

Why Web 2.0 is Critical to Your Business

An Osterman Research Position Paper

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What is Enterprise 2.0 and Why is it Important?

'Enterprise 2.0' represents the migration of the Web from isolated silos of content to an integrated framework in which the Web becomes a computing platform that is able to provide greater value than traditional tools, like simple email messages and static web pages, have been able to offer. Enterprise 2.0 represents the collision of Web 2.0 business-to-consumer and consumer-to-consumer applications (e.g., blogs, wikis, mashups, RSS and social networking) with corporate users looking to achieve business-to-business benefits. While Enterprise 2.0 offers important benefits for the way that organizations share information and collaborate, the newer workforce raised on consumer-oriented Web 2.0 applications have also become accustomed to these tools and increasingly expect to be able to use these tools in the workplace.

For businesses, Enterprise 2.0 should figure prominently in their communication and collaboration planning, since it allows easier collaboration and greater efficiency of communication than is possible with highly structured, inflexible legacy communication and productivity tools. Enterprise 2.0, for example, has a significant impact on email and more traditional groupware tools, and is becoming increasingly valuable in re-shaping how users manage the growing glut of information. Enterprise 2.0 holds the promise of allowing organizations to make decisions more quickly, to share information more easily and to improve business profitability.

How Web 2.0 and Current Enterprise Technologies Will Merge

Enterprise 2.0 – essentially a superset of Web 2.0 applications and technologies employed in a business setting – is emerging as a critical trend that decision makers need to understand. In essence, Enterprise 2.0 represents an expansion of the capabilities available to business users, freeing them from the limitations imposed by legacy applications.

For example, email is the dominant application used in the workplace today. Osterman Research has found that nearly one-third of email users spend more than three hours per day performing tasks within their email client. However, content stored within an email application, while tremendously useful to the individuals that send or receive it, is largely unavailable to anyone else. By contrast, a wiki allows individuals to communicate with essentially the same utility as an email client, but with the greater benefit of opening these communications to others for purposes of knowledge-sharing, team collaboration and the synergies that develop from the greater flow of information.

The ascendancy of Web 2.0/Enterprise 2.0 should not in any way be regarded as representative of the demise of traditional applications used in business environments. In fact, Enterprise 2.0 will in many ways make traditional applications more capable and more useful. For example, content in a wiki can replace a large number of individual emails and email threads, thereby reducing

email traffic and content, making email more useful than it is today. Furthermore, most advanced wikis allow content to be published easily to the wiki using email, which supports users' current workflow where email plays a central role.

Drivers for the Adoption of Enterprise 2.0

Enterprise 2.0 has not developed in a vacuum, but is instead a response to a variety of problems faced by users of traditional, legacy communication and productivity applications:

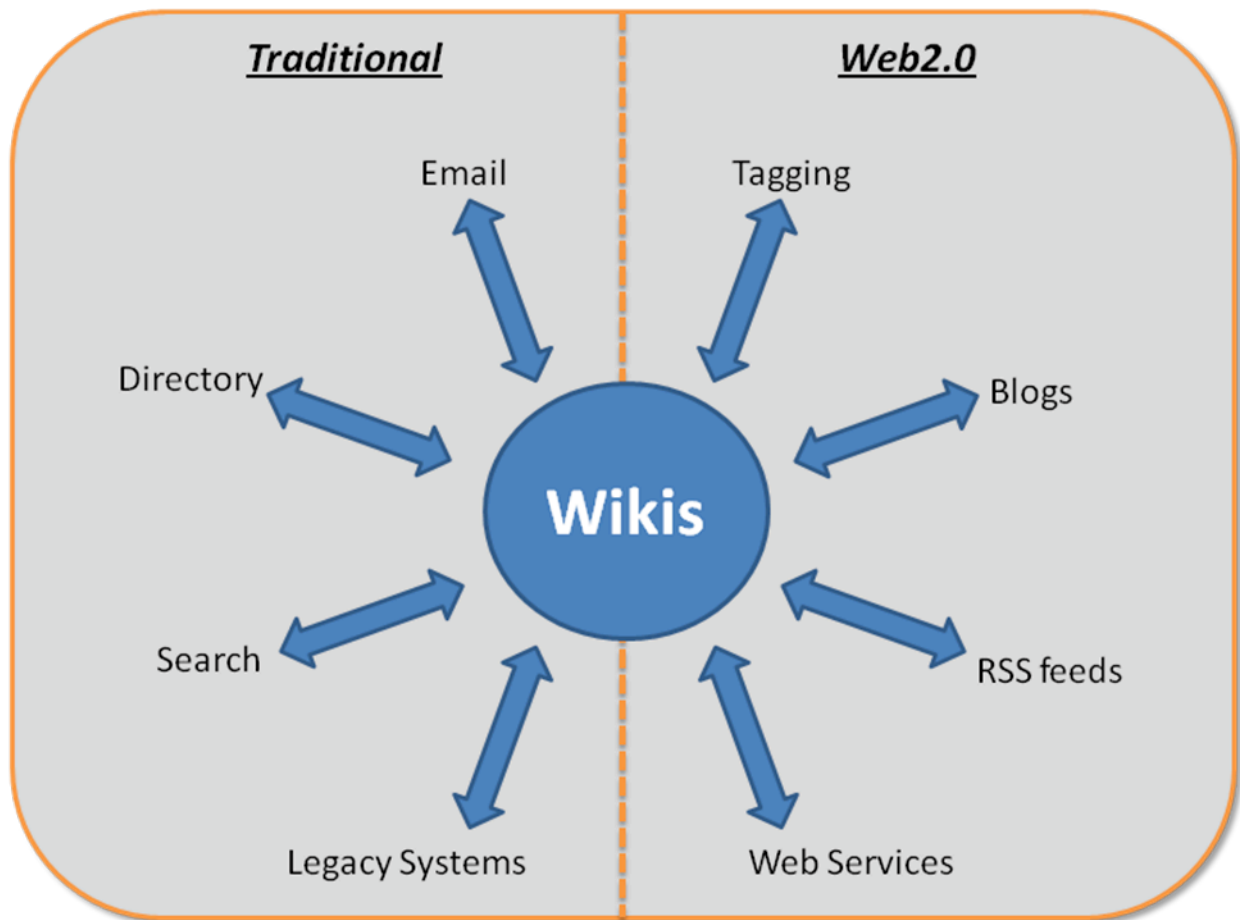
- **Users are suffering from email overload**
Most users in the workplace are inundated with 'legitimate' spam, consisting of newsletters, discussion threads on which a large number of people are copied, memos, email 'conversations' that bounce back and forth, lunch and meeting requests, etc. While this content is largely useful, there is simply too much of it for most users.
- **Information is often difficult to find**
Many users of email and productivity applications are 'pack rats', storing very large volumes of old email, attachments and other content. Finding specific pieces of information within this growing body of content is often difficult and time-consuming.
- **There is a lack of centralization in email and other content silos**
While email is often difficult for individual users to search, it is much more difficult to search across users or an entire company. Archiving systems can provide some data mining capabilities, but these systems are generally more focused on compliance or e-discovery than they are on content extraction for individual users, and often are not configured to allow all users in a company to search across all content. In short, much of an organization's corporate 'memory' is inaccessible to the enterprise at large when trapped in email.
- **Many systems lack flexibility**
Many of the legacy systems currently used in corporate settings are not flexible enough to share information with one another easily or at all. For example, traditional groupware employs a hierarchical top-down structure that often limits collaboration and lacks functions for user-generated comments or dynamic linking between relevant documents.

Enterprise 2.0 tools can solve these problems: to reduce email overload, speed the search and retrieval of relevant information, centralize content and more easily share knowledge and information assets across a variety of systems.

What is a Wiki?

A wiki is a permissions-based web page or site that allows users to add content, modify existing content, add links or make changes to existing content via an easy-to-use browser-based interface. Wikis are designed for groups to collaborate easily by allowing individual users to share information in more efficient ways than would otherwise be possible with legacy communication and productivity applications.

Wikis provide a platform that merges the benefits of traditional business tools like email, directory and search with newer Web 2.0 technologies, like RSS, blogs and tagging. This co-existence makes wikis 'pluggable' within an organization's existing IT infrastructure; plus making it easier to share, integrate and access content, thereby creating synergies that would not be possible more traditional systems.



Wikis provide four primary benefits for an organization:

- **Project and process management enhancements**

Many projects and business processes today are managed by users sending email to one another, relevant users responding, those users responding to the responses, and so forth. This method of managing projects and processes is often inefficient, leads to lost data and could be replaced with a wiki in which individuals could post their content to a single repository. This would reduce email traffic significantly and would open the discussion to all relevant individuals, allowing them to view the status of a project, post comments or provide other information, such as how to handle exceptions to a process. With email, these other users would need to be copied on the email exchanges or would need to be informed about the project in some other way for them to provide their inputs or leverage this knowledge.

MWW Group, a leading public relations firm headquartered in New Jersey, employs 250 communications professionals throughout eleven offices around the world. MWW is using wikis in the manner described above to manage projects, track status and maintain schedules for critical activities. The company has found that the use of Wikis has reduced their email traffic by 25%, improved employee productivity, and improved relationships between the company and its clients.

