

Lessons Learned from Corporate Application of Prediction Markets

Jim Lavoie

1979/1999 – EVP Public Technology Co.

2000/Today – CEO Do-Over



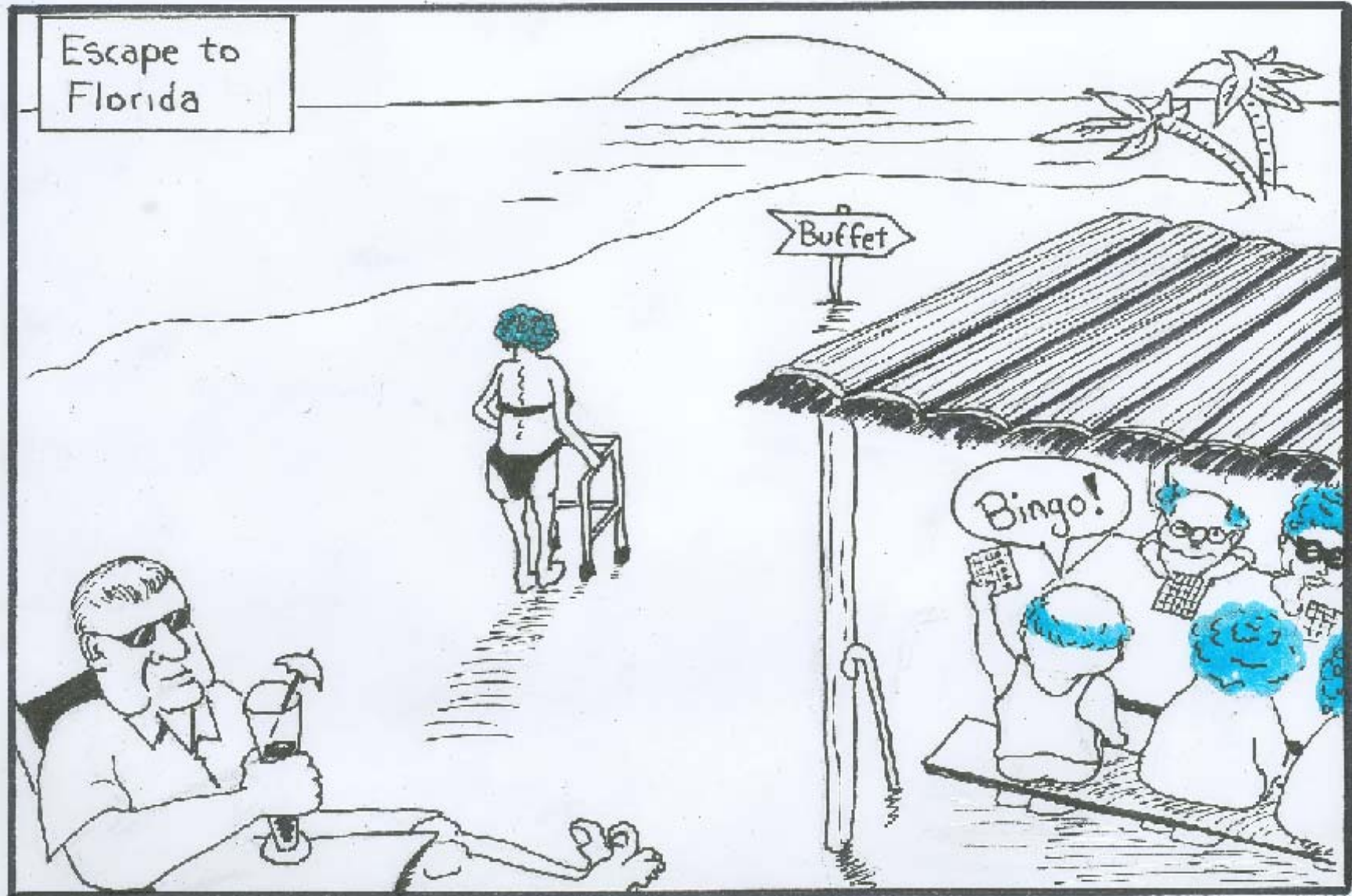
- ◆ I asked Koleman if he was sure this was a good idea.
- ◆ Unlike most of you, my quest was not to predict outcomes; it was to provoke thought, align interests, and create meaningful opportunities for my organization.
- ◆ My goal is to remain relevant in retirement.

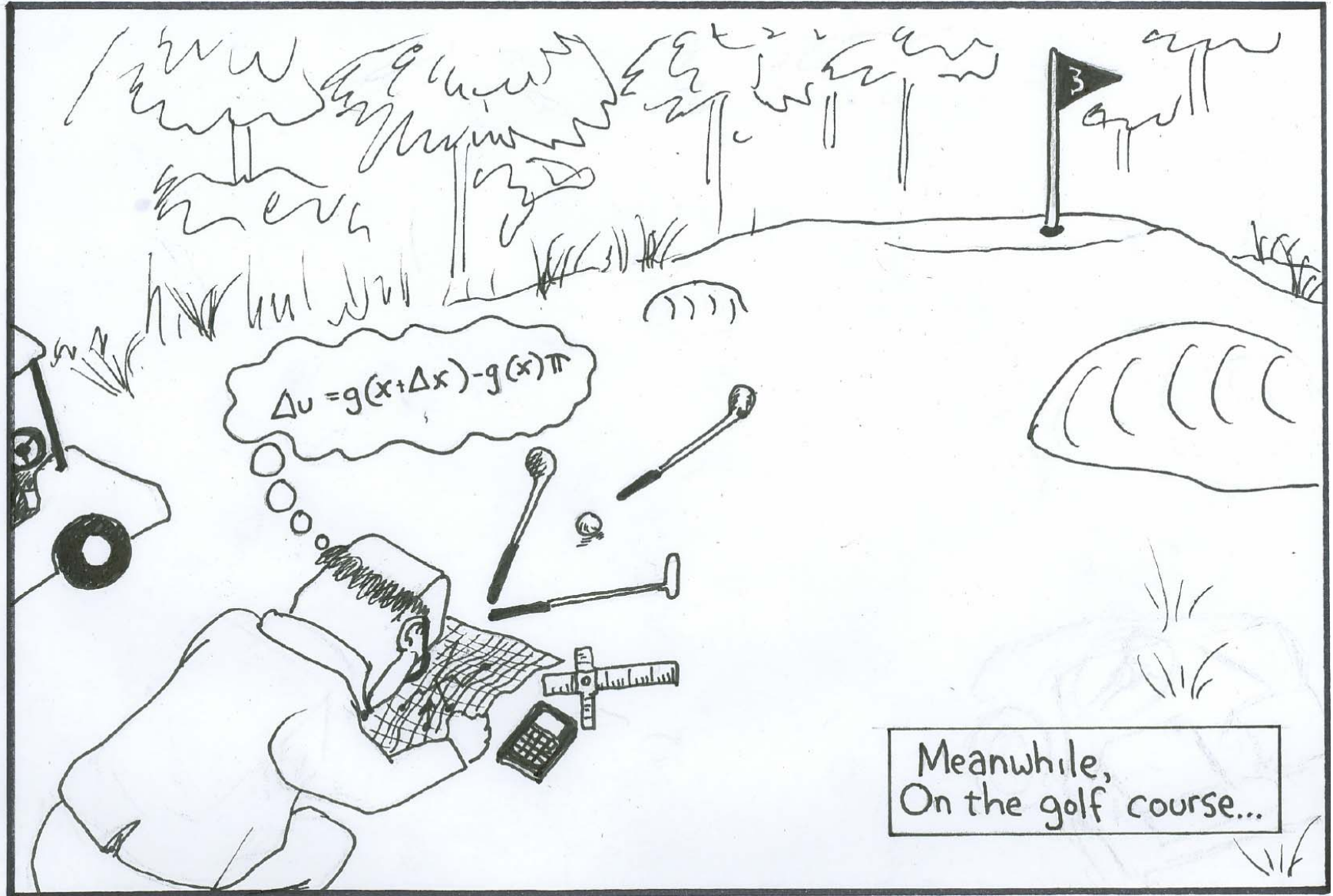
- ◆ You are all experts and provide an arsenal of tools for predicting outcomes. As a businessman; God bless you.
- ◆ As a leader; I need to create organic growth opportunities to apply your tools. That's where the real problem lies in businesses today and the focus of my discussion.
- ◆ The right tool makes any job easier, but only if you have raw materials to work with.

