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**Federation of
Uganda Employers**
The Voice of Employers



The Next Normal: The Changing Workplace in Uganda

Federation of
Uganda Employers





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Preface

The effects of the Covid pandemic on the world of work have been dramatic. Although these effects have been significant across the board, some groups - such as informal and casual workers - have been hit especially hard. The pandemic also had a dramatic effect on enterprises, with many struggling to remain afloat owing to higher costs, government restrictions, and changing consumer behaviour. Many Ugandan enterprises faced new costs, often associated with health and safety measures to ensure customers and workers are not exposed to Covid-19. For many enterprises, these costs have grown more quickly than expenditures for items not being fully utilized, such as rented buildings, can be reduced. The additional costs are often accompanied by lower revenues. Despite these challenging circumstances, enterprises in Uganda have taken a wide range of steps to adapt to this dynamic environment. They have changed everything from the characteristics of their working space to their human resource strategies, and throughout it all have demonstrated great resilience and adaptability.

The dramatic changes brought about by the Covid-19 pandemic have also forced employer and business membership organizations to rethink the advocacy and services they offer to member enterprises. To help understand what changes are needed, the Federation of Uganda Employers (FUE) jointly with the International Labour Organization (ILO) commissioned a study to better understand key trends being driven by the Covid-19 pandemic and what they mean for Ugandan enterprises. This study is informed by a nationwide enterprise survey that FUE undertook in 2021, as well as a range of key informant interviews. The research was centred around the following questions:

1. How has Covid changed workplaces in Uganda and how have enterprises responded to that?
2. How do enterprises think post-Covid workplaces will look different in the next five to seven years and how are enterprises preparing for this?
3. What are the expectations on the role of FUE in terms of membership and services and how will FUE need to adapt to these changing realities as representatives of business?
4. What will be the policy approaches to create the enabling environment for this changing workplace and how can FUE position itself as a leader in these debates?

We present the findings to you here in this report. They form an integral part of the evidence base that will inform the future policy positions and dialogue of FUE.

**Douglas Opio,
Executive Director,
Federation of Uganda Employers**



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* We have included throughout this report quotes from companies that either responded to the survey or in the interviews we conducted. In order to maintain confidentiality, we have not included the names of these companies.



Executive Summary





Executive Summary

The Covid-19 pandemic has had dramatic implications for the world of work in Uganda. For enterprises, the pandemic has been characterized by almost unparalleled disruptions, forcing them to adapt to new circumstances almost overnight. Enterprises have had to alter their operations and production processes, human resource strategies, work modalities and many other aspects of their enterprises. This report explores the pandemic-era experiences of Ugandan enterprises in four key areas: (1) the working space; (2) workplace relations; (3) skills development, knowledge sharing and productivity; and (4) human resources.

The pandemic changed the working space dramatically, though perhaps no single change is as important as the shift of working space from the office to homes. In Uganda an average of 28 per cent of employees worked remotely during the pandemic. Many other enterprises opted for a hybrid approach, with both remote and in-person work. This was especially common among enterprises that required a part of their workforce to be physically present for operations, such as a production process. Employers rolled out the use of video conferencing services to facilitate communications of all types. These included meetings, depositions, arbitration hearings, investigations, and social interactions. Some enterprises largely retained in-person work modalities.

Regardless of the work modality, many enterprises made changes to their physical premises because of the pandemic, with the establishment of health and safety features being the most common. Despite all of the changes and disruptions, nearly half of enterprises noted that the changes they made to their working space during the pandemic had a positive impact on production efficiency. In the coming years, many enterprises expect to continue a hybrid approach to work, though others are eager to have the human touch back, given that many enterprises require hands-on operations for everything from operating machinery to customer service and in-person sales meetings. Enterprises noted that hybrid workplaces can save costs on office space while still allowing human interaction.

The pandemic has been a time of both opportunities and challenges for workplace relations. On the one hand, many enterprises said that the pandemic helped to build trust and understanding between workers and employers. Dialogue about workplace health and safety was common – held at four out of five enterprises. However, there were also many challenges, including the common view amongst enterprises that they needed a more flexible workforce.

The skills needs and skills development tools of employers have changed rapidly during the Covid era. Notably, employers generally stated that soft skills have grown in importance, as have digital skills and multitasking abilities/flexibility. Employers view technical and language skills as less vital in the years to come. The change in skills and knowledge sharing has been a major factor pushing enterprises to rethink productivity. The vast majority of enterprises said that the virus made them rethink how they should measure the productivity of their workforce, with 93 per cent saying they would focus on outputs as their key measure of productivity in future. More traditional measures such as the time spent in the office may be falling out of favour. Very few enterprises noted that they were closely monitoring the number of hours that employees spent working.

Lastly, the Covid-19 pandemic has been a major challenge for human resources. Now more than ever, enterprises understand that the mental and emotional well-being of workers is closely intertwined with the successful operations of the enterprise. Many enterprises reported engaging in regular communication to keep employees informed and connected. On the flip side, very few enterprises established a right-to-disconnect policy which codifies the right of employees to go offline on nights and weekends. The pandemic has also pushed enterprises to consider who can be a member of their workforce. As enterprises increasingly shift to hybrid and remote work, their potential labor force is no longer constrained by geography. More than four in ten enterprises noted that their hiring criteria now include new groups of workers who were not previously considered - such as fully remote employees not living near the enterprise.





Introduction

The Covid-19 pandemic has brought the most significant changes in generations to the world of work. At its core, the pandemic has fundamentally changed where and how people work. Enterprises around the world had to make big structural changes, with many adopting digital tools and new technologies – often for the first time. The adoption of these new modes of working and new technologies have sent shock waves across the world of work, upending many long-standing norms and practices. Enterprises are questioning fundamental assumptions about their operations, such as whether they still need physical premises and how they measure what workers do. Workers are also rethinking key assumptions about work. This will drive long-term changes in the types of work being done, how work is performed, and what skills are required to do that work. The changes to the world of work will be complex, overlapping and significant.

Enterprises have described the Covid-19 pandemic as a roller coaster: a devastating time of extreme difficulties and challenges but also one of occasional hope and opportunity. For many, it has been a time of loss and uncertainty, which requires regular adaptation, unlearning old ways of doing things and adopting new ways. Companies have been forced to rethink many aspects of their business, from human resources and sales channels to their production portfolios. Enterprises have seen resizing, subcontracting, branch closures, halted projects and reduced investments. Workers have experienced forced retrenchment, compensation changes, and remote working. This report explores the pandemic-era experiences of Ugandan enterprises in four key areas: (1) the working space; (2) workplace relations; (3) skills development, knowledge sharing and productivity; and (4) human resources.

“

“It was a turbulent and challenging year. We started off well and then all of the sudden, we had to change plans swiftly. The business was up and down with extreme difficulties, a lot of hardship which is uncertain and tough especially for employees and from a planning perspective”

”





Approach

To better understand the effects of Covid and the future plans of enterprises, the Federation of Uganda Employers (FUE) commissioned a mixed-methods research study. The first component of the research was a quantitative survey of 168 registered enterprises in Uganda. The survey covered a wide crosssection of enterprises in many sectors, with 38 per cent of respondents from industry, 57 per cent from services and 5 per cent from agriculture. Information was gathered from the directors or senior managers. The majority of the enterprises (52 per cent) were from Central region (Kampala), followed by Northern Uganda (Lira) where 27 per cent of respondents were located. The rest were from Gulu, Mbarara, Jinja and others not specified (for additional information see Annex 1). Just under 40 per cent of participants were either partially or wholly foreign owned, and 35 per cent of participants were involved in either imports or exports. One in four respondents was from an enterprise where the top manager was a woman.

The survey was conducted during the lockdown and was based on existing lists of enterprises, companies and government institutions registered by the FUE.

The quantitative survey was complemented by a series of 20 in-depth qualitative interviews with key informants. These were carried out across ministries, departments and agencies, as well as enterprises in various sectors such as manufacturing, technology, fast-moving goods, hair, steel, beverages and the hospitality industry. Most enterprises were from central Uganda. Some interviewees were selected using a simple random sample from the registered members of FUE. Interviews were conducted during the months of July and August 2021. Data processing involved transcription of the qualitative interviews and later on analysis using various tools. Additional information on the working place changes were obtained from doing a literature review.



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The Working Space

The Covid-19 pandemic has brought about dramatic changes in the physical work-space. When asked how to describe briefly changes to their working space, enterprises made a wide diversity of responses. One common theme was improvement: improved working-spaces, hygiene practices, ventilation, or IT skills. Another concerned reorganization of working-spaces. Health and safety themes were common, from

“social distancing” to “hand sanitation”. Lastly and not unsurprisingly, there were a number of different but related comments about the challenges of the year: “solitary”, “terrible”, “intense” and “disrupting”. If there is one main point to take from the voices of enterprises, it is that the effects of the pandemic on the working-space of enterprises have been diverse.

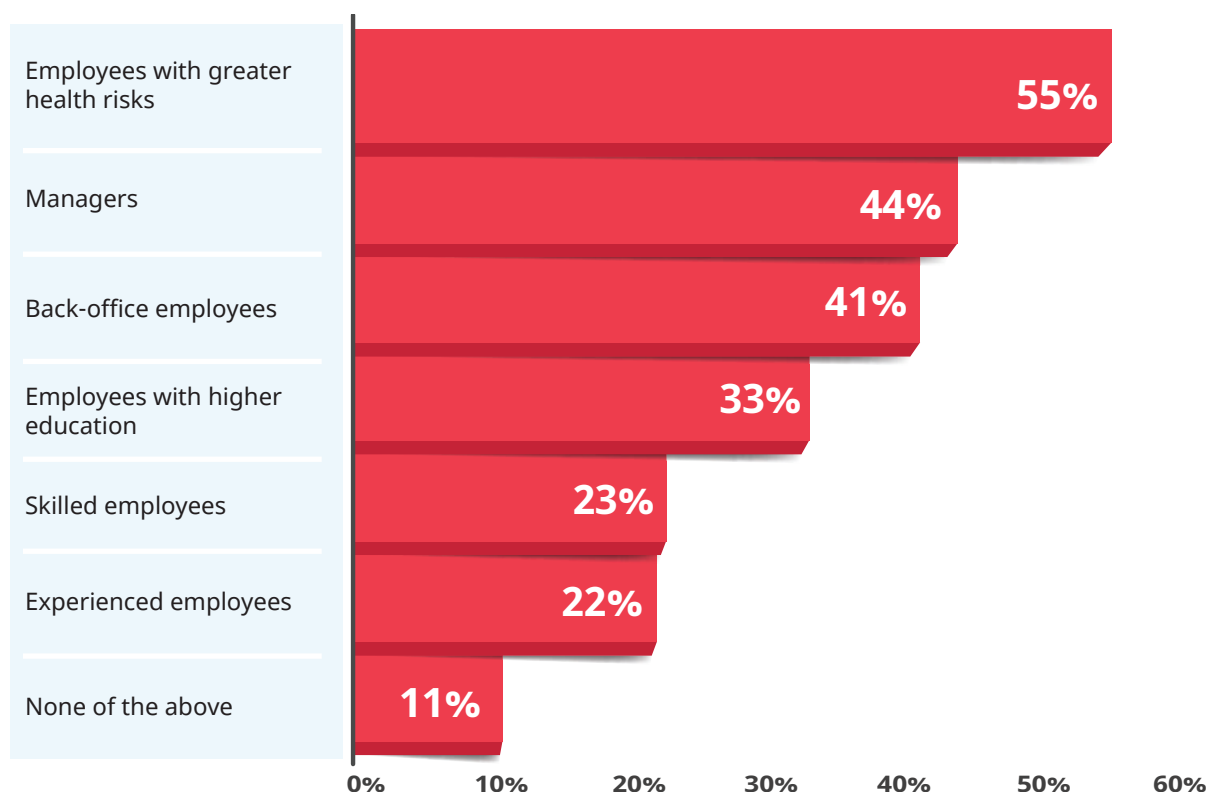
Figure 1. Most commonly cited words describing how the Covid-19 pandemic changed the physical and/or remote working space.

