2005 ELECTRONIC MONITORING & SURVEILLANCE SURVEY

Executive Summary

From computer monitoring and telephone taping to video surveillance and GPS satellite tracking, employers increasingly are using policy and technology to manage productivity and protect resources. To motivate employee compliance, companies increasingly are putting teeth in technology policies. Fully 26% have fired workers for misusing the Internet. Another 25% have terminated employees for e-mail misuse. And 6% have fired employees for misusing office phones.

When it comes to workplace computer use, employers are primarily concerned about inappropriate Web surfing, with 76% monitoring workers' Website connections. Fully 65% of companies use software to block connections to inappropriate Websites—a 27% increase since 2001 when AMA and ePolicy Institute last surveyed electronic monitoring and surveillance policies and procedures in the workplace. Computer monitoring takes various forms, with 36% of employers tracking content, keystrokes and time spent at the keyboard. Another 50% store and review employees' computer files. Companies also keep an eye on e-mail, with 55% retaining and reviewing messages.

Employers are doing a good job of notifying employees when they are being watched. Of those organizations that engage in monitoring and surveillance activities, fully 80% inform workers that the company is monitoring content, keystrokes and time spent at the keyboard; 82% let employees know the company stores and reviews computer files; 86% alert employees to e-mail monitoring; and 89% notify employees that their Web usage is being tracked.

Concern over litigation and the role electronic evidence plays in lawsuits and regulatory investigations has spurred more employers to implement electronic technology policies. Employers have established policies governing personal e-mail use (84%); personal Internet use (81%); personal instant messenger (IM) use (42%); operation of personal Websites on company time (34%); personal postings on corporate blogs (23%); and operation of personal blogs on company time (20%).

Workers' e-mail, IM, blog and Internet content create written business records that are the electronic equivalent of DNA evidence. One in five employers has had e-mail subpoenaed by courts and regulators, and another 13% have battled workplace lawsuits

triggered by employee e-mail, according to last year's Workplace E-Mail & IM Survey from AMA and ePolicy Institute. To help control the risk of litigation, security breaches and other electronic disasters, employers should take advantage of technology tools to battle people problems—including the accidental and intentional misuse of computer systems, telephones and other electronic resources.

Concerned about inappropriate telephone use, 57% of employers block access to 900 lines and other unauthorized phone numbers. The number of employers who monitor the amount of time employees spend on the phone and track the numbers called has jumped to 51%, up from 9% in 2001. The percentage of companies that tape phone conversations has also grown in the past four years. In 2001, 9% of companies recorded workers' phone calls. Today, 19% tape the calls of employees in selected job categories, and another 3% record and review all employees' phone chat.

Far fewer employers monitor employees' voice mail messages, with 15% reporting that they tape or review voice mail.

Employers are notifying employees that their phone conversations are being monitored. Of those organizations that engage in monitoring and surveillance activities, fully 78% notify employees when they monitor time spent and numbers called; 86% alert employees when their conversations are being taped; and among the 15% who tape and review voice mail, 76% notify employees that they are monitoring.

To help manage employees' telephone use, employers apply a combination of policy and discipline. Twenty-seven percent have a written policy governing personal cell phone use at the office, and another 19% use policy to help control the capture and transmission of images via camera phones.   Six percent of companies have fired employees for misusing office phones, and another 22% have issued formal reprimands to those who abuse phone privileges.

More than half of companies surveyed use video monitoring to counter theft, violence and sabotage (51% in 2005 vs. 33% in 2001). The number of companies that use video surveillance to track employees' on-the-job performance has grown 4% since 2001, with 10% now videotaping selected job categories and 6% videotaping all employees. Among companies that videotape workers, 85% notify employees of the practice.

Employers have been slow to adopt emerging monitoring/surveillance technologies to help track employee productivity and movement. Employers who use Assisted Global Positioning or Global Positioning Systems satellite technology are in the minority, with only 5% using GPS to monitor cell phones; 8% using GPS to track company vehicles; and 8% using GPS to monitor employee ID/Smartcards.

