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Research paper



Perception of Malaysian Women in the Labour Market – Does One Have to be Present to be Productive?

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Abstract

In today's dynamic work environment, flexible working arrangements is a work policy discussed commonly by both employers and employees. However, in a developing country like Malaysia the issue is that employers still equate presenteeism with productivity. Using a self-administered questionnaire, 256 working women were surveyed to examine their perception of FWAs and productivity. The main aim of this study was to examine to what extent do the women perceive that physical presenteesim at the workplace may have an impact on their productivity at work. Findings show that age is an important demographic factor which influences the demand for FWAs. The results also show that nature of work, perceptions about FWAs and family friendly policies have significant influence on the perception that FWAs increase productivity. Providing support network and incentives in terms of tax deduction will encourage more employers to provide FWAs and this should be the policy in place. These results have some far-reaching implications on talent loss and the Malaysian labour market if workplace strategies are not implemented immediately.

Keywords: *Flexible working arrangements; Productivity; Working women.*

1. Introduction

In today's dynamic work environment, flexible working arrangements (FWAs) are nothing new in many developed countries where flexible options are provided at the workplace. FWAs are work arrangements that allow people to make changes on the hours they work or the location they work from.

In a developing country like Malaysia, while women are recognised as key economic resource in the labour market accounting for 70% of university enrolment, a large proportion of them are not in paid labour compared to most Asia Pacific countries. Labour force statistics show that only 54.3% of women of working age are in the workforce, while one of the national goals of the 10th Malaysia Plan was to attain a higher female labour force participation rate of 55% by 2020 [1].

1.1. Problem Statement of the Study

Based on the Malaysian female labour force participation rate (LFPR) most working women are in the age range between 25 to 34 years which is considered the peak and this figure tends to decline after 35 years. Unlike the double-peaked female LFPR pattern observed in most countries, Malaysian women do not to return to the labour force after marriage and childbirth. Hence, it creates a single-peaked profile of female LFPR in Malaysia and this has made Malaysia one of the very few countries having a single-peak female LFPR pattern in the region [2]. Work-family advocates have long championed the implementation of FWAs to positively influence female LFPR in paid labour. While FWAs have been provided by multinationals and are being encouraged by the Malaysian government, most employers do not provide this work options. However, the main issue in this study is employers still relate presenteeism with productivity. Presenteeism refers to fixed working schedules and being visible at the workplace.

Figure 1 shows the relationship between hours of working and productivity by OECD countries. The figure interestingly shows that in the OECD countries, the more the hours per person are engaged, the lower is the Gross Domestic Product (GDP) per hour. The argument here is working arrangements can influence employees' productivity because employess will value their time to leisure activities. The more they are at the workplace, the more stressful they are, so this translates to lower productivity.

This study attempts to examine to what extent do Malaysian women perceive that FWAs have an impact on their productivity at work.

This study employed a quantitative method with 256 female employees answering a self-administered questionnaire. Using a regression analysis, this exploratory study tried to examine how the employees perceive the relationship between workplace flexibility and productivity. This paper finally concludes with discussions on family friendly policies and long-term measures that may have an effect on women's continued participation in the labour market.

2. Literature Review

Flexible working arrangements (FWAs) refer to work practices (explained by the employer in employment policies and contracts) that allow the employees a certain degree of freedom in deciding how the work will be done and how they will coordinate their schedules with those of other employees.

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The basic economic theory of labour supply theory discusses the total hours that workers are willing to work at a given real wage rate and shows that an increase in the real wage rate would increase the number of people willing to work; and hence resulting in an increase in the supply. However, the hours of work do not only depend on the income itself; other non-labour income also influences such changes. Furthermore, in recent years, technological changes in the labour market have allowed an increasing number of workers to do much of their work at home, which further changes labour supply incentives. A recent study also reports that women who find it expensive to enter the employees market such as women with small children have strong incentives to use their home as their work base. The prevalence of home-based work will likely rise as firms discover and adopt new technologies which allow them to outsource much of their work to other sites [3].

