

# Social media aide-memoire for boards

ate last year, Volvo posted a YouTube video of Jean-Claude Van Damme performing a perfect split while balancing on the side mirrors of two Volvo trucks moving in reverse, to demonstrate the control and steady balance of Volvo's steering system. This video went viral and saw Volvo's pre-sale numbers increase by 30% in the ensuing months.

Contrast this with another social media driven incident, where in early 2013, after going into administration, HMV Music in the UK laid off thousands of employees, including the employee in charge of the company's official Twitter account. This disgruntled employee proceeded to live-tweet the "mass-execution" of employees, vented frustrations, and revealed sensitive company information on the company's official page.

These are perfect examples of how social media can be a boon and a bane to organisations from both strategic and operational perspectives. Volvo used it well to strategically communicate its brand without hard selling. HMV could have avoided the reputational mess it was in with better operational controls, stronger governance on social media as well as better risk management of events that could go virally wrong on social media.

A recent PwC Malaysia survey on social media in business found that despite its widespread business implications, 75% of respondents felt that organisations are not doing enough to embrace social media strategically. It was also not-

ed that about 50% of Malaysian companies have not identified the risks of being on social media platforms and that there is still minimal buy-in and discussion around social media at the board and C-suite level.

Malaysia's 13 million Facebook users and 1.3 million Twitter users form part of the 1.73 billion social media users across various platforms globally. These staggering numbers indicate that the social media agenda can no longer be left to junior technologically savvy employees alone.

Social media considerations need to be driven from the top — a possible challenge for some board members and C-suites who may not be able to tell the difference between hashtags and hash browns. As stewards of the company, the board is ultimately responsible to drive growth via a firm social media strategy while maintaining the necessary governance to safeguard various stakeholders' interests.

The following aide-memoire (right) will provide you, as a board member, with the ability to ask the key questions that could mean social media survival in your organisation. For the C-suite, it provides the impetus to get the basics in place for social media management.

The risks and opportunities pre-



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sented by social media to businesses are too great to be ignored by the board and to be managed in a silo and ad hoc manner. It is therefore imperative that social media features on the boardroom agenda, where management and the board have robust dialogue around the questions set out in the checklist. For a quick look at "How social your company is?" as well as some suggested action points, go to [www.pwc.com/my/social](http://www.pwc.com/my/social).

Like everything else in the social media space, by the time you've read this article, there may be significant developments and changes in social media technologies and trends. However, the above aide-memoire will still serve as a relevant starting point to bring the social media conversation into the boardroom. ■

**Sundara Raj is consulting leader in Malaysia for PwC's South East Asian Consulting services. This article, which shares why social media deserves a spot on the boardroom agenda, is the second of three fortnightly articles based on the PwC Malaysia report *Getting social: Social media in business*. In the final article, PwC Malaysia Gen Ys will answer our followers' questions on social media, in Twitter style (140 characters!).**

## The aide-memoire

### WHAT TO ASK

Do we need a social media strategy?

What are we doing in the social media space?

Who is in charge of social media?

Have we considered social media risks and how can we mitigate what is necessary?

Do we have a social media policy/guidelines?

What does it cover?

Are our people aware of it?

Do we have the right technology in place?

### WHAT TO LOOK FOR IN MANAGEMENT'S RESPONSE

- A consideration of the various social media platforms and how these could contribute to or impede business objectives. This could include enhancing brand presence, growing revenue and/or improving employee engagement.
- Research on the company's target market and their preferred social media platform(s)
- Analysis and benchmarking of competitors' social media initiatives
- For companies with existing social media presence: defined objectives of social media presence and how these contribute to business objectives
- Ensure we are not on social media just for the sake of being on it
- A clear governance structure in place with accountability for:
  - Leading social media initiatives/considerations (C-suite as lead advocates)
  - A specially formed team to run day-to-day operations (with department representatives to oversee relevant matters) including content creation/review, response, monitoring and impact assessment
- An updated and company specific inventory of social media risks — this could be the outcome of existing risk management initiatives. The inventory should be prioritised with mitigation plans for higher risks.
- Procedures in place to proactively identify, assess, mitigate and monitor social media trends and risks. This should encapsulate:
  - Direct social media initiatives (for example, launching of the company's Twitter account)
  - Company initiatives/events that could "blow-up" on social media (for example, salary cuts, company buying private jet or board member resigning). This includes having a crisis management plan prepared and having a social media response team in place.
- A regularly updated social media policy/guidelines should be in place covering:
  - The company's social media presence and that of its key executives (especially for board members and C-suites)
  - Employee's social media "behaviour", especially with regards to things they say about company matters, can be incorporated within the code of conduct
- The social media policy has been communicated organisation-wide
- Advocates, champions and mentors are in place to make sure the policy is adhered to
- Anonymous "speak-up" channels available for employees to communicate observed non-compliances to the policy
- IT department has done an impact assessment and understands social media considerations
- The following technological considerations (as a minimum) have been done:
  - Applications — Do we have the necessary applications to enable effective monitoring (for example, social media listening tools), analytics (for example, metrics capturing and data analysis), ad hoc response and feedback?
  - Security — Will social media access affect any existing security measures? Is there a need for additional encryption, firewalls, anti-viruses, and so on?
  - Bandwidth — Will allowing employees to access social media impact bandwidth required for other business activities? Should we limit access to lunch/after office hours?