

Analysis of Using Social Network Sites to Investigate Employees in the Hospitality Industry

Wen Chang
Conrad N. Hilton College
University of Houston

And

Juan Madera
Conrad N. Hilton College
University of Houston

ABSTRACT

The use of social network sites to investigate potential employees is increasingly common in hotel industry. However, few studies have examined how employers use social network sites for screening their applicants. As such, the purpose of this paper is to investigate what type of information is screened on social network sites and for what positions. Participants will be hotel industry recruiters attending a career fair in the fall of 2010. The questionnaire is designed to measure what type of information they screen, and for what level of positions they use social network sites. Descriptive analysis will be employed and an Analysis of Variance will be used to test the hypotheses. The results of this paper can better explain how employers use social network sites for screening. Also, the result can give guidelines to both employers and employees in the future.

Keywords: *Hotel industry, Recruiting, Social network sites, Positive-negative asymmetry effect, Employee level*

INTRODUCTION

Social network sites, such as Facebook.com, Myspace.com, have been increasingly popular over the past fifteen years. Under the Resource-based Theory and Strategic Human Resource Management (SHRM) theory, human resources as a critical internal resource of a company needs to be properly managed and developed to produce a competitive advantage and long-term profit (Colbert, 2004). Since social network sites have some advantages over traditional human resource tools, such as being “inexpensive, easy” (Jacobs, 2009) and reliable (Kluemper & Rosen, 2009), employers might use them for human resource purposes. A recent study found that 45% of US employers were using social network sites to find information about job candidates, and another 11% of employers had plans to start using them for screening applicants (“Nearly half of US employers use SocNets to investigate candidates”, 2009).

Although this phenomenon has become increasingly popular, only a small body of research has been done in this area, with the majority focusing on the legal issues. The exact information employers seek from a candidate’s profile and to what extent employers rely on social network sites have not been investigated. This research is designed to test if (1) employers are more likely to use social network sites to find negative information about applicants than

positive information, and (2) employers are more likely to use social network sites to investigate applicants for management positions than for entry level positions.

LITERATURE BACKGROUND

Resource-based Theory, Human Capital

With the influence of Porter's study in 1980's, researchers in strategic management area focused firms' success in numerous ways, not only focusing on products or external competence but also the internal resource of firms. This is the original idea of resource-based theory (Barney, 1991; Grant, 1991). Amit and Schoemaker (1993) defined resource as "all in put factors—both tangible and intangible, human and nonhuman—that are owned or controlled by the firm and that enter into the production of goods and services to satisfy human wants." Itami (1987) also demonstrated that there are two types of resource—tangible and intangible. Bontis (1998) defined intangible resource as the factors other than financial and physical assets that contribute to the value-gathering process of a firm and are under its control. According to Barney's (1991) analysis, there are three types of firm resource: Physical resources, Human capital resources and Organizational capital resources. Baron and Armstrong (2007) sorted human capital as one of three elements that make up intellectual capital—the stock and flow of knowledge of an organization. The three elements are (Baron & Armstrong, 2007, p.6) Human capital, Social capital and Organizational/Structural capital. Following the resource-based theory, human resource is positively a critical intangible resource for firms, influencing firms' competitive advantage which should also be considered strategic as other resources (Olalla, 1999).

Positive-negative asymmetry effect

Following this line of research, employees represent an important resource for organizations and selection of employees plays a key role in developing a competitive advantage. The information that job candidates post on social network sites might be sorted by how positive and negative the information is perceived. Interestingly, recent research demonstrates that 35% of employers reported that the content they found on social networking sites caused them to reject candidates, however, only 18% of employers report that they hired applicants because of the positive information the candidates posted on their profile ("Nearly half of US employers use SocNets to investigate candidates", 2009). This finding is consistent with a phenomenon known as the positive-negative asymmetry effect (Baumeister, Bratslavsky, Finkenauer & Vohs, 2001), which suggests that negative information usually is more influential than positive information. Positive-negative asymmetry effect has been found in different domains. In 2001, Baumeister and his colleagues found that negative emotions, negative feedback, and negative information are processed more thoroughly than positive ones. Peeters (2002) pointed that when people express the negative stimuli they use stronger words than when they express the positive stimuli. Building on this line of research, one of the purposes of this research is to examine if employers are more likely to use social network sites to find negative information about applicants than positive information.

