



Essential Guide to Workplace Productivity

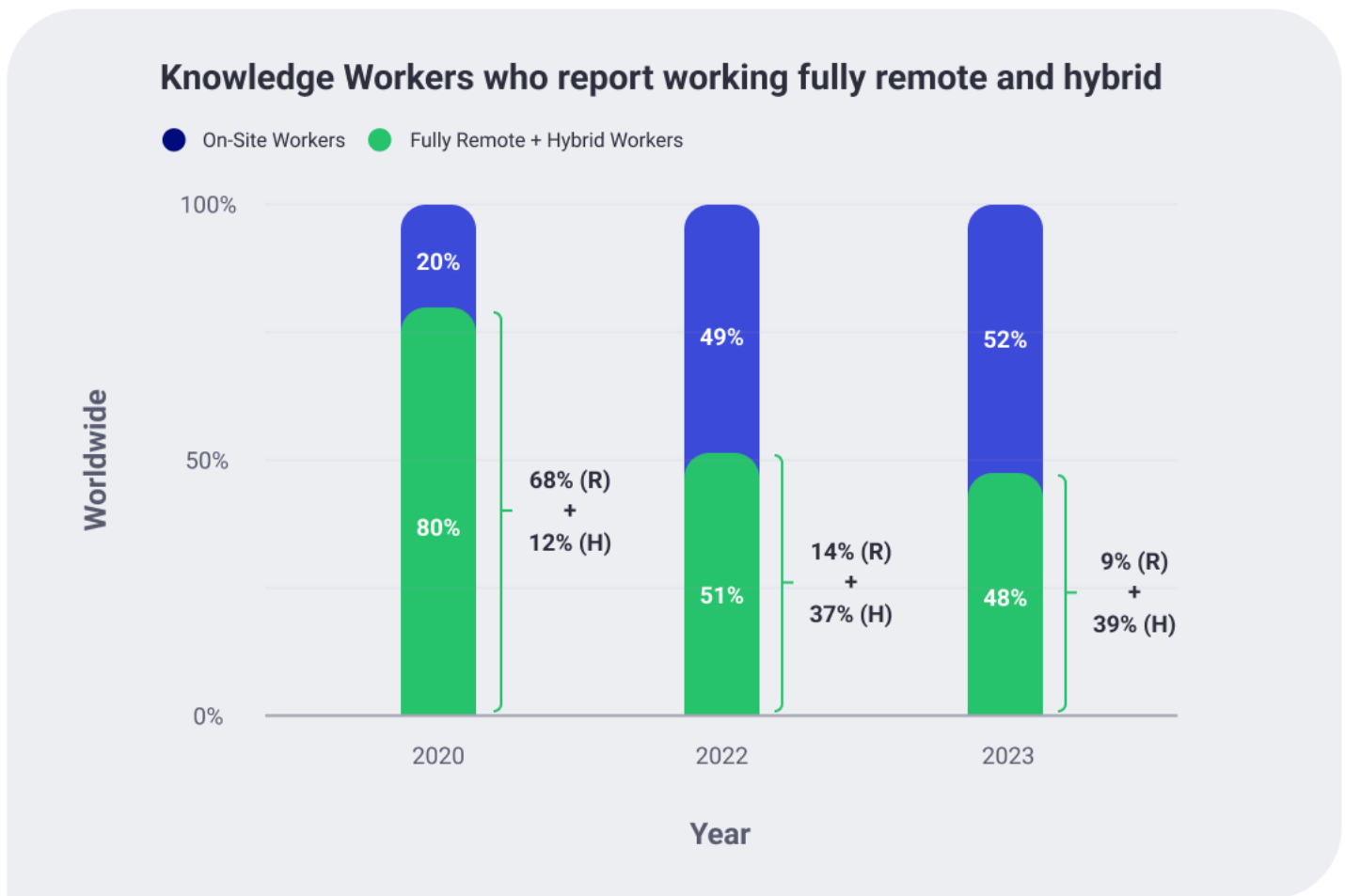
How to boost productivity and reduce wasted time in Distributed and Hybrid teams



The way the world works has changed. And it's still changing: after a sudden shift to remote working, we're entering a new phase defined by hybrid, transitional, asynchronous, will-they-won't-they organizational structures.

McKinsey reports that over half the US workforce, a surprising 58%, reportedly have the opportunity to work from home at least one day a week. Globally the picture is a little more hazy, with fully-remote numbers declining and hybrid arrangements growing rapidly as companies recall their people to the office.

But what's more important for managers and organizational leaders to note is that people want remote and hybrid work models. The same McKinsey found 87% of workers will take the opportunity for more flexibility when it's offered. Nearly two-thirds, 65%, would be willing to work from home all the time, with the loudest demand coming from younger generations.



Whichever way you look at it, it's clear that things are not going back to the way they were. Exclusively on-site teams are likely a thing of the past.

If that makes you nervous, it could be a sign you're missing the oversight to properly manage a remote and asynchronous team. Loads of reputable studies show that, under the right conditions, remote employees tend to be more productive, less burned out and more loyal.

And still, we're returning to the office. Concern over employee productivity seems to be the main driver behind the backslide. Nearly two-thirds of managers (60%) are worried that working from home makes people less productive.

What we're left with is a cognitive dissonance between what workers want and the environment that makes employers comfortable. It's a pressure-cooker situation that led to "The Great Resignation" and "quiet quitting" becoming household terms.

So let's find a solution that suits everyone.



62% of employees feel more productive working from home and only 11% feel less productive ([Owl Labs / Global Workplace Analytics](#))



People say their productivity increases 9% at home (up from 5% during the pandemic) ([Stanford University](#))



64% of employees who prefer working remote but are forced to attend an office intend to leave and 47% feel burnt out ([Gallup](#))



People save an average of 72 minutes per day when they don't have to commute to work ([Becker Friedman Institute](#))



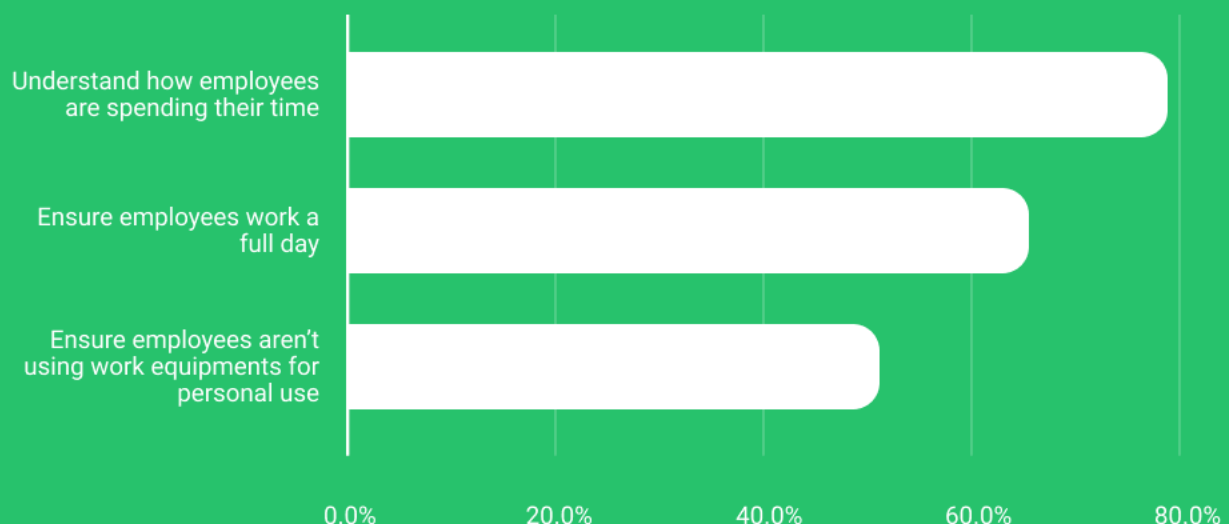
52% of workers would take a 5% pay cut for more flexibility, and 23% would take a 10% cut ([Owl Labs / Global Workplace Analytics](#))

