

# Over Their Shoulders

Should you monitor your employees' online activity?

by Shannon Scully

Ever wonder how much time during the workday your employees spend e-mailing friends and family or checking the latest sports scores? You're not alone: almost 80 percent of major U.S. companies monitor their employees' e-mail, Internet, and telephone connections, according to a recent survey by the American Management Association.

But you don't need a large tech department or expensive software to keep tabs on your employees. Closer working environments and fewer employees give small business owners a good opportunity to notice their staff's work habits.

Howard Stewart, president of AGM Container Controls in Tucson, Ariz., bought software to monitor employees at his 58-person company after one began insisting she was too busy to take on additional work.

"I suspected she was using her computer for personal reasons, because it was taking her all day to do three hours of work," says Stewart. "But when I confronted her about it, she denied it."

Stewart installed an inexpensive software-monitoring program, and the next time he confronted the employee, he was armed with exact information to support his suspicions.

"She was shocked to learn that I could give her the exact dates and times she was on the inappropriate sites," he says.

Even though it's legal for companies to monitor employees' use of company computers, some employers don't want to

assume the role of Big Brother.

"People who I have to police every minute of the day aren't the kind of employees I want working here," says Katherine Rothman, owner of KMR Communications Inc., in New York City. "Instead, I try to create an atmosphere of trust and professionalism."

Rothman allows employees to come early, stay late or use their lunch hour to surf the Internet or send personal e-mail.

But they are prohibited from using their computers for personal reasons during work hours.

Though she has no formal procedure to monitor employees, Rothman says it's fairly easy to keep track of the workload in her office of seven.

Misuse of the Internet and company e-mail not only wastes time, it also puts your company at risk for harassment lawsuits. If any of your employees circulates inappropriate e-mail or views explicit Web sites, your business could be liable.

Small business owners should establish and distribute written guidelines on use of the Internet and company e-mail. If you do decide to actually monitor your employees, always tell them first.

Employees often surf the Internet because they don't think any one is watching. A recent survey by Vault.com found that almost half of employees don't think their employers are monitoring their online activity. Just alerting your staff of a formal policy could discourage them from wasting time.

"Now that people realize we're watching, they've quit spending gads of hours on things that have nothing to do with my business," says Stewart.

