

Innovation/Web 2.0

The Global Human Capital Journal

San Francisco Social Networking Conference Provides 2008 Mid-Year Adoption Snapshot

By Christopher S. Rollyson —Saturday, 2 August 2008

Enterprise 2.0 and B2C Web 2.0 Show Serious Traction—But Social Sticky Wickets Remain—How to Trust?

The Social Networking Conference (SNC) was an excellent place to check the pulse of Web 2.0 adoption from customer and provider perspectives. Producer Marc Lesnick explained in his opening remarks that, in the months preceding this conference, corporations had knocked on his door asking to get involved. His Ticonderoga Ventures had held several SNCs over the past few years, and it had been largely the purview of social networking start-ups and their facilitators. This is a very apt indication of the enterprise adoption predicted by my [State of Social Networking](#) Forrester coverage and [2007 Review](#).

SNC SF 2008 took place July 10-11, 2008 at the UC San Francisco's Mission Bay Conference Center. It was a focused conference that balanced start-ups' and enterprises' innovation—with a dash of perspective from **Apple co-founder Steve Wozniak** and **Social Networking Watch's Mark Brooks**.

On the enterprise side, **GE's Grewal** and **GM's Denison** covered the enterprise 2.0 and B2C Web 2.0 perspectives respectively, while the **U.S. Air Force's Adkins** presented nascent cross-boundary collaboration in the armed services. Start-ups **Twitter**, **Mowave**, **Faceforce** and many others gave fascinating examples of innovation along several vectors. I beta-released the **Social Network Roadmap** in my presentation and moderated a panel with **Visible Path**, **Jigsaw** and **LinkedIn** in which we discussed various aspects of how enterprises were using social networks. **IBM's Rawn Shah** offered a useful network for "social context" for planning and solutions for social networks.

Notable, too, was Daniel Brusilovsky's very lucid presentation, "Social Networks: a Teen Perspective. **Daniel is the 15 year old founder of Teens in Tech**."

I have coverage of all these tracks, which I'll summarize before Analysis and Conclusions. The reportage follows this convention: the summaries are from my notes of speakers' remarks, and when a sentence is parenthesized, it is a comment. Click on logos for abstracts of the tracks.

Britt Selvitelle, Twitter: What's Love Got to Do with It? Why coming up with an idea that users love isn't enough



Britt is an engineer at Twitter, and he shared some stories about Twitter's beginnings and philosophy:

- Twitter began as a simple concept that largely continues today: Founder Jack Dorsey really liked the "presence" element of instant messaging that enables people to broadcast to their buddies what they are doing or their readiness for chat. He thought, "Why not have status like that all the time, but not only at the computer, but also via mobile phones?"
- Britt kept returning to one of Twitter's key defining principles, simplicity. That's what Twitter is, a tool that enables people to give their status, anytime, anywhere and from many devices. That's one of the reasons that Twitter and mobility are so intertwined: mobile is the ubiquitous device.
- But people have taken the concept of Twitter—broadcasting their status—into many dimensions. An African doctor has his patients give their status, for example. (In a sense, because Twitter insists on the mobile phone constraint [140 characters], it solves the "last mile" problem: SMS [text messages] are the primary means of mobile communication in many parts of the world.)
- The Zen-like message was, "Simplicity and software can be beautiful. Keeping things simple is very difficult. Twitter's promise is to do one thing—the status—really really well.
- Facebook is at the other end of the spectrum because it tries to integrate numerous things, and Britt wondered if it did anything really well. Will it be revolutionary?

- A big part of Twitter culture (the firm) is loving what you do and being inspired by it. Also, use what you create, be a part of it.
- Every person is a mirror. When you interact with someone, you take a small part of that person inside you and vice versa. Make happiness, not money.
- It's inspiring when you enable a new mode of communication. For example, [MarsPhoenix](#) tweets to its followers from Mars.