Productivity tracking software to the rescue

Productivity tracking software is helping companies come to terms with the fact that remote and hybrid working are here to stay. According to one survey, 60% of companies with remote employees use activity tracking software and another 17% are considering it. The productivity tracking software industry is expecting double-digit growth in the 2020s. Activity tracking software is as much about monitoring employee productivity as finding hidden inefficiencies and cutting waste. Employers look for peace of mind as well as productivity.

Why employers use monitoring software

Why are you requiring work monitoring software?



As the leading productivity tracking software vendor, Time Doctor has witnessed the shift first-hand in the last few years. When the pandemic hit, our established clients transitioned more comfortably to remote work, while newer users gained peace of mind when they began gathering activity data.

For example, a major outsourcing company in Asia that was forced to transition to fully-remote operations within 24 hours at the start of the pandemic gathered data with Time Doctor to understand exactly how working from home impacted productivity.

Here's what they found:

- ii: Unproductive time decreased 56% when working at home vs in office
- Social media use was less than 1% different between the two environments
- ⌨ **Keyboard and mouse activities were the second most significant performance indicator tracked by Time Doctor** (behind weekend hours worked)

These insights, combined with a 10% increase in NPS after switching to remote operations, gave the business an unshakable confidence in their teams' ability to work from home. Tangible, data-backed evidence helped them advocate for remote team when negotiating and managing SLAs with new and existing clients.

Productivity is an essential indicator of performance, but it's also a deep and insightful measurement of how we use time. In this Essential Guide to Workplace Productivity, we're taking what we've learned as time-tracking pioneers to provide unique insights on how remote work impacts productivity.

What's in this guide:

- The importance of identifying productivity trends
- Extracting actionable insights from employee activity data
- Why "asynchronous working" is the future for many industries
- The pitfalls of failing to prioritize productivity
- Practical tips to help you build a culture of productivity

Whether your team works on-site, hybrid or remote, productivity must become a top priority in order to stay competitive. Cultivating that culture of productivity and accountability starts with strategy and is championed by empathetic managers who have access to high-quality organizational data.

Time Doctor provides that data. Managers, organizations and employees using Time Doctor have the tools to boost productivity, achieve better work-life balance and future-proof work with agile growth strategies.

"Ordinary people think merely of spending time, great people think of using time"

Arthur Schopenhauer
German philosopher





Productivity in the past

There's a long-held belief that employees perform better in an office. Hybrid and remote work raise concerns over productivity, accountability and trust.

In fact, one of the first modern offices, built over 250 years ago in 1770, was purposefully designed to centralize scattered offices. This approach became widespread and ingrained to the point that on-site working is still considered normal, even as technology challenges the need for centralized spaces and concentrated teams.

Working in an office has persisted, at least in part, because managers can monitor and observe productivity levels in person or through onsite quality assurance monitoring methods.

In the pre-pandemic era, proximity was viewed as a crucial part of maintaining a productive workforce. The idea of allowing staff to work from their own homes was virtually unthinkable.

Whether it was based in reality or simply a preconceived notion, the belief that presence dictates productivity often led to a culture of micromanagement. The "over-the-shoulder manager" may seem like a cliché character, but they have been a regular cast member since office work began.

A 2015 study from Harvard Business Review described it this way:

Too many companies bet on having a cut-throat, high-pressure, take-no-prisoners culture to drive their financial success. But a large and growing body of research on positive organizational psychology demonstrates that not only is a cut-throat environment harmful to productivity over time, but that a positive environment will lead to dramatic benefits for employers, employees, and the bottom line. Although there's an assumption that stress and pressure push employees to perform more, better, and faster, what cutthroat organizations fail to recognize are the hidden costs incurred.

These conditions often caused the opposite of the intended effect. They debilitated a workforce rather than boosting and supporting productivity.

Bringing people into an office doesn't prevent them from wasting time. What is actually needed to catch and correct time-wasting activities, regardless of where your team works, is activity data.

There's no denying that observing employee activity helps managers to plan, manage and deliver work more effectively. What productivity software does is expand that ability by providing real-time visibility, key indicator tracking, granular data and actionable insights.

A culture of suspicion and scrutiny is replaced by one of support. Managers can get deeper insight into how (and when) their people work. Employees can self-correct time-wasting behavior. Clients can see that fees are justified.

These benefits apply across the spectrum of working styles, from centralized to asynchronous and fully on-site to 100% remote.

If the panopticon became a symbol for outdated institutions where control and order ruled the culture, then activity tracking software represents a brighter future defined by collaboration, intelligence, trust and continuous improvement.

What did we learn?

The pandemic was initially highly unusual and exceedingly stressful. During these early stages of working from home, productivity took a backseat to finding an operational groove.

As time went on and it became clear that remote work would be a necessity for the foreseeable future, many organizations refocused on productivity metrics to understand how they were being affected.

Working from home during the pandemic turned out to be more successful than anyone had imagined.





People had significantly less unproductive time when working from home

After switching to WFH, the agents people at this outsourcing company spent significantly less time on sites and apps deemed unproductive, while productive time remained constant. This data gave the outsourcing company and their clients tangible evidence that agents were just as productive when working remotely.

