Leading Enterprises Turn to SharePoint to Build Productive Social Networks

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Research by Mainstay Partners

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About The Study

An independent study by Mainstay Partners evaluated the implementation of Microsoft® Office SharePoint® at three Fortune 500 companies with the goal of understanding how they use the Microsoft solution to enhance collaboration and foster a social online community across the organization. This report summarizes Mainstay's assessment, which is based on interviews with executives and senior managers at the following organizations:

- Ford Motor Company
- Large Northeastern U.S.-based bank
- Electronic Arts Inc

About Mainstay Partners

Mainstay Partners is a leading provider of independent value assessment and IT strategy services to industry leaders worldwide. For more information, go to www.mainstaypartners.net. Information contained in the publication has been obtained from sources considered reliable, but is not warranted by Mainstay Partners.

About SharePoint Server

SharePoint Server is Microsoft's offering of an integrated suite of server capabilities that improves organizational effectiveness by providing comprehensive content management and enterprise search, accelerating shared business processes, and facilitating information-sharing across boundaries for better business insight. Additionally, this collaboration and content management server provides IT professionals and developers with the platform and tools they need for server administration, application extensibility, and interoperability.

Executive Summary

Although people all over the world have been adopting social networking tools with gusto – there are 700 million people on Facebook, 50 million on LinkedIn, 150 million on Twitter; 70 million post blogs, and an untold number of wikis – companies have been slow to recognize the potential of putting these tools to work for their organization. In many companies, employees are creating improvised internal professional networks through external solutions like Facebook and blogs, but the communications are neither visible nor coordinated enough to create much value for the company. Recently, thanks to the new social networking capabilities being built into content management solutions such as Microsoft SharePoint, some companies are adding enterprise-wide social networking capabilities as a way to bolster collaboration, remove barriers to innovation, and standardize best practices across continents.

To gain a better understanding of how some businesses are successfully using social networking solutions to foster collaboration and disseminate knowledge, Mainstay Partners conducted an independent assessment of three Fortune 500 companies with a strong international presence that have deployed Microsoft SharePoint Server to deliver social networking capabilities to their employees worldwide. The companies were Ford Motor Company, a major international bank based in Northeastern United States, and Electronic Arts Inc. Although the three companies hail from completely different industries – gaming, banking, and automotive manufacturing – all grapple with the different cultural, geographic, and time zone variations that come with having a huge global reach and thousands of employees overseas.

What Mainstay found was universal agreement that the social networking capabilities of Microsoft SharePoint had helped the companies achieve greater collaboration, unify processes, capture and share best practices, empower employees and give them more of a voice, and break down the barriers created by time and distance. One company set up an internal Facebook-like platform so people could get to know far-flung members of their team; another established an enterprise wiki to provide live, ongoing comments and suggestions about the effectiveness of standardized procedures in real time. The third company used SharePoint to post a video presentation by a top-level executive that generated 10,000 hits and a wealth of valuable feedback about problems in the company's day-to-day operations.

Our research found that employees rapidly embraced the tools and began using them to meet their needs, setting up interest groups, discussions, document archives and libraries; creating webinars and teaching channels; and using People Search tools to locate and meet colleagues. Although cost savings were not the primary reason for introducing the tools, at least one company noted savings of $500,000 as a result of not having to hire long-term, outside consultants to manage and deploy a variety of networking solutions that still would not have reached the entire company. Other companies mentioned not having to tax their internal IT managers with setting up individual e-mail, calendar, and networking accounts for every department.

Rather than hard data on savings and efficiency gains, the companies all wanted – and received—less tangible but no less important benefits of greater participation, collaboration, and teamwork. Terms like "humanized the enterprise," "encouraged innovation," and "gave everyone a voice" repeatedly came up. Officials also noted that the cohesiveness and unity of vision that come from a more informed, collaborative workforce make a company more nimble and competitive – factors that are essential to meet the demands of today's fast-paced, globally connected business environment. Following are profiles of each firm, detailing the obstacles to communication they faced and the benefits realized by introducing the SharePoint solution.

