

Social Media Governance 2010

How companies, the public sector, and NGOs handle the challenges of transparent communication on the Internet



Social Media Governance 2010

Results of a survey among communications professionals from companies, governmental institutions and non-profit organizations in Germany

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At a Glance

Study „Social Media Governance 2010“

Key data

- Survey among communication managers and public relations professionals from companies, governmental institutions and non-profit organizations in Germany (no agencies and consultants)
- Sample size: 1,007 fully completed questionnaires (n = 1,007 communications professionals)
- A joint research project of the University of Leipzig, Pressesprecher magazine (Berlin) and Fink & Fuchs PR AG (Wiesbaden)

Key topics

- Strategies for the launch of social media communications
- Skills and responsibilities within the organization
- Tools and applications in corporate communications
- Relevance, opportunities and risks of communications in the social web
- Changes in communication activities due to new paradigms
- Identification of existing regulatory frameworks for interactive communications (Social Media Governance)
- Correlations between skills, strategies, activities and governance structures

Point of departure and research questions

Social media are currently on top of the agendas of many organizations. Within the scope of "Enterprise 2.0," this not only applies to PR and corporate communications, but to other departments and functions as well. Top management is faced with the challenge of finding ways of dealing with this relatively new and usually anarchically introduced topic.

Corporations become active on Facebook and YouTube, Twitter and become involved in online communities. Yet this usually takes place very unsystematically – the responsibilities are not identified, frequently there is a lack of qualification training for employees, while guidelines for online communications and key performance indicators to measure the success are also missing. The question arises of how to organize and manage the activities of the involved players in such a way as to optimally achieve overriding organizational goals.

This calls for Social Media Governance in the sense of a formal or informal regulatory framework for the actions of members of the organization in the social web. In the social sciences, "governance" describes the institutional structures and processes of handling interdependencies among various actors. The study examines the status quo of Social Media Governance, identifies influencing factors, and states opportunities, risks and the prerequisites for corporate communications in the era of the social web. Data for the empirical research has been collected in Germany, the largest country in Europe and home of many multinational organizations. This makes the research relevant on a global scale.

Selected results of the empirical study

- 54 per cent of all German organizations currently utilize social media for communications purposes. However, the majority (26.2%) have been active in the area for less than 12 months and a further 22.1 per cent for more than one year, while only a minority of six per cent has accumulated more than three years of experience.
- The most frequently applied tools are video sharing, microblogging and blogs; the most popular communities are Facebook, Xing and own social networks on the Intranet or Extranet. The most popular applications among PR departments are Facebook profiles/pages and Twitter channels. Corporate blogs and social media newsrooms remain nominal.
- The majority of communications professionals rated their social media skills as medium or low. The most deficits were found in technical expertise, evaluation, strategic development of social media, and the management of web communities.
- The most frequently stated perceived risks of social media can be summarized under the term "loss of control." A total of 82.3 per cent perceive the greatest benefit to be the quick distribution of information, followed by improved services (45.7%), and simplified monitoring of public opinion (44%).
- Nine in ten companies so far have no explicit regulatory frameworks (Social Media Governance). However, the presence of such structures has a very positive effect on skill levels, which positively influence the development of strategies and the degree of activity. This means that the establishment of Social Media Governance structures is a key factor for the rooting of social media communications in organizations.



Key figures of the study and social demographics of the participants

Method

Survey method and sampling procedure

- Online survey in June 2010 (3 weeks)
- Questionnaire with 20 questions, each based on scientific hypotheses incorporating existing theories and previous empirical findings
- Personal invitation to participate via the mailing list of Pressesprecher magazine and to the members of the Bundesverband deutscher Pressesprecher (BdP – German federal association of spokespersons, largest branch association for PR professionals in Germany)
- Participants: 1,007 fully completed questionnaires

Evaluation

- Statistical analyses with the methods of empirical social research (descriptive and analytical statistics), using SPSS software tools
- Statistically significant group differences were tested with variance analyses, and dependencies were tested via correlations. For this purpose, the correlation coefficient was determined for each instance, either Pearson's or Spearman's Rho, depending on the data volume. The higher these values, the stronger the correlation – with a maximum value of 1 with an overall probability value of $\alpha = 0.05$. Significant facts are listed in the footnotes.

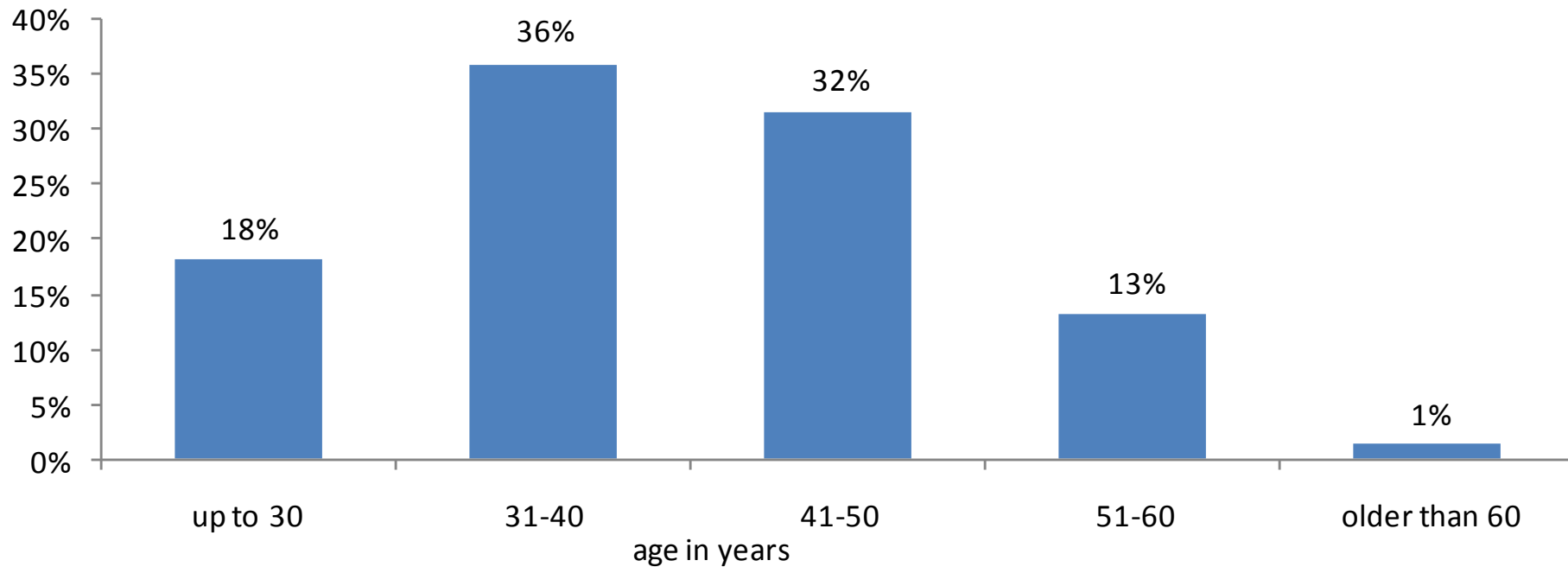
Social demographics of the participants (1,007 communications professionals)

Position	
Head of PR / corporate communications	37.1%
PR manager / spokesperson, PR consultant	59.8%
Trainee	3.1%

Organization	
Working in the PR / communications department of a	
▪ joint-stock company	17.8%
▪ private company	44.7%
▪ governmental institution or association	23.0%
▪ non-profit organization	14.5%

Age	
Average age (years)	40

Age distribution of the participants

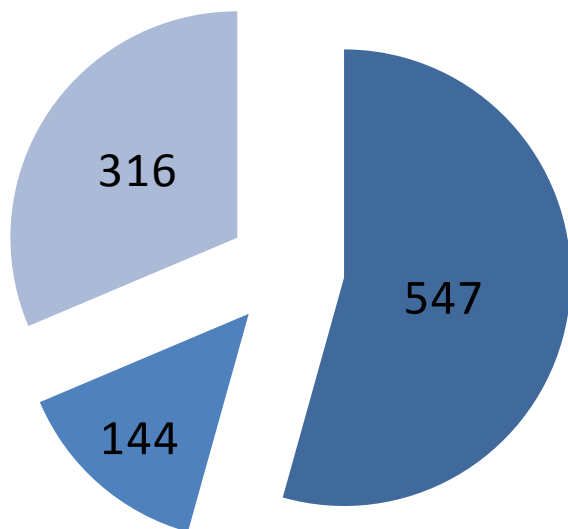


Size of the surveyed organizations

	< 50 employees	50 to 250 employees	250 to 1,000 employees	>1,000 employees
Joint-stock company	0.6%	1.5%	3.2%	12.5%
Private company	7.3%	10.9%	11.7%	14.7%
Governmental institution or association	5.8%	6.2%	6.1%	5.1%
Non-profit organization	5.7%	4.5%	2.5%	1.9%
Total	19%	23%	25%	34%

Composition of the sample and structure of the questionnaire

The participants of the survey can be divided into three groups. Filters in the questionnaire ensured that parts concerning the use of social media etc. were only answered by those concerned with the relevant issue. All results were calculated for the overall sample.



$\Sigma = 1,007$ participants

■ Social media in use

- Part I: Online experience of the organization, demographics
- Part II: Application of social media, strategies, tools
- Part III: Responsibilities in the PR department
- Part IV: Evaluation of social media, skills

■ Social media planned

- Part I: Online experience of the organization, demographics
- Part II: Application of social media, strategies, tools
- Part IV: Evaluation of social media, skills

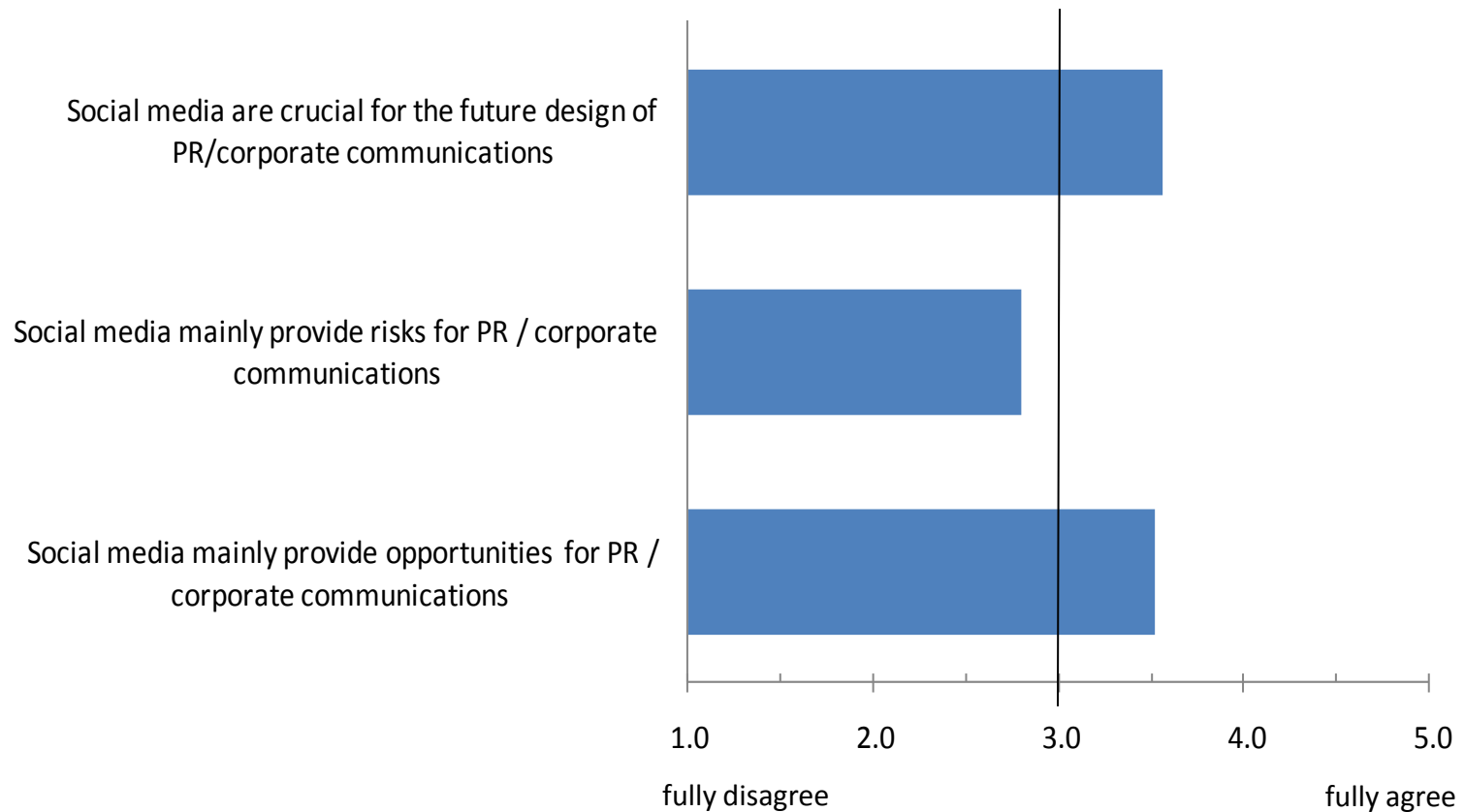
■ Social media neither in use nor planned

- Part I: Online experience of the organization, demographics
- Part IV: Evaluation of social media, skills



Assessment of social media

Communication managers have high expectations regarding social media – this is equally true for companies, public sector and non-profit organizations



The assessment of importance and opportunities of social media is correlated to the private use of social media, age, and experience of the organization

	Relevance of social media	Opportunities of social media	Risks of social media
Social media experience of the organization (years)	0.2	0.2	-0.12
Age of the communication managers	-0.09	-0.09	n. s.
Private social media use of the communication managers	0.22	0.22	n. s.

