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Misuse of Company Time: How the Internet and Social Media are Creating a New Time Theft

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Misuse of Company Time: How the Internet and Social Media are Creating a New Time Theft

By

Ryan Hancock

Advisor: Dr. Dan Worrell

An Honors Thesis in partial fulfillment of the requirements for the degree Bachelor of Science in Business Administration in Supply Chain Management

Sam M. Walton College of Business
University of Arkansas
Fayetteville, Arkansas

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Abstract

This study examines how social media and online shopping are providing new forms of employee time theft for companies and considers the impact they have on productivity. Whether the trends are actually apparent was then connected to an individual’s perception of whether stealing company time is unethical. Data was obtained in this study through a survey. The survey was conducted through direct and behavioral questions of participants. The first half of the survey contained direct questions measuring the respondent’s own usage of social media, their online shopping habits, and whether they do these activities while working. The second half of the survey presented behavioral questions in which two written scenarios were presented to participants, and they then responded to statements regarding their beliefs of the situations. The results of this study suggest that social media and online shopping are emerging as new avenues of time theft within the work place. This employee time lost during work hours may also correlate with productivity loss of the individual and the company.
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1. Introduction

In 2009, 26-year-old Cameron Pettigrew found himself unemployed and searching for work after his termination from Fidelity Investments. Pettigrew was highly regarded within the company and had “exemplary results” during his two years at Fidelity. He was fired for violating a company gambling policy involving fantasy football. Pettigrew logged into his Yahoo Sports Fantasy League during the work hours, which ultimately led to him losing his job. Pettigrew was using Fidelity’s time for his personal use and non-work related content. If he never logged into the account during work hours, this entire situation could have been avoided and he may very well still be employed. After his firing, Pettigrew responded, “Lets be honest, that’s a complete overreaction”. Fidelity commented, “We want our employees to be focused on our customers and clients” (Fino, 2016).

The idea of time theft is not a new concept, but it is evolving:

“Time Theft is defined as time that employees waste or spend not working during their scheduled work hours. This behavior is unethical as employees are compensated for this time even though they are not producing for employers. Thus they are intentionally stealing time rightfully belonging to their company.” (Henle, Reeves, Pitts, 2010)

In the past employees stole company time through actions such as arriving late, sneaking out early, daydreaming, and falsifying time sheets. While these still happen in the current work force, technology-driven methods are becoming more prevalent. I believe that social media and online shopping with their prominent roles in today’s technology are factors that need attention.

2. Purpose

The purpose of this research study is to examine the new forms of time theft, their roles in the modern workplace, and how corporations deal with them. The focus of this study will be solely on social media and online shopping. The results of this study are important for they will be critical in displaying and further outlining the roles of social media and online shopping within corporations. This research will lay a foundation for studying the public opinion regarding these ethical dilemmas and how they affect productivity.

3. Literature Review

The literature review helped with the building of a foundation for this study. However, research with similar objectives and focuses was minimal. With the recent rise of social media and online shopping, studies have yet to scratch the surface of examining the roles of each as distractions within the work force. Time theft has long been understudied (Henle 2010) and much of what is available is holistic in content. This
research added structure to why employees might commit time theft. Ethical issues and the role of management and culture in decision-making also helped shape the research completed within this study. Literature pertaining to the different forms of time theft demonstrated how companies have dealt with past issues with similar dilemmas and shines light onto how they might react to these new trends.

Companies need to be both proactive and reactive when addressing these new forms of time theft. Proactive with regards to planning based on what is already being seen from current trends while reactive to any unexpected changes that may take place in the future. Often the preparation that takes place is through policy setting. Albert Bandura of Stanford University stated “To function humanely, societies must establish effective social standards against moral disengagement practices that foster exploitive and destructive conduct” (Bandura, 1990). While this quote addressed a different scenario than the one in this study, I believe it applies to corporations and their interactions with time theft.

