

For Companies in Malaysia, a Virtual Workforce is Prompting New Leadership Models and Ways of Measuring Productivity

During a recent webcast in Malaysia with Propay Partners, our experts discussed how business leaders are rethinking workforce models in the wake of a more virtual workforce.

The COVID-19 pandemic has taught many businesses in Malaysia (as well as across the globe) how to cope during a crisis by abandoning traditional organisational behaviours, revamping their employee value proposition and communicating more openly with employees.

To further understand how companies are managing a more remote workforce and preparing for the future of work, Aon and Propay Partners co-hosted a webinar on May 19 with the theme, *What if...Working from home is the 'New Normal'?* Speakers included Rohit Nambiar, CEO of AXA AFFIN Life Malaysia, Rahul Chawla, director in the Human Capital Solutions practice at Aon, and Manish Mehta, business director at Propay Partners.

In his opening remarks, Mehta, who moderated the discussion, drew attention to this never-experienced phenomena that is altering the way we live, work and function. "Until a few months ago, none of us would have thought that we would be holding a webinar like this and on this topic. This time there's no playbook to take cues from or predict what might happen next," he said.

A Once-in-a-Lifetime Opportunity

While the current crisis has no playbook to follow, Rahul noted that there is vast opportunity amid uncertainty. "There is no doubt that this is an unprecedented crisis, but it is also one that offers unprecedented opportunity." Rahul went on to explain how his team has been reviewing how companies responded, recovered and found opportunities in previous crises over the past two decades across the globe — from the Dot-com bubble at the turn of the millennium to the SARS epidemic in 2003 to the 2008-09 Great Recession. "Companies today have a rare opportunity to rethink the way they conduct business because society has been so upended."



With an eye to the future, organisations must reimagine their compensation philosophies and embrace the reality that virtual working arrangements are here to stay, Rahul said. However, it appears the majority of companies are still focused on responding to the crisis in the near-term and not yet thinking about longer-term opportunities. Around two thirds of nearly 200 survey participants in Malaysia say they aren't planning to make long-term restructuring changes in their workforce operations. That's according to Aon's 3rd COVID-19 pulse survey, conducted in late April to 1 May. "Companies risk letting this opportunity slip by. What it also shows is that these organisations assume that everything is going to be the same once they get back to their offices." Rahul said.

Bridging Crisis Management with Empathy

Crisis management needs empathy in both execution and outlook, noted Rohit, who was awarded the Young Leader of the Year at the Asia Insurance Industry Awards in 2019. For example, many employees are working from home while also caring for younger children or elderly parents during this time. "It is vital for us to provide ways to help those who are less vocal and may need new avenues of engagement," he said. The first step is to ensure employees have access to effective technology for remote work, allowing them to be as productive as possible given the personal and professional priorities they may be facing.

During this time of uncertainty, business leaders have an even bigger obligation to remain transparent in their communications with employees about evolving company policies. For example, businesses extending workfrom-home policies beyond local requirements can't assume employees understand why that decision is being made — or even that employees will be happy with that decision.

One lesson many firms have already learned from the pandemic is that their human capital is essential. "For a long time, companies have been advancing technology, products, processes, but at the end of the day, it's people," said Rohit. "I believe that the world will be a Pre-COVID and Post-COVID world. Many industries are not used to taking risky decisions. Now, nobody has a choice."

"The whole concept of tracking employees and measuring them is a very outdated philosophy in performance management," said Rohit. "What matters are the objectives that the managers set and how employees receive them." Leaders need to ask themselves if employees know the answers to questions like *How is my performance measured?* and *What happens if I don't meet expectations?*

Looking Ahead

Even as this crisis looms for an unknown period of time and many companies 'test the waters' with new workforce models, Rohit warns that it isn't a good idea to run before learning to walk in the current context.

"Some banks are shutting their branches and going digital. But what do you do in a rural kampung (village) in Malaysia, where going to the bank is part of people's lifestyle?" he questioned. "A lot of things are changing, getting automated, going digital, and people's jobs are transforming in the process. But with every new development, you have to be careful that you don't overcorrect."

For questions about the topics discussed in this article, please reach out to one of the authors or write to <u>rewards-solutions@aon.com</u>.

To read more articles on how rewards professionals are responding to the COVID-19 pandemic, please <u>click</u> here.

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