



## Internal Audit (IA) for Social Media

Discussion Document

June 26, 2012



<http://www.youtube.com/watch?v=0eUeL3n7fDs>

## Contents

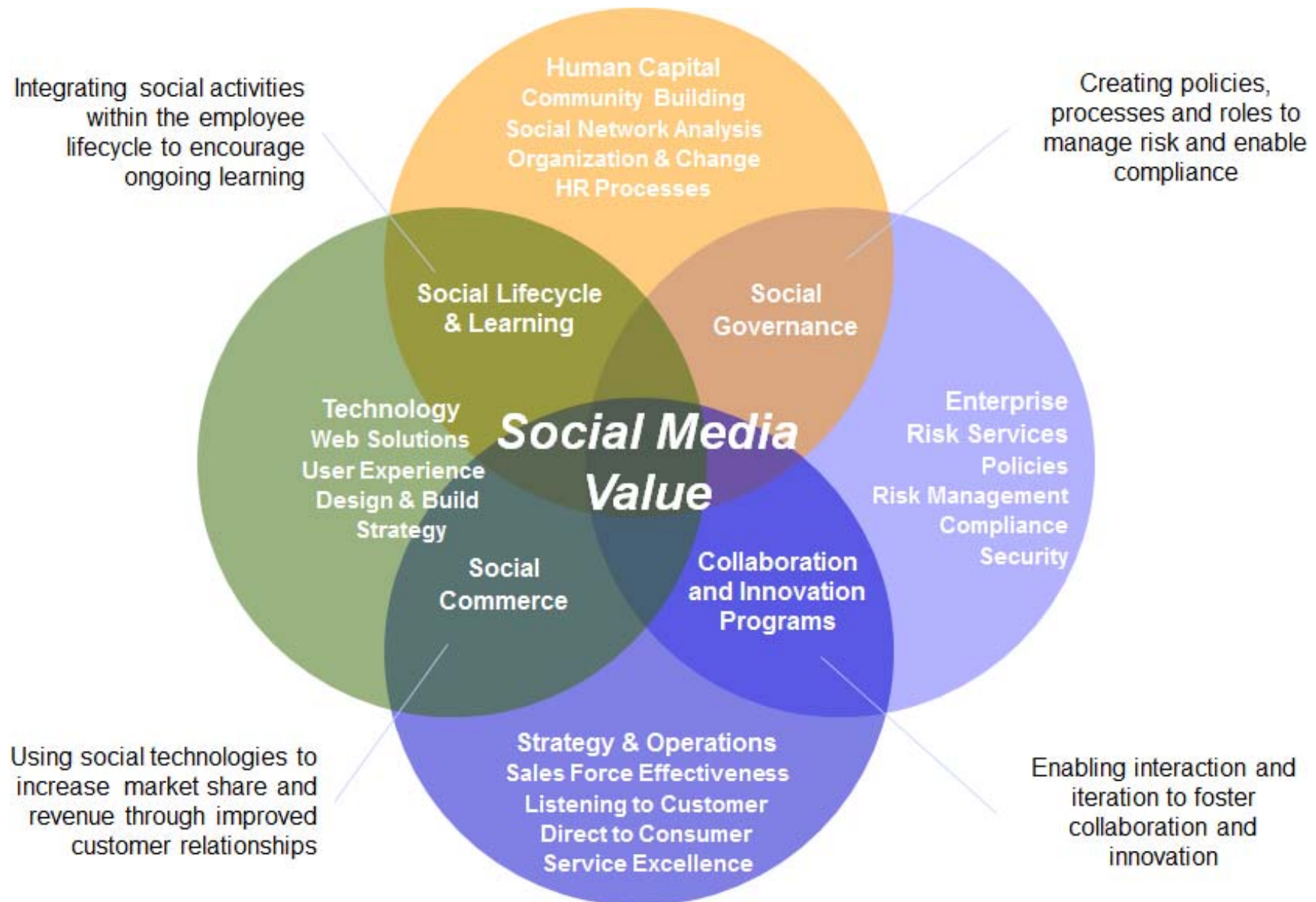
# Who we Are

# Social Media Perspective

# Social Media Benefits and Challenges

# Our Capabilities in Social Media/Collaboration

Deloitte leverages our broad capabilities to assist clients to create value from social media



# Social Media Definition

Social Media is continuing to evolve and so the definition is also changing. Here are just some of the recent definitions.

## **Wikipedia:**

Social media includes web-based and mobile based technologies which are used to turn communication into interactive dialogue among organizations, communities, and individuals. Social media is ubiquitously accessible, and enabled by scalable communication techniques.

