Social Networking and Reputational Risk at the Workplace

Deloitte LLP

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Objective:
This survey was conducted amongst working adults, both at the employee and the executive level, about the use of online social media at the workplace. The survey’s main objective was to find out the extent to which employees used social media at the workplace, company executives’ opinions about this, and the possible repercussions of employee usage to the company.

Methods Used:
A telephone survey was conducted among a national sample of 2008 employed adults (1000 male, 1008 female). Also 500 business executives were sent an online survey.

Key Findings:
- 74% employees believe that social media can easily damage a company’s reputation.
- Although 58% executives agree that social networking (and the associated reputational risk) should be a board-room issue, only 15% say that it actually is.
- Few solutions used by executives to mitigate this risk involve discussions to leverage social media to the company’s advantage (27%), formal policies for employees (22%) and monitoring (17%).
- 53% employees say that their social networking pages are none of their employer’s business.
- However, 40% executives disagree to this employees’ opinion and 30% even admit to informally monitoring social networking sites.
- 61% employees said that they won’t change their online networking habits even if they are being monitored. 49% employees said that even a new company policy regarding the same won’t change their online behavior.
- Regarding the knowledge of a company policy regarding social media, 11% employees said that they were aware of a policy, but didn’t know what it was. 23% said that there was no policy while 24% weren’t aware of any such policy.
- 27% employees don’t consider the ethical consequences of posting comments, photos or videos online. More than one-third don’t consider what their boss, colleagues, or their clients would think.
- 56% executives and 31% employees agree that using social networking sites is helpful to achieve better work-life balance.
- Amongst employees:
  - 22% employees responded that they visit social networking sites 5 or more times a week. 44% responded that they never visit such sites.
  - During work hours, 6% employees access social networking sites for business reasons, 5% for personal reasons and 10% for both business and personal reasons.
52% choose not to use such sites during work hours while 26% say they cannot access such sites because the company’s network blocks them.

- Amongst executives:
  - 30% say that social networking is part of their business and operations strategy.
  - 29% say that they use such websites to manage and build their brand.
  - 23% use it for both internal communications and recruiting.
  - 55% say that their companies don’t have an official use of social networks and 22% would like to use such tools.

**Conclusion:**

The survey results show that while the majority of employees don’t use social media at work, its usage could have both positive and negative influences on the company. A sense of values regarding this usage at work should be instilled amongst the employees to convert a possible distracter, like social networking websites, into a powerful weapon that would benefit the company in the overall scenario.

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