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Working from home: the insurance considerations

Introduction: work and home

I once had a colleague who worked long hours, but steadfastly refused to take work home. If there was still work to do, he would stay at the office longer, or drive to the office over the weekend. But out of principle, he would not sully the sanctity of his home with work.

My colleague's clinical separation of home from work appeared prudent – a practice that safeguarded both sanity and family from intrusion and distraction. It also seemed an earnest exercise in that oft-touted but cynically derided ambition called "work-life balance".

Today, in contrast, we increasingly welcome the opportunity to do our work from home. In the aftermath of the COVID-19 pandemic many employees have been sluggish (even stubborn) to return to that foreign place called "work" or "the office". This has led some – most notoriously billionaire Elon Musk – to denounce today's "laptop classes" and their desire to work from home as "immoral". For Musk this reluctance to return to the office is at once an issue of productivity and of morality. In Musk's view the laptop classes are a privileged and coddled few who insist on staying comfortably at home while expecting so many others (factory workers, grocery tellers, delivery people) to remain at work.

But it is not only laptop-workers and billionaires who have shown a keen interest in the work-from-home phenomenon. Insurers are also asking what the impacts of remote working might be and whether the increase in remote working holds new risks that require a change in strategy.

Ethics and insurance

Before the implications of agile, flexible or remote working are discussed, it is useful to consider the relationship between ethics and insurance.

From a *philosophical* or *ethical* point of view, insurance does two things:

- It recognises the vicissitudes of life and tries to safeguard the so-called "Good Life". According to Aristotle, the purpose of living is to flourish. Flourishing does not mean being rich. Instead, it entails friendship, civic engagement, encountering beauty and contemplating ideas. To attain this state of flourishing, however, requires a minimum level of material goods or comfort. Insurance recognises that unfortunate things happen and tries to secure the possibility of a good life even when unfortunate things happen.
- Beyond protecting the possibility of a "Good Life", insurance is also an extension of our care obligations – a response to our desire to leave the ones we love (and/or who are dependent on us for their wellbeing) the same or better off materially if something were to happen to us.

From a *political* point of view, unfortunately, insurance is a failure of social protections - available to a limited section of society who are already relatively protected.

Against this backdrop, there is a suggestion that the new realities of remote working that followed in the wake of the COVID-19 pandemic necessitate new types of insurance to protect a flourishing life.

There are, however, some flaws with this reasoning, specifically with the idea that working from home is new and that it robs people of benefits (or causes more risks).



The history of working from home

While many people suggest that the current remote working trend is new, and that it has given rise to a “new class of employees”, this is in fact debatable. Historically speaking, working in a factory or at an office is really the anomaly. It is only since the industrial revolution in the mid-1700s, and because of the concentration of machines in one place, that we started working in factories and offices under the strict hours and discipline of owners and managers¹.

Apart from the historical normality of working from home, the people who are spending more time working from home since COVID-19 are really only joining the millions of industrial homeworkers and digital platform or gig workers who had already been working remotely.

Finally, in hypothesising “a new class of employees” who work at home with little or few benefits, we are conveniently forgetting the *existing* class of workers who have been doing it for generations... *women*. Specifically, women who do unrecognised and unpaid care work.

Working from home is therefore not a novel invention of what Elon Musk calls “the laptop classes”.

Working from home: benefits and risks

Having considered the history of “working from home”, the next question concerns the benefits and risks of home working. Here it is useful to distinguish between teleworkers, industrial homeworkers and digital platform (or “gig”) workers.

The employees who started working from home more frequently in the wake of the pandemic could be called “teleworkers” who use information and communication technology to work remotely. For these agile or flexible teleworkers, working from home does not necessarily come at a cost. Quite the contrary – a 2019 survey found that two thirds of South African employees desire more flexible hours².

¹ Tweedie, R. 2023. “Working from home immoral? A lesson in ethics, and history, for Elon Musk” in The Conversation (25 May 2023). Available at: Working from home immoral? A lesson in ethics, and history, for Elon Musk (theconversation.com) (<https://theconversation.com/working-from-home-immoral-a-lesson-in-ethics-and-history-for-elon-musk-205992>) [accessed 19 August 2023]. This article also shows why Musk’s argument about the immorality of remote working is flawed.

For these individuals, flexibility and working from home more regularly can contribute to a flourishing life – it means skipping traffic, organising one’s routines around family and exercise, increased productivity and improved work-life balance. Flexible teleworkers can also avoid office politics and distractions.

Of course, this type of agile working does not only benefit teleworkers, but also employers. It can translate into: lower resignation rates, talent attraction, an uptake in productivity and employee morale and lower operational costs³.

For society as a whole, it means a healthier, more “well” workforce, a more productive economy, potentially improved gender equality and lower carbon emissions.

Not all home work involves these benefits, however. Industrial homeworkers and digital platform workers may not experience the same benefits. For them working from home does not necessarily mean more freedom, but more insecurity. The gig economy is precarious. A person might have times of no work and then times of too much work. They might work more than 48 hours a week, or less than 35. The work is also informal, lacking many benefits and covers. Often, a woman who already does unpaid care work at home, attempts to supplement her income with additional industrial home work – resulting in a longer workday⁴.

Another class that lacks benefits are the industries that developed around “working from home” during COVID-19. Food couriers, for instance, sometimes do not have insurance cover for accidents, are unaware of their cover, or are afraid to claim cover because they are undocumented and fear losing their jobs or being deported. Sometimes the insurance cover they do enjoy is subject to exclusions like having to be in hospital for 48 hours before accident cover kicks in.

These groups – who are not new, and who are not necessarily tied to home work – are the ones who need insurance cover. For these workers, flourishing – their own and that of their loved ones – is at risk.

How can the insurance industry respond?

In response to both new and long existing trends in home working, the industry can respond in different ways. For the flexible teleworkers it might include the following:

- Creating awareness of where the burden of insurance (for instance, office equipment) lies – with oneself or with one’s employer, based on whether one is an entrepreneur or a remote employee;
- Covering cyber risks due to increased risk while working at home; and
- Developing cover for damage or loss of income due to loadshedding (specifically in South Africa).

Regarding industrial homeworkers, gig workers and the delivery class: at present, these workers are potentially invisible to society and to the insurance industry. How can the industry help make them visible and then help protect their flourishing? Here I believe the insurance industry should:

- Work with activist groups to lobby for employee rights, especially for industrial home workers and gig platform workers; and
- Create insurance products for delivery workers of the world that will provide real protection and that does not include unreasonable exclusions.

Additionally, the industry should create awareness and easy ways for migrants, home and gig workers to access and use insurance.

Working from home brings benefits for some and insecurities for others – it has different impacts on the possibility of human flourishing. The insurance industry can respond by adjusting to the realities of flexible teleworkers, but also by specifically addressing the needs of home workers that have thus far been invisible.

² DCMN New Work Research: Flexible working hours for all (<https://blog.dcmn.com/new-work-survey/>)

³ For more on the benefits of flexible working, see: International Labour Organization. 2022. Working Time and Work-LifeBalance Around the World. Geneva: PRODOC.

⁴ For more on different forms of home work, and their associated risks, see: International Labour Organization. 2021. Working from home: From invisibility to decent work. Gen