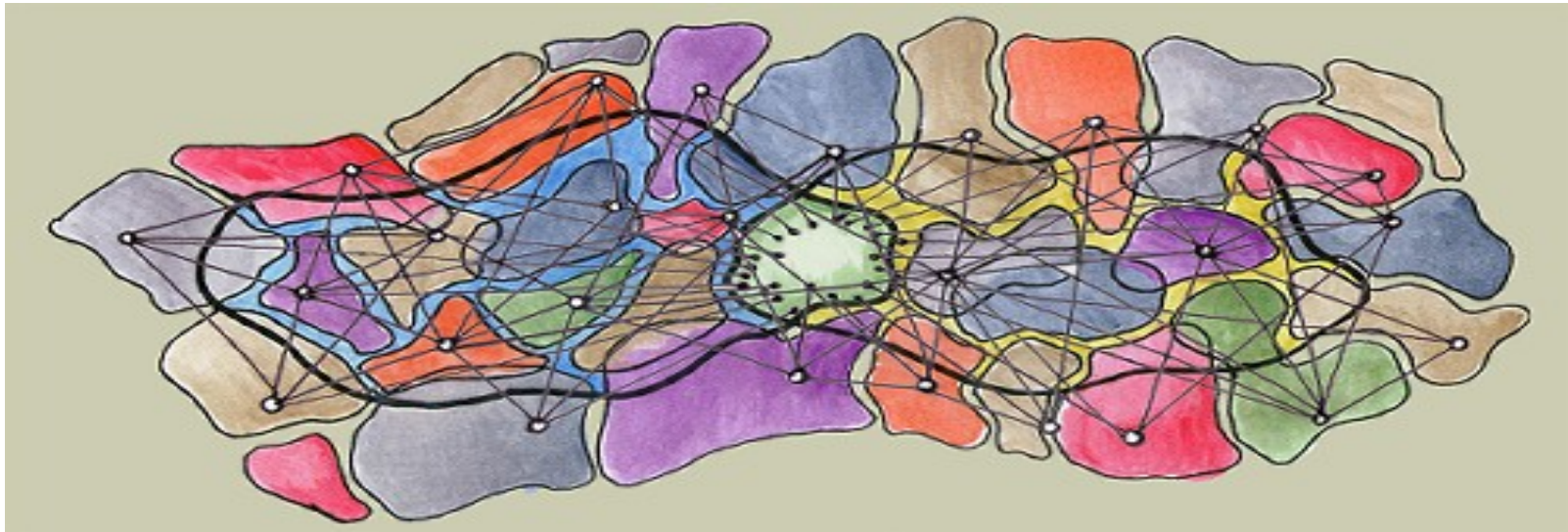


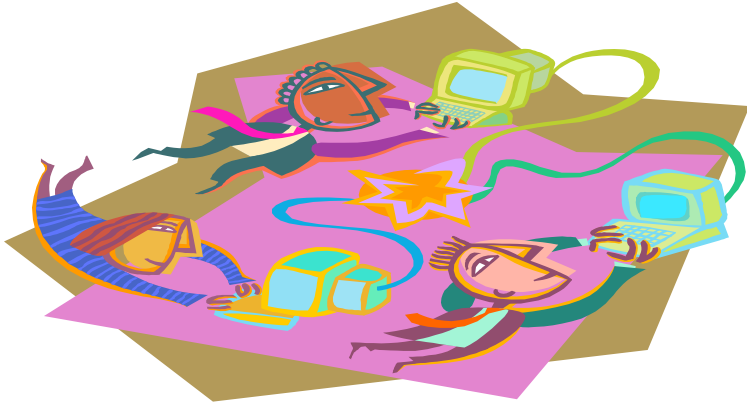
What's Ahead? Complexity, Collaboration and Organizational Networks



Victoria G. Axelrod

**OD Network GNY
December 7, 2006**

Flow



- **Context – Business Issue/Strategy**
- **Networks**
- **Conversations/Story**
- **Q & A**
- **Next Iteration**

Social Technology is enabling individuals in social networks to collaborate freely and build collective intelligence.

