

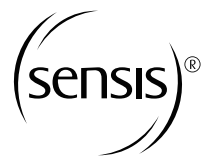
The Sensis® *Business Index*

TELEWORKING

July

09





The Sensis® *Business Index*

TELEWORKING

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INTRODUCTION

THE Sensis® *Business Index* is an ongoing series of surveys tracking confidence and behaviour of Australia's small and medium enterprises (SMEs). These surveys have been undertaken quarterly since 1993.

The primary objectives of the Sensis® *Business Index* are to:

- Track small and medium business activity over the past three months
- Track expectations over both the current three and 12 month periods
- Measure overall confidence among SMEs.

Another purpose of the Sensis® *Business Index* is to provide an independent, objective assessment of proprietors' experiences and attitudes on key issues. The Sensis® *Business Index* is based on a sample size of 1,800 SMEs from metropolitan and regional areas of Australia. It includes businesses within the accommodation, construction, communication, health, community services, cultural and recreational industries.

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

“ The Sensis® *Business Index* enables broad scrutiny of the SME market, as well as an understanding of trends and issues relevant to this sector. ”

The Sensis® *Business Index* is an initiative of Sensis Pty Ltd as part of its commitment to this vital business sector. Sensis is Australia's leading information resource and is a wholly owned Telstra subsidiary. Sensis' popular information services make complex lives simpler by helping Australians find, buy and sell. These services include Yellow Pages®, White Pages®, CitySearch®, UBD®, Gregory's®, Whereis® and GoStay®. Sensis currently provides advertising services to 420,000 Australian businesses, of which 90 per cent are SMEs.



“ Since its inception in 1993, the Sensis® *Business Index* has been one of the most extensive and regular surveys of small businesses in Australia. ”

ABOUT THE SURVEYS

SINCE its inception in 1993, the Sensis® *Business Index* has been one of the most extensive and regular surveys of small businesses in Australia. Historically, the Sensis® *Business Index* has focused specifically on businesses employing 19 people or fewer. In November 2000 it was expanded to cover the medium business sector, while the regional and industrial sectors were also enhanced.

The June 2009 Sensis® *Business Index* results are based on telephone interviews conducted with 1,800 small and medium business proprietors. The sample size comprises 1,400 small businesses and 400 medium businesses (the latter defined as businesses employing between 20 and 199 people).

Businesses interviewed for the June 2009 Sensis® *Business Index* were drawn from all metropolitan and major non-metropolitan regions within Australia. Quotas were set for geographical location and type of business in order to produce the standard sample structure shown below. Where replacement businesses are recruited, this sample structure is maintained.

At the analysis stage, results were weighted by selected Australian New Zealand Standard Industrial Classification (ANZSIC) divisions within the metropolitan and non-metropolitan region of each state and territory. This ensured the sample reflected the actual small and medium business population distribution. The Australian Bureau of Statistics (ABS) Business Register, as at June 1998, was used to weight the sample to be representative of the total business population.

Interviewing for this latest survey was conducted from 6 May to 10 June 2009. The report covers experiences over the past three months (February to April 2009), and expectations for both the current quarter (May to July 2009) and the 12 months ending May 2009.

LOCATION OF BUSINESS

	Total	Metro	Non-metro
New South Wales	300	240	60
Victoria	300	240	60
Queensland	300	165	135
South Australia	225	195	30
Western Australia	225	195	30
Tasmania	150	90	60
Northern Territory	150	90	60
Australian Capital Territory	150	150	–
Total	1800	1365	435

DIVISION

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

“ Overall, the study found an overwhelmingly positive impact for teleworking. ”



EXECUTIVE SUMMARY

TELEWORKING

This report is based on data sourced from the Sensis® *Business Index*, which surveys 1800 small and medium enterprise (SME) owners. For this survey, teleworking was defined as utilising information and communications technologies (e.g. computers, telephones, BlackBerries™, video conferencing, PDA, facsimile) to free staff from traditional office locations and enable them to work elsewhere.

THE EXTENT OF TELEWORKING

In summary, these surveys found that 24 per cent of businesses reported that either they or their employees teleworked. Businesses in the Australian Capital Territory (29 per cent), businesses in the communications, property and business services sector (40 per cent), those in metropolitan areas (26 per cent) and medium businesses (45 per cent) all reported above average levels of teleworking.

Positively, in terms of business performance, SMEs that had teleworking employees reported significantly higher levels of confidence than those that did not embrace teleworking. Apart from business confidence, teleworking businesses also performed higher in most other performance indicators, most notably sales and profitability, and with employment and prices being the only exceptions.

THE IMPACT OF TELEWORKING

Overall, the study found an overwhelmingly positive impact for teleworking. Coupled with the higher performance levels of businesses that teleworked, the case for introducing teleworking in the business environment is particularly strong. Business owners cited improved flexibility for their employees, the ability to access information from anywhere, time saving and improved productivity as the top positive impacts of teleworking. Over six in ten businesses that teleworked reported feeling that teleworking had no drawbacks.

THE FUTURE OF TELEWORKING

Despite the strong business case for teleworking, only an additional eight per cent of businesses that did not telework were intending to introduce it.

No evidence of strong regulatory barriers against teleworking was provided by businesses. The main barrier to introducing teleworking was that it was not relevant to their business, with the type of work also being a key issue here.

THE INCIDENCE OF TELEWORKING IN AUSTRALIAN BUSINESSES

THIS report provides data on how teleworking is being used in Australian businesses, how they implement it and how they benefit from it. This snapshot uses data from the Sensis® *Business Index* to capture the attitudes of Australian business owners to teleworking in April, May and June 2009.

