

# NEW TECHNOLOGY AND ETHICAL HUMAN RESOURCE MANAGEMENT

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## Abstract

With technological progress, temporal and spatial firm boundaries are changing and a new institutional form is emerging from redefinitions of working hours and workspace. Many of these changes are positive (Hitt, 1999; Afuah, 2003). However, there are some issues of unfairness to employees. Employers seek new ways to squeeze more ‘performance’ from the same employees, especially given recent challenges to global and local economies. Sometimes, the redefining of boundaries is unilateral. Employees may be harmed, perhaps even without either party taking full cognizance. As says Akerlof (1980), society sometimes can adopt even practices that have no benefit and are detrimental to its members.

This conceptual paper raises ethical considerations for human resource policy development and practice in the light of specific instances of technological progress. There is a need to ensure that today’s employee does not end up back in the iron cage (DiMaggio and Powell, 1983), and a need to take into consideration the costs to people (negative externalities affecting work-life balance, quality of life, family time, societal impact, stress and anxiety levels, illness and deaths; etc.). Socially responsible management also entails being careful not to end up legitimizing unethical or unfair practice which others may thoughtlessly copy (DiMaggio and Powell, 1983; Deephouse, 1996).

A convenience sample of senior managers attending an executive programme at Lagos Business School confirmed that there are indeed challenges and illustrate the effect of new technology on employee personal time and space autonomy (Cozzetto and Pedeliski, 1997) and on physical and psychological stress levels.

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**Keywords:** Technology, ethics, human resource, firm boundaries, institutionalism

## **Introduction**

With the advent of new technology, the temporal and spatial boundaries of the firm are changing and a new organizational form is emerging from the re-definitions of working hours and workspace. In many respects, these changes are yielding positive results, especially in transaction cost solutions such as vertical integration, outsourcing, etc. (Hitt et al., 1999; Afuah, 2003). However, some concerns may be raised regarding the new ways in which employers squeeze more ‘performance’ out of the same employees, at times prompted by the recent challenges to global and local economies which have caused many companies to engage in ‘downsizing’.

Sometimes, the redefining of boundaries arises from an entirely unilateral alteration of the substantive contract of employment. There is a risk that in the process, the employee or the employer, or both, may be harmed, perhaps even without either party being fully cognizant, especially in cases where, more often than not, mimetic isomorphism may lead an institution to adopt the same practices as its contemporaries without full reflection on the consequences (DiMaggio and Powell, 1983). Employees may even embrace the new technology for reasons of enhanced socio-cultural status (Zucker, 1977) and network reach. As pointed out by Akerlof (1980), society at times can adopt even practices that have no benefit and are detrimental to its members. Whenever there are pros and cons, it could be easier to fall into the trap of overlooking the cons while dazzled by the pros, especially if the gains from the pros appear large and the costs of counteracting the cons seem high. If people are harmed, this is bad for business; there is human resource management literature supporting the importance of the ‘people’ component of any competitive strategy to create and sustain value (Becker and Gerhart, 1996).

The objective of this conceptual paper is to discuss some gaps to be filled in human resource policy development and practice in the light of given the great technological progress that the world has made and the needs of the people that work in organizations that have rightly embraced this progress. There is the need to ensure that today’s employee does not end up back in an iron cage reminiscent of that identified by DiMaggio and Powell (1983), and the need to quantify and take into consideration the costs to this manifestation of new institutionalism (negative externalities affecting work-life balance, quality of life, family time, societal impact, stress and anxiety levels, illness and deaths; etc.). Socially responsible management also entails being careful not to end up legitimizing unethical or unfair practice which others may thoughtlessly copy (DiMaggio and Powell, 1983; Deephouse, 1996). A related issue, not fully explored in this paper, is the need for today’s organization to guard against new forms of employee misbehaviour

which may not have been envisaged in the old order and therefore may go on unrestricted and perhaps undetected and put the company at a disadvantage.

