Social Media Collaboration at Work
Why financial services organisations need social collaboration tools NOW to be successful
As Facebook tips over the billion user mark, social collaboration tools are no longer something that organisations can ignore. Your employees use these tools to run their lives and expect to be able to share ideas and collaborate in the same way at work. The CEO and COO are using social media to communicate to customers, but what about to staff? Social collaboration is rapidly becoming one of the most important forms of engagement, second only to face to face contact. The tipping point is now – social collaboration technologies are critical business tools, not optional extras. Is your organisation collaborating effectively or falling behind?

To meet the challenges that banks across the world are facing, they need increased agility, faster and more open dialogue, improved customer focus, greater risk awareness, more efficient operations and enhanced global connectedness. Investing in social collaboration tools will help banks to transform from ‘top-down’ hierarchies to more collaborative work places that will help them to achieve these goals.
2008’s financial crisis seriously compromised the stability of many global banks and sparked the collapse of others. In the UK, the surviving banks, several of which are now effectively state-owned institutions, are searching for sustainable sources of growth in what is an extremely hostile environment of more muscular regulation, weak or stalling growth and rising customer expectations.

An industry previously characterised by tradition and convention now needs to transform at an unprecedented rate to survive. Our contention is that this evolution will simply not be possible without a fundamental shift in the way banks operate internally.

Organisational cultures and structures need to open up and become more collaborative, hierarchies need to flatten and employees at all levels must be empowered to become drivers of the evolution. How can this be achieved? The following sections will explain how collaboration technologies can transfuse the banking industry with revitalising ideas and enable rapid change.

So what do these solutions look like and how can they promise so much? Collaboration tools sit within the boundaries of the organisation, inside the corporate firewall – they look like LinkedIn, but enable networking to help you do your job more effectively, not to find a new one. They sound like tweeting, but sharing valuable expertise, not celebrity gossip. We’re talking about harnessing the power of Facebook, but harnessing that within the organisation, not perceiving it as a distraction. Collaboration technologies can make employees, and the knowledge they hold, discoverable through a host of collaborative functionality including Instant Messaging, Discussion Forums, Micro-Blogs and Idea Hubs; adding to the collective corporate knowledge base with every click.

What can collaboration technologies do for financial services companies right now? Read on.
Banks must transform their capabilities
A social bank flexes with the times

Banks are realigning their businesses to match new risk appetites and capital requirements, placing renewed focus on core operations. We are seeing the contraction, and in some cases the termination of banking units with an associated impact on the organisations within banks that support them. At times like these, tools which capture the tacit knowledge of staff and maintain an audit trail of past decisions come into their own, but, to be effective, they must be implemented before the workforce moves on.

Over time content collects organically within a socially enabled enterprise without the need for complex and heavy-handed knowledge management strategies. Communities and interest groups develop and reshape dynamically to serve the needs of their members, supporting new structures with ease. Relevant content naturally bubbles to the top while aging content gradually sinks to the bottom, adding to the latent knowledge base. With further and greater change in response to new regulation, such as the ring-fencing of retail banking operations, collaboration technologies can enable agile organisational change with minimal disruption.

Focus on Insurance

Insurance companies increasingly depend on effectively coordinating an ever increasing flow of information from multiple sources - individual agents and channels - to drive new business. To remain competitive, teams are becoming more globally disparate and virtual.

A social toolset will enable virtual teams to build insurance solutions based on models and proposals that have been developed by other global teams, reducing time and effort and increasing the sharing of tacit knowledge that may otherwise have been lost.

As teams change, working documents, debates and approaches from past efforts are immediately available in a structured and searchable manner, allowing new teams to gain insights and experience, without the need to search through a mass of unstructured emails and memos.
Profit is hard to find
Social tools drive productivity and lower costs

As many full-service banks in developed economies retrench from investment banking activity and re-focus on retail and commercial banking, the need to find greater efficiency from the back office has never been greater. Transferring activity to low-cost geographies is an attractive way to remove cost from the business, and social tools can widen the scope and potential of any offshoring.

Instant file sharing and video messaging can connect disparate teams in an instant, regardless of their location, opening up greater scope for wage arbitrage. Processes that once required co-located teams to ensure fast and reliable data / customer handovers can now operate across continents, massively increasing the opportunities for banks to expand their offshore operations.

Focus on the Back Office

As many banks exit risky, yet often profitable activities, we can observe a heightened focus on securing greater profit through improved productivity and reduced costs in remaining core businesses. Collaboration technologies can be a key enabler in this respect. Extending the office into a virtual workspace affords flexible working opportunities, which can reduce property spend and facilitate enhanced global operations, opening up opportunities for wage arbitrage and improved functional availability.

Minimising travel and time spent in physical meetings delivers clear cost savings; while replacing the ‘Reply All’ email chain with an online discussion forum delivers productivity gains by connecting people directly with knowledge, and reducing wait-time for responses. Identifying waste and profit leakage is also simplified. Democratising responsibility for cost-reduction broadens the load between management and workforce, freeing management time to deliver the change required to realise the saving.
In the post-crisis world, banks must work harder to remain competitive

The social bank is customer-centric, more agile and better placed to compete

As banks seek to firm up their core businesses, necessitating a confined competitive focus on a smaller range of offerings, innovation is key to survival. Collaboration technologies flatten organisational hierarchies, encouraging the collaborative generation of ideas and innovation through enterprise crowd-sourcing. Internal strategy and product development functions can benefit from the organisation's breadth of knowledge to direct development spend to the best ideas at pace, achieving the greatest gain.