Questions

- What happens when the systems we work with are overwhelmingly complex and interconnected & collaborative technologies bring a stronger external voice to the organizations' work?
- What are the organizational structures and legal issues involved in peer-to-peer production as we work in more open systems?
- What is the new conceptual framework for OD?
- What are the practicing changes?

What Is the Business Issue You are Trying to Solve?

It's the Strategy Stupid



Outside – in - World

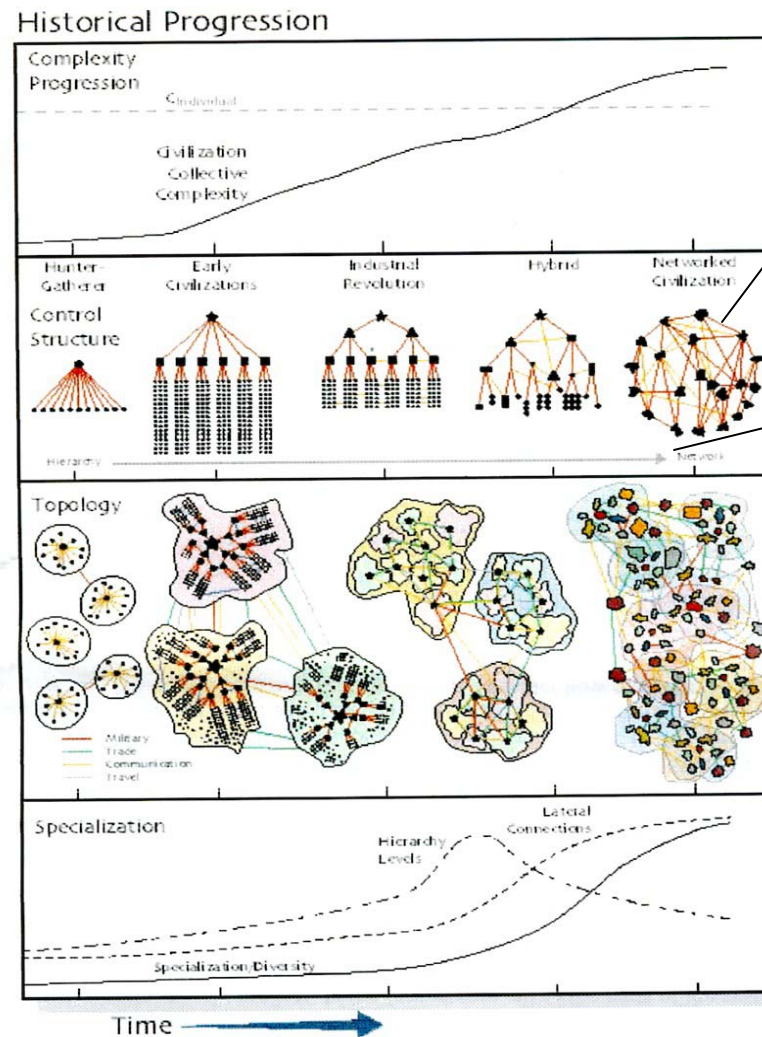


Science,
Technology and
Human Behavior

From Pure Hierarchy to Network



Strategy Context: Historical Progression to Networks



External
Business
Value
Creation

www
Social Technology

Social Technology Today

Digital Identity Mapping



“corporations will have to craft new roles for themselves and learn new ways to operate in order to stay relevant.”



Tapping the Collective Intelligence

Research

P&G 35% of new products from scientific networks – drive to 50%.

Hiring

LinkedIn 2.7 mm people connect to jobs and employers thru friends.

Production

LindenLab's Second Life built by 6000+player hours a day = 1000 person team.

Marketing

LEGO used 250 train fans to promote 10,000 unit sales by “word of mouse.”

Sales

Eli Lilly taps “wisdom of crowds” thru employee virtual stock market to predict outcome of drug trials before release.

