



Shamrocks and Nanocorps: Business Model and Technology Innovation to Bridge the Digital Divide

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*Keynote Presentation by **Sohodojo****

*** Jim Salmons and Timlynn Babitsky**

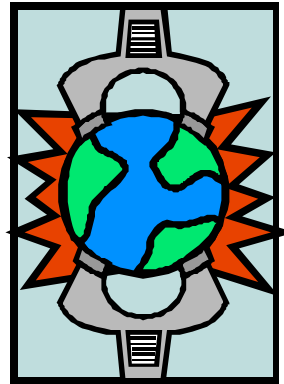
Founders and Research Directors

Raleigh, NC USA



Before we explore what **Sohodojo** and the Small Is Good Business Revolution are about, let's look at the Big Picture.

- What are the primary forces at work in our World that are shaping our lives no matter where we live?





There are some significant features of life in the 21st Century that shape our experience.

- Globalization
 - Speed and distance of communication and travel
 - “Shrinking” the world increases competition
- Rapid Change
 - Consumer and investor whimsy
 - Uncertainty in employment
 - Depreciation of knowledge and skills



Globalization and rapid change have significant effects on each of us no matter where we live. **In rural areas...**

- Greater influence from things “out there”
 - Invasion of Big Box retailers
 - “Raiding parties” of FedEx and UPS trucks
- Jobs not being created in our communities as fast as they are lost
- Skills gap makes it hard to “break in” to the New Economy



Globalization and rapid change have significant effects on each of us no matter where we live. **In urban areas...**

- Hyper-stress and running Life at light speed
- Voluntary “sorting” of economic classes
 - Losing contact with anyone not like yourself
 - Since networking contacts are key, worse gets worse
- Employment uncertainty
 - Those with jobs can lose them at any time
 - Increasing numbers of contract, temporary workers



Effects of globalization and rapid change sound terrible. Some of it is. However, we live in the Age of Paradox.

- The dynamics that seem to enslave and rule our lives are the things that have given us an unprecedented standard of living.
- The rich get richer. But even the poor today have things that were considered luxuries just 20-30 years ago. And we are all leading longer and healthier lives.
- No matter how we try, we can't have just the good stuff and not have the bad stuff too...



Why do we feel so bad? Why are we so worried? How do we cope with lives increasingly fast, uncertain and mobile?

- It's worse in urban areas... the lure of the “bright lights, big city” can be out of frying pan, into the fire.
- But we feel it, too, in rural areas and we have our own concerns and challenges
 - Our “window on the World” media threatens our culture
 - Old ways of making a living are disappearing
 - Family farm
 - Mom and Pop retail
 - Local manufacturing and services



How can we emphasize the good parts and reduce the negative? How can we create new opportunities to participate in the New/Network Economy?

- We won't roll back time to the Good Old Days
 - Accept change and actively create our new Good Life
- Secure, full-time, long-term jobs won't be there
 - Plan on a “Portfolio” Life
- “You're on your own, kid.” is more true than ever
 - Make your future, rather than be a victim of it



This is what we are about at **Sohodojo** – exploring the power and potential of the individual.

- Maximizing our own unique potential rather than learning to be a cog in the Machine
- Learning how to dynamically work together to achieve our individual and collective goals
- Working as a responsible community of peers to reduce uncertainty through trust and respect, sharing the fruits of creative and effective competition

It won't be business as usual in the 21st Century...



Sohodojo is the “War College” for the Small is Good Business Revolution and home of the nanocorp.

- An **applied R&D lab** supporting *solo entrepreneurs* and *working families* in rural and distressed urban communities
- Develop business models and associated Open Source software technologies to support **Small is Good Business Webs** (“human scale” yet competitive, network-based, worker-owned businesses)
- 501(C)(3) nonprofit corporation with a research and education mission



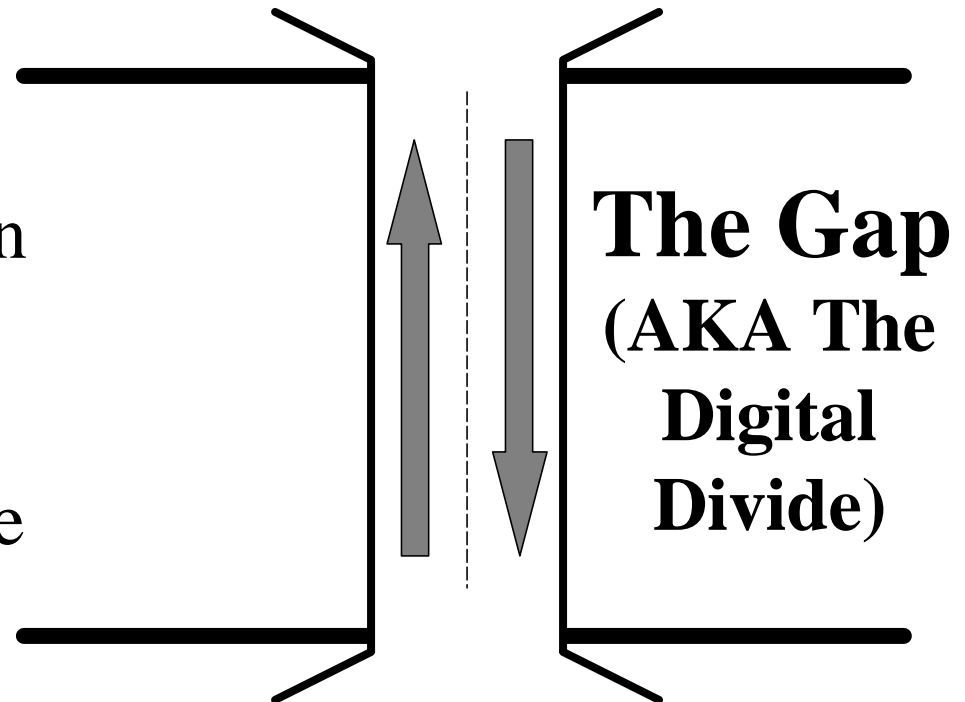
Our presentation is the start of a dialog with folks interested in joining the Small Is Good Business Revolution.

