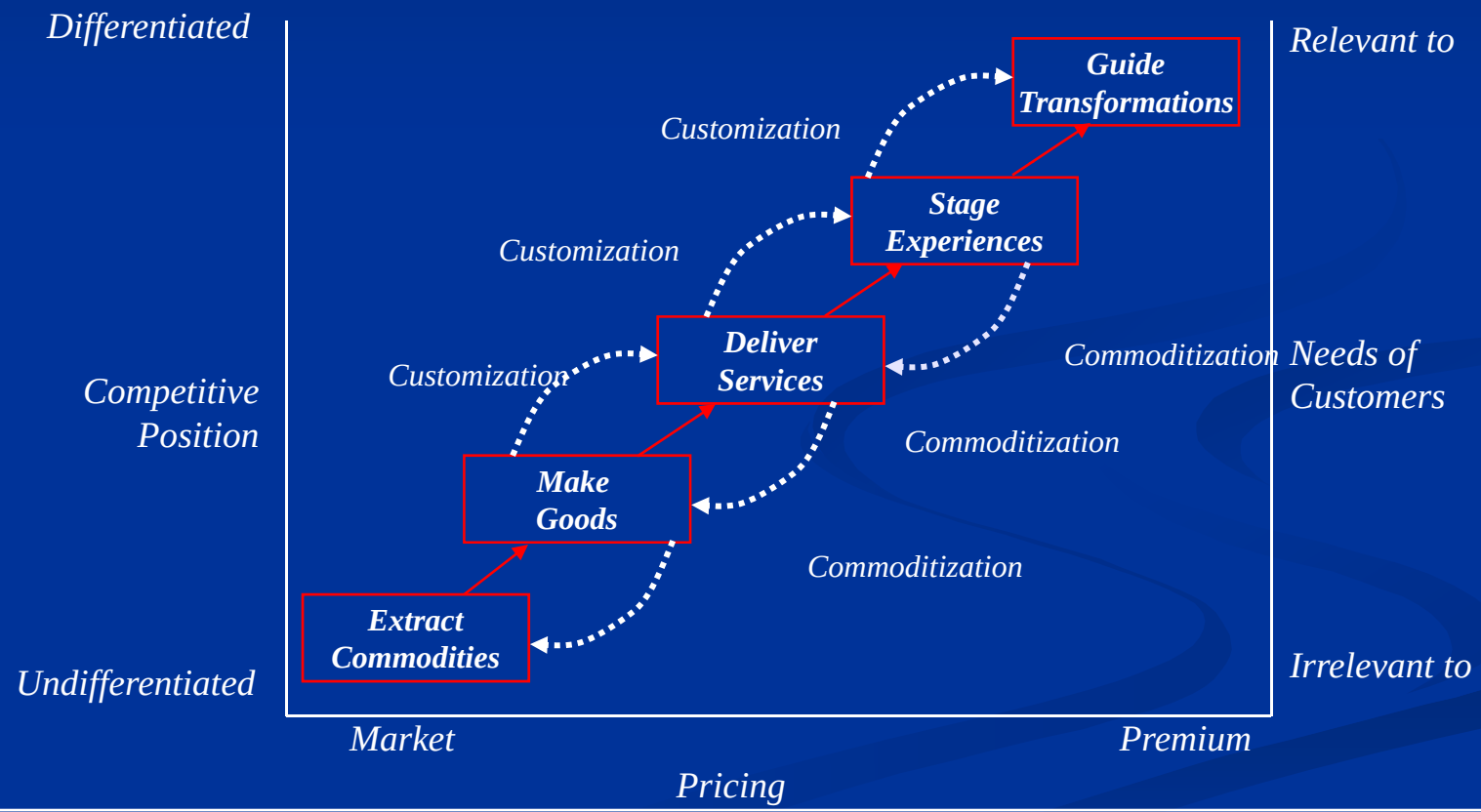


Succeeding in Wikinomics & a Flat World

