



The Mind and Mood of American Employees on Workplace Privacy and Security

This white paper is based on the findings of the Privacy and the Workplace survey conducted by Harris Interactive. The findings of the survey were published on May 14, 2002. Full survey findings are available at www.choicepoint.net.

Introduction

It's hard to imagine a topic that is more relevant and timely to the average American than privacy and security. Given the world-changing events of the past year and the realization that many of the risks once considered remote are all too real, it is no surprise that one area where those issues merge is in the workplace.

Increased sensitivities in the wake of the September 11, 2001, tragedies have transformed society's definition of risk from one that was primarily financial or commercial in nature into one that is both personal and physical. Hiring someone, for example, with a hidden criminal past creates a *personal risk* of theft and workplace violence to other employees. Likewise, hiring someone with falsified credentials or misrepresented capabilities creates *economic risk* such as financial loss and even the closing or bankruptcy of an employer.

However, while Americans recognize the legitimacy and effectiveness of using background screening to protect employees in the workplace, many have legitimate concerns over the amount of personal and professional information employers maintain on their employees. They want to know there are adequate safeguards to ensure, for example, the confidentiality of information about employees' medical and health histories, their earnings and retirement accounts, and their e-mail and Internet habits.

Balanced protections exist to protect employees without unduly hindering employers from making fair and prudent decisions.

ChoicePoint has long recognized the power of information to mitigate risk in the increasingly virtual and anonymous world where we live and work. Not that long ago, employers would often hire people who came personally recommended by friends or business associates. And once they hired someone, it was common for that person to spend an entire career with one organization. Today, the average person holds seven or eight jobs during their lifetime. Also, employers are increasingly relying on the use of contract or temporary employees, further increasing the “transient,” anonymous nature of the workforce – with an estimated 30 million “contingent” workers that are now a part of the U.S. workforce.

The implication of this ever-increasing anonymity in our workplaces creates greater risks and more severe consequences. Without access to quality, objective information – such as public records, psychological profiles and the results of drug tests – employers are left to make high-risk decisions without appropriate tools.

Given today’s environment and the risks associated with it, there should be no surprise that the survey found majorities of employees supporting efforts that seem to promise a safer and more secure workplace. The survey also found majority support for enhanced workplace security – for example, making identification procedures for entering the work premises more strict and adopting tighter procedures for accessing an organization’s computer systems.

In addition, a majority – 53% – feels their employers should be conducting more detailed background checks on job applicants. Surprisingly, though, most employees did not believe that their employers were taking enough affirmative steps since September 11.

It is not necessary to check our civil liberties at the door to increase security. At ChoicePoint, we remain committed to effective safeguards that assure that only those

with a permissible purpose should be allowed to tap into our information products. Reducing risk in the work environment does not require increasing the risk of misusing personal information.

The 2002 Harris Interactive Survey

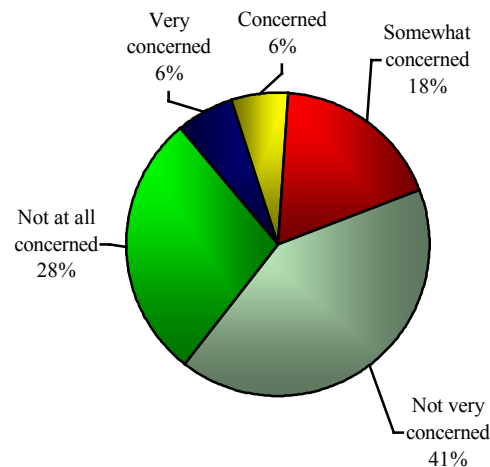
Approximately 134 million Americans are employed full or part time in the United States. They spend more time at work than at any other daily activity, so the observance of proper privacy rules and practices by their employers is an important issue.

The 2002 Harris Interactive survey addressed the following key topics:

- What is acceptable or not acceptable to ask about, collect information on, and conduct tests for in the employee selection process?

Employees do not seem to be overly concerned about the way their employer collects and uses personal information about employees.

Base: Employed full-time or part-time



- Should off-the-job conduct of employees ever be taken into account for personnel decisions and, if so, what kinds of activities are appropriate to consider?
- What information should go into personnel records and new Human Resources Information Systems and what rights of inspection and challenge should employees have?

