



ENTERPRISE 2.0: Looking Inside Out

Benchmarking web usage and social media behaviour in the workplace

DataCurve Report No. 1
MailGuard Whitepaper, March 2010



Key Insights

- Enterprise 2.0 must develop both an aptitude and policy framework for employees to productively use digital media and social networks;
- An employee's 'digital identity' must not be 'switched off', but assessed in the context of current roles and responsibilities, and even in terms of their potential to become digital advocates for the brand and enterprise;
- Currently, almost 20 percent of employees periodically access the web across of 25 percent of their workday (between 9am and 5pm). Ignoring the 'professional' Internet user, this 20 percent segment is classified as "highly web-active" with a potentially corresponding negative affect on productivity;
- For the greater majority of employees, workplace web behaviour is relatively consistent (and predictable) in terms of the sites visited. 'Heavy Explorers' will visit upwards of 200 sites per month, though only once in most cases;
- Usage of social media within the workplace continues to rise, with Facebook accessed by more than 40 percent of all employees in December 2009 – up from 24 percent 12 months earlier. Twitter is now accessed by more than 17 percent of employees;
- General online news sites have a high penetration (and engagement) rate in the workplace. Because employees generally have smaller, but more frequently visited, sets of sites, online news services hold a largely unrecognised advantage against other ad-based media.

Introduction



When a type of behaviour is identified and then labelled with an acronym, you know there is a growing body of evidence seeking its legitimisation; consider the recently coined Workplace Internet Leisure Browsing, or WILB.¹

The assumption behind this moniker is that browsing in the workplace, up to a point, is beneficial. Short breaks, where the brain ‘zones out’, recharge the employee so they are better able to concentrate on key tasks. In fact, the benefit of this casual browsing is actually quantified – those who undertake WILB, for example, are apparently nine percent more productive than those who are less ‘web-active’.

As digital media and associated web-based applications encroach further into work time, the challenge for business is to balance employee access to particular technologies while ensuring WILB isn’t abused, or worse, institutionalised, thereby undermining employee performance measures.

Our report evaluates the extent to which employees use their web browsers – both in terms of web sessions and the number of websites visited. Further, as the start of a much more comprehensive longitudinal study into the use of digital media (including social media) in the workplace, this report sets out some of Australia’s first benchmark figures on workplace digital media engagement

1. Dr Brent Coker, Department of Management and Marketing, The University of Melbourne, April 2009

Employees, and Enterprise 2.0



The phenomenon of web-based interaction shifting from a network of linked documents to a network of individuals (and their associated digital identities), colloquially referred to as Web 2.0 has great relevance to an enterprise. In fact, it is as relevant to its internal employee policies as it is to customer engagement strategies.

Regardless of headcount, enterprises of all persuasions need to quickly recognise that a majority of their employees are now media narrowcasters. They distribute snippets of inane, innocuous, promotional and confidential information across their personal networks of friends and acquaintances; and inevitably, the name and brand of the enterprise will be caught up in this Tsunami of digital chatter.

Yet, before an enterprise decides to action a response to web-based employee behaviour, it first needs to understand what characterises that behaviour. And if businesses generally lack detailed knowledge of employee web behaviour, then could current workplace policies be based more heavily on assumption than evidence? As the mantra says: if you can't measure it, you can't manage it.

With appropriate data and analysis, policy formulation will inevitably take into consideration an employee's digital identity, and how employees manage their 'identity' in the context of work time and use of work resources.

Further, Enterprise 2.0 should be sufficiently enlightened to recognise that employee web-based behaviour, and the 'management' of that digital identity, presents the business with unique opportunities to reinvigorate the responsibilities and morale of key workforce players.

