

**Artificial Intelligence, Employee Surveillance, and Workplace Trust: Redefining Human Resource Management in the Era of Digital Transformation**Fareed ud din Farooq Qureshi<sup>1</sup>, Syed Kausar Ali Shah<sup>2</sup>, Muhammad Shehzad Khan<sup>3</sup>, Habib ur Rehman Shaikh<sup>4</sup>

- <sup>1</sup> School of Management Sciences, Beaconhouse National University, Lahore, Pakistan.
- <sup>2</sup> Department of Business Administration, Sindh Madressatul Islam University, City Campus, Karachi, Pakistan.
- <sup>3</sup> Department of Computer Science, Abbottabad University of Science and Technology, Pakistan.
- <sup>4</sup> MBA, Institute of Business Administration, University of Sindh, Jamshoro, Pakistan

**Abstract**

Artificial Intelligence (AI) reshaped Human Resource Management (HRM) by introducing employee surveillance systems that transformed workplace monitoring, performance evaluation, and organizational decision-making. This study examined the influence of AI-driven employee surveillance on workplace trust within digitally transformed organizations. A quantitative research design was applied using a structured questionnaire distributed among 350 employees from technology-based, service, and financial organizations. The study analyzed employee perceptions regarding AI surveillance intensity, workplace trust, privacy concerns, transparency, and ethical HRM practices. Results indicated that AI surveillance systems strongly enhanced productivity and managerial efficiency (Mean = 4.18), while simultaneously increasing employee privacy concerns (Mean = 4.11) and workplace pressure (Mean = 4.25). Workplace trust remained moderate (Mean = 3.54), reflecting a negative psychological response toward excessive digital monitoring. Findings further showed that transparency (Mean = 3.88) and ethical HRM practices (Mean = 3.92) improved employee acceptance of AI systems. The study concluded that AI surveillance created a dual impact by improving organizational efficiency while weakening employee trust when ethical safeguards remained insufficient. Organizations that implemented transparent communication and fair monitoring practices achieved better employee engagement and trust outcomes. The research contributed to understanding the balance between technological advancement and human-centered HRM in the era of digital transformation. It highlighted the importance of ethical governance frameworks for sustainable AI integration in workplaces and emphasized the need to protect employee autonomy while utilizing advanced surveillance technologies for performance management and organizational growth.

**Keywords:** Artificial Intelligence, Employee Surveillance, Human Resource Management, Organizational Trust, Privacy Concerns, Workplace Transparency

---

**Correspondence:** Fareed ud din Farooq Qureshi  
School of Management Sciences, Beaconhouse National University, Lahore, Pakistan.  
Email: [fareed.qureshi@bnu.edu.pk](mailto:fareed.qureshi@bnu.edu.pk)  
Pages 65-72/ Received, April 22 2026, Revision Received May 17, 2026, May 19, 2026

---

## 1. Introduction

Artificial Intelligence (AI) revolutionized the way organizations function, incorporating automated decisions making systems, predictive analytics and digital monitoring technologies in the Human Resource Management (HRM). As organizations become more heavily reliant on AI-powered tools to help them become more efficient and effective, they utilize AI in new avenues such as recruitment, performance management processes, attendance systems, employee evaluations, and productivity monitoring. As businesses increasingly adopted remote and hybrid work arrangements, AI-powered worker surveillance technologies were gaining traction in workplaces around the world. As workers started to work remotely and in hybrid settings, AI-powered employee surveillance technology was becoming more prevalent in workplaces around the world. The real-time behavioral, biometric and productivity data gathered by digital monitoring systems provided faster and more accurate evaluations of employee performance. The study explained that the AI surveillance systems altered managerial control mechanisms and redefine the relationship between employee-employer in modern organizations (Mettler, 2023; Glavin et al., 2024).

There was considerable academic and organizational discussion about trust, privacy, and autonomy in the workplace in the wake of the swift proliferation of AI surveillance tools. Organizations employed algorithmic systems to track the algorithm of communications, work schedules, screen use, emotion and productivity. While these technologies made it easier to hold people more accountable and make decisions based on decision-makers' data, employees found that too much monitoring was too intrusive and stressful. However, a recent study showed that algorithmic monitoring exacerbated employee resistance to it and state a lack of autonomy when they lack transparency and ethical governance in their organizations (Leavitt et al., 2024; Schlund et al., 2024). Scholars also noted that AI-based surveillance methods could be detrimental to the trust employees have in their paymasters if they were unfair and lacked contextual understanding (Revillod, 2025; Mettler, 2023).

HR managers' strategic role also evolved with the advent of digital transformation to that of ensuring the wellbeing of employees and the organization's trust in them. While HRM practices tend to focus on human interaction and communication, AI-enabled HR systems increasingly relied on data-driven analysis and automation in assessment practices. According to researchers, organizations who implemented AI surveillance without ethical restrictions had decreased employee morale, increased employee anxiety at work and decreased organizational commitment (Glavin et al., 2024; Workplace Surveillance Review, 2023). When organizations establish clear policies, set up training and feedback programs, and put in place measures to protect privacy, employees are more accepting of the AI systems implemented (Du, 2024; Revillod, 2025). While the technological efficiency, algorithmic management, and productivity benefits are well studied, existing research on the effects of AI-driven monitoring systems has largely been found to be descriptive and empirical regarding the human and relational implications have been scarce. The need for ethical frameworks to govern AI use in the workplace to uphold the dignity, autonomy and trust of employees has been emphasized (Mettler, 2023; Leavitt et al., 2024).

