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**Telework Facilitation Service for the Outer Hebrides of  
Scotland**



**Highlands & Islands Enterprise**

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## SHORT DESCRIPTION

Teleworking in the Outer Hebrides of Scotland has evolved over the last 15 years to become a 'business as usual' part of the local economy.

Over the years the Outer Hebrides have implemented and supported developments to match the rural location and the reality of a very dispersed population across eleven populated islands with a total population of just over 26,000 people and with 9 persons per Sq. Km. See <http://www.scotlandinfo.eu/outer-hebrides-western-isles>

The two main teleworking deployments feature:

- teleworkers working from their own homes for an international customer base and
- employees working for companies who have set up offices in villages in the islands.

We do not have telework centres as commonly described as the offices in villages are owned and operated by service providers servicing their own customer base. This means that a teleworker wouldn't normally go to a centre to work on an 'ad hoc' basis.

This document describes some of the actions we have undertaken over the years as this sets the context for where we are today. Business as usual means that it is now so common for people to work in this way that very little promotional work is undertaken by the Public Sector and Economic Development Agencies in sharp contrast to extensive support in the formative years. In fact the most relevant intervention has been to develop a broadband network which reaches out into the most rural locations to ensure that no-one is excluded from the opportunities by not having access to broadband.

## BACKGROUND

An innovative organisation was set-up in the Outer Hebrides of Scotland to ensure that the islands were at the forefront of the Knowledge Economy, developing teleworking as a means of creating high added value jobs in an area of high unemployment far from the main centres of commerce.

To date over 500 jobs have been enabled or created by marketing the skills base within the islands to an International client list. Local SME's have developed services to capitalise on the new opportunities in the e-commerce, multimedia and electronic publishing sectors.

[work-global.com](http://work-global.com) embraced the opportunities made possible by new technologies and digital communications to remove the traditional geographic boundaries and even managed to get an national UK ISP to base their support operations on these islands 40 miles off the North West Coast of Scotland, sometimes known as the Western Isles or more commonly, the Outer Hebrides.



Initially innovative business structures were created to allow clients to choose between locally based management services or to have a direct trading relationship with teleworkers.

When formed it is widely recognised that [work-global.com](http://work-global.com) was at the forefront of teleworking initiatives in remote rural areas. In 1999 the project won the European Telework Award in Brussels. The service received a significant number of visits from European Union (EU) officials and was recognised by the European Commission (EC) Exchange Mart for Territorial Employment Pacts, as a model of good practice for remote areas with similar problems to the Outer Hebrides. The success of the operations have resulted in International acclaim with Rural Development organisations from as far as Western Australia and the US as well as many Northern European regions making their way to the Outer Hebrides to study the methodology and strategies for success.

The Service was formed in 1994 with assistance from the European Objective 1 programme.

## **PARTICIPANTS**

The main participants were the Economic Development Agencies who supported the operations through a funding package to match the Objective 1 project funding.

These were :-

- Highlands & Islands Partnership (Objective 1)
- Comhairle nan Eilean Siar (local authority)
- Highlands & Islands Enterprise (local development agency)

The main beneficiaries were undoubtedly the local SME's and people who were being helped into employment through [work-global.com](http://work-global.com)

A Skills Register with CVs for over 600 people who had asked to join the initiative covered a significant percentage of the people who were looking for these new job opportunities.

This included young people from the islands who wished to return from mainland locations if they could find suitable and challenging work having graduated from Universities and Colleges further afield.

At the time local businesses increased staff numbers significantly through introductions and new business opportunities created through [work-global.com](http://work-global.com)

## **TARGET GROUPS**

The clients who outsourced work to the Outer Hebrides covered a diverse and widely spread range of companies. These included:-

- Government Forensic Science Service
- German chemical publishing company
- US based subscription database publishing company



- UK based Publishers
- Virtual e-mail management company
- UK based emergency telephony services company
- UK based permission marketing company
- UK based Internet Service Provider (ISP)
- US software development company

The services provided have included:-

- Abstracting & Indexing
- Customer services
- HTML and web publishing
- SGML & CDROM production
- Copy-editing & editorial services
- Web research
- E-mail management
- E-commerce
- Software development
- Database management
- Technical support
- Telemarketing
- Digital transcription

## AIMS AND OBJECTIVES

The key aim of the initiative was to create jobs in what was the emerging networked economy. This included creating added value telework jobs in rural areas and a combination of telework and office-based job opportunities in the main population centres. Within this overarching strategy our aims were to:

- create jobs in the Outer Hebrides by matching skills to the needs of clients both nationally and internationally through pro-active marketing programmes;
- be a main contact point for clients looking to outsource work;
- help with advice and guidance for teleworkers on how to find work;
- attract inward investment in the Information and Communications Technology (ICT) sector;
- give advice on appropriate equipment and technical issues for teleworkers;
- provide information on employment and Health and Safety issues.

