

Rede Christian Schmahl
„Best Paper Award 2010“

Ladies and gentlemen,
Distinguished members of the jury,
Nominees and all participants,

(Einführung)

this is the third time for me to address you for the presentation of the European Business School's „Best Paper Award“. And the Award itself has been around even longer. This may seem like an almost scary level of consistency for a price for innovation management. But – as they say – all good things come in threes. So I guess we are going to be all right. Until next year anyhow!

Is this already a tradition? And should that fact be making us nervous about our capacity to innovate? I don't think so! I don't think tradition is the deathbed of innovation. I believe this price and this very institution are living proof that the quest for innovative thinking requires a certain persistence. And what else is tradition but the persistence of strong ideas.

There are two very strong indicators for this:

As you may have noticed, I am speaking to you in English. If you haven't, either your English is superb or mine is negligible... This became necessary because we have registered a record number of international entries for the Award. And this in itself is a token of its growing acceptance.

(Mehr und bessere Einsendungen)

Also, we have a significant increase in both number and quality of entries. And this is not to say anything about the awardees of former years. It only proves that persistence *does* breed change, if it is manifested in a persistent strive for quality! After all, it is a sign of quality when your customers come back and not your products.

Overall we have had an increase of almost thirty percent in the number of papers submitted. The number of dissertations in this year's selection has grown by almost fifty percent. Journal articles increased in numbers by almost one third and 13 of 18 of them were published in A or A+ journals.

There is the story of the two chicken. The one says to the other: "But you are only laying B-Grade eggs!" Says the other chicken: "You don't think that for two cents more I am going to bust my butt!" Ladies and gentlemen, other than that second chicken, our participants have busted... *(Pause!)* ... even the more optimistic expectations for this year.

(Überleitung zu gesellschaftl. Aspekten)

It was not my intention to make tradition the butt of a joke. Quite the opposite! I would like to focus today on the very foundations on which our joint quest for innovation is building. You know from suffering through my speeches last year and the year before, that I may safely be called an advocate of change and innovation. In a way it comes with the territory if you work for one of the leading global telecom companies. We at Deutsche Telekom live on innovation. Managing innovation is our bread and butter. But in the end we live on people and we live on the well being of modern societies. We live on functioning social communication. And we live on leaving behind more than a pleasantly unbalanced balance-sheet. What all of us leave behind today, is after all what we are going to have to live with tomorrow. And this is what I would like to talk to you about.

(Brave New World of Communication)

Today we live in an age, where almost everything is IT-driven. Communications between schoolchildren are transmitted via servers in Aserbaidjan and Aruba into the bedroom of your eight-year-old daughter. Some geeks measure their quality of life by the speed of their internet-connection. Something which we at Telekom basically would approve of. But look at this little conversation going on in a chat-room recently:

<xyz>: ...in the middle ages they had something they called
“mask of shame”

<xyz>: they put a person's tongue into a spanner, so that they couldn't talk anymore!

<geekfromhell>: ouch! ... well, as long as they could type!

This is a pretty clear picture of the ocean separating innovation from tradition if we aren't very careful to join the two. We really should watch our tongues! Not everything that is said is fit to be repeated. And not everything written is worth the ink it was written with, just because we don't write with ink any more. But it would be a useful golden rule of the 21st century that we should put on the web only that which we were willing to take onto our tongues.

After tonight/today you shall be able to read this page again on the internet, should you be so inclined. But it may be possible that some prankster changes it and you get to read some blather about tradition and innovation and how tradition should just be ignored in favour of the quickest and most radical innovation possible. Would that be my speech? No, it wouldn't! Would you notice? I sure hope so! But what would anyone think who hadn't had the privilege to be with us tonight? They would be amazed about what this stupid fellow from Deutsche Telekom has to say. There would be no truth to it. But it would probably take us some time to close the gap.

This is the brave new world we live in today. People go to Wikipedia with the greatest of ease and they take whatever they are presented with for true. Even though most of them have heard somewhere that it takes about forty seconds to change Wikipedia- entries. I mean,... that's the whole point of it, right?!

So, where is the problem? Is it in being able to change Wikipedia? No, because it's user-generated content. Users have to be able to change it. Otherwise it wouldn't be there. And for some intents and purposes Wikipedia is a useful tool.

Or is the problem in the way many people use it? How long will it take for us to abandon that golden rule of informed citizenship that carried our fathers through the 20th century: That you can safely carry home what you have in black and white? It is no longer true. Mainly because "Facebook" is NOT a book... and Wiki- is NO Encyclo-Pedia.

Black and white today doesn't mean a thing any more. It's coincidence. It's design, if anything. Some of us have resorted to thinking in black and white as if trying to compensate for the multi-coloured world around them. But that only perpetuates the problem.

