



SNAPSHOT

CREATING VALUE THROUGH PLATFORMS

PLATFORM ENTERPRISES AND PLATFORM ORGANISING
ARE DEVELOPING IN ALL WALKS OF LIFE. WHAT VALUE
ARE THEY? HOW COULD WE UNDERSTAND THEM?

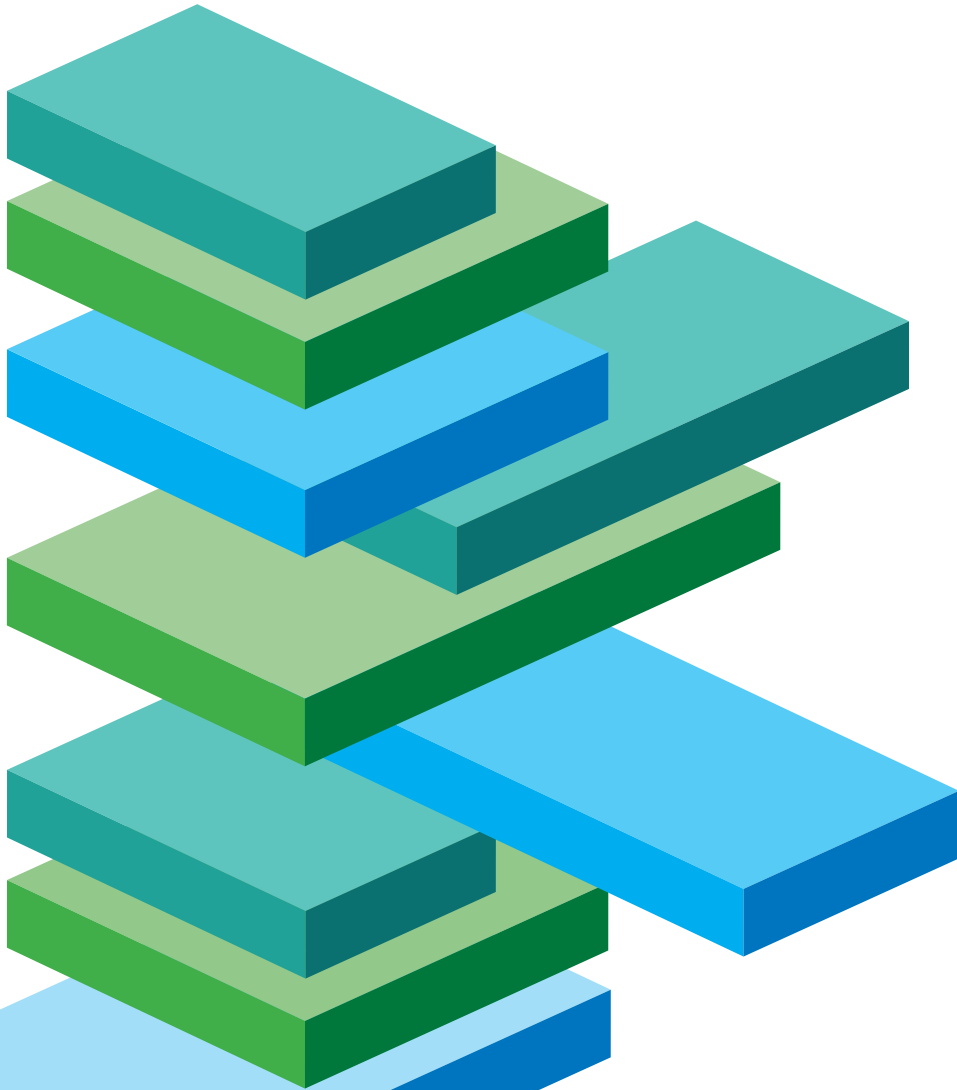
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CREATING VALUE THROUGH PLATFORMS



Thinking and talking and writing about platforms is everywhere right now. Several commentators are – rightly – speaking of ‘revolution’ (Geoffrey Parker, Sangeet Choudary, Haydn Shaughnessy). And there are certainly some long standing assumptions that platforms are ‘turning on their heads’. In platform world, for example:

