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# Using social media for work: Losing your time or improving your work?



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#### ABSTRACT

Social Media have been gaining in popularity worldwide over the last years at an increasingly growing rate. The introduction of social media in companies enables a new method of communication among colleagues and with customers. Although social media are in the top of the agenda for many companies to date, there seems to be very limited understanding of the usage of social media for work purposes. In this study, we investigate whether employees make use of social media for work purposes, what values increase this usage, and if that usage is related with their performance. Responses from 1799 employees in the insurance industry were used to examine the impact of social media on work. Results confirmed that in the case of social media for work, employees make extended use of them no matter their age. We found also that both utilitarian and hedonic values influence employees to use more social media for their work, at least in the insurance sector. Last but not least, this study confirms that there is an important relation between the use of social media and the work performance.

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## 1. Introduction

According to one successful social media – the collaborative project Wikipedia: "social media include web- and mobile-based technologies which are used to turn communication into interactive dialogue among organizations communities and individuals". With the advent of this technology, the Internet has changed completely. More and more, users rely on social media for their entertainment, for their web searches, for their news or simply for spending their time (Giannakos, Chorianopoulos, Giotopoulos, & Vlamos, 2012). For instance, Social Networks in the workplace provide employees with new ways of interacting with their customers and their co-employees for questions and information sharing (DiMicco, Geyer, Millen, Dugan, & Brownholtz, 2009).

Web 2.0 along with user generated content (Kaplan and Haenlein, 2010) allowed for fast spreading of collaboration tools, such as weblogs or social networking sites or collaborative communities among employees all over the world. The question that obviously arises is: what makes users to adopt social media for their work? Moreover, which users tend to use them more, and if so, what might be their motivations? Previous research has shown a variety of reasons why users make use of different Social Media; however, this analysis focuses on employees in order to investigate the reasons why they are making use of social media for their work and, more importantly, how the use of social media for work impacts their work performance.

In this paper, we seek to answer the following research questions through a quantitative study in the insurance industry:

RQ1: Do the employees of insurance industry make use of social media for work purposes?

RQ2: What motivations (values) does someone have for using social media for work purposes?

RQ3: Does the use of social media for work impact employees' work performance?

In the following section we introduce related work and the theoretical lens upon which this research is grounded. Section 3 introduces the methodology as well as the measures adopted for collecting data from the employees. Section 4 presents the empirical results. In closing, we discuss the outcomes of the analysis, and highlight the limitations and the implications that arise for practitioners and company executives.

## 2. Related work

There is a significant body of existing research on how social software is generally used in a corporate environment (Kaplan and Haenlein, 2010). For example, there have been studies on the use of blogging software (Liao, Pan, Zhou, & Gan, 2012), social bookmarking tools (Millen, Feinberg, & Kerr, 2006), wikis within the boundaries of an intranet (Grudin & Poole, 2010), enterprise forums, micro-blogging (Riemer & Richter, 2010), and social networks (DiMicco et al., 2008). On the other hand, there are studies that demonstrate the use of social media by employees outside

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of the company (micro-blogging (Morris, Teevan, & Panovich, 2010), social networks (Skeels & Grudin, 2009), etc.).

#### 2.1. Social media for enterprises

Due to the rapid rise of the social media and their users (Jarrahi & Sawyer, 2012) the need for investigation of the use of social media for work purposes has emerged. Several attempts have been made to posit social media for working purposes. For instance, IBM has launched Beehive (DiMicco et al., 2008), and in one year, it was considered a successful platform with over 30,000 users with over 250,000 friend connections.

Despite the rapid uptake of corporate social media technologies, very little is known about the uses and effects of SM on enterprises (Jarrahi, 2011). Social network software developed for the company, usually called Enterprise Social Network (ESN), is a web-based service, which allows individuals to create and maintain online public or semi-public profiles and foster connections with other members of that organization. The corporate SN are inspired by public social networking websites (i.e. Facebook), but they run on the host organization's servers, protected by firewalls and restricted to use by employees (Jarrahi, 2011). A growing number of companies 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 (Brandel, 2008). Examples include "Beehive" at IBM, "Town Square" at Microsoft, and "Watercooler" at HP, among others. In addition, there are studies that investigate what happens "when social networks cross the boundaries" of a company. For instance, (Skeels & Grudin, 2009) investigates the use of successful SN, such as Facebook and LinkedIn, among Microsoft's employees. Moreover, there have been presented ESN commercial products such as Yammer<sup>1</sup> that are "in use in more than 200,000 companies worldwide".

