



**TWING PROJECT**

# Case Studies Report

## Austria

**FORBA**

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## 1. ICT Consultancy

### 1.1 Introduction

The opening chapter introduces a mini-case study on teleworking within a major Austrian IT firm. In the field of Information and Communication Technology (ICT), teleworking is quite prevalent, and the initial collective bargaining agreement that explicitly incorporates teleworking was implemented in 2006 for the IT and consulting sectors. Furthermore, the "Employment Contract Law Amendment Act" (AVRAG), which is part of the Home Office Package initiated in 2021, provides a legal framework and fundamental aspects of employment contracts for remote work. However, despite the surge in teleworking arrangements within this sector due to the COVID-19 pandemic, there has been minimal evolution in the related stipulations of the collective agreement in recent years. Although telework was one of the early practices covered by collective bargaining agreements in this industry, it is often governed at the company level through individual works agreements.

### 1.2 Contextual and company information

The IT firm, owned solely by a major Austrian public entity, has served as the nucleus of the institution's IT endeavours for two decades, since its founding in 2004. In 2004 the company started with 15 employees, with the intention for project management, i.e. consolidation and streamlining. Today, its operations focus on standardisation of various IT systems, consolidation of data centres, and streamlining of administrative processes. Moreover, the company's business includes IT consulting services, hosting of IT infrastructure, software development, customer support services, IT procurement, and licence management. The company owns four data centres and has an in-house call- and service centre. All services offered by

the company exclusively target the public organisation and connected organisations. The company's main goal is to reduce costs for the public organisation and to provide high quality digital services.

By the end of 2022 it employed more than 800 people, with office locations in two large Austrian cities. The workforce's telework organisation encompasses a range of scenarios, with some employees working full-time at the office premises, while others are telecommuting the entire workweek. Main benefits of telework for employees are reduced commuting times, more flexible working time arrangements and an improved work-life balance – also concerning child rearing and caring responsibilities.

Typically, in the sector ICT Consultancy, telework is a widespread practice. The interviewed works council representatives contend that the majority of their company's employees engage in remote work, at least from time to time.

### 1.3 Drivers and motivations for the adoption of telework

In ICT Consultancy working from home is described as a very common work practice. The two works council members interviewed argue that most employees in their company do telework, at least occasionally.

*"We have the full spectrum. There are employees working from the office five days a week, but there are also employees working from home five days a week."* (IT company, works council A)

The drivers and motivations for the initial adoption of telework in the IT company are difficult to track down. Interview partners argue that one core reason to accept the rather liberal telework agreement back in 2006 was fear of constant struggles with the union. However, today this plays a much lesser role and the easy access to telework is rather seen as an asset to attract (new) employees. Also, the management realised that the work performance is not affected by employees' working from home. Main benefits of telework for employees are reduced commuting times, more flexible working time arrangements and an improved work-life balance – also concerning child rearing and caring responsibilities.

Recently, in the IT company there is a growing employee interest in modes of work that combine work while travelling. The concept of "*workation*", an amalgamation of work and vacation, involves work while travelling or making holidays. Not surprisingly the interviewed works council take a very critical stance towards this trend. Especially problematic in this regard are increased security concerns when travelling in certain countries or regions.

*“What has also become very popular with this current wave of working from home, is the topic of workations, work from anywhere, i.e. working abroad. Together with our legal department, we are keeping an eye on the tax law limits, plus additional information security criteria. So, someone who is now travelling closer to the east with their laptop from day to day is being watched more critically, let's put it that way. However, the number of enquiries has also decreased recently. So that was a brief wave. Personally, I'm not a fan of it. A holiday is a holiday, work is work.”* (IT company, works council B)

While desk sharing in combination with telework is discussed in the sector as a means to reduce costs, in the IT company there are no immediate plans to introduce desk sharing. However, the company initiated a parking space sharing model for certain employees to test such modes of sharing office assets. From the employees' perspective, main benefits of telework are reduced commuting times, more flexible working time arrangements and an improved work-life balance – also concerning child rearing and caring responsibilities.

#### 1.4 Social dialogue and telework

Agreements at the company level play an essential role in managing telework and related matters. The effectiveness of these agreements may largely rely on the works councils that arrange them; in reality, many of such agreements tend to focus (solely) on issues related to data privacy rather than addressing the broader scope of teleworking topics. The social dialogue in the IT company is well established. As is common in Austria, the company is subject to the collective bargaining agreement (Collective agreement for Employees of service providers in the field of automatic data processing and information technology). Besides the regulation on telework in the collective agreement, the company additionally has a works agreement on telework. The first works agreement on telework dates back to 2006 and can be described as rather liberal towards the workforce.

The stances of social partners towards teleworking are not always clear-cut. They acknowledge the advantages it offers to employees, including the possibility for a more favourable work-life balance, reduced commute times, better management of working hours, and lower expenses. Nonetheless, they remain cautious about potential downsides such as challenges in setting work boundaries, increased work pressure, self-exploitation, reduced social interactions, vacant offices, issues with oversight, and a possible decline in productivity. Despite these concerns, the demand for home-based work options by (new) employees is high, prompting organizations, as well as employee and employer representatives, to develop

appropriate telework policies. In Austria, it's becoming increasingly rare to find IT companies that don't provide any option to work remotely.

