

Effect of Social Media on Employee's Performance: A Study in Corporate Sector of Pakistan

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Abstract

The purpose of this paper is to find out effect of social media like Facebook, Twitter, LinkedIn, etc. on employees performance. Model presented in this paper which shows the role and format of key variables. The model showed that social media effect on employees performance of the corporate sector of Pakistan. Descriptive research design and quantitate approach is used in this research. The research is held in Engro Corporation Sahiwal, Pakistan. Data is collected from 100 employees as sample size, so that real scenario can be shown. This study shows that social media have a strong impact and becomes an essential part of everyone's life. Social media effects working environment of employees of Engro Corporation too much. For investigating key issue literature of different author and personalities (which are at high designations in well reputed organizations) was studied and discussed. Reliability, Regression and Correlation analysis were done for data analyses. It showed that social media have a strong effect on the employee's performance. Employees that are using social media, effects their performance in a positive way. This paper explores the social media necessity of employees and its usage for improving performance. Organizations should use social media for increase their employee's performance in interesting ways rather than typical training programs.

Key Words: Social Media, Employees Performance.

Introduction

With the passage of time, social media converting things into different shape (Naheed Ashraf, 2014). Now a day's, business world faced critical challenges, increasing competition and doubtful drift of natural resources such as oil, coal and gas etc. (Assa Gakui Munene, 2013). Social media today have become a great influence on businesses and employee performance. Companies are using social media as a medium to convey news related to its products and activities more timely. The more and more use of social media also brought more challenges in the business world.

Social networking is not only targeting young generation, but it's also striking all age groups and generation. The use and react of social media is a different thing like it seems. Now a day's people are not asking mobile numbers, but they ask each other, social network ID's to go on their relations. Digital know how and internet connectivity is an essential skill in life, not only for the employee but also for organizations. Networking sites are creating diverse feelings by peoples over the world and changed clear shape of human behavior such as reluctance to spreading information. The productivity of an organization based on employee performance and most of the employees is tightly connected with social media. Social media is creating opportunities, risks, threats, weakness and strength for organizations. Risk through social media is that employees can share and reveal their organization secret information in the real world. Opportunity through social media is in a way that competitor's employee can pass information regarding the upcoming strategy that can be used for the benefit of an organization. The threat could be faced when employees shared the internal and secret information on social media which can go towards the benefit of its competitor as a competitive advantage. It became weakness of an organization, if employees use more social media in their work timings and it affects the organizational efficiency negatively. Same social media became strength when it is used to grow up relations between employees (Naheed Ashraf, 2014).

In the business world, Facebook provides a vast choice to employees for organizing their private lives and time, ranging from business life to social life. Organizations that have a vast Facebook following have more possibility of enhancing their employees' performance. Some organizations find a person's name on Facebook before hiring him. Facebook play a major role in building and improving the relationship of clients and customers with employees. "It is helpful in creating contacts that help the businesses to earn money. It emphasizes on professional information, stimulate users to establish CV and connections. It establishes the developments of groups via application and acceptance procedures. These groups included interest groups, organizations and companies. LinkedIn helps to carry on the relationships by having the knowledge of activities of other people" (Jonathan Grudin, 2009).

Social media stages such as Facebook, Twitter and LinkedIn are accessible and connected by individuals from all over the world. Although, as the users increases in millions, the organizations are trying to in touch with their employees. For example, Facebook has active users of 845 million in 2012, Europe have 223 million users and in Asia 184 million users in the universe. These users by genders were 43% males and 57% are females and each user spend 20 minutes per login (Benjamin B. Aguenza, 2012).

Facebook is a social media site where users develop their personal profiles, add friends and communicate with messages and receive automatic notifications when their profile is updated or some changes occurred. Additionally, common-interest user can join groups to share their views and ideas. Twitter is a microblogging service that enables its users to send and read messages (tweets). Tweets are up to 140 characters shows on the user's profile page. LinkedIn is a professional networking site that is used for professional networking. Users maintain their contacts with their relatives and friends called connections (Andrea Broughton, 2009).