IMPROVE **OPERATION**
HAND **ONLINE**
WORKING
CONDUCTIVE **SCHEDULE**
GOODS
BETTER **WORK**
SPACE **HOUR**
STAFF
ENGAGEMENT
MARKETING **COMFORTABLE** **LOW**

Nowhere is this change in physical working space more evident than for newly remote workers, whose physical workspace is no longer the employer’s facility, but now the worker’s home. In Uganda, the average enterprise reported that 28 per cent of employees worked remotely during the pandemic. Through a significant share of the workforce, this figure shows that the majority of employees were not able to work remotely during the pandemic. Comparing these figures with

global averages shows that employees in Uganda were less likely to be able to work remotely than employees elsewhere. Globally, 62 per cent of employees expect their employers will allow them to work remotely in future. Notably of those employees survey globally, 77 per cent say that working remotely will help their company to lower operating costs and 78 per cent say they want to work remotely to avoid distractions.

Fig 2. Types of employees in enterprises who were more likely to work remotely



Through the average enterprise said that 28 per cent of all employees worked remotely during the pandemic, some groups of employees were more likely to work from home than others but others were much less likely. Notably, the group of employees most likely to work remotely were those with greater health risks – 55 per cent of enterprises said they were more likely to work remotely. This was followed by managers (44 per cent) and back-office employees (41 per cent). The group that was least likely to work from home were employees who did not fall into any of the categories listed above. Also, experienced employees and skilled employees were reported to work from home less commonly than the average employee.

The shift to remote work created new costs for both employers and employees, and as the survey found, many enterprises supported the costs of both. Fully 50 per cent of enterprises said that they paid for specific items that employees needed to work remotely, such as computers or internet connections. However, other enterprises



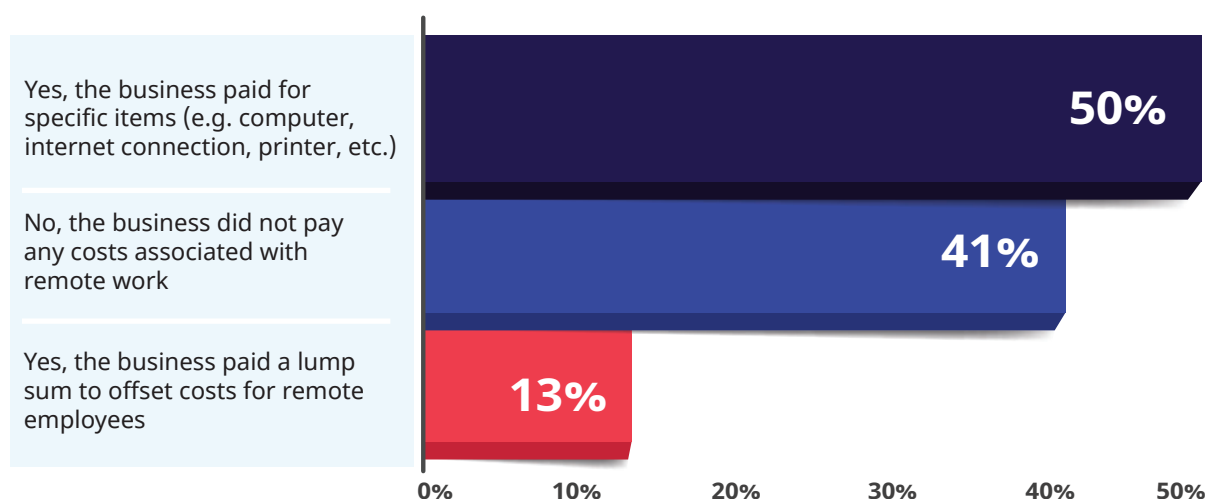
“The biggest challenge was categorizing employees into those who must work from home and those who have to be on site. The point of compromise derailed decision making and it cost the company”



left it to employees to cover these costs, with 41 per cent of enterprises reporting that they did not cover any of these costs. Only a small share of enterprises provided employees with a lump sum payment to be used towards the costs of remote work.



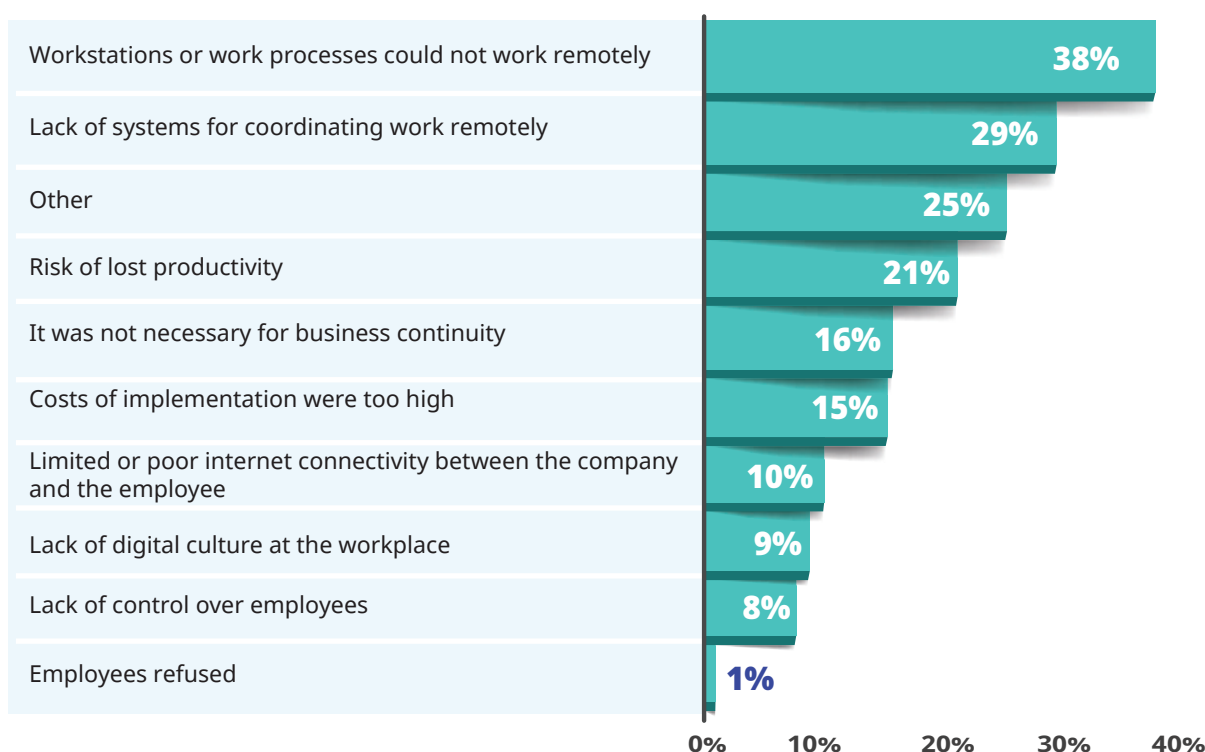
Fig 3. Did the enterprise pay for any of the costs incurred by employees who worked remotely?



Whether voluntarily or involuntarily, many enterprises opted for a hybrid approach to remote work, with some workers at the employer's facility and others working remotely. Of course, the ability of employers to take this approach depends heavily on their enterprise and work processes. For example, one medical equipment supplier noted that they were able to shift a significant amount of their work to remote and digital methods. They noted that most of their client interactions are for quotations and invoices and because of the nature of their enterprise they were able to

switch to operating in such a way that "the physical interactions are minimal." Others with more flexible enterprises still opted to retain a hybrid approach to work to minimize disruptions. One enterprise noted that they had adopted a schedule that allowed workers to come in every other day. They noted that this system required discipline because there was a risk that some employees would abuse it if given too much liberty. In labour-intensive organizations such as manufacturing companies, many have adopted working in shifts to reduce workplace crowding.

Fig 4. Reasons why enterprises did not implement remote work.



Some enterprises largely retained inperson work modalities, a choice sometimes driven by necessity and other times by choice. Of the enterprises that did not implement remote work, 38 per cent said that this was because work stations or processes could not be adapted to run remotely. The lack of systems for coordinating remote work was cited by 23 per cent of enterprises, whereas the risks of lost productivity was cited by 21 per cent of enterprises. On the flip side, only 1 per cent of enterprises did not implement remote work because employees refused, whereas only 8 per cent indicated that they did not implement remote work because of the lack of control they would have over employees. A number of enterprises reported on the importance of physical human interaction. This quote from one respondent summed up how some enterprises feel: "Our business is about interaction, meeting face to face, creating relationships. It's something we can't take away for our products."

For enterprises, remote work provided a range of benefits but also many challenges. The most obvious benefit was that it kept employees and managers safe from the threat of Covid-19. As one manager noted: "The benefit we got was that the whole team were working from home and it has reduced so much exposure to the public." For enterprises that used hybrid workplaces, this provided benefits such as reduced costs and improved safety for employees, while also helping them to maintain a considerable amount of human interaction. To facilitate in person and hybrid work many enterprises had to make changes to their physical premises to adjust to the pandemic era. The most common steps, by a large margin, were establishing hand-washing/sanitation stations, done by 90 per cent of enterprises, and establishing temperature check-points and other screening mechanisms, done by 81 per cent of enterprises.

