ATTENZI

A SOCIAL BUSINESS STORY

PHILIP SHELDRAKE

About

Attenzi – a social business story shines a light on social business that goes beyond the all too typical homages to social media. It's a relatively short and easy read intended to help readers explore what social business means for their organization, marketplace, communities and career.

The story is designed to galvanize the organization.

As the tale unfolds, you'll consider aspects of organizational design, business performance management, marketing, public relations, branding, complexity, and the imminent empowerment of the individuals that make up any and all organizations. In fact, although you'll likely be reading the book in a professional capacity, you'll be noting the implications for your other roles in life too.

Perhaps most controversially, the story begins to explore the evolution of the customer-centric mindset that has dominated management thinking for the past two decades.

It's free and available in HTML, PDF, EPUB, Kindle and iBooks formats at www.attenzi.com. Hyperlinks in the ebook take you to the same section on the website for questions, observations and discussion.

I hope you'll let me and each other know what you make of it.

Best wishes, Philip Sheldrake.

15th May 2013.

I met Adam Pisoni shortly after finishing the first edition of this book and found someone equally enthusiastic for the wide and deep potential of social business. I invited him to write the foreword, and he kindly agreed. Thanks Adam.

And I met Robin Carey who suggested we publish a second edition, September 2013, in association with Social Media Today. And I invited Robin to help set the scene too ...

Foreword by Robin
by Robin Carey, Founder & CEO, Social Media Today

I'm writing this in the final days of preparation for Social Media Today's inaugural conference, The Social Shake-Up (September 2013, Atlanta). And I've just finished reading the updated *Attenzi – a social business story*, a tale that underlines why we're going to the effort.

The phrase 'social business' means different things to different people. For me, it conveys that social isn't something a business does, but rather the way it does business.

Social is pervasive, and *Attenzi* prompted me to read the 'about us' for Social Media Today to check that's how we say we see it. And we sure do... "an independent, online community for professionals in PR, marketing, advertising, or any other discipline where a thorough understanding of social media is mission-critical."

The Social Media Today community will expand to encompass more and more of those other disciplines, particularly as a resource like the *Attenzi* story helps get your organization up to speed, helps encourage your peers to consider the full potential and impact of social business.

Our objective for The Social Shake-Up conference is to discover the many ways that large businesses are incorporating social into their practices and to demonstrate that all this disruption is actually work-ing to improve the ways that companies act in the world. With that in mind, Attenzi makes perfect reading for the flight to Atlanta, or indeed the flight home.

I particularly like the way the book is available freely and openly, so we can do the social thing of commenting and asking questions on the accompanying website.

Happy reading and collaborating.

Robin.

Foreword by Adam

by Adam Pisoni, Microsoft Yammer co-founder & CTO

The worst thing about employees is that they're unpredictable. Wouldn't it be great if you could tell your workforce exactly what to do and, rest assured, they would follow instructions and execute in exactly the right way? Or better yet, they would just read your mind. I imagine half of you agree with that sentiment and the other half think I'm delusional. Regardless of whether you believe robotic employees are a good or a bad thing, this was the dominant thinking in business for over a century.

Our modern "scientific management" corporations remained competitive by optimizing for efficiency, a result accomplished through greater specialization and driven by overlaying process and rigid structure across the business. In this way, we arrived at the cornerstone of the modern company – predictability. Success was built around predictable costs, revenues, customers, and employees. Inherent in the notion of predictability is a sense of control. For corporations, it seemed that harnessing this control while setting and meeting expectations would keep them on top forever.

If you are reading this book, you likely recognize the fundamental problem with this line of reasoning... the future is actually unpredictable. Of course, it's always been unpredictable, but now even the near-term is difficult to predict with any certainty. Put it this way, if you could confidently predict what you'll be doing for the next 30 years, it would make sense to do it in the most efficient way possible. But if you are unsure what you'll be doing for the next 5 or even 2 years, efficiency may be the least of your problems. What's the point of focusing on doing one thing efficiently, if you aren't likely to be doing it for long?

Not only is the future getting harder to predict, but the nature of work is also changing rapidly, which brings us back to those pesky, unpredictable employees whose efficiency seems to be declining as they are increasingly faced with situations they are neither trained for nor empowered to handle. The problem isn't that they're willfully disobeying orders, it's that the challenges they face are evolving too fast for us to train them on exactly how to handle each new situation. In fact, these challenges are arising too quickly for the leaders in the organization to even notice them most of the time. Or worse, the explicit instructions and incentives become obsolete, or even counter-productive to success.

This problem is not going away. Technology research firm Gartner sees an acceleration in the changing nature of work, with 40% or more of enterprise work being "non-routine" by 2014, up from 25% in 2010. It's hard to optimize for non-routine work with rigid processes and procedures. Instead

it requires more empowerment, flexibility and decentralized execution throughout the workforce.

The real problem with those pesky employees turns out to be those pesky customers who seem to be increasingly dissatisfied with the products and level of service they were perfectly happy with just yesterday. These dissatisfied customers are putting additional pressure on disgruntled employees, who feel compelled to do what they know to be wrong all in the name of efficiency and predictability. While this trend may have started decades ago, many companies, and some entire industries, are now reaching a breaking point where minor tweaks and improvements will no longer cover up the deep, fundamental problems that exist in their organizations.

We are on the brink of a revolution in business – one which will rival the industrial revolution – where the very definition of what it means to be a company will change. This change will blur the lines between management, leadership, employee and customer. Gone are the days when you could tell your customers what to think about you. Thanks to social media, your brand is at the mercy of your customers who will individually and collectively decide what you stand for.

Also gone are the days when you could hope your predictable employees would yield predictable outcomes. To the contrary, you will need your employees to be creative, and thus unpredictable, in order to adapt to your customers fast enough. What's more, employees will have to react to challenges in innovative ways without being told how to do so. The same companies that drove creativity out of their employees in the name of efficiency and predictability will come to realize creative, empowered employees are the key to surviving and leading in this new world. And it's not just knowledge workers that hold this power. We will need everyone from executives to front-line workers to be more engaged, more creative and more motivated than ever before.

Companies will become more like partnerships where employees and customers will each choose to contribute because they believe in the mission and values of the company. Your employees and customers will need to WANT you to succeed and have the desire to take on new challenges in order to help you do so. In the hyper-connected world we live in, the very nature of what it means to be a company, a worker and even a customer is changing. We are all adapting to the constant flow of information, and in order to stay ahead of the curve, both organizations and individuals must continuously innovate in how they provide value.

This book explores such challenges and opportunities in the most instinctive, memorable and compelling manner there is – storytelling. You won't be able to ready your organization for change alone, it's a team effort, and such storytelling helps get everyone on the same page. Good luck. Perhaps you'll even write the sequel?

Adam.

Attenzi – a social business story
as told by Eli Appel, Attenzi CEO

This is the story of twenty months in the life of Attenzi. It's about how the Attenzi team changed things up in ways that benefited employees, customers, shareholders and, we believe, everyone with an interest in Attenzi's success.

It's about business.

It's about people.

It's about influence.

It's about how we're becoming a 'social business'.

I'm Eli Appel and I've been Attenzi's CEO during this time. Fortunately, I've kept a daily log of interesting stuff, ideas and 'notes to self' for as long as I can remember – there's a cardboard box stacked full of them behind my desk. It forms a sort of chronological record and although it's not a diary in the classic sense it has helped me assemble this story retrospectively.

I didn't know, after all, that I was about to join one of those teams that just gels. I didn't know we were about to redefine the way we all think about our business and its place in the market and its place in the world. And I definitely had no idea that I was going to write this story, but here we are.

I'm pretty sure we're all going to benefit as more and more of us go through this transition. I'm sure those that do so earlier than others will grow market share, and those that pretend it's not happening will struggle. I definitely know my allegiances with all variety of organizations will change accordingly.

I hope you enjoy our story. I hope it helps you develop your organization's relevance, competitiveness and profitability. I hope it helps you forge your career and helps you bring your colleagues with you.

If the Attenzi team can help in any way please drop by attenzi.com. We'd love to share insights, perspectives and experiences.

1

The day was memorable for three reasons. First, Myra and I decided our temporary separation was going to be permanent. Second, my new sofa got stuck on the stairs up to my new apartment, so stuck in fact it was as if the stairwell could only have been built around it. Third, I got the phone call inviting me to discuss the role of Attenzi Chief Executive Officer. It wasn't a long call. Just as well. My left hand was stuck behind the stuck sofa.

2

I knew a bit about Attenzi. I knew it was an international success. I knew my friend Vincenzo was a fan. When he had effectively forced me to take a tour of his new restaurant kitchen a couple of years back I noted that it was predominantly Attenzi equipment, and he'd put the same stuff into all three of his restaurants. I knew they also made kit for the home kitchen although I'd never bought any.

When I first asked Attenzi's chairman, William Strait, what he thought was wrong with the company, he replied cryptically that he was mainly bugged by the fact that nothing seemed to be wrong, but then what better time to fix it? He had energy about him, in the American rather than European way.

Marcus Wallinger, the Austrian COO, had more useful insight. Attenzi is a great 1990s company he said, still growing profitably under the head of steam it achieved back then. But the world is moving on fast and, despite the change of ownership in 2005 when private equity firm Lorenz Capital bought out the family trust, despite new initiatives aplenty, Attenzi seemed to have an inertia. It didn't seem prepared to confront new market realities let alone capitalize on them.

Vincenzo simply considers Attenzi equipment to be good. It's reliable. It's easy to work with. It's good value for money in the long run. He also indicated, when I told him I'd been offered the job and had

taken it, that he would phone me daily to share his thoughts and expects nothing short of personal service from the CEO himself. Me. I immediately categorized his comment as the innate service obsession of a successful restaurateur. It was only later that I attributed Vincenzo the status of management guru.

Marcus hadn't put himself forward for the job. "Tell me the problem and I'll fix it, but I don't know what the problem is. That doesn't make for a great CEO!"

Ironically, William said I got it because I hadn't pretended to know either – again, perhaps not the most useful morsel of information.

The feedback from the partners at Lorenz Capital and their recruitment specialist gave me a bit more to work with; over and above the qualification criteria, I had, apparently, shown attractive traits of constructed empathy. I say apparently because I wasn't at all familiar with the term. I now know they use the term to describe the ability and inclination to make a mental map of social groups and relationships that then informs the way you determine the best way forward – a left-brained sort of empathy if you like, and closely related to treating others as you would have them treat you.

You learn something every day.

3

Here's how the company website described the company when I took the helm:

Welcome to Attenzi, the renowned and trusted international brand for kitchen equipment and services. Our company has a five-decade heritage providing the finest kitchen appliances and service to the hotel, restaurant and catering industries. And since 1990 we have translated our passion for and excellence in equipment design and reliability to the home kitchen.

Our products include cookers, cooktops, grills, microwave ovens, refrigerators, dishwashers and mixers. Our business services include hotel and catering facility design, and equipment maintenance.

Lorenz Capital acquired the firm from the founders' trust in 2005, intent on growing the company until such time as an initial public offering (stock market flotation) makes sense. They originally planned to double revenue in eight years, maintaining an EBITDA (earnings before interest, tax, depreciation and amortization) of 17%, yet growth over six years had amounted to 21% with a current EBITDA of 14.9%. That's a compound annual growth of 3.2% versus overall market growth in that time of 2.8% per annum, so Attenzi had nudged only slightly ahead of the industry average.

So far not so bad or so great then, although a portion of the gap between reality and the owner's expectations can be attributed to the 'Great Recession' of 2008/10 of course, and subsequent economic travails. To put the current position in perspective, if Attenzi was to achieve the original plan of doubling revenues in eight years, growth in both the last two of those years, 2012 and 2013, would need to be 28%.

So that's a 'no' then.

4

I did nothing for the first week except email everyone to say I looked forward to meeting them all sooner than later, hang out with the management team during the day, and cram financial, operational and market data in the evenings. I'll introduce you to the main characters here, all in one go for your easy reference.

Sarah Wilde is the CFO, a Brit. She joined Attenzi shortly after Lorenz Capital took over having come to the attention of another CFO Lorenz had placed previously.

Product Development is led by Georgio Moro; an Italian who doesn't particularly like football (as in soccer). He also insists that stereotypes are dangerous. He joined Attenzi three years ago having been a competitor's product development Number 2.

You've met Marcus. Chief Operating Officer. Very obviously 6 foot 7. He's worked his way up through the ranks since 1998 with a reputation for making things happen on time and to budget.

Michelle Yin, Chinese American, B-school grad and environmental campaigner, is the latest Chief Marketing Office. Recruited from the FMCG (fast moving consumer goods) sector in May 2010, just six months before me, Michelle exudes professional confidence – which is just as well as there have been four CMOs in the past five years!

Bob Babcock (known as BB) heads up Sales and reports into Michelle. "I was born to work in sales" is one of the first things he said to me.

Yvonne Allen heads up Public Relations. Despite her relative youth amongst the management team, Yvonne is the longest served having joined the company directly from university and then working her way up through HR, marketing and PR roles. As she's a Brit I thought she'd get sarcasm. She doesn't.

John Jeffries heads up IT. A Canadian, a cyclist and hybrid car aficionado.

Tom Douglas heads up HR. American. 3 years with the company. Keeps himself to himself but has a habit I've noticed of saying just the right things at just the right time.

And then of course there's William Strait, Rhodes Scholar, serial entrepreneur, notorious namedropper, jazz lover and Chairman of the Board.

So there you have nine of the nearly 2600 strong Attenzi team. I should clarify that I value the contribution everyone has made, and hope they will appreciate that writing a story featuring 2600 characters would have been a challenge to write and an impossibility to read!

5

I did nothing the second week except meet trade customers and, while travelling, absorb the functional SWOT analyses I'd asked each of the management team members to compile for me.

A few customers had stories of woe. A few customers clearly qualify as fans. The majority can be described as satisfied, or perhaps just nonchalant.

In my attempt to rationalize this indifference, the words of a previous colleague, a Head of IT, came to mind. "Nobody gives a second's thought about IT when it works, but we're the devil incarnate the moment it doesn't." Perhaps the same applies to kitchen equipment?

But then again, I know more than one 'foodie' demonstrably in love with their domestic KitchenKey mixer. In fact, Myra and I had bought KitchenKey kit on the back of exaltations from her sister if I remember rightly. Hmm.

6

Rachel had taken the news with the maturity fourteen year olds appear to have these days that I'm sure no fourteen year old I knew when I was fourteen had. Myra and I had talked about how we should tell her, and yet neither of us could tell if the balance we sought had been achieved. Surely no child can contemplate the divorce of his or her parents with ease, and yet being too casual and dismissive or too attentive and mollycoddling would surely add to the strain of the circumstance.

Life seems to be a continuous balancing act.

However, if Rachel felt any need to give us the feedback we craved, she denied herself. And us.

7

The SWOT reports were diligent, reasonably well articulated and referenced. And, well, sorry to say it guys, dull.

Strengths. Our products are well designed and reliable. Our brand is considered trustworthy; a safe bet. Our people are skilled and motivated on the whole. Quality processes. Beating market average revenue growth.

Weaknesses. Only just beating market average revenue growth. Lack of excitement. Marketable product innovations too few and far between. Little process innovation.

Opportunities. Geographic expansion. Improved 'industrial design'. Rekindle the successful 2004 "Learn to Cook to Learn" high school public relations campaign. Social media.

Threats. Lower cost manufacturing in other parts of the world. Competitor innovation. The rise of online shopping – prospective customers don't get to 'feel' our products. Social media.

I felt like I had picked this stuff up myself from a week on the job. Where was the real insight, the urgency, the laser like focus? I thanked everyone for their efforts, gave them this feedback, and challenged them anew. What does success look like? How will we know if we're getting there?

8

I was in New York to catch up with friends. I persuaded them to be mystery customers with me in some well-known department stores and specialist kitchen shops. We were going to see how retail staff explained Attenzi's consumer products.

Yes, apparently, Attenzi kit is well designed and reliable. It's a brand you can trust. It's available in "the standard colors".

More interestingly, a competing brand was referenced as sexy. A rather enthusiastic "kitchen consultant" in another shop labeled one brand, albeit one at the top end of expensive, as kitchen porn. Not a phrase I can say I'd come across before. It seems people really do get into kitchen equipment.

More reassuringly, another brand was described as trying-to-be-Attenzi-but-not-quite. I returned from New York determined to uncover Attenzi's true potential.

9

Dom Stork is my closest friend. He's generous. He's funny in that his jokes aren't. While I was plugging away at History, he graduated 1st class in Biophysics. He's now Joint Head of Research for an industrial conglomerate. I'm sure he won't mind me saying he's the nearest I know to a polymath.

He's also a good listener.

We were on the phone on a Sunday evening. I must have talked about Attenzi non-stop for three quarters of an hour and when I realized the time he simply wondered out loud: as the company is a function of the sum of its people over time, how well do they know each other? What do they know? What don't they know?

I had no idea… I mean they seem to get along. Funny, where was my constructed empathy, the personal trait that apparently helped me get the job?

10

And then a coincidence. The first person I spoke to the very next morning, my fourth week, was Yvonne (Public Relations) and as we entered the lobby she said she'd been thinking about social media. We'd begun to listen intently to the (online) conversation, as modern parlance seems to have it, and we hung out on some of the most popular social networks, chipping in as and when. And she'd begun to think more about how well our customers knew each other. How did they exchange information and feelings about our products and our competitors' products?

She told me that this kind of thing was as important as traditional media relations. Journalists, while important, were no longer the be all and end all as far as PR was concerned. We have media. And we have social media that 'disintermediates', if that's not an oxymoron.

She was telling me in that way people have when they're in the process of working it out for themselves.

Piqued by this new theme I gate crashed Marcus (COO) and Georgio (Product Development) in the midst of a design-for-manufacturing process. "How well do our suppliers know each other?" I asked. It turns out some know about the others, particularly those in closer proximity. But, as Marcus pointed out, 'know about' isn't the same as 'know'.

I returned to my office for my weekly update with Sarah (CFO) believing I'd stumbled on something important but not quite knowing what to do about it.

11

I'll jump forward a few weeks shortly, but sometimes a lot happens in 24 hours, and this was one of those 24 hours. Not that I'm Jack Bauer or anything.

My meetings with Sarah had focused on the profit and loss, balance sheet, and cash flow statement. This one was going to be our first joint in-depth review of the company's strategy map and Balanced Scorecard.

The Balanced Scorecard has gained traction as the dominant business performance management (BPM) approach, and my predecessor and Sarah's had introduced it to Attenzi. I'll explain what it is here in brief, but you can find a longer summary online by clicking here if you're interested.

Fundamentally, traditional financial accounting is all well and good when you want to know how well you did last month, last quarter, last year, but it's not ideal when it comes to understanding how today's performance might pay off financially next quarter, or next year. In the jargon of business performance management, it's a lagging indicator. Managing a company by financial reports alone is like trying to drive a car with only the rear mirror to go by. As the saying goes, don't try that at home.

What's more, 20th Century business was founded on tangible assets (land, plant and machinery). The 21st Century business is more reliant on intangibles (intellectual property, brand, reputation), for which traditional accounting analyses are poorly designed.

So the Balanced Scorecard approach aims to get a balance of measures – as the name implies – complimenting the financial metrics with non-financial measures associated with customers, internal processes, and aspects of learning and organizational growth. These are called leading indicators, and each of these groups (or "perspectives" in the jargon) supports the one before it.

The precise mix and definition of measures depends entirely on what your organization is setting out to achieve, and the strategy it has developed in order to achieve it. And you can map your strategy onto your operations with appropriately named strategy maps, helping you identify the things you need to invest in to improve business performance.

Give anyone the incentive to maximize one metric and they'll blast it, most likely with collateral damage to other important aspects of the work in question. Ask any individual to maximize six-dozen metrics in harmony and they won't know where to start. People appreciate a small, select, balanced set of metrics to guide performance, to provide sensory feedback so to speak.

The Balanced Scorecard is the dominant BPM framework. There are other approaches to business performance management, and they share similar traits.

I remember wondering out loud, if three of the four Balanced Scorecard perspectives are non-financial, why was the process 'owned' by the CFO necessarily. Sarah didn't know exactly, so we just assumed it was a sort of default situation.

