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## **EMPLOYEES PERCEPTION OF WORKPLACE MONITORING AND SURVEILLANCE**

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### **Abstract**

*Employee monitoring has gained importance from different interest groups – Commercial organisations, employee interest groups, privacy advocates, professional ethicists and lawyers. It is a practice of organizational management. It is about surveying the employee’s activity through various surveillance methods. The objectives of employee monitoring can be performance tracking, avoiding legal liability, protection of trade secrets and also to focus security concerns if any. The policy of monitoring and surveillance is likely to have a negative effect on employee satisfaction and employee privacy though, it is essential to identify and prevent unacceptable behaviour of employees if any.*

*Employee monitoring trend has evolved gradually as a result of technological innovation.*

*This research paper analyses the impact of employee monitoring practices in organisations. The study proposes organizational theories, privacy theories, control theories and resource theories so as to address the employee privacy issues. These multiple theories indicate multiple dimensions focusing on the proactive approach or a backup plan mediating between organisational policy and behaviour of employees. Result of the study indicates that Employee Commitment level depends on employee’s perception about their privacy at workplace. This perception is influenced by management practices such as organisational policy and prevention of misuse.*

## **Keywords**

Privacy Advocates, Professional Ethicists, Organisational Management, Monitoring, Surveillance, Trade Secrets, Technological Innovation

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## **1. Introduction**

Monitoring increased concerns about employee privacy; therefore, employers are expected to find a balance between monitoring gains and the costs of invading employee privacy (Jackson, Schuler, & Werner, 2009). Use of emerging technologies in monitoring employee practices is raising concerns that the privacy rights of employees are vulnerable, and it is becoming more challenging to balance employer security rights with employee privacy issues. A large number of organisations today are using technological innovations to track the employee performance in workplaces. According to electronic monitoring and surveillances survey 76% cos monitor the website connection of employees, 50% cos review their computer files and 55% cos retain the emails. Such monitoring indulges between commercial interest of the companies and privacy rights of the employees thereby encouraging conflict situations. Employee's trust is likely to get affected by this practice. Research says trust in employees is said to predict outcomes at individual level such as Organisational citizenship behaviour, job satisfaction, commitment, turnover and performance of employees in the job (Colquitt et al., 2007; Dirks & Ferrin, 2002; Gill, 2008; Matzler & Renzl, 2006). Employee's perception plays a significant role in this process of workplace monitoring. Amongst the significant outcomes of trust are sharing of knowledge, communication and interpersonal cooperation. Although trust at personal level is relational, workplace monitoring practice from employee's perspective may give an adverse effect if not communicated properly.

The real intend of the management in monitoring is to preserve business intelligence and enhance cyber security. Workplace monitoring doesn't have a theoretical base, thus it remains unexplored in spite of early exploratory studies (Flanagan 1994; George 1996; Ariss 2002). This study attempts to examine multiple dimensions of electronic workplace monitoring and present a conceptual model trying to map the dynamics of workplace monitoring. The contributions of this paper are two-fold. To examine the dual nature of electronic workplace monitoring in order to understand and integrate the diverse viewpoints related to monitoring. Secondly, incorporate prior studies into the development of a conceptual model which captures the dynamic of electronic workplace monitoring.

## **2. Literature Review of Electronic Monitoring in Workplace**

Research conducted by Fair-weather, N. B. (1999) justifies the feeling of isolation and strong sense of privacy invasion in employees as an outcome of electronic monitoring. Employees tend to feel insecure. Fear of job loss and anxiety too are some common outcomes (Ariss 2002; Meyers 2003). However such monitoring continues to receive a wide support (George 1996; Shopis 2003) due to business necessity arising from the below mentioned reasons:

1. Avoid misuse of organisational resources and related expenses.
2. Confidentiality in terms of intellectual assets and business secrets is maintained.
3. Avoidance of legal liabilities as result of employee misconduct.
4. Probable increase in employee performance (Ariss 2002).

