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## Why Reputations and Networks Matter in the Open Talent Economy

### About the Author



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Knowledge and strategic relationships fuel many organizations in today's rapidly changing, global economy. As such, organizations need to leverage the individuals—and their networks—that possess the most relevant knowledge, whether they are current employees or are only loosely connected to the organization. To do this, organizations should create and leverage peer collaboration networks that enable them to identify and connect with individuals who have the unique skills, knowledge, and capabilities these organizations need. Research indicates that this approach works in driving value—organizations that have effectively used internal reputation networks and profile databases have been able to increase key metrics such as employees' time to productivity and innovation levels.

*This research bulletin answers the following questions:*

- Why are employees' reputations and networks especially important today?
- How can online tools that publicize employees' accomplishments and recognition from peers help employees build and manage their careers?
- What is the role of these online tools in assisting managers with understanding their employees' performance?
- What benefit do these tools offer the organization?

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## KEY POINT

In many industries, talent and knowledge have replaced land, capital, and raw materials as the primary competitive advantages.

## Strategic and Networked Relationships Fuel Modern Organizations

Technology is rapidly changing the business world. Moore's law<sup>1</sup> states that computer chips double their complexity (capacity) every 12 to 24 months at a near constant unit cost. This means that roughly every 15 years, technological advances (in memory, input, output, processing, etc.) enable the computing of tasks that are 1,000 times more complex or large.<sup>2</sup>

This technical expansion has impacted businesses in two important ways. First, the development cycle time for new innovations and bringing products to market has been vastly truncated, creating an environment in which rapid innovation and leaner budgets are constant business imperatives. Second, barriers to worldwide participation (in terms of access, cost, and skills required) for billions of computer and mobile-device users are diminishing rapidly.<sup>3</sup>

Today, in many industries, talent and knowledge have replaced land, capital, and raw materials as the primary competitive advantages.<sup>4</sup> Access to power and knowledge, once reserved only for the elite, is now literally and instantaneously in the hands of individuals.

Compounding this fundamental shift in knowledge and power is the movement from the traditional closed organization with a hierarchical

<sup>1</sup> "Moore's law" is the observation that, over the history of computing hardware, the number of transistors on integrated circuits doubles approximately every two years. The law is named after Intel cofounder Gordon E. Moore, who described the trend in his 1965 paper. The paper noted that the number of components in integrated circuits had doubled every year from the invention of the integrated circuit in 1958 until 1965. It also predicted that the trend would continue for at least 10 more years. Source: [http://en.wikipedia.org/wiki/Moore's\\_law](http://en.wikipedia.org/wiki/Moore's_law).

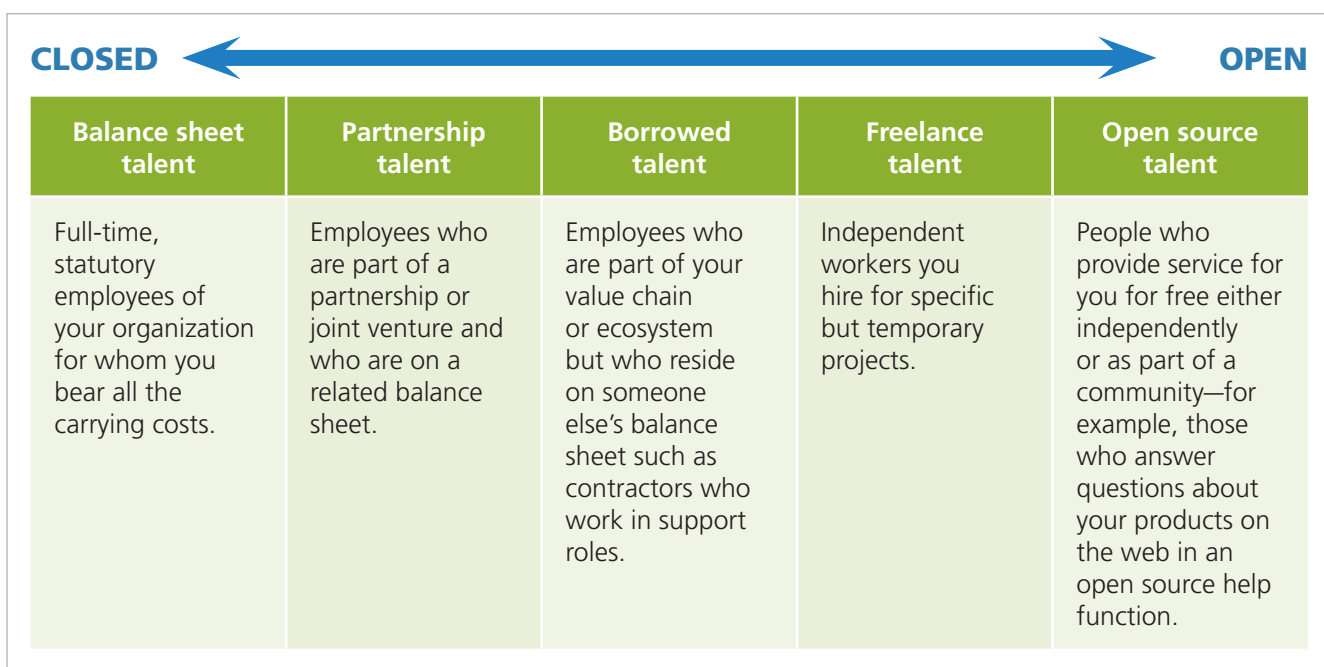
<sup>2</sup> Source: *Searching for the Big Picture: Systems Theories of Accelerating Change* (PowerPoint presentation), Stanford Singularity Summit / John Smart, May 2006 (updated March 2007), [www.accelerating.org/slides.html](http://www.accelerating.org/slides.html).