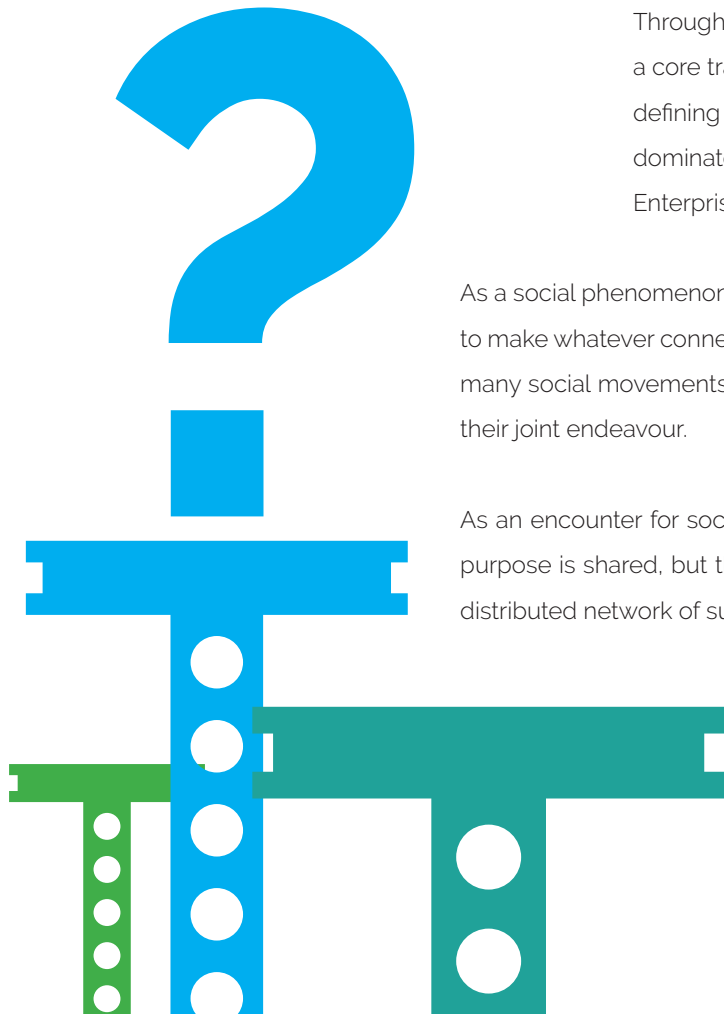
- Users are producers and producers are users;
- Your new warehouse is in the ecosystem;
- Supply chains are replaced by social interactions;
- The boundary between the inside and outside of the enterprise becomes blurred;
- The value of your enterprise is created by people you do not employ;
- Purchasing pathways are no longer linear;
- Quality control is replaced by curation of experience and social reputation

Platforms themselves do not create value; but they do create the conditions under which thousands and millions of people can interact to create what they regard as of value to them in ways which no one can predict.



WHAT ARE PLATFORMS AND PLATFORM ENTERPRISES?

There is a range of ways of understanding platforms – through the prism of technology, as a social phenomenon, as an encounter for social change.



Through the prism of technology: a platform is a set of software services built around a core transaction engine. It is fair to say that the transaction engine has been the defining advantage of modern platforms. Obviously, the internet platforms that dominate at the moment are examples of this – discussed in The Center for Global Enterprise (CGE) report on [The Rise of the Platform Enterprise: A Global Survey](#).



As a social phenomenon: a platform is a [social network](#) in which participants are visible to one another and able to make whatever connections with each other that meet their need and create value in their eyes. This is true of many social movements, who use omni-channel forms of communication and relationship building to support their joint endeavour.



As an encounter for social change: a platform is a gathering around a social purpose of some kind where the purpose is shared, but the value that will be created has yet to be realised. One could imagine a hospital as a distributed network of such platforms

So, a platform enterprise is a form of organisation that brings all of these factors into play in order to create value for those who interact across the platform.



WHAT IS DRIVING THE DEVELOPMENT OF PLATFORMS?

Platform organising is being driven by a combination of factors, including:

Access to information for users, and the value of bundled information on users to platform owners;

Network effects – in which the proliferation of connections in itself proliferates connection;

Social change, demography, the ubiquity of smart phone technology;

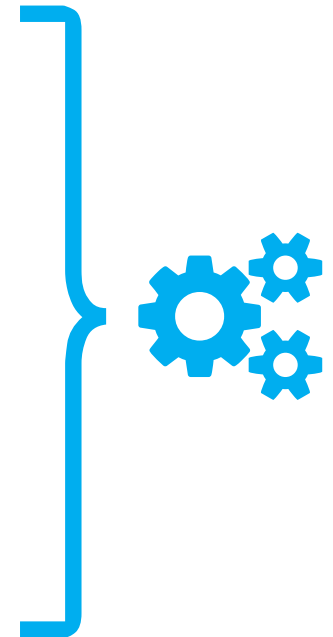
Globalisation, immersive supply chain relationships, and the near nomadism of skilled labour;

Anti-capitalist and cooperative organising, which makes use of commons theory to develop ownership models for platforms;

Turbulence, volatility, uncertainty, ambiguity in markets and environments;

New conversations between the citizen and the state – linked, in some cases, to the collapse of public service provision;

Radical, new forms of organising in which hierarchy is less significant than horizontal governance and affiliation.