Thus, this paper looks at existing literary sources in order to suggest that ethical considerations should guide firms in adopting and implementing technologies that blur firm boundaries, especially if the firm is interested not only in improving its financial bottom line but also in doing what is right (Karnes, 2009). Opinions and experiences gathered from a convenience sample of senior managers attending an executive programme at the Lagos Business School supported the idea that there are indeed valid concerns and illustrated the effect of new technology, for example the Smartphone, on employee personal time and space concerns (Cozzetto and Pedeliski, 1997) and on physical and psychological stress levels.

After taking a look at some relevant literature, the paper discusses the human resource manager's responsibility with regard to the threats to employees from an ethical perspective, placing them under the three different lenses of humanistic management; ethical organizational climate; and fairness concerns. I subsequently go on to illustrate these threats with some insights gained from the above-mentioned interaction with senior management executives in Nigeria. The next section briefly considers possible harm to employers from employees using new technology; before the paper goes on to conclude that organizations, especially through their human resource managers need to watch over the ethos of the company in these respects, being aware of the accompanying issues at every phase of the adoption technology insofar as it affects human behaviour.

### **Some Relevant Literature:**

According to Shuler and MacMillan (1984), human resource management consists of activities directed at attracting, retaining and motivating employees and getting these activities right is critical to the wellbeing and profitability of the organization. Armstrong (2006 at p. 3) agrees with this view by defining human resource management as “a strategic and coherent approach to the management of an organization's most valued assets – the people working there who individually and collectively contribute to the achievement of its objectives”. When the subject of discussion is the necessary regard for the very humanity of the human resource, it is this strategy and coherence that needs to be brought to bear in considering the issues and reflecting on what must be the role of human resource managers in the situations that may arise in which employees are treated unethically. Specifically, Noe et al. (2004) specify that both the internal and external environment of the employee must be the concern of the human resource manager. This is a way of saying that human resource managers must watch over the welfare of the employees entrusted to them in

all the dimensions in which they are affected by their employment within the organization. It calls for them to exhibit virtue as well as create a working environment that facilitates virtue and human flourishing.

Weber (1904-05/1992) believed that, through its expression in bureaucracy, the rationalist order had become an iron cage in which humanity was imprisoned, and he identified the three feeder causes of this captivity as being: capitalist market competition, desire to control staff and demands for equal legal protection. He wrote that the drive for precision, clarity, continuity and speed is what pushes the intensification of bureaucracy until its expressions become shackles inhibiting the freedom of the individuals in the organization (Weber, 1904-05/1992; 1921-22, 1978).

His framework was thus somewhat:

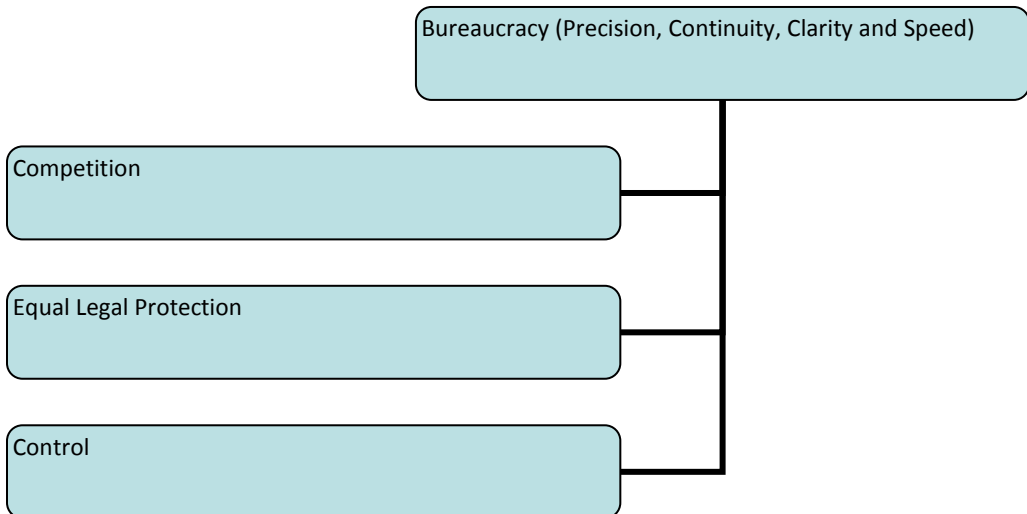


Figure 1: The Bars of the Iron Cage Being Forged due to Requirements of Competitiveness, Legal Protection and Control

