FROM THE LAB



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THE PERIL AND PROMISE OF INTERNET-ENABLED INFORMATION FLOW

ne of the recurring themes in this column is the transformation of institutions as they adapt to the new ease of interaction and inexpensive data transfer available online. These solvents hit traditional institutional walls with real force—blending roles of managers and employees, turning companies into communities, twisting value chains into value networks, and pushing competitors into cooperation.

Little is safe from attack, often with serious implications. For example, bloggers are now challenging the primacy of the mass media in delivering daily "news." Technorati.com was tracking more than 20 million blogs in February 2006. This is up 60% from the 12.6 million Google counted in July 2005. There is no telling where this will end except that it will probably be somewhere now unanticipated, which poses new challenges for clients!

Massive dispersion of information has been positive for companies. Efficiency rises when managers reorganize physical assets and empower human assets in response. Efficiency becomes value for customers—and profits for shareholders—as mass customization displaces mass production, online service replaces physical waits, and dynamic pricing overtakes static pricing. But there have been negative consequences, too.

For example, the relentless drive to "transparency" (posting anything and everything online) now alarms privacy advocates fearing the unintended consequences of open medical records, juvenile court documents, or adoption papers. Mass customization and personalization of service are of value to customers but promote market fragmentation, eroding the base on which industrial society still rests. The same openness that enables bloggers to wrestle the media to be first with the news also challenges the functioning of legislatures such as the U.S. Congress.

Some consultants might ask, "And how does this concern my clients?" The short answer is that if they have a stake in public order, you should be concerned. But there is more than self-interest here; there are real parallels between legislators and client executives. Both face the peril and promise of Internet-enabled data flow. The "nation" of independent bloggers is also the nation of empowered employees!

The Phenomenon Explored . . . and Explained

The Internet is the most intimate and uncontrollable medium yet invented. It empowers individuals, employees, soldiers, customers, activists, and oth-

ers with mad abandon. It erodes the authority of their leaders, generals, CEOs, presidents, and prime ministers with equal abandon. And it poses a real challenge for corporate leaders and legislators everywhere.

Internet = Anarchy?

The challenge lies not in the Internet's ability to sustain so many parallel "truths" (20+ million blogs, forums, and community sites at last count) but rather in the ability of site content to spark conflict over consensus. The biblical Tower of Babel is an apt metaphor!

The Internet—

- Allows users to interact with each other while in isolation from others, regardless of location. Those who do not share the driving interest of an online community site can go on blissfully unaware of its existence until members physically attempt to impose their views on society. The same medium promoting democracy in China promotes theocracy elsewhere.
- Breeds literacy but panders to base instinct. People can use the Internet only if they can read. But more than half of all sites in existence support gambling, pornography, or other vices. Many community sites fail to follow the "equal time" provisions of the Broadcast Standards Act or even

the libel laws. One result: the new scourge of "cyberbullying."³

- Erodes physical communities as it enables electronic ones: Savvy Internet users have much in common. They are typically well educated and have good incomes. And who do they find online? People just like themselves! But in the physical world lives another set of others; less savvy, less well educated, and with smaller incomes. Which community demands tax dollars to fund services? Which community gets listened to?
- · Has the potential to draw the "disengaged" back to politics and stretch democracy to the breaking point as this population reengages. Web users can peruse endless causes to find one that appeals to them. If no such cause exists, a few dollars per month can build and maintain a website indexed by Google. This singular ability to give voice to the voiceless, at almost no charge, may be the magic bullet to undo the political distemper of our times. But the highly individualistic nature of this voice threatens to disrupt the delicate process of social consensus building that legislatures need in order to function effectively.

Isolated Communities

The traditional politics of democracy is based on dialogue. People living in close proximity talk among themselves to find common objectives and select leaders. (One example typically cited is raising money to hire and equip police officers to ensure public safety.) But what happens to dialogue if some people find themselves more connected to a distant online community than to their physical neighbors? And just for fun, add some complications: the Internet users live in gated communities with private security. Where does their "community" truly lie in this case?

The challenge to democracy grows as the scale of community increases.

For example, what happens to national politics if "liberal" activists are logged into liberal.com (chatting among themselves) while "conservative" activists are logged into conservative.com (doing exactly the same thing!)? As the language of politics (the myths, symbols, values, and shared experience that enables dialogue) mutates and splits before our eyes, the question remains: Where will common ground be found between the ideological camps?

minutes later, everyone swapped magazines and began to read aloud. Sixty seconds later, they cheered and high-fived as puzzled customers stared. Then the pack walked back out the doors and dispersed onto the surrounding streets.

This was not a Washington protest. This was a "flash mob," the latest fad among the digitally connected, people eager for whimsy in this summer of sui-

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Mass Spontaneity

The Internet is still in its early days as a political medium. But it is already demonstrating its peculiar ability to fragment pluralistic societies, enabling the curious to find each other and empowering the obscure. As propagandists learn how to find and concentrate the disaffected in the mass of seething anonymity found online, the effects have been striking. For example, the simple pleasures of "flashmobbing" in 2003 and the quixotic candidacy of former governor Howard Dean in 2004 became the massive antiwar protests of 2005.

