Social media tools can boost productivity

August 14 2012, By Byron Acohido

In this digital age, U.S. physicians still send and receive some 15 billion faxes a year. But not Dr. Howard Luks, chief of sports medicine and knee replacements at Westchester Medical Center in Valhalla, N.Y.

Luks, whose practice operates as a small business, is an avid user of Doximity, a Facebook-like social network for health care professionals. The service, launched 17 months ago, has enabled Luks to nurture a close-knit circle of about a dozen referring doctors and specialists with whom he confers and shares records on a daily basis, mostly on his iPhone.

Instead of relying on fax machines and clerical staff, Luks and his colleagues are tapping into online posting and sharing technologies as part of their daily routines. These are the same type of Internet systems that teenagers use to cultivate friends and chronicle their daily lives.

Luks is now able to consult with his patients' primary-care doctors and other specialists before, during and after surgeries - in near-real time.

"Utilizing socially rooted tools to collaborate among colleagues and experts (that) we might not otherwise have access to improves care and improves the speed and efficiency with which we can offer that care," Luks says.

This is the leading edge of a sizzling tech trend: the emergence of a new category of social-media systems designed expressly to boost workplace productivity. IBM, Oracle, SAP and Salesforce.com - and a raft of

startups, such as Doximity - are developing and promoting these new social-media systems for the workplace. Given big corporations' resistance to change, the proving ground for social-media work tools has been unfolding mostly among small and midsize businesses, so-called SMBs, those with five to 5,000 employees.

The race is on to grab chunks of a global market for social-media tools that's expected to swell to $4.5 billion by 2016, up from $767 million in 2011, according to research firm IDC. For IDC's prediction to pan out, spending on social-media tools for business use must jump on the order of 40 percent annually for five consecutive years.

Yet that lofty growth projection could prove to be too low, should converging drivers kick into high gear, says Raymond Boggs, IDC's vice president of SMB research.

Companies are obsessed with squeezing more productivity from workers, who, in turn, are increasingly using Internet cloud services and mobile devices to toil from almost anywhere, even the back seat of a taxi or while walking down hallways at work. Meanwhile, social-media technologies are readily available, and online relationship-building has become mainstream.

Microsoft recently placed a big bet that the anticipated gold rush for social-media tools will materialize. The software giant last month anted up $1.2 billion to acquire Yammer, a start-up social network for general business communications.

"People are engaging in all kinds of social-networking activities in their private lives, and now they want to take those same positive experiences and move it into their professional lives," Boggs says.

Take Chicago-based Trunk Club. The online men's clothing shopping

service launched in 2010 with two employees and hit $1 million in first-year sales. Today, it has 110 employees and expects to reap $15 million in 2012 sales, says co-founder and CEO Brian Spaly.

Most of Trunk Club's employees are personal shoppers, referred to as "stylists," whose job it is to keep clients supplied, upon request, with a trunk of 10 new clothing items. The client keeps what he likes and returns the rest.

The stylists encourage and assist each other using Chatter, a software suite from Salesforce.com that features Twitter-like microposts and chats tied directly into the company's customer-relationship databases.

"If we get a shipment of hot shoes, and we decide we want to sell it with a certain pair of jeans, I'll chat that out to the team, and you'll immediately see people put it in the trunk to customers," Spaly says.

He credits Chatter with fostering camaraderie among the stylists. Notably, chitchatting tends to revolve around work issues. For instance, Spaly recently used Chatter to mention a weekend event he attended - but only to pass along a tip about better ways to pack a trunk, based on feedback from a customer he met at a badminton tournament.

"I use Facebook for looking at pictures of my brother's kids," Spaly says. "Chatter is my social network for all things work-related."

Meanwhile, the chefs who develop recipes at Chicago-based Newly Weds Foods, a wholesale food supplier to restaurants and institutions, use a similar social-media suite - IBM Connections - to carry out time-sensitive projects with experts scattered in several nations, says Bob Brindza, Newly Weds' director of management information systems.

The company has 2,700 employees, and its chefs have shaped a global

online community of co-workers and consultants to more pervasively share information about producing sauces, batters, breadings and seasonings.

A European customer was recently looking for an exclusive batter recipe. Using Newly Weds' internal social network, chefs at culinary centers in Chicago and Sydney, Australia, quickly developed the recipe and invited the client to join the social network to weigh in on particular ingredients.

Brindza says his superiors' initial skepticism about social-media tools has been reversed. Now, he says, they acknowledge that social media has "helped us build relationships, make our world smaller and increase our speed to market."

Senior corporate executives are just beginning to grasp such notions. Many only have a vague idea that having a social-media strategy entails more than maintaining a company Facebook page and Twitter account, says Salesforce CEO Marc Benioff.

"We're in a computing revolution," Benioff declares. "When you take social computing and apply it to business, the ivory towers come tumbling down. You get more empowerment of individuals, you get more transparency, and you get better alignment of your business processes."

Jeff Schick, IBM's vice president of social software, says that one of the most powerful things social-media tools do is "connect the people that need to know with the people that do know. Really remarkable things can happen when you open up who you listen to."

San Jose, Calif.-based Fireclay Tile, for instance, was a money-losing manufacturer of decorative tiles made from recycled granite dust,

porcelain and glass when Eric Edelson joined the company as a co-owner in 2009. He immediately began using Salesforce software to mine Twitter, Facebook and LinkedIn for profiles of architects and designers who might be interested in specialty tiles.

Edelson's sales staffers were able to zero in on a prospective client's past projects, awards, design style and industry connections. Instead of making an initial contact by e-mail or a phone call, sales staffers typically begin by following and re-Tweeting a prospect's Twitter postings. The goal: to establish credibility, start an online conversation and eventually suggest Fireclay tiles as a good fit for that person's projects.

As a result of those and other efforts, Fireclay has nearly doubled in size in the past two years, growing to 40 employees and nearly $3 million in annual sales, and is now operating in the black.

"The opportunity to establish new relationships is so much more possible," Edelson says. "On Twitter or Facebook, people can stumble upon you, and it's so much easier for other people to promote your business."

Edelson stresses that it remains incumbent on Fireclay, or any company using social-media tools, to deliver attentive customer service and a high-quality product.

"It's all about: How do we follow up quickly, get that person interested in our product and really make them a customer?" he says. "You can quickly go from a random interaction to having a business relationship with someone you really didn't know existed five minutes before."

(c)2012 USA Today
Distributed by MCT Information Services