

## ECOP Survey 01-19: Results

### Telecommuting Practices

Following the enactment into law of Republic Act No. 11165, otherwise known as "An Act Institutionalizing Telecommuting as an Alternative Work Arrangement for Employees in the Private Sector", the Department of Labor and Employment (DOLE) has begun holding consultations for the formulation of the Implementing Rules and Regulations (IRR). In this connection, ECOP has conducted a survey on the prevalence of telecommuting practices in various enterprises.

Telecommuting is defined in the Act as a work arrangement that allows an employee in the private sector to work from an alternative workplace with the use of telecommunication and/or computer technologies.

### Survey Results

The survey period was conducted from 11 February to 4 March 2019, with a total of ninety-eight (98) respondents.

Figure 1 shows that more than half (56%) of the responses came from large-scale companies.

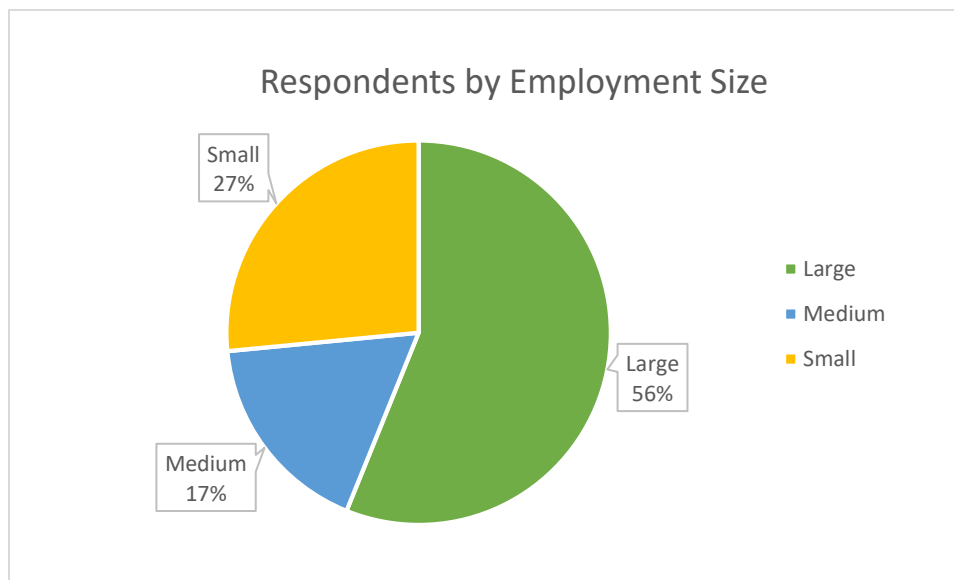


Figure 1. Respondents by Employment Size

In terms of industry distribution, Figure 2 shows that the top three (3) industries represented in the survey came from the manufacturing industry (20%), IT/BPM industry (11%), and services industry (10%).