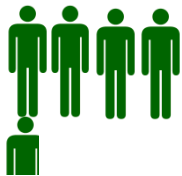
The greater the online experience of the organization and the younger and more web savvy the communication managers, the more positive the assessment of social media.

Communication managers consider the greatest advantage of social media to be the quick dissemination of information



82.3%

additional, quick dissemination of information



45.7%

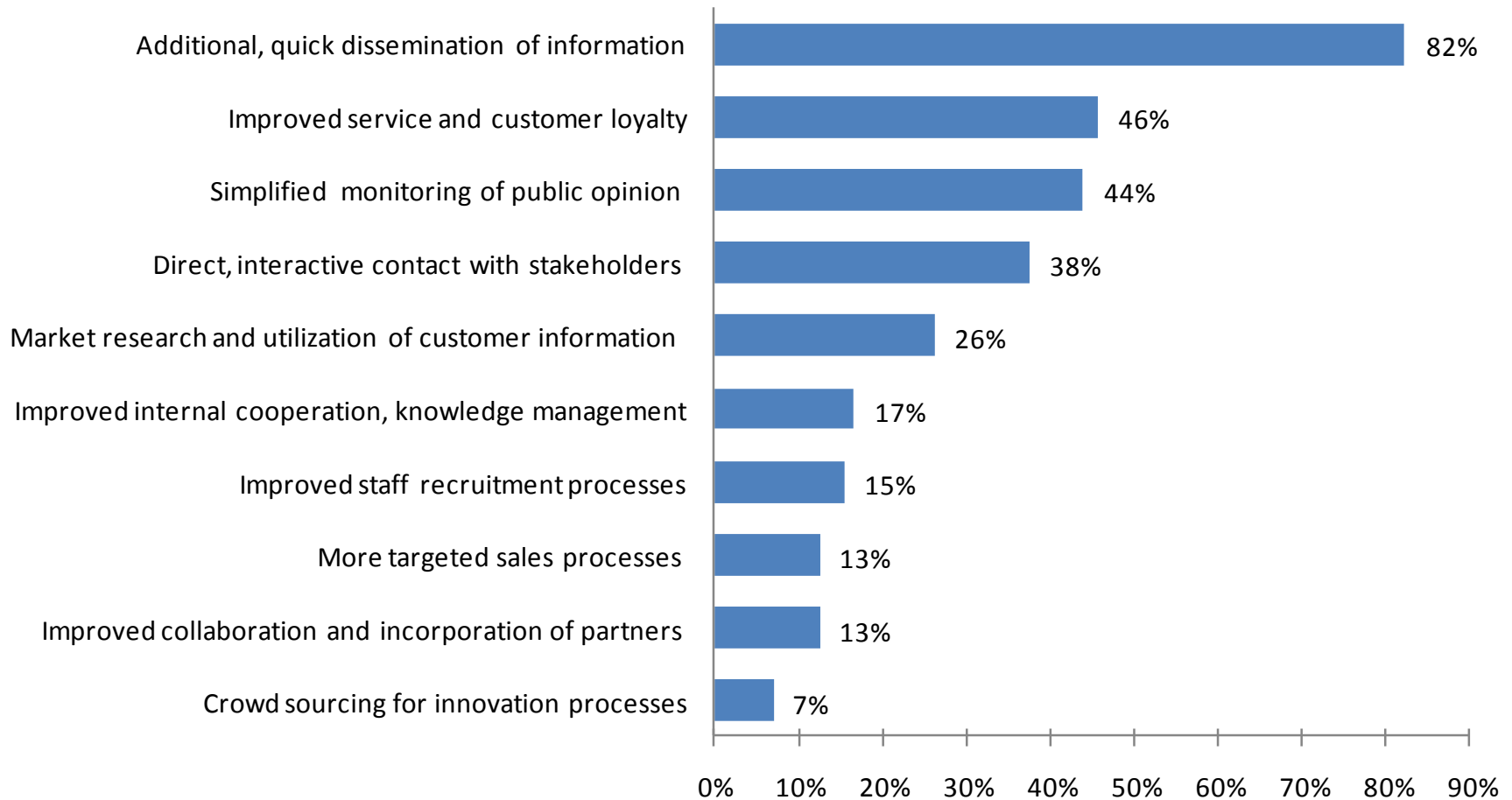
improved service and customer loyalty



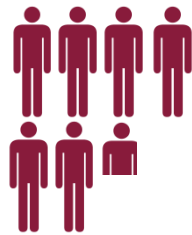
44.0%

simplified monitoring of public opinion

Opportunities of social media in detail

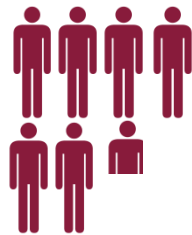


The greatest risks of social media are the loss of supervision and control as well as the compulsion to react quickly



66.2%

Difficulties to control the communication process



64.1%

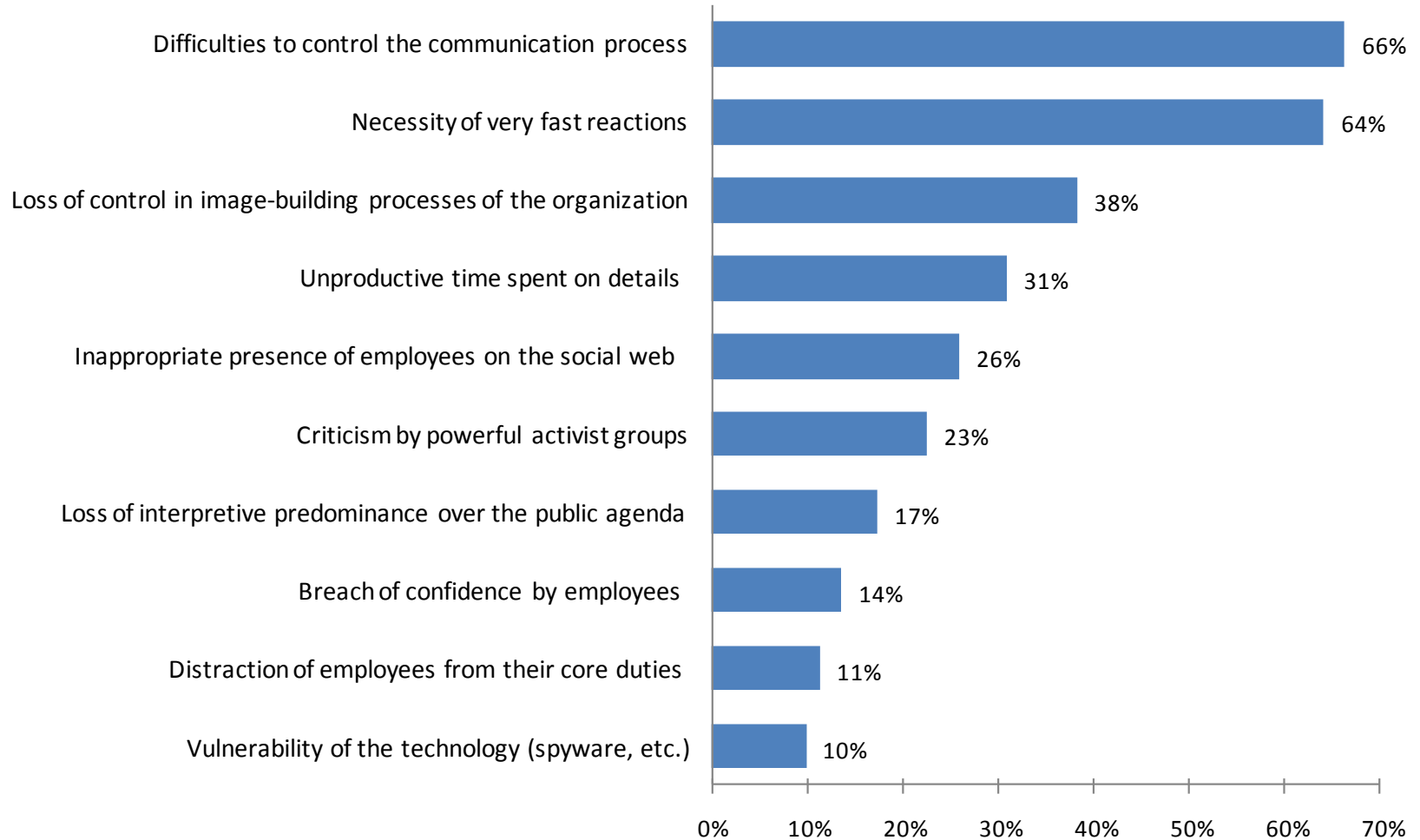
Necessity of very fast reactions



38.2%

Loss of control in image-building processes of the organization

Risks of social media in detail



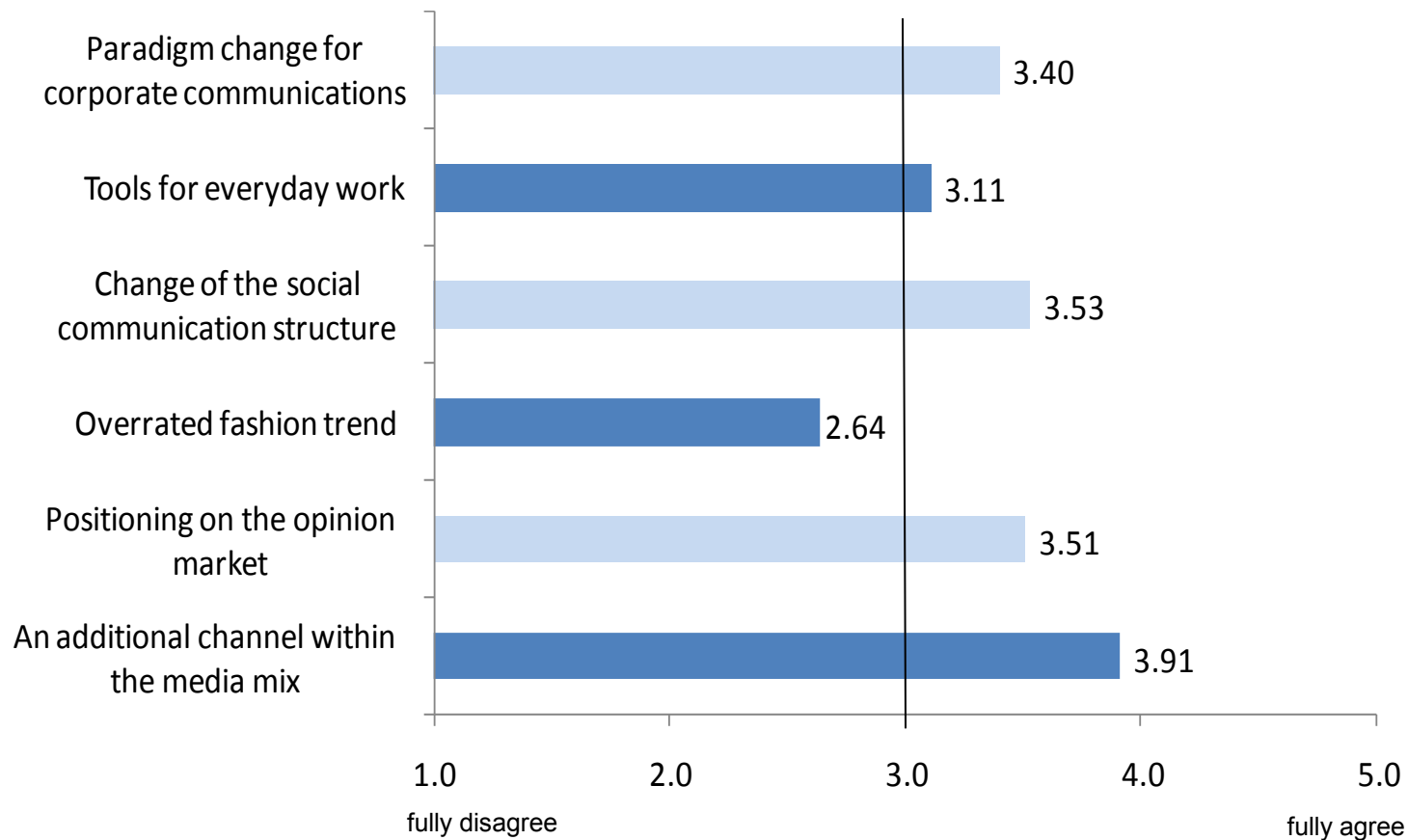
Social Media Governance 2010 / n =1,007 communications professionals / Q 17: What do you consider to be the greatest risks of the use of social media?)- choice of three answers. / Variance analyses showed no significant differences among the different types of organizations.