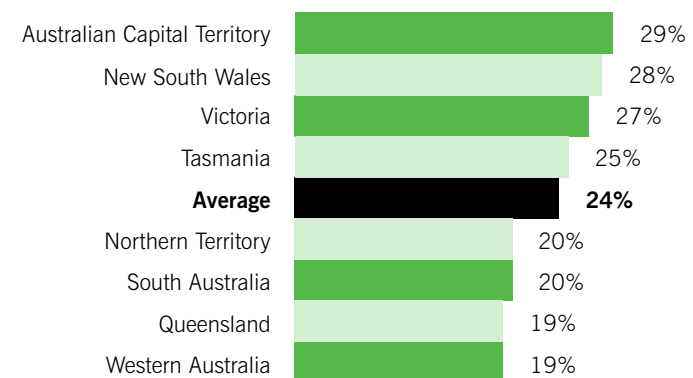
Teleworking is a complex concept, and means different things to different people. For some businesses, teleworking can mean employees working from home or at a client's premises, for others, this is the normal form of work. It can be defined broadly as using technology to work at any location, to having a formalised agreement within which to work. In fact, many businesses embrace what some might think of as teleworking, without realising it. For these reasons it is important to define teleworking in the context of this data collection.

For the purposes of this report, teleworking has been defined as utilising information and communications technologies to free staff from traditional office locations and enable them to work elsewhere. This definition is consistent with that used in 2007, but differs slightly from that used in previous years, so caution should be used when comparing with data collected prior to this.

As can be seen from the charts on the right, in 2009 almost one in four SMEs (24 per cent) reported having someone that teleworks. Looking at a state breakdown, those businesses in the Australian Capital Territory are most likely to have teleworkers (29 per cent), with those in Queensland and Western Australia the least likely (19 per cent each).

On a sectoral basis, not surprisingly businesses in the communications, property and business services sector were the most likely to have teleworking, with retail firms the least likely. Other business types that exhibited above average tendencies to have teleworking were those in metropolitan areas (26 per cent); medium businesses with between 20 and 199 employees (45 per cent); and businesses that were not family-based (30 per cent).

INCIDENCE OF TELEWORKING 2009



Q. Do you or any of your employees telework? That is, does your business utilise information and communications technologies (e.g. computer, telephone, BlackBerry, video conferencing, PDA, facsimile etc) to free your staff from traditional office locations and enable them to work elsewhere?

BASE = All Businesses

SOURCE: Sensis® *Business Index*
Sweeney Research - June 2009

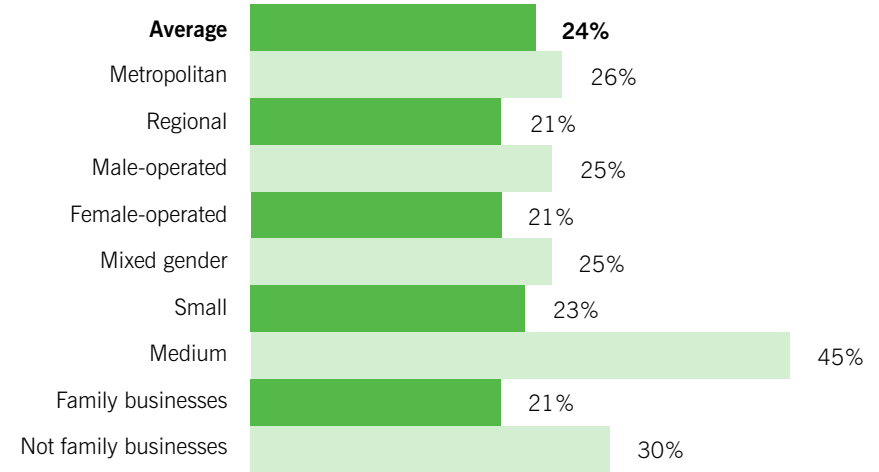
■ **INCIDENCE OF TELEWORKING 2009
BY BUSINESS SIZE**

	Have Teleworkers
All Businesses	24%
1-2 Employees	21%
3-4 Employees	23%
5-9 Employees	28%
10-19 Employees	34%
20-99 Employees	43%
100-200 Employees	60%
Total Small (1-19)	23%
Total Medium (20+)	45%

BASE = All Businesses

SOURCE: Sensis® Business Index
Sweeney Research - June 2009

■ **INCIDENCE OF TELEWORKING 2009
BY BUSINESS DEMOGRAPHICS**



BASE = All Businesses

SOURCE: Sensis® Business Index
Sweeney Research - June 2009

“ Teleworking has been defined as utilising information and communications technologies to free staff from traditional office locations and enable them to work elsewhere. ”

TELEWORKING AND BUSINESS PERFORMANCE

THE Sensis® *Business Index* regularly tracks the confidence of businesses every quarter. In June 2009, the Sensis® *Business Index* found that net confidence among the Australian SME community was net 30 per cent. When one examines the confidence levels of teleworking businesses compared to those that do not telework, it can be seen that businesses with teleworking are significantly more likely to feel confident about their business prospects for the next year than those that do not telework (net 42 per cent compared to net 25 per cent).