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Employee Digital Identity

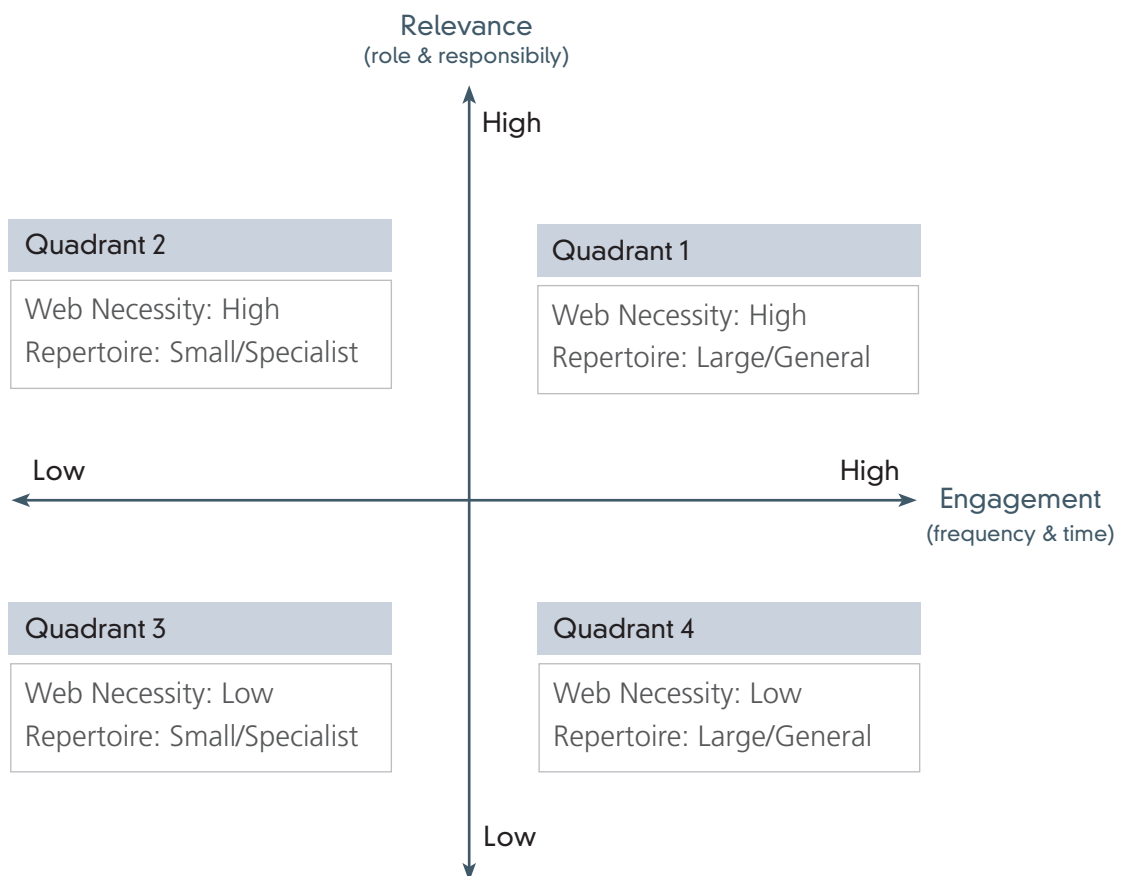


Each month in Australia approximately 5.4 million employees access the Internet², yet to date, the context of workplace behaviour and its implications for defining the digital identity have been largely ignored.

This report takes one giant leap into this knowledge void, challenging several assumptions about workplace digital behaviours, especially in relation to productivity, media usage, and social networking.

Put simply, the enterprise and its workforce are now at the centre of some remarkable changes in digital behaviour. From the perspective of the enterprise, employee access is almost universally taken for granted, with motivations for using the web ranging from the subversive and self-indulgent to an absolute commercial necessity.

Figure 1. Segmenting employees by relevancy and engagement measures



The dynamic for evaluating individual productivity within the context of 'role and responsibilities' emphatically supports the argument that the application of a universal rule by an enterprise to regulate web access is simply counter-productive, without first considering the relevance and engagement indicators associated with each employee.

The assessment of employees using these two parameters (i.e. relevance and engagement) effectively creates four quadrants on which to map the context of web-based behaviour. (see Figure 1.)