## **Merriam Webster:**

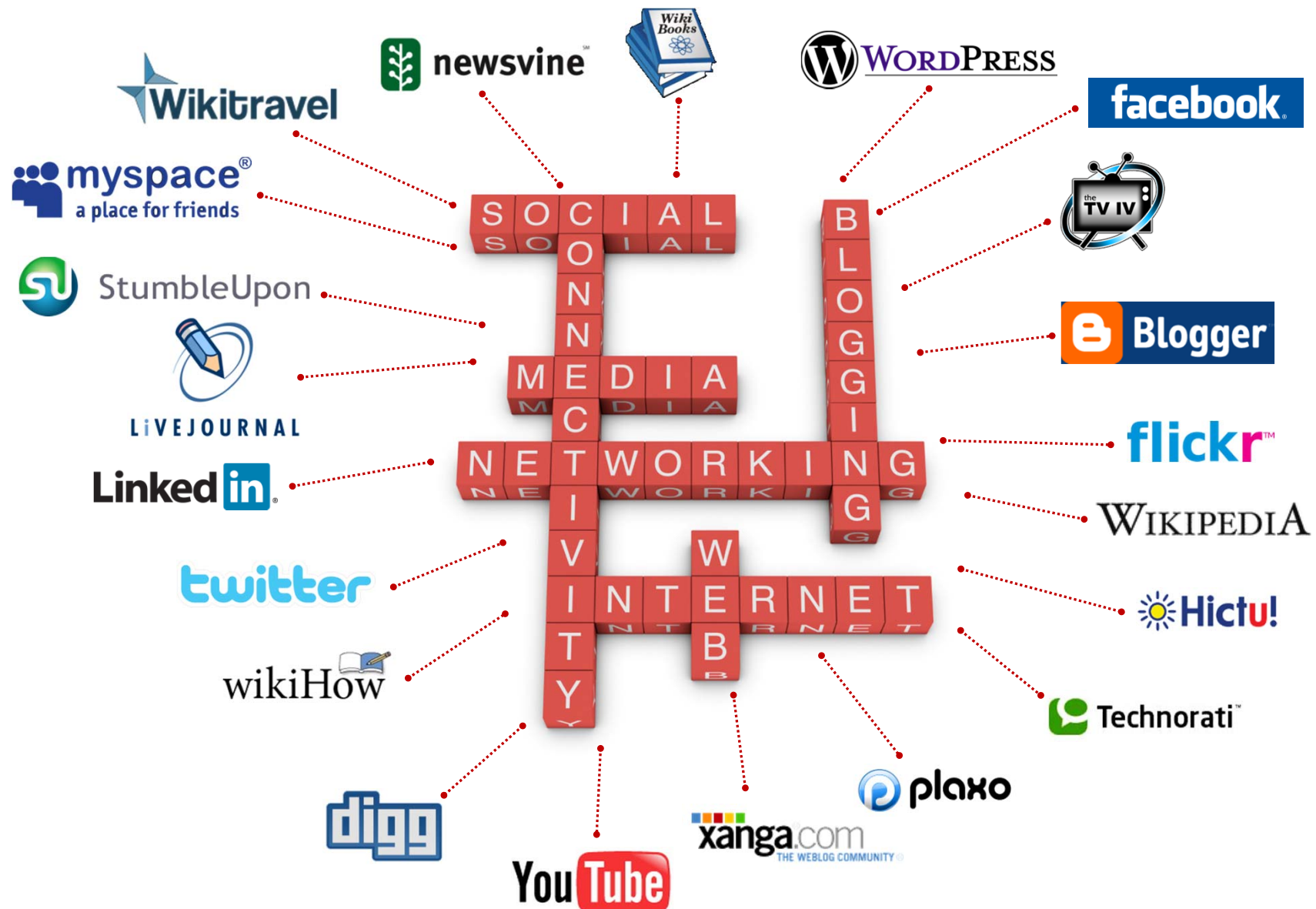
Forms of electronic communication (as Web sites for social networking and microblogging) through which users create online communities to share information, ideas, personal messages, and other content (as videos).

## **About.com**

Social media is a type of online media that expedites conversation as opposed to traditional media, which delivers content but doesn't allow readers/viewers/listeners to participate in the creation or development of the content.

# Social Media Includes:

Wikis, Social Networks, Blogs, Presence & Microblogging, Online Sharing of Videos & Media, and Social Bookmarking & Tagging.



# Social Media Perspective

An understanding of these perspectives is important before we start defining the Internal Audit Program. These perspectives cover the social media interactions of an organization.



## Social media benefits

1

### Generate Prospects and Leads (Sales)

- Decrease time to market for new products
- Increase marketing effectiveness
- Develop new revenue opportunities
- Leverage “interest” based marketing & advertising

2

### Decrease Costs

- Decrease R&D costs for new products by listening to your customers (and prospects)
- Focus on inexpensive social media tools instead of using the traditional expensive marketing channels
- Decrease customer support costs

3

### Increase Loyalty

- Increase customer insights and intelligence (“Voice of Customer”)
- Improve customer experience responsiveness
- Improve customer education, expertise and service
- Direct contact with the customer instead of indirect through the retail channels

4

### Manage Brand Reputation

- Increase brand awareness through social media
- Protect brand and manage reputation
- Benefit from spontaneous reactions from the community by connecting like-minded peers

## Social media Challenges

1

### Loss of Control

- The voice of the customer is amplified
- Companies no longer control the message or topic
- Messages might include negative publicity

2

### Inconsistent message

- When engaging several employees in the social media world, their messages and responses may not always be consistent and aligned with the strategy of the company

3

### Confidential Information

- The use of social media sites enables users to circumvent company controls, opening up the potential to violate communication policies
- Education and training for employees is a key component to managing loss of information

4

### Productivity loss

- Social media drives collaboration among co-workers but can also be a major distraction in the work place