Apart from business confidence, the June 2009 Sensis® *Business Index* found higher net balance results across the majority of performance indicators for SMEs that had teleworking. The gap in these performance indicators was most noted for the value of exports (57 percentage point higher); sales (17 percentage points higher) and profitability (12 percentage point higher). In addition to this, SMEs that teleworked were almost twice as likely to export as those that did not (20 per cent compared to 12 per cent). The only performance indicators where SMEs with teleworkers rated lower than those without were employment (two percentage points lower) and prices (13 percentage points lower).

In interpreting this data, it is important to keep in mind the context of the operating environment for businesses at the time. The June 2009 Sensis® *Business Index* found that SMEs were operating in difficult economic conditions, with confidence improving following a year where confidence and most indicators had fallen to their lowest levels on record. Most indicators reported strong increases over the past quarter, with the only exceptions being prices, as inflationary concerns had been easing from the high levels that had been apparent in the preceding year.

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



Businesses with teleworking are significantly more likely to feel confident about their business prospects for the next year than those that do not telework (net 42 per cent compared to net 25 per cent).



OVERALL SME CONFIDENCE JUNE 2009

	SMEs with teleworkers	SMEs without teleworkers	All SMEs
Extremely confident	14%	10%	11%
Fairly confident	49%	40%	43%
Neutral	16%	25%	23%
Fairly worried	19%	20%	20%
Extremely worried	2%	5%	4%
Total confident	63%	50%	54%
Total worried	21%	25%	24%
*Net Balance	+42%	+25%	+30%

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

BASE = All Businesses

SOURCE: Sensis® Business Index
Sweeney Research - June 2009

BUSINESS PERFORMANCE INDICATORS JUNE 2009

	SMEs with teleworkers	SMEs without teleworkers	All SMEs
Sales	-1%	-18%	-14%
Profitability	-8%	-20%	-17%
Capital expenditure	-8%	-11%	-11%
Employment	-4%	-2%	-3%
Exports**	23%	-34%	-15%
Wages	0%	-5%	-3%
Prices	+2%	+15%	+12%

*net balance of the proportion of SMEs reporting an increase minus the proportion reporting a decrease
**base – those that exported (20 per cent of teleworking SMEs, 12 per cent of those that didn't telework and 14 per cent of SMEs on average)

BASE = All Businesses

SOURCE: Sensis® Business Index
Sweeney Research - June 2009

TELEWORKING – WHERE AND WHAT?

AS part of this study, the Sensis® *Business Index* asked businesses about the way they telework into their organisation – where teleworking takes place and the types of tasks that their employees do while they are teleworking.

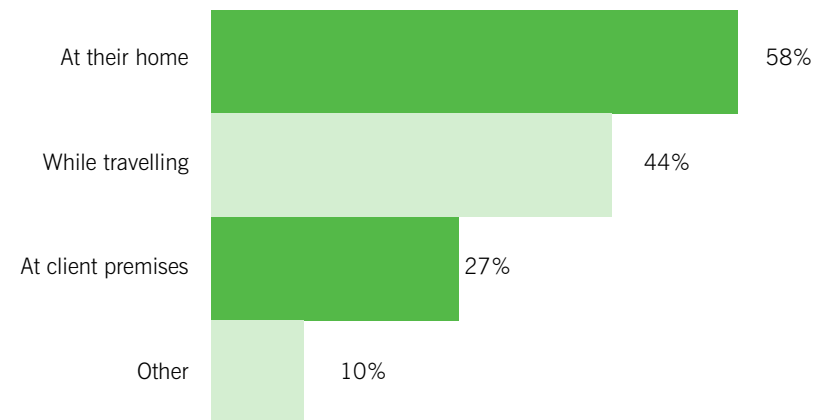
There were three places that SMEs were most likely to report having people teleworking: their homes, while travelling and at client's premises.

The most popular place that teleworking was performed was in their homes. Almost six in ten of businesses (58 per cent) reported that either they or their employees teleworked in their homes. Following this response, many SMEs (44 per cent) reported that either they or their employees were teleworking while they were travelling. The other key place that teleworking was being performed was at a client's premises, (27 per cent). Apart from these main responses, there was a range of other less frequent responses including working on site, working in the office, working in remote locations or regional offices and working in hotels and airports.

The key tasks that were being undertaken by teleworking were extremely diverse, and encompassed the broad spectrum of business tasks. Administrative work and financial management were the main tasks performed by teleworkers, with 23 per cent of teleworking businesses nominating each of these as one of their main teleworking tasks. In addition, servicing customers was a key area performed by teleworkers. However, beyond these broad categories, a multitude of business activities were mentioned by businesses as tasks performed by teleworking staff, ranging from customer support, research, sales and quotation preparation, to management, technical work and graphical design.

The extent of tasks given by businesses demonstrates that teleworking can be incorporated into most parts of the business operation from “back of house” functions like management, administration and production to “customer-facing” roles such as sales and customer care.

WHERE EMPLOYEES TELEWORK



BASE = Businesses with employees who telework

SOURCE: Sensis® *Business Index*
Sweeney Research - June 2009

■ MAIN TELEWORKING TASKS 2009



BASE = Businesses with employees who telework

SOURCE: Sensis® *Business Index*
Sweeney Research - June 2009

“

There were three places that SMEs were most likely to report having people teleworking: their homes, while travelling and at client's premises.

”



THE EXTENT OF TELEWORKING

LOOKING at the extent of teleworking in the organisational context, the Sensis® *Business Index* found that most businesses that teleworked had, on average, some 60 per cent of their workforce teleworking. However, whilst this was the average proportion, the most frequent response was to have over 80 per cent of employees teleworking, which was reported by some 40 per cent of businesses.

