Is video surveillance of employees legal?

Q. My family owns a chain of electronics stores. We suspect that employees have stolen some merchandise. We want to install surveillance cameras in our inventory storage room and possibly near the back door of the store where the theft occurred. Are there any legal issues that we should take into consideration?

A. Under Indiana and federal laws, employers are allowed to monitor and record video of common areas of the workplace (whether accessible to customers or not).

If your goal is to simply deter employee theft, then you should notify your employees that they are subject to video surveillance while at work and that any information learned via the surveillance can and will be used in making employment decisions.

However, if your goal is to catch the thieves red-handed, you do not need to provide notice of video surveillance.

Make certain that you install cameras in common areas like your inventory storage room or the employee break room—never in changing rooms or restrooms.

Note: While video surveillance is legal, recording sound could violate federal and state anti-wiretapping laws.