

MEF: THE FUTURE OF WORK - EMBRACE DIGITISATION, NEW TECHNOLOGY AND FLEXIBILITY OR RISK BEING IRRELEVANT

Petaling Jaya: Changing landscape of jobs and workplaces have been long coming due to advances and rapid pace of digitization, new technology and IR4. The COVID-19 pandemic, and its ever-changing trajectory and impact on the economy and the workplaces, has accelerated the change to new normal and the lessons learnt have shown that timely information, up-to-date strategic agendas, and shorter decision cycles are critical to business sustainability. To face uncertainty, both businesses and employees have to be flexible and always adopt learning attitudes. Flexibility of both employers and employees will enable businesses and employees to response quickly to supply chain disruptions, technological developments, and societal changes.

MEF President Dato' Dr. Syed Hussain Syed Husman J.P. stated that COVID-19 accelerated consumer and business trends that are likely to persist: remote work and virtual interactions, e-commerce and digital transactions, and more deployment of automation and AI. Even though the government had implemented the policy of transition to endemic and opened the borders with effect from 1st April 2022, economic recovery success is still not assured. What we have learnt is that that in times of disruptions, sustainability and resilience depend on the ability to embrace digitisation new technology and flexibility. We all have to accept that the future of the workplace has changed from fixed place to more flexible place of work. This also changes the definition of what is a work place. Covid-19 speeded up the change of work place from fixed to flexible. From working from home to office and to endless opportunities. Technology has also added to this change. Today we have zoom and microlink and others. These make it possible to work from anywhere around the globe."

"Employers and employees have to accept and adapt to these new ways of work. This is the future. It's only going to be more complex. In line with the changes taking place in future of work many other supporting structures have to be

introduced to create a better conducive environment for future of work and flexible work arrangement to thrive. The relevant labour legislations such as the Employment Act, Trades Union Act, IR Act. OSHA and even SOCSO Act have to be reviewed to cater for the changes that take place in the world of work.”

“To build a better future of work, the emphasis must now shift from defensive measures and short-term goals to a sustainable and inclusive growth agenda. New business models are significantly altering and disrupting industries, such as banking and retail. They are reinventing business models that improve productivity and customer experience, and by doing so are positioning themselves for success in the new normal. Across all sectors, technological change is reshaping and redefining existing works and creating new works. These technological changes, in supported by policy choices, and institutional forces both national and international have altered the set of jobs available and the skills required. In the context of these challenging scenarios, new and innovative ways of accomplishing existing work are necessary to drive performance and productivity. Such innovations create new occupations, generate demands for new forms of expertise, and create opportunities for rewarding work.”

“For example, companies in the manufacturing sector have intensified their efforts to implement Industry 4.0 realizing significant value from data and analytics, AI, and machine learning. Digital transformations are revolutionizing all aspects of manufacturing, involving not just processes and productivity but also people. The right applications of technology can lead to more empowered decision making; new opportunities for upskilling, reskilling, and cross-functional collaboration; better talent attraction and retention; and improved workplace safety and employee satisfaction.” adds Dato’ Dr. Syed Hussain

“However, it should be noted that the incremental pace of technological change and digitization are still lagging in SMEs especially the Micro enterprises. Employees today are looking for flexibility tailored to their specific needs, whether it be work-life balance, physical and emotional health, or caring for family. In order to gain competitive advantage in attracting new talent and retaining existing talent it calls for flexibility. As can be seen from the lockdowns experience, there was the transition to remote work from March 2020 which

showed that work can be done at home for the appropriate jobs. When transitioning out of the lockdowns, many organisations are adoption Flexible Work Arrangements (FWAs) under the hybrid models where employers allow for flexible working hours and combination of WFH/WFO arrangements. Businesses are rapidly adapting their operating models to enhance flexibility in where and when their employees work under the next normal. The use of online collaboration tools has now become the norm. Admittedly there are still challenges to overcome such as technology resilience and connectivity, employee wellbeing and burnout prevention, compliance, and quality management and monitoring, but businesses are increasingly experimenting with these operating models “

“Companies which are able to reinvent themselves: from rigid organizations with manual processes and systems to digitally enabled, agile, flexible workplaces that leverage the power of data and analytics would enhance customer experience and create more business values. Successful implementation of FWAs require supporting values and belief within the organizational culture and for middle management to adopt a mindset that values flexibility. Top management will need to clearly articulate the value of FWAs to the organization, be involved in addressing implementation issues, and monitor adoption of FWAs to ensure they are being promoted and used. Enabling workers to remain productive in a continuously evolving workplace requires empowering them with excellent skills programs at all stages of life: in primary and secondary schools, in vocational and universities, and in ongoing reskilling and upskilling training programs.”

“The terms and conditions of employment including salary, benefits, increments, bonuses, insurance and others have to be reviewed in order to accommodate the future of work and workplace. The total compensation has to be based on the job scope, linking to accountability, responsibility and performance of an individual and not based on where he works from. Employers are studying and investing heavily to accommodate these changes.”

Dato’ Dr. Syed Hussain states further that “MEF is supportive of FWAs and is working with its members to ensure that we all succeed. MEF agrees with YB Datuk Seri M Saravanan, the Minister of Human Resources that there will be no

change in the manner employees are treated either working from office or remote. As this is the future, relevant training, new equipment or tools of trade and internet facilities are all being planned by employers. Employers are supportive of the future of work and flexible work arrangements.”

“Employers are now more engaged to ensure OSH practices are also put in place at remote working places. The safety of employees is paramount to employers. They are the assets of employers.”

“However, it must be noted that not all jobs can be done from remote places. Therefore, it is important for employers and employees to understand this and work together to ensure success.”

For further information, please contact the MEF Secretariat at 03-7955-7778 or fax 03-7955-9008 or email mef-hq@mef.org.my.

29th April 2022