

#### **PRODOSCORE EBOOK**

# Hidden Benefits of Productivity Monitoring



# Why Businesses Need Productivity Monitoring

Each year, businesses spend exorbitant amounts of time and resources to make workers as efficient and productive as possible. Despite this effort, overall employee productivity has been declining since 2019. In fact, the current ratio of engaged to disengaged employees is 1.8-to-1. That's down from 2.1-to-1 in 2021 and 2.6-to-1 in 2020. This is not a promising trend for employers as disengaged employees means unproductive employees.

Employers also face negative headwinds from the rise of remote and hybrid working arrangements. Since the pandemic, more employees want the flexibility to work when and where they want. Remote workers are also far more likely to find their job fulfilling. A staggering 62% of employees say they prefer some mix of in person and remote work. This presents a distinct challenge for employers. On the one hand, employers need to

offer competitive benefits and create a compelling culture to find, hire, and retain the best talent. On the other, allowing employees to work from home makes it difficult to gauge how they spend their time.

Declining productivity and the demand for flexibility create a perfect storm for employers. The big question is, how do companies give employees the flexibility they want while remaining confident that they are on-task and delivering? The answer is visibility. Specifically, visibility through productivity monitoring tools. These tools give employers the ability to make sure their employees are engaged but not overwhelmed. While there are obvious advantages to productivity monitoring (and some not-so-obvious advantages), employers often shy away from implementing these technologies. Fears of invasive monitoring, creating a culture of distrust. and increased turnover deter many companies from considering the benefits.





### The (Sometimes) Unfounded Fears of Productivity Monitoring

There is a right way and a wrong way to do everything. Productivity monitoring is no different. When done poorly, productivity monitoring can decrease trust between employees and management, reduce morale, and <u>even decrease productivity</u>. And for good reason. Some productivity monitoring tools are downright invasive. Logging keystrokes, timing how long employees are away from their computers, and watching employees through cameras are the wrong ways to track productivity. Not only are they not effective, <u>they are not really about productivity</u>. Rather they are about control and surveillance.

Employee surveillance produces junk data. True productivity monitoring is about managing teams more effectively. That's why platforms like <u>Prodoscore</u> that focus on productivity metrics that matter are the best way to implement productivity monitoring. By collecting critical data, our platform helps employers create an environment of accountability and leads to better management decisions. When done right, productivity monitoring is a powerful tool that strengthens the entire company.



## The Obvious Benefits of Productivity Monitoring



The first and most obvious benefit of productivity monitoring is increased productivity. Understanding how employees spend their time enables employers to make better business decisions about task loads, responsibilities, project management, project length, and more. According to a Massachusetts Institute of Technology (MIT) study, when employees knew they were being monitored, profits increased by 7%. Workers were more efficient and conscious of their actions and work because they knew their productivity was being tracked.



Employee monitoring software can also save companies money. In a 2022 report, Gallup found that actively disengaged employees cost the world \$7.8 trillion in lost productivity. Further research found that employees waste 4.5 work hours a week, wasting 20% of every dollar that companies make. Overall, companies lose \$1,685 per employee each year due to unproductive workers. Implementing the right productivity monitoring software can help employers tighten up their teams and recoup some of these wasted dollars.



Productivity monitoring also helps <u>identify employees</u> <u>violating company policy</u>. This can be especially important for businesses that require strict compliance with local, state, or federal regulations. In extreme cases, monitoring can help reduce employee theft or other potentially illegal activities.



### Hidden Benefits of Productivity Monitoring

When properly implemented, employee productivity monitoring is a powerful tool. Beyond the obvious, however, productivity monitoring can provide some unexpected benefits.





# O1Benefit: Identifying OverworkedEmployees Before They Burnout

Even without productivity monitoring, spotting underperforming employees can be relatively easy. However, it can be less evident which employees are at risk of burnout. And most companies have more than a few at-risk employees. Within the last year, <u>89% of workers</u> have experienced burnout.

