

Professional Networking through Social Media

A Useful Tool for Professional Accountants in Business

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Preamble

Social media has today transformed from just a platform for sharing family photos and personal updates to a modern medium for professional learning and experience sharing. It has become an intrinsic part of our everyday life and one of the most modern marketing strategies and tools, used not only by the business entities but also by professionals working in diverse fields of activities. Social media marketing has achieved phenomenal growth over the last decade and has surpassed all other traditional and tested marketing tools and strategies in view of its cost effectiveness and extensive outreach. The growing popularity of social media networking and marketing has changed the way the companies do business and how they interact and communicate with their target audiences.

In this research paper, we will be looking into the growing use of social networking by the professional accountants and how this is important for them in promoting their business and practice. The paper is broadly classified under the following heads:

- o Facts and Statistics on Global Social Networking
- o Snapshots of Social Media Use by Pakistanis
- o Global Surveys reveal that accountancy profession in strongly embracing social media
- o IFAC encourages professional accountants in practice and SMPs to use social media
- o AICPA creates social networking site and develops user guides for professional use
- o Social media networking strategy for professional accountants
 - Building 'Professional Profile' on LinkedIn
 - Using "Twitter" for promoting expertise and Services
 - Marketing through 'Business page' on Facebook

Facts and Statistics on Global Social Networking

Statista Inc. is a leading statistics company on the internet which maintain the world's largest statistical portal viz. 'Statista' (www.statista.com). This portal integrates global

data on over 60,000 topics from over 18,000 sources onto a single professional platform. It provides companies, business customers, research institutions and academia with direct access to quantitative data on media, business, finance, politics and wide range of other topics.

We are highlighting below some important facts and statistics with respect to use of social media and social networking gathered and analyzed by the Statista.com portal:

- o As of 2014, approximately 1.8 billion internet users have accessed social networks, out of which 170 million were located in the USA. This figures continues to grow
- o 'Facebook' is the most popular social network in the world in terms of its scope and reach. Facebook has surpassed the 'one billion user mark' at the beginning of 2012. It has become an integral part of online marketing and social advertising.
- o Recently, social networking has shown a clear shift towards mobile platforms such as 'smart phones and tablet apps', This has increase the use of mobile social networks and also use of 'Twitter' and blogging.
- o The total number of social network users worldwide has increased from just 0.97 billion in 2010 to 1.82 billion in 2014. It is projected to grow further to 2.33 billion by 2017. (see Table-1).
- o China leads the other countries in terms of use of social media networks with around 366 million Chinese social

Table 1: Number of Social Network Users Worldwide (2010 to 2017 in Billions)

Year	Number of Users
2010	0.97
2011	1.22
2012	1.41
2013	1.61
2014	1.82
2015	1.99
2016	2.16
2017	2.33

(Source: Statista 2014 web portal)

Table 2: Ranking of Countries with Respect to Highest Number of Social Media Users (In Millions)

Country	2011	2017
China	366.2	525.4
USA	163.5	183.8
India	127.5	282.9
Brazil	78.3	110
Indonesia	67.2	109.9
Russia	60.5	75
Germany	32.4	39.4

(Source: Statista 2014 web portal)

network users in 2011 (Table-2). It is projected that around 525 million Chinese internet users will access social media networks by 2017. USA and India are at 2nd and 3rd positions, respectively in terms of highest social network users.

- o As of June 2014, the five top most popular networks are Facebook, QZone, Google, LinkedIn and Twitter. Facebook is the market leader with 1280 million active users.

Snapshots of Social Media Use by Pakistanis

Zeesocial is a social and digital media marketing agency in Pakistan and Trusted Pro-Partner of SocialBakers. It specializes in social media analytics and helps brands engage with their customers. Zeesocial releases every year a snapshot of Pakistan social media analytics. Some of the highlights of the January 2014 social media Report on Pakistan is given below:

- o By 31st January 2014, there were 12.6 million active users per month on the 'Facebook'.
- o One million Pakistanis joined the 'Facebook' in the month of January 2014.
- o More than 50% users of Facebook are in the 18-34 age bracket.
- o FMCG has the highest number of Pakistani fans (17 million), followed by Fashion pages (14 million) and Telecom (10 million).
- o Facebook is at top of Pakistani social media with around 10 million users, followed by Twitter with over 3 million users. Other to follow in ranking are Google+ and LinkedIn.

