

An enterprise-wide vision for social business: SAP's new take

Summary: *Earlier today software giant SAP unveiled their latest vision for enterprise social software, along with an integrated set of functional offerings that focus on delivering targeted business value. Is it enough?*

By [Dion Hinchcliffe](#) for [Enterprise Web 2.0](#) | October 31, 2012 -- 20:58 GMT

If some would say that a major software vendor getting serious about social software now is a little late to the party, perhaps then others would say it's all about timing anyway. With the social software market now looking to be a hefty [\\$6.4 billion part of the industry](http://www.zdnet.com/is-the-future-of-work-social-7000006693/) (<http://www.zdnet.com/is-the-future-of-work-social-7000006693/>), it's a safe bet that just about no top software firm could stay away at this point. We've seen just about everyone from IBM, to Oracle, and Salesforce articulate an enterprise-wide social business vision in the last year or so.

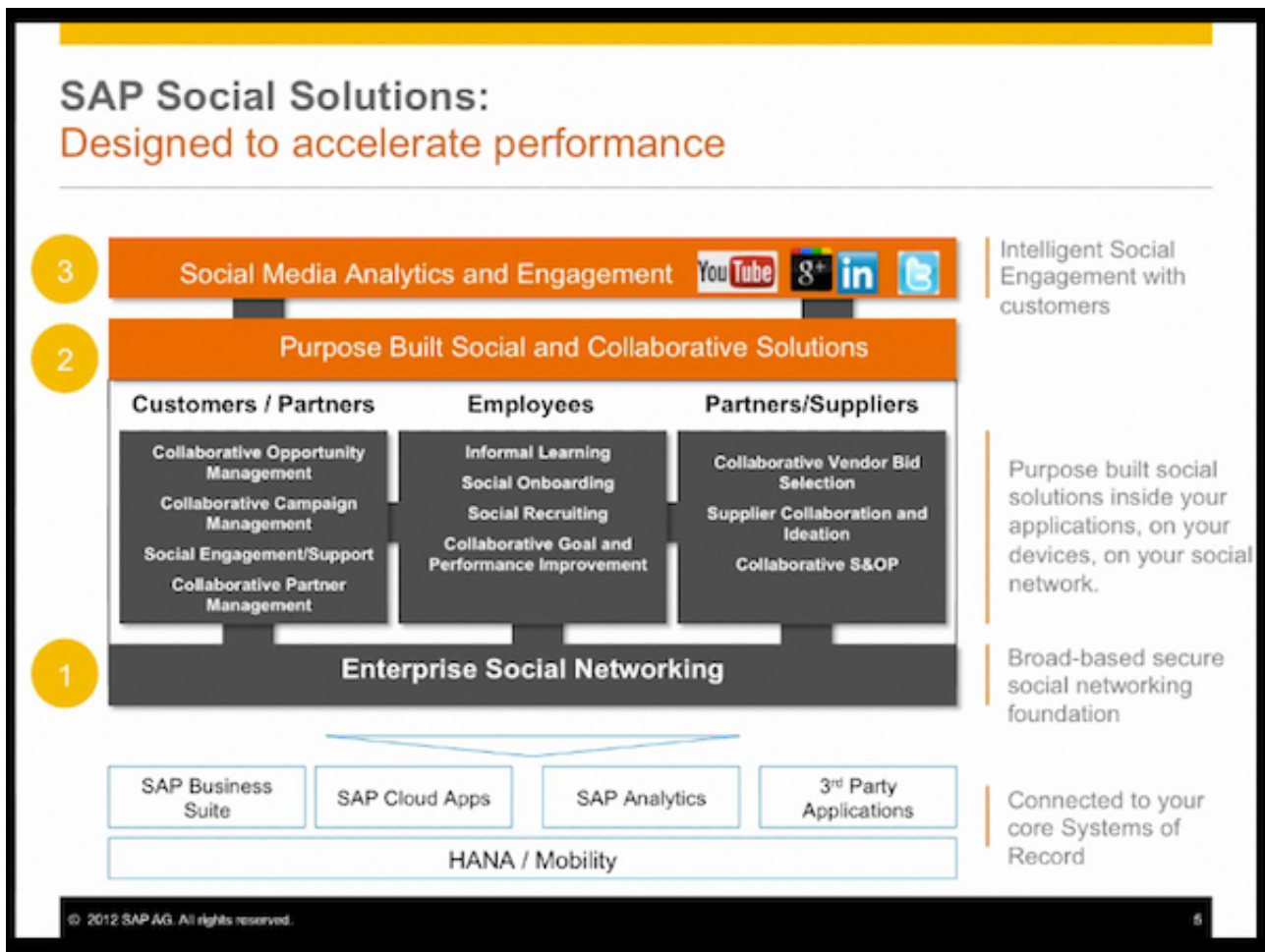
But the vagaries of social media -- with its deep roots in trust, authenticity, and genuine engagement with people -- means real commitment is required to succeed. And of a rather different kind. The cynical need not apply, nor the pretenders to the throne. While the [energy and zeal](http://blogs.hbr.org/cs/2012/10/innovation_isnt_tied_to_size_b.html) (http://blogs.hbr.org/cs/2012/10/innovation_isnt_tied_to_size_b.html) of the Marc Benioffs of the industry certainly seem to measure up, it's unclear if the old-school firms can make the transition and fully support their customers' transition to new engagement models.

