

STRATEGIC ISSUES AND TRENDS

November 2007

Published bi-monthly by
ASME Strategic Issues,
Opportunities
and Knowledge Committee

ASME
1828 L Street, N.W.
Suite 906
Washington, DC 20036
Phone: 202-785-7382
Fax: 202-429-9417
E-mail: pratta@asme.org

Virtual Worlds: Creating New Spaces for Collaboration

Virtual worlds, long anticipated in science fiction, are now becoming very real for serious businesses and institutions.

Second Life, the most heralded of these virtual worlds, was developed based on the vision of cyberpunk writer William Gibson. Second Life has a global user base with more than 500,000 active users with an average age of 33. Active users use Second Life to go about the activities of real life online such as forming relationships, building businesses, creating associations, attending classes, going to parties and forming self-help groups.

In the last year, major multinational companies have invested serious time and money in Second Life. IBM is by far the most involved with investments of more than \$10 million in Second Life and other virtual world projects. IBM has twelve corporate "islands" inside Second Life where it conducts both internal and external meetings. Last year more than \$200 million in investment dollars flowed to virtual world companies.

Second Life is now hosting cutting-edge virtual classrooms for major colleges and universities. The Open University, based in the U.K., for example, offers innovative classes on Teen Second Life. Examples of the unique classes include archeology classes on a virtual recreation of Hadrian's Wall and physics lessons using the malleable nature of virtual world physics to conduct experiments.

Communities of researchers are also creating virtual communities where they can share ideas and test theories. SciLands, a collection of 34 virtual islands, have created virtual communities focusing on diverse fields of science from genomics to nanotechnology. Leading research organizations such as the National Physical Laboratory (UK), the University of Denver and the International Spaceflight Museum have partnered with SciLands.

Associations and non-profits are beginning to run events and create locations in Second Life. The American Cancer Society (ACS) running its third Second Life Relay for Life in July drew 1,700 global participants and raised \$32 million Linden dollars (roughly \$115,000). The American Library

Association recently held a series of activities in Second Life for librarians and the general public for banned books week.

Second Life is but one of many virtual worlds available. The virtual world, There, is a competitor to Second Life that has partnered with MTV to create a virtual version of its semi-reality TV show Laguna Beach – further blurring the line between reality and entertainment. This year Disney Corporation bought the kids friendly virtual world Club Penguin for \$350 million with another \$350 million guaranteed if its founders can reach growth targets laid down by the company.

ASME Implications

The September 2007 Strategic Issues and Trends brief covered the growth of professional social networking as a facilitator for relationship building, learning and collaboration for ASME members. Virtual Worlds hold promise as the next generation of social networking for ASME members.

Current virtual worlds look a lot like early versions of the internet. Bugs, glitches and server crashes are common. However, investment is steadily coming into virtual worlds and the active user base is growing rapidly. Established businesses are only recently experimenting with virtual worlds and are still learning best practices for using virtual worlds for learning, collaboration and networking. Assuming virtual worlds can make it past the early growth and hype phase, there is an excellent opportunity for virtual worlds to surpass current social networking sites within five to ten years.

ASME should monitor the growth of current virtual worlds and learn from the experiences of early adopters such as IBM and ACS. As appropriate, ASME should use virtual worlds to enhance and extend current member services and support collaboration among its membership. Using virtual worlds can help meet the following strategic objectives:

- Better serve our core customers (C1)
- Become an important resource to Early Career Engineers (C2)
- Identify and address future markets and applications (C5)
- Enable self-forming communities of interest (I1)
- Improve coordination and effectiveness of internal/external communications (I7)
- Create a culture that promotes an adaptive, agile, action-oriented entrepreneurial-spirited mindset, thereby promoting enhanced satisfaction (L1)