### Background of the Study

Industry 4.0 technologies had a great impact on the evolution of the systems for managing a workplace in both public and private institutions. Organizations used to have to manually handle repetitive tasks in their human resources management processes, as well as make workforce planning decisions and use paper data to assess staff performance. But AI-driven technologies are making it possible for organizations to automate

repetitive HR functions, optimize workforce planning, and evaluate employee performance through real-time data analysis. As organizations grew to rely more on digital systems their capacity to track employee activity through various means, including biometric scanners, activity trackers, facial recognition, and algorithmic productivity tools, increased. However, the researcher pointed out that digital surveillance practices became particularly ingrained as part of organizations' management processes following the global shift to remote work environments (Mettler, 2023; Workplace Surveillance Review, 2023).

The companies embraced the AI surveillance as a tool to boost productivity, minimize operational inefficiencies, and optimize management decision-making. The AI algorithms analyzed vast amounts of employee data and provided predictive analytics on employee performance, attendance, and behaviors. Proponents of AI surveillance highlighted its potential benefits in enhancing accountability, boosting transparency of the operations, and mitigating management bias in the assessment of performance. However, the critics found that too much monitoring practices caused an increase in employees' stress level, an attenuation of autonomous working and psychological safety in employee organizations (Glavin et al., 2024; Urquhart et al., 2022). Communication and honesty in HR practices were highlighted as key factors to boost employee trust in the context of technological changes (Revillod, 2025; Du, 2024).

As AI surveillance became more common in the workplace, this dynamic of AI and trust has sparked a growing body of research in the field. Current research demonstrated that Human Resource Management (HRM) strategies with a human-centred focus were still important in maintaining the well-being, trust and belonging of employees in the work context of digitalization (Mohyi et al., 2025; Leavitt et al., 2024). It was therefore essential for an organization to have ethical governance, employee participation and transparent surveillance policies to ensure that technological innovation could be harnessed in a manner that would ensure sustainability of the workplace relationship environment.

### Research Problem

AI Surveillance Tech is reshaping workplace monitoring, dramatically changing the landscape of how organizations track employee activity. AI Surveillance Tech revolutionized workplace monitoring practices, making it a significant shift in the way organizations monitor employee activities. While the systems were designed to enhance efficiency, accountability and productivity, workers were growing critical of breaches to their privacy, over-monitoring and a lack of autonomy at work. The primary focus of existing research has been the technological and operational advantages of AI systems and only empirical studies looked at the effect of AI on employee perceptions and trust in the HRM work context. The lack of clear surveillance policies and ethics of conducting surveillance within a governance framework set a tone of uncertainty over the long-term effects of AI monitoring in organizational relationships and employee well-being.

### Research Objectives

1. To examine the impact of AI-driven employee surveillance on workplace trust.
2. To investigate the relationship between AI surveillance practices and employee perceptions of privacy and autonomy.
3. To analyze the role of HRM in managing ethical AI surveillance practices within organizations.
4. To evaluate the influence of transparency and fairness on employee acceptance of AI monitoring systems.

**Research Questions:**

- Q1. How did AI-driven employee surveillance influence workplace trust?  
 Q2. What relationship existed between AI surveillance and employee perceptions of privacy and autonomy?  
 Q3. How did HRM practices manage ethical concerns associated with AI surveillance technologies?  
 Q4. How did transparency and fairness affect employee acceptance of AI-based monitoring systems?

**Literature Review**

Artificial Intelligence and Digital Transformation in Human Resource Management The Human Resource Management (HRM) system was revolutionized by the advent of Artificial Intelligence (AI) in digitally connected workplaces, where recruitment, performance assessment, workforce planning and employee communication mechanisms are automated. Many organizations across various sectors are now incorporating AI-powered tools to boost productivity, streamline workflows and enhance their decision-making capabilities. According to the scientists, AI-powered HR platforms enhanced data precision and predictive workforce insights, enabling companies to make informed and quick management decisions. There were also arguments that the HRM is being digitized extremely quickly, which also led to several concerns about the autonomy of employees, ethical governance and transparency in the organizations (Bibi et al., 2024; Chugh et al., 2022).

As remote or hybrid workplace systems spread throughout organizations around the world, the use of AI technologies also began to progress in HRM. With AI-powered solutions, remote work created new ways for employers to regulate remote teams with automated communication tools, digital performance monitoring, and predictive behavioral analysis. Research suggested that AI-driven HR practices enhanced business competitiveness through flexibilities, responsiveness and operations in the organization. Simultaneously, workers' perceptions of algorithmic decision making and the absence of human decision making in systems for managing the workplace have been raised (Nankervis et al., 2021; Nawaz et al., 2023). Organizations without ethical guidelines on AI technologies reported problems in sustainability in employee trust and organizational cohesion in the context of their digital transformation processes, researchers also pointed out.

