

# Remote Working and Side Jobs: Aligning Policies to Practices

## Are your remote employees working two jobs from home?

A recent Wall Street Journal article entitled, *These People Who Work From Home Have a Secret: They Have Two Jobs*, highlighted a key challenge for employers: remote employees are taking advantage of working from home to make more money, pursue other interests, or launch or join a startup.

Outside employment (also known as secondary employment) can create significant issues for both the employee and the employer, including potential conflicts of interest, low productivity, and theft or use of company assets or intellectual property. Companies should be asking:

- Are our remote employees working a second job?
- What impact does it have on our business?
- Are they productive?
- Are they working for a competitor?
- Are we losing valuable IP?
- Are they encouraging others to do the same?

These are all critical questions that you should ask as you consider the potential impact of outside employment on your business.

Of course, many companies have policies prohibiting outside employment. Where it is permitted, companies require employees to disclose their outside activities and potential conflicts of interest. But, in many cases, there is no effective way for employees to disclose nor for the company to track those disclosures and enforce their own policies.

Leading companies require employees to certify that they don't have any potential conflicts of interest, such as outside employment, and where they do to, disclose them promptly. Best practice requires that employees complete the process when:

- They start employment with the company
- Whenever their employment circumstances change (for example, you get a promotion, take a second job, or a family member joins the company)
- Annually to re-certify and update disclosures.

We are also seeing an emerging trend whereby pre-employment candidates are asked to disclose any potential conflicts before they are formally hired. This approach allows employers to get out in front of any issues and address them proactively before the company has incurred significant time, effort and money in onboarding a new employee who has an inherent conflict. It also sends a strong message to potential candidates that the company values integrity and takes conflicts of interest seriously.

Implementing an effective and automated disclosure process is not difficult. Modern cloud-based software allows you to get a system up and running quickly. Employees can complete a certification or disclosure in minutes. Workflows can route the disclosure automatically for appropriate review and approval. If an issue is identified, communications with the employee and their manager can occur within the tool with a complete audit trail. All of this is maintained in a central, secure, cloud-based system that can be accessed and updated as needed.

Other potential conflicts – relationships with other employees, competitors, and suppliers – can also be identified. Taking a few minutes up front can significantly limit your risks and those of your employees.

**If you want to learn more about how you can address the issue of outside employment in your organization and improve certification and disclosure processes, please contact us at [info@ethisphere.com](mailto:info@ethisphere.com). We would welcome the opportunity to discuss how you can reduce your risk while improving your company's culture of integrity and that of your employees. We would also welcome the opportunity to walk you through our Dynamic Disclosure solution and how it can streamline and automate your Conflicts of Interest Process.**