The Ghost of Christmas Past











DID WRONG

Shareholders,
Pyramids,
Financial Goals,
Innovation...

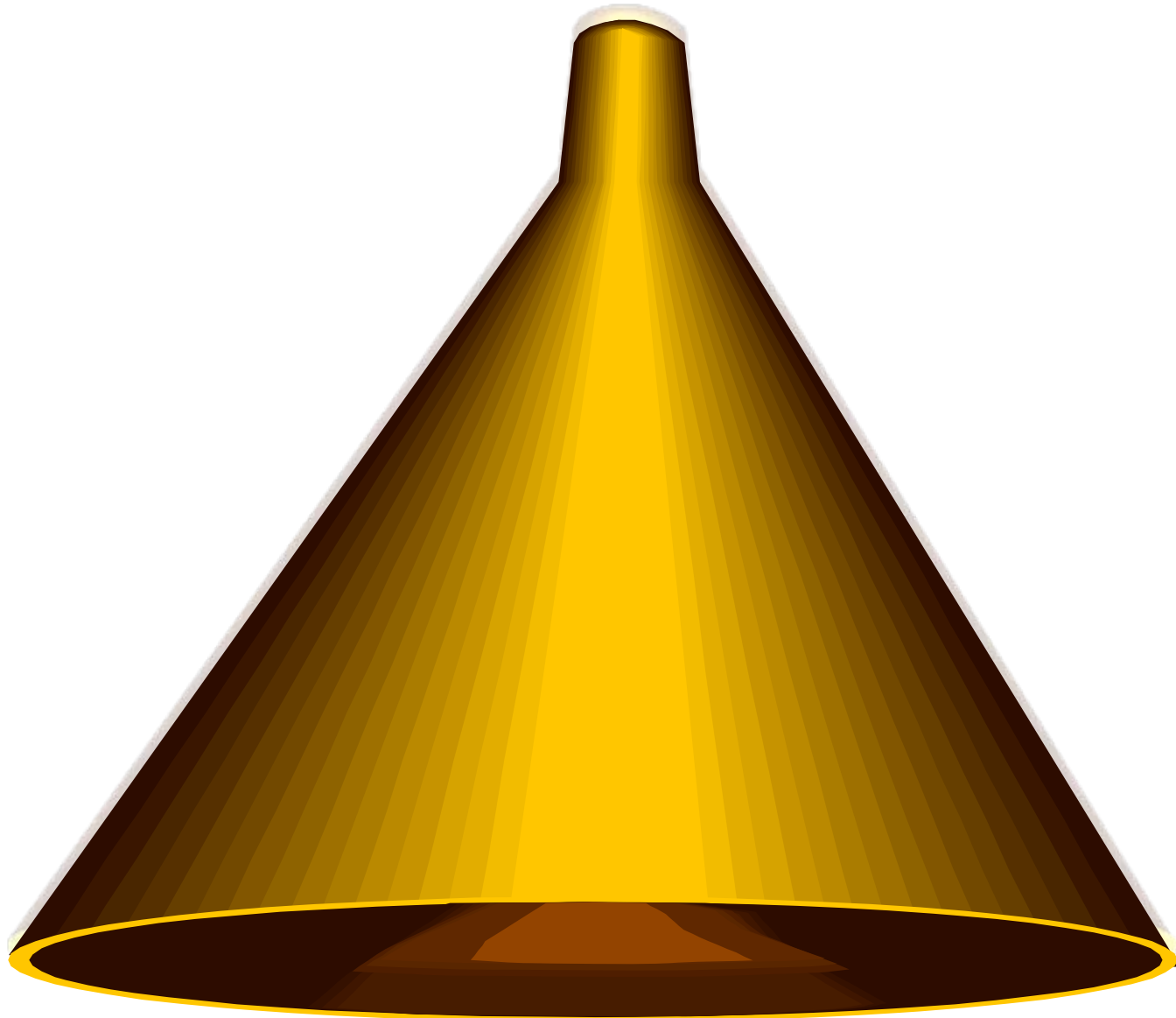
DID RITE

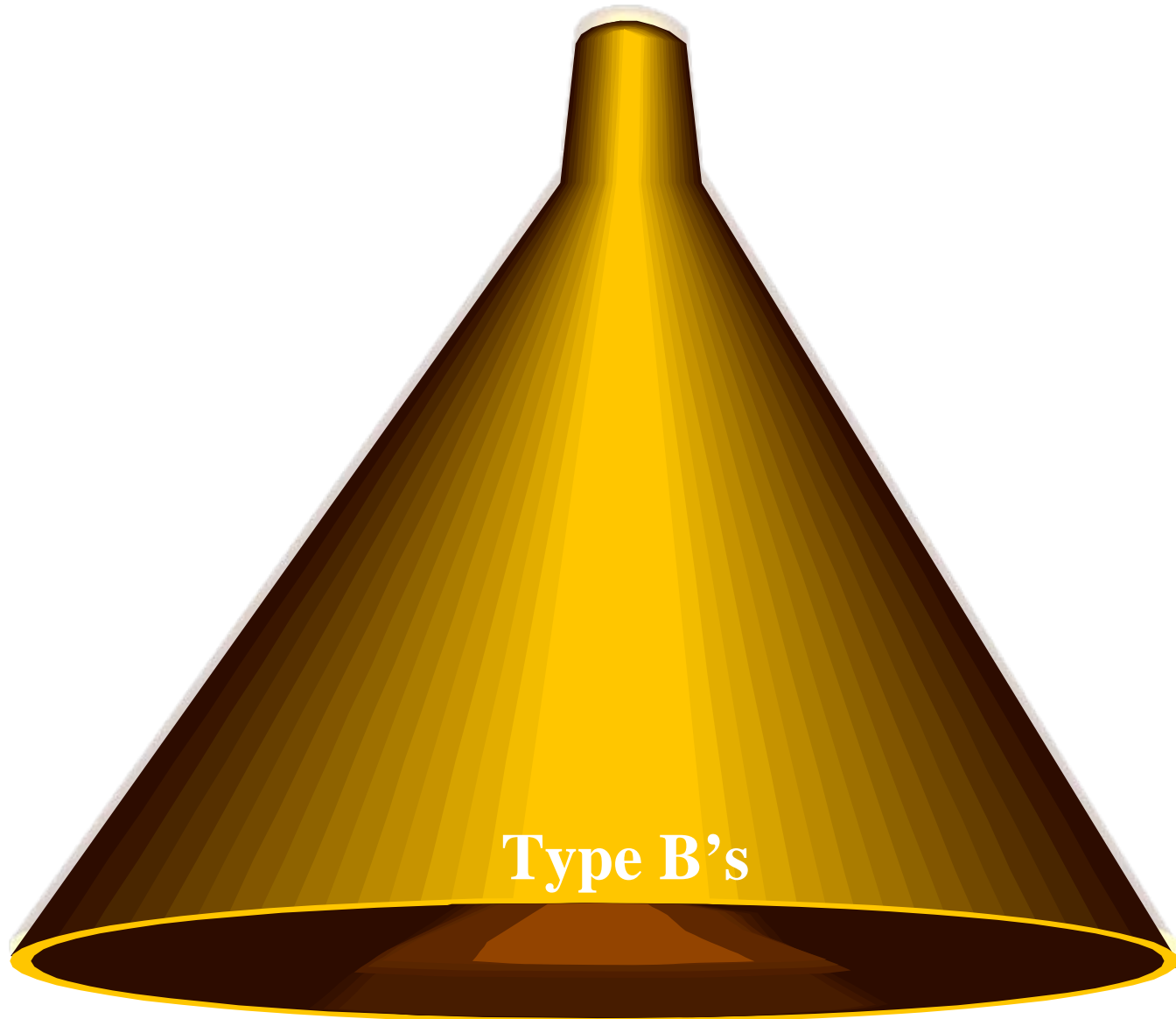
FUN:
Working with
Smart People!