Of these four quadrants, two represent fundamentally unproductive segments of the workforce population. In Quadrant 2, for example, the employee has a responsibility, even an obligation, to utilize the web (a 'professional surfer') but he or she is determined to have a low engagement score. This suggests they are failing to fulfil a key requirement of the role.

A universal rule by an enterprise to regulate web access is simply counter-productive...

The second segment, Quadrant 4, is the absolute reverse, with the employee having little or no requirement to utilise the web, but reporting an 'abnormally' high engagement score.

This simple analysis underlines the point that management should discriminate between individual roles, before calculating the impact of web activity on employee productivity.

The Workplace DataCurve

To better understand workplace online behaviour, and the extent of its time-share with other workplace responsibilities, a six-month analysis of the online activity of 8,400 employees across 43 companies was undertaken (“the sample”)³. This analysis defines what we mean by the ‘datacurve’ – measurement of the extent and frequency of employee access to the web.

The overall findings of the analysis address a common misconception: that web-based activity, unrelated to the employee’s role, is proliferating

The overall findings of the analysis address a common misconception: that web-based activity, unrelated to the employee’s role, is proliferating, both in terms of the actual number of employees involved, as well as the percentage of time they are so engaged.

In fact, rather than being rampantly out of control, there is a high degree of predictability and conservatism in most employee web behaviour, undermining the sometimes hysterical opinion that web access represents anathema to productivity.

In analysing the sample’s web behaviour in the eight hours between 9 am and 5pm, the study split the day into 80 segments, with each segment effectively six minutes in

length. This segmentation approach enables the analysis to effectively grid the employee’s day, quantifying when and how often a web session was activated.

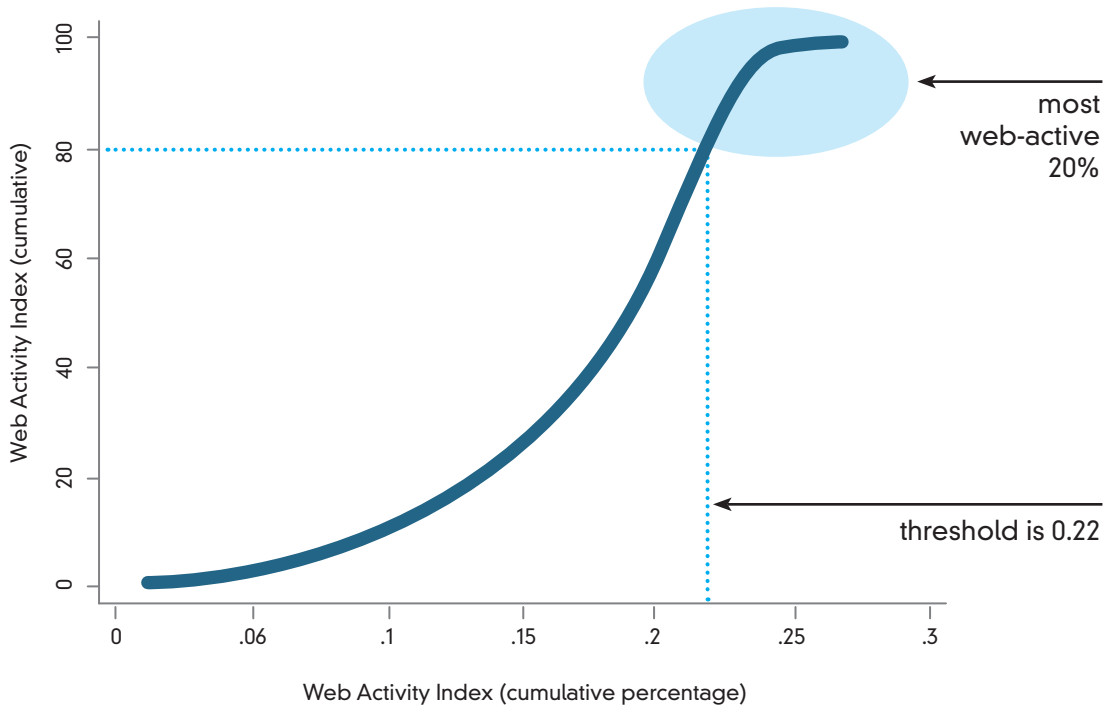
Put simply, the more web sessions that are recorded, the more web-active the employee is assumed to be.