### 1.5 The process of negotiation

This collective agreement is negotiated every year between the Austrian Professional Association of Management Consultancy, Accounting and Information Technology of the Austrian Economic Chambers on the one hand, and the Austrian Trade Union Federation, Union of Private Sector Employees, the economic sector Electrical and Electronics Industry, Telecommunication and IT on the other hand. In the IT and consultancy sector there are two sector-related multi-employer agreements concluded at national level.

The IT and consultancy industry adopted a telework agreement in 2006, ahead of others. In 2021, the "Employment Contract Law Amendment Act" (AVRAG) offered a legal framework for remote work contracts. Despite this early adoption, telework terms are often set at the company level, as the Amendment Act covers only certain issues, leaving the rest to be negotiated. Recently, negotiating telework conditions has been deprioritized, with the last update to the sector's collective telework agreement occurring in 2020. This is also attributed to other topics being more pressing for collective bargaining in recent years. As a result, telework was not part of collective bargaining in recent years.

However, according to the interviewed works councils in the IT company there is little need for intensive (re)negotiations of the works agreement: the employees face a regulation which leaves them with ample autonomy, as the management needs to reason, if they reject the wish for telework. The management on the other hand uses the liberal regulation to attract new personnel. Newer trends, such as the practice of "workation" are also made available to a certain extent.

### 1.6 The process of implementation

Apart from the general collective agreement and the "Employment Contract Law Amendment Act," which provide only broad directives on telework, work agreements at the company level are primarily used to manage telework in the IT and Consultancy sector. The interviewees offered insights into the particular company's practice of regulating telework. Although this agreement has not been officially revised, the actual implementation of these arrangements has changed considerably over time, especially with substantial shifts during the pandemic. It became usual for employees to work from home once a week or, for some departments, it was previously not an option.

Within this organization, all work equipment is designed for mobility: “*employees might use their laptop while at a client's place or even from their grandmother's house,*” (IT company, works council A) as noted by an interviewee. This teleworking model is formalized in a works agreement and falls under “Home Office,” which only specifies unsuitable locations for work. Moreover, mobile working requires fulfilling certain conditions, such as the ability to report to the office within an hour. These conditions may involve individual agreements between employees and their managers. In terms of teleworking trends observed in the company, Fridays and Mondays are the days most worked away from the office, potentially offering employees the advantage of an extended weekend for remote work. This consolidation of teleworking days also lessens the frequency of moving work equipment back to the office. Additionally, a communal trend is apparent: as more individuals telework on specific days, fewer feel compelled to work in the office.

The process for initiating working from home for employees in this company is set up as such: employees need to inform their managers about their intention to work remotely at least a day in advance. Unless the manager has operational reasons to decline, the request is considered approved without further discussion. The protocol for this was established with an agreement when remote work was introduced in 2006 and has remained unaltered since there was no requirement to intervene for the works council, as there was enough flexibility in this agreement (i.e. not specifying days for telework), allowing some room for interpretation among the parties involved. However, the onset of the Covid-19 pandemic shifted the view on telework as it extended the practice to additional departments, like the call centre employees.

*“A good example, if you like, is the call centre. Before the pandemic, it was inconceivable that call centres would switch to working from home, because how would that work, right? Today, the call centre is one of the areas with the highest teleworking rates. The specific feature there is that they can't announce to work from home quite so voluntarily, but it works via a shift rotation, and they register it there, then it is taken into account.”*  
(IT company, works council A)

### 1.7 Impact of the measure on decent working conditions

In the IT company working from home is an established practice that in itself is neither called into question by the employees nor the employers. The interviewees stress how important it is for IT companies to provide well thought-out possibilities for telework and argue that reduced access to telework would severely impact on employee wellbeing. Additionally, there is no indication that work performance is affected by people working from home. Reduced

commuting times, more adaptable work schedules, and a better balance between work and personal life are core arguments for employees.

On the flip side, the interviewed works councils argue that they suspect more people working while not fully healthy:

*“From our own observations it is already the case that sickness rates are falling because people are working more from home [while sick].”* (IT company, works council A)

Furthermore, telework can present other disadvantages for workers, such as the difficulty in separating professional and personal life, inadequate home office setups and tools, limited social engagement, and a rise in desk sharing practices. As telework becomes more common, the necessity for a proper home office setting and equipment is escalating among workers. According to the interview partners, at the office it is possible to get an occupational physician to check your work equipment, such as the desk height, or the quality of the office chair or the lighting in the room, which is (almost) impossible when working at home.

*“It's just that the company doesn't provide any secondary equipment or anything like that for home use. People have their laptops and either use these, which is of course a problem in terms of ergonomics in the long term, or if it's a separate screen, it might be one that can't be tilted and isn't as adjustable.”* (IT company, works council B)

In general, topics related to occupational health and safety in telework settings are not frequently addressed, neither within the industry nor at the IT company in this case study.

## 1.8 Conclusions

This case study explores the telework agreement in a large Austrian IT company. The company is subject to the collective agreement which regulates telework on a very general level and leaves room for company agreements to detail concrete practices and procedures. This is a common practice in the sector in Austria. The sector, as well as the company were among the first to adopt regulations and agreements on telework. Telework in Austria typically is used synonymous with working from home.