Or can they? A [great exploration of this topic](http://blogs.hbr.org/cs/2012/10/innovation_isnt_tied_to_size_b.html) (http://blogs.hbr.org/cs/2012/10/innovation_isnt_tied_to_size_b.html) by Nilofer Merchant on Harvard Business Review today reminds us that IBM's stock price recently reached its highest point in the century-old company's history, just as their effort to become a social business is hitting its zenith. Maybe big companies *can* innovate and evolve, if they can truly change.

And now perhaps it's SAP's turn. Yesterday, I received a preview of SAP's latest take on social software from Sameer Patel, who is Global VP and General Manager for, SAP's Social Software Solutions. (*Disclaimer:* He's also a good friend.) I came away fairly impressed. Before I get into the details, I should note that Sameer's spent the last few years exploring why social media is so successful in the consumer space, yet taking its sweet time getting to our urgent business problems in the enterprise world. It's not that enterprises don't have social software, [they do](http://www.zdnet.com/blog/hinchcliffe/social-business-holds-steady-gap-behind-consumer-social-media/1695) (<http://www.zdnet.com/blog/hinchcliffe/social-business-holds-steady-gap-behind-consumer-social-media/1695>). But they're not yet consistently effective at producing the results that are possible, despite increasingly strong success stories from some companies.

Probably one of the best summaries of Sameer's thinking is contained in his widely read [Social Business Facts and Fiction](http://www.pretzellogic.org/blog/2012/02/27/social-business-facts-and-fiction/) (<http://www.pretzellogic.org/blog/2012/02/27/social-business-facts-and-fiction/>) post earlier this year. And you can see much of these ideas in place with his leadership of SAP's new social business offerings, which you can see depicted below from one of the slides in the briefing I was given yesterday. If this seems like an unusually personal perspective on an enterprise launch, I'd just remind you that social business is about people. In the end, the story of how SAP got here with social business is one made by the teams involved and their ideas. And it's now one that the market will decide if it resonates.

Now, let's get to the details of the SAP Jam (the name of their enterprise social networking component) [announcement](http://www.news-sap.com/sap-redefines-enterprise-social-software-with-new-cloud-offerings/) (<http://www.news-sap.com/sap-redefines-enterprise-social-software-with-new-cloud-offerings/>) and its related functional offerings that I think are smart in terms of putting social networking deeply into the context of our work and how it gets done.



SAP's Jam and Collaborative Solutions

SAP Jam comes from to SAP from its SuccessFactors acquisition, which you can clearly see if you follow the [main product URL \(http://www.sap.com/jam\)](http://www.sap.com/jam) . Many customers are going to ask how this relates to Streamwork, their previous social business offerings and Sameer has been clear to say that Jam is going to be the long-term go-forward platform. Many StreamWork functions are available in Jam already and Jam will be the foundation of SAP's social business functions going forward.

