7 Steps to Achieving a Successful Enterprise Social Network:

A Guide to Planning for Success

clearvale®
by BroadVision

Executive Summary

After the swift and ubiquitous adoption of social networking sites like Facebook and Twitter among consumers, many businesses have been moving to recreate some of that success within their enterprise. Enterprise Social Networks are the result. The goal of these networks is to leverage social communication and sharing to increase collaboration and productivity with customers, partners, and employees.

Recent research from McKinsey Global Institute estimates that social networking could potentially contribute between $900 billion and $1.3 trillion in annual value in just four industry sectors, and that two thirds of this value lies inside the company, not on consumer or personal social networks. More specifically, the McKinsey study found that companies using social technologies realized measurable benefits such as:

- 25% less time spent on emails
- 35% less time searching for information
- 20-25% improvement in knowledge worker productivity

When approached with clear goals and mandates, enterprise social networks add efficiency, transparency, and serendipity to business collaboration. This drives faster, more informed decision-making, faster sales cycles, and better responsiveness to customers.

This guide identifies some of the pitfalls to avoid when making this social business transformation, and gives a step-by-step adoption process for those wanting to explore how an ESN supports and enables collaboration and real work in the enterprise.

The Social Enterprise Transformation

In the last few years, business attitudes about social networks have shifted. Not long ago, managers were terrified of proprietary information and company secrets being leaked on Facebook and Twitter, and perceived internal use of social networking as a waste of time. Now, companies without an established presence on public social media sites are few, and more businesses are exploring and adopting the benefits of social networking for business collaboration.

Contributing to this change are compelling statistics, such as those in a recent report from McKinsey Global Institute[1], which estimates that social networking could potentially contribute between $900 billion and $1.3 trillion in annual value in just four industry sectors. And where most business use of social networking to date has been external-facing, the MGI report finds that *two thirds of that potential value lies inside the company.*

Despite these positive indicators, actual success has been mixed. Many ESN projects fail to gain the wide adoption hoped for, and the trend has been to blame the technologies used. What is increasingly apparent, however, is that this explanation does not account for a variety of factors and is too simplistic.

What companies have found is that the hardest part of a move to social collaboration is getting started, along with implementing the cultural work changes required for success. It takes planning and an understanding of common adoption pitfalls. For example, expectations that successful business network adoption will come from the ground up, spreading virally, have generally been proven false. Approaching a project with a clear adoption strategy will substantially increase chances of a successful outcome.

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> —*"The Social Economy: Unlocking Value and Productivity Through Social Technologies,"* McKinsey Global Institute, July 2012.

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1   http://www.mckinsey.com/insights/mgi/research/technology_and_innovation/the_social_economy. McKinsey Global Institute, July 2012.

Common Pitfalls

One of the most common reasons for failure of an enterprise social networking project is a lack of clear purpose for the network. Charlene Li of analyst firm Altimeter Group describes in her report Making The Case For Enterprise Social Networks[2] that "the reality of everyday work" catches up with employees and they are drawn from the social network back to their "day jobs", where they fall into established work and communication patterns. Or, that without clear business objectives, the network degenerates into a chat room for trivialities – everything senior management feared would happen.

It is now increasingly accepted that for a social network inside a company to succeed, it needs clearly defined business objectives and approval from senior management. It should be a place where real work gets done, with the social component adding *efficiency, transparency,* and *serendipity* to existing business processes.

This then highlights another common pitfall. For a social network to add real value to business processes, members need to acknowledge that some behavioral changes need to be made to realize the business benefits of ESN. They need to move from knowledge-is-power, need-to-know mentalities to a need-to-share attitude, and embrace the value of this shared knowledge. This shift in attitude is characterized as a move from a "push-based" information flow to a "pull-based" flow.

The Email Trap

Most businesses are totally dependent on email as their primary mechanism for distributing information. Email is the archetypal push-based tool, where the sender decides who gets the information and is included in the conversation. Anyone not cc'd is left out; anyone who is unnecessarily included struggles to extricate themselves. Using a social network for communication establishes a pull-based flow of information, giving the consumer the opportunity to choose what to receive based on their priorities and preferences.

For many organizations, this sort of cultural change is a bigger challenge than choosing the right tools and gaining management buy in. It requires leadership, with senior managers setting the example in their departments by no longer hoarding knowledge. This is a change that many managers struggle to make, but if they embrace it, their teams will too.

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2   http://www.altimetergroup.com/2012/02/making-the-business-case-for-enterprise-social-networks.html. Altimeter Group, February 2012.

