

## Research Article

# The Moderating Effect of Leadership Style on the Relationship between Employee Monitoring and Employee Outcomes

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The emergence of employee monitoring technologies has significantly impacted the contemporary work environment across the globe, giving rise to concerns over privacy, trust, and employee outcomes. This study aims to evaluate the moderating role of leadership style in the relationship between employee monitoring and employee outcomes applying McGregor's Theory X and Y. The study involved a community of practice (COP) comprised of 203 human resources practitioners with diverse backgrounds. Data were gathered using Google Forms and online interviews and then analysed in alignment with the study's hypotheses and conceptual framework. The study revealed that leadership style moderates the relationship between employee monitoring and employee outcomes. It also found that excessive monitoring negatively impacts employee outcomes, including job satisfaction, trust in leadership, and organisational commitment, ultimately hindering productivity (H2a aligns with Theory X). Collaboration, open and honest communication, and trust between leadership and employees were identified as essential processes for growth and development, promoting positive outcomes such as job satisfaction and improved performance (H2b, Theory Y). The study recommends that organisations optimise employee monitoring by aligning their practices with leadership styles that prioritise trust, empowerment, and open communication, such as those outlined in Theory Y. This study enhances understanding of the complex interplay between leadership styles and employee monitoring. Offering empirical evidence on the moderating role of leadership, the study provides practical insights for organisations aiming to maximise the benefits while minimising the drawbacks of monitoring practices.

## 1. Introduction

The ongoing technological advancements have facilitated the development of electronic monitoring technologies (EMTs), enabling employers to observe employees' work without being physically present<sup>[1]</sup>. These technologies encompass a variety of methods, including software that tracks keystrokes and internet activity, as well as video surveillance<sup>[2]</sup>. It is presumed that organisations often implement EMTs to enhance efficiency and security<sup>[3][4]</sup>. However, concerns have been raised over the potential adverse impacts on employees' outcomes, such as job satisfaction, trust in leadership, organisational commitment, and possible exploitation<sup>[5][6][7][8]</sup>. Research suggests continuous surveillance may foster an environment marked by anxiety and discomfort, leading to a decline in trust between employees and leadership<sup>[5][9]</sup>, affecting productivity. Moreover, studies by<sup>[10]</sup> and<sup>[11]</sup> suggest that invasive monitoring may lead to stress, diminished job satisfaction, and possible burnout, compromising productivity and profitability. Because of the stated reasons and others, EMTs have received negative feedback from employees who feel excessively monitored<sup>[12][13]</sup>. This then may imply that the leadership of an organisation influences its overall performance; its character reflects the expectations it has for its employees. If specific qualities are desired from employees, the leadership should exemplify those same qualities<sup>[14]</sup>.

This study posits that the correlation between employee monitoring and employee outcomes is affected by a leader's commitment to McGregor's Theory X or Y assumptions. In the framework of Theory X leadership, characterised by distrust towards employees, the use of EMTs may exacerbate the sense of surveillance and manipulation, eroding trust and compromising employee outcomes. Conversely, leadership that embraces Theory Y and trusts in their employees' integrity can effectively deploy EMTs for positive purposes such as providing constructive feedback and fostering a collaborative work environment where everyone thrives.

This study utilises the definition of employee outcomes provided by<sup>[15]</sup>, which characterises employee outcomes as measurable impacts of workplace practices and behaviours on employees. These outcomes are classified as performance-related results, psychological outcomes, behavioural outcomes, developmental outcomes, relational outcomes, and organisational citizenship behaviour (OCB). The next section discusses the literature pertinent to this study.

## 2. Literature Review

The advent of employee monitoring technologies has influenced the modern workplace worldwide, raising concerns over privacy, trust, and employee welfare<sup>[16][17]</sup>. It is believed that employees do not put all their efforts into their work and that the deployment of EMTs ensures the optimal utilisation of organisational resources for maximum output<sup>[18]</sup>. It is further asserted that abuse of organisational resources such as computers and the internet for personal gain rather than for work-related productivity represents a contemporary kind of procrastination in most organisations across the globe<sup>[19]</sup>. Similarly, cyber loafing refers to the practice of employees using organisational internet services to seek unrelated and non-work-related content, including checking personal emails<sup>[20]</sup>. Because of these challenges and others, leadership can minimise resource misuse through employee monitoring and remain aware of resource availability to optimise organisational outcomes. This ensures effective resource management in the organisation. The pertinent questions are: should employees be permitted to utilise organisational resources, such as the internet, for personal gain? What is the practicality of prohibiting employees from exploiting such resources for personal benefit? These questions illustrate the complexity of the work environment encountered by organisational leaders.

Monitoring employees is not a new concept. Digital Taylorism represents a contemporary interpretation of Frederick Winslow Taylor's scientific management theory concerning motivation and management. Taylor contended that the most efficacious method to enhance workplace efficiency was through a tripartite strategy of scientifically managing employees and tasks<sup>[21]</sup>. This period witnessed the implementation of time clocks, followed by the utilisation of observation and checklists to assess employee performance<sup>[22]</sup>. However, conventional staff monitoring methods were strengthened during the Industrial Revolution<sup>[6][23]</sup>. Organisations concentrated on productivity, and this led to the neglecting of employees' psychological, behavioural, developmental, relational, and organisational citizenship outcomes. Digital employee surveillance has become increasingly prevalent due to the rise of remote work stemming from COVID-19 and crises. Concerns regarding employee privacy and outcomes have been raised<sup>[24]</sup>, and this has become a dilemma in the face of employee autonomy.

