



Improving the Self-Efficacy of Claims Department Employees in Insurance Companies and Its Role in the Effect of Electronic Monitoring on Job Performance

Majid Benvidi¹, Abbas Najafi², Iman Azizi³

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Abstract

In the digital age, to boost performance and achieve high-quality development, an increasing number of companies have begun implementing electronic monitoring of performance. However, existing studies have produced conflicting results regarding the impact of electronic monitoring on employees' job performance. To clarify the overall relationship between these variables and examine the underlying causes of these discrepancies, this study—based on social information processing theory—investigates the effects of two types of electronic monitoring on employees' job performance (developmental and preventive) and the mediating role of self-efficacy. This descriptive–survey study was conducted using a validated questionnaire on 110 employees of insurance companies in Fars province, sampled from a population of 153 across 22 companies. SmartPLS 3 software was used to test the model and hypotheses. The findings indicate that both developmental and preventive electronic monitoring have a positive effect on the job performance of claims department employees in insurance companies, and employees' self-efficacy serves as an important mediator in this relationship.

Keywords

Electronic performance monitoring, job performance, self-efficacy, claims department employees of insurance companies.

¹. Managing Director and Board Member of Parsian Insurance Company; (Mbenvidi@parsianinsurance.com)

². Central Region Manager, Parsian Insurance Company; (Ehsan_najafi66@yahoo.com)

³. Head of Shahrekord Branch, Parsian Insurance Company; (Aziziiman93@yahoo.com)

1- Introduction

In the digital age, companies face a rapidly changing business environment and unprecedented levels of market competition. To increase operational efficiency and effectiveness and achieve high-quality development, an increasing number of organizations are adopting electronic performance monitoring systems. The electronic performance monitoring system, which stems from the concept of “electronic monitoring of work,” refers to the computerized collection, storage, analysis, and reporting of employees’ productive activities, and is a common technical method used to observe, record, and analyze information directly or indirectly related to employee job performance (Ravid et al., 2020). The electronic performance monitoring system is characterized by the use of electronic systems to detect or evaluate employees’ job performance. The main reason companies adopt electronic performance monitoring systems is to monitor and maintain organizational performance in real time, thereby ensuring continuous optimization of employee performance and the organization’s long-term development (Chen, 2024).

Job performance is a dynamic representation of an employee’s inputs, behaviors, processes, and work outcomes. It concretely reflects the goals and tasks that employees are capable of performing. Performance evaluation in companies requires a comprehensive analysis of various dimensions, including goals, behaviors, abilities, and outputs. By evaluating job performance, companies can gain a deeper understanding of their employees’ contributions. This process also helps organizations develop more effective performance management strategies. In recent years, the rise of remote work and digital transformation has led to the increasing prevalence of electronic performance monitoring systems in organizational management. The introduction of electronic performance monitoring systems offers new perspectives and tools for performance appraisal systems and enhances both the efficiency and accuracy of this critical process (Ravid et al., 2023).

With advances in information technology and the widespread use of the internet, an increasing number of large companies are able to monitor their employees more extensively and intensively at lower cost. Various forms of electronic performance monitoring systems have been implemented across numerous industries, including low-complexity jobs such as call center operators and rideshare drivers, as well as high-complexity roles such as financial services personnel and medical professionals (Cao, 2024). The insurance industry, as one of the sectors where electronic performance monitoring is widely applied, also places significant emphasis on employee performance management. This is because electronic performance monitoring systems in insurance companies are directly tied to the organization’s ability to maintain efficiency, improve service quality, manage human resource risk, and comply with industry regulations. In an environment characterized by intense competition, complex customer demands, and stringent regulatory requirements, such systems can create a sustainable competitive advantage. However, existing studies on the impact of electronic performance monitoring systems on employees’ job performance have yielded mixed results. Some research indicates that electronic performance monitoring enhances employees’ job performance, while other studies suggest it may have a negative effect. Additionally, some researchers have reported that the use of electronic performance monitoring systems has no significant impact on employees’ job performance (Yao et al., 2023). Therefore, to clarify the relationship between electronic performance monitoring systems and employees’ job performance and to investigate the reasons for these discrepancies, it is essential to discuss in detail the effect of electronic performance monitoring systems on the job performance of claims department employees in insurance companies. Social information processing theory