The perceived opportunities and risks affect the amount of activities of organizations in the social web

	Amount of activities of organizations in the social web
Critical perception of social media	2.11
Neutral perception of social media	2.62
Positive perception of social media	3.44

A positive perception of social media results in a more intensive use of tools, networks, and applications.

Social media are not only an additional communications channel but constitute an essential challenge for PR and corporate communications



Organizations with longer experience allocate higher relevance to social media

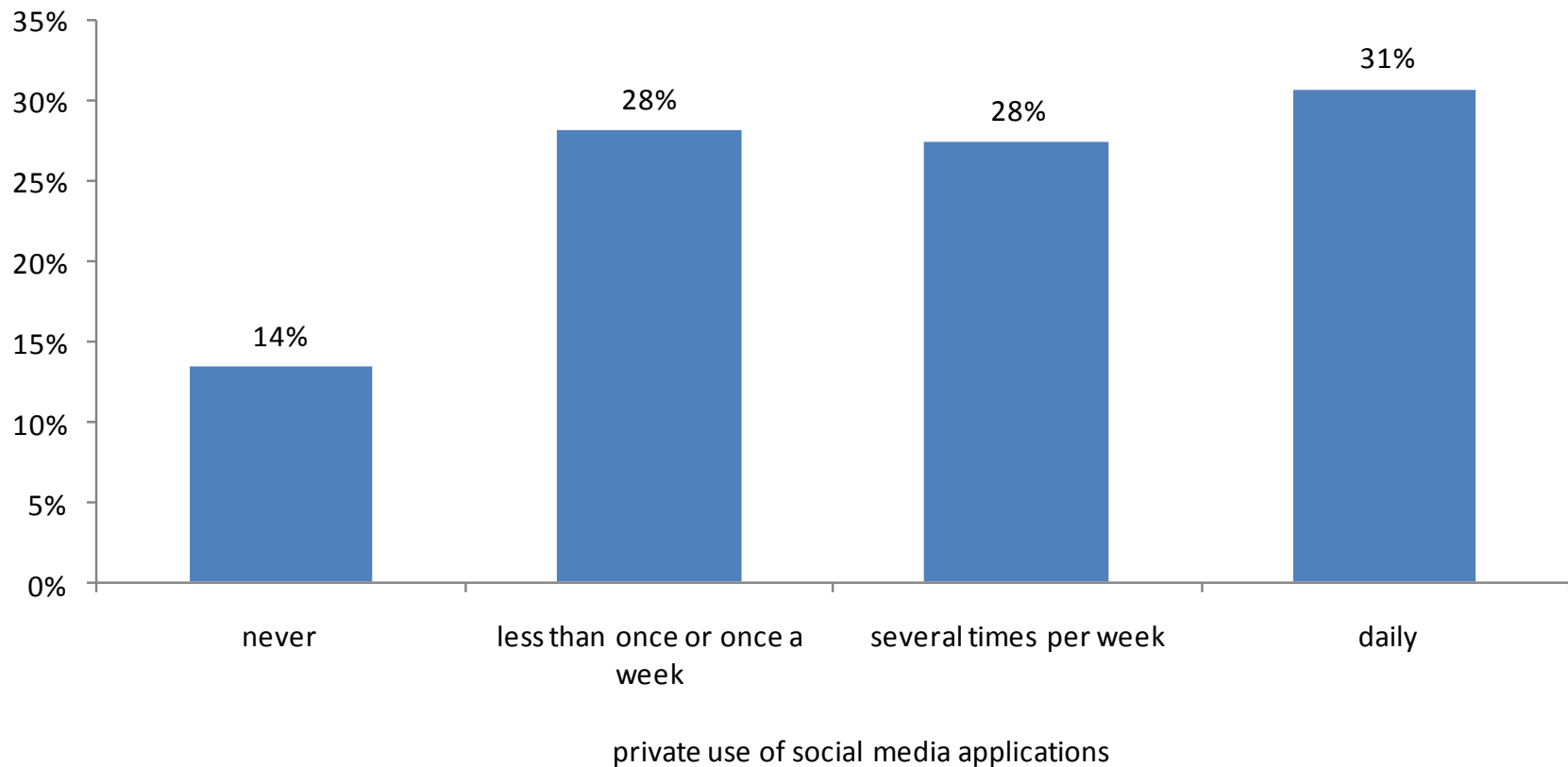
	Social media experience of the organization
Paradigm change for corporate communications	0.11
Tools for everyday work	0.23
Change of the social communication structure	n. s.
Overrated fashion trend	-0.17
Positioning on the opinion market	0.16
An additional channel within the media mix	0.09

The longer an organization has been utilizing social media, the greater communication managers rated its benefits and the lower they considered the respective applications to be overrated fashion trends.



Social media skills of communication managers

Online experience of German communication managers: One in three uses the social web privately less than once a week

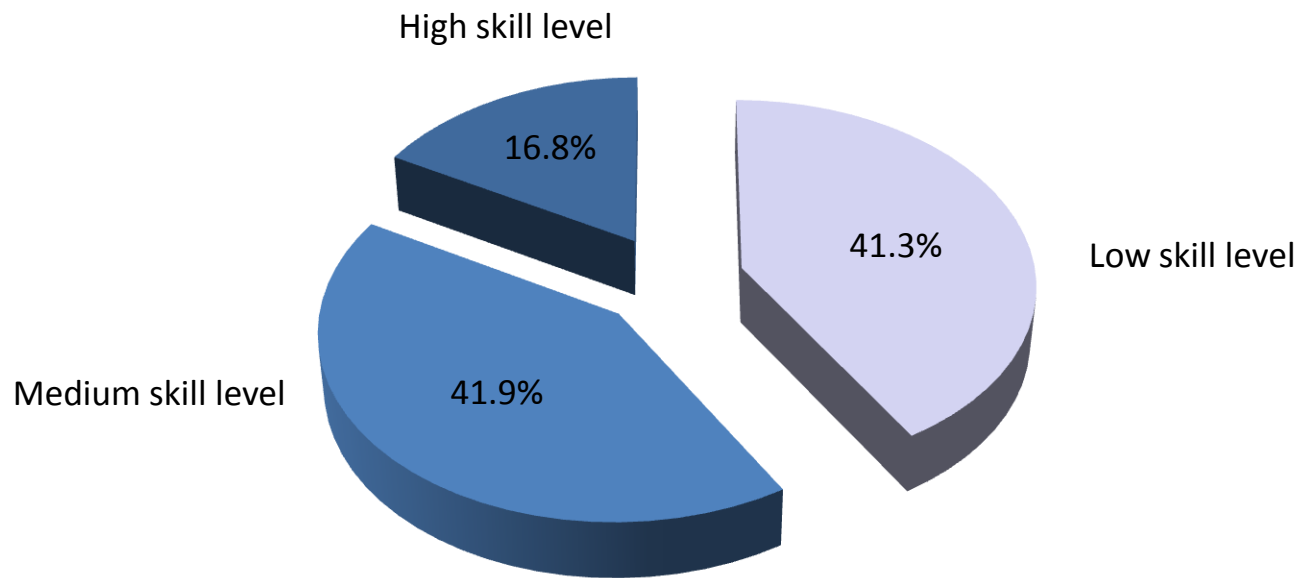


In the area of social media, communication managers so far have only limited skills, in some individual aspects also average skills



Social Media Governance 2010 / n =1,007 communications professionals / Q 19: How do you rate your internal skills in the following areas on a scale from 1 (no experience) to 5 (professional)? / Variation analyses show that there are no significant differences between the different hierarchy levels (Head of PR/CC, PR manager/spokesperson, intern/trainee) and types of organizations (company, governmental institution, non-profit).

Index of social media skills: Only 17 per cent of German communication managers have good overall skills



The index of social media skills I_{SMK} was calculated for every participant of the survey as the average rating of ten individual skills in the questionnaire. The index values range from 0 (no experience) to 5 (professional). Low skill level: $0 \leq I_{SMK} < 2.5$; medium skill level: $2.5 \leq I_{SMK} \leq 3.5$; high skill level: $3.5 < I_{SMK} \leq 5$.

Correlation of the organization's degree of experience and the social media skills of the communication managers

	Social media experience of the organization
Experience of the communication managers in the development of SM strategies	0.35
Experience of the communication managers in the evaluation of SM activities	0.33
Knowledge of the social media landscape among communication managers	0.27

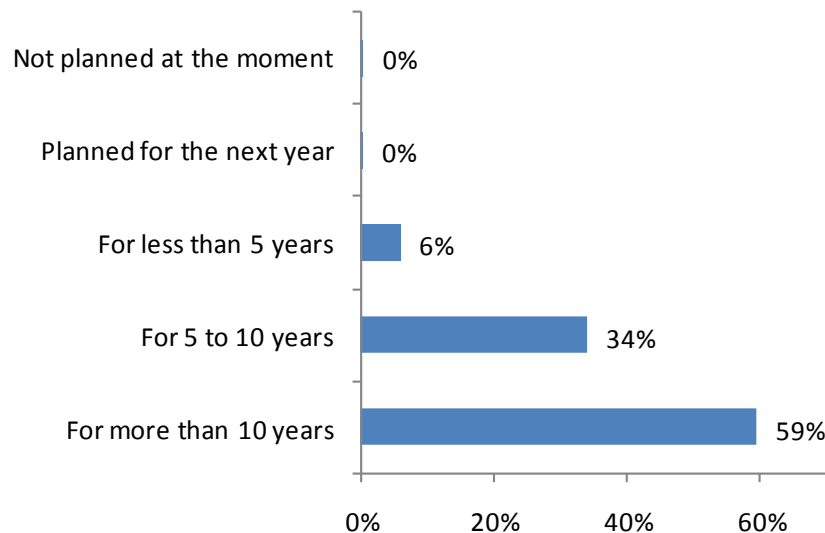
The longer an organization has been applying social media, the higher the communication managers rate their strategy development skills.



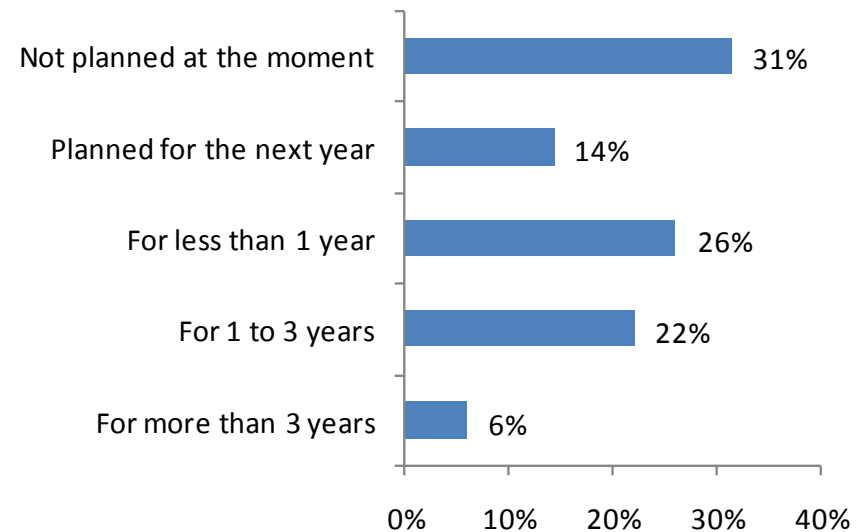
Social media activities – tools,
networks and applications

Online communications in German organizations – websites are firmly established, there are large differences in social media