- Since the terrorist attacks of September 11, what enhanced background checks, facility access controls and information-system security safeguards can be installed without them becoming viewed as unnecessary privacy intrusions?
- What kinds of specific privacy policies or comprehensive privacy codes should employers have and communicate to their employees when carrying out personnel administration?

The Harris survey questioned 1,258 adults who are full- or part-time employees in the business, government and non-profit sectors. The key finding of the survey was that large majorities of American employees expressed basic confidence in their current employer's information practices:

- Employed adults said they are not concerned about the way their employer is collecting and using employee personal information (70%).
- Employees rated their employer's privacy rules and practices as pretty good to excellent (76%).
- Employed adults did not believe their current employer had asked them for personal information they thought was inappropriate (88%), released their personal information in an improper way (94%), or collected information improperly about their off-the-job activities (93%).

What Current Practices Were Seen As Privacy Intrusive?

Non-managers listed the following items which they viewed as improper invasions of privacy in the workplace:

- Monitoring phone calls, e-mail messages and Internet use.
- Using video cameras.
- Watching employees in cubicles.
- Inspecting lockers and desk drawers.
- Checking on credit card use.

Narrative responses indicated employee frustration with the lack of trust and feelings of deep intrusiveness they experienced from the way they saw their employer going about such activities – heavy handed, unlimited, unfairly administered, and without credible explanations as to why these actions were necessary and how they would not be abused by supervisors.

What Current Practices Were Seen As Good Privacy Practices?

Of 350 narrative responses from the 53% of non-manager respondents who said “yes” when asked if there were practices at their workplaces “that show positive respect for employee privacy,” the following issues were cited as good privacy practices:

- Either no monitoring of work performance, phone calls, e-mails and Internet use – or perceptions that the monitoring was done fairly and acceptably.
- No personal information was released from employee files without the individual’s permission or unless required by law.
- Personnel records were kept securely and access to them controlled.
- Medical records were kept strictly confidential.
- Employees could take sick leave or days off without managers prying into whether this was justified.
- Strict confidentiality was followed in company employee assistance programs.
- Privacy policies were well communicated to employees.
- Privacy rules were rigorously enforced, with violators punished.

The common underlying theme was that the employer respected the employee’s dignity and commitment, and reflected that approach in its various privacy policies.

Results showed that where employees felt their employers were fair in their overall personnel policies, based on respect for the individual and an ethic of personal responsibility, privacy policies were more likely to be perceived to be positive. It was where employees felt themselves at unfair workplaces that they also felt their privacy was “disrespected” and violated.

The following is Dr. Alan F. Westin's summary of the Harris survey. Dr. Westin, who served as academic advisor for the survey, is Professor of Public Law and Government Emeritus at Columbia University, and president of Privacy & American Business, an activity of the non-profit Center for Social & Legal Research.

“Large majorities of employees in all employment sectors report that their employers are collecting and using employee information and conducting personnel administration in ways that do not raise privacy concerns. Narrative comments from such respondents indicate that their employers show respect for them as employees by not probing into what are seen as personal matters or conducting oppressive monitoring, and such employer conduct is earning basic employee trust in return. For these employers, drawing up an employee privacy policy and communicating this to all employees (which 84% of our respondents feel is important to do) is likely to further enhance good employer-employee relations at these workplaces.

“Significant minorities of employees, almost a third, see their employers as engaged in abusive information and monitoring practices. Narrative comments by these employees communicate feelings of a lack of respect by their employers and disregard for basic employee privacy values, generating a sense of unfair treatment that most of these employees also feel in their employer's overall personnel administration. Adoption of a good employee privacy code at these workplaces is not likely, and anything formally adopted but administered in the way employees at these workplaces see their employers operating is not likely to earn employee trust. This reality frames what promise to be major public policy debates over workplace privacy in this decade, as issues such as background checking, communications monitoring, workplace security, and employee-health-information uses become vital issues for employees at all employment levels and sectors.

“Good employers should and probably will develop new codes of fair employment information practices and acceptable security measures for 21st century workplaces, not just by updating their policy statements but also in demonstrating fair and sensitive applications of their rules. Whether new laws and regulations will be needed to bring all employers up to an acceptable level, and to do this without creating harmful regulatory or litigative fallout, is likely to join consumer privacy debates on this decade’s social policy agenda.”

Selection Standards and Screening for New Job Applicants

In general, concerns about protecting the privacy of potential employees were low. Current working adults expressed comfort with employers conducting background checks on new job applicants, particularly when these verifications related to job qualifications or safety issues. Factors in a prospective employee’s past that were not viewed as directly relating to these issues were seen as less acceptable checks to conduct. Issues related to job performance and workplace security were viewed as the most important types of factors for which to screen new employees.

