



IKO Overview February 2002

- **The IBM Institute for Knowledge-Based Organizations (IKO)**, established by IBM in 1999 as the Institute for Knowledge Management (IKM), is a **global consortium** of member organizations engaged in understanding and **advancing how organizations derive value from knowledge**. IKO research has a **cross-industry focus** on such themes as collaboration, innovation, social capital, knowledge-enhanced business processes and the future of the organization. Project deliverables include methods and tools, as well as detailed research reports, case studies and white papers.
 - **Larry Prusak, Executive Director** of the Institute for Knowledge-Based Organizations, is a pioneer in the field of knowledge management and co-author of *Working Knowledge: How Organizations Manage What They Know* and *In Good Company: How Social Capital Makes Organizations Work*. In the January 2002 issue of *Harvard Business Review*, *In Good Company* was selected as one of the ten best business books of 2001. Mr. Prusak leads a team of IKO staff experts and academic affiliates with experience as practitioners, researchers and consultants, and expertise in such fields as organizational studies, business strategy, economics and information technology.

- **The IKO membership** includes an international group of highly respected organizations from a diverse set of industries, as well as the public sector. Member representatives are senior KM practitioners and business and IT executives responsible for driving knowledge-related strategies and programs. A sample of member organizations:

Financial Services

Bank of Montreal
Westpac Banking Corp.

Manufacturing

Asea Brown Boveri
General Motors

Government Agencies

Federal Aviation Administration
U.K. Knowledge Enhanced
Government Programme
U.S. Department of the Navy

Technology

IBM Corp.
SAS

Petroleum and Chemical

PanCanadian Energy Ltd.
Phillips Petroleum

Not-for-profit

International Monetary Fund
The World Bank

Pharmaceuticals

Bristol-Myers Squibb
Novartis Pharma AG

- **The Institute's research agenda** is based on the conviction that effective knowledge management depends on coordinated attention to economic, organizational, cultural and technological issues and is driven by the needs and priorities of the member organizations. Projects underway include:
 - **Communities of Practice** – studying the nature and structure of communities of practice and how they contribute to effective knowledge transfer and creation. The project team has created practical tools to assist organizations in community development and is currently studying how to measure the actual costs and benefits of communities.
 - **Social Capital: Networks** – focusing on the critical role of human networks in creating and sharing knowledge in organizations. The project is using social network analysis (SNA) to assess

patterns of knowledge sharing in informal networks and identify effective interventions that facilitate knowledge creation and use. In 2002, the research will focus on how high performance knowledge workers leverage their informational environments, what characteristics of networks make people better performers, and what aspects of organizational context support or hinder effective informal networks.

- **Strategic Alliances and Knowledge** – exploring alliances as a critical mechanism for a company to learn and acquire knowledge resources to complement its internal capabilities. Phase I delivered a framework and toolkit to identify gaps in alliance capabilities that can be addressed through the application of KM methods and practices. Phase II is examining how alliance performance is affected by a company's alliance management capability and the inter-dependence among its portfolio of partners, as well as the relationship aspect of alliances.
 - **Customer Knowledge** – developing strategies for better understanding customers and their wants and needs, sharing these insights across organizational boundaries, and using these insights within a variety of organizational and customer relationship processes.
 - **Narrative Techniques for Communicating Tacit Knowledge** – using storytelling and narrative techniques to develop a practical and proven method for handling some of the most difficult areas of knowledge disclosure and transfer in organizations.
 - **Promoting Trust in Knowledge Intensive Work** – addresses three questions: (1) how does trust affect knowledge sharing and performance in networks; (2) what kinds of trust matter; and (3) what activities, behaviors and interventions lead to trust. Based on data from a two-part survey in three organizations and interviews in additional ten organizations, we will be able to offer recommendations for individuals, for leaders/managers and for organizational design that will facilitate trust and knowledge sharing to improve project performance.
 - **The Role of Idea Entrepreneurs** – examining the lifecycle of ideas in organizations and the role and characteristics of the people who introduce and diffuse new ideas. The goal is to better understand the successful strategies of “idea entrepreneurs” as a key aspect of how innovation spreads.
 - **Collaborative Environments: Supporting Knowledge-based Collaboration** – looking at how collaboration takes place in a diverse range of work environments. This new project will be carried out in three distinct phases: *Collaboration in Distributed Groups*, *Collaboration in Physical Spaces*, and *Collaboration Across the Extended Enterprise*. The goal is explore and evaluate the current state-of-the-art for supporting collaborative work and understand how information technology tools (instant messaging, e-mail, online spaces, etc.) and social systems combine to support team, group, and community collaboration.
- **IKO publications and member activities** are designed to encourage knowledge sharing and networking, and foster a strong community of researchers and practitioners:
- The **IKO publication library** includes 22 white papers, nine major research reports (many including detailed methods and tools), and three annotated bibliographies produced between 1999-2001. Also in that time period, nine books were published and over thirty articles appeared in business magazines or academic journals by IKO authors.
 - Two **Member Forums** per year engage the members, IKO staff, and invited thought leaders in discussions of new ideas and leading practices in knowledge management. In 2002, these 2½-day sessions will be held in late June and, tentatively, in early December.

- **Research Working Sessions** focus on specific research projects so that members can help shape the research objectives and review interim findings and deliverables. In March and late September 2002, we will hold Working Sessions each covering two or three projects.
 - Members may request a one-day, **individual briefing** by a senior IKO researcher. These visits or conference calls provide an opportunity to broaden access to IKO findings and stimulate discussion within a member organization.
 - The IKO **member's website** provides access to the library of IKO materials, current announcements and newsletters, and opportunities for discussion on KM subjects.
- Starting in 2002, **IKO members have access to the Business Value Alliance program**, a separate IBM member program focused on helping members prioritize key issues, understand changes in the customer and competitive landscape, identify strategic alternatives, and assess options for moving forward.
- The BVA provides members an integrated set of deliverables including: access to **in-depth studies** that provide analysis of new business models, changing customer requirements, emerging competition, technologies and vendors, and strategic business alternatives; in-person and virtual **member events**; results of **member surveys** on key topics; and ongoing access to BVA's **subject matter experts**.
 - The research, shaped by the needs of the member organizations, is specifically tailored to the financial services, industrial, retail/consumer goods, industrial, communications, life sciences and public sectors. The BVA will hold **sector-specific and cross-industry sessions**—both in-person and virtual meetings—to discuss findings with members. We are planning to hold a **joint IKO-BVA event** in late September 2002.
- **IKO membership** is targeted at senior level managers from global 1000 companies who are responsible for driving knowledge-related strategies and programs within their organizations. The annual membership fee for 2002 is \$50,000 for corporations and \$25,000 for government organizations. Member representatives are actively involved in setting research direction and participating in research studies. The **value of the IKO** has been described by existing members as:
- Being able to **stay on the cutting edge** of research in knowledge management.
 - Participating in specific research projects leads to **practical and immediate business benefits** with the potential to immediately implement new methodologies and tools within the company.
 - Being able to accelerate and expand their **professional and corporate networking** opportunities and come up the KM networking curve faster through participation in an exclusive community and tight social network of a broad range of leading KM thinkers and practitioners.
 - Being able to **accelerate the adoption of knowledge management** across the company through an enhanced credibility of the KM organization and an improved ability to justify increased investment in knowledge-focused initiatives.
- For more information, please contact:
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