

Association for Information Systems
AIS Electronic Library (AISeL)

ACIS 2013 Proceedings

Australasian (ACIS)

2013

Employment Seeking Under Consideration of Social Capital on Social Network Sites

Tom Sander
University of Latvia, tomsander@hotmail.de

Christie Pei-Yee Chin
University of South Australia, pei_yee.chin@mymail.unisa.edu.au

Teh Phoey Dr. Lee
Sunway University, phoyleet@sunway.edu.my

Follow this and additional works at: <https://aisel.aisnet.org/acis2013>

Recommended Citation

Sander, Tom; Chin, Christie Pei-Yee; and Dr. Lee, Teh Phoey, "Employment Seeking Under Consideration of Social Capital on Social Network Sites" (2013). *ACIS 2013 Proceedings*. 80.
<https://aisel.aisnet.org/acis2013/80>

This material is brought to you by the Australasian (ACIS) at AIS Electronic Library (AISeL). It has been accepted for inclusion in ACIS 2013 Proceedings by an authorized administrator of AIS Electronic Library (AISeL). For more information, please contact elibrary@aisnet.org.



ACIS 2013
RMIT MELBOURNE

Information Systems: Transforming the Future

**24th Australasian Conference on Information
Systems, 4-6 December 2013, Melbourne**

Proudly sponsored by



ACIS 2013 Principal Sponsor



Advancing ICT through Education and Research



Employment Seeking Under Consideration of Social Capital on Social Network Sites

Tom Sander
University of Latvia
Economics and Management Department
Riga, Latvia
Email: Stud.tom.sander@fh-kufstein.ac.at

Christie Pei-Yee Chin,
School of Information Technology and Mathematical Sciences,
University of South Australia,
Mawson Lakes Campus.
Email: pei_yee.chin@mymail.unisa.edu.au

Teh Phoey Lee
Sunway University
Kuala Lumpur, Malaysia
Email: phoeyleet@sunway.edu.my

Abstract

This paper presents a model to measure the social capital of individuals seeking employment. The paper will explain the dimensions, which are used to measure social capital and gives an overview about the influence of social capital for the employment search process. Further define the paper the population for the research and will explain the hypotheses to evaluate the existence of social capital on social network sites. The interest for the scientific community is the existence of social capital in social networking sites and to explain, along the social capital theory the behavior of people on social network sites if possible. This paper describes the construct for measuring social capital with relation to the employment search process. Furthermore the paper describes the channels through which to identify available employment opportunities and explain the changes of social capital under the consideration of social network sites and social media. The paper is the theoretical basis to test the functionality of social capital in social networking sites.

Keywords

Social capital, social media, employment seeking, recruiting

INTRODUCTION

Nowadays, people specifically employment seekers increasingly use social media to get a position and to gain benefits from the networks. There are various ways to identify a position and to pursue further information about recruiting companies through social media. However, there is a relatively limited research on the capability of social media as a network that provides social capital to employment seekers. While social capital has been heavily researched in consideration employment seekers for real networks by scholars like Granovetter (1995) and Shanthilakshmi and Ganesan (2013), modest is known whether social capital exists or does not exist in social networking sites. A prior study by Granovetter (1995) has shown that people use their network to identify a job and to get access to information. As there is a numerous types of social media applications with varying tasks and interests, there is a need to isolate social networking sites and the groups of social networking sites to explore the behavior of employment seeking people in the new environment social media. Only the technological change makes it possible that this new channel gives the opportunity to identify open positions and information about companies (Kaplan and Haenlein 2010). The paper aims to compare the use of social media with established channels that people use to identify information about companies and available employment opportunities like job boards and company Internet homepages. Furthermore, the empirical research to address whether potential and interesting candidates choose to use social networking sites in seeking employment or not is still scarce. This kind of study is important for companies that use social networking sites as a channel to post information about employment opportunities and information about the company to potential candidates (Han and Han 2009). As social media is a medium tool to transfer information and to give people access to information (Franke 2005), there is a need to evaluate the use of this medium for employment search from the perspective of social capital to explain the behavior of individuals using Social Capital Theory. Therefore, this paper proposes a model to measure the social capital of individuals seeking employment and to present an

overview about the influence of social capital for the employment search process. The next section provides a description regarding available employment opportunities channels and the changes of social capital under the consideration of social network sites and social media. This is followed by the proposed model and hypotheses, as well as the research methodology and further work description.

