

# Does Working from Home Reduce Employee Sickness Related Absences?





## FOREWORD



# FOREWORD

Isolas LLP & Fiduciary Management Limited HR discusses the reduction in sickness levels over the COVID-19 pandemic period.

As HR Manager, **Hayley** is responsible for both the internal Human Resources for Fiduciary Management Ltd and ISOLAS LLP, as well as the firm's external HR offering. With significant experience in recruitment, personnel management and payroll, Hayley can provide a complete HR support service through Fiduciary HR Solutions, tailored to your needs.

Hayley, who joined the firm in 2018, graduated with a First Class Honours degree in Psychology from Swansea University. Her keen interest in Occupational Psychology steered her career path towards HR, and she currently holds a membership with the British Psychological Society. Hayley has since gained Associate Membership with the CIPD, having completed the Level 7 Advanced Diploma in Human Resources Management in 2020.



**Hayley Xerri**  
**hayley@fid.gi**





FIDUCIARY  
FIDE ET FIDUCIA

**ARTICLE**

ISOLAS  
1882



In response to the COVID-19 pandemic, under the advice of the Government, many employers were forced to allow staff to work from home, significantly reducing the number of employees working from the office.

Across **ISOLAS LLP** and **Fiduciary Management Ltd**, we rapidly moved from a predominantly office-working environment, to having 70% of staff within ISOLAS and 50% within Fiduciary working from home. As restrictions are now being lifted in Gibraltar, and our employees begin a phased return to the workplace, it is an opportunity for HR practitioners to consider what impact working from home has had on staff and wider business initiatives.

As a HR professional, providing internal support as well as offering an outsourced HR service through Fiduciary HR Solutions, I am interested in exploring this topic further. Most recently, my aim was to determine to what extent sickness levels had been affected by a change in working environment. As 50 to 70% of our staff were predominantly working from home due to the COVID pandemic, I was presented with a unique opportunity to explore this concept further.

In order to do this, I undertook an analysis of data from 2019, compared against the corresponding months in 2020. My main area of focus was in April and May, as these were the months where 50% -70% of our employees were predominantly working from home.

The results conveyed a significant drop in sickness levels; both sick days (figure 1) and number of sickness occurrences (figure 2) in 2020 compared with 2019. Most significantly, there was an 80.6% decrease in the number of sick days taken in May 2020, compared against May 2019, with a 61.3% decrease in sickness occurrences compared against the same month in the previous year.

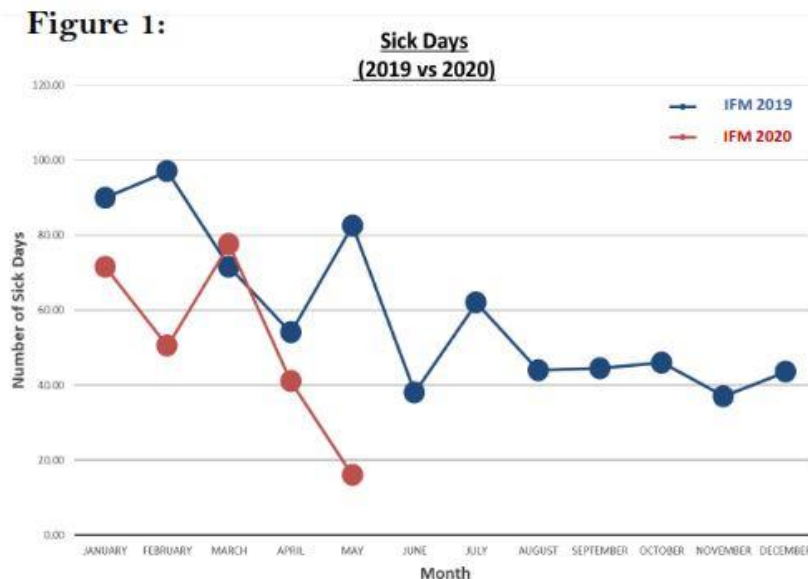
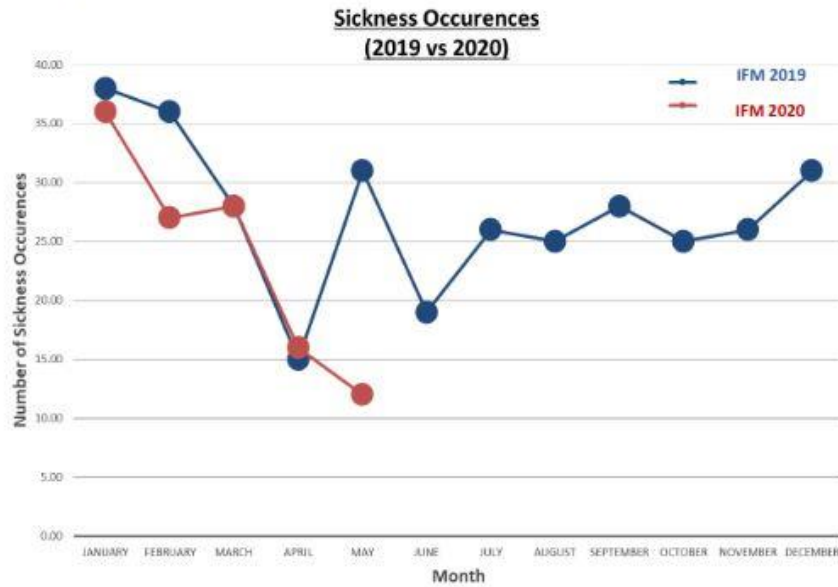


Figure 2:



Upon realising these results, I undertook a further analysis of the 2020 data, comparing sickness levels between those working from home and those who remained working in the office. In April of this year, 90.25% of the total amount of sick days were taken by those who were working from the office, and 81.25% of sickness occurrences in April were from the same group. A similar trend followed in May, where 75% of sick days were taken by those in the office, along with 66.66% of sickness occurrences.

