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Employee monitoring: a guide to best practices

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Introduction



Employee monitoring is nothing new. For decades it has been used in some shape or form – from rudimentary ‘clocking on and off’ systems in warehouses and factories to the high-tech keystroke monitoring technology of the 21st century.

Employee monitoring can help ensure productivity and accountability among employees, as managers can track their work progress and identify areas where improvement is needed. Monitoring can also enhance data security by detecting and preventing unauthorised access or data breaches. Additionally, it enables you to adhere to regulatory and compliance requirements, reducing legal risks.

The key thing to remember is that workplace surveillance is perfectly acceptable, as long as you can legally justify your reasons. A report shows that despite normality returning to working life post pandemic, demand for [employee surveillance software is 49% above 2019 levels](#).

This eBook will address the considerations for implementing employee monitoring and the different types that can be used. Every employer who wants to safeguard their business is within their rights to use employee surveillance – but it

is also within the rights of their employees to question it and decide to work elsewhere if they are not happy with the conditions. The feeling of being watched can worry people, make them feel they’re not to be trusted, and fuel performance paranoia.

However, society is increasingly monitored, whether we like it or not. Social media has made the idea more palatable too, with people eagerly sharing details of their lives on public platforms, while smart household appliances such as doorbells, TVs and speakers are also keeping tabs on and sharing data about their owners.

Ultimately, employee monitoring can lead to more efficient operations and better overall performance, contributing to the success of the organisation. But, where should you draw the line as a leader? And if monitoring is an unfamiliar concept in your organisation, could its sudden introduction rattle your workforce?

What is **employee monitoring**?

Employee monitoring refers to the practice of systematically tracking and observing the activities, behaviour, and performance of employees within the workplace.

From an employer's perspective, it can be beneficial for several reasons. Firstly, it allows you to ensure that employees are using their work hours efficiently and effectively, which can lead to increased productivity. Secondly, it can help identify areas where additional training or support may be necessary, enabling employees to improve their skills and performance.

Thirdly, it assists in safeguarding company resources and data by detecting and preventing unauthorised access or potential security threats. And finally, compliance with legal and regulatory requirements is another advantage, reducing organisations' exposure to legal risks.



Types of employee monitoring


There are a variety of methods and tools you may want to consider when looking to monitor the activities of your workforce. These approaches can range from traditional to technologically advanced, each offering unique insights and advantages. Some common types of employee monitoring are highlighted below:




Video surveillance
Employers may install cameras in the workplace to monitor employees' activities and ensure security.



Phone monitoring
Some employers monitor employee phone calls for quality control or to ensure that company resources are not misused.




Computer monitoring
This involves tracking employees' computer usage, including websites visited, keystrokes, and application usage.



Internet usage tracking
Monitoring employees' internet browsing habits to ensure they are not engaging in non-work-related activities during working hours.



Email and communication monitoring
Employers may monitor emails, chat logs, and other electronic communication to ensure compliance with company policies.




Social media monitoring
Employees' social media profiles may be checked to protect the company's reputation or ensure compliance with company policies.




GPS tracking
For employees who use company vehicles, GPS tracking can be used to monitor their location and driving behaviour.



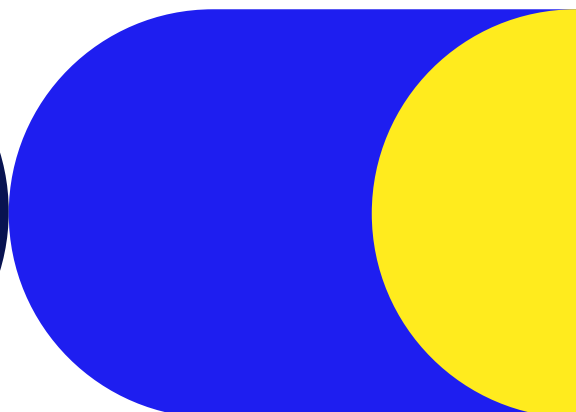
Data loss prevention (DLP)
DLP software can be used to prevent employees from sharing sensitive company data outside the organisation.



Time and attendance tracking
Systems like biometric scanners or card swipes can be used to track when employees arrive and leave work.



