

experts say. Monitoring “is part of a manager’s job when we’re in-person,” says Elizabeth Lyons, a management professor at the University of California, San Diego. “The question here is how it should be used now.”

With remote work likely here to stay in some capacity, companies are increasingly turning to AI-powered technology, often called tattleware, to monitor and measure employee productivity. Through tattleware, companies can keep tabs on remote workers by surveilling webcams, listening in through microphones, taking random screen grabs, and tracking keyboard use and keystrokes. Demand for employee-monitoring technology has shot up by 58 percent since the advent of the pandemic. Currently, 78 percent of employers use digital surveillance tools, despite 83 percent of them citing ethical concerns with it.

The latest research has found that monitoring remote workers aids in increasing productivity when it is exercised with certain considerations. It isn’t solely the technology that makes a difference, but rather how managers interact with it, says Lyons. According to her study, when managers used findings from monitoring tools to provide constructive feedback, employee performance improved. It also

raised morale, as employees felt their work was being valued. However, the cost of excessive monitoring is a loss of employee trust. “There is a risk that it can drive down employee morale, if it’s perceived as signaling to employees that their employers don’t trust them,” says Lyons.

Experts say most employees will be comfortable with monitoring if the data collected is relevant for business goals and their personal information isn’t being surveilled. The key is to increase transparency and collaboration, and ensure that employees understand the value of the data, says Lyons. Additionally, it’s crucial for companies to establish clear policies on the usage of surveillance tools, says Rick Sklarin, a senior client partner at Korn Ferry’s Silicon Valley practice. “There are gray areas between notifying employees that they will be monitored and explicitly defining how that’ll happen,” says Sklarin. “It’s really important for companies to disclose how far they’re going to go.”

In the end, managers have to decide if the cost of surveillance strategies is worth it by evaluating performance at the highest levels, says Sklarin. Since going remote, “many companies are finding that they have significant productivity increases, not decreases,” he says. ▀

WHAT’S ON THE NEXT BOARD AGENDA

1

SUCCESSION

Identify and nurture the next, more diverse generations of company leaders, both for the boardroom and the C-suite.

2

TECHNOLOGY

Understand how the firm’s digitization efforts impact long-term strategy, staffing, and security.

3

ESG

With ESG’s prominence expected to only grow in 2022, incorporate climate change and social issues into strategies and budgets.

HISTORY LESSON

BY GLENN RIFKIN

Will Cold Calling Ever Go Cold?

A major bank recently dropped their use, but unsolicited sales pitches have endured since at least the 18th century.



THE FORMER PRESIDENT AND CIVIL WAR hero Ulysses S. Grant had just completed his memoir, days before his death in 1885, but didn’t have a publisher. As it turned out, his friend and editor, Mark Twain, had a plan. Instead of accepting a publisher’s small royalty, the famed author and raconteur promoted the book by fanning out 10,000 former Union soldiers to go door-to-door. The upshot: *The Personal Memoirs of U.S. Grant* became the first

mega-selling presidential autobiography.

Call this the birth of that most pesky of business tools, the one we know today as cold calling. With the proliferation of artificial intelligence, predictive marketing, and commercial rocket launches into space, it seems society would have evolved beyond this analog practice long ago. And yet it persists, through one iteration after another.

Many credit the father of modern sales management—John Henry Patterson, the CEO of the National Cash Register Corporation—with codifying the idea of cold calling in the mid-1800s. After taking ownership of a floundering NCR, Patterson endeavored to boost sales by instituting quotas and offering commissions. He also created a sales script. His employee manual, called the Primer, instructed salesmen: “Avoid giving the impression to the merchant that you are trying to force him to buy. No man likes to feel he is being sold.”

“Patterson really codified sales management and said there is a process here and we need to identify that process,” says Frank Cespedes, a management professor at Harvard Business School who specializes in sales management. Later, in 1906, Alfred C. Fuller founded the Fuller Brush Company and began deploying what became a famed door-to-door sales icon. And then, of course, there were the infamous Hoover, Encyclopædia Britannica, and Avon sales reps. As the telephone became more ubiquitous, “lead lists” began to appear, pioneering the earliest days of telemarketing.

The term “cold calling” emerged from the use of the word “cold,” meaning “without warning.” It’s often considered outmoded in today’s highly connected sales environment, and in one head-turning move, Merrill Lynch Wealth Management recently unveiled a new advisor-training program banning the practice. Still, as anyone with a phone can attest, it lives on, proving that regardless of the medium, persistence continues to count for something. “There’s still a fairly high correlation between the number of calls a rep makes and their outcomes,” Cespedes says. ▀

THE COLD FACTS

The average B2B decision maker receives 3,000 marketing touches a year (phone, email, TV, and radio ads).

The same decision maker receives as many as 17 phone calls a day from salespeople pitching a product, service, or idea.

It costs an average of \$5.10 every time a salesperson makes a cold call.

Studies show that 90% of cold calls go to voicemail, and most of those are deleted unheard.