Organisational leadership believes that monitoring systems are essential for organisations, allowing managers to oversee the performance of their employees and ensure efficiency and productivity<sup>[15]</sup>.

The quality of work should be integrated with human resources practices to impact organisational schedules and align employees with organisational objectives significantly; however, some employees perceive this as overly controlling, leading to burnout, demotivation, and reduced job satisfaction<sup>[1]</sup><sup>[15]</sup>. The monitoring systems contend to suggest to employees that leadership lacks confidence in their abilities to perform adequately and independently<sup>[25]</sup>. Conversely, some employees view these systems as mechanisms that enhance focus, foster motivation for superior performance, and encourage appropriate workplace behaviours. Thus, the interpretation of monitoring systems may vary based on individual employee perceptions and the organisational culture<sup>[15]</sup>.

The study conducted by<sup>[9]</sup> indicates that continuous monitoring might result in individuals experiencing a sense of being observed and evaluated, which in turn creates an environment characterised by fear and anxiety. Surveillance can lead to a decline in trust in leadership and harm the fundamental basis of a productive work environment<sup>[8]</sup>. It is noted that continuous surveillance can result in stress, reduced job satisfaction, and even burnout<sup>[10][11]</sup>. This may mean that employees who perceive constant surveillance are less inclined to take risks, explore innovative ideas, or fully immerse themselves in their work. The identified challenges serve as a reminder for organisational leaders and human resource practitioners to carefully address the ethical and legal implications of these actions.

It is critical to note that leadership's actions influence staff behaviour through work ethics and professional conduct. Desired characteristics should be consistently demonstrated. When performance deficiencies are identified, leadership must intervene to engage and motivate staff<sup>[26]</sup>, providing constructive criticism and conducting training and workshops to enhance staff capabilities and foster self-awareness regarding their strengths and weaknesses. This approach is consistent with Theory Y leadership, where employees are empowered to make decisions about their work.

Trust within an organisational context is characterised as “the willingness of one party to be vulnerable to the actions of another party, predicated on the expectation that the latter will undertake a specific action deemed significant by the trustor, regardless of the ability to oversee or regulate the other party”<sup>[27]</sup>. Thus, trust forecasts work satisfaction, organisational citizenship behaviour, organisational commitment, turnover, and job performance, regardless of monitoring practices<sup>[28]</sup>. Electronic monitoring and its settings serve as a surrogate for managerial trust in employees, providing indications of acceptable behaviours and performance. A person's trustworthiness is

contingent upon several factors: their perceived competence, their ability to behave for the benefit of others rather than only in self-interest, and their demonstration of moral integrity. A further aspect is their predictability—specifically, whether they fulfil their stated commitments.

Electronic monitoring, based on its configuration, may lead employees to perceive that their competence, devotion to organisational objectives, honesty (as an aspect of integrity), and reliability are being scrutinised by their supervisor, manager, or peers. Intensive electronic surveillance has been shown to instil in employees a perception of distrust and a lack of control over their work processes<sup>[29]</sup>. Employees exhibit diminished trust in leadership when they perceive that monitoring encroaches upon their privacy<sup>[3]</sup>. Alternatives that do not employ monitoring-driven performance metrics are reportedly associated with superior performance and elevated trust levels<sup>[30]</sup>. Moreover, employees exhibiting heightened privacy concerns around email surveillance had diminished trust in upper management and maintained lower-quality relationships characterised by reduced trust and likability<sup>[31]</sup>. The liberalisation of work environments has led to the inadequate management of ethical issues concerning employees, undermining workplace relationships and productivity. Organisational citizenship describes the selfless acts and behaviours of workers that go above and beyond the call of duty and favourably impact the success and general operation of the organisation is compromised<sup>[32]</sup>. The study's conceptual framework is covered in the following section.

### *2.1. Research gap*

Despite extensive research on the individual impacts of employee monitoring and leadership style, the interaction between leadership style and the correlation between monitoring and employee outcomes—such as job satisfaction, trust in leadership, and organisational commitment—has not been thoroughly examined<sup>[17][7]</sup>. Therefore, this study seeks to evaluate how a leader's commitment to Theory X or Theory Y views influences the effects of employee monitoring on employee outcomes. By clarifying this relationship, organisations can create more equitable employee monitoring systems that align with leadership styles and enhance positive employee experience.

