Contested Transparency: Digital Monitoring Technologies and Worker Voice

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Advances in artificial intelligence and data analytics have notably expanded employers' monitoring and surveillance capabilities, facilitating the accurate observability of work effort. There is an ongoing debate among academics and policymakers about the productivity and broader welfare implications of digital monitoring (DM) technologies. In this context, many countries confer information, consultation and codetermination rights to employee representation (ER) bodies on matters related to workplace organization and the introduction of new technologies, which could potentially discourage employers from making DM investments. Using a cross-sectional sample of more than 21000 European establishments, we find instead that establishments with ER are more likely to utilize DM technologies than establishments without ER. We also document a positive effect of ER on DM utilization in the context of a local-randomization regression discontinuity analysis that exploits size-contingent policy rules governing the operation of ER bodies in Europe. We rationalize this unexpected finding through the lens of a theoretical framework in which shared governance via ER create organizational safeguards that mitigate workers' negative responses to monitoring and undermines the disciplining effect of DM technologies.