

Work from Home and Human Capital Investment
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Abstract

This paper analyzes the impact of work from home (WFH) on human capital investment such as on the job training (OJT), off the job training (Off-JT), self-learning, and various kind of learning using Japanese panel data. To account for endogeneity of WFH, we use combination of macro shocks about COVID-19 as exogenous variation and introduction of WFH system in workers' firm as instrumental variables. The results show that WFH increases self-learning and online learning and decreases face-to-face learning. This effect is larger for workers having children. It is also found that WFH increases OJT and Off-JT although not statistically significant.

JEL Classification Numbers: J10, J22, J24 and J81

Keywords: Work from Home (WFH), Human capital investment, On the job Training (OJT), Off-the Job Training (Off-JT), Self-learning, Instrumental variable (IV), Difference-in-Difference (DID)