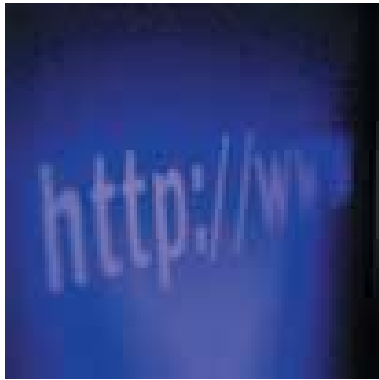


Privacy in the Workplace a Delicate Balance

by Donna Davis, Director, ES Ethics & Business Conduct



Electronic communication has changed the way we do business. We now depend on our ability to instantly communicate with business partners or locate important information via the Internet. But these powerful business tools can also provide the means to circulate inappropriate information with a single command, or they may become a distraction that affects our productivity.

As e-mail and Internet usage continues to grow, more and more companies are finding it necessary to monitor its use. According to a survey by the American Management Association, nearly half of the surveyed companies monitor e-mail usage and more than 60% monitor Internet usage in order to protect the workplace environment and their financial health. Northrop Grumman respects the privacy of individual employees; however, we must balance the respect for privacy against the need to protect our employees and our company from misuse of our network resources.

Why Do We Monitor Usage?

Companies monitor e-mail and Internet usage for several reasons. First, Northrop Grumman could face legal consequences as a result of employees using e-mail or the Internet inappropriately. For example, if an employee is visiting pornographic sites and another employee is subjected to offensive images, even inadvertently, the

employee could claim sexual harassment. Our company must take steps to ensure a work environment that is free of offensive or intimidating materials.

In addition, the size and capacity of our company's network is limited. We have allocated storage space for files and communications bandwidth to meet our business needs. If employees excessively surf the Internet or download non-business files, they are wasting precious and expensive bandwidth and storage space that is intended for other uses.

Finally, using the Internet and e-mail for non-business activities affects productivity. If sixteen employees spend just a half-hour each day surfing the Internet, over the course of the day they've wasted the cost of a full-time employee for that day. Imagine the impact when dozens of employees misuse this amount of time.

Company Communications Are Not Private

Because we send and receive e-mail using a "personal" computer that is on our desk, we operate under the assumption that our messages are personal too. This is not the case. Although Northrop Grumman respects your privacy, it cannot guarantee that your e-mail will remain private. Our company's communications systems are company property. Therefore, our company can legally access anything that resides on those systems. In many criminal and civil cases computer disks have been confiscated as evidence to be used in an investigation of wrongdoing. Should this happen, our company must cooperate with authorities.

Using a password to access your e-mail does not mean that the mail is "private." The courts have ruled that passwords do not prevent a company from accessing an employee's e-mail, and that employees should have no expectation of privacy when it comes to communications on company systems.

Guidelines for Using E-mail & Internet

E-mail and Internet uses at work are accomplished via Northrop Grumman

information technology resources. Therefore, we must impose guidelines for appropriate content and use (see ES procedure A175, "Information Technology Use"). Messages must not be inflammatory, obscene, or discriminatory. A good rule of thumb is, never send anything via e-mail that you would be uncomfortable sending on company letterhead.

Northrop Grumman e-mail and Internet resources are provided for company business. Some occasional personal use during non-working hours may be permitted, provided a few common sense rules are applied—no gambling, pornography, or moonlighting (incidental use should always be specified by management). Compare your personal use of e-mail and Internet to your use of the company's telephone. It's fine to take an occasional personal call, but talking to your friends for an hour each day is not appropriate.

Monitoring Procedures

Many companies have found it necessary to install monitoring software to track Internet usage. This software looks for very specific information in order to prevent violations of company policy. For example, it may block access to certain sites, such as any that contain the word "sex," may scan downloads for nude images, or scan e-mails for certain types of offensive words.

Our company monitors all employees equally. We do not target specific individuals or groups based on race, religion, or other factors. Our purpose in monitoring and establishing guidelines is to protect employees, preserve a healthy and safe workplace, and prevent possible legal issues. Because our network is company property, we must take the responsibility to be sure it is not misused.

For information on this and other Ethics subjects, call the Ethics Office on (410)765-5546, or log on to the Ethics web sites: Intranet—
<http://w789900.md.essd.northgrum.com/>
and Internet—
<http://sensor.northgrum.com/ethics/default.htm>.

Questions & Answers

Q: *I use e-mail to communicate with clients. Is this communication considered "official" or do I have to use paper?*

A: E-mail has become a primary means of communication. Contracts and other legal documents are still recorded on paper, but e-mail is certainly official. For this reason, be sure that any communication with a client represents our company accurately and appropriately.

Q: *Someone from outside the company sent me an e-mail filled with offensive jokes. I deleted it immediately. Could I be held liable for the content of that mail even though I didn't forward it to anyone else?*

A: Because e-mail is stored on company servers and networks there are no guarantees that it is private. You were correct to delete it immediately, although you should realize that deleting a message does not necessarily make it inaccessible. To protect yourself and the company, request that your friends not send jokes to your e-mail account, and do what you can to monitor your e-mail to be sure that all of it is appropriate.

Q: *I enjoy reading my hometown newspaper on the Internet during my lunch hour. Since I'm not wasting company time, is this OK?*

A: Most likely it is OK. Your local management should specify if there are any issues that would prevent incidental use during non-work time. For example, there are controlled areas that restrict all personal use of IT, and availability of services may also limit personal use. It's always best to check first!