



How to Get Real Value from Enterprise Social Networks

By John Gerstner

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The vision of a workplace that is much more connected, human, collaborative and agile as well as downright fun is enticing companies of all sizes to inject a new word into their workplace vocabulary: social.

It's not a perfect word to use inside organizations, as it carries a lot of baggage and misconceptions, but so-called enterprise social networks are starting to enter the workplace at a quickening pace.

Market research firm IDC forecasts that the compound annual growth rate in the enterprise social software category will be 42 percent through 2015, with worldwide spending climbing to nearly \$4.5 billion in 2016.

Change Needed

Certainly, the current workplace we all know and love to complain about is ripe for change. There is an excess of meetings, e-mails, interruptions, silos, duplication of effort and delayed decisions as well as a shortage of open communication, trust, collaboration, innovation and excitement.

The truth, some experts say, is in the employee engagement numbers that are at or near all-time lows. Only about a third of employees are engaged, half aren't and 16 percent are creating trouble by being actively disengaged, according to a February 2015 survey by Gallup.

Added to that, every week businesses waste 5.3 hours per person due to inefficient processes. And knowledge employees spend 25 percent of their time just looking for information, according to a 2010 IBM study.

Into this sea of opportunity, enterprise social networks are being trumpeted as white knights ready to rescue damsel organizations from their distress. Enterprise social networks function much like Facebook but can only be accessed internally, by employees who work for the company.

Enterprise social networks claim that the return on investment when using these tools is great—including a 15 percent spike in employee productivity, a 2 percent to 4 percent increase in top-line revenue and a 34 percent reduction in e-mail load.

These results are not out of line with studies conducted by both research firms McKinsey & Company and Gartner on the benefits of digital social collaboration in large corporations:

- Increased speed to access internal experts—52 percent.
- Increased access to knowledge—77 percent.
- Increase in number of successful product innovations—28 percent.

- Increase in employee satisfaction—41 percent.
- Reduced time to market—29 percent.
- E-mail reduction—25 percent.

Companies with the highest number of “interaction workers”—high-skilled knowledge workers, including managers and professionals—can expect the highest productivity improvements through faster internal communication and smoother collaboration, according to a McKinsey Global Institute report.

The Trouble with E-mail

Most of the gains will come by reducing the time employees spend reading and answering e-mail, searching and gathering information, and communicating and collaborating internally. According to the study, the average interaction worker spends an estimated 28 percent of his or her workweek managing e-mail and nearly 20 percent looking for internal information or tracking down colleagues who can help with specific tasks.

While an e-mail may warrant one or two responses to a question, sending a query through an enterprise social network becomes part of the activity stream that is a free-flowing channel of questions, announcements and ideas submitted by employees across the company. The chances of getting an answer are now much higher—and the answer will likely be better because it will be crowdsourced by employees. The thread of answers from multiple experts the seeker never knew existed will shed new light, drive other pertinent questions and even correct earlier answers.

Plus—and this is big—the knowledge that surfaced in the thread that started the query is archived and easily found by other employees who might need similar information later. Because the replies to an e-mail are stored only temporarily (without a special request), no one else can benefit from the same information later.

“E-mail is where knowledge goes to die,” is the way Bill French, founder of iPad resource company iPadCTO, sums up this e-mail versus enterprise network deficiency.

“Activity streams fundamentally change how companies do business, unlocking the vast amount of information generated by everyday operations and making it instantly available across previously defined boundaries,” according to Socialtext, a company that produces enterprise social software.

“Activity streams humanize every business process inside a company, adding a social layer to data and opening up real-time collaboration. Activity streams are the future of enterprise collaboration.”

Bryce Williams, social collaboration consultant at global health care company Eli Lilly, told *CIO* magazine, “I answer one question for 18,000 people. I never have to ask the same question twice. If someone asks the same question, I just link to the answer.”

There’s another subtle but critical difference between e-mail and posts to an enterprise social network. When a question is answered or an idea is posted to the network, it is shared with everyone in the organization.

“It’s a totally different mindset,” says Michael Idinopulos, writing on the Socialtext blog. “When I go through my e-mails, it’s a series of updates—usually reactive—to individuals: Don’t do this; that is approved; can’t make this meeting; missed you at that conference.

“When I go through Signals (a post in a Socialtext activity stream), it’s an opportunity to model, to muse, to question, to inspire in a uniquely public and transparent way: This is how we should think about this; help me understand that; I’m making this a personal priority; let’s celebrate the awesome job she did on that. This is work that adds to my energy, rather than taking it away.”