

SOCIAL MEDIA POLICY USE AT U.S. CORPORATIONS

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Abstract

With the increased use of social media tools in recent years, many companies have increased their use of organizational social media affecting a wide spectrum of organizational business activities. Increasingly companies are discovering the importance of establishing social media policies that provide employees with guidelines for social media use to avoid negative publicity situations and potential exposure to risks.

This study investigated the extent to which organizations in the U.S. have implemented social media policies and the enforcement of these policies. Although more than half of the respondents indicated their company had not implemented a social media policy, more than three-fourths of the companies have one or more links to social media tools on their web sites, which could expose companies to potential internal and external ramifications and risks associated with social media use. In recognizing that this study found 40% of the respondents had social media policies in place in their organization, one can note this is an increase in the number of companies using policies from previous studies. Given the popularity and continued growth of social media tools and its effects on organizational business activities, it is evident that organizations should be proactive in reviewing policy implementation to ensure employees are aware of social media use expectations.

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Introduction and Purpose

With the explosion of social media in recent years, a vast majority of U.S. organizations have “jumped on board” and are using social media technology across all facets of everyday business activities. The effects of organizational social media use “are reaching across the entire spectrum of business activity, from product development to marketing and sales to customer support” (Ernest & Young, 2012). And although some companies may have been reluctant at first to engage in social media, they are finding they must use social media because their customers are readily engaged (Ernest & Young, 2012).

Consumers are increasing the amount of time using social media as illustrated by the increased use of Facebook. “This seven-year-old company recently surpassed 800 million users worldwide. And as of the third quarter of 2011, U.S. online users spent 16% of their time online at

Facebook's site – up from 2% just three years ago” (Ernest & Young, 2012). “The average consumer owns 2.9 devices, such as smartphones and tablets,” (Swisher, 2013) doubling the amount of devices owned three years ago. Companies are finding through the rapid proliferation in using Facebook, Twitter, LinkedIn, Blogs, and YouTube to disseminate information, that they are in the precarious position of having corporate information and the on- and off-the-job behavior of employees made available instantaneously to vast audiences. With the quick and easy access to social media, “customers now have the power and ability to access, consume, customize and forward information however, wherever and whenever they want” (Johnston, 2009).

Although social media can be used positively to keep in touch and stay up-to-date on news, executives should realize there is a 100% risk in damaging a brand's reputation without a social media policy and strategy (Johnston, 2009). High-profile cases, such as “the McDstories disaster, when customers shared negative stories about McDonalds on Twitter” (Barbara, 2013), Aflac (*Gilbert Gottfried Fired as Aflac Duck After Japanese Tsunami Tweets*, 2011) and United Airlines (Greenstein, 2011), wherein consumers used social media to disperse headlines creating potential public relations nightmares, emphasizes the power of social media and has caught some companies off guard. And in handling negative publicity situations, companies are finding reactive measures somewhat lacking.

Increasingly, companies are discovering the importance of establishing social media policies that provide employees with guidelines for social media use. As Jonathan Hyman, a partner at Kohrman Jackson & Krantz law firm who blogs on Ohio employment law, states, “The overarching reason to have a policy is the need to manage expectations...Employees need to know the ground rules on what's appropriate and what's not” (Aguilar, 2009).

Even though companies are recognizing the importance of establishing social media policies, few companies have policies in place. In 2010 *HRfocus Social Media Survey (Sample*

Policies..., 2010) found that 20 percent of the organizations surveyed had implemented a social media policy, although 42.5% of those surveyed indicated their companies were currently developing policies. In a survey conducted by Deloitte, of the 500 business executives polled regarding the use of formal policies for social networking, only 22 percent had policies in effect in their companies (Aguilar, 2009). Although 60 percent of business executives polled by Deloitte believe they have a “right to know” the way in which employees depict themselves and the company via social media tools, “53% of the employees contend that ‘social networking pages are none of an employer’s business’ ... nearly one third of employed respondents say they never consider what the boss would think before posting materials online” (Deloitte, 2009). Results of Deloitte’s survey emphasize the perceptual disparity between executives and employees regarding possible ramifications of social media use.

While organizations recognize that a social media policy should be established because of the dramatic change social media has had on organizations’ business activities, one may question the extent to which U.S. organizations have implemented social media policies. The purpose of this paper, therefore, is to investigate the extent to which organizations in the U.S. have implemented social media policies and the enforcement of these policies.

