Exploring the Impact of Internal Social Media Usage on Employee Engagement

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ABSTRACT

The emergence of internal social media platforms/applications is creating opportunities for organizations to promote collaboration between employees and to improve employee engagement. Internal social media applications provide employees with an easy way to communicate and share personal and professional information with other co-workers. A number of research initiatives have explored the technical side of internal social media but little research has been conducted to explore its potential in enhancing organizational performance through a more empowered workforce. This paper explored the relationship between internal social media usage and employee engagement in IT Sector. Data was collected from 100 employees and the study revealed variations in both internal social media usage and employee engagement by business division and Software associates. Tasks being addressed by internal social media were also identified. The results showed that the greater the self-reported usage of internal social media, the greater the levels of self-reported employee engagement. The results provide preliminary evidence that internal social media usage is associated with the level of employee engagement. Also, internal social media usage is associated with the level of self-reported competencies of entrepreneurship, communication, and readiness for change.

KEYWORDS

Human resources, internal social media, internal social networking, enterprise social networking, employee engagement, collaboration, internal communication, organizational performance
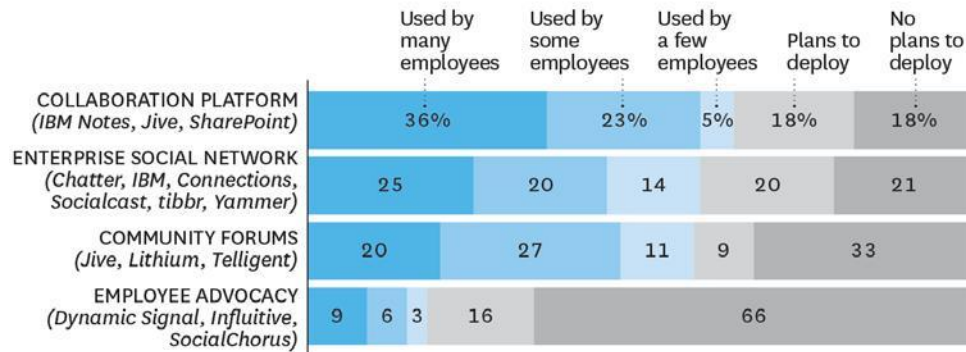
INTRODUCTION

Martin (2013) reported that on average, in 2010, each of the Fortune 500 companies has adopted more than one social media platform. By 2016, it was predicted that 50 percent of large organizations will have internal Facebook-like social networks (Gartner, 2013). Due to the rapid expansion of internal social media adoption, several attempts have been made to unlock the potential benefits that this

increasingly important tool brings to organizations (Jarrahi and Sawyer, 2012). The use of social media technologies has increased across organizations as executives and managers attempt to leverage the power of the information and knowledge that exists within their companies (Leonardi, 2015). Social media continues to gain ground in the enterprise for a wide range of business purposes (Mark et al., 2014). Gartner predicted that social media will transform communication and data- sharing in the enterprise. It was predicted that by 2016, internal social media will achieve as much importance within the organization as email and the telephone have contributed (Gartner, 2013).

Chui et al. (2012) explored the potential impact of internal social media use within four commercial sectors: consumer packaged goods, retail financial services, advanced manufacturing, and professional services. The research revealed that these social media technologies, which create value by improving productivity across the value chain, could potentially contribute $900 billion to $1.3 trillion in annual value across the four sectors. A major part of the research on internal social media focuses on the assessment of its success, key factors for successful implementation, and potential areas for improvement. Another major research stream shows the many individual and competitive advantages that accompany the usage of internal social media such as supporting communication, promoting collaboration-enhancing relationships between colleagues, and improving the individuals' and organizations' knowledge base. These advantages may lead to more innovation, higher morale, lower cost, reduced turnover, and greater productivity (Buettner, 2015). Social networking sites have been widely studied from a consumer perspective; however, far less research has addressed the challenges and opportunities these sites present to organizations (Rooksby and Sommerville, 2012). Buettner (2015) also noticed that people report high usage intention combined with high ratings on perceived usefulness and low on privacy concerns, or a low usage intention combined with low usefulness and high

privacy concern ratings. It shows the results of an Altimeter Group survey of 55 companies, which

revealed that employees are not widely using their corporate social networks (Altimeter Group, 2014).