Global Surveys reveal that Accountancy profession is strongly embracing Social Media

The professional accountants in Business are gradually embracing social media and using it to get engaged with their clients, attract new clients, promote services and

practices as well for seeking jobs and recruitments. The use of social media by professional accountants in almost every country has been increasing which is substantiated by a number of surveys conducted by different organizations some of the major survey results are shared below:

(1) Wolters Kluwer Social Media Survey 2014

In January 2014 a research survey was carried out in UK by M/s Wolters Kluwer a leading global information services company which concluded that three quarters or 3 out of 4 Accountants in United Kingdom are engaged in social media. This social media survey which was commissioned by Wolters Kluwer's CCH Business in the UK, sampled the views of over 1100 accountants and concluded that 77% of respondents are now using social media sites which is almost a 10% increase on figure of a similar survey conducted in 2011. Each annual survey result is showing a continuous growth in the use of social media by the accountants. Few other interesting findings of the Wolters Kluwer 2014 Survey are as follows:

- o Almost two-thirds of the accountants are accessing social media via their mobile phone/ devices whereas over 40 percent are using tablet.
- o More than 38% of the accountants who participated in

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the survey were aged over 51 years which shows that older accountants are becoming technology users.

- o Almost 85% of the surveyed women accountants are using social media as compared to 72% of the male accountants who participated in the survey (ratio: 59:41).
- o 27% of accountants are visiting social media sites several times in a day.

Table 3: Top Most Popular Social Network Sites (June 2014 - In Millions)

Social Media Sites	No. of Active Users
Facebook	1280
QZone	644
Google	343
LinkedIn	300
Twitter	255
Tumblr	230
Tencent Weibo	220

(Source: Statista 2014 web portal)

Table 4: Wolters Kluwer Survey 2014 : Most Popular Social Media Sites used by UK Professional Accountants

Ranking	Social Media Websites % age of UK Accountants using this Site for Professional Purposes
1. LinkedIn	67% (out of total users: 13 million)
2. Twitter	18% (out of total users: 43%)
3. Facebook	12% (out of total users: 80%)
4. Blogs	10% (out of total users: 16%)
5. Google+	14% (out of total users: 26%)

The above Table-4 indicates that LinkedIn is the most popular social media channel or website for professional accountants in UK, with 67% of them using this site for business or professional purposes. The use of Twitter, Facebook and Google+ by accountants is also growing steadily.

(2) SocialCPAs Social Media Survey 2013

SocialCPAs which was founded in 2010 in USA has been conducting annual surveys on the impact of social media on the accounting profession. So far they have released four surveys intended to bring social media insights as to how the accounting firms are using social media. The last survey

Table 5: SocialCPAs Social Media Survey 2013 : Most Popular Social Media Sites used by Professional Accountants

Ranking	Social Media Sites
1	LinkedIn
2	Facebook
3	YouTube
4	Twitter
5	Google+
6	Pinterest
7	Yelp
8	WordPress
9	Instagram
10	Hootsuite

report was released in December 2013 which presented facts and figures on how accounting professionals are adopting or avoiding the social media. This survey interviewed hundreds of CPAs, CAs and accounting professionals from around the world to learn about their social media activities.

The SocialCPAs Survey revealed that more than 90 percent of CPAs are active on LinkedIn, whereas over 75 percent are active on Facebook, 45 percent are active on Twitter and more than 30 percent are active on Google+. The survey also revealed that more than 45 percent of these CPAs spend one to five hours a week on social media about the same amount of time they spend on traditional networking activities.