Fig 5. Which of the following changes have you made to your business premises because of the pandemic?

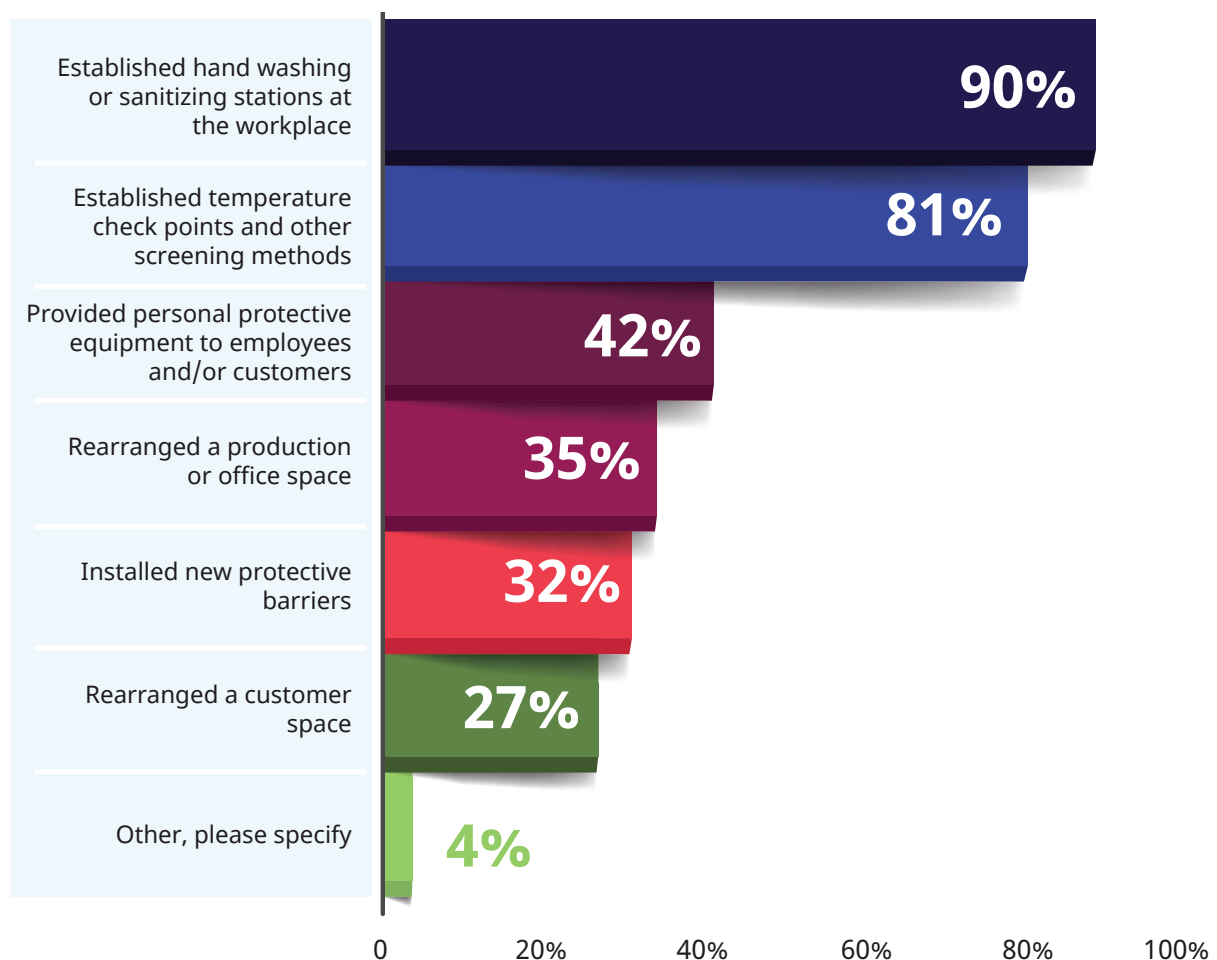
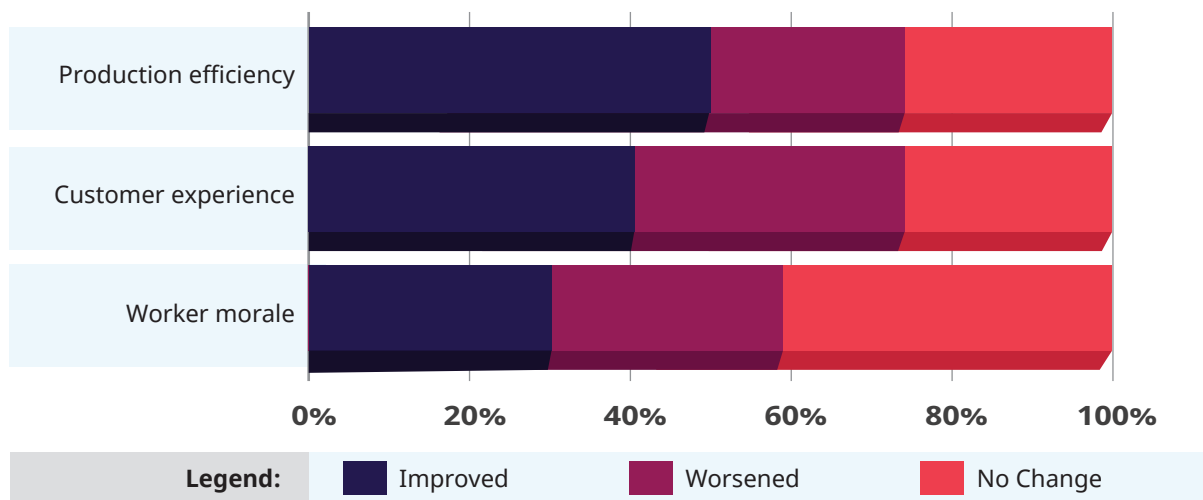


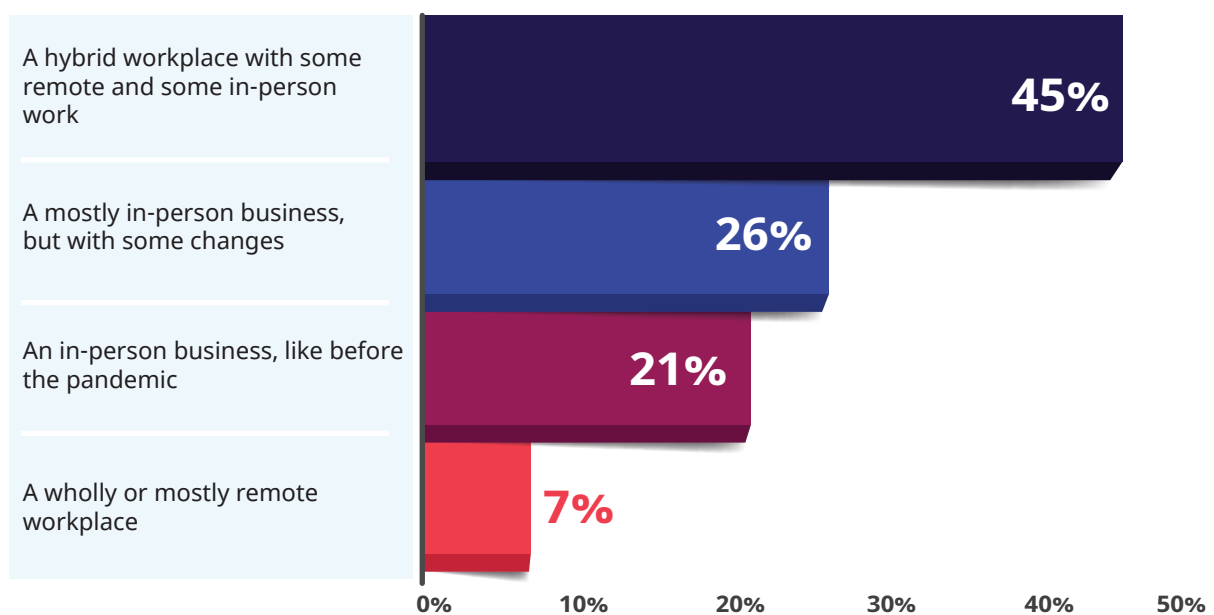
Fig 6. How have the changes you made to the business premises affected each of the following?



A significant share of enterprises – 42 per cent also provided personal protective equipment to employees and/or customers. At the lower end, just over one quarter of enterprises rearranged a customer space because of the pandemic. With such a large share of enterprises making changes, and a significant share making multiple types of changes, it is unsurprising that these pandemic-era adaptations affected business operations. However, for many enterprises, being

forced to change actually improved productivity. Nearly 50 per cent of enterprises noted that the changes that they made had a positive impact on production efficiency. The effects on the customer experience were more mixed, with similar ratios of enterprises reporting both improvements and worsening of that experience. The effects on worker morale were similar, though over 40 per cent of enterprises reported that changes had no effect on worker morale.

Fig 7. Which of the following best describes your business model in the coming years?



Despite all the upheaval and change in the past year and a half, Ugandan enterprises have already put thought into their future business model and a significant share plan to have hybrid workplaces. In total, 45 per cent of enterprises anticipated that their workers would split time between remote and in-person work. This was followed by those managers who believe that they will be mostly in-person business but with some changes (26 per cent). Notably, only 21 per cent of the enterprises believed that they would remain an in-person businesses like before the pandemic. Only 7 per cent of enterprises anticipated that they would become fully remote workplaces. Diving into the new normal, we explored various aspects

of business and workplace dynamics to inform policy adjustments. Whereas before the pandemic some employees had already been working from home, "Covid-19 will accelerate trends towards working from home past the immediate impacts of the pandemic". This will be driven, in part, by organizations as they recognize the health risks of open-plan offices. One interviewee noted that, "as we now live and work in globally interdependent communities, infectious disease threats such as Covid-19 need to be recognized as part of the workspace". Although Covid-19 has changed workplaces for now, it remains to be seen how disease threats more broadly are thought about in the workplaces of the future.



