

WorldLearn<sup>™</sup> 2

White Paper

Social Networking in the  
workforce

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## Introduction

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We live in a world where technology defines the way we do our business, the way that we gather information and in the way that most people communicate with each other. In recent years the Internet and in particular the Web, has enabled a communication revolution using emerging technologies which perform a social function in keeping us connected - the 'Social Network'.

The growth of Social Network Services has been spectacular with millions of people all over the world now accessing one or more Social Networks. Whilst the technological features of these Social Network Services are fairly consistent, the cultures that emerge around them are varied. What makes Social Network Sites unique is not that they allow individuals to meet strangers, but rather that they enable users to articulate and make visible their social networks.

From an individual's perspective the Social Network Service obviously taps into a universal desire to share and connect with others, the reason for their explosive expansion. However, how does this relate to business? Is there a place for Social Networking within the work environment? Hopefully the following will give you some 'food for thought'.

## What is a 'Social Network'?

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Social Networks are not new. For people that belong to the 'Greatest Generation' (born ~ 1901 - 1924) and the 'Silent Generation' (born ~ 1925 - 1945), social networks were registered in an address book or contact list and communication took place through letters, telegrams and land line phones. For the 'Baby Boom' generation (born ~ 1946 - 1964) social networks had extended to include computer mediated communication technologies such as Usenet (1979), RSS feeds, Bulletin Board Systems (mid 70's) and Online Services such as CompuServe and Prodigy. As 'Generation X' (born ~ 1965 -1981) were maturing Internet Relay Chat (IRC), ICQ and Instant Messaging became available whilst for 'Generation Y' (born ~ 1982 - mid 1990) and 'Generation Z' (born after mid 1990's) technology progressively provided tools and services which made it even easier to communicate with a listed group of users. These tools and services are collectively referred to as Social Network Services.

In today's technological world a Social Network Service can be defined as a web based service that focuses on building and reflecting social networks or social relations among people. It allows people to construct a public or semi-public profile within a bounded system, to specify a list of users with whom they share a connection and to view and interact with their list of connections and those connections made by others within the system (Boyd and Ellison 2007).

'Social Networking site' and 'Social Network site' are sometimes used interchangeably to describe this service. However, there is a subtle distinction which needs to be considered, particularly in the context of Social Network Services within business. 'Networking' is normally used to describe an active relationship initiation, often between strangers. 'Networking' is possible on Social Network Sites but it is not the primary focus on many of them, nor is it what differentiates them from other forms of computer-mediated communication (CMC). What makes social network sites unique is that they enable users to articulate and make visible their social networks. On many of the large Social Network Sites, participants are not necessarily "networking" or looking to meet new people; instead, they are primarily communicating with people who are already a part of their extended social network (Boyd and Ellison 2007). This unique focus is something to consider when reviewing potential benefits and the focus of Social Network Sites within a business environment.

Although online community services are sometimes also considered as a social network service, (in a broader sense), Social Network Service usually defines an individual-centred service whereas online community services are group-centred.

## Social Network Services

According to the definition above, the first recognisable Social Network Site was Classmates.com, launched in 1995. Classmates.com is a social media website which helps members find, connect and keep in touch with friends and acquaintances from school life. This was soon followed by SixDegrees.com which was named after the six degrees of separation concept and allowed users to list friends, family members and acquaintances and see their connection with any other user on the site. SixDegrees was most probably the first version of a social networking websites in the format seen today. Since then - an explosion of sites. The following is a list of some of the major Social Network sites. Note it is not an exhaustive list.

