

# Facebook At Work talk puts pressure on LinkedIn

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Shares in LinkedIn dived on Monday as talk spread of plans by Facebook to step into its turf with a version of the leading social network tailored for the business world.

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percent to \$223.71 in the wake of reports that Facebook At Work was being tested with a select cadre of businesses.

"At first blush, it seems that Facebook is following the lead of Google and moving from a pure consumer play into the enterprise," said Forrester analyst Rob Koplowitz.

"We really don't know how far they intend to go."

Facebook at Work is being tested with a small group of businesses and could make its public debut in a matter of months, according to a source familiar with the project being led by a team in London.

The social network has work-centric spins on familiar Facebook features such as news feed and messaging.

It is tailored for workers to collaborate on jobs, and is limited to inside businesses. Activities or information from Facebook at Work is not shared with people's personal [social networking](#) accounts.

Facebook is not charging any fees during the pilot project, which is ad-free, but could roll it out as a paid service for businesses.

## **Challenge of trust**

While a workplace version of Facebook would face challenges, it would be a threat to established services such as LinkedIn, Cisco's Jabber, IBM Connections, Microsoft-owned Yammer, and tools Google offers to collaboration on the job.

The prime target would be LinkedIn, the leading social network for making and cultivating work-related connections for goals including finding jobs or employees and advancing careers.

"This would be a natural step for Facebook to make," said analyst Rob Enderle of Enderle Group in Silicon Valley.

"It is in their area of expertise and It is a way to expand; go after someone else's turf."



Concern over the privacy of information could prove a stumbling block for Facebook when it comes to courting businesses for its Facebook at Work project, analysts say

Businesses are also seen as more willing to pay for social networking services that make workers more productive, in a break from the consumer model of surrendering user data for targeting advertising.

Concern over the privacy of information could prove a stumbling block for Facebook when it comes to courting businesses, according to

analysts.

"There is a distrust of Facebook when it comes to privacy, and businesses have a high sensitivity to privacy issues," Enderle said.

"Facebook is going to have to do a lot of work."

LinkedIn has been consistently improving its social network and adding features to enhance its effectiveness and popularity.

"LinkedIn is not just kicking back," Enderle said. "They have made it a decent place to find a new job."

## **Long road ahead**

Reaching into businesses would be a way for Facebook to expand a service that boasts more than a billion users globally but which is believed to have been losing young users.

California-based Facebook last month reported its quarterly profit nearly doubled to \$802 million (640 million euros) but saw its stock pounded after outlining a plan to invest heavily in the future instead of revelling in short-term riches.

"We are going to continue preparing for the future by investing aggressively, connecting everyone, understanding the world, and building the next-generation in computing platforms," Facebook founder and chief Mark Zuckerberg said during an earnings call.

"We have a long journey ahead," he said.

Facebook, which has 1.35 billion monthly active users worldwide, was set up in 2004 by Zuckerberg with fellow students at Harvard University

who wanted to set it up as a college networking site.

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