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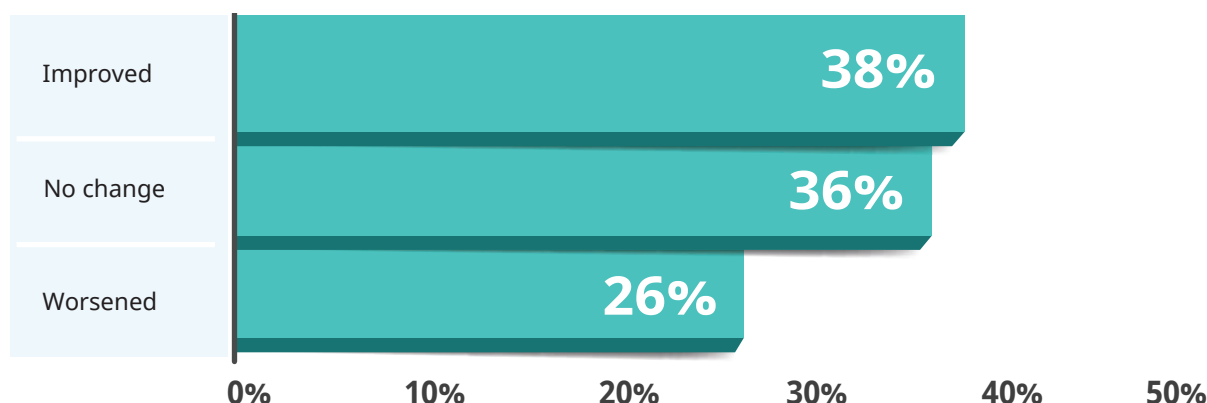


Workplace Relations

The Covid-19 pandemic has been both a challenge for workplace relations and provided opportunities for them to grow, with potential long-term benefits. Despite the immense strains placed on employers and employees during the pandemic, our survey found that nearly four in 10 enterprises (38 per cent) said that relations between senior management and other

employees improved during the pandemic. This was somewhat higher than the 26 per cent of enterprises that said that workplace relations had worsened during the pandemic. Just over a third of enterprises – 36 per cent – said that the pandemic did not change the quality of workplace relations.

Fig 8. How has the Covid-19 pandemic changed workplace relations?



"Especially in the first lock down, there were conflicts among the team. Some didn't want to go but of course the managers wanted some members to go back in to continue with the work. As there are some team members who are supposed to be physically present at the workplace and those are the people who operate the machines, we came up with an idea that they could do the work in shifts"



During the pandemic, employers noted that they engaged with employees through workplace dialogue on a wide range of issues. Unsurprisingly, workplace health and safety was the most common as a topic of dialogue at more than four in five enterprises (81 per cent). Remote work was also a common topic of discussion, covered at nearly half of enterprises (49 per cent). Changes to collective agreements, or new collective agreements, were less common. Thirteen per cent of enterprises noted that they negotiated a new agreement, whereas 10 per cent negotiated changes to an old agreement. Responses about collective bargaining may be relatively uncommon because not all enterprises have collective bargaining agreements.

Beyond workplace-level dialogue, national-level dialogue was also an important ingredient in addressing the dynamics and devastating effects of the Covid-19 pandemic. In Uganda, FUE played an important role in national-level dialogues. As one interviewee noted: "The agreement between the workers, government and employers to help protect the employers and the business at large, this has helped to make some short-term arrangement in that protecting the incomes and enterprises during the lockdown. "Enterprises were also appreciative of the services that FUE provided during the pandemic regarding workplace relations, particularly advice about managing workplace relations and compliance with legislation.



Fig 9. Dialogues or negotiations enterprises had with employees since the start of the pandemic

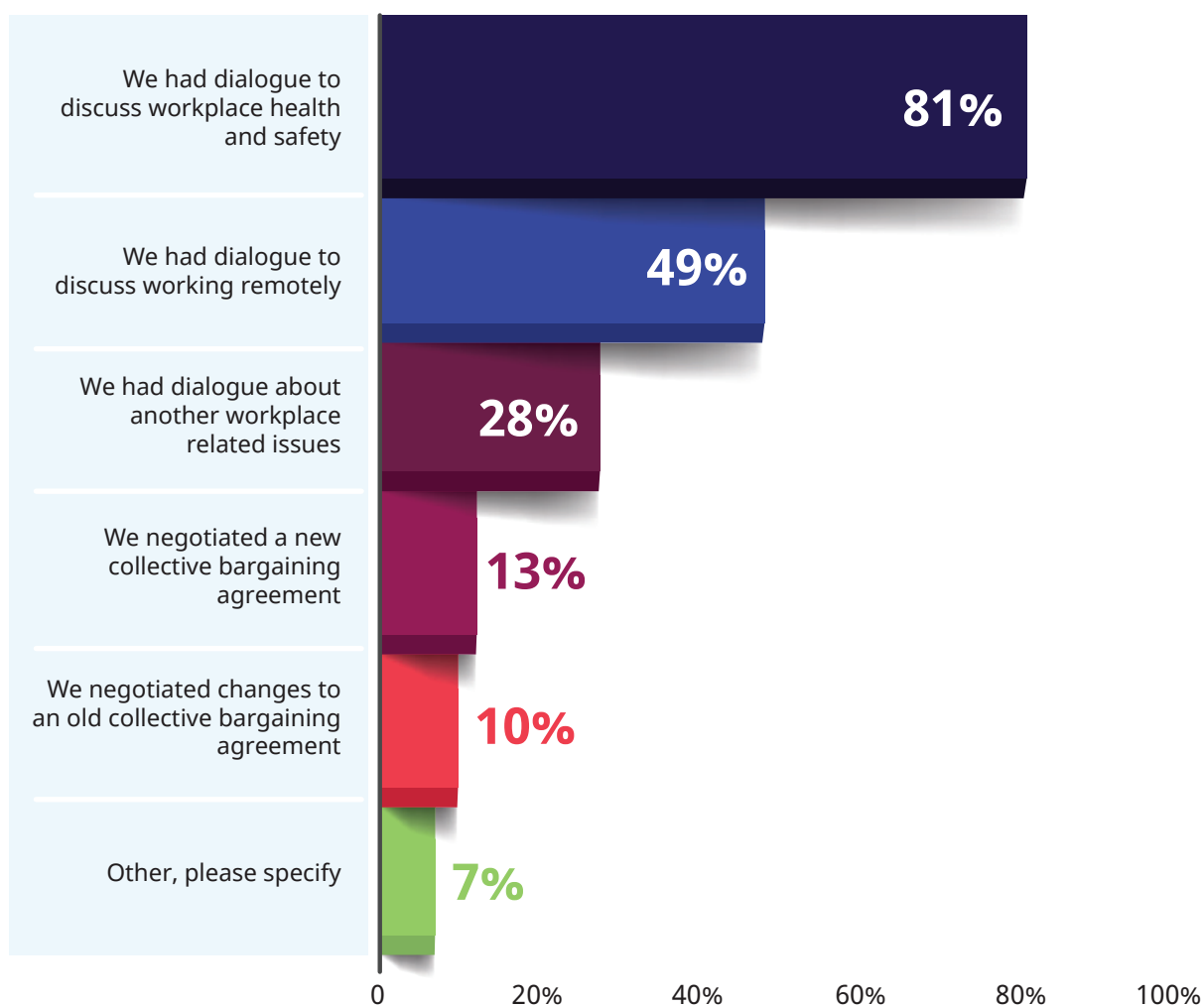
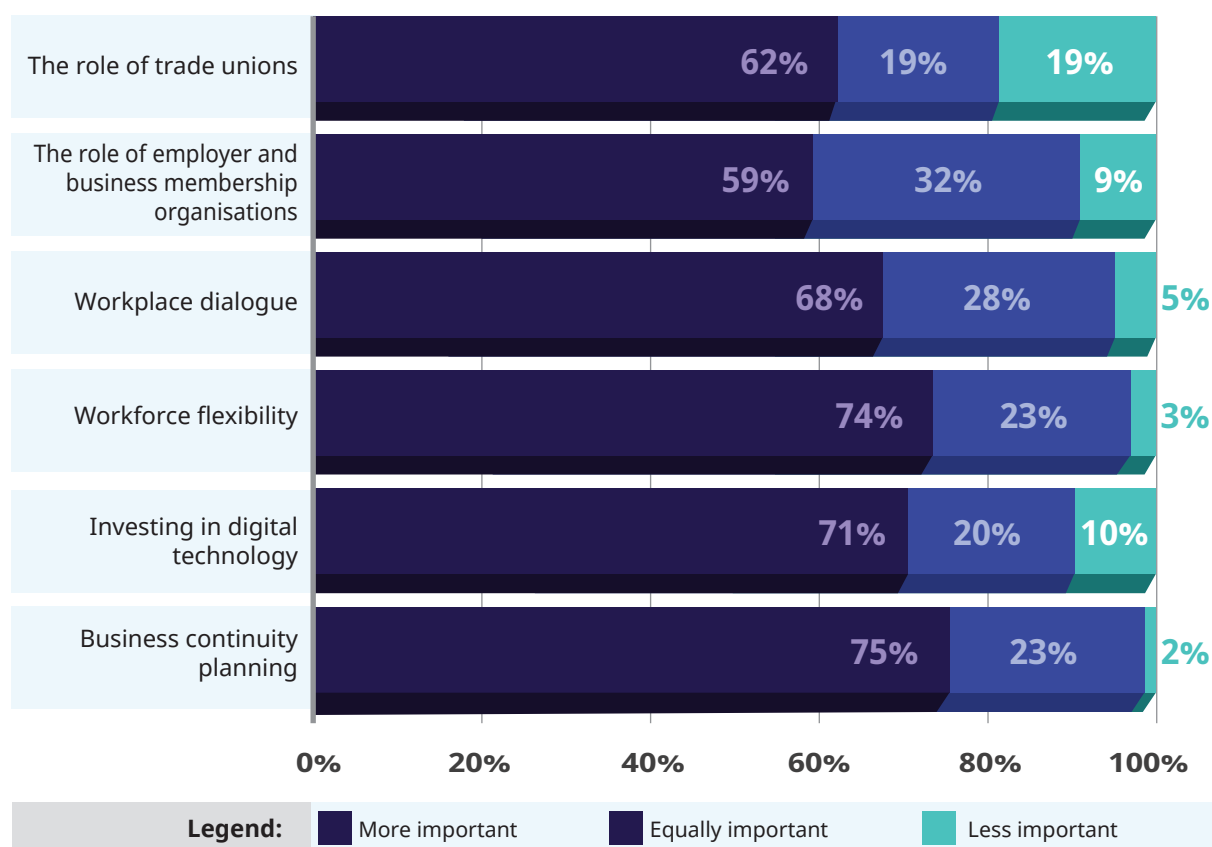


Fig 10. How has the pandemic changed the importance of the following work-related areas?



The pandemic has also changed the way that employers view various workplace-related activities. Most notably, enterprises generally noted that the pandemic had increased the importance of almost all areas. 10 However, the most commonly cited workplace-related activities that enterprises said were more important were business continuity planning and workforce flexibility. Conversely fewer enterprises said that business organizations and trade unions grew more important during the pandemic. However, through these two factors were less likely to be cited as growing in importance, they were still cited by about six out of 10 enterprises as having increased in importance during the pandemic. Very few enterprises stated that any of the factors became less important over the course of the pandemic. However, it is worth noting that 19 per cent of enterprises noted that trade unions became less important, almost double the number of enterprises than said the same thing for any other response.



