The Business of Influence

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The business of influence is broken
You have been influenced when you think in a way you wouldn’t otherwise have thought, or do something you wouldn’t otherwise have done.
If you’re in business, indeed any type of organization, then you’re in the business of influence.

The Business of Influence, Philip Sheldrake, Wiley, 2011
http://www.flickr.com/photos/philip_sheldrake/5629452844
3 things

//The rise of social media

//The info tech explosion

//The way we contemplate, design, communicate and execute strategy

http://www.flickr.com/photos/philip_sheldrake/104947731
ONE

//The rise of social media
An illustrated history

The rise of social media

http://youtu.be/wp2eUSL4oHc
http://www.philipsheldrake.com/2011/01/content-an-illustrated-history
We are more influenced by the 150 nearest to us than by the other six or so billion combined.
May have been a relevant axiom for 20th Century, but now...

Perception is reality

The real-time social enterprise must, by nature, be authentic. You can’t fake it.

//The rise of social media
http://www.flickr.com/photos/philip_sheldrake/5723483505
If you could go back to the mid-90s and offer a marketer a little box that could sit on her desk and let her listen in on thousands of customer conversations and participate in those discussions regardless of geography or time zone, it would appear so far-fetched that she’d probably call security.

//The rise of social media
The Social Web Analytics eBook 2008, Philip Sheldrake
http://www.flickr.com/photos/philip_sheldrake/488935955
And yet in 2011: “most CMOs pay more attention to markets than individuals.”

Key sources to understanding individuals in yellow.

//The rise of social media
From Stretched to Strengthened – Insights from the Global Chief Marketing Officer Study, IBM, 2011.
No organization is an island

Everything an organization does occurs in the context of a changing world, in a dynamic interplay with every entity around it.

Organizations must cultivate a sensitivity to the new dynamic (one that’s superior to competitors’) and sharpen their ability to interpret and respond to the myriad communication flows issuing from all sides.

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//The info tech explosion
Phones are the most personal of consumer electronic devices. They rank with keys and money when going out. They become an extension of their owner and their loss is mourned, literally.

It keeps you connected with those far away, and disengaged from strangers nearby.

- address book
- diary
- digital messenger
- web browser
- games machine
- music player
- video player
- navigator
- video & stills camera

... and, of course, a phone
The Internet of Things
A public and private nervous system for the planet

Electronic devices
(washing machines, air conditioning units and cars)
Electrical devices
(lightning, electric heaters, and power distribution)
Non-electrical objects
(food and drink packages, clothes, and animals)
Environmental sensors
(measuring such variables as temperature, noise, moisture)
Data paucity was a problem of the 20th Century. Big data is the problem and opportunity of the 21st.
Buyer marketing

– when individuals can market their needs or desires, either directly or anonymously, to organizations interested in meeting that need or desire.
Web 3.0 – the Semantic Web – is about the Web itself understanding the meaning of all the content and participation.

Indeed, the Web becomes a universal medium for the exchange of data, information and knowledge.
“Most CMOs are underprepared to manage the impact of key changes in the marketing arena.”

//The info tech explosion
From Stretched to Strengthened – Insights from the Global Chief Marketing Officer Study, IBM, 2011.
THREE

//The way we contemplate, design, communicate and execute strategy
Kaplan and Norton developed the **strategy map** tool for the alignment of operations with strategy, and the popular* **Balanced Scorecard** framework to augment the lagging (financial) indicators of business success with non-financial drivers of future financial performance.

Useful for dealing with business based on tangible assets. Essential for those built on intangibles.

//The way we contemplate, design, communicate and execute strategy


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“The strategy map identifies the specific capabilities in the organization’s intangible assets – human capital, information capital, and organization capital – that are required for delivering exceptional performance in the critical internal processes.”

“... each investment or initiative is only one ingredient in the bigger recipe. Each is necessary, but not sufficient. Economic justification is determined by evaluating the return from the entire portfolio of investments in intangible assets that will deliver the ROI from [the strategic imperative].”

And this applies to influence activities too.
And yet: “CMOs believe ROI on marketing spend [in isolation?] will be the number one method for determining the marketing function’s success.”
A new model
To adapt the way in which an organization delivers its mission and pursues its vision by designing the organization around influence flows, connecting:

- its people, partners, customers and other stakeholders;
- data and knowledge in and all around it

more openly, productively and profitably with the application of social web and related information technologies.
Some consider ‘socialize the enterprise’ along the lines of getting everyone on Facebook and Twitter. And an in-house sort of Facebook and Twitter.

They’re wrong. They’re just mapping new tools on old ways of working, on 20th Century silos.

Metaphorically, they’re confusing learning to write with writing a novel – essential but insufficient.

//The info tech explosion
The Social Web Analytics eBook 2008, Philip Sheldrake
http://www.flickr.com/photos/philip_sheldrake/7015450481
Socializing the enterprise demands more than just procuring some social tools.

It demands a new and simple model, devoid of ‘baggage’, to think about what we’re trying to achieve.

A framework for all influence activities, for the social media, info tech and business strategy of the 21st Century.
The Influence Scorecard

How can we systematically learn from and manage influence flows?

How do we define, develop, and execute a consistent and coherent influence strategy?

How do we prioritize investments in influence-related human, information, and organizational capital?

Kaplan and Norton’s strategy map tool and Balanced Scorecard framework are well suited to these efforts.
The Six Influence Flows prompts organizational redesign – structure, culture, people, policies and process – to execute influence strategy.

The Influence Scorecard serves to translate influence strategy and help make it happen.

It’s a subset of the Balanced Scorecard, containing all the influence-related objectives and metrics extracted from their functional silos.

Helps ensure that the potential to influence and be influenced is exploited cohesively and consistently throughout the organization.
The ease and effectiveness with which we manage and learn from influence flows is integral to the ways all stakeholders interact with organizations to broker mutually valuable, beneficial relationships.
Are you an Influence Professional?

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http://www.flickr.com/photos/philip_sheldrake/6619572765
The Influence Professional

Are you ambidextrous of mind (left- & right-brained, art & science)?

Are you fluent in public relations excellence and other influence disciplines (such as customer service, CRM, HR, market research, internal communications, advertising)?

Can you effect change in the face of entrenched organizational resistance?

Then this is your perfect storm. You might be the new breed of influence professional, and perhaps Chief Influence Officer.
In conclusion

Today, influence activities are:

– Spread, uncoordinated, across functional silos
– Encompass only some aspects and subsets of the Six Influence Flows and the Influence Scorecard
– Defined in the context of 20th Century technology, media, and articulation of and appreciation for business strategy.
In conclusion

Tomorrow, your influence strategy must:

– Take best advantage of social media, new info technologies and best practice performance management
– ‘Socialize the enterprise’, systematically
– Drive business performance.
The Business of Influence: Reframing Marketing and PR for the Digital Age

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