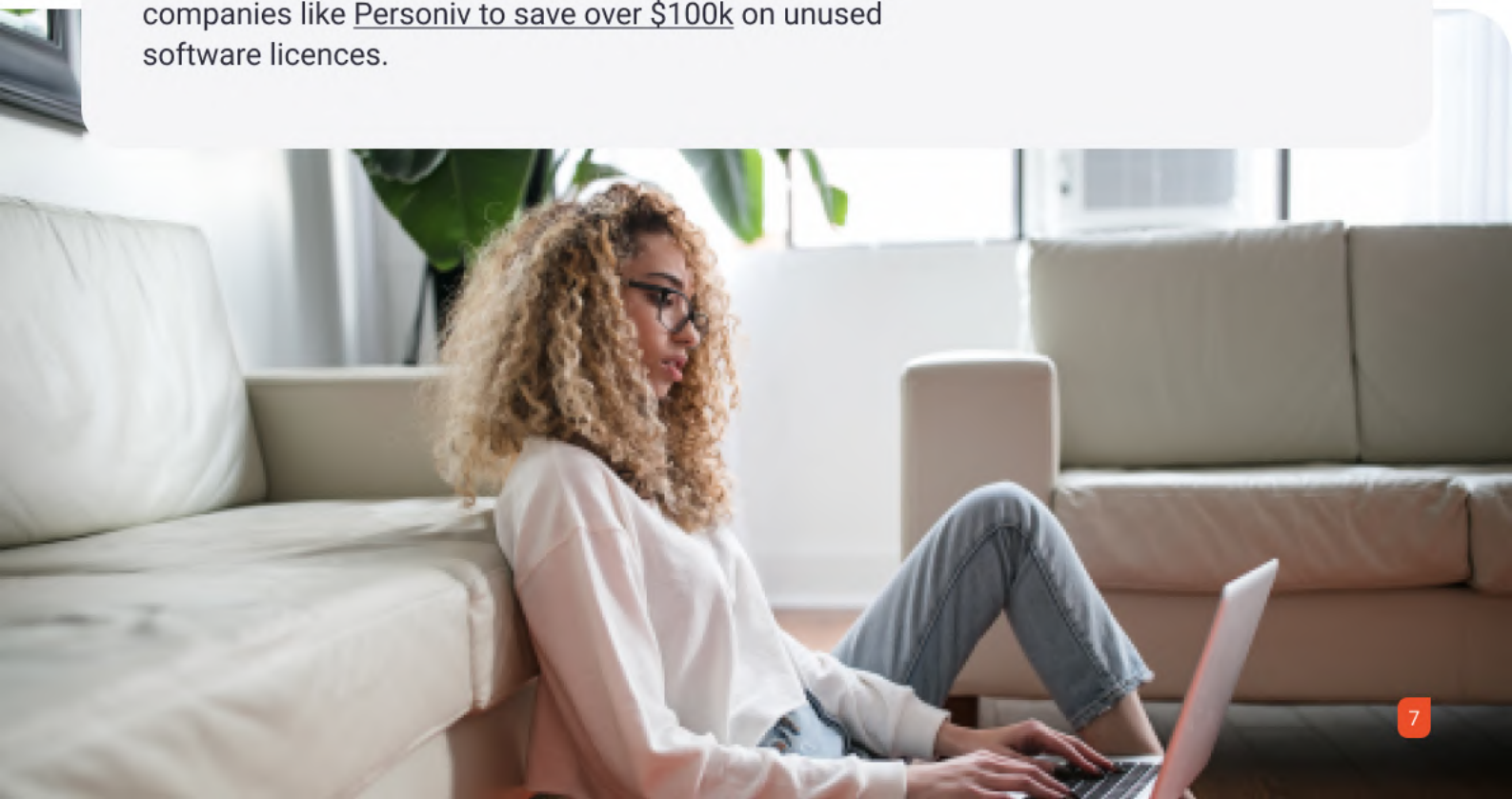
Social media use did not increase

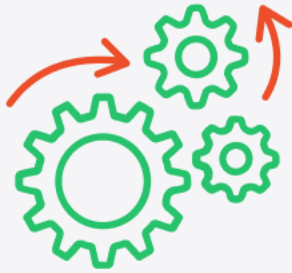
Facebook use was one of the most significant predictors of productivity performance at this company.

What was surprising was not only that Facebook use saw no significant changes when working from home, but that even the lowest-performing employees spent no more than 0.57% of their work day on Facebook.

Time Doctor tracks how much time staff spend on unproductive websites and apps. Managers designate which sites are productive, unproductive, or neutral.

As well as highlighting unproductive behavior and providing peace of mind, monitoring website and app usage helps companies like Personiv to save over \$100k on unused software licences.





4 of the 13 most statistically significant indicators of performance were related to keyboard activity and mouse movement. They all remained constant when working from home.

Keyboard and mouse activity were flagged as a major differentiator between the most productive agents and the least. Not only did Time Doctor enable seamless monitoring of these behaviors, the data record gave them valuable proof of their employees' ability to maintain activity levels when working from home. This was important in addressing client fears of the potential for reduced performance to SLAs.

Top performers spend more time working on the weekends. WFH enabled agents to work more weekend hours.

Another significant performance indicator for high and low-performing people was the number of weekend hours worked. After transitioning to remote work, without the need for long commutes to the office, the number of weekend hours worked increased significantly. This demonstrated how greater flexibility made it easier for people to accomplish more on their own schedule.



Client satisfaction increased, even during a major disruptive event

In addition to examining data gathered by Time Doctor, the company kept a close eye on NPS scores. Like many companies, they wanted to make sure quality remained consistent alongside productivity. After six months of working from home, they found NPS scores actually increased 10%.

**Time Doctor teamed up with a major client in the Philippines to examine their organizational data. We compared performance data from the two months prior to the pandemic to the two months following their transition to WFH to discover how remote work impacted employee behavior and affected productivity.*



A new way to work

The events of the last few years have fundamentally changed the way businesses operate. First it was the pandemic which forced organizations everywhere to end in-person operations, in some cases transitioning to remote work in just a few days.

The speed and scale was uncomfortable. But now, from the other side (hopefully) of the crisis, we can see the long-term impacts taking shape.

Employees are exhausted and questioning the value of investing all their energy into work. Faced with low pay, a lack of advancement opportunities and disrespect at work, people are leaving their jobs in droves, triggering the “Great Resignation”.

Many people who haven’t resigned have “quiet quit” for all the same reasons. Quiet-quitting employees put in the minimum effort, refusing to contribute more time, energy or enthusiasm than is absolutely necessary to keep their jobs.

All these events are linked: the pandemic heightened stress and uncertainty among employees, and triggered inflation events that are putting financial strain on underpaid people.

Now that companies are recalling their people to the office, they’re realising a significant cohort are unwilling to return full-time. Microsoft found 73% of employees believed company expectations weren’t a strong enough reason to return, although 84% would be motivated by social connections and 85% would return to rebuild team bonds.

Does the glass look half-empty to you? To us in the employee productivity sector, it looks half-full.

Innovation, not resignation

Rather than punishing employees who are, when it boils down to it, asking for better work-life balance, managers at top-performing companies are listening. At the same time, technology innovations - many created during or popularized by the pandemic like diamonds formed under pressure - are enabling organizations to adapt their working styles permanently.

5 tech advancements enabling the new way of working

1



Cloud Computing

Cloud adoption accelerated during the pandemic as on-premise anything became borderline impossible. Although not a new concept, cloud technology has improved in leaps and bounds recently to the point where there's no discernible difference between locally and cloud-hosted services.

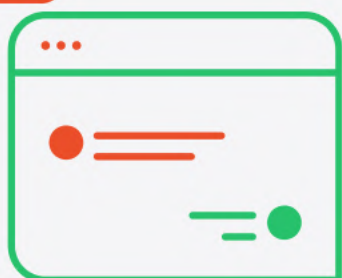
2

Project Management Systems

In this age of Microsoft Teams, Asana, Jira and the like, there's no need to create GANTT charts or even send emails. In the last few years, as budgets tightened and productivity became a priority, these tools have helped organisations realise vital efficiency gains.



