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# NEW ORGANIZATIONAL FORMATS IN TELEWORK. FROM THE FACTORY TO THE VIRTUAL BUILDING.

Unemployment is an engine for innovation.

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## ABSTRACT

Telework Towers (Torres de Teletrabajo) is a virtual building that brings together offers and those who are in need of teleservices. It represents a shift of paradigms that makes good use of IT to meet a real current needs. Therefore, its purpose is to address the ignorance and prejudice about telework through a collective, independent effort, so that the purpose of generating new job opportunities can become a reality in the near future.

## KEYWORDS

Virtual Building, telework, teleservices, job opportunities, Torres de Teletrabajo (Telework Towers)

## INTRODUCTION

If we talk about the evolution from the agrarian to the industrial society we cannot help but remembering the huge migration of peasants into the villages, in search of better opportunities. What has been the driving force for the migration of these groups?: The lack of jobs.

The land reform introduced in England in the eighteenth century gated the properties and began intensive crops, facilitated by the new agricultural technology. This development had an impact on employment by reducing it to a minimum. Since then, rural properties would no longer provide the opportunities that people needed. Landless and jobless peasants had no choice but to go to the villages and cities.

The city promised a different future. The factories converted the real state wealth of the rural properties into movable property, represented by the merchandise produced. A new world of possibilities and hope had begun.

However, the number of workers who moved to the city was such that the excess supply of labor led to abuses by factory owners. These are evident in the form of meager wages, employment of minors and unacceptable working conditions. In the social, political and economic chaos, the industrial bourgeoisie grew, got capitalized and established its own rules.

Two social classes emerged:

1 - the industrial bourgeoisie, the owners of the machinery that due to its size was not possible to have at home, so they were placed in large factories, and

2 – The industrial proletariat, workers or labor force.

As time passed by it was necessary for workers to organize in order to implement the necessary counterbalances and thus dignify work. The class struggle was a necessary condition for a more egalitarian society.

The introduction of new technologies in industry, power sources and development of mass forms of production and consumption led to the 50 golden years of the Industrial Society. The economy expanded in our countries and generated wealth including large parts of society, until a new crisis, a contraction of the development model and the introduction of other new technologies gave rise to high unemployment rates that still survive.

Formal and decent employment which scholars insist on framing within the industrial society, does not offer opportunities to everyone. As we said, we live a new cycle of contraction, similarly to that of the passage from the agrarian to the industrial society.

At the risk of being unfair, just to summarize, but recognizing honorable exceptions, we are faced with abuses with characteristics adapted to our time which are dangerously hovering above us. Meager wages that make workers to be the new poor who cannot sustain themselves, long working hours that exceed the 8-normal-hour labor day, hopelessness in the growth or development within the company, and the high turnover of young people, form a discouraging picture. Unfortunately, the scene is even worse if we add the abuse and bad manners that we occasionally find in the workplace.

The “Y” Generation no longer has in mind a career in a company, and even less to sacrifice many hours of their lives in an office. They expect a better balance between work and their own personal life.

That is how a whimsical balance within formal work – with less employees – and informal work - composed of young people that choose their independence, for older people who fail to find jobs within the traditional market, and by free-lance professionals that look for other opportunities. It is a transcendental period of change that will not stop.

Each period of growth and development is followed by a contraction period that renews it and expands it, but with specific characteristics. They do need to rethink development scenarios and create new analysis categories.

Our challenge is not an easy one. We must understand the historical origins of economic cycles and their impact on social change, in order to recognize ourselves in the middle of the dichotomy between an industrial society that has started to shrink and the new information society that is just beginning to expand.

In the middle of the chaos produced by these changes and the suffering due to the lack of jobs, we are forced to innovate. Any change brings unimagined opportunities, which were impossible in old days, but that we can have today, in our living-room, in our computer, on the Internet.

In light of these challenges, we intend to gather teleworkers that are at present scattered and unorganized, in Telework Towers ([www.torresdeteletrabajo.com.ar](http://www.torresdeteletrabajo.com.ar)).

Telework Towers is a virtual building. The building does not exist in real world. It is in itself a new reality: the virtual reality only possible due to the technological advances and the Internet.

Although for many it is difficult to work on the basis of abstraction, it does exist, and is based on knowledge. It becomes a new form of production and a new worker: the teleworker. The product of this productive force gathered in this building is also virtual, a new paradigm.