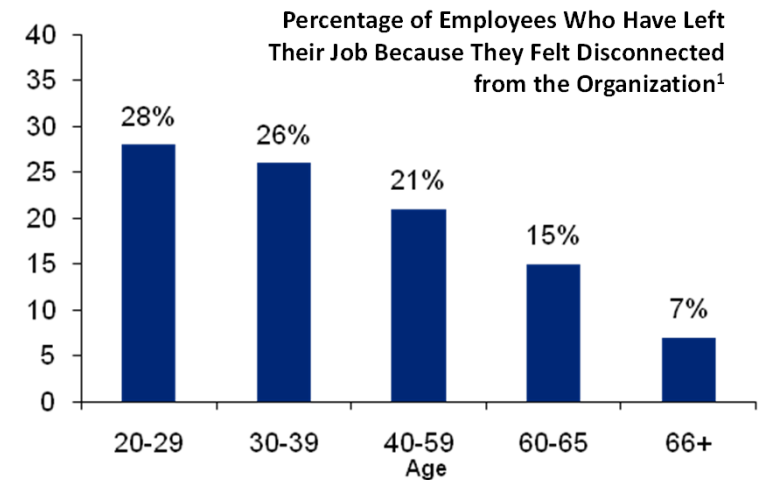


## Social media has started to impact talent: As the new generation of employees assimilates into the workforce, they will bring their online social habits with them

§ One of the top reasons employees leave within their first three years of employment is a lack of connectedness and sense of belonging to the organization

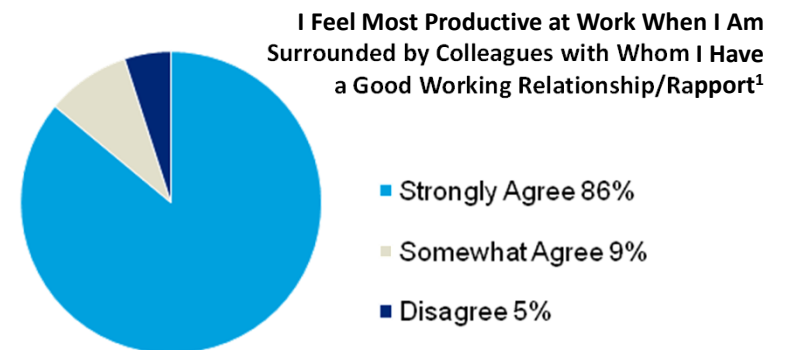
§ Today's workforce is required to digest vast amounts of information, collaborate across geographical and hierarchical boundaries, and continuously multi-task and make quick decisions, all amid a flurry of distractions

§ Knowledge workers are strapped for productivity, with the average employee being interrupted every three minutes during their work day



### Did you know?

- 90% of employees decide to stay or leave a company within six months of employment
- 89% of new hires indicate that they do not have the necessary tools and knowledge to do their job effectively
- 52.9% Gen Y employees indicate that they can be more innovative if company's culture embraces contribution from all levels<sup>2</sup>



**Social media can allow companies to connect with the next generation of employees using a channel these employees relate to**

#### Sources:

- Deloitte Research 2008; Human Capital Institute & Corporate Executive Board 2007; SelectMinds/Intellisurvey 2007-2008; Gloria Marks, University of California at Irvine
- SelectMinds, 9/2007
- 2 Deloitte Generation Y: powerhouse of the global economy Survey, 2009

