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**FLEXIBLE WORK
ARRANGEMENTS**



**MINISTRY OF
MANPOWER**

Manpower Research and Statistics Department
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EXECUTIVE SUMMARY

In an increasingly competitive and dynamic market, flexible work arrangements may just be the key to a firm's success. Such arrangements can help employers expand their recruitment pool to include people who are unable to work traditional office hours due to family or personal commitments. The provision of flexible work arrangements is also a good motivational tool. Allowing responsible workers the flexibility to plan their own work schedules boosts morale, improves productivity and cultivates loyalty to the firm. The benefits of flexible working are not confined to a booming economy. Flexible work arrangements like hiring temporaries and part-timers allow firms to respond rapidly and efficiently to changes in demand. In particular, it can help businesses tide over difficult periods without resorting to retrenchments.

Flexible working practices are fast becoming common in many developed countries (e.g. the US and UK). These arrangements range from conventional *part-time working* to high technology *teleworking*. The more common ones include *part-time working*, *temporary working*, *flexitime*, *annualised hours*, *job sharing*, *term-time working*, *homeworking* and *teleworking*.

Singapore employers too should seriously consider offering greater flexibility in work arrangements. With the emergence of dual income families, working parents have to reconcile the demands of work and family. Hence, employers who are able to create a family-friendly environment that help employees balance work and family will hold the key to retaining valuable staff and enhancing their efficiency and morale. Aside from offering flexibility to employers and employees, flexible working can in the long run help address Singapore's potential labour shortage which will arise from the ageing of our population. A comparison of labour force participation rates reveals two potential sources of workers that Singapore employers can draw from namely, women who have left the workforce after marriage and childbirth, and older persons. In 1997, only 57% of Singapore women aged 40 to 49 years were in the labour force compared with 72% in Japan and 79% in the US. Among older persons aged 55 to 64 years, only 43% of them worked in Singapore compared with 67% in Japan and 59% in the US. Flexible working could potentially attract these persons to enter the workforce, enabling better utilisation of our available manpower.

Despite its benefits, flexible working has been slow in catching on in Singapore. Only 3.1% of employed persons here worked part-time in 1998 compared with 23% in Japan, 17% in the US and 24% in the UK in 1997, while temporary full-time workers made up only 1.5% of the employed in Singapore in 1998.

Non-traditional forms of flexible working like *flexitime*, *job sharing*, *teleworking* and *homeworking* are less prevalent. In a recent survey on private sector establishments with at least 25 employees conducted in mid 1998, only 9 (or 0.2%) out of some 4,600 firms surveyed practised *flexitime*. Comparatively, *job sharing* fared much worse. Only 12 employees in 4 (or 0.1%) of the private establishments surveyed shared jobs. With regards to *teleworking* and *homeworking*, 27 (or 0.6%) of the 4,600 firms surveyed allowed some of their employees to work away from the office. Most of these flexiplace workers were teleworking. Despite *teleworking* being a relatively new concept in Singapore, there is increasing interest in this type of flexiplace work arrangement. Some 2,625 workers were teleworking in 1998. Only 5 were detected in a similar survey conducted in 1995.

Currently, the flexible work arrangements in Singapore are more motivated towards operational efficiency rather than employee's welfare. This is evidenced by the relatively greater use of *part-time* and *temporary working* as compared to other flexible work schedules like *flexitime* and *job sharing*. Nevertheless, with the vast advancement in information technology in Singapore, *teleworking* is gaining popularity.



FLEXIBLE **WORK ARRANGEMENTS**

INTRODUCTION

In an increasingly competitive and dynamic global market, “flexibility” may just be the buzz-word for a firm’s success. Here, flexibility can be in the ability of employers and employees to adjust the number and timing of hours worked. It can also be for employers to adjust the number of workers or for employees to choose to work in places other than the office. Simply put, it is a new concept of flexible working, thereby resulting in a flexible workforce.

One of the many challenges facing employers today is to find new sources of labour and optimising on their use. This is especially so when the labour market is tight as it has been in Singapore for many years. In this, employers have to recognise that many people want or need to work hours that fit in with their domestic and other commitments. The provision of flexible work arrangements is one of the key strategies employers can use to expand the recruitment pool and improve the retention of some categories of employees e.g. women and older workers.

Having a flexible workforce that employers may expand or contract with ease enables them to respond rapidly and efficiently to changes in demand. This essentially means greater cost control and hence helps companies stay competitive.

Flexible working can also facilitate easier entry of young persons into the labour market and enable older workers to gradually retire from employment.

This article begins by looking at why employers in Singapore should seriously consider offering greater flexibility in work arrangements. Next, it describes the various flexible work options popular abroad and discusses their benefits and drawbacks. It also examines the prevalence of flexible work arrangements in Singapore.