(Amateurisierung)

In the old days - some of which took place when even pictures were in black and white! – public communication was an area of professionals. Writers, journalists, photographers and filmmakers shaped our image of the world. Professionals, bound by professional codes of honour. I know, that these rules were not adhered to in each and every instance. But they were the rules for communication. And that was that.

Today we live in the age of web2.0, of social networks and millions of private broadcasters on You-Tube. What are the rules today for the makers of the new media? And what can we rely on as users? Is there even still a distinction between makers and users when it comes to modern media?

If you wish to get an idea about the rules, look at spelling on the web. You all know this: For modern bloggers German orthography is freeware. Anyone can use it. But it is also being used like Open Source. People change it to fit their needs. A beautiful reflection of this fact is this bloggers' dialogue:

<gooze>: I always feel like such an idiot when I try to use proper German.

<chip>: now u must decide ? more important: you feel u-rself like an idiot, or u seem 2 us like an idiot!

(Amateurisierung ist populär)

Ironically, so-called user-generated content and the focus on amateurs is no more than a very stringent use of a basic rule of professional journalism: Get as close to the people as you can! Letting them print and broadcast themselves, appearing in their own videos is just as close as you can get.

Just one of many, many examples for this “one-of-us-effect”: YouTube has had more than 66 million clicks for the video of amateur singer Paul Potts’ singing Nessun Dorma.

Potts: <http://www.youtube.com/watch?v=1k08yxu57NA>

Professional colleague Luciano Pavarotti doesn’t even get close. He reaches a mere seven million performing the same song.

<http://www.youtube.com/watch?v=RdTBml4oOZ8>

Without wishing to take anything away from Mister Potts’ triumph: This example makes pretty clear that amateurs beat pros any time. Keep in mind: The audience mostly consists of amateurs! That is after all why Deutsche Telekom adopted Mister Pott for one of our most popular advertising campaigns ever!

One of the more recent examples for amateur content in the new media is by the protestant church in Germany.

Their senior council member, father Nikolaus Schneider felt himself called upon to comment Germany's worldcup football game against Ghana live on the church's website. It's the same game obviously, but father Schneider has managed to offer a bit more compassion than the mainstream broadcasters. He mentions that German coach Löw was wearing a scarf and that it must be cold indeed in South Africa.

http://www.ekd.de/wm2010/schneider_deutschland_ghana.html

This harmless example seems to contradict many peoples aversion against amateurism.

The former President of the German parliament, Rainer Barzel once said that "amateurs are a nuisance in any profession, be it a cleaning lady, a driver or what have you." But these times are over. "Who needs self-respect, when they can be in show-business" says the American author and legendary radio host Garrison Keillor. And show business is not the big stage anymore, nor is the opulent television event. Show business today takes place on your laptop and your I-Phone. And your daughter is one of the producers. And possibly also one of the main acts. Like it or not!

(Amateurisierung und ihre Vorteile)

According to Wikipedia, the main difference between an amateur and a professional are training and money. No training, no money –

amateur. Training and pay – professional. And Wikipedia adds that the word amateur comes from the French language where it is translated as “lover of”. But then many people in France are “lovers of”... Also keep in mind that this definition on Wikipedia has most likely been written by a “lover of”, ... an amateur.

Does that necessarily disqualify amateurs as serious protagonists? Of course not. The incorporation of ordinary people like you and me in the new media of the Internet even has a democratizing effect. We the people... we have moved from the dusty pages of the American declaration of Independence to true independence. Look at how the Iranian opposition movement gained strength, when ordinary Iranians started broadcasting videos of the protests and the violence perpetrated by the security forces on You-Tube. When CNN and other international mainstream media picked up the video, this was in a way a quantum leap for user-generated content. It had been acknowledged as a vital part of the modern media. Albeit only for one very simple reason: The newsmen didn't have the pictures!

Especially in our globalized world the power of number, the economy of scale is no secret. It is the basis of what we are doing in every international company. But it works the same with information. You ask someone, you may get an answer. You ask two people, your chances are even higher. Why not ask two million, or even more?!

The prime example for this is almost historical.

It happened in the year 2000, when the Internet was just unfolding its true potential. It was the amazing “Goldcorp Challenge”. Back then Goldcorp ran an underperforming gold mine in Ontario, Canada. The company went literally “all out” in their effort to strike it rich. The company published all of its maps and geological research on the Web. A very unusual step in a normally very secretive industry. And they challenged everybody to help them find their gold.

Scientists, engineers and prospectors from all over the world entered the sweepstakes. And they produced amazing results! Goldcorp drilled on four of five suggested sites for Gold. And in all four they found it. After only one year the mine increased its gold-output by tenfold and reduced the cost of mining it to less than one fifth of what it had been before.