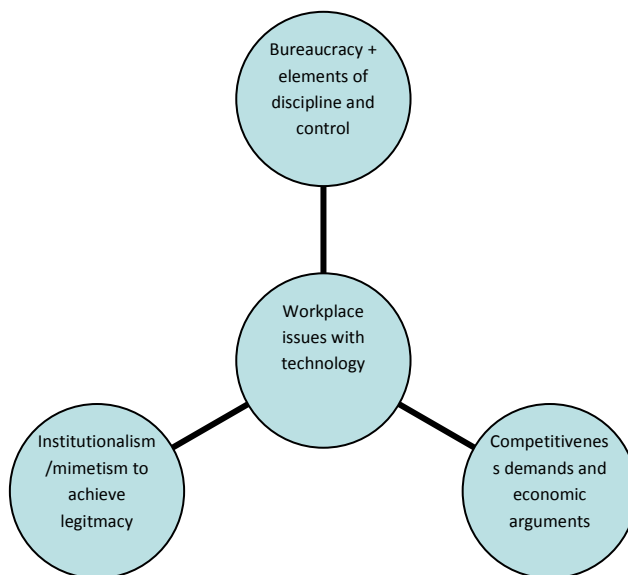
Once within the iron cage, employees would experience lack of freedom; lack of privacy; limits to initiative; and limits to innovation in varying degrees.

DiMaggio and Powell (1983), disagreeing with Weber, highlighted a change in the causes, blaming the ascent of bureaucracy on a tendency to isomorphism that makes organizations copy processes from their peers even if those processes are not efficient (see also Meyer and Rowan, 1977). Through a process of structuration, organizations in each industry mimic one another until they are all alike in the long run (DiMaggio and Powell, 1983). Thus, DiMaggio and Powell would replace the first column with another including the driving realities of institutional mimetism or industry homogeneity in search of legitimacy. The thinking is that to the extent that

organizations find that a certain practice makes it easier to do business with other organizations that have the same practice and to brand themselves as reputable and up-to-date, etc., they will adopt that practice (DiMaggio and Powell, 1983).

Both perspectives remain valid in the new technological age. The ambition for competitiveness of Weber is often what leads DiMaggio and Powell’s organization to imitate its peers (Hannan and Freeman, 1977; Meyer, 1983; Fennel, 1980) and to try to maximize workforce productivity. Yet there is not always a check on the effectiveness of technology before it is adopted. Decisions to adopt technology may in many cases be rationalized by the reasoning that others in the industry have done the same and it is therefore the way to go in order to remain relevant and competitive. Competitiveness and the exhilaration that comes from ability to control staff seem to drive employers to strive more and more to increase their technological armory. Technology gives organizations an increase in the speed, accuracy, clarity and precision of operations – the same drivers that led bureaucracy to initially forge the iron cage. The technologically-advanced organization’s output quantity and quality increase both for tangible and intangible product offerings.

Hence a framework depicting the relationships between old and new drivers of technology adoption including its impact on the workforce could be the one below in Figure 2.



**Figure 2: Drivers of the impacts of technology on the workforce**

Whichever the drivers may be, the resulting impact on the human resource is often the same: more work is pressed out of the workforce at times without regard to the uniqueness of the human being and without regard to his or her rights to freedom, privacy, dignity, respect, etc. This could easily happen because, in the process of adopting technology, employers tend to ignore (or in a few cases exult in) their accompanying ‘success’ in harnessing their employees more completely to the yoke than was possible before. Thus, either due to carelessness or ignorance, the bars of the iron cage could be invisible and nevertheless remain as unyielding as they were when Weber wrote his piece.

