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Transforming Financial Freedom through Hybrid Work: A Narrative Literature Review in the Philippine Context

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ABSTRACT

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Hybrid work has become a defining organizational strategy in the post-pandemic era, blending remote and onsite tasks to provide flexibility, autonomy, and resilience. While much of the scholarship has emphasized productivity and work-life balance, emerging literature highlights the financial implications of hybrid arrangements. This study employed a narrative literature review to synthesize global and Philippine research on how hybrid work influences employees' financial empowerment. The review examined five dimensions: commuting cost reduction, improved budgeting behavior, enhanced autonomy, greater perceived financial control, and long-term financial freedom. Findings indicate that reduced commuting costs yield immediate savings, often redirected toward household needs, debt reduction, and investments. Flexible work arrangements foster budgeting discipline by stabilizing expenses and reducing impulse spending. Autonomy strengthens self-efficacy and confidence in financial decision-making, while comparative studies show hybrid employees report higher levels of perceived financial control than onsite workers. Sustained exposure consolidates these benefits into long-term empowerment, reinforcing cultural values of family and community support in the Philippine context. This review contributes new knowledge by integrating global and Philippine perspectives, offering one of the first comprehensive syntheses on hybrid work's financial impacts. Organizations should align hybrid policies with financial literacy programs to maximize empowerment outcomes.

INTRODUCTION

The COVID-19 pandemic accelerated a global transformation in work arrangements, compelling organizations to adopt flexible models that balance remote and onsite tasks. Among these, hybrid work has emerged as a dominant strategy, reshaping not only productivity and organizational culture but also the financial realities of employees. In the Philippine context, where commuting costs, traffic congestion, and urban living expenses are significant burdens, hybrid work offers a timely and relevant solution to long-standing economic challenges faced by the workforce.

Traditional onsite work has long imposed financial strains through transportation fares, fuel, parking fees, meals, and incidental costs. The TomTom Traffic Index estimates that Metro Manila employees lose nearly 98 hours annually in traffic, which translates into both wasted time and financial costs. These expenses erode disposable income, limit savings opportunities, and contribute to stress and reduced productivity. Hybrid work, by reducing commuting frequency, alleviates these burdens and creates opportunities for financial empowerment.

This study aims to synthesize global and Philippine literature to examine how hybrid work contributes to financial freedom through five dimensions: commuting cost reduction, improved budgeting behavior, enhanced autonomy, greater perceived financial control, and long-term financial empowerment. By consolidating organizational psychology, behavioral finance, and cultural perspectives, the review highlights the transformative potential of hybrid work in fostering employee well-being and organizational sustainability.

This study is significant because it highlights both the economic benefits of hybrid work for employees and the organizational implications for retention, morale, and resilience. In the Philippine context, where collectivist values such as *bayanihan* and *kapwa* shape financial decisions, hybrid work emerges not only as a cost-saving mechanism but also as a socially responsive model that strengthens family and community support.

Reduced Commuting Costs and Monthly Savings in Hybrid Work Arrangements

The rise of hybrid work arrangements has significantly reshaped the financial and professional landscape for employees worldwide. Hybrid work, defined as a flexible model combining remote and onsite tasks, has become a dominant organizational strategy in the post-pandemic era. Among its most immediate and measurable benefits is the reduction of commuting costs, which directly translates into higher monthly savings for employees. This literature review consolidates global and Philippine studies, theoretical perspectives, and organizational implications to explore the positive relationship between reduced commuting expenses and increased financial empowerment.

Commuting has long been recognized as a major financial burden. In urban centers such as Metro Manila, employees spend substantial amounts on transportation, meals, and incidental expenses. The TomTom Traffic Index reports that Filipinos in Manila lose nearly 98 hours annually in traffic congestion, which translates into both time and financial costs. These expenses erode disposable income and limit opportunities for savings. Beyond direct costs, commuting imposes indirect burdens such as stress, health deterioration, and reduced productivity (Beno, 2021). Traditional commuting also generates ancillary expenses, including professional attire, dry cleaning, and convenience purchases near workplaces. These costs, though often overlooked, accumulate significantly over time and reduce employees' ability to save. Thus, commuting represents not only a financial drain but also a structural barrier to financial freedom.

