

Research proposal third article

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22-2-2017

When do employees use their social network in benefit of the company they work for?



Contents

- Introduction..... 3
- 1. Formulation of the problem 4
 - 1.1 The purpose of this research..... 4
 - 1.2 Research questions..... 4
- 2. Type of research 5
 - 2.1 Measures and concept 6
 - 2.2 Definitions 6
 - 2.3 Conceptual model 7
 - 2.5. Planning 8
 - 2.6 First draft of questionnaire 8

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Introduction

Until now my unit of analysis was the social network of the student entrepreneur. During my longitudinal study of the way the student entrepreneur expanded and used his network, his organizational capital also grew. So I got interested in how the student entrepreneur would use the social network of his organization in favor of his company. During my literature search on this topic I found that not much in depth research has been done, so it seems I could contribute to this part of the social network literature by using a selection of the cases I followed in the last years.

In her article about the use of strong and weak ties, Sarah L. Jack points out several topics on which entrepreneurs make use of the social capital of their employees (S. Jack, 2005). Especially scouting of new employees, trends in the market and information about competitors are topics mentioned in her article. So now I am curious if the social capital of the company of the student entrepreneurs I followed over the last years also is a source for obtaining these and maybe other resources for the company.

"Organizational Social capital " is a critical resource reflecting the character of social relations within a firm (Leana, 99). Social capital is a resource that is jointly owned, rather than controlled by any one individual or entity. Thus a model of organizational social capital must necessarily include the perspectives (and interests) of both the organization as a whole and its individual members. (Leana, 99). Encouraging an optimal balance between individual interests and the interests of the collective can be shaped by employment practices. The willingness to participate in collective action is partially dependent on the belief that individual efforts benefiting the whole directly will also benefit the individual indirectly.

With the research proposal I made I hope I can contribute to the theory of social networks by expanding the knowledge about how the social capital of a firm can contribute to the resources of the firm by using the social capital of each individual as benefit for the whole.

1. Formulation of the problem

The first articles of my thesis handle about the social network of the student entrepreneur. How does he build his network and maintains his relations? After a while the company of the student entrepreneurs grows and in some cases he starts to hire employees. These employees dispose of a social network themselves, but will they use this network in benefit of the company and does the student entrepreneur create circumstances that promote the use of this network? In the literature not much research has been done on this topic so why not dig deeper in this matter? I found three companies founded by student entrepreneurs with different angles of incidence so doing research in these companies could be valuable for this field of research.

1.1 The purpose of this research

The purpose of this research is to measure the extent to which employees use their social network in favor of the company and in which ways the student entrepreneur (could) encourage(s) his employees to do so. In the last case it also is interesting to find out which mechanisms are at work. Is the employee using his network voluntary because this is the culture (intrinsic motivation) within the company or does he use his network because there is a reward system that encourages employees e.g. to bring in clients for the company (extrinsic motivation).

The research has to result in theory formulation about the way employees use their social network to benefit the company and what mechanisms play a role in stimulating employees to do so. Also it must be able to make a statement about the different mechanisms in companies operating in other fields e.g. B2C instead of B2B.

1.2 Research questions

The main question of this research will be:

What mechanisms are involved in the case of employees using their social network in favor of the company they're working for?

Sub questions that will be answered in this research are:

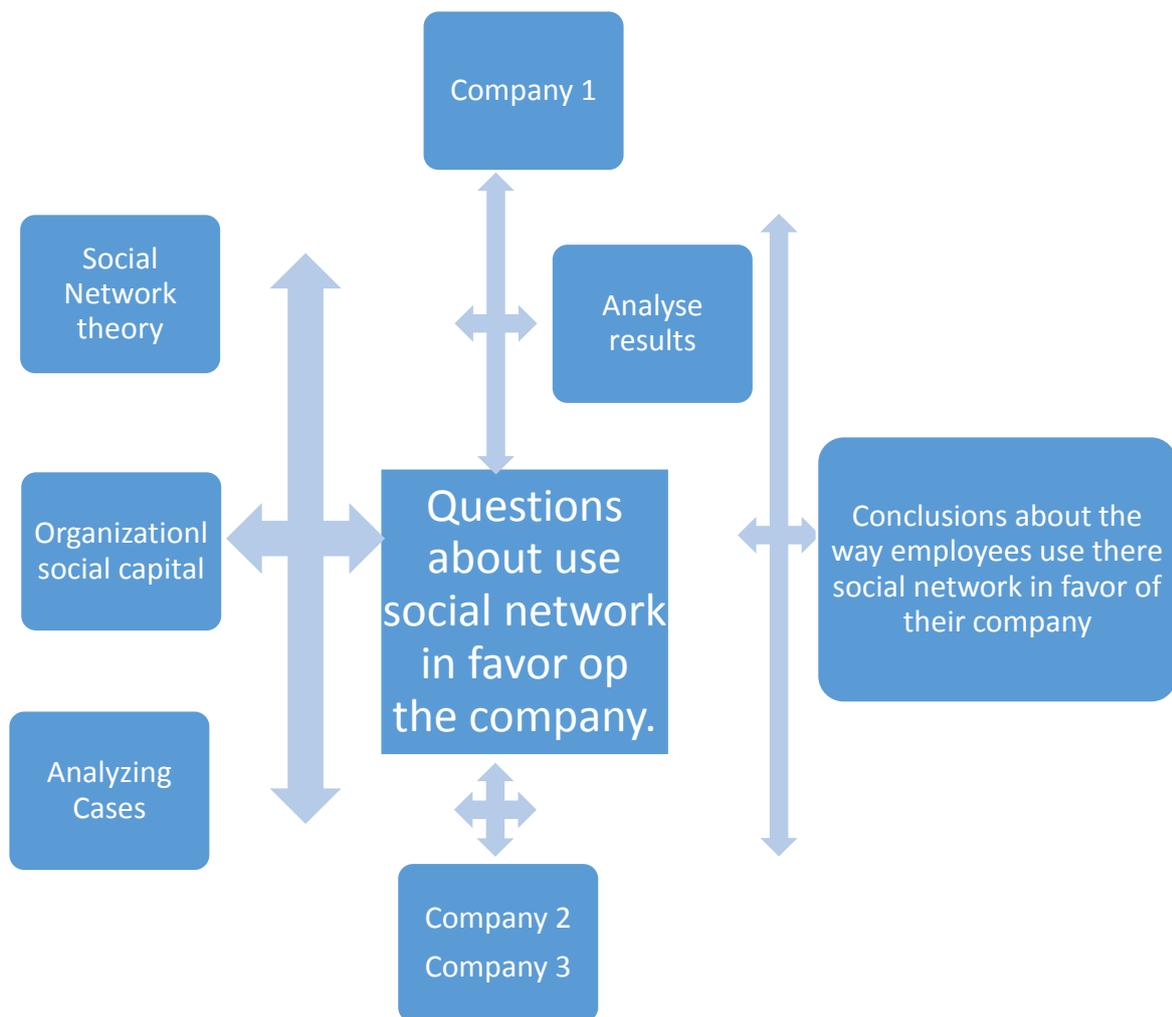
- What kind of rewards use employers to stimulate employees to use their social network in favor of the company?
- What circumstances play an important role in the decision of an employee to use his social network in favor of the company?
- What are the areas employees use their social network for in a company?
- What are the differences in using the social network of employees in B2C companies versus B2B companies?
- Are there any downsides to the use of social networks of employees in a company?
- Is there a difference between regular employees and subcontractors in the way they use their social network in benefit of the company they are working for?

2. Type of research

Research strategy

This research will be a case study within the workforce of 3 companies started by student entrepreneurs. The cases will be diverse, one company is a B2B business, the other a B2C business and the third company is a mix of a B2B and B2C company. Two of the companies have a solid core of employees with a contract and one of the companies has a flexible shell of subcontractors that are hired based on projects of the company. The method we will use is a qualitative research. A representative sample of the employees and subcontractors will be interviewed by personal interviews.

Research framework



2.1 Measures and concept

Use of social network

When?

- In search for new employees
- Searching trends in the market
- Searching potential clients
- Searching resources for the company
- Handling conflicts at work
- Finding information about the competition

Under which conditions?

- Benevolence (social)
- Instrumentally (economic)
- (company) Culture driven (following examples)
- Compensating secondary labor conditions

In imitation of owner(s) other employees?