## 2.2. Motivations of using social media for work purposes

Work-related advantages of SM focus among the others on maintaining external professional networks, creating and strengthening ties with colleagues, gathering professional information, and promoting knowledge sharing and resource (Cao, Vogel, Guo, Liu, & Gu, 2012; Skeels & Grudin, 2009). According to Pi, Chou, and Liao (2013), there are multiple factors affecting the attitude toward knowledge sharing in a social media group, such as reputation, expected relationship, sense of self-worth, and subjective norm. On the other hand, DiMicco et al. (2008) indicate that "within the walled garden of the enterprise, employees choose to reach out and meet new people rather than only connecting with those they know". Hence, social media not only strengthen ties but also create new ones and used for people sensemaking. Besides that, social media have been used for recruitment purposes. Yardi, Golder, and Brzozowski (2009) show that employees expected to receive attention when they contributed to blogs. In particular, corporations are looking to adopt Web-based communication tools like blogs, wikis, and forums, but these efforts will fail unless employees are motivated to participate and contribute content. There are, however, systematic differences in size, demographics, and participation aligned with differences in diverse community types (Muller et al., 2012). In our approach, we investigate the motivations of employees for using social media. Based on the above literature, a number of questions showing possible motivations are constructed. Those questions are presented in Table 3.

Using Hedonic and Utilitarian values approach (Brecht, Eckhardt, Berger, & Guenther, 2012), we attempt to explore employees' motivations for using social media for their work.

Utilitarian and hedonic motivations differ fundamentally. Utilitarian motivations are noted repeatedly in literature as being a category of forces that engage users in several processes. Utilitarian motivation is defined as rational and goal-oriented (Batra & Ahtola, 1991; Hirschman & Holbrook, 1982) and, when applied to social media for work, shows that the benefit depends on the efficiency during the process. As such, we can assume that these values influence employees to use social media for their work. Hence, the following hypothesis is formulated:

**H1.** Social media use for work is positively and significantly related with the utilitarian value (motivation) offered to employees.

Hedonic motivation, on the other hand, refers to the search for emotions such as happiness, enjoyment, and fantasy, experienced during the SM usage. Hence, employees that are hedonically motivated seek the enjoyment of the process rather than the utility of the purchased product. Consequently, hedonic employees receive satisfaction from the experience itself and the emotions they experience through using it. Due to their nature, we can assume that SM (even for work purposes) are intrinsically enjoyable and facilitate greater user/employee participation. Therefore, we can hypothesize that:

**H2.** Social media use for work is positively and significantly related with the hedonic value (motivation) offered to employees.

## 2.3. Social media and productivity

Despite the popularity for personal use and application in a few corporate settings, we know very little about social media's impact on how work gets done (Tsay, Dabbish, & Herbsleb, 2012). Empirical research on social media in the workplace is rare, and such studies are usually conducted in a limited and specific sample (Cao et al., 2012).

Yammer<sup>1</sup> claims that their commercial ESN leads to a new way of working that naturally drives business alignment and agility, empowers employees to be more productive and successful by enabling them to collaborate easily, reduces cycle times, engages employees, and improves relationships with customers and partners. This is in accordance with Castilla (2005), who indicates that from a sociological perspective, social networking is positively correlated with employees' performance.

Alternatively, some reports<sup>2</sup> argue that SM use inside companies are blamed for reducing productivity of employees as they spend unacceptably long periods of time online and chatting. Moreover, SM are considered as time-wasters and security traps by some (Turban, Bolloju, & Liang, 2011). Therefore, further analysis considering use of SMs for employment purposes in relation to employer performance is needed since this still remains an issue under investigation despite the prevalence of social media (Miller, Marks, & DeCoulode, 2011). In our approach, and based on the recent development regarding the possible benefits of SM for work (e.g. Cao et al. (2012) based on their model claim that social media can promote work performance), we hypothesize that:

**H3.** Work performance is positively and significantly related with social media use in the work of employees.

## 3. Methodology

Twenty-five researchers from the National Institute of Insurance Studies (IIS) carried out the research. Notably, all twenty-five researchers work for the insurance industry in various companies

<sup>&</sup>lt;sup>1</sup> Yammer: The Enterprise Social Network https://www.yammer.com/.

