



The Effect of Social Network on the Enterprises Management Strategy - A Review Article

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Abstract—This review paper is on “Management Strategy and HRM Practices” in which different studies have been analysed and reviewed. The review revealed that social media has played an important role in changing the organisational practices and improving its performance. Hence, it is being widely used in HRM for different activities such as recruitment and retention. However, the different studies analysed, used specific research methods due to which there were gaps and limitations in their findings. Hence, the proposed research method based on mixed method approach will be more appropriate as it will overcome the weaknesses present in one type of research method along with providing diverse views on this important topic.

Keywords— Management strategy, HRM Practice, Social Network, Enterprises, Recruitment, Retention

I. INTRODUCTION

The social media has been adding value to a number of business functions as various business goals such as increase in innovation, better access to the expertise and increase in knowledge sharing are being served by social media. Moreover, these technologies tend to serve a wide range of needs in organisations which can be both tactical and strategic in nature (Forrester, 2010) [6]. This importance is due to the ability of social media to facilitate low cost, interactive, immediate and asynchronous communications. Moreover, the various social networking sites are regarded as one of the main network resource for the firms which link the strategic value with the performance of the business (Zhou, et. al 2007) [21]. In addition to this, the social networks are not only being used by large but also small and medium sized enterprises as it enables advanced collaboration as well as communication at low cost. This is because it enables organisations to be able to enhance their internal communication, public relations and branding at a lower cost as SMEs are able to use micro-blogging for directly contacting with the customers and other stakeholders (Bolton, et. al 2013) [4]. This shows that social networking tend to play an important role in enterprise management. Hence, this review paper will focus on analysing studies which emphasise on the way organisations tend to

maximise the application of social media along with understanding the role of social networking sites in recruitment, selection and training as shown in the variable diagram below fig.1 which shows the dependent variables which are training, selection and recruitment, and communication while the independent variable is social networking sites.

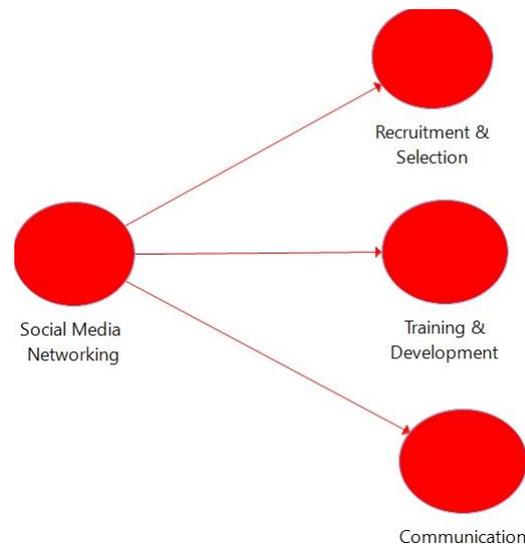


Figure 1. Dependent Variable Diagram of Social Media Networking

II. LITERATURE AND REVIEWE

Before According to Gregory and colleagues, technology has had a major impact on every area of employment as it provides advantageous and significant ways through which different practices in an organisation can be enhanced such as the recruitment practices. In this regard, the internet resulted in creating an important opportunity in terms of online recruitment practices as organisations have been using the web to post vacancies on job boards and websites. This has enabled the organisations to reach a wider set of audience in a more cost-effective manner (Ladkin & Buhalis, 2016) [12]. Moreover, social media is being adopted in organizations to support both collective as well as personal process related to managing knowledge (Haefliger et al, 2011) [9]. Hence, organizations can exploit new types of knowledge sharing, collaboration and interaction by leveraging the collaborative and social dimensions related to social media (Razmerita et al, 2014) [16]. In addition to this, organizations which are engaging in social media tend to have the potential of becoming public relation models which are based on open

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systems as the organizations as well as the stakeholders become the consumer and creator of the online content (Reitz, 2012) [17]. Hence, Guirgiu and Barsan stated that organizations are able to benefit from this participation of public in developing its products through preference, opinions and suggestions. Along with these changes, social media has also resulted in a radical redesign of both informal as well as formal communication in the organizations (Manuti, 2016) [14].

However, even though social media tends to provide platform for collaborating, exchanging and sharing suggestions, knowledge and ideas, it is not just their introduction in the organisation which drives success as it becomes imperative for the organisations to adopt a holistic approach. Hence, organisations need to determine the way technological tools tend to affect the employees on the daily basis (Corral de Zubielqui, et. al 2017) [5]. Moreover, it is important for organizations to formulate new approaches to ensure that social media is used as important tool for enhancing its communication (Badea, 2014) [3]. This is because it has become imperative for organizations to understand that technology has created opportunities related to interaction between the public and businesses due to which it needs to be regarded as an important strategic tool (Henderson & Bowley, 2010) [11].