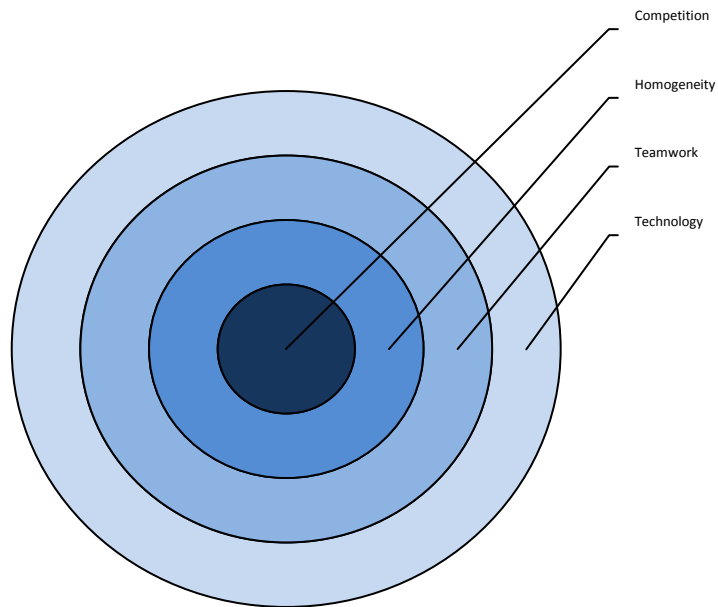
The irony is that the ordinary expectation of technology would be that it should afford greater freedom and emancipation to its users. For example, once the spatial and time boundaries of the workplace are expanded, employees should be able to enjoy more flexible work plans and be able to work from anywhere. Gadgets that make it possible to work outside hours and outside work buildings could actually lead to relaxation in the stringent requirements for many employees to be bound to a physical space for specific hours of the day. Architects could draw their designs anywhere, teachers could teach online, newspaper houses could function almost totally electronically. Even for those whose work involves a great deal of materiality, there might still be a component of intellectual exertion which need not be carried out within the confines of a specific building. Hence, it could make it easier to accommodate flexibility in working arrangements and contracts. However, this seems not to have happened in many cases. In fact, out of fear of being made redundant, employees may not take advantage of flexibility even when it is offered by the employer. The new technology has come to resemble the “mechanized petrification” that Weber warned about, that puts men in a cage or casing (*Gehäuse*) at the end of the rationalization process, (Weber 1904-05/1992, at 182).

An alert to this type of contradictory phenomenon was sounded by Barker (1993) and Sewell (1998) talking about the increased facility of surveillance (electronic and peer) of individuals in teams. Sewell says that “never before have employees been subjected to such intense scrutiny and monitoring” which would ordinarily betray underlying “suspicion, distrust and disobedience” and yet the appearance on the surface points to “positive images at work like empowerment, trust, and increased discretion” (Sewell, 1998, at 397). In fact, the ability to coordinate tasks better and communicate more effectively through technology makes it easier to control and monitor employees in teams than was possible hitherto and yet without it being obvious, somewhat replicating the design of Bentham’s *panopticon* (Sewell, 1998). Barker (1993) calls this concertive control and finds that it draws the iron cage tighter rather than loosen its constraints.

Technology is undeniably highly beneficial to humanity. The ways in which it has improved the quality of life are uncountable: automation, speed and effectiveness of communication, precision and quality, etc. These are the reasons why organizations will continue to look for more cutting-edge technology in order to increase the value offering of their products or services. This is the way they succeed in satisfying customers and staying at par with or ahead of their competitors. Also, there are countless reasons why electronic monitoring is justifiable and may even be highly desirable, as for example in banks, supermarkets, telecommunications, logistics and supply chain operators, etc. in order to effectively maintain workplace discipline and verify integrity. However, in certain circumstances, they do become intrusions into the employee's space and time, especially when they extend outside working hours and workspace.

