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Dive Right into Social Media

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“He who rejects change is the architect of decay. The only human institution which rejects progress is the cemetery.” So said Harold Wilson, prime minister of the United Kingdom in the 1960s and 1970s. The recent 2012 London Olympics opening ceremony celebrated change. The pageantry paid homage to how major changes, from the Industrial Revolution to today’s digital age, affect economic and social conditions worldwide.

As CPAs, our businesses are about relationships and people. And as the Industrial Revolution and the digital age show us, when technology changes, so do relationships. Ultimately our success is measured by the service we provide and the relationships we have with our peers and our clients. While we use technology to facilitate our everyday work, historically we have performed these services in the privacy of our offices or our clients’ offices. Business has come to us by word of mouth, advertising, or other traditional means. In the same way the Industrial Revolution saw unprecedented change to economies worldwide, a social media revolution is changing how we CPAs obtain business, conduct business, and how our information travels.

Consider these statistics:

- 95 percent of companies that use social media for recruitment use LinkedIn.
- 93 percent of marketers use social media for business.
- If Facebook was a country, it would be the world’s third-largest.

Erik Qualman, author of *Socialnomics: How Social Media Transforms the Way We Live and Do Business*, is at the forefront of social media studies. In a YouTube video, Qualman poses the question, “Is social media a fad or the biggest shift since the Industrial Revolution?” But the issue now, unlike the Industrial Revolution, is less about equipment. Qualman points out that the social media boom is not about technology; it is about relationships and people.

Not long ago, clients and prospects had to learn to ask the questions, “Do you have an e-mail address?” or “Do you have a website?” In 2012, we are learning the question, “Can I find you on LinkedIn?” LinkedIn is a professional social media site where users can find past and present colleagues,

the potential to connect me with more than 5 million other professionals.

In a recent technology and business resource guide in *California CPA*, Tom Humbarger and Michael B. Allmon, CPA, described LinkedIn as “your giant Rolodex.” They also recommended that users treat LinkedIn as a permanent electronic résumé, where work, education, and interest profiles are as complete as possible.

For many, the objection comes down to the personal. They want to keep personal information personal, and they are leery of putting this data into a LinkedIn profile or on something like Facebook. Privacy shouldn’t preclude participation in social media. Not if you keep an eye on exactly with whom you share your information. Many people blindly accept friend requests on Facebook, for instance: “Well, I’m not sure I remember them, but they are friends with my brother, so I’m pretty sure I know them.” This does not have to be the case for all who use social media and social networking. You can always, and in fact should, not allow people into your network unless you know them or they are verified by a reliable source. In the same way you would not let a stranger in your office or home, proceed carefully with social media contacts.

In the 2012 Annual Digital IQ Survey conducted by PricewaterhouseCoopers, 62 percent of the nearly 500 U.S. business and technology executives surveyed said they planned to invest in social media for internal or external communications. However, one of the survey’s co-authors, John Sviokla, cautions that in the realm of social media, “People are talking about you.” He adds that if companies do not integrate social media analysis and their call centers in real time, they assume an “existential risk.” This point highlights that companies need to understand all risks associated with social media plans and implementation, and must continually monitor and manage all such media.

The Sept. 10, 2012, online issue of *Accounting Today* included an article by Sarah Warlick titled “A Solid Social Media Policy Is Essential for Accounting Firms.” The article began with these words, “Having a carefully designed social media policy in place isn’t only a matter of establishing standards for politeness; it’s necessary to legally protect your firm and its actions.” Employees need guidance as to the rules of engagement when it comes to social

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and build or enhance their professional networks. LinkedIn can be amazingly powerful. For example, my 520 contacts have

media. The *Accounting Today* article not only emphasized the need for a social media policy, but also for it to be comprehensive.

How many times have you seen or heard the words, “The opinions expressed in this program do not necessarily represent those of XYZ Network” or similar disclaimers? Warlick, in her article, raises the issue of when social media speech is personal and when it reflects a company’s official position. The next question, therefore, becomes, “At what point does social media speech become an offense that can justify being fired?” If you ever doubted the necessity of having a social media policy, surely these issues can leave no doubt.

In a subsequent *Accounting Today* article, Kelly Google Lucas emphasized the need for usage guidelines, content standards, monitoring, and training, among others. Consider it logically. You provide training for personnel in other aspects of your practice, why not social media? If a business can have a policy on clothing, shouldn’t it have one on communications practices?

Another major item included on Lucas’s list was information security and the need to review and address potential security risks from social media use. Consider a recent uproar in the world of Formula 1 motor racing. Lewis Hamilton, a driver and member of the McLaren-Mercedes racing team, tweeted an image of a scientific telemetry report to show his fans that he was slow during a qualifying session for the Belgian Grand Prix. Within minutes, rival teams were able to analyze the sensitive data. Christian Horner, team principal of rival Red Bull Racing, stated, “One of our drivers would not be able to do that [post the image]. It would be a breach of confidentiality.” That statement implies that Red Bull Racing has a policy regarding social media, whereas McLaren-Mercedes perhaps does not.