The Goldcorp coup is living proof that the economy of scales can also work in the acquisition of knowledge. An interesting discovery in an age when everybody says we live in knowledge-based societies.

(Informationen als Basis)

But just how knowledge-based are our societies really? Has the increased availability of news and information led to a more-informed species of news-consumer? Are current affairs still everybody’s affairs? Not necessarily.

There is still professional news coverage out there. That's the good news. The bad news is... bad news! Bad news in two senses of the word. Bad news coverage. And good news coverage of bad news.

(Professioneller Journalismus unter Druck)

Increasingly mainstream media outlets are under immense pressure to meet the economical needs of their organisations. Newspapers, radio stations and television networks have to generate some sort of income. And especially in times of economic downturns the markets become really tight. Segmentation of society has led to segmentation of the media markets, which has led to segmentation of media audiences, which has led to segmentation of media profits. If there are profits at all. Many professional mainstream media are struggling to make ends meet. And not each and every one of them is succeeding.

What the heck, you might say, we all have to tighten our belts! Yes. But think again. A joint information base is the very core of modern democratic societies. If we don't know the same things, but everyone thinks they know *something*, how does one reach any kind of consensus? A joint information base is becoming a very precious resource indeed. News coverage is the most expensive journalistic product you can put in print or put on the air. Compared to entertainment formats like talk shows, the cost of news programs is easily three or four times as high.

(Infotainment als optische Täuschung für die Konsumenten)

So why not produce something that is really entertainment but looks like news! At first glimpse – does Fox News look so different from CBS, NBC or even the honourable BBC? Not until you look closely. Yes, there is the distinct difference of being able to rely on the information or not. But if there is no universal standard, no joint news source for all of us, how does Mister “Otto-Normalerverbraucher”, the everyday news consumer, want to check!

There are many new formats that look deceptively like news formats. They call them “boulevard”, or yellow page journalism. But these are certainly not what most of us would favour as a source of information.

The fine line between news and information on the one side and entertainment on the other is being crossed millionfold every single day. And it seems that consumers appreciate the more entertaining approach to information.

The problem is just: Most of them are not making a conscious and educated decision in favour of infotainment or advocacy journalism and against professional journalism. Most viewers of Fox news in the US would argue that they are watching a mainstream news-channel. The strongly conservative overtones of the coverage only come as living proof that most of their world shares their political beliefs.

Viewers of the global Arabic news-channel “Al Jazira” are watching highly professional news-coverage of global current affairs. It looks

like CNN for and from the Arab world. And the ruler of Qatar, where “Al Jazira” is headquartered has built himself a nice powerhouse within the global media community. But! But! But Al Jazira correspondents in many quarters of the world have very close ties to people, which other would describe as terrorists, like member of Al-Kaida or the Taliban. And while most of the channel’s news coverage is highly professional and reliable, Al-Kaida videos make it through mysterious channels straight onto the broadcasts of “Al Jazira”.

Advocacy journalism has been snubbed by mainstream media and also by the audience for a long time. But it has made the main stage. Regardless of its political, religious or cultural background. Audiences around the globe are more willing to accept news sources which themselves may have rather dubious sources and intentions.

Look at the videos of the Israeli Army’s much-disputed storming of an international “aid-convoy” for Gaza. The convoy itself was a clear and intentional provocation. International celebrities like author Henning Manckell had been taken along as tokens of human goodwill and sincerity.

The Israeli Army’s storming of the ships which resulted in numerous deaths has been much criticised. And the global public has been provided with the video to prove it. In fact it has been provided with some video to prove the cases of both sides.

“Al Jazira” actually had a news-crew on one of the ships. It broadcast before the storming by the Israeli Defense Forces, IDF. These were

the last and only professionally produced news pictures. And with Al Jazira travelling with the ships one might even suspect an unobjective agenda there.

Video:

<http://english.aljazeera.net/news/middleeast/2010/05/201053133047995359.html>

But look at the pictures that most of us saw from that event in the Mediterranean!

(Video von der Erstürmung des türkischen Schiffs "Mavi Marmara)

<http://www.youtube.com/watch?v=gYjklUcbJWo>

These pictures were reportedly shot by the Israeli Defence Forces. They themselves have withdrawn them from You-Tube, unsurprisingly. But what do they actually show? What do they prove? Most of us saw these pictures in the news. But we were not told, who shot them and what exactly they are showing.

Google finds us as many as 2,9 million blogs concerning the events on the Turkish ship "Mavi Marmara", which was stormed by the Israeli Defence Forces. Thus, these very dangerous and politically explosive events in the Mediterranean have become the subject of public dispute by millions. Millions who have seen no more of what actually happened than we have just seen.

There was not a single objective reporter or news source on site. All we can actually do is guess. We use our imagination to fill in the gaps left by reality.