<sup>&</sup>lt;sup>2</sup> Social networking at work: Thanks, but no thanks? http://www.gfi.com/white-papers/Social\_network\_concerns.pdf.

of the Greek market. The questionnaire was given to employees and employers working for the insurance sector in Greece. There were three methods for distributing the questionnaires to be completed by the participants of the study: (a) Researchers visit the workplace of the participants and give the questionnaire on printed paper. (b) Researchers send an email containing the questionnaire in an on-line form to participants from distant cities. (c) The IIS Institute holds two large conferences all over the country with people from the insurance industry; links to the online questionnaire are distributed to the conference attendees. In the first method, researchers either had to wait for the subjects to complete the printed questionnaires, or they left them with the questionnaires and collected the printed answers from their colleagues after 2–3 days. The second and third options involved the subjects completing the online questionnaire. That said, in the (a) alternative, we know that almost all people/colleagues who were asked to complete the questionnaire did so. On the other hand, in the (b) and (c) alternatives, the questionnaire was open to a larger audience from which a small portion of those who were informed about the research decided to complete the online questionnaire.

#### 3.1. Context

IIS, an institute based in Athens, Greece, is responsible for educating employees working for the insurance market in Greece. IIS makes use of social media among its students in order to spread its news and strengthen the relations between the students and the institution. The IIS annually conducts large-scale research, measuring important factors in the insurance industry or perceptions and concerns among the employees. Considering the constant growth of employees in the Industry who use social media, the IIS along with the authors decided to extend the research in order to examine whether social media improve productivity for employees and, if so, to what extent. The IIS is also interested in order to supply its students with the appropriate knowledge. These were our main motivations for this research.

## 3.2. Sampling

Our research methodology included a survey conducted through the delivery and collection of individual questionnaires. It was made clear that there was no reward for the respondents and the participation was voluntary. The survey was open for two months; from mid-February to mid-April of 2012.

As Table 1 shows, the sample of respondents was composed of almost equally men (52%) and women (48%). In terms of age, the majority of the respondents (51.7%) were between 31 and 45 years old, 20.5% involved people less than 31 and 27.8% were more than 45. Based on the demographics (age, occupation, etc.), it is clear that the sample does not have any influence on the results of this research.

As mentioned before, there were three methods for collecting the responses of the questionnaires: 83% was collected in person by our researchers, 9% was online questionnaires from people that had received an email invitation from us and 8% were from people that attended a conference and were informed there.

**Table 1**Gender, age, and experience of participants in the survey.

Gender	Male Female	936 (52.00%) 863 (48.00%)
Age	Less than 31 31–45 More than 45	369 (20.50%) 930 (51.70%) 500 (27.80%)
Experience (years)	Less than 7 8–18 More than 18	610 (33.91%) 630 (35.02%) 559 (31.07%)

Concerning the selection of the sample (in the 83% of the collected questionnaires/in-person collection), there was simply no screening at all. The procedure of collecting the completed questionnaires was simple: researchers visited an insurance office/company and told the employees/employers that they conduct a study for the IIS. Every employee in the office was given a questionnaire and two-three days later, the researchers had to visit the company/office in order to collect the completed questionnaires. For the remaining 17% of the questionnaires gathered, respondents completed the questionnaire electronically. That said, the majority of the questionnaires were collected in person, and this is a strong aspect of this study since we had to visit a variety of workplaces (connected to the insurance industry).

Insurance companies were randomly chosen by the researchers. We asked for a permission to conduct the research in their offices (as they are all members of the IIS). In addition, we managed to have a sample that cannot be considered as technologically advanced, since only 17% of the sample had to use their computers in order to complete the questionnaire on-line (even if it was a very simple procedure).

In the clarification letter accompanying the questionnaire, after describing Social Media as "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 & Haenlein, 2010) and giving some examples of the most famous Social Media Websites include, Facebook, Youtube, Twitter, Flickr, Blogspot, Wikipedia, Digg and many more, the respondents were asked to answer the questions based on their experience using Social Media for their work.

As it is depicted in Table 1, we have a balanced distribution of gender and age among the subjects of our research. Moreover, participants range from relatively inexperienced to highly experienced employees. They also have a wide variety of occupations relating to the insurance market including insurance company employees, insurance company executives, insurance experts, brokers, attorneys, agents, and consultants (Table 2). The majority of them, though, are insurance company employees and insurance advisors.

## 3.3. Measures

The questionnaire handed out to the employees was divided into two parts. The first included questions on the background information of the sample (i.e. gender, age, years of experience in the specific work, and their exact occupation in the Industry). Additionally, there were questions about their motivations in using social media for work. There were five different factors that demonstrate possible uses of social media by employees, and they are connected with possible effects of social media to employees according to the literature (Table 3).