Lego – Kids Toys



The Firm, The Market, Peer Production

“The economic role of social behavior is increasing”

Yochai Benkler – Yale Law

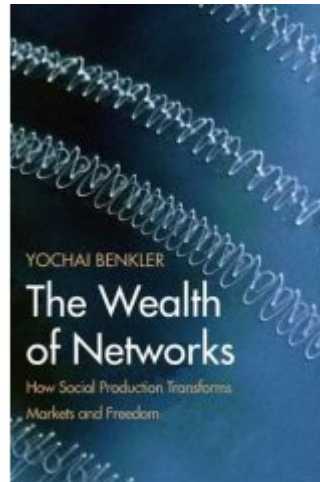
Think:

Amazon

eBay

Craig's List

Cyberrentals

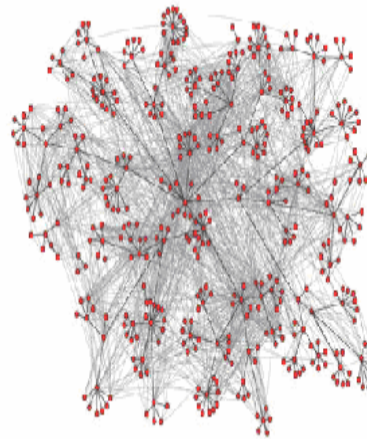
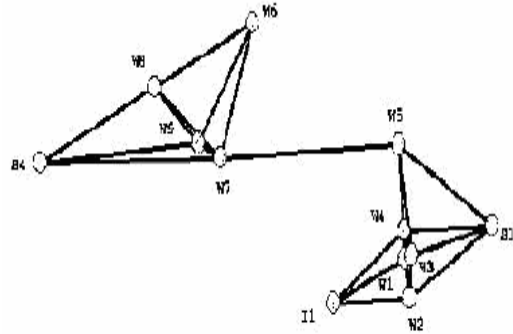


Yesterday's Socio - Tech

If a technical system is created at the expense of a social system, the results obtained will be sub-optimal. Tavistock

An OD Practice Change

Today's Social Technology



A Web Site as a Living Organism

Social and computer scientists are studying how social networking Web sites, like myspace.com, grow and change. They hope to learn why and how some online groups thrive and attract members while others stagnate and die out.

EACH CIRCLE represents one member. Larger circles are members who recruited more new members.

Old member
New member

EACH LINE represents a "friendship" between two people.

Old friendship
New friendship
Corresponds to someone recruiting a friend into the group.

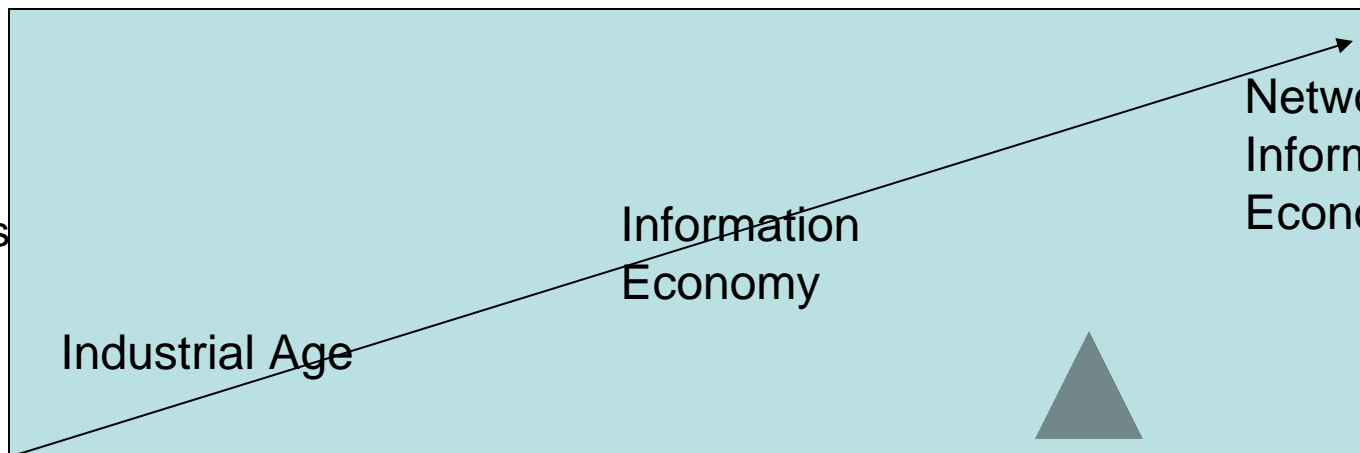
Source: Jon Kleinberg and Lars Backstrom, Cornell University

DEAD AREA
Part of the group with many existing members who are doing very little to actively recruit new people.