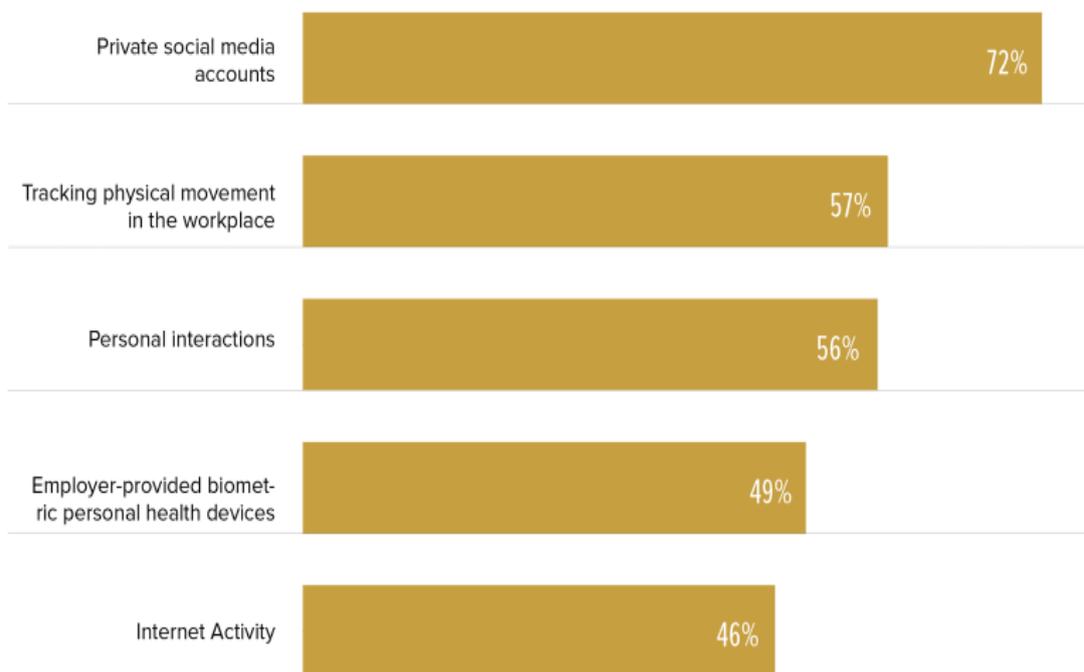
(Flanagan 1994) in his research signifies the fact of absence of framework to control the rapid increase of electronic monitoring. Enactments like Electronic Communications Privacy Act of 1986 are applicable only to non-computer based workplace monitoring. But the state tort laws give permission to electronic monitoring policies for valid business reasons (Galkin 1995). Employees are expected to agree to certain implicit contractual relationships in the workplace confirming the acceptance of electronic monitoring by employees. Research conducted by (Klepper and Jones 1998) mentions contract as a strong management tool. A contractual relationship works as a administrative practice to enforce workforce control (Oosterhout, Heugens et al. 2006). A normative environment conducive to the work culture is developed via such contractual relationship. Once made explicit, electronic monitoring becomes a workplace practice which is mutually agreed and non-questionable (Kobayashi and Ribstein 2002). Over a period of time employee monitoring becomes a practice in the inclusive culture of the organisation.

Contract at the entry level enables the employees to make sensible choices about their behaviours (Fisher 2002). Main challenge for the organisations is effective designing of the monitoring practices without defeating the purpose yet minimising the negative effects when attaining the monitoring goals. (George 1996) justifies managerial role being the key role in setting a system which is effective but not perceived as invasive. Approval for employee monitoring may not be gained explicitly but should be based on distinct characteristics of the organisation. In the process, ethical, legal and interpersonal relations ought to be dealt more effectively. A set of recommendations are put forth by Ariss (2002) which includes initiating organisational policies in writing, monitoring essential activities and calculating cost effectiveness of monitoring system. While Flanagan (1994) in his research focused on constraints to organise the information acquired from monitoring, King (2003) justified the control on monitoring limit so as to reduce anxiety and ensure long term gains. Studies conducted so far emphasize the significance of organisational policy

as a major tool to convey the rules of employee monitoring, rationale of business behind it and also the utility of information acquired. (Eddy 1997; Fisher 2002) bring the fact to notice regarding limited attention received in previous research on electronic monitoring. An article (Harbert, March 16, 2019) quotes the recent practices in employee monitoring which includes mobile devices, sensors, data analytics, biometrics and wireless communications. These tools apparently reduce the cost of surveillance. The percentage of employers monitoring the employees in conventional ways has increased from 30 percent in 2015 to 50 percent in 2018.