Websites as part of corporate communications



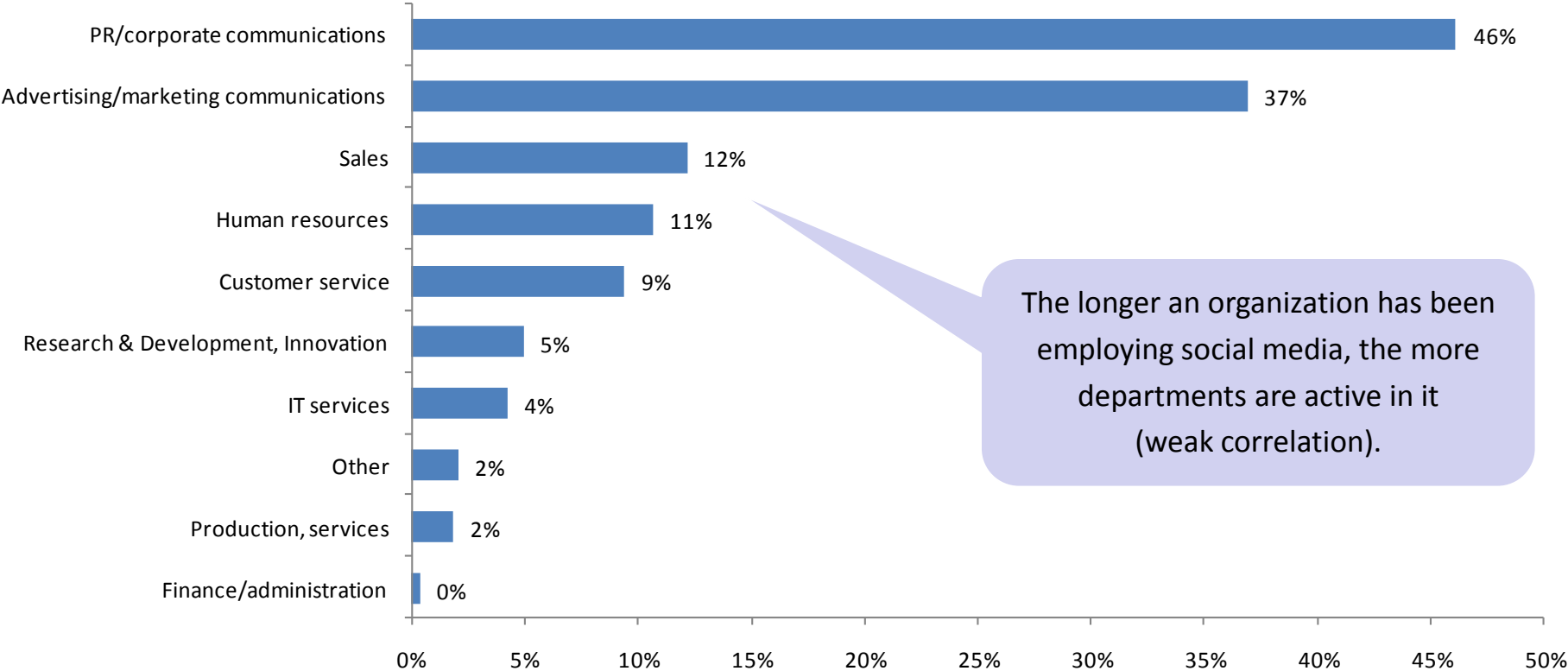
Social media as a communication tool



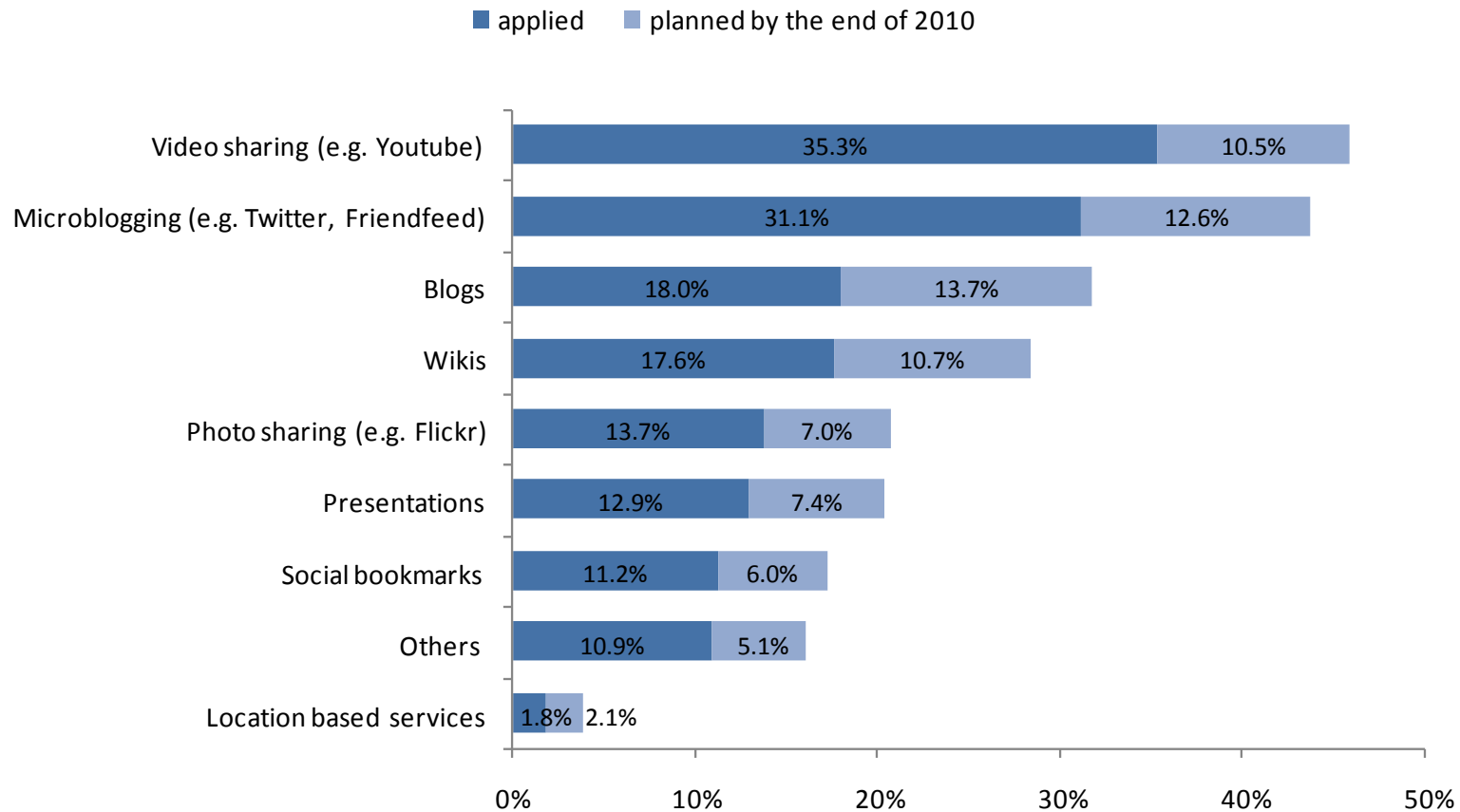
Social media experience of various organizations: Joint-stock companies and NGOs have been active longer than others

	No experience (*)	Limited experience (< 1 year)	Some experience (1 to 3 years)	Extensive experience (> 3 years)
Joint-stock company	33.7%	29.8%	25.3%	11.2%
Private company	47.3%	26.2%	21.8%	4.7%
Governmental institution or association	59.9%	26.3%	10.3%	3.4%
Non-profit organization	33.1%	21.4%	37.9%	7.6%

Utilization of social media: In addition to PR and marketing, many other departments also use respective applications

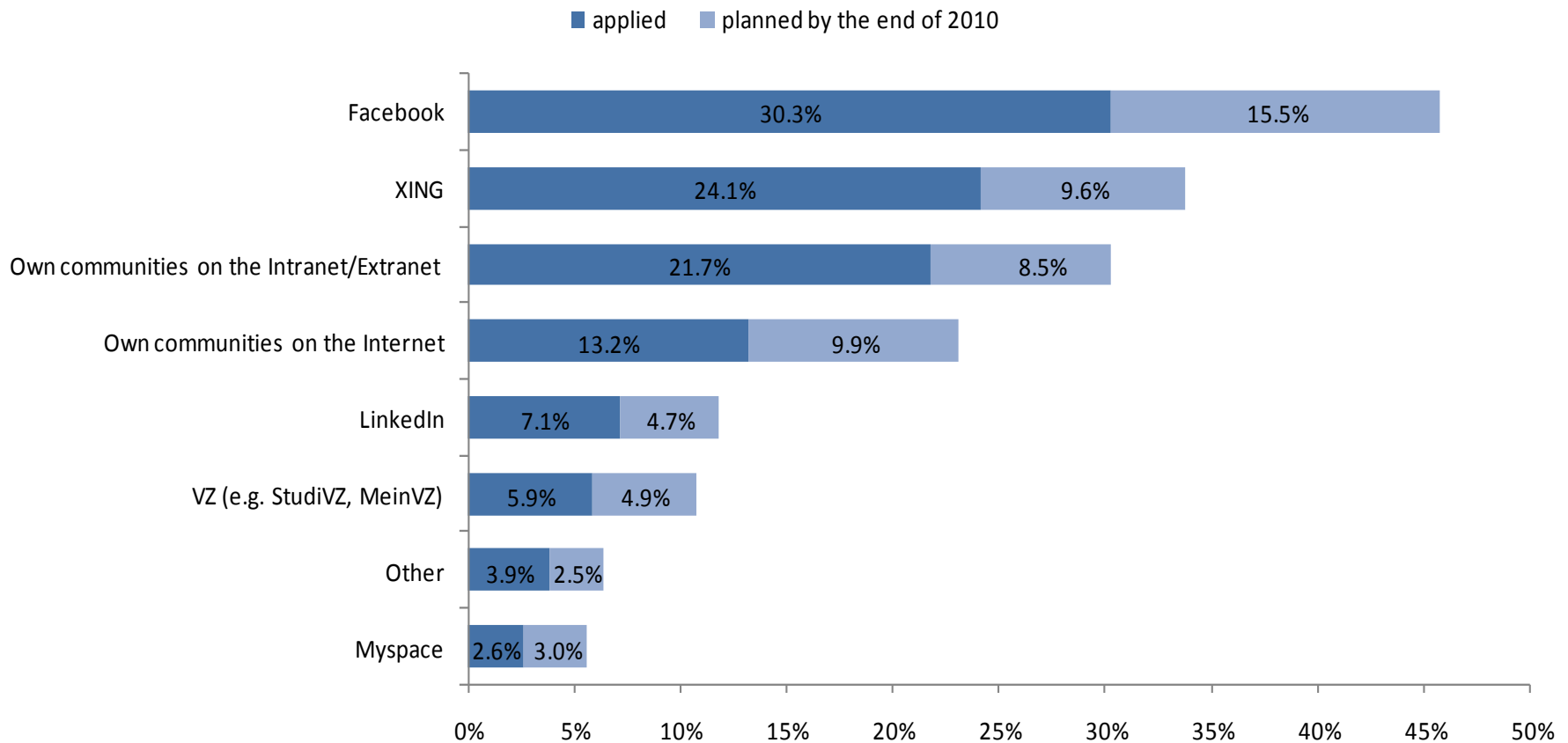


Social media tools in PR departments: Video sharing, microblogging and blogs are most frequently used