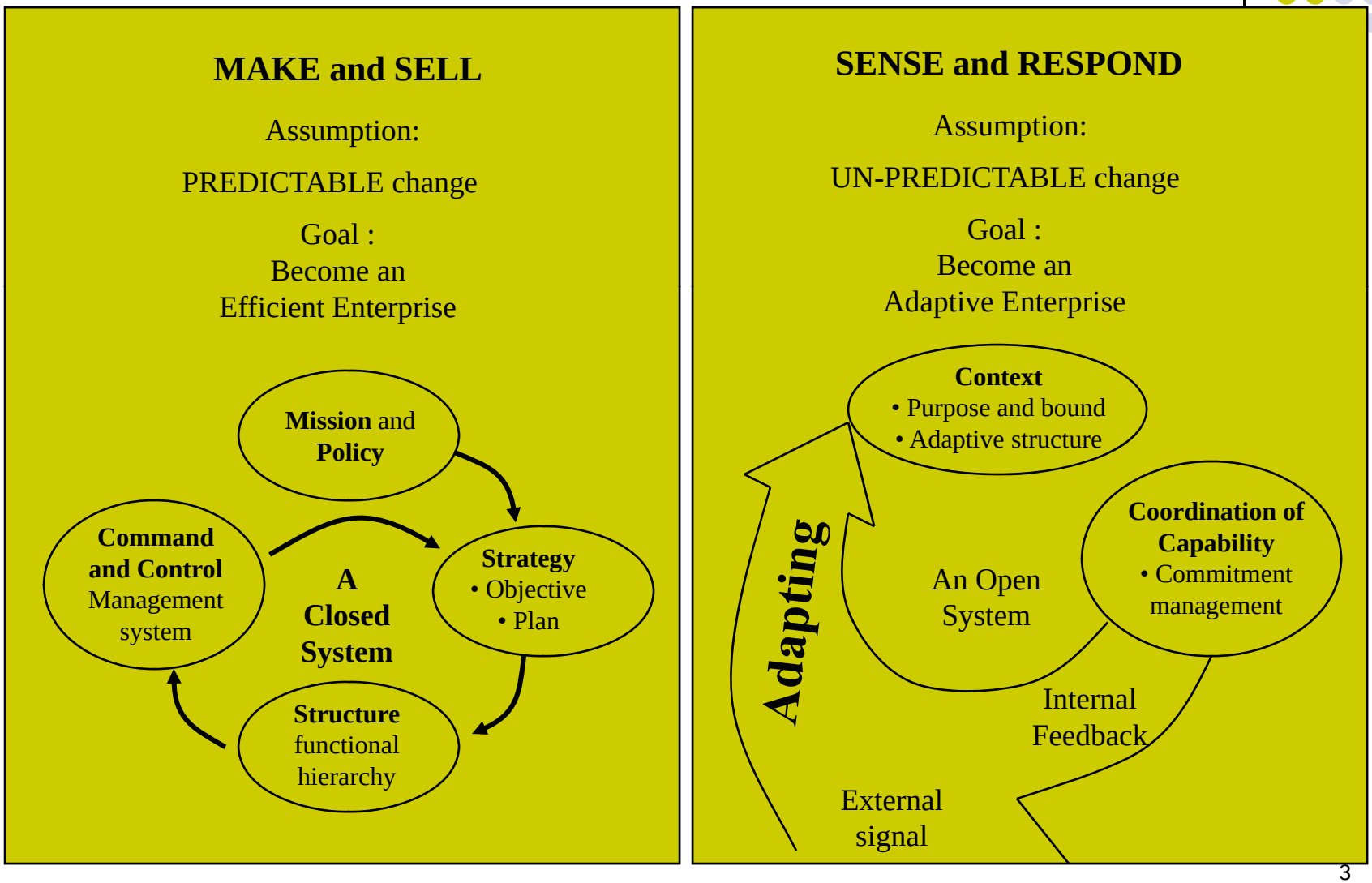
Presented at the
MM Program Unikom
Pebruari 2009

