WAYS OF INTEGRATING SOCIAL NETWORKS INTO IBM'S BUSINESS INFORMATION

SYSTEMS

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Ways of Integrating Social Networks into IBM's Business Information Systems

Introduction

Companies are frequently looking for sources of competitive advantage that can drive their revenue upwards. One of the possible ways to achieve this is social networking since this phenomenon offers ways of simplifying companies' business models and at the same time connects them with their stakeholders. The current business environment has changed tremendously. First, organisations are taking on more global dimensions; they are sourcing their raw materials, suppliers, trading partners or other business processes from different parts of the world. Such collaboration creates different needs for businesses. For instance, companies create a scenario in which the concerned parties have to be available twenty-four hours a day; they also increase the need to enhance efficiency, as competition is no longer restricted by areas. In other words, all the challenges and opportunities brought on by globalisation become a reality to most companies. This presents IT stakeholders with unique opportunities to serve these new needs.

Changes in Business Collaboration

Many businesses are now changing their organisational models. It is no longer enough to work in isolation and hope for the best as no business can survive on its own. Instead, different aspects of the supply chain are merging to create the most effective business collaboration networks. In fact, nowadays, competition is based on the most effective collaboration networks and on not so effective companies.

Companies are now specialising in their main areas of activity and outsource other business functions to other companies who are also experts in those functions. Such networking strategy helps to provide consumers with better services at the same cost. Besides, this creates a serious need for information management systems that can handle varying organisational

models.

The level of complexity in organisations is changing tremendously. These days, it is possible to find so many different parts of an organisation with unique needs and tasks. Most commonly, the information systems have to be adjusted according to the needs prevalent in particular departments of the company. For example, business-to-business process management is more necessary than single enterprise knowledge management (Fost, Moreno and Chrotsiakis, 2005). The major task of the IT technologies is to simplify all the processes between businesses so that integration is facilitated in the most effective ways possible.

Restrictions in business technologies slowly become outdated. Nowadays, agility and responsiveness are critical aspects in organisations, and they cannot be delivered if there are too many rules imposed within a company system. There is, therefore, a need for a change in the mindsets of both business personnel as well as IT experts who must provide businesses with an adequate control over their databases. Collaboration between these two groups takes on a new dimension because now companies need to think about IT personnel as partners rather than about mere service providers. These two kinds of stakeholders need not engage in blame games as all of them contribute towards business performance.

Perhaps, the most interesting aspect of the new face of business collaboration is the unconventional way in which ideas are generated. In the past, it was assumed that the corporate arena would try out a new system and then it would be transferred into the consumer world. Nowadays businesses borrow from the consumer world and customise those systems. For instance, the idea of social networking was thought to be an element distinct to social aspects of life, but this role changes fast as it has been established that there are numerous advantages coming with such a phenomenon.

Overview of Social Networks

In simple terms, social networks can be defined as online aggregates of individuals who want to share information with others through people's opinions and experiences. Social networking websites allow members to link up with one another based on similar interests, goals, or ideas. On the one hand, traditional websites are those ones that allow various individuals to link with others irrespective of their geography, interests or any other traits. On the other hand, there are social networking websites for academic purposes while others have been established for professional purposes alone. Users are usually expected to create their personal profiles where one can give general information and accompany it with personal photos. These social networks may either be generic – those where the general public can be invited by an existing member, or specialised – those where membership is restricted to a certain society, institution, company, or community of people (Andrews, 2009). Both social networks allow individuals to form new associations.

Social networks become increasingly popular, and this revitalises their use. Now, social networks have gained wide application in the business arena. They are now used for recruitment purposes, for bringing a certain brand to customers' attention, for intercepting certain competitors, for establishing new technologies and building online management tools. Social networking is widely used in scientific community as a practical way of information exchange. It is also applicable to the educational process enabling tutors to arrange classroom discussions online.

Social networking is an easy way to access information, unite people over the globe and provide with a platform for getting support, promoting products and allowing people to advocate for social good by discussing matters that affect the whole globe (Cotriss, 2008). The most

common social networks are designed to reunite old colleagues or friends and classmates. Different parts of the world have embraced different services depending on what works for them. For example, in Asia social networking services, such as Mixi, Orkut, and Cyworld, are common. In Europe some services, such as Xing and Tagged, are more common. In North America and other parts of the world, the most influential social networking websites are Twitter, Facebook, MySpace, and LinkedIn.