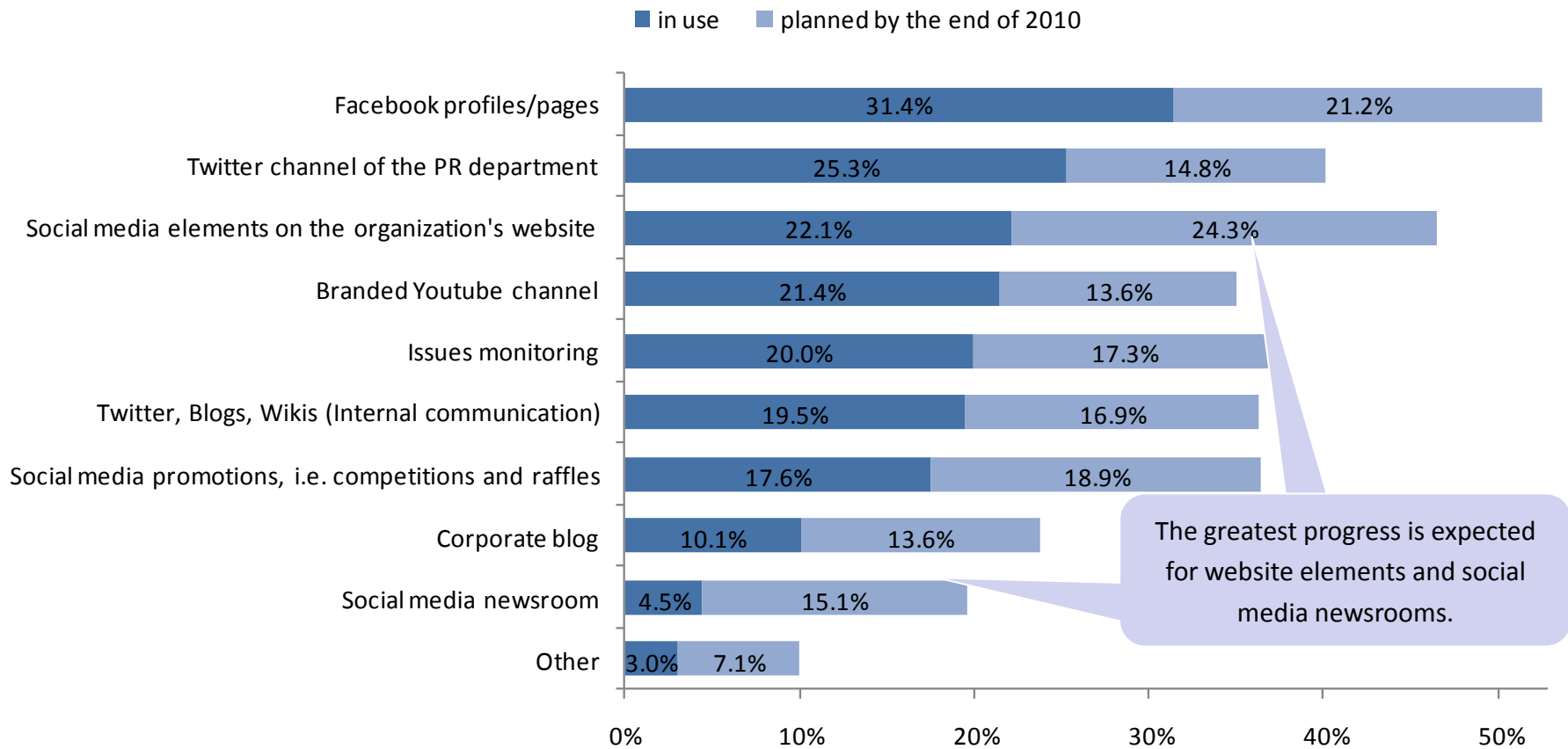


Social Media Governance 2010 / n =1,007 communications professionals / Q 4: Which tools are currently actively employed by your organization and which are planned by the end of 2010? Depicted are the respective values of the PR departments.

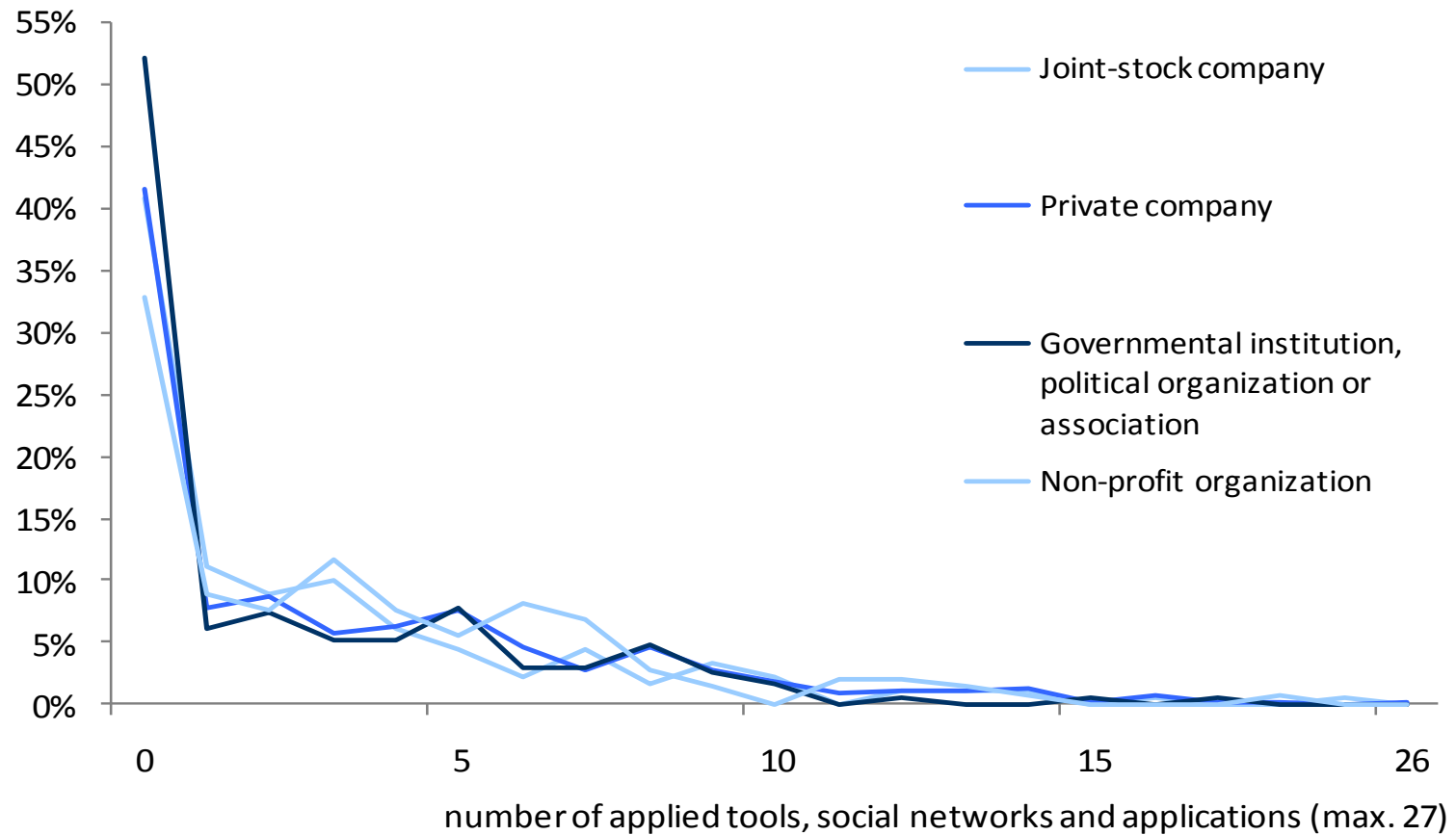
Social networks: Facebook is first choice, while Xing and own communities on the Intranet or Extranet are also relevant



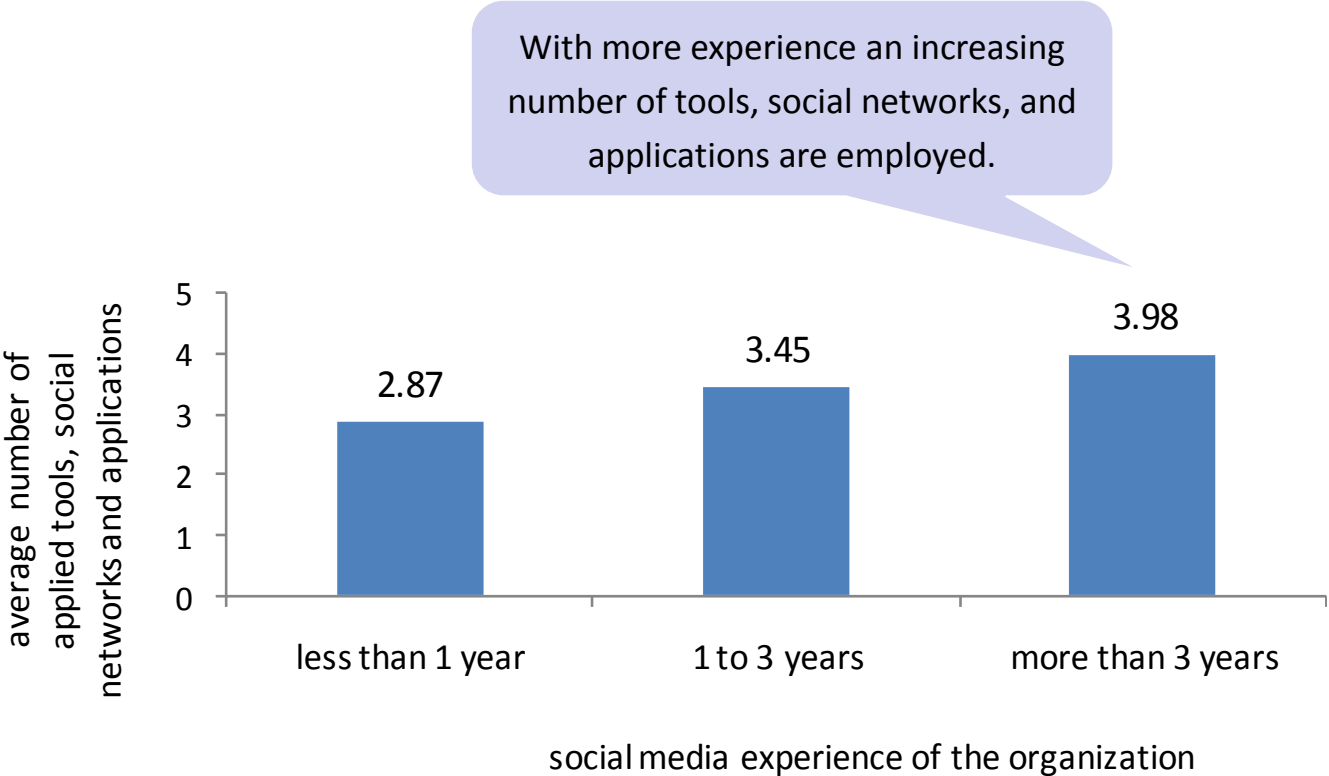
Social media applications in PR/corporate communications: Facebook profiles and Twitter channels are established, others are growing faster



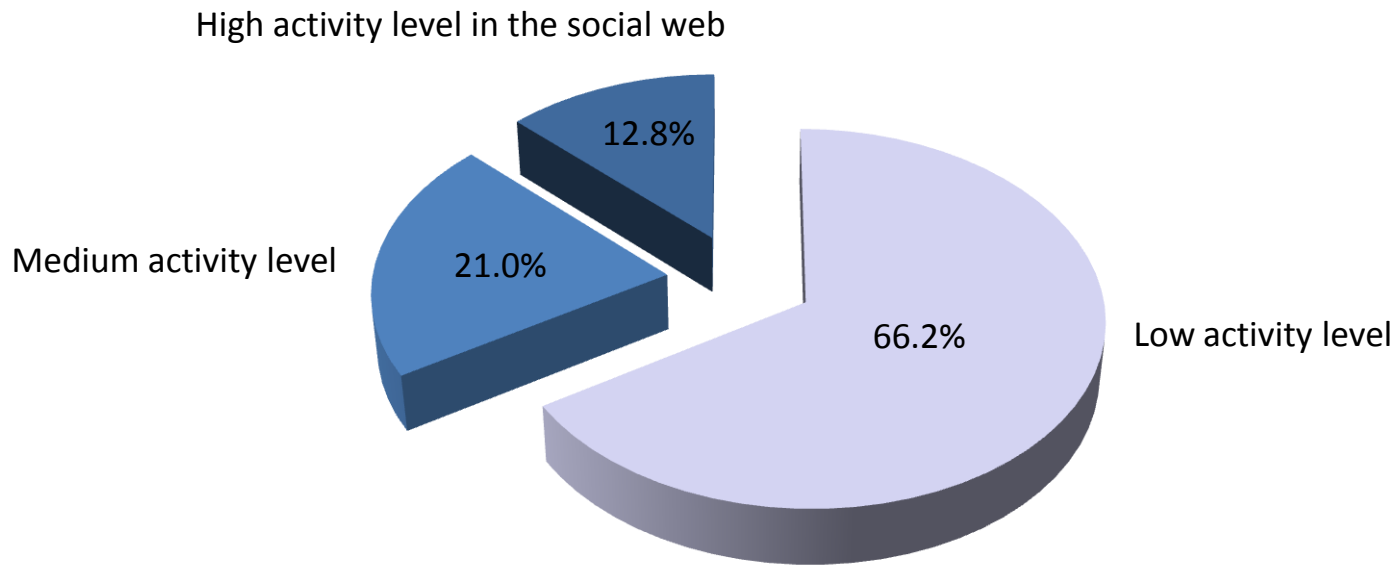
Social media activities in different types of organizations: Joint-stock companies are the most active



Correlation of the degree of experience and the utilization of social media



Index of social media activities: Almost 13 per cent of German organizations are currently intensely involved in the social web



