College of Business Book Review for Asheville Citizen Times by Michael Thomas

Title: “The Facebook Effect”

Author: David Kirkpatrick

Publisher: Simon & Schuster Paperbacks

Length: 372 pages

Price: $16.00

ISBN: 978-0-7506-8399-9

Reading Time: 10 - 12 hours

Reading Rating: 8 (1 = very difficult; 10 = very easy)

Overall Rating: 4 (1 = average; 4 = outstanding)

Written by Fortune magazines’ main tech writer in New York, David Kirkpatrick, “The Facebook Effect” is the amazing true story of Facebook from its humble beginnings in a Harvard dorm room in 2004 to its enormous size and impact on society today. The author first met Facebook CEO, Mark Zuckerberg Summer of 2006, from that and subsequent meetings he became interested in writing a book about the company. With cooperation of all Facebook personal and multiple interviews with the CEO and other current and former employees of the company, as well as other industry observers and an extensive literature review, David Kirkpatrick has created a fascinating history and profile of the fastest growing company in the world.

This book is important reading for any business student on so many levels it’s hard to quantify them all. For a start it looks at the philosophy and focus of the young CEO, Mark Zuckerburg. His passion for creating a true social network, one that openly and honestly tries to create a space for empowering the individual is a theme that runs continually through the book. From an entrepreneur viewpoint it follows the development of the company from a small operation to a global operation which has in late 2010 more than 2000 employees and 700 million users. Most importantly it shows how the original founder kept the company private and kept control despite repeated attempts by global giants, (amongst them Microsoft and Google) to buy them out.

From a marketing perspective it reviews how a focus on continual development and improvement of the product and not on making money has led to the point where the product itself is now changing the way companies do business and their advertising. Currently, this means that Facebook now generates an estimated 1.3 billion in revenue for 2010. The importance of team work and luck are apparent throughout the story. Mark’s ability and/or luck in recruiting a team of people both in the early days and now with the required complementary skills needed to move the company forward.

The impact of social networking in the world both socially and politically is also discussed. Impacts where Facebook is now changing how politicians in western countries communicate with their electorate (2008 US election - Obama’s use of the site to create volunteer groups) and where people from countries where oppression has occurred for many years can now use the site to organize and create real political change. The book also raises as many questions as it does answers. For instance, how long can the company remain private? How long can it keep operating before governments become concerned with its power and try to shut it down? How much transparency should be allowed to private individuals?

In writing this book the author has done an amazing job creating not just an extremely interesting business history but also a book which shows us the profound changes that Facebook has already made to society while asking the questions about where this will all lead. As a story of business development, entrepreneurial activity, marketing savvy, team building or social change this book is a must read for all business students, business teachers and, business people generally.

Michael Thomas, an associate professor in the College of Business at Western Carolina University, teaches full-time in the totally online Master of Project Management Degree Program. For more information on this degree program, visit the Web site at http://mpm.wcu.edu

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