

Restructuring of Working Day Pattern and Its Impact on Productivity

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ABSTRACT In order to increase the productivity among the civil servants and also in the public sector the government has suggested to restructure the working hours during the weekdays for its employees, so that an additional holiday can be provided which in turn can increase the productivity. In addition, the government also thought that by declaring third Saturday as an additional holiday for the public sector its employee can have more time to plan for their short trips thereby promotes tourism. Which in turn encourage the spending habit among the people and boost the economy. But initially the people involved are very much concerned about the impact of this new ruling and raised doubts about increase in productivity in the public sector. The literature on relevant topic was searched and arranged in chronology of events with some background on the environment of Malaysia. It provided some indications that the productivity is related to the restructuring working hours. That provided a new insight and further scope for the current paper. The interview schedule was prepared and survey was conducted among both the public and private sector industries to fill the gap on the understanding about new government ruling and its impact on productivity. The findings provided proper output on the issue. It was found that much concern was shown on the issue particularly on the personal conveniences because of the change. Some of the private sector employees also confirmed that the productivity is generally low on Saturdays and hence the new ruling is not going to affect the productivity in a significant manner.

INTRODUCTION

Initially the Malaysian Government was following five and half working day per week for civil servants. But this has been revised twice, first the government declared first Saturday of each month as a rest day in the year 1999 and secondly, the third Saturday was also declared as additional rest day. To compensate the hours lost the government increased the normal working hours of the weekdays and also reduced the lunch hour break. The government has made known its reasons to this change and how it is envisaged to affect everyone in a positive way. Private sectors have also been urged to follow the Government's action by giving their

employees similar rest days.

While this change comes as a good news to civil servants, there are numerous concerns being voiced over the issue on the "difficulty" because of this change. Everyone is concerned about the productivity in relation to the recent change. the company is concerned about their output and they still expect maximum output from their workers ; the workers are concerned with same or better benefits for their 'lesser' input of hours; everyone is concerned whether he or she can still continue executing all the necessary tasks demanded of us in life with this 'lesser' working hour. Before this change can be judged as good or bad, it is imperative to have some understanding on what and how to measure its impact.

What is Productivity?

Productivity is the relationship between output produced and input used.

$Productivity = output\ produced / input\ used$

Increase in productivity is said to occur in the following conditions¹:

- when more output is produced with the same input ;
- when more output is produced with less input;
- when more output is produced with little increment in input ; and
- when there is a little decrease in output compared to a higher decrease in input used.

The productivity of public and private sectors should be viewed differently. The following discussion can give an outline of differences that exists in these sectors.

Productivity in Private Sector

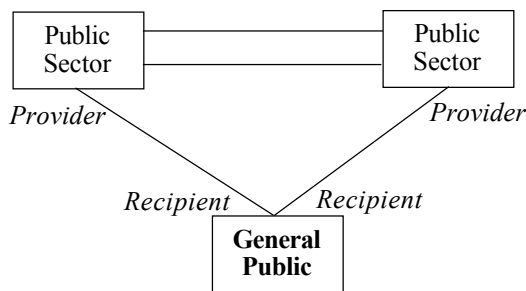
Productivity in private sector is usually perceived in terms of financial contribution, productivity in this sector is said to have

increased when profit is increased, and hence, the profit is generally considered as the most important aspect in this category of businesses. Measurement for the productivity in private sector is usually evaluated on the basis of profit that is why they mostly concentrate on the profit, the output side of the equation.

Productivity in Public Sector

Government agencies are established not to make profit, but to discharge some basic and specific functions in fulfilling the needs of its citizens and the nation. As profit in public sector is 'non-existence', the measurement of productivity is usually gives the priority on the input side of the equation – that is how much resources are used in discharging the public services.

Productivity of General Public



The third party to the community circle is the recipients of the work and services by the public and private sectors - the general public.

To this group of people, which literally means every one of us, the productivity is looked at in terms of how much we can accomplish our regular undertakings and how much effort we need to put in. Measurement for this group of people is usually centered around the input side of the equation, the effort required i.e. how much time.

Hence, productivity should be measured from all parties : the providers as well as the recipients.

Determinants of Productivity in Public Sector

The National Productivity Council provides the following handy Guidelines as the determinant of Productivity Improvement in the Public Service²” According to them the following

listed factors contribute or influence productivity:

- (a) manpower
- (b) systems and procedures
- (c) organization structure
- (d) management style
- (e) work environment
- (f) technology
- (g) materials
- (h) capital equipment

In another study by Deming³, 85% of an organizational quality problems - productivity problems - are also built around the systems. To get real improvements in the system - change in the rules, providing training, having better material etc. are necessary. From a different perspective, Crosby³ cited better attitudes are the key to quality - productivity. His concept of Zero Defects cites proper leadership will enable the workers to achieve this ideal. In short, all the above factors are equally important in striving for improved productivity, one has to understand each and every one of the factors and then decide the right approach for its own organization.

