy lies all around us - as shown, for instance, by the willingness of aristocrats to 'earn' even when able to live off an invested income.

The most salient point to emerge from the comments on social mobility was that they related almost exclusively to progression from the middle class, with little or no social awareness of the working classes. But those who, like Callaghan, had emerged from this social stratum to occupy a high position in society saw the transition process as an inherently risky and difficult one.

When invited to identify areas of society where traditional social barriers were still apparent, the Civil Service was singled out. John Garrett, Member of Parliament and ex-management consultant, worked on the Fulton Committee on the Civil Service in 1966-68 and subsequently wrote a book called *Managing the Civil Service*. He feels that the Fulton Committee, which set out to overcome what critics

**"We have a long, long way to go before we become a meritocracy and we won't be really effective as an economy until we get there"**

Nick Cowan

saw as an inbred and amateurish system at the higher levels, had relatively little influence.

Garrett claims that we still have a higher Civil Service which gives primacy and promotion, esteem and preferment to a cadre of white, male, Oxbridge graduates who have no familiarity with quantitative management skills. Permanent secretaries, he points out, come from an even more exclusive social group today than they did in the year 1900. He also claims that many businesses have 'aped' the Civil Service.

One well-known civil servant Eric Caines, director of personnel in the NHS, expressed some surprise at the extent of his own success in the Civil Service but feels he has now reached the peak of his career, since "... the next level is based very much on social class and background".

In a similar vein, Nick Cowan says: "I am a member of the Civil Service Final Selection Panel, and it is still heavily influenced by where you went to school and college. Though people try to be a bit broader-minded these days, not much has really changed. We have a long, long way to go before



Nick Cowan



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**"The British have not developed a philosophy of continuous change."**

Sir Leonard Peach

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mounted by making better use of women in the workforce and by devising ways of reversing ageism.

Several of our interviewees pointed to the irony of people often retiring early at a time when levels of health and life-expectancy are rising. Derek Ezra said: "We must learn to retain older people without impinging on the promotion prospects of younger people. Too many people are being pensioned off between 50 and 60.

"We must widen the net of employable people. So as not to stifle the prospects of younger people, we must learn to use older people in new roles - more in advisory and consultancy activities. Anyway, working keeps you alive longer than strolling around golf courses."

Views on membership of the European Community and the introduction of the single market

were unanimously favourable, albeit tinged with a touch of anxiety and resignation. Tough competition is anticipated in the years following 1992, extending to the year 2000 and beyond.

In the longer term, however, interviewees felt that Britain will be better equipped to face global competition as part of a united European economy. At the same time, some felt that some British businesses saw the single market

largely as a one-way opportunity and under-rated the effects of inward competition from our European partners.

The most salient point to emerge from the comments on social mobility was that they related almost exclusively to progression from the middle class, with little or no social awareness of the working classes.

In terms of working practices, many felt that developments in information technology will spread service functions to remote stations on a large scale (teleworking) and that there will be further impetus to the development of flat organisation structures because of new technology. ICI, BP and other major conglomerates like Hanson and BTR were cited as already having minute head-office staffs compared to what they had had in the past.

In conclusion, there was fairly general agreement among our interviewees that the next decade will be both difficult and crucial. People like Derek Ezra and Jim Callaghan were emphatic that Britain still boasts substantial

human potential and can recover from its current weak position, given the right strategies. These will need to be based essentially on a mixture of collaborative, ideology-free strategic planning, at both state and individual enterprise level, allied with the contingency-style pragmatism, which is a hallmark of more successful economies.

Sir Leonard Peach, IBM's director of personnel and corporate affairs, pointed to the fact that companies like IBM are able to keep their staff turnover rates down to levels typical of Japan and Germany, "recognising that human assets are the most vital part of the enterprise". High levels of staff stability are essential in transforming training from a cost to an investment.

However, Peach pointed to an underlying problem of fragmentation and inertia in Britain: "The British have not developed a philosophy of continuous change - an early market lead (building on our inventiveness) plus a full order book has led to a decision to sit back and lose that lead. The Japanese are different, they are not great innovators but are great developers - they continuously develop their products by incremental improvements.

"Also, we need good specialists at the top levels who can work in teams - the personnel function included. All too often we witness a battleground and swings of influence between a domination by engineers, then accountants and then marketeers."

On a final note, Peach pointed to a number of key human resource issues which businesses will have to face over the next decades and in which human resource managers will have a role to play. The first is developing higher staff retention rates comparable to those more typically found in German and Japanese businesses.

Peach's second point is the need to improve organisational career structures for scientists and engineers to assist both with recruitment into those professions and also to stop staff moving out of them for more money and better career prospects in other specialisms.

Thirdly, he says, companies must develop a philosophy of continuous change in line with the Japanese model, rather than sitting back on a full order book. And finally, Peach stresses the importance of improving levels of specialist collaboration within businesses. We need good specialists who can work in teams to avoid destabilising swings of influence between specialisms.

In this context, the growth of general management teaching on IPM courses should enable personnel managers of the future both to function more flexibly and to gain credibility as general managers as well as specialists. ■

we become a meritocracy and we won't be really effective as an economy until we get there."

Two other issues underlying the effectiveness of our use of available talent are gender and race. On the first, Baroness Lockwood and Charlotte Chambers (until recently management development executive with Thorn EMI) felt that substantial improvements have come about. Charlotte Chambers says: "There is still something of a glass ceiling for women but, compared to 20 years ago, the change is amazing and still improving."

Lockwood feels, however, that it is still largely women from middle-class backgrounds that have the education and self-confidence to gain from the campaign for greater sex equality: "... a woman on the shopfloor just trying to get promoted to supervisor usually finds that men get appointed and women continue to do the chores".

Brian Wright, director of the London Enterprise Agency, was alerted to the problem of inner-city race relations during his years of collaboration with the now defunct Inner London Education Authority. He says: "An issue ticking away, particularly in the inner cities, is race relations. We have got nowhere near tackling this. Businesses must get into recruiting ethnic minorities in large numbers. We have got to get to grips with this problem before it slips out of our grasp."

The much-debated issue of the 'demographic cliff' promoted surprisingly few anxieties among those we interviewed. It was felt that the issue of skills shortages could only be addressed by a far-reaching programme of training, and this would require political will. But the issue of the demographic cliff could be sur-



Charlotte Chambers



# Home truths about teleworking

2.

Technology-aided home-based work has emerged as a recent focus of interest, largely as a result of futuristic predictions that a substantial proportion of the workforce will soon be 'teleworking' from the 'electronic cottage' of the year 2000. John and Celia Stanworth argue that such predictions are grossly exaggerated but that, equally, the problems associated with teleworking are grossly understated



**T**he Henley Centre for Forecasting has projected that over four million people could become 'teleworkers' by the middle of the 1990s. If this becomes reality, it is reasonable to predict that by the year 2000 as many as one-third of the entire workforce could be back where they were 200 years ago in the early days of the industrial revolution — working from home as part of a cottage industry.

What is being predicted is hardly a modest change. Indeed, what steam power and the first industrial revolution did to transform societies in a most profound manner at an earlier point in our history is a measure of the scale of change currently being predicted when the full power and consequences of electronic technology (the second industrial revolution or 'Third wave') take effect.

If we believe the literature, today's factories and warehouses could stand largely empty as relics of a bygone age. The transport crisis now facing London and many other large cities could be transformed into one of under-use. Energy and environmental

crises resulting from the destructive effects of our current reliance on the car could disappear. Employees could come increasingly to resemble entrepreneurs rather than traditional employees, requiring substantial psychological and attitudinal changes on the part of personnel managers, who might well themselves operate as freelance, home-based consultants.

However, the rhetoric of teleworking appears to be far ahead of the reality. Indeed, we might ask why it is that a new and, as yet, relatively untested form of work attracts almost endless attention and discussion.

The paradox is that, although the infrastructure has existed for a number of years, the current

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**Over two million people are working at home and/or from home, but only a tiny fraction are currently teleworkers**

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estimate of 'teleworkers' is around the 2,000 mark. We believe that the predictions currently being made are dangerously exaggerated and the problems of implementation greatly understated. In a nutshell, teleworking is only the latest in a long line of managerial fashions, sold to the many but, in reality, worn by the few. It remains a "rare and relatively novel work arrangement".<sup>2</sup>

For at least part of the explanation we need look no further than the interest which novelty itself promotes. During the 1960s similar interest surrounded a modest number of equally novel experiments in the field of job restructuring. On that occasion the interest lay — during a sustained period of full employment — in retaining staff loyalty by adding job satisfaction to the rewards package. Job enrichment, job enlargement, job rotation and consultative leadership styles attracted a great deal of attention, and gained a respectability which gave them normative status. Yet, in reality, we had little more than a handful of well-publicised experiments.

The similarity does not end there. It is interesting that experiments in the field of job enrichment were often curtailed because supervisors and middle managers became concerned about their own job security and loss of control over the work process. The increased autonomy and discretionary powers

**Professor John Stanworth** and **Celia Stanworth** are both members of the 'Future of Work' research group at the London Management Centre, Polytechnic of Central London. They wish to acknowledge the contributions of their colleagues, Bill Granger and Stephanie Blythe, to this article.

granted to groups of employees often meant a reduction of power (or even job losses) for their superiors.

The failure of such innovations as telephone conferencing to live up to anything approaching their projected potential, and the two whole decades taken for a modest technological breakthrough such as the facsimile machine to gain widespread use, should act as sharp reminders of the often differing timescales and magnitudes of possibility and reality.

The most likely direction of future developments is not full-scale full-time networking but the steady adaptation of new technology to organisational needs involving a growth of multi-locational contracts. Teleworking will, in all probability, constitute a growing element in some managers' jobs and may be adopted more widely as an alternative 'career-break' for women managers and professionals, in order to retain them as 'core' employees.

The changes will be slower than has often been forecast but at the same time more varied and more complex, and thus for the personnel function no less challenging.

Personnel specialists considering the future need first to be acquainted with the current situation. On occasions, statistics relating to teleworkers specifically and homeworkers generally are confused and used interchangeably. Indeed, there are estimated to be over two million people working at home and/or from home, but only a tiny fraction of these are currently teleworkers. Homeworkers generally can best be broken down into the following five categories:

### 1 Corporate itinerants

Usually male and work from home. Typical examples are insurance salesmen and sales representatives who are usually rewarded on a salary plus commission basis. Though directly employed as part of a well-established career structure, they may spend an entire career working from home.

### 2 Freelances

Usually work on their own account in relatively high-status occupations and include authors, artists and musicians, some professionals (architects and accountants), plus certain of the 'newer' occupations (computer programmers, systems analysts, management consultants etc).

### 3 Traditional homeworkers

Usually female, such as machinists, punch-operators, assemblers, packers etc. These are typically found in manufacturing industry and increasingly in routine clerical tasks. They usually work for a single 'client', and only a minority have direct employee status.

### 4 Self-employed itinerants

Usually male and work on their own with a multiple-client base. Examples include builders and decorators, photographers, taxi-drivers, driving instructors and gardeners. Most of their working time is actually spent away from the homebase. Practically two-thirds of our three million stock of self-employed in Britain are one-person businesses, many working from home, and should be placed in this category.

## 5 Personal services/own account workers

Predominantly female, eg private tutors, child-minders and dressmakers. A 'careerless' occupation but on a multi-client basis.

The projected army of 'electronic cottage' workers of the future would be spread across several of the above categories. What Toffler calls 'low-abstraction' office work (typing, keying and retrieving data, invoice preparation etc)<sup>3</sup> might best fit under the heading, paradoxically, of 'traditional' homework. However, higher-status jobs involving higher levels of abstraction and conceptualisation would fit into the 'corporate itinerant' and 'freelance' categories.

### Current examples

The most frequently cited examples to date of teleworking schemes are those currently operated by Rank-Xerox, International Computers Ltd (ICL), F International, the DTI's remote work units project for disabled workers and Texaco.

**Rank Xerox UK** Perhaps the best-known of all, this currently involves around 70 'networkers'. It was implemented as part of a slimming-down phase during the recession of the early 1980s, when Rank Xerox was virtually fighting for its life, having been 'targeted' by Japanese competition. The networkers involved are all middle or senior managers in the fields of marketing, finance, personnel, management services and corporate affairs. Most are men, but the group includes a small number of women who are using the scheme as a career break.

The networkers have been established as freelance new-technology homeworkers. Each individual forms a limited company and, for a period of one to three years until full independence is established, is cushioned by a contract with Rank Xerox for up to half of the expected turnover of the fledgling company. The parent company also helps with micro-electronic and other equipment plus counselling and 'small business' skills.

**ICL** started its contract programming service (CPS) in 1969 as a career-break scheme to permit women with scarce computer skills to continue to serve the company part-time, as well as to keep their skills up-to-date in a fast-moving field. CPS has become a semi-autonomous subsidiary of ICL. Its homeworkers had an average of around 15 years on-site service each before joining the scheme and enjoy similar fringe benefits to on-site workers, though most work part-time and are hourly paid.

**F International** (FI—'F' stands for freelance) is a UK computer software house employing around 1,000 'panel members' or homeworkers who are mostly women with domestic responsibilities and are nominally self-employed and sub-contracted to FI. They do not receive employee-type benefits, must have at least four years prior experience of the work in question and must work at least 20 hours each week. They are hourly paid and must be available to visit clients' premises.

**DTI remote works unit** This scheme was set up in 1984 with DTI and European Social Fund backing for equipment and consultancy. In co-operation with employers, it set up 95 work units involving disabled people linked by modem and telephone to their employing organisations.



The scheme involves training inputs both from employing organisations and the MSC (now the Training Agency). Most of the participants are still working — the least successful participants were those who were set up as self-employed. Evaluation of the scheme indicated that employers were willing to take part in the scheme given funding incentives and the back-up of government agencies.

**Texaco UK** The field force of Texaco consists of sales representatives and professionals covering the fields of surveying, property buying and selling and construction. Pilot projects have been undertaken giving the sales people computers and transforming the professionals into homeworkers.

The sales group were already operating in 'output mode', *ie* they were judged by their output and not subject to direct surveillance over time and mode of working. However, once salespeople were given home-based computers linked to head office, supervisors were able to monitor computer activity, thus giving the salespeople a feeling of less, rather than more, autonomy.

A second reported effect was to give fuller access information on which price and credit decisions could be made. Potentially this makes it possible to delegate more authority to them to become involved in such decisions (job enrichment), but to date this has not happened.

The professional groups' move to homeworking proved less satisfactory, in that they felt more



## The rhetoric of teleworking appears to be far ahead of the reality

burdened by extra clerical duties after the move to 'teleworking'. However, they reported greater freedom to organise their time, which they felt was an advantage. So far neither of these two groups of Texaco employees has been redefined as self-employed.

### The problems

Teleworking, as one type of distance working, requires a change to a more open type of managerial control. There needs to be a shift from managing *input* (controlling methods of working) to managing *output* (*ie* judgment by results). The freeing of work from traditional locational and time constraints appears to pose a difficult problem for managers and supervisors to come to terms with. They often wish to continue to control hours of work rather than grant autonomy to homeworkers over their time and thus fully exploit the potential flexibility of telecommuting.

In an earlier article in *Personnel Management*, Sheila Rothwell put forward the view that the slow development of teleworking may well stem as much from managers' fears and inflexibility as from shortcomings in the technical infrastructure.<sup>4</sup> Delegational skills are needed when managing 'distance' workers, and this requires an ability to trust an individual to complete a task after jointly agreeing objectives and methods.

Teleworkers themselves need not only technical skills and knowledge but also psychological preparation — the inculcation of attitudes, values

## A typology of home-based workers

Type	Commonly found among	Form of remuneration	Employment status	Occupational progression
<b>Corporate itinerants</b>	Sales and insurance representatives and executives Peripatetic teachers Community nurses and midwives Collector salesmen Mail-order agents Meter readers	Salary/commission	Direct employees Substantial amounts of time spent away from home	Usually part of a well-established career structure. Many may be home-based for their entire career.
<b>Freelances</b>	Authors Artists Journalists Architects Consultants Accountants Musicians Actors	Fees	Freelance/self-employed	High degree of control over nature of product/service and its marketing. No formal career structure. Progression by peer group and public recognition.
<b>'Traditional' homeworkers or outworkers</b>	Packers and assemblers Sewers and machinists Typists and secretaries Routine clerical workers Knitters Key punch operators Proof readers	Payment by results (usually piece-rates)	Most are nominally self-employed contractors. A minority have direct employee status Mostly work at home	No career structure. Some may subsequently return to on-site or direct employment.
<b>Self-employed itinerants</b>	Builders and decorators Photographers Beauticians Hairdressers Taxi-drivers Gardeners Street traders Driving instructors 'Job' franchisees	Usually 'rate for the job'	Sole traders/sub-contractors/labour-only sub-contractors Substantial amounts of time spent away from home	A minority grow to become small business owner-managers. Most would be sole-traders or labour-only sub-contractors for their entire working life.
<b>Personal services/own account homeworkers</b>	Private tutors Music teachers Bookkeepers Childminders Tailors Dressmakers Telephone canvassers	Usually hourly or weekly paid Some get 'rate for the job' or fees	Self-employed Work at home	Some would subsequently return to on-site direct employment.





and strategies facilitating the ability to 'self-start', to use 'small business' skills and cope with isolation. Also, this process needs to be ongoing.

For their part, managers need 'socialising' into a new set of role relationships. Just as large organisations attempting to franchise a business chain network out to independent franchisees often encounter massive difficulties due to their 'top down' approach, so will the bulk of conventionally trained managers when dealing with teleworkers.

Attitudinal changes are required, then, on both sides, and the role of the personnel function could be critical here. In our own interviews with home-based workers we encountered examples of personal anxiety, time management problems, particularly

### Not full-scale full-time networking but the steady adaptation of new technology to organisational needs

involving the separation of work from domestic pressures, and feelings of isolation.

Respondents in our own sample of homeworker interviews frequently found their large-firm clients mistrustful. Some felt under pressure to take on separate office space so as to look 'professional'. In one instance, a graphic designer working almost exclusively for large firms had actually taken on premises, though he continued to actually work almost totally from home: "Managers from large firms often envy you and don't see how you can discipline yourself to work from home, whereas, in fact, the problem is often the exact opposite . . . because no one blows a whistle at 5pm, you carry on working till all hours."

There are legitimate fears that being home-based will result in exclusion from the organisation's career-ladder and isolation from the social and political life of the workplace. Home-based work of all kinds has also had a low standing because of its association with low-paid unskilled occupations and, at best, 'quasi-employment' status. Such prejudices take time to overcome.

## Checklist

Any personnel manager considering the merits of teleworking would be well advised to consider the following checklist:

- Carry out a realistic in-depth evaluation of telework schemes (including a pilot scheme) before implementation.
- Decide whether teleworkers should be retained on a contract basis, as nominally self-employed sub-contractors, or as stand-alone freelancers.
- Cost the scheme realistically and decide whether computer hardware is to be leased, sold or loaned to teleworkers.
- 'Sell' the scheme to staff in order to overcome prejudices, especially among high-status employees.
- Select teleworkers with care so as to avoid choosing people with high affiliation needs — teleworkers need to be able to cope with social isolation.
- Provide training in time-management and small business skills. This should be ongoing rather than confined to the induction stage.
- Provide teleworkers with good communication channels and regular face-to-face meetings in order to avoid feelings of marginalisation from the host organisation; there are lessons to be learned from franchise organisations here.
- Tackle problems of promotion and appraisal for teleworkers by setting up special career structures if necessary.
- Train managers who will be interacting with teleworkers to control output rather than attempting to control the work process itself.
- Plan for the long term — your early teleworkers may well be recruited from among existing on-site personnel. Will this continue as a basis for recruitment or will you recruit from among those without on-site service? If the latter holds, some alternative form of induction will be required.

Although many occupations contain elements suitable for adaptation to teleworking, the fact remains that both managers and employees are currently resistant, and progress will almost certainly take place at a substantially slower rate than is currently being forecast. In addition to reservations on the part of management, employees believe they will be marginalised from important aspects of the on-site work organisation.

Managers may therefore face problems in introducing telework schemes, particularly among high-status employees, unless they take steps to recruit the right staff, train and develop them and provide good communication channels, regular meetings and other ways of preventing isolation from the organisational culture. For high-status employees, telework will not be a cheap or easy option, and this, coupled with the fact that it will be many years before a comprehensive cable 'national grid' is in place, probably explains the current status of teleworking as a relatively rare and novel work arrangement. Converting large-company employees into home-based satellite operations requires careful preparation, training and resourcing. Many organisations may find that, if they carry out a realistic evaluation of the costs and benefits of 'teleworking', the result will be a decision to continue as a predominantly 'on-site' operation. **PM**

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# SAVED OR DAMNED?

## THE GROWTH OF FREELANCE TELEWORKERS

By Celia and John Stanworth

**T**he original focus of our research at the University of Westminster was developments in the field of corporate teleworking, that is directly employed staff, remotely located at 'distant' work stations, and this resulted in a book (Stanworth and Stanworth, 1991). However, since corporate teleworking shows only gradual, rather than revolutionary, growth patterns, we have recently turned our sights towards other areas where teleworking appears to be growing more rapidly, such as amongst the ranks of the self-employed.

Our research sample was composed of self-employed proofreaders, editors and indexers working in the book publishing industry. These typically worked entirely from home, using a variety of communications hardware and software ranging from computer, word-processor and fax to post and telephone. As such, they are 'teleworkers', even though the term 'freelancer' is more common in the industry.

### **Publishing in the 1980s**

The UK book publishing industry has gone through a dramatic period of change in the 1980s with an increasing number of mergers and 'downsizing' and a much more commercial outlook emerging. A small number of international publishers now control over half of the home market (Clark, 1988).

has weakened the traditional 'literary' outlook of the publishing houses and this has also meant a more 'hard-nosed' approach to the deployment of staff.

The industry forms part of a wider mass media, with which it shares a number of important economic characteristics. The basic economics of book publishing are based on the production of 'prototypes' (book titles), developed by creative labour (principally authors), which are protected by a marketable copyright. Additionally, while each individual book title faces a very uncertain market, it has potentially high economies of scale from reproduction.

In general terms, the fixed costs of producing a book account for a third to a half of the total production costs. Most of these costs, which include payments to editors, illustrators, designers, indexers, typesetters and proofreaders, are not incurred again if the book is reprinted without major revision.

These characteristics encourage book publishers to adopt certain distinctive strategies. For example, to take advantage of the very low marginal costs of reproduction (i.e., printing), book publishers seek large primary markets and adopt strategies of publishing a single title in different formats (e.g., hardback, paperback, and sometimes newspaper serialisation). Publishers spread the high investment risk of each book title, by developing a range of titles. Typically, 20 per cent of titles account for 80 per cent of revenue. To minimise the initial cost of producing each title, publishers may in some cases seek additional income through secondary outlets for the same



what particularly concerns this research, adopt cost cutting labour use strategies, such as the increasing use of self-employed home based workers ('teleworkers').

The social organisation of producing a single book title requires the collaboration of a number of specialist skills editing, illustrating, designing, indexing, typesetting, proofreading, printing. Many of these specialists (e.g., desk/copy editors, proofreaders, illustrators, indexers) use little or no expensive equipment, undertake shortcycle tasks (of a cerebral rather than manual nature) involving low task interdependency. As such, their jobs are potentially suitable for freelance working at home (viz., teleworking).

Other areas of work, requiring expensive equipment, routine manual work, high task interdependency (including interface with authors and customers, e.g., project management, typesetting, printing, binding, sales) almost invariably need to be undertaken inhouse at present, using permanent staff, or subcontracted specialist firms.

## **The research programme**

The first phase of the research study was conducted using a questionnaire mailed out to a sample of 800 teleworkers (members of the Society of Freelance Editors and Proofreaders) during the Summer of 1992. This generated nearly 400 usable replies. The second phase of the research was a programme of forty in-depth taperecorded interviews carried out in early 1993.

### **Profile of Respondents**

Around threequarters of the respondents were female and one quarter male, reflecting the dominance of women in this area of work. Respondents were predominantly middleaged, with the largest single grouping occurring in the forty to forty-nine range, and 70 per cent being between the ages of thirty and forty-nine.

The sample was highly qualified, with 82 per cent having some sort of higher educational qualification, 27 per cent a postgraduate degree, and 8 per cent with PhDs. Apart from a very small minority (4 per cent) who were employed on a normal contract of employment, the overwhelming majority were selfemployed. Two respondents were on short term contracts, and 6 per cent combined self-employment with working as an employee. The remainder, 88 per cent of all respondents, were self-employed with one or more clients.

## **Geographical Location and Visits to Clients**

The respondents tended to live in the Greater London area and around both Oxford and Cambridge, with smaller clusters around Reading, Brighton and Edinburgh. Isolated rural respondents were in a minority. The clusters broadly corresponded to the locations of publishing houses. This could be interpreted as indicating that homebased freelancers were deliberately locating themselves near to client firms in order to facilitate ease of access. More commonly, however, it appeared that they had usually been in close geographical proximity when they were employed previously inhouse, and had not relocated since becoming freelance.

In the in-depth survey of 40 respondents, they were asked how many times they visited their largest client face-to-face. Sixteen visited more than once a month, and another 5 made visits but less frequently than once a month. The remainder (19) did not visit their major client at all on a regular basis, and there was a correlation between travel time and frequency of visits. There appear to be 2 distinct groupings amongst our respondents: one which visits clients regularly and one that does not.

Those who did visit clients were also asked the main reason for their last visit. 'Editorial matters' and 'transporting materials' were the most popular reasons cited, though it appeared that there was also a social element involved because the materials could have been transported without the need for a personal visit.

### **Types of Equipment**

Figure 1 illustrates the proportion of respondents using various types of computer and telecommunications equipment. The results show that answerphones, personal computers and printers were almost standard items of equipment, with possible growth areas being fax, an extra telephone line and photocopiers. It was significant that only 6 per cent reported using a modem, which indicates that for the vast majority, data is exchanged through the post either as hard copy or on disc. Those who used modems were probably using them more for accessing databases than for exchanging data with client firms. These results tend to confirm that proofreaders and editors were reluctant to invest their own money to link themselves to clients until the publishing industry as a whole harmonises on the use of a particular system. The fear was that personal investment now could be wasted if their equipment turned out to be incom-















The personal characteristics our teleworkers considered important are shown in Figure 1 where the flip-side of independence - the need for self-discipline and the ability to 'self-start' - emerge strongly. Many teleworkers feel that the type of personality embracing these traits is certainly not universally distributed and may well be confined to only a relatively small minority of the population.

On occasions, teleworkers, and other home-based workers in our research, have developed elaborate patterns of ritualistic behaviour in order to build structure and discipline into their work lives. The latter are sometimes combined with another of the needs which features strongly in Figure 1, that is the need to separate work and home life. For, whereas, some people find it possible to begin work at irregular times, possibly still dressed in their pyjamas and dressing gown (the more 'workaholic' types we suspect), others prefer the practice of a disciplined break. Here, it is not unknown for people to even 'dress for work' at the exact same time each day, much as they would do for the office and, in some cases, to even leave the house and walk round the block before letting themselves back in the house and, 'on arrival', begin work. For these people, other aspects of the day's work are equally likely to be punctuated with structure and routine. For instance, the timing of tea, coffee and lunch breaks may be highly routinised, to the extent that the turbulence of a normal working day is likely to allow.

Returning to Figure 1 once again, it can be seen that, whilst the ability to cope with isolation and reduced levels of social contact emerges strongly, the need for social skills was also stressed by around half our sample of 371 respondents and the figure rose to 58% in the case of crucial telephone skills. Also, the need to develop rapport with new people was stressed since in-house project managers often come and go, requiring the forging and development of new relationships with new managers who 'inherit' existing teleworkers.

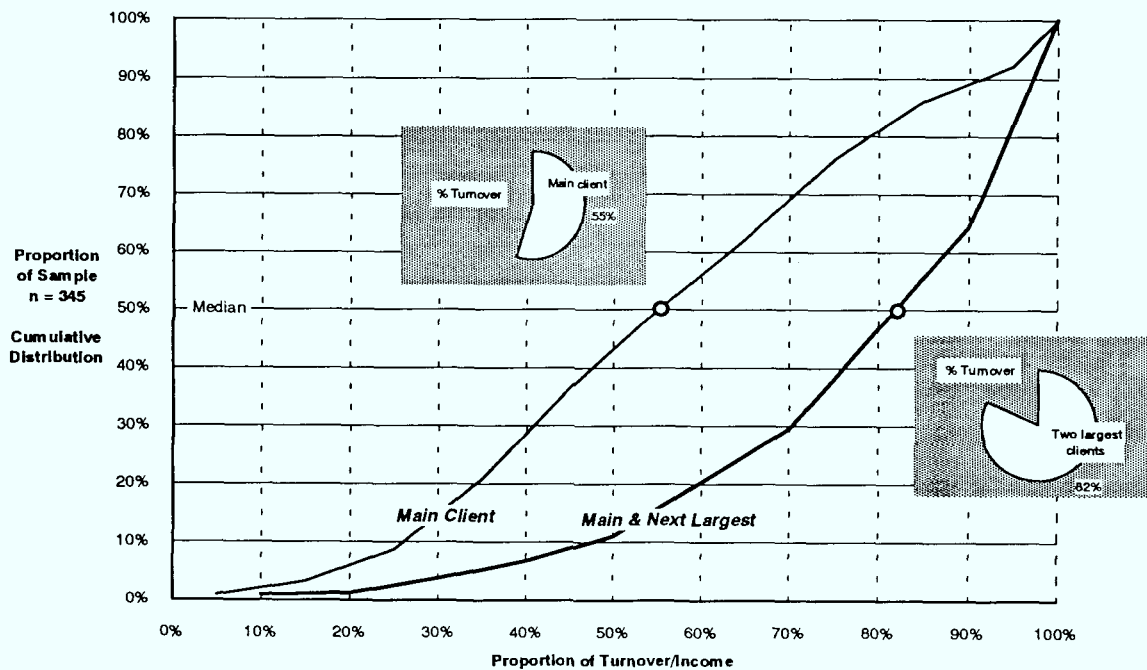
### **Importance of Key Clients**

As we stressed in our previous article, corporate teleworking is quite rare in the book publishing industry and most of our teleworker sample were in fact self-employed. However, that does not mean that they did not often manage to build up fairly strong on-going relationships with key customers who were then able to give them fairly regular repeat work.

Figure 2 (overleaf), in fact, shows that, taking the median case, a single 'main' client was likely to provide 55% of a teleworkers' business and that a 'main plus next largest' client provided 82%. This pattern of close relationships suggests a picture intermediate between corporate teleworking and traditional self-employment. Looking at the situation from the viewpoint of the client, there would obviously be strong dis-economies associated with every single piece of work going out to tender and being decided on price alone. In practice, publishing houses tend to have their regular 'A' and 'B' lists and respondents operate to manoeuvre themselves into

specialist market niches, or from disadvantaged to privileged sectors of their job market.

**Figure 2 - Contribution to Turnover/Income by Main/Next Largest Clients**



For the publishers, these close on-going relations avoid the costs of constantly hiring different and untried teleworkers to work on an intermittent flow of short-term jobs. This bestowed not only a degree of economic security on our teleworkers but also social and psychological benefits. However, many of our sample had still not achieved this desirable state and some, particularly those who had never previously worked in-house in the publishing industry, were still often hard-pressed to find work at all.

### Obtaining Clients

Figure 3 shows the nature of approaches used by teleworkers to obtain clients. Personal approaches dominated with 26.25% coming from personal recommendation, 23.75% coming from existing personal contacts (including teleworkers' previous in-house employers) and as many as 10.0% coming simply from speculative visits and telephone calls. Turning to the use of impersonal approaches, speculative letters appeared to have produced reasonably good results (though we have no accurate assessment of precisely what level of effort, and

**Figure 3 - Approaches Used to Obtain Clients**

<b>Method</b>	<b>Present Largest Client</b>	<b>Last New Client</b>	<b>Sub-total</b>
<b>Personal approaches</b>			
- Recommendation:			
- via client contact	5.0%	7.5%	12.5%
- via freelancer	8.75%	5.0%	13.75%
- Personal contact:			
- Previous employer	8.75%	2.5%	11.25%
- Other	6.25%	6.25%	12.5%
- Speculative visit/telephone	5.0%	5.0%	10.0%
<i>Sub-total</i>	33.75%	26.25%	60.0%
<b>Impersonal approaches</b>			
- SFEP Directory entry	-	10.0%	10.0%
- Sent speculative letter	10.0%	10.0%	20.0%
- Replied to advertisement	5.0%	1.25%	6.25%
<i>Sub-total</i>	15.0%	21.25%	36.25%
Not applicable	1.25%	2.5%	3.75%
<b>TOTAL</b>	<b>50.0%</b>	<b>50.0%</b>	<b>100.0%</b>

precisely how many letters, were required here) plus inclusion in the SFEP (Society of Freelance Editors and Proofreaders) Directory.

Figure 4 (overleaf) demonstrates that half of our teleworkers actually lived within 1 hour's journey time from their largest client. At the other end of the scale, 20 per cent lived over 3 hours journey time away. The closeness of teleworkers' homes to their main clients' premises is almost certainly a result of the recent rapid expansion of teleworking in the industry and the fact that the majority of teleworkers had worked previously in-house.

