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Six social-media skills every leader needs

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Organizational social-media literacy is fast becoming a source of competitive advantage. Learn, through the lens of executives at General Electric, how you and your leaders can keep up.

The problem

Even as individuals increasingly embrace social technologies, many leaders fear the risks of unbridled information and see difficulties meshing the open dynamics of social media with existing communications processes.

Why it matters

When leaders shy away from social media, they inhibit collaboration, knowledge sharing, and the tapping of employee capabilities that collectively can create a competitive advantage.

What to do about it

Leaders need to develop new social-media skills and help their organizations do the same.

At the personal level, leaders must be able to produce compelling, authentic content; master the new distribution dynamics; and navigate information overload.

At the organizational level, leaders should encourage usage through thoughtful orchestration and role modeling, become architects of a social-media-friendly infrastructure, and stay ahead of rapid technology shifts.

Few domains in business and society have been untouched by the emerging social-media revolution—one that is not even a decade old. Many organizations have been responding to that new reality, realizing the power and the potential of this technology for corporate life: wikis enable more efficient virtual collaboration in cross-functional projects; internal blogs, discussion boards, and YouTube channels encourage global conversations and knowledge sharing; sophisticated viral media campaigns engage customers and create brand loyalty; next-generation products are codeveloped in open-innovation processes; and corporate leaders work on shaping their enterprise 2.0 strategy.

This radical change has created a dilemma for senior executives: while the potential of social media seems immense, the inherent risks create uncertainty and unease. By nature unbridled, these new communications media can let internal and privileged information suddenly go public virally. What's more, there's a mismatch between the logic of participatory media and the still-reigning 20th-century model of management and organizations, with its emphasis on linear processes and control. Social media encourages horizontal collaboration and unscripted conversations that travel in random paths across management hierarchies. It thereby short-circuits established power dynamics and traditional lines of communication.

We believe that capitalizing on the transformational power of social media while mitigating its risks calls for a new type of leader. The dynamics of social media amplify the need for qualities that have long been a staple of effective leadership, such as strategic creativity, authentic communication, and the ability to deal with a corporation's social and political dynamics and to design an agile and responsive organization.

Social media also adds new dimensions to these traits. For example, it requires the ability to create compelling, engaging multimedia content. Leaders need to excel at cocreation and collaboration—the currencies of the social-media world. Executives must understand the nature of different social-media tools and the unruly forces they can unleash.

Equally important, there's an organizational dimension: leaders must cultivate a new, technologically linked social infrastructure

