

Panopticon Dreams:
The Nightmarish Effects of Workplace Surveillance

BRITTANY MEIER

Introduction

Ethical issues arise in many aspects of the business world today. Ethics play a pinnacle role in everything; from hiring practices to how products are advertised. A company's ethics, in part, determine the success of the company and if neglected, it's failure. Many CEOs claim their companies are only as good as the people they employee. Thus, the question arises; how do you make sure you have the best employees that are going to contribute to the success of your business? Watch them! Currently 80% of businesses are using one or more forms of employee surveillance, and 50% of those companies do not inform their employees that they are under surveillance.¹ I'd like to believe companies try to use surveillance to alter the behavior of their employees for the better, however, that objective is not always achieved.

I argue that companies who use employee surveillance tactics are changing employee behavior for the worse. The behavioral change is

causing employees of such companies hardships that affect not only the way employees act at work, but how they act in their personal lives as well. I will provide evidence that supports the idea that surveillance negatively affects employee behavior and causes more problems in the workplace than it solves. There are many examples of company's surveillance tactics that show the negative affects it has on employees such as increased stress, loss of identity and the emergence of privacy issues.

In the first section of this paper, I will discuss the critical ethical issue facing employees today which I believe is workplace surveillance. Following, I will describe how companies are monitoring their employees. Subsequently, I will review how the behavior of employees has changed. I will then use these issues to support the notion that employee surveillance is harmful to the individual and the broader society. Finally, I will conclude this paper with the consequences of employee surveillance and suggest how companies should conduct business.

Critical Issue

There are a variety of ways to manage a company. No consensus has been achieved as to which management method is the best and different methods work for different companies. But should management act on the assumption that their employees are doing something wrong? Or should they trust their employees? When a company monitors their employees, they send a direct message to the workers indicating that employees are likely to do something wrong and, therefore, need to be watched - and even punished. Sending this type of message is

demoralizing to employees. Companies are using consequential ethics by punishing their employees for inappropriate actions.

Consequential ethics refer to the notion that actions are judged morally if the consequences of that action are more favorable than unfavorable.² It has been shown in many psychology experiments that people respond better to positive reinforcement than they do to punishment. For instance, a child in school who is getting D's on his papers is more likely to benefit from positive reinforcement and receive higher grades. Instead of punishing the child, the parents alternatively offer a compliment after a series of constructive questions, which encourages the child to do better and not be discouraged by school.³ People who have punishment used against them sometimes have increased aggression and fear of the punisher.⁴ Because punishment causes negative effects on people's psyches, it is not a constructive method to use in the workplace. It is better to reward employees whose behaviors are appropriate than to punish those whose behaviors are not deemed proper. People in general respond better to positive reinforcement and such an infrastructure should be implemented into the workplace.

Employers like to leverage what is referred to as "panopticon surveillance." The panopticon concept was introduced to society in 1771 as a type of prison designed by Jeremy Bentham. The design allowed the observer (guard) to observe all the prisoners from a central tower in a circular prison without the prisoners being able to tell whether they were being observed. The idea was later popularized by Michael Foucault, who believed that modern society exercises its controlling systems of power and knowledge through surveillance and an individual could increase their power by watching others.⁵ Employers who use panoptical surveillance are constantly knowingly or unknowingly increasing paranoia in the

workplace. Some companies want to make their workers feel as though every move they make could be under surveillance. Companies use multiple types of surveillance so that they can constantly monitor employees' actions.

Workplace Surveillance

Companies are using every possible system available to monitor their employees. Computer surveillance is widely used to monitor activity. Companies block certain sites, and when an employee tries to access the site a notification is sent to an IT database. These databases compile information about employees and can be used against them during their performance evaluations. As many as 65% of companies use software to block connections to inappropriate Websites. Keystrokes are commonly watched and stored by 36% of employers tracking content.⁶ Spyware monitoring such as website visits, keystroke tracking, and time use monitors are intentionally being used on employee's computers - and companies see no ethical problems with this practice.

Another controversial surveillance method is e-mail surveillance. Most employees do not realize that their e-mail is constantly supervised, but in reality 55% of employers are retaining and reviewing sent and received messages.⁷ Many employees think that if an e-mail is from their personal accounts it cannot be read. That is simply false, no matter what service an employee is using to send or receive e-mail an employer can look at what information is being communicated.

An additional method used is video surveillance. Companies claim that they are using these methods for safety measures, but in reality these video cameras are carefully placed so that employers can watch

what their own employees are doing on a daily basis.⁸ Recording devices are also placed around offices, so employers can see and hear what employees are doing at all times.