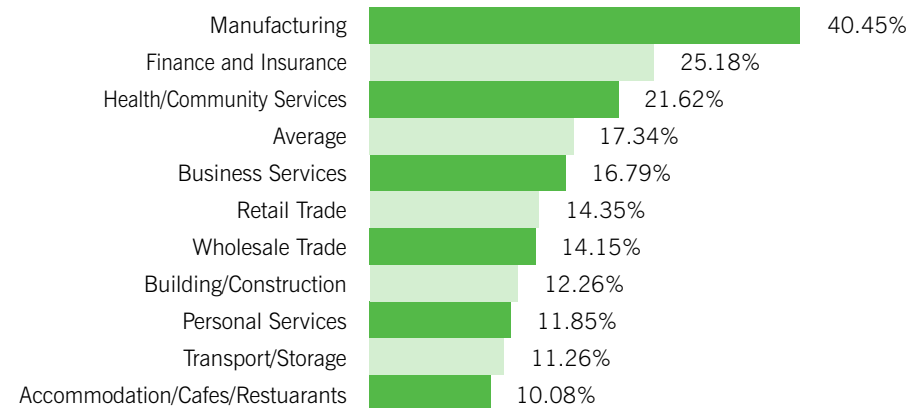
For those businesses that had employees teleworking, the average amount of time spent teleworking was 17 hours, however there was a large variation particularly by industry sector.

SMEs in the manufacturing sector that had teleworking employees reported that those employees spent approximately 40 hours a week teleworking. SMEs in the finance and insurance sector and the health and community services sector that had teleworking employees, reported that those employees spent above average amounts of time teleworking.

At the other end of the spectrum, SMEs in the accommodation, cafes and restaurant sector that had teleworking employees reported the lowest amounts of time their employees teleworked of any industry sector.

Medium businesses reported significantly higher hours teleworked per employee per week than small businesses (23.56 hours for medium businesses compared to 16.75 hours for small businesses).

AVERAGE HOURS SPENT TELEWORKING BY INDUSTRY

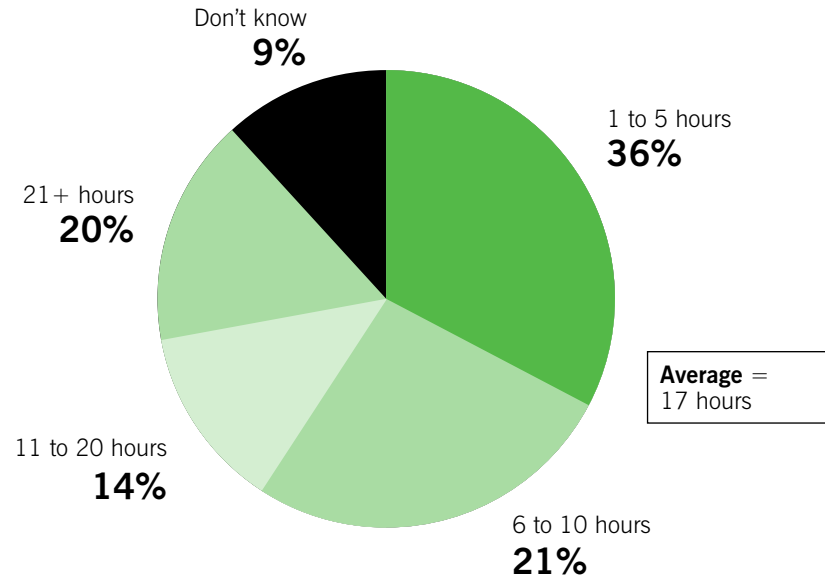


BASE = Businesses with employees that telework

SOURCE: Sensis® *Business Index*
Sweeney Research - June 2009

“ For those businesses that had employees teleworking, the average amount of time spent teleworking was 17 hours ”

■ TIME SPENT TELEWORKING

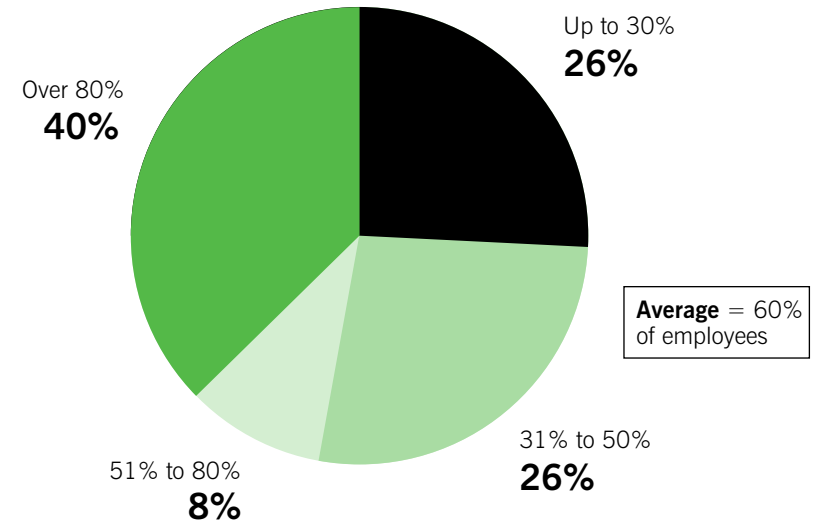


Q. On average, how many hours a week do your staff telework?

BASE = Businesses with employees that telework

SOURCE: Sensis® Business Index
Sweeney Research - June 2009

■ PROPORTION OF EMPLOYEES WHO TELEWORK



Q. How many of your employees telework?

BASE = Businesses with employees that telework

SOURCE: Sensis® Business Index
Sweeney Research - June 2009

FACILITIES AND EQUIPMENT USED FOR TELEWORKING

THE latest results on the type of equipment that SMEs used to facilitate teleworking shows a consistent picture of mobile technologies driving teleworking. The three top technologies used, notebook computers, mobile telephones and broadband internet have surpassed traditional office technologies allowing employees to work from a range of locations.