Having a flexible workforce enables employers to respond rapidly and efficiently to changes in demand.

THE NEED FOR FLEXIBLE WORKING IN SINGAPORE

Optimising Use of Indigenous Labour Force

Singapore’s population is ageing. This places a constraint on the local labour supply. To make efficient use of all available manpower, Singapore employers are encouraged to tap further into non-traditional sources of local labour by offering flexible work arrangements.

A close examination of the economically inactive population in Singapore reveals two potential sources of workers that employers can draw upon. They are women who have left the workforce after marriage and childbirth, and older persons. For example in 1997, only 57% of Singapore women aged 40 to 49 years worked compared with 72% in Japan and 79% in the US (Table 1). Among older persons aged 55 to 64 years, only 43% of them worked in Singapore compared with 67% in Japan and 59% in the US. In the UK, the proportion of females aged 35 to 49 years and older persons aged 50 years & over in the workforce stood at 77% and 68% respectively.¹ According to the *Labour Force Survey* in June 1998, around 330,000 females aged 30 to 54 years and 160,000 persons aged 55 to 64 years were economically inactive in Singapore.

workforce.² 77% of the women respondents who were interested in working preferred part-time jobs. Many of the women suggested that employers should provide part-time or flexible work arrangements to attract women to return to work. There is also scope in using flexible work options to provide for phased retirement of older workers, enabling them to stay longer in the workforce. This is especially relevant for Singapore where the population is fast ageing.

Dual Income Families

With the emergence of dual income families in Singapore, both working parents have to face and reconcile the twin demands of work and family. It is without doubt that family welfare is inextricably linked to employees' work performance. Hence, employers who are able to create a family-friendly environment that help employees balance the work-family equation, such as by offering flexible work options, may just hold the key to retaining valuable staff as well as enhancing both their efficiency and morale.

TABLE 1 : LABOUR FORCE PARTICIPATION RATES OF SELECTED CATEGORIES OF PERSONS, 1997

Country	Per Cent					
	Females in Selected Age Groups (Years)			Older Persons Aged 55 to 64 Years by Sex		
	30 – 39	40 – 49	50 – 59	Total	Males	Females
Singapore	63.6 (65.8)	56.5 (57.8)	36.4 (39.1)	43.0 (43.3)	64.9 (64.7)	22.2 (22.8)
Japan	59.2	71.7	63.4	66.8	85.1	49.5
US	75.8	78.5	67.9	58.9	67.6	50.9

() : Figures in parentheses refer to labour force participation rates in June 1998.
 Source : *Labour Force Survey, June 1997 & 1998*, Ministry of Manpower, Singapore.
Annual Report on the Labour Force Survey 1997, Japan.
Current Population Survey, 1997, Bureau of Labor Statistics, US.

Flexible working can be used effectively to harness this potential labour pool who are not likely to work in a conventional environment. In a survey of women participants at a series of workshops organised by the National Trades Union Congress (NTUC) to encourage women to return to work, the lack of part-time jobs was one of the most commonly cited reasons holding them back from joining the

Economic and Business Cycles

There are also economic reasons for going flexible, both at the micro and macro levels. At the micro end, employers are able to respond quickly by matching working hours with peaks and troughs in demand for their goods and services. It also permits staggering of working hours which allows employers to extend their service hours.

¹ *Labour Market Trends*, June 1998, UK.

² *Women Returning to Work, 1995*, Ministry of Manpower, Singapore.

At the macro level, a flexible workforce would enable employers to better manage their manpower. To illustrate, a leaner workforce could be maintained during slumps without fear of losing business opportunities that arise because of inability to meet demand during booms. This is especially relevant to employers in an open economy like Singapore. In the light of the current economic crisis, for example, having temporary workers or workers on short work-week allows firms to tide over the difficult period without resorting to retrenchments that demoralise the entire workforce.

FLEXIBLE WORK ARRANGEMENTS EXISTING ABROAD

Given the wide variety of working practices existent abroad, only some of the more common forms of flexible working will be discussed. They are part-time working, temporary working, flexitime, annualised hours, job sharing, term-time working, homeworking and teleworking. These arrangements are not mutually exclusive. For example, a flexitime employee can work on a part-time or full-time basis.

Part-time Working

Part-time working is not new to employers. Essentially, it is an arrangement whereby the working hours are below the normal for the job.

Allowing part-time working can help in recruiting staff who are unable to work full-time and in retaining valued staff who wish to reduce their working hours. Examples are employees who need to spend more time caring for their children or older family

members, and older staff who are looking for a smoother transition from full-time work to retirement. Staff who want to further their studies may also prefer to work part-time.

