Web 2.0 and the empowerment of the knowledge worker

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Abstract

Purpose – The purpose of this paper is to discuss the potential of Web 2.0 technologies for knowledge management and to explore how corporate governance models influence the adoption of Web 2.0 for organisational learning and knowledge exchange.

Design/methodology/approach – The paper begins with a literature review to understand the phenomenon of Web 2.0. It introduces the opposing governance models of hierarchical pyramids and flat pancakes to assess barriers and leverage factors for the implementation of Web 2.0 technologies as a knowledge management system which is based on collaboration and the flow of information in networks; this discourse includes concepts for the nature of knowledge and decision-making processes. Finally, the potential of Web 2.0 to drive empowerment of knowledge workers is discussed.

Findings – The potential of Web 2.0 technologies to act as a lever for organisational learning and knowledge exchange depends on the degree of openness, freedom, and employee empowerment in corporate environments. Work structures and communication processes differ between employees in corporate settings and peers in web communities. Peers enjoy a high degree of personal freedom and autonomy in their participative behaviour. Employees are on the contrary tied to policies of power, control, and interdependencies within business units.

Originality/value – This article links a discussion of Web 2.0 to ideas for corporate governance and the nature of knowledge. Particular attention is paid to decision-making policies and organisational structures which pre-determine the successful application of Web 2.0 technologies for knowledge management.

Keywords Worldwide web, Knowledge management, Corporate governance, Learning organizations, Empowerment, Technology led strategy

Paper type Conceptual paper

Introduction

An astounding 75 percent of respondents indicate in a recent global McKinsey survey of executives that their companies have invested and will either maintain or even increase their investments in Web 2.0 tools which foster social networking behaviour like user collaboration and peer exchange in business. Web 2.0 technologies have pervaded the corporate sphere where they are currently assessed as a measure to increase employee performance and to improve web-based customer services. Most survey respondents consent that it is still too early to measure the contribution of Web 2.0 to the competitive advantage of corporations; but more than half of them report to be pleased with their initial investments, and they agree on two main objectives for the use of information and communication technologies (ICT) within companies: Web 2.0 tools, in particular Wikis, Blogs, and Real Simple Syndication (RSS) feeds enhance communication with their customers and suppliers on core business processes like product design and development; and they encourage collaboration and knowledge exchange between employees (Bughin and Manyika, 2007).

The trends in the McKinsey survey show a considerable increase for the use of Web 2.0 technologies in corporate business. But is this adoption of Web 2.0 as a collaboration
platform a general phenomenon which affects all companies without any distinction, or does its dispersion and sustainable use in the corporate sector depend on specific forms of organisational culture? How do corporate structures and decision-making roles influence the potential of Web 2.0 to enhance group interaction, organisational learning and the empowerment of employees?

We can draw with reference to Mintzberg’s (1998) prominent discussion of corporate designs a pyramid and a pancake as two structural extremes at the opposing ends of a continuum that contains a range of variations for organisational configurations (see Figure 1). The pyramid structure represents at one end of this continuum a hierarchical culture, in which leadership makes centralised decisions at the top of the organisation and pushes these decisions vertically down to lower-level employees for execution. The pancake structure represents at the other end of this continuum a non-hierarchical, flat culture, in which employees have a high degree of autonomy to make decisions based on their own knowledge and judgements and in which they execute these decisions laterally without having to necessarily get prior approval of the organisational leadership.

By taking these two opposing corporate configurations of pyramid and pancake into consideration, this paper identifies fundamental management policies and organisational structures, which pre-determine the successful use of Web 2.0 technologies for company goals. The paper will:

- clarify key characteristics of Web 2.0 technologies and their potential to enhance networking and collaboration among peers in communities of practice;
- assess the potential of the communication and collaboration features of Web 2.0 tools for creating and exchanging knowledge in corporate information systems;
- specify the role of corporate governance models within the process of adopting Web 2.0 technologies in companies;
- link the Web 2.0 topic to a discussion of the nature of human knowledge and its consequences for centralised versus decentralised (localised, contextualised) planning and decision processes in social systems;
- outline the potential of Web 2.0 technologies to foster employee empowerment through enhanced collaboration and interaction; and finally
- draw conclusions for the adoption of Web 2.0 technologies in companies.