Although social networks have changed people's lives for better, there have also been some major problems associated with their use. For instance, concerns have been raised over privacy breaches, as there is no way to fully ensure that an individual is the one he /she claims to be. This is especially dangerous when identity theft occurs. On the top of that, some researchers may opt to use personal information collected from social networking services and, thus, breach privacy laws. The networks also endanger children and other people of sexual predation as there is too much personal information that can be displayed there. Besides, computers are often put at risk, because social networking can cause virus or other computer infections to one's entire machine. Nonetheless, these problems have been branded by many as unavoidable that must be tolerated.

<div align="center">Business Value of Social Networks</div>

Businesses can access numerous benefits that can improve their performance as well as their capability. It concerns cases when a business is planning to introduce a new product, it may start a discussion on the usability or the need for the product and, thus, get valuable first-hand information about the potential market for products. Furthermore, social networking allows businesses to profile their consumers to know the kind of products or services customers like. For instance, if a business offers a variety of products, it can investigate customer's preferences

by social networking, and this can go a long way in boosting their service offerings. In the end, such companies may heighten their competitive advantage. In this regard, organisations can also defend themselves in the situations when consumers give them negative reviews (Hiltz and Murray, 2008). This allows businesses to defend their reputation and, thus, preserve the valuable consumer bases that they may have accumulated.

The very concept of social networking is borrowed from personal networking. The latter phenomenon has assisted several people in the past to secure valuable business contacts that actually offer jobs. Similarly, online social networking does the same. A survey carried out a few years ago found that 56% of all employed personnel usually secured their jobs through personal connections with employees that they rarely came in contact with, i.e. people they met for less than twice a week (Fost, Moreno and Chrotsiakis, 2005). It was also found out that twenty seven of the participants got their jobs through connections received from people they contacted only once a year (Fost, Moreno and Chrotsiakis, 2005). Therefore, referrals are an important aspect of the employment process and can therefore go a long way in securing the right employees for a certain organisation. The research has further shown that those individuals recruited through referrals tend to perform better than those who entered individually (Fost, Moreno and Chrotsiakis, 2005). Therefore, since social networking enhances the amount of connections and referrals, there is a chance that they can assist businesses to get the right personnel for their organisation.

Statistics released during the year 2006 on Fortune five companies found that a whooping 91% of the top organisations were characterised by effective communication systems. In order to ensure good shareholder returns, businesses must constantly think of ways to engage their employees. Social networks provide them with this avenue and are likely to boost their

performance and efficiency.

Social networking tends to engage the consumer and makes them feel valued since they are essential components of a business process. This is especially important in service-based industries. For example, Digg Company – a technology news website - enjoyed a competitive advantage because of tapping into the benefits of social networking (Fost, Moreno and Chrotsiakis, 2005). This business allowed its respective consumers to post technology news stories and then permitted members to rate them. The stories that had the highest ratings were featured on the website. As a result, consumers felt engaged in business as they directly contributed towards content there. The same thing can be done by any other product-based businesses.

Advertisements are a crucial part of any business operations. It is, therefore, essential to look for new and cost effective ways of making such advertisements. Social networks have been used by a series of companies to place banners and other ad types so that they can expand their consumer base.

Case Study

IBM Company epitomises the benefits that arise out of social networking: from employee reviews on the quality of assistance received from experts to the sharing of website resources and information storage. All these aspects denote the business value that the company has been able to garner though such an initiative. Social networking is quite necessary for the company because approximately forty percent of people work from outside the company's premises or within their homes.

Analysts have sought to find out why this company quickly realised the benefits of social networking while some of its competitors placed social networking on the periphery. It was

found out that IBM created a code of conduct that would instil discipline and respect for their systems. These guidelines ensure that the firm can guard against legal liability, harassment or other non-issues that may tamper with the effectiveness of social networking (IBM, no date). On top of the use of guidelines, the company requires all participants in its social networks to be fully identified; thus, there is a low incidence of quarrels or disagreements online in contrast to other competitors.