***The wealth of nations today is the sum of its tangible and intangible products.***

Telework Towers is not a company, is not a job bank and is not a social network. It is a virtual office building that gathers in one place the intellectual capital and puts the knowledge of workers in productive action, making it available to any person who needs it and wishes to hire him (her).

It does not get involved in the recruitment process as its duty is to bring parties closer. Employers will know where to look for and teleworkers will have a place to offer their services. It is the non-physical, intangible place, for micro-entrepreneurs, businessmen and professionals who do not know how to start teleworking.

It is definitely a new form of organization, not previously seen, which helps to create jobs. The recruitment process flows directly direct between the interested party and the teleworker. This avoids intermediation, improves income distribution, and allows smoothing the ups and downs of an independent activity.

It is based on collaboration because all are committed to spread and sell the services of the building, not only the individual service, creating a synergy which was unimaginable at other times which can be seen merely to search in Google "telework towers" and see the number of occurrences of a project that was only launched last March.

## **BACKGROUND OF TELEWORK TOWERS (TT)**

After completing the research: Exporters of Internet<sup>1</sup> Services, which was conducted by the Comisión TIC (IT Commission)<sup>2</sup> at the USUARIA<sup>3</sup> for the IDRC<sup>4</sup> in 2007, it became clear that the difficulty of teleworkers to find job opportunities were similar to those expressed by the contractors who revealed that recruitment of staff would improve in Latin America and the Caribbean if they knew the legal risks involved, and if recruitment procedures and payments were easier, as well as ensuring the correct selection of bidders who would provide some kind of support to the services to be hired.

In view of these results, the need to set up an organization of teleworkers to facilitate the reunion of suppliers and contractors was evident. Thus, in August 2009, the project of Telework Towers (TT) was presented on the 1st. International Telework Congress in Costa Rica. From that moment it began to take shape. In order to do this, we called volunteers who wish to cooperate with the project.

## **THE START**

We developed a search engine – the TT-core - based on the classification of services of the WTO-World Trade Organization. It was established that each floor would represent a different profession.

We selected simple 2D site, with photoshopped images that simulated the virtual reality of the building. The comments were received encouraged us to maintain this feature as an element that made a difference as regards traditional web sites.

We also modified the usual manner in which business sites offered product on sale, where a percentage is paid after the transaction is finished. In view of our possibilities, it was difficult to develop a system based on control operations so we opted to rent offices for a social value<sup>5</sup> so that all those who wished to telework could join, as the cost would not be an obstacle and they could feel a part of the project.

## **ELEMENTS THAT MAKE THE DIFFERENCE**

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<sup>1</sup> *Exportadores de Servicios en Internet, Chapter 2, page 92, <http://www.etis-lac.org.ar/>*

<sup>2</sup> *Comisión de Teleservicios en la Sociedad de la Información y el Conocimiento, [www.tic.org.ar](http://www.tic.org.ar)*

<sup>3</sup> *Asociación Argentina de Usuarios de la Informática y las Comunicaciones, [www.usuaria.org.ar](http://www.usuaria.org.ar)*

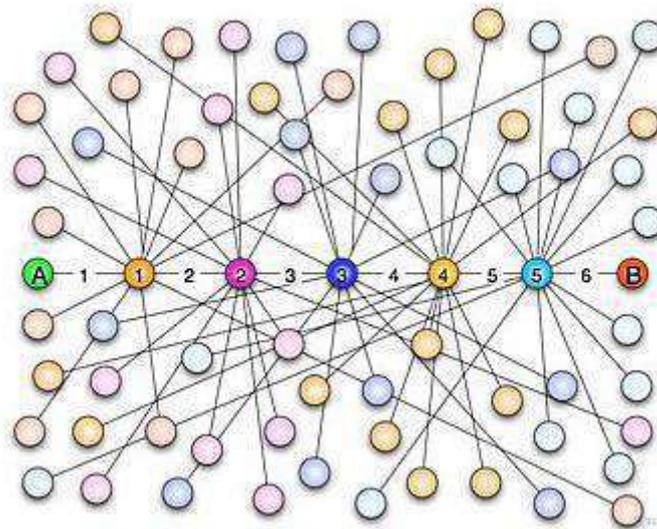
<sup>4</sup> *International Development Research Center, [www.idrc.ca/lacro](http://www.idrc.ca/lacro)*

<sup>5</sup> *Monthly rent for offices paid by tenants is 25 pesos, i.e. USD 7.00.*

### *Telework Towers is not merely a social network*

Social networks on the internet are a relevant social phenomenon that is revolutionizing the way people communicate and interact with different interests.