LITERATURE REVIEW

Situation of the Employment Search Process under Consideration of Traditional and New Channels

Social network sites have decrease the physical distance between people compared with real life social networks. The creation of ties is easier and does not depend on the location of the individuals. People have access to more information faster and easier in real time than in physical social networks (Glaeser et al. 2001). The knowledge and information of organizations is growing and there are many channels available to investigate information about companies. Those cases are only possible because the technical change gives the opportunity to use the social network sites anytime and from any location as a means to be in touch (Jiang and Carroll 2009). The amount of information is not critical or a limitation to forward information. However, much additional work will be required for a complete understanding of the power of the relationships within social network sites and whether the network can be used to achieve access to resources or information. The advantage of the social networks available in the modern time and throughout history has radically changed. The technical changes allow networks opportunities to grow quickly and allows that people in the social network need not know each other personally (Jansen et al. 2011). This influences social capital and changes the environment for society's i.e. social networks. There may be potential disadvantages for candidates because it is easier to access their personal information or other candidates are excluded because they are not members of the specific network. Diagram 1 shows the different ways in which individuals identify a new employment opportunity or access further information with regards to a specific position.

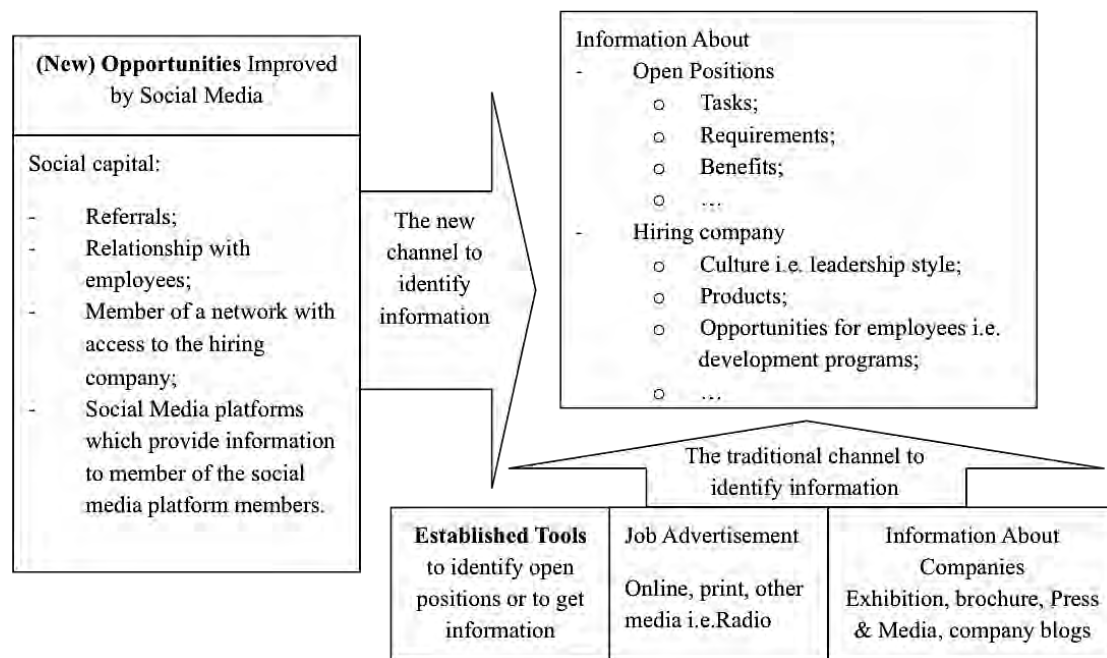


Figure 1 Different channels to access or collect information about open employment opportunities or companies

People can easily check the profile of friends and other contacts with which they are connected. This access gives them the opportunity to forward a friend to a hiring company via the network and to present a profile of the friend to the company quickly and easily. People can use the social network site profile as a first impression for their candidate referral. Furthermore people can build up prestige and demonstrate their knowledge with comments and created content relating different topics. They can reach the level of a specialist because their knowledge is used and accepted in the network, and people seek the advice of this person. The investment of the individual is important to get a specialist level and the willingness to share information or resources to help the network and create social capital (Narayan and Cassidy 2001).

The opportunity to share experiences with a group on a social networking site is possible very quickly, and the size of the audience depends on the networking itself (Kaplan and Haenlein 2010). The value of the experience of the network members depends on their trust in the information and the person who provides the information.