assumes that an individual's social environment and the consequences of prior actions provide information that influences their perceptions, attitudes, and behaviors. The decision the individual makes about how to interpret and process this information is an important factor in shaping subsequent behavior. Consequently, depending on how employees perceive the purpose and functioning of an electronic performance monitoring system, different types of electronic performance monitoring systems can have distinct effects on employees' affective attitudes (such as self-efficacy). Self-efficacy refers to an individual's confidence or belief in their ability to achieve goals in a particular context. It affects the level of effort and persistence people demonstrate when facing challenges. Moreover, self-efficacy is an important factor that influences work investment and enhances employees' job performance (König, 2025). Based on social information processing theory, this study examines the effects of different types of electronic performance monitoring systems as perceived by employees in the claims units of insurance companies on their job performance, and the mediating role of self-efficacy in this relationship.

2- Theoretical Foundations of the Research

2-1. Social Information Processing Theory

Social information processing theory posits that social information in an employee's environment can influence their attitudes, motivations, and behaviors. In addition, each stage of information processing by employees—such as information reception, information processing, and the influence of information on individual behavior—is also affected by the social environment. The theory indicates that people acquire information from their environment. Interpersonal interactions at work, individual behaviors, expressed traits, and perceptions of work roles are all sources of social information (Chen, 2024). After obtaining this information, people encode, interpret, and process it, and then respond accordingly. Zalesny and Ford suggested that the individual information processing process includes learning, attribution, and judgment. Different methods of information processing can lead to different attitudes and outcomes. The core principles of social information processing theory have two aspects: (1) the social environment in which a person is situated includes various types of information that can influence their attitudes, motivations, and behaviors. People process this information to help them more accurately evaluate their work environment. (2) When facing complex and ambiguous social environments, individuals tend to rely more on social environmental information to adjust their attitudes, motivations, and work behaviors (Yam et al., 2018).

2-2. Electronic Performance Monitoring Systems and Job Performance

An organization's electronic performance monitoring system prioritizes monitoring employee performance as its primary objective, which can significantly affect job performance (König, 2025). Job performance is a dynamic manifestation of an employee's inputs, behaviors, processes, and work outcomes. It specifically reflects the goals and tasks that employees are able to perform. Researchers have identified two dimensions of employee job performance:

task performance and contextual performance (Thiel et al., 2022). These two perspectives have been endorsed by scholars and are widely used in related research.

Task performance focuses on the level of skill employees have in executing assigned tasks that are specifically related to their job responsibilities and is classified as in-role performance. In contrast, contextual performance emphasizes the importance of positive workplace relationships in motivating employees to perform tasks more effectively. This type of performance includes behaviors that contribute to organizational development and extend beyond the prescribed role of the employee (Ravid et al., 2023).

According to social information processing theory, an individual's activities are shaped by the complex external social environment. Individuals' perceptions, attitudes, and behaviors develop based on the information they obtain. Furthermore, the interpretation and processing of this information significantly affect subsequent behaviors. Based on employees' goals, electronic performance monitoring of employees can be classified into two types: developmental and deterrent (Peng, 2022). The goal of developmental electronic performance monitoring is to facilitate employee development and provide fair and meaningful performance feedback (Ravid et al., 2023). This monitoring approach offers objective performance assessments through accurate data and provides the resources necessary to support their work (Gilman et al., 2020). In addition, quantitative performance feedback helps them improve their knowledge, skills, and abilities and augment their work resources. Researchers have stated that developmental electronic performance monitoring positively affects employees' job performance by providing targeted training, enhancing their work capabilities, and ensuring fair performance evaluations. Furthermore, some researchers have noted that developmental electronic performance monitoring can offer focused training opportunities for employees, thereby promoting their learning and development. Developmental electronic performance monitoring also has the potential to increase employees' trust in the organization, enhance their overall well-being, and ultimately improve their job performance (Yao et al., 2024). Some researchers believe that electronic performance monitoring may have certain negative effects. For example, it may reduce employees' emotional commitment to the organization and cause anxiety among employees (Becker et al., 2021). Preventive electronic performance monitoring [7] refers to a method in which a company monitors its employees to deter them from engaging in behaviors that may be harmful to the organization. Implementing a staff performance monitoring system affects employees' work behavior and attitudes during the work process and can potentially lead to adverse effects on their job performance. Researchers have also argued that employee performance monitoring systems create a "panopticon" work environment, in which employees are observed from different directions and angles throughout their work activities. Their processes and communications are recorded and are accessible at any time for managerial review. As a result, this pervasive monitoring amplifies employees' work-related stress and negatively affects their performance. Yao also stated that preventive electronic performance monitoring imposes significant psychological pressure on employees and leads to a sense of loss of personal resources. In such circumstances, employees tend to engage in self-protective behaviors and reduce their emotional and behavioral investment. This is particularly evident in complex innovative activities, where employees may become more cautious and less willing to invest time and effort (Yao et al., 2023). Therefore, the following hypotheses are proposed:

Hypothesis 1. Developmental electronic performance monitoring has a significant effect on employees' task performance.