DID WRONG

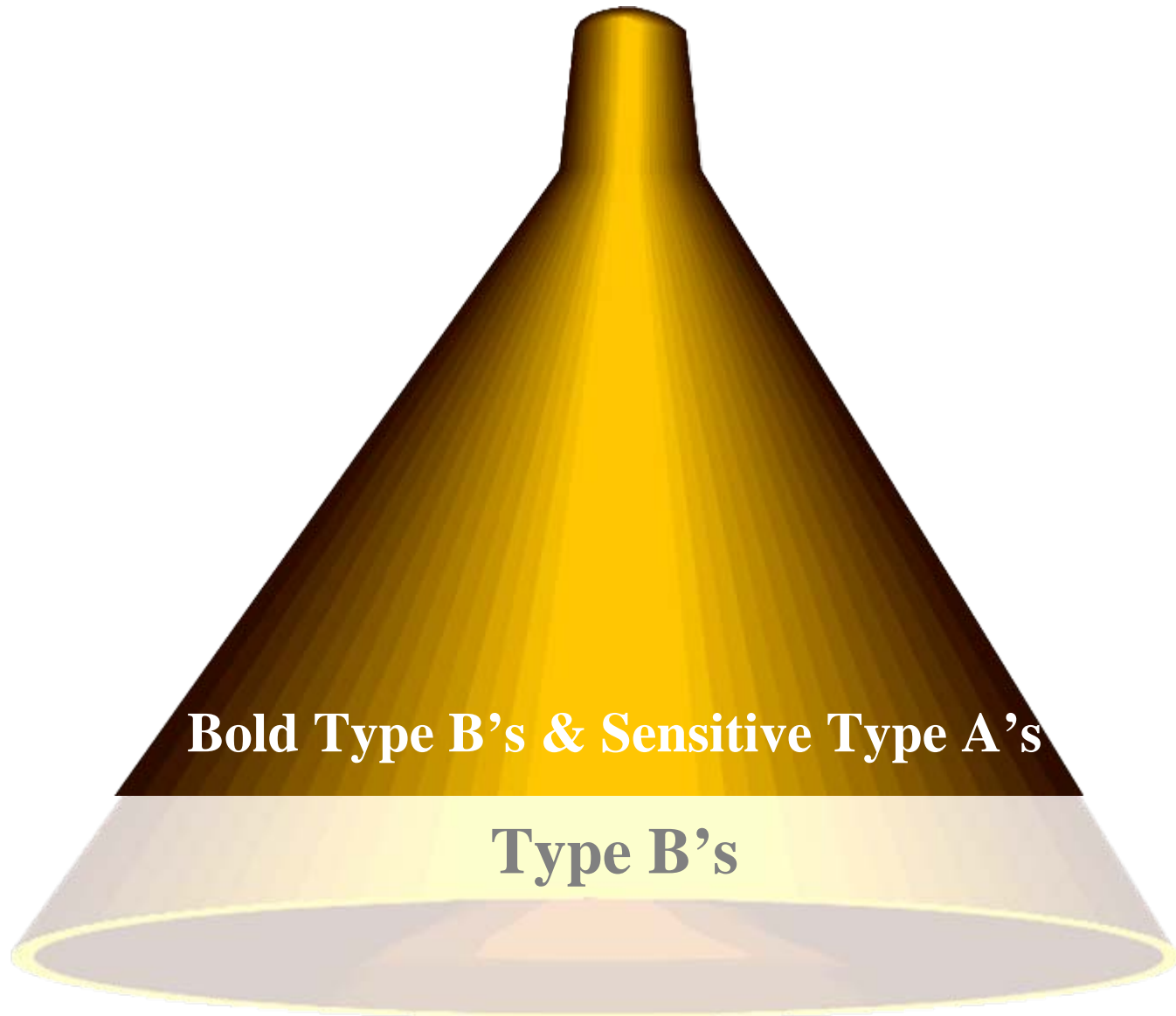
...Boxes, Titles,
Innovation.

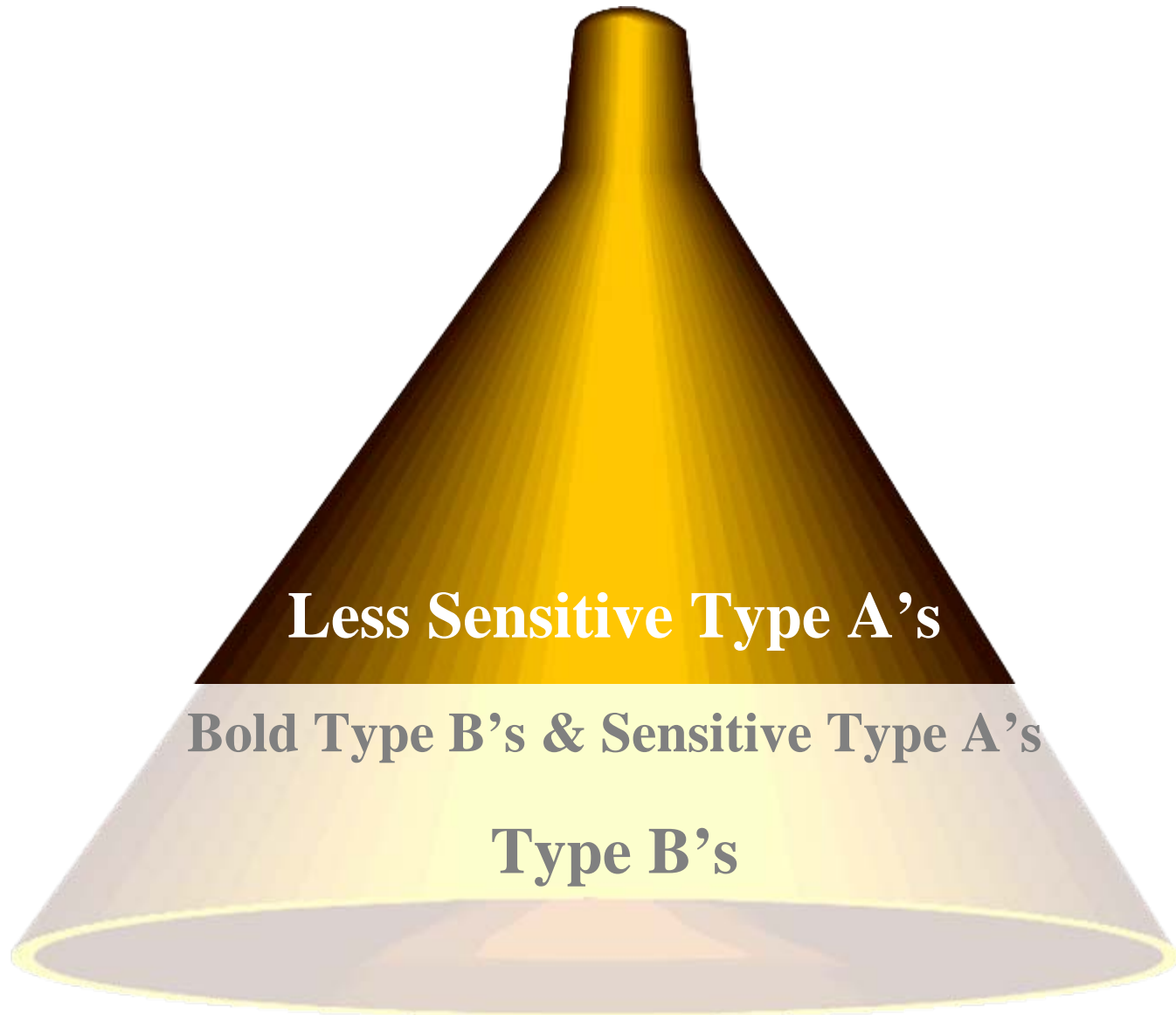
- ◆ Fill the Funnel
- ◆ Let the Flogging Begin (murder board)
- ◆ Discourage the funnel fillers (but...)
- ◆ 1st Predict in accordance with seniority
- ◆ 2nd Predict in accordance with sales/profit
- ◆ Announce the winners
- ◆ Throw money at them
- ◆ Highlight successes
- ◆ Hide the failures
- ◆ Fill the funnel.....

