



THE CENTER FOR
GLOBAL ENTERPRISE

Future of the Firm

Crowds and Networks

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**Crowds and Climate: Mobilizing
Crowds to Develop Ideas and
Take Action on Climate Change
November 6-8, 2013
Massachusetts Institute of
Technology**

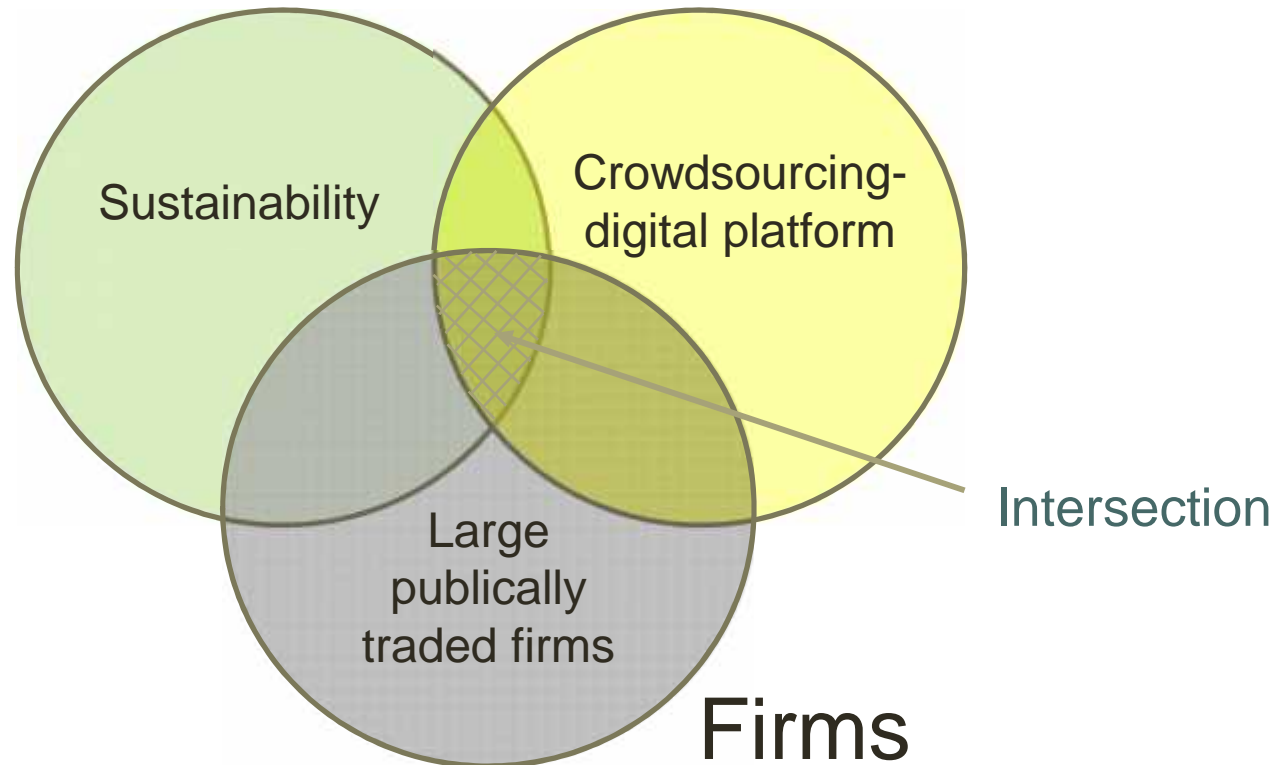


Crowds, Sustainability and Firms

How large is the intersection?