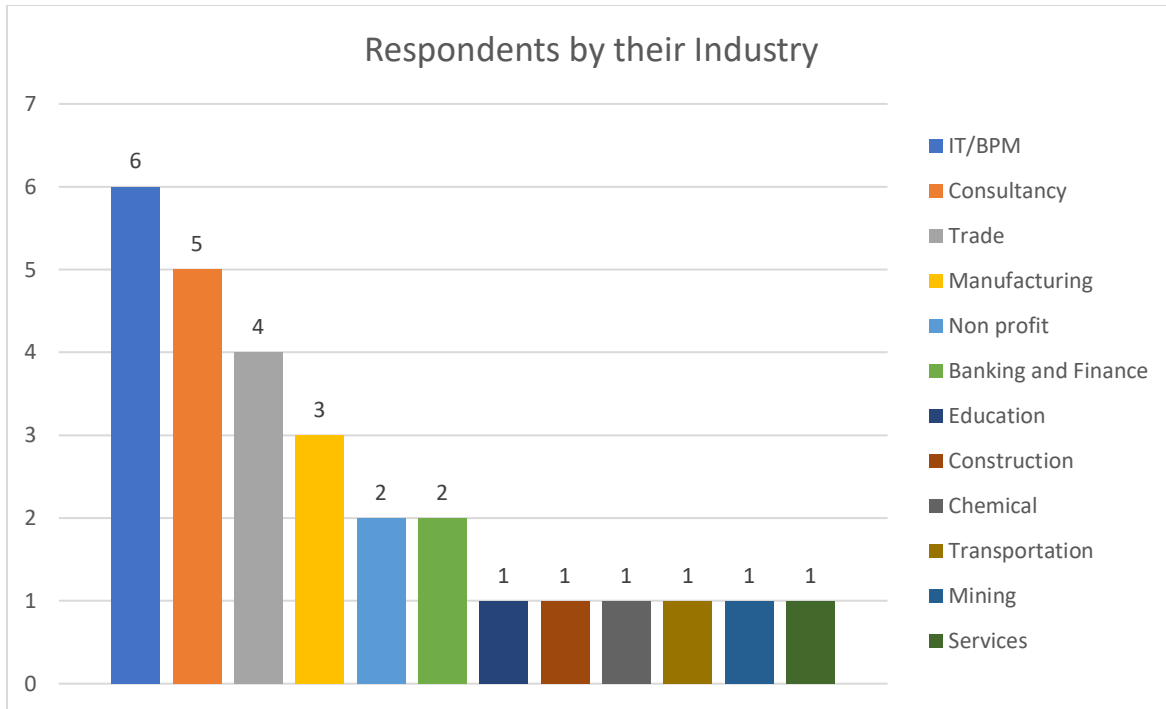


Figure 2. Respondents by their Industry

Out of the ninety-eight (98) respondents, only twenty-eight (28) implement a telecommuting or telework arrangement. As seen in Figure 3, six (6) of the companies with telecommuting come from the IT/BPM industry, five (5) from the consultancy industry, and four (4) from trade industry. In terms of employment size, majority (64%) are SMEs, 46% of which classify themselves as small.<sup>1</sup>

<sup>1</sup>Micro enterprises: 1 -9 employees, Small enterprises: 10-99 employees, Medium:100 – 199 employees, Large: 200 and above employees.

