New Paradigm, New Power: The Role of Social Networks and Social Media in Organizations

Morteza Nabi-Meybodi, Behrooz Rasuli and Sirous Alidousti
Iranian Research Institute for Information Science and Technology (IranDoc), Tehran, Iran

Abstract: Organizational networking can be seen through two dimensions, namely internal and external networking. External networking includes relationships of an organization with its customers, partners, suppliers, or other external actors in a network. Internal dimension covers employees' formal and informal interactions in the organization, which is crucial for the organization to survive, in particular for innovative organizations. Nowadays, in the era of social Web sites, when we hear the word of "interaction", the terms "social network" (SN) and "social media" come to our minds first. The rationale behind SNs and social media as the Web 2.0 innovations is to make networks of users for creating and sharing content, which forms user-content networks and this is its true value. This rationale can bring a new paradigm for organizations in value creation through employees' interactions in a social network platform with implementing other tools of Web 2.0. Hence, this paper aims to introduce the social network paradigm and investigate the role of this paradigm in shifting the 21th century's organizations to become more employee-knowledge centred. What features should be included in these organizations to help them create value and synergy among employees, is another subject discussed in the study. Furthermore, the paper explains this paradigm with a case study and draws a conclusion on the concept.

Keywords: Paradigm, social network (SN), social media, web 2.0, internal organizational interactions, value creation

1. Introduction

The developments of technologies have affected economic paradigm since 1985. This paradigm, which was known as the "network paradigm", built new relations among industries' actors through partnership (Capello, 1996) and leaded to create networked organization forms, which put together various strategic partners and other inter-organizational interactions (Cravens, Piercy, & Shipp, 1996). Furthermore, with the ICT developments in the early of 1990s, the World Wide Web emerged and pumped out a fresh blood in the vessels of network and group communications.

Corporate Websites were one of the first applications of group communications on the Web, which provided a one-way communication channel with customers. However, with the emergence of Web 2.0 in 2004, a new paradigm in networked communication is forming, in which interactions among users and their participation in content creation are considered as the key components (Dawson, 2009; O'Reilly, 2005; Usluel & Mazman, 2009). Some researchers consider these developments as delicate changes, which have penetrated into different layers of society with the focus on common users (Fu, Liu, & Wang, 2008). Subsequently, users' engagement has increased the applications of Web 2.0, as well as, usage of social networks (SNs) – as one of the important Web 2.0 technologies (Sankar & Bouchard, 2009) – in different contexts, such as organizations.

"Spontaneous, knowledge-based collaboration" is the main aspect of Web 2.0 application in new organizations - which are known as "Enterprise 2.0" (McAfee, 2006). Organizational intranets in Enterprise 2.0 include various features for improving networking among users and sharing user-created content. These features are used for making formal and informal communities and sharing messages and documents among managers and employees (Kim, Jeong, & Lee, 2010).

Such trends, along with different research papers in this field such as social software in challenging strategic thinking inside and outside organizations (Haefliger et al., 2011), value creation through SNs for organizations (Mesgari & Bassellier, 2011), and utilizing social networking for organizational competitive intelligence (Degerstedt, 2015) indicate that with ICT developments, the role of networking in organizations is so important that we need a paradigm for explaining current movements in this domain. This paradigm should change not only the applications of ICTs in organizations, but also managers' way of thinking to build more collaborative and knowledge-based organizations on a SN platform. Therefore, this research aims to explore this paradigm through investigating its specifications and evidence. The contribution of this research is not to introduce new