The majority (53%) of companies employ Smartcard technology to control physical security and access to buildings and data centers. Trailing far behind is the use of technology that enables fingerprint scans (5%), facial recognition (2%), and iris scans (0.5%).

Findings

INTERNET AND E-MAIL MONITORING AND BLOCKING

To motivate employee compliance, companies increasingly are putting teeth in technology policies. Fully 26% have fired workers for misusing the Internet. Another 25% have terminated employees for e-mail misuse.

When it comes to workplace computer use, employers are primarily concerned about inappropriate Web surfing, with 76% monitoring workers' Website connections. Fully 65% of companies use software to block connections to inappropriate Websites—a 27% increase since 2001 when AMA and ePolicy Institute last surveyed electronic monitoring and surveillance policies and procedures in the workplace.

Computer monitoring takes various forms, with 36% of employers tracking content, keystrokes and time spent at the keyboard. Another 50% store and review employees' computer files. Companies also keep an eye on e-mail, with 55% retaining and reviewing messages.

Employers are notifying employees when they are being watched. Fully 80% inform workers that the company is monitoring content, keystrokes and time spent at the keyboard; 82% let employees know the company stores and reviews computer files; 86% alert employees to e-mail monitoring; and 89% notify employees that their Web usage is being tracked.

Concern over litigation and the role electronic evidence plays in lawsuits and regulatory investigations has spurred more employers to implement electronic technology policies. Employers have established policies governing personal e-mail use (84%); personal Internet use (81%); personal instant messenger (IM) use (42%); operation of personal Websites on company time (34%); personal postings on corporate blogs (23%); and operation of personal blogs on company time (20%).

Workers' e-mail, IM, blog and Internet content create written business records that are the electronic equivalent of DNA evidence. One in five employers has had e-mail subpoenaed by courts and regulators, and another 13% have battled workplace lawsuits triggered by employee e-mail, according to last year's Workplace E-Mail & IM Survey from AMA and ePolicy Institute. To help control the risk of litigation, security breaches and other electronic disasters, employers should take advantage of technology tools to battle people problems—including the accidental and intentional misuse of computer systems, telephones and other electronic resources.

Q. Computer Usage: Does your organization monitor time spent, matter/content, or keystrokes entered?

All employees	21%
Selected job categories	15%
Not practiced	64%

Q. If monitoring of time spent, matter/content, or keystrokes is practiced, how would you categorize the monitoring?

Ongoing	32%
Routine	32%
Occasional	21%
Specified	15%

Q. Are employees informed of the organization's policy of monitoring time spent, matter/content, or keystrokes?

Yes	80%
No	20%

Q. Computer Surveillance: Does your organization store and review employees' computer files?

All employees	30%
Selected job categories	20%
Not practiced	50%

Q. If monitoring of files is practiced, how would you categorize the monitoring?

Ongoing	29%
Routine	24%
Occasional	28%
Specified	19%

Q. Are employees informed of the organization's policy of monitoring files?

Yes	82%
No	18%

Q. ***E-Mail: Does the organization store and review employees' e-mail messages?***

All employees	38%
Selected job categories	17%
Not practiced	45%

Q. ***If e-mail monitoring is practiced, how would you categorize the monitoring?***

Ongoing	32%
Routine	28%
Occasional	22%
Specified	18%

Q. ***Are employees informed of the organization's policy of monitoring e-mail?***

Yes	86%
No	14%

Q. ***Internet Usage: Does your organization monitor and review Website connections?***

All employees	62%
Selected job categories	14%
Not practiced	24%

Q. ***If monitoring of Websites is practiced, how would you categorize the monitoring?***

Ongoing	41%
Routine	29%
Occasional	20%
Specified	10%

Q. ***Are employees informed of the organization's policy of monitoring Web surfing?***

Yes	89%
No	11%

Q. Internet Usage: Does your organization use blocking software to prevent Internet connections to unauthorized/inappropriate Websites?