12

Attenzi's strategy was well articulated and well mapped, if lacking what a serious management consultant might call va va voom. The Balanced Scorecard was, in my opinion, well formed to guide organization-wide performance in executing the strategy. And generally most targets were mostly met most of the time. But let me be more exact.

The strategy was, as one would expect of any decent firm, customer-centric in character. The concept of customer-centricity emerged with the advent of integrated marketing communications during the mid-90s, replacing the traditionally inward looking nature of large firms. This new emphasis aimed to place the customer's concerns and happiness slap bang at the centre of business decision-making.

So yes indeed, Attenzi sought customer insights to inform new product development. It pursued product design that would exceed the customer's expectations for style, usability and durability. It trained sales staff to match the specific customer's needs with specific product features. It maintained a CRM system and followed up proactively as best it could post-sale to ascertain customer happiness. It geared post-sales service to cause the customer minimal pain.

And so on.

And so forth.

I know that we're nearly two decades through customer-centricity, and if you haven't seen it lived universally, you will have at least heard it spouted universally.

13

Sarah let me know during our meeting that she'd asked Saket Sahni to introduce himself that afternoon. Saket is the consultant that had helped define and design Attenzi's Balanced Scorecard, and he was coming in specifically to do some work with Michelle (CMO).

Only two things appear to ring Saket's bell – business performance management and the movies. "What we've got here is failure to communicate – Cool Hand Luke, 1967", is just one of the ways Saket refers to organizations without strategy maps and effective BPM. He's also convinced that Captain Jean-Luc Picard's USS Enterprise employs the Balanced Scorecard despite there being, unsurprisingly, no reference as such in the Star Trek corpus.

Now what would life be without such characters as Saket? The meeting was memorable.

Saket challenges business dogma. I didn't find him prescriptive, unless his prescription entails leaving you with a dose of great questions:

In the current times, if we don't know what the world will look like next month let alone two quarters down the line, why do we develop twelve-month tactical plans?

The 'market' is the name we give to individual human agents in the aggregate, so what do we want each of those humans to do exactly? Do current statistical analyses really capture market patterns?

"Aboard ship there's a danger in having too much of anything for then one is bound to have too little of something else – Mutiny on the Bounty, 1962"; does the good ship Attenzi have the right balance?

14

Rachel was staying with me that following weekend. And it was only then for some reason that social media really hit me hard. Perhaps, given everything going on at work, I was just in the mindset to question all my assumptions. Perhaps now that Rachel and I no longer lived under the same roof seven days a week I paid closer attention during the time we did have together.

Now don't get me wrong, I'm computer-savvy. I bought a laptop when a 100MB hard disk drive was considered massive (for younger readers, that's not a typo). I unpacked it listening to Wu-Tang Clan on my new personal CD player feeling very 'with it'.

The Fugees' The Score was my soundtrack as I got on email and began to browse the nascent World Wide Web with Netscape Navigator. Upgrading from a 28.8 to 56 kbit/sec modem felt liberating! The day I got my first Motorola, I phoned Dom from an Eminem concert, tapping his number in from memory.

Now, plugged into my iPod or Android phone, I'm at ease checking in with family, friends, colleagues and professional peers online.

So I'll be honest with you, in keeping abreast of the social media revolution in the press, by attending social media conferences and by getting myself on every social network going, I had assumed I 'got' social media.

These days, Muse, Nicki Minaj and Adele fight for attention alongside Led Zeppelin, Marc Cohn, Johnny Cash, Charles Mingus and Albinoni. The past gets hooks in you. Yet it's perhaps not too simplistic to say that the younger generation lives entirely in the moment. To Rachel, the Web has always existed. Computers have always been connected. Adults have always had mobile phones and they've always been smart – the phones that is, not adults – and she got her first one for her 13th. Music has always been mp3. TV has always been on-demand. She has a completely fresh perspective.

"Dad, email doesn't work very well does it?"

Now what do you say to that?

That weekend I watched Rachel gliding from laptop to desktop, from desktop to mobile, from mobile to tablet. From text to image to video to games to voice. From interacting one-to-one, and interacting amongst many. From leading the conversation, to observing more passively. From homework collaboration to sharing fashion finds, from DJing music amongst her friends to planning a sleepover, from comedic videos to hanging out in multi-player games. And her expectations of the experience are so high and so ingrained that the only comment she made in this respect was to tell me Mom had just got 'Smart TV'. Her inference was not lost on me.

I had entertained the thought that she was looking at any screen handy simply to avoid having a 'deep and meaningful' with me about our new family circumstances. I dismissed the self-pity however on realizing that this is just the way it is these days, and besides teenage girls have likely never relished a 'deep and meaningful' with their father.

On driving Rachel back to Myra's I could see a sign had been stuck in the rear window of the car – "SAVE NORTH STREET SKATE PARK!" On getting on line that evening, I found I'd been invited to sign the online petition, re-blog, re-tweet, 'Like' and +1. There was also a link to a Google Map mashup showing other options for improving the traffic flow at the North Street junction that didn't require ripping up the skate park, and another to a wiki where the pressure group formulated its plans.

Rachel would not recognize my childhood.

15

"Of all areas of the business, yours must be changing fastest John. How do you see things?"

I was enjoying a coffee in a rather comfy reclining chair that seemed a bit out of place in the IT office. Saying that, the cushions were in the style of social media sharing icons. Nice.

"Well, you could look at two aspects of IT, the information, and the technology. Sounds obvious right?

"Looking at *technology* first, the way I see it, the biggest change is the level of abstraction the IT departments in firms like ours deal with.

"Back in the day, the technology was all about centralized computing power and spinning disk drives. We bought stuff. We put it in its own room. We configured it. We installed some software. We ran it.

"Then the boxes we put on people's desks got more powerful, with capable software running directly on them, and the stuff back in the room became more dedicated to storing different kinds of data to serve up as needed.

"Then the local network got more capable so the powerful applications could be re-centralized for ease of maintenance and enhanced security without affecting the user-experience.

"And then the wider Internet infrastructure got more capable and some-one said, "hey, this stuff isn't your core competence, but it is mine, so why not let me run that for you?" and this thing called the cloud emerged. So now, Attenzi doesn't need to power its own computing, just like it doesn't need to generate its own electricity, or pump its own water.

"And so to *information*.

"Now the words *information* and *data* are often used synonymously, yet incorrectly. Data of itself is just discrete, objective facts. Take an example from our production facilities – an item number with a particular serial number achieved a particular status at a particular time.

"Item no. 00256, serial no. 005693432, achieved status 4, 110903032010.

"We mere humans do not readily digest or understand data. Rather, we deal in information; that is data made useful, made relevant. A collection of data is not information – for that it also requires context and understanding. In my example here, in transforming the data to information in the context of Attenzi's production facilities we find out that the item was a cooker, and all but one of the 52 made on 3rd March passed testing first time.

"A collection of information is not knowledge. We must build knowledge from such information by identifying and interpreting patterns. So for this example, we identify the process causing the occasional test failures and develop an appreciation for how it might be fixed.

"Putting some important security and legal issues to one side for the moment, we don't have to care too much about the underlying technology any more. Rather, we need to focus on getting the right information to the right people at the right time in the right format, and help them translate the information into knowledge in order that they can do their jobs better.

"Data paucity was the problem of the 20th Century. Having too much of the stuff is rapidly becoming the challenge and the opportunity of the 21st."

I checked with myself to make sure I knew John was an important cog in the Attenzi machine. I did.

"Big data?" I asked.

"Are we playing buzzword bingo?" said John, deadpan.

"Hey, you said 'cloud' not me!" I countered.

John smiled, "Yes, so-called big data. This idea that we can digitize almost anything, including all our parts and products and services and processes by the way, and collate all those terabytes of data, and store it cheaply and easily and forever and use it for all sorts of analyses."

I chipped in: "But only if that analyses translates data into information and knowledge, right? Makes it useful to us?"

"Well how do you determine the value of the information and knowledge prior to the translation of data into information and information into knowledge?"

"Er, ask someone in IT?!" I offered.

John took the compliment with a caveat, "And the domain experts. Humans are quite capable of digesting four dimensions of data when presented in an appropriate way, simply because we inhabit a four dimensional world – three dimensions of space and one of time. But the data we have, and could harvest in the future, spans many dimensions. We need therefore to work together to develop intelligent software that identifies and extracts the most interesting, useful, valuable four dimensions for visual presentation to the domain experts.

"A primary challenge isn't trying to find answers to questions but determining good questions in the first place."

I put my empty cup down and began kneading the blue cushion with the white bird on it. You know the one.

I was thinking out loud now. "Divining exact usefulness or attributing precise value to an insight is incredibly difficult to do with hindsight, let alone in advance. Perhaps the best we can achieve then is simply to have a good guess at whether the potential information and knowledge we might unearth will make anyone act on it."

John clarified the thought, "Or perhaps, more precisely, will anyone change what they would have done otherwise."

"What's the difference?" I asked.

"Well, deciding not to do something isn't often recognized as an action."

16

Dom and I met up for dinner and Dom set the tone. He was in one of his particular frames of mind.

He had been reading *Fault Lines* by Raghuram G. Rajan at my recommendation. It's a fascinating book about the way the global financial system broke down, and Dom had continued to investigate the understanding of financial market complexity. Complexity was not, he told me, well understood.

Complexity is the phenomena that emerge from a collection of interacting objects. The interacting objects could be molecules of air and the phenomenon the weather. It could be vehicles and the phenomenon the traffic. It could be stockbrokers and the phenomenon the stock market.

Human 'objects' could be the population of Cairo, "the 99%", sports fans in a sports stadium, people who like photos of cats, your customers, or your employees; in fact, any collection of people interacting with each other. Influencing each other.

"Most things mankind is interested in are complex – in other words they exhibit traits of complexity – and yet time and time again people don't understand it. Instead, they develop superstitions or myths or stories or 'rules' to help come to terms with the phenomena they witness, indeed anything it seems but address reality head on."

I got the feeling something had rubbed Dom up the wrong way.

"Take celebrity culture."

Now he was on a roll.

"I'm supposed to buy a SiQi TV because that bloke in the films, what's-his-name, appears on an ad telling us he's got one and loves it. Firstly, he was most likely given it if he does indeed have one, and a wad of cash to promote it, and many people who see the ad know that. Secondly, he might be on TV, but I don't see how that makes him a TV set expert, and many people who see the ad know that. Thirdly, if I was in the market for a new TV and I did buy this SiQi one, did I really buy it because of that ad? Or because he was in it? Possibly not.

"My impressions of SiQi, of what it stands for, of its engineering prowess, of its aesthetics, of its customer service, of its general approach to the world, has formed like sedimentary rock over many years from my experiencing its products and services and competing products and services, from talking with friends and family about their experiences, from seeing what SiQi gets involved with and how it conducts business. In other words, I have interacted with lots of people in relation to the SiQi brand, products and services, and its competition. My eventual choice of TV is the output of a complex system."

To generalize Dom's narrative, when it comes to our organization's stakeholders in general, one phenomenon of the system is our reputation – the resultant regard these people have for our brand collectively, or indeed in sub-groups, and how this regard changes over time.

My gut was telling me that Dom was spot on, but I also know he likes to be challenged. "How does that square with Occam's razor then?" was the best I could muster.

Dom thought for perhaps a whole millisecond. "Well the razor – the idea that the simplest explanation will be the most plausible – has a caveat; 'until evidence is presented to prove it false'. And while complexity science remains a work in progress, the evidence at this level is incontrovertible. Groups of people behave in ways that you can't predict by studying them individually. You can't learn much about the termite mound by studying the individual termite, or the traffic jam by studying the car.

"Look, I'm not saying that some people won't be tipped over the TV purchasing edge by what's-his-name, his mile-wide smile and trademark wink. Acknowledging complexity does not rule out this outcome. Acknowledging complexity however will likely attribute such celebrity endorsement a considerably lower value in the mix of things than it appears to command today."

I made a mental bookmark to revisit the ongoing relationship between Attenzi and celebrity chef Alice B.

17

I was wading through some email – Rachel is right about email – when Michelle (CMO) asked if I could join her and Yvonne (PR). Anything to get away from my inbox. They were half way through a meeting with a firm called… actually names should be changed; let's call the firm Social Media Goorooz.

The Goorooz had just tantalized Michelle and Yvonne with their digital awesomeness and Michelle and Yvonne thought it would be good if I met them too. What was meant to be ten minutes turned into ninety, and time well invested I believe to save Attenzi from having to meet them again.

On shaking hands with a "Welcome to Attenzi" the main Goorooz chap actually replied "Welcome to the paradigm shift!"

I'm not kidding.

I won't bore you with the stuff I agreed with. It was agreeable. They'd already worked out some of the stuff we were in the process of working out. Fair enough. It was the disagreeable stuff they added alongside, and the disagreeable omissions, that got my hackles up.

18

So, what was the disagreeable stuff I got from the Goorooz?

I won't list it all, but here are two examples that typify an all too cavalier attitude.

The main Wikipedia entry for Attenzi isn't the longest, or the shortest. It covers the firm's history, change of ownership and key products. Amazingly, my appointment was recognized in the entry within a week of my taking up the job. I say amazingly, because Attenzi is hardly a big bank or retailer. Who are these Wikipedia editors?

It also documents a product recall in 2006 in factual terms. But because the facts are unflattering, this part of the entry is unflattering. Nevertheless, the Goorooz assured us this could be fixed. On my asking if they had both a time machine and the quality control abilities to rewrite history, they assured me that there was no need to have this part of our history documented at all. They just laughed gently when I pointed out that Wikipedia's requirement that editors have a neutral point of view is actually one of its founding principles.

(Dom is a so-called Wikipedian with several hundred edits to his name, and he has conveyed his frustration on several occasions with edits by those without a neutral point of view, with a conflict of interest.)

And later the Goorooz walked us through a dozen or so slides describing ways we could find out as much as possible about customers and those who visit our website. Some of it was quite legitimate, like tracking the clicks each link in our newsletters accrues. We already did that. But some sounded like it bordered on the illegitimate, or at least the unethical, including ways to access our website visitors' browsing history and ways to circumnavigate the way browsers treat cookies – the little bits of code we can quite legitimately leave behind to ascertain when the same person returns to our website for example. But in this instance, it was a way to reinstate the cookie as soon as the visitor decided they didn't want our cookie on their computer any longer.

"Shouldn't we ask their permission to do these sorts of thing?" I asked.

"It's just the age we live in. It's the consequence your customers pay for being digital. Everyone's doing it." Came the plainly uncomfortable response.

But how can we claim to be customer-centric while showing the customer such disrespect? I say this stuff is plainly uncomfortable, but apparently not for everyone.

19

Every aspiring leader should work for really good and really bad ones on the way up. I got a good one straight off the bat as a fresh graduate. His fondest management dictum: "Managers do things right. Leaders do the right things."

He also gave me the best introduction to the shop floor that went something like: "Every single person here tries to keep their family happy, deals with stressful situations, buys complex financial products; they run the scout group, squash ladders, school parent boards, and the local historical society; they build scale steam engines, champion local nature reserves, and there's nothing one of them doesn't know about Chaucer."

His message – they all have something they can bring the firm. "And yet," he added, "firms like ours often ask them to leave their brains at the door when they clock in, only to collect them again as they clock out."

I recall his continued dissatisfaction with every effort we made to tap everyone's potential. He took the shortfall personally.

Another of his sayings sticks with me: "Everyone's in X", where X could be HR, customer service, product development, etc. as suited the occasion.

20

Vincenzo called.

"Where have you been? We haven't seen you for ages."

"I've been very busy with this new job Vincenzo."

"Ahh! Too busy to see the customer, I see. You should slow down to speed up."

Oh dear. I don't like to upset Vincenzo, he's such a great guy. "Will you have the asparagus in by Saturday week?" I asked.

"I should think so."

"I'll be there."

"I'll reserve you a table for two."

"But..."

Vincenzo had hung up.

21

I mentioned the Goorooz got me thinking about what they didn't say as well as what they did; their disagreeable omissions. Perhaps they were just hoisted by their own platitudes.

I must have heard "facebook strategy", "twitter strategy" and "social strategy" four or five dozen times during that meeting. I believe I was the only one to mention our business strategy in the vain hope there might be a connection. The hint garnered a brief nod but was by and large ignored. (I was tempted to ask if this meeting had been won on the back of a "telephone strategy".)

Examples of "radical social success" came thick and fast – in confectionery, music, consumer electronics, retail and travel. Apparently we're all the same people (agreed) and we all want the same "social engagement" with all kinds of brands (not as far as I'm concerned).

By the way, if engagement means the action of occupying or attracting someone's interest or attention – and it does, I looked it up in a dictionary – what's the difference between "social engagement" and plain old "engagement" exactly?

Can you tell my feathers were ruffled?

And I know I have a tendency to bang on about an organization's mission (why we exist) and vision (what we want to be) a lot, but if social engagement is the be all and end all wouldn't we expect more annual reports to feature Chairman comments like:

– "We're totally stoked to have grown retweets 220% this year."

– "Our brand 'Likes' are up significantly. Now I'm liking that."

– "Our customer service platform coped successfully with a three-fold increase in social engagement this year."

I've not seen a Chairman's report with such apparently unmoored information, unmoored from the vision the organization is pursuing. And potentially flawed.

Take the 'Likes'. It seems to me there's real confusion here. I get the idea that brand owners think the 'Likes' come for one reason – "they love us!" – and Joe Public another – "thanks for the discount coupon". Actually, make that: "Thanks for the discount coupon; now would you mind not getting in my face so much else I'm going to have to 'Unlike' you."

And what about the engagement measure; is it necessarily a good thing? Might it not indicate the possibility that something was causing problems out there in the marketplace? It's sort of a modern day

equivalent of measuring column inches in the press; both are flawed metrics as both grow when something goes really badly as well as when something goes really well.

Let me be totally clear, the Goorooz are not grifters. They're not quacks. They're exploring this new media and new technology sincerely and trying to make a living out of helping others understand and get to grips with it. But sincerity doesn't mean effective.

On sharing my conclusions with Michelle and Yvonne after the Goorooz had guru'd their way to their next meeting, I underlined my commitment to social media. I underlined my commitment to our values. I underlined my intention to continue interweaving the undoubted potential social media represents into the very fabric of the business.

I've heard the opposite referred to as lipstick on a pig. Attenzi is no pig. It requires no such lipstick.

I could see Michelle wasn't happy. With me. After all, I guess I had just shot down her initiative to invite these guys in. She left the room quietly. Yvonne was more upbeat.

"I can see where you're coming from Eli. I'm reading a book at the moment that describes social media as bringing radical transparency on an organization."

"Radical transparency? That's quite a strong expression."

"Yes" she continued, "And there's more. If 'perception is reality' was the saying that characterized our approach to marketing and public relations before, we now have to consider that reality is perception."

"Goodness." My brain got knocked and I felt myself thinking hard. It must have been visible as Yvonne went with the silence.

I, like many others, had witnessed examples of citizens around the world using the social media and mobile phones to record and communicate the day-to-day realities they had to live with, until this had helped catalyze uprisings, which had in turn been documented post by post, tweet by tweet, photo by photo, video by video.

Authoritarian regimes could no longer project one image to the world, or maintain a façade to its people, while governing quite differently.

Hang on. What am I saying? This doesn't just apply to authoritarian regimes, this applies to all government. And all business. All organizations.

Information has been set free.

I concluded our conversation: "It's like a big oil gun has been taken to the machinery of the world, lubricating its workings. We're taking out the friction in the system that for so long frustrated the spread of information and knowledge."

22

BB (Sales) and I had attended a convention and we got caught at an airport for four hours. We'd had our heads down in email for an hour when I had an idea. "Can I see your phone?" I asked. BB handed it to me with a puzzled look. I took the battery out before BB knew what was going on, and handed back the dead carcass. I powered mine down.

We sat there looking at each other. BB didn't quite know what to say, and I didn't say anything either.

"Right then", is all that BB could muster to break the silence.

I explained myself. "All this digital stuff is wonderful, but not to the point where it gets in the way of eye-to-eye, sort of full gesture communication. Yes, 'full gesture'; reckon I'll trademark that. It's real communication, in reality not virtual reality, or augmented reality. It's Full Gesture Communication™ in Unaugmented Reality™. Two trademarks!"

I think BB thought I'd lost the plot.

