



ORIGINAL RESEARCH PAPER

Management

SOCIAL MEDIA TRANSFORMATION OF HUMAN RESOURCE MANAGEMENT

KEY WORDS: Social networking, Social Media, Human Resource Management,

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ABSTRACT

"Online is old news .Online in social media is today's news. Social Media is not a subset of the internet .Social Media is the internet." Social Media is a revolution of personal, professional, and commercial platform for interaction which are combined seamlessly, and in a blink of an eye. Social media is rapidly transforming the way individuals interact in the real world day by day in the workforce. "Social Media", is argot these days it is becoming an important platform for interaction, -Individuals as well as for organizations. The research paper examines the awareness and usage of social media and its impact on organizations and Human Resource department - its strategies and practices - Recruitment, Innovation and Knowledge Creation. . Human resource managers were asked about the advantages and disadvantages of using social media such as Facebook, LinkedIn, and Twitter in areas of recruitment, selection, and training and development. The results, illustrated that there were many advantages when using social media sites in HRM such as employee recognition, wider and diverse applicant pools, and internal organization communication. However, the results revealed that there were also several disadvantages of using social media sites such as lawsuits, discrimination issues, and wrongful termination. In the end, this paper discussed the importance of organizational policies effectively governing employees' use of social media sites in order to highlight more advantages and reduce negative effects.

1. INTRODUCTION

Social networking means building relations among people who may share common interests, professional or family background, activities, etc. In other words, it means to segregate individuals into specific groups or communities. It is a specific type of social media that enables users to connect with others and create a community. It's more about building relationships than simply announcing or posting and not engaging with others. Employers can both utilize an internal social networking site for their employees, and leverage public-facing social media platforms to market their brand and attract employees and customers.

There is still no clear definition of what "Social Media" actually is. Kaplan and Haenlein use a somewhat technical description: "Social Media is a group of Internet based applications that build on the ideological and technological foundations of Web 2.0, and that allow the creation and exchange of User Generated Content" (Kaplan and Haenlein 2010). Boyd and Ellison take a less technical approach (also cited in (Brown and Vaughn 2011, Roth, Bobko et al. 2013)) and define "social network sites as web based services that allow individuals to (1) construct a public or semi-public profile within a bounded system, (2) articulate a list of other users with whom they share a connection, and (3) view and traverse their list of connections and those made by others within the system" (Boyd and Ellison 2008). Kietzmann et al define Social Media based on seven functional facets: Identity, Sharing, Relationships, Presence, Conversations, Groups and Reputation (Kietzmann, Hermkens et al. 2011). Common themes in all definitions are the direct implication of users in the content generation and information exchange. This leads to focus on "user" or "usage" in research aimed to understand Social Media phenomenon. According to Evans (2008), Social Media relates to a self-generated, authentic Conversation between people about a particular subject of mutual interest, built on the thoughts and experiences of the participants. Therefore, Social Media is definitely all about sharing and aiming at a collective vision, often intending to offer a more-appropriated or informed choice at the end. Social Media changes over time as it allows people to generate the content in a participative way whenever they want to add any additional piece of information. Social Media are also evolving constantly as they are part of internet high technologies, which are modified regularly with additional or replacing features. Social Media covers a wide variety of "online and mobile, word-of-mouth forums including social networking websites, blogs, company sponsored discussion boards and chat rooms, consumer-to consumer email, consumer product or service ratings websites and forums, Internet discussion boards and forums, and sites containing digital audio, images, Movies, or photographs, to name a few" Social Networks, or Social Media Sites, which are the main actors in the Social Media medium, can be defined as online communities of people who typically share a common interest or activity, providing a variety

of ways for users to interact and having the ability to facilitate communication.

Social Media is a contemporary social phenomenon that is yet to be further explored (Roth, Bobko et al. 2013), specifically, its impact on Human Resource Management. Guest (2011) for instance, critiques insufficient research into the emergence of new Human Resource Management (HRM or HR) practices, Brown and Vaughn (2011) as well as Roth et al (2013) also stress the lack of empirical studies and peer-reviewed outlets investigating the use of SM in selection and staffing decisions.

