Fresh Perspectives

Social Networks vs. Management?
Harness the Power of Social Media

Manpower®

In This
Article

- On-the-job use of social networks by employees holds the potential to transform the world of work.

- Many well-known organisations are leveraging the connective power of social media to enhance productivity, innovation, collaboration, reputation and employee engagement.

- New Manpower data reveals 75 percent of employers say their organisations do not have a formal policy regarding the use of social networking sites at work. This suggests that a clear majority of organisations are adopting a "wait-and-see" approach before developing their own formal policies on the use of social networking.

- Leaders need to look for ways to harness the popularity and business value of social media in order to boost organisational performance and further corporate goals. But the focus of these efforts should not be to try to control employees' social networking behaviour; rather, it should be used to channel its use in directions that benefit organisations and their employees alike.

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Harnessing the Power of Social Networking

Companies have often played catch-up in understanding how to harness new technologies without over-managing them. In the early years of the World Wide Web, in the mid-to-late 1990s, many organisations feared that employees would spend too much time idly surfing the Web, so they tried to control access. While some employees undoubtedly did waste time that way, many soon figured out how to unlock the power of the Internet to do their jobs better, and the Internet quickly became a tremendously valuable resource for conducting desktop research, tracking competitors and other corporate activities.

The latest technology innovation to hit the workplace is social media—Facebook, LinkedIn, Twitter, Ning, Plaxo, Hi5 and Second Life—that let individuals connect, communicate and share information with revolutionary ease and power.

The growth of these social networks has been staggering, and people are using them everywhere, including in the workplace. That's what has business leaders worried. What are their concerns and how realistic are they?

Productivity loss. While one recent study estimates that social networking costs companies in the U.K. £1.38 billion annually in lost productivity, it's unclear just how severe or widespread the problem really 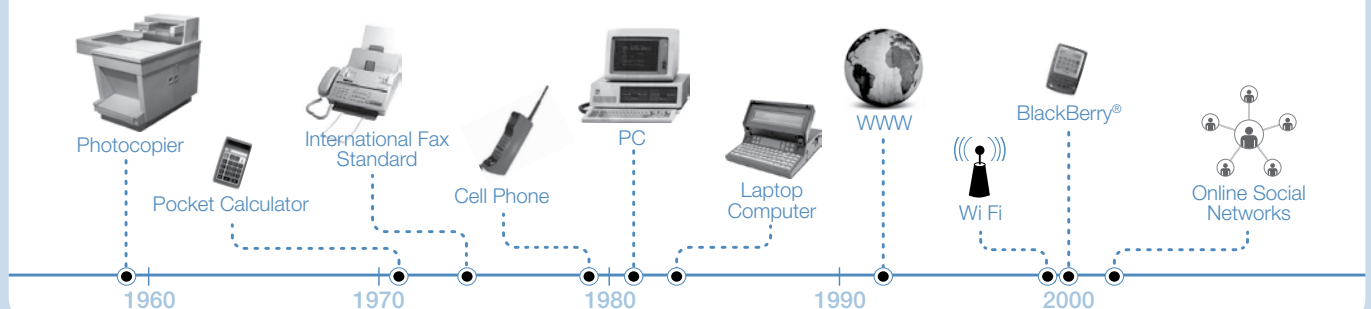is.[1] A new Manpower survey of nearly 34,400 employers worldwide found that just 20 percent of companies surveyed have a formal policy regarding the use of social networks, and of those, 63 percent say their policy is effective in avoiding productivity loss.[2] Just as with Web surfing, there may be little a company can do to forcibly curtail use of Facebook or Ning. If you cut off access altogether, employees can just pull out their iPhones and BlackBerries to get onto these networks.

As social networking increases in popularity, employees, especially younger ones, will blur the distinction between the work use of social media and personal use, redefining the very meaning of work. Employers must get ahead of this curve, finding ways to use social media itself to help employees achieve the proper balance.

