

The 5 Big Ideas of Enterprise 2.0

Ethan Yarbrough, Allyis Inc.

1. Enterprise 2.0 is about context not just content

If all you care about is storing content then just create a shared folder on the network, stuff it with documents and call it done. But what are you going to do when the number of documents in that share gets into the hundreds or thousands? Soon you'll have so much content it won't be useful to anyone anymore because they simply can't find it. Because social media is about opening yourself to the whole planet, listening in on ideas and then building community with those people who are saying things that are most relevant to you, social media can help make sense out of information chaos inside business too. The trick is to use the tools of social media (Web 2.0) to make your business -- your enterprise -- Enterprise 2.0. If you're being overwhelmed by the amount of content stuffed into file shares and peoples' brains and your inability to access it efficiently you need to use social media principles to make that content accessible "in the flow of process" so that it "bubbles up" to the people for whom it's relevant when they need it. I've talked about **tagging, rating, and bookmarking** as tools that are useful in this context, but add wikis and blogs to the list too because you can use them to move your organization out of the information avalanche that is email and onto tools that let you create more "durable content" -- that is, stuff that doesn't get lost as volumes increase, stuff that can be filtered for relevance and stuff that fosters the creation of community and collaboration, which in turn lead to creation of new knowledge and innovation.

Here are some quick takeaways on the topic of content VS context:

- Community grows from relevant context -- when employees are able to find each other in the context of content or conversations that are mutually relevant, they connect, they collaborate and they deliver value to the organization.
- Viable networks always expand
- "Extend the edge of connectivity" -- let groups connect beyond the boundaries of their own departments or work groups -- you never know where the next great idea is going to come from, you *need* the next idea before your competition, so open up the system to let more ideas in
- Give employees transactional ability about their own information -- let the grass roots determine what is important, when it's important, and to whom its important. Editorial gatekeepers limit your ability to achieve the network effect you're after.

2. Enterprise 2.0 Should Replace Processes, Not Add More Processes:

Emphasizing efficiency in business operations is just good sense; the idea isn't unique to Enterprise 2.0. But the social media tools of Enterprise 2.0 can advance your efforts to build greater efficiency into your organization. They can, for example, empower your employees to direct their own efforts from the bottom up, to build work groups organically on their own, to drive knowledge management and collaboration through processes of their own creation without top-down structural imposition. They can introduce greater openness to your organization, empower people to contribute across barriers of department or job description; they can improve management's ability to share information with employees by making that information, easier to produce, easier to find and easier to interact with.

But Enterprise 2.0 tools can just as easily overburden your employees with too much process if your approach to introducing them is to simply overlay Enterprise 2.0 on top of the existing structure of your business operations and demand that employees integrate the new tools and processes into their work days along with the tools and processes they're already using. Many an Enterprise 2.0 implementation has failed as a result of employees finding themselves crushed under the weight of process-overload. More than one speaker at last year's Enterprise 2.0 conference admonished us not to introduce Enterprise 2.0 to our companies in an ad hoc fashion. Instead, they said, have a long term strategy before you start. Know where you're heading before you start moving?

The reporting of project status by employees to management is an important communication requirement within any business, and we're no different. At the time of last year's conference, we employed a process in which employees reported status by filling out a Word template and emailing it to various email aliases. Recipients of the email could then respond also through email or by adding revision comments within the status document and sending that back as an attachment. Without getting too bogged down in what was wrong with that process, let me just say it was fraught with difficulty:

- If every manager made their own comments in the status document, the employee could have 5, 6, 7 versions of their report to reconcile.
- After the initial send, if anyone replied without replying all, then every further communication on that topic dropped out of the group's view into the silo of one-to-one communication
- Because everything was in email, the information delivered in the status reports (and the ideas generated in the conversation in response) was not durable -- it easily got lost in the recipients' in boxes.

Admittedly, we had a knowledge management challenge on our hands -- a fairly common one, I think.