CHAPTER 1: LITERATURE REVIEW

1.1 INTRODUCTION

Over the last few years, social media tools – including blogs, wikis, social networks, video sharing, and community sites, among others – have changed the landscape of the Internet, becoming key tools for network building, collaboration, and knowledge sharing. Now, for those very same purposes, these tools are increasingly being used in the workplace. The benefits of social media have gone as far as being appreciated in human resources circles, and business organizations in Barbados can no longer pass on the creation of networks via social media. As a tremendous form of extensive communication and the development of social relationships, organizations across the globe have counted on social media much more than ever before. They use Facebook, Twitter, LinkedIn, YouTube and their very own internal social networking sites to reach out to diverse demographics in obtaining top talent and retaining tacit knowledge.

Business organizations have used social media to enhance innovation and knowledge creation, which has in turn proved to be highly beneficial in driving effective change and improving performance. The impacts that the use of social media has had on employees' engagement and job satisfaction cannot be ignored. The basis of this impact is the fact that social media is not just something that employees need; it is something that organizations have to take up for the sake of the future. It is also highly important to evaluate the extent to which social media can be beneficial to organizations and employees in terms of talent development. The combination of these impacts results in increased overall operational efficiency. This literature review seeks to evaluate the various impacts that social media has had on the recruitment processes, innovation and knowledge creation, talent development, employee engagement, and the overall operational efficiency.

1.2 Impact on Recruitment

Recruitment via social media is currently a very hot topic with multiple articles being released daily. These tend to swing between polar opposites regarding the usefulness of social media to

recruitment. The reality lies somewhere in the middle. The use of social media such as blogs, networking sites and micro-blogging is on the rise through the enterprise environment. Benefits have been seen particularly in the areas of recruitment and brand awareness with some companies reporting increased sales after initiating a targeted online strategy. Not only did it have a positive impact, but it is also inexpensive. Amid the current economic hardships plaguing organizations across the globe, HR professionals are challenged to do more with less and for this very reason using social media as a tool for recruitment are a cost effective way. Remember, when business conditions change, company strategies need an equal and corresponding change just to stay even. With recruiting, this is equally as relevant. Agility and flexibility are important to coincide with fluctuating economic conditions and this is when having a clearly defined social networking strategy will pay dividends, both from a candidate generation and employment brand perspective. The speed at which social media tools could grasp the attention of the targeted compared to traditional methods is zero to none.

For example, Salesforce.com uses social networking sites such as Facebook and LinkedIn to keep in touch with potential hires between the recruiting cycle and their day of work after graduation by engaging in conversation via blogging. They have stated that social media has enhanced their recruitment process as they believe "it is more sincere, genuine recruitment strategy," (Jue, Marr & Kassotakis, p.102). The Central Intelligence Agency (CIA) also uses social media networking sites to recruit candidates as they believe that these sites are able to produce the best and brightest candidates. Such proclamation proves to be true as social media is bound to overtake "job boards and employment fairs", which have proved inadequate in a market that is quite flooded (Madia, 2011, p. 19). The world is full of professionals that have to be reached out to in the easiest of ways, and social media has provided just that.

Social networking sites afford potential candidates the opportunity to create a solid profile subsequently assisting greatly with the recruitment process, in particular the sourcing process, by giving the employer an impression of a candidate's overall cultural fit as well as their technical competence. As a result, LinkedIn remains the most useful of the social media sites for identification of candidates as the most pertinent details are generally available. Often, taking a LinkedIn profile as a base and searching alternate media allows for a well rounded profile to be created. Since social media channels have this amazing capability, some organizations are embracing its usage with the expected result of targeting potential employees. They are also tapping into active blogs, such as those on Facebook, Twitter and LinkedIn as well as online communities so that they can capture the attention of good candidates seeking employment, especially for openings that are difficult to fill. For example, Madia (2011, p.21) stated that over 10,000 recruiters are using twitter as a recruiting tool. A simple tweet or blog post on these social media sites goes a very long way. "Effective social media talent sourcing centers on 'networking the networks' in ways that provide entryways for talent across communities and platforms," (Madia, 2011, p.21). By actively keeping touch with the online communities, an organization can create an online talent supply chain, where they keep in touch with previous job applicants, internal applicants, applicants resulting from employee referrals as well as previous employees of that organization.