	Used by many employees	Used by some employees	Used by a few employees	Plans to deploy	No plans to deploy
COLLABORATION PLATFORM (IBM Notes, Jive, SharePoint)	36%	23%	5%	18%	18%
ENTERPRISE SOCIAL NETWORK (Chatter, IBM, Connections, Socialcast, tibbr, Yammer)	25	20	14	20	21
COMMUNITY FORUMS (Jive, Lithium, Telligent)	20	27	11	9	33
EMPLOYEE ADVOCACY (Dynamic Signal, Influitive, SocialChorus)	9	6	3	16	66

Different corporate social network usages. (Source: Altimeter Group, 2014)

This study addressed whether there was a relationship between an employee's use of internal social media tools and the level of employee engagement. The relationship between an employees' usage of Nettie and their performance on four self-reported company-wide competencies was explored next. Employee usage and their engagement practices were studied as well. The study endeavored to provide possible indications about how internal social networking is working and also highlights possible reasons why such networking may not be working. Descriptive statistics were used to address the first research question (RQ) below while inferential tools framed by hypotheses were used to address the remaining RQs.

RQ1: What is the extent of use of Nettie and what apps are receiving the most use?

RQ2: How does the level of Nettie usage impact the level of employee engagement?

RQ3: What is the impact of Nettie usage on a number of self-reported competencies?

RQ4: What is the relationship between the level of employee engagement and self-reported competencies?

This paper continues by addressing background and related work, summarizing the literature regarding the overall use of social medial within workplaces, followed by an overview of internal social media. This section also provides a brief exploration of efforts that address both employee engagement and internal social media. The methodology section presents the adopted research methodology and data collection tool, including information about the

conducted pilot study. Research results are presented next, followed by a discussion of the findings. Finally, this article ends with conclusions and proposed future research thrusts.

BACKGROUND AND RELATED WORK
Public social media in the workplace

Social media consists of a set of tools that enables users to become aware of and react to real-time information and evolving content. Kaplane and Haenlein (2010, p.61) describe this scenario as "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." The number of social media users is growing rapidly and, for example, as of January 2014, Facebook had a total of 1.19 billion active users monthly with an annual growth rate of 18 percent (Aichner and Jacob, 2015).

A mere 18% of managers believe social media is important for their business today, whereas over 63% predicted that social media will be an important part of their business within three years (Kane et al., 2014). Jennings, Blount and Weatherly (2014) indicated that 73.3% of 262 participants, who were employed in a wide range of US industries, used social media for business related purposes; 100% of these same participants reported that they used social media for personal purposes. These statistics indicate that internal social media use is extensive for business purposes but not up to the same level as for personal use.

Beyond standardization, social media platforms facilitate transparency and both active and passive participation (Tierney and Drury, 2013). However, the use of social media within the workplace has seen a slow start and many organizations initially took measures to limit its use. Fifty-four percent of 1,400 Chief Information Officers of various organization confirmed that their organizations were banning access to social media within their

organization (Duban and Singh, 2010). Reporting on a survey conducted by the Society for Human Resource Management, Buttrick and Schroeder (2012) concluded, among other things, that 43% of companies surveyed blocked access to social media platforms on company computers and hand-held devices because of potential risks created by employee use. Parker, Harvey and Bosco (2014) state that social media use within the workplace was seen as disruptive and to negatively impact productivity and blocking social media sites could be the solution. According to Dougherty (2013), 77% of employees who have Facebook spend at least an hour using this social medium during work hours.

As an example, at Robert Bosch Company an internal social media toolkit called Nettie is used. As shown in Figure 2 below, this toolkit includes forums, wikis, blogs, files, ideation blogs, bookmarks, and activities. Participants can tag, create a profile, like and share, contribute to communities, network with fellow workers, and follow what is posted.

Lee and Xue (2013) highlighted a number of advantages that organizations can gain from internal social media networking. For example, employees remain focused on corporate objectives and can share resources and information easily and effectively. The ability to communicate issues, insights, and solutions leads to an empowered workforce and fosters innovation. Internal social media networking provides top management with direct access to posted suggestions and this helps in decision-making processes.

Employee engagement

The term employee engagement has gained considerable popularity in the past 20 years yet it remains inconsistently defined and conceptualized (Shuck and Wollard, 2010). Baumruk (2004) referred to engagement as the energy or the passion that employees harbor for their jobs and their employer, which result in emotional and intellectual commitment to their organization. Richman (2006) described engagement as an impetus for an employee to employ his/her discretionary efforts, experience, and energy, which engender generating creative solutions that, in turn, directly benefit the employers without any explicit assurance of personal gain. "Engagement ultimately comes down to people's desire and willingness to give discretionary effort" to their jobs (Frank et al., 2004, p. 16).