- Framing The Digital Divide Challenge
- Shamrocks and Nanocorps - Organizational Elements of a Digital Divide ‘Bridging’ Solution
- How Small Is Good Business Webs Work
- Two Small Is Good Business Web Examples
- **Sohodojo**’s R&D Agenda
- What's Next?

Most solutions to the Digital Divide are 'rescue missions' to bring folks *across* the Gap. We need to build bridges, too.

- Connection alone is not the answer.
- Sustainable participation is needed.
- We must connect our local communities to the global economy.

Land of Plenty... The 'Haves'

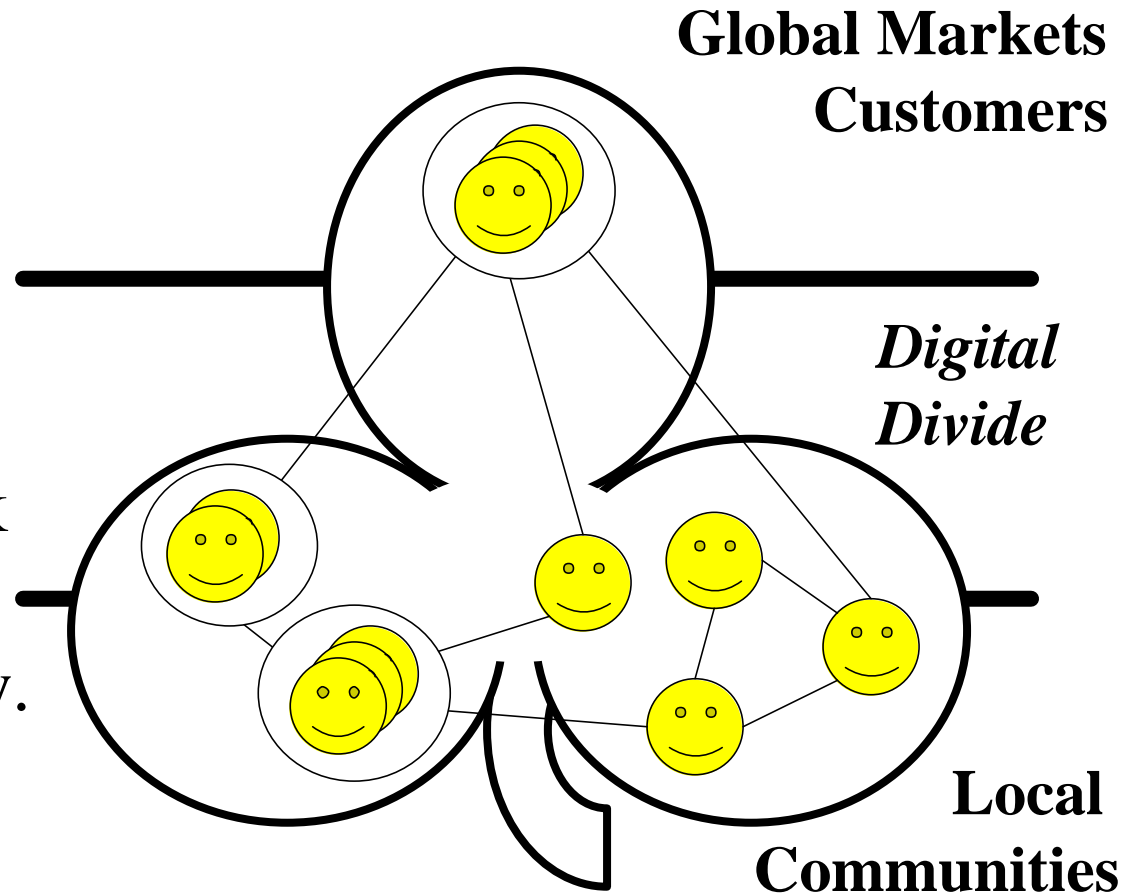


Land Forgotten... The 'Haves-nots'

Shamrocks and Nanocorps:

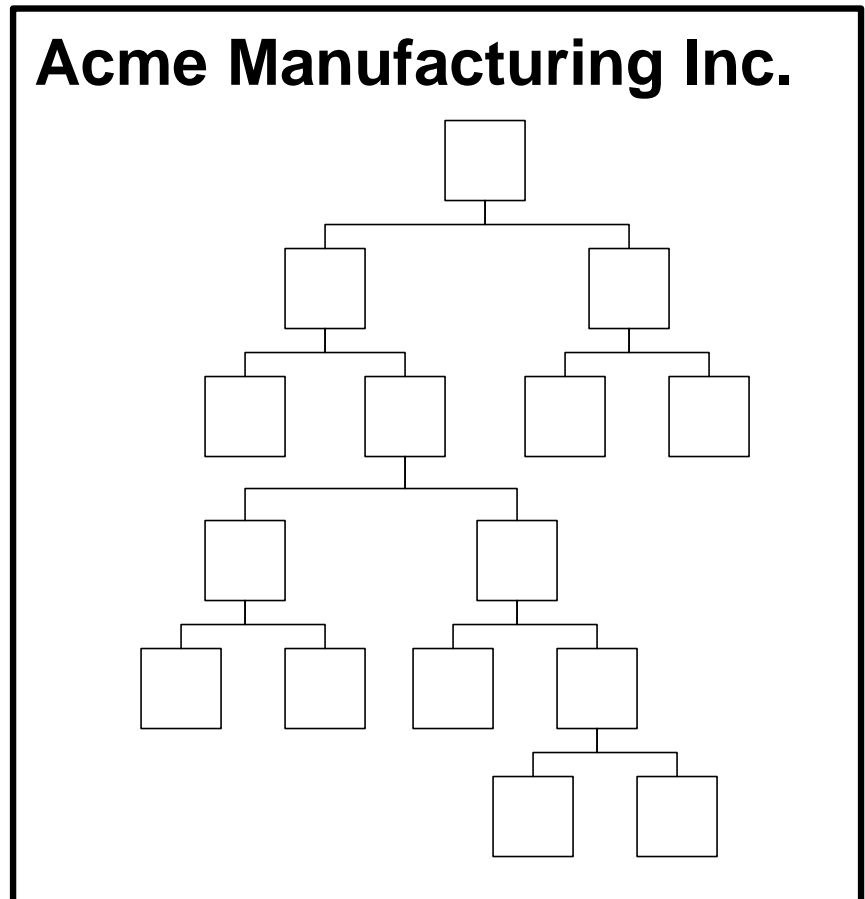
Small Is Good Business Webs can
bridge the Digital Divide.

