

Enterprise Social Networks: Functions, Factor of Success and Demarcation to Public SNS

Bachelorarbeit

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vorgelegt von

Name: Ladders



Vorname: Jannik



Prüfer: Prof. Dr. M. H. Breitner

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List of Abbreviations

AJAX	Asynchronous JavaScript and XML
API	Application Programming Interface
BYOD	Bring Your Own Device
B2B	Business to Business
B2C	Business to Consumer
B2E	Business to Employee
CMS	Content Management Systems
ESN	Enterprise Social Networks
EVA	Economic Value Added
IS	Information Systems
IT	Information Technology
ROA	Return on Assets
ROCE	Return on Capital Employed
ROI	Return on Investment
RSS	Really Simple Syndication
SNS	Social Network Services
SSL	Secure Sockets Layer
TAM	Technology Acceptance Model
UGC	User Generated Content
UTAUT	Unified Theory of Acceptance and Use of Technology
XLST	Extensible Stylesheet Language Transformations

1. Introduction and Motivation

Over the past 20 years, nothing has changed our everyday lives and interactions as much as the Internet and social media particularly. The use of smartphones and networks like Facebook is a globally influential phenomenon. They are a sustainable tool for economics, politics, and the workplace. Web 2.0 services were launched in the early 2000s and revolutionized the Internet by demanding the consumers to become active members in creating and producing information, data and content. The immense success of Web 2.0 applications, namely blogs, wikis and Social Networks, has resulted in companies' attempt to adapt and adjust their techniques in order to gain an advantage in today's competitive market.¹

Public Social Network Services (SNS) have transformed the social behaviour of private individuals in terms of communication, increasing the amount but shortening the length of messages, resulting in a lowered inhibition of contact level. The ubiquity of news and updates of friends and acquaintances leads not only to an improved knowledge about other people's habits, but also a raised awareness of topics the users have not been connected with.

Gradually, companies are coming to understand the potential of these new techniques and are trying to adapt Social Networks within their company to improve the efficiency in order to be able to compete in today's market. Importantly, since the markets are now more than ever characterised by vitality, uncertainty and complexity, disruptive business models can overthrow established companies in a short time. Companies like Uber and Airbnb use networking to change conventional processes, resulting in flexibility which gives them an advantage over old business leaders.² Due to the growing importance of Enterprise Social Networks (ESN) and their use in the daily work practices of employees, there is an increasing demand to better understand the role and impact of these social technologies in and on the knowledge of intensive corporate work.³

Unlike their publicly accessible counterpart, ESN need to be evaluated carefully before launching them into the company's system. The world's leading information research company Gartner forecast, that "80 percent of social business efforts will not achieve the intended benefits in 2015".⁴ Simply establishing an ESN will not boost the productivity. Considerable changes in leadership and employee behaviour have to be made to bring success to a firm's

¹ Cf. Breitner, M. H. et al. (2011): Geschäftsprozessbegleitendes Lernen und Wissensmanagement durch Web 2.0 Anwendungen, p. 70.

² Cf. Besch, M (2016): Unternehmensprofile von ESN-Software-Anbietern, p. 273.

³ Cf. Wiesneth, K. (2016): Evolution, Structure and Users' Attachment Behavior in Enterprise Social Networks, p. 2038.

⁴ Van der Meulen, R. / Riveira, J. (2013): Gartner says 80 percent of social business efforts will not achieve intended efforts in through 2015.

network. Most importantly, the employees have to accept and integrate the new tool into their normal work routine.⁵

The aim of this bachelor thesis is to analyse the important dimensions and factors of success that are essential for an Enterprise Social Network, and to reveal the differences to public SNS. The dimensions will be evaluated in order to understand which operations are needed to effectively implement and maintain a vivid Social Network. This leads to the required factors of success, distinguishing between ESN and SNS. The thesis aims at emphasizing the key elements for launching an ESN, since companies face the most difficulties in this area. It will also give an insight into the difficulty of evaluating the usage of ESN, due to many reasons such as the lack of correspondence with a particular business process.⁶

The work is structured as follows: The second chapter gives the theoretical background, describing the beginnings of Web 2.0 and in particular networks, as well as the knowledge management where ESN has the most influence. The third chapter outlines the methodology, which is used to analyse the dimensions of success, characterised in chapter 4, and later deduced to evolve the factors of success that are essential for an effective Enterprise Social Network. Chapter 5 deals with the limitations of this work and gives recommendations for future research. Chapter 6 concludes the work and gives an outlook for further developments in this topic.