The new nature of the web

Web 2.0 is a phenomenon, which since the evolution of its catchy label in 2004 has rapidly gained attention in the discussion about the impact of internet technologies on modern society and business. A number of authors perceive Web 2.0 not necessarily as a new generation of technologies, but rather as a paradigm shift in which a critical mass of users is...
accessing the Internet for mutual interaction and collective creation of knowledge. Web 2.0 stands for a portfolio of emerging tools, which provide the basis for a more mature Internet, in which users collaborate, share information and create network and scale effects in large communities (Albrecht et al., 2007; Berners-Lee et al., 2006; Kerres, 2006; McAfee, 2006; Musser and O'Reilly, 2006; O'Reilly, 2005; Seufert, 2007).

The adoption rate of Web 2.0 tools is high, as they are easy to use and intuitive, and they enable the direct and immediate online publication and distribution of user content. The instant publishing technologies of Web 2.0 enable everyone to become both author and publisher at the same time. Web 2.0 tools show in this perspective a high level of coherence with the technology acceptance model (TAM) of Venkatesh et al. (2003), which specifies “perceived ease of use” and “perceived usefulness” as main conditions for “user intention” or “attitudinal acceptance” to the sustainable use of innovative technologies. Downes (2007) defines interaction between peers, usability of tools and relevance of content as the three key principles of the Web 2.0 paradigm and as the driving forces of its rapid evolution.

Users contextualise and reflect online content in interactive learning and knowledge exchange, which is realised by using authoring tools like Blogs and Wikis, and instant communication tools like ICQ und Skype.

Web 2.0 technologies gradually change the roles and interaction processes of both organisations and users. Whereas companies and content providers pushed in Web 1.0 generalised content towards web users, Web 2.0 permits users to pull selected content with the help of aggregation tools like RSS feeds into their individual work and learning environments. The broadcasting model of information transmission, where media and corporate companies have provided and users have received information, is converging to a collaboration model, where users more and more produce content, retrieve personalised information, and exchange knowledge in distributed networks. The web has evolved from a transmissive towards a more responsive medium, where generalised information, which has been sent to a wide audience, is giving way to the active exchange of contextualised information in more focused peer groups.

The change in the nature of the medium and the more active role of users requires both technological competences and new business models for companies: users need to acquire individual expertise to select, reflect, and re-distribute online content on the basis of the quality of the given information; and companies need to acquire organisational competence to react to user-generated content and to interact with peer groups in their respective business domains. Media expertise in the Web 2.0 environment is the ability to recognise patterns within information overload, to develop holistic action frameworks out of contextualised information, and to make reasoned and reflected decisions on the basis of specific cases (Malone, 2004; Schneckenberg, 2008).

Web 2.0 technologies are powerful levers for the human desire to build and sustain relationships in disperse social communities, to create and extend networks, and to produce synergy effects through aggregated interaction patterns of users. The nature of human relationships has been explored in Granovetter’s (1983) influential social network theory on the strength of weak ties (SWT). According to Granovetter, interpersonal relationships in networks have two basic forms: we develop strong ties, which are based on our immediate work and life contexts and are at the core of our respective networks; and we develop weak ties, which stretch beyond our direct contexts into other domains and are at the periphery of our networks. While our strong ties are regular, our weak ties are casual and serve us as bridges between different social peripheries; this way, weak ties help to transmit innovative ideas and new knowledge between people of different contexts and domains.

It is in essence this idea of the usefulness of the “friends of our friends” for the pursuit of our interests, which has become salient in the reality of the Web 2.0 context. One feasible example for this phenomenon are social network services (SNS) like LinkedIn, which asserts that “relationships matter”, Xing, whose mission statement emphasises that “no two people are more than six degrees apart”, or Facebook, which aims to “connect people with friends and others who work, study and live around them”. The communities of interest or practice,
which evolve within network services, are in their origins based on a sense of communalism, openness and equal opportunity to express one's own thoughts on the shared practice; the Web 2.0 peer-group environment amplifies these socio-technical phenomena of knowledge exchange through economies of scale (EoS) and network effects (Wenger et al., 2002). While Granovetter's strength of weak ties idea has been originally perceived as a paradoxical and counter-intuitive idea, it now unfolds with the application of social software and SNS as a web-based extension of the inherent human necessity to create a wide network of relationships for personal advancement in life.

