EMPLOYEE MONITORING STYSTEMS AND ORGANISATIONAL PERFORMANCE

A CASE STUDY AT ALEGON ENGINEERING LIMITED, RUBAGA KAMPALA
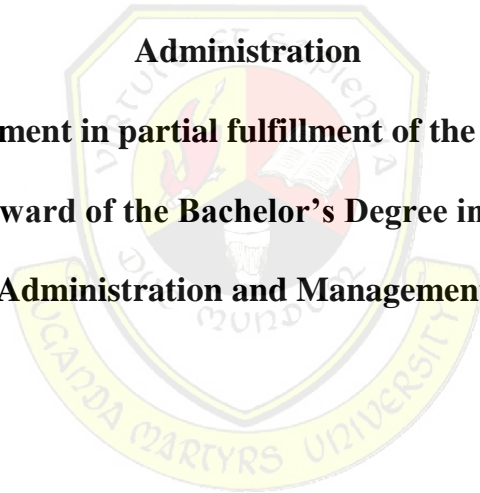
BY

NAMUGUMYA STELLAMARIS

2012-B021-20113

Undergraduate research report presented to the Faculty of Business Administration

and Management in partial fulfillment of the requirements

for the award of the Bachelor's Degree in Business

Administration and Management.

May, 2015

DEDICATION

This research is dedicated to my beloved parents Mr. and Mrs. Matovu my beloved brother Mugumya Gonzaga, and his wife Kyaziike Alexandria who have seen me through my education.

ACKNOWLEDGEMENTS

I thank the almighty God for His great and wonderful blessings. However I am indebted to the following for their support and encouragement during the difficulty time when I carried out this research;

Special thanks go to my supervisor Sr. Nakitende Marie for her inspiration, guidance, insights, ideas, and the encouragement throughout this research.Undertaking work of this nature would have been impossible without her support, patience, time and energy.

Great thanks to my family for their love, unremitting encouragement and support . But most of all to my sisters and brothers, all of you deserve countless gratitude for your help in so many different ways during this journey. For my true best friends, Veronica, Tonny, Betty, Winnie, Ivan, Derrick, Samuel, Mike, Angela, with whom we toiled up to this final level, for their never ceasing encouragement through this course and the research process.

May the Almighty Lord reward you abundantly!

TABLE OF CONTENTS

List of tables

List of Figures

ACRONYMS

AMA: American Management Association

ABSTRACT

Employee monitoring has become a crucial activity in all areas of business in the society today. Each type of business has its reason for or against employee monitoring whether it be social, economic, legal or ethical. Many employee monitoring systems have been established to help employers in monitoring their employees. The monitoring systems include attendance and time management, video surveillance, firewalls, internet audits, email monitoring, access panels and so many others. However, there many challenges and impact faced by employers when monitoring their employees. The purpose of this paper is to explore and examine the impact of employee monitoring on organization performance, a case study at ALEGON engineering limited Kampala Uganda.

In order to achieve the purpose and objectives of the study, both qualitative and quantitative methods of data collection were used by the researcher to collect data. The   study revealed that the most commonly used monitoring system is attendance and time monitoring and the impact of employee monitoring on organization performance were; leads to productivity, efficiency and effectiveness, prevention of fraud. The challenge was that the employees at times sign for their fellow employees who may have come at work all those who come late. More details of the finding are encountered in the paper. In conclusion it's of view that all organizations should try to adopt   employee   monitoring   so   as   to   improve   and   perform   better.

CHAPTER ONE

INTRODUCTION

1.0 Introduction

Employee monitoring is occurring more and more frequently; many employees have no idea they are being monitored and if they did, they would believe undisclosed monitoring of their actions to be a violation of their privacy (Kimberly,200.4) Whether an employer is watching his employees via the internet, the phone, or visually or accessing the equipment on an employee's desk for example hard drives),employees and employers should know their rights and be aware of their legal positions as well as the rights of the employer to prosecute an employee based on this information. Therefore Chapter one includes a background discussion of employee monitoring and organization performance a case study at ALEGON Engineering Limited a construction company in Kampala Uganda, research objectives, conceptual framework, limitations to the study, problem statement. The research will be conducted through discussions and interview from both employees and employers, some questionnaires too were filled to clearly get correct information.

1.1 Background

Briefly about ALEGON Engineering Construction Company in Kampala Uganda.

ALEGON Engineering is a construction company that deals in road construction, houses, dams, schools and so many others. With ALEGON's mission of making the world a better place to live in through innovation and service beyond the customers expectation together with the strategy of being listed among the top ten service providers within the 10 years, ALEGON has really started its struggle, constructed the Masaka Town Council road, built St.

Bernard's Mannya S.S, and many residences. (ALEGON Engineering Company report of 2012)

1.1.1 Employee monitoring and organizational performance at ALEGON Engineering Limited

Employees monitoring refers to the process of checking whether or no employees are on track to meet their goals and giving them feedback on their progress.(Tooling 2013) Electronic monitoring is defined as the computerized collection, storage, analysis and reporting of information about the employees' productive activities (Office of Technology Assessment ,1987.pg.27). Currently as many as 26 workers in the united states are monitored in their job and this number will increase as computerized are used more and more within companies and as the cost of this monitoring systems goes down. Various types of employee monitoring systems are used today in different work places for example mandatory drug testing, criminal background checks, computer monitoring, spying, video surveillance, eavesdropping, investigators posing as friends, undercover operatives telephone taps and active badges (Schultz 1994, under Kmart's 1994) .

Organizational performance comprises the actual output or results of an organization as measured against its intended outputs (Richard et al.2009).

Organizational performance can also be defined as the ability of an organization to fulfill its mission through sound management, strong governance and a persistent rededication of achieving results. Organizational performance can be measured through looking at the sales growth, stock holder returns; comparison between the different years profits (Jackie, 2010). Based on that the concept can be put on the quantity where by an increase in the quantity produced means there is an increase in performance or the quality where improvement in the quality of the services indicates the company's performance is also good (Hakala, 2008).

Employees by nature generally tend to desire more freedom and less monitoring. Many people and organizations are against monitoring the activities of people in work place. Employees refer to monitoring as a stress factor and job dissatisfaction increase wen workers feel they have no control over their jobs and where there is lack of trust (Pal, 1997). And that it also creates adverse working conditions. On the other hand employers do support monitoring their employees because it leads to increased productivity, efficiency, better performance, effectiveness of the organization and thus it is crucial to monitor their employees so as to achieve the above objectives. The current research study attempts to discover alternative ways to promote employee performance and increase productivity and performance at ALEGON Engineering Limited.

Thus the primary law that applies to this subject is the Electronic Communications Privacy Act of 1986 (ECPA), came up with suggestions about employee monitoring. Under this provision, by the electronic communication Privacy Act of 1986 the courts examine whether a reasonable business justification exists for the monitoring, whether the employee was informed about the employer's fight to monitor, and whether the employer acted consistently (Aftab,1996). This attitude allowed employee monitoring systems to enter the workplace without any established guidelines. In a way, the government assumed that employers would handle the systems properly. In the 1990s, the technology in the area of employee monitoring has continued to advance. Because of this, the cost of monitoring systems has declined, which has enabled more employers to install monitoring systems in their workplaces.

Due to the problems resulting from employee monitoring, Senator Paul Simon and Representative Pat Williams proposed legislation in 1991 that "would severely restrict, and in some circumstances prohibit, employers, including the federal government, from electronically monitoring employees" (Warner, 1993, p. 37). This bill is termed "The Privacy for Consumers and Workers Act" (HR 1900 and 1984) and applies to "the collection, storage,

analysis, and reporting of any information on employees, transmitted in whole or in part by a wire, radio, electromagnetic, photo electronic, or photo optical system" (Warner, 1993, p. 37). The legislation would require advance notification to both employees and customers of electronic monitoring specification of the personal data to be collected, times of monitoring, the use and interpretation of the data collected, and would prohibit undisclosed monitoring of rest room, dressing room and locker room facilities (Aftab, 1996; Levy, 1994).

This bill, however, has never been passed and, based on experts' opinions; it is unlikely to be passed (Aftab, 1996; Casser, 1996; Johnson, 1995; Levy, 1994). Consequently, employees have sought protection by state courts.

Employee monitoring presents both practical and legal dilemmas. Employees are concerned with employers' abuses, effects on employee privacy, health and privacy of workers, along with the accuracy of the measures. The pressure on the monitored workers can be unending and nerve racking and can damage their physical and psychological wellbeing (Miller, 1996). Business employers argue their rights to control the work environment and employee work rates to improve their efficiency and competitive position and fulfill their duty to provide a safe workplace. Employers add that objective, quantifiable data that does not depend on office politics and subjective evaluation leads to fair assessment. Both sides make valid points and balancing their concerns will continue to be critical issues.

1.2 Problem Statement

Sandler (1999) says that monitoring employees' activities plays an important role in improving organization performance. Sandler (1999) goes ahead to emphasize that great employee monitoring is crucial to business success. According to Losey (1994), there are several employee monitoring systems like spying, telephone tapping, team of investigators posing as friends and many others. Despite the monitoring systems, employees fail to fulfill

their tasks. For that reason employee monitoring systems have been utilized in the manufacturing industry for several decades to track output, inventory and general efficiency (Losey, 1994). Therefore the purpose of this current study is to explore and determine the impact of employee monitoring systems on organization performance in ALEGON Engineering Limited Uganda.

1.3 Purpose

The purpose of the study was to explore and determine the impact of employee monitoring on organization performance at ALEGON Engineering Company Uganda.

1.4 Objectives.

1. To determine the alternative ways ALEGON Engineering Company Limited uses to monitor employees in relation to organizational performance.
2. To determine and understand the challenges faced in monitoring organization performance at ALEGON Engineering Company Limited Uganda.
3. To determine the impact of monitoring systems on employee performance in relation to organization performance at ALEGON Engineering Company Limited Uganda.

1.5 Questions

1. What strategies does ALEGON Engineering Company Uganda limited use to monitor and measure employees' performance?

2. What challenge does ALEGON engineering company limited Uganda face when monitoring employees towards organization performance?

3. What impact do employee monitoring systems have on organization performance at ALEGON Engineering Company Limited Uganda?