- Nimble **elastic networks** of solo entrepreneurs and collaborating small businesses can work together to compete in the New Economy.



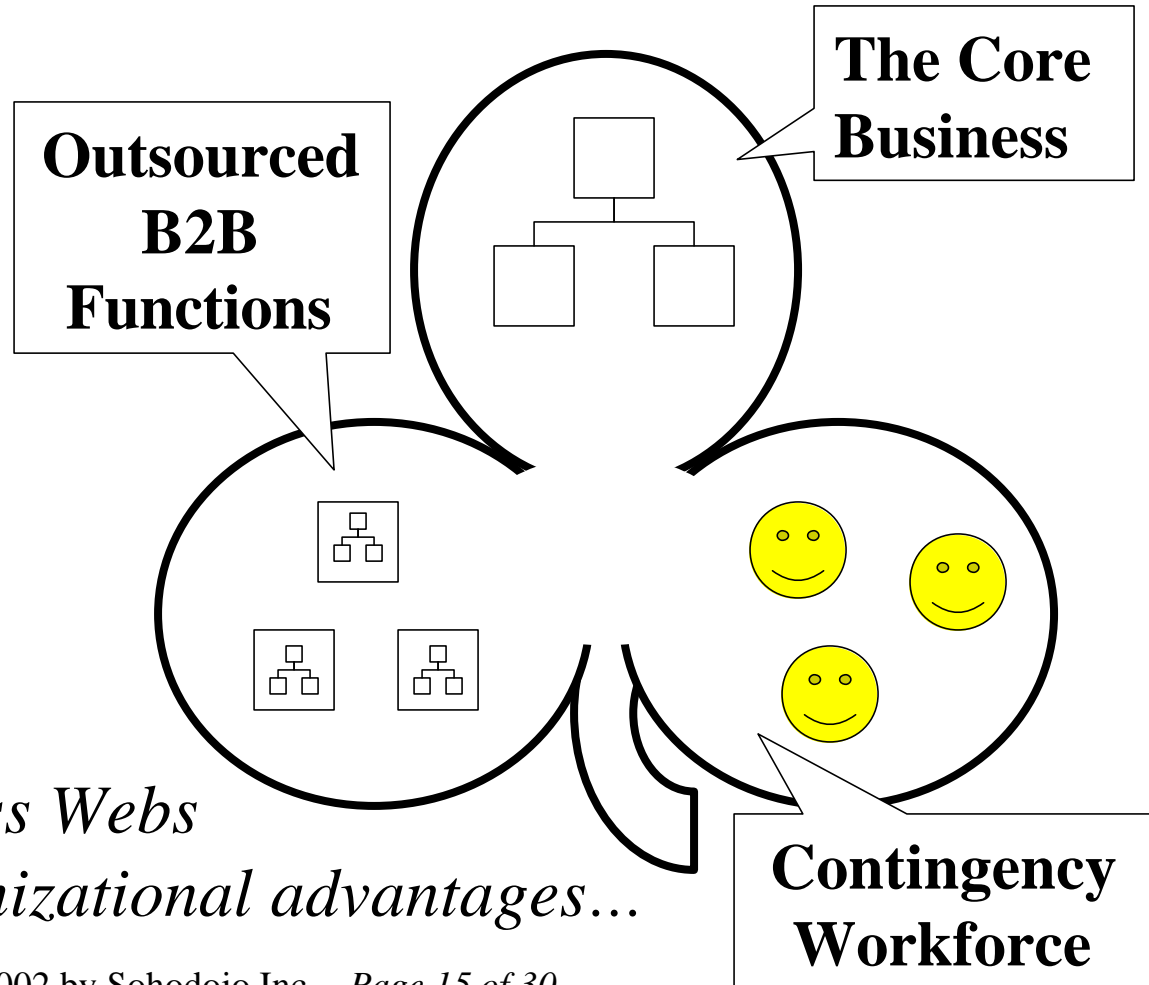
Before we can understand Small Is Good Business Webs, we need to remember how organizations used to be.

- During the Industrial Era, organizations were monolithic, huge pyramids of superiors and subordinates.
- Everyone an employee.
- Scale ruled.



Shamrock Organizations: Companies have transformed in response to increased competition and rapid change.

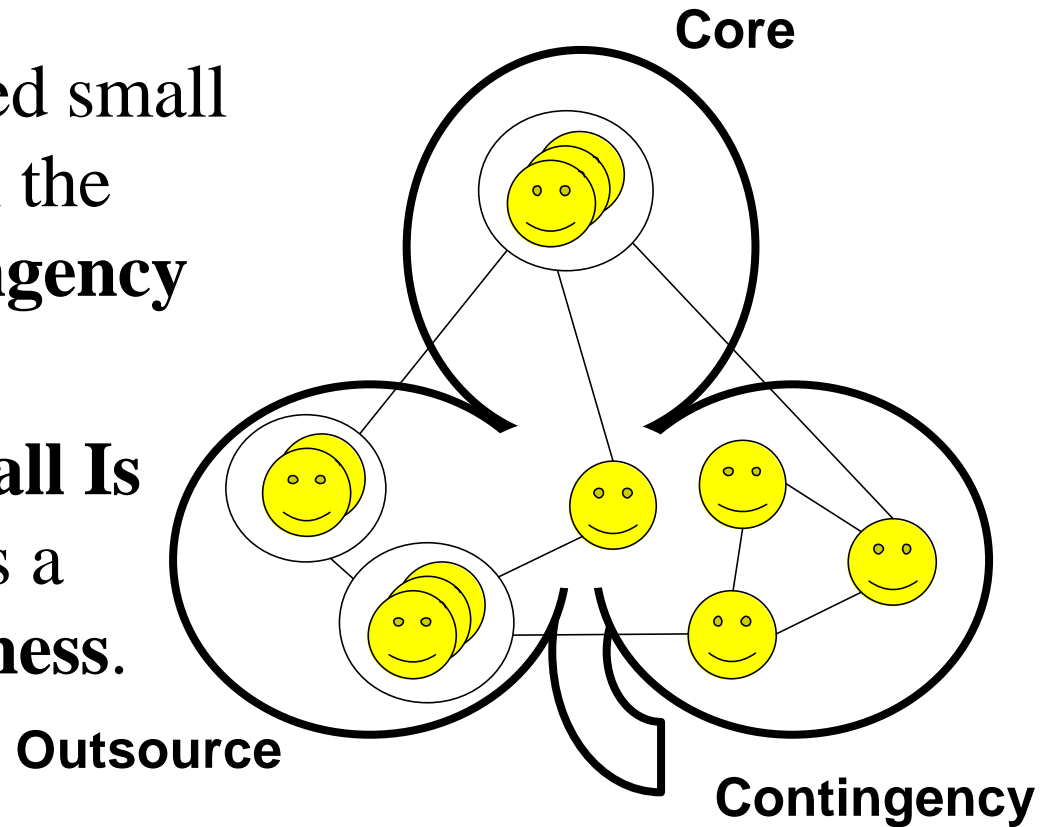
- Fewer permanent employees
- Flexibility to adjust to shifts in economy
- Reduced capital assets