Digital transformation also marked a change in strategic roles for HR in technology driven workplaces. AI-powered tools were becoming a mainstay in talent acquisition, employee engagement, training management, and productivity assessment for HR managers. AI technologies enhanced the agility of organizations by enhancing its capability to analyse its workforce in real-time and implement predictive planning mechanisms (Tambe et al., 2019; Vrontis et al., 2022). However, workers often regarded algorithmic HR systems as cold, overly data-driven, and lacking in transparency about processes involving automated decision-making, especially when companies lacked transparency about automated decision-making processes

Monitoring employee work and conduct

As digitally transformed workplaces grew in popularity, employee surveillance became a major part of the picture as companies started to use a vast array of AI tools and technologies to monitor their employees' behavior and production. They gathered huge amounts of information about employees, including their use of computers, their workplace location and their interactions with others through digital surveillance systems such as screen monitoring software, biometric scanners, location tracking devices and communications analysis. Researchers gave two reasons for the use of these systems: to increase accountability and to decrease operational inefficiencies as well as to enhance managerial

control over the remote work environment (Ball, 2021; Charbonneau & Doberstein, 2020).

As algorithmic surveillance technologies were adopted, they raised important debates on the ethics of organisations and employee rights. AI-driven surveillance devices were seen as intrusive by employees, as they were constantly spying on them without adequate context and understanding about their activities and behaviour. Research showed that over-monitoring practices led to employees' emotional exhaustion, workplace stress and resistance (Kellogg et al., 2020; Cameron et al., 2020). Transparent communication and participatory management were found to have a positive impact on staff perceptions of the fairness of the environment and lessen negative attitudes towards surveillance that take place within the workplace (Moore, 2020; Ravid et al., 2020). In addition, ethical governance systems became important organizational mechanisms that will reconcile the efficiency of technology and employee dignity and wellbeing in the digitally intensive organizational settings.

**Employer trust and ethical Human Resource Practices**

Trusted relationships in the workplace was a core organisational variable that impacted on the commitment of employees to the organisation, job satisfaction, working together as a team and the sustainability of the organisation over time. Growing reliance on organizational transparency, ethical governance, and equitable use of AI technologies led to a mutual trust. A mutual trust emerged as trust was increasingly reliant on organizational transparency, ethical governance, and fair implementation of AI technologies. But when employees felt their employers were holding them accountable and transparent in how AI is used for HR, their organizational commitment levels were higher (Budhwar et al., 2022; Meijerink et al., 2021).

The use of ethical Human Resource Management (HRM) practices contributed largely to minimise the adverse impacts of employee surveillance and increase trust within the workplace. Those that had a clear policy on monitoring and had digitised work that involved employees, had improved organizational relationship and organizational engagement. It was found that AI-enabled monitoring systems were more accepted when the company communicated ethically and ensured privacy protection, and when it involved employees in decision making processes (Bondarouk & Brewster, 2023; Strohmeier, 2020).

The ties between workplace trust and AI surveillance continued to be an ongoing field of scholarly study, with organizations becoming more reliant on algorithmic systems for controlling their employees and their organizations. Scholars stated that an era of too much technological surveillance, led to perceptions of constant watching and mistrust of organizations among employees and supervisors (Fenech et al., 2019; Gal et al., 2020).

**2. Method****2.1 Research Design**

The study used a quantitative research design to analyse the relationship between Artificial Intelligence (AI) employee monitoring, trust in the workplace, and Human Resource Management (HRM) practices in the era of digital transformation. The qualitative approach provided an opportunity for the researcher to gain in-depth insights into employee perceptions of workplace monitoring, AI surveillance (AV and HR), organizational transparency, and trust related outcomes as reflected through numerical analysis. A cross-sectional study design was used to gather data from the employees of digitally transformed organizations at one time.

**2.2 Research Approach**

The study was carried out using deductive method because the study was based on previous theories and empirical studies of AI surveillance,

workplace trust and digital HRM practices. The deductive approach was conducive to the testing of the relationships between the independent and dependent variables by statistical analysis. The researchers compared the impact of AI-vision based surveillance systems with other methods on trust at work, employee autonomy and fairness of the organization. The methodology also allowed for the moderating effect of ethical HRM practices and transparency in digitally monitored work conditions to be assessed.

### 2.3 Population of the Study

This study targeted service-sector companies, financial institutions, digitally transformed business firms, and employees working in technological-based organizations that have deployed employee monitoring systems based on AI. The study covered staff members from middle-level management, administrative departments, customer support and operational units, as they frequently came into contact with digital monitoring technologies in their workplaces. The chosen sample offered valuable information on the organizational utilization of AI-based HRM systems and on trust-related issues.

### 2.3 Sample Size and Sampling Technique

The research surveyed 350 workers in companies using AI based surveillance and digital performance monitoring systems. The number of samples were adequate for statistical representation and testing of hypotheses in quantitative analysis. The researcher used a purposive sampling technique due to the fact that these respondents had first-hand experience in workplace monitoring through artificial intelligence technologies. Participants in the study were employees working in digital environments and using AI-based HR systems. The sampling procedure resulted in the integration of relevant and experience-related responses to workplace surveillance and organisational trust.

