

Let the companies decide

NATION 

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PETALING JAYA: Industries should be allowed to decide on the Flexible Working Arrangement (FWA), says the Malaysian Employers Federation (MEF).

Its president Datuk Dr Syed Hussain Syed Husman (*pic*) said it was important to understand that organisations hire employees to run and operate their business.

He said different businesses had unique structures and production needs.

“Some are locally based, while some are internationally based and governed by rules and regulations.

“We must understand this before seeking to change the existing system of work.

“It should be recognised that not all businesses are evolving and not all processes can change,” he said in a statement.

Syed Hussain said FWA could only be implemented after these issues were understood, adding that certain areas of business could have flexibility.

“The final decision depends on the industry and conditions of the particular business,” he said.

Syed Hussain was commenting on the statement by Deputy Human Resources Minister Datuk Awang Hashim that employees who want to work on flexible terms could apply for FWA with their employers under the amendment to the Employment Act, which will take effect on Sept 1.

The FWA application must be made in writing, covering changes in working hours, working days and also the place of work.

Syed Hussain said many organisations had started adopting new working systems since Malaysia began its transition to endemicity on April 1.

Among the arrangements are the hybrid or work from home (WFH) concept, flexi hours and staggered hours.

“Organisations that can take into account the WFH concept during the pandemic will reap benefits in business productivity and sustainability.

“Companies are continuously reimagining new strategies to attract, retain and engage talent,” he said.

He added that organisations were concerned with implementing a structured and sustainable FWA, suited to their nature of business.

“They have different ways of making the FWA work such as tracking employees’ attendance and productivity, setting a timeline for employees to respond to work-related matters and the minimum number of days employees are required to be in the office.

“The challenges include the lack of commitment from the top management as it struggles to adapt to new working models that incorporate the FWA,” he said.

Other challenges include lack of engagement among employees, leading to lower productivity and higher attrition rates; confidential data and information being compromised; problems with employees’ remote work spaces being in compliance with the OSH Act; difficulties in cultivating trust between managers and employees; and ensuring the FWA policy is fair for all employees.

He said those in the hospitality industry such as restaurants and hotels as well as manufacturing sectors were unable to fully implement working remotely due to the nature of their businesses.

He urged the government to support organisations in adopting and sustaining FWA by providing clear guidelines on their rights and obligations, such as the decision on employees' requests for the FWA, guidelines to reject the application, the consequences for employers who fail to comply with the FWA requests, and the appeal process, if applicable.

In addition, Syed Hussain said the government should also offer flexibility and seek to relax some regulations while conducting awareness programmes to educate employers on the types of FWA and how these could meet their business needs and strategies to attract and retain talents.

"Concise information on the FWA must be provided on safety and health, good practices, work-related accidents that happen when working from home and cybersecurity threats.

"Review existing regulations under the Employment Act to accommodate provisions such as terms and conditions of the working hours, holidays, rest periods, wages and overtime to complement the FWA models," he said.

"The approval of the FWA is at the discretion of heads of departments, so there is a need to equip them with knowledge to define the eligibility, expectation and responsibility."