Designed as a Web-Active Index, the cumulative result indicates about 80 percent of employees are at, or below, a threshold of 0.22; the remaining 20 percent are at, or above the threshold, and are classified as highly web-active.

In other words, “highly web-active” employees record a web session in almost 25 percent of those 80 day-parts. Cumulatively, that’s almost two hours of web activity over an eight-hour day!

Observation: In the context of web behaviour, approximately 20 per cent of employees are characterised as ‘highly web-active’, resulting in some diminution in productivity.

Figure 2. Web-Activity Index: When WILB exceeds the benefits of stress management

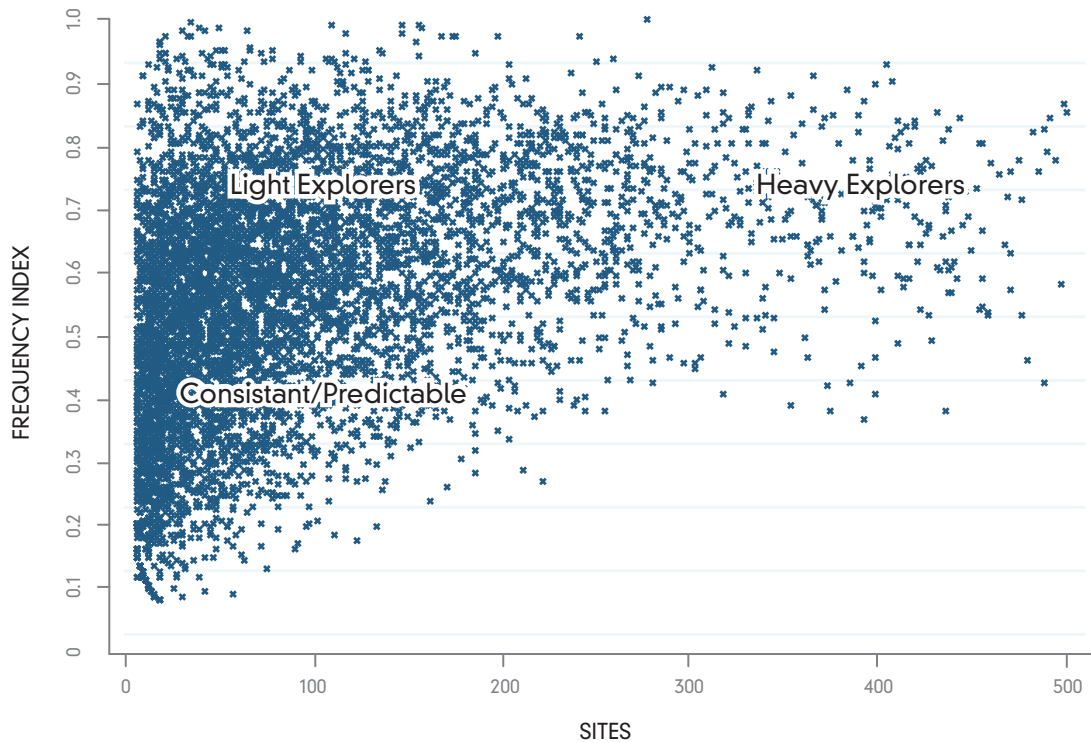


Yet while the final evaluation to determine the impact on productivity needs to be considered in the context of someone’s role and responsibilities, it is safe to assume that only those enterprises that are predominantly web-based can afford to have almost 20 percent of their staff engaged in web activity for two hours every day.

In terms of excessive web usage, the report’s Frequency Index indicates that only a minority of employees are likely to be defined as ‘heavy explorers’. These are employees who will access in excess of 200 sites per month, with some in the segment pushing the number of sites in their repertoire up to 500 sites in a month. In almost all cases, the frequency of visits is just one.

Likewise, other employees defined as ‘light explorers’, will visit up to 200 sites a month but without any indication of repeat visits.