AREAS OF GROWTH
Part of the network where many new members are joining through their connections to existing members.

David Constantine/The New York Times

Traditional
Org Models
Effectiveness



Technology

Social Technology

Time Line

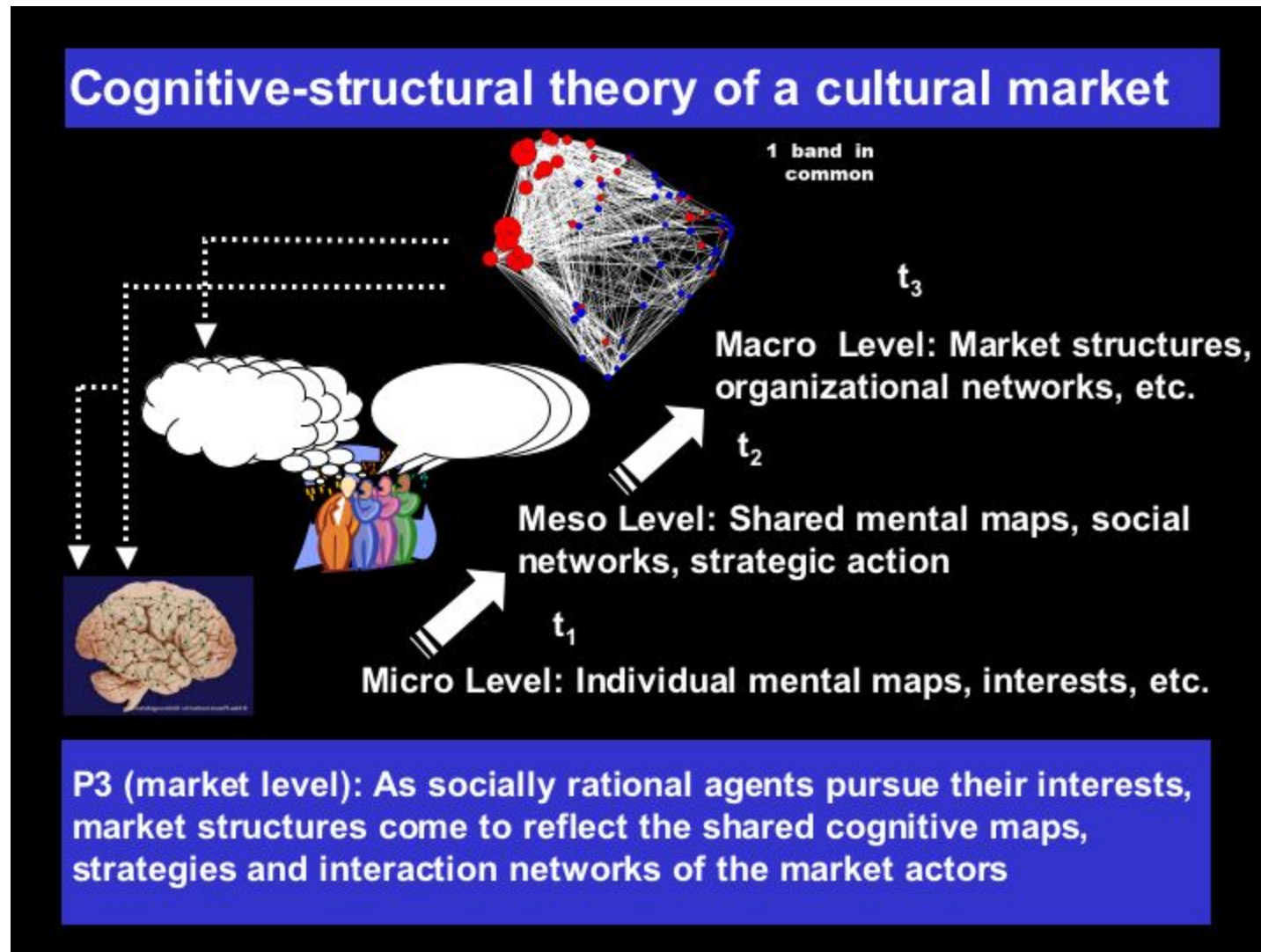
Strategy is People in Action

“Social Technology”