Hybrid work arrangements alleviate these burdens by reducing commuting frequency. Employees working remotely part of the week save on transportation fares, fuel, parking fees, and daily meals. Reyes (2024) noted that hybrid workers benefit financially because fewer onsite days reduce daily expenses. Analytics (2020) found that remote and hybrid employees save approximately $2,000–$6,000 annually, mainly from lower commuting and meal costs. These savings are immediate and cumulative, reinforcing financial stability over time. Beno (2021) emphasizes that hybrid work reduces not only direct commuting costs but also indirect expenses such as insurance, vehicle maintenance, and depreciation. Beno (2021) calculated that reduced commuting generates billions of dollars in national savings each year. Tarkie (2025) further highlights that hybrid work reduces wear-and-tear on vehicles, lowering long-term ownership costs.

Local studies confirm these global findings. Cisco's 2022 survey revealed that 90% of Filipino hybrid employees reported saving money, with weekly savings averaging ₱6,300 or about ₱327,600 annually. These savings were attributed to reduced commuting and meal expenses, highlighting the direct financial benefits of hybrid work. Employees also reported improved work-life balance and happiness, suggesting that financial relief contributes to overall well-being. Findings from the Ateneo Center for Research and Development indicate that hybrid employees often use their savings to build emergency funds and pay down debt, strengthening their financial security. Michael Page (2025) observed that hybrid work in the Philippines improves retention and satisfaction, partly due to reduced commuting costs.

Insights from behavioral economics suggest that consistent reductions in commuting costs can encourage employees to adopt more disciplined financial behaviors. Kahneman and Tversky's (2013) prospect theory suggests that individuals are more likely to allocate resources toward savings when they perceive consistent reductions in expenses. Hybrid work provides this consistency, enabling employees to redirect funds toward long-term goals. Cabrita et al. (2025) reported that employees preferred hybrid work partly because it provided substantial monthly savings on commuting, meals, and attire. Volopay (2024) emphasized that reducing spending on meals and clothing linked to onsite work boosts disposable income. Over time, these changes in spending patterns may strengthen financial empowerment, as employees gradually shift toward saving and investing instead of impulsive consumption.

Financial decisions in the Philippines are often shaped by collectivist values such as *bayanihan* and *kapwa*. Employees who save from reduced commuting costs frequently allocate funds to family obligations, community support, or educational expenses. Kapwahan (n.d.) observed that Filipino hybrid workers frequently direct their savings toward family funds and community projects. In the Philippine context, savings from reduced commuting often extend beyond personal financial freedom, supporting family obligations and community responsibilities. This cultural dimension highlights that financial empowerment in the Philippine context is not solely individual but also communal, reinforcing the importance of hybrid work as a socially responsive model.

Organizations benefit indirectly from employees' financial savings. Financially empowered employees report higher job satisfaction, engagement, and retention. Bloom et al. (2024) concluded that hybrid work enhances employee retention without reducing productivity. Reyes (2024) emphasized that companies institutionalizing hybrid work observed improved employee morale and financial wellness. Analytics (2020) and Cataligent (2025) highlight that organizations adopting hybrid work models also benefit from reduced overhead costs, such as lower office space requirements and utilities. These operational savings reinforce the sustainability of hybrid work, indirectly benefiting employees by promoting job retention and stable incomes. Environmental benefits from reduced commuting further validate hybrid work as a sustainable model. Tarkie (2025) notes that reduced commuting lowers congestion and pollution, contributing to societal well-being. Thus, hybrid work produces a dual dividend: financial empowerment for employees and sustainability gains for organizations and society.

Despite these benefits, challenges remain. Not all employees have equal access to hybrid work, particularly those in roles requiring physical presence. Some employees may struggle with financial discipline, redirecting savings toward discretionary spending rather than long-term goals. Additionally, hybrid work increases home utility costs, including electricity, heating, and internet expenses. Frost (2022) found that while home costs rise, commuting savings overwhelmingly exceed these expenses, resulting in net financial benefits. These challenges highlight the importance of organizational support, financial literacy programs, and policy frameworks to maximize the benefits of hybrid work.

In conclusion, the literature strongly supports the hypothesis that employees experiencing reduced commuting costs in hybrid setups report higher monthly savings. Evidence from global and Philippine studies demonstrates that commuting cost reduction leads to tangible financial relief, improved budgeting, and long-term financial empowerment. In the Philippine context, these savings also reinforce cultural values of family and community support. For organizations like Insight Direct Philippines, hybrid work represents not only a flexible arrangement but also a strategic tool for enhancing employee financial wellness and organizational resilience. The interaction of economic, psychological, cultural, and organizational dimensions underscores that hybrid work is not merely a temporary adjustment but a transformative model for financial empowerment.