Biometric authentication
Some companies use biometric data like fingerprints or facial recognition for access control and attendance tracking.



Social media monitoring

Although monitoring existing employees is commonplace, as technology evolves along with social media, more hiring managers are monitoring potential employees at job application stage.

It's becoming routine practice for managers to vet potential hires in this way on a more casual basis in addition to conducting right to work checks and other official screening as part of the recruitment process. On top of this, a questionable digital footprint of a prospective employee can raise red flags to employers, but it's vital for them to seek advice, if unsure, about what constitutes a red flag. Keith Rosser, Director of Group Risk and Reed Screening at Reed, explains more:

"The world of work is changing – it's far more remote and flexible, and I think that's doing slightly strange things to the trust between employees and employers, which can sometimes lead to employers looking at quite covert ways to monitor employees, both the pre-employment vetting of them and monitoring whilst in work. It's important to have clear policies up front and for employees to understand what's going to happen, and I think it's really important that employers are overt rather than covert, and where possible be consent based.

"In pre-employment screening we've seen a real rise in social media checks for obvious reasons. People spend more of their life online than offline. In the old days, all the information was collected in a reference but nowadays so much is online. What happened with social media checks is that growth has happened before any real controls and guidance and best practice have been put in, hence we see lots of examples in the media of people who've lost jobs because of a social media comment they've made.

"At Reed, we've been working with the government and the [Better Hiring Institute](#) (BHI) to create



Keith Rosser, Director of Group Risk & Reed Screening – Reed

guidance on not just how to do media and social media checks, but also how to take into account the information that comes back on those checks – what sort of comments online are ok, how long ago is ok, and what types of behaviours are ok. My advice to employers is to work with the wider industry, with government and organisations like the BHI and Reed, who are helping to set the standards for these new types of checks."

"There are a few factors to consider with behaviours and comments online – one is how long ago was it, so was the person in effect a child at the time? Then it's looking at repeat behaviours: was it a one-off incident or a stream of commentary or concerning behaviours? And then it's looking at the actual issue itself. Is it offensive, in what context was the comment made, or is it behaviours that can be seen through images that people post about themselves that might be unwise when viewed by an employer? We spend a lot of time talking to young people and warning them to think carefully about what they share online, because it's a fairly constant, permanent record that could harm their work chances five or ten years hence.



Watch our video on pre-employment social media monitoring with Keith Rosser here.

Does your organisation need monitoring?

Trust is a delicate dance for the modern employer that wants to treat their employees with respect and understanding for their needs but also make sure their workers are adhering to company policies and performing well.

Studies by the [Institute for Public Policy Research](#) has shown that workers in non-unionised, low autonomy and low-skilled jobs are more likely to be watched at work, with those aged 16 to 29 most likely to be in such jobs.

What is fair and acceptable?

Low-key monitoring, such as that which shows an employee's online presence – from their keyboard activity in the last few minutes to an out of office status – is widely accepted by employees. It's an instant sign of who is contactable and speeds up communication when colleagues can see who is online. But employees should be made aware that their data, on today's sophisticated platforms, can be accessed at any time by the employer, from one-to-one chats to calls.

Apart from criminal investigations, when covert monitoring would be necessary to prove wrongdoing, surveillance isn't about laying hidden traps. Even if an employee's time-keeping or productivity are up for review, they should be informed ahead of time of any extra monitoring that may affect them.

Similarly, singling employees out at random in a spot-check fashion is not advised. If you wish to monitor certain employees at different times you must explain your reasons for doing so – transparency is vital and take care in how you communicate your intentions.

Gaining consent

If installing surveillance into your organisation, consider how you want to notify staff and gain their consent. Advising staff via a company-wide email followed up by an in-person/online staff meeting can make doubly sure the message has been received and gives people a chance to raise any concerns directly. An interactive email signature option, rather than paper, can store the data you need securely and provide further information about the surveillance – including focusing on the benefits for the employees.



Deciding whether or not to monitor employees at all is a complex matter that depends on various factors, including legal and ethical considerations. As a rule, either monitor everybody or no one to avoid discrimination claims.

