Book Review: Socialize your bank or else

Not a fad--it could mean your job, author insists

Socialized!: How The
Most Successful Businesses Harness The Power Of Social. By Mark Fidelman.
Part of the Social Century Series. Bibliomotion, Inc. 271 pp.

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Reviewed by Jane
Haskin, president & CEO, First Bethany Bank, Okla. Jane Haskin is a
frequent reviewer for ABA BJ.com. See the end of this review for other books
she has reviewed. A member of ABA's Community Bankers Council, Haskin also
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You keep hearing that to compete in the future you must

utilize social media in your bank. I have read many articles about how banks are using social media. But how do you go about implementing it in your bank?

Mark Fidelman's Socialized
gives you a playbook to guide you in the implementation of social media. Although the book is written for all types of businesses, his strategies can easily be adapted to banking. Fidelman, formerly chief social strategist at Harmon.ie, is now managing director at Evolve! Inc., a consulting firm.

Before going any further, I must confess I'm one of those
bankers who know they need to implement social media into the bank. But I'm not sure where to begin. This book can help all of us slow adapters.

Changing landscape
for banks

Technology has caused a dramatic change in how bankers
interact with customers or more importantly, how customers want to interact with bankers. Social media has given the customer a powerful voice in how they want to transact not only banking, but all forms of business. Fidelman believes that the only businesses that will survive the shift from corporations and traditional media to customers and influencers is the adaptive business.

Fidelman's primary purpose in writing this book was "to uncover the strategies and secrets of the businesses that are harnessing the power of social technologies." He and his research team interviewed over one hundred executives from the world's most successful companies implementing social media and Socialized! gathers what they discovered.

The fifth age, ready or not

In the author’s own words

“The first thing I say, when

asked how a company should

start engaging with its

digital network, is that it

should create content worth

spreading, content that

makes people think, take

action, or share it with

their friends.”

—Mark Fidelman, Socialized!

Fidelman's premise: There have been four different ages of business technology thus far in the "Second Industrial Revolution."

The first was the Age of Emerging Communication Technology (1850-1910).

This age was spawned by the first telegraph sent on May 24, 1844. Before the telegraph it would take days for messages to be delivered via train, horseback, or courier. Finally, information could be transmitted rapidly across America, as could people and freight with the expansion of the railroad system from coast to coast.

This age saw the birth of large corporations. Up until this time large businesses were run by the government. Adoption of the government/army leadership style of management brought about the "command and control" leadership model, which still exists in many companies today.

The second age was the Age of Mass Production and Broadcast Communication (1910-1950).

Henry Ford introduced mass production methods to the assembly line, which made products more affordable to the average consumer. Just as important was Ford's contribution to mass advertising. Ford had to find ways to sell more cars as a result of his invention of the assembly line. He began installing radios in his Ford cars and used advertising across the

airways to influence customer behavior.

The third phase was
the Age of Strategic Management and Telecommunications (1950-1990).

During this time, businesses borrowed much of their
strategic management philosophy from World War II. By applying these strategic planning methods to business, large companies like General Motors and IBM gained a competitive edge.

The fourth period was
The Information Age (1990-2010).

During this time new companies such as Facebook, Twitter,
Google, and LinkedIn have shown that large investments in financial capital and human capital are not necessarily indicators of the performance of the business.

In the author’s own words

“In the past, executives were typically the most informed and adept at solving company issues or engaging with partners, suppliers, and customers. This worked because information was typically sourced for the executives by outside analysts or employees paid by the company to do research for them. But now, because of the ubiquity of useful information from industry thought leaders, analysts, bloggers, etc., on social networks, any employee can be as knowledgeable as the smartest executive in the company”

—Mark Fidelman, Socialized!

The significance of this period is smaller companies with limited resources began competing with large companies with vast financial resources.

The author suggests we
are now at the threshold of a new age: The Social Age (2010- Unknown).

The businesses that thrive in this age will realize that social
network concepts can be applied to their business to increase employee
productivity, trigger innovation, improve customer service, and yield many more
benefits.

To truly understand the impact of social media consider this
statistic: YouTube boasts 4 billion views daily,
which is up from 2 billion just 2 years ago.

More content is uploaded to YouTube in 30 days than all of
the major TV networks created in the past 60 years. That is powerful!

Notice too how the length of time defining the different
ages began decreasing with the increase of technology.

The message here is adapt to social media or die.

Glacial pace amid massive acceleration

Why aren't more businesses using social media? About 77% of the time it is a lack of skills, culture, and technology.

Executives still worry that their employees will waste time on social media activities. Yet, based upon the author's experience, employees with access to social tools become more productive.

A few of the other benefits mentioned when a business adapts social tools:

- • The company's business innovation increases.

- • The company develops a vibrant community of customers.

- • The company gains a competitive edge by engaging customers over mobile devices.

- • The company becomes extremely responsive both globally and locally by integrating digital information.

- • They company gains a social platform for a common view of customers and products.

Getting social moving
at your bank

Research shows customers are more loyal to socially engaged businesses. So how do you develop a team to get your business started on the road to social media?