Methodology and Respondent Profile

To investigate the use of social media policies by U.S. Corporations, the researchers contracted a service-based market research firm to survey business professionals at companies across the United States in the late fall of 2011 and early spring of 2012 to request information about the use of a Social Media Policy. The primary industries represented by the 802 survey respondents included companies from a variety of types of industries. The greatest number of respondents (30.3%) represented professional services companies as shown in Table 1.

Table 1**Primary Industry of U.S. Corporate Respondents**

Primary Industry of Company	Number	Percentage
Professional Services (insur., fin. svcs., construction, real estate, IT/web, legal)	243	30.3
Education	97	12.1
Healthcare and Healthcare Related Services	91	11.3
Manufacturing (process/discrete industries including agriculture and mining)	88	11.0
Retail (including hospitality and wholesale distribution)	86	10.7
Government (including public safety)	47	5.9
Transportation (including third party logistics and dsd)	35	4.4
Telecommunications (including broadcast services)	19	2.4
Utilities (gas, water, electric)	14	1.7
Other Industry (ie., non-profit, tourism, entertainment, publishing, etc.)	82	10.2
Total	802	100.0

As shown in Table 2, 29.4% of the company respondents employed less than 100 employees, 29.3% of the respondents employed between 101 to 1,000 employees, and 29.5% of the respondents employed between 1,001 to 10,000 employees. Furthermore, the survey respondents were almost equally spread out across the United States as shown in Table 3.

Table 2**Number of Full-Time Employees at U.S. Corporate Respondents**

Full-Time Employees	Number	Percentage
More than 10,000	87	10.9
5,001 – 10,000	61	7.6
2,501 – 5,000	74	9.2
1,001 – 2,500	102	12.7
101 – 1,000	235	29.3
Less than 100	236	29.4
No Response	7	0.9
Total	802	100.0

Table 3**Location of Organization's Headquarters**

Company Headquarters' Location	Number	Percentage
Northeast (New England, Mid-Atlantic)	196	24.4
Midwest (East & West North Central)	201	25.0
South (South Atlantic, East & West South Central)	231	28.8
West (Mountain, Pacific)	159	19.9
Other	7	0.9
No Response	8	1.0
Total	802	100.0

When questioned as to all of the social media tool links found on their companies' websites, many of the respondents indicated their company website had a link for one or more social media tools, with over three-fourths of the respondents indicating their company had at least one link, while less than one-fourth indicated their company did not have a social medial link. As shown in Table 4, 69.3% of the respondents indicated Facebook was the most prevalent social media tool link found on their company websites.

Table 4**Links for Social Media Tools on Company Websites**

Social Media Tool Link	Number	Percentage
Facebook	556	69.3
Twitter	347	43.3
LinkedIn	242	30.2
Blogs	223	27.8
YouTube	215	26.8
Wiki	99	12.3
Flickr	59	7.4
None/Not Applicable	180	22.4
No Response	8	1.0

(N = 802)

Social Media Policy Implementation

To examine the extent to which organizations in the U.S. have implemented social media policies, respondents were asked if their company currently had a social media policy at their company. A majority, or 59.1 %, of the respondents indicated they did not have a policy, while almost 40% of the respondents indicated their companies had a policy.

It is interesting to note that although over half of the respondents (59.1%) indicated their companies did not have a social media policy, more than three-fourths of the companies (76.6%) posted a link to a social media tool, such as Facebook, Twitter, LinkedIn, Blogs, YouTube, Wiki, or Flickr, on their company's website. Thus, although more than three-fourths of the companies post a social media tool link on their website, less than half of the respondents have a social media policy in place at their company, potentially exposing the company to risks.

Companies Without Policies

To determine why companies have not implemented a social media policy, respondents were questioned as to the single most important barrier keeping their organization from implementing a policy. As noted in Table 5, of the 474 respondents who did not have a policy in place, almost one-fourth of the respondents (23.6%) indicated that there was no need at this time to implement a policy, while just under 20% indicated policy implementation was not a high priority or time was not available to implement a policy.