Here are some steps to help guide your decision:

- 1 Legal compliance:** Ensure that you're compliant with the law regarding employee monitoring. Laws can vary significantly, so it's essential to consult with legal counsel to understand your obligations and rights.
- 2 Purpose:** Clearly define the purpose of monitoring. Is it for security, productivity, or compliance reasons? Having a legitimate reason for monitoring is crucial.
- 3 Transparency:** Be transparent with employees about the monitoring policy. Clearly communicate what will be monitored, how it will be done, and why. Obtain their consent when necessary.
- 4 Proportionality:** Ensure that the level of monitoring is proportionate to the objectives. Don't implement invasive monitoring methods if less intrusive methods can achieve the same goals.
- 5 Data privacy:** Protect employee privacy. Limit the collection and storage of personal data and have strict data retention policies in place. Ensure data security to prevent unauthorised access.
- 6 Alternatives:** Consider alternative methods to achieve your goals. Sometimes, improving communication, training, or setting clear expectations can address issues without resorting to monitoring.
- 7 Ethical considerations:** Consider the ethical implications of monitoring. Respect employees' dignity and privacy rights. Avoid creating a culture of mistrust.
- 8 Consistency:** Apply monitoring policies consistently to all employees to avoid perceptions of bias or discrimination.
- 9 Review and feedback:** Periodically review the effectiveness of monitoring and gather feedback from employees. Adjust policies as needed to balance concerns and objectives.
- 10 Consultation:** Involve HR, legal, and IT professionals in the decision-making process to ensure that your monitoring practices align with best practices and legal requirements.

Manager's action plan: monitoring individuals

Our scenario offers two possible decisions a manager might make to utilise employee surveillance in terms of employee productivity.

A small business has allowed employees to work in a hybrid style since 2020, with great success. The employer has seen no need to introduce employee monitoring as she believes she can trust her staff.

Recently, a usually dedicated and reliable employee appears to be struggling to complete their normal tasks in their remote working time. Their line manager grows concerned that targets are not being met. She decides to invite the employee for an in-person informal meeting to uncover any difficulties.

Outcome one: The meeting seems to clarify the difficulties. Solutions are found and trust in the employee is restored as their productivity returns to normal over the following weeks.

Reasoning: Additional monitoring in this case seems unnecessary. The member of staff had valid reasons for falling behind and the manager deems it unfair to cause them more stress through surveillance measures.

Outcome two: The manager listens to the employee's explanations and sets more regular check-ins to keep an eye on their work and progress. If there is no change over the following weeks, they may decide to escalate their concerns with HR, who can officially request performance reviews and for the employee to submit to a form of monitoring which might require them to attend the workplace more frequently.

Reasoning: The manager has decided to give the member of staff the benefit of the doubt for a set period, monitoring progress in a traditional way before potentially implementing surveillance. Advising the employee of progress expectations in writing will provide clarity as well as a record to refer to if escalation is necessary.

Considerations for introducing workplace monitoring



According to the [Information Commissioner's Office \(ICO\)](#), "You can monitor your staff as long as you can justify it and have a lawful basis" but "oversight should be reasonable and should depend on each situation".

Ultimately, the decision to monitor employees should balance the organisation's legitimate needs with the rights and privacy of its employees. It's crucial to strike a fair and ethical balance while staying within the bounds of the law – transparency in all employee communications is key. Don't just refer people to the cold, hard facts of the company policy. People have a right to know why they are being monitored, and it will be better received when verbally presented either by line managers or the head of the organisation.

Employers' approach to surveillance also needs to factor in the nature of the work, company culture,

policies, legal regulations, and the level of trust within the organisation. Balancing privacy concerns with the need to ensure productivity and security is essential.

With many employers calling their staff back into the workplace, monitoring software could be seen as unnecessary. Consider how important it is to the business and the implications for opting out – whether it would involve introducing new platforms or adjusting current ones, and the time, cost and challenges involved.

Implementing employee monitoring software

Why you choose to monitor your employees is as important as how you do it. Consider the points in our checklist before investing in surveillance technology and be sure you can honour your commitment legally and ethically.

Do you have a clearly defined purpose?

Articulate the reasons for implementing monitoring, such as improving productivity, ensuring security, or complying with regulations.