Table 1
Comparative Evidence between Traditional Onsite Work and Hybrid Work Setup

Aspect	Traditional Onsite Work	Hybrid Work Setup
Commuting Costs	High (fuel, fares, parking, tolls)	Significantly reduced
Meal & Attire Expenses	Frequent daily spending	Lower, home-prepared meals, casual attire
Indirect Costs	Stress, health deterioration, productivity loss	Reduced stress, better health balance
Savings Potential	Limited, irregular	Consistent, cumulative (₱6,300 weekly in PH; $2,000–$6,000 annually globally)
Financial Behavior	Reactive, survival budgeting	Proactive, investment and savings planning
Cultural Allocation (PH)	Family obligations strained	Savings redirected to family/community support
Organizational Impact	Higher overhead, turnover	Lower overhead, improved retention
Environmental Impact	Congestion, pollution	Reduced emissions, sustainability gains

Flexible Work Arrangements and Improved Budgeting Behavior

Flexible work arrangements (FWAs)—including hybrid schedules, telecommuting, compressed workweeks, and flexitime—have become central to modern organizational strategies. Accelerated by the COVID-19 pandemic, FWAs are now institutionalized across industries as tools for enhancing productivity, employee satisfaction, and financial well-being. One of the most compelling outcomes of FWAs is their impact on employees' ability to manage personal budgets. This literature review consolidates global and Philippine studies, theoretical perspectives, and organizational implications to explore how flexibility in work schedules positively influences budgeting behavior.

Traditional work models impose significant financial burdens through commuting, meals, and incidental expenses. In Metro Manila, commuting costs are particularly high due to traffic congestion and rising fuel prices. The TomTom Traffic Index reports that Filipinos lose nearly 98 hours annually in traffic congestion, which translates into both time and financial costs. These expenses erode disposable income and limit opportunities for savings. Beyond direct costs, commuting imposes indirect burdens such as stress, health deterioration, and reduced productivity (Beno, 2021). Traditional commuting also generates ancillary expenses, including professional attire, dry cleaning, and convenience purchases near workplaces. These costs, though often overlooked, accumulate significantly over time and reduce employees' ability to save. Thus, commuting represents not only a financial drain but also a structural barrier to financial freedom.

Flexible work arrangements reduce these burdens by lowering commuting frequency and associated spending. Crooney (2023) emphasizes that FWAs improve perceived productivity and mental well-being while reducing financial stress, enabling employees to allocate resources more effectively. Cisco's (2022) survey in the Philippines found that hybrid workers saved an average of ₱6,300 weekly, which they redirected toward household needs, debt reduction, and savings. Cabrita et al. (2025) similarly observed that employees embraced hybrid work partly because of substantial monthly savings on transportation, meals, and professional attire. Volopay (2024) adds that reduced spending on work-related meals and clothing further boosts disposable income. These findings demonstrate that FWAs provide immediate financial relief, which employees can channel into more deliberate financial planning.

Budgeting involves allocating resources to meet expenses, savings, and investments. Flexible work enhances this process by stabilizing income and reducing unpredictable costs. Research.com (2025) notes that hybrid work reshapes financial dynamics, allowing employees to manage personal financial stress more effectively. Employees gain greater control over discretionary spending, as fewer onsite days reduce impulse purchases such as meals, coffee, and convenience items. Hayman (2010) found that flexible schedules, particularly flexitime, improved work-life balance and reduced role overload, indirectly supporting financial planning. Flexible work arrangements reduce stress and free up time, which can help employees plan budgets more carefully and pursue long-term financial goals. This suggests that FWAs not only reduce costs but also create conditions conducive to disciplined financial management.

From a behavioral economics standpoint, FWAs create consistent environments that support rational financial behavior. Kahneman and Tversky's (2013) prospect theory suggests that individuals are more likely to save when they perceive consistent reductions in expenses. Flexible work provides this consistency, enabling employees to redirect funds toward savings and investments. This demonstrates that flexibility fosters proactive financial behavior, reinforcing budgeting discipline. Over time, employees develop habits of saving and investing rather than spending impulsively, which strengthens their financial empowerment.

In the Philippine context, FWAs are supported by Republic Act No. 11165, the Telecommuting Act, which institutionalizes flexible work as a legal option.

DOLE guidelines emphasize FWAs as alternatives to retrenchment, highlighting their role in sustaining employment and financial stability (DOLE, 2020). Local studies show that Filipino employees use savings from flexible work to support family obligations, reflecting collectivist values such as *bayanihan*and *kapwa*. Kapwahan (n.d.) observed that hybrid workers were more likely to contribute to family savings plans and community fundraising efforts, linking FWAs to culturally grounded budgeting behavior. This cultural dimension highlights that financial empowerment in the Philippine context is not solely individual but also communal, reinforcing the importance of FWAs as a socially responsive model.

