State of
Enterprise 2.0
Collaboration
Q2 2011

**CHESS
MEDIA
GROUP**

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Key Findings

1. Business managers and IT managers are beginning to work more closely together to co-own and co-sponsor emergent collaboration initiatives.

Despite this trend, business units independently own and sponsor emergent collaboration projects twice as frequently as IT departments. With the low barrier to entry of emergent collaboration solutions, business unit managers are now more inclined to deploy their own solutions without the approval or cooperation of IT.

2. There is not a strong enough focus on developing an enterprise strategy before deploying a technology platform.

While a growing number of organizations are thinking about their emergent collaboration strategies, a large proportion of companies are either implementing a tool first or are engaging in a "test it and see what happens" approach.

3. Organizations are stuck in the "value paradox."

Managers within companies are challenged with seeing the ROI of Enterprise 2.0 and are uncertain of the business value of emergent strategies and tools. However, most companies are not defining performance indicators to measure any type of success or progress. Those that are defining them do not actually have a tracking or measurement system in place. Without having a process evaluate results, it is impossible to see any type of tangible or intangible value or business benefit.

4. Solving a business problem or achieving an objective is just as good as being able to show a financial ROI.

Financial drivers are not the primary justification for an emergent collaboration initiative. Business value to the organization has many faces: the ability to discover people, expertise and relevant information quickly and easily; improved and increased communication and collaboration across the organization; innovation and creativity to achieve performance excellence; and broken-down silos across business units to tap collective intelligence and solve business problems or achieve common objectives.

5. A combination of both a structured and unstructured approach is the most successful and commonly used approach by organizations.

Organizations that practice a mix of a structured and unstructured approach see a higher level of engaged employees and a greater likelihood that usage will continue to increase over time. Organizations that focus purely on a structured approach see the poorest performance in terms of usage and engaged employees.

Introduction

There has been no point in history where business communications has moved faster than it is today. With the pace of change in the business world characterized by global competition and a knowledge-based economy, connecting the right people with the right information at the right time to drive business decisions by way of enterprise collaboration can mean the difference between success and failure.

Enterprise collaboration has grown well beyond the early stages when collaboration was arguably tool-based and encompassed simple platforms that included stand alone blogs, discussion forums and groupware products, and where knowledge workers collaborated in relatively minimal ways, that is, accessing contact management databases, sharing calendars, and viewing threaded discussions. We have come a long way since then. The technologies available today and evolving business cultures allow for a much more robust and effective way to connect and collaborate with employees.

In recent years, the widespread adoption of social media within personal environments has played a part in how employees use social technologies in the workplace. Personal usage of popular social technologies like Facebook, Twitter and YouTube have primed employees to leverage their open communication and sharing abilities for enhanced communication and advanced methods of collaboration in the workplace; it is up to companies to employ strategies to extend this into business uses.

This is the age of the collaborative organization - an evolved way of conducting business that focuses on emergent collaboration. Organizations are tapping into the collective intelligence of their employees. New enterprise-class social technologies are being deployed by organizations large and small, and around the world to help drive benefits such as improved team collaboration, knowledge capture for sharing and transfer, social learning, crowdsourced ideas and innovations, and increased productivity.

By connecting employees across teams and geographies, organizations are experiencing value from adopting enterprise collaboration technologies and the requisite changes to its corporate culture. This has enabled employees to do their jobs more efficiently and effectively, and boost productivity with company-sanctioned tools, a move that not only contributes to organizational effectiveness but also sends a message to employees that the organization is breaking down internal barriers and validates open communication and sharing across traditional boundaries.

Through this report, we present perspectives and fact-based experiences provided by enterprise collaboration practitioners. The analysis from their responses seeks to provide organizations with insights that will support their collaboration projects. The report will cover:

- The enterprise structure of all survey respondents
- The maturity of enterprise collaboration
- Organization sponsorship, business drivers and ownership
- Financial performance and satisfaction

Specifically, this report zooms in on the current state of Enterprise 2.0:[1] business drivers of collaboration, sources of sponsorship, deployment and implementation, employee adoption, practical applications of emergent collaboration tools, and financial and non-financial performance.

Emergent collaboration is increasingly becoming a business imperative for staying competitive in the age of globalization. How people work within distributed teams and how these teams work towards a common goal and at the same time, be part of a community and to have a voice in the community will drive the long-term growth and success of the organization.

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[1] This report does not discuss emergent collaboration between clients, partners, suppliers and consumers.

Section 1: Enterprise Structure

Geographic Region

Fig. 1) In What Country is Your Organization Headquartered?
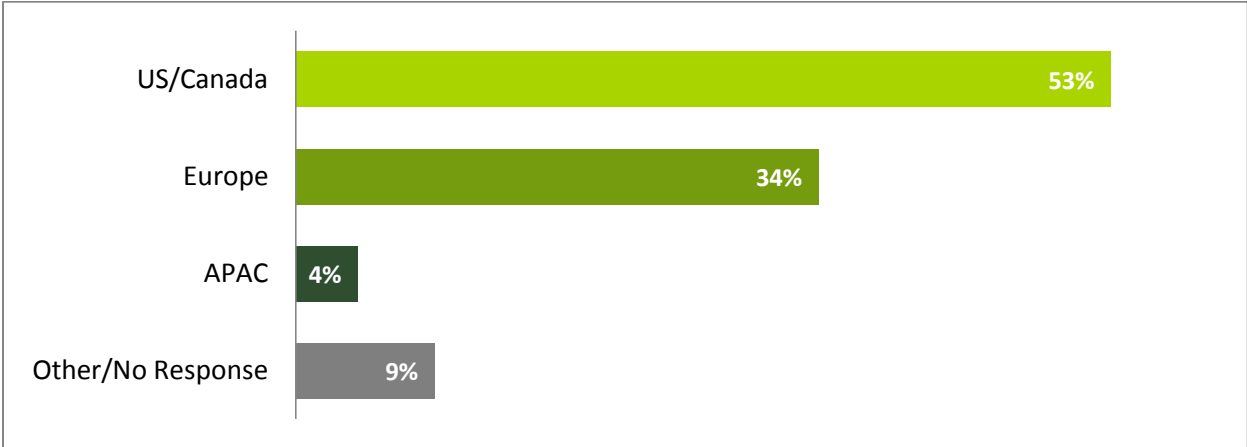
The survey represents a global audience of respondents with 53% from the United States and Canada, 34% from Europe, and 4% from APAC countries. People from other parts of the world and those who declined to answer this question amounted for 9% of survey respondents.

Increasingly, business teams consist of collaborators who are distributed across the globe. A knowledge worker's workplace is no longer limited to a company's bricks and mortar offices to conduct business. Instead, it has shifted to the organization's ability to connect employees and information, in spite of physical location.

Is Your Organization Multi-National?

With 56% of survey respondents working for multi-national organizations, communication channels, cultural challenges, and dispersed business opportunities can significantly affect business outcomes and how we work together. It is vital for senior leaders to define new global strategies for expanding the online workplace, while shifting their thinking towards how to tackle the changing demographics of the workforce and how they are communicating with each other.

Organizational Size

Fig. 2) How many people are employed across your entire organization?
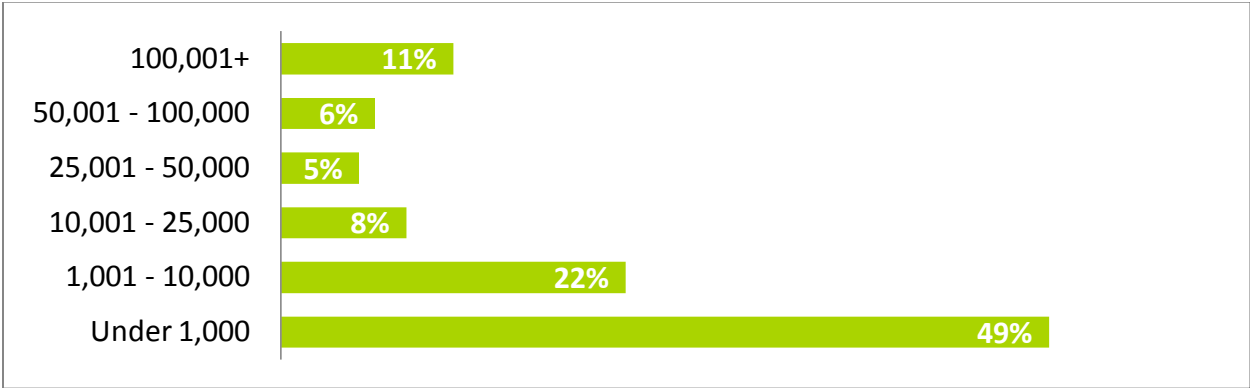
Organizations large and small participated in the survey. The largest portion of survey respondents was comprised of organizations with an employee population of fewer than 1,000 people (49%), with the second largest grouping being organizations with between 1,000 and 9,999 employees (22%). On the other end of the spectrum, a respectable 11% of organizations with 100,000+ employees are also using emergent collaboration solutions. The entire breakdown by organization size is provided in Figure 2.

Employee Roles

Fig. 3) What is your group within your organization?
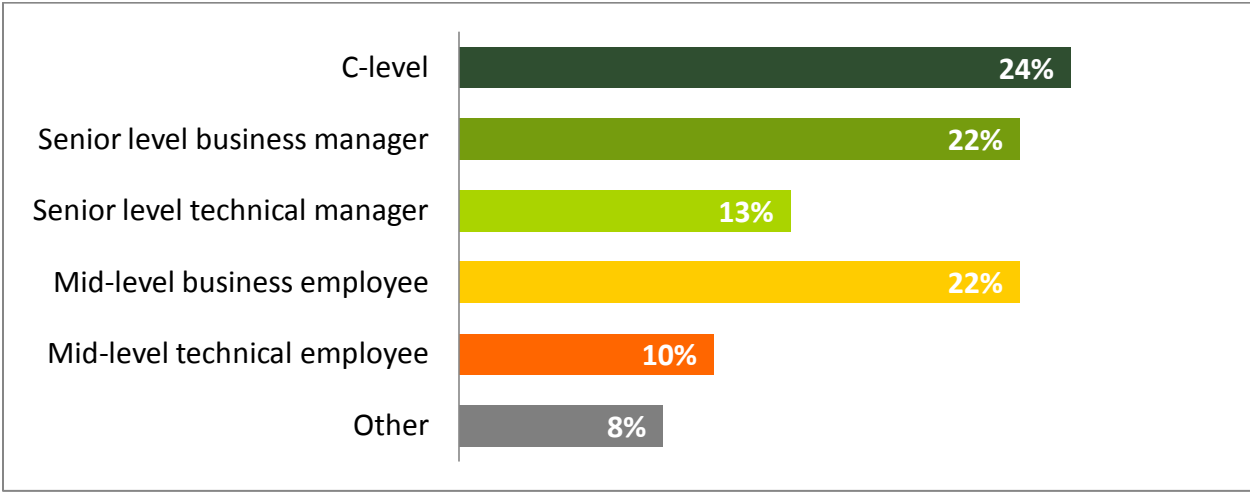
The survey received a well-rounded representation of roles and seniority levels within the organization, providing good perspective. The survey population breakdown consisted of C-level personnel (24%), business personnel (combined 44%), and technical personnel (combined 23%). Personnel classified as "other" (8%) were primarily comprised of external consultants and junior level employees. The distribution of groups offers a fairly balanced view of opinions and attitudes related to Enterprise 2.0 implementations within organizations.

Fig. 4) What is your functional role?

Operations/IT — 23%
Sales/Business Development — 18%
Marketing — 14%
Innovation — 12%
Professional Services — 12%
PR/Communications — 6%
HR — 5%
Customer Support — 3%
C-Level — 3%
Finance — 2%
Other — 1%
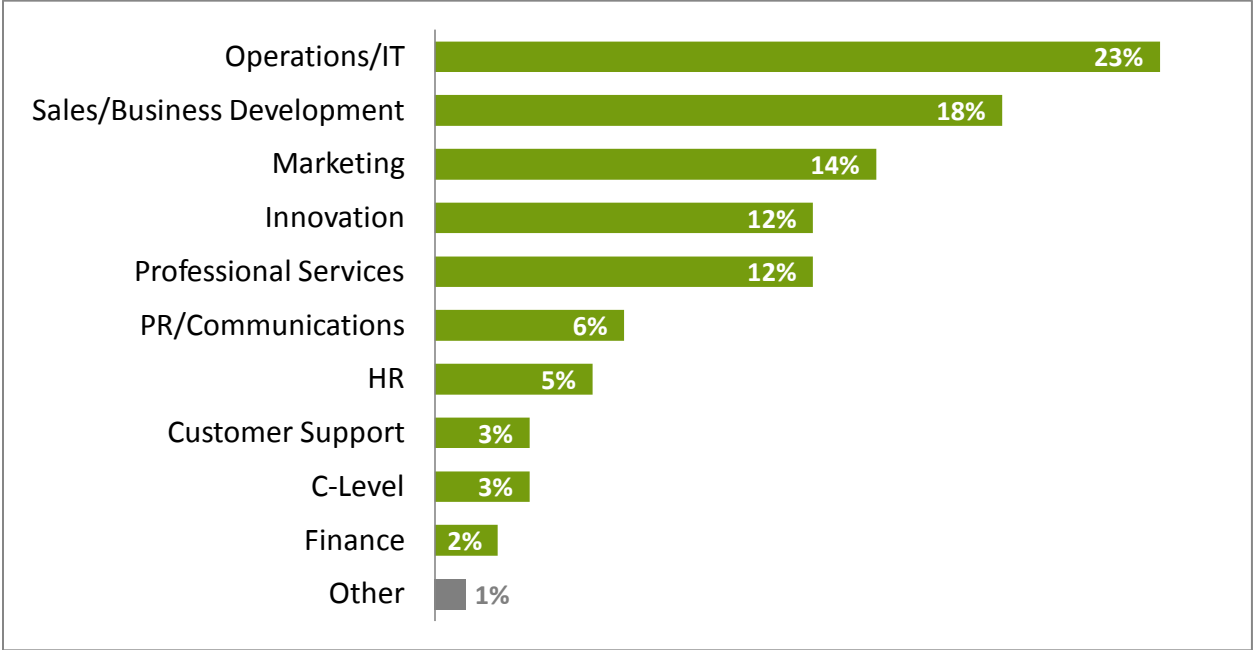
Overall, the survey findings are reflective of diverse employee roles. Emergent collaboration, as written about in the media, is most widely adopted by the Operations/IT functions. In the case of survey respondents, this is indeed true with 23% of Operations/IT personnel participating most actively in emergent collaboration. Sales/Business Development and Marketing personnel follow, at 18% and 14%, respectively. The entire breakdown by functional role is found in Figure 4.