For the last few decades the Outer Hebrides has suffered from population decline not least caused by the loss of many jobs in the traditional industries of fishing, weaving, merchant marine and agricultural sectors. The young people leave to go to university in mainland Scotland and after graduating there were few opportunities to return.

The main objective of [work-global.com](http://work-global.com) could be simply stated as ***"providing new jobs and interesting careers for the people of the Outer Hebrides, reversing years of population decline and giving new life to these culturally rich communities"***.

## ACHIEVEMENTS

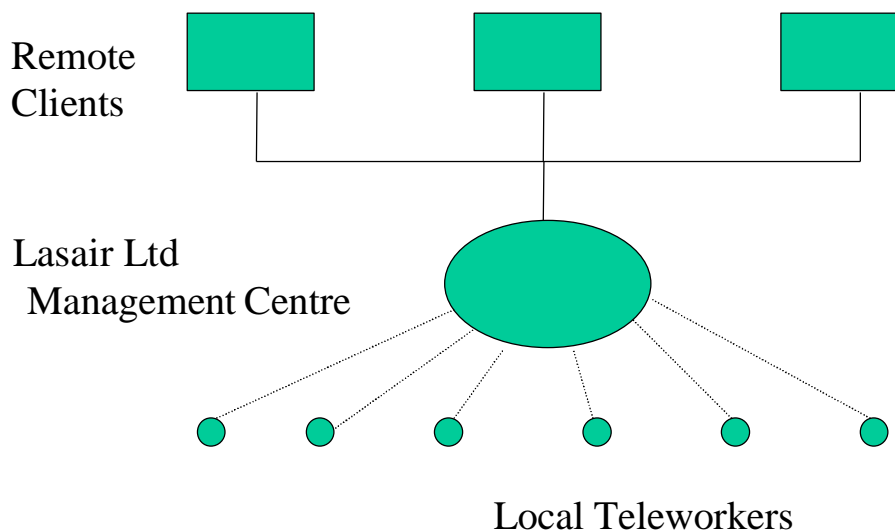
There is no doubt that much has been achieved since the original idea was conceived in 1994. While many targets were met and surpassed it was equally important to keep refining ideas as new ways of working and new Internet capabilities allowed more ambitious plans to be implemented. Below is a list of some early milestones and key achievements :-

- Enabling of over 500 new high value jobs in a very remote area.
- Creation of a new business structure to manage workflow, quality control, technical support, training, marketing and administration services for Teleworkers.
- A Skills Register with 600 CV's as a marketing aid for teleworkers.
- Formation assistance for an ISP to create over 100 new jobs.
- Formation assistance for an emergency telephony services company, which employed 4 operational staff and employed 18 teleworkers.
- Development assistance for a Virtual E-mail management company including 5 new jobs now created.
- Pioneering of new Java based telephony software to allow a virtual call centre to be developed creating an opportunity for homebased support jobs.
- A Research & Development Centre working on new Internet & telephony solutions.
- A Cisco Regional Academy based in the islands.
- Development of remote learning centres in partnership with a new Virtual University, The University of the Highlands & Islands of Scotland.
- Selection by the EC as a transferable employment initiative for other disadvantaged regions under the Exchange Mart programme.
- A quarterly newsletter sent to over 800 people.
- A regional website for the promotion of the area

- **ORIGINS AND BACKGROUND**

Work-Global was a partnership teleworking initiative whose key aim was in developing the Knowledge Economy sector throughout the Western Isles of Northwest Scotland. The service has been a facilitation service, which seeks out world-wide teleworking opportunities and attracts inward investment. Although the area suffers from the traditional problems associated with remote, peripheral rural areas, the Outer Hebrides has always valued education and traditionally produced the highest number of graduates per capita in the UK, a secondary school achievement record of double the national average and at the time had a very intensive ICT training investment programme.

Recognising the potential of telecommunications and the internet for remote working, a one-year experimental research project was launched in 1994 with funding from the EU LEADER programme. This confirmed the widespread availability of technical, scientific and editorial skills required for a wide range of teleworking opportunities, and identified a clear need amongst individuals and the business community for a local advisory service. An initial database of 160 people was compiled, comprising people with the necessary skills to perform tasks such as technical authoring, editing, copy editing, proof reading, computer graphics, web authoring and software development. An early decision was made to avoid work involving low skilled data entry work due to fierce competition from the developing world.



Following a transitional period, during which a limited liability company, was created to manage contracts, a first development phase of the service was launched in 1995. This continued until 1998. Original targets were met and surpassed, as approximately 55 full and part time jobs were enabled and the client base expanded to eight. The second phase of the project from 1998 to 2001 aimed to create a further 150 jobs and ensure the retention of 50 of the jobs already created.

