

Opinion

WFH benefits leave companies at risk of being bitten by legal action

There are many lifestyle and business benefits of increased working from home, but there are also potentially expensive workplace compliance problems as well.

Grant Custance

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Research from IDC last week showing the [Australian PC market grew 35 per cent](#) in the past quarter, is the latest evidence of the profound economic impact of COVID-19. Thousands of organisations in Australia have rapidly enabled their workforces to work from home, and it is likely that will stay the case to a significant extent for several reasons.

Many businesses won't fully release expensive buildings to house their white collar, mostly computer based, workforces, once the pandemic has passed. If they can shave a few percentage points off annual leasing and insurance costs for the next few years, it will improve their ability to recover from the worst recession in 90 years.

There are also significant benefits for the wider Australian economy. If we consider the contact centre industry as one example, up to 30,000 contact centre jobs could be moved permanently from offshore locations to Australia – including regional cities like Dubbo, Cairns, and Bendigo.

But the cost savings are not risk free and we are seeing examples of organisations that are setting themselves up for future legal problems, by neglecting some of the corporate rules and controls that exist in an office environment.

We know this because at nimbus, we are at the heart of the "work from home" economy. Our Australian, cloud-based software is used by some top ASX companies, including JB Hi-Fi, and Beacon Lighting and international organisations, including the Old Bailey in Britain and air traffic control in the US, to ensure their on-site and remotely based staff get paid according to the shifts they do.

This issue of workforce payment and management compliance sounds straightforward, but as we have seen in recent times it is often very complex – resulting in the [multimillion-dollar fines](#) paid by some of our largest retailers,

Five years ago nimbus developed a globally unique workforce optimisation product, to specifically solve this issue. At the heart of the solution was a patent "control", which ensures workers' payments comply to awards and enterprise bargaining agreements, by not allowing staff to log in and off their shifts, via softphone, if those shifts don't comply with the award.

We have a unique view of how companies are tracking their compliance with workplace regulations, and can see that, as large as the opportunity is from enabling millions of people to work from home, there is also a substantial economic and legal risk for organisations moving to more flexible work hours and using staff-owned laptops and mobile devices.

Because of this, we have a unique view of the industry, and can see that, as large as the opportunity is from enabling millions of people to work from home, there is also a substantial economic and legal risk for organisations moving to more flexible work hours and using staff-owned laptops and mobile devices.

IBM is the latest company to fall foul of its obligations to pay staff properly, being slugged with a \$12.3 million bill for misunderstanding awards arrangements and under paying staff. It was not the first this year, and this and other compliance challenges are going to be amplified by a freer, technology-enabled workforce.

The freedom from a regulated office environment cannot exist without new controls and employee management systems capable of delivering confidence and security to employers.

Put simply, employees logging in and out of their online workplace at all times of the day, run a significant risk of breaching the award they are paid under.

It may not seem so when companies are panicking to get their staff set up to work from home, but the issue of inaccurate staff payment looms as a major issue in the next two years if it isn't addressed. The regulators know this and we fully expect they will act.

This is one of the reasons why nimbus has recently registered to extend its patent control for softphone access to an additional 40 countries. We see an opportunity to sell it to companies in Australia, India, the European and elsewhere, to help them guard against lawsuits in the post COVID-19 economy.

Grant Custance is the founder and CEO of nimbus, a Melbourne-based, provider of software as a service tools for workforce management.