

Broadband spurs 'techno-commuters' rise

By Andrew Bolger, Scotland Correspondent

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A burgeoning breed of 'techno-commuters' is using fast, newly affordable broadband connections to hold down city jobs without sacrificing rural isolation.

Homeworkers, defined as "people who work mainly in their own home, or in different places using home as a base", made up 11 per cent of the total workforce in 2005, according to the Office of National Statistics. Some 8 per cent were defined as teleworkers, using the ONS definition of homeworkers who use both a telephone and a computer.

Work Wise UK, a not-for-profit initiative backed by the CBI employers' body and the Trades Union Congress to promote wider adoption of smarter working practices, believes that this can be extended to up to 50 per cent of the workforce within five years.

Phil Flaxton, chief executive of Work Wise UK, said: "There are numerous reports indicating the UK's poor productivity compared with competitors. But we would not need to work such long hours, to the detriment of family and personal life, if we used the smarter working practices."

The UK leads the world in the availability of affordable broadband connections, with 99.6 per cent of the population having access to terrestrial broadband – ahead of South Korea, Japan, France and the US, according to international league tables.

Work Wise UK argues such practices could improve productivity and reduce traffic congestion, overcrowding and pollution. But the Equal Opportunities Commission recently warned the UK was significantly lagging behind its European competitors on allowing such practices.

Mr Flaxton said in Germany and Sweden, the percentage of companies practising flexi-time was, at 90 per cent, almost double that in the UK at just 48 per cent. In Germany, Sweden and Denmark, 40 per cent of employers had staff involved in teleworking – compared with 20 per cent in the UK.

"UK management needs to stop making excuses and modernise. Smarter working practices are not only infinitely better for the workforce, they actually improve productivity. BT, a major employer in the UK, has reported productivity improvements of 20 per cent where it has introduced smarter working practices," said Mr Flaxton.

But John Philpott, chief economist at the Chartered Institute of Personnel and Development, believes there is a long way to go before teleworking becomes widespread. "Though the phenomenon may be growing ... it is far from as widespread as popularly perceived," he said.

Using the ONS definition of teleworking, just under 2.4m people in the UK fell into that category in 2005 – roughly 8 per cent of all people in employment. Mr Philpott said: "This is admittedly double the proportion in 1997 – the first year for which comparable statistics are available – but still quite small given all the hype surrounding the phenomenon."

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The ONS figures show 62 per cent of teleworkers were self-employed. Some 41 per cent of self-employed people, but only 4 per cent of employees, were teleworkers.

Mr Philpott said: "The greatest concentration of teleworkers is found in construction (23 per cent) followed by agriculture (16 per cent) and business, finance and insurance (15 per cent). A typical teleworker is more likely to be a mature male, white-van-driving, self-employed, jobbing plumber or bricklayer than ... a techno-savvy post-modern-style worker who looks to have just stepped off the set of *The Matrix*."

The benefits of remote working are also being curtailed by outdated management, according to a recent report from City & Guilds and the Institute of Leadership and Management. It found 37 per cent of all managers surveyed were looking after teams who were either entirely or predominantly based away from the office. Of those surveyed, 44 per cent said they were adequately prepared for the supervision of remote teams and only 25 per cent had received any training on how to manage such a team.

Chris Humphries, director general of City & Guilds, said: "With the introduction of flexible working legislation, a growing awareness of the environmental impacts of travel and a realisation among the business community of the cost benefits of flexible working, employment away from the office has never been so popular. However, managers are finding it less comfortable to lead and motivate flexible teams."

Background

- Homeworkers made up 11 per cent of the total workforce, according to the Office of National Statistics in 2005, the most recent figures available
- Some 99.6 per cent of the UK population has access to terrestrial broadband. This is ahead of South Korea, Japan, France and the US, according to international league tables
- Nine out of 10 companies in Germany and Sweden practise flexitime. This is compared with just 48 per cent in the UK. In Germany, Sweden and Denmark, 40 per cent of employers had some staff involved in teleworking – compared with just 20 per cent in the UK
- Some 62 per cent of teleworkers are self-employed. Some 41 per cent of self-employed people, but only 4 per cent of employees, were teleworkers
- The construction industry contains the most teleworkers at 23 per cent followed by agriculture (16 per cent) and business, finance and insurance (15 per cent)

Case study: Russian aerospace service at home on Tiree

Steve Thomson is a former investment banker who runs an online business information service about the Russian aerospace industry - from the Scottish Hebridean island of Tiree.

From the former Met Office near the island's airport, Concise Aerospace co-ordinates reports for clients such as America's Central Intelligence Agency, the Foreign and Commonwealth Office, Ministry of Defence, **Rolls-Royce**, **Boeing** and **Aeroflot**.

Mr Thomson relocated to Tiree from Cheltenham three years ago with his wife and three young children after falling in love with the island on long family holidays there. Mr Thomson had previously worked as an investment banker in both America and Russia. He discovered Concise Aerospace could be operated quite easily from the island and made the decision to move. "Our

employees are in Russia and America, so it does not really matter where we are," he said.

"Coming to Tiree has been excellent for my family at all levels. Our children are happy and my wife and I both love it here. We have lived in Tokyo, New York, London and Zurich during our 20 years together but this is better than any of them. The winters can get a bit hairy, but the summers are fantastic." Mr Thomson's wife, Diana Prestt, a former merchant banker, has studied jewellery-making and plans to open a silversmith's workshop on the island.

Mr Thomson secured a £3,200 grant from the Argyll and Islands arm of Highlands and Islands Enterprise, the development body, to install an online payments scheme – vital for a worldwide customer base likely to require immediate access.

He can keep in constant touch with his main computer server in Oregon and keeps his customers updated with three or four daily bulletins. Mr Thomson has employed a Tiree crofter, Willie MacLean, to market the business to new customers during the winter, complementing Mr MacLean's own summer time occupation as proprietor of the island's Wild Diamond Kite Surfing.

Ken Abernethy, chief executive of HIE Argyll and the Islands, said: "Concise Aerospace is an excellent example of the kind of innovative, global companies which can be run from any number of fantastic locations in Argyll."

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