- As compensation for help by finding place to live
- As compensation for good working conditions
- Because of good working atmosphere
- Reciprocity

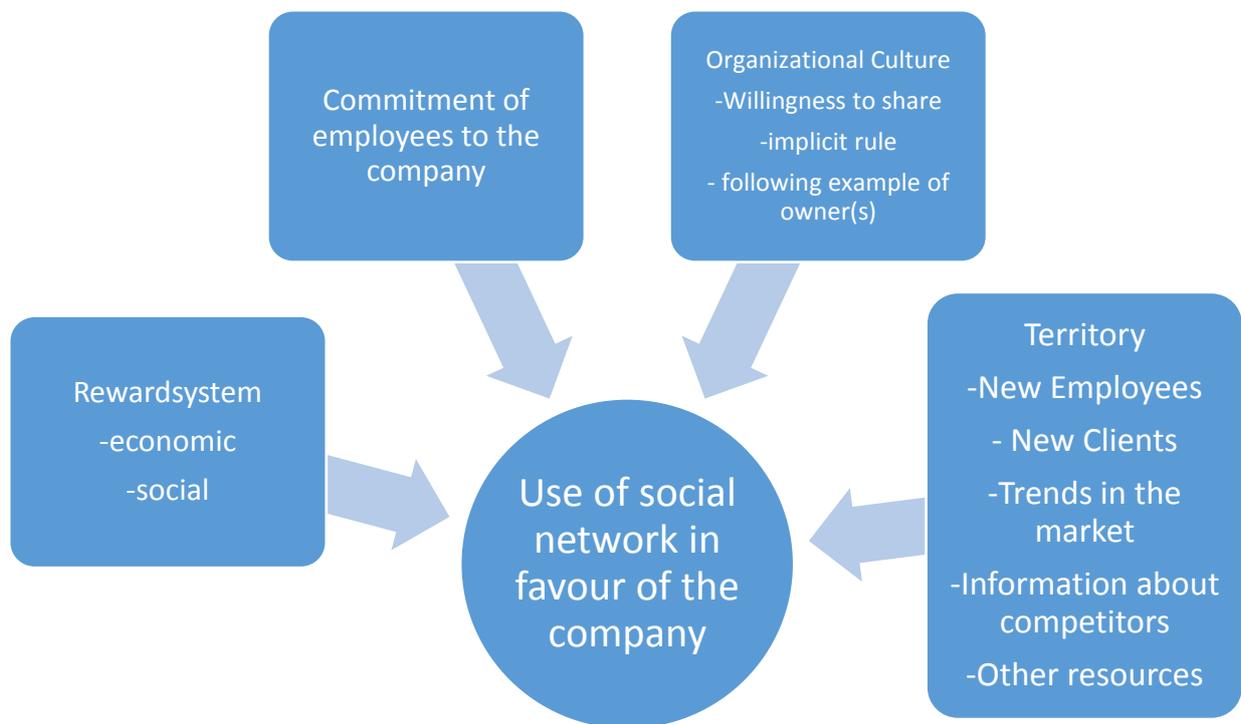
2.2 Definitions

Central in our research question are the terms mechanisms and the social network of the employees of company.

The mechanisms regarding the use of social network for the good of the company we will research are the use of the social network in order to get some kind of compensation (social or economic) or to use your social network because everybody in the company does so, it's part of the companies culture and no compensation is expected (reciprocity, social).

We define the social network in this case as the family, friends and acquaintances of the employee expanded with the connections the employee has in online networks like Facebook and LinkedIn.

2.3 Conceptual model



The three cases

- Greenclaim, a business started in 2010 by three student entrepreneurs of the minor entrepreneurship. A B2C company handling claims for people whose flights are delayed. Grown within 6 years to a company with over 50 employees and operating in seven countries. This year they started to organize the company with business units responsible for one country. So they now have several layers within the company.
- Wefilm, a business started in 2007 by two brothers just graduated from the film academy. A B2B company with orders starting at 80k, making commercials for companies that mostly go viral. The company has over 10 employees and works with even more subcontractors during the projects they accept.
- Studelta, a business started in 2005 by a student of the university of Amsterdam as a temp agency. A B2B/B2C company with clients in the industry on one hand and talented students on the other hand. The company has over 40 employees and has several divisions for the different industries in the Netherlands.

2.5. Planning

In the week of 27-2 till 3-3 I will contact the three companies to ask if they are open to participate in the research.

Friday 10-3 the design of the questionnaire for the employees will be ready.

Monday 27-3 till Friday 21-4 will be used to interview the employees of the different companies and processing the data.

Monday 24-4 till Friday 19-5 processing of the data and writing the article.

Friday 2-6 Delivering the first draft of the third article.

2.6 First draft of questionnaire

Name, age, gender, function, how many years working?

Is this your first employer? If not where have you worked before?

How would you describe the culture in this company?

Have you ever introduced somebody out of your social network to the company?

Have you been rewarded, complimented by doing so?

Would you introduce somebody in the future to the company?

Is it a habit in this company to use your social network in favor of the company? Do you know if other employees have used their social network in favor of the company? So yes in what way and with what results?

References

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