### *2.2. Hypotheses*

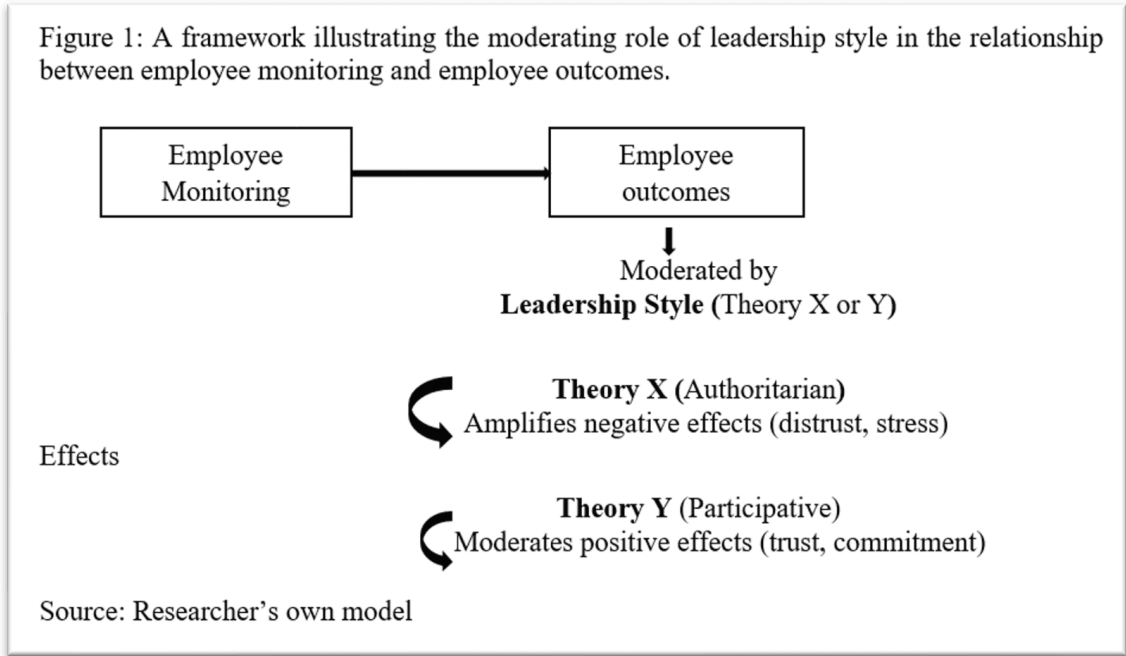
- H1: Leadership style moderates the relationship between employee monitoring and employee outcomes.

- H2a: Under Theory X leadership, increased employee monitoring will be negatively associated with employee outcomes.
- H2b: Under Theory Y leadership, increased employee monitoring will be positively associated with employee outcomes.

This study employs both hypotheses and a conceptual framework. The rationale is that the conceptual framework delineates the conceptual foundation and major variables of the study, guiding the methodology. It explains the interconnections among variables and offers context for the testing of the hypotheses qualitatively. The hypotheses articulate a precise, testable prediction regarding the relationships among the variables portrayed in the conceptual framework. The following section explores the conceptual framework for the study.

### **3. Conceptual framework**

The conceptual framework of this study illustrates the moderating influence of leadership styles, derived from McGregor's Theory X and Y, on the link between employee monitoring and employee outcomes. This denotes the approaches employed by organisations to monitor and assess employee conduct and performance, frequently via technology instruments. This oversight directly influences employee outcomes. The conceptual framework presupposes that Theory X leadership, characterised by authoritarianism, asserts that individuals possess an intrinsic aversion to work, tend to shirk duty, and therefore require stringent oversight<sup>[33]</sup>. Leaders who choose this approach generally demonstrate close control and offer explicit directives. Conversely, Theory Y leadership (participative) is predicated on the belief that employees view work as intrinsic, actively seek responsibility, and are capable of self-direction<sup>[34]</sup>. Leaders who adopt this style generally demonstrate characteristics of empowerment and inclusion. Figure 1 illustrates the variables for the conceptual framework of the study.



**Figure 1.** A framework illustrating the moderating role of leadership style in the relationship between employee monitoring and employee outcomes. Source: Researcher's own model.

The moderating role of leadership style emphasises that the connection between employee monitoring and outcomes is indirect and is shaped by leadership styles classified as Theory X or Theory Y<sup>[35]</sup>. Theory X is defined by a suspicious, authoritarian, and overly meticulous demeanour. This approach exacerbates the adverse consequences of employee surveillance, including elevated stress levels, intensified distrust among employees, and diminished morale and engagement<sup>[36]</sup>. This may lead to negative employee experiences because they do not feel like being part of the organisation. On the other hand, Theory Y is concentrated on trust, empowerment, and transparent communication<sup>[37][38]</sup>. This approach mitigates the positive impacts of employee surveillance by cultivating elevated trust between employees and leadership, increasing employee dedication and job satisfaction, and creating a cooperative and supportive organisational culture. Employee autonomy is crucial in this context.

This framework offers significant insights into the relationship between monitoring techniques and leadership strategies. It underscores the necessity for organisations to synchronise their monitoring systems with participative leadership styles to optimise employee well-being and favourable

outcomes while mitigating adverse effects. The study's methodology is presented in the following section.

## 4. Research Method

This study used a cross-sectional correlational design, which involves collecting data from a large sample of respondents simultaneously<sup>[38]</sup>. The study employed an explanatory research methodology to illuminate the impact of leadership style on the correlation between employee monitoring and employee outcomes, evaluating Theory Y and X.

The study's population comprised 203 individuals. Due to the manageable size, sampling was deemed unnecessary, and all participants were included in the study. Additionally, the researcher aimed to gather diverse perspectives from human resources specialists with varied backgrounds. The study participants comprised a community of practice (COP) of 203 persons specialising in human resource management from industry, government agencies, and higher education institutions. An open-ended Google Forms questionnaire was distributed to 183 human resources practitioners, yielding 110 responses. Twenty participants were engaged in online interviews. The study's response rate was 64%, significantly exceeding the average of 41% for online surveys.

The justification for involving human resources practitioners lies in their direct experience and deep understanding of workplace dynamics, encompassing leadership styles, employee surveillance systems, and their effects on employee behaviours and outcomes. Human resources practitioners' empirical knowledge can enhance theoretical models, ensuring the research accurately represents real-world realities. Human resources professionals oversee establishing policies, systems, and procedures, including monitoring systems and resolving employee issues. Their participation guarantees the study's alignment with human resources practices and organisational goals. They can clarify how leadership styles (Theory X versus Theory Y) emerge in real working environments and affect employee outcomes such as engagement, contentment, and performance.

