

# Leveraging Social Networks in a Downturn: Better, Cheaper, Faster Ways to Drive Business Results

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Co-founder & CEO, SelectMinds

**Anne Pauker Kreitzberg**  
President, Cognetics

**Charles B. Kreitzberg, Ph.D**  
Founder & CEO, Cognetics

## Today's Presenters



**Anne Berkowitch** is co-founder and chief executive officer of SelectMinds, where she has played a key role in the development of client relationships and the evolution of the company into a leading provider of corporate social network services.



**Charles B. Kreitzberg, Ph.D.** is the CEO and founder of Cognetics, a leading firm working in the human aspects of computer technology. His specialty is helping organizations get the most value from their technology investments through user-centered design and organizational effectiveness.



**Anne Pauker Kreitzberg** is president of Cognetics and a member of the Wharton School faculty. Her work focuses on organizational effectiveness, making work simpler and more fulfilling for people. She has created and successfully introduced models for collaboration, performance management and change in a number of organizations.

## What is a Social Network?

- A social network site is a web-site that allows members to:
  - Create a profile of personal information to share with others
  - Create a personal network of “friends” (Facebook) or “connections” (LinkedIn)
  - Expand their personal network through invitations to other members (“friend of a friend”)
  - Join interest groups
  - Get and share information
    - Public messages and questions
    - Private messages & email



# Many Social Networks Start with a Profile



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**What's New**

Ruta is just back from 2 weeks in Hawaii!

**My Groups**

Asian Woman's Club  
Financial Staff

**My Colleagues**

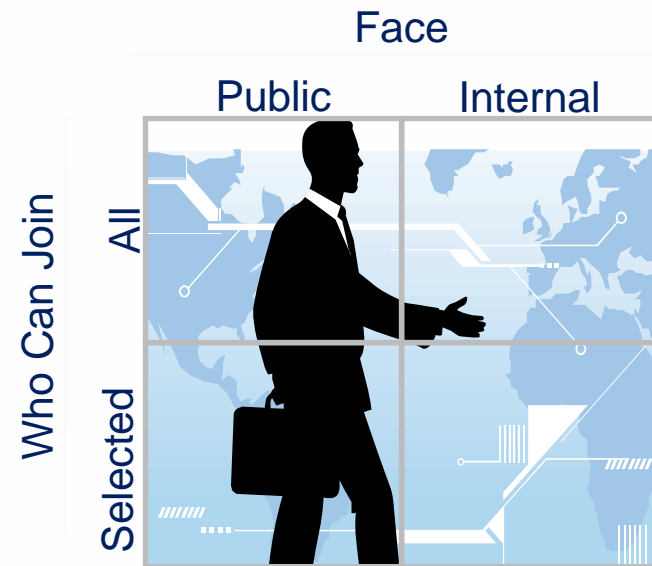
	<p><b>John Chang</b> <a href="#">IM</a> <a href="#">email</a> <a href="#">Visit</a></p>
	<p><b>Bob Johnson</b> <a href="#">IM</a> <a href="#">email</a> <a href="#">Visit</a></p>
	<p><b>Marc Givens</b> <a href="#">IM</a> <a href="#">email</a> <a href="#">Visit</a></p>
	<p><b>Sandy Moroc</b> <a href="#">IM</a> <a href="#">email</a> <a href="#">Visit</a></p>

# Social Networks May be Public or Private

Public		Private (in house)
LinkedIn	MySpace	Microsoft Town Square
Facebook	Plaxo	IBM's Blue Pages
		Best Buy Blue Shirt Nation

Public sites let you connect to an extended network

Private sites are for a closed or pre-approved group & protect sensitive information from outsiders



## Social Networks are Becoming Mainstream

- **Public sites**
  - 66 million use Facebook daily
  - 20 million LinkedIn users
  
- **Company sponsored sites**
  - About 50% of large companies and 75% of small ones (<500 employees) are using web 2.0/social media of all types
  - Of those, estimates of 40-60% have social networks, including externally facing and private sites

The top 3 issues:

- attracting people
- engaging them
- managing the site

## Top 3 Benefits Reported by Companies



I'm Building My Brand

I'm Looking For Answers



I'm Recruiting For My Company

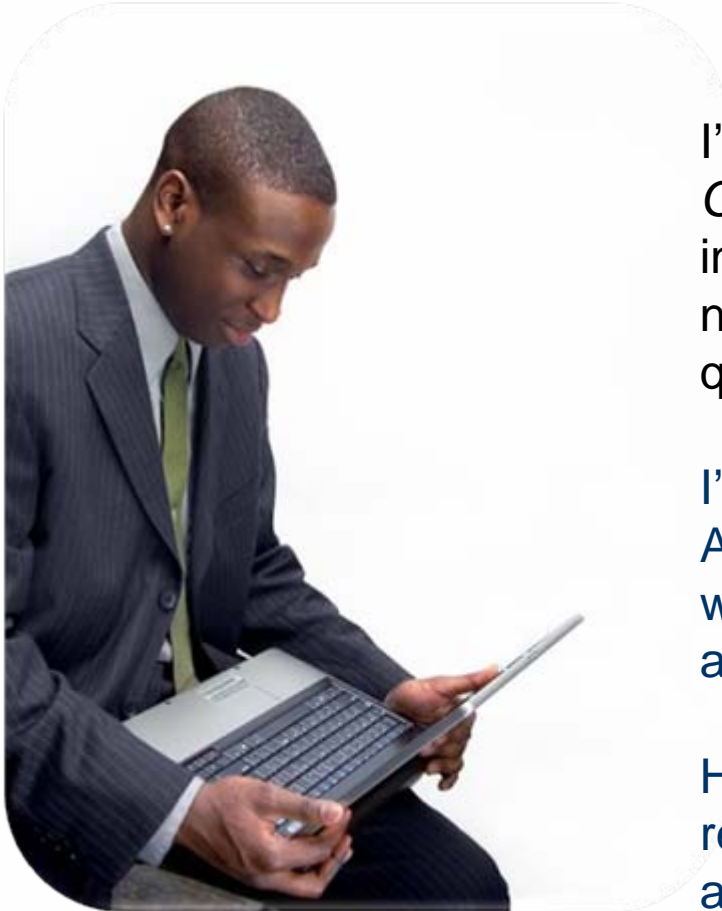
## Extended Talent : My Dow Network



- **Business drivers:**
  - Baby-boomer brain drain
  - Competition for specific knowledge workers
  - Strengthen employee engagement (knowledge share, retention)
  - Need for better recruitment, retention of (off-ramped) women
  
- **Networks launched:**
  - Alumni
  - Retiree
  - Employee
  - Women
  
- **Results (first 6 months)**
  - 3 rehires (ROI goal: 4 in first year); 89 applicants in process
  - 119 contract applicants (ROI goal: 15 projects staffed first year)
  - 9,000 members; 320,000 connections



## External: I'm Recruiting for my Company – Using Facebook



I've created a Facebook group called *Careers at MyCompany* to attract people interested in working with us. We display news, contact information, answer questions and moderate discussions.

I've also launched a private Company Alumni network to maintain relationships with former employees that I can re-recruit as full-time or part-time staff.

Here we share more proprietary news, resources and discussions; host events; and keep alumni on the "inside"

# How Accenture uses Social Networking

Accenture People  
social network  
61,000 employee visits/month

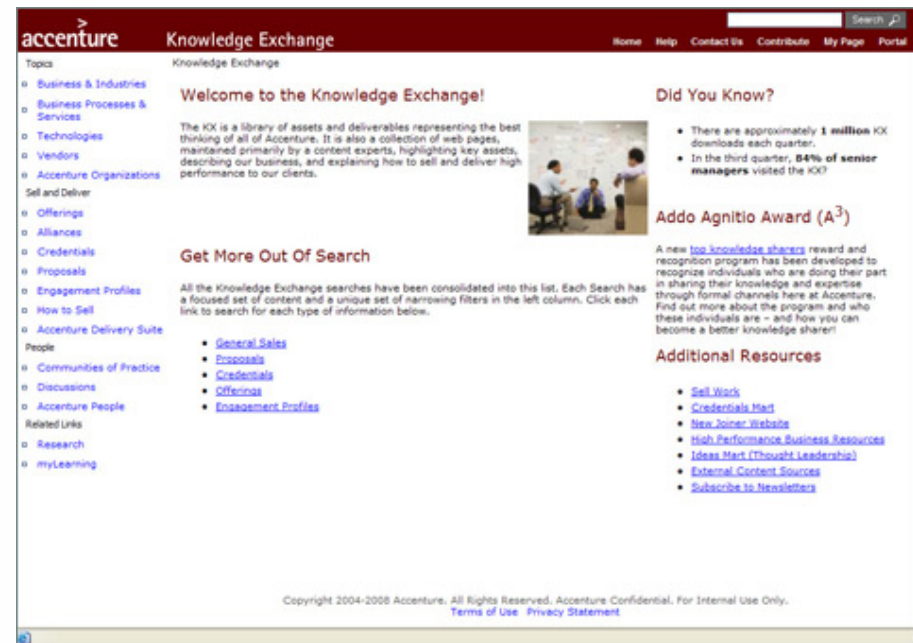
Accenture Knowledge Exchange  
forums & discussions

Accenture Borderless Workforce  
collaboration & conferencing

Accenture Media Exchange  
rich media repository

Accenture Encyclopedia  
knowledge management wiki

Goals:  
Talent retention  
Knowledge management  
Create transparent culture



## Internal: I'm a New Hire and Want to Connect



I'm a new hire. I want to connect with others who can help me learn the ropes.

I hope I feel at home here and find others like me.