Are your surveillance policies transparent?

Inform employees about the monitoring policy and how the software will be used. Transparency helps build trust and reduce negative feelings. Take into account cultural differences that may influence how you monitor – e.g. an awareness of breaks for prayer times.

Is the surveillance legally compliant?

Ensure that monitoring practices comply with local and national laws regarding employee privacy and data protection.

Is your approach to surveillance fair?

Strike a balance between monitoring and respecting employees' privacy. Avoid excessive or intrusive monitoring that might create a hostile work environment.

Are you installing appropriate software?

Choose monitoring tools that align with your goals and requirements. Consider features like activity tracking, website blocking, and remote access controls.

Are your written policies comprehensive?

Develop a comprehensive monitoring policy that outlines the purpose, scope, methods, and consequences of monitoring. Share this policy with all employees.

Have you obtained employee consent?

Obtain employees' informed consent before implementing monitoring. This demonstrates respect for their privacy and helps prevent potential legal issues.

How secure is the data?

Ensure that the monitoring software is secure and that collected data is protected from unauthorised access.

What will you monitor?

Focus monitoring on work-related activities only. Avoid monitoring personal communications or non-work activities.

Are you prepared to review your surveillance practices?

Regularly review the monitoring practices and policies to ensure they are still aligned with the company's goals and legal requirements.



Monitoring: benefits and drawbacks



All manner of surveillance can be employed to monitor and measure and provide productivity insight into a business that never before existed in such detail. Adopting employee monitoring can be revolutionary – driving productivity and growth.

Customer service companies and teams have monitored employees' interactions with customers for years as a way of evaluating performance and for quality control. Other businesses are now able to benefit from similar technology, analysing working patterns and trends that can lead to greater efficiency and productivity. Surveillance can also deter security breaches and acts as a data bank should any incidents occur that require evidence.

Monitoring can also be used to protect the health, safety and wellbeing of your workforce.

Hayfa Mohdzaini, Senior Research Adviser at CIPD, explains: "Some mental health apps can analyse digital communication activities at work and predict employees who are at risk of burnout. By catching potential burnouts early, employers avoid costly sickness absences and encourage productive, sustainable working habits.

"To deal with the privacy concerns, what some employers have done is give their employees the choice to opt-in for their activities to be analysed by the app. Only employees can see their own mental health scores and personalised recommendations on the app. Employers only see aggregated scores by department, age and so on and cannot identify individuals."

Privacy concerns

Workplace monitoring must be used within the confines of the law. As an employer, you must ensure that you comply with data protection laws when collecting, storing, and using personal data obtained through

employee surveillance. [The UK government](#) website states: "Data protection law covers any monitoring that involves taking data, images or drug testing. If workers are unhappy about being monitored, they can check their staff handbook or contract to see if the employer is allowed to do this."

You must strike a balance between the need for monitoring and respecting employees' rights and wellbeing. Remember, technology is not failsafe, and accusing employees based on false data could be a costly mistake.

When monitoring is used for reasons such as health and safety issues or as a way of gaining more information about an area of the business, the ICO recommends informing affected staff about the monitoring, and why it's happening. Crucially, CCTV should not be used in staff areas such as toilets, staff room/break room and locker rooms.

The [ICO](#) also goes on to recommend employers consider alternatives to surveillance if there are worries about how it may be received across the business, and how detrimental it may be to the working culture and employee-employer relationship. This might involve additional training or more regular performance reviews.

In the longer term, consider the importance of your company's reputation and what kind of employer you want to be. In the age of social media and the global sharing of experiences, it's important to create a harmonious relationship through good communication, fairness, and transparency.

Manager's action plan: monitoring burnout

Our scenario offers two possible decisions a manager might make to utilise employee surveillance in terms of health and safety.

Part of your employee benefits package encourages staff to use a mental health app that monitors their anxiety levels at work. Over time it becomes clear that a number of employees who work in sales are struggling to reach targets which the app highlights as a cause of great anxiety, which could impact their health.

While stress often goes hand in hand with deadline-driven and financial roles, it's clear action needs to be taken to help these employees.