Reputation. In 2008, Virgin Atlantic fired 13 flight attendants who had posted their candid thoughts about the company on a Facebook page. Such incidents have become increasingly common. Yet, the Manpower survey shows just four percent of employers worldwide say their reputation has been damaged at some point by employees using social networking.[3] Despite the occasional high-profile incident, the potential for damage to a company's reputation may be lower than many believe.
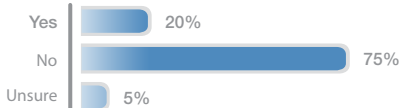
Security. A persistent danger inherent in the use of social networking sites involves the risk of outside intrusions into company IT networks. Such attacks can mean the loss of sensitive data, as well as IT service disruptions. Yet, it is unclear how often social networking

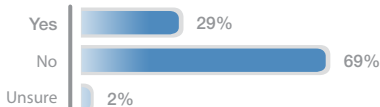## Technology has long transformed the way we work

Photocopier · Pocket Calculator · International Fax Standard · Cell Phone · PC · Laptop Computer · WWW · Wi Fi · BlackBerry® · Online Social Networks

1960 · 1970 · 1980 · 1990 · 2000

Does your organisation have a formal policy regarding employee use of external social networks such as Facebook, Twitter and LinkedIn?

Global

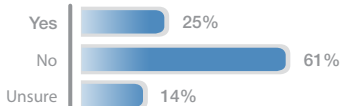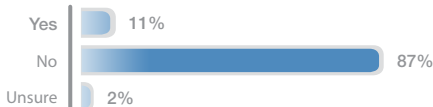|	
Yes	20%
No	75%
Unsure	5%

Americas

Yes	29%
No	69%
Unsure	2%

Asia Pacific

Yes	25%
No	61%
Unsure	14%

EMEA

Yes	11%
No	87%
Unsure	2%

Manpower Inc., Employer Perspectives on Social Networking Survey, 2009.

has enabled such attacks and how much damage they have actually caused. Network security software can certainly help mitigate these risks by blocking access to certain sites. But again, much of the risk lies in the insecure behaviour of employees; only by changing that behaviour can companies take a significant step toward security.

Indeed, social networking raises real concerns about its effect on organisational productivity, reputation and security. Our survey reveals that one in five organisations has instituted a formal policy on employee use of external social networks, mostly to avoid productivity loss.[4]

That doesn't mean, however, that organisations shouldn't develop and enforce formal guidelines on the use and abuse of social networking. But the focus of these guidelines should not be to try to control employees' social networking behaviour, but to channel its use in positive, creative directions that can benefit both organisations and their employees alike. There is no turning back from social media. The key is to unlock its value to the organisation and to embrace its productive use.

Adding Value

Corporate governance processes should not limit the creative and value-adding activities of employees; rather, they should develop an atmosphere and promote a corporate culture that encourages such efforts. Corporate leaders need to look for ways to harness the popularity and business value of social media in order to boost organisational performance and further corporate goals.

Can you easily tap your network of experts or alumni? Can your employees readily collaborate regardless of where they're located? Can you get speedy feedback from your customers on new products and services? Do prospective employees know what your company stands for? Progressive organisations such as Procter & Gamble, IBM, Nestlé, Best Buy and Capgemini, as well as others, are utilising social media to do these things and more.

Twitter, Facebook and other platforms have already proved themselves to be a real boon to business. But we're only just beginning to understand how they can be leveraged, so it's vital to keep an open mind. As was the case with the Internet, employees are likely to come up with some of the most creative ways to use social media to do their work more effectively. However, as with other technological advances that have transformed the world of work—from the telephone to the PC to the Internet— organisations must adapt their culture and work practices to unleash the great potential of social media in the workplace.

Manpower recommends that organisations leverage the connective power of social networking to address the following issues:

Productivity. Social networking can be a real productivity booster. According to public relations firm Burson-Marsteller, more than half of the **Fortune 100** companies have Twitter accounts, and of those, two thirds are using them for such productivity-enhancing tasks as customer service.[5] Typical of such efforts is that of consumer electronics retailer Best Buy. Its recently launched Twelpforce equips customer service representatives with Twitter accounts they can use to answer customers' questions. The system isn't perfect, and it has been criticized by some as being just another advertising venue. But many others claim that it has indeed enabled the company's customer service representatives to more efficiently help more customers.