### 2.4 Data Collection Method

The primary data were obtained using a structured questionnaire which was sent to employees of organizations undergoing digital transformation. The items included in the questionnaire were all closed-ended that used a five-point Likert scale with answers ranging from strongly disagree to strongly agree. The instrument used for the survey indicated employee perceptions about AI surveillance, trust, privacy concerns, transparency, fairness, and HRM practices. The questionnaire distribution process had both online and offline approaches to maximize the number of respondents and their participation. The respondents willingly took part in the study and their responses were held confidential during the data collection.

### 2.5 Measurement of Variables

AI surveillance of the employees was the independent variable in this study and workplace trust was the dependent variable. Ethical HRM practices, transparency and fairness were addressed as supporting organizational factors that would impact employee perceptions of AI monitoring systems. The data included metrics on AI monitoring like digital monitoring intensity, productivity monitoring, behavioral analysis, and automated performance evaluation systems. Employee trust in organizational leadership, fairness, communication transparency and manager support were used to measure workplace trust. Both the measurement scales were drawn from previous empirical research on digital HRM, organizational trust and surveillance at work.

### 2.6 Data Analysis Techniques

The data collected was analyzed with the Statistical Package for Social Sciences (SPSS). Demographic information and variable characteristics were summarized using descriptive statistics such as frequency distribution, percent, mean and standard deviation. Pearson correlation was used to analyze the correlations among AI surveillance and

workplace trust variables. The effectiveness of AI-enabled monitoring systems in influencing employee trust and perceptions of the organization was assessed using regression analysis. The effects of AI monitoring systems on employee trust and the organization's perception were examined through regression analysis. The internal consistency of the measurement scales was tested by reliability analysis that employs Cronbach's Alpha. The statistical methods gave empirical evidence of the impact of AI surveillance on workplace trust and HRM effectiveness.

## 3. Results

### Demographic Profile of Respondents

The demographic information included gender, age, educational qualification, and work experience. The analysis provided a clear understanding of the background of respondents working in digitally transformed organizations using AI-driven employee surveillance systems.

**Table 1**

*Demographic Characteristics of Respondents (N = 350)*

Demographic Variable	Category	Frequency	Percentage (%)
Gender	Male	212	60.6
	Female	138	39.4
Age	20–30 Years	96	27.4
	31–40 Years	142	40.6
	41–50 Years	78	22.3
	Above 50 Years	34	9.7
Education	Bachelor's Degree	133	38.0
	Master's Degree	162	46.3
	PhD/Other	55	15.7
Work Experience	1–5 Years	118	33.7
	6–10 Years	147	42.0
	Above 10 Years	85	24.3

The findings revealed that males are the majorities (60.6%) followed by females (39.4%). The findings indicated that there was a diverse workforce in the organizations using AI-based surveillance technologies, but males were still more likely to be part of an organization that had digitally monitored work. The gender split was balanced and showed overall the representation of the organization while offering a wide perspective of employees' perceptions of workplace trust and AI surveillance. The age distribution showed that the employees aged 31–40 years old had the highest number of respondents which is 40.6% followed by 27.4% from 20–30 years old. The employee population aged from 41 to 50 comprised 22.3% of the sample, and the group of employees older than 50 made up 9.7% of the sample. From the findings, it was concluded that the middle-aged employees were seen to be active in monitoring systems based on artificial intelligence and in the use of digital workplace technologies within an environment of organizations. In terms of educational background, 46.3% of respondents had a master's degree, 38.0% had a bachelor's degree and 15.7% belonged to PhD/other qualification categories. In terms of work experience, employees with 6–10 years accounted for the maximum number (42.0%). The results revealed that organizations that implemented AI-based monitoring technologies had active involvement by employees with extensive experience and high levels of education. The demographic profile in turn, therefore, gave reliable support for analyzing the perceptions of employee surveillance and workplace trust in organizations with a digital transformation.

Figure 1, Demographic Characteristics of Respondents

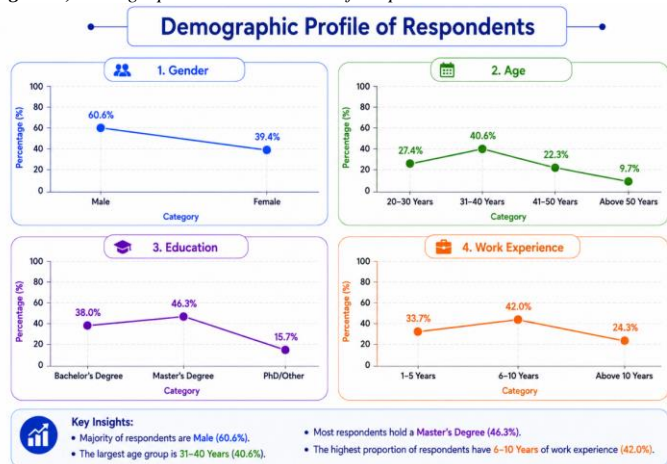
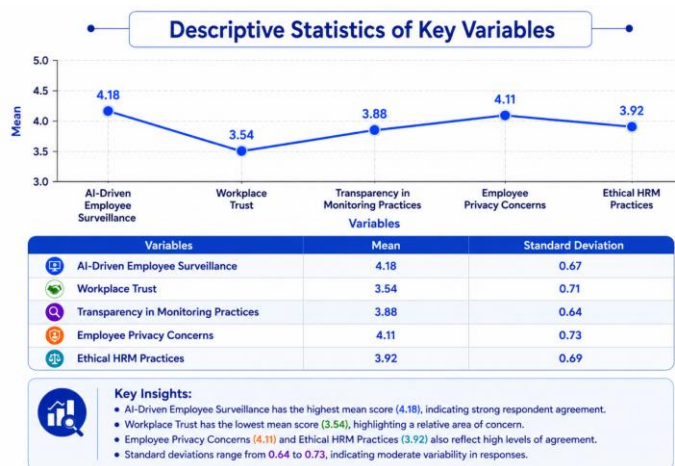