Hypothesis 2. Developmental electronic performance monitoring has a significant effect on employees' contextual performance.

Hypothesis 3. Preventive electronic performance monitoring has a significant effect on employees' task performance.

Hypothesis 4. Preventive electronic performance monitoring has a significant effect on employees' contextual performance.

2-3. The Mediating Role of Self-Efficacy

At the workplace, an employee performance monitoring system is considered a systematic and continuous approach to evaluating employee performance. Social information processing theory suggests that employees' attitudes and behaviors are shaped by their selection, processing, and interpretation of perceived information. Self-efficacy refers to an individual's confidence in their ability to perform specific work tasks. When employees perceive the employee performance monitoring system as a developmental factor based on their interpretation of information, their self-efficacy may increase. Conversely, when employees view the performance monitoring system as a preventive factor based on their interpretation of information, they may feel overly monitored and mistrusted (Simon et al., 2019). In such cases, employees may experience decreased self-efficacy.

Self-efficacy is a critical factor in ensuring individuals achieve high job performance. Multiple studies have emphasized the importance of self-efficacy in enhancing job performance. Kappagoda's study showed that self-efficacy significantly and positively affects employees' task performance (Kappagoda, 2018). Lee's research showed that self-efficacy affects their contextual performance. Additionally, Lee studied 212 hotel service employees and reported a positive correlation between self-efficacy and employees' contextual performance (Lee, 2021).

Social information processing theory assumes that the external environment is full of diverse information. Individuals' interpretation of this information significantly influences their attitudes and behaviors. When employees perceive the employee performance monitoring system as a developmental factor, their interpretation of the information allows them to shape and enhance their self-efficacy through observing and imitating positive feedback and behavioral patterns resulting from monitoring. This belief drives them to work more persistently, set goals, engage in self-regulatory behaviors, and undertake proactive learning and development initiatives, thereby improving their job performance. When employees perceive the performance monitoring system as a preventive measure, based on their interpretation of the information, they may feel overly monitored and mistrusted. This perception can lead to reduced self-efficacy and ultimately to decreased job performance (Yao et al., 2024). Therefore, we propose the following hypotheses:

Hypothesis 5. Self-efficacy mediates the effect of developmental electronic performance monitoring on employees' task performance.

Hypothesis 6. Self-efficacy mediates the effect of developmental electronic performance monitoring on employees' contextual performance.

Hypothesis 7. Self-efficacy mediates the effect of preventive electronic performance monitoring on employees' task performance.

Hypothesis 8. Self-efficacy mediates the effect of preventive electronic performance monitoring on employees' contextual performance.

Based on the discussed literature, the proposed conceptual framework is presented in Figure 1:

