



Cornell University  
ILR School

Cornell University ILR School  
**DigitalCommons@ILR**

---

Student Works

ILR Collection

---

Spring 2013

# How Do Online Social Networks Drive Internal Communication and Improve Employee Engagement?

Eunjung Lee  
*Cornell University*

Follow this and additional works at: <https://digitalcommons.ilr.cornell.edu/student>

**Thank you for downloading an article from DigitalCommons@ILR.**

**Support this valuable resource today!**

---

This Article is brought to you for free and open access by the ILR Collection at DigitalCommons@ILR. It has been accepted for inclusion in Student Works by an authorized administrator of DigitalCommons@ILR. For more information, please contact [catherwood-dig@cornell.edu](mailto:catherwood-dig@cornell.edu).

---

# How Do Online Social Networks Drive Internal Communication and Improve Employee Engagement?

## **Abstract**

The definition of a social network is taking traditional or in person networking activities online. It focuses on facilitating the building of social networks or social relations among people who, for example, share interests, activities, backgrounds, or real-life connections. Given the popularity of social network sites, it is obvious that more and more companies are interested in using them to enhance company's strategy. Many large organizations had been looking for ways to extract business values from social technologies, and some of them had already run their own social network site on their own servers, what we will refer to as an internal social network. Our research, focusing on looking at the practices of real companies' internal social network, may reveal some insights or give some inspirations.

## **Keywords**

human resources, social networks, employee engagement, internal communication, online social networks and improved employee engagement

## **Comments**

### **Suggested Citation**

Lee, E. & Xue, W. (2013). *How do online social networks drive internal communication and improve employee engagement?* Retrieved [insert date] from Cornell University, ILR School site: <http://digitalcommons.ilr.cornell.edu/student/22/>

### **Required Publisher Statement**

Copyright by the authors.

## Executive Summary

### **Question:**

How do online social networks drive internal communication and improve employee engagement?

What are the pros and cons of online social networks in the workplace? Show best practices as references.

### **1. Background**

The definition of a social network is taking traditional or in person networking activities online. It focuses on facilitating the building of social networks or social relations among people who, for example, share interests, activities, backgrounds, or real-life connections. Given the popularity of social network sites, it is obvious that more and more companies are interested in using them to enhance company's strategy. Many large organizations had been looking for ways to extract business values from social technologies, and some of them had already run their own social network site on their own servers, what we will refer to as an internal social network. Our research, focusing on looking at the practices of real companies' internal social network, may reveal some insights or give some inspirations.

### **2. Best Practices of internal Social Networks**

**Humana** (a health care benefits insurance company):

- 1) Built online profiles of employees to use in their performance review process and built a database of leaders' profiles;
- 2) Established an internal social networking site similar to Facebook and LinkedIn with a strong built-in search function, through which employees have their own blogs to share their expertise, thereby stimulating ideas and discussions;
- 3) Tried out social networking analysis software to identify specific communications patterns and people within the company who have strong influence and who are hubs for information;
- 4) Technology-enabled online simulations with this software, employees can participate in scenario planning and discuss the business impact of decisions tied to each scenario. The involvement of a variety of other stakeholders aims to bring forth and share different viewpoints of government agencies and consumer representatives in order to bring health care solutions to fruition. Humana believes that enabling employees and leaders to see each other more clearly through the company's social networking site will improve its ability to find quality successors for its leadership. In addition, as employees are able to see each other's strengths and experience, they will be better able to leverage the knowledge that resides throughout their networks.

**Dow**: is focusing on increasing "engagement with the overall Dow family—current and former employees." *My Dow Network* is launched "to cultivate four Dow communities: retirees, alumni, current employees and women." According to the official press statement, the closed, online community allows users to expand their professional networks, to renew old friendships, to learn the latest Dow information, and to explore new job opportunities. It also keeps Dow connected to a larger talent pool, fuels collaboration and innovation, and facilitates a diverse and inclusive work environment.