In fact, these factors emerged from an informal conversation with some of the twenty-five researchers of the study (who are working in the insurance Industry themselves) along with the CEO of the IIS. They were ultimately connected to other research so as to produce more solid results. Despite the fact that they come from studies in other Industries, they seem to be appropriate for insurance industry

**Table 2**Different occupations of the sample and their respective percentage.

Occupations relevant with insurance	Percentage	
•	rereemage	
Insurance company employees	43	
Senior executives	7	
Insurance agents	9	
Insurance brokers	3	
Insurance experts	2	
Employees in an Insurance related Institute	5	
Insurance advisors or coordinators	25	
Attorneys	5	

**Table 3**Questions based on the literature in order to investigate the motivations of using social media for work.

Main reasons for using social media for your work

Find new customers (building new ties – DiMicco et al., 2008)
Recruit personnel (people sensemaking – DiMicco et al., 2009)
Keep contact with customers (strengthen relationships – DiMicco et al., 2008)
Watch market/competitors (gathering information from social networks – Skeels & Grudin, 2009)
Enjoy my free time (using SNT out of habit – Giannakos et al., 2012)

as well since they include important parts of an employee's daily work in the insurance sector according to experts.

Concerning the widely used term Social Media, as aforementioned a number of example media such as Facebook, LinkedIn, Twitter, Blogs were presented to the participants of the study along with the respective questions, so as to be sure that all participants clearly understand the term.

The second part included measures of the four principal factors adopted from previous studies. Table 4 lists the four principal factors and the source from the literature review. In an effort to explore employees' motivations for using social media for work we measured Utilitarian (UV) and Hedonic Values (HV). Utilitarian systems are designed to provide instrumental value to the user (e.g. performing a specific task). 'Instrumental' implies that there is an objective external to the interaction between user and system, such as increasing task performance. Hedonic refers to those systems that provide self-fulfilling value to the user (e.g. enjoyment while playing a computer game). In addition, we measured Social Media Use for Work (SMUW) and Work Performance (WP). We used 5point Likert scales to measure the variables (worded "Strongly Disagree", "Disagree", "Neutral", "Agree" and "Strongly Agree") which is in alignment with verified studies in the Greek context (Roussos, 2007); in Appendix A we exhibited survey in detail.

## 3.4. Data analysis

As aforementioned, 1799 employees of the insurance sector were involved in our study. First we assess the validity and reliabil-

ity of our data based on the three step methodology proposed by Fornell and Larcker (1981). Afterwards, we investigated each of our three research questions (RQ1, RQ2, RQ3) in a separate Sections 4.2, 4.3 and 4.4 respectively. In order to understand if the employees of insurance industry make use of social media for work purposes (RQ1); we used descriptive statistics in our data. For investigating the effect of UV and HV on SMUW (RQ2) and the effect of SMUW on WP (RQ3); we used an Analysis of Variances (ANOVA).

## 4. Research findings

## 4.1. Data validity and reliability

Fornell and Larcker (1981) proposed three procedures to assess the convergent validity of any measure in a study:

- (1) Composite reliability of each construct,
- (2) Item reliability of the measure,
- (3) The average variance extracted (AVE).

First, we carried out an analysis of composite reliability and dimensionality to check the validity of the scale used in the questionnaire. Regarding the reliability of the scales, Cronbach's  $\alpha$  indicator was applied and inter-item correlations statistics for the items of the variable. As Table 5 demonstrates, the result of the test revealed acceptable indices of internal consistency in all the factors.

In the next stage, we proceeded to evaluate the reliability of the measure. The reliability of an item was assessed by measuring its factor loading onto the underlying construct. Hair, Black, Babin, Anderson, and Tatham (2006) recommended a factor loading of 0.6 to be good indicator of validity at the item level. The factor analysis identified four distinct factors; (1) Utilitarian Value (UV), (2) Hedonic Value (HV), (3) Social Media Use for Work (SMUW) and (4) Work Performance (WP) (Table 5).

The third step for assessing the convergent validity is the Average Variance Extracted (AVE); AVE measures the overall amount of variance that is attributed to the construct in relation to the amount of variance attributable to measurement error. Convergent

