

# Co-Innovation, Collaboration and Social Networking – Observations and Best Practices from the SAP Co-Innovation Lab



## Applies to:

SAP Co-Innovation Lab

## Summary

This article explores the intersection of online collaboration, social networking and innovation within the context of inter-firm co-innovation. It relates some of the extant literature representing social network research and how it underscores the current exuberance for how relevant collaboration and social networks has become to the modern firm. The paper draws from some of the field observations and experiences of SAP's Co-innovation Lab and what is emerging as best practices for how to collaborate on line and to leverage social networks to enhance knowledge brokering and amplifying co-innovation project results to a wider audience.

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## Introduction

The primary focus of this paper is to examine how collaboration tools and social networking can support inter-firm co-innovation. More extensive research to try and understand if collaboration and social networking tools and techniques have a measurable, positive impact upon ecosystems-based co-innovation is well beyond the scope of this exercise, even if discussed within the context of how they might intersect with only a single dimension of innovation.

With just a rudimentary search using the keywords, *collaboration*, *social networks* or *innovation* independent of one another, yields numerous examples of rigorous academic research and countless articles and blog posts on these vast topics. What becomes interesting however is when web searching using all three keywords simultaneously, in an effort to find how they are viewed together in a specific context. Using social networks as one example, the extant literature is extensive and has a rich history with respect to organizational behavior and organizational theory and yet much of this prior research offers little insight to how it relates to more recent discussions occurring in the various trade publications about social networking platform technologies like Facebook, Twitter, LinkedIn, etc. The prior research places far more emphasis upon the attributes of social engagement, network attributes, etc. (sociology, psychology, networks, etc.). Current articles tend to showcase the technologies of collaboration and social networking and yet if we are to fully understand the value of these technologies in terms of how they might impact a firm's ability or capacity to innovate, then it should be realized that the tools must be described in the context of how organizations and people interact and behave through these digitized mediums.

Measured and quantifiable outcomes of any research examining how social network technologies might be influencing innovation is still emerging. Yet while the academic journals may not be a single or current source for gaining new knowledge and insights from more exhaustive and long term study, the blogosphere, trade and industry publications both print and on line media sources, are driving a steady stream of content relative to these topics and their current and/or possible intersects. So much so perhaps that it triggers at least two initial observations- the first suggests that this is somehow a very new or recent conversation of interest, and second, for something garnering so much attention, how many of these published opinions and observations are empirical in nature? There were many good articles written last year but it would appear that many authors were only armed with some combination of keen personal interest and a perhaps a bit of practical first-hand experience. The result therefore being that they largely only echo the views and opinion shared by others from within their own spheres of knowledge.

There are a lot of opinions being expressed today about how collaboration inside and outside of the firm and the use of social networking platforms influences innovators and innovation processes. However, it is not always clear from the crop of recent articles or blog posts, if the information being shared is based upon formal research and hard data. Given the nature of the subject has as much to do with human behavior as it does analyzing empirical evidence describing how all of these tools and social networks are conceived, devised, and employed, it seems relatively easy to voice an opinion and to embrace a position shared by others in a way suggesting it as fact.

We are interested to know how collaboration tools serve a co-Innovation project team's needs to exchange knowledge and to generate, organize data and information of value to rendering a positive result from the co-innovation project. This paper begins with providing some brief yet important context relative to co-innovation and describes one way in which SAP has chosen to enable ecosystem-based innovation. From field experience and recent observations within SAP's own co-innovation lab (COIL) networks, we will discuss a handful of tools used to date, what determines use, how constraints arise, become managed and how known best practices can be adopted to improve successful collaboration in the context of the co-innovation project and its processes. Additionally we explore the use of social networks and how they can be leveraged to facilitate the COIL knowledge brokering process and to increase awareness for the project and/or its result. It is an ongoing effort to make effective use of selected collaboration tools and to consistently exploit the right social networks serving to further enrich COIL knowledge brokering ability and to showcase successful co-innovation projects.

## Co-Innovation

The SAP Co-Innovation Lab provides and orchestrates a variety of resources which can supplement internal skills and knowledge. Its IT resources are comprised of internally provided capital infrastructure augmented with select complementary hardware and software assets contributed by strategic technology partners who sponsor COIL. Additionally, the co-innovation lab network provides an IP framework uniquely designed to accommodate co-innovation initiatives and furnishes the project and operations management needed to provision and support co-innovation teams with computational, storage, and network resources including access to SAP's Netweaver platform and business suite of applications. Encapsulating this aggregation of resources is a COIL management structure equipped to provide valuable knowledge brokering to co-innovation teams seeking discrete subject matter and domain expertise inside of SAP and from across the ecosystem of partners participating within the COIL network.