## Contents

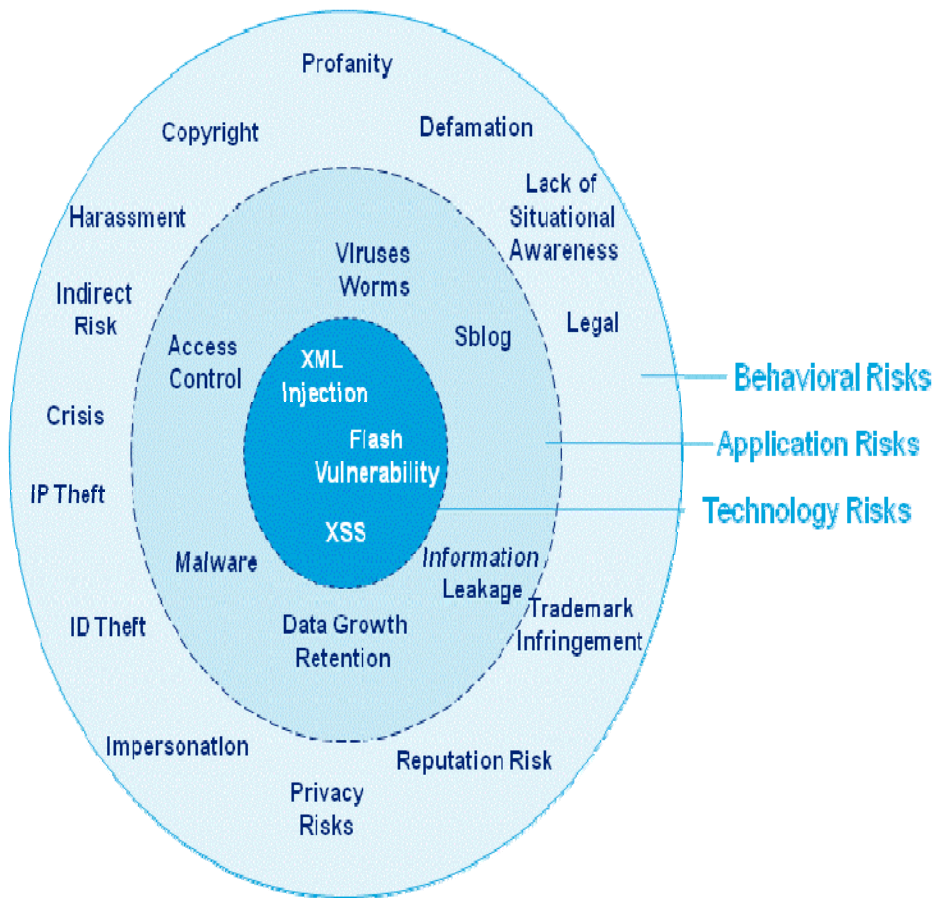
# Risk Landscape

# Social Media Assessment Overview

# Next Steps

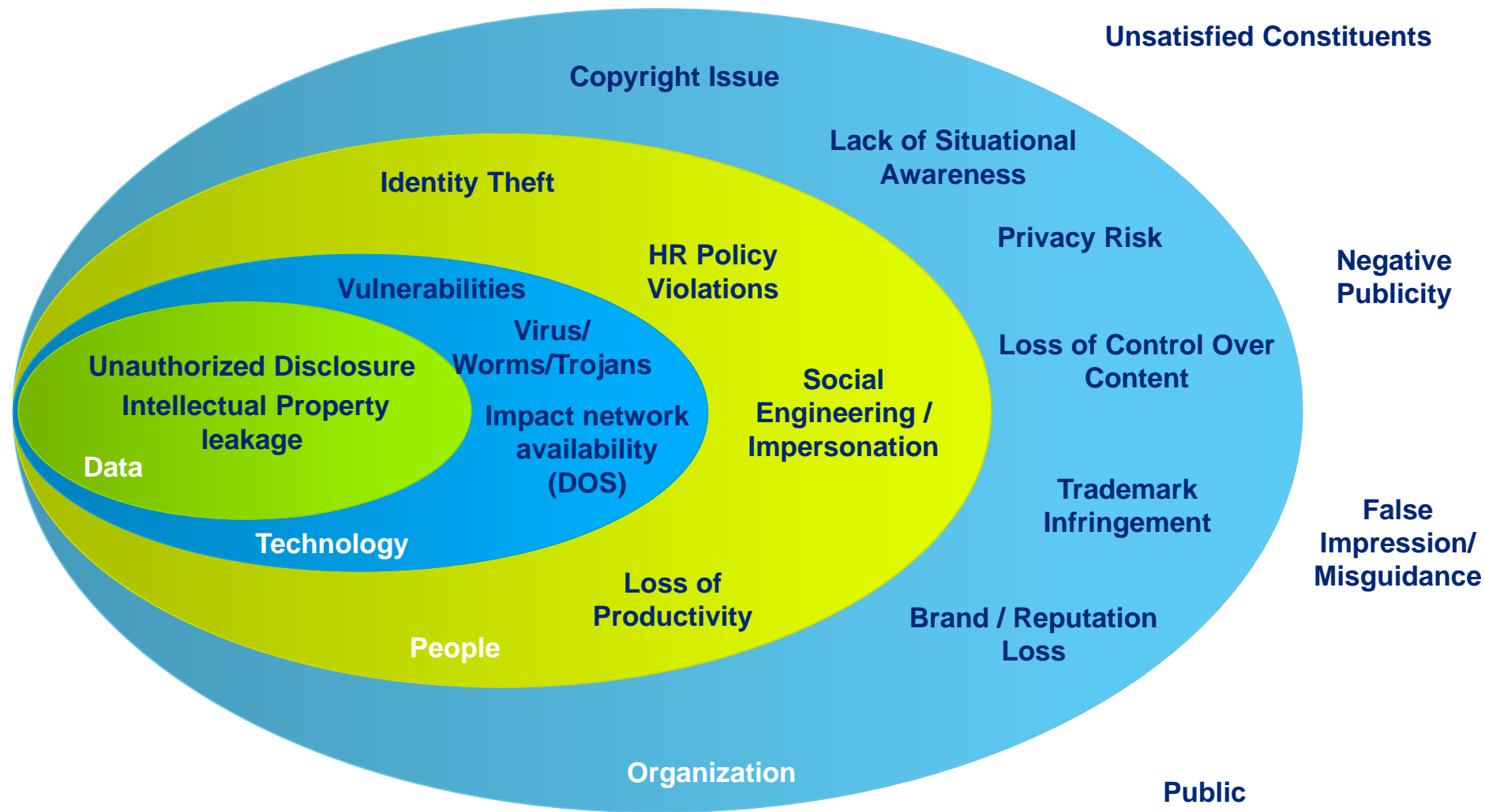
# Social Media Risk Landscape

Social Media usage presents behavioral, application and technology related risks. The risk landscape is vast and continuously evolving