One of the key findings of the Survey is that LinkedIn has

established itself as the most popular site for accountants and business professionals and it has remained the top most social media sites among the survey respondents during the past four years (see Table-5)

(3) Mergis Group Social Status Survey 2010

The Mergis Group is a leading professional placement and recruitment firm in USA. It conducted an online social status survey in 2010 through an independent third party which interviewed around 443 financial professional in the USA with regard to their social media use. Some of the key findings of this Survey of US professional accountants are given below:

- o 72% of the financial professionals in USA (around two-third of respondents) have social media account on the 'Facebook' to connect with family and friends.
- o Facebook stands as most popular social site for financial professionals (88 percent) with around three-fourths (74 percent) listing it as their primary social site. (Table-6)
- o Around 46 percent of financial professional use social sites to network with both personal contacts (e.g. friends, family, relatives etc) and business contacts (bosses, managers, co-workers, colleagues etc).
- o LinkedIn is the most popular social media site for job seekers with around 73 percent of the respondents visiting LinkedIn. Facebook stands at second position with 32 percent.

(4) Social Media Examiner's Social Media Study 2014

Social Media Examiner is the world's largest 'online social media magazine and blog' which helps businesses discover how to best use social media, blogs and podcasts to connect with customers, drive traffic, generate awareness and increase sales. They regularly bring out reviews of latest industry research, news, articles and other information for improving social media marketing. The sixth annual social media study, which interviewed 2800 marketers was released by the Social Media Examiner in May 2014, which

Table 6: Mergis Group Social Status Survey 2010 : Most Popular Social Media Sites used by USA Financial Professionals

Ranking	Social Media Websites	% age Use by US Financial Professionals
1.	Facebook	88 percent
2.	LinkedIn	58 percent
3.	MySpace	26 percent
4.	Twitter	24 percent
5.	YouTube	20 percent
6.	Classmates.com	20 percent

highlight as to 'how the marketers are using the social media to grow and promote their businesses.

Some of the key findings of this social media study are given below:

- o Marketers place very high value on social media: A significant 92% of marketers indicated that social media is important for their business, up from 86% in 2013.
- o Facebook and LinkedIn are the two most important social networks for the marketers. Around 54% of marketers selected Facebook, followed by LinkedIn at 17%.
- o At least 89% of marketers want to know the most effective social tactics and the best ways to engage their audience with social media.
- o Blogging holds the top spot for future plans: A significant 68% of marketers plan on increasing their use of blogging, making it the top area marketers will invest in for 2014.
- o Marketers want to learn most about Google+: While 54% are using Google+, 65% want to learn more about it and 61% plan on increasing Google+ activities in 2014.
- o Only 6% of marketers are involved with podcasting and 21% plan to increase their podcasting activities in 2014.
- o Only 34% of marketers think that their Facebook efforts are effective.
- o A significant 58% of marketers stated that original written content is the single most important form of content, followed by original visual assets (19%).

IFAC encourages Professional Accountants in Practice and Small and Medium Practices (SMPs) to use Social Media Networking

The International Federation of Accountants (IFAC) defines the 'Professional Accountants in Business' (PAIB) as those who work as 'leaders' and 'strategic partners' within organizations i.e. in commerce, industry, financial services, education and the public and not-for-profit sectors with the aim of building long-term sustainable organizational success. PAIBs play critical roles in generating sustainable economic growth and stability worldwide by contributing to strategy support, planning, decision support and control and adding value to organizations.

The Small and Medium Practices (SMP) Committee of International Federation of Accountants (IFAC) represents the interests of professional accountants operating in small- and medium-sized practices and other professional accountants who provide services to small- and medium-sized entities. In December 2012, the IFAC SMP Committee published the third edition of 'The Guide to Practice Management for Small and Medium-sized Practices (SMPs)', wherein it has outlined seven tips that can help the

SMPs to build or lay the groundwork for a business advisory practice. One of the tips relate to 'promoting the practice to existing and new clients under which it has been advised that the professional accountants should explore new channels of marketing their practice / services such as 'social media'.