Prior research has indicated that people connected across groups are more familiar with alternative ways of thinking and behaving. Brokerage across the structural holes between groups provides a vision of options otherwise unseen, which is the mechanism by which brokerage becomes social capital (Burt, 2004). The SAP Co-Innovation Lab network management and governance processes help to efficiently identify knowledge and resource gaps as well as to recognize how project goals and objectives either align or diverge to known business strategies of SAP and partners where collaboration efforts are considerations of interest.

## Ecosystem-based Innovation

The COIL team is instrumental in both building and enabling relationships with partners and customers within SAP's ecosystem bringing benefit to all parties. A co-innovation project team can focus more immediately upon the project's primary objectives instead of spending additional cycles independently seeking out all of the capital and human resources necessary to fulfill a proposed project's basic requirements. COIL represents a set of dynamic capabilities by creating a structure and associated methods that help to expose real opportunity and to enable both exploitation and exploration. The exploration–exploitation dichotomy suggests that while firms are good at exploiting current capabilities, they struggle with exploratory tasks (Keupp, Gassmann 2009). An innovative firm is seen as functioning within a complex network of co-operating and competing firms and other institutions. There is longstanding research which identifies that inter-firm collaboration has been relevant for years and continues to evolve. Firms are seeking to combine their strengths and overcome weaknesses in a collaboration that is much broader and deeper than the typical marketing joint ventures and technology licensing that were used previously. These new ventures may take the form of novel cooperative relationships with suppliers, or collaboration among several small firms to facilitate research and new products development (Powell 1990).

COIL governance and management processes are designed to support and enable exploitation, like performance studies meant to validate existing integrated solutions or optimized stack configurations featuring partner-based technologies inter-operating within an SAP landscape environment. Additionally, the COIL can equally serve to enable exploration of integration opportunities or the co-development of new technology and innovation (e.g., proof of concept, iterative rapid prototyping, etc.) with partners and customers.

COIL infrastructure and design aptly equips SAP to execute an open innovation strategy. The co-innovation enablement platform supports the fundamental tenets of open innovation to not only explore how complementary assets can be formulated to extract optimal value from technology, but to also detect the business model best suited to making a given innovation a commercial success (Chesbrough 2003).

COIL enables opportunity for SAP to explore and to pursue outside-in innovation with its partners and customers allowing it to interact and share ideas and information in a secure, real-time infrastructure. Through ecosystem-based co-innovation, SAP and its relevant partners can uncover new ways to reduce costs, accelerate time-to-market and to drive commercially successful innovation meant to delight customers.

## Collaboration

Inter-firm collaboration can take many forms. The aforementioned description of co-innovation as enabled through COIL is simply one instantiation of a deeper, more complex form that can include an array of elements like sharing data, knowledge, assets, co-creation of intellectual property and alignment of business goals and strategy. Prior to describing how firms collaborate and co-innovate in terms of the project management processes and tools selected to perform and manage the subsequent inputs, outputs and workflow associated with a given project, significant consideration must be given to the business case underlying the proposed project. There must be ample recognition among all engaged parties for what the common goals are for the project and from this a determination for what the scope of the project will be to support the stated business goals. Co-Innovation project scope may strongly influence the type of collaboration tools used or at least provide input into how extensively such tools are used by the project team.

## Mutual Goals

The SAP Co-Innovation Lab receives project requests from different business units and various internal teams. It receives an equal share of inquiries and project proposals from SAP partners as well as from firms with interest to become part of the SAP ecosystem. Political and economic considerations aside, regardless of the source for a proposed co-innovation project, COIL invokes a governance process in which to thoroughly assess project submissions using a rich set of criteria to understand the primary business and technology requirements. As expected, COIL resources are constrained and realistically cannot be made available to every project request submitted.

It isn't often that technology itself becomes an impediment to fulfilling a project's requirements; access to the desired hardware and software systems is less of an issue than is determining available systems capacity or ensuring the right subject matter expertise is available to sufficiently provision. More importantly, it is often imperative that the projects pursued have strong potential for generating a meaningful result supporting each participant firm's own business objectives in addition to the shared business goals driving the collaboration.

