

Part 1 of Two Part Series on Social Media—
Internal Organizational Use

**Social Media—Important Even for Internal Communications
But Organizations Are More Apt to Use their Own Systems
Rather than Private Versions of Public Applications**

**Weekly CEO/Business Leader Poll
By COMPAS in *Canadian Business*
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1.0. Introduction

Triggered by the release of Google +, COMPAS asked its panel of business leaders and CEOs about the future of social media for business. The overwhelming view is that

- θ the impact and influence of social will continue to rise,
- θ their impact will be especially important for the external relations or organizations, as will be detailed in next week's report, possibly less important for relations within organizations, and
- θ organizations will be using their own IT systems, not private versions of public applications, for communicating internally.

These are the key findings from this past week's Internet survey of CEOs and business leaders on the COMPAS panel. The weekly business survey is undertaken for *Canadian Business* magazine.

2.0. Details

As shown in table 2.1, the overwhelming view is that social media applications will grow in importance. As shown in table 2.2, the overwhelming view is that social media have a middling role—either modest or significant but not very significant or negligible—role to play in the *internal* life of organizations. Table 2.3 shows the prevailing view that organizations are more apt to utilize internal systems rather than private versions of public systems for internal communication.

Table 2.4 shows that the overwhelming majority see social media as fulfilling an important or essential role in protecting the external image of organizations. This theme is explored at greater length in Part 2, next week.

Table 2.1: The launch of Google + is prompting new debate about the future value of social media for business. The debate is how much impact will come from Youtube, Facebook, and Twitter along with many other social media applications past, present, and future. Thinking of the overall impact of social media, which of the following opinions is closest to your own? Social media will have in the future. NO RANDOMIZATION

	%
No more impact than they have today	10
More impact on individuals and business than they have today	33
Much more impact in the future on individuals and business	35



	%
More impact in the future on individuals but <u>not</u> business	14
More impact in the future on businesses but <u>not</u> individuals	1
Don't know	7

Table 2.2: Thinking of internal communication within businesses and organizations, do you think that social media have...
NO RANDOMIZATION

	%
Essentially no role to play	20
A modest role	55
A significant role	20
A very significant role	5
Don't know	1

Table 2.3: From what you have observed about the organizations and businesses you know best, please say whether you predict more or less of each of the following uses of technology for internal communication among employees and staff. Please use a 7 point scale where 1 means a lot less in the future and 7, a lot more.

	Mean	7	6	5	4	3	2	1	DNK
Use of organizations' own internal communications systems for internal, top down communication	5.3	18	35	16	15	4	6	1	5
Use of organizations' own internal communications systems for peer to peer communication and team building	5.2	17	34	15	15	7	5	2	5
Use of Facebook, Twitter or some chat applications for peer to peer communication and team building	4.3	9	12	20	27	16	6	5	5



	Mean	7	6	5	4	3	2	1	DNK
Use of Facebook. Twitter or other social media for internal, top down communication	3.7	5	5	14	29	20	17	5	5

Table 2.4: Generally speaking, which of the following opinions is closest to your own? Social media are... NO RANDOMIZATION

	%
Mainly a cost with few real benefits to businesses and organizations	22
Are important for protecting an organization's image and brand but offer few real opportunities for growth	38
Are essential for building growth in the future	37
Don't know	4

The following verbatim comments provide a nuanced sense of respondent opinion:

Anything offered good or bad will be used and probably have a greater influence on society than it should.

I see some real dangerous situations for business and individuals that can be caused by social media. It can spread the wrong message very easily.

Security is a major issue businesses face with social media.

Social media is certainly inescapable and does require management to "mark itself to the market". Whether it will, in its present form, constitute a major component of a communications network remains to be seen. Particular problems relate to its "open" nature and the implicit gateways it opens to proprietary systems and the comparative ease with which it can be hacked or hijacked and its capacity to fill the airwaves with trivial or unwanted information.

Social media is exactly that, some businesses will have benefits if they are aligned to entertainment as it is the youth that are driving the activity in that area, and regrettably mostly from their places of employment where they ignore the requirement of business.

Social media is going to have a stronger impact on how we do business than we can imagine right now. If we don't get on the train we will be run over by it.



Social media or anti-social media. Biggest problem with Facebook and other is bullying and other "terrorist" activities by disgruntled former employees and complaining customers.

The half and misinformation rumor mill continues to grow and although can have benefit can be even more harmful.

The impact of social media will be greater and happen faster for businesses that are less governed by government or third party regulators. But even in those industries (i.e. healthcare), there is a definite trend to determining how to use social media while respecting the rules and regulations that govern their industry. For the newer generations, social media is part of their life, so it is the way of the future.

The importance of Social Media will depend a great deal on what type of business you are in. It will be far more important for B2C than B2B. I think organizations will make much greater use of internal wikis and chat forums in the future - Facebook and Twitter will likely not be overly important for internal communication.

The NEXT generation lives on the social network 24/7. The market will need to harness this reality in order to develop with their new clientele.

The perils of social media probably outweigh the benefits.

There is currently concern about the security and privacy issues related to the social websites. This concern will increase over time and businesses will be wary in using this form of communications. They will use their internal communications links to keep employees updated on the state of affairs and the social networks as a means to direct traffic to their own, more secure web sites.

3.0 Methodology

The COMPAS web-survey of CEOs and leaders of small, medium, and large corporations was conducted July 29 – August 3, 2011. Respondents constitute an essentially hand-picked panel with a higher numerical representation of small and medium-sized firms.

Because of the small population of CEOs and business leaders from which the sample was drawn, the study can be considered more accurate than comparably sized general public studies. In studies of the general public, surveys of n=82 are deemed



accurate to within approximate 10.9 percentage points 19 times out of 20. The principal and investigator on this study is Conrad Winn, Ph.D.



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