How We Worked From Home

Findings from the WFH experience in response to the COVID-19 global health crisis in Malaysia

Overview

August 2020
Key Findings

- Lower income groups were more likely to experience income loss and increased work expenses due to WFH during the MCO.
- Quality of life improved for the majority of respondents. Time saved on commuting improved capacity for work-life integration.
- While caregivers faced the greatest challenges in WFH, they remained overall beneficiaries of WFH arrangements.
- Enterprises with experience in WFH were better able to maintain business continuity during the MCO.
- Enterprises that provided employees with technical and material support received benefits in employee productivity.
- The WFH experience has improved employee and employer perceptions about WFH arrangements. This is an opportunity to improve access to work for caregivers and persons with disabilities.

1. Introduction

The Movement Control Order (MCO) imposed in Malaysia due to COVID-19 created an unprecedented situation in which a third of Malaysians in the private sector and many more in government were required to work from home (WFH). This situation presents a unique opportunity to assess perceptions towards Work from Home (WFH), as well as the trade-offs of WFH conditions to life and environmental outcomes. UNDP conducted a WFH survey of employees and employers to understand impacts on employee wellbeing and productivity, business continuity, and the trajectory of WFH in Malaysia’s future. The survey, carried out from 5-25 May 2020, drew 1,021 employee responses and 231 employer responses.

Respondents at a glance

Employers
- 65% local enterprise
- 29% multinational enterprise
- 3% other
- 66% revenue less than RM10 million
- 79% SMEs (<200 employees)

Employees
- 66% in 25–44 age group, 71% women
- 51% earning RM3,001–7,000
- 23% earning less than RM3,000
- 35% government
- 34% local enterprise
- 23% multinational enterprise
- 8% gig/self-employed

2. WFH and Quality of Life

A majority of survey respondents (54%) reported that their quality of life (QOL) improved while WFH during the MCO; 15% reported no change while 31% experienced a reduction in QOL. This increase in QOL is strongly correlated with time saved commuting (42% reported saving more than 1 h/day) and with increased ability to manage domestic responsibilities (51% reported WFH made it easier). These results show that WFH generally improved work-life integration. The largest improvements in QOL were observed for the 35-44 age group, which had the highest prevalence of childcare responsibilities.

![Quality of Life Changes during WFH]

A smaller but substantial subset of respondents reported that WFH was detrimental to work-life integration. Qualitative responses told of employers expecting respondents to be constantly on-call, and increased domestic responsibilities due to closure of schools, kindergartens, and childcare facilities during the MCO.

For those able to WFH throughout the MCO, 46% saw increase in working hours, 23% reported no change, and 31% experienced a reduction. Those whose working hours increased by < 1 h/day reported the greatest improvement in QOL. This shows that employees recognise the trade-offs that give them flexibility, and do not mind transferring some of the time gained into additional productivity for their employer. However, respondents whose working hours increased by > 1 h/d, were most likely to report reductions in QOL.
3. Vulnerability: Income and Expenses

While those able to WFH during the MCO are generally regarded as having a higher level of income security, two vulnerable groups stood out: the self-employed/gig workers and lower-income employees. Among the former, 55% of respondents experienced loss of income despite WFH. Among WFH employees earning less than RM3,000/month, 38% experienced income reduction compared with 18% for the overall sample.

Among those who WFH, men were somewhat more likely than women to report loss of income (28% vs. 23%). Women who were only able to WFH part of the MCO were much more likely to report reduction in Income than those who WFH throughout the MCO. In contrast, the percentage of men who lost income was the same regardless of whether they WFH throughout or only part of the MCO. It is likely that the difference in income reduction patterns was due to sector-specific practices and the difference in gender distribution across sectors.

Those who experienced reduction in income were also more vulnerable to increase in weekly expenses (50% vs. 39%). The top factors driving increase in expenses were utilities (71%), work equipment (49%), food (46%), and mobile/internet expenses (42%). Increases in utilities and work equipment expenditure in particular represent a form of cost-shifting from employers to employees. Government provision of 1GB data/day likely limited the increase in mobile and internet expenditure for lower income groups, with earners under RM3,000 less likely to report increases in mobile and internet expenditure than other income bands.

