

# Developments In Business Simulation & Experiential Learning, Volume 24, 1997

## PRIVACY IN THE WORKPLACE: A SITUATIONAL ANALYSIS\*

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### ABSTRACT

The purpose of this experiential exercise is to expose role-play participants to one of the more controversial management topics today-privacy in the workplace. More specifically, it is designed to cause participants to consider both the managerial (employee selection, safety, productivity) and the personal (privacy) implications of three of today's "hotter" issues, electronic monitoring of performance, drug testing, and off-the-job conduct of employees.

### INTRODUCTION

In this country, serious tension always has existed between the individual's right to privacy and exercise of personal freedoms, on the one hand, and the need to protect the interests and welfare of the community, on the other. This tension, however, has now exploded into the public consciousness as a dominant issue in the workplace.

It was the advent of the industrial revolution and the emergence of large business organizations that first gave rise to the struggle for achieving a correct balance between the employer's right to run the business effectively and the employees right to privacy. For example, many 19th century industrialists made sure their employees attended church. In the 1910s Henry Ford hired 100 investigators whose job was to determine whether employees life styles and finances were worthy of bonuses (Smith, 1993; Wren, 1972). These "advisors" visited the workers' private residences "... to insure that their homes were neat and clean, that they did not drink too much, that their sex rife was without tarnish, and that they used their leisure time profitably" (Wren, 1972, pp. 200-20 J).

In the 1950s, use of psychological and personality profiles in employment decisions became fashionable. Among the items to which a job applicant had to respond on the Minnesota Multiphasic Personality Inventory, for example, was "I deserve severe punishment for my sins" (Smith, 1993). It was not until the 1960s that such intrusive tests became obsolete.

Today, the forces most responsible for renewed intrusions on one's privacy in the workplace are employers' concerns for productivity, safety, and costs. Advances in technology, rising health care costs, and an explosion of related legislative rulings have made privacy the focal point of the

employer-employee debate (Rosenblum, 1991). Technological advances have allowed an employer to have a wealth of information on an employee just by entering a social security number into the computer. Further, electronic mail and computer files can be screened and read without an employees knowledge.

Employers have traditionally justified and defended such practices on the basis of the need to promote safety and security, and to protect their legitimate business interests. They insist that they must be allowed to hire the best qualified workers, to assess employee productivity, to minimize risk of accidents and promote a safe working environment, to control cost and become more competitive, to minimize conflicts of interest, to prevent theft and sabotage, to protect trade secrets, and to maintain quality control (Losey, 1993; Rosenblum, 1991; Kallman, 1993).

Employees, on the other hand, argue that these policies and practices are intrusive and infringe on their right to privacy. Others, including unions, argue that they often are counter productive and sometimes-even result in the opposite of what they are designed to achieve. They are demoralizing and demotivating, result in increased job dissatisfaction and anxiety, and erode mutual' trust and loyalty (Kallman, 1993; Reynolds, 1993).

Where, then, does the right of an employer to deal with business necessities and to protect its legitimate business interests end, and the employee's right to privacy begin? The role play scenarios that follow permit participants to consider three specific "hot" privacy related issues, looking at them from the perspectives of the manager and the individual. Related research and writings to extend the discussion are then provided in the "Instructor's Notes" section that follows.

### ROLE-PLAY SITUATIONS

Each of the three role-play scenarios that follow focuses on one of today's more significant privacy related issues. Since most participants are involved in preparation for management or business careers, each privacy issue then has significance for not only individuals interested in protecting their own personal privacy, but also for managers/administrators concerned with maintaining their organization's well-being. Therefore, whichever role you play

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(Whichever side of an issue you are on), you also will be able to easily identify with the side of the issue opposite from that which you are taking.