<sup>3</sup> Source: "The Rise of the Social Nervous System," Forbes.com / Joshua-Michele Ross, March 9, 2009, [www.forbes.com/2009/03/09/internet-innovations-hive-technology-breakthroughs-innovations.html](http://www.forbes.com/2009/03/09/internet-innovations-hive-technology-breakthroughs-innovations.html).

<sup>4</sup> Source: *Integrating Care, Work and Community: New Policies for a New Economy, A Report from the Cornell University Conference: Preparing for the New Century: Innovative Work and Family Strategies*, Karen Shellenback and Mildred E. Warner / Cornell University, August 2009, <http://s3.amazonaws.com/mildredwarner.org/attachments/000/000/088/original/170-32239aba.pdf>.

pyramid structure to the “open talent economy”<sup>5</sup> (see Figure 1), a more “open source,” distributive, and flat workforce that can be configured and reconfigured as needed. The new workforce is an ever-evolving mixture of full-time and part-time employees, contractors, retired alumni, and even people with no formal links to the organization. In the open talent economy, technology increases the ability for talent to move more freely than before—from role to role, within and outside the enterprise, and across organizational and geographic boundaries.<sup>6</sup>

Figure 1: The Open Talent Economy



Source: Deloitte Consulting LLP, 2013.<sup>7</sup>

<sup>5</sup> The term “open talent economy” refers to an ecosystem approach to talent that focuses not only on the talent an organization has on its “balance sheet” but also the talent an organization can access in other ways. In addition to employees who are on the balance sheet (and work directly for an organization for some part of their careers), an organization can access talent through joint ventures and alliances, contracting and outsourcing, hiring independent workers, and freelancers, or by accessing talent through online market places and competitions (sometimes for free). Source: *The Open Talent Economy: People and Work in a Borderless Workplace*, Deloitte Consulting LLP / Andrew Liakopoulos, Lisa Barry, and Jeff Schwartz, 2013, [www.deloitte.com/assets/Dcom-Global/Local%20Assets/Documents/Human%20Capital/dtt\\_cons\\_OpenTalentEconomy\\_070213.pdf](http://www.deloitte.com/assets/Dcom-Global/Local%20Assets/Documents/Human%20Capital/dtt_cons_OpenTalentEconomy_070213.pdf).

<sup>6</sup> Source: *The Open Talent Economy: People and Work in a Borderless Workplace*, Deloitte Consulting LLP / Andrew Liakopoulos, Lisa Barry, and Jeff Schwartz, 2013, [www.deloitte.com/assets/Dcom-Global/Local%20Assets/Documents/Human%20Capital/dtt\\_cons\\_OpenTalentEconomy\\_070213.pdf](http://www.deloitte.com/assets/Dcom-Global/Local%20Assets/Documents/Human%20Capital/dtt_cons_OpenTalentEconomy_070213.pdf).

<sup>7</sup> Ibid.



## KEY POINT

Having the “right” talent in place is not sufficient anymore. Success will likely come from within the web of connections and collaborations among targeted individuals both internal and external to enterprise.

Couple the open talent economy with the fact that employees in 2013 may be just as likely to be working at separate locations across the globe as to be sitting right next to one another. The trend of an increasingly distributed workforce means that online or technologically based networking and collaboration are critical to the effective execution of work. Organizations will need to harness burgeoning technology to deliver necessary and timely information. At the same time, organizations will need to manage the benefits and challenges of a virtual, flexible, global, and mobile workforce.<sup>8</sup> Resilient organizations will likely need to embrace technology and the open source workforce to “move work to people instead of people to work”<sup>9</sup> across traditional organizational barriers and boundaries.