**Figure 4 - Location and Contact With Clients**

<b>Frequency of visits to LARGEST client</b>	<b>Journey time to client's premises</b>				<b>Sub-total</b>
	<b>1 hour or less</b>	<b>Between 1-2 hours</b>	<b>Between 2-3 hours</b>	<b>Over 3 hours</b>	
1 or more per week	15.0% (7.5%)	5.0% (2.5%)	-	-	20.0% (10.0%)
1 or 2 per month	15.0%	2.5%	2.5%	-	20.0%
Less than 1 per month	7.5%	5.0%	-	-	12.5%
Once only	5.0%	2.5%	-	5.0%	12.5%
Never	7.5%	2.5%	7.5%	15.0%	32.5%
Not applicable	-	-	-	-	2.5%
<b>TOTAL</b>	<b>50.0%</b>	<b>17.5%</b>	<b>10.0%</b>	<b>20.0%</b>	<b>100.0% (10.0%)</b>

( ) To work in-house

### Visiting Clients

Figure 5 (overleaf) lists main reasons given for last visiting a client at their premises and points towards a mixture, rather than any single strong pattern. 'Editorial matters' and 'transporting materials' emerged most strongly but 'training' and 'social' reasons also featured. Some teleworkers in the sample claimed that clients like to 'see' their freelancers from time-to-time whilst freelancers, for their part, also value the social interaction involved. Thus, it appears that the reasons given for visits to clients' premises may have represented only the 'formal' motivation behind visits but not always the full reason/s. A desire for teleworker-client relationships to have at least an element of face-to-face social contact was often strong on both sides. Also, for the self-employed teleworker, such visits could be said to contain an element of sales effort.

**Figure 5 -  
Main Reason for Last Visiting a Client**

Transporting materials	23.7%
Editorial matters	36.8% (10.5%)
Social	7.9%
Training course	7.9%
Other	15.8% (5.3%)
Not applicable (Never visits or no clients)	7.9%
<b>TOTAL</b>	<b>100.0%</b>

( ) To work in-house

## Managing Relationships

Given the often fairly strong on-going links between our teleworkers and their main clients, some teleworkers were careful to preserve and develop relationships by compartmentalising their dealings with particular clients:

*"Every single client thinks they're the most important star in your astronomy. For your part, you've got to pretend that they are and that their job is definitely the one you're working on right now."*

*"Clients don't see you as a self-employed person with corporate clients. They assume you can rush and do their work at a moment's notice and they specify the precise date and time to return work. It implies that you have no other clients and can fit in with them."*

*"I do tend to encourage clients to think they are the only one [client]. They make that assumption and I don't like them to think really that I've got others on the go."*

*"Their attitude is, give the work to [respondent], he'll do it. Also, my largest client once told all 'their' freelance staff to attend a house style workshop. There was no pay for this but, in every other sense, you were treated as staff."*



Thus, even though our teleworkers had some social contact with clients and, obviously, non-work friends and other social acquaintances, they missed contact with others like themselves until the foundation of the Society of Freelance Editors and Proofreaders (SFEP) in the late 1980s. Via a network of conferences, training workshops, newsletters, etc., the SFEP forms a highly valued point of social communication in addition to its more obvious role in providing and exchanging information and advice.

### **Fulfilling Potential**

If teleworking is to fulfil its true potential into the 21st century and beyond, it may well be the social dimension as much as the socio-technical interface which will determine both its popularity and its success, indicating that this is an area where social and physical research scientists might have a great deal to offer each other and those they are interested in researching.

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are typically progressing through an early stage of growth, en route to eventually becoming small business owners in charge of a workforce[9]. This has neglected the possibility that, for a large number, there is little or no likelihood of such progression, and the job-creation potential of the self-employed has been over-estimated[10].

Although the field of small-scale enterprise as a whole is still male dominated, there has been a substantial growth in the numbers of women becoming self-employed. Explanations for the recent increase in female self-employment have included the growth in divorce rates and the need for women to establish an independent income[11], the 'glass ceiling effect' whereby women perceive barriers to progression in corporate hierarchies and move into self-employment as a strategy to enhance their careers[12], and the need to get back into professional employment after child-rearing[13].

The foregoing discussion lends support to Hakim's conception of self-employment as a continuum of positions ranging from the genuinely independent small business through to other forms which are virtually indistinguishable from employment[14]. Dale believes it likely that a significant proportion of those now moving into self-employment may be doing little more than moving into a more casualised form of employment[15].

Casualisation involves a movement in the direction of insecure, short-term and irregular work, generally associated with the flexible, peripheral, non-standard or 'atypical' workforce[16]. A number of different categories are subsumed within this, including part-time, temporary, short-term contract and self-employed workers. The terms upon which these workers sell their labour differ to a greater or lesser extent from the traditional typical, full-time, employed workforce[17]. There is no doubt that this 'atypical' workforce has grown since the early 1980s both in the UK and in Europe[18].

In terms of the self-employed without employees, one explanation for the swelling of their ranks is the contracting-out of services, or externalisation by employers, where commercial contracts have replaced employment contracts, particularly during the 1980s[19]. Externalisation may involve contracting-out to large or small companies[20], but may also involve employers substituting the self-employed without employees for

'in-house' employees.

McGregor and Sproull investigated reasons for employers' use of the self-employed without employees[21]. Dominant amongst these were the provision of specialist skills, the matching of manning levels to peaks in demand, and the reduction of various employment costs. A fourth reason cited was to accommodate workers' own preferences for being self-employed. They speculated that:

It is likely that the advantages of this status are becoming more widely appreciated and some workers are 'voluntarily' opting for self-employment, as distinct from being propelled into it due to redundancy and the difficulty of achieving alternative employment.[22]

At the heart of this 'push-pull' debate lies the issue of the motivations of individuals entering the self-employed workforce, and whether they are predominantly 'pushed' by exclusion from the mainstream labour market[23], or 'pulled' by the attractions of autonomy, self-direction and freedom from external supervision[24], which the status is perceived to provide[25].

## The fieldwork programme

The research described in this article attempted to investigate these issues with an empirical study of self-employed editors, proof-readers and indexers in the UK book-publishing industry. The main research question was: where on the continuum of self-employment does this grouping lie? How much autonomy and independence do they have, or perceive themselves as having, and what likelihood is there that they will subsequently grow into small businesses? What are the publishers' motivations for using freelancers, and have the latter been pushed out of conventional employment, or pulled by the ideology of self-employment? What are the implications of casualisation for the publishers, and for the freelancers themselves?

The first phase of the research study was conducted using a self-administered questionnaire mailed out to a sample of freelancers during the summer of 1992. This represented the total membership of the Society of Freelance Editors and Proofreaders (SFEP). A response rate of close on 50% was achieved, 371 of a possible 800.

The second phase of the research was a programme of forty in-depth tape-recorded

follow-up interviews conducted in early 1993: The sample was selected randomly from all those respondents who had earlier signalled agreement to be contacted and was checked to ensure that it reflected the gender and geographical distributions of the postal respondents.

### **The economics of book publishing**

The UK book publishing industry forms part of a wider mass media, with which it shares a number of important economic characteristics. The most important is that it is based on the production of 'prototypes' or book titles, developed by creative labour, principally authors, which are protected by a marketable copyright. Additionally, while each individual book title faces a very uncertain market, there are potentially high economies of scale from reproduction (printing). In general terms, the fixed costs of producing a book account for a third to a half of the total production costs[26]. Most of these costs do not recur if the book is reprinted without major revision.

These characteristics encourage book publishers to adopt certain distinctive strategies. For example, to take advantage of the very low marginal costs of reproduction, book publishers seek large primary markets and adopt strategies of publishing a single title in different formats, for example hardback, paperback or newspaper serialisation. Publishers spread the risk of each book title production by developing a range of titles. Typically, 20% of titles account for 80% of revenue[27]. To minimise the initial cost of producing each title, publishers may in some cases seek additional income through secondary outlets for the same content, for example film and television, or may adopt cost-cutting labour use strategies.

As with other sections of the media, the UK book publishing industry has undergone a process of substantial restructuring over the past decade. This process reflects the changing strategic responses to a number of technological developments, the restructuring of other media sectors, and recurring recession. The broad picture is one of industrial concentration, internationalisation, more new products (with most having short print runs and sales lives), and the increasing use of subcontracting and self-employed home-based workers.

Associated with the concentration of ownership of the industry has been a shift away from literary towards financial business goals. Bureaucratic decision-making has eased out close personal working relationships, and financial and marketing concerns now take preference. These changes have had major implications for publishing staff, with waves of redundancies during the 1980s in particular. A concentration on cost-cutting has meant that jobs with low task interdependency, that use relatively inexpensive equipment, and are cerebral rather than manual in nature, such as the proof-readers and editors in the survey, are increasingly being externalised. Occupations such as these are potentially suitable for teleworking (work undertaken remotely, using computer and telecommunications technology)[28].

### **Autonomy and independence**

The degree to which freelancers in the survey experienced autonomy and independence in their work was investigated through the collection of data on client-publisher relationships, respondents' own perceptions, the degree of support given by the publishers to the freelancers, and ownership of the means of production.

Although respondents' legal and economic status as self-employed would suggest that they could freely contract with a range of different clients, the reality was rather different. Typically, respondents were heavily reliant upon a single client, sometimes their former employer, for over half their work, and upon two clients for over 80%. Figure 1 presents data from 345 usable responses. This typically heavy dependence upon one or two clients makes them vulnerable to changes in the job demands of these clients, and to changes of in-house personnel—particularly commissioning editors. It also weakened their bargaining position and left them little scope for independent growth and development.

This pattern of close relationships with a very small number of clients occurred with a regularity which suggests at least a measure of mutual benefit. After all, there are strong mutual diseconomies associated with every piece of work going out to tender and being decided on price alone. The respondents reported that the publishers had, in effect, 'A' and 'B' lists of proof-readers and editors, and the latter sought opportunities to move

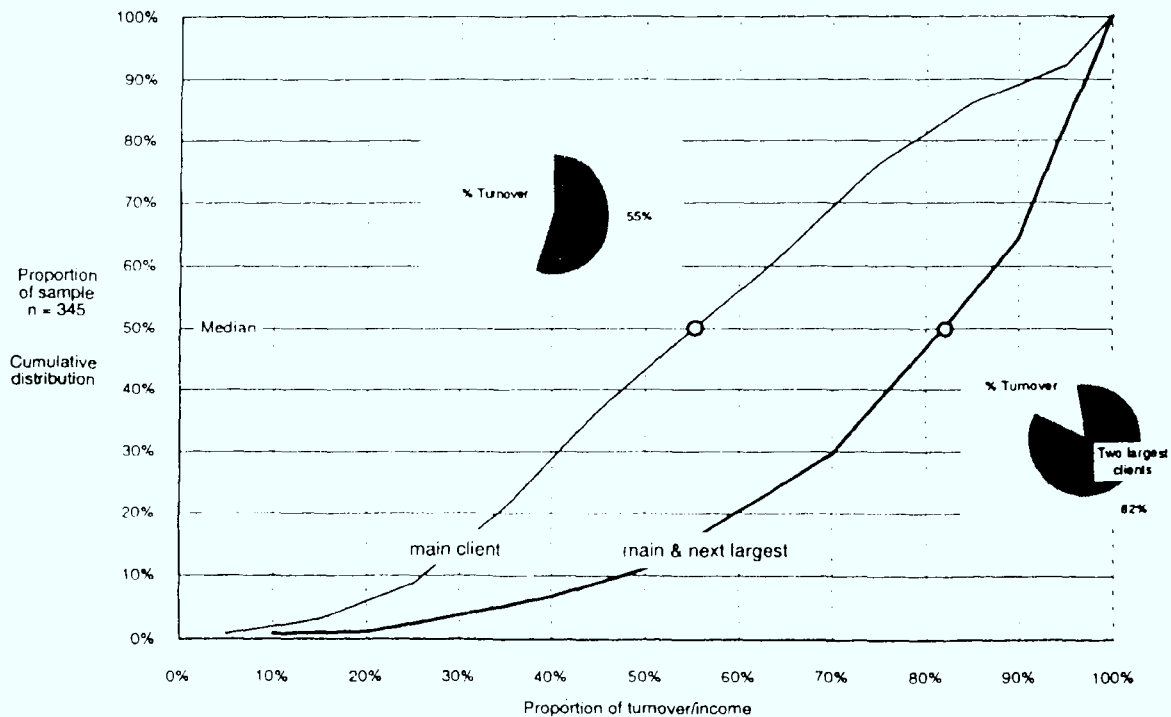


Figure 1: Contribution to turnover/income by main/next largest clients

from disadvantaged to privileged sectors of their job-market. It could be said that the self-employed in this situation were trying to minimise exposure to the full competitive conditions of the market by:

... the seeking of specialist niches and processes of exclusion (for example through building up a reputation and engaging in mutual recommendation) ... which results in labour market segmentation[29].

However, this process was only successful for a minority elite of the freelances, particularly those who could offer some scarce specialist skill, or those who had a full 'apprenticeship' in the industry through working in-house for a number of years. The disadvantaged tended to be those who had entered the occupation without such a background, who lacked the appropriate skills and contacts. There are few barriers to entry to the occupation, but many instances of freelances able to get little or no work[30].

In terms of self-perception of autonomy, the respondents felt that they experienced at least a limited measure of independence, expressed primarily as freedom from interference. This was mentioned by 166 of the freelances as an advantage of their work situation. The second most popular reply was "being your own boss". A typical

response was:

[I have] ... no boss, no subordinates: total responsibility for my own output.

Many of them referred to their one-person operation as 'a business':

I enjoy being my own boss ... and deciding how and where the business is going.

The responses show that the freelances felt more autonomous than in-house employees, but in reality their independence of action was very limited. Paradoxically, if they were working on more than one project at a time, they had to create the illusion that they were working exclusively for one client alone:

I suppose I encourage every client to think they are my only client. They tend to assume I have no-one else and I don't like them to think that I've got other work on the go.

Every single client thinks they're the most important star in your astronomy and you've got to pretend that they are. You always have to give the impression that their job is the one you are working on this minute.

It would appear that they had adopted the 'ideology of enterprise', in the absence of most of its accepted trappings. The autonomy of most respondents was mainly manifest as a removal of direct supervision, some limited control over working hours and the spatial arrangement of work.





less than 40 hours a week. In some cases, a decision was made to limit working hours in order to combine work with domestic duties such as childcare. In other cases, shortage of work and lack of continuity was a causal factor. Workloads were often insufficient due to an over-supply of freelancers in relation to the work available. This situation was exacerbated by the short-term nature of the work and its irregularity and urgency which produced gaps in the freelancers' work schedule and, at the same time, limited their ability to hold 'stocks' of work to cover these gaps.

Also, working at home on a freelance basis is extremely intense. There are no 'paid breaks' to sit through meetings, discuss matters (business or social) with colleagues or simply to look out of the window. The work billed to clients is strictly for work undertaken sitting at a desk or computer. Many exclude even visits to toilets, time spent answering the telephone plus the taking of occasional refreshments, from their charge sheets.

Not surprisingly, many of the in-depth interview respondents commented upon the sheer intensity of their work, some saying that they could not physically cope with more work even if it were to become available. Thus, what might constitute 35 hours of work in an in-house situation appeared to condense down to little more than 25 hours of freelancing, usually resulting in a monthly income of around £1,000 and an annual income of around £12,000. In fact, some respondents remarked that they did, or would have to, work very hard in order to earn an income of £12,000 per annum. Many freelancers also complained of slow payment by their publishers, a problem they share with many small businesses[32]. One arrangement involved payment only when the book was published, although this was an extreme case.

Of our 40 in-depth interviewees, only half (20 out of 40) received a 'living income'. Of those that did not, nearly half (9 out of 20) relied on their spouse's income to manage financially, whilst the remainder relied on income mainly from secondary jobs, pensions, social security benefits and legacies.

Another impact of casualisation was the isolation of working at home, with little or no face-to-face interaction with publishers or colleagues. More than half the respondents worked entirely at home and, for the rest,

contact with publishers was irregular, once or twice a month or less being typical. Homeworking and teleworking also inhibit the development of collectivities, and even where these exist, makes successful collective pressure on employers extremely difficult, and in part explains the problems which this group experience in ensuring satisfactory payment levels. In addition the respondents, like many of the self-employed generally, are forced to compete with one another for work[33] and, allied with a lack of information networks, this results in depression of pay.

The SFEP was formed principally to overcome feelings of isolation and to provide an information and training network for members. It has also recently begun to embark upon a process of professionalisation in order to raise the status of the occupation. Strategies here include restrictions on entry, and instituting differential levels of membership.

### **The effect of casualisation on publishers**

The externalisation of editing and proof-reading offers publishers considerable cost-savings, focusing around an ability to closely match the supply and demand for labour, and to access specialist skills only needed intermittently on a short-term basis. This is increasingly important in publishing because of the relatively high front-end costs of book production, and increased competition within the industry. It also circumvents many overhead costs of employment, including the costs of providing office space, training and equipment provision. The self-employed share none of the employment protection provisions of the directly employed, and the risks of obtaining a sufficient flow of work and income were pushed onto the freelancers.

There are, however, disadvantages to publishers from this kind of working, stemming from a lower degree of control over the labour process. It is often difficult for them to ensure the quality of the work[34], and this explains why freelancers with a prior proven track record in-house, who were a known quantity, had a labour market advantage in obtaining work.

Because the work of proof-readers and editors is undertaken remotely, managing editors are primarily controlling work by



output, but are less able to control how work is done. This requires a different set of skills from that of conventional on-site supervision.

The social reproduction of labour in this occupation will also become an increasingly important issue. If externalisation remains common in the industry, fewer and fewer workers will be able to build up in-house experience and contacts, and the number of fully-skilled editors and proof-readers will diminish. This will exacerbate the difficulties that publishers already report in ensuring an adequate quality standard. To some extent the Society has begun taking over this function by providing training workshops for members, but whether this is yet an adequate substitute is questionable.

### Did they jump or were they pushed?

The in-depth interview data illustrated that most respondents entered freelancing not as a first-choice work option, but as a result of industry mergers, relocations and redundancies (termed 'refugees'), or a need to combine work and non-work, for example child-rearing (termed 'trade-offs'). Only a small minority took up freelance work through having a prior positive orientation to it (termed 'missionaries').

The largest single group identified amongst our in-depth interview sample was the 'refugees'. The most common reason for taking refuge in this kind of freelance work was through redundancy, usually from jobs in the publishing industry. These refugees would take up employment again in the industry if it were offered, although most thought this unlikely. They would generally not encourage others into freelancing. A typical comment was:

*I wouldn't have taken the step (into going freelance) had I not been forced into it . . . If a job came along now, I would be very tempted. The advantages of teleworking are fairly obvious but you only become aware of the disadvantages after a period of time.*

The 'trade-off' group often went into freelance work because of a need to combine work and childcare, but often now find the route back into in-house employment barred. One said:

*I went freelance in order to combine work with having a baby . . . When my children are older,*

*I would like to return to being an employee, but more and more publishers are using freelances and the demand is low for ageing copy-editors.*

Combining work with bringing up a family was also a reason given by a minority for entering freelance work without having been employed in publishing previously. The consequence was that they became the most disadvantaged of our respondents, and often had no work at all.

A further grouping, made up of respondents with a prior positive attitude to freelance work we termed 'missionaries'. These were a small minority of respondents who had typically become dissatisfied with aspects of employment in publishing. For example:

*I became disillusioned in employment. I didn't like the pressure of working under the new publishing regimes . . . being forced to shoot down authors I had worked closely with . . . I wouldn't take an employee job now under any imaginable circumstances.*

*I wasn't happy with working in a big hierarchical organisation and I could afford to take the risk of working from home with the back-up of my spouse's income . . . I would only go back into employment if I got an offer from a small, local publishing company and liked the people.*

### Conclusion

The research reported here strongly supports the conclusion that freelances in publishing are essentially casualised employees, rather than independent self-employed. They have few of the advantages of being employed but neither do they enjoy the accepted advantages of being self-employed[35]. In objective terms, they are 'disguised wage labour', with very limited autonomy and freedom. Their position is very little different from that of employees, except that they do not enjoy the legislative safeguards which accrue to employees. They are usually highly dependent on just one or two client publishers, are forced to compete with each other, and lack the structural solidarity necessary to secure NUJ rates of pay.

These freelances are also unlikely to grow their businesses. They typically employ no one, own little or no capital, and have no capacity to extract surplus value and accumulate capital. Most experience poorer pay and conditions than equivalent employees, and experience a degree of alienation (from work colleagues and completed products). For

these workers, publishing capital extracts surplus value through external market relations, rather than through internal hierarchical relations they have with their employees.

Most of the freelances became self-employed as a result of a process of substituting commercial contracts for employment contracts[36], rather than emergent entrepreneurship, so that the 'push' factor in the growth of self-employment is a more powerful explanation than the 'pull' factor.

The current situation in the book-publishing industry, characterised by intense competition, globalisation and commercialisation, suggests that the balance of power lies with the employers, to bid down wages and dictate terms and conditions. In addition, the recession has created an excess of supply over demand. It would seem, therefore, that for the foreseeable future, this grouping will remain a disadvantaged segment of the labour market in the industry.

All the indications are that 'non-standard' workers will continue to be a growing feature of the UK labour market[37]. The public policy implications of this are that casualised employment is here to stay, and must be viewed as an increasingly common work position in the late twentieth century.

A question for the future will be whether measures will develop that might ameliorate the shortcomings of life in the externalised workforce; or whether the weak bargaining position of atomised, self-employed freelances, the lack of social protection and non-availability of employment rights for this group, and the threats to the social reproduction of labour, will persist[38].

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**Abstract:** The recent revival of self-employment in the UK and other advanced industrialised economies has been viewed contrastingly as an indication of economic vitality and, alternatively, as a form of labour market deficiency. These different perceptions rest essentially on two opposing processes of entry into self-employment – ‘entrepreneurial pull’ and ‘unemployment push’. The research reported here, into freelancing in book publishing, reveals patterns of entry into self-employment which reflect the presence of both these processes, plus additional configurations and changes over time. The respondents, being predominantly female, were ultra-typical of those who swelled the self-employed workforce during the 1980s, when the number of female self-employed without employees doubled in the period 1981–93.

## **SELF-EMPLOYMENT CAREER DYNAMICS: THE CASE OF ‘UNEMPLOYMENT PUSH’ IN UK BOOK PUBLISHING**

Bill Granger, John Stanworth and Celia Stanworth

### **Introduction**

The role of the self-employed in the economy has been the subject of considerable international political and research interest in recent years. This has been associated with an observed halt in the long-term decline of the self-employed in most advanced industrialised countries, which in some cases, most notably the UK, has since been reversed (OECD 1986; Bogenhold and Staber 1991; Staber and Bogenhold 1993).

Much of the early interest was prompted by a view that the self-employed played an important role in economic development, through the encouragement of innovation, job generation and wealth creation. More recently, however, the perception of the resurgence of the self-employed as a measure of positive economic development has been challenged by research linking the growth of self-employment to the employment policies of large firms and the condition of the labour market during periods of recession (Storey and Johnson 1987; Bogenhold and Staber 1991; Rainbird 1991; Johnson 1991). The central thrust of this view is that the recent upsurge in self-employment has more to do with the cyclical ‘push’ effect

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of unemployment, which limits labour market opportunities, than with any historical revival of the 'pull' effect of certain 'entrepreneurial' ambitions.

The 'unemployment push' hypothesis has two important implications. Firstly, any rise in self-employment resulting from 'unemployment push' cannot automatically be taken as a measure of macro-economic vitality. At best, it would be a measure of increased labour market flexibility. Secondly, it would follow that any government policies and resources intended to promote self-employment and small business formation would miss their target if they failed to acknowledge the limited 'entrepreneurial' ambitions of the entrants.

As it stands, however, this argument is incomplete. For it cannot, of course, simply be assumed that a reversal of the main determinants of some category of self-employment *inflows* will have the same effect on self-employment *outflows*. In the case of inflows resulting from 'unemployment push', the question of whether or not the shift from a business recession (and its impact on the labour market, *viz.*, a decline in 'good quality' jobs) to a business recovery situation (and an increase in 'good quality' vacancies) will lead to an exodus from self-employment back into direct employment, may depend, amongst other things, on the experience of self-employment itself.

The problem is, as Bogenhold and Staber put it:

Unemployment may be an important condition motivating a change in employment status, but the mere existence of a condition says nothing about an individual's ability to accomplish change, nor does it explain why some individuals remain in the new status, while others leave it quickly. (1993: 469)

In other words, the personal factors which motivate entry into self-employment, such as the desire for the best alternative income when facing the prospect of redundancy, are not necessarily the same as those which motivate retention in self-employment or exit from it.

To test this proposition requires two levels of analysis. As Bogenhold and Staber have recognised (1993: 469), we need not only quantitative analyses of mobility flows for particular categories of self-employed, such as 'unemployment push' entrants, but also more qualitative analyses of *how* individuals realise their mobility between different labour market states. For Bogenhold and Staber, the way forward is for researchers to:

build explicitly dynamic models of self-employment . . . designed to capture the transitory nature of self-employment, exploring the transitions between distinct labour market states, which are embedded in a dynamic context of social and economic circumstances.

They go on to suggest that,

The analysis of self-employment as episodic events requires dynamic data which capture the individual's experience at any point in his or her career. (1993: 471).



In this article we are primarily concerned with one of the four categories of self-employed distinguished by Scase and Goffee (1980: 23–24) namely, those who work for themselves and formally employ no labour. This is typically the largest group of self-employed persons, accounting for some two-thirds of the self-employed in Britain and most of the dramatic growth which occurred in this sector during the 1980s (Hakim 1989: 286–288).

Although the field of small-scale enterprise is still male-dominated, there has been a large increase in the numbers of self-employed women in recent years (Watkins and Watkins 1984). In addition to the effects of ‘externalisation’, involving large companies contracting-out work, often to smaller businesses (Atkinson and Meager 1986; ACAS 1988), the ‘glass ceiling effect’ has been suggested as a cause whereby women perceive barriers to progression in corporate hierarchies and move into self-employment as a strategy to enhance career success (Meager 1991).

In their analysis of the decline and rise of self-employment, Bogenhold and Staber offer a distinction of the self-employed based on two ‘opposing “logics” or recruitment channels into self-employment’, one based on a ‘logic’ of autonomy and the other on a ‘logic’ of economic necessity. These recruitment channels, which correspond respectively to the hypotheses of ‘entrepreneurial pull’ and ‘unemployment push’, can be viewed as the two extremes of a continuum of ‘combinations of opportunities and constraints motivating individuals to “become their own boss”’. Bogenhold and Staber go on to develop a model of entry into self-employment which, in effect, combines labour market movements between the primary and secondary segments of direct and self-employed labour markets with a dichotomous ‘push’-‘pull’ motivational theory.

At the same time, the exploration of transitions between direct employment and self-employment, requires to be informed by data which can deal with both movements into and out of self-employment over time. Our own research suggests that such a research agenda calls for a more sensitive approach than one based simply on a two-fold ‘push’-‘pull’ typology of labour market behaviour.

### **Contextual Background to the UK Book Publishing Industry**

The UK book publishing industry forms part of a wider mass media, with which it shares a number of important economic characteristics. The basic economics of book publishing are based on the production of ‘prototypes’ (book titles), developed by creative labour (principally authors), which are protected by a marketable copyright. Additionally, while each individual book title faces a very uncertain market, it has potentially high economies of scale from reproduction (printing).

As with other sectors of the media, the UK book publishing industry has

undergone a process of substantial restructuring over the past twenty years. This process reflects the changing strategic responses of new and existing publishers to a number of important developments in the technology of publishing, the restructuring of other media sectors, and recurring periods of recession. The broad picture is one of industrial concentration, internationalisation, higher volumes of new products (book titles) – with most having shorter print runs and sales lives, but only a few achieving mega print runs and income from secondary media markets – and the increasing use of subcontractors and temporary self-employed home-based workers.

The freedom to publish, and comparatively low entry costs, have traditionally encouraged many small book publishing businesses and, until twenty years ago, the industry included many small firms and family-owned publishing businesses. However, by the mid-1980s, a process of mergers and acquisitions had transformed this broadly-based structure into one in which a small number of large international groups controlled over half the home market (Clark 1988: 8).

Associated with this concentration of the book publishing industry has been the introduction of more professional business managements and a shift away from 'literary' towards 'financial' business goals. These changes have had major implications for the work environment of in-house staff. Bureaucratic decision-making has eased out close personal working relationships, and financial and marketing concerns have taken precedence over creative literary matters.

The social organisation of producing a single book title requires the collaboration of a number of specialist skills – editing, illustrating, designing, indexing, typesetting, proof-reading, printing. Many of these specialists (for example, desk/copy editors, proof-readers, illustrators, indexers) use little or no expensive equipment and undertake short-cycle tasks (of a cerebral rather than manual nature), involving low task interdependency. As such, their jobs are potentially suitable for freelance working at home (Stanworth and Stanworth 1991: 17–21). While freelancing is not new in publishing, the major changes that have occurred in the structure of publishing ownership and markets, together with the effects of the recession, have encouraged its growth in recent years (Clark 1988: 8/155; Bennett 1992; Feather 1993; Owen 1993: 9).

### **Research Methodology**

The initial phase of this study of freelance home-based teleworkers in UK book publishing was carried out in 1992–93, based on a postal questionnaire survey of the full membership (then 800 members) of the Society of Freelance Editors and Proof-readers (SFEP) (Stanworth, Stanworth and Purdy 1993). A self-administered, semi-structured



questionnaire was mailed out by SFEP as an insertion accompanying their regular *SFEP Newsletter*. This strategy was adopted at the suggestion of the Society and had the benefit of carrying SFEP endorsement, reinforced with an explanation of the project carried in the accompanying newsletter itself. The only disadvantage to this approach was the loss of opportunity to undertake a follow-up mailing of non-respondents. However, in the event, a response rate of close to fifty per cent (371) was achieved at a single mailing.

The second stage was an in-depth telephone interview survey of a representative sub-sample of forty respondents. This sample was selected randomly from all those respondents who had signalled agreement to be contacted and provided their addresses and telephone numbers in their original questionnaire responses. This random sample of forty respondents was checked for representativeness against the 371 mailed questionnaire respondents on variables including gender and geographical location. The telephone interviews were tape-recorded and added extra depth to our retrospective exploration of respondents' careers and present experiences of freelance working.

### **Self-employment Careers in UK Book Publishing**

From postmarks on returning envelopes and addresses provided by respondents who chose to give them on their completed questionnaires, it was possible to map their geographical distribution. There was a significant clustering in the Greater London area and around both Oxford and Cambridge, with smaller clusters around Reading, Brighton and Edinburgh. Isolated rural respondents were in a minority. The clusters broadly corresponded to the locations of publishing houses. This could be interpreted as indicating that respondents were deliberately locating themselves near to client firms in order to facilitate ease of access but, more likely, that they had been close geographically when employed previously in-house, and had not relocated since becoming freelance.

Although our study focused first and foremost on the issue of self-employment, plus (initially at least) technology, it soon became obvious that our sample was largely female (around 75 per cent) and very well educated, as indicated in Figure 1. This shows the sample to be highly qualified, with 82 per cent having some sort of higher educational qualification, 27 per cent a post-graduate degree, and eight per cent with a Ph.D.

The book publishing industry has traditionally attracted female graduates with degrees in the humanities (especially English literature), willing to work for relatively poor rates of pay (Franklin 1993: 111) and to undertake initially fairly menial work with an emphasis on keyboard skills – traditionally, typing (Clarke 1988: 152).





move into freelancing for around two-thirds of our sample, with redundancy being the principal antecedent in over half of these cases. The remainder of the sample gave home-related reasons, raising a family being the most common. Few respondents appeared to quit an employee job in the absence of some circumstantial pressures.

The initial move into freelancing was the start of the current episode of self-employment for nearly all respondents, although a few had one or more episodes of prior self-employment interspersed with periods of direct employment. Over half of our respondents had been self-employed for just five years or less. Just under a third had been self-employed for over ten years and a small minority for over twenty years.

If labour market transitions between states of direct employment and self-employment are to be understood in terms of the career dynamics of individuals, then we need firstly to identify the principal self-employed career types of those who move into/out of self-employment. The current research identified four major self-employed career types, wide enough to embrace the entire sample. These were 'refugees', 'missionaries', 'trade-offs' and 'converts'.

### *The 'Refugees'*

First was what we termed the '*refugees*', who most clearly fit the case of 'unemployment push'. This type takes a direct employment job on first entering the labour market, where initial training and experience is gained. A strong attachment is developed to their job in employment but, as the business cycle moves into recession, the 'refugee' is faced with redundancy and unemployment. The option of self-employment is taken up but the 'refugee' would return to a job as an employee if and when one became available.

'Refugees' were the largest sub-group amongst our sample (approximately 45 per cent at the time of entry into self-employment) with males notably over-represented considering the gender composition of the sample as a whole. One of our respondents in this category had spent some fifteen years working as an employee in publishing before he was made redundant in 1990, when, as he put it:

The publishing market was at the start of an enormous contraction and has been contracting ever since. I was unemployed with no other work likely in the way of a permanent job. It was a case of either change my occupation altogether or go into business as a freelancer. And as I wanted to stay in publishing, I decided I'd become a freelancer. But there are few attractions to freelance work. I would far rather go into an office every day. Whatever the atmosphere in the office, it beats sitting at home staring at the same print of a Picasso, five days a week, plus living at the same address. I do not wish to be a freelance teleworker and would take any editorial job offered in publishing.

One of our female respondent 'refugees' said:

I decided to go freelance three years ago (after being made redundant) but I'm strongly considering at the end of this year seeking in-house employment once again. I don't want to be forever stuck behind a computer. I know people who have been driven insane by this kind of work. I want a career, which means getting back in-house.