Vertical Market

Fig. 5) What best describes the industry your organization is in?

Industry	Percentage
Technology	28%
Consulting/Professional Services	25%
Financial/Insurance Services	9%
Education	6%
Telecommunications	4%
Federal Government	4%
Retail	3%
Media	3%
Manufacturing	3%
Leisure/Entertainment/Travel	3%
Non-profit Association	2%
Healthcare	2%
Aerospace/Defense	1%
Transportation	1%
Pharmaceutical	1%
State/Local Government	0.4%
Other	6%
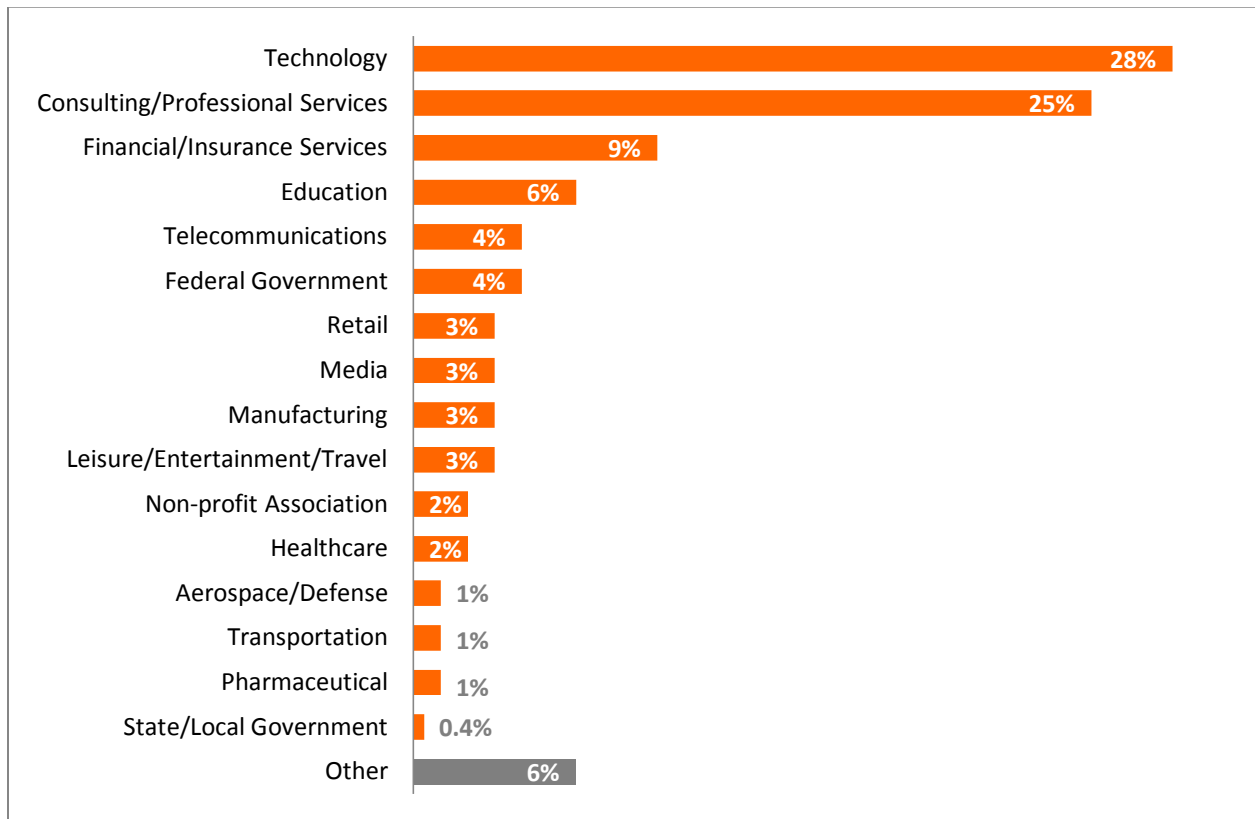
The survey population was comprised of respondents from across a broad range of industries. Not surprisingly, the largest proportion of our respondents come from the technology (28%) and the professional consulting (25%) vertical markets, which are typically early adopter industries. Surprisingly, the third largest industry segment represented in the survey was financial/insurance services (9%). A tenet of the financial/insurance industry is risk management, and instituting an innovative, transparent, and open culture seems counter-intuitive. Nonetheless, it is encouraging to see the industry investing in enterprise collaboration projects. Overall, the varied industries provided broad perspectives to draw insights from.

Section 2: Enterprise Maturity in the Organization

Employee Engagement

Fig. 6) What percentage of the targeted employee base is actively engaged?

Category	Percentage
75%-100%	17%
50%-75%	13%
25%-50%	14%
10%-25%	18%
Under 10%	27%
Don't know	10%
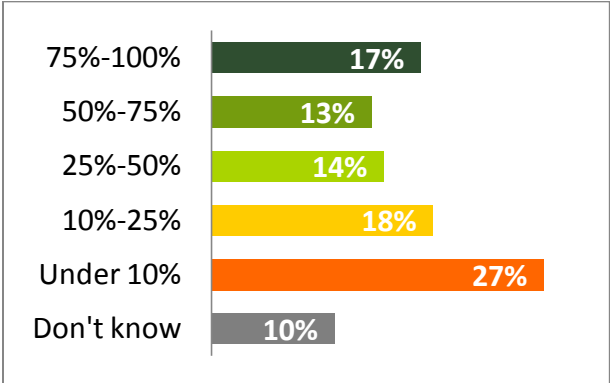
Emergent collaboration within organizations is still very much in the early stages, as indicated by Figure 6. The majority of organizations have less than 10% of employees actively engaged (27%) in collaboration efforts. However, it is refreshing to see that a combined 30% of organizations have at least half of employees actively engaged in Enterprise 2.0.

Fig. 7) Which departments are most actively engaged in Enterprise 2.0 efforts?

Department	Percentage
Business development/Sales	47%
Marketing/Communications	43%
Operations/IT	38%
Innovation/Product development	31%
Customer Support	25%
Professional Services	23%
Human Resources	21%
Finance/Administration	8%
Other	8%
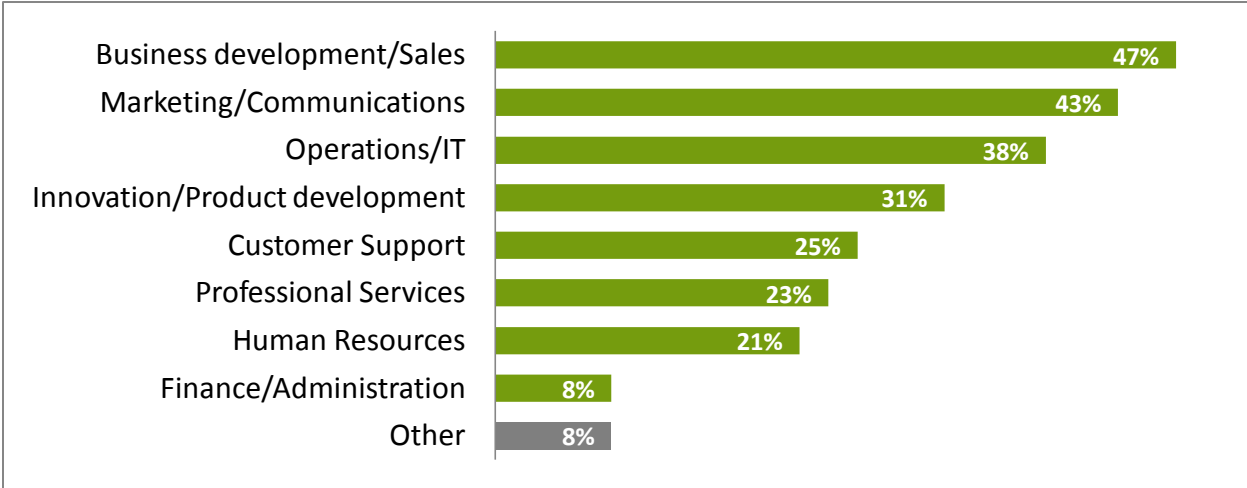
When respondents were asked to point out the department most actively engaged in Enterprise 2.0 efforts, the business development/sales group (47%) was most frequently indicated, followed by the marketing/communications (43%) and operations/IT departments (38%). This is somewhat consistent with the earlier question on the functional role of respondents (See Figure 4). The same three departments rounded out the top three functions, however, while Operations/IT personnel comprised the largest respondent group, they are the third largest department actively engaged in Enterprise 2.0. Innovation/product development achieved a 31% rating. When you consider that this business function is characterized by knowledge exchange and collaboration, the response would be presumably even greater.

Fig. 8) Which departments are most actively engaged in Enterprise 2.0 efforts? (breakdown by organization size)
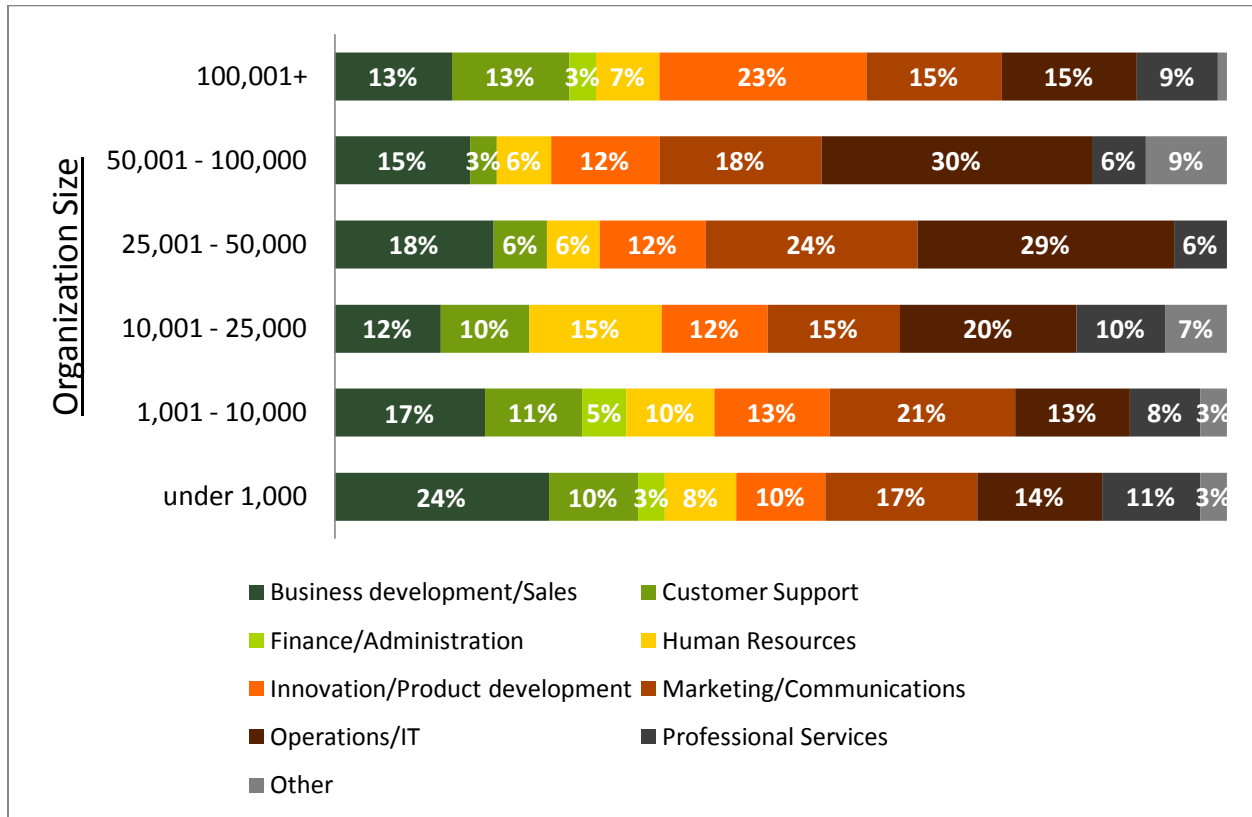
Figure 8 yields several interesting observations. While emergent collaboration has been seen as best fitting business development/sales and marketing/communications functions, a significant number of responses indicated that it is also highly relevant for numerous departments within organizations, large and small.

In small organizations, survey respondents indicated the Business Development/Sales department (24%) were the most engaged in Enterprise 2.0 efforts, while in medium-sized organizations, the Marketing/Communications department (15 to 21%) were significantly engaged versus other departments. The Operations/IT department within medium to large-sized organizations were the most engaged (between 29 - 30%). It was earlier noted that Innovation/Product Development would presumably be one of the departments most actively engaging in Enterprise 2.0; this notion is indeed true, however, only within organizations with 100,000+ employees (23%).

These findings may suggest that the objectives and strategies of small-sized organizations (<1,000 employees) emphasis new business development and revenue generation, while medium-sized organizations (between 1,000 - 25,000 employees) focus on building awareness of the business, its products, and its position within the market. Medium to large-sized organizations (25,000 to 100,000 employees) focus on supporting and sustaining organizational infrastructure and growth and large-sized organizations focus on staying ahead of their competition.

Employee Resistance

Fig. 9) Whom does the greatest resistance come from?