Mark Brooks, Social Networking Watch: Mobile Social Networking and Business Social Networking Primer



Mark shared overall impressions of the social networking phenomenon, as Social Networking Watch aggregates social networking news:

- [Friendster](#) was all open but it wasn't enough; [MySpace](#) came along with a horrible interface, but people loved it because it let them create.
- Mobile is increasingly important; now you have [Mashable](#), [Techcrunch](#), [Gizmodo](#).
- [Social Networking Watch](#) interviews CEOs; it also provides a global picture of usage per geo and looks for trends in social networking business models.
- Niche is big. For example, [Dopplr](#) enables people to broadcast their travel schedules (so they could have on-the-fly meetings anywhere); [stickk.com](#) is a collaborative weight loss site (in good company); [MyRagan](#) is a B2B PR community; [Ning](#) enables people to create their own social networks; [Xing](#), [Viadeo](#) and [LinkedIn](#) are business-focused, and Xing is #2 to LinkedIn by membership, but its activity is greater than LinkedIn; other flavors are [KiteTV](#) and [Vibra](#).
- MySpace is currently the fastest growing by mobile traffic; [Cyworld](#) is the cash leader in terms of revenue per user.
- Japan is most advanced; [Mixi](#) has one million communities and is focused on groups.
- In the U.S., social networks that have a "business" or commercial connotation are viewed negatively, but not in Japan.
- Mobile dating is a growing market, but [Match.com](#) is the only company making any money; they average \$16 per user.
- For mobile especially, functions have to be simple. "Don't make me think!"

Steve "Woz" Wozniak, Apple Computer: Insights to Social Networking and Mobile, an Informal Discussion



Talk about Zen! Steve Wozniak has it in spades, and it was a pleasure to see and hear him.

- Steve is passionate about education; he totally gets that the Knowledge Economy is raising the stakes. (I would say that education is not longer an "enabling" factor as during the Industrial Economy but now it's rather the shop floor.)
- Inspiring people when teaching is far more important than what "material" they learn.
- Steve had some early stories about computing and learning. At its best, computing delivers social benefits when it connects people. People can learn in many computerized venues. (Steve was a ham radio operator since he was a kid, so it's obvious that sharing and connecting is in his DNA.) It provides instant communications among widespread communities, computer islands. [BBSs](#) and early chat rooms are some more examples.
- He loves teaching kids how to connect; one high point was showing nine year olds how to turn their machines into servers.
- There's also a practical side. Apple had to push networking because it had the first consumer-focused laser printer, the LaserWriter, which cost thousands. The only way it could be cost-justified was by networking, so many people could use it. (I know, I bought one for my consulting business in 1986-7 for around \$4,400).
- He also waxed philosophical about social network design. It's a good mixture of engineering and a sense of the end user. That's really *je ne sais quoi* territory, but Apple has it.
- Blogs are an old concept, they focus on simplicity and connection. They're basically web pages that are updated more often.
- The next stage of social networks. Social networks' value propositions use nuances to give them an advantage over the current incumbent. Above all, they must be natural to use by human beings. Listen to the end user, feel it, experience it. Design and engineering have to come together around this.
- [Android](#) vs. iPhone? Steve claimed that he had no hard information, but he hazarded that Adroid phones would be geekier and more data- than than phone-focused. iPhone might be seen as more elegant (and easier to use).
- Generation gaps are ever shorter (probably the name will fade, too, as the profound changes among cohorts are compressed).

Randy Adkins, U.S. Air Force with Toby Vann, Roundarch: Social Media and the Military



As Chief Knowledge Officer, Randy champions enterprise 2.0 at the U.S. Air Force, a role that he obviously relishes. He shared numerous stories that showed that old government stereotypes aren't what they used to be. He's a civilian employee of the USAF. They have done some work with Roundarch.

