

SOCIAL MEDIA'S NEXT FRONTIER IS THE WORKPLACE

By Dan Tipton

Companies that effectively use social media tools in their employee and benefits communications programs could be “twittering” their way into better financial performance. A recent study by Towers Watson (“Capitalizing on Effective Communication”) confirmed that companies that communicate most effectively with employees are also the best financial performers, and those high performing companies were more likely to use social media tools as part of their employee communication programs.

“Companies continue to explore using social media as the next communication frontier,” said Kathryn Yates, Global Leader of Communication Consulting at Towers Watson, in a March 2010 *Employee Benefit News* article. “Today’s workers are looking for authentic, timely messages that address how business changes affect them personally. Social media engages employees in real time and on a variety of topics.”

Bank of America’s credit card operation, headquartered in Wilmington, DE, recently used social media tactics to reinforce the company’s values and build pride in the organization. Employees were prompted with various messages about the business and encouraged to participate in an online dialogue to discuss what the statements meant to them. Several thousand employees participated in the initiative. “It created buzz around the company and reminded our associates of the attributes that make Bank of America special,” said Christine Reeves, Senior Vice President of Communications for Bank of America.

At Best Buy, social media served as the catalyst for a significant increase in employee 401(k) contributions. In January 2007, Best Buy launched a contest on its internal social networking site, BlueShirt Nation, for employees to create online, YouTube-style videos about the 401(k) plan. The grand prize for the contest was a three-day trip to Best Buy’s corporate offices, where they would meet company executives and present their video to the Board of Directors. Best Buy received 27 entries (more than expected) and many were team efforts among several employees. As a result of the contest, 401(k) participation increased by 30%. “It was wild to see the creativity and talent among our workers,” Ann Bender, a Best Buy HR team member, said to *Workforce Management* in October 2008, “and the buzz throughout the company was amazing. People couldn’t believe that something like this came from HR, which is traditionally more conservative.”

When Peter Swinburn became CEO of Molson Coors in June 2008, he had the daunting task of trying to link together 15,000 employees on three continents. Part of his solution included using Yammer, a web service with similar functionality to Twitter, but targeted at companies and allowing employees to provide updates and collaborate on projects through messages only colleagues can access. Currently, over 2,000 employees at Molson Coors use the service.

From a human relations standpoint, Yammer helps provide a boost in communication which keeps employees on the same page. According to Towers Watson’s 2009 independent surveys, 87% of Molson Coors employees said the company had a “clear vision for the future,” up from 73% in 2008.

“Yammer – which is free – has spread like wildfire inside every HR department we’ve introduced it to,” Jason Averbook of Knowledge Nation told Human Resource Executive

Online in September 2009. Averbok said Yammer is being used within HR to collaborate and build teams. While companies may be hesitant to use these newer media to communicate with employees, Matt McOsker, product development manager at T. Rowe Price, a Baltimore-based mutual fund company and 401(k) plan provider, told Workforce Management he thinks social media will be part of many future internal communications plans. "I definitely think this is the next wave," he said, "and it could be used for communicating all kinds of benefits, not just 401(k) plans."

Even with increased usage, many firms still balk at implementing social media programs. When asked why they do not implement or expand their social media efforts, company respondents to the Towers Watson survey said they do not have the knowledge, capability, staff, or resources to implement or expand their use of social media within their communication strategies. However, in an increasingly paperless age, social media has the potential to serve multiple purposes in the workplace while supplementing or replacing paper communication. It can be used internally to facilitate better communication within the organization, support team building, collaborate on ideas, or adapt to organizational or HR changes. Whether developing podcasts for employees to listen to while traveling, a blog from HR for employees to read, or wikis to explain benefits jargon, social media tactics can be advantageous because employees can access these virtual resources on-demand.

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