Invite each employee on the team, including those not using the app, for a confidential, in-person chat to try and uncover the issues – how are they finding the workload and targets, are there external pressures in their personal lives or other worries about work?



Outcome one: The meeting seems to clarify the challenges. You (and possibly HR) and the employee discuss how the issues might be resolved – which might mean flexible working, a period of reduced responsibility while the individual(s) recover/adjust in their situation, or regular, informal group and/or individual performance catch-ups. The employee feels relieved and grateful for reassurance and support. Gradually their confidence and productivity returns to normal. Data from the mental health app is continually reviewed by the employer to ensure a stable working environment.

Reasoning: Each employee has clearly outlined their issues, allowing the manager to come up with solutions for each team member. Similar feedback across the team may mean a blanket change in processes/targets is required but each employee must be treated as an individual, addressing their particular needs. Ongoing results from the mental health app, as well as productivity levels, will show the manager how effective the new strategy is.

Outcome two: The manager listens to each employee's explanations and sets more regular check-ins to keep an eye on their work and progress. The majority of the sales team state they are struggling with the targets which they find too demanding to meet. The manager reviews the strategy to come up with more achievable goals. This may be a short-term plan, with a view to building up to the original target with more guidance, support or a new approach, or may become permanent practice.

Reasoning: The manager decides a closer management style is needed for each employee, to pinpoint the challenges and the origins of the anxiety – which may be a workplace culture issue, low morale, or other team-related or external problem, besides target pressure.

Data from the mental health app is continually reviewed by the employer to ensure a stable working environment.

Potential impact of monitoring on the workforce

Surveillance within the workforce, if not implemented and managed correctly, can have significant negative consequences. One of the most pronounced is a decline in employee morale and trust.

When employees feel constantly scrutinised, it can lead to a sense of invasion of privacy, which erodes trust between the employer and the workforce. This can result in decreased job satisfaction, increased stress, and even a higher employee turnover rate as individuals seek a more comfortable work environment.

Also, monitoring done without clear communication and transparency can foster a culture of fear and anxiety among employees. When workers are uncertain about the extent and purpose of monitoring, it can create a hostile atmosphere where employees may become hesitant to express their opinions or innovative ideas, stifling creativity and collaboration. Such an environment is not conducive to a positive company culture.

Relying solely on surveillance data without considering the context and individual circumstances can result in incorrect judgments. This can lead to unjust disciplinary actions or wrongful terminations, which not only harm individual employees but can also damage the company's reputation and result in legal consequences.

Furthermore, if employee monitoring is perceived as excessive or unjust, it may lead to backlash or resistance, potentially manifesting as employee sabotage or counterproductive behaviours. In such cases, the very goal of improved productivity or security sought by surveillance efforts may be undermined.



Thought leader



Hayfa Mohdzaini,
Senior Research Adviser at CIPD

“Monitoring software that employees see as intrusive and unnecessary is more likely to erode mutual trust in the employment relationship. Employers need to show how using monitoring software can benefit employees, while respecting their privacy.

“Employers have a right to monitor employees at work and don’t always need explicit consent. But where employees do have real choice on how their personal data is used in certain situations, employers

should consider asking for their consent because it can improve engagement and encourage employees to trust them with more useful data.

“The government says that employers must tell their staff in writing what activities are being monitored, why it’s necessary, and outline boundaries of acceptable behaviour.”

Your duties as a responsible employer

Monitoring can offer numerous benefits to your organisation, enhancing productivity, security, and compliance.

It helps you ensure that work hours are used efficiently, identify areas for improvement, and protect sensitive data. However, it is crucial, if you are looking to adopt employee monitoring in your company, that you implement it responsibly and ethically. As responsible employers, you have a duty to strike a balance between monitoring and respecting employees’ privacy and wellbeing.

You should communicate clearly with your workforce about the purpose and extent of monitoring,

fostering a transparent and trusting environment. Feedback and support mechanisms should be in place to help employees improve their performance and feel valued.

Ultimately, responsible employee monitoring serves as a tool for achieving organisational goals while also prioritising the welfare of the workforce. When carried out with sensitivity and a commitment to ethical principles, it can be a valuable asset for both the organisation and its employees.

