Managing Your Business’ Risks Related to Social Media

Work with the government and mitigate risks to your contract related to social media
At the end of this module, you will be able to:

- Identify the benefits and shortfalls of social media, to both a government agency and a small business.
- Understand the employee training, policies, and procedures required to help maintain proper information dissemination and compliance.
- Learn the government’s social media policies to ensure your business model, processes and procedures align with the agencies you contract with.
The Federal Deposit Insurance Corporation ("FDIC") recognizes the important contributions made by small, veteran, and minority and women-owned businesses to our economy. For that reason, we strive to provide small businesses with opportunities to contract with the FDIC. In furtherance of this goal, the FDIC has initiated the FDIC Small Business Resource Effort to assist the small vendors that provide products, services, and solutions to the FDIC.

The objective of the Small Business Resource Effort is to provide information and the tools small vendors need to become better positioned to compete for contracts and subcontracts at the FDIC. To achieve this objective, the Small Business Resource Effort references outside resources critical for qualified vendors, leverages technology to provide education according to perceived needs, and offers connectivity through resourcing, accessibility, counseling, coaching, and guidance where applicable.

This product was developed by the FDIC Office of Minority and Women Inclusion (OMWI). OMWI has responsibility for oversight of the Small Business Resource Effort.
Government agencies are authorized to share quality, timely information with the public through their website and affiliated websites. Agencies maintain strong internet policies and quality control over the possession and maintenance of information. When contracting with the private sector, government agencies are at risk that the contractor and its employees may disclose unauthorized or sensitive information.

Businesses that contract with the government must be aware that they can lose a contract if an employee posts or releases sensitive or unauthorized information learned while on a project. Once information is released, due to the viral nature the internet and social media, it becomes almost impossible to recall or contain.
Most businesses have not defined the proper use of social media by their employees, wherever they may be connected – home, work, or other locations. The risks to a business’ reputation, performance, and competitive advantage are real. Nearly 20% of businesses report investigating the posting of confidential, sensitive, or private information by their employees using social media.

Ensure your employees are using social media in a way that protects and enhances your business instead of negatively impacting your workplace, your culture of ethical behavior, and your government contracts.
The following is an excerpt from the Memorandum on Transparency and Open Government, issued on January 21, 2009, by President Obama instructing the Director of the Office of Management and Budget (OMB) to issue an Open Government Directive.

MEMORANDUM FOR THE HEADS OF EXECUTIVE DEPARTMENTS AND AGENCIES

SUBJECT: Transparency and Open Government

My Administration is committed to creating an unprecedented level of openness in Government. We will work together to ensure the public trust and establish a system of transparency, public participation, and collaboration. Openness will strengthen our democracy and promote efficiency and effectiveness in Government.
Government should be transparent. Transparency promotes accountability and provides information for citizens about what their Government is doing. Information maintained by the Federal Government is a national asset. My Administration will take appropriate action, consistent with law and policy, to disclose information rapidly in forms that the public can readily find and use. Executive departments and agencies should harness new technologies to put information about their operations and decisions online and readily available to the public.
The White House is fully ingrained in Social Media and offers a multitude of avenues for people to stay “in-touch” and up-to-date via social media outlets.
In the 19th Century people offered transparency, participation, collaboration through the use of public gatherings to convey and discuss information.

In the Late 19th Century – Early 20th Century, widespread distribution of written material became popular.

The 20th Century became the Broadcast Era, with the widespread use of radio and later television to reach and influence the masses, but the broadcasters controlled the information.

Late in the 20th Century the Internet increased communication and transparency.

At the beginning of 21st Century social media tools & Web 2.0 technologies became abundant, allowing for further transparency, quick feedback, two-way interaction, add-on information, and third party input.
Social media can be defined as the tools and content that enable people to connect online, share their interests, and engage in conversations. These tools include blogs, micro blogs, wikis, media-sharing sites, social networks, and bookmarking sites.

