HR 2.0: Risks and opportunities

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HR departments are using social media tools to identify the most valuable candidates for a given post.

When Iceland's government embarked on wide-ranging constitutional reforms to promote greater transparency and democratic participation, it turned to social media to get input from citizens. Indeed, the process has since become popularly known as 'Constitution Facebook.'

Icelandic citizens can now use Facebook, Twitter, YouTube, Flickr and other social media sites to raise proposals that are then debated by a 25-member assembly whose deliberations are broadcast live over the Internet.

This popular movement is living proof that the era of collaboration has finally arrived. And it is not only changing the nature of social and political interactions, but also transforming the way we work and do business.

Yet, as research by IESE Prof. José Ramón Pin and others has shown, most personnel departments are struggling to keep up with the times. Instead of resisting change, companies should be doing all they can to update their HR practices.

A new era of collaboration

Collaboration, creativity, participation, agility, transparency and flexibility are some of the buzzwords being used to describe the new organizational forms emerging in the Web 2.0 world.

A new generation of digital natives is slowly transferring the values of the Web 2.0 culture to

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the companies they work for and using social networks to interact more effectively with both colleagues and clients.

But while the business world may already be moving in this direction, most organizations seem reluctant to incorporate social media into day-to-day HR activities.

One company that has made the switch to HR 2.0 is Brainstorm Multimedia, a Spanish firm devoted to providing 3D graphic solutions. The company recently developed a model based primarily on trust, where objectives and results are prioritized over the completion of formal work hours.

The authors argue that companies like Brainstorm that promote collaboration will be better able to recruit and retain the best creative talent available. As such, they are likely to create value faster and outperform their rivals over the long run.

Picking the best talent

One area where HR policy has incorporated social media is in the selection and recruitment of candidates.

Indeed, even the traditional résumé is undergoing a 2.0 makeover, as applicants include Web material and video and blog links to strengthen their profiles.

Many companies, meanwhile, are using e-recruiting models to gain access to a much broader selection of résumés. HR departments can now also measure each candidate?s digital footprint ? the content they leave on social networks, blogs or pages such as YouTube ? to make more informed selection decisions.

Companies are also placing ads on Twitter, LinkedIn, Facebook and other social networking sites to attract new hires, while some organizations have gone so far as to develop their own platforms.

Take the example of Acciona, a renewable energy and infrastructure company that has integrated social and professional networks, giving the company faster and more direct access to potential candidates.

Even Internet-savvy employment websites risk falling behind the times if they fail to incorporate social media technologies in the services they offer.

One of the largest Internet recruitment companies, Monster, recently joined up with Facebook

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to launch the BeKnown application, which allows users to build on-site professional networks.

Benefits and pitfalls of a 2.0 workplace

Arguably the most serious challenge facing HR departments is deciding how to regulate access to social networks during work hours.

According to a study by Cisco Systems, 40 percent of companies have blocked employee access completely, mainly out of fear of falling productivity and/or reputational risks.

At the other end of the scale are organizations such as Telefónica, IBM or British Telecom, which are instead trying to leverage the potential productivity benefits of corporate social networks.

Clearly, the 2.0 workplace revolution is transforming the way employees interact and companies operate. That said, not all of the changes are smooth and not everybody is happy.

Employees complain about violations of their privacy rights when information taken from social networks is used by employers to make decisions affecting their professional lives.

At the same time, many senior managers are fretting about the threats social media pose to the power and control they wield over company operations.

Clarity is key

The report cites the advice of legal expert Iñigo Sagardoy, who urges companies to draw up clear guidelines for social media use in the workplace, taking into account the corporate values and philosophy, as well as the risks posed by opening up social media channels.

Companies should also consider establishing a disclaimer of responsibility and an action plan for dealing with violations of the established guidelines.

In the end, clarity is key: the clearer that the rules of the games are, the more harmonious the workplace will be.

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