The self-disciplining and normative involvement of teams in their own control as described by Sewell (1998) and Barker (1993) is akin to the self-tethering involvement of today's employees in embracing the advanced technological tools that make it possible for the organization to reach them at home, on weekends, during their leave periods, and at any time of the day or night. Both scholars' emphasis is on teamwork though, and indeed organizations need to be careful not to lose sight of the individual worker in the bid to emphasize and promote group synergy. The present paper draws attention to the need for human resource professionals to watch over the impact on employees when employer organizations leverage on information technology to extend the boundaries of the workplace and so unilaterally modify the employment contract. This is even more critical when, in so doing, they treat the human being as a resource like any other and disregard his or her uniqueness. Sewell (1998) supports this view when he repeats the warning of Robins and Webster (1985, 1988) that technology may enable private corporate bodies to reach beyond the workplace and encroach into the arena of employees' social lives.

The iron cage phenomenon appears to have passed through different layers of sophistication but its implications for human resource management remain the same while being "less obviously coercive" (Sewell, 1998, at 400). Competition in a capitalist market remains the issue at the core of it all, and, at each level of the barricade, the previous one is retained and augmented. Thus, the current employee's iron cage often retains the remains of bureaucracy and institutional aspiration to sameness with others in the same field while having acquired extra fortifications of concertive control within teams and of electronic control through technological gadgets and invisible e-bonds.



**Figure 3: Progressive Circles of Competition and Control to Achieve Precision, Continuity, Clarity and Speed**

At the same time, human resource management literature continues to stress the need to value employees and realize that they are critical to organizational performance (Guest et al., 2000; Analoui, 2002; Armstrong, 2006; Bratton and Gold, 1999; Delaney and Huselid, 1996). Organizations are made up of people and run by people. No matter how much technology a firm may have, technology can be copied; it is much more difficult to replicate the culture of an organization that has linked the basis for its competitive advantage to its people (Schuler and MacMillan, 1984). While this approach smacks of instrumentalism, it is perhaps the lowest point on a curve of virtuous organizations that peaks at a realization that employees being human are owed fairness and care even when there is no direct and foreseeable economic benefit to the organization.

### **Threats to the Employee**

One of the areas in which the employer-employee contract has been stretched out of shape over the years is that of new technology (Kunda, 1992). New technology has reshaped the boundaries of the relationship of employers to their employees so much that it is easier for employees to attain flexibility in their work and this has brought about both negative and positive



consequences (Evans, Kunda and Barley, 2004). Many employees feel that the time they spend at work or working even when outside the office premises and outside contracted working hours increase their levels of stress and affect their ability to adequately attend to their outside-work responsibilities especially those that involve the family (Perlow, 1997, 1999). Yet these employees may not complain outright to their employers and may not even opt to take advantage of flexibility of working hours when it is possible to do so in their own favor (Evans, Kunda and Barley, 2004). This seeming antithetical behavior is sometimes due to certain organizational pressures which Etzioni (1961) and Schein (1972) described as coercive, remunerative and normative control. Employees may feel coerced to keep working outside hours because they are afraid to lose their jobs; they are afraid to be passed over for promotion or bonuses – they depend on the organization for salary payments on time and for raises and they would like to earn more money; or because that is the norm within the organization and they cannot leave the office before their bosses, neither can they ignore tasks that reach them after hours through their emails.

Due to technology, assigned work now reaches many employees instantaneously whether they are within the office or outside, and whether they are on leave or at home on weekends. Their privacy is compromised since they can no longer have the seclusion of their cars or their homes to themselves. Their freedom is diminished, since their private and personal plans are interrupted in order to accommodate relentless new and old deadlines that find them wherever they are. Their dignity is disrespected – they cannot say that they are not available to pick up phones, read emails, respond to all kinds of communication at times when they really should own their time since it is beyond the work contract. On some occasions, they could graciously (and dignifiedly) donate this time to the organization, out of a sense of loyalty or as part of organizational citizenship behavior, but they are often not given any real choice in the matter. Besides, the disruption affects third parties who owe no obligation to the organization and have greater claims on the out-of-office time of the employee in question.