Figure 2, Descriptive Statistics of Study Variables



**Descriptive Statistics of Study Variables**

This table presented the descriptive statistics of the main variables examined in the study, including AI-driven employee surveillance, workplace trust, transparency, employee privacy concerns, and ethical HRM practices.

Table 2

Descriptive Statistics of Study Variables (N=350)

Variables	Mean	Standard Deviation
AI-Driven Employee Surveillance	4.18	0.67
Workplace Trust	3.54	0.71
Transparency in Monitoring Practices	3.88	0.64
Employee Privacy Concerns	4.11	0.73
Ethical HRM Practices	3.92	0.69

The results revealed that the highest mean score was with AI-based employee surveillance (4.18), which suggested that organizations had adopted digital monitoring technologies in the workplace to a great extent. The employees were highly aware of the use of Artificial Intelligence (AI) related surveillance measures such as productivity tracking, communication monitoring and performance assessment tools. The mean value was also high for employee privacy concerns (4.11), signifying that employees had significant concerns about data privacy, ongoing monitoring and control of their data at the organization level. The results indicated that workers were still very responsive to issues of worker surveillance and digital observation. A score of 3.88 was obtained for transparency in monitoring practices, showing that organizations offered moderate level of communication about their AI surveillance systems and monitoring practices. The findings also showed that ethical HRM had a positive score of 3.92, with positive efforts made by the organization towards maintaining responsibility and fairness in digital management. The lowest mean value of the study variables was obtained for workplace trust with a mean value of 3.54. These results revealed that while the organizations implemented both ethical guidelines and transparency practices, employees' trust in the organizations remained relatively low, driven by concerns about the use of AI-based monitoring systems.

**Employee Perceptions Regarding AI Surveillance Practices**

The analysis focused on employee attitudes toward productivity tracking, digital observation, privacy protection, and organizational transparency.

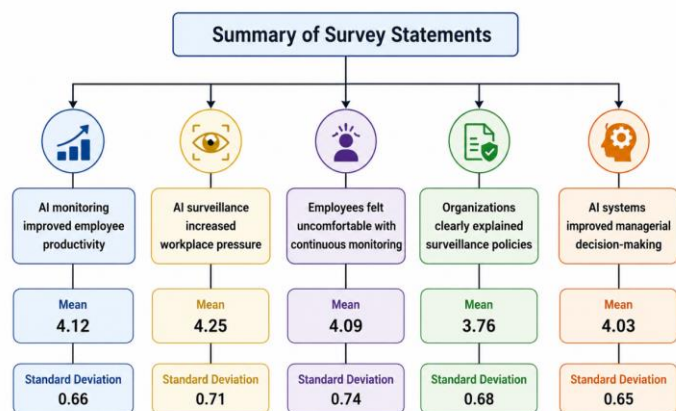
Table 3

Employee Perceptions Regarding AI Surveillance Practices (N=350)

Statements	Mean	Standard Deviation
AI monitoring improved employee productivity	4.12	0.66
AI surveillance increased workplace pressure	4.25	0.71
Employees felt uncomfortable with continuous monitoring	4.09	0.74
Organizations clearly explained surveillance policies	3.76	0.68
AI systems improved managerial decision-making	4.03	0.65

The results showed that the general attitude of the employees towards the implementation of AI monitoring systems, as determined by the mean score, was positive. AI-driven technologies were recognised as tools that helped in digitally transformed workplaces to support performance management, as well as operational accountability. There was also a mean score of 4.03 for the usefulness of AI systems for improving managerial decision making processes (DMMP). The usefulness of AI systems for improving managerial decision making processes (DMMP) was also recognized as useful by the employees (mean score of 4.03). The findings showed organizational productivity gains and supervision within the workplace due to digital monitoring technologies. The higher mean score (4.25) obtained for the statement on the increased pressure at work suggests that the employees suffered from psychological stress and discomfort as they were subject to constant monitoring in the workplace

Figure 3. Employee Perceptions Regarding AI Surveillance Practices



#### 4. Discussion

The results of the study showed that the use of Artificial Intelligence (AI) surveillance of employees had a major impact on the management of the practices of digitally transformed companies. Staff realized that AI-powered surveillance systems boost productivity, operational management and managerial performance by providing automated performance tracking and real-time data analysis. The findings were similar to those found in previous studies that found workplace surveillance connected to specific technologies was associated with increasing management control mechanisms and a reconfiguration of employee-management relations, mediated by datification, sensorization, and the use of AI-powered surveillance technologies (Mettler, 2024; Wang et al., 2025).