The participants were apprised of the study's nature and objectives, encompassing data collection on sensitive topics such as impressions of leadership style, oversight, and employee outcomes. The researcher presented an online consent form detailing the study's objectives and the participant's rights, including voluntary participation and the option to withdraw without giving reasons. The researcher explained that data would be saved on the cloud to minimise unauthorised access. To guarantee that responses remained anonymous and confidential, the researcher employed codes (P1-



P20) instead of names. It was ensured that the participants consented to these terms before being involved in the study.

Data were analysed using both quantitative and qualitative methods to test the study's hypotheses. Quantitative analysis utilised percentages to examine the moderating effect of leadership style on the connection between employee monitoring and employee outcomes. Qualitative data were collected through an online open-ended survey questionnaire and online interviews, which were then analysed using qualitative methods. These offered insights into human resources specialists' perceptions of surveillance, leadership, and the impact of these elements on their work experiences. The integration of various methodologies yielded a thorough perspective on the study's research agenda. The next section presents the findings of the study.

A thematic approach was employed for data analysis to identify, analyze, and interpret patterns (themes) within the qualitative data. Instead of statistical testing, the hypotheses were supported through logical reasoning and literature-based justification. This approach was adopted due to the qualitative nature of some data, with figures, tables, and the submitted conceptual framework reinforcing the findings. The following questionnaires were used to gather responses from the participants.

## Questionnaire

Q1	Are you aware of any employee monitoring technologies used in your workplace?
Q2	If yes, please specify which monitoring technologies you are aware of (e.g., GPS tracking, computer keystroke logging, video surveillance, etc.)
Q3	How do you feel about the use of employee monitoring technologies in the workplace?
Q4	Do you think employee monitoring technologies are necessary for ensuring productivity and security in the workplace?
Q5	Do you feel that the use of employee monitoring technologies infringes on your privacy rights?
Q6	How comfortable are you with the level of privacy provided by employee monitoring technologies in your workplace?
Q7	Do you believe that the use of employee monitoring technologies affects trust between employees and leadership?
Q8	How do you think the use of employee monitoring technologies impacts employee morale?
Q9	Have you ever felt distrustful or demotivated as a result of the use of employee monitoring technologies in your workplace? If yes, please elaborate.
Q10	Do you believe that employee monitoring technologies effectively improve productivity and security in the workplace?
Q11	Are there any alternative methods or strategies that employers could use to ensure productivity and security without resorting to employee monitoring technologies? Please explain. If yes, please describe the changes you made and why you made them.
Q12	Do you have any concerns or reservations about the potential misuse or abuse of employee monitoring technologies by employers? If yes, please explain.

## 5. Results

Table 1 provides a statistical summary of each monitoring technology's usage percentage and purpose in different organisations. The responses indicated that most organisations (75%) had some form of

EMTs, suggesting a global trend. The participants raised concerns about employee monitoring technologies in their organisations.

Surveillance	Usage	Purpose
CCTV	42%	Emphasise physical security and live monitoring
Phone tracking	32%	Indicated focus on monitoring communications
Email tracking	32%	Highlights the importance of protecting information and supervising electronic communication.
Keystroke logging	25%	Tracks staff productivity and computer usage
Unaware of monitoring	25%	Suggests a lack of clear communication from management regarding monitoring practices
Check-in check-out systems	17%	Used to track attendance and ensure compliance with work hours
Time tracking systems	13%	Monitors work time allocation to enhance productivity and responsibility

**Table 1.** Employee surveillance technologies used in different organisations

Source: Field data

P11 indicated:

*There are cameras everywhere, and most employees feel uneasy about these hidden eyes. As the person in charge of human resources (HR), I have heard complaints from some staff members about their privacy and lack of faith in leadership. The problem is that when EMTs are introduced, we are not consulted even though we are responsible for employees. I think that it is essential to involve all members of the organisation in the process of implementing a new policy so that at the very least, everyone is aware of the reason behind the policy.*

There was consensus from online surveys and online interviews that most employees were uncomfortable with their current circumstances due to a lack of communication about the use of

EMTs. It was noted that EMTs were installed privately, which they said indicated a lack of trust and limited transparency from leadership. P1 added:

*This is counterproductive as employees represent the most critical resource that can determine the success or failure of the organisation. In my organisation, the majority of employees are experts; yet, they are under rigorous surveillance. Leadership must devise more effective methods for motivating employees and enhancing productivity. Contemporary organisations should provide employees flexibility in their work methods.*

Figure 2 illustrates the degree of privacy linked to surveillance technologies. Among the respondents, 35% expressed discomfort, 25% indicated significant discomfort, 20% remained neutral, 15% felt comfortable, and 5% reported high comfort levels. In total, 60% reported discomfort, while merely 20% conveyed comfort with these technologies.