## Challenge of Divergence

COIL resource management is an organizational motivation which helps to ensure data-driven decisions underscore co-innovation project selection, but the primary consideration driving project selection is business goal alignment and enabling project's which strengthen the strategic alliance. While there may be some positive correlation between the interests of different industry players, goals generally will not be perfectly aligned. We refer to this effect as *divergence* (Amirall, Masanell, 2010). While determining the degree of divergence is important, the fact that it exists should not curtail a decision to assess the worthiness and relevance of a co-innovation opportunity. The counterbalancing element to divergence is discovery, whereupon SAP and/or its partner find that as complementors, intensive collaboration will lead to new innovations and afford competitive advantage not achievable by either firm acting alone. Through the COIL governance process, it becomes important to gain acceptance and commitment from business managers on either side, that a co-innovation activity has potential to add measurable value and to drive revenue despite not always knowing in advance if the project can deliver the desired result within the time frame of the sales quarter that a project idea is first suggested. Once projects become approved, teams can then formally begin to finalize the corresponding statement of work and can begin more detailed project planning which includes identifying the various methods and tools the team will adopt to collaborate across the project lifecycle.

## Online Tools

Few will dispute the fact that online collaboration offers a multitude of real benefits, be it the near-instant messaging and communication capability, sharing project artifacts (e.g., documents, source files, executable code, images, etc.), project schedule and resource management. It should also be recognized that collaboration is more than just coordination of tasks over time; it also involves innovation and the sharing of information and knowledge. It involves trust (Stewart, Levine, 2008).

With respect to co-innovation project management, effective use of online collaboration tools affords project managers and subject matter experts with access, to quickly and easily share knowledge and to interactively problem solve with project team members. It can often times even contribute to lowering operational costs, such as minimizing the need for travel. Even a brief web search will unveil links to hundreds of collaboration software tools and platforms; some general, some very specific, with multiple choices possible spanning nearly every market and industry. While this might suggest that the value add is real, a number of potential constraints will surface too. Selecting the right software, learning how to take advantage of the features the system offers and then creating and managing the content of a project with the tools chosen are all considerations where each can represent potential challenges to be worked through.

Originating late in 2007, COIL was among one of the first organizations within SAP to take advantage of the SAP Collaboration Workspace (CW); a project initially spearheaded from within the Enterprise Services Community (ESC). COIL in fact, was first to host the Jive ClearSpaceX software platform from its infrastructure and it supported partner collaboration efforts occurring across the SAP Global Ecosystems Partner Group (GEPG) versus being used exclusively by COIL project teams.

The Collaboration Workspace is designed to enable any group at SAP to create their own collaboration community based on their own legal terms and ability to decide who can and can't participate in their community. Users register on the site, associate themselves to their company and can then request to join the Workspaces that have legal terms signed by their company. Once the request is accepted by the Workspace owner, the user becomes a Workspace participant on behalf of the company they represent. CW offers an abundance of features recognizable to anyone familiar with such content management platforms; wiki and forum page creation and management, an ability to create, manage and join groups, widgets useful to employ various organizational techniques and document stores that also allow roles-based sharing. It essentially employs all of the typical Web 2.0 conventions common to such collaboration tools such as content ranking and is for all intents of purpose, quite well-designed and implemented.

COIL use of CW is however not regimented in that there is no overarching COIL policy dictating project teams use CW or any specific collaboration tool or platform. Throughout 2008, COIL use of CW was somewhat balanced globally and the COIL team itself made considerable use of its own Workspace to share operations-based policy and process development and to employ a common area to focus upon day to day operations issues. However, over time it has been our project teams in COIL Bangalore demonstrating consistent use CW to manage co-innovation project work with partners in the region. This regional COIL team describes one of its major lessons learned in adoption of CW is that one needs to be disciplined and have the drive to get people involved in the project to use it. These teams make a point of avoiding the use of e-mail for project communication and obtaining buy-in from the project team to use CW occurs during project the first kickoff meeting. The successful use of CW in COIL has nonetheless produced mixed results. While the underlying collaboration technology was proven to work, some partners described reluctance to uploading more sensitive documents to the collaboration workspace such as an NDA or forward looking financial documents or technology roadmaps. From an interview with one partner discussing this reluctance the root cause for it was attributed to the fact that at the time the CW platform was launched (early 2008), use of such platforms was still relatively new and so it is likely that the perception for the tool to be compromised represented an unacceptable level of risk.

To date, COIL management has yet to find a discrete argument to dissuade use of one tool over another for the sake of collaborating other than to find it reasonable to believe that given that the needs of a co-innovation project can be very unique, it seems best not to set policy insisting that COIL standardize upon a single collaboration tool to be used by the project teams it hosts. Unlocking the value of tools happens only when an organization fits tools into collaborative culture and processes (Rosen 2008). COIL should clearly be viewed as an organizational unit within SAP that imbues the company's ecosystem culture and represents processes geared towards facilitating collaboration with partners and customers.