Yet another said:

I went abroad with my husband for two years. When I returned, my publisher had been taken over and moved . . . so I started freelancing through contacts I had. I would [now] like to get back in-house because freelance work doesn't suit me. I don't like the isolation. I miss person-to-person contact and I miss the administrative parts of the job. I don't actually like sitting and copy-editing and proof-reading.

In this labour market position the 'refugee' experiences incongruency, since primary attachment is still to the rewards associated with a job in direct employment. Thus, if and when recovery finally comes to the industry, the 'refugee' will attempt to seize upon opportunities to return to direct employment and the cycle becomes complete.

#### *The 'Missionaries'*

The opposing situation of 'entrepreneurial pull' is represented by the 'missionary' type. Here, there can be more than one interpretation. The most straight-forward is the hypothesis, based upon economic opportunism, that more of these people enter self-employment during periods of high or growing economic activity (Meager 1992: 89). This hypothesis requires that such self-employment entrants will have acquired some prior 'entrepreneurial' ideology (by virtue of, say, their family background or some previous experience of self employment).

Bogenhold and Staber's 'logic of autonomy', on the other hand, describes people who have reached a high status position in employment, where they have acquired 'a high degree of "cultural capital"': 'Their decision to become [self-employed] is motivated mainly by a desire for self-direction in the labour process'. This variation implies that the fulfilment of these expectations of autonomy can no longer be maintained in a 'stifling or otherwise unsatisfactory work situation' (1991: 226).

Again this 'missionary' type quits employment for self-employment. Whether an earlier situation of expectation-reward congruency is destabilised by changing work expectations (arising, perhaps, from changes in an individual's position in the life cycle) or changes in the structure of the work itself (due to, say, organisational changes), or both, must remain empirically open. This second interpretation of the 'missionary' places greater emphasis on human capital investment, life cycle transitions and

organisation change, than on a prior 'entrepreneurial' ideology and economic activity.

Our interview survey found only a small minority of respondents (less than twenty per cent) who actually quit a job as an employee (for other than non-work reasons) when they initially went freelance, and whose entry channel into self-employment might therefore be considered that of a 'missionary'. For 'missionary' respondents the reason for going was expressed as a combination of an *attraction* of some aspect of working self-employed and a *rejection* of the work they were currently doing, rather than some perception of a market opportunity for an independent business. In the words of one of our female respondents who resigned from an in-house publishing job, it was a case that:

I had got to the stage where I was promoted to senior editor . . . and increasingly my whole time was spent taking messages, fielding panics, doing all the administration, without doing what I really wanted to do, which was sitting with the author . . . or with a typescript and just quietly editing, proof reading, and doing whatever was necessary . . . I really had not thought about it [going freelance] earlier. It was only when it became increasingly apparent that the type of work I was being expected to do in an office was not what I wanted to do that I thought, "how can I do what I want to do?"

The expectations-rewards incongruity here appears to have arisen from changes brought about by the process of selection for promotion. One might reasonably speculate that had this respondent not been required to take on managerial responsibilities, then he/she would not have gone freelance. One conclusion we would draw from cases like this is that organisational management plays a key role in destroying (or maintaining) expectations-rewards congruency in direct employment, thereby encouraging (or discouraging) moves into self-employment.

One of our male 'missionary' respondents spoke of the changing culture in UK book publishing:

I became disillusioned. I didn't like the pressure of working under the new breed of publishing regimes. I found I was having to 'shoot down' respected authors I had worked with for years. At that stage I went freelance - I already had contacts who had given me freelance work in the past.

Another of our female respondents said:

I took voluntary redundancy in 1991. I think I might not have taken the step for a while if the redundancy hadn't come up. At the same time I wanted to. I think it was the threat of financial insecurity that put me off more than anything else. In a way I had been waiting for a chance to go and try something different and that was it. I don't like working in an office at all really. I find it quite painful.

A common feature of both the 'refugee' and 'missionary' types is that their primary life expectations relate to some form of economic activity, whether these be best satisfied in direct employment or self-employment. However, our research suggests a further common self-employed career type, the

'trade off', involving episodes of self-employment, in each of which the individual's attachment to work is changed by some non-work factor.

#### *The 'Trade Offs'*

The 'trade off' takes a break from direct employment in order to accommodate the constraints of some non-work priority which may or may not be permanent (for example, to bring up a family, look after a dependant or cope with personal ill-health). Self-employment that enables work to be done at home, and/or at times which fit in with non-work activities, offers the 'trade off' an alternative to a complete career break. This type is often consciously trading job security for flexibility in terms of the spatial and temporal organisation of work. If the non-work factor is temporary, they may return, or wish to return to work as an employee at some stage in the future.

'Trade offs' were the second largest sub-sample among our in-depth interviewees, totalling nearly one-third of respondents at the time of entry into self-employment. Women were disproportionately over-represented amongst this type. The following statements illustrate situations typical of this sub-sample with child rearing, locality and health entering into the decision-making calculus:

I went freelance in order to combine work with having a baby. When my children are older, I would like to return to being an employee but more and more publishers are now using freelancers and the demand is low for ageing copy-editors.

A male respondent said:

I was made redundant from a job in publishing. We live in a village and we didn't want to move. There's not much work down in the West Country in publishing, so it seemed sensible to try freelancing, rather than move up country and search for work.

Yet another respondent stressed the combined influences of family and life-cycle position:

I started a family and went part-time freelancing. I would want to get back into employment now if I were younger but, as a freelancer, you can go on working after the age of 65, which I see as an advantage.

For another female respondent, health was the crucial issue:

I originally went out on my own influenced by own poor health and the future prospect of not being able to travel to work. I like my work as it is now - it has bonuses for me.

#### *The 'Converts'*

A final type, the 'convert', was of particular interest in our study. It was hypothesised that this type might provide the key to understanding the



apparent paradox of individuals who, having initially seen self-employment as only a stop-gap strategy, later show little interest in returning to a job as an employee. Thus 'converts' were hypothesised as undergoing an 'ideological conversion' where, in effect, 'unemployment push' becomes 'ideological pull'. They finally made up just over one-quarter of the entire sample, having been recruited fairly equally from previous membership of the 'refugee' and 'trade off' types.

Interestingly, almost all of our 'converts' had at least some prior self-employment interest before being made redundant and making their initial entry into self-employment. Around half of them had actually gained some prior part-time experience of self-employment whilst working in-house, it being a common practice in publishing to offer occasional jobs to in-house employees to work at home on a freelance basis. Whether or not the prior interest in self-employment in each of these cases developed out of this part-time self-employed work is not clear, but the following examples provide some insights into the decision-making process:

I originally took a decision [to go freelance] to stay close to my spouse's job and family but it would take a lot to induce me to take an employee job in publishing now. (female respondent, formerly a 'trade off' type)

I was initially a university lecturer/researcher and took time off to start a family. I wouldn't give up freelance work now to join a publisher in-house – I don't want to have to do administration, answer telephones, butter up authors, etc. (female respondent, formerly a 'trade off' type)

I would only go back to working in a publishing house if I found it impossible to get freelance work, because I have come to like this type of work. I wouldn't be very happy going back to being an employee now. (female respondent, formerly a 'refugee' type)

My publisher went bust and so I went freelance but nothing, nothing would induce me back into a publishing house now. (male respondent, formerly a 'refugee' type)

The 'converts' were all examples of a changing attachment to self-employment. The case below provides a different example of changing attachments to work over two episodes of self-employment. This female respondent was made redundant from two different publishing companies in five months due to re-location. The first redundancy led to a brief episode of self-employment and a return to a job in employment – a career history typical of a 'refugee'. The second redundancy was followed by the present episode of self-employment, to which, after only two years, the respondent feels strongly attached – making this a 'convert' type. The only circumstances that would make this respondent interested in direct employment would be: 'If I found it impossible to get any freelance work . . . because I like this type of work (now).'

Although this respondent stated that an interest in self-employment influenced the decision to go freelance the second time, this interest was

not present prior to the first episode of self-employment. This suggests a process of socialisation, in which both previous employment *and* self-employment work experience encouraged the development of an 'entrepreneurial ideology'. It is also consistent with other research which has confirmed the effect of prior self-employment experience on later moves into self-employment (for example, Carroll and Mosakowski 1987: 584).

### **Thresholds of Labour Market Transitions**

Our research suggests that, for those whose life expectations are currently centred primarily on work (all but the 'trade offs'), movements out of direct employment into self-employment are primarily triggered by changes in the context of work rewards – arising from such events as business mergers, re-location, re-organisation and redundancy. For those workers who are not waiting for an opportunity to return to a job in employment, we would conclude that an expectations-rewards congruency is restored by the experience of self-employment and the realisation of a new set of 'entrepreneurial' work expectations.

Our research found that the attractions of freelancing in book publishing were mainly about control over when, what and how work was done. On the other hand, the disadvantages centred on matters of social isolation, and fluctuations in workload and earnings. This reward profile of self-employment contrasted markedly with that of direct employment, which supplied regular and secure earnings, and peer support (Figure 4). It seemed clear that since most interview survey respondents sought, as Daniel argued, a profile of both extrinsic (that is, material) and intrinsic (that is, non-material) rewards from work (1972), they faced the dilemma of committing themselves to the least undesirable option. Their inability to make a clean break from in-house direct employment without some element of final 'push' suggests that, while changes in work expectations and reward are usually incremental, the costs and risks associated with transition from direct employment to self-employment are considerable and immediate.

In book publishing, adequate human capital investment was seen as a crucial prerequisite to a successful career move into self-employment. This was illustrated by the advice our interview respondents offered to others interested in going freelance. Typical comments were: 'Without any experience . . . I honestly don't think they would get any work, because I had the benefit of seven years full-time experience as a senior editor before I became freelance'; and 'If you have not worked in the publishing industry before and you want to start freelancing . . . you're going to find it next to impossible . . . get some experience under your belt and, more importantly, get some contacts.'

**Figure 4** Typical Profiles of Work Rewards

Function of Work	Office-based Direct Employment	Home-based Self-employment
<i>Income</i>	Regular and secure earnings Internally consistent pay rates Earnings related to internal job status Employer provision for holidays, sickness and retirement	Irregular and insecure earnings Externally competitive pay rates Earnings related to market power Personal provision for holidays, sickness and retirement
<i>Work Activity</i>	Direction by others Even workload Measurement by input Strong feedback	Self-direction Fluctuating workload Measurement by output Weak feedback
<i>Personal Development</i>	Career progression Employer training provision	Career plateaued Personal training responsibility
<i>Temporal</i>	Routine	Flexible
<i>Contextual Variety</i>	Home-work separation Regular journey to work	Home-work proximity Infrequent client visits
<i>Social Interaction</i>	Peer support Office 'politics' Face-to-face	Family support Social intrusion Telephone
<i>Personal Identity</i>	Clear status Protected self-esteem	Unclear status Vulnerable self-esteem

Going freelance, however, is not just a matter of acquiring sufficient technical publishing competence. It also means giving up some of the human capital investment that is specific to direct employment or a particular employer, and starting again – investing in new know-how and skills to build up a client base and operate successfully in a competitive freelance market. The costs and risks involved in this process of abandoning past human capital investments and making new ones are doubtless a major cause of the apparent inertia in decision-making. As one interview respondent put it: 'It takes courage . . . to leave a secure job with prospects to go and be freelance.'

### Discussion and Conclusions

Our analysis shows that the threshold of transition for those entering self-employment from direct employment operates at a number of levels, rather than the simple two-level 'pull-push' model.

Our research sample was predominantly female (75 per cent) and some interesting gender differences were found in terms of gender attachment to self-employment, analysed in terms of our four self-employed career types. The males in our sample demonstrated a notably higher propensity than their female counterparts to have been propelled into self-employment via redundancy and therefore to feature as members of our 'refugee' grouping. Women, on the other hand, showed a notably stronger propensity than men to membership of the 'trade-off' type, usually driven by a desire or need to combine paid work with domestic duties. Women showed a higher propensity than men to membership of the 'missionary' grouping, whilst both sexes showed a similar propensity to become self-employed 'converts' and membership of this grouping was drawn fairly equally from the 'refugee' and 'trade-off' groupings.

Our findings on the 'reasons for becoming self-employed', suggest that research designs which simply focus on the moment of transition from one labour market state to another, without exploring background career histories, are unlikely to grasp the real dynamics of self-employment career changes. The high proportion of 'refugees' in our sample contrasted with the results of earlier research, which focused the attractions of 'independence' substantially ahead of 'unemployment' (or redundancy) as a factor in the decision to become self-employed (Hakim 1989: 288-90; Blythe, Granger and Stanworth 1989: 76).

However, the propensity of respondents to cite 'positive' reasons, such as 'independence', for entry into self-employment appears fairly well established, but usually in the context of research strategies which fail to actually track career moves and events leading up to the point of decision. That is not to say that our own respondents did not value the independence and flexibility which self-employment often (though not always) bestowed: 'I value the ability to work when it suits me'; and: 'It gives me freedom to travel and schedule my own time. For instance, I can work on weekends and take off days during the week.' Some talked the language of 'enterprise', even though their businesses invariably involved no-one other than themselves: '(I value) the excitement of managing my own business and taking on new projects.'

Hakim (1989: 290) does acknowledge cases of self-employment arising from organisation rejection as due to 'push' factors. However, the simple 'push'-'pull' motivational model cannot do justice to the real complexities of the decision making process. Situational and personal factors always interact, and it is the resulting congruency or incongruency of these factors

which determines labour market behaviour. When movements into self-employment involve the voluntary termination of direct employment – because of organisational, occupational, or environmental rejection – then, in our view, we are clearly looking at cases of the ‘missionary’ type. In this form, however, the ‘missionary’ combines ‘boldly going’, as the positive notion of ‘entrepreneurial pull’ implies, and the negative, ‘I’ve had enough’.

It is clear from our interview results that, in some labour markets, ‘entrepreneurial pull’ is, at best, a minority form of entry into self-employment. Force of circumstances pervade – whether in the form of a major career disruption, as in the case of redundancy or starting a family, or some of the other reasons quoted by our interview respondents, such as the completion of a contract, returning from abroad, or due to changes in a spouse’s job.

One major implication of this research concerns the role of employers in the process of movements into and out of self-employment. As we have seen, many ‘pushed entrepreneurs’ analysed in our study were, in part, reacting to the consequences of human resource policies that diminished their opportunities in direct employment. To a large extent, employers have it within their power to design reward structures that will maintain or destroy the expectations–rewards congruency of individual employees. Further, when self-employed labour markets provide services to main contractors, who are also direct employers of the same labour (as in book publishing), both the demand and supply for self-employment depends very much on the actions of contractor–employers. It follows that if scope exists for some jobs to be given to self-employed workers and there are net benefits to the organisation in doing so, then rational contractor–employers should develop pro-active policies to create and sustain such a labour market.

Our research suggests that such a flexible labour-use strategy should involve a review of organisational reward structures, an audit of in-house employees (to identify those whose work expectations might be best realised in self-employment) and a package of measures to reduce the transition costs and risks. The latter might include such things as: contract guarantees to help get the business established; start-up finance and/or equipment; and initial training for setting up an independent business.

However, while such measures may help establish such a labour market, its long-term viability will depend on the ability of new entrants to continue to acquire the essential prior in-house training and experience, or something equivalent to it, which they can exploit in self-employment. In addition, it is arguably in the long-term interest of employers to share some of the efficiency gains from having a flexible workforce and reduce some of the instability in the external labour market that arises, as our research shows, through social isolation, inadequate financial provisions for sickness, holidays and retirement, and the ‘low’, ‘slow’ and even ‘no’ pay often experienced by freelancers.

For government, the implications are also clear. Our analysis suggests that recessionary pressures can provide a stimulus to the growth of permanent, and not just cyclical, self-employment, for example via the process of 'conversion' to a long-term attachment to self-employment from the 'refugee' and 'trade off' self-employment types. It follows that, if one of the objectives of government policy is to encourage the long-term flexibility of labour markets to promote macro-economic vitality, then it should target support towards those who want to join such labour markets. Equally, support should be given to assist employer efforts to promote the long-term viability and stability of self-employed labour markets. Government policies which indiscriminately encourage self-employment, as a career option for all those displaced by employers as a result of cost-cutting during periods of recession, will not lead to an effective use of public resources.

Our research was based on one industrial sector. However, future research is needed to explore the relevance of our findings for other industrial sectors within the UK and cross-culturally. We believe that our approach to self-employment career dynamics offers a useful framework for this, enabling the focus of research to shift from labour market movements to changes in the extent and nature of attachment to different labour markets.

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# Subbing the night away

The increasing use of freelancers in publishing is not sustainable

New  
Economy

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In 1979, Britain saw a government of the New Right embark on a set of policies that emphasised the rolling back of the state, freedom from the constraints of organised labour, risk-taking and tax reductions. In this new picture, the small firm featured strongly, not only as a potential creator of jobs and wealth, but also as a symbol of a political message embracing the new dynamic vitality of 'enterprise culture'. (Stanworth and Stanworth) But while the increase in the number of self-employed during the 1980s was taken as a key indicator of the successful development of the enterprise culture and 'flexible' economy, detailed analysis points to something rather different.

Case studies show that many of the new self-employed have been pushed – by exclusion from the main labour market, mostly by redundancy, or by employers' moves – to do work previously carried out in-house. Large numbers of people among the self-employed lack independence, will never grow into businesses employing others, and are really disguised wage-workers, yet lack the statutory safeguards enjoyed by employees.

*"The current situation does not appear sustainable. The best freelancers were consistently reported to be those with several years previous experience gained working in-house as employees"*

## The background

Here we describe the background to the boom in self employed and focus on a case study of the publishing industry to get a better feel for what is really happening. The book publishing industry is one example of outsourcing which is becoming common in all sectors.

### Defining the self-employed

Official statistics on self-employment include both the self-employed without employees and small business owners with employees but whose businesses are unincorporated. The Inland Revenue and the Department of Social Security use three tests to separate the employed from the self-employed. Unless an individual can pass all three, self-employed status is the likely result.

In addition, case law has been used to widen the definition of self-employment (Flestead, 1992). Given these factors, a rise in the numbers of the self-employed cannot by itself be taken to indicate a growth of the enterprise culture.

### Self-employment growth

The 1980s and early 1990s witnessed substantial growth in the self-employed component of the national labour force, as officially measured. This rise was as much as 52 per cent during the period 1981-91. However, some of the growth was in the form of an explosion in the numbers of freelance employees, who count in official statistics as small businesses but are in fact self-employed individuals.

Of the approximately 3 million self-employed in Britain, about two-thirds are people who do not employ anyone else. Most of them operate their 'business' in or from their own home. The proportion of the self-employed without employees grew from 61 per cent in 1981 to 69 per cent in 1990. Among the female self-employed, the proportion without employees rose from 65% in 1981 to 72% in 1990.

### Job-substitution

It has generally been assumed by politicians, and many researchers, that the self-employed without employees are at an early stage of growth, on their way to becoming small business owners. Any expansion in the self-employed workforce is assumed to have long-term positive effects on job-creation.

For many, however, there is little chance of such progression. Self-employment is often the only option for workers displaced from conventional employment. For them, being 'empowered' to take responsibility for their own future often means taking work on a freelance self-employed basis similar to that undertaken previously as an employee. Where this transfer occurs, official statistics record job losses in the corporate sector, matched by job gains in the small business sector. An estimated 25 per cent of the self-employed workforce is composed of displaced employees, rather than entrepreneurial individuals. It is job-substitution rather than job creation which is more common among this subsector of the national workforce.

### Casualisation

What is happening to many of the newly self-employed is part of a wider process of 'casualisation' which is changing the nature of the labour market. Casualisation implies insecure, short-term and irregular work, associated with the flexible, peripheral, non-standard or atypical workforce and involving part-time, temporary, short-term contracts as well as self-employed workers.

This atypical workforce has grown since the early 1980s, both in the UK and in Europe, as a result of factors including global competition, recession and the expansion of sectors where such work has been a 'tradition'.

Externalisation of work, substituting self-employed status for traditional employment, is a prime example of casualisation. It removes from the employer the obligation to provide sick pay, holidays and pensions, training and follow-up work. Because employment protection legislation does not apply to external workers, the risk of providing a flow of income is passed to the individual who never knows if the current piece of work will be the last. Mistakes result in not being offered repeat work. For the worker, casualisation means perpetual insecurity.

### The UK book publishing industry

A University of Westminster study of the UK book publishing industry surveyed 371 proofreaders, editors and indexers who were members of the Society of Freelance Editors and Proofreaders (SFEP), and carried out 40 follow-up interviews in 1992 and 1993. The book publishing industry has a tradition of using skilled and specialist freelances, many of them female, to supplement 'in-house' facilities. But the evidence is that the use of freelance labour accelerated rapidly during the 1980s and early 1990s, swelling the army of self-employed people in the industry.

Like other sections of the media, UK book-publishing has undergone restructuring over the past decade in response to technological

developments and recurring recession. In the past, book publishing made limited use of freelancers, mainly for child care reasons or in addition to permanent employment. The current picture is one of concentration of ownership, internationalisation, more new products, and increasing use of subcontracting and self-employed workers. These changes brought waves of redundancies during the 1980s in particular. Jobs with low task-interdependency, that use relatively inexpensive equipment, and are cerebral rather than manual, such as the proofreaders and editors in our survey, are increasingly being externalised. Redundancies and mergers have created a ready supply of potential freelancers, and publishers have used their services in order to keep costs low. Most freelancers we interviewed were former in-house employees who became self-employed through redundancy. Another large grouping was women who had gone freelance when they had left to have a family.

Among the 12 publishing houses in our survey, minimising office overheads was considered crucial and the strong trend towards greater use of freelance workers was viewed by managers as irreversible. Using freelancers meant they could match the supply and demand for labour closely, and only pay for a discrete number of hours on a project. They had no obligation to employ freelancers again, and owed them no loyalty. Most book publishers were already employing no more in-house staff than were required in order to commission and monitor freelance work and undertake complex co-ordination jobs. Some were even considering externalising the remaining 'core' staff in their editing departments, which would mean having no in-house employees to supervise existing freelancers. None was considering moving back to employing editors and proof-readers in-house.

### **The effects of casualisation**

Self-employment and short-term contracts for discrete pieces of work meant that responsibility for obtaining a constant income

shifted from the publishing house to the individual. Many freelancers experienced 'feast or famine' workflows.

Working at home on a freelance basis was extremely intense. Work billed for was that undertaken sitting at a desk or computer. Many freelancers excluded from charge sheets visits to toilets, time spent answering the telephone and the taking of occasional refreshments. There were few, if any, interruptions which permeate life in a working office. Deadlines were usually tight; and consistent, high quality was a condition of workflow continuity.

Pay for most freelancers in book publishing was determined by the labour market and, given the recession and the oversupply of labour, was in effect set by employers. Neither the NUJ or the SFEP has been able to maintain any generally observed minimum rates. Hourly rates were bunched heavily around £8-10. Although this might appear reasonable for freelance 'homeworkers', it should be remembered that the work was highly-skilled and most freelancers in the industry were highly qualified: about 80 per cent have a higher educational qualification, and 25 per cent a postgraduate degree. One reason for the relatively low pay was the 'gendering' of these skills. Editing and proofreading are classed as female occupations, perceived as natural to women and therefore devalued.

Many freelancers claimed the sheer intensity of their work reduced the number of hours they were able to work, usually resulting in a monthly income of about £1,000. Many freelancers also complained of slow payment by their publishers, a problem they share with many small businesses.

Hourly rates of pay for freelancers appeared very similar to those paid to in-house staff, which meant they were not being compensated for the lack of fringe benefits, or for the costs of using their own home as a workplace. Savings to publishers also resulted from reduced office rents and associated overheads. Freelancers received no direct contribution from publisher-clients for paid holi-

days, sick leave, or retirement. Publishers surveyed did not usually have 'family-friendly' policies that would enable women to return to employment after starting a family. Although the majority of respondents made contributions to a personal pension, few had taken out sickness or accident insurance.



Illustration: David Simmonds

### Independence

Independence from strong external control has long been seen as a defining characteristic of the small business. Freelances in our survey did feel at least a measure of independence, expressed primarily as freedom from interference, and many referred to their one-person operation as a business. "I have no boss and no subordinates," said one. "I have total responsibility for my own output." Interview responses also showed that freelances felt more autonomous than in-house staff.

Although the legal and economic status of freelances in book publishing would suggest that they could freely contract with a range of different clients, the reality was rather different. Typically, they were heavily reliant on a single client, sometimes their former employer, for more than half their work, and on two clients for more than 80 per cent. This made them vulnerable to changes in the major clients' demands, and to changes of in-house personnel, particularly commissioning editors. It also weakened their bargaining position and left them little scope for independent growth and development.

In reality, the independence of freelances was limited. If they were working on more than one project at a time, they had to create the impression that they were working exclusively for one client alone. One said: "I sup-

pose I encourage every client to think they are my only client. They tend to assume that I have no one else and I don't like them to think I've got other work on the go." The autonomy of most respondents was chiefly manifest as a removal of direct supervision, limited control over working hours and where work was done.

About 10 per cent of respondents were less easy to distinguish from wage-workers. Their publishers actually provided training, paid for equipment and helped with running costs. These freelances had a closer 'special' relationship with a single publisher, and yet remained excluded from all employment protection measures.

The definition of self-employment covers ownership and control of the means of production, which can vary from the investment of considerable capital through to modest outlays such as the machinist's sewing machine or the artisan's toolkit. In the case of book publishing, a fairly modest outlay for a home workstation included the costs of a computer, answerphone and printer as well as a telephone, with only a minority of freelances owning more sophisticated equipment, such as a facsimile machine (23 per cent) or a modem (6 per cent).

### Disguised wage labour

Our research into the book publishing indus-



try strongly supports the conclusion that most freelance workers were casualised employees, rather than independent self-employed. They had few of the advantages of being employed but neither did they enjoy the accepted advantages of being self-employed. They were 'disguised' wage labour, with limited autonomy and freedom. Their position was little different from that of employees, except that they did not enjoy the legislative safeguards that employees do. Most experienced poorer conditions than equivalent employees.

Most freelances had been 'pushed' into self-employment through circumstances beyond their control, rather than attracted by the advantages of self-employment, or by their entrepreneurial drive. The unemployment 'push factor' in the growth of self-employment is a more powerful explanation than the entrepreneurial 'pull factor' in this case.

The current situation in the book-publishing industry suggests that the balance of power lies with the employers to bid down wages and dictate terms. The recession has created an excess of supply over demand, and it would seem that freelances will, for the foreseeable future, remain at a disadvantage.

### Long term dangers

Developments such as the movement towards a self-employed peripheral workforce witnessed in the book publishing industry may represent good news for the political Right. Individual contracts are the order of the day, the price of labour is not 'artificially determined by any notions of collective strength, and retribution is swift if freelances fail to meet desired quality standards.

However, the current situation does not appear sustainable. The best freelances were consistently reported to be those with several years' previous experience gained working in-house as employees with publishing companies. In many cases, the freelances were displaced ex-employees of the publisher currently providing them with work. Aspiring

freelances without comparable training and experience frequently failed to get any work at all.

This freelance workforce is currently composed of a plentiful supply of ageing professionals who learned their skills and gained experience and contacts in-house. Nearly two-thirds of our sample were aged 40 or over, and nearly one-quarter were aged over 50. Thus, the industry is currently benefiting from a period when training investment ran at considerably higher levels than it does now. A supply of competent freelances is dependent on prior training and experience in-house, and this is clearly much reduced or disappearing. The failure to reproduce this labour force is likely to cause a crisis in the industry in the not too distant future.

### Structural change

All the indications are that 'non-standard' workers will continue to be a growing feature of the UK labour market. The public policy implications of this are that the various forms of casualised employment cannot continue to be treated as unimportant or marginal.

Will measures develop that might ameliorate the shortcomings of life in the externalised self-employed workforce? We have seen the position of part-timers improve as a result of the House of Lords ruling that abolished the thresholds for employment protection, and despite the opt-out from the Social Chapter, many of the European Directives on 'atypical' work are having an impact in the UK.

Eventually, it could be argued, employers current low investment rates in training will create levels of skill shortages likely to strengthen the bargaining position of groups such as those currently working as freelances. This could result in employers seeking to restore closer legal and economic ties with their peripheral workers. However, legal initiatives directed towards encouraging a less liberal use by the courts of the term 'self-employed', might bring about this change rather sooner ●



# Jobs and prices

## Restrictive anti-inflationary policies lead to sustained unemployment

New  
Economy

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Is there a long term trade-off between inflation and unemployment? The question has arisen recently in the context of discussion of the degree of autonomy that should be given to a country's central bank in the conduct of monetary policy. It has a much wider importance, however. In its report 'The Role of the Bank of England' (1993), the House of Commons Treasury and Civil Service Committee said:

"The main case for granting the Bank greater autonomy in monetary policy is disarmingly simple. It rests on the assumption that there is no long-term trade-off between growth and employment on the one hand and inflation on the other, and hence that the pursuit of price stability can be made the overriding objective of monetary policy, without prejudice to the level of employment in the long run."

Opponents of giving the Bank of England much more independent control of monetary policy – and I am among them – have argued that monetary policies do have important impact on the activity, real income and employment of the community; and that decisions on such matters should be taken by a democratically-controlled political authority. Supporters of greater inde-

pendence for the Central Bank say that in the long run there is no trade-off between inflation and unemployment. This is the thesis examined here.

### Foolproof?

It is generally accepted that when monetary policy is tightened in order to reduce the rate of inflation, the immediate effects will normally include a check to production and a rise in unemployment. Indeed, it is through these effects that the policy bears down on inflation: lower activity means lower demand for labour, the bargaining strength of labour is reduced and employers' resistance to wage increases is strengthened. The rate of growth of unit costs is checked and lower price inflation follows.

There is, however, an argument which claims that these effects are quite ephemeral.

This says that in the long run, the economy must tend towards a certain level of unemployment because there is only one level of unemployment consistent with a rate of inflation that neither accelerates nor decelerates. We may reasonably assume that policy-makers will aim at ensuring that there is neither an indefinite acceleration nor an indefinite decel-

*"The painful truth is that there are no simple formulae for guaranteed success in economic policy."*



force with employee status and a 'permanent' job with their employer). Employers have clearly been reducing their reliance on this workforce and making more widespread use of part-time, temporary and self-employed or sub-contracted workers [4]. In terms of self-employment, if we examine DTI statistics on small firms, we find virtually no growth since the early 1980s in the numbers of small firms *with employees*. The figure has remained fairly constant at around the 1 million mark, compared with an *increase* of around 1 million to 2.25 million in the number of self-employed without employees [5]. Within this segment of the self-employed grouping, some are genuinely independent but others are disguised wage-workers, in some cases created by decisions to re-define certain occupations or parts of the workforce.

The substitution of self-employed staff for employees has by no means been uniform across the economy. In some specialist niches, for example domestic milk delivery, restructuring has witnessed an entire class of employees (deliverymen/women) with no real aspirations to become entrepreneurs making the transition to self-employed status and continuing to work full-time for their previous employer. Here, people of formerly employee status work for a single client and make a relatively heavy financial investment, thus relieving their former employer from many of the costs and responsibilities of the direct employer [6]. In other cases, such as in construction, freelancing has also grown, in many cases without involving a substantial investment on the part of the individual, and not always involving work for a single client [7].

One explanation for the growth of self-employment and 'outsourcing' is offered by Atkinson, whose model of the flexible firm [8] offers a view of the firm which claims to fit the particular competitive and economic environment increasingly common since the early 1980s. He suggests the notion of a radical departure from historical trends in the direction of a strategic approach yielding 'core' and 'periphery' labour groupings. However, such an approach, which attempts to conflate a wide range of groupings and experiences into a single model of the flexible firm appears somewhat simplistic. For instance, Hakim has said:

It is undoubtedly true that Atkinson's simplified, some would say *oversimplified*, account of what flexibility means in practice, at the level of the

employing firm or organisation, has attracted far more attention and interest amongst managers and trade unionists than any of the more erudite reviews and research reports . . . [9]

Pollert has said:

What is at issue here is not whether there have been changes in the deployment of labour . . . there have been many changes, including labour intensification, deskilling, reskilling, skill polarisation, changes in employment contracts, changes in the relative strength of different skill groups and bargaining strongholds, and more demands for labour versatility and mobility. The question is whether it is meaningful or helpful to conflate these uneven and often experimental changes into an overarching flexibility trend, and whether there is any basis for boldly postulating the emergence of a new era based on two types of work and worker: the functionally flexible core worker who is ideologically committed to the objectives of the employer, and the disposable remainder who remain marginal both to production and to analysis. [10]

It was in the light of comments such as the above that it was decided to undertake research of an essentially qualitative nature using a case-study methodology restricted to a single industrial sector. Only such an approach, it was felt, would yield the kind of firm-specific detail required to progress the debate in this area.

## UK book publishing industry background

Uncertainty and risk is an enduring feature of book publishing. Sales of each title are difficult to predict and the fixed costs of producing an 'original' are high in relation to the variable costs of printing. Many books do not recover their fixed costs whilst a few make enormous profits [11].

The traditional UK book publisher was small, independent and owner-managed. The traditional form of editorial labour was full-time, permanent (in-house) employees, predominantly women, with degrees in the arts and a strong literary interest. As with other forms of creative employment, there was no shortage of labour supply for these jobs, though pay was generally quite low considering the nature of the work and the skills required. The management style was paternalistic and this was reflected in low trade union membership and weak collective bargaining strength.