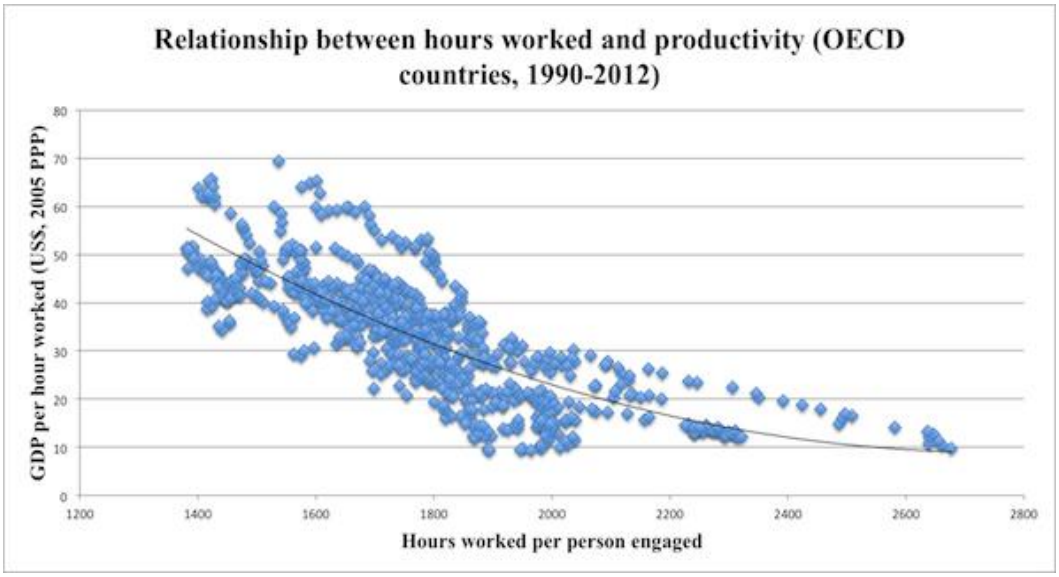


Fig.1: Working Hours and Productivity

***Source**: OECD data*

Studies show that firms enjoyed positive outcomes created by FWAs. Productivity increased, as work effort and hours intensified among employees who enjoyed flextime. Productivity gains from flextime are rooted in an employee's willingness to maintain equilibrium between themselves and employers. Since the employer has created a positive social exchange benefiting their employees which is flexible time, the worker is interested in maintaining equity and adapts by performing better. Employee's productivity has a close relationship with economic growth. The workplace environment plays a crucial role for the employees. According to [4], it is proven that workplace environment affects employee's performance and productivity. This is further supported by [5] who shows that a conducive and better work environment can lead to improvement in employees' productivity.

Working arrangements can influence employees' productivity because some of them will value their time to leisure activities. The more they are at the workplace, the more stressful they are, which translates to lower productivity. Rigid working hours will only make employees feel depressed; consequently, it will affect their productivity in the workplace and result in low output and low GDP. Hence, FWA is considered one of the working environments which can influence employees' productivity.

Existing literature shows that women's participation in the labour force is affected to a large extent by their workplace environment and their working hours which has a bearing on their participation in the labour market [6,7]Therefore, it might be pertinent to look at the link between FWAs, presenteeism and productivity, and women's participation in the labour market, which is the main focus of this study.

3. Research Methodology

This exploratory study used a survey approach using a self-administered questionnaire to examine the perception of female employees in Malaysia.

A pre-test was done to check questionnaire comprehension and to correct any ambiguity. Target population of this study is working women in Malaysia based on four selected industries namely, education, manufacturing, banking and, finance and services. The four industries which were identified was based on the Labour Force Statistics Report (2016), which showed that most Malaysian female employees were concentrated in these four industries. Using purposive sampling in the four industries, questionnaires were distributed to 300 respondents, either through face to face or online. However, only 256 questionnaires were usable.

This study was done in Malaysia including Sabah and Sarawak in late 2017 and it took a month to complete the questionnaire distribution and data collection. Using descriptive statistics and regression analysis, the study tried to examine the perception of employees regarding presenteeism and productivity. This experimental section can be divided into subsections, the contents of which vary according to the subject matter of the article. It must contain all the information about the experimental procedure and materials used to carry out experiments.

4. Results and Discussion

In an attempt to identify to what extent female employees perceive that FWAs will have an influence on productivity, a Likert scale statement was posed to the respondents based on [8], where 1-refers to "do not agree at all" and 5 refers to "totally agree". The statement was "FWAs increase productivity levels as employees are able to schedule their work accordingly".

As shown in Figure 2, 94% of the female employees perceived that if they could have flexibility in scheduling their work, their productivity will increase. This finding conforms to studies done by [9] and also [10]. Interpreting this statement shows us that a majority (94%) of the respondents agreed that one way to increase their productivity is by providing FWAs at the workplace. Thus, the employers have to consider this policy if they want their or-

ganisation to be successful because if productivity increases, the profits will also be maximised.

