Employers Adjust to New World of Social Networking

The Buzz

If you've spent time using social networking sites such as Facebook and Twitter -- and studies show that most of you spend plenty of time using them -- then you've been gaining skills that many employers value.

After a lot of initial concern, employers in most industries are starting to embrace social media as a way for employees to connect with each other, as well as with suppliers, customers and business partners. It's also a way for employees to help promote their companies to the general public.

"I think for the most part the ones that have been hesitant are starting to realize that they have to jump in the game -- that they have to be out there with the competitors and they're missing something [if they don't]," says social media consultant Greta Perry. "For example, I just sat down with a restaurant [owner] and he knows people are talking about him on the Web, and he figures he probably better figure out what they're saying and be proactive. So I think most are getting on board now."

As you might expect, companies in the marketing and sales industries have been especially quick to adopt social media and to let their employees use it in the workplace.

"The ones that are focused on sales and marketing are definitely embracing it," says social media consultant Tammy Munson. "They are seeing the value in it. They see what it can do for them in terms of not only just sales and marketing, but creating that community which ultimately down the road creates the customer loyalty that they're looking for."

Other industries have been much slower to embrace social media. Three types of companies that are less likely than others to use social media tools are government services companies, financial services companies and energy companies. This is according to a 2010 study of the fastest-growing private U.S. companies. The study was conducted by the Center for Marketing Research at the University of Massachusetts Dartmouth.

Those three industries are all highly regulated. They are slow to adopt social media due to government regulations and concerns about client privacy. This is starting to change, however, as specialized social networking sites are cropping up to comply with this (and similar) industry's privacy concerns.

The Center for Marketing Research study also found that, overall, social media adoption is widespread. In fact, 83 percent of respondents used at least one of the major social media tools such as Facebook, Twitter, Foursquare, MySpace and LinkedIn.

Companies wanting the benefits of social media without most of the risks are using private, internal social networking tools. One such tool is Yammer, which is used by more than 100,000 businesses worldwide. It lets employees write blogs, create profiles and communicate with each other, but all of that activity is kept internal. Nobody outside of the company can view any of it (unless they are granted access).

Many businesses and other organizations continue to use software to block their employees from accessing certain external websites. The two sites most commonly blocked by business networks in 2010 were both social networking sites: Facebook was blocked by 23 percent and MySpace was blocked by 13 percent. This is according to a report by OpenDNS.

"The challenge for companies is balancing the benefits of social media in the workplace with the risks," says Dave Willmer, executive director of Robert Half Technology. This is from an April 13, 2010 news release.

Willmer adds: "Firms are evaluating how to help employees use social networks to keep pace with developments in their industries, stay connected with business contacts and promote their organizations without sacrificing information security or employee productivity."

A survey conducted in 2010 by Robert Half Technology found that 38 percent of chief information officers (CIOs) have implemented stricter social networking policies. Another survey by Robert Half in 2009 found that 54 percent of CIOs block sites such as Facebook, Twitter, and MySpace in the workplace.

Clearly, there's a long way to go before social media is entirely accepted in all workplaces. Partly this is due to the newness of it. Most of those people currently in management positions haven't grown up with it, so they're taking a cautious approach.

While concerns about privacy are keeping some companies away from social media, another concern is that employees will post things on social media sites that will reflect badly on their employer. And a big concern for many employers is that employees will simply be wasting time if they're allowed to access social media at work.

"Most of the companies that we see blocking it are for security reasons and also [because of concerns about] wasting time," says Munson. "And some of them, they just don't understand it, they don't get it.

"They think, 'Oh, that's just stuff for individuals, that's just stuff to waste time, there's no value in it for our business, our customers, our marketing plans,'" Munson adds. "But once they start to see the light and you actually show them, 'Here's your return on investment that you're going to get from this' -- once you show them that, then they're a little bit more on board with it all."

Dr. James Norrie studies the adoption of social media by businesses. He's the associate dean of administration at a school of management at a university.

"We've discovered some interesting things about rates at which industries adopt," says Norrie. "...[T]hey adopt very much based on a risk profile, so more conservative organizations [such as] financial services and government services are both examples of industries that tend to lag, they tend to come to the party later -- usually at least past the midpoint of the curve in terms of adoption, in comparisons of industries. Some of that has to do with concerns about security and testing the technologies, waiting to see what's going to be proven."

Perry has worked with many owners and managers who are waiting to see what's going to be proven. Therefore, they resist social media at first. Often, employees know more about social media than their employer does.

"I think it's usually from the top -- the owner or the manager doesn't always consider the positive benefits from the use of social media," says Perry. "Telling a business that you would encourage their employees to use Foursquare is awkward because the owner may not even be aware what Foursquare is -- and then you're trying to sell something to a company that they may not understand. But when you tell them their employees are already using it, then they're kind of like, 'Gee, that's not a bad thing.'"

Perry helps business owners to appreciate that social media can be a great way for their employees to get the word out about the company.

"They're using it anyways, and if they like your business and are promoting it anyways, then that's a bonus for you," says Perry. "I always say it's a great endorsement for the company."

There's also danger when employees discuss their company on social media sites. "If they're having a bad day and you're on their Facebook and you see that (them saying something negative), then there's the flipside to that too," says Perry.

"[So] there can be negative results from that as well," Perry adds. "As much as you can embrace social media, there's always going to be somebody scorned or something negative that can come up on it when you allow your employees to embrace it."

It's not just employers who should be concerned about what their employers are saying. As a current (or future) employee, you should also be cautious about what you post online.

"I am adamant that young people need to be cautious of their digital footprint," says Perry. "It is imperative to have a clean digital footprint -- and almost impossible... I know people in human resources, and Joe Schmo sends them a letter or a resume that looks really great, and then the picture showing up [on a social media site] is him chugging a keg of beer. So, yeah, your digital footprint is definitely an issue."

Despite the concerns for both businesses and individuals, it seems that social media will continue to grow in use. Being aware of its strengths and weaknesses will help you as an employee, and perhaps someday as a manager or as the owner of your own business.

Says Munson: "Ultimately, for a CEO or a business owner, it really comes down to: do you trust your employees enough to have that [social media] out there for them, to utilize the things that they need to utilize, but still get the job done at the end of the day?"

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Five Ways to Sell Social Media Internally
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