As per the Gartner survey there has been a rise in employee's acceptance for monitoring and surveillance from 10 percent in 2015 to 30 percent in 2018.

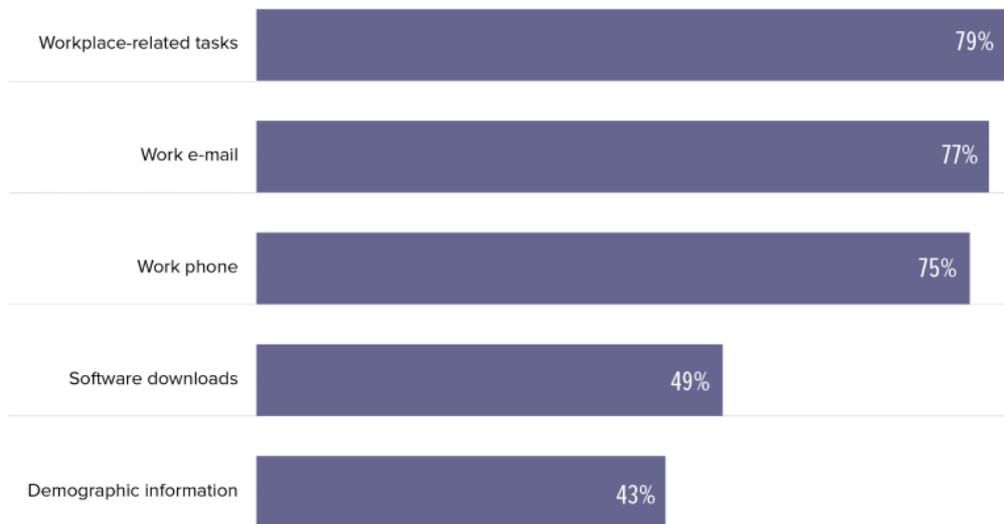
## 2.1 What Workers Say Is Not OK to Monitor



**Figure 1:** *Employee Prejudice against Workplace Monitoring and Surveillance*

So as to minimise the resistance shown by employees towards monitoring and surveillance, organisations should have a clear objective such as enhancing employee performance, constructive engagement of employees, retention and organisation culture. Employee monitoring framework should be defined for this purpose.

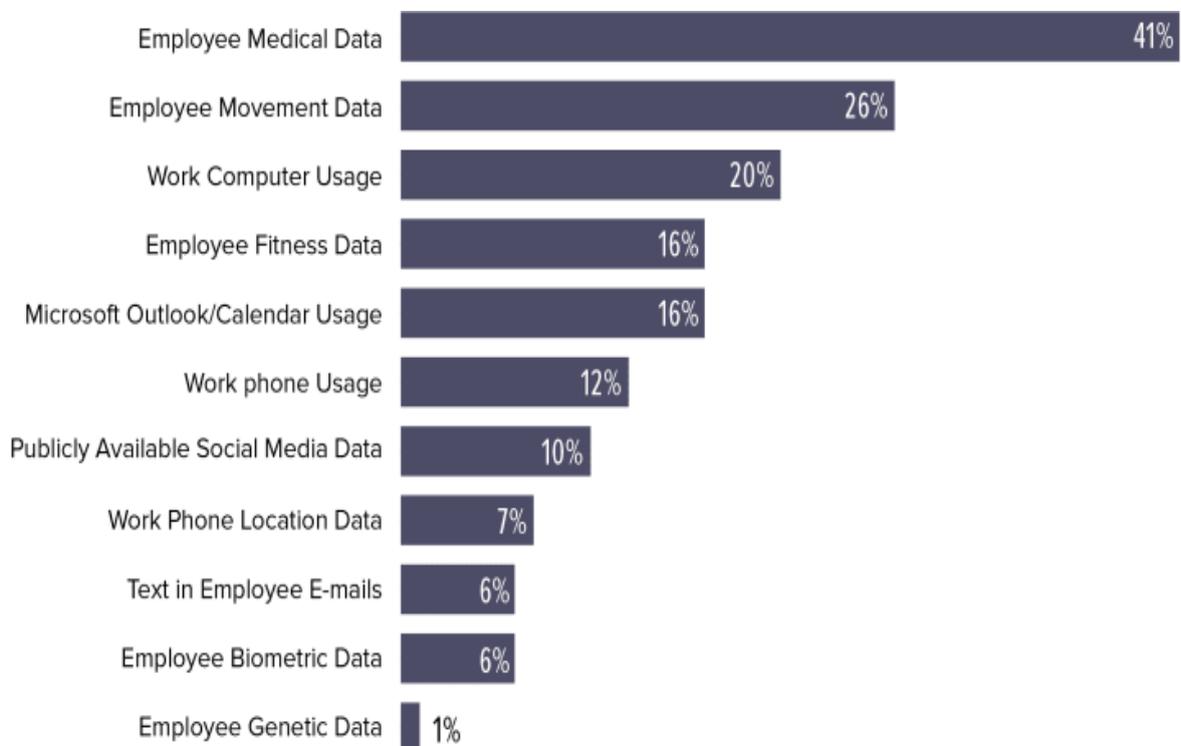
## 2.2 What Workers Say Is OK to Monitor



