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THE IMPORTANCE OF SOCIAL NETWORKS' WEAK TIES IN BUSINESS DEVELOPMENT

Abstract:

This paper aims to present the importance of weak ties in social networks for sharing information at personal level, across departments in a company, as well as between managers that seek business opportunities. Also, the paper shows that complex knowledge requires strong ties in order to be properly shared and used. Weak ties between departments in a company make information diffusion faster only if the knowledge shared is simple, otherwise if the information is complex, the communication between departments and the development of projects will encounter difficulties. The article analyses the structure and the dynamic of business social networks starting from Granovetter's theory and Burt's social capital theory and offers practical examples of how to develop a business using the weak ties in social networks, such as the well-known Facebook platform or the professional oriented LinkedIn platform.

Keywords:

social networks, business development, weak ties, strong ties, social capital, Facebook, LinkedIn

JEL Classification: M39, Z19, A13

Introduction

The problem of knowledge sharing among people in an organization is happening today mostly online, using various networks, from special designed internal networks to the well-known Facebook. Qualman says that if ties are strong, people might influence one another to adopt new technologies that can make their work and life easier (Qualman, 2012). Some examples here could be the adoption of new operating systems for the computers or for the telephones, new messenger programs or different brands of electronic. Strong ties are considered family, close friends, relatives and usually they have most influence when a change takes place.

On the other hand, if ties are weak, communication is dependent on the organizational rule of the company; for example, in some companies, departments communicate only through the department leaders.

According to Granovetter's weak tie theory, distant and infrequent relationships are efficient for knowledge sharing because they provide access to new information by linking groups or people in a company, that would not communicate otherwise.

Granovetter states also that strong ties lead most of the time to redundant information because strong ties suggest the existence of a small group in which "everybody knows what the others know". (Granovetter, 1973)

Podolny and Baron consider that weak ties bring advantages and knowledge only under certain conditions and in comparison with strong ties, do not provide support in real life situations. (Podolny, 1997)

Hansen says that the benefits of weak ties are obvious in spreading simple information, but doesn't help much when there is a transfer of complicated data and complex knowledge. (Hansen, 2001)

The strength of weak ties

 In 1973, Granovetter demonstrated in his paper "The strength of weak ties" that infrequent and distant relationships (weak ties) are more useful than close relationships, family and friends (strong ties), because they can bring new information. This theory applies perfectly for the job search situation when distant friends and acquaintances (weak ties) give details about job openings, while family and close friends even if they would really want to help, don't have any other information then what is already known in the closed group. (Granovetter, 1973)

The strength of a tie depends on: the frequency of communication between nodes, the affiliation duration, the tie intimacy and the reciprocity of favours. (Marsden, 1984)

Weak ties reports less interaction, less trust to share intimate details, casual or work relation.

Granovetter theory apply also for departments in a company, because departments who have weak ties tend to be more creative and obtain better results, as their relationships with colleagues from other departments are more likely to provide useful innovative knowledge.

Burt considers that even if weak ties deliver nonredundant knowledge, they sometimes can transform connections in redundant contacts. This situation happens when a link with a person from another group or department is built and soon after this, a triadic closure takes place and it is transmitted same information twice from two different persons, so the second relationship becomes redundant. (Burt, 1997)

Strong ties may bring useful information sometimes when searching for a job for example, but the cost of manteining a strong tie is higher than getting the same information from weak ties. The chances, however, are much smaller to obtain relevant innovative information from a strong tie because it is considered that the subject and its strong ties have generally access to the same sources of information, at the same time. (Boorman, 1975)

Reaserchers demonstrated that it is more convenient to maintain as many weak ties as possible because they can bring information for free or anyway with a small cost, while a strong tie contact requires time to be kept and higher cost. In a business environment, maintaining a strong tie means sometimes meeting with various contacts, sending follow-up e-mails, investing time and money without having the certainty of getting any information benefit out of there. Of course that, weak ties don't offer any certainty of obtaining knowledge either, but at least most of the times are free to maintain. Also in social network platforms like Facebook, the information close friends (strong ties) share, becomes redundant as it was already obtained from offline environment and it arrives several times in the news-feed from all close friends. Weak ties on the other hand, acquaintances, may belong to totally different groups and might share new data, so transforms the node who got that information in a "structural hole". (Burt, 1997)

Social capital

Burt introduced the concept of structural hole in the field of social networks and showed that a person is essential in a network only if can create a bridge between two groups that otherwise would not communicate. (Burt, 1997)

Power in a company is obtained also from the position in the social network associated with that company and from the relationships with other members of the network. The central position in a company and the possibility to be the bridge between departments offers power due to the knowledge obtained, but also because a person like this is very difficult to be replaced.

The speed of getting in top managerial positions depends of the relation of employees with the structural holes in the company. (Burt, 1997)

Social capital can be obtained through triadic closures and bridges and " it represents the ability of actors to get benefits by integrating in a social network" (Portes, 2000)

Coleman considers social capital as important as fisical capital (resources, technologies) and human capital (the talent and skills of employees to realize tasks). (Coleman, 1989)

The concept of social capital gives the opportunity to analyze the social structures (groups) that facilitate the interactions between people. These groups can be closed groups, that facilitate secure transations, or connections between various groups with high potential of knowledge sharing.

From the point of view of the content that flows through a network, weak ties are the ones that bring more social capital. Marlow argued that weak ties are good for getting information and associated it with Twitter platform and strong ties share affections and identities and associated this with Facebook platform. (Marlow, Facebook statistics, 2009)

In dynamic social networks, phenomena like straightening of weak ties and loosening strong ties is very common. The straightening of weak ties leads to more communication between nodes in a network, and also to more trust in sharing complex knowledge. If two actors in a network discover that their affiliations are not common anymore and they don't share the same values as before , the ties will become weaker and at some point might even break. It is well known that when the ties in a network are dependent on an organized environment, there is a high probability for the ties to break when the environmental characteristics change.

Putnam considers there are two types of social capital, bridging capital (based on weak ties and usually used to obtain information) and bonding capital (based on strong ties and mostly offering emotional support). (Putnam, 2001)

Social capital is an "investment in social relations with expected returns" (Lin, 1999)

Facebook users and the bridging social capital

Facebook is one of the cheapest solutions to grow social capital and to maintain the relations with a large and globally spread network of "friends" (Facebook platform connections).

Studies had shown that a strong relation on Facebook is generally related with a strong relation in the "offline" real life.
Social networks platforms like Facebook or Twitter offer the possibility to either passively collect information from other members (weak tie behaviour), or to actively communicate with other members (strong tie behaviour). Both actions lead in the end to accumulation of social capital.

When Facebook was lounched, it only allowed the connection in the university communities, so was mostly based on strong ties. Later, it developed to a wider network and allowed users to connect to friends and acquaintances outside university, which of course lead to increasing as well the social capital.

After some studies done by Facebook, it was demonstrated that even if the platform was designed to create strong ties, most users use other ways to connect with friends in case of a personal problem and keep the profile updated to stay in contact with contacts which are not very close. So if a Facebook user " will need to borrow money will just call a close friend and not post a message on the wall about that issue". (Marlow, Facbook statistics, 2009)
Facebook users mostly create social capital by bridging, very rarely by bonding.

Conclusions

In this paper was demonstrated the importance of the weak ties in social networks, which was first stated by Granovetter. Social media changed communication both at personal and at organizational level, so it is recommended to be given more importance to the weak ties in a network, as they can bring most benefits. I believe that social networks will be more important in the future in developing social capital for the professional career path and less used publicly for personal contact with close friends and family.

Acknowledgement

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