In spite of a growing concentration of book publishing in the hands of large international

publishing groups and media conglomerates, it remains a highly competitive sector, with hundreds of small independent publishing businesses still co-existing alongside the large publishing groups and conglomerates. This is the result of first, low barriers to entry, second, few economies of scale at the origination stage since each title demands a similar amount of labour and, finally, limited scope for any long-term market control in the face of a continuous expansion in the number of new book titles competing for plateaued sales levels.

Traditionally, editorial staff were required to have a general literary knowledge and to develop firm-specific skills. Although the task of copy-editing and proof-reading made it suitable for freelance homeworking, it was initially only subject experts (who had other full-time jobs) who 'moonlighted' in this way, as well as women combining work with family roles. This early use of freelancing appeared to be relatively small-scale, and developed as a departure from in-house employment primarily to provide *specialist skills, meet peaks in demand and accommodate employees' needs*.

In this respect, previous employment policies accorded quite closely with those observed by MacGregor and Sproull who found, in their Employer's Labour Use Strategy (ELUS) national survey that self-employed (freelance) workers were mainly still used by employers for 'traditional' reasons, to provide specialist skills (cited by 60% of 'establishments' using self-employed labour) with the matching of manning levels to peaks in demand (29%) and meeting worker preference for self-employment (28%) being the only other reasons of any major significance [12].

There has, particularly in the 1980s, been a significant and larger-scale shift in the employment patterns of editorial staff away from in-house employment towards home-based freelancing. In addition to reducing overheads, this enabled the matching of staffing levels exactly with peaks and troughs in demand, thereby rendering labour a variable and almost totally predictable cost.

Increased competition and price pressures created the demand for a freelance workforce. The supply-side of the equation moved into place with waves of heavy redundancies which created an experienced, displaced, labour force available to take on freelance work. This army of former in-house labour was

reinforced by the traditional stream of young college leavers wishing to enter the industry, and the turbulence in other sectors of the economy displacing people with relevant skills.

### The fieldwork programme

It was decided to adopt a case-study approach based on interviews with a sample of publishing houses. The selection of publishing houses was made so as to cover a diverse cross-section of types of book publisher, in order to test the extent to which moves towards a freelance workforce of editors and proofreaders was a general, rather than an isolated, phenomenon.

The first stage of sampling was the choice of a publisher's directory with a comparatively condensed selection of entries, namely *The Writer's Handbook 1995* [13]. This was used to construct a small sampling frame comprising 42 UK book publishers, stratified by size and product type. Twelve publishers were then randomly selected from this sampling frame. The unit of analysis adopted was the 'establishment', interpreted here as the section of the business for which there existed a separate manager with operational responsibilities for freelance editors and proof-readers.

Where the research revealed more than one 'establishment' in an organisation, two 'establishments' were recruited from each as a test of similarity of labour use policies within an organisation. The final sample covered 14 establishments, owned by 12 different book publishing companies, ranging from household names to very small publishers at the opposite end of the size and visibility scale. Five of the 14 case-study establishments were media conglomerates, 5 were independents, 2 were subsidiaries of general conglomerates and 2 were from the public sector (one a university publisher). Numbers of titles published annually ranged from 6 to 750 and 10 of the 14 businesses sent at least part of their output for export.

The research involved interviews with managing editors conducted in 1994/5, these being strategically interposed between the freelancers previously studied and Finance Directors looking to cut organisational overheads. Whilst, if the necessary resources had been available, the latter might have been interviewed directly, in the event they still established a ubiquitous presence in the

research in the sense of imposing tight labour budgets and in-house staff freezes on Managing Editor respondents. The focus of our questioning was on the firm's labour deployment, the circumstances of the firms and the relationship between the environment and change or continuity in labour use. Questions were asked both about current and past use of types of labour so that a longer-term picture could be built up.

In the sector under review here—publishing—there are several sub-sectors, for example, journal publishers, magazine publishers, newspaper publishers, software publishers and book-publishers. Our research was purposefully restricted to just one of these—book-publishing—and, whilst it might be suggested that other arms of the same general industry are unlikely to remain immune from at least some of the economic and financial pressures prevailing in the book-publishing sector, we are not suggesting that assumptions be made in advance of attempts to conduct separate research into the sub-sectors concerned.

### Internal and external editorial workforces

Numbers of in-house editorial staff (employees) in the 14 establishments under study ranged from a minimum of 1 to a maximum of 25. An analysis of labour use showed a very high dependence on freelance editors and proof-readers. Whereas the 14 publishing 'establishments' employed, in total, under 100 in-house editors and proof-readers, they used between them around four times this number of freelancers on a regular basis and had as many again 'on the books', including those used only as reserves. There was also a clear segmentation within the freelance labour force, comprising 'regulars' and 'casuals'. Around 70% of the in-house staff were women and this figure accords closely with the proportion found by Tomlinson and Colgan [14]. However, it was noticeable that somewhat less than half of the managers responsible for freelance editing and proof-reading were women.

The research findings showed strong evidence of constraints on labour-use, enforced by Finance Directors and implemented in operational form by budgetary controls, the imposition of staff freezes and, often, the operation of policies restricting the replacement of in-house staff leavers. The personnel

specialist/department (where it existed in larger organisations) had policies on in-house employment but the process of hiring freelancers at the operational level was left entirely to commissioning editors:

"Basically, they (personnel department) are concerned with employment. As far as using freelancers is concerned, personnel don't regard that as employment. That's simply buying goods and services . . . If we're paying an outside printer for work we used to do in-house, it's just the same as far as they are concerned. They don't regard that as coming within their purview . . ." (Publisher J)

The allocation of work to freelancers then was not a formal affair. There was no question of drawing up formal lists of approved contractors, nor of competitive tendering. The system which had evolved was essentially informal and left everything to the discretion of in-house managing editors. Many stressed the long-term nature of relationships with freelancers, which often operated to the mutual benefit of both:

The bulk of our freelancers are people we have known for a long time, and a lot of them are ex-employees. . . . (Publisher G)

Some publishers gave priority to local freelancers to ensure a proportion of them in their pool:

Yes, of course it's very important to have some people (local) in London but . . . the rest can be anywhere in the British Isles. (Publisher K2)

At the same time, there were some freelancers who were never required to visit the publisher:

This particular chap who does most of our work has worked for us for 15 years and I've never actually met him—he's just a voice on the telephone. (Publisher C)

### Labour use rationales

Respondents from the 14 book publishing 'establishments' were asked whether the use of freelance editors and proof-readers was a recent or traditional practice and the reasons for their use. In only 4 of the 14 cases had the first use of freelancers occurred only recently (2 of these businesses had been formed only 4 and 7 years ago respectively). In the other 10 it had not been used historically on anything approaching its current scale but, rather, to allow small numbers of (usually) women to combine work with domestic



duties, 'moonlighting' or, alternatively, undertaking paid overtime away from the workplace. Thus, use of external workers was the continuation, and acceleration, of long-standing labour use practices, rather than something completely new. Typically, the use of freelancers had grown incrementally over time.

Two cases of more recent adoption of freelancing as a principal source of editorial labour (cases E and F) were relatively new business start-ups (four and seven years old) where new owners had simply adopted prevailing industry norms. Here the rationales for using freelance labour did not centre around 'cost cutting' as was the case with the older more established publishers, because costs had already been cut, but centred more around the challenges of matching peaks in demand and the provision of specialist skills. These were not publishers considering transferring from in-house to freelance labour. Instead, the current industry norms were adopted as a matter of course and 'taken-for-granted'.

Figure 1 illustrates the main reasons given by publishers for the current use of freelance labour in their organisations. Here we presented them with the main reasons for use of self-employed workers identified by MacGregor and Sproull in their Employers' Labour Use Strategy (ELUS) national survey [15]. Of the 14 establishments studied, 9 mentioned just one single 'main reason' whilst another 3 gave two main reasons and the

remaining 2 gave a spread of three main reasons each. Nine of the 14 establishments gave reasons which we could group under the heading of *cost-cutting*. Under this heading would come factors such as to 'reduce wage costs', 'reduce non-wage costs', 'save on office space' and 'cope with increased workloads with lower unit costs'.

Eight gave as a main reason 'matching peaks in demand' (the achievement of numerical flexibility). Four respondent firms (including the two relatively new ones) gave it as the only reason. Only a small minority (2) gave the 'provision of specialist skills' as a main reason for using freelance labour and these involved specialist language and legal knowledge skills. Only one of the 14 publishing establishments gave 'to accommodate freelancers preferences' as a main reason (either historically or currently) for the use of freelance labour. Therefore demand-side reasons for freelance labour use were predominant, and not the preferences of the supply-side.

Although statistical comparisons are not possible due to the small number of cases, our results do not appear to add support to MacGregor and Sproull's findings from their Employers' Labour Use Strategy (ELUS) national survey. Whereas MacGregor and Sproull found that self-employed workers were used mainly to provide specialist skills, followed by the matching of manning levels to peaks in demand, and then meeting individuals' preferences for self-employment, our

	Publishing houses													
	A	B	C	D	E	F	G	H	I	J	K	L	M	N
To provide specialists skills					X					X				
To match peaks in demand			X	X	X	X				X	X		X	X
To accommodate freelancers' preferences	X													
To reduce wage costs							X						X	
To reduce non-wage costs											X	X	X	
To take on higher workload	X	X							X	X				
To evade staff 'freezes'	X													

Figure 1: Main reason/s for using freelancers



findings reverse the first two reasons (mentioned by 2 case firms and 8 case firms respectively) and found only 1 case firm mentioning the third factor—accommodating worker preferences.

The three main reasons which we earlier conflated under the single heading of *cost cutting* were mentioned in total by nine respondent firms. The recently formed firms E and F had operated from the outset almost totally reliant on freelance labour use, with only a tiny in-house core workforce. These firms did not feel that the cost cutting factors applied to them since they saw their salience as pre-dating their entry into the field. This left a majority of 9 of the 12 older establishments (75%) claiming cost cutting as a major reason for freelance labour use.

### Case studies

Details of selected case-study publishing houses are outlined below to illustrate the interaction of forces over the last two decades which have acted to bring about the increased use of freelance editorial labour. Because each case is unique, it is important to try to interpret the data presented above within the environmental context of each publishing business.

Six case-studies have been chosen for presentation here and these were selected with the intention of demonstrating different patterns of freelance adoption. They are grouped in pairs under three book publishing sector headings: Public Sector (A and B); Independent (F and I) and Media Conglomerate (K and L, which each covered 2 'establishments').

#### *Public sector publishers A and B*

Publisher A was a well-known university press. It was founded nearly 100 years ago and specialised in academic books and journals in the humanities and social sciences. Its annual turnover was around the £1m mark and its annual output of new titles had increased to around 20 per annum from a base of around 10 in the mid-1970s. It had a good reputation and a strong market position.

The catalyst for the early use of freelancers, on anything other than an occasional ad hoc basis, dated back to the mid-1970s and took the form of a freeze on the recruitment of in-house staff as a response to uncertainties over

future levels of university funding. A contributory factor here appeared to have been threats of increased non-wage costs associated with new employment rights. This was the view of many employers in the 1970s, following the introduction of the 1971 Industrial Relations Act and the 1975 Employment Protection Act.

Publisher A had no formal policies regarding the use of freelance labour. Rather, current practices were the result of local developments over time. Over a period of 20 years, the output of new titles had doubled without any growth whatever in the number of in-house jobs which had remained fairly constant. However, the jobs of the in-house core had adapted to cope with the growing demands of editorial management and co-ordination.

Although this publisher is "in active contact with" around a dozen freelancers, only half that number are used on a regular basis and personal compatibility with freelancers is deemed important in their choice, as is their locality and ability to visit the premises fairly regularly:

As for deciding who (of the freelancers on their lists) gets the work, it's a prejudice founded on who you get on best with at a personal level . . . We like people to be local and to visit us quite often [once or twice a month] so that we can run through any queries they have—we like to interact with our freelancers anyway, so geography is a restriction.

Publisher A now envisages a further imminent expansion of new titles but, in order to achieve this, is hoping for a growth in the number of in-house editorial staff so as to maintain the current ratio of in-house to external freelance staff. The value system driving publisher A is essentially a cultural one, against a background of financial constraints, and it is clear that a small group of key freelancers are viewed very much as an integral part of the organisation by the in-house staff, in all respects other than employment fringe benefits and locality. Consistent with the strong cultural values of publisher A is a disapproval of the increasing numbers of untrained newcomers attempting to break into the industry without having been first trained and socialised into the industry.

Developments in publisher B shared certain similarities with those of publisher A, albeit against a background of some stark differences. Publisher B was a division of a well-known non-profit making organisation with

a cultural mission in the public sector. Founded 20 years ago, it specialised in academic and professional books on the arts and the media. Its output of new titles had recently increased to about 30 a year and its turnover was around the £0.5m mark.

Until the early 1990s, all copy-editing and proof-reading was undertaken in-house. No use whatever, other than in very rare and exceptional circumstances, had been made of freelance labour. However, at that time, the organisation faced a severe financial crisis triggered by cuts in government grant and recession.

A new senior manager was brought into the organisation with a brief to increase output and dilute overheads. Immediately, the size of the in-house core staff team was reduced and most editorial work put out to freelancers, with the remaining staff restricted to simply commissioning and editing the work of their freelance counterparts. With the use of freelance labour, output rose sharply:

With roughly the same in-house staff levels as we had five years ago, we are now doing about 30 publications a year compared with 8 or 10 then.

Although the changes in this organisation were of very recent origin, this did not indicate that they were in any sense reversible. The change in culture ran deep now with the new manager working to actually break ties with traditional sector norms and values. For instance, he actively discouraged policies favouring freelancers either living locally or, indeed, previously trained in the sector, urging his staff to seek only competence in their freelancers.

Publisher B had 15 freelancers on its books, of whom 3 were used almost full-time, 6 were used regularly and the remaining 6 used occasionally. The process of reducing core staff and using freelancers in their place was also being considered for implementation amongst the organisation's direct sales team.

Both cases A and B were examples of reactive strategies designed to deal with external financial pressures. These arose from a common source—changes in government funding and, in the case of B particularly, recession. Resulting business policies had marked implications for labour use. The major differences in these two case examples were, firstly, the speed with which it came about. For publisher A the process of change was less dramatic, allowing a business policy of containment to be adopted before coping

with an expansion programme. Secondly, whereas publisher A was able to protect its core in-house workforce completely and was, at the end of the case even intending to expand it, publisher B had cut the size of its in-house core and further cuts looked likely in the future. However, the fact remained that, in both organisations, the reliance upon freelance labour use had become substantial.

#### *Independent sector publishers F and I*

Publisher F was a very small independent publisher founded in the late 1980s. With an annual financial turnover of around £0.3m, it produced around 12 new book titles a year, mainly non-fiction paperbacks for the consumer market. It also produced a lot of reprints. Access to a large pool of experienced freelancers, with experience of different fields, enabled them to match their labour requirements both to the intermittent flow of work and, when required, to the particular knowledge and skill demands of each book.

The Publications Director of publisher F had previously worked for a larger publisher which had moved towards ever greater use of freelancers in order to save on labour costs. She had 20 freelance editors and proofreaders on her books, of whom six were used regularly:

The regulars are people who never foul up, who never make a mistake. People without in-house training don't understand (your needs).

Our respondent saw the main arguments for using freelancers as their suitability for homeworking and the need to meet intermittent peaks in demand for work:

Proofreading and editing are skills that need uninterrupted concentration and can be done very well at home . . . Only large firms nowadays seem able to employ full-time proofers and editors in-house because, in a small firm, the work is too sporadic.

The occasional need for specialist skills was also seen as an important advantage to be gained from using freelance labour:

You can get someone of a high calibre, who will understand the book in question, whereas an in-house person may not be suited for that particular project.

However, at the same time, disadvantages were acknowledged linked with the use of freelance labour:

Sometimes it's better to have people in-house. Freelancers can only do specific large projects.

They can't do the sort of little things as they go along. They may not always be fully aware of what you want because you're not working with them on a day-to-day basis . . . .

This business would probably never have started up but for the cost advantages bestowed by the use of freelance labour and the resulting space savings. However, because the business had started so recently, the option of employing in-house editorial staff had never been considered. Employee wage costs and non-wage costs were never savings that existed to be made since they were never encountered. A minimal or virtual office, based almost totally on freelance labour use, was the reality from the outset and was a 'taken-for-granted' pre-condition for business set-up and survival. This case suggests that, unless independent book publishers achieve considerable market power in a particular market niche, or are large enough to ensure an even work flow, they will have to rely on the use of freelance editors and proofreaders in order to stay in business.

Publisher I was a medium-sized, well-known and long-established business with a fair degree of market strength. Formed in the 1920s, it produced 120–150 new titles plus around 100 reprints of fiction and non-fiction for the consumer market. It had an annual turnover of around £9m. In recent years, output had increased dramatically and publication times shortened. Certainly, the use of freelance labour for them appeared less 'crisis' or 'pressure' induced than was the case for most of the other case-studies. Also, whereas publisher F was a labour-market 'taker', publisher I was more of a labour-market 'maker'. This company appeared to have been more proactive in its decision-making than most and its reasons for change may have been more oriented towards positive desires for growth and profitability than the reactive impulse of sheer survival. It is noticeable that, of all the 12 publishing houses, or 14 establishments studied, it was one of two (the other being publisher A) where respondents gave the widest range of reasons for using freelance labour (see Figure 1).

Publisher I was able to point to dramatic increases in new book titles in recent years, along with a shortening of publication times. Other reasons given for freelance labour use were the ability to harness specialist skills and to meet peaks in demand which coincided with their main publication seasons, these being autumn (for the Christmas

market) and spring. Publisher I had some 40 freelance editorial workers on their books and used between 20 and 30 regularly. As the Pre-Press manager put it:

People like working for us. We don't pay particularly well compared with other publishing companies, but we do publish books which our freelancers actually enjoy reading on a pleasurable basis whilst earning money.

No freelancer had been dropped since the current Pre-Press Manager joined the company 3 years ago but, he claimed, they would if their work fell below standard or they tried to push up the price too much. In the past, no target hours were issued with jobs, which had resulted in some excessively high pay claims. Target hours were now being given and freelancers were expected to discuss these in advance if they deemed targets unreasonable, for example, due to complexity or length. The Pre-Press Manager had wanted to appoint one additional in-house copy-editor in order to be able to cope more comfortably with rush jobs. Though, in his professional judgement, this would make good operational sense, it looked unlikely to happen since the company tended to look unfavourably on the appointment of any staff to new permanent posts.

As was noted above, publisher I enjoyed considerable market strength and appeared to have been more pro-active, rather than purely responsive, in its decision-making compared with other publishers in the sample. In line with this, the firm had just taken on a new Pre-Press Manager specifically to cope with the challenges of new technology:

It's increasingly likely that our freelancers will have to be equipped with a computer in the future because, as opposed to sending out typed manuscripts, we're now sending out discs and asking freelancers to edit on screen for us.

The main difference between case-study publishers F and I was that publisher I had protected its in-house 'core' editorial employed workforce whilst publisher F had never had one. Though the outcome is again similar in terms of a substantial reliance on freelance labour, the process is different reflecting the respective ages and histories of these two publishers.

*Media conglomerate publishers—book publishing subsidiaries K1/K2 and L1/L2*

Publisher K was a UK publishing subsidiary



of a large international media conglomerate. Each of its divisions was managed independently. This case-study contrasts two of publisher K's editorial departments. By far the largest of these was K1. The paperback imprint on which K1 was based was founded some 60 years ago. K1 produced over 300 new titles each year, specialising in paperbacks for the home consumer market. It also re-printed around 100 'take-overs' (paperback editions of successful hardbacks). By comparison, K2 was much smaller, producing around 50 new hardbacks each year for the home consumer market.

Freelance working in publisher K subsidiaries (both K1 and K2) began some 20 to 30 years ago, during which period most editorial management positions had been vacated several times and even respondents who had been employed there since that time were in very much more junior positions when early practices on freelancer use were first established. This, allied with the size and complexity of this very large international conglomerate, made the exact tracing of historical decisions, and their designation as either *strategic* or *operational* extremely difficult. However, at the very least, respondents were able to supply a knowledge and understanding of at least the major factors which sustained the practice of freelance labour use.

Respondents' accounts confirmed that the use of freelance labour in establishments K1 and K2 operated in much the same way and for much the same reasons, despite the fact that they were of different sizes and served very different subject areas and target markets. The output of titles at K1 had increased markedly in recent years, though not so at K2. Here the pressure to reduce costs per title came largely from stagnated sales and the increasing power of distributors via increased discounts and 'sale or return' contracts. The strongest single point of comparability in the situations of the 2 establishments (apart from identical ownership) was an uneven (largely seasonal) demand for their product and hence labour resources.

Publisher K had repeatedly been forced to make redundancies, hence reducing the size of its in-house 'core' staff. The resulting outcome had involved the transfer of redundant editorial staff over to freelance status operating from their own homes. In the words of one manager:

A lot of editors who were made redundant are now working as freelancers—an awful lot. There

are far more people waiting to work in the industry than there are jobs. Often when you get jobs advertised, even at quite junior level, you get a huge number of people applying—many of them vastly over-qualified. However, since fewer and fewer people are now being trained in-house, you find that many of the applications are from people with little or no experience so you don't have as wide a choice as you might think at first sight.

The use of freelance editors and proofreaders at K1 has been traditional over a period of 30 years but on nothing like its current scale. Managers experienced an on-going tension between the need to use freelancers in order to contain business overhead levels and the need to maintain sufficient in-house staff to run the business effectively. Since the underlying source of this tension was the competitive and uncertain conditions of book publishing, there seemed little scope for respite.

Publisher K had a strong NUJ chapel which negotiated locally with the company. The current company agreement contained a commitment to maintain prevailing staff levels and thus provided some protection against the use of freelancers to undermine the job security of in-house staff.

In both the publisher K establishments, another change was currently taking place involving the introduction of new technology designed to cut overheads:

We at (publisher K) are going to introduce working on screen within the next year or so. Certainly freelancers who are not already working on screen had better learn fast, because everyone in the industry is going to have to be able to cope with it.

A respondent from publisher K2 saw bookshop discounting as a growing problem currently facing book publishers:

... discounts on books to bookshops are becoming enormous ... and they can return anything they want which didn't happen in the old days. It has become particularly acute in the last 5 years or so. So, we do small print runs now and gear up for quick reprints if necessary—'just-in-time' printing.

In the case of both publisher K subsidiaries, the growth of freelance labour use had been accompanied by a continuing process of core staff reductions. Broadly speaking, the findings in this case study support the notion of labour use policies developing over a long period in an incremental way in response to changing market conditions. Whether it is appropriate to describe such events as strategic decision-making is a matter for debate.

Publisher L was a holding company for several UK subsidiaries of an international

media conglomerate with an annual turnover of approximately £300m. This case study covered two establishments, L1 and L2. Publisher L1 specialised in legal books for the academic and professional market, producing around 50 new titles each year. Publisher L2 produced only about 6 new titles each year in the non-fiction consumer market and did a lot of work up-dating a very large back-list.

The editorial departments of both publishers L1 and L2 had traditionally been very strongly female dominated. However, particularly in the case of L1, specialising in legal books, the situation was beginning to change:

I think there are more men coming in now as editors. I think this is a reflection of the difficulty of getting articles or pupillages in the legal world. People with a law degree are sometimes looking for another outlet connected with the law.

Publisher L1's strong legal booklist was growing, primarily because of the volume of statutory changes made since the early 1980s. The number of in-house staff had not been cut during this period due to shortages in the key skill areas, though the origination costs per title had dropped due to the use of freelance labour. In traditional terms, in-house expansion would have been necessary in order to accommodate such an expansion in output but this had been pegged. In addition, fluctuations in workload had increased due to the need to get into the market quickly following changes in statutory provisions. This had been in addition to coping with the seasonal fluctuations associated with the academic book market. The situation of publisher L2 was similar, albeit with certain key differences. Seasonality was in this case tied to the consumer Christmas market.

Publisher L1 reported a very settled band of freelancers:

We have to use people trained in-house for this kind of specialist work. Most of them have been with us for 20 years and are ex-employees. We use people who do most of their work for us and so they tend to be available when we need them.

Editorial managers at both L1 and L2 felt that their work was specialist and did not lend itself very easily to freelance working. As a result, L1 took care to provide regular work for a group of around 50 carefully selected freelancers:

We pick people carefully and pay fairly well. We have people who rely on us for about 70 per cent

of their work and so tend to be available to us as and when we need them.

An editorial manager from L2 said:

We prefer to do the work in-house because then people know the subject matter and can work faster. If I use freelancers, it's because I really have no option and I will give them work which doesn't involve a necessity of the subject knowledge.

Publisher L2 was currently building up a new list of freelancers due to major changes in skill demands, stemming from the introduction of new technology:

The reason my list of freelancers is not appropriate any more is that we are now using Apple Macs in-house. We now do desk top publishing, which has totally changed the skills base of everyone here. They (in-house staff) are all very skilled at this and none of the freelance people I used before have those skills, so I'll have to start again and find people with those skills.

Comparing these 2 establishments, it was apparent that the pressures for changes in labour use did not develop evenly over time or across different divisions of the same business. Nevertheless, different factors had combined to create similar pressures in establishments of differing size, target markets, and seasonal factors, to reduce organisational overheads. One common response to this was the development of a labour force containing a large freelance element.

### Discussion and conclusions

The current research has highlighted a sector of the economy which has moved in the direction of a 'core-periphery' type structure in a profound, sustained and, probably irreversible manner. Industry concentration and labour use policies transformed the UK book publishing industry fundamentally between the mid-1970s and the mid-1990s.

Given the nature of the work involved—editing and proofreading—and the sector's early historical precedents for freelancing, it is perhaps not surprising that freelancing grew so rapidly when economic pressures threatened the very existence of so many publishing houses. However, freelance labour use has grown because of a series of recessions in the industry, compounded by a rash of takeovers and mergers, plus a reduction in union power.

The control of labour costs in book origination is vitally important for publishers since cost is front-loaded and labour-inten-

sive. In controlling these costs, publishers have been helped by the persistent over-supply of a predominantly female labour force with the appropriate skills. As Rubery and Wilkinson comment:

Thus employers have the best of several worlds: the domestic circumstance of married women, for example, provides the basis for a flexible, committed but cheap labour force: primary workers at secondary prices [16].

No longer is freelance labour used as an addition to mainstream in-house full-time labour but, rather, as a substitute. Life in the freelance editorial labour market is potentially brutal carrying, as it does, no perks and no security. The findings from the current research fieldwork showed that management policies took the form largely of reactions based on tradition and opportunism.

The book-publishing labour force is aging since few young entrants were being taken on in-house to learn the trade. It was only prior direct in-house experience which allowed the freelance system to work. But, as one respondent put it:

We are not really in the business of training because it would require distance learning ... The way in which we operate now necessitates that people already have the skills we require. (Publisher K2)

As this aging workforce passes through the age of normal retirement, there is no obvious source of replacement in the absence of any concerted training effort by the industry [17].

A typology of segmented labour markets, following Loveridge (Figure 2), appears to fit the situations of our case-study firms better than a simple core-periphery model [18]. This model is based on a four-fold classification cross-cutting internal (I) and external (E) labour markets with primary (P) and secondary (S) labour markets. This yields four firm-spe-

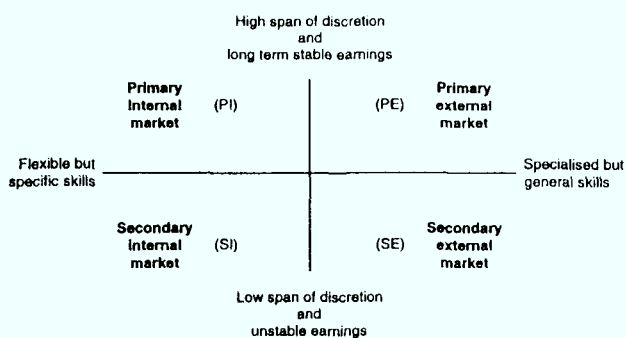


Figure 2: Organisational and firm specific labour markets

cific labour markets: PI, PE, SI and SE. However, whereas the Atkinson model would label all our freelance workers as simply *externalised*, using the Loveridge model allows for two distinct categories of externalised workers. 'regulars' and 'casuals' fit the PE and SE categories, respectively.

The 'regulars' represented a relatively stable external workforce which approximates to Loveridge's *primary external* grouping (Figure 2). These were freelance workers, highly regarded by in-house managers, who experienced a flow of repeat work, thereby somewhat reducing their experience of income insecurity. The corollary is that there is a *secondary external* workforce of freelancers who were referred to as 'casuals'. The latter only gain work opportunities when the former are unavailable, and therefore experience lower and less stable earnings.

Thus, there appeared to be a distinct form of labour market segmentation in operation, but amongst people performing broadly similar jobs, in three of Loveridge's categories: employed editors and proofreaders (internal primary labour market); freelance 'regulars' (external primary labour market) and, finally, freelance 'casuals' (external secondary labour market). Even for 'regular' freelancers, financial rewards were confined strictly to matters of pay for work completed. There were no sickness or holiday payments, pensions or other fringe benefits.

Loveridge's typology, based on labour market segmentation, is useful in that it allows changes in the location of employees to be explained by employers' reactions to change. Also, this facilitates explanation at the individual firm level, and can offer insights into why particular groups of workers have been moved, for example, from the primary internal to the primary external market within particular enterprises.

The main union for editorial and other creative staff grades in the UK book publishing industry, the National Union of Journalists (NUJ) has found itself unable to resist either the tide of de-recognition or the growing use of freelance labour in recent years. On occasions, employers have cushioned redundancies, following the example of employers in other industries, by guarantees of freelance work. This, in itself, underlined the fact that freelancers in publishing were far from being a new breed of self-employed entrepreneurs. Rather, they were a casualised and highly dependent workforce facing insecurity and,



in the years to come, a bewildering rate of technological change.

The fact that the book-publishing industry had a tradition, albeit on a much smaller scale than at present, of freelance working, providing a tried-and-tested means of cost-reduction in the face of increasing competition and economic pressures. This, in turn, accords with Hakim's observation that:

It seems to follow that only a small part of the rapid increase in the size of the peripheral workforce ... is attributable to a qualitative change in management strategy, the major part being due simply to an extension of traditional approaches to labour use. Current restructuring of the labour force is brought about by the continuation and intensification of traditional and opportunistic approaches to the use of the peripheral workforce as an extension of, or substitution for, the core workforce. [19]

The main driver for greater use of freelance workers was clearly cost-cutting. In all the cases studied, changes in labour use appeared to have become irreversible since lower cost structures had been absorbed and generalised. This was illustrated nowhere more clearly than in the case of the two relatively new firms which automatically adopted a core-periphery mode of operation in order to compete on equal terms with existing publishing houses. Hakim makes the point that such changes can quickly become irreversible:

One might conclude that the expansion of the periphery ... might be readily reversed once a pattern of continuous and stable growth in the economy is achieved. But changes that are 'accidental' or 'opportunistic' when they occur can nonetheless quickly become permanent and irreversible. [20]

The predictions of Rubery and Wilkinson now seem rather optimistic:

... the ability to escape from uncertainty and price pressure, by adopting employment strategies based on wage and employment flexibility, is constrained by the requirement to pay closer attention to non-price aspects of competition ... The fact that the effects of labour organization strategies are likely to be imprinted on the quality of products and services limits the scope of policies producing inferior terms and conditions of employment in highly competitive markets where product quality matters. [21]

General economic decline and employer strength have progressed at such a pace over the ten years since the research upon which this claim was made that, in book-publishing at least, primary quality labour is being con-

sistently accessed at secondary prices. There is little evidence in book publishing of long-term, strategic thought on the adoption of increasing segmented labour market use but, equally, it seems to have become a permanent and taken-for-granted *modus operandi*. It is difficult to envisage publishers reverting to earlier practices.

### Acknowledgements

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# Reluctant Entrepreneurs and their Clients — The Case of Self-employed Freelance Workers in the British Book Publishing Industry

*by Celia and John Stanworth*

ONE OF THE MOST PROFOUND changes in the structure of the British workforce since the early 1980s has been the dramatic growth in the number of people involved in small business, particularly the self-employed without employees (Curran and Reid, 1992). Another has been the emergence of the larger business in its new incarnation as a 'down-sized', work intensified, externally sourced, 'anorexic' organisation (Atkinson and Meager, 1986; Cordova, 1986; Hakim, 1987 and 1990; Hunter and MacInnes, 1990; MacGregor and Sproull, 1991; Rainbird, 1991; Walsh, 1991; Brewster, Hegewisch, Lockhart and Mayne, 1993; Turnbull and Wass, 1995). However, these two processes are becoming increasingly inter-twined, with the larger organisation searching for 'leanness',

achieved by means of internal staff reductions and by 'externalising' many functions previously performed in-house.

We have, on occasions, witnessed whole classes of employees with no real aspirations to become entrepreneurs, making the transition from employment to self-employment, often continuing to work partly or wholly for their former employers. For instance, in the UK, the late 1980s and early 1990s witnessed the emergence of over 8,000 self-employed franchised diary roundsmen (British Franchise Association/National Westminster Bank, Franchise Survey, 1993: 3; Boyle, 1994). These were:

*"... laid off as full-time employees of the major dairies and (subsequently) enfranchised as self-employed businessmen to deliver milk"* (Boyle, 1994).