Sufficed to say CW can of course still be used by a COIL project team but nothing impedes a team from using other collaboration spaces or tools such as SAP Communities or more recently, the SAP Streamwork platform. The latter has actually been employed by a number of the COIL Palo COIL project teams with success and that Streamwork features and ease of use have positively contributed to effective project management.

Continued use of Streamwork will likely persist in much the same way as CW yet in fact, provided that considerations are made to follow legal requirements governing the IP management relevant to partnerships, disclosure of proprietary information and adhering to agreed-upon IP provisions, there are instances where it makes sense for a COIL project team to use a partner's own collaboration tools. COIL recognizes that projects, teams and the innovation process are all dynamic in nature so there is a degree of logic standing behind the interest to remain flexible as to which collaboration mechanisms best serve co-innovation.

From a short interview with an active partner in COIL, the view is that collaboration tools like StreamWork have a huge potential to accelerate co-innovation between multiple organizations. The biggest challenge is not in the function of the tool but moving people's mindsets to utilizing it. "We get very used to just e-mailing the SOW around for review rather than remembering that it is posted on Streamwork where we can update a central copy in real-time".

As a topic for separate discussion, it may become of interest to compare the different types of tools available and if they either aid or inhibit the ability to successfully produce or manage work, but our chief interest here is to consider how the underlying dynamics of how teams collaborate with these tools can lead to a set of collaboration best practices for those engaged in co-innovation.

## Challenges

Generally speaking, collaboration is often hinged to messy processes and for every common or well-known challenge there could be just as many problems still yet to be encountered. This is almost certainly true if only we relate it to some new change in the software we use in our attempt to facilitate working as a team. Inter-firm collaboration is challenged in many of the same ways internal teams are challenged with the addition of having to navigate between the shores of each partner's legal requirements for sharing, exchanging or co-developing proprietary information. Further vexing is if disagreement exists with regard to which partner's collaboration tools should be used. It isn't that such issues are not resolvable it is that time and effort is required to understand and manage them well.

For some complex projects, there is of course little getting around the need for face to face meetings, at least at critical points during the project lifecycle. There are definitely those occasions when issues flare in a project where participating team members living on different parts of the planet, find it difficult to resolve things via phone email or online collaboration spaces. The notion of real time sounds ideal, until placed within the context of global time zones. This doesn't have to become a constraint but it must be managed and tended to often or the project can indeed derail. For more than a decade now, companies have persistently embraced online tools and have augmented project efforts with conference calls, netmeetings, webmeetings, and video-conferencing. The use of telepresence technology is also on the rise. The trend makes sense if for no other reasons than that a company can exercise both social and economic responsibility through reducing its carbon footprint and lowering operational costs from less air travel. Over time, knowledge workers have become quite accustomed to using such technologies and continue to learn how to manage the more common issues associated with remote team member participation. Nonetheless, even with new tools and new skills, challenges remain.

A common yet manageable challenge is with keeping everyone in sync. To do so means setting up some team ground rules from the start that everyone contributes to creating and in the end, everyone is willing to commit to. COIL has certainly found that its various project teams can effectively work together across time zones but most find it of value to check in with one another at least once a week as a team, so some concessions are usually necessary with one or more team members in one location needing to start early in the day or work late in order to stage a team conference call or web meeting to accommodate team members in other locations. The key is to plan ahead of time; stick to an agreeable agenda and in doing so, the meetings can avoid running long.

There are other notable challenges. The act of collaborating means to work together and yet when key team members live hours apart from one another it is not always possible to work on important documents or other project elements in real time as a group. Contributions, edits and comments get made during working hours

in one location and then picked up by another team member when they begin their day and such iterations continue until all participants associated with the task are signed off. The upside to this is that unless significant obstacles emerge to invoke a delay, the workflow persists across each time zone from day to day. As mentioned previously, key issues or major milestones can still be addressed with all the needed team members present provided such meetings are planned for ahead of time.

Knowledge workers assigned to co-innovation projects in COIL convey a sense of comfort and confidence in working within virtual environments. Most who work with these technologies frequently enough can also commiserate on how frustrating things become when the collaboration tool itself fails in some way (e.g. feature limitation, product bug, network delays, conference bridge failures, etc.) and results in a collaboration meeting starting late or plagued with a disruption severe enough to delay project progress. From a COIL field perspective, it often seems that consistent and effective use of any worthy collaboration platform is most thwarted by participant failure to commit exclusively to use of the platform throughout the entire project lifecycle. This failure to commit is not a rebellious act, but merely indicative of the fact that a project participant must frequently grapple with how to manage a constant and ever-increasing torrent of information that must be filtered, reviewed and processed every day.

