

Social Media Use and Misuse in organisations: An Analysis of HRM involvement

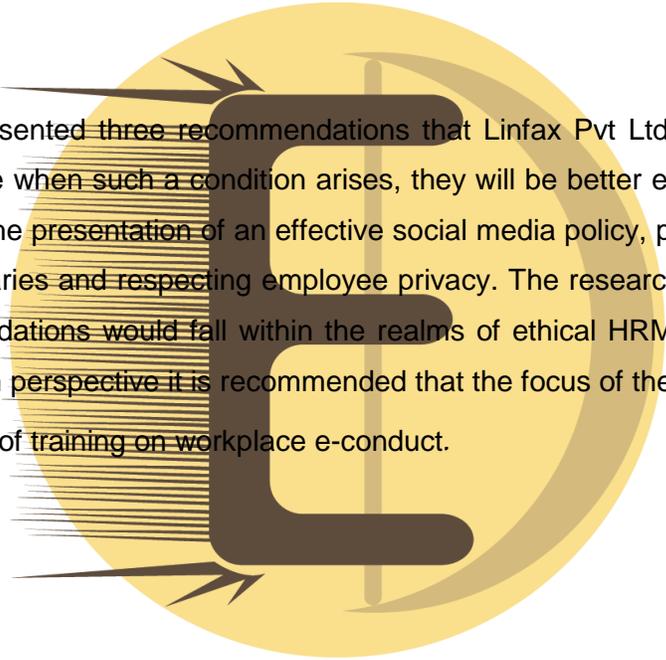


EXPRESS DISSERTATION

Executive Summary

The tremendous growth of Web 2.0 and the expansion of social media have changed the face of organizational interaction with businesses, employees and customers. The prevalence of social media presence at the workplace provides employers with opportunities like marketing, employee engagement and customer relationship management. On the other hand, there is also the challenge that employers face with respect to employee misconduct during and outside working hours. This report will examine one such case where the lack of HR involvement in the social media usage policy leads to legal difficulties for the company and a decrease in employee morale.

This report has presented three recommendations that Linfax Pvt Ltd can uphold in order to ensure that in future when such a condition arises, they will be better equipped to deal with the situation including the presentation of an effective social media policy, promotion of training and establishing boundaries and respecting employee privacy. The researcher argues that all three of these recommendations would fall within the realms of ethical HRM practices. However, to promote a long term perspective it is recommended that the focus of the HR involvement should be in the promotion of training on workplace e-conduct.



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1. Introduction

Business ethics is defined as the manner in which business affairs are conducted and involves the methods used by the organisation to deal with individuals and institutions. Ethical HRM is a well acknowledged field in business today which helps ensure that the interests of all employees are represented fairly and that the company does not seem biased towards the management (Greenwood, 2012). This report will focus on an "ethical" issue where due to the lack of clear actions taken by a company, it was perceived that the company was being lenient towards the upper management despite the presence of improper behaviour by the employee in question.

The tremendous growth of Web 2.0 and the expansion of social media have changed the face of organizational interaction with businesses, employees and customers (Wilson et al., 2011). The prevalence of social media presence at the workplace provides employers with opportunities like marketing, employee engagement and customer relationship management (Tyagi and Tyagi, 2012). On the other hand, there is also the challenge that employers face with respect to employee misconduct during and outside working hours (Flynn, 2012). Waddill and Marquardt (2011) indicate that the unauthorised use of social media at workplace and improper representation by employees is largely due to lack of HR involvement in these practices. Flynn (2012) argues that companies in Australia require a clear and ethical HRM policy which employee identify the perils of improper media usage. This report will examine one such case where the lack of HR involvement in the social media usage policy leads to legal difficulties for the company and a decrease in employee morale.

