Position Paper on Teleworking & Remote Working Arrangements

A Balanced and Informed Approach

October 2020

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1. Introduction

The objective of this position paper is to propose a set of recommendations with respect to teleworking based on research findings and the experience of MEA's interaction with employers form all sectors of the economy on the issue.

Over the past decade, the labour market has passed through rapid transformation:

- The economy has continued its shift towards more service based sectors;
- there has been a dramatic increase in female participation, and also participation of retired persons;
- there is a trend and a need for family responsibilities to be shared by both spouses
- there is an increase in single parent families
- new technologies are making it more feasible to work remotely;
- increased economic activity is creating pressures on the infrastructure and the natural environment
- there is an emerging debate to strike a workable balance between economic growth and quality of life indicators
- management in many companies are adopting a more positive attitude towards work-life balance measures, which include teleworking
- the COVID-19 pandemic has necessitated many employees to work from their homes, and for companies to adapt their work organisation accordingly.

These factors are leading the debate as to whether and the extent to which remote working systems can accommodate organisational requirements and a healthy work-life balance.

2. Research findings

MEA has been carefully following developments during the COVID pandemic through a series of surveys carried out among employers in March, June and September. The incidence and impact of teleworking has been one of the aspects which was researched and the following are the results to the questions related to teleworking, segmented by sector and size of company.

The survey looked into teleworking in general, and did not go into the extent of teleworking per employee (number of hours, days teleworked) nor into how many employees per company are/were on teleworking.

2.1 Overall results
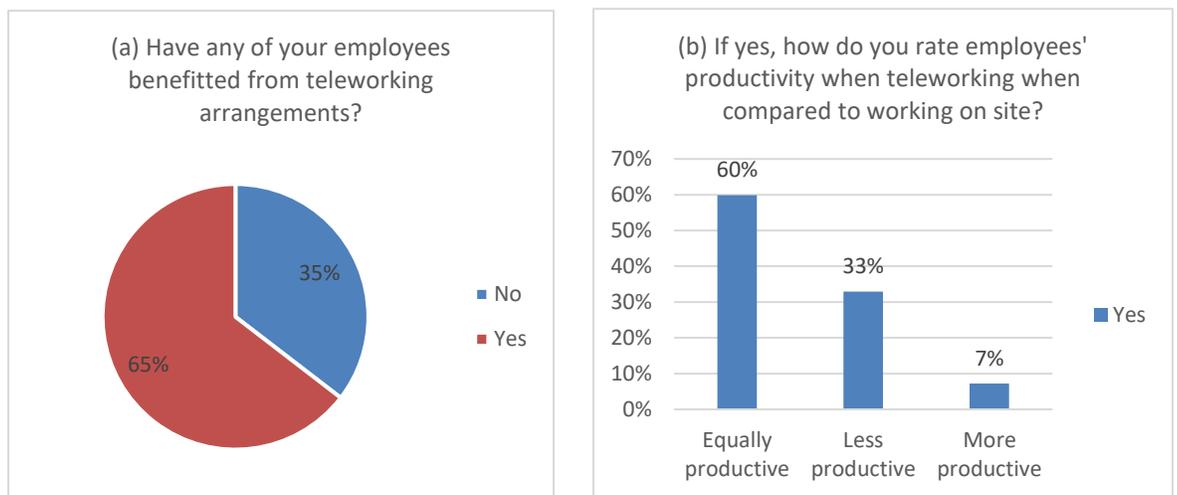
There has certainly been an increase in teleworking during the pandemic. The results in the September survey reveal that 65% of respondents replied that they do have some sort of teleworking system in place.