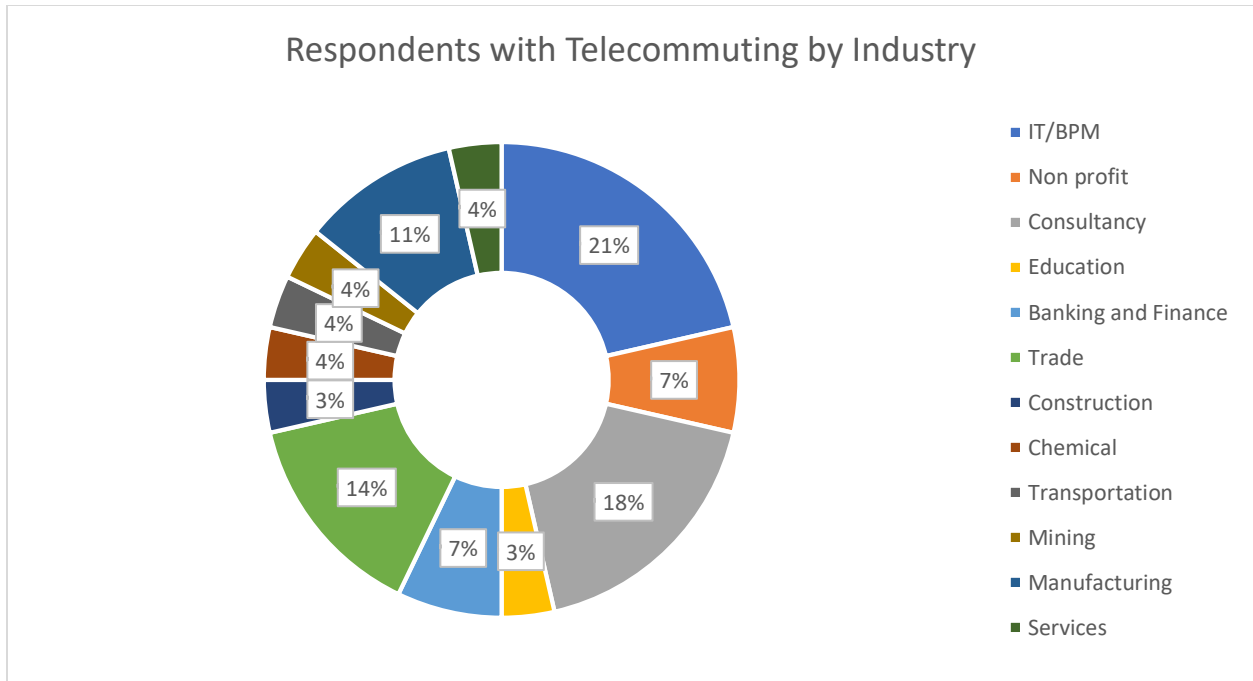


Figure 3. Respondents with Telecommuting by Industry

The respondents were also asked in the survey to identify reasons for adopting telecommuting in their companies. The answers were as follows:

1. Heavy traffic to and from the workplace;
2. For the promotion of work-life balance and flexibility;
3. Business need (e.g. multinational companies with operations in different time zones); and
4. Enhancement of employee engagement and retention.

The telecommuting arrangements of most companies cover only managerial employees. In terms of employment status, consultants and project staff are also allowed to telecommute.

In terms of *Fair Treatment (Section 5)*, more than three-fourths (86%) answered that telecommuting employees receive the same benefits as that of their non-telecommuting counterparts.

For companies which responded otherwise, telecommuting employees are no longer eligible for transportation and meal allowances, overtime pay, and additional pay for additional days worked.

In terms of *Data Protection (Section 6)*, majority (68%) have provisions for data privacy and protection in their telecommuting policy. Some of the contents on this provision include:

- Employees on work-from-home arrangement should always work in a secure environment;
- Employees are also required to ensure that company data (personal identifiable information and client information) remain confidential;
- Meetings in public places are prohibited; and
- Laptops should be encrypted, and equipment use is monitored.

Respondents were also asked if the companies have encountered differences in the interpretation of the telecommuting/work-from-home policy, and only 36% have encountered such situations. The nature of the grievances are as follows:

- Filing and payment of overtime;

- Need for employee to stay connected and be contactable during work hours;
- Determination of work hours/rest hours; and
- Need to define company liability for employees practicing telecommuting.

Some employee benefits seen from telecommuting are:

- Allows employees to work amidst treatment for medical conditions/illnesses;
- Promotes flexibility in work schedules;
- Increases productivity and efficiency;
- Promotes work-life balance;
- Enhances self-esteem and confidence from feeling trusted;
- Saves time, as well as transportation cost and meal cost; and
- Ensures safety from calamities and disasters.

On the other hand, company benefits of the practice were evidenced through:

- Continuous operation with minimal interruption;
- More satisfied and productive employees;
- Better employee engagement and retention;
- Less work related casualties and injuries;
- Savings on operational costs; and
- Optimization of working space (e.g. seating arrangements).

For companies that are not yet implementing telecommuting, unwillingness of the management was cited as the main reason behind the non-practice. In addition, some companies also don't think that telecommuting is applicable to their industry since their operations require physical presence.

However, when asked if they are interested in implementing the telecommuting/work-from-home scheme in the future, 87% responded that they are open to the idea given that the following are available:

- Appropriate equipment;
- Better internet connection;
- Software for monitoring working hours and output;
- Best practices/benchmarking tools from their industry;
- Restructured organization (e.g. definition of roles and responsibilities); and
- Guidelines and policies.