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Social Networking Usage and Organization Productivity: A Case Study at a Manufacturing Company

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Abstract

Social networking sites provide communication between applications with millions of people without them having to meet face to face. The organizations can implement social networking technology in their office in which their employees can interact and engaged with each other besides sharing their knowledge and ideas regarding task performance during office hours. The social networking sites play a social important role in bridging boundaries and bringing all people on a common platform which helps organizations find new business opportunities and marketing strategy. Moreover, social networking sites can be used as a social platform to monitor conversation about competitors, products or organizations. However, failure to control the usage will affect the organization productivity since it can waste time and be addictive. Thus, this study is to identify the relationship between social networking usage and organization productivity in a manufacturing company. This study gathered views of 100 employees of the manufacturing company and they were analyzed using Pearson correlation and multiple regressions. The results revealed that there is significant relationship between social networking usage and organization productivity at the company and social networking usage especially for marketing purposes has higher influence on the organization productivity.

Keywords: Sites, Communication, Marketing, Task Performance

Introduction

Social networking sites are widely used by most of the firms and organizations to market their products and services in the society. A growing number of organizations are launching internal

deployments of social network sites to encourage employees to share both professional and personal information with each other on the corporate intranet (Turban, Bolloju, & Liang, 2011). Some studies claim that the use of social networking sites makes employees happier and, therefore, more productive (Moqbel, 2012), while other studies consider social networking site as a reason for reduced productivity since it can waste time and be addictive. The sheer volume of traffic from corporate networks to social networking sites proved that social networking sites are being used exceedingly for personal reasons and not strictly for business purposes (Awolusi, 2012). The security risks are often cited by companies as a reason for some managers not to allow social networking use. 72% of companies believed employees' use of social media poses a threat to their organizations. Additionally, 36% of users reported they were sent malware via social media sites, a rise of 69.8% in 2009 (Schroeder, Minocha, & Schneider, 2010). Cross site scripting (XSS) also is one of the problems which are a type of attack in which the victim's web browser is induced to execute malicious code (Chi, 2011). The malicious code may steal the victim's personal information, enabling the attacker to impersonate the victim, or cause the victim's computer to launch an attack against a third party without either the victim's or the third party's knowledge (Omekwu, Eke, & Odoh, 2014). Organizations that encourage information sharing have been found to gain competitive advantage in the long term (Hatala & George Lutta, 2009).

Literature Review

Social networking sites are created to assist online networking. The major social networks are Facebook, Twitter, LinkedIn, Myspace and Friendster. Each of these networks has its distinctive characteristics. There are three basic types of social networking websites: 'free-for-all' social websites, including Facebook, MySpace, Ning, and Friendster; professional websites, including, LinkedIn, FastPitch, and Plaxo; and industry-specific websites like I-Meet and social networking enables us to communicate with a lot of people. Based on the previous research findings, human interaction inherently promotes the formation of networks through social contact (Awolusi, 2012). In addition, some employers admit that they use social networking sites as a quick, no-cost source of background information on job candidates, and some social networking site users use their personal pages as "billboards" to market themselves to employers (Clark & Roberts, 2010).

The introduction of social networking sites in companies enables a new method of communication among colleagues and customers. Large organizations, however, face communication challenges in reaching employees and engage them to become productive members of a team. This implies that every person's communication skills affect both personal and organizational effectiveness (Adu-Oppong & Agyin-Birikorang, 2014). For instance, social networking sites in the workplace provide employees with their customers and their co-employees for questions and communicate (Gibbs, Rozaidi, & Eisenberg, 2013). Employees in an organization participating in an online social networking site can learn about the company and its employees through the social practice of interacting with the site. Social networking site use, in turn, can be used in resolving some HR problems by bridging "external and internal communications" and "recruiting retiree" (McEntire & Greene-Shortridge, 2011). According to Zalewska-Turzyńska (2016), communication is crucial when creating an effective organization. In the workplace, the use of electronic communication has overtaken face-to-face and voice-to-voice communication by a wide margin.