3



Collaboration and Communication Tools

Online whiteboard app Miro grew from 5 million users in 2020 to an astonishing 45+ million in 2023. Slack sees one billion usage minutes every day from 20 million active users. These are just two of the many examples of the tools enabling teams to work together from anywhere, any time. The best tools integrate with existing project management systems to streamline collaboration and improve transparency.

Activity tracking software

There might be no tool more important to remote teams than productivity tracking software. As teams the world over transitioned to remote work, activity (productivity) tracking software enabled employees and managers to keep track of their time. As well as identifying time-wasting activities, productivity monitoring software is a safeguard against burnout, a forecasting and resource management assistant, and a vital data source for decision-making.




Mobile tools

You'll never meet a remote worker who takes reliable Wi-Fi or a power outlet for granted. Integrating mobile tools into workflows, for example through app-based communication (see #3 above) or providing mobile-friendly VPN access to company documents, makes it easier for remote employees to be productive anywhere. McKinsey even makes the case for mobile-connected computing devices that remove the need to juggle laptops, phones and Wi-Fi dongles to connect remote teams.

"For some industries, having cellular-enabled always-connected devices can unlock new or innovative use cases. In healthcare and construction, for example, the devices could change the way employees work "outside the office." In other industries, such as call-center workers or the finance industry, always-connected devices would enable working outside the office without trade-offs in quality of collaboration, security, or productivity, and potentially even improve the quality of work."

Via McKinsey



Challenging the myths of remote and hybrid work

Back in 2015, Nicholas Bloom and a group of Stanford researchers conducted a study on remote work that found call center workers at a Chinese travel agency saw a 13% productivity increase when working remotely. When the pandemic hit, Bloom sought to test his old study by conducting an ongoing survey of more than 30,000 workers.

Unsurprisingly, the new research has largely confirmed the 2015 findings. So far, Bloom's research has found six out of 10 workers felt on average 7% more productive at home than they expected.

In addition, 40% of workers say they've been more productive at home than they were in the office, compared to 15% who say the opposite. According to Bloom, "Working from home under the pandemic has been far more productive than I or pretty much anyone else predicted."

\$37k

savings when remote work is offered full time

\$10k

cost of losing a valued employee

\$30k

real estate savings for companies with remote work options.

According to Steven J. Davis, one of the researchers involved in Bloom's study:


"Three-quarters or more of the productivity gains that we find are coming from a reduction in commuting time"


People who work from home save lots of time by not having to travel to an office and, according to the data, spend an average of 35% of that time working.


Working from home also allowed employees to spend more time with their families, partake in fulfilling hobbies and save money by not eating lunch out and or buying business clothes. All these factors foster the type of healthy work-life balance that makes workers happier.

According to research by Oxford University's Saïd Business School, happy workers are 13% more productive than unhappy ones. The authors of the study found a conclusive, causal link between happiness and production.


Bloom's study is one of many that proactively (and sometimes proudly) challenge the ingrained skepticism about remote work. The best studies and surveys provide data-backed insights that are hard to argue with.

 \$19.11: How much employees say they save every day working from home (in USD)

 52%: How many workers would take a 5% pay cut for more flexibility in working location

 94%: The proportion of remote-capable workers who want to be hybrid (59%) or fully remote (34%)

 29%: The engagement rate for on-site employees, compared to 38% for hybrid and remote

 61%: The remote workers who would look for other opportunities if their employer reduces their flexibility

Remote work is here to stay. That's a hard pill for some business leaders to swallow, including Twitter CEO Elon Musk. Musk's arguments against remote work are worrying and deeply flawed - worrying because he's not the only one forcing people to attend offices for 40+ hours every week, at the expense of work-life balance and \$19.11 per day.

While 87% of employees believe they are productive at work, only 12% of managers confidently agree.

Thankfully, we've got the spoonful of sugar that gives reluctant managers peace of mind and confidence in their team's productivity.

"We found that when workers are happier, they work faster by making more calls per hour worked and importantly, convert more calls to sales. There has never been such strong evidence"

**Professor
Jan- Emmanuel De Neve**



Employee productivity tracking software

We believe that mutual trust begins with transparent data and clear expectations. Activity data is the missing piece that give managers confidence to lead remote and asynchronous teams.

Productivity tracking software collects activity data in real-time so employees, team leads, managers and the C-Suite can analyze performance against key metrics.

The typical data collected includes:

🕒 Active time

📅 Breaks

📈 Task and project performance

📄 Timesheets and payroll

🌐 Website and app usage

Activity tracking software isn't designed to spy on employees. Only around 20% of the benefits arise from monitoring features. The other 80% come from empowering people to manage their own time more effectively and identify problems like bottlenecks and overtime hours.

But there's a culture element that can't be ignored. The 88% of employers who don't trust remote workers must accept that not only is the change permanent, but it's actually better for everyone. At the same time, resistance to productivity monitoring software isn't unheard of. Realizing the full benefits requires a deft touch and a good deal of empathy.



Empathy as a management strategy

It's fair to say employees who feel burned out and underappreciated might be skeptical of activity tracking software. They could feel their boss is still micromanaging, albeit using technology to replace the good old over-the-shoulder technique. This doesn't help to alleviate feelings of disrespect.

☐ Employees who don't feel their feedback matters are twice as likely to leave within 12 months (Microsoft)

≈ 86% of employees feel empathy boosts morale (EY)

Communication, clarity and transparency are the keys to creating a culture of mutual respect. Most people understand that activity tracking software doesn't take sides; it's how managers use the data to create positive change that matters.

🕒 90% of employees who feel their feedback drives change are satisfied at work (Microsoft)



Leveraging technology to alleviate pain points

There are so many project management tools, video conferencing solutions and communication channels that it's hard to keep track. Choosing the best stack of solutions begins with identifying the pain points plaguing employees.