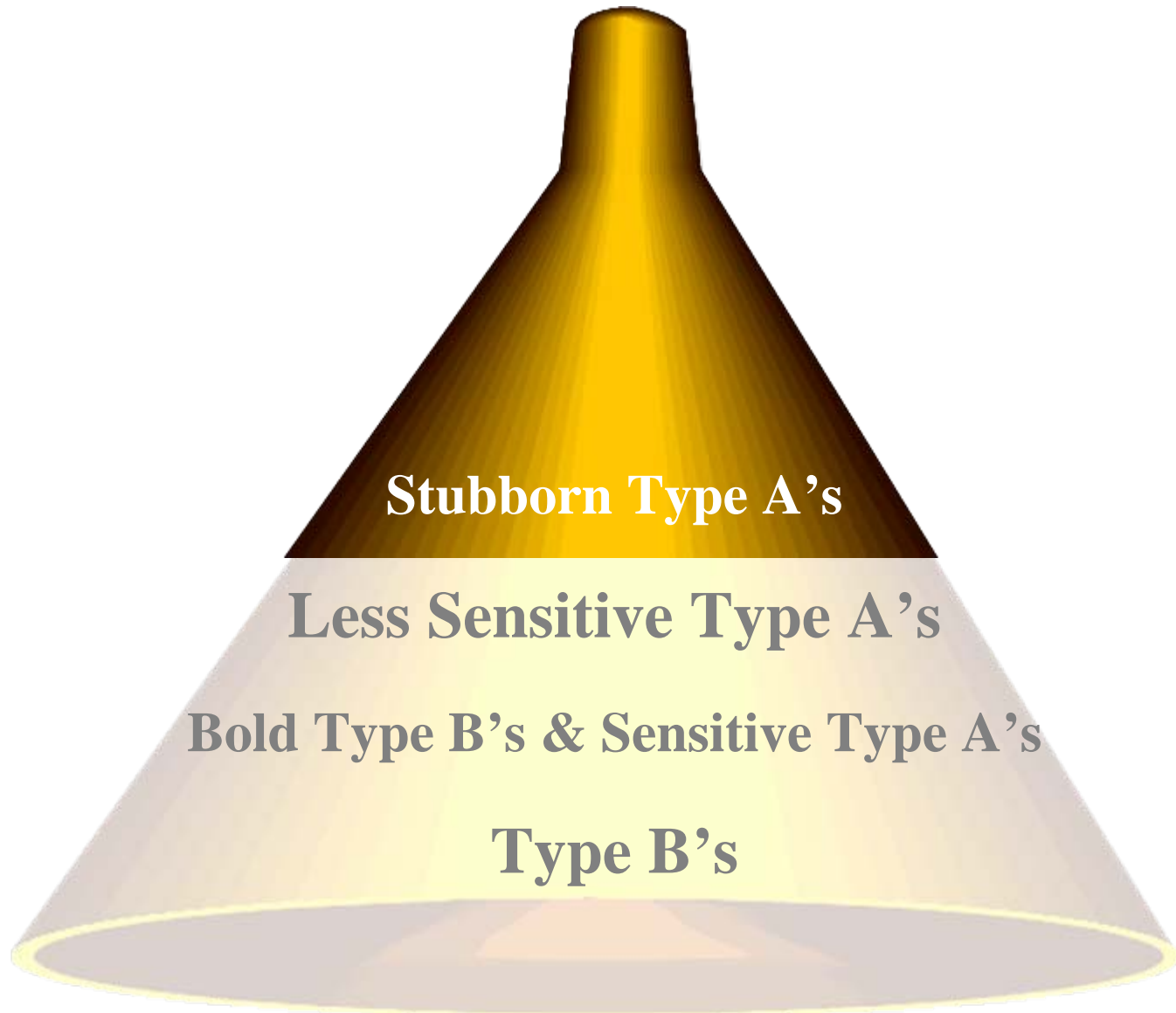


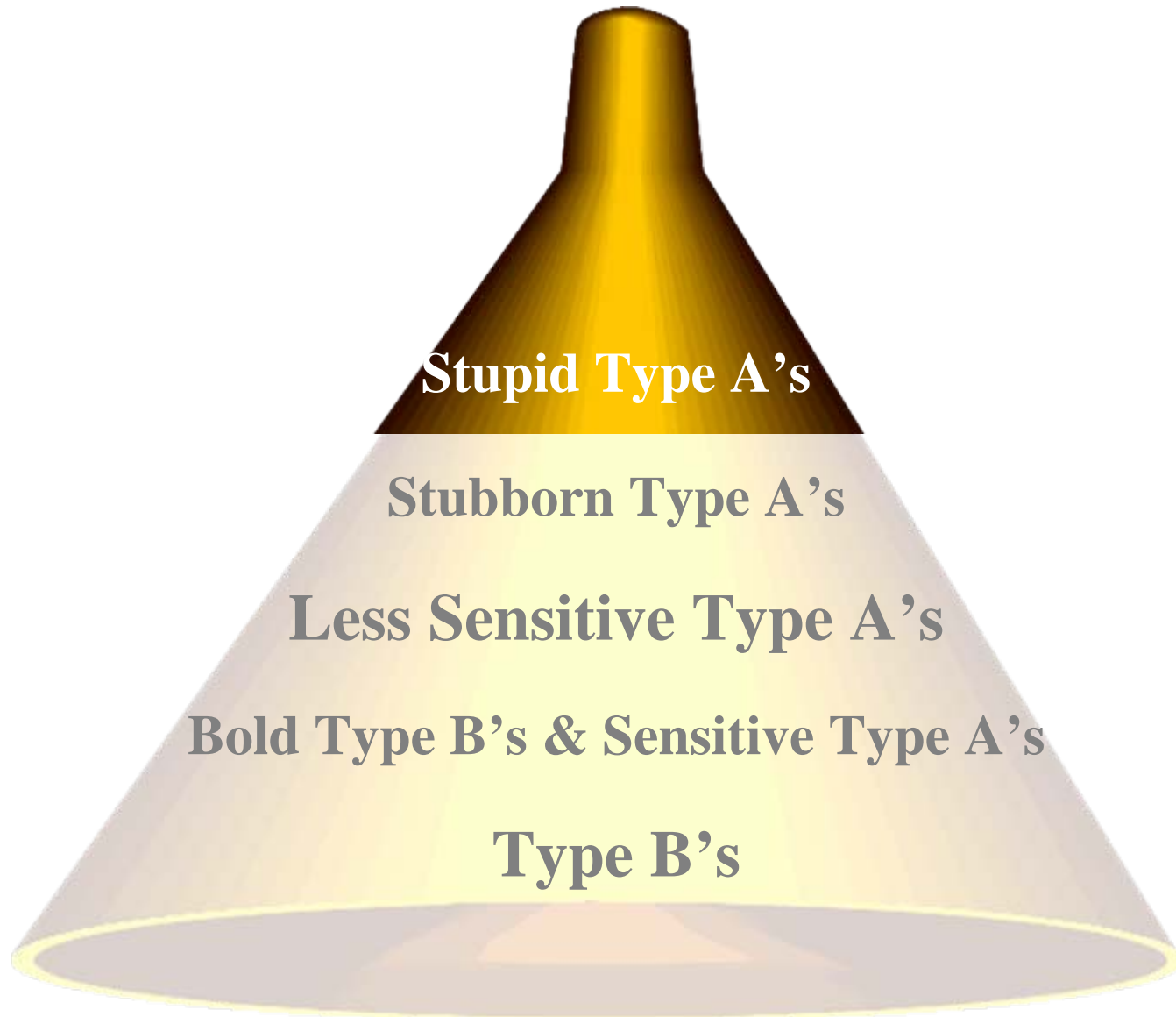


Type B's

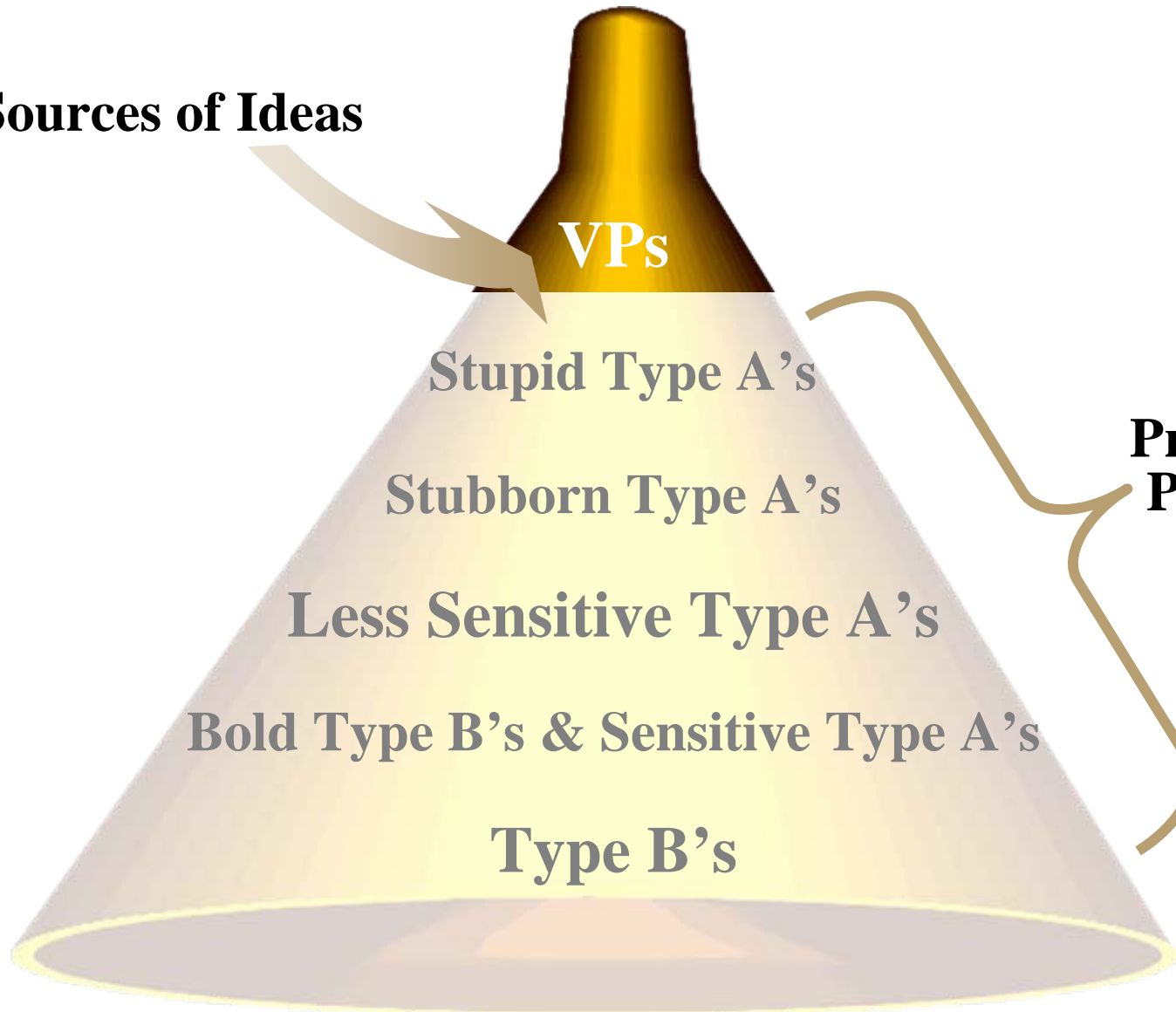








Sources of Ideas



VPs

Stupid Type A's

Stubborn Type A's

Less Sensitive Type A's

Bold Type B's & Sensitive Type A's

Type B's

**Idea
Protection
Program**

You too can minimize innovation
within your organization!



Wait/
Watchers
Meeting





- ◆ Be different
- ◆ Learn for our mistakes
- ◆ Solve for Y, because we are pre-X-toric
- ◆ Innovate Everyday
- ◆ 99mph fastball (not!)
- ◆ Take advantage of depth (passions) and breadth (perspective)

Be Different

rite 
S O L U T I O N S

Insert Any Logo Here



Offer the
Position?