Please take a few minutes to familiarize yourself with the role (manager or employee) you have been assigned and to prepare for the role-play (preparation usually takes between 3 and 5 minutes). The person in the managers role should then describe to his/her subordinate the setting for the meeting (the location of the meeting, how the room is configured, etc.). Once the "stage is set," the individual in the dyad taking the supervisor's role should initiate the role-play (role plays usually take between JO and 15 minutes). The task of each role player is to attempt to convince the other player of the appropriateness of his/her position. Once you have completed the role-play (maybe not coming to any resolution on the issue at hand), explain to the other the feelings with which you were left at the end of the experience (3-5 minutes). At this point., those observing the role play will get involved in the discussion. Finally, the discussion leader will conduct a general discussion among all role players and observers and share some related issues with the group (5-10 minutes). Assuming that all three scenarios will be utilized, the above-outlined procedure also will be followed for the two remaining scenarios.

### Scenario #1

#### Mack Smith (Supervisor)

You are Mack Smith, one of the more dedicated supervisors in the Data Entry area in the Faculty Resource Center in the College of Business at Midwestern University. The primary responsibility of the six Data Entry Specialists (DES) that are under your direct supervision is to input data from faculty research projects and verify the accuracy of that inputted data. Recent financial support from private donations has permitted Midwestern University to upgrade its computer equipment and, at the same time, install video cameras in the Data Entry area in order to be able to better monitor the overall performance of Data Entry Specialists. Further, other new equipment now permits you to more accurately assess the volume of work performed by each Data Entry Specialist by tracking the number of keystrokes performed on each employee's computer. You are most impressed with the video cameras and keystroke counting equipment because you feel that with the additional information obtained through these technological innovations you will be able to more easily solicit and effectively justify the distribution of performance related dollars. Martha Harris, one of your most senior Data Entry Specialists and one of the best producers in the department, has been in your office three times in the past two weeks to complain about the presence of the new video cameras and the public posting of individual keystroke reports. While completely out of character for Martha, you recently have

learned she is now attempting to organize the Data Entry Specialists to protest the use of this new technology on the grounds that it is an invasion of her and others' privacy. You are presently in a real quandary as to the most appropriate course of action to take with Martha. Because Martha is one of your most effective performers, she should benefit significantly from the more objective performance assessment resulting from keystroke measurement.

#### Martha Harris (Data Entry Specialist)

You are Martha Harris, one of the most loyal employees at Midwestern University, and the most senior Data Entry Specialist (DES) in the College of Business' Faculty Resource Center. For many years now you have been one of the most productive employees in the department. Further, you have taken the initiative to show new employees the ropes related to data entry. While Mack Smith (your immediate supervisor) always has given his subordinates the common courtesy of the details related to the purchase of new equipment, installation of recently acquired video cameras and keystroke counters has, in your opinion, created a very hostile work climate. Video cameras are used to monitor employee actions and keystroke counters, the volume of work done by each DES (weekly individual keystroke reports began being publicly posted a few weeks back). Recent visits with your supervisor (Mack) to discuss what you perceive to be the creation of a hostile work environment have apparently fallen on deaf ears. During your most recent visit, however, a statement you made to Mack has finally gotten his attention, but has yet to generate any real action. The phrase, "invasion of privacy," that you used to refer to the presence of video cameras and keystroke count reports was apparently what got Mack to thinking. It is your belief that the presence of video cameras has caused you to have to continuously think about when, whether, and where you might wish to "scratch." Further, worrying about how you might appear on film and the potential embarrassment associated with that is significantly impacting your performance. In addition, since keystroke counting was instituted, you cannot get the idea out of your head that your fingers must be continuously moving-how else can you obtain a high keystroke count? As a result of the stress associated with keystroke counting, your error rate has been on the increase and recently has shot "sky-high." Since your complaints have apparently not been heard by Mack, you have begun to discuss your concerns with the other Data Entry Specialists.