### Chronology

Year	Social Network Site	Focus	Registered users (Wikipedia)
1995	Classmates.com	School, College, Military and work	50,000,000
1997	SixDegrees.com	Family, Friends and Acquaintances	Closed 2007
1998	Open Diary	First online blogging community	5,000,000
1999	LiveJournal Asian Avenue BlackPlanet	Blogging - Popular in Russia Asian American community African American community	17,600,00 20,000,000
2000	LunarStorm Mixi	Sweden Japan	1,200,000 24,400,000
2001	Cyworld Ryze Decayenne Stumbleupon	General, Popular in South Korea Business European and American elite Stumble through websites that match your selected interests	24,000,000 500,000 10,600,000
2002	Fotolog Frienster FilmAfinity	Photoblogging - Popular in Spain General - Popular in SE Asia Movies and TV Services	20,000,000 90,000,000 250,000
2003	Couchsurfing LinkedIn MySpace Tribe Xing Last.FM Hi5  WAYN Tagged	Travellers in the local community Business and Professional network General General Business - Primarily Europe and China Music General - Popular in India, Latin America, Central Africa and parts of Asia Travel and lifestyle General	1,600,000 100,000,000 100,000,000  8,000,000 30,000,000 80,000,000  10,000,000 25,000,000
2004	Orkut Flickr Facebook (Harvard only) Care2 Hyves MultiPLY	General - Popular in India and Brazil Photography General - Harvard only Green Living, social activism General - Popular in Netherlands Real world relationships - Popular in Asia	100,000,000 32,000,000  10,000,000 10,000,000 10,000,000
2005	Bebo Xanga Facebook (high schools) Ning AsianAvenue (relaunch) BlackPlanet (relaunch) Buzznet Meetup	General Blogs and 'metro' areas General - High Schools Users create own social website Asian American community African American community Music and pop culture Plan offline meetings for interest groups	117,000,000 27,000,000  60,000,000  10,000,000 7,200,000
2006	Badoo Cyworld (US)	General- Popular in Europe, Latin America General	86,000,000 24,000,000

	Twitter aNobi Facebook (everyone)	General, micro blogs, RSS, updates Books General	175,000,000 640,000,000
2007	BIGADDA Geni.com Cellufun Fubar	India Genealogy Music social game network Dating	3,000,000 15,000,000 3,000,000 1,200,000
2008	Academia.edu Mylife	Academic research Locating friends and family	51,000,000
2009	DailyBooth	Photoblogging	
2010	myyearbook Goodwizz TermWiki Google.com/buzz	General, Charity Learning / Language / Translation Social network with matchmaking Photo, video and links integrated into conversation thread within G-mail	20,000,000

## The Top 15 Social Network Services

Ranking of Social Network Sites is an inexact science based on estimated visits which constantly change. Ranking is carried out by a number of companies such as Alexa, Quantcast, Compete and eBizMBA. The following is one ranking based on available data on estimated monthly visits as at February 2011.

Rank	Social Network	Estimated monthly visits
1	Facebook	540,000,000
2	Twitter	180,000,000
3	LinkedIn	100,000,000
4	MySpace	80,000,000
5	Ning	60,000,000
6	Tagged	25,000,000
7	Orkut	15,000,000
8	hi5	11,000,000
9	myyearbook	7,500,000
10	Meetup	7,000,000
11	Badoo	7,000,000
12	bebo	7,000,000
13	mylife	5,500,000
14	friendster	5,000,000
15	Multiply	4,500,000

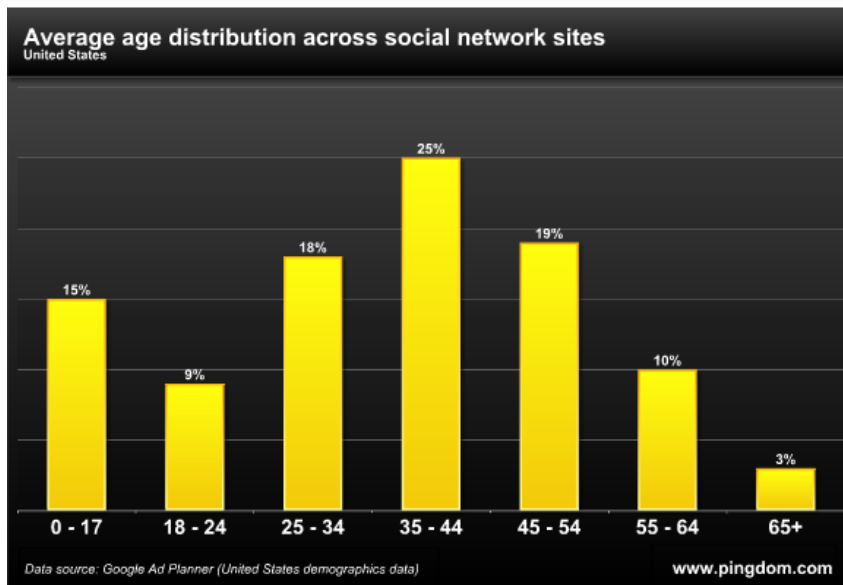
## Demographics

The nature of communication has undergone a significant change in the last 20 years and the changes continue, most of them based on evolving technology. Technology which is second nature to one generation is not necessarily that easy to adopt by an older generation. This doesn't mean that older generations do not adopt new technologies, just that the adoption rate may be lower or slower.

