



## YOUR CHALLENGES

As new social media emerge and existing ones evolve, their impact materializes at unprecedented speed. The starting point being a thorough analysis of each social media feature in order to assess its purpose and impact. A major challenge to businesses today is adapting controls to social media changes and managing the quick evolution of the underlying technology.

Employees are likely to use social media on various mobile devices, everywhere and at any time: both within and outside the direct control of their employer. Each department uses social media its own way for its own purpose. Social media controls, guidelines and associated training must incorporate the complexity linked to the different social media uses and purposes.

It is crucial to take into account that a company's social media risk is international and crosses borders. The challenge is to ensure global compliance through the respect of each country's regulations and culture, encouraging consistent media content and messaging around the world. To this end, a truly global governance structure and a global control framework need to be designed and implemented.

“ *Audit Committees consider e-reputation risk linked to social media as a significant emerging risk.* ”

Source: Mastering Risk Awards 2013 CROWE – IFACI  
(French Chapter of IIA)

## Questions for Business Leaders

- Is business strategy sufficiently integrating social media risks and opportunities?
- Are consistency and compliance of social media usage ensured on a worldwide basis?
- What is the company's e-reputation?
- How long does it take before your company responds to comments on the web?



## INSIGHTS

Social media are by nature widespread and instantaneous. The speed at which information is shared through social media channels is essential to their appeal. Nevertheless, it is also what makes them treacherous: when not properly managed, social media risks expose companies to reputational damage and business losses. Our experience, and that of our clients, shows that businesses that have gone to the lengths of defining a comprehensive social media risk program are better equipped to handle social media risks. Sector specific guidelines on social media risk management exist in a small number of industries. However, in the absence of a multisectoral framework, all organizations need to develop a program that:

- Sets and maintains corporate social media governance and policy,
- Monitors employee's internal and external social media activity,
- Prepares for appropriate and quick reactions on social media,
- Extends social media controls to third party providers,
- Trains all employees in accordance with their management level.

## About Crowe Risk Consulting

More than  
**1,000**  
risk consultants  
globally with one single  
management team

Part of the Crowe  
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network of  
**29,000**  
professionals globally

**Top 7**  
Global Risk  
Consulting firm  
– Gartner 2014

Advisory  
**Firm of the year**  
– International Accounting Bulletin  
(IAB) 2013



## WHAT WE BELIEVE

### Identifying social media landscape, risks and opportunities

Social media usage must be identified and analyzed. Assessment of the existing social media risk management structure revolves around governance, control activities, monitoring, communication and training. Associating risks with opportunities is the key to increase benefits from social media.

### Involving multidisciplinary teams

The use of multidisciplinary teams is crucial. For example, corporate policy and guidelines need to be challenged by managers across the organization with different perspectives, skills, responsibilities and cultures. Roles and responsibilities in the social media risk management process need to be clearly identified across the extended enterprise, including third parties.

### Enforcing a global Risk Management process

Implementation, monitoring and evaluation of specific social media controls is only effective if supported by the right tools, technology and indicators to monitor behavior, predict events, sanction abuse and be positioned to manage crises.



**Crowe Social Media Risk approach**

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## HOW YOU BENEFIT

We help global organizations :

### Assess risks

- Survey and analysis of social media usage by employees and third parties
- Social media risk management maturity assessment and roadmap

### Establish governance

- Defining corporate social media governance structure and responsibilities, third parties' responsibilities and ownership between departments
- Development of social media policy and guidelines

### Implement control activities

- Implementing, monitoring and evaluating controls to cover key risk categories: IS and Security, Financial, Operational, Reputational and Legal
- Aligning risks and control activities with social media strategy and policy document
- Ensuring third parties' social media activities are under control

### Monitor social media activity

- Defining a social media surveillance strategy in order to track small signals
- Selecting and implementing a social media monitoring tool with appropriate business dashboards
- Designing decision-making flowcharts, alert management processes and crisis scenarios

### Onboard employees, communicate and train

- Designing a communication plan with appropriate deployment tools
- Organizing and realizing population-targeted social media trainings

## Contact Information

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