### Scenario #2

#### Carrie Thomas (Color-Match Supervisor)

You are Carrie Thomas,, laser color-match supervisor at Hudson Paints, Inc. You now have been in your present position for a little over two years. Use of the new laser

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color-matching technique that was developed by R&D just two years back has skyrocketed Hudson's sales into that elite group of the top five or six companies that sell high-priced paints and stains and guarantee to match any color supplied by the customer. Along With the more than doubling of sales has come significant growth in your department. Two years back only 11 employees reported to you. Most of these employees had been with the company for some time, all were over 30 years of age, and all had been retrained on laser technology. Today that number has grown to 26. Many of the color-match technologists that you recently have hired are new college graduates with physics backgrounds and specialization's in laser technology. The laser technology that is used in the color-match process, while extremely precise, also can be somewhat dangerous if the operator is not attending carefully to established procedure. Serious burns, the possibility of being blinded, even death can result from carelessness related to the set-up of color-match machines. Even more significant is that due to the combustible nature of the types of materials being worked with, any significant miscalculation could create a massive explosion and fire, in the industry called a "flashover." Such a fire has the potential to decimate the entire department. Recently, the number of mistakes in mach Inc set-ups has been on the increase and this has gotten you somewhat concerned. Further, it would appear that a number of your newer hires have yet to totally abstain from some of the social practices to which they had ascribed when in college. Lunchroom and break room conversations frequently center around weekend parties, and while the specifics related to the alcohol and/or drugs consumed at such events is never explicitly stated, it does not take a genius to figure out that the term "reds" isn't likely referring to hot dogs. Just three weeks back on a Monday morning Alex Hobin received a severe laser burn just above his left eye due to what he argued was a loose clamp on the machine. While you can't be certain the weekend party that preceded that Monday accident had any bearing on it, hallway scuttlebutt from some of your regulars suggests that Alex was still "high" that day. Further, the nature of the error made by Alex could have created the flashover condition mentioned above. The safety of all department employees was definitely at risk that day. You now have had the time to reconsider Human Resources recommendation for random drug testing of all employees and mandatory drug testing of all involved in any accident, and today you have announced that such new procedures will be employed. Six of your newer technologists, led by Alex, have set up a group appointment to discuss the issue with you.

### **Alex Hobin (Color-Match Laser Technologist)**

You are Alex Hobin, one of the brighter, new Color-Match Laser Technologists at Hudson Paints. You and five other physics graduates of Midwestern universities, all in the Big-

11 conference, were hired by Carrie Thomas over the past year. Since Hudson Paints is located in a Southern state, you immediately found that coming from the Midwest you all had something in common and a close friendship among you and the other five quickly developed. Further, because of the intense nature of the task that each of you are asked to carry out at work, the entire group of six like to relax together on weekends and "let your hair down a bit." When each and every weekend arrives, the group can't wait to "boogy-down" and do a little partying. Beer, barbecuing, and sports-watching on the Big-II channel occupy much of the groups time. While some of the weekend parties have gotten a little out of hand (marijuana has been smoked from time to time), hard drugs have never been used. About three weeks back on a Monday following the Big-1 1 conference championship football game, you had an unfortunate accident at work and suffered a significant laser burn over your left eye. You were lucky, because had the angle of refractory been just a little lower, you could have lost an eye. While you had followed the established procedure to the letter, a clamp that always remains in the same fixed position had slipped and this had created the problem. While the burn that you suffered was significant, had the clamp slid the other way the accident could have had much more catastrophic consequences. It could have caused an explosion and fire consuming possibly the entire department (in the business called a "flashover"). You recently have learned from hallway conversations that you and the other five "Yankees" in the department have been plugged as "druggies" and the cause of your accident is being linked to your having been "under the influence." This, of course, is furthest from the truth. All that operate color-match machines know the danger involved and would never act in a way that would put oneself or others in jeopardy. Also noteworthy is that management has never felt it necessary to establish a drug policy and has never conducted employee drug testing. However, the hallway rumor that drug testing is soon to commence was confirmed this morning. You and the others in your group believe such a program to be an infringement on your privacy-what business is it of the company what you do with your personal time on weekends. Also, the group feels it is unethical to initiate such a program without advanced notification. You and the other five in your group have set up an appointment with your boss, Carrie Thomas, to discuss your feelings on this issue.