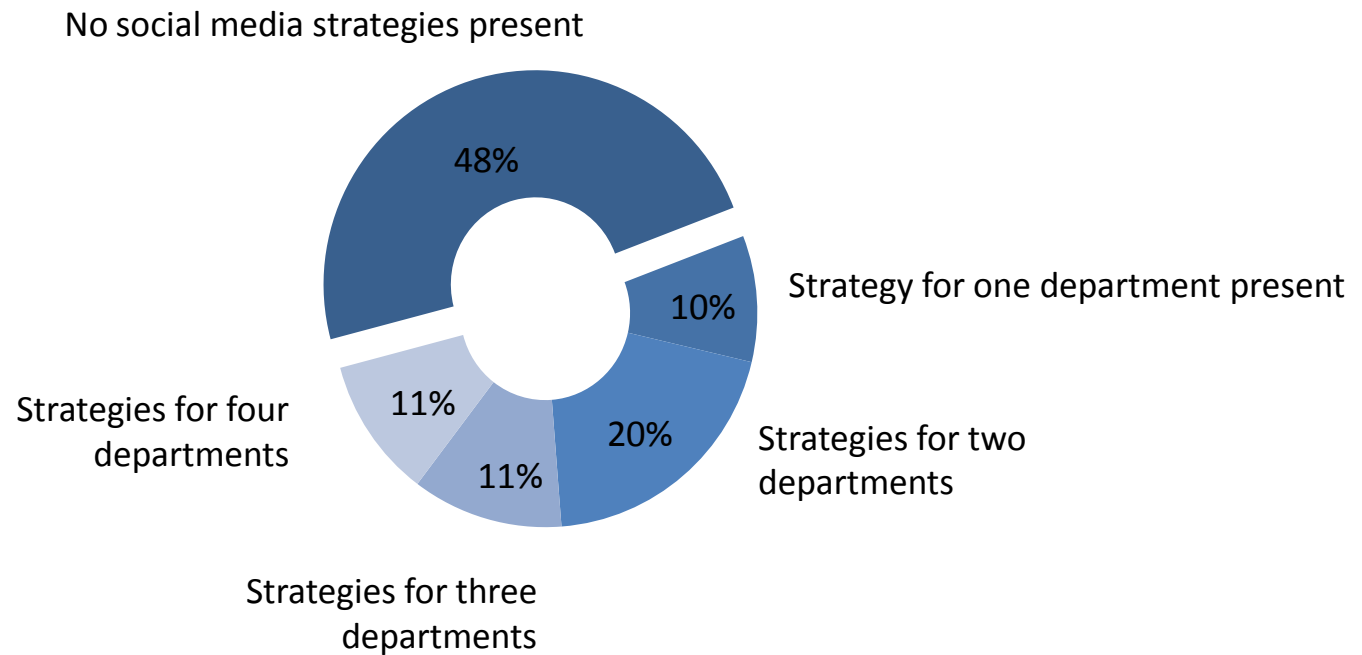
The index of social media activities I_{SMA} was calculated as the sum of all social media tools, networks and applications employed by the PR department. The index values range from 0 to 27.

Low activities: $0 \leq I_{SMA} \leq 3$ (average value); medium activities: $4 \leq I_{SMA} \leq 7$; intensive activities: $8 \leq I_{SMA} \leq 27$.

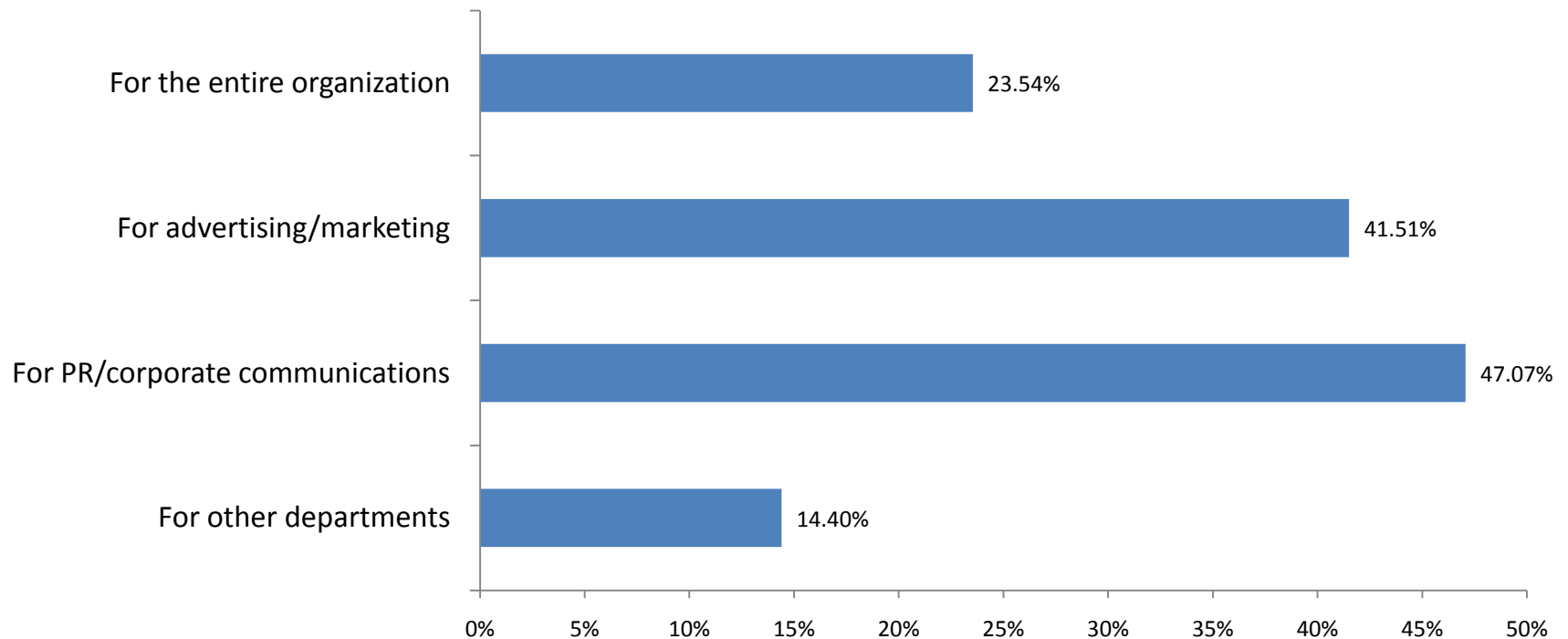


Strategies and responsibilities for social media activities

Social media strategies: Every second organization has not developed any yet



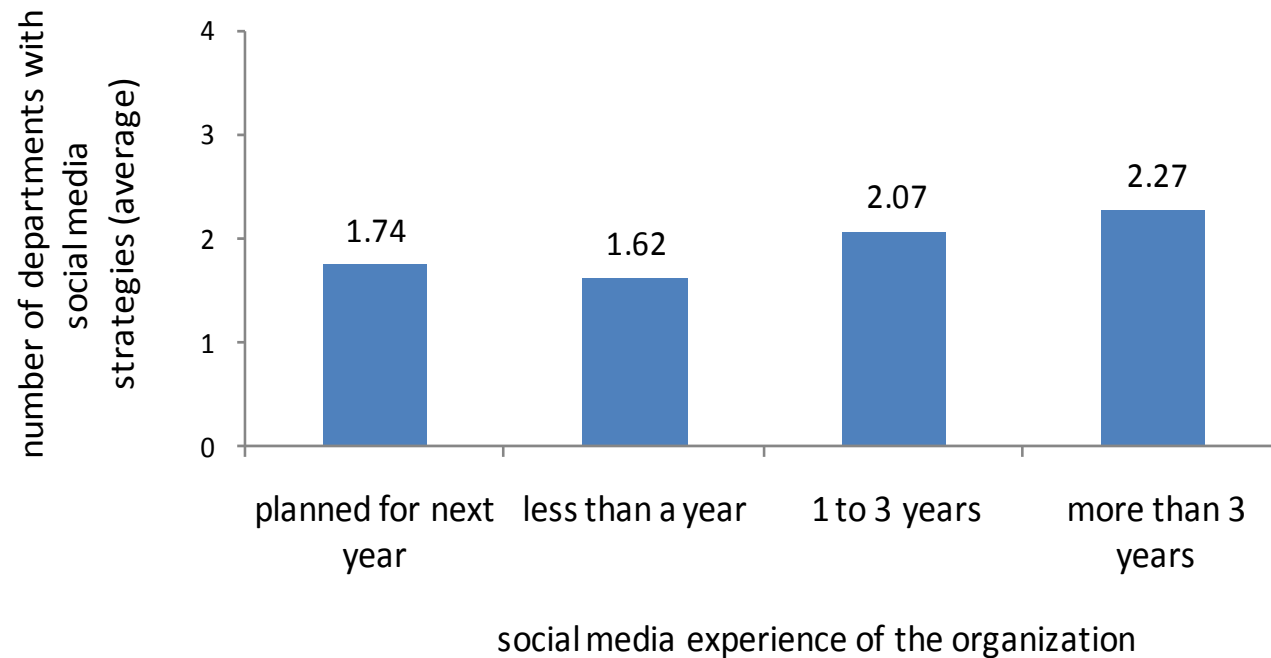
When social media strategies are present, they are usually only applied to communications and rarely to the entire organization



Social media strategies in various organization types and sizes: Joint-stock companies are most active

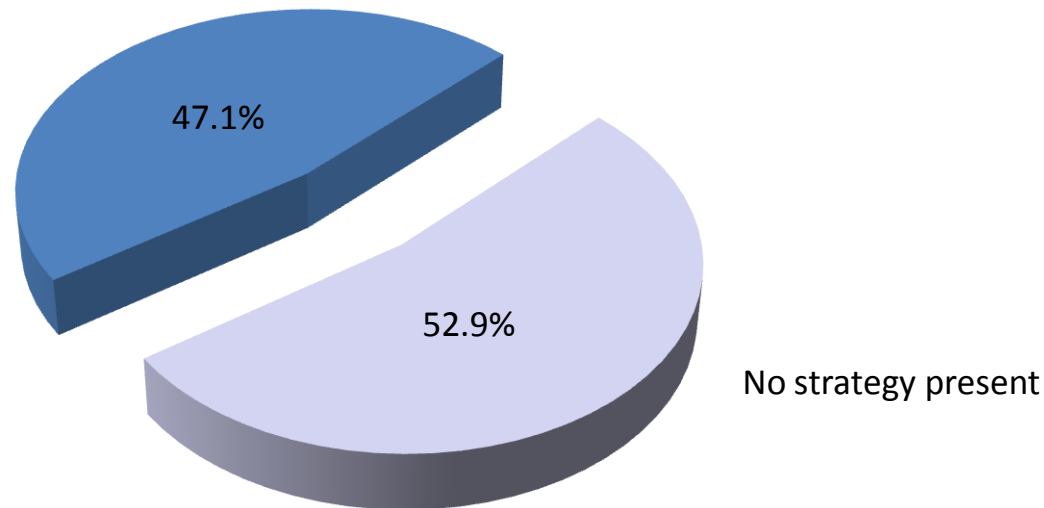
	Departments with social media strategies (average)		Departments with social media strategies (average)
Joint-stock company	1.59	< 50 employees	1.27
Private company	1.32	50 to 250 employees	1.26
Governmental institution or association	0.82	250 to 1.000 employees	1.06
Non-profit organization	1.4	> 1.000 employees	1.41

Strategy and experience: Longer experience with social media results in more departments being involved



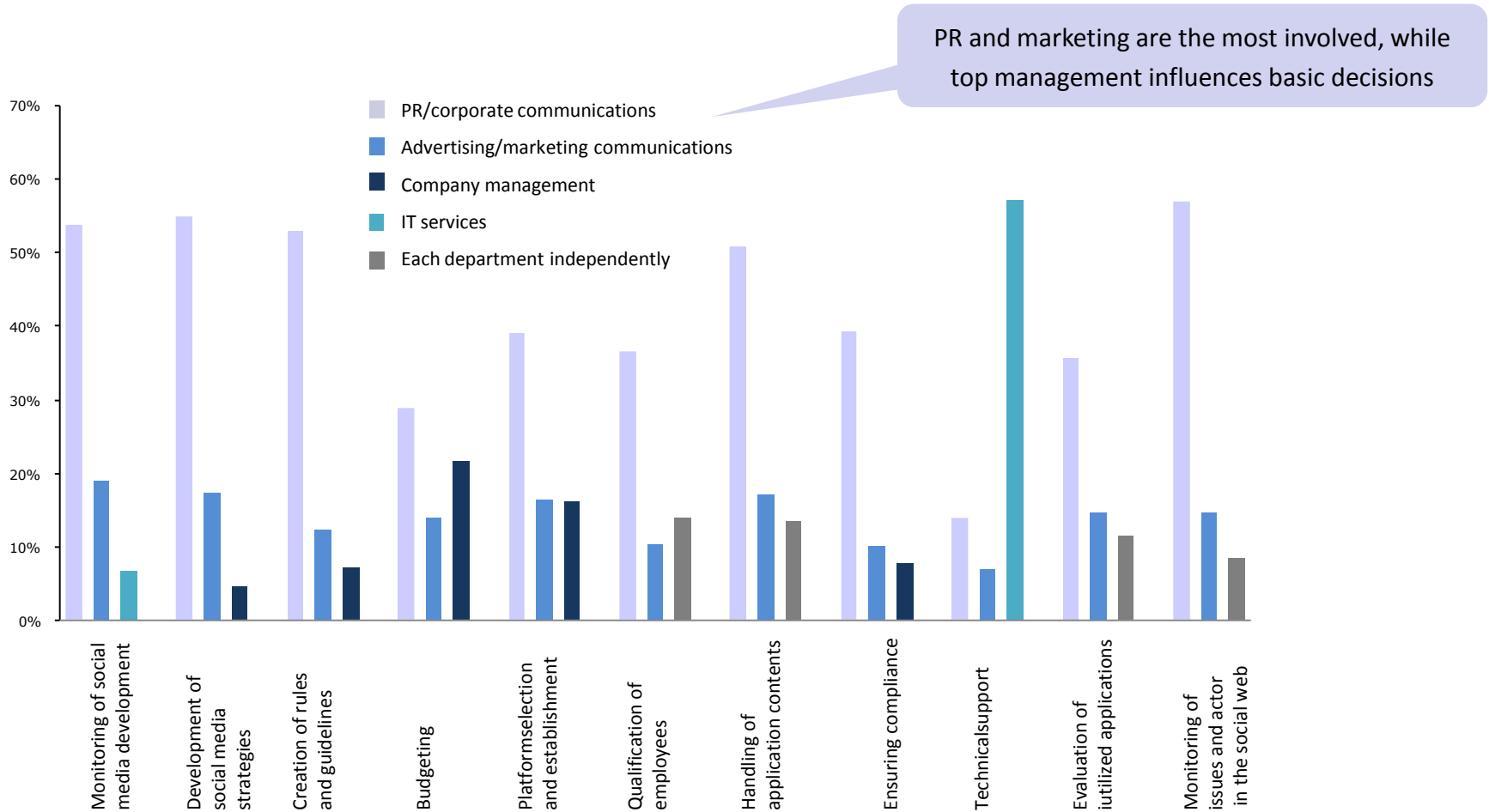
Index of social media strategies: Almost half of all organizations have strategies for the launch and utilization of social media in public relations