By: Dr. Ir. Tri Utomo Wiganarto, MM

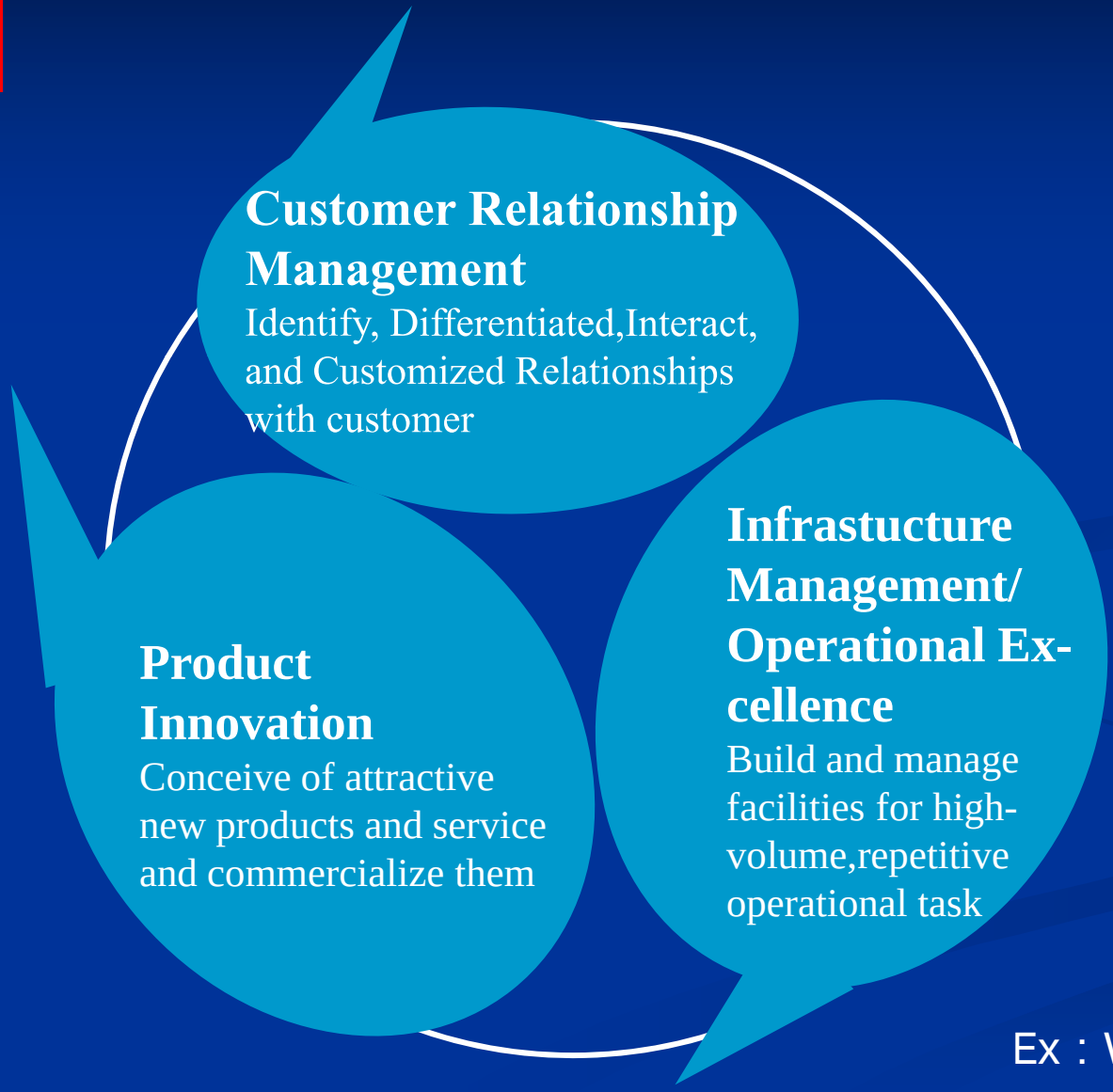
Completing the Progression of Economic Value



