

Social Business Evaluation White Paper  
Jeff Calusinski IBM Distinguished Engineer  
Heath McCarthy Social Business Architect

Just about every organization is intrigued by the idea of social business or social for corporate use. This interest has been driven by individuals experiences with consumer based social networking sites like Facebook, Twitter and LinkedIn. But the intrigue has also spurred questions around business alinement and uncertainty about business value and slowing the adoption of end users. Regardless of ones position on social business it is important to ensure there is a common understanding, based on a formal definition to increase the awareness of how to think of social in the context of a business. The goal of this paper is to help address both of these items in a way that makes sense and as a foundation for moving forward.

When talking to clients about social business we commonly hear, “What does social business really mean?” This question, though simple in nature, can generated many different answers resulting in an ambiguous definition. For example some refer to social business as Facebook, LinkedIn or Twitter. Others will answer IBM Connections, Sharepoint or Jive. While still others will say Amazon, Ebay and Google. Some even say Groupon, Living Social and Yelp. To a certain degree all of the answers are correct. In an effort to help provide clarity we propose the following as a definition of social business:

Social business is the convergence of social collaborative capabilities and enterprise business processes, both formal and ad-hoc. These two seemingly independent activities, when brought together, can help transform the way businesses interact with its employees, partners, and customers. This is achieved by empowering the users to contribute or consume content, in the context of an action. Thereby allowing businesses to create an environment where users can collaborate more effectively and generate better business results with less time.

Therefore looking back at the examples provided earlier, in parallel with our definition, one might conclude each example is indeed correct. But the examples are only consistent with a part of the definition, not the whole definition. Specifically they address the social collaborative capabilities portion, but they do not address the formal and ad-hoc enterprise business processes. In order to provide some clarity around the business alignment, it is important to understand the evolution others have taken when determining how social business aligns with their business. Understanding this evolution is important because social business is not a single product an organization can buy. Also, contrary to popular belief, it doesn't happen spontaneously. It requires a cultural shift or transformation from traditional ways of working. Additionally there is a cost associated with becoming a social business both organizationally and financially. Because of this, it is important to have a model organizations can leverage when evaluating social business.

The model mentioned is based on experiences over the last 8 years with collaborative technology use and adoption in large organizations. Our experience has shown that organization follows a common path when considering social collaborative solutions. We have decomposed this common path into six phases. Each phase has a set of outputs that are the inputs to the subsequent phases. The six phases, in order, are as follows:

1. Incubation

2. Understand
3. Decide
4. Align
5. Execute
6. Monitor

In the remainder of this paper we will provide more detail about each phase including a definition, inputs needed for the phase as well as the output expected as a result of executing the phase.

### **Incubation:**

Inspiration can come from many different sources. Sometimes it originates from inventing new ideas, other times from innovating based on existing experiences. The outputs of incubation are social business capabilities. These capabilities can be simple, like tagging, or complex, similar to an integrated collaborative environment. Incubation is the catalyst that causes users to want to understand more about social business.

### **Understand:**

Historically, social business has been ambiguous and has lacked a clear definition, thereby creating confusion. The understand phase is intended to provide a deeper insight and better rationalization of social business. The insight and rationalization needs to be provided based on both a business and a technical perspective. A common language, taxonomy and ontology are needed to help organization better understand social business.

### **Decide:**

During this phase, it is important to understand the deeper details around the macro issues as they relate to the organization. The organization needs to come to consensus if social business will provide value and if further efforts are needed. It is common for organizations to develop their social business strategy during this phase. Governance structures are started and high level capabilities are identified.

### **Align:**

During this phase detailed work is done to align the appropriate business area with social business capabilities. The capabilities identified in the decide phase are refined and finalized. Business value assessments are conducted and ROI models are created. Technology selection is performed based on the final list of capabilities. The governance structure is put into place and begins to provide guidance.