Particularly the works agreement on telework in the IT company can be regarded as quite liberal: workers announce their plans for telework and if there are no objections on business grounds for the superiors to reject, telework is automatically granted. The sole limitations for telework to be granted are “unsuitable working locations” and a certain proximity to the office



facilities. Over the past years, this agreement was extended to other employee groups (such as call centre workers) but otherwise remained relatively unchanged in the past two decades. In the company there is a broad spectrum of telework practices, with people only working at the office and people mainly working from home.

## 2. Banking sector

### 1.9 Introduction

The study explores a telework/home office work arrangement within a multinational bank group located in Austria. Telework policies were already established by the employer one or two decades ago. This allows employees to work remotely for up to half of their working hours. In principle, all employees on a 'teleworkable' job have the option of applying for home office. Most of them make use of it at least to a certain degree. Detailed regulations on telework are laid down in an encompassing works agreement concluded between the management and the works council.

The case analysis is based on data collected from two primary sources: (1) three interviews, each one with a HR manager, a works council member and an employee, and (2) desk research, which includes an examination of the company's official website and part of the works agreement concluded by the social partners at company level.

### 1.10 Contextual and company information

The company under scrutiny is a large banking group headquartered in Austria. The group operates both at the national and international level and employs tens of thousands persons worldwide. It was founded more than 100 years ago and has recurrently been restructured since.

The company consists of a holding company and several subsidiaries, including a sales entity (branch banks). The holding company performs the strategic management functions and provides the infrastructure for the local customer business in the individual markets.

Most employees employed in Austria have a standard employment contract, and there is a clear predominance of women who represent more than 60% of the total workforce. The vast majority of workers can at least sometimes avail of telework arrangements – and do make use of them.

Depending on the group's subunit, at least three hierarchical levels can be found: top managers, department managers and line managers. Beneath the board of top managers, there are – at least at the headquarters – several departments each headed by a department manager. Beneath the departments, there are an unspecified number of teams each headed by a line manager. The teams vary in terms of size, depending on the range of tasks. According to the medium to high qualification levels of most employees, work organisation practices can be characterised by a relatively high degree of autonomy and responsibility on the job. Line managers have to reach performance goals laid down in annual or biannual performance agreements (annually agreed between the respective line manager and the department manager), but they are relatively free in their work organisation practices, methods and supervision for reaching these goals and accomplishing tasks. Employees, as common in the overall financial sector, are relatively highly qualified according to the requirements for the performance of a range of elaborated technical and administrative tasks. They enjoy a relatively high degree of independence in the organisation of their work, but are subject to the supervision of line managers.

### 1.11 Drivers and motivations for the adoption of telework

For reaching the goal of yielding profits, the management has always attempted to maintain cooperative relations with the works council. In order to keep the workforce (and their representatives) happy and largely satisfied with the working conditions, such that the core (and most qualified) workforce can be retained, telework has become integral part of the company's business model. The top management has correspondingly adapted its business model during the last two decades in that it has systematically been saving on costs for office-based workstations by introducing large-scale desk sharing. When designing new office premises, the employer has planned for a significant part of the workforce (at least 30%) to work remotely rather than in the office. This, according to the works council member interviewed, saves money in a sustainable way.

The company representative (HR manager) argues that – where teleworking leads to at least equivalent work performance – it is generally undisputed. If there is trusting co-operation within the team, then hybrid working is usually also possible. Since most teams and most cases of manager-employees-relationships are based on mutual respect and trust, flexible work and hybrid work arrangements are advantageous for both the company and the employees, she holds.

From the employees' point of view, the grant of home office work, which is desired by most employees working in the company, may be used as an incentive for each individual employee for major readiness to perform. In turn, the possible withdrawal of this grant may be used as a sanction in case of slacking individual performance. However, this incentive/sanction system is of mainly theoretical importance since – according to an employee interviewed – there are only very few cases where a grant of home office work is withdrawn resulting from insufficient individual performance.

### 1.12 Social dialogue and telework

The applicable sectoral collective agreement provides for the possibility at company level to agree upon flexible working time arrangements. Moreover, it contains a paragraph on telework that largely corresponds to the provisions stipulated by law (definition of home office work; principle of mutual voluntariness when arranging telework; obligation of the employer to provide necessary digital work equipment etc.). Also in this regard, it refers to the possibility of the company social partners to agree on more detailed provisions. This has been extensively used by the company social partners in that they have laid down detailed provisions on remote work agreed upon in a company works agreement.

There is a common understanding between the management board and the works council that a works agreement on the issue of telework is the most appropriate means to regulate the telework arrangements tailored to the company requirements. A corresponding works agreement on telework was agreed upon many years ago. This agreement has been amended several times – also against the background of the Covid-19-pandemic, when Covid-19-related annexes were added to the works agreement.

According to the management representative, sectoral collective agreements should not deal with regulations on teleworking. The advantages and disadvantages of teleworking must be tested in practice, she holds, and the principle of one size fits all does not apply to a large company, let alone an entire industry. Rather, according to her, it is necessary to test at middle management level for specific teams how much teleworking is favourable for whom and how teleworking should be organised. It may make sense to set a guideline for the general extent of teleworking in relation to total working hours for a company, such as 50%, as is the case in the company under consideration. However, the concrete implementation of teleworking or hybrid working should take place at team level, because the teams in a company in the financial sector have such different working methods that general regulations for all areas or

employees in a large company do not make sense. The decision on the specific organisation of teleworking must lie with middle management; this is part of the management task, she says.