Small Is Good Business Webs need these same organizational advantages...

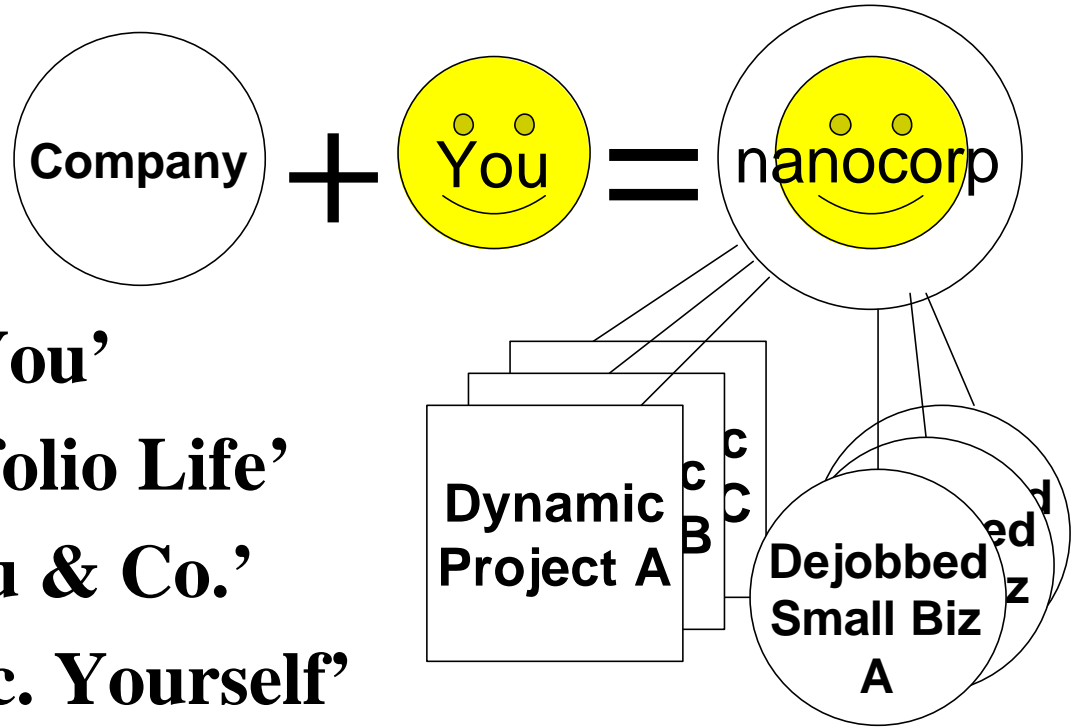
Small is Good Business Webs are Shamrock organizations built of nanocorps and dejobbed small businesses.

- Nanocorps and dejobbed small businesses are nodes in the **Outsource** and **Contingency** Worker leaves.
- The **Core** leaf of a **Small Is Good Business Web** is a **Dejobbed Small Business**.



A *nanocorp* is a unary business.
Nanocorps are the atomic elements of
Small Is Good Business Webs.

- *Fast Company*, ‘Unit of One’
- Tom Peters, ‘Brand You’
- Charles Handy, ‘Portfolio Life’
- William Bridges, ‘You & Co.’
- Judith McQuown, ‘Inc. Yourself’