**IBM**: launched *Beehive* (shown in Appendix 1), a social networking website behind IBM's firewall for IBM employees designed to blur the boundaries of work and home, professional and personal, and business and fun. As with other social network sites, it supports the "finding" of other people, provides an individual profile page for each user, and incorporates content sharing in the form of photo and list sharing. They did not build in limitations on the types of content that could be shared, for example whether or not the content was personal or professional in nature.

**Salesforce.com:** developed *Chatter*, a Facebook-inspired application for companies that allows users to keep track of their colleagues and customers and share information and ideas. The application had been used by employees within and across different work groups. Moreover, it had become an effective way to bring the top tier of the company closer to the workplace. For instance, during the company's annual management off-site, all employees had been invited to join the meeting virtually by broadcasting the meeting through a video service. A special "Chatter forum" had been set up, through which managers who attended the meeting and the employees who watched it can comment and interact with each other. In the end the dialogue lasted for weeks beyond the actual meeting. More important, by fostering a discussion across the entire organization, Top management has been able to better align the whole workforce around the company's mission. The event served as a catalyst for the creation of a more open and empowered culture at the company.

**Marsh Inc.** (an insurance subsidiary of Marsh & McLennan Cos., based in New York City): created *Marsh University*, a social platform-based learning site. Beginning with peer-to-peer learning on the social platform, Marsh University now offers content, connects individuals, allows creation of groups for learning and collaboration, and lets individuals share through blogs. About 18,000 of the company's 25,000 employees use it.

### 3. The Impact on the workplace

---

#### *Possible Advantages:*

- Social networking sites help employees remain focused on and aligned with corporate objectives.
- People can share resources and information easily and effectively.
- These tools flatten the corporate hierarchy, empower individual employees at all levels and provide a direct path to decision-makers and executors.
- Internal social networking encourages people to connect and communicate with each other, cross pollinate ideas and develop valuable insights.
- The ability to communicate issues, insights and solutions leads to generating new ideas.
- The company can be more easily and effectively search for and consolidate employee skill-sets to match specific project requirements.

#### *Possible Disadvantages:*

- Open up the possibility for hackers to commit fraud and launch spam and virus attacks.
- Increase the risk of people to result in data and identity theft.
- May result in negative comments from employees about the company or potential legal consequences if employees use these sites to view objectionable or offensive material.
- Potentially result in lost productivity, especially if employees are busy updating profiles, etc.

### 4. Conclusion:

---

Undoubtedly, social networking is revolutionizing the way a company connects, communicates, engages employees, and achieves its business goals. However, there is no one-size-fits-all approach for a company adopting social networking in the workplace. Because comparatively few studies of social networks in the workplace exist, some important questions regarding issues such as the relationship between social networks and work performance, and the ROI of social network, remain unanswered. However, we feel that the information that is learned from an internal social network is interesting and valuable enough to collect and communicate. In order to achieve this goal, we suggest that companies provide concrete examples of usage violations to their employees.

## Appendix 1. A Beehive profile

**IBM. hive**  
**bee**  
 home ▾ profile ▾ people ▾ photos ▾ hive5s ▾ events ▾  
 Type to look up person  [Lookup](#)

Welcome Joan [login] your account about beehive feedback log

**Werner Geyer**  
 you connect to Werner  
**Werner is**  
 In need to refill his car after almost running out of gas

**live facts**  
 Blue Pages | Fringe  
 Research Scientist - Social & Collaborative Systems  
 Cambridge, MA US  
 wg17@us.ibm.com  
 Phone: 1-617-123-1234  
 Joined Beehive: May 31, 2007  
 Last login: December 14, 2007

**beehive counters**

Ph	H5	Ey
37	8	3

**connections** **buzz**  
 99 147

This profile has been viewed 991 times

**Ph photos**

**H5 hive5s**

**IE bugs**  
 Created: December 4, 2007

**Pillars of Pride**  
 Inspired by today's Mandelbrot talk. As Casey said, he has 3 but we are in beehive... it's gotta be five. I also believe in micro pillars. We need lists of lists...  
 Created: July 24, 2007