2. Theoretical background

2.1 Web 2.0

The term Web 2.0 was first coined in 2003 with no clear definition or meaning. It was technology writer and publisher Tim O'Reilly who came up with the first precise definition in his article "What is Web 2.0", describing Web 2.0 as an "*industry revolution in the computer industry caused by the move to the Internet as platform, and an attempt to understand the rules for success on that new platform. Chief among those rules is this: Build applications that harness network effects to get better the more people use them.*"⁷

Firstly, O'Reilly assigned typical Web 2.0 services to typical Internet applications, which fulfil the same purpose but in a different way (see figure 1). Consumer integration especially, has been a considerable part of the Web 2.0 term, being possible in every stage of the value chain. For instance, DoubleClick and Google AdSense market Internet commercial, DoubleClick

⁵ Cf. Göhring, M. / Niemeier, J. (2016): Erfolgreiche Praktiken für die Einführung von Enterprise Social Networks, p. 114.

⁶ Cf. Herzog, C. et al. (2015): Towards a framework for the Evaluation of Enterprise Social Software, p. 2.

⁷ Cf. McAfee, A. (2009): Enterprise 2.0: new collaborative tools for your organization's toughest challenges, p. 45f.

5. Limitations

This thesis presented the most dominant factors and dimensions of success for ESN and later compared these to the public SNS. It would be interesting to outline the differences when comparing ESN to another public SNS besides Xing.

Moreover, the results are only gained out of the theoretical literature perspective. In order to verify these results, surveys in companies with implemented ESN should be initiated. Therefore, it would be helpful to examine various companies that use different ESN to outline similarities and differences when evaluating the aspects that were examined. Moreover, since this work aimed to give a general overview for ESN, a more specific observation particular networks would be helpful, to outline differences amongst the key factors and dimensions between for example Jive and IBM Connections.

In advance, there are not a lot of surveys for ESN using the IS Impact Measurement Model since the IS Impact Model by DeLone and McLean is much more widespread in science. Practice has yet to show if the Model is useful in the practical field or just for science purposes. Furthermore, several factors were added that were considered to be important. Other researches might emphasis different factors. This can be due to the focus of different stakeholder views or simply valuing other dimensions and aspects of ESN.

6. Conclusion and outlook

Companies have wanted to have a better understanding of the use of ESN since new market leaders successfully adapted these networks thereby enhancing their processes and profitability. Although there are considerable technological standards for the IT section, the main focus of change focuses on the individuals of the company and its inner culture. This work has outlined the most important dimensions and factors that influence success with ESN. Initially, the theoretical background was introduced, describing the beginnings of online participation, characterised by Web 2.0 and the applications that followed it such as blogs, wikis, and Social Networks. It then went on to outline the most important features of Social Networks and gave examples of the most prominent SNS and ESN, which were differentiated beforehand. Next, the methodology was established, using the IS Impact Measurement Model by Gable et al. to investigate the success of ESN with their factors and dimensions. Moreover, various factors were added to avoid an overload of technical aspects. Furthermore, the factors and dimensions were categorized to different views of stakeholders a company inherits. Above all the soft factors that had to be externally put into the model were estimated as very important. Specifically these are *cultural* and *change management, involvement of top level management,*

user engagement and *intrinsic motivation*. Despite the model's emphasis on technological aspects, the thesis did not prioritise the IT perspective, stating only a few of the factors, for example *data security* to be relevant. Mainly, the individual and management perspective with the dimensions *Individual Impact* and *Organizational Impact* were highlighted as a substantial part of ESN success. In addition, the results were compared to their relevance for SNS, also using the above mentioned model. For the comparison to the public SNS, the business network Xing was used to illustrate the connection between a company and a public network. For Xing especially, the focus of the factors turned out to be the quite similar. This is due to the resemblance of the functions, since Xing also offers collaboration platforms with its groups where firms can connect with employees. If it were not for this fact, the differences would probably be quite impressive, because Xing mainly centres the connection to and the finding of Business partners and employees as its main objective. ESN however, focus on the collaboration of employees. ESN will continuously be refined to satisfy the customer's needs, since the relevance of these networks will grow and companies will start to understand the significance of human barriers in ESN. In the future, it will be of increased importance for the service providers to include a topicality that does not put them at a disadvantage compared to other vendors, due to the increased demand of companies and the competitive market ESN offers.

List of Literature

Alby, T. (2008): *Web 2.0: Konzepte, Anwendungen, Technologien*. 3rd edition. Munich: Hanser Verlag.