Here are the key aspects of Jam that are worth noting:

- **Full-strength enterprise social network.** All of the standard features you'd expect are contained in Jam, including activity streams, feeds, status updates, and so on. Filtering, a key but advanced feature to prevent non-essential information from overwhelming users' feeds, is also present. Support for [OpenSocial \(http://www.zdnet.com/blog/hinchcliffe/opensocial-2-0-will-key-new-additions-make-it-a-prime-time-player-in-social-apps/1603\)](http://www.zdnet.com/blog/hinchcliffe/opensocial-2-0-will-key-new-additions-make-it-a-prime-time-player-in-social-apps/1603) is coming, as is a rich iPad client with video chat and record. Support for rich media of many kinds is available now.
- **Strong content-centric features.** The work in most business revolves around documents and SAP Jam gets this. Strong features for content creation, sharing, commenting, and editing are present throughout. Though some niche enterprise social networks get this, as does SharePoint, it's smart that Jam puts this front and center.
- **Situated social solutions for functional use cases.** The need to put social directly into business processes has been part of a [vital industry discussion recently \(http://dionhinchcliffe.com/2011/08/24/putting-social-business-to-work/\)](http://dionhinchcliffe.com/2011/08/24/putting-social-business-to-work/) about making social networking more connected to -- and therefore more beneficial to -- our daily work. Thus these new functional solutions -- which cover the gamut of common workplace processes -- separates SAP's approach to social from most other general purpose social business solutions, which provide social in one place, but don't really get into the specifics of what an organization actually does. As you can see from the diagram above, SAP will provide situated social solutions across customer, employee, and supply chain/partner engagement. This includes opportunity management, marketing campaign management, social

customer care/support, social HR functions like learning, onboarding, and performance improvement, and eventually supply chain management, including bidding, vendor collaboration and ideation, and more.

Sameer also indicated that exception handling, a particularly [high value social business use case](http://sloanreview.mit.edu/feature/how-finding-exceptions-can-jump-start-your-social-initiative/) (<http://sloanreview.mit.edu/feature/how-finding-exceptions-can-jump-start-your-social-initiative/>) according to industry thought leader John Hagel, will feature prominently in these function solutions, such as collaboration around financial projections. First up is SAP Social OnDemand, which uses analytics to turn social media conversations into business insights. This solution is aimed at helping marketing and customer service organizations engage with customers in order to increase brand loyalty, manage risks to reputation, and take advantage of new business opportunities.

- **A modern and up-to-date vision for social business.** As we'll see in my final analysis, SAP has done one other thing that's very important. It's offers an integrated vision for social business that is holistic and consistent across the entire organization, from marketing and customer service, to workforce and supply chain, using a single platform, yet with individual yet integrated solutions that focus on the unique elements of what each part of the business does. SAP's strategy and products around Jam and its associated functional tools is also designed around close and sustained engagement with the real-world, which I'll explore more in detail momentarily.