Anticipated Risks	
<b>Legal &amp; Regulatory Compliance</b>	<ul style="list-style-type: none"> <li>• Disclosure of confidential information</li> <li>• Violation of copyright laws</li> <li>• Protection of intellectual property rights</li> <li>• Legal and financial ramifications for non-compliance with industry regulations</li> </ul>
<b>Security &amp; Privacy</b>	<ul style="list-style-type: none"> <li>• Identity theft, Social engineering</li> <li>• Ability to retain and log social media communication; data retention</li> <li>• Technical exploits: Malware, Viruses/Worms, Flash Vulnerabilities, XML injection</li> </ul>
<b>Brand and reputation damage</b>	<ul style="list-style-type: none"> <li>• Posting unfavorable or confidential information on a public site</li> <li>• Unclear behavioral expectation of end users to use social media</li> <li>• Defamation, Copyright infringement</li> </ul>
<b>Productivity loss</b>	<ul style="list-style-type: none"> <li>• Use of social media can be a distraction i.e. employees accessing non-work related social media sites</li> <li>• Acceptable use of social media</li> </ul>

# Social Media Threat Landscape

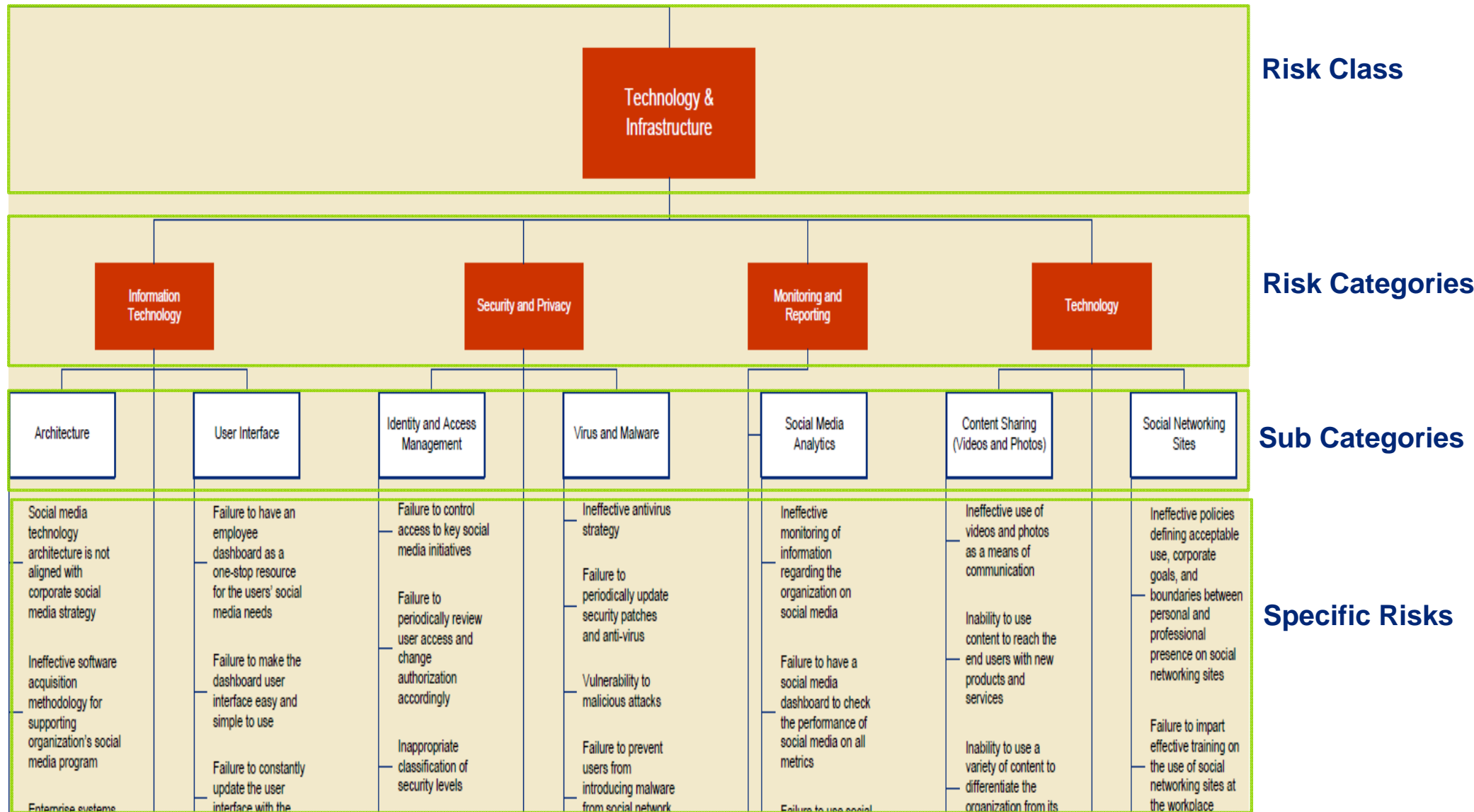


# Social Media Risk Intelligence Map (RIM)

Provides breakdown of social media areas – Governance, Strategy and Planning, Operations / Technology and identifies areas for which organization to focus on to help mitigate risk from social media