60% of participating companies stated that employees' level of productivity remained the same when teleworking. 33% reported a fall in productivity and 7% replied that productivity increased when their employees were teleworking.
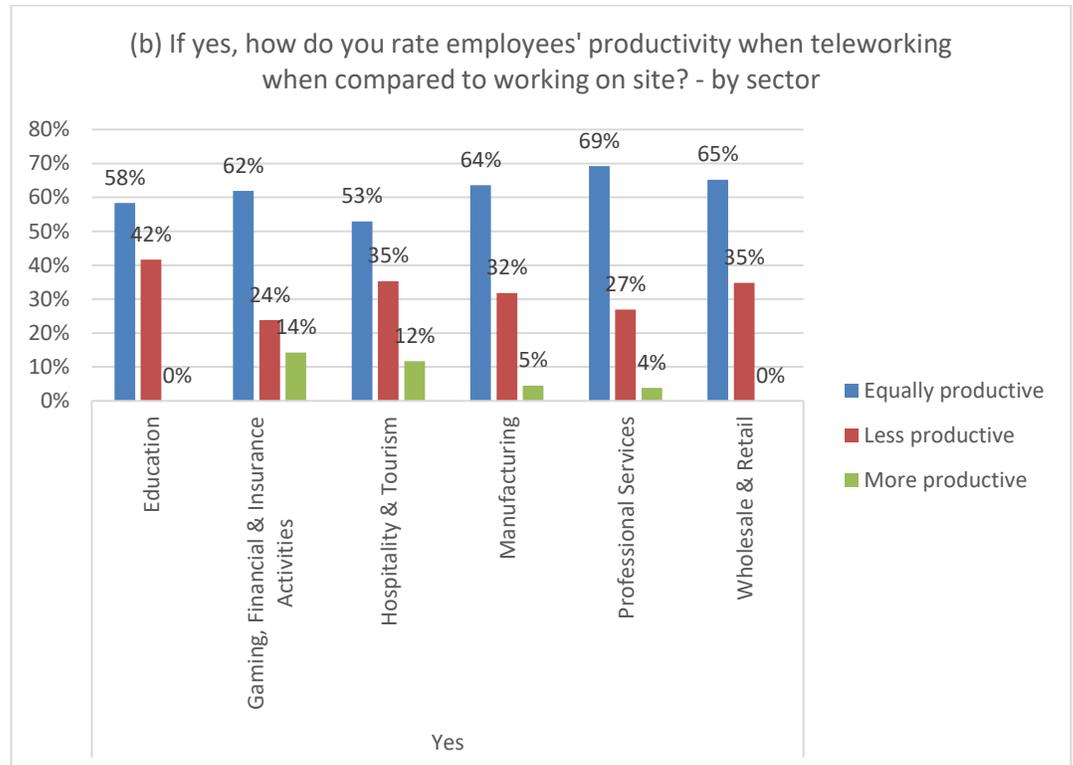
(c) If yes, do you envisage keeping teleworking arrangements post-COVID?
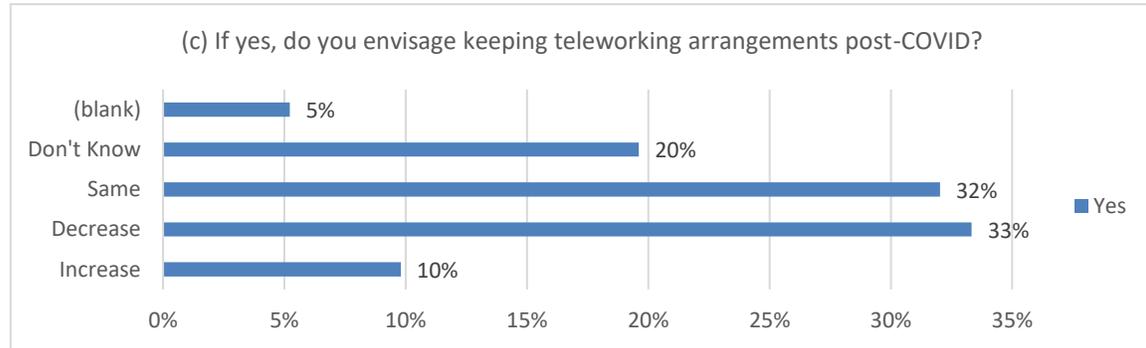
Companies where asked whether they intend to retain or change the incidence of teleworking among their employees in a post COVID scenario. 32% responded that they expect to keep the same level of teleworking after the pandemic, while 33% answered that they intend to reduce teleworking. 10% said that they will increase teleworking in the future and 20% are undecided. This indicates that the spike in teleworking has been mostly due to the exigencies imposed on, businesses due to the pandemic, and in many cases, it is not envisaged to be permanent although 20% remain undecided.

2.2 Analysis by sector

The results of the questions related to teleworking have been segmented by main sectors as shown below.