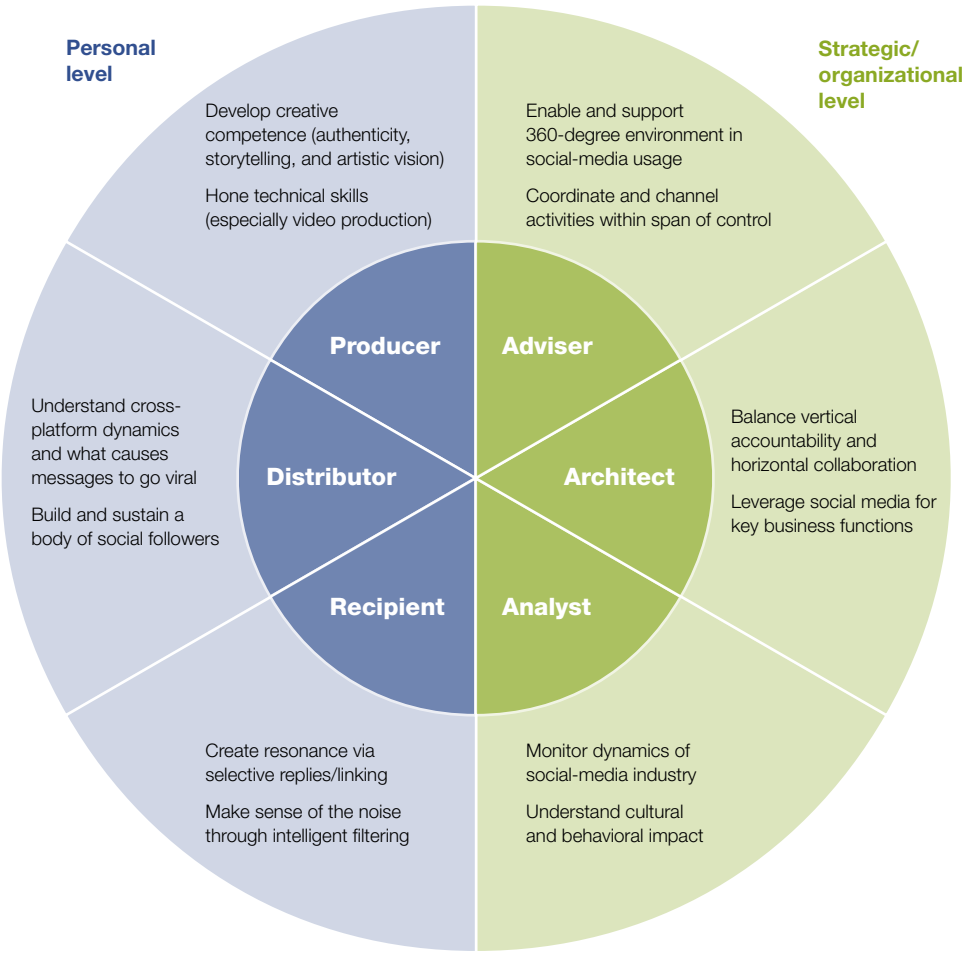
that by design promotes constant interaction across physical and geographical boundaries, as well as self-organized discourse and exchange.

We call this interplay of leadership skills and related organizational-design principles organizational media literacy, which we define along six dimensions that are interdependent and feed on one another (exhibit).

Our clearest window on the development of these new forms of literacy is General Electric, where one of us is responsible for leadership development. Witnessing GE through this lens is

Exhibit

The six dimensions of social-media-literate leadership.



particularly interesting; unlike Google or Amazon, GE isn't a digital native, and its 130-year tradition of reinventing businesses and itself makes it worth watching. So does GE's status as a "leadership factory."

GE's commitment to social media is perhaps most visible through its digital platform GE Colab, designed by GE employees for GE employees to facilitate global teamwork and collaboration. GE Colab combines the capabilities of Facebook, Twitter, and other social applications, allowing easy networking, information sharing, instant communication, advanced search, blogging, videoblogs, and more. Launched in 2012, the platform has already attracted more than 115,000 users.[1]

To get a sense of how executives deal with these new realities, we interviewed GE officers of various businesses and regions. These leaders and their organizations are at different mileposts along the journey to social-media literacy, just as different companies are. In aggregate, though, they described a rich range of efforts to build personal skills, experiment with technologies, invest in new tools, expand employee participation, and shape organizational structures and governance to capture emerging social opportunities. We drew on those experiences to illustrate the six-dimensional set of skills and organizational capabilities leaders must build to create an enterprise level of media literacy—capabilities that will soon be a critical source of competitive advantage.

1. The leader as producer: Creating compelling content

With video cameras achieving near ubiquity and film clips uploading in the blink of an eye to YouTube or other platforms, the tools for producing and sharing rich media are in everyone's hands. GE's Video Central now houses thousands of videos, many created by top leaders. More than a few executives have started to incorporate video streams into their blogs. As video communication rises in importance, effective leadership will increasingly require the kind of

[1] See Ron Utterbeck, interview by Robert Berkman, "GE's Colab brings good things to the company," *MIT Sloan Management Review*, sloanreview.mit.edu, November 7, 2012.