Two Ways to Think about a Business



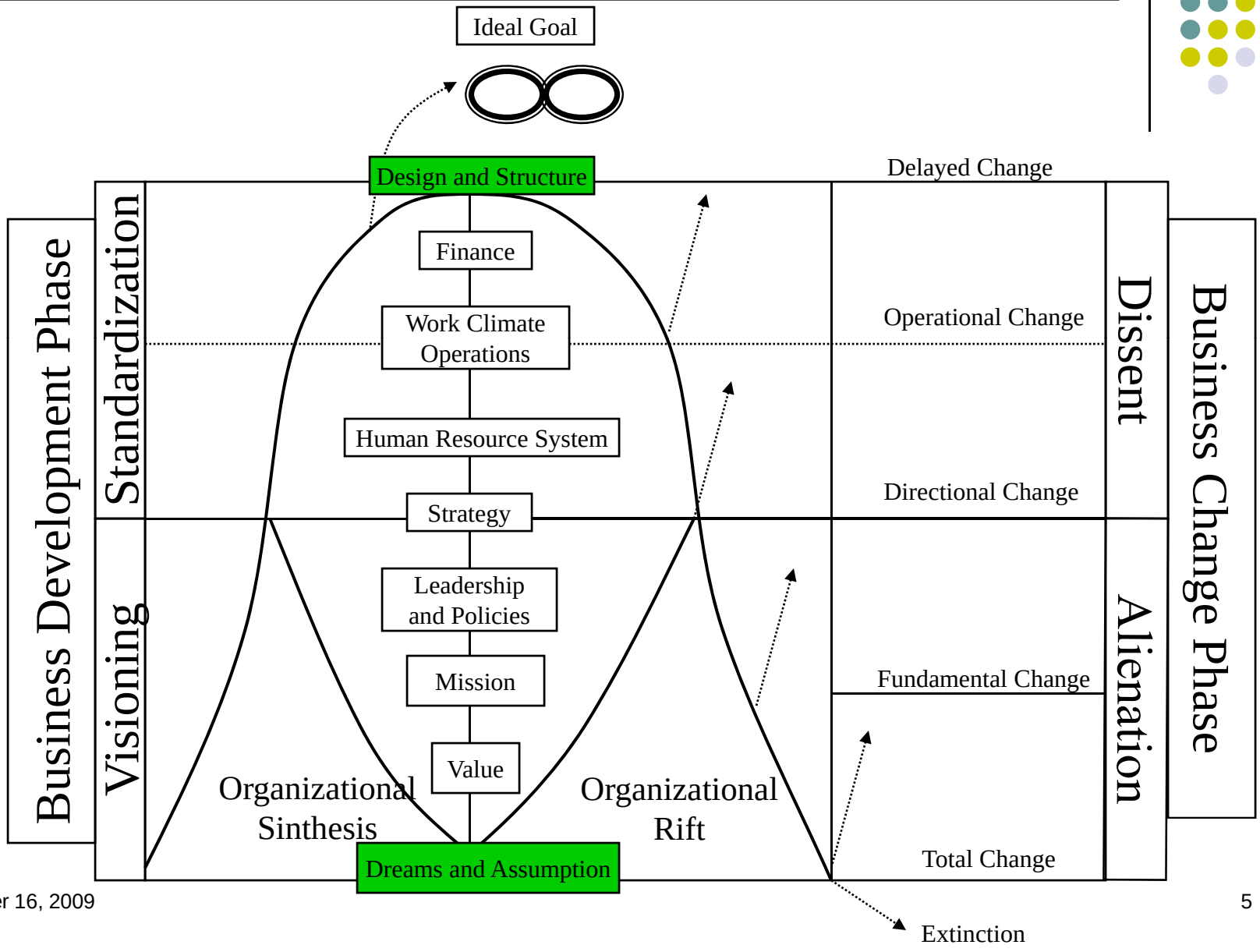
Become Adaptif Enterprise :



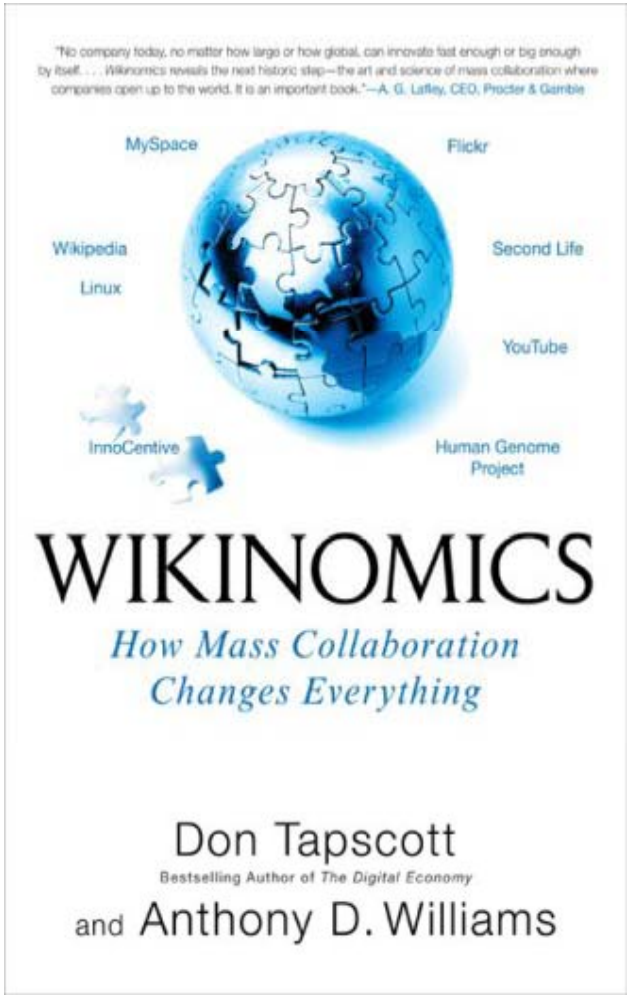
As Interaction Costs fall Companies will Come under Pressure to Unbundle their Core processes, Each of which Has very Different Economic Cultural, and Competitive imperative

