2013

A Calculated Model of LinkedIn Feature Usage Across Organizational Types: Large, Small, and Non-profits

Joe Spencer
Lisa Witzig
Marcella Gallegos

Follow this and additional works at: https://digitalcommons.georgiasouthern.edu/amtp-proceedings_2013

Part of the Marketing Commons

This conference proceeding is brought to you for free and open access by the Association of Marketing Theory and Practice Proceedings at Digital Commons@Georgia Southern. It has been accepted for inclusion in Association of Marketing Theory and Practice Proceedings 2013 by an authorized administrator of Digital Commons@Georgia Southern. For more information, please contact digitalcommons@georgiasouthern.edu.
A Calculated Model of LinkedIn Feature Usage Across Organizational Types: Large, Small, and Non-profits

Joe Spencer  
*Anderson University*

Lisa Witzig  
*Averett University*

Marcella Gallegos  
*Anderson University*

**ABSTRACT**

Intensity of LinkedIn usage is examined by business type: Fortune 200, INC 200, and Fortune 200 Non-profit. The study of approximately 600 organizations finds, contrary to expectations, that non-profits and small businesses utilize the features of LinkedIn significantly less in intensity than large businesses. An eleven factor intensity model is presented and tested to evaluate intensity of usage among the three study groups. This study concludes that SMBs and non-profits need to better utilize the features of LinkedIn to better enable their organizational goals.

**INTRODUCTION**

Understanding usage patterns of business tools enables entities to assess where they need to improve to match their business practices with the marketplace. LinkedIn has become a business tool used by individuals and corporate entities. LinkedIn is used to network, to find and assess potential employees, to find and assess potential clients/customers or donors, to aid in firm branding efforts, to support employee morale, to communicate with diverse constituencies, and to inform about products and services. Entities of all types -- large small and medium business (SMB), and non-profit-- need to use business tools such as LinkedIn to support entity objectives. Our first look into LinkedIn usage across these types of entities found that SMBs surpassed non-profits and Fortune 200 firms in LinkedIn usage (Witzig, Spencer, & Glavin, 2012). This first research focused on whether each of 600 entities, across the entity types, had a LinkedIn page, if the entity’s most senior leader had a personal LinkedIn page, and whether the entity had the LinkedIn logo on their homepage. This current research greatly expands our previous examination of organizational LinkedIn usage. Herein, we develop an eleven factor weighted model to assess intensity of entity usage of LinkedIn. This model utilized LinkedIn’s current visitor viewable capabilities available for businesses. This deeper review demonstrates that with regard to intensity level, large businesses that use LinkedIn do so with greater intensity than do SMBs and non-profits.
WHY STUDY LINKEDIN

Given there are over 160 million business people who are users of LinkedIn (LinkedIn Form 10-Q, 2nd Q 2012) and given the host of practitioner oriented books and online articles are available, it is surprising to note how few academic articles have been written to analyze the LinkedIn phenomenon. Launched in 2003 and with a successful IPO conducted in 2011 (LNKD), LinkedIn is used by business professionals to enhance their careers and businesses, and as a platform to enable business/professional networking. Womack (2011) finds LinkedIn has 33.9 Million unique monthly visitors and is the second largest social networking site. With this magnitude of business applied usage, the dearth of academic studies on LinkedIn is unique. Indeed, even Barnes and Mattson (2010) ignored LinkedIn in their study of different types of social media usage by different types of organizations (large business, small/medium business and non-profits). Our first study (Witzig, Spencer, & Glavin, 2012) examined LinkedIn participation and usage across the business spectrum examined by Barnes and Mattson. Here we expand our original study and develop a test model to evaluate how well each of these types of organizations use LinkedIn across all of its service features and in terms of intensity of LinkedIn usage.

LinkedIn aids businesses in fulfilling a number of business goals: Advertising, building community (of constituents), prospecting and qualifying, recruiting, preparing for business meetings, finding investors and advisors, and developing business partnerships. This type of tool, used by so many, should be understood by academics from the perspective of how it is used by different classes of organizations to fulfill their business objectives, as well as, the intensity of usage by firm type. Without understanding one of the largest online business tools, we neglect a holistic understanding of how modern business functions.

