



Enterprise 2.0 - Enter the dark force



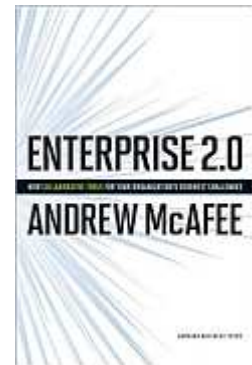
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More than ever, Enterprise 2.0 is the talk of the town. However, the discussion remains difficult due to a continuing bias towards tools and technology. Therefore, an attempt for a real look at the internals of Enterprise 2.0, the dark forces of collaboration.

Introduction

Over the past weeks, following the Enterprise 2.0 conference in Boston, our feed reader and Twitter inboxes were flooded with Enterprise 2.0 related stuff.

In the margin of this, Andrew McAfee, who initially coined the phrase "Enterprise 2.0", announced his new book, titled "Enterprise 2.0, New Collaborative Tools for your Organization's Toughest Challenges". The first chapter of the book can be downloaded [here](#) (registration required.) However, the book itself will only be available in December, but a Facebook group has been started to push the publisher (Harvard Business Press) towards an earlier release date.



According to the blog posts and tweets, the Boston conference was a big success. The interest in Enterprise 2.0 is growing and an increasing number of companies are claiming successes.

Still, an uneasy feeling remains. Enterprise 2.0 evangelists continue having a hard time convincing management of the potential business value and the claimed successes are not always the business transformations we were hoping for. The Promised Land seems within reach, but few can really articulate how to get there.

Of course, we have a growing number of guidelines of how we should approach this phenomenon. In general, they include the usual suspects such as using "evangelists" or "change agents", securing the buy-in of management, aiming for initiatives that can allow for a "quick win", "adoption" instead of "implementation", etc.

Apart from a few exceptions, this is the usual list of recommendations that we have seen in the past for disciplines such as change management, innovation management and other BPM exercises. None of these have a track record of achieving a high rate of success.

Therefore, we fear that there is something more fundamental that is blocking the dramatic transformation that we are hoping for and therefore, we'll have a closer look at the internals of Enterprise 2.0: entering the dark forces of collaboration.

Systems thinking

Now, there are many things that make that we are a bit disappointed with the current state of the Enterprise 2.0 rollout, but the main reason certainly is that expectations were set too high.

According to Andrew McAfee, Enterprise 2.0 is the use of emergent social software platforms within companies, or between companies and their partners or customers. Some more details on the expression "emergent social software platforms" can be found at [McAfee's blog](#).

As such, this seems a very reasonable definition. Unfortunately, while coining the 'Enterprise 2.0' phrase, McAfee also explicitly linked the still nascent Enterprise 2.0 concept to the already flourishing Web 2.0 paradigm. In fact, using the "2.0" suffix implicitly suggested that Enterprise 2.0 might deliver to the enterprise similar advantages of growth, collaboration, engagement, innovation, etc. as seen previously in the Web 2.0 space. With the viral successes of some Web 2.0 initiatives in mind, it was normal that we were all hoping to replicate some of this within the enterprise. At that moment, the hype was born.

In addition, the definition focuses too much on the tools and the technologies as the vehicles that can deliver Web 2.0-style advantages. In reality, the tools and the technology in Web 2.0 are only enablers. The real essence of Web 2.0 are interactions between individuals. Enterprise 2.0 is no different.

So, the main problem in the past Enterprise 2.0 debate is likely a lack of systems thinking. We do not look at the complete picture. We do not articulate clearly enough how causes and effects are linked to each other. Consequently, our view on the phenomenon remains incomplete and we do not see some of the obvious reasons that make that Enterprise 2.0 is not the homerun we were hoping for.

In order to correctly understand what Enterprise 2.0 really can be, it is important to understand the complete picture of Web 2.0 and not only the tools. We have to correctly understand the "system" behind it. And then, we have to understand where the enterprise is different.

It is about the individual

In essence, the Web 2.0 meme is extremely simple.

The essence of Web 2.0 are individuals who make use of some form of technology (wiki, social network, etc.) to gain *a personal advantage*.