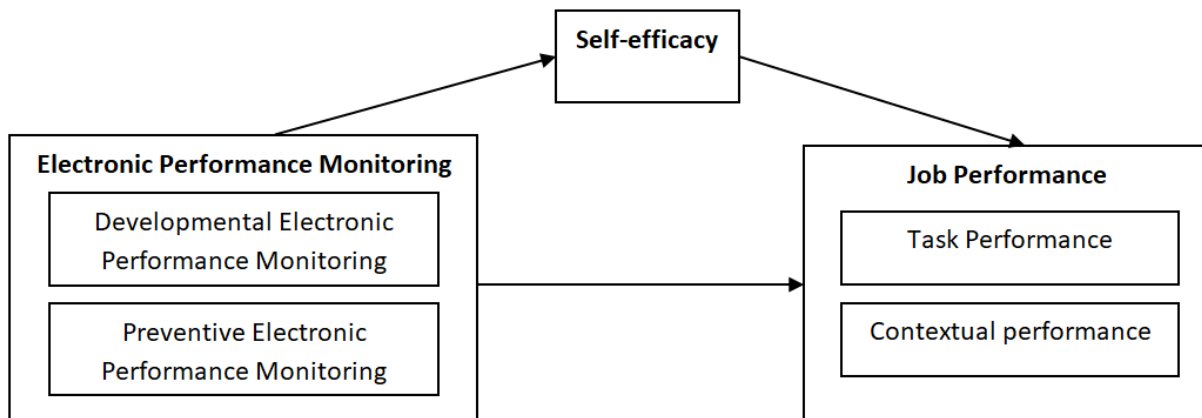


Figure 1: Research Conceptual Model

3- Research Methodology

Methodologically, this study is a correlational research. The present research, based on how the required data are obtained and in terms of classification of research according to their objectives, falls into descriptive research. This study is applied in terms of purpose and descriptive-survey in terms of method.

This study examined five variables, all of which were adapted from the literature. In total, 30 employees of the claims units of insurance companies in Fars Province were asked to participate in a pilot test. Based on the suggestions and feedback received, revisions were made to optimize the design, clarity, and comprehensibility of the questionnaire. The electronic performance monitoring measure was adapted from Peng (2022) and comprised six questions, three of which assessed electronic developmental performance monitoring and three assessed electronic preventive performance monitoring. Ten questions from Simon et al. (2019) were adapted to measure self-efficacy. Eight items from Yao et al. (2024) were adapted to measure job performance, with four questions assessing task performance and four others assessing contextual performance. All items were measured using a 5-point Likert scale.

The statistical population of this study comprises all employees of the claims units of insurance companies in Fars Province. In Fars Province, 22 insurance companies are operating and the number of employees in the claims units of these companies is 153. Using Cochran's formula to estimate sample size, 110 people were determined as the sample and the questionnaire was distributed randomly among the claims unit employees of the insurance companies in Fars Province.

Table (1) provides a summary of the constructs, sources, and the number of measurement items for each research variable. According to this table, Cronbach's alpha for all variables is above 0.7, which confirms the reliability of the questionnaire.

Table 1: Operationalization and Reliability of the Research Variables

Variables	Dimensions	Questionnaire	Sources	a
Electronic Performance Monitoring	Developmental Electronic Performance Monitoring	1-3	Peng (2022)	0.818
	Preventive Electronic Performance Monitoring	4-6		0.884
Self-efficacy	Self-efficacy	7-16	Simon et al. (2019)	0.869
Job Performance	Task Performance	17-20	Yao et al. (2024)	0.875
	Contextual performance	21-24		0.875

4- Findings

For data analysis using PLS software, the two-stage Henseler (1999) approach for partial least squares structural equation modeling is used. The first stage involves specifying the measurement model through reliability and validity, and the second stage involves specifying the structural model through fit indices, coefficients of determination, and path analysis. In the first stage, estimates of validity and reliability are used to assess the measurement model; these confirmatory methods examine the fit of the data to a given factor structure. In fact, confirmatory factor analysis evaluates the adequacy of the items chosen to represent the variables. In the second stage, path analysis is used to assess model fit indices and R-squared to evaluate the structural model. According to the researchers, partial least squares structural equation modeling, unlike covariance-based methods (software such as LISREL, AMOS), lacks chi-square-based model fit indices to assess the degree of correspondence between the theoretical model and the collected data.

4-1. Measurement Model Fit

Before testing the hypotheses, the fit of the measurement models was first examined using reliability criteria of Cronbach's alpha and composite reliability (CR), and convergent validity. First, the factor loadings of the questions or items were examined. The results showed that the factor loadings of all questions were greater than 0.4, indicating the adequacy of this criterion. Other results related to Cronbach's alpha, composite reliability, and convergent validity are presented in Table 2:

Table 2: Results of Average Variance Extracted and Reliability of the Research Constructs

Variables	Cronbach's alpha	CR	Rho coefficient	AVE
Developmental Electronic Performance Monitoring	0.896	0.915	0.902	0.520
Preventive Electronic Performance Monitoring	0.853	0.901	0.858	0.695
Self-efficacy	0.816	0.880	0.821	0.648
Task Performance	0.713	0.834	0.764	0.629
Contextual performance	0.824	0.896	0.833	0.741

4-2. Discriminant Validity4-2. Divergent (discriminant) validity assessment

In the divergent validity section, the degree of difference between the indicators of one construct and the indicators of other constructs in the model is compared. This is done by comparing the square root of each construct's AVE with the correlation coefficients between constructs. For this purpose, a matrix should be formed where the main diagonal entries are the square roots of the AVE values for each construct and the off-diagonal entries below the main diagonal are the correlation coefficients between each pair of constructs. This matrix is shown in Table (3). As can be seen from Table (2), the square root of each construct's AVE is greater than the correlation coefficients of that construct with the other constructs, which indicates acceptable discriminant validity of the constructs.