**the buzz**  
 add comment | next page

- On December 14, 2007, Werner's status message changed
- On December 13, 2007, Werner commented on Alan
- On December 13, 2007, Werner added a photo
- On December 13, 2007, Werner added a photo
- On December 11, 2007, Werner's status message changed
- On December 11, 2007, Werner commented on an event

**connections**

**about Werner**

**my current project**  
 Beehive social networking for the enterprise. We've been building this baby and we are trying to determine the value for businesses. Connecting people is an under-supported function in today's IT infrastructures. Social networking sites support this by making people first class business objects.

**Where I come from?**  
 Mannheim, Germany and now Boston :)

**Ask me about**  
 Activity-centric collaboration and Activity Explorer. AE was one of my most successful projects. It provided the foundation for the Lotus Connections Activities product.

**The German title of my thesis:**  
 Das digital lecture board - Konzeption, Design und Entwicklung eines Whiteboards fuer synchrones Teleteaching

**What do I hate?**  
 Caraway seeds in bread :)

**My first project at IBM Research:**  
 TeamSpace - Capture and Access of Virtual Meetings

**Speak to me in**  
 German, English, and French

**5 Things to Ask Me About**  
**Reusing:** Amar Srivastava's hive5  
 Five things I know a bit about and enjoy talking about

- Emerging small business markets
- My family
- Switching careers later in life
- Effective communication
- knitting

**hive5 details**  
 Hive5 shared by Betty Zechman on January 20, 2008.  
 This hive5 is visible to everyone.

**actions**

**+H5** Reuse this hive5 (Start with this title and fill in your own details.)

**+Re** Recommended this hive5 to colleague(s) (separate with commas - only to preexisting users!)

**the buzz**  
 add comment

**On January 20, 2008, Joan DiMicco said:**  
 edit delete  
 Do you know about the great knit shop in Brookline Village? Everyone keeps mentioning it t

**On January 20, 2008,**  
 Dennis Michael's hive5 reuses Betty Zechman's hive5

**On January 20, 2008, Charlie Hamilton said:**  
 What did you do for your first career?

[Sources : DiMicco, Joan, et al.(2008) "Motivations for social networking at work." Proceedings of the 2008 ACM conference on Computer supported cooperative work. ACM]