Managers of agile organizations are realizing that they have only begun to understand the real talent and strategic relationships latent within their organizational frameworks. In a world where rapid response, nimbleness, efficiency, and exceptional customer service are critical, fostering internal reputation networks can help managers understand and maximize the depth and breadth of the talent within (and tangential to) their organizations. Success will likely result from individuals with organizational influence collaborating with individuals (both traditional and nontraditional employees) who possess essential expertise or have strong connections to a network that has that expertise.<sup>10</sup>

This new workforce environment suggests that there should be advantages to implementing a well-designed reputation and collaboration network. In the following sections, we will explain how these reputation and collaboration networks can positively impact individual employees as well as the enterprise as a whole.

<sup>8</sup> Source: *Integrating Care, Work and Community: New Policies for a New Economy, A Report from the Cornell University Conference: Preparing for the New Century: Innovative Work and Family Strategies*, Karen Shellenback and Mildred E. Warner / Cornell University, August 2009, <http://s3.amazonaws.com/mildredwarner.org/attachments/000/000/088/original/170-32239aba.pdf>.

<sup>9</sup> For more information on the concept “move work to people instead of people to work,” see *Fleeing the Cuckoo’s Nest*, James Ware and Charles Grantham / The Work Design Collaborative LLC, October 2008.

<sup>10</sup> Source: *Critical Connections: Driving Rapid Innovation with a Network Perspective*, The Network Roundtable at the University of Virginia / Rob Cross, Andrew Hargadon, and Salvatore Parise, 2005, [www.robross.org/pdf/roundtable/networks\\_and\\_innovation.pdf](http://www.robross.org/pdf/roundtable/networks_and_innovation.pdf).

## Advantages of Reputation Networks for the Individual

The open talent economy has created a new reality for the individual: Personal profiling / personal branding through social media is advantageous and can be a critical component of employment survival. The modern reality is that many individuals have a personal network and a “net persona” that they use as their primary medium to communicate with others outside their immediate circle of friends and family.

Not only do many individuals want to be part of social networks (hence the popularity of sites like Facebook and LinkedIn) but also research shows that individuals who maintain strong, collaborative networks tend to be productive high performers.<sup>11</sup> This is because targeted networks extend a high performer’s reach and abilities. Specifically, research suggests that as much as 90 percent of the information employees take action on comes from people in their network.<sup>12</sup> In addition, the quality and scope of an employee’s network impact his or her ability to solve problems, transition into new roles, and implement effective plans.<sup>13</sup>

Research also reveals that high performers have a tendency to:<sup>14</sup>

- Position themselves at key points in a network and leverage the network around them better than others
- Invest in relationships that extend their expertise and help them avoid learning biases and career traps
- Value networks and engage in behaviors that lead to high-quality relationships, not just big networks
- Occupy network positions that bridge otherwise disconnected clusters of people

<sup>11</sup> Source: *How Top Talent Uses Networks and Where Rising Stars Get Trapped*, The Network Roundtable at the University of Virginia / Rob Cross, Robert J. Thomas, and David A. Light, April 2006, [www.robross.org/pdf/roundtable/high\\_performer\\_networks\\_and\\_traps.pdf](http://www.robross.org/pdf/roundtable/high_performer_networks_and_traps.pdf).

<sup>12</sup> Ibid.

<sup>13</sup> Source: “Using Network Analysis to Build a New Business,” *Organizational Dynamics*, Elsevier Inc. / Rob Cross, Bob Thomas, Ana Dutra, and Carrie Newberry, 2007, <http://faculty.cbpp.uaa.alaska.edu/afgjp/PADM610/Using%20Network%20Analysis%20to%20Build%20a%20New%20Business.pdf>.

<sup>14</sup> Source: *How Top Talent Uses Networks and Where Rising Stars Get Trapped*, The Network Roundtable at the University of Virginia / Rob Cross, Robert J. Thomas, and David A. Light, April 2006, [www.robross.org/pdf/roundtable/high\\_performer\\_networks\\_and\\_traps.pdf](http://www.robross.org/pdf/roundtable/high_performer_networks_and_traps.pdf).