In addition, part-time working can help increase employers' flexibility in manpower deployment. For example during peak times, employers can have part-timers to cover duties. It also allows for extension of operation hours.

Contrary to popular belief, research studies showed that part-timers are no less productive than their full-time counterparts. In certain cases, their productivity can even be higher. One study comparing part-time and full-time social workers found that the

Studies showed that part-timers were no less productive than their full-time counterparts.

part-time employees handled more cases per hour and serviced them better.³ The perception that part-timers are less productive is probably due to employers' tendency to judge productivity by the time spent at work and to dismiss those who spend fewer hours at work as having less dedication.

The disadvantages associated with the use of part-timers are the higher administrative and training costs involved because of the greater number of employees that it entails. There may also be difficulties in planning their work schedules. Because of the "part-time" nature, some employers find these workers lacking a sense of

³ "Business and Facts of Family Life", *Harvard Business Review*, November – December 1989, US.

commitment to the company. However, a UK survey revealed that the majority of employers did not find part-timers more likely to leave or report sick than full-timers.⁴

Part-time work is popular in the UK, US and Japan. The proportion of part-time workers in these countries ranged from 17% to 24% in 1997 (Table 2). Some of these workers took up part-time jobs involuntarily either because of business downturn leading to short work hours imposed by employers or limited availability of full-time jobs. However, even after discounting this group, the level of voluntary part-time working in these countries was still high, 21% in the UK and 14% in the US.

TABLE 2 : PART-TIME WORKING IN SELECTED COUNTRIES, 1997

	Japan	US	UK
Number (000s)	14,980	22,217	6,491
Proportion of Employed Persons (%)	23	17	24
Voluntary Part-time	n.a.	14	21
Involuntary Part-time	n.a.	3	3
Distribution by Sex (%)	100	n.a.	100
Males	33	n.a.	19
Females	67	n.a.	81

n.a. : not available

Note : In Japan and the US, part-time workers refer to persons who work less than 35 hours a week.

In the UK, part-time data are based on self-classification of the employed persons and not on the number of hours usually worked.

Source : *Annual Report on the Labour Force Survey 1997*, Japan.
Labour Market Trends, June 1998, UK.
Monthly Labor Review, June 1998, US.

Temporary Working

Temporary workers constitute yet another form of flexible working. It simply refers to short-term employment. This arrangement can be informal as in “on and off” seasonal or casual work, or formal involving signed short-term employment contracts (in some cases it may last up to several years).

Temporary working offers employers a means to vary their workforce size more easily and rapidly to cover for the absence of permanent staff (e.g. on maternity leave), or to cope with seasonal fluctuations in the workload or staff short-term projects.

During times of economic uncertainties, this work option offers employers flexibility in staff deployment while avoiding the risk of committing permanently. This translates to greater cost control in that employers only hire and pay on a need basis without having to maintain overheads during low periods. Another reason employers contract temps is to avoid “retrenching” these workers but rather “terminate” them during hard times so as to avoid costs of redundancy and maintain good image.

Usually, employers need not confer the same perks (e.g. annual leave, bonus and medical benefits) accorded to the permanent staff for these contingent workers. Temporary working also allows employers to “test out” the temps before offering them permanent posts later.

Traditionally, temporary jobs typically involve the lower end seasonal or casual work such as clerical, sales and service jobs. However, this work arrangement has evolved to include the higher skilled professionals and managerial posts as well. This arose especially in the 1990s which saw a number of firms outsourcing not only their peripheral functions (e.g. transport, cleaning and catering) but also some core high level work (e.g. entire production, sales and product design teams) in order to trim high labour costs.

⁴ “Employers and the Flexible Workforce”, *Employment Gazette*, May 1992, UK.

Temporary work can offer benefits not only to employers but also to employees who might prefer a non-standard working arrangement in order to fit paid work more easily around other responsibilities such as family commitments or undertaking full-time education.

Temporary working offers employers needed flexibility in staff deployment while avoiding the risk of committing permanently.

In addition to income, temporary work can offer an opportunity for workers to acquire skills training and experience that help enhance employability. This holds true for both inexperienced job seekers and professional temps. In a US survey in 1997, close to 3 out of 4 former temporary employees felt that experience from their temporary assignments helped their employability.⁵ In the same survey conducted in 1995, 72% of the former temps were found to be in permanent employment, of which 29% had found their jobs as a direct result of their temporary assignments while 37% in the course of temping.⁶

Temporary work smoothens the transition between job to job and school to work. It also provides a safety net for workers temporarily unable to secure permanent employment. For the highly skilled workers (e.g. capable top executives) who are generally in short supply, temporary contracts may give a higher income and greater autonomy than a permanent job.