Table 3: Matrix comparing square root of AVE with construct correlation coefficients (discriminant validity)

Variables	Developmental Electronic Performance Monitoring	Preventive Electronic Performance Monitoring	Self-efficacy	Task Performance	Contextual performance
Developmental Electronic Performance Monitoring	0.721				
Preventive Electronic Performance Monitoring	0.364	0.833			
Self-efficacy	0.510	0.442	0.805		
Task Performance	0.413	0.378	0.764	0.793	
Contextual performance	0.374	0.415	0.369	0.517	0.861

4-3. Examination of the conceptual model of the study and hypothesis testing

After preparing the data in SmartPLS and drawing the model, it is time to assess model fit and estimate parameters and path coefficients. Note the figure below; the numbers shown are the path coefficients of exogenous variables (rows) on endogenous variables (columns):

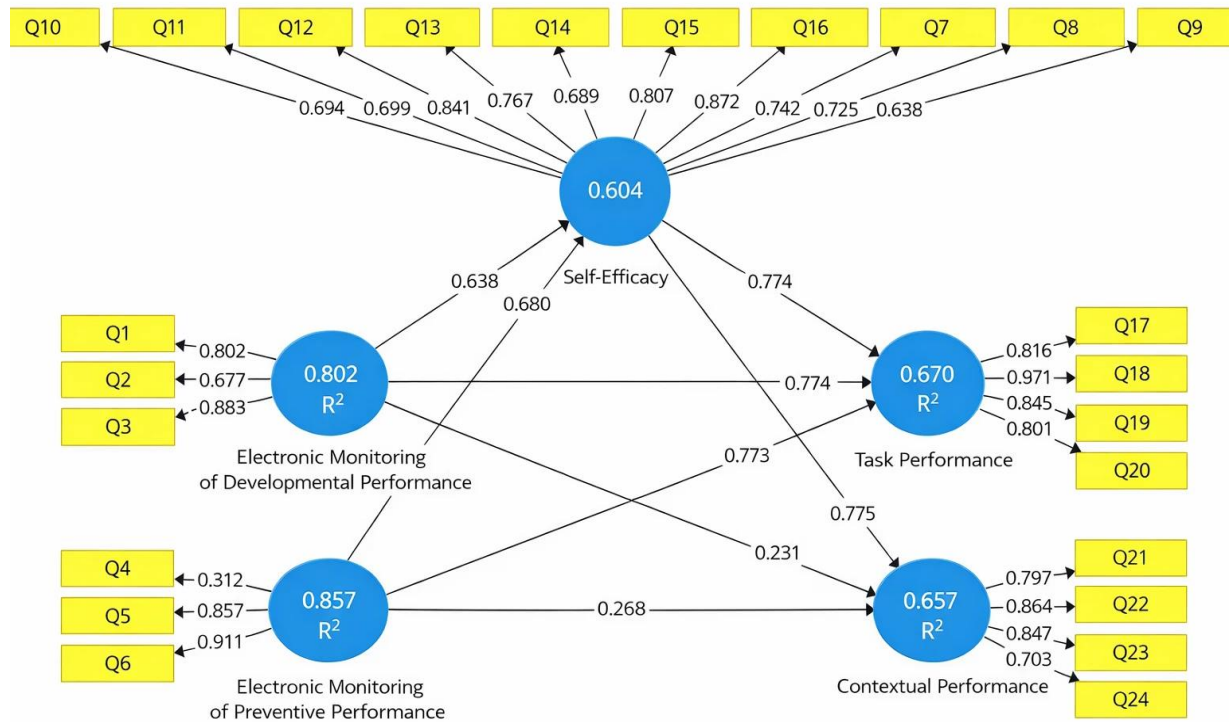


Figure 2: Software output - tested model of the study (path coefficients and factor loadings).

A few points should be examined as follows.

1- Factor loadings: The first factor to consider when evaluating reflective models is the unidimensionality of the indicators. This means each indicator among the set of indicators should load on only one dimension or latent variable with a large factor loading. If this value is equal to or greater than 0.4, it indicates that the variance between the construct and its indicators is greater than the measurement error variance of that construct, and the reliability of that measurement model is acceptable. According to the test, all coefficients are significant at the 95% confidence level. Therefore, the resulting factor loadings confirm the high validity of the model.