### **Execute:**

The actual build out of the solution occurs during this phase. Validation of the business value association with the technology selection occurs. The deep technical integration between the social business capabilities and the core business processes are finalized. Plans are put into place for user adoption and feedback to the governance group are created. Finally, a roll out plan is put into place and executed.

**Monitor:**

During this phase the solution is in production and the organization is engaged in the social interactions. This requires regular participation in the social interactions, while measuring the value the solution is providing. Feedback is provided to the governance group as well as any observations for the Incubation and Understand phases of the framework.

## **Detailed Approach**

As a way to better understand the value of the evaluation framework, a use case will be used to provide guidance. In selecting a use case, care has been taken to ensure it will have applicability across all of the phases of the framework. On-boarding is our sample use case. We use this use case to illustrate the value of social business because it has applicability across every industry and is a common process organization try to optimize.

Use Case Title: On-boarding

Definition: As organizations grow or change, there is a need to include new members into the organization. On-boarding is the process which an organization uses to make the new member productive.

Challenge: Each organization has a different process for on-boarding new members. The more time required to bring members up to speed, the more likely they are to abandon the organization.

Goal: Enable the new member to be productive as soon as possible while promoting a sense of community.

A concrete instance of the use case will be used to show how the use case evolves as it progresses through each phase of the framework. An instance is needed to help provide more context related to the process and to provide insight into the decisions made through out the framework. More specifically, in the framework section above a description has been provided for each phase. It is necessary to provide more detail, than just a description, to help with the use case illustration. It was mentioned earlier that each phase has a set of inputs and outputs. A table is provided with a sample list, though not a complete set, of inputs and outputs. The inputs and outputs are also commonly referred to as artifacts. Employee On-boarding for an insurance company will be our concrete instance.

Use Case Title: Open Financial Network Insurance On-boarding

Definition: The process all new employees will follow when first hired into Open Financial Network (OFN).

Challenge: New employees have a 50% chance of leaving OFN with the first 90 days if they believe they are not a part of the organization or they believe they can't be productive because they don't have knowledge of the organizational structure.

Goal: The provide a mechanism by which the new employees of OFN can quickly integrate into the organization and establish a sense of community.

Outcome: Reduce the turnover rate by 10% over the next 12 months and Increase new employee satisfaction survey results by 5% by end of year.

## **Incubation Phase**

Incubation Artifacts	
Inputs	Outputs
Business Challenges	Working Product
Invention	Prototype
Brainstorming	Capability Definition

As described earlier, the incubation phase is intended to think out of the box and look across a broad spectrum of technology to locate new candidates of social business capabilities. Though not necessarily an explicit phase an organization will exercise, it is one that does occur. These capabilities can be singular in nature or aggregated to produce a prototype or a working product. The catalysts for the outputs are the inputs, that being, unsatisfied businesses challenges, pure invention, group based brainstorming, etc... It is important to realize that this phase doesn't necessarily occur with in the organization. In most cases, especially then it is he first pass though the evaluation framework, will originate outside of the organization. So, when OFN was looking for ways to solve their on-boarding challenge, they realized that LinkedIn and Facebook were working products that solved some of the issues facing OFN. They also believed that other industries like consumer retail and their use of social capabilities as seen on sites like Amazon and Best Buy developed community support structure, web based rating and review, which were similar to the needs of their on-boarding problem.

OFN Incubation Artifact	
Inputs	Outputs
Bring people together by sharing their life experiences. (Facebook)	Facebook (Working Product)
Provide a mechanism for consumer of retail products to share their opinion of the product. (Amazon, BestBuy, etc...)	Rating, Reviews, Forums, etc.. (Social Business Capabilities)
Create an environment where professionals can congregate to keep each other up to date on their careers.	LinkedIn (Working Product)
Create a social platform for corporate use	IBM Connections, Sharepoint, Jive, etc...

Though the incubation phases inputs were not utilized by OFN, the outputs were. The inputs where the basis for why the companies mentioned earlier created either the working product or leveraged social capabilities to solve their business challenges. OFN is the benefactor of these outputs, because OFN realizes that these products and capabilities might have value to their business. This is the basis for OFN's need to move the next phase of the evaluation framework, the understand phase.