- People in their relationship to each other in networks
- People use or re-create the technology to further the relationships in the network
- The network evolves around the use of the technology. It is dynamic.
- Context and content are central to the emergence of the network.
- Finding info, communicating, collaborating
- Transcends geographic constraints.

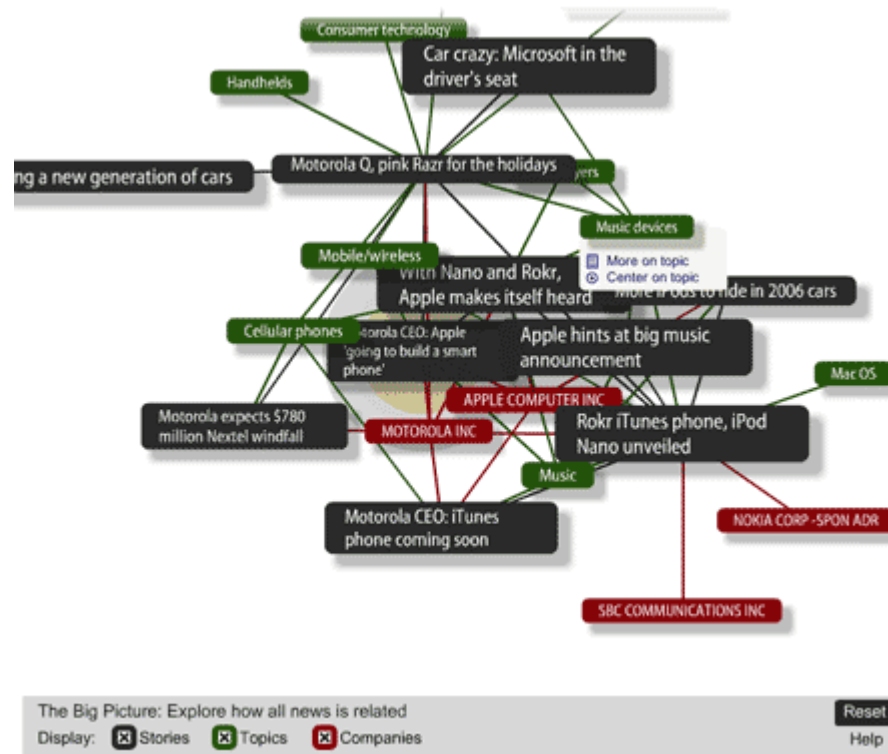
Where We Come Together for Action

Night Club Bands in Boston



The Big Picture Strategy

CNET News.com



Collaborative Intelligence Network



SpecialReport |



PLAYBOOK: BEST PRACTICE IDEAS

Let Them Go

Tips for creation of a post-geographic workplace

MEASURE

Before unplugging workers, metrics are key to ensure that productivity, engagement, and turnover improve.

TAILOR

Imposing new work rules rarely pays because managers and workers need to tailor schedules to their needs.

TRUST

Inevitably, some untethered workers will slack off. Managers need to trust—then rely on data to assess performance.

EDUCATE

Location-agnostic work is a hard concept to grasp. So refresher courses are a must for managers and workers.