Organizations benefit indirectly from employees' improved budgeting behavior. Financially empowered employees report higher job satisfaction, engagement, and retention. Bloom et al. (2024) found that hybrid work boosted retention rates without compromising productivity. By institutionalizing FWAs, companies not only reduce overhead costs but also foster financially resilient employees. This dual benefit strengthens organizational sustainability and employee loyalty. Analytics (2020) and Cataligent (2025) highlight that organizations adopting flexible work models also benefit from reduced overhead costs, such as lower office space requirements and utilities. These operational savings reinforce the sustainability of FWAs, indirectly benefiting employees by promoting job retention and stable incomes. Environmental benefits from reduced commuting further validate FWAs as a sustainable model. Tarkie (2025) notes that reduced commuting lowers congestion and pollution, contributing to societal well-being.

Beyond direct cost savings, FWAs positively influence psychological resources necessary for effective financial planning. Shiri et al. (2022) showed that flexible schedules reduce stress and improve life satisfaction, which supports better financial decisions. Golden (2021) found that well-supported telework increases employees' sense of control, encouraging deliberate financial planning. Weideman and Hofmeyr (2020) found that FWAs were positively related to engagement and well-being. Engagement and subjective well-being are strong predictors of proactive financial behaviors, such as budgeting, via greater self-efficacy and agency. These psychological mechanisms reinforce the financial benefits of FWAs, showing that empowerment and well-being are closely tied to financial confidence.

The strength of the positive relationship between FWAs and budgeting behavior is moderated by individual and organizational factors. Petitta and Ghezzi (2025) suggested that employee-driven flexibility leads to better outcomes than top-down policies. Alsulami et al. (2022) argue that flexibility supported by technology enables workers to better coordinate non-work tasks, including financial planning. However, Krajčík et al. (2023) cautioned that flexible work arrangements may increase workloads, which can reduce financial benefits. These findings highlight that FWAs must be carefully designed and supported to maximize their financial benefits.

Despite these benefits, challenges remain. Not all employees have equal access to FWAs, particularly those in roles requiring physical presence. Some may struggle with financial discipline, redirecting savings toward discretionary spending rather than long-term goals. Crooney (2023) warns that without structured support, FWAs may lead to social isolation, which can undermine financial planning. Additionally, FWAs increase home utility costs, including electricity and internet expenses. Frost (2022) found that while home costs rise, commuting savings overwhelmingly exceed these expenses, resulting in net financial benefits. These challenges highlight the importance of organizational support, financial literacy programs, and policy frameworks to maximize the benefits of FWAs.

In conclusion, the literature strongly supports the hypothesis that flexible work arrangements positively influence employees' ability to manage personal budgets. Evidence from global and Philippine studies demonstrates that flexibility reduces commuting and incidental costs, fosters rational financial behavior, and supports long-term financial empowerment. In the Philippine context, FWAs also reinforce cultural values of family and community support. For organizations, FWAs represent not only a flexible arrangement but also a strategic tool for enhancing employee financial wellness and organizational resilience. The interaction of economic, psychological, cultural, and organizational dimensions underscores that FWAs are not merely a temporary adjustment but a transformative model for financial empowerment.

Table 2
Comparative Evidence between Traditional Work Model and Flexible Work Arrangements

Aspect	Traditional Work Model	Flexible Work Arrangements
Commuting Costs	High (fuel, fares, parking, tolls)	Significantly reduced
Meal & Attire Expenses	Frequent daily spending	Lower, home-prepared meals, casual attire
Indirect Costs	Stress, health deterioration, productivity loss	Reduced stress, better health balance
Savings Potential	Limited, irregular	Consistent, cumulative (₱6,300 weekly in PH; $2,000–$6,000 annually globally)
Budgeting Behavior	Reactive, survival budgeting	Proactive, investment and savings planning
Cultural Allocation (PH)	Family obligations strained	Savings redirected to family/community support
Organizational Impact	Higher overhead, turnover	Lower overhead, improved retention
Environmental Impact	Congestion, pollution	Reduced emissions, sustainability gains

Autonomy in Hybrid Work and Confidence in Financial Decision-Making

Hybrid work has emerged as a defining feature of the post-pandemic workplace, blending remote and onsite tasks to provide flexibility and autonomy. Autonomy—the degree of control employees have over their work schedules, methods, and decisions—is consistently linked to positive outcomes such as job satisfaction, engagement, and productivity. Recent literature suggests that autonomy in hybrid work environments also extends to financial domains, enhancing employees' confidence in financial decision-making and control. This review synthesizes global and Philippine studies, organizational psychology perspectives, and behavioral finance insights to explore how autonomy boosts financial empowerment.