All of these factors merge in and out of one another in ways which both foster the development of platform organising – since it both provides a way of responding, and facilitates ways of acting in this emergent reality. Platform organising can also contribute to the sense of uncertainty, since the concrete entity of 'the company' or 'the institution' is replaced by relational swarming, [made visible](#) across the platform.



SOME FEATURES OF SUCCESSFUL PLATFORMS

Platform organising is diverse – and as much as any form of organising – new forms are constantly coming into being, and disappearing, to re-form in different patterns of relating. There appear, however, to be some features of successful platform organising:

- ✔ **Core transaction** – the core transaction around which the users and producers relate to one another to create value needs to be distinct and clear; an over complex core transaction leads to a kind of baffling, which undermines relating.
- ✔ **Social visibility** – the users need to be visible to one another in ways that facilitate sufficient disclosure to engender sufficient contact to facilitate the exchange that leads to the creation of value.
- ✔ **Curation of experience** – the abundance of information and potential relationships means that filters are critical to the curation of experience on the platform.
- ✔ **Meeting direct and indirect need** – the core transaction meets direct need, but users also seem to value indirect benefit over and above direct benefit. The design of the platform needs to 'smooth the way' to the experience of indirect benefit.
- ✔ **Omni channel responses to multi sided demand** – this is central to the success of platform organising, the constant adjusting of the features of the platform so that the meeting of multi sided demand becomes as frictionless as possible.
- ✔ **Facilitating use of technology** – without platform technologies, widely distributed platforms would not be possible; but you do not need to own the technology to benefit from its use.



THUMBNAIL CASE STUDIES



In 2015, 250+ health care organisations in the UK co-produced a change platform to promote grass roots quality improvement throughout the National Health Service (NHS). The platform was visible in different ways to different actors – personally, locally, regionally and nationally. Its currency was the 'pledge' to make an improvement – and the value of 1000s of improvements were made visible to the activists, and leaders of the hierarchies in which they are embedded.



Sharing in order to help make sure that everyone has great maternity experiences. 3000+ participants, exchanging value face to face, through twitter, Facebook, Steller. Initiated in 2014, by a social entrepreneur and consultant paediatrician. Engages clinicians, mothers, fathers, academics in practice exchange, knowhow development, and events. Resulting in changes in maternity experience and presents quality challenge to conventional leadership in maternity services.



Bundle of treatments to respond quickly to the onset of sepsis in settings like Intensive Care. Based on 6 steps which need to be actioned in a specific time window, social networks have been used to spread knowledge and exchange practice, in particular making visible the actions of students and trainee clinicians in initiating this life saving treatment regime. Part social movement, part community of practice – the platform helps make the value visible.



System for measurement of paradigm shift in complex systems which creates a platform to make value visible to activists in a particular system. Moving between visible and invisible value across 3 dimensions of capacitating, calibrating and calculating, the platform helps users to iterate their stories of value (through time), cascading their dialogue up and down their system. In practice it helps to socialise value, and provide an open-sided, settled account of what is going on, and what is the shared value.



CHALLENGES AND CONSIDERATIONS



- ? **Governance** – how are platforms best governed? What governance models help to internalise purpose?
- ? **Picturing the organisation** – on the basis of platform organising, what is an organisation? Do organisations exist; or is everything made up of networks of networks? Platforms of distributed platforms?
- ? **Leadership is design** – the role of leaders is increasingly to design the platform environment in which users encounter each other in order to create value. How do leaders do this?
- ? **Digital exclusion** – given the facilitating role of technology, how do we counteract the risks of digital exclusion for those who are unable to be digital citizens?
- ? **Privatisation of public realm** – how do we ensure platforms are in use for public benefit, and constructively resist the privatisation of the public realm, learning from what is best in the commercial development of platforms?
- ? **Platform positioning** – even if I make only limited use of platform technologies and platform organising, what is my position in relation to platforms? So many of my stakeholders will be using them....