Temporary working is not without its flaws. Although some savings occur in the long run, the immediate costs especially for hiring specialist contract workers are often higher. Employers may have to pay these high level temps premiums above wages of permanent staff or employment agencies hefty fees pegged to the temps' total pay for engaging their services.

Then there are difficulties cultivating amongst temps the same level of commitment and loyalty that permanent employees feel. Also the former cannot assimilate the "tacit knowledge" (an intimate knowledge that permanent workers develop about their firms through experience over time) that enhances firms' overall productivity and effectiveness.

The use of temporary workers is evidenced in the UK, US and Japan. In 1997, these contingent workers made up 11% of the workforce in Japan, 4.4% in the US and 7.7% in the UK (Table 3).

TABLE 3 : TEMPORARY WORKING IN SELECTED COUNTRIES, 1997

	Japan	US	UK
Number (000s)	6,000	5,574	1,777
Proportion of Employed Persons (%)	11	4.4	7.7
Voluntary Temporary	n.a.	n.a.	4.7
Involuntary Temporary	n.a.	n.a.	2.9
Distribution by Sex (%)	100	100	100
Males	32	49	46
Females	68	51	54

n.a. : not available

Note : In Japan, temporary workers refer to persons who are employed for specific periods of a month or more but not more than a year. Here, employed persons refer to employees only.

In the US, temporary workers refer to persons who do not expect their jobs to last.

In the UK, temporary data are based on self-classification of the employed persons and not on the duration the job is expected to last. Here, employed persons refer to employees only.

Source : Annual Report on the Labour Force Survey 1997, Japan. Labour Market Trends, June 1998, UK. Contingent and Alternative Employment Arrangements, February 1997, Bureau of Labor Statistics, US.

⁵ Who are Temporary Workers?, 3 April 1998, National Association of Temporary and Staffing Services, US.

⁶ Flexible Employment : Positive Work Strategies for the 21st century, 1 November 1995, National Association of Temporary and Staffing Services, US.

Temporary jobs have become one of the most important sources of new jobs in the UK, e.g. at least one-third in 1996.⁷ There is a rapid growth in temporary working notwithstanding that such jobs still represent a small fraction of employment. In 1996, temporary workers were reported to come mostly from *public administration, education & health* (38%), distribution, hotels & restaurants (15%) and *banking, finance & insurance* (14%) industries. They were mostly in *professional* (21%), *clerical & secretarial* (19%) and *personal & protective service* (15%) work.

Flexitime can have a positive impact on productivity.

Flexitime provides employers with considerable flexibility in staff deployment to cope with variations in workload or extension of service hours. It also improves telephone communication with other time zones. This often eliminates or reduces the need for overtime.

Flexitime can also have a positive impact on productivity. A *Harvard Business Review* article cited research that productivity will be higher because flexitime often results in reduction in paid

absences; better work organisation and scheduling of work according to employees' "biological clocks"; improved morale and job satisfaction among employees; and better managerial practices, including a shift from a controlling to a facilitating management style and more worker self-management. In a US survey of three industries that offered flexitime to clerical workers, a significant percentage of respondents reported a higher quality of work (among *banks*, 55%; *insurance companies*, 35%; and *utilities*, 29%).⁹

It was recently reported that in the US, there is a new and growing phenomenon of long-term temps or "permatemps" of at least 200,000 in 1997.⁸ This is especially prevalent in high technology corporations including Microsoft, AT&T, Intel, Hewlett Packard and Boeing.

Flexitime

Flexitime is an arrangement whereby employees can vary their daily start and finish times to suit their work and personal commitments so long as they work the total hours agreed for an accounting period, usually a week or month. This scheme normally allows staff to carry over the excess or deficit hours to the next accounting period. Extra hours worked at busy times can also be taken off at quieter times.

Flexitime's most unassailable asset is its popularity among employees. It is greatly valued by working parents who need working hours that accommodate their children's normal schedules. It is therefore effective as a low cost employee benefit. Since it may lead to lower staff turnover, there will be cost savings for the employers.

⁷ "Temporary Workers in Great Britain", *Labour Market Trends*, September 1997, UK.

⁸ "Free Agents or Underpaid Microserfs", *The Straits Times*, 5 April 1998, Singapore.

⁹ "The Best Time to Work", *World Executive's Digest*, February 1995, US.

The main problem of flexitime that employers face is the need for managers and supervisors to schedule and plan work flow to ensure coverage of critical functions during certain hours when staffing is low. There are also difficulties associated with employee communication, scheduling meetings and co-ordinating work. Furthermore, under flexitime where "banking" of hours is allowed, timekeeping is necessary. This may require the purchase of electronic monitoring equipment which tend to be unpopular with workers because they resemble time clocks.