1.6 Hypothesis

1. ALEGON Engineering Company Limited uses several monitoring strategies.

2. There significant challenges faced by ALEGON Engineering Company Limited Uganda in measuring employee's performance

3. Employee monitoring systems have much impact on organization performance.

1.7 Scope

The study was conducted at ALEGON Engineering Company Limited in Kampala Uganda and was focused on exploring the relationship between employee monitoring systems and performance in ALEGON Engineering Limited. This study was completed in one year where data was collected, analyzed and a fully completed report was submitted with recommendations and implications for further studies.

1.8 Justification

The reason for carrying out the study was to explore the alternative ways that can help ALEGON Engineering Limited company increase productivity through the use of employee monitoring as a tool.

1.9 Significance

The results from this study will enable ALEGON Engineering company limited managers to use proper employee monitoring techniques so as to maintain and retain employees for a long period of time.

The results will also enable the company to increase productivity, efficiency, profitability and quality within the organization.

1.10 Conceptual Frame Work

This deals with the study variables and in this case the researcher basically considered two variables that is the independent (employee monitoring) and dependent (organization performance) variables. The independent variables explain the dependent variables and the dependent variable requires a cause to exist or can be referred to as a problem variable.

Employee monitoring   organization performance

✓ Email monitoring
✓ Video surveillance
✓ Access panels
✓ Internet monitoring
✓ Call monitoring

• Quantity
• Quality output
• Efficiency
• effectiveness

Intervening factor

▪ tasks
▪ Working performance
▪ Experience of workers
▪ Rewards
▪ Working environment
▪
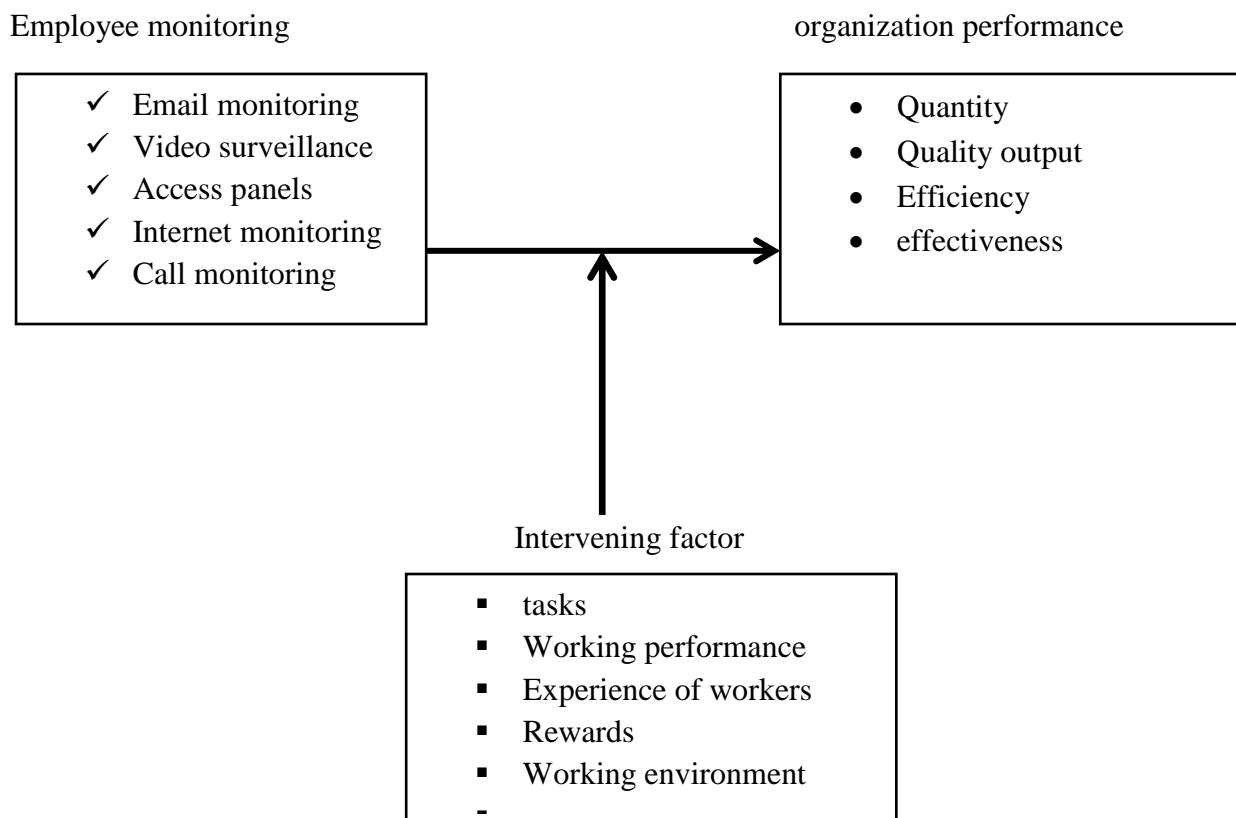
Employee monitoring through the use of access panels, monitoring the internet and emails of employees and the many monitoring systems will bring about quality effectiveness efficiency and productivity with the influence of the intervening factors like rewards, working environment and others.

1.11 Limitations

There is limited time given to carry out the research, the research is also costly where it involves transport, printing and typing costs and even buying data to find information and also buying airtime to contact the supervisor. There is also a problem of getting the required sample for the research.

1.12 Terminologies

Monitoring, this refers to the control and management of workers so as to achieve the set goals effectively and efficiently. Bartle (2011) defines monitoring as the regular observation and recording of activities taking place in a project.

Performance refers to the accomplishment of the given piece of work so as to fulfill the organization's obligations in the right way.

Employee monitoring, this refers to the act whereby employers keep watching and supervising their employees in order to help them fulfill their tasks.

Targets, these are aims set by the employers to be achieved by their employees.

Employer is someone who hires labor.

Employee refers to a person who works for a salary or a wage and is below the employer.

1.13 Conclusion

Chapter one introduced the research topic of employee monitoring systems in relation to organization performance and the researcher's aim for the research of finding out whether employee monitoring is of benefit towards the performance of an organization. It also showed the scope, justification, conceptual frame work in details.

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

Chapter two provided information drew from a number of sources, previous studies, journals articles, texts, annuals and guides, policy documents and academic papers as related to employee monitoring systems in relation to organization performance.

2.1 What is monitoring?

 Bartle (2011) defines monitoring as the regular observation and recording of activities taking place in a project. Monitoring is also viewed as a process of routinely gathering information on all aspects of the project. In other words, to monitor is to check on how project activities are progressing. Monitoring also involves giving feedback about the progress of the project to the donors, implementers and beneficiaries of the project. Bartle (2011) also gives the purposes of monitoring as follows; Analyzing the situation in the community and its project, determining whether the inputs in the project are well utilized, identifying problems facing the community or project and finding solutions. Ensuring all activities are carried out properly by the right people and in time, using lessons from one project experience on to another; and determining whether the way the project was planned is the most appropriate way of solving the problem at hand.

 Monitoring is meant to influence decision making; including decisions to improve, discontinue the evaluated intervention or policy; decisions about wider organizational strategies or management structures; and decisions by national and international. (UNICEF, policy and procedures manual, 2003)

The manual also describes two types of monitoring that is; Situation monitoring measures change in a condition or a set of conditions or lack of Change. Monitoring the situation of children and women is necessary when trying to draw conclusions about the impact of programs or policies. It also includes monitoring of the wider context, such as early warning monitoring, or monitoring of socio-economic trends and the country's wider policy, economic or institutional context. Performance monitoring measures progress in achieving specific objectives and results in relation to an implementation plan whether for projects, strategies and activities.

2.2 Employee Monitoring

Employee monitoring refers to the supervision of workers to track output, inventory performance and general efficiency (Losey, 1994). Alderman (1994) defines employee monitoring as the method of tracking what an employee does while at work. This may include video cameras, keystroke logging, email filters or just watching and listening to the employees.

Employee monitoring can also be defined as the act of watching employees' actions during working hours using employee equipment property (Raposa and Mujtaba, 2003). The practice of motoring an organization's workers is a controversial practice that is undeniably on the rise (AMA, 2008). Organizations must monitor employees to protect both the company as well as the employees but the organizations must also give diligent attention to the treatment of employees (Bezek, Britton, 2001).

Bhatt (2001) describes employee monitoring and knowledge management by pointing out that many organizations believe that by focusing exclusively on people, technologies they can manage knowledge.

Employers have adopted the most effective form of monitoring their employees secretly which is known as electronic or computerized monitoring. Peter, (1999) defines computerized monitoring as the collection, storage, analysis and reporting of information about employees' productive activities. Nowadays increasing number of the employees use computers to perform work tasks. Of the 50% to 75% of workers having access to a computer, approximately 85% have internet access. (AMA, 2008) emails and the internet are integral parts of the typical workers daily routine. This is because of its speed and over all convenience; email has replaced the inter-office memorandum as the preferred method of communication in many organizations. Therefore many employees are using emails and internet for just business. This shows that employees should be monitored on the use of the emails and internet such that they do no waste much of the time on internet doing personal work like face booking, sending emails other than doing company work which may affect the performance as productivity is lowered.

According to survey results accumulated by Vault website, the following statistics about employee and employer perspectives have been accumulated from employers and employees for internet use.

Table 2.1; table showing employee and employer perspectives about internet use.

Question	Employee's answer
How often do you surf non-work related websites?	34.9% -a few times/week 38.1% -a few times/day 14.6% - constantly 12.4% -never
How many non-work related emails do you send per day?	17.8% - none 56.3% -1-5 12.4%- 6-10 6.3% - 11-20 7.2% - 21+
Do you think your employer is monitoring your internet and/ or email usage?	53.5% - yes 46.5% - no

Question	Employer's answer
What is the maximum amount of time an employee should be allowed to surf non-work related sites?	14.7% - never 15.1% - up to 10 minutes 34.8% - 10 to 30 minutes 24.9% - 30 minutes to 1 hour 5.2% - 1 to 2 hours 5.3% - over two hours
How many personal emails should employees be allowed to send during the workday?	11.5% - none 53.6% -1to 5 17.5% - 6 to 10 6% - 11 to 20 11.4% - 21+
Do you restrict/ monitor your employee internet/email use?	41.5%- yes 58.5% - no

According to the data provided in the table above, the percentage at which employees surf non-work related sites is high and that means they have to be monitored to minimize the problem and the employers too should reduce the time given to employees for surfing non-work related issues to increase the productivity and efficiency of the company.