The following demographics have been sourced from Royal Pingdom ([www.pingdom.com](http://www.pingdom.com)) as they apply to the United States of America. However, they give a broad picture of usage which can most probably be extrapolated to give an indication of general use of Social Network Sites.

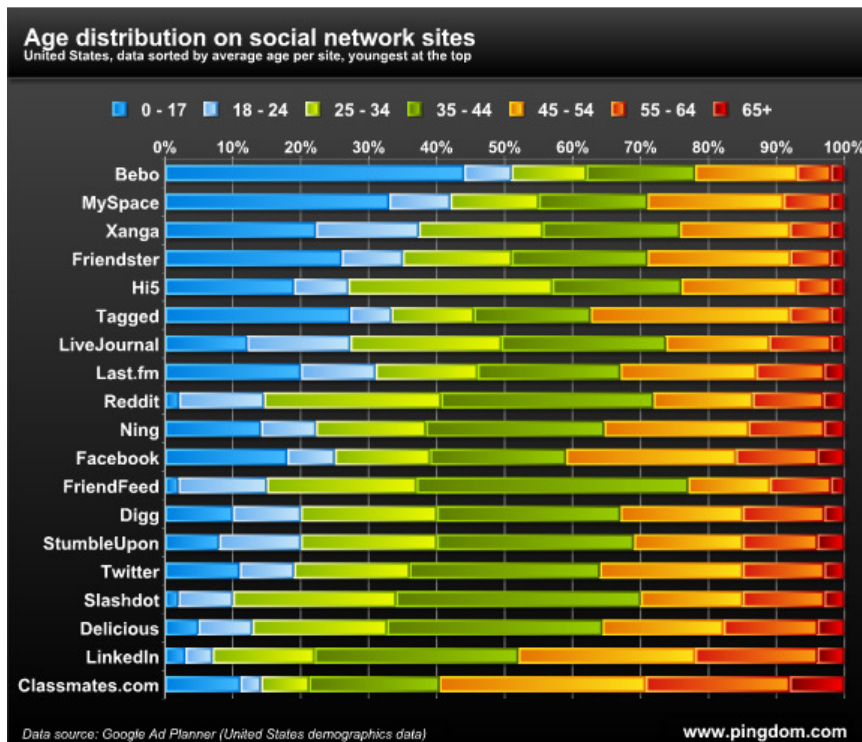
Further demographics by Social Network Site can also be found at Ignite Social Media (<http://www.ignitesocialmedia.com>)

## Average age distribution



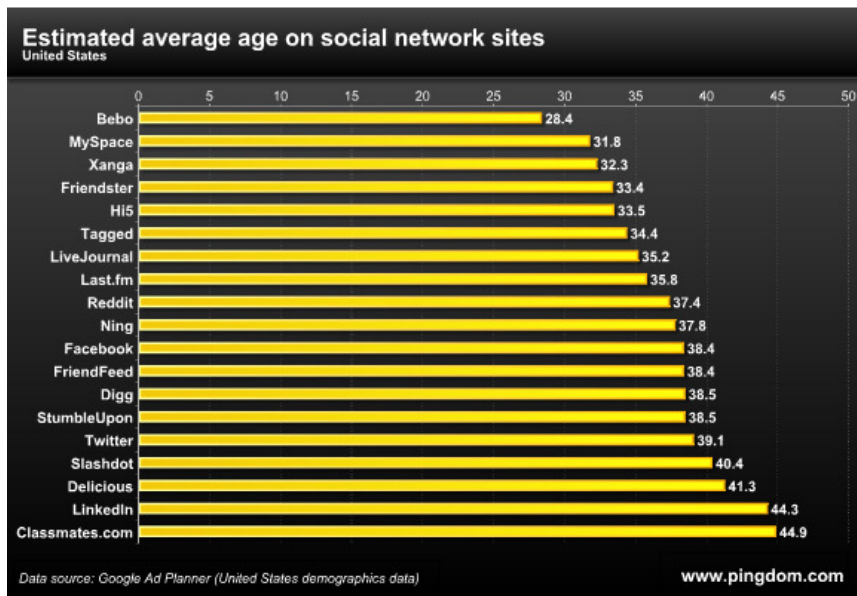
25% of the users on these sites are aged 35 to 44 - the age group that dominates the social media sphere. Only 3% are aged 65 or older

## Age distribution by Network Site



As can be seen from the above, age distribution varies according to the Network Site with Bebo and MySpace attracting younger users whilst LinkedIn, most probably due to its professional network focus, attracts slightly older users. Classmates.com as the oldest Social Network site and by the nature of its network focus is the one that attracts most of the older users.