Marketing Instrument: Social networking also acts as a marketing instrument to assist the organization towards contributing in organizational productivity. “Organizations are actively leveraging the power of social media networks to find new business opportunities, new groups of like-minded individuals and organizations, and new sources of industry specific wisdom, advice and expertise” (Femi, 2014). Nowadays, social networking sites are expanding themselves in new areas. Normally, marketing people will use social networking as a marketing instrument to build brand awareness, find new customers, and help conduct market research. For example, Facebook is pursuing a strategy to become an operating system for the Internet (Junco, 2012).

Information Sharing: Information sharing through social networking tools is a key ingredient for organizations seeking to remain competitive. The understanding and practice of information sharing is becoming increasingly essential for organizations to stay competitive and boost profitability (Moqbel, 2012). Social networking can bring a multitude of benefits to a business organization. Social networking would help in creating brand awareness, recruiting new talent, seeking new customers and also helping to conduct marketing research and brand intelligence (Bolotaeva & Cata, 2011).

Organizational Productivity: Social networking also helps organizations to promote their products, services and build their brand image. However, a number of studies show that employees who use social media sites are 9% more productive than those who do not (Aguenza & Som, 2012). Therefore, using social network may actually increase organizations productivity. Awolusi (2012) said that, employees who are connected to other people through social networks can work efficiently in large virtual teams. They are skillful at communicating with others and solving problems. In a similar study by Adzovie, Nyieku, and Keku, (2017), they found that 70% who used the internet for personal surfing resulted in sharpening employee’s concentration.

Conceptual Framework: For the purpose of this study, the independent variable is social networking usage that consisted of enhance communication, marketing instrument and information sharing that have been adapted from Mohmed and Rahman (2010). The dependent variable is organization productivity. Essentially organization productivity is adapted from Mohmed and Rahman (2010). Therefore, this study proposes the following framework as illustrated in Fig. 1.

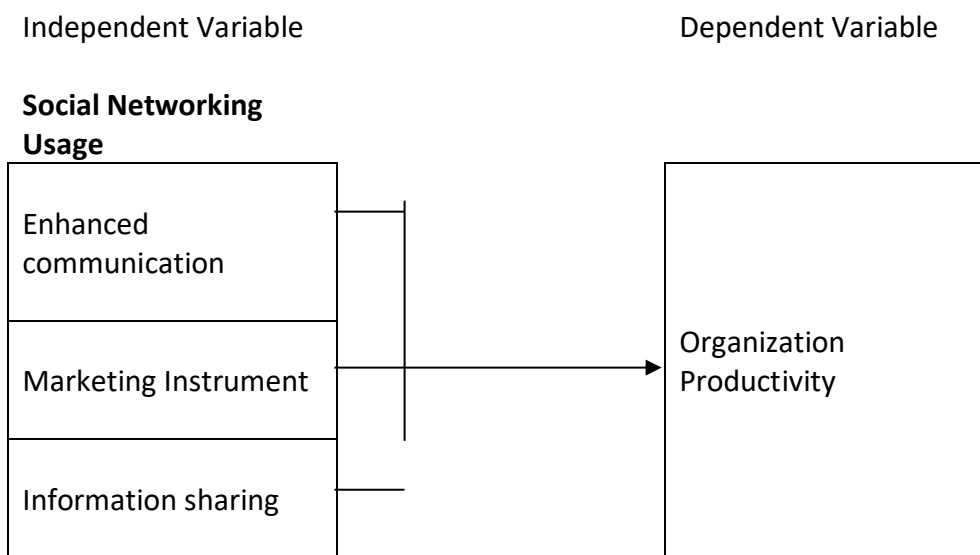


Fig. 1: Proposed Conceptual framework of the relationship between social networking usage and organization productivity (Adapted from Mohmed and Rahman (2010))

Methodology

The samples of this research are employees in a manufacturing company in Shah Alam. There were 100 employees in total. A set of questionnaire was used to collect the data which consists of three sections. Section A concentrated on the demographic background, designed to collect and gather information regarding the respondents' personal information. Section B focused on social networking usage that includes three parts which are enhanced communication, marketing instruments and information sharing while for Section C its contents comprise the questions on productivity of an organization.