"We have what is called staff forum, with representatives that we dialogue with from time to time. These representatives are in close contact with other members. So, what we do as the senior leadership team is have a situation where we reach out to these staff representatives to hear what is coming from the team"



Though many enterprises noted the need to have an increasingly flexible workforce, the vast majority – some 82 per cent – said that they had not increased their use of external contractors since the start of the pandemic. About one in seven enterprises – 14 per cent – noted that they had increased their use of external contractors. For enterprises that did increase their use of external contractors, the most frequent reason given was that the business needed a more flexible workforce, cited by 38 per cent of enterprises. This was followed by high employee costs, cited by 29 per cent of enterprises.

Fig 11. Has your enterprise increased its use of external contractors since the pandemic started?

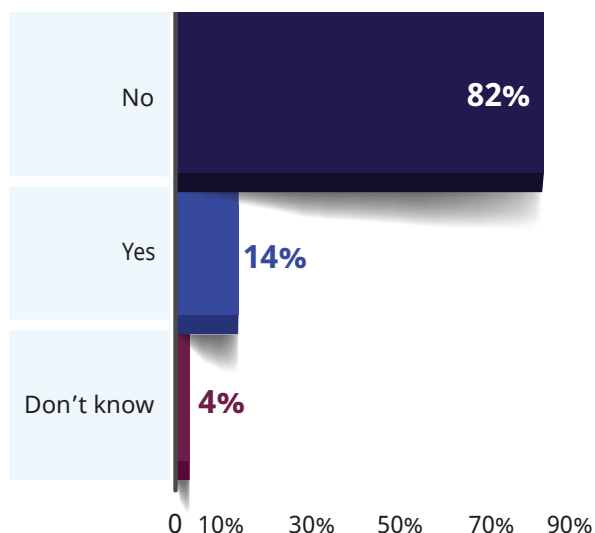
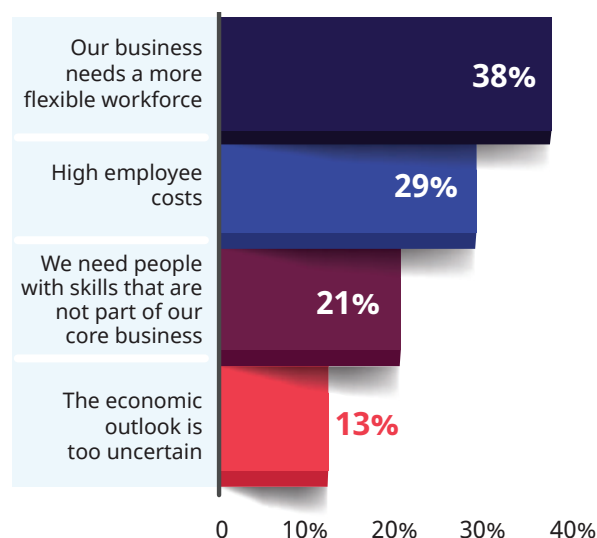


Fig 12. What is the most important reason that your enterprise is expanding its use of non-employee (external) workers?

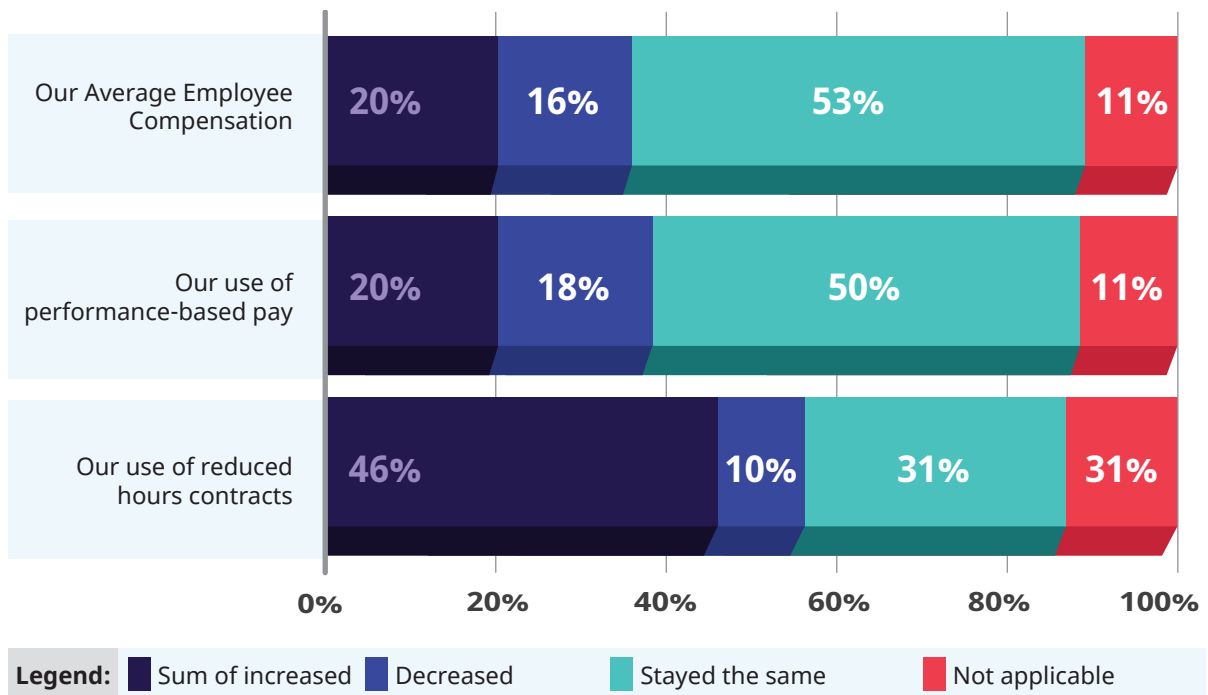


Enterprises also adopted a range of compensation-related manoeuvres during the pandemic to manage costs, ensure business continuity and alleviate challenges with workplace relations. One of these approaches was the use of reduced-hours contracts, which 46 per cent of enterprises reported using more often during the pandemic. Only 10 per cent of enterprises reported using reduced-hours contracts less during the pandemic. On performance-based pay, half of the enterprises that completed the survey noted that there was no change in this during the pandemic. However, 20 per cent of enterprises noted that

they had increased their use of performance-based pay. Average employee compensation stayed the same at 53 per cent of enterprises, but again the share of enterprises reporting an increase (20 per cent) was slightly more than the share reporting a decrease (16 per cent). Lastly, some enterprises adopted non-traditional ways to reduce expenses while remaining competitive. For example, one enterprise noted that they brought in interns from Nakawa and Lugogo, who were “getting more experience on their end and they are also getting paid from us”.



Fig 13. How have the following aspects of your compensation practices changed since the Covid-19 pandemic?



Employers rolled out the use of video conferencing services to facilitate communications of all types, including meetings, depositions, arbitration hearings, investigations, and social interactions. The pandemic significantly accelerated the adoption of these technologies. They seem

likely to stay post-pandemic. Moreover, many enterprises said that there are now expectations from employers that remote work flexibility will remain beyond the pandemic. Globally, 83 per cent of employees report they are more productive working from home.²



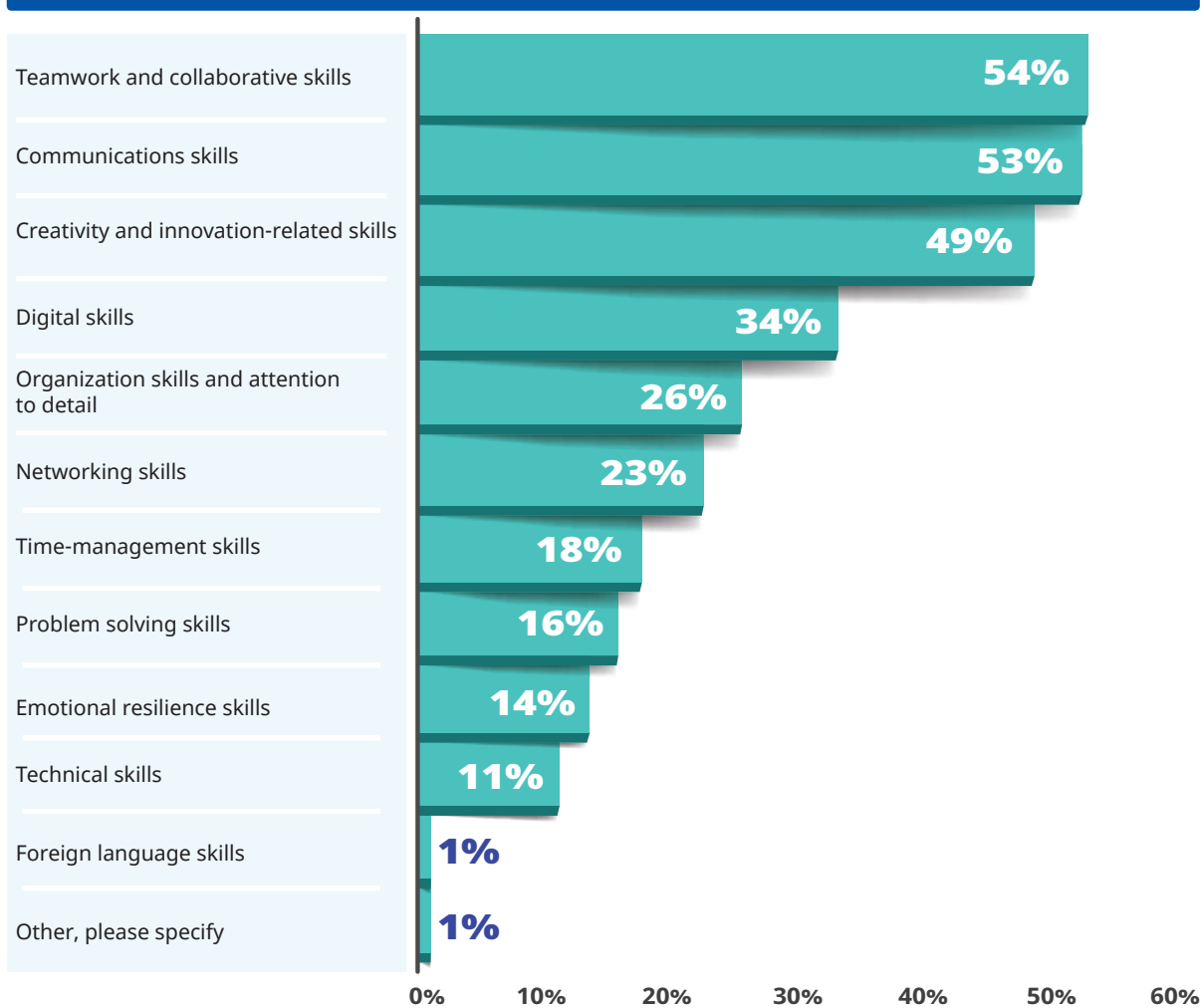


Skills Development, Knowledge Sharing and Productivity

The Covid-19 pandemic has had a marked effect on skills that companies need to be successful, as well as the way that those skills are developed and knowledge is shared within an enterprise. The changing nature of skills and knowledge

sharing has also had a significant effect on the productivity of enterprises. In future, the skill sets that enterprises need to survive and thrive are likely to be reshaped by the pandemic.