- One of Randy's biggest messages was the power of cross-boundary collaboration. In 2003, for example, a **U.S. AIR FORCE** Staff Sergeant in charge of building an armory in Iraq (tight time pressure, BTW, ^) found the equivalent of 30 years of experience on a COI (community of interest) that helped him pull it together very quickly. Generally speaking, the military has served as a progenitor of the legacy corporation, with its unforgiving processes, silos and command structures, and this still represents a big part of the legacy culture that has to change in order to increase efficiency. (Government may once again become a change agent because its limited budgets will force it to change; it can't go to the public markets as corporations can).
- One of Randy's key lessons for his colleagues is to look anywhere for the right knowledge or expertise (cross-boundary). Look anywhere that will help you to fulfil your mission. He encourages people to go outside their unit if they don't find exactly what they need within. Currently, 241,000 of 600,000 (USAF?) people are on the Air Force Knowledge Network, and U.S. Army people are also joining, something he applauds.
- Obviously access and security are huge issues, and technology orchestration is, too. For example, they were publishing with RSS but the USAF machines were not provisioned with RSS readers.
- Lead by example. Randy blogs about three times a month on the "Director's Blog," and the ten **ROUNDARCH** USKN blogs are accessible to all 241,000 members with no filtering. In general, USAF members are afraid of the Internet. He promotes the blogs at DoD (Department of Defense, comprises all branches of the military) meetings.
- Wikis are playing an increasing role. For example, the CAFTT (Coalition Air Force Transition Team) wiki is helping to help train Iraqi forces. In another example, when personnel are assigned, they get a notification so that they can start coming up to speed online before they report for duty at the new base. Traditionally, the person would know absolutely nothing before reporting for duty, which served to lengthen the learning curve.
- As far as knowledge management, the Air Force maintains 1,600 artifacts termed "best practice," which are updated regularly. There are also other classifications such as "validated practices," that have been publicly (within the DoD) vetted by an appropriate person. This is where there is some uncertainty. Old school: no one of lower rank can comment on someone of higher rank. New school: whoever has insight can rate and comment, which increases learning. This is a ticklish subject at the moment, and they are actively trying to figure out how to combine traditional hierarchy with emerging organizational practices. They use pop-up windows to encourage people to comment and rate documents as well as traffic and usage to determine how useful an artifact is.
- Personal profiles are comprised of structured fields which are freetext, so people can include anything and describe things in their own words and be visible to everyone, contrasting with former practice. They wonder whether to allow importing profiles from MySpace or Facebook.
- One audience member kept asking about rivalry among branches of the DoD (i.e., wouldn't Air Force want to withhold from Army?), but Randy affirmed that hoarding wasn't a big problem. Military folk are very mission-focused, practical and collaborative when fulfilling missions, so his take was that tendency was more important than rivalry, which does occur in certain contexts.

Daniel Brusilovsky, Teens in Tech Network: Social Networks - A Teen Perspective

Daniel is a fifteen year high school student and entrepreneur who added significantly to the conference along a unique vector—age and its perspective. His company, [Teens in Tech](#), is an online company and resource that assists teens in doing what they want to do online. He was an disarming presenter who knew his subject well. He is one of the few in his school with a website because his school is more of a jock school than a tech school, even though it's in Silicon Valley. It has between 40 and 50 clubs.



- He gave a first-hand account of the "teen" demographic, but he broke it into two parts: middle school and high school.
- All teens are picky (and particular) by nature who expect people to respond to their needs. With respect to social networks, there are two main demographics to think about:
 - High tech: involved with Twitter, blogs and new media (Teens in Tech's clients). Some of them use mobile social networks.
 - Low tech: cell phones for calling and MySpace.
- One of the most valuable threads of Daniel's talk was his delineation between MySpace and Facebook:
 - Daniel began in middle school on MySpace and suggested that his experience wasn't unique. He played in a band, and they used MySpace to promote their music. However, his MySpace got hacked, and he discovered that MySpace was replete with sexual predators and more promiscuous teens. In addition, kids who were more experimental ("bad kids") were more likely to gravitate to MySpace. Facebook also has good functionality to promote and share music.
 - Facebook has better security and attracts "good kids." Facebook emphasizes groups more, and high schoolers are all about groups. They want to belong; they are defined and get their status by what groups they belong to.
 - MySpace used to be cool, now Facebook is.
- Good practices for designing for teens: emphasize groups in the social network. Chat and instant messaging are hot. Don't overwhelm people with too many features.

- Podcasts are less popular than video. Video shows that "there's really someone behind it."
- If you are targeting teens with a social network, its free version has to have a good value proposition because teens don't have any money. Low tech kids try anything that's free. High tech are more discriminating.
- Teens in Tech has significant free services and content, but its revenue model revolves around its "Pro" service. [Daniel blogs about technology.](#)

Dr. Sukh Grewal, General Electric: How Fortune 100 Companies are Embracing Social Networking Applications



GE is one of the largest companies in the world, and it pioneers in many dimensions. Dr. Grewal's presentation gave an excellent overview of social networks from an enterprise 2.0 perspective:

- The business context was that the culture of GE was engineering and reinvention; GE is the only one of the original [Dow Jones Industrial Average](#) companies that is still part of the average. The CIO wants to bring "IT" closer to (internal) customers, and Support Central, a custom-built social network, is a key vehicle to accomplish this.
- In the enterprise context, what is the most appropriate approach for social networking? The MySpace or Facebook approach "(Be how you want to be)"? How can you get to know someone?
- [Support Central](#) has a world of applications and data: profiles, directories, expert networks and 400,000 employees. They have 100,000 hits a day. Between 1-2 terabytes of data are transferred monthly. They tried blogs in 2003, but it was too early, and the effort fell flat.
- Profiles with pictures are widely regarded as "hip" (and more approachable).
- Taxonomy is overrated. Knowledge exists in documents and in people's heads. You need to ask questions to extract knowledge. You have to update and empower people—and let them decide what's important.
- Knowledge is inseparable from work process. Organizations are primarily based on processes; people are second in importance.
- Support Central has served to cut costs—it has replaced hundreds of websites—and to connect people more widely. The CIO had an explicit culture change agenda as well, along the lines of Toyota. The company has 50,000 communities, and its document management cost has become extremely low. GE actively works to minimize its usage of Microsoft Office documents in favor of Google Docs and wikis. GE's wiki is open to the public. Five to ten meaningful suggestions emerge per day.
- People who create their "expert" profiles with pictures are selected ten times more often than people without pictures.
- GE has 50,000 business processes digitized and completely searchable with no boundaries. The company is also very bullish on [mashups](#).
- GE's experience demonstrates that professional networks are very productive. However, the downside is that security is a nightmare, a necessary evil that they have to deal with, everywhere.
- The usage of Support Central has grown virally; there has been no mandate. On average, it grows by 25,000 hits per day. The culture change is that people are more collaborative and transparent. Support Central sports twenty languages, including two versions each of Spanish, English and Chinese.

Adam Denison, General Motors: How Fortune 100 Companies are Embracing Social Networking Applications



Adam's presentation on Web 2.0 was a perfect B2C foil for Grewal's enterprise 2.0 focus. Great sequencing by the producers! GM's Web 2.0 initiative sounded experimental and pretty leading edge compared to many enterprises, and Adam gave a clear, descriptive and exciting summary:

- GM has four internal and four external blogs, and a seven-person Web 2.0 team. Adam first connected with the company while a college intern. He divided GM's Web 2.0 activity into two logical categories:
 - Most important: Facebook, Twitter, Flickr and MyRide (campaign on Autobytel), the "Bringing them In" campaign, and IM Saturn.
 - More in the planning stage are Tumblr, Brightkite and FriendFeed.
- Facebook has hundreds of auto-related groups with active members whom his team considers to be very important, and they dedicate considerable resources to the sites, commenting and sharing information that group members find helpful.
- They are not only interested in auto brands, but also in issues like alternative energy.
- He counseled brands not to be so afraid of negative feedback in social networks. On one Facebook auto group, one member kept slamming him and GM, but he took it and didn't flinch. He kept adding to the group, and eventually group members turned against the heckler.
- The MyRide campaign takes the (video) viewer behind the wheel with [John Heinricy](#) at the [Nuerburgring](#), and viewers have to guess what car he's driving. Notably, they've found that the MyRide videos, because they don't have high production value, carry

more credibility with viewers.

- GM's team tweets (Twitter) from auto shows and organizes "tweet-ups," often around events. They also ask their followers off-the-cuff questions that can run the gamut. They've learned that two-way dialog is key. Twitter is a great place to get customer feedback, an effective way to communicate with journalists and a potential customer feedback tool. For example, one customer was extremely frustrated with a dealer, tweeted about it, and the team responded and got the customer taken care of. This corroborates similar experiences in other industries (Dell).
- Other lessons learned: don't manage blogs; be yourself.
- As far as ROI, they look at hits. Watch out for the significant cost of monitoring (and responding) to social networks.

Clara Shih, Faceforce.com: How Social Networking Websites are Changing Sales and Marketing



Personally, this was one of the most interesting presentations, as Clara presented a mashup of Salesforce and Facebook. This was very helpful, and the mashup concept was a key part of my presentation later that morning! I have covered her presentation separately, so see [Faceforce.com Pioneers Enterprise "Social" Network Vision, Exposes Massive LinkedIn Opportunity](#).