Respondents with monthly salaries of less than RM7,000 and childcare expenses were more likely to report increases than decreases in weekly expenses despite substantial savings in transport costs and childcare expenses during the MCO. This suggests that the higher-income respondents were able to reduce discretionary spending, whereas lower- and middle-income respondents with children had higher fixed expenses and thus lack fiscal room to compensate for income loss, increases in work expenses, and an uncertain economic climate.

4. Caregiving and WFH

The WFH experience has brought out many stories of difficulties in balancing domestic responsibilities with work. The survey findings reflect these challenging experiences, with 29% of respondents reporting increased difficulty in domestic responsibilities while WFH and many qualitative responses describing these difficulties. However, respondents with childcare responsibilities were nearly three times more likely to find domestic responsibilities much easier rather than much more difficult, and both male and female caregivers were more likely than not to report improvements in QOL.

Amongst women, caregivers and non-caregivers were about equally likely to report improved productivity while WFH; however, slightly more caregivers than non-caregivers reported decreased productivity. Conversely among men, caregivers reported substantially improved productivity compared to non-caregivers. This points toward the higher caregiving burden on women during the MCO, illustrating the longstanding burden on women who shoulder more unpaid care work than men even while holding full-time employment.

Despite the higher burden of domestic work on women caregivers who WFH, this group generally maintained labour productivity while improving QOL. However, women are less likely than men to perceive that their employers will consider WFH arrangements. This perception gap may indicate that women are also less likely to vocalise needs for flexible work arrangements for fear of being discriminated against due to a heavier burden in domestic responsibilities. The onus is thus on the employer to provide avenues for employees to communicate their work-life balance needs to management without fear of discrimination.

### Impact on QOL for Caregivers and Non-Caregivers of Children, by Gender

<table>
<thead>
<tr>
<th></th>
<th>Caregiver to children</th>
<th>Not caregiver</th>
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<tbody>
<tr>
<td><strong>Male</strong></td>
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<tr>
<td>Reduced a lot</td>
<td>7%</td>
<td>23%</td>
</tr>
<tr>
<td>Reduced a little</td>
<td>11%</td>
<td>19%</td>
</tr>
<tr>
<td>Stayed the same</td>
<td>12%</td>
<td>17%</td>
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<tr>
<td>Improved a little</td>
<td>10%</td>
<td>13%</td>
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<td>Improved a lot</td>
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<td>25%</td>
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<thead>
<tr>
<th></th>
<th>Caregiver to children</th>
<th>Not caregiver</th>
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<tbody>
<tr>
<td><strong>Female</strong></td>
<td></td>
<td></td>
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<tr>
<td>Reduced a lot</td>
<td>25%</td>
<td>27%</td>
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<tr>
<td>Reduced a little</td>
<td>23%</td>
<td>26%</td>
</tr>
<tr>
<td>Stayed the same</td>
<td>36%</td>
<td>28%</td>
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<tr>
<td>Improved a little</td>
<td>21%</td>
<td>15%</td>
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<tr>
<td>Improved a lot</td>
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<td>31%</td>
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5. Business Continuity

The MCO forced all non-essential enterprises to close operations—making WFH the only option for business continuity. Among survey respondents, 44% of local enterprises and 62% of multinational enterprises had significant experience with WFH prior to the MCO. These enterprises were more likely to be able to maintain either all operations or core operations during the MCO than their counterparts. Both SMEs and larger corporations benefited from this effect, demonstrating the value of WFH practice for resilience.

6. Support and Productivity

Employers and employees had similar views of employee productivity during the MCO. While employers were slightly more negative than employees, both surveys showed an even distribution of productivity gains and losses. This shows that switching to WFH does not necessitate loss of productivity, and that businesses need to identify the right productivity drivers in switching to an increased pattern of WFH.

In terms of support, a majority of employee respondents wanted material support from their employers, while one in two respondents needed technical support. Employer investment in such support reaped benefits in improved productivity, whereas absence of both technical and material support doubled the likelihood that employees reported significant decrease in productivity.

The top obstacle that employees experienced was access to equipment, software, and information; however, 35% of respondents reported not receiving any material support. Guidelines on working hours and flexible arrangements were the most frequently cited type of technical support received. Guidelines for working hours, non-working hours, and taking breaks during working hours are important for work-life integration while WFH, as working digitally can be very seamless, with back-to-back conference calls for hours on end.

