


# **ASSOCIATION SUCCESS**

IN THE ERA OF

# **SOCIAL BUSINESS**

**BY JEFF DE CAGNA**





**WHAT DO POPE BENEDICT AND PRESIDENT OBAMA HAVE IN COMMON? (NO, THIS IS NOT A JOKE.) IT MAY COME AS SOMETHING OF A SURPRISE TO YOU, BUT BOTH OF THESE WORLD LEADERS ARE FULLY LEVERAGING TODAY'S SOCIAL TECHNOLOGIES TO TACKLE CRITICAL CHALLENGES AND ADVANCE THEIR STRATEGIC AGENDAS.**

Through more consistent and direct online communications, both men are trying to lower the long-standing traditional boundaries between the high offices they hold and their followers everywhere. Far from viewing social technologies as frivolous and risky, these two leaders are embracing the enormous power of these tools to attract, inspire and engage a far-flung set of passionate participants in building meaningful relationships, pursuing learning and knowledge, and solving big problems.

If the pope and the president of the United States can figure out ways to capitalize on the deep value of social technologies, why is your association still struggling to do the same?

### **DEFINING SOCIAL BUSINESS**

As this first decade of the 21<sup>st</sup> century draws to a close, associations must begin to fully embrace the opportunities of the Web-enabled world and learn to succeed in this new era of “social business.” What is social business? While others have their own definitions, I define this emerging phenomenon in the following way: Social business is about value creation through the exchange of social capital, enabled by social tools.

The key phrase in this sentence is “the exchange of social capital.” Social capital is the intangible yet inherently valuable resource created by the trusted relationships, active sense of reciprocity and shared responsibility of stewardship that lives deep inside human networks and communities. New and more social ways of doing business, such as crowdsourcing, open source, peer-to-peer lending and word of mouth can work effectively only in the presence of social capital, either within organizations or in the broader operating environment. Social technologies facilitate the creation of social capital, and amplify and intensify the impact of social business approaches.

### **A BRIEF HISTORY**

To better understand the evolution of social business, consider the following brief history of the Web:

- Twenty years ago, the “World Wide Web” was just an idea, a world-changing notion conceived of by (now Sir) Tim Berners-

Lee, the English physicist, while working at the CERN Laboratory in Switzerland. Berners-Lee submitted his original proposal for the World Wide Web in March 1989, and by the end of 1990 the rudimentary elements of the Web were in place.

- Fifteen years ago, as adoption of the Web gained momentum, Amazon.com, Netscape, Yahoo! and other defining Web companies were founded. Netscape's blockbuster initial public offering in the summer of 1995 was an unexpected event that is considered by many to be the beginning of the early dot-com boom.
- Ten years ago, the Web began to explode in popularity and use on the pathway to becoming a true global phenomenon. Organizations of all sizes began to establish Web sites with mostly static content and, eventually, e-commerce. In 1998, a groundbreaking student project at Stanford University led to the creation of Google, which would eventually reshape every aspect of our online experience.
- Five years ago, the “social Web” began to emerge in earnest as online activity shifted from publishing to participation. In the last few years, we have all been witness to an unprecedented and still accelerating level of online social engagement that is changing the look of associating in irrevocable ways.

### **COMMITMENT TO SOCIAL BUSINESS**

Without question, a very different and potentially very exciting future for associations is unfolding. Still, some leaders in the association community believe the current fascination with social tools is a fad that will not endure. This is nothing more than wishful thinking, however, because the available data do not support this conclusion. The widespread adoption of blogging, the dramatic and unabated growth of social networking sites such as Facebook and Twitter, and the continued increase in the use of mobile devices such as the iPhone confirm that people around the world are committed to ongoing social exchange. All of us want to connect with others to exchange information, ideas and inspiration. We want to build networks and communities for our personal and professional benefit, and we want to interact with friends and colleagues anywhere in the world and at any time. While the specific technologies may change, as well as the terms and titles we use to describe them, the human social reflex is enduring.

By building the capability to use social technologies effectively, associations can adopt social business strategies to unleash collaborative action, achieve shared organizational purpose and drive success going forward. To bring your associations fully into the era of social business, association leaders should take three immediate steps:

- 1. Get a personal use experience with social tools.** It isn't necessary for the board chairman to be on Facebook or the CEO to use Twitter. But if these leaders don't use social technologies, that fact must not be a criterion for deciding whether your organization should use them. When leaders do take the time to experience the tools for themselves, they will become less skeptical and less fearful because they will have their own understanding of the value creation these tools can support.
- 2. Rethink your leadership mindset.** Social technologies are a disruptive challenge to traditional leadership. Consider how active users of Twitter, the micro-blogging social network that limits posts to no more than 140 characters, describe the service: simple, inclusive, meaningful, organic and creative. If asked, how would your members describe your association? Would they use these or similar words, or would the language be somewhat — or even dramatically — different? In the end, the use of social technologies isn't really a technology challenge, but a more fundamental challenge to the way boards and CEOs have stewarded their organizations over many decades. In the era of social business, the imperative for leaders is to adopt more open and authentic approaches for creating meaning and enabling stakeholders to co-create value.
- 3. Focus on critical business challenges.** To effectively build social capital using social technologies, leaders should encourage the application of these tools to the most significant business challenges facing their associations. Boards

and CEOs can set a powerful example by creatively applying social technologies to make governing processes more open and inclusive. By giving members direct and continuous access to decision-making conversations that typically occur behind closed doors, senior staff and volunteer leaders can begin to create a truly collaborative association culture.

The era of social business is upon us and it is time for associations to adapt. Now is the time for association leaders to be thinking creatively about the future, and social technologies already are an important part of that future. Embrace them, as well as the social business strategies they enable, and begin building today for what's next. Don't wait any longer. Learn and lead for the benefit of all your current stakeholders, as well as those yet to come. That's what they expect you to do. **■**

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**Jeff De Cagna** is chief strategist and founder of Reston, Va.-based Principled Innovation LLC. He may be reached at [jeff@principledinnovation.com](mailto:jeff@principledinnovation.com).

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