2. Background

This report considers the case of *Stutsel v Linfox Australia Pty Ltd* brought to the notice of FairWork Commission, Australia by the plaintiff. The employee (Stutsel) was dismissed as a result of raising some comments against the employee's managers on his personal Facebook page. It was observed that though the managers were not "Facebook Friends" of the employee, they were able to access his page due to the public access provided in the employee's privacy settings (VECCI, 2012a). Following this the company terminated the employment on grounds of misconduct related to racially derogatory remarks and sexual harassment. The employee had part of the company for 22 years and had no previous complaints against him. In addition, it was reported that the employee's colleagues were subjected to shoulder surfing of Facebook leading to privacy concerns and that a number of managers who raised derogatory remarks against the employee on his Facebook page were not subjected to any HR investigation (Halloran, 2012). The FairWork Australia Commissioner indicated that though the employee deserved some disciplinary action, termination was unwarranted. In addition, the employers were also asked to present a social media policy which would apply equally to all employees of the organisation (VECCI, 2012). Appendix I provide a newsreport on this case.

3. Non communication about the HR policies to all Employees

It is observed that in all rulings made by FairWork Australia with respect to the *Stutsel v Linfox Australia Pvt Ltd* the organisation has upheld the view that the employee was wrong to have made such comments and that though the dismissal was procedurally fair the employee could not be singled out for termination. Furthermore, it was also indicated by FairWork Australia that the driver was the only one who was let go, while those who posted derogatory comments on the driver's page were not brought to any action by the HR department of the company. This lead to the perception among other drivers in the company that only the managers were given

the protection of the company, while they were not provided with the same advantage. The researcher therefore argues that the primary reason for such a decision by FairWork Australia was the lack of a policy in place with regards to the use of social media by its employees. According to Sanchez-Abril et al., (2012), most businesses do not have a clear social media policy in order to protect their legal interests and defend the validity of such a dismissal. Gelms(2012) further indicates that businesses do not have social media policies which dictate grounds for employee behaviour on social media and or the internet. There was no clear document which detailed the limits of employee comments on social media and there the implications of privacy in using office related resources including computers, laptops, mobile phones and PDAs. In the above example, the lack of a clear HR policy on social media usage and the lack of communication of the same to the employees resulted in the perception that the management decision was one-sided.

3.1. Recommendation 1: Implementation of Effective Social Media Usage Policy

From the above example, it is understood that the primary method which should be taken by the company is to make sure that there is an effective social media policy implemented which is comprehensive in nature covering grounds for marketing, communication, employee engagement, employee recruitment and disciplinary action upto and including termination for misconduct in the workplace via social media (Tyagi and Tyagi, 2012). Therefore this research indicates that one solution that the HR department should implement in the company is the establishment of an effective social media policy and communication of this social media policy to the employees. According to Jacobson and Tuft (2013), such a practice will not only inform the employees of their boundaries but would also establish the grounds for e-misconduct and would form the basis for legal termination of the employee. According to Flynn (2012), an effective social media policy should be a guidance document which helps the employee differentiate between personal and business use of social media, the ethics of employees

identifying the company or other employees in social media conversations, the associated pitfalls of sexual harassment and establish a procedure for reporting inappropriate comments which are made.

4. Lack of Employee Training on e-conduct

In the case of Linfox Australia Pvt Ltd, it is observed that the comments made were brought to the attention by the managers against whom they were made. The employee was called in by the company and informed that the comments were racially derogatory, sexually harassing and threatening violence. However, the truck driver and his colleagues were of the opinion that the comments were similar to a conversation which was to let off steam (VECCI, 2012a). This was cited by FairWork Australia Commissioner who agreed that the comments made were merely a tool used to share the plaintiff's opinion with his friends and that though the driver brought up the comments made against him by other employees, no action was taken by the company (FWA, 2011). It was also observed that the truck driver had limited knowledge on the privacy settings on social media sites like Facebook. In addition, Linfox did not have any orientation or training programme on how the employees are expected to conduct themselves in an e-environment. According to Wilson et al., (2011) all organizations including small businesses should take efforts to promote HRM training on e-conduct relating to technical and social aspects. This research argues Linfox did not have such a training programme and in addition did not clearly take efforts to deal with the issue of e-conduct uniformly for all employees involved in the incident. This led to the perception that the management was on the side of the employees, despite the presence of error made by the driver who was fired.