"BB, you and I can explore stuff together over the next few months by batting ideas and questions and answers back and forth through the interwebby ether, key tap by laborious key tap, or we can actually have the discipline to make better and faster progress right now that fate has gifted this flight delay. So. What's bugging you?"

Three hours is such a short time. We covered so much stuff that I'd taken nearly twenty pages of notes by the time we shuffled on the plane. And the in-flight conversation was then primed to take off too.

One of the most interesting threads concluded with our agreeing BB should spend some similar 'quality time' with Marcus (COO) to understand the process as well as he understood the product. Our customers don't just buy a product; they buy a process, and more so given the increasing emphasis on life-long customer support. And we decided the production processes and post-sales processes are too interlinked to be considered as separately as they have been.

23

I posted my first personal notice to Attenzi's social network:

"Vincenzo's will have the new season's #asparagus in by the weekend. Any fellow asparagus fans fancy dinner there Saturday? Pleasure, not business."

Yet I had hesitated for at least two minutes before clicking 'post'. It felt right – we're all just people right? – and yet weird – who's going to want to be seen to hang out with the CEO voluntarily on a Saturday evening? Would they be seen by colleagues to be sucking up? What if they felt they had to? What if no-one responded?!

Temporary panic over, and the table for two became a table for four.

Tom (HR) loves his steamed, unadorned but for a drizzle of olive oil. Mary (Procurement) grows her own, although hers wouldn't be ready for another week and a half – and a week and a half later I found a lovely bundle of spears on my desk. And Gurdev (Quality Control) is a vegan foodie with an interest in the chemistry of cooking. (Apparently, boiling water pops cells on the surface of asparagus making perfectly cooked asparagus a brighter green. But over-boiling causes the cells to shrink and release an acid, making for a much less appetizing grey.) I got him and Vincenzo talking. Vincenzo took Gurdev into his kitchen between dinner and

dessert to explain an idea he had to make it easier to clean a cooker.

Despite being more social than professional, I learned a bit more about what Attenzi means to the people that make the company what it is.

I asked Gurdev how we deal with customer ideas. He didn't think we had a formal process.

24

Both BB (Sales) and Marcus (COO) remarked that they should have spent more time together before. They were both surprised to find they both harbored similar concerns about the design for the new dishwasher spray arm for no other reason than something didn't feel quite right. They had collared Georgio (Design) straight after.

But the real eye-opener for everyone emerged when Marcus walked BB through testing. In fact, it was Gurdev who then demonstrated how we test mixers by attaching sensors, whacking the machines up to full speed for a time and looking for vibrations that might betray that not all is as it should be.

Now it's not that BB didn't sort of know that we test for such things, and it wasn't as if Marcus and Gurdev didn't know that our mixers go out into the big wide world, but that the question had quite simply never been asked. Gurdev asked it.

"Can we continue to measure such things post-sale? In the commercial kitchen? In the home kitchen too?"

Marcus said his mind oscillated between 'of course not' and 'of course' at least half a dozen times in the ensuing ten seconds. He post-rationalized the oscillations as his mind reconciling the latest developments, as he understood them, in sensor, embed-ded processor and wireless communication technologies, and their rapidly decreasing costs.

If we incorporate such tech into our products, connect them over the mobile network or have the customer add the products to their wifi network, then hey presto, Attenzi can monitor product performance in the field 24/7. To our benefit and the customer's.

Everyone's in product innovation.

25

"Ninety percent of what you're saying isn't coming out of your mouth – Hitch, 2005."

Saket, the BPM consultant with a love of movie quotes, was back on site. It was apparent that everyone considers him one of the Attenzi team, albeit one who isn't around all the time. He was meeting with Tom (HR) and Yvonne (PR) to discuss internal communications and performance.

Most people consider the role of measurement in the most straightforward terms, to tell us how well we're doing what we're doing. But this is just part of the equation according to Saket.

The quote from Hitch was Saket's way of highlighting that what you decide to measure and how you decide to measure it communicates your expectations. It ranks alongside other such non-verbal signals as attitude, behavior, presentation, process design, culture etc.

People perform as they are measured, so if you want them to perform individually and in groups in particular ways – and which organization doesn't – then define your measures diligently.

Measurement is important communication that guides performance that delivers strategy that pursues the vision.

Saket was keen to stress the importance of such multi-faceted communications, and wasn't particularly charitable to leaders who believe people always want to hear them spouting off as if that's the only and sufficient way to point the organization in the right direction and get it to move that way. "Some people without brains do an awful lot of talking – The Wizard of Oz, 1939."

26

I listened as Saket, Tom and Yvonne talked about how written and spoken communication has become increasingly complex. We have so many ways to communicate now that picking the medium and format can be half the battle.

Yvonne refers to it as a chocolate box paradox where the choice is somewhat bewildering – rather than just diving in for instant gratification, investing time over selection can enhance the results significantly. I want the delicious praline rather than the insipid crème. I want the optimum medium and format of communication to exert the influence I need, rather than the easiest or most convenient medium and format, which may result in poor communication and zero influence. Or worse.

I admit to resorting to email in the past when face-to-face communication would have been preferable. Was it for convenience or the avoidance of an awkward situation? The latter dressed up as the former I think. Email isn't the format for delicate, nuanced criticism, so little wonder then that the recipient thought me too blunt, blunting our relationship in consequence.

Yvonne says that effective written and spoken communication requires us to think about five dimensions:

The what? – the content; and not too little, or too much

The when? – timing can be (nearly) everything

The who? – precise selection of audience / recipients

The how? – choice of communications medium (eg, face-to-face, telephone, email, SMS, blog post)

And more how? – presentation style and structure.

Together we reeled off a dozen communications media in as many seconds. Consider these in combination with the other dimensions and you begin to understand why effective communication isn't easy.

"The more people that get this, the more effective our team can be," she concluded. Everyone's in communications, I thought to myself.

Effective? My mind went back to my conversation with John (IT) where we mooted that the effectiveness of translating data into information and information into knowledge might be gauged by whether anyone changes what they would have done otherwise.

The same can be said for person-to-person communications, but it seemed more obvious in this con-

text to also include the outcome where some one changes what they would have thought otherwise. Or is there just a time lag between thinking differently and consequently doing something differently?

And then of course some communication is initiated because the communicator wants to find out stuff in order to think or act differently than otherwise herself. A communicator seeks to influence and/or seeks to be influenced.

Sensitized to the science and art of communication, I decided to walk with Saket out to his car. And, I think, sensing this, Saket decided to be a bit mischievous. Pulling away with his window wound down, he shouted: "And remember, mathematics is the only universal language – Contact, 1997."

To this day I don't know if Saket was just jesting or knew this quote would land a punch. I remember revisiting more of my conversation with John as I walked back to my office and realizing it was a conversation not yet finished.

27

Yvonne had heard about the exchange between BB, Gurdev and Marcus. She flagged up a tweet her team had dealt with recently.

"Thought me and my #Attenzi mixer had a close re-lationship. Just broke down on me :-(#bereft".

28

I felt our thinking had changed quite a bit during my first four months in the job, and it was time to consolidate where we found ourselves and where we might go from here.

Attenzi's mission is clear, but the vision could be paraphrased as: "We want to be bigger tomorrow than we are today." Not exactly informative. Not exactly inspiring. Not exactly helpful.

Moreover, I still had the chairman's words ringing in my ears from our earliest conversation – his comment that nothing seemed to be wrong with Attenzi, but then what better time to fix it. I now knew what he meant. We can sense potential. We know it's there. But where is it buried and how can we dig it out?

I did the only thing I could think of. I scheduled a management away day.

29

I took a call from Rachel during the middle of a misty Tuesday morning. "Aren't you at school?"

"Sure, on break. Listen. We've won a meeting with the planning people at the town hall today at 5pm. We want 'pillars of the community' on our side to attend, and our group thinks you're one. Kinda funny, but guess you are."

"Planning people…?"

"Dad! Yes, North Street Skate Park, remember?"

"Ah yes. Well that sounds interesting, very well done Rachel, but it's a bit short notice and…"

Let's just say I never finished the sentence and I was at the town hall at 5pm. And I'm glad I was. I had never seen such a prepared, coordinated and articulate bunch of teenagers in my life, and by the look on the planners' faces I don't believe they had either.

The Defenders, as the group labeled itself, had been allotted 15 minutes to present its case. Rachel's role was to hold an iPad with a big countdown clock on it and make sure the group kept to time; no mean feat when the presentation included video evidence played out on the biggest of laptops (the room had no audio-visual facilities), various schematics printed on large sheets of paper, excerpts of com-

mentary left on the online petition and associated Facebook page, a roll call of 'pillars of the community' in support of the Defenders (my two seconds of fame), statistics describing the number of social media check-ins to the park during the past twelve months, and a topping and tailing of the representation by the elected leader, an overly tall seventeen year-old called Trent or Demon depending on who was addressing him.

A little guy darted around the room taking photos on his smartphone with immediate upload, and another sat typing furiously on a battered laptop, live blogging. I learned later that their request to video proceedings had been declined.

The finale entailed two kids walking up to the planners' table, buckets in hand, and literally pouring hundreds of photos of people enjoying themselves at the Skate Park onto the table. Trent: "Thanks to North Street Cameras for joining our campaign and for printing these photos free of charge. They're the best."

I was astonished. With the photos, they'd even recognized when to drop digital and get analogue for the less net-savvy on the committee. These guys are going to shake up the workforce in a few years.

Mr. McDonald, chair of the planners, stood up: "I commend the, er, Defenders for the effort put into

their representation today. Their passion is plain to see and it is definitely serious food for thought for the planning committee. We will take six weeks to consider this representation and others and publish our final decision at that time. Thank you."

I drove Rachel back to Myra's.

"Wow, great job. I'm proud of you!"

"Thanks."

"It must have taken some work and some rehearsal to get it that good!"

"Yes, I was still sorting out the timing with the team at ten last night."

"Where?!" I asked.

"At home."

"What! You had everyone round last night?"

"No Dad! Doh! Have you heard of the web?!"

Damn it. Just when I think I'm getting it.

30

A theme for the management away day was forming in my mind, yet I felt I needed to explore further first. Saket was out of the country, but he was good enough to find an hour in his schedule to join John (IT), Michelle (Marketing), Yvonne (PR) and me, via Skype.

I set the tenor of the call by explaining that I didn't have hard objectives but simply felt we needed to revisit some of the conversations in recent weeks and take them further. I apologized for the vagueness, but perhaps our guts could guide us as much as our minds on this call.

I referenced the conversation with John where we'd knocked the 'T' out of 'IT' and then substituted 'Influence' for 'Information' for the 'I'. If you're in IT, you're actually in the business of influence.

I defined influence. You have been influenced when you do something you wouldn't otherwise have done, or think something you wouldn't otherwise have thought.

"I don't remember us getting as far as describing IT like that Eli". John looked quizzical.

"Hmm. Perhaps you're right. I think I've digested it some more since", I replied.

I recalled the conversations about measurement. I told everyone how fascinating I'd found the discussion about communication. And recounted the thread with Yvonne about the radical transparency of the social Web. And that was my intro done.

Yvonne was first to jump in.

"I wear a public relations hat as you know, but what does that mean? PR has a PR problem. It seems there are two camps. The first interpretation, and perhaps oldest, is so-called 'spin' where I'm supposed to spin a line, persuade people however I can, adjust presentation of the facts to suit our needs." She put her hands in the air to do the double quotes sign as she said "adjust".

"Over the past decade or so this way of looking at it has appeared to both gain momentum in some areas of practice and become increasingly frowned upon at the same time."

Michelle interrupted. "What's this got to do with what Eli said?"

Unflustered, Yvonne replied, "I'm trusting my gut Michelle, and my mind come to that. Give me a minute to explain."

She continued.

"Public relations theory has moved on, particularly following what was known as the Excellence study twenty odd years ago. And the theory is translating into practice, at least where and when it's encouraged. In this instance we're not talking 'spin'. We're talking about…", she looked down at her laptop to read something verbatim, "the planned and sustained effort to influence opinion and behavior, and to be influenced similarly, in order to build mutual understanding and goodwill."

Yvonne looked around the room to make sure we got that. "So good public relations tries to get the organization to understand the people out there as much as we try to get them to understand us. It's open, transparent, honest."

Michelle had tapped something into her Macbook and now jumped in again. "Well that's marketing's job," she asserted. "If we're making academic references here," (ouch), "I have the definition for marketing: the process by which companies create value for customers and build strong customer relationships in order to capture value from customers in return.

"That's from 'Principles of Marketing'," she continued, "we can't create value without understanding customers, and a relationship can't be one-way. So that's why market research and PR come under this definition."

"PR is different from marketing."

"No it isn't."

"Oh yes, PR is quite separate."

"Of course it isn't. PR is a sub-discipline of marketing."

"Are you for real?! And besides customers are just one public…"

I blew my whistle, figuratively speaking: "Could we stop there please. My gut tells me this isn't a productive line of argument."

There was probably only four or five seconds of silence, but it felt a bit longer, and I was thankful when Saket piped up.

"If I may suggest a way in which all the topics you raised Eli are connected, and that encompasses definitions of marketing and PR come to that."

We were all ears.

"No organization is an island. Rather, it must interact with all those parties around it in order to pursue and achieve its objectives. There is interaction. Movement. Flow. But flows of what?"

The question appeared rhetorical, but at the same time we wanted to answer it.

"Product", said John.

"And services", said Michelle.

"And materials to build the products", John added.

"And flows of money, when we buy materials, and sell products", I said. "And when we buy services, including employing people, and when we sell services."

"And reputation? No. Reputation doesn't flow, does it? Well not all which ways." Yvonne was challenging her own contribution.

Saket responded but had moved too far from his mic. I asked him to repeat what he was saying.

"There are flows of resources – which I generally think of as time, money and materials. That definition of marketing you referenced Michelle means that we work out what the market wants or might want, and what we can deliver, and then plan to exchange products and services for money. Reciprocal flows. For example, the product flows out and the money flows in. And we hope to keep that up.

"And that's where another kind of flow comes in, to do with reputation Yvonne. After all, without a decent reputation we can't hope to keep those sales up. I'm talking about influence flows. Influence goes around comes around."

"Yes!" John got our attention. "Of course, data, information and knowledge flow. I meant to say that. And when they do so usefully, which we now think of as when someone changes what they'd have thought or done otherwise, that's influence."

"That's really interesting," said Michelle. "So some influence flows through my department, some through the *separate* discipline of public relations," (I couldn't work out whether the emphasis was sarcastic or respectful towards Yvonne but I had my suspicion) "and some through IT."

"And…?" challenged Saket. Given the silence, he continued. "And there's influence flowing in the actions of customer service, procurement, logistics, HR, sales. In fact, in everything. There's influence in everything an organization does, and sometimes in what it does not do. Let me read you something."

It was Saket's turn to find something on his computer.

"Reputation management does not actually mean managing reputation, and brand management does not actually mean managing a brand. They mean actively attending to the business of influencing and

being influenced such that the resultant beliefs or opinions held about us and our products are conducive to our achieving organizational objectives."

"When you say it like that," said Michelle, "it really puts the customer on a pedestal for sure."

"There's no such thing as 'for sure'. That's the only sure thing I do know. A Beautiful Mind, 2001."

After a few seconds of adjusting to Saket's movie speak, Michelle asked him to explain.

"Well, maybe this whole so-called 'customer-centric' way of thinking is an over simplification. The quote I just read out didn't reference the customer. It didn't put the customer ahead of employees past, present and future, or suppliers or partners or shareholders, past, present and future. Or the general public interest. Or the planet. All stakeholders matter, and to put one consistently ahead of all the others sounds increasingly stupid to me. It doesn't appear to recognize the complexities of the world we live in."

My conversation with Dom about complexity crashed back into my mind, and I had a feeling of clarity, even if I couldn't actually articulate it. One thing I did know is that I'd had about as much mental stimulation as I could cope with on one call, and I directed the remainder of the call to planning the away day.

31

"And so that's where we got to."

It was Friday evening, Dom was over, and I'd invested in a nice bottle of Gavi di Gavi to have with cod, new potatoes and peas.

"And you want to do what to the business?" he asked.

"Yeah, good point. Haven't yet worked out what to do on the back of these insights, but it feels like we'll be able to synthesize that at the away day. It feels like it's the kind of thing that could help us transform a decent company into a great one."

"Run that link between 'Information' and 'Influence' by me again."

"Well, we define useful information as information we actually use. i.e. we do something differently than otherwise. If information doesn't do this, then it isn't useful. So I guess therefore it's useless. In fact, it's just getting in the way of us seeing and acting on the good stuff."

Dom swished the wine around his glass and watched it settle. He did so again as I forked the fish to see how it was doing.

"Sorry I was late again by the way. Sheer traffic. Wonder which car started it."

I checked the saucepan of potatoes as Dom said this, but I could feel it tease me. He was poking me about complexity. I let it simmer; the thought that is, the potatoes were done.

"Tell me," Dom said, "did you and your IT chap reach the same conclusion?"

"Funny you should ask that. Not quite. When I recalled our conversation this week I'd added some more interpretation without realizing that John and I hadn't actually spoken about it. And of course, John started the thread in the first place. So I guess we sort of bounced off each other."

"So you were both party to the same conversation discussing the same concepts yet you did different things with the content of that conversation at different times?"

"Well, it's just I took it a bit further, and maybe John was too busy, or took it elsewhere and hasn't yet shared that with me."

"So. You and John both debated the same ideas, the same information. Yet, in structuring and organizing this information to form a framework for the incorporation of further information, in helping you in your evaluation of the world – the result of which we generally refer to as knowledge – you got to different places for whatever reasons?"

"Yes. I guess. Until we caught up again."

"So information by itself, in isolation, cannot be adjudged useful or useless. Such potential must depend, at least in part, on the availability of other data, of other information, on existing knowledge, on the resources available to process the information."

I recall holding my breath momentarily before sighing audibly.

I'm a History graduate for goodness sake, and I should have recognized what Dom was saying before he had to say it. While my college days seem like a lifetime ago, the process of historical discovery, organization and interpretation is as relevant to present circumstances as past, including the foibles of those processes. For example, reconciling attitudes, societal norms and behaviors in Victorian London demands putting oneself in the shoes of a Victorian Londoner; after all, they didn't view their lives through the lens of an early 21st Century historian, or make decisions or conduct themselves on that basis.

And yet of course each historian studying that time and place will have constructed slightly different frameworks of varying accuracy and subjectivity as proxy for them not actually being there. In short, historians will disagree, or must work hard to align frameworks, to align knowledge, in order to understand and debate different historical points of view.

Turns out my History degree could be rather useful in this age of computing and big data.

32

Dom loves tart tatin, but I hadn't had time to make one this time. I excused myself upon reaching for the box from the local bakery. Ever plain speaking, Dom said he thought they made a better tart tatin than me anyway.

There was a time I would have decided not to make another one again, but now I just had an urge to work in the bakery for a day.

Our conversation had wended from my reminiscing about my History degree, to university life and back to knowledge in general, and I recall Dom and I both picking up on one tangent and saying at the same time: "We learn from history that we do not learn from history."

It's probably the most famous quotation by Georg Hegel, a German thinker and philosopher at his most productive during the early part of the 19th Century. I'm a bit of a fan, and we chewed the cud about what he'd make of the social web.

Hegel didn't rate public opinion. He didn't think it could appreciate the shades of grey in serious matters, but has a tendency instead to polarize argument – perhaps in order to tug harder on those of opposing opinion, and then indeed to resist such tugs from the other side robustly.

And perhaps his conclusion holds fast today. Things seem to be binary. Witness the facilities throughout social media to 'like' or not, to +1 or not, to thumbs up or not, to bookmark or not. When we're asked to rate something out of five, we're tempted to go for one or five. Even the automated services out there that attempt to analyze the sentiment of social media contributions only hope to categorize them as positive or negative else leave it as neutral.

Hegel didn't think public opinion could morph its considerable energy and combine its varied perspectives and experiences into a body of knowledge. In fact he believed that great things actually come from ignoring public opinion, from rising above it – and that the test of greatness is then partly determined by the public coming around to it and embracing it as its own.

But obviously Hegel could not foresee the advent of social media and related technologies. While social media does have binary manifestations, there are more and more examples of such technologies assisting groups of people in coming together to do really useful stuff.

What do you think of Wikipedia? It's become the sixth most popular website in the world at the time of writing, so it must be seen by many to be pretty useful. And Dom is a regular Wikipedia editor as you know.

Of course, any corpus compiled by many thousands of volunteer authors, mostly unknown to each other, is going to be flawed. But perhaps the most surprising thing isn't the number of holes you might want to pick in it, but the fact that it exists at all and serves as one of the most useful resources to begin one's research into an incredibly diverse range of topics. One of the most interesting descriptions of Wikipedia I've heard invoked on several occasions is this – it isn't perfect but it is totally awesome.

So how did Wikipedia resist the polarization that ravages many a chat room and public forum rendering them of no value to anyone but the so-called 'trolls' who appear to relish the downward spiral?

Dom and I reckon it's a combination of a number of qualities of the Wikipedian community and a set of founding principles they collectively hold dear.

Even I've edited a few entries on Wikipedia if only because I was intrigued by the fact that I could. For example, I found myself stumbling over some grammar and a typo on the entry for asparagus (yes, I went there to read more about what Gurdev had been saying at Vincenzo's), and one minute later I'd corrected the typo and improved readability. Strangely satisfying.

It helps of course that the Wikipedians exercise that apparent human need to be critical of others, but do so constructively by weeding out bias and conflicts of interest and weak copy in their pursuit of a common purpose – namely, the creation, development and maintenance of the world's best encyclopedia.

So Dom and I ended up concluding that the potential for the successful, the useful and valuable application of social media and related technologies is considerably enhanced when the associated com-

munity shares common purpose and values. We didn't have any evidence, just our ad hoc observations of the world.

33

The following morning, Saturday, Myra dropped Rachel off at 8 o'clock for the weekend. We went straight out for breakfast, which nearly always means salmon and scrambled eggs on granary toast for me, and granola and yoghurt for Rachel.

Rachel showed me her new watch. She'd been looking for one for a few weeks; even though I was convinced kids weren't into watches any more on the basis they all have phones.

"I've been waiting for it to come down a bit in price," she explained. "And there it was on Monday with twenty percent off and next day delivery."

It wasn't quite my style, but then that was hardly a shock.

"They track everything you do you know," she said.

"Er, what? The watch?" I replied.

"No, the websites. You see one day I'm searching for it, and the next day I see it advertised in a few different places."

"Oh, right. Yes, I've read about some of these techniques. Does that bother you?"

"No. Well. Not really." She adjusted the watchstrap. "Well it bothers me that they don't come clean that

that's what they're doing. And you don't really know how much they're spying on you, how much they know about you, because I don't know who or how you'd ask."

"So you reckon they know more about you than me or Mom?"

I gave Rachel a wink.

"Probably. Guess. Well you knew I was looking for a watch right?"

"Yes."

"So did they. But they also knew which one. And who I've chatted with about it. And where I was at the time."

We both adopted facial expressions conveying dissatisfaction with the situation.

"So, do you think they were waiting for you to bite at the full price, and because you didn't they ponied up a discount?"

"Oh, I never thought about that. Can they do that?"

"I think they can."

"Reckon I'll take my time every time then!"

"And use a PC rather than a Mac."

Rachel frowned.

"Because Mac owners are perceived to be wealthier than PC owners, so supposedly less price sensitive."

"No way!"

I'd got that factoid from The Economist.

As I got a coffee refill my mind turned to the marketers' algorithms and performance metrics. There was no doubt that someone running this particular ad campaign and subsequent (selective?) promotion was running the numbers through some kind of real-time ROI analysis, and the conversation with Dom about SiQi TVs popped back into my mind.

"Were you intent on this particular brand?" I asked, tapping the watch in question. For the life of me I'd never heard of it.

"Oh yes. Sarah and Joanne have one already. They're so cool. And they do great colors. And they buy musical instruments for schools. Sarah's cousin gets to play drums during her lunch break."

I wondered if the analysis in question took any of that in to account. If the metrics don't, and if people perform as they are measured, the brand owners risk doing more of what they can measure and less of what they can't or don't measure, which might well lead to less effective investment of the budgets available; a symptom of ignoring complexity. Sarah calls it corrupt ROI – corrupt because it is simply erroneous, and corrupt because sometimes it's a dishonest representation. For the moment, I just had this picture of a 'digital type' claiming the ROI entirely as his own.

34

I thought I'd be first to arrive. It was 8am and we weren't due to kick off until nine, but Tom (HR) had already settled in, as much as you can settle in to these uniform hotel meeting facilities replete with art no-one would actually buy for themselves. And cheap hotel branded pens that you've broken by lunch. And large flasks labeled "coffee" that dispense hot brown liquid only vaguely reminiscent of the good stuff.

"Morning. You're early!"

"So are you," Tom replied. "I just woke early and thought I'd head over before the traffic got heavier."

"Yeah you say that. What you really mean is you love an away day. Go on, admit it!"

"Well I do love the opportunity to think beyond the day-to-day, learn what's on everyone's mind, and see how we can make a difference to the business. And of course this is the first with you at the helm."

"Do we always have them here?"

"Yes", Tom replied with visibly less enthusiasm.

Everyone was on time. Tom and I were soon joined by Marcus (COO), Sarah (CFO), John (IT), Michelle (Marketing), Yvonne (PR), Georgio (Product Dev), Bob (Sales). Unusually, our Chairman had asked if he might join us too "to get a feel for things". And Saket, our external team member – the first time an outside party had joined an away day, or so William informed me.

We'd agreed a question to set the theme of the day and I scrawled it in big capitals on a flipchart to get things started:

WHAT WILL IT MEAN TO BE IN BUSINESS IN FIVE YEARS TIME?

You'll recall the feeling about Attenzi when I joined was simply that it was doing OK. It worked, even if it didn't seem to be firing consistently on all cylinders. I had subsequently referred to it as Attenzi not sitting squarely in the world. To be honest, I wasn't sure quite what that meant, but it felt the right way to say it. So this question was designed to encourage some fresh long-term vision, to excite everyone for the journey and to inform the path we needed to plot to take us from here to there.

Perhaps Lorenz Capital's understandable emphasis on the quarterly numbers had infected the culture more than was perhaps healthy. Not having been around in preceding years, it was probably impossible for me to figure out how the culture became the culture, and I wasn't convinced it was cultural.

We wanted to paint the possibilities five years into the future to provide a more stimulating object for contrast and analysis than our current numbers and current competition.

To be clear, I don't think there was any genius in the question – as I'm sure you'll agree – but the way the team came together that day to piece together the threads of the preceding months was simply fantastic. It was one of those days when everyone was on fire.

To avoid running deep at the expense of wide, we identified up front the full gamut of things we felt we needed to discuss at some point. This turned out to be an effective discipline, particularly because everything seemed to be connected in the end, although that was still far from apparent at 9am.

You'll know how days like these go, so I won't try and pretend the following summary reflects the actual sequence of discussion – that jumped around quite a bit. I've actually cheated by cutting and pasting from a post-event internal report that attempted to construe a more logical structure from the copious flip chart scrawling, the Post-It™ notes, and Sarah's comprehensive notes.

Obviously, whenever the memo dwells on topics I've covered in the narrative to this point, I'll point that out rather than have you read it again. I'm nice like that.

Notes from the away day

The theme of the day was set by one simple question: What will it mean to be in business in five years time?

The notes are grouped around the following keywords: brand, transparency, authenticity, service, complexity, big data, measurement, influence, and social business. While actions have owners assigned, given that everything is inter-connected, you should consider your work iterative subject to its fit into the bigger picture.

35

Brand

Branding has come a long way since it originally meant burning one's mark onto livestock to assert ownership. Today, the layman often uses the word to mean a company or product logo, but many recognize it to be so much more than that.

The brand encompasses what it means to interact with a company, to buy their product. The brand helps describe how a company does what it does. It sets expectations for quality and experience, and the company has incentive to live up to its "brand promise" because its name is stamped on it, and therefore any over- or under-achievement will be attributed to the "brand equity", impacting customer loyalty and future success accordingly.

Michelle introduced us to the concept of a brand as a "nexus of values", where nexus means a connection or series of connections linking two or more things, values in this instance. What does this mean?

Well, rather than just becoming a loyal customer based on Attenzi's consistent design and manufacture of great kitchen equipment, or satisfaction with our post-sales service, it means the customer understands and has affinity towards the values driving Attenzi's business, informing how it undertakes its business.

Attenzi doesn't make cars or run schools, but if the nexus of values is crystal clear to us and to the customer, we should all have a clear and common appreciation of what an Attenzi car or school would be like.

Michelle finished by explaining why this latest evolution in the meaning of brand is important. In short, while 'poor' products still exist in some markets, we live in an age where product quality (ie, fitness for purpose, living up to the expectations set) is increasingly simply presumed – witness our disgust when the odd exception disrupts this happy situation. Whereas during the best part of the 20th Century quality was a differentiator, it is now a qualifier. Failure in this regard quickly leads to reputation damage, to business damage.

The discerning customer can now look beyond the immediacy of the product or service they're consuming. They can and do ask: "Do I like this company's attitude towards the environment / sourcing / equal opportunities / etc.?" And: "What's their wider contribution to society?"

In other words: "Do I like their values?" and "Do they share my values?"

ACTION: Review current statement of values and how well it's understood by employees and conveyed to others through our actions. Michelle + Tom.

36

Transparency

Yvonne led a discussion about radical transparency.

You'll recall this thread from my discussion with Yvonne after 'the Gorooz' had left the premises.

Yvonne described radical corporate transparency as removing all barriers to the free and easy public access to corporate information, and the development of policies and processes to facilitate and protect such access.

William provided a caveat – where it is legal to do so. For example, it would be illegal to make employee records public.

There appears to be a number of drivers towards radical corporate transparency. First up the question, what have you got to hide? The answer usually conjures up the idea of competitors sneaking a peak at your new product pipeline. But if you accept that no organization can function alone in the 21st Century (see later), you have to open up in order to bring great products to market. There are already examples of so-called co-opetition where competitors cooperate, subject to avoiding activities that might constitute a cartel of course. Sec-

ondly, now that social media and related technologies allow the 'real story' to emerge sooner or later, why obfuscate or attempt to 'spin' it in the short-term? This can only damage reputation further. Sunlight is the best disinfectant.

On this point, Saket reminded us of a question he'd posed a few months back: If the company is a function of the sum of its people over time, how well do they know each other? What do they know? What don't they know?

He mooted that traditional approaches to making sure data and information were not seen by the 'wrong eyes' actually kept data and information away from many of the 'right eyes' too. The new challenge was to make the right information available to the right people at the right time in the right format, or better still, equip them with the autonomy to surface what they need when they need it.

ACTION: Yvonne to champion the transparency corner, whatever that might mean.

37

Authenticity

Everyone kick started this thread because everyone seemed to be using the word authentic. But then Georgio asked everyone what it actually means, and when no one could quite explain Sarah looked it up in the dictionary. In this context:

Authenticity, noun: having the quality of an emotionally appropriate, significant, purposive, and responsible mode of human life.

When Bob asked if authenticity was a quality that set Attenzi apart from its competition, Georgio responded by asking who on Earth would want to be inauthentic?

We agreed that authenticity was something that demanded continuous effort rather than something that could be expected to just happen. And Yvonne noted that we're in an age where "reality is perception", so if we want to be perceived as authentic we have to make sure we really are authentic.

You'll recall this came from the same conversation with Yvonne about transparency. I knew it was important to Yvonne and me, and without peer pressure / groupthink / corporate mentality to the contrary, it appears everyone understands this innately.

If only organizational behavior and culture came as easily.

Marcus asked for examples of inauthentic activity. Michelle jumped onto our website and pointed out where the Model 9S is described as "our most popular cooktop". Marcus replied that we still sell more of the Model 8S, a fact Michelle confirmed she knew. So Michelle's point is that it's inauthentic to claim something a fact when it isn't simply on the basis that we'd like it to be.

BB asked if this example wasn't insignificant. Perhaps it was just an inaccuracy. Eli replied that a lie is a lie, and perhaps authenticity was about doing lots and lots of small stuff right. [Note. The lie was fixed within the hour.]

ACTION: Tom to embed this essence upon revisiting the brand (above), values and company handbook. In fact, we all need to lead this. We're all responsible.

38

Service

Marcus brought our attention to service. Of course, post-sales service falls in Marcus' domain and we've recognized for several years that the customers' post-sales experience has to be as consistently good as the pre-sales process, else we endanger life-long customer loyalty. But this isn't exactly where he led the conversation.

Rather, Marcus took us through his thinking following a recent conversation with BB in our testing facility: Does Attenzi sell dishwashers or a dishwashing service?

I have to admit that I thought Marcus had a screw loose here for a few seconds.

Basically, if we're connected to our (future) dishwashers, or any product, in the field 24/7, over Wi-Fi or cellular network, then we know how the equipment is used and when its performance is falling short of perfect. Then, rather than having the customer experience an inconvenient breakdown, we can run preventative maintenance just like we do with production machinery in the factory. Imagine scheduling a repair with the customer before they even knew something was wrong. Imagine what we might learn from collecting and analyzing all this data from our own products.

Marcus had researched this field and found for example that similar sensors operate today in supermarket freezers. These call for maintenance before the fault causes the temperature to increase to the point where the contents of the freezer have to be scrapped, expensively.

Such possibilities have been described as product-as-a-service, and product-service system.

I can see this emerging for complex and expensive products first off. Cars for instance. That's already taking place with these hire-by-the-hour city car schemes. And some car insurance products rely on having a GPS sensor reporting your use of the car to the insurer.

39

Complexity

Eli took us through the meaning of complexity.

I know you don't need me to revisit the general aspects of complexity. I will however leave in the bit where I quoted Dom just to double underline how important I think this is.

Eli pointed out that most things mankind is interested in are complex – in other words they exhibit the characteristics of complexity – and yet time and time again people don't understand that. Instead, they develop superstitions or myths or 'rules' or stories to help come to terms with the phenomena they witness, indeed anything it seems but address complexity for what it is.

Saket reminded us of a question he'd posed a while ago now. The 'market' is the name we give to individual human agents in the aggregate, so what do we want each of those humans to do exactly? And how might these actions combine in the aggregate? It's this aggregation that's critical to the question of complexity.

Michelle reminded us of another of Saket's previous questions, paraphrasing and putting it into the context here. Why are the frequency and duration of our plans linked to the time it takes our planet to complete a particular cycle around the Sun? What's 365 days got to do with our business exactly?

If complexity implies we should expect the unexpected, and if uncertainty increases the further ahead we look, what makes us think planning in December for the following October is a good idea? John concurred and pointed out that IT had moved to a faster cycle some years back, typically an eight or twelve week drumbeat, in an approach that's become known as "agile". Why then can't we have "agile marketing" for example?

William asked if Saket was advocating short-termism, to which Saket replied that it wasn't a case of preferring short- or long-termism, but the facility to take complexity into account. A long-term vision remains as critical to business success as ever, but flexibility (finding a new course to execute the strategy; operational) and agility (recognizing when the strategy needs adaption; strategic) are business critical too.

The group appeared to be split roughly in half, with those who said they now understand complexity and those who said they could do with some more information. In particular, not everyone yet appreciated the difference between "complexity" and "com-

plicated", especially as they're often used synonymously in everyday language.

ACTION: Eli to arrange a complexity training session.

This training aside, the consensus is that navigating complexity – in the age of big data (see below) – represents a source of considerable competitive advantage.

With the exception of news of Georgio's home remodeling, the conversation over lunch was dominated by the morning's work. More specifically, it was dominated by everyone retelling in their own words what they'd heard and learned, a good sign that we were truly knowledge building.

40

Big data

John said "big data" is the phrase describing today's facility to harvest, store and analyze large quantities of data. In fact, he went so far as to say that the phrase implies such facility wasn't widely available during the first decade of the century; it demands a whole new set of tech.

He described another way in which "big data" may be considered to be different to "the normal sized stuff" – data helps us answer questions; big data also helps us conceive new questions.

Calling big data "big" is sort of underplaying it. It's really really REALLY big! It's often measured in terms of petabytes, where a petabyte is a thousand terabytes, or a billion megabytes. John put that into perspective: a 1-petabyte mp3 music track (128kbps) would play for 1,980 years.

I asked John to repeat the statement he'd confronted me with a few weeks earlier. He did. "Data paucity was the problem of the 20th Century. Having too much of the stuff is rapidly becoming the challenge and the opportunity of the 21st."

I'd begun to think about the skills aspects of this. We weren't overflowing with people competent in statistics or research methodologies, let alone people who understood the vagaries of big data collection, storage and analysis. Perhaps the heavy tech can be outsourced – per my conversation with John about the 'T' in IT – but we still need to understand the analytical insight it gives us. And as John says, perhaps the challenge isn't so much understanding the answers as knowing what to ask.

I didn't raise this concern because it seemed more to do with the 'how' when we were still focusing on the 'what'.

Future sources feeding our big data include the social web, test data, and performance data kicked off by our products in the field.

John said if every one of our commercial products fed back a couple of kilobytes of data an hour, this could add up to more than 300 gigabytes a day, a tenth of a petabyte a year. He was at pains to point out that this was an estimate because right now we don't even have the data to tell us how many of our products are in use, and this simple observation alone underlined the stark contrast of the transition we're confronting.

41

Measurement

People perform as they are measured. Measurement is as much a management and communication approach as it is a yardstick. Measurement should be part and parcel of designing a strategy and preparing the business to execute it, rather than something that's slapped on a few months down the line.

Poor measurement leads to poorer decision making which leads to poorer performance. Sometimes it's not obvious. For example, on the face of it, when the trail of clicks links an online promotion to an uptick in sales, whether directly or so-called "assisted", it's tempting to assume straightforward cause and effect. But whereas simplistic measurement would attribute the revenue to the cost of the promotion, effective balanced measurement also recognizes the contribution made by the years of activity contributing to reputation / brand building and everything else of value that precedes and supports sales.

This last bit was my two penn'orth following my chat with Rachel about her new watch. The conversation then addressed a fairly new perspective as far as we were concerned.

Despite all the innovations in information and communications technology in recent decades, the modern organization almost serves to isolate the individual from aspects of organizational life beyond their immediate domain. Regular, good old-fashioned eye-to-eye interaction and feedback is restricted to those sitting at nearby desks who, as we've grouped people together by function, are typically doing much the same job while being exposed to much the same environment and people.

Distilling a well-rounded picture of things from an email inbox is near impossible. Perhaps surprisingly, beyond the efforts of the internal comms team, it's quite possible that people in large organizations are numbed to what's happening, to what's changing, to what's working and what isn't.

Modern measurement and analytics serves effectively as a form of real-time sensory feedback, digitally reconnecting the individual to the day-to-day realities.

I've talked about measurement enough already, so let's get to influence…

42

Influence

You have been influenced when you think something you wouldn't otherwise have thought or do something you wouldn't otherwise have done.

The report then documents the idea I'd put forward in the planning meeting – about the 'i' of IT really being the 'i' of influence. So we'll skip down to Saket's first major contribution of the day.

Organizations have invested in ERP systems since they emerged in the early-90s, and their preceding technologies before that. Enterprise Resource Planning is all about using IT to track the flows of time, money and materials. However, with the advent of social media and related technologies, and with the extension of today's social monitoring and analytics services, we increasingly have the nascent facility to track the flow of influence.

Saket described six influence flows:

1. Our organization's influence with stakeholders

2. Our stakeholders' influence with each other with respect to us

3. Our stakeholders' influence with our organization

4. Our competitors' influence with stakeholders

5. Stakeholders' influence with each other with respect to our competitors

6. Stakeholders' influence with our competitors.

I remember BB asking for an explanation of "stakeholder", although that didn't make the final report. Perhaps it should have. A stakeholder is anyone with an interest in an organization or something the organization is involved in – a customer, shareholder, employee, local resident, etc.

Saket summed up the value of tracking the flow of influence: "The ease and effectiveness with which we can manage and learn from influence flows is integral to the process by which customers, citizens and all stakeholders interact with organizations to broker mutually valuable, beneficial relationships."

In plainer English, it's central to doing business; always has been, always will be, except now we can be better at it, more scientific, more joined up, more disciplined.

43

Saket made some comments about organizations becoming increasingly biomorphic; i.e. resembling living organisms. These contributions didn't make the final report because the comments were fleeting and came just as everyone was becoming more interested in the afternoon break, but I thought you'd like them. They've definitely fuelled the dinner conversation between Dom and me.

One biomorphic metaphor treats everyone as if they were a synapse in the brain. Important messages are passed across the synapse and less important ones don't make it. The same goes for sharing information around the organization. Whereas traditional business relies on some bureaucracy to determine what constitutes organizational knowledge, this function is delegated to the individual who now determines whether something is worth sharing / passing on or not, explicitly or tacitly.

Apparently, this has serious ramifications for the organization's hierarchy in so much as there won't be one. Or more precisely, the organization will have the right structure at the right time; today's will suit today's environment, tomorrow's will suit tomorrow's.

Attenzi isn't ready for this.

I think Saket sensed as much and suggested it was indeed time for coffee. And no one argued. But

John, Yvonne, Saket and I continued the thread during the break.

"Saket, that last bit was a bit out there!" John said.

"'Out there' as in down the road, or 'out there' as in way off the money?" Saket asked with characteristic precision.

"Well, I mean, compared to our understanding today of our use of our information network."

"Yes, that's a good point," Saket replied. "So when we map the information network we find it is, inevitably, far from what anyone might ever describe as perfect – information is in the wrong place and wrong format at the wrong time – and we're left short of knowing exactly what to do about it. 'Let's communicate more!' we all shout, as if this old truism is somehow going to solve the problem without further cutting into the time we're actually supposed to be doing stuff."

We nodded in agreement.

"Would anyone like more meetings? More email?"

We shook our heads in agreement.

"Didn't think so! Instead, we need to add layers of understanding to the information network and ulti-

mately the influence flow through the analysis of relationships, behaviors and knowledge.

"In mapping the continually changing relationships in an organization – and I don't define the organization as stopping at the payroll – we can distil a picture of the real organization. I guess you could call it the unofficial or real org chart if doing so didn't still conjure up outmoded ideas of hierarchy and bureaucracy.

"In mapping the continually changing behaviors – proclivities, both analogue and digital – we improve our understanding of how information and knowledge jumps the organization's synaptic gaps.

"In mapping knowledge formation – we learn what aids and what hinders the organization's facility to understand, predict and respond to its environment. This is of course the hardest task of all when you consider that organizations rarely if ever know what they know let alone really understand how such knowledge crystallizes in the first place."

"Glad I asked," John said.

Yvonne tried to clarify what Saket was saying, "So, people talk about social networks as enabling easy sharing – I think the expression is 'frictionless sharing'. Is that what you're saying will happen inside organizations too? You know, like many companies, we're still effectively experimenting with a so-called enterprise social network."

"An excellent question Yvonne, and I think we'll discuss this further in the last part of the day in terms of social business. Friction is an important parameter of any system. What do I mean by that? Well, imagine Eli feels no friction sharing everything with you. Everything he does, everywhere he goes, everyone he meets is streamed – perhaps dumped is a better word – onto your desktop. Nice eh? Not

really. The friction, the resistance or burden in the process has just moved from Eli to you. Why would you want all this clutter and what are you going to do with it?"

Saket paused for thought momentarily; adopting a look I've associated with him searching for a way to hit the idea home.

"You need tools to surface the right information at the right time in the right format from Eli's stream, and John's stream, and BB's stream, but we also need synaptic gaps so that some stuff doesn't jump the gap and make it into the stream in the first place. It helps if Eli, John and BB are a bit self-selecting in what makes it into their stream. They have to be curators of their own stream up to a point. Let's look at in terms of personal reputation."

Saket had made a connection with Yvonne by picking the right words, framing it in a way he knew would get her brain fired up, and have her carry the idea into Attenzi.

"Everyday, in the non-digital world, we make thousands of little decisions about what to share with others based on our quantifying how relevant we think they'd find it. It's so natural that we hardly notice we're doing it. If we go to them with stuff that doesn't make the grade, they're increasingly reluctant to entertain us in future and our reputation is effectively eroded. I believe that process has to live on in the digital world."

I was stupid enough to show my agreement.

"Love it Saket."

"Ah, but do you?" he replied.

Damn it, I thought, I've missed something.

"Have you heard of the Quantified Self?" he asked us all. Nope.

"It's about using technology to record data about your personal life in terms of inputs such as what you eat and drink, states such as mood or heart rate, and mental and physical performance. Only by recording the data can we spot correlations that might prove useful if they turn out to be cause and effect. Only by sharing personal data sets with others can we attempt to find wider patterns."

"Ah yes," said Yvonne, "one of my friends wears a wristband that records stuff and uploads it to her phone I believe."

"So that might tell her how well she's sleeping for example, and she can ascertain what factors in the way she lives affect her quality of sleep," Saket replied. "Then, if she's having trouble sleeping, instead of masking the problem with sleeping pills, she can adjust the way she lives to sleep better naturally."

"And you're saying you can treat an organization just the same?" I asked.

"Yes. This takes us back to big data and your conversations with John and your friend Dom. Only by gathering as much data together as possible can we spot, or rather have software spot patterns we wouldn't otherwise know about."

"So is this contradicting the idea of organizational synapses?" I asked.

"It's not yet entirely clear to me, but I think there are ways in which they complement rather than contradict."

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We got back down to it for the last part of the day.

Social business

Several of us have heard two related phrases bandied around at conferences – 'social business' and 'socialize the enterprise' – and it had come up in conversation during the break. How does this idea relate to the discussions so far? And what does it mean exactly?

We agreed it means so much more than establishing the organization's presence on the big social networks, maintaining a blog or two and procuring an enterprise social network, but it seemed there was no real definition. So we constructed one based on all the discussion so far.

Social business is about adapting the way in which an organization delivers its mission and pursues its vision by designing the organization around influence flows, connecting:

- its people, partners, customers and other stakeholders;

- data, information and knowledge in and all around it;

more openly, productively and profitably with the application of social web, big data and related information technologies.

We tried to shorten the definition but felt our efforts then lacked the full impact.

We are keen to convey that social business doesn't just mean using social media. Rather, social media are just the eggs in the social business cake!

Yvonne, Georgio and I all went to make much the same observation at the same time…

On considering whose responsibility this is, it appears not to fall into the domain of a particular organization function or department. Nor does it appear irrelevant to any function or department, quite the opposite. William suggested that this wasn't a surprise as the flows of time, money and materials have influenced today's business structure, but not the systematic understanding of the flow of influence.

Everyone's in the business of influence – influencing and being influenced in order to play their role valuably.

How might we go about socializing the enterprise?

We need to improve our understanding of influence flows first off, and our facility to think and behave in these terms universally (as opposed to just in marketing and PR). And develop our assets accordingly.

Sarah commented that the Balanced Scorecard approach considers how best to develop three types of assets in improving an organization's capabilities to execute the strategy. They are human capital, information capital and organization capital. The first needs no explanation. The second refers to IT capabilities, and the third to the leadership, culture, teamwork and alignment of the organization and activities to the strategy.

So, it seems logical that we might consider the process of becoming a social business in terms of developing the human, information and organization capital appropriately.

We thought about 'influence flows' as a strategy that we can run through the normal strategy maps and Balanced Scorecard process. But then we noted that the flows of time, money and materials weren't strategies, so why would influence flows constitute a strategy per se. Rather, strategy is defined as identifying those processes that the organization decides it should do better than the competition in order to secure it the advantage it desires in the marketplace.

In short, focusing on influence flows isn't a strategy, determining which influence mechanisms and processes to improve is.

I was excited about where this was going but time was flowing by. So, with an hour of the day remaining, I asked who'd like to go out to dinner that eve-

ning, if they didn't have prior commitments of course, to seize the momentum. Everyone was up for it and I made a reservation at Vincenzo's. But we weren't done at the hotel just yet.

Saket introduced everyone to the Influence Scorecard approach, which, like the Balanced Scorecard, is a management approach rather than a yardstick per se.

The Influence Scorecard can be considered as a subset or augmentation of the Balanced Scorecard containing all the influence-related objectives and metrics extracted from their functional silos.

Once a company's influence strategy is defined and influence objectives articulated – by each of the six influence flows and by stakeholder – influence flows can be drawn explicitly in the enterprise strategy map.

Sarah asked if the Balanced Scorecard was a prerequisite of the Influence Scorecard. Saket replied that any organization that hadn't yet implemented well defined and disciplined business performance management wasn't yet in the best position to socialize the enterprise effectively. And transitioning to social business cannot be accomplished in a week or two; it will take place over a number of years although strategic value should be derived each and every quarter if the process is managed well.

ACTION: Sarah, Yvonne, Michelle to work with Saket and learn more about the Influence Scorecard.

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It was the time of day when I was supposed to sum up our journey and shine a light on the way forward. We'd all seen how the topics of the day had joined up, so to speak, and I wanted to emphasize this in the wrap up.

"I'm proud to have joined this company because Attenzi is made up of people like you. You and your colleagues have made Attenzi what it is today – a well-respected company that makes well-respected products. We've been gifted this great heritage, and its beholden on us to build the future heritage. And make the numbers of course!

"The company has achieved its half-century because over those years its people have been sufficiently astute to recognize what to carry forward and what to change, what to protect and what to challenge. Sometimes, we have been at the vanguard of product design. Sometimes we have been fast-followers. Sometimes we have decided some things don't fit the Attenzi way at all.

"You know however why I was invited to join the company. In recent months I've described it as Attenzi not sitting squarely in the world. So we got down to business together, turning the handle on the normal sort of stuff.

"People? Yeah, you know what, they're great. Tick.

"Processes? Always room for improvement, and we're on to it. But perhaps some of the stuff we're talking about today will require us to re-shape current processes. Half-tick.

"Product? Our loyal customers are testament. Sure, we need to pick up the rate of innovation as the world speeds up, and we're working on this. Hmm… half-tick.

"Culture? I like it. Mostly. And it seems most every one likes it. I'm sure there are companies out there who have superior ways of nurturing the right culture at the right time, but I never got the feeling we needed a revolution in this regard. Again, perhaps new ways of thinking about Attenzi will demand we adapt the culture accordingly, but on the basis we've already demonstrated our openness to this, I'll give it a tick for now.

"So what is it? What's next?

"Well, to put it simply, I don't see it as anything more or anything less than moving with the times, and preferably sooner than the competition does, and the times sure are moving in unprecedented ways.

"The 20th Century wasn't all that long ago, but I don't think we'd have had a conversation about brand back then like we did this morning. This idea

of a nexus of values recognizes the accentuated role Attenzi plays in the big scheme of things. We have to be so much more connected to the way our world thinks and feels in order to remain relevant let alone lend relevance.

"And this opportunity to be transparent and this instinctive need to be authentic means we can't say one thing and do another. We can't hide from our responsibilities, and we must have a tidy house. If we want to be perceived to be a great company, a great employer, a great citizen and a great custodian of our planet, then we have no choice other than to be just that; great!

"If we want to be seen as such, we have to be as much. Reality is perception.

"Now it strikes me that some hardcore capitalists might reject some of this as too liberal, as too distanced from the primary and they might argue sole objective of the body corporate – to create wealth for its shareholders. However, to me, seeking to make a direct connection between every single activity and a fiscal measure of shareholder wealth creation is woefully simplistic to the point of dogmatic fancy. We must consign such simple mechanistic thinking to the past as we begin to acknowledge and confront the complexity of the world around us.

"And what's more, I see no such tension. The shareholders' long-term interests are best served by our thinking here. We are just recognizing that the changes around us demand we change the way we go about business, and possibly change what it actually means to be in business.

"We're in service to our customers, to ourselves, to shareholders, to all stakeholders – each stakeholder

benefits in the long-term when other stakeholders work with rather than against it.

"So rather than focusing on the short-term transaction – 'make stuff, sell it, job done' – we must focus on the lifelong relationship by thinking about everything we do in terms of service.

"Technologically, we've arrived at a new epoch. This decade is a so-called perfect storm, in the positive sense. We no longer have to rely on old rules of thumb. We no longer need to trade off the short-term and long-term so bluntly. We can attempt to navigate complexity, to try and plot the optimal course through all these interacting elements.

"It can never be an easy journey, but the more sensitized we are to the zeitgeist, to our customers and ourselves and all stakeholders, the greater our facility to respond appropriately, and to lead appropriately.

"Perhaps Saket would put it like this: 'Perfection is not just about control. It is also about letting go', Black Swan, 2010."

I saw Saket smile.

"We have to open ourselves out to the world, and let the world in. Attenzi is no longer defined by its payroll or by its shareholders but by our participation in a wider network.

"And these new technologies enable us to participate effectively and efficiently. We don't have media for media's sake – we have it to communicate. And we don't communicate for communication's sake – but to influence and be influenced productively.

"And we've learned that there's potentially influence in everything we do, and sometimes in those things we don't do.

"We have to re-gear ourselves, and that's where measurement comes in. Sensitivity. Our perform- ance can be defined and guided by new frame- works such as the Influence Scorecard, helping us orient our business around influence flows in order to become a social business.

"We've reached some incredibly valuable conclu- sions in recent weeks and months and crystallized them today. Now we just have to execute. We must move our talent, our energy and dedication to execu- tion – to investing in the human, information and or- ganizational assets with the appropriate balance needed to knock this opportunity out of the park.

"The prize is valuable. We will be more open, more relevant, more productive, more profitable, and we will sit squarely in the modern world. Every one will benefit – well except the competition!"

Pleasingly for everyone, our combined insights and efforts garnered a little round of applause.

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William and I shared a car to the restaurant that evening. I mention it only because he made an interesting observation that hadn't occurred to me.

"Do you recall the feedback you got from those recruitment people Lorenz uses?" he asked.

"There was lots of it. Which bit?"

"That stuff about constructed empathy. I was just thinking, listening to your concluding comments today, that what you're actually doing is building that quality into the business."

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Jigya, Dom's 'life partner', was turning 40 on the Sunday, and I'd offered to host dinner at my place on the Saturday evening to celebrate. Jigya and Myra are good friends, so Myra was coming too, and I ended up cooking for twelve of us. (By the way, the new sofa did make it up the stairs eventually. Just in case you were worrying about it.)

In a rather compulsive moment, I'd set myself the task of cooking a sort of Indian fusion – Jigya's parents are from Kolkata – and had ordered a tandoor oven on wheels that now sat expectantly on my balcony. It was just as well Vincenzo and his wife were amongst the guests; Vincenzo arrived at four o'clock to help.

Pausing only to take a glass of wine he proceeded to inspect the oven. He returned to the kitchen to inform me he considered the walls of appropriate thickness and was relieved to see I'd done a "first burn" – required to cure the clay. It turns out Vincenzo worked a summer vacation at an Indian restaurant in San Jose in his early twenties. I had no idea.

It was a lovely evening and the meal seemed to go down well. Vincenzo's fresh paste – garlic, ginger, red chili, paprika, coriander, cumin – made the tandoori chicken, but he refused to take any credit. I joined him and Dom on the balcony after loading

the dishwasher and we shared a nice drop of brandy.

The leasehold for restaurant number four had just been signed, and Vincenzo was keen to underline his intent to stick with Attenzi equipment; as if he'd dare otherwise! He asked me how business was going.

For fear of boring friends on a Saturday evening I reduced progress down to a 60-second summary, but he kept pushing for more. He seemed to relish the so-called 'soft' aspects in particular – the culture, the communication, the influence. And the innovation. I found myself avoiding the buzzword term, social business. And then Vincenzo said something somewhat surprising.

"How apt that you're doing this at a cooking equipment company."

The confused looks from Dom and me signaled he should continue.

"Well, all about food, you know what I mean."

Our silence betrayed that in fact we did not.

"How can I put it?" he continued. "Food is life. Food is health. It's family. It's social. It's cultural. It's crea-

tive. And it's business. It's everything you describe in your aspirations for Attenzi."

Now we understood. Genius. I knew immediately that this should play a central role in the new direction for the business, and then Dom double-confirmed the matter for me.

"Do you recall our conversation about Wikipedia Eli, about how communities need a common set of values, held dearly, in order to come together to do great stuff?"

"I do, and I see where you're coming from, or in fact going to," I replied.

It seemed so obvious that it was suddenly shocking to consider the pervasive way we all thought about Attenzi up to that point. We generally thought in terms of what it does – the design and manufacture and servicing of kitchen equipment. We had, in that customer-centric way, considered that we gave our customers great kitchen equipment that should delight in terms of quality, usability and value. But we didn't really think in terms of what it actually does for them – helping them cook great food and everything that this means to them. I'd talked about being in service to others in concluding the away day but the penny clearly hadn't dropped entirely.

You'll recall when I first introduced you to Vincenzo that I'd come to think of him as a management guru.

It turns out social business isn't so new. Great restaurateurs have been doing it for centuries. OK, not quite as we've defined it here – not the heavy focus on information and communication technologies and science and scale and agility and openness and data acquisition and knowledge management – but playing to the communication norms of their times and situation, in their authenticity being plain

to see and their quality being evident to taste; in reality unavoidably being perception.

They know their suppliers and their regular customers in a way that other businesses have lost with scale. Their restaurants are both workplace and home from home.

The first three of the influence flows (between the organization and stakeholders) are real-time and palpable: empty plates, or not; happy diners or not; good tips or not; repeat custom or not; great teamwork or not; loyal staff or not; a profitable night, or not.

The fourth, fifth and sixth influence flows (between competitors and stakeholders) are apparent too: through daily word of mouth; through eating at their establishments; by looking through windows; by monitoring reviews.

Above all – although it does sound kind of odd to write it down and, if I'm honest, perhaps a bit, well, soft – it's all very human.

I called Dom and Jigya a taxi at 1am. They were the last to leave. As I prepared for bed I realized I didn't know much about the company's founder, Attilio Enzo. I'd heard reports of boundless energy and enthusiasm. He'd come close to losing the business at one point. His photo hangs in reception. And he'd passed away in 1990 a few days before his 70th birthday and a month after the company launched its first product range for the home kitchen. That was all I knew.

I wondered if he'd 'got' some of this stuff, and whether business had just knocked it out of the business, if you know what I mean.

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"Giuliana, thanks so much for coming in to see us. It's a real pleasure to meet you."

Giuliana is Attilio Enzo's eldest. I'd contacted her after Jigya's party to find that coincidentally she was making a fleeting visit to town and although she'd had nothing to do with the business for seven years she was good enough to find time to meet. I bought some nice cookies.

"Likewise. You've been here, what, eight months now? How's business?"

It was a rather hot day, and the chocolate chips had melted.

"Well it's a privilege to take on the mantle, and although I never knew your father of course, I want to do his memory proud. I believe we've identified a way forward to pick up growth and profitability from the market average performance of recent years, and possibly reconnect the company with its heritage. I want to blend the best of the past with our hunger for a dynamic and outstanding future, and part of that endeavor therefore entails me improving my understanding of that heritage. And I was hoping you could help me do just that."

"Happy to. Well I may as well begin at the beginning.

"I remember my father starting the company from an old aircraft hangar in 1960. It was where the West Road industrial park is now. I was six. I thought the hangar was incredibly exciting!

"He'd been a salesman most of his life, and for an oven manufacturer for three years right before starting Attenzi. They eventually went out of business because quite simply their product wasn't up to scratch, and indeed that's why my father decided to leave and do it properly himself. He knew long-term sales success needed repeat customers, and he wasn't getting any. If anything, he was getting aggravation from dissatisfied customers."

"Oh dear, that doesn't sound like the best reputation with which to start a new venture," I said.

"On the contrary, he told the truth. He called his customers and told them that they had made him start Attenzi. It was their fault! So in a way they felt ownership, as we've come to call it these days – I mean they didn't have shares or anything – but they felt Attenzi's success could play a part in their success."

Giuliana and I talked for just shy of an hour, and it was well worth it. If I were to characterize Attilio from this very brief exchange I'd say he was a man who knew what was good for customers, good for employees and good for business. He had a knack

of trusting the right people and mistrusting the right people. (Or is that the wrong people?)

His honesty was only stretched when, with over-enthusiasm, he'd sell the future of the business as if it were today's reality – quite possibly a leadership trait more than a personal flaw. And nothing pleased him more than a long evening with friends at a great restaurant or around his own kitchen table.

Giuliana says he wasn't a "foodie" when he started the business, but he soon became one, with an increasingly vocal dislike of food stuffs sold out of season – particularly when it entailed shipping stuff half way round the world. It seems he was very early to the food miles debate. Good virgin olive oil and wine were apparently the exceptions, to which he'd say: "The very best rules are known for their exceptions."
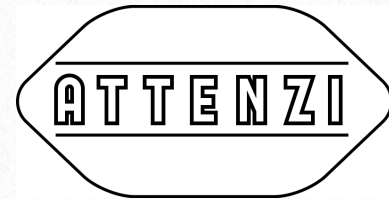
The Attenzi logo, 1960 - 1972

The Attenzi logo, 1972 - 1982

The Attenzi logo, 1982 – 1997

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My divorce papers came through the morning we'd scheduled to review the company's mission, vision and values. Not exactly metaphoric, but funny enough. I raised my glass of orange juice in silent salute to Myra, and it was touching to learn she'd done the same, albeit with one of those powder-based concoctions she inflicts on herself.

The management team agreed that our current mission and vision statements said nothing but the utterly obvious in the most generic terms.

No one could recall them because they were pointless. Or is it the other way round? Were they pointless because no one could recall them? Anyway, I won't repeat them here as their omission won't injure the storyline.

We worked on the basis that the mission, vision and values should be concise, characteristic and memorable. By characteristic we mean that anyone told the mission and vision should be able to associate them with Attenzi unprompted.

Here's how they crystallized:

Mission (why does Attenzi exist?)

We work together to create great products that celebrate great food and great cooking to the benefit of everyone involved. And we strive to get more people involved.

Vision (what does Attenzi want to be?)

We will be a truly social business, opening ourselves up to everyone's talents, knowledge and wisdom to create beautiful products and relevant services.

Values (what's important to us?)

Integrity – being true to ourselves and each other.

Openness – transparent and inclusive.

Sensitivity – to our stakeholders' needs, our combined talents and failings, the market's opportunities and threats.

We aligned the "about us" copy on our website and designed an internal communications program to explain what we were up to and elicit questions and contributions, and ultimately to win everyone's support for this new way of thinking about our business.

ATTENZI

You love great food and great cooking right? We do too. It's why we do what we do, and we'd love you to join us in making great food and great cooking the norm rather than the exception.

Food is life. Food is health. It's family. It's social. It's cultural. It's creative. And it's business.

You may have dropped by because food is a personal and family thing for you. We get that, and for the past twenty odd years we've worked at making the best equipment for the home kitchen. If you fancy joining in for the next twenty, that would be our privilege.

And perhaps for you food is also business. We've been by your side for half a century, from independent café to the finest uptown restaurants, from the B&B to global hotel groups, from catering for school children to helping care for our elderly. And we're determined to work with you to make great cooking and great business one and the same, to continue blending the best of our combined experience with the best 21st Century technology has to offer.

Please take a look around our website, get in touch, and drop by if you find yourself out our way.

Now, the more cynical amongst you might be thinking that this 'about us' isn't true. You may be thinking that it's emerged in just the same way any 'marketing speak' and 'PR positioning' does – after all, you've just read that this isn't how Attenzi has always thought about itself.

And to a certain extent, you have a point. Attelio Enzo started manufacturing and selling cookers because he thought he could make a profit not because he wanted everyone to cook fabulously. But we believe the 'about us' is authentic, not spin, and here's why.

Firstly, as Attelio's primary need to make a living got sorted, he moved on up through Maslow's hierarchy of needs, as we all aspire to. Great food and great cooking did indeed become important to him and his family.

Secondly, our understanding of business (what some might call business administration in the MBA sense) evolves, and while the change may be imperceptible from one year to another, the differences from one decade to the next are often glaring. Attenzi has moved with these times during the 60s, 70s, 80s, 90s and 00s, and now intends to benefit from new ways to think about business in the 10s, and doing so should not attract cynical comment.

And thirdly, and most importantly, the 'about us' genuinely reflects how we have come to think about Attenzi. It both reflects and reinforces that self-identity. It has come from our heart and from serious self-reflection that informs and infects everything we do.

It has not emerged from the vanity case, an apposite segue to the next installment here which goes some way to making the same point…

50

I'd ask Marcus (COO) about the learn-to-cook-to-learn campaign and he'd shrugged. He hadn't had anything to do with it, and couldn't really recall much about it in detail. Speak to Yvonne, he said.

Sarah (CFO), Michelle (Marketing) and Yvonne (PR) were meeting about some budgeting issues, and I asked them to buzz me when they were done. I had thought to chat with Michelle and Yvonne about the old PR campaign but in our new spirit of inter-disciplinary discussions I decided I might as well include Sarah if she had the time.

"Learn to cook to learn. Tell me about it."

The campaign pre-dated Michelle, so the question was aimed at Yvonne.

"What do you want to know?" she asked.

"Everything I guess. How did it start? What did it entail? What happened? How did it end?"

"Well it spanned 2005 to 2007 I think. I wasn't in the PR team back then. I'd moved from HR to marketing in 2004, and didn't move over to PR until 2010. But while Steve – the guy in charge of PR in those days – led the campaign, it required quite a bit of marketing support and I got involved in some of it.

"I recall one of the partners at Lorenz Capital being a big fan of corporate social responsibility and he'd urged us to do something. I remember that clearly because there was some surprise that a 'money guy' was so keen on doing stuff that wasn't directly sales led."

Yvonne paused to see if I had any questions, and continued when I didn't.

"Fundamentally, we wanted to 'give back'," Yvonne did the quotes sign in the air as she has the habit of doing, "and make the company look like it cared about our customers, about their children and their futures. If I remember rightly, Steve's kid was really enjoying cookery classes at school but we found out that only a fraction of kids get taught how to cook. And then the brouhaha about kids' diets and nutrition was just kicking off, so we linked cooking and nutrition to the fuel for kids to learn anything effectively. Hence learn-to-cook and cook-to-learn, neatly condensed into learn-to-cook-to-learn."

I nodded.

"We identified around a couple of dozen schools and equipped them with fund raising materials so that we could supply kitchen equipment at cost. Actually, I think we matched the monies raised too.

"Most of the schools raised the funds needed, and then we fitted out the kitchens and got the press along of course to take photos and cover the story. It went down very well in the local press as you can imagine, and got some pick-up in home magazines and the trade press too."

"What about the teachers?" I asked.

"Ah, we picked schools with teachers already qualified in cooking, or home economics or domestic science or whatever they called it. Otherwise we'd have got the kit and it would have just sat there with no-one to put it to use."

"And did it get used? What happened then?"

"Yes, we followed the schools' progress for a bit. We went back a year later to get the press involved again, but you can't do that a second time, so we lost visibility after that."

"Marcus couldn't tell me much about it when I asked him earlier."

"No, well I guess not. He wasn't in marketing or PR."

Yvonne and Michelle looked at each other, and both scrabbled to say much the same thing.

Yvonne: "Uh-oh. I see where this is going. You're implying this was – what's that phrase you use – lipstick on a pig."

Michelle put it another way: "It looked good, but it wasn't necessarily informed by the values of the company; it didn't sit at the heart of the business."

"It didn't come *from* the heart of the business it seems," I added. "The way you tell it, Steve's kid was the inspiration, not Attenzi. But funnily enough I think it is the kind of thing that could come from the heart of the business; live at the heart of the business. I'm guessing that's partly why Steve shaped it that way, but he was always going to be foxed in the long run if this wasn't central to business. I mean, for newspaper column inches to determine as and when something fizzles out…!"

"And it's just as well that the Lorenz Capital partner wasn't sales led," Sarah commented. "I don't recall there being any significant sales uplift during that time."

"How much can we sell lipstick for?" Yvonne replied.

51

"@eliappel What do you think of this? #savenorth-street ow.ly/____"

I followed the link at the end of Rachel's tweet to the website of an international urban design consultancy, to a page dedicated to a concise analysis of the North Street Skate Park problem, and two schemas that didn't require the park's closure.

I read on.

It seems the consultancy had noticed the noise the Defenders were making online and had decided to contribute some time to the debate free of charge. They listed caveats to their contribution (they'd need to undertake a more diligent consultation before committing professionally to either schema) and reserved the right to negotiate appropriate commercial fees for their consultancy if they were invited to input further in an official capacity. Regardless, they still encouraged visitors to ask questions and leave comments.

I thought this was awesome. I bookmarked the website for that day in the not too distant future, I hoped, when Attenzi would need to expand its production facilities, possibly by acquiring the units either side with no small alteration to the park's layout.

I retweeted of course, appending "<< awesome".

I wondered if this was an example of #socbiz in action. Or just #socialmedia? I guess it depends on how the consultancy in question is adapting its structure, culture, policies and processes – the journey we'd embarked on – yet no one can determine that from simply looking at a website and tweet stream.

On that point, it seemed to me that the Twitter community frequently considered #socbiz and #socialmedia synonymously. We do not as you know. Language is the output of a complex system of course, so it will be interesting to see how history records the eventual definitions, and I wonder whether Attenzi might influence that outcome.

52

I'm not sure we approached it in the most efficient manner. In fact, let me be more exact, I'm certain we did not. But let me describe how the process did pan out.

We came together in small groups for an hour or two a day for two and a half weeks, and even now I think we could add more detail.

It was as fun and insightful in parts as it was tedious in others. Bob rightly called one meeting to an early close for fear we'd lose enthusiasm permanently, yet we had abundant energy in the next. Marcus said it had been just the same when first approaching business performance management.

We teased out influences, one by one, and by stakeholder group for want of a better place to start. It is the first comprehensive list Attenzi has ever constructed of the ways in which our (as in all Attenzi stakeholders) thoughts and behaviors and decision-making are, well, influenced.

By way of a reminder, here's those generic Six Influence Flows again.

1. Our organization's influence with stakeholders
2. Our stakeholders' influence with each other with respect to us
3. Our stakeholders' influence with our organization

4. Our competitors' influence with stakeholders
5. Stakeholders' influence with each other with respect to our competitors
6. Stakeholders' influence with our competitors.

THE ORGANIZATION   STAKEHOLDERS   THE COMPETITION
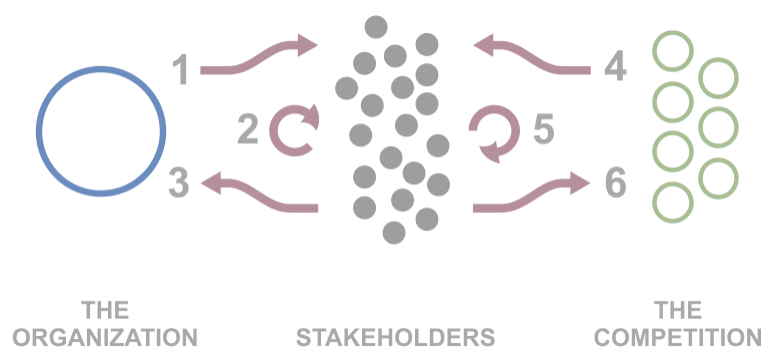
For clarity, the list wasn't a photograph so to speak of actual influence happening in real time on a specific date. It was the beginnings of a model of the typical influence flows that are important to the business, either by design or by default.

It recognizes our treatment of data, information and knowledge. It recognizes interactions in person, on the phone, on email, through the media, on the social web, every which way. It recognizes the kinds of market and societal characteristics that influence us. It maps into existing business processes (rather than functions), from new product development to procurement, from recruitment to customer account management, from performance appraisals to supplier audits.

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Building an influence model is mentally taxing. Marcus lifted our spirits: "I've been in manufacturing my whole life and often think what a buzz it must have been to have worked alongside Deming or Juran, or to have helped develop the Toyota Production System. Now I know this thing we're doing here may only have a fraction of the impact, but it feels important. It feels new. It feels right."

Deming and Juran were quality management pioneers whose work revolutionized manufacturing during the 20th Century, and Marcus' reference prompted me to brush up on their contributions that evening. I stumbled upon a great quote and emailed Marcus.

> Hi Marcus,
>
> Another Attenztastic day!
>
> You mentioned Deming, and I just found this quote by him:
>
> "To successfully respond to the myriad of changes that shake the world, transformation into a new style of management is required. The route to take is what I call profound knowledge – knowledge for leadership of transformation."

> You may not have been able to work with him, but it appears you're pursuing his enduring vision. Pushing it in fact. We're at the cutting edge of building that profound knowledge in ways he possibly never imagined.
>
> See you at the eleven o'clock.
>
> Eli.

Marcus sent back a smiley with a postscript: "How are you getting on with moving away from email and on to the enterprise social network?"

Hmm.

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Rachel called.

The planners had issued a statement a week ahead of time. North Street Skate Park would stay. A new consultation process would begin immediately to determine the validity of two other options to resolve the traffic problems. It didn't say if these options were those presented by the consultancy but I had my suspicions. It's one thing for a planning committee to give a group of teenagers some airtime, but quite another thing to be confronted with professional opinion.

Actually, let me rephrase that. It was the combination. The professionals would not have got involved without the Defenders' determination.

I was excited for Rachel and her friends. Interestingly, Rachel was simply pleased; she had expected to win through. I wondered if that was the steadfast confidence of youth or symptomatic of a real change in the way influence goes around comes around these days.

Myra called.

She proposed we take Rachel out to celebrate her triumph. And Rachel's boyfriend. "What boyfriend?" I asked.

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It was exactly two months since the away day, and we all reconvened. I could sense the anticipation.

We started by reviewing our business goals and testing the strategies we were currently executing to see how they might benefit from our new vista. And we defined our influence objectives:

- Whose opinions and behaviors are we seeking to influence and how?
- What opinions would we like them to hold and how would we like them to behave?
- How are we seeking to be influenced and by whom?
- What does success look like and how do we intend to measure it?

We answered the first three of these at a high level at first. Obviously, we couldn't answer the last in full just yet as metric design requires an understanding of the tactics to be employed, and we couldn't define the tactics until we'd developed the strategy.

We distilled our influence strategy, namely the influence processes we felt would give us serious competitive advantage if we became prodigious at them.

Interestingly, our recently acquired appreciation of the nature of complexity and big data meant we had to recognize that if prioritizing some influence flows meant entirely neglecting others then we were heading down a rocky road. Therefore, one of our strategies involves our striving to collate and synthesize insight and knowledge from all influence flows in combination. And I can tell you now we won't have this down pat any time soon!

Without giving too much away (although we have presented all of this to our partners and suppliers and channel, we're still adjusting to being open in the fullest sense), other strategies encompass social analytics, CRM, internal communications, greater collaboration with our suppliers and partners and resellers and customers and anyone else come to that, improved digital capture of workshops and meetings, improved capabilities and revised policies for data and digital asset management, and expansion of our enterprise social network.

Having said "without giving too much away", you shouldn't be greatly interested in the detail here anyway simply because your business isn't Attenzi. As you'll know, no part of our influence strategy is necessarily relevant to your organization.

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As we went through our list of influences we talked about flows, and when you talk about flows it's impossible not to draw arrows. I set to work drawing arrows on the white board. Lots of them.

"What on Earth is that?!"

Georgio was being less than flattering about my artistic abilities. His follow-on exclamation drew some crude comparison between my diagram and a spaghetti dish his three-year old had thrown on the floor the past weekend.

"Is that a meatball?!"

"No, that's a reseller."

We found we made better progress with Georgio wielding the pens and with the rest of us flapping our arms about.

It was a view of the organization unlike any we'd seen. No, it wasn't a view – it was Attenzi expressed as a system of influences. And by that I mean devoid of the normal departmental labels. Add the dimensions of time, money and materials and you have the whole. (Our people, indeed all stakeholders, are critical nodes or 'agents' in the flows lest you think I'd forgotten them!)

It was exciting. I could see where our work was taking us – well, if only because Saket had nodded in this direction.

"OK, here's a challenge," I exclaimed. "If you try and forget everything you know about the way our company is structured, about our roles and responsibilities and job titles, how would you put a team of people together to bring this influence system to life to best pursue our goals?"

It's such a tough question, and with hindsight I posed it too early.

Dom tells me the brain has evolved in ways that makes it difficult to tear down established mental frameworks and rebuild anew – such facility has had insufficient evolutionary advantage he says.

My earliest experience of this mental challenge came at school. I could just about reconcile that French speakers consider a car to be female – each to their own I thought – but finding out French has two different words for "to know" was a jolt. It was down right confusing for a mono-linguistic 12-year old. Even though I'm now a mono-linguistic adult I am left less than certain about the strengths and weaknesses of my own language.

But I digress.

To avoid the cognitive load of my challenge, we cracked on making other discoveries.

We developed our own icons for efficiency and consistency. For example, we used a square with "2020" written inside it to indicate where we thought emergent innovations would or could reveal new and useful influence flows: our rudimentary plans to embed sensors in all equipment to enable constant communication in the field; ideas for the development of our nascent enterprise social network; the potential of new database and knowledge management technologies. Another icon had two faces facing each other to represent 'full gesture communication' in 'unaugmented reality' – opportunities to get our employees and suppliers and customers interacting more productively for example.

Almost without thinking we began to highlight those influence processes where the gap between their potential importance given our strategic priorities, and the corresponding diligence awarded them historically felt too uncomfortable going forward. We needed to up our game.

We double-highlighted influence flows where important arrows were visible by their absence – influences that should be working for us but weren't.

For example, it had been an embarrassment for us all to consider that we had no process for dealing with Vincenzo's easier-to-clean-cooker idea; I mean had he not been a friend of mine. None. Apparently we just didn't get many ideas thrown at us by customers. Apparently, we didn't encourage them either, I mean beyond insight / marketing research.

Actually, on that note, Yvonne told us that there is a B2B online community forum dedicated to Attenzi products. Steve helped start it, yet no one else in the room knew about it, or had forgotten about it.

One of Yvonne's team members keeps an eye on it and provides links and answers occasionally. We all felt a bit sheepish about our ignorance, and this was compounded when Yvonne told us it hosts over seven thousands posts. (I've posted to it now and make sure to drop in regularly.)

We didn't conduct so-called exit interviews to learn when and why our people decide to move on. We didn't know when or why customers change allegiance. Nor did we have any way to quantify the effectiveness of internal communications, or external communications come to that. Nor did we feel our design language was sufficiently sophisticated to support consistency across the product development team. Nor did we know how our modular cooktops are actually configured in the commercial kitchen. Nor did we know who exactly last spoke with the likes of Alice B (the celebrity chef we work with) or the editor of catering magazine Big Mouth for example. Nor did we know, beyond the normal talk of margin, what our resellers liked or disliked about our range with systematic precision.

Nor did we have any idea how we might connect a prospective customer in store with their interactions on our website – to mutual advantage. Nor did we know how often or to what extent our suppliers affected product development. Nor did we capture ideas in a way that made them a resource rather than an easily forgotten static record. Nor did we analyze competitors' digital campaigns and dialogue with their customers and stakeholders. Nor did we know why three of our newest sales engineers had all come from the same competitor. Nor did anyone in product development appreciate or take advantage of the fact that our three newest sales engineers had all come from the same competitor.

Etc. etc.

You may well be thinking that you have these aspects licked at your organization so what the hell is this amateur lot up to exactly. But I can retort with almost complete confidence that you'll find equally glaring if different omissions in your influence flows, and likely a shocking poverty of coordination, and you can't deny that until you've been through this process.

I've concluded that Attenzi is simply typical, and that beyond normal operating procedure – ie, playing the same every day tune with today's structure, culture, policies and processes – the typical organization relies too often on serendipitous influence for breakthrough insight and understanding, and that this can only be a prosperous state of affairs when everyone else relies on serendipity too.

John and I came up with an alternative definition for serendipity. The dictionary says: "the occurrence and development of events by chance in a happy or beneficial way."

We say: "all you have to rely on if you can't identify and interpret patterns systematically." I guess you could say we're attempting to substitute a bit more science for serendipity.

It was all good stuff, and at the end of the day I wanted to remind everyone of the fundamental questions. I grabbed a pen from Georgio and listed them:

- If we are going to transform our view of the business in terms of influence flows, how are we to consider its structure, culture, policies and processes?
- What new demands are placed on the skills and behaviors of our people?
- Where should we invest and how will we know if it's working?

We hadn't addressed these questions at all but at least we now had a better understanding of the goals and strategies our structure, culture, policies and processes are meant to serve.

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Models are models. Reality is reality. This is an important distinction. Confusing economic models for the real thing appears to have been a significant contributory factor to the recent global financial crash.

John and Georgio transcribed photos of our various white board diagrams and notes into some graphical software Georgio's team uses. Doing so lent the work more visual structure and allows the viewer to zoom in for more detail and zoom out for the 30,000ft view so to speak. Like so many aspects of this initiative, investing too little or too much time, too little or too much detail, detracts from the value of a happy medium. Finding the balance isn't always straight forward, and this part took the guys much of their 'spare' time over a month.

And now that we have our model we can pursue the real thing, improving our abilities to develop, harvest, digest and respond to influences in real-time. We recognize that we'll never compile perfect information but that doesn't mean we shouldn't strive for continuous improvement. You can draw some parallels here with weather forecasting – we'll never be able to predict the precise weather conditions four weeks from noon next Tuesday, but we do want to have greater confidence in planning a family picnic at the weekend and in pricing crop yield futures.

With model in hand, John embarked on an extensive series of exploratory discussions with our various technology providers across the full gamut of IT – databases, customer relationship management, social analytics, business intelligence, unified messaging, ERP, collaboration, enterprise social networks, content / digital asset management, enterprise mobility, etc.

John enjoyed pushing the boundaries with these technologists and relayed to me that more than one of them now categorized Attenzi as, in the words of one, sophisticated. Saying that, he had wondered at some moments during early conversations whether we'd been tagged 'nuts'.

Many of these aspects of IT qualify, partially or wholly, in IT lexicon as knowledge management.

John likes to say knowledge management is not an end of itself but rather a means to an end, and one of many means. Our work is a complementary means, a cooperating means. Knowledge and influence are related but different, and for a while there he'd begun to label our work 'influence management'; it had a nice complementary ring to it. Now however he considers the word 'management' to have inappropriate connotations of controlling, when if anything we're recognizing that many influences are beyond our control.

I agree.

Saket's phrase about extending ERP beyond the flows of time, money and materials seems to resonate loudly in these conversations, but the P stands for planning. We may want to track influences and may indeed plan some, but we clearly don't plan all of them by any stretch. And I'm not sure influence is a Resource quite like money and materials either.

So we've found that we often refer back to some of the biological metaphors that have emerged during our discussions. If there is any planning or controlling or management then it's analogous to our bodies own nervous system and brain: sensory neurons detect / receive data and information; interneurons transfer and interpret; the brain does what it does; and motor neurons send appropriate instructions / responses.

It sounded a bit odd at first until we realized how many biology related metaphors already pepper our vocabulary: the heart of the business, and the pulse; the lifeblood of the business; getting a project up and running; the ears, eyes and mouth of the business; the muscle and the fat.

John put us more at ease by sending round some quotes by Bill Gates from his 1999 book *Business @ the Speed of Thought*. Gates refers to "the digital nervous system" of business and calls information flow the lifeblood. We thought if it was good enough for Mr. Gates a dozen years ago, it was good enough for us now.

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It had been a quiet day. I found myself staring out the window thinking how much I missed Rachel and daydreaming about living right next door to Myra so we could still be more of a family. I tore myself away on seeing Saket approach.

"Is this a good time?"

"Sure, pull up a chair."

"So."

I looked at him, waiting. He simply raised his eyebrows so I assumed he wanted me to pick a topic. So I did. "I have a question. Will all this stuff pay dividends? Will Lorenz Capital cash out? Actually, more to the point, how well does this bode for my long-term career prospects?!"

Saket adopted an appropriately serious posture. "Attenzi isn't in the business of making money. It's in the business of creating great products that celebrate great food and great cooking to the benefit of everyone involved. And when everyone derives value that includes Lorenz Capital. They can't do it without you. You can't do it without them. Everyone comes together to make this thing happen.

"So Lorenz Capital will cash out when you've helped everyone come together to create greater value all round faster than otherwise. And you'll real-ize your full potential by helping everyone else achieve theirs."

I guess I felt we were doing the right things, but even a Chief Executive needs some validation from trusted advisors. Make that especially the Chief Executive. We chatted for quite a while about what our performance metrics were starting to show – more on that later – and then Saket asked me if anything particular was making me nervous. I did have one itch I needed to scratch.

"Well, I can't help but think about customer-centricity. You see, when I contemplate the stuff we've worked through together, I think I can start to see why you relegate customer-centricity. I think in fact you called it stupid.

"But then just as I think I'm getting it I pick up any management textbook, read any business magazine, talk to any peer at another firm, and there it is looming large. Maxims such as: 'the customer is at the heart of everything we do'; 'without customers there is no company'; 'it's the customer who pays the wages'; 'there is only one boss – the customer.' How do you reconcile that?"

Saket leaned forward. "I like a good pithy quote as much as the next man, but don't confuse pithiness for accuracy.

"Is the customer important? Most definitely. Without question. 100%. But here's the rub. You know the 20th Century was as complex as the 21st, but we didn't appreciate complexity back then, let alone start to think about navigating it. So we needed some practicable rules, and the customer-centricity rule sure was a good one to have. It stood in stark and valuable contrast to the prior inward looking nature of firms. It wasn't stupid then, quite the opposite in fact, but times and circumstances change and I believe it's starting to look that way now.

"Here's another quote for your collection, from Peter Drucker. 'The single most important thing to remember about any enterprise is that there are no results inside its walls. The result of a business is a satisfied customer.'"

"Exactly!" I cried.

Saket looked straight at me: "Exactly. Hmm. Well here's what I think is the single most important element of that quote in today's terms – walls. In those days an enterprise had walls. The enterprise today need not, figuratively speaking, and should not. And will not. You have a vision of social business. You've already explored the concept of Attenzi as a network, as not being defined by its payroll. You've already pictured Attenzi as a system with all kinds of people coming together in different forms at different times and influencing each other in different ways. Right?"

I nodded, but it still felt odd. I tried to explain why, as much to myself as Saket. "All kinds of people, yes. But all kinds of different groups of people. One group we call customers. Another group employees. Another suppliers, and another shareholders. They all bring something different to the party, sure, but we have to focus everything on articulating and serv-ing the customers' needs because that's our only way to survive and thrive."

Saket expanded my list: "And some people are the friends and family of employees, customers and suppliers. And some are local residents. And some chose to represent our planet and other species by proxy. And some benefit from the taxes we pay. And some pay taxes so we may benefit from the infrastructure around us. And some are customers of our customers, and suppliers to our suppliers. And so on. Attenzi is a system of systems, and a system within systems.

"As you're familiar with the concept of customer-centricity, you'll also know each customer is unique, right. And so I might add is everyone regardless of the role they may be playing, regardless of their fleeting or long-term interest and participation in Attenzi's success.

"And what's more, even though customer-centricity appears to reign, even though we say the customer is our top priority, most every occupant of the C-suite appreciates that great employees, critical suppliers and willing shareholders are number 1 priorities too!

"But wait for it, here's the funny thing…."

My phone rang. It was Rachel reminding me I was due at the school gates five minutes ago. We both had a date with a tall glass of ice cream. I kicked myself.

Saket was polite enough to suggest we continue the following day – after all, this wasn't in the diary and we wouldn't want talk of customers to come between a father, a daughter and mint choc chip. There wasn't a hint of sarcasm in his voice.

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I brought William up to speed at our monthly lunch the following day.

"Why do you call it social business then? Why not biological business?"

He emphasized 'biological' with a smattering of derision.

"I mean all that fancy computing and number crunching stuff doesn't sound very social. Actually, it doesn't sound very biological either."

I fought an urge to be defensive as he continued: "And I'm afraid none of the other companies I work with, on whose boards I sit, are going anywhere near this sort of thing. They're discussing social media and social campaigns and social mentions and social sentiment. They're talking about SoLoMo and social monitoring and running social software internally. Heck, some of them talk about social so much they're basically social business by saturation.

"But biology? No. Can't say as it's cropped up once."

I was a tire and I'd just been given a hefty kick. I took my time to think, and I was about to say something when William finished his challenge.

"No. Nothing. Nothing about interneurons that's for sure! Nothing about influence flows."

This was serious. I felt a heat in my cheeks. I bought time chasing the remnants of Sachertorte and whipped cream around my plate.

I finished dessert and held up my phone: "Dictionary meaning of social."

I avoided the offering from the website renowned for having more cookies than Nabisco. I found a definition and read out loud.

"Of or relating to human society, the interaction of the individual and the group, or the welfare of human beings as members of society. Tending to form cooperative and interdependent relationships with others."

We both reflected on that for a few seconds before I ventured further.

"Good business is about cooperative and interdependent relationships, always has been, yet the humanity was lost when organizations scaled way up during the 20th Century. We want to make those relationships more human again, but the answer can't be to scale it all back down. We have to scale something else up.

"We're biological creatures at one level, and social creatures at another level, a higher level. People have an innate affinity for the layer that's higher up in the stack if you like because that's where we live, that's where identity and relationships and empathy breathe. We're biological creatures, for sure, but we live, think and behave social. We feel it. We're social creatures and we're striving for social business.

"So, just as it is for humans, we've begun to think of business as biological at one level and social at another. And I understand precisely what you mean – if I heard the expression 'biological business' I'd screw my face up too. Sounds more like a pharmaceutical outfit than anything to do with creating great products that celebrate great food and great cooking, or any other type of business come to that. So to answer your question, that's why we don't use the term."

I could see the course of my argument taking shape, but I needed reinforcements. Then I remembered John's missive quoting Bill Gates. I started a search for it and then continued to make our case.

"This is the really important bit. No business can really get to be social in a meaningful and valuable way simply by indulging in social media or by slapping apps onto social devices or by subscribing to a social enterprise network. The social human is literally powered by the biological human. The true social business is powered by similar capabilities, capabilities that are clearly lacking in the typical organization today, no matter how much they recite a social mantra.

"We're mimicking nature by redesigning our business around influence flows, a capability that will drive responsiveness, productivity and profitability. You'd say we're making Attenzi more intelligent, fitter and healthier, and these are biological words that have been invoked metaphorically in business terms for decades. Why? Because they make sense."

My search had been fruitful.

"But don't take my word for it. Ask Bill Gates."

William lowered his coffee and visibly offered me his full attention.

"This is what he had to say back in 1999. 'How you gather, manage, and use information will determine whether you win or lose. … The winners will be the ones who develop a world-class digital *nervous system*'", I stressed the metaphor, "'so that information can easily flow through their companies for maximum and constant learning.'

"And he goes on: 'A digital nervous system comprises the digital processes that closely link every aspect of a company's thoughts and actions. … To think, act, react, and adapt.'"

William was nodding now. I went with the momentum.

"And here we are now on the cusp of 2013 and things have moved on, as you'd expect. Back then Gates referred to email as a critical component of the digital nervous system. We don't lend it the same emphasis because we have more choices these days. He referred to the digital nervous system of the company whereas our nervous system extends out into the world. He advised building an ideal picture of the information you need from technology. We also want technology to help us build that picture, indeed to help us identify new insights, new opportunities and new threats with unprecedented speed and perspicacity, unprompted."

Now I felt prepared to parry.

"We're building on Gates' foresight. We're building on the foresight of the best thinkers in marketing and public relations and business in general. We're building out the nascent capabilities of the best technologies. We're taking advantage of advances in complexity science, in strategy formulation and execution, and in media and in the global nervous system we call the Internet. We're innovators. Others can be followers.

"If this sounds good to you William I'd be delighted to share our perspectives with your portfolio at their convenience."

William got the check.

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I drove back to the office to continue my conversation with Saket. He was already there debating with some of the guys about which movie sequels improved on the original, and I dragged him away with little interest in their conclusions. I wanted to brief him on my lunch with William, but more importantly I wanted to finish our discussion about customer-centricity.

"Now where were we?" he asked.

"You'd just said each stakeholder group can look like the number 1 priority at any given moment, and you left me hanging with 'and here's the funny thing'!"

"Ah yes, the funny thing." Saket collected his thoughts. "Funny thing. Actually, do you know what, it's not all that funny. It's a bit of a shame really. An opportunity left sitting there largely untapped."

"What?!" I asked, perhaps too impatiently.

"Customer-centricity is an organizational point of view, not a customer point of view. It's actually the organization-centric-view-of-the-customer. Let me explain.

"Let's picture the most customer-centric company we can imagine. It listens intently. It takes every opportunity to gather data and information about the precious customer. It's available via any channel the customer might desire, at any time of day, any day of the year, and it records all those interactions diligently so it might learn. It makes no decision without first crunching it through its understanding of its customer.

"It works hard to understand what the customer values and the value that represents to its bottom line. It defines a customer segmentation strategy and tailors operations to deliver the greatest value to the best customers at least cost."

"Great!" I said.

I don't know how he did it exactly, but Saket managed to give me a look that said 'I haven't finished yet and besides have you forgotten that I'm about to challenge the status quo'. I returned a look that said 'Oh yes, sorry about that, do continue.' So he did.

"Too often this process boils the unique customer down into a consumer, a word that conveys some statistical description of a stereotypical dehumanized passive consumption unit – wildly inappropriate these days – but that's not the company's only problem.

"In apparently attempting to put the customer first, it has amassed all this high tech weaponry on its

side of the table to lend it microscopic visibility of its relationship with the customer, leaving the customer with nothing like the equivalent capability. The customer is adrift, uncertain of what the company knows or, more accurately, thinks it knows, and is unable to find out. Just as social media was rebalancing the relationship, the balance of power has gone against the customer again and he knows it. Or at least feels it and lives with the consequences.

"Perhaps the company gives the customer access to his transaction history via its website. Whoopee! And? Where's the analytical capability, the insight, the decision-making assistance? What can the customer really do with it?"

Saket paused for me to take in what he was saying. Then continued.

"Don't you want CRM to help you and the customer mutually, allowing you both to *manage the relationship*? Surely the value of your understanding how influence goes around comes around is enhanced when those you interact with have similar understanding. Or would you rather propagate the status quo – CRM as a construct to *manage the customer*?

"Who do you think best knows the customer in the round today anyway – you or him?"

"Well, he does," I replied, realizing the question was actually rhetorical. I continued: "But of course not everyone who owns Attenzi equipment is even in our system. Domestic customers have a relationship with the retailer, not with us, and we don't get to know about them unless they tell us, most often via warranty registrations."

Saket's response hit home. "In the future, when your equipment 'phones home' so to speak, both you and the customer will want to keep tabs on its

conversation. You will have direct relationships and to a certain extent retailers may find they're disintermediated.

"And by then you will also want to give the customer the opportunity to correct your misperceptions and misconceptions Eli.

"Let me ask you this, how does Attenzi treat customer records today? How will you treat all that data from those future products sending data back to base 24/7? And whose data is it? More to the point, when data isn't a scare resource – it can be replicated at negligible cost – what does 'ownership' of it mean anyway?

"And while we get to operate our one chosen CRM system, can we realistically expect the customer to adopt each and every CRM system adopted by each and every organization he has a relationship with? No!

"If Attenzi really valued the customer it would share its CRM capabilities with the customer, and eventually help populate the customer's own as and when such facilities emerge."

I was feeling the world changing around me. It might sound melodramatic, but it was actually a bit disorienting. Now Saket was on a roll and obviously thought I could take it all in. He carried on.

"This idea, this potential for CRM on the customer's side of the table, has been labeled VRM – vendor relationship management. It empowers the customer. It balances out the relationship with the very customer the corporate entity apparently cherishes so much."

He paused again. I think I mumbled something like 'right, yes, I think I see what you're saying', if only to

utter the sound one expects from the to and fro of conversation.

"And now I can answer your question."

I had, to be honest, slightly lost sight of the question and I was thankful when Saket repeated it.

"Why do I relegate customer-centricity? To answer that, let's first return to the definition of marketing: the process by which companies create value for customers and build strong customer relationships in order to capture value from customers in return."

I indicated I was holding on to the thread.

"Let's abstract that a little and see where it might take us. What if I said it like this? The process by which *thingummies* create value for *wotsits* and build strong relationships in order to capture value from *wotsits* in return."

This time I gave Saket a look I'm sure wasn't flattering.

"Seriously. Stick with me," he said. "Let's do some word substitutions. How does this sound? The process by which employees create value for companies and build strong relationships in order to capture value from companies in return.

"Or how about this? The process by which companies create value for investors and build strong relationships in order to capture value from investors in return."

I half-smiled.

"In other words, every single individual, for each of her many roles in life, seeks to establish relationships to create value, of one sort or another. And perhaps the very definition of a sustainable relation-ship, and perhaps of society itself, is when such value creation is mutual.

"Today, as nascent as it is, VRM looks to equip individuals in their role as customer. A fork from it – government relationship management – is looking to help individuals in their role as citizen. Longer term, we'll simply seek to equip and empower and liberate the individual across all her roles in life – customer, citizen, employee, vendor, supplier, investor, family member, friend, custodian of the planet, etc. You can't call this a business domain or government domain – although business services will evolve to meet the need of course. This isn't something I believe you can just label 'social' either. This is the human domain.

"Networks of these newly emancipated individuals join together more freely to create sustainable value, and they are motivated to stick together as long as that value creation is mutual and appears equitable and competitive, and so long as our values align too.

"Now allow me the license to describe Attenzi a little differently. Some participants in one particular network have chosen to brand the network Attenzi. Mutual, sustainable value is generated within this Attenzi network, within this system, and no one individual or category of individuals can do it without others playing their part – the right mix of others at the right time. It's a natural law. It's all in the mix. Ignore this, or indeed attempt to act otherwise, and you wither – particularly when facing off competition that does get it.

"That's why I relegate customer-centricity."

"Wow. Thanks Saket. Never a dull moment!"

I knew I was going to have to think about this some more. "So where can I sign up for some VRM?"

"Have a search for 'personal data vault' or 'personal data locker'. They appear to be part of the emerging lexicon. Personally, I prefer the phrase 'streams bank'. Thinking in terms of streams of data suggests flow appropriately, and 'bank' conveys that the service is working on your behalf to build value, and that the people providing the service work to a high standard, perhaps a regulatory standard. That's if people still have such high regard for banks these days of course!"

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It's nine months since that lunch with William and chat with Saket, and nearly a year since the pivotal away day. Of course, a large part of events has been change management. I won't dwell on change management here but suffice to say our biggest challenges and opportunities in that respect have been people, people and people. And tech. As my old plant manager would say, we're all in change management.

I'm wondering whether an organization designed around influence flows might find change management easier. It's too early for me to conclude with certainty but it looks like it could.

Marcus, John, Georgio, Michelle, Yvonne, Tom and I form the steering team. We invite Saket in once a month to challenge our analyses, assumptions, conclusions and plans. He's rather good at that, as you've seen.

We outlined a project plan to execute the influence strategy. We qualified the investments required in people, process and technology courtesy of our strategy maps. And we identified the dependencies and the timeline.

We developed a role and person specification for an individual to lead the transition, and it rapidly became clear that it had Marcus' name all over it. We promoted two of his operations team to take up

much of his existing mantle, leaving him with the majority of his time to crack on with social business. He has a team of four working with him in The Nerve Center, as it's been named, and they obviously lean heavily on the steering team for our respective disciplinary expertise.

Note that I don't write 'functional expertise'. It has become increasingly clear that the typical functions in organizations really are a manifestation of the 20th Century perspective of business, a result of the tectonic forces of that period, and not necessarily the organs demanded of a 21st Century entity. Don't get me wrong, I'm not saying that there's a radical departure necessarily, just that the norms we associate with today's functional labels narrow our view of how the business might operate.

Interestingly, Marcus' team had been seconded to The Nerve Centre as if they would return to their previous departments at some point. It took a week to put ourselves right about that.

Marcus owns the Influence Scorecard. He maps influence flows on to our strategy map and, to paraphrase the Balanced Scorecard creators, helps us define the marching orders we need to become a social business.

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I'm coming to the end of this story now, or at least I'm finishing this first part of the new Attenzi story. Let me leave you with some brief examples of how our structure, culture, policies and processes are bending / being bent to our new emphases, and some of the early benefits we're accruing and lessons we're learning.

Perhaps, if there's sufficient interest, I might document our subsequent experiences – you may be relieved to know I now record my daily notes digitally.

I'll listen out for your conversation about our story amongst the two to three billion social web participants! (Using #attenzi would help us greatly.)

And it would be rude of me not to invite you over. We'd love to get our collective minds together to find out what has surprised and disappointed you most about our story, to understand your critique, to share and learn from your experiences, and to see if we can't make this social business thing come to life sooner than otherwise.