They are based on the theory of the six degrees which says that if each person is linked to five other persons, everybody in the world could be connected. It can be expressed in a graph as follows<sup>6</sup>:



While the tenants of TT are connected through a closed group on Facebook, the social network is not an end in itself but instead it is seeking concrete results identifying a particular type of member: those who want to telework or expand their job opportunities in this manner.

TT members are linked in Facebook in order to start specific consultation on billing, clients, doubts on telework, meeting coordination, and so on. Everybody helps to disseminate and improve the web site. The following topics will clarify some elements that make TT a different site.

### ***TT's requirements for tenants***

Not everyone can rent an office in Telework Towers. Only those who accept the code of Ethics, the Netiquette norms and the commitment for professional excellence are accepted.

This group of principles seeks to provide more support to contracting parties.

### ***TT constantly trains virtual tenants***

Although experience as a teleworker is required, in some cases people without experience in telework but

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<sup>6</sup> Juan José Lozano, *Las redes sociales, Una nueva forma de comunicación*, [http://sociedadinformacion.fundacion.telefonica.com/DYC/SHI/Articulos\\_Servicios\\_-\\_Redes\\_Sociales/seccion=1188&idioma=es\\_ES&id=2009101611280001&activo=4.do](http://sociedadinformacion.fundacion.telefonica.com/DYC/SHI/Articulos_Servicios_-_Redes_Sociales/seccion=1188&idioma=es_ES&id=2009101611280001&activo=4.do)

users of IT appear. In these cases, it is necessary to train them so that they may develop excellence in the provision of their services.

We try to make everyone understand that the failure of just one is detrimental to all tenants, and precautions are taken so that the lack of knowledge does not lead to failure in the provision of services.

Virtual meetings are held on a monthly basis in order to discuss specific issues related to telework. Each topic becomes a training theme in which stakeholders get involved on a voluntary and free basis. Once training is completed a CEDTEL (Center for Education in Telework) certificate is given to participants, so that the training sessions become part of the tenants' CV.

### ***TT provides a floor and an office, i.e. a virtual domicile***

When teleworkers do not have an office and their home is their working space, they avoid giving their private domicile to strangers. This is one of the weaknesses for teleworkers that decide to telework.

By renting a virtual office in TT, the system assigns an apartment and an office which can be disclosed when necessary (website, business cards, e-mail signatures, and so on)

Virtual addresses<sup>7</sup> are now a new legal space according to current usage. Unlike the traditional domicile that is the home of the teleworker, in which rights and obligations can be assumed and the compliance of obligations can be required, the virtual domicile is also the permanent domicile of the legal or natural person on the Web. The permanent use, not only of a web site, but also of an individual electronic post office box or other technological application are considered the virtual domicile of teleworkers in present days.

Some precedents on virtual addresses are found in Law 527 of 1999 in Colombia and the Law on Electronic Signatures in Global and National Commerce of the United States of America, of the year 2000.

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<sup>7</sup> [Reference for Argentina] "The Civil Code addresses the question of domicile in articles 89 to 102, which are part of title VI (On the domicile) of the First Section (Persons in General) of book One (Persons).

*Pursuant to the provisions contained in Article 89 of the CC, the real domicile is the main place or site of residence and business.*

*It may happen, though, that the home is in one address, and business in another, and in this case Article 94 establishes that the place "where the family is established" prevails.*

*Curiously enough, this norm is compatible with the reality posed by the use of IT and the mass access to the internet, in such a way that they permit the individual to take care of personal, labor and commercial issues from the domicile of the individual, and therefore the compulsory attendance to a unique physical site, which characterizes business practices in the industrial society, ceases to exist.*

*As a new entity we have the conceptual separation of the domicile and of the physical residence.*

*Article 90 of the Civil code admits the existence of the virtual domicile as having legal nature, in view of the domestic norms, and that is why electronic notifications take place, which for the time being is voluntary but in fact possible.*