With Web 2.0, we are always talking about social networks, social media, collaboration, but in reality, the main driving force of the social web is not social. It is selfish personal interest. People want to participate because it fulfils some of their desires. This can be a desire for contact, self-expression, self-promotion, recognition, escaping the daily rut, whatever. However, *always because they want to*, because this participation delivers a direct, personal benefit.

When multiple individuals participate using the same platform, interactions will occur. The individuals can/will mutually influence each other's experience and this will result in "something", in some kind of side-effects. It will create a new context for each participant that will influence the willingness for further participation. In addition, once a platform reaches a certain level of participation or starts delivering sufficient "side-effects", this can become the reason for non-participants to get attracted to the platform anyway. But, of course, it can also work the other way.

So, the expressions that we commonly use such as "social" or "collaborative" are in fact not very well chosen. They refer to our perception of the potential outcome of the joint participation, but blur our view on the real mechanism behind.

An interesting confirmation of this was recently highlighted by Nicholas Carr in his blog post [The sour Wikipedian](#), where he described the results of a study on Wikipedia participation that showed that individuals participating in social networks are not necessarily "social". Still, as we all know, the joint participation of these individuals can certainly deliver a collaborative result.

To summarize: Web 2.0 participation is not because people want to be social or want to collaborate. People participate because they want to for a personal reason. The collaboration

and the joined outcome of these participations are (interesting) side-effects, but they are not the main reason for the participation, at least not initially.

So, this creates our first challenge in an Enterprise 2.0 context. Why would our employees, customers or partners participate? As a company, we have a long list of things that we would like to obtain. We want to capture the tacit knowledge of our knowledge workers. We want to better understand the preferences of our customers. We want to tap into the innovation capacity of our partners...

But why would *they* want to participate?

Being able to answer that question is an absolute requirement for any success with Enterprise 2.0. In most companies, there is no answer.

Individuals are not identical

OK, we started.

Unfortunately, something else is compromising the success of our 2.0 initiative: "participation inequality".

The participation inequality phenomenon is already known for years and has been the subject of several studies. An interesting article on this has been written by Jakob Nielsen: [Participation Inequality: Encouraging More Users to Contribute](#).

The participation inequality theory tells us that in online communities, the vast majority of the members never contribute, a small group contributes now and then, and the real power users take the bulk of the contributions, but only represent a minor fraction of the population. In the article of Jakob Nielsen, a 90%, 9% and 1% distribution is mentioned.

As such, the participation inequality phenomenon is not specific to Enterprise 2.0. Also, above-mentioned distribution will vary significantly depending upon the type of community. In a company, you can expect some degree of "common interests", so the distribution will likely be better. Still, this remains a challenge for all Enterprise 2.0 initiatives that try capturing the input or opinion of a "complete" group.

Indeed, as highlighted by Nielsen, the real danger of participation inequality is not that you won't capture the input of the complete population. The real issue is that, most likely, you will capture something that is not representative for the whole population.

As said, this is not specific to Enterprise 2.0. Unfortunately, for most enterprise initiatives, the expectations are quite different. The still prevailing command-and-control structures of companies have always forced employees into the position of mandatory contributor. Therefore, contribution was guaranteed, be it largely limited to "predefined feedback". As a result, few employees took the initiative to contribute beyond this standard call of duty.

With Enterprise 2.0, companies are now looking for more autonomous, personal and more diverse contributions. They are looking for the things that might exist but that are not yet visible or tangible today: innovative ideas, uncommon knowledge, personal opinions, creativity...

Unfortunately, participation inequality cannot be avoided. As Nielsen describes, there are some guidelines that can help you improving the contributor/non-contributor ratio, but it remains a difficult battle. Even the most successful business cases that were presented during the recent Enterprise 2.0 conference show that participation inequality remains a reality.

Enterprise 2.0 today

Now, what we described above are of course unfortunate observations. To a large extent, they explain why Enterprise 2.0 still hasn't made the real breakthrough. The basic mechanisms that have made the success of some of the more notorious Web 2.0 initiatives simply cannot exist within the organisational reality of most companies.