The given works agreement anyhow facilitates the middle management to determine the home office regulations for their teams. This largely corresponds to the view of the works council, and therefore teleworking is not a big point of contention between the two sides of the industry in the company, she holds.

However, although the works council member interviewed agrees that the regulations laid down in works agreements have to be flexible enough to enable arrangements tailored to the specific situation of teams, she emphasises the need to set minimum standards in works agreements applicable to all employees equally. For the own company, she considers that this is currently largely the case.

### 1.13 The process of negotiation

Overall, the process of negotiation has proved smooth over the years. However, there was a short period in the mid-2010s when the management largely refused to grant home office to most employees and suspended further negotiations on this issue. However, with the replacement of the then management the telework policy changed again and talks about it have continued since.

### 1.14 The process of implementation

Telework performed at home was already widespread among IT staff decades ago. Some 15 years ago, telework/home office work has become common for almost all workers in most of the company's subunits and departments. This trend corresponds to the wish of many employees to save on commuting time and arrange working hours according to individual requirements and care obligations. On the other hand, the management has clearly linked the goal of modern management practices with the goal of saving on premises expenses, since the number of available workstations in some of the subunits and office buildings has been continuously reduced and now is significantly lower than the number of employees. Some of the offices consist of different categories of workstations, from open plan areas in shared spaces to individual booths, depending on the individual workers' needs. For about a decade, the management board has – for some subunits (not for the sales entity!) – budgeted a ratio of more than 30% of the workforce working at home each day. In addition, there is quite a number of flexible workstations, including stand-up work desks, that can be used if necessary.

This implies that all employees are equipped with mobile IT facilities provided by the company. In this respect, the pandemic did not mean a major challenge, since even in periods of 'hard' lockdowns the necessity to adapt in terms of technology was manageable.

The works agreement stipulates that – in general – all employees are equally eligible for telework/home office work arrangements. However, in line with both the law and the sectoral collective agreement, there is no obligation to work outside the company workplace (principle of voluntariness).

Each employee has the right to express his/her wish to work outside the company workplace for a couple of days a week, such that no more than 50% of the monthly working time is regularly worked remotely. To this end, the employee has to fill in an electronic form which is sent to both the superior line manager and the HR department. Usually, the employee consults with the line manager before sending the form, and usually the request for regular remote work is approved by both the line manager and the HR department, given that the employee has a 'teleworkable' job.

Overall, it strongly depends on the nature of the work in any given department and the tasks to be performed to what extent home office work is granted by the line manager or the middle management. For instance, in the retail branch bank sector (sales in direct client contact!) it is much more difficult to arrange home work models compared to most business activities in, for instance, the central administration departments at the headquarters, according to the employee interviewed.

### 1.15 Impact of the measure on decent working conditions

The bank under consideration has concluded with the works council a separate works agreements on variable working hours (flexitime), a scheme which also applies when working from home. This separate works agreement stipulates that the employee may not be contacted by the employer outside regular working hours. The employer must respect this as part of its duty of care to the employee. Overall, according to the works council member interviewed, compliance with the working time rules in the company works quite well. This is also in the interest of the employer, as work during off-peak hours or at weekends is not covered by flexitime rules and is subject to overtime premiums, which the employer is not willing to pay if the employee voluntarily works outside regular working hours at these times.

With regard to work-life balance, the works council member interviewed holds that many employees in the company are able to compensate for the problem of the dissolution of

boundaries at work and the latent overload in the home office (many employees tend to work excessive hours from home without recording longer working hours) by taking advantage of the freedom that comes with working from home. For example, many colleagues go jogging between work sessions, cook at home, do yoga or relax in other ways. However, this freedom also bears the risk of extending the working day into the night.

Work-life balance issues and savings in commuting time are the most salient features addressed by the employee interviewed.

With regard to ergonomics, the works council member interviewed emphasises that the company has launched an information campaign on how to optimise the home office workplace in terms of ergonomics. In this regard, the company has run a campaign on the company intranet. Guidelines have been published, and videos on the correct ergonomic design of the home office workplace have also been shown on the intranet. In the company, the viewing of this information material is instructional in nature, which means that the individual employee must view the material. This is important as many employees are not aware of the dangers of poor posture, the works council member argues.

However, in practice it is difficult to effectively manage and monitor the correct ergonomic design of the home workstation. At the insistence of the works council, the company has provided subsidies for employees to purchase large screens for their home offices. Moreover, the company has entered into cooperation agreements with furniture suppliers so that employees of the bank can purchase ergonomically designed office furniture at a slightly lower price. Ergonomically designed chairs in particular are in demand.

According to the works council member interviewed, technostress is not a major problem in the company. This is because most banking employees were already used to working on computers or grew up with PCs before the introduction of large-scale remote working. However, there is a tendency for employees to become overwhelmed by the plethora of parallel communication channels. Fixed-line telephones, company mobile phones, mobile text messaging, email, video calls and chats via Teams, etc., are offered and used simultaneously. With so many different access points, it can be difficult for employees to keep track of all communication channels and not forget any messages etc. However, when introducing new communication channels such as Teams, the company has made sure that training is provided on how to use them correctly, and that co-learning takes place with the new channels.

### 1.16 Conclusions

The strong demand for a more comprehensive regulation of teleworking in the company emerged when desk sharing for cost reasons was introduced on a large scale and when the employees have increasingly demanded teleworking arrangements. At the same time, the company has realised that its attractiveness as an employer in the banking sector increases with the growing possibility of working from home.