There has been practitioner focused study of LinkedIn, some of it academic in nature. Such research has reviewed how accountants, finance managers, and engineers should use LinkedIn (Hensley, 2011; Marshall, 2011). Usage tips and analysis has been done for advising Non-profits on LinkedIn usage (Stengel, 2012; Anonymous, Learn.LinkedIn.com/non-profits, 2012). Many studies have examined how small businesses can use LinkedIn (Allen, 2012; Evans, 2009; Laucho & Marinello, 2010). Additional studies have found business should use LinkedIn to: reconnect with old colleagues (Levin, Walter & Murnighan, 2012); make decisions and form opinions (Henry, 2011); meet customer expectations (Trubitt & Overholtzer, 2009); recruit employees and aid in HR decisions (Elmore, 2009; Dekay, 2009; Davison, Marist, & Bing, 2011); present and establish a brand image (Papacharissi, 2009, Harris & Rae, 2011); advertise and market an organization (Lacho & Marinello, 2010; Schmidt & Ralph, 2011); prospect for, collaborate and partner with, and elicit funding from other businesses (Lacho & Marinello, 2010); and pursue open innovation (Anonymous, 2011).

Skeels and Grudin (2009) studied how (Microsoft) professional individuals use LinkedIn in terms of frequency of use, fully developing their profile, and reviewing the content of other people’s profiles. The results of their work show that LinkedIn is rarely used as an internal company networking tool, but is used extensively to analyze or network with people outside of the company. They found it is often used by individuals for recruiting-related purposes, to learn about someone they have or are about to meet, and to assess consultants or find and assess vendors.
Archambault & Grudin (2012) updated the Skeels and Grudin (2009) study and made it longitudinal. This study found a massive increase in individuals using LinkedIn (as well as Facebook and Twitter). Specifically, they found that 81 percent of managers maintained a profile on LinkedIn, and 15 percent used it daily, with an average of four visits a day. They found that 9 percent of Microsoft managers believed that using LinkedIn for external professional connections was counterproductive. The usage studied was for personal networking not for corporate entity use of social networking tools. The study fundamentally found the same results as the 2009 study but with greater intensity and increased usage in the range of 250 percent from 2008-2011.

**LinkedIn Helpfulness Across Firm Type**

Different firm types may have similar and different reasons for using LinkedIn. Some entities are very interested in LinkedIn’s ability to reach people for messaging and brand or product promotion. Several studies have shown Internet applications as useful tools in branding efforts and attracting customers (Reichheld, Markey, & Hopton, 2000; Levy, 2011). Reichheld, et.al.’s research demonstrates how the low cost of the Internet and Internet user loyalty contribute toward all types of business entities. Aula (2010) found an indirect relationship between social media and risks to an entity’s image. Foux (2010) found that those who use social media are customers of businesses who use social media as a business tool. Some entities are interested in LinkedIn’s ability to inform about individuals outside the organization. Thus, LinkedIn is a prospecting and qualifying tool. This can be applied to employment situations (Davison, Marist, and Bing, 2011; Brown and Vaughn, 2011) or evaluating current and potential contacts (Comer, 2010). For a for-profit entity, this may mean learning about a person prior to a meeting. For a non-profit, this may mean assessing a person as a prospect for potential funding.

Each of the three types of entities should be interested in using LinkedIn as a tool. Each type benefits from the low entry/usage cost of the tool, from its reach, and from its brand building and product selling capabilities. Non-profits have had dramatic increases in online giving with 10% of all donations being made online (Rooney, Brown, Bhakta, Fredrick, Hayatte, and Miller, 2007). Further Pentecost and Andrews (2009) found that donors are strong users of social networking sites. Given that those with LinkedIn profiles represent people with both online capability and financial resources, non-profits should desire to use LinkedIn as a targeting tool. From a global perspective, however, a company’s access to and the population’s acceptance of LinkedIn varies depending upon cultural and political factors. For example, while China has over 500 million Internet users, Facebook and Twitter have been banned or censored by Government entities (Chiu, et. al., 2012; Zax, 2011). While LinkedIn has yet to be banned, it has been censored and faces stiff competition from a Chinese home-grown version of the social media tool. Hence, the ability for global firms to best utilize the tool in the world’s largest market may be hindered.