## ACTIVITES

By the end of 1994 the local pilot was in a position to tender and succeeded in obtaining a contract from an American publishing company specialising in indexing and abstracting business journals. The reviews, (in printed form) were sent from California and distributed to some 34 people (mostly women) working from home. Publications were summarised, different articles indexed, adapted to the specific characteristics of the electronic layout and then uploaded to the client's site over the Internet. Other contracts have included the production of digests, and the indexing and abstracting of publications of the UK Government Forensic Science Department; the conversion of all back issues of the "Scots Law Times", a Scottish legal journal, onto CD-ROM; and, the conversion to electronic media of numerous scientific works for a number of scientific publishers.

A Skills Register, which included over 600 names, continued to be the focal point for marketing the highly qualified potential workforce. The main vehicle for the promotion of skills and marketing was face to face meetings with potential employers and companies willing to outsource work to the Outer Hebrides. Initially this role was undertaken by Manager, Donnie Morrison who travelled extensively throughout the UK, USA and Europe to secure contracts. Subsequently contracts were secured where the client and teleworkers never met with some now working for fifteen years in that way and never having met their employer.

Additional promotional activities included "Friends of the Outer Hebrides", an initiative targeted at the "Diaspora" who have family (or other) connections with the Islands, and who wanted to help bring new opportunities and jobs to the area. These contacts were envisaged to have a senior developmental role to play in their own organisations both nationally and internationally, promoting what the Outer Hebrides had to offer their companies, in terms of skills, IT infrastructure, professional attitudes etc.

Other services offered at the time included advice and guidance on the most appropriate computer systems, training programmes tailored to the needs of individual companies and teleworkers and the drawing up of contractual arrangements suited to a company's particular requirements. There was no cost for this facilitation service to either the company or the teleworker. The only external costs were typically for any locally provided technical support services including quality control that might be required.

A quarterly newsletter was circulated to 800 people and companies, keeping teleworkers informed of a wide range of current issues including job opportunities, new software, Internet and other ICT developments, relevant employment, insurance and financial matters and training opportunities.

## **STRUCTURE**

The original project structure employed a Manager and Personal Assistant. The Manager reported to a Steering Group comprising the funding partners – Highlands and Islands Enterprise and Comhairle nan Eilean Siar.

Subsequently a telework management company was formed which employed two people, undertook workflow and contract management for clients and issued contracts to individual teleworkers. Over time an increasing number of teleworkers secured their own contracts with individual employers or were recruited as employees of a growing number of inward investment companies.

## **FINANCE AND REMUNERATION**

One of the most significant aspect of both teleworking and teleservice centres is the form of remuneration to service payroll and overheads. Variations that you will see or hear of in the Outer Hebrides are as follows:

- The business is paid on a per telephone call basis with bonus for performance, staff are on the payroll, overheads all come from the cost per call basis.
- Facilities management – most staff work from home and company vehicles. The company is paid on the basis of energy savings by their client.
- Legal secretaries - teleworker is self-employed and is paid on the number of words typed and there is no other payment so all income is on this basis.
- Database maintenance – teleworkers works for management company and are paid based on the number of records created. The management company is paid by the client on the basis of number of records created and quality assurance targets.
- Customer services – teleworkers are self employed and are paid on an hourly rate by a Virtual Service Centre which in turn has the contract with the client. Work quality measured through random quality assessment by listening to recorded calls and customer satisfaction. Also bonus payments are made for sales made.

## **PERFORMANCE AND CHALLENGES**

Having attracted and retained a contact centre which is now operated by the largest ISP in the UK to the Outer Hebrides has given a significant credibility boost with the centre recently having celebrated 10 years in this rural area. Recently the company moved jobs from India to our island base which is in sharp contrast to what other companies are doing. Companies here enjoy low staff turnover compared to many urban areas so this is a very positive aspect for us. Many companies in the UK continue to outsource service provision to India, Philippines, South Africa and other low cost economies.



Whilst initial attempts to attract interest in teleworking frequently met with a poor reception, an increasing number of corporate UK and overseas organisations now recognise the business benefits of teleworking, particularly in an area like the Outer Hebrides with a well established reputation. We do have teleworkers working for the same clients now for fifteen years so this suggests that it is a sustainable model.

## **PRESENT DAY**

The prospects for creating more jobs in the Outer Hebrides is undoubtedly increasing as contact centres adopt the more flexible option of some of their employees or contractors working from home. One operator in the UK is closing an entire contact centre and moving to a teleworking solution due to the extra flexibility in scheduling staff availability at short notice, however this is still an exception and we are pleased that they choose to work with us. There are new opportunities developing with the virtual contact centre model made easier by the implementation of technical platforms which allow homebased workers to interact seamlessly with colleagues in a contact centre allowing very flexible and scaleable cost effective solutions for SME's and larger corporate clients.

Hopefully the "*live local- work global*" model should go from strength to strength and continue to be a leader in teleworking as an aid to rural development in peripheral areas.

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