Digitize Your Enterprise Network Management for Competitive Advantage

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Questions?
Please use the GoToWebinar Question panel

- Please enter questions in the GoToWebinar Question panel
- We will answer as many questions as time allows...
- Those that can’t be answered live will be answered by email
Our Mission...

Strategic management consulting for competitive advantage in global markets

CIMdata is the leading independent global strategic management consulting and research authority focused exclusively on the PLM market.

We are dedicated to maximizing our clients’ ability to design and deliver innovative products and services through the application of PLM.
Our Services...

Creating, disseminating, and applying our intellectual capital

Research
- Market research & analysis
- Technology research & analysis
- Reports & publications
- Market news
- Member services...

Education
- Executive seminars
- PLM Certificate Programs
- Technology seminars
- Int’l conferences & workshops
- Best practices training...

Consulting
- Strategy & vision
- Needs assessment
- Solution evaluation
- Best practices
- Quality assurance
- Program management
- Market planning...

Delivering strategic advice and counsel through a comprehensive, integrated set of research, education, and consulting services

Our PLM Success Clients...

A sampling of CIMdata’s international solution provider clients
Our PLM Transformation Clients...

A sampling of CIMdata’s international industrial clients (1 of 2)

Our PLM Transformation Clients...

A sampling of CIMdata’s international industrial clients (2 of 2)
CIMdata Membership Services
A rich set of community and knowledge council services

 Agenda

• Why Should You Care?
  • Current State of Enterprise Innovation Network Management
  • Proposed Digital Framework for Enterprise Innovation Network Management
  • A Few “transformation” Ideas & their Benefits
  • Final Thoughts
  • Q & A
A Personal Experience

External partner knew more about what was going in my company

Have you ever learned about what was going in your company by hearing from external partners?

A) Yes
B) No
Enterprises are Challenged!

Must reevaluate how to innovate and manage innovation!

- Acceleration of everything!
  - Networked economy
  - Technology advancements: Social, Mobile, Sensors, Cloud, AI, VR, Blockchain
    - Smart & Connected Products
    - Internet of Everything -> Internet of Experiences
    - Smart Factory - Industry 4.0

- The worlds of physical and digital are converging
  - Digital twin concept in product development, manufacturing, and service
  - Business models based on digital network orchestration

- Enterprises should look at everything with new lenses including how to innovate and manage innovation

Value Creation by Business Model Type

Network Orchestrators are more valuable and more profitable


"Networks and Platform Based Business Models Win in the Digital Age"
Digital is Top of Mind for Executives

98% of the market are based on non-digital, non-network business models

- Majority of executives think either their industry was already disrupted or will be disrupted soon by “digital” forces
- Yet, many feel that they are not ready for it
- Only 25% of executives feel confident that their company understands the “value creation” potential of digital

Leadership Thinking is Key

Traditional
Firm-centric
Focus on tangibles
Firm creates value
Operating at full capacity
Hierarchical

New
Network-centric
Intangible and tangible
Network co-creates value
Abundant capacity
Horizontal


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Poll Question

Which type of leadership thinking does your company have?

A) Firm-centric
B) Network-centric
C) Somewhere in between

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“Big Picture” EIM System

Enterprise Innovation Management System – CIMdata Four Quadrant Model

Example EIM Best Practices

Organizational structure and process

Functions manage careers, functional processes, and data

Hierarchical governance

Matrixed Organization

Multi-functional teams
Open Innovation

Most traditional enterprises have now adopted Open Innovation as a strategy.

Typical Open Innovation Process

Practiced often based on traditional “leadership” thinking

There are no digital mechanisms to connect the dots in a given context.
Data Distributed to Functional Silos

Typical data silos relevant to Enterprise Innovation & Network Management

- Academic and External Labs (R&D)
- Employees (HR)
- Suppliers (Purchasing)
- Externally Submitted Ideas (Open Innovation)
- Projects (Program & Project Management)
- Agreements (Legal)

Simple Questions are Hard to Answer

With current Enterprise Innovation and Network Management practices

- Has this problem occurred before?
  - What solutions were effective?

- Has this idea or solution been shared with us before?
  - What has been decided, and why?

- Have we worked with this company before?
  - What was done with them?
  - What was our experience like?
Poll Question

Do you believe innovation and product development efficiency and effectiveness suffer due to disjointed data and processes?