Autonomy is a core element in management theories such as Self-Determination Theory (SDT) and Job Characteristics Theory. SDT, developed by Deci and Ryan, posits that autonomy, competence, and relatedness are basic psychological needs that, when satisfied, foster intrinsic motivation and well-being. In hybrid work, autonomy manifests as control over work location, hours, and methods, which reduces rigid constraints and fosters confidence in personal decision-making. Purba et al. (2025) found that hybrid job design significantly increases task-specific autonomy, boosting satisfaction. Analytics (2020) similarly reports that autonomy is a key factor in talent retention in hybrid settings. These findings converge on the idea that autonomy is not only a psychological resource but also a structural advantage in hybrid work models.

Financial confidence refers to employees' belief in their ability to manage budgets, savings, and investments effectively. Corral (2024) discovered that autonomy in hybrid work correlates with financial well-being among BPO employees in Makati, including improved financial control and goal attainment. Cabrita et al. (2025) observed that employees embraced hybrid work partly because of substantial monthly savings on transportation, meals, and professional attire, which they redirected toward household needs and investments. Beno (2021) adds that autonomy reduces commuting and incidental costs, freeing up disposable income and reinforcing financial control. These studies suggest that autonomy in hybrid work translates into tangible financial empowerment, as employees gain both the resources and the confidence to manage their financial lives more effectively.

Behavioral finance provides a lens to understand how autonomy influences financial decision-making. Koley (2025) examined behavioral biases in investment decisions, noting that autonomy reduces reliance on heuristics and fosters rational planning. Kahneman and Tversky's (2013) prospect theory supports this, suggesting that consistent autonomy reduces cognitive load, enabling employees to make deliberate financial choices. Autonomy thus enhances self-efficacy, a critical factor in financial confidence. Guo et al. (2023) found that employees with higher job autonomy exhibited stronger self-efficacy and greater control. Straus et al. (2023) demonstrated that autonomy in remote work promotes self-efficacy, reducing stress and improving decision-making. The evidence suggests that autonomy in hybrid work functions both as a structural condition and as a psychological factor that enhances financial confidence.

Hybrid work studies confirm the link between autonomy and financial empowerment. Vartiainen and Vanharanta (2024) argue that hybridity is not merely about location but about systemic flexibility that empowers employees. Inspira Journals (2025) highlight that autonomy in hybrid cultures improves engagement and work-life balance. Corral (2024) found that hybrid employees in Metro Manila reported higher motivation and satisfaction compared to onsite workers, partly due to autonomy. Weideman and Hofmeyr (2020) found that flexible work arrangements were positively related to engagement and well-being. Engagement and subjective well-being are strong predictors of proactive financial behaviors, such as budgeting, via greater self-efficacy and agency. These studies collectively reinforce the hypothesis that autonomy in hybrid work environments enhances employees' confidence in financial decision-making.

Autonomy enhances confidence through psychological mechanisms. Spreitzer's (2008) empowerment research shows that autonomy increases motivation and reduces burnout. Reduced stress and increased perceived control translate into greater cognitive bandwidth for financial planning. Employees with autonomy are more likely to track expenses, plan savings, and engage in investment activities. Bryan and Sevilla (2017) found that flexible work reduces stress-related spending and improves household budgeting. Wei et al. (2025) adds that autonomy reduces cognitive overload, indirectly boosting capacity for thoughtful financial planning. These psychological mechanisms demonstrate that autonomy is not only about freedom of choice but also about enabling employees to allocate cognitive and emotional resources toward financial empowerment.

In the Philippines, hybrid work is supported by Reyes (2024), which notes that flexible arrangements have become the "new normal." Local studies emphasize that autonomy aligns with collectivist values such as *bayanihan* and *kapwa*. Employees use financial confidence gained from autonomy to support family obligations and community initiatives. Corral (2024) confirm that autonomy in hybrid setups improves both financial well-being and job satisfaction among Filipino employees. Kapwahan (n.d.) observed that hybrid workers were more likely to contribute to family savings plans and community fundraising efforts, linking autonomy to culturally grounded financial confidence. This cultural dimension highlights that financial empowerment in the Philippine context is not solely individual but also communal, reinforcing the importance of hybrid work as a socially responsive model.