Social media allows for the creation and exchange of user generated content (UGC) or consumer generated media (CGM), using highly accessible and scalable publishing techniques. These web-based technologies transform traditional broadcast media monologues into social media dialogues. A common thread in all definitions of social media is its blending of technology and social interaction for the co-creation of value.
Social media allows large and small businesses and government agencies to reach customers and to build or maintain a solid reputation. Social media has grown to link multiple global geographies and languages on the same platform, extending the reach to more consumers globally. Brands are now able to advertise in multiple languages and reach a broader range of consumers. However, unauthorized or negative information can also reach a broader potential audience at breakneck speed.
# Some Examples of Social Media

<table>
<thead>
<tr>
<th>Communication &amp; Promotional Tools</th>
<th>What is out there?</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Blogs</td>
<td>• Facebook – friends</td>
</tr>
<tr>
<td>• Visual content (video / photos)</td>
<td>• Twitter – communications</td>
</tr>
<tr>
<td>• Social Networks</td>
<td>• Ning – organizations</td>
</tr>
<tr>
<td></td>
<td>• LinkedIn – colleagues</td>
</tr>
<tr>
<td></td>
<td>• Foursquare - friends</td>
</tr>
<tr>
<td></td>
<td>• MeetUp– offline</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Organizational Efficiencies</th>
<th>What tools are available?</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Wikis/crowd source</td>
<td>• Google Docs</td>
</tr>
<tr>
<td>• Share, access, store</td>
<td>• Google Reader / RSS</td>
</tr>
<tr>
<td>• Cloud-collaboration</td>
<td>• Slideshare</td>
</tr>
<tr>
<td></td>
<td>• Delicious</td>
</tr>
<tr>
<td></td>
<td>• YouSendIt</td>
</tr>
<tr>
<td></td>
<td>• TinyURLs</td>
</tr>
<tr>
<td></td>
<td>• “Share This”</td>
</tr>
</tbody>
</table>
Businesses must understand that national security agencies and other agencies must operate within the context of the entire Social Web, as it has become operational space for many adversaries.

Many newsworthy events are picked up through social media “netizens” before the mainstream media. The government therefore actively monitors social media outlets and responds accordingly when opponents seek to turn benign events against the safety or credibility of the United States.
The government needs to:

- Monitor foreign content/postings.
- Monitor keywords and topics.
- Capture original content and related comments and posts.
- Process in real time.
- Capture and store complete thread content and posts in order to analyze the information against topics later identified as related content of interest.

The private sector expects accurate, real time, and easy to understand information in order to conduct business, build brands, or disseminate information.
Business must understand that government agencies maintain strict policies and guidelines for allowable technology and dissemination of information. Some policies businesses must understand include:

- Agency restrictions on access to the Internet in the office, while doing work at home, or when logged onto your business’ network.
- Accountability and repercussions for unauthorized release of information and/or comments by employees on social media outlets.
- Proper training of supervisors and employees on allowable interaction with the public and use of social media websites.
- Monitoring access and use of technology, social media or third party websites while on the job.
- Use of cell phone, third-party applications, PDA applications, or cameras.
- Appropriate clearance for Government-owned information or websites.
- Adherence to additional policies and procedures may be required by specific agencies.
As contractors or a potential contractor you must understand the importance of a controlled informational flow process.

You must understand the risk and potential liability of government information being “leaked” either intentionally or unintentionally.

You must understand the policies and procedures agencies have initiated internally regarding social media, and either mirror or generate stronger policies of your own.

Your employees should be trained on and held accountable to company information dissemination and social media polices.

You should implement a “social authority” whereby an individual, or group, within your business is trained and established as an expert on social media and information policy, thereby becoming an “influencer” and trainer in that policy or area.
All information posted on your business website or through third party blogs and social media outlets should flow through the social authority.

Policies should enforce the role of the social authority.

All employees should be educated on the policies, enforcement of the policies, and punishment for failure to follow the policies.