The emergence of corporate knowledge

We currently observe the dynamics of emerging social interaction patterns which peer communities and networks unfold on the Internet through the rapid and sustainable adoption of Web 2.0 technologies. But what is the impact of community-building Web 2.0 tools and SNS on corporate contexts? McAfee (2006) has coined the term “Enterprise 2.0” to represent those Internet technologies and business practices which allow employees in information-rich corporate contexts to produce and exchange knowledge in collaboration and interaction. Web 2.0 technologies are primarily perceived in this perspective as building blocks for an enterprise platform that enables open collaboration as well as exchange of information and knowledge either within companies, or between companies and their partners or customers.

McAfee proposes the “SLATES” acronym to differentiate the key features of Web 2.0 technologies and their potential in corporate contexts: “Search” stands for the efficiency of users to find dispersed information in the Internet; “Links” are the main levers for search efficiency, as they provide an organic structure to online content which search engines retrieve for their services; “Authoring” tools enhance the user-driven production of content which gradually converges to taxonomies - these are labelled “folksonomies” in the Web 2.0 context, as collaborative teamwork in open peer communities succeeds efforts of appointed experts to create and define knowledge in the Internet; users assign “Tags” to create a peer-driven categorisation and validation of online content in those folksonomies which have emerged in communities of interest or practice – a collaborative review effect that has been labelled “wisdom of the crowds”; “Extensions” enhance immediate search results of users towards related topics of interest and present serendipitous, non-expected learning opportunities; and “signal” technologies finally allow users to aggregate and bundle relevant online content within their personalised learning environments (PLE’s).

The adoption of Web 2.0 tools in businesses is driven by their capacity to capture the way in which employees search and collect relevant information in their work contexts, and to make interaction patterns within organisations visible. Web 2.0-based enterprise platforms support dynamic knowledge exchange and the emergence of a corporate information structure, which represents the genuine interests and competence domains of employees. This bottom-up, almost organic creation of corporate information structures is a powerful and innovative feature of Web 2.0 tools and the main difference between enterprise 2.0 approaches to use Internet technologies for knowledge exchange and more traditional communication and knowledge management approaches. Most established corporate information technology (IT) platforms have been built on a dominant systems design which
uses e-mail, intranet and data-based knowledge management software to exchange and represent information in organisations. The main shortcoming of traditional, so to say “Web 1.0” applications in the established systems design is that the information it contains is both channelled and static – e-mails channel communication to selected recipients and create overload as well as overlapping of information; intranets and knowledge management systems store static information in taxonomies whose structure has been pre-defined by selected experts for the whole organisation.

Yet, enhanced employee collaboration and knowledge exchange as a logical result of implementing a Web 2.0 system into corporate IT structures cannot be taken for granted. McLuhan et al. (2003) has observed that all media and technologies are in their nature extensions of psychological or physical human faculties. If one consents to this standpoint that technologies are not able to create, but only to enhance human faculties, then Web 2.0 tools do not initiate by their mere introduction into an organisational system a collaborative and interactive information exchange of its members. Employees first have to get acquainted with a collaborative work culture before they are capable and confident to make efficient use of Web 2.0 tools in their corporate context. If the collaborative work culture is absent and employees are not prepared to share information and to trust each other, a decent enterprise platform based on Web 2.0 technologies might end up without having a critical mass of employees adopting the tools for communication – or even face the worse case of people fighting out public turf wars and blame games on it. The “if we build it they will come” approach of technology adoption is not likely to work by itself. The acceptance and sustainable use of Web 2.0 technologies in companies relies on wider organisational factors, which relate to their decision-making policies and the values which are engrained in their corporate cultures.