Purpose

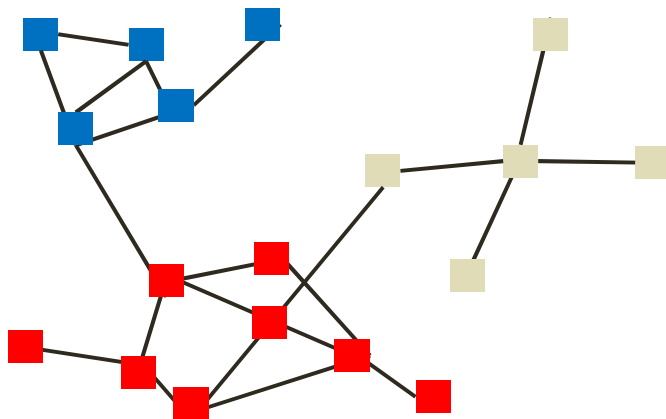
New tools



Leverage the power of internal networks

Clusters inside an organization

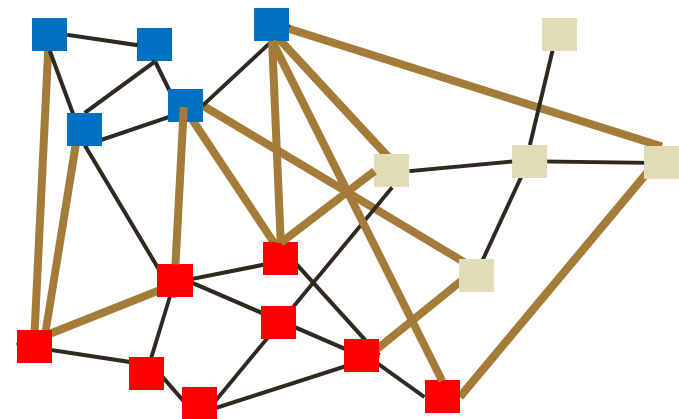
Without Crowdsourcing “Jam”



- Shallow networks
- Barriers to communication flows
- Strong, frequent ties within clusters; and weaker, less frequent ties between clusters.

Clusters inside an organization

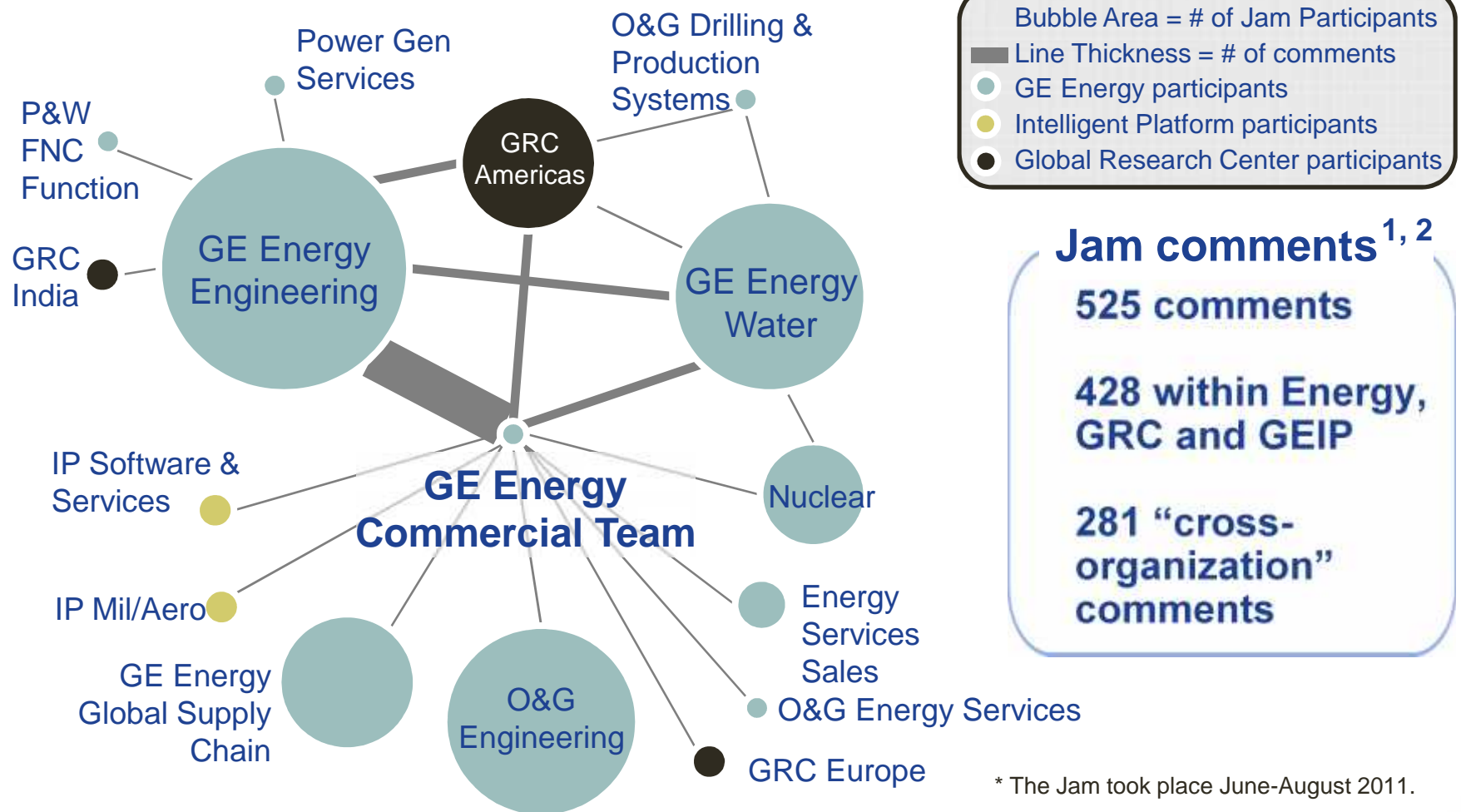
With Crowdsourcing “Jam”



