# Chapter 6:
# Work

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# What We Will Cover

- Changes, Fears, and Questions
- Impacts on Employment
- Employee Communications and Monitoring

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# Changes, Fears, and Questions

- The introduction of computers in the workplace generated many fears
    - Mass unemployment due to increased efficiency
    - The need for increased skill and training widens the earning gap
- New trends still generating fears
    - Offshoring of jobs will lead to mass unemployment
    - Employers use of technology to monitor their employees

# Impacts on Employment

Job creation and destruction

- A successful technology eliminates or reduces some jobs but creates others
  - Reduced the need for telephone operators, meter readers, mid-level managers
- New industries arise
  - Internet
  - Cellular communications
- Lower prices increase demand and create jobs
  - Music industry changed from serving the wealthy to serving the masses, employing more than just musicians

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# Impacts on Employment

Job Creation and destruction

- Unemployment rates fluctuate
  - Growth of computers has been steady, while unemployment has fluctuated widely
- Unemployment has more to do with an economy's ability to adapt to change.

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# Impacts on Employment

Job Creation and destruction

- Are we earning less?
    - Since the 1970s, wages decreased but fringe benefits increased
    - People work fewer hours since the Industrial Revolution
    - Decrease in take-home pay may be due to other factors (e.g. increased taxes)
    - Purchasing power increases as prices fall

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# Impacts on Employment

Changing Skills and Skill Levels

- New products and services based on computer technology create jobs in design, marketing, manufacture, sales, customer service, repair, and maintenance.

- The new jobs created from computers are different from the jobs eliminated.

- New jobs such as computer engineer and system analyst jobs require a college degree, where jobs such as bank tellers, customer service representatives and clerks do not.

- Companies are more willing to hire people without specific skills when they can train new people quickly and use automated support systems.

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# Impacts on Employment

Discussion Questions

- *What jobs have been eliminated due to technology?*

- *What jobs that were once considered high-skill jobs are now low-skill due to technology?*

- *What new jobs have been created because of technology?*

- *Do automated systems mean fewer jobs for high-skilled workers?*

- *Will human intelligence in employment be "devalued"?*

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# Impacts on Employment

Telecommuting

- Working at home using a computer electronically linked to one's place of employment

- Mobile office using a laptop, working out of your car or at customer locations

- Fulltime and part-time telecommuting

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# Impacts on Employment

Telecommuting

- Benefits
  - Reduces overhead for employers
  - Reduces need for large offices
  - Employees are more productive, satisfied, and loyal
  - Reduces traffic congestion, pollution, gasoline use, and stress
  - Reduces expenses for commuting and money spent on work clothes
  - Allows work to continue after blizzards, hurricanes, etc.

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# Impacts on Employment

Telecommuting

- Problems
  - Employers see resentment from those who have to work at the office
  - For some telecommuting employees, corporation loyalty weakens
  - Odd work hours
  - Cost for office space has shifted to the employee
  - Security risks when work and personal activities reside on the same computer

# Impacts on Employment

Discussion Questions

- *Would you want to telecommute?  Why or why not?*

- *How has technology made entrepreneurship easier? Harder?*

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# Impacts on Employment

A Global Workforce

- Outsourcing - phenomenon where a company pays another company for services instead of performing those tasks itself
- Offshoring - the practice of moving business processes or services to another country, especially overseas, to reduce costs
- Inshoring - when another company employs thousands of people in the U.S. (e.g. offshoring for a German company means inshoring for U.S.)
- Almost 5% of U.S. workers are employed by foreign companies

# Impacts on Employment

A Global Workforce

- Problems and side effects of offshoring
    - Consumers complain about customer service representatives, because accents are difficult to understand
    - Employees in U.S. companies need new job skills (e.g., managing, working with foreign colleagues)
    - Increased demand for high-skill workers in other countries forces salaries up

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# Impacts on Employment

A Global Workforce

- Ethics of hiring foreign workers

# Impacts on Employment

Learning About Job Applicants

- The Web and social media provide new means of information collection on job applicants. Employers:
    - search online newsgroups and social networks
    - hire data-collection agencies
    - use a variety of screening methods to efficiently reduce a large pool of applicants to a reasonable number
- Some job-seekers attempt to clean up their online persona.

