

## INTERACTIVE SESSION: MANAGEMENT

### IS SOCIAL BUSINESS WORKING OUT?

Social networking has never been more popular, with social tools accounting for 20 percent of all online activity, according to ComScore. Many of today's employees are already well versed in the basics of public social networking using tools such as Facebook, Twitter, and Instagram. Larry Ellison, head of the giant software firm Oracle, even went so far as to declare that social networking should be the backbone of business applications and that Facebook is a good model for how users should interact with software. But when it comes to actually using social tools for internal business purposes, the results have been mixed.

Information Week's 2013 Social Networking in the Enterprise Survey found that only 18 percent of respondents believed their internal social networking programs were successful. The Information Week survey cited lackluster adoption as a major obstacle to success. As with many technology upgrades, companies that have tried to deploy internal social networks have found that employees are used to doing business in a certain way, and overcoming that organizational inertia can prove difficult. IT leaders hoping to switch to a more social, collaborative office culture usually find that most employees still prefer to use e-mail, for example. The employees may feel too time-pressed to learn a new software tool.

Employees who are used to collaborating and doing business in more traditional ways need an incentive to use social software. Most companies are not providing that incentive: only 22 percent of social software users believe the technology to be necessary to their jobs. You might join Facebook because all your friends are on it, but in the workplace, ease of use and increased job efficiency are more important than peer pressure in driving adoption.

IT organizations need to take charge to ensure that the internal and external social networking efforts of the company are providing genuine value to the business. Content on the networks needs to be relevant, up-to-date, and easy to access; users need to be able to connect to people that have the information they need and that would otherwise be out of reach or difficult to reach. Social business tools should be appropriate for the tasks on hand and the organization's business processes, and users need to understand how and why to use them.

In the summer of 2009, the NASA's Goddard Space Flight Center launched a custom-built enterprise social network called Spacebook to help small teams collaborate without e-mailing larger groups. Spacebook featured user profiles, group workspaces (wikis, file sharing, discussion forums, groups), and social bookmarks. Very few users adopted it, and Spacebook was decommissioned on June 1, 2012. According to Kevin Jones, a consulting social and organizational strategist at NASA's Marshall and Goddard Space Flight Centers, Spacebook failed because it didn't focus enough on people. It had been designed and developed without taking into consideration the organization's culture and politics. No one knew how Spacebook would help them do their jobs, as opposed to an existing method of collaboration such as e-mail.

Despite the pitfalls associated with launching an internal social network, there are companies using these networks successfully. For example, Red Robin, a chain of 355 restaurants with over 20,000 employees, uses social networking to give its front-line employees who interact with customers a greater voice in the company. Chris Laping, Red Robin's CIO and senior vice-president of business transformation believed that engaging these workers would also increase employee loyalty.

Red Robin decided to try out Yammer, which is referred to as a "Facebook for business." Yammer lets people create conversations, perform status updates, upload and share files, and set up workgroups for small project teams. The social collaboration software would allow Red Robin to get out a message and receive immediate feedback, so that the company could rapidly make modifications. For example, when Red Robin introduced its new Tavern Burger product line in April, 2012, it was able to refine the recipes and operational procedures in restaurants in about four weeks. The process would have taken 6 to 18 months in the past. Guests reported their feedback to servers in the restaurants, who relayed this information to their managers. Then all the managers got together right away on Yammer.

Red Robin used a viral approach to drive adoption. In the first month, 20 to 25 employees started using it and invited others. Membership spread quickly and Red Robin wound up with two Yammer networks:

## 98 Part One Organizations, Management, and the Networked Enterprise

"Yummiversity" is a network for training employees, while "Yummer" is a network for restaurant managers, regional managers, and corporate office members to exchange information and respond to questions from the field staff. Yummer provides a voice for the company's front-line workers. In the past they would pass information up the corporate management chain, but rarely received feedback about what was done with the information.

Yummer also provided the foundation for the company's "Blueprint Project" designed to identify the best employee idea for cutting expenses without negatively impacting the customer experience. Thousands of people contributed ideas to compete for a \$1000 prize. The winning entry was from a

Seattle location manager who proposed replacing disposable child beverage cups with reusable ones. This seemingly small change produced a six-figure savings for the company.

*Sources:* David Lavenda, "How Red Robin Transformed Its Business with Yummer," *Fast Company*, February 6, 2014; James Niccolai, "Ellison: Facebook the New Model for Business Applications," *IDG News Service*, January 30, 2014; Margaret Jones, "Top Four Social Collaboration Software Fails," *SearchConsumerization.com*, accessed February 3, 2014; Michael Healey, "Why Enterprise Social Networking Falls Short," *Information Week*, March 4, 2013; Debra Donston-Miller, "10 Ways to Foster Effective Social Employees," *Information Week*, March 6, 2013; Jacob Morgan, "How to Market Collaboration to Employees," *Information Week*, March 21, 2013; "www.nasa.gov, accessed February 20, 2014; and Justin Kern, "Enterprises 'Like' Social Networks, Don't 'Love' Results," *Information Management*, February 28, 2012.

### CASE STUDY QUESTIONS

1. Identify the management, organization, and technology factors responsible for impeding adoption of internal corporate social networks.
2. Compare the experiences for implementing internal social networks of the two organizations. Why was one more successful than the other? What role did management play in this process?
3. Should all companies implement internal enterprise social networks? Why or why not?

Place (location) also inhibits collaboration in large global or even national and regional firms. Assembling people for a physical meeting is made difficult by the physical dispersion of distributed firms (firms with more than one location), the cost of travel, and the time limitations of managers.

The collaboration and social technologies we have just described are ways of overcoming the limitations of time and space. Using this time/space framework will help you to choose the most appropriate collaboration and teamwork tools for your firm. Note that some tools are applicable in more than one time/place scenario. For example, Internet collaboration suites such as Lotus Notes have capabilities for both synchronous (instant messaging, electronic meeting tools) and asynchronous (e-mail, wikis, document editing) interactions.

Here's a "to-do" list to get started. If you follow these six steps, you should be led to investing in the correct collaboration software for your firm at a price you can afford, and within your risk tolerance.

1. What are the collaboration challenges facing the firm in terms of time and space? Locate your firm in the time/space matrix. Your firm can occupy more than one cell in the matrix. Different collaboration tools will be needed for each situation.
2. Within each cell of the matrix where your firm faces challenges, exactly what kinds of solutions are available? Make a list of vendor products.
3. Analyze each of the products in terms of their cost and benefits to your firm. Be sure to include the costs of training in your cost estimates, and the costs of involving the information systems department, if needed.