Evidence suggests that flexitime arrangement is fairly prevalent in the UK, US and Japan. In 1997, 28% (or about 25 million) of all US employees worked under this form of flexible scheduling.¹⁰ It was more common among *executives, administrators & managers* (42% of these employees were on flexitime) and in *services* industries (32%). In Japan, the proportion was 8.7% in 1995.¹¹ The services sector had the highest concentration of flexitime workers (17%), followed by *manufacturing* (12%) and *utilities* (10%). The other sectors had no more than 9% of workers on flexitime. The proportion of employees who worked flexible hours in the UK was 12% (2.6 million) in 1993.¹² These employees were mainly from the large companies. Flexitime was more prevalent among the *clerical & secretarial* occupations (22%) and other higher end occupations such as *associate professionals & technical* occupations (20%), *managers & administrators* (17%) and *professional* occupations (13%). At the industry level, flexitime was predominant in *banking,*

financial & business services (18%) and in the "*other services*" (17%) which includes *public administration*.

Annualised Hours

The annualised hours system is a variant of flexitime where employees are contracted to work a certain number of hours per year rather than for a week. Working patterns can be arranged, for example, for the staff to work certain "core" hours or days.

Most of the benefits and disadvantages that accrue to flexitime are also applicable to annualised hours. In particular, it can help employers predict their annual labour costs more accurately.

In 1993, nearly 2 million or 9.0% of employees in the UK worked annual hours.¹³ The proportion of men and women working under this system was about the same (8.5% and 9.5% respectively). Annualised hours was mostly practised among the *professionals* (16%), particularly the teaching profession. On disaggregating this group, it was found that 27% of teaching professionals worked annual hours whereas only 6.9% of other professionals did so. The data also showed that the system was more common in the services and manufacturing sectors.

¹⁰ *Workers on Flexible and Shift Schedules in 1997*, 26 March 1998, Bureau of Labor Statistics, US.

¹¹ *Yearbook of Labour Statistics 1995*, Policy Planning & Research Department, Minister's Secretariat, Ministry of Labour, Japan.

¹² "The Flexible Workforce and Patterns of Working Hours in the UK", *Employment Gazette*, July 1994, UK.

¹³ "The Flexible Workforce and Patterns of Working Hours in the UK", *Employment Gazette*, July 1994, UK.

Job Sharing

Under job sharing, a full-time work is split between two or more people. The jobsharers work at different times, although there may be a time overlap to maintain continuity. They may each work part of the day or week, or alternate weeks depending on their and their employers' circumstances. The pay, holidays and other benefits are divided in proportion to the number of hours they each work.

Employers benefit from the continuity that job sharing can offer. For example, part of the job is still covered if a jobsharer is on leave or if one staff resigns whilst a replacement is recruited. Pooling the skills and experience of two employees also enhances the range of capabilities that can be applied to the work.

The higher training costs which it entails initially may be offset by other training benefits. Job partners could attend different

The disadvantages of job sharing are the extra costs in administration, management time, overhead and recruitment costs. Each share partner needs to understand his own area of responsibility and keep abreast with the progress of each other's work. Thus, communication between the work partners is important. To help with this, a short weekly changeover period is often built into job share arrangement. Because of the importance of co-ordination, employers may encounter difficulties in finding compatible partners for the job.

Not all jobs can be shared. Only jobs that are output or task based (including some specialist professional jobs, project-based jobs and mainly clerical jobs) are suitable for job sharing. By contrast, jobs like line management and supervisory work, or jobs entailing long-term customer or client contact, are not suitable for sharing.

In 1993, there were some 193,000 (or 3.6% of 5.3 million part-time employees)

who shared jobs in the UK.¹⁴ Majority were women. Job sharing can be found in a wide range of jobs, including professional (but rarely managerial)

occupations. It was particularly popular among the clerical and secretarial posts. At the industry level, job sharers were mostly found in the public administration, education, health and other public services.

Pooling the skills and experience of two jobsharers enhances the range of capabilities that can be applied to the work.

courses and therefore bring different skills and information to the job. In the event when one partner resigns, the other may well be the best person to train his new partner, thus reducing the load on managers or supervisors.

Other advantages of job sharing are similar to those offered by flexitime. Specifically, employers can also consider the possibility of creatively pairing older workers for phased retirements.

¹⁴ "The Flexible Workforce and Patterns of Working Hours in the UK", *Employment Gazette*, July 1994, UK.

Term-time Working

Term-time working involves working during the school term-times but not during holiday periods. Employees can take unpaid leave outside term-times and their pay can be spread over the whole year if desired.

The system suits working parents with school-going children who would like to spend time with them during the school holidays.