The tackling of these issues varies by company and each has its own approach. While some companies have set policies, their effectiveness in managing time theft is still undetermined. The policies studied were also often vague regarding technology usage while working. The corporations often state they have the right to discipline employees if their actions are distracting to the employee’s job performance, the performance of others, or not aligned with company standards. IBM follows this format. IBM’s policy states, “If IBM management finds that your conduct on or off the job adversely affects your performance, that of other employees, or IBM’s legitimate business interest, you will be subject to disciplinary action, including dismissal” (IBM, 2016). While IBM’s policy is not specific, they would be able to justify their actions if they disciplined an employee for social media or online shopping misusage. While similar, the corporation GAP is more direct in regards to their opinions on social media usage. GAP states they are fine with social media usage as long as it does not interfere with the job performance of the employee, since the employee’s performance is the first priority (Brynley-Jones, 2012). Policy enforcement thus far has not been easy for the companies who have put a policy in place. The difficulty of policy setting has been employees are finding ways around them. Actions such as blocking the sites on company networks, whether the site is social media or retail, have led to people using their personal devices for access (Fischer, 2014). Studies show that from 2014 to 2015 the use of personal devices among shoppers went up from 27% to 42% (Fischer, 2015). This has made the managing of time theft challenging for the companies.

Due to the difficulties, approaching time theft in a proper manner is crucial for corporations. I believe this has to be done with a balance of policies that will govern the employees but also with the company displaying to the employees why these actions are problematic. Companies should not believe that policies alone will fix this issue. It will be important to create a corporate culture that does not lend itself to employees wanting to do unethical behaviors. The attitudes of employees towards time theft are important in whether they are willing to commit it (Henle, 2010). This intertwines with the company culture having a relationship to the individual’s beliefs about the ethical dilemmas they are presented with while at work. (Camps, 2010). A company with a strong ethical culture should expect to see better ethical decisions being made by its employees. Having positive
ethical behaviors made by your employees is favorable because it continually promotes these behaviors from employees as time progresses. New employees can look up to the examples they see within the company and continue on with the behaviors that they witness. Honest and moral behaviors from employees are crucial because the behaviors of peers can influence others (Zey-Ferrell, Ferrell, 1982).

While few studies have researched the role of technology in time theft, I do believe it is an important issue to address. This will introduce new issues to companies in ways they have not previously considered.

4. Hypotheses

After reviewing the current research on time theft and how companies are addressing it, I saw a great need to study whether there are indeed new forms of time theft evolving from technology. Further, I also believed that these may create a new threat to productivity.

**H1: New kinds of time theft are emerging in the workforce.**

The driver of these new trends is technology. While technology advancements caused the trends, society’s dependence on technology cannot go unnoticed. Dependence on technology can be seen through social media and online shopping, which are the focuses of this study. A previous study over social media for example shows that within Generation Y (people born between the years of 1977 to 1995) 59% of participants stated they were openly addicted to social media with 22.4% saying they are undecided (Cabral, 2011). Something to note in regards to an addiction is that the individual is still making a decision whether to engage in the behavior (Porter, Kakabadse, 2005). According to Facebook Newsroom, as of September 2016 there are 1.18 billion daily active users with 1.09 billion active daily users checking via mobile devices. Also, as of summer 2016 Snapchat had 150 million daily users with Twitter having 140 million daily users (Frier, 2016). This data emphasizes the sheer size of social media and what it means to society.

The increasing usage of online shopping is also becoming more apparent. Between the years of 1999 to 2002 alone we saw US business consumer sales rise from $25 billion to $152 billion with predictions of it reaching $523 billion by 2020 (Pastorre, 2016). Amazon, a popular e-commerce company, displays this trend though an increase in their users. Amazon reported that it’s prime service, an annual membership service, started in 2013 with only 10 million subscribers. By the beginning of 2016 this rose to 54 million increasing again to 63 million by summer of 2016 (Tuttle, 2016). There is a shift of more and more products being purchased online by an increasing amount of users who are choosing to shop via this platform.