Technology has also speeded up the jobs of many employees, such that they can accomplish much more than they used to over the same period of time. For example, some events which would have required physical presence and logistics can now be arranged with conference calls, video conferences, webinars, etc. Whereas only one of such events might have taken place previously, an organization may yield to the impulse to set up several, since it is less costly than it used to be in terms of finance and time. Yet, a lot of work involving planning, coordinating and reporting still accompanies each instance of this type of event. In this and similar circumstances, the workload assigned to an individual worker ends up

increasing a lot over the period that technology becomes more prominent in his or her workplace. In this process, employers have paid more attention to the time-saving effect of technology on processes which no longer need to be performed manually than to the mental effort that has to be expended for each task. Hence sometimes workload may be doubled with the idea of making use of the time saved by technology but without fair cognizance having been taken of the actual time required to cope with the new workload. This leads to exhausting and stretching workdays for employees who seem to be treated more and more as resources similar to other physical resources that the firm acquires and ‘uses’.

Human resource managers need to exercise particular care in the carrying out of their duties if they wish to preserve professionalism and excellence in their work, within the changing circumstances, if they wish to excel in their entrusted profession of managing human beings as ‘resources’ that are not resources in the same sense of the word as other resources are. They need to put in mechanisms and policies that would enable them to counteract the ‘iron cage phenomenon’ by respecting the freedom, dignity and privacy of the people entrusted to their care: the employees of the organization. If we assess a manager by the wellbeing of the resource entrusted to him or her to manage, a competent human resource manager would be one who is able to understand this goal and work towards it. The pathways to achieving this not-so-easy task include practicing humanistic management, establishing an ethical organizational climate and fostering the consideration of fairness in policies, practices and managerial decision-making. These three suggested courses could help human resource managers to evolve the kind of organizational culture that would counteract the danger of treating people merely as means rather than as ends in themselves (Legge, 1998).

### **Managing the Human Resource Humanely**

Organizations do not find it difficult to view human resource strategies as ways to build competitive advantage (Becker and Gerhart, 1996), and a lot of research has been done on alignment of human resource strategy to organizational strategy and the importance of fit and or best practice (Milgrom and Roberts, 1995; Pfeffer, 1994; Meyer, Tsui and Hinings, 1993). Human resource management however has to offer the organization an even deeper understanding of human resources, of human beings, that will help organizations to move beyond a utilitarian perspective when looking at human resources and be able to see that the way to manage human resources entails recognizing the humanity of the resource which carries with it certain rights – to respect, to be treated with dignity, and to enjoy some degree of freedom and privacy.

In stratifying the levels of concern in human resource management, Armstrong (2006) came up with six levels which could be arranged in three pairs: philosophies and strategies; policies and processes; and practices and programmes. These pairs of levels further correspond to the three levels of Becker and Gerhart (1996): system architecture, policies and processes, and practices. In order to guide humaneness at each level, human resource managers should incorporate humanistic management at the level of philosophy and system architecture; keep in mind the organizational climate to be achieved when working at the level of policies and processes, and ensure fairness concerns are given due importance when it comes to practices.

### *Humanistic Management*

Melé (2003) identified the characteristics of humanistic management to include respect for the human person and his or her rights, care for persons, service to persons, a regard for the fulfillment of persons and a focus on the common good. This kind of management fosters organizational social capital which in turn fosters unity and identification with the organizational goal which motivates employees to put in their best to achieve it and to sublimate their personal self-interest to it whenever necessary (Pastoriza, Arino and Ricart, 2009, Melé, 2011). Conversely, when employees feel uncared for or taken advantage of, as could easily happen when they are subjected to technological abuse that disregards their right to privacy or to private time outside their work contracts, then they can easily justify neglecting the due performance of their duties or shirk their responsibilities.

