

Use of social media to improve knowledge sharing in multinational organization



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1. Introduction of social media Virtual community, network and internal channel allow people and organizations to communicate and share their knowledge within organization globally. It makes communication easily achievable and accessible. These are especially true multinational organization. Multinational organization exists because they are able to transfer and share resources - especially knowledge - between units more efficiently through internal channels (Rasmussen, 2003). Social media is 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 (Kaplan and Haenlein, 2010).

Social media and Social Network Sites (SNSs) creates a two way communication platform which encouraged knowledge sharing and interaction between individuals, organizations and organizations with their potential customers. The use of social media technologies has multiplied at an incredible speed. Millions of social media users use SNSs such as Facebook, Twitter, Linked In, wiki and blog to interconnect and has intergraded these sites as their daily routine.

Often, employees set up blog and forum to share knowledge and keeping each other in touch. According to study by eMarketer, by the end of 2013 the number of users using social networks will range to around 1.5 billion a 19.2% growth comparing to 2011 (Begin, n. d.). These proofed that the power of social media and networking are hefty and it will be likely to benefit everyone as well as the multinational organization in terms of improving knowledge sharing, building social capital, support innovation and aid problem solving if it is put into good use and managed correctly.

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1. Building Social Capital

Social capital is an important mechanism to give individual access to crucial resources available in other people (Coleman, 1998). According to Baker, “Social capital” refers to the resources available in and through personal and business networks. These resources include information, ideas, leads, business opportunities, financial capital, power and influence, emotional support, goodwill, trust and cooperation (Baker, 2000).

Social capital do not refers to personal ability such as personal knowledge, skills and experience; it refers to social networking in your own network as well as the business network in the industry. Social capital covers all networks you are familiar with along with networks that you are secondarily connected and it denotes to aim to be productive to make contribution to the organization, attaining goals and creating values. In short, social capital is agreed as the goodwill that is produced by social relations and that can be used to facilitate action (Adler and Kwon, 2002). It is known that through social capital, knowledge are shared especially through tacit knowledge and is circulated and shared in between employees in the organization to aid and benefit the organization. Therefore, social media plays an important role in helping to effectively and efficiently share knowledge through technology.

According to Nahapiet and Ghoshal, 3 dimensions of social capital are identified which are closely beneficial to organization through social media. The dimension includes structural, relational and cognitive dimension being interconnected and overlapped.

2. Improving knowledge sharing

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It is vital to recognize that how every individual learn and gain knowledge before moving on to the big picture of organization. According to Bandura, social cognitive theory defines learning as an internal mental process that may or may not be reflected in immediate behavioral change (Bandura, 1986). Social cognitive theory also states that individual learning only takes place when there are interaction through cognitive, behavioral and environment factors.

Unlike explicit knowledge, tacit knowledge is much reliant on to its human carrier (Grutter, 1999) Highly complex, tacit knowledge can be a source of sustainable competitive advantages in organization and tacit knowledge can only be shared through communication as they are experiences, know-how. Researchers are interestingly looking at knowledge sharing as a system of influences, resulting in outcomes such as performance, and the impacts of feedback on future knowledge sharing (Endres et al., 2007).

This is why knowledge sharing must be closely associated with social capital particularly in multinational organization as multinational organizations are large company whereby only with the help of social media, it can then reached out to all in the organization to create communication networks that are positive in knowledge sharing (Jashapara, 2011). Communication is essential for knowledge sharing (Gordeyeva, 2010). With social media, it provides an effective platform for social and real-time interaction between people in the forms of chatting, blogging, telephone conferencing, etc. Social media can help organization form team of experts to work together and share their tacit knowledge virtually without any burden on cost.

One of the examples of the company that uses social media to aid in their development is Unisys, where their CEO started off with using a social communication tool to communicate with his employee and later they developed an internal blogging system named Unisys and it is popularly used by all in the company to communicate and share knowledge. This in turn encouraged organization learning. (Opoku and Fortune, 2011) cited in (Lopez et al., 2007) that organization learning can be described as a dynamic process of creation, acquisition and integration of knowledge aimed at the development of resources and capacities that contribute to organization performance. Pemberton, also pointed out that, organizations develop new knowledge and core competencies in order to gain competitive advantage through organizational learning (Pemberton et al., 2001)

4. Supporting Innovation Organizations remain competitive through innovation, new ideas and creation by utilizing social media tools. Social media tools have allows people to think and source for advises out of the box. This sequentially can drive creativity and handle challenges in a different aspect.

Berkhemer and Fraser states that in order to be competitive and innovative, organization has to be constantly on a look out and ensure at they are always up to date with the market trends (Berkhemer and Fraser, 2010).

According to Campbell in order to achieve key business strategies and goals, social media and innovation have to be closely tied to (Campbell, 2010).