However, there many criticisms of electronic monitoring and the major ones as noted by Watson (2001) are increased levels of stress, decreased job satisfaction, decreased work life quality and lower levels of customer services. Monitoring can create a hostile work place, possibly eliminating the whole point of monitoring in the first place. Watson (2001) continues to say labor unions and other advocacy groups have complained exceedingly about

electronic monitoring charging that it invades employee privacy, causes work related stress and low morale and employees can use it unfairly resulting to employee taking less initiative.

2.3 Organization performance

Organizational performance refers to the process of attaining organizational goals in an efficient and effective way Daff, (1997). Performance is very vital in developing effectiveness and success of the organization; therefore there is growing interest in developing organization performance through continuous employee monitoring (Cascio and Mc Envoy, 1999). Performance is a combination of satisfactory production level and high morale. A high performance work place focuses on increasing people's influence on the business as well as the impact of process, methods and the physical environment and technological tools to enhance their work. (Burton et al, 2006).

Organization performance according to Heap, (2006) is the process of quantifying the efficiency and effectiveness of organization actions. Heap also defined effectiveness as the extent to which organizations satisfy their needs and efficiency relates to how economical the organization utilizes its resources. Armstrong, (2006) described performance in terms of output, the achievement of qualified objectives. Armstrong also looked at performance in terms of performance standards and measures. These performance measures are used to determine the nature of performance. These performance measures are needed to assess whether the objectives are met or not and they include productivity, quality, profitability and efficiency.

2.3.1 Alternative ways used to monitor employees in relation to organization performance

Lacking a clear delineation of best practices that can be used to monitor employees, employers have taken a number of approaches and monitor their employees in many different

ways. For the most part, this monitoring takes place inside the workplace. However, monitoring may also occur outside of the workplace like, GPS tracking of company vehicles or remote e-mail monitoring or outside of the employment relationship for example, investigation of an employee's gambling habits. This section briefly introduces today's most common monitoring practices and how they are implemented into a company's employee monitoring policy (Barbaro, 2007)

The first types of employees monitoring systems are access panels. Access panels are electronic devices programmed to control entry into a doorway, stairwell, elevator, Parking garage, or other restricted area, typical panels require employees to enter a password, provide a fingerprint/iris scan, or swipe an identification card. Authorized credentials are logged in the system as the panel electronically unlocks the passageway. Unauthorized entry attempts also create a log record and can sound a silent or audible alarm to alert company personnel and/or law enforcement. Access panels provide key benefits such as: .24houremployee access to company facilities, the ability to restrict access during specific threats and the more general ability to secure sensitive areas and information against unauthorized (Nextegen, 2007). However, access panels can also be used for a different and more extreme level of monitoring - tracking employee behavior. As an example, some employers have been known to place access panels on restroom or break-room doors to monitor how often and for how long employees use these areas (Osha, 1998). This shows that unauthorized people are restricted from entering into the company premises and even employee movements are minimized while at worker place and further still, this will increase the performance of the company as most of the time is spent doing the required tasks and obligations, therefore access panels are good monitoring tools though they may also affect employee performance when employees are bored, and yet their movements are restricted.

Secondly, attendance and time monitoring can also be used to track employees. It is an understatement to claim that attendance is very important so as to achieve productivity at a

workplace. Employees who fail to show up on time, leave early or miss extended amounts of time are also liabilities from monetary and legal standpoint. A recent study showed that employee absences comprise 36% of payroll expenses or approximately $100 billion a year nationwide (kronos, 2009).   Most of these costs come in as a result of hiring part time workers and/or paying overtime to current employees in order to complete assigned tasks (Winter, 2003). However, absenteeism also has a negative effect on customer satisfaction, fellow employees and productivity which is also a cost to an organization indirectly. With this in mind, employers are wise to expend actual and political capital monitoring employee attendance. The aim for attendance monitoring is to capture the amount of time missed as well as patterns and reasons for absences among individuals, teams and departments. Attendance monitoring can be either physical for example using a time clock or electronic that is to say using "in and out" monitoring software installed on computers. There is even a formula - called the Bradford Factor - that looks at spells of absences

Multiplied by days missed during each spell, the higher the score, the more disruptive each absence is to the company. Attendance monitoring using software is more efficient and effective as compared to on paper monitoring as it reduces hours inflation and human errors. (Marcia and Vimadalal, 2009). Attendance software is programmed to monitor attendance patterns and trends to tress which employees may be excessively absent or taking advantage of the system. This software can be used as a means of increasing performance in an organization since it monitors absents.

In addition, automatic screen warnings are also used for monitoring employees, screen warnings are disclaimers which load automatically onto employee screens before the system grants access to the requested program. These warnings are intended to inform employees that they are being or may be monitored (Levine, 2009). This will keep them focused to their assignments and become more effective thus an increase in work performance. Such screens

can be customized to list each item that the employer monitors or employers can limit the disclosure to the monitoring about to take place. Automatic screen warnings can be an important for compliance with a company policy that promises to disclose monitoring practices before they take place. It is important to note that automatic screen warnings are not required before monitoring takes place. In fact, one court has held that employers who breach their promises not to monitor without such notice may still do so without violating any employees' right to privacy. The prudent course, however, is to adhere to such promises or not make them at all. (Pillsbury, 1996) Such notice will help defeat any reasonable expectation of privacy an employee has in any given electronic activity. Employees will perform their tasks on time and thus efficiency and productivity which will increase the organization performance in terms of quality and output.

Unlike access panels that restrict entry into the company premises, desktop monitoring programs can obtain every command and keystroke sent to the desktop by a user, translate these signals into data and remotely transmit this information to the employer (Greiner,2007). Desktop monitoring programs can be installed physically or remotely via a ''Trojan horse'' e-mail, attachment (Net visor, 2009). A Trajan horse is a desired program usually sent as email attachment by an employer to an employee. Desktop monitoring programs can record and copy, in real-time, the following activities which occur on an employee's Desktop as listed by Bonsor, 2009. Application tracking, this tracks software applications used and for how long, document tracking this activity tracks each document accessed on an individual computer, thus individuals will only access documents that are available to them and hence limiting fraud which will lead to losses in the organization and thereby hindering performance.

Furthermore, events timeline this is used to track the order in which employees work on assignments and will maintain order thus making reviewing easy and effective. Log-On Monitoring activity tracks how often and when employees log-on to employer's system, password logging activity is used to find out any passwords entered over the employee's

computer, this helps to keep the employer to be aware of what the employees use the desktops for and thus making the organization profiles confidential and secure thus organization data and information will be secure and kept secret.

Another type of employee monitoring system is monitoring e-mail accounts. It is a common practice and over 40% of all employers monitor at least apportion of their employee e-mail accounts. This type of monitoring is generally done through software programs capable of tracking the content, timing, volume and recipients of sent and received email (AMA survey, 2007).   Software programs can even track an employee's web-based e-mail accounts provided by, for example, America online, Hotmail or yahoo - personal accounts that employees often assume are off-limits to monitoring.

According to Conrad and Ames, (2003) the extent of such tracking is large in scope as over 60 million employees have e-mail and/or internet access at work, this makes the employers aware of what their employees do with their emails. Employers monitor their employees' e-mail for so many reasons which include, reasons, looking for sexual harassment, work place violence, checking on organization productivity and monitoring language for transmission of trade secrets and other confidential information. Still the AMA survey, 2007 says that   such monitoring can help lower legal liability.

In supplement to the American Management Association, email monitoring helps to avoid displaying company documents that are confidential and secret to the company to other competitors by the employees through the use of employee private emails, still it limits the employees from spending too much time on their private emails and non-work related issues and become focused to their assignments thus doing their work effectively and efficiently in order to increase performance. On contrary monitoring the emails of employees should be limited to at least give the employees some privacy.

Similarly, filters and firewalls can be used to prevent employees from accessing information like the email monitoring does, filters and firewalls also prevent outsiders from gaining

access to an employer's system, this enables the employers to carry out their secret innovations towards organization performance (AMA, 2007). This firewall is designed to make employees more productive and stop non-work related activities during work hours so as to leave all the assignments finished and this will lead to a rise in the performance of the organization. In disagreement too much of it may be dangerous as the workers are left idle when all the assignments are finished and may even be demoralized and become less efficient which may hinder the performance in a short run.   To this end, 65% of employers block unauthorized or inappropriate Web sites on employee Computers (AMA survey, 2007).

William and Tuminaro, (2008) protest that the effectiveness of this monitoring programs can be questioned as most employees can access prohibited sites from their personal PDA or smartphone thereby circumventing the employer's firewalls and filters thus this type of monitoring may be costly since it needs too much supervision to avoid employees from accessing the websites which may result into cost center if not properly budgeted for thus losses to the company. The losses may greatly affect the performance of the organization due to failure to provide resources required because of over reliance on the monitoring systems.

 Employers also use Global Positioning Systems (GPS) and Radio Frequency Identification Devices (RFID). These tracking devices provide precise location information of objects or individuals on a real-time basis by triangulating satellite signals. Employers utilize these tracking devices to monitor the where about of their employees and property (William and Amelia, 2008) by monitoring the where about of the employees and the property reduces theft within the organization and this will help will avoid expenses within the organization. It is important to note that GPS and RFID devices are not solely designed to monitor vehicles; these devices often monitor e employee cell phones, laptops, PDAs and Smart cards or other forms of employer property. (Spring, 2009).

Employers also use this technology to athlete operation of equipment; track their employees' location within the work place. This will enhance proper use of the equipment and avoid

damages which may interfere with the production process. the GPS and RFID also determines if employees are working the amount of hours claimed on time sheets and thus avoiding redundancy of workers which will contribute to the performance of the organization. This technology can also be used to produce real-time reports on employee productivity and encourage competition among employees to be more productive and this this competition will indirectly contribute to the performance of the organization since worker struggle to perform better than their fellow workers. (Jeffery, 2009).

Furthermore, Internet Use Audits are also another type of employee monitoring. Internet use audits track an employee's Web activity over a period of time. Employers utilize this technology to determine employee productivity and to check for inappropriate activities. Using the internet to determine employee productivity will increase performance as employees will become hard working to please their employers. 84% of such terminations were at least partially based on an employee's viewing or downloading inappropriate and/or offensive content, (AMA Survey, 2007) Internet Use Audits can be minimal, moderate or all-encompassing. Minimal audits occur when employers collect anonymous data on which Web sites their employees view. These reports may be used to set or amend current Internet Use policies. This helps the organization the organization to always update their internet. Moderate audits are a bit more intrusive and analyze specific Web sites visited by individual employees during work hours.