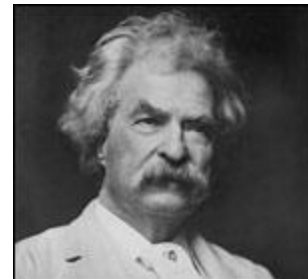
So, when my colleagues and I heard, at the Enterprise 2.0 conference, about using the tools of social media to improve communication within a business, we got very excited. We began talking about adding Wikis and blogs so teams could build durable knowledge bases, we talked about building collaboration environments so teams could share experience with each other, find peers of matching skill set, and improve information sharing horizontally within the organization. But as we talked, we came to recognize that, though the potential impact of those tools is positive, the use of them does represent both time and effort for employees. We had reporting processes in place; we were hearing about new

processes we wanted to experience. But we had to recognize that we, as management, had to make a choice: Ask employees to keep on with the old processes or ask them to stop the old in favor of the new. But we could not realistically ask them to try to keep up with both.

At its best, Enterprise 2.0 either fills gaps in your information sharing processes, or fixes the fail points within existing processes, to improve knowledge management efficiency. At its worst, it piles on as just additional tasks, divides employees' attention and effort and increases inefficiency. Improperly implemented, Enterprise 2.0 becomes about doing **more things**; it should be about **doing things better**.

3. Simple Wins

"All the other inventions of the human brain sink pretty nearly into commonplaces contrasted with this awful mechanical miracle. Telephones, telegraphs, locomotives, cotton gins, sewing machines, Babbage calculators, Jacquard looms, perfecting presses, Arkwright's frames – all mere toys, simplicities! The Paige Compositor marches alone & far in the lead of human inventions."



That's Mark Twain talking about the machine that almost bankrupted him, [the Paige Compositor](#), an automatic typesetting machine invented by James Paige in the 1870's. The Paige Compositor excited Twain because in its first iteration it could set type 4 times faster than by hand and in a later iteration was able to set it 16 times faster than by hand. Twain invested, by some estimates, nearly \$300,000 in the compositor because he was a technophile and he saw the great potential for a publishing revolution if the compositor could be made to work.

Unfortunately it didn't work. For one very important reason: it had 18,000 moving parts! It was impossible to keep every part working long enough for the compositor to ever be a viable tool. In the quote above Twain derides "telephones, telegraphs,...sewing machines" because of their simplicity, overlooking the fact that it was their very simplicity that helped make them successes.

There's a lesson there for all of us involved in architecting and implementing Enterprise 2.0 solutions for business and it's the third key takeaway I want to highlight from my 2008 Enterprise 2.0 conference notes as I get ready for Enterprise 2.0 2009: SIMPLE WINS.

At the Microsoft Strategic Architect forum last November I attended a break out session about Twitter in which one person pointed out that if Twitter had been designed in a traditional software architecture process it probably wouldn't work. Twitter does work, the group contended, because of its very simplicity. Join it, leave it, find people, and follow people asymmetrically with little or no governance. It doesn't make sense, but it doesn't have too: it just works.

The challenge when introducing an Enterprise 2.0 solution into a business is always that of adoption -- will people use it? People will use it if it's relevant to an existing need and if it works. What we need to remember when we're developing Enterprise 2.0 solutions is to focus as sharply as we can on an identifiable need within the organization and solve that problem. Don't solve problems that don't exist, don't add procedural steps that don't improve employees' abilities to succeed. Start small, that's OK. Start small and iterate. As new needs arise, solve them, add features as they become necessary, but let need drive solution and put the solution to the problem at hand front and center, make it accessible and make it work.

This has become an apocryphal story now, but it's true: as a speaker at last year's conference pointed out, one of the most successful Web 2.0 tools ever developed was the original Federal Express package tracker. It had one form field and a submit button and it started a revolution. It did one thing: it told you where your package was at any given moment. It addressed a singular but acute need. It eliminated multiple steps with one step. It moved power from the company to the customer. It could not have been simpler. It just worked.

As one of my colleagues here at Allyis, Ken Efta, has said about planning Enterprise 2.0 solutions: "Don't try to boil the ocean. Start small and then iterate." Good advice. Simple wins.

