



[Culture, Strategic HR](#)

Are these three workplace ghosts haunting your employees?

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Is there a former employee whose residual presence you just can't shake? Does a senior employee keep trying to possess their previous role? Are there spirits on your payroll?

Is your workplace haunted?

You might think, "Of course not!", but I have some worrying news for you: it might be.

While spirits and ghouls are probably not possessing your photocopier (I hope), there are some workplace ghosts that crop up from time to time. And if you don't know how to bust them, they can harm your people and your bottom line.

So who are these ghosts, and how do you get rid of them once and for all? As Halloween draws near, *HRM* goes on a ghost busting hunt.

1. Ghosts in the payroll

Ghosts lurking in your payroll system usually indicate that there could be occupational fraud at play, says Tracy Angwin, CEO of the Australian Payroll Association.

This occurs when an employer continues to pay someone who is no longer working for the organisation, or possibly never existed to begin with.

Worryingly, they are more common than we think, says Angwin.

"Ghost employees are relatively common in payrolls, especially those [organisations] with high turnover and high usage of casual or part time staff members," she says.

"They are more likely to occur when there is poor governance and controls in a payroll operation."

This kind of fraud is more likely to happen if payroll is managed centrally, or if it's only managed by one person. To [create a ghost employee](#), the fraudster needs to be able to add people to the payroll system without much oversight.

Ghost employees can appear by accident. Maybe two employees have very similar names, for example. But in Angwin's experience, more often than not, ghost employees are maliciously placed on the payroll to defraud the organisation.

"If you have good governance and controls, it would be difficult to justify a ghost employee as an accident," says Angwin.

"All the ghost employees we have discovered are deliberate acts, and therefore fraudulent payroll activity."

Some [red flags that could indicate ghost employees](#) are present include: employee files with very little identifying information, a mailing address that matches another employee or multiple employees using the same postal box, or an employee without a job description or recognisable [job title](#).

"The red flags for payroll fraudsters include living beyond their means, [sometimes a] drug or gambling addiction and often people who are going through major life changes," says Angwin.

Busting this type of workplace ghost:

Be sure to regularly check your payroll lists, or conduct a [payroll audit](#) at least once a year, and implement procedures to act on suspicious additions. If possible, try to meet employees whose file looks odd in person to confirm that their details are accurate.

“Prevention is much better than cure. The best thing you can do to solve this issue is to ensure you have good governance, controls and processes in your payroll system,” says Angwin.

If you’re ever suspicious of your payroll team, it means your processes and controls aren’t strong enough, she says.

“We also recommend that employers do police checks as part of recruiting a payroll team,” says Angwin. “[A woman] [stole almost \\$20 million](#) from [retailer] Clive Peeters, got a payroll job while on bail.”

“It’s like they’re leaving their ghost in their old team. It’s a kind of job robbing because you’re not letting the new manager do the job they’ve rightfully gained.” – Karen Gately, Founder of HR consultancy Corporate Dojo.

2. Ghosts of employees past

These are employees who have a lasting impact on your organisation long after they leave.

They aren’t necessarily employees who’ve been fired and are returning to try to [ruin your reputation](#), but more so someone whose personality was so radiant, or their work so phenomenal, that they are remembered and revered well after they’ve jumped ship.

Sometimes this kind of workplace ghost can be someone who had a nice presence, and reminiscing about them might be a bonding experience for staff, or they might be remembered for being an amazing worker – “Remember Janet? She could sell ice to the Inuit!”

This long-lasting praise and affection can put the person replacing them in a difficult position. Whether they’re a new recruit or a current employee, there can be an expectation that they will be Janet 2.0.

“This can make people closed-minded or limit their beliefs of what’s possible. In that instance it needs to be tackled,” says Karen Gately, Founder of HR consultancy Corporate Dojo.

An example of this is when Tim Cook took over as Apple CEO from Steve Jobs in 2011. Jobs introduced the world to the iPhone, turning Apple into a technology powerhouse. How could Cook possibly replace him?

He couldn't. Rather than become a Steve Jobs clone, [Cook made the role his own](#) while still respecting Jobs' legacy.

Demonstrating respect is important for any incumbent filling a workplace ghosts' role, says Gately.

"You're only going to get people digging their heels in and retaining loyalty for people of the past if they don't feel like there is a fair and reasonable acknowledgement of what came before," she says.

Busting this type of workplace ghost:

Mehtap Ozdemirci CPHR, Founder of Lock HR, has dealt with this issue personally when she moved into a State Manager role and was routinely compared to her predecessor.

Sometimes change paralysis can overcome teams, says Ozdemirci, which makes them look back to the 'good old days'.

"I would focus the messaging on moving people forward to the future just one step at a time," she says.

"We don't know what the future will look like, but if we focus on two-week or two-month sprints, then change feels less scary."

Also, make sure an observation and learning period are part of any role transition, so employees don't feel like the contributions of the former employee are ignored, says Ozdemirci.

"There has to be a balancing act of recognising the past and bringing in your own contributions."

3. The lingering ghost

This is a workplace ghost that hasn't left your organisation, but they are having difficulty relinquishing control of an old role.

The lingering ghost appears when employees move up the hierarchy.

For example, Rahja has just moved up from a District manager position into the Head of the Branch. Their subordinate, Jason, is promoted to the District Manager role. The problem occurs if Rahja tries to control how Jason does his job, or continuously offers unsolicited advice.

"It's like they're leaving their ghost in their old team," says Gately, "It's a kind of job robbing because you're not letting the new manager do the job they've rightfully gained."

Spotting this ghost can be tricky because the new manager might not feel comfortable making a complaint about their former manager.

One sign could be if the [new manager's](#) performance is slipping. Another might be if the employee reports feeling unempowered in organisational [surveys](#). When following up with them, you might find they feel restricted by the ghost haunting their role.

"Having a deeper dive, beyond a regular organisation assessment, once or twice a year, around factors like decision-making and employee empowerment can [reveal] this kind of behaviour."

Busting this workplace ghost:

It can be handy having the former manager around as a knowledge source to tap into, but there should be strict boundaries around when the transition period is over, so the former manager can focus on their new role.

Implement clear lines of responsibility, says Ozdemiric. These should outline what is and isn't part of their role.

If the new manager still reports to the ghost, then it might be helpful to [manage up](#), says Gately.

To manage up, make sure you understand the old manager's personality and motives.

"For example, the old manager might be worried because they can't get a sense of what's going on," says Gately.

"Show them [what you're working on] and the outcomes to put their mind at ease that things are on track."

With all this information, hopefully you're able to do some ghost busting of your own this Halloween. Who you gonna call? The HR department.

Becoming a workplace ghost buster is only one skill HR needs to thrive. If there is an area you'd like to improve in, check out AHRI's selection of [short courses](#).

TAGS : culture, payroll, performance management