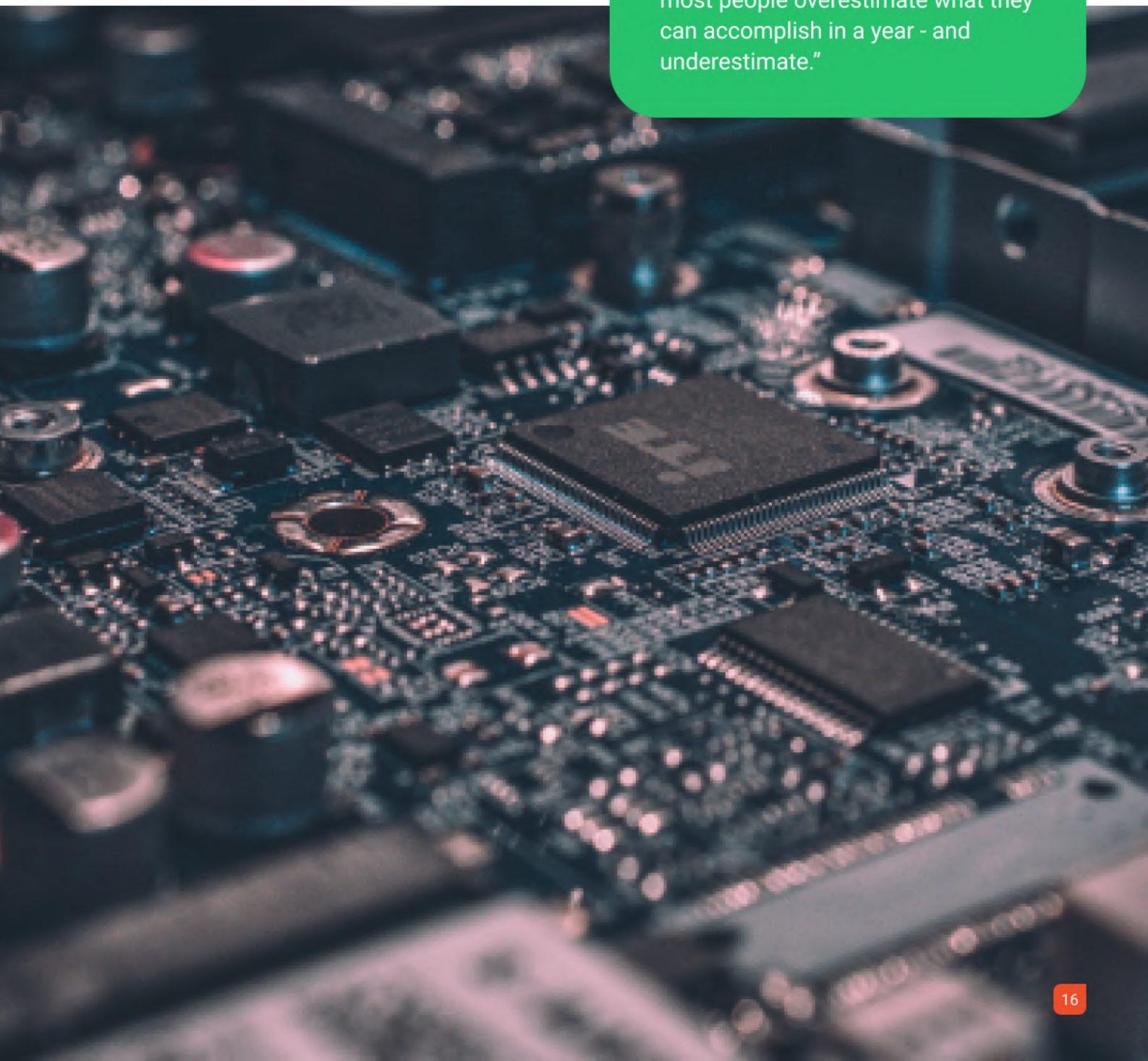
For example, some project management tools are better suited to collaboration, while others are built to streamline sprint-style tasks.

Then there's considerations around AI and automation, which can save precious time by removing burdensome manual processes.

How do managers know which problems to solve? By analyzing activity data and listening to employee feedback.

The combination of observation and empathy gives attentive managers all the information they need to invest in the right solutions.

"Once you have mastered time, you will understand how true it is that most people overestimate what they can accomplish in a year - and underestimate."





The Rise of Asynchronous Work Models

Asynchronicity, or “async”, is the next big innovation that’s enabling bold companies to hire the best people, improve work-life balance and boost productivity.

In asynchronous work models, people have the flexibility to work on their own schedules. Tasks, communication, and processes are not tied to a regular working day.

People can work on tasks and projects when it suits them best, accommodating different time zones, personal preferences and other commitments.

In the view of the tech mavericks and Time Doctor founders who wrote the book on the async mindset (literally), the recent popularization of asynchronous work is simultaneously an allergic reaction to the outdated model of office work and a natural evolution borne from technology advancements.

Liam Martin and Rob Rawson, who co-authored Running Remote after co-founding Time Doctor, say this fresh mindset is rooted in three reliable, recurring, and overlapping principles.

Principle #1: Deliberate Communication

Deliberate, purposeful communication is more than just writing clear emails. It’s about coworkers regularly arming one another with digestible, actionable data so they can make informed decisions and deliver optimal results.

Principle #2: Democratized Processes

Democratized processes can only be realised through collaborative, transparent documentation and genuine two-way feedback models that spread understanding and independence to every corner of an operation.

Principle #3: Detailed Metrics

Quantifiable goals and measurable deliverables mark a vivid path from kick-off to completion. As with communication and processes, these hard measures can be intimidating to those dragging along an old-school on-premise mindset, and that’s understandable.

“Fully grasping the productivity potential of a remote-ready Async Mindset requires a leap of faith. Everything you know about what makes an office tick has to be abandoned.”

The characteristics of asynchronous work

Time independence

Asynchronous work allows individuals to complete tasks at their own pace (usually adhering to deadlines), without the need for immediate responses or simultaneous engagement. Workers aren't required to be online at the same time. This can be helpful for people who have different work styles or who need to work around other commitments.

Communication flexibility

Asynchronous workers complete tasks independently of others' availability, and communication between colleagues and managers is not instant by default. Online platforms (like those we mentioned earlier) enable team members to independently access resources and upload their contributions without mediation by managers.

Sharing information through documentation

Asynchronous workers rely on documentation to share information and collaborate on projects. Since interactions occur asynchronously, clear documentation ensures everyone is on the same page, even if they are not working at the same time.

Outcomes, not hours

Asynchronous workers are not measured by how many hours they work* or how often they are online. Instead, they are measured by the outcomes of their work. This can help to promote a more productive and focused work environment.

*Asynchronous work operates on a spectrum. Some employees or teams might be required to fulfill certain hours, which is where activity tracking software becomes a critical enabler for this new way of working.



Why async works

✦ Increased productivity

Asynchronous work allows employees to work on their own time and focus on their own tasks without distractions. Eliminating the need for immediate responses promotes deep work and concentration, which can lead to increased productivity.

😊 Improved work-life balance

Allowing employees to work when (and where) they are most productive and present not only improves the quality of work but also benefits the employees' wellbeing. This flexibility to accommodate personal commitments and work in productive environments means people are happier, more productive and less likely to quiet quit.

🌐 Global collaboration

Geographical barriers disappear, enabling colleagues in different time zones to collaborate on equal standing. Bringing together diverse perspectives without the constraints of synchronous communication allows the best ideas to come forward, rather than the loudest voice.

💬 Improved communication

Asynchronous communication allows employees to take the time to craft their responses and fully develop their contributions. Conversations, decisions and progress are also documented, making it easier for team members to access important information later. This promotes knowledge sharing, helps maintain institutional memory and enables new team members to get up to speed quickly.

💡 Enhanced creativity and problem-solving

Asynchronous work provides space for contemplation. This can foster creativity and innovative thinking, as people have the opportunity to process information, generate ideas and solve problems at their own pace.

📉 Reduced meeting fatigue

Asynchronous work eliminates excessive meetings. When communication and collaboration occur asynchronously, fewer meetings are required (or even possible), meaning the ones that do take place are more purposeful.



Considerations for adopting an async mindset

You can't make an omelette without breaking a few eggs. Old-school managers can find asynchronous working intimidating, expressing many of the same hesitations to remote work.