[http://www.tecderecho.com.ar/index.php?option=com\\_content&view=article&id=14:el-domicilio-virtual-una-practica-introducida-por-los-usos-y-costumbres-con-consecuencias-juridicas-innegables&catid=32:doctrina-de-internet&Itemid=14](http://www.tecderecho.com.ar/index.php?option=com_content&view=article&id=14:el-domicilio-virtual-una-practica-introducida-por-los-usos-y-costumbres-con-consecuencias-juridicas-innegables&catid=32:doctrina-de-internet&Itemid=14)

Both laws require "that consumers accept contracts and invoices electronically signed and the bills signed in this negotiated on the internet, but for this, companies have to check that their clients have a valid electronic domicile as well as other technical means<sup>8</sup> to receive information."

### ***TT replaces the personal website***

For those who do not want to maintain a web site that requires investment and constant updates, TT offers a manner to be on the network in order to optimize the investment of each professional.

Teleworkers having a web site can indicate it in their virtual offices so that visitors can visit them, thus generating more traffic.

It also improves the position of certain search engines like Google, because it is easier to post a single website making the synergy among all than having millions of teleworker websites<sup>9</sup>.

### ***PROGRESS***

In May 2010 began a promotion activity started that included links to websites, clicks on Facebook, participation in events in several countries and newspaper articles.

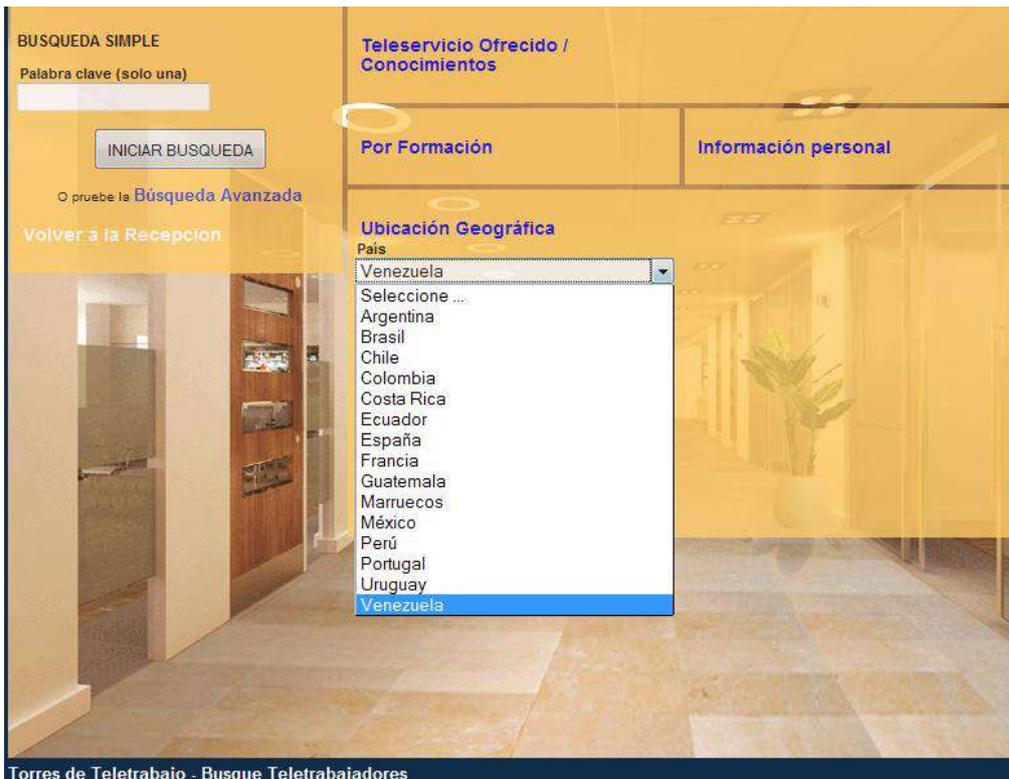
These efforts resulted in adding 208 teleworkers to the virtual offices located in 15 countries shown in the image taken from the browser:

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<sup>8</sup> *Alfa Redi, Revista de Derecho Informático, Nro. 034, Los documentos electrónicos y sus efectos legales en Colombia, May 2001, <http://www.alfa-redi.org/rdi-articulo.shtml?x=678>*

<sup>9</sup> Although we lack official statistics, it is said that in Argentine we have some 1.6 million teleworkers.