Perhaps the most important use of social media for recruitment at this stage is the opportunity to increase brand awareness as stated earlier. Through the use of multiple channels, it is possible to bring an organization's brand to the eyes of people who would not normally have considered it as an option for employment and these people can be nudged toward the organization's website to explore opportunities. Although the trend of using social media tools is dawdling, quite a few of employers in recent times have developed a profound and strong presence in online communities. It is in these communities that employers can tap into existing talent in the future by constant interacting via blogs, podcasts or wiki posts.

Further, many researchers stated that with advancement of online and social media technologies, they are having a great impact on the recruitment strategies of the professional employers and jobseekers alike (Shepherd, 2011, p.3). Some others have predicted that online recruitment is expanding at the very speedy pace which indicated that it will replace the traditional methods of attracting and recruiting the employees such as through newspaper ads, job fairs, campus recruiting and word of mouth (Tulgan, 2007, p. 3). According to the Verhoeven & Williams (2008) that with increasing advancement of internet and social media, practice of online recruitment is not just limited to one or two countries but has not spread across the world and majority of employers are now more effectively taking advantages of this trend. According to their survey, majority of employers believe that social media provides them much quicker turn-around as compared to traditional recruitment channels that has now resulted in increased number of qualified applicants around the world and much easier hiring process overall. The employers in their study also narrated that they are now more able to identify the number of unqualified applicants that were greatly impacting their recruitment practices. Not only that using social media is inexpensive but the key to grasp the attention of the targeted audience is to have an iterative approach by using different social media channels along with traditional recruitment tactics to reach out to a larger demographics. Moreover, (Rai, 2012, p.257) reveals in their study that social media networks allows the candidate pool to look for the potential employers that geographically farther and they cannot travel to them due to practical and financial difficulties to approach the employers. Further, their study revealed that while social media does not guarantee to consistently cut the costs and retrieved talented and quality employees, it is significant for certain job types and levels.

1.3 Impact on Innovation and Knowledge Creation

"Social networking advances a whole new frontier of organizational dialogue, setting the stage for continuous knowledge creation and organizational agility," (Jue, Marr & Kassotakis, p.105). The fact that social networking sites are internet-based makes it accessible to the entire world, which holds an amazingly diverse pool of talents and capabilities. As a result, various persons can access and exchange information that users generate, in the most convenient of ways. This exchange of information facilitates the development of ideas by conversing users as they become socially connected.

An example of a company that uses social media networking sites to enhance innovation and knowledge creation is Geek Squad. This company was founded in 1994 and is now entirely owned by Best Buy. Geek Squad placed a huge amount of importance on social media as they have learned to leverage social media capabilities for knowledge creation and innovation. In fact, "the employees at Geek Squad use wikis, video games and all other kinds of unorthodox collaboration technologies to brainstorm new ideas. They have even used wikis to design and implement an entire new product line," (Jue, Marr & Kassotakis, p.105).

Knowledge creation can further be advanced via social networks using on-demand work-based learning. This is learning which takes place at the point of need. Business organizations engage their employees in on-demand learning in order to deal with their needs, which they can hardly satisfy through giving information on top-down basis (Shepherd, 2011, p. 5). Social networks can be used by employees in sourcing expertise or even providing their expertise to others, much like what Oracle, an enterprise software giant, currently do. The employees at Oracle use wikis as one of their working tools to collaborate with their colleagues across the globe and to develop products, (Jue, Marr & Kassotakis, p.107). They strongly believe that using this social media tool enables their employees to generate innovative, and ground breaking products by collaborating with the brightest minds.