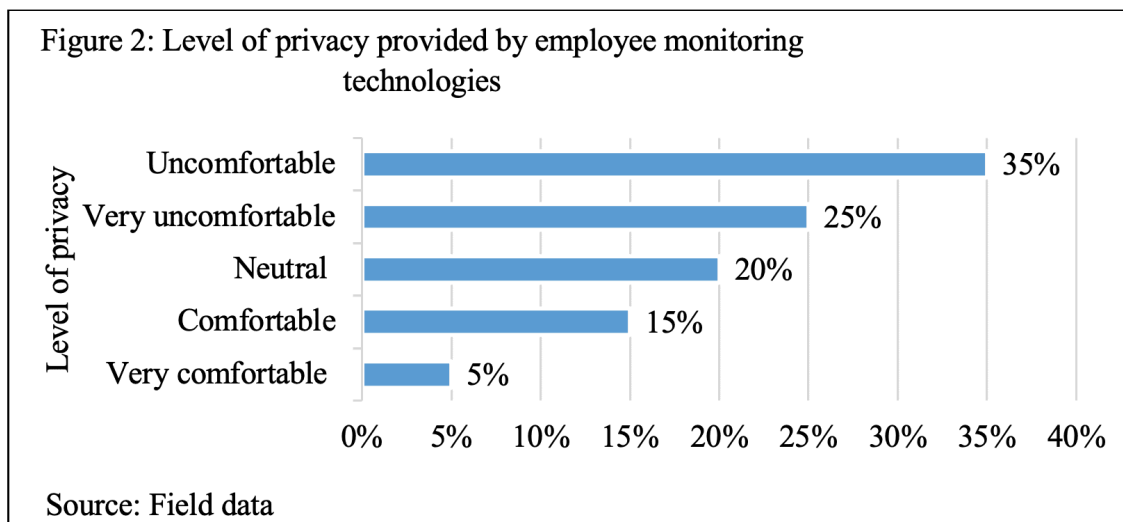
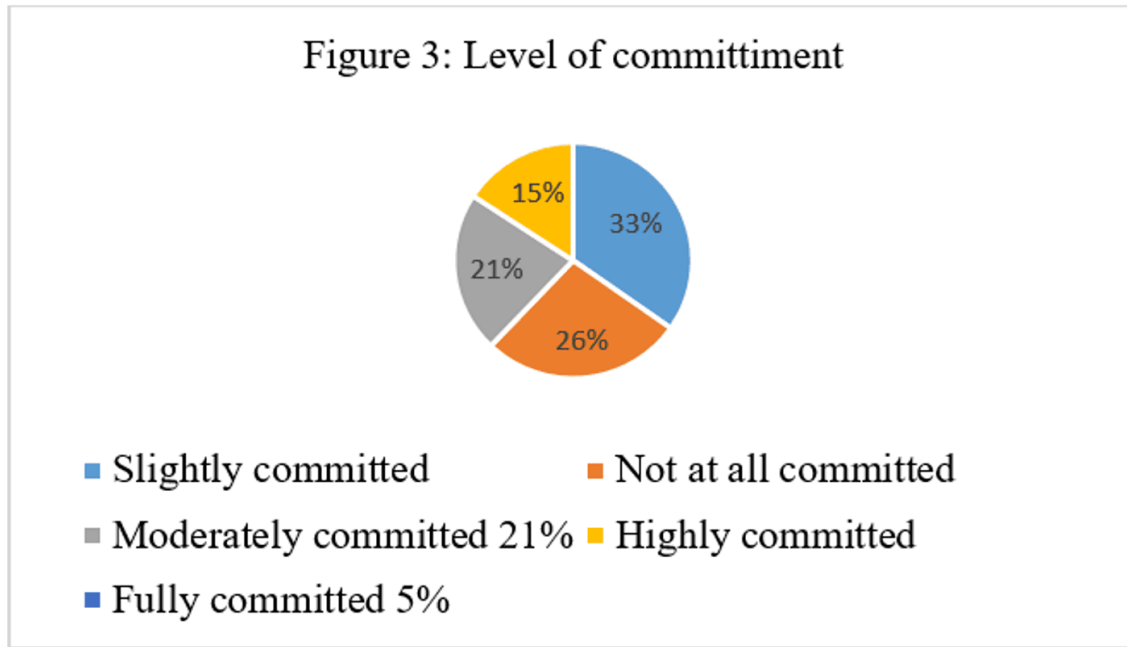


Figure 2. Level of privacy provided by employee monitoring technologies. Source: Field data.

Seventeen out of twenty interviewed online stated that employee-monitoring technologies encroach upon privacy rights, compromising employee outcomes. Only three affirmed its necessity. P13 had this to say: *I do not want to be monitored all the time because I know why I am here.* Another respondent P7 indicated:

*When I need to pray, I feel I do not want to be observed and disturbed. It is against my religion. There are odd situations as human beings where we need privacy to deal with personal issues.*

*After all, I have always achieved my targets. However, this environment feels unusual—there is no recognition when one performs well. Leadership focuses more on pointing out mistakes and emphasising punishments. Employees should learn from their mistakes, as that is the only way they can grow.*

