

Adopting ESN for business impact

The potential of enterprise social networking (ESN) on employee productivity and on the return of investment (ROI) of a company has been widely reported. Building on the uptake of social networks, companies taking up ESN hope to extend their reach to customers and foster collaboration between employees.



A recently InformationWeek survey, called "2013 Social Networking in the Enterprise," reveals that 85% of respondents say that their organisations already have some sort of ESN in place.

To give an indication of the significant economic impact ESN has, a forecast by global management consulting firm McKinsey & Co discloses that \$900 billion to \$1.3 trillion in annual economic value is created using social technologies, with two-thirds of that coming from social collaboration between and within companies. Depending

on the industry, McKinsey & Co predicts potential productivity gains of 20% to 30%.

Measuring impact

Interestingly, many of those companies that embrace ESN do not have strategies in place to measure the impact, success or business value that ESN has on their employees and customers.

"The reason for this is quite simple," says Dayle Wheeler, MD of ModernBusiness and founder of the innovative ESN 'ideas'. "Since there are so many variables to consider, they might not be sure what are the most meaningful measurements and, if they are, they might not be sure which benchmarks they should aspire to."

Even on Facebook, where users can rack up 'likes' and see how many fans or followers they have - right there, on their pages - users are still not given an indication about whether or not those quantitative statistics hold any significant value.

"Company owners need to ask themselves, 'Are those likes and our amount of fans having any detectable impact on my company's business and ROI or my employees' productivity?'

"It is not unlike having hits on a company's website. While high numbers of hits are obviously desirable, do those visitors simply land on the page and then leave again straight away, or do they stay on the site and actually click around to find out what your company is all about? If they do not, then that hit means nothing. So once again, it's about quality over quantity."

Encouraging logons

However, numbers are a good way to start measuring the effectiveness of one's ESN. "Once you have adopted an ESN for your company, a good way to start establishing how well it is doing is by looking at how many of your employees are logging in daily. From there, you can determine how many of those users are active on the network; generating content and participating in discussions. Did the numbers drop after the initial introduction?"

One way to keep the numbers of active users on ESN high is to encourage daily log-ins. "To ensure you have a high log-in and participation rate, give your ESN an important business purpose. Encourage employees to use it to collaborate on work tasks and projects. If they find it beneficial to their productivity, they will soon be logging in to get their work done," he concludes.