Managers — 21%
IT — 17%
Users — 20%
Other — 12%
There isn't any — 30%
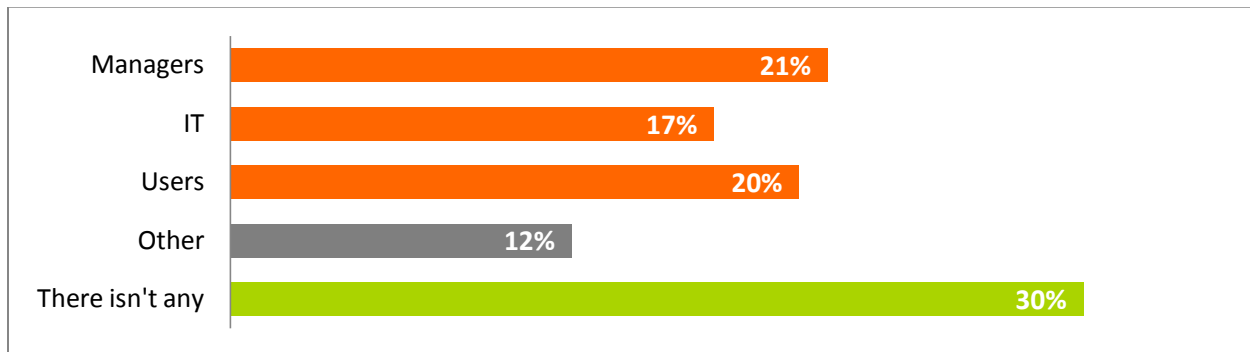
It is encouraging to see that 30% of organizations did not cite any resistance. This could be linked to a lack of awareness existing within their department or other parts of the organization. While these respondents stated that there isn't any resistance, others reported 21% of business managers and 17% of IT managers as showing resistance to an Enterprise 2.0 implementation.

There are many factors that can act as barriers to the adoption of a collaboration project: poor communication, lack of training, limited time available for users to learn a new technology platform, absence of alignment on value, or a culture that is transitioning from closed to open.

It is interesting to see that, across the three groups, IT actually showed the least amount of resistance, whereas managers and users were more resistant.

It is important to note that the 12% of respondents who stated "other," responded with replies that included specific company functions, or those who felt that resistance came from managers, IT, and users equally.

Fig. 10) If you are experiencing manager resistance, what are the reasons?

It is not a priority — 32%
Uncertainty of overall value/meeting business objectives — 26%
Uncertainty of tangible ROI — 26%
Our company culture is not supportive — 22%
We don't have the manpower — 17%
We don't have the budget — 15%
It is an overwhwlming project to undertake — 12%
The cost uncertainty of deployment (strategy & technology) — 11%
The cost of deployment is too high (strategy & technology) — 8%
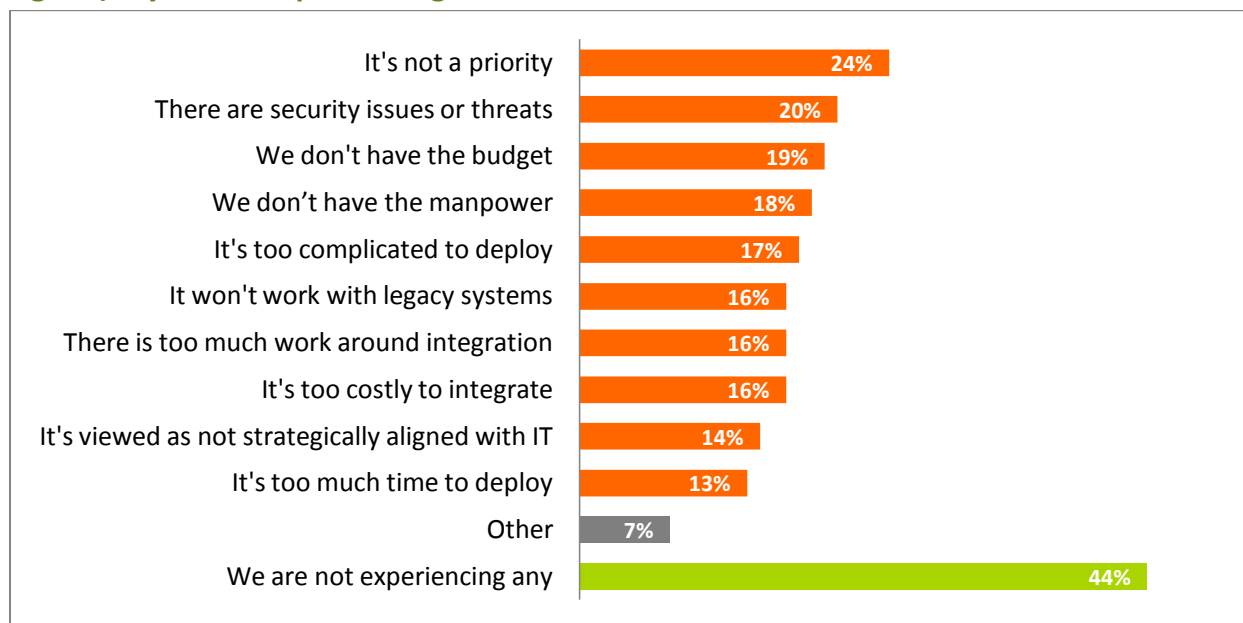Other — 8%
We are not experiencing any — 36%

Although not by majority, the number one reason given for manager resistance was "It is not a priority" (See Figure 10). This was followed by "Uncertainty of overall value/meeting business objectives" (26%) and "Uncertainty of tangible ROI" (26%). This can be attributed to a lack of

understanding of the purpose and benefits of emergent collaboration, and how it can positively impact both individual and organizational performance.

On the other hand, given the infancy of deployments within many organizations, an ROI may have not yet been realized resulting in doubtful sentiments about its business value. This ROI issue is addressed in greater detail within Section 4 of the report.

Fig. 11) If you are experiencing IT resistance, what are the reasons?

Reason	Percentage
It's not a priority	24%
There are security issues or threats	20%
We don't have the budget	19%
We don't have the manpower	18%
It's too complicated to deploy	17%
It won't work with legacy systems	16%
There is too much work around integration	16%
It's too costly to integrate	16%
It's viewed as not strategically aligned with IT	14%
It's too much time to deploy	13%
Other	7%
We are not experiencing any	44%

Once again, "It's not a priority" (24%) was the top reason for resistance. As mentioned earlier, this can be attributed to a lack of understanding and clarity around the purpose and benefits of emergent collaboration and how it affects the organization. Alternatively, organizational culture may be a barrier to adoption. Logically, lack of endorsement, leadership, and involvement by senior management leads to stunted participation and adoption of Enterprise 2.0. This exerts a powerful influence on attitudes and opinions about its priority and value.

"There are security issues and threats" (20%) was the second most frequent reason given for IT resistance. Security of an organization's content is a valid concern and should not be ignored. Legal and compliance issues are often catalyzed by a lack of governance and inadequate training and education, and should be addressed within internal policies and guidelines, as well as file-level security management.

Given the prevalence of free or low-cost emergent collaboration platforms, it is surprising that "We don't have the budget" was the third most highly given reason for IT resistance. Perhaps this is due to IT's previous experiences with the traditionally high cost of enterprise systems and a lack of awareness about open source and low-cost offerings. There will always be expense associated with deploying an Enterprise 2.0 platform, whether it be the cost of the tool itself, or the cost of professional services such as consulting and integration work, however, not to the extent of enterprise content management systems.

Fig. 12) If you are experiencing user resistance, what are the reasons?

Users don't want to learn a new technology	33%
Users say they don't have the time	32%
Users overwhelmed with existing platforms already	24%
Users unwilling to share info/want to stay private	21%
Users don't care	21%
Our organizational culture doesn't support it	17%
Users say it's too hard to implement	8%
Other	6%
We are not experiencing any	35%
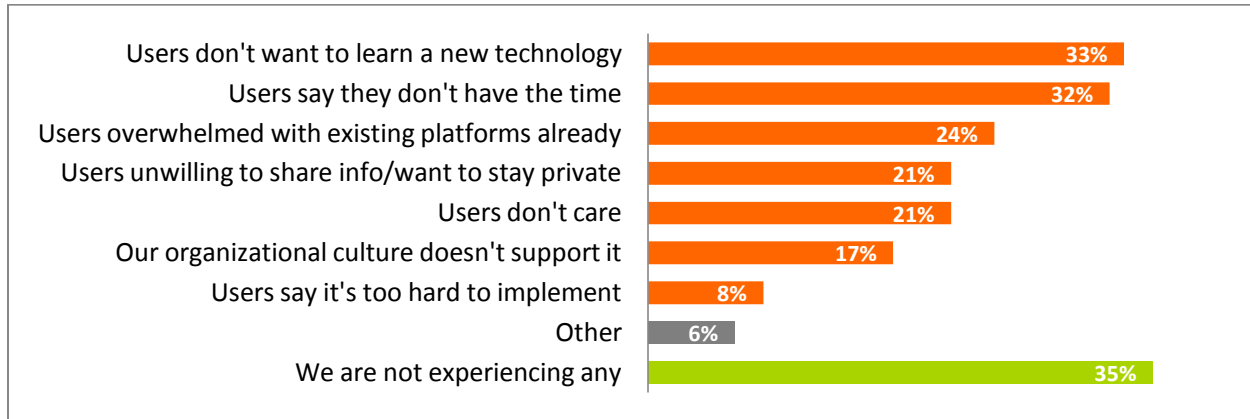
The full benefits of emergent collaboration lie in its use by all employees within the organization. It is, therefore, somewhat disconcerting that the top three reasons for respondents experiencing user resistance are all in some way related to limited time and effort: "Users don't want to learn a new technology" (33%), "Users say they don't have the time" (32%), and "Users overwhelmed with existing platforms already" (24%). However, the learning and adoption curves of new enterprise software must be addressed. To mitigate resistance, focusing on the value and benefits that an individual stands to gain may be effective. This may be easier than in the past given employees' likely exposures to Web 2.0 tools such as Facebook, Twitter and YouTube, all of which have weaned them onto engaging in status updates, collaboration and content sharing. Organizations need now translate the value of similar participation onto the intranet.

It is interesting to note that for all three groups: manager, IT, and user, "We are not experiencing any" resistance to emergent collaboration within the organization was the most frequent response, at 36%, 44% and 35%, respectively. This is interestingly high, given that any change within an organization usually brings resistance. Additionally, 44% of survey respondents indicated that they are not experiencing any resistance from IT (See Figure 11), perhaps correlating with low-barrier emergent collaboration software that can be deployed independent of IT, whose traditional role includes deployment, ownership and maintenance.

Emergent Collaboration Tools

Fig. 13) What tools are currently being used within your organization?
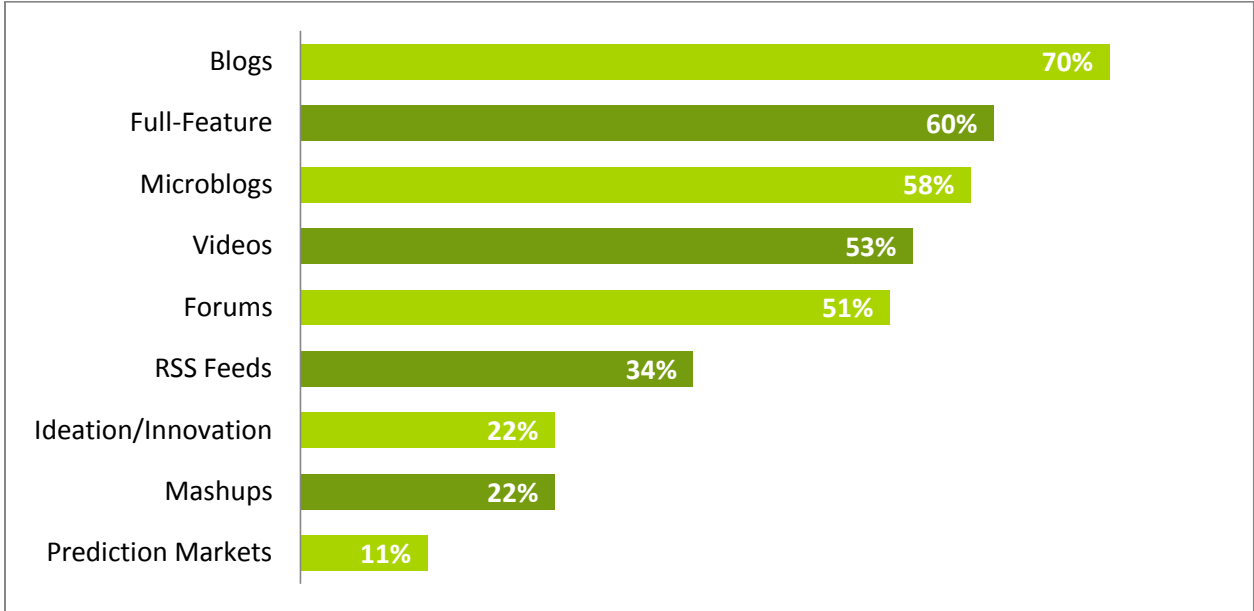
Emergent collaboration tools have become prevalent within organizations. Survey participants were asked to identify technologies that are used within their organization. Company blogs, full-featured collaboration platforms, and microblogs were the three tools most identified at 70%, 60% and 58%, respectively. Mashups and ideation/innovation platforms both tied for second to lowest, while prediction markets rated the lowest. This is likely due to general unawareness and more specialized uses regarding these technologies.

Fig. 14) What are the blogs used for?

Category	Percentage
Ask/answer questions, getting internal peer support	32%
Cost reduction	7%
Employee collaboration	40%
Find subject matter experts	26%
General communication	65%
Idea generation and innovation	41%
Improve productivity	15%
Information storage/database center	17%
Keep updated on what peers/company is working on	40%
Marketing (announcements, events, releases, news)	48%
Partner collaboration	20%
Process management	7%
Product management	11%
Project management	11%
Reduce duplication of content	10%
Shift towards more open corporate culture	31%
Don't know	2%
Other	7%

Whether external or internal, company or individual, blogs are not new to the corporate world. As stated earlier, company blogs are the most widely used emergent collaboration tool within the organization. Blogs are a common feature found within most full-feature enterprise collaboration platforms. However, several stand alone blogging platforms such as WordPress have gained in popularity within organizations.

As illustrated in Figure 14, the top three reasons blogs were used were for general communication (65%), marketing (48%) and idea generation and innovation (41%). Following closely behind in fourth is to "Keep updated on what peers/company is working on" at 40%.

The business values of blogging are numerous. An internal company blog can give a human face to an otherwise anonymous enterprise. Trust is also derived from sharing thoughts and ideas freely in an honest voice, a cornerstone of an open, transparent, and collaborative organization. Blogs are also ideal for finding subject matter experts without wasting time searching for answers through conventional methods like sending emails.

Fig. 15) What are the full-featured enterprise collaboration platforms used for?