Ex : Walmart, Citibank, Nike

Business Life Cycle



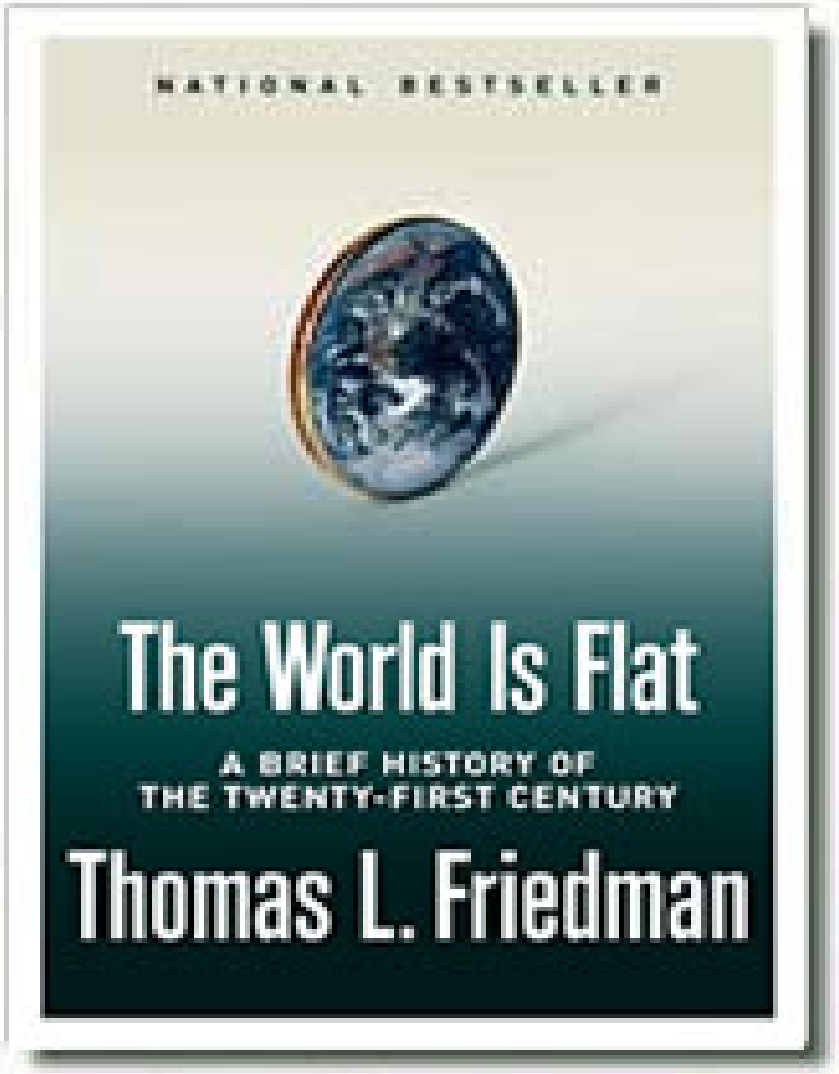
Global Economic Trends



Principles of Wikinomics

- **BEING OPEN**: being porous to external ideas and human capital: open-source licences
- **PEERING** : collaborating on a micro-level, a community is organized by members who voluntarily join it and contribute by choice: Wikipedia
- **ACTING GLOBALLY**: Utilization of global talent pool made possible by communications technology
- **SHARING**: firms maintain their intellectual property in categories where some of it is protected but most of it is open

International Best Seller Book



What is a “Flat World?”