The Guide to Practice Management for SMPs emphasizes the need for adopting best practices in respect of emerging advanced technologies such as social media, smart phones and cloud computing to achieve operational efficiency in the wake of ongoing change, increased regulation and emergence of global reporting systems. The Guide advises the accountants in practice that alongside traditional marketing techniques, they should use social media as a complementary tool to market their services to the existing and new clients. For this purpose, a social media strategy should be developed by them which may include the following strategies:

- o Using social media sites e.g. LinkedIn, Facebook and Twitter to invite clients to receive updates, participate in discussions, share case studies and experiences, post testimonials, establish closed networks and allow clients to connect with other clients.

The IFAC Guide to Practice Management for SMPs advises the accountants in practice that alongside traditional marketing techniques, they should also use social media as a complementary tool to market their services to the existing and new clients

- o Using blogging sites to share timely updates with the existing clients and attracting new clients to your company websites to find more about your services and business.
- o Encouraging the existing clients to post testimonials or provide positive feedback on the social media sites such as LinkedIn, that would help attract new clients.
- o The Guide further advises the professional accountants in practice that instead of focusing more on technical understanding of programming or communication links, they should try to achieve a level of comfort with technology that would eventually help them in efficiently screening and reviewing the quality of data to be processed on behalf of the clients and implement any application that can deliver benefits to the clients.

AICPA Creates Social Networking Site for aspiring Accountants and develops User Guides for Professional use of social networkingsites

The American Institute of Certified Public Accountants (AICPA) which is the world's largest association representing the accounting profession and founded in

1887, has created its own social networking site by the name of 'This Way to CPA', for college students aspiring to become accountants. 'This Way to CPA' has been developed and designed to increase awareness of AICPA and to reach out to the talented accounting students to invest in becoming a CPA by networking on this channel with peers and professionals. In fact, this online social networking site supports the personal development of accounting students and the accounting profession and provides a platform for them to discuss career-related topics such as advice for passing the CPA exam, building an accounting career path etc. This community website is integrated with other social networking sites e.g. Facebook, Twitter and YouTube so as to drive potential and current members to its community for more in-depth accounting discussions. This Way to CPA has become a model for other accounting bodies and organization on how to create a unified and manageable strategy for social media and technology. This would also help in increasing the member base by building strong bonds with the aspiring accounting students. The weblink to the AICPA social site is <https://www.thiswaytocpa.com>

AICPA Social Media User Guides

AICPA has also developed a set of resources in shape of 'User Guides' to provide guidance to its members and aspiring students to learn more about the professional use and benefits of different social media sites such as Facebook, Twitter, LinkedIn and blogging. Each 'Use Guide' outlines steps as to how to get started as well as best practices in a very simplified version.

In addition, the Private Companies Practice Section (PCPS) of AICPA has also developed a "Social Media Toolkit" to help CPA and their firms harness the power of social media marketing. This social media toolkit is intended to encourage the CPAs as to why social media matters in today's competitive market and shares tips on getting started and describe key social media tools in detail for both the new and experience user of social networking sites.

Social Media Networking Strategy for Professional Accountants

(a) Building 'Professional Profile' on LinkedIn

LinkedIn is a one of the widely used professional network forums and professional accountants, including the Management Accountants, can take great benefit from networking on this forum by posting an updated 'LinkedIn profile' - for showcasing their specific professional expertise to attract clients as well as providing access to recruiters who are on hunt for new finance talents. Professional accountants can also use LinkedIn to network with their current and former colleagues as well as friends and business clients. Other benefits that the professional accountants can get from having a Profile on the 'LinkedIn' are as follows:

- o Get in touch with other professionals, prospective

clients and job seekers and connect and communicate with them for any business and employment opportunity.

- o Seek recommendations from your existing and former employers for validation of your employment skills and capabilities that serves as a useful reference.
- o Exchange endorsements with professionals, office and business colleagues and clients for testifying your area of professional expertise.
- o Join different professional groups on LinkedIn to connect with like-minded people.
- o Create group page of your own firms that is similar to business Facebook page.

