Industrial and Organizational Psychology (2025), **18**, 35–39
doi:10.1017/iop.2024.77

CAMBRIDGE UNIVERSITY PRESS

COMMENTARY

Whose interests should technology serve? Employees versus shareholders

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Employees are a company's greatest asset. – Anne M. Mulcahy, former CEO and chairwoman of Xerox Corporation.

Companies are emboldened to raise . . . share prices and thus the wealth of already wealthy shareholders. – Edmund Phelps, American economist and winner of the 2006 Nobel Prize in Economics.

Kaplan et al. (2025) relied upon a quote from Keynes (1930) to initiate a debate regarding why work hours have not declined precipitously in economically developed nations despite technological advancements. The key premise of Keynes's quote is that employees should reap the benefits of technological advancements. Yet, this assumption overlooks that employees may diverge from shareholders—who wield tremendous power in organizations—when deciding whether technology should be used to save time or increase production (Battilana et al., 2022). We rely on stakeholder theory (Freeman, 1984) to explain why shareholders, rather than employees, have ultimately reaped the benefits of technological advances. We also explore how the power dynamic may shift in favor of employees with continued pushback against the 40-hour workweek and legislative changes.

Shareholders as the beneficiaries of technology

Kaplan and colleagues overlook a fundamental question: "In whose interest should the public corporation be governed?" (Fiss & Zajac, 2004, p. 501). Organizations "serve as sites of contested power," whereby practices are predominantly determined by the stakeholders that possess the greatest power (Grimes et al., 2019, p. 825). Stakeholders are persons or groups with a vested interest in an organization, including employees, customers, suppliers, and shareholders (Donaldson & Preston, 1995). Stakeholders often pose conflicting demands of organizations; meeting the demands of one stakeholder group may necessitate violating the expectations of other stakeholders (Pache & Santos, 2010). From shareholders' perspective, "The social responsibility of business is to increase its profits" (Friedman, 1970, p. 32). Employees, customers, and suppliers have broader interests, nudging corporations to focus on social responsibilities beyond profits, including environmental impact and fair working conditions (Aguilera et al., 2007).

Shareholder-profit maximization and employees' desideratum are often positioned as oppositional (e.g., Battilana et al., 2022; Jones et al., 2018). Prioritizing shareholders over other stakeholders' interests is the predominant business model in the United States and is emerging as a global standard (Fiss & Zajac, 2004). By contrast, employees rely upon organizations for wages and economic status, creating a system in which organizations wield tremendous power over

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https://doi.org/10.1017/iop.2024.77 Published online by Cambridge University Press

employees (Amis et al., 2021). This power dynamic holds despite increased social awareness of the need for organizations to act justly (Kaplan, 2020). Although some leaders advocate for firms to prioritize the just treatment of employees, profitability is typically prioritized over ethical responsibilities (Carroll, 1991; Kaplan, 2020). Firms may pursue the social goal of investing in employees, "but only when they also improve the profits of the corporation"; whereas economic and social goals are posited as "a win–win, the first win (financial performance) always trumps the second win (social good)" (Kaplan, 2020, pp. 2–3).

We propose that prioritizing shareholders over employees' desideratum is responsible for the persistence of a 32–40-hour work week despite technological advancements. To illustrate, the United States has observed a 2.1 average annual percent increase in labor productivity from 1947 to 2024 (U.S. Bureau of Labor Statistics, 2024). Yet, employees' wages have grown at about half that rate, whereas the S&P has gained an average of 10.5% annually since its inception in 1957 (Campbell & Safane, 2024; U.S. Bureau of Labor Statistics, 2024). COVID-19 preliminarily shifted the balance of power in favor of employees—government-mandated lockdowns necessitated that employees transition to remote work, ostensibly giving employees more control over their time. Yet, employers responded by implementing electronic monitoring designed to supervise employees and maximize productivity (Di Meglio, 2023). Postpandemic, many firms—including Amazon, AT&T, Bank of America, Goldman Sachs, Google, and SAP—implemented return-to-work policies, restricting remote work in an attempt to increase productivity (Palmer, 2024; Telford & Abril, 2024). For many employees, mandating time in the office undermines the time savings reaped from remote work, requiring setting aside time for commuting and donning work-appropriate attire.

Next, we contemplate how the balance of power could shift toward utilizing technology to save employees' time. Specifically, we centrally implicate employee activism and legislative changes as mechanisms that may alter the balance of power toward prioritizing employees alongside shareholders.

