**The Effectiveness of LinkedIn: Is it the new Cutting-Edge Networking Site?**

Faith Lumpkin

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**Abstract**:

This paper discusses the growing popularity of the social networking site, LinkedIn. It looks into the problems and benefits of this networking tool from an employer and job seeker’s point of view. After discussing these issues, this paper organizes a plan of action on how to resolve some of these concerns in order to keep LinkedIn one of the top networking sites worldwide.

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**Introduction:**

Started in May of 2003 in Mountain View California, LinkedIn has become an essential networking tool for employers and job seekers. There are more then 80 million members, making it the largest professional network. Approximately every second a new member is joining and using this website as an essential networking tool. It is an interconnected network with professionals from around the globe and is available in English, French, Italian, Portuguese, Spanish, and German (Merlo 2010).

LinkedIn allows an individual to network with possible hiring managers, recruiters, clients, service providers, and subject matter experts. Members are able to manage their profile and provide as much information as desired including a profile picture, cover photo, contact information, links, skills and endorsements, as well as other sections that are available. One of the distinct parts of this site is having complete control over what people are seeing and reading. Job seekers are able to make connections, and employers are able to post job openings and listings to find the desired candidate for their company (Merlo 2010).

**Benefits:**

It is evident from the popularity of LinkedIn that is a beneficial networking site. One of the benefits is that searching is made easy with a special tool that allows a job seeker to view suggested jobs. The jobs the site shows are based on the individual’s profile and what is included in their profile. It matches the member with jobs that would relate to them and hopefully interest them. Many of the suggestions are suitable but in order for suggested jobs to be the most accurate, it is advised to make one’s profile descriptive and specific to receive the best results. The networking site also keeps a list of saved searches, which can be helpful when having to check on the status of jobs looked at previously (Collamer 2013a).

Another positive Is LinkedIn allows the job seeker to discover jobs in his or her network. This means the site mentions openings where you have LinkedIn connections. This can be helpful when needing a referral. Knowing someone personally from the desired job can help in landing the job (Collamer 2013a). This feature is one of the most diverse parts, and it enables members to expand their network and make more connections.

From a business owner’s point of view, it can be helpful for managing background information on a company that they may want to sell their services or products to. It also can be beneficial in making connections with companies similar to their own. LinkedIn is very rich in content including very thorough backgrounds on company details including contacts for large and small corporations. Another feature which companies have found very beneficial is the “Answers” section. This allows users to interact and receive feedback on ideas and discuss new concepts. Companies can receive other’s feedback to help better their own company as well as make connections with other people. LinkedIn allows companies to search for potential new employees when they are looking to hire. They can see their profiles and search for candidates they feel would be the best fit for their desired position (Shah 2010).

**Problems:**

Although this site has shown to be very beneficial, in recent years researchers have found several setbacks to using LinkedIn. People are starting to complain LinkedIn is becoming more of a job board instead of a networking site. When job boards first became popular, there were no findings that they were at all effective in landing people jobs. People fear LinkedIn will become less effective due to this reason. Also LinkedIn is now beginning to charge employers to post jobs and gain access to resumes. They advertise a “premium service” to members, which costs $29.95 a month. One of the advantages in subscribing to this premium service is when applying for a job LinkedIn will move the premium member’s application to the top regardless of their credentials. These individuals are considered “featured applicants.” This may seem like a smart feature but it discriminates against people who are not able to pay that price per month making it unethical. It also promises a benefit that is actually not a benefit. When signing up for this service the member then receives a badge next to their name in their profile so employers know who paid for the extra service. This is not very attractive to employers when they find out someone is paying for placements (Collamer 2013b).

Despite what others are saying, LinkedIn has said that members are twice as likely to be contacted by recruiters if they pay for this service. Members are able to InMail recruiters, and LinkedIn explains these members are seen as highly active on LinkedIn. Most people are arguing that it is not necessary to spend $30 a month to make one look like a better candidate. LinkedIn is a good tool but employers encourage doing only part of the job searching on this site and also going out and making connections (Collamer 2013b).

From a business owner’s perspective another negative of this site is the “Link with me” request users are receiving from sales people looking to advertise. These constant requests can be annoying and display LinkedIn as a site for selling instead of networking. Also, their have been complaints that the request to get linked section is more tedious compared to other networking sites such as Facebook or Twitter (Shah 2010).

**Plan of Action:**

Research conducted by Neil Benedict, managing director for FTI consulting, found that when it comes to social networking sites, 9 out of 10 financial advisors turn to LinkedIn. He found, “Traditionally, ­financial advisors depend on referral networks and cold calling to gain new clients; they also rely on frequent interactions with existing clients to deepen current relationships. Especially for newer advisors, it often can take years to build an effective network. By leveraging LinkedIn, advisors can streamline and amplify these efforts, using a single platform both to gain new clients and to deepen existing relationships” (Friedman 2015).

Therefore, for job seekers to get the most benefit from using LinkedIn there are a few things to remember. A few tips for an effective profile include putting a professional picture in the photo section. The picture should be recently taken as well as clear and professional. Another tip to remember is to make the content in the profile section unique and concise. Another good idea is to post regular updates to keep the profile engaging and interesting to your target audience. One last tip to remember is to add keyword phrases in the profile section that employers may search for (Trevien 2015).

In order to try and resolve some of the problems involved with LinkedIn, LinkedIn should consider taking away the premium service so that it doesn’t become unfair when it comes to certain individuals receiving advantages over others. Also the site should be more careful about the advertising so they don’t become all about selling and not networking.

**Conclusion:**

In Conclusion, LinkedIn has positives and negatives but overall is a great networking tool. By making a few changes to the site, LinkedIn will be able to remain the top networking site for professionals. It is very effective when making connections and expanding one’s network. As stated earlier it is not realistic to only rely on this site for networking but instead also making real life connections. For employers and job seeker’s alike this new way of networking can produce many benefits when used properly.

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