By posting updates, news and other information on the 'Twitter', the Professional Accountants can use this media to build their personal and professional brand and business.

- o Keep track of those professionals who view your LinkedIn profile and get in touch and connect with them in future for business and employment.
- o Provide opportunity for prospective collaborators and clients to contact you for seeking your professional services or for merger of accountancy and consulting practice.

Accounting Professional Network Group on LinkedIn

The professional accountants can also join the 'Accounting Professionals Network Group' at the LinkedIn site. Accounting Professional Network Inc. USA is a professional services firm focused on the small-medium sized business. They are a team of accounting/finance and operations professionals who handle a wide range of services from the bookkeeping to the CFO levels. Most of their consultants have extensive experience working at the controller level for small and medium-size organizations. For more information please visit: www.apngroup.com

(b) Using 'Twitter' for promoting your Expertise and Services

Twitter is a new online social media networking and micro-blogging medium which is getting popular. It enables the users to send and receive text-based messages of up to 140 characters, known as 'tweets'. By posting updates, news and other information, the Professional Accountants can use this media to build their personal and professional brand and business. Twitter can be used as an extension of the marketing strategy by the accountants to build and promote their practice; win new clients and collaborate with like-minded professionals. It can also be used by the accountants in practice for conducting market research. However, it is a fact that twitter has not become one of the preferred options so far for the accountants as it is a different kind of blogging medium.

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The professional accountants in practice can have the following benefits by using the twitter:

- o Interact, communicate, share and exchange ideas about accountancy news and articles, tax-related issues; audit practice queries and industry-related information.
- o Build brand loyalty and relationships, establish trust, attract new clients, generate leads; share relevant and valuable content; and serve customers.
- o Educate existing and prospective clients about your professional practice and services such as tweet any new article written by you and then engage in comments.
- o Provide tax tips and advice; alerts on personal and corporate tax policy changes and links to tax-related articles in newspapers to people, which would help in building your professional image and it is possible that they can hire your services as tax consultant.

IFAC's Twitter Channel on Website

For the information of professional accountants, especially the Management Accountants, it is important to point out here that Small and Medium Practices (SMP) Committee of International Federation of Accountants (IFAC) is running on trial basis a 'Twitter Channel' on website to communicate with its 159 member bodies and more than 2.5 million members in different jurisdictions of the world.

The Pakistani professional accountants should also use this twitter channel to make their presence felt in the global accounting community and utilize this as a platform for learning and exchanging ideas on relevant professional topics and issues. The twitter web-link is www.twitter.com/IFAC_SMP

The International Ethics Standards Board for Accountants (IESBA) and International Public Sector Accounting Standards Board (IPSASB) are also on Twitter! i.e. [@Ethics_Board](#) and [@IPSASB_News](#).

(c) Marketing through 'Business page' on Facebook

Facebook is one of the largest social media networking sites used by almost 800 million people in the world. The professional accountants in business as well as those in practice can use this media tool for their benefit by creating their company's 'Facebook page' which would help them in building brand image and attracting new potential clients. The other benefits and advantages that the professional accountants can get by using the 'Facebook' are as follows:

- o Provide a quick and easy way to personalize your message and engage with existing and potential clients and increase loyalty within your client base.
- o Reassure the existing and potential clients that your company is the right choice for them through social proof in shape of 'Likes', testimonials and referrals made.
- o The number of 'Likes' of your company Facebook page will help increase the ranking and credibility of your professional services in the eyes of current as well as new clients.
- o Provide increased visibility of your company's Facebook page on search engine results page that would increase visitors' traffic on your company website.

The professional accountants in business as well as those in practice can use the 'Facebook' for their benefit by creating their company's 'Facebook page' which would help them in building brand image and attracting new potential clients.

- o Provide a platform and technology to advertise and promote your company and services for free. Every status update on your Facebook page appears on your fans news feeds.
- o Upload photos, videos, logos, website links and other information about your company and services offered on the Facebook page.
- o Provide an easy way to search for and identify clients and business contacts who are already using the Facebook.

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