And now, because it's fun, here's a list of things I thought of that we all use all the time that are simple as can be, but just work better than any more complex competitor that has tried to replace them. They're not all technology items; they're just things that, as simple as they are, remain the best in their class at addressing need:

1. Google
2. FedEx Package Tracker
3. Twitter
4. Hammer
5. Debit card
6. Q-tip
7. Books
8. Chocolate Chip Cookies
9. Blogger
10. Flip camera
11. Jeans
12. Toothbrush
13. Post-It Notes
14. iPod

What would you add to the list? Look around your daily life, it is fun to realize the simplicity of the things we rely on the most.

4. **Enterprise 2.0 = Retention = Success**

Social media in business. There's a lot of talk about that topic -- I've attended three conferences about it in the last week in Seattle alone. As I've listened in on the presentations and conversations I've heard people trading ideas for how to leverage Twitter to extend their brand, how to build Facebook communities to engage with customers, how to establish blogs to demonstrate their thought leadership or to inform consumers about product developments and, then, how to tag those blog posts to garner the best search engine positioning to increase brand awareness.

Those are all valid uses of social media in business, but you'll notice they're all focused on projecting the business outward. Ideas like those above should be part of your social media strategy, but too often businesses make them the whole social media strategy. In doing so, they leave a big hole in the picture that social media can paint for a company. Namely, the role of social media inside the business to help the business gain competitive advantage in the knowledge economy. Now, when I talk about the knowledge economy, I'm using the definition [presented here](#) - an economy in which knowledge is a tool, where "expertise and know-how are as critical as other economic resources", where what your company knows and how efficiently you can access it to fuel innovation is your primary competitive advantage.

That's the economy we now find ourselves in. No longer an agrarian economy, no longer an industrial economy, no longer an information economy, now it's the knowledge economy. Now what you know and how quickly you can put it to use is the fundamental driver of your business success.

Within this new knowledge economy, Enterprise 2.0 (social media applied inside the business) is a critical contributor to business success. Enterprise 2.0 yields competitive advantage by breeding retention. Here's what I see:

There are two kinds of retention businesses should be focused on: of employees and of knowledge. Enterprise 2.0 addresses both.

Enterprise 2.0 and Employee Retention -- At last year's Enterprise 2.0 conference in Boston, Pete Fields of Wachovia outlined how adding wikis, blogs, IM, and social networking improved employees' engagement levels by providing them a means for input; something they craved and even expected. The result was improved retention levels, especially among younger workers, something that all businesses should take note of (Wachovia's subsequent fate notwithstanding). I was lucky enough to be there at last year's conference to see Pete's presentation; you can read an [InformationWeek article about it here](#).

Enterprise 2.0 and Knowledge Retention -- Enterprise 2.0 also contributes to the retention within the organization of the knowledge that would otherwise walk out the door with retirees -- an issue of growing relevance to all companies now that the 80 million baby boom generation workers are reaching retirement age and an issue given even more acute importance by the economic collapse and the corresponding need to quickly reduce staff. Reducing staff without capturing what they know is like burning money. Enterprise 2.0 solutions like those mentioned already (wikis, blogs, etc) give employees places to record what they know before they go. Once the knowledge is out of their heads, it takes on

new life as a durable, accessible resource to the company. And not a static resource either, a living resource. Because the knowledge resides in social media tools, users of that knowledge -- other current employees as well as future employees -- have the opportunity to add to the body of knowledge, to add their ideas, to highlight and promote the most useful knowledge and in so doing, to generate new and better knowledge unique to their organization.