Various researchers stated that it is imperative for companies to encourage their young employees to use social media for knowledge creation and innovation (Shepherd, 2011, p.3; Tulgan, 2007, p. 3; Rai, 2012, p.257). Rai (2012, p.257) stated that today

majority of employees are represent the first generation that have grown in the midst of the high-technology. These people working for companies have spent most part of their lives surrounded with technology such as digital music players, video games, video cameras, newer version of mobile phones and now internet and social networking websites. Today, these employees are digital immigrants who believe in knowledge creation and innovation from the technologies.

Researchers also found that organizational social media websites are time-efficient, inexpensive and customizable which significantly increases the efficiency of recruitment of employees. They can easily analyze the thousands of resumes and applications through the system where they could be able to filter and view the information in more meaningful way.

2. PARADOXES THROUGH SOCIAL MEDIA ADOPTION

Before discussing the study and the finding, the definitions of Social Media and High Commitment HRM are introduced to frame the setting of the research.

2.1 Social Media as Information System

Social Media is not a single application, but as a set of interconnected and (however loosely) integrated information technologies: a User Generated Information System formed through unification of single components to offer its users unique value (Kaplan and Haenlein 2010). Social Media opens new avenues for communication and differs from other computer mediated communication systems (Leonardi, Huysman et al. 2013) by (1) increasing distinctiveness of messages through transparent communication and trusted sources (Fieseler, Hoffmann et al. 2010, 2011, Hauptmann and Steger 2013), (2) allowing consistent universal (multiple devices, multiple protocols) and egalitarian (ease to join, free access, affordable hardware) access to communication channels and information for participants at all levels (e.g. in organizational context this includes potential and current employees, middle- and top-managers, alumni etc.) (Boyd and Ellison 2008, Kaplan and Haenlein 2010) and by (3) providing accessible and uncensored two-way communication platforms which contribute to dialogue and consensus building (Lim 2012, Hauptmann and Steger 2013).

Every-time and everywhere access, ease of use and lack of censorship suggest that a bottom-up Social Media adoption is possible. How does this fit with the concept of High Commitment HRM?

2.2 High Commitment HRM

High Commitment HRM (HCHRM) is one of the three main theoretical perspectives of HRM recently identified in the literature (Guest 2002) and has been linked to sustained competitive advantage (Walton 1985, Lawler 1988). HRM is conceptualized as a system of ongoing processes of communication and negotiation of expected behaviors, attitudes and performance between the organization and its employees. To be considered effective, such a system needs to be distinctive, consistent and high in consensus. A strong HRM system therefore “facilitates interactions, interdependencies, and event cycles such that fewer event cycles are needed to develop shared interpretations” (Bowen and Ostroff 2004). In addition, communication strength is supported by provision of processes and rules for two-way symmetrical communication (Kent and Taylor 1998). Sanders and Yang show that commitment increases, if employees understand HRM message (Sanders and Yang forthcoming). To ensure distinctiveness, the message needs to stand out from its environment, for example come from a hierarchically higher level. To be *consistent*, messages across different HR activities and time need to be coordinated at the higher organizational hierarchy level. Finally, to contribute to consensus, a dialogic negotiation of meaning should exist between the recipient (employee) and the sender (management). These considerations point towards a top-down vertical alignment of communication across organizational hierarchy levels.

2.3 Top-Down and Bottom-Up paradox

While the three major HRM perspectives suggest a top-down approach and elevate HRM process and content to the strategic level (Guest 2002), Social Media is emerging bottom-up, finding its way into organizations from the “shop-floor”-level. Social Media properties allow it to be used in such a way, that messages will be considered as distinctive even if they do not come from a higher hierarchy level (Kietzmann, Hermkens et al. 2011). Furthermore, many Social Media platforms can be used by potential, current and former employees in a consistent way without any top-down control. The dialogic conversational nature of Social Media would also allow for a consensus to be created among the employees outside organization’s control.