2- Standardized regression coefficient: The standardized regression coefficient indicates the effect size of the independent variable on the dependent variable and ranges from -1 to +1.

3- Coefficient of determination (R squared): The proportion of the defined (variables') variance to the total variance (of the variables). This measure allows us to determine how much confidence we can have in the model's predictive ability.

One of the important outputs in partial least squares software is the t-statistic in PLS. The t-statistic, sometimes reported as t-value, is one of the indicators of structural model fit. An

acceptable threshold for preserving and demonstrating the significance of factor loadings and the significance of a causal hypothesis between an independent and a dependent variable is achieving a value greater than 1.96 at the 95% confidence level (or an alpha of 0.05).

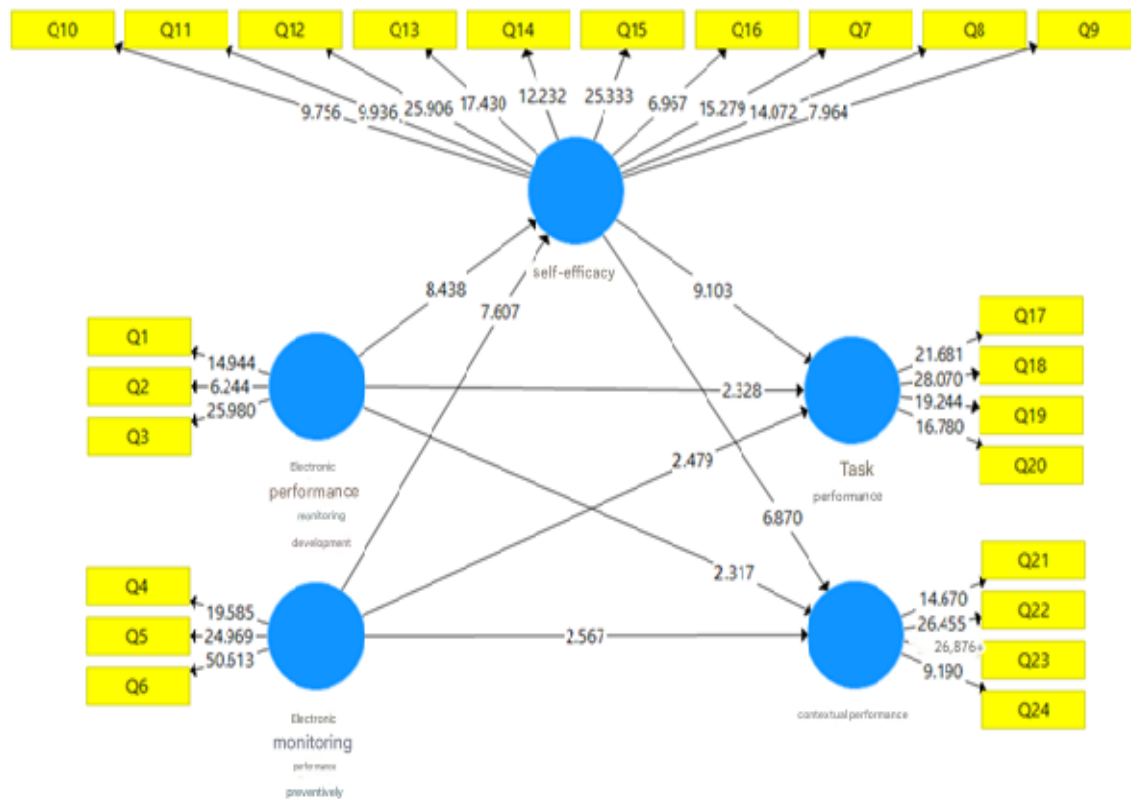


Figure 3: Software output - t coefficients

4-4. Overall model fit

The GOF index in PLS models is a solution for assessing overall model fit and ranges between zero and one; values closer to one indicate better model quality. This index evaluates the overall predictive capability of the model and whether the tested model has been successful in predicting the endogenous latent variables. To assess overall model fit, the GOF criterion is used where GOF = 0.1 is considered small, GOF = 0.25 is medium, and GOF = 0.36 is large for evaluating the validity of PLS models.