Fig 14. Which of the following skill sets will be most important for the future success of your enterprise?



“We will need people who are flexible and resilient”



Across surveyed companies, there was a clear need to approach business skills differently during and after the pandemic. A variety of new skills would be needed, such as the ability to manage clients online through digitally formats and building potential clients digital and managing them online. In general, surveyed companies needed greater adaptability from employees. Some companies set up internship systems (often partnering with training institutions such as the Lugogo Technical Institute to source interns) to supplement skills gaps.



The survey found that the most important skills that enterprises would need in future were what are often referred to as “soft skills”. The most commonly cited skill set was teamwork and collaboration skills, cited by 54 per cent of enterprises as one of the top three skills they needed in the future. This was followed closely by communication skills (53 per cent), and creativity

and innovation related skills (49 per cent). Digital skills, which have taken on a new importance in the pandemic with the rise of remote work, were cited as a top skill set by 34 per cent of enterprises.

On the other hand, very few enterprises (just 1 per cent) noted that foreign language skills would be one of the three most important skill sets in the future. Technical skills were also amongst the most rarely cited skill sets that enterprises needed.

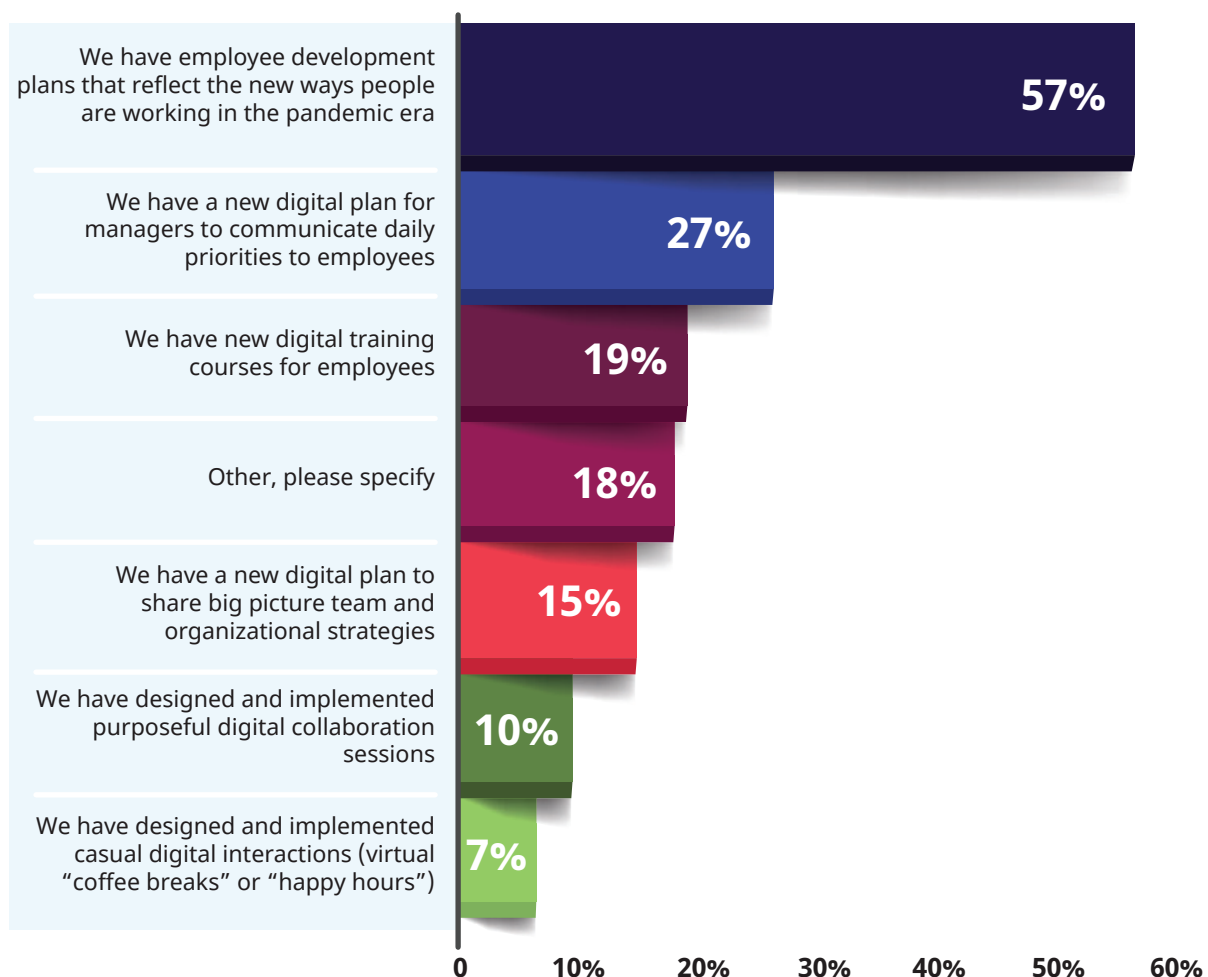


“We need people who see challenges as opportunities, people who see a challenge and immediately think of the solution or come up with solutions”



Across the survey, however, there was a clear indication that looking ahead, technological and digital skills will be in high demand. Adaptability and the ability to multitask, so important during the pandemic, will also prove a sought-after skill in the future. Of course, the changes in skills needs are not the same across all sectors. The pandemic had a different impact, skills wise, depending on the sector. Some respondents from the manufacturing sector, for example, reported limited changes or new skills needs.

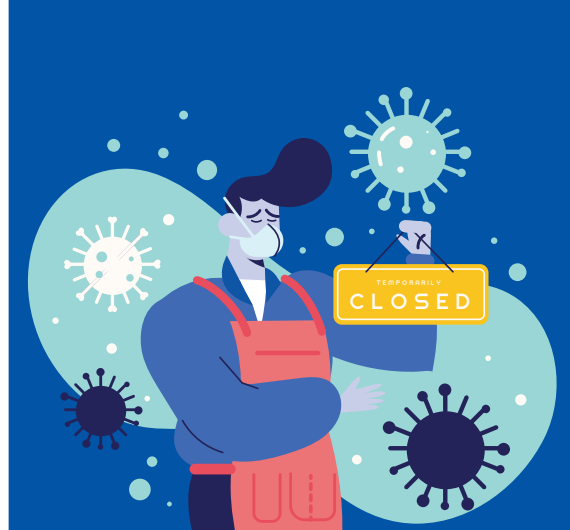
Fig 15. How have you changed the ways in which you train, collaborate and share knowledge during the pandemic?



Enterprises have responded to the fast-moving context and the new skills demands by changing the way that they train employees, collaborate and share knowledge. 57 per cent of surveyed enterprises now have employee development plans that reflect the new ways employees are deployed and work during the pandemic. More than a quarter of enterprises – some 27 per cent – have developed new digital plans for managers to effectively communicate with employees. These can be especially important for enterprises in which many or all employees are working remotely, and not able to have in-person meetings. In general, many enterprises reported that they have put in place new digital training courses for employees, upgraded information-sharing modalities, expanded digital collaboration and increased online meetings. These are all new realities that will be a feature post-pandemic. However, comparatively few enterprises (just 7 per cent) have implemented casual digital interactions, which can be good forums for informal information exchange and collaboration. Enterprises in knowledge-intensive industries may benefit from expanding these types of interactions.

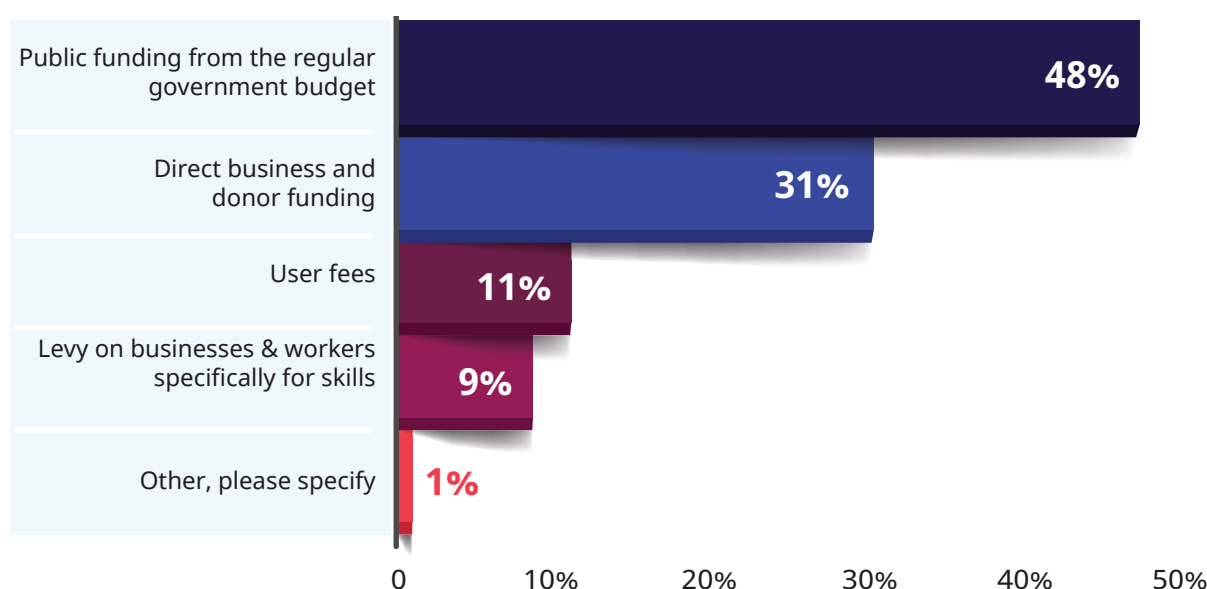


“The big challenge was in the way we do our work which involved a lot of changing and adapting”



With the skills needs of enterprises changing so quickly, many countries will struggle to ensure that their workers are properly trained with the right skills for the post-pandemic workplace. Funding the training and skills development for this can be a major challenge. Through skills development can benefit workers, employers and governments, there is often disagreement about exactly how it will be paid for, a tricky question given the many beneficiaries. Nearly half of enterprises supported a public funding model from Fig 15. How have you changed the ways in which you train, collaborate and share knowledge during the pandemic? “The big challenge was in the way we do our work which involved a lot of changing and adapting”. 14 the regular government budget as the primary model to fund skills development. Nearly a third of enterprises (31 per cent) said direct enterprise and donor funding should cover skills development and 11 per cent said it should come from user (participant) fees. A small share of enterprises (9 per cent) said that it should be paid by a direct levy on enterprises and workers.