4.1. Recommendation 2: Need for Training Programmes on e-usage and e-conduct

Extant literature has argued for the need for HR department to get involved in the employee orientation of social media and e-usage policies. According to Arnold (2009), it is not enough if businesses make use of social media and e-platforms for communication and engagement of employees but also take efforts to inform employees of the presence of a social media policy and communicate the essence of the same. It is important the HR department take a key role in imparting training to the employees on the decorum and ethics related to the use of social media policy. The HR department should hold discussion sessions and training seminars to promote employee knowledge on the perils of social media misuse, the need for better social media privacy settings and the need to ensure that employees are aware of the distinction between business and personal use of social media (Flynn, 2012). Cain (2011) further indicates that many social media policies are promoted by organisation with lack of communication of the same to the employees. To promote better employee engagement and make them understand the existing rules and regulations, it is important that they are taught the basics of social media communication and e-conduct. These include avoiding controversial subjects, use of policy and respectable tone and refrain from posting discriminatory, harassing or defamatory content. Bondarouk and Olivas-Luján(2013) indicate that the HR department should work with the IT department to help employees protect their privacy on online networks. This research therefore argues that the HR department of the company should instigate a training policy to ensure that all employees are aware of the etiquette of social media usage and e-conduct.

5. Lack of Promotion of Employee Privacy leading to Performance Management Issues

This research holds that employers did not handle the aftermath of the incident in an effective manner. It was reported by a few colleagues of the dismissed employee that the manager

requested the employees to log into their personal social media page and view the contents of the same over the shoulders (Constant, 2013). This resulted in the general perception that the employer was persecuting all the employees by shoulder surfing. Though this was not part of the FairWork Australia decision, as no official complaint was raised by the employees, this research holds that by forcing employees to disclose their personal life outside of work does not translate into a trusting and employee friendly workplace. In addition, Halloran (2012) holds that when employees feel the threat to privacy then there is a possibility that their performance goes down.

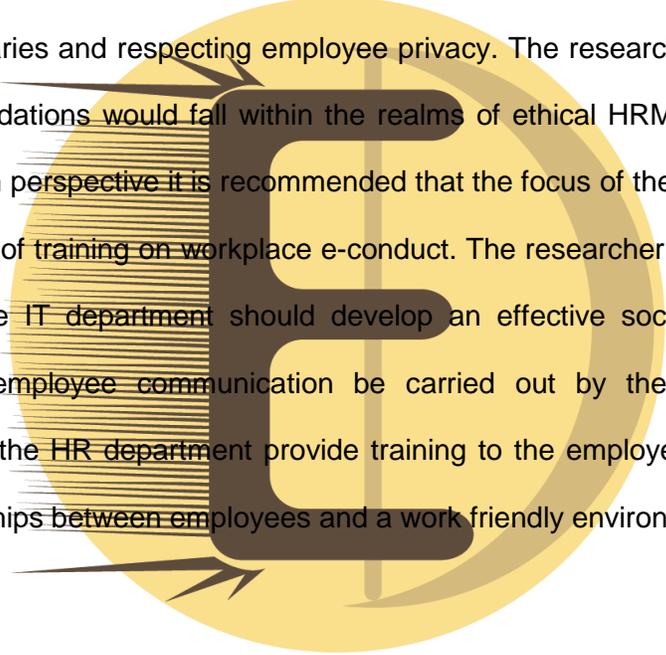
5.1. Recommendation 3: Establishment of Boundaries of Social Media Use

It is recommended that the company establish clear boundaries between private and business use of social media. According to Flynn (2012), an effective way to promote employee productivity would be to restrict access to social media webpages during business hours. In addition, Elefant(2011) argues that the use of shoulder surfing tactics would lead to employee perception that their privacy and personal life is under the microscope and would lead to the perception that the workplace does not promote an employee friendly atmosphere. Therefore, it is recommended that such practices are curtailed and that efforts are taken to ensure that the boundaries of social media use are clearly presented.