Another possible factor that drives employers to search for negative information of applicants on social network sites is "negligent hiring"—when employees cause harm to the third party (i.e., customers) employers can be legally responsible. Hence, employers try their best to

investigate more information of applicants to avoid negligent hiring. However, in the selection process, different laws (e.g., Title VII, ADA,) limit information that might be necessary for employers (Byrnside, 2008). Even past employers are afraid to provide negative information now, because of the increasing litigations, in which employers can be accused of defamation for providing negative information about employees to their new employers. Employers' lack of information from traditional selection tools and fear of negligent hiring can be reasons why employers use social network sites and look for negative information on applicants (Sprague, 2007).

H1: Employers look for negative information more than positive information.

Employee level

In hotels, there are many different levels of jobs, from front desk clerks and housekeepers to department managers and general managers. According to the scope of authority (Lussier, 2009), there are generally four levels of employees in an organization, namely top management, middle management, first-line management and operative employees. In these four levels, we define the first three levels as management level and operative employees as entry level. The compensation of entry level employees such as servers, attendants and housekeepers is not calculated by salary; they are paid by the hour and are therefore labeled hourly employees. The employees who are paid by salary are called salaried employees, usually consisting of management level employees.

In a hotel structure, the recruiting cost of management positions is relatively higher than it of the entry level positions. Also management turnover is more expensive and has a greater impact other than that of the line employee (Stalcup, 2001). Stalcup stated four reasons of avoiding management turnover: first, management turnover can lead to line employee turnover; second, most of line employees are part-time and planned to leave; third, managers take their job more as a career, therefore, logically, both hotel and individuals invest more on managers; fourth, less management turnover could help hotels to be better informed as to the causes of the employees' termination. On the other hand, online searching is a time-consuming job, using the social network sites to search every entry-level candidate is not practical. Thus the difference between entry level (hourly) employees and management level (salaried) employees may influence the use of social network sites to investigate employees.

H2: Employers use social network sites more for management level than entry level applicants.

Meanwhile, hotels are service providing organizations; therefore service delivering is an important aspect for management. Teboul (2006) defined that service and activities in a service providing organization can be separated by the "line of visibility", which means any service and activities that are invisible to the customers are behind the line and called "back stage". On the other hand, service and activities that can be seen by customers are called "front stage". Following Teboul's definition, we separate employees as "front-stage employees" and "back-stage employees." Previous research has demonstrated that customers have different perspectives of front-stage employees and back-stage employees (Mangold & Emin, 1991). Logically, since front-stage employees more frequently interact with customers, more attention should be given

when firms recruit them. Therefore, it is likely employers will use social network sites to explore front-stage applicants' information.

H3: Employers use social network sites more for front-stage applicants than back-stage applicants.

METHOD

The sample will be a group of hospitality industry recruiters attending a career fair in the fall of 2010. The sample of this study is less than 100. After receiving permission, paper-based surveys were given out to the recruiters during a career fair, in addition to electronic surveys. However, at the beginning of the electronic version, participants are told that if they already finished the survey during career fair, they cannot fill it again. An Analysis of variance and descriptive analysis will be used to examine if employers use social networking sites more for negative information than for positive information and more for management than for entry level applicants. Table presents a sample of questions that were completed by the participants.

Table 1
Sample Questions

1. If you had access to applicants' profile on a website, how important is it to know the following information? (1= Not important at all, 2= Somehow Unimportant, 3= Neutral, 4= Somewhat Important, 5= Extremely Important)
1. Provocative or inappropriate pictures of applicants (1)
2. Provocative or inappropriate information of applicants (2)
3. Negative information of applicants (3)
4. Appropriate pictures of applicants (4)
5. Appropriate information of applicants (5)
6. Positive information of applicants (6)
2. If you had access to applicants' profiles on social network sites, please choose which "level" of employee you are more likely to search: (1) Management / Supervisor (2) Level Entry-level (3) Both

This method has some limitations. Firstly, this sample is based on a convenient sample. Secondly, since this topic has some relationship with legal issues, some of these recruiters may limit their candid responses. Despite these limitations, this phenomenon is still a valuable topic to discuss. The study will be finished by the end of May, 2011. The result of this study will provided information to future employers and job candidates.

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