Here I'll just add a couple of additional points:

- She presented 2008 as a break with the past:
 - 2000s were Internet-based and saw relatively private interactions, distinct individual identity, instant messaging and email focus and push updates.
 - 2008 is friend-based and emphasizes self-obsessed broadcast, blurred identity (swarm?), Facebook wall focus and pull/on-demand updates.
- Web 2.0 is global: while on a recent visit to a remote part of Hong Kong, she overheard 70 year olds talking about Facebook.
- Google and LinkedIn explicitly state that members own their data. Not so with Facebook.
- Mashups like Faceforce amp up social network members' need to be aware of the privacy features that exist on most social network sites.
- Faceforce also makes it easier to leverage personal information during the sales process.

Rawn Shah, IBM Software: Enabling Many Different Social Perspectives and Uses Within and Beyond an Enterprise



Rawn Shah offered a fascinating framework that analyzed social networks along two dimensions: social experience and governance, and the result was insightful and useful.

- People often start with a technology and try to create an initiative around it, which usually results in a subpar result. Organizations would improve results by looking at social experience (people?) and governance (a part of process?). (This is especially fraught with risk now, when very few people understand these technologies and how they affect results). Rawn gave examples of wikis, Digg, Twitter, discussion forums and others. The head characters in [his slides](#) were really funny, too.
- The **social context** questions can range from: Who is it for? Who can read/write/comment? Who chooses focus? Who can contribute? What's the lifespan? How do I experience this social environment? What are the rules for working with others in this environment?
- (A key aspect of) social experience is how many contributors there are:
 - Individual?
 - Defined group?
 - Community (multiple contributors)?
 - Mass collaboration?
- Governance: what are the rules for working with others in this environment?
 - Centralized has one or more leaders who make all the decisions.
 - Delegated divides decision making.
 - The Republic moves to elected leaders.
 - The Starfish has common principles but each runs independently.
 - The Swarm has a mass converging on select ideas out of many.
- Mashing together social experience and governance yields **social context**; focus on it first, then choose technology,
- Be aware that you may have several social contexts.

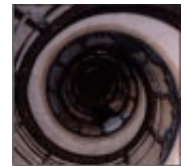
Giles Richter, Mowave: How important is wireless [mobile] for social networking? Case Studies from the Global Market



This was a far-reaching presentation about "user-generated" mobile video offered by Mowave in Los Angeles, London and Tokyo markets:

- Mowave offers on-deck operating company branding and several channels.
- Members ("users") shoot and upload videos with their mobile phones, and they have "stores" where they keep their videos (think of these like photo albums in Facebook). When other users pay to view or buy the video, the user splits the revenue (in the form of credits) with Mowave's client.
- Users can run their own stores, but these are moderated.
- In Japan, phones are perceived as high-value accessories, and people spend considerably for high-end phones (with video). Phones are everywhere; the PC/ISP model is not much in evidence. Mobile is pervasive, and every person has his/her own phone, which is better for targeting. Think of the phone number is the personal IP address.
- The "PC portals" of PC sites are not mobile-centric; they format PC-created content for mobile.
- In Turkey, there is not much cross-over between PC and mobile. 72% of photo uploads are from phones.
- In Japan, Mixi is a PC service with a mobile component.
- Companies involved with user-generated content must put and maintain effective safeguards to ensure that inappropriate content isn't accessible from their networks. For example, they need to verify age reliably. Realize that minors can use their parents' phones.
- Schools can be targets for predators; it's also key to have 24/7 response to incidents.

Christopher Rollyson, CSRA: Using Social Networking for Enterprise Process Innovation



This session presented the Social Network Roadmap as a way for enterprises to adopt social networks while mitigating risk; then it presented some examples of process innovation using LinkedIn:

- Enterprises will be increasingly challenged in the Web 2.0 world because their processes and people are not capable of responding to change quickly enough, and they do not understand that cross-boundary collaboration is a cornerstone of innovation. The half-life of knowledge is less than two years on average. Global enterprises have extensive resources, but they are largely ineffective at accessing them. Real decisions are made by "who knows whom" and "anecdotal information." These were some of the findings of two global IBM studies I referenced.
- Likewise, employees are in a period of tumult. People are free agents by default; most C-level jobs average less than two years; people are required to do more with less, and to hit the ground running.
- Professional (digital) social networks are the individual's key resource. With digital networks, people can create and manage larger networks of people who can help them execute quickly and get new work.
- Companies and people need to perform better by collaborating more. Social networks are key enablers of cross-boundary collaboration. It's key to leverage internal and external information to create the most value. Regarding profile information, external information will always be superior to internal because it is multi-purpose for the individual. Therefore, CTOs should think about invoking external profile information internally. In the next session, we discussed who would end up fulfilling the "enterprise social network" need: enterprise vendors like Lotus Connections or consumer-oriented sites like LinkedIn.
- The [Social Network Roadmap](#) has three Phases: Feasibility, Strategy and Implementation. They are designed to enable companies to assess, pilot, scale and eventually integrate social networks into their mature processes. Here is a [longer treatment of the Roadmap](#).
- Companies need to rethink the concept of social networks and alumni. If companies help employees to network with each other in external networks like LinkedIn, when the employee leaves and becomes an alum, s/he remains connected with the company through his/her connections, which will likely lead to business opportunity for the company.
- LinkedIn Answers is a forum for executives to ask and answer professional questions on specific topics, and companies need to understand that, as GM [crowdsources](#) questions on its mind, executives can do the same in LinkedIn, but the context is far more businesslike and professional. Crowdsourcing can be used in business development, strategy, marketing, human resources, public relations, product development, R&D.
- Likewise, use LinkedIn Groups to enable employees and contractors to remain connected; that can enable opportunities to flow to the company.
- See the [slide deck here](#).

Antony Brydon (Visible Path), Jim Fowler (Jigsaw), Brandon Duncan (LinkedIn), Christopher Rollyson (CSRA): Business Social Networking, The Changing Nature of Data

I moderated this session in which we discussed various practical aspects of enterprise social networking. Since I was moderating, my notes are sketchy.

- Antony was the founding CEO of Visible Path, which is a pioneer in behind-the-firewall social networks. Visible path has a social network analysis aspect to it in that it shows the company who knows whom by analyzing email and other digital artifacts.
 - When social networks are inside the firewall only, that gives the company only a fraction of the benefit were they to be cross-boundary.
 - There will be a battle between consumer-oriented sites and corporate solutions for the enterprise customer. It's uncertain how it will turn out. For example, AOL's AIM came to dominate instant messaging at many companies. LinkedIn could dominate as well.
 - Enterprise software vendors are busy adding "social network" functionality to their solutions.
- Jim is CEO of Jigsaw, which is not a social network but a wiki in which people collaborate to exchange executives' contact information.
 - Jigsaw contains very valuable database records: work email, work telephone and work snailmail of highly desirable executives. It works by charging members to access the contact information, but members earn credit by sharing information they possess on their contacts.
 - Similar to wikipedia, members police and update the information. When an executive's information changes, the member that discovered it flags it, and someone earns points by correcting it.
 - To his credit, Jim steered me to controversial blog posts on this: people either love Jigsaw or hate it; it pushes the envelope on privacy, who owns information, etc.
 - It is very complementary to LinkedIn in that all it does is provide contact information—complete records—which LinkedIn doesn't do.
- Brandon is Director of Engineering at LinkedIn and could not make the conference at the last minute. I have summarized some of his thoughts from our preparation.
 - LinkedIn is working hard to move into the enterprise market, and Brandon is in the center of its efforts to serve two masters: the enterprise and the individual.
 - Interesting issues crop up: enterprises tend to want to have access to employee information and to let employees share information among themselves more easily.
 - However, that is very difficult to do while maintaining executive members' trust and confidence. It's a minefield.
 - Another interesting detail is that recruiters, a large potential customer segment, cannot by U.S. law use photos to vet candidates, which could enable them to discriminate, and social networks' profiles usually contain photos
 - It's clear that LinkedIn will be a player in the enterprise.



Analysis and Conclusions

Cross-boundary Collaboration and Innovation

- One of the themes I heard everywhere was the importance of cross-boundary innovation. One way to interpret the oft-repeated phrase "knowledge wants to be free" is that people need to create their own threads, wherever those threads lead. This isn't to say that boundary is not important; rather it means that organizations need to find ways to diminish the limitations that boundaries impose. If you're in the Army, and the most valuable nugget of information on a munitions logistics supply comes from the Marine Corps, use it! This is revolutionary thinking for most silo-structured enterprises.
- Optimizing the need for cross-boundary collaboration with the need for certain boundaries will prove to be one of the most difficult obstacles for Web 2.0 and social networks to overcome, and it will be a persistent and pervasive source of consulting revenue for years to come. The market will reward those that do it first because they will be innovation leaders, and relationship-focused innovation will be the cornerstone of value in the 21st century.
- The mother lode for cross-boundary collaboration and innovation is [companies collaborating with customers](#). Digital social networks make individual customers economically approachable for the first time. Start small and grow. GM's initiatives have this flavor. For another example, look at how [CDC is collaborating with people](#) to promote education for infectious diseases and natural disasters. Or how [Mayo Clinic enables customers](#) to spread the word about its services. Mowave's solution is another useful example.
- In many ways, GE is in a class by itself, but the results of Support Central should be eye-opening for executives. They are suggestive of the enterprise 2.0 value proposition.