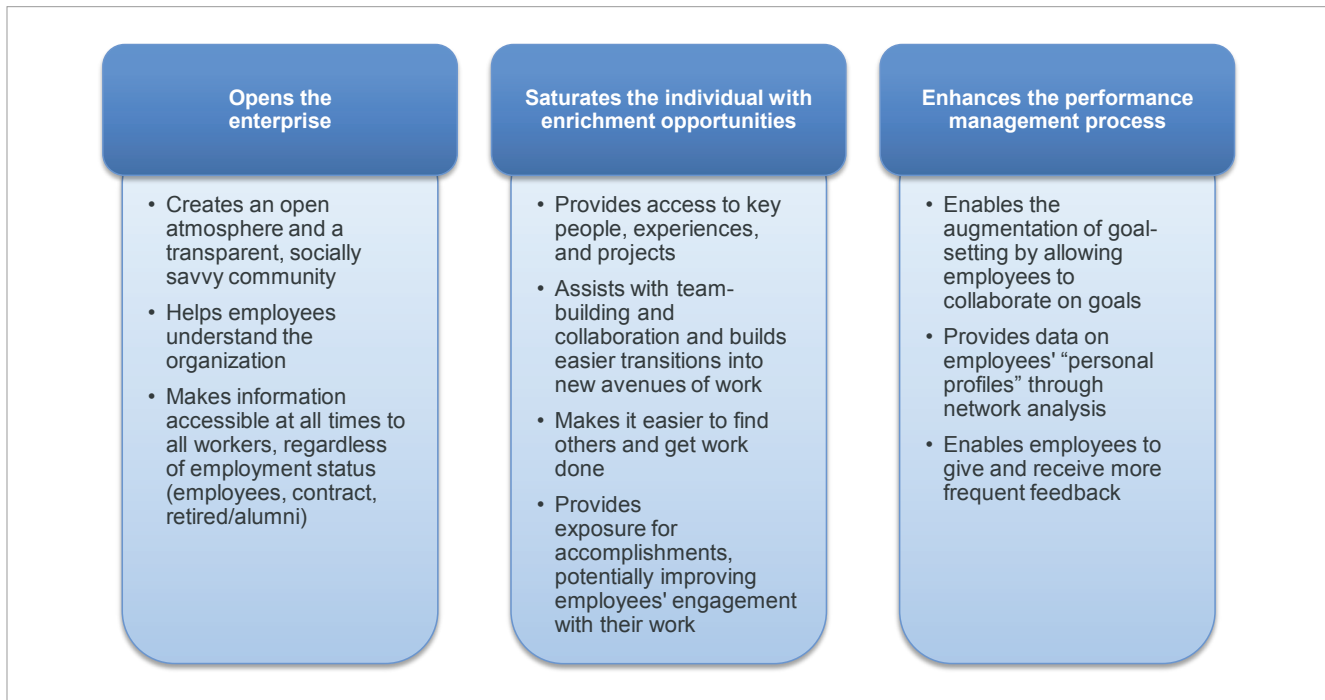
**KEY POINT**

In the “open talent economy,” the quality and scope of an employee’s network are related to his or her overall performance.

Further, high performers are more likely to develop ties across hierarchical, functional, and geographic levels, which help them access resources, understand political landscapes, brainstorm among peers, and, in turn, acquire relevant and technical expertise across organizational lines and geographic barriers. High performers continually cultivate their relationships so that when new opportunities come along, they are better able to provide a more comprehensive solution than their peers with less robust networks.<sup>15</sup>

The relationship between the use of networks and high performance suggests that organizations should promote the development of employees’ networks. One way to do this is by encouraging employees to have formal online profiles to help them build and manage their reputations. Online employee profiles can have the benefits outlined in Figure 2.

**Figure 2: Potential Benefits of Online Employee Profiles and Networks**



Source: Bersin by Deloitte, 2013.

<sup>15</sup> Source: *How Top Talent Uses Networks and Where Rising Stars Get Trapped*, The Network Roundtable at the University of Virginia / Rob Cross, Robert J. Thomas, and David A. Light, 2006, [www.robcross.org/pdf/roundtable/high\\_performer\\_networks\\_and\\_traps.pdf](http://www.robcross.org/pdf/roundtable/high_performer_networks_and_traps.pdf).



## KEY POINT

The people that will comprise the future bench strength and leadership of organizations (Generations X and Y) are comfortable with the broad use of social media for collaborative work and networking.

## The Role of Networks in Enabling the Next Generation of Leadership

The wealth of research about Gen Y<sup>16</sup> estimates that this group will comprise approximately 50 percent of the U.S. workforce in 2020 and 75 percent of the global workforce in 2030.<sup>17</sup> The influx of this generation into the workforce will likely change—some would say is already changing—old mores and norms regarding organizational practice. One way members of this generation are doing this is by utilizing social media and personal networks to propel their work and aspirations.

