

From closed to open

“Challenges ask great questions. How can we do something better? Open innovation is about asking to do more with less, to do things better and faster and to get a great diversity of insight.”

Matt Chapman ⁷³

For centuries, traditional businesses have relied upon closed approaches for their success: they recruit and retain specialists, and then deepen their skills and experience over the ensuing years; they develop proprietary tools, tactics, techniques and procedures to help them do business, drawing upon decades of project work and intellectual property; they sell products and services that evolve only gradually and compete in markets where the competition is doing the same; and they build up a protective armour of sorts, shielding themselves against risk and change. Being closed, and keeping things ‘in-house’, was simply the way that businesses worked. Failures could be kept locked up; credit for successes could be clearly assigned.

But today’s dynamic operating environment demands a different and more agile approach from businesses and other organisations. And while some bold predictions suggest that crowdsourcing will put an end to these working conventions overnight, the reality is that the crowd offers a practical way for enterprises to experiment, to interact with the crowd and to offer faster, better, and sometimes cheaper solutions. For individual workers, too, crowdsourcing provides an opportunity to engage with businesses in a new way, to work with experts from a wide array of different fields, to develop new skills and interests, and, if they so desire, to take on challenges with a real social purpose.

Linus Pauling, the American scientist, author and educator, said, “If you want to have good ideas you must have many ideas. Most of them will be wrong, and what you have to learn is which ones to throw away.”⁷⁴ As the crowdsourcing ecosystem and the online population both steadily build over the next few years, the opportunities that exist for businesses and public sector organisations to discover and develop “good ideas” will multiply rapidly.

As a consequence, organisations that fail to harness the strength and diversity of the crowd, instead adopting a ‘wait-and-see’ attitude, are likely to be overtaken by stripped-down, more nimble organisations that appreciate the shrinking half-life of knowledge and the power of connectivity over in-house content.

For start-ups and entrepreneurs, interest in the crowdsourcing space is growing rapidly. For legacy organisations more averse to risk and experimentation, the situation is not quite so certain. However, the stability and scope of services now offered by today’s enterprise crowd platforms should stir ever-greater numbers into action. These organisations can start by identifying specific opportunities where inherently closed approaches to current challenges create bottlenecks to innovation, slowing down processes and driving up costs. By solving concrete – even if small – problems at their edges, organisations can more effectively identify the technical, organisational, cultural and talent changes necessary to realise the broader benefits of crowdsourcing – and then scale and repeat.

Ultimately, crowdsourcing is not just about greater access to talent. It is also about tapping into new sources of data and deeper pools of knowledge that cannot easily be accessed by any other approach. Alongside technologies like artificial intelligence and robotics, crowdsourcing looks set to play a pivotal role in future business. It will affect the way that workers and organisations interact, the way that businesses engage with their customers and, ultimately, the productivity and diversity of our economy.