



EXPLORING THE NEW SOCIAL MEDIA FRONTIER

Opportunities abound for CPAs

By Cheri G. David, CPA, CVA

Have you been tweeted enough to finally get linked in? BTW, r u on FB yet?

Seems like just yesterday when Tom Hanks and Meg Ryan championed the concept of what it means when “You’ve Got Mail,” and only yesterday when Outlook synced with the Apple iPhone. Although the movie was released in 1998, in the fast-paced world of 2009, we now have “social media.”

Relationships are built upon personal contact and confidence. Social media is an extension of that relationship and, if used, offers numerous opportunities for CPA firms and respective client relationships.

Public accounting firms can lead their businesses and clients into the next generation of communication by using social media to bring a face to their firm, personalize the CPA-client contact and provide a media forum for discussion, dialogue and feedback. CPAs in business and industry can use social media to network, connect with current and past colleagues, find a job and more.

WHAT IS SOCIAL MEDIA?

As defined by Wikipedia (a free online dictionary), social media is a term “used to describe media which are formed mainly by the public as a group, in a social way, rather than media produced by journalists, editors and media conglomerates.”

In essence, social media is about people connecting with people without actually having a face-to-face meeting or telephone conversation. It’s about bringing groups with similar interests together over the Internet — and it is the way a younger generation communicates.

When was the last time you looked at the yellow pages to have your garage repaired? Social media connections allow users to more narrowly focus information. More traditional “push/broadcast” communications mass market to all groups to catch a few who may be interested. Social media is like a filter for “junk” mail, where users have control over their connections.

Dialogue, text messaging, globalized group forums



expressing opinions and sound bytes now offer more to a generation of people with the attention span for only 140 characters. Some of those popular social media forums include Facebook, MySpace, Plaxo, Twitter, LinkedIn, Flickr, YouTube and some less familiar names such as Mixi, Orkut, iLike, LivingSocial and Sagazone.

GROWTH BY THE MILLIONS

Social media, although relatively new, has been growing followers at an explosive rate since 2006. On January 7, 2009, Facebook (known as FB in shorthand) reached 150 million worldwide users and now boasts 350 million users. If Facebook were a country, it would be the fourth most populated in the world.

Twitter, a micro-blogging site, is growing too. According to James Norris at Mashable, an online social media guide, in April 2009 Twitter was "growing at a mind-boggling 2,565 percent.

In total, it reached more than 13 million people in the U.S. during that month."

SOCIAL MEDIA IS MAINSTREAM

Trying to keep up with the continuous changes in social media is mind boggling and may have you feeling like a neophyte who just landed in the blog zone. Don't be a dinosaur and get left behind!

As a CPA, you are expected by your clients to stay apprised of the latest developments. Did you know that the Internal Revenue Service (IRS) recently published Issue Number 2009-076, wherein the 2009 tax provisions of the American Recovery and Reinvestment Act are now available on YouTube and iTunes as a way to reach out to taxpayers? If the IRS can better serve taxpayers, then CPAs can better serve their clients using the same arsenal of available social media. ▶

The first step is to create your account and to begin using social media sites. By participating, following or becoming a fan of other sites, you can gain an understanding of social media functions.



An action plan for using that media may include posting the latest tax legislation happenings on your site as a blog or linking the legislative discussions on LinkedIn or Facebook. Creativity is what drives social media to be viral. The more creative and interesting your post is, the more people will read it, forward it and discuss it.

TEST THE WATERS

It's time to become a fan, watch webcasts and follow someone on Twitter.

The VSCPA now has group pages in Facebook and LinkedIn, and tweets regularly from its Twitter account, VSCPANews (see page 21). Even the *Journal of Accountancy* has joined these social media platforms.

The first step is to create your account and to begin using social media sites. By participating, following or becoming a fan of other sites, you can gain an understanding of social media functions. After following other organizations, you can then begin to add and create your own personalized posts.

Just like learning how to read the tax code takes time, so does learning how to use social media. Although social face-to-face networking can never be replaced by social media, your time allocated to that networking should now include time for social media.

For example, if you used to spend one hour a day on networking, now spend 15 minutes a day on social media and 45 on social networking. As social media continues to take hold, so will your time allocation.

Tweet your daily happenings or post links to business- or tax-related articles on Facebook. Remember to make your posts interesting and personal enough that they tell others who you are and what your firm represents. If you make your social media all about business, no one will be interested in reading your posts. Learning that you recently saw your daughter or son graduate from college or that you recently went on a great hike on the Appalachian Trail is interesting and could spark up a lively social media dialogue between you, your friends, your clients or colleagues from across the country!