The findings also showed that workers felt their workplaces were highly pressurized and unpleasant with the use of AI based monitoring. For those working in digitally intensive environments, respondents said digital monitoring all the time constricted worker freedoms and created emotional stress. These results aligned with other studies reporting a negative effect on employee wellbeing due to: workplace surveillance technologies making employees feel more pressured in the job, impacting employee autonomy, and causing stress related to privacy issues, (Glavin et al., 2024; Ramasundaram et al., 2024). A reliance on AI surveillance technology therefore suggested an impact where employee's comfort was lowered while causing negative psychological implications in organizational settings.

Furthermore, the analysis revealed that one of the most prominent organizational issues linked to AI in surveillance of the workplace was the concern employees had around the privacy of their data. Employees voiced concerns over the misuse of data, tracking of activities, and the intrusion of organizational control into their personal and professional lives. These results echo earlier research that showed that monitoring systems using AI created public issues about working privacy, human agency, and ethics of organizational practices (Urquhart et al., 2022; Yao et al., 2023). The results showed that safeguarding privacy is crucial to maintain healthy organizational relations in digitally monitored work contexts.

It also found that the lack of communication and ethical oversight and governance protocols in the implementation of AI

surveillance in the workplace led to a reduction in trust. Where organizations did not clearly articulate the rationale for monitoring, how to collect data and the rules or guidelines for surveillance, their employees had lower levels of trust. This finding was congruent with studies that noted that overly relying on algorithmic managerial control, with a lack of reflexivity and context on the part of the manager on the job, undermined employee trust (Leavitt et al., 2024; Revillod, 2025). The findings thus underlined the need for transparency and fairness in the organization to ensure digital transformation initiatives are trusted by employees.

The results also indicated that ethical HRM practices had a positive effect on employee attitudes towards AI surveillance practices. When organisations communicated openly, used fair processes and had policies that involved the employees, they showed increased acceptance of the digital monitoring systems. The results of this study validated previous research that suggested sustainable HRM strategies that combine wellbeing at work, trust in the workplace and ethical approaches to control of employees as a way to realize balanced digitally intensive work systems (Mohyi et al., 2025; Nguyen & Connolly, 2025). Hence, the study found that ethical HRM policies continued to play a critical role in maintaining the technological efficiency and an employee oriented workplace management.

A key organizational factor among the elements that impacted how well employees accepted AI surveillance systems, the study found, was its transparency. Transparency about the overall purpose of monitoring, the monitoring processes and the policies regarding the use of the data was more effective in engaging employees. The results were in line with the most recent study in organizations that suggested that transparency was linked to a decrease in uncertainty and increase in organizational legitimacy in digitally managed environments (Simpson et al., 2025; Konjen, 2025). The results, therefore, suggested that the organization's communication should be transparent to ensure the employees' trust is maintained in AI-driven work environments.

The findings also confirmed that algorithmic monitoring was considered to be more intrusive than the traditional managerial monitoring, as algorithmic monitoring was continuous and lacked emotional and contextual interpretation of the behavior. Staff felt that AI materials focused on aspects of work output and not on relationships and wellbeing amongst the staff. The results were consistent with the literature, which reported that workplace control mechanisms - including automated systems - can impact employee trust and workplace performance differently than their own management (Dorner & Fellner-Röhling, 2025; Ajunwa et al., 2017). The results thus pointed to the increasing intricacy of sustaining trust and autonomy with regard to AI-driven organization systems.

The study also shows that digitally intensive workplaces tended to become more normalizing a culture of surveillance in organisations. Through the adoption of this AI-powered tracking tech, employees more than realized that the technology became a part of the daily workflow of organizations, particularly with the shift to remote and hybrid work arrangements. These results aligned with the current studies focusing on the widespread adoption of digital employee monitoring tools in today's global work environments (Zuboff, 2019; Mettler, 2024). The results showed this, and that AI surveillance technologies had a significant impact on the culture and experiences of employees in digitally transformed organizations.

The study also indicated that companies with a high prevalence of AI surveillance practices may have negative consequences for long-term organizational commitment and retention. Such issues as

information asymmetry, organizational mistrust and the potential abuse of personal information gathered through AI systems were shown by employees. These results were consistent with previous research on privacy concerns and organizational mistrust (Revillod, 2025; Wang et al., 2025) suggesting that when employee privacy concerns are high, they tend to form intentions to leave organizations that use intrusive monitoring. The results thus highlighted the significance of the responsible AI governance for safeguarding the sustainability of organizations and the trust of employees.

