Grassroots Innovation and Collaboration
through Enterprise Crowdfunding

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Abstract

We describe a first experiment in enterprise crowdfunding – i.e., employees allocating money for employee-initiated proposals in an Intranet site, including a trial of this system with 511 employees in a large multinational company. Major outcomes include employee proposals addressing diverse individual and organizational needs, high participation rates, extensive inter-departmental, and the development of goals and motivations based on collective concerns.

Enterprise Crowdfunding

The phenomenon of crowdfunding has become important on the Internet. Major projects in science, technology, arts, culture, and charity have found their funding through small-scale individual contributions through websites such as Petridish.org, Kickstarter.com, Indiegogo.com, and Kiva.org. Formal research into this domain is in early stages. In general, the model works as follows: Anyone is free to propose a project. Project proposals include a description of the work-to-be-done, a profile of the proposer, and a target amount of funding required to conduct the project. Other people may choose to invest in that project. People may also leave comments about the project.

We adapted the Internet model of crowdfunding for use behind a company's firewall – a form of Intranet crowdfunding (Muller et al. 2013). We conducted a one-month trial of what we believe is the first example of crowdfunding within an enterprise. A vice-president in IBM's Research organiza-tion agreed to provide US$100 to each of 500 employees for use in the crowdfunding experiment. In our adaptation, each of these employees could propose a project, and other employees were free to invest their allocation of $100 to one or more projects proposed by their colleagues. Unlike the Internet models, investments of one's own personal funds were prohibited, and no one could invest in their own project.

Results and Discussion

Employees participated at higher rates than have been observed in most social software applications (46%). They collaborated across departmental boundaries (mean number of departments funding a proposal was 7.71). Proposals addressed topics such as technology tools and resources, research culture, and employee morale. Details are provided in Muller et al. 2013).

We hypothesize that the strong participation resulted from the concrete quality of participation (real dollars to create real change in the workplace), and the ability of employees to initiate and directly influence these changes.

Similarly to the Internet models, we found a rich array of creative ideas that address multiple work-related domains. In contrast to the Internet models, we found stronger *collaborative* themes – projects that "would be good for all of us," as one participant expressed it. These results suggest that crowdfunding inside of organizations may require a new motivational model, emphasizing both individual gain and community needs.

Our experiences are based on a single organization in a single company. During 2013, we are conducting further trials to test the generality of our findings beyond the current first-trial limitations.

Reference

Muller, M., Geyer, W., Soule, T., Daniel, S.A., and Cheng, L.-T. 2013. Crowdfunding inside the enterprise: Employee-initiatives for innovation and collaboration. To appear in Proc. CHI 2013, Paris, FR. New York: ACM.