- **Greater knowledge management**

A wiki is an extremely useful tool for collecting, organizing and sharing corporate knowledge. Much like Wikipedia allows individuals to post content and link to other sources, a wiki used in an intranet or an extranet allows an organization to collect and share information and build a corporate memory in an organized way. Using email preserves this content, but in a very unorganized way and in a manner that makes it extremely difficult to share.

Dresdner Kleinwort Wasserstein is the international investment banking operation of Dresdner Bank with headquarters in Frankfurt, Germany and London, England. The company wanted to improve employee productivity and collaboration, but faced numerous constraints as a heavily regulated financial services company. The company first deployed wiki technology in 1997 and has experienced significant reductions in email traffic, improvements in employee efficiency, and the ability to record, protect and archive the corporate knowledge that they must preserve.

- **Dynamic intranet- or extranet-based content management**

A wiki can take advantage of the collective intelligence of the employees in an organization as well as among business partners, consultants, members of a supply chain and others involved in a business. For example, instead of sharing the solution to a customer problem with just a handful of individuals or through a static web page, the content can be posted to a wiki so that all

users can take advantage of the information. This allows information to be leveraged in a much broader context and makes each individual's contribution more valuable than if this information was shared via email. Compared to static web pages, wikis also provide an easier approach for content contributions and group participation in problem-solving to occur, whether through publishing new wiki pages or commenting on existing content stored in the wiki.

- **Building community and brand loyalty**

Wikis represent an excellent tool for building communities in specific interest areas, topics or brands. This might include a developer community focused on a particular technology or a consumer-oriented community discussing the latest episode of the *Lost* television program (see Lostpedia.com). Wikis can

be used to share information by building a base of content that can serve as an evolving knowledgebase and community-building tool. Wikis can connect like-minded individuals together, allowing them to find each other in ways that previously would not have been possible and to facilitate social networking.

For example, the authors of *Wikinomics*, a book that focuses on the benefits of mass collaboration, are allowing their community of users to write entirely new chapters for the book, as well as openly discuss online the concepts outlined in the book. This permits the collective intelligence of potentially tens of thousands of individuals to be shared in a way that previously would not have been possible.

Angel.com, a subsidiary of MicroStrategy (NASDAQ: MSTR), is a leading provider of call center solutions and Interactive Voice Response (IVR) systems. While wikis are used internally to improve team collaboration and the efficiency of employee communications, Angel.com launched a customer- and partner-facing wiki in late 2006. Among other capabilities, this external wiki allows customers and partners to view and enhance the company's technical documentation by providing use-case examples or post their own content on IVR best practices.

Recommendations

Because the use of wikis creates a paradigm shift in the way that information is presented, shared and stored, organizations need to carefully consider how the technology might be used. Here are some recommendations for considering how to best take advantage of the benefits that wikis can offer to an organization of any size:

- **Evaluate current processes**

As a key first step, it is important to understand how people work. Do they share information primarily using email or some other method? Does the process of sharing information with those outside the organization differ from internal information-sharing processes? What other tools, such as consumer

instant messaging, are used by employees? On what data repositories do employees rely, such as CRM or ERP systems? What problems do current processes impose on users? What changes would users like to see in current processes? What aspects of current processes do they want to retain?

In short, it is critical to understand how information is shared and the problems with current processes that users would like to see corrected.

- **Understand the corporate culture**
Information-sharing does not fit with all corporate cultures. Some corporate cultures, for example, reward information-hoarding and provide disincentives for sharing knowledge among co-workers, with members of a supply chain, etc. It is important, therefore, to understand the benefits or penalties that users might perceive to be associated with a new information-sharing paradigm.
- **Provide incentives for information-sharing**
Armed with information obtained from a study of the current corporate culture, decision-makers should focus on making appropriate changes within the organization so that information-sharing is rewarded. Employees need to be given appropriate incentives so that they will share information rather than hold onto it for some perceived personal competitive advantage.
- **Understand the technologies available**
It is critical to understand what technologies are available that can provide the benefits promised by Enterprise 2.0. There are a number of wiki technologies available, some of which are more extensible and scalable than others. Due diligence in understanding and evaluating the current crop of offerings is a critical last step before deploying wikis.

About Socialtext

Socialtext leads the industry in applying next-generation Web 2.0 technologies to the critical challenges facing today's enterprise. With the most flexible deployment options in the industry - including appliances, hosted services, software and open-source - Socialtext Wikis are designed for any organization that wants to accelerate team communications, better enable knowledge sharing, foster collaboration, and build online communities. Today, over 2,000 organizations use Socialtext, including Symantec, Nokia, IKEA, Ziff-Davis, Kodak, University of Southern California, Boston College, among others. For more information about Socialtext, please visit www.socialtext.com or call 1-877-GET-WIKI.

Socialtext also offers a free 14-day trial of the Socialtext wiki solution. To sign-up, visit www.socialtext.com/trial/1.

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