During the past one or two decades, the management board has pursued a strategy of combining the goal of maximising profits and that of maintaining an attractive employer of highly skilled staff. In order to attain the financial benchmarks defined by the management board, performance goals have been preset for all management levels in the group. This means for the middle management and the line managers of smaller teams to pass on and translate the mostly annually defined performance goals from the department level onto the individual employee. The grant of home office work, which is desired by most employees of the company, and its potential withdrawal may be used as an incentive or sanction for each individual employee, depending on his/her individual performance.

For the management, it is decisive to keep the workforce happy and satisfied with their working conditions by granting them relatively generous telework arrangements. This strategy seems to be catching on among the employees, although the latter eventually have to bear the costs (significant reduction of office workstations) saved by the management. As long as overall performance is in line with the management benchmarks, the management board is willing to accept an elaborated works agreement on telework – all the more since this works agreement concluded with the explicit consent of the works council ‘legalises’ the large-scale desk sharing strategy of the company. For the works council, the conclusion of an encompassing works agreement on home office work/telework guarantees substantial co-determination rights; and for the employees, the works agreement provides a legal basis for largely equal access to the telework regime to all employees on ‘teleworkable’ jobs.

## 3. Chemical industry

### 1.17 Introduction

The company covered as case study is a subsidiary of a global chemical, pharmaceutical and cosmetics corporation headquartered in an EU member state other than Austria. In Austria,

the corporation's main activity is R&D and management of central and eastern European markets. Home office work was introduced in the company about 10 years ago, when the first works agreement on home office work was signed.

The unit of analysis of the case study is the site located in Austria with its R&D department and holding company. This report is based on an interview with a works council member and draws on information gathered from the website and some company-specific documents.

## 1.1 Contextual and company information

The analysed company forms part of a multinational chemical, cosmetics and consumer goods manufacturer. It is a subsidiary of a large multinational concern headquartered in another EU country. The site in Austria is a R&D department and at the same time operates as holding company of the central and eastern European markets. In Austria, more than 100 workers are employed, since the closure of a large warehouse a few years ago only white-collar workers are employed – most of them with a university degree. About 70% of the Austrian workforce are women.

Telework has been established at the Austrian site 10 years ago, when a works agreement on telework/home office work was concluded between the local management and the works council. At that time, one home office day per week was possible under the terms and conditions of the then works agreement. A few years later, telework was not permitted anymore since the then management had major reservations against this form of work organisation. However, during the pandemic, home office work was made accessible to all workers on 'teleworkable' jobs, and a newly appointed management sought to maintain the widespread use of home office work also post-pandemic. In 2021, the pre-existing works agreement on home office work was amended, such that two home office days per week got the new norm. Since then, almost all employees make use of teleworking/home office work at least one day per week. In reality, even though the works agreement formally restricts the extent of home office work to two days per week, many employees use this form of work for the vast majority of working days per month; this is accepted by the management, as long as the immediate supervisor does not object to this practice.

## 1.2 Drivers and motivations for adopting telework

Telework was made possible when the first works agreement on home office was concluded between the management and the works council in 2014. This initiative was partially launched by the works council on behalf of some of the employees wishing to work from home; on the



other hand, also part of the then management had an interest in working some days per month from home, for various (private) reasons. Hence, the interests of part of the workforce met the interests of part of the management board. After a short period of abandoning telework practices during 2017 to 2019, the onset of the Covid-19 pandemic made it necessary to enable home office work for virtually all employees, for the reason of effectively containing the spread of the virus. In 2021, both the management and the works council wanted to consolidate the teleworking practices, since all stakeholders had made positive experiences with the employees' performance when working from home. Moreover, the management recognised that widespread teleworking may contribute to save on costs. Since then, a system of desk sharing has been introduced based on the assumption that no more than 80% of the workforce will in the future be present at the workstation. By introducing a home office work regime in combination with a system of desk sharing the office space could be halved within a five-year period by 2024.

### 1.3 Social dialogue and telework

In the chemical industry, before the outbreak of the pandemic in 2020, teleworking or working from home was rare in the sector and often granted by the employer as a reward for the employee. Since the pandemic, virtually all employees in the industry with 'teleworkable' jobs may benefit from an arrangement facilitating working from home. While there have been no changes with regard to teleworking at the regulatory level of the collective agreement for many years, a number of works agreements on teleworking have been concluded or renegotiated at company level. However, in contrast to the past, the 'reward factor' of working from home is hardly a factor anymore.

The collective agreement for salaried employees in the chemical industry contains a clause on teleworking which is very general and has already existed since the 1990s. It has not changed over the years and is, in terms of content, similar to the provisions laid down in the 2021 Home Office Package enacted by the government. The collective agreement contains an annex with a model service sheet on telework arrangements, which is to be used as a basis for individual agreements on telework. This service sheet contains provisions on the definition of normal working time and its division into working time at the workplace and working time away from the workplace, overtime and its compensation, working time records, work equipment provided by the employer, possible compensation for expenses incurred by the employee at the telework location, liability issues, maintaining contact with the company during telework and termination of telework. It is important to note that, in accordance with the

collective agreement, this service note can be omitted if a corresponding works agreement regulates these areas. In the case of the company under consideration, this is the case.