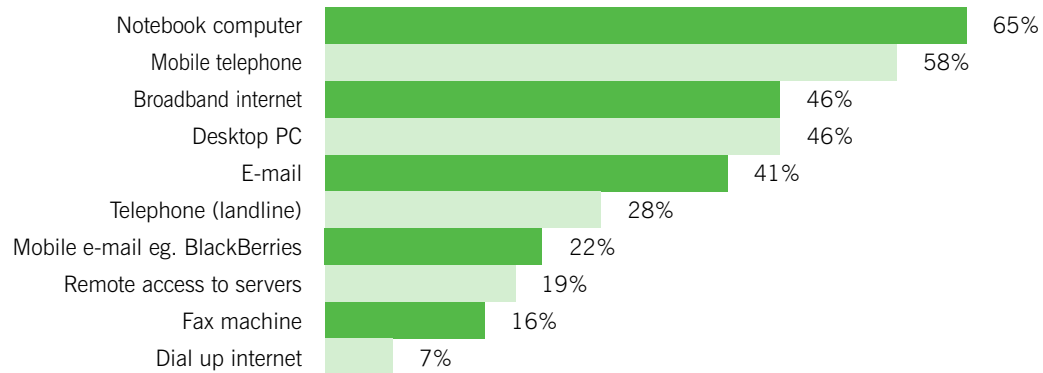
The notebook computer was the main piece of equipment that SMEs used for teleworking, nominated by 65 per cent of businesses. Whilst this was the top response, there was quite a degree of divergence by industry. Notebook computers were particularly highly utilised for teleworking by firms in the finance and insurance sector (92 per cent) and also firms in the manufacturing sector (87 per cent), while SMEs in the transport and storage sector were least likely to nominate using notebook computers for teleworking (30 per cent).

It is interesting to see how the equipment that facilitates teleworking has changed over the past few years. While in 2009 notebook computers were the most common piece of equipment for teleworking, in 2005 they were only second to mobile phones. While there has been strong growth in the proportion of SMEs using mobile phones to facilitate teleworking, the use of notebook computers has grown faster.

It is also interesting to note the extent to which adoption of broadband has facilitated teleworking. In 2005 some 23 per cent of SMEs reported using broadband for teleworking, close to the 22 per cent using dial-up internet connections. By 2009 this had changed dramatically, with 46 per cent of teleworking SMEs reporting that their employees teleworked via broadband, with only seven per cent using a dial up connection. And since 2005 mobile e-mail devices have moved from being virtually non-existent, to being used by 22 per cent of teleworking SMEs.

“ **The three top technologies used, notebook computers, mobile telephones and broadband internet have surpassed traditional office technologies allowing employees to work from a range of locations.** ”