Richman (2006) and Shaw (2005) pointed out that engaged employees have high degrees of involvement and attachment to their employers and/or organizations. Employee involvement "seeks to increase members' input into decisions that affect the organization performance and employee well-being." Four key elements associated with employee involvement include "power…, information…, knowledge and skills… [and]…rewards" (Cummings and Worley, 2008, p. 351). Robinson et al. (2004) argued that the definition of employee engagement overlaps with well-established constructs such as organizational commitment and organizational citizenship behavior. Shaw (2005) acknowledged that there is a myriad of dimensions or constructs associated with employee engagement because the concept of employee engagement emanates from interactions of unique individuals under diverse work conditions. This breadth necessitates the need for focusing on only a few key dimensions or constructs. Gill (2012) proposed the following dimensions for employee engagement: alignment with the organization, management effectiveness, salary and compensation, communication, and opportunity for development and recognition.

Specific organizational competencies

Von Krogh and Roos (1995) posited that the term "competence" is a concept that is related to a broad range of individual capabilities related to craftsmanship, specialization, intelligence, and problem solving. One of the challenges involved in defining organizational competences is the attempt to include both the notion of knowledge (know-how) and action (skill application) at the same time (Edgar, 2008). Edgar also suggested that organizational competences are categorized into four perspectives:

1. Specific phenomena and their related disciplines
2. Technologies such as computing, printing, or internal combustion and its related products
3. Functional skills
4. Integration of technology and skills

Robert Bosch has adopted four competencies that are tracked for all employees. They are: entrepreneurship, leadership, communications, and readiness for change. Since the definitions of these competencies were well-known to the employees, self-reported ratings of these competencies were used to form the construct that addressed competence.

CONCEPTUAL MODEL

The increased internal social media usage may play a key role in enhancing employees' communication,

innovation capabilities, collaboration, and retention. The belief is that more engaged employees can communicate and manage their work tasks more effectively, align their work goals more with the overall organizational goals and strategies, and develop more recognition and get better compensation. If the use of internal social media leads to more engagement, then it seems likely that there will be a corresponding improvement in areas such as: productivity, profitability, safety, customer satisfaction, turnover, and absenteeism. Since past studies have established a clear positive relationship between Employee Engagement and Business Outcomes, an examination of the relationship between internal social media usage, employee engagement and employee competence on four specific company-wide competencies was pursued. Such an investigation was may have implications for management and human resource practices within the company.

Internal Social Media	Employee Engagement	Self-reported Competence
•Communication	•Communication	•Productivity
•Innovation	•Effective management	•Profitability
•Collaboration	•Alignment to organization	•Safety
		•Customer Satisfaction
•Retention	•Development and recognition	
	•Compensation	•Turnover
		•Absenteeism

Internal social media usage, employee engagement, and self-reported competence

Ho1: There is no significant relationship between the frequency of Nettie usage and the level of employee engagement based on the perceptions of employees.

Ho2: There is no significant relationship between the frequency of Nettie usage and the level of self-reported competence measured by the organization annually.

Ho3: There is no significant relationship between employees' self-reported competence and employees' engagement levels.

METHODS

To understand the relationship between Nettie usage and employee engagement, a descriptive research methodology approach was adopted. In addition to a small number of demographic variables, respondent perceptions were gathered regarding the frequency of use of internal social media, the level of employee engagement, and the level of self-reported competence regarding each of the company-wide competencies.

Instrument development

An online survey was developed, reviewed, piloted, revised, and sent to 100 employees working within five main divisions in IT sector- Hyderabad . survey was used to gather data and was administered electronically using the SurveyMonkey.com website. All questions were close-ended: either multiple-choice, yes/no, or five-point Likert-type scale; the square brackets used below identify comments that were not a part of the survey. The following questions were included on the survey:

A pilot study was conducted to help ensure an appropriate readability level, estimate the reliability, and obtain some idea regarding the relevance of the survey questions based on the respondents' perceptions.

Construct validity

A Cronbach alpha was calculated for each of the three constructs and for the overall questionnaire to obtain an estimate of the reliability. Table 1 provides the values for each of the three constructs.