CPAs are busy professionals assisting clients, managing workflow, employees, etc., but managing the future of your busi-

ness is critical as well. If the relationships are now formed, but formed in cyberspace, a firm is either going to jump on board or be left behind. The CPA-client relationship will always be predicated upon personal interaction, and social media is a part of that personal touch. It also can provide authentic unobtrusive interaction without pushing to uninterested parties.

Those who want to see what you are up to can, and those who are not interested do not have to.

BTW (that is "by the way" in text talk), did you know that almost everyone under 35 uses social networks? CPA firms are always looking for new and young talent to join their teams. As almost all upcoming accounting graduates actively use social media, the best way to reach them is through their styles of communication.

The next time a position is available, reach out to the new young talent and post the job opportunity as a tweet on Twitter or on Facebook, LinkedIn or firm blog news. Gone are the days of "wanted" ads in the local newspaper. Now social media is a growing avenue to post and target that talent.

A FORUM FOR FEEDBACK AND POSTING ETIQUETTE

Traditional published media is a permanent printed record. The difference is that often feedback of that printed media can take weeks, months and sometimes years. Social media, on the other hand, is viral and will provide instant results and instant feedback.

Social media connects generations, across state and country lines, and into the crevasses of the world. A Twitter feed that includes the words "tax" can instantly be tracked by any worldwide user following the subject of "tax." How's that for cross-marketing?!

Though CPAs can reap the benefits of the speed and efficiency of posting data or opinion, it can also come with complex legal concerns and staff restrictions, and could damage a firm's reputation with one derogatory client comment or negative post. It is important to be mindful of who is and/or may be reading your posts. Just as certain discussions in social face-to-face networking are taboo, so goes the etiquette of social media.

Draft a policy that addresses the use of

social media for your company and staff. Address the concerns of use, but do not ban use altogether. Doing so could isolate and alienate young ambitious talent that has grown up using social media to communicate. Embracing social media and finding a place for it in your firm will take careful planning and consideration.

The payoff is that you will provide an image to your clients and potential clients that you are a firm of the future with a progressive and forward-thinking attitude.

SECURITY ON THE WEB

Each social media site will ask for a profile of you and your firm. Take the time to complete those profiles, which will link you to others searching for those profiles and with the same interests.

Social media sites offer substantial control of how much or how little information you want for people to see or not see. In Facebook, you can even limit your friends from seeing your other friends. There are numerous security settings within social

media sites and firms should explore those security zones to protect firm image, staff and clientele.

THE NEW HUBBLE

Social media is like the spaceship Hubble hurtling through space. It's a way to explore new worlds and show us what those worlds look like. It brings forth pictures and connections for humans on earth from space that are colorful and amazing. Social media is bringing personalized information, images and sound bytes to our desktops and phones. New social sites are popping up daily and allowing us to connect with humans from across the globe.

Take initiative and leadership within your firm, find the young talent and bring technology to the forefront of your communications. CPAs who embrace the future of communication can utilize social media as a strategic advantage.

So, jump in ... get linked in, follow someone on Twitter and become a fan on Facebook! You'll be glad you did. □



Cheri G. David, CPA, CVA, is the owner/manager of Cheri G. David, CPA, CVA, PC, in Rockville. She specializes in small

business consulting, including tax and financial statement services, as well as valuation services focusing on multistate and local businesses. She is a member of the VSCPA Editorial Task Force. Contact her at cheri@cheridavidcpa.com, or connect with her at:

- www.facebook.com/people/Cheri-G-David/1355316339
- <http://www.linkedin.com/in/cheridavidcpa>
- <http://twitter.com/CheriGDavidCPA>

Exclusive Savings.
Without the firewall.



VA CPA members could get an additional discount on car insurance. Get a free quote today.

GEICO
geico.com

Discount amount varies in some states. Discount is not available in all states or in all GEICO companies. One group discount applicable per policy. Coverage is individual. In New York a premium reduction is available. Some discounts, coverages, payment plans and features are not available in all states or companies. Government Employees Insurance Co. • GEICO General Insurance Co. • GEICO Indemnity Co. • GEICO Casualty Co. These companies are subsidiaries of Berkshire Hathaway Inc. GEICO: Washington, DC 20076. GEICO Gecko image © 1999-2010. © 2010 GEICO