Unifying a 164,000-Member International Team

International symbol of American ingenuity and 20th century entrepreneurial spirit, Ford Motor Company has evolved over its century-plus history into one of the world's largest and most durable automakers. Today Ford operates about 90 plants worldwide and generates $7 billion in annual revenue. Its brands include Ford and Lincoln, and its roster of top-selling cars includes the iconic Mustang, energy-efficient Focus, and rugged F-Series pickup. Its finance unit, Ford Motor Credit, is one of the U.S.'s top auto finance companies. In 2009 it rebounded from substantial losses, reporting a net income of $1.3 billion.

Japanese and South Korean automakers and tighter fuel efficiency standards have put intense pressure on American automakers to reexamine their product lines and bring a new generation of attractive, high-quality offerings to market. Ford has responded to the challenge and has set an ambitious goal to increase its sales volume to 8 million units per year by 2015. Ford changed its vehicle mix in APA to 55 percent small cars and increased the freshness of its product portfolio by 140 percent.

Doing this has meant finding ways to get Ford's 164,000 worldwide employees –with their different languages, time zones, and corporate cultures – working as a single, cohesive team. "The need to work together effectively as one team is one of the biggest ongoing challenges – and opportunities – Ford faces," said Stephen Smith, Manager of Environmental and Quality Information Technology, Ford Motor Company.

Prior to 2011, Ford had operated with as many as eight distinct companies – including Volvo, Land Rover, Jaguar, Aston Martin, Ford NA, Ford South Am, Ford Europe, and Ford APAC – each with its own engineering, sales, marketing, and HR departments. But a series of divestitures, coupled with the desire to centralize operations and concentrate on select brands, made it imperative to find ways to unify the company across all boundaries. "It was no longer a situation of scheduling a meeting and having everyone sit down in one conference room," Smith said. "We needed to find a way to leverage talent across continents."

Ford called the new approach One Ford, and one solution it used to help realize the vision was Microsoft SharePoint with Social Networking. The latest version of SharePoint Server, 2010 brings what used to be off-hours social networking tools such as wikis, blogs, and My Sites to the business environment for faster, more personal interactions and enhanced collaborations. "SharePoint has been a big part of enabling our One Ford vision," Smith said. "Besides helping with personal productivity, we see SharePoint giving more power to work together as one global team. Ford at a very high level has support for using the social features."

That enthusiasm quickly began trickling down, with employees setting up wikis, personal sites, and blogs and using the People Search, microblog, and Facebook-like capabilities of SharePoint. A huge document library sprung up, along with training materials complete with webinars, podcasts and virtual seminars. "Before, Facebook was enabling collaboration and interaction. Now SharePoint's MySite is enabling it, but in a formal, corporate manner that benefits Ford. It allows you to join a community or it allows you to create one. It gets everyone interacting, and it gives everyone a voice," Smith said.

> *"A tool like SharePoint is a huge asset that is helping Ford realize our One Ford vision of a unified global team. It makes it as easy to work with someone in Chennai as it is with someone at the desk next to you."*
>
> **Stephen Smith**
> Manager of Environmental and
> Quality Information Technology
> Ford Motor Company

Fast and fluid collaboration gives Ford a competitive advantage by removing barriers to innovation, which are crucial to a company intent on increasing the freshness of its product portfolio by 140 percent. "SharePoint 2010: Social Networking is a key part of knowledge on demand," Elmer Martinez, Ford's IT Test and Verifications Systems Engineer. "It is one of the elements that pushes the next generation of innovation. A lot of the time, it is the informal communications that create that fabric. What we see is that the social capabilities within our digital communications are the links that connect all those ideas together."

Ford has yet to undertake any definitive quantitative analyses of the transactional data being propagated through SharePoint 2010, but that doesn't mean it hasn't seen plenty of evidence of its success. "We would be interested in going deeper into the data, learning how many wiki pages are created, how many documents are being stored on SharePoint, and how many searches are being found," Elmer said. "But so far we are impressed by the collaboration, by enabling engineers to work with other engineers as a team, not as separate, self-contained companies."