Social Media Risk Intelligence Map															
Governance	Strategy and Planning			Ethics and Compliance		Operations						Technology and Infrastructure			
Social Media Governance	Social Media Landscape	Strategy	Planning	Social Media Ethics	Compliance	Enterprise Social Media	Marketing and Communication	Relationship Management	Legal	Talent	Product and Services	Information Technology	Security and Privacy	Monitoring	Social Media Technology
Guiding Principles	Economic Conditions/ Industry Trends	Social Media Strategy	Social Media Investments	Code of Ethics	Compliance Culture	Integration with Business Processes	Branding and Reputation	Stakeholder Engagement	Legal and Regulatory Compliance	Corporate Culture	Innovation, Research and Development	Architecture	Identity and Access Management	Social Media Analytics	Content Sharing (Videos, Photos)
Board Structure and Oversight	Geopolitical	Policy	Digital Crisis Management	Ethical Culture/Personal Ethics	Policies and Procedures	Innovation and Collaboration	Integrated Marketing Systems	Public Relations	Litigation and Dispute Resolution	Employee Code of Conduct	Crowd Sourcing	Employee Dashboard and User Interface	Virus and Malware	Social Media Trends Monitoring	Social Networking Sites
Reputation and Stakeholder Relations	Laws and Regulations	Web 2.0 Business Model	Change Management	Monitoring and Auditing	Compliance Information Management	Knowledge Management	Social Media Campaign/Online Promotion	Corporate Service/Support	Intellectual Property	Talent Recruitment and Management	Concept Testing/Product Testing	Cloud Computing	Social Media Security	Employee Monitoring	Blogs
Sustainability and Climate Change (S&CC)	Social Media Platforms	Alliances/Joint Ventures	Knowledge Management	Reporting and Prevention	Supervision	Training and Development using Social Media	Buzz Marketing/Viral Campaigns	Customer/Partner Feedback	Copyright/ Trademark Infringement	Social Media Management Team	Launch	Mobile Devices	Information Leakage	Content Monitoring	Microblogging
Risk Oversight and Supervision	Technological Advances/ Changes	Outsourcing	Social Media Program Evaluation	Conflicts of Interest	Controls and Monitoring	Internal Communication	Social Media Agency	Community Management	e-Discovery	Performance Management		Social Media Tools	Privacy and Data Protection	Influencer Monitoring	Internet Forums
	Competition	Technology Adoption		Program Assessment and Evaluation	Cyber Law Compliance		Content Management	Influencer Management		Employee Productivity		Business Continuity Management	Social Media Identity Theft	Social Media Measurement	Wikis
	Customer Demands and Trends	Customers		Allegations & Investigations	Compliance Reporting		Media Management	Response Management		Training on Social Media		Change Management	Security Infrastructure		Location Based Services (LBS)
	Influencers	Influencer Strategy		Corporate Actions and Discipline			Market Research	Conversations		Employee Relationships		Technology Contracting, Outsourcing and Licensing			
				Training			E-Commerce/ Sales Management	Trust/ Transparency		Workplace Harassment/ Abuse					
				Ethics Communication						Virtual Workplace					

# Risk Intelligence Map Sample





# Data Leakage

decrease development cost x Using Social Media to Incre... x ISACA issues COBIT 5 for In x

www.itweb.co.za/index.php?option=com\_content&view=article&id=56196:isaca-issues-cobit-5-for-information-security&catid=74

Citibank Online - Si... The New York Time... 11375 Weather Fore... TV Listings - Find Lo... Real Time Search - S...


## ISACA issues COBIT 5 for Information Security


Survey: Data leaks, employee error, BYOD top list of security threats.


San Francisco | Business Wire via ITWeb, 25 Jun 2012


INSIGHTS 2012 — Today, at the INSIGHTS 2012 conference, ISACA released COBIT 5 for Information Security, which builds on the recently released COBIT 5 framework to provide practical guidance for those interested in security at all levels of an enterprise.


ISACA's COBIT 5 framework is the only business framework for the governance and management of enterprise IT.


  
UNIFIED THREAT MANAGEMENT  
SECURITY SOLUTIONS

  
FIREWALL

  
NETWORK

  
EMAIL


  
WEB

  
LEADERS IN IT DISTRIBUTION


In the past year, close to one in four (22%) enterprises has experienced a security breach and 21% have faced mobile device security issues, according to a global survey of more than 3 700 IT professionals who are members of ISACA.

In the next 12 months, data leaks and employee-related issues top the list of hot-button IT issues most likely to challenge an organisation's network security. The threats were ranked in the following order:


- \* Data leakage (loss or breach) 17%
- \* Inadvertent employee mistakes 16%
- \* Incidents related to employees' personal devices (BYOD) 13%
- \* Cloud computing 11%
- \* Cyber attacks 7%
- \* External hacking 5%
- \* Disgruntled employees 5%
- \* All of the above 19%

  
LEADERS IN IT DISTRIBUTION


**SECURITY**  
We secure your confidential information and help you comply with regulations. Read more.

  
RESEARCH


**GOVERNANCE**  
Governance is not only for good IT practice, it is also essential to your IT security.



**CLOSE**  
Telkom CLOSER is a new Telkom Calling Plan and there are three options to choose from, tailored for your needs.