Table 1. Reliability estimates for the key constructs

Construct	Number of Items	Cronbach's alpha coefficient
Self-Reported Competencies	4	.709
Internal Social Media Usage	3	.783
Employee Engagement	9	.889

An exploratory factor analysis was conducted in an attempt to ensure that the employee engagement and self-reported competence constructs were coherent and that threats to construct validity had been minimized. A principal components analysis with an equimax rotation yielded three factors that were consistent with the three constructs. . the four self-reported competencies formed one factor with loadings that ranged from .686 to .803. The items that addressed the use of Nettie formed another factor with all loadings exceeding .800. The last factor addressed the degree to which the employee was engaged in the work at the company and the loadings ranged from .601 to .768. Since all loadings are relatively high and the extracted factors corresponded to the groupings of the initial construct items, there is strong evidence of construct validity.

Results of internal social media usage

Among the 100 surveyed employees, approximately 62% reported they used Nettie and 26% stated they did not have time to use it. Twelve percent chose not to use it, 8% did not know how to use the tool, Overall, 83% of the surveyed employees knew about Nettie while 17% either did not know how to use it or had not heard about it

Table 2. Factor loadings for items representing each construct

Questionnaire Items	Constructs		
	1	2	3
Self-Reported Competencies Construct Items			
Entrepreneurial competence			0.721
Leadership competence			0.803
Communication competence			0.704
Readiness for Change competence			0.686
Internal Social Media Usage Construct Items			
How often do I use Bosch Connect		0.848	

Number of apps/tools used (compilation)		0.893	
Number of tasks addressed with these apps/tools (compilation)		0.853	
Employee Engagement Construct Items			
I know what is expected of me	0.601		
I have the materials and equipment needed.	0.699		
I have the opportunity to do best every day	0.764		
Someone encourages my development at work.	0.718		
My opinions seem to count at work	0.764		
Vision and mission make my work important	0.781		
Vision and mission updated with employee input	0.717		
Success factors for NA guide my efforts and improve	0.746		
I am happy with my work	0.768		

When the respondents who use Nettie were asked how often they use it, 32% reported using it daily; this represents 11% of the entire sample (both users and non-users). Forty-nine percent reported weekly use, which represents 16% of the surveyed 100 employees. Fifteen percent stated they used Nettie monthly and 4% indicated they used it less than monthly. This represents 5% and 1% of the entire sample respectively. When employees were asked if they used Nettie to follow relevant information (delivered by network contacts, communities' blogs, forums, etc.), 91% answered "yes." However, when they were asked if Nettie was mainly used to contribute (e.g., share information, comment on, or recommend existing content) in relevant venues, 64% answered "yes."

Furthermore, among the 573 employees who used Bosch Connect, 80% indicated they used the tool to collect, combine, and communicate information. Sixty-six percent used it to find experts, discover new ideas, and obtain support. Fifty-two percent used it for continuous improvement purposes and 32% used the tool for evaluating options/decision making. Twenty-two percent of employees who use Nettie reported that they used it for organizing/attending meetings and 20% used it for self-organized task assignment. Twelve percent used the tool for other purposes.

Different applications within Nettie were used to different degrees. For example, Communities was the most used with 96% of the users stating they used this application. The least used two applications were the Ideation Blog with 48% and the Media Gallery with 46%.

Results of employee engagement
The employee engagement ratio differed among the four main business divisions. The A4 division had the lowest employee engagement ratio at 4.69. The A2 division had a ratio of 5.17, while the A3 and A1 divisions had the highest ratios of 7.25 and 8.24, respectively. No ratio is reported for division A5 because this was not a specific division but a group of respondents who selected "Other" in response to identifying the department for which they work.

Employee engagement ratios differed among career band levels, as well. The non-exempt band had the lowest employee engagement ratio at 5.33. The exempt and management career bands had the highest ratios of 6.13 and 6.24, respectively. These statistics bring the overall employee engagement ratio at Bosch to 6.02, which is a very high ratio compared to the average industrial employee engagement ratio of

1.83 (Gallup Consulting, 2008).