Small businesses should find LinkedIn as an appropriate tool to reach their objectives. Lillevaaljja (2010) examined 231 professionals impacting marketing efforts and found social media has a lower cost per prospect and conversion than many other forms of marketing. Daniasa, Tomita, Stuparu and Staniciu (2010) found that small business benefit from using online activities. Large entities benefit from using LinkedIn via expansive lists of followers and communicating to these
followers, as well as from assessing contacts across a wide spectrum of potential users. Overall, businesses have strong reasons to utilize LinkedIn. Thus understanding the intensity of usage helps in knowing how firms have adopted this new business tool.

THE MODEL

To understand inbound directional entity usage of LinkedIn, this study pulls data for 200 of each type of business (Fortune 200, INC 200 and Fortune Non-profit 200). The data pull is based on the eleven features available for inbound corporate display usage. Thus data detectable by a person going to the entity’s LinkedIn site is used for this model. This study does not measure the entity’s employee use: going and viewing LinkedIn pages external to the entity. Rather this model studies statistics that one may view about an entity on an inbound basis. Thus, this study examines what an entity projects through LinkedIn to individuals that come to look at the entity’s LinkedIn page and the intensity that these entities utilize LinkedIn as an inbound tool. This study examines entity intensity of use, via eleven LinkedIn capabilities. The model provides three weights to quantify intensity of use. The factor of “1” is used for base impacting capabilities. The factor of “2” is used for moderate impacting capabilities. The factor “3” is utilized for higher impacting capabilities. Each capability demonstrates the value that the entity places on that capability provided by using that LinkedIn capability. The use of features also demonstrates the entity’s intensity of belief in the value of LinkedIn as a tool.

The following chart summarizes the eleven inbound LinkedIn capabilities examined, the weight provided in the model to each factor, and the reasoning supporting inclusion in the model. The use of the term inbound relates to the entity using a capability aimed at people going to LinkedIn to learn something about the entity rather than an entity using some of LinkedIn’s capabilities to find out about people external to the entity (e.g. an entity using LinkedIn to find potential employees). This model thus studies the intensity with which an entity has utilized LinkedIn to provide mechanisms for others to learn about the firm.