All-encompassing Internet Use Audits occur when employers collect and mine clickstream data. Clickstream data are the "electronic footprints created when a Web user moves about in cyberspace." Clickstream monitoring allows employers to accurately recreate entire periods like days, quarters, and also determine employee productivity, focus and adherence to company policy. However, 74% of employees studied believe that it is relatively easy to damage a company's reputation via a blog or a social networking Web site(Deloitte, 2009).

Employers often struggle formulating policies to govern such blogs - particularly when such blogs go negative. (Moring, 2006). The tension is not only between employee privacy versus employer interests but also involves an individual's personal expressions. Regardless, a small minority of employers - around 12% - have begun to monitor employee blogs and employee postings on social networking Web sites (AMA Survey, 2007).

In addition to email monitoring, telephone and text messages can be used for monitoring employees. Employee monitoring using telephones tracks the amount of time spent on texts, phone numbers dialed, calls, breaks between receiving calls. Employers are looking for theft of trade secrets and confidential information, disputes between co-workers or an employee and a customer and performance issues, (Brittany, 2008). This brings about strong relationship between the employees and employers and between the employees themselves and this relationship will lead to cooperation and will also create good reputation thus an increase in productivity as there is peace at the work place. Even the performance will increase because productivity is high. For example Federal law and most state laws allow monitoring as long as one party to the conversation consents.

Hence with this in mind, employers create telephone monitoring consent policies satisfying this requirement. For example, Wal-Mart's monitoring policy states that "all electronic communications of associates using Wal-Mart communication systems are subject to monitoring and recording. This policy would count as Wal-Mart consenting as one part to a telephone conversation (McCarthy, 2007). Recording employee telephone calls, on the other hand, would present Problems as workers will think that there is no trust from their employers thus seeking for jobs elsewhere.

Therefore when employees start leaving the organization, the performance may decline as the experienced employees are leaving and this may be a threat to the organization. Monitoring

using voicemails allows employers to listen to employee voicemail in order to determine the same issues as are relevant in telephone monitoring. In disagreement monitoring employee voice calls is not proper as the employees are not given enough privacy and thus they end up demoralized thence hindering performance in terms of quality and work done.

The other type of employee monitoring is video surveillance. Video surveillance involves the taping of employees within workplace facilities or outside of the workplace conducting work activities. In lieu of software desktop, e-mail or Internet monitoring, employers can point a video camera directly at computer screens to monitor computer-based activity (Fiore and Wernicke, 2008). In a 2007 survey by the American Management Association, 47% of employers admitted to monitoring their employees via this method - up from just over 30% in 2001. Just under 50% of those admitting to monitoring claimed that video surveillance is ongoing as opposed to routine, occasional or specific.

Video surveillance helps to monitor employee productivity, discourage drug use and protection of employer property and increase safety of employees (S.D. Lowa, 2006).

On the contrary, some employers place hidden cameras throughout the workplace while others are purposefully overt. Hidden cameras provide the element of surprise and are likely to capture more accurate results. Overt cameras, on the other hand, are placed in public view to ensure good behavior and to encourage productivity.

It is also important to remember that employer-owed video surveillance equipment can be misused by employees which may lead to invasion of privacy lawsuits. Over 70% of employers who conduct video surveillance notify their employee's beforehand (AMA Survey, 2007). However, video surveillance is expensive in terms of bandwidth and storage requirements, though any type of video surveillance is likely to decrease employee morale, increase stress, lead to distrust and decrease productivity (Alder, 1998)

In ALEGON engineering Uganda limited, employers use the monitoring of calls of calls with clients to improve quality. This method assists the employers and employees to serve customers better by determining when an employee needs additional training, also detect if any employee is giving critical information about the company to outsiders. Still they use active badge, an active badge is a credit card sized badge that an employee wears on the outside of his or her clothing so movement can be monitored in a building using his or her unique ID. (Managing Director of the company) in the company profile of 2013 they are yet to bring in a new system of monitoring their employees called attendance and time monitoring.

There are many systems that can be used to monitor employees though the most effective ones like internet monitoring, email monitoring video surveillance and so many others are very expensive and according to the researcher's observation small companies cannot afford. In addition also the illiterate employers cannot effectively use these monitoring systems to track their employees.

2.3.2 Challenges faced when implementing the monitoring systems in relation to organization performance

At the beginning of the 21st century, the world and more specifically the United States has gone from an industrial age to an information age, (Hart, 2000). At the dawn of the internet age, employers face serious risks and challenges from employee use and abuse of this relatively new communication medium. To limit these risks Frayer (2002) suggests that employers are using innovative monitoring technology which enables them secretly to view record and report literally everything employees do on their computers.

The most obvious challenges in monitoring employees is the inability of managers to physically observe their employees' performance and efforts, and how to implement effective

methods for going about measuring productivity, building trust, and managing teams given their particular constraints (Kirkman et al,2002) If managers are not able to observe their employees, they are less likely to be able to determine where their employees are struggling and where they excel, rendering the manager unable to provide constructive performance feedback and harness the full potential of their team. As a result, monitoring and measuring performance remain problematic and sources of concern (Kurkland& Bailey, 1999).

Employee monitoring might prove problematic when managers narrowly focus on outcomes rather than process, especially when those results prove difficult to measure and monitor as in traditional job settings, certain jobs lend themselves to easier outcome evaluation and monitoring in virtual team settings compared to others. However, when objective, outcome-based measures of performance are unavailable, the ability managers to accurately ascertain performance become increasingly difficult considering their reduced capability to observe and measure the process. Another problem when monitoring employees is the manager's lack of knowledge to create an environment that fosters high levels of performance, and possible ignorance of how to return the employees to that high-performance atmosphere. Research by Potter, Balthazar, and Cooke (2000) suggests that individuals who exhibit constructive as opposed to passive or aggressive behaviors with other members produce solutions that are superior in quality to those produced by passive groups and superior in acceptance to those produced by either passive or aggressive groups. They go on to propose that those passive and aggressive interaction styles are intensified in virtual teams (Potter et al., 2000). Other research has also found that teams with high-performance levels establish trust quickly at the beginning of a project, and maintain that high level throughout, compared to virtual teams with lower average performance (Kanawattanachai and Yoo, 2002). A manager who does not understand such nuances and root causes that differentiate low- and high-performing teams face a clear challenge in effectively monitoring employees.

The other challenge employers face when monitoring is the new techniques like the dual use communication techniques for example smart mobile phones, interactive emails which employees can use for both personal and organization use and end up relying more on personal usage other than doing the business purposes. Still employees use such services like company data for Facebook, sending emails to friends and relatives which lower the productivity of the organization. Employers also face a challenge of ensuring appropriate workplace behavior while not excessively intruding into private lives.

2.3.3 The impact of employee monitoring systems on employee performance in relation to organization performance.

Employee monitoring has raised concerns from all areas of society. Business organizations, employee interest groups, privacy advocates, civil libertarians, lawyers, professional ethicists, and every combination possible. Each advocate has its own reasons for or against employee monitoring, whether it is economic, legal, or ethical. However, no matter what the form of reasoning, every advocate views employee monitoring in their own understanding where the employers view employee monitoring as a positive impact and the employees are against employee monitoring and consider it as a negative impact on organization performance as discussed (Kirsten and freeman,2003).

Monitoring is viewed both as a productivity and cost containment tool. Employees believe that monitoring is more of a productive tool than a containment tool. Many organizations decide to monitor employees in an attempt to reduce the employees' personal computer use. In support of that when employees are monitored they at least become more serious than when they are left to work at their pace. This is because more output will be produced and the quality of work will be high thus improving the performance of the organization. Surfing the Internet and sending personal e-mails takes up time and reduces productivity. Every minute spent checking stock price is minute not spent increasing revenue.

However, employees argue that surveillance can have a negative impact on productivity. Studies have demonstrated a link between monitoring and psychological and physical health problems, increased boredom, high tension, extreme anxiety, depression, anger; sever fatigue, and musculoskeletal problems (Hartman, 1998). Over surveillance and monitoring has also been found to lead to higher levels of stress and greater incidence of other physical disorders such as carpal tunnel syndrome (Privacy Rights, 2001). Still, people under stress are sick more often and heal more slowly, which leads to an increase in sick leave and a decrease in productivity while at work. Further, some view monitoring as a cost containment tool. The cost of telecommunications is forcing employers to reexamine their Internet use.

In continuation, with personal web surfing and large e-mails taking up precious bandwidth, many employers are using monitoring as a cost containment tool. This may lead to deficits in the organization as more employee monitoring systems are put in use and yet some may not be perfect. Still employers may use the employee monitoring systems and thus organization performance may not increase as the employer's aim is towards monitoring their employees.

Employee monitoring is done for security purpose, with a greater reliance on computer systems, information assets are seen as a vulnerable point of attack by would-be saboteurs. Organizations that do not adequately protect and secure their systems risk unwanted retrieval of private corporate information. One virus can bring operations to cause large public relations. In such an incidence, proponents argue that monitoring employees protects the safety and security of the organization and even the nation. (Kirsten 2003).

On the other hand employers feel increasingly susceptible to security concerns. Disloyal employees are able to e-mail trade secrets and confidential documents quickly and easily to a large audience. In fact, most security breaches come from knowledgeable insiders – not random hackers from the outside (Schulman, 2001). Through monitoring Internet usage and content, employees and organizations argue that they are able to detect and halt security

breaches. However, corporations' reliance upon information technology for the maintenance of their assets leaves them particularly vulnerable to attack by electronic means.

 More than two thirds of respondents in an AMA survey claim that concern over lawsuits is very important in the decision to monitor (Swanson, 2001).Employers find electronic monitoring particularly helpful in combating sexual harassment and hostile work environment lawsuits; harassing emails and surfed porn sites are often probative in harassment cases. In fact, 70% of porn traffic occurs during regular business hours – as calculated by Sex Tracker, a service that monitors pornography site usage (Conry-Murray, 2001) – it is understandable for employers to monitor Internet communication.

 In addition, employers can no longer wait for the initial complaint; recent court decisions have found employers responsible for dealing with Sexual harassment even without a complaint. Employers have become more concerned about illegal uploading or downloading of commercial software and other copyrighted material onto corporate equipment during business hours, courts are using e-mail messages as evidence. In the U.S. v. Microsoft trial, e-mails that employees thought had been erased were introduced into evidence against Microsoft.