FACILITIES USED FOR TELEWORKING 2009

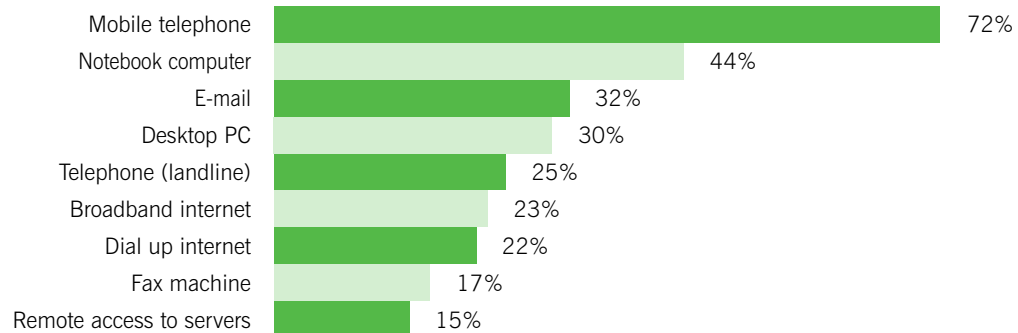


Q. What facilities and equipment do your employees use to telework? (multiple response allowed)

BASE = Businesses with employees that telework

SOURCE: Sensis® Business Index
Sweeney Research - June 2009

FACILITIES USED FOR TELEWORKING 2005



Q. What facilities and equipment do your employees use to telework? (multiple response allowed)

BASE = Businesses with employees that telework

SOURCE: Sensis® Business Index
Sweeney Research - June 2009



THE IMPACT OF TELEWORKING – BENEFITS AND DRAWBACKS

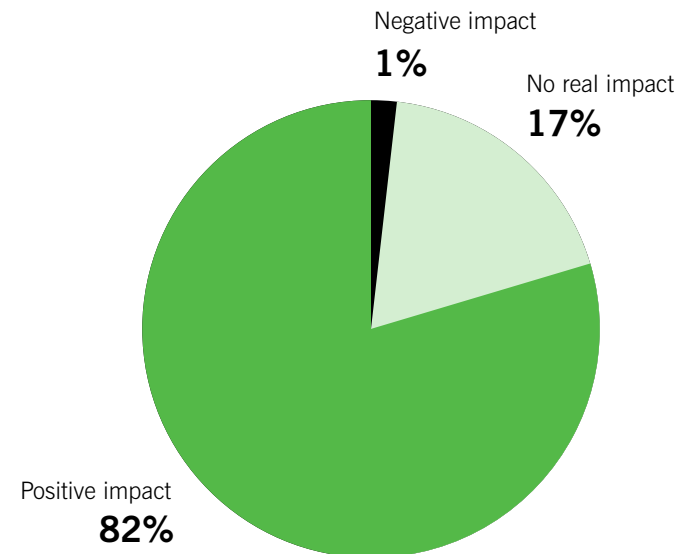
OVERALL, the Sensis® *Business Index* found that 82 per cent of SMEs who had teleworking employees reported that, on balance, teleworking had had a positive impact on their business. A further 17 per cent reported that they had not noticed any real impact from teleworking, and less than one per cent reported having had a negative experience from having their employees telework. The main positive impact that businesses reported from teleworking was that it had given their employees more flexibility. This response was by far the most frequent positive impact cited, given by some 53 per cent of businesses that had introduced teleworking arrangements, up from 37 per cent in 2007.

Other key positive impacts given by over ten per cent of businesses that had teleworking employees included being able to access information away from the office (19 per cent); time savings (17 per cent); greater productivity or efficiency (15 per cent).

As already mentioned, the proportion of businesses that felt that teleworking had had, on balance, a negative impact on their business was negligible, being reported by less than one per cent of those SMEs that had teleworking employees. It is not surprising then that the most frequent response given when asked whether they felt there were any drawbacks to teleworking was that there were none. This response was given by 62 per cent of businesses that had teleworking employees.

Drawbacks that were noted by some businesses were mainly related to people-issues including the need for face to face contact, that it was time consuming, that it was hard to manage staff. One people issue that was raised this year but not in previous years was that teleworking was causing less separation between work and home life, with mobile technologies tending to cause a blurring between the two. This issue was raised by three per cent of teleworking businesses.

IMPACT OF TELEWORKING



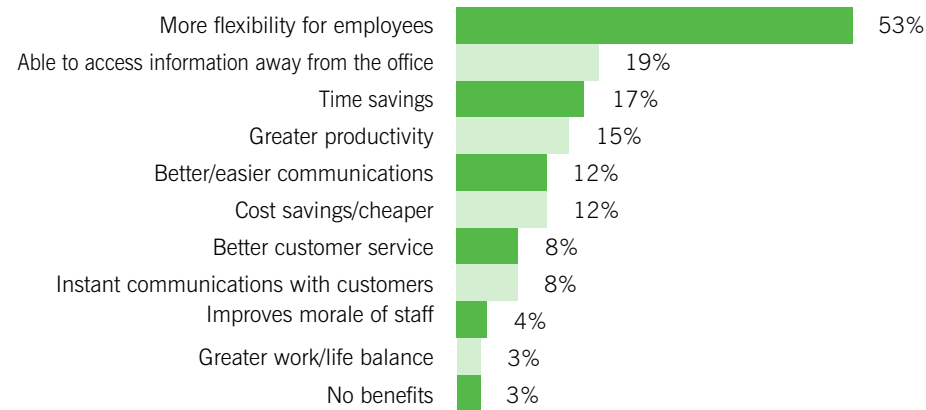
Q. On balance, has the introduction of teleworking had a positive impact, a negative impact or no real impact on your business?

BASE = Businesses with employees that telework

SOURCE: Sensis® *Business Index*
Sweeney Research - June 2009

There were very few drawbacks raised that didn't relate to people issues. Of non-people issues, the two which were most mentioned were difficulties connecting to the internet and cost, however both of those issues were of lower order, having been raised by four per cent and two per cent of teleworking SMEs respectively. So whilst businesses did raise some drawbacks of teleworking, on balance very few businesses felt that teleworking had a negative impact on their business overall.