All respondents were asked to report their agreements with the nine employee engagement statements (Question 13 in the Instrument section above), including three statements about the company's visions and statements that were removed; the remaining six are shown in Figure 8. For all questionnaire items, users of Nettie exhibited higher agreement.
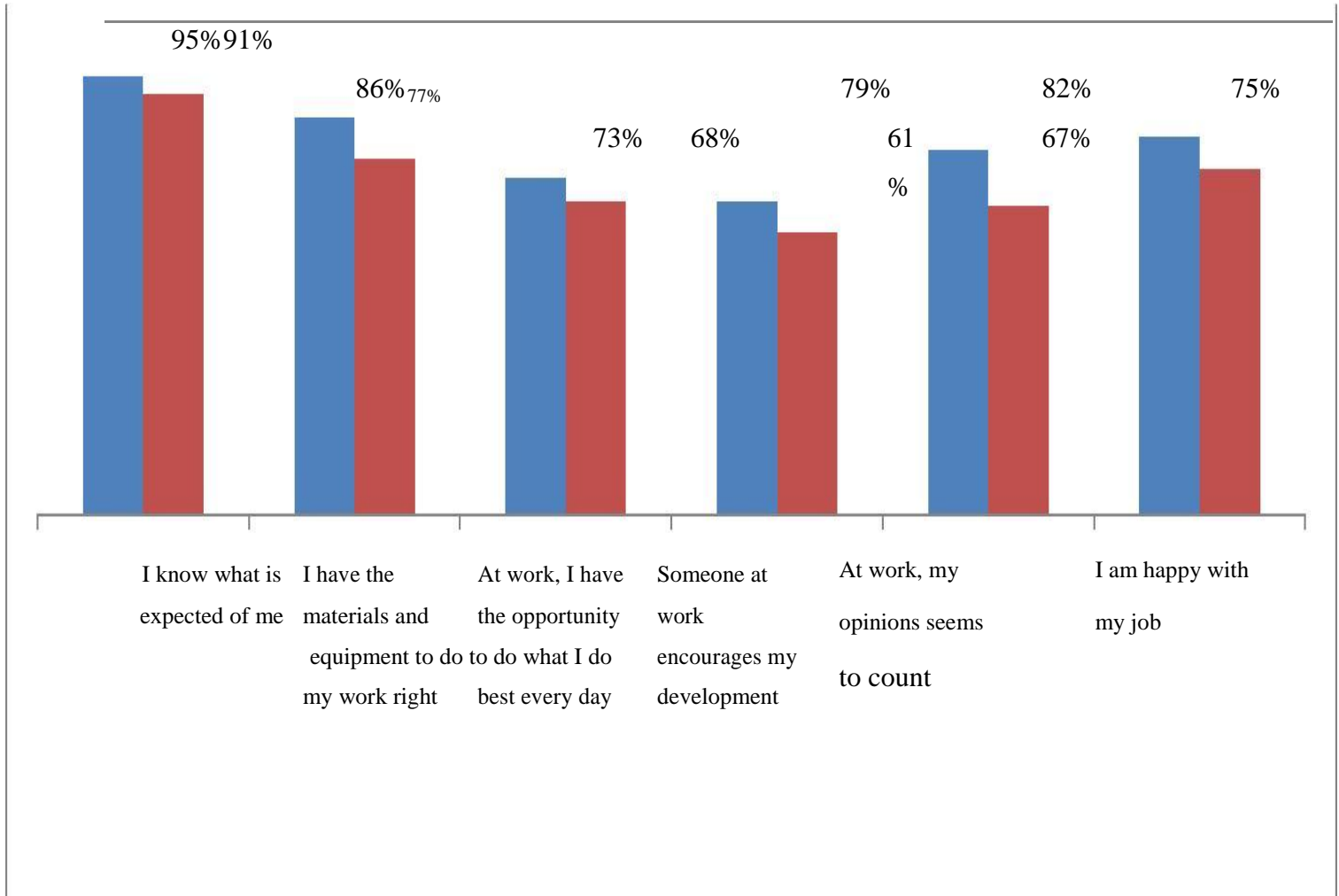
Results of hypothesis testing

The results of the tests for Hypothesis 3 were a bit more complicated. The shaded area within the Table 5 matrix represents significant relationships. The results appeared to validate expected relationships. "I know what is expected of me" and "My opinions seem to count…" were correlated with self -reported performance on each of the competencies. Based on the results of the data analysis, "Someone encourages my development…" and "Vision and mission updated with employee input" were not correlated with any of the self-reported competencies. Several other employee engagement items were related to at least some of the self-reported performance regarding each of the four company-wide competencies. Of the items representing the employee engagement construct, the employee satisfaction item ("Am happy with my work") was related only to one compentency: "Perceived readiness for change." This seems consistent with today's rapidly changing work environments.