Employees should sign contracts acknowledging policies regarding outside dissemination of information, and understand that failure to follow policies may result in disciplinary action and their further failure to comply may result in lawsuits against the company or themselves.
Your business is likely to have serious risks in multiple areas regarding its understanding of social media, your employees’ use of social media, and the policies that govern that usage.

Social media can be both constructive and destructive. People are resistant to marketing in general, but they are even more resistant to direct or overt marketing through social media platforms.

To use social media as an effective form of marketing, you should persuade people of your genuine knowledge and expertise in a specific area or industry by providing valuable and accurate information on an ongoing basis. Using a your social authority person or group as the knowledge source helps your audience digest information – and your message – while gaining trust. The customer will naturally begin to gravitate to the products and/or offerings of the authority/influencer as they become more aware.
Social Media Risks: Your Business’ Awareness

1. Make sure executives and managers responsible for policy development and enforcement understand what social networking is.

2. Incorporate policies about restrictions on how your employees access the Internet in the office, while doing work at home, or while logged in to your business’ network (i.e., accessing/downloading confidential information or accessing social networks such as LinkedIn, Facebook, or YouTube).

3. Provide training for employees to understand what information and data is confidential, such as intellectual property, material non-public information, personnel information, and financial records.

4. Ensure executives and managers, who are responsible for policy enforcement, are aware of the civil and criminal laws that protect employees from unreasonable monitoring of their electronic communications by employers.
1. Establish restrictions on employees bringing or using cell phones with cameras into your workplace as deemed necessary.

2. Monitor use by employees and contractors of employer-owned technology.

3. Restrict your business communication to the public through Facebook, Twitter, blogs, or other social media to specific individuals with appropriate media training.

4. Establish policies that govern whether your employees may discuss or endorse your business in public and rules about how to do so ethically.

5. Address requirements for appropriate language and communication about your business in public and semi-private forums.

6. Have a formal email policy and ensure that each employee adheres to the policy through a formal acknowledgment.

7. Have supervisors trained on the implications of using tactics to monitor what employees are disclosing on social media sites.
1. Have policies on the use of technology, protection of confidential information, respecting colleagues, and provide periodic training.

2. Ensure policies specifically address social media and the issues unique to social media and your company or industry.

3. Have supervisors in your business trained on these policies and the risk of improper or inconsistent enforcement.

4. Explore ways to understand and reduce your organizational risk, including using Social Media Policy Assessments and Social Media Policy Development.
Social Media Risks: How To Address

- Seek help assessing your business’ risk in social media or other ethics and compliance areas.
- Leverage expertise and solutions to evaluate risk levels, perform program reviews, and reduce your risk.
- Implement policies and procedures similar to that endorsed by the government.
- Use a person, group of employees, or third party as your company’s social authority, and task them with researching and understanding the available social media outlets.
The Internet is not anonymous, nor does it forget. Everything written and posted on the web can be traced back to its author easily.

No clear line between your work life and your personal life exists on the internet. Always be honest and respectful in both capacities. **Always write as if everyone knows you. Never write anything you wouldn't say out loud to all parties involved.**

Avoid posting or linking to any materials that may be defamatory, harassing, or indecent.

Do not promote personal projects, or endorse other brands, causes, or opinions.
Be sure to respect third party copyrights.

If you must post a personal opinion, clearly state to all readers this does not represent the opinions of the business.

Maintain confidentiality. Do not post any confidential or proprietary information related to the business or its clients. Always adhere to the policies and procedures of your clients about confidentiality and social media procedures.

Do not pad your own statistics. Do not create anonymous or pseudonym online profiles in order to pad link or page view statistics. Do not comment on your own or others posts in order to create a false sense of support.
Always provide references. When reposting or referencing a post on one of your business’ online sites, provide a link to the original post or story.

Identify yourself. When relevant, identify your affiliation with the business and your area of concentration.

Do not pat yourself on the back. Do not post self-laudatory statements regarding your work or that of the business.