The background to the introduction of the clause on telework in the industry collective agreement some decades ago was that a legally binding agreement was to be created for the very few employees at that time who teleworked for various reasons, which could serve as legal security for an individual agreement on telework between the two parties to the labour market. In particular, the model roster contained in the collective agreement already provided a good basis for individual agreements on telework. During the past years, no debate between the sectoral social partners about changing the provisions on telework in the collective agreement for the chemical industry has taken place. This is because the classic dominant bargaining issues in the industry have in recent times been wages and working hours.

#### 1.4 The process of negotiation

Shortly after the onset of the pandemic, the company social partners began negotiations on amending the pre-existing works agreement on home office work. This is because the two sides of industry wanted to maintain the possibility of extended periods of home office work also in a post-pandemic scenario. At the same time, in particular the management aimed at restricting the number of home office days per week to no more than two, such that the bonds and the loyalty of the workforce to the company would not be subjected to a risk. Eventually, the management and the works council soon reached a compromise and concluded a new works agreement on home office work in 2021.

#### 1.5 The process of implementation

The provisions of the 2021 works agreement on home office work is as follows:

- Home office is possible for all employees with normal weekly working hours of at least 20 hours per week and at least four working days per week. Fieldworkers are excluded from home office.
- The home office workplace can be either the employee's primary or secondary residence. The residence of a close relative or partner can also serve as a home office workplace. The performance of work in public places is not permitted. Working from home abroad is generally not permitted.
- Employment in the home office requires the existence of a suitable ('teleworkable') activity and assignment.

- Working from home is voluntary on both sides. A separate written agreement between employer and employee is required for the utilisation of home office. In any case, the agreement must define the specific workplace, the mode for regulating the home office days, the work equipment made available to the employee and the duration of the home office.
- Depending on the individual daily and weekly working hours, a maximum of two full working days per week can be used for home office. The specific home office days must be agreed flexibly in advance between the responsible superior and the employee. The superior can restrict or refuse home office in individual calendar weeks at his/her discretion. The flexitime regulation remains unchanged in its current version for the employees covered, even when working from home.
- Overtime and extra hours worked in the home office are only remunerated separately if expressly ordered in writing by the responsible superior.
- For working hours in the home office, employees are obliged to enter their working time records manually in the company's time recording system.
- The work equipment required for working from home is provided to employees by the employer free of charge. The specific work equipment required depends on the respective activity of the employee and must be specified in the individual home office agreement.
- Travelling time between the private workplace and the workplace in the office is not working time. The only exception to this is a written instruction from the superior to come to the office on the agreed home office day.

## 1.6 Impact of the measure on decent working conditions

According to the works council member interviewed, job satisfaction in the company has generally increased due to the granting of home office to almost all employees. This also has to do with the fact that in reality it is not only possible to work from home two days a week, as stipulated in the works agreement, but almost indefinitely, provided the superior has no objections.

The works council member has also observed that the number of sick days taken has decreased as a result of the establishment of home office. Apparently, employees working from home often carry out their work even when they are ill. This may not be a problem in the case of minor illnesses, such as colds, but in the case of serious illnesses, employees may endanger their health.

What seems to work well is the internal communication in a hybrid meeting setting, with employees participating in person and those participating online. The works council member interviewed holds that almost all employees have got used to this form of communication. She also emphasises that the works council is able to contact and reach the workforce as easy as prior to the pandemic, when home office work was by far less widespread and face-to-face contact more common.

## 1.7 Conclusions

In the chemical industry, a clause on teleworking was included in the sectoral collective agreement some decades ago. Although the section of the collective agreement dealing with teleworking is very general, it also contains an annex with a model service sheet on telework arrangements to be used as a basis for individual agreements on telework between the individual employee and the employer. This service sheet in turn contains a list of issues to be addressed by corresponding works agreements at company level. This model roster has prompted the social partners of many companies in the chemical industry to conclude separate and detailed work agreements on teleworking/home office work. The example of the chemical industry shows that good practices at industry level may create a positive culture of regulation across the industry which may easily be adopted at individual company level.

The company under consideration is one of those numerous enterprises in the sector that have made use of the model service sheet annexed to the collective agreement in that the core provisions have been adapted to the requirements of the company. This has led to a widespread practice of home office work that benefits both the management and the employees of the company.

## 4. Public sector

### 1.8 Introduction

The case study organisation is an Austrian federal ministry altogether employing a few thousand employees, most of which are public servants. Home office work was possible in the ministry pre-pandemic, became widespread during the pandemic and has remained highly demanded among the employees thus far. Teleworking/home office work is regulated in detail in an internal guideline negotiated with the staff council. In principle, almost all employees on a 'teleworkable' job can apply for telework/home office. If the supervisor agrees, the request

is usually granted. Overall, both the employees and the staff council are satisfied with the scheme.

The fieldwork consists of two interviews, one conducted with a department manager and the other with a staff council member. In addition, via desk research information from the website and other documents was gathered.

## 1.9 Contextual and company information

The organisation under scrutiny is one of Austria's federal ministries and thus a supreme authority. It is divided into a number of so-called sections (Sektionen), which in turn consist of a number of departments (Abteilungen) each. The federal minister and his/her office (Ministerbüro) as well as the central administration units are located in Vienna. The federal ministry currently employs a few thousand employees, about less than 20% of them being career public servants (Beamte) and about 80% of them being contract public employees (Vertragsbedienstete). Apart from that, there are very few temporary agency workers and some apprentices and trainees. The federal ministry exists since 1945, even though with varying names and competences according to the respective configuration of the Federal Ministries Act in force.