Purpose	Percentage
Ask/answer questions, getting internal peer support	62%
Cost reduction	23%
Employee collaboration	86%
Find subject matter experts	52%
General communication	70%
Idea generation and innovation	60%
Improve productivity	60%
Information storage/database center	56%
Keep updated on what peers/company is working on	51%
Marketing (announcements, events, releases, news)	41%
Partner collaboration	29%
Process management	28%
Product management	24%
Project management	51%
Reduce duplication of content	45%
Shift towards more open corporate culture	45%
Don't know	2%
Other	2%

The most prevalent purpose for full-feature collaboration platforms was for employee collaboration (86%). Since these platforms offer a diverse feature set, it enables many departments to leverage the platform. General communication (70%) was the second most cited reason, speaking to the value and importance for organizations to be able to connect their employees across boundaries.

It is interesting to see survey respondents found a profusion of uses for full-feature platforms, which makes sense considering they allow organizations to remain flexible with use cases and business requirements. These platforms offer multiple purposes from employee collaboration to asking/answering questions, marketing, and project management.

Fig. 16) What are the microblogs used for?

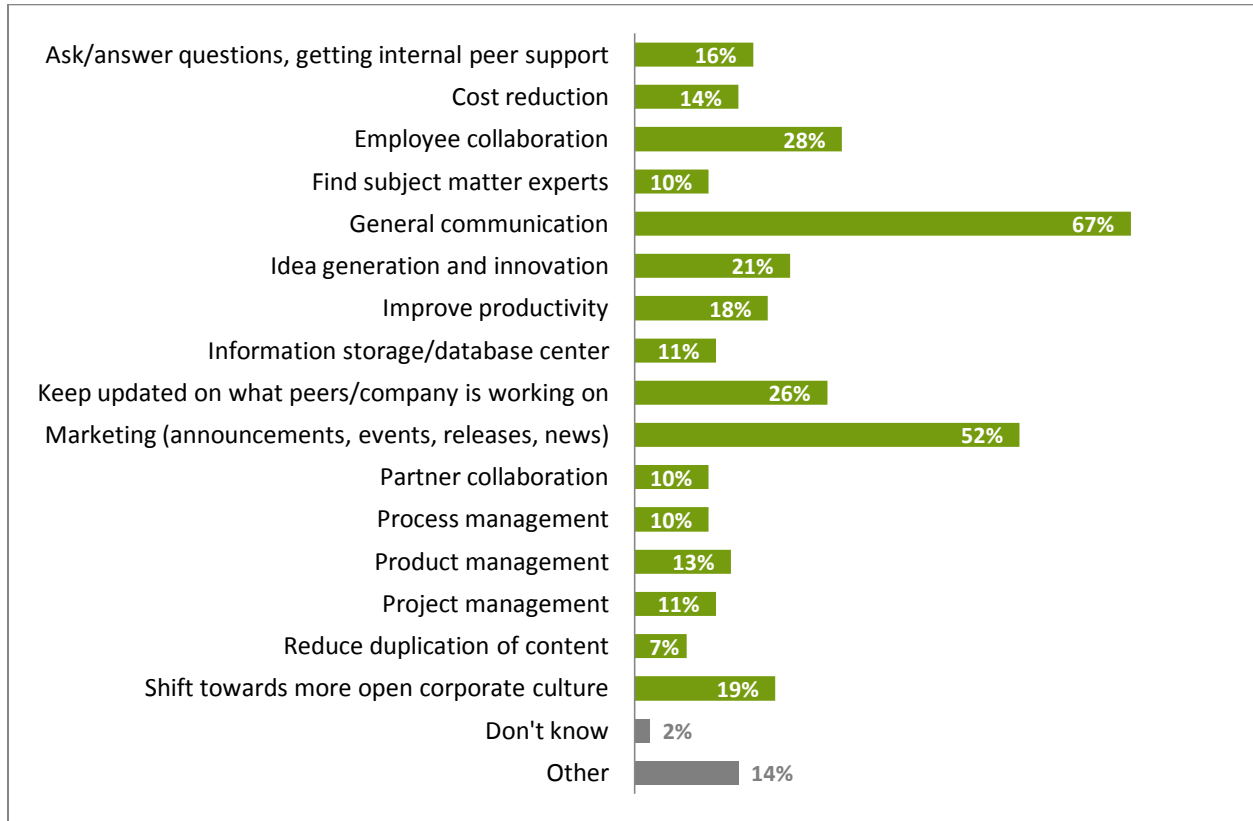| Category	Percentage
Ask/answer questions, getting internal peer support	60%
Cost reduction	10%
Employee collaboration	64%
Find subject matter experts	40%
General communication	67%
Idea generation and innovation	49%
Improve productivity	38%
Information storage/database center	7%
Keep updated on what peers/company is working on	56%
Marketing (announcements, events, releases, news)	35%
Partner collaboration	18%
Process management	8%
Product management	12%
Project management	18%
Reduce duplication of content	12%
Shift towards more open corporate culture	49%
Don't know	3%
Other	6%

Microblogs have really become widely used within organizations largely due to the popularity of Facebook and Twitter. Microblogs are a feature that is integrated in many emergent collaboration platforms, however, stand alone microblogging platforms do exist. Microblogs are very intuitive and easy to use and allow employees to keep a pulse on what is happening within the organization, departments, and with colleagues or communities of interest. The ability to follow relevant people and information also make their use quite valuable.

The top three reasons microblogs are being used are for general communication (67%), employee collaboration (64%), and "Ask/answer questions and get peer support" (60%). "Keeping up-to-date on what peers/the company is working on" ranks fourth (56%); this again, is likely due to the ingrained use of Twitter and Facebook as a mechanism for status updates, which so many are already familiar with.

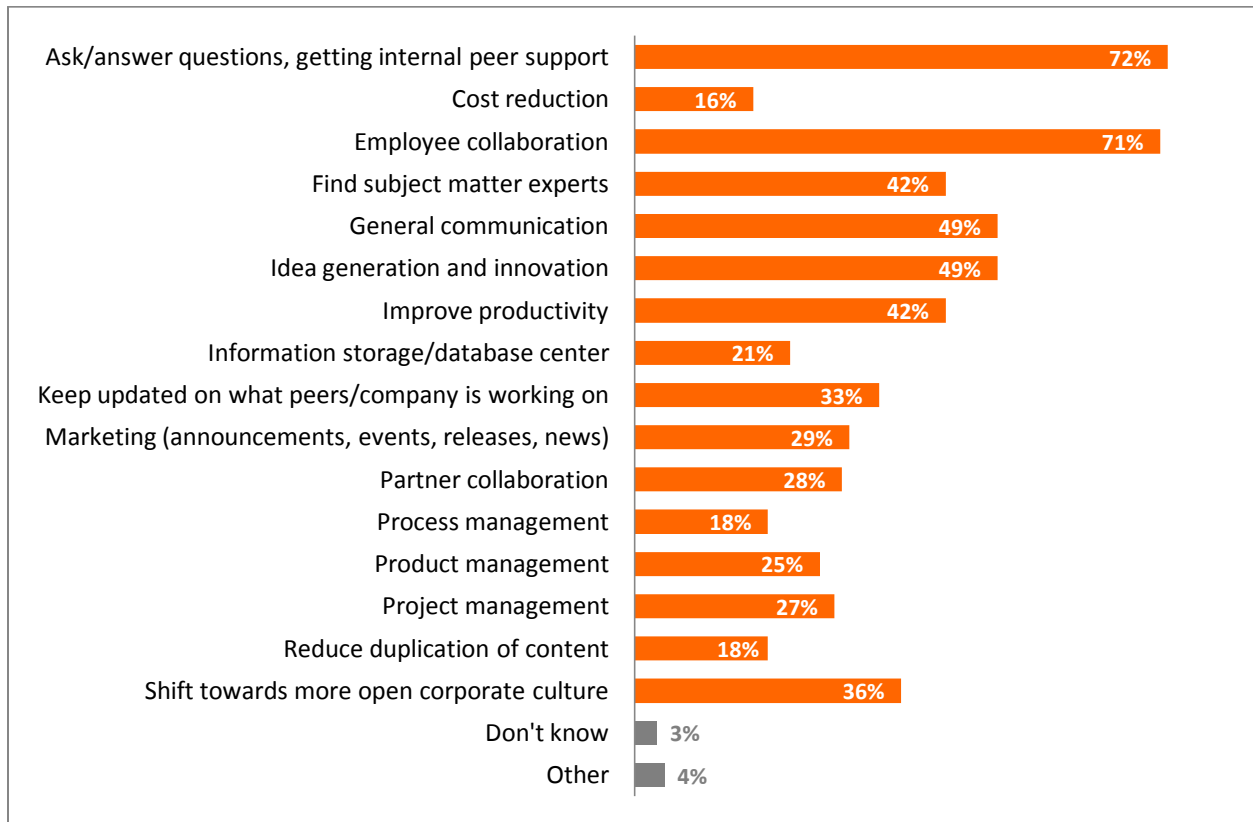Currently, only 18% of respondents say their organizations use microblogs for partner collaboration, and only 7% say they currently use it for information storage and a database center. Overall, the use of microblogs is quite diverse and distributed indicating that, although they are not as robust as full-feature platforms, their simplicity and intuitiveness allows them to be used for various purposes.

Fig. 17) What are the videos used for?

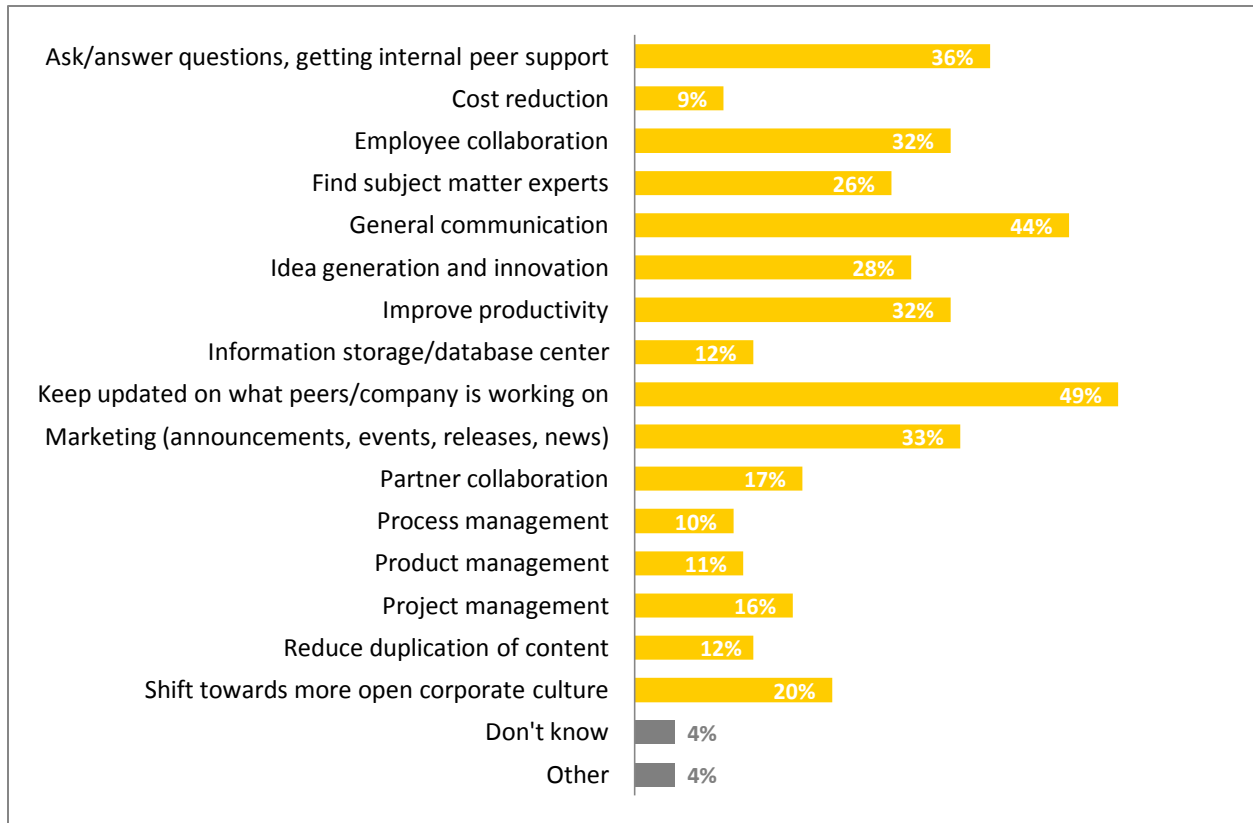| Category	Percentage
Ask/answer questions, getting internal peer support	16%
Cost reduction	14%
Employee collaboration	28%
Find subject matter experts	10%
General communication	67%
Idea generation and innovation	21%
Improve productivity	18%
Information storage/database center	11%
Keep updated on what peers/company is working on	26%
Marketing (announcements, events, releases, news)	52%
Partner collaboration	10%
Process management	10%
Product management	13%
Project management	11%
Reduce duplication of content	7%
Shift towards more open corporate culture	19%
Don't know	2%
Other	14%

Video sharing and collaboration are becoming central to enterprise collaboration and are getting cheaper and easier to deploy. Many vendors are now integrating video capabilities within their platforms for conferencing, training purposes, sharing company news, or simply posting messages. Survey respondents appear to be using video collaboration quite extensively for general communication (67%). For over half of respondents (52 percent), video-enabled collaboration supports marketing activities such as announcements, news, and new product releases. Video is clearly not a useful tool for partner collaboration, process management and information storage.

Fig. 18) What are the forums used for?