Centralised planning and contextual knowledge

Corporate governance and value systems determine the way in which employees share information, make decisions and interact with each other. Think about decision-making in the hierarchical and centralised value system of a pyramid as a rigorously planned process: employees gather contextual information, generalise it in reports and prepare it for delegation to top management, which takes decisions based on this aggregated information that has been delivered to them. This division of labour in the pyramid implies that corporate strategy is defined in a top-down approach by the managerial leadership and that they (should) take most responsibility for the applied decisions. In the liberal and decentralised value system of a pancake it is rather the employees which have the autonomy and competence to take individual or group decisions based on their analysis of contextual information. This decentralised process of decision-making in the pancake implies nonetheless that the autonomous decisions of employees are in line with the overall corporate strategy and that they (should) accept to take their share of responsibility for their decisions. It is Drucker (2005) who has emphasised one essential notion in his ideas on the self-management of knowledge workers in modern business: with their opportunity for fast careers in fluid and flexible modern work contexts comes their responsibility for their own growth and work performance.

Web 2.0-based enterprise platforms have the long-term potential to enhance corporate performance, if they are adopted as information tools by employees who create as autonomous peers a learning and work environment that reflects interactions and decisions in their specific domains of interest. The advent of the knowledge economy has led to a strong emphasis on the crucial importance of highly skilled employees. The term “knowledge economy” implies a pervasive, technology-driven change in markets and companies, as it places the knowledge and application of highly developed and often digitalised tools and crafts at the center of economic activities. Scientifically grounded knowledge has become a key economic resource and key success factor for the competitive advantage of companies in knowledge-intensive markets - a position, which Drucker (1995) has continuously expressed in his work on the fundamental changes of business in the modern world. As most markets nowadays contain knowledge-intensive production processes, highly skilled and research-savvy knowledge workers are perceived
as the most important asset of corporations - they are the human component in Stewart's (2001) influential concept of “intellectual capital”.

The central role of knowledge and knowledge workers in modern business implies for the strategic management of companies that corporate decisions should be based on the most relevant and accurate information which is available for a given problem. Today’s contemporary work contexts continue to increase in complexity. Employees are often highly specialised experts in their respective domains. Their individual knowledge about contextual factors becomes more important and harder to be compressed into representative data that is reported in hierarchical systems to the top management for decision-making. Accordingly, decisions should ideally be made and actions be taken by the person with the most relevant contextual knowledge on the nature of the problem that needs to be solved.

Modern companies, which act in market structures of developed economies, experience a considerable shift of their business activities from the production of goods to the delivery of services, which is accelerated through technology-intense production and distribution methods. What impact do these fundamental changes have on corporate configurations? Malone (2004) has identified the sharp decrease of information and communication costs in the networked economy as the main driver for the organisational transformation of a growing number of companies from a hierarchical pyramid to a flat pancake structure. This transformation of corporate configurations from pyramids to pancakes, or the progressive “pancaking” of corporate organisations, results in consequence in a shift of decision-making from centralisation to lateralisation in modern business; and this transformation can be linked to the idea of empowerment of knowledge workers, who act as interconnected peers in increasingly hybrid or decentralised organisational structures.

Hamel (2007) argues in his work on “the future of management” that the classic strategic management models no longer fit the rules of the game in the knowledge economy of the twenty-first century. Hierarchical corporate structures favour linear decision-making which is based on aggregated, generalised, quantified knowledge; and they imply established management techniques like centralised planning and strategic positioning, quantitative market analysis, strategic business units (SBUs), standardised job descriptions, reporting, and incentive-based compensation schemes. Hamel takes the provocative position that these long established strategic management tools do not help contemporary managers to understand the volatile nature of modern markets and to create flexible companies which are able to compete in constantly changing contexts. Lateral corporate structures and decentralised decision-making processes offer a more feasible management approach to create flexible and adaptable modern enterprises, which operate in fast-moving and knowledge-intense markets. The potential of lateral corporate structures is to allow employees to make their own decisions based on qualitative and contextual knowledge, recognition of patterns, and intuitive sense-making in information-rich competitive environments. Participative concepts like process-ownership, lateral decision-making, self-management, internal commitment to work tasks and employee empowerment currently shift into the focus of an alternative, more modern strategic management of companies.