Communication can be more difficult

Building rapport and relationships with colleagues requires a little more effort. Getting an immediate answer is also rare. However, setting clear expectations and establishing communication processes will design out these pain points.

Collaboration requires communication

Asynchronous work can make it hard to collaborate on projects, as it can be difficult to keep everyone up-to-date on the latest changes. This is why documentation and transparency, often enabled by technology solutions like productivity suites and activity tracking software, are crucial.

It doesn't agree with traditional management styles

Without the right tools and systems in place, it can be hard to track progress and ensure projects are moving ahead. Everyone needs to be the same page. Feedback should only flow through the agreed channels and deadlines must be respected.

Running Remote


In their Wall Street Journal bestselling book *Running Remote*, Async pioneers Liam Martin and Rob Rawson lay out the playbook for transitioning to distributed working.

The book breaks the philosophy and practice of asynchronous work into manageable chunks to give managers the tools and techniques they need. From the overarching principles to practical techniques and real-world case studies, everything you need is there.

"Running Remote is a critical and much-needed guide to thriving in the new world of asynchronous work."

Cal Newport, New York Times bestselling author of *A World Without Email* and *Deep Work*





Addressing Productivity - it's about time

The environment in which a company operates, be it remote, hybrid, or on-premise, has a significant impact on productivity. Whether the chosen model helps or hurts productivity depends on execution.

So, how will you know if your organization's productivity strategies are working?

Tracking, measuring and continually improving productivity

Traditional productivity tracking methods typically come from a perspective of oversight; a top-down approach. Did this employee come to work? And put in the hours? And complete the tasks?

While those metrics are important for establishing a baseline for individual performance, they rarely provide any organizational insights that can be used to improve productivity.

Simply cracking the whip on attendance, hours and activity isn't a sustainable recipe for productivity growth.

In order to improve productivity in a meaningful and sustainable way, leaders need a better picture of employee work habits.

This is where strategy, empathy and technology come together. The result, if the mixture is balanced and blended until smooth, is a thriving culture of productivity and continuous improvement.

"Lost time is never found again"

Benjamin Franklin
Founding Father of the United States



Keys to Building Culture of Productivity

Culture exists in every organization. It's generally understood to be implicit, top-down-and-bottom up, ever-evolving and interdependent. . Culture can be guided but not directed - and definitely not enforced.

If leadership isn't careful, organizational culture can turn sour. People who don't feel supported or valued will check out or resign, taking their experience with them.

However, negative cultures bubble up slowly. As long as culture champions at every level of the organization stay positive, managers remain empathetic, and employees feel genuinely valued, the organization will thrive.

Leadership teams can proactively build the foundation of a culture where productivity is a fundamental value of the organization.

Put culture first

The first step is to make it clear that culture plays a key role in the organization's success. Every employee should know that their contributions to culture are respected and valid, and above all that they are seen as humans.

Leaders should demonstrate their commitment to culture through repeated, proactive and transparent communication.

Share your vision

Leadership must also be transparent and unambiguous about what they aim to accomplish as an organization. Give employees purpose by providing a clear objective and showing your team how they can contribute to achieving it.

Teams with a mission are far more likely to feel a personal attachment to building a culture that they enjoy being a part of. Those feelings of attachment will go a long way to inspire employees to be their most productive selves.

Be clear about roles and responsibilities

In addition to having a clear picture of organizational goals, everyone should also know what is expected of their particular role. Take the vision, mission and macro goals and distill them down to the individual role level. Show each employee the value they're delivering and make it easier for them to be a productive member of the team.

✦ Provide opportunities for growth and development

Stagnation is the enemy of productivity. It's only human nature. By providing opportunities for growth and professional development, leadership can give employees a reason to strive for the 'next step.' This is excellent motivation to continuously improve not just productivity but performance in general.

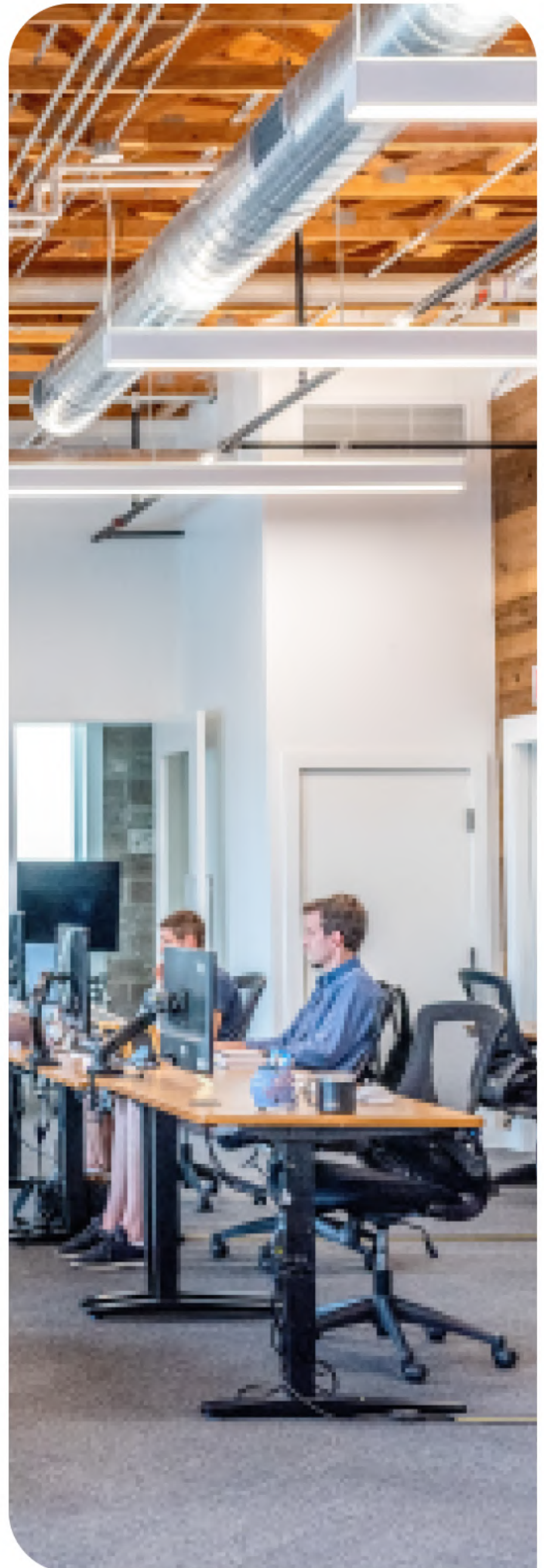
😊 Facilitate collaboration

Culture is inherently collaborative. It doesn't exist in the individual but in the organization's collective consciousness; in interactions between departments, in innovative ideas, in collaborations and in shared attitudes to work. As such, the more that team members can work together, the stronger the company culture will become. Collaboration allows employees to hold each other, and themselves, accountable. When culture is built around productivity, working together will help team members embody that culture.

Collaboration is naturally more complex in remote and hybrid working models. Leaders need to keep a close eye on employees who aren't joining in or speaking up, and proactively engage them to prevent a 'quiet quit' result.