Do not qualify your work. Do not post statements regarding the quality of your work or the business unless backed by statistics.

Do not approve recommendations or testimonials. Soliciting or otherwise approving recommendations and testimonials may violate the ethics rules under which most businesses operate.
- Do not overtly promote successes – provide a framework for other social media users to become your advocates and speak on your behalf. Foster grassroots efforts for others to share and promote your successes.

- If you find a negative post or comment about your business or yourself, do not counter with another negative post. Instead, publicly offer to remedy the situation through positive action.

- Do not offer or appear to offer legal advice, professional expertise, or to form client relationships using social media. Formation of these relationships should be done only through your business’ regular procedures to avoid conflicts and other ethical problems.
Utilizing social media does have risks, but there are great rewards as well. Social media allows you to be more connected to your potential clients in a short amount of time.

You gain a powerful tool to build rapport, authority, and social capital when you connect with your audience in an authentic way on social media versus other marketing tools.

Not only will you be able to connect to customers, but you will also be able to participate in business related discussions that will build your online profile and position your expertise in front of your target audience. This can be accomplished by participating on a variety of sites such as LinkedIn, Facebook, and Twitter as well as industry specific sites.
Social Media: Business Rewards

- Other ways a company can connect to their target audience on social media is to provide educational information, interesting facts about the industry or profession, contests or promotions, or recognition of customer’s achievements.

- Social Media tools are also a great way to meet and learn from other business people. There is a plethora of advice for small businesses - expert resources, news, and a community of entrepreneurs who have the same goals to learn and exchange ideas.

- Using social media allows customers to share positive or constructive feedback. There is opportunity in both positive and negative feedback through galvanizing internal improvement or creating satisfied customers that promotes your business and becomes a strong brand advocate. Having an independent endorser provides credibility to your business and having a third party endorsement gives your business more believability.
Social networking allows individuals to share information with the public, and for others to edit, respond to, and advance that information.

The government has a responsibility and mandate to offer accurate and current information, and transparency. Using social media outlets has become both a necessity and a challenge. The government also monitors social media activity. This monitoring is necessitated by both national security and the need to ensure accurate information is made available to the public.

In order to successfully use social media and ensure only appropriate information reaches the public, government agencies establish and enforce policies and procedures regarding the education of supervisors and employees, use of the Internet while logged into agency computers or remote access, employee use of websites and social media outlets, use of private technology (cell phone, tablets, PDA applications, camera, tablet devices), and contractor activity.
When the government enters into a contract, both the agency and the contractor are at risk for improper use of social media outlets. Contractors risk losing the contract if unauthorized government information is released to the public. Social media outlets offer an easy, quick, and uncontainable avenue for release.

You can be competitive and gain widespread public acceptance through social media outlets and viral advertising. However, you need to establish and implement an enforceable code of conduct that addresses what information can be discussed and disseminated, how this information may be broadcasted, and by whom.
Key Takeaways from This Module  (Slide 3 of 3)

- Properly educating and monitoring your employees to ensure that the code of conduct and related policies are followed is essential to minimizing the risk that sensitive information is released or commented on by employees.

- Social Media and Online activity is a very influential force in the global and interconnected world we live in today. To fully take advantage of the benefits of social media, businesses have to fully comprehend it as well as embrace it wisely and intelligently.
Sources and Citations

- White House Website (http://www.whitehouse.gov/)
- THE WHITE HOUSE, Office of the Press Secretary, MEMORANDUM FOR THE HEADS OF EXECUTIVE DEPARTMENTS AND AGENCIES, Transparency and Open Government, January 21, 2009
- Global Compliance, Social Media Checklist, 2010
- Brian A. Hersh, ProSidian Consulting, Social Media Exploitation, Analysis, and Engagement White Paper, February 2010
- New Media Strategies, Social Media Presentation, April 7th, 2009
Sources and Citations


- ReJeana Findlay, ProSidian Consulting, Social Media: Business Rewards.