A) Strongly agree
B) Somewhat agree
C) Do not agree

Consequences of the Current EIM Approach

A few examples

- No time to think and innovate!
  - People are consumed by never-ending meetings and emails
- Wasted resources
  - Repeated experiments
  - Revisited decisions
- Mistakes
  - Missed information
  - Poor data quality
- Missed opportunities
  - Long time to market
- Poor business results

Employees are our most valued assets!
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Essence of EIM System

*Align your digital framework with EIM management framework*

- EIM has three basic stages
  - Knowledge gathering and generation stage, e.g., new technology
  - Turning knowledge into specific product design and manufacturing process
  - Scaling and making money
- Enterprises deploy two key resources to achieve their innovation goals: **People** and money (budget)
- **Programs and projects** are the vehicles for deployment of people and budget to do the work
- People belong to **organizations**, e.g., functions, BU, etc.
- People use **tools and applications** to accomplish and communicate their work
Proposed Enterprise Network Management

Requires more openness and trust with employees

Organizational Profiles
- Contact info
- Members
- Current and Past Projects
- Agreements
- Patents
- Submissions

Digital Tools & Apps Store

Project Profiles
- Purpose
- Leader
- Team Members
- Project Plan
- Status

People Profiles
- Contact info
- Organization
- Current and Past Projects
- Publications
- Patents
- Ideas
- Personal Networks

Agreements (Legal)

Submitted Ideas (Open Innovation)

Imagine “LinkedIn Enterprise” by Microsoft

Could transform enterprise innovation network management

Building The LinkedIn Knowledge Graph
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**Approach to Staffing Projects**

*Empower employees to chose based on their passion, skills, and growth objectives*

- In current EIM systems
  - Organizations hire people and assign them to projects

- In the proposed EIM system
  - **Projects** could post “jobs” and compete for talent - the “Hollywood” model
  - **People** could find projects and apply to work on them

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**What motivates us?**

- **Purpose**
- **Autonomy**
- **Mastery**
Knowledge Capture & Share

Becomes easier and more personalized – bolstering people’s pride in their work

- In current EIM system
  - Documents, designs, models etc. that capture learning and insights remain locked in personal computers or in shared drives

- In the proposed EIM system
  - People could post “blogs,” upload documents or link to other knowledge artifacts to which they have contributed to

Performance Review Feedback

Just in time and in context

- In the current EIM system
  - Annually the manager gathers input from a few people who worked with the employee over the year

- In the new EIM system
  - People could exchange feedback through their profiles (think “Recommendations” in LinkedIn)
“Trust” & “Engagement” – Currency of Business

There is much room for improvement

Employee Trust

- Fully trusts: 46%
- Somewhat trusts: 15%
- Does not trust: 39%

Employee Engagement

- Actively engaged: 17%
- Not engaged: 49%
- Engaged: 34%
- Not engaged: 49%

Employee Trust

- Does not trust: 39%
- Somewhat trusts: 15%
- Fully trusts: 46%

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Digital Platforms Built for “Trust”

Learn from Network Orchestrators

Enterprises can learn from digital network business models where “trust” among strangers is facilitated through the platform

Source: LinkedIn News feed by Karen Kalltewho copied from a post by Bob Koch, Gartner


Employee Trust Employee Engagement

(Gallup – 2016)

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Final Thoughts

- Given the rapidly changing technology and business landscape, enterprises should look at everything with new lenses including **how to innovate and manage innovation**
- Today, innovation management in many enterprises is driven by leadership thinking and best practices of the 20th century.
- Enterprises have significant opportunities to improve trust and engagement of their key stakeholders, and adopting CIMdata’s Proposed digital framework and a more open culture will only help
CIMdata Position Paper

A Proposed Framework to Simplify Enterprise Network Management

Available to download at:

http://www.cimdata.com/en/resou-
rces/complimentary-reports-
research/position-
papers/item/7789-a-proposed-
framework-to-simplify-enterprise-
network-management-why-
microsoft-with-linkedin-has-the-
right-elements-to-deliver-it-
position-paper

The next CIMdata Educational Webinar

Registration is open

How to apply IoT, Industry 4.0 and Predictive Analytics in the Manufacturing Domain

Date: April 13

Presenter: Mike Fry, Director, Manufacturing Systems Engineering Consulting Practice

Register at:

http://www.cimdata.com/en/education/educational-
webinars/webinar-how-to-apply-iot-industry-4-0-predictive-
analytics-in-the-manufacturing-domain
Mark Your Calendars!

The next CIMdata Workshop

Driving Manufacturing Innovation with Digital Design and Simulation - Challenges, Strategies, and Best Practices for Business Success

Date: June 6 & 7

Location: DMDII/UI Labs Facility, Chicago

Register at:


CIMdata Research

Seeking collaboration partners

Topic: Research on Future of Digitalized Enterprise Innovation and Product Development

Approach: Crowdsourcing (in partnership with Spigit)

Partners: Maximum 10

Cost: $15K

Timing:

- Finalize identification of partners by July
- Partner interviews and digital space preparation: July – Sep
- Conduct research: Oct
- Analysis and reporting to partners: Nov - Feb
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