GE Colab combines the capabilities of Facebook, Twitter, and other social applications, allowing easy networking, information sharing, instant communication, advanced search, blogging, videoblogs, and more.

creative skills we know from the world of "auteur" filmmaking—an authentic voice, imagination, and the ability to craft compelling stories and to turn them into media products that make people take note and "lean forward." To engage in real time on a personal level, executives will also need the technical skills to master the basics of digital-multimedia production, including how to shoot and, if necessary, edit videos.

Mark Begor, who runs GE Capital's real-estate business, was nervous when he shot his first "unplugged" video message. "I was used to a studio environment where I could do several takes and have editors polish what I wanted to say." That unease soon vanished with practice. He now routinely produces a weekly five- to ten-minute video for his division. "I talk about what I learned during the week, about a great deal we've closed, and the status of the business. I also add comments about employees that I want to recognize." Begor says that this routine forces him to crystallize his thinking and that creating short stories people can relate to makes him more aware of his strategy and communication.

As Begor and others have discovered in this process, the logic of participatory media is strikingly different from that of traditional corporate broadcast media, where each and every piece of communication gets perfectly crafted. Too much perfection is actually a barrier to collaboration and cocreation, as it disinvites participation. To thrive in the world of social media, leaders need to acquire a mind-set of openness and imperfection, and they must have the courage to appear "raw" and unpolished—traits that may be as

challenging for them as developing the creative and technical-production skills.

2. The leader as distributor: Leveraging dissemination dynamics

Business leaders have traditionally disseminated information along a controlled, linear chain that begins after the development of a formal meaning-creation process—think of how your company creates and distributes memos explaining new initiatives. While traditional distribution pathways won't disappear, social media revolutionizes the standard information process by reversing it. Social communication makes distribution the starting point and then invites company audiences to cocreate and contextualize content to create new meaning. Messages are rebroadcast and repurposed at will by recipients who repost videos, retweet and comment on blogs, and use fragments of other people's content to create their own mash-ups.

As the (vertical) broadcast media and the (horizontal) participatory media converge, leaders need to master the interplay of two fundamentally different paradigms: those of the traditional channels, which follow the logic of control, and of the new channels, where it is essential to let the system's dynamics work without too much direct intervention. Since executives won't be able to govern or control a message once it enters the system, they must understand what might cause it to go viral and how it may be changed and annotated while spreading through the network. Distribution competence—the ability to influence the way messages move through complex organizations—becomes as important as the ability to create compelling content.

Equally important is the skill of creating and sustaining a body of social followers who help to spread and reinforce the message. It becomes critical to know who an organization's key—and often informal—influencers are and to leverage their authority to push content through the right channels. Finally, leaders must recognize their role as redistributors of the content they receive, so they can leverage the communication continuously happening around them.

Lorraine Bolsinger, vice president and general manager of GE Aviation Systems, acquired these skills through experimentation. She began blogging a few years ago but initially didn't get much response. "It took time to get my audience actively involved," she recalls. "I had to find my voice and become more conversational, more easygoing." To increase the allure and sustainability of the dialogue, she eventually created a "360 blog," where all her direct reports blog with her on the same platform. This networked blog, with 12 regular contributors, provides additional points of view on issues, promotes more frequent communication, and attracts broader participation. Bolsinger says that the quality of her group's dialogue about strategy and operations has improved thanks to these efforts.

3. The leader as recipient: Managing communication overflow

Social media has created an ocean of information. We are drowning in a never-ending flood of e-mails, tweets, Facebook updates, RSS feeds, and more that's often hard to navigate. "There is too much noise out there," says Stuart Dean, CEO of GE ASEAN,[2] who is an active blogger and tweets regularly about issues in his market space. "I'd use Twitter much more as a source of information if I could get exactly what I need."

Dean's sentiment is echoed by most executives we know—many of them barely find time to catch up with their daily e-mail load. What to do? As a first step, leaders must become proficient at using the software tools and settings that help users filter the important stuff from the unimportant. But playing in today's turbulent environment requires more than just filtering skills.