Another point is the individual who follows the advice or uses the experience to form a decision. This behavior can be advantageous for the person who gives the advice or experience as well as for the person who collects or receives the advice. Both can have an advantage and the exchange of resources to achieve a benefit is only possible because both people are members of the same network (Coleman 1986; Lin 2001; Chiu et al. 2006). The number of opportunities to achieve a direct contact to potential candidates increases, the “gatekeeper” functions like a broker decrease with social media because people can connect and share information quickly and easily without a broker. This new technology and tools enable people to connect each other (Martens 2011)(Ronald S Burt 2000);(Burt 2002).

The most important question for the research is the use of social network sites for employment searchers and whether social networking sites are useful to identify candidates and attract people to apply for an open position. The different social media and channels have varying importance for employment seekers. The first part of the questionnaire evaluates the importance of social network sites for the employment seeking process in relation to other social media platforms i.e. blogs or forums and traditional channels. This section indicates the value of social networking sites for the recruiting process.

Social Capital for the Employment Seeking Process and Employee Identification Process with Consideration of Social Media

Social media improves the opportunities for social capital, and provides new opportunities to create social capital. The reason is that the sharing and exchanging of information is achieved more efficiently than previously possible and with the least amount of effort possible. For example, the exchange is independent of the location of the social network site. The employment search process is an exchange of information about an individual with skills, and a company in search of a new employee with corresponding specific skills. Both groups have resources and they are keen to exchange their resources to achieve a shared benefit. This exchange is only possible if both groups know each other, or find a channel to get in contact. This channel can be tied through a social network site. This tie is the bridge between the company and the potential candidate. The social network site provides the medium to exchange information. Another situation is a node. That is the case if a person acts as a broker between the company and the potential candidate. The broker forwards the information to the parties involved. The broker between the two network members can recommend a potential candidate or may give further information for example. The broker who provides the recommendation has the power to decide which information specifically is forwarded. This power is a kind of social capital and an advantage for the broker. Social network sites change the situation of brokers because networks are very large today, and people are able to increase their contact list easily. The size of the network is important to get access to information and resources (Korpi 2001) (Franke 2005). That gives many opportunities to reach other network members. The broker can expect reciprocity from the involved individuals for example (Jiang and Carroll 2009). Providing recommendations is important however also comes with its own set of dangers. The recommendation gives the individual the opportunity to reach another person but that is only possible if the member of the network trusts each other and they have a positive experience with advice from the network.

Social capital can reduce the transaction costs and can give access to resources needed or information i.e. groups share their language which makes the communication more effective and efficient (Jiang and Carroll 2009) (Chiu et al. 2006) (Woolcock 2000). This is in the interest of both the company and the individual. Companies need new channels to reach individuals who are of interest for them or they have a skill as a resource, which is important for the company. The social networking side can provide this entry point and thus is a competitive advantage for the company (Woolcock 2000). The second point is the reduction of transaction cost to find suitable candidates. The use of social network sites decreases the time needed to identify and to contact an individual candidate (Franzen and Hangartner 2005). This channel has the opportunity to primarily access information about a person, and the following step being tested and proceeding with the application process. The transfer of information is very fast and efficient. Candidates can use their profile to present themselves in the most attractive way possible so that they can be hired (Richter and Koch 2008). Potential candidates can use their network to obtain more information about a company or an employment opportunity. They can use their network for a referral.

The negative impact is the exclusion of people who are not members of a community. The misuse of social network sites allows investigation of individuals and to threaten the privacy of individuals (Korpi 2001). The information in the social network sites is at times not approved nor authorized which entails that the reliability of the information could be compromised or inaccurate. The danger is in misleading individuals. Decisions need information and wrong information has a negative result for the individual. That is one dimension if individuals trust social networking site content and if they use social networking site content. This information is important to evaluate the value of social network sites for companies to use in transferring information and resources to people. Another point is the dimension of information creating an overview and identifying important

information can be difficult. This is a danger of social media and may be a reason that people avoid using social networking sites to look for employment opportunities.