Fidelman defines the talents of the seven members you need on your transition team. He then outlines the six steps organizations will need to take to implement a social media platform. These steps are based upon his consulting experience helping numerous companies to implement this strategy. The remainder of the book is an in-depth discussion of the playbook's concepts. Here are key points:

1. Culture matters. Most businesses are still run by the top-down leadership model implemented during the Age of Strategic Management of the 1950s after World War II. It is the reliance on command and control leadership that causes skepticism about social business.

In a social business, the employee is empowered to socialize and collaborate with the customer and take action without the input of management. This goes against the management principles most of us learned in business school.

However, before the employees are allowed to interact with the customer, they must be highly trained. This is a key to social engagement.

Do you know if the culture in your organization is ready to evolve into a social business? Fidelman presents a series of questions to help you determine if you have the correct culture. If you find your culture isn't ready to become socialized, there are suggestions to guide your organization through the change necessary to develop the appropriate mindset. The right culture is considered the greatest factor for social media success in a company.

2. Building your digital village. Have you tried to venture into social media in the past but failed?

There are eight proven requirements you should implement when taking your business social. The requirements include such things as getting the right team and budget in place; creating a code of conduct; and making an investment in social media training and certification for your employees.

The benefits of building a social business include increased job satisfaction for employees; less requirement of managerial oversight; and a more adaptive workforce. There are numerous suggestions on how to give your social transformation the best chance for success.

The author acknowledges change is difficult and provides solutions to meet the challenges he has encountered in various businesses.

3. Engaging the digital network. Once you have built a social network, what do you do with it? This is the social community where you meet the customer. Everything from customer relationship management; contests; crowdsourcing products; listening to and responding to customer feedback; and publishing through social media can take place in the digital network.

Executives will need to become social to remain at the top of their companies.

Fidelman passes along another expert's recommendation that

you--not your company, you--start by
opening accounts on Twitter and Google+ because that is where most business people are found. (If you are struggling to understand how to use these accounts, I'm sure one of your employees can assist you.)

Business activity is shifting to the mobile arena and this
is important for bankers to understand. There are 6 billion mobile subscribers globally and as of June 2012 more than 40 billion apps have been downloaded.

Still think mobile banking is a fad?

4. Introducing the new social business
playbook. Failing to plan is the single-largest reason organizations trying to become social businesses fail in their efforts.

The new social playbook has four features to insure success:

- • Culture is king,

- • Analytics to measure and adapt.

- • Execution of social media.

- • Technology infrastructure for support.

This chapter has a very detailed implementation strategy for each of these four playbook items. Once again, the importance of employee training is emphasized as one of the key factors in a successful social media adoption.

5. Rise of the social employee. If you need one more reason to consider social media think about this:

Fidelman believes that if you as an executive aren't social, you will lose your job within five years.

That is how important he thinks social media is to the

future of any business.

6. Darwin's funnel: measuring ROI. How do
you measure the return on investment of social media?

Bankers must be able to calculate the ROI to make a business
case for social media. The formula is in the book, plus a break down of the
expenses necessary to create a social platform based upon the size of business.
These numbers are derived from the experience of the author in his past
implementation of social media for numerous businesses of all sizes.

7. The future: Why no company is invincible
anymore. Six key trends are outlined for the future of business. Successful
companies will operate by gaining a competitive edge by using analytics and
less trial and error. Crowdsourcing strategies with close partners and allies
will become essential. Employees will have to take responsibility for their own
career growth. Mobile, social, local, and commerce-integrated technologies will
offer unprecedented business opportunities.

In the author’s own words

10 social business culture rules

1. Let employees know it’s okay to fail.

2. Reinforce social media guidelines.

3. Encourage transparency.

4. Hire great people—look for a good cultural fit.

5. Create a cultural ambassador program to help employees embrace social business.

6. Let ideas float from the bottom to the top.

7. Eliminate the “not invented here” mentality.

8. Think globally, act locally.

9. Have a clear vision of your social business.

10. Build in incentives for information sharing.

All of these are fleshed out in the book.

—Mark Fidelman, Socialized!

Our workplaces will go digital, Fidelman insists, because
they have no choice. Business will become SOCIALIZED!

Socializing your bank

I recommend this book if you are looking for a step-by-step
guide to taking your bank social. Additionally, this book can assist your bank
in developing the proposed compliance guidance for social media recently

published by the Federal Financial Institutions Examination Council.

Even if your bank isn't actively participating in social media, note that the guidance requires a policy for your employees' use of social media and a method of addressing negative comments made about the bank on social media.

Where do you begin to learn how to use social media?

Socialized! includes a guide to creating your personal community that makes suggestions, such as using a blog; building a presence on LinkedIn; mastering a social network; creating original content; and becoming a thought leader in your field of expertise.

An absolute beginning: Are you at a minimum listening to what is being said about your bank on social media?

There are several free monitoring sites you can sign up for that will automatically send you or whomever you designate a notice when your bank is mentioned in social media. [A good grasp of the basics can be had from banker Katie Segner's ABABJ.com social media guest blog here.]

Some of the biggest companies have failed to pay attention to the discussions of their brand over social media. This can have a negative impact on not only your brand but on your bottom line.

Other reviews by Jane Haskin:

Upgrade for Brett King's Bank 2.0

- Pushback: How Smart Women Ask--AND STAND UP--For What They Want

Tips for women bankers on the move

Leading like lives depended on you

Beyond the glass ceiling

11 laws of likability

Is the Web small banks’ leg up?

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