(a) Have any of your employees benefitted from teleworking arrangements? - by sector
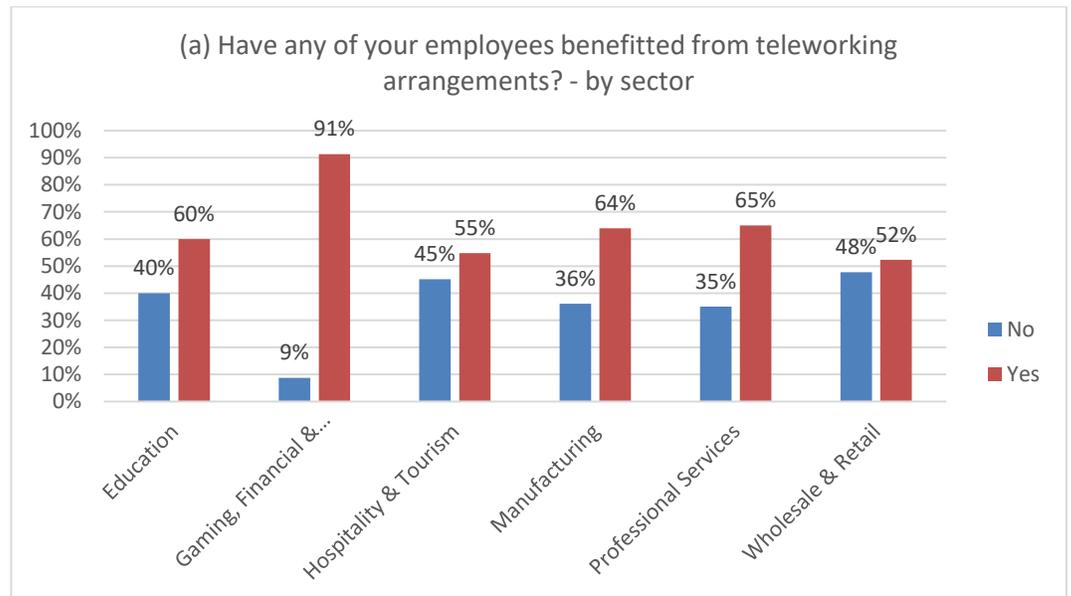
As expected, the results show a much higher incidence of teleworking in the Gaming, finance and insurance sectors, with 91% of companies reporting that they have teleworking systems in place. Hospitality and Wholesale and Retail are less inclined to have teleworking, due to the nature of the work.

(b) If yes, how do you rate employees' productivity when teleworking when compared to working on site? - by sector

| Sector	Equally productive	Less productive	More productive
Education	58%	42%	0%
Gaming, Financial & Insurance Activities	62%	24%	14%
Hospitality & Tourism	53%	35%	12%
Manufacturing	64%	32%	5%
Professional Services	69%	27%	4%
Wholesale & Retail	65%	35%	0%

Yes

There is a variance between the employers' level of satisfaction among different sectors. 14% of companies in gaming, financial and insurance activities replied that their employees were more productive. This sector also registers the lowest level of dissatisfaction with teleworking. None of the respondents in education and wholesale and retail reported increased productivity. In education this is understandable since the interactive element in a classroom is an important part of the teaching and learning process.

(c) If yes, how do you envisage keeping teleworking arrangements post-COVID? - by sector
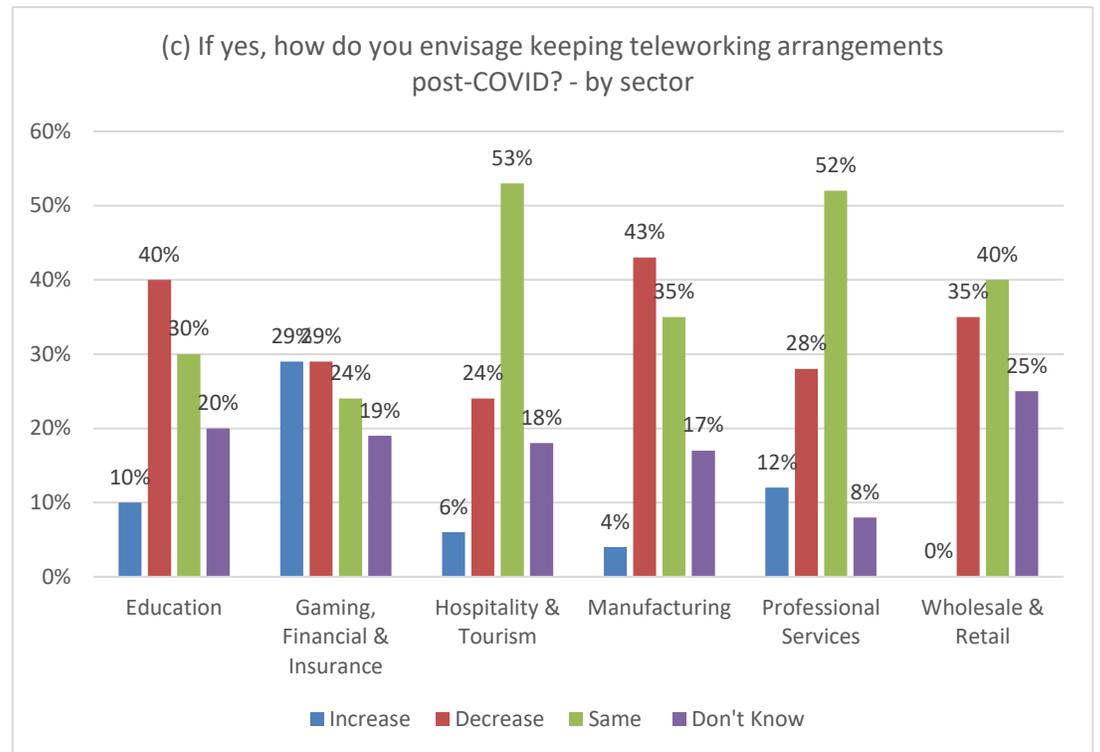

