**Handouts of Lecture 29 Professional Practices (IT)**

**Lecture Title: Work and Health**

**Disadvantages of Telework**

***Telework threatens the authority and control of managers.***

When employees work at a distance from their managers, they naturally have more autonomy. How can a manager manage an employee who is not around?

***Telework makes it impossible for an employee to have a face-to-face interaction with customers at the company site.***

For some jobs these interactions are crucial, meaning the job simply cannot be done from a distance.

***Sensitive information is less secure.***

If a person has valuable physical or electronic files at home or in an automobile, they may be far less secure than if they were kept at the office. There is a greater chance that the information will be lost or compromised through fire or theft.

***When people in an organization do not keep the same hours or come into the office every day, it is more difficult to schedule team meetings.***

Even if employees are only teleworking one or two days a week, many others in the organization can suffer significant inconvenience.

***Teleworkers are less visible.***

There is a danger that teleworkers will be forgotten when it’s time for raises or promotions. When somebody is “never around,” others can get the idea that the teleworker is not making a contribution to the organization.

***When faced with a problem or a need for information, employees at the office are less likely to contact a teleworker than another person on-site.***

Meanwhile, many teleworkers are afraid to leave their telephones even for a short time, afraid that if someone from work calls them and they are not around, they will get the reputation for not being “at work.”

***Teleworkers are isolated.***

Some jobs require people to bounce ideas off coworkers. What are people working at home supposed to do?

***Teleworkers end up working longer hours for the same pay.***

When everything a person needs to do his job is right there at home, he is more likely to keep coming back to it. Critics of telework say that overwork is the reason why teleworkers exhibit higher productivity.

**Temporary Work**

The modern business environment is highly competitive and rapidly fluctuating. As a result, the level of commitment companies are willing to make to their employees is dropping. The dot-com bust led to massive layoffs in the information technology industry. Companies are giving themselves more flexibility and saving money on benefits by hiring more subcontractors and temporary employees.

**Monitoring**

Information technology has given companies many new tools to monitor the activities of their employees. An American Management Association/ePolicy Institute survey in 2007 revealed that 66 percent of employers were monitoring the Internet use of their employees. Other examples of employee monitoring by American employers included video surveillance (48 percent), monitoring keyboard activity (45 percent), monitoring time spent on the phone (45 percent), and monitoring emails (43 percent).

The principal purpose of monitoring is to identify inappropriate use of company resources. A quarter of companies in the United Kingdom have fired employees for improper use of the Internet. In the majority of these cases, the employee was surfing the Web for pornography. Another study of employee emails concluded that eliminating email containing gossip and jokes would cut the time staff spend reading email by 30 percent. A study conducted by IDC concluded that between 30 and 40 percent of Internet use by employees was not work related.

Monitoring can help detect illegal activities of employees as well. By monitoring instant messaging conversations, employers have caught employees who had performed various misdeeds, including an employee who hacked into a company computer after being denied a promotion.

Monitoring is also used to ensure that customers are getting the products and services they need. Reviewing customer phone calls to help desks can reveal if the company ought to be providing its customers with better documentation or training.

Many companies use monitoring to gauge the productivity of their workers. For example, telemarketing firms keep track of how many calls their employees make per hour. Sometimes monitoring can help an organization assess the quality of the work done by its employees.

It’s an open question whether monitoring is ultimately beneficial to an organization. Obviously, organizations institute monitoring because they have reason to believe it will improve the quantity and/or quality of the work performed by their employees. There is evidence that employee monitoring makes employees more focused on their tasks but also reduces job satisfaction.

**Multinational teams**

In the 1980s, General Electric and Citibank set up software development teams in India. Since then, many corporations have established field offices in India, including Analog Devices, Cadence Design Systems, Cisco, Intel, Microsoft, and Sun Microsystems. Bangalore, in particular, has made an effort to become the Silicon Valley of India. Companies use Indian companies to write software, process credit card applications, and do billing. Texas Instrument’s chip design team in Bangalore has 200 patents to its name. HewlettPackard and Oracle both have thousands of employees in India. SAP has 500 engineers in Bangalore.

Multinational teamsallow a company to have people at work more hours during the day. It becomes easier to have a call support center open 24 hours a day. It is even possible for projects to be shuttled between multiple sites, allowing around-the-clock progress to be made on time-sensitive products. For example, a team in Palo Alto can spend its day finding bugs in a piece of software, then hand the bug reports over to a team in Bangalore that spends its day fixing the bugs.