Levels of Relationships in Networking Sites

Individuals are members of a social networking site, which provides access to technologies to share content, maintain relationships and exchange information or resources. The social networking sites provide access to other profiles and the ability to communicate with other social networking site members. The kind of access to other individuals depends on the relationship of the people and the status of their membership (Gilbert and Karahalios 2009). Some networks give their members varying levels of opportunities. The social network site enables moderators with more rights to organize a group, for example. Individuals have different interests and needs. The direct tie, membership in a group or membership in a network, depends on the interest and needs of the individual members. People are member of networks because they have an advantage. Richter and Koch write in their article that the advantages increase the motivation to take part in a social network (Richter and Koch 2008). The difference between the use of the social network sites and the use of the Internet are the shared goals and interests. Additionally gives this the explanation for groups in social network sites, individuals can create groups with similar interests and objectives (Chiu et al. 2006).

Social network sites have various levels of *connectedness*. There are three levels to connect each other on social network sites. The first level is a direct tie with another individual. This level gives more access i.e. to the profile or provides the option to send a private message. The member of the network has to agree for the direct tie and goes the principle that the individuals know each other personally. Those members have a strong tie with mutual friends and personal interests and similar background. The direct tie is used frequently and should give greater access to other groups. This closed network and only the individual person is allowed to decide about who to extend group membership to the network members. The people know each other and they share their resources and use the network to maintain personal relationships for their advantage. The tie is between two humans who share an interest in each other i.e. access to resources or information.

The second level of connectedness is a *group*. This group brings together people with similar interests and gives them the opportunity to exchange information and resources pertaining to these interests (Franke 2005 cf page 32). The members of the group can have direct ties with each other, but their main interest is a mutual topic of interest and they are not interested in the other individual personally. They share the interest for the same product, service or other reasons i.e. sport. Those groups can be open or closed. Anyone can join an open group whereas a closed group has a “gatekeeper”. Both groups have moderators to organize the group. The moderators decide on membership or rules or exclusivity for closed networks. They are responsible for the group. They are responsible that members follow the rules and norms. The moderator takes care for the group and motivates people to take part in the group and to share opinions or information, for example. People who join the group have the interest to improve and increase their knowledge or resources regarding a special issue i.e. cooking.

The last stage is the membership in the *network*. The number of members of a network can be very large i.e. Facebook or LinkedIn with millions of members worldwide. These social networking sites give members the opportunity to search for information and resources. The connectedness at this level provides only basic information and does not allow for content to be shared or to new private information for example. The access is limited by regulations and aims to protect people. The protection is needed so that personal data is not misused by others and to give people control and power in maintaining their privacy. The member can decide what kind of information is access able to the audience. Many social network sites allow members to select the information which is visible to other members. The regulations also allow that individuals with similar interests be able to contact each other directly. The next step can be that they both connect as contacts and give access to more information or resources, for example. Those ties are not strong and they are not connected. The network provides a method to create a tie and enables members to connect each other via the network without having a direct contact.

This paper and research concentrates on the direct ties between members and the whole network. The groups are not under consideration in the first step, but the questionnaire asks for group membership in the network to have the opportunity to use this data for further research.

HYPOTHESES AND CONCEPTUAL MODEL FOR THE STUDY

The model has two possible outcomes, people use social capital to identify opportunities or to have an advantage in the employment search process or they do not use social capital for the employment seeking process at all. The use of social capital and the existence of social capital is evaluated by the dimensions of social capital which are trust, involvement / engagement, activity, investment, benefits or advantages, similarly and impact (Jansen et al. 2011) (Narayan and Cassidy 2001). This dimension describes efforts to create social capital and the results of

social capital. Those dimensions can be used to measure social capital in social network sites. The model for this study uses all dimensions, and adds some employment search related issues to find out more about those seeking employment individuals and their use of social capital.

Additional factors offer better understanding of the dimensions and the use of social network sites for the recruiting process. They concentrate on the employment search process and are involved and explainable as indicators for the dimensions. The model explains the relationship between the factors to use social network sites for employment searching and exclusion of social networking sites (Lei and Wu 2007). There are five hypotheses that must to be tested by the model.

H0: Individuals who are members of social network sites have more access to information about employment opportunities and companies than people who are not members of social network sites.

This base hypothesis must to be fulfilled so that the other hypotheses can be evaluated. Individuals must be members of a network or they alternatively can decide not to use the social capital that is provided by the network. Those who are not members of a social networking site have few opportunities to create social capital because they do not use a public channel to increase and build their social capital. This cases a disadvantageous situation for them.