A project manager may for instance, log into a collaboration workspace and expect to find comments to existing content submitted for review or to find some new content or completed task, yet when they don't, may begin to question the value of the collaboration tool itself. The question becomes, why isn't the team (or at least team member x) using the tool? The same question surfaces if the project manager expects an update to occur inside the tool but then finds the needed information or completed task described in an email. There could very well be a problem with the collaboration software that stymied use, but root cause could just as easily be anchored to whatever is competing with the available attention any one project team member can allocate to the project using the assigned virtual workspace. The reality is simply that advances in IT communications helps to generate an astounding volume of information at a frenetic pace. People are drowning in data (Srivastava, Sampath, 2008).

We can commit to a project, truly value its purpose and be capable of seeing it through to successful completion. Nonetheless on any given day, our ability to devote time and attention to a single project, however important, competes with a daily new flood of entries to our email in-box, logging in and devoting time to other real and relevant online activities; both personal and work-related as the two have become increasingly intertwined. There are multiple dimensions to this concept of what competes for the knowledge worker's attention. While the broader aspect of this topic is too far out of scope for discussion here, it is still perhaps useful to look at how just email alone, fits into the co-innovation collaboration puzzle.

Young people today may prefer text and instant messaging but email remains a cornerstone of how corporations conduct business. Extending beyond the co-innovation project team, not everyone with a stake in the project are using the team's chosen collaboration platform hence leaving email as a necessary channel for transmitting information in and out of the project team. One might see it as just another channel of information to be managed and coordinated with the information flows already occurring between team members via the dedicated collaboration workspace. The challenge becomes that a single email can quickly become a thread. For instance, if an executive stakeholder pitches a question to the project manager insisting upon a reply before end of day, the project manager is likely to respond in kind copying key team members and posing a new set of questions to them in order to timely provide the stakeholder with the information requested. The resulting email thread (which can potentially break off into separate email messages too) could in the end; all contain valuable pieces of information that must then be folded back into the content already contained within the collaboration space. This valuable content can quickly become lost if it is unclear which member of the team is tasked with making sure the content gets moved back into the collaboration tool.

Such scenarios especially if reoccurring, can create the perception that using the tool is of limited value if collaboration activities and decisions are happening regardless of the dedicated collaboration environment being used and even more so if the project is progressing despite the intent to manage project content and decisions using a dedicated virtual workspace. While it's true that many collaboration software platforms allow updates to be broadcast and that it is relatively trivial to cut and paste content from a message into a document harbored within the collaboration workspace, it still results in more not fewer administrative tasks that someone must manage. It isn't this single task that is the problem; it is the accumulative effect of having to perform such tasks across a vast digital landscape of software applications spanning desktops/laptops and mobile devices.

The COIL Bangalore project teams, through obtaining commitment to pursuing project work exclusively through its collaboration workspace have learned to eliminate or at least mitigate the problem of split channel communication. This is hence, worthy of further study to understand if team agreement itself motivates the expected behavior of exclusively using an online collaboration tool to manage a project, or are there other factors influencing the behavior or that prevents the behavior such as project types, project duration, number of participants, cultural considerations and other nuance.

A real benefit of the COIL enablement platform is that from the aggregation of key resources, including access to subject matter expertise through effective knowledge brokering, a co-innovation project team can accelerate its efforts to pursue, manage and deliver valuable results. With interest in continuing to add value to the co-innovation platform, can a COIL implementation successfully guide selection of collaboration tools and from understanding the capabilities and limitations present, develop a useful set of collaboration best practices of benefit to co-innovation project management?

## Collaboration Best Practices for Co-Innovation

COIL project teams collaborate in a variety of ways worldwide, including face to face as each COIL facility is outfitted with project meeting rooms well-equipped with audio-visual tools, whiteboards and network connectivity.

Additionally, COIL project teams regularly employ a variety of collaboration tools including:

- SAP (Adobe) Connect
- Citrix Go-to-Meeting/Go-to Webinar
- Citrix Receiver (Mobile App, iPhone/Android)
- SAP Collaboration WorkSpace
- SAP Communities
- SAP StreamWork
- SAP Tube
- SAP Spotlight
- MS Outlook
- MS Office Communicator

The teams use a variety of other collaboration systems and tools as they might be relevant to the specific needs of a given project. The teams are not limited to the aforementioned applications and no single tool or platform has emerged as being preferred over another. Practically speaking, our list of best practices for use of such applications and platforms must lead with advising a project team to collectively determine what tools the group feels will best suit the project and can accommodate the expected generic and discrete tasks to be performed.

