



CUSTOMER CASE STUDY

Using online communities to galvanize a workforce and streamline operations

When you drive business growth through acquisitions of independent companies, corporate communication challenges can reach a fever pitch. This is the story of a company's determined efforts to transform their decentralized operations into a single, streamlined business engine—and the role Social Business Software plays in that strategy.



Manheim, a subsidiary of Cox Enterprises, is the world's leading provider of vehicle remarketing services. The company impacts every stage of a used vehicle's life cycle, helping commercial sellers and automobile dealers maximize the full value of their vehicles. Manheim is the online vehicle remarketing leader, connecting buyers and sellers to the world's largest, most comprehensive wholesale marketplace through its extensive in-lane and online offerings.

Manheim provides its auto remarketing services across 130 locations in 19 countries on 5 continents. Established more than 60 years ago, the company brings together qualified sellers and volume buyers of used vehicles, including automotive dealerships, banks, car rental agencies, car manufacturers, and government agencies.

BUSINESS IMPETUS FOR SOCIAL BUSINESS SOFTWARE

Manheim has set the standard for buying and selling vehicles at live auctions and online. However, the economic downturn has affected used car sales as well as new car sales, and online trends have changed how customers expect to do business with Manheim. As a result, Manheim has begun making fundamental changes in operations and policies that require alignment and consistency across all locations and via online channels. Collaborative communication is key for designing and driving adoption for these new procedures.

SOLUTION FOCUS AND GOALS

Manheim decided to change its top-down communications approach and somewhat static intranet by moving to Social Business Software, a platform that would help employees collaborate and communicate to help centralize operations and cut costs. To do this, the company established three major initiatives: a pilot, a technical proof of concept that tests Jive SBS with SharePoint using the Jive SharePoint Connector, followed by the enterprise-wide launch of the new "social" intranet. (This case study follows Manheim through the pilot and technical proof of concept. Stay tuned for the business results following launch.)

JIVE SOCIAL BUSINESS SOFTWARE AT WORK—WITH SHAREPOINT

Manheim had SharePoint in place for some departmental processes, which triggered an internal debate around Jive SBS versus SharePoint. During 2009, Manheim piloted 14 communities using the Jive SBS platform and demonstrated the value that community-building can bring to aligning employees to business goals and engaging them in driving results. The success of this pilot led to Manheim testing an integrated solution that leveraged the strengths of both Jive SBS and SharePoint: using Jive SBS to build community around people and conversations and using SharePoint to organize workflows, calendars, lists, and documents.

As a result of this proof-of-concept initiative, Manheim began building the integrated solution to replace their static intranet by the summer of 2010. Manheim will use Jive SBS as their home for global corporate content and for conversations and collaboration among 15,000 users. They will use the SharePoint platform as the back-end for workflow management, document management, and community calendars.

BUSINESS VALUE DELIVERED

Strategically, Jive SBS has enabled Manheim's staff at geographically-diverse locations to operate as a single team with common goals. The Jive SBS platform, which the company has kept branded as Main Street, will serve as the primary communication vehicle between corporate headquarters and regional field locations as well as a key way for managers across the United States to communicate with one another.

Early statistics following the initial deployment of the pilot showed that active intranet users have grown from 35% to 66%, reflecting a more engaged workforce focused on common business issues. In addition, the ability to immediately broadcast marketing promotions, critical levers for revenue generation—rather than waiting two weeks to be processed over the intranet—positively impacts time-to-revenue because the promotions get to market faster, which makes their selling customers happy. Their community approach to communicating has already helped Manheim see faster adoption to newly-standardized processes.

THE BACKSTORY

How Manheim leveraged Social Business Software to transform their business model

With the auto industry facing some of its biggest changes in decades, Manheim recently undertook a management review of its business processes in an effort to simplify operations and create efficiencies across locations. It wasn't a pretty picture: 76 locations in North America translated to 76 different versions of policies and processes. With the ability of customers to cut and run when they are online, Manheim knew that multiple processes for common tasks like checking in cars were not effective for the online sales channel.

To address these needs, Manheim embarked on a strategic initiative to transform their well-entrenched decentralized operations to a more-standardized business model that streamlined processes and offered a consistent customer experience across sales channels. The focus of the initiative: instituting a culture of collaboration and communication that would allow them to revamp a number of their core processes and roll them out consistently across locations.

"To help employees understand how a more standardized business model affects our company and their roles, we knew we needed to communicate well," says Jennifer Bouani, Manager of Interactive Communications. "We also needed to foster a collaborative approach to help managers understand the strategy, adopt changes, and communicate the appropriate information to their employees."

