The Discovery Network
Back Office Catalog
concept outline

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This catalog is designed for a Discovery Network (DN) organization. The DN blueprint came out of Multitude Innovation (in 2008), a sub-network of the Multitude Project. The *Back Office Catalog* was first published on Jan 25, 2011

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Introduction

See wikipedia definition of back office.

The Value Exchange Mechanism takes care of major and discrete contributions to a venture. But a Discovery Network also needs a mechanism to account for value which is created through an ongoing process of collaboration. For example when members/owners work together on some aspect of their venture, doing paperwork, engaging in communication or negotiations with other parties, taking care of business... We want to avoid free riding, we want to motivate every member to participate in these very important but somewhat boring activities. If there is no incentive some members will try to pass their share of the work on others. Following our philosophy of always trying to solve a problem by creating positive incentives, we need to find a way to reward this kind of activities.

The Back Office Catalog is an component of a system used to assign value to all imaginable back office tasks, to compile the value and to translate it into "ownership" (on the basis on which rewards are calculated), for each member, on a continuous basis. In other words, this system is an important part of the reward mechanism for day-by-day activities that add value into the venture.

The tool

Needs to be built!
The *Back Office Catalog* is an online collaborative tool used to assign value to deterministic recurrent[1] back office tasks. It contains all imaginable tasks. Tasks are organized in categories. Each task is assigned a number of points (it is weighted), which reflects the effort needed to accomplish the task, the skills involved in it, the complexity of the task, the means used, etc. This database is searchable, users can add more tasks, and everyone is able to evaluate tasks, i.e. to propose a number of points for every task (valuation process). All inputs for one particular task are averaged! As more and more users participate in the valuation process the value of each task reaches a stable level, which reflects the average, popular evaluation. The *Back Office Catalog* is used as a **reference** by everyone who needs it.

It is advised to have a ***Back Office Catalog of relative values*** instead of absolute values. In other words, we can take a reference task and to compare all other tasks to it. This would make the Back Office Catalog easily adaptable to different contexts.

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[1] Kurt Laitner made us understand that the Back Office catalog can only be used for deterministic and recurrent tasks. See the ***network to network interface*** discussion.

Here's a start where we can compile the list of tasks
On a website it would look something like this

See Value Accounting on SENSORICA (SENSORICA is an open enterprise)
See SENSORICA's document Value System

The *Back Office Catalog* and the Value system

A Discovery Network uses the *Back Office Catalog* as a reference, in order to assign value to deterministic and recurrent tasks undertaken by its members. All tasks/activities completed by members are recorded into a **completed task/activity database**. The database is accessible by ALL members, therefore this logging process is peer-reviewed.

In a primitive version tasks are logged manually. In a more advanced version, project management tools and work flow tools are directly linked with the Back Office Catalog, i.e. tasks that are part of the Back Office Catalog can be assigned to members (the Back Office Catalog is extensible, new tasks can be added and evaluated). In other words, the tasks management tool part of the project management and work flow tools is populated with tasks form the Back Office Catalog. Every time a task is marked as completed by am member it is automatically transferred into the database of completed activities, which is used by the Value Accounting, Reputation and Role systems. Linking project management tools to the Back Office Catalog and further down to the reward mechanisms of the DN enforcers usage of project management modules part of the infrastructure, which should have a positive impact on the productivity of the network. Moreover, the burden of logging activities is also eliminated, and becomes part of project management. Tasks that are not deterministic and recurrent can be recorded and evaluated manually.

For every task completed the contributor member is assigned the number of points prescribed by the *Back Office Catalog*[2]. Points are accumulated for a period of time, after which they are transferred into ownership/equity shares. This process is performed for all members at once and every member's points are reset to zero. The process enters another cycle.

Only active members can participate in this process. Thus, a member can acquire shares in proportion to the value he/she crates for the venture, which is calculated using the *Back Office Catalog* reference, and takes into consideration in-flow of value created by the other members[3].

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[2]See Question 1

[3]Note that shares don't always increase as one person continues to add value! The pie is a unity, which must be split into a number of parts, in proportion with every one's contribution. The value accumulated within the venture always increases, but the % shares per member are always normalized to unity. In other words, if someone joins the venture and starts poring value in faster then you do, your % of the pie will decrease, as it will do for every other member, and a portion of it goes to this new person adding value like crazy. BUT we need to understand that even though your % of the pie drops because someone else is contributing more than everyone else, you end up making more! It is very important to understand this! How can you make more when you have less %? The hard working person who makes your % decrease is actually increasing the overall value of the venture, which means that the potential for profit is

Customization

If a Discovery Network, or other type of organization that finds the *Back Office Catalog* useful, has some special needs, it can always apply correction factors to the catalog, in order to adapt it for their internal use. The important thing is that the bulk of what's needed for almost all back office processes are already contained in it.

Other Questions

1) How can we transpose the catalog from one local economy to another?
The number of points allocated to each task represents relative human effort and the mix of skills involved. We are talking relative, which means, if we are fair and consider all humans equal in rights, that the relative weight will be the same anywhere on this planet. Then, to translate points accumulated into % of shares it's just a matter of agreement.

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increased. You end up having a smaller % of a greater value, which means a greater reward.