Do A Job/
Get Paid

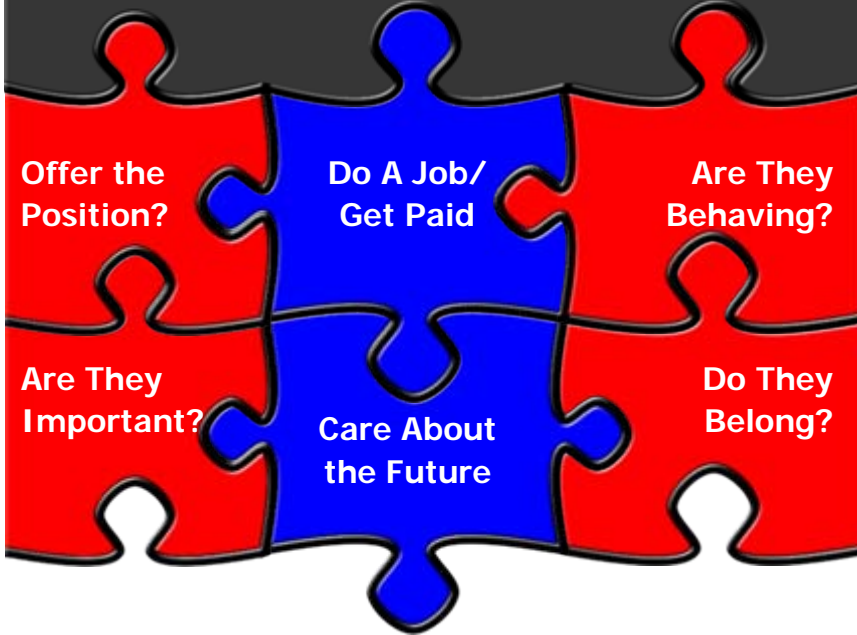
Are They
Behaving?



Transactional/Temporary
Relationship



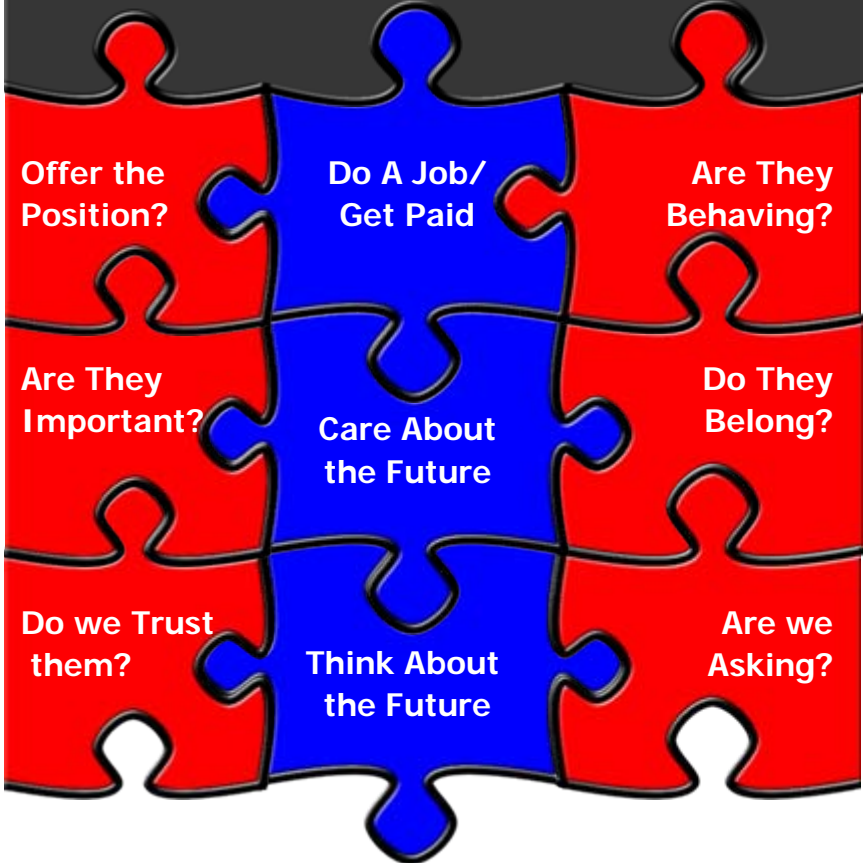
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Transactional/Temporary Relationship

Meaningful/Lasting Relationship

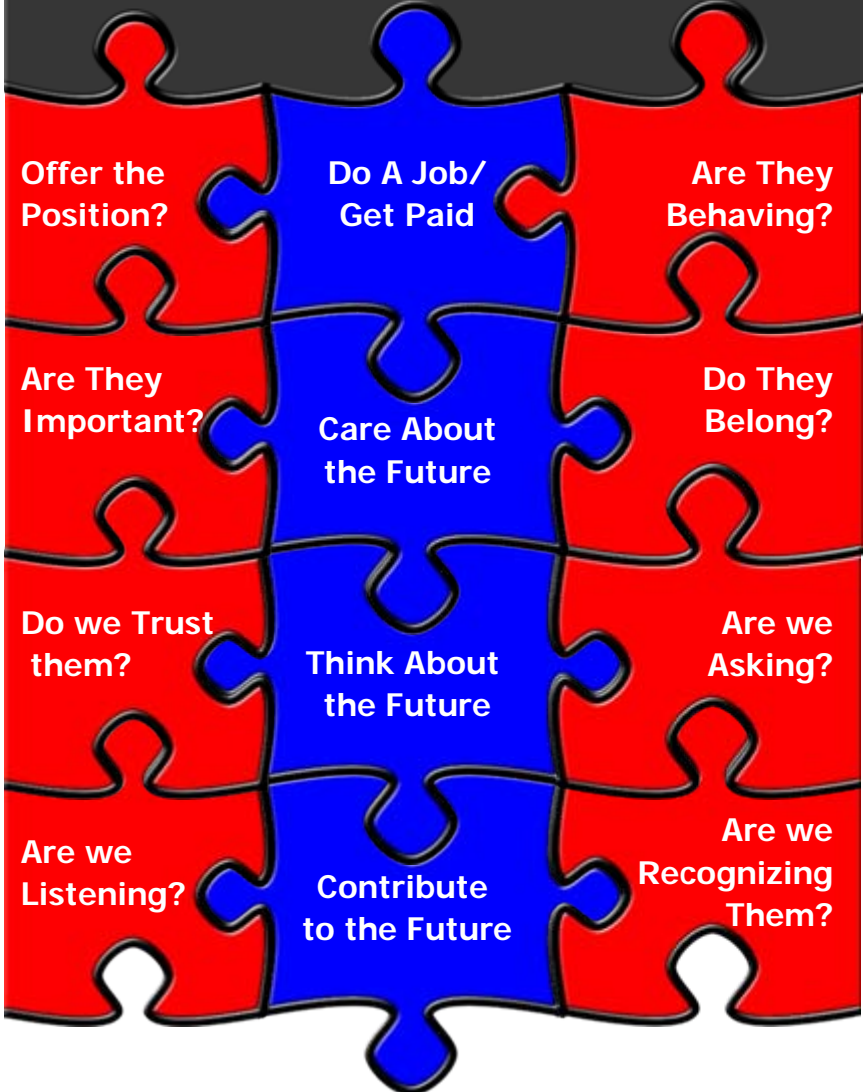
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Transactional/Temporary Relationship