We've set up a facility on our website to do just that. Do come on over. Marcus and I will have added more notes, comments and updates by the time you drop in I'm sure.

www.attenzi.com.

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Training.

We managed to boil down the learning process we've been through into a three-hour introductory training module. A compulsory module I should add. We've found people have been more receptive than at first we feared.

Of course, people will joke about new concepts. There has been a series of japes regarding the existence of "a small big data machine at the precise nexus of three influence flows in Abb's locker in the Bay 7 office."

I interpret such good humor as a constituent of progress :-)

We've just started to run the training for our partners and suppliers too. The intermediate module is near completion, and we've half-scoped modules dedicated to particular disciplines.

And of course, I've documented the journey so far here, and everyone with an interest in Attenzi's success is encouraged to read this story.

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Structure.

We outsource a lot of stuff we don't consider to be our 'core competence', as management speak has it. The Influence Scorecard and those activities critical to executing our influence strategy must be core, and we've needed to bring some of our public relations, customer service and analytics activities in-house. And customer service and internal communications are public relations so we've joined these teams together, physically and digitally. While marketing is run separately, we've tried not to clump everyone together by discipline.

A new vista on media has helped. The 'paid, owned, earned' way to categorize media appears to have emerged from old silos and reinforces such divisions, so we're trying to think in terms of something called 'the influence view of content'. Basically, an influence professional must seek to understand what influenced the creation of relevant content, and might then influence it in future, and what influence its author intended it to have.

Deciding where stuff gets done, externally or internally, wasn't wholly an either-or choice. We've worked closely with one supplier to test a hybrid whereby their people work with ours on our premises. We've done this kind of thing before in IT but never in marketing and PR. We want to amalgamate the best of both worlds – "full-time immersion at the

Attenzi water-cooler" as Michelle puts it, pun intended, while maintaining continued access to the supplier's particular know-how and resources.

The idea of Attenzi being a network that extends beyond its payroll isn't yet fully established. There remains a clear delineation in people's minds with respect to the person's employer. In fact, I just wrote, "their people work with ours". Such things will take a long time to blur, and won't happen at all I'm sure without appropriate policy, process and determination.

We're exploring ways to combine B2B post-sales service with production, based on the product-as-a-service concept. We're on the third iteration of this revised structure, and at the time of writing we're ten weeks from launching our first commercial product that will include the sensors and communications gadgetry to keep us connected to it 24/7. We have some ideas for how we might wield this data, but we're aware that some applications will emerge with time and use.

We'll be collecting and managing the data to begin with, but with the clear promise to customers that we consider ourselves custodians working on their behalf as well as our own until such time we can feed the data into their chosen service.

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Culture.

There is a discernible uplift in energy about the place, but it's not all roses. Our first experiments at trying to capture meetings digitally haven't gone down too well. Let's just say the phrase "Big Brother" made it on the tag cloud of the enterprise social network!

For the moment, we've pulled back from exhaustive logs of meetings to what's become known as 'working out loud' – a combination of journaling what you're doing so that others might find out and follow your efforts, and ensuring the work itself is discoverable during the process so others can jump in if doing so might add mutual value.

There is a fine balance here. Attenzi strives for transparency and openness, which can only mean the same is required of each individual that makes up Attenzi. We want to remove the friction holding back access to data, information and knowledge and yet some people have a genuine reluctance to share, particularly when doing so undermines a mechanism central to their maintaining a certain self-identity, authority or personal power.

Attenzi doesn't employ a sociologist – perhaps we should.

I'm not criticizing people; it's more an observation of human nature. We need to establish new mechanisms that legitimately help serve the same human needs and that help Attenzi pursue its vision. My understanding of network science's appreciation for nodes / agents (people!) means this shouldn't be an impossible nut to crack, although sunlight will still change the status quo I'm sure, to some people's pleasure and others' displeasure.

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Policies.

We're opening our systems – carefully, cautiously, gradually, but definitely. We've already had an early win. John worked with the product data management team to open the majority of our product engineering data, much to the delight of New University's manufacturing engineering department. Some of their post-grads ran our data through some value engineering software they're developing and came back to us with more than sixty ideas for parts rationalization. We're still working through the suggestions. The data had been open just eleven days.

An existing supplier was, in her words, having a play. She found we have a need for a product her company stocks. They didn't know we use it. We didn't know they stocked it.

We've revised our code of conduct, and this revision and its ramifications play a prominent role in the introductory training module. Tom describes it as zero tolerance for anything that isn't 100% authentic. It is easier said than done however, and we're now working with a company specialist in games-based learning to roll out a self-directed e-learning program on the topic.

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Processes.

The biggest process transformation so far relates to the structural changes I described above. We've got quite a bit of it licked fairly rapidly because our technology partner had anticipated some of our needs – it seems we've not been the only ones thinking hard about social business.

Obviously we have a very long road ahead of us. The idea that we might collate and synthesize insight and knowledge from all influence flows in combination remains little more than that, an idea. We have greatly expanded our social analytics, measurement and workflow capabilities though, and we're using our enterprise social network much more aggressively.

In particular, we are tweaking mechanisms for identifying expertise that might have been underappreciated to date; making communication more open and accessible; seeing if teams might assemble organically; and making it all more searchable (looking for an answer) and discoverable (maintaining awareness).

John is heads down in some vendor communities teasing out best practice that should get us in better shape to execute our vision in the coming years. It should prepare us to take full advantage of the new components as they emerge, and to do so quickly.

He talks a lot about resource description frameworks and linked data, if these mean anything to you. Ask your IT people. Actually, buy them a coffee – they're your new best friends so make it a good one.

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BB's "Social Business #Fail Of The Week" is a popular read on our social network in which he documents, with biting humor, his grievances with organizations that don't appear to be working hard at social business just yet. He refers to them collectively as the Antis, as in anti-social, and the inevitability of their decline (or at least of their current way of doing business) as The Extinction.

He told me he finally appreciates the Balanced Scorecard, attributing that to the simple fact that we now have worthwhile mission and vision. I suspected there was more to it than that and he took my provocation as a theme for his weekly 'column'. He pursued the theme over a couple of months, eliciting comments and contributions from his colleagues, or "my readers" as he likes to say with a feigned journalistic twinkle in his eye.

This thematic series of posts concluded with a surprising description of social business as BB sees it – a business of the people, by the people, for the people. He made sure to define 'the people' as all stakeholders. Paraphrasing Abraham Lincoln's commitment to the principles of human equality like this is a powerful device and I've made a note on my to-do list to explore the relevance and ramifications of this viewpoint more deeply.

We didn't know BB had such talent as a copywriter – actually I'm not sure he did either – and Michelle is increasingly tapping this talent.

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So, what are our (leading) non-financial metrics telling us, and have we seen an uptick in our (lagging) financial metrics? Let me first get you up to speed on our deliberations about one particular set of non-financial metrics.

Our intent to understand and harness influence flows demands considerable attention to the measurement of communication, and therefore to media, and this is an area that has consumed more time and effort than we'd originally estimated. It's trickier than it at first appears.

Performance measurement of communication is dominated by so-called *output* metrics relating to the content or communication itself, and attempts to determine *outcome* metrics relating to business success are thin on the ground. A strategic assessment of *outputs* is impossible however without correlation to *outcomes*, and even then correlation isn't proof of cause-and-effect.

Typical output metrics in the public analogue domain include column inches, audience, readership, and 'opportunities to see'. In the public digital domain the focus is on impressions, number of friends and followers, number of 'likes', retweets, clicks, comments etc. You may recall my referring to this sort of thing when describing my meeting with the Goorooz, at least when outputs are considered without reference to outcomes.

And of course there are numerous quantities associated with private digital communications too – for example, who do I contact the most and who contacts me the most? (Personally, for the last three months in a row, it's been Marcus and Marcus!)

Outputs are relatively easy to gauge, yet measurement-because-you-can-not-because-you-should is a common pitfall when it comes to business performance management. We've worked hard to deploy the Influence Scorecard and related guidance (search the web for "measurement and evaluation of communication") to inform metric design in this regard, and whole books have been written on metrics that might suit your needs.

We wrestled with one particular question – is there a universal measure of communication performance effectiveness?

We've concluded there isn't, as much as it would have been convenient otherwise.

On presenting their joint findings to the steering team, Michelle and Yvonne put it like this. If your organization is unique, with a unique position in a unique market, with unique mission and vision, and uniquely tailored strategies demanding a unique mix of tactics, is it too great a leap of faith to expect the (optimal) blend of communications to be unique and for communications performance measurement to

therefore require a unique and tailored blend of metrics?

To put it another way, your digital nervous system will be tailored to your needs, and ours to our needs. Your communication metrics will help you determine if your digital nervous system is performing as planned, and ours will report the health of ours. Consequently, your metrics will inform your investment decisions, and ours will inform ours.

To put it a third way, your people may have a general preference for soft centers and mine for hard (if you recall the chocolate box paradox).

I don't want to labor this stuff too much, particularly as I want to leave you fired up for social business, but a few pointers in the right direction here will save you from going through all the learning loops we've zoomed around. Here's one last, important but perhaps subtle point on this topic.

I've been talking about measurement for performance management here – in other words, identifying metrics that best drive and report progress in executing strategy. (If we work to grow these performance metrics across the board we will improve our business or identify that our original strategy needs revision.) But measurement for performance management is different to analysis more generally.

Communication is complex, as we have seen, and there is much to be learned, particularly in respect to how influence goes around comes around, to providing sensory feedback. You and your tech team may wish to cut and slice your communications data every which way you can in order to distil insight and understanding, but up to a point that's quite separate to performance management. And I say 'up to a point' simply because your analytical

work might unearth an insight worthy of translation into a performance metric.

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How is Attenzi doing?

We've revised our mission and vision and tweaked the statement of our values. We've reworked our game plan, our strategy. We're down the track in terms of redesigning our operations around influence flows, aligning the organization structure and process design to our strategy. There's a good vibe about the business and people generally appear to be up for it. I credit this important dimension to the care with which we've approached internal communications, training and development, and performance management. And of course to the caliber and attitude of Attenzi people.

Have we got everything right first time? No, of course not. Are we maestros today? Not quite. And here's what appears to be a kick in the teeth – we have more red flags in our scorecards today than we ever did when I joined. But is it really a kick in the teeth, or is it simply representative of the many fine and not so fine changes we're demanding of ourselves?

And what about the money?

Well previously we were growing a little faster than industry average and now we're growing a little faster than that. That's good enough for me this year, what with all the upheaval, and next year is the moment I really believe we'll begin to reap the divi-

dends of our transformation. It looks like we're on track to more than double our historic growth rate.

Our profit margin dipped slightly but distinctly for three unnerving quarters, and with hindsight I could have been better at managing investor expectations, but the three since have been our best in recent years. We can attribute this, at least substantially, to our social business endeavors, but that alone doesn't mean we can yet proclaim social business the new thing. We need hundreds of organizations to embrace social business before we'll have the stats to know for sure.

Tomorrow I'm hosting a contingent from a company where William is a board member. It's the fourth such company he's brought round to talk social business. I'm watching eagerly for progress at these other companies. The team at Lorenz Capital is keeping up to date too as you might imagine and knowledge sharing among the companies in its portfolio.

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So that's what we've been up to and where we find ourselves today.

Dom made an interesting comment last night, a play on Hegel. "We learn from our digital history that we do indeed learn from it." Time will tell.

But right now it's time for me to sign off here. It's odd finishing a story that feels like it's only just starting, and I couldn't be more excited. Social business benefits everyone involved. Except the competition.

On that note, I'll leave the final words to Saket. Well sort of.

"'Adapt or die', Moneyball, 2011."

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Read the September 2013 update in one last chapter ...

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September 2013 update – a big question

It's just about five months since I signed off the first edition of this ebook to go to press. Now Robin Carey, CEO of Social Media Today, has invited us to The Social Shake-Up conference and it seemed like a good time to publish this second edition in association with Social Media Today, with Robin's foreword and the addition of this chapter to let you know our latest. (And a new 'book cover' to boot if you're interested.)

I won't focus here on our operational performance because, well, what would you go away and do with that? Instead, something more useful...

As we've talked with more and more people about respective experiences and expectations, it appears that confusion reigns as to the very definition of social business. What does it actually mean?!

So Marcus began collecting various definitions from these conversations, from conferences and off the web. He put them on big Post-It™ notes on a wall in The Nerve Center, and he, Michelle and I found ourselves browsing them one afternoon. We began to move them around. We put them in groups and then found ourselves ordering the groups in terms of what Marcus called sophistication and I called ambition, and Michelle was the first to spot the pattern.

It turns out, to varying degrees, that many of these definitions mean something quite relevant and useful, and any perceived differences can often be explained away as a matter of timing. In other words, some definitions can be seen to describe where we might get to in 2015, say, others by 2020, and some further out than that.

"Where shall we put this one?" I ask.

"That's a 2020 I reckon. I'll see your 2020 and raise you a 2025!"

It was 30th May 2013. I know that because I left a quick comment as such on Chapter 44 on this ebook's website. That comment consisted of a question, and a variation of that question now sits furthest out on our timeline of definitions:

Do you help all the individuals associated with your organization (employees, customers, partners, suppliers, shareholders, etc.) build worthwhile relationships with each other and others, coalescing by need and desire, knowledge and capability and shared values, to create shared value?

I won't tease this apart in detail here, but suffice to say you'll notice how it assumes the death of the command and control hierarchy of the traditional

firm. It emphasizes the opportunity to equip every individual with tools to help them determine and articulate their needs, desires, knowledge, skills and values in ways that are useful in working out how best to come together to do stuff of mutual value.

At Attenzi, we've begun to move away from our traditional hierarchical structure to flatter and more autonomous but still very much aligned and accountable teams, looking to our improved performance management capabilities for sensory feedback. Of course, some organizations have pursued this kind of structure before us, but interesting qualities and opportunities emerge in our social business context we think that help make it all happen more reliably, transparently and productively.

Attenzi is becoming a network, slowly but surely.

Perhaps this new vista will require a redefinition of the organization, the firm, but there's no need for us to think about that in operational terms just yet.

Does this question convey a vision for 2025? Sooner? Later? Ever? Who knows until we get there, but we think it conjures up a fascinating potential and one that can inform progress towards social business in the nearer-term.

(Interestingly, as a quick aside, we get positive reactions to this exacting take on social business from people with viewpoints spanning the full political spectrum, but I'm not going to get all political on you here.)

Now then, I won't keep you any longer... there's stuff to be done right!

We hope you're using our story here to cajole your colleagues to sign up for the ride. And as part of that communications process, if you're looking for a slidestack that builds up to this challenging question, check out: What, exactly, is social business?

While we're talking slidestacks, here's one that effectively sums up the approach we've taken and referred to in our story here that enables us to recognize the value of social even when its impact is one or more steps back from the cash register: What, exactly, is the value of social media? It's what we've come to call social business performance management, or just social performance in short.

Of course, I'll continue to add such comments and links to the attenzi.com website, and hope to see you there. And indeed at a Social Media Today conference.

All the best.

Thank you

I'd like to thank those who have influenced my thinking – those people I can recall at this moment having influenced me in some way in the context here. The influence may have stacked up over a lifetime or have been effected in a blog post, and likely something in-between.

Adam Parker, Adriana Lukas, Alan Berkson, Alex Pearmain, Alpesh Doshi, Andrew Betts, Andrew Bruce Smith, Andrew Grill, Andrew Swenson, Andy Rivett-Carnac, Ankush Sehgal, Anne Gregory, Anne McCrossan, Antony Mayfield, Antony Walker, Arush Sehgal, Austin Latimer, Barbara Hueppe, Barry Leggetter, Becky McMichael, Ben Drury, Benjamin Southworth, Betony Kelly, Blaise Hammond, Brad Fay, Brian Solis, Bryce D. Williams, Charlene Li, Charles Handy, Christine Delivanis, Christopher Locke, Claire Plimmer, Clayton Christensen, Cliff Fluet, Connie Bensen, Craig Crawford, Dan Carter, Daniel Teweles, Danny Whatmough, David Alston, David Callaghan, David Geddes, David Keene, David Meerman Scott, David Norton, David Orban, David Phillips, David Rockland, David Weinberger, Derek Hill, Diane Lennox, Doc Searls, Dominic Burch, Don Bartholomew, Don Schultz, Edward Walter, Elizabeth Kanter, Francis Fukuyama, Fred McClimans, Gabbi Cahane, Gabrielle Laine-Peters, Gemma Griffiths, Giles Palmer, Graham Jones, Gunil Chung, Guy Taylor, Hector Arthur, Heidi Schultz, Hugh MacLeod, Iain Thomson, Ian Davis, Ian Price, Jacqui Taylor, James Gleick, James Grunig, James Sheldrake, Jamie Bartlett, Jan Gower, Jan Koch, Jane Finette, Jane Wilson, Jay Fretwell, Jay Krall, Jay O'Connor, Jay Sullivan, Jeremiah Owyang, Jim Clark, Jim Sterne, John Bell, John Cunliffe, John Kelleher, John Lovett, John Woodget, Jon Rhodes, Jon White, Jonny Bentwood, Jonny Stark, Joseph Juran, JP Rangaswami, Judy Gombita, Julia Lampam, Julio Romo, Katie Delahaye Paine, Katy Howell, KC Brown, Kelvin Newman, Kerry Bridge, Konstantinos Papamiltiadis, Larry Weber, Laura Colvine, Larissa Grunig, Lawrence Lessig, Lesley Sheldrake, Linus Torvalds, Lisa Mané, Liz Brandt, Luke Brynley-Jones, Luke Scheybeler, Marc Andreessen, Marijean Lauzier, Mark Adams, Mark Pack, Mark Pinsent, Marshall Sponder, Mat Morrison, Michael Murphy, Michael Porter, Michelle Goodall, Mike Grafham, Mitch Lazar, Mitchell Baker, Monica Durden, Neil Beam, Neil Johnson, Neville Hobson, Nick Jones, Nick Mannion, Nicolas Chabot, Nicolette Cavaleros, Nigel Shadbolt, Nigel Titley, Paul Adams, Paul Baines, Paul Millet, Paul Mylrea, Paul Wilkinson, Pauline Draper-Watts, Pete Devery, Peter Drucker, Peter Kirstein, Peter Prodromou, Peter Ward, Phil Kingsland, Phil Morgan, Phil Riggins, Philip Kotler, Philip Young, Pierre-Loic Assayag, Rachel Bell, Rachel Miller, Randy Silver, Richard Bagnall, Richard Bowden, Richard Stallman, Richard Wood, Rick Levine, Rob Brown, Rob van Kranenburg, Robert Howie, Robert Kaplan, Robert Macredie, Robert Phillips, Robert Shilston, Robin Riley, Robin Wilson, Rod Halstead, Rowan Beentje, Russell Goldsmith, Saket Sood, Sally Sykes, Scot McKee, Sean Finnan, Sean Gogarty, Sean Williams, Seth Godin, Shonali Burke, Simon Collister, Simon Hilliard, Simon Huhtala, Simon Mainwaring, Simon Mulcahy, Simon Sanders, Sophie Brendel, Stefan Butlin, Stephen Waddington, Steve Earl, Steve Ives, Steve Walker, Stuart Bruce, Suzanne O'Connor, Tareq Kubaisi, Terry Flynn, Terry Sheldrake, Terry Wilcox, Tim Archer, Tim Berners-Lee, Tim Marklein, Todd Hunt, Tom Watson, Tony Fish, Trevor Young, Tristan Nitot, Tyrell Beveridge, Vanessa Dimauro, Victoria Keogh, Vint Cerf, W. Edwards Deming, Warren Bennis, Wendy Hall, William Gardner.

About the author

I wrote *Attenzi – a social business story*:

- To convey the essence, potential and implications of social business
- To help organizations pursue social business
- To describe what Euler Partners does.

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He is a Chartered Engineer, Managing Partner of Euler Partners and Board Director of Tech UK, the UK technology association previously known as Intellect. He is a special adviser to the Association for the Measurement and Evaluation of Communications (AMEC), and to the Demos Centre for the Analysis of Social Media.

Previously, he built and sold an award winning PR consultancy, developed Europe's first company based on mashing up Google Maps, and ran Europe's first digital money service. He was the industrial engineer in a team that won Management Today magazine's Best Process Factory Award.

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