**Table 4**The Research Factors and their Respective Items.

Factors and their operational definition	Items	Source Adopted
Utilitarian Value (UV)-The degree to which employee perceive using social media to be a useful and effective means.	Using social media (e.g. facebook, linkedin, twitter, blogs) for your work is:  Effective (UV1) Helpful (UV2) Functional (UV3) Necessary (UV4) Practical (UV5)	Voss, Spangenber, and Grohman (2003)
Hedonic Value (HV) – The degree to which employees perceive using social media to be a fun and emotionally stimulating experience.	Fun (HV1)	Voss et al. (2003)
	Exciting (HV2) Delightful (HV3) Thrilling (HV4) Enjoyable (HV5)	
Social Media Use for Work (SMUW)-The degree to which employees are using Social Media in their Work.	I often use social media to obtain work related information and knowledge (SMUW1) I regularly use social media to maintain and strengthen communication with colleges in my work (SMUW2) What is your frequency of usage of social media at work (SMUW3) <sup>a</sup>	Kankanhalli, Tan, and Wei (2005)
Work Performance (WP) – The degree to which employees are indicating their performance	l almost always perform better than an acceptable level (WP1)	Kuvaas (2006)
	I often perform better than can be expected from me (WP2) I often put in extra effort in my work (WP3) I intentionally expend a great deal of effort in carrying out my job (WP4) I try to work as hard as possible (WP5) The quality of my work is top-notch (WP6)	

<sup>&</sup>lt;sup>a</sup> On this item we used Never (1) – A great deal (5) based on the adopted source.

**Table 5**Survey results in Utilitarian and Hedonic Values, in Social Media Use for Work, and Work Performance

Factors	Items	Mean	S.D.	CR	Loads	AVE
UV	UV1 UV2 UV3 UV4 UV5	2.68 2.98 2.84 2.74 2.89	1.27 1.33 1.29 1.40 1.33	.952	.808 .849 .848 .811	0.68
HV	HV1 HV2 HV3 HV4 HV5	2.69 2.34 2.72 2.40 2.39	1.33 1.25 1.29 1.25 1.27	.948	.812 .865 .830 .886 .884	0.73
SMUW	SMUW1 SMUW2 SMUW3	2.55 2.45 2.34	1.40 1.35 1.29	.849	.815 .800 .748	0.62
WP	WP1 WP2 WP3 WP4 WP5 WP6	3.74 3.65 3.93 3.67 4.03 3.67	0.94 0.95 0.94 1.18 0.90 0.90	.834	.820 .802 .784 .715 .684	0.54

validity is found to be adequate when the average variance extracted is equal or exceeds 0.50.

## 4.2. Employees make use of social media for their work

In our research, we did not want to differentiate the use of internal and external SM services (as in Brandel, 2008 study), nor the type of the SM (blog, different social networks, micro-blogging services etc. as in Skeels & Grudin, 2009 study). On the contrary, our perspective is aligned with Cao et al.'s (2012) and our study explores whether employees use SM for work purposes and we further investigate their motivations and some further correlations between the SMUW and employees' work performance. However, we did not manage to find any enterprise SM service that required the employees to register themselves or encourage them to use it (at least for the 43% of the sample who were insurance companies' employees). This is mostly common in larger companies and especially to those related to IT (Beehive in IBM).

Analyzing the SMUW factor, only 33% of employees in the insurance industry do not make use of social media for their work at all. That said, two out of three employees make occasional use of social media for their work. In Fig. 1, we present how frequently employees make use of SM for working purposes.

Use of some SM, such as Facebook or MySpace, in an enterprise declines steadily with age, and, specifically for the professional network LinkedIn, SM is highest among employees 26–45 years old (Skeels & Grudin, 2009). In our study, Fig. 2 presents the relation between the social media use for work SMUW and age of employees in our study.

In order to examine the effect of age on the SMUW, we conducted an Analysis of Variances (ANOVA) among these variables,

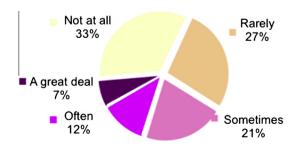


Fig. 1. Use of social media for working purposes.

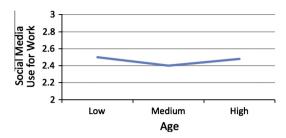


Fig. 2. Social Media Use for Work (SMUW) in relation to employees' age.

and we found the age of employees has an insignificant impact on their SMUW F(2,1796) = 1.04, p < 0.005); this result might seem contradicting to the findings of Skeels and Grudin (2009) concerning the use of social networks by employees.

However, the perspective of this study is different. Firstly, we measure the use of SM for work purposes (SMUW factor) and not the use of SM at work (no matter the purpose). Furthermore, this research is focused on the competitive insurance industry. Our result seems natural since no matter the age of an employee, he/she must use any tool that could potentially improve his/her work and make him/her more productive.