I mentioned that Pete Fields spoke about young employees *expecting* to have social media applications available within the workplace on which to collaborate and offer their input. That's a point not to be overlooked as we move deeper into the knowledge economy. Employees use social media all the time in their personal lives outside of work, the youngest of them have grown up using social media all their lives -- it's not a hobby, it's a basic element of how they find one another, communicate with one another, think, research, and write. They do it socially and asymmetrically and it's artificial to expect them to leave that at the door when they enter the workplace. Since these social media practices are not hobbies but are central to how these younger workers operate, asking them to leave social media behind and work according to traditional models is akin to asking them to work in a language other than their native language. In addition to the retention benefit outlined above, then, incorporating social media practices inside the company helps companies access the full expertise of their next generation workforce and that translates into greater success in the new knowledge economy.

Finally, as some additional background, I came across [this slide presentation](#) by Oracle's Michael van Woudenberg. Of particular interest to me was this data about how businesses are using these social media practices internally today:

Managing knowledge -- 83%
Fostering Collaboration across company -- 78%
Enhancing Company Culture -- 74%
Training -- 71%
Developing Products or Services -- 67%
Internal recruiting -- 54%
Other internal -- 12%

Source: July 2008 McKinney Quarterly Survey on Web 2.0

5. Organizational change through Enterprise 2.0 is incremental. It's a glacier, not fireworks.

Though this one comes at the end of the series, this 5th big idea of Enterprise 2.0 is really the first thing you have to come to terms with if your company's Enterprise 2.0 efforts are going to succeed.

At my company, Allyis, we help companies design and implement Enterprise 2.0 solutions that improve their collaboration, knowledge management, business processes and business insights, and yet even for us the move into Enterprise 2.0 has been uneven and marked by both success and failure. Enterprise 2.0 is an abstract concept, the benefits of it are hard to sell because it is more about practices and cultural principles than it is technology. It's about more openness in your organization's decision making, it's about more democracy in the formation of policy, it's about improved discoverability of knowledge and

the benefits to the innovation process that can accrue because of that, it's about more effective social connections between employees that then facilitates better collaboration. In this [must-read post at FastForward Blog](#), Yuri Alkin crafts this analogy for explaining the difficulty of convincing some organizations of Enterprise 2.0's value:

"A thirsty person doesn't care about the ROI of buying a bottle of water – and even paying a premium for it. But try selling to him a cute new gadget – and you better have some very good supporting arguments on why it's a smart way to invest a single cent...Because, in a Benjamin Button fashion, many customers – often encouraged by enthusiastic sellers – think about E2.0 backwards, starting with tools instead of concentrating on specific business problems."

Too often, in Yuri's estimation, pitching the benefits of Enterprise 2.0 remains too abstract for organizations to really understand the benefits and so it amounts to pitching gadgets to people who just want the bottle of water. I want to alter that metaphor a bit to really underscore this point: Tell a thirsty person to buy water and chances are they will. Tell the non-thirsty they should drink 8 glasses of water a day for the general purpose of better health, and you'll struggle to get uptake on the idea.

Yuri's point that we should start with a focus on specific business problems is the key to making Enterprise 2.0 succeed in any organization and that idea is validated by the Pete Field's example I recounted at the beginning of this post. Wachovia's specific communication challenge was both an opportunity to increase their Enterprise 2.0 efforts and a catalyst to its deeper acceptance within their organization.

So what do you do if you want to successfully move your company down the Enterprise 2.0 path? Slow down your expectations: with the 5th Big Idea always in mind, don't expect sudden, wholesale acceptance of the idea. And with that and Yuri's idea in mind, don't cast Enterprise 2.0 across the organization all at once. Find the specific problem, something that people are trying to connect about already -- maybe it's a high-level corporate communication, but I've even seen Enterprise 2.0 elements take root first by connecting people around, video gaming and happy hour. Find people who want to connect, collaborate, gain insight, build some Enterprise 2.0 capabilities to make it easier for them. They will begin to feel the beneficial impact of that; they will have first-hand knowledge showing them that the ideas are not just abstract; they'll be more inclined to accept future Enterprise 2.0 efforts as a result. And as more and more employees feel the benefit of Enterprise 2.0 first hand they'll start innovating solutions of their own. As in the Wachovia example, they will lead your organization to the tipping point.

Please visit our [website](#) and [blog](#) for more information and resources.