For further evidence of this trend, we may turn to the example of the construction industry which accounts for around one-fifth of all UK small businesses (DTI, 1966: 88; Curran, 1996: 5). Within the industry, 84 per cent work in small businesses employing fewer than 100 (DTI, 1996: 89) and 44 per cent of the workforce are self-employed (LFS, 1996: 10). Druker and Macallan (1996: 2) have made the observation:

*“Many of those working in the construction industry who are called ‘self-employed’ are employees in all but name. Some of them have worked continuously for the same employer over several years and are in effect ‘in-house’ self-employed. Others have less regular and more casual work. In both cases, they are quasi-employees, with little of the autonomy in the workplace which characterises those who are genuinely self-employed.”*

Consistent with this trend, the Department of Trade and Industry in Britain has said:

*“The growth in the total number of businesses is largely the result of the increasing number of micro businesses. This is illustrated by the rapid increase in self-employment, particularly amongst those without employees” (DTI, 1996: 6).*

Government statistics show that the number of small businesses in Britain (both with and without employees) grew during the period 1981–1994, from 2.25 million to 3.25 million. However, the number of small businesses *with employees* remained largely *static* at around one million whereas the number of self-employed *without employees* dramatically *increased* from around 1.25m to 2.25m.

Relatively little is known of the self-employed without employees (Curran and Reid, 1992) but they are typically regarded as micro small businesses

passing through the early stages of business growth. However, the above statistics indicate that growth, in a job creation sense, is actually an atypical process and, as our current study shows, we may obtain a better understanding of the situation of the self-employed without employees by use of a model based on labour market segmentation (Loveridge, 1983: 159).

### **The British Book Publishing Industry**

The traditional British book publisher was small, independent and owner-managed. The traditional form of editorial labour was full-time, permanent (in-house) employees, predominantly women, with degrees in the arts and a strong literary interest. As with other forms of creative employment, there was no shortage of labour supply for these jobs, though pay was generally quite low considering the nature of the work and the skills required. The management style was ‘paternalistic’.

The period since the late 1970s has witnessed a far-reaching process of global competition plus takeovers and mergers, resulting in a growing concentration of book publishing in the hands of large international publishing groups and media conglomerates. Associated with the concentration of ownership of the industry has been a shift away from literary towards financial business goals. Bureaucratic decision-making has eased out close personal working relationships — financial and marketing concerns now take preference.

By the mid-1980s, a handful of large international publishing groups controlled over half of the UK market and by 1990, according to Feather (1993), the UK book market was “dominated by four major groups

(Random Century, HarperCollins, Pearson and Reid International), each of them comprehending many different activities in publishing and other media . . . (and having) presence in both Britain and the United States" (1993: 169). The mergers were mainly 'horizontal', involving the extension of a publisher's existing product range by the acquisition of another publisher's 'list' of book titles rather than the company as a whole.

These changes had major implications for publishing staff, including waves of redundancies. A concentration of cost-cutting has meant that jobs with low task interdependency, that use relatively inexpensive equipment, and are cerebral rather than manual in nature, such as the proof-readers and editors in the current survey, are increasingly being 'externalised' (Clark, 1988; Bennett, 1992).

Since the 1970s, average book sales per title in Britain have fallen. Revenue shortfalls have been exacerbated further by the growing strength of book distributors, cutting of profit margins, and the introduction of 'sale or return' contracts (Owen, 1993). The response of publishers, in an attempt to hold market shares and spread their risks, has been to substantially increase numbers of new titles whilst holding down business overheads. One key strategy here has been the increasing use of freelance editorial workers, firstly to accommodate 'freezes' in the number of in-house 'core' staff and, more recently, as replacements for the latter.

The 'externalisation' of editing and proof-reading offers publishers considerable cost-savings, focusing around an ability to closely match the supply and demand for labour, and to access specialist skills only needed

intermittently on a short-term basis. It also circumvents many overhead costs of employment, including the costs of providing office space, training and equipment provision. The self-employed freelancers share none of the employment protection provisions of the directly employed, and the risks of obtaining a sufficient flow of work and income are pushed onto them.

Whilst large conglomerates hold centre-stage in the public perception of British book-publishing, the majority of publishers, in pure statistical terms, are still young independents. A third force in the field is the universities and professional associations, keen to promote their intellectual output to their respective peer group readerships.

### **The Fieldwork Programme**

The research reported here is drawn from a multi-stage project. The first stage involved a survey of around 800 freelance editors and proof-readers conducted during the early to mid-1990s. This resulted in a usable response of 371 mailed-questionnaires. Following this, recorded in-depth interviews were conducted with a representative sample of 40 respondents (Granger, Stanworth and Stanworth, 1995; Stanworth and Stanworth, 1995).

Finally, it was decided to interview key staff from a range of publishing houses in order to achieve a better understanding of the forces and policies structuring the large-scale movement away from the use of employed in-house creative editorial staff and towards the increasing use of self-employed externalised labour. This study was completed in 1995 and involved 14 publishing establishments. Five of the 14 case-study establishments were media conglomerates, 5 were independents, 2



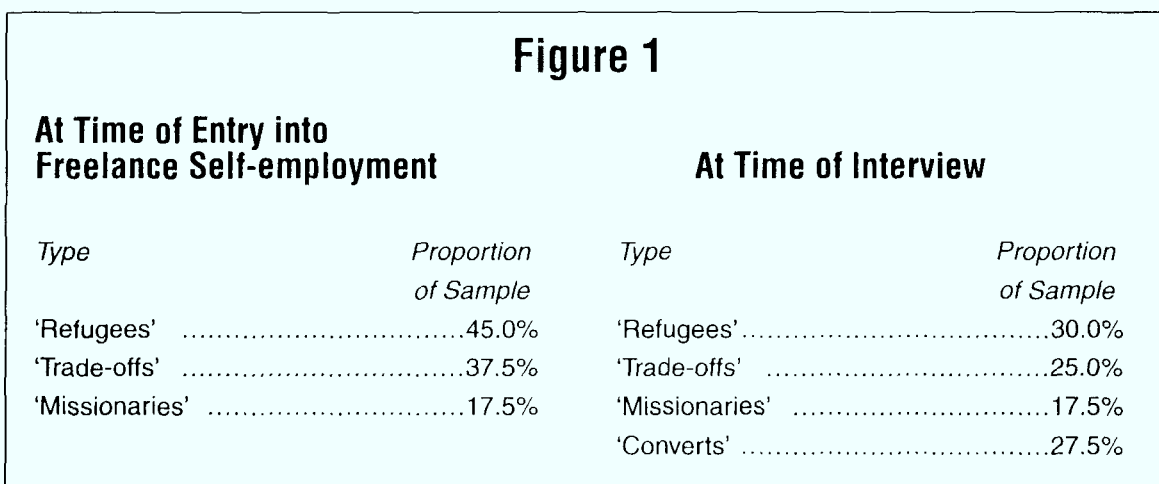
were subsidiaries of general conglomerates and 2 were drawn from the public sector (one a university publisher). Numbers of titles published annually ranged from 6 to 750 and 10 of the 14 businesses sent at least part of their output for export. This current article represents an attempt to pull together the various strands of this entire project, with a special focus on issues such as entrepreneurship, small business creation and changing labour markets in Britain.

### From Employment to Self-employment

Our in-depth interview programme with freelancers showed routes into freelancing characterised by the overriding effects of a major career disruption, most commonly redundancy. Our analysis shows that the threshold of

These would take a job as an employee if one became available and would not encourage others to become self-employed.

2. *Trade-offs*: who became freelance through a desire to accommodate certain essential non-work needs (child rearing, caring, disablement, desire for rural life-style, etc.). These would return to employment if a job were offered and other circumstances permitted. They would encourage others to become self-employed only provided they have the essential personal qualities and prior experience as an employee in publishing.
3. *Missionaries*: who became freelance mainly through personal preference, often fuelled by a strong dislike of in-house politics, pressures, bureaucracy, etc. They would not return to



transition for those entering self-employment from direct employment operates at a number of levels, rather than the simple two-level 'push-pull' model (Curran, 1996). A typology of 4 main types of book-publishing self-employed freelancers was developed:

1. *Refugees*: who became freelance because of the loss of in-house employment (due to redundancy).

employment under any realistic circumstances and would encourage others to become self-employed only provided they have the essential personal qualities and prior experience as an employee in publishing.

4. *Converts*: who became freelance initially as 'Refugees' or, alternatively, 'Trade-offs'. They subsequently became committed to self-employment and



would not return to employment if it became a possibility. They would recommend others to become self-employed only provided they have the essential personal qualities and prior experience as an employee in publishing.

Using the above 'types', we analysed our data to assess the make-up of our sample firstly at the time of initial entry into self-employment and, secondly, at the time of interview (Figure 1). Our sample was predominantly female (75 per cent) and some interesting gender differences were found in terms of gender attachment to self-employment, analysed in terms of our four self-employed career types. The males in our sample demonstrated a notably higher propensity than their female counterparts to have been propelled reluctantly into self-employment via redundancy and therefore to feature as members of our 'refugee' grouping. Women, on the other hand, showed a notably stronger propensity than men to membership of the 'trade-off' type, usually driven by a desire or need to combine paid work with domestic duties.

Women also showed a higher propensity than men towards membership of the 'missionary' grouping who left employment voluntarily (rather than through redundancy) but often in order to avoid a stifling or otherwise unsatisfactory work situation (Granger, Stanworth and Stanworth, 1995). Both sexes showed a similar propensity to become self-employed 'converts'. Here, individuals who saw self-employment initially only as a stop-gap strategy later showed little interest in returning to employment. Thus, 'converts' were hypothesised as undergoing an 'ideological conversion' where, in fact

'unemployment push' had become 'ideological pull'. Membership of this grouping was drawn fairly equally from the 'refugee' and 'trade-off' groupings

### **Publishers' Self-employed Labour Use Policies**

Traditionally, back in the 1970s, only very limited use was made of freelance labour. Editorial staff were required to have a general literary knowledge and to develop firm-specific skills. Although the task of copy-editing and proof-reading made it suitable for freelance homeworking, it was relatively little used. Where it was used, it was very much an extension of a conventional in-house role. For instance, subject experts (who had other full-time jobs) occasionally 'moonlighted' in this way. In addition, in-house staff sometimes worked out-of-hours, finishing rush work at home on a 'freelance' basis (essentially in the manner of paid overtime). Finally, women sometimes combined work with family roles by working freelance for, usually, limited periods before returning to work in-house again as an employee.

The early use of freelancing in book-publishing appears to have been relatively small-scale, and developed as a departure from conventional in-house employment, primarily in order to provide *specialist skills, meet peaks in demand* and *meet employees' needs*. In this respect, these policies on freelancer use accorded quite closely with those observed by MacGregor and Sproull (1991) in their National Survey of Labour Use in Britain. They reported self-employed (freelance) workers as being used by employers for mainly 'traditional' reasons: to provide specialist skills (cited by 60 per cent of 'establishments' using self-employed

labour), to match manning levels to peaks in demand (cited by 29 per cent) and in order to meet worker preferences for self-employment (cited by 28 per cent). One of our editorial manager respondents cited two allied processes at work in the growth of freelancing in publishing.

*"In the early stages, it was mainly a case of in-house numbers (of editorial staff) not being allowed to grow and freelancers being used to expand the business. But, more recently, ( even ) in-house staff numbers have been shrinking. They have shrunk dramatically in the last few years and been replaced by freelancers."*

Virtually all of the publishing houses in our sample had expanded their title lists by increasingly using in-house staff to commission and manage freelance staff. By linking labour directly with output via the use of freelancers, part of the origination overhead involved in book production becomes a variable and more controllable cost. As one of our publisher respondents explained it:

*"If you've got a lot on, you can simply contract more freelancers. If you haven't got much on, you don't have to use them. If you have someone permanently employed, you have to rely on achieving a steady throughput of work which isn't easy. Also, it (the use of freelancers) does save money. There is no doubt about the differences in cost between paying a home-based freelancer just simply for the work they do and a full-time in-house salary, with all the incidental expenses that entails (National Insurance, sickness, holidays, superannuation, etc.) and, of course, providing office space in a costly location . . ."*

Another said:

*"With roughly the same in-house staff levels as we had five years ago, we are now doing about 30 publications a year compared with*

*8 or 10 then. It does allow you much more flexibility."*

The research findings showed little obvious evidence of any formal company policies on freelance use, nor of any involvement of Personnel Departments where they existed in the larger publishers. The personnel specialist/department might typically have had a policy on employment overall (e.g. enforcing 'freezes' on in-house staff numbers and sanctioning the use of freelancers), but procedures for labour use at the operational level were left entirely to commissioning editors. There was no question of drawing up formal lists of 'approved contractors', nor of 'competitive tendering'. The system which had evolved was essentially informal and left everything to the discretion of in-house managing editors. As one put it:

*"Basically, they (Personnel Department) are concerned with employment. As far as using freelancers is concerned, personnel don't regard that as employment. That's simply buying goods and services . . . If we're paying an outside printer for work we used to do in-house, it's just the same as far as they are concerned. They don't regard that as coming within their purview . . ."*

The commissioning editors reported that the only guidelines they received were hourly pay-rates for broad areas of work. Many stressed the long-term nature of relationships, which operated to the mutual benefit of both the contracting publisher and the freelancer:

*"The bulk of our freelancers are people we have known for a long time, and a lot of them are ex-employees . . ."*

Another commented upon the informality of relationships between in-house and freelance staff:

*"As for deciding who (of the freelancers on*



Although our respondents' legal and economic status as self-employed would suggest that they could freely contract with a range of different clients, the reality was rather different. Typically, respondents were reliant upon a single client (sometimes their former employer) for over half their work and upon a second client for a further 20 per cent or more (Figure 3). In a nutshell, they were heavily dependent upon just one or two major clients which made them vulnerable to changes in the job demands of these clients and also in-house personnel changes. Their weak bargaining position left them with little scope for independent growth and development.

Our earlier work (Stanworth and Stanworth, 1995; Granger, Stanworth and Stanworth, 1995) had shown that the freelancers felt more autonomous than in-house employees but, in reality, their independence of action was very limited. Paradoxically, if they were working on more than one project at a time, they felt pressured towards creating the illusion that they were working exclusively for one client alone:

*"I suppose I encourage every client to think they are my only client. They tend to assume I have no-one else and I don't like them to think that I've got other work on the go."*

Another said:

*"Every single client thinks they're the most important star in your astronomy and you've got to pretend that they are. You always have to give the impression that their job is the one you are working on this minute."*

However, interviews with commissioning editors in publishing houses indicated that they were not obvious to the possibility of their freelancers being torn between loyalties

to more than one client. For instance, one said:

*"We pick people carefully and pay fairly well. We have people who rely on us for about 70 per cent of their work and so tend to be available to use as and when we need them."*

Another said:

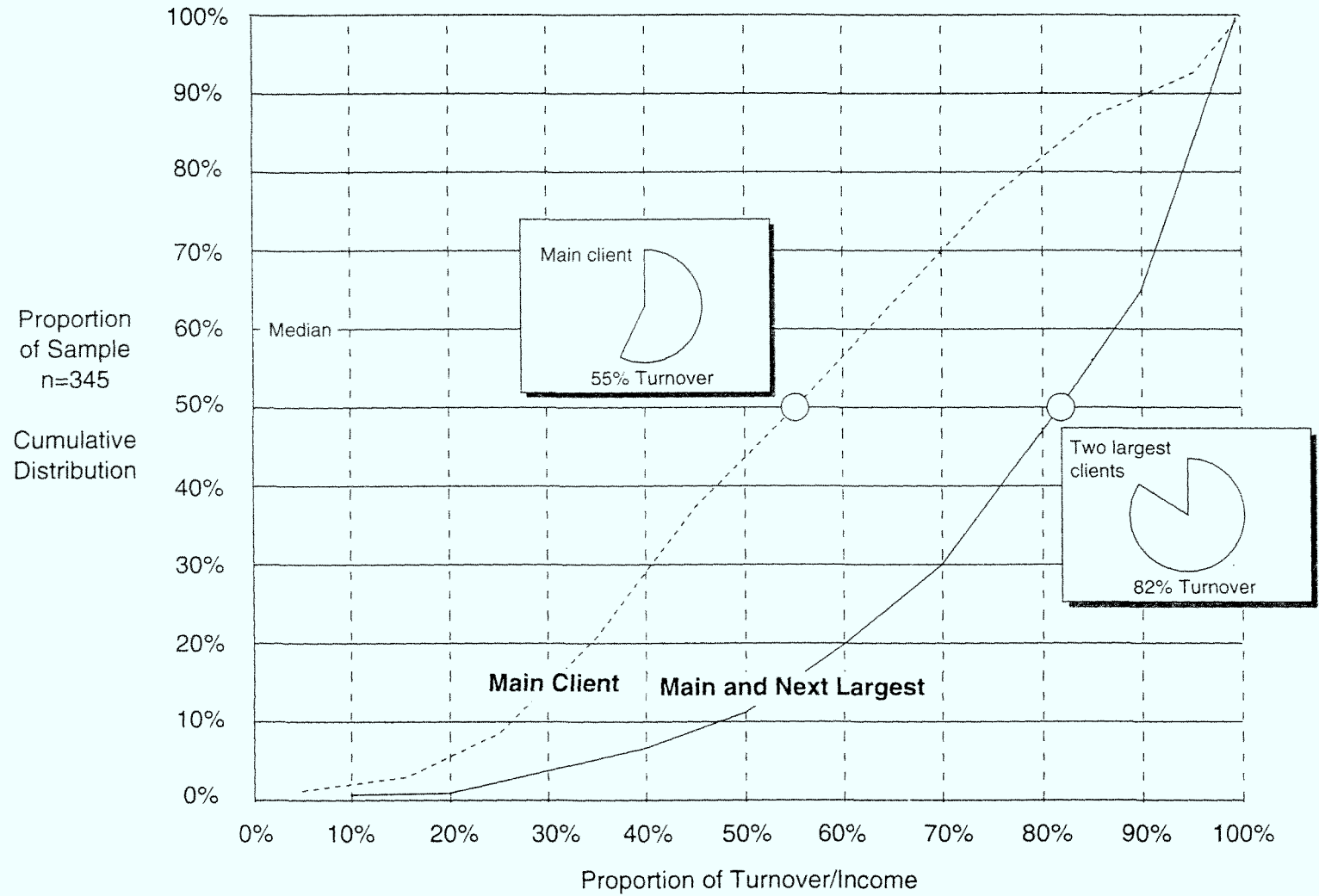
*"We have to use people trained in-house for this kind of specialist work. Most of them have been with us for 20 years and are ex-employees. We use people who do most of their work for us and so they tend to be available when we need them."*

This pattern of close relationships with a very small number of clients occurred with such regularity as to suggest a degree of mutual reciprocity and dependence. After all, there would be strong and universal dis-economies associated with every piece of work going out to tender to all interested parties and being decided on price alone. Our freelancers attested to the fact that publishing houses had their 'Regular' ('A') and 'Casual' ('B') lists and respondents sought opportunities to move from disadvantaged to privileged sectors of their job market. For the publishers, these close on-going relations avoided the costs of constantly hiring different and untried specialists to work on an intermittent flow of short-term jobs. In turn, the freelancers appreciated such regularity as stemmed from such standing. This bestowed not only a degree of economic security but also social and psychological comforts. As one respondent freelancer put it:

*"You have to be prepared to start out as one of their (the publisher's) part-time assistants, just helping out. It is only after doing quite a few projects on that basis that you get promoted into their 'A' list."*

The outcome of this situation lends

**Figure 3**  
**Contribution to Turnover/Income by Main/Next Largest Clients**



itself to opposing analyses concerning the issue of 'powerless vs empowered' labour. It could be said that the self-employed here seek to minimise exposure to the competitive conditions of the market by:

*"the seeking of specialist niches and processes of exclusion (for example, through building up a reputation and engaging in mutual recommendation) [which] operate in similar ways to the collusion between employers and workers which results in labour market segmentation. However, in this instance the exclusion concerns access to work rather than access to primary employment" (Rainbird, 1991: 208).*

If we emphasise the *mutuality* of market behaviours of both the publishers and their freelancers, then the process of specialist niche building and exclusion can be seen as mutually advantageous and rational market behaviours.

However, this process was only successful for a minority elite of the freelancers, particularly those who could offer some scarce specialist skill, or those who had a full 'apprenticeship' in the industry through working in-house for a number of years. There was a disadvantaged group who tended to be those who had entered the occupation without such a background, and lacked the appropriate skills and contacts. There are few barriers to entry to the occupation, but many instances of freelancers able to get little or no work (Bennett, 1992).

### **Methods of Payment**

Self-employment and short-term contracts for discrete pieces of work mean that the risks of obtaining a constant income-flow were moved from the publishing house onto the individual. Many of the respondents experienced 'feast or famine' flows of work, and found

it difficult to even out these trends.

Hourly rates experienced by the total membership sample varied very considerably between £3 and £35 per hour at the extremes but bunched heavily around £8.50–£10.00. Although the National Union of Journalists (NUJ) at the time set a minimum freelance rate of £11.50 per hour, publishers usually did not pay this. The fact is that pay rates for most freelancers involved in book publishing were determined by the labour market which, given the over-supply of labour, are set in practice by employers. For most individual freelancers, the reality was one of accepting the publishers' pay rate or losing the work to someone else.

Whilst, at first glance, hourly rates approaching £10 per hour may appear quite reasonable for 'homeworkers', it needs to be remembered that the sample were highly qualified, with 82 per cent having some sort of higher educational qualification, 27 per cent a post-graduate degree, and 8 per cent with PhDs. Also, working at home on a freelance basis was extremely intense. There were no 'paid breaks' to sit through meetings, discuss matters (business or social) with colleagues or simply to look out of the window. The work billed to clients was strictly for work undertaken sitting at a desk or computer. Many excluded even visits to toilets, time spent answering the telephone plus the taking of occasional refreshments, from their charge sheets. It was rare for freelancers to receive any direct contribution from publisher-clients for the provision of equipment, paid holidays, sick leave, or retirement.

Not surprisingly, many of the in-depth interview respondents commented upon the sheer intensity of their work, some saying that they could not physically cope



**Figure 4**  
**Typical Profiles of Work Rewards**

<i>Function of Work</i>	<i>Office-based Direct Employment</i>	<i>Home-based Self-employment</i>
<i>Income</i>	Regular and secure earnings Internally consistent pay rates Earnings related to internal job status Employer provision for holidays, sickness and retirement	Irregular and insecure earnings Externally competitive pay rates Earnings related to market power Personal provision for holidays, sickness and retirement
<i>Work Activity</i>	Direction by others Even workload Measurement by input Strong feedback	Self-direction Fluctuating workload Measurement by output Weak feedback
<i>Personal Development</i>	Career progression Employer training provision	Career plateaued Personal training responsibility
<i>Temporal</i>	Routine	Flexible
<i>Contextual Variety</i>	Home-work separation Regular journey to work	Home-work proximity Infrequent client visits
<i>Social Interaction</i>	Peer support Office 'politics' Face-to-face	Family support Social intrusion Telephone
<i>Personal Identity</i>	Clear status Protected self-esteem	Unclear status Vulnerable self-esteem

with more work than they currently had, even if it were to become available. Thus, what might constitute 35 hours of work in an in-house situation appeared to condense down to little more than 25 hours of freelancing, usually resulting in a monthly income of around £1,000 and an annual income of around £12,000. In fact, some respondents remarked that they did, or would have to, work very

hard just in order to earn an income of £12,000 per annum. Many freelancers also complained of slow payment by their publishers, a problem they share with many small businesses (SBRT, 1993).

When asked who paid for their home computer and allied hardware/software plus training, approximately 90 per cent replied that they themselves were totally responsible. The remainder reported that

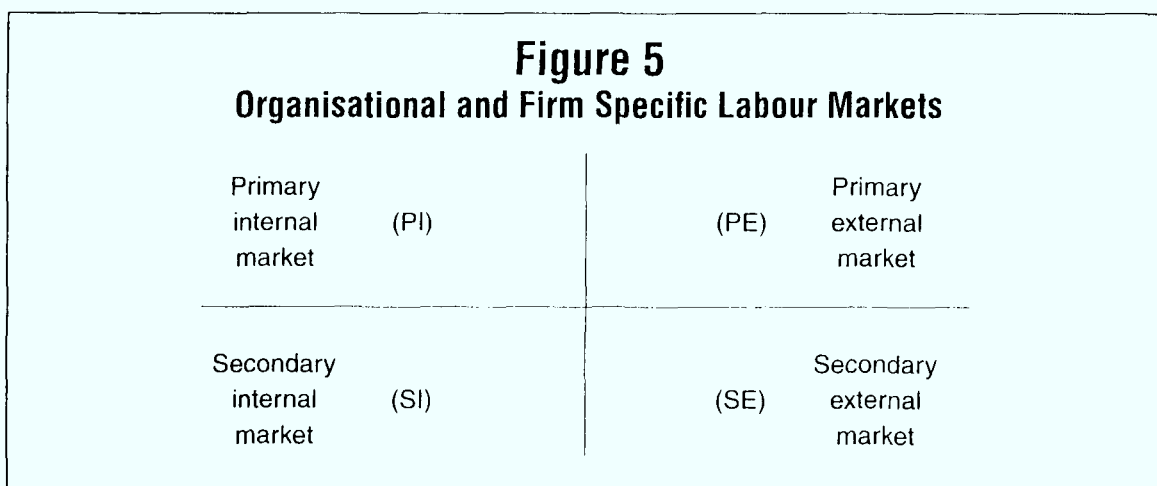
their principal client paid for these things. These respondents were aware that if the client paid for equipment and training, then this could undermine their claims to self-employed status in the eyes of the Inland Revenue. The question of who pays for 'the tools of the trade' is one criteria used by the Inland Revenue to determine self-employed status.

The sample were also asked if they received help with equipment breakdown, and whether they received any allowances towards running costs, such as telephone bills and so on. Only 2 per cent reported that they had help with breakdowns, but 19 per cent did receive help towards running costs. The reward profile of self-employment contrasted markedly with that of direct employment, which supplied regular earnings and peer support (Figure 4).

Given that the processes of shifting workforce status, observed in our case-study of the British book-publishing industry, appear representative of wider processes in the labour market (note our earlier references to franchised domestic milk distribution and current labour practices in the construction industry), it appears worthwhile attempting to fit the processes involved into broader models of labour markets.

A typology of segmented labour markets, adapted from Loveridge (1983) (Figure 5) appears to fit our needs better than any comparable model (e.g. Atkinson and Meager, 1986). This model is based on a four-fold classification cross-cutting internal ('I') and external ('E') with primary ('P') and secondary ('S') labour markets. The result is four specific labour markets: PI, PE, SI and SE. Using the Loveridge model facilitates the identification of two distinct categories of internal workers ('PI's and 'SI's) and two categories of externalised workers ('PE's and 'SE's).

The 'A' list 'Regulars' and 'B' list 'Casuals' revealed by our research appear to fit the PE and SE categories, respectively. The 'Regulars' were those who received a fairly substantial and steady flow of work from usually one, or sometimes two, key clients, resulting in high levels of mutual dependence over the longer term. Some of the freelancers had, in fact, been employed in-house previously with the publisher that now gave them most of their freelance work. In the event of any expansion of the size of the in-house employed 'core', these would have been the preferred candidates (in fact, it was not unknown for key freelancers to be brought in-



house for certain periods of time on short-term contracts). In all but employment status and fringe benefits, this *'primary external'* workforce had its roots very much in the soil of its major client. Although the 'A' list 'Regulars' (PEs) were not guaranteed a secure income flow, editorial managers attempted to give them a regular flow of work, and preference for repeat work. The quid pro quo was that these freelancers would prioritise the work of their key clients.

The 'B'-list 'Casuals', by comparison, were freelancers who appeared on publishers supplier lists but were currently only used on an intermittent basis. These inherited a rather more brutal work situation of work shortages, insecurity and more distant relations with publisher clients. They were part of an *'secondary external'* (SE) labour market, with little prospect of a constant income-flow. Unless they could eventually break through to the *'primary external'* (PE) labour market, they remained positioned in a distinctly less advantaged group.

Prior to the wholesale expansion of freelance working in the industry, editors and proof-readers would have typically formed part of the *'primary internal'* (PI) segment in Loveridge's typology, as do those in-house editorial staff to have survived the trend towards freelance labour use. The Loveridge model, then, is useful in that it aids an understanding of the segmented labour market situation/s in which editorial professionals currently find themselves in Britain.

Thus, there appeared to be a distinct form of labour market segmentation operating amongst our sample with *people performing broadly similar jobs*, in three of Loveridge's categories: employed editors

and proofreaders (primary internal labour market — PI); freelance 'A' list 'Regulars' (primary external labour market — PE); and, finally, freelance 'B' list 'Casuals' (secondary external labour market — SE).

### Discussion and Conclusions

The pioneering Bolton Committee researchers were attracted to the idea of classifying the role of small firms according to the type of market they supply (Bolton, 1971: 31–32). Accordingly, they located small firms along a typology of reliance upon large firms. 'Marketeers' are those firms which actually compete in the same or similar markets as large firms (examples are computer software companies, fashion merchandise manufacturers and independent restaurants). 'Specialists' are those firms which carry out functions that large firms do not find it economic to perform, though they may include large firms amongst their customers (examples are car component manufacturers, repair and maintenance in the building industry, jobbing engineering and specialised retail outlets such as bookshops). Finally, and crucially from the viewpoint of the current discussion, are small firms performing the role of 'Satellites'. Here, the small firm is highly dependent upon a single larger business for the majority of its trade. Book publishing freelancers would appear to fall into this third category.

Examining the situation of freelance self-employed individuals in the British book publishing industry has shed light on a number of small business sector developments of current and future importance to Britain and other market economies where similar forces are at work. After all, these self-employed

individuals were representative of two of the most rapidly growing constituent populations which make up the small business sector — the self-employed without employees and the expanding army of female self-employed.

Most of our publishing industry freelancers were 'pushed' into self-employment. 'Entrepreneurial pull' was, at best, a minority form of explanation for the change in status from employed to self-employed. Force of circumstance pervaded in the majority of cases, redundancy being the most common factor inducing the change in employment status. Given the nature of the work involved — editing and proofreading — and the sector's early historical precedents for freelancing, it is perhaps not surprising that freelancing grew so rapidly when economic pressures threatened the very existence of so many publishing houses.

What we have witnessed here is virtually the 'casualisation' of what was a predominantly core workforce of editors and proofreaders. The research revealed the 'generalisation' of conditions of work which had previously applied only to the more esoteric and volatile fringes of work schedules. It is now so widespread that it can be said to constitute the industry norm. New firms coming into the industry now side-step the debate on 'in-house versus freelance' labour and move directly to the latter option. Freelance labour is no longer used simply to accommodate 'demand peaks'. In-house work sizes are set way down at the level of 'demand troughs' and the job of the remaining in-house editorial staff is increasingly becoming that of commissioning and managing external freelancers. There are no surplus labour resources absorbing overhead costs in

times of workload slackness. Labour is now a variable cost and ultimately flexible.

But for a series of recessions in the publishing industry in Britain, compounded by a rash of takeovers and mergers plus a reduction in union power, freelance labour use would almost certainly not have grown to anything like its current extent and might even have actually gone into reverse in times of relative economic stability. However, the practice of editorial freelance labour use is now so widespread as to be virtually irreversible, given the economic advantages it bestows on publishers.

Publishing freelancers are unlikely to grow their businesses. They typically employ no one, own little or no capital, and have no capacity to extract surplus value and accumulate capital. Most experience poorer pay and conditions than equivalent employees. The main reasons for this were insufficient work, low rates of pay and high work intensity. Workloads are often insufficient due to an over-supply of freelancers in relation to the work available. This situation is exacerbated by the short-term nature of the work and its irregularity and urgency. This produces gaps in the freelancers' work schedules and, at the same time, limits their ability to hold 'stocks' of work to cover these gaps.

The continuing expansion of book titles in a largely plateaued market threatens to outgrow the advantages to the industry gained from cheap freelance labour. Also, this labour force is ageing and few young entrants are being taken on in-house to 'learn the trade'. It is only prior direct in-house experience which allows the freelance system to work. But, as one respondent put it:

*"We are not really in the business of*

*training because it would require distance learning . . . The way in which we operate now necessitates that people already have the skills we require."*

The current situation in the book-publishing industry, characterised by intense competition, globalisation and commercialisation, suggests that the balance of power lies very much with clients to bid down payment rates and dictate terms and conditions. In addition, takeovers, mergers and recessions have created an excess of supply over demand. It would seem, therefore, that for the foreseeable future, this grouping will remain a disadvantaged segment of the labour market in the industry.

All the indications are that the self-employed without employees will be a growing feature of the British labour market. The public policy implications of this are that this form of freelancer self-employment is here to stay, and must be viewed as an increasingly common work position in the late twentieth century. A question for the future will be whether measures will develop that might ameliorate the shortcomings of life in the externalised workforce; or whether the weak bargaining position of atomised, self-employed freelancers, the lack of social protection and exclusion from employment rights for this group will persist.

The research reported in this article demonstrates that changes in employers' labour-use strategies in the British book-publishing industry have resulted in former in-house employees becoming externally located and changing their status to 'freelance', typically at the behest of their former employers. These were people who had previously demonstrated no real aspirations to becoming entrepreneurs. In the interests

of achieving a better understanding of the small business sector specifically, and the labour force more generally, it will be the task of future researchers to examine other economic sectors and niches where numbers of self-employed have increased in recent years in order to illuminate the social and economic processes, and consequences, involved.