The Seven Steps to Successful Adoption

1. Create a Mandate. The first key step, whether for employee or customer/partner collaboration, is a mandate from senior management to apply social networking principles to real business issues. Without this mandate, members consider participation to be optional, not part of their "real job". A clear directive from the top removes ambiguity as to whether it is considered "real work".

2. Develop a Strategy. Once the project has a mandate to proceed, it is time to consider how to achieve the defined objectives. A planning committee is recommended to plan the strategy for delivering the project. This committee should be large enough to represent all interested parties in the project, but nimble enough to carry out timely decision-making. This is an ideal time to define acceptable usage guidelines, identify the communities to be established, and the community managers who own them.

3. Establish Communities. Only once the implementation strategy has been defined should the social network itself be set up. Projects that start with a network that has no clear strategy in place can doom it to inconsistent adoption. In this step, community managers should create their communities and identify a "content taskforce" to help identify initial community participants.

4. Populate Content. Inviting people into an empty social network and hoping they will use it the way you want will not lead to success. A clear set of best practices for your users will stem the development of bad habits. Community managers should work with the content taskforce to seed the network with content that gives the users a reason to join the network when invited, and provides an example of how the network should be used.

5. Encourage Participation. Open the door to everyone. While it's tempting to let everyone in sooner, resisting this until the network is really ready will give members a clearer justification for spending time learning how to use it and they will have better insight into the objectives of the project. A network that has established a framework for performing real work is harder for reluctant employees to opt out of.

6. Drive Adoption. No matter how well you've set your network up, don't expect everyone to fully embrace it without encouragement. Encouragement can take many forms – carrot, stick or a combination. In some organizations, consistent instruction from senior management will be enough. But telling people what to do is rarely as effective as convincing them to want to do it. So while initiatives such as competitions and rewards may seem like gimmicks, they can lead to increased participation and adoption.

7. Evaluate Success. Measuring usage in your social network is not something that should be an afterthought – it should be performed on an on-going basis throughout the project. Setting absolute targets for network adoption can be difficult, as every organization is different, and different projects will have different objectives. Instead, aim for continual improvement in levels of participation and engagement. There are various metrics that can be used [see sidebar], and initially one challenge will be identifying which are most relevant – this is something your steering committee should consider when planning the strategy.

Conclusion

Each company will experience their ESN project implementation challenges differently and have varying results. If your strategy isn't well defined or understood from the start, success may be elusive. Organizing the project into short cycles of 2-3 months can help, ensuring that corrective action can be taken before opinions of enterprise social networking become diminished by missing adoption goals. It's important to not be discouraged by early setbacks; social networking for business is a new concept for most and it is inevitable that many will not get it right first time. But the efficiency, transparency, and serendipity created by working socially will have a positive impact on the bottom line, so are well worth the effort.

8 Key Metrics for Social Business Success

1. Most active communities & groups
Which groups or communities are most active on the network?

2. Inter-group connectivity
How much are communities or departments within the organization communicating and collaborating with each other?

3. Number of active members
Of all the people you've invited to join your social network, how many are actually logging in?

4. User activity
Who is contributing the most?

5. Contribution per user
How many content items, comments and ratings has the average user contributed?

6. Most valued users
Who contributes the most valuable content in the network?

7. Average social reach
How many other members does the average member effectively interact with?

8. Participation Distribution
What percentage of users contributes 90% of the content posted?

About Clearvale

Clearvale by BroadVision is the social network for business, where transparency and accountability mean real work gets done. Clearvale can be used as a social intranet or a social extranet. But only Clearvale lets you manage those individual networks together as a 'network of networks', allowing you to easily manage your entire ecosystem of employees, partners, and customers. For more information on how Clearvale enables social business processes, please visit www.clearvale.com.

About BroadVision

Driving innovation since 1993, BroadVision (NASDAQ: BVSN) is an innovative provider of e-business and social networking solutions for organizations seeking to grow profitably by improving online business processes through invited participation and social interaction. Our solutions — including Clearvale, the world's first network of networks for the socially driven enterprise — enable mission-critical e-business for next-generation organizations around the globe. The customers benefiting from BroadVision® solutions include Aeroxchange Ltd., Centre for Railway Information Systems, Controller General of Defence Accounts, Fiat S.p.A., Front Burner Restaurants, Iberia, Indian Railways Catering and Tourism Company, Kotak Mahindra Bank Ltd., Malayala Manorama Co. Ltd., Promart Retail India Pvt. Ltd., SINA, SOFTBANK TELECOM Corp., Thomas Cook India Ltd., Vodafone, and more. Visit www.BroadVision.com for more details.