6. Conclusion

The aim of this report was to identify an issue of ethical HRM and identify possible solutions to the given issue. This report examined a case study of Linfax Pvt Ltd which fired an employee for raising derogatory comments against some managers in the organization. This research

contends that though the employer was right in their need to take action against the employee, the manner in which the said action was taken was not in an ethical manner. The company did not have an effective social media policy, did not provide HR training on workplace e-conduct and blurred the boundaries between employee privacy and company policy. This report has presented three recommendations that Linfax Pvt Ltd can uphold in order to ensure that in future when such a condition arises, they will be better equipped to deal with the situation including the presentation of an effective social media policy, promotion of training and establishing boundaries and respecting employee privacy. The researcher argues that all three of these recommendations would fall within the realms of ethical HRM practices. However, to promote a long term perspective it is recommended that the focus of the HR involvement should be in the promotion of training on workplace e-conduct. The researcher concludes that the legal department and the IT department should develop an effective social media policy whose enforcement and employee communication be carried out by the HR department. It is recommended that the HR department provide training to the employees to promote effective workplace relationships between employees and a work friendly environment.



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8. Appendix I: News Report

Fair Work Australia sends social media warning, but upholds unfair dismissal

Fair Work Australia has upheld the unfair dismissal of a truck driver who posted offensive comments about his managers on his Facebook page, and warned all employees at the same time that a claim of ignorance regarding social media "might be viewed more differently in the future".

The truck driver was dismissed in May 2011 after one of his managers saw offensive comments on the driver's profile about her and another manager, which the employer ruled to be sexually discriminatory and racially derogatory.

A Fair Work Australia Commissioner found the dismissal was unfair, as the driver thought his profile was private and the comments, while in poor taste, could be considered similar to the type of banter engaged in at a pub or café. Our full summary of the original case can be found here.

The Full Bench of Fair Work Australia this week confirmed the Commissioner's original decision to reinstate the employee as the driver's behaviour did not constitute serious misconduct, which also noted the differential treatment of employees who also made derogatory comments on the driver's page, plus the driver's 22 years of service.

Most interestingly from a wider employer perspective, the Full Bench made some comments about the nature of social media discussions about work, and why employees should demonstrate caution.

"The fact that the conversations were conducted in electronic form and on Facebook gave the comments a different characteristic and a potentially wider circulation than a pub discussion," the Full Bench found.

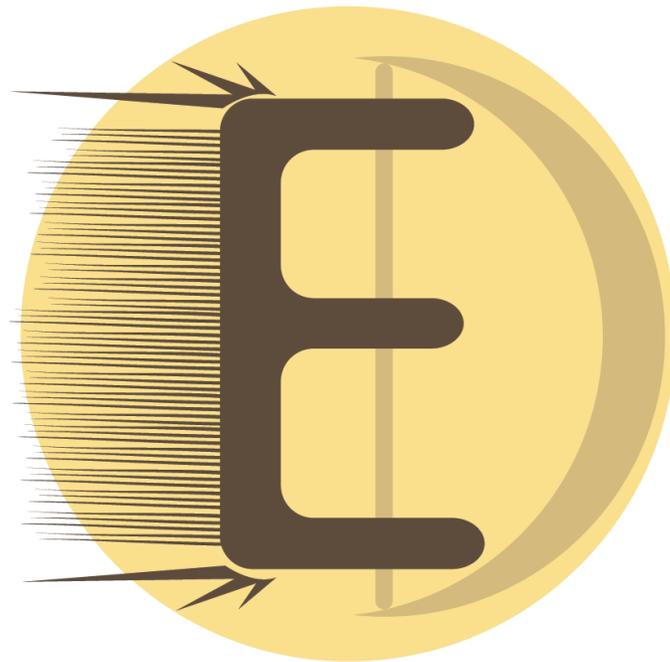
"Even if the comments were only accessible by the 170 Facebook 'friends' of the [driver], this was a wide audience and one which included employees of the company. Further the nature of Facebook (and other such electronic communication on the internet) means that the comments might easily be forwarded on to others, widening the audience for their publication.

"Employees should therefore exercise considerable care in using social networking sites in making comments or conducting conversations about their managers and fellow employees."