Assuming that all partner-focused collaborations conform to accepted legal criteria with respect to systems and applications used capable of sharing proprietary information, the dominant COIL best practices followed are:

- Understand what platforms, tools and applications are available to support SAP Co-Innovation lab project
- Ensure that all team members have sufficient access and correct rights assigned for the systems and tools that will be used
- Establish and agree to team guidelines for how such systems and tools will be used by the team
- Take to time to make sure that important stakeholders and part-time participants (SMEs) can access the selected collaboration tools as needed
- Project owners and managers should ensure that all team members are familiar with the features of the collaboration platform being used and are comfortable with their use (some participants may not be familiar with how to employ Web 2.0 widgets, using markup languages, RSS feeds, etc.)
- Unless the team agrees to only use the chosen collaboration platform to exclusively manage all aspects of the project, accept and be willing to manage multiple channels for sharing and exchanging information relevant to the project
- Establish and agree to ground rules for how and when the team will work together in real time as a group and plan ahead of time to ease time zone constraints

## Social Networks

How are co-innovation project teams best served by social networks? Well before the cacophony of all things social today, people have always formed and participated in networks and communities. Co-workers continuously connect to one another within the firm for numerous reasons as do employees who engage with partners to help drive company strategy. People have obviously understood the value and importance of developing social networks and this has been of extreme interest to sociologists, economists and other research professionals long before the Internet and network computing technologies spawned the digital manifestation of social networking as evident today. What is of importance relative to the newest social networks, platforms and applications with social components designed into them, is the discovery of how rapidly and efficiently one-to-many and many-to-many communications can now occur. How might this be of interest to co-innovation? This will most definitely be a work in progress as social technologies evolve and as business cultures strive to keep pace with the technological changes (if this is even possible).

What we are exploring first with how co-innovation intersects with the proliferation and increasing use of social network technologies is to understand how these networks can be used to optimize knowledge brokering useful to driving successful co-innovation.

Once projects are under way as well as completed, we also wish to learn how these networks can be used to amplify the results to reach as many people as possible who can derive benefit from project results. This might be something as simple as a proof of concept validating how a business solution might be formed or it could be to help communicate news and details for a significant new innovation of benefit to the collaborating partners who made it possible and to the customers it was targeted to.

## How Social Networks Benefit Co-Innovation

A number of social network experts or enthusiasts could almost certainly advise co-innovation project teams on strategies or proven methods for how social networking might add value to co-innovation efforts among partnering firms. For those charged with managing a co-innovation lab, it is imperative to take interest in how others successfully employ social media and to not only identify existing useful models but to understand the unique requirements of co-innovation between partners well enough to formulate new social networking models which we can then apply to co-innovation initiatives.

The underlying reality to all of this interest in social networks and social media is that seeking out and developing new relations is not a new concept. These newly evolved social networking platforms are simply transport mechanisms for us to pursue the work of building relationships and communities. The advantage offered is that we can use these networks to rapidly develop and grow valuable connections.

Near term objectives are to understand and to take advantage of social networking technology to actively connect to existing communities of innovation. This further fuels an effort to establish new communities of interest and value to SAP and its ecosystem of partners in pursuit of co-innovation opportunities. Effective use of social networks serves to strengthen the co-innovation lab's existing ability to broker knowledge and to connect greater numbers of subject matter experts to the projects occurring in the lab. Co-innovation projects and the networks of people they are intertwined to all represent a vast knowledge space. There is a knowledge space that encompasses each project but from a COIL perspective, a meta-knowledge space also exists in terms of the collective body of knowledge representing all of the co-innovation project activity.

The value of this knowledge in aggregate becomes very apparent when disparate project teams suddenly become aware of one another and discover ways in which they can share knowledge, work together and explore co-innovation that might never had occurred without the decision to participate in the COIL lab with SAP. Pierre Levy in his book, *Collective Intelligence* suggests that each time a human being organizes or reorganizes his relationship to himself or his peers, to things, signs, or the cosmos, he is engaged in a form of knowledge apprenticeship. It is a space in which the processes of individuals and collective subjectivization come together (Levy, 1997). While there is clear evidence COIL participants do benefit from spillover as a result of work adjacencies in the lab, it is time well spent to consider how the use of social networks and social media could help to support a knowledge strategy with the goal to increase these encounters spawning more multi-tenant co-innovation initiatives.

Similarly, social networks can be used to keep entire communities of people tapped into the progress of active COIL projects versus only learning about a project and its end result after it's completed. Sharing work in progress is an excellent way to build a steady level of interest and enthusiasm and to increase the

numbers of people and groups who anticipate the final result and become anxious to connect their own work to the momentum generated for the COIL project.