These erased or deleted e-mails were easily found on backup tapes. In fact, one in ten companies have received a subpoena for employee e-mails and more than eight percent have defended themselves against e-mail or Internet based sexual harassment claims (Piazza, 2002). As a result, many companies have begun using monitoring as a risk management tool in addition to purging backup systems of old e-mails and files (Gilman,1999).

 It is important to note that increased surveillance of Internet and e-mail usage will only make prosecution of transgressions more difficult – it will not stop the wrong behavior. The media, not the medium, is to blame

Employee monitoring also encourages privacy, Privacy is a very important   issue when itcomes to a company's information. Exhaustive debates as to the nature of privacy have raged on for years. Some argue for the "control theory "which measures privacy by the amount of control we have over our own information. (Moor, 1997) Others argue for the "restricted access theory" where privacy is characterized by the level of access others have to our information.

 In the theoretical review theory, For example, if a woman was locked in a room, the restricted access theory would have her in a private situation if an outsider had the key to unlock the door. The woman would have not absolute control over the door opening and closing but would still have restricted access and therefore would be in a private situation. (Moor, 1991) The control theory would find this intrusion to be a breach of privacy and would dictate that the woman has the only key to unlock the door in order to ensure a private situation. In such a scenario, she would retain control of her access. The control theory allows for the woman to open the door, expose her habits, and still retain her privacy.

A complete restriction of access both unlikely and unwanted, the control theory of privacy allows society to determine who has access to what information without unduly undermining privacy (Moor,1991).

 The user, in this case, would use the restriction of access as a tool to control privacy. The control theory of privacy is also illuminating to the issues inherent in employee monitoring. Employees argue that employee monitoring decreases the amount of control employees have over their own information through unrestricted access. When organizations do not monitor but set up the system to facilitate monitoring at any time, a breach of control, and therefore of privacy, has occurred. Control theorists contend that employees realize a loss of privacy even when organizations simply have the capability and opportunity to monitor regardless of whether the organization actually uses that monitoring capability.

Monitoring employees also leads to creativity in an organization. It is hard to imagine living in a world in which your every word is recorded for analysis. To spend twelve hours a day knowing that your keystrokes can be monitored for productivity and your documents analyzed for psychological profile seems overwhelming. Employees do support that one could not help but think about the potential implications of every action to your permanent record (Freeman and Kirsten 2003). In addition, an employee might well feel as if your employer was looking for a transgression and waiting to pounce. In such an environment, employers would severely curtail creative thinking, as employees would begin to act and then think in response to the unseen observer.

New, radical, unconventional ideas may be filtered out of communications if the employee is constantly worried what the observer may think. But employers rely upon creative, new thinking in order to constantly move forward and improve. In fact, most companies work hard to form innovative and open teams to foster creative employees and improved products and services (George, 2014) Innovation comes only from creativity and, it is argued, is in jeopardy when that creativity is stifled with even the threat of monitoring. Further, most employers have political agendas, moral values, and social norms If employers are so upfront as to their desire for employees to conform to their political and moral stances, opponents are quick to reason that employees would begin to take such views into consideration when surfing the Internet or sending e-mails if the threat of monitoring exists. Monitored employees would begin to lose their creativity by conforming to the demonstrated desires of the observer.

Employers argue that the inherent unequal relationship between employer and employees is exacerbated when trust and privacy are doled out like candy. An economist from Swiss, Bruno Frey found that monitoring negatively affected performance by worsening employee morale. The employees always thought that their employers had low expectations of them

and thus they only aimed to those expectations (Hartman, 1998). These employees began to act like children with parental expectations. This paternalism deepens with the unequal distribution of monitoring. As organization dictates their zones of privacy, groups will be placed in different zones through procedures and rules. With the fragmentation of computer systems, executives may remain immune from monitoring under the same guise of corporate security used to monitor their employees. Executives remain on separate computer servers with different rules of monitoring in order to safeguard corporate strategy and high-level communications.

Much as a parent dictates specific rules only for their children, employers may tend toward disparate and unequal policies for electronic monitoring.

The effects of electronic monitoring may be more direct than an overall impression of paternalism. Through the decrease in privacy, monitoring can actually push adults to act more childlike further exacerbating the parent-child relationship. As children become adults and are becoming more autonomous, they are afforded increased privacy in accordance to their level of maturity. While the forward progression to privacy and adulthood is understood, Reiman (1995) argues for the opposite denigration as a possibility. The deprivation of privacy can inhibit maturity and keep the observed in a childish state due to a loss of privacy and autonomy. As such, employees may begin taking on the role of children as their employer decreases their level of privacy.

Employers are concerned that monitoring changes the culture of the broader organization by changing both those employees monitored and those not monitored through the very threat of surveillance. Further, monitoring changes the way individuals act when they are not being watched. And, that it is not only the immediate organization but also our society that is impacted through this invasion of privacy. Privacy has always been regarded as an important if not crucial right. The privacy of employees does more than protect information; privacy is

so integral to our identity and autonomy, that it has been argued to be a greater good. Johnson (2001) describes privacy as a social good fundamental to our society. As such, privacy is good for its own sake and not merely as a means to protect an individual or to increase productivity. It is in this capacity that employee privacy and, therefore, monitoring garners the concern of society in general. Surveillance not only stifles creativity, it can actually change the way one thinks and acts. Opponents maintain that the observed begins to think and act in terms of the observer. Every action, thought, and word is analyzed before being acted upon for potential scrutiny by future or current observers. Further, the observer does not even have to exist. The mere possibility of surveillance can cause people's actions, thoughts, and eventually, minds to change. Jeremy Bentham capitalized on this idea when he proposed the panoptic on, a prison in which ring of inmate cells surrounds one guard tower high above in the middle (Reiman, 1995).

The guard is able to see into every cell; however, due to lighting, the inmates are not able to see the guard tower. The advantage of such an arrangement, according to Bentham, is that inmates will change their behavior at the mere threat of a guard's presence. The guard tower does not need to be occupied at all times. Now others (Reiman; Johnson) have applied this idea to modern technology in a social control argument. For employee monitoring, not only is the physical layout similar (corporate security watching silently in a centralized, unseen room while employees are being watched from their offices), but the concept is the same.

Employers are under no obligation to inform their employees of any monitoring. As such, employees have no idea if the guardhouse is occupied and will change their behavior and thoughts at the mere threat of an observer. Corporations may find this to be a positive side effect. Organizations are striving for risk and cost management and if employees act in accordance with their social norms, so much the Better.

However, this type of social control can be, in Johnson's word, insidious. The corporation is exerting an enormous amount of social control that cannot be confined to the scope of business thinking and actions. In this way, corporations are not only invading our physical space, they are invading our "private space" (Reiman, 1995) where we introduce, entertain, reflection, and experiment with new thoughts.

2.4 Study limitations

Literature review involves looking for a lot of scholars' views about the topic employee monitoring and organization performance so it is expensive to but data to look for information from the internet, it is also time consuming because a lot of time is wasted through reading and getting the best information.

2.5 Conclusion

Chapter two presented the literature about employee monitoring systems and organization performance. It gives views about people's opinions about the implication of employee monitoring, the different types of employee monitoring systems and the challenges employers face when monitoring the employees. This literature review will help the employers and employees of ALEGON Engineering limited to improve their monitoring systems by selecting the best ways on how to carryout monitoring in a proper way so as to increase productivity and performance.

CHAPTER THREE

METHODOLOGY

3.0 Introduction

Chapter three presented the methodology that was applied to explore and determine the impact of employee monitoring systems and organization performance a case study at ALEGON Engineering Limited Company Uganda.   This chapter involved the research design, study population and area, sample size and sampling, data collection methods, data collection instruments, data collection procedures data analysis both qualitatively and quantitatively and finally the study limitations.

3.1 Research Design and Methodology

This study used both qualitative and quantitative techniques for data collection, analysis, and completion of this study.   This is because this type of design clearly described the characteristics and behavior of the population studied without inconveniences and in a short period of time. The study took on a descriptive research design. Both qualitative and quantitative techniques of data collection, analysis and completion of this study were used.

3.1.1 Qualitative methodology.

 Qualitative research is research which attempts to increase our understanding of why things are the way they in our social world and why people act the way they do so. (Marshall and Rossman, 1999). Benoliel,(1985) described qualitative research as modes of systematic enquiry concerned with understanding human beings and the nature of their transactions with themselves and with their understandings. The aim of qualitative research is to describe aspects of a phenomenon, with a view to explaining the subject of the study (Cormack, 1991). Duffy (1985) refers to qualitative methodology as a humanistic and idealistic approach. In

relation to the above descriptions of qualitative research, the researcher was concerned more with this type of methodology as it deals with understanding more about the human beings thus data collection from employees and employers took on qualitative research to get information from both employees and employers.

3.1.2 Quantitative methodology.

Quantitative research is concerned with investigating things which we could observe and measure in some way. Such calculations and measurements can be objectively and repeated by other researchers (Morgan, 1983) .measurements tell us how often or how many people behave in certain way but they do not but they do not adequately answer the question why? In this study employers may be concerned with how many employees absent them from work and have no reason for being absent? Quantitative research is described in terms of empiricism (Leach, 1990) this research approach is an objective, formal systematic process in which numerical data findings. It describes tests, and examines cause and effect relationships (Bums and Grove, 1987).

3.2 Study Population and Area

This study population comprised a total of 60 respondents including the employers and employees of ALEGON Engineering Limited. Particularly, the study respondents included include 10 managers, 10 surveyors, 5 constructors, 4 drivers, 10 builders and 6 cleaners and were able to give direct and correct information about what was asked on how employee monitoring impacts organizational performance.

3.3 Sample Size and Sampling Techniques

3.3.1 Sample size

Considering the population size of 60, the researcher used a sample size of 52 respondents basing on Morgan and Krejcie (1970). This is because the researcher may not have access to the entire statistical population of interest partly because it is expensive and time consuming or it is difficult to get cooperation from the entire population to participate. The researcher decisions about the study population were based on representative sample size.

3.3.2 Sampling Techniques

Both probability and non-probability sampling techniques were used in selecting the sample study. The probability techniques will particularly be simple random sampling because it is practical and each employee will have equal chances of being selected. This was done by making balls containing names of each employee and employer; put them in container that will mix the balls up thoroughly. Start selecting one ball without looking at the names, the procedure will be repeated until all the employers and employees' names are all selected. Purposive sampling will be used to select 15 employees as they are directly responsible for the company performance and 5 employers. Purposive sampling was used by the researcher as it considers the purpose of including a respondent in the study. (Mugenda, 1999).