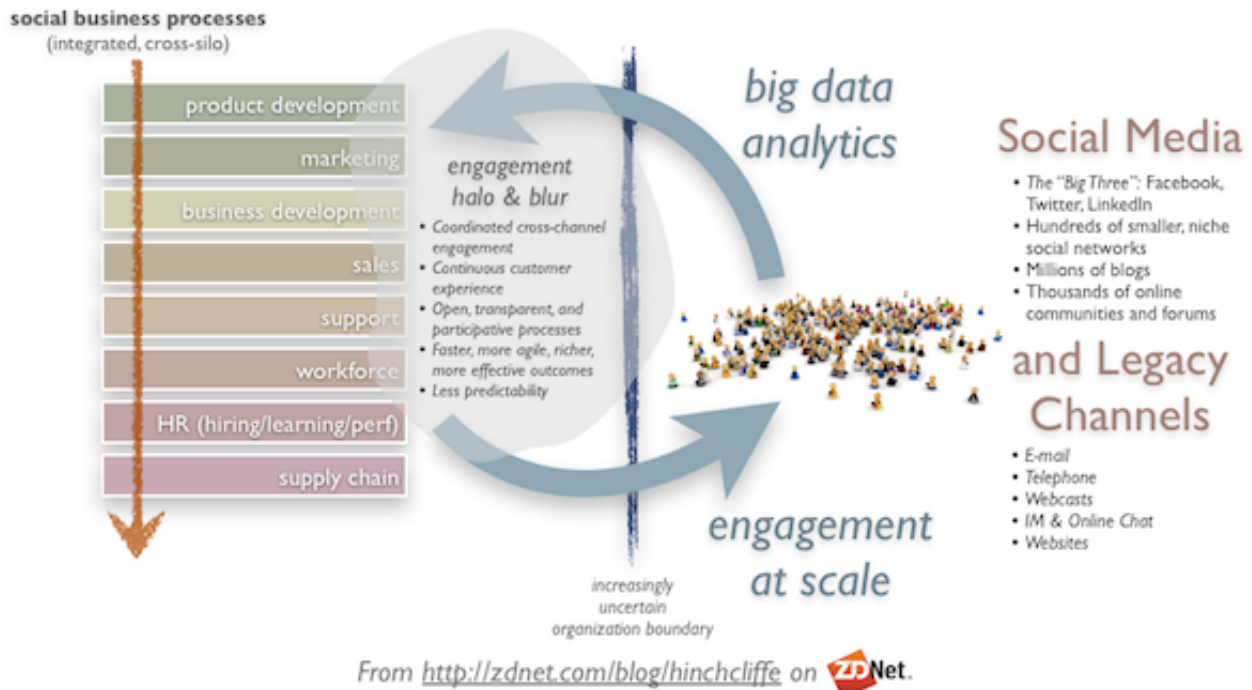
From an analysis perspective, and from my brief tour of the product yesterday, I can conclude that SAP is seriously attempting to provide an effective solution that's aimed at what the industry largely believes are the remaining gaps in making social business perform at its best. It's hard to say however, given how many companies have already adopted some form of social network or set of social tools, if there's a lot of room for major new entries. Yet I suspect, at the very least, given the careful intent to get deeply into what companies do using social engagement (and its enormous captive audience of installed base), that SAP can get some big wins and stay there.

Jam and some of its related functional solutions will start coming available starting in November is my understanding and will work on-premise, in the cloud, and in hybrid configurations. Pricing is unannounced but I was led to believe in my conversations yesterday that it would be very competitive.

Evolving the Big Picture of Social Business

SAP's vision for social, part of which you can see in the slide above, is a view that we're starting to see more and more often as companies begin to think more holistically about the new social channels that surround them and reconciling with the increasingly empty legacy channels they have. In this new view, engagement is the fundamental process that matters most and gets work done. Engagement is also where companies have now realized they [need the most improvement](http://www.dachisgroup.com/2012/09/adapting-to-the-era-of-deep-engagement/) (<http://www.dachisgroup.com/2012/09/adapting-to-the-era-of-deep-engagement/>). SAP's vision slide above shows that analytics and engagement tools are required to make use of these new channels. Customers, employees, and partners are all connected together in a useful way that ensures business processes are the focus and use social to create an absolute minimum of friction in terms of lack of information or a connection to the necessary resources or people to get any given piece of work done.

The Operating Model for Next-Gen Market Engagement



(<http://www.zdnet.com/i/story/70/00/006708/operatingmodelformextgenengagementlarge-v1.png>)

So, broadly, we see that in order to address the main objectives of social business, namely a much better connection between people they need to work with and the information they need to have, we see that we need two big operational elements place:

- 1) A **virtuous engagement cycle** (<http://www.dachisgroup.com/2012/10/the-operations-of-a-social-business/>) that is grounded in listening and filtering of the entire social world for that organization's relevant interests, and;
- 2) The ability to **engage in scale** (<http://www.dachisgroup.com/2012/08/eight-ways-to-prepare-for-social-engagement-at-scale/>), with any conversation inside or outside the organization, in any engagement channel (social or not) in order to meet business objectives related to its functions (marketing, sales, product development, customer care, operations, recruitment, supply chain, etc.)

In this way, SAP's vision provides some of the key working elements for this revised and updated take on social business in a couple of crucial ways. This includes making analytics and engagement a first class citizen, as well as bringing social engagement to various individual business functions (something they will do increasingly over time.) What's less clear yet is whether they can make this vision scale up to the size of the full social business universe for all functions. But then again, that's the central challenge that we all have now.

Topics: [Social Enterprise](#), [CIO](#), [Collaboration](#), [Enterprise Software](#), [IT Priorities](#), [SAP](#), [Software](#), [Enterprise 2.0](#)



About Dion Hinchcliffe

Dion Hinchcliffe is an expert in information technology, business strategy, and next-generation enterprises.

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