- Returning to Britt's discussion about Twitter's focus and the juxtaposition with Facebook, I think that the specialist and the aggregator can both be very competitive in the distributed Web 2.0 environment, but I agree with him that executives must be sure what model they're following. As I wrote in [Twitter: Ten Observations](#) and [Everything You Wanted to Know about Web 2.0: Twitter](#), Twitter is breaking new ground, and myriad uses emerge every month. It is a bona fide phenom, but Facebook is arguably a platform that aggregates numerous threads of the social graph, including Twitter.

New Wrinkles in Privacy and Trust

- Faceforce is a perfect example of how technology can change the context around the use of information, catching people off-guard. It raises the bar for people's knowledge of how to manage their personal information on internal and external social networks and Web 2.0 sites. All Faceforce does is invoke Facebook information within Facebook's existing privacy rules, but it displays the information in a new context (Salesforce), which will make some executives uncomfortable. They didn't know that Facebook's existing privacy rules would allow that.
- Jigsaw is another example. In a sense, people are sharing their address books with millions. Who owns the information: the person whose name is on the business card, or the person to whom s/he's given it? Here again, the social context has changed. Colleagues have exchanged information from time immortal, but Jigsaw extrapolates the concept and makes it more explicit.
- Jigsaw and Faceforce lower the bar for *the mechanics of access*—the access information; however, that will put the onus on the initiator of the contact to conduct him/herself in order to develop trust with the person being contacted. Who cares if I get Jeff Immelt's work email and phone? To create a meaningful contact, I still need to contact him about something that is uniquely relevant to him in some way, or the contact won't happen. We're all on the grid, but we're only accessible given certain conditions.
- Trust will take a huge leap forward when enterprises and employees rewrite the social contract, and this will require extensive movement on both sides.



Rewriting the Social Contract: Enterprise and Individual Viewpoints

- "Affiliation" is becoming much more fluid. As I emphasized in my presentation, people depend on the trust and expertise of other people to increase their effectiveness; it's the trust and expertise they need, no matter where the other person is on the grid (unless it's a conflict of interest).
- Enterprises must get more comfortable with this; realize that the relationship with the "employee" can actually increase in value after s/he leaves, and it can be an annuity if they help alumni to maintain their connections. Companies can increase the value of affiliation by enabling employees to connect with each other in open social networks like LinkedIn, so the employee's connections follow him/her elsewhere.
- Enterprises must own up to the fact that people are experiencing considerable job uncertainty during the industrial-knowledge economy changeover along with unraveling safety nets. They can help employees to become more secure *irrespective of organization*.
- Companies who support employees' need to create and grow independent social networks will become magnets for the highest performing employees, contractors and business partners. It is a golden opportunity to develop a suite of social networking enablement services for employees.
- In turn, employees must become far more aware of how they add value to the companies with which they interact. The difference between an employee and a consultant often boils down to the consultant's awareness of his/her value within a certain organizational (business) context—and the ability to communicate it. The day of primarily defining one's value within the organization is largely over.
- Learning how to use social networks to discover, build and maintain trusted relationships is probably the most enabling skill anyone can have in the foreseeable future.
- Tools will play a major role in affecting how this transformation unfolds, and vendors are converging on the enterprise because that's where the real money is. Enterprise vendors offer trusted, often scalable solutions, but they are typically harder to use and neglect the significance of cross-boundary interaction. Pureplays like LinkedIn excel in the cross-boundary context, but they strive to appeal to enterprises' penchant for control without impinging on individuals' rights.



Parting Shots

- As I have been saying [for some time](#), "social networks" will disappear within 1-4 years—because networking features will be everywhere. They will continue to grow and make available information that used to be considered personal. The information will only be effective for people who understand that they must conduct themselves to increase trust with people. And trust is like pornography: most people can't define it explicitly, but they know it when they see it.