## Latham & Watkins: Onboarding Portal

**LATHAM & WATKINS** LLP

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- **Business drivers**
  - Need to differentiate culture
  - Professionals' demand for personal connectivity
- **Network launched - Recruits and new hires**
  - Latham Recruiting Committee Members
  - Fellow recruits, future colleagues
  - Forms, facts and policies of the firm (real time)
  - Automated scheduling/call-back process
  - Calendars, invitations and upcoming events
  - Photos and fun
  - Forums
- **Results**
  - 87% participation
  - 38% increase in yield after first year
  - 15% increase in first year retention

## Managing Virtual Teams



- How to keep remote team members engaged
- Knowledge is in people not documents

## Top 3 Benefits Reported by Companies...Even in Tough Times!



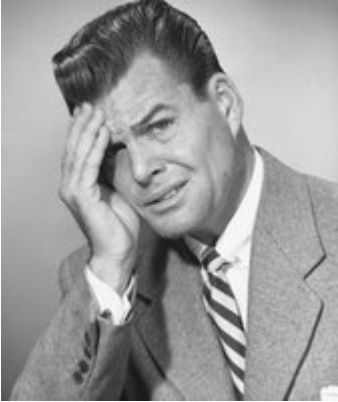
I'm Building My Brand

I'm Looking For Answers



I'm Recruiting For My Company

## What Do You Tell The Non-Believers?



- If you don't believe, you don't understand
  - Take the time to learn and understand
- There are great success stories already out there
  - Successful companies have already attained solid results
- Remember it's about connecting with individuals
  - What do my people need to succeed?

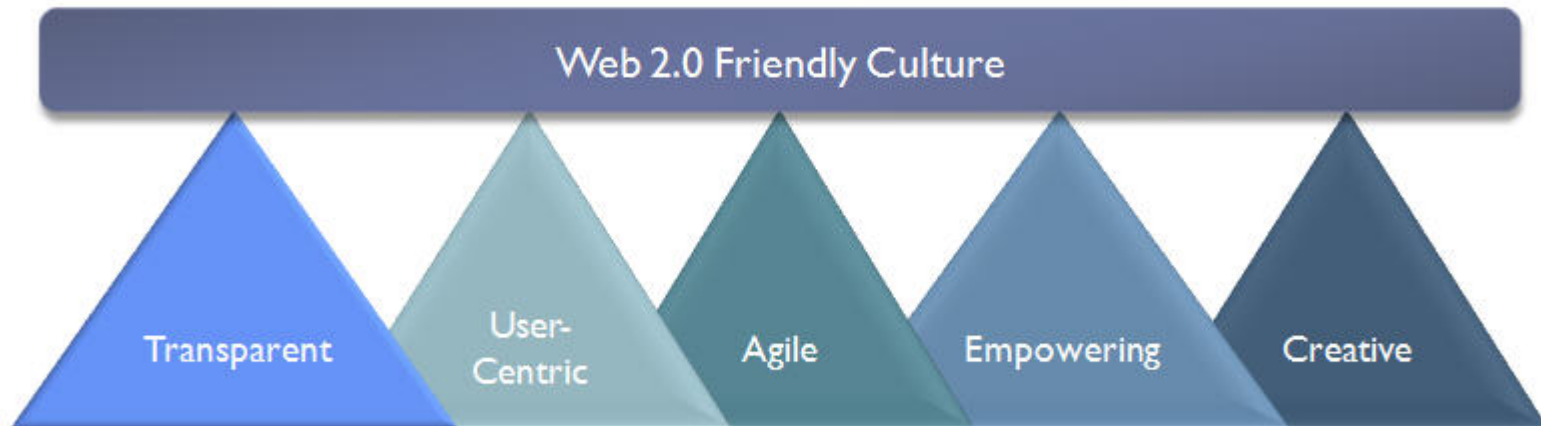
## How to Design

### Make sure it's useful, usable and desirable

- Start with your business goals
- Define your audience
- Determine what's in it for the members and make delivering value the key goal
- Resolve any policy issues
- Make certain it's very usable
- Make it visually attractive
- Pilot test with a friendly user group. Resolve any problems.
- Deploy



## Creating a Web 2.0 Friendly Culture



## Q & A

**Reviewed the download quickly and did not notice any mention of "Twitter" ....your thoughts please...is it here to stay OR a passing "whim"?**



## Q & A

**With so many new social networks showing up how do I manage this or select one to focus on? What's the best approach?**



## Q & A

**What are some of the cautions or risks associated with social networks?**



## Q & A

**What platform(s) were used for the DOW Social Networks?**



## Q & A

**As we have released the so called collaborative tools, the effect has been...our employees do not talk anymore. They spend time typing e-mails or creating notes in our ERP system. This behavior has dramatically reduced effectiveness and increased frustration due to the lack of interaction. Have you seen this effect and how might you address this?**



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### New Seminars at the AMA on this topic:

- **Leveraging Web 2.0 to Engage Customers and Build Your Brand (#5521)**
- **Making Sense of Web 2.0: Leveraging Social Media for Your Organization (#2190)**

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- **Feb 3:** Leadership in the Era of Economic Uncertainty: A Conversation with Ram Charan
- **March 18:** Network Your Way to Success: Tips & Techniques

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- January 15<sup>th</sup> Successful Management Consulting: Turn Your Career Experience into a Profitable Business
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