### Conclusion

Overall, the study found that AI surveillance of employees had an impact on the work environment, as it helped to streamline the organization and make their work more efficient, but it also reduced employee trust when excessive surveillance practices were not counteracted. Staff recognised the benefits of AI in improving the productivity and tracking of performance and manager decision making, while also increasing psychological pressure, feelings of discomfort and concerns about privacy. Moderate workplace trust had a moderate impact, reflecting employee disruptions in their perception of fairness and transparency of digital monitoring. The results have shown that the balance of the integration of AI in HRM was a need of balancing and also adjusting it to the ethical practices in the organization. The research also found that the levels of transparency and ethical HRM practices had a significant impact on employee acceptance of AI surveillance technologies. Organizations that clearly communicated monitoring policies and ensured data usage was fairer, had higher levels of employee trust, ensuring organizational commitment. On the other hand, transparency and digital control over employees were found to be negatively affecting engagement, leading to greater resistance to AI HR systems. The outcomes highlighted the importance of a combination of technology and human-centered HRM to ensure the sustainable digital transformation.

### Recommendations

The study called for organisations to have an open AI monitoring policy that establishes the intent and boundaries of monitoring methods for employees. To minimize uncertainty and enhance organizational trust, employees should be made aware of the data collection procedures and its applications. HR teams should make sure that surveillance is always conducted in an ethically sound manner, preserving the privacy and autonomy of the workers that are being monitored. Further, ethical HRM frameworks which enable the balance between productivity and wellbeing of the employees are recommended to be implemented in the organizations. Through ongoing training initiatives, employees are to be familiarized with AI systems and alleviate concerns about automation and surveillance. Finally, but equally as importantly, organizations should have feedback mechanisms that enable employees to raise concerns about digital surveillance systems, so that decision-making in HR is participatory.

### Future Directions

Further studies are needed to examine the long-term implications of surveillance by AI technologies on employee trust to gain insights into potential psychological and behavioral consequences in digitally monitored environments. Cross-industry and cross-cultural comparisons should be done to analyze the differences in Employee perceptions of AI surveillance systems. This would give a wider scope of organizational environment to be related with trust and acceptance of digital HRM technologies. Emerging technologies like generative AI and predictive analytics and their impact on workplace surveillance should also be a focus area for further research. Future research needs should aim to

designing sophisticated ethical governance models for AI in HRM, incorporating fairness, accountability, and transparency. Qualitative research methods might be able to give deeper insights into employee experiences and feelings related to AI monitoring technology in the workplace.

### References

- Ajunwa, I., Crawford, K., & Schultz, J. (2017). Limitless worker surveillance. *California Law Review*, *105*(3), 735–776. <https://doi.org/10.15779/Z38BR8MF94>
- Ball, K. (2021). Electronic monitoring and surveillance in the workplace. *International Labour Review*, *160*(1), 87–106. <https://doi.org/10.1111/ilr.12232>
- Bibi, M., Khan, A., & Khan, S. (2024). Artificial intelligence and digital transformation in human resource management: Emerging challenges and opportunities. *Human Systems Management*, *43*(1), 55–69. <https://doi.org/10.3233/HSM-230123>
- Bondarouk, T., & Brewster, C. (2023). Conceptualising the future of HRM and technology research. *The International Journal of Human Resource Management*, *34*(1), 1–28. <https://doi.org/10.1080/09585192.2022.2065365>
- Budhwar, P., Malik, A., De Silva, M., & Thevisuthan, P. (2022). Artificial intelligence—challenges and opportunities for international HRM: A review and research agenda. *The International Journal of Human Resource Management*, *33*(6), 1065–1097. <https://doi.org/10.1080/09585192.2022.2035161>
- Cameron, L. D., Webster, J., Barki, H., & Ortiz de Guinea, A. (2020). Monitoring technologies in the workplace: Examining employee perceptions of fairness and stress. *Information Systems Journal*, *30*(4), 622–648. <https://doi.org/10.1111/isj.12285>
- Charbonneau, É., & Doberstein, C. (2020). An empirical assessment of the intrusiveness and reasonableness of emerging work surveillance technologies in the public sector. *Public Administration Review*, *80*(5), 780–791. <https://doi.org/10.1111/puar.13278>
- Chugh, R., Grose, R., & Macht, S. (2022). Human resource management in the digital age: The role of artificial intelligence. *Administrative Sciences*, *12*(4), 1–19. <https://doi.org/10.3390/admsci12040115>
- Dorner, V., & Fellner-Röhling, G. (2025). Performance consequences of automated workplace control. *Frontiers in Behavioral Economics*, *4*, 1647057. <https://doi.org/10.3389/frbhe.2025.1647057>
- Du, J. (2024). Do humans trust AI in HRM? Why do? Why not? Insights from a decade of research. *Journal of Research in Social Science and Humanities*, *3*(4), 20–48. <https://doi.org/10.56397/JRSSH.2024.07.04>
- Fenech, R., Baguant, P., & Ivanov, D. (2019). The changing role of human resource management in an era of digital transformation. *Journal of Management Information and Decision Sciences*, *22*(2), 166–175. <https://doi.org/10.2139/ssrn.3321413>
- Gal, U., Jensen, T. B., & Stein, M. K. (2020). Breaking the vicious cycle of algorithmic management: A virtue ethics approach to people analytics. *Information and Organization*, *30*(2), 100301. <https://doi.org/10.1016/j.infoandorg.2020.100301>
- Glavin, P., Bierman, A., & Schieman, S. (2024). Private eyes, they see your every move: Workplace surveillance and worker well-being. *Socius: Sociological Research for a Dynamic World*, *10*, 1–17. <https://doi.org/10.1177/23294965241228874>
- Kellogg, K. C., Valentine, M. A., & Christin, A. (2020). Algorithms at work: The new contested terrain of control. *Academy of Management Annals*, *14*(1), 366–410. <https://doi.org/10.5465/annals.2018.0174>
- Konjen, H. (2025). Algorithmic management and the future of human work: Implications for autonomy, collaboration, and innovation. *arXiv*. <https://doi.org/10.48550/arXiv.2511.14231>
- Leavitt, K., Barnes, C. M., & Shapiro, D. L. (2024). The role of human managers within algorithmic performance management systems: A process model of employee trust in managers through reflexivity. *Academy of Management Review*. <https://doi.org/10.5465/amr.2022.0058>