## Appendix2. Formal Application of Social Media

Organizational Use	Potential Benefits	Potential Risks
Recruitment and selection	<ul style="list-style-type: none"> <li>Improved sourcing of high-quality candidates</li> <li>Enhanced candidate quality</li> <li>Increased time and cost efficiency</li> </ul>	<ul style="list-style-type: none"> <li>Employment discrimination (e.g., obtaining personal information that is not job-related from sites such as Facebook and using it in hiring decisions)</li> <li>Variability in applicant use of social media disadvantages those who do not use it (some age groups or racial/ethnic groups may be underrepresented on social media sites)</li> </ul>
Socialization and onboarding	<ul style="list-style-type: none"> <li>Greater organizational identification and commitment</li> <li>Reduced turnover</li> <li>Improved employment compatibility and job satisfaction</li> </ul>	<ul style="list-style-type: none"> <li>Spread of inappropriate or damaging information (e.g., negative information posted by disgruntled employees could discourage new hires)</li> <li>Creation of division rather than inclusion (e.g., establishment of “cliques” or subcultures)</li> </ul>
Training and development	<ul style="list-style-type: none"> <li>Reduced training costs</li> <li>Greater training effectiveness</li> <li>Continuous skill enhancement and self-directed learning</li> </ul>	<ul style="list-style-type: none"> <li>No positive effect on learning or development (e.g., skills to be learned are not transferred to the job)</li> <li>Unequal access or usage (e.g., those who do not use social media have fewer opportunities for training or development)</li> </ul>
Knowledge sharing	<ul style="list-style-type: none"> <li>Fast and inexpensive dissemination of information</li> <li>Easy sharing of knowledge from few to many</li> </ul>	<ul style="list-style-type: none"> <li>Unequal access or usage (e.g., those who do not use social media have less opportunity to share)</li> <li>Too much information (e.g., work time consumed with reading social network posts)</li> <li>Quick spread of negative or private information (e.g., co-workers learn of an employee’s serious medical condition)</li> </ul>
Branding and marketing	<ul style="list-style-type: none"> <li>Ability to reach new customers</li> <li>Customer loyalty enhancement</li> <li>Increased time savings and cost efficiency</li> </ul>	<ul style="list-style-type: none"> <li>No relevant effect on customer metrics (e.g., investment in social media does not generate sales or customer growth)</li> <li>Hidden costs with maintenance of media (e.g., staff time to monitor social network sites and constantly provide fresh content)</li> </ul>
Creativity and problem solving	<ul style="list-style-type: none"> <li>Increased problem solving accuracy and speed</li> <li>Innovation spread throughout organization with minimal effort</li> </ul>	<ul style="list-style-type: none"> <li>Consensus process slows decision-making (e.g., the higher number of people involved in decision-making increases time needed to resolve an issue)</li> <li>Consensus leads to pursuit of poor choices; lack of critical thinking (e.g., groupthink or an influential employee generating support for a bad idea)</li> </ul>
Influencing organizational culture/change	<ul style="list-style-type: none"> <li>Reinforcement of organizational culture</li> <li>Culture change through communication</li> </ul>	<ul style="list-style-type: none"> <li>Broad resistance to organizational change (e.g., employees bond together to resist change)</li> <li>Facilitation of undesirable company culture (e.g., employees use social media to form coalitions counter to the organization’s culture)</li> </ul>

[Sources : SHRM Foundation Executive Briefing, SHRM, Robert e. ployhart, ph.d., Social Medial in the Workplace: Issues and Strategic Questions]

## Cited Reference

*(Listed in order used within Executive Summary)*

1. Bill Rorbers (2012). Social Media Gets Strategic. HR Magazine, SHRM Vol. 57 No. 10.
2. DiMicco, Joan, et al. (2008) "Motivations for social networking at work." Proceedings of the 2008 ACM conference on Computer supported cooperative work. ACM,
3. Ibarra, H., & Hansen, M. T. (2011). Are You a Collaborative Leader?. Harvard Business Review, 89(7/8), 68-74.
4. Bill Rorbers (2012). Social Media Gets Strategic. HR Magazine, SHRM Vol. 57 No. 10.
5. Bennett, James, et al. "Workplace impact of social networking." Property Management 28.3 (2010): 138-148.
6. Teacher, HYUGAC06010, and Ben Hur. "What are the advantages and disadvantages of social networking sites?."
7. Agarwal, Shailja, and Monika Mital (2009). "An Exploratory Study of Indian University Students' Use of Social Networking Web Sites: Implications for the Workplace." Business Communication Quarterly 72.1 p.105-110.
8. Eysenbach, Gunther. "Medicine 2.0: social networking, collaboration, participation, apomediation, and openness." Journal of Medical Internet Research 10.3 (2008).
9. DiMicco, Joan, et al.(2008) "Motivations for social networking at work." Proceedings of the 2008 ACM conference on Computer supported cooperative work. ACM.
10. Bennett, James, et al. "Workplace impact of social networking." Property Management 28.3 (2010): 138-148.
11. Berg, Shelley A., and Seung Youn Yonnie Chyung. "Factors that influence informal learning in the workplace." Journal of workplace learning 20.4 (2008): 229-244.
12. Palloff, Rena M., and Keith Pratt. Collaborating online: Learning together in community. Jossey-Bass, 2010.
13. Jue, Arthur L., Jackie Alcalde Marr, and Mary Ellen Kassotakis(2009). Social media at work: How networking tools propel organizational performance. Jossey-Bass.
14. Rooksby, John, et al. "Social Networking and the Workplace." School of Computer Science, North Haugh, University of St Andrews (2009).
15. Acquisti, Alessandro, and Ralph Gross(2006). "Imagined communities: Awareness, information sharing, and privacy on the Facebook." Privacy enhancing technologies. Springer Berlin Heidelberg.
16. Boyd, d(2006). Identity Production in a Networked Culture: Why Youth Heart MySpace Presented at the American Association for the Advancement of Science, St. Louis, MO.
17. danah michele boyd, Friendster and publicly articulated social networking(2004), CHI '04 extended abstracts on Human factors in computing systems, Vienna, Austria
18. Boyd, d. m. and Ellison(2007), N. B. Social network sites: Definition, history, and scholarship. Journal of CMC, 13, 1.
19. DiMicco, J. M., Geyer, W., Dugan, C., Brownholtz, B. and Millen (2009), D. R., People Sensemaking and Relationship Building on an Enterprise Social Networking Site. In Proc HICSS '09 (to appear).