Phone calls can be overheard and monitored. In some companies certain numbers are even blocked so that employees cannot use the company phone to call home. An example of phone call surveillance comes from two McDonalds' employees,

“A manager of an Elmira, New York store, the other a manager of a Binghamton, New York store, were having an extra-marital affair with each other. Having been told only they had the access codes to their voice mail, and believing it was confidential (as they were also told), they began leaving romantic messages for each other on company voice mail equipment. What they did not know was that the franchise owner monitored voice mail. Upon discovering the tryst he played the messages for the wife of the Elmira store manager, resulting in a divorce action.”⁸

This is an extreme instance of where monitoring employees' voice messages can have devastating effects on the employees' personal life. It turns out both employees got divorces and their personal lives met with disarray. I am not arguing that the affair was correct, but going through voicemails that were supposedly private is wrong. It was a violation of the employees' trust and the employer lied to them about their privacy rights. Overall, six percent of companies have fired employees for misusing office phones, and another 22% have issued formal reprimands to those who abuse phone privileges.⁹

Other examples of employee surveillance include companies using the panoptic method. Call centers in the United Kingdom were the

center of controversy because the companies practiced panoptic surveillance of their employees computers. At any moment during the day a picture could be taken of the employees' screen to judge if they were doing work properly and efficiently. At first glance, this does not sound unethical and the companies seem to be just making sure people were on task. It is not only until you look at it from the employees' point of view do you see the negative effects. The workers felt as though they were animals and couldn't be trusted. In addition, the workers commented on the increased levels of stress they felt in the workplace. Emotional problems arose from low trust between employers and employees.¹⁰

These are just a few instances of employees feeling the negative effects of workplace surveillance. Such practices affect their behaviors and reveal trust issues. Employees who are under surveillance constantly feel the pressure; they know if they get caught doing something 'wrong,' they will face penalties. Moreover, there does not seem to be a reward system in place to recognize when workers are on task. Again, surveillance creates an imbalance in the workplace. According to the 2005 Electronic Monitoring & Surveillance Survey from American Management Association, "26% of employers have fired workers for misusing the Internet. Another 25% have terminated employees for e-mail misuse. And 6% have fired employees for misusing office telephones."¹¹ This type of system is flawed. Were any of these employees aware that their actions would result in termination? It is doubtful, considering most employers do not tell employees they are doing something wrong, only to fire them instead of correcting their actions.

Opposition

There are instances where employee surveillance can be beneficial for the companies. Many companies claim that it is a cost cutting venture. "Non-work related web use, for example, is supposed to cost US corporations alone more than \$54 billion a year."¹² It is argued that management has the right to defend itself against that kind misuse of time and that it can best do so by surveillance. It can also be said that employees benefit from surveillance because if a lazy co-worker is caught misusing time then an employer can fire them, and other employees will no longer have to cover for that "lazy" employee's work.

Employers claim they are entitled to employees who are working quickly and efficiently. Surveillance is supposed to hold employees accountable for their actions. Some other employees think that they need to help monitor people. Some feel it is their moral duty to watch others and report abuse of company time.¹² If employees don't find a problem with watching each other, they should have no problem with their employers watching them. After all, "Surveillance is supposed to secure access, avoid misuse, and prevent theft."¹²

Surveillance is commonly used as a control of crime, preventing theft in the workplace.¹³ Workplace surveillance can track and even provide evidence of people who are ultimately committing crimes. Uncovering criminal acts can be viewed as doing a service, helping identify and prosecute criminals.

Surveillance is necessary in some workplaces. It is needed for government security, medical information and brokerage houses. These are all instances where surveillance is crucial in keeping people safe and information private. In all of these cases the workers are aware that

surveillance measures are being taken to protect the companies' information.

Counter Argument

While all of these reasons for having surveillance may be valid, there are reasons why surveillance still has negative effects on employees. The main reason not to engage in surveillance is because it affects worker behavior. "Anthony Giddens discusses the guilt and shame that flow from the anxiety about exposure of self to the outside world when contrasted to the 'idealized' self we all carry around. In other words, the self that I want to be rather than the self that I am."¹⁴ This can be related to the workplace setting, when employees feel as though they need to act one way at work and another at home, and it leads to confusion. If there were no surveillance tactics, workers could act as they normally would without the pressure to act in a specific manor all the time.

It has been noted in surveys that employees who are monitored by computers are more likely to suffer from health, stress and moral problems.¹⁵ For example, "one investigation compared survey responses of 50 clerical employees whose work was monitored by computer with responses of 94 non-monitored employees who performed comparable jobs. Self reported stress was higher among the monitored workers."¹⁶ Also in another study 762 telecommunications workers, who were monitored reported feeling significantly higher levels of tension, anxiety, anger, depression, and fatigue than non-monitored employees.¹⁶ Taking this into consideration, it is clear that surveillance can create low morale in the company, and workers are more likely to leave. Employers are then

faced with the problem of hiring new employees, which presents costly training challenges, production loss and morale issues. Also, finding employees who are willing to work under surveillance conditions can be more difficult. Companies can gain reputations for causing mental instability in their employees and, subsequently, people will refuse to work there. I have personally heard of Dish Network's surveillance tactics. The employees are constantly monitored and tracked with keycards. They are allotted a certain time limit to use the bathroom or visit their car. With a reputation like this surfacing, Dish Network will have a harder time finding employees willing to work there. I am a perfect example of a person who is adversely affected by a company's reputation, and I will never work for Dish Network.