Advantages

- Aid in recruitment. Social media platforms can be used to publicize job openings, source candidates and verify background information.
- Market the employer brand. Sharing media about employee events and company values can help establish an employer brand to attract applicants and customers.
- Deliver internal communications. HR communications on policies, benefits, company news, social events, professional development and more can be made available to employees at any time.
- Engage employees. Internal social networking platforms can be more engaging and inspire greater participation than regular e-mail communications. Employees may feel they have more of a voice when their postings and comments are actively encouraged.
- Promote social learning and knowledge sharing. Providing employees with a way to connect with co-workers to solve problems promotes social learning and can increase knowledge sharing globally.
- Communicate during a disaster. Displaced employees can see emergency information from their devices to stay in touch with the employer and receive direction.
- Professional networking. HR professionals can network with peers, keep pace with competitors, and help attract clients whose values align with the employer brand.

Disadvantages

- **Security.** Using social media platforms on company networks opens the door to hacks, viruses and privacy breaches.
- **Harassment.** Employees may engage in harassing behaviors toward co-workers on a social network, and HR will need to take action if it becomes aware of such behaviors.
- **Negative exposure.** Postings from former or current employees, or even clients casting the employer in a negative light, may damage the employer’s reputation.
- **Legal violations.** Employers become more susceptible to charges of discrimination, privacy violations and interference with employees’ rights under Section 7 of the National Labor Relations Act, among other violations, when social media is used in the workplace.
- **Potential loss of productivity.** Some employees may spend an inordinate amount of time on social media for personal reasons while at work. Enforcing a clear policy on terms of use while working can help to mitigate this risk.
- **Wage and hour issues.** Nonexempt employees restricted to certain working hours may incur additional compensable hours, including overtime, more easily through social media use.

3. CONCLUSION

The presented model depicts HRM as a three dimensional communication system. The model was successfully used to analyze qualitative data from two pilot studies: emergent use of Social Media across HR activities and the direction of Social Media utilization along hierarchy levels were made visible, allowing selection of theoretically significant cases for further study. The findings, albeit limited, indicate emergent Social Media usage across all areas of HRM, along all hierarchical levels and for different types of communication.

Top-down vs. bottom-up utilization

It seems, that “top-down” utilization is prevailing in HRM activities that relate to external public, namely attraction and selection activities as well as alumni engagement. There appear to exist top-down attempts to utilize internal Social Media tools in organizational design, performance evaluation and decision making activities, however in both cases the actual usage of Social Media platforms seems to be irregular at best. However, in both cases, despite lack of technical and policy support, publically available Social Media platforms are being utilized by employees for internal communication and collaboration. In one case even to transmit HRM messages. Dialogue between current employees and alumni consistently took place “bottom-up” and outside organizational control. This points towards the emergent, “bottom-up”-nature of Social Media.

Utilization across HR activities

A consistent approach to Social Media utilization across HR activities was not found in either case. Some Social Media platforms were consistently utilized for mainly attraction and selection activities and alumni engagement. In one case, this utilization was imposed “top-down”, in the other emergent “bottom-up”. There appears to be a disparity of Social Media platforms used for a number of HR activities and no cross-links are visible. For example employees are not utilizing Social Media for attraction (i.e. referrals) or selection (i.e. recommendations). A link between Social Media utilization for two different activities (e.g. attraction and job design) is not visible in either organization.

Directional communication and dialogue

Remarkably, when Social Media usage emerged “bottom-up” the communication was two-way, collaboration. Social Media tools which are used “top-down” mostly employed uni-directional broadcasts (e.g. job postings) or uni-directional feedback (e.g. searching for candidate’s CVs or asking employees’ opinion on proposed changes without establishing a dialogue). The discrepancy between “bottom-up” dialogic communication and “top-down” uni-directional communication points towards a potential disruptive characteristics of Social Media utilization and should be further explored.

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