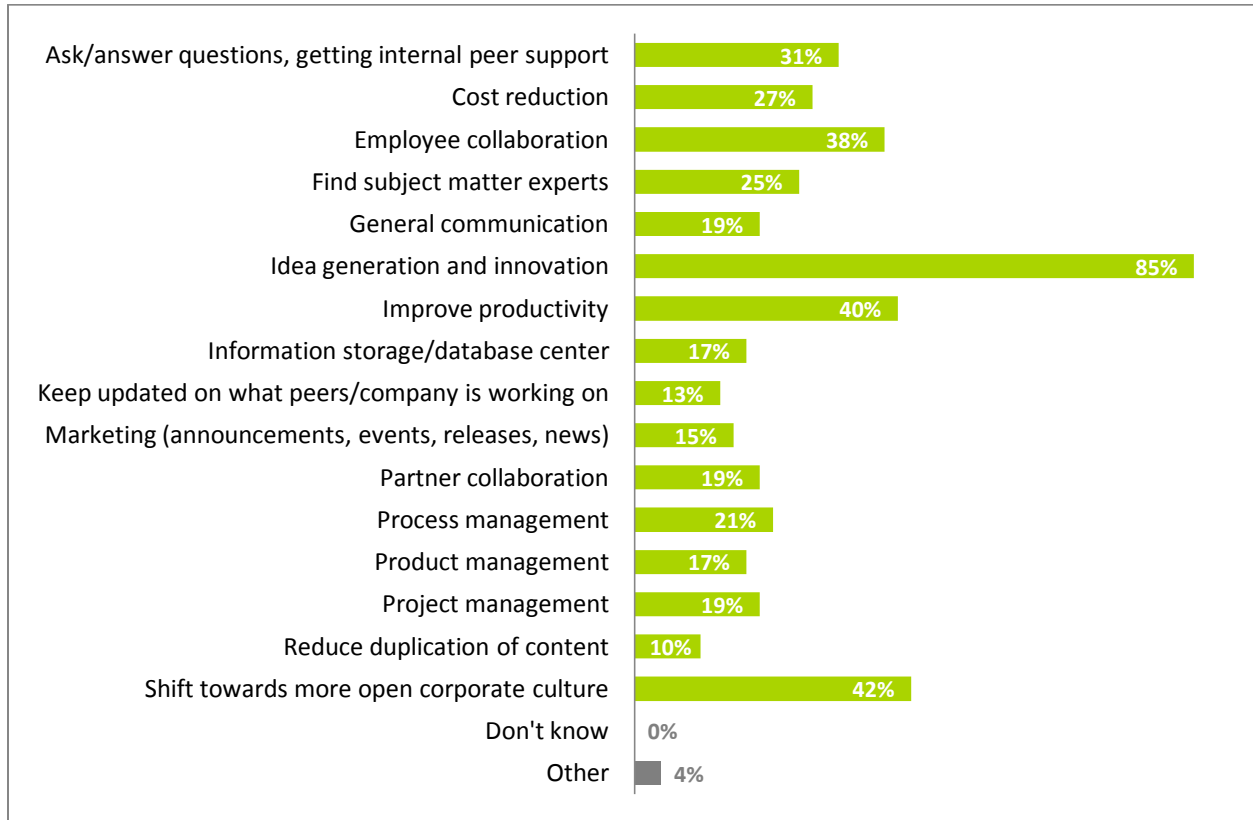| Category	Percentage
Ask/answer questions, getting internal peer support	72%
Cost reduction	16%
Employee collaboration	71%
Find subject matter experts	42%
General communication	49%
Idea generation and innovation	49%
Improve productivity	42%
Information storage/database center	21%
Keep updated on what peers/company is working on	33%
Marketing (announcements, events, releases, news)	29%
Partner collaboration	28%
Process management	18%
Product management	25%
Project management	27%
Reduce duplication of content	18%
Shift towards more open corporate culture	36%
Don't know	3%
Other	4%

Discussion forums are also often a feature of a more robust emergent collaboration platform and have grown quite popular for customer-facing uses. The number one reason forums were being used was to "Ask/answer questions and getting peer support" (72%). This is followed closely by employee collaboration (71%). Forums are one of the earlier forms of emergent collaboration and have been around for quite some time in both the enterprise and the consumer spaces. One of the benefits of using forums is that they are quite simple and intuitive to use.

Fig. 19) What are the RSS Feeds used for?

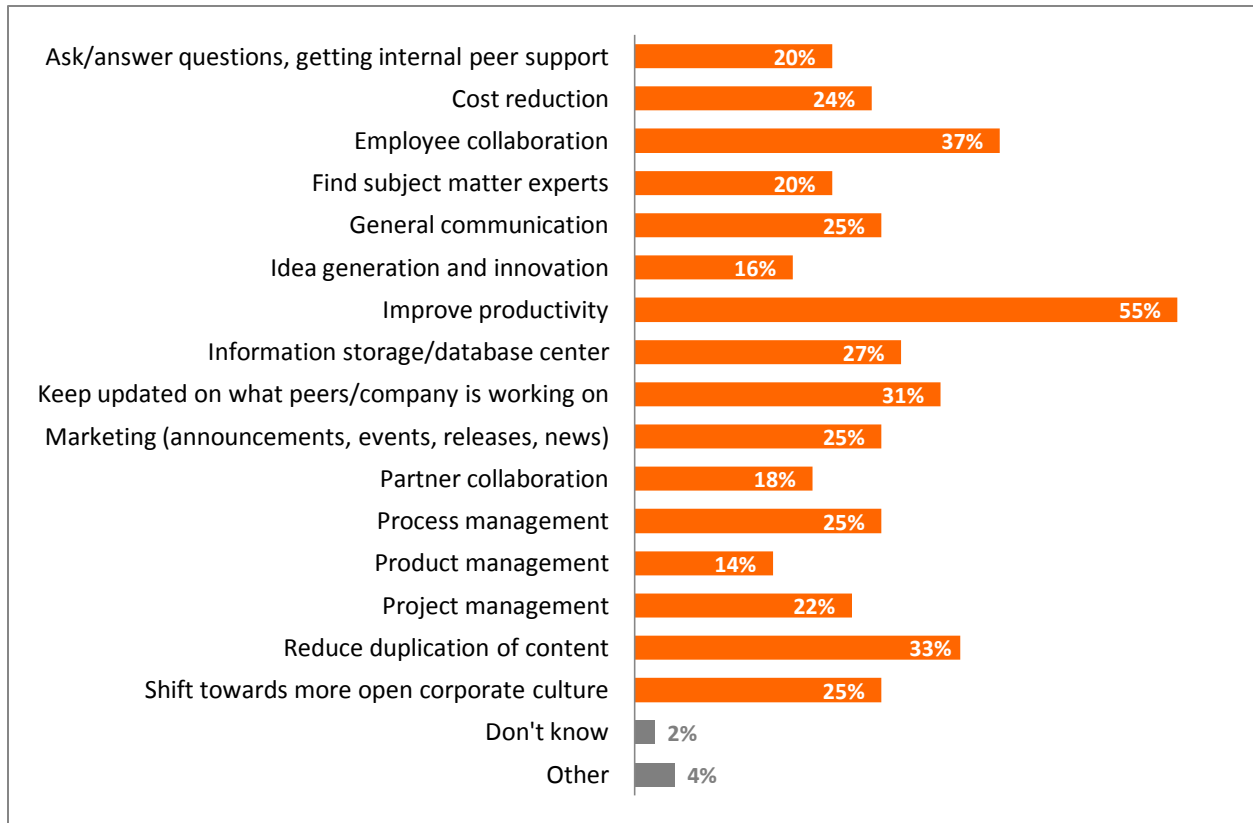| Category	Percentage
Ask/answer questions, getting internal peer support	36%
Cost reduction	9%
Employee collaboration	32%
Find subject matter experts	26%
General communication	44%
Idea generation and innovation	28%
Improve productivity	32%
Information storage/database center	12%
Keep updated on what peers/company is working on	49%
Marketing (announcements, events, releases, news)	33%
Partner collaboration	17%
Process management	10%
Product management	11%
Project management	16%
Reduce duplication of content	12%
Shift towards more open corporate culture	20%
Don't know	4%
Other	4%

Although RSS feeds are not as widely used as other collaborative technologies within the organization, it has its place within some organizations. The primary use of RSS feeds within the organization was to "Keep updated on what peers/company is working on" (49%). This is quite similar to the use of customer-facing RSS feeds where individuals subscribe to blog feeds to stay updated on content. It is also quite clear that RSS feeds are not being leveraged for cost reduction, process management, or as an information storage/database center.

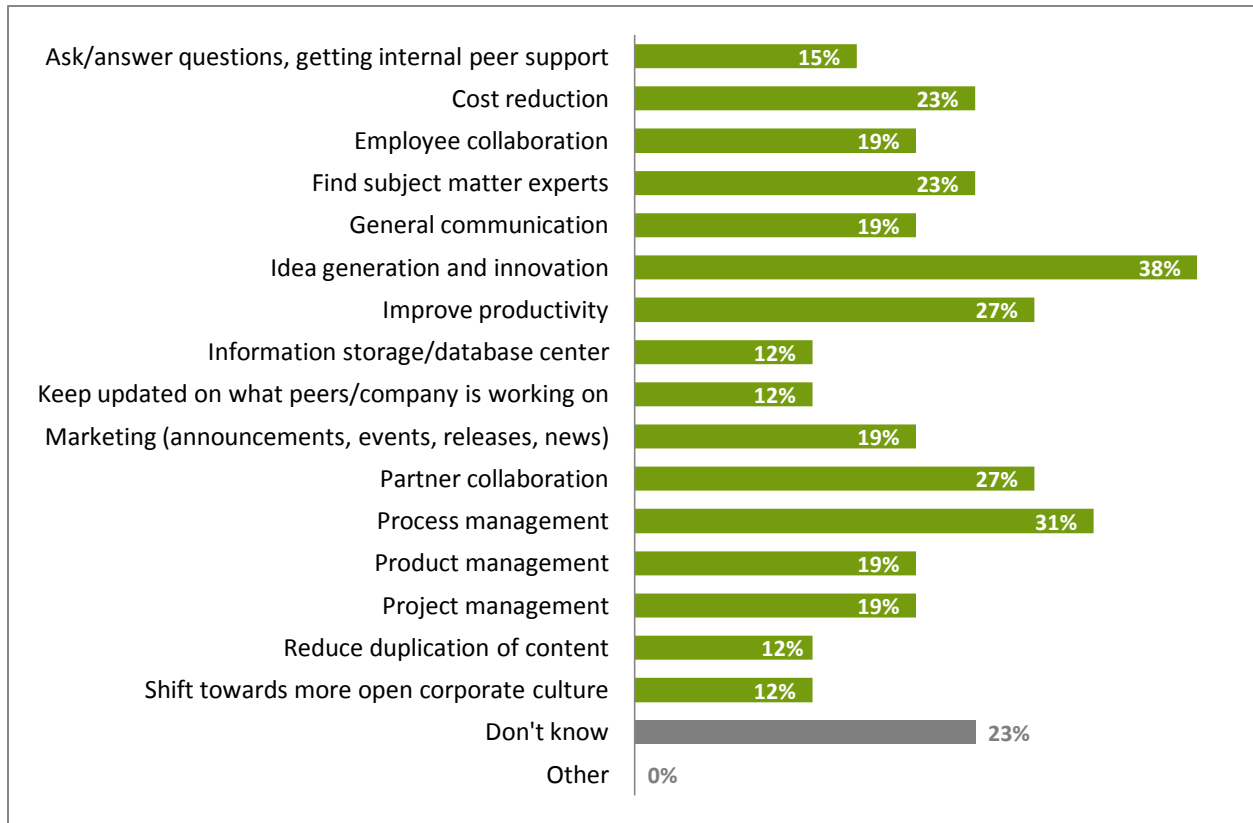## Fig. 20) What are the ideation platforms used for?

Category	Percentage
Ask/answer questions, getting internal peer support	31%
Cost reduction	27%
Employee collaboration	38%
Find subject matter experts	25%
General communication	19%
Idea generation and innovation	85%
Improve productivity	40%
Information storage/database center	17%
Keep updated on what peers/company is working on	13%
Marketing (announcements, events, releases, news)	15%
Partner collaboration	19%
Process management	21%
Product management	17%
Project management	19%
Reduce duplication of content	10%
Shift towards more open corporate culture	42%
Don't know	0%
Other	4%

Ideation platforms typically exist as stand alone products, however, many full-feature platforms today are integrating some of its basic features and functionalities, such as the ability to easily submit or vote on an idea. Not surprisingly, the number one use of ideation platforms within organizations is for idea generation and innovation (85%). Where ideation platforms also stand out is not simply in their ability to receive ideas but their ability to allow employees to manage, prioritize, and implement those ideas.

Fig. 21) What are the mashups used for?

Use	Percentage
Ask/answer questions, getting internal peer support	20%
Cost reduction	24%
Employee collaboration	37%
Find subject matter experts	20%
General communication	25%
Idea generation and innovation	16%
Improve productivity	55%
Information storage/database center	27%
Keep updated on what peers/company is working on	31%
Marketing (announcements, events, releases, news)	25%
Partner collaboration	18%
Process management	25%
Product management	14%
Project management	22%
Reduce duplication of content	33%
Shift towards more open corporate culture	25%
Don't know	2%
Other	4%

Use of mashups is not as widespread as most other types of emergent collaboration tools but they too have a place within the enterprise. The most common uses of mashups within the organization were to improve productivity (55%) and employee collaboration (37%). Apart from these two uses, mashups, it appears, offer users a fairly balanced purpose with only an eleven point spread separating the remaining uses (idea generation and innovation at 16% and information storage/database center at 27%), albeit rating amongst the least used tools (see Figure 13).

Fig. 22) What are the prediction market platforms used for?

Category	Percentage
Ask/answer questions, getting internal peer support	15%
Cost reduction	23%
Employee collaboration	19%
Find subject matter experts	23%
General communication	19%
Idea generation and innovation	38%
Improve productivity	27%
Information storage/database center	12%
Keep updated on what peers/company is working on	12%
Marketing (announcements, events, releases, news)	19%
Partner collaboration	27%
Process management	31%
Product management	19%
Project management	19%
Reduce duplication of content	12%
Shift towards more open corporate culture	12%
Don't know	23%
Other	0%

Prediction markets were the least prevalent emergent collaboration tool used within many organizations, however, their value cannot be underestimated. This is a newer approach that can better enable competitive advantage and yield significant business value. In the business environment, collective employee intelligence can be leveraged across the organization as a driver for product differentiation and time-to-market, sales forecasts and other critical business activities. Not surprisingly, the most common use of a prediction market was for idea generation (38%), followed by process management (31%). Partner collaboration (27%) and improving productivity (27%) followed in third place as purposes for prediction markets.

While prediction markets are interesting and valuable business solutions, their ease of use is not as intuitive as other tools such as forums and microblogs, and their specific use cases might be difficult to pinpoint within organizations.

