

A REVIEW OF WORKING FROM HOME (WFH) AND WORK PRODUCTIVITY

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ABSTRACT

In the early year 2020, COVID-19 has led to dramatic changes like work and how work can be performed. Among various options, a flexible work arrangement allows workers to work from home (WFH) as a form of work continuity in times of crisis. To curb Covid-19 in Malaysia, the Government imposed Movement Control Order. The Movement Control Order has halted all non-essential economic activities in the country. The restrictions also forced the temporary closure of schools, higher education institutions (HEIs) and all government and private premises. Overnight, workers were forced to work from home. The main objective of this study is to review the effects of WFH on employees' productivity during a crisis. Based on the literature review, there is a positive effect WFH towards employees' productivity and the factors that influence the relationship are demographics, the nature of the work, and technology. The findings will add to the limited literature on the impact of WFH on work productivity and work-life balance.

Keywords: Pandemic Covid-19, WFH, Work Productivity

1.0 PANDEMIC COVID-19

The COVID-19 has been declared as a pandemic by the WHO (Bedford et al., 2020). Globally, the pandemic affected more than 2.2 million people and resulted in over 152,000 deaths (WHO, 19 April 2020). In Malaysia, a total of 5,425 cases were reported on 19 April 2020 (Ministry of Health 2020). Several emergency actions have been activated by the Malaysian government to curb the spread of the virus. The Movement Control Order (MCO) is enforced under the Prevention and Control of Infectious Diseases Act 1988 and the Police Act 1967. The MCO was implemented starting from 18 March 2020 to flatten the infection curve so that the healthcare system will not be overwhelmed.

As the general prohibition of mass movement and gatherings were undertaken, business operating hours have been reduced, dine-in in restaurants and F&B outlets were not allowed, public transportation services become limited and other social, religious, cultural and sports events were canceled. The movement control has halted all non-essential economic activities in the country. The restrictions also forced the temporary closure of schools, higher education institutions (HEIs) and all government and private premises. The MCO was extended twice to 28 April 2020. By then, the majority of Malaysians would have stayed home for 6 consecutive weeks.

Widespread transmission of Covid-19 is not only dangerous for people in healthcare settings but also among co-workers and members of the general public and workers in other forms of workplaces. Therefore, as people were urged to stay at home and practice social distancing, workers were forced to work from home. This becomes the new normal

worldwide, facilitated by robust internet infrastructure. Therefore, COVID-19 has led to dramatic changes like work and how work can be performed. Among various options, a flexible work arrangement allows workers to work from home (WFH) as a form of work continuity in times of crisis. Flexible working arrangements take several other forms including flexi-time, teleworking, reduced work hours, job sharing, permanent part-time and career break. In Malaysia, a flexible working arrangement is not new.

From the employers' perspective, remote working increases productivity improves morale, reduces employee turnover, reduces absenteeism and provides operational cost savings. On the other hand, employees strongly believed that remote working increases work-life balance (Indeed, 2019). In general, working from home is hypothesised to increase work productivity (Bloom 2015). Thus, the current situation does not only bring challenges but also offers opportunities in learning new ways of doing work for the long term.

2.0 WORK FROM HOME (WFH)

The novel coronavirus or COVID-19 has changed the world of work. The transition from normal 8 to 5 or 9 to 5 work in an office has now changed to emphasizing outcome-based rather than process. Adapting to the new normal has required most employers to strategize their workforce into an alternative working arrangement to avoid debilitating their productivity and operations. This includes working from home (WFH) which has been implemented as one of the initiatives of minimizing the spread of the virus.

Pre-pandemic, like any other sector, the setting in private and government offices required employees to work constantly in close contact with colleagues and customers. They need to share the same space, supplies, and materials or equipment for within a certain time. As a result, there is an increased chance or expose risk for both employees and customers to spread the flu with one another and may also spread other diseases.

In incoherence with MCO, both essentials and non-essential sectors in Malaysia have complied with the law by closing their offices and premises but with some leniency to essentials, sectors to operate within permitted operation time. The schools and high institutions for instance obliged to close as required by the order. The academic calendar, for instance, has been adjusted following the current situation of the pandemic in the country. Since the commencement of the order, schools and higher institutions have played their role to continuously providing knowledge to the students by utilizing the alternative platform that technology has to offer. The transition of normal working hours to WFH might be a new normal that needs some attention regarding the outcome-based education.