Participative concepts and the transfer of decision-making to lower levels of organisational systems are not unique to the emergence of the web economy, but have already been discussed in Hayek’s (1945) seminal essay on the nature of knowledge in society. He argues...
that human knowledge is dispersed in any social or organisational system, as it is by its very nature individually bound and often contradictory in its essence. Hayek applies his understanding of knowledge to the process of economic planning, which he defines as interrelated decisions of individual actors about the allocation of available resources in a given social system. The essential systemic question for power control in organisational value systems relates to the one who is planning - does planning take place in a centralised or in a decentralised way?

Hayek assumes that the main problem for economic planning and decision-making is the fundamental need of economic actors to rapidly adapt to continuous changes in particular circumstances of place and time. Accordingly, the ultimate decisions about the allocation of available resources in a given social system should be made by people who are familiar with the contextual changes in question to solve a specific problem – which are those economic actors with the contextual knowledge of particular circumstances of time and place. Generalised knowledge is by its nature aggregated knowledge passed on from individual actors to organisational leadership at centralised levels of decision-making; it has been compressed and has thereby inevitably lost the notion of the particular circumstances of time and place. It is this inherent inability of generalised knowledge to represent a coherent picture for particular circumstances of time and place in an organisational system which requires a process of free information flow by which the individual actors constantly acquire and communicate contextual knowledge.

A number of key thinkers in the field of knowledge management sustain Hayek’s position that knowledge by its very nature requires decentralised decision-making in a liberal systemic culture to be feasibly managed. Polanyi’s (1966) prominent quote “we know more than we can tell” saliently expresses the phenomenon that tacit knowledge is individually bound; it is losing part of its original meaning when it is extracted, made explicit for reporting and transferred to other contexts. Nonaka and Konno (1998) characterise knowledge in their concept of “ba” as an intangible and context-bound matter. They conceptualise knowledge as a constantly changing and dynamic flow of interconnected ideas, which emerge in relationships and are shared in a physical, virtual or mental space. Csikszentmihalyi (1990) perceives the exchange of information and the acquisition of knowledge as the result of a collective flow of ideas; this flow emerges from individual self-interest within networks and moves along in a dynamic and constantly changing environment. While individual network members seek to pursue their self-interests, they serve with their individual actions the common interest of the whole group, even though they are not aware on this unconscious side-effect. People, who interact in unrestricted social settings like open peer networks or liberal economic systems, seem to almost instinctively move into the right direction as a collective – as if they were behaving like fishes in a swarm or being guided by the principle of Adam Smith’s (1776) invisible hand.

The idea of serendipity also links to these approaches to perceive and conceptualise knowledge as a flow. Serendipity is an effect by which we accidentally make a discovery while looking for something else. It is in this sense an inherent component of scientific inventions – think about Alexander Fleming’s purely accidental discovery of penicillin. This effect of serendipitic discoveries is an inherent contemporary aspect of the interlinked information pools that are gathered in web-based networks. By finding things they have not been looking for in first place, network members literally “stumble upon” useful habits and practices to gather knowledge and to make reflected decisions in their community and work contexts (Arina, 2007).

Innovation is created in the modern network economy by the deliberate exchange of ideas between individual experts. Switzer (2008) specifies that corporate configurations should serve the knowledge workers with the creation of the most efficient and feasible work environment they will need to transfer their expertise into professional performance: central aspects of these new corporate configurations are interconnected and flexible workplaces, free expression of ideas, interchange of common sense-making and contextual decision-taking and much more focus on the fit between personal beliefs and organisational values. The knowledge workers need liberal governance systems in the
sense that corporate leadership should not and cannot centrally plan the mental work tasks of their employees; leadership should rather create a positive and collaborative work environment which frames the individual contributions of knowledge workers to the corporate performance and leaves them enough freedom to define their own learning needs and to grow their competences in their respective expert domains.