Section 3: Sponsorship, Business Drivers and Ownership

Sponsorship

Fig. 23) In your company, where does the push for Enterprise 2.0 come from?

Bottom Up: User Driven Individual/Small Pilots	23%
Top Down: Management Envisioned/Deployed	17%
Both and accidental	24%
Both and purpose-driven	31%
Don't know	4%
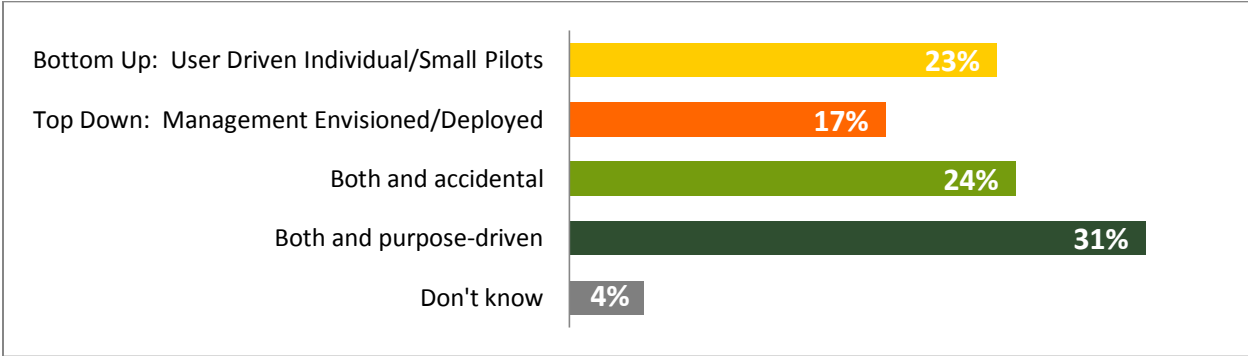
While there isn't necessarily a rigid right or wrong approach to emergent collaboration, it heartening to see that the effort is collaborative between the upper echelons of organizations and junior employees, joining together with specific and unified goals in mind. This unified approach will help to avoid siloed application, and improve adoption across a wider audience.   The collaborative approach will also allow the organization to have a much clearer understanding of how enterprise collaboration can be leveraged across the enterprise. It is also interesting to see a high amount of push that was "Both and accidental" (24%), suggesting that Enterprise 2.0 is being supported by the organization as a whole. Open discussions involving emergent collaboration should be encouraged across the organization.

Fig. 24) What department(s) are responsible for sponsoring Enterprise 2.0 efforts?

Business Unit	28%
IT	15%
Both	46%
Other	11%
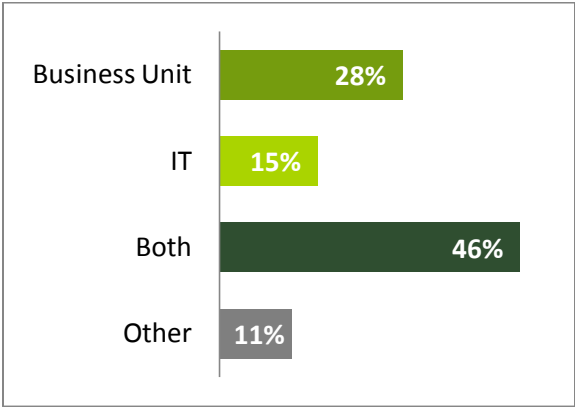
With the proliferation of open source and low-cost online collaboration tools, deploying an internal platform under the radar can be done with little effort and technical expertise. While IT departments are keen to focus on integration, privacy, security and compliance concerns, business units are keen to leverage the potential of emergent collaboration implementations. Rogue implementations at the business level are not uncommon, given the relative ease of deploying a cloud-based solution. However, it is encouraging to see that 46% of respondents stated that their organization's business and IT departments

were jointly responsible for sponsoring the effort. The collaboration between the two departments is good news indeed. There is a real opportunity for everyone to be working together and to take part in meaningful and pragmatic discussions.

That said, where only the business unit or the IT department was responsible for sponsoring the Enterprise 2.0 effort, the business unit (28%) effort almost doubled that of the IT department (15%). As stated earlier, this is likely due to the low barrier to entry by business units, who are no longer reliant on IT to deploy technology solutions.

Business Drivers

Fig. 25) What Are Your Business Drivers of Enterprise 2.0?

Business Driver	Percentage
Connecting colleagues across teams and geographies	72%
Increasing productivity	65%
Fostering employee engagement	60%
Fostering innovation	59%
Capturing and retaining institutional knowledge	54%
Enabling access to subject experts	50%
Reducing duplication of content	46%
Reducing costs (e.g. emailing archiving, travel, storage)	40%
Reducing duplication of effort	39%
Increasing the emergence of collective intellectual capital	39%
Reinventing your corporate structure	36%
Creating affinity among disparate staff	35%
Establishing thought leadership in the marketplace	33%
Seen as a cost of doing business/remaining competitive	22%
Increasing visibility and access to licensed information	12%
Other	3%

Collaboration among employees has gained attention in the business environment as a means to remain competitive. Organizations now employ remarkable bodies of creativity, innovation, and knowledge, with answers to challenging business problems. Connecting the collective intelligence of these employees remains the challenge as well as the opportunity for organizations.

Asked about their current priorities, respondents indicated some of the most important business drivers as "Connecting colleagues and teams across geographies" (72%), "Increasing productivity" (65%), "Fostering employee engagement" (60%), and "Fostering innovation" (59%). The right information from the right person at the right time can be priceless, one that may solve a departmental or organizational problem. As competition increases and the fight for market share continues, an ROI objective such as increased revenues and cost savings can no longer be the only focus. The equation has to be extended to driving business value and differentiation. Emerging social software platforms that include the ability to solicit, gather and connect ideas with the right experts to bring them to market is helping to drive this new phase of collaboration.

Smart organizations understand that employees are its greatest asset. Connecting these employees together is what spur ideas, which in turn drive identification of new opportunities, innovation, and overall business performance.
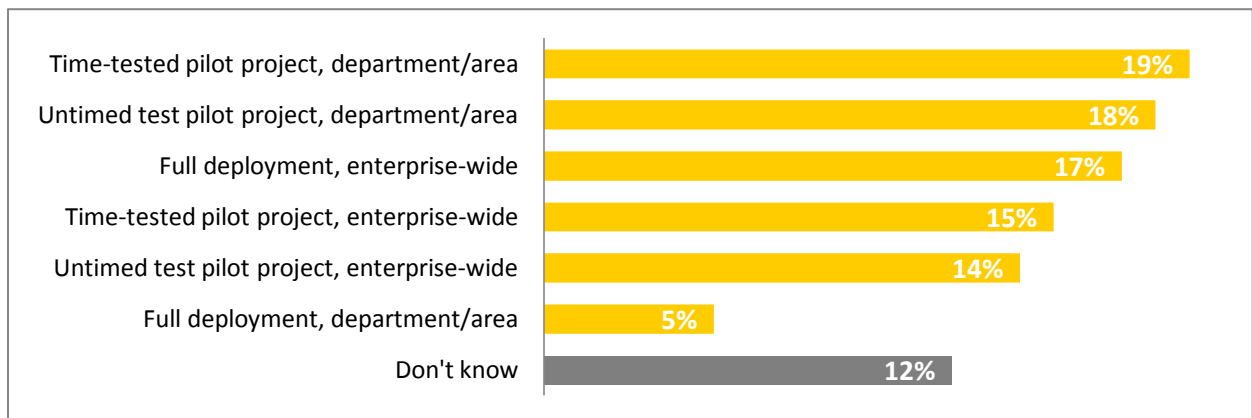
Fig. 26) Which of the following statements best describe how strategy development occurred?

My enterprise deployed the tool first and then developed a strategy on how to make it work — **19%**

My enterprise created a strategy first and then assessed the best technology solution — **19%**

My enterprise played around and tested things out then it grew from there — **37%**

My enterprise developed a strategy and deployed tool around the same time — **13%**

Don't know — **12%**
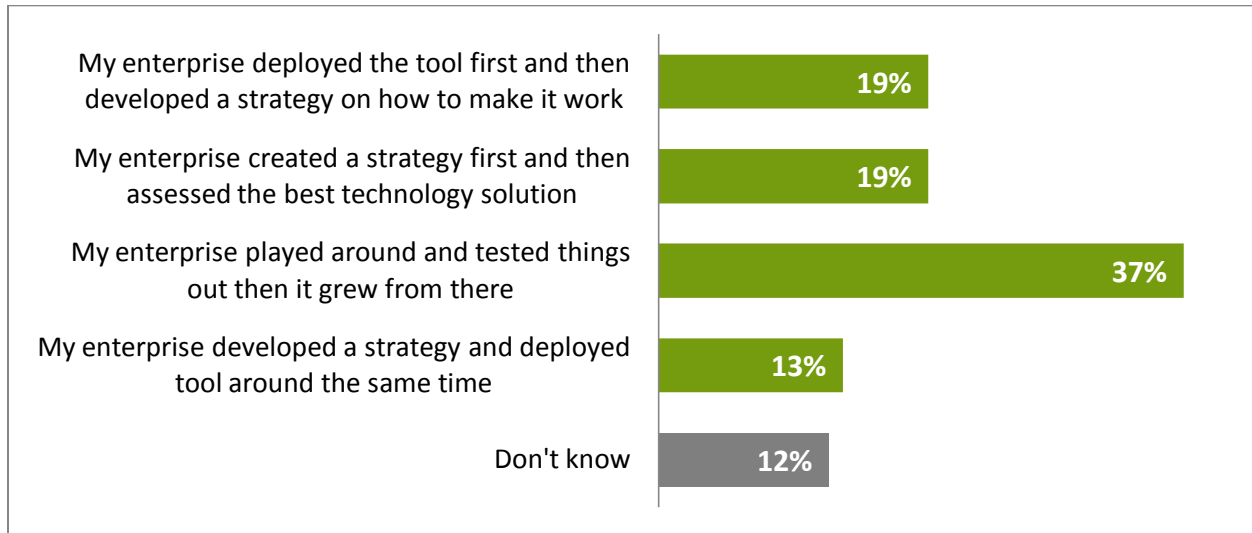
Most organizations it seems are not embarking on their Enterprise 2.0 efforts with a strategic focus. Instead, new tools and technologies are deployed tactically, just to experiment. Respondents stated, "My enterprise played around and tested things out, then it grew from there" (37%). The low cost and ease of deployment for many of the emergent collaboration solutions make it easy for organizations to experiment with tools, however, this benefit is a double-edged sword. Since it is so easy for many teams and departments within organizations to deploy these tools, this can also create a lack of strategic focus and splinter emergent collaboration in many different directions.

Additionally, 19% of organizations began their Enterprise 2.0 projects by deploying a tool first, perhaps indicating that many organizations still don't fully understand the value of these solutions and are instead deploying these solutions for other reasons such as competitive pressures and the "shiny new object" syndrome.

Fig. 27) Which of the following statements best describes how implementation occurred?

Time-tested pilot project, department/area — **19%**

Untimed test pilot project, department/area — **18%**

Full deployment, enterprise-wide — **17%**

Time-tested pilot project, enterprise-wide — **15%**

Untimed test pilot project, enterprise-wide — **14%**

Full deployment, department/area — **5%**

Don't know — **12%**

Organizations are experimenting with emergent collaboration as indicated in Figure 27. The majority of organizations (combined 66%) began with a pilot project. Oftentimes, a challenge with deploying pilots within a sub-section of the company is the lack of scale. While there is validity in a pilot implementation, such as insights gained during the pilot that can be applied before the full-scale implementation, emergent collaboration succeeds in part because of the size of the network's broader activity, and the serendipitous effects that occur within that network.

It is interesting to note that there is not a wide gap between any of the types of implementation deployments, barring the full deployment by department/area group (5%), suggesting that an organization's course of action is tied to the specific needs and objectives of the sponsor.

Fig. 28) Have your collaboration efforts been structured or unstructured?
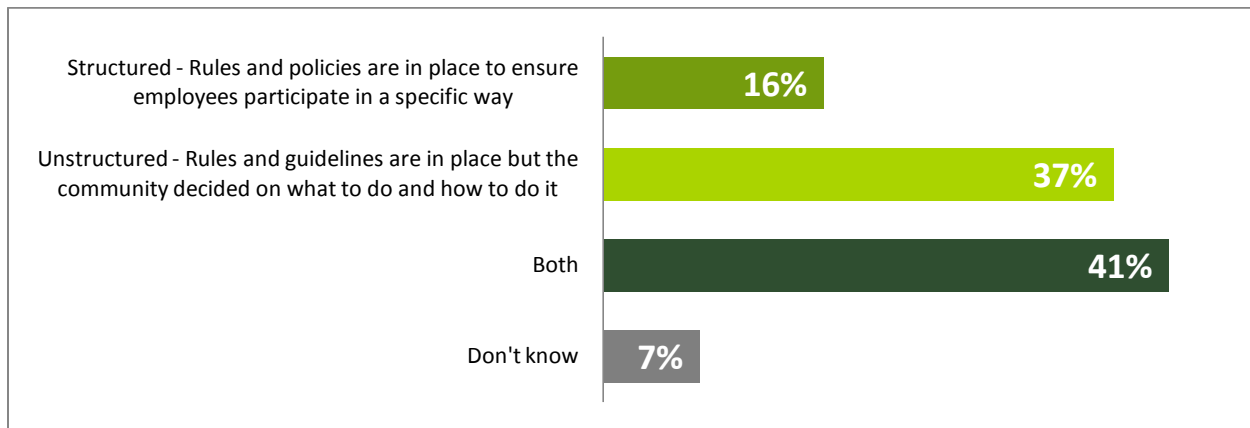
When engaging in Enterprise 2.0, most organizations (41%) opted to go with a blended approach of both structured and structured collaboration. This might be the best scenario for many organizations as compliance and legal departments do enforce certain policies and procedures, particularly within highly regulated industries, and therefore, having rules of engagement are prudent. However, the less restrictions that are imposed, the more effective the efforts will be. Unless this is mandatory, this type of restriction can cause more harm than good.

It is worth noting organizations that took an unstructured (37%) approach more than doubled those that went strictly with a structured (16%) implementation. This potentially enables organization to learn through experience and for the user community to explore what works best for them, thereby increasing the probability of active engagement and adoption.

