

SOCIAL MEDIA COMPLIANCE (PART 4 OF 4):

by [Steve Brown](#)

This is part 4 in a series with Clara Shih and Ally Basak Russell of Hearsay Social. Hearsay Social specializes in social media marketing and compliance for some of the largest banks in the nation. This week they focus on monitoring bank employees' social media usage.

BID: What types of communications must be monitored by banks? Ally: Any communication that can be broadly interpreted as an advertisement must be monitored. Regulators define an advertisement as any message, in any medium, that is designed to attract public attention or business to a product or service. Banks are also required to archive customer complaints about loan applications (Reg B), deposit accounts (Reg DD/Truth in Lending) and credit transactions (Reg Z/Truth in Savings) made on social media sites. Simple phrases like "fixed APR" could violate these acts if posted on your bank's social media site to advertise loan products. Because of the punchy nature of social media and character limitations, there simply isn't space to post the disclaimers or definitions that these regulations require. Even if you do provide enough context to meet the regulations, you'll probably lose the reader. For this reason, APR and interest rates are better left to other advertising forums.

BID: How often should posts and tweets be monitored? Clara: This depends on how active a bank's social media program is. For an active bank, we recommend scanning for inappropriate content, capturing and archiving posts several times each day, as company and employee Business Pages can change dramatically from morning to afternoon. We also recommend tasking social media staff with monitoring corporate Page to address customer questions, complaints and praise. Social media users expect prompt responses; a response time over 30 minutes is too long. You can link your email account to your social media accounts to receive alerts any time a new post or tweet surfaces to ensure a quick response time.

BID: What staff and technology are needed to monitor employees' social media usage? Clara: Again, this depends on how active and widespread a bank's social media initiative and activity is. Most community banks can get by with just a couple hours of effort a week. However, a bank that manages multiple communities on multiple platforms and handles marketing, sales plus customer service might need a group of full time dedicated employees. Here, technology is required to not only keep costs down, but maintain both focused management and compliance. Many of the social media compliance tasks that previously required multiple employees can now be automated through a platform like Hearsay Social. In the past, local bank branches had employees search for relevant content and then sought approval from the corporate compliance department before it could be posted. Now, best practices have evolved that decentralized employees, like those in various branches or departments can choose compliance-approved content from a library and simultaneously post on Facebook, Twitter and LinkedIn with one click. Similarly, companies previously had employees take screen shots of the corporate Facebook Page every few hours and then save and archive them as PDFs. Now, technology products capture and archive the content on all registered social media accounts automatically.

Editors Note: While this concludes our 4 part series, we look to cover additional topics in bank social media on an ongoing basis.

BANK NEWS

Lower GDP

Despite lower household debt levels and stronger business balance sheets, a drop confidence and lower business activity has led Moody's to lower its GDP projection to an annualized rate of 2% in the 2nd half of 2011 and just over 3% next year (compared to 3.5% estimated last month).

ING Checking

The electronic bank finally acquiesced and started sending out checkbooks this week to customers that just can't live without paper. Previously, customers could only send a check through bill pay. In a new twist, ING created a security process that requires the customer to authenticate each book of checks similar to a new credit card.

Audit Rotation

The Public Company Accounting Oversight Board proposed a mandatory rotation of audit firms. Great idea in concept, but we are fairly certain that few on the PCAOB have ever experienced the hassle of getting a new auditor

NAME CHANGE

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