■ BENEFITS OF TELEWORKING

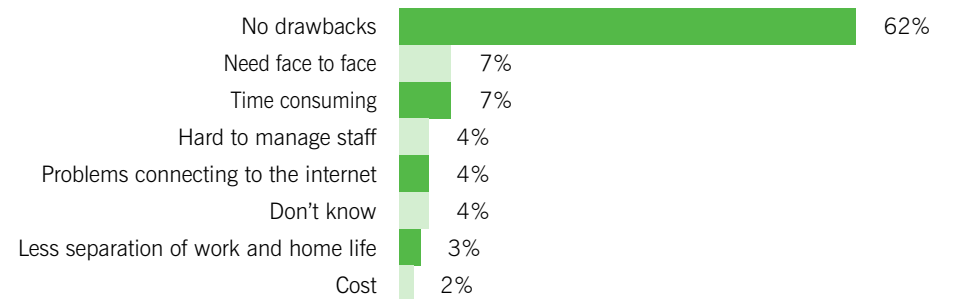


Q. What do you perceive to be the main benefits of telework for your business?

BASE = Businesses with employees that telework

SOURCE: Sensis® Business Index
Sweeney Research - June 2009

■ DRAWBACKS OF TELEWORKING



Q. Are there any drawbacks for your business created by telework arrangements?

BASE = Businesses with employees that telework

SOURCE: Sensis® Business Index
Sweeney Research - June 2009

FUTURE INTENTIONS OF TELEWORKING BUSINESSES

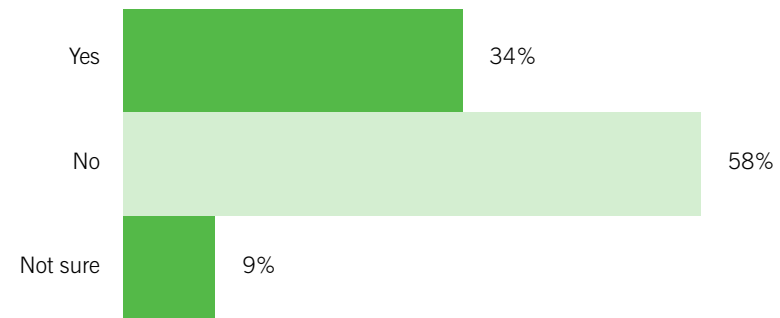
DESPITE over four out of five businesses that had teleworking believing that it had a positive impact on their business, the Sensis® *Business Index* found that only just over one-third (34 per cent) were intending to introduce the amount of teleworking in their businesses.

Businesses in South Australia were most likely to be intending to increase the amount of teleworking in their business (44 per cent), with those in the Australian Capital Territory least likely (17 per cent). Businesses in metropolitan areas were more likely to be intending to increase the amount of teleworking (38 per cent) than those in regional areas (24 per cent).

Businesses in the cultural, personal and other services sectors were the most likely to be intending to increase the amount of teleworking on a sectoral basis (72 per cent). Businesses in the health and community services sector were the least likely to be intending to increase.

Considering the strong linkages between teleworking and business performance, it is not surprising to find that businesses that were planning for significant growth were most likely to be intending to increase the amount of teleworking in their businesses (79 per cent), with those that were not aiming for growth the least likely (21 per cent). Small businesses were only marginally more likely to be intending to increase telework (34 per cent) than their medium counterparts (36 per cent).

INTENTIONS TO INCREASE TELEWORKING

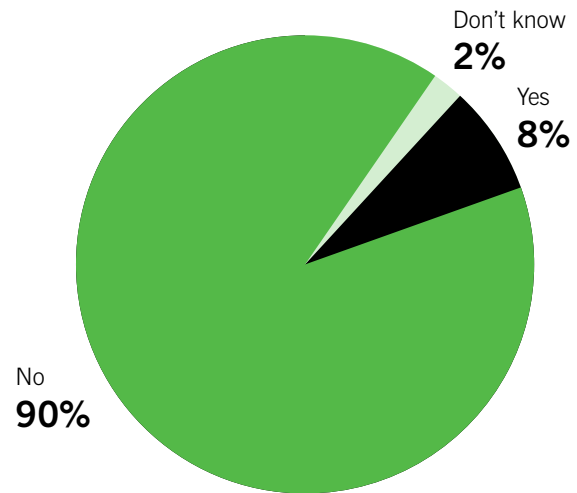


Q. Are you intending to increase the amount of teleworking in your business?

BASE = Businesses with employees that telework

SOURCE: Sensis® *Business Index*
Sweeney Research - June 2009

■ INTENTIONS TO INTRODUCE TELEWORKING



Q. Are you intending to introduce teleworking in your business?

BASE = Businesses with employees that telework

SOURCE: Sensis® Business Index
Sweeney Research - June 2009



FUTURE INTENTIONS OF BUSINESSES TO INTRODUCE TELEWORKING

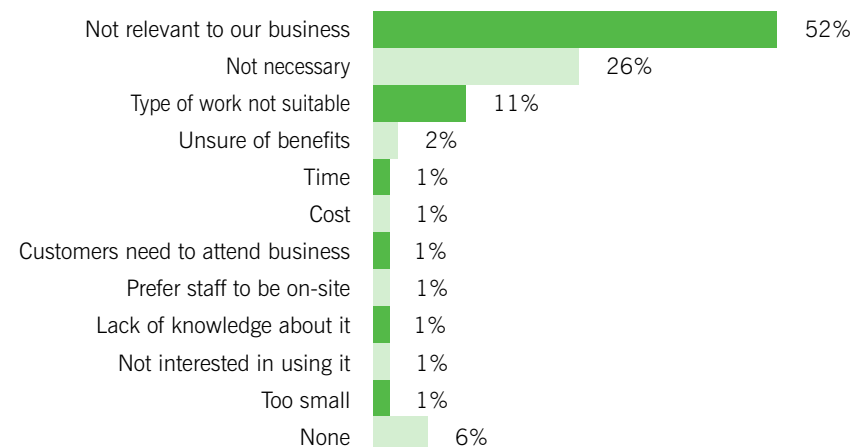
DESPITE the positive experiences of those businesses that had adopted teleworking, the Sensis® *Business Index* found that only eight per cent of those businesses that did not currently have teleworking were intending to adopt it in their businesses, with 90 per cent having no intention to adopt, and a further two per cent unsure.

Businesses in New South Wales were most likely to be intending to adopt teleworking in their business (16 per cent), compared with only one per cent of businesses in South Australia, Tasmania, the Northern Territory and the Australian Capital Territory intending to adopt teleworking in their business. Businesses in metropolitan areas were over twice as likely to be intending to increase the amount of teleworking (nine per cent) than those in regional areas (four per cent).

Businesses in the health and community services sector were the most likely to be intending to adopt teleworking on a sectoral basis (21 per cent). Businesses in the wholesale trade sector were the least likely to be intending to adopt (less than one per cent).

Again, with the strong linkages already demonstrated between teleworking and business performance, it is not surprising to find that businesses that were planning for significant growth were most likely to be intending to adopt teleworking in their businesses (39 per cent), with those that were not aiming for growth the least likely (three per cent). Small businesses were over twice as likely to be intending to increase telework (eight per cent) as their medium business counterparts (three per cent).

