

# Facebook the Facts

## ***A Guide for Reducing Technology Stress and Increasing Workplace Productivity***

By Ramon Thomas

“Facebook the Facts” is an ebook that illustrates the good, the bad, and the ugly about Facebook and related technologies to employers in South Africa. This guide is freely available to anyone who wants to understand the “multitasking myth”, loss in productivity and real financial loss to the South African labour market.

Facebook, a popular social networking websites, has exploded from nothing to over 370,000 South Africans. Original created by Mark Zuckerman, while a university student, Facebook was limited to only university students till late 2006, after which it was opened up to anyone who wants to create a profile. In South Africa, many MySpace users moved their profiles onto Facebook during the last six months.

“This ebook sheds light on real scientific data that demonstrates the extreme downside of Facebook, compared to the upside quoted by most bloggers in South Africa,” says Ramon Thomas, author of *Facebook the Facts*, and Managing Director of NETucation, an online research and training organisation. “Facebook impacts the individual, the company and the economy in a myriad of ways outlined in this free guide.”

According to Mahomed, “Employees are already bored, frustrated, unmotivated and now they have the perfect distraction from working in Facebook.”

Maybe the most startling revelation comes from Rishad Dookoo, former Department of Labour economist, and currently a consultant at Capcan, “Facebook and related technologies will cost the South African economy more than R4 Billion lost salaries paid over the next 12 months if employers don't wake up the the productivity pitfall.”

# Introduction – What is Facebook, Social Networking?

I was recently interviewed on eTV to talk about the impact of Facebook on the workplace. For most people over 40 this is such a revelation because they cannot understand why its so popular. Why bother creating a profile, posting photos, creating groups, participating in online discussion forums, etc. This phenomenon of social networking is the preferred way of communicating for millennials<sup>1</sup> along with instant messaging. Gen X is also fast waking up to the potential of social networking to re-discover old friends, share with existing friends and even use it replace paid online dating websites.

The easiest way to understand Social Networking is to watch the excellent video by Lee Lefever: <http://www.commoncraft.com/video-social-networking>

Social networking is the mechanism by which individuals are introduced to each other by mutual relationship. Social networking has been around since the beginning of the human race. Businesspeople use all sorts of mechanism to facilitate social networking including golf club and private club memberships, business mixers, alumni and other community organizations.

The beauty of social networking on the web is that all of the normal barriers to effective networking, such as having to meet at a certain place at a certain time for a certain purpose. Though a round of golf with three other members of a foursome is certainly enjoyable, it takes four people to schedule five hours together at a particular tee time at a particular location. That's hard to do in today's busy business world, unless all you want to do is play golf!

## Why does it work?

Online social networking works because of a mathematical hypothesis called the [Small-World Phenomenon](#). The history of this science goes back to a Hungarian mathematician by the name of [Paul Erdos](#). Around 1929, when Paul Erdos and a virtually unknown writer and poet by the name of [Frigyes Karinthy](#) were hanging around in Budapest, Karinthy published a book of 52 short stories in fiction, which translated, was called *Everything Is Different*<sup>2</sup>. One of the stories was translated as *Chains*. The story's fictional character offers a bet that he “could name any person among earth's one and a half billion inhabitants and through at most five acquaintances, one of which he knew personally”. And in the story, Karinthy's fictional character links a [Nobel prize winner](#) to himself, noting that the Nobelist must know [King Gustav of Sweden](#) who hands out the Nobel prize, who is in turn an avid tennis player and plays occasionally with a tennis champion who happens to be a good friend of Karinthy's character. Karinthy's 1929 “fictional” premise that people are linked by at most five links was the first known published reference to the concept we



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1 <http://www.persfin.co.za/index.php?fSectionId=593&fSetId=335&fArticleId=3341391>  
2 Linked, Albert-Laszlo Barabasi, 2003, pg. 26

know now as “the six degrees of separation”. [Stanley Milgram](#), a Harvard professor first coined the “six degrees” term in 1967, elaborating on a ground breaking study on human interconnectivity.

### **Six Degrees of Separation – and The Kevin Bacon Game**

Basically, two people who have an immediate network of 100 acquaintances each, who each have 100 acquaintances, have an accessible network of 20,000 people ( $2*100*100$ ). So, any of the 20,000 people could be reached through only two personal introductions. With three introductions, a network of 2,000,000 people could be reached. With four introductions, a network of 200,000,000 people could be reached. With five introductions, a network of 20,000,000,000 could be reached. Since there are less than 7,000,000,000 people on earth, everyone on the planet should be reachable through 5 personal introductions. The problem is, nobody knows who knows whom and who needs to pass the introduction on. That’s where websites like Facebook or LinkedIn comes in. It keeps track of who knows who and maintains a profile of each member that helps people find who they might want to meet or contact.