<table>
<thead>
<tr>
<th>Linkedin Capability</th>
<th>Weight</th>
<th>Reasoning for Inclusion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Has a Linkedin Page</td>
<td>1x</td>
<td>Minimum level of entry to service</td>
</tr>
<tr>
<td>Number of job postings divided by the number of company employees</td>
<td>1x</td>
<td>The number of postings demonstrates a greater intensity or lesser intensity of belief in the value of LinkedIn for attracting talent. Number divided by the number of employees to moderate for firm size.</td>
</tr>
<tr>
<td>Has an Alumni group</td>
<td>2x</td>
<td>Demonstrates the entity seeks to utilize LinkedIn's networking capabilities for all who have associated with the entity in the past. A strong alumni group increases an entity’s networking ability to reach potential employees and customers and alumni networked to the entity is a referral endorsement of the entity.</td>
</tr>
<tr>
<td>Number in Alumni Group divided by the total number of company employees</td>
<td>2x</td>
<td>The greater percentage of employees and ex-employees who openly link to the entity's LinkedIn site, demonstrates the entity and previous employee value of the entity's LinkedIn site.</td>
</tr>
<tr>
<td>Products/Services discussed</td>
<td>2x</td>
<td>If an entity uses LinkedIn to portray its products and services it demonstrates it believes potential customers and potential employees will go to LinkedIn to find out about the entity's products and services.</td>
</tr>
<tr>
<td>Other company info</td>
<td>2x</td>
<td>If an entity uses LinkedIn to publicize it demonstrates a belief in LinkedIn's ability to support the entity's PR efforts.</td>
</tr>
<tr>
<td>Lead executive has a LinkedIn site</td>
<td>2x</td>
<td>If the lead executive of the entity has a personal LinkedIn profile and it is associated with the entity's site, the entity’s leader is expressing belief in LinkedIn as a tool.</td>
</tr>
<tr>
<td>Number of followers on LinkedIn divided by the number of employees</td>
<td>3x</td>
<td>Entities often seek through marketing efforts to gain followers. Having more followers shows more intense belief in the value of LinkedIn. It also allows the entity's LinkedIn page to impact more people. The number of followers is divided by the number of employees to moderate for entity size.</td>
</tr>
<tr>
<td>Number of employees associated with the entity’s LinkedIn page divided by the total number of company employees</td>
<td>3x</td>
<td>The greater percentage of employees who openly link to the entity's LinkedIn site demonstrates entity and employee value of the entity's LinkedIn site. Employees are self-identifying with the entity demonstrating they value their association with the firm and this broader network enhances the reach of the entity’s LinkedIn site.</td>
</tr>
<tr>
<td>LinkedIn Logo on website</td>
<td>3x</td>
<td>If the entity uses the LinkedIn logo on its website it is seeking people to visit its LinkedIn site.</td>
</tr>
<tr>
<td>Post jobs at LinkedIn site</td>
<td>3x</td>
<td>If an entity uses LinkedIn to post jobs it demonstrates the entity believes LinkedIn is a valuable tool for them to attract talent.</td>
</tr>
</tbody>
</table>

### Which Entity Types Are Intense Users of LinkedIn

Previous research regarding these three types of entities demonstrate small businesses have a significantly higher LinkedIn adoption rates (Witzig, et.al. 2012). Therefore, it seems likely that SMBs also would have the highest intensity rates as demonstrated by the application of the model. Thus, we propose:
H1 SMBs are more intense about utilizing their LinkedIn capabilities than either non-profits or large firms.

Given that non-profits need to project their images at a low cost per view and given the low cost of LinkedIn, it seems likely that non-profits would ensure that they are fully utilizing low priced tools with intensity. Large firms with their expansive media budgets have low cost per view with expensive media and therefore do not need to utilize LinkedIn as intensively as non-profits.

Thus, we propose:

H2 Non-profits are more intense about utilizing their LinkedIn capabilities than large firms.

Given political and cultural limitations of the appeal and usage of LinkedIn across the globe, it seems likely that the large corporations headquartered in nations such as China where social media is monitored and restricted may affect the outcomes of the application of the model to all Fortune 200 companies. Removing these companies from the evaluation of intensity of LinkedIn usage will provide a more accurate accounting of the relationship of intensity among the three types of entities. Thus, we propose:

H3 Intensity of usage by large firms will increase vis-à-vis SMBs and nonprofits when corrected for cultural and political biases.

METHOD

To compare the intensity of usage among the three types of entities — large and small companies, and non-profits — empirical data was collected to support the 11 variables listed in the model. First, lists of entities for each organizational type was assembled using the top 200 organizations from: the “Fortune 500” list published by Fortune magazine; “Inc. 200” compiled by Inc. magazine; and Forbes’ “200 Largest U.S. Charities list. Next, this list was paired for entities that had merged with other firms and thus eliminated from existence or where the entity was completely unengaged with regard to LinkedIn as a tool. The final list had 190 large firms, 195 non-profit organizations, and 183 SMB firms.

