

## **AFAANZ Grant Report – Dr. James Wakefield**

### **1. Name, Position, Contact Details**

Applicant: Dr. James Wakefield

Position: Senior Lecturer

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### **2. Project title:** Disrupting social media disruption through incentive systems

### **3. Updated Project Summary**

The study establishes the disruptive nature of social media on workplace performance and examines how effective compensation systems, specifically variable incentives, are in addressing this disruption on workplace performance. It is widely recognised that workplace distraction associated with social media exposure to sites and applications including Facebook, Twitter and chat apps, available on employees' personnel and workplace devices, is problematic, reducing productivity.

A two by two experiment is carried out, thereby creating four treatments groups based on incentive or no incentive (for achieving a pre-defined performance benchmark) and exposure and no exposure to social media, Facebook in this study, during experiment task completion. An ordinary least squares (OLS) regression approach is applied to test the implications of the treatment groups on task performance, while also controlling for participant ability. There are four levels of task difficulty varying from vigilance and detection, memory, production and simple clerical to judgement and choice, providing the basis of performance measurement. The experimental task and research method applied in this study have received ethics clearance from the institution where it is conducted.

A total of 146 participants providing usable data completed the experiment, who are spread across the four treatment groups. The results indicate that social media exposure does have implications on incentive system effectiveness. Unexpectedly, negative implications of an incentive for hitting a challenging performance target are observed in all but the most basic tasks, in the context of social media. The findings have important implications for practice and indicate that further research is required to examine the implications of social media on management control systems more generally.

### **4. Funds granted:** \$3,500 plus GST.

## **5. Report on Expenditure of Funds**

The amount of \$9,778.08 was originally applied for, and given a lesser amount provided the funding was used as follows:

- a. Research assistant to help with survey administration: 70 hours @ \$46.28/hour
- b. Research assistant to consolidate and assist with data analysis: 141 hours @ \$46.28/hour

## **6. Outcomes**

Working papers/presentations:

*Implications of social media exposure on task performance*, presented at the MONASH accounting department seminar series and workshopped internally at UTS (2018).

*Disrupting social media disruption through incentive systems*, presented at the AFAANZ conference (8 – 9 July 2019), UNSW brown bag workshop (22 July 2019) International Control Conference at Roehampton University (25-26 June 2019)

*Dangerous consequences of setting challenging targets for a social media connected generation* – current working paper very close to journal submission.

## **7. Future Intentions**

The working paper titled “*Dangerous consequences of setting challenging targets for a social media connected generation*” will be submitted to a high quality journal in the next month.

The future outcomes of this project will be determined by the publication of the first paper.

There is no research relating to the impact of social media on incentive system effectiveness and therefore the first paper will need to be accepted for publication, prior to building on this research.

## **8. Summary of Outcomes and Benefits**

As mentioned above, this project relates to a new area of research. The AFAANZ grant was very helpful and appreciated given the time consuming nature of the data collection and subsequent analysis. There are considerable opportunities to extend this research once the first paper has been published.