## Estimated average age on Network Site



At the moment the average Social Network user is 37 years old. For one reason or another (tech savvy, interest, etc.) older people are not using social networking sites to a large extent - this probably reflects their general internet usage. It is also worth noting that social media isn't dominated by the youngest, often most tech-savvy generations, but rather by what has to be referred to as middle-aged people (although at the younger end of that spectrum).

## How do Social Networks relate to your business?

Social Network Services make it easier than ever before to communicate online and to share information, photos and opinions posted by millions of people eager for 'virtual' conversations with hundreds of friends. So how can you use this to further your business? The answer to that is dependent on a number of factors.

### What is your business focus?

You hear lots of stories about how a business sourced lots of clients on Facebook or grew its business by X% using Twitter and in some instances it is most probably true. However, one needs to remember that Social Network technology serves one main purpose - to connect people. Specifically to connect to an articulated list of users, not just too any old stranger. You also need to consider that connecting to people does not guarantee that you will get their business. In addition, it will take considerable time and effort to maintain an up to date presence on a Social Network Services, this needs to be evaluated against potential gains.

If your business is manufacturing of items using a specialist workforce, you have healthy profits and an established clientele you may not gain much from Social Networks. On the other hand if you are an online ticket provider for concerts and shows and need to constantly renew your clientele base, then it would make sense to invest time and effort in Social network Sites in an attempt to connect to lots more people.

As a rule of thumb it has been suggested that if your business relies on marketing and social interaction to a HIGH degree and you employ mostly sales or public relations staff, then Social Network Services could benefit your business. However, if your business relies on repeat orders from a stable client base then Social Network Services may not be the most effective way of maintaining this business.

### Which Social Network best fits your business?

As you can see from the Social Network chronology, ranking and demographics above, there are a myriad of choices each with its own characteristics either in terms of the sites main purpose, the predominant geographic area within which it is used and the user age group, amongst others. It stands to reason that if your business targets predominantly older aged clients or ones in a specific country then you need to look for a Social Network Service which is used by that group of people. Identifying the best Social Network for your business requires research and some methodical evaluation. One way of doing this is to draw up a grid with your key evaluation criteria. As an example:

	Social Network 1	Social Network 2	Social Network 3
Main Purpose / focus of site			
Geographic focus			
Predominant age group			
Business friendly			
Fees and Subscriptions?			
Estimated exposure (users)?			
Risks?			
Business fit?			
.... and more			

It should be noted that your evaluation needs to be revisited regularly in order to reality check that you are achieving what you set out to achieve and to ensure that there are not more appropriate emerging technologies which may better serve you.

Remember that the only thing worse than not having a Social network presence is having an outdated or neglected Social Network presence.

## What controls do I need to establish?

The truth is that before moving ahead with a social network service you have to ensure that it doesn't pose a risk to your organisation.

Companies that deal with sensitive data need to take extra precautions to make sure that social network sites don't create risk to their computing environment, their reputation or the privacy of their data. For many organisations the free flowing and unregulated nature of Social Networks is very intimidating, to the degree that a number of big companies and government departments have outright bans on employee use of Social Network Sites.

Banning access to Social Network Sites may be the best solution for some organisations such as banks and government departments. However, for many smaller organisations the opportunity needs to be weighed against the risk. The risks can be mitigated by selecting business based Social Network applications and through the use of up to date firewall firmware and rules, URL filtering, anti-malware and anti-spam capabilities in addition to imposing user limits such as by whom, when and for how long the site can be used (obviously you would engage your IT staff about this before you commit to an application). Over and above this you also need to set organisational policy, to train staff in what is and is not acceptable Social Network behaviour for your organisation and put in place some review process that will ensure adherence to policy.

