

Core: The core represents people inside the organization (businesses/institutions) which includes experts with years of experience as well as the centralized knowledge, processes, and capabilities that companies have built up internally over the years.

- Members of the core are typically credentialed experts with deep experience in an industry.
- Use the core to understand present-day context and solutions coherent within the company
- The core will understand the industry's regulation, suppliers, customers and how to bring ideas from the crowd back for implementation to the organization.

Crowd: The crowd consists of billions of decentralized, digitally connected people on the planet who may be willing and able to help a company if they are invited to and gain some benefit from doing so (the benefit may be intrinsic or extrinsic).

- The nature of the crowd is that it will constitute of individuals and teams with dissimilar backgrounds, education, problem-solving approaches, intellectual and technical tool kits, etc.
- Use the crowd to get fresh ideas for the future and solve without the constraints of institutional legacy (both in systems and culture).

3 Reasons why the crowd will outperform the core:

1. Size - The size of the crowd which is outside the company will always be greater than the experts inside the company. "With enough eyeballs, all bugs are shallow" - Linus Torvalds
2. Self-renewal - The crowd is evergreen and fresh and taps on the freshness of new research, university students, domains and cognitive diversity much more than the core
3. Marginality - Breakthroughs are often made from a domain far from the origination industry and the crowd solves effectively by generalizing the problem to remove the need for domain-specific knowledge.

Key point: As with mind and machine, and product and platform, the core and crowd shift is a rebalancing, not a replacement.