In traditional corporate communications, consumption is a mostly passive act: you are pretty much left alone to make sense of messages and to assess their authenticity and credibility. In the social-media realm, information gets shared and commented on within seconds, and executives must decide when (and when not)

[2] Association of Southeast Asian Nations.

to reply, what messages should be linked to their blogs, when to copy material and mash it up with their own, and what to share with their various communities. The creation of meaning becomes a collaborative process in which leaders have to play a thoughtful part, as this is the very place where acceptance of or resistance to messages will be built.

"You have to see the entire communication universe, the interplay of traditional and social media," says Bill Ruh, head of GE's Software and Analytics Center. Just as leaders suffer from overflow, so do their people. "As a leader," says Ruh, "you have to develop empathy for the various channels and the way people consume information."

4. The leader as adviser and orchestrator: Driving strategic social-media utilization

In most companies, social-media literacy is in its infancy. Excitement often runs high for the technology's potential to span functional and divisional silos. But without guidance and coordination, and without the capabilities we discuss here, social-media enthusiasm can backfire and cause severe damage.

To harvest the potential of social media, leaders must play a proactive role in raising the media literacy of their immediate reports and stakeholders. Within this 360-degree span, executives should become trusted advisers, enabling and supporting their environment in the use of social tools, while ensuring that a culture of learning and reflection takes hold. As a new and media-savvy generation enters the workplace, smart leaders can accelerate organizational change by harnessing these digital natives' expertise through "reverse mentoring" systems (see later in this article).

Steve Sargent, president and CEO of GE Australia and New Zealand, believes that social media is reshaping the leadership culture by pushing executives to span geographic boundaries, engage more closely with stakeholders, and amplify the impact of employees at the periphery. Over the past five years, as proof of concept, Sargent has established a mining-industry network that cuts across GE's businesses and regions, linking informal teams that use social platforms to collaborate on solving customer needs. GE employees in

Brazil, for instance, now work with colleagues in Australia to develop products and services for customers doing business in both countries. The network's success led the company to elevate it to the status of a full-fledged GE mining business. "Markets today are complex and multidimensional, and leadership isn't about control but about enabling and empowering networks," Sargent says. "The type of leadership we need finds its full expression in the DNA of collaborative technology, and I am determined to leverage this DNA as much as I can."

To achieve this goal, leaders must become tutors and strategic orchestrators of all social-media activities within their control, including the establishment of new roles that support the logic of networked communication—for instance, community mentors, content curators, network analysts, and social entrepreneurs. Organizational units that leverage the new technologies in a coordinated and strategically aligned way will become more visible and gain influence in a corporation's overall power dynamics.

5. The leader as architect: Creating an enabling organizational infrastructure

Leaders who have steeped themselves in new media will testify that it requires them to navigate between potentially conflicting goals: they must strive to establish an organizational and technical infrastructure that encourages free exchange but also enforce controls that mitigate the risks of irresponsible use. This is a tough organizational-design challenge.

Most companies have a defined formal organization, with explicit vertical systems of accountability. But below the surface of org charts and process manuals we find an implicit, less manageable "informal organization," which has always been important and now gets amplified through social media. The leader's task is to marry vertical accountability with networked horizontal collaboration in a way that is not mutually destructive.

This challenge is reflected in GE's policies, which embrace the value of sharing expertise and perspectives with family, friends, colleagues, customers, and other stakeholders around the world.

Tools for producing and sharing videos are now in the hands of many executives, who can upload recordings of meetings (such as this one) to an internal server that employees can access.

© Image courtesy of GE

With this openness comes a shared responsibility: employees must observe GE standards of transparency and integrity, refrain from speaking on behalf of the company without authorization, and be clear in their social messaging that their views are personal.

In this spirit, creating a social architecture that provides a meaningful space for internal and external interactions has been an ongoing mission for Andrew Way, vice president of GE's Oil & Gas Drilling & Surface Division. "I love the social-media stuff," he says, "so I surround myself with an organization that supports it."