The Full Bench also made comment on the driver's lack of knowledge of his security settings, and who his comments could be seen by, and warned others that naivety may not be an excuse in the future. "With increased use and understanding about Facebook in the community and the adoption by more employers of social networking policies, some of these factors may be given less weight in future cases. The claim of ignorance on the part of an older worker, who has

enthusiastically embraced the new social networking media but without fully understanding the implications of its use, might be viewed differently in the future."

VECCI's workplace relations consultants can assist employers with the drafting and implementation of appropriate policies regarding employees' use of social networking websites – it's a topic that will only grow in importance over the coming years.



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8. Appendix II- PBL Matrices

8.1. PBL understanding and Case Identification

FACT	IDEA / HYPOTHESIS	LEARNING ISSUES	ACTION PLAN
Assignment requirements 1. Essay on Ethical HRM 2. Identification of three recommendations 3. Identification of ethical relevance	To present a PBL matrix that would contain available facts, proposed hypotheses and associated learning issues.	There is a need to understand the PBL and the application of the same to the HRM essay.	PBL related literature provided by the course supervisor as well as a search online is carried out. Examples of other case studies in HRM solved using PBL is carried out.
Identification of the need for ethical HRM use.	To identify possible ethical HRM issues and identify the most relevant one.	To examine literature on ethical HRM and arrive at the most pertinent solution.	Identify the most effective HRM issue by looking at relevance and problem solving nature.
<ul style="list-style-type: none"> The growth of Web 2.0 and the expansion of social media have changed the face of organizational interaction with businesses, employees and customers. 	To identify an ethical HRM issue related to web 2.0	To understand the impact of web 2.0 on HRM and the growth of e-HR.	Read through the available literature on ethical HRM and social media issues.
<ul style="list-style-type: none"> Employers have opportunities like marketing, employee engagement and customer relationship management. There is also the challenge that employers face with respect to employee misconduct during and outside working hours while using web 2.0 	To identify the positives and the negatives of social media on business and identify related HRM issues	To understand the perils of improper HR involvement in social media related issues	Identify an effective case study using following key words on Google News 1. Australia 2. Social Media 3. Ethical issue 4. Employee misconduct

8.2. Case Study Examination

#	FACT	IDEA / HYPOTHESIS	LEARNING ISSUES	ACTION PLAN
	<p>Linfox has grown from humble beginnings to become the largest privately owned logistics company in Australia. Lindsay Fox began his business in Melbourne in 1956 with one truck, delivering soft drinks in the summer months and fuel in winter. Linfox has grown from humble beginnings to become the largest privately owned logistics company in Australia. Lindsay Fox began his business in Melbourne in 1956 with one truck, delivering soft drinks in the summer months and fuel in winter.</p>	<p>To understand the basis of the organization and the HR framework.</p>	<p>What is the current HR structure in the organisation?</p> <p>How effective is their employee misconduct policy?</p> <p>Do they have an e-usage policy?</p>	<ol style="list-style-type: none"> 1. Review the case study to understand the stakeholders involved. 2. Read the FWA case study to understand the allegations made and the grounds for termination.
1	<ul style="list-style-type: none"> • The employee (Stutsel) was dismissed as a result of raising some comments against the employee's managers on his personal Facebook page which were derogatory. • It was observed that though the managers were not "Facebook Friends" of the employee, they were able to access his page due to the public access provided in the employee's privacy settings 	<p>There is a need to ascertain if the management identified the views of all stakeholders before taking decision.</p>	<p>What did the employee say and who was targeted?</p> <p>How did this come to the attention of the organisation?</p>	<p>Create a PBL framework to further understand the details of the case study.</p>
2	<ul style="list-style-type: none"> • The company terminated the employment on grounds of misconduct related to racially derogatory remarks and sexual harassment. • The employee had part of the company for 22 years and had no previous complaints against him. • employee's colleagues were subjected to shoulder surfing of Facebook leading to privacy concerns • Managers who raised derogatory remarks against the employee on his Facebook page were not subjected to any HR investigation 	<p>There is a need to identify why the management chose to act in the manner they felt was effective.</p>	<p>Why was the employee singled out?</p> <p>Why was his previous employment record not taken into consideration?</p> <p>What are the privacy concerns?</p>	<p>Establish a clear problem statement which would identify the need for better management of social media misuse in workplace and measures to handle the same.</p>