Importance of Working Hours

Even though the number of hours worked do appear to be one important indicator of a country's overall productivity and quality of life. Some of the studies in their report compared with working better with working more, and finally concluded working better is good rather than working more. This statement is true particularly in this modern technology driven era. It is said that many other factors - compensation, unemployment, levels of technology, social benefits, job security and even cultural attitudes toward work and leisure - needs to be considered in any meaningful analysis of working time.

According to a recent report by the International Labour Organization in 1997⁴ the US workers put in the longest hours on the job in industrialized nations, clocking up nearly 2,000 hours, almost two weeks more than their counterparts in Japan. European workers generally work lesser hours averaging 1,600 to 1,800 per year. Among rapidly industrialized countries and regions, East Asia appear to have the longest hours of work at between 2,200 - 2,500 per year in 1996. The big gap in the level of technology between the industrialized and

developing countries certainly rules out any direct relationship of working hours to productivity among these countries; developing countries will need to work more with lesser technology to produce similar productivity as that of the developed countries.

The macro view of the working hours cited above may not give a correct picture as working hours in different part of the world may mean different things. Working hours⁵ can mean “the time during which an employee is at the disposal of the employer and not able to leave the workplace”, it can also mean “the time during which work is actually performed”. If employers practice the earlier definition, productivity could be lower ; if the later definition is practised, productivity should be higher as time can be used more effectively.

In Australia, a program on voluntary reduction of work time⁶ was introduced where in the workers are allowed to reduce the full working time during specific period and compensate at later point of time and as and when need arises. This concept benefits both the employer and employees, employers are benefits when the workload varies across the years and employees can benefited by getting more time for family, thus increasing productivity.

In another study of Bailyn⁷ provided a quite interesting result from his study. His result indicated that using part-time workers do increase the productivity because as they make better use of the time they have, and also they are less likely to succumb to fatigue in stressful jobs.

Working hours by itself does not mean much these days. With the IT revolution progressing in a rapid and seemingly uncontrollable speed, working smart and maximizing the use of all tools and technology is fast gaining popularity to replace the traditional way of working hard. The method of measuring time input solely on clock-time is no longer applicable. Input of one work hour clock-time will produce different amount of output, depending on the many other interrelated factors as cited above - work systems, work attitude, level of technology, management style etc.

Chronology of Events About Restructuring the Working Time

The following section provides an outline of

the chronology of events happened about the restructuring of working hours by Malaysian Government

Sep 1999 - Introduction of first Saturday off for civil servants.

Mid Jan 2000 - Government announced third Saturday Off for Civil Servants

End Jan 2000 - Public urge Government to put a ruling onto Private Sector as well

Feb 5, 2000 - Government suggest how to make up time for “lost” Saturday. Civil servants will lose 15 minutes of their lunch break to compensate for the third Saturday of every month being declared a public holiday by the government. Lunch break would be from 1pm to 2pm instead of 12:45pm to 2pm. The breaks remain the same on Fridays from 12:45pm to 2:45pm. The working hours from Mondays to Fridays would not change from 8am to 4.30pm. Civil servants will work 12 minutes more on Saturday from 8am to 12:50pm. Civil servants will have to replace the time lost with the second Saturday off, on other working days. In Kedah, Terengganu and the Federal departments in Kelantan, civil servants will have to work from 8:00am to 4:15pm from Sundays to Thursdays for the first and third weeks of the month. Their lunch break will also be from 1pm to 2pm.

For the second and fourth Thursday of the month, they will have to work from 8:00am to 12:25pm. The previous working hours are from 8:00am to 12:30pm. If the first or third Saturday was a public holiday, civil servants would also be given the following Saturday off⁸.

Mid Feb, 2000 - Parents bring up issue on school children being affected since teachers will not return declared Saturday off. There is also the opinion that the additional day off would directly affect the activities of many schools since many schools carry out the extra-curricular activities on Saturdays. With the need to share classrooms and other facilities, the decision means many of these schools will not be able to conduct these activities.

Working Days Duration Roadmap

In the stages of development and progress from a developing economy towards a developed economy, it was noticed that change in the working hours will motivate the employee and thereby increase the productivity. In Asia, e.g Singapore, most of the corporations are advocat-

ing 5 day week and emphasising intensity of work during the working hours. In many of the manufacturing sectors, they work on 12 hours shifts per day and as such, most of the workforce are working only a four day week.

The working days system in most of the developed countries in the West such as Europe and US are mostly five day week system with flexible hours. In Germany for example, the maximum duration allowed per week is 40 hours. Employees are not allowed to exceed this under their labour union agreement. They are allowed to work overtime during the week days, and this results in shorter week days for them. For example, should an employee complete the 40 hours by Thursday, then they are allowed to take the Friday off.