Employees are also experiencing a loss of privacy. It has been argued that the right to privacy is provided to us through the Constitution, although it is not explicitly stated in the U.S. Constitution, a Supreme Court ruling in 1965 claims that it is implicit from the Constitution.¹⁷ Privacy itself, however, is a difficult concept to grasp, so let us think of it in these terms; "privacy is the ability for an individual to control the use of their own personal data, wherever it might be recorded."¹⁸ Let us also consider that this personal data is property. If this is the case, then a breach of privacy would be an infringement of property rights. Property rights are protected by US law so therefore infringing on someone else's privacy is breaking the law. What if an employer is reading a confidential e-mail between a lawyer and a client? That conversation is supposed to be protected under law and it has been violated by the employer.¹⁹

Because surveillance infringes on privacy, it also affects the basis of self determination and self-identity.²⁰ "The term alienation as derangement means, one is not oneself— in other words — one is a

stranger to oneself.”²¹ This is referring to the damage to self identity that workers go through due to the result of loss of privacy. A technologically driven workplace results in loss of privacy, because “the individual adaptive behaviors generated by the situation give rise to alienation.”²¹ When people lose their self identity due to surveillance practices it is hard to recognize the benefits of such a system. When privacy is taken away so are peoples identities. We all become cogs in a machine, indistinguishable from one another.

Surveillance in the Foucaultian sense is used as a basis for power. To gain power over employees, companies deny individuals an unobserved space, and not allowing these people to have this necessary unobserved space is a lack of respect for their wishes and needs.²² When employers use their positional power they are controlling peoples’ basic needs. Employers cause employees not trust them because they, in turn, do not trust their employees.

Tied to the idea of “panoptic power” is the idea of anticipatory conformity. “This occurs when the norms of the authority figure become so internalized that the socially desirable response is presented *in anticipation* of the demand.”²³ At this point, workers become virtual robots, and everything they do is at the will of their employer. Supervisors are using the power of surveillance to entrap people so they all act the same, and eventually do everything in a certain fashion. It is coercive power and can be harmful, if used in the wrong way.

Conclusion

Taking everything into account including higher stress and a profound loss, I believe it is morally wrong to use workplace surveillance

to monitor employees. We are treating employees as though they are criminals who should be under constant surveillance. This is demoralizing and causes workers higher levels of anxiety. Managers of companies should not suspect their employees, but instead give them the benefit of the doubt, and believe that their people are trustworthy and want to do the best job possible.

Managers need to focus on the two-factor theory of motivation which states that for employees to prosper they need to be given motivation and hygiene factors. Motivation factors such as achievement, recognition and trust will lead employees to job satisfaction. Hygiene factors include relationships with supervisors, co-workers and subordinates. If these factors are not in place workers will go as far as avoiding coming to work.²⁴ Employees need to know they are appreciated and trusted otherwise they tend to rebel and they become dissatisfied with work.

We should, as a society, treat employees in a virtuous way. The virtue ethics perspective attempts to help people understand themselves and develop moral capacities to live and work well in all situations.²⁵ We should assume that workers are honest, trustworthy, loyal and focused employees. If a company truly wants to change behavior using virtue ethics is a simple way of doing so. "By promoting and facilitating methods of moral education, character development, and emotional well-being of the actor, an ethic of virtue can serve as a framework for implementing positive change in behavior." Or employers can hire employees who they believe are virtuous.

The golden rule can also be applied here; treat others as you would want to be treated. Employers do not want employees knowing their every move, so they should offer their employees the same

courtesy. Corporations should have faith in workers and believe that they will work to the best of their abilities. Instead of punishing those who do wrong, correct them and show them the right way. Reward workers who are doing well, and this will instill confidence in the employee and the employer.

I suggest that managers use transformative leadership which emphasizes these values. This type of leadership is rooted in morality, being concerned with changing the behavior of people by first changing their character.²⁵ Transformative leadership has been proven to be extremely effective. "Transformative appears to have the ability to tap higher depths of human potential and to produce levels of performance that are beyond expectations."²⁶ If managers stress the importance of virtue in the workplace, the quality of employees they attract will be superior to other companies.

Surveillance, if used, should be conducted in moderation. Companies should not use "panopticonal surveillance;" it is just a fear tactic. It will cause employees to worry that the consequences of what might happen if they do something wrong. Employees will flourish in a company in which they feel valued and trusted. If employers truly want employees who are loyal and trustworthy, they need to first and foremost believe that there are such people out there and entice them to join their organization. If a company promotes itself as being virtuous, then employees who value the same ideals will be drawn to that company. Trust will prosper and over time any kind of surveillance will become unnecessary.

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