Moreover, to understand how use of social media in organisation is changing the public relations and organisational communications, a study conducted by Tajudeen and colleagues provided an understanding of the different benefits which are related to the use of social media in organisations along with providing justifications related to investing in the social media. The study was based on a survey method in which 567 firms were selected as they had official social media presence. This survey was emailed to the management who was in charge of the social media in the company after receiving their consent (Tajudeen et.al, 2018) [18]. Though the study provided important results, it had limitations in terms of focusing on specific number of factors that were included in the study. Moreover, studies have also been conducted to determine the way use of social media affects the performance of organization. In this regard, a study by Parveen et al(2014) [15] revealed through interviews of social media managers that social media is being used for a number of reasons in the organization such as building customer relations, searching for information, branding, and promotion. The study also revealed that social media has a major impact on performance of organization in terms of building relations with the customers, improving the access to the information and reduction in costs. Furthermore, in another study, it was revealed that social media affects both internal as well as external communication in an organization due to the increase in the amount of interaction (Langer, 2014) [13]. Though prior researches had revealed the way social media was being incorporated into the organizations for the purpose of communication with the public as well as employees. Langer focused on interpreting the way social media affected the organizational communication public, consumers and employees. As a result, 11 different semi-structured interviews were conducted with the executives of different organizations which had used social media for

communication purpose (Langer, 2014) [13]. Based on the study, it was found that the social media had a major impact on the internal communication in the organization.

The analysis of social media's impact on organization should also include the way it affects the attitudes and behaviours of employees. In this regard, a study conducted by Ashraf and Javed (2014) [2] revealed that social networking tend to have a major impact on the performance of employees as it affects the motivation level, productivity, knowledge and skills of employees.

In addition to this, another important study was conducted in UAE to overcome the gap present in terms of most of the studies being conducted from the developed nations and mainly focused on larger organisations. Hence, this study focused on overcoming this gap by analysing the social media implementation in small and medium firms in UAE (Ahmad et.al, 2018) [1]. The study used a qualitative approach in which semi-structured interviews were conducted as interviews are regarded as an important tool to understand the different underlying reasons related to the complexities of behaviours and decisions in humans. Though the study provided important conclusions, it had limitation in terms of a small sample size of only seven SMEs and also lacked quantifiable and statistically validated data (Ahmad et.al, 2018) [1].

There have also been a number of studies which have focused on studying the impact of social media on HRM. One such study focused on evaluating the way social media is used by HRM in organisations to communicate and engage with former, current and potential employees (Wolf et.al, 2014) [20]. Hence, to address various utilisation scenarios, two different companies were selected to evaluate the usability of the proposed framework. The findings of the study revealed that in both cases, there were similarities as well as differences in using social media in HRM and the dominance of bottom up approach in utilisation of social media in HRM (Wolf et.al, 2014) [20]. Though this study represented important findings related to use of social media in HRM, the findings were limited as the interviews did not provide a holistic view of the implementation.

Similarly, another study was conducted to explore the way social media has been transforming the role of managers in HR due to which it examined the various effects which social media have on retention, recruitment and termination. Moreover, the study also explained the disadvantages and advantages which social media provides to these managers (Williams, 2017) [19]. Hence, to determine the way HR managers view social media, a survey was conducted which was distributed to various professionals for gauging the effectiveness of social media as a tool. The results of the study revealed that social media supported managers in terms of employee recognition, selection and recruitment due to which the various benefits of using them included expansion in the applicant pool and posting of jobs on popular social media sites. It was also revealed that not every media site provided benefits due to which it has been recommended that the HR managers should be careful in terms of determining which social media technology and platform should be used (Williams, 2017) [19]. In addition to this, it has also been

recommended that social media sites should not be the primary tool for selection due to the various risks associated with it. Hence, for reducing the adverse impact of social media, it is important for the managers to enforce, integrate and inform social media policies in the policies implemented in the organisation.

Hauptmann and Steger (2013)[10]; on the other hand; in their study focused on the success and increasing use of social media on the organisations. They highlighted that social media tends to provide a number of important opportunities in terms of HRM for organisations such as effective knowledge and project management but there are also some threats which need to be considered. In order to conduct the study, they used two case studies which had different organisational settings and which used social media technologies. The study highlighted important results based on their case studies and theoretical explanations that the technical structures are important due to which efforts need to be made for integrating information system, organisation design and HRM in the organisation because the absence or simple existence results in different behaviours (Hauptmann & Steger, 2013) [10].

However, it is also important to understand that though there are large number of benefits associated with the use of social media in organisations, studies have been conducted to analyse the issues which concern social media and online recruitment. In this regard, a study based on hospitality industry was conducted in which the existing research was used for analysis (Ladkin & Buhalis, 2016) [12]. Hence, secondary sources were used for developing a framework for considering social media recruitment. The findings of the study were focused on both employers as well as employees due to which they revealed that the considerations for the employers comprised of brand reputation, fairness in recruitment process and attributes in the website. On the other hand, in terms of the prospective employees, the considerations were on their private and public online profiles (Ladkin & Buhalis, 2016) [12].

CONCLUSION

The review of different studies conducted in the field of social media and enterprise management revealed that organisations have been using social media in a successful manner to increase their performance. In addition to this, studies also revealed that social media is changing the way different organisational practices such as HRM activities have changed. However, there are a number of threats which are present in the use of social media which need to be considered while using it. The various studies conducted in this regard used various research methods and approaches which had limitations. Hence, my research proposal is focused on overcoming these weaknesses in the study. Therefore, the use of mixed method research will enable the presentation of a wide range of views because social media is an important topic. In addition to this, to establish a strong inference and to measure the performance of social networking on a diverse range of users, mixed method research is more suitable. Moreover, the mixed method approach results in complementary strengths as there are less chances related to biasness as sequential mixed method will be used which will enable the study to be conducted in three different strands i.e.

analysis of social media page, semi-structured interviews and quantitative surveys. Hence, the use of this approach will help in overcoming the gaps and limitations which have been present in the studies reviewed.

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