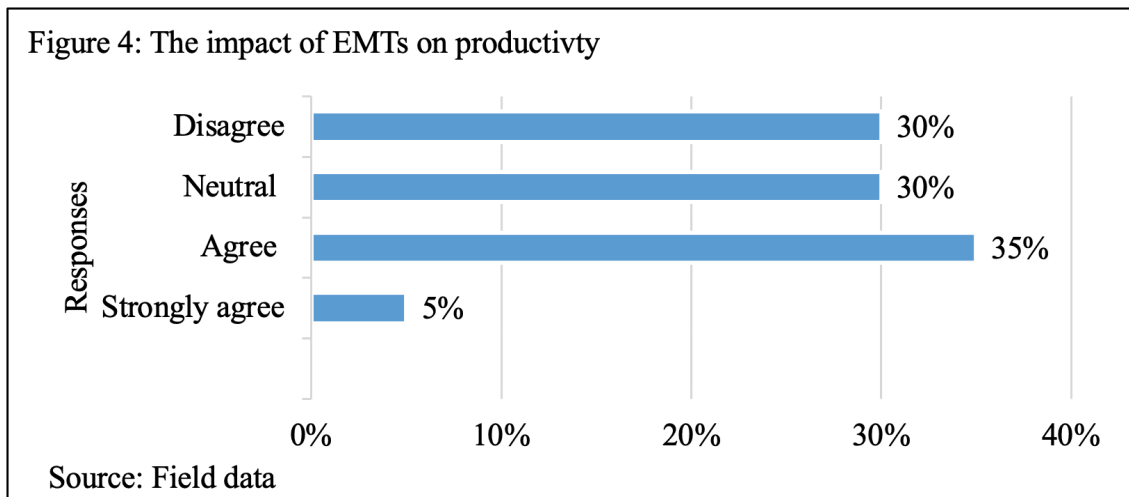


**Figure 3.** Level of committiment. Source: Field data.

Figure 3 reveals a diverse range of commitment levels among the respondents in the presence of EMTs. A significant proportion, 33%, expressed slight commitment, while 26% were not. A smaller percentage, 21%, were moderately committed, followed by 15% highly committed and 5% fully committed.

The data aligns with H2a, and the limited number of highly committed employees indicates a lack of support for H2b. The overall data support H1.

Figure 4 indicates that 35% of the respondents disagreed that EMTs improve productivity, 30% were neutral, and 35% and 5% strongly agreed.



**Figure 4.** The impact of EMTs on productivity. Source: Field data.

Online interviews revealed that tight monitoring indeed reduced motivation, trust, and employee outcomes. The findings provide useful insights that can be evaluated concerning the hypotheses. P8 submitted:

*We receive complaints from some employees regarding verbal and written warnings regarding their behaviour and not performance. Good character does not always translate to desirable outcomes. We are more interested in results. Breaks during working hours are viewed as inefficient. Some employees appear depressed, which lowers morale and productivity. Employee performance deteriorates because there is no consultation and collaboration on such issues. Due to our lack of involvement in the decision-making process, we are powerless. We are in a difficult situation to assist the rest of the employees.*

Figure 5 depicts the HR practitioners' views on the impact of employee monitoring technologies on morale. Seventy percent perceive these technologies as detrimental to employee morale, 20% indicate no effect, and merely 10% regard them as beneficial to staff morale. The data highlights varied perceptions of the impact of employee monitoring on morale.

Figure 5: Monitoring technologies and employee morale

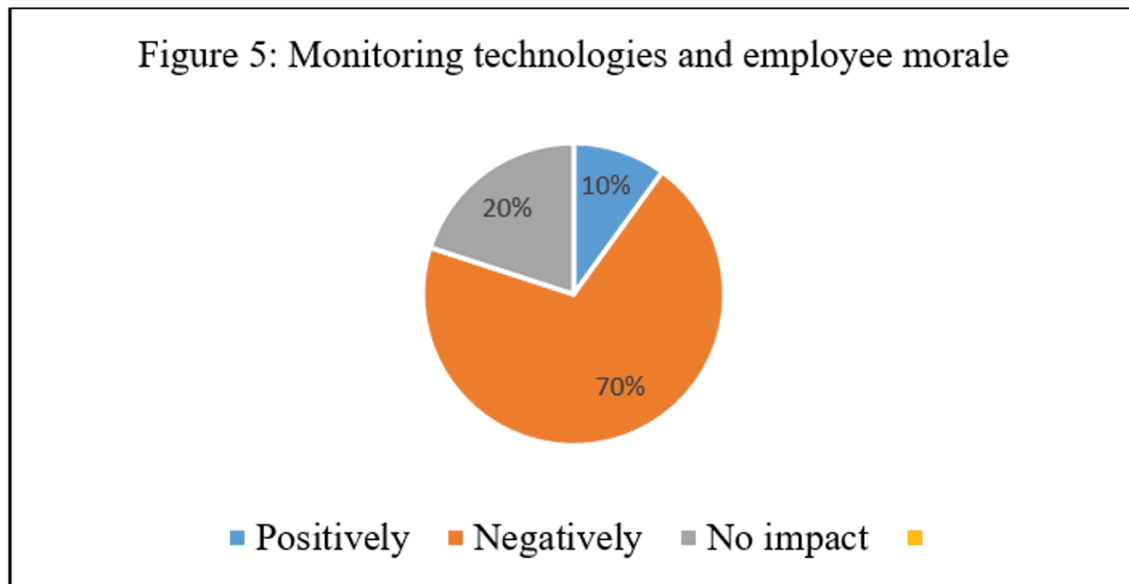


Figure 5. Monitoring technologies and employee morale. Source: Field data.

P16 indicated: *“I prefer not to be surveilled; I am a professional. I require autonomy to perform my tasks, and I derive inspiration and satisfaction from my work.”*

There was a single voice from online interviews that said he had nothing to be afraid of and that EMTs at work had no effect on employees. It is interesting to note that the same respondent was among the leaders who suggested EMTs for his organisation. He gave a vague response when asked about the shift in staff morale. The majority of responses, however, indicated that EMTs did have a detrimental impact on employees' trust and motivation, which resulted in unfavourable outcomes.