## What benefit does it provide?

The benefits of using Social Network Sites within an organisation can include:

- Providing a fantastic opportunity to widen the circle of contacts without much effort or advertising. With a good company profile new markets can open up with opportunities for new business.
- Encouraging customers to become connections and friends and offering special discounts that are exclusively available to online contacts. This personal touch is not only appreciated by many but may give your business access to that customer's network of contacts.
- Improving your reputation by providing a strong social network image as a leader in your business field and a resource of information or products that suit their needs.
- Low cost marketing. Once your Social Network has become established and people become familiar with the brand, you can use the site to implement marketing campaigns, announce special offers or make important announcements. Practically free advertising.

## What are some of the concerns?

Social Networks Sites are applications and as such are not a problem for organisations with adequate security protocols. It is the people who use them that are normally the cause for concern. Research conducted in 2007 in companies that allowed access to Social Networks at work indicated that a significant percentage of managers believed that this access damaged productivity and also felt that the corporate reputation could be seriously threatened if staff posted negative comments about the organisation.

For most organisations that allow Social networks to be used within their organisations, there are five potential problem areas:

- **Productivity.** One reason why organisations who allow access to Social Network sites at the workplace are concerned is the fact that employees collectively spend a great deal of time updating their profiles and sites throughout the day. If half the employees in an organisation of 100 employees spent 30 minutes on their Social Network site per day then that would work out at a loss of 6,500 hours of productivity in one year. When you factor in the average wage per hour you get a significant figure, the reason for management concern.
- The availability of video and other bandwidth hungry links within Social Network Sites can create bandwidth problems for IT administration. There is also a cost to Internet browsing, especially when high levels of bandwidth are required.
- Hackers are attracted to Social network sites as they see the potential to commit fraud, launch spam and malware attacks. There are more than 50,000 applications available to Facebook (according to the company) and while Facebook may make every effort to provide protection against malware, these third-party applications may not all be safe. Messaging on Social Network Sites is also a concern and the Koobface worm is one example of how messages are used to spread malicious code.
- Social engineering is becoming an art form and more and more people are falling victim to online scams. It appears that while people would not disclose certain information when meeting someone for the first time, they see nothing wrong with posting it online for all to see on their profile or blog. This information is often mined by cybercriminals.
- What if a disgruntled employee decided to complain about a product or the company's inefficiencies in their profile or blog. The legal costs, fines and damage to the organisations reputation can be significant in these cases.

## The future of Social Networks

The attraction and at the same time the drawback of popular platforms such as Facebook, Twitter and LinkedIn is their popularity. It's easy to get overwhelmed by all the conversations happening on these social networks. However, the potential for collaboration and knowledge sharing is enormous as long as you are willing to spend the time to find what you want.

For many current users of Social Network sites it may be hard to think of social networks as anything but fun and games. However, there's more to social networks than playing games and staying in touch. Businesses are using this new medium to engage current and potential customers, for marketing and PR, for customer support and to solicit feedback.

The future of social network sites used within business most probably belongs to private social networks, either restricted to certain members such as employees of one organisation, or open to anyone but dedicated to a specific topic.

There are a number of examples of this already with sites such as ProjectEarth (Global Environment), aNobii (Books), Ravelry (Knitting) and Orthomind (Orthopaedic surgeons). With tools like Ning and Yammer, it's fairly easy for anyone to build their own social networking site and as such the proliferation of these private social networks will most probably grow.

The most important trend within social networks though is that researchers are looking to social networks as an innovative way to mine raw data and disseminate these results. Social Networks now provide both researchers and businesses access to vast volumes of previously inaccessible data, which existed only verbally or in hard to collate written formats such as meeting notes and emails. Millions of people using social networks are sharing their ideas, thoughts, problems and solutions in cyberspace collectively creating an enormous pool of knowledge and insights - some of it trite and uninteresting but much of it a gold mine.

The key to communication and collaboration success in the future is therefore the design of social network that not only connects users with one another, but also offers innate value to users beyond their interactions.

As such, the next stage in the evolution of Social Networks will probably be those sites that:

- Are exclusive (either by membership or focus);
- Provide value added content (articles, case studies, videos, podcasts etc) that makes the site a destination in and of itself;
- Provide high quality site driven content which can be mined and disseminated;
- Provide dynamic user interaction beyond current old technologies;
- Enable users to engage one another in a variety of innovative ways.



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