Then each of the 11 variables/capabilities provided through LinkedIn was assigned a value / intensity weight. A weight of 1 was assigned to base capabilities: has a LinkedIn page and posts jobs in LinkedIn. For job postings, a calculation derived from the number of job postings divided by the number of company employees was used to moderate usage by entity size. A weight of 2 was assigned to the use of capabilities that demonstrated a greater commitment to using LinkedIn: has an alumni group, number in the alumni group divided by the number of employees (dividing by the number of company employees was used to moderate usage by entity size), entity products and services discussed on LinkedIn site, other entity information provide on LinkedIn site, and lead executive has a LinkedIn page associated with LinkedIn site. A weight of 3 was assigned to capabilities that expanded the reach of the entity’s LinkedIn page: number of followers (number of followers was divided by the number of company employees was used to moderate usage by entity size), number of employees who had associated themselves with the entity’s LinkedIn page (number of employee associated was divided by the number of company employees was used to moderate usage by entity size), presence of the LinkedIn logo on the entity’s home website, and the entity posts job openings on the LinkedIn site. Table 1 further explains the reasoning for the weighting schema.

The sum of each capability times its weighting provided a numerical measure of how much the entity values LinkedIn in terms of how much it utilized LinkedIn’s capabilities. Using SPSS,
ANOVA comparisons were done to differentiate intensity of usage patterns amongst the three entity classifications. Fisher’s LDS was utilized to examine the hypotheses.

RESULTS

After conducting an ANOVA comparison among the three types of entities, Table Two shows a significant difference between the entities. After a multiple comparison of the entities using Fisher’s LDS technique, a different picture emerges than that predicted by the first two hypotheses.

Table 2
ANOVA Comparison Among the Three Entities

<table>
<thead>
<tr>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Between Entities</td>
<td>14454.666</td>
<td>2</td>
<td>7227.333</td>
<td>21.046</td>
</tr>
<tr>
<td>Within Entities</td>
<td>386330.379</td>
<td>1125</td>
<td>343.405</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>400785.045</td>
<td>1127</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

As Table Three shows, there was a significant difference in based on entity type, $F(2, 1125) = 21.045, p < .001$. Based on the LSD multiple comparison test: large corporations scored significantly higher than both small businesses and non-profit entities. Small businesses scored second highest, followed by non-profit entities. All three scores were significantly different than the others.

Table 3
Multiple Comparisons Among the Three Types of Entities

<table>
<thead>
<tr>
<th>(I) Entity Type</th>
<th>(J) Entity Type</th>
<th>Mean Difference (I-J)</th>
<th>Std. Error</th>
<th>Sig.</th>
<th>Lower Bound</th>
<th>Upper Bound</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fortune 200</td>
<td>Non Profit</td>
<td>-8.67311*</td>
<td>1.33745</td>
<td>.000</td>
<td>-11.2973</td>
<td>-6.0489</td>
</tr>
<tr>
<td></td>
<td>Small Business</td>
<td>-4.61604*</td>
<td>1.36294</td>
<td>.001</td>
<td>-7.2902</td>
<td>-1.9419</td>
</tr>
<tr>
<td>Non Profit</td>
<td>Forbes 200</td>
<td>8.67311*</td>
<td>1.33745</td>
<td>.000</td>
<td>6.0489</td>
<td>11.2973</td>
</tr>
<tr>
<td></td>
<td>Small Business</td>
<td>4.05707*</td>
<td>1.35608</td>
<td>.003</td>
<td>1.3963</td>
<td>6.7178</td>
</tr>
<tr>
<td>Small Business</td>
<td>Forbes 200</td>
<td>4.61604*</td>
<td>1.36294</td>
<td>.001</td>
<td>1.9419</td>
<td>7.2902</td>
</tr>
<tr>
<td></td>
<td>Non Profit</td>
<td>-4.05707*</td>
<td>1.35608</td>
<td>.003</td>
<td>-6.7178</td>
<td>-1.3963</td>
</tr>
</tbody>
</table>

*. The mean difference is significant at the 0.05 level.

Thus, it appears that while small businesses are more active on LinkedIn – in terms of having a LinkedIn page, having the LinkedIn logo on their web site, and having the top office with an
associate page (Witzig, et. al., 2012) – large corporations are far more comprehensive in their usage as measured by the model. And, despite the low-cost nature of LinkedIn and its potential benefit to nonprofits, again, large corporations have much higher intensity usage scores that their non-profit counterparts. Hence, we reject both hypotheses 1 and 2.