Findings and Analysis

Demographic Background: Based on Table 1, the respondents of this study were from the selected manufacturing company in Shah Alam, Selangor. 100 questionnaires were collected out of 133 questionnaires distributed, giving a response rate of 86%. For the gender of the respondents, results showed that 52 (52%) of the respondents were male and 48 (48%) of the respondents were female. So from the result, it can be summarized that the number of male respondents is greater than female respondents. Secondly, for the marital status of the respondents, the result showed that 56 (56%) of the respondents were single, 40 (40%) of the respondents were married and 4 (4%) of the respondents were divorced. Thirdly, for the age of respondents, it can be summarized that majority of respondents were from 21-30 years old which are 49 (49%) respondents, besides, respondents from 31- 40 years old are 31 respondents (31%), 41-50 years old constitute 16 respondents (16%) and the least number of respondents were 18-21 years old which are 4 (4%). Forth, regarding the years of experience in the present workplace, majority of the respondents had been working between 1 to 5 years with 36 (36%) respondents followed by those with less than one year working experience

with 32 respondents (32%), those with 6 to 10 years' experience of working are 21 respondents (21%) and lastly those who had 10 years or more working experience are 11 respondents (11%). Fifth, regarding the question whether the respondents have online social networking account and it was found that 100 (100%) respondents have online social networking account. Moreover, findings on the number of years of online social networking experience shows: 56 respondents (56%) had been using social online social networking for more than 2 years, followed by 1 to 1.5 years with 16 respondents (16%), 1.5 years to 2 years with 11 respondents (11%), followed by 6 months to 1 year with 9 respondents (9%) and the least is 1 to 6 month with experience in using online social networking with 8 respondents (8%). The next finding is on the online social networking usage per day. Majority of respondents used over an hour in engaged with online social networking with the total number of 60 respondents (60%) and the least between 15 and 30 minutes with 9 respondents (9%). Lastly, with regard to the types of online social networking sites used, majority of respondents had Facebook account with 51 (51%) followed by those using Whatsapp with 19 respondents (19%), 16 respondents (16%) had Youtube account followed by 9 respondents (9%) who have Flickr account and the least with 5 respondents (5%) who have Twitter account.

Table 1: Demographic Analysis

	Variables	Frequency	Percent (%)
Gender	Male	52	52
	Female	48	48
Age	18 – 20 years old	4	4
	21 – 30 years old	49	49
	31 – 40 years old	31	31
	41 years old and above	16	16
Marital Status	Single	56	56
	Married	40	40
	Divorced	4	4
Years of Experience	Less than 1 year	32	36
	1 – 5 years	36	21
	6 – 10 years	21	10
	11 years and above	11	
Does Respondents have Social Networking Account	Yes	100	100
	No	0	0
Years of Online Social Networking Experience	1-6 months	8	8
	7 months – 1 year	9	9
	1 year – 1.5 years	16	16
	1.5 years – 2 years	11	11
	More than 2 years	56	56
Time Spent on Social Networking Usage per Day	Less than 15 minutes	12	12
	15-30 minutes	10	10
	Close to an hour	18	18
	Over an hour	60	60
Types of Online Social Networking	Facebook	51	51
	WhatsApp	19	19
	Twitter	5	5
	Youtube	16	16
	Flickr	9	9

*Demographic profile in this study (n=100)

Reliability Analysis: Reliability analysis was conducted after factor analysis and it was carried out to measure consistency of the instrument in measuring the constructs. According to Sekaran and Bougie (2016), the instruments are reliable when Cronbach's alpha values are above .70 and closer to 1.0. But Kerlinger (1966) stated that for social science research .50 to .60 are still acceptable. It means that when the value is higher, the internal consistency reliability is also high. The respective alpha coefficients for the present study are between $\alpha = .678$ and $\alpha = .767$ which show high degree of reliability (Table 2). For the independent variables, most of the variables Cronbach's Alpha values are considered strong and moderate where information sharing is .696, while marketing instrument value is .678 and followed by enhanced communication with the value of .746. Moreover, the Cronbach's Alpha value for the dependent variable is .767. Based on the table and results below, the Cronbach's Alpha values are acceptable.