Meaningful/Lasting Relationship

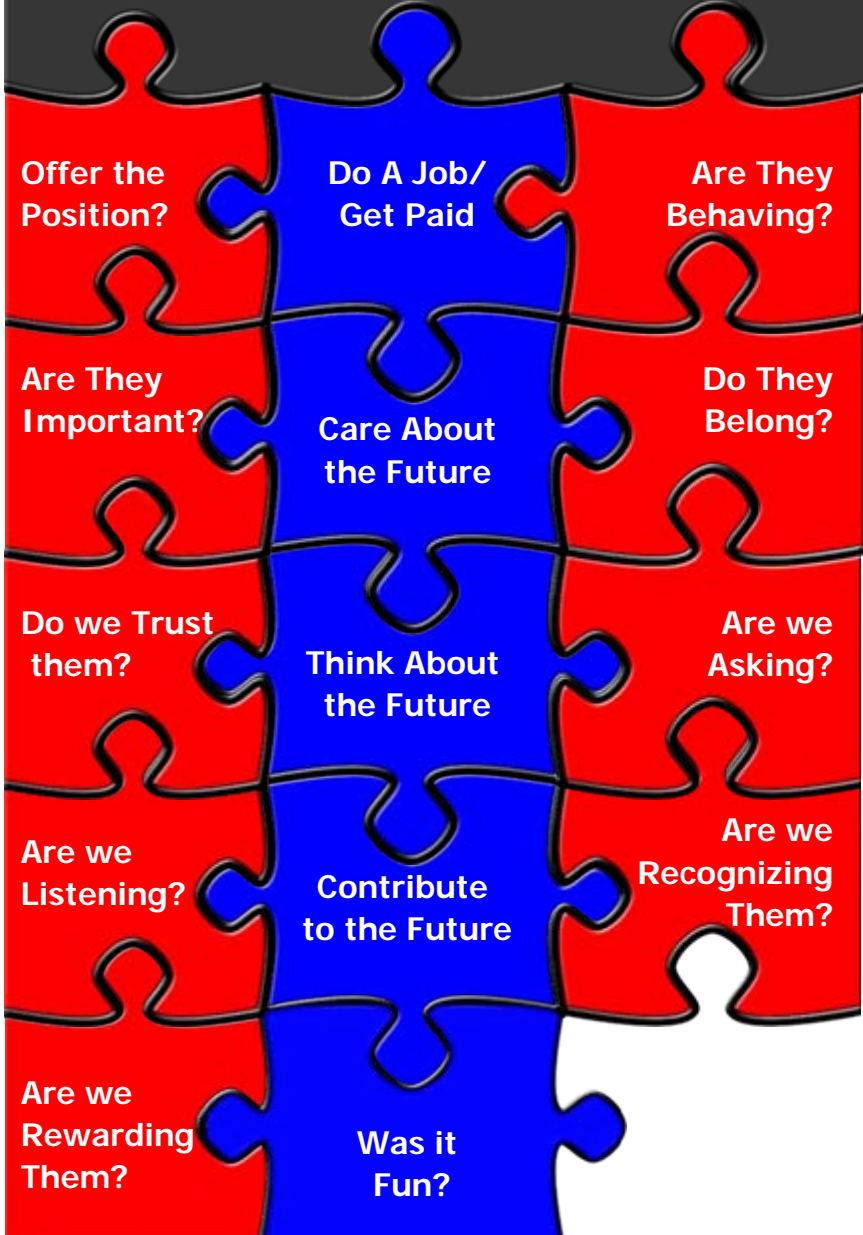
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Transactional/Temporary Relationship

Meaningful/Lasting Relationship

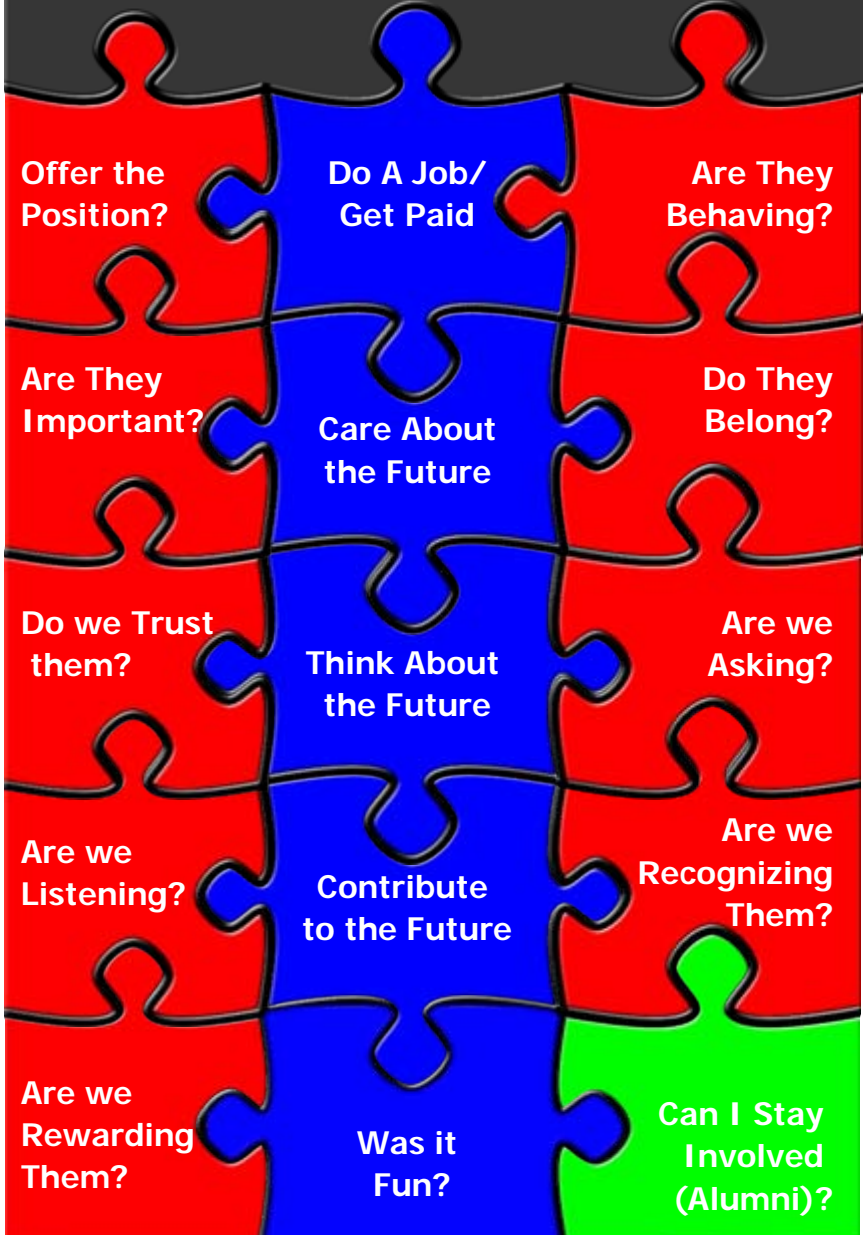
Insert Any Logo Here



Transactional/Temporary Relationship

Meaningful/Lasting Relationship

Insert Any Logo Here



Transactional/Temporary Relationship

Meaningful/Lasting Relationship

Insert Any Logo Here

Offer the
Position?

Do A Job/
Get Paid

Are They
Behaving?

Are They
Important?

Care About
the Future

Do They
Belong?

Do we Trust
them?

Think About
the Future

Are we
Asking?

Are we
Listening?

Contribute
to the Future

Are we
Recognizing
Them?

Are we
Rewarding
Them?

Was it
Fun?

Can I Stay
Involved
(Alumni)?

Any Customer Logo Here

Win a
Contact

Do A Job
For Me

Be
Satisfactory

Am I
Important?

They
Care About
MY Future!

Can they
Help Me?

Do they
Trust me?

They
Think About
MY Future!

Are they
Asking?

Are they
Listening?

They
Contribute
to MY Future!