With social media and online shopping becoming part of everyday life for many citizens, this strikes a concern that employees will bring these activities into the work place.
H2: These new forms of time theft negatively impact individual and firm performance.

A worry for organizations should be their allowance of these new forms of time theft. The company cannot simply ignore time theft because they do not wish to address it. Employees’ unethical acts can begin to occur if organizational cultures and practices allow these behaviors to become normal (Ashforth, Anand, 2003). A normalization of time theft may also result with a normalization of seeing lower productivity. This introduces a question of who is at risk with these forms of time theft. In the study, *Monkey See, Monkey Do*, it is often found that time theft is more costly in team environments because one individual can affect the team as a whole (Robinson, O’Leary Kelly, 1998). This is important in this study because it shows how performance and productivity can be impacted by one individual alone. An individual’s choice to make an unethical decision cannot only have an impact on their own job, but also the entire company.

Productivity is lost through time wasted while on social media or shopping online. If an employee is partaking in these activities during work hours, the employee will not be performing work or creating value for the company in which they are getting paid to do. In the 1990s, the US Department of Commerce estimated that time thefts cost American companies more than $177 billion every year (Mcgee, Fillon, 1995). With social media and online shopping growing, it may be expected for this number to be even higher now.

5. Methodology

Research collected in this study was gathered by two separate means: primary and secondary. Primary research was done with the objective of testing the hypotheses and secondary research to build the case and further expand the study. The secondary research was done through extensive literature review including a vast array of journals and online sources.

Primary research was conducted through a survey completed by participants through Qualtrics. The survey was done through two methods. The first was in person where random participants were selected on campus to complete the survey upon their consent. Other recipients took the survey via email. Fifty-one participants completed the survey. The questions asked in the survey were used to gain knowledge of the individual’s background in social media and online shopping usage. Questions were to also find out whether the participants have used social media or shopped online during work hours. The questions were presented in two different formats: direct and behavioral. The direct questions were about the participants and their own personal usage of social media and online shopping. The behavioral questions were asked following two separate written scenarios. The questions were in statement format and participants answered with their opinions on the statements given. The responses were done using a 5-point Likert scale of “Strongly Disagree, Disagree, Neutral, Agree, or Strongly Agree”. Appendix 1 shows the survey taken by the participants.

Of the 51 participants, 54.9% were male (28 of 51) and 45.1% were female (23 of 51).
Table 1 below shows the age distribution of the respondents.

**Table 1:**
Breakdown of Age among Respondents

<table>
<thead>
<tr>
<th>Age Range</th>
<th>Percentage of Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>18-21</td>
<td>37.25%</td>
</tr>
<tr>
<td>22-29</td>
<td>29.41%</td>
</tr>
<tr>
<td>30-39</td>
<td>1.96%</td>
</tr>
<tr>
<td>40-49</td>
<td>19.61%</td>
</tr>
<tr>
<td>50-59</td>
<td>5.88%</td>
</tr>
<tr>
<td>60+</td>
<td>5.88%</td>
</tr>
</tbody>
</table>

The survey asked for the highest level of education completed among the participants. Of the responses, 17.65% responded with high school, 1.96% for junior college, 49.05% as current college students, 7.84% with bachelor degrees, 17.65% with masters degree, and 5.88% having a Ph.D., M.D., or J.D.

The data was gathered and analyzed through Qualtrics. This data was added into a spreadsheet for further analysis. The objective of the survey was to see the number of times a participant uses social media and online shopping to compare with whether they have done either during work hours. I also wanted to look at the amount of usage they reported to determine if this would provide a ground for future research. The behavioral data was then used to determine the opinions of the respondents on unethical behaviors that were presented in the scenarios. Inferences were then drawn regarding the belief that behavioral intentions are an acceptable substitution for the unethical behavior itself (Fox, Spector, Goh, Bruursema, 2007).