There are significant differences in the extent to which companies in different sectors intend to change teleworking arrangements after the pandemic. 29% in the Gaming, Financial and Insurance sectors find that it works for them and they may increase teleworking in the coming months, compared to 6% in Hospitality and Tourism, and 4% in Manufacturing. None of the companies in wholesale and retail mentioned increased teleworking. Rather, 35% state that they will reduce teleworking.

2.3 Analysis by Company Size

(a) Have any of your employees benefitted from teleworking arrangements? - by company size
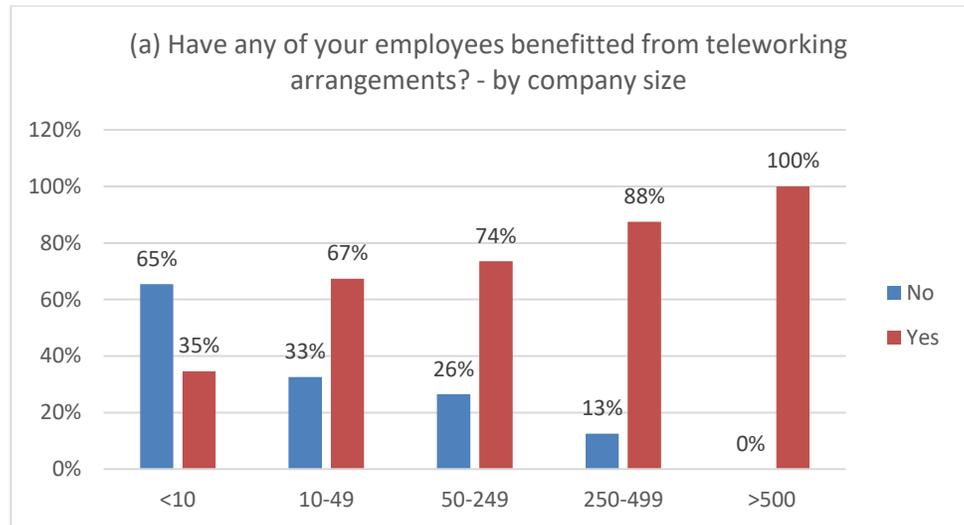
The diagram above shows a clear link between teleworking and size of company. The application of teleworking increases according to size of company. Only 35% of micro businesses have an element of teleworking. This percentage rises progressively to the point that all companies employing more than 500 persons use teleworking arrangements. This is interpreted as being the result of larger companies having more flexibility to accommodate teleworking. Also, larger organisations would normally have better management and monitoring systems in place to measure productivity, and provide equipment and support where necessary.