Commonplace barriers between head office and frontline functions are diminished through open communications via a shared channel to mutual benefit. Customer service quality is improved as frontline staff have instantaneous access to collated corporate knowledge, presented in a way that many will be familiar with through their own interactions with public access social media tools.

Banks can start to move at customer speed by linking their external social media presence into their internal enterprise social network. As banks develop their capability to 'listen' to customers through social media channels like Facebook and Twitter, this can be played back to all staff through the internal enterprise social network. At one level, this encourages all staff to remain customer focused, while at a deeper level, enhanced connectivity promotes enterprise-wide collaboration around the critical challenge of responding more effectively to customer needs.

Focus on Product Development

Ensuring head office functions such as Marketing and Product Development stay close to the front-office is a perpetual challenge for any organisation. A collaboration technology toolset can address this issue head on.

Creating virtual forums, populated jointly by head office and customer facing staff, dedicated to the development of new product ideas, opens up entirely new sources of innovation, and allows ideas to be 'road-tested' at minimal cost.

Such idea hubs encourage unconventional thinking, which is so often the source of real innovation. Meanwhile the actual burden of innovation is shared across the organisation helping to demolish the traditional 'them & us' attitudes that prevail between head-office and front-office teams.
Faultless risk management is the target for all banks

Social tools can help make that a reality

Safer operations have been high on financial service organisations’ agendas since the 2008 financial crisis, engendering a closer focus on risk identification and reduction. Efforts have centred on instilling personal responsibility for risk awareness in all activity, and have seen some success. Collaboration technologies can help to deliver lasting change to the way that risk is managed across a bank in an effortless manner. Creating visible communities of risk professionals uncovers expertise within the organisation and opens up lines of dialogue that transcend geography.

The open discourse that follows creates a searchable repository of information for future exploit. More than that, dialogue exchanged in the open collaborative workspace not only attracts the contributions of knowledge-makers, but also encourages the intervention of the vigilant to highlight risks where they would otherwise have gone unseen. Only a true infusion of risk awareness practices in day-to-day operations will deliver the required paradigm shift in operational culture.

Focus on Cyber-Risk

Financial institutions are on the front line of the battle with cyber-criminals who are constantly seeking to compromise the myriad security barriers erected by banks.

Social tools are the perfect way to engage every member of staff, and use them as ‘listening posts’ for electronic attacks. By creating virtual message boards, staff can easily record suspicious activity such as receiving a phone call from an unauthorised person posing as technical support and asking for a password (social engineering). This allows security teams to react more promptly, and will be seen by other staff members who will be better equipped to identify and deflect similar attacks in the future.
Banks need to re-connect with their staff
They expect a level of engagement that only social tools can deliver

There is a lot that collaboration technology solutions can contribute to enabling the fundamental overhaul of the financial services industry. However, a key element of this unprecedented opportunity is the workforce. For most, working in financial services since 2008 has been difficult. Media vilification of bank workers, transference to state ownership in some cases, and the prospect of redundancy for others has left a fragmented and disengaged workforce.

Collaboration technologies have been seen to affect an improvement in employee engagement levels. Investment in such solutions itself engages young, social media savvy employees who bring a familiarity with social media from outside the workplace. Tapping this enthusiasm reconfirms a bank’s commitment to developing the next generation of experts.

The immediacy of contact and extensive knowledge accessible through collaboration technologies solutions also contributes to removing workplace frustrations, enhancing productivity and job satisfaction levels. Finally, the ease of connection afforded by collaboration technologies solutions brings people together across all levels of an organisation, generating a sense of value and recognition amongst employees.

Focus on Leadership

Today employees of banks and many other large companies may see and hear more of their executive team through negative press reporting in relation to their remuneration, than through standard corporate communication channels.

Executive involvement with social tools such as executive blogs, video diaries and forums allow leadership teams to connect with employees and provide an interactive method of communication that has until now been difficult to achieve.

Employees who feel they are being listened to, and have a voice in important changes and debates, will inevitably feel more engaged and supportive of the leadership and the enterprise as a whole, which is vitally important when viewed in the context of the challenges that many financial institutions are facing.
Contact Us

Written by the CRM Thought Leadership Team for Financial Services.

If you’re interested to know more on this topic, please get in touch with contributors;

Jonathan Gray
jonathan.m.gray@accenture.com

Rachel Barton
Rachel.e.barton@accenture.com

Lucy Murdoch
lucy.l.murdoch@accenture.com

David Hamill
david.hamill@accenture.com

Esme Seymour
esme.seymour@accenture.com

Robert Stubbs
robert.a.stubbs@accenture.com

Andy Tinlin
andy.tinlin@accenture.com

Visit us at:
www.accenture.com/Microsites/ukbanking

About Accenture

Accenture is a global management consulting, technology services and outsourcing company, with 257,000 people serving clients in more than 120 countries. Combining unparalleled experience, comprehensive capabilities across all industries and business functions, and extensive research on the world’s most successful companies, Accenture collaborates with clients to help them become high-performance businesses and governments. The company generated net revenues of US$27.9 billion for the fiscal year ended Aug. 31, 2012. Its home page is www.accenture.com.