Figure 3. Frequency Index: for a majority, digital life is fairly predictable



Source: MailGuard, October 2009

The pattern of consistent web behaviour for a majority of employees illustrates an important 'baseline' for the enterprise, with any deviation or outlier easily recognised against this 'norm'. Putting aside the issue of false-positives, these exceptions represent an area of risk for the enterprise (direct and indirect) and deserve further analysis.

For digital publishers, particularly those who rely on daily, or at the very least weekly visits, there is another important implication. Most employees establish a core set of 'most visited websites', and by gaining access to this repertoire the digital publisher is able to build engagement, or at the very least frequent attention, as well as a barrier to entry for competing brands. Consequently, a loss of workplace market share represents a loss of some of the publisher's most loyal readers and viewers. Such an outcome would represent a fundamental and negative shift in market dynamics for the relevant publisher.

Observation: In the context of web behaviour, the vast majority of employees are consistent in their web usage, with only a small number of websites visited on a regular basis.

Social Media in the Workplace

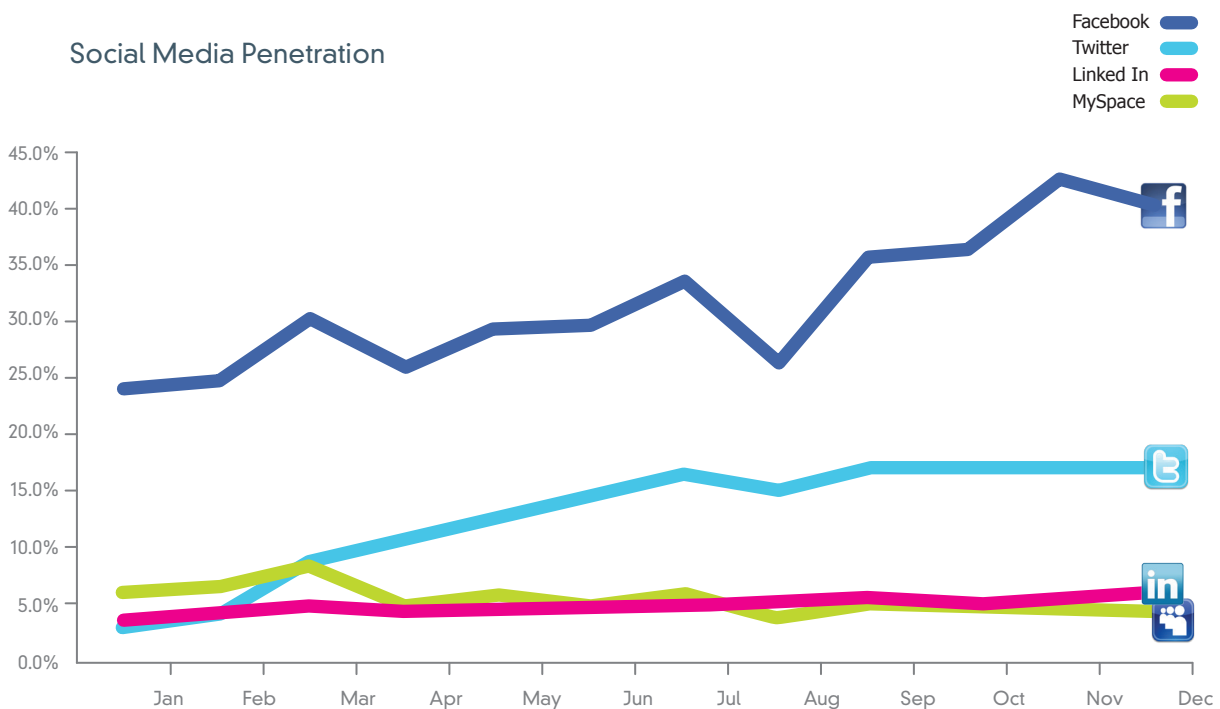


Social media's polarising affect on managers and their workplace policy will continue to persist in light of increasing efforts by enterprises to harness social networks for marketing and customer relationship purposes, while simultaneously trapped

by the perception that social networking during work-time is a monumental threat to workplace productivity. In short, the outward enthusiasm that enterprises display towards social networks is mostly muted when it comes to internal access of platforms such as Facebook, Twitter, MySpace and LinkedIn.