The overall model fit results are presented in Table 4. This criterion is calculated using the following formula:

$$\text{GOF} = \sqrt{\text{average}(\text{Communalities}) * R^2}$$

Given the obtained GOF value of 0.404, the overall model fit is confirmed as very good. In addition, according to the above table, the R^2 coefficients serve as a criterion for assessing the fit of the structural model. The R^2 coefficients correspond to the endogenous (dependent) latent variables of the model and, based on the obtained results, the R^2 values are satisfactory.

Table 4: Overall model fit indices Given the obtained GOF value of 0.404, the overall model fit is confirmed as very good. In addition, according to the table above, the R2 coefficients are considered a criterion for assessing the fit of the structural model. The R2 coefficients pertain to the endogenous (dependent) latent variables of the model and, based on the results obtained, the R2 values are desirable.

Table 4: Overall model fit indices

Hidden variable	Communalities	R2
Developmental Electronic Performance Monitoring	0.390	-
Preventive Electronic Performance Monitoring	0.466	-
Self-efficacy	0.400	0.604
Task Performance	0.272	0.670
Contextual performance	0.445	0.657
Average	0.395	0.643
GOF		0.404

The results of the structural equation modeling using Smart PLS software at a 95% confidence level are presented in the table below. The findings indicate that electronic performance monitoring, both developmental and preventive, has a positive effect on employees' job performance and that self-efficacy acts as an important mediator in this relationship.

Table 5: Direct effects, t-statistics and results of research hypotheses

Hypotheses	Standardized Path Coefficient (β)	t-value	Significance	Hypothesis Result
Electronic Monitoring of Developmental Performance $\rightarrow$ Task Performance	0.174	6.653	Sig < 0.05	Supported
Electronic Monitoring of Developmental Performance $\rightarrow$ Contextual Performance	0.231	2.338	Sig < 0.05	Supported
Electronic Monitoring of Preventive Performance $\rightarrow$ Task Performance	0.173	2.484	Sig < 0.05	Supported
Electronic Monitoring of Preventive Performance $\rightarrow$ Contextual Performance	0.268	9.427	Sig < 0.05	Supported
Electronic Monitoring of Developmental Performance $\rightarrow$ Self-Efficacy $\rightarrow$ Task Performance	$0.774 \times 0.638 = 0.494$	9.505	Sig < 0.05	Supported
Electronic Monitoring of Developmental Performance $\rightarrow$ Self-Efficacy $\rightarrow$ Contextual Performance	$0.775 \times 0.638 = 0.495$	9.880	Sig < 0.05	Supported
Electronic Monitoring of Preventive Performance $\rightarrow$ Self-Efficacy $\rightarrow$ Task Performance	$0.774 \times 0.680 = 0.526$	11.325	Sig < 0.05	Supported
Electronic Monitoring of Preventive Performance $\rightarrow$ Self-Efficacy $\rightarrow$ Contextual Performance	$0.775 \times 0.680 = 0.527$	14.238	Sig < 0.05	Supported

5- Summary and recommendations

Based on social information processing theory, this study examined the different mechanisms by which developmental electronic performance monitoring and preventive electronic performance monitoring affect the job performance of employees in the claims units of insurance companies in Fars Province, and the mediating role of self-efficacy, yielding the following results:

Developmental electronic performance monitoring positively affects the job performance of employees in the claims units of insurance companies. This finding indicates that the higher the level of employees' perceived developmental electronic performance monitoring, the more their job performance improves. Social information processing theory assumes that individuals obtain information from their environment and, after acquiring this information, encode, interpret, and process it, and then respond appropriately. Furthermore, employees' perception of the purpose of electronic performance monitoring can increase job satisfaction and employee creativity, ultimately improving job performance. Also, when claims unit employees in insurance companies recognize a developmental purpose in monitoring, they feel valued by their managers. The study's findings show that self-efficacy acts as a mediator between developmental electronic performance monitoring and employees' job performance. Specifically, higher perceived developmental electronic performance monitoring among employees is associated with increased self-efficacy, which in turn enhances job performance.