[http://www.puntojus.com/index.php?option=com\\_content&view=article&id=84:mas-de-1600000-de-teletrabajadores-seran-incorporados-a-las-paritarias&catid=61:el-pais-de-las](http://www.puntojus.com/index.php?option=com_content&view=article&id=84:mas-de-1600000-de-teletrabajadores-seran-incorporados-a-las-paritarias&catid=61:el-pais-de-las)



Activity	Total
Enterprise Administration	8
Public Management and Administration	1
System Analysis	3
Architecture	1
Counselling in Foreign Trade	1
Counselling in Foreign Trade - Pensioner	1
International Legal Counsel	2
Secondary Education Graduates	5
Library Technology	2
Call Center	1
Education Sciences	3
Exercising Sciences / Physical Education	1
Physics	1
Comestic and Foreign Trade	1
Computing	5
Audio-Visual Communication	2
Social Communication	6
Accounting/Auditing	18
Law	6
Image and Sound Design	3
Outfit Design / Textiles / Fashion	1

<b>Graphic Design</b>	9
<b>Economics</b>	2
<b>Education</b>	8
<b>Finance</b>	1
<b>Hotel Administration</b>	1
<b>Engineering - others</b>	3
<b>Electrical Engineering</b>	1
<b>Electronic Engineering</b>	4
<b>Industrial Engineering</b>	2
<b>Computing Engineering</b>	8
<b>Chemical Engineering</b>	2
<b>Telecommunication Engineering</b>	1
<b>Literature</b>	5
<b>Marketing</b>	5
<b>Environment</b>	1
<b>None</b>	2
<b>Nutrition</b>	1
<b>Dentistry</b>	1
<b>Others</b>	4
<b>Landscaping</b>	1
<b>Journalism</b>	4
<b>Commerce studies</b>	5
<b>Processing / Total Quality</b>	1
<b>Programming</b>	2
<b>Psychology</b>	9
<b>Advertising</b>	2
<b>Human Resources</b>	9
<b>Public Relations</b>	2
<b>Secretarial skills</b>	11
<b>Industrial Safety</b>	9
<b>Sociology</b>	2
<b>Technician</b>	2
<b>Information Technologies</b>	1
<b>Telecommunications</b>	4
<b>Social Works</b>	1
<b>Translation</b>	5
<b>Tourism</b>	5



*Ages of teleworkers are:*

Age range	Total
Up to 18 years of age	0
19-35	71
36-45	54
46-55	48
56-65	21
Over 65 years of age	5

*And the classification according to gender is:*

Gender	Total
Male	84
Female	124

The above tables show the variety of professions that can be included in this form of work. The most outstanding ones are accounting activities, auditing, business administration and secretarial skills. Then we find web designers, psychologists, human resources and industrial safety.

The largest age group corresponds to teleworkers between 19 and 35 years of age, representing 34% of these workers and after that we see that it becomes less relevant. It is also noted that most workers fall within the 19-55 age range. This group represents 83% of teleworkers.

As regards gender, 59,6% are women.

## **RESULTS OF THE SURVEY WITH TENANTS**

In order to prepare this paper a customized survey was conducted with 10 randomly selected tenants. The questions in the survey were as follows:

- 1 - Why did you join Telework Towers?
- 2 - What do you think are the benefits of having a virtual office in TT?
- 3 - Do you think your opinions are being considered?
- 4 - Do you think the price of \$ 25 or U.S. 7 is a fair value for this service?
- 5 - What do you think of making a monthly training course certified by CEDTEL?
- 6 - Do you think that telework is sufficiently known in the labor market?
- 7 - Do you think that actions taken at TT are the correct ones?

8 - What would you propose in order to improve TT?

9 - Do you think that a web site such as TT was necessary?

10 – Please let us know your comments and suggestions. They are welcome!

***We have grouped the responses as follows:***

Why have joined TT?

The answers are different in each case. Some were interested because they were already acquainted with telework, others because their need to work, some women because they are mothers of young children, and others because they were looking for a serious site to offer their services.

All of them coincide in that TT is necessary in present times, even though some of them have had no contacts from their offices.