### **Scenario #3**

#### **Kenon Davis (Benefits Supervisor)**

You are Kenon Davis, the Benefits Supervisor for a large manufacturing organization in the Southwestern United States. An important part of your responsibility is to evaluate various available benefit packages and to eventually recommend to top management the package that will best meet the needs of the organization. Part of all

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packages are the health and life insurance components. In recent conversations with the representatives of various insurance providers you have learned that your company can significantly reduce its insurance costs in both the health and life areas by taking greater care in the type of persons you select for employment. For example, if a company can prove that potential hires are not smokers, or do not engage in off-the-job hazardous activities such as motor vehicle racing or skydiving, insurance carriers can give a company both better health and life insurance rates. Further, if a business organization can entice existing employees to cease and desist from engaging in these activities, rates can be lowered even further. With this knowledge in hand, you have mounted a smoking cessation campaign and have begun to inquire into the off-the-job activities in which employees engage. A number of employees and a few recruits have questioned the line of queries that you and your staff have been raising. In fact, Marsha McFadden, a rabid motorcycle enthusiast and one of your own staff has set up an appointment with you next week to discuss the types of questions you have directed her to ask of recruits. Martha's memo that established the meeting time and date raised the issue of potential invasion of privacy.

### Martha McFadden (Benefits Specialist)

You are Martha McFadden, a Benefits Specialist for a large manufacturing company in the Southwestern United States. Your immediate supervisor is Kenon Davis. Your job involves meeting with new and existing employees to explain/discuss the various benefit options in the company's cafeteria benefit plan. In addition to just sharing information, you often are asked to collect information from recruits and employees. Recently, your boss, Kenon Davis, has asked you to probe new recruits regarding their off-the-job activities and hobbies. Further, he has asked you to be especially observant of the tell-tale signs associated with a person who smokes (clothes that smells like smoke, yellow teeth, bulge in the upper shirt pocket for men, etc.) and note those that appear to be smokers. These special requests for information have begun to make you especially uncomfortable. For example, a recent request from Kenon involved now checking, not just recruits, but also regular employees for addiction to smoking. Further, what has made this line of inquiry especially bothersome was your boss' request to start screening applicants to find out if they are motorcycle riders. It just so happens that you and all in your immediate family are Harley enthusiasts and two of your elder sons compete regularly in dirt-bike races. After this most recent request, you are beginning to feel that such inquiries are an invasion of your and others' privacy. You recently have sent a memo to Kenon to request a meeting on these issues.

## INSTRUCTOR'S NOTES

### Objectives of the Exercise

This experiential exercise was designed with two specific purposes in mind:

1. To expose participants to one of the more controversial management topics-privacy in the workplace--and some of the "hotter" related issues on that topic-**electronic monitoring of performance, drug testing, and off-the-job conduct of employees**-and
2. To cause participants to **consider both the managerial and the personal (privacy related) implications** of the above listed issues.

### How This Exercise Can Be Used

This exercise was designed for in-class use and usually requires between 50 and 75 minutes to complete. The discussion leader should reprint each of the six roles on separate sheets of paper so that no individual will initially have access to another player's role. Next, the discussion leader will pair-up individuals (set-up dyads) from the two groups of individuals with roles related to Scenario #1, roles related to Scenario #2, and roles related to Scenario #3.

The role-play for Scenario # (or, for that matter, #2 or #3) can now be played out. When the roles are being played-out in a particular scenario (say Scenario #1), individuals with roles in the other scenarios (#2 and #3) should be asked to read both roles for that scenario and then prepare themselves to discuss, with one of the performing dyads, the actual role-play. When all role-play discussions for Scenario #1 have been completed, the discussion leader may wish to conduct a general discussion with the entire group/class. The discussion leader can then bring closure to the issues under consideration in that scenario by sharing with the class related information from the "Sample Results" section below. Other important privacy issues related to one or more of the remaining scenarios can then be raised by following exactly the same procedure as is outlined above for Scenario #1.

### Sample Results

It is easy to see why privacy related issues are so controversial. Because of the increased competitive pressures worldwide, business organizations have had no choice but to become more concerned about how to hire the best qualified workers, how to promote a safe work environment, and how to increase worker productivity. On the other hand, as a result of the above efforts, individuals who are being subjected to more intrusive and invasive procedures are now yelling "four" even more loudly.