## 4.3. Motivations for using social media for work purposes

In Fig. 3, employees' motivations for using social media for their work are presented. 57.8% of the employees claim that, at least at a moderate level, they have used social media in order to watch the market/competitors (mean 2.89, s.d. 1.38). Keeping contact with customers follows with 51% (mean 2.60, s.d. 1.44). Enjoying free time comes third with 44.4% (mean 2.41, s.d. 1.38) and then finding new customers with 42.7% (mean 238, s.d. 1.42). Recruiting personnel comes last with 54.5% of employees claiming that they are not using social media at all for this reason (mean 1.89, s.d. 1.17).

In addition, we split the responses of UV and HV factors into three equal parts to divide participants into low, medium, and high UV and HV respectively. Afterwards, we perform an ANOVA to identify the effect of UV and HV on SMUW. The results of the analysis revealed a significant impact from both utilitarian and hedonic values (H1 and H2 were accepted) on employees' SMUW F(2,1796) = 201.52, p < 0.001) F(2,1796) = 559.46, p < 0.001).

## 4.4. What are the impacts of using social media for work

Finally, the question of whether or not SMUW impacts employees' work performance is probably the most important aspect of our study. We split the responses of SMUW factor into three equal parts to divide participants into low, medium, and high SMUW. We

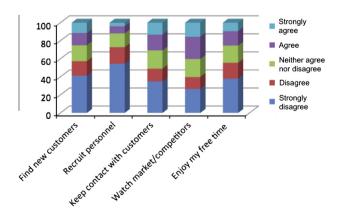


Fig. 3. Motivations of using social media for work.

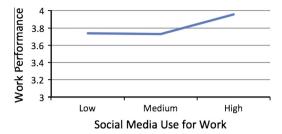


Fig. 4. Social media use for work in relation to work performance.

perform an ANOVA to identify whether there is a relation between SMUW and work performance. The results of the analysis indicated a significant positive relation of SMUW to Work Performance F(2,1796) = 6.08, p < .005) (H3 Accepted). The following figure (Fig. 4) presents the relation between the social media for work and the work performance of employees.

#### 5. Discussion

In this research, we study the use of Social Media among the employees in the insurance sector in Greece. Contrary to previous researches (e.g. DiMicco et al., 2009; Efimova & Grudin, 2007), our data are collected from a large pool of companies in the insurance sector (the active members of the IIS are thirty-three companies) rather than a single company.

In this work, we found that two out of three employees make occasional use of social media for their work. In total, 67% of employees using social media might be a relatively high number; however, users might not be equally situated in the scale of lurkers/contributors (Muller, 2012). The percentage we found comes in accordance to surveys<sup>3</sup> investigating the use of Social Media by adults. Surprisingly, it seems that the use of social media for work does not follow the general use of social media by adults in US (Chou, Hunt, Beckjord, Moser, & Hesse, 2009) or EU (Eurostat, 2010) since there is no decline in the use of social media by age. Notably, the fact that age has insignificant impact on the use of Social Media for work (in contrary with older works - Skeels & Grudin, 2009) shows that during the last few years, older employees perceived the importance and usefulness of Social Media as a tool of their daily workload and adapted to this novel type of communication. Besides, our study is focused on whether employees in insurance industry make use of SM for work purposes and not just on adults using SM for any purpose (as in Skeels & Grudin, 2009). It should not seem strange that in such a competitive environment like the insurance industry, it is reasonable that every employee needs to take advantage of any tool that he/she has in order to be more complete in his work no matter his age.

As far as the motivations for using SM for work, Fig. 5 shows that social media use for work yields both hedonic and utilitarian value to the user. As Van der Heijden (2004) describes, a hedonic system is pleasure-oriented, strongly connected to home activities and focused on the fun experienced while using it. Meanwhile, a utilitarian system is productivity-oriented; it is designed to provide instrumental value to the user (e.g. performing a specific task, Brecht et al., 2012). As Fig. 5 illustrates, as the use of social media increases, so does the utilitarian value, even higher than hedonic value. In our attempt to understand what this means, we were lead to the assumption that when employees make extended use of social media, they appreciate social media as collaborative and productivity-oriented tools.

Regarding the impact of using social media for work, the results of our analysis indicated a significant impact of SMUW on employ-

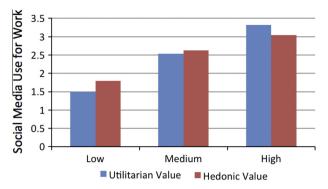


Fig. 5. Social media use for work in relation to Utilitarian and Hedonic values.

ees' Work Performance. This result provides insight to the use of social media for work since the influence of social media on organizations is still controversial (Cao et al., 2012).