Table 2: Reliability Statistics after factor analysis

Construct	Cronbach's Alpha	No. of items
Information sharing	.696	5
Marketing instrument	.678	5
Enhanced communication	.746	5
Organization Productivity	.767	5

Does Social Networking Usage Influence Organization Productivity?: The relationship for all variables are presented in the Table 3. For information sharing, it shows positive weak relationship because p value is more than 0.05 ($r = .075$, $p \text{ value} = <0.05$). Therefore the hypothesis is not supported. Pearson Correlation Coefficient stated that way, strength and significant the bivariate relationship between the variables that were measured. It shows on the following table that there is positive relationship. Besides, the table also shows that there is positive relationship between marketing instrument and organization productivity ($r = .451$, $p \text{ value} = <0.05$), therefore the hypothesis is supported.

Table 3: Correlations

Independent variable	Pearson Correlation	Sig. (2 tailed)
Information sharing	.075	.459
Marketing instrument	.0451**	.000
Enhanced communication	.340**	.013

Which social networking usage components mostly influence organizational productivity?: Based on the Table 4, it shows that R^2 value or the coefficient of determination of 0.242, which indicates that 24.2% of the variance in the model is explained by the three factors. For the Durbin Watson value, the result was 2.363, which indicates that there is no problem of auto correlation in the model. Furthermore, from ANOVA table, the result shows $F=10.203$, $p<0.01$ which indicates that overall model is significant. Looking at the contribution of each independent variable, the beta values for information sharing ($\beta=.127$, $p>0.05$), marketing instrument ($\beta =-.416$, $p<0.01$) and enhanced

communication were ($\beta = .187$, $p > 0.05$) indicate that only marketing instrument is significant in contributing to productivity. Beta coefficient explained which variables contribute to and the most important in the model by looking at the most largest value. Thus, it can be concluded that marketing instrument showed the largest value and highest significance value compared to the information sharing and enhanced communication. Thus, marketing instrument was the social networking usage component that mostly influences organization productivity.

Table 4: Coefficient of determination

Variables	Standardized Coefficient	T	Sig.
Information sharing	.127	.1322	.089
Marketing Instrument	-.416	-	.000
Enhanced	.187	.1872	.064
R	.492a		
R ²	.242		
Adjusted R ²	.218		
F value	10.203		
Durbin-Watson	2.363		

Conclusion

To conclude, from the findings in this study, there is a significant relationship between social networking usage and organization productivity at selected manufacturing company. Thus, the result showed that only one factor of social networking usage which was marketing instrument has a significant relationship with the dependent variable. As conclusion, factor of social networking usage has a positive and significant relationship toward the organization productivity. Therefore, hypothesis one and three were not supported and hypothesis two was supported. For multiple regression analysis, the findings clearly stated that the beta values for information sharing ($\beta = .127$, $p > 0.05$), marketing instrument ($\beta = -.416$, $p < 0.01$) and enhanced communication were ($\beta = .187$, $p > 0.05$). Thus, it can be summarized that, social networking usage for marketing instrument has the highest contribution towards organization productivity.

Recommendation

There are some recommendations that can be made based on this study. Firstly, in order to avoid the misuse of social networking in the organization, a short briefing to every employee or department about the usage of internet or online social networking in a workplace should be conducted. The briefing may contain the do's and don'ts when employees use the social networking during office hours. Besides, since the marketing instrument is the most significant component for social networking usage, the organization may use Facebook for their marketing platforms. Facebook is casual and provides friendly environment that serves an active social media marketing strategy. Next, the top management may monitor or utilize the functions of social networking, such as Facebook by creating a group for the employee to communicate with each other in chat box within the organization to share ideas or solve problems. The group that top management will create must be linked to every department and be controlled by the IT departments. Employees need to understand

the importance of using social networking in the workplace or organization. Furthermore, employees must be disciplined and obedient towards the rules and the policies of the organization that will lead and increase the quality of the employee's performance and productivity.

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