During 2009, the diffusion of these social networks throughout the workforce continued on an upward trajectory. Both Facebook and LinkedIn reported an almost 100 percent increase in their share of the workplace market, while in the case of Twitter, its share jumped almost 600 percent, though admittedly from a relatively low base. MySpace's now almost 'niche' role as a music discovery channel saw their share in 2009 flat line then decline slightly by the end of the year, to be overtaken by the business network, LinkedIn.

Figure 4. Penetration of the 'at-work' market (Jan. 2009 – Dec. 2009)



Source: MailGuard, January 2009 – December 2009

In the case of Facebook, this social networking phenomenon reached a critical point in August 2009 when its share of the workplace market exceeded that of news providers like The Age, The Sydney Morning Herald and News.com.au. Yet, while its penetration rate hit 40 percent, its engagement metrics changed little over the course of the year, with the average number of visits holding steady at 10 per month, while total time on the social network remained relatively consistent at approximately 90 minutes per month (i.e. averaging 9 minutes per visit).

The exception to this engagement rule was Twitter, which went from 1.7 minutes per month (January’s average) to 34 minutes by December. The number of sessions also jumped dramatically – from one per month in January to seven by December.

Given these high growth rates in penetration, it is incumbent upon Enterprise 2.0 to establish a social networking policy framework that is evidence-based and considers the following workplace benchmarks for each of the following social networks:

Table 1. Establishing a benchmark for acceptable employee behaviour (December 09)

Network	Visits (per month)	Time Per Person (per month)	Workplace Penetration (December 09)	Workplace Penetration (January 09)
 Facebook	10	87min 40sec	40.0%	23.7%
 MySpace	3	31min 20sec	4.7%	5.7%
 Twitter	7	33min 50sec	17.1%	2.6%

Based on this evidence, employees who report engagement metrics higher than these benchmark figures would require further assessment in light of their role and responsibilities. Without such consideration, the enterprise will be tempted to position these employees in Quadrant 4 (see Figure 1) without first appreciating individual circumstances.



While the focus on social networks within this report has been largely confined to the top three or four platforms, management should appreciate the numerous other social networks that infiltrate work-place practices. Across the work population, social networks of various descriptions and specialisations are accessed by more than two-thirds of all employees on a regular or semi-regular basis. To put this into context, Facebook alone attracted almost 2.2 million Australian employees in December, up from 800,000 in January. That exceeds the audience for every other website accessed at-work, including all news sites (like The Age or The Sydney Morning Herald or News.com.au). The singular exception is the Google search engine with 4.1 million users or 75% penetration (Dec. 09).

Yet, despite the rapid growth in Facebook and other social networking accounts, (Jan. 09 – Dec. 09), the average number of visits and time spent on these networks, in any given month, has remained relatively stable.

In other words, the hype about thousands of hours lost in productivity due to a social media addiction or pathology is not supported by the evidence. Spread out across a 20-day working month, Facebook will be accessed (on average) every second day, at approximately nine minutes per session. In the case of MySpace and Twitter, engagement is even less of an issue in the context of workplace productivity. Compared with entrenched behaviours like smoke breaks and coffee runs, social media behaviour is a very distant third in terms of employee 'distractions.'

Ironically, given these circumstances, there is a legitimate question about the *lack of time* a workforce engages in social media activity. Given the prolific nature of the medium across most consumer segments, and the importance of understanding the 'digital identity' in a commercial context, management would be well advised to consider the current social networking behaviour of their employees as a potential asset to be leveraged (via an appropriate policy which takes into account individual roles and responsibilities) across the disciplines of marketing, public relations, consumer insights, customer profiling and competitor intelligence.

Despite the rapid growth in Facebook accounts in the workforce, the average number of visits and time spent on these networks, in any given month, has remained relatively stable.