When examining the data it was discovered that many multinational companies on the list did not have data demonstrating that used LinkedIn. It is believed that this lack of LinkedIn participation was due to the cultural vista these companies worked. For example, Chinese companies have restrictions placed on them by their governments with regard to social media sites. Therefore, we eliminated these firms from the list to examine if the results would change. For hypothesis 3, we conducted an ANOVA comparison among the three types of entities after we removed large companies that appeared affected by political and cultural factors in their home counties. Table Four shows a significant difference among the entities but with less degrees of freedom and thus a lesser scale of reliability. After a multiple comparison of the entities using Fisher’s LDS technique, a different picture emerges than that predicted by the hypothesis 3.

**Table 4**

ANOVA Comparison Among Three Entities Less Large Companies in Restrictive Environments

<table>
<thead>
<tr>
<th></th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Between Groups</td>
<td>6124.898</td>
<td>2</td>
<td>3062.449</td>
<td>8.686</td>
<td>.000</td>
</tr>
<tr>
<td>Within Groups</td>
<td>192498.611</td>
<td>546</td>
<td>352.562</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>198623.509</td>
<td>548</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Table 5**

Multiple Comparisons Among Three Entities Less Large Companies in Restrictive Environments

<table>
<thead>
<tr>
<th>(I) Entity Type</th>
<th>(J) Entity Type</th>
<th>Mean Difference (I-J)</th>
<th>Std. Error</th>
<th>Sig.</th>
<th>95% Confidence Interval</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fortune 200</td>
<td>Non Profit</td>
<td>-8.15623*</td>
<td>1.95754</td>
<td>.000</td>
<td>-12.0015 -4.3110</td>
</tr>
<tr>
<td></td>
<td>Small Business</td>
<td>-4.09916*</td>
<td>1.99332</td>
<td>.040</td>
<td>-8.0147 -.1837</td>
</tr>
<tr>
<td>Non Profit</td>
<td>Forbes 200</td>
<td>8.15623*</td>
<td>1.95754</td>
<td>.000</td>
<td>4.3110 12.0015</td>
</tr>
<tr>
<td></td>
<td>Small Business</td>
<td>4.05707*</td>
<td>1.94319</td>
<td>.037</td>
<td>.2400 7.8741</td>
</tr>
<tr>
<td>Small Business</td>
<td>Forbes 200</td>
<td>4.09916*</td>
<td>1.99332</td>
<td>.040</td>
<td>.1837 8.0147</td>
</tr>
<tr>
<td></td>
<td>Non Profit</td>
<td>-4.05707*</td>
<td>1.94319</td>
<td>.037</td>
<td>-7.8741 -.2400</td>
</tr>
</tbody>
</table>

* The mean difference is significant at the 0.05 level.
As Table Five shows, there was a significant difference among entities by type, $F(2, 548) = 8.686, p < .001$. Examining the LSD multiple comparison test shown in Table Five, we see that the large companies still scored significantly higher than the other two entity types. Small businesses scored second highest, followed by non-profits. Like the previous analysis, all three scores were significantly different than the others. However, the differences among the three entities actually are moderated somewhat by removing these companies and the average scores are closer. Moreover, there is a greater standard error with the results from this comparison. The intensity of usage is not greater, as the mean differences are closer than those shown in Table Three. Hence, we reject hypothesis 3. However the intensity dimensions found in this data run remain consistent with the results from the data run with the complete data set.