IDENTIFYING THE FIXES THAT NEEDED TO BE MADE

Making this vision a reality was a challenge. The small corporate communication staff needed to communicate frequently and quickly to 30,000 employees. However, the intranet had a two-week message bottleneck and a large number of corporate messages competed for the attention of their auction managers of whom only 30% were active on the intranet. In addition, with employee travel significantly reduced due to cost-control needs, managers had fewer opportunities to share ideas and best practices in person with their counterparts. The company also faced challenges in keeping employee profiles current. "When titles and departments aren't correct in the company directory, employees can't easily find decision-makers, thought-leaders, or the go-to person they need," says Jennifer.

TESTING THE METTLE OF SOCIAL BUSINESS SOFTWARE

Manheim formed a communications intranet team to tackle these challenges. "We wanted to know how web 2.0 technologies might help us solve these problems," remembers Mike Lang, Vice President of Change Campaigns and Communications. "Could Social Business Software help us transform our intranet into the first place employees go to get answers to their questions and the information they needed?"

The project team thought it might. They put together a list of 500 requirements, which they then boiled down to 12 "must have"



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MANHEIM, MANAGER OF INTERACTIVE COMMUNICATIONS

features and functions. And then they ranked those 12 by business need. "We were definitely methodical!" Jennifer says. Narrowing the vendor list was simply a matter of adding up the numbers. After evaluating 40 vendors, the team asked six to demo their software.

JIVE SOFTWARE COMES OUT ON TOP

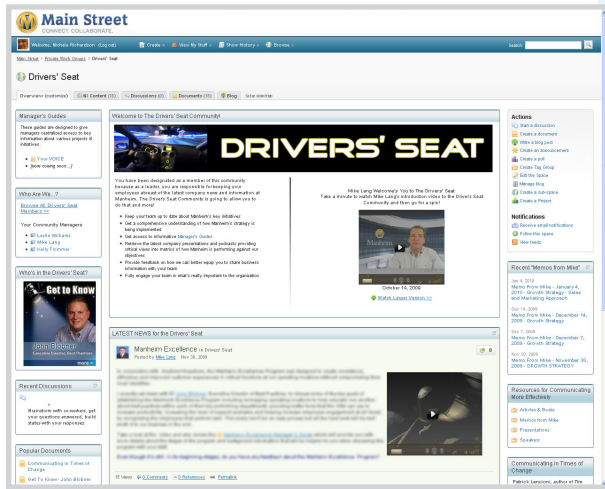
"A number of factors played into our selection of Jive," reports Mike. "These include Gartner's positioning of Jive among the leading visionaries in their 2008 Magic Quadrant for Social Software and Forrester's citation of Jive as a market leader in Community Platforms in 2009."

What put Jive over the top? "We really like how easy and inviting the user interface is," says Jennifer. "That made our job of getting non-technical business managers to contribute key content much easier."

CONVINCING MANAGEMENT THIS WAS THE RIGHT PATH

Identifying the right technology and the right vendor was only the first of the team's challenges. "We're not a technology company, and many of our executives were only vaguely aware of the current intranet, what it was used for and who used it," says Jennifer. "Convincing them of the benefits of a 'social intranet' was one of the hardest challenges we faced."

The team decided that the best path was a pilot intranet



Community leaders in action on Manheim's community, Main Street.

powered by Jive Social Business Software to demonstrate how a transformed intranet could help the company achieve its change-management messaging goals. They chose a cross-section of 600 employees representing four key manager groups—4% of their total intranet population—to participate in the pilot.

“Our primary goal for the pilot was to demonstrate to senior management the business benefits of a ‘social’ intranet,” says Jennifer. “Subsequently, we planned to use the results to get approval from the executive committee to purchase the full suite of licenses for all the members of our employee population who had intranet access, around 15,000.”

THE TEAM HITS A HOME RUN WITH THE PILOT

User participation in the pilot was a key metric for the team, doubling the number of users who visited the “social pilot” versus their intranet. Approximately 65-70% of community members visited their new communities monthly during the pilot period, compared to 30-35% of users visiting the static intranet at least once a month. The results were overwhelmingly positive:

- Vibrant online business communities came alive—growing from 4 to 19 communities in 6 months—bringing geographically dispersed managers together to discuss the changes happening and get answers immediately. Word about the communities’ successes spread, creating a high demand for more communities.
- Key, targeted messages and information were broadcast immediately rather than languishing in a 2-week bottleneck.
- Employees enhanced their internal networks by gravitating to the people-connecting tools available in the new pilot platform by browsing the new company directory, taking ownership of their online identities, and connecting with colleagues.
- The new platform gave business managers quantitative

results for their communications (number of views/number of comments), something they never had when they used group emails.

In addition, the team had detailed metrics to substantiate all of those positives to the executive staff.