  
SUMMIT 2012

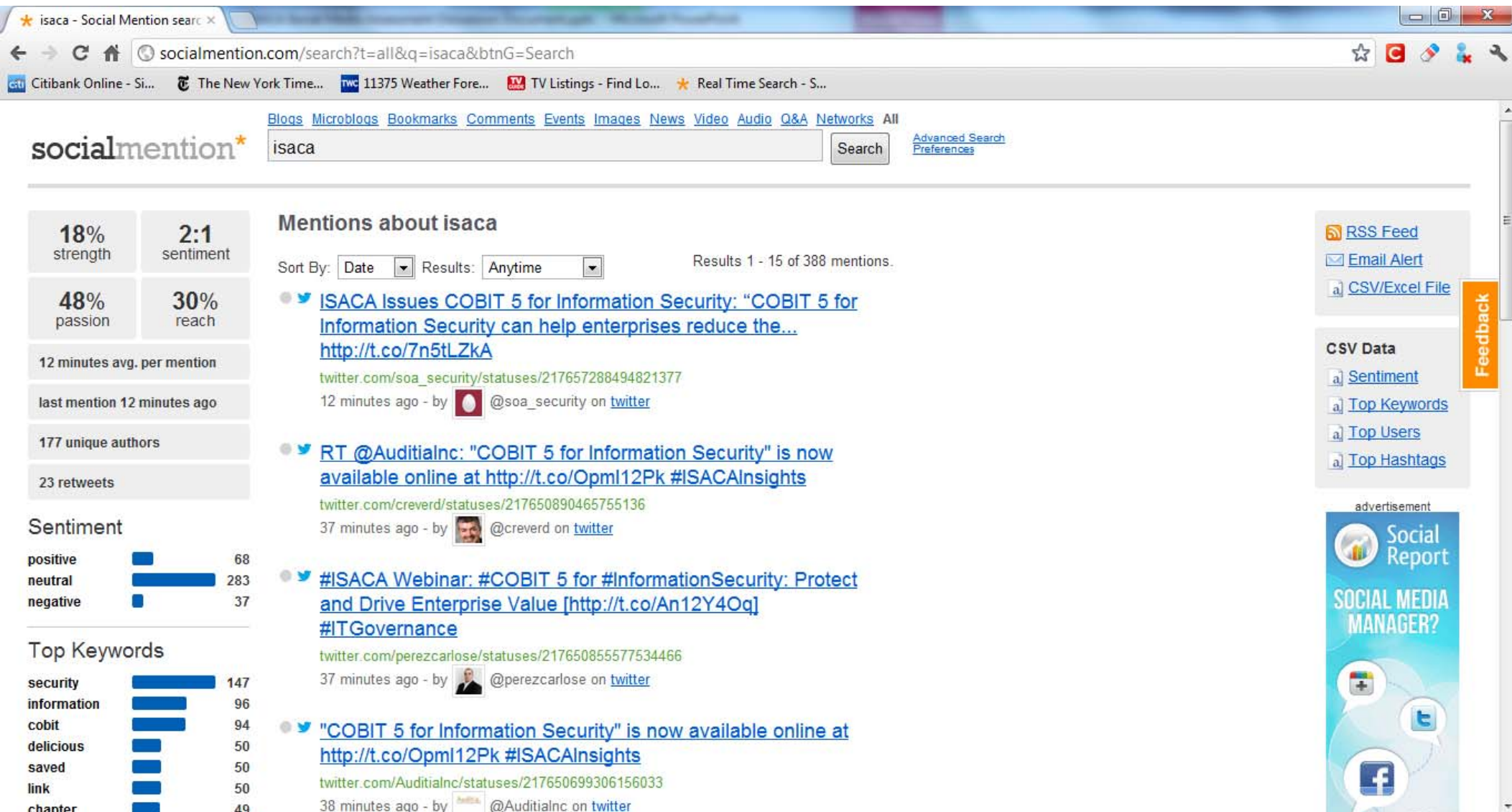
As IT moves into the cloud, do you have the skills that will take you there?

  
WHAT TO FRONT HERE!