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# Telework and the information age

Celia Stanworth

*This article provides a critical analysis of the information age literature, explores its attractions for management and assesses evidence of the impact of the information age on the UK. It finds that material changes to work organisations and employment relationships frequently contrast with the optimistic predictions contained in much of the writing.*

The 'digital age'[1], the 'information society'[2], and the 'information age' are all popular titles used to describe developments in society which are linked to the coming together of information and communication technologies (ICTs) to produce what may be a new 'heartland technology'[3], whose diffusion may indicate the beginning of a fifth Kondratieff wave of economic development[4]. The concept of the information age also has its roots in the post-industrial writings of Bell[5] and shares with post-Fordist flexible specialisation an emphasis upon unilinearity of outcomes[6]. It is predominantly a paradigm of the services sector, whereas writings such as those of Piore and Sabel focused on the manufacturing sector. Most of the writings, as with flexible specialisation, foresee an optimistic future where technologically-based revitalised economies operate with reskilled collaborative workers[7]. Much of the popular output is post-modernist in its use of the 'global threat' and the idea of empowered and discerning customers con-

stantly demanding new goods and services[8]. It also tends to be technologically deterministic, with the assumption that technology is an irresistible driver for progressive change. Economic deterioration, higher unemployment and industrial strife are predicted if there is no change or a slow take-up of the technology.

The predicted effects of the information age are much wider than the adoption of the technology itself, with consequences for the entire economic system, for nation-states, work organisations and labour markets. ICTs hold out the promise of facilitating an era of rapid innovation with the development of new products and services and sustainable economic growth producing new industries and jobs. The diffusion of this new paradigm is only possible if the supporting infrastructure is in place, and this centres around the creation of the 'information superhighway' consisting of a network of optical fibre cables which links up homes and businesses facilitating an almost infinite number of interactive communications. Governments and political parties of both left and right in the US and the UK are united in their enthusiasm for the development of this infrastructure. Newt

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Gingrich at the height of his powers advocated 'high-tech capitalism' and the restriction of US public spending allied to greater market competition in order to accelerate the development of the 'information super highway'[9]. This term was coined in the US by Al Gore and rapidly adopted by both main UK political parties. Both government and opposition are persuaded of the importance of developing an optical fibre infrastructure to facilitate the dawn of the new age. 'New' Labour policies outlined before the recent election, included a controversial deal with British Telecom (BT) whereby all homes, schools, libraries and hospitals would be linked up to the highway in return for permission to provide entertainment services[10]. The Conservatives, by contrast, relied on the free market to link up UK homes and businesses. In the European Union, Directorate Generals (DG) V and XIII have published a number of reports on the creation of the 'information society' through the convergence of telecommunications infrastructure, with optimistic predictions of 10 million new teleworking jobs by the year 2000[11].

The last decade of the twentieth century is seen as the decisive decade in the diffusion of the new technological paradigm, as take off is dependent upon its use by a critical mass within the economy[12]. The significant development of this decade is the linking together of ICT networks, both within organisations, between suppliers and producers, and on a global scale. Kaplinsky[13] believes 'inter-sphere automation', where different spheres of activity are integrated, should become more widespread in the 1990s, and Bessant emphasises the importance of electronic data interchange between firms[14]. The emergence of 'virtuality' takes these ideas one stage further, with work taking place within global networks by means of such developments as Computer Supported Co-operative Work (CSCW)[15]. Tapscott[16] calls this 'internetworking'. Barnatt[17] calls these "metasystems" where "entire industries, economies and other information network components may now be analysed not just as single entities, but as amalgamated and evolving *metasystems*" (p. 184).

The discourse of the information age conflates a number of levels of analysis. It can be analysed at the global level in terms of the regeneration of older industrialised economies, as well as providing the opportunity for

developing countries to move from agrarian directly to post-industrial. At the organisational level the discussion centres around the 'virtual' organisation, the demise of hierarchy[18] and the coming of the 'elusive office'[19]. At work force level, the discussion is about innovative ways of working such as teleworking, telecommuting, call centres and telecottages, with the work force 'freed' by the technology from the constraints of location and time[20].

### Virtual organisations—the literature

Central to the discourse at the work organisation level is the 'virtual' enterprise or organisation, described as "an extremely loose web of individuals, capital and technologies which may operate in amalgamation as the ultimate flexible organisational form"[21], and "project-focused, collaborative networks uninhibited by time and space"[22]. Work based on the transformation of physical resources in the industrial age is predicted to be replaced by the processing of information into knowledge, which will be carried out by 'cerebral' workers in dynamic organisations (often global) which may have little or no physical entity or structure—they ultimately exist in cyberspace. Although much of the writing is focused on the services sector, there is also some which extends the transformation to the manufacturing sector, where the technology is predicted to further blur the boundaries between the two sectors.

In the popular discourse, the growth of virtuality is driven by external turmoil and continuing global economic threat. The 'virtual' organisation is one stage on from the downsized or Business Process Re-engineered (BPR) organisation as, in its archetypal form, it is without structure, dynamic, ever-changing in its boundaries, delineated by current contractual agreements, and dissolves as soon as each project is completed. Information age and 'excellence' literature both denigrate hierarchy and elevate market relationships, look upon stable organisation structures based on co-location as 'dinosaurs', and exhort managers to replace these outdated forms with those which are more adaptable, innovative and responsive to ever-changing markets by the use of ICTs[23]. Market relationships of short duration between self-employed individuals are con-

sidered superior to all other forms of employment, particularly in the US literature.

### Teleworkers—the literature

The generic term 'teleworker' refers to someone who works at a place other than where the results of work are needed using ICTs[24], and much of the literature describes (or prescribes) changes in working practices which are facilitated by the technology. Popular writing stresses the freedom which the technology gives to workers to determine how and when they work. Workers in the information age may be 'portfolio' workers[25] with a variety of jobs, and there is much discussion of individual enterprise, with information age workers being described as predominantly 'free agent individuals'[26] who are self-employed[27]. Flexibility of contract is a dominant theme. Alternatively teleworkers may be privileged 'core' employees with autonomy to organise their own time and location of work, enjoying high trust relationships[28], and discretion to manipulate the hardware and software[29]. The information age discourse is mostly concerned with professional, technical and managerial workers, who are 'symbolic analysts' needing high level skills to transform raw information into high added-value knowledge products and services. Drucker's vision is:

... an organisation composed largely of specialists who direct and discipline their own performance through organised feedback from colleagues, customers and headquarters[30].

There is far less discussion in the popular literature of routine jobs such as data entry, word processing or telesales work. This neglect can be explained by the implicit portrayal of offices as glamorous, as "professional workplaces where all employees are knowledge workers"[31] ignoring the diversity of office jobs, or it may be because the number of routinised 'back office' workers is predicted to decline with the advent of the information age[32]. The European Commission[33] believes that the new jobs of the information society will move beyond existing routine work and will shift towards knowledge work such as developing software, professional or consultancy work for a large number of workers.

### The information age literature and management mindsets

The 'information age' is everywhere: the avalanche of press coverage, books, magazine and journal articles in the UK since the late 1980s (and for much longer in the US) has mainly been targeted at the management and executive market. It would be an exceptionally reclusive UK manager or executive who would not have been exposed to the media coverage, or the writings of Charles Handy, Bill Gates or numerous other gurus and futurologists. Apart from the power of high profile and long-term exposure, the ideas contained within the literature and media coverage are likely to be attractive to the target audience for a number of reasons. Firstly they engage with the deep-seated pessimism of Western managers about the global threat posed by the newly industrialising world. As Legge states: "... managers (are) shaping up to heightened global competition from nations their countries once defeated in war"[34]. This real or imagined threat can be defused by entering the information age first, by gaining the competitive edge and securing the market for innovative ICT services before they are poached by competitors. The literature promises that by so doing the decline of Western developed economies can be reversed, and their predominant position in world markets recovered and sustained. These promises are accompanied by the threat that failure to change could be economically catastrophic:

Some varieties of the *Future Work* organization have the power ... to affect the very fabric of the world's economic geography radically. In the field of international competition, this is a subject we ignore at our peril[35].

Or: Its current cowboys may be bleary eyed techno freaks married to their screens, yet these keyboard-hungry individuals will quickly become information barons with more power over people's lives than governments or multinationals if today's managers and corporations do not awake to the new connectivity age of the third millennium[36].

In common with much of the 'excellence' discourse, there is a 'call to arms' which serves to inspire managers and senior executives to translate the prescriptions of the information age, however difficult and challenging, into material change. This projects the positive role of manager as hero change-agent, with the added promise of freedom of action to

operate in global labour markets, untrammelled by the constraints of national employment law and the like[37]. Grenier and Metes intend their book to be "a call to action to companies, organizations and groups that may be languishing in the organizational doldrums of last-generation assumptions, processes, rules, and technology; either unaware of, or resistant to, the emerging virtual imperative"[38]. Tapscott[39] ends his book with the view that: "If we act, rather than passively observe, we can seize the time. And the Age of Networked Intelligence will be an age of promise fulfilled" (p. 320). The literature is often technocratic in tone, exhorting its audience to act now, because the technology is an irresistible driver for change: "It is a powerful and unassailable force that is being propelled by the imperatives of business productivity, quality of life, and global competition"[40]. "Everyone will be touched by the information highway, and everyone ought to be able to understand its implications"[41].

The information age also holds out the promise of being an age of plenty. This implicitly assumes that the modern industrial age was dominated by scarcity, and also that proliferation is always progressive. The 'digital revolution' is about accessing infinite amounts of information carried by the information superhighway. We will be able to choose entertainment from "hundreds or thousands of (television) channels"[42], and there will be an almost unlimited choice for the consumer of, as yet undreamed of, ICT based products and services delivered immediately, at any time of the day or night, anywhere on the globe. The Bangemann Report[43] emphasised the enormous potential for new services in production, consumption, culture and leisure activities, and according to the commentators the Internet is already creating novel services in the management of the infrastructure, in hardware and software, and new forms of retailing and marketing[44], and a similar proliferation is predicted as a result of the coming of the optical fibre network. Millar[45] sums up the optimistic view:

New communications technology will make traditional services cheaper and many new services like videotelephony, home banking and home shopping economically possible. It will open up new possibilities for home entertainment, with a large choice of high quality digital television channels and access to video libraries ... Within the

coming decades distance and capacity constraints to communications will be largely overcome and the user will have at his (sic) command worldwide networks providing access to services made up of images, sound and text in whichever form is required. (p. 2)

Most of the commentators link this abundant future with the creation of many more jobs, and the prediction is that these jobs will be predominantly high in status and remuneration. There is some discussion of the possibility that ICTs may destroy jobs in the short term in the more academic literature, such as Drucker's view that it will be managers in hierarchical organisations who "neither make decisions nor lead"[46] who will disappear. Those who have specialist knowledge, those with relevant professional expertise, and above all those who are enterprising and innovative, are predicted to survive, so that it is the middle manager or generalist administrator who appears most at risk. Taking the popular discourse as a whole, the optimistic scenario predominates, and generally the possibility of job loss through automation or geographical displacement is downplayed or ignored. This despite the body of academic research which shows that, in general, a reduction in job numbers is associated with the adoption of 'new' technology and, latterly, computer networks, for example Child[47] and Boddy and Gunson[48].

The popular discourse of the information age may sometimes appear naive and simplistic, but there is a strong tradition amongst managers of seeking solutions to what they perceive as current problems from literature which is questionable both methodologically and intellectually. What frustrates some academics in the social sciences is that practitioners do not read or act upon the more rigorous output, although by no means all of it is opaque or difficult. For example Guest's[49] critique of Peters and Waterman's book cannot alter the fact that the ideas of excellence have entered the mindsets of managers and have had dramatic effects on the working lives of many workers in the US and in the UK[50]. No one information age book has yet emerged to rival the popularity of *'In Search of Excellence'*, but the information age output is carried by a variety of media, and includes the high profile 'gurus' Tom Peters and Charles Handy who promulgate the message to a wide audience.

But just as the 'excellence' ideas of quality, commitment and empowerment, when mani-



fested in material change, have been perceived very differently by the workforces on the receiving end, so might these new ideas of 'virtual organisations', 'teleworkers' and 'global teamworking'. We need to look at more rigorous evidence to judge whether the optimistic predictions of the information age literature are coming true. Indeed, if as the commentators suggest, we are already in the period of transition to the information age (Bell, Toffler, and Handy, for example)[51] we should be starting to see early manifestations of these changes within some Western economies. We would expect to find such changes to be most advanced in those economies where there is a relatively well-developed information and communications infrastructure, where there is a highly educated and computer-literate workforce, and where reasonably rapid change can be facilitated in work organisations and in labour usage. Evidence from the UK and some from the US for the development of the virtual organisation and various forms of telework will be examined.

### An age of transition—the evidence for virtual organisations

What is the evidence for the existence of new organisational forms, such as the virtual enterprise or the elusive office? Research at the organisational level shows that there has been little development of totally virtual organisations, and where they exist, most are found to have been restructured through incremental rather than revolutionary change. There is disagreement about what constitutes virtuality and many organisations are only variations of traditional organisational models[52]. Companies with flat structures, a degree of adhocracy and team-orientation tend to label themselves as virtual. Cited examples of 'true' virtuality include Reebok, Nike and Puma, all sports clothing companies where the use of computer networks within and between enterprises is of central importance, as is the existence of a small hub or core which networks with many other enterprises to produce and market the product. Reebok's only employees are designers. Campbell[53] also adds Dell, Gateway, Benetton and IKEA to the list, because they focus on core value added processes and alliances with suppliers

in order to respond quickly to the changing marketplace. Huws et al.[54] describe a similar organisational trend, which they call the 'elusive office':

... organisations will increasingly cease to be defined in terms of the numbers of people they have on the payroll, and the types of activity being carried out under their direct control, but in terms of the activities which they control indirectly, through a network of contracts with smaller suppliers, with central control over such functions as product image, distribution or sales ... The office—the site where information is generated, processed and exchanged—has ceased to have any fixed geographical boundaries. (p. 220)

Barnatt[55] calls such firms dynamic networks, not virtual organisations, as for him, virtuality is essentially about the loose coupling of *free agent individuals* to a lean management centre. He emphasises that it is the drawing together of freelance, self-employed workers across space and time which gives them the fastest possible response to the chaotic business environment. Virtual organisations, according to Barnatt, add value not through the combination of land, labour and capital to produce goods and services, but through translating information into knowledge, which can then be used to mobilise traditional resources when clients demand them. The case of a virtual management consultancy that he describes has all these features, and he predicts a future where:

... with a free agent mentality having already been bred into a significant proportion of the population by those who have allowed them to buy out of the welfare state, it may only be a matter of time before quite a few portfolio individuals come to *expect* to purchase their own job on their own terms (p. 14).

Similarly, Negroponte[56] predicts that by the year 2020 the predominant grouping of workers in advanced Western economies will be the own-account self-employed. A future of atomised individuals bearing the risk of generating sufficient income flow and operating in a global labour market is therefore predicted for the majority. This contrasts with current UK statistics which show that currently the self-employed make up only 13% of the total workforce, numbering just over three millions, of whom two million or so are self-employed without employees[57]. Nevertheless, this form of employment has expanded unambiguously in the UK over the last one and a half decades, and the incidence is now higher than most of the EU Member

States. There is evidence that the growth in the numbers of the self-employed without employees in the UK is associated with the decline in employment opportunities in the mainstream labour market, larger numbers of women in the labour market, and also some tax advantages of self-employment rather than entrepreneurial 'pull' [58]. The numbers of self-employed are predicted to grow by 800,000 by the year 2006, mainly because of further outsourcing by large companies [59]. How much of this growth is related to technological change is unknown.

In terms of the dynamic network version of the virtual organisation, the evidence is that the use of network technology in manufacturing and in services in the UK has led to the development of flatter structures, functional integration and some cross-functional teamworking [60], but the effects on organisations in the UK of telematic links between firms are not as yet significant, with the possibilities of change potentially great but relatively unexploited [61]. Huws cites the example of electronic networking between the small textile and clothing firms in Northern Italy (much cited in the flexible specialisation literature), which created a synergistic effect. These alliances, however, were not technologically but socially and politically driven, demonstrating the dangers of crude technological determinism [62].

#### **An age of transition—the evidence for telework**

Projections of the exponential growth of telework in the 1980s in the US and the UK have not been realised [63], though there are more modest indications of its percolation into a wider number of sectors and occupations in the UK [64], in addition to the 'first wave' of teleworkers who tended to work in IT and telecommunications. Telework encompasses many spatial and temporal patterns of work, class positions and forms of employment, and the following sections of the article discuss some of these.

#### **Employed teleworkers**

Despite predictions that the future 'symbolic analysers' will be exclusively self-employed, research shows that teleworkers are still embedded in traditional hierarchical organisations. Huws' national study of employed, homebased teleworkers concluded that about

six per cent of firms used telework and only one in 200 employees were teleworkers [65]. A Reed/Home Office Partnership study [66] found 13% of British employers using homebased telework. Studies carried out in the mid-1990s still find small numbers who are teleworking. Data from other European countries shows differential development of homebased telework in each country, with less in the UK than Nordic countries, but more in the UK than most EU member states. Studies agree that overall there is a small amount of this kind of work [67]. However, if we move away from the exclusive emphasis on ICT homework, the most interesting development is call centre work which appears to be a growth area of employment. The European Commission [68] estimates that 130,000 people are employed Europe-wide in call centres. The UK alone has at least 5,000 centres where workers provide information to remote customers, or provide services such as travel bookings, direct banking and insurance [69].

#### **Self-employed teleworkers**

It is impossible to estimate numbers or growth trends of self-employed teleworkers in the UK, as there is still no watertight definition. Some of the two million own-account self-employed in the UK may be teleworkers because of the technology they employ, including unknown numbers of freelance consultants and other professional groupings. Felstead [70] using national figures identified about 300,000 traditional homeworkers, but also found that the majority (67%) were self-employed clerical and secretarial workers some of whom could also be defined as teleworkers. He concluded that the figures are likely to be gross underestimates, and that there has been a considerable growth in the numbers of homeworkers since the early 1980s. The limited research which has been carried out into self-employed teleworkers in the UK has used a sectoral or occupational case study approach, which cannot be grossed up to provide national estimates. Two surveys of freelance teleworkers, one of 371 editors and proof-readers in book publishing [71] and the other of 200 translators [72] showed a trend of growth in this work form. There is also evidence for a growth in outsourcing of IT services but available survey material was concerned



with outsourcing to specialist companies rather than self-employed individuals[73].

### **Homebased telework**

Much of the discourse on telework in the UK has centred on homebased telework. It can be broken down into three main groupings[74]. Homebased teleworkers may be employees who work at home for part of their working time, or secondly totally homebased. A third category is freelance telehomeworkers.

Those who are homebased for part of their working week tend to be male, with employee status and relatively highly skilled. They tend to enjoy the combination of working in an office and at home, and generally do not suffer isolation. Huws' study[75] found that these teleworkers were often carefully selected by line managers as reliable and trustworthy. The extent of such work is difficult to gauge, because many of these homeworkers are teleworking on an informal basis, and the evidence is based on case studies of firms where the incidence may wax and wane. These teleworkers are close to the popular notion of information age workers, as they are usually well-paid, with relatively scarce skills, with high trust relationships and some degree of autonomy over where and when they work. They are usually 'off-line' teleworkers, who link up to company computer networks as and when necessary[76].

However, there are employees who combine home and office work whose rights to 'ownership' of physical space at work are being eroded. 'Hot-desking' is becoming more widespread in occupations where teleworkers are expected to visit clients, such as consultants and technical managers. The computer company Digital have cut costs by greatly reducing their office space with desk-sharing and drop-in centres instead of dedicated space for employees. Anderson Consulting is one of several consulting firms who have 'hot-desking' arrangements. A variation is 'hotelling' where client companies provide workers with access to computer networks and office facilities, rather than the employer.

In contrast to the previous category, those homebased for all their working time and working for one employer are generally women doing low-skilled clerical work such as data entry, typing or questionnaire coding. Despite their dependence upon one employer they are often treated as self-employed and paid by results. There is also a minority

doing more skilled work, and some are employees. These teleworkers have much in common with traditional manufacturing homeworkers[77], with low pay, unpredictable work loads and unsocial hours. Such workers are isolated, and often excluded from trade union representation[78]. Exact numbers are, again, impossible to estimate, but the National Group on Homeworking believe that there are more than one million homeworkers in the UK, and Felstead calculated that more than half of those who appear in national statistics were doing clerical work. The evidence is that this type of routine 'back-office' telework is expanding, not contracting. Not all such work is conducted on a self-employed basis, and in some cases teleworkers have similar terms and conditions to on-site workers, at least at the outset, though there are instances of employers using the move to homebased work to unilaterally alter hours of work or introduce compulsory overtime[79]. A recent example of a move to homebased telework is at Scottish Widows where 20 insurance homeworkers are providing administrative back up for the head office in Edinburgh[80]. Typically, such case examples still involve small numbers.

Freelance homebased teleworkers, who are free to contract work with as many clients as they wish, are another group working in their own homes. Some are in occupations where freelance work is a tradition, and dependence upon ICTs is relatively recent[81] but others are in jobs created by information and communications technology. Some have become small business owners[82], but many remain one-person businesses. The evidence is that workers have become freelance in the 1980s not because of the attraction of self-employment, but because of cost-cutting through downsizing amongst employers and the increased use of outsourcing. Where the workforce is predominantly female, client employers may tend to use the freelance workforce as a skilled, low cost resource[83]. Some freelance organisations are being created as virtual, for example Huws' case of the translation agency. Such organisations are rare in the UK.

### **Mobile telework**

Mobile telework is on the increase, with some workers in traditional occupations, such as sales representatives, using ICTs to enhance their productivity or eliminate or reduce the

need for office space. Others are workers whose jobs have become more mobile through the re-engineering of organisations to become more 'customer-focused', coupled with the opportunities offered by the technology[84]. These workers tend to be male and full-time, and are predominantly employees. One example of a new group of mobile teleworkers is British Gas Service workers, who now receive daily work schedules directly into their vans. Their managers have home computer networks to track the location of their staff through the software. This has enabled British Gas to reduce the number of offices from 120 to 37[85]. The move to mobile work was compulsory. Employers are using ICTs to increase productivity or reduce costs of such staff in these ways, involving quite high numbers in some cases.

### Remote site telework

Teleworking on remote sites includes direct customer interface (call-centre) work, or the processing of correspondence, mortgage applications and credit card payments. The technology facilitates remote work between sites locally, regionally or globally. Typically the jobs are of low skill, and the suburbanisation of such centres can tap into a pool of married women seeking local part-time employment[86]. Some of the retail banks have set up remote sites to deal with back office work from branches on twilight shifts[87], others have opened 24 hour, direct telephone banking centres in remote locations, such as Natwest Bank at Salford Quays. The banks appear to be creating a new deskilled workforce in these centres, where there is no longer a need for qualifications, and direct banking staff can be trained in three weeks[88]. There is a high intensity of work, closely controlled by the technology. Call rates are monitored and the software prompts the correct words and phrases to be used with customers. Typically it includes shift and night work. The banking trades union BIFU reports that workers in these centres are sometimes excluded from the better employment policies which accrue to branch workers, the jobs are 'careerless' and the workforce treated as peripheral and easily disposable[89]. Such work is also vulnerable to geographical displacement offshore as there is a great deal of competition

from developing countries where employment costs are lower.

Looking at UK telework as a whole, better qualified, professional and technical teleworkers are more likely to be given some discretion in their work, and are more likely to remain part of the internal labour market of the firm but many teleworkers, regardless of class position, appear to be more vulnerable than conventional staff to erosion of terms and conditions, if they are remote from the workplace. They may be excluded from the social dialogue and may have fewer opportunities for progression than their on-site counterparts, due to their lack of visibility. Trades unions find representing teleworkers more difficult than conventional staff unless they are in a strong position, or where employers are willing to enter into comprehensive collective agreements, such as is the case with British Telecom[90]. Existing bargaining arrangements are not always suitable for handling technical change[91].

There is evidence that UK employers are using telework to cut costs by deskilling work or eroding terms and conditions rather than to create post-modern, empowered teleworkers. Homebased and mobile telework and 'hot-desking' are enabling firms to reduce costs by the disposal of office space and there is an increase in offshore telework with firms outsourcing IT work to cheaper locations such as Bangalore, India[92]. Economic pressures and global competition seem to be drivers for accelerated technological change, but not necessarily with the outcomes for work and employment predicted by the gurus of the information age.

The popular literature also tends to be gender-blind. It concentrates almost exclusively on the highly-paid elite of teleworkers who are generally male. There is an implicit assumption in the discourse that routine or 'back office' workers (usually female) will dwindle[93] or be moved offshore. There is an occasional exhortation that the technology should not be used to create a new army of low-paid, disadvantaged women workers. Usually, there is no mention of gender at all. Studies of gender and telework[94] show that the gender segmentation of the labour market is being recreated in the UK teleworkforce, and even where similarly qualified men and women are found in high tech occupations, an income differential between the sexes emerges.

Occupational class position is also

important in analysing how telework is implemented. Where women and men have skills or experience which is in short supply, telework can be liberating and well-rewarded[95]. These workers are often professionals who have a high degree of discretion in their work and are treated as responsibly autonomous. This contrasts with the routine data entry clerk or the call centre worker where the technology is used to tighten managerial control, and surveillance techniques are used to increase the predictability of the performance of the workers and to intensify work.

To sum up, the take-up of telework in the UK, as in Europe, is currently low and growing only slowly. There is as yet no evidence that the coming of the information age is reducing the amount of routine work such as data input or word-processing but it may be easily located in cheaper areas or offshore. Teleworking has variable outcomes for workers in terms of quality of work life, and there is clear evidence of the perpetuation of labour market segmentation and the continued importance of gender and class divisions in the teleworkforce. ICTs are being used to deskill work as well as to facilitate distributed high discretion jobs, and electronic surveillance can be used to enhance and intensify managerial control.

### Information age or high-tech capitalism?

In this concluding section, a summary of the main predictions of the information age writers is compared with what is happening so far in a broader context. It must be borne in mind that if we are moving to a revolutionary new age, we may not be very far along the way. The information superhighway is not fully in place, the Internet being only its low tech precursor, and although some forms of digitised media are coming on stream, such as television channels, a lot of the potential services do not as yet exist. The conclusions drawn are therefore tentative, and are put forward to suggest further areas for serious study and research.

First, at the macro level of analysis, what is the evidence that the information age will re-energise the economies of Western societies? Overall there is not enough evidence for any conclusions to be drawn, except that there may be a primacy effect—economies may benefit by being the first to

develop a sophisticated ICT infrastructure, but others may catch up. Developing economies may be able to compete more easily with industrialised countries in the information age than they have been in the industrial age because the required infrastructure is far less costly, so that the information age may not defuse the 'global threat' to the West. There is also a 'locked-in' effect which may apply to societies as it appears to do at company level[96] whereby once there is heavy involvement in a particular technology choices from then on are inevitably narrowed, and a certain 'logic' must be followed.

The question of whether the information age creates high quality jobs and reduces numbers of routine jobs still remains unanswered. There is some evidence that there has been an increase in technical jobs to design and support new ICT infrastructure, but at the same time many jobs in the UK telecommunications industry have been lost over recent years, making it difficult to estimate the net result. There is evidence that routine jobs may be increasing, but there may also be a displacement effect which is clearly visible in the retail banking sector, where remote offices are being created in parallel with the closure of bank branches[97]. A related issue is whether the information age will increase the net number of jobs overall. Boddy and Gunson[98] conclude that networked technology may destroy jobs, which reverses their previous findings for computer-based technology. There may be some new jobs created, but overall there may be 'jobless growth' in the economy. A complicating factor is the economic cycle, as employers in a recession are more likely to use technology to reduce job numbers, whereas in a boom period they may concentrate on retaining scarce skills through enhancing teleworkers' time and location flexibility. Economic factors also make it difficult to predict whether telework will lead to employers changing the contract status of remote employees to self-employed. There is also the power of belief in the ideology of 'excellence' which values enterprise and self-employment and tends to denigrate conventional employment. This can be just as strong an influence on managers' decisions as any 'logic' of technology.

There is some evidence that network technology has an effect on organisational structure. Boddy and Gunson found clear evidence of changes within firms. They found

no evidence that it affects relationships between firms with the caveat that it may be too soon to tell. Virtual organisations without a physical location and only a temporary 'structure' may be a rarity, but this may be because of these very attributes, making them very difficult for social scientists to identify, used as they are to studying factory or office locations where workers are co-located. Research needs to distinguish between the effects of technology on existing firms, and how new enterprises are affected. The role of large companies and MNCs in the information age is another area neglected in the literature.

The effects of the information age on women in the labour market appear to take the form of perpetuation of the existing horizontal and vertical divisions with the bulk of low-skill, low-paid telework jobs done by women, and most of the high status, well-paid jobs done by men. Working in the home does not break down existing segmented sex roles as Toffler[99] predicted but may reinforce them. There is also no evidence that it breaks down class divisions. The status barriers remain, and in general the elite of teleworkers tend to have a significantly different experience of work to routine workers. However, remote workers may all share an increased vulnerability to cost-cutting by employers, and may all tend to be excluded from features of the internal labour market such as opportunities for promotion.

To conclude, if we are in transition to a new age, will it inevitably have benign and progressive outcomes? According to Bell as well as most of the recent writers, both academic and popular, the information age will be a new utopia, with collaborative knowledge workers enjoying intrinsically satisfying work, economic prosperity and democratic access to information. Alternatively, the evidence discussed here suggests that it is just as likely that the outcome could be rather different, with a polarisation of jobs between high quality and low-skilled, and a scarcity of employment because of jobless growth, resulting in an elite of 'information-rich' and a mass of 'information-poor'. The greatest challenge of the new age may be how to ensure that its potential benefits are shared by all classes.

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## **APPENDIX VII**

## TELEWORK AND HUMAN RESOURCE MANAGEMENT

**Celia Stanworth**

This paper discusses the recent writing on telework and how much of it emphasises the positive aspects for the home based teleworker. This approach is then compared with the Human Resource Management model. Evidence is then presented that the reality of telework implementation is often at variance with this, and reasons for the difference between rhetoric and reality are discussed.

### WRITING ON TELEWORK

The image of telework given prominence by writers such as Toffler (1981), Handy (1989), and Peters, by those in the information and telecommunications industries, and not least by the current government (Employment Department, 1993, 1994: Department of Trade and Industry, 1994) tends to emphasise the more positive aspects of this work form. For example:

"it is one of the most flexible forms of work and this adaptability means that there are innumerable ways you can mix and match the ingredients...the rewards could be great" (Employment Department, 1994, p. 29).

It is presented as a liberating form of employment, which gives individuals autonomy to organise their own time, and to work in the comfort of their own homes. There is freedom to access clients and customers via the international 'information superhighway' so although workers may be physically separated from others, they can make meaningful contacts through the technology. If they are employees, they are managed in a context of high trust and mutuality, where their bosses motivate and lead, rather than closely control. Teleworkers retain the benefits of employment, such as training and advancement, equal pay and conditions with their office-based counterparts, and inclusion in the long-term plans of the organisation. Where teleworkers are self-employed, the discourse is that of the 'enterprise culture' (Huws, 1991) where telework can facilitate voluntary moves into self-employment, often as a precursor to growing a small business. The teleworker is usually assumed to be a professional or technical specialist, who possesses skills and experience highly valued by clients. The prevailing archetype in the literature is that of the highly paid consultant working from home in leafy rural surroundings.

### HUMAN RESOURCE MANAGEMENT

The literature on telework shows many similarities with the ideas of Human Resource Management (HRM), which has its roots in the American 'excellence' literature, with influences from the Japanese employment model (Haddon and Lewis, 1994). A good definition of what is meant by the term is that of Storey (1995):

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"Human Resource Management is a distinctive approach to employment management which seeks to achieve competitive advantage through the strategic deployment of a highly committed and capable workforce using an array of cultural, structural and personnel techniques" (p. 5).

There is evidence in the UK of a great deal of interest in HRM, and of a wide range of initiatives such as employers' attempts to change the culture of their organisations, to instil commitment amongst employees and to increase their adaptability (Storey, 1992). The 1990s is said to be the decade in which the human resource will 'make the difference' and employers are encouraged in practitioner journals to treat their workers as assets, not costs, with a promise of a pay-off in terms of bottom-line success.

The view of telework outlined here fits with the HRM model in a number of respects. Firstly, it is a flexible and adaptable pattern of work, both in terms of time and location, but also in terms of the type of employment contract that teleworkers may have. The technology involved is also congruent with a decentralised or 'federal organisation' (Handy, 1989), rapidly responsive to change, and adhocratic in nature (Moss Kanter, 1984; Mintzberg, 1979). A move away from command and control bureaucracy and the development of new and organisational forms responsive to rapid change is associated with the HRM approach. Telework is also clearly linked with the rise of the 'knowledge based organisation' where workers will 'direct and discipline their own performance' which will require 'self-discipline and even greater emphasis on individual responsibility for relationships and communications' (Drucker, 1992). Managers' role in HRM is to facilitate and guide the workforce, rather than direct and control, in exactly the same way as teleworkers are to be managed in the high trust, 'best practice' cases.

## **THE REALITY OF TELEWORKING**

What, then is the evidence about the development of telework in the UK, and how far does it follow the HRM blueprint?

There is no doubt that the first occupational and sectoral groupings of teleworkers were to be found predominantly in the ranks of the technical specialists and professionals, and the initial evidence was that the IT sector was the first to use home based teleworkers in any numbers (Kinsman, 1987; Judkins et al, 1985). However, more recently, the evidence we have shows that telework has become more widespread in other sectors of the economy, such as finance and local government, and in a much wider range of occupations (Huws 1993). There is also anecdotal evidence that telework has grown more rapidly in the self-employed workforce than amongst 'corporate' employees.