### Business Continuity for Local Enterprises with and without Prior WFH Experience

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<thead>
<tr>
<th>Prior WFH Practice</th>
<th>Most or all operations continued</th>
<th>Core operations continued</th>
<th>Core operations disrupted</th>
</tr>
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<tbody>
<tr>
<td>33%</td>
<td>28%</td>
<td>39%</td>
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</table>

<table>
<thead>
<tr>
<th>No WFH Policy</th>
<th>Most or all operations continued</th>
<th>Core operations continued</th>
<th>Core operations disrupted</th>
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<tbody>
<tr>
<td>19%</td>
<td>33%</td>
<td>48%</td>
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In addition to prior WFH experience, enterprises that had business continuity plans (BCPs) had better operational performance during the MCO. 54% of local enterprises and 75% of multinationals had or were able to develop BCPs before the MCO began. Good BCPs were important to continuity of operations, with employee respondents commenting on challenges such as inability to access important files and information which were only available on-site. BCPs can be a useful starting point for developing WFH policies, and WFH experience will likely improve the quality of BCPs.

### Support and Employee Productivity

#### Technical & Material Support

<table>
<thead>
<tr>
<th>Decreased a lot</th>
<th>Increased a little</th>
<th>Stayed the same</th>
<th>Decreased a little</th>
<th>Increased a lot</th>
</tr>
</thead>
<tbody>
<tr>
<td>8%</td>
<td>23%</td>
<td>27%</td>
<td>21%</td>
<td>21%</td>
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#### No Support

<table>
<thead>
<tr>
<th>Decreased a lot</th>
<th>Increased a little</th>
<th>Stayed the same</th>
<th>Decreased a little</th>
<th>Increased a lot</th>
</tr>
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<tbody>
<tr>
<td>15%</td>
<td>24%</td>
<td>29%</td>
<td>15%</td>
<td>17%</td>
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7. The Future of WFH

The massive WFH experiment has generated valuable experience that can enable workplaces to incorporate WFH practices and reap its benefits. It has also demonstrated the viability of WFH and created a demand for this practice. Indeed, the majority of employee respondents have a better opinion of WFH from the MCO experience, with older age groups having greater positive shifts. Even employee respondents who experienced negative shifts in QOL due to WFH during the MCO were generally optimistic about long-term WFH arrangements. 89% of respondents felt they could accomplish their work while WFH at least one day a week, with 71% of respondents preferring to do so. 45% of respondents preferred to WFH 3 days a week or more.

8. WFH for Building Back Better

UNDP highlights these findings to both the Malaysian Government and private sector employers. In Malaysia, WFH has long been discussed as a means of retaining women in the workforce and enabling them to maintain career progression—with benefits for employers and for society at large. The survey findings from the MCO WFH experience suggest that the WFH option can benefit many women in the workforce. Indeed, when implemented well, WFH can improve the work experience for both employees and employers.

Beyond the working experience WFH, if undertaken on a large scale, has the potential to change the way we build and design cities—with benefits for traffic congestion, housing prices, carbon emissions, and more. Thus, the Malaysian government should consider WFH as more than just a human resource issue, but as a tool for broader sustainable development. If this is to take place, good WFH practices are necessary to generate acceptance and ensure no one is left behind.

The mass experience of WFH is one of the opportunities to emerge from the COVID-19 crisis, tangibly demonstrating the feasibility of WFH. As Malaysia ‘Builds Back Better,’ UNDP and the broader UN family stands ready to support making WFH work well and work for all.

Has your experience during the MCO changed your perception of working from home?

- I have a better opinion of WFH arrangements now: 59%
- My opinion of WFH has not changed: 31%
- I have a worse opinion of WFH arrangements now: 10%

Among employer respondents to the survey, 66% indicated that the WFH experience during the MCO has made it more likely that they would adopt or increase WFH policy under normal circumstances, with an additional 17% stating that they would maintain prior WFH policies. However, the percentage of employers that have or are considering WFH options for caregivers and persons with disabilities was lower, at 43% and 54% respectively. This suggests that employers are either viewing WFH as an added benefit to secure top talent or have not thought through the implications of WFH for employees at large. Employers should be encouraged to do more to develop WFH policies as a form of positive inclusion for caregivers and persons with disabilities.
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