European KM Forum

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Theme 9 'How to Exploit Knowledge for Innovation'

Synthesis Report

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1 THEME 9 - INTRODUCTION

1.1 Objectives

In November 2003 the European Knowledge Management Forum was running its 9th and last monthly theme called "How to exploit knowledge for innovation?". This theme was hosted by the 'Innovation' Special Interest Group. Within this theme, we were aiming to understand driving factors for innovation and to deeply investigate the interrelationship between the management of knowledge and innovation.

As specialty the Theme was also part of the participation and events carried out by the European KM Forum at the KM Europe 2003 exhibition in Amsterdam. In course of the three days exhibition one offline survey and a workshop was carried out building on statements and opinions from visitors coming from all over Europe.

1.2 Expected outcome

The envisaged outcome was to stimulate and discuss together with the community and participants how innovation as one of the most currently mentioned notions can be exploited, applied and possibly planned.

1.3 Target group

The target group of the Theme have been top and middle management staff as key decision makers and masterminds in their environment and responsible for finding new ways to stay productive and competitive. What is more, of course the hosting Innovation SIG and its members represented a major group in the Theme.

1.4 Supporting Team

Following persons have contributed to conceive and moderate the Theme 8 events and activities:

IAO: Patricia Wolf

BIBA: Bernd Bredehorst

Edna Pasher PhD. & Associates: Edna Pasher

Universitiy of Nottingham: Kul Pawar

2 EVENTS AND ACTIVITIES

During the four weeks of November 2003, numerous activities have been held in order to reach the defined objectives. On a weekly basis, keynote presentations, surveys, polls, interviews, Q&A sessions and workshops have been organised in order to foster the exchanges of the community members on the topic "How to exploit knowledge for innovation".

The following sections provide insights on the progress of the activities, the results that have been reached and the lessons learned.

2.1 Research / Case Studies

2.1.1 Understanding Innovation

In two articles, Edna Pasher argues the need for productive innovation today is really urgent. The first article has been published in the book "From Knowledge to Value: Unfolding the innovation Cube book", which was developed as a part of the Nimcube project. Particularly in these lean times, that long-term sustainability does not come from cutting expenses but from creating new value. And the most important source for creating new value is innovation: new ideas, new solutions to unsolved problems, new products and new services.

Edna Pasher refers to a lot of important sources in literature like Hamel and Prahalad, Drucker and Nonaka in explaining why innovation should be a continuous issue in all kinds of companies, and that it is of need even in thigh times as those we have today. Thereafter, she presents the innovation formula developed by the Nimcube project: Innovation = (New-use + Invention) X Exploitation. For her, Innovation is composed of three components: new-use of existing knowledge, creation of new ideas, and exploitation of those ideas to create value for the company. Each component in itself is not innovation. The problem is to figure out the right balance between the components of innovation. And that is what companies should start to work on today.

In the second article Edna presented resilience as the new strategy supporting the exploitation of knowledge for innovation. As she points out, any organisation that hopes to become resilient must address four challenges: the cognitive, the strategic, the political and the ideological challenge.

Read more at:

The Case for Innovation,

http://www.knowledgeboard.com/item/119326

Resilience as the new Strategy,

http://www.knowledgeboard.com/item/119329

2.1.2 Case Study on 'Knowledge Networks in University Research' