

InnoCentive.com Collaboration Case Study

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Abstract

In the case study of InnoCentive.com the researcher discussed the pros and cons of InnoCentive.com adopting a collaboration operation. The researcher also identified an effective collaborative operation for the organization. The recommendations of the researcher is to include finding mutual or bonding component to the collaboration for it to be effective, managers learning to use a language of collaboration and managers acting as a liaison between the Seekers and Solvers throughout the process.

Keywords: Collaboration, Organization Communication, Leadership, Partnerships

1. Pros of InnoCentive.com Collaboration

In today's interconnected world collaboration is a part of everyday business. Hansen (2009) discusses the value of collaboration and the opportunities and barriers that may affect collaboration. Hansen (2009) clearly believes collaborations are necessary and that it is better attempt collaboration and fail than to not attempt one at all. Sometimes solutions come from outside the company. Hansen (2009) defines collaboration as a cross-unit collaboration that takes place when people from different units work together in cross-unit teams on a common task or provide significant help to each other. Companies are under pressure to cut out overhead costs and pass them on to a specialist company. InnoCentive.com (IC) offers the opportunity for seekers to evaluate solutions from solvers without investing the upfront capital for research. IC collaboration approach was not only to connect Seekers with Solvers; the intent was to increase productivity of problem solving and offer faster solutions. IC knew that collaboration would allow them to step out the box and look at more creative solutions. Seekers submit various project sizes and types. According to Archer & Cameron (2009) scale and complexity – some projects are so huge, complicated and costly that they can only be undertaken by collaborative ventures. Collaboration also expanded IC services that were offered to its clients. A company that could make such connections had the capability of having massive parallel processing of both hypotheses generation and execution. Through collaboration, allowed IC to have a global infrastructure. By the end of 2007, there were more than 600 problems, or challenges posted by more than 80 clients on IC's web-based marketplace. More than 135,000 solvers were attracted from approximately 175 countries. The IC pool of solvers: Forty percent held PhD's, there were representations from diverse fields including: private-sector participants, academics, students, consultants, and retirees.

IC broadcast search problem-solving approach worked in three ways. First, the pool of potential participant-solvers was quiet broad, including many people from different backgrounds, countries, personal and professional situations, and experiences. Secondly, the broadcast search problem solving approach also shifted seekers perspective from having a problem to that of evaluating solutions to it. Finally, the process of articulating a problem yielded criteria by which to judge proposed solutions. Only solutions that met the criteria were eligible to be rewarded.

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Archer and Cameron believe that collaboration must be done right, and the rewards can be way beyond what you can achieve on your own. These authors also argue that far-sighted organizations are already reaping the benefits of ever-wider collaboration, from outsourcing to joint ventures.

2. Cons of InnoCentive.com Collaboration

Team 1 also believes that InnoCentive.com must pay close attention when creating collaboration. Hanson (2009) states that there needs to be diversity within teams for collaboration to be effective. The way that IC was first started there was no diversity; Seekers posted questions and anyone could answer them. This was an atmosphere that was not conducive for collaboration to work. Hansen (2009) believes that there must be some. He goes on to state that having no common framework or weak ties may lead to lack of knowledge transfer because of communication problems which create havoc inside or outside an organization. The agenda's of the solvers was unknown in the process. Some agree with this view: The first step in selection is to understand the exact nature of the mutual need. All parties should know what they stand to gain from a partnership and what each party can contribute toward it. Even more importantly, they need to understand what the real value is in the relationship and how it is created in ways that no one party could achieve on their own. (Archer and Cameron 2009, p 34)

While changing their process IC is attempting to change this however; they are asking for information that can be considered as discrimination; such as career, educational background, and photos. Since IC is an internet company anyone can register to answer questions. By asking for this type of information IC is placing some potential Solvers at a disadvantage since some Seekers can avoid having them on teams. Another disadvantage that IC is creating is having someone list the number of papers written, this can also cause potential Solvers to shy away from wanting to be in the program. Not everyone can afford an advanced degree or may have written published papers, however, they can still have the knowledge that the Seeker is in need of. Many people are self taught in different areas due to an interest that they are passionate about. InnoCentive.com is creating an issue by not giving all those that have been involved in the collaboration of the final solution to the problem presented credit. All involved should be given some sort of credit, regardless of the education they have or the career field that they are working. IC has established a policy that it may use you information even if it is not selected as the solution. InnoCentive.com is making a start in attempting to create a collaborative environment for all those that wish to be involved. Sawyer (2007) states 'because complex and unexpected innovations emerge from innovative groups as a whole, group rewards need to be in place. InnoCentive.com appears to be working to bring these issues to the forefront.

3. Collaborative Operation InnoCentive.com

The researcher believes the officers of InnoCentive.com (IC) have presented a strong case for adopting a Solver collaborative operation. As presented earlier in this paper, the researcher agrees that while the idea of collaboration is technologically feasible and desirable by most stakeholders, it is not without challenges. Many of the process steps currently in place at IC are reasonable to the researcher. The researcher recommends the process continues with clearly defined problems that need solving. Submissions of eRFPs from Seekers will be processed by IC program managers, requesting responses from the solving community. An addition to the eRFP will be the option for Solvers to offer a collaborative response. Every response to eRFPs will not require a collaborative response; however, those that result from collaborative responses will earn a higher percentage with respect to relative criteria weight than those submitted by individual Solvers. This collaborative effort creates symbiotic teams, described by Archer & Cameron (2009) where, "each member is heavily dependent on the others," much like a puzzle-like way described by Innes & Booher (2010). Archer & Cameron believe team result in better results. The researcher recommends Seekers add the following requirements to their other clearly stated requirements and scope of the challenge. Responses should address all requirements of the eRFP, with each Solver's past performance (past experience) information. This information will be verified for authenticity by the IC program manager, who will maintain Seeker anonymity.

- ❖ The number of members on the project team
- ❖ A collective understanding of the challenge
- ❖ The project team's approach to solving the challenge
- ❖ The project team's recommendations/solutions

Solvers will be given a system-generated code to protect their identities and locations. Those who desire to collaborate with others will, after approval by the IC program manager, have access to the collaboration database. Solvers will use this database to find opportunities for bid and also find possible teaming partners. Solvers may not collaborate on another challenge with the same team members for six months. This minimizes the chance of creating an insular culture (Hansen, 2009).

Archer and Cameron; Innes and Booher all warn of disruption in communication flow because of "tribal tendencies." Should Solvers get exposed for violating policy; IC program managers have the authority to terminate the Solver's relationship with InnoCentive.com. Solvers will invite other Solvers to form teams, based on their capabilities and their understanding of the requirements. Teams will include 3 to 4 members, and will share a single financial award should their team win the bid. Once formed, teams will have 48 hours to decide if their newly formed team meets the conditions for collaborative rationality, as described by Innes & Booher. Once the optimal group is formed, they must begin the process of building the 3-legged stool. They are also prepared to nurture (Archer & Cameron, 2009). The database will be totally integrated and focus on opportunities, not on fields of discipline. Solvers will meet others who share their passion for a specific challenge; thereby creating a reciprocal relationship. Innes and Booher (2010) believe, "The condition of interdependence holds that agents must depend to a significant degree on the other agents in a reciprocal way...each has something others want." After Solvers form their respective teams, IC program managers provide strict guidelines for stakeholders and consequences if Solvers fail to honor those guidelines. IC program managers also perform administrative tasks such as ensuring that Solvers grant Seekers exclusive rights to intellectual property, etc.

Seekers and Solvers will continue to communicate with IC program managers throughout the process. The IC program manager acts as a liaison between the Seekers and Solvers throughout the process. They may not make decisions that alter the research or findings of the Solvers' resolutions to the challenge. IC program managers will reject all challenges from Seekers that have implications on national security. For example, IC will not accept a Seeker's challenge to uncover the mystery of solving climatic changes after a nuclear explosion. While InnoCentive.com is equipped to manage the technological aspect of this revised approach to broadcast search, human interaction is still needed to create a successful collaborative. IC program managers must remember that, "collaborative leaders seek common ground among people who have different goals and agendas..." Hansen (2009) believes that leadership is ultimately about leading people. In leading people, IC program managers must learn to use a language of collaboration. The researcher suggests that some of the words should be inclusivity, diversity, openness, positivist epistemology, and negotiation theory. All of the words were carefully chosen to demonstrate the power of creating, implementing, managing and evaluating collaborative operations.

4. Conclusion

The researcher sees the value of collaboration in this organization. After balancing the pros and cons of the organization's collaborative efforts the researcher put forth an operational plan. Clearly putting forth problems that need solutions and identifying team guidelines and awards may foster better collaboration. Working through IC program managers as liaison on intellectual property and by opening opportunities to solvers without regards discipline may generate new ideas. Finally there must be a willingness to work together shown through inclusion in words and action. The research found that this operational plan presents the proper framework for a successful collaboration in this process.

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