Yes	65%
No	26%
Don't know	9%

TELEPHONE, VOICE MONITORING AND TAPING

Concerned about inappropriate telephone use, 57% of employers block access to 900 lines and other unauthorized phone numbers. The number of employers who monitor the amount of time employees spend on the phone and track the numbers called has jumped to 31%, up from 9% in 2001. The percentage of companies that tape phone conversations has also grown in the past four years. In 2001, 9% of companies recorded workers' phone calls. Today, 19% tape the calls of employees in selected job categories, and another 3% record and review all employees' phone chat.

Far fewer employers monitor employees' voice mail messages, with 85% reporting that they do not tape or review voice mail.

Employers are doing a good job of notifying employees that their phone conversations are being monitored. Fully 78% notify employees when they monitor time spent and numbers called; 86% alert employees when their conversations are being taped; and among the 15% who tape and review voice mail, 76% notify employees that they are monitoring.

To help manage employees' telephone use, employers apply a combination of policy and discipline. Twenty-seven percent have a written policy governing personal cell phone use at the office, and another 19% use policy to help control the capture and transmission of images via camera phones. Six percent of companies have fired employees for misusing office phones, and another 22% have issued formal reprimands to those who abuse phone privileges.

Q. Telephone Use: Does your organization monitor time spent and numbers called—but NOT taping of conversations?

All employees	31%
Selected job categories	20%
Not practiced	49%

*Q. **If monitoring of time spent and numbers called is practiced, how would you categorize the monitoring?***

Ongoing	30%
Routine	33%
Occasional	23%
Specified	14%

*Q. **Are employees informed of the organization's policy of monitoring telephone use: time spent and numbers called?***

Yes	78%
No	22%

*Q. **Telephone Use: Does your organization tape employees' phone conversations?***

All employees	3%
Selected job categories	19%
Not practiced	78%

*Q. **If phone conversations are taped, how would you categorize the monitoring?***

Ongoing	17%
Routine	35%
Occasional	28%
Specified	20%

*Q. **Are employees informed of the organization's policy of taping telephone conversations?***

Yes	86%
No	14%

*Q. **Does the organization tape and review employees' voice mail messages?***

All employees	7%
Selected job categories	8%
Not practiced	85%

Q. If voice mail is taped and reviewed, how would you categorize the monitoring?

Ongoing	24%
Routine	25%
Occasional	30%
Specified	21%

Q. **Are employees informed of the organization's policy of taping and reviewing voice mail?**

Yes	76%
No	24%

E-MAIL, IM, INTERNET, BLOGGING AND PHONE POLICY

Q. **Does your organization have a written policy governing personal use of e-mail?**

Yes	84%

Q. **Does your organization have a written policy governing personal use of the Internet?**

Yes	81%

Q. **Does your organization have a written policy governing personal use of instant messaging?**

Yes	42%

Q. **Does your organization have a written policy governing the operation of personal Websites on company time?**

Yes	34%

Q. **Does your organization have a written policy governing personal postings on corporate blogs?**

Yes	23%

Q. Does your organization have a written policy governing the operation of personal blogs on company time?

Yes   20%

Q. Does your organization have a written policy governing personal use of cell phones in the office?

Yes   27%

Q. Does your organization have a written policy governing the type of images that may be captured/transmitted via camera phones?

Yes   19%

VIDEO SURVEILLANCE

Q. Does your organization use video surveillance to counter theft, violence or sabotage?

All employees   32%
Selected job categories   19%

Not practiced   49%

Q. If conducting video surveillance as a deterrent to counter theft, violence or sabotage, how would you categorize the monitoring?