Social media strategy for PR / corporate communications present



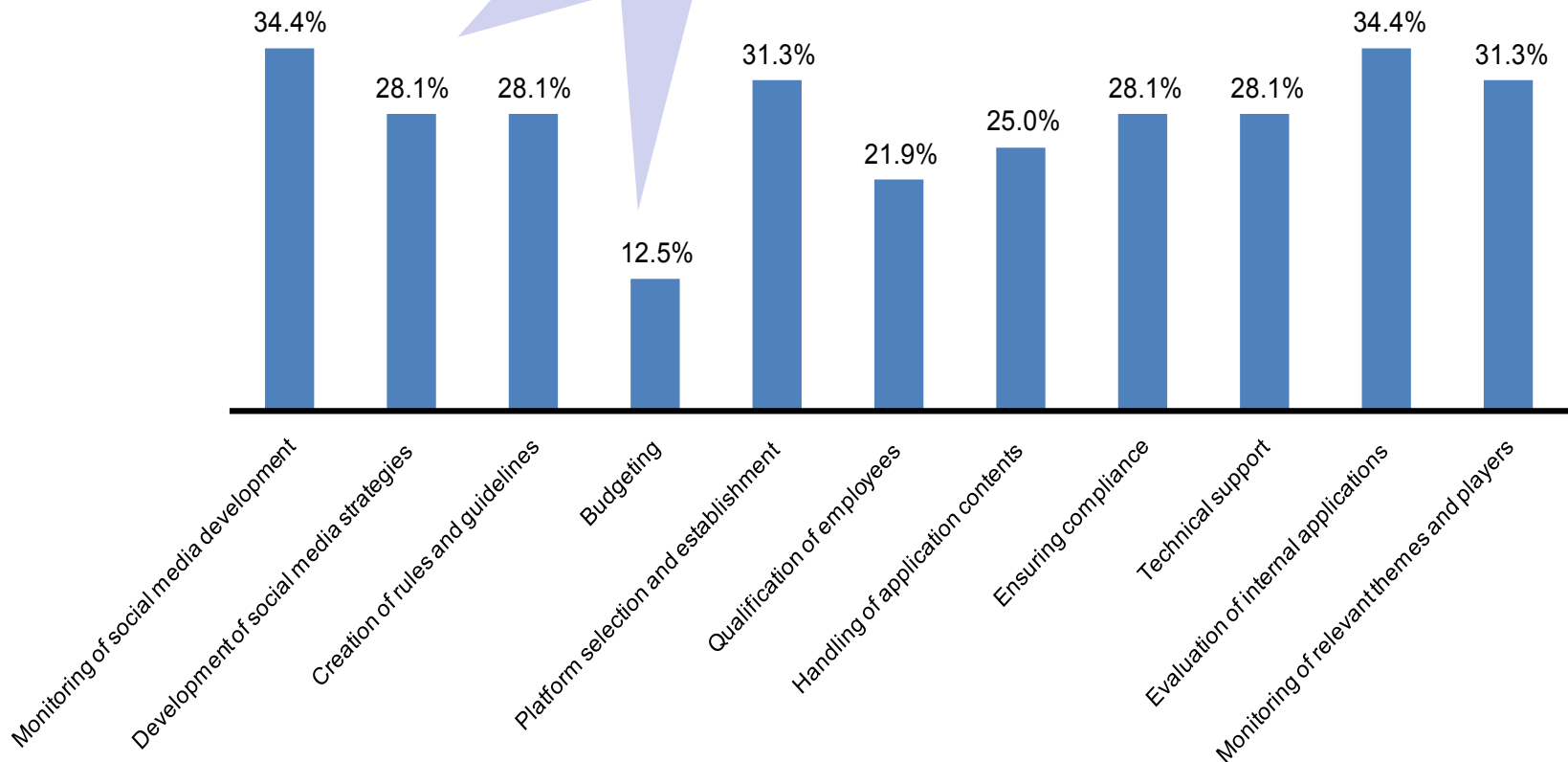
The index of social media strategies I_{SMS} was calculated as a dichotomous value (0 or 1) based on the statements of the surveyed communication managers regarding the existence of specific strategies for the launch and the utilization of social media for public relations / corporate communications within their organization.

Responsibilities for social media: Different departments are involved in different ways, many processes are decentralized

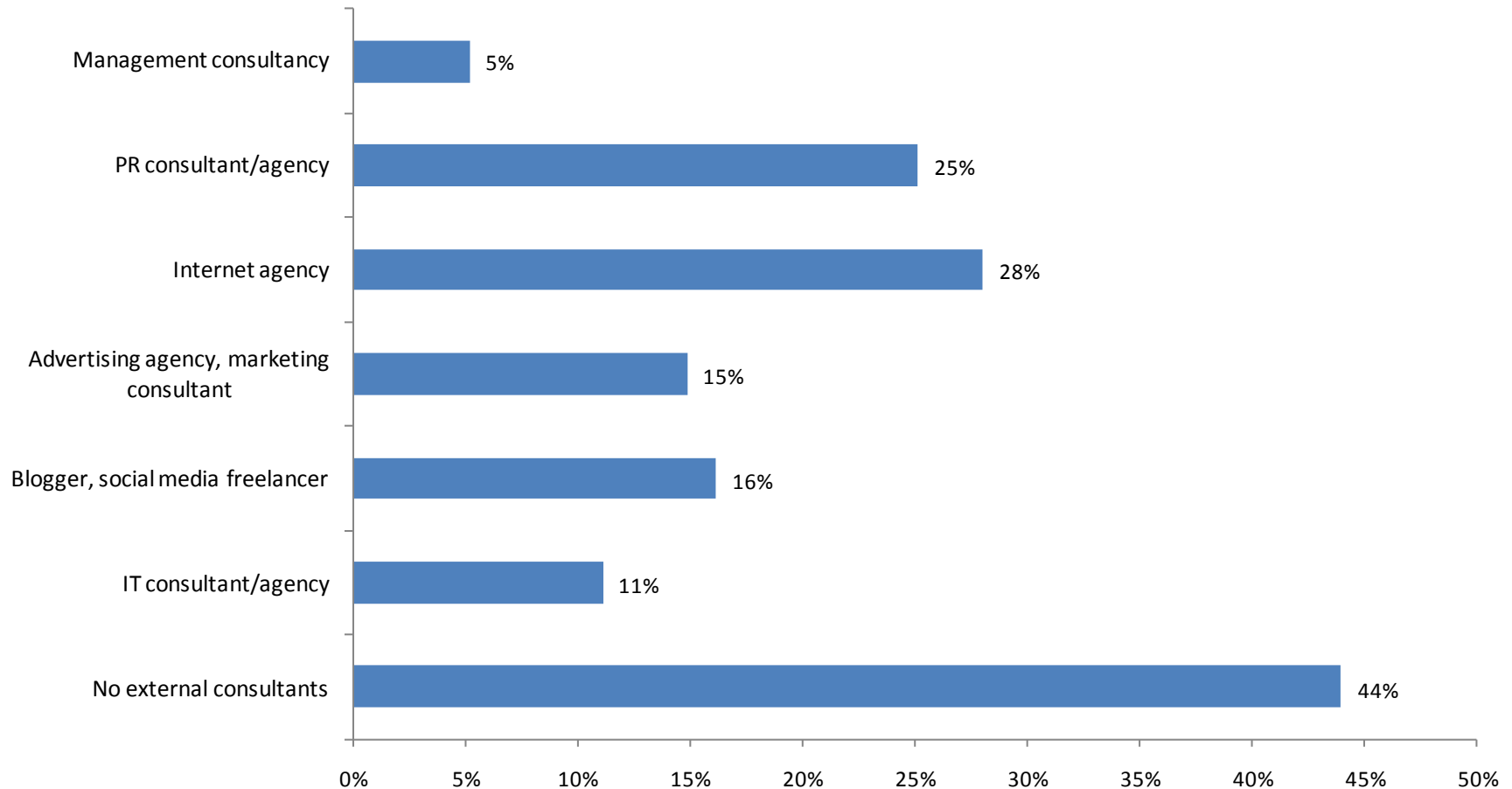


Organizations with dedicated social media departments: Responsibilities of the department vary widely

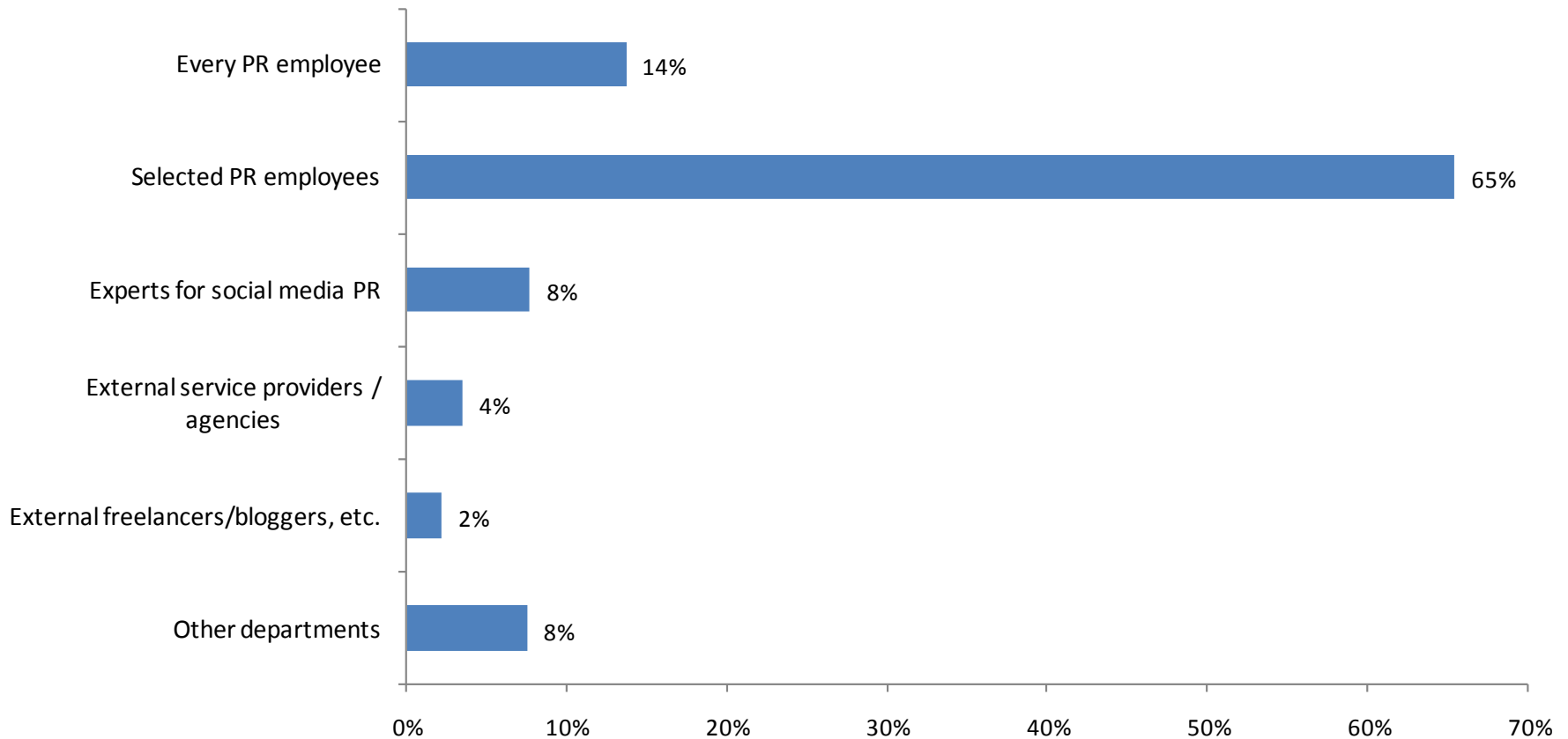
Only approximately one in three of the so far very rarely found social media departments is in charge of strategy development and guidelines. Budgets are mostly handled by other departments.