### *Ethical Organizational Climate*

“The perceptions of members of what is expected of them, and ... their expectations as to what they are likely to receive in response to their performance” reflects the climate of opinion and behavior in an organization (Minkes, Small and Chatterjee, 1999, at p. 328). This climate should ordinarily support the values that are held by the organization and its leadership. When organizations’ actions and expectations with regard to their employees belie the values they profess to hold, the organizational climate becomes one of distrust and self-interest thrives; a living code of ethics should permeate relations within the organization and not only be practiced with regard to external persons (Verbos et al, 2007). Ethical human resource management is one of the ways to underscore the alignment of the organization’s processes with an ethical culture. If organizations wish their employees to respect customers (both internal and external customers) and treat them fairly; to respect the sanctity of contracts freely entered into; and

to respect the rights of third parties, they need to show the way by respecting their employees and treating them fairly. For example, they should avoid setting targets that are only achievable by intruding into the employee's private time; respect the sanctity of the work contract by not changing the boundaries unilaterally to favor only one party; and respect the rights of third parties by not taking over the time that the employee should dedicate to family and or other social responsibilities. In the long run, ensuring such an ethical organizational climate would be profitable to the company (Donker, Poff and Zahir, 2007) as it would enhance employee satisfaction and in turn customer satisfaction and loyalty (Heskett et al, 1994). But apart from reasons of profitability, it is simply the only thing to do, in order to function as a positive ethical organization (Verbos et al, 2007).

### *Fairness Concerns*

From the point of view of wanting to be recognized as an organization that espouses the principles of fairness, it is also important to look at the human resource implications of new technology. Van Buren (2008) shows that fairness historically has been a principal concern of management theorists and continues to be of primordial importance to socially legitimize management practice. The notion of fairness includes that of justice, and it is particularly an issue of justice or the lack thereof when employees are unreasonably 'harnessed to the yoke' beyond the normal and agreed working hours.

Employer-employee relationships are expected to involve some reciprocal contractual obligations binding each party, says Karnes (2009), and he explains how this expectation originally had no need to be put in writing but how the relationship has now deteriorated to the extent that the enforcement of some of its duties is given legal force. Agreeing with Karnes, Tsui et al. (1997) also theorize that the employment relationship is reciprocal and that the employer who puts in little will get little in return; that experience shows that employee performance is better when employers invest considerably in their employees. If employers treat employees badly or unfairly, it is very likely that a subculture or subcultures would develop, among the employees, which could undermine the company's objectives by running counter to what management would like (Jermier et al., 1991).

These mutual expectations include fairness or equity, loyalty and trust, respect and commitment (Coughlan, 2005; Karnes, 2009). The industrial revolution and the new era of technology have brought about changes in the employer-employee relationship that can undermine these mutual expectations and impair the relationship on either side. Technology has made work easier and faster and has thus increased what organizations can achieve. It has brought about useful innovation and added value to both

the producers and consumers of the goods and services exchanged in market spaces. It has made possible a much more extensive and higher quality of synergizing between organizations in the same supply chain and has in this way also contributed to an enhanced quality of life for workers and consumers alike. It has also enabled unobtrusive methods of control which could, when appropriately used, enhance team performance (Sewell, 1998).

Yet, despite all these positives, there remain hitherto unforeseen dangers that either of the two sides to the work contract can treat the other unfairly and unethically by shirking the duties that would tend to fulfill the honest expectations of the relationship described by Karnes (2009). Tsui et al. (1997) make it clear that it is not only within hierarchical-type employment (which they label as ‘organizations’) that this could happen; in fact, their research points towards its being more prominent in market-type employment relationships also. However, for our present purpose, employers are taken as one generic group and include both long-term and short-term employment contracts. Ethical HRM is more and more an important area for businesses to look into and invest in developing (Winstanley, Woodall and Heery, 1996).

Thirty-seven participants of the Executive Programmes of the Lagos Business School, Pan-Atlantic University, were asked a few questions about the impact of technology on their workload and stress levels. The participants were registered on the Owner Manager Programme, the Chief Executive Programme, the Senior Management Programme and the Advanced Management Programme. They therefore included employers and employees alike. They responded anonymously in order to assure maximum sincerity in giving their experience regarding the use of technology in the workplace and afterwards they were engaged in a discussion of the results of the mini-survey.

Approximately sixty percent of the respondents felt that they are overworked and seventy-three percent said their workload had significantly increased in the preceding five years; and many identified new technology as having resulted in increased workload. Seventy percent felt they are not able to balance their work and the rest of their lives while as high as thirty-seven percent stated that they are dissatisfied with their jobs. While extolling the many benefits of new technology, many of the respondents saw them as intrusive and a nuisance, and as a way of increasing the volume of work their employers expect them to do.

