Chapter 7
E–Novation Collaboration

Michael Conlin
EDS Applications Services Asia Pacific, Australia

ABSTRACT
Open source taught us that communities are a powerful tool for harnessing collaboration. That power has been reconfirmed by the pioneering efforts of a few early adopters who have sponsored new communities within their industry ecosystems. This chapter profiles a number of interesting examples of e-novation through collaborative communities. The strategic use of collaborative communities is now crossing the chasm into the early majority category of adopters.

Research and analysis has revealed the issues, controversies, and problems related to collaborative communities and the role they play in e-novation. It has also revealed useful insight about, and solutions to, many of these challenges. Business leaders can benefit by learning from the insights offered by these pioneers. This chapter offers a process by which business leaders can leverage to add a community of their industry ecosystem. Harnessing e-novation through collaborative communities is now a strategic opportunity for any organisation.

INTRODUCTION
Collaborative communities will play a significant role for most corporations in the near future. This dynamic is fully emerged in the high-tech sector where collaborative communities play a strategic role for most corporations and individuals.

In order to explore the impact of collaborative communities in large, high-tech firms, a series of structured interviews was conducted with executives from Microsoft, Sun, Cisco, Tibco, Borland, EMC, Fuji Xerox, Symantec, and EDS, an HP Company. These interviews were supported by the direct experience of using many of the community websites, as a registered community member where that was possible. The interview
results, and exercises in community participation, were analysed to reveal the underlying dynamics and trends. Table 1 lists the sample communities that are profiled in depth at the end of this chapter.

Both large and small organisations are forming, and avidly participating in, collaborative communities, and not just in the IT sector. Collaborative development of products (goods and services) will become the norm. Already, collaborative offering development is providing speed, productivity and quality improvements over traditional approaches. Many leading organisations are exploring the possibilities for collaborative communities.

The early examples of E-Novation – from the LINUX and Open Source communities to Cisco’s breakthrough website – involved broad participation from the entire industry ecosystem.

By contrast, many of the new examples, from large high-tech organisations, have been purpose built to serve specific stakeholder communities which are functioning as a subset of the industry ecosystem.

As a rule these communities are not the social networking sites, like FaceBook, that garner so much attention from the press. Social networking sites offer the greatest business value to a narrow range of corporations. This reflects the fundamental business model of social networking sites. Content attracts consumers. Consumers represent an audience. An audience attracts advertisers. Advertisers contribute ad content and, more importantly, advertising dollars. Advertising dollars can be used to generate new content. The virtuous cycle of this business model supports content generators and aggregators, web hosting firms, advertising firms, and the telecommunications firms that carry the traffic. Consumer products companies can also leverage social networking community into opportunities to build brand equity. For the remainder of businesses, social networking sites are a secondary opportunity, not a primary opportunity.

**BACKGROUND**

Although this chapter does not focus on open source communities per se, they still offer important insights on collaborative communities in general. The LINUX experiment is more than a decade old, and now surely past the experimental stage. Microsoft, Sun and IBM all offer a wide range of open source products. The power of open-source development is that it merges developers and users into one community. This provides for any extremely tight feedback loop, bringing the most desirable new product features to the front of the queue. It also harnesses the enthusiasm and professional abilities of the participants.

Members are able to participate in and help drive the strategy and direction in each commu-