It is important to note that the results of the survey remained anonymous and were not connected to any individual participant. Answers about sensitive topics or unethical behaviors are often underestimated in studies when the individuals fear a connection between their name and the unethical behavior being examined (Lee, 1993). Anonymity eliminates these doubts (Bennett, Robinson, 2000). This study guaranteed anonymity and did not ask for names or any other subject identification.

6. Results

**Direct Questions**

The analysis was first used to look at background behavior of whether the participants had social media and whether they engaged in online shopping. It was also used to determine to what extent these activities were performed by examining how many times per week they checked social media or shopped online.

When asked whether or not they shop online, 88% of the respondents said they do with 12% saying they do not. For the questions that followed regarding further details on
shopping habits, the 12% were not given the option to answer these questions for they stated they do not shop online. The next question was about how many times per week does the participant shop online. This included browsing and thus was not solely purchasing. The majority (56.82%) stated they shop online once or twice a week with 29.55% at 3-5 times per week and 13.64% over 5 times. The method most used for online shopping was a computer at 60%, followed by mobile phone at 35.56% and only 4.44% using a tablet.

When participants were asked if they use social media, 86.27% responded with yes. Similar to online shopping, the respondents who said no to using social media were not shown the remaining questions in the social media section. An overwhelming majority (93.18%) stated they use social media daily with 61.36% using it multiple times per day. The five forms of social media presented in the survey were Facebook, Twitter, Instagram, Snapchat, and Pinterest. Table 2 below displays how many respondents have an active account per social media form.

Table 2:
Percentage of respondents with an active account

<table>
<thead>
<tr>
<th>Social Media Form</th>
<th>Percent of Respondents with an Active Account</th>
</tr>
</thead>
<tbody>
<tr>
<td>Facebook</td>
<td>90.91%</td>
</tr>
<tr>
<td>Twitter</td>
<td>70.45%</td>
</tr>
<tr>
<td>Instagram</td>
<td>75%</td>
</tr>
<tr>
<td>Snapchat</td>
<td>79.55%</td>
</tr>
<tr>
<td>Pinterest</td>
<td>34.09%</td>
</tr>
</tbody>
</table>

Table 2 shows the percentage of respondents who claim to have an active account on each individual social media. This may show which forms have the most active accounts among the respondents but it does not show which are most commonly used. The most commonly used forms of social media among respondents were close to equally distributed except Pinterest, which did not receive any selections. Snapchat and Instagram were the most commonly used form of social media among participants at 27.27% each followed by Facebook at 25% and Twitter at 20.45%. Of those who claimed to use social media, 100% said they have access to a form of social media on their phone via having an app.

The final section of direct questions pertained to usage of social media and online shopping while at work. The first question was an overview simply asking whether or not participants have ever used their phone for personal use while at work. Ninety-eight percent of the respondents claimed they have used their phones for personal use at work. When asked if they have ever used social media during the work hours, 82% responded yes with 18% claiming to not have. It is important to note that this 18% includes those who said they do not have social media at all. Therefore, 12 of the 18% who responded to having not used social media at work do not have any social media in the first place. Lastly, the question was asked whether or not the participants have ever shopped online during work. Forty-two percent of the responses said that they have engaged in online
shopping at work. Similar to the social media results, the 58% who said they have not shopped online at work includes participants who claim to not shop online at all. Of this 58%, 20.7% do not shop online at all.

**Behavioral Questions**

The behavioral questions attempted to determine how a participant would respond within a given, hypothetical situation. In the first scenario, which dealt with social media usage and no given policies, the questions were able to show a participant’s opinion from both the manager and employee’s perspective. When asked if the employee was at fault for using his phone during the workday, 76% indicated that he was with 22% strongly agreeing. Eighty-six percent of the responses said that the manager was justified for getting upset with the employee with only 2 percent disagreeing. Lastly for scenario one, the question asked if it was okay for the employee to be on his phone at work since he was not busy. This question resulted in a wider dispersion of responses than the previous two questions. Twenty percent strongly agreed that it was okay for him to be on his phone with 28% agreeing and 30% being neutral. Thirty percent disagreed that it would be okay for him to be on his phone when not busy at work along with 10% strongly disagreeing.