For term-time working, the company would have to employ temporary staff during the school holidays to cover for the employees' absences. Hence this arrangement may not be suitable for the higher level and skilled jobs where it is not cost effective to recruit and train staff for only a few weeks' work. The arrangement may also not be feasible for some industries like restaurants and hotels where school holidays may be the peak business periods.

In 1993, 1.1 million or 5.3% of all the UK employees worked during term-times only.¹⁵ This arrangement was more common among females (8.7%) than males (2.1%). Clearly, people employed in the education sector such as teachers and school meals staff are automatically under term-time working. Excluding the education sector, it was found that only 268,000 employees in the non-education sectors (just over 1% of all employees) were engaged in term-time working.

Flexiplace : Homeworking and Teleworking

Flexiplace is an arrangement whereby staff perform work in places other than the office. There are two types of flexiplace options, namely homeworking and teleworking.

Homeworking is an arrangement involving people undertaking work primarily in their homes or, like salespeople, travel extensively but are primarily based at home. The homeworkers may also be required to spend certain "core" times or days in the office to stay in touch with developments in the organisation.

Remote working means that working hours can be spread over any time of the day or night to suit the demands of the job and the needs of the worker.

There is nothing new about working from home. But the advent of new computer and telecommunications technology has seen the development of another type of remote working known as teleworking. Teleworking is the same as homeworking, except that the job is performed using information and communication technologies. These range from personal computers and modems to complex electronic facilities set up for the purpose of home networking. Teleworking has opened up the possibility for many types of workers to spend at least part of their working life based at home.

¹⁵ "The Flexible Workforce and Patterns of Working Hours in the UK", *Employment Gazette*, July 1994, UK.

One of the strongest arguments for remote working is that it enhances flexibility in working time. Not only does homeworking or teleworking make it easier to vary the total number of hours worked each week, it also means that these hours can be spread over any time of the day or night to suit the demands of the job and the needs of the worker. This makes it even easier for staff to combine a career with home commitments.

With remote working, a person can avoid the expense and stress of commuting, especially in big countries like the US and UK. It allows employment for those who are homebound, such as staff with disabilities or who want to spend more time caring for their families. Employers can therefore have the advantage of recruiting from a wider pool and improve the retention of skilled people.

Another advantage of remote working is that it can help employers cut overhead, e.g. office space. Some employers have “hot desks” or “docking stations” in the workplace that can be used by any teleworker to catch up on messages and internal phone calls, and carry on with other work in between meetings.

Remote working can be applied to work which requires concentration or large blocks of time when the employee works independently of others and with minimal unpredictable face-to-face interactions. Also suitable are jobs involving clearly defined tasks. Examples of work suitable include data entry, information processing, graphic design, software programming, accounting/bookeeping, project management, editing, writing and research.

In one US survey, employers using flexiplace option reported productivity gains of 15% to 20% owing to employees having fewer distractions, being able to work at personal “peak” times and experiencing increased motivation because they have flexibility.¹⁶ This was also observed in another survey in the UK where teleworkers were found to be more productive, reliable and loyal compared to their on-site colleagues. They were also likely to produce better quality work, having lower absenteeism and turnover rates.¹⁷

Employers using flexiplace option reported productivity gains of 15% to 20%.

Remote working is not without any costs. In exchange for the freedom to rearrange their working hours, homeworkers must be prepared to accept some unwelcome intrusions into their domestic life, such as telephone calls during family mealtimes. For successful remote working, it is important to have some mutual agreement for the workers to be contactable at certain “core” times.

Then there are problems of lack of personal interactions or comradeship with colleagues and supervisors, and reduced ability to identify with employers’ interests. Employers may also be uncomfortable with the lack of “line of sight” supervision. These concerns have kept some employers from offering the option of working from home. In remote working, it is important for

¹⁶ “Your Place or Theirs?”, *World Executive’s Digest*, March 1995, US.

¹⁷ “Teleworking in Britain”, *Employment Gazette*, February 1994, UK.

management to have a strong support system to keep these remote workers in touch.

There are also technical issues to consider, e.g. costs of purchasing computer equipment. However, such costs may be offset by savings in office overhead and gains in productivity. Other problems involve data security and access to paper documents.

Flexible work arrangements will enable workers to have the best of both worlds of work and family.

Remote working is becoming an increasingly established feature of the UK labour market. On teleworking alone, there were about 1.1 million teleworkers (or 4.1% of employed persons, excluding those on government schemes) in 1998.¹⁸ Majority were males (70%). In terms of occupation, nearly 7 in every 10 teleworkers were *managers & administrators* (26%), *professionals* (23%) and *associate professionals & technicians* (18%).