Developing Country 5.5 days	=> Initial Stage : Developed Country 5.0 days	=> Matured Staged : Developed Country 5.0 days / Flexi hour
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While declaring the third Saturday as an additional holiday the main rationale provided by the government are as follows:

- * Increase Productivity
- * More time to spend with family thus providing a change in the quality of life.

With the IT revolution, there is a change in the every sphere of life. In addition, the government is also seriously advocating the concept of "knowledge society", and hence the government is actually helping the people by forcing them to work smarter getting more benefit by doing less work. On the other hand, government is providing its helping hand by introducing this type of change.

The private sector's view in productivity is slightly different, they think that on Saturdays usually the productivity level is very low when compared to other days. Hence, declaring saturday off will in no way affects the productivity, instead it boost the morale of the worker and thereby it lead to productivity.

THE SURVEY

In order to find out an unbiased opinion and to gauge the reactions on the above subject, it was decided to collect the information from the general public as well as from the private sector

by an interview process. The survey questions were designed with proper care and consideration to tap all the desired inputs. In general, some of the questions were specifically designed to obtain direct opinions and comments from the respondents with the related issues such as productivity and the level of work efficiency on Saturdays. In addition, the interview also attempts to find out whether is there any unproductive time (i.e queuing, waiting and travelling time) spent by the participants on normal weekdays. A total of 120 respondents from both public and private sectors were responded to the request with that the further analysis was performed and the findings were indeed interesting. The following section describes about the findings of the interview.

Findings

In a highly competitive environment, everyone is concerned with the productivity to survive. But there are opposing views from the employer and employees. Companies want to maximise their profits by maintaining the optimum quality and with reasonable time; on the other hand, the workers are concerned with the maximum benefits for their reasonable efforts or inputs. The following study findings provide an outline about the Malaysian productivity scenario with the five day working week. Out of the total 120 respondents, 80% of the active participants are from the age group of 40 years and below. 51% of the total have completed their higher education. From the initial analysis it was found that approximately 60% of the sample respondents, particularly from the private sector are already working under five day week programme and they are not really affected by the recent government ruling.

Majority of the respondents felt that the work efficiency on Saturday s are comparatively low in most of the government offices, except that of the counter services. Hence, the recent decision of declaring Saturday as a rest day coupled with the new time schedule of working hours will not affect the productivity among the Malaysian civil servants.

Further, they feel that the five day week in generally sufficient in discharging their functions and responsibilities in better manner. This seems to indicate that there is still room for improvement in our work efficiency with the

shorter lunch break and extended working hours in weekdays. The efficiency of government servants are considered as higher than that of Saturday; thus the productivity in relation to the time is higher than that of the Saturday.

The survey results also confirms that the public are still not comfortable and are not familiar with the IT facilities. Most of the Malaysians still prefer to do transaction with cash rather than automated electronic media.

The organizations both the private and public sector, should continue to redefine and redesign our workflow systems to accommodate the IT revolution. We should simplify work systems and allow more flexibility. Make the worker to realize about the TQM philosophy. The employees will be empowered to exercise self control and contribute proactively to organizational goals with the given education, resources and opportunity.

The main concern for participants seems to be more on personal conveniences rather than on the productivity of the organisation. That is why most of the respondents are not in favour of Saturday off in other sectors.

It is interesting to note from the findings that 74% of the respondents indicated that their work efficiency on Saturday is less than 50% when compared to other days. In other words, only as low as 26% of the total alone feel that their productivity is usual on Saturdays. It would appear that there is a general consensus that Saturday is not as productive as that of the other days. It is further reconfirmed with the other findings that as high as 39% of the total respondent actually staying back at home on week ends particularly on Saturdays.

There are some valid concerns due to the impact of this new government ruling. In general, most of the respondents feel that in the field of Security, Emergency services, Medical aid etc. they prefer to maintain status quo. In addition public utility services such as transport, banking and postal services, they expect uninterrupted service because of this additional ruling.

Another debatable issue relating to the Government's ruling is about the opportunity of training initiatives. It has been an open practice for many organisations to provide training their employees on Saturdays - the rational being to encourage full participation as well as ensuring

some level of productivity at work place on Saturdays. The additional holiday on Saturday will result in employees having to lose some of the training initiatives, which would have been a productive effort to develop the staff.

CONCLUSION

As suggested in the findings it shows that the new government ruling of third Saturday off with shorter lunch break and extending working hours for public sector will in fact increase the productivity of the government servants. There are still some areas of concern and improvement needs to be addressed due to its undesired impact among general public. Those sectors with concern include, health, safety, environment, transport and banking etc. In an extreme way, in some cases with the assistance of latest IT tools, employees could even work at home with SOHO concept which will not save the travelling time, but also the office space for work bench. The time and resource saved actually imply higher productivity. But in reality this creates many problems because of non-availability of the government servant.

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