DISCUSSION AND IMPLICATIONS

LinkedIn has become an important tool both for individual networking and for entities to utilize to improve entity awareness, promote entity news and offerings, as well as, to enhance employee communication, and to search for potential employees. In these capacities, LinkedIn can serve all of the 3 types of entities studied. It is significant that our first two hypotheses were found in incorrect. This demonstrates that both non-profits and SMBs are not utilizing LinkedIn tools as they should. Indeed, LinkedIn’s actions set forth that it believes nonprofits and SMBs have distinctive advantages by using LinkedIn. LinkedIn has special tools available both to teach nonprofits and SMBs why they should, and how to use LinkedIn for their advantage. LinkedIn continues to develop special services and tools for these segments of their client base (Kanani, 2012; Linkedin.com). Given the low cost of LinkedIn and the specific advantages LinkedIn offers to nonprofits and SMBs, this study demonstrates that such entities are not taking full or intense advantage of inbound tools available to them.

Large firms, with their better resources are using the capabilities of LinkedIn more than SMBs and nonprofits. However, the resources demanded to utilize the capabilities of LinkedIn are small. Given the low resource demands for an entity to set up the capabilities, there is no reason that large firms should be using these capabilities to a greater extent. In fact, given the ease and cost of establishing the capabilities, SMBs and nonprofits should be using these capabilities as much or more than large businesses. They are missing sight of what could be a great tool to help them accomplish their objectives. Thus, SMBs and nonprofits are overlooking an easy and inexpensive tool which could greatly aid their organizational success.

The fact that removing companies headquartered in countries where social networking is moderated or restricted did not intensify usage by large companies may be reflective of differences in government policies regarding different types of social media. If it is the case that government policies or cultural norms are focused on more personal social media networks such as Facebook and Twitter, these policies and norms may allow for greater use of LinkedIn in these settings. As such, companies in these settings actually may be more active on LinkedIn than counterparts in more open societies, because it one of the only social media outlets for companies to use.

This study is useful for firms to understand how much they are using the capabilities of LinkedIn and for them to be challenged to understand the benefits that can be accrued from using LinkedIn capabilities to further the organizational goals of each entity type. Nonprofits should be challenged to better used capabilities that can help them better identify potential donors and to
enable potential donors to review the benefits they can provide. SMBs should be challenged to ensure they are using an easy and inexpensive tool that could help them communicate their firm to external entities.

LIMITATIONS OF RESEARCH

This research focused on the largest companies, the largest SMBs and the largest nonprofits. It does not analyze firms that are large but smaller than the top 200 nor does it look at very small firms or very small nonprofits. Thus, results could differ if smaller entities were selected for study. This research could be enhanced by a similar study on small entities to examine if similar results would be found.

This research does not segment usage according to industry type or location. Some types of entities – e.g., entities working in fields where privacy rights or other sensitivities may influence decisions regarding level of organizational exposure on social media – may be less present on LinkedIn because of organizational concerns or restrictions as dictated by entity’s industry. The location of the entity also may be influenced by political or cultural prohibitions either directly or indirectly related to LinkedIn. Information of this nature may help better discern underlying reasons for usage patterns.

This research does not study outbound usage by the three types of entities. Thus, there is no accounting for how much usage of LinkedIn is done by entities to do things like seeking for potential employees, examining the profiles of potential employees, individual searches to find potential clients, suppliers, or donors. Information of this nature would help understand the benefit to an entity of using LinkedIn to study people and entities outside their organization.

This study does not examine inbound views of the entities by outside agents. Thus, it does not examine the effectiveness of entity’s efforts to utilize the capabilities studied herein. Information of this nature would be helpful for an entity to know the benefits gained from utilizing the capabilities of LinkedIn from an inbound perspective.

This study does not examine usage of LinkedIn by individuals outside or inside any entity. This study is limited to examining how much a firm prepares for others to learn about the entity through the capabilities provided to it by LinkedIn.

REFERENCES


**ABOUT THE AUTHOR(S).**

Dr. Joe Spencer – Professor of Marketing Anderson University. BA - Baylor, MBA - Vanderbilt, MS University of Colorado, DBA Argosy.

Dr. Lisa Witzig – Adjunct Professor Averett University and Consultant Ideen LLC. BA - Pennsylvania State, Master International Marketing - University of Maryland, MS - George Town, DBA - Capella

Marcella Gallegos – Student Anderson University