**Figure 2:** Employee Preference for Workplace Monitoring and Surveillance

## 2.3 What Companies Are Monitoring

Percentage of organizations collecting each type of data.



**Figure 3:** Organisational Criteria of Workplace Monitoring and Surveillance

### 3. Research Methodology

Based on a review of existing literature, this study presents a conceptual framework based on organizational theories, privacy theories, and control theories so as to address the employee privacy issues. It establishes a correlation between Organisational commitment as a dependent variable while management practices and employee characteristics as independent variables. Popular databases such as Google Scholar, Abstracts from EBSCO are referred. The review includes a review of conceptual and empirical articles published in journals, newspaper and business magazines, practitioner surveys, conference proceedings, and dissertations.

### 4. Theoretical Development

Employees often perceive invasion of privacy due to controlled business policies, prevention of misuse of privacy and significance of individual privacy. Such perception affects the commitment level of employees. Ways of employee monitoring like email monitoring, blocking of website, tapping the phones and GPS tracking are made a part of organisational policy. So organisations are said to be combining technology with the policy in order to manage productivity and reduce litigation and other risks. Practices included in the organisational policy often seek to put restrictions on employees.

**Figure 4** Shows the correlation between multiple variables:

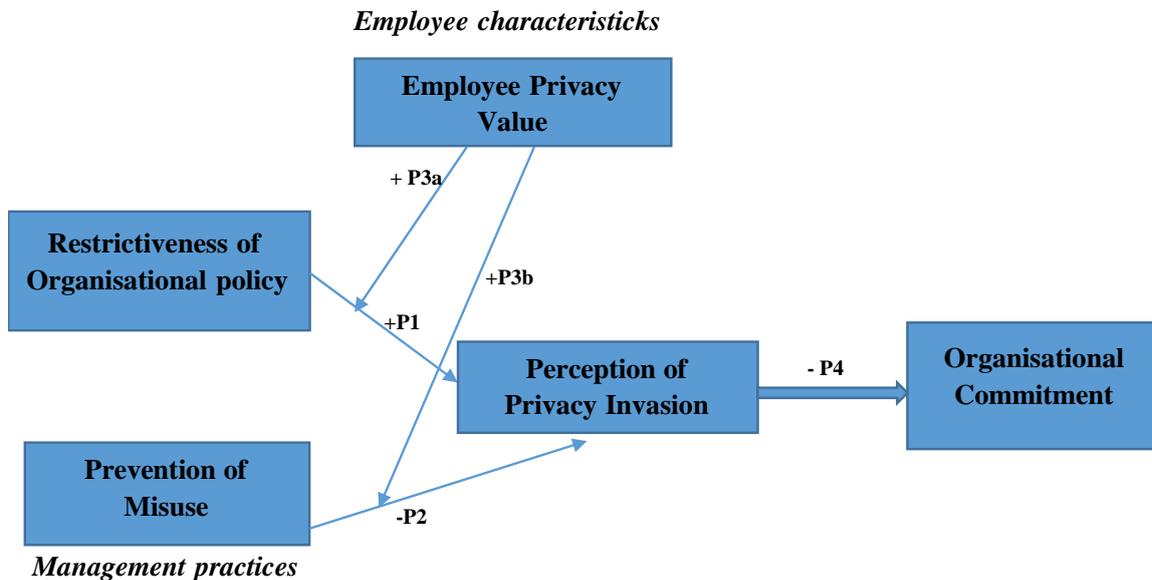
**Restrictiveness of Organisational Policy:** Extent to which personal use of organisational resources and other than work related activities are denied through policy.