Social media helps employees to become more efficient, but it is also helpful for businesses to aware with the market situations and trend as well as with the customers. Having these updates of market and customer, employees can ready themselves for any dormant situations. Social media also play a vital role as

a marketing tool, if used properly, would increase the popularity and good image. Organizations can take comments, recommendation and feedback about its product or business with the help of social media websites. Social media also helpful to build a good relationship among workers with whom they are working. It creates a good understanding level between employer and employees. Better understanding level can establish a cooperative environment within an organization. Social media also brought threat to businesses. Employees who are careless about comments can suffer their firm at risk and as well as their own jobs (Michael Diercksen).

According to the above analysis, this could be said that social media sites have great effect on the employee's performance. This study is conducted in the corporate sector of Pakistan.

Problem Statement

The following problem was examined in this study:

What is the effect of social media on employee's performance, specifically in corporate sector of Pakistan? Related studies show that as the social media became popular day by day and use of these in the workplace also brought some employers' concerns, though all the evidence are that the use of social media during working time cannot hope to stop by employers. A problem appears that where employees spend their time on social networks to non-work related activities like listening music and enjoying videos, creating personal relations, watching sports etc. (Assa Gakui Munene, 2013). This situation comes when organizations are facing a lot of challenges and looking for different ways to stay at the top of the market. The advancement of social media policies and internet policies regarding the use, in by most employers at the initial stage as most employers have not genuine policies, while the practice has dominate use of unmotivated control and limitations. Now a days, the challenge of businesses is to enhance the productivity of their employees in order to boost profits and avoid from loss of resources. In this study, the effects of social media on the employee's performance in the corporate sector are examined.

Significance of Study

Social media is gaining interest for HR departments who directly have a concern with an employee's productivity. First, private and Government organizations emphasize on employee attitude about using social media. Organizations can establish their training session according to the using trend of social media of their employees. Organizations can use their Facebook page for training. New policies, tools for training and schedule of meetings can be updated by the HR department. Secondly, Facebook and other social media profiles can be used by HR departments of organizations to list out essential skills for newly project. Organizations use social media to increase the skills, abilities, knowledge and motivation level of their employees (Naheed Ashraf, 2014).

A large number of studies show that employees who use social media are 9% more efficient than those who are not using. Employees who are social in nature and uses social media more, are better people in the workplace, which indicates they are in communicating with others and efficient problem solvers (Benjamin B. Aguenza, 2012).

Research Objectives

To explore that social media has an effect on the employee's performance of corporate sector of Pakistan.

Research Questions

What is the effect of social media on the employee's performance in the corporate sector of Pakistan?

Literature Review

Social Media

With the social media revolution, it's clear that social media like Facebook, Twitter, and LinkedIn are broadly used for communicating purposes. Different groups online share knowledge and information to others with the use of social media and it is a most important advantage of social media. The online allocation of information also encourages the growth of communication abilities between people basically in the students. Online social tools and media websites are affecting the way of communication and also affect the way we think to communicate (Baruah, 2012).

Recent year's shows great popularity of social media sites and the effect of these sites on the employee's performance has not received much attraction. It is assumed that social media have a negative effect on employee productivity. Researcher investigated the recent advancements in social media and especially the effect of these social media tools on the employee's performance and what happened if employees are not restricted to use social media in the workplace. It is concluded that social media can be used to boost up interactions between those who have some common interest. Increased collaboration will stimulate knowledge sharing between individuals, with the possible effect of increased productivity. But social media risk should not be forgotten, such as leakage of privacy, storage consumption and lower employee performance (Plessis, 2009).