Preventive electronic performance monitoring also positively affects self-efficacy and the job performance of employees in the claims units of insurance companies. This finding indicates that a higher level of perceived preventive electronic performance monitoring among claims unit employees facilitates improvements in their job performance and self-efficacy. Social information processing theory suggests that different methods of processing information can lead to different attitudes and outcomes. According to social information processing theory, the positive effect of preventive electronic performance monitoring on self-efficacy and job performance can be explained by several factors. First, this may be attributed to preventive electronic performance monitoring being perceived as a deterrent method aimed at preventing undesirable behaviors within the organization. For example, monitoring Internet usage and blocking websites unrelated to work can help reduce cyberloafing. In addition, this encourages employees to concentrate on work-related tasks and reduces the occurrence of counterproductive behaviors, thereby increasing their self-efficacy and overall job performance. This can also be attributed to the fact that for claims unit employees, whether electronic monitoring is overt or covert, the perception that one might be monitored—even if it does not actually occur—can be a powerful management tool and can have potentially serious effects on individuals. In other words, the mere existence of monitoring may increase employees' sense of accountability for their work and intensify a competitive environment. This perception may motivate them to improve the quality of their work and overall job performance.

Moreover, employees in high-stress positions, such as claims unit staff at insurance companies who regularly face customer complaints and excessive demands, may view electronic monitoring positively as a means of managing their challenging work environment and seek organizational support. Therefore, contrary to common sense, the more claims unit employees are exposed to "complaints and excessive demands" from customers, the more likely they are to accept not only developmental electronic performance monitoring but also

preventive electronic performance monitoring. With a positive understanding of the purpose of electronic performance monitoring, employees are more likely to increase their self-efficacy.

This study was conducted in claims units of insurance companies, and insurers often emphasize collective coordination and hierarchical structures that can shape employees' perceptions of electronic performance monitoring. Under such cultural backgrounds, employees are more inclined to accept organizational management decisions, including the implementation of preventive electronic performance monitoring. This acceptance stems from a focus on the overall interests of the organization and trust in management's intentions. Additionally, "face" somewhat influences employees' reactions to electronic performance monitoring. Claims unit employees at insurance companies may be more concerned with preserving a good image and reputation within the organization, and preventive monitoring is seen as a tool that helps them avoid mistakes and protect their personal and organizational reputation. Consequently, claims unit employees may be more willing to accept this type of monitoring to ensure their behavior aligns with organizational expectations and standards.

The findings of this research also indicate that self-efficacy plays an important mediating role between preventive electronic performance monitoring and employees' job performance. This suggests that a higher degree of employees' perception of preventive electronic performance monitoring is associated with improvements in self-efficacy and job performance. This effect may arise from the primary intent of preventive electronic performance monitoring, which is to prevent employee misconduct. When the purpose of monitoring is open and transparent, employees are likely to perceive it as the organization's commitment to fairness and transparency, thereby strengthening trust and a sense of equity. This sense of fairness and trust encourages employees to increase their self-efficacy, which in turn improves their job performance.

Furthermore, the essence of preventive electronic performance monitoring remains the monitoring of employee performance, recording and presenting employee performance data in real time. This timely feedback helps employees self-regulate in their work, boosts their confidence in their abilities, thereby improving self-efficacy and enhancing their performance.

Based on the obtained results, the following recommendations are offered:

- In the digital business era, insurance companies should move beyond traditional monitoring concepts and view electronic performance monitoring as a tool to strengthen staff development rather than merely a mechanism for surveillance and evaluation. The aim should be to transform this technology into a positive support system that helps employees increase their job performance while achieving personal and professional growth.
- Insurance companies should fully leverage the benefits of developmental electronic performance monitoring to boost employees' confidence and enthusiasm. They can reinforce positive feedback mechanisms to ensure feedback is specific, actionable, and timely. Thus, employees can develop and improve their performance.
- Companies can focus on positive reinforcement by highlighting what employees do well and publicly identifying and rewarding achievements to strengthen morale and

self-efficacy. This positive motivation can increase employees' self-efficacy and consequently improve their job performance.

- When implementing monitoring, insurance companies should respect employees' privacy. They should avoid invading personal privacy, minimize employees' feelings of insecurity, and reduce the potential negative effects of preventive electronic performance monitoring.
- Insurance companies can inform employees in advance about the purpose of monitoring to prevent feelings of insecurity and psychological burden. By balancing the motivational aspects of developmental electronic performance monitoring with the restrictive elements of preventive electronic performance monitoring, companies can create a work environment that encourages personal growth among employees. This approach not only increases organizational efficiency but also facilitates mutually beneficial development for both employees and the organization.
- Leadership support is a critical factor in increasing employees' self-efficacy, which in turn leads to better job performance and overall organizational success. A positive organizational culture is a powerful driver of employee self-efficacy and influences how employees perceive electronic monitoring systems.

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