3.4 Data Collection Methods

Data was collected using survey method. The researcher designed questionnaires as a tool for data collection, this is because questionnaires can be sent to a larger number of people and it saves time and money. People were also more truthful while responding to the questionnaires regarding controversial issues in particular. The Questions were drafted and supplied to the selected respondents to complete and return after filling them.

3.5 Data Collection Instruments

For the interviewing method, the researcher used the interview guides to collected more data from the respondents. This is because the interviewing process has the ability to elicit the in-depth information from the respondents, the method also favors those who cannot read or write. On the other hand, the survey methods, questionnaires were used because they give the respondents adequate time to answer questions in little time. . The questions within the questionnaire were semi structured with both closed and opinion questions to enable the respondents to have freedom when answering the questions.

3.6 Data Collection Procedures

After the research proposal has been approved, the researcher obtained a recommendation letter from the Faculty of Business Administration and Management. The researcher then distributed questionnaires to the respondents in person such that they answer them in time. Information from the respondents was collected and recorded by the researcher. The data collected was   organized and analyzed in relation to the researched topic.

3.7 Data Analysis

Data was analyzed both qualitatively and quantitatively .The data was analyzed by making the references to the available literature and this was used to predict and interpret how employee monitoring affects performance in an organization. The data was then synthesized, analyzed and organized in consistence with researched topic. Data processing was done using computer packages and this helped in exploring the gaps in the existing literature upon which recommendation will be made.

3.8 Study Limitations

The researcher faced a problem of finances, being a self-financed venture a lot of money may be required to type, photocopy and meet transport and telephone expenses.

Furthermore, the respondents may fail to complete or return the questionnaires given to them. The researcher also took a lot of time when drafting questionnaires, distributing them and even there was a lot of time required for collecting and analyzing data to complete this research study successfully.

3.9 Ethical Consideration

The researcher communicated honestly by the telling the respondents the truth and ensuring them that actions are taken based on accurate information, honoring promises and demonstrating trustworthiness when conducting research.

Fairness was demonstrated by the researcher through ensuring that everyone has the same opportunities for example issuing questionnaires randomly not basing to status, income levels and people's standards of living.

The researcher made sure that no one is harmed during the process of conducting research. This helped in holding the society together and also creating a safe environment and considering the consequences of the actions when carrying out research.

The researcher also respected the human rights of the people most especially the respondents through giving them happiness and freedom for example not forcing them to fill the questionnaires if they don't want, this will enable the researcher collect accurate information.

3.10 Conclusion

Chapter three consisted of the methodology that will be used to collect data about employee monitoring systems and organization performance. Within the methodology there are data collection methods and instruments, procedures, study population and ethical consideration.

CHAPTER FOUR

PRESENTATION AND ANALYSIS OF FINDINGS

4.0   Introduction

Chapter four provides the findings established through the data collected from the respondents is presented. The literature reviewed showed that small and medium enterprises need marketing strategies to earn profits and survive in operation for longer period. The respondents were selected using judgmental sampling in order to get the key informants and business owners with their employees, a total of 52 respondents were selected for the study.

4.1   Bio data

This section showed the response rate, gender of respondents, age bracket and education level attained by the respondents.

4.1.1   Response rate

The researcher issued 52 questionnaires. Out of the 52 questionnaires only 45 were returned by the respondents and the 7 were not returned. Out of the 7 unreturned questionnaires, 5 were for the employees and 2 were for employers.

Table 4.1: Response rate

The table 4.1 below shows the respondents that filled the questionnaires that include the employers and employees.

Subgroup	Actual number of questionnaires	Not returned	Returned	Response rate
Employees and employers	52	7	45	86.538%

Source: primary data 2015

The above table 4.1 shows that 86.538% of the respondents fully filled the questionnaires and returned them and only 13.462% never filled the questionnaires. Therefore the data was reliable because it showed a higher and excellent percentage of response.

4.1.2 Gender

Respondents were too given questionnaires to indicate their gender that is to say male or female and the findings obtained are revealed in the table below.

Table 4.2 table showing findings on gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	33	73.3	73.3	73.3
	Female	12	26.7	26.7	100.0
	Total	45	100.0	100.0	

Figure 1 ; the pie chart showing the gender of the respondents.
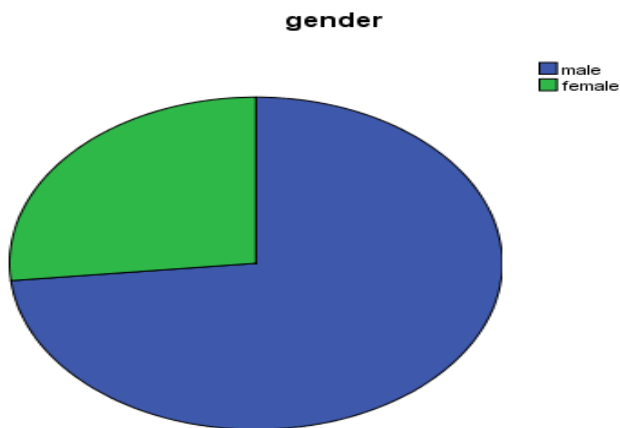
Source: primary data 2015

From the data collected there were more males with a percentage of 73.3 than females with a percentage of 26.7. Like the data provided in table 4.1-2, the pie chart is also a graphical representation where it shows that the number of males was bigger than that of females. This is because the company is a construction company and males are needed more than the females in the construction process.

4.1.3   Education level

Respondents were also asked to identify their education level and the table below shows the findings.

Table 4.3: Education level of respondents

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid PhD	1	2.2	2.2	2.2
Masters	16	35.6	35.6	37.8
Bachelors	15	33.3	33.3	71.1
Diploma	6	13.3	13.3	84.4
Certificate	7	15.6	15.6	100.0
Total	45	100.0	100.0	

Figure 2; pie chart showing the level of education of the respondents

level of education

- phd
- masters
- bachelor's degree
- diploma
- certificate
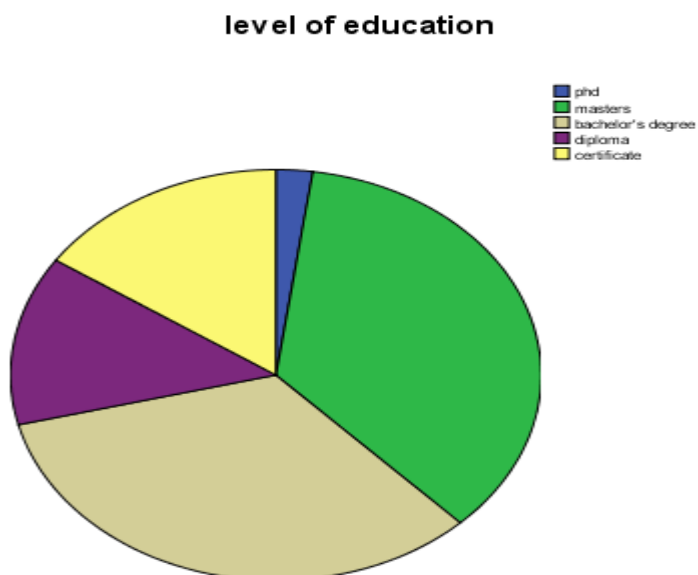
Source: primary data 2015

Table 4.3 and figure 2 above showed that the biggest percentage which is 35.6% of the respondents holds a master's degree. Bachelor's degree holders with 33.3%, certificate with 15.6% and finally diploma with 13.3%. The above information implies that the company uses highly skilled workers due to the increasing competition in the construction companies within the country.

4.2 Employee monitoring systems used at ALEGON Engineering Limited.

The respondents also had to identify the different employee monitoring systems used at ALEGON engineering limited and below were the findings

Table 4.4 table showing employee monitoring systems

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid time and attendance	25	55.6	55.6	55.6
email monitoring	13	28.9	28.9	84.4
internet audits	7	15.6	15.6	100.0
Total	45	100.0	100.0	

Figure 3: the bar graph showing the employee monitoring systems used at ALEGON Engineering limited.

what are the monitoring systems used
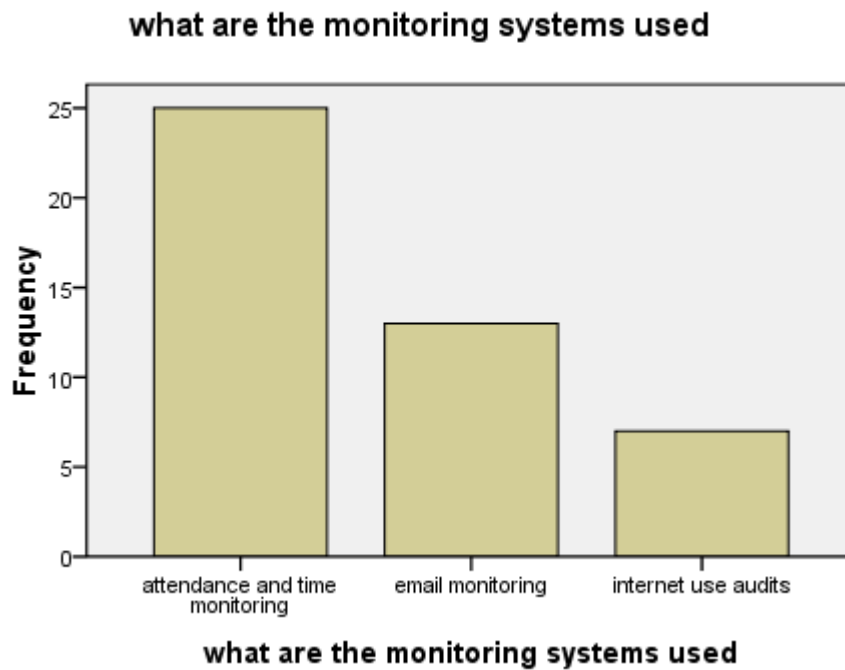
Source; primary data 2015

From the information given by the respondents, table 4.4 and figure 3 shows that time and attendance monitoring is the most commonly used monitoring system with the percentage of 55.6%. The managing director said that they find it a bit cheap because it only involves a record book that records the time of arrival and departure. The data collected also showed that email and internet are also the other employee monitoring systems used though it indicated that they are used at rare occasions.

