

Monitoring working hours of remote employees

Information on the case study:

Organisation: CITI BANK

Size: 12 500

Location: UK

Sector: Bank

Operational context

In 2023, Citi Bank introduced a system in the UK to monitor office attendance as part of its hybrid work policy. Employees in London, Edinburgh, and Belfast are required to work at least three days in the office.

The problem/opportunity

Citi is considered as a flexible employer, and the introduction of this monitoring system could present a tension between providing freedom to work remotely and enforcing physical office attendance. This might undermine the hybrid work model balance as well as Citi's Employer Brand and employee retention efforts.

More issues are at stake such as trust in the workplace vs accountability. The system allows exception (e.g. sick leaves, business travels, the limited capacity of the venue, holidays or medical appointments). But this monitoring is likely to reduce employee's autonomy and control on their work organisation to revert to a rigid organisation of work-life balance. Such an evolution could lead to increase micromanagement.

This controlled work environment might impact employee morale and engagement, reducing motivation.

Another point to be considered is the legal consideration on data privacy as the collected data must be in compliance with GDPR and the other laws regarding data protection in the UK.

Another sensitive issue is the guarantee to avoid misuse of the collected data.

What was done

The monitoring, which is already in place in the United States, came after a month-long consultation with UK employees. The firm wanted to avoid direct confrontation with the employees as the issue is sensitive in the UK: in 2020, Barclays Bank used a tracking system called Sapience. Barclays' initial aim was to improve productivity and identify bottlenecks in internal processes. However, this was perceived by many employees as an invasion of their privacy, creating a climate of mistrust within the company. After public and media protests, Barclays was forced to withdraw these surveillance tools, recognising that their use was inappropriate without better communication with employees.

Citigroup recently announced that it will start holding employees “accountable” for compliance with its hybrid work model rules. The bank said in its statement that they are committed to a hybrid work model, and that they have firm expectations that its employees will work at least three days a week in the office and up to two days remotely.

Staff in the UK were informed they face disciplinary action, such as bonus adjustments and termination, for failing to make their way into the office. Office attendance ratio will be considered when rating employees’ performance and reviewing pay.

The bank tracks attendance data on a bi-weekly and monthly basis. Citigroup is to collect aggregated office data every two weeks for the firm’s offices in London, Edinburgh and Belfast. “One swipe per person, per day, per location will be captured,” the memo said. “The focus of the reports will be employees with consistent office absences.” The number of hours spent in the office will not be captured in these reports. The focus of the reporting will be on employees with consistent office absence. Reports may then be shared with managers as appropriate to prompt further discussion.”

Outcomes

This experiment emphasises an important issue regarding control as the best way to increase productivity. It could be argued that motivation or the introduction of new collaboration tools, might be more effective. It raises as well ethical concerns about autonomy, privacy, and the potential erosion of trust between the bank and its employees. The effectiveness of this monitoring will depend on how transparently Citi handles the data and addresses employee concerns.

In addition, this case illustrates the increased reliance on data in HR management and the expected massive use of people analytics to improve employees’ competencies and productivity. An interview of CITI CEO Jane Fraser in January 2023 is quite enlightening : “You can see how productive someone is or isn’t, and if they’re not being productive, we bring them back to the office, or back to the site, and we give them the coaching they need until they bring the productivity back up again,” Fraser told in a November 2023 [interview with Fortune](#) magazine. For Fraser, “Office days help with collaboration and apprenticeship” The remote flexibility, Fraser said, helps make Citi an “employer of choice.” However, she added: “We’re not seeing people coming back who had left the workforce in anything like the numbers we expected.” “We’re going to have keep listening to our people and getting that balance right,” Fraser added. “But if you don’t listen to them, you’re in danger of having some problems.”

References

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