“We felt that the pilot results showed Manheim employees were ready to adopt online collaboration and business managers were eager to embrace the new site as a key method for communications around our changing business model,” says Jennifer.

THE SHAREPOINT CONUNDRUM

But there was one more challenge to be addressed. A contingent of vocal SharePoint advocates couldn’t see the need for another platform. What followed was a protracted and typical debate between Corporate Communications and IT.

“As painful as that was, it probably was necessary,” Jennifer recalls. “In the end, we recognized and respected our philosophical differences about what constituted community in our particular operating environment and came together to create an integrated, and more powerful, solution.”

INSTANT ROI—AN UNUSUAL PATH

An online community makes it easy to share information across Manheim locations. In the course of a few early online conversations, several assistant general managers at different field locations became suspicious of a customer’s business practices. As a result of these conversations, they were able to deduce that the customer was misusing the company’s arbitration process—at the cost of hundreds of thousands of dollars a year to the company. The head of Operations reported that this single action paid for all of the company’s investment in Jive SBS—and then some.

“‘Community’ in SharePoint,” explains Jennifer, “is process-centric and document-centric while ‘community’ on the Jive-powered intranet is people-centric and conversation-centric.” The integrated solution will use Jive SBS as the home for global conversations and collaboration among 15,000 users, and it will feature top-down corporate content and news, activity feeds, targeted communities, enhanced profiles, multimedia, and connections. The SharePoint platform will be home for around 1,500 home office users and Human Resources managers and will support workflow management, document management, and community calendars.

Integration points between the two systems include the SharePoint Community Calendar, Lists, and Documents, which are served up within Jive SBS using Jive’s SharePoint Connector. Manheim will still use the Jive wiki documents, but lean on SharePoint to store binary documents and more specifically documents that require one of the following:

- Association with workflow

- Expiration/retention
- Must live in one place – but publish to multiple areas
- Advanced version management
- Archival
- Audit trail

“Our approach is to make the intranet a place where employees want to go,” says Jennifer. “It leverages human nature. Most people don’t get too excited about connecting to documents and forms. Instead, they are passionate about connecting with other people, especially those that they trust and with whom they share common goals and interests. This principle is fundamental to the rising success of Social Business Software because employees are able to learn quickly who to go to, who’s willing to share, and who to trust. As a result they are more willing to share their information, which is a win-win for all.”

MANHEIM LEVERAGES JIVE SBS ACROSS ITS ORGANIZATIONS

Manheim is currently using Jive SBS for a variety of business uses:

- Business managers use their blogs to efficiently communicate strategy and goals to staff, ask for feedback, and answer questions.
- Employees aggregate corporate news via personalized RSS feeds.
- The financial organization communicates updates and gets feedback on processes and procedures for the company’s new financial system.
- Marketing departments generate discussions around marketing techniques and share best practices.
- HR managers across locations are collaborating on a new, universal employee handbook.

INSIDE THE PEOPLE STRATEGIES COMMUNITY

In just a few short months, the People Strategies Community is already seeing the business benefits of building a community to link Human Resources managers in the field to each other and to home office:

- Eighteen HR Managers gave input into what they’d like to learn, see, and do at a proposed HR Development Event.
- A team of HR Managers are using the community to collaboratively develop next year’s Employee Handbook.
- HR Manager feedback inside the community was used as a powerful tool to negotiate with a vendor.
- HR Managers are staying in the loop with Manheim’s direction and strategy via a weekly executive blog that puts it into the context of their role.

“In response to the feedback on the PS page, we hosted two webinars with Barnett to refresh on Barnett’s procedures, processes, and contacts, particularly those processes that are different from those of our previous provider,” says Michele Anderson, Director of Employment Practices. “As a result, I think the field’s understanding is better, and we also have a better internal communication process for escalating concerns.”

INSIDE THE MANHEIM EXCELLENCE COMMUNITY

Manheim Excellence is an internal initiative to take the best of the company’s field operations, optimize them, give recognition, and then use them as a model for other field locations. The Manheim Excellence community invited 500+ location department managers to join in the online conversations and resources. Their community approach to developing best practices for operations is already helping Manheim see faster adoption to newly-standardized processes (and cleaner, more accurate reporting).

ABOUT JIVE

Jive frees people to engage in open, natural business conversations and workflows that typically are trapped inside of emails, phone calls or meetings.

As the leading enterprise-class suite of SBS applications for Global 2000 companies and governments, Jive’s collaboration software and community software solutions are the first to effectively manage employees, customers, and partners on a unified platform built for tens of thousands of users and millions of page views.

jivesoftware.com

Jive Software
915 SW Stark St.
Suite 400
Portland, OR 97205

U.S.
1-877-495-3700
International
503-972-6143