## 6. Discussion

The discussion focuses on trust in leadership, organisational commitment, and job satisfaction, which are critical to understanding employee dynamics in the face of monitoring. These variables are analysed about existing literature and the study's hypotheses to provide a comprehensive understanding of their interrelationships. The discussion also explores how these factors align with and expand the study's conceptual framework. By integrating empirical findings with theory, the analysis reveals significant patterns and relationships influencing workplace outcomes, offering valuable insights into employee behaviour and organisational effectiveness.

## 6.1. Lack of trust

The employment of diverse surveillance methods reflects how organisations prioritise different aspects of monitoring, such as security, communication, and productivity (see Table 1 and Figure 2). The relationship between these practices and employee outcomes presumably depends on the leadership style directing their adoption. Leadership style moderates whether these tools are seen as supporting (Theory Y) or intrusive (Theory X), influencing employee satisfaction, performance, and organisational commitment.

H1 states that leadership style moderates the relationship between employee monitoring and employee outcomes. The discomfort caused by cameras and complaints about privacy suggest that the leadership's approach to monitoring influences how employees perceive and react to monitoring technologies. The lack of communication about the use of EMTs points to a leadership gap, which likely exacerbates negative outcomes, underscoring the lack of trust<sup>[34]</sup>.

H2a suggests that under Theory X leadership, which assumes employees are inherently unmotivated and require strict oversight, increased monitoring will negatively affect employee trust. The employees' discomfort and lack of trust in leadership due to the cameras align with this hypothesis. A Theory X leadership style would likely amplify these negative sentiments because employees might interpret the monitoring as punitive or controlling<sup>[3][34]</sup>.

H2b suggests that under Theory Y leadership, which assumes employees are self-motivated and value trust, increased monitoring can lead to positive outcomes if implemented transparently and supportively. However, the absence of communication about EMTs contradicts the principles of Theory Y, which emphasises trust and collaboration<sup>[36]</sup>. This oversight likely prevents any positive effects of monitoring, suggesting that the current implementation reflects more of a Theory X approach or a failure to align with Theory Y principles. Surveillance technology could have a positive impact on employee outcomes when utilised transparently and with a developmental focus. However, the data suggests that this perspective may not be fully realised in practice.

The discomfort, lack of trust, and inadequate communication point to the importance of aligning monitoring practices with appropriate leadership styles. When leaders fail to communicate effectively and build trust, monitoring technologies are more likely to result in negative employee outcomes, supporting the moderating role of leadership style as proposed in H1 and reinforcing H2a's negative association in the absence of a Theory Y framework.



The lack of trust between leadership and management determines how EMTs are perceived and their consequent impact on organisational outcomes. Trust is a key ingredient in building a pleasant work environment, and its absence typically leads to skepticism and resistance toward leadership initiatives, including the adoption of monitoring initiatives.

## 6.2. *Lack of employee commitment*

Figures 2 and 3 demonstrate support for the hypotheses, H1 and H2a. According to Figure 2, 60% of the respondents indicated unease with surveillance technologies, supporting the idea that employee monitoring may adversely affect employee outcomes, particularly under Theory X leadership. This discomfort means that the intrusive nature of monitoring may undermine employee commitment, aligning with the premise that Theory X leadership—defined by control and supervision—intensifies adverse employee outcomes (H2a)<sup>[12][13]</sup>. A lack of commitment will likely decrease productivity.

Qualitative findings from interviews reveal privacy worries, with 70% of participants viewing surveillance devices as violations of privacy rights. This corresponds with the observation that discomfort is widespread among employees and reinforces the notion that oversight under authoritarian leadership styles may result in negative responses such as lack of commitment.

The minimal comfort levels (merely 20% reported comfort) indicate insufficient support for H2b, which posits a positive correlation between monitoring and employee results under Theory Y leadership. This suggests that even with a supportive leadership approach, staff monitoring is viewed as invasive, demonstrating that the moderating influence of Theory Y leadership may rely on the manner of monitoring implementation. These findings together underscore the necessity of meticulous consideration of leadership style in the design and implementation of employee-monitoring systems.

H1 suggests that leadership style significantly influences the relationship between employee monitoring technologies (EMTs) and employee commitment. The conflicting responses—35% disagreeing that EMTs boost productivity and security against 35% agreeing and 5% strongly agreeing—indicate that the impact of EMTs relies on how they are implemented and perceived, which is influenced by leadership style<sup>[14]</sup>.

The 35% of respondents who disagreed that EMTs promote productivity and security, together with findings from online interviews indicating diminished motivation and trust, significantly support H2a. Under Theory X leadership, where monitoring is conducted ruthlessly and primarily for control,

EMTs are likely seen as invasive and untrustworthy<sup>[5][9]</sup>. This impression negatively affects motivation and productivity. Employees feel micromanaged, diminishing their inherent motivation to perform.

Tight surveillance implies a lack of trust in employees, leading to disengagement and negatively affecting employees' outcomes. Job happiness, performance, and commitment are lowered in such circumstances<sup>[12][13]</sup>. The 35% who agreed and 5% who strongly agreed that EMTs boost productivity and security demonstrate that EMTs can have good effects when framed constructively supporting H2b. Under Theory Y leadership, EMTs are likely implemented with transparency and as tools for boosting collaboration and efficiency. For instance, employees understand the aim of monitoring and perceive it as a supportive measure.

Transparent communication creates trust in the leadership's intentions. Positive framing of EMTs under Theory Y can boost work satisfaction and organisational commitment. However, the 30% neutral responses suggest ambivalence, presumably coming from poor implementation or imprecise leadership communication regarding EMT usage.