What was flash-mobbing, you ask? One journalist described it thusly:

Their watches synchronized, about 75 young professionals swarmed through the doors of the Books-a-Million store on Dupont Circle [in New York City] at precisely 7:28 p.m. on Tuesday. They drifted to the magazine racks and grabbed copies of *GQ*, *Out*, *Budget Travel*, *PC World*, and *Modern Bride*. Six

cide bombers and war, looking for a chance to do something wacky. . . . Don't try to get the point. "There is no point," said Tom Grow, a Florida-based Web developer, who is attempting to become the official historian of flash mobs by documenting the craze at www.mobproject.com. "It's catching on mostly because of the spontaneity. With world events the way they are, people look at it as an escape. It's just for fun."4

Protest R Us

The Fulton County Board of Supervisors in the State of Georgia, along with the Williams Company, experienced another side of politics online: the raw power of real-time political information in the hands of protesters when proposing the installation of a gas-fired power plant in south Fulton County in 2001.⁵ Local residents did not want this plant built in the chosen location and turned to the Internet to stop it. Their site was prototypical for thousands of others created since and posted the following type of information:

- Sample letters for interested persons to use in writing Fulton County commissioners
- Links to information on air, noise, and water pollution
- News stories on power plants
- Dates, times, and locations of meetings pertaining to the plant proposal.

David vs. Goliath

Twenty years ago, this effort would have been just another remake of the classic seven-second movie short Bambi vs. Godzilla. But today's Internet made things more biblical in nature: David vs. Goliath. As the politicians tried to use classic techniques such as moving public meetings at the last minute or changing meeting times without notice, to diffuse protests, a new unspoken truth emerged. David can win, especially when his website posts constantly updated meeting times and places, and company speakers face large and hostile "informed" crowds who know exactly who they are and what they represent and are able to question them in detail.

Social Unity Undone

The Internet is doing more than spurring odd public behavior among students or torpedoing power plants. It is also undoing the premise of presumed social unity, inside national boundaries, which drives pluralistic societies such as the United States or France. This will have major consequences for everyone involved.

"Unity" is a cardinal element of human organization. The actions of tens, or hundreds of thousands, of people must be brought to bear on a common purpose to animate an organization. Traditional management theory pushed "unity of purpose" so strongly that CEOS felt justified in building hierarchies into pyramids with 20 levels or more. These elaborate structures were slow and inhibiting—but they did unify. Modern management theory

uses alternative systems—culture, shared vision, teamwork—to maintain unity without massive pyramids, enabling managers to empower employees to use their own initiative and the information now spilling from the Internet to get things done.

"Unity" of society or nation implies an order of magnitude greater than even the largest company. And national institutions are that much larger in size and more cumbersome still. The Internet is already challenging them, and with real effect. Consider the WTO protestors in Seattle, who used cell phones and online list-servs to create better organization for delivering protest than the police possessed to combat it.

Now imagine what happens when the rest of the world joins the vanguard of protestors in seeking their political cues online. In the United States, the traditional motto (e pluribus unum) "from many-one" may well have to be reversed to read: "from one-many." This fragmenting society will present a serious challenge to legislators. Elected officials will face countless groups that collectively articulate an enormous range of political views. Each group will contain people socialized by online exchange to expect immediate attention. But legislative institutions are designed to foster deliberation and forge consensus, not to act immediately or on impulse.

This basic point bears repeating: legislatures deliberate. Their members collectively weigh interests using structured debate. It is only through repeated exchange that the contradiction inherent in competing views on a given issue can be reduced to consensus and then embodied in one law for all. The implication: widening diversity of views on key issues, fostered by the Internet, may well paralyze legislators.

Already, they must steer between shoals of too little and too much information in performing their function. Excluding some data from debate (in order to increase speed of deliberation) gives rise to charges of autocracy by those whose views are excluded. Including too much data (in order to secure legitimacy of deliberation) gives rise to anarchy as decisions are repeatedly remade to reflect new data and are not fully implemented.

Legislators have traditionally relied on a "filter" for their informational web of political party officials, lobbyists, journalists, leading citizens, and activists to help them set an appropriate course between shoals. Ideas gain or lose credence (political "weight") as they pass the filter. But political filtering is obviously a slow, intricate, and opaque process and is clearly not designed with a high-speed, transparent Internet in mind.

As the tsunami of raw, contradictory opinion washes from Internet servers into the legislative filter, the great fear is that the filter will become clogged. No ideas will sift through with sufficient credibility to command a majority, leaving Congress and other bodies of decision makers in an institutional paralysis potentially worse than today's intermittent partisan gridlock.

What Can Legislators and Corporate Leaders Do?

