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# Communications: Internal networks let employees make better use of their skills

By Sarah Murray



Wide network: social media is a useful in-store tool

Staff members at Lowe's, the US DIY chain, give plenty of home-improvement tips to shoppers, but they are rarely called upon for advice on wildlife.

However, when a customer presented workers with a photograph of two snakes hanging out of a domestic vent and asked them what to do, modern media provided the answer.

Using the company's internal social network, the employee found a colleague who could identify the snakes as harmless, explain that there was probably a bird's nest in the vent and that the snakes were seeking food, and told the customer how to remove them safely.

“That all happened with a retail store employee leveraging the social network in the Lowe's organisation to help someone who came into the store,” says Jeff Schick, vice-president of social software at [IBM](#), whose clients include Lowe's.

Instant access to an organisation's expertise is among the many benefits of using corporate social technology. However, when it comes to using social media as a strategic tool that can enhance every aspect of business operations, companies must grapple not only with the technology, but also how to manage it.



Some are still struggling, according to the 2012 Hype Cycle for Social Software report from Gartner, the research firm. “While the advancement

in the business use of social technologies reflects a significant step forward, there is still a great deal of confusion, hype and risk aversion, which holds many business executives and IT leaders back from pursuing social initiatives,” says the report.

Even so, adoption rates are rising. In 2011, according to a McKinsey survey, corporate social networking increased its lead over technologies such as blogs and video sharing, with 72 per cent of respondents saying their companies used at least one social technology.

According to Gartner, the “consumerisation” of technology (the influence of consumer-originated technologies on businesses) is “in full force” when it comes to social media.

“We’re seeing everything from enterprise [corporate-specific] social networking to wikis, blogs and micro-blogs,” says Michael Chui, an expert on social media in companies at McKinsey & Company, the global consulting company.

Much of the value of social technology lies in its ability to make collaboration and communication easier, speeding up everything from the exchange of information on rogue snakes to product and service development.

When employees across an enterprise are connected, improvements in operational efficiencies can also be accelerated, whether that is fine tuning a process such as account openings in a bank or transferring insurance claim processing from call-centre support to an online service.

“This is all about changing the process,” says Mr Schick. “You’re providing the ability for people to work with experts and have the right sort of information they need to make decisions.”

Social tools can also be applied to talent management. Rather than simply posting job ads, companies can now tap into sites such as LinkedIn to search for candidates, saving time and money.

“Social is a fantastic opportunity for recruitment and understanding where talent is,” says Peter Sieyes, associated vice-president of consumer marketing for Infosys, the Indian IT consultancy. “Before, you had to go out and find an individual, but now you can understand that individual via their network. So the recruitment process has become much richer.”

As former head of digital marketing for Diageo, Mr Sieyes also sees opportunities for companies to use social networking to make better connections with consumers. “The old model of marketing was the funnel,” he says. “Reach as many prospects as possible and hope to convert them into a loyal consumer.”

Social media greatly expands this effect by converting active, influential social media users into loyal consumers and getting them to spread the word via their networks. “In the new world, the opportunity that social provides is to be more efficient in the spending of marketing dollars,” says Mr Sieyes.

But corporate social media tools need to be carefully managed. For a start, social interactions across an enterprise generate vast amounts of data. If properly analysed, companies can use this to capture valuable information, for example, or to identify sales representatives meeting or exceeding revenue targets.

“You can measure demonstrable return on investment from social capabilities but analytics and the ability to derive metrics are important factors behind that,” says Mr Schick.

Most importantly, however, reaping rewards from social enterprise software requires more than an understanding of the technology. Human and organisational factors are equally vital.

Mr Sieyes advocates a hub-and-spoke approach, with a group of social-savvy senior executives at its heart

who have decision-making power, with the spokes being the different functions that connect to the rest of the business.

“That’s critical because, however you come at this, it has cross-functional implications,” Mr Sieyes says. “From day one, social needs to be thought of as an enterprise-wide strategy.”

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