



We simply need new enterprises | The Xpragmatic View



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July 2007, we wrote our -The case for Business Interaction Management (BIM)- white paper. At that moment, the need for such approach was clear. However, it was less clear how companies would (or would not) adjust to this new paradigm. Where do we stand today?

The case for Business Interaction Management was essentially a reaction against the then predominant Business Process Management (BPM) practice that solely focused on the internal aspects of business processes, on the "how things were done". This perspective on business processes has its roots in methodologies such as TQM, Six Sigma and Lean.

While all of these methods claim to be customer-focused, the reality is quite different. In essence, the customer is largely viewed as a side effect of the business processes since the "what things are done" is not really questioned. What the company is doing is only made more efficient and cost-effective.

With BIM, we promoted another type of approach that essentially focuses on what is being done to satisfy customer needs. Are these the right things at the right moment?

And yes, two years later, we can indeed observe some progress. As we have already mentioned in previous views, part of the BPM community is now promoting a so-called "Outside-In" approach that looks at business processes from a customer perspective.

Still, Outside-In has a long way to go. Though promoted by some heavyweights in the BPM space, adoption levels are still low. Indeed, the Six Sigma and Lean approaches of this world are much better aligned with the thinking and ROI-focus of today's decision makers and therefore...

However, the customer was only one element of the BIM equation. From the beginning, it was very clear to us that successfully focusing on the customer experience was only a viable path when also internally, within the company, interactions between employees at all levels were fundamentally changed.

Now, in all this thinking, the customer part was the easier one. Indeed, there are quite a bit of potential improvements that can be implemented without really touching the internal structures of the company system. The BPM Outside-In approach largely adheres to this paradigm: it removes process waste by focusing on the real customer needs, without however fundamentally touching the organisational structure. So, while this approach has its merits, it does not yet create the type of "next generation enterprise" we envision.

Fortunately, there is Enterprise 2.0.

When we wrote our initial white paper, the Enterprise 2.0 idea was already "launched" a year earlier. Still, in our opinion, it did not seem providing a viable path to address the BIM needs. Today, two years later, that feeling is still the same.

This said, at first sight, things look good. With social media or social CRM, companies are adding new channels to capture the customer's input and to deliver new forms of support. Inside the company, blogs, wikis and social networks are transforming the way employees interact and share knowledge.

At first sight.

Unfortunately, we are still miles away from our "next generation enterprise". When looking at the details of recent studies such as the [ENGAGEMENTdb - Ranking the Top 100 Global Brands study](#) by [Wetpaint](#) and the [Altimeter Group](#), "engagement" in social media does not mean engagement of the complete company. In most cases, the effort is organised and managed by a very small team, reducing the overall risks and facilitating close control. It is a "social enterprise in disguise", a traditional command-and-control organisation that has learned some new tricks.

Inside the enterprise, things look even worse. As many have already commented in various posts, adoption levels of Enterprise 2.0 inside the enterprise are still low. The reasons are obvious. In combination with a traditional organisational structure, the potential gains of the use of social tools are small, largely limited to the aspects that are closely "aligned" with the regular day-to-day tasks.

Like it or not, Enterprise 2.0 will not transform the enterprise. Too many "needs" of the traditional organisation are blocking widespread adoption: corporate governance, compliance, regulatory, risk management, efficiency, and maximization of economies of scale.


Our dream that Enterprise 2.0 will transform the company bottom-up is just a dream. It will not happen. We simply need new companies.

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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