- Based on the reaction to my presentation, it's clear that one of the biggest barriers for enterprises is identifying the Web 2.0 elements that are important to their stakeholders, and allocating people and resources appropriately to build their capabilities. They need a vision in order to coordinate initiatives and share learning. This will be critical in the next 2-4 years because there is little resident knowledge in the ranks and executive suites of organizations.
- The conference closed with a rousing panel and group discussion. One of its key threads was developers' frustration with closed telecoms networks. The Internet is open, yet telecoms remain closed and proprietary. Deutsche Telekom's Joerg Heuer was on hand to share telecoms' point of view. The key idea was, if they open the networks, how will they capture revenue? Much of their traditional business model is predicated on pay for access.
- An awesome idea for a start-up would be managing Web 2.0 privacy features for people and educating people on their use. People have a hard time grasping changes in context. We tend to associate the context in which we learned about something—with the thing we learned. However, in the distributed (software) world, in which components of applications invoke data or functionality from everywhere, context can change significantly, moving cheeses and upsetting apple carts. This will lead to ruffled feathers in all quarters.



About the Author

Christopher S. Rollyson launched *The Global Human Capital Journal* in 2005 to address the most poignant issues of day for chief executives, namely global transformation, the reinvention of the enterprise, technology and culture. Mr. Rollyson has been a technology and marketing visionary and pioneer for over fifteen years, with distinction in corporate strategy and innovation. As a consultant and marketing executive, he has had a leading role in launching such game-changing offerings as: Java with Sun, e-business strategy with PwC Consulting, and SOA, Web services and architecture solutions with IBM and nVISIA. In 2006, he launched The Consumer Empowerment Adoption Curve™ and Transourcing™, a new approach to innovation that leverages high performance collaborative partner networks. He currently advises global enterprises on collaborating with Web 2.0-enabled customers—to drive innovation and to engage emerging markets.

Recently the Vice President of Marketing at nVISIA, he developed executive marketing programs and service offerings to drive the value of software transformation through service-oriented architecture and Web services, working with IBM, Rational and Grand Central. Previously a subject matter expert for e-business and knowledge strategy in PricewaterhouseCoopers' Strategic Change practice, Mr. Rollyson developed original models and services frameworks for e-business strategy consulting. He consulted to clients in automotive, software, telecoms, consumer electronics, chemicals and petroleum industries, advising global enterprises in e-business strategy and technology start-ups on innovation and business strategy. Prior to PwC, he led marketing for KPMG's Midwest High Technology practice, where he built one of the firm's first intranets to transform the marketing organization to a real-time team. Before that the head of marketing at a leading edge Java consultancy, he played a key role in co-launching Java via marketing alliances with Sun and Netscape. Mr. Rollyson has done graduate work in corporate strategy and economics at the University of Chicago, with additional studies at Die Freie Universität Berlin, L'Université de Clermont-Ferrand in France and il Liceo Americano d'Aviano in Italy. He earned his undergraduate degree from Kalamazoo College. <http://rollyson.net>

About the Global Human Capital Journal

The Global Human Capital Journal addresses the global shift from the Industrial Economy to the Knowledge Economy, which is changing how human beings work and deliver value. In the Industrial Economy, products encapsulated the value of human work; in the Knowledge Economy, information produces the lion's share of value, and customer experience itself is the focus of commerce and government. A greater degree of collaboration among people of the world is possible than ever before, and increased interaction will bring unprecedented surprise and opportunity, especially because the potential is great to "level the playing field" among people of the world. Obviously, these developments hold significant ramifications for business and organizational strategy.

Global Human Capital covers two prongs of economic transformation: 1) strategically, how organizations can rejuvenate their relationships with customers and constituents by collaborating with them to drive innovation and 2) operationally, how organizations can build strong collaborative cultures and skills to engage the world's emergent network of expertise, both within and without their walls. We analyze how global sourcing and collaboration are transforming enterprise and government organizations, as they transition from relatively self-contained, closed entities to more networked, open organizations.

Current categories (threads) are: Beyond Sourcing; China, India and Globalization; Economy; Innovation/Web 2.0; Technology/Leaders; and The Enterprise. Please visit us at <http://globalhumancapital.org>