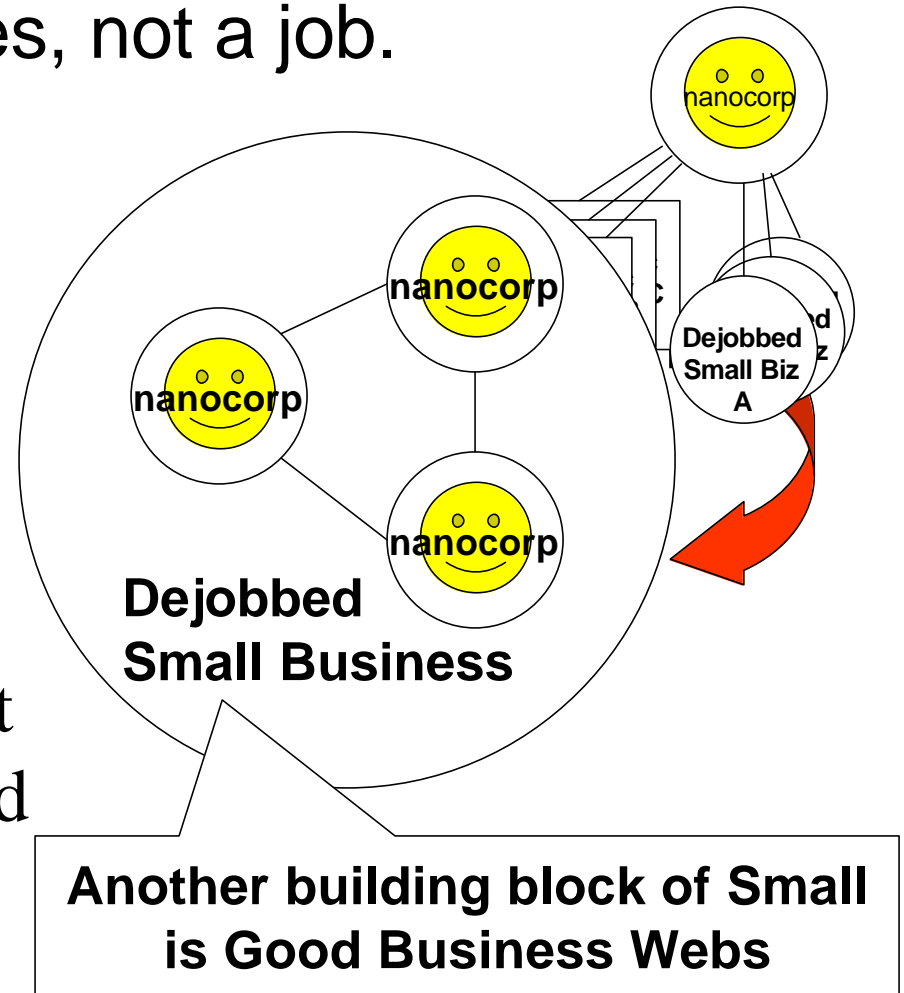


Your nanocorp life replaces the concepts of “job” and “career”

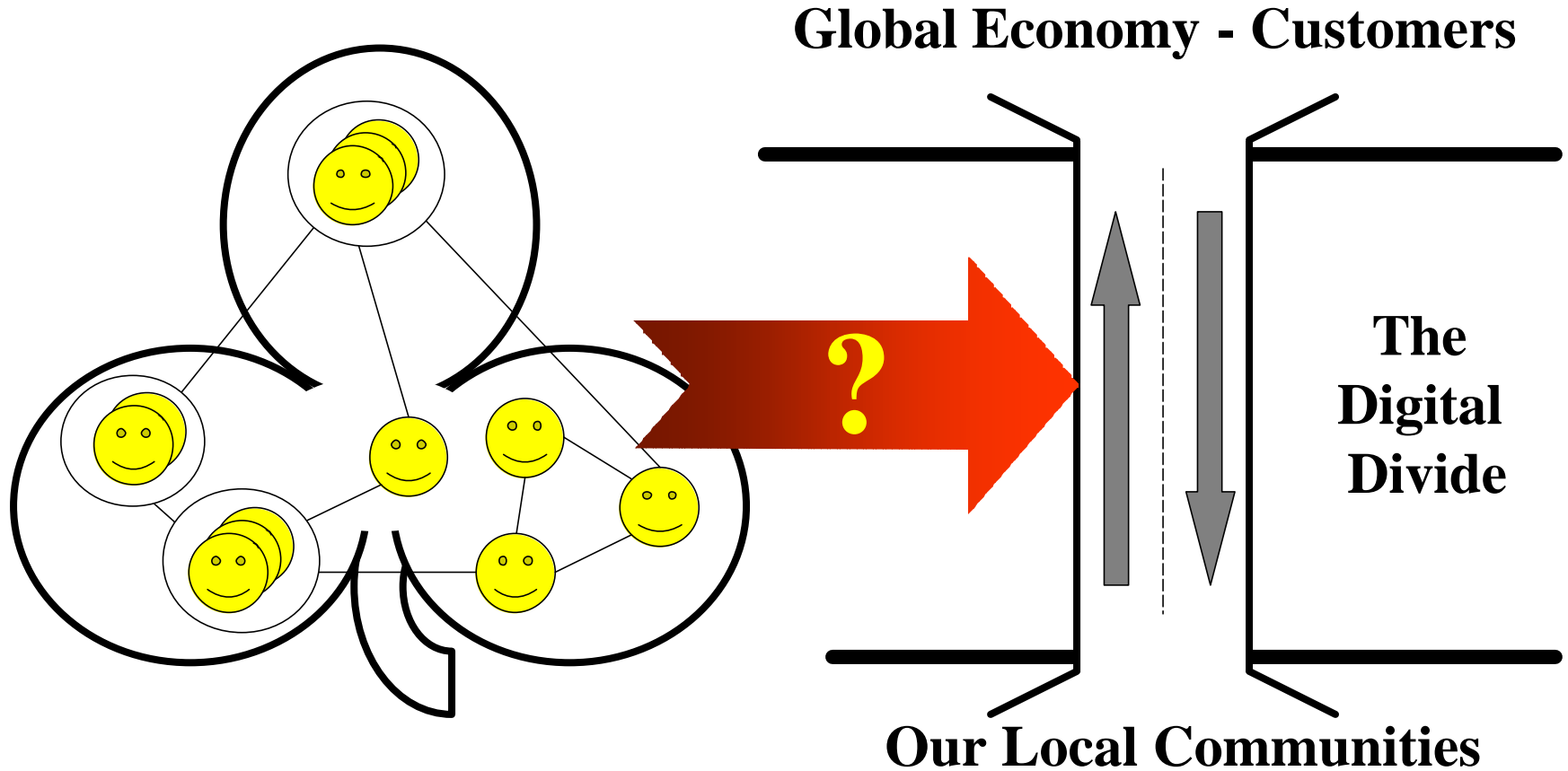
Your nanocorp
Portfolio

Groups of nanocorps can form *dejobbed small businesses* where a nanocorp fills one or more roles, not a job.