Section 4: Financial Performance and Satisfaction

Fig. 29) Which of the following best describes how the budget distribution is allocated?
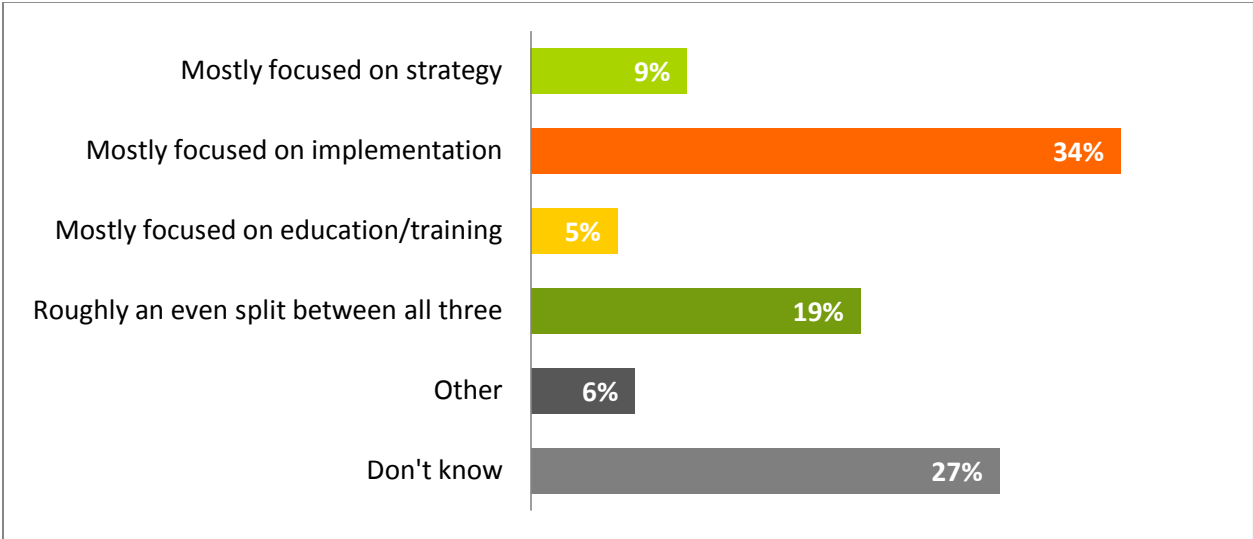
Interestingly, the practices most crucial for success were given the smallest amount of budgetary attention, that is, strategy (9%) and education & training (5%). Implementation (34%) expropriates the largest share of budget according to respondents. When it comes to implementation, vendors hold many cards as they provide not only the technology solution, but oftentimes the integration work. It is prudent to note that 27% of respondents "Don't know" how the budget was allocated, perhaps due to restricted access to this information.

Fig. 30) Did you define performance indicators before you started Enterprise 2.0?
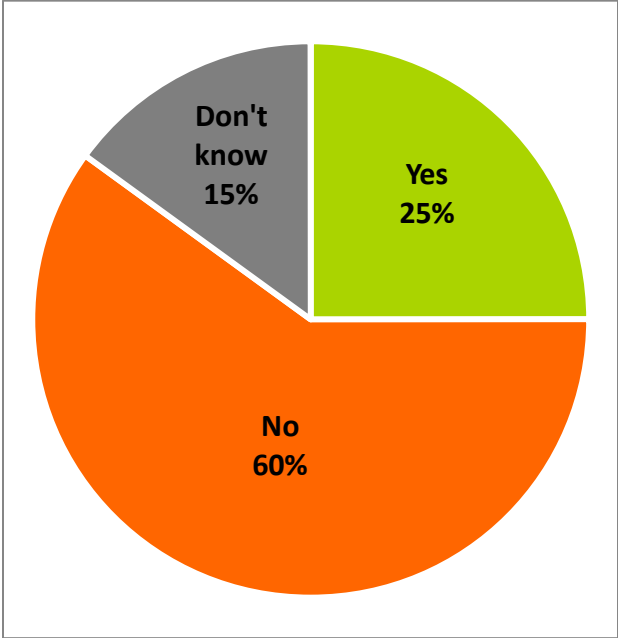
Given the ongoing discussion on the importance of garnering financial returns when implementing emergent collaboration initiatives (and most initiatives with financial inputs), it is natural to assume that the organization would define KPIs to measure success and justify budget expenditures. This finding, however, was contrary to the assumption. Survey respondents indicated otherwise with 60% stating they did not define performance indicators before the organization began Enterprise 2.0 initiatives. This prevents organizations from recognizing and understanding any type of operational or financial impact that emergent collaboration has on the business. When organizations claim that they are unable to measure ROI or value, this may be the result of their own lack of planning and follow through.

Fig. 31) Generally speaking, how close are you to achieving your performance indicators?
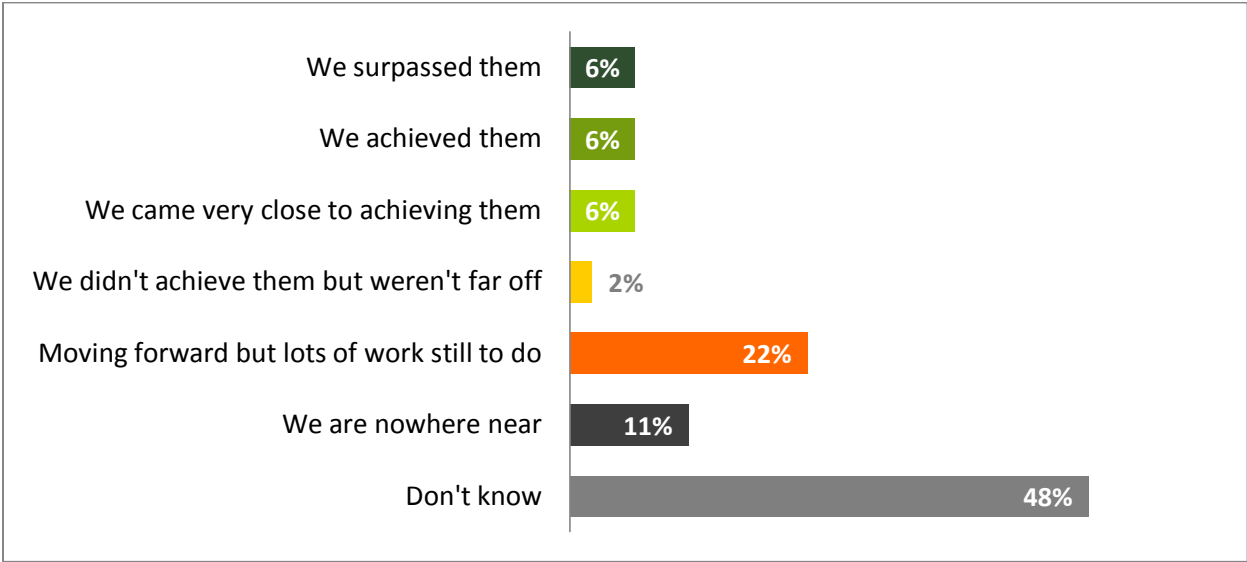
Among those respondents that measured performance indicators, almost half (48%) "Don't know" how close they were to achieving their goals. While some organizations do define performance indicators, many do not monitor and measure progress. Simply defining KPIs but not tracking them is futile. The point to be made is, you cannot gauge success and achievement of goals if objectives have not been established and/or KPIs have not been monitored and measured.

Establishing key performance indicators of an emergent collaboration initiative, whether tangible, intangible, anecdotal or ROI are, generally speaking, a reflection of an organization's culture. Those concerned with hard dollar results may experience results that do not meet expectations. Some organizations, however, see strategic value in how they operate, that is, increased employee communication, knowledge sharing, idea generation, process management, partner collaboration. A hard dollar value is difficult to measure for these functions, unless a specific financial value, tied to a specific outcome can be established.

The second most popular choice was "Moving forward but lots of work still to do" (22%). Enterprise 2.0 is still in its infancy and there remains much work that organizations need to do before they can meet their goals. Emergent collaboration requires a long-term commitment and approach so it is not surprising to see that companies still have much work to do.

Conversely, while 11% of respondents indicated, "We are nowhere near" achieving KPIs, 12% (combined) reported, "We surpassed them" and "We achieved them."

Fig. 32) Have you seen any type of direct financial performance improvement?
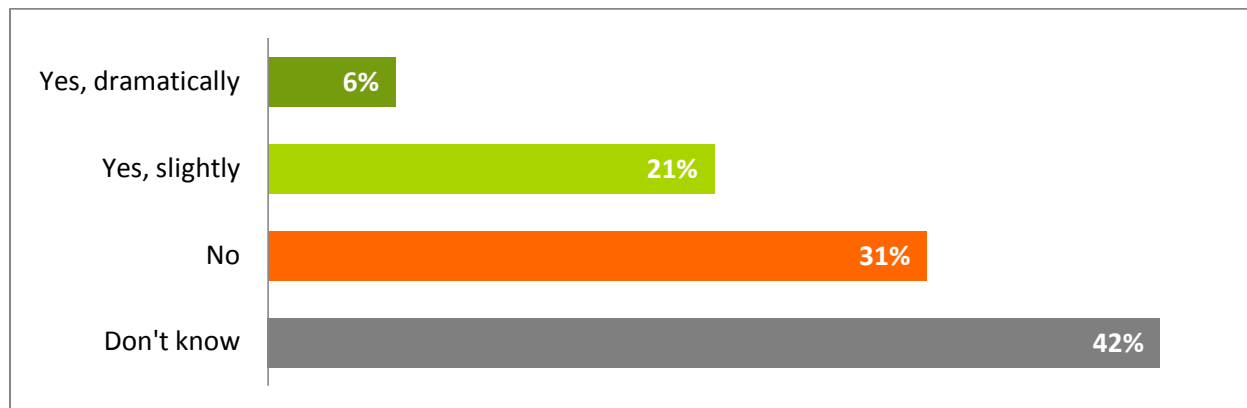
Organizations are finding value from emergent collaboration, with over one quarter of respondents stating that they have seen a dramatic or slight financial performance improvement.

Despite 27% (combined) of survey respondents reporting financial improvements, a larger proportion (31%) stated they have not seen any improvement. This may be simply correlated to the lack of establishing KPIs and evaluating success, as discussed earlier. In addition to the absence of measurement, it is difficult to demonstrate hard dollar results from emergent collaboration benefits, such as finding subject matter experts, transferring knowledge, sharing ideas, and other intangible actions.

As can be predicted, the majority of organizations "Don't know" (42%) if they are seeing any type of financial performance improvements. The cause of this may be, as previously stated, because key performance indicators were not defined and evaluated. Bear in mind that revenue gains or cost savings are not the main drivers for emergent collaboration, as introduced earlier (See Figure 25).

Fig. 33) Was the financial performance a result of revenue generated or cost savings?
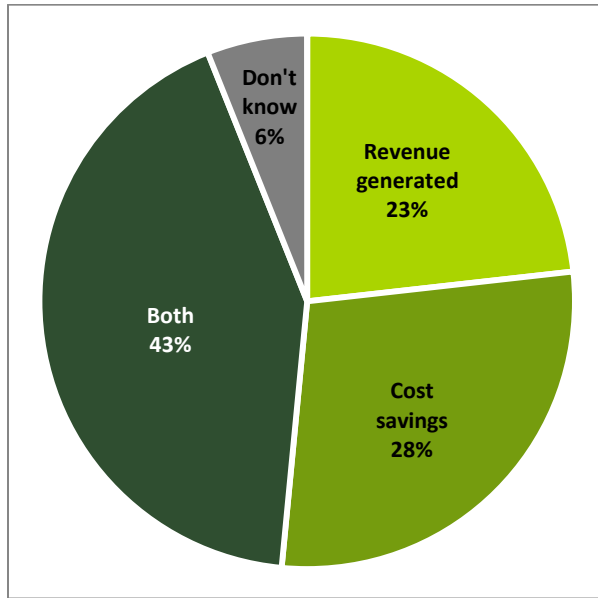

Among respondents who reported a financial performance improvement, 23% stated "Revenue generated" and 28% stated "Cost savings" were results of their Enterprise 2.0 project. Interestingly, neither revenue generated or cost savings was the dominant stand alone response given by respondents, however, a large percentage (43%) reported a combination of both results. Since emergent collaboration platforms offer diverse and robust feature sets, they can provide benefits across all functional areas, teams and projects. Organizations can experience cost savings from reduced operational expenses of communication and travel, and decreased onboarding process times. Revenue generation can be realized from a decreased time to market for products and identification of new ideas and opportunities.

Fig. 34) If you were unable to measure any type of financial performance but saw anecdotal evidence, was the anecdotal evidence alone enough to justify the investment?
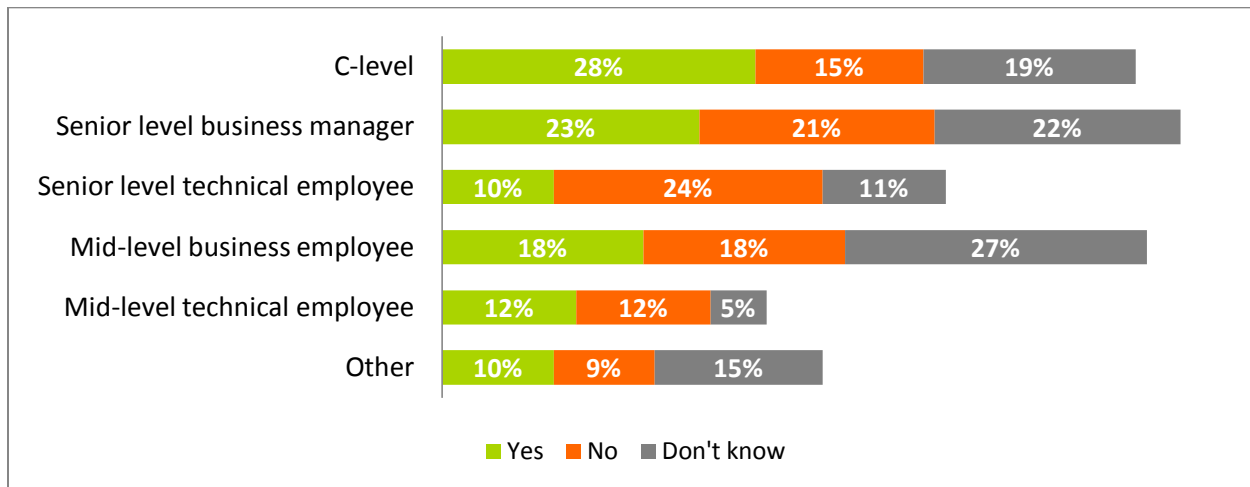
Of the 22% of C-level survey respondents, 28% stated that anecdotal evidence is enough to justify investment in an Enterprise 2.0 project. It is interesting to see that senior level technical employees were the largest group that differed in their opinion. There remains a large percentage of employees overall who "Don't know" if anecdotal evidence alone is enough to justify an Enterprise 2.0 investment. This is understandable considering anecdotal evidence can present itself in many different forms.