The second situation presented a scenario of an employee online shopping while at work. In the situation, the company has a policy in place against these actions. The employee later gets a warning from her boss when she is caught shopping online. The majority of the responses (86%) said that they agree with it being wrong for the employee to shop online while at work. Ninety-eight percent agreed that the manager was justified in giving the employee a warning for her actions. Of the data collected over this question, no response disagreed with the boss giving the warning. The last question for scenario two asked about participant’s opinions on whether the company policy is reasonable. Eighty-six percent of the responses agreed that the policy is reasonable while 6% were neutral on the topic. The final 8% disagreed with the policy. Visual breakdowns of each behavioral question can be found in the appendices.

7. Discussion and Conclusion

My primary purpose for this study was to examine to what extent new trends of time theft with an emphasis on social media and online shopping are emerging in the workforce. The study also examines if these new trends possibly could have a negative impact on individual and firm productivity. The results suggest that social media and online shopping are indeed emerging as new platforms for time theft. The study displayed social media may be more worrisome due to having a greater amount of users and a higher usage among the respondents. With every respondent who had social media also having access to an app on their phone, personal device usage might be an important topic for companies. While a majority of the respondents did agree that the employee in scenario one was at fault and the manager was justified, 60% of the participants were still neutral or in agreement that it was okay for the employee to use his phone at work. This shows that while the participants viewed it as wrong, a majority of the respondents still believed it was okay to do. Online shopping was viewed as more unethical. The results show 86% were in agreement that it was wrong for the employee in scenario two to shop online at work and 98% thought the warning was justified. While this displays their opinions in
regards to whether or not it is right or wrong, this does not show whether or not they would actually engage in the action. The results from the survey suggest that the issue in the future for corporations may be matching the opinion of an employee on an issue to the actual action taken by that employee.

The results of the study suggest that productivity of an individual and the company is also at risk with these new types of time theft. While it cannot be directly proven through the results of this particular study, such connections are likely. With almost every participant saying they have used their phone for personal use at work along with a majority having checked social media at work and almost half having online shopped during work hours, this appears to be near certain. Time wasted on social media and online shopping while at work cannot simultaneously be spent on actual work. Stealing an hour or even minutes here and there of company time adds up.

A positive takeaway for companies was that respondents were in overwhelming agreement that a policy for online shopping was reasonable. This shows that employees are open to policies being put in place to control these behaviors. This allows opportunities in the future for companies to set policies in response to social media and online shopping.

Limitations of this study include that a majority of the respondents fall between the ages of 18 and 29. Further, half of the participants were current college students. This could mean the data is skewed in favor of this age group’s generational beliefs and behaviors and not that of the entire work force. Another limitation is that the survey was conducted at the University of Arkansas solely. This study could be biased due to it taking place in only one region of the United States.

This study, even with its limitations, brings valuable information to the study of time theft. This study’s results may help with future research with similar topics. With an increase in usage in social media and online shopping within society, this study hopefully will promote further research over these issues.
8. Appendices

Appendix I- Survey

Thesis Survey Questions

Are you:
- Male
- Female

What range does your age fall within?
- 18-21
- 22-29
- 30-39
- 40-49
- 50-59
- 60+

What is the highest level of education you have completed?
- High School
- Junior College
- Current College Student
- Bachelor Degree
- Masters Degree
- Ph.D., M.D, J.D

Do you shop Online?
- Yes
- No

If Yes:

How many times per week? (Browsing included)
- 1 or 2 times
- 3-5 times
- More than 5 times

What method do you use most regularly?
- Mobile Phone
- Tablet
- Laptop/Computer
Do you use Social Media?
  • Yes
  • No

If Yes:

How many times per week do you use social media? (any form)
  • 1 or 2 times a week
  • 3-5 times a week
  • Daily
  • Multiple times per day

What forms of social media do you have an account? (Check all that apply)
  • Facebook
  • Twitter
  • Instagram
  • Snapchat
  • Pinterest
  • Other (please list)

What is your most used form of social media?
  • Facebook
  • Twitter
  • Instagram
  • Snapchat
  • Pinterest
  • Other (please list)

Do you have the app(s) of any of the forms of social media downloaded on your phone?
  • Yes
  • No

Have you ever used your phone for personal use during the workday?
  • Yes
  • No

Have you checked social media while at work?
  • Yes
  • No
Have you ever online shopped while at work?