## **Understand phase:**

Understand Phase	
Input	Output
Observations of Capabilities	Presentations
Feedback from Monitor	Point of View
Presentations	Taxonomy
Point of View	Ontology

The understand phase really has two purposes, both focused around researching social business. The first purpose is to define what really is social business. This will be important for organization that have not spent much time in understanding social business and how it differs or complements the way they conduct business today. The second, provided the first is satisfied, is to provide more insight into a new set of capabilities. These capabilities more than likely will come from the incubation phase or as a feedback from exiting work efforts.

Research will occur to gain a deeper understanding of the social business capabilities that exist and that have the potential to solve the business problem. In the case of OFN and the on-boarding process, there is a need to create a sense of community. So they look to vendors to provide a set of presentations, white papers or points of view on social business. They also look internally at how they are using email, instant messaging and shared drives to determine if integrating these products together can help solve the on-boarding problem. The outcome of the understand phase are artifacts that can be used in the decided phase. Since the understand phase is purely research, recommendations are not provided. Recommendations are left for a future phase. Part of the rationale for this, is that there are multiple people within an organization that are needed to make a decision and the forum in which the understand phase occurs on multiple levels. In the case of OFN, Sr. Executives meet with vendors and partners to understand their point of view on how social business can potentially provide value to the organization. This provides a comfort level for the organization to continue on the understand phase as well into the decide phase. OFN now sees that Facebook, LinkedIn and IBM Connections have capabilities that can help their organization and further research is needed to validate that the capabilities implemented by these platforms align with the organizations strategy.

OFN Understand Artifact	
Input	Output
Facebook, LinkedIn	IBM Connects Presentation
IBM Connections	Taxonomy of capabilities
Ratings, Reviews, Forums	Ontology of capabilities
	W3C White Paper on Social Business

## **Decide Phase:**

Decide Phase Artifacts	
Input	Output
Presentations	Governance Structure
Whitepaper	Strategy
Taxonomy of capabilities	Value Proposition
Ontology of capabilities	Use Case Confirmation

The Decide phase is intended to determine if the organization should move forward as well as create the necessary artifacts for the next phase. This phase should not take a large amount of time. It can be viewed as a transition phase where the basic building blocks are agreed upon and put into place for the align phase. Where the understand phase is more about researching reoccurring types of activities, the decide phase is about leveraging the research to make a determination on moving forward. The value proposition or the businesses benefit is identified in support of the use case which aligns with the social business strategy. OFN observes that community based capabilities like forums, ratings, reviews and status updates can provide the value needed to help with the on-boarding process. Since there is agreement to move forward OFN creates a governance structure to support social business activities and is responsible for the creation of a social business strategy. Since the decide phase is a transition phase the basic formats for both the strategy and the governance structure are established. OFN decides to appoint the Senior Vice President of HR to be the executive sponsor of the social business initiative and chair the governance board, while the director of IT services and the director of corporate communication are responsible for developing the social business strategy.

OFN Decide Phase Artifacts	
Input	Output
IBM Connections Presentation	OFN Governance Board for Social Business
W3C White Paper on Social Business	OFN Strategy for Social Business
Taxonomy of capabilities	Value Proposition
Ontology of capabilities	On-boarding Use Case

## **Align Phase**

Align Phase Artifacts	
Input	Output
Governance Structure	ROI Model
Strategy	Product Selection
Value Proposition	High Level Architecture
Use Case Confirmation	Completed Use Case
Taxonomy of capabilities	Capability list
Ontology of capabilities	