In Way's last role in the division, he and his team launched a video project about the history and current timeline of the business. Since the videos are shared with customers, team members must make choices about which content can cross external boundaries. "It's an

evolving thing. Every quarter, the team adds a new segment that features important things that happened in the last three months. It has resulted in a continuing story, and people look forward to every new version."

Way says that the videos have united division members around common goals, helping to bring new employees on board and making everyone more proficient in using new media. "Three years ago, an effort like this would have used PowerPoint with a standardized font. It clearly has created a new culture." Boosting engagement with stakeholders such as customers is an added benefit, since videos often include them in segments to help tell stories.

6. The leader as analyst: Staying ahead of the curve

As companies start to digest the consequences of the Web 2.0 revolution, the next paradigm shift is already knocking on the door. The next generation of connectivity—the Internet of Things—will link together appliances, cars, and all kinds of objects. As a result, there will be about 50 billion connected devices by the year 2020.[3] This transformation will open new opportunities, spawn new business models, and herald yet another major inflection point that leaders must manage.

It's imperative to keep abreast of such emerging trends and innovations—not just their competitive and marketplace implications, but also what they mean for communications technologies, which are fundamental for creating an agile, responsive organization. Executives who monitor weak signals and experiment with new technologies and devices will be able to act more quickly and capture the advantages of early adoption.

GE's leadership university, Crotonville, is leading a number of initiatives to help top executives stay ahead of those changes. One example is a program called Leadership Explorations, launched in 2011 to support continuous learning for top executives and

[3]See Michael Chui, Markus Löffler, and Roger Roberts, "The Internet of Things," mckinseyquarterly.com, March 2010.

The next generation of connectivity will link together appliances, cars, and all kinds of objects. This transformation will open new opportunities, spawn new business models, and herald yet another major inflection point that leaders must manage.

organized in locales connected with a specific strategic-leadership theme. In Silicon Valley, leaders are immersed in a range of cutting-edge technologies. Part of the program there involves "reverse mentoring," which connects media-savvy millennials with senior GE leaders to discuss the latest tech buzz and practice. Many participants continue to exchange insights long after the formal session is over. Exposing seasoned leaders to the millennial mind-set encourages them to experiment with new technologies—which, in turn, helps them better engage with up and comers.

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Clearly, these are early days. Most companies recognize social media as a disruptive force that will gather strength rather than attenuate. But social-media literacy as we define it here is not yet an element of leadership-competency models or of performance reviews and reward systems. Equally, it has not yet found its way into the curricula of business schools and leadership-development programs.

This needs to change. We are convinced that organizations that develop a critical mass of leaders who master the six dimensions of organizational media literacy will have a brighter future. They will be more creative, innovative, and agile. They will attract and retain better talent, as well as tap deeper into the capabilities and ideas of their employees and stakeholders. They will be more effective in collaborating across internal and external boundaries and enjoy a higher degree of global integration. They will benefit from tighter and more loyal customer relationships and from the brand

equity that comes with them. They will be more likely to play leading roles in their industries by better leveraging the capabilities of their partners and alliances in cocreation, codevelopment, and overall industry collaboration. And they will be more likely to create new business models that capitalize on the potential of evolving communications technologies.

It takes guts to innovate radically in leadership and organization, for legacy systems, cultures, and attitudes are powerful forces of inertia. Fortunately, the inherent quality of social media is a powerful transformational force. Social-media engagement will confront leaders with the shortcomings of traditional organizational designs. Leaders who address these shortcomings will learn how to develop the enabling infrastructure that fosters the truly strategic use of social technologies. When organizations and their leaders embrace the call to social-media literacy, they will initiate a positive loop allowing them to capitalize on the opportunities and disruptions that come with the new connectivity of a networked society. And they will be rewarded with a new type of competitive advantage.

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