Organization has to first identify which social media outpost source to establish their presence, it can be done through company blog, Facebook or

Twitter. Presence must be constantly monitored and monitoring can be done using team approach whereby a team of employees are settled to be responsible in managing the account. Through social media, organization is able to monitor the voices of customers' view as well as track competitors' current new update efficiently in order to stay abreast and encourage creatively thinking in the organization, as well as advising for your new product with just a simple tweet or post.

In Appendix 1 and 2 are some examples of how a multinational organization named Baskin-Robbins uses Facebook and Twitter monitoring to get views and communicate using two way communications with their customers. According to an online article from Global Intelligence Alliance, they state that there are plenty of benefits of social media techniques for innovation management. That includes improved understanding of existing and future trends in market, early warning of disruptive technologies/ innovations within or outside your industry, identification of alliances and networks within your ecosystem, unbiased information about the market attractiveness of shortlisted innovations or existing technologies and products, improved understanding of customer needs and their likely development in the future (Global Intelligence Alliance, 2010)

With that, you can actually see a close association of how social media can support innovation in both internally and externally that in term aid n organization growth and development.

5. Problem solving using Social Media

Social media provide help in problem solving as well, organization can utilize Social media tools such as Twitter and Facebook to help in bringing their external customer as well as their internal and potential customer closer. They can use this medium to source for feedback on products and services and often fresh ideas may be developed which will help with solving any existing problem and aid themselves in growth and creativity.

In Multinational organization, often employees have to wait for a next meeting session to share ideas; social media has created a platform for creating communication between teams and higher authority. In an online article by Ferris, he pointed out an example on how ITAGroup helped other firms gain loyalty among customers and employees, elected to use a social media platform called Chatter for communication between project teams and departments among its 400 employees (Ferris, 2012). Ferris also stated example of how ITAGroup uses a wiki to host the software documentation for its information technology department, especially helpful because the company has lots of new hires (Ferris, 2012). In this case, this is especially helpful for ITAGroup to solve their information absence for new employees; they solved this problem by using wiki, a social medium to encourage new employees to read up old and new discussion to keep them updated. This has greatly allows new employees to gain access to old information.

6. Risk of using social media

We had discussed above all the benefits of social media which will help multinational organization in making their businesses more successful. We could not have agreed more on the advantages it brings but it is also crucial

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to address some of the risk that Social Media might threaten the organization.

According to Nicholls, he stated the top 5 risks when using Social Media in Business, which includes reputation management, Security issues, engaging in a two way dialogue and potential criticism, trust as part of the culture and wasting company time (Nicholls, 2012)

Organization needs to take reputation management into serious consideration if they are using social media to help with business growth. An organization reputation might be at risk or tarnish with just an incongruous comment posted through the social media platform, perhaps on competitor or on some issues; this might create negative publicity to the organization which causes bad impression and damages.

When using social media, organization must take cautious steps by creating an approval process involving senior personnel in charging any social media communication on behalf of the organization.

Security is another big issue when social media are associated. Information of the organization goes online for communication purposes but not to forget risk of hackers, spy-ware and bugs that can hold a certain amount of risk for confidential organization information to be leaked for competitors' advantages. Therefore it is crucial for organization to hire IT department personnel who can manage security issues to prevent hacking, cyber theft from getting information from the cyber world.

As social media creates two way communications to advantage the organization, it can cause negative effect as well when customers can voice out their dissatisfaction openly to the public. That can create devastating effect as well when customer's dissatisfaction gained support and goes out of control. Hence, all feedback and advises have to be closely monitored and address if not social media might cause backfire effect.

Another risk caused by social media that needs to be monitored and addressed is that employees in organization get addicted to surfing social media. It is often called cyber-loafing. Cyber-loafing is an increasing issue due to social media widely used. This can in turn cause employees to spend less time working and therefore productivity decrease. Organization often monitored their employees on such issue and HR managers are then involved when issues of cyber-loafing arise, but all in all, organization need to have a trusting relationship culture with employees when the whole organization is moving forward with the help of social media, policies and protocol maybe set for employees to follow if necessary.

Therefore, although social media can aid organization greatly in growth processes, organization must also take risk into great consideration, risk needs to address properly and cautiously to avoid any mistakes when using Social Media.

7. Conclusion: Multinational organizations are large corporation that will benefit greatly through social media. It can help with the two-way communication to their internal employees and external customers; this can build closer relationship towards the organization. It can also assist

knowledge sharing especially tacit knowledge and information that cannot be found on books. Social media also helps with creating new ideas, support creativity and innovation and information and ideas are quickly received through social media.

Social media of course has their risk involved that can jeopardize the organization, in terms of reputation, productivity, trust and security. This is an issue that cannot be avoid or forgot. This issue of risk sells as a package with the along benefits but risk can reduced and controlled. Social media is free for all to use; it is cost effective and efficient for multinational organization to utilize it. What organization and their higher authority need to know and be cautious is that they need to use social media wisely and set and control appropriate policies and protocol. With that, social media will then advantage them tremendously.