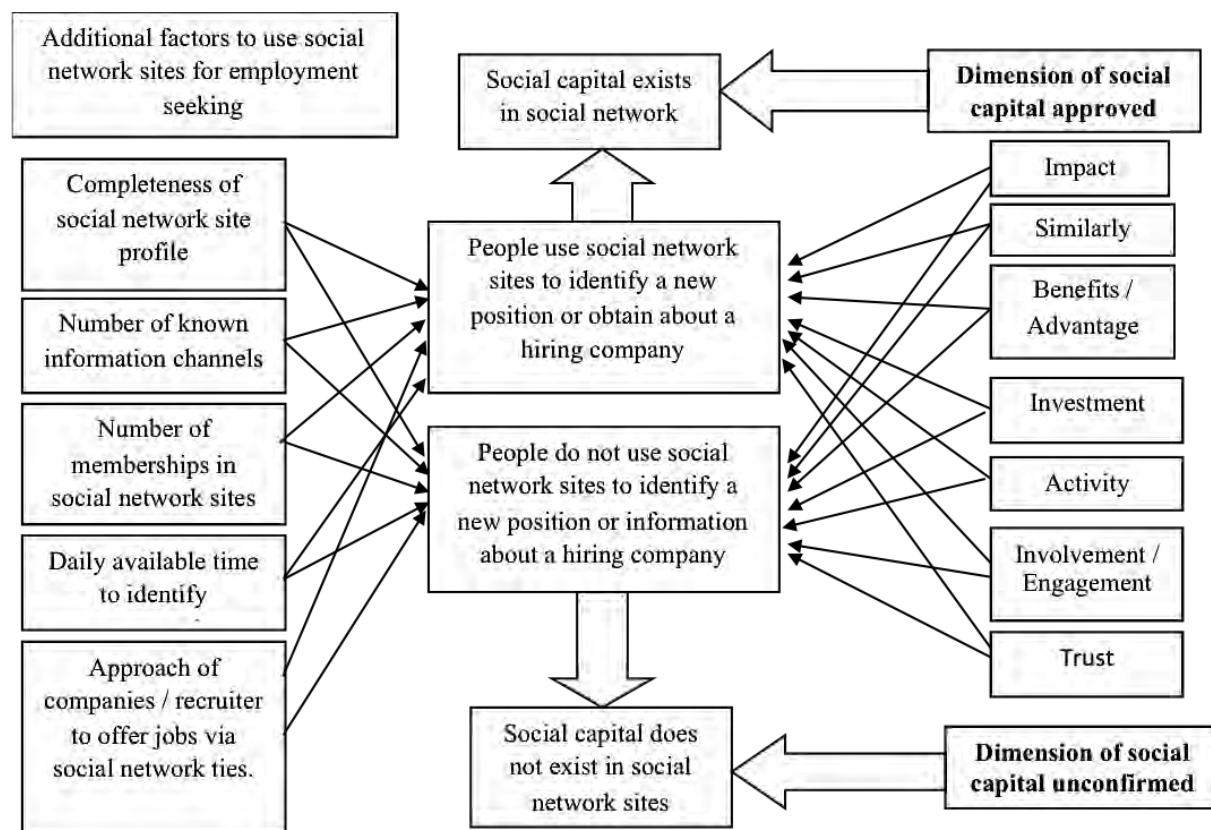


Figure 2 Model to Measure Social Capital and to evaluate the Use of Social Network Sites for the Employment Search

H1: Individuals with greater social capital use more than one social network site than people with less social capital.

The chance that people use social network sites depends on their social capital. People who use more time and put in more effort to be a member of a network and provide resources and information to social networking sites more deeply involved and engaged in the social networking site. They are using the social network site to get information and to use the information to help make decisions. The social networking site is a part of their daily life. People who have many friends have a better chance in obtaining information about open employment opportunities. Their activities on the social network site attract attention from recruiting companies. Members of networks have to be visible so that companies can find them, and can identify their resources and value, i.e. a complete profile is very important (Richter and Koch 2008).

H2: People who invest more time in employment search and social capital are more often use social network sites than people who invest less time.

The use of social networking sites to identify employment opportunities regimes a time investment. This means people who invest more time for employment search have better access to resources and can use more channels. The resource time is an indicator to give an overview about the use of social network sites and is an indicator about the viability of the channel. People would not invest time in channels if they do not trust them, or do not get a positive result. This hypothesis explains the advantage of people to use social networking sites for their employment search. It could be that individuals with only a limited amount of time for their employment search regime use more social capital and use social networks more often because they can use social capital to find information or open positions more effectively for example.