💬 Provide regular feedback

With productivity, like any metric, leaders can't know how far the team has come or where to go next without regular evaluation. Taking the time to evaluate employees' productivity and provide constructive feedback is a key part of growth. This ongoing system of regular feedback should be something that is valued, not dreaded.



Productivity Metrics You Should Be Tracking

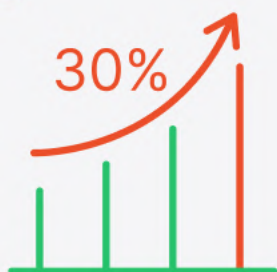
By tracking productivity metrics that provide a strategic sketch of organizational performance and detailed picture of daily operations, businesses can gain valuable insights into how they are performing and identify areas for improvement. This information can be used to make better decisions, compete more effectively and guide growth towards business goals.

It's important to select metrics that provide meaningful and actionable insights for your specific industry and organizational context. The exact benchmarks your team aims for should align with macro goals and link to organizational strategy.

For example, attendance and punctuality are more relevant for on-premise organizations than async models. Weekend and overtime hours, however, are a more insightful metric for managers who are worried their best people are burning out.

So with the caveat that success measures are bespoke, these are 10 of the most common and widely applicable productivity metrics.

1



Revenue per employee

This topline metric measures the revenue generated by each employee and indicates the overall productivity of the workforce. It is a good way to track overall productivity, as well as identify individual employees who are consistently exceeding expectations.

However, high-level revenue figures are mainly useful as a general benchmark. They don't give the depth of insight you need to implement productivity initiatives or assess the productivity impact of remote/hybrid models.

Profit margin

Profit margin calculates the percentage of profit generated from sales revenue, indicating the efficiency of the organization in controlling costs and maximizing profitability.

Like per-employee revenue, profit is a high-level productivity metric. It's still useful for assessing the organization's long-term progress, but you can get better actionable insights by digging into employee performance data.



Employee utilization rate

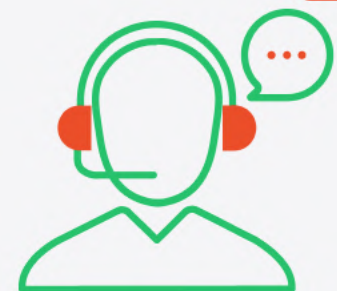
It's possible to manually calculate utilization (by dividing the total number of hours worked by the number of hours spent on tasks that contribute to the company's goals). However, Time Doctor automates this immensely time-consuming task and provides a report with individual and team insights.

Activity tracking software also enables you to dive deeper into individual productivity performance, for example by analyzing the time spent on each task, project or client.

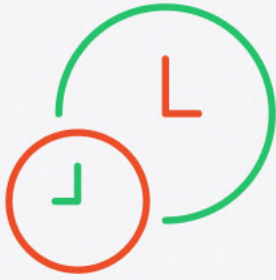
Customer satisfaction

Measuring customer satisfaction through surveys, feedback, retention rates and customer value metrics indicates how well your organization is meeting customer needs and delivering value.

There is a direct correlation between customer satisfaction and employee engagement. If you notice customer success metrics starting to slip, try to trace the problem back to its source by reverse-engineering workflows and analyzing productivity.



5



Focus hours per day

Measuring the number of hours per day that employees are able to focus on their work without distractions is a good indicator of concentration and productivity. Focus (or the lack thereof) shows up in metrics like website and app usage, unscheduled breaks, and keyboard and mouse activity.

Tracking the trends relating to focus, combined with utilization and task completion, also enable managers to spot the early signs of burnout.

6

Work-life balance

Employee well-being has become a prominent issue in recent years, and rightfully so. In addition to ensuring people live a healthy, balanced life and spend time doing things they enjoy, work-life balance correlates to productivity.

Burnt-out people aren't productive. Keeping an eye on metrics like weekend hours worked, overtime and out-of-hours working helps managers spot the signs of burnout in time to intervene.



7



Employee absenteeism and turnover

Disengaged employees are absent up to 81% more often and 18-43% more likely to eventually resign according to a recent Gallup poll. Tracking absenteeism and turnover rates can highlight potential productivity and engagement issues within the organization.

In most cases, absenteeism and turnover are medium and long-term trends, so you'll need to gather longitudinal data and analyze the impact of productivity initiatives over weeks and months, not days.

Quality metrics

Metrics such as defect rates, customer complaints, or product/service failure rates can provide insights into the quality of deliverables and identify areas for improvement.

Of course, quality metrics vary by industry and even company. When deciding which KPIs to track, consider the interdependence between employee engagement, output quality and organizational goals.



Project/task completion rate

At a high level, project completion tracks the percentage of jobs completed within defined parameters (typically timeframes or budgets). It helps assess productivity and adherence to deadlines.


Drill down a little further into task completion, and you can start to uncover insights about hidden bottlenecks and time-wasting activities. For example, if multiple employees fail to complete the same task in time, it's likely a problem with the task and not the team.

Employee feedback and engagement

Surveys or feedback channels are a useful gauge of employee satisfaction, engagement and overall morale, all of which impact productivity.

More than that, feedback helps managers understand what's bugging employees. Listening to your team's concerns and acting on them will improve employee engagement, which in turn makes the business more productive, creating a positive feedback loop.





Identifying trends and extracting insights

The most basic indicators of productivity gaps can be identified in high-level metrics. By monitoring and tracking profits, turnover, project completion and customer satisfaction (to name a few examples), companies can uncover hidden productivity insights on the team, and organizational levels.

On the individual level, people taking time off or calling out of work, arriving late or leaving early, or spending a lower percentage of each day in a “working state” more frequently inherently result in losses. If employees are not present, they cannot be productive.

What’s more important than measuring these types of reductions in productivity is extracting insights to better understand why they are happening. This is where the ability to analyze organizational data and derive insights becomes so important. If an organization is only monitoring oversight metrics, then leadership can only act on vague and relatively abstract insights. While they might be able to definitively say that productivity is falling, and that it’s because workers aren’t meeting performance benchmarks, they can only guess at what’s causing the issues. Plugging the productivity gap becomes a guessing game.

If there are productivity issues, it’s important for managers to try and understand the cause those issues. Maybe people are overworked, or recent changes in the organization have made them unhappy.

Productivity data can point to these issues, but it’s the combination of empathetic management and data-backed insight that will draw the final conclusion.

Another complementary approach is to drill down into topline metrics to find out how people are using their time, rather than simply how much time they are using.

Consistently poor performance on productivity metrics linked to organizational growth goals can indicate systemic issues, like processes that need adjusting or gaps in training. Inconsistent red flags, like an individual sporadically going offline or spending an increasing amount of time on Facebook, is more likely to lead to a disengaged employee who has lost the motivation to work hard.

It’s essential to understanding the difference between management issues, individual issues and organizational issues.

Knowledge is power and, in this case, the knowledge gained through activity insights is about as powerful as it gets.

“Until we can manage time, we can manage nothing else.”

Peter Drucker
Management Consultant



Where It All Comes Together

In 2019, a fast-growing BPO company was looking for an innovative way to not only improve organizational productivity but also prove those productivity gains to clients. After investigating a number of options, they decided to replace their existing productivity tracking solution and implement Time Doctor.