17-19 JULY 2012  
THE FORUM, BRYANSTON

TOP NEWS

# Monitoring Social Media - ISACA



**Strength:** Phrase mentions within last 24 hours / total possible mentions

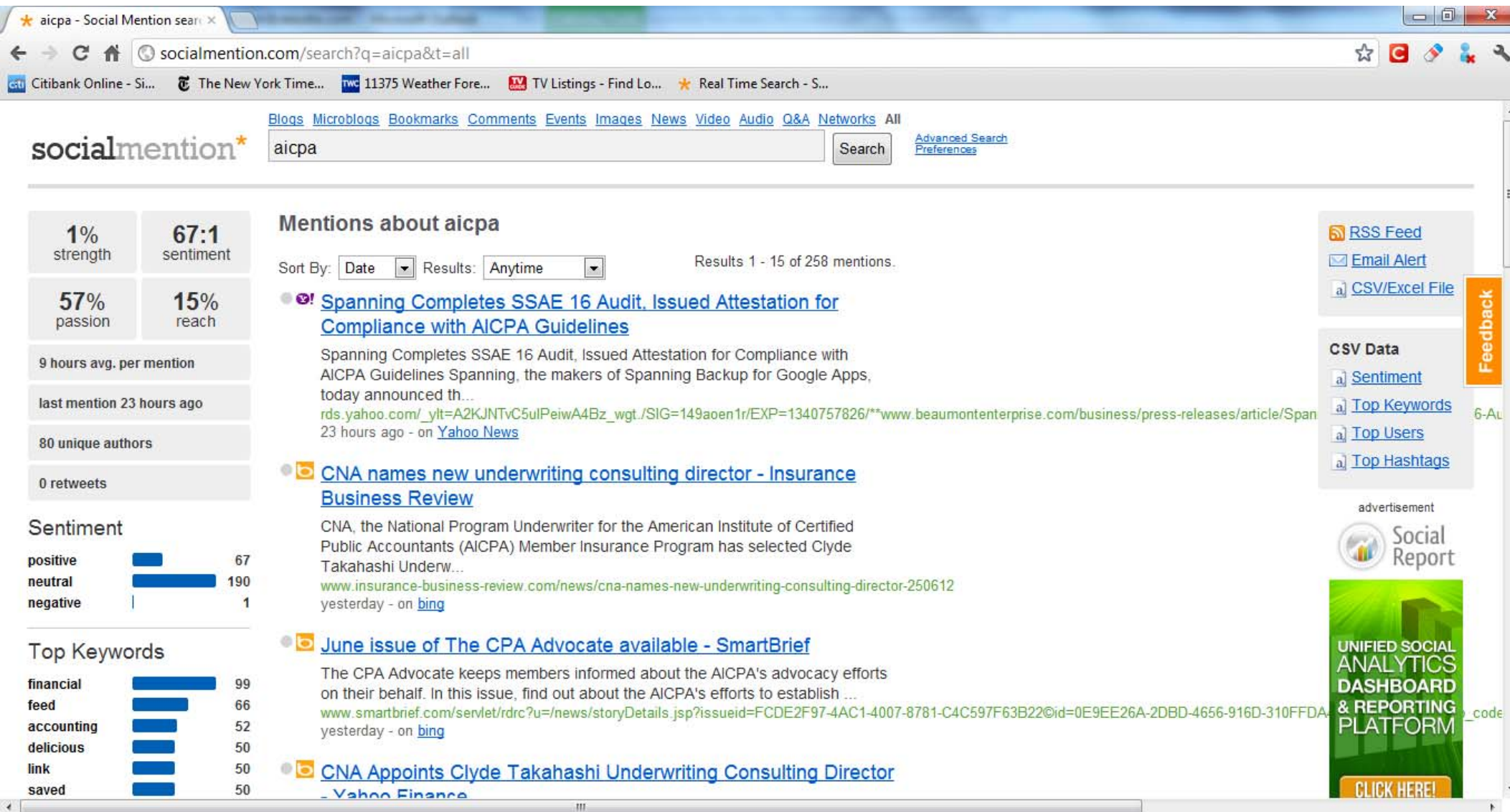
**Sentiment:** Generally positive to generally negative

**Passion:** Likelihood those talking will do so repeatedly

**Reach:** Number of unique authors / total number of mentions



# Monitoring Social Media - AICPA



**Strength:** Phrase mentions within last 24 hours / total possible mentions

**Sentiment:** Generally positive to generally negative

**Passion:** Likelihood those talking will do so repeatedly

**Reach:** Number of unique authors / total number of mentions

# Social Media Assessment Overview

Time	2-3 Weeks			1 Week
Phase	Project Planning and Scoping	Risk Identification	Analysis	Reporting
Key Activities	<ul style="list-style-type: none"> <li>Preliminary discussions to understand social media/collaboration footprint.</li> <li>Finalize scope, develop project plan</li> <li>Identify relevant stakeholders/Schedule interviews</li> <li>Customize Social Media Assessment program</li> <li>Develop document request</li> </ul>	<ul style="list-style-type: none"> <li>Conduct workshops/interviews</li> <li>Review relevant supporting documentation and artifacts</li> <li>Identify risks and risk interactions</li> <li>Document observations</li> <li>Validate observations with stakeholders</li> </ul>	<p>Collaborate with Deloitte SME and management to:</p> <ul style="list-style-type: none"> <li>Assess impact risks identified</li> <li>Develop risk ranking for each assessment area</li> <li>Determine areas of improvement</li> <li>Develop risk mitigation activities</li> <li>Draft recommendations</li> </ul>	<ul style="list-style-type: none"> <li>Prioritize recommendations and proposed initiatives</li> <li>Consolidate initiatives into an overall roadmap identifying short term and strategic goals</li> <li>Estimate level of effort</li> <li>Document Summary Report</li> </ul>
Deliverables	<ul style="list-style-type: none"> <li>Project plan</li> <li>Scope Boundary</li> <li>Customized Assessment Program</li> </ul>	<ul style="list-style-type: none"> <li>Workshop package</li> <li>Complete assessment program</li> <li>Preliminary Risks</li> </ul>	<ul style="list-style-type: none"> <li>Preliminary Recommendations</li> <li>Draft Report</li> </ul>	<ul style="list-style-type: none"> <li>Final Report</li> </ul>

# Questions?

## Contact info



**Khalid Wasti**

Director

Deloitte & Touche LLP

(212) 436-5156

[kwasti@deloitte.com](mailto:kwasti@deloitte.com)

**About Deloitte**

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee, and its network of member firms, each of which is a legally separate and independent entity. Please see [www.deloitte.com/about](http://www.deloitte.com/about) for a detailed description of the legal structure of Deloitte Touche Tohmatsu Limited and its member firms. Please see [www.deloitte.com/us/about](http://www.deloitte.com/us/about) for a detailed description of the legal structure of Deloitte LLP and its subsidiaries.