• Yes
• No

Scenario: The following section is scenario based. There will be two separate scenarios that will have statements that follow over that individual scenario. Please respond to the statements to your best ability and with complete honesty. There is a short background below to give details to help you understand the scenarios more easily.

Background:

Adam and Danielle both work for the corporate office of Dimons, a grocery chain operating in the Southeastern United States. They both are merchants whose job is to do the buying for the soft drinks, which will be sold in the stores. The two employees both are direct reports to Mark, who is the divisional manager over the section in which they reside.

Scenario 1:

On Monday mornings in the home office of Dimons, employees run their weekly reports regarding last week’s sales, breakdowns, and whether they hit budget. Also, the reports show the current weeks projections for forecasted sales. These reports help employees know how their categories are doing along with providing data to management for decision-making.

One Monday morning, Mark is walking down the hallway checking on his direct reports when he stops behind Adam’s desk. Hearing someone behind him, Adam quickly lays something on his desk and turns around to see it is his boss. “Good morning sir, how are you doing?” Mark, looking flustered, responds “Adam, are you on Facebook again while the reports are running?” Adams shakes his head yes and quickly apologizes while Mark walks off.

Questions over Scenario 1:

Adam was at fault for using his phone during the workday

• Strongly Agree
• Agree
• Neutral
• Disagree
• Strongly Disagree
Mark was justified for getting upset at Adam for being on social media when the reports were running
  • Strongly Agree
  • Agree
  • Neutral
  • Disagree
  • Strongly Disagree

It was okay for Adam to be on his phone for personal use during the work day since he was not busy.
  • Strongly Agree
  • Agree
  • Neutral
  • Disagree
  • Strongly Disagree

Scenario 2:

A new policy had been put in place at Dimon’s home office by upper management regarding online shopping during the day. This had been the result of numerous accounts of employees shopping during the workday. Leadership took a position of not only making it a rule to not do it, but as well for employees to report it when they are seeing it take place.

One Tuesday afternoon Danielle was glancing at her Pinterest at her desk when she saw a newly released dress was just put on sale. Knowing this dress would be perfect for a friend’s wedding she is attending next month, Danielle proceeded to go to the boutique’s website to purchase the dress immediately in case it sold out. A week later, Mark calls Danielle into his office to discuss an accusation that was made about her online shopping during the day. Danielle admitted to it and Mark followed the company policy and issued Danielle a warning. Danielle apologized for it and they both went on with the rest of the workday.

Questions over scenario 2:

It was wrong for Danielle to shop online while at work.
  • Strongly Agree
  • Agree
  • Neutral
  • Disagree
  • Strongly Disagree
Mark was justified for giving Danielle a warning regarding her actions.
  - Strongly Agree
  - Agree
  - Neutral
  - Disagree
  - Strongly Disagree

The company policy regarding online shopping is reasonable.
  - Strongly Agree
  - Agree
  - Neutral
  - Disagree
  - Strongly Disagree
Appendix II – Scenario 1 Results

Adam was at fault for using his phone during the workday.

Mark was justified for getting upset at Adam for being on social media when the reports were running.

It was okay for Adam to be on his phone for his own personal use during the workday since he was not busy.
Appendix III- Scenario 2 Results

It was wrong for Danielle to shop online while at work.

Mark was justified for giving Danielle a warning regarding her actions.

The company policy regarding online shopping is reasonable.
9. References