Ongoing   49%
Routine   33%
Occasional   8%
Specified   10%

Q. Are employees informed of the organization's video surveillance practices to counter theft, violence or sabotage?

Yes   80%
No   20%

Q. *Does your organization use video surveillance to monitor employee performance?*

All employees	6%
Selected job categories	10%
Not practiced	84%

Q. *If conducting video surveillance to monitor employee performance, how would you categorize the monitoring?*

Ongoing	39%
Routine	41%
Occasional	13%
Specified	7%

Q. *Are employees informed of the organization's practice of monitoring performance with video?*

Yes	85%
No	15%

POLICY COMPLIANCE AND DISCIPLINE

Q. *Has your organization ever disciplined an employee for e-mail misuse or private use of company e-mail?*

Yes	56%
No	26%
Don't know	18%

Q. *If so, what form did that discipline take? (Check all that apply.)*

Dismissal	25%
Formal reprimand or warning	33%
Informal reprimand or warning	45%

Q. *Has your organization ever disciplined an employee for misuse or private use of office Internet connections?*

Yes	61%
No	23%
Don't know	16%

Q. If so, what form did that discipline take? (Check all that apply.)

Dismissal	26%
Formal reprimand or warning	34%
Informal reprimand or warning	25%

Q. Has your organization ever disciplined an employee for misuse or private use of the office telephone?

Yes	39%
No	31%
Don't know	31%

Q. If so, what form did that discipline take? (Check all that apply.)

Dismissal	6%
Formal reprimand or warning	22%
Informal reprimand or warning	20%

SATELLITE TECHNOLOGY

Q. Does your organization use Assisted Global Positioning or Global Positioning Systems satellite technology to monitor/track any of the following? (Check all that apply.)

Company vehicles	8%
Company cell phones	5%
Employee ID/Smartcard	8%

Q. Does your organization use any of the following technology to control physical security access to your buildings or data centers? (Check all that apply.)

Smartcard technology	53%
Fingerprint scan	5%
Facial recognition	2%
Iris scan	0.5%

Respondent Profile

Number of survey respondents   526

Number of employees per company

100 or fewer	23%
101–500	25%
501–1000	10%
1001–2500	13%
2501–5000	7%
More than 5000	22%

Industry That Best Describes Your Organization

Business/Professional Services	19%
Financial Services	9%
General Services	2%
Manufacturing	16%
Public Administration	8%
Wholesale/Retail	3%
Other	43%

The **2005 Electronic Monitoring & Surveillance Survey** is co-sponsored by American Management Association (www.amanet.org) and The ePolicy Institute (www.epolicyinstitute.com). A total of 526 companies participated: 23% represent companies employing 100 or fewer workers, 101–500 employees (25%), 501–1,000 (10%), 1,001–2,500 (13%), 2,501–5,000 (7%) and 5,001 or more (22%). In 2004, 840 U.S. businesses participated in the 2004 Workplace E-Mail and IM Survey from American Management Association and The ePolicy Institute. In 2001, 435 organizations participated in the 2001 Electronic Policies and Procedures Survey from American Management Association and The ePolicy Institute.

The **2005 Electronic Monitoring & Surveillance Survey** questionnaire was designed by American Management Association and The ePolicy Institute's Nancy Flynn, author of *Instant Messaging Rules* (AMACOM 2004) and *E-Mail Rules* (AMACOM 2003). Comparative numbers drawn from **2001 Electronic Policies & Practices Survey** from American Management Association, The ePolicy Institute and *US News & World Report*, as well as the **2004 Workplace E-Mail & Instant Messaging Survey** from American Management Association and The ePolicy Institute.

Media wishing to receive a review copy of ***Instant Messaging Rules: A Business Guide to Managing Policies, Security, and Legal Issues for Safe IM Communication*** (Nancy Flynn, AMACOM 2004) or ***E-Mail Rules: A Business Guide to Managing Policies, Security, and Legal Issues for E-Mail and Digital Communication*** (AMACOM 2003), should contact AMACOM's Irene Majuk (212/903-8087 or imajuk@amanet.org). Contact AMA's Roger Kelleher (212/903-7976 or rkelleher@amanet.org) for survey process. Contact the ePolicy Institute's Nancy Flynn (614/451-3200 or nancy@epolicyinstitute.com) for e-mail, IM, blogging and Internet policy and workplace best practices.

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