The Align phase is where most of the business validation and refinement occur and where the high level technical solution starts to take form. The focus is on driving through the use cases to ensure that the capabilities defined in the taxonomy and in the ontology can satisfy the use cases. If for some reason they do not, then the understand and decide phases are iterated through again to locate the appropriate capabilities. The goal from a business perspective is to complete the use cases and to create an ROI model in support of the use cases based on the capabilities. The goal from a technical perspective is to create a high level architecture in support of the capabilities and the product selection in support of the use cases. OFN has been able to determine that through the use of social business capabilities they can achieve their objects of building a community around the on-boarding process. In their ROI model, they should be able to reduce the turn over rate by 10% and increase employee satisfaction by 5%. The technical team believes that by leveraging IBM Connections, they will be able to utilize the following capabilities: communities, video sharing, story telling, blogs, status updates and profiles. This will fit within their existing WebSphere architecture.

OFN Align Phase Artifacts	
Input	Output
OFN Governance Board for Social Business	10% and 5% metrics (ROI Model)
OFN Strategy for Social Business	IBM Connections (Product Selection)
Value Proposition	WebSphere (high level architecture)
On-boarding Use Case	Completed On-boarding Use Case
Taxonomy of capabilities	communities, video sharing, story telling, blogs, status updates and profiles (Capabilities List)
Ontology of capabilities	

## **Execute Phase:**

Execute Phase Artifacts	
Input	Output
ROI Model	Adoption Plan
Product Selection	Working Product
High Level Architecture	Monitoring Metrics
Completed Use Case	
Capability list	

As mentioned earlier the actual build out of the solution occurs during this phase. Validation of the business value association with the technology selection occurs. The deep technical integration between the social business capabilities and the core business processes are finalized. Plans are put into place for user adoption and feedback to the governance group are created. Finally, a roll out plan is put into place and executed. This isn't much different from other IT initiatives, except for the need to create an adoption plan. The adoption plan is needed to ensure that technology is rolled out properly and expectations are set around the use and benefits of the social businesses capabilities. Every organization's adoption plan will be different, but successful deployments of social capabilities require some sort of adoption plan.

OFN Execute Phase Artifacts	
Input	Output
10% and 5% metrics (ROI Model)	Roll out to Midwest based new hires, then east coast and finally west coast. (Adoption Plan)
IBM Connections (Product Selection)	OFN New Employee Community. (Working Product)
WebSpere (high level architecture)	# of stories shared, # of uploaded videos, # of blogs creates. (Monitoring Metrics)
Completed On-boarding Use Case	
communities, video sharing, story telling, blogs, status updates and profiles (Capabilities List)	

### **Monitor Phase:**

Monitor Phase Artifacts	
Input	Output
Adoption Plan	Measurement of adoption
Working Product	Business metrics reports
Monitoring Metrics	Input to incubation and understand phases

During this phase the solution is in production and the organization is engaged in the social interactions. This requires regular participation, by entire organization, in the social interactions, while measuring the value the solution is providing. Feedback is provided to the governance group as well as any observations for the incubation and understand phases of the framework.

OFN Execute Phase Artifacts	
Input	Output
10% and 5% metrics (ROI Model)	%50 of goal year to date
Roll out to Midwest based new hires, then east coast and finally west coast. (Adoption Plan)	Illinois based employees are adopting the community platform and are making business impact.
OFN New Employee Community. (Working Product)	Need for wiki capabilities
# of stories shared, # of uploaded videos, # of blogs creates. (Monitoring Metrics)	

## Conclusion:

As an organization goes through the phases described above two things should be remembered. First, social collaboration is not static, it is constantly evolving. Therefore multiple iterations will occur across the entire evaluation process. As time passes and new capabilities are created organizations will exercise the evaluation process again. Secondly, time spent in each phase will increase as you move from one phase to another. For example, most organizations spend more time in Decide phase than Understand phase and then more time in Align phase than Decide phase. This is important to consider when an organization is trying to set the proper expectations and time commitments. We have provided the the OFN On-boarding use case as a simple example of how an organization can exercise the

framework to help with social business adoption. In practice, there will be many use cases, but the framework will still provide the guidance needed to make the correct choices and maximize the use of social business.