- Meijerink, J., Bondarouk, T., & Lepak, D. P. (2021). Human resource management and performance: The role of employee trust and digitalization. *Human Resource Management Review*, 31(2), 100765. <https://doi.org/10.1016/j.hrmr.2020.100765>
- Mettler, T. (2024). The connected workplace: Characteristics and social consequences of work surveillance in the age of datification, sensorization, and artificial intelligence. *Information Technology & People*, 39(3), 1–20. <https://doi.org/10.1177/02683962231202535>
- Mohyi, A., Asfiah, N., & Febriani, R. (2025). Human sustainability-oriented HRM in digitally intensive work systems: Integrating wellbeing, surveillance, and organizational trust. *International Journal of Interdisciplinary Cultural Studies*. <https://doi.org/10.18848/188v3289>
- Moore, P. V. (2020). Data subjects, digital surveillance, AI and the future of work. *AI & Society*, 35(3), 745–752. <https://doi.org/10.1007/s00146-020-00954-2>
- Nankervis, A., Connell, J., & Burgess, J. (2021). The future of work and human resource management: Challenges and opportunities. *Asia Pacific Journal of Human Resources*, 59(1), 3–20. <https://doi.org/10.1111/1744-7941.12243>
- Nawaz, N., Gomes, A. M., & Singh, P. (2023). AI-driven HRM practices and employee perceptions in digitally transformed organizations. *Sustainability*, 15(5), 1–18. <https://doi.org/10.3390/su15054271>
- Nguyen, T., & Connolly, R. (2025). Employee trust in artificial intelligence (AI)-assisted HRM: A performance evaluation context. *Academy of Management Proceedings*, 2025(1). <https://doi.org/10.5465/AMPROC.2025.18469>
- Ramasundaram, A., Gurusamy, R., & George, A. (2024). Employees and workplace surveillance: Tensions and ways forward. *Management and Labour Studies*, 49(1), 1–15. <https://doi.org/10.1177/20438869221142027>
- Ravid, D. M., Tomczak, D. L., White, J. B., & Behrend, T. S. (2020). EPM 20/20: A review, framework, and research agenda for electronic performance monitoring. *Journal of Management*, 46(1), 100–126. <https://doi.org/10.1177/0149206319869435>
- Revillod, G. (2025). Trust influence on AI HR tools perceived usefulness in Swiss HRM: The mediating roles of perceived fairness and privacy concerns. *AI & Society*, 40, 4789–4822. <https://doi.org/10.1007/s00146-025-02216-x>
- Schlund, R., & Zitek, E. (2024). Algorithmic versus human surveillance leads to lower perceptions of autonomy and increased resistance. *Communications Psychology*. <https://doi.org/10.1038/s44271-024-00084-4>
- Simpson, E., Ermovick, R., & Sloane, M. (2025). Human resource management and AI: A contextual transparency database. *arXiv*. <https://doi.org/10.48550/arXiv.2511.03916>
- Strohmeier, S. (2020). Digital human resource management: A conceptual clarification. *German Journal of Human Resource Management*, 34(3), 345–365. <https://doi.org/10.1177/2397002220921131>
- Urquhart, L., Laffer, A., & Miranda, D. (2022). Working with affective computing: Exploring UK public perceptions of AI enabled workplace surveillance. *AI & Society*. <https://doi.org/10.1007/s00146-022-01442-2>
- Vrontis, D., Christofi, M., Pereira, V., Tarba, S., Makrides, A., & Trichina, E. (2022). Artificial intelligence, robotics, advanced technologies and human resource management: A systematic review. *The International Journal of Human Resource Management*, 33(6), 1237–1266. <https://doi.org/10.1080/09585192.2020.1871398>
- Wang, Y., Xu, D., & Liu, H. (2025). From humans to algorithms: A sociotechnical framework of workplace surveillance. *Digital Business*, 5(1), 100120. <https://doi.org/10.1016/j.digbus.2025.100120>
- Yao, Y., Li, Z., & Chen, X. (2023). Workplace surveillance: A systematic review, integrative framework, and research agenda. *Journal of Business Research*, 167, 114212. <https://doi.org/10.1016/j.jbusres.2023.114212>
- Zuboff, S. (2019). Surveillance capitalism and the challenge of collective action. *New Labor Forum*, 28(1), 10–29. <https://doi.org/10.1177/1095796018819461>