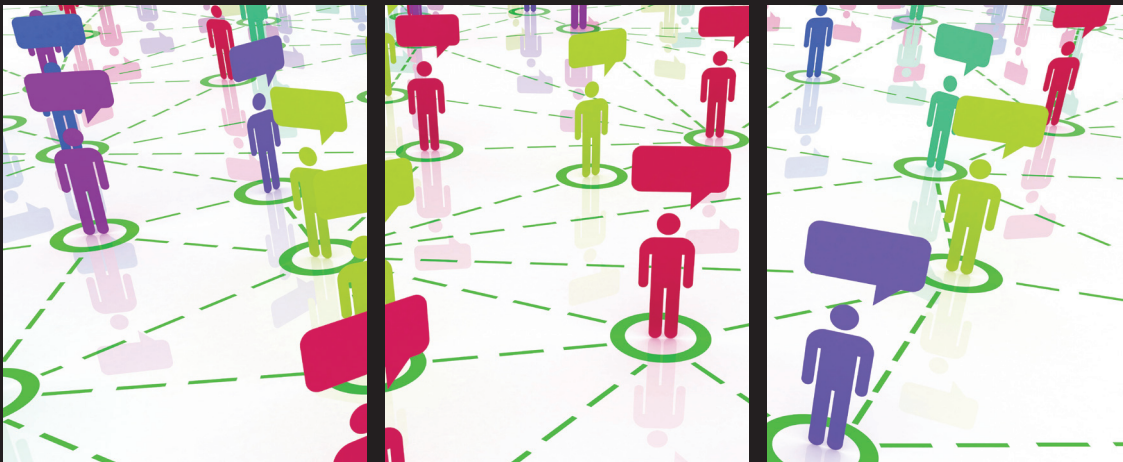


Social Strategies in Action: Driving Business Transformation

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Chapter 1: What is social business?

The rise of social media

The social media experience is personal, social, and mobile, and the way in which consumers use social media continues to evolve. In particular, consumers are moving from:

- Interacting via a browser to using mobile apps;
- Sharing thoughts in articles to posting bite-size pieces of content;
- Sharing text based content to sharing in a variety of media formats, e.g. videos, photos, voice recordings; and
- Delayed communications to discussions which take place more or less in real time.

These advances are made possible by a range of emerging social media tools, along with the rapid advancement in computing power, internet access, and mobile technology at affordable costs.¹

The changes have resulted in a major transformation in the consumer world and have challenged the role of the marketing and PR functions to a point where there is no turning back. In particular:

1. Consumers are in power. They can share, ask questions, and listen to one another. They can own their channels and their own personal brand online. They are no longer passive recipients of the information controlled by companies who buy or own the communication channels;

2. Progressive companies have begun to embrace this power shift (rather than resist it). They learn to listen, engage, and join in the conversations with their customers. While initially the role of engaging with customers rested with chief marketing officers and public relations professionals, it has increasingly been embraced by customer service teams and spread to sales and business development roles;
3. Consumers have raised their expectations in terms of the tools, search functionality, and ease of making business connections at work based on their personal experiences with social media; and
4. New graduates and digital natives expect the use of social media tools when they join any company.

The use of social media in the workplace is playing catch up. In 2008, the year when social media usage surpassed e-mail in employee's personal lives, most business leaders did not see the relevance of using social media within the firewall; social media was considered to be non-business focused and therefore time wasting. Then the early adopters tested some use cases which illustrated why the use of social media can increase employee productivity and effectiveness. These early success stories (and failures) have stimulated increasing interest in the subject.

In 2012, a McKinsey research institute report pointed out a potential productivity

gain of 20–25 per cent using social technologies, unlocking 1.3 trillion US dollars, which resulted in a lot of attention from business leaders.² Gartner also predicted that the use of enterprise wide social media platforms will continue to grow in the next five years.³ As a result, leaders are beginning to ask how they can get started with social media, and where they should start within their businesses.

Defining social business

Social business is the use of social media for business purposes. Andrew McAfee prefers to call it 'enterprise 2.0' and defines it as 'the use of emergent social software platforms by organizations in pursuit of their goals'.⁴ Social business is ultimately about business, which for centuries has focused on creating value by connecting customers, partners, suppliers, and employees. With globalisation and technology advancements, organisations are rethinking business models in order to stay relevant in the highly networked world, where innovation is the norm and competition is stiff.