When asked whether it was acceptable to enlist the assistance of a commercial service to draw on public records to conduct background checks for new job applicants, strong majorities of employees felt it was appropriate for employers to use all available means to ensure their personal safety and security. Further, overwhelming majorities supported the use of information services to determine if an applicant has falsified his or her résumé regarding their educational or employment backgrounds (92%), an applicant’s criminal conviction history or sexual offender status (91%), and an applicant’s professional record of misconduct such as malpractice (84%).

If you could have your organization do one thing to enhance security at the workplace now, what would that be? (Asked of managers)

“Better screening of prospective employees.”

“Screen job applicants/verify information on applications.”

Please describe the practices at your workplace that you think are improper invasions of employee privacy. (Asked of non-managers)

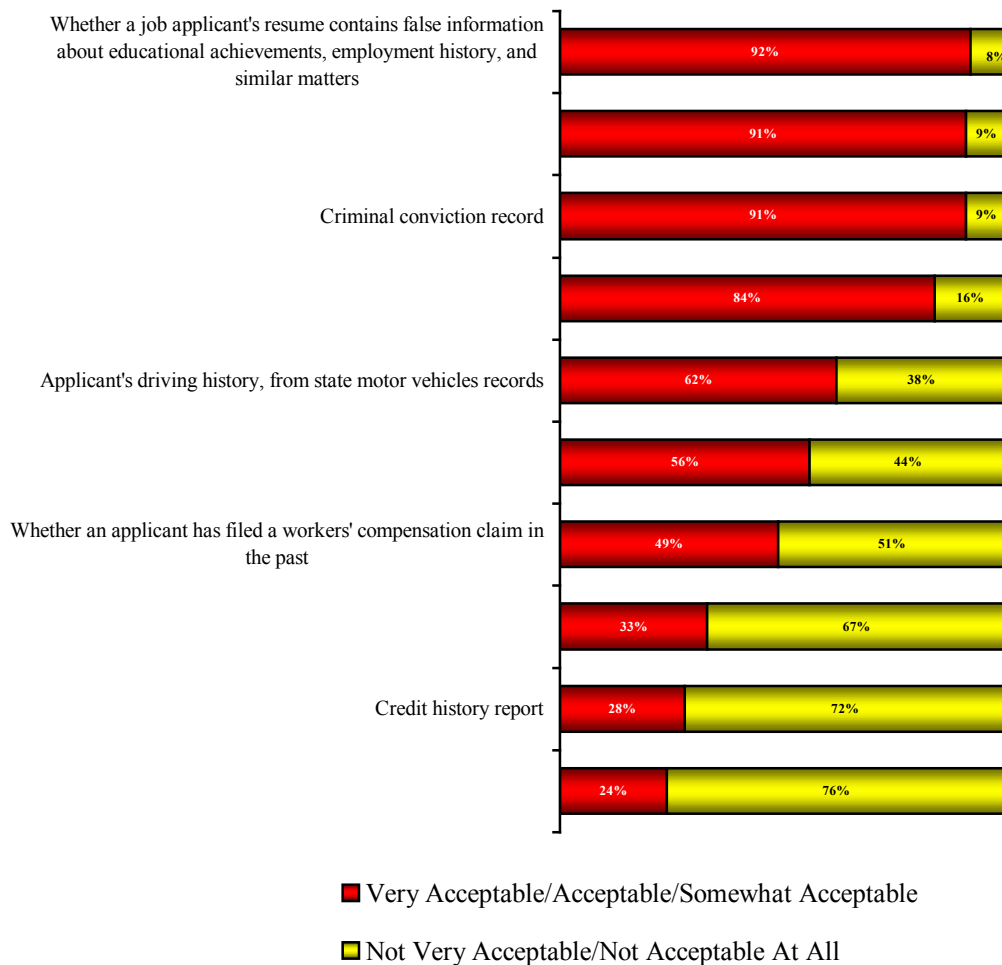
“Background check of credit history, and random (without cause) drug-testing.”

“I don’t believe it is necessary for employees at my workplace to take pre-hire drug tests.”