## ***Facebook Drains Attention and a Mental Bandwidth***

The views I am going to express is something that needs to be taken very seriously by companies, especially small business. You see small businesses and entrepreneurs often do not have the tools like larger corporates to block access in the same way. In fact in many cases they may not even realise how much time is being wasted on Facebook or sending/forwarding and reading joke emails. This must be the curse of the knowledge worker i.e. that you can pretend to work whenever you are clicking around on your PC.

There has been several articles and comments in the South African blogosphere about the impact of Facebook. Vinny Lingham highlights how stupid outright blocking of Facebook is and Mike Stopforth gives 5 reasons why you should let your employees use it. Both refer to this News24 article about South African companies blocking Facebook.

As an Internet evangelist I will always support more Internet access. So I agree fundamentally with Vinny that companies should address it on a individual basis. So I would recommend companies write Facebook and social networking access into the Internet Usage policy. Once they have informed employees that their access is being monitored the next step should be compulsory online netiquette training to increase workplace productivity and reduce technology stress.

You see there is a problem with multitasking as reported by CNN back in 2001. And if your block the access outright people will find a way around it. Secondly you won't be able to monitor or track their activities. Remember nobody is teaching employees basic online etiquette these days. Way back in the early days of the Web there were many people who supervised things on their own accord like your friendly neighbourhood online bodyguard. Today companies are making a lot of assumptions about people's online behaviour, their levels of self-discipline and their ability to take the initiative in improving their productivity. So for a better understanding of the Attention Age go here.

Facebook has experienced phenomenal growth in South Africa over the last few months. As recently as early May there was only 25,000 registered users in the South African network on Facebook and that has exploded to over 120,000 as of 2 July. That's over 45,000 new users per month for the last two months. Now I have been a MySpace users for about 18 months or longer. I can't remember when I signed up. And on MySpace I have almost 500 friends while on Facebook I have almost 50 friends. So a funny thing happened a few months ago that led to register on Facebook, one of my friends Shannon Smith, a model and tv presenter announced abruptly that she was moving to Facebook and invited a whole bunch of people to join her. And several did. The amount of interaction for me on MySpace have decreased a little and there is a flood of interactions on Facebook. In my view I can see why Facebook has become preferred because it's much cleaner and smoother interface. Where MySpace is riddled with adverts and the screen almost clogged Facebook is refreshing.

So it's with no surprise I just read this insightful article Facebook = Smart, Rich, Cool; MySpace = Dumb, Poor, Loners? And I concur that MySpace will continue to lead with over 120 million registered users vs Facebook's 28 million registered users because of it's deep ties with the Entertainment industry. You may also be interested in my mentor, Arthur Goldstuck's views on Myspace and Facebook.

## ***The Impact of Social Networking on the Value of Information***

In 2007 I was invited to present a lecture at the [University of Johannesburg](#) by the [Department of Information & Knowledge Management](#) where I currently doing a Masters degree.

The key points I covered were as follows:

- \* Information pollution is devaluing faster than ever before - So learn how to avoid or stop information pollution and information overload.

- \* The numbers: Worldwide Internet users over 1.1 billion, worldwide cellphone users: over 2.5 billion, IM users approximately 580 million users, Social networking users approximately over 300 million

- \* MySpace and Facebook are both huge social networks for teenagers and increasingly people over 35. MySpace is particularly strong in the entertainment industry and Facebook has loyal support from the university/college campuses while experiencing explosive growth in South Africa.

- \* LinkedIn is the most useful social networking tool for professionals with over 12 million registered users worldwide and over 25,000 in South Africa. It's changing the way recruitment is done as well as background checks on new employees. You may be interested in the excellent ebook: How to double your income in six months using LinkedIn.

- \* The concept of Six Degrees of Separation and the Small World theory is the basis for the success of online social networks.

- \* Google has been a key driver in the emergence of the long tail in marketing and online retail. Rupert Murdoch bought MySpace for \$580 million in 2005 and people thought he was crazy and not long afterwards signed an exclusive deal with Google guaranteeing at least \$900 million over 3 years. Facebook users generate about \$6 in advertising revenue while MySpace users only generate about \$2. And based on Youtube's value it's 124 million unique monthly visitors are worth about \$13.

- \* According to Rich Shafren, the information age is dead and we now live in the attention age. People with elements of ADD have an advantage because they can focus for short periods and maintain productivity levels while switching between tasks. Ordinary people's potential efficiency is reduced each time they change tasks by 20% to 40% depending on the complexity of the tasks at hand. The abundance of choice impacts decision making because most people are NOT trained how to evaluate source of information. And therefore there exists a Paradox of Choice.