A key benefit of the SAP Co-Innovation Lab is that it is more than just a computer lab; it is also set up to properly demo and showcase projects and the achievement of innovation that comes out of the projects performed. COIL is designed to also serve as a marketing channel for co-innovation so connecting this channel to selected social networks not only amplifies the broadcast but establishes a two-way conduit that becomes a closed loop feedback channel. Being able to gauge and measure the reaction to new innovations from the time the work first begins to obtaining valuable input from the outside world in response to the actual project result can lead to further improvements to the work as well as entirely new co-innovation opportunities.

## A Few First Steps

The SAP COIL team finds continued success in tapping into its existing network of contacts across SAP and with partners who have been participating in COIL since the lab was opened. When a project team consisting of team members from SAP and a partner (or multiple partners) has still not found the right mix of participants possessing the right skill sets, the COIL team steps in to assist. Generally, a handful of email exchanges can be used to get teams connected to the right experts but finding the right person with time, motivation, and essential management support to participate in a project is not always a speedy process. A continuous iteration of reply all, forwarding and frequent redirects or misdirects accompanied with repeated reattachment of documents, are all somewhat cumbersome limitations of using email. Augmenting the effort with phone calls helps a bit, and so does having every member of a co-innovation team each tap their own network of contacts, but it is still a one-to-one or one-to-few endeavor.

What we started to explore in 2010 from our lab in Palo Alto was to try to amplify external communications. First, this was done with recognition of physical constraints related to how many people would be making a deliberate effort to frequently and consistently publish news about COIL projects and events. Second, was to make sure that we improved overall efficiency and consistency in delivery of our traditional means of producing and sharing content. We built a small but effective COIL communications plan into the statement of work for each project. The result was the delivery of:

- 10 to 15 page white paper describing the project and its result
- Creation of either a stand-alone or hosted demo to showcase the result
- 10-15 minute video interview with an SAP and partner representative focused upon project highlights, results and lessons learned
- Produce an Eco-Innovation Seminar for a live, local audience (also webcast and recorded)
- Feature Blog posts published on SDN (liked to COIL web site)
- Published Project Summary posted to COIL website
- Creation of TechEd Expert Sessions and Roundtables to feature projects

## Putting it All Together

As the aforementioned content gets produced and published, COIL now explores opportunities to thread it altogether by taking advantage of the most obvious and readily available social network channels. It is very much a learning process but as it makes sense to do so we additionally publicize news of our content using internal channels like SAP Communities which is an excellent internal channel intent to help employees and teams to collaborate, contribute and to interact. COIL Palo Alto strengthened its blogging by not only profiling and showcasing project work and COIL events but to also improve the overall understanding of co-innovation, how it enables ecosystem-based innovation and the fundamental tenets of open innovation. Blogging is still considered the number one social media tool and for COIL will remain a key method for how it communicates. From this, COIL can then promote its blog posts using public networks like Twitter and Facebook.

COIL and all its lab participants will also need to evaluate other sites and communities where it can generate additional blogs. A small attempt was made last year to do so with posts to MyVenturePad, a social media site focusing upon the small to medium enterprise (SME) space which is a very interesting realm for assessing SAP co-innovation project potential.

What underscores the effort to expand communications to more channels again comes back to human resource constraints and competing priorities. It is of course prudent to pay careful attention to which audiences make the most sense to target communications; it isn't necessary to try and manage presence in

too many communities. For those networks or communities where it makes sense to engage, it is crucial to recognize the importance of injecting value into it versus making the incorrect assumption that simply forming a new group will result with instantaneous membership where every new participant will begin contributing new knowledge and insights into the group topics of interest. Establishing an online presence must be nurtured. It's often said that to get attention, you must give it. Investing in the network and community and seeking out key members of this network to exchange knowledge of mutual interest remains a key consideration. How we choose leverage our collaboration and social network tools additionally contributes to how this value is created and perceived.

This notion of nurturing is an important concept and it may in fact be more than just investing in people when done within a context of using virtual space to interact like a collaboration platform. Whether it is a wiki page or a webpage like on Facebook, users customize these spaces to represent their network presence this effort contributes to the value being added to the network. Sherry Turkle uses the Tamagotchi phenomena in the U.S. from the late nineties as an example of how “although primitive as relational artifacts, the Tamagotchis illustrated a consistent element of a new human/machine psychology: when it comes to bonding with computational creatures, nurturance is the killer app. When people are asked to care for a computational creature and it thrives under their ministrations, they become attached, feel connection, and sometimes much more” (Turkle, 1984). The formation of our online presence is very similar in that it is a machine based representation of who we are and what we represent. The functionality of the platforms and tools we use are likely integrated to our overall social experience and how we decide to best represent what we choose to contribute. Based upon earlier studies the benefits derived from the production of on-line content, the adage of less is more seems to apply.