The responses and the discussion that followed were indicative of the existence of a reality that organizations need to deal with. They emphasized that new technology has had both a positive and a negative impact on workers, and especially on their workload and on the levels of stress they undergo. The exercise also pointed to existing levels of dissatisfaction with

this development.

Since employees are very often the weaker party, they can, apart from the mutual ethical behavior expected to characterize the relationship with employers, in addition make a claim on the corporate social responsibility of employers to deal fairly and humanely with them (Marre, 2008). Employers in turn can make claims on employees to demonstrate organizational citizenship behavior by being ready to go occasionally beyond the call of duty. In both cases, maintaining an approach of shared values which helps to underscore the need for mutual ethical behavior (Coughlan, 2005) will help to maximize the positivity of the outcome of the employment relationship for both parties.

### **Employee Unethical Behavior: Threats to the Employer**

The increasing virtual environment of work also makes it easier for employees to leave their work or their workplace mentally while being physically present, and so deprive their employer of the time they should have spent earning their pay. For example, employees may spend time on computer games; receiving and making phone calls; surfing the Internet; visiting social networking sites; doing their personal shopping; preparing and or updating their curriculum vitae and searching for new jobs; reading news from all over the world; or even simply watching films (with or without earphones), etc. Previously, an employee alone in his or her cubicle was presumably almost sure to be working. Granted, he or she could be reading a novel or a newspaper, but was definitely unlikely to be 'gisting' with fellow workers until the lunch break, etc. Nowadays, people have so many 'friends' online and in 'Smartphone' chat groups that they have many more interruptions to their work time and space. Intensity and concentration is thus lowered and if care is not taken, productivity is greatly affected. Shapiro et al. (2002) indicate that these negative tendencies are even more likely to occur in the case of multi-located virtual teams, since they are considerably more dependent on technology than teams that operate within the same geographical location.

Besides the above examples of blatant misbehavior and free-riding (Shapiro et al., 2002), when employees are stressed, they also perform below form and may not give their best in their work. At times employees who feel crowded and pressured by their employers may react by slowing down their work. Due to the nature of new technology and the demand for creativity and innovation in order to keep ahead of competition, it is not always easy to monitor the time it takes an employee to conclude a task. Thus, for example, an architect could, in reaction to an unsympathetic boss, ostensibly spend ten hours designing a building, when in fact he or she has spent eight hours doing the actual job and two hours on social networking sites. At the very

least, unhappy employees who may feel unfairly treated are de-motivated and may unconsciously or consciously perform below expectations. They may also inadvertently or deliberately transfer their discontent to their relationships with customers and may end up lowering customer satisfaction and in turn negatively affect customer loyalty, referrals and productivity (Heskett et al., 1994).

## **Conclusion**

Organizations should be deeply concerned about the ethical implications of technology in the workplace if they wish to be humanistic or virtuous organizations. This is particularly the responsibility of the human resource manager or whoever acts in this capacity within the organization. Becker and Gerhart, (1996) have challenged functional human resource managers to take up their roles at the level of strategy and contribute to shaping the organization's future. In carrying out their responsibilities, they should be the first to realise that relationships with employees can be undermined by technology to the extent that they are treated unfairly or that they 'cheat' on their deliverables. There is a need for human resource managers to come to terms with the new technological realities and look into their impact not only so as to ensure an atmosphere conducive to the optimal fulfilment of the employment contract and so the greater productivity and profitability of the organization (Heskett et al., 1994) but also because they want to do the right thing (Karnes, 2009).

Further research which could be empirical is suggested: determining the extent to which employers and or employees actually may be disadvantaged by the other parties access to new technology and new media; assessing the magnitude of the impact; determining which types of firms (status, size, strategy, product, resource availability) are more likely to buy or subsidize for their employees tools like the Smartphone and assessing what returns they can reasonably expect on this investment in firm boundary flexibility; etc.

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