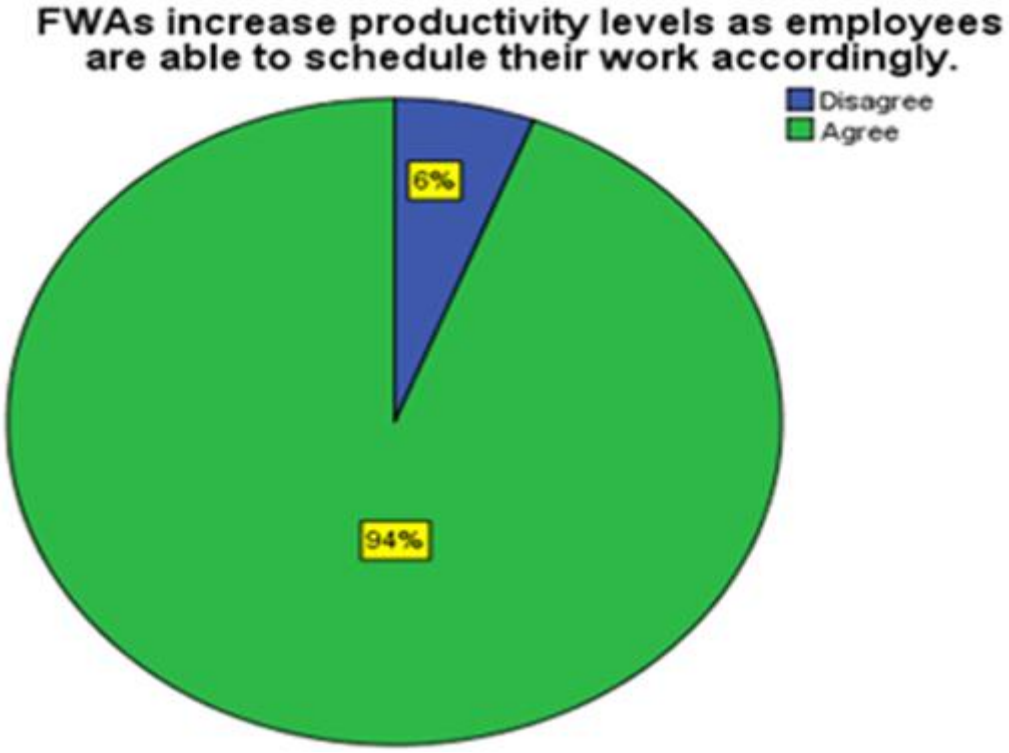


Fig.2: Female employees' perceptions towards FWAs and productivity

Table1: Perception of female employees towards productivity and interest in FWAs

Variables	Category	Interested in FWA		Not Interested in FWA		Significance
		N	%	N	%	
FWAs increase productivity as employees are able to schedule their work accordingly	Agree	220	91	21	9	0.0000***
	Disagree	8	53	7	47	
		228		28		

Significant at 0.01 significance level

Further analysis was done using cross tabulation analysis to examine whether there is a realationship between interest in FWA and perceived productivity. Table 1 shows that out of 256 female employees, 91 per cent female employees who were interested in FWAs, agreed that FWAs increase productivity meaning that they majority of them didn't favour presenteeism or visibility. In contrast, only 15 respondents disagree that FWAs increase productivity levels of the employees.Table 1 shows that women who are interested in FWAs feel that FWAs will increase their productivity and they do not need to be present to be productive.

As can be seen from Table 2, only age has a significant effect on women's interest in FWAs. Interestingly, a higher percentage (98%) of Generation X (Gen X) or the older female employees favour FWAs compared to the younger women. Among Generation Y (Gen Y) or also known as the IT generation, employees aged below 40 years who are on social media and prefer to communicate through email and text messages, 88 percent of them prefer FWAs. However, this finding is in contrast with an earlier study done by [11] which revealed that age does not significantly influence the demand for FWAs. This could be due to the age of the respondents in this study, a majority of them were in the 20 to 29 years age category.

Many studies have shown that by improving the working environment such as modifying the working arrangements may reduce complaints and absenteeism besides increasing productivity [12]. Improving working environment will result in a reduction in the number of complaints and absenteeism, which in turn will increase employees' productivity.

Table2: Variables Category Interested in FWAs Not Interested

		n	**%**	**n**	**%**	
Age	Gen Y (17 – 38)	189	88	27	13	0.063*
	Gen X (39 – 49)	39	98	1	3	
Ethnicity	Malay	179	88	24	12	
	Indian	15	94	1	6	0.842
	Chinese	27	90	3	11	
	West Malaysia	7	100	0	0	
Marital status	Married	141	90	15	10	0.397
	Single	87	87	13	13	
Educational	SPM/STPM/Diploma	97	87	13	13	
Level	Undergraduate/ Post	131	90	14	10	0.452
	Graduate					
Location	Kuala Lumpur	57	88	8	12	

	Selangor	139	90	15	10	0.739
	Other places	32	87	5	14	
Work Status	Full Time	208	89	26	11	0.772
	Part Time	20	91	2	9	
Industry	Education	61	90	7	10	
	Manufacturing	36	88	5	12	0.903
	Banking & Finance	44	92	4	8	
	Services	87	87	12	12	
Employment	Administrative	99	89	12	11	
Level	Middle management	70	88	10	13	0.890
	Higher management	14	88	2	13	
	Academician	45	92	4	8	
Occupational	Private	134	89	16	11	
Sector	Government/Statutory	80	90	9	10	0.651
	Body/GLC					
	University	14	82	3	14	
Monthly	Less than RM2000	82	85	14	15	
Income	RM2001 to RM3000	69	89	9	12	0.344
	RM3001 to RM5000	59	94	4	6	
	RM5001 & above	18	95	1	5	
TOTAL		**228**		**28**		