(b) If yes, how do you rate employees' productivity when teleworking, when compared to working on site?
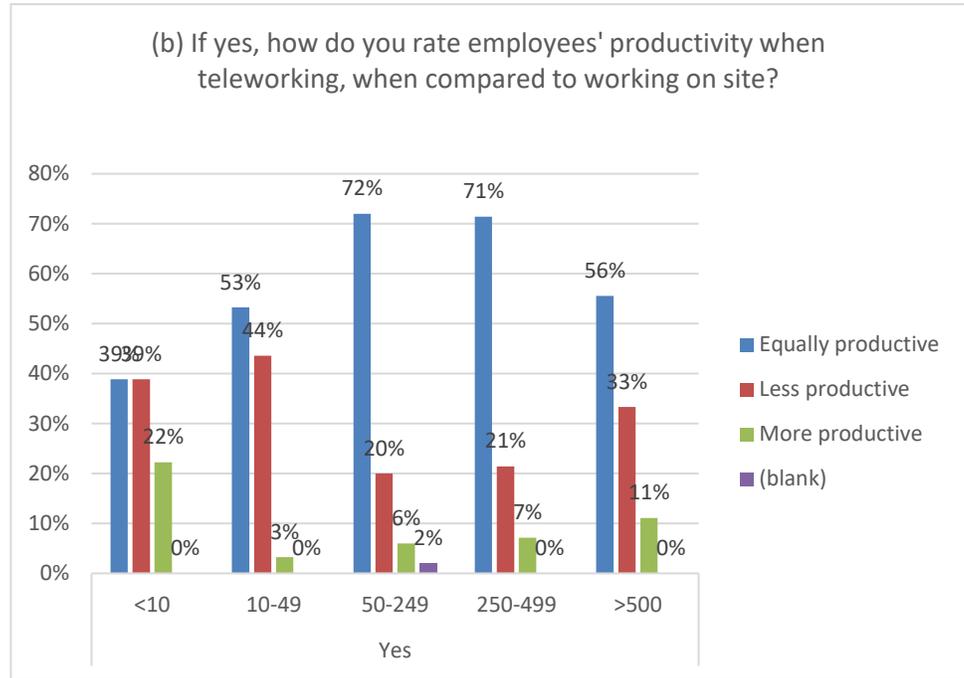
The bell shaped trend of those who responded that employees on teleworking are equally productive suggests that teleworking may be difficult to implement in small businesses but more difficult to control when businesses employ more than 500 persons. However, the satisfaction score is much higher for companies employing more than 50 persons than those with less than 50 employees.

(c) If yes, how do you envisage keeping teleworking arrangements post-COVID?
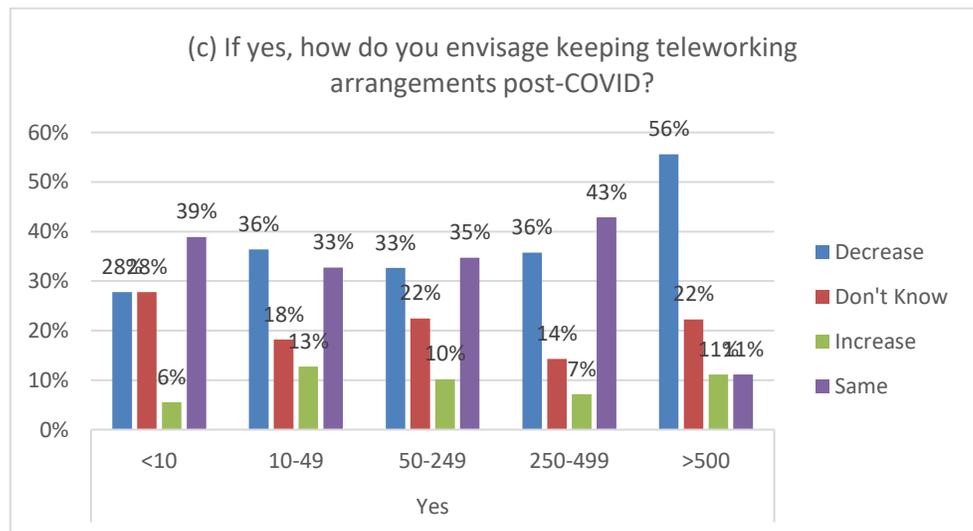
The breakdown by size of company of the question about whether companies intend to retain teleworking arrangements post-COVID indicates that there will be a decline in teleworking after COVID, but it will probably be to a higher level than it was before the pandemic – overall 32% replied that they will retain the same level of teleworking. The decline is highest among larger companies is because they would be the ones who increased teleworking the most to handle the issues created by the pandemic.

The projections are that there will be such a decline as some employees are asked to return to work as normal, or with reduced teleworking arrangements, followed by a gradual increase after business activity stabilises.

3. Considerations

Following the findings of this research, and the constant feedback the Association has with its membership, one can propose recommendations based on the following considerations:

3.1 Teleworking cannot be applied to all jobs. It is estimated by ILO that the possibility to telework is applicable to around 25% of jobs.

3.2 Teleworking is not a substitute for childcare, but it can be useful in helping parents meet family responsibilities through flexible working hours.