Prior research has uncovered that the lower the volume of knowledge a particular group of knowledge producers produces, the more likely each document is to receive attention (Hansen, Haas, 2000). Emphasis should therefore be placed upon how targeted you can make an information environment versus focusing upon how extensive it can be. The ability to prioritize information, to focus and reflect on it, and to exclude extraneous data becomes as important as acquiring it (Davenport, Beck, 2001).

## Social Networking Best Practices for Co-Innovation

Recent effort was in fact made between COIL and members of the SAP Technology and Innovation Platform to create an SAP COIL Ambassadors Community in order to get internal innovation teams more closely aligned with the co-innovation lab. As projects advance and complete, we also make a point of using SAP' internal micro-blogging site, SAP TALK to share news and to try and discover new subject matter experts that might be able to get involved with a current project in need of certain skill sets or industry knowledge. We've used Cube Tree, which is a similar microblogging tool inside of SAP in the same way. As these channels are internal facing, the challenges associated with what to say, how to say it and when to day differ than when we occasionally post content externally via Twitter, Facebook, or LinkedIn. With these public networks, we've to date only targeted rebroadcast of news and information that we are already comfortable publishing to the SDN hosted COIL web pages or when the content is to become part of a broader or more general discussion of topics like virtualization, analytics, cloud computing SOA and mobility. With SAP recently surpassing 50,000 fans having joined its page on Facebook, envisioning COIL participation in some manner is likely even as efforts are made to understand who these 50,000 fans represent; customers, partners, employees, all of the above?

It was certainly a year of exploration for COIL on this front. The effort so far has yield some promising results such as forming connections to new potential project participants or seeing news of a COIL event get retweeted. These are perhaps small accomplishments but it marks the beginning of something which clearly has the potential to strongly add value to the co-innovation process.

2010 was a year of exploration for COIL and learning from experience in terms of how it might use both existing and emerging social networking technologies to benefit how SAP co-innovates with its partners and customers. In 2011 COIL can expect to explore this frontier even further as we now even have social networking-based projects being pursued in our lab. There will be opportunities to refine what we've done and to try new things, like connecting COIL more directly into the social networks of the partners working in COIL. It is always a transition from trying to figure out what works and what will become every day rigor, but it is already evident that an early form of best practices for co-innovation is beginning to take form:

- Focus on content creation versus outbound communications  
Concentrate on one to three social networking opportunities; target productive channels
- Simplify social-media interactions; become more interactive
- Produce short articles and/or blog frequently; strive to create fresh, relevant content

- Understand what must or can be accomplished with social networks. Develop a business plan and set goals
- Reduce one-way conversations like posting opinions and comments on other blogs. Become more interactive and engaging. You have to give attention to get attention
- Make sure the content fits the media. Avoid long, complicated blogs. Use blogs to showcase longer articles
- Use Twitter to follow people of interest; comment, retweet and use this to help develop your own following
- Always work to add value to the social networks and communities where you are active

## Summary

Collaboration and Social Networking are enormous topics. The topic of innovation is even larger. Looking at how these three things intersect within the context of co-innovation was an attempt to manage the scope of discussion but considering the complete content of this paper, it becomes somewhat apparent that it barely scratches the surface. The motivation for this exploration was twofold: First, that after repeated questions and inquiries for how COIL helps to encourage and support collaboration and how various collaboration tools help (or hinder) the innovation process, it was a worthwhile exercise to gain some historical insight for how COIL project teams have chosen to collaborate and comparing it to the experiences and informed opinions of others who study organizational behavior and business strategy. The second major motivation was to connect to the reality of social networking and social media versus becoming completely overrun by hype and a trumped up valuation of benefits being broadcast everywhere.

Co-innovation within the SAP ecosystem of partners and customers is a social endeavor and even without project teams exploring how to participate in every relevant community imaginable or taking advantage of each social media tool available, the underlying elements of relationship building and knowledge sharing happens every day. It continues to grow and the effort to explore how social technologies can enable it to become more efficient and more widespread is all simply potential opportunity. There are known and ongoing challenges to face with any attempt to embrace the tools and technology designed to strengthen and expand the ability for humans to engage with one another as well as with machines. This will only continue as the digital landscape is always in motion. Through taking steps to keep our eyes on the bigger picture, it remains possible to cultivate what works best to support co-innovation and to develop the best practices to manage risk and to drive success.

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