*The main benefits that virtual tenants find are:*

- An innovative site, well organized and with future.
- It allows products or services to be presented with professionalism in a business environment.
- Permits teleworkers reunions.
- Teleworkers can have several bosses and a variety of jobs.
- Services are offered with expanded geographical reach.
- Reliability about my services is increased.
- Stronger professionalism at the time of presenting our products and services, with standards and norms clear to everyone.

***Costs***

Regarding the value chard, most respondents consider that it is affordable, but as many of them are still unemployed any cost is difficult to meet. The reason for TT not being a free service is precisely to increase commitment and participation of tenants. This allows economic independence and self-sustaining opportunities. For the time being, TT does not cover its own costs, but all the amounts collected are reinvested in advertising.

For those who are going through economic problems, TT offers the possibility of payment through services. One of the TT premises is egalitarian conditions for all.

***Opinions agreed by all***

TT was built based on the opinions of people who were interested in the project. At the beginning, participation was free for everyone to comment on their needs and their opinions on the site in the future.

This was useful to improve our search engine, details of the images, adding a tool room allowing users to have access to other benefits such as having a virtual classroom, service discounts, and the possibility to take CEDTEL courses for free, and so on.

The opinions of all those who participated were heard.

### ***Training***

All respondents without exception believe that training is essential in telework in order to increase labor development and the possibility to get trained and receive a certificate is an added value offered by TT

### ***Knowledge of Telework by society***

All without exception have found that telework is still unknown by a large sector of society.

Some even claim that telework is not only little known and for that reason dissemination activities are an essential commitment for TT.

### ***Suggestions received:***

- If possible, I would like meetings to take place every fortnight in order to keep closer contact and frequency of communications in the community.
  
- Go ahead!
  
- Present both assistants and secretaries in a similar manner in the search engine.
  
- I consider that TT should be more advertised among clients rather than users. I understand that this is business but its success depends primarily in capturing the attention of the demand. I believe that actions in this regard are not enough.
  
- Create ambassadors in each region in charge of disseminating the project.

### ***DIFFICULTIES***

The following points summarize the main difficulties found to date. We have added some comments (see letters) and actions to some of them:

1. People expect that what is offered on the Internet is cost-free.
  - a. TT is a small-investment individual venture that had no sponsors or financial support. Therefore it requires the efforts of everyone, making growth slower and with the need of implementing communication strategies and payment alternatives for tenants in order to make TT self-sustainable.
  
2. Many people expect to receive working proposals immediately after an office is rented. However, the presence on the internet not always receives the response at the time it is expected.
  - . Capturing the attention of the demand is the most difficult task.
    - a. Ignorance on telework and doubts generated by recruitment make the capturing of potential clients more difficult.

- b. We have notices that some visitors prefer to visit the web site of the teleworker, and contact them from there. We are now developing a click – counter device for each are of the offices.
  - c. We are continuously reinforcing our advertising efforts.
4. The fact of not having a specialist or Internet sales activator to accelerate the dissemination of the site among companies.
- a. We are looking for a specialist to improve the results of visits and engagements.
5. It is difficult to encourage participation.
- a. Many tenants rent the office in the same manner they used to send their resumes, i.e. in a passive manner. This is a demonstration that the value of participation and collective effort has not yet been completely understood.

### **SOME FINAL THOUGHTS**

Telework Towers is an enterprise that it is only possible at present. Without the Internet TT would not exist. It requires the efforts and the opinion of all those involved, and for that reason they will take into consideration the suggestions raised by the abovementioned survey.

As teleworking develops in the region and worldwide, the possibilities for growth and labor opportunities will also multiply.

The Etis-Lac Research detected great interest of companies in the hiring of services in Latin America, but at the same time some limitations were found, as detailed in the background section herein. Some wording used by teleworkers in the survey has demonstrated that the concerned of the companies were similar to theirs. For this reason, TT has provided some solutions that can be summarized as follows: reliability, clear rules and regulations, innovation, professional services, enlarging the labor market, being together, all this comprises TT.

We believe that additional time is needed for telework to experiment further expansion and also we will have to see if all stakeholders, particularly TT-tenants are willing and able to wait for that to happen.

Activation of the demand is not an easy task, and therefore we have to try different means and continue to invest to that TT is known to everybody and will eventually become a landmark in the case of specific hiring of professional teleworkers.