The strive to empower the knowledge worker

As argued above, the corporate configuration and the value system of companies are the main restricting conditions for contextualised and autonomous decision-making of employees in organisational environments. Employees who work in decentralised organisational systems with a flat pancake structure have more freedom to efficiently use their contextual knowledge and to make autonomous decisions in their work contexts than employees who work in a hierarchical pyramid structure. The systemic perspective of corporate configurations has implications for both knowledge acquisition and decision-making as well as for the prospective use of Web 2.0 technologies in business: value systems and organisational structures of companies have a strong influence on the unfolding of the potential of Web 2.0-based enterprise platforms to act as a vehicle for organisational learning and collaboration and to finally enhance employee performance.

The lateral allocation of decision-rights is tied to a successful empowerment of employees in corporate contexts. But although innovative firms like Google, Yahoo, Facebook or SAS explicitly foster lateral structures, team-based decision-making and individual autonomy, it is Argyris (1998) who highlights the dilemma of employee empowerment in the majority of companies: in both management research and practice, empowerment is praised in public; however we ask ourselves in private why we cannot see it.

Given the new role definition of knowledge workers in today's globalised, technology-intense economy and the potential benefits of workplace identification and motivation of employees for the leverage of organisational performance: why is empowerment still a rare phenomenon in companies? Argyris explains this paradox with a Maccavellian logic of political power in business. Chief executive officers (CEO's) generally feel a strong desire to accumulate power and control over decisions and resources; this is why corporate empowerment programs have to face the fundamental challenge of managing a strong tension between the strive of individual employees to gain autonomy and the eagerness of leadership to preserve centralised control in the company.

Argyris has identified commitment as the main factor which underlies work motivation and performance of employees in firms. He distinguishes between external and internal commitment: external commitment equals adaptive behaviour or the compliance of employees to externally defined tasks, behaviour, performance goals, and importance, which are defined by leadership management; internal commitment leads as internally defined tasks, behaviour, performance goals, and importance to a real identification of employees with their work. If we follow Argyris' distinction, it can be assumed that corporate value systems have to reinforce internal commitment to lead to an incremental process of employee empowerment; this requires the lateral allocation of decisions and encourages from a technological perspective the adoption of Web 2.0 tools for internal knowledge exchange and collaboration.

Inner contradictions within corporate change and innovation programs pose an additional challenge to the idea of employee empowerment and the application of Web 2.0 tools for organisational learning. These programs usually aim to foster the capability of employees to make more autonomous and self-responsible decisions in a major corporate change. But who defines the new corporate targets? It is frequently external consultants who define corporate innovation targets in collaboration with company leaders. The new targets are then presented by the corporate leadership to employees in a set of guidelines on how they should change their behaviour in order to comply with the envisioned corporate innovation. This kind of change strategy pushes a pre-defined behavioural change on employees rather than to actively involve them in the process - does this really work? Kolb and Kolb's (2005) studies on the psychology of learning assumes that only our own reflection and resulting
action is able to trigger a personal learning process, which leads in consequence to a desired adaptation of behaviour.

The empowerment of employees is a key factor for corporate innovation and for the use of Web 2.0 technologies to support the exchange of ideas and organisational learning. The main challenge for corporate innovation is the managerial task of balancing those inherent process inconsistencies that evolve between top-down control and bottom-up empowerment in periods of intense organisational change. Argyris (1998) concludes in his essay on empowerment that we have to be realistic about the definition and scope of innovation targets in corporate culture - and we can extend this advice to the use of Web 2.0 tools to drive and enhance these change processes: usually, we can strive to empower all employees in an organisation for some time and even some employees all the time, but we cannot empower all employees all the time.

**Conclusion**

The intuitiveness and ease-of-use of Web 2.0 tools have changed the nature of the web. These characteristics have led to a both rapid and massive adoption of Web 2.0 tools on the Internet. We are nowadays able to easily create our own Blogs to present and communicate our ideas; we are able to contribute to a discussion in a Wiki and exchange ideas in globally spread communities of practice; and we are able to subscribe with RSS feeds to interesting information which is tailored to our learning needs and delivered to our personalised work and learning environments. And – unlike just some years ago, we no longer need to learn and understand the underlying technologies for web publishing, but we can instantly use Web 2.0 tools to communicate and collaborate with each other.