As mentioned above, almost all employees of the ministry are either career public servants or contract public employees. Whereas the employment relationship of the former is a public-law relationship, that of the latter is a private-law relationship. Both categories of employees have service regulations (Dienstrecht) which are laid down in detail by statute. For career public servants, the Career Public Servants Act (Beamtendienstrechtsgesetz, BDG) applies, for contract public employees it is the Contract Public Employees Act (Vertragsbedienstetengesetz, VBG). For more than 20 years, virtually all newly engaged employees in the ministries (except for sovereign functions in justice, police and armed forces) have been engaged as contract public employees. Career public servants are, in formal terms, appointed by the state and as a matter of principle remain in the service of a public employer for life, whereas contract public employees may be dismissed under certain circumstances and after the end of their employment relationship receive a pension under the statutory scheme provided for all private sector employees. Both employment relationships have an unlimited duration. In terms of the ministry's workforce composition, there is a predominance of women (about 60%). More than 90% of all employees are covered by hybrid work/telework arrangements.

As is the case of all federal ministries in Austria, three main hierarchical levels can be found in the organisation under consideration: directors of sections (who closely cooperate with the minister and his/her office), department managers (Abteilungsleiter/in), and line managers. Corresponding to the on average (relatively) high qualification levels of the employees, work organisation practices can be characterised by a fairly high degree of autonomy and responsibility on the job. Department managers and line managers do not have to reach performance goals as is often the case in the private sector, but they are charged by the directors of sections with clearly defined tasks that have to be accomplished. Nevertheless, both department managers and line managers are relatively free in their work organisation practices, methods and supervision for accomplishing tasks. Most employees, as common in the central public administration sector, are highly skilled according to the requirements for the performance of a range of elaborated clerical and administrative tasks, with some independence in the organisation of their work but under the supervision of the department managers and line managers.

In public administration, the possibility to perform regular work 'at home' exists since 1979. With the 2004 amendment to the public service regulations, legal provisions were laid down for regular telework in the civil service, when the BDG and the VBG were amended. In 2019, the occasion-based telework was introduced in addition to the regular telework in the public sector, such that since, there have been two options for telework in that segment of the economy.

Due to the COVID-19 pandemic, the Federal Government decided on 12 March 2020 that the public employees (including both categories of employees outlined above) should perform their work at home (in the form of home-office). With further amendments to the BDG and the VBG in 2021 the notion of home office was also introduced in legislation regulating public employment relationships, adapting the new regulations of the 2021 home office package in the private sector. Before, only the notion of telework had existed in the BDG and the VBG. Accordingly, home office is given when telework is performed at home. In this case the employer must provide the ICT equipment necessary to perform the work from home.

The ministry has had regulations on teleworking since the early 2000s. These were already regulated at that time by means of internal ministry guidelines. The legal basis for this was then, as now, the BDG and the VBG.

The internal home office policy currently provides for the following: employees can either apply to work from home on a regular basis or on an ad hoc basis (occasion-related home office).

In the case of regular home office, up to a maximum of three fixed days per week are agreed as home office days. The corresponding application is completed by the employee after consultation with the immediate superior and the department manager and sent to the HR department, which must decide on the application. If neither the immediate superior/line manager nor the department manager raises any objections, the application is usually approved. This creates an individual home office contract between the employee and the employer, which can be concluded for six months or one year.

Occasion-related home office can be utilised on up to two days per week. This option is considerably more flexible, as home office can be arranged flexibly at short notice by verbal or written agreement with the immediate superior or department manager. This means that the employee is not bound to certain days of the week, but can work from home on Monday and Wednesday in one week and Tuesday and Thursday in the following week. Occasion-related home office can also be used on a case-by-case basis by those who have concluded an agreement on regular home office (thus in addition to regular home office).

Due to its flexible character, significantly more employees make use of occasion-related home office than regular home office. While about 90% of employees utilise the option of working from home, only around 28% of employees in the ministry have concluded an agreement for regular working from home.

### 1.10 Drivers in the adoption of telework

According to the department manager interviewed, the ministry generally assumes that the use of teleworking has a positive impact on the quality and quantity of services provided by employees. In the ministry's opinion, this increases the functionality of the respective employment units.

Teleworking was already common practice at the ministry pre-pandemic. The pandemic has acted as a catalyst in this respect because it has accelerated the digitalisation processes and the processes of equipping employees with mobile digital work equipment. Consequently, the pandemic made it possible for almost all employees to work from home. The ministry has made use of this and issued relatively liberal regulations with regard to home office work.

Moreover, according to the staff council member interviewed, almost all the ministry's employees want to be able to work from home because it allows them to achieve a better work-life balance, save commuting time or work more productively and with greater concentration in a quiet working environment. As an employer, the ministry cannot ignore this expectation

for reasons of talent attraction. The staff council member holds that a certain amount of teleworking must be offered by the ministry in any case. This is precisely because otherwise a serious recruitment problem would arise. Teleworking is a central topic in job interviews, she emphasises, especially with younger applicants.