H3: Individuals who use many different channels to identify open positions use less social networking sites than people who use or know of fewer channels to identify new positions.

This hypothesis gives an indication that social networking sites are used by people working for new employment opportunities. Those who have the opportunity to use other channels in addition to than social networking sites may not use their social network site because they have other channels to do so. This point is important to describe the behavior of people if they use social network sites for employment seeker or if they use social network sites for other reasons. The advantage for individuals to be members of a network is the access to information however if people can get this information through other channels, the social network would be considered a further in depth method. The competition of information between the channels, and the time used to identify a new position, provides an indication about the use of social network sites and the use of social capital to identify open positions.

H4: People with more social capital are more often contacted by recruiters than people with less social capital.

This hypothesis tests the value to create social capital in social networking sites. The completeness and number of ties is an indicator for social capital. Additionally is sharing content and exchanging information or resources points to social capital. The advantage of people with a high social capital is that they are visible, and the hypothesis tests if there is an advantage to invest in social capital to acquire information about employment opportunities i.e. group, and the option to present the personal profile visibly to the audience.

RESEARCH METHODOLOGY

The first step is a literature review to get an overview on the topic and to develop a framework with which to describe the situation on the labor market and the behavior of individuals that are looking for a new employment. The second step is an online survey to describe and identify the behavior of the people, to find out the search methods and the information accrual process about companies. Another point is to test the existence of social capital in social networking sites. The survey is divided in two parts. The first part pertains to employment seeking the advantages of social capital for the search process. The second part measures the dimensions of social capital, which are trust, involvement and engagement, activity, investment, benefits or advantages, similarly, impacts and demographic background. This description gives the opportunity to explain the behavior and usefulness of social media for employment seekers to identify opportunities and to give companies an idea how to use social media for their recruiting process. That support companies to use their resources efficiency and effective for the employment seeking process. The paper does not include the questionnaire nor the results of the questionnaire. The target population for this survey is people who are looking for new opportunities or to change their employment status. They are involved in the employment search process and they are able to answer the questionnaire based on their knowledge. They gained experienced and have explored various ways to explore open employment opportunities and potential companies. The questionnaire will give an answer about the use of social media tools for the employment seeking process with consideration of social capital. Quantitative research method is adopted because it is useful and gives some examples (Franke 2005).

CONCLUSION AND FURTHER WORK

The model explains the behavior of people who are seeking new employment opportunities with consideration to the use or exclusion of social network sites. This information is important for companies to use their resources for the recruiting process effectively. This information has a greater application because the use of networks and social capital influence society. The scientific community then can use the model to test the social capital theory and to expand the social capital theory with a new depth of knowledge.

The theoretical implications are the extension of the social capital theory on social network sites. The social capital theory maybe covers the social network sites as the social capital theory describes real networks. The expanded theory will provide explanations regarding processes and functions in virtual networks e.g. social

network sites. The behavior of network members and participants in social network sites is explainable if the social capital theory for social network sites is confirmed. This knowledge gives the opportunity to use social network sites for practical issues. Today many researchers agree that social networks are an important part of the society as already mentioned above (Granovetter 1995; Ronald S. Burt 2000) . The social network sites influence is increasing on the society. That gives new opportunities and risks which have to be explained. The social capital theory has the opportunity and models to explain social network sites. That has to be tested and the theory has to be adapted.

If the result is negative and the test of the social capital theory for social network sites fail than a new theory is needed or social capital theory has to be changed for social capital on social network sites. That can be a theoretical outcome of the research.

The practical use of social capital theory for social network sites can be an improvement of the exchange of information e.g. for individuals who seeking for employment or exchange of resources can be enhanced with the support of social network sites for example. Another practical field is marketing. Marketing departments use social network sites to get access to potential customer. The Marketing needs data and theories about networks to create effective and efficient tools to communicate with individuals. Further of interest is the opportunity and construct to identify the advantages of social networks sites. That provides a basement for the marketing area and guided the marketing department efforts to successful path.

The results of the research increase the practical and theoretical usefulness of social capital theory because the research explains the impact of social capital theory on social network sites and individuals.

The next step is to collect the data and to prove the model. The test of the model is a further step to give empirical, reliable evidence about the existence of social capital in social networking sites. The study must to be supported by further studies in different environments and situation to give a deeper understanding about the behavior of people in social networks on the internet, and to use the social capital theory to explain the behavior of people in social networks, or to find out that there is a need for some changes in the social capital theory to explain the behavior on social networking sites.

