



Impact of COVID-19 on employees in Indonesia, May 2020

Key findings

COVID-19 has had a significant impact on employment in Indonesia:

- A majority of employees reported their **hours and pay reduced**, their **pay cut**, or their **job suspended** until further notice. Less than 45% of employees could report that COVID-19 had no impact on their job.
- A total of 6 out of 10 families **lost income**.
- Around 40% of employees were **working from home**.

However, nearly 80% of employees reported they were able to be **equally or more productive** during the crisis. Only a quarter of men and 17% of women reported they were less productive due to COVID-19.

Overall, more than half of respondents felt pressure to do **more household work and child care**. Both women and men reported increased time spent on housework during COVID-19.

Importantly, 36% of respondents reported feeling that COVID-19 had a **negative impact on their mental well-being**, and nearly a quarter of respondents reported that COVID-19 had a **negative impact on their physical well-being**.

What these findings mean for employers:

- Consider permanently adopting flexible work policies – most employees are equally or more productive working from home.
- Review how the firm manages performance, identifies talent, and develops leadership. The domestic situations of employees may not be obvious, and their contributions may be hidden or perceived differently, depending on factors such as how much ‘face time’ they have in the office.
- A significant proportion of employees are suffering from mental and physical health challenges. Consider employee assistance programs, mental health support, and the longer-term impact of this crisis on staff.
- Ensure women and men are both represented in COVID-19 management committees, to capture and respond to their different experiences.

Results and analysis

1. Impacts on employment situation

Many people lost their jobs in the lockdown; however, this survey focused on people still employed, to gain insights into managing a workforce during a crisis, which could assist firms during recovery.

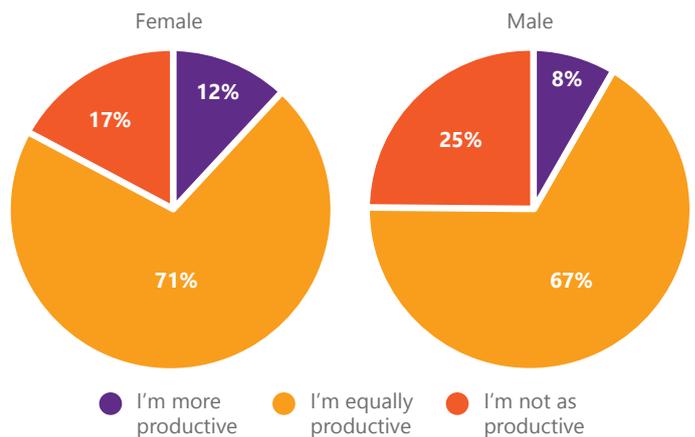
Among those surveyed, 56% of employees reported their jobs had been affected, with 31% reporting they had their hours and pay reduced, 12% of women and 6% of men had their pay cut, and 9% of employees had their employment suspended until further notice.

Lockdown was in place during the survey period; however, it was less strictly enforced than by regional neighbours, such as the Philippines and Vietnam.

It was possible for 57% of men and 46% of women to continue to work from their normal workplace, and 35% of men and 47% of women worked from home. Only 18% of respondents stated they were working at home due to a government-ordered stay-at-home policy.

Despite the changes, nearly 75% of male employees and 83% of female employees reported that they were equally or more productive than before the crisis (see Figure 1).

Figure 1: Has COVID-19 impacted your work productivity?



A quarter of male employees and 17% of women reported they were less productive due to COVID-19. Anxiety about the situation was the top reason for this reduced productivity (for 57% of men and 45% of women). Inadequate facilities were also an issue for 37% of men and 52% of women.

Figure 2: As a result of the COVID-19 situation, has your household income changed?

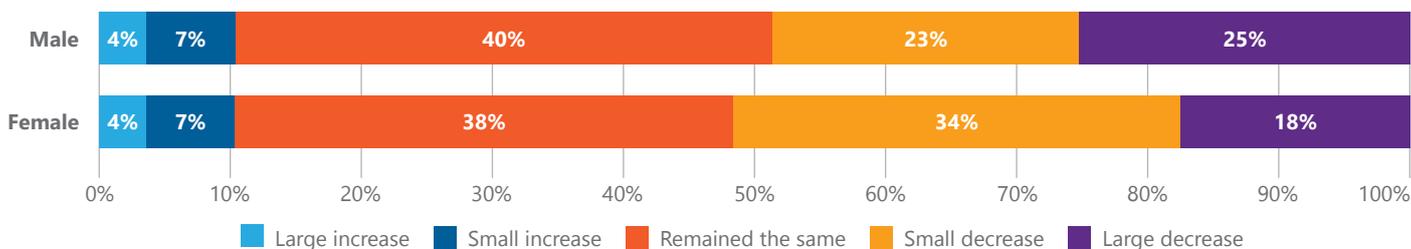


Figure 3: What has been the most challenging issue for you during COVID-19?



Throughout the crisis, many employers provided support to their employees. For example, 51% of employees reported access to personal protective equipment, 46% of women and 51% of men reported access to flexible work arrangements, with some technical support to work from home (25% men and 32% women). Full paid leave was offered to 20% of respondents.

2. Impacts on household income and responsibilities

A total of 6 out of 10 families lost income as a result of COVID-19. The same proportion felt increased pressure as an income earner in their household.

More men than women reported a large decrease in individual income (25% compared with 18%), perhaps due to the gender pay gap (see Figure 2).

Significantly more women than men reported increased time spent on cleaning, preparing food, and shopping. The main reason was due to family being at home and the burden increasing.

Despite this, nearly 70% of respondents did not think that the impact of COVID-19 was different for female and male employees. An increase in cleaning was reported by 74% of men and 83% of women, in preparing food by 48% of men and 69% of women, and time spent shopping increased for 39% for men and 50% for women.

Time spent on schooling decreased for 48% of men and 42% of women, due to help from other children or their spouse. Time spent on child care also decreased for 29% of women and 20% of men, mainly due to their spouse being at home and helping. A total of 57% of women and 53% of men reported feeling more pressure to do household work and child care.

3. Impacts on health

During COVID-19, employees reported that financial concerns was overall the most challenging issue for them (see Figure 3).

When it came to their health, 36% of respondents reported a negative impact on their mental well-being due to COVID-19.

Worries about the situation (75%), and financial concerns (68%) were the top reasons for this finding. Male respondents were more likely than female respondents to report family tensions as one of the reasons.

Nearly a quarter of respondents also reported that COVID-19 negatively impacted their physical wellbeing.

Exhaustion due to increased domestic burdens ranked as the top reason for the negative impact (57% of men and 63% of women), followed by inability to exercise (46%). The risk to personal safety was also a prominent reason for 46% of men and 33% of women.

Overview of survey

The Indonesia Business Coalition for Women Empowerment and Investing in Women commissioned a survey of 300 men and 300 women employees, aged 18 to 60, from large private sector firms. Only respondents that remained employed during the survey period were eligible to complete the survey. A 40% proportion of respondents worked for firms with more than 1000 employees, and 60% for firms with 200 to 1000 employees. A total of 66% reported they are the main income earner in their household.

Respondents were from senior management (23%); middle management or technical experts (28%); services, sales and clerical workers (33%); and machine operators or factory workers (11%). They represented a wide range of economic sectors, and 85% were in full-time, permanent positions. A census click methodology was used.

The aim of the survey was to understand impacts of COVID-19 on the work and personal lives of employees. The survey was open from 7 May to 12 May 2020. During that period, large-scale social distancing measures were in place, including a ban on gatherings of more than five people, limited public transport services, and mandatory work from home. However, reports indicate these measures were not always effectively enforced.