Some recommended resources of where you can start research and narrow your focus on more valuable information are: [Squidoo](#), [ChangeThis](#), [Google Answers](#) and [LinkedIn Answers](#). And if you still have not made some time to read the entire [Cluetrain Manifesto](#), published in full on the website.

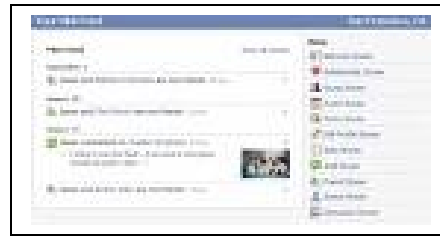
# FACEBOOK AS A THREAT TO THE WORKPLACE

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*Facebook* is a social networking website dedicated to user-generated content and global connectivity. At its heart is the individual user, who creates a profile and then searches for friends already on the network. Complements to that initial concept include groups dedicated to a multitude of interests including religion, sport or even profession. Applications on Facebook are created by users and allow for greater participation and often as a 'get to know you' for strangers who meet on Facebook.

More and more, Facebook is finding new ways of entertaining users as a social platform and, now, as a possible source for other forms of networking as well. Take, for example, the Marketplace facility on Facebook which now contains advertisements for jobs from large traded companies and business opportunities. Anyone who works in a large company is likely to find a network

dedicated to employees of that company. Large networks include Investec, Deloitte and Absa. Therefore, Facebook is fast becoming a place for associates and colleagues to interact as well.



A blurred Facebook Profile

Facebook currently has over 40 million users worldwide with over half a million in South Africa. Its impact has spread to such a large extent that its projected membership by 2009 is predicted to double. A look at the costs and benefits of this trend is, therefore, timely and will serve businesses as well as users in terms of how to use Facebook and how to ensure that productivity and growth are not compromised.

## THE BIGGEST FACEBOOK THREATS TO THE WORKPLACE

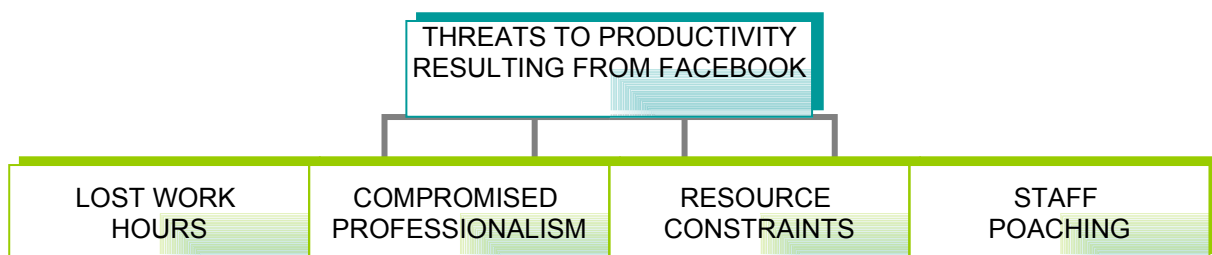
Facebook's impact on productivity has been the subject of debate of late. The utility is often seen as a distraction from work, whereby users can socialize at their desks whilst appearing to be hard at work. Indeed, some estimates suggest that work hours lost to 'Facebooking' and use of similar sites such as [MySpace](#) and [Hi5](#) could cost the equivalent of 10% of every working day. One person had the following to say, "At least an hour of every work day usually goes to Facebook". Productivity is threatened as a result of that kind of overuse and poor controls.

Controls on Facebook have been met with stormy protests by employees who argue that they only use Facebook in their free time. Large companies have taken to blocking Facebook on their networks or warning employees to stay away from such sites. These sorts of controls have proven to have mixed success. Firstly, Facebook is accessible by mobile phone as well so employees may still be able to use the site. Moreover, there are constantly new ways of getting around firewalls which have blocked social networking sites. So-called 'masking' sites such as [HideMyLocation](#) allow users to bypass firewalls and access Facebook. Moreover, firewalls are specifically targeting singular sites that have to be blocked. This means that, when HideMyLocation is found out and blocked, another site could take its place and it may take a long time to find that site.

Facebook is also said to be blurring the traditional lines of professionalism in the workplace. A Facebook user had this to say, "My boss and I are Facebook friends". Facebook is essentially a social site whose aim is to connect friends. Therefore, there is little room for differentiating between say, one's boss and one's subordinate. If that is the case, Facebook friends may get away with a great deal more than they normally would because of sentiment and friendly ties. Likewise, the 'paper trail' that Facebook leaves could present a minefield in terms of employee-employer relations. That includes sexual harassment and disciplinary hearings. In short, the way you talk to your Facebook friend is not the same way you talk to your colleague and it could, very well, get you into trouble. Moreover, it too could dent productivity if problems related to professionalism are credible.