In addition, Fig. 4 shows that higher use of social media for work is related to better work performance, or alternatively, more productive employees make larger use of social media in their work. According to Cao et al. (2012), social media enhance knowledge transfer by fostering trust among employees, and thus leading to better work performance. We found that employees' motivations for using social media are primarily to watch the market (gathering information) and secondarily to keep contact with customers (strengthening ties) (Fig. 2). With strong connections among employees and good knowledge of the market, we claim that we are also led to better knowledge sharing. Consequently, the results of our research are in accordance to Cao et al.'s (2012).

# 5.1. Connecting motivations to work performance in the insurance industry

There are some studies that investigate the relation between the use of social media and work performance or productivity (e.g Cao et al., 2012); however, it is not the presence of the technology itself that influences productivity but how it is used (Bulkey & Van Alstyne, 2004).

In an effort to understand whether social media improve the work performance of employees working in the insurance industry, we were to lead to some unique characteristics that are present in the insurance industry that might affect the motivations of employees on using social media.

Insurance products are by their nature intangible and have many complex terms that are difficult to understand. Employees in the sector have to be well-informed about the products in the market since customers rely on their knowledge to a large extent; therefore, information has high value and plays an important role. Since social media allow for information exchange, they help employees to improve knowledge transfer and thus improve their own knowledge on insurance products. In addition, insurance companies constantly create new products or adjust the existing ones in the market, which is another reason why employees in the market need continuously updated information. Finally, the Insurance Industry provides conditions that are conducing to competition. For example, the value of information on different products is so important for an insurance advisor or broker that such knowledge will determine whether he/she will have a new client or not. Consequently, it is expected that a large extent of employees (57.8%) make use of social media in order to watch market/competitors and as a result this might add to their work performance.

Moreover, Gorman and Dudas (1997) argue that the insurance industry is "built entirely upon trust". That said, there is usually a personal and trustworthy relationship between the insurance agent/broker and the client. In addition, Bruning and Ralston

<sup>&</sup>lt;sup>3</sup> Pew Research Center. 65% of online adults make use of SN sites http://pewinternet.org/Reports/2011/Social-Networking-Sites.aspx.

(2000) show that personal relationships are strongly related to the key public member's decision to stay with their current insurance provider or seek insurance from another provider. Consequently, maintaining those relationships is crucial and certainly affects employees' productivity. Perhaps this justifies the fact that in this research, 51% of the respondents claim that they make use of social media for keeping contact with their customers.

According to Bulkey & Van Alstyne (2004), given two theoretical perspectives of information, the economics of uncertainty and computational complexity theory, there is evidence that information and connectivity should influence productivity. As discussed above, at least in the insurance industry, both information and connectivity – integral in the social media technologies – are very important factors that affect employees' work performance.

## 5.2. Limitations

The results of this research would be more solid if questionnaires were gathered from a variety of countries since there are differences among the use of social media from people of different countries (Eurostat, 2010). Therefore, we investigate this option for a larger scale research in cooperation with other institutions or organizations.

Insurance companies, due to their nature (risk management and reinsurance policies) are constantly open to international collaborations. Additionally, based on our review, more than one-third of insurance companies in Country are International corporates due to the need for large reserves. On the other hand, social media provide their services globally too. Based on the above facts, along with the adequately high number of participants, someone might claim that the results could be considered valid for general, more globalized conclusions relating Social Media and employees in the insurance industry; however, according to Thom-Santelli, Millen, and DiMicco (2010), national differences exist even within a single global company.

There is also the question of whether the results presented in this research can be considered representative for the majority of employees, no matter the industry they are employed. Once more, the insurance industry is a sector of global economy in which a broad diversity of people are employed, from attorneys to bank-assurance employees or insurance agents, enhancing the value of the results in this research. Nonetheless, we have not tried to generalize the results since we believe that even if they apply only to the insurance sector, they remain important. As a result, we believe that further empirical qualitative researches may be needed to generalize the results.

As far as the motivations of employees for using social media, we noticed that there are a number of implicit qualitative advantages present in social media that may not have been measured in this study, as only a small number of possible motivations based on the literature or experts were explored. One such example is the additional personal context possessed by one's social ties or the ability to ask a natural language question with the possibility of various responses, particularly when a question is subjective in nature (Morris et al., 2010).

A final limitation stems from measuring work performance based on employees' self-report. That said, the perceived work performance is measured; however, people tend to overestimate their abilities because they suffer a dual burden: their incompetence deprives them not only of the ability to make correct conclusions and choices, but also of the expertise necessary to realize it (Kruger & Dunning, 1999).