The data closely correlates with H2a, since intense monitoring under Theory X leadership has been found to impair employee motivation, trust, commitment, and outcomes. H2b obtains minimal support, as only a tiny fraction of respondents perceive EMTs positively. These findings underline the essential importance of leadership style in establishing employee perceptions of monitoring and its consequent impact on outcomes.

Organisations should align monitoring strategies with Theory Y principles by assuring transparency, stressing the benefits of EMTs for both individuals and the organisation, and avoiding unduly rigorous or punitive applications. Further examination of the neutral replies may uncover additional moderating elements, such as the nature of employment or the specific context of monitoring procedures.

### *6.3. Lack of Job satisfaction*

The data in Figure 5 highlights that only 10% view monitoring positively, suggesting that under Theory Y leadership, monitoring might be framed as a supportive tool for employee development<sup>[35]</sup>. The potential for positive outcomes exists, but according to the findings of this study, it is less frequently realised leading to limited job satisfaction. This smaller percentage could reflect that

leadership styles that emphasise collaboration and trust are less common in the surveyed context or that the implementation of monitoring technologies lacks alignment with Theory Y principles.

The overwhelmingly negative perception of monitoring technologies (70% reporting negative impacts) underscores the challenges of applying these tools effectively, particularly under Theory X leadership<sup>[34]</sup>. For H2b to hold true, the use of these technologies would likely need to be coupled with transparent communication, participatory decision-making, and trust-building strategies characteristic of Theory Y leadership.

The presented results can be analysed in connection with the hypothesis as follows and the conceptual framework. The diverse perceptions according to Figure 2 (neutrality, strong opposition, and agreement) indicate that the effects of employee monitoring on job satisfaction are not consistent and may be influenced by contextual elements such as leadership style. This corresponds with H1, which asserts that leadership style influences the relationship between employee monitoring and job satisfaction. The leadership style may elucidate why certain employees perceive monitoring favourably, whereas others do not.

#### *6.4. Contribution to practice*

Organisations may utilise the study's findings to establish monitoring strategies that correspond with supportive leadership styles. This entails perceiving monitoring as a mechanism for enhancement rather than regulation. Leaders can be educated to articulate the objectives and advantages of monitoring effectively, thus diminishing employee opposition and cultivating trust. The findings further offer actionable recommendations to improve leadership approaches according to the organisation's implementation of monitoring technologies. Organisations might incorporate these findings to develop employee-focused monitoring strategies that emphasise privacy and psychological safety.

Leaders can establish feedback loops to ensure that monitoring techniques correspond with employee expectations and well-being. The research underscores trust as an essential element in the efficacy of monitoring activities. Leaders can utilise these findings to cultivate a culture in which employees perceive monitoring as equitable and beneficial.

### *6.5. Contribution to policy*

Policymakers and regulatory authorities might utilise the study's conclusions to formulate ethical standards for the implementation of employee monitoring technologies. These regulations can guarantee that monitoring upholds employee rights and fosters organisational equity. The research advocates for policies that ensure leaders are held accountable for the results of monitoring techniques.

Policymakers should advocate for regulations that mandate organisations to assess the psychological effects of surveillance and implement measures to mitigate stress and anxiety, particularly in settings characterised by a Theory X leadership approach. Policies can promote leadership practices that cultivate trust and collaboration, according to Theory Y concepts.

### *6.6. Areas for further research*

It is essential to carry out studies across several industries to evaluate whether the moderating influence of leadership style differs by industry. The study may also investigate the influence of employment variables, including task difficulty and inventiveness, on employee reactions to monitoring.

Longitudinal studies can be conducted to examine how the impacts of employee monitoring change across different leadership styles. Investigating if extended exposure to oversight under Theory X or Y leadership results in enduring modifications in employee behaviour or attitudes.

It is essential to examine the influence of legal frameworks and compliance standards on the dynamics of oversight and leadership. By examining these areas, subsequent studies can enhance comprehension of the interplay between leadership style and monitoring, yielding practical insights for organisations to refine both processes.

### *6.7. Recommendations*

- Leaders must articulate the objectives and advantages of monitoring to alleviate staff apprehensions and foster trust.
- Leaders embrace Theory Y ideals to optimise the beneficial effects of monitoring strategies.
- Monitoring must be executed to emphasise employee welfare, ensuring it is regarded as a supportive instrument for growth and development rather than a means of control.

## 7. Conclusions

The findings of this study demonstrate that leadership style substantially affects employees' perceptions and responses to monitoring. Leadership that embodies Theory Y principles—trust, transparency, and support—generally promotes favourable employee outcomes, as oversight is regarded as a facilitative instrument for development and growth. In contrast, Theory X leadership characteristics, including control, mistrust, and authoritarianism, correlate with adverse consequences such as discomfort, distrust, and resistance leading to negative employee outcomes.

The study found that leadership is a vital factor in organisational success, influencing the effects of monitoring on employees. Organisations utilising Theory X approaches should reassess their strategies, as stringent supervision may undermine trust and impede performance as witnessed in this study. Conversely, implementing monitoring procedures based on Theory Y principles can cultivate a supportive culture, leading to trust, commitment, and job satisfaction which are key drivers for organisational success.

These findings validate H1 (the moderating role of leadership), offer considerable support for H2a, and present limited evidence for H2b, dependent on the congruence of monitoring procedures with supportive leadership models.

## References

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