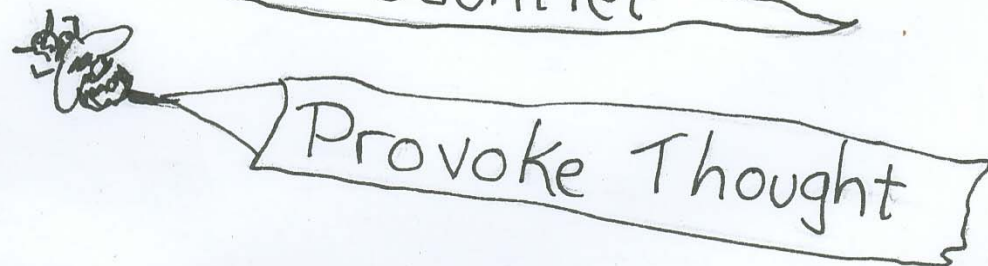
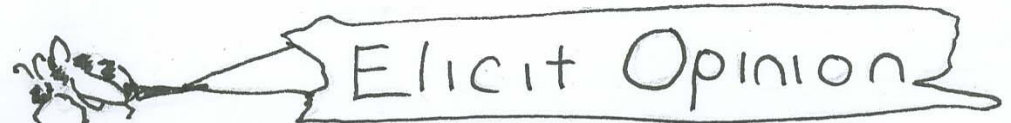
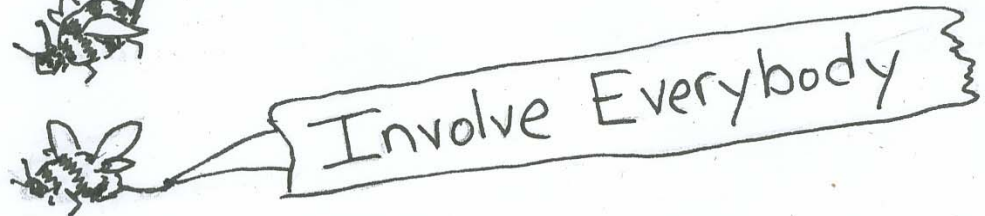
Are they
Helping
Me?

Am I
Seeing
Rewards?

It Was
Fun?

Can I Stay
Involved
with Them?

The Must Bees



Investing Intellectual Capital

4 Ideas to save money and be more efficient (recurring return)

5 Adjacent Innovations that represent low risk (probable return)

6 Gap innovations requiring learning and exploration (higher risk)

7 Quick Surveys

8 Keyword searches on Budget-IT items)

2 Training and support documentation

3 Examine the market and allocate your opinion across ideas (provokes thought)

An example of the Mutual Fun Menu (All items have a menu like this)

The screenshot shows the Rite-Solutions Stock Market website. At the top, the logo 'rite SOLUTIONS' is on the left, and 'Rite-Solutions Stock Market' is in the center. Below the logo is the tagline 'A Marketplace for Collective Genius'. A navigation bar contains links for 'Mutual Fun', 'Savings Bonds', 'Bow Jones', 'SPAZDAQ', 'Penny Stocks', 'Mgmt', 'Search', 'My Profile', and 'Help'. A central banner features the text 'Ticker Tape....Ticker Tape' in red, with a background image of two brains connected by a neural network and the text 'The Power of ALIGNED THOUGHT'. A 'Start Here' button is visible in the bottom right. A sidebar on the left lists 'Mutual Fun' with sub-items: 'My Portfolio -- Current', 'Research -- Snapshot, -- Savings Bonds, -- Bow Jones, -- SPAZDAQ, -- All', and 'Analyst Reports -- Latest, -- Stock'. Callout boxes with numbers 1 through 10 point to various elements: 1 points to a 'Learn how to play' box; 2 points to 'Training and support documentation'; 3 points to the 'Mutual Fun' menu; 4 points to 'Ideas to save money...'; 5 points to 'Adjacent Innovations...'; 6 points to 'Gap innovations...'; 7 points to 'Quick Surveys'; 8 points to 'Keyword searches...'; 9 points to 'Graphics and statistics'; 10 points to 'Keeping everyone informed'.

1 Learn how to play

9 Graphics and statistics

10 Keeping everyone informed

Start Here



Rite-Solutions Stock Market



A Marketplace for Collective Genius

Mutual Fun | Savings Bonds | Bow Jones | SPAZDAQ

Penny Stocks

Mgmt | Search | My Profile

Help ▾

Management

Leaderboard

Contributions

-- by User

-- by Stock

Stock Purchases

Ownership

Player Count

General News

Graphs

-- Top Stocks

-- Savings Bonds

-- Bow Jones

-- SPAZDAQ

Administration

-- Profile Document

-- Agent History

-- Prophet

-- Re-IPO Stocks

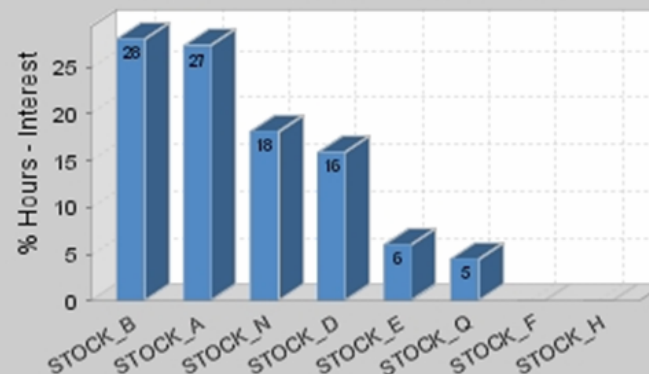
Bow Jones Top 15 Stocks - Impressions

Created on October 29, 2007 8:16:59 AM EDT



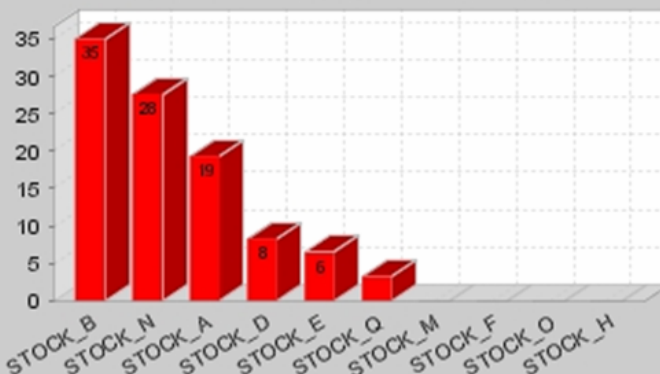
Bow Jones Top 15 Stocks - Interest

Created on October 29, 2007 8:16:59 AM EDT



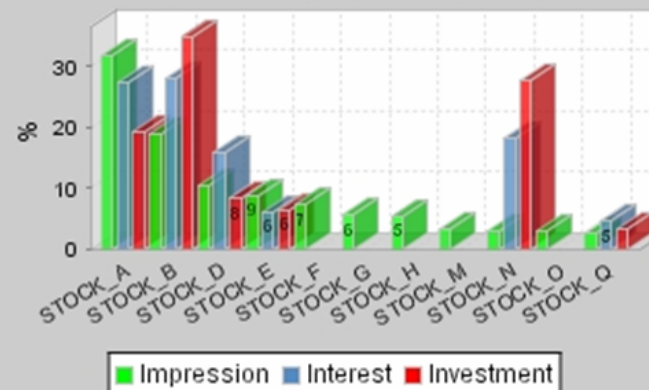
Bow Jones Top 15 Stocks - Investments

Created on October 29, 2007 8:17:00 AM EDT



Bow Jones Top 15 Stocks - Summary

Created on October 29, 2007 8:17:00 AM EDT



- ◆ Quiet genius has emerged
- ◆ Teams have self-formed
- ◆ IP has evolved
- ◆ Attrition has declined
- ◆ Two ideas have generated revenue
- ◆ Two ideas have saved money
- ◆ One idea has attracted investors
- ◆ Three ideas have generated other ideas
- ◆ Momentum is mine
- ◆ I have relieved myself of the burden of being right
- ◆ I can go be alumni now

Thank You For Your Time!