- Phrase made popular by Thomas L. Friedman
  - Author of “The World is Flat, A Brief History of the Twenty-First Century”
  - Foreign affairs columnist for NY Times
- The Flat World Defined
  - Global, web-enabled platform
  - Multiple forms of sharing knowledge and work
  - Irrespective of time, distance, geography and increasingly, language

The global economic playing field is being leveled

The Three Great Eras of Globalization

- 1492 – 1820 Globalization 1.0
  - Exploration and colonization drive success
  - Countries think globally to thrive
- 1820 – 2000 Globalization 2.0
  - Collaboration between international companies
  - Companies must think globally to survive
- 2000 – Present Globalization 3.0
  - Individuals and small groups globalize
  - Driven by diverse group comprised of all nationalities

Everyday Examples

- Jet Blue Reservation System
  - Retirees and housewives take airplane reservations from their homes
- McDonald's Call Center
  - Drive-thru customers across the country give their order to a worker in Colorado Springs
- Indian Technicians and Engineers
  - Read X-rays, write software, provide administrative support to US companies from Bangalore
- Chinese Workers and Technicians
  - Japanese speaking Chinese workers provide backroom support to American and Japanese companies

Flattener #1:
11/9/89
When the Walls Came Down and the Windows Went Up



The fall of the Berlin Wall had far-reaching effects that tipped the balance of power toward free-market-oriented governance.

Flattener #2:
8/9/95

When  ***Went Public***

shifting us from a PC -based platform to an Internet-based platform

"*People will change their habits quickly when they have a strong reason to do so, and people have an innate urge to connect with other people*."

Marc Andreessen
Co-founder of Mosaic (Netscape)

Flattener #3:
Work Flow Software
Let's Do Lunch: Have Your Application Talk to My Application

WildBrain.com – Animation team spread all around the world.

Physicians – X-rays taken in Bangor are read in Bangalore.

"***We were not just communicating with each other more than ever, we were now able to collaborate – to build coalitions, projects, and products together – more than ever***."

IBM Strategist Joel Cawley

Flattener #4:
Open-Sourcing
Self-Organizing Collaborative Communities

When you go to amazon.com, the first piece of software your web browser talks to is Apache.

Apache is a shareware program for Web server technology.

- produced by a bunch of geeks working on-line in an open-source chat room
- constantly improved by its users and made available to anyone for free
- every bug or deviation from standards is constantly reviewed by users
– the ultimate peer review
- and the open-source movement is growing.

Create account / lo

article | discussion | view source | history

Wikimedia needs your help in its 21-day fund drive. See our fundraising page.

Over $100,000 has been donated since the drive began on 19 August. Thank you for your generosity!

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Welcome to Wikipedia, the free encyclopedia that anyone can edit.
In this English version, started in 2001, we are currently working on 702,868 articles.

Other langu
FAQs | Table

CULTURE | GEOGRAPHY | HISTORY | LIFE | MATHEMATICS | SCIENCE | SOCIETY | TECHNOLOGY

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Today's featured article



Rebecca Clarke was an English classical composer and violist best known for her chamber music featuring the viola. She is considered one of the most important British composers in the interwar period between World War I and World War II; she has also been called the most distinguished British female composer of her generation. Though she wrote little, due in part to her ideas about the role of a female composer, her work was recognized for its compositional skill. Most of Clarke's works have yet to be published (or have only recently been published),

In the news



- Seven people are killed as **Hurricane Katrina** passes over the U.S. state of Florida.
- U.S. televangelist **Pat Robertson** issues an apology for calling for the assassination of President Hugo Chávez of Venezue
- Railroad workers lay tracks on the Tanggula Mountai Pass in Tibet at 5,072 m (16,640 ft) above sea level. This section of the **Qinghai-Tibet Railway** is now th highest railway in the world.



Flattener #5: Outsourcing *Y2K*

Indian Institute of Technology (IIT)

- Begun in 1951 under Nehru, there are now seven
- Very high standards; demanding workload; Can't bribe your way in
- One of the greatest bargains America ever had – a brain drain that filled up in New Delhi and emptied in Palo Alto

Now you can plug into the world from India.

Y2K upgrading was the opportunity for India
to get its footprint across the globe.

It was tedious work that would not give India a competitive advantage, but



e-commerce followed, and India has never looked back.