- No employees and no fringe benefits
- Federation of nanocorp owner/operators share profits and responsibilities
- Owner/Operators have first choice for filling role-based work contracts of the business

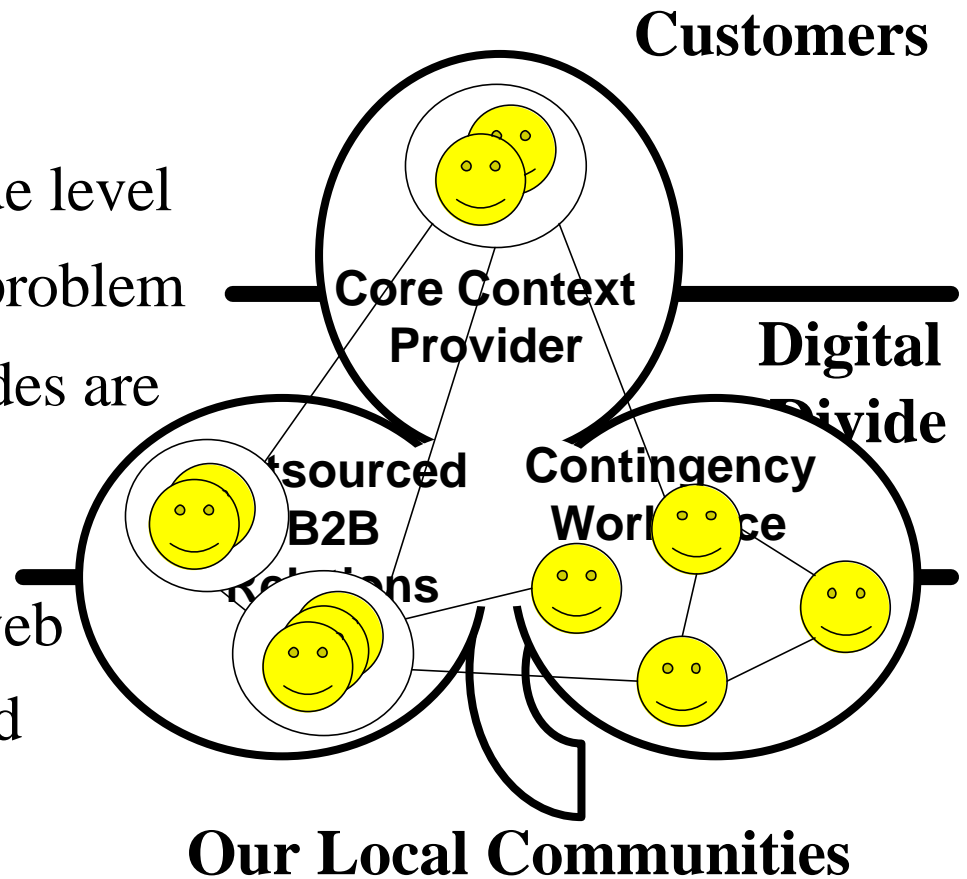


Now... back to the Digital Divide. How do we bridge the Gap with Shamrock-based Small is Good Business Webs?



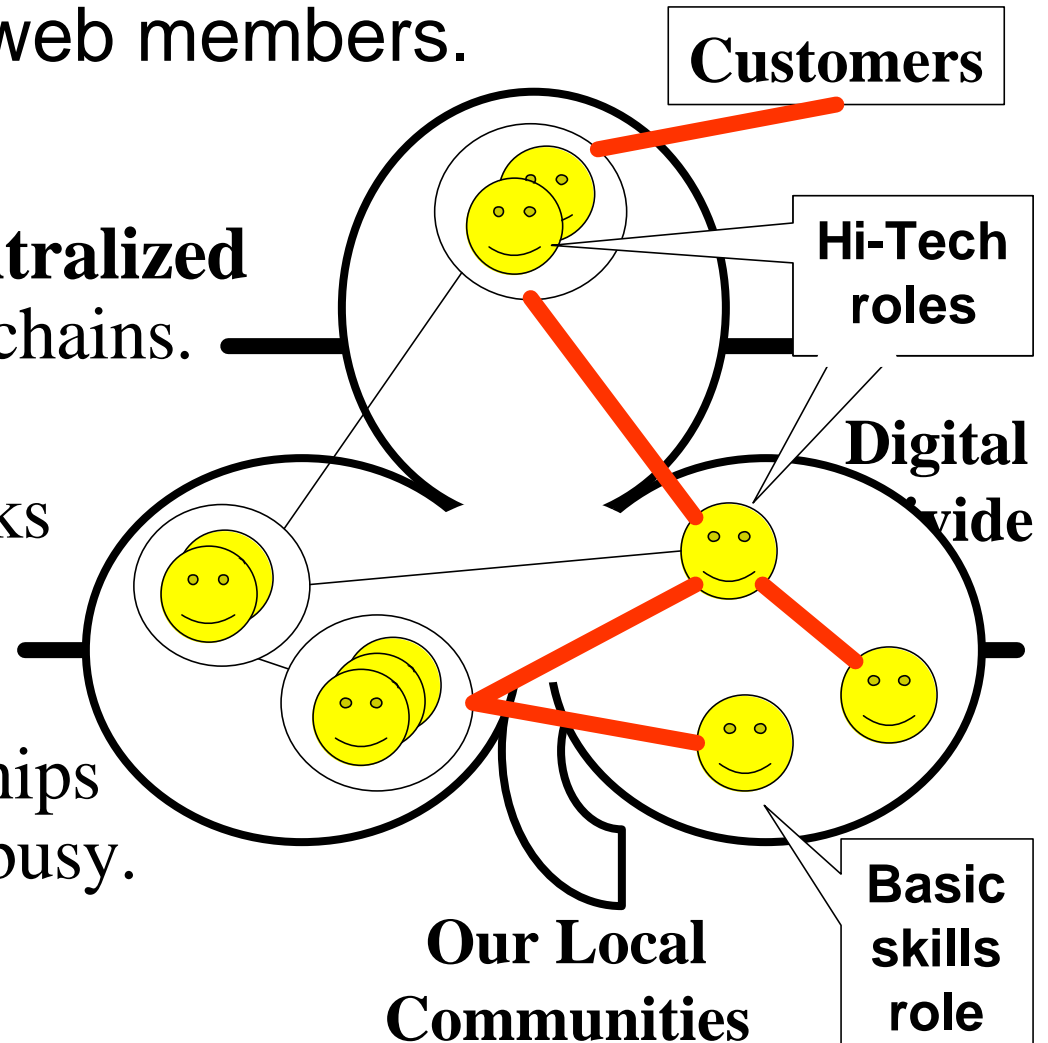
Shamrock-nanocorp Small is Good
 Business Webs have many of the same
 properties of the Internet itself.