- Deeper networks
- More communication across wide spans of clusters
- More collaboration... sharing and testing of ideas



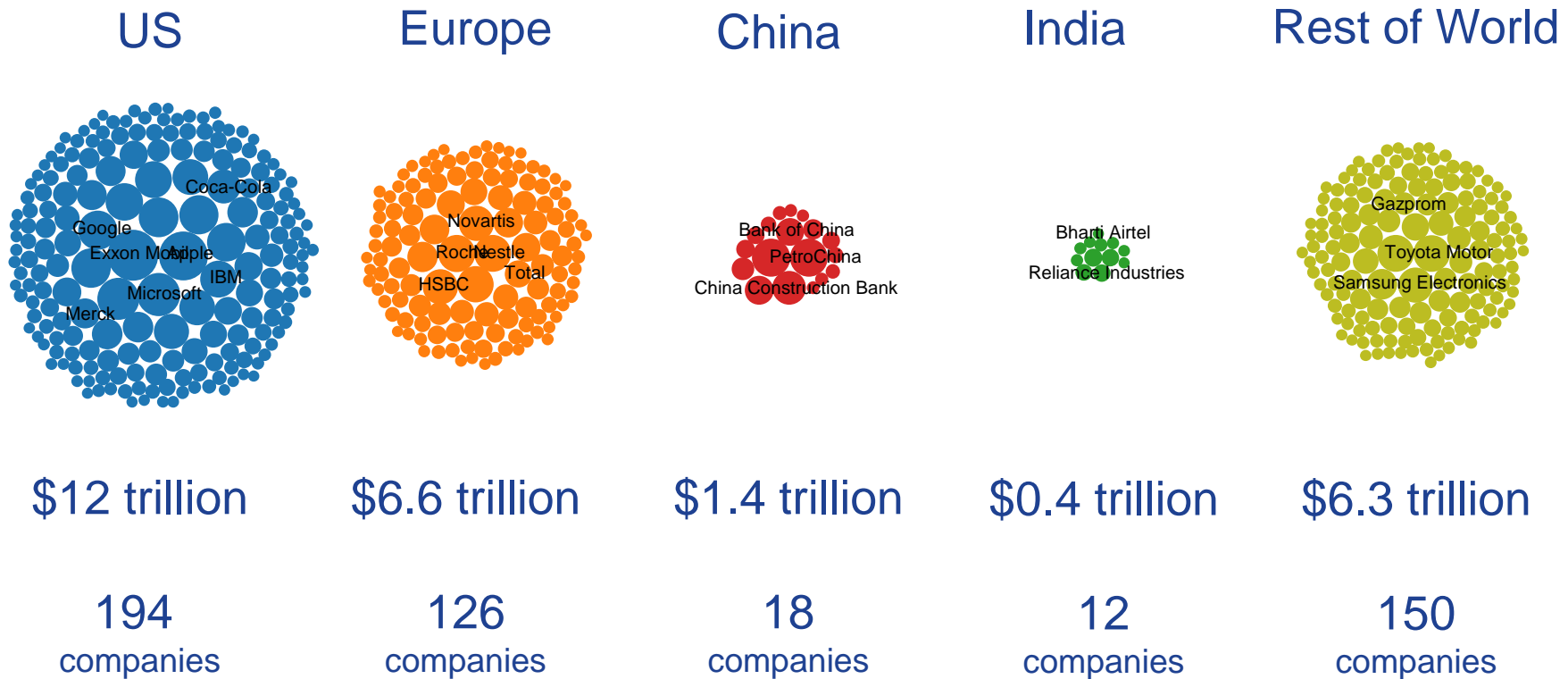
Network Map... GE Energy Imagination Jam*



* The Jam took place June-August 2011.

How many firms Jam? Still early days for most

Some of the top 500 Global are experimenting, mostly in US and Europe



Source: FT Global 500 June 2013

*Number and market values at 28 June 2013

Concluding Observations

Increase the speed of innovation

Crowdsourcing “*Jams*” can speed innovation by harness internal resources in new ways. For example, it can reduce the time it takes for commercial teams to understand customer challenges and connect them to engineers and other experts within the firm who have the expertise and insight to create viable solutions to these challenges.

Reduce the cost of innovation

Innovation is far from free. Digital “*Jams*” offer a way to reduce transaction costs by creating a common platform to communicate, enhance learning, and cut down transaction costs. However, they must demonstrate real and consistent cost effectiveness over conventional product innovation approaches to win adoption.

Deepen collaborative networks

Crowdsourcing platforms can deepen connections in ways that enhance collaboration, which, in turn, can accelerate the innovation process.

Align innovation with customer needs

Crowdsourcing can provide an way to for firms harness talent pool to focus innovation on tangible customer problems. If customers are seeking solutions around sustainability then crowdsourcing Jams are more likely to find a market for their innovations and incentives to expand collaborative innovation.



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