4.4.1 Internet usage by employees at ALEGON Engineering Company

Table 4.5 table showing internet usage by employees

Internet usage		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	17	48.6	48.6	48.6
	No	18	51.4	51.4	100.0
	Total	35	100.0	100.0	

Source; primary data 2015

The table above shows the number of employees that use internet while at the work place; the results show that 17 out of 35 employees use the internet which indicates that half of the employees can easily access the internet. The rest do not use internet in the work they do, for example the builders. This implies that the nature of work may be time consuming. The researcher also interviewed some employees and they said that they usually use the internet for official work for example when getting contracts, and bidding processes. This makes it easier for them to come out with the best bidder thus making purchasing of equipment easy, thus yielding better performance.

4.3. The impact of employee monitoring systems to an organization like ALEGON engineering limited.

When the researcher analyzed the data, there were both positive and negative impacts of employee monitoring systems on organization performance. The positive response is basically from the employers, 5 employees said that the monitoring systems help in

maximizing productivity, improving effectiveness and efficiency of workers and also making it easy to know the number of employees present at a particular day or time. The employees criticize employee monitoring and 3 employees emphasized that it's a bit stressing and puts them on tension. Positively the data showed the following impact

From the data collected, the researcher found out that the employers find it more important to monitor their employees and a few employees take employee monitoring to be of importance.

Out of 10 employees, 7 claimed that employee monitoring enables the workers to perform the tasks given on time and effectively, of which this enables them to complete and leave all work done well at that particular set time.

In addition, some of the employers said that employee monitoring, through the use of time and attendance helps the workers to arrive early at the work place. This implies that the more the workers reach on time, the more effective and the more work is done thus increasing organizational performance.

Two of the employees also supported monitoring and said that it keeps them focused to the work they do so as to please their bosses while at the work place and they also get awards for the work done.

The managing director as one of the employer said that some departments that use emails and internet, through surprise internet audits they are able to trace whether the company information is kept confidential and to also find out how often the employees use the emails. By monitoring the emails, the organization's information will be safe and free from competitors. Still the employees will be restricted from over accessing their emails and remain focused on the tasks to be performed thus increasing productivity and performance.

Two employees said that, employee monitoring increases on the productivity of the organization and they gave an example that before their bosses were not into much of

monitoring and they would only have a few contracts, but when the employers started being keen on the employees they started receiving more work to do as the employees were more determined.

On the other hand, there were also some respondents that gave negative impact of employee monitoring to organization performance as analyzed below. The data revealed that out of the 35 employee respondents studied, 15 respondents on behalf of the employees expressed that, monitoring them puts pressure on them and they always end up messing up, most especially when they are in the construction process, they keep on watching them and end up making errors and mistakes. This point supported findings from the literature review, (Hartman, 1998) stated that too much monitoring brings tension, boredom. So this data has really proved that it is right.

In spite the positive results provided, some employers emphasized that monitoring employee is a bit expensive as it requires bringing in supervisors, which becomes another cost to the organization. Still one of the employers said that the proper and better employee monitoring systems are so costly and very hard to be used at ALEGON engineering limited.

Five of the employees also said that monitoring them brings stress on them as they are always thinking of the work place and the comments made by their supervisors while at work. This keeps them stressed and not happy. In the literature review, (AMA, 2008) also emphasized that employee monitoring is a controversial practice that is undeniably on the rise. However, the study results revealed that the employers of ALEGON Engineering Limited take employee monitoring to be of great importance to the organization and that they have plans of improving the monitoring systems they use.

4.4 The challenges faced when monitoring employees.

The most challenge founded from the research findings was that using the time and attendance monitoring system is very hard as some employees sign for their fellow employees and also record wrong time of arrival and departure. One of the employers supplemented that, some employees just come and sign and leave the company premises without doing any piece of work. This implies that the level of absenteeism will increase as more employees keep signing for their fellow friends thus leaving a lot of work undone which will lead to decline in the performance of the organization. In addition one of the employers said that they find a challenge when monitoring the emails and of the employees since they have individual smart phones that they can use unlike the company internet, so this type of monitoring systems tends to be ineffective.

4.5   Conclusion

The above discussion has shown the impact of employee monitoring to organization performance. From the data collected, it is very crucial that the organizations monitor their employees so as to have better performances in terms of output and effectiveness. It also established the different monitoring systems used at ALEGON Engineering Company Uganda limited

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS

5.0   Introduction

The study explored employee monitoring systems and organization performance at ALEGON engineering limited.   The literature about employee monitoring systems and how they operate, and how they impact organization performance was reviewed.   There were forty five respondents that participated in the current research study. Both qualitative and quantitative methods of research were used to arrive at the results of the study. The respondents included the employers and employees of ALEGON Engineering Limited. Therefore this chapter shall address specific conclusions from the research findings.

5.1   Summary of findings

5.1.1   Identified monitoring systems used at ALEGON Engineering Limited.

From the research findings, it was found that the most commonly used monitoring systems are attendance and time monitoring and this is because these methods are less costly and simple to understand, however employees at ALEGON claim that some employees sign for their fellow employees and this greatly affects them so much. The other monitoring systems found to be used in monitoring employees at ALEGON Engineering Company limited were email monitoring and internet audits. The use of internet and email monitoring may increase the safety of the company data. However, William and Tuminaro (2008) in protest says that the effectiveness of these monitoring programs can be questioned as most employees can access prohibited sites from personal smart phones. This implies that some monitoring systems are also not effective.

5.1.2   Challenges faced in monitoring employees at ALEGON Engineering Limited.

According to this research findings, the employers are faced with challenges like limited time for monitoring the employees thoroughly since the employers also have a lot of other work to do other than monitoring their employees , un royal employees who sign on behalf of others and this makes it hard to find out the employees who dodge and who work less hours, and also increases the level of absenteeism , insufficient funds to install more advanced monitoring systems, since most of these systems are costly . as viewed in the literature by alder,1998, he sported out that the video surveillance is expensive in terms of band width and storage requirements. Some employees also escape with the attendance books and lack of information about the different monitoring systems.   This implies that as any organization decides on the type of monitoring systems they should first evaluate the costs and challenges and then select the appropriate system to use. This will enable them avoid extra costs and inconveniences.

5.1.3   Impact of employee monitoring systems to organization performance.

According to the findings, employee monitoring systems increase productivity as the right thing is done in right time and work moves on smoothly and also encourages efficiency and effectiveness of workers as they perform their tasks knowing that they are being monitored. The other impact is that it also leads to privacy within the organization as the organization's information is kept confidential to only the people within the organization. Accordingly, Lowa, (2006) in support said that some monitoring system like video surveillance help to monitor employee productivity, protection of employer property and increase safety of employees. This approves the truth that employee monitoring can really increase productivity, reduce fraud and lead to employer- employee relationships.

 In addition, employees claimed that too much of monitoring can also lead to stress and in support from the literature Watson (2001) also noted that employee monitoring can lead to

increased levels of stress. This implies that employee monitoring should be optimal such that the employees are not burden and demoralized while at the work place because of being monitored.

5.2   Conclusion

In summary of the findings, attendance and time monitoring systems is the most commonly used employee monitoring system with 55.6%. This implies that ALEGON Engineering Limited engineering still has a lot to do as regards employee monitoring. This is because the most commonly used monitoring system is not so effective and the employees may under look it.

The impact of employee monitoring systems that were identified in the study includes productivity, efficiency, effectiveness, reduction in fraud, punctuality. This implies that employee monitoring systems are very vital in any organization so as to maximize organization performance and productivity.

5.3   Recommendations

In light of the current research findings, the following recommendations were made:

First, as the research findings revealed Alegon engineering company mostly uses attendance and time management to monitor its employees because it is a cheaper form of monitoring compared to the others. In spite of its effectiveness, this form of monitoring system is traditional, therefore they should adopt other modern forms monitoring and time management systems such as video surveillance, desktop monitoring, and automatic screen warnings. These advanced employee monitoring systems will make monitoring of employees more effective than it is now.

In addition to monitoring systems, ALEGON engineering company should also put strict policies and rules concerning the attendance books so as to avoid the stubborn employees to sign on behalf of others and to also make the monitoring easy and smooth as employees will strictly follow the rules. They should hire a person to be responsible for the attendance book as a control measure such that only those employees who are present sign in and out.

Furthermore the findings also showed that employee monitoring is not appropriately done, as some employees said that they are not monitored at all. Therefore the organization should take employee monitoring more serious because it is key factor to their performance and productivity. The point is the more the workers are monitored, they become more responsible and accountable in the way they perform their tasks, as a result this leads to efficiency in the organization.

For that reason, most organizations need the monitoring systems at their work places to ensure that the employees perform their tasks efficiently and effectively and to also monitor the movements of the workers within the organization so as to enhance organization security.

Another suggestion is, organizations should also give the employees some freedom so that they don't feel untrusted, stressed, bored and always on pressure while at the work place.

5.4   Areas for further research

The current study emphasized basically on employee monitoring systems and organization performance at ALEGON engineering limited, further research should be carried out using different research methods in relation to employee commitment and organizational performance and ethics

1. QUESTIONNIARE

Dear Respondent;

My name is NAMUGUMYA STELLAMARIS a student at Uganda Martyrs University pursuing a degree in Business Administration and Management. I am conducting a study on employee monitoring systems and organization performance. Kindly spare some time and respond to each of the statements given. The information obtained will be strictly confidential for academic purposes only.

Thank you.

PART A: <u>BACKGROUND INFORMATION</u>

Please Tick or circle in the options provided below

1. What is your gender?

    Male   ☐   Female   ☐

2. What is your highest level of education?

    A. PHD   ☐   B. Masters' degree   ☐

    C Postgraduate   ☐   D. Bachelor's Degree   ☐

    E. Diploma   ☐   F. Certificate   ☐

    G. Others   ☐

Please

specify……………………………………………………….…………………………

3.   How often are you monitored?

A. daily   B. 2 – 3 weekly   C. monthly   D. none

4. How long have you been an employee in Alegon Engineering Limited?

…………………………………………………………………………………

PART B: identifying the employee monitoring systems and how they are used.

1. Do they monitor you while at the work place?

a.) Yes   **b.)** No

1b. if YES how is this done?

………………………………………………………………………………………………

….