Creating multinational teams has disadvantages, too. The principal disadvantage is that the infrastructure in less developed countries can make business more difficult. For example, because India has only two international airports—one in New Delhi and the other in Mumbai—it is hard to travel to and from Bangalore. The highway system in India is primitive, and electrical power is unreliable.

**Globalization** refers to the process of creating a worldwide network of businesses and markets. Globalization results in a greater mobility of goods, services, and capital around the world. Investments are made across national boundaries. Products manufactured in one country are sold in another. Consumers calling a telephone help center get connected with support technicians located on the other side of the world.

**Arguments for Globalization**

The World Trade Organization (WTO) is an international body that devises rules for international trade and promotes the goal of free trade among nations. The WTO and other proponents of globalization support free trade with these arguments:

***Free trade can increase everyone’s standard of living.***

Every country has a comparative advantage at producing certain products and services, meaning it can produce them at a lower opportunity cost than any other country. Consumers get better prices when each area produces the goods or services it does best—corn in Kansas, automobiles in Ontario, semiconductors in Singapore, and so on—and then these products and services are bought and sold without trade barriers. When prices are lower, the real purchasing power of consumers is higher. Hence globalization increases everyone’s standard of living.

***People in poorer countries deserve jobs, too.*** When they gain employment, their prosperity increases.

***Every example in the past century of a poor country becoming more prosperous has been the result of that country producing goods for the world market rather than trying for self-sufficiency.*** Contrast the remarkable success story that is South Korea with the economic basket case that is North Korea.

***Creating jobs around the world reduces unrest and leads to more stability.***

Countries with interdependent economies are less likely to go to war with each other.

**Arguments against Globalization**

***The United States and other governments should not be subordinate to the WTO.***

The WTO makes the rules for globalization, but nobody elected it. It makes its decisions behind closed doors. Every member country, from the United States to the tiniest dictatorship, has one vote in the WTO.

***American workers should not be forced to compete with foreign workers who do not receive decent pay and working conditions.***

The WTO does not require member countries to protect the rights of their workers. It has not banned child labor. Authoritarian regimes such as the People’s Republic of China are allowed to participate in the WTO even though they do not let their workers organize into labor unions.

***Globalization has accelerated the loss of both manufacturing jobs and white-collar jobs overseas.***

***The removal of trade barriers hurts workers in foreign countries, too.*** For example, NAFTA removed tariffs between Canada, Mexico, and the United States. Because they receive agricultural subsidies from the US government, large American agribusinesses grow corn and wheat for less than its true cost of production and sell the grain in Mexico. Mexican farmers who cannot compete with these prices are driven out of business. Most of them cannot find jobs in Mexico and end up immigrating to the United States.

**Dot-Com Bust Increases IT Sector Unemployment**

In the 1990s, Intel’s stock rose 3,900 percent, Microsoft’s stock increased in value 7,500 percent, and Cisco System’s stock soared an incredible 66,000 percent. Investors looking for new opportunities for high returns focused on dot-coms, Internet-related start-up companies.

In early 2000, the speculative bubble burst, and the prices of dot-com stocks fell rapidly. The ensuing “dot-com bust” resulted in 862 high-tech start-ups going out of business between January 2000 and June 2002.

**Foreign Workers in the IT Industry**

The US government grants these workers visas allowing them to work in America. The two most common visas are called the H-1B and the L-1.

An H-1B visa allows a foreigner to work in the United States for up to six years. In order for a company to get an H-1B visa for a foreign employee, the company must demonstrate that there are no Americans qualified to do the job. The company must also pay the foreign worker the prevailing wage for the job. Information technology companies have made extensive use of H-1B visas to bring in skilled foreign workers and to hire foreign students graduating from US universities. Congress still authorizes 65,000 H-1B visas per year, plus 20,000 more for foreigners with advanced degrees. Quota not filled in 2009 due to economic downturn.

The other important work visa is called the L-1. American companies use L-1 visas to move workers from overseas facilities to the United States for up to seven years. For example, Intel employees in Bangalore, India, could be transferred to Hillsboro, Oregon, if they held an L-1 visa. Employees brought in to the United States under an L-1 visa do not need to be paid the prevailing wage. That saves employers money. In 2006 about 50,000 foreigners were employed in U.S. under L-1 visa.