- **Build-able piecemeal** – investment needed only at node level
- **Scalable** – more nodes, no problem
- **Adaptable** – innovative nodes are encouraged, ‘viral’ innovation
- **Resilient** – nodes can come and go without breaking the web
- **Repeatable** – Can be cloned to other products and markets



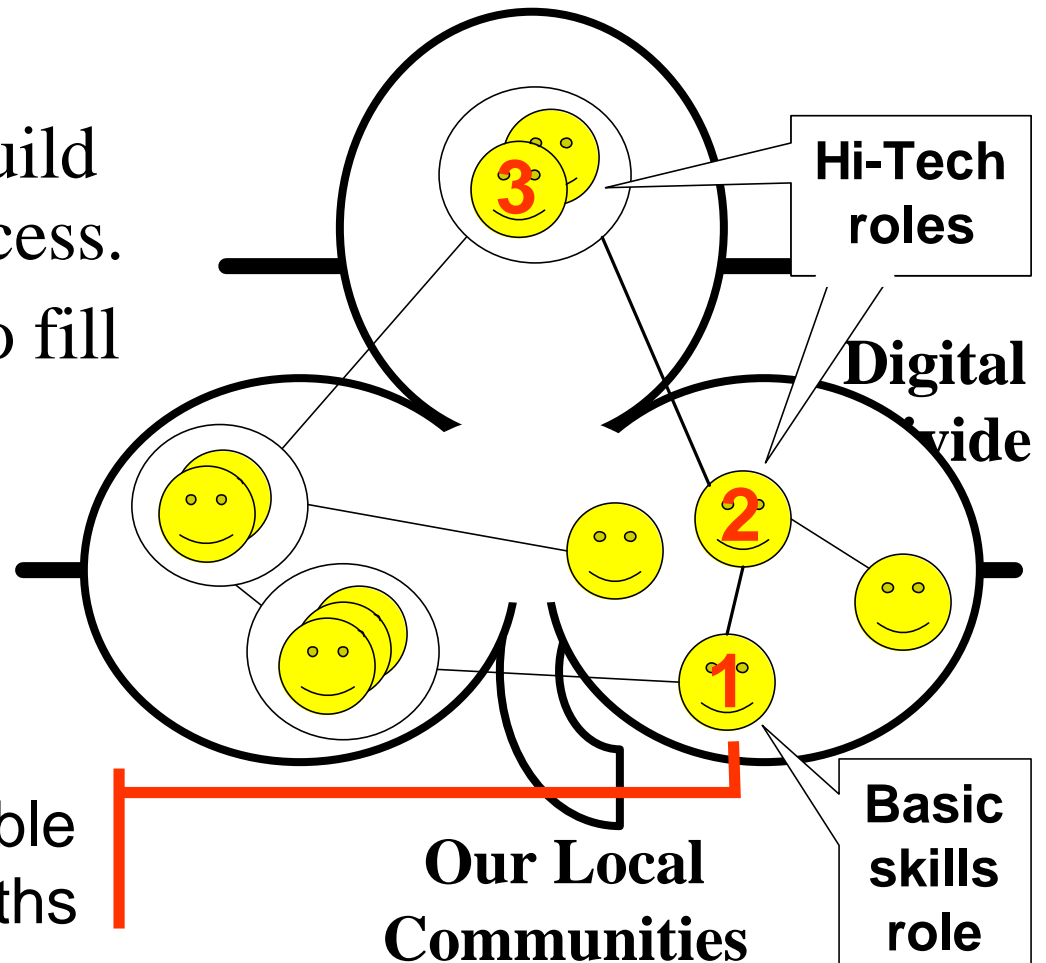
Small is Good Business Webs provide participation in the New Economy for even low-tech b-web members.

- SIG B-Webs are **decentralized** and **distributed** value chains.
- **Value chain** paths are producer-consumer links that provide role-based transaction profits.
- Multiple role relationships help to keep members busy.



A nanocorp life “career” path is based on gaining the skills, experience and trusted relationships to fill various roles.

- Mentor relationships build trust and wider web access.
- Training builds skills to fill new roles.
- Certification validates role performance and ensures quality.