In this report, 'social business practitioners' are defined as those people who drive usage of the social platform and its embedding within the business. They may have titles such as strategists, champions, leaders, evangelists, facilitators, programme managers, project managers, and in-house or external consultants, and have dedicated responsibilities for introducing social media usage within a company to drive business transformation. A 'social business programme office' refers to a team of such business-focused practitioners who are driving this change.

One opportunity for business transformation is to put people back into the centre of the business, understanding their needs, struggles, and aspirations, and

leveraging instances when they share in order to create value for both the business and the people. In this sense, social business is not business-as-usual or management-as-usual. The implementation of a social media platform without changing the assumptions of how the business relates to people and communicates with them does not make a business 'social'.

Social business is typically understood from two interrelated perspectives:

- One aspect relates to the use of social media in the public domain to reach, engage, and listen to customers, suppliers, and external partners. These initiatives tend to be managed by marketing, PR or in some cases, customer service leaders; and
- The other aspect is the use of social media within an organisation to transform the way employees connect, communicate, and share knowledge (which this report focuses on).

Within the enterprise context, the author defines social business using the LANES principles.⁵ LANES stands for:

- **Lateral** communication, i.e. the approach supports top-down, bottom-up, and lateral communications;
- **All** staff can participate if they want to, i.e. no specialised IT skills are required;
- **Networking**, i.e. building of business and social networking across teams and geographies is enabled;
- **Expertise** visualisation, i.e. the approach makes expertise visible to staff who did not know it existed; and
- **Selfishness** yet helping others, i.e. there is a focus on satisfying the 'selfish' immediate needs of a user, and the

by-product of this is to highlight the business' collective intelligence, which creates value for all staff.

Whilst the picture is still emerging, typical social business use cases within the firewall focus on:

1. Innovation – crowdsourcing ideas from employees, inviting them to build on one another's ideas and voting for the best;
2. Employee consultations – seeking input and ideas to drive improvement in business processes;
3. Online internal communications – increasing staff engagement with a new style of newsletter and executive communications;
4. Knowledge marketplaces – creating a place to allow people who do not know one another to interact, for example with a Q&A forum, or the ability to anyone a question at an 'online water cooler';
5. Expert communities – connecting people who share subject matter expertise (e.g. .Net developers, regulatory experts) so they can learn, discuss ideas, and share best practices and mistakes with one another;
6. Knowledge bases – using the social intranet to create and curate product and marketing materials and share them with the sales team. This can also include subject matter experts blogging their insights to reach a broader audience;
7. Product innovation and life-cycle management – enabling product teams to gain insights from client-facing teams to enhance products and build employees' excitement to share new product releases;
8. Expertise location – finding experts based on the content they share or comments the post; following experts so their updates and knowledge 'follow' the employees;
9. Events management – building and continuing momentum for strategy meetings or employee events;
10. Process improvement – streamlining business processes by bringing unconnected and fragmented processes, content, updates, meetings, and Q&As all in one place, e.g. for account planning, safety logging, and risk management processes;
11. Project management – enabling project managers to connect with project team members, sharing updates, meeting minutes, project documents, and facilitating discussions;
12. Sales enablement – connecting the sales team to align priorities, developing account plans or pitch decks, connecting the global sales team to share client insights to spot opportunities (some call this 'social CRM'), and sharing real time market and competitor insights;
13. Operational efficiency – reducing support costs, building a dynamic knowledge base, and improving response time to support questions;
14. Learning and development – enabling social learning to allow deeper self-reflection and learning from peers, enabling leaders to reflect and share leadership experience to help junior staff to learn, and improving job morale and job satisfaction by enabling employees to learn on-the-job in real-time;
15. Onboarding new hires – enabling new colleagues to tap into the global network on day one; and

16. Research and development – collecting market research and competitors’ insights from external sources and publishing latest research findings to reach followers.