Figure 16. Which model for funding post-pandemic skills development is most suitable?



The change in skills and knowledge sharing has been a major factor pushing enterprises to rethink productivity. The mix of skills and knowledge needed to be productive has changed for many enterprises and workers. The survey shows that the pandemic has caused the vast majority of enterprises to rethink productivity. A massive 93 per cent of enterprises revealed that the virus made them rethink how they should measure the productivity of their workforce. More traditional measures such as the time spent in the office may be falling out of favour. That same share of enterprises – 93 per cent – also said that they would focus on outputs as their key measure of productivity. This has major implications for the time-based employment relationship that has been the mainstay of many formal workplace for decades, if not longer.



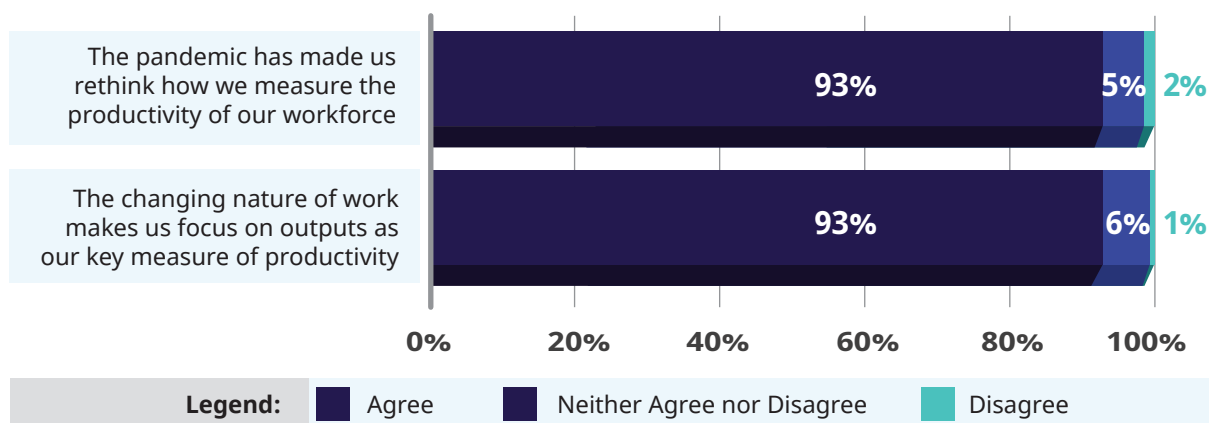
"We set up a system whereby every employee and their supervisor have a weekly check-in to review what has been done that week, what needs to be improved and what are we focusing on next week. We moved from the long-term kind of planning to short term"



When asked how they monitor productivity, the responses of enterprises clearly showed a focus on output-based measurement. Nearly three in 10 enterprises said that they "closely monitor outputs produced by employees" as the primary way to assess employee performance. Almost as many enterprises – 28 per cent – said that they conducted regular employee meetings to keep

track of performance. Our survey also showed that there has been a shift from monthly performance monitoring to more short-term monitoring such as weekly reviews or reports. Over a quarter of enterprises said that they trusted employees to "get the job done". This is not to say that all enterprises found changing the way they monitor performance to be a seamless transition.

Fig 17. Do you agree or disagree with the following statements?



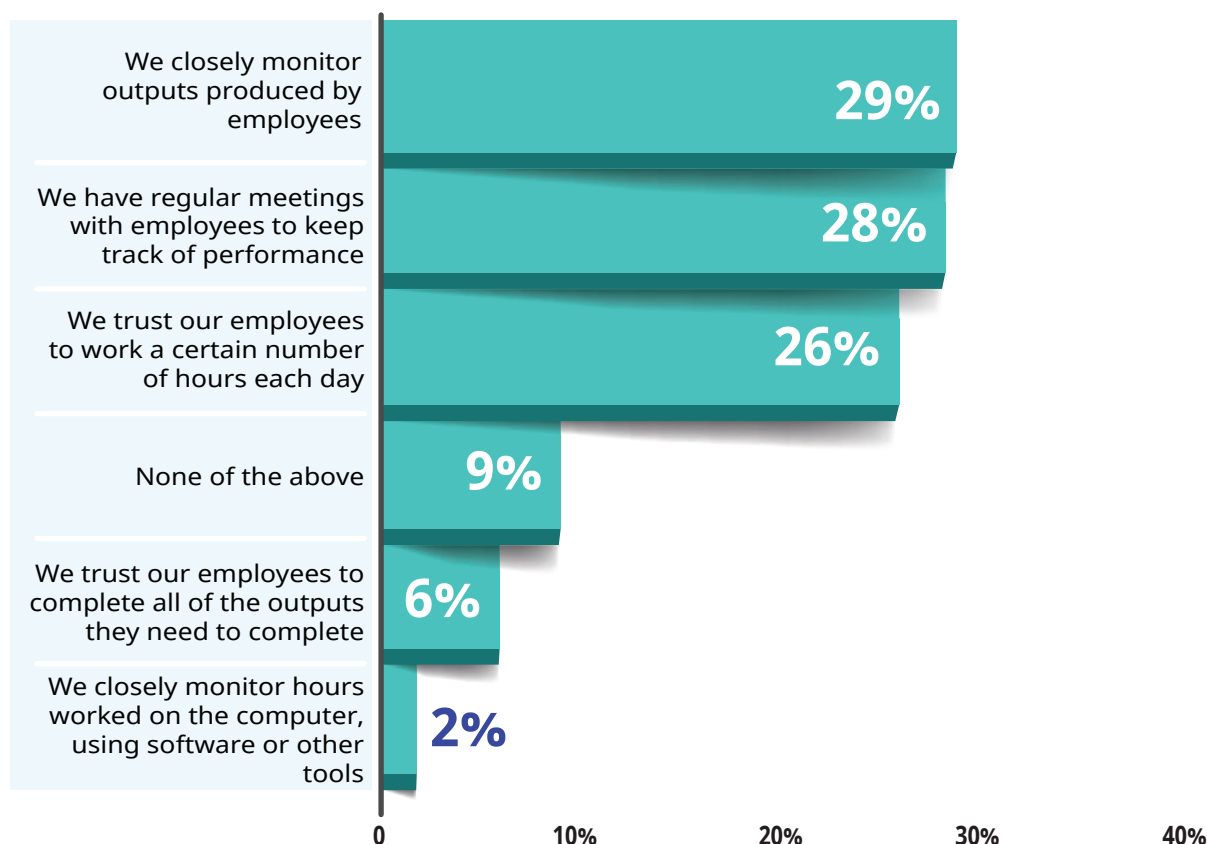
Most notable, however, was the small number of enterprises that relied on timebased measures. Just 6 per cent of responding enterprises noted that they trusted employees to work a certain amount of time each day and just 2 per cent noted that they closely monitored employeesbased hours worked using computer software or other tools. Though many enterprises moved to hybrid or remote work, some still noted that they required the physical presence of their essential staff, a phenomenon that was particularly the case for enterprises in manufacturing.



"We moved away from measuring work in terms of time. The model we pursued (was) output based through mini-projects"



Fig 18. Which of the following statements best describes how you monitor the performance of remote employees during the pandemic?



Some organizations have found that there are technological or practical challenges to performance monitoring, such as internet unreliability. Data costs are another key challenge and in future, affordable and reliable connectivity will be very important. To address this, some enterprises have adopted a mixed approach and sourced information on performance from multiple sources. One enterprise said that they have a specific tool in place to monitor staff, which includes multiple sources of information such as inputs from managers, supervisors and colleagues along with a review of more visible outputs to measure performance. Many enterprises digitalized other types of systems that

also had a connection to skills and productivity. Online transactions such as mobile money and online banking were embraced, and meetings were shifted to Zoom and Microsoft Teams. Such changes to digital modalities in cases had transformative effects across a whole sector. For example, one leading insurance company noted that they totally changed key operational characteristics during the pandemic, affecting both skills needs and productivity. "We had to digitalize our systems so that the claim files can be reviewed in soft copy," said the interviewee. "The online way of doing things is the major change and furthermore, the entire industry itself has also now embraced online selling."