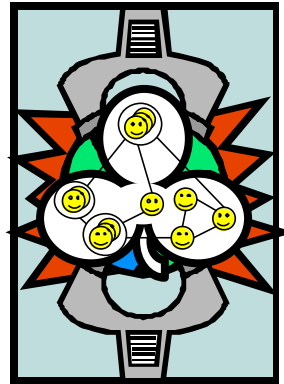


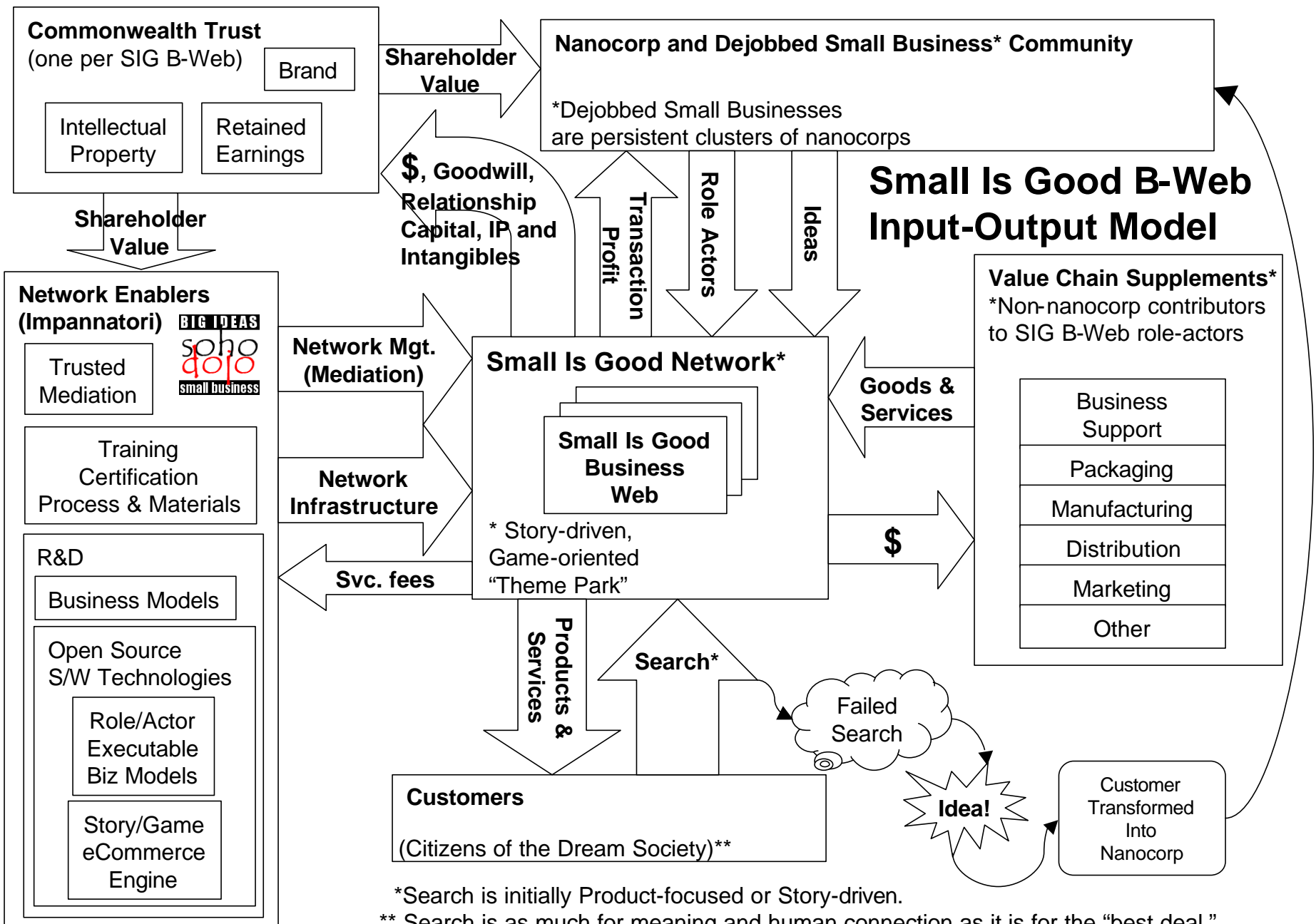
One of many possible
nanocorp “career” paths



We've looked at the organization model and role-based member participation in Small Is Good Business Webs.

- Let's take a look at an Input-Output Model of how a Small Is Good Business Web works.





Commonwealth Trust
(one per SIG B-Web)

Brand

Intellectual
Property

Retained
Earnings

Shareholder
Value

Shareholder
Value

Nanocorp and Dejobbed Small Business* Community

*Dejobbed Small Businesses
are persistent clusters of nanocorps

**Small Is Good B-Web
Input-Output Model**

\$, Goodwill,
Relationship
Capital, IP and
Intangibles

Transaction
Profit

Role Actors

Ideas

**Network Enablers
(Impannatori)**



Trusted
Mediation

Training
Certification
Process & Materials

R&D

Business Models

Open Source
S/W Technologies

Role/Actor
Executable
Biz Models

Story/Game
eCommerce
Engine

Network Mgt.
(Mediation)

Network
Infrastructure

Svc. fees

Small Is Good Network*

Small Is Good
Business
Web

* Story-driven,
Game-oriented
"Theme Park"

Goods &
Services

\$

Value Chain Supplements*

*Non-nanocorp contributors
to SIG B-Web role-actors

Business
Support

Packaging

Manufacturing

Distribution

Marketing

Other

Products &
Services

Search*

Failed
Search

Idea!

Customers

(Citizens of the Dream Society)**

Customer
Transformed
Into
Nanocorp

*Search is initially Product-focused or Story-driven.

** Search is as much for meaning and human connection as it is for the "best deal."



Two Small Is Good Business Webs are in the early stages of development at **Sohodojo**.

- **Squirrelfeeders.com** – To dominate the squirrel “feedutainment” industry by designing, building, and selling innovative products and services supported by a dynamic, educational and fun-filled web site.
- **3RBuilders.net** – To build affordable housing in rural and distressed urban communities based on the “3Rs” of Green Building – Reduce, Reuse and Recycle – e.g., reusing industrial shipping pallets and recalled/discarded automobile tires.



Small Is Good Business Webs have unique characteristics but their basic nature is the same.

	Squirrelnet.com	3RBuilders.net
Nature of Product	Commodity, high volume, low price	Capital asset, low volume, high price
Customer Profile	Individuals and retail middlemen	Local municipalities and corporate sponsors
Size of Web	Potentially huge (1,000s)	Large (100s)
Certification Importance	Important	Critical
Nature of Training	One-to-one mentoring	Formal training and apprenticeships
Value Chain Supplements	Relatively rare	Important
Customer into Nanocorp	Desired and frequent	Relatively rare



Small Is Good Business Webs will capitalize on different aspects of the software infrastructure.

	Squirrelnet.com	3RBuilders.net
Network Infrastructure (Role/Actor Executable Business Models)	Important	Vital
eCommerce Engine (Story-driven, game-oriented)	Vital	Helpful



Sohodojo is researching and developing the software infrastructure to support Small is Good Business Webs.

- Role/Actor Executable Business Models
 - Flexible, scalable composition of decentralized, distributed value chain business webs
 - Argonne National Labs technology partner
- Story-driven, Game-oriented eCommerce
 - New markets of “**Who, How and Why**” complement and compete with Big Is Good’s traditional “**How much and Where**” markets
 - U. Central Florida Institute for Simulation and Training and CREAT Digital Media Program tech partners



What's Next? Join the Small Is Good Business Revolution!

- *Everyone*, visit the **Sohodojo** web site regularly.
- *Students*, do a web-based internship or practicum.
- *Teachers*, invite us into web-based interactions with your students.
- *Researchers*, collaborate with us on funded business model and software R&D projects.
- *Entrepreneurs*, work with us to build your Small Is Good Business Web.
- *NGOs and local gov't agencies*, help secure funding to develop SIG business webs in your community.



Thank you. **Sohodojo** appreciates the opportunity to tell you about the Small Is Good Business Revolution.

- E-mail is welcome, especially creative proposals for technology development collaborations:
mailto:hosts@sohodojo.com
- Visit **Sohodojo** (<http://sohodojo.com>).
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Thank you.