Taking back power so technology benefits employees

Employees globally are pushing back against overwork, engendering a rise in antiwork sentiment (Alliger & McEachern, 2024; O'Connor, 2022). China is known for a 996-work culture, whereby people work from 9 am to 9 pm 6 days a week (Yip, 2021). Yet, following a series of deaths—including a worker collapsing on the way home from work—employees have begun protesting a culture of overwork (Yip, 2021). In the U.S., 37% of the workforce would consider quitting if required to spend more time in the office, and 47% are not focused on career progression (Dickler, 2024). Half the U.S. workforce are "quiet quitters" who exert minimum effort to meet job requirements (Harter, 2022). Indeed, 45% of U.S. workers admit to working 4 hours or less per day (Callahan, 2023). Even among organizational demands, employees find ways to regain control of their time and use technology for personal gain. Yet, any worker's isolated behaviors or protests cannot broadly shift the balance of power. To see changes in the status quo, collective employee activism and legislative change may help employees realize Keynes's vision.

Employee activism has tremendous potential for shifting firms' actions toward greater inclusion and meeting the desideratum of their employees (Briscoe et al., 2014; Buchter, 2021). For example, Germany is currently in a recession and facing severe labor shortages as workers strike to attain higher wages, better working conditions, and greater work–life balance (Schuetze & Solomon, 2024). In response to employee activism, Germany is experimenting with 4-day workweeks, with 73% of Germans in favor of maintaining the same wage while working one less day per week (Prakash, 2024). Similarly, organizations in South Africa, Belgium, Iceland, Japan, the US, and the UK are experimenting with 4-day workweeks (Dmitracova, 2023; Egan, 2024; Smith, 2024). Notably, the business model behind a 4-day workweek is 100-80-100: employees

https://doi.org/10.1017/iop.2024.77 Published online by Cambridge University Press

receive 100% of their pay for working 80% of the time but are expected to deliver 100% of their typical output (Liu, 2023). To increase the impact of activism, employees may need to band together across organizations. For instance, the International Longshoremen's Association attained a 62% wage increase for dock workers through collective bargaining (Eavis, 2024).

Without government mandates, these marginal gains are inherently limited because they rely upon temporary market factors that shift power dynamics, such as a tight labor supply. Regulatory agencies and legislative bodies can alter the power dynamic in favor of employees by establishing maximum work hours, which typically result in increased employment levels without harming wages (Erbaş & Sayers, 2001). Furthermore, the legal understanding regarding the duty of organizations can be modified to prioritize employees. Some legislative possibilities include requirements that corporate boards reserve at least 40% of seats for board members elected by employees (Accountable Capitalism Act, 2017–2018) and legally redefining the fiduciary duty of boards to emphasize meeting employees' personal and financial needs (Palladino, 2020). Together, these actions may shift the balance of power away from shareholders toward employees, allowing technological gains to benefit employees alongside shareholders.

As organizational scholars, practitioners, and educators, we can also shift the power dynamic in favor of employees. Prioritizing shareholders over employees has seeped into management science, shaping our research questions, contributions, and how we use data to influence organizational leaders. Despite warnings about relying on the business case and calls to place greater value on employees, scholarship remains primarily focused on firm performance and shareholder value maximization (Battilana et al., 2022; Kaplan, 2020). Placing workers' needs at the forefront of scholarship requires reflecting on moral and ethical values at all levels of the profession (Lefkowitz, 2011; Weiss & Rupp, 2011). For example, reward systems could be incorporated in professional associations that hold organizational scientists accountable for addressing applied problems that treat employees' humanity as equally—if not more—important than productivity.

Conclusion

Time is invaluable, and deciding whether to use technology to advantage employees or shareholders is foundationally a choice. We deduce that organizations use technology to monopolize employees' time while increasing financial payoffs for shareholders. Strong institutional and societal forces maintain shareholder power, but employees may gain some control over their time through collective activism and government regulation. Moreover, as educators and scholars, we have the potential to influence organizational leaders, engendering meaningful change toward ensuring employees are at the forefront when balancing stakeholders' desideratum.

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Cite this article: Sitzmann, T., French, K. A., & Fletcher, K. A. (2025). Whose interests should technology serve? Employees versus shareholders. *Industrial and Organizational Psychology* **18**, 35–39. https://doi.org/10.1017/iop.2024.77

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