20. Joan Morris DiMicco , David R. Millen(2007), Identity management: multiple presentations of self in facebook, Proceedings of the 2007 international ACM conference on Supporting group work, Sanibel Island, Florida, USA
21. J. Donath , D. Boyd(2004), Public Displays of Connection, BT Technology Journal, v.22 n.4, p.71-82.
22. Casey Dugan , Werner Geyer , Michael Muller , Joan DiMicco , Beth Brownholtz , David R. Millen(2008), It's all 'about you': diversity in online profiles, Proceedings of the ACM 2008 conference on Computer supported cooperative work, San Diego, CA, USA
23. Dwyer, C., Hiltz, S. R. and Passerini, K.(2007), Trust and Privacy Concern Within Social Networking Sites: A Comparison of Facebook and MySpace. In Proc AMCIS.
24. Ellison, N. B., Steinfield, C. and Lampe(2007), C. The Benefits of Facebook "Friends:" Social Capital and College Students' Use of Online Social Network Sites. Journal of CMC, 12, 4, 1143--1168.
25. Werner Geyer , Casey Dugan , Joan DiMicco , David R. Millen , Beth Brownholtz , Michael Muller(2008), Use and reuse of shared lists as a social content type, Proceeding of the twenty-sixth annual SIGCHI conference on Human factors in computing systems, Florence, Italy

### **Additional Suggested Readings**

1. Meredith M. Skeels and Jonathan Grudin. 2009. When social networks cross boundaries: a case study of workplace use of facebook and linkedin. In *Proceedings of the ACM 2009 international conference on Supporting group work* (GROUP '09). ACM, New York, NY, USA, 95-104.
2. Ruck, K. (2013). Looking ahead: Why are we here? *Strategic Communication Management*, 17(1), 10-13.
3. The social divide - employees, executives disagree on the role of social media in building workplace culture: Deloitte survey. (2012, Jun 13). *PR Newswire*. Retrieved from <http://search.proquest.com/docview/1020073007?accountid=10267>
4. SHRM, Toolkit, *Managing and Leveraging Workplace Use of Social Media*. Retrieved from <http://www.shrm.org/templatestools/toolkits/pages/managingsocialmedia.aspx>
5. Twentyman, J. (2013). DEPLOYING SMARTPHONES, TABLETS AND APPS for a new employee communication era. *Strategic Communication Management*, 17(1), 28-31.
6. Simpson, L., & Scampion, L. (2012). Social networking: the employment relationship in an online age. *Human Resources Magazine*, 17(3), 30-32.
7. Reeves, B., & Read, J. L. (2009). *Total engagement: using games and virtual worlds to change the way people work and businesses compete*. Harvard Business Press.