In general, the <u>culture of</u> <u>workaholism is dying out</u> as Millennials and Gen Z start to dominate the workforce. These generations are far more concerned with worklife balance than the Baby Boomers. This shift also means that the younger generations are more likely to leave if they feel overworked. Businesses unwilling to get comfortable with this shift will find it harder to attract and retain staff as workers seek jobs that offer reduced hours and focus more on work done rather than time served.

Overworked employees can also be as much, if not more, of a drag on productivity as underperforming employees. Burnout kills productivity, diminishes creativity, and, perhaps most concerning, can lead to high turnover. Employees quitting because of burnout can cause significant problems. If an underperforming employee leaves, it might be considered a positive. Overworked employees, however, are typically top performers, and losing a top performer to burnout can seriously set a company back. Moreover, managers will have to find a way to distribute the workload among the rest of their team, potentially putting more people at risk for burnout.

Implementing productivity monitoring tools lets employers see who is at risk of burnout before it's too late. Once identified, managers can take steps to prevent employees from being overworked.



### 02 Benefit: Finding and Developing The Best Employees

When the right data is collected, managers gain a holistic view of their workforce. It can help them understand people's strengths, weaknesses, and areas where more training might be beneficial. Overall, productivity monitoring helps employers understand and develop their employees.

Managers will also be able to see what employees do well, helping them play to employees' strengths and give them recognition for their work. Recognizing employees for the work they get right is an essential step in the acceptance of productivity monitoring software. If employers can show employees that the platform is used to praise them when they do well and not just point out their weaknesses, they are far more likely to accept the tool as a force for good.

Understanding how your most productive employees spend their time can also help replicate successful work cadences. For instance, a sales executive can see how their best sellers arrange their day. Understanding the calls, LinkedIn touches, emails, and other sales activities of their best employees highlights successful sales processes that leadership can then replicate across their team.





03

### Benefit: Cleaning Up Tech Stacks

Ever since the pandemic, tech stacks have become cumbersome and unwieldy. The platforms in a company's tech stack also represent a significant investment. Monitoring what cloud-based business tools employees use can help <u>optimize technology</u> <u>licenses</u>. Understanding what tools are used can also help companies cut back on their tech investments, drive adoption to critical platforms, and identify gaps in training.

Bloated tech stacks also cause <u>data silos</u>. Data silos arise when information accumulates within a single department or application where it's only accessible to a limited number of people. This kind of isolated task management hinders crossdepartmental collaboration and communication. <u>82%</u> of enterprises are inhibited by data silos, according to research from analysts at Forrester Consulting. These silos can decrease efficiency and hide potential opportunities. Monitoring how employees use their technology can help break down these data barriers, streamlining operations and creating new opportunities.





04

### Benefit: Reducing Micromanagement

If employers don't understand how employees work, it can be difficult to understand how to manage them. The situation gets worse if employees are working remotely. Without visibility into their day-to-day activities, it is easy to start micromanaging to ensure the work is getting done. And no one likes to be micromanaged.

At its worst, micromanaging is a form of bullying. Controlling leaders can quickly become abusive leaders, making their employees feel stressed, anxious, and depressed. Stressed employees are more prone to burnout, absenteeism, and dips in performance. If their concerns aren't addressed, these employees will simply leave.

The detrimental <u>effects</u> of micromanagement can cascade through an entire organization, poisoning company culture and leading to unresolved conflict. With productivity monitoring, managers can let employees do their work and only step in when there's a problem.



## Transform Your Company with Productivity Monitoring

How we work has drastically changed since 2019. As employees demand flexibility to work when and where they want and employers embrace remote and hybrid work, employers must find ways to hold their teams accountable. Employee productivity monitoring is the best way to do that.

It gives leaders visibility into how employees spend their time and lets managers hold them accountable. Done right, monitoring employee activity does more than create a culture of accountability. Most obviously, it increases productivity. It also keeps employees engaged and can help identify when they need support.

There are also unexpected benefits to productivity monitoring. It helps identify burnout, develop highperformers, streamline tech stacks, and reduce the need for micromanagement. Employee productivity monitoring software like Prodoscore helps companies leverage data to make better business decisions. With visibility into the day-to-day activity of employees, companies gain actionable insights that take the guesswork out of management.

Learn More About Prodoscore's Employee Monitoring Software