Whether or not you personally ponder over financial records at pedestrian speed or hurtle along toward high-speed curves, the need for companywide social media training and a comprehensive policy is a necessity in the new communications world.

You also need to be cognizant of who posts what, and you need to understand the issues and implications for those who choose to exploit what is posted.

Take the recent example of two New Jersey defense lawyers who allegedly asked a paralegal to “friend” a plaintiff in a personal injury case in the hope of obtaining information from Facebook that would not have been generally available to the public. The Office of Attorney Ethics (OAE) claims the friend request was “a ruse and a subterfuge designed to gain access to nonpublic portions of the Facebook page for improper use.” The OAE claims the conduct violated rules of professional conduct that address communications with represented parties. The lawyers counter that although they directed the paralegal to conduct general Internet research, they did not direct her to make the friend request. An interesting aspect of this issue is that the paralegal was allegedly freely able to get information from the Facebook page until

the privacy settings were upgraded. She then sent a friend request, which the plaintiff accepted. One must also ask the question, why did the plaintiff accept the friend request if it was not from someone known to be a friend?

If you don’t have a social media policy yet, consider this: you are slower than the federal judiciary. Recently, the federal judiciary released new model jury instructions that are aimed directly at jurors’ use of social media. These instructions warn against the use of the Internet to research cases or discuss them on Facebook, Twitter, or any other electronic means. A survey by The Federal Judicial Center found judges are concerned about jurors’ social media usage. Specifically, the jury instructions will cover use of smartphones, text messaging, or any blog or website (including Facebook, LinkedIn, and others). The instructions also permit jurors to turn in other jurors who do not comply with the instructions. These instructions have been in use in Pennsylvania, New Jersey, Delaware, and other district courts over the past couple of years.

In the trial of Dr. Conrad Murray, Michael Jackson’s doctor, lawyers specifically looked at what the prospective jurors said outside of the courthouse regarding Jackson’s death. In a *CNNTech* article, Thomas Mesereau, an attorney who defended Jackson in a 2005 trial, noted, “This is the world of social media, and it directly impacts criminal trials.” Potential jurors were given a questionnaire that asked whether they had posted any blogs or comments on any Internet sites. It also asked if they “accessed or posted” comments about the doctor. Richard Gabriel, a jury consultant, noted in the *CNNTech* article that “any information you can get on a prospective juror is helpful, because you have such a short period of time in which to evaluate who the person is that is ultimately going to be making a very important decision in this case.”

The last comment seems like a difficult burden, but it generally applies to all spheres of business and life. You have only a short period of time to evaluate a person who is going to be your business partner, is going to be a manager in your practice, is going to be a client, is going to serve as an expert witness in a forensic accounting matter, is going to help you get clients, or is the person who may ultimately cost you clients.

In an article published by www.thejuryexpert.com, “Friend or Foe? Social Media, the Jury, and You,” Leslie Ellis of Trial Graphics notes, “Information is only valuable if the parties know how to use it.” The article also explains that corporate litigants should search social media for references to the company. “People blog, tweet, and post about their experiences with companies, as well as post recommendations for employees and employers.”

The enormity of understanding social media, harnessing its power, controlling its use, and training your staff cannot be completely summed up in one article. The key issues, however, are probably best summarized by Qualman. In his *Socialnomics*, he notes, “Businesses and people are willing to have open diaries within social media as a way to stay connected.” But this openness, he adds, brings responsibility for

those businesses and individuals.


One of those responsibilities is exemplary customer service. Qualman notes that negative comments and posts go up a lot quicker than the good, and they are easy to find with social media. Work hard at getting good company posts, and “try to use social media to get hired vs. fired,” Qualman says.

He also points out that companies no longer have a choice as to whether they do social media; they only have a choice in how well they do it. It is incumbent, therefore, on all of us to understand social media and stay on it, as it is a constantly changing force.

Here are some important aspects of social media for CPAs to remember:

- Keep business and personal accounts separate
- Know who your “friends” are
- Use proper grammar and spelling – always
- Don’t forget traditional marketing
- Training in social media is essential
- Stay current in your knowledge of social media
- Keep personal opinions personal
- Have a company policy on etiquette and usage

Most importantly, exercise good judgment. Do not say or do anything within the realm of social media that you wouldn’t say or do in person.

Finally, if you are not sold that change has arrived, think about this: in 1891, Luther Cary, an American athlete, ran the men’s 100 meters in 10.8 seconds. In 1968, Jim Hines ran the 100 meters in 9.95 seconds. More recently, Usain Bolt took the record from his own 2009 time of 9.69 to 9.58. So, in 118 years, the 100 meters record has changed by 1.22 seconds. How has the speed of communication changed in that same period? How has the speed of technology changed in the past 10 years alone? Where will it be in the next 10 years? 

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