Organizations benefit indirectly from employees' financial confidence. Empowered workers report higher engagement, retention, and productivity. Empowering leadership in hybrid work, as studied in South Korea, positively influenced adaptive performance and agility. Bukhari and Kamal (2017) argue that organizational support for autonomy fosters employee empowerment, which spills over into financial confidence. By fostering autonomy, companies indirectly enhance employees' financial confidence, which contributes to organizational stability and resilience. These findings suggest that autonomy is not only beneficial for employees but also strategically advantageous for organizations.

Despite positive outcomes, challenges exist. Excessive autonomy may lead to role ambiguity or overwork, reducing financial discipline (Petitta & Ghezzi, 2025). Increased home utility costs may offset savings, though commuting reductions typically outweigh them (Frost, 2022). Krajčík et al. (2023) warns that some workers face higher workloads under flexible arrangements, which may offset financial benefits. Dettmers (2020) noted that poorly designed autonomy can cause stress instead of empowerment. Mishra et al. (2024) emphasized that financial literacy is crucial for converting autonomy into sound financial decisions. These challenges highlight that autonomy must be carefully designed and supported to maximize its benefits.

In conclusion, the literature strongly supports the hypothesis that increased autonomy in hybrid work environments enhances employees' confidence in financial decision-making. Autonomy fosters psychological empowerment, reduces stress, and strengthens self-efficacy, which translates into greater financial control. Evidence from global and Philippine studies demonstrates that autonomy in hybrid setups not only improves job satisfaction but also empowers employees to manage budgets, savings, and investments confidently. For organizations, autonomy represents a strategic tool for fostering financial resilience and employee empowerment. The interaction of psychological, cultural, and organizational dimensions underscores that autonomy in hybrid work is not merely a workplace adjustment but a transformative model for financial empowerment.

Table 3
Autonomy and Financial Empowerment

Dimension	Effect of Autonomy in Hybrid Work	Financial Outcome
Psychological	Increased self-efficacy, reduced stress, greater cognitive bandwidth	Confidence in budgeting and investment
Behavioral	Reduced reliance on heuristics, rational planning, habit formation	Long-term savings and financial discipline
Cultural (Philippines)	Alignment with *bayanihan* and *kapwa*, family and community support	Collective financial empowerment
Organizational	Higher engagement, retention, and productivity	Stability, resilience, and financial wellness

Hybrid Work Setups and Enhanced Perceived Financial Control

The emergence of hybrid work arrangements has transformed the global workforce, reshaping how employees manage both professional responsibilities and personal finances. Hybrid work, defined as a flexible model that combines remote and onsite tasks, has become a dominant organizational strategy in the post-pandemic era. One of the most compelling outcomes of hybrid work is its impact on employees' perceived financial control. Financial control refers to the ability to manage budgets, savings, and investments effectively, and to feel confident in financial decision-making. This literature review synthesizes global and Philippine studies, organizational psychology perspectives, and behavioral finance insights to explore how hybrid setups improve perceived financial control compared to full onsite roles.

Employees in full onsite roles often face significant financial burdens. Commuting costs, daily meals, professional attire, and incidental expenses erode disposable income and limit opportunities for savings. The TomTom Traffic Index reports that Metro Manila employees lose nearly 98 hours annually in traffic congestion, translating into both time and financial costs. Traditional commuting also imposes indirect costs, including stress, health deterioration, and reduced productivity (Beno, 2021). These recurring expenses reduce employees' ability to exercise financial control, as much of their income is consumed by unavoidable work-related costs. Moreover, rigid schedules limit opportunities for financial planning, side income, or household management, reinforcing financial strain.

Hybrid work arrangements alleviate these burdens by reducing commuting frequency and associated spending. Employees working remotely part of the week save on transportation fares, fuel, parking fees, and daily meals. Reyes (2024) reported that hybrid employees experience tangible financial relief, as fewer onsite days mean lower daily expenditures. Analytics (2020) similarly found that employees working remotely save between $2,000 and $6,000 annually, primarily from reduced commuting and meal costs. Cisco's (2022) survey revealed that 90% of Filipino employees in hybrid setups reported saving money, with average weekly savings of ₱6,300, amounting to ₱327,600 annually. These savings were attributed to reduced commuting and meal expenses, highlighting the direct financial benefits of hybrid work. Employees also reported improved work-life balance and happiness, suggesting that financial relief contributes to overall well-being and perceived financial control.

Budgeting involves allocating resources to meet expenses, savings, and investments. Hybrid work enhances this process by stabilizing income and reducing unpredictable costs. Employees gain greater control over discretionary spending, as fewer onsite days reduce impulse purchases such as meals, coffee, and convenience items. Hayman (2010) found that flexible schedules, particularly flexitime, improved work-life balance and reduced role overload, indirectly supporting financial planning. By lowering stress and providing more time for reflection, hybrid setups encourage employees to engage in rational budgeting and long-term financial goal setting.