**Prevention of Misuse:** How well the organisation prevents the misuse of the personal information of the employees with external business associates.

**Employee Privacy Value:** Importance given by employees to personal privacy. It is Cultivated by personalities, cultures, and previous privacy invasion experience.

**Perception of Privacy Invasion:** How much or how less the employees feel that their privacy is Invaded.

**Organisational Commitment (Affective Commitment):** Employees' perceptions of their emotional attachment to or identification with their organization.



**Figure 4:** *Effect of Organisational Policy on Employee Privacy Concerns*

Workplace employee privacy is considered as a multifaceted concept in organisational research by (Westin 1967; Marshall 1970; Woodman, Ganster et al. 1982). While (Fisher 2002) summed up workplace privacy as controlled social interaction, power, autonomy, individuality and solitude, (Stone and Stone 1990) mentions it as perception of release of personal information, socially awkward interactions and unreasonable external influences.

Past research justifies the impact of organisational policy on employee privacy along with their social interactions and external controls. Policy tends to reinforce the expected employee behaviour. More the restrictions in the policy, lesser is the inclusiveness of employees (Swanson 1993). Restrictions through policies are enforced by prohibiting use of organisational resources and non-business related activities (Fair-weather 1999). When employee monitoring is not enforced, the personal information of employees in a workplace which is monitored is said to exist. Level of Invasion of privacy is increased thereby due to invasion of privacy construct. The effect of loss of privacy of employees due to monitoring tends to result in change of attitudes hence defeating the policy intent.

Re consideration of the research question regarding invasion of employee privacy as an effect of policy matter thus becomes mandatory. Whether Policy restrictiveness is an effective management tool depends on multiple factors applicable to the respective organisation. Flexibility and freedom offered to the employees at workplace is likely to reduce the privacy concerns related to monitoring

systems. Organisations thus might choose to relax the monitoring policy to reduce the negative attitude of employees towards workplace monitoring.

**Proposition 1:** Policy restrictiveness in a highly monitored organisation will make a positive impact on the level of perceived invasion of privacy.

The content in organisational policy and the policy design strategically complement each other. The procedural dimension of these policies are thus not addressed (Fisher 2002). As regards the workplace monitoring, key procedure of policy formation is often aligned to the management of the collected information of employee privacy in terms of usage, access and release. The research conducted by Shopis (2003), reveals that employees are mainly concerned about organisations using their private information due to high volume of information usage violations being reported. Employees feel the uncertainty of their personal information being used for other than official purposes, such as marketing, humiliation or even crimes at times (Meyers 2003). This notion puts forth the concept of perceived risks of privacy invasion of employees.

Employees also perceive privacy risk when organisations disclose their personal information to outsiders Woodman et al (1982). They often are concerned about their ability to authorise the disclosure of information (Eddy 1997). According to the research (Smith, Milberg et al. 1996), employees perceived the unauthorised secondary use of personal information as a major concern. Common beliefs are necessary to human attitudes which be supported by a prevention mechanism to restore the employee's feelings of the control upon the release of their privacy information (Potter 1966; Phares 1976; Klein 1989), Such prevention schemes would gradually lessen the perception of invasion of privacy according to (Stone and Stone 1990).

**Proposition 2:** Prevention of misuse of information monitored in organisation policy will be negatively related to the perception of privacy invasion.