8.3. Lack of Social Media Policy

#	FACT	IDEA / HYPOTHESIS	LEARNING ISSUES	ACTION PLAN
	<ul style="list-style-type: none"> Employee was wrong to have made such comments and that though the dismissal was procedurally fair the employee could not be singled out for termination. The driver was the only one who was let go, while those who posted derogatory comments on the driver's page were not brought to any action by the HR department of the company Perception among other drivers in the company that only the managers were given the protection of the company, while they were not provided with the same advantage 	Need to examine the reasons behind the perception of the other drivers of the company that the employer was being unfair	What is social media policy	Research texts on what is social media policy
	<ul style="list-style-type: none"> Sanchez-Abril et al., (2012), most businesses do not have a clear social media policy in order to protect their legal interests and defend the validity of such a dismissal Gelms (2012) further indicates that businesses do not have social media policies which dictate grounds for employee behaviour on social media and or the internet 	To understand how this situation is linked to the case study	Was there a clear document which detailed the limits of employee comments on social media and there the implications of privacy in using office related resources including computers, laptops, mobile phones and PDA? If not what is the implications	The lack of a clear HR policy on social media usage and the lack of communication of the same to the employees resulted in the perception that the management decision was one-sided. Hence, it is important to arrive at possible solutions to this problem. Research literature on this aspect
1	<p>Jacobson and Tuft (2013) argues that such a practice will not only inform the employees of their boundaries but would also establish the grounds for e-misconduct and would form the basis for legal termination of the employee.</p> <p>Flynn (2012) indicates that an effective social media policy should be a guidance document which helps the employee differentiate between personal and business use of social media,</p>	Does this argument support my hypothesis that it will lead to better employee conduct promotion	What should the policy contain	Include findings in body of assignment

8.4. Employee Lack of Training

#	FACT	IDEA / HYPOTHESIS	LEARNING ISSUES	ACTION PLAN
	<ul style="list-style-type: none"> The employee was called in by the company and informed that the comments were racially derogatory, sexually harassing and threatening violence. FairWork Australia Commissioner who agreed that the comments made were merely a tool used to share the plaintiff's opinion with his friends and that though the driver brought up the comments made against him by other employees, no action was taken by the company 	Need to examine the reasons behind the perception of the other drivers of the company that the employer was being unfair	What is the reason behind the same?	Research texts on what is social media policy
	<ul style="list-style-type: none"> It was observed that the truck driver had limited knowledge on the privacy settings on social media sites like Facebook. In addition, Linfox did not have any orientation or training programme on how the employees are expected to conduct themselves in an e-environment. 	To understand how this situation is linked to the case study	Was there a clear plan of training? If not what is the implications	Research literature on this aspect
	<ul style="list-style-type: none"> , Wilson et al., (2011) all organizations including small businesses should take efforts to promote HRM training on e-conduct relating to technical and social aspects. 	Does this argument support my hypothesis that it will lead to better employee conduct promotion	What should the policy contain	Include findings in body of assignment

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8.5. Need for Boundaries

#	FACT	IDEA / HYPOTHESIS	LEARNING ISSUES	ACTION PLAN
	<ul style="list-style-type: none"> It was reported by a few colleagues of the dismissed employee that the manager requested the employees to log into their personal social media page and view the contents of the same over the shoulders General perception that the employer was persecuting all the employees by shoulder surfing 	Need to examine the reasons behind the perception of the other drivers of the company that the employer was being unfair	What is the reason behind the same?	Research texts on what is social media policy
	<ul style="list-style-type: none"> Halloran (2012) holds that when employees feel the threat to privacy then there is a possibility that their performance goes down. Elefant (2011) argues that the use of shoulder surfing tactics would lead to employee perception that their privacy and personal life is under the microscope and would lead to the perception that the workplace does not promote an employee friendly atmosphere 	To understand how this situation is linked to the case study	What should the policy contain?	Include findings in body of assignment

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