How should legislators in the United States and elsewhere go about drinking from the fire hose of the Internet without steering themselves, and entire nations, onto the rocks of anarchy or autocracy? They can look to the examples set by progressive corporate leaders in grappling with the Internet. If the information channels are full to bursting, and existing credencebuilding filters cannot keep pace, then higher-capacity alternatives are needed. This is much the same problem that organizational development (OD) consultants find in many Fortune 500 executive teams trying to manage in today's information-intensive economy. Perhaps similar solutions may work for both groups.

Among the possible ideas for executives and legislators alike:

1. Work with the flow of the Internet, not against it

The Internet can be a powerful aide to decision making, if used appropriately. This may be more immediately apparent to legislators, who swim in a sea of opinion, than to their executive peers. Legislators are expected to seek out the views of voters during elections and afterwards while in office. Executives are not typically that comfortable seeking out conflicting opinion from their employees. And so they may not realize that the Internet can:

- Boost the divergence of options initially chosen for debate and eventual decision making by offering access to numerous possible solutions for any given problem. (Yes, most of these ideas will prove to be silly, irrelevant, or both; but one just might be a breakthrough. Staff members should be encouraged to troll for fresh thinking using the Internet search tools offered by Google and others.)
- Give real voice to the voiceless by having "someone" listen. To attribute offbeat ideas to their otherwise anonymous online authors is to encourage hundreds of thousands of people to keep posting. Use of an online forum is a powerful way of reaching out to employees or voters. Executives may have to resist the temptation to sound off on raw suggestions; legislators typically know when to keep quiet if voters are talking!
- Help put detail on options chosen for inclusion in debate. A Congressional committee chair can easily arrange to hold hearings through an online forum, or even announce that a

website is open to collect comments or suggestions around a number of options on a given public policy problem. Opinion can be collected traditionally via surveys or written comments, but the mass of advocates out in cyberspace should do the rest. (Corporate executives are already doing a great deal of this through the "comment" or "complaint" sectors on their websites. Some are even engaging in deliberate "co-creation" of new products with their customers!)

2. Expand information processing capacity with more effective teamwork

Congress and companies alike have long used committees and subcommittees to impose order on the complex tasks of governance. But executive experience with teamwork suggests that legislators may find additional capacity to process information by embracing principles of empowerment in their committee work.

options are initially put into debate, when truly divergent options are put up for debate, and when each option is as fully articulated as possible before debate begins.

Most corporate clients typically do not generate sufficient options, or truly divergent options, when making major decisions. They subsequently lose time and resources by repeating the process; they would do better if they took more time initially to create "true" alternatives, studied the follow-on implications of each alternative in detail, and then made the decision. The real lesson for legislators in this is a simple one: a legislature deliberates—and should not let the pressure for immediate action change that dynamic.

Yes, it takes time to shape more than two or three diverse options for tackling a problem. But the ultimate choice among these options is likely to be more effective when more—and more diverse—options are available for comparison in the first place.

The Internet can boost the options chosen for debate by offering access to numerous possible solutions for any given problem.

Effective executive teams do not just happen; they are built. Executives unfamiliar with empowerment must often be first taught that it is necessary (even essential) to disagree with peers while options are refined and debate is conducted. Divergence is easier to create and maintain if members can instill respect, trust, and a common commitment to the team's broader cause.

3. Reembrace the basics of deliberative decision making

OD consultants who work with executives have learned that "better" decisions (more reflective of opinion and thus more widely accepted) tend to occur when more, rather than fewer,

Tempest in a Teapot or a Real Threat?

Every medium of communication has been hailed as the "end of society." The pundits have always been right in the specific assertion, but quite wrong in the general sense.

Democracy and corporate governance alike have survived tabloid newspapers, radio, and even cable broadcasting. Why should the Internet prove to be any different? Democracy will survive the Internet, provided that those who are charged with managing the process of governance in our legislatures and in our companies can gather and direct the political energy arising from the return of tens of millions of previously disengaged people to the process. If these disaffected souls are left to chatter among themselves (through their blogs) with rising frustration at the "broken" institutions around them, then the problems of fragmentation may explode. However, if they employ the Internet to do the things it can do well, executives and legislators alike will more likely find they have beaten back both anarchy and autocracy and instead given new life to democracy.

Notes

1. Mathew Ingram, "Better Get a Blog Soon," *Globe & Mail Online* (Feb. 2, 2006).

- 2. Mark Evans, "Are Blogs Ready for the Big Time?" *National Post* (July 9, 2005, p. FP1+).
- 3. Charles Gillis, "You Have Hate Mail: Cyberbullying Is on the Rise," *Maclean*'s (Jan. 9, 2006).
- 4. Jackie Spinner, "A Fast-Moving Fad Comes Slowly to Washington: 'Flash Mobs' Gather, Just Because . . ." Washington Post (Aug. 21, 2003, p. A01).
- 5. Anonymous, "Power Plant Foes Make Their Case on Web Gas-Fired Facility Proposed for Rural Site Just North of Fayette-Fulton Border," *The Power Marketing Association* (posted July 12, 2001).

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