

Social Media: The New Frontier of Corporate Reputation Management

Did you know that Facebook is the second largest “country” in the world? With more than 310 million members, it recently surpassed the U.S. in total “population.” Let’s not forget that there are also more than 200 million bloggers in the world and more than 20 million Twitter users, two numbers that grow exponentially each year.

As corporate counsel, you can bet that many of your employees are among that group. You can also assume that your employees are communicating to large audiences via social media even as you read this column.

Do you know what they’re saying?

Social media holds extraordinary promise for corporate reputation management, but it also holds great peril for corporate counsel who ignore it. Consider this: A year ago, an executive from Ketchum Public Relations posted insulting comments about the city of Memphis on Twitter. The problem? He was hours away from pitching Memphis-based FedEx for new business. FedEx caught wind of the comments and publicly denounced the executive, putting a prestigious PR firm in the unenviable position of apologizing for its own PR gaffe.

Yet for every gaffe, there are countless examples of companies and employees using social media to improve their corporate reputations and best practices. So how do you as corporate counsel weigh the promise of social media with the perils it presents to your company’s reputation?

The answer may lie in drafting social media guidelines for your employees. It’s no different than your company standards of conduct, and leading companies are now channeling their employees’ use of social media through

clearly-stated guidelines. Here are some tips to get you started:

Educate:

Many of your employees have never used social media. So give them a primer. Host a presentation to educate them on common social media tools – LinkedIn, Twitter, Facebook – and how they influence corporate reputation. When your employees understand the challenges and opportunities social media presents, they’re more likely to see the value in corporate guidelines.

Build Guardrails:

Define acceptable employee conduct in social media communities. It’s appropriate to use social media to inform the public about your product or to correct inaccurate information about your company. It’s not appropriate to post content that reflects poorly on the employee or the company. Call it the newspaper test: Your employees shouldn’t write anything online they wouldn’t want to read in tomorrow’s newspaper.

Be Supportive:

Encourage your team to explore social media. They’ll open new doors to professional development and corporate reputation management. They’ll put a human face on your company in an era when many companies are perceived as cold and indifferent. Designate a group of social media-savvy employees, starting with your communications and legal teams, to mentor your workforce along the way.

Trust and Responsibility:

The best corporate social media policies are built on trust and responsibility. Cisco, IBM, Yahoo!, and Intel

have adopted policies that trust their employees to use social media in a productive manner while emphasizing that employees are personally responsible for what they publish.

Be Transparent:

Employees should be honest about their identity when participating in online conversations. To do otherwise is to invite needless risk. Ask John Mackey, the CEO of Whole Foods. He sparked controversy in 2007 by criticizing a rival, Wild Oats Markets, under a fake name on online message boards. The misstep, once he was outed, generated weeks of embarrassing headlines for Whole Foods and even caught the eye of the Federal Trade Commission.

Be Realistic:

Corporate counsel shouldn't have to play the role of social media police, so don't try to control everything your employees do. Remember, the goal is not to shut down an employee's access to the information superhighway. It is to build guardrails that keep your company's reputation from skidding off the freeway. Whether they use it the right way or the wrong way is in no small part up to the executives like you that lead them. Show them the way, and chances are good they'll reward you.



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