Flattener #6:
Offshoring
Running with Gazelles, Eating with Lions

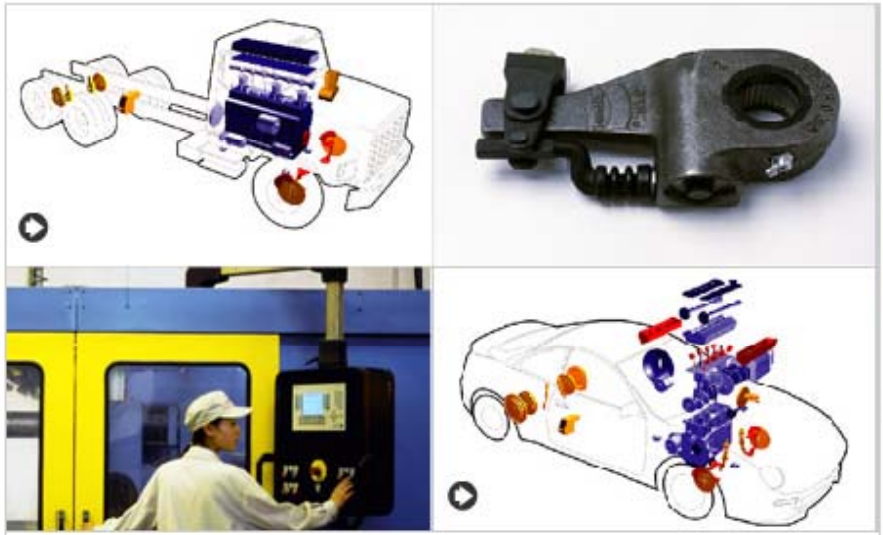
December 11, 2001 – China formally joined the World Trade Organization

which meant Beijing agreed the same global rules governing exports, imports, and foreign investments that most countries follow.

asimco TECHNOLOGIES

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Combining the best in China with the best of the rest of the world



ASIMCO Technologies produces a wide range of powertrain, chassis, NVH and diesel fuel injection products for light duty and commercial vehicle applications.

ASIMCO Technologies – helping customers to enhance their competitiveness in the global marketplace by combining the best in China with the best from the rest of the world.

A Visionary Company - one of the first automotive components companies born and based in China, to operate on a global scale.

- ***China*** *18 factories and 36 sales offices*
- ***US*** *3 manufacturing facilities and a sales office*
- ***Europe*** *sales office*

ASIMCO Technologies – an American auto parts manufacturer in China has the following African proverb, translated in Mandarin, on the factory floor:

Every morning in Africa, a gazelle wakes up.
It knows it must run faster than the fastest lion or it will be eaten.

Every morning a lion wakes up.
It knows it must outrun the slowest gazelle or it will starve to death.

It doesn't matter if you are a lion or a gazelle.
When the sun comes up, you better start running.

Flattener #7:
Supply-Chaining
Eating Sushi in Arkansas



No one has a more efficient supply chain than Wal-Mart.

Point-of-sale terminals linked by satellite continuously keeps track of sales at each location allowing for optimal inventories.

Florida stores know exactly how much beer and pop tarts to stock just before a hurricane.

Of course, ruthless commitment to low prices has down sides. No company epitomizes the tension between the consumer in us and the laborer in us more than Wal-Mart.

Flattener #8:
Insourcing
What the Guys in Funny Brown Shorts Are Really Doing



UPS – Not just delivering packages anymore.

It is synchronizing global supply chains large and small.

If you own a Toshiba laptop under warranty and it breaks and you call Toshiba to have it repaired…..

They will tell you to drop it off at a UPS store and have it shipped to Toshiba. They will repair it and ship it back to you.

What really happens? -- It goes to a UPS-run workshop dedicated to computer repairs at the UPS Louisville hub.

Eaten Papa John's Pizza lately? -- UPS dispatches the drivers and schedules supply pickup and delivery.

Flattener #9:
In-Forming
Google, Yahoo!, MSN Web Search



Flattener #10:
The Steroids
Digital, Mobile, Personal, and Virtual

Taking all forms of collaboration highlighted here – outsourcing, offshoring, open-sourcing, supply-chaining, and in-forming – and making it possible to to each and every one in a way that is *digital, mobile, personal and virtual*.

In Japan you can get uninterrupted wireless internet service on your computer or cell phone while traveling on the bullet train at 150 mph.

Will free trade benefit America when the world becomes so flat and so many more people can collaborate, and compete, with my kids?

Probably

There will be plenty of good jobs out there in a flat world for people with the knowledge and ideas to seize them. You have to constantly upgrade your skills.

