

Organizational Transformation for Social Media

The Growing Importance of Social Media

Social media is changing the nature of business. In both the B2C and B2B sectors, organizations can no longer afford to ignore sites such as LinkedIn, Facebook and Twitter if they are to remain competitive and exploit the opportunities for business growth, while managing the risks. However, effective participation in social media often requires a major change in organizational culture and mindsets, not to mention new types of skills and expertise and re-aligned business systems. Many organizations lack understanding of this new business world and are not adequately prepared to reap the benefits and manage the risks of social media.

The Impact of Social Media on Business

Social media is changing the rules of business and the nature of business relationships, creating new opportunities for organizations but also new risks and challenges. Some of the most important developments include:

- *Shift in influence and control:* Organizations have far less control over the ways they are perceived by customers and clients, the public and other stakeholders. People now go online to obtain information and trust more in review sites than official marketing. There is an ongoing interactive online dialogue about companies and their products, and these organizations must participate effectively in this in order to promote and protect their brand image and reputation.
- *Blurring of professional and personal lives:* There is a high level of online visibility and transparency relating to individuals and their characteristics and behaviour, with many people having social profiles that record information about their jobs as well as their personal lives. This has two main business implications: a vastly increased availability of information for research and marketing purposes, and risks associated with the online behaviour of employees. Organizational policies as well as training are needed to ensure that firms can make best use of the available information while managing the risks of social media usage.
- *Relationships and networks:* Networks have always been important for firms – providing “strong” and “weak” ties (Granovetter, 1983) that offer different but equally important benefits in relation to knowledge transfer, access to resources and business support. Most people are now members of vast interconnected social media networks and mainly communicate by electronic means. As a result, it has become much easier for firms to develop “weak” ties with individuals or other organizations that are not well known to them but occasionally useful, and considerably more difficult to develop and sustain strong ties based on frequent and personal contact.

The Art and Science of Transformation® for Social Media

Changing business paradigms, such as those brought about by the emergence of social media, often require organizations to undergo extensive transformation of their existing organizational cultures and ways of doing things. Developing knowledge of specific social media sites and tools, which are rapidly changing, is less important



than ensuring the organization has the right environment and expertise to secure business benefits from social media participation while managing the risks.

Too often, however, organizational transformations go wrong because of an over-emphasis on the “science” - the tools and techniques of strategic planning, project management, finance and so on - and a neglect of the softer, people-related factors or soft skills, or the “art” of transformation. Any transformation initiative requires the right combination of art and science.

- The science of transformation for social media involves securing the necessary technical knowledge and expertise to successfully implement the organizational changes needed for effective social media usage, and to develop, manage and monitor a social media business strategy.
- The art of transformation for social media involves ensuring that the organizational culture and values support the use of social media, and that individuals at all levels of the organization possess the right skills and attributes for effective participation in social media and online relationship building.

Art and science based transformation thus needs to occur at both organizational and employee level: the organizational environment must support the social media strategy, and the employees must have the right types of art and science skills and expertise to deliver it.

The important first step for effective transformation for social media therefore involves conducting a readiness assessment, in which the existing organizational culture, processes and expertise are reviewed and potential organizational or employee-level barriers to successful social media usage are identified.

Transformation for Social Media - Organizational Level

At organizational level, an understanding of the art of transformation is necessary to ensure that the organizational culture is conducive to the use of social media. Some essential values and cultural attributes include visionary leadership, openness and transparency, creativity, trust and empowerment and a customer focus. Appropriate organizational norms can be promoted through a process of communicating the desired new business objectives to employees and involving them in a process of translating these to their own areas of work.

The science of transformation at organizational level involves ensuring that the organizational systems and processes are in place to support implementation of the social media strategy. For example, these include an appropriate technological infrastructure and tools, including those designed to monitor and report on ROI; training and development systems to provide staff with necessary skills and expertise; formal policies and guidance, and staff appraisal and compensation systems that reward the types of behaviours associated with effective social media use.

Transformation for Social Media - Employee Level

The specific mix of art and science skills required for individual participation in social media will vary according to the specific roles and responsibilities of staff. Overall, the organization needs to ensure that it identifies the full range of art and science



skills needed for the effective use of social media, and carries out recruitment, redeployment or training and development of staff to address any gaps.

For example, key art skills needed by employees who design social media projects or represent the organization online include business acumen, strategic thinking, interpersonal and online communication skills, risk awareness, creativity and flexibility. Important science skills include project planning and project management expertise, knowledge of risk identification and management techniques, analytical and problem solving abilities and technical expertise in the use of social media sites and monitoring tools.

Establishing a Social Media Strategy

Once the readiness assessment has been conducted and the necessary measures taken to prepare the organization for effective social media participation, the following steps are essential for the development and implementation of a social media strategy, all of which require a combination of art and science skills and expertise.

- *Business Case:* A robust business case for the social media strategy should be developed, providing the basis for developing specific goals and objectives as well as a justification for the necessary investment in resources and a means of measuring the ROI in both quantitative and qualitative terms.
- *Design:* The next stage is to design a strategy that is optimized to deliver the outcomes efficiently and cost-effectively. This requires knowledge of popular and emerging social media sites and techniques and the ability to link these with the defined business objectives. A well-designed social media strategy will generally combine various social media and online marketing methods and techniques to best achieve these objectives.
- *Implementation, Risk Management and Monitoring:* The strategy should be implemented with adequate communications and guidance to ensure employees understand and are able to carry out their roles and responsibilities. The outcomes and business impacts of the strategy should be continually monitored, evaluated and reported to organizational leaders and employees, and the strategy should be modified and updated as necessary to maximize its ongoing benefits for the organization.

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