When asked if they believed their organization would develop a social media policy in the future, 148 (31.2%) of the respondents indicated they were evaluating policies with plans to implement a policy, 126 (26.6%) of the respondents indicated they are evaluating the need to implement a policy, 155 (32.7%) of the respondents indicated they may consider a policy in the future, and 45 (9.5%) of the respondents indicated no need currently existed to implement a policy or that a policy was not applicable for their organization at this time. Although the majority of the

Table 5**Organizations Without Policies: The Most Important Barrier in Implementing a Policy**

Barrier in Policy Implementation	Number	Percentage
No Need at This Time	112	23.6
Not a High Priority/Do Not Have The Time	90	19.0
Cost of Implementing and Training	71	15.0
Management is Reluctant to Adopt	49	10.3
No One With Experience to Create the Policy	38	8.0
Employees are Reluctant to Adopt	30	6.3
Company Does Not Use Social Media	24	5.0
Employees Do Not Use Social Media	9	2.0
Not sure/Don't Know	44	9.3
Other	6	1.3
No Response	1	0.2
Total	474	100.0

respondents did not have a policy in place, over 90% of these respondents did not rule out the possibility of utilizing a policy in the future, and 72% of the respondents believed they would implement a policy within two years.

Companies With Policies

To ascertain why companies have implemented a social media policy, the 318 respondents who indicated their company had a social media policy were questioned as to the reasons why their organization implemented a policy. In providing one or more reasons for policy implementation, over 70% of the respondents specified employees' use of social media tools (personally or for business) deemed it necessary to implement a policy, while 53.5% of the respondents indicated the company's use of social media tools deemed it necessary. Only 27.7% of the respondents indicated that a situation arose requiring policy implementation. As shown in Table 6, the two departments who most frequently developed the social media policies at the respondents' companies were the Human Resource Department (34.0%) and the IT Department (26.1%).

Table 6
Who Developed Social Media Policy?

Developer	Number	Percentage
Human Resource Department	108	34.0
IT Department	83	26.1
Public Relations/Communications Department	63	19.8
Outsourced to Another Company	14	4.4
Don't Know	38	11.9
Other	12	3.8
Total	318	100.0

In developing the policies, respondents were questioned as to whether they developed an original policy, used a template for a policy, or used a combination in using a template as a guide in developing an original policy. A majority of the respondents (41.5%), indicated their companies developed original policies. Only 11.3% of the respondents indicated they used a template for their policy, while almost one-third of the respondents (32.7%) indicated their companies used a combination approach. Of the 131 companies using a template, 43.5% of them obtained a template online, while 45.0% of them obtained a template from a consultant.

As noted in Table 7, about 69% of the respondents indicated their social media policies were less than two years old (11.9% within last six months, 24.5% within six months to less than a year, and 32.4% within one year to less than two years), while one-fourth of the respondents indicated their policies were more than two years old. In updating policies, 38.4% of the respondents indicated their company's policy is updated annually, while 26.1% indicated the policy is updated quarterly (see Table 8).

It is interesting to note that over one-half of the respondents (54.4%) indicated their policy was posted on their company's web site. Of the 173 respondents who indicated their policies were posted on their company's web sites, 51.5% of the respondents indicated these policies were publicly available.

Table 7**When Was Social Media Policy Developed?**

When Developed	Number	Percentage
Within Last 6 Months	38	11.9
6 Months to Less Than 1 Year Ago	78	24.5
1 Year to Less Than 2 Years Ago	103	32.4
More Than 2 Years Ago	80	25.2
Don't Know	18	5.7
Other	1	0.3
Total	318	100.0

Table 8**How Frequently Are Social Media Policies Updated?**

Update Frequency	Number	Percentage
Weekly	15	4.7
Monthly	35	11.0
Quarterly	83	26.1
Annually	122	38.4
Never	16	5.0
Don't Know	46	14.5
Other	1	0.3
Total	318	100.0

Social Media Policy Enforcement

To examine the enforcement of social media policies at companies, the researchers questioned respondents about policy training, policy monitoring, policy enforcer, and policy enforcement methods. When questioned about the requirement of employees undergoing mandatory training of the policy, 48.4% of the respondents indicated employees were required to train, while 44.7% of the respondents indicated employees did not have to train. As shown in Table 9, respondents indicated the two departments that most frequently monitor the social media

policies at their companies are the IT Department (32.4%) and the Human Resource Department (29.5%).

Table 9

Who Monitors Social Media Policies?