## 6. Conclusion

In this study, we investigated the use of social media for work purposes. Two out of three employees make use of social media in their work irrespectively of their age. We provided insight for a number of factors deducted from experts and connected to the literature, which motivate employees to use social media for their work. For instance, more than half of the employees claimed that they use social media for work in order to watch the market/competitors. Finally, our results not only indicate that social media are not simply a waste of time for employees, but they also significantly and positively impact the employees' performance. These results build on the potential of social media as a medium for improving collaboration and knowledge sharing, thereby increasing productivity among employees.

Finally, we were encouraged by the IIS to repeat this study in the next year to develop longitudinal results since the growth in use of social media, concerns, and behaviors not only change, but also show some signs of leveling off (Archambault & Grudin, 2012). With another large-scale study, we would be able to measure whether the number of employees collaborating with social media increases with each year and whether their motivations and impacts alter.

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## Appendix A

#### Questionnaire

Your exact occupation: (select one of the following)

- Insurance company employee
- Senior executive
- Insurance agent
- Insurant broker
- Insurance expert
- Employee in an Insurance related Institute
- Insurance advisor/coordinator
- Attorney

Experience (in years in your current occupation): [\_\_\_]

#### Questions concerning our research:

Do you make use of social media (e.g. facebook, linkedin, twitter, blogs) for your work? (SMUW)

 I often use social media to obtain work related information and knowledge (SMUW1)

Strongly Disagree / Disagree / Neither agree nor disagree / Agree / Strongly agree 1 2 3 4 5

• I regularly use social media to maintain and strengthen communication with

colleges in my work (SMUW2) Strongly Disagree / Disagree / Neither agree nor disagree / Agree / Strongly agree

1 2 3 4 5

• What is your frequency of usage of social media at work (SMUW3)

Never / Rarely / Sometimes / Often / A great deal

2 3 4 5

Using social media (e.g. facebook, linkedin, twitter, blogs) for your work is: (UV+HV)  $\,$ 

Strongly Disagree / Disagree / Neither agree nor disagree / Agree / Strongly agree 1 2 3 4 5

• Functional (UV3)
Strongly Disagree / Disagree / Neither agree nor disagree / Agree / Strongly agree

Strongly Disagree / Disagree / Neither agree nor disagree / Agree / Strongly agree Practical (UV5) Strongly Disagree / Disagree / Neither agree nor disagree / Agree / Strongly agree Fun (HV1) Strongly Disagree / Disagree / Neither agree nor disagree / Agree / Strongly agree Exciting (HV2) Strongly Disagree / Disagree / Neither agree nor disagree / Agree / Strongly agree Delightful (HV3) Strongly Disagree / Disagree / Neither agree nor disagree / Agree / Strongly agree Thrilling (HV4) Strongly Disagree / Disagree / Neither agree nor disagree / Agree / Strongly agree Enjoyable (HV5) Strongly Disagree / Disagree / Neither agree nor disagree / Agree / Strongly agree What are your intentions on using social media (e.g. facebook, inkedin, twitter, blogs) for your work? Finding new customers: Strongly Disagree / Disagree / Neither agree nor disagree / Agree / Strongly agree · Recruiting personnel Strongly Disagree / Disagree / Neither agree nor disagree / Agree / Strongly agree • Keeping contact with customers Strongly Disagree / Disagree / Neither agree nor disagree / Agree / Strongly agree · Watch market/competitors Strongly Disagree / Disagree / Neither agree nor disagree / Agree / Strongly agree 2 3 Enjoy your free time Strongly Disagree / Disagree / Neither agree nor disagree / Agree / Strongly agree 3 How would you characterize your work performance? (WP) • I almost always perform better than an acceptable level (WP1) Strongly Disagree / Disagree / Neither agree nor disagree / Agree / Strongly agree 2 3 • I often perform better than can be expected from me (WP2) Strongly Disagree / Disagree / Neither agree nor disagree / Agree / Strongly agree • I often put in extra effort in my work (WP3) Strongly Disagree / Disagree / Neither agree nor disagree / Agree / Strongly agree 3 4 • I intentionally expend a great deal of effort in carrying out my job (WP4) Strongly Disagree / Disagree / Neither agree nor disagree / Agree / Strongly agree • I try to work as hard as possible (WP5) Strongly Disagree / Disagree / Neither agree nor disagree / Agree / Strongly agree • The quality of my work is top-notch (WP6) Strongly Disagree / Disagree / Neither agree nor disagree / Agree / Strongly agree

Necessary (UV4)

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