Behavioral finance provides a lens to understand how hybrid work influences financial control. Kahneman and Tversky's (2013) prospect theory suggests that individuals are more likely to save when they perceive consistent reductions in expenses. Hybrid work provides this consistency, enabling employees to redirect funds toward savings and investments. Koley (2025) examined behavioral biases in investment decisions, noting that autonomy in hybrid setups reduces reliance on heuristics and fosters rational planning. Autonomy thus enhances self-efficacy, a critical factor in financial confidence and control.

Comparative studies reinforce the hypothesis that hybrid employees report higher financial control than onsite workers. Corral (2024) found that hybrid employees in Metro Manila reported higher motivation and satisfaction compared to onsite workers, partly due to autonomy. Inspira Journals (2025) highlight that autonomy in hybrid cultures improves engagement and work-life balance, indirectly supporting financial confidence. Weideman and Hofmeyr (2020) found that flexible work arrangements were positively related to engagement and well-being. Engagement and subjective well-being are strong predictors of proactive financial behaviors, such as budgeting, via greater self-efficacy and agency.

In conclusion, the literature strongly supports the hypothesis that employees working in hybrid setups report higher levels of financial control compared to those in full onsite roles. Hybrid work reduces commuting and incidental costs, fosters autonomy, and enhances self-efficacy, which translates into greater financial confidence. Evidence from global and Philippine studies demonstrates that hybrid setups not only improve job satisfaction but also empower employees to manage budgets, savings, and investments confidently. For organizations, hybrid work represents a strategic tool for fostering financial resilience and employee empowerment.

Table 4
Comparative Evidence between Full Onsite Roles and Hybrid Work Setups

Aspect	Full Onsite Roles	Hybrid Work Setups
Commuting Costs	High, recurring (fuel, fares, parking, tolls)	Significantly reduced
Meal & Attire Expenses	Frequent daily spending	Lower, home-prepared meals, casual attire
Indirect Costs	Stress, health deterioration, productivity loss	Reduced stress, improved well-being
Savings Potential	Limited, irregular	Consistent, cumulative (₱6,300 weekly in PH; $2,000–$6,000 annually globally)
Budgeting Behavior	Reactive, survival budgeting	Proactive, investment and savings planning
Cultural Allocation (PH)	Family obligations strained	Savings redirected to family/community support
Organizational Impact	Higher overhead, turnover	Lower overhead, improved retention
Psychological Mechanisms	Limited autonomy, higher stress	Greater autonomy, self-efficacy, financial confidence

Extended Hybrid Work Duration and Greater Perceived Financial Freedom

Hybrid work has become a defining feature of the post-pandemic workplace, blending remote and onsite tasks to provide flexibility, autonomy, and cost savings. While much of the literature has focused on productivity, engagement, and work-life balance, scholars are increasingly examining the financial implications of hybrid work. One emerging hypothesis is that longer duration in hybrid work arrangements is positively associated with higher perceived financial freedom. Financial freedom refers to the ability to manage expenses, save consistently, invest confidently, and feel secure in one's financial future. This review synthesizes global and Philippine studies, organizational psychology perspectives, and behavioral finance insights to explore how extended exposure to hybrid work fosters financial empowerment.

Employees in full onsite roles often face recurring financial burdens. Commuting costs, daily meals, professional attire, and incidental expenses erode disposable income and limit opportunities for savings. The TomTom Traffic Index reports that Metro Manila employees lose nearly 98 hours annually in traffic congestion, translating into both time and financial costs. Traditional commuting also imposes indirect costs, including stress, health deterioration, and reduced productivity (Beno, 2021). These recurring expenses reduce employees' ability to exercise financial freedom, as much of their income is consumed by unavoidable work-related costs. Moreover, rigid schedules limit opportunities for financial planning, side income, or household management, reinforcing financial strain.

Hybrid work arrangements alleviate these burdens by reducing commuting frequency and associated spending. Employees working remotely part of the week save on transportation fares, fuel, parking fees, and daily meals. Reyes (2024) reported that hybrid employees experience tangible financial relief, as fewer onsite days mean lower daily expenditures. G Analytics (2020) similarly found that employees working remotely save between $2,000 and $6,000 annually, primarily from reduced commuting and meal costs. Cisco's (2022) survey revealed that 90% of Filipino employees in hybrid setups reported saving money, with average weekly savings of ₱6,300, amounting to ₱327,600 annually. These savings were attributed to reduced commuting and meal expenses, highlighting the direct financial benefits of hybrid work. Employees also reported improved work-life balance and happiness, suggesting that financial relief contributes to overall well-being and perceived financial freedom.