Although supported by somewhat fewer employees, other factors that were seen by majorities as acceptable to verify were an applicant’s driving records (62%) and records of arrests without convictions (56%). However, employees also identified factors they did not feel were appropriate to include in a background check. Large majorities of employees said it was not acceptable to review whether the applicant has ever declared bankruptcy (76%), a job applicant’s credit history (72%) or whether the applicant has been a party in a civil lawsuit (67%).

Employees overwhelmingly approve of conducting background checks when the information verified directly relates to job performance or security concerns, suggesting that these issues take a higher priority than privacy.

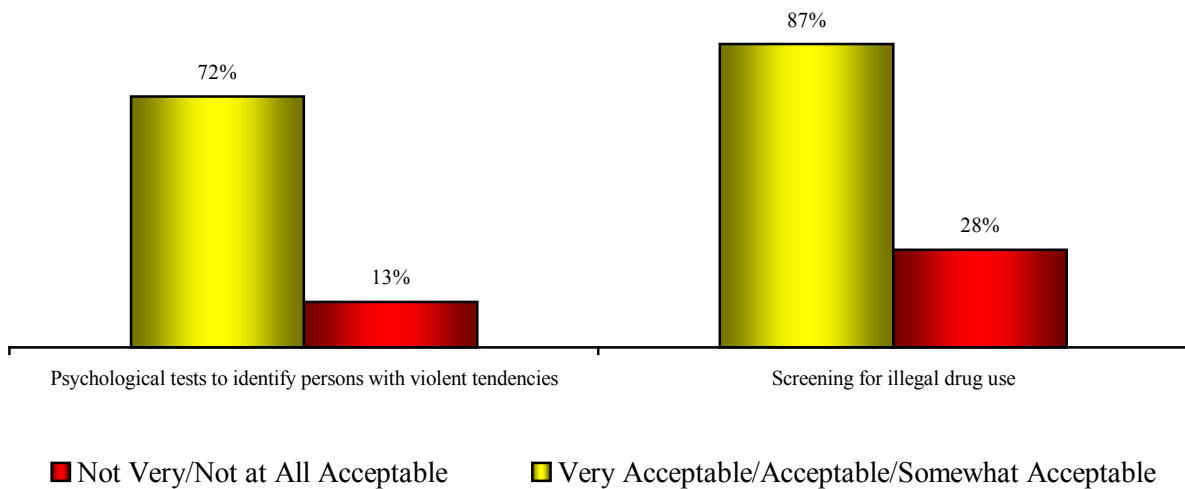
Base: Employed full-time or part-time



As with background checks, conducting screening tests of new employees was also seen as acceptable. Fully 87% of all employees support the use of commercial services to conduct screening for illegal drug use. A strong majority (72%) also said it was acceptable to conduct psychological tests to identify persons with violent tendencies.

Employees are also comfortable with employers using screening tests to detect illegal drug use or violent tendencies in new job applicants.

Base: Employed full-time or part-time



Security and the Post-September 11 Workplace

Employees were in favor of tightened security measures since September 11 – but far fewer are aware that such measures have been implemented. While one out of three (36%) had seen stricter identification measures for entering work premises at their company, only a quarter (26%) had seen tighter procedures for protecting their company’s computer system. One out of ten (11%) employees believed their company had implemented more detailed background checks for job applicants.

The survey revealed strong support for employers to do more to enhance security. Whereas one in three employees reported increased security for entering work premises, more than half (53%) wanted to see such measures implemented. Only one in ten employees said that more detailed background checks were being done on employees yet more than half (53%) support the process.

Given that federal buildings were involved in the September 11 tragedy, it was not surprising that employees of public organizations were the most likely to say their companies had implemented stricter identification procedures, tighter computer access and better background checks on current employees.

Conclusion

The results of the survey highlighted issues already under heightened scrutiny in the wake of September 11. Employees are concerned about privacy issues and security, and many have seen an increase in security procedures in the workplace. Employees are increasingly sensitive to their employers’ needs with regard to creating and maintaining a safe work environment.

**Thinking about enhancing security at the workplace, what is your organization doing differently in managing employees and facilities since September 11th that was not in place before then?
(Asked of managers)**

“Nothing.”

“New ID code to gain access to building, closer monitoring of individuals entering building, ID cards to be worn and visible at all times, we are to question anyone we do not know who does not have a visible ID, only one person to enter building at a time, no holding the door for the next person even if you know them.”

“Checking ID’s more thoroughly.”

“Established a published security policy.”

“Security and building access policies have become more stringent.”