Collaboration. The world of work has already been significantly transformed by the growing need to collaborate and by the many technologies that promote teamwork. More than 91 percent of companies surveyed by Palo Alto Networks in 2009 use some kind of proprietary collaboration suite.[6] The use of such virtual-meeting and collaboration applications will only grow as teams become more dispersed and the opportunity to work face-to-face diminishes.

"Social networks will become the new operating system of business," says Don Tapscott, the author of **Grown Up Digital** (McGraw-Hill, 2008). As he notes, the younger generation, determined to use social media wherever they are, and soon to become a large percentage of the workforce, will demand these tools as a prerequisite for doing business. The perfect world for many young employees: "Replace job descriptions with work goals and give them the tools, latitude and guidance to get the job done," says Tapscott. Employers who can make peace with this new relationship with their employees will position themselves well to extract the extraordinary collaborative value that social media offers.
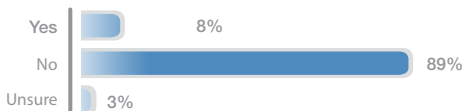
Knowledge management. Companies have long looked for effective ways to capture the knowledge and ideas locked up in the minds of their employees. With the advent of social media, however, they are finding new and creative ways to systematise such efforts. Capgemini, the IT services and consulting firm, has launched an ambitious project to use such applications as blogs and wikis to help connect its 90,000 employees.[7] And public sites have already become a powerful tool for linking together "communities of interest"—groups of people connected by personal or professional interest in a particular subject matter, anything from online marketing to pharmaceutical research. These efforts can prove especially valuable in capturing and transferring knowledge across organisational silos.

Has your organisation's reputation ever been negatively affected as a result of employees' use of social networking sites?
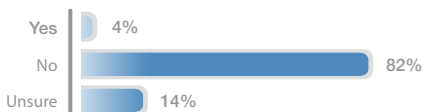
Global

Yes	4%
No	89%
Unsure	7%

Americas

Yes	8%
No	89%
Unsure	3%

Asia Pacific

Yes	4%
No	82%
Unsure	14%

EMEA

Yes	2%
No	93%
Unsure	5%

Manpower Inc., Employer Perspectives on Social Networking Survey, 2009.

Innovation. Companies determined to improve the value of their innovation efforts have been looking beyond their dedicated research and development teams and traditional processes for fresh ideas. The advent of social media has given these "open innovation" efforts a huge boost, by allowing companies to build channels to customers, academics and independent inventors who used to be hard to reach in a targeted and sustained way. IBM has launched dozens of new initiatives and improved their existing offerings and practices based on ideas drawn from its "Innovation Jams," gigantic online brainstorming sessions attended by its global employees, partners and customers. Procter & Gamble has already benefited from its embrace of open innovation, capturing not just suggestions for improving specific products, but entire new product line ideas.

Employee alignment and engagement. Keeping employees intellectually and emotionally engaged in their work is critical to any company's success. Social media is particularly suited for communications intended to keep employees connected to an organisation's mission and vision. For example, leaders can use social media to establish and enhance a two-way dialogue with employees, and reinforce the perception that "we're all in this together." Similarly, company-sponsored social networks can forge critical connections among teams in far-flung offices, helping ensure that employees feel connected to each other and focused on the task at hand. Moreover, the so-called "millennial" generation—now entering the workforce—will demand that they be able to use the same social media tools that keep them so well connected to their friends.

Manpower's own Global Leadership Team meetings take place as a "virtual" event. Leveraging a variety of social media and technology, attendees come together in real time to discuss strategy, share best practices and network right on their PCs regardless of their physical location.

Recruitment. Social networks, particularly professionally oriented ones like LinkedIn, can be helpful for making business connections and recruiting prospective employees. According to a Deloitte study, 23 percent of companies already use social networking as an aid in hiring.[8] However, in the online world, both organisations and individuals must use extra caution to make sure they are dealing with a reputable party.