While immediate savings are evident, the duration of hybrid work exposure plays a critical role in shaping long-term financial freedom. Short-term hybrid arrangements may provide temporary relief, but sustained exposure fosters habit formation, budgeting discipline, and investment confidence. The University of the Philippines School of Labor and Industrial Relations (2025) found that employees with over 18 months of hybrid work scored highest on financial wellness indices, including savings consistency and emergency preparedness. This suggests that extended hybrid work not only reduces costs but also encourages proactive financial behavior, reinforcing long-term empowerment.

Behavioral finance provides a lens to understand how extended hybrid work influences financial freedom. Kahneman and Tversky's (2013) prospect theory suggests that individuals are more likely to save when they perceive consistent reductions in expenses. Longer hybrid exposure provides this consistency, enabling employees to redirect funds toward savings and investments. Koley (2025) examined behavioral biases in investment decisions, noting that autonomy in hybrid setups reduces reliance on heuristics and fosters rational planning. Over time, employees develop financial routines that enhance confidence and control. This cumulative effect explains why longer hybrid duration is positively associated with perceived financial freedom.

Comparative studies reinforce the hypothesis that hybrid employees report higher financial freedom than onsite workers, especially over longer durations.

Corral (2024) found that hybrid employees in Metro Manila reported higher motivation and satisfaction compared to onsite workers, partly due to autonomy and financial relief. Inspira Journals (2025) highlight that autonomy in hybrid cultures improves engagement and work-life balance, indirectly supporting financial confidence. Weideman and Hofmeyr (2020) found that flexible work arrangements were positively related to engagement and well-being. Engagement and subjective well-being are strong predictors of proactive financial behaviors, such as budgeting and investing, via greater self-efficacy and agency. Over time, these behaviors accumulate into financial empowerment.

In conclusion, the literature strongly supports the hypothesis that longer duration in hybrid work arrangements is positively associated with higher perceived financial freedom. Extended hybrid exposure reduces commuting and incidental costs, fosters autonomy, and enhances self-efficacy, which translates into greater financial confidence. Evidence from global and Philippine studies demonstrates that sustained hybrid setups not only improve job satisfaction but also empower employees to manage budgets, savings, and investments confidently. For organizations, hybrid work represents a strategic tool for fostering long-term financial resilience and employee empowerment.

Table 5

Duration and Financial Freedom

Aspect	Short-Term Hybrid Exposure	Long-Term Hybrid Exposure
Commuting Costs	Reduced temporarily	Sustained, cumulative savings
Meal & Attire Expenses	Lower for a few months	Permanent lifestyle shift, consistent savings
Financial Behavior	Reactive budgeting	Proactive saving, investment, retirement planning
Psychological Benefits	Initial stress relief	Habit formation, stronger self-efficacy, confidence
Cultural Allocation (PH)	Occasional family support	Consistent contributions to family/ community funds
Organizational Impact	Short-term morale boost	Long-term retention, resilience, financial wellness

CONCLUSION

Hybrid and flexible work arrangements reshape both the economic and psychological dimensions of employment, empowering workers toward greater financial well-being. The literature identifies five mechanisms—cost reduction, budgeting discipline, autonomy, perceived control, and duration—that interact to produce cumulative empowerment. Hybrid work is not merely logistical but a transformative model for financial resilience, integrating economic relief with psychological empowerment.

Reduced commuting costs provide the most immediate benefit, with studies showing substantial annual savings that employees redirect toward household needs, debt reduction, and investments. Flexibility further enables budgeting discipline by reducing stress and unpredictable expenses, fostering rational financial planning and long-term strategies. Autonomy strengthens self-efficacy and confidence in financial decision-making, aligning with Filipino collectivist values such as *bayanihan* and *kapwa*, which extend empowerment beyond individuals to families and communities. Flexibility and autonomy act as structural enablers of disciplined financial behavior and communal support.

Comparative evidence shows hybrid employees enjoy greater perceived financial control than onsite workers, while longer exposure consolidates these benefits into sustained financial freedom through habit formation. Over time, hybrid work evolves from short-term relief into a long-term enabler of savings, investment, and budgeting routines. Integrative themes highlight economic relief as the foundation, psychological empowerment as the mediator, and cultural context as the moderator, with organizational spillovers in retention and productivity. Sustained hybrid exposure creates a progressive model of empowerment, producing both individual financial freedom and organizational resilience.

AI Policy

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