There are a number of compelling reasons to set up a reputation network in preparation for the workforce of the future:

- **Gen Y (and Gen X) employees are self-directed, tech-savvy, and collaborative.** Steeped in technology and social media, these generations engage in information-seeking behaviors to answer their questions. Gen Yers, in particular, are far more likely to go to the Internet or their network instead of their manager to learn, find answers, and solve problems.<sup>18,19</sup> Generation Y's education exposed

<sup>16</sup> "Generation Y" (also known as "Millennials") are those individuals who were born between 1981 and 2000 and are culturally thought to be confident, impatient, socially conscious, family-centric (or "tribal-oriented"), and technology savvy.

<sup>17</sup> Source: "Three Reasons You Need to Adopt a Millennial Mindset Regardless of Your Age," Forbes.com / Jeanne Meister, October 5, 2012, [www.forbes.com/sites/jeannemeister/2012/10/05/millennialmindse/](http://www.forbes.com/sites/jeannemeister/2012/10/05/millennialmindse/).

<sup>18</sup> Source: *Decoding Generational Differences: Fact, fiction or ... should we just get back to work?* Deloitte LLP / W. Stanton Smith, 2008, [http://www.deloitte.com/assets/Dcom-UnitedStates/Local%20Assets/Documents/us\\_Talent\\_DecodingGenerationalDifferences.pdf](http://www.deloitte.com/assets/Dcom-UnitedStates/Local%20Assets/Documents/us_Talent_DecodingGenerationalDifferences.pdf).

<sup>19</sup> Source: "The Millennial Tsunami Is Coming: Is Your Organization Prepared?" Triple Creek / Kristin Boe, August 20, 2013, <http://www.triplecreekriver.com/helpful-resources/blog/item/259-the-millennial-tsunami-is-coming-is-your-organization-prepared>.

them to extensive group work; when coupled with their broad use of social media, the result is a generation that is team-centric and powerfully networked.<sup>20</sup>

- **Seventy-five percent of Gen Yers have created a social networking profile** compared with 50 percent of Gen Xers, 30 percent of those in the Baby Boomer generation, and 6 percent of members of the Silent generation.<sup>21</sup> As the Baby Boomers retire, it will be Generation X and Generation Y leading and providing the bench strength in future organizations.
- **Gen Y, by virtue of currently comprising young people, likes constant and ongoing learning and development opportunities and feedback, with a need for two-way or reciprocal mentoring.** Nine out of 10 (89 percent) Gen Yers think it is important to be constantly learning at their jobs.<sup>22</sup> Even though they respect their elders,<sup>23</sup> Gen Yers are more likely to negate hierarchies and approach anyone regardless of title or tenure for information and expertise. According to a 2012 MTV study<sup>24</sup>, 75 percent of Gen Yers would like

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<sup>20</sup> Source: "The Millennial Tsunami Is Coming: Is Your Organization Prepared?" Triple Creek / Kristin Boe, August 20, 2013, <http://www.triplecreekriver.com/helpful-resources/blog/item/259-the-millennial-tsunami-is-coming-is-your-organization-prepared>.

<sup>21</sup> Source: *Millennials: A Portrait of Generation Next: Confident. Connected. Open to Change*, Pew Research Center, February 2010, <http://pewsocialtrends.org/files/2010/10/millennials-confident-connected-open-to-change.pdf>.

<sup>22</sup> Source: "Consumer Insights: MTV's 'No Collar Workers'," Viacom Inc. / Alison Hillhouse, MTV Research, October 4, 2012, <http://blog.viacom.com/2012/10/consumer-insights-mtv-no-collar-workers/>.

<sup>23</sup> Source: *Millennials: A Portrait of Generation Next: Confident. Connected. Open to Change*, Pew Research Center, February 2010, <http://pewsocialtrends.org/files/2010/10/millennials-confident-connected-open-to-change.pdf>.

<sup>24</sup> Source: "Consumer Insights: MTV's 'No Collar Workers'," Viacom Inc. / Alison Hillhouse, MTV Research, October 4, 2012, <http://blog.viacom.com/2012/10/consumer-insights-mtv-no-collar-workers/>.



to have a mentor, with an additional two out of three preferring to share their unique strengths, like social networking or technology, with more experienced workers. In addition, eight out of 10 Gen Yers want regular feedback from their boss. One-third of Gen Yers prefer recognition from their boss / coworkers or a promotion over higher pay.<sup>25</sup>

While there are many advantages for employees that result from the creation of employee reputation networks, there is also research that indicates creating formal reputation or collaborative network capabilities can result in fiscal returns for organizations as well.