# Impacts on Employment

Risks and Rules for Work and Personal Communications

- Employee monitoring is not new
    - Employers have always monitored their employees.
    - Degree of detail and frequency of monitoring has varied depending upon kind of work, economic factors, and available technology. (Time-clocks and logs.)
    - Early monitoring was mostly 'blue-collar' (factory) and 'pink-collar' (telephone and clerical) jobs
    - Bosses patrolled the aisles watching workers
    - Output counts at the end of the day

# Impacts on Employment

Risks and Rules for Work and Personal Communications

- Separating – or merging – work and personal communications
    - Employers often prohibit employees from using their work email, computers, and other devices for personal use.
    - What about employees using personal email accounts, social media, laptops, smartphones, and other devices for work?
        - Overhead of managing and maintaining systems to work with variety of brands and operating systems
        - Security of company information and operations

# Impacts on Employment

Risks and Rules for Work and Personal Communications

- Monitoring employer systems
  - Roughly half of major companies in U.S. sometimes monitor the email or voice mail of their employees on company systems.
  - Most companies monitor infrequently, some routinely intercept all email.

# Impacts on Employment

Risks and Rules for Work and Personal Communications

- Monitoring employer systems
  - Many major companies use software tools that provide reports on employee Web use.
  - Employees spend time on nonwork activities on the Web
  - Some companies block specific sites (e.g. adult content, sports sites, job search sites, social-network sites)

# Impacts on Employment

Risks and Rules for Work and Personal Communications

- Monitoring employer systems
    - Purposes of monitoring employee communications include training, measuring or increasing productivity, checking compliance with rules for communication, and detecting behavior that threatens the employer in some way.
    - Concerns over security threats such as viruses and other malicious software
    - Concerns about inappropriate activities by employees (e.g., harassment, unprofessional comment)

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# Impacts on Employment

Law and cases for employer systems

- Electronic Communications Privacy Act (ECPA) prohibits interception of email and reading stored email without a court order, but makes an exception for business systems
- Courts put heavy weight on the fact that computers, mail, and phone systems are owned by the employer who provides them for business purposes

# Impacts on Employment

Law and cases for employer systems

- Courts have ruled against monitoring done to snoop on personal and union activities or to track down whistle blowers.

- Court decisions sometimes depend on whether an employee had a reasonable "expectation of privacy."

- Many employers have privacy policies regarding email and voice mail.

- The National Labor Relation Board (NLRB) sets rules and decides cases about worker-employer relations.

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# Impacts on Employment

Personal social media

- Basing disciplinary action on personal, nonwork social media is more controversial because it extends employer control beyond the workplace.

- Content in social media is often widely distributed; thus impact is stronger than that of a private conversation.

- Employer restrictions on nonwork social media do not violate employee's freedom of speech (unless, in some cases, when the employer is the government).

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# Impacts on Employment

Discussion Questions

- *It is reasonable for employers to fire employees for content of their blogs, tweets, or posts on social networks?*

- *Are there good reasons for employers to be concerned about what their employees post in such places?*

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# Impacts on Employment

Monitoring location and equipment usage

- Electronic identification badges that serve as door keys
  - Provide increased security
  - Allow monitoring of employee movement

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# Impacts on Employment

Monitoring location and equipment usage

- GPS tracks an employee's location
    - Used in some hospitals to track nurse locations for emergency purposes, also shows where they are at lunch or when they use the bathroom
    - Used to track long-haul trucks to reduce theft and optimize delivery schedules, also detects driving speeds and duration of rest breaks
- Employees often complain of loss of privacy

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# Impacts on Employment

Discussion Questions

- *How much privacy is reasonable for an employee to expect in the workplace?*

- *Under what circumstances is it appropriate for an employer to read an employee's email?*