## What caused the reduction in sickness?

This significant reduction in sickness levels appears to be a side effect of the lockdown period, and the evidence suggests that employees are less likely to report as sick if they are working from home. It is interesting to explore this theory further to try to understand why this trend may have occurred.

Are people who are working from home protected from the germs or viruses that may lurk in our offices? Is the lack of social contact an explanation for why those who remain at home do not get as sick? Or perhaps those who are working remotely are still getting sick, but just not reporting it, as they feel well enough to be able to continue to work from the comfort of their home?

The psychological aspect of working from home is also relevant when trying to understand the link between remote working and reduced sickness absences. The question needs to be raised: are people happier when they are working from home, compared with when



they are working from an office? Much research suggests that this may well be the case, with one recent survey reporting that 44% of its remote working staff are happier at home (CNBC and SurveyMonkey).



## Why is happiness relevant?

The causal interaction between happiness and health is well documented, with much scientific research indicating that being happy can have major benefits on

your physical and mental health. Employee wellbeing, although not a new concept, has certainly seen a resurgence in interest from HR and business professionals alike in recent times. This is mainly because of the collective realisation that happy staff are healthier, and therefore more productive. Ultimately, if employees are happier when working from home, then this in itself may provide an explanation as to why their sickness levels are significantly reduced.

**If employees are happier, more productive and healthier working from home, then shouldn't everyone just work from home?**

Whilst these results are certainly encouraging, and could suggest a viable way for employers to reduce sickness related absences in the work place, it is important to highlight that these results only reflect a 2-month window of data. It is imperative to consider the psychological impact of working from home on a long-term basis. Prolonged reclusion from the office environment could potentially lead to feelings of isolation, and the lack of social interaction could



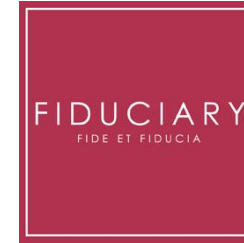


potentially have detrimental psychological impacts on employee wellbeing. Ironically, this may result in employers experiencing more long-term sickness related absences in the future, particularly concerning mental health.

## Food for thought...

The reduction in sickness levels over the COVID-19 pandemic period is interesting, and is certainly very relevant for employers to consider in the current climate.

I would be most curious to understand if other organisations have experienced similar trends in sickness data, and it will be most fascinating to continue to monitor sickness levels as everyone returns to working from a predominately office environment.



[www.fiduciarygroup.com](http://www.fiduciarygroup.com)

[www.gibraltarlawyers.com](http://www.gibraltarlawyers.com)

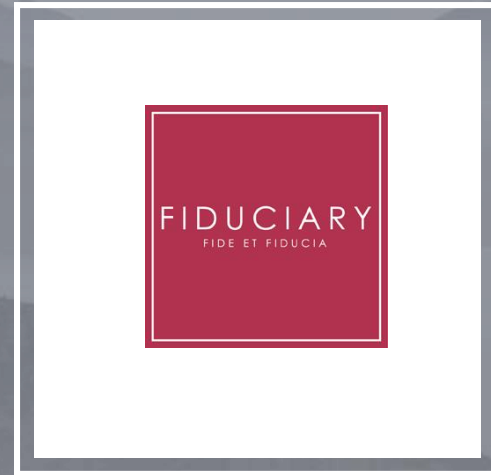
Suite 23 Portland House Glacis Road PO Box 204 Gibraltar Tel +350  
2000 1892 Fax +350 2007 8990

For more information or for any enquiries please contact  
Hayley at [hayley@fid.gi](mailto:hayley@fid.gi) .

**Disclaimer:** Please note that the information and any commentary on the law contained in this document is only intended as a general statement and is provided for information purposes only and no action should be taken in reliance on it without specific legal advice. Every reasonable effort is made to make the information and commentary accurate and up to date, but no responsibility for its accuracy and correctness, or for any consequence of relying on it, is assumed by the author. Further this document is not intended to amount to legal advice.







ISOLAS LLP is a full-service law firm providing commercial and pragmatic advice to our clients, corporate and personal, with an award-winning, market leading practice based on putting our clients first and matching the client's needs to the best person for the job. With the expertise and dynamism of a firm at the vanguard of developments in legal solutions designed to tackle an ever-evolving range of issues, ISOLAS stays ahead of the curve and makes sure its clients are too.

Closely associated with Isolas, Fiduciary's experienced team of specialists aims to deliver a superior service tailored to the individual needs of each client, however complex these may be. Every client can rely on us to take exceptional care of their business and their family's needs. We have the expertise and skills to provide innovative and compliant solutions and services so that you can secure your future and benefit from your entrepreneurial ventures in the ever-changing global business environment.