Reported estimates on homeworkers and teleworkers in the US vary widely, depending on how they are being defined. The number can range from a few millions to

as many as some 30 to 40 million people under such work schedules.¹⁹

According to the US *Bureau of Labor Statistics*, there were 3.6 million workers (about 3.3% of all wage and salary employees in non-agricultural industries) who were paid for their time worked at home in 1997.²⁰ 88% of these paid homeworkers were in white-collar occupations including 50% from *professional specialty, executives & managers*. *Services* industries accounted for 44% of all paid homeworkers and *manufacturing* accounted for another 14%. 43% of paid homeworkers were teleworkers who worked at home using a computer and modem for their work. They represented 1.4% of all employees in the US.

Many telework employers pointed out that most of the arrangements to telework spring from the necessity to cut office space and the need to hire key talent. Companies with such arrangement include AT&T, American Express TRS Co., IBM, Ford Motor Company and Ernest & Young.

FLEXIBLE WORKING IN SINGAPORE

Part-time Working

In Singapore, there were 57,200 or 3.1% of employed persons working part-time in June 1998 (Table 4). The extent of part-time working in Singapore is therefore extremely low compared with Japan (23%), the US (17%) and UK (24%) in 1997.

¹⁸ Teleworkers are persons who do some paid or unpaid work in their own home or in different places using home as a base. They must have worked at least one full day in the reference week and used a telephone and a computer to do the work. "Labour Market Spotlight : Employees and Self-employed People Teleworking in Their Main Job (Labour Force Survey, Spring 1998)", *Labour Market Trends*, October 1998, UK.

¹⁹ "The Alternative Workplace : Changing Where and How People Work", *Harvard Business Review*, May – June 1998, US.

²⁰ *Work at Home in 1997*, Bureau of Labor Statistics, US.

TABLE 4 : PART-TIME WORKERS IN SINGAPORE, 1998

Characteristics	No. of Part-timers	Incidence Per 1,000 Employed Persons
TOTAL	57,200	31
SEX (%)	100.0	
Males	31.7	17
Females	68.3	50
AGE (%)	100.0	
Below 20	5.2	137
20 – 29	8.9	12
30 – 39	22.0	22
40 – 49	31.5	36
50 – 59	19.7	51
60 & Over	12.6	111
INDUSTRY (%)	100.0	
Manufacturing	12.7	18
Construction	4.9	21
Services	82.0	37
Wholesale & Retail Trade	14.1	29
Hotels & Restaurants	18.3	88
Transport & Communications	10.7	30
Financial Intermediation	2.9	15
Real Estate & Business Services	10.2	32
Community & Personal Services	25.9	40
Others *
OCCUPATIONAL GROUP (%)	100.0	
Professionals, Managers & Technicians	18.1	14
Clerical, Sales & Service Workers	43.0	48
Production Workers, Cleaners & Labourers	38.8	40

.. : negligible

* : Include agriculture, fishing & mining and utilities.

Note : Part-timers are persons who normally work for less than 30 hours a week.

Source : Labour Force Survey, June 1998, Ministry of Manpower, Singapore.

Females were more likely to work part-time. In 1998, 50 out of every 1,000 employed females worked part-time compared with 17 for every 1,000 males. Part-timing was also common among younger persons aged below 20 years (mainly students) and older workers aged 50 years and over.

At the industry level, part-time working was more prevalent in the services sector (37 per 1,000 employed persons), especially in hotels & restaurants (88 per 1,000).

Next was construction (21 in 1,000). Manufacturing had the lowest incidence of part-time (18 in 1,000).

The lower skilled jobs offered higher opportunities for part-time work. 48 of every 1,000 persons in clerical, sales & service and 40 of every 1,000 persons in production & related work were on part-time, as compared to 14 for professional, managerial & technical personnel.

Temporary Working

According to the Labour Force Survey, only 26,800 or 1.5% of all employed persons held temporary full-time work in June 1998 (Table 5).

Young persons aged below 20 years recorded the highest incidence of temping, with about 1 in every 5 working as a temp. These were mostly students who took up temporary vacation work. 15 of every 1,000 young adults aged between 20 to 29 years were temporary workers. They were likely to be fresh school leavers just entering the job market. Temporary work was also relatively more common among older workers aged 60 years & over, where 19 of every 1,000 were temporary workers.

The extent of part-time working is extremely low in Singapore compared with Japan, the US and UK.