3.3 Teleworking/working can only be applied on a primary premise that productivity and service quality is remain the same or improve. Productivity cannot be sacrificed for teleworking.

3.4 Productivity targets and measureable output are essential preconditions of teleworking.

3.5 Teleworking allows for a measure of flexibility on the part of management and employees. This flexibility has to work both ways.

3.6 The implementation of teleworking has to be supported by related policies and legislation. For example, a rigid application of the Right to Disconnect in legislation which is being contemplated at EU level will jeopardise teleworking arrangements. Employees and management should be free to design customised solutions which can include having employees distribute time to balance family commitments and work. If the employee is given the option of flexible hours, s/he may have to be available outside the normal operating hours of the company.

3.7 Since labour is a scarce and finite resource, teleworking can give companies a competitive edge in the labour market. It is a means of attracting the best element of the labour force, and reduce labour turnover.

3.8 It is acknowledged that a healthier work-life balance can be conducive to more productive, motivated, creative and loyal employees.

3.9 At national level, it also increases the labour supply as more people will be encouraged to work through such flexible agreements.

3.10 More people working from home or remotely can contribute to a better natural environment through less traffic congestion and demand for office space.

3.11 Some employers may be concerned about the lasting effect – teleworking may start well but the motivational element may become diluted leading to lax attitudes and stricter monitoring.

3.12 At enterprise level, teleworking cannot be a win-lose situation. It has to work in the interest of the employer, the employees involved and also other employees who may be affected by such work organisation.

3.13 In most organisations, teleworking can never be possible for all employees, due to the nature of the tasks performed. Teleworking employees may be perceived as privileged. This could lead to claims for compensatory measures from groups who may feel disadvantaged.

3.14 Government and employers should not look at teleworking as the only solution to create work life balance, but also consider other measures like flexibility, job-sharing, reduced working hours etc. To accommodate employees in various sectors. These are practiced in many companies in the private sector.

3.15 Employers may face challenges in handling data protection issues when their employees telework. Physical files, soft data may be accessible to third parties.

3.16 Some companies, micro businesses in particular may lack the necessary resources and knowhow to monitor teleworking effectively. Monitoring performance can be difficult even for experienced HR managers, setting up home offices can be expensive especially if it involves conducting health and safety assessments.

4. Teleworking and Remote Working

This paper refers to teleworking in a general sense. It is acknowledged that there are various forms of work organisation that may differ from each other: "telework", "remote work", "work at home" and "home-based work". The recommendations apply for all these different variations.

5. Policy Recommendations

5.1 There should be encouragement, incentives and support to companies to introduce teleworking. It should be left entirely up to each company to decide whether to introduce teleworking or not.

5.2 Likewise, an employee has a right to expect a workplace which is distinct from his/her residence, unless this is agreed to in the contract of employment.

5.3 Companies should be free to design customised solutions to work organisation – both at enterprise level and also at individual level.

5.4 There should be full freedom to introduce blended systems. Teleworking is not an either/or situation. Blended systems often work in the interest of both company and employees.

5.5 Companies should be free to extend, amend or reverse teleworking systems, provided there is a mutually agreed period of notice.

5.6 Employees can ask to discontinue teleworking by giving a mutually agreed period of notice. Some may find it stressful to work from home or remotely, or miss the socialising aspect which is part of working experience.

5.7 The employer may be expected to provide equipment and other accommodation (e.g. payment for internet) only when teleworking is being implemented by the company, and not at the request of the employee.

5.8 The Association is against any legislation that introduces telework as an employee right. Any teleworking system can only work if it is voluntarily introduced by the employer or by dialogue with the employees.

5.9 The Association supports incentives to companies to introduce teleworking. These incentives could take the form of tax benefits, subsidising equipment and stay at home workplaces, installation of monitoring systems.

5.10 Employers will have a right to inspect the default place of work, conduct OHS assessments, implement productivity measurement tools, and ask for periodical and ad hoc performance reports and time logs.

5.11 Teleworking cannot be seen as a condition of employment per se. It is a work organisation tool that can be applied or withdrawn on an individual basis.

The whole process has to be based on an element of trust between management and individual employees.

5.12   Social partners should do their utmost to sell the idea, together with other work-life balance measures, but it should be up to each company to look into its own particular circumstances in order decide whether, to what extent and to whom it can offer teleworking arrangements.

5.13   The Association recommends a strategic approach to teleworking, including the impact on commuting and demand for office space. This may entail revisiting strategies for massive investment in roads and office space if a larger segment of the labour force will be working remotely.