Primetime: Workplace Media Engagement



Every media experiences a 24-hour cycle where audience sizes fluctuate depending on time of day and access location. Television viewing, for example, peaks between 6pm and 10pm, dropping away again for a smaller early morning burst between 6pm and 9am. In the case of web access, the ‘twin peaks’ occur primarily between 11am and 2pm weekdays (work-related) and again later at night between 8pm and 11pm.

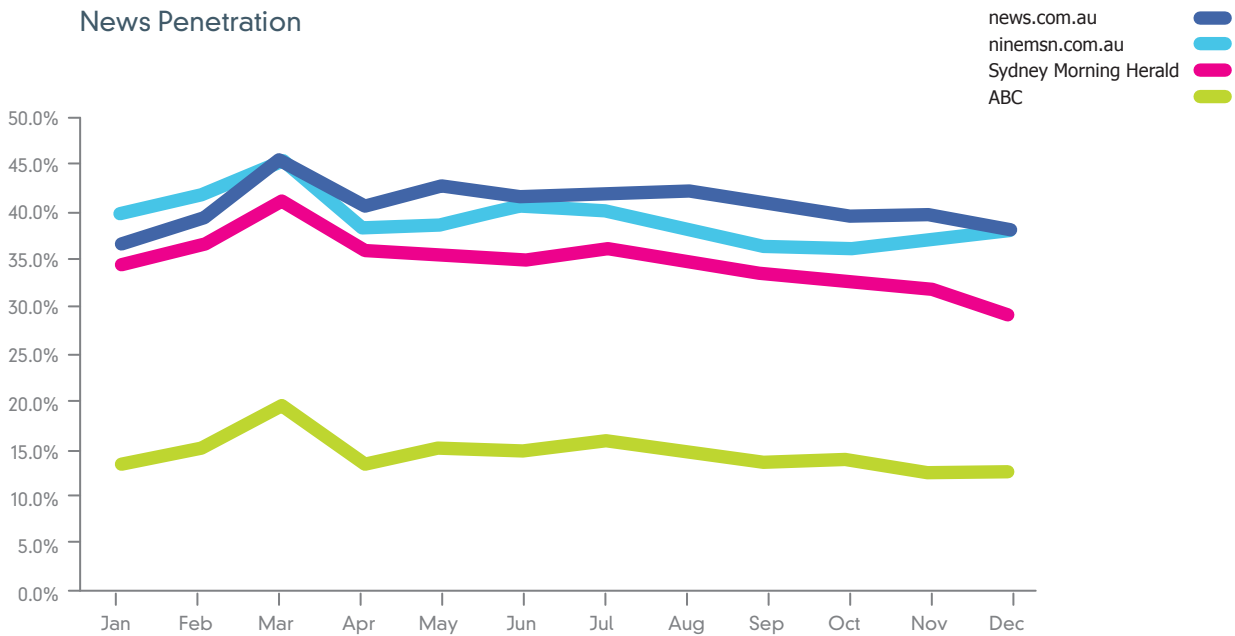
Yet, while workplace web behaviour is responsible for a significant peak in media activity (in aggregate terms, one of the largest media markets in that day-part), little analysis (up until now) has been undertaken to understand which online publishers benefit most, and how employees split their online time across a range of content categories like news, travel, finance, search and reference.

Table 2. Making headlines: top visited news and sports sites within the workplace

Website	Unique Audience	Frequency (visits)	Time (total minutes)
news.com.au	2,090,000	15	84
ninemsn.com.au	2,080,000	21	50
The Sydney Morning Herald	1,600,000	23	60
The Age	895,000	16	72
ABC	692,000	10	23
Foxsports	388,000	9	73
AFL	265,000	7	43
Cricinfo	217,000	12	256
cricket.com.au	185,000	4	48
sportingpulse	142,000	2	7

Considered as a ‘work-only’ audience, these figures indicate a higher level of engagement with news publishers, in particular, than previously understood. For example, based on published data from Nielsen Online, which doesn’t identify workplace behaviour separately to home (or other), these same publishers experience a lower visitor frequency, along with lower session times, than they do in a ‘work-only’ situation.