### Advantages of Reputation Networks for the Organization

While many of the organizational advantages of a reputation network are the flip side of the advantages that accrue to individuals, there are a few specific benefits that a well-executed network can provide to the enterprise. Two of the most substantial benefits are described in Figure 3.

Figure 3: Two Primary Organizational Benefits of Employee Networks

Leveraging talent from anywhere	Fostering team collaboration and innovation
<ul style="list-style-type: none"> <li>• Creating a framework to view, recombine, and leverage expertise that is in-house or accessible through extended networks to both exploit new opportunities / innovations, and drive change.</li> <li>• Bringing nontraditional workers into the fold, including retired individuals, alumni, contractors, etc.</li> <li>• Exposing once invisible connections and showcasing the amplification and reach many employees have across hierarchical, organizational, and global boundaries.</li> <li>• Helping the organization better understand “the pipeline” and where it may need to hire or move people.</li> </ul>	<ul style="list-style-type: none"> <li>• Making it easier to identify high-performing employees or employees with the skill base for specific team work.</li> <li>• Fluidly accommodating role redesign, work customization, and frequent movement within organizations.</li> <li>• Providing an incentive to reach out beyond silos and inward-facing collaborations.</li> </ul>

Source: Bersin by Deloitte, 2013.

<sup>25</sup> Source: “Consumer Insights: MTV’s ‘No Collar Workers,’” Viacom Inc. / Alison Hillhouse, MTV Research, October 4, 2012, <http://blog.viacom.com/2012/10/consumer-insights-mtvs-no-collar-workers/>.

Additionally, there are other advantages of employee networks, which are specifically related to performance and talent management:

- 1. Data from the network can better inform managers of positive influences their direct reports have across the enterprise and within groups.** This data can provide direct and accurate input into performance appraisals and talent management processes. Holding team members accountable for bridging ties and building collaborations that support other colleagues amplifies the achievements and rewards for both individuals and the organization. Building collaborative measures more deeply into the performance management and appraisal process is critical, so that the once-invisible behaviors of individuals who support a large number of people or a successful group endeavor are recognized and rewarded for their essential contributions.
- 2. A well-designed network can jumpstart a newcomer's productivity by embedding the newcomer rapidly and effectively—by putting their talents, relationships, ideas, and expertise to work immediately.**<sup>26</sup> Embedding a newcomer into the reputation network provides credibility, legitimacy, and visibility during the 18-month phase of “new hire vulnerability”—the period when new hires are most likely to leave. Further, these networks are critical for new employees to gain access to information, develop trust among peers, build a common vocabulary, and eventually understand the “inner workings” and context of an organization. Connecting the individual immediately to the network can help reduce “time to productivity” and potential loss of talent costs.
- 3. A reputation network provides a framework to assess and understand potential weak links in the knowledge base.** Traditionally, when a key player leaves an organization or group, the organization tries to assess the critical knowledge loss without taking into account the knowledge potentially lost through that key player's web of sources and connections. In the open talent

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<sup>26</sup> For more information, *High-Impact Learning Culture: The 40 Best Practices for Creating an Empowered Enterprise*, Bersin & Associates / David Mallon, June 2010. Available to research members at [www.bersin.com/library](http://www.bersin.com/library) or for purchase at [www.bersin.com/hilc](http://www.bersin.com/hilc).



## KEY POINT

Networked organizations drive economic results by leveraging talent, increasing organizational fluidity, organically amplifying collaborative energy, infusing recognition for creativity, and breaking down barriers to true innovation.

economy, this loss of “connective knowledge” could potentially be many times the basic knowledge loss. A reputation network can help identify those key players and help foster knowledge transfer opportunities (staffing, mentoring, or internal projects) that can help protect the enterprise should a key connector or player leave the organization.

A well-designed reputation network can lead to the preceding benefits. However, the question is: How to gather and obtain these insights? Some organizations have found that executing an Organizational Network Analysis (ONA)<sup>27</sup> (on the network and individual connections) can help the enterprise gain valuable knowledge by enabling the following:

- Understanding the broader talent pool
- Identifying viable employee connections
- Understanding movement and size of individual networks
- Locating the primary network “arbiters”
- Identifying where networks may need to be enhanced

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<sup>27</sup> “Organizational Network Analysis (ONA)” is a method for studying communication and sociotechnical networks within a formal organization. It is a quantitative, descriptive technique for creating statistical and graphical models of the people, tasks, groups, knowledge, and resources of organizational systems. It is based on social network theory and, more specifically, dynamic network analysis. Source: [http://en.wikipedia.org/wiki/Organizational\\_network\\_analysis](http://en.wikipedia.org/wiki/Organizational_network_analysis).