BARRIERS TO ADOPTING TELEWORK



Q. What are the main barriers preventing you from introducing teleworking into your business?

BASE = Businesses with employees who telework

SOURCE: Sensis® *Business Index*
Sweeney Research - June 2009

BARRIERS TO THE INTRODUCTION OF TELEWORKING

WHEN businesses that did not have teleworking were asked what the main barriers were to adopting it, over half (52 per cent) responded that relevancy was the main barrier, with over one quarter (26 per cent) feeling that it was just not necessary for their business.

Apart from these two key responses, some 11 per cent believed that the type of work in their business was not suitable for teleworking. Some six per cent of businesses that did not currently have teleworking did not feel that there were any barriers to the introduction of teleworking into their business.

It is interesting to analyse these results by sector – the main issue raised as a barrier, that teleworking was not relevant to their business, was raised by 70 per cent of the health and community services sector. At the other end of the scale, only 30 per cent of those SMEs that did not telework felt that the type of work in their businesses was not relevant for teleworking.

The type of work not being suitable was most likely to be raised as a barrier to teleworking by businesses in the accommodation, cafes and restaurants (22) and least likely to be raised as an issue, and again least likely to be raised by firms in the finance and insurance sector (seven per cent). Some 13 per cent of SMEs in regional areas that did not telework felt that the type of work in their business was not suitable for teleworking, compared to nine per cent of SMEs that did not telework in metropolitan areas.

It is important to keep in mind that it is quite legitimate for some businesses to view teleworking as not a suitable option for their business – it will not be suitable for all types of jobs and tasks. For example, for a small café or a small personal services businesses such as a hairdresser, teleworking may not be suitable. But even for businesses in these sectors where teleworking is not suitable for the core tasks, there might be some tasks that are still suitable for teleworking, such as financial management.



CONCLUSION

TELEWORKING continues to form an important part of Australia's contemporary business environment, allowing businesses the freedom to do business wherever and whenever they want. This has become even more apparent with the wider adoption of mobile and wireless business tools, which are rapidly becoming part of a businesses standard equipment – many businesses currently have the means to telework effectively whether or not they are choosing to do so.

The data collected in this study shows that teleworking is a solid part of the Australian business environment. The Sensis® *Business Index* found that some 24 per cent of Australian small and medium enterprises, almost one in four, have already introduced teleworking as part of their operating environment.

Once again, this report presents a strong business case for the adoption of teleworking. The study found an overwhelmingly positive impact for teleworking in Australian businesses. Over four out of five businesses reported that teleworking was, on balance, positive for their business, with less than one per cent of businesses reporting a negative impact overall. This statistic has not changed significantly in the past two years, having increased marginally.

Business owners cited increased flexibility for their employees, the ability to access information from anywhere, time savings, improved productivity, easier communications and cost savings as some of the main positive impacts of teleworking.

While businesses directly reported many benefits from teleworking, this report also found independent correlation between teleworking and business performance. Businesses that had teleworking employees reported significantly higher levels of business confidence and stronger levels of business performance across most key economic indicators. Whilst not providing a direct causal link between teleworking and increased business performance, the fact that consistently year on year teleworking businesses have recorded significantly stronger levels of business confidence and performance further strengthens the business case for teleworking.

However, while the case for businesses to introduce teleworking was strong, the Sensis® *Business Index* continues to find that the proportion of businesses that intend to introduce teleworking remains low, with only an additional eight per cent of SMEs indicating this intention.

The evidence of hard barriers to businesses adopting teleworking remained low - no major regulatory barriers to teleworking were mentioned by businesses. The main barriers related to the relevancy of teleworking for the specific business operation, which, it could be argued, may well be valid for many business types. This report does not aim to argue that teleworking is suitable for all tasks in all businesses, but that it is a valuable business tool – offering flexibilities for both businesses and employees as demonstrated by the data.

So, one conclusion from this report is that while businesses had found teleworking positive, and while those businesses with teleworking had performed better than others, there is still not a large amount of enthusiasm displayed by businesses for adopting teleworking in their businesses if they do not already do so. To some extent the issue of relevancy might well be to the concept of “teleworking” itself – the key tools that businesses are using for teleworking are becoming standard business tools, not equipment specially acquired for teleworking – for many businesses the concept of teleworking might not be relevant as a special concept in itself – working away from standard office locations has become to some extent just a standard way of doing business in contemporary Australia.

APPENDIX – QUESTIONS

DO you or any of your employees telework? That is, does your business utilise Information and Communications Technologies (e.g. Computer, telephone, BlackBerry, video conferencing, PDA, facsimile) to free your staff from traditional office locations and enable them to work elsewhere?

The following questions were asked of businesses that did have employees that teleworked:

- Where is that work performed?
- How many of your employees telework?
- On average, how many hours a week do your employees telework?
- How many of your employees do not telework?
- What facilities and equipment do your employees use to telework?
- And what are the main tasks employees undertake when they are teleworking?
- What do you perceive to be the main benefits of telework for your business?
- Are there any drawbacks for your business created by your telework arrangements?
- On balance, has the introduction of teleworking had a positive impact, a negative impact or no real impact on your business?
- Are you intending to increase the amount of teleworking in your business?

The following questions were asked of businesses that did NOT have employees that teleworked:

- Are you intending to introduce teleworking in your business?
- What are the main barriers preventing you from introducing teleworking into your business?

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