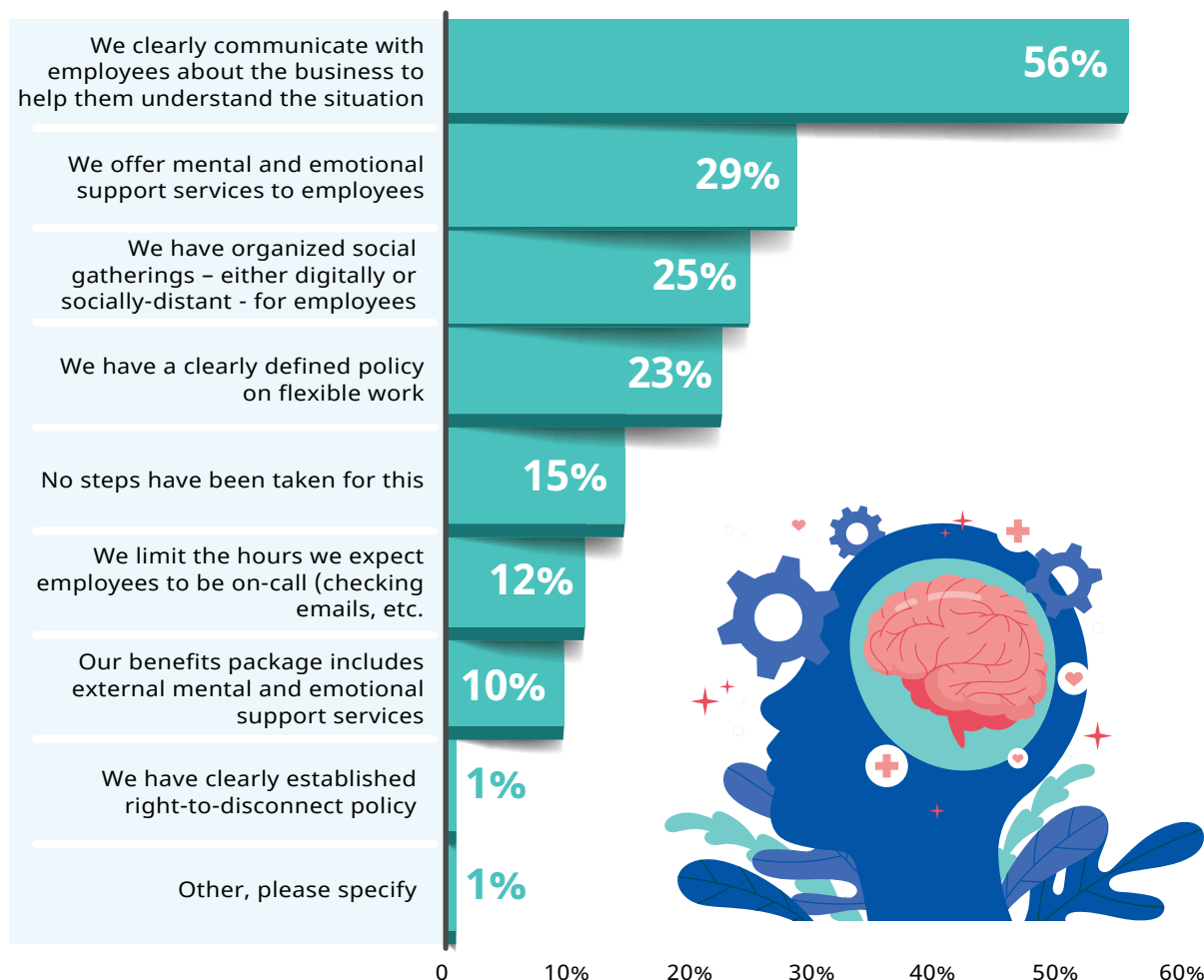
Human Resources

The Covid-19 pandemic has created a range of new opportunities and challenges for the human resources side of a business. The individuals and departments managing human resources are faced with a dynamic environment, with changing

“*The level of engagement is down, workers are no longer focused on the job but they are worried, it's something that an employee instead of giving themselves to work, the mind is divided*”

external factors such as Covid-related restrictions compounded by changing internal factors such as the duty of care to employees and the operational needs of the enterprise. Employees are similarly feeling the strain of the pandemic, having to deal with constantly changing conditions while balancing professional and personal obligations. Workers are also concerned would need in future the pandemic-related uncertainty surrounding both their personal and work lives. A number of enterprises reported a great deal of distress among employees as they feared the uncertain. For enterprises, then, the mental and emotional wellbeing of workers has become even more closely intertwined with the successful operations of the enterprise.

Fig 19. What steps have you taken to support the mental and emotional well-being of your employees, including those working both in-person and remotely?



Enterprises have taken a wide range of steps to support the **Missing content...** with employees and the situation. Many enterprises said they recognised early the mental health effects of isolated work and tried to combat it with emotional support services and organized social

gatherings either digitally or physically. Notably, however, very few enterprises clearly established a right-to disconnect policy that codifies the right of employees to go offline at nights and on weekends, without any expectation that they would check emails or otherwise engage in work.

Figure 20. ONE word the describes describe the most significant way your workforce will change in the next 3 to 5 years, compared to how it looked before Covid.



"We don't know how the future will be but I imagine in the future we might add some qualifications and some standards like you might want to

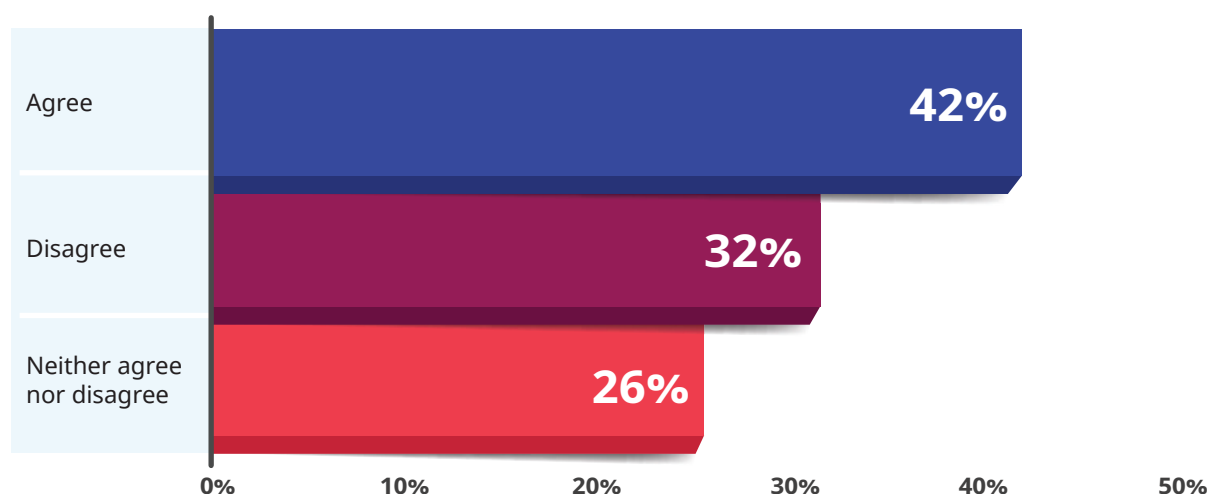
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"The level of engagement is down, workers are no longer focused on the job but they are worried, it's something that an employee instead of giving themselves to work, the mind is divided"

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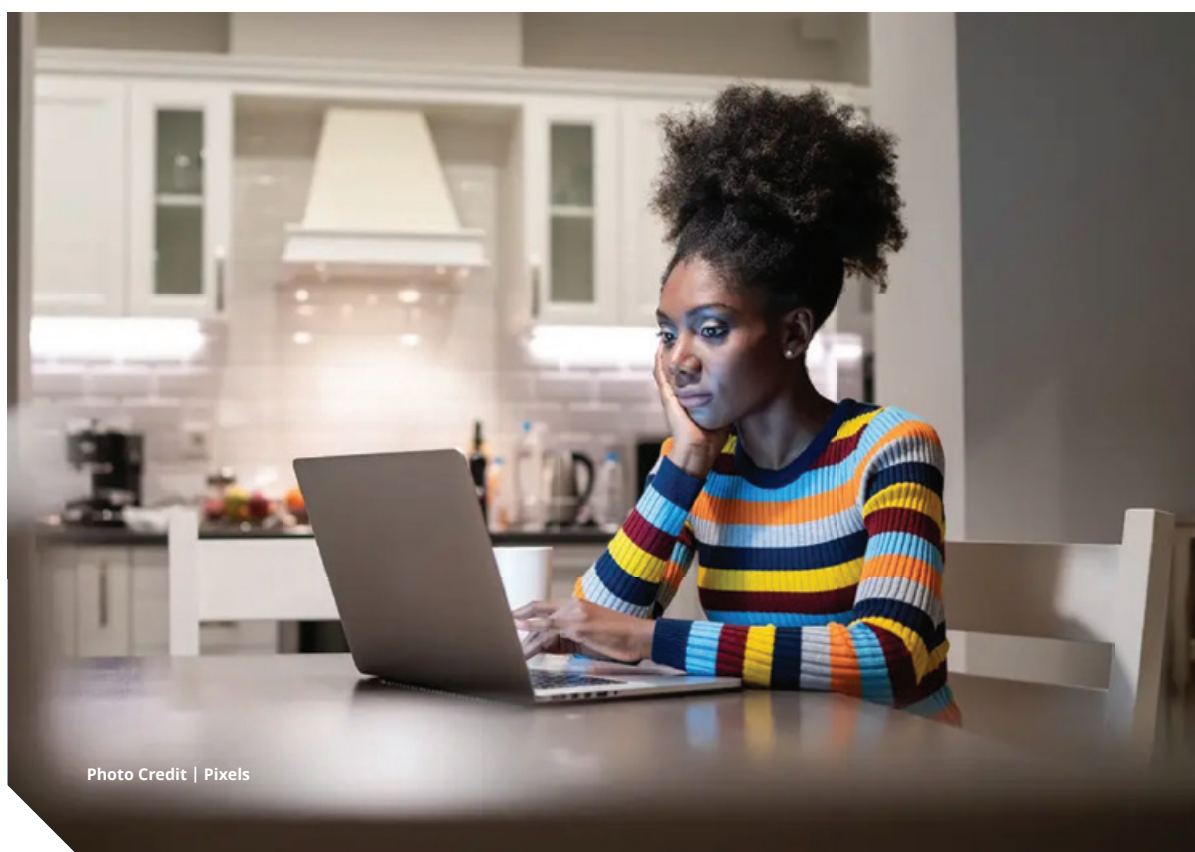
hire someone who is vaccinated. The pandemic forced some organizations to make difficult human resources decisions. Some employers had to downsize and retrench employees, a move that sometimes had a disproportionate impact on casual workers. However, downsizing was not always the case – some enterprises took on new staff. For example, one enterprise interviewed for this study created a new IT department to support digital operations. Some companies reported that they merged roles, often customer-centred ones, as they moved these functions online. A number of companies reported that they are now revisiting job descriptions and looking in some cases to merge roles and also looking internally first to see if available employees can be moved or can take on additional tasks.

Fig 21 "Since the start of the pandemic, our business has changed its hiring criteria to include new groups of workers we had not previously considered – such as fully remote employees not living near your workplace"



Lastly, the pandemic-induced changes in work modalities, especially the shift to remote work, has provided some enterprises with greater scope in recruitment. 42 per cent of enterprises reported that their hiring criteria now includes new groups of workers who were not previously considered - such as fully remote employees not living near

the enterprise. Many people now see the office as a part-time space for collaboration instead of the only location for full-time work. This could have dramatic implications for policy, the economy, and lifestyles, affecting everything from real estate to where people choose to live.





Conclusion

The survey has confirmed the major disruptive nature of the pandemic on Ugandan workplaces. It raises many questions about a variety of aspects regarding the future of workplaces. Will remote-workers find it easier or harder to bargain with their employer for pay rises and improvements in conditions? Will employers find it easier to fire remote workers than if they had to do it face to face – evidence suggest they do. How will firms monitor contractual working time in a world where remote workers no longer physically clock in? Can firms monitor remote workers to assess their productivity? Should an enterprise pay for a worker's internet connection? Who is liable if employees injure themselves at home? Can remote

workers live in another country and what would the tax implications of such an arrangement be in Uganda?

All this has wide-ranging implications for public policy. These questions, and many others, are evidence of the need for changes to the vast body of employment law that will need to be modernised to keep pace with changes happening in the world of work. FUE has a key role to play in helping to influence the policy dialogue and shape the answers to these questions in a way that advances the interests of employers while also respecting the rights of employees.







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