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# Employee monitoring technology increasingly used to prevent time theft

*But privacy commissioner, arbitrators against use of tracking devices, says lawyer*

By Danielle Harder

Every day, hundreds of company vehicles pound the stretch of highway from Edmonton to Fort McMurray, Alta., many of them bearing a global positioning system (GPS) device that allows employers to know where the fleets are at any minute.

The device is there so employers can keep track of many concerns, including time theft. Increasingly, employers are using many forms of technology to track everything from start-end times to employee location, according to industry experts.

“It adds accountability,” says Sean Acheson, operations manager at Edmonton-based Certified Tracking Systems. “You can see if guys are doing a side job on their way from Edmonton to Fort McMurray or whether they stop here or there.”

With many employers feeling a financial pinch, technology is an accurate way of knowing how time is being wasted and where productivity can be improved, he says.

“It could mean the difference of getting one or two more jobs done per day.”

Preventing time theft through technology is not a new concept but it’s one that’s being adopted more frequently by both large and small employers, according to Tracy Parzych, CEO of Owl Timeclock in Toronto.

“Nobody wants to think their employees would do that. I think most employees feel they’re hard-working. What’s 10 to 15 minutes?” she says. “You don’t notice until you put it in a chart. Then you see 10 minutes times 100 employees and it adds up.”

**Tracking devices**

Tracking devices such as a GPS can be attached to company vehicles so employers know exactly where workers are in real time. The data is so accurate it can pinpoint a 90-degree turn into a coffee shop or gas station.

However, many employees are unaware they are being tracked.

And although vehicles entering areas considered “sensitive” are required to have a sticker showing there is a GPS on board — to avoid triggering an explosion through interfering frequencies when blasting an oil or gas line — employers often don’t disclose the device, says Acheson.

“If employees know, they may try to tamper with it,” he says, adding GPS surveillance can also prevent theft of more than time — some of his clients have discovered employees were stealing equipment as well.

There has also been an increase in the use of smartphones to track employees’ whereabouts by relying on a built-in geolocation feature, according to David Redekopp, co-founder of Nerds on Site, a London, Ont., technology company with products such as Time Well Scheduled.

Many smartphones come with an internal GPS and Apple products, such as iPhones, have a Mac address that’s unique to every device and can be used to find an employee’s position, he says.

This method of tracking workers is popular in fields such as home care where employers want employees to register in and out times.

It’s also a security feature for those workers, says Redekopp.

Passive radio frequency identification (RFID), a device attached to an ID badge, is another subtle technology in use. It is used like a GPS to track the location of an employee, such as how long he’s been in a washroom or whether he’s left the office. It’s the same technology used in freight to track contents as they travel around the world.

**Biometrics**

Biometrics is another popular technology, according to Parzych. Biometrics is a type of technology that measures one or more characteristics of a person — eyes, fingerprints, hand geometrics, palm prints, voices or face recognition — with the goal of distinguishing that person from others. Hand geometrics — often called hand-punching — and fingerprints are the most popular.

A fingerprint scan involves placing a finger against a sensor plate that captures an image of the fingertip. While the fingerprint itself is not stored, the distinguishing features, such as loops and arches, are translated into a 256-character digital interpretation that is then compared to a previously entered sample.

But fingerprint scanners are sensitive. Parzych had to adjust the reading rate on her company's scanner because it wouldn't read her own fingers, which can be dry and cold, she said. The scanners can also be affected by dust or fibres, making them a poor choice for some manufacturing plants where hand-punching is a good alternative.

Hand geometry uses the geometric shape of the hand — length and size of fingers, and palm or blood vessel patterns in the hand — to authenticate a user's identity. Hand punches are often the least invasive, from an employee point of view, she says.

"Fingerprinting still has a stigma," says Parzych. "Even though it's a different method than police use for storing fingerprints, people wonder what will happen if they do have a fingerprint on file. What happens if they have an undisclosed criminal record, for example?"

But nothing can happen because the fingerprint is only a digital interpretation and it can't be replicated or given to a third party, she says.

There's less of an appetite for retinal scanning, says Redekopp. Despite its increasing presence in airports, it's still uncommon in workplaces.

"Employers feel that makes it seem like they're overly concerned about time theft," he says.

**Bar code readers, facial recognition**

A potentially less invasive option is bar code scanners combined with facial recognition, according to Redekopp. Bar codes are attached to employee ID cards and as the employee scans the card, a camera captures his image, eliminating the possibility of "buddy-punching."

It takes about five seconds, faster than a fingerprint scanner or hand punch which takes about 15 seconds to match the data.

"It may not seem like a big difference, but if you have a new shift of 70 people starting, it could take a while," he says.

**Privacy and the law**

While sales of employee monitoring technology appear to be on the rise, the courts have not looked favourably on their use, according to Catherine Coulter, a partner at Fraser Milner Casgrain in Ottawa.

"The Privacy Commissioner of Canada (Jennifer Stoddart) really hates any sort of employee surveillance," she says. "She doesn't like it and she really doesn't like it if it's being used to ensure productivity."

Unionized and federally regulated employers and non-unionized workers in Quebec, Alberta and British Columbia are subject to federal and provincial privacy laws. Elsewhere, there is little employees can do if they believe their privacy is being violated, says Coulter.

The key tests for employers are: Whether the loss of privacy is proportional to the benefit being gained and, if this loss is proportional, is there a less privacy-intrusive way to achieve the same result?

There is little case law in this area so far and the human rights code doesn't cover privacy as a right, says Coulter. However, unions have been challenging this technology and arbitrators tend to be siding with them.

"A smart employer would not push the point," she says.

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