

PERSPECTIVE INSIGHTS

Announcement

WFH ADVISORY: LEGAL OBLIGATIONS AND PRACTICAL CONSIDERATIONS

Posted on March 31, 2026 by Dzulfadhli Bin Lamin

“Flexible work arrangements are no longer optional—they are strategic imperatives requiring employers to balance compliance, employee expectations, and operational efficiency in an evolving business landscape.”

Recent geopolitical developments have prompted the Prime Minister of Malaysia to announce a recommendation encouraging employers in the public and private sector to adopt work from home (WFH) or flexible work arrangements, wherever possible.

Employers are encouraged to take note that at present, the **PM’s announcement remains advisory and does not amount to a formal regulation requiring mandatory compliance.**

*For employers who are considering flexible work arrangements, you can adopt guidelines issued by the Labour Department in 2024. (**WFH Guideline MOHR 2024**).*

In the interim, we recommend that employers consider the following:

- Any work arrangements should be communicated clearly and effectively. Even if your company is not adopting any flexible arrangements, it is best to advise employees that the PM’s recommendation was merely advisory. ([Sample memo can be downloaded here](#)).

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- Plan ahead. Covid taught us a lesson. Employers can simulate working conditions if this recommendation becomes law. This is a good opportunity to shift from time-based to output-based productivity models. Also a great time for housekeeping your policies on flexible working arrangements.
- Many WFH challenges arise from managers who are not trained to supervise remote teams. Employers must invest in developing managerial capability to ensure consistency, engagement, and performance control. This would include the right IT tools/software, and managerial training for performance management.

If flexible working arrangement is not a feasible option, employers can also consider the following initiatives. We've put together some ideas which would hopefully align with the global dilemma on fuel that we're all facing now.

- Encourage car-pooling or car matching programs
- Introduce staggered reporting and dismissal times to avoid being stuck at rush hour traffic
- Create campaigns and offer incentives for commuters of public transport, wherever possible
- Reduce outstation travels, wherever possible
- Advocate healthy walks for lunch / break instead of driving
- Compressed work weeks



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In closing, flexible work arrangements seems like a topic that's here to stay. This might be just the beginning and our conclusion today is for HR to use this as an opportunity to 'test and measure'. Organisations that recognise this shift and act decisively will be better positioned to navigate any uncertainties ahead.



At E2 Workforce Consulting, our Retainer Program ensures you are never handling complex workforce decisions without proper guidance.

We support employers in:

- Drafting and reviewing flexible work policies
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- Training teams on new implementations

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