As in our example, unreliable sources actually often *make* news stories which then get reported by mainstream news-media. This gives the stories credence for public discussion. Then these stories go back to the realm of imagination and innuendo to be chewed on by millions of bloggers. Rumours become news and cease being rumours just by the virtue of being broadcast or printed. This is the mutation that turns bad news into really bad news. And this may not even be the end of it! Probably one day a story will appear on your favourite news-channel, reporting on rumours that are being discussed in chat-rooms about what happened back then... “There are unconfirmed sources, indicating that...” ... bla bla bla... Welcome to the brave new world of the information age!

***(Profijournalismus und die Macht der Masse –
Die Kräfte beider nutzen)***

So – we have the power of the masses on the one hand, with social networks and web2.0 joining billions of people, with all their talent and their knowledge and their experience. That is quite a force! Both in terms of market and of knowledge! And we have the power of professionalism that ensures reliable and solid information in the information age. A force that has made possible free and democratic societies, which are the requirement for using the freedom, technology is giving us.

We have the Internet and we have the expertise.

How do we get the knowledge into the knowledge-based society?

How do we get the “information” into the information age? How do we get all of society reflected in the social networks? In short: How do we merge the traditions of truth and knowledge with the innovations of the information age?

If we don't want this to become a hostile takeover we have to make it a friendly merger, right!?

(T-Online als “best of both worlds”)

We at Deutsche Telekom believe that there cannot be a decision for either one or the other. New Media and professional journalism. Web2.0 with its new forms of communication offers innumerable opportunities. It is a wonderful tool. Just as a hammer is a wonderful tool. And we should use both of them, even though there is a technical danger of hitting our collective thumbs.

I believe that our portal T-Online is a perfect example for successful joint venture of new media and professional journalism. Here we offer our customers and visitors literally the best of both worlds: Direct access to all the aspects of web2.0, social network, new media. And news coverage and information put together by professional journalists.

(Bildung als Schlüssel zum Erfolg der neuen und der alten Medienformen)

Over and above all that the media – new and old – can do to ensure both innovation and the best journalistic tradition I would like to focus on one more aspect. In fact it is THE aspect to ensure the future of the information age. Education!

Education is the key to making sure, that there is someone on the receiving end of information. Otherwise this enormous flood of information and news we have unleashed upon the world shall either become dangerously shallow. Or the majority of people shall perish in it. People need to understand the information. They need to be educated. As well as the Informers, the makers, the journalists of the new media age must be educated to face the new challenges. This is no political speech. And it should not be. But please allow me one remark. It is not in any way partisan, but it is in the best interest of the business we are in and of the society we live in:

Education needs to be priority number one. Not just in Sunday-speeches. But in every single choice we make when it comes to priorities. Education is key to Germany remaining export-leader in a world that has vastly changed from the world where we became “Export-Weltmeister”. It would be foolish to believe, that in a changing world we can just continue with business as usual in education. The information age is nothing if the recipients of information are not well informed. Information is hot and it can be dangerous if handled

improperly. You don't want it in a paper cup. It needs to be filled into vessels forged in the fires of a good and solid and universal education. I am glad that our government has put education on the priority list. And that recent savings in public funding have not touched educational funds. Yet. I very much hope that this remains so. I urge every lawmaker and every opinion-maker to consider the alternatives.

As the American educator Derek Bok said: "If you think education is expensive, try ignorance." There is no viable alternative to education. Not for our businesses, not for our societies.

This is where tradition and innovation meet: Our information age with all its blessings and challenges is made for educated people. The information age is here. It moves swiftly. Education on the other hand takes time. Already we have a serious shortage of specialized labour in Germany, because despite early warnings we have not educated such experts early enough.

If we repeat this mistake on a much larger scale, failing to educate broad masses and strong elites for the information age, our failure will be complete.

I am very glad that currently we seem to be heading the right way. There seems to be a consensus amongst political decision makers that education is key to our collective success. Let's all be watchful when it comes to securing the very basis of our lives and of our livelihoods.

This would be my call to all of you, all the participants and every one of the winners of this year's "Best Paper Award" in the midst of a football world-championship: Stay on the ball! You have performed in this award in the best traditions and in the most innovative ways. This is exactly what we all need.

I salute all of you for your efforts. I congratulate the winners for their success.

This Award ceremony marks not only another successful round for the Best Paper Award. It is also the EBS's first public appearance as new officially certified University for Economics and Law. Professor Jahns and all members of the different faculties, let me congratulate you. This new status is such an important step in your efforts to establish this very first private University for Economics as one of the top international players in this field.

I sincerely hope that the Best Paper Award will remain a beacon for these successful efforts and that next year, we shall all meet again for the Award ceremony 2011. For now let's celebrate this years winners.

Thank you very much.