REFERENCES

- Burt, R. 2002. "Bridge decay," *Social networks* (December).
- Burt, Ronald S. 2000. "The network structure of social capital," *Research In Organizational Behavior* (R. I. Sutton and B. M. Staw, eds.), (22:May)JAI Press, pp. 345–423.
- Burt, Ronald S. 2000. "The network structure of social capital," *Research in Organizational Behavior* (22), pp. 345–423.
- Chiu, C.-M., Hsu, M.-H., and Wang, E. T. G. 2006. "Understanding knowledge sharing in virtual communities: An integration of social capital and social cognitive theories," *Decision Support Systems* (42:3), pp. 1872–1888.
- Coleman, J. 1986. "Social theory, social research, and a theory of action," *American journal of Sociology* (91:6), pp. 1309 – 1335.
- Franke, S. 2005. *Measurement of social capital, Reference document for public policy research, development, and evaluation, Annals of the New York Academy of Sciences*, (Annals of ., Vol. 896) New York, New York, USA: Policy research initiative, pp. 1 – 68.
- Franzen, A., and Hangartner, D. 2005. "SOZIALE NETZWERKE UND BERUFLICHER ERFOLG Eine Analyse des Arbeitsmarkteintritts von Hochschulabsolventen," *Kölner Zeitschrift für Soziologie und Sozialpsychologie* (57:3), pp. 443–465.
- Gilbert, E., and Karahalios, K. 2009. "Predicting tie strength with social media," *Proceedings of the 27th international conference on Human factors in computing systems - CHI 09* New York, New York, USA: ACM Press, p. 211.

- Glaeser, E. L., Laibson, D., and Sacerdote, B. 2001. "The economic approach to social capital," Cambridge, pp. 1 – 41.
- Granovetter, M. S. 1995. *Getting a job*, (Gran, ed.), (2nd ed.) Chicago: The university of Chicago press.
- Jansen, B. J., Sobel, K., and Cook, G. 2011. "Classifying ecommerce information sharing behaviour by youths on social networking sites," *Journal of Information Science* (37:2), pp. 120–136.
- Jiang, H., and Carroll, J. M. 2009. "Social Capital , Social Network and Identity Bonds : A Reconceptualization," in *C & T 09*, , pp. 51–60.
- Kaplan, A. M., and Haenlein, M. 2010. "Users of the world, unite! The challenges and opportunities of Social Media," *Business Horizons* (53:1), pp. 59–68.
- Korpi, T. 2001. "Good Friends in Bad Times? Social Networks and Job Search among the Unemployed in Sweden," *Acta Sociologica* (44:2), pp. 157–170.
- Lei, P., and Wu, Q. 2007. "Introduction to Structural Equation Modeling: Issues and practical considerations," *Instructional topics in educational measurement* , pp. 33 – 43.
- Lin, N. 2001. "Building a network theory of social capital," in *Social capital theory and research*, N. Lin, K. Cook, and R. Burt (eds.), New Jersey, pp. 3 – 30.
- Martens, M. 2011. "Transmedia teens: Affect, immaterial labor, and user-generated content," *Convergence: The International Journal of Research into New Media Technologies* (17:1), pp. 49–68.
- Narayan, D., and Cassidy, M. 2001. "A dimensional approach to measuring social capital: development and validation of a social capital inventory," *Current Sociology* (49:March 2001), pp. 59–102.
- Richter, A., and Koch, M. 2008. "Funktionen von Social-Networking-Diensten," in *Multikonferenz Wirtschaftsinformatik 2008, Teilkonferenz Kooperationssysteme*, .
- Woolcock, M. 2000. "The Place of Social Capital in Understanding Social and Economic Outcomes," Harvard, pp. 1 – 36.

COPYRIGHT

Tom Sander et al. © 2013. The authors assign to ACIS and educational and non-profit institutions a non-exclusive licence to use this document for personal use and in courses of instruction provided that the article is used in full and this copyright statement is reproduced. The authors also grant a non-exclusive licence to ACIS to publish this document in full in the Conference Papers and Proceedings. Those documents may be published on the World Wide Web, CD-ROM, in printed form, and on mirror sites on the World Wide Web. Any other usage is prohibited without the express permission of the authors.