Another aspect that plays a role in the use of teleworking is the optimisation of space utilisation in the ministry, which has been discussed for many years. On the one hand, rooms and workstations are becoming scarce because the ministry has limited means and is thus forced to partially rent them out, and on the other, part of the rooms have to be rented outside the ministry's own premises (in cheaper quarters of the city) for various areas. This makes it necessary to consider the introduction of desk sharing in connection with the use of teleworking. According to the staff representative, the ministry wants to introduce desk-sharing models in which some employees always have to work from home in order to save physical workstations and thus space and costs.

### 1.11 Social dialogue and telework

Although public sector employees are formally excluded from collective bargaining, the public sector trade unions are de facto negotiating parties in all matters relating to the public service. Pay regulation has long been subject to an informal practice of regular bargaining rounds between the administrations and the public sector unions, generally conducted jointly by all employing authorities. Ministry-specific issues, by contrast, are negotiated between the ministry as employing authority and the central staff council as the highest hierarchical level of staff representation in the ministry. It is important to note that the real influence of the public service unions on pay-setting and other issues in the public administration sector is no less compared with that wielded by the private sector unions in the genuine private-sector collective bargaining system.

The same holds true of the ministry under consideration, where effective negotiations do take place and the central staff council is involved in all decision-making processes, according to the staff council member. For example, the internal guideline on working from home was negotiated between the ministry as employer and the central staff council. The latter is usually invited to talks with the highest hierarchical level (including the HR managers) in the ministry when it comes to amendments to internal regulations. Before decisions are made or regulations or guidelines are issued, the staff representatives discuss the results of the negotiations in the central staff council. Only when the results of the negotiations have been approved by the central staff council does the ministry issue the regulations/guidelines. According to the



department manager, the staff representatives are traditionally held in high esteem by the ministry and have de facto great power.

### 1.12 The process of negotiation

Both the department manager and the staff council member emphasise that all the ministry's relevant stakeholders have realised (pre-pandemic, but especially during the health crisis and post-pandemic) that teleworking basically works well and that negotiations on the implementation of a reasonable teleworking/home office work regime are indispensable. These negotiations in general went very smooth, with only minor differences of opinion, for instance in relation to sufficient provision of ITC equipment necessary to perform the work from home or in relation to the adequate height of the lump-sum allowance granted to the employee in case of use of private IT equipment from home.

### 1.13 The process of implementation

See above.

### 1.14 Impact of the measure on decent working conditions

Both questionnaire surveys among the employees of the ministry and the statements of the two interviewees suggest that employee satisfaction with the current regulations of teleworking in the ministry is high. The main advantages of teleworking identified are: a generally better work-life balance, a greater degree of time autonomy and working time flexibility, shorter or no commuting times, easier interruption of working hours for private errands and childcare, and an overall easier and more flexible organisation of working and leisure time.

Moreover, internal records have shown that during the Covid-19 pandemic, many part-time employees increased their regular (and thus paid) working hours (by amending their individual contracts of employment) because it was easier for them to reconcile work with family or private commitments. This increase in the average working hours of part-time employees by about two hours per week (officially laid down in their individual contracts of employment) has persisted thus far and is associated with the possibility of hybrid working (in the office and remotely).

The staff council member notes that several of the above-mentioned questionnaire surveys conducted within the ministry form part of a health evaluation of workplaces procedure based on a directive issued by the ministry. This evaluation, according to the staff representative, takes place every one to two years. An internal survey on mental stress recently carried out in

the framework of the health evaluation procedure shows that younger employees (especially those with children) are more satisfied with the home office regulations in the ministry than older employees in terms of work-life balance. Older employees tend to see the disadvantage of isolation when working from home more pronouncedly. Many employees also feel cut off from the flow of information when working from home, although – as the staff council member interviewed notes – all information is sent out in an internal circular or appears on the intranet. The lack of informal contacts and the lack of direct social interaction with colleagues in the home office are generally bemoaned. The evaluation also showed that sick employees, who would otherwise not come into the office, tend to work from home even when they are ill, the staff council member adds.

This means that, according to the staff council member, fewer sick days have been taken by the employees of the ministry since the pandemic owing to the fact that many employees work from home when they are ill rather than taking sick leave. In individual cases, this could also be seen as a benefit, as some employees who only have a slight cold can still go about their work without putting their colleagues at risk of infection, the staff representative holds. However, this behaviour bears the risk of self-exploitation and would also be questionable for health reasons, she adds.

### 1.15 Conclusions

Overall, negotiations of the social partners in the ministry under scrutiny on the topic of telework/home office work have proceeded continuously and largely conflict-free. This is because there is a tradition of mutual respect and recognition between the social partners, and the collective interest of the employees in benefitting from generous telework regulations meets with the ministry's interest of establishing a modern personnel management regime.

Evaluations of the internal teleworking guidelines and the practice of teleworking during the pandemic and in the post-pandemic era show just how serious the ministry is about enabling people to work from home. In times of extensive use of teleworking during the pandemic, sickness rates had fallen and the number of hours worked by part-time employees had increased because it was easier to reconcile work and private commitments. Overall, employees tend to feel more valued. However, the evaluation also showed that sick employees, who would otherwise not come into the office, tend to work from home even when they are ill.

Overall, the ministry's strategy of self-presentation as an attractive employer by enabling generous and flexible teleworking arrangements appears to be successful. In particular, the highly

skilled staff can largely be retained, and young qualified people can be recruited – which is especially important for some years against the background of a large cohort in the ministry reaching retirement age.