The advancement of social media is promptly changing how organizations work and communicate. All organizations are looking for a way to gain advantage in this new era. Social media is rapidly growing and it makes it crucial for employees to seize the medium in the workplace. Previous studies show a positive impact of social media on the employee's performance, two-way communication and effective collaboration. However, other studies found opposite from it and it was tough to make clear relation between social media and performance. Therefore, organizations should make some policies and determine that how much social media will be used for job purpose. In general, organizations should work with social media, not against because organizations that fight the advancing technology are combating a losing battle (Benjamin B. Aguenza A. H.-K., 2012).

Social media websites are becoming an essential part of our big society. Many organizations are using this media as a tool to increase a better relation with their employees as well as customers. Various types of social networking sites suggest that organizations should adapt it according to the level of integration desired for matching organizational objectives with marketing efforts, organizational learning, and public relations strategies. Organizations developed internal websites to promote internal communication and consumer social sites are available for public and easily accessible to all. However, both types of networks can increase and decrease organizational and employee's productivity if not effectively managed (Awolusi, 2012).

With the passage of time, social media became very famous, also invade the workplace and most employees are using social media in the workplace without any limitation. Both negative and positive relationships between employee's performance and social media usage are found. Negative relationship as 68.4% employees spend their most of time for enhancing their personal networks and 86% employees use office hours to visit online social networks. Positive relationship exists, employees who use social media for gaining work related information. It is concluded that employees are participating, while using social media, in both work and non-work related activities. Social media has the capacity to allow employees to form coordination and groups for sharing knowledge, enhance communication, which increase employee productivity (Tilahun Yeshambel, 2016).

The past eight years shows that social media has continuously increased and made major aspect of everyday life. Social media such as Facebook and Twitter are used to communicate with others. Many

organizations make policies to protect their employees and as well as organization. These policies have been very tendentious and it is argued that they violate the employee's rights. Two years ago, a study was conducted to examine the impact social networking has on the workforce and the employers. With the rapid evolution of technology and its potential, two years have come forward a lot of transformation in social media (Matthew Stollak, 2014).

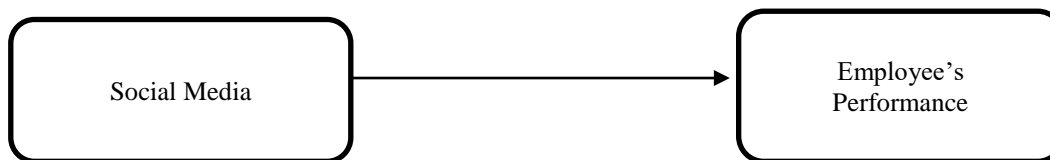
Rapid advancements in technology and world distances decreases day by day have given birth to a new platform on the internet, called Social media. This surrounded a large range of networks like Facebook, Twitter, and LinkedIn etc. These sites press information and allow immediate access to its users. As the rapid increase of this powerful tool, researchers found the effect of social networks on young employees in the organizations. Employee's that are engaging with social media, are found more loyal and committed towards the organization (Rai, 2012).

Social media have been capturing the worldwide popularity over the last years. Social media invades in the organizations and effecting employees in many aspects. Researcher investigates the capacity of social media on employee productivity and the underlying effect of how social media effect on employee productivity. Researcher purposed that social media have positive effects on network ties, knowledge sharing and performance. High level of adaptability of social media ensures that employees perform better at their workplace (Xi Zhang).

Social media effect every aspect of organizational life, also having a strong influence on organizational culture. Researcher research on organizational culture that are effected by social media when incorporated in working. Social networking increasing employee communication, knowledge sharing, environment of work, builds trust, enables management to early detection of wrongdoing in organization, helps to find new human resource and also development of positive change in workplace. More use of social media will definitely have positive impacts on organizational culture (Rashid Zaman, 2014).