Table3: Anova Table showing results between FWAs and productivity

Model	Sum of Squares		df	Mean Square	F	Sig.
Regression	40.779		4	10.195	65.196	.000[b]
Residual	39.249		251	.156		
Total	80.027		255			

Table4: Dependent Variable: FWAs increase productivity levels as employees are able to schedule their work according

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	.225	.265		.850	.396
now	.031	.009	.180	3.597	.000
np	-.027	.009	-.149	-3.100	.002
pp	.083	.007	.558	11.368	.000
fpp	.033	.009	.177	3.754	.000
pp					
ffp					

where:
now = nature of work
np = negative perception on flexible working time
pp = positive perception on flexible working time
ffp = family friendly policies

The Regression model is as follows:
Demands for FWAs= $\alpha + \beta 1now + \beta 2np + \beta 3pp + \beta 4ffp + \varepsilon$
Demands for FWAs= $0.225 + 0.031now - 0.027np + 0.083pp + 0.033ffp + \varepsilon$
Using a multiple regression analysis, this study further tried to examine whether nature of work, working environment and perception on flexible working time will have an influence on productivity.The results show that nature of work (now), negative perception on flexible working time (np), positive perception on flexible working time (pp) and family friendly policies (ffp) have an influence on the demands for FWAs. Overall, it can be concluded that positive perception (0.558) has the greatest influence on the demands for FWAs, followed by nature of work (0.180), family friendly policies (0.177) and negative perceptions (0.149). In addition, the demand for FWAs has a positive relationship with nature of work, positive perception on flexible working time, and family friendly policies but, possess a negative relationship with negative perception on flexible working time. This result conforms to the study done by Albion and [13], which found that individual work life balance is reflected in more positive interactions within the workplace and FWAs is recommended for people who want to balance their life and work.

[14]found that workplace satisfaction will lead to job satisfaction. In addition, job satisfaction is determined by workplace conditions and environment which has been recognised as one of the important factors in measuring productivity. The working condition was found to have the biggest effect on productivity in relation to job stress and job dissatisfaction. Patterson, West, [15] also found the evidence that the more satisfied the workers are with their jobs, the better the company is likely to perform in terms of profitability and particularly, productivity.

5. Conclusion

Based on this study, the main conclusions which can be drawn are: firstly, there is a positive link between FWAs at the workplace and productivity. This means that the respondents do not perceive that presenteeism is important for productivity. Secondly, a majority of the respondents (91%) in this study prefer to have FWAs in their workplace due to their positive perceptions on flexible working time. Thirdly, age is the only demographic factor which has an influence on the demand for FWAs. In this study, Generation X favour FWAs as compared to those from Generation Y. Finally, nature of work, negative perceptions on flexible working time, positive perceptions on flexible working time, and family friendly policies have significant effects on the demands of FWAs because they think FWAs can increase their productivity levels as they are able to schedule their time accordingly.

It is hoped that as more female students graduate and enter the labour market, participatory decision-makers will design work policies to ensure women have flexibility at their workplace. At a micro level, employers should try to reap the local talent of an educated labour force by formulating work policies which are more flexible. Many FWAs policies such as flexi-work time and working from the home create a positive and friendly workplace environment with less traffic congestion and better family management. At the macro-level, the Malaysian government has been supportive of FWAs at the workplace, but the state should play a more proactive role in implementing, regulating and monitoring the implementation of these policies. More incentives should be given to organisations which facilitate FWAs and other family friendly policies.

The most apparent implication from this study is for organizations to implement FWAs which may provide workplace flexibility and this can be a possible tool to retain women in the labour market as it allows women to juggle the double burden of work and home. Another pertinent point is that workplace flexibility will encourage women who quit the labour force to re-enter the labour market again. Even though FWAs are very beneficial, it is acknowledged that FWAs are not a comprehensive package but should be carefully implemented on a case to case basis.

This study only looked at a small sample throughout the country, so future studies should look at a larger sample to draw further conclusions and to recommend policy implications.

As Malaysia moves towards achieving an industrialised nation status, for effective policies to be successful, a change in mindset is highly crucial as women's decision to participate in the labour market starts from the home. Hence, by leveraging on the idea of FWAs as a strategic approach, employers, society and the nation can empower women and the end result will be a win-win strategy. Encouraging more employers to provide FWAs by providing the support network and incentives in terms of tax deduction should be the policy in place. These results have far reaching implications on talent loss and the Malaysian labour market if workplace strategies are not implemented immediately.

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