IBM Video Transcript

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Lenny Liebmann:
Hi. I'm Lenny Liebmann and we're having Conversations with Industry Innovators for IBM Social Business. And it's my pleasure today to be speaking with Mike Rhodin who is Senior V.P. for IBM Software Solutions. Mike, it's good to see ya.

Mike Rhodin:
Great. Thanks.

Lenny Liebmann:
First question I want to ask you is just give us a definition of what social business is and a little brief statement about its potential benefits.

Mike Rhodin:
Well, I think first of all you have to think about what the potential of social business is and where it comes from. I think we're all aware that the social networking phenomenon in the consumer world is…is, you know, taken over much of our lives, at least our personal lives. And what we've been doing is starting to think through what are the implications of this social networking technology that really makes up these…these consumer sites and how can how can you apply it to business…or how can business get benefit out of it. And really what we've…we've found is that there's a tremendous opportunity around this concept of social networking technologies intersecting with business processes and really focusing in on front office business processes, right. Helping the people side of an organization become more connected, more relevant to their customers, more relevant to their employees and…and really bringing the world together at an enterprise level. And we're seeing that really explode, right. We're seeing tremendous opportunity come to the forefront here around how these social networking technologies can fundamentally transform these business processes but it's also bringing up some new challenges as…as we go along.

Lenny Liebmann:
And are you seeing this explosion originate a little bit more out of the CIO's office because the technology is recognized as critical or is coming more from the line of business because the line of business managers are seeing the business imperative there?

Mike Rhodin:
This is really coming from line of business – in many cases, coming directly from the CEO's office where they're seeing the same thing I just described. They're seeing what's going on in the…in the consumer world and they're trying to figure out is there something for them in this, right. Now, if you…if you do a little bit of history, right, you go back to the late 1990's and you think about Web 1.0, right, when the web first happened and we kind of evolved from content publishing to commerce on…on the web. And we

started to see the implication of what these internet technologies were gonna be to business, right? There was some great innovations that came out of that but it wasn't really all the dot.com startups that became the innovations. It was how the…the agreement on open standards, the agreement in the security around the internet, that it was really ready for business, right? And that led to an agreement around things like JAVA, HTML, TCPIP as the standard protocols for how businesses would work both inside and outside their organization, and over time, became the foundation for service oriented architectures. Service oriented architectures became the fundamental technology that enabled back-office business application transformation, right? That's really what companies have been working on for the last decade. Now businesses are starting to see Web 2.0, right. They're starting to see the consumerization of the internet, they're starting to see the social networking technologies, they're starting to see the…the advances that Google or Facebook are making in some of these technologies and they're starting to think, you know? I've been to this movie before. Right? What's…what's in it for me? What's in it for business, and that's really what we're starting to see as the…the promise of social business—is how do you take those technologies and then apply them to business issues.

Lenny Liebmann:
So, if there's these potential benefits, what kind of obstacles or resistances are we seeing in organizations that are preventing them from really moving forward, embracing and adopting this stuff?

Mike Rhodin:
Well, the first decision most companies are having to face is do we just put our business on Facebook, right? Do we put all of our corporate information out into a third-party site? Is, you know, what's the security like and what's the liability of…of conversations that go on in those consumer sites? You know, is there unintentional disclosure of financial information? Is there unintentional disclosure of future product information? You know, is this information that could become a liability to me? So they have to decide on do we just leverage what's out in the consumer world and take that risk or do we actually start to think through how these technologies are going be applied inside the firewall, in the enterprise, really bringing together all the employees and connecting those employees to the business processes that matter for that organization.

Lenny Liebmann:
Gotcha. So what role does IBM play in helping organizations make those decisions and take those actions?

Mike Rhodin:
Well, you know, part of it is the conversation I just…I just went through – inside versus outside – and then how you can leverage these technologies. What we're finding is most organizations are coming to the conclusion that they really want to rethink their intranet, right? Rethink it from a…typically a publishing and application viewpoint, which is really the last decade's worth of work, access to…to applications within the organization and rethink about how to connect people together within their organization —how to…how to really unlock the innovative power of bringing people together on a global scale. If you think about multi-national organizations, is how do they know what talent exists in their subsidiaries in China, in Germany, in Japan, in…in California, in Florida and New York? How do you bring together those people to unlock the innovative power that the…the combinatorial effect of that particular set of talent can unleash within

the organization. That becomes one of the promises of what's going on. But along with that you start to recognize that, you know, these conversations that go on in these internal social networks, those are business conversations, right, and they're gonna be regulated the same way that business conversations are. If…if you look in most organizations, you know, email archiving is an important thing. Not just because they want to save it, because they're required to save it. Right? So if you're making business decisions in a micro-blog or in a blog or in a community or in a forum, right, those are regulated conversations, right. So how do you deal with all of this social content that's being generated within the organization and then how do you deal with the regulatory requirements on that content and the decisions that are made within those…those systems, right?

And then…then thirdly is given that you now have kind of flattened the organization and connected everybody with everybody else, how do you know what's going on? Right? And that's where analytics come in. Social analytics, we think, is a…is a really key part of the overall platform that needs to emerge here within…within organizations. So you've got the social networking technologies which are, you know, the things that you would expect—you know, the profiles, the…the Face…Facebook-like capabilities or the Wikis, blogs, communities, forums. All of those kind of things. Those are the typical tools you'd think of when you hear social, right? But then you've got to marry that with social content management systems, you've got to marry that with social analytics systems so you can understand what's going on within the networks. And then you've got to make that available as a platform so that new classes of applications and processes can be developed …leveraging that information. That's really what we think the secret sauce is.

Lenny Liebmann:
Gotcha. And is that value proposition that IBM is offering in terms of social business substantively different from what some competitors in this space are saying?

Mike Rhodin:
Well, most of the competitors that we see are focused on the first topic, right? How do we…how do we make…bring mike, you know, like a __ or how do I bring micro-blogging to the enterprise. Right? Or a jive [phonetic] that you know, has some of the social networking tools but not the social content, social analytics and the…and the application towards business processes. I think we're uniquely positioned in this space because of our understanding of business process within organizations and our understanding of these social networking technologies. You know we're the number one rated player with our connections product in this particular domain. You know, the marriage of that technology with our knowledge of business process and our understanding of how to apply analytics to it is really gonna give us a…an advantage here going forward.

Lenny Liebmann:
Gotcha. So what would be an action step for some line of business executive or somebody in the CIO's office who wants to get moving forward and wants to get moving forward with IBM?

Mike Rhodin:
Well, I think the most important thing is…is to get started, right?

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Lenny Liebmann:
Uh-huh.

Mike Rhodin:
This is gonna happen. It's not…it's not an if; it's a when, right, so it's really starting to think through what your policies are gonna be around the use of social…social technologies.   The first is, you know, coming up with a policy around how employees can use the…the external social media so that you've got some control over what's going on there. You may want to start to leverage what's going on in the external social media for your marketing capabilities using social analytics capabilities to mine what's going on in the…in the public external social networks to better inform your marketing and brand decisions. Then start to look at the inside of your organization—how to…how to connect employees together but making sure you do it in a professional way; that you understand the content regulations that are required, archival, etc. to make sure that the systems are being used appropriately. We have solutions that can help that across the board in…in all of those domains and we're doing that with…with customers around the globe already.

Lenny Liebmann:
Great. Mike, thanks so much for your time.

Mike Rhodin:
Thank you very much.

Lenny Liebmann:
And thank you for joining us.