Monitor	Number	Percentage
IT Department	103	32.4
Human Resource Department	94	29.5
Manager/Supervisor	33	10.4
Public Relations/Communications Department	53	16.7
Not Monitored	10	3.1
Don't Know	20	6.3
Other	4	1.3
No Response	1	0.3
Total	318	100.0

Although many respondents indicated the IT Department and Human Resource Department monitor the social media policies at their companies, 31.8% of the respondents indicated an employees' manager/supervisor was the primary enforcer of the policy, while 30.2% of the respondents indicated the Human Resource Department was the primary enforcer of the policy (see Table 10). This shows that the Human Resource Department at many companies are quite involved in both monitoring and enforcing social media policies in U.S. companies.

Table 10

Who Enforces Social Media Policies?

Monitor	Number	Percentage
Manager/Supervisor	101	31.8
Human Resource Department	96	30.2
IT Department	57	17.9
Public Relations/Communications Department	34	10.7
Not Enforced	6	1.9
Don't Know	18	5.7
Other	5	1.6
No Response	1	0.3
Total	318	100.1

In investigating the methods used to enforce social media policies in effect at U.S. companies, respondents were asked about the varied policy enforcement methods used at their company. Almost 50% of the respondents indicated their company used two or three methods to enforce policies, while 26.1% of the respondents indicated their companies used four to six methods. When indicating the different methods that were used, more respondents indicated the methods used were a written reprimand (72.6%), a verbal reprimand (65.7%), and/or dismissal (51.9%) (see Table 11).

Table 11

Policy Enforcement Methods Used

Enforcement Methods	Number	Percentage
Written Reprimand	231	72.6
Verbal Reprimand	209	65.7
Dismissal	165	51.9
Probation	120	37.4
Demotion	49	15.4
Salary Deduction	33	10.4
Not Applicable	10	3.1
Don't Know	180	7.9
No Response	1	0.3

(N = 318)

Summary and Conclusions

In examining the use of social media policies at U.S. corporations, a majority of the respondents indicated their company did not have a policy in effect. One should note that although over half of the respondents indicated their companies do not have a social media policy in place, more than three-fourths of the companies have one or more links to social media tools on their web sites. Because more than three-fourths of the companies post a social media link on their websites and many of these companies do not have a social media policy in place, many

companies are exposing themselves to potential internal and external ramifications and risks associated with social media use.

While the primary reasons for not implementing a social media policy were noted as there not being a present need and that it was not a high priority/time was not available, almost three-fourths of the companies with policies indicated the employees' use of social media tools was a primary reason for developing a policy. Companies may not believe a present need exists and that they do not have the time to develop a policy since it is not a high priority; however, companies may find it is in their best interest to develop a policy because of the pervasive use of social media by employees. By implementing a social media policy, companies are setting guidelines for employees' use of social media tools so employees can be more aware of company expectations, thus trying to offset company exposure and risks.

In developing and implementing corporate social media policies, the Human Resource Department plays a vital role in policy development, policy monitoring, and policy enforcement. Since more companies use written and verbal reprimands and dismissal to enforce social media policies, having the Human Resource Department's expertise in ensuring policy enforcement is logical.

In recognizing that this study found 40% of the respondents had social media policies in place in their organization, one can note this is an increase in the number of companies using policies as compared to a study conducted by Deloitte in 2009 (Aguilar, 2009) wherein only 22% had policies in effect and a study conducted by *HRfocus* (2010) wherein only 20% of the companies surveyed had policies in effect. And although more than half of the respondents indicated their companies have not implemented a social media policy, over 90% of the respondents did not rule out the possibility of utilizing a policy in the future, and 72% of the respondents believed they would implement a policy within two years. The possible increase in

the implementation of social media policies in U.S. corporations is consistent with the increased use of social media tools by companies and customers. As social media continues to affect all aspects of an organization's business activities, one can expect a continued increase by companies in implementing social media policies to avoid negative publicity situations and potential exposure to risks.

Although the majority of business professionals from U.S. Corporations surveyed indicated their companies had not implemented a social media policy, more than half of the respondents indicated they were evaluating policies for implementation or evaluating the need for policy implementation. Given the popularity and continued growth of social media tools and its effects on organizational business activities, it is evident that organizations should be proactive in reviewing policy implementation to ensure employees are aware of social media use expectations.

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