Reputation management. The growing use of these networks does raise concerns about reputation management for both organisations ("Do people say our company is a good place to work?") and individuals ("Can the Facebook photo of me at a bar turn off a potential employer?"). Never has employer and personal branding mattered more. And as these uses grow, we will need to examine the ethics of tapping into social networks to judge a job candidate (What's the statute of limitations on that photo? Do you need a prospective employee's permission to tap into his network to gauge his reputation?).

Employers cite "brand building" as the most promising use of social media.

- Employer Perspectives on Social Networking Survey, Manpower Inc.

Marketing/Branding/Public Relations.

Fifty-four percent of **Fortune 100** companies use Twitter to connect with customers, and 29 percent have a fan page on Facebook.[9] And respondents to the Manpower survey cited "brand building" as the most promising use of social media.[10] In one such use, Nestlé Confections and Snacks last year invited consumers to log on to Facebook and other sites to pick the latest packaging design for its Goobers®, Sno-Caps® and Oh Henry! ® brands and promised to put the winners on store shelves.[11] Top executives are also getting in on social networking: 30 percent of CEOs have their own Facebook page, according to one study. And companies including IBM and Sony have used social networks to promote their corporate news and social responsibility efforts and to open two-way communications channels to better understand the concerns of stakeholders.

Manpower's operations in Greece now use Facebook as the virtual host of its monthly "open house," where job candidates and clients can meet, network and attend sessions on industry issues, while allowing its executives to stay connected. Thanks in large part to its social networking efforts, which also include LinkedIn and Twitter, attendance grew by 300 percent in the first year alone.

Business continuity and disaster recovery.

The power of social networking to connect large numbers of people simultaneously offers significant advantages when other modes of communication are not an option. Already, a number of organisations— both commercial and governmental—are using social networking technologies such as Twitter to communicate during emergencies, and even issuing traffic reports. The complex business continuity plans developed by every large corporation—which are designed to maintain critical functions during blackouts and IT outages—will only be improved by the increasing use of social networking.

We recommend that companies consider taking the following steps to promote the constructive use of social networking:

Challenge employees to innovate.

Promote the positive use of social media by encouraging employees to come up with ways to use these tools to do their jobs better. People love to discuss their successes, so get employees to describe how they've used social media tools in new ways to generate leads or serve customers better, for example. You can focus these efforts by function or interest, as needed. Follow the lead of so many innovative organisations and run a contest for the best new ideas.

Tap internal experts.

Teach by example by encouraging employees who regularly use social networking in their jobs to discuss and demonstrate how it's done. Keep track of the new ideas that flow from this kind of mentoring exchange and share the ideas and best practices.

Let employees "own" the governance.

The foundation of any healthy social network is an engaged community. Let your employees help develop and enforce your company's guidelines. This approach will certainly appeal to those employees most likely to use social media, promoting trust in the goals of the guidelines that ultimately are instituted.

It is critical not to insist that final policies are set in stone; instead, they should be allowed to change and evolve. After all, social networking technologies and the ways people use them are changing so quickly. Make sure that any social media guidelines are linked to your company's overall behavioural guidelines. The goal is to create a system of governance under which social networking is not seen as an exception, but rather an activity that is intimately connected to your company's overall people practices.

This kind of organisational change requires careful planning and management. Leaders must understand how social media can help their organisation and should look to their employees for ideas. Equally, given the community-based nature of social media, it is important to empower employees to help lead the evolution—an ongoing process to be sure. Every technological change has led to an accompanying, often slower, cultural change as companies adjusted to a new way of working. In turn, the adjustment often led to a new understanding of the meaning of work itself. In the case of social networking, these benefits are real. Only by creatively channeling its use, however, will organisations succeed in reaping those benefits for sustained competitive advantage.

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9 Burson-Marsteller, op. cit.

10 Manpower Inc., op. cit.

11 Nestlé, www.adeliciousdilemma.com, 2009.

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