1c. If NO, how do you maintain the working rules and regulations?

………………………………………………………………………………………………

………………………………………………………………………………………………

2. What are some of the monitoring systems used while at the work place?

………………………………………………………………………………………………

………………………………………………………………………………………………

3. Are you given privacy when you are being monitored?   Yes   ☐   No   ☐

4. Do you surf the internet or visit your email?

Yes ☐   No ☐

4b. If YES, how often do you do it?

……

……

…………

PART C: identifying how employee monitoring is a key factor to organization performance

    1   What is your response towards employee monitoring and organization performance?

    ………………………………………………………………………………………………………

    …………………………………………………………………………………………………

2.   What do your employers except from you in terms of performance?

……

3. Is employee monitoring a good tool for increasing organization performance   ?

Yes ☐   No ☐

……

……

4. What benefits does the company get from monitoring you as an employee?

……

……

PART D: exploring the impact of employee monitoring systems on organization performance

1. How does employee monitoring increase performance in an organization   ?

……

……

……

2. As an employee, of what importance is employee monitoring?

……

……

……

2. What advice can you give to organizations where employee monitoring is not done for further research in relation to employee monitoring and organization performance?

………………………………………………………………………………………………

………………………………………………………………………………………………

………………………………………………………………………………………………

PART E: INTERVIEW GUIDE

1. What is the importance of employee monitoring to an organisation?

2. What challenges do you face when being monitored?

THANK YOU

GOD BLESS U

Dear Respondent;

My name is NAMUGUMYA STELLAMARIS a student at Uganda Martyrs University pursuing a degree in Business Administration and Management. I am conducting a study on employee monitoring systems and organization performance. Kindly spare some time and respond to each of the statements given. The information obtained will be strictly confidential for academic purposes only.

Thank you.

PART A: <u>BACKGROUND INFORMATION</u>

Please Tick or circle in the options provided below

1. What is your gender?

Male ☐   Female ☐

2. What is your highest level of education?

   A. PHD ☐   B. Masters' degree ☐

   C Postgraduate ☐   D. Bachelor's Degree ☐

   E. Diploma ☐   F. Certificate ☐

   G. Others ☐

Please

specify……………………………………………………….…………………………

3.   How often do you monitor you employees?

A. daily   B. 2 – 3 weekly   C. monthly   D. none

4. How long have you been an employer in ALEGON Engineering Limited?

…………………………………………………………………………………………

PART B: identifying the employee monitoring systems and how they are used.

1. Do you monitor your employees while at work?

a.) Yes   **b.)** No

1b. if YES how do you do it?

…………………………………………………………………………………………………

….

1c. If NO, how do you ensure that your employees fulfill their obligations?

…………………………………………………………………………………………………

…………………………………………………………………………………………………

2. What are some of the monitoring systems you use while at the work place?

…………………………………………………………………………………………………

…………………………………………………………………………………………………

3. Do you give your employees privacy while at the work place?   Yes ☐   No ☐

4. Do you restrict your employee internet or email use?

Yes ☐   No ☐

4b. what is the maximum amount of time an employee should be allowed to surf non-work related sites?

……

……

PART C: identifying how employee monitoring is a key factor to organization performance

1. How does monitoring your employees influence the organization performance?

……

2. What percentage does employee monitoring contribute to organization performance?

……

3. Is the company really finding monitoring employees a good idea?   Yes   No

……

……

4. What achievements do you get from employee monitoring which other companies are missing?

……

……

PART D: exploring the impact of employee monitoring systems on organization performance

1. What benefits do you get from employee monitoring?

……

……

……

2. How do you plan for the monitoring systems so as to avoid costs?

………………………………………………………62…………………………………………………

3. In case the employees have bias about being monitored, what do you do to motivate them?

………………………………………………………………………………………………………

………………………………………………………………………………………………………

4. What advice can you give to your fellow employers who do not take employee monitoring important?

………………………………………………………………………………………………………

………………………………………………………………………………………………………

………………………………………………………………………………………………………

PART E: INTERVIEW GUIDE

1. Who is responsible for carrying out the employee monitoring?

2. What challenges do you face when monitoring employees?

THANK YOU

2. TABLE SH SAMPLE SIZE BY R. V KREJCIE AND W.D MORGAN

POPULATION	SAMPLE SIZE
10	10
15	14
20	19
25	24
30	28
35	32
40	36
45	40
50	44
55	48
60	52

REFERENCES

Aftab, P. (1996). Monitoring communication on the internet: Big brother or responsible business? The New York Law Journal.

 American Management Association Survey. (2007). Workplace Monitoring &Surveillance".

Attewell, P. (1987). Big brother and the sweatshop: Computer surveillance in the automated office. Sociological Theory, 5, 87-99.

Bernstein, A. (1991). How to motivate workers: Don't watch 'me. Business Week.

Bonsor. K, (2009). Is your workplace tracking your computer activities?

Brown, W. S. (2000). 'Ontological Security, Existential Anxiety, and Workplace Privacy', Journal of Business Ethics.

Cascio, W.F. (1998). The virtual workplace: a reality now. Society for Industrial & Organizational Psychology, 35(4).

Cascio, W.F. (2000). Managing a virtual workplace. Academy of management executive, 14: 81-90.

Casser, K. L. (1996). Employers, employees, e-mail and the internet. The Internet and business: A lawyer's guide to the emerging legal issues. Computer Law Association, Inc.

Conry-Murray. A. (2001). 'Special Report– The Pros and Cons of Employee Surveillance'.

Danaan, S. (1990). Stories of mistrust and manipulation: The electronic *monitoring* of the American workforce. Cleveland, OH: 9to5, Working Women Education Fund.

Davis, A., & Khazanchi, D. (2007). Does mutual knowledge affect virtual team performance? Theoretical analysis and anecdotal evidence. American Journal of Business, 22(2), 57-65.

DeTienne, K. B (1993). Big brother or friendly coach? The Futurist, 27(5), 33-37.

Dietrich, J.E., & Carrell, M.R (1979). Organizational equity perceptions, employee job satisfaction, and

departmental absence and turnover rates. Organizational Behavior and Human Performance, 24: 29-40

Donaldson, T. (2001). 'Ethics in Cyberspace: Have We Seen this Movie Before?'

Gilman, A. (1999). 'Managing the Trend Toward Increasing Use of Electronic Monitoring Tools'

Hartman, L. P. (1998). 'The Rights and Wrongs of Workplace Snooping', Journal of BusinessStrategy19 (3), 16(4).

Jaime, (2009). Why you should do reality check when reviewing timesheets, employer law report.

Johnson, B. (1995). Technological surveillance in the *workplace*.

Johnson, D. & Patterson, S. (1994). Access to the use and disclosure of electronic mail on company computer systems: A tool kit for formulating your company's policy. Arlington, VA: The Electronic Messaging Association.

Johnson, D. G. (2000). 'Is the Global Information Infrastructure a Democratic

Johnson, D. (2001). Computer Ethics (Prentice-Hall, Inc., New Jersey).

Kanawattanachai, P, & Yoo, Y. (2002). Dynamic nature of trust in virtual teams.

Kirkman, B.L et al. (2002). Five challenges to virtual team success: lessons from sabre, Inc. Academy of Management Executive, 16(3), 67-69.

Kirsten Martin and R. Edward Freeman of Computer Technology (CSLI Publications and Cambridge University Press, Stanford, CA).

Kurkland, N.B., & Bailey, D.E. (1999). Telework: The advantages of working here, there anywhere, and anytime. Organizational Dynamics, 28(2), 53-68.

Kurland, N.B., & Egan, T.D. (1999). Telecommuting: justice and control in the virtual organization. Organization Science, 10(4), 500-513.

Levy, M. (1994). Electronic *monitoring* in the *workplace*: Power through the panopticon.

Losey, M. R. (1994). *Workplace* privacy: Issues and implications. USA Today, 76-78.

Lund, J. (1992). Electronic performance *monitoring*: A review of the research issues. Applied Ergonomics, 23(1), 54--58.

Marcia, C. (2009). Double whomny of absence costs has employers searching for answers.

Miller, S. (1996). Civilizing cyberspace. New York: Addison-Wesley Publishing Co.

Moor, J. H.(1997) 'Towards a Theory of Privacy for the Information Age', in Richard A. Spinello and

Office of Technology Assessment, U.S. Congress. (1987). The electronic supervisor: New technology, new tensions. Washington, D.C.: GPO.

Pai, R., et al. (1997**).** *Monitoring* in the *workplace*.

Piazza, P. (2002). 'More Companies Monitoring Computer Use', Security Management.

Pillar, C. (1993). Bosses with x-ray eyes. MacWorld, 118-123.

Potter & Cooke, R.A. (2000). Virtual team interaction: assessment, consequences, and management. Team Performance Management: an International Journal, 6(7/8), 131-137. 75

Privacy Rights Clearinghouse. (1997). *Employee monitoring*: Is there privacy in the *workplace*?

Reiman, J. H. (1995). 'Driving to the Panopticon: Philosophical Exploration of the Risks to Privacy Posed by the Highway Technology of the Future', Computer and High Technology Law Journal11

Schulman, A. (2001). 'The Extent of Systematic Monitoring of Employee E-mail and Interne use', Privacy Foundation. July 9, 2001,

Schultz, E. E. (1994). *Employee* beware: The boss may be listening. The Wall Street Journal, Sec. C, p. 1.

Swanson, S. (2001). 'Beware: Employee Monitoring is on the Rise', Information Week.

Technology?" in Richard A. Spinello and Herman T. Tavani (ed.) (2001), Readings in Cyber Ethics.

U.S. Congress, Office of Technology Assessment. (1987, September). The electronic supervisor: New technology, new tensions. (OTA-CIT-333).

UFCW Action. (1993, May/June). The boss is watching. Utne Reader, 134-135.

Under Kmart's watchful eye. (1994, December). Harper's Magazine, 18-24.

Visions. (1992). Privacy issues in the *workplace*. Magazine, 93-94.

Warner, D. (1993). The move to curb worker *monitoring*. Nations Business, 37-38.

Web Sense. (2001). by Net Partner: http://www.web-sense.com/products/why/stats.cfm.

Winner, L. (1986). 'Do Artifacts have Politics? 'The Whale and the Reactor (Chicago).

Winter. (2003). Absenteeism and the bottom line.

Worsnop R. L. (1993). Privacy in the *workplace*. CQ Researcher, 1011-1025.