Table 3. Correlation between Nettieusage and Employee Engagement items

		I know what is expectedofme	I have the materials andequipmentneeded	I have the opportunity todobesteveryday	Someone encourages mydevelopmentatWork.	My opinions seem tocountatwork	Vision and mission makemyworkImportant	missionupdatedwithempl oyeesinput	NorthAmericaguidemy effortsandimprove	Am happy with my work
How	Correlation Coefficient	-.070**	-.147**	-.044	-.085**	-.127**	-.079**	-.058*	-.058*	-.044
Often use	Sig. (2-tailed)	.004	.000	.072	.000	.000	.001	.017	.017	.075
Bosch Connect	N	1684	1677	1676	1679	1679	1682	1677	1672	1669

**. Correlation is significant at the 0.01 level

2-tailed). *. Correlation is significant at the

.05 level (2-tailed).

Table 4. Correlation between Nettiefrequency of use and the self-reported four competencies

		Entrepreneurial	Leadership	Communication	Readiness for Change
Frequency of Use of Bosch Connect	Correlation Coefficient	-.102**	-.046	-.101**	-.166**
	Sig. (2-tailed)	.000	.060	.000	.000
	N	1694	1694	1694	1694

Table 5. Correlation between the self-reported competencies and Employee Engagement

		I know what is expected of me	I have the materials and equipment needed	I have an opportunity to do best everyday	Someone encourages my development at Work.	My opinions seem to count at work	vision and mission make my work Important	vision and mission updated with employees input	Nonfinancial guidance helps to I improve	Am happy with my work
Entrepreneurial	Correlation Coefficient	.137**	.021	.010	-.005	.051*	.050*	-.013	.030	.004
	Sig. (2-tailed)	.000	.399	.688	.854	.037	.040	.608	.224	.867
	N	1684	1677	1676	1679	1679	1682	1677	1672	1669
	Correlation Coefficient	.141**	.064**	.056*	.017	.117**	.042	.041	.053*	.018

Leadership	Sig. (2-tailed)	.000	.009	.022	.487	.000	.083	.094	.030	.461
	N	1684	1677	1676	1679	1679	1682	1677	1672	1669
Communication	Correlation Coefficient	.147**	.082**	.078**	.029	.049*	.030	.001	.024	.031
	Sig. (2-tailed)	.000	.001	.001	.241	.043	.223	.965	.321	.200
	N	1684	1677	1676	1679	1679	1682	1677	1672	1669
Readiness for Change	Correlation Coefficient	.134**	.057*	.077**	.043	.070**	.063**	.013	.038	.093**
	Sig. (2-tailed)	.000	.020	.002	.081	.004	.010	.607	.124	.000
	N	1684	1677	1676	1679	1679	1682	1677	1672	1669

Study impact

As a result of this study it was recommended that Robert Bosch NA encourage employees to use Nettieto contribute, listen and share information; design and deliver a Nettietraining program for all employees; and examine divisions with low Nettieusage to determine what barriers exist in those units. Additionally, the company was encouraged to use the results of the study to re-examine the features/apps to determine which could be eliminated or modified using the Plan-Do-Check-Act cycle. Modifying the biannual employee survey to include key items from the instrument used for this research would enable the company to track performance. Within the region of North America, Bosch has plans to measure employee engagement annually and track the usage of features/apps within the platform based on this study and other initiatives.

Based on the findings, companies designing or modifying an internal social media platform should consider introducing training programs to ensure that the capabilities and operational

procedures are known by all. Once the program is implemented, media usage could be tracked by unit to determine how often and for how long a particular app is used by each employee. Companies with fully implemented internal social media platforms could formally integrate the platform into their efforts to promote innovation in both products and processes. Given the association observed in this study between usage and engagement and competencies, it may be helpful for companies to track internal social media usage, employee engagement, and perceived competencies regularly.

Suggested future research

Future studies should focus on actual usage rather than reported usage. Internal social media tracking can be used to determine how often and for how long a particular app/tool is used by an employee but some provisions must be made to ensure that the rights of the individual are not violated. Evidence of employee engagement such as the number of sick days used, individual performance ratings, and the number of suggestions for improvement provided by the employee, when coupled with self-reported engagement, would improve the validity of the measurement of this construct. Quasi-experimental efforts to determine the impacts of internal social media usage on employee engagement and other constructs are encouraged to validate the SEM findings in this study.

Companies should consider identifying ways to encourage more use of internal social media platforms and exploring how effectively the posted information should be managed. To promote adoption, future research may explore more business activities that can be supported within (or within extensions of) internal social media platforms. More research is also needed to explore better ways to govern activities within these platforms. For example, better support for user needs such as privacy management, security, and dispute resolutions would be beneficial. Finally, future research is needed to fully validate the preliminary evidence presented in this article by conducting similar studies in different sectors and geographical areas.

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