These use cases can be implemented by companies varying in size and industry, regardless of the social media technologies used. The way in which these use cases are initiated, who takes the lead to drive change in work practices and process change, and the outcomes of these differ greatly. Some use cases are initiated by CEOs and senior executives, others are initiated by junior staff with a passion for a social way of working. Some companies have invested in ‘centres of excellence’ to coach businesses to drive changes in work practices, others rely on the IT team to educate staff on how to use the new set of features. The outcomes range from highly successful (which typically get promoted by vendors and consulting companies) to complete failures (which typically lead to the conclusion that organisational culture is a real barrier to change). There are many businesses which fall in between.

The use cases presented in this report focus on the use of social media within organisations by a number of large multinational corporations who have at least three years of experience rolling out social business with business sponsorship and some strategic direction from the top management. Although these companies have invested in different social business platforms (i.e. SharePoint, Yammer, Jive, Newsgator, etc), the use cases presented in this report are technology agnostic. The author and use case contributors do not endorse any social business platforms. The focus of the discussion is not on the product features, but on the business context. Note

that, whilst these studies reflect actual use cases, some have been anonymised in the interests of confidentiality.

Social strategies and business transformation

What will happen when social business (within the firewall) becomes mainstream and part of the employees’ day-to-day productivity toolkit? How will it transform business and management practices? How much is it going to change the status quo? How will the relationship between business management and the employees be transformed? What will it look like? How do we take the steps to get there? This report provides a glimpse of the emerging patterns. As more businesses enter into the new territory, more learning will occur, and the answers will continue to evolve.

Drawing on personal experience, industry research findings, and discussions with professionals in this area, the author expects the following will change as social business becomes embedded within the firewall:

- The relationship amongst employees;
- The relationship between management and employees;
- How people search for information (thus impacting on traditional content management, document management, intranet, knowledge repositories, and the role of information professionals);
- Internal communication practices (thus impacting on the pattern of e-mail usage, employee engagement events, and the role of internal communication managers); and
- How people learn on-the-job and how subject matter experts share knowledge (thus impacting on talent management, and learning and development programmes).

For those business leaders who want to address these major shifts (although, as Euan Semple points out, social business is not for every business),⁶ they have to apply a new set of principles and practices around the future of work and business. They will have to develop a new set of values and rules for defining them.

As social media is a communication platform, an important principle that business leaders must reflect on and rethink is how communication happens to enable employees to exchange ideas and share knowledge. What communication practices worked and what did not work prior to the rise of social business? Unless effective communication happens (and this does not happen spontaneously or by chance), social media usage in the workplace will only increase the quantity of content exchange, without necessarily improving communication. This comes from bridging gaps, listening to diverse views, debating in a constructive manner, unlearning, and creating new knowledge. Unless communication is improved, it is not possible to fully reap the benefits of social media. This will be further explored in the next chapter.

There is no recipe to run a social business. Each business is unique and has its own vision, goals, and organisational DNA. Whilst each business has its own history, it operates in the present and has aspirations for moving into the future. Each business has its own management style. Each business is made up of employees who have habits and mindsets as to how work gets done there.

The art of introducing social business is to understand the business goals, recognise the dominant company culture, understand the employees' day-to-day work experiences, and the current pain

points they face. By drawing on the present realities, opportunities can be identified where social business can resolve issues, transform ineffective practices, and create value for both the business and each individual employee. As David Snowden advised, a co-evolution approach is required to drive change. This involves starting with the current set of behaviours and mindsets, introducing fail-safe use cases which can potentially lead to positive business impact, sensing and observing along the way, identifying the emerging patterns that work (and destructing patterns which do not help), and understanding the contexts in which they work, and then replicating the pattern in similar contexts.⁷ Over time, the emerging patterns will become common patterns and as a result new business processes and new roles will be established to support the social business. The use cases presented in this report form the emerging patterns to shape the future landscape.

How long does it take to establish a social business? The author argues that what McAfee calls 'enterprise 2.0' requires 'leadership 2.0'. As a result, the answer depends on senior management, middle management, and individual employee's commitment to embrace people-centred business management practices. Such practices involve two-way communication, connecting employees with different views, talent development and empowerment, increasing motivation, and improving employees' experiences of getting their work done. Implementing a social business technology platform may take a week to a few months. Embedding new social business practices to change the organisation's DNA is going to take years.

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