**Case in Point: An Example of Using Organizational Network Analysis<sup>28</sup>**

A large professional services firm conducted an organizational network analysis to better understand the connection points between employees, how information flows through networks, and how to more effectively identify and leverage employees' capabilities. This organization found that understanding, building upon, and then mapping its organizational network brought the following benefits:

- Increased group information flow so that the most effective resources were brought to bear on project sales or delivery
- Improved economic results through improved connectivity (in this case, billable time more than doubled in one year)
- Enhanced innovation and cross-selling of business services by better leveraging unique skill sets within the network

The analysis revealed that the ability to conduct an ONA allowed the organization to see the real topology and "value-added" relationships within the enterprise. Further, the organization found that the ONA provided insight into the deep expertise within (and tangential to) the organization. This ultimately enabled managers, and the organization as a whole, to better balance the work across the organization and bring people with specific skills in from the periphery. This "load balancing" resulted in faster response time and higher-quality proposals, and ultimately helped the organization triple its reach in client engagements over an 18-month period.

Furthermore, this organization found that efforts to improve visibility and collaboration among colleagues resulted in a substantial payoff for the organization, including revenue growth, cycle-time reduction, improved leverage of junior staff members, increased integration of new employees, and client retention. 

<sup>28</sup> Source: "Using Network Analysis to Build a New Business," *Organizational Dynamics*, Elsevier Inc. / Rob Cross, Bob Thomas, Ana Dutra, and Carrie Newberry, 2007, <http://faculty.cbpp.uaa.alaska.edu/afgjp/PADM610/Using%20Network%20Analysis%20to%20Build%20a%20New%20Business.pdf>.

Research from the Network Roundtable at the University of Virginia has found that an ONA can also provide the following benefits:

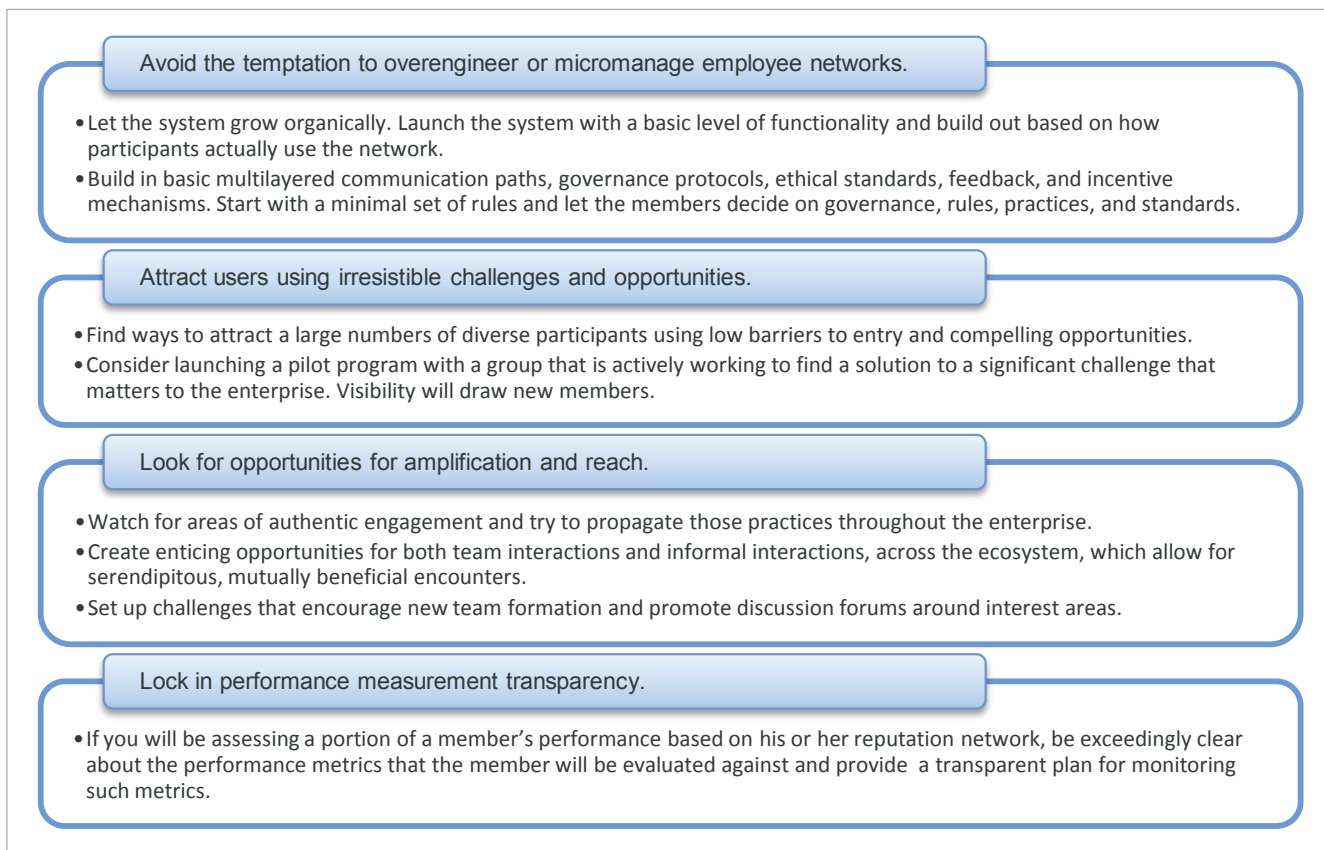
- More effectively infuse creativity and prudent risk-taking behaviors throughout the enterprise, more so than traditional (and impersonal) broadcast communications commanding necessary changes in innovation behaviors
- Quickly reveal where certain decision-making rights need to be defined and / or reallocated to allow for more rapid execution of new ideas
- Identify those networks that create energy and enthusiasm, and those that sap energy from the team (vacuums and vortexes)
- Lessen the impact of knowledge loss by identifying employees whose departure could substantially fragment a network and specifying unique kinds of knowledge loss that occur when people in central, broker, and peripheral network positions leave<sup>29</sup>