TABLE 5 : TEMPORARY WORKERS IN SINGAPORE, 1998

Characteristics	No. of Temps	Incidence Per 1,000 Employed Persons
TOTAL	26,800	15
SEX (%)	100.0	
Males	61.5	16
Females	38.5	13
AGE (%)	100.0	
Below 20	17.6	216
20 – 29	24.3	15
30 – 39	20.3	9
40 – 49	21.9	12
50 – 59	11.2	14
60 & Over	4.7	19
INDUSTRY (%)	100.0	
Manufacturing	18.7	12
Construction	16.2	33
Services	63.7	13
Wholesale & Retail Trade	14.6	14
Hotels & Restaurants	10.0	23
Transport & Communications	11.0	14
Financial Intermediation	5.0	12
Real Estate & Business Services	9.9	14
Community & Personal Services	13.2	9
Others *
OCCUPATIONAL GROUP (%)	100.0	
Professionals, Managers & Technicians	20.3	7
Clerical, Sales & Service Workers	39.0	20
Production Workers, Cleaners & Labourers	40.7	20

* : Include agriculture, fishing & mining and utilities.

Source : *Labour Force Survey, June 1998*, Ministry of Manpower, Singapore.

Workers in *construction* and *hotels & restaurants* had higher likelihood of working in temporary positions with 33 and 23 of every 1,000 workers temping respectively. The use of temporary workers may be explained by the highly seasonal business cycles inherent in these industries.

Low skilled workers were the most likely to be temps with 20 of every 1,000 persons in *clerical, sales & service* and *production & related* working under a temporary arrangement.

Flexitime

Flexitime arrangement is still new to Singapore employers. In a recent survey on private sector establishments with at least 25

employees conducted in mid 1998, only 9 (or 0.2%) out of some 4,600 firms surveyed practised flexitime, of which 6 were from *manufacturing*.²¹

Although such arrangement was practised with varying degrees in these 9 firms, it was mostly applied to the highly skilled employees. In all, 480 *professionals, managers & technicians* were on flexitime, compared with 9 *clerical, sales & service* workers and 4 *production & related* workers. Almost all in the *professional* group (476) were involved in the manufacture of semiconductors, disk drives and printers industries.

Job Sharing

Comparatively, job sharing fared much worse. Only 12 employees in 4 private establishments (or 0.1% of 4,600 establishments surveyed) shared jobs – 6 each from the *clerical, sales & service* and *production & related* work. The lack of high skilled personnel in job share arrangements could be attributed to the difficulty in finding a suitable partner to job-share with.

Teleworking and Homeworking

There were 27 private sector establishments, representing 0.6% of the 4,600 firms surveyed, that allowed some of their employees to work away from the office. Altogether there were 2,759 employees on flexiplace work arrangements. Only a small proportion of these flexiplace workers (4.9% or 134) do not use any telecommunication devices in their work for

²¹ *Conditions of Employment Survey, 1998*, Ministry of Manpower, Singapore.

the purpose of home networking. These homeworkers tended to be involved in project work. Many (80) of them were *professionals*, mainly scriptwriters and graphics designers. *Clerical* homeworkers (25) were predominantly billing and administrative clerks. The remaining (29) were home-based seamstresses. It is likely that traditional home-based working would be more prevalent among small establishments that were not covered in the survey.

Despite teleworking being a relatively new concept in Singapore, there is increasing interest in this type of flexiplace work arrangements. 95% or 2,625 of the flexiplace workers were teleworkers. In a similar survey conducted in mid 1995, there were only 5 teleworkers.

Flexitime and flexiplace arrangements are far less prevalent than part-time and temporary working.

Given the high technological content, majority (2,501) were *professional, managerial & technical* staff, mainly from Hewlett-Packard and IBM.

The remaining 124 teleworkers were in *clerical, sales & service* jobs, mostly from Hewlett-Packard and NTUC Income.

Apart from formal arrangements, there are also currently informal teleworking being implemented where some employees are allowed to work occasionally from home during office hours for certain projects. Over time, these may evolve into formal teleworking arrangements.

CONCLUDING REMARKS

Currently, flexible work arrangements in Singapore are more motivated towards operational efficiency rather than employee's welfare. This is evidenced by the relatively more widespread use of part-time and temporary working as compared to other flexible work schedules like flexitime and job sharing. Nevertheless, with the vast technological advancement in Singapore, teleworking is gaining popularity.

Employers need to recognise that people will be increasingly looking for a supportive and flexible employer, sensitive towards their needs to balance career and other commitments. With an ageing population, innovative employers with the foresight to offer flexible working patterns will have the pick of the potential labour pool of married women and older workers. They will also be better placed to retain the staff they need. Such work options can also offer employers greater flexibility in responding to market and economic conditions.

By its very nature, flexible working is itself flexible. It can be tailored to the specific needs of the organisation. Such arrangements will enable workers to have the best of both worlds of work and family. For employers, it gives them the needed flexibility to meet the demands of the global market. In short, flexible working offers profound opportunities for both the individual and the enterprise.