Social media helps in creating different groups and communities where employees can share their ideas, experience, views and opinions. Past studies have shown, communication inside the organization is greatly affected by policies and values adopted by the organization. Analyses show an employees' level of commitment and job involvement are positively related to if they use Facebook to discuss about work. An employee's perception of appropriateness of using Facebook to talk about work did not significantly moderate the expected relationships besides for organizational commitment predicting work-related Facebook postings, in which the interaction is significant only at high levels of organizational commitment (Murphy, 2014).

Research Model



This model shows that social media have an effect on organizational workforce. Organizations use these social media to influence its employee's performance.

Research Hypotheses

H₁: There is the significant effect of social media on employee's performance in the corporate sector of Pakistan.

Research Methodology

Research Design

This study used Descriptive research design and quantitative approach was used with survey method.

Population & Sample size

Employees of Engro Corporation Sahiwal were selected as population and 100 employees were selected as sample size to collect data.

Sampling Technique

Convenient sampling was used to distribute questionnaires to employees.

Data collection method & instrument

Primary data was collected through survey method. Questionnaire was used as research instrument. These questionnaires were obtained from Engro Corporation Sahiwal and these were distributed among employees during working hours.

Results and Discussions

Reliability Analyses of Data

Cronbach Alpha is a measure of internal consistency of set of items and find out how closely related items of group are. The value of Cronbach Alpha must be more than 0.7. In this study Table 1 shows that Cronbach Alpha was 0.901 which clearly indicates that results are reliable and visible.

Table 1: Reliability coefficients

Cronbach's Alpha	N of Items
.901	28

Correlation Analyses of Data

This paper measure the correlation of social media with employee's performance. The correlation was significant and positive when the value is less than 0.05. In this study, Table 2 shows the social media is correlated with employee's performance at the value of 0.000. The results shows that correlation between dependent and independent variables was strongly positive. Employee's performance is highly correlate with using of social media. Social media has 75.6% impact on employee's performance.

Table 2: Correlations

		Social Media	Employee Performance
Social Media	Pearson Correlation	1	.756**
	Sig. (2-tailed)		.000
Employee Performance	Pearson Correlation	.756**	1
	Sig. (2-tailed)	.000	

** . Correlation is significant at the 0.01 level (2-tailed).

Regression Analyses of Data

Regression analysis the factors affected by using social media. In regression analysis one dimension is undertaken as dependent variables in terms of employee’s performance. Table 3 shows the Regression coefficient between Employee’s Performance and Social Media, the regression R was 0.756. It shows the linkage of social media and employee’s performance 75.6%. The value of F should be more than 5. In this study, the value of F is 130.812 and the value of adjusted R Square is 0.567. The results are proved if the other factors constant, there is 1% change in the value of social media, then employee’s performance will be increased by 11.5%.

Table 3: Regression Analysis of Employee Performance Affected by using Social Media

Dimensions	R	R Square	Adjusted R Square	Std. Error of the Estimate	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
					B	Std. Error	Beta		
Employee Performance	.756 ^a	.572	.567	.35380	.786	.069	.756	11.437	.000

N=100, Adjusted R Square = 0.567, and F = 130.812

Conclusion & Future Research

Investigating the presented issue has a large implication for corporate sector of Pakistan. Specifically, it gains large interest for HR departments who have more concern about the employee’s performance. First, organizations should concentrate on employee’s attitude toward using social media. After analysing the employee’s behaviour toward using social media, the organization could design their training program. For example, an organization could use the Facebook page for training purpose, updating its policies and make it visible to all employees, announcing meeting schedules, training purpose etc.

Secondly, the organization HR department can use Facebook or employees profile on other social media to find out required skills for new projects. The organization should give right direction and develop the right attitude in its employees from using social media.

The results of this study shows that there is a positive and significant relationship between social media and employee’s performance in the corporate sector of Pakistan. The value of Cronbach Alpha is 0.901 which shows that the relationship is significant and H1 is accepted.

The significant results of hypotheses show that the results are true and gave positive results. Furthermore, there is margin to check the relationship of using social media with Skill, Knowledge, Productivity, Motivation and Behaviour of employees.

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