The research on the impact of a reputation profile systems / collaborative networks suggests that their relatively low technology implementation costs are outweighed by the benefits. However, it is important to note that the implementation of a network framework technology or collaborative software solution is not typically sufficient to garner these benefits. Building a strategic reputation network represents a paradigm shift in how the organization operates and requires a holistic approach that mandates a serious look at organizational values, organizational structure / architecture, as well as HR and performance management processes and rewards. In Figure 4, we have outlined four tips for creating a successful reputation network.

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<sup>29</sup> Source: *It's Not What But Who You Know: How Organizational Network Analysis Can Help Address Knowledge Loss Crises*, The Network Roundtable at the University of Virginia / Salvatore Parise, Rob Cross, and Thomas H. Davenport, 2005 , [www.robcross.org/pdf/roundtable/lost\\_knowledge.pdf](http://www.robcross.org/pdf/roundtable/lost_knowledge.pdf).

Figure 4: Four Tips for Creating a Successful Reputation Network<sup>30</sup>



Source: Bersin by Deloitte analysis and Deloitte Center for the Edge, 2013.

We now live in a world where knowledge is the new raw capital. Leveraging that knowledge—from both employees and their networks—is critical to organizations looking to find productivity and innovation improvements. Given this dynamic, organizations can ill afford to miss out on building a robust reputation network that can enable the identification and understanding of existing networks and facilitate the creation of new and more complete ones that can be leveraged in the future.

<sup>30</sup> Source: "Take Social Collaboration To Next Level," *InformationWeek*, UBM Tech / John Hagel III, John Seely Brown, and Deloitte Consulting LLP, July 2, 2013, <http://www.informationweek.com/global-cio/interviews/take-social-collaboration-to-next-level/240157567?pgno=1>.



## KEY TAKEAWAYS

- Power has devolved from the organization and emerged within individuals and their personal networks.<sup>31</sup>
- The energy that fuels today's organizations is knowledge and strategic relationships. Organizations need to understand the breadth and depth of their "open source" talent base, because it is the raw material (or energy) that runs the modern "machines of industry."
- A myriad of positive outcomes, including revenue growth, cycle-time reduction, client retention, and higher performance, are associated with networked relationships.
- Networked organizations drive economic results by leveraging talent, increasing organizational fluidity, organically amplifying collaborative energy, infusing creativity, and breaking down barriers to innovation.
- Implementing a network framework only as a technology or collaborative software solution is not usually sufficient to garner benefits. Building a strategic reputation network represents a paradigm shift in how the organization operates and requires a holistic approach that mandates a serious look at organizational values, organizational structure / architecture, as well as HR and performance management processes and rewards.

<sup>31</sup> Source: *Free Agent Nation: The Future of Working for Yourself*, Daniel H. Pink / Grand Central Publishing, May 2002.

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