THE BUSINESS JOURNALS | Select a City ⌄ | Member Account ⌄

THE BUSINESS JOURNALS | THE PLAYBOOK | What business owners need to know to grow and protect their businesses ›

GIFT A PREMIUM MEMBERSHIP | Learn More

☰ | Latest News | Lists | Commercial Real Estate | Banking | Technology | Health Care | Residential Real Estate | American Inno | | Events

‹ THE PLAYBOOK

Career & Workplace

Employers are ramping up employee tracking — but it may have unintended consequences.

✉ Email | f Share | in Share | 🐦 Tweet | ⧉ Share Article | 🖶 Print | ⧉ Order Reprints

20 CITIES PAYING PEOPLE TO MOVE THERE

VIEW SLIDESHOW 21 photos

| MORGANTOWN, WEST VIRGINIA $20,000 CASH, OUTDOOR GEAR RENTALS, COWORKING SPACE | BLOOMFIELD, IOWA $10,000 TAX CREDIT | HENRY COUNTY, INDIANA $11,000 DOWN PAYMENT, TOWARD MORTGAGE, RENT REIMBURSEMENT | STILLWATER, OKLAHOMA $9,000 CLOSING/DOWN PAYMENTS, CONCERT TICKETS, FREE COFFEE | MUNCIE, INDIANA $6,000 RELOCATION INCENTIVE, ALL STATE, UNIVERSITY JOB | ROCHESTER, NEW YORK $19,000 RELOCATION INCENTIVES, HOMEBUYER INCENTIVES |

By Andy Medici – Senior Reporter, The Playbook,
Oct 24, 2022

▶ Listen to this article   5 min   🔊

As "productivity paranoia" creeps in for remote workers, many companies are ramping up their use of employee tracking software, but experts warn the move could have unintended consequences.

The new 2022 State of Remote Work Report, from videoconferencing company Owl Labs and Global Workplace Analytics, found 37% of employers had added or increased the use of employee tracking software since the pandemic began.

And a recent study by Top10VPN found global demand for employee monitoring software is 58% higher since the pandemic started.

That has led to the growing use of nicknames such as "boss ware" or "tattle ware," and experts say companies looking to utilize the tools need to strike a delicate balance — especially in a climate where turnover remains elevated, competitors are still poaching talent and employees have considerable leverage.

Pros and cons of employee tracking software

Joe Mull, host of the Boss Better Now podcast and author of the upcoming "Employalty: How to Ignite Commitment and Keep Top Talent in a New Age of Work," said the overwhelming majority of people at work are trustworthy.

"I understand why so many organizations reach for this kind of software. They are there, many leaders say, to blunt the temptation of loafing or to catch those who would cheat or steal," Mull said. "The problem is that we then impose these systems on a workforce largely composed of ethical people. It sends a powerful message from management to employees over and over again: "We don't trust you." This is particularly damaging because trust is an essential ingredient to activating commitment at work and creating a workplace where people stay long term."

Instead, employers should define what they want employee goals to be and how they should be measured. Let employees execute their work and get out of their way, Mull said. Create systems where they report regularly and communicate regularly and include key meetings and deadlines.

He said social science suggests that when employers see their employees as inherently trustworthy it creates an environment that cultivates commitment.

"In most cases, the reductions to morale, engagement, and retention triggered by the implementation of such software far outweigh any productivity gains such software produces," Mull said.

Engage PEO Chief Operating Officer Steve Scott said tracking software can do more than just improve productivity, it can also uncover security threats, theft and safety issues within the organization and thus save the company money. Understanding how employees work can help companies solve bottlenecks and increase accuracy.

Scott stressed that while federal law allows employers to monitor employee communication for legitimate business reasons, state laws differ, and employers will need to make sure they don't run afoul of local laws.

"Policies must be documented, clearly defined, fairly implemented, and then acknowledged by employees," Scott said. "Transparency and communication about the goals of monitoring can go a long way toward reducing employee concerns."

The rapid rise of remote work has more employers looking at their tracking options, according to Tom Miller, CEO of ClearForce, a firm specializing in risk management by continually evaluating behavioral risk. But the only way it can be done without eroding worker trust is through consent, instead of covertly surveilling employees.

"Companies using employee monitoring software can gain workers' trust by being transparent in the hiring process and making it clear that they have the option to opt-in. It's also important to communicate with employees on why monitoring software may be necessary as many companies use it to protect against people-based risks," Miller said.

How to keep remote workers productive without eroding trust

Ultimately there are far better ways to ensure employees are productive than implementing extreme monitoring software, according to Noelle Federico, CEO of workforce development firm Delta Hire. Surveilling employees might also lead to unintended consequences that could hurt hiring and recruitment.

"Employers should want to trust their workforce. Not doing so breeds contempt and you'll lose the authenticity and creativity of your employees. If they know their keystrokes are logged, they're less likely to try something new or think outside the box for fear of judgement or being wrong," Federico said in an email. "Extreme monitoring also presents a host of issues from PR concerns to decreased productivity, increased difficulty recruiting due to poor Glassdoor and Indeed reviews, and potential privacy concerns or even lawsuits related to HIPAA and other infringed privacy laws."

As we recently reported, Microsoft Corp. (Nasdaq: MFST) surveyed 20,000 people in 11 countries and analyzed trillions of Microsoft 365 productivity signals, along with LinkedIn labor trends and Glint People Science findings, to come to one big conclusion: Managers need to ditch "productivity paranoia" in the hybrid era.

That paranoia is exacerbated by worsening economic conditions even as employees are more productive than ever, according to Microsoft's metrics.

Microsoft found the number of meetings per week has increased 153% since the start of the pandemic, while more employees are double-booked and actively sending emails to other colleagues during meetings — a sign of a time crunch that shows employees are juggling a lot of tasks.

Despite those metrics, 85% of leaders surveyed said the shift to remote and hybrid work has made it challenging to have confidence that their employees are being productive.

IN THIS ARTICLE
Professional Services
Industry
Playbook
Topic