Research conducted by (Stone and Stone 1990; Dinev and Hart 2006) suggests that employees have their own values as regards privacy. These values differ according to personalities, cultures and past experiences of privacy invasion (Milberg, Burke et al. 1995; Awad and Krishnan 2006). While some employees perceive the monitoring system as organisational policy, the others might feel offended. It is all about their attitudes towards the system (George 1996). Employees with higher values of privacy are likely to be less affected by policy changes. Individual's value towards privacy and monitoring system proves to be a salient and strong factor and has a moderating effect on policy designs.

**Proposition 3a:** The Employee Privacy Value will moderate the relationship between **Restrictiveness of Organisational Policy** and **Perception of privacy invasion** positively.

**Proposition 3b:** The Employee Privacy Value will moderate the relationship between **Prevention of misuse** and **Perception of privacy invasion** positively.

Perception of employee privacy invasion creates anxiety, fear, low self-esteem and workplace stress (Sundstorm 1986; Stone and Stone 1990; George 1996; Meyers 2003). Such a perception seems to get developed due to wrong way of implementation of organisational policies, poor communication between employer and employee and to a large extent the culture of the workplace. Research justifies that Organisational commitment measures employee attitudes towards the organisation and inter personal relationships in workplaces (Cooper-Hamik and Viswesvaran 2005). Low commitment level impacts the performance, turnover as well as absenteeism level (Strickland 1958; Mowday, Porter et al. 1982). Multiple factors affect the commitment level of employees. Perception of Privacy invasion due to employee monitoring being one of those factors.

**Resource based theories** justify a high potential loss in human resources may affect the organisation's growth in a long run, sustainability and competitive advantage (Wade and Hulland 2004). Decisions regarding organisational commitment thus need to be examined strategically.

(Meyer and Allen 1987) in their research explore three dimensions of organisational commitment. A three component model of commitment was published in 1991 in "Human Resource Management Review". As per the model, commitment is a psychological state having three distinct components which make an impact on the way employees feel about the organisation. Employees either feel a sense of affection for their job – affective commitment, fear of loss - continuance commitment. It is mainly based on economic benefits or a sense of obligation to stay in the organisation - normative commitment. Affective commitment is related to the present study. Issues related to privacy invasion are likely to make an impact the employee's feeling for the organisation (Mastrangelo and Popovich 2000). Employee monitoring policy might lower the self-esteem of the employees and develop a sense of distrust in them thereby leading to poor level of organisational commitment (Hovorka-Meda, Ross et al. 2002). Inappropriate execution and communication of employee monitoring policies are likely to spoil the perceived organizational identity, which antecedent organizational commitment (Tabak and Smith 2005).

**Proposition 4:** Perception of privacy invasion will be negatively correlated with the affective commitment to organization

## **5. Discussion and Conclusion**

This piece of research attempts to study the phenomena of workplace monitoring by combining various perspectives of employee monitoring practices. The privacy concerns could be controlled by strategizing the practices. Policy design acts as a strong mediator in monitoring practices. Privacy and control theories project the intervention of Restrictiveness of policy thereby raising the privacy invasion. The long term impact of employee monitoring leads to reduced organisational commitment. Commitment being the key indicator of effective management practices, it proves to be the outcome of this study. Organisations are expected to strategically focus on their employee monitoring practices considering it as a policy matter yet not invade into employee's privacy. Seeking this balance is a challenge. Proper Communication in this regard helps in restraining unfavourable consequences.

Future study may explore the effect of organisational trust in handling issues in employee monitoring (Alder, Noel et al. 2006). Research justifies (Mayer, Davis et al. 1995; Lewicki, McAllister et al. 1998; Zaheer, McEvily et al. 1998; McEvily, Perrone et al. 2003) trust being an important stimuli of workplace behaviour. Employee monitoring practices are likely to affect the trust factor in employees thereby showing a change in their behaviour. (Eddy, Stone et al. 1999; Aycan and Kabasakal 2006) suggest the need to study the role of distributive fairness and procedural fairness. Both being significant factors examining management design.

## **6. Research Limitations**

The study only proposes the conceptual model. Future research be based on empirical testing of the model. Statistical inferences would validate the model effectively.

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