

## Business Ethics and Social Networking

Face Book, LinkedIn, MySpace and even Twitter are commonly used to develop social networks, many of which are very large. Some alert companies have viewed social networks as an opportunity. For example, a company called Zapos has encouraged all of its employees to have Twitter accounts so they can interact with current and potential customers.

In some cases, employees who are engaged in their work have used social networks in a positive way to express their concerns and frustration in a positive way.

Other employees, alienated and disengaged, have spouted off on social networks and have damaged themselves as well as their employer and its products. For example, in April of 2009, employees of Dominoes Pizza posted on one of these networking sites an allegedly humorous video about how pizzas are made. The video included unhygienic and rude behavior as well as the mocking of customers. Needless to say, the video was widely viewed throughout the United States and damaged the company's reputation.

A recent survey by Deloitte LLP demonstrated that 60 percent of business executives believe they have a right to know how employees portray themselves and their organizations in online social networks. They argue that the blurring of lines between professional and private lives has increased what is called the "reputational risk" for many organizations and their brands. The perception is that the posting of videos, pictures, thoughts, experiences and observations, while personal, "can create potentially far reaching ethical consequences for individuals as well as employers."

On the other hand, 53% of employees surveyed say that their social networking pages are none of their employer's business, although 74% recognize that social networks make it easier to damage a company's reputation.

The Deloitte survey reports that "17% of executives surveyed say they have programs in place to monitor and mitigate the possible reputational risks related to the use of social networks." Why?

Employers are increasingly concerned that one-third of employees surveyed never consider what their bosses or customers might think before posting material online, leaving their companies and their brands vulnerable. Employers are increasingly of the mind that as business leaders, they must "continue to foster solid values-based cultures that encourage employees to behave ethically regardless of the venue."

There is undoubted merit on both sides of the argument, which ought to be addressed by the development of a policy.

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**Following are some ideas that have been developed by Patricia J. Harned, president of the Ethics Resource Center:**

An employer should:

- not keep tabs on the private lives and thoughts of employees and would probably be unsuccessful if it tried;
- take the time to consider the ethical dimensions of Internet behavior, and encourage all employees to do the same;
- communicate its expectations by clearly and plainly explaining to employees which parts of their out-of-work behavior fall within the parameters of their obligations as employees;
- recognize that the same standards may not be appropriate for all employees;
- make social networking a training and supervisory priority; and
- model the high standards in online behavior so that all employees, including the boss, treat them as part of their hopefully established ethical culture.

Social networking is an issue that will not go away and should be addressed responsibly by companies of all sizes

Articles referred to include:

*Just Under Half of Americans Have a Facebook or MySpace Account*, The Harris Poll, April 16, 2009; *Should Your Company Have a Social Media Policy?*, Sharilyn Lauby, Maxhable.com 04/27/09; *Companies Want to Monitor Workers on Social Networks*, Business Week, May 17, 2009; *Enforcing Employee Ethics in Online Social Networks Era*, Patricia Harned, Compliance Week, May 27, 2009; *Deloitte's 2009 Ethics & Workplace Survey Examines the Reputational Risk Implications of Social Networks*, May 18, 2009; *Drafting Trouble-Free Social Media Policies*, James Wong, Law.com. June 15, 2009.