The great potential for the use of Web 2.0 technologies in business is their capacity to foster collaboration and interaction in geographically dispersed workgroups, either within or between companies. Web 2.0 applications help teams of highly specialised experts to create and nurture knowledge within common work projects; companies have the opportunity to use the strengths of Web 2.0 enterprise platforms, which McAfee has summarised in his SLATES model, for organisational learning; the emergent nature of knowledge management systems, which are build on shared interaction of employees in open collaboration contexts, help companies to acquire and extend their internal core competences so that they are able to excel in modern markets. The pervasive nature of Web 2.0 technologies can also be used to enhance a gradual transformation of companies towards more decentralised organisational structures and to reinforce a lateralisation of decision-making – a strategic management decision more and more companies have to take to survive in rapidly changing business environments.

Corporate structures and organisational governance models are important structural conditions for the successful implementation of Web 2.0 technologies as enterprise platform for organisational learning and employee collaboration. Compared to the “dry” and “rocky” surface of a pyramid, the “soft” and “flat” surface of a pancake offers from the structural perspective of corporate configurations a more nurturing environment for Web 2.0
technologies to develop into a blossoming enterprise platform. Today’s young and technology-savvy knowledge workers, which have grown up as members of the ne(x)t generation, increasingly ask corporate leaders to integrate Web 2.0 tools in the enterprise platform for future organisational learning; they want to interact and collaborate in their workplace environments in the same way they interact and collaborate in their peer communities in the web. To be able to do this, knowledge workers need in a first step a decentralised corporate culture which grants them the competence and autonomy to define as peers in workgroups their own work processes and take their own decisions in business. The major threats for corporate efforts to empower employees and to successfully implement Web 2.0 in companies are internal struggles for power, top-down control over decision-making and centralised allocation of resources.

We can ask a set of questions to further explore the relation between corporate configurations, organisational value systems, and the potential of web technologies to foster employee empowerment: do hierarchical pyramid configurations still represent the dominant design of company culture in modern business, or will the pervasive nature of new technologies gradually change the corporate landscape? Communities and networks in the internet urge companies to open up their business processes to customers and to make their product decisions and services more transparent and responsive. What is the role played by organisational size in the organisational transformation processes of companies? Is a “pyramidisation” of corporations inevitable, as companies grow in size and leadership feels in parallel a growing need to internally control production processes and decisions about the allocation of available resources? It will be interesting to see if a company like Google, which was born in the Web 2.0 era and which explicitly favours the empowerment of its employees, will in the long run transform to a corporate pyramid. It is beyond the scope of this contribution to discuss these aspects on the relationship between pervasive technologies and structural changes of companies in modern business. But unpredictable and technology-intense markets force us to rethink key principles of management theory for corporate governance, knowledge management and employee motivation.

What pragmatic advice can be gleaned from the conceptual considerations of this article for the integration and management of ICT in corporate practice? Chief information officers (CIO’s) and human resources (HR) managers, who plan to introduce Web 2.0 tools into their corporate environment, need to be realistic about the definition of objectives for the use of Web 2.0 technologies in corporate contexts. Their corporate leadership has first of all to understand the impact which fundamental configurations of the corporate culture have on implementation of Web 2.0 technologies. A corporate environment, which encourages autonomous and self-responsible employee decisions, will drive an adoption of Web 2.0 tools for knowledge exchange and organisational learning. To convince them of the benefits of the Web 2.0-enhanced way of business, corporate leaders have to see examples of modern companies, which have profited from lateral structures and decentralised decision-making in modern markets. Once the Web 2.0-based enterprise platform has been implemented, essential corporate information has to be distributed through it to make tools like Wikis, Blogs and RSS feeds relevant to employees and to trigger the development of a new communication culture within the organisation.

The high adoption rate of Web 2.0 technologies in companies, as reported in the global McKinsey business survey, indicates that this innovation process is a managerial challenge most corporate leaders have to face in the near future. They need to think about the potential of Web 2.0 technologies to trigger a fresh approach to organisational learning, to re-engineer internal knowledge management, and to enhance external customer services. If corporate leaders fail to do so now, their companies run the risk of falling behind the fast-moving frontline of technology adoption, which will in the long run weaken their competitive advantage in volatile and knowledge-intense markets.
References


Further reading


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