You must be

Special **(like Michael Jordan or Bill Gates)**

Specialized **(specialized lawyers, brain surgeons, cutting edge software engineers)**

Anchored **(jobs done at a specific location, involving face-to-face contact, that can not be digitized)**

Really Adaptable **(constantly acquiring new skills, knowledge, and expertise that enable you to constantly be able to create value)**

The Triple Convergence

Vertical (command and control) value-creation model

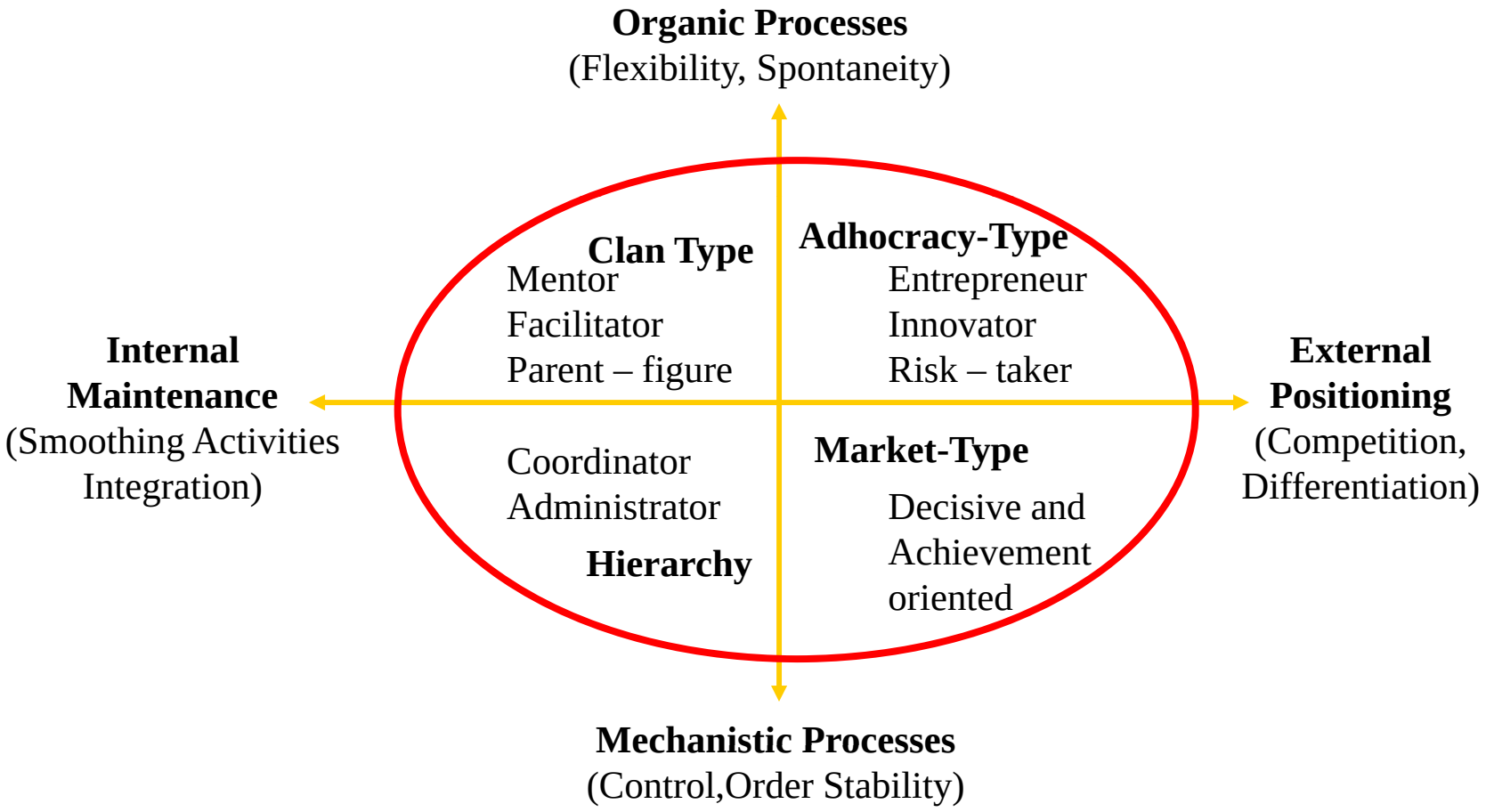
All 10 flatteners converged in 2000
and worked together to create the flat world

Horizontalization – Emergence of management
Practices and infrastructure to boost productivity

India, China, and former Soviet Empire
are joining the Flat world (300 million people)

Horizontal (connect and collaborate) value-creation model

Organizational Culture & Leader Styles





People

Leadership

5
Drivers

Management

Process



Thank You

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