This goes directly to the company's primary goal: global teamwork. "The OneFord plan depended on being able to operate as one Ford globally, and the evidence is there that this is happening," he continued. "These tools and assets are enabling us to share and collaborate globally, whether the person is in Germany, Britain, or Shanghai. In essence, it's building a social organization that would have been built around the water cooler – only now SharePoint is our global water cooler."

Building a 2.0 Version of a Major Bank

In 2008, the Office of Innovation of a Notheastern U.S.-based global bank began thinking about the potential value of bringing social networking tools to its overall operation. "We realized the tremendous potential of connecting disparate groups across the globe," said the lead engineer for SharePoint at the bank.

The bank was already using Microsoft SharePoint 2007 – an integrated suite of server capabilities that enhances search and facilitates information sharing – in its global operations. Its SharePoint team began looking at ways to use the solution as the foundation for bringing microblogs, My Sites, and other collaboration tools to its 260,000 geographically distributed employees. To do this, it deployed a social networking solution from Microsoft Partner NewsGator, which is built on SharePoint. "It was an easy fit," said the SharePoint lead engineer. "We already had SharePoint. We could layer NewsGator over it."

Teaming SharePoint with NewsGator was also a simple, low-cost way to bring in a wealth of new tools that could be easily customized with add-ons. "In any other scenario, we would have had to hire a lot of consultants and spend eight months –or more – deploying and launching comparable tools. We estimate the SharePoint-NewsGator solution saved approximately $500,000. And it was up and ready to go in less than three months," the SharePoint lead said.

The changes were so broad that the bank dubbed them "version 2.0", to reflect the social aspects they were introducing. At the community level, the solution unified developers, sprouted a mobile and messaging community, led to the formation of formal and informal discussion groups, and enabled the introduction of Daily Digest e-mails. "Whether we're talking about formal or more casual space, it's all really important," the SharePoint lead said. "We no longer have different division silos, each with their own e-mail and own ways of working on problems. Now we have collective problem-solving through discussion groups all over the world."

The bank considers the changes nothing less than a "complete cultural shift" for the company. "We have become more collaborative and connected," the lead engineer reports. A video broadcast by the Global Head of Operations and IT for the Institution Client Group became the most popular video ever launched at the company, and provided a 10,000-hit forum for companywide feedback that gave management valuable information about its granular, day-to-day operations.

The Global Integration lead for SharePoint at the bank cites the following major areas of improvement: faster and better process approval and workflows; easier publishing and content management on the Web; better adherence to company practices regarding governance, tracking, and versioning: and direct, immediate collaboration. "Without SharePoint, we would have needed someone to build individual sites for each individual department. We don't need that now."

Usage statistics at the bank confirm the effectiveness of SharePoint. The number of users on the company's server farm using SharePoint now stands at 200,000+, up from 110,000+ in 2010. "Usage through SharePoint has grown exponentially," the Global SharePoint Integration lead said, noting that SharePoint has given the company 13 Web

> *"SharePoint has become more and more of a critical tool for a lot of business lines. It has taken the collaborative aspects of our job to another level."*
>
> Global Integration
> Lead, SharePoint

> *"SharePoint is akin to PowerPoint for the Web."*
>
> Global Integration
> Lead, SharePoint

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apps that collectively have 81,000+ site collections (up from 50,000+ in 2010), and multiple news streams. "Doing all this without SharePoint would have required a substantial additional investment,".

To build on the success of SharePoint, the Northeastern U.S.-based bank plans to upgrade to SharePoint 2010, which has all the collaborative social networking tools the bank has developed built in.

Playing to Win with Collaborative Tools for Employees

Anyone who has ever developed a thumb-ache playing The Sims or NFL Madden can thank Electronic Arts. The Redwood City, Calif., company is a leading global video game publisher whose legions of gamers spend $3.7 billion on EA products each year. In addition to Spore and other games, EA also distributes third-party titles such as MTV's Rock Band and games based on Hollywood blockbusters like Harry Potter. EA's products are available in stores in more than 30 countries.