Fig. 35) Is solving a business problem or achieving an objective as good as being able to show a financial ROI?
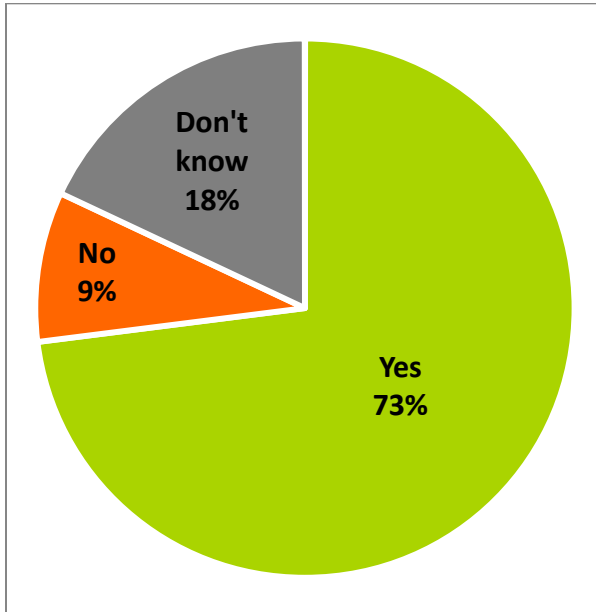
The overwhelming majority (73%) of respondents stated "Yes" to the question, "Is solving a business problem or achieving an objective as good as being able to show a financial ROI?" If this opinion is so pervasive, why is there much debate and discussion on ROI in the Enterprise 2.0. The reason may stem from an earlier observation regarding performance indicators. ROI and value are being clustered together and therefore organizations are having a hard time demonstrating a financial ROI or that a business objective or problem has been met or solved. Again, the reason why this is a challenge is many organizations began their initiative with a tool deployment rather than a clear overall strategy. Further, many organizations are not defining and following up on their performance indicators and consequently, cannot evaluate the value that a strategy and technology deployment are bringing to their organizations.

Fig. 36) Is solving a business problem or achieving an objective as good as being able to show a financial ROI? (breakdown by role within the organization)
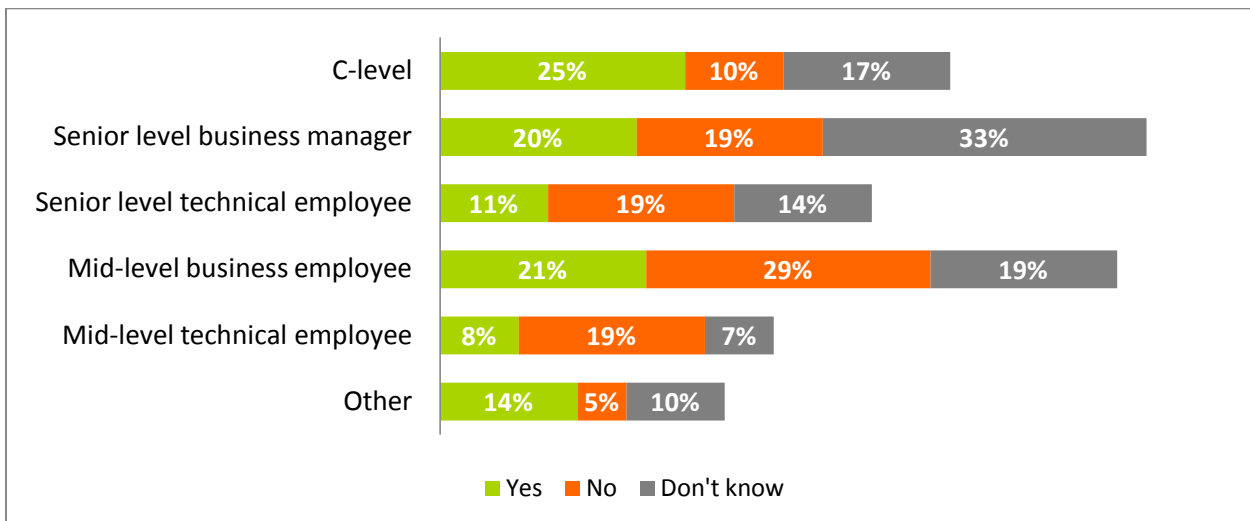
Notably, C-level respondents were the most in support of finding value in emergent collaborative initiatives, beyond an ROI. Of the various employee roles, 25% of C-level employees felt less a need for ROI justification. Given the significant influence executive sponsorship has on the attitudes and opinions of employees, this can help mitigate debates on how desired returns and outcomes of

Enterprise 2.0 projects will be expressed and measured, and lead to a wider acceptance and adoption rate. Senior level business managers responded with less an inclination to accept solving a business problem or achieving an objective being as good as showing a financial ROI (20%).

It is interesting that mid-level business employees (29%) were the largest group that did not feel that solving a business problem or achieving an objective is as good as showing a financial ROI. This suggests that there needs to be more discussion and communication within the organization. While opinions and attitudes differ, aligning employees on organizational objectives and success metrics will better enable a cohesive approach to emergent collaboration, rather than a disconnected one.

Section 5: Conclusions

Creating the conditions for a successful enterprise collaboration effort requires a strategic approach that focuses on establishing clear business objectives and strategies, understanding cultural considerations, developing frameworks and managing processes that adapt to the changing needs of the organization, defining systems of governance, and enabling emerging collaborative tools that integrate with existing workflows.

Despite the benefits of taking an overall strategic approach to collaboration efforts that mix both structured and unstructured methods and techniques, many organizations are using emergent collaboration tools in an ad-hoc and tactical capacity that disconnects users from the other parts of the organizations and perpetuates siloed functions, groups, and people.

Clearly, Enterprise 2.0 is in an early market with much work to be done. However, steps can be taken to adapt to this newer way of working. In the area of adoption, organizations need senior leaders to champion and model the technology; to provide education on the benefits that can materialize from emergent collaboration - for the organization and for themselves; to keep the lines of communication open, online *and* offline, horizontally and vertically, creating a more 'networked' approach to the internal company; and last but not least, to integrate collaboration tools into the day-to-day activities and workflows of its employees.

Organizations in the vanguard of emergent collaboration must continue to monitor, evaluate, and adapt to changing conditions. The benefits of emergent collaboration can be fully realized by taking a thoughtful look at all parts of the organization, the business drivers across each department and the organization as a whole, and the users types involved, all the while communicating and collaborating with all users in an open environment.

This will demand leadership's decision-making and accountability as well as significant effort and responsibility on the part of all, however, the end result is a shared and aligned understanding of and belief in how emergent collaboration can empower all individuals to achieve business goals.

About the Research

Our ability to deliver this research is partially made possible by the companies that underwrite this report. While we appreciate the support of our underwriters, we also greatly value our objectivity as an independent consultancy. The results of the survey are an objective assessment and independent of any bias from the vendor community.

Survey Methodology

Chess Media Group conducted a survey of enterprise collaboration practitioners in May and June 2011. The report is based on 46 questions asked in an online survey. A total of 234 people responded, each with some level of participation in enterprise collaboration initiatives at their place of employment. They include employees of small, mid-size, and enterprise-size companies headquartered around the world.

Acknowledgments

We have been privileged to have relationships with some of the brightest minds in the Enterprise 2.0, Knowledge Management and Innovation Management spaces. We would be remiss if we did not acknowledge them for their opinion and guidance on issues such as the construction of this survey as well as for their insights, guidance, support, and friendship, all for which we express our sincere gratitude.

Carl Frappaolo, Director of Knowledge Management, FSG Social Impact Advisors

Gil Yehuda, Director of Open Source Technology and Strategy, Yahoo! and Enteprise 2.0 Thought Leader

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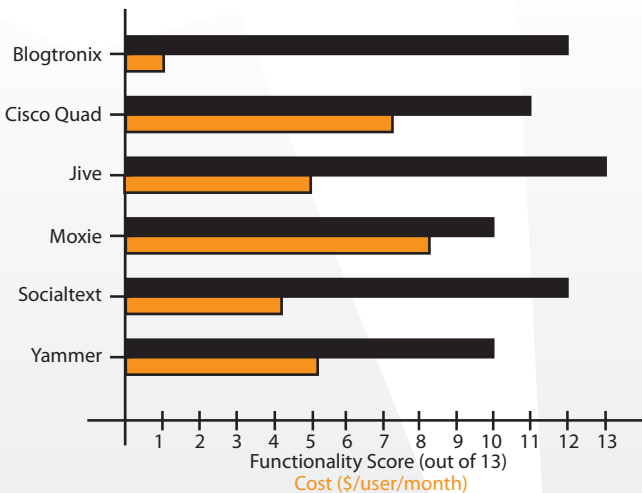**blogtronix®**
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Choose the Company that Offers the Best Social Business Value

Technology That's a Step Ahead of the Market

Martin-Butler research conducted a study of every major enterprise social software vendor and ranked Blogtronix at the top. Among Blogtronix's key strengths was its "extensive enterprise class functionality." The report went on to say that while all social networking platforms support the generation and distribution of content, "very few offer a full environment with administration tools, enterprise class document management, search capability and compliance functionality... Blogtronix is a step ahead of the market."

Industry's Most Affordable Pricing

A software that is designed to be flexible and intuitive shouldn't have a complicated price or break the bank. Blogtronix Enterprise can be hosted as SaaS or Software for $1 per user/month) or purchased under a Perpetual License for $72 per user, making Blogtronix the most versatile and affordable option on the market.

Superior
Blogtronix
Salesforce Chatter
Cisco Quad
Igloo
Telligent

Excellent
INgage Networks
Jive Software
Leverage Software
Pringo
Ramius
Socialtext

Capable
Adenin IntelliEnterprise
IBM Lotus Connections
Microsoft Sharepoint

Adequate

Inadequate

Source: Enterprise Social Networking and Collaboration Martin Butler Research (2010)

Functionality Score (out of 13)
Cost ($/user/month)

Source: based on key functionality items and price in IT Pro Rankings Enterprise 2.0 Applications

Easy Adoption = Less Overhead

A company that is dedicated to improving employee engagement must constantly think of the people who will actually use their software. With that in mind, Blogtronix has designed the most familiar user interface on the market, making it easy for employees to adopt. While other social software vendors require their clients' employees to undergo extensive training just to use the software, Blogtronix end users can start benefitting from the software from Day 1. This ease of use reduces the costs to administer the software, and is one reason why Blogtronix software is trusted by over 20,000 communities worldwide.

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Main areas of coverage include Customer Relationship Management, Customer Experience Management, and Social Business. This is the place to learn about every facet of customer-centric business management in articles, blogs, interviews, and news.

The BrainYard (www.thebrainyard.com) is the first Web site community for business and technology leaders who are using and exploring social technology, tools and applications to drive new levels of business performance. The BrainYard serves the fast growing Social Business market that is naturally fusing important technology categories such as collaboration, content management, social media, social CRM, and social analytics applications.

Open Knowledge (www.open-knowledge.it/en/) is an international consulting firm leveraging collaboration to accelerate performance. We improve business potential in large organizations by nurturing employee empowerment, customer engagement, and open innovation.

Thanks to social business and collaborative software, we increase agility, productivity and the innovation potential by enabling a new role for the entire company ecosystem (employees, customers, suppliers, partners), evolving learning and training processes, cultivating professional communities, stimulating the circulation of knowledge, and expertise.

Every year we organize the Social Business Forum (www.socialbusinessforum.com), the largest European conference regarding Enterprise 2.0, Social CRM and crowdsourcing. Get in touch with us directly by sending an e-mail to talk@open-knowledge.it

About the Authors

About Chess Media Group

Chess Media Group is a management consultancy and strategic advisory firm focused on social business. We help organizations understand how to leverage social and collaborative technologies and develop strategies that address employee, customer and partner facing business problems and initiatives. As with chess, we understand that in order to succeed, you cannot focus only on one particular part of the board while ignoring the rest of the pieces that are in play. To become a social business, you must have a clear strategy from the start, one that can be adapted, scaled and modified to better manage the relationships with your internal and external communities.

Chess Media Group has authored an Enterprise 2.0 Case Study series featuring organizations that are implementing employee engagement and collaboration initiatives. You may download the case studies at www.chessmediagroup.com/social-business-resources/

About Connie Chan, Principal and co-Founder, Chess Media Group

Connie's professional background includes 15+ years of marketing, management, and consulting experience. She co-founded Chess to help companies unlock the full potential of combining people, process, and emergent technologies to achieve high business performance. She assists clients with their market intelligence needs through research, analysis and custom consulting.

Prior to co-founding Chess Media Group, Connie optimized online and offline marketing communication and customer and employee engagement strategies for Ivanhoe Cambridge and Rogers Communications and for clients McDonald's, Insurance Corporation of BC and Greyhound at DDB Worldwide.

About Jacob Morgan, Principal and co-Founder, Chess Media Group

Jacob co-founded Chess to help companies understand the business value of employee, partner, and customer collaboration. He provides strategy and advisory work for Chess and focuses on developing unique models and frameworks that guide organizations through their emergent collaboration initiatives.

Jacob is working on a book for McGraw-Hill on emergent collaboration, to be published in Summer 2012. He is also the co-author of *Twittfaced,* a social media 101 book for business. Jacob's blog is ranked among the top 100 most influential marketing blogs by AdAge. He has also contributed to publications such as Inc. Magazine and the WSJ, among others. Jacob has worked with brands such as Adobe, Condé Nast, New Horizons Computer Learning Centers, Salesforce, Siemens, and Sandisk.

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