Moreover, apart from these fundamental issues, there are many more challenges companies are facing while walking the Enterprise 2.0 path: legal aspects, confidentiality issues, intellectual property, personal conflicts, authority... Each of these issues can be addressed in some way, but the combined challenge...

No, our initial Enterprise 2.0 expectations were quite a bit different...

Of course, there is no such thing as an "average" Enterprise 2.0 initiative. Some types of initiatives are a clearly better fit for the enterprise.

An example of this is the well-known InnoCentive initiative whereby tough technical problems in engineering, computer science, math, chemistry, etc. are made public and opened up to any specialist to solve them. People delivering the best solution that meets certain criteria get a cash reward.

Here, most of the issues listed above become a "good fit":

- Problem solvers will indeed participate because they want to. They will participate because they like tough challenges and very likely, the potential cash.
- Participation inequality is not really an issue. Of course, the initiative can only be successful when it can tap into enough brains.
- However, the fact that only a limited number of experts participate will not bias the result. We are talking here about finding a technical solution. Therefore, things can be evaluated and tested. You might not get the best solution available somewhere in the universe, but you get a "good enough" solution.
- Problem solvers are external to the company that submits the problem, so little risk of conflict. They live their life the way they want and so does the enterprise.

However, for many more initiatives, e.g. wikis, blogs, enterprise social networks, etc. the likeliness of the major breakthrough is much smaller. In essence, what you have to expect is an outcome that will reflect the existing organisational structure and corporate culture. Most often, none of these are natural fits for Enterprise 2.0.

Therefore, when done well, the likely result will rather be incremental improvement instead of transformational change. The more aligned the implemented solution is with the day-to-day activities (so-called: in-the-flow), the greater the probability for broad acceptance and some level of success, yet never transformational.

... and tomorrow?

So, one path to success in the Enterprise 2.0 space is setting your expectations correctly and choosing the right initiative(s) for your organisation. In most cases, this will not deliver a viral or transformational change, but rather incremental improvement. Still, for most organisations it will be worthwhile doing.

Of course, for the real #E20 believers, this is not the food for their hunger. And yes, there is another, more interesting, more daring path for the not-faint-of-heart.

As we have discussed, the realities behind most Web 2.0 successes are no natural fit for the enterprise as it exists today. We cannot really make a "real" Enterprise 2.0 without changing the organisational structure of the company. And increasingly, we hear indeed the message that the enterprise has to evolve towards a non-hierarchical, completely networked, collaborative architecture.

We agree. This would remove most of the roadblocks that are currently inhibiting broad Enterprise 2.0 success.

However, this raises numerous new questions. What will remain of the enterprise? You cannot become a completely networked architecture without becoming an integral part of the wider network. Where will be the borders? What about ownership? What about authority, responsibility?

This might be an interesting vision of what our future society can be, but it is not the path we can already walk today. Nevertheless, companies should evaluate to what extent part of this evolution can already be started.

Companies must fundamentally review the existing balance of structure, control and distribution of authority versus the ease of communication and information access. In nearly every organisation there are ample opportunities for removing structure and control without introducing additional risk or compromising the operational efficiency. Pushing more authority towards the lower layers of the enterprise and creating/allowing additional communication platforms or channels will compensate this removal of structure and control and will create opportunities for interesting Web 2.0-style "side-effects".

Unfortunately, these are complex exercises. While this is a very reasonable approach for any forward-looking company, it certainly is not without impact for the individuals concerned. Especially on the middle-management level, the impact can be devastating. But do we have an alternative?

Anyway, this is an exercise that moves us far away from the initial Enterprise 2.0 concept and it certainly is a discussion that we better have before talking about any tools or technology.


But there we touch a fundamental problem of the whole Enterprise 2.0 debate. It essentially started with a focus on tools and technology and the discussion is still largely driven by people with a strong technology interest. Nothing wrong with these people, we are no different. However, it is now time that we bury the Enterprise 2.0 hype and start doing the real job that needs to be done.

About the author




Marc Buyens is analyst, management consultant and owner of Xpragma. Marc started Xpragma in 1999 after a 20+ years career in the IT sector. Today, he provides advice, training and mentoring services focusing on the intersection of technological evolution, organisational change and business strategy: a messy world of unfulfilled promises.

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