



Social enablement of business initiatives

Powering millennials in 21st century enterprises

Capturing the talent of millennials is the central challenge for today's human capital management. In order to secure ongoing innovation – and therefore to extend the life of the large, complex, mature enterprise – millennials must be fully engaged. This demands tools for which they have a natural affinity and requires coordination by managers who know how to turn their knowledge and capabilities into economic value. Collaboration through social networks in the workplace is fundamental to how millennials expect to work. But on its own it's not enough. The social tools must be fully embedded in genuine work processes that are aligned with corporate goals and strategy. So far, that combination is rare.

“ If HP knew what HP knows,
it would be three times
more profitable ”

Lew Platt, former CEO of Hewlett Packard

Millennials will not readily adopt tools and favour them if they are not easy to use and conform to the functionality and style standards of software they inhabit in their personal lives. Their patience for clunky interfaces is limited and they'll find ways around protocols which don't feel natural to them.

Scaling social to complex organizations

It is ironic that the growth of internet technologies was fuelled by the needs of global organizations to coordinate their activities in real time. But the modern social collaboration tools with which most people are familiar are designed to create emergent networks that in many respects are completely at odds with the needs of large organizations – in their openness, absence of hierarchy, chaotic dynamics and potential for security breaches.

How does the senior manager in such an organization coordinate and optimize social engagement across several dozen business initiatives or project streams? How does the manager incorporate that level of social collaboration to include external stakeholders in a complex/distributed supply chain where those inputs could be crucial? How can they ensure that collaboration between the correct skillsets is in place? That the tasks are properly aligned to strategy and on track to meet deadlines? How to ensure that information is well organized and sharing is confined, where necessary, because of confidentiality requirements? And opened out where transparency is needed?

In addition, to achieve optimal responsiveness to their fast-changing internal and external environment, business managers need to be agile and efficient leveraging the fluidity of social technologies geared to the needs of the users.

Creating and preserving knowledge

Coase's theory of the firm requires that companies exist because they reduce transaction costs. In the knowledge economy, this means that firms need to be especially systematic in the creation of useful information, and strong in its curation. Nothing valuable should be lost where that can be avoided. There should be no unknowing duplication of effort, no reinvention of the wheel. Collaboration tools exponentially increase the volume of information created in the organization. But unless they are directly tied in to the process of information-creation for projects, and their contents made relevant and searchable, the value of this information will be lost.

For example, a brainstorming process incorporating post-it notes, whiteboards and mind-maps might capture a variety of robust solutions to problems or analyses that are not immediately useful but could be relevant at some future point. Had they been captured electronically and tagged in such a way that they can resurface for future use, the firm will have created more value – in the same way a composer recycles fragments and motifs that he decides don't immediately fit his symphonic purpose.

This drive to preserve the tacit or implicit knowledge of the organization – which, by the nature of social tools, becomes more available in some senses and more transient in others – is difficult to fulfil when a company and its projects get bigger and more complex if the social tools have not been designed into the knowledge-creation and workflow coordination.

Skills diversity and overcoming complexity

Echoing Coase's dictum justifying the large firm, the aggregation of a vast array of skills is one of its key sources of power. However, if those skills are buried in siloes and obstructed by bureaucracy or hierarchy then their value to the modern enterprise is lost, and this could be much more critical now than in the past. Part of the reason is that increasingly the problems large enterprises have to tackle are intrinsically complex where outcomes are highly unpredictable – perhaps because they deal with market, geopolitical or technological considerations about which expertise is necessarily limited.

Recent scholarship, in particular Scott E. Page's seminal work *The Difference*, has shown that decision-making under such conditions of deep uncertainty can yield successfully to collaboration among a diversity of perspectives. It is the principle, for instance, behind the crowdsourcing innovation organization InnoCentive. In fact, former head of the Santa Fe Institute, Geoffrey West, has identified that it is the loss of diversity experienced by corporations as they grow and become more bureaucratic that causes them to lose their innovative edge and shortens their lives as independent entities.

With this in mind, the manager of complex organizations or projects needs to be able to assemble a diversity of skills on a regular basis to ensure he has the best decision-making group that the larger enterprise can afford. That will mean cross-departmental expertise, but it may also mean cultural, geographical or personality traits and the soft skills necessary to deliver complex answers in a timely, usable form. And it needs to be a two-way process that allows for volunteership, socializing the identification of appropriate expertise by creating quick and easy correspondence between those seeking resource and those wanting to clarify if they have what's needed.

Crisis management and real-time problem solving

Nowhere is the large global enterprise more vulnerable than when agility is needed in the face of fast-moving situations. These can be internal – driven by some failure in a developmental or manufacturing process that threatens to derail a complex deliverable – or external, where a market or geopolitical event creates a sudden need to re-evaluate and possibly alter business direction.

Social tools, if properly structured, allow for the complex organization to draw on all its resources. First, without hesitation, those tools should be able to assemble a senior crisis team and connect them in real-time to manage the crisis 'project', but they should also allow them to put a much larger group of the organization on stand-by to deliver whatever inputs the management team needs, including direct feedback and even polling on the options the leaders need to decide upon.

Dashboards and monitoring

As this new social dynamic adds new complexity and nuance to the job of the manager, the ability to take the pulse and check the progress of the process of information-creation for business initiatives becomes more vital. Granular control and the ability to observe pockets of highly productive assets, isolate any lack of progress in others, and then also to set goals and repurpose assets on the fly – all this becomes more and more important and yet challenging as organizational activity scales.

The larger and more complex the range of projects, the greater the difficulty for the manager to keep on top of what's going on in each project and evaluate their quality of purpose and change their shape as they develop.

“The ossification coming with size... gripped by the administrative aspect squeezing out the more creative aspect, which we see across companies, leads to extreme vulnerability. We see that in ecosystems. The loss of diversity leads to fragility.”

Geoffrey West, former president, Santa Fe Institute

For example, that may mean creating a new project on the fly to complement another or break out activities from one into another. It might mean moving assets between projects where those assets might be better deployed or copied to avoid unnecessary duplication of effort.

All these features need to have fully permeable communication channels to surface knowledge and feedback or to vote on ideas or changes.

Creating your own luck

When social tools were first advocated as a potential source of corporate transformation, Harvard's Andrew McAfee coined the term 'Enterprise 2.0'. In that model, the widespread adoption of social tools would result in a new emergent information ecology. How many firms successfully rode that wave remains unclear. Free-standing social messaging apps have come and gone, and in some cases been bolted onto various business process management tools. But they have not generally been constructed with the needs of senior management in mind: the executives' complex job of coordination, and their need to create a fully productive culture of collaboration that onboards new staff quickly, embeds them productively in workflow, secures their contribution in real-time, archives that knowledge and makes their skills instantly findable.

This is the millennial paradigm where the creativity of individuals can be extended without the bureaucratic need for control hampering their ability to contribute and feel a strong sense of community: a community in which they can see greater professional fulfilment for themselves and are therefore less likely to want to leave.

This is a structured approach to creating a socially networked organization, where corporate and individual purpose are aligned to relevant work streams, and where the 'luck' of creativity, innovation or complex problem-solving has been seeded by a particular genius to find the right tools for the job.

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