



# O<sub>2</sub> business

The future of work: There's something wrong with "remote working"

## Want to improve productivity? Stop monitoring people's time.

Part 3 (3 minute read)

It's a fact.  
Not everyone works  
the same way.

It could be a hangover from the era of scientific management. Or a legacy mindset among managers. Or simply that it's often the easiest thing to monitor. Whatever the reason, time is still used in warehouses, stores and offices to determine whether people are being productive. Or not.

### We're consumed by time

Businesses have been obsessed with productivity since the 1st Industrial Revolution.

The adoption of Taylorism (scientific management). Fordism. The efficiency movement in general. It all happened around the turn of the Twentieth Century and came from a desire for optimum 'labour productivity'. Since then, analysis has diversified and we understand more about the multiple factors that influence productivity. Still, the simple labour productivity equation continues to inform how we look at the state of our businesses and economies:

$$\text{Labour productivity} = \frac{\text{output volume}}{\text{labour input use}}$$

In this context, what people produce (knowledge, products, widgets) is judged in relation to what they put in. And in most cases the simplest measurement is time.

But should employers still monitor and reward people based on the hours they put in?

## The recent shift in working away from workplaces has demonstrated that people can still be productive outside set hours.

People work better at different times of the day. Sometimes this is due to circumstances. A working mother or father may need to cut short their day due to childcare obligations. However, they're back working later on so they can complete key tasks. Others have relished the freedom to fit work around lifestyle choices, like morning online exercise classes. Some have recognised that Circadian and Ultradian rhythms have a big impact on how well they work and have adjusted their work hours accordingly.

Meanwhile, the increase in freelancers and contractors within the workforce is altering employer views of how work should be judged.

People have been predicting a move away from the 9-5 for some time. Younger people don't crave a 9-5 job – they want more flexibility to travel and enjoy life experiences. The question is whether we go back to 'office time' and everything that comes with it? In particular, managers measuring employee productivity with undue weighting given to 'hours in'. Without a fresh approach and the right systems to move forward, employers will still rely on paper trails and spreadsheets to review productivity.

The opposite response is to recognise that everyone works differently and that those differences can have a positive impact on the bottom line. By adopting this approach, we need a new way to judge productivity.



## How to adapt?

Changing how we approach 'labour input' requires a step-change in attitude from those responsible for people – business, operations and HR leaders. And this doesn't just mean adding new systems without really understanding how productivity should be measured. How quickly someone answers a Teams message or whether they're available on Instant Messenger is not a new way of measuring productivity. It's still about time. One significant change would be to analyse how they are contributing to solving a business problem.

However, top-down change like this is only effective if there is bottom-up adoption. Talking about new ways to monitor productivity contributions will open up the debate on whether this is justified. And because every industry, business and group of employees is different, there are still questions to answer:

- Will employees want more of a say about how they are judged at work?
- Will change drive productivity gains and help attract or retain staff?
- Will people think they're being spied on?



## Striking a balance

Perhaps the major issue with hours in as a way to monitor people's productivity was the fact that there was little individual freedom. Managers could see if you were at work – whether that was clocking in for a shift or logging in to your computer.

Could the future involve a tacit agreement between employees and employers to monitor contributions against a series of criteria? For example:

- **Mission** – not hours in but delivery against set milestones and deadlines
- **Activity** – not time spent but the completion of specific tasks crucial to productivity
- **Problem-solving** – not how long people think about solutions but whether they actually come up with them

These could be supported by other employee-related measures used to identify the health of the business. Things like absences, job retention and skills distribution. Especially when employee satisfaction has such a crucial role to play in boosting productivity. Measuring satisfaction and responding to the impact of new ways of working can demonstrate how metrics can be used for positive change.

Accurate data and objective analysis could be vital if people are to accept new forms of monitoring at work. Technology can help here. For example, AI-based management tools. These are already widely used to support the successful completion of projects. They don't have the biases of individual managers. And they provide a neutral analysis of inputs and outputs.

Removing subjectivity from productivity assessments would be one way to encourage adoption. If people know they are not being judged then they may be more inclined to follow the directives of a goal-oriented machine. Anonymising the data could ensure that any human involvement in the decision-making process would be less subjective too.

Combining new criteria for monitoring people with unbiased technologies is one way to build trust in our future roles – whether these are on-site or virtual. If such metrics are visible to employees, they will have a clearer picture of their contribution and value to the organisation.

With less focus on hours in, people could enjoy more flexibility during their day and more trust from their employers.

For employers, the same approach offers results-driven work. More commitment from employees. And the potential for a more harmonious organisational culture.



## There's much to consider

- How can we ensure that a new model of output-based productivity is better for everyone in the business?
- What will we need to monitor specific activities in the future – a single tool or many?
- What could we put in place to minimise any of the cultural tensions that might arise from digital monitoring?

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