A flexible working arrangement such as WFH generates benefits to both employer and employee and is often hypothesised to increase work productivity. However, the global work-from-home movement in time of the COVID-19 pandemic may result in a productivity slump and affect the economic growth shortly (Bloom 2020). Employees are forced to work at home alongside their children, in unsuitable spaces, with no choice, and no in-office days (Bloom 2020). In the context of Sabah, inadequate computer facilities and internet infrastructure can pose a challenge especially for workers in more rural areas, as well as low-income families. Furthermore, the MCO in Malaysia was implemented with minimal notice leaving many employers unprepared for a smooth transition of work for their employees - from the office to the home without causing disruptions in work.

The objective of this study is to review the effects of WFH on employees' productivity. The findings of this study will provide valuable insights to policymakers, considering that the Government continues to encourage flexible working arrangements in both the public and private sectors.

3.0 LITERATURE REVIEW

Driven by demographic changes and uncertainties in the labour economic scenario, many countries have practised the work from home concept (WFH) which is a form of flexible working arrangement. The concept of WFH (Petrova, 2011) emerged in studies with other similar terms such as telecommuting (Tamrat & Smith, 2017), remote working (Felstead & Henseke, 2017; Schall, 2019; Singh, Kumar, & Varghese, 2017), and teleworking (Baruch, 2000; Nakrošienė, Bučiūnienė, & Goštautaitė, 2019) which all referring to working from a distance as opposed to working performed directly at traditional central offices (Lin, Zhou, & Winters, 2006).

Previous research on WFH found the presence of a relationship between WFH and productivity (Bloom, Liang, Roberts, & Ying, 2015) on the firm level. Bloom et al. (2015) found that telecommuting enhances the total factor productivity of an organisation in China. Similarly, the relief from distractions and office politics during WFH seems to lead to an increased perception of productivity and satisfaction (Tamrat & Smith, 2017). WFH generates positive impacts on the individual level. WFH can provide a means to better combine work and family obligations (Hofäcker & König, 2013) to attain work-life balance (Lakshmi, Nigam, & Mishra, 2017). On the society level, WFH has been associated with lesser traffic congestion and reduced air pollution (Giovanis, 2019).

While there is an increasing amount of literature on WFH concerning its impact in the eye of rising technology resulting in changes with various options on the way people are working today, however, there is a lack of studies on the impact of WFH on workers during a crisis. There is evidence that various types of flexible work arrangements have been adopted as a form of work continuity in events of a financial crisis (Dietz et al., 2011), pandemic (Blake, Blendon, & Viswanath, 2010), or a natural disaster (Donnelly & Proctor-Thomson, 2015).

In this regard, few studies have found that firms have adopted various flexible work arrangements during a crisis such as reviewing business hours and work schedules to decide whether they can be changed in a way that facilitates social isolation and business continuity in the best possible way, or other crisis response goals during an emergency. For instance, in Germany, the government pursued the implementation of working time flexibility through the reduction of working times and changes in the overtime policy as a measure to counteract the 2009 financial crisis (Dietz, Stops, & Walwei, 2011).

Many countries have implemented emergency remote working arrangements forcing people to work from home as a form of work continuity in times of crisis, where its impact on productivity is less documented in the literature.

4.0 CONCLUSION

COVID-19 has led to dramatic changes like work and how work can be performed. Among various options, a flexible work arrangement allows workers to work from home (WFH) as a form of work continuity in times of crisis. In an effort to curb COVID-19 in Malaysia, the Government imposed Movement Control Order from 18 March 2020. The Movement Control Order was extended twice so that by 28 April 2020, the nation would have stayed at home for 6 consecutive weeks.

The Movement Control Order has halted all non-essential economic activities in the country. The restrictions also forced the temporary closure of schools, higher education institutions (HEIs) and all government and private premises. Overnight, workers were forced to work from home. While WFH is hypothesised to increase productivity, the impact of working from home during a crisis is less documented. Previous research on WFH found the presence of a relationship between WFH and productivity (Bloom, Liang, Roberts, & Ying, 2015) on the firm level.

WFH generates positive impacts on the individual level. WFH can provide a means to better combine work and family obligations (Hofäcker & König, 2013) to attain work-life balance (Lakshmi, Nigam, & Mishra, 2017). On the society level, WFH has been associated with lesser traffic congestion and reduced air pollution (Giovanis, 2019). This study will provide insights into the implementation of WFH and the possibilities of adopting such a strategy by public/private organisations post Covid-19. The findings will add to the limited literature on the impact of WFH on work productivity and work-life balance.

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