



## Beyond the Balance Sheet: How Social Contributes Real Business Value

Best Practice Advice for Social Media Implementation that Enhances  
Organizational Performance

Social media is no longer a new phenomenon in the business world. More than 73% of Fortune 500 companies use Twitter, 66% have a Facebook page and 28% have a blog.<sup>1</sup> And there's plenty of investment – social is expected to rise from 7.6% of marketing budgets to 18.8% by 2017.<sup>2</sup>

Cognizant collaborated with INSEAD eLab in a research project that forms the foundation of this paper. We explore the impacts of social media on business processes, ranging from sales to finance, and the existence of organizational benefits (such as better employee collaboration) achieved by firms in different industries and with varying strategic orientations.

We examine the social quotient of organizations – their readiness to generate benefits from the use of social media. Our social quotient model (see Figure 1 overleaf) hypothesizes that the combination of social media uses and enabling factors in a company will determine the levels of cross-cutting organizational benefits.

### Cresting the Social Wave

If you are embarking on a new social media project, or are looking to improve success of an existing initiative, this paper can help guide you. We identify five primary potential benefits of social media that you could realize in your organization and a pathway to get there. These benefits include:

- **Better information flow:** improving the sharing of skills and knowledge.
- **Better collaboration:** building richer and stronger connections within and across teams.
- **Greater innovation:** driving increased employee empowerment.
- **Increased co-creation:** bringing customers and partners into internal processes.
- **Increased agility:** giving organizations as a whole the ability to focus on new opportunities more quickly.

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<sup>1</sup> [www.marketingprofs.com/charts/2012/8811/fortune-500-social-media-adoption-surging-in-2012](http://www.marketingprofs.com/charts/2012/8811/fortune-500-social-media-adoption-surging-in-2012)

<sup>2</sup> [www.forbes.com/sites/christinemoorman/2012/10/29/six-reasons-marketing-budgets-are-on-the-rise](http://www.forbes.com/sites/christinemoorman/2012/10/29/six-reasons-marketing-budgets-are-on-the-rise)

## The Social Quotient Model of Companies

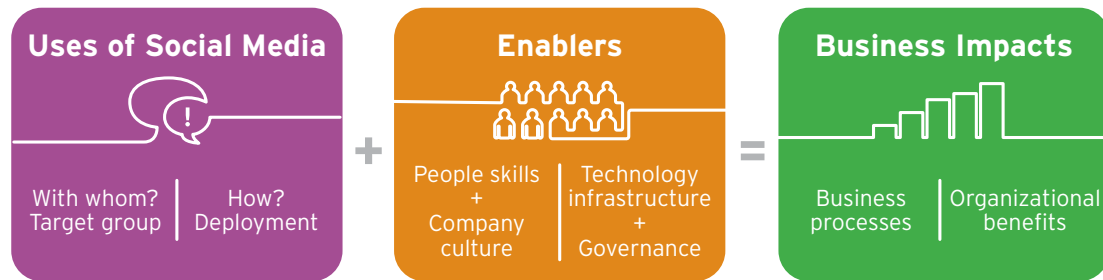


Figure 1

### Your Route to Social Success

In order to achieve these benefits, this paper describes a three-stage process to launching your organization's social media project that can help you deliver positive business impact from your investment.

#### Stage 1: Identify activities that social technology can enhance.

The potential benefits of social media can be felt across the whole organization, from sales to new product development and all the functions in between. Find out which parts of your company are most likely to generate the best results.

#### Stage 2: Identify the major target audience for social media.

We separate the target audience into three groups: customers, employees and partners. Your initiative can address one, all or a combination of these groups. Identify which group will provide the most benefit to your organization, depending on your value discipline segmentation.

#### Stage 3: Improve the company's social quotient.

We discuss a range of factors that will influence success of your social media activity in your company, from technology to organizational structures and team dynamics. It's not just about tooling – don't forget the human and organizational factors at play.

Plus, we examine the experiences of six companies across a range of industries that implemented social media internally with different objectives: Danone, France Telecom-Orange, GDF Suez Energy Services, Groupe ADEO, MAPFRE and Société Générale. See how their stories may relate to you.

#### Learn More

Our white paper "Beyond the Balance Sheet: How Social Contributes Real Business Value" is part of our research into social, mobile, analytics and cloud (SMAC). This paper and other information about the SMAC stack can be found at [www.cognizant.com/smac](http://www.cognizant.com/smac). Contact us at [Inquiry@cognizant.com](mailto:Inquiry@cognizant.com) to be connected with one of our SMAC experts.

### About Cognizant

Cognizant (NASDAQ: CTSI) is a leading provider of information technology, consulting, and business process outsourcing services, dedicated to helping the world's leading companies build stronger businesses. Headquartered in Teaneck, New Jersey (U.S.), Cognizant combines a passion for client satisfaction, technology innovation, deep industry and business process expertise, and a global, collaborative workforce that embodies the future of work. With over 50 delivery centers worldwide and approximately 156,700 employees as of December 31, 2012, Cognizant is a member of the NASDAQ-100, the S&P 500, the Forbes Global 2000, and the Fortune 500 and is ranked among the top performing and fastest growing companies in the world. Visit us online at [www.cognizant.com](http://www.cognizant.com) or follow us on Twitter: Cognizant.



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