Time Doctor had an immediate impact, effectively automating the time-consuming task of employee monitoring. As well as eliminating hours of manual work, Time Doctor provided unprecedented real-time visibility of employee tasks and workload.

The insights delivered were useful for not only reducing the labor stresses of time tracking and creating a way for clients to view employee performance but also had the added benefit of providing insight that was later used to streamline workflows and boost productivity.

That's not the end of the story

During the onset of the pandemic, this BPO - like so many companies - was forced to transition from in-office to 100% remote work. They saw an opportunity to use this situation as a way to test one of the biggest questions for companies; which is more productive, in-office or remote work?

Since they had already implemented Time Doctor prior to the pandemic, they were in a unique position to gather and measure a wealth of insightful data to answer this question.

They compared 6 months of work data from 450 employees. The first sample set was from December 2019 - February 2020 (in-office) and compared to data collected from April 2020 - June 2020 (remote).

The analysis broke the total hours worked into productivity ratings of productive, neutral, unproductive and unrated.

After analyzing the results from this test, they discovered some interesting results. Working from home during the pandemic turned out to be more successful than anyone had imagined.

 **Data proved that people wasted less time when working from home.**

After switching to WFH, the people at this BPO spent significantly less time on unproductive sites and apps, while productive time remained constant.

❏ Social media use did not increase.

Facebook use was one of the most significant predictors of productivity performance at this company.

What was surprising was not only that Facebook use saw no significant changes when working from home, but that even the lowest-performing employees spent no more than 0.57% of their work day on Facebook.

Time Doctor tracks how much time staff spend on unproductive websites and apps. Managers designate which sites are productive, unproductive, or neutral.

As well as highlighting unproductive behavior and providing peace of mind, monitoring website and app usage helps companies like Personiv to save over \$100k on unused software licences.

💻 4 of the 13 statistically significant performance indicators were related to keyboard activity and mouse movement. They all remained constant when working from home.

Not only did Time Doctor enable seamless monitoring of key behaviors, the data record gave them valuable proof of their employees' ability to maintain activity levels when working from home. This was important in addressing client fears of the potential for reduced performance.

🏠 Top performers spend more time working on the weekends. WFH enabled agents to work more weekend hours.

After transitioning to remote work, without the need for long commutes to the office, the number of weekend hours worked increased significantly. This demonstrated how greater flexibility made it easier for people to accomplish more on their own schedule.



😊 **Client satisfaction increased, even during a major disruptive event**

In addition to examining data gathered by Time Doctor, the company kept a close eye on NPS scores. Like many companies, they wanted to make sure quality remained consistent alongside productivity.

After six months of working from home, they found NPS scores actually increased 10%.

⚡ **Ongoing benefits**

Today, this company has the ability to track and monitor how people spend their time and uncover valuable productivity insights that help them understand how to maximize productivity while maintaining work-life balance. At the same time, Time Doctor's Client Login feature gives the company's clients white-labeled access to their own data, in real-time, which has strengthened relationships with clients during a tumultuous time.

56%

decrease in unproductive time while working remotely

44%

increase in the average work week (up to 11 hours, from 24 hours per week to 35 hours per week)





The Dangers of Getting it Wrong

Prioritizing productivity encourages a cycle of continuous improvement that moves the needle on financial KPIs, client satisfaction scores, employee engagement and well-being, and competitive capability.

On the flip-side, the impacts of getting productivity wrong go beyond reduced output. Failing to cultivate a productive culture, measure activity effectively, and use data-backed insights to lead with empathy can result in compounding losses. Employees are less engaged, top talent leave the organization, customer satisfaction falls, revenue declines and the company's market share dwindles.

It won't happen all at once, but the warning signs are worth paying attention to.

Lost talent

The rise of remote and hybrid work across the world has mobilized a global workforce. Just as recruiters now have unprecedented access to talent, job seekers have more opportunities than ever before. As such, talent retention should become a focus going forward.

Nearly two-thirds of remote employees in the US (61%) would be "extremely likely" to seek other opportunities if they were forced back into the office. The likelihood is lower for hybrid workers at 29%, although that figure has still risen 10% in the last two years.

Coupled with the rapid spread of quiet quitting and record-high resignation rates, every employer should be taking notice of employee engagement. Listening to what employees want is more productive than enforcing top-down management strategies.

If word spreads about the uninspiring culture, those same factors make it just as difficult to attracting new talent to replace exiting employees becomes more difficult.

Lost revenue

Even if your best talent doesn't leave, productivity issues permeate through to revenue losses.

Gallup calculated that disengaged employees cost the company 23% in profitability and 18% in sales revenue. They noted "strong correlations between engagement and performance are highly consistent across different organizations from diverse industries and regions of the world."

In addition, the organization incurs significant costs each time it has to replace an employee that has left.

The Work Institute estimates that the cost of replacing top talent ranges from 33% to 200% of their salary. Between direct costs like severance pay, recruiter fees and new equipment, and indirect costs like internal time to recruit, training, lost productivity and onboarding, the damage adds up.

Client service also becomes inconsistent, which makes growing accounts more difficult and can even result in clients taking their business elsewhere. Gallup's research found a 10% difference in customer loyalty between high and low-performing companies when comparing employee engagement scores.

Lost market share

In a competitive market, productivity levels represent the potential to acquire new clients, deepen existing relationships, consolidate accounts and expand market share.

Low productivity and a failure to address quality concerns will gradually weaken a company's market share. As it drives down both quality and output, and good employees begin to jump ship, low productivity can also impact brand reputation and limit the ability to acquire new clients to offset losses.

Higher productivity, as we saw, can increase client retention rates. It can also equate to greater capacity to take on new business and help attract high-quality talent to handle the new clients.

Savvy clients seek out providers that understand the importance of productivity and can prove the value of their work through data.

Technology tools that can improve operations and productivity, like Time Doctor, are a key element to demonstrating a dedication to growing productivity. Even if without enabling the Client Login feature, customers will notice the difference. They will see, through quality, consistency, cost and efficiency, that they are dealing with a reliable partner.

"Action is the foundational key to all success"



Conclusion

The way we work has changed for good. Addressing productivity in this modern era requires a refreshed understanding of people, technology and time, and where they all come together.

Developing a culture of productivity is now the differentiator between high-performers and stagnating companies.

Of course, becoming more productive is often easier said than done. As the landscape in which companies operate changes, so do the methods and strategies that can help organizations maximize productivity.

Organizational leaders aiming to improve productivity need to become champions of data, empathy and strategy. They must link strategy to daily operations, involve employees in decision-making, and use organizational data to foster a continuous improvement mindset.

These principles are particularly important for remote and asynchronous teams. Diversified work models are the norm nowadays, as traditional on-site office work becomes a thing of the past.

Empowered workforces are built on data, integrity and transparency. Our mission at Time Doctor is to make every second count, by providing actionable data and clear direction on how to improve performance and increase productivity so teams become better every second.

Productivity performance is within reach. Working from anywhere, any time is possible. You just need the right tools and a team you can trust.



**Ready to reach new levels of productivity?
Try it free for 14 days.**

Try it for free

www.timedoctor.com