**Foreign Competition**

In 2004 IBM agreed to sell its PC division to Chinese computer manufacturer Lenovo for $1.75 billion, making Lenovo the number three manufacturer of PCs in the world. A few months later, Chinese premier Wen Jiabao visited India to encourage new collaborations between Chinese hardware companies and Indian software companies. Today China is the world’s number one producer of computer hardware

India’s IT outsourcing industry is growing rapidly; Indian companies now employ more than a million people and have annual sales exceeding $17 billion. About 70 percent of these sales are in software engineering work, such as designing, programming, and maintaining computer programs. The other 30 percent of these sales are in IT-related services, such as call centers, medical transcription, and X-ray interpretation.

More evidence of global competition comes from the annual Association for Computing Machinery International Collegiate Programming Contest. When the contest began 29 years ago, only schools from North America and Europe competed. Today it is a truly international competition.

**The digital divide** refers to the situation in which some people have access to modern information technology while others do not. The underlying assumption motivating the term is that people who use cell phones, computers, and the Internet have opportunities denied to people without access to these devices. The idea of a digital divide became popular in the mid-1990s with the rapid growth in popularity of the World Wide Web.

***Global divide***

Often there is little wealth. In many of these countries there is not enough money to provide everyone in the country with the necessities of life, much less pay for Internet connections.

Many of these countries have an inadequate telecommunications infrastructure. For example, less than 25 percent of the people in the following countries have cell phones: North Korea, Eritrea, Cuba, Kiribati, Somalia, South Sudan, Burundi, Ethiopia, Tuvalu, and Djibouti. Many poor people have no access to newspapers, radio, or television.

The primary language is not English.

English is the dominant language for business and scientific development, giving English-speaking countries a comparative advantage with respect to competing in the global marketplace.

Literacy is low, and education is inadequate.

Half the population in poorer countries has no opportunity to attend secondary schools. There is a strong correlation between literacy and wealth, both for individuals and for societies [28].

The country’s culture may not make participating in the Information Age a priority.

***Social divide***

Even within wealthy countries such as the United States, the extent to which people use the Internet varies widely according to age, wealth, and educational achievement. A 2011 study revealed that fully 96 percent of adults living in households with annual incomes of at least $75,000 used the Internet, compared to 63 percent of adults living in households with annual incomes less than $30,000. While 94 percent of those with a college degree used the Internet, only 42 percent of those who dropped out of high school went online.

**Technological diffusion** refers to the rate at which a new technology is assimilated into a society. Two different theories predict how a new technology is acquired by people.

In a society, based on their socioeconomic status we divide society into three groups.

People with the highest socioeconomic status are in group A, people with the lowest socioeconomic status are in group C, and group B consists of those people in the middle.

**In the normalization model** group A begins to adopt the technology first, followed by group B, and finally group C. However, at some point nearly everyone in all three groups is using the new technology.

**In the stratification model** the order of adoption is the same. However, in this model the eventual number of people in group C who adopt the technology is lower than the number of adoptees in group A. The percentage of people in group B who adopt the technology is somewhere between the levels of the other two groups.

Technological optimists believe the global adoption of information technology will follow the normalization model. Information technology will make the world a better place by reducing poverty in developing countries.

Technological pessimists believe information technology adoption will follow the stratification model, leading to a permanent condition of “haves” and “have nots.” Information technology will only exacerbate existing inequalities between rich and poor nations and between rich and poor people within each nation.

**Critiques of the Digital Divide**

Mark Warschauer has suggested three reasons why the term “digital divide” is not helpful. First, it tends to promote the idea that the difference between the “haves” and the “have nots” is simply a question of access. Some politicians have jumped to the conclusion that providing technology will close the divide.

For IT to make a difference, social systems must change as well. The introduction of information technology must take into account local culture, which includes language, literacy, and community values.

Warschauer’s second criticism of the term “digital divide” is that it implies everyone is on one side or another of a huge canyon. Everybody is put into one of two categories: “haves” and “have nots.” In reality access is a continuum, and each individual occupies a particular place on it. For example, how do you categorize someone who has a 56k modem connecting his PC to the Internet? Certainly that person has online access, but he is not able to retrieve the same wealth of material as someone with a broadband connection.

Third, Warschauer says that the term “digital divide” implies that a lack of access will lead to a less advantaged position in society. Is that the proper causality? Models of technological diffusion show that those with a less advantaged position in society tend to adopt new technologies at a later time, which is an argument that the causality goes the other way. In reality, there is no simple causality.

***Reference:***

***Lecture topic: Work and Health***

***Gao, Y. (2012). Ethics for the Information Age by Michael J. Quinn. World Libraries, 20(1).***