Far less attention (with some exceptions - Huws, 1984; Brocklehurst, 1989) has been paid in the literature and in the press, to homebased teleworkers who are performing 'back office' functions of a much more routine nature than the first wave of teleworkers. These are the word processor operators and the data entry clerks or those employed in telesales. These workers have much more easily replaceable skills and a much weaker labour market position. For this group, work at home is more likely to be low-paid and careerless, and employers would be more likely to treat them as marginal to the firm - flexible, but not in the inclusive version of the term. Self-employed teleworkers in these occupations are more likely to resemble traditional 'outworkers', insecure and exploited, unrepresented and isolated in their

own homes with little or no contact with others. They would be predominantly women constrained to work in this way in order to combine employment with caring for children.

There is now clear evidence that there has been a significant growth in this type of telework. Using national data, Felstead (1995) found 305,000 homeworkers of the traditional type, of whom *well over half* were in clerical and related occupations. Amongst women homeworkers about 67 per cent were doing clerical jobs. Felstead's view is that they are subject to the same employment relationships to those in the old 'sweated' trades such as clothing and finishing goods. Though nominally self-employed, they are in reality disguised wage workers, lacking employment and health and safety protection or fringe benefits. They are often working part-time and paid through piece work systems. Therefore the technology they are using is immaterial: there is no difference in the outcome for the back room machinist and the routine clerical home computer user.

Amongst the employed work force telework is still a small-scale phenomenon, with Huws' study for the Employment Department (1993) finding about 6 per cent of employers making use of teleworkers. A more recent Reed/Home Office Partnership study, which would be likely to focus on firms making use of clerical employees, found that 13 per cent of their sample of firms were making use of home based teleworkers (The Independent 2/3/1995).

There is a growing body of evidence that employers are in some cases worsening the terms and conditions of teleworkers, and tending to treat work at home as a privilege granted to employees, without the reciprocity of relationships emphasised in the HRM literature. The Civil Service guidelines for its own staff caused controversy because they implied that use of the home as an office might not be compensated for, that normal incremental progression for home based staff would not necessarily be guaranteed, and part-time homeworkers would be paid by the hour (General Circular GC/366).

There are examples of women professionals who have been offered teleworking as a way of retaining a hold on the labour market during family formation, but on a self-employed rather than employed basis, making their situation less secure. In the public sector there are teleworkers with technical skills employed on short term contracts but refused training. In leading edge companies, in the forefront of developing telework, intensification of work has led to the erosion of the regular meetings between staff which ensured that they retained team spirit and did not develop feelings of isolation. Teleworkers in a recently privatised industry reported a general lack of support and in one case a refusal to help with costs of moving to more suitable accommodation for a home office. There are examples of teleworkers in the financial sector not being volunteers and downgraded when becoming home based.

Significantly, during the 1980s and 1990s, statistics on self-employment show that the growth in the self-employed work force was *entirely* due to the rise in numbers of self-employed without employees, and the numbers of small firms has remained largely constant (Department and Trade and Industry, 1995). In some cases these workers are former employees redesignated as self-employed and working in their own homes as teleworkers. Our research into book-publishing showed that the recent growth in the numbers of 'freelance' editors and proof-readers was due to the cost-cutting policies of publishers, and they were predominantly pushed into self-employment by redundancy, and were heavily reliant upon 1 or 2 publishers for work which was often intermittent and poorly paid. Often their major client was their former employer (Stanworth and Stanworth 1995). A similar trend towards self-employment is evident in journalism as a whole, with estimates that between one third and a half of NUJ members may now be freelance. At least some of these are now home based teleworkers.

There are exceptions to this picture, of course. The telecommunications industry is implementing telework schemes as models of good practice for others to follow, using volunteers, equal pay, terms and conditions and employee status, all negotiated with the trade unions (Society of Telecomms Executives, 1992). But why does the major emphasis appear to be on using telework as a cost-cutting mechanism, rather than an approach which treats people as valued, long-term assets? The explanation lies in the corporate environment which faces UK work organisations.

## **THE BUSINESS ENVIRONMENT**

The external pressures on work organisations in the 1990s are tending to drive employers to adopt a focus on survival and cost-cutting, and a short-termist approach to labour deployment. The development of global product and labour markets, competition from the Far East, the international nature of information and telecommunications technology, as well as lower economic growth and recurring recessions may all be involved. The government's own policy of deregulating the labour market has also had an influence on employers.

'Increased competition' is a blanket term which is frequently highlighted as a reason for firms to require more 'flexible' working. Rubery and Horrell (1994) found that their case study firms experienced three types of competitive pressures: from consumers demanding more sophisticated goods and services, through inter-firm competition and also from budgetary pressures within firms to achieve targets and improve efficiency. An example of inter-firm competition is the finance sector, where a number of telework initiatives amongst routine clerical staff are being implemented, shifting work from office to home base, to increase efficiency and to reduce overhead costs in the long-term. The public sector is now very much budget and target driven, and with continual squeezes on resources, telework is being used as a cost-effective form of labour deployment. Thirty one per cent of local authorities, for example, have some form of arrangement for work at home (New Ways to Work, 1995).

Not all firms adopting telework are facing global competition in product or labour markets, but increasingly the information and telecommunications infrastructure is international, and can easily facilitate movement of commercial activity around the world to access cheaper labour or more advantageous tax or regulatory regimes (Horner and Day, 1995). Examples of 'offshore' telework are well-known and there are also UK firms who subcontract software development work to the third world.

Continuing low levels of economic growth and recurring recessions have also led employers to cut the overhead costs of employment or change fixed to variable costs through outsourcing or subcontracting of staff. The buffer of high unemployment and weakened trade unions has encouraged them to offer work very much on their terms, with little regard to employees' preferences. The government's policy of deregulation has reinforced this attitude by emphasising 'flexibility' in terms of disposability, and encouraging employers to keep wage costs low, and to compete on cost not quality. This has legitimised a low pay, low skill economy with greater job insecurity.

These drivers all tend to lead to telework being used to create 'limited attachment' (Blyton and Morris, 1992) amongst workers, and militate against the possibility of a long-term strategic focus being adopted by employers, which is the main thrust of the HRM approach. Cost-driven short-termism will tend to inhibit the acquisition of job competencies among workers, and no more than contingent loyalty can be expected from the work force. Real

commitment cannot be created by job-insecurity and fear: this can only come from a more equal and reciprocal relationship between the parties.

## CONCLUSION

Predictions of a 'brave new world' of liberating telework, characterised by intrinsically interesting work, good pay and conditions and high trust management, at best seems only a partial truth. The use of Information and Communications Technologies (ICTs) by new homeworkers does not by itself guarantee enlightened treatment or job security. More important is teleworkers' relative bargaining position with their employers. Research into other forms of workforce flexibility has shown that only where employees possessed bargaining power were their preferences on how work was organised taken into account (Rubery and Horrell, 1994).

Some self-employed teleworkers may be independent consultants working for high fees in pleasant surroundings, but the evidence shows that the real growth in numbers is in female-dominated clerical jobs where employment conditions closely resemble those of 'traditional' outworkers.. Where workers are corporate employees, those in clerical occupations are more vulnerable to attempts by employers to use the move from office to home base to worsen terms and conditions, and introduce this form of work mainly to suit them. Even higher status teleworking employees are not insulated against the current pressures of corporate life. In today's climate, creating resourceful teleworkers is likely to be less of a priority than deploying people at the lowest possible cost.

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were found predominantly in the ranks of the technical specialists and professionals, with evidence pointing to the IT sector as the first to use home-based teleworkers in any numbers (Kinsman, 1987; Judkins, 1985). However, more recent evidence shows that telework has become more widespread in other sectors of the economy, such as finance and local government, and in a much broader range of occupations (Huws, 1993). There is also anecdotal evidence that telework has grown more rapidly in the self-employed workforce than amongst 'corporate' employees. Far less attention has been paid in the UK literature (apart from Huws, 1984; Brocklehurst, 1989) to home-based teleworkers who perform 'back office' functions of a much more routine nature than the first wave of teleworkers. These are the word-process operators and the data-entry clerks or those employed in telesales. These workers have much more easily replaceable skills and a much weaker labour market position. For this group, work at home is more likely to be low-paid and careerless, and employers would be more likely to treat them as marginal to the firm – flexible, but not in the inclusive version of the term.

Self-employed teleworkers in these occupations are more likely to resemble traditional 'outworkers', insecure and exploited, unrepresented and isolated in their own homes with little or no contact with others. They would be predominantly women constrained to work in this way in order to combine employment with caring for children; and there is evidence of a significant growth in this type of telework. Using national data, Felstead (1995) found 305,000 homeworkers in the UK of the traditional type, of whom well over half were in clerical and related occupations. Amongst women homeworkers about 67% were doing clerical jobs. Felstead's view is that they are subject to the same employment relationships as those in the old 'sweated' trades such as clothing and finishing goods. Though nominally self-employed, they are in reality disguised wage workers, lacking employment and health and safety protection or fringe benefits. They are often working part-time and paid through piece-work systems. Therefore the technology they are using is immaterial; there is no difference in the outcome for the back-room machinist and the routine clerical home computer user. In fact, there are no accurate statistics as to the numbers of self-employed teleworkers. In some cases these workers are former employees redesignated as self-employed and working in their own homes. Often the major client of these teleworkers is the employer

that pushed them into redundancy in the first place (cf Stanworth and Stanworth, 1995).

Amongst the employed workforce telework is still a small-scale phenomenon, with Huws' study for the Employment Department (1993) finding about 6% of employers making use of teleworkers. A more recent Reed/Home Office Partnership study (1995) found that 13% of their sample of firms were making use of home-based teleworkers. Nevertheless, there is growing evidence that employers are in some cases worsening the terms and conditions of teleworkers and tending to treat work at home as a privilege granted. There are examples of women professionals being offered teleworking as a way of retaining a hold on the labour market during family formation but on a self-employed rather than employed basis. Indeed, in the public sector there are teleworkers with technical skills who are employed on short term contracts but are refused training. Even with leading edge companies, at the forefront of developing telework, the intensification of work has led to the erosion of the regular meetings between staff which ensured team spirit and prevented feelings of isolation. There are even examples of teleworkers in the financial sector being downgraded with involuntary home basing.

There are exceptions to this picture. The telecommunications industry is implementing telework schemes as models of good practice for others to follow, using volunteers, equal pay, equal terms and conditions and employee status, all negotiated with the trade unions (Society of Telecom Executives, 1992). But why does the major emphasis appear to be on using telework as a cost-cutting mechanism, rather than as an approach which treats people as valued long-term assets?

## The Business Environment

The external pressures on work organisations in the 1990s are tending to drive employers to adopt a focus on survival and cost-cutting, and a short-termist approach to labour deployment. The development of global product and labour markets, competition from the Far East, the international nature of information and telecommunications technology, as well as lower economic growth and recurring recessions, may all be involved. The government's own policy of deregulating the labour market has also had an influence on employers and 'increased competition' has often been cited as a blanket term in persuading firms of the need to adopt more 'flexible' working. Rubery and Horrell

*unrepresented and isolated*

(1994) found that their case study firms experienced three types of competitive pressures: from consumers demanding more sophisticated goods and services; through inter-firm competition; and also from budgetary pressures within firms to achieve targets and improve efficiency. For example, in the finance sector there are a number of telework initiatives amongst routine clerical staff to increase efficiency and to reduce overhead costs in the long-term. The public sector also is now very much budget and target driven and, with continual squeezes on resources, telework is being used as a cost-effective form of labour deployment. 31% of local authorities in the UK, for example, have some form of arrangement for work at home (*New Ways to Work*, 1995).

Not all firms are facing global competition in product or labour markets, but increasingly the information and telecommunications infrastructure is international and can easily facilitate the movement of commercial activity around the world to access cheaper labour or more advantageous tax or regulatory regimes (Horner and Day, 1995). Examples of 'offshore' telework are well-known and there are UK firms subcontracting development work to the third world. Continuing low levels of economic growth and recurring recessions have also led employers to cut the overhead costs of employment or change fixed to variable costs through outsourcing or subcontracting of staff. The buffer of high unemployment and weakened trade unions has encouraged employers to offer work very much on their terms, with little regard to employees' preferences. The attractiveness of having a 'flexible' work force is thus reinforced with an emphasis on the 'disposability' of the human asset with low pay and job insecurity.

Thus telework may be used to create 'limited attachment' amongst workers (Blyton and Morris, 1992), and militate against the possibility of a long-term strategic focus being adopted by employers which is the main thrust of the Human Resource Management (HRM) approach. Although Legge (1995) contends that the implementation of HRM has been sporadic, opportunistic and fragmented, there is evidence according to Storey (1992) of a wide range of HRM initiatives. Telework fits in with a model of HRM based upon flexible and adaptable patterns of work, in terms of time and location and in terms of the type of employment contract that teleworkers have. The technology involved is also congruent with notions of a decentralised or federal organisation (Handy, 1989), rapidly responsive to change and adhocratic in nature

(Moss Kanter, 1984; Mintzberg, 1979). Thus, a move away from command and control bureaucracy and the development of new organisational forms is associated with the HRM approach.

### Human resource implications of teleworking

Telework is linked with the rise of the 'knowledge based organisation' where, in theory, workers will 'direct and discipline their own performance' and where the emphasis will be on individual responsibility for relationships and communication (Drucker, 1992). Nevertheless, in practice there are particular problems associated with flexible working (Blackler and Osborne, 1987; Huws *et al.*, 1990; Mueller, 1992; Stanworth and Stanworth, 1991), and, as such, the complex nature of teleworking creates unique capital, people and control needs. IT may be required for competitive advantage but is not sufficient for organisational success. The 'push' toward flexible working depends upon the product/service (complexity, diversity, etc.), an understanding of the relevant cost structures, risks, time, need for localisation, competition and quality of information systems. Above all, there will be a need to satisfy the needs and expectations of various 'stakeholders'; i.e., the need to balance strategic planning and financial control with the need to involve and support a remote workforce. Thus, as work becomes more mobile there is a concomitant need for more specialist skills concerning the control and coordination of activities, and HRM practitioners will need to facilitate and guide the process.

As an example of flexible working in general, the case of IBM, which has introduced a core-periphery model, shows that a two-tier staffing requirement is being created (Robinson, 1995). Project managers retain the customer interface role, whilst project workers are employed on short-term contracts. The Business Director at one major computer company affirms that organisations cannot carry the unnecessary cost structures of full-time staff due to the influence of the competitive market place. One member of the 'supplementary' workforce remarked that his job could be shed in a month without pension and redundancy rights and that training is task specific and on-the-job, not skill learning but task training. The Business Director retorts that Just-in-Time (JIT) skills are required; i.e., relevant skills at the time they are needed, and the Installations Manager acknowledges that the

*not skill learning  
but task training*

old ethic of a long-term career with a steady employer is a thing of the past.

The danger is that short-term cost advantages may be offset by changes in the longer term. Thus being able to 'hire and fire' on a daily basis, according to Valerie Jarvis (Robinson, 1995), at the National Institute for Economic and Social Research in the UK, leads to a lack of incentive to 'up-skill' if 'jobs' and 'tasks' are the priority. This skills 'cul-de-sac' may be forestalled by differentiating work and providing for new products and services, but increasingly the routinisation of work is deskilling the workforce, and staff are being displaced to 'paper factories' with less grades, fewer people and constant work flows. As the factories become increasingly more efficient, further redundancies will become inevitable, and the displaced workers may not have the necessary transferable skills to gain employment elsewhere.

The banking industry in Britain has already provided examples of this process in operation. In the past employees were valued for their length of training and clerical skill acquisition; with the introduction of computers the 'mutual dependence' between employer and employee has diminished. At one major bank, staff are trained in just three weeks before being given full responsibility to deal with client accounting; and the head of this direct banking service has stated that educational qualifications are of no interest to her in assessing the suitability of prospective employees. Selection interviews are undertaken over the telephone, i.e., remote from the candidate; similarly, the performance of individuals is closely monitored by remote access; even 'idle time' is displayed on the so-called 'slave' board, a digital read-out above the desks, for all to see.

The experience at another major computer company also exemplifies problems facing teleworking and teleworkers. The company shed half of its workforce in a massive cost-cutting programme saving £3.5 million already, and with the closure of another of its offices is set to save another £2.5 million. The justification for the dramatic change is that offices are expensive to rent and part-used, and flexible working is described as the inevitable future of their kind of work. Consultants to the company have found that flexible-work has led to more effective use of time, but that morale amongst staff is low, and customers may be suffering as a result. The Director of the company recognises that this is not good for a customer-oriented company, but he maintains that things will improve when customers realise that the lack of a 'visible' office does not mean that it will

be difficult to get hold of an employee; in fact, the reverse is true, in that with mobile communications and working from home the teleworkers are available at all times of the day and night. Some staff, however, appear not to share this conception of home-working. The initial sense of abandonment felt by staff informed of the closures by E-mail was described by one member as a feeling of having been emotionally raped. Those who retained jobs found that adaptation to teleworking meant working from home and being available 24 hours a day. Face-to-face contact with other staff was now minimal; the drop-in centre was cramped and rarely used to capacity – there being one desk per ten employees; and necessary face-to-face meetings were conducted in hotel lobbies at motorway interchanges.

The disruption to family life can be paramount to home-workers, especially if their home facilities are makeshift and interfere with the daily routine (cf Haddon and Silverstone, 1993), and the constant uncertainty about the continuance of work provides an incentive to do the task but not to identify with the product or service. Thus, cost-driven short-termism will tend to inhibit the acquisition of job competencies among workers in the long-term, and no more than contingent loyalty can be expected from the work force. Real commitment cannot be created by job-insecurity and fear, but can only come from a more equal and reciprocal relationship between the parties. Toffler (1986) found that 66% of the ethical issues encountered by the managers she interviewed involved managing human resources or internal organisational processes, and that the widest legal exposure was to violations of the employer-employee contract. As Schwoerer *et al* (1995) maintain, the protection of employee rights in the workplace is one of the fundamental questions facing organisations today; and Townley (1994) recognises that in many respects the practice of personnel/HRM is the clarification of such rights.

### HRM policies on rights

Employer and employee rights may be in conflict, and Ewing (1989) argues that organisations are coming under increasing pressure to develop Human Resource Management policies which protect those rights. Employer rights to be as competitive as possible may conflict with employee rights to fair treatment in a variety of situations. For example, the 'employment at will' doctrine described by Rosen and Schwoerer (1990)



may be in conflict with the employee's right to due process in selection testing (Dalton and Metzger, 1993; Munchus, 1989) and dispute resolution (Ewing, 1989). The employer's right to protect security, e.g., through electronic surveillance, may be at odds with the employee's right to privacy (Stone and Stone, 1990). HRM practitioners are charged with having to establish balanced and coherent strategies to protect both employee and employer rights. Schwoerer *et al* (1995) conducted research exploring the connections between HRM policies and rights and presented a table of what the respective employee and employer rights were in terms of their own study (see *Table 1*).

For the United States of America the ultimate framework for resolving conflicts of rights is the US Constitution. The European context for the recognition of rights was determined with the Community Charter of the Fundamental Social Rights of Workers adopted at the Strasbourg summit on 8th December 1989 (van Gerwen, 1994). An ethical basis for employees is set out under twelve headings: the free movement of workers within the Economic Community; 'fair' remuneration for employment; the improvement and approximation of conditions of employment; social security; freedom of association and collective bargaining; vocational training; equal treatment for men and women; information, consultation and participation arrangements; health and safety in the workplace; young people; retired people; and disabled people.

The UK government opted out of the Social Charter adopted at the Strasbourg summit but, as van Gerwen (1994) points out, European legislation prevails under the Treaty of Rome; and with the European Court of Justice overruling national legislation there is increasing pressure to abide by European Community Law (cf Dickens, 1995). For

example, after 1992, European Company Statute required companies to adopt a model for enabling employees to "participate in the supervision and strategic development" of their companies (McHugh, 1991). The basic premise of this statute, according to McHugh, is that every individual working in the company is a 'stakeholder' and should share in rewards and decision-making. This recognises the complementary nature of employer and employee rights and duties; a right of one party implies the imposition of a duty on the other one, and Jef van Gerwen (1994) presents a schematic outline of these major rights and duties as they apply to the European Community (*Table 2*).

As van Gerwen (1994) points out, the right and duties between parties are not symmetrical and cannot always be guaranteed. Questions arise as to which right should receive priority, who is to arbitrate over conflicts, and which party is ultimately responsible for enforcing such rights: employer, government? Inevitably, an understanding of how to address the rights and responsibilities of employers and employees will be aided by an understanding of business and social ethics issues and cases. HRM practitioners will need to approach these issues with a clear understanding of ethical theory and practice.

### The teleological approach

The contextual approach is recognised by Schwoerer *et al* (1995) whereby ethical decision-making is explained by the interaction of individual and organisational factors. There has been quite a body of work on the links between HRM policies and contextual factors, but little research on the links between employee rights policies and contextual factors. Schwoerer *et al* (1995) did

*Table 1.*

Employee rights policies	Employer rights policies
privacy of employee records employee access to records existence of ombudsperson free speech protection policy infraction guidelines existence of grievance committee impartial arbitrators for disputes health and safety information	medical exam screening drug testing non-competition agreement termination-at-will avoidance of implied contracts psychological screening electronic surveillance background investigation



Table 2.

Employees' rights and duties	Employers' rights and duties
right to work	no-discrimination rules for recruitment or conditions for firing
right to just remuneration	respect for union presence and activities
right to free association and to strike	work-oriented code of conduct
right to privacy and to normal family life	acceptance of criticism from workers without repression
freedom of conscience	acceptance of labour court jurisprudence in conflicts
freedom of speech	duty to inform and consult workers
right to due process	duty to guarantee health and safety
right to participation	duty to improve the quality of work
right to healthy and safe working conditions	demand of minimum productivity
right to work quality (job satisfaction)	right to loyal co-operation
duty to comply with labour contract	requirement of correct behaviour in the workplace
loyalty to the firm	
respect for current legal and moral norms	

### fundamental social rights of teleworkers

take six organisational characteristics and tested whether they were linked with formal employee rights policies. These were industry sector, unionisation level, size, labour supply, growth or decline, and business strategy. These authors found more formal policies in larger firms, and more in manufacturing than in services, and a positive correlation between unionisation and employee rights policies. Firms in decline had more policies for employees, but business strategy had little impact in this area, and tight or loose labour markets also made little difference. They concluded that:

- some organisations are actively addressing workplace rights in a comprehensive manner.
- the nature of HRM policies governing rights can be instrumental in attracting employees, ensuring high performance and maintaining organisational flexibility.
- it is critical to achieve a good 'fit' between contextual factors and employee rights policies.

The problem with adopting such an instrumental view to the recognition of employee rights is that employers may undertake cost-benefit analyses which place more emphasis on consequences in the short-term. Such a cost-benefit analysis in relation to teleworking has been drawn up by the authors and is shown in *Table 3*.

The cost-benefit analysis is useful in recognising a number of beneficial aspects of teleworking and in highlighting key issues of control and coordination, but it fails

adequately to take into account the duties of employers to respect fundamental social rights of teleworkers. To this end Townley (1994) reframes HRM in terms of a Foucauldian analysis and recognises the importance of visibility, voice, the rejection of technocracy, the value of experience and the integrity of the individual, the importance of difference or context, the fragility of identity and the rejection of privilege. In many ways the following sections suggest 'how' personnel/HRM practitioners can begin to enact change by making the work of telework more visible in terms of recognition and due regard for the particular skills which teleworkers have to offer.

### The right to work

Article I Part I of the European Social Charter recognises that 'everyone shall have the opportunity to earn their living in an occupation freely entered upon . . .'. However, van Gerwen (1994) posits that the right to work is ambiguous (for example, there are different interpretations of what constitutes work), and member states may accept the moral right but not enact the juridical right into their legislative frameworks. The authors would suggest that if employers are persuaded to accept 'meta' rights to work (that is, the gradual realisation of a right within economic and political limits) then they may implement a policy which accords with the moral right but allows contextual considerations to be taken into account (cf Sen, 1982). Thus employers may move away from 'em-

Table 3: Teleological evaluation of flexible-working practices.

Benefits	Costs
reduced costs of centralisation	start-up, logistical and support costs
closer to customer/targeting of markets	Management Information Systems and cost control mechanisms
empowerment/discretion	HRM and performance measurement
innovation and service orientation	cost of downsizing
flexibility and autonomy	creating identity/maintaining commitment
responsiveness	consensual decision-making
networks of best practice	need for synergy/coordination
personalised motivation to achieve quality	IT training, attitude development
devolved responsibility	intervention mechanisms, risk management

ployment at will' policies to 'will employ on a continuing basis', which means that the uncertainty of being employed on a short-term contract for the duration of a particular project is replaced with a commitment to employ for a guaranteed minimum length. This may blur the distinction between core and periphery and encourage functional flexibility (or multi-skilling) rather than just numerical flexibility (that is, adjustments to work hours or numbers of workers). HRM practitioners will need to recognise the unique skills of the teleworker in their recruitment and selection procedures; emphasis will need to be placed not only on expertise and efficiency but also on quality and innovativeness. Teleworkers offer self-management and analytical skills that deserve recognition and reward; and it is a mistake for organisations to infer that a 'remote' workforce does not want to be involved in key decision making. Token empowerment will not suffice, teleworkers require a real sense of autonomy and control over their work; HRM practitioners will need to respect the teleworker's right to privacy and be forthright in regenerating a sense of community in order to engender commitment from all stakeholders.

### The right to free association and participation

The basic right to free association is explicit in the Universal Declaration of Human Rights 1948, in the Social Charter of the Council of Europe 1961 and in the European Charter of Fundamental Social Rights of Workers 1989. Therefore, according to van Gerwen (1994), trade unions are morally required to defend the interests of all workers. We would extend

this moral obligation to include the teleworker and homeworker. Teleworkers are particularly vulnerable to the coercive pressures of employers due to their lack of property rights compared to full-time workers (that is, fewer statutory employment protections). However, any 'bullying' tactics of employers against teleworkers will inevitably lead to the formation of control networks in which information and services are supplied only to those organisations treating flexible workers fairly, and there are examples of 'equality networks' having a 'significant impact' on equal opportunities in local business communities (cf ECOTEC, 1993).

Thus HRM practitioners will need to monitor any use of electronic surveillance and ensure that whilst security is maintained due respect is given to teleworkers' privacy. Mechanisms will need to be developed to ensure that information and consultation with teleworkers are enhanced. HRM practitioners may need to find new ways to encourage co-ownership, co-operative management, co-decision-making, structural participation and profit-sharing. This is a recognition of the social character of a firm, that all stakeholders have a moral right to a say in its management and ownership, and that all workers have a right to appropriate vocational guidance, training and rehabilitation. In fact, Ewing (1989) argues that an increasingly well-educated and articulate work force will not tolerate arbitrary treatment by employers, and will demand a range of employment rights. Emphasis will then be on employers having a duty to respect the rights of all workers regardless of arbitrary distinctions between core and periphery, etc. Table 4 identifies possible duties for employers in regard to flexible working practices.

Table 4: Deontological evaluation of flexible working practices.

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<p>Employers duty to improve the education and training of workers and 'up-skill'.          Provide 'core' terms and conditions for flexible working practices.          Recognise quality of teleworking skills – self-management, analytical skills, etc.          Need to empower flexible-workers – getting and acting on feedback from them; i.e., providing mechanisms for influence.          Designing reward systems for flexible-workers that reflect their expertise, effectiveness, quality of service and innovativeness.          Monitoring differential impact to ensure equal treatment; i.e., that teleworkers rates of pay, opportunities to enhance pay, access to occupational benefits, opportunities for training or promotion are comparable with those of core workers.</p>
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Thus employers adopting a deontological frame of reference would be under an obligation to treat teleworkers with equity in relation to on-site or core employees. This is in accordance with the stance recently adopted by the Equal Opportunities Commission (EOC) in the UK in relation to all forms of flexible work wherein there is a harmonisation of all conditions with those of the full-time worker (Dickens, 1995). On-site employees may then be used as the 'benchmark' for codes of practice in relation to teleworkers. However, this would not include the self-employed where on-site workers do not exist for comparison. Therefore the authors propose a 'charter' for teleworkers that could also embrace or be adapted for those working for the virtual organisation. Such a charter may include those elements set out in Table 5 below and has been adapted from the proposed Charter for Homeworkers (Huws, 1984), from various trade union recommendations and from recent research on telework (Stanworth and Stanworth, 1991).

The general tenets of the charter are that flexible working practices are not used to worsen the terms and conditions of the teleworker, that telework is not used as a substitute for the provision of childcare, that telework is not used to weaken or eliminate trade union representation, that telework is not used to casualise the workforce, for example, by changing to short-term contracts or self-employed status as a condition of remote working, that teleworkers are not so closely supervised through the technology as to lead to allegations of the 'spy in the home', and that teleworkers' health and safety are not compromised by working at home or at other locations. If HRM practitioners are not decisive in promoting the above, then there is danger that the real potential for new working practices will be lost to employers.

## Conclusions

Predictions of a 'brave new work' of liberating telework characterised by intrinsically interesting work, good pay and conditions and high trust management at best seem only a partial truth. The use of Information and Communications Technologies (ICTs) by new homeworkers does not by itself guarantee enlightened treatment or job security. More important is teleworkers' relative bargaining position with their employers. Research into other forms of workforce flexibility has shown that only where employees possessed bargaining power were their preferences on how work was organised taken into account (Rubery and Horrell, 1994). Some self-employed teleworkers may be independent consultants working for high fees in pleasant surroundings, but the evidence shows that the real growth in numbers is in female-dominated clerical jobs where employment conditions closely resemble those of 'traditional' outworkers. Where workers are corporate employees those in clerical occupations are more vulnerable to attempts by employers to use the move from office to home base to worsen terms and conditions, and to introduce this form of work mainly to suit the employer. Even higher status teleworking employees are not insulated against the current pressures of corporate life, and there is the danger for the 1990s and beyond that

- Employers may adopt the teleological approach to the employment of teleworkers: deskilling, surveillance, cost-minimisation, externalisation; rather than a deontological approach which will be restricted to teleworkers in the primary segment of the labour market who sell their labour under privileged market conditions.
- An emphasis on cost-effectiveness and service delivery for white collar workers

bargaining power



Table 5: Charter for (employed) teleworkers.

RECRUITMENT	Teleworkers should be volunteers. They should have equal opportunity to return to on-site work.
PAY AND REWARD	Teleworkers should have equal pay with on-site workers. They should not forego normal incremental progression. They should not become hourly-paid when moving to telework.
MERIT/VARIABLE PAY	Teleworkers should be included in incentive payment systems, share ownership schemes, company bonus schemes, etc.
PERFORMANCE MANAGEMENT	Teleworkers should be included in appraisal systems.
FRINGE BENEFITS	All normal fringe benefits should apply, for example, holidays, sick pay, maternity pay and leave, etc.
ALLOWANCES	Heat, light, wear and tear and telephone charges should be compensated for.
HOME OFFICE EQUIPMENT	All office workstation equipment should be provided by the employer and be suitable for use in domestic premises.
HEALTH AND SAFETY	Teleworkers should have the same rights and responsibilities as on-site workers, with workstations checked regularly and policy developments communicated to them.
COMMUNICATION	Special efforts should be made to avoid marginalising teleworkers. The technology should enable peer contact, not militate against it.
MEETINGS	Teleworkers should have opportunities to meet together, both to discuss work issues and also socially.
TRAINING AND DEVELOPMENT	Teleworkers should be eligible for T&D on the same basis as on-site workers. Arrangements should be made to accommodate time and location constraints of teleworkers.
CAREER	Teleworkers should be considered for promotion on the same basis as on-site workers. All internal posts becoming available should be open to teleworkers.
WORKING TIME	Agreement should be reached as to teleworkers' working hours and when they should be available to clients/customers etc.
COLLECTIVE REPRESENTATION	Teleworkers should have right of access to trade union information. They should have the right to join a trade union.

will impact considerably upon lower levels – clerical and admin in particular.

- Even those with high skills and qualifications are in danger of being casualised/dependent workers.
- The training of a replacement workforce with equivalent skills/experience may become a secondary consideration of employers adopting a teleological approach.