This company has created a range of social networking products designed to boost its efficiency, productivity and profitability. For instance, it has created the web 2.0 feature, which allows users to generate content (Bulkeley, 2009). This places customers on a level playing field as company officials or other IT experts (Bulkeley, 2009). Apart from this, it has 'Blue Pages' which provide staff members with opportunities to tag certain stories and then allow tracing the tagged individuals to be able to find similar stories (Bulkeley, 2009). In fact, there are about four hundred thousand employees who are connected through Blue pages (Bulkeley, 2009). Staff members can use this social network to personalise their profile and include their CVs. Clients may also communicate with employees to get the maximum from the services provided by the company.

IBM also uses 'Avatar' that is another social networking tool used to assist employees and consumers to link up if they have distant locations. Usually, when there is a meeting or a conference and an IBM party cannot attend it, Avatar becomes useful in viewing the lectures as well as video conferencing with the attendees. Therefore, services can still be offered even if IBM representatives are not present physically. The latter method has been useful in orienting new employees located in distant parts of the world like China.

The 'Wiki' is another important IBM social networking tool. The latter is used by

company members to write details about a project; other team members have the opportunity to either delete or edit the information depending on what they need. These wikis are managed with 'wiki central' where these different networks are combined. Therefore, members of a team may keep updates on the overall level of a project and, thus, communicate with administrators effectively. This company also possesses a 'caught mapping' feature allowing members to get an idea on where others are located to know how to collaborate with them.

Overly, it can be said that IBM Company has spearheaded the push for social networking software and has been able to garner its business value. One way in which it has been able to achieve this is through frequent reviews from either consumers or employees. It has also moved control from IBM administrators to other stakeholders within their system. Nonetheless, it has not compromised the security of its members by instilling a tangible code of conduct (Flynn, 2007). The company has also made some money through the sale of social networking software.

Future Trends

Though social networking aims at occupying the centre of business functions, it is yet to strengthen its positions. In the future, this concept will likely be invaluable to business processes. For example, if certain people have arranged a meeting, an attendee may use social networking to obtain information about the name, picture and resume information of other members. However, before reaching there, social networking service providers must bridge current gaps in their systems.

Most applications based browser networks frequently limit consumers from engaging in mobile networking. Handset limitations also make it difficult for the latter function to be achieved. In the future, it is possible that social networking websites will have dealt with these inefficiencies and thus propagated a high level of cooperation between various groups.

If social networking is transferred to mobile devices, then meetings may become more powerful. This can be achieved in case GPS technology is merged with the former concept. In other words, prior to meeting someone in a social location, someone who may have forgotten about the individual may get a chance to find some basic information about that person and, thus, establish a better union. The iPhone provides social networking websites with unique opportunities: it gives an opportunity to first meet an individual and only then add him to his or her social network.. Overall, it can be said that social networking in the future is likely to be tied to real time locations for the individuals to be able to know other persons whereabouts.

Social networking may possibly revolutionise the way users engage in applications. This is because these social networks will make people's identities less discrete, and it will therefore be possible for one's preferences to be assessed before commencement of the use of a certain application. In the end, this will transform the way information is utilised in the future (Joffe, 2007). The process of filtering all unnecessary data will be much easier than it is now.

Businesses are likely to be less sceptical about the use of social networking in their business models because it may have brought on so many benefits to company's competitors that it can no longer be kept on the periphery. In other words, different businesses will most likely be able to enjoy small-scale leads to long-term information, they will also be able to access focus groups instantly and train different employees through social networking. There will be more expressiveness and connectedness between various organisations as more and more people will be able to express themselves (Hiltz and Murray, 2008). Besides, there may be a greater sense of community between businesses and their consumers. Information will be easily reachable even if email or other business communications are not available.

Conclusion

Social network is a concept that scarcely existed ten years ago, but its importance can no longer be ignored. Business information systems can be made more efficient by improving communication between employees and consumers. Companies have also become more marketable through adverts and promotional elements. Lastly, social networking is an essential instrument of management and human resource. These elements make the above-mentioned phenomenon revolutionary.

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