Cooperation with external consultants for social media communications: Internet agencies and PR consultancies most frequently involved



Responsibilities for social media within PR departments: Usually a few selected employees are in charge of content management

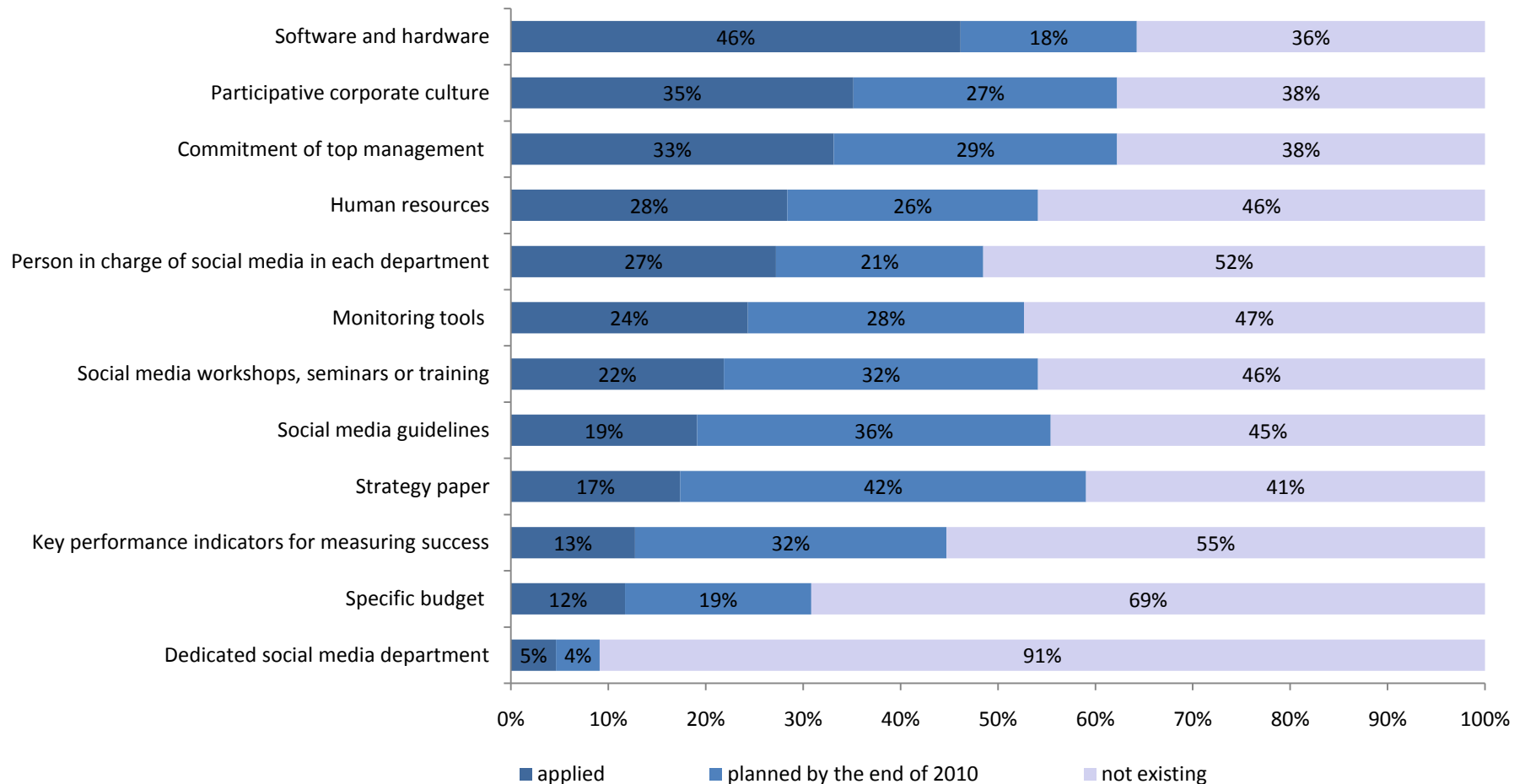


Social Media Governance 2010 / n = 547 communications professionals in organizations that already employ social media / Q 12: Who is primarily responsible within the PR department for the content management (contents, dialogs, campaigns) of social media platforms and the associated daily work such as twittering, blogging, etc.?



Social Media Governance – regulatory frameworks and structures

Governance structures for social media in German organizations: Material and cognitive resources are partly present, rules are mostly missing



Elements of the regulatory framework in organizations with and without specific social media strategies for PR / corporate communications

	Organizations without social media PR strategies		Organizations with social media PR strategies		All organizations	
	present	planned	present	planned	present	planned
Commitment of top management	15.0%	26.2%	41.8%	30.2%	33.1%	29.1%
Human resources	12.1%	24.3%	36.1%	26.4%	28.4%	25.8%
Dedicated social media department	1.0%	3.4%	6.3%	5.1%	4.6%	4.5%
Software and hardware	40.3%	10.2%	49.4%	21.3%	46.2%	18.1%
Person in charge of social media in each department	13.1%	15.5%	34.0%	23.4%	27.2%	21.3%
Specific budget	3.9%	11.7%	15.4%	22.4%	11.7%	19.1%
Social media guidelines	8.7%	30.1%	23.6%	39.7%	19.1%	36.3%
Social media workshops, seminars or trainings	10.7%	23.8%	27.2%	36.1%	21.9%	32.3%
Monitoring tools	14.1%	20.4%	29.1%	31.9%	24.3%	28.4%
Key performance indicators for measuring success	5.3%	21.4%	16.2%	36.7%	12.7%	32.0%
Strategy paper	3.4%	34.0%	23.8%	45.1%	17.4%	41.7%
Participative corporate culture	23.8%	21.8%	40.7%	29.3%	35.2%	27.1%

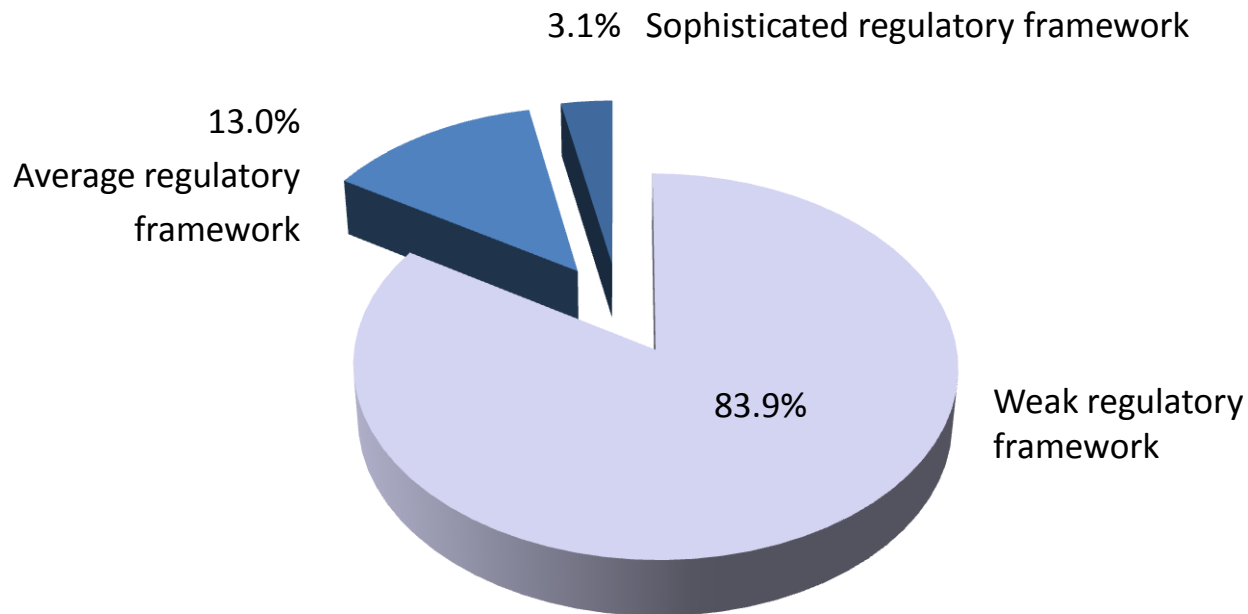
Social Media Governance 2010 / n = 691 communications professionals in organizations that already employ or plan to employ social media / Q 8, Q 9: Which of the following social media aspects are already explicitly present or planned by the end of 2010 in your organization?

Influencing factors: Governance structures for social media are more prevalent in joint-stock companies and in those with greater experience

	Existing structural elements for social media (average)		Correlation with the regulatory framework
Joint-stock company	3.83	Organization size	n. s.
Private company	3.38	Social media experience of the organization	0.266
Governmental institution or association	2.52	Social media criticism by the communication managers	0.13
Non-profit organization	2.86		

Social Media Governance 2010 / n = 691 communications professionals in organizations that already employ or plan to employ social media / Q 9, Q 20, Q 15 / The correlation coefficients indicate significant correlations between the variables / n. s. = not significant / The index of social media criticism indicates whether risks or opportunities of social media are seen as prevalent (Q 15).

Index of social media regulatory frameworks: Eight in ten organizations still lack developed governance structures



The index of social media regulatory frameworks I_{SMO} was calculated as the sum of all structural elements governing social media, which are present in the organization. Index values range from 0 to 12.

Weak regulatory framework: $0 \leq I_{SMO} \leq 4$; average : $5 \leq I_{SMO} \leq 8$; sophisticated: $9 \leq I_{SMO} \leq 12$.



Status quo and development of
social media in public relations

Social media in communication management: Overview of the status quo in German organizations

One in two organizations already have strategies for social media communications. However, as most organizations lack the expertise and structural requirements (governance), strategic considerations seem to be in an early stage of development. Accordingly, relatively few organizations utilize social media tools, networks and applications comprehensively.

Social media skills of communication managers	high 16.8%	medium 41.9%	low 41.3%
Social media activities of the organization	intensive 12.8%	medium 21.0%	low 66.2%
Social media strategy for PR/corporate communications	present 47.1%		not present 52.9%
Social media regulatory framework within the organization	sophisticated 3.1%	average 13.0%	weak 83.9%

Discussion and outlook

The development and diffusion of social media in organizations can be described with the help of structuration theory (Giddens). Actions of individual agents will only succeed if everyone involved can resort to structures in the sense of a common stock of (informal) rules and resources. These structures enable and limit the actions of individuals, while their repeated updating reproduces and stabilizes them. Ideally, the establishment of social media in PR consists of the communications professionals initially developing cognitive skills for the topic, then developing strategies for utilization in everyday work and finally implementing specific activities. The repeated application invariably leads to the emergence of a regulatory framework – ranging from responsibilities and budgets to indicators for success. The question, however, is whether this governance develops spontaneously or whether it has been systematically reflected and based on overriding organizational goals.

The study indicates that more than 80 per cent of German organizations to-date only have weak regulatory frameworks. Yet the presence of a sophisticated regulatory framework positively affects the associated skills (correlation coefficient $r = 0.412$); these in turn influence the development of strategies ($r = 0.122$) and the degree of activity ($r = 0.225$).

This means that the establishment of a governance structure is not only an indispensable prerequisite for the long-term rooting of social media in communication management, but actually the key lever with which the establishment of social media can be accelerated.



Authors and partners of the study

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Stephan Fink, born in 1957, is the Chairman of the Board of Fink & Fuchs Public Relations AG, Wiesbaden, Germany. After graduating with a degree in economics he established the PR agency, which is specialized in technology-related topics. With his knowledge based on more than 20 years of expertise in communication and management consulting, he advises companies, associations and governmental institutions on topics such as the application of new media in business processes. Stephan Fink is a visiting lecturer at the University of Leipzig and member of the state commission advising media politics in the federal state of Hessen.

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Ansgar Zerfass

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