The Facebook craze has meant that companies now use this site (and some others like [LinkedIn](#)) for headhunting purposes. Often people with particular qualifications are easy to find on Facebook and that means that they are easy to identify and invite for interviews. For a business, that could prove disastrous as competitors poach talented individuals. Without the necessary expertise, the company may suffer. Of course, the converse may be true as well. That very same company could possibly seek well-qualified candidates from its competitors. Here, then, there are potential risks as well as possible benefits.

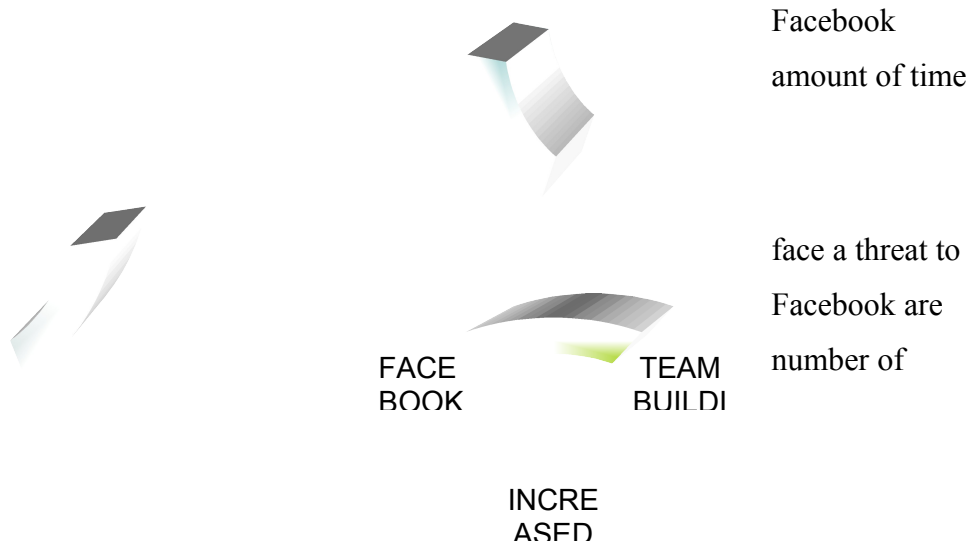
Another factor related to Facebook’s newfound popularity is that of resources. Not only is Facebook a dent in work hours directly but, also, indirectly. Networks (particularly in smaller companies) are often clogged because of the high Internet usage that Facebook requires. Similarly, Facebook has been known to spread viruses through some questionable applications. The potential for such damage is rendered highly likely if all, or even some, of the network users are making use of such applications. This, then, would corrupt systems and wipe out productivity for lengthy periods of time.



## STRATEGIES TO COUNTER THE FACEBOOK THREAT

“Facebook is popular because it is a distraction from work,” says one user. That sentiment is shared by millions of users of the utility. That presents a huge problem in terms of what can be done to regain focus on work and avoid employees getting easily distracted. Of course, that may be a problem that has preceded and far outlasts Facebook, but there are still questions that have been raised as a direct result of the site. How, then, can a company regain the focus of its employees and ensure that Facebook occupies a minor amount of time in users’ lives?

Companies who face a threat to productivity from Facebook are able to employ a number of strategies to counter the threat.



strategies to alleviate concerns. On the issue of distraction and overuse, Facebook can be restricted in several ways. Firewalls are the most obvious solution and they have proved to be useful. It should, however, be ensured that restrictions apply not only to Facebook itself but, also, to the masking sites. Importantly, these sites change constantly so it would be imperative for any company to continually update their list of restricted sites.

Another strategy, and one that is employed in some companies, is to temporarily deactivate the firewall at particular times. In this case, users can still access Facebook during, say, lunch time and will not feel deprived or resentful as a result of restrictions. In fact, that strategy could prove the most useful as it would allow users to access Facebook and derive benefits from it, including networking with colleagues and enhancing team-building. For example, starting a group for employees of Company A's marketing division would facilitate social interaction in these employees, thereby creating a team environment where all parties are involved. With appropriate limitations that respect the boundaries of professionalism, that form of interaction will enhance the productivity of Company A, resulting in greater profits.

On the issue of resources and threats to networks from Facebook and similar sites, the restriction of hours for using social networking does alleviate some concerns. The question of virus threats is, perhaps, less easily disposed of. Even so, anti-virus software and individual rather than group firewalling would allow for viruses to be avoided and, if they are found, they may be restricted to one workstation in the worst case. Therefore, the risk can be rendered negligible.

It should be mentioned that Facebook does have some advantages and these have been explored in their own right. Suffice to say, however, that there are significant threats to the workplace which Facebook presents. Therefore, companies should exercise caution when dealing with social networking sites and seek new methods of utilizing their benefits (such as company searches on Facebook) to enhance their own business practices.