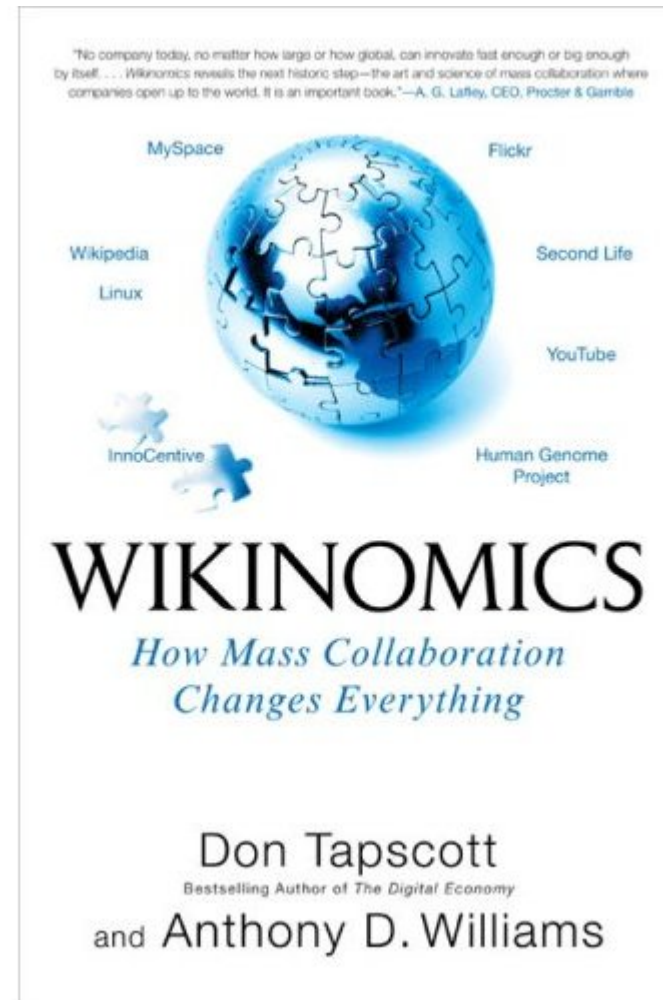
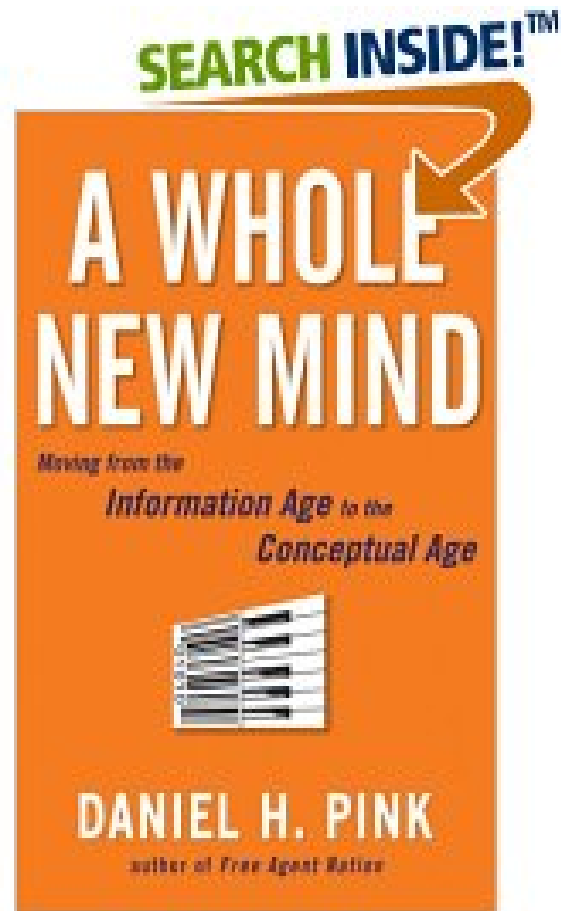
GATHER

When workers are nomads, regular gatherings, in person or by videoconference, help retain a team dynamic.

A Revolution in Interaction

Tacit Workers

- Knowledge
- Judgment
- Experience
- Instinct



Wikinomics: How Mass Collaboration Changes Everything

Assumptions

- Digital connectedness changes everything from politics to shopping.
- Collaborative technologies enable instant access to colleagues, partners, mentors across traditional organizational boundaries
- Interactions messy, interdependent and difficult to determine what goes on and why.
- Approaches more “emergent” than ever.
- Demands new organizational models

Thank You!

Contact Information

Axelrod Becker Consulting

vaxelrod@axelrodbecker.com

www.axelrodbecker.com

212 – 369 – 2885

21st Century Organization Group Blog

<http://c21org.typepad.com>



Strategy is People in Action