In the highly competitive gaming industry, with fans counting down the days to new releases and holiday wish lists waiting to be filled, the need for fluid, around-the-clock communication remains constant. In 2008, EA saw the utility of using social networking tools to increase knowledge-sharing and collaboration across the enterprise. "Finding the right person or content is a challenge in such a large, distributed environment, where development teams tend to work mainly within themselves," acknowledged Bert Sandie, Director of Technical Excellence at Electronic Arts. "We needed to make opportunities to collaborate easier, not harder."

EA was already engaged in using collaborative, companywide tools to leverage past work and best practices through its internally developed EA Knowledge, which let employees share articles, videos, and other assets. But the legacy platform for EA Knowledge, which it developed in 2000, did not support new functionalities like wikis, blogs, articles, uploading streaming media, or setting up groups or communities. When Microsoft introduced SharePoint Server, EA saw the opportunity to run EA Knowledge on SharePoint, a move that would quickly and cost effectively improve and expand the user experience. The 2009 creation of EA People took the system to the next level, enabling the company to host new types of media, add in different taxonomies and tags for easier search, and create communities to bring people together.

Bringing the SharePoint solution to EA picked up on activities its employees were already engaging in, but in a disconnected, piecemeal way that brought scant value to the company as a whole. Employees were using third-party sites such as Facebook to create personal profiles and post relevant information about themselves, but those third-party sites did not allow EA to customize the pages for relevant information like job role, job family, and skill set. EA People changed all that.

When EA talks about the benefits of creating EA People on SharePoint, it uses words like "humanizes," "bonds," "better communication," and "higher levels of trust." – concepts that underlie tangible, quantifiable gains like efficiency and customer satisfaction. "On a practical level, you can say that it helps retain knowledge, share best practices, push pertinent information out, and reduce one-off questions," said Bert Sandie. "But you can also recognize that at its core, it's about bringing people together. In a physically dispersed company like EA, you don't always get to meet people in person. Seeing a picture or some information about them helps break down those boundaries and makes us a better company."

Electronic Arts

Key Benefits

Promoted engagement and knowledge. About 50 percent of all EA employees have completed profiles on the company's internal social site and 85 percent use it to search for colleagues and find skill sets.

Improved collaboration. Led to the creation of communities of like-minded people and enabled them to share best practices and processes.

Eliminated redundancy and "silo-based" processes. Allowed teams all over the world to share ideas and knowledge about common themes and participate in building a vast repository of best practices for tools, processes, techniques, assets, workflows and business models.

"Various teams across EA worldwide have built redundant tools and technology, resulting in wasted effort. One of the main benefits of using SharePoint to create EA Knowledge is the sharing of knowledge and coordinated efforts globally, which helps reduce this redundancy."

David Coleman
Senior CG Supervisor
Electronic Arts

Conclusion

> *"With SharePoint, lessons learned can be shared across the organization to increase quality, efficiency, and lower costs."*
>
> **Chris Wren**
> External Development Manager
> Electronic Arts

As companies expand into global markets and build huge international teams that span continents, languages, time zones, and cultures, they need to find creative, appealing ways to bridge those divides for better collaboration, share knowledge instantaneously and simultaneously, eliminate redundancies, and adhere to best practices. One way that companies are achieving this is by bringing popular and familiar social networking tools into the workplace, giving employees – regardless of where they are in the world or the company– a face and a voice.

Mainstay's research showed clear evidence that introducing Microsoft SharePoint's Social Networking capabilities into international companies has enhanced collaboration, created communities, sparked discussion, improved meetings, and tore down the walls of the "silo-like" departments of the past.

Resources

- For more information about Microsoft SharePoint Server, visit http://sharepoint.microsoft.com
- For more information about Microsoft Social Computing solutions, visit http://sharepoint.microsoft.com/en-us/product/capabilities/communities/Pages/Collaboration-Software.aspx