Figure 5. Penetration of the 'at-work' market (Jan. 09 – Dec. 09)



Source: MailGuard, January 2009 – December 2009

For example, in the case of news.com.au and smh.com.au, Nielsen⁴ indicates a monthly frequency figure of 9.2 and 10.9 (home and work, September 09). By comparison, work-only (DataCurve) data for the same month, indicates the higher frequencies of 15 and 23 (and total time per visitor) for the respective publishers.

In short, one of the consequences of this incumbent methodology, which aggregates across home and work access, is to mask the higher engagement metrics which publishers experience in the work-only market. In turn, this underestimates the value of workplace audiences, effectively short-changing many ad-based publishers.

Digital publishers along with other critical players, like media agencies, need to quickly recognise that it is the scale of this engagement, until now largely unknown and unmeasured, that will shift the entire value proposition in favour of publishers.

4. Nielsen Online, NetView, Home & Work panel data, Sept. 09

Conclusion

The use of web-based technology and media by employees is an anecdotal minefield, littered with myths about lost productivity and risky behaviour.

In reality, a vast majority of employees confine their web activity to a select number of websites, and are relatively consistent in their day-to-day use. Social networks are an increasing part of this work-only universe, though again, the negative connotations associated with the use of social media in the workplace have been overblown.

What has been underestimated, however, is the level of engagement digital publications generate from a work-only audience.

On the contrary, when an information source makes it into these relatively small repertoires, the digital publication is a huge beneficiary of workforce engagement and loyalty.

About the Authors

Andrew Reid

Andrew Reid has more than 17 years experience in digital media and research, beginning with the establishment of News Interactive (NI) in 1994/1995. As business analyst with News Corp, Andrew worked across NI, the establishment of Foxtel and News' digital JV with China's Xinhua News Agency. Subsequently, Andrew joined US recruitment giant, Monster.com as marketing manager, and from there Commonwealth Bank's NetBank team to introduce Australia's first browser-based banking facility. In 2000 Andrew joined Nielsen NetRatings as the company's first senior analyst developing breakthrough analytics in the field of online audience measurement. In 2004, Andrew was made Managing Director for Nielsen Online Australia, and 2007, Managing Director for Bluefreeway Australia, which at the time was one of the largest digital media and analytics investment groups in Australia.

Craig McDonald

Craig McDonald, CEO - a founding Director of MailGuard in 2001 with over 15 years' experience in sales and marketing strategy, business development and management across several industries including IT and FMCG. Craig has been responsible for the concept, design, management, motivation and direction of sales and marketing teams with revenues of up to \$200m, and developed programs for a broad variety of target markets ranging from consumer, SME, and major retail chains, to large corporations.

Rajesh Vasa

Rajesh Vasa is a Solution Architect and Technology Consultant with over 15 years experience in the IT industry. He has worked internationally in a wide range of roles - Data Analyst, Lecturer, Software Engineer, Business consultant, Solution architect, Project Manager, CTO, and IT Director. He has spent the last decade studying software developer behaviour in real-world projects and has been instrumental in developing techniques to effectively summarise their work patterns. Rajesh is currently working as the International Program Manager (CSSE) at Swinburne University of Technology.

About MailGuard

MailGuard is one of the largest providers of SaaS managed online solutions addressing security, compliance and online management, serving thousands of clients across 18 countries.

A pioneer in the delivery of Software-as-a-Service (SaaS) solutions, MailGuard's core service offering includes email anti spam, web and email anti-virus protection, as well as content filtering and management.

To help businesses meet growing compliance reporting requirements, MailGuard also offers email archiving, email continuity, email image filtering and staff productivity reports

What is Software-as-a-Service (SaaS)?

SaaS is a method of delivering software solutions over the internet, also known as 'in the cloud/cloud computing', rather than installing and maintaining software on a computer or network.

How Does it Work?

A SaaS solution requires no upfront investment or outlay as the software resides on a remote server and only attracts fees, on a subscription basis, as long as the service is active. There is no hardware or software installation required, translating to the SaaS application being up and running immediately.

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