In fact, in today's climate creating resourceful teleworkers is likely to be less of a priority than deploying people at the lowest possible cost. HRM practitioners will need to take up the challenge of advocating the recognition of teleworkers' rights and the complementary duties of employers towards them if organ-

isations are to be prepared adequately for the next millenium ●

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LIST OF ACADEMIC CONFERENCE PAPERS TO DATE

- 'Who are the Entrepreneurs?' **11th National Small Firms Policy and Research Conference**, Cardiff Business School, 1988 (with J. Stanworth)
- 'Small Firms Policy and its Regional Implications in Britain' **Small Firms Conference**, Urbino University, 1989 (with J. Stanworth)
- 'Enterprise 2000: Workbase the Electronic Cottage?' **Small Firms in the Year 2000 Conference**, Kingston Business School, 1989 (with J. Stanworth)
- 'Problems of Definition and Marketing of High-technology Homework' **13th Small Firms Policy and Research Conference**, Harrogate, 1990 (with J. Stanworth)
- 'Telework: its Extent and Future Development' **British Sociological Association Seminar on Home-based Work**, 1990
- 'Can Autonomy exist in Subsidiaries of Large Firms: the case of Self-employed Teleworkers' **22nd European Small Business Seminar**, Amsterdam, 1992 (with J. Stanworth)
- 'Self-Employment as a Vehicle for Workforce Casualisation' **British Universities Industrial Relations Conference**, Oxford University, 1994 (with J. Stanworth)
- 'Home Alone: an Examination of the Position of Home-based Teleworkers in the Book Publishing Industry' **Work Employment and Society Conference**, Kent University, 1994
- 'Remote Control: Managing Freelance Work in Publishing' **Henley Future Work Forum**, March 1995
- 'Telework and Human Resource Management' **Institute of Electrical Engineers Colloquium on The Home as an Office**, February 1996
- 'High Value: Low Esteem? a Case Study of Part-time Work in Local Government' **HRM - The Inside Story Conference**, Open University, April 1996
- 'Flexible Work - Flexible Rights? Ethical Issues of Teleworking' **Ethical Issues in Human Resource Management Conference**, Imperial College, April 1996 (with C. Moon)
- 'Ethical Issues of Flexible Working: Empowerment of Teleworkers' **Ethics and Empowerment Conference**, COPE (Centre for Organisational and Professional Ethics), Brunel University, September 1996 (with C. Moon)

- 'Telework and the Information Age' **15th Annual Labour Process Conference** University of Edinburgh, March 1997
- 'Flexible Working in Europe: the case of teleworking in the UK' **Eighth European Congress on Work and Organizational Psychology**, Verona, Italy, April 1997 (with C Moon).
- 'The Self-Employed Without Employees - an unexplored growth area - cases from the UK' **Canadian Industrial Relations Association Conference**, St. John's Newfoundland, June 1997 (with J. Druker and J. Conway).
- 'Models of the Information Age - A Choice for the UK?' **Second International Workshop on Telework - Building Action on Ideas**, Amsterdam, The Netherlands, September 1997.
- 'Managing at a Distance in Book Publishing: rationales, techniques and ethical issues' **12th Annual Employment Research Unit Conference - The Insecure Workforce**, Cardiff, September 1997 (with C. Moon).
- 'Aspects of Insecurity - Part-Time Work in Retailing' **12th Annual Employment Research Unit Conference - The Insecure Workforce**, Cardiff, September 1997, (with S. Lynch).
- 'Dependence and Self-Employment: Organisations and the Self-Employed in three Sectors' **12th Annual Employment Research Unit Conference - The Insecure Workforce**, Cardiff, September 1997 (with J. Druker and J. Conway).
- 'Women, Work and the Information Age', **Gender Work and Organization Conference**, Manchester, January 1998.

## **APPENDIX VIII**

The book is at its best on the economics of social security, reviewing the direction of reform efforts. Disney makes a valiant attempt to integrate the economic theory with these policy debates, but not with entire success. The book will however be useful both for labour economics and for social policy courses. The public choice interest will be in the willingness of a number of countries to take long-term measures to deal with a growing problem. The separate financing or hypothecation of pension spending seems to have paid off in terms of sharper policy focus on the whole issue of long-term viability. Disney's work could also lead on to more study of choices on a disaggregated basis. The variability of labour market behaviour and of replacement rates seem likely to increase with greater extremes of wealth and poverty. The baby boomers in older age will be very different from the working-class elderly of the 1950s in the classic studies of Townsend and Wedderburn.

For Disney, the background work has been done; he now has the credentials to make a continuing contribution both in policy analysis and in economic modelling, especially in social security and pensions.

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*Homeworkers in Britain* by Alan Felstead and Nick Jewson with John Goodwin.  
London, HMSO, 1996, x + 99 pp., £25.95 paper.

*Working at Home: A Study of Homeworking and Teleworking* by Celia Stanworth.  
Institute of Employment Rights, London, 1996, viii + 40 pp., £6 trade unions  
and students, £20 others, paper.

Since the re-emergence in Britain of interest in homeworking some twenty years ago, there has been a plethora of studies by campaigning groups and social scientists of the kinds of jobs involved, the wages and conditions associated with it and the personal and social characteristics of those who do it. Those who supply and profit from it have been much less studied, though some, including myself, regard this as essential both for social scientific explanation and as a basis for effective action to reduce the excessive exploitation that much homeworking entails. It remains a highly politicized topic which feeds much too easily on stereotypes and implicit assumptions.

As might be expected, the grounds of the debates around homeworking have changed over the past two decades along with the broader shifts in political rhetoric and economic restructuring and recession. Vocabularies of the free market—competition, downsizing, deregulation and flexibility—the emphasis on 'new technologies' and the increase in the numbers marginalized in the labour market have all played a part.

Our understanding of the phenomenon termed homeworking depends on how it is defined, what problems are posed, what questions are asked and the means by which they are investigated. Both these publications define homeworking clearly and so avoid the methodological pitfalls found in some studies of home-based work which do not distinguish between different types of employment relationships or between work at or from home. The differences, between work *at home*, *from home* and *home-located*, are admirably presented in *Homeworkers in Britain*. Felstead, Jewson and Goodwin also distinguish between those who sell their services or products, i.e. the self-employed, and those who, though commonly designated as self-employed by suppliers, stand in a waged work relationship to them.

The report by Felstead *et al.* was commissioned by the Employment Department and examined manufacturing and lower-status service homeworkers' 'who work at home for firms or businesses who market or sell their output', paying attention especially to ethnic minority homeworkers. They provide information, using data from the 1991 Census, a doorstep survey of home-located work involving 15,623 homes which was conducted in four localities, and 338 in-depth interviews with homeworkers, 54% of whom were from ethnic minorities. Two localities, one in the Midlands and one in an inner London borough, were chosen to cover those 'typically' associated with homeworking—'urban industrial areas with a strong tradition in industries such as clothing and footwear'; these were compared with two other localities—one an urban area in Scotland and the other in an English shire county, regarded as 'untypical' homeworking areas. Their findings include estimates of home-located work (5% of the working population according to the Census and 3.4% of households with at least one member doing paid work at home from the doorstep survey); 91% of homeworkers interviewed were female, 69% were married, in their 20s or 30s, and 71% had at least one child under 16. A wide range of work was undertaken, but over half was in sewing, 12% in packing, 4% in VDU work and 16% categorized as 'other'; hours ranged from 6–10 to over 45 per week; 62% worked regularly at weekends and evenings. The mean hourly rate was £3.03; the highest was in Scotland (£4.19) and the lowest in the Midlands (£2.64). None of these results is out of line with other surveys of homeworking.

The authors point out that their findings cannot be interpreted as nationally representative, but highlight local differences in characteristics of homeworking and provide a basis for comparison which emphasizes the diverse and heterogeneous set of circumstances that comprise the national picture.

This study is a useful addition to information on homeworking. It would have been even more so if, in discussing ethnicity, the Census 'ethnic' categories had been disaggregated and data on white ethnicities had been collected and analysed. Their conclusion, that homeworking appears to offer an opportunity to reconcile the competing demands of childcare commitments and the need to earn additional income (although this commonly proves very demanding and requires high levels of self-management), would have been more convincing had some of the discrepancies in the responses been highlighted, analysed and explained. These discrepancies are common in the literature and could have been anticipated. For instance, while 64% of homeworkers perceived homeworking as an advantage because of childcare, of those with children living with them, 79% reported that their work was 'interrupted' by them, 63% that they worry because they can't give the children enough time, and 24% that there were health and safety dangers. Performing homework tasks and looking after children simultaneously, fitting family life into suppliers' deadlines and using domestic space for industrial labour, material and machines, are in a conflict which even the highest levels of self-management cannot overcome.

Stanworth's study covers two 'forms' of work at home: one, where information and communications technology (ITCs) is used by routine clerical workers, and the other, where manufacturing or service workers are dependent on suppliers for work. Its main concern is with improving wages and conditions and the issues around workers' protection, legislation and trade union organization. Her booklet summarizes some of the crucial issues posed by the increasing use of teleworkers by a range of companies and concludes that the use of ITCs does not guarantee enlightened treatment, increased autonomy or job security and presents a challenge to the unions whose members are being relocated out of offices to work in their own homes.

Estimating the extent of homeworking as defined in these two studies in Britain and elsewhere is a difficult undertaking for several technical and ideological reasons and remains controversial. It provides an excellent example of the need to apply methodological rigour in both quantitative and qualitative research, where conventional methods of recording have been shown repeatedly as failing. Both these studies accept that between 1981 and 1994 there was nearly a tripling of homeworkers from 100,000 to 250,000. While they mention the National Homeworking Group survey figure of 1 million reported in 1994, they do not discuss this discrepancy nor the questions raised by the Group about the methods employed in national surveys.

The research findings of the past two decades on the 'sweated labour' involved in the casualized conditions experienced by those working at home, as described here, have so far brought no improvements. Much of the employment legislation passed in this period has had the reverse effect. These two publications may help to persuade British ministers and a majority of MPs in the next Parliament to adopt and implement the ILO 1996 Convention and Recommendation on Homeworking setting minimum standards for pay and conditions. The EU 1995 Working Group proposals for a co-ordinated strategy to improve women's labour market position—a strategy common in some large local authorities in Britain in the early 1980s as a way of addressing sweated labour at home—would also be necessary. Stanworth's observation that 'most homeworkers would reject... endless research into their problems without any real prospect of an improvement in their lot' (p. 25) would then no longer apply.

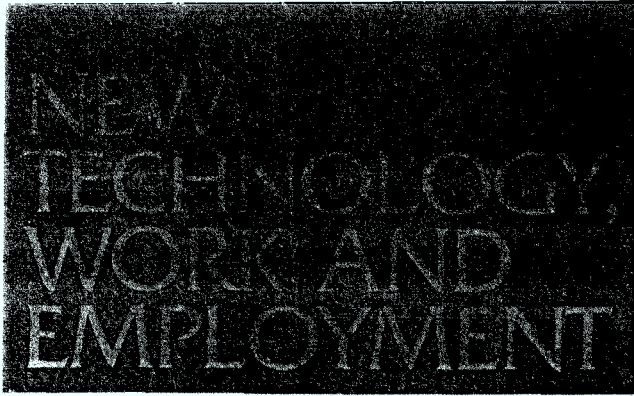
SHEILA ALLEN  
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*The Boundaryless Career: A New Employment Principle for a New Organizational Era* edited by Michael B. Arthur and Denise M. Rousseau. Oxford University Press, New York, 1996. x + 394 pp., £37.50.

The title of this book signals its intent—to revitalize the study of careers in the new context of the breakup of traditional American corporatism, upon which the field has predominantly modelled its ideas and approaches. This has always been a weakness of the field, since the model never did justice to the true complexity of labour market dynamics or diversity of individual experience. Yet the proclamation of a new age of careers has an opposite danger, since although big company career systems have become unfashionable they are not yet dead, and the millennial flavour of the present volume underestimates the persistence of corporate life. Big business and single-company careers do still exist, perhaps especially outside America, a fact mostly passed over by these writers of almost exclusively American provenance.

Yet the book's attempt to relocate the field away from its shrinking water hole is largely successful. The authors have assembled a fine array of authoritative voices to provide original reflections on the new-careers context and its implications. The book is organized in five sections. The first, 'Exploring the Nature of Boundaryless Careers', sets out the agenda, and includes some typically stimulating if contentious thoughts by Karl Weick about how new organizational forms are enacted by the dispositions of the new careerists. The second section focuses on 'Knowledge Based Work', and the third on issues of 'Social Structure'. Many of the best essays are





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16 September 1997

Dear Celia,

I have now read through your paper entitled *Telework and the Information Age* which I received in mid-June. I must apologise for the delay in processing it.

In normal circumstances I would have sent your paper to a referee for review but having read it, I have decided that the paper is well worth publishing without any need for a review. I enjoyed reading it.

I have the following comments:

1. The abstract needs to be shortened to be no more than 50 words maximum. I would suggest that a little manipulation and a little addition to the last sentence would be best.
2. You are of course no doubt aware that the two scenarios of the future which you set out on page 3 is somewhat simplistic. I appreciate that you were putting together this Table from the literature itself but I wonder whether a short comment after it to that effect might insulate you from that criticism. The diffusion of the impact of IT will not only be uneven in different sectors, but its impact on jobs will also be uneven.
3. There is scope for cutting the length of the paper to (say) around 7,750 words.

Points 2 and 3 above are purely suggestions and can be ignored if you feel that they involve too much work.

I would like to publish your paper in the Spring 1998 (Vol 13 No.1) issue of the Journal. For this to happen I would be glad if you could send the final draft to Pam Arksey, Managing Editor of the Journal. It should be double-spaced and should be accompanied by a biography and an abstract, both of which should be no more than 50 words each. Could you please do this as soon as possible and by the end of October at the latest.

# When you're in work but out of a job

## Teleworking

Clive Woodcock

A DECADE ago it was being confidently forecast that telecommunications and information technology would transform patterns of work, freeing people from the office and allowing them to work from home.

But like so much of futurology, that prediction has been a long time in coming true, and where it has developed the reality is rather different from the original rosy vision.

The 1980s witnessed a massive expansion in the numbers of the self-employed, pushing the total from around two million to three million. Of these roughly two out of three are one-person businesses. Of these it has been estimated that about a quarter are "labour-only subcontractors or other types of quasi-employee".

There were also developments in what has been de-

scribed as "corporate teleworking", which involved directly employed staff working from home, but this has not lived up to earlier growth expectations.

On the other hand there does appear to have been a fairly rapid expansion of teleworking in areas of freelance activity such as publishing.

One of the features of the last decade has been the increasing proportion of women among the self-employed, with some of the highest self-employment rates among highly-qualified women.

Many of those newly self-employed, however, came to that situation rather through "redefinition" of their jobs, or redundancy, than through choice or entrepreneurship. And the contribution of information technology and telecommunications appears to have played a much smaller than expected role.

The increase in teleworking was triggered by specific economic and market factors rather than the easy and relatively cheap availability of telecommunications and comput-

ers. This situation is illustrated in a study by three researchers — Celia Stanworth, John Stanworth and David Purdy — at the Future of Work Research Group at Westminster University\* which examined self-employment and labour market restructuring among freelance teleworkers in book publishing.

They studied 400 publishing teleworkers, mainly well-educated women, typical of self-employment growth. Most had worked previously in-house in publishing.

A large group still did work for their former publishing house employers on a payment-by-results basis on a casualised self-employed basis. Most were highly dependent on just one or two clients with none of the employment rights previously enjoyed as in-house staff.

Many were happy with certain aspects of their situation, particularly the independence. They valued the freedom to organise their own time, arrange their own workspace and to choose their own lines of work.

The main disadvantages of teleworking for most were seen

as the social isolation and financial insecurity.

And in fact only half of those interviewed in depth made a "living income", nearly half of those who did not relied on

their spouse's income while the remainder relied on income from secondary jobs, pensions, social security benefits and legacies.

The main reasons for low

earnings were insufficient workload, low rates of pay — together with slow payment — and high intensity of working. Workloads are often insufficient owing to an over-supply of

freelances in relation to the work available.

This research confirms that many teleworkers are "disguised wage labour". They typically employ nobody, own little or no capital, and have no capacity to accumulate capital.

Most experience poor pay and conditions and alienation from work colleagues and completed products. For some this is a price they are willing to pay. For many, however, the traditional problems of the homeworker have changed little over the years, despite technological advance.

All the indications are that peripheral, casualised labour will continue to be a growing feature of the British labour market. The public policy implications of this are that the external market is here to stay and must be viewed as a typical work position in the late twentieth century.

Until now it has been a dumping ground for cheap labour, especially for women who are willing to trade pay for flexibili-

ty, particularly during the years of childrearing.

But increasingly men are being drawn into the casualised workforce — for example, new "key-time" contracts at Burton. Men, in fact, now represent about 15 per cent of the part-time workforce.

The political challenge of the future will be to develop measures that can improve the shortcomings of life in the peripheral workforce — the weak bargaining position of self-employed teleworkers, the lack of social protection and the absence of employment rights.

Given the Government's attitude towards intervention in employment, such measures at the level of the state are unlikely — at least in the short term.

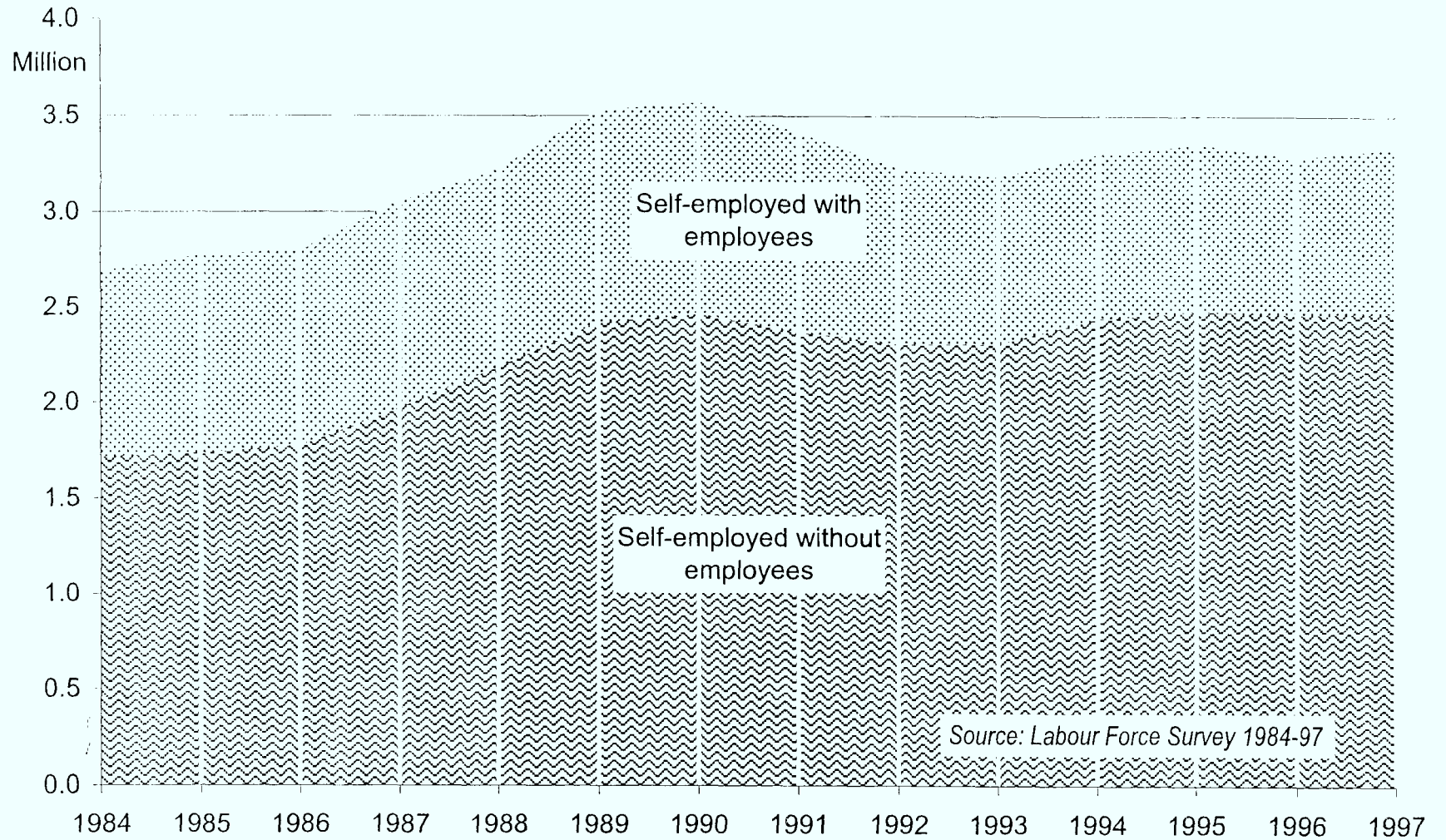
\**Self-Employment and Labour Market Restructuring — The Case of Freelance Teleworkers in Book Publishing*, £25, from Prof John Stanworth, Westminster University, 35 Marylebone Road, London NW1 3LS, telephone 071-911-5000.



Doing their homework . . . John and Celia Stanworth belong to the growing number of people whose home is also their workplace PHOTOGRAPH: GRAHAM TURNER

## **APPENDIX IX**

**Figure 1 - Population Trend of U.K. Self-Employed With/Without Employees, 1984-97**



**MULTI-AUTHORSHIP DOCUMENT**

**by**

**Celia Stanworth**

**Part of the requirement for the submission of  
published work for the Award of a  
Ph.D. by Published Work**

**University of Greenwich, 1998**



**STATEMENT BY THE CANDIDATE AS TO THE EXTENT OF HER  
CONTRIBUTION TO THE SUBMITTED WORK, WHERE IT IS  
PUBLISHED JOINTLY WITH OTHERS**

In this statement I shall take each co-authored submitted published work in turn, in the order in which it appears under 'Submitted Work' in the main document. It specifies in detail the extent of my contribution to that work. I have also included similar information within the 'Introduction' section of the main document, as part of the discussion of each published work.

At the back of this statement is a document written by the principal co-author, John Stanworth, outlining the nature of the collaboration, and including a number of supporting letters from other bodies relating to that collaboration.

**Books**

*Work 2000*, Paul Chapman Publishing, 1991 (with J. Stanworth).

The conception of this book was that of John Stanworth, building upon contacts amongst business people, politicians, and other well-known figures, made throughout his career, and the contract for the book was negotiated by him. I was very much in a supporting role as far as this publication is concerned. I carried out interviews with a Human Resources Director and the Director of a poverty pressure group. I also wrote five of the 'Themes and Issues' chapters in the second part of the book.

*Telework: The Human Resource Implications*, Institute of Personnel Management, 1991 (with J. Stanworth).

The role of John Stanworth in this case was as an enabler, and his reputation was important in securing the contract with the Institute of Personnel Management (now IPD). I researched and wrote the entire manuscript, with John Stanworth acting as editor and proof-reader, and negotiating access to the case firms.

*'Self-Employment and Labour Market Restructuring: The Case of Freelance Teleworkers in Book Publishing'*, University of Westminster Press, 1993 (with J. Stanworth and D. Purdy).

This publication outlines the first part of the work involving the book publishing industry. The initial contact with the Society of Freelance Editors and Proof-readers (whose members provided the database for the survey) was developed from John Stanworth's involvement with another book. The idea of investigating self-employed teleworkers was a joint one between myself and John Stanworth. I designed the project methodology, developed the questionnaire, and wrote up the project report. The follow-up interviews were carried out by Bill Granger, and some of the data analysis and all graphics were provided by David Purdy. The project supervisor was John Stanworth.



## **Chapters in Books**

'Enterprise 2000: Workbase the Electronic Cottage?', in *Paths of Enterprise: The Future of the Small Business*, edited by J. Curran and R. Blackburn, Routledge, 1991, pp. 34-50 (with J. Stanworth).

This chapter originated from a Seminar on enterprise organised by Professor Curran at Kingston University. John Stanworth and I were asked to provide a paper. I developed the chapter from that paper (it was extensively rewritten) with my co-author acting as editor. I developed a new typology of home-based work using Hakim's statistics and also analysed the existing UK telework schemes using a number of secondary sources.

'Problems of Definition and Marketing of High technology Homework', in *Towards the 21st Century: The Challenge for Small Business*, edited by M. Robertson, E. Chell and C. Mason, Nadamal Books, 1991, pp. 268-281 (with J. Stanworth).

This publication was developed from a paper given to the Institute of Small Business Affairs (ISBA) in the autumn of 1990. It was then written as a book chapter by myself with my collaborative author acting as editor.

## **Journal Articles**

'Home Truths about Teleworking', *Personnel Management*, 21, 11, 1989, pp. 48-52 (with J. Stanworth).

Building on a contact of John Stanworth's, we were invited to submit an article on teleworking in the UK. I wrote this article with my collaborative author acting as editor.

'Visions of the Future', *Personnel Management*, 23, 6, 1991, pp. 35-39 (with J. Stanworth).

The process of developing this article was similar to that of the previous one. This article was co-written with the co-author on an equal basis.

'Saved or Damned? The Case of Freelance Teleworkers, *European Journal of Teleworking*, 1, 4, 1993, pp. 9-15 (with J. Stanworth).

Building on a contact of mine, this article was co-written with the co-author on an equal basis. It used the data from the book publishing study.

'Teleworking - The Social Dimension', *European Journal of Teleworking*, 2, 3, 1994, pp. 4-8 (with J. Stanworth).

This article was developed in a similar manner to that of the previous one, and was co-written with the other author on an equal basis.

'The Self-Employed without Employees - Autonomous or Atypical?', *Industrial Relations Journal*, 26, 3, 1995, pp. 221-229 (with J. Stanworth).

This article developed out of a joint conference paper, using the book publishing data, given at the British Universities Industrial Relations Association (BUIRA) conference in 1994, where we made contact with the managing editor of the journal. The article was co-authored with the other author on an equal basis.

'Self-Employment Career Dynamics: The Case of Unemployment Push in UK Book Publishing', *Work, Employment and Society*, 9, 3, 1995, pp. 499-516 (with B. Granger and J. Stanworth).

This article developed from an initial idea of Bill Granger's (an original member of the Research Group, now early-retired and working on a sub-contract basis), using expectancy theory to explain movements between employment and self-employment. The first draft was largely his, but the manuscript subsequently underwent considerable modification after peer review. All work on the resubmission was undertaken by John Stanworth and myself in equal proportions.

'Ethical Issues of Teleworking', *Business Ethics: A European Review*, 6, 1, 1997, pp. 35-45 (with C. Moon).

This article developed from a conference paper given jointly by the authors at a conference on Ethical Issues and HRM at Imperial College. It was written in equal collaboration with the other author.

'Managing an Externalised Workforce: Freelance Labour Use in the UK Book Publishing Industry', *Industrial Relations Journal*, 28, 1, 1997, pp. 43-55 (with J. Stanworth).

The idea of follow-up interviews with managers of book publishing freelancers was mine. The interviews were carried out by B. Granger on a paid sub-contract basis, and the transcriptions analysed and written up for the article in equal collaboration between myself and the other author.

'Reluctant Entrepreneurs and Their Clients - The Case of Freelancers in the Book Publishing Industry', *International Small Business Journal*, 16, 1, 1997, pp. 58-73 (with J. Stanworth).

This article was written for an international small business audience, and provides an overview of the book publishing research as a whole. It was written in equal collaboration with the other author.



STATEMENT OF COLLABORATION IN RESEARCH AND ALLIED PUBLICATIONS WITH CELIA STANWORTH DURING THE PERIOD 1988-1998

In 1988, Celia Stanworth took up the first of a series of Research Fellow posts with the Future of Work Research Group at the London Management Centre, Polytechnic of Central London (forerunner of the Westminster Business School, University of Westminster). These posts have been short-term and mostly fractional. Celia Stanworth brought to the Future of Work Research Group firstly an interest in conducting research into teleworking and, secondly, a rounded knowledge of the general literature on changing work patterns.

Celia's early research on teleworking concentrated largely on experiments involving corporate teleworking, hence the considerable interest of the Institute of Personnel Management in the early years. The attached documents illustrate fairly clearly that my own intellectual involvement in the field of teleworking has been relatively modest (see particularly a letter from the Chairman of the South West London Branch of the IPM, dated 11/12/89). Given my own wide contact network and reputation as an established academic, my role as an enabler undoubtedly aided Celia's work in the early days. Against that, her role in joint publications was often understated since mine was the name which some publishers (particularly the IPM with whom I had strong contacts) sought.

When Celia realised that the growth in teleworking in the UK seemed to be involving, not in-house staff operating under the corporate umbrella but, rather, teleworkers being used on a self-employed basis, our interests converged for a period and resulted in a series of articles which involved me as an author on a fairly equal basis. More recently, however, Celia's career has developed fairly independently of my own and she is now tending to publish either by herself or, alternatively, with her past and present colleagues at the Greenwich Business School. At the same time, my own research interests have increasingly been developing in the area of franchising (I am currently Director of the International Franchise Research Centre at Westminster Business School). It is in this field in particular where I enjoy most of my present success and international reputation.

Celia's sustained interest in issues surrounding teleworking, allied to her success in making the most of a string of fractional research contracts at the London Management Centre, ended up with her undertaking research projects not substantially different to what would be involved in a conventional PhD. I have examined Celia's detailed statement of our collaboration on a series of joint publications and am happy with their authenticity.

Professor John Stanworth  
June, 1998



D.M. Jux,  
Director of Personnel,  
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439-445, Godstone Road,  
Whyteleafe,  
Surrey CR3 OYG

LONDON MANAGEMENT CENTRE

35 Marylebone Road  
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Telephone 01 486 5811  
Fax 01 486 9778

11th December, 1989

**COPY**

Dear Mr. Jux,

Many thanks for your recent letter inviting me to address your local IPM group on the subject of Teleworking. I should be normally be delighted but, on this particular topic, I have to confess to being something of a passenger. Our principal expert is actually the co-author of the recent Personnel Management article, Celia Stanworth who is a Senior Research Fellow with our Future of Work Research Group.

Teleworking is very much Celia's principal interest and topic of investigation. I have had a word with her and she would be delighted to address your branch. She is herself an IPM member and ex-HEO in Personnel with British Telecom. Thus, she should be able to relate very closely to the interests of your members.

I very much hope you will find this arrangement acceptable. If so, perhaps you would let us know the likely composition of the audience, any special areas of interest where teleworking is concerned and the usual mode of presentation adopted by speakers. For instance, do speakers usually bring handouts, make use of an overhead projector, etc?

We have definitely scheduled for this engagement at our end and hope you will be able to confirm from yours.

Yours sincerely,

Professor John Stanworth

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# Institute of Personnel Management



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Please reply to: D. M. Jux, 13 Esher Avenue, Walton-on-Thames, Surrey, KT12 2S:

5th April,

Mrs C. Stanworth,  
c/o Professor J. Stanworth,  
The Polytechnic of Central London,  
London Management Centre,  
35 Marylebone Road,  
London,  
NW1 5LS

Dear Celia,

My sincere apologies for not writing to you sooner and I have just realised that I have omitted a basic courtesy, that is to thank you very much indeed for giving your time to our Group on the 6th March.

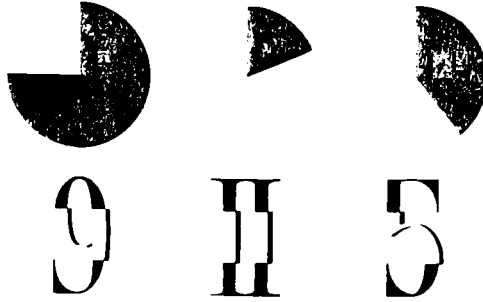
The feedback from members was that it was a very valuable evening because it presented both sides of the issue and they felt it was one of the most informative and participative evenings they have had for some time.

Thank you once again and I trust we can turn to you again should the need arise for any future sessions, in the meantime I shall be letting the IPM know of your subject and presentation.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'David Jux'.

D. M. Jux  
Chairman



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Celia Stanworth  
London Management School  
Polytechnic of Central London  
35 Marylebone Rd.  
London

16 January 1990

Dear Celia

We were all very grateful to you for your contribution on the teleworking programme.

We now look forward to editing the programme together for transmission. If you give the office a ring in a month or so we will have a definite transmission date .

Its a relief to have all the filming out of the way but it was nice to see you in person before your interview rather than prolonged conversations at the end of a telephone line.

Yours Sincerely

Colette Casey  
(Researcher)





**EMPLOYMENT**  
DEPARTMENT

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Direct line 01-273 4799

Ms C Stanworth  
Management Centre  
Faculty of the Environment  
The Polytechnic of Central London  
35 Marylebone Road  
London NW1

Our ref

Your ref

Date 23.90

Dear Ms Stanworth

**Research into Teleworking**

Your name was given to one of my colleagues by Paul Jackson of Cambridge University, in connection with your research into teleworking.

The Department of Employment is currently very interested in teleworking and is in the process of developing policy on the issue.

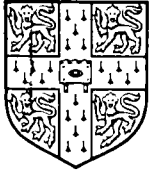
In connection with this, we like to keep up-to-date with research developments in this area. We are also keen to make contact with researchers who have an interest in teleworking so that we can bear them in mind for any work which we may decide to commission on the subject.

I would therefore be very grateful for any information that you could provide about your own work in this area, or for details of any other research that you feel may be of interest to us.

I look forward to hearing from you.

Yours sincerely

**Lynda Joeman**  
Research Officer  
Social Science 1



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INSTITUTE OF MANAGEMENT STUDIES  
Mill Lane, Cambridge CB2 1RX  
Telephone 0223 338171 (office) · Fax 0223 338076

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20 March 1990

Mrs Celia Stanworth  
Future of Work Research Group  
Polytechnic of Central London  
Marylebone Road  
LONDON

Dear Celia,

Many apologies for not writing earlier and many thanks for the info you sent last month. The Front Line initiative is quite an interesting exercise I'll be interested to see how it works out in the long term. You will find enclosed a copy of a book review I've just written on Huws' new book; maybe you've seen it already. Its quite comprehensive, although rather dry.

I've been trying to thrash out a research direction recently and have been busy writing a paper for a conference in May. As a dry run for this I'm giving as departmental seminar on May 1st. If you'd like to get together to discuss one or two things you could pop up that day -I'd be grateful for your input. Whether or not , I'll send you a copy when its finished to get some "critical feedback".

In the meantime there's a programme on telecottages this Thursday. I assume this is the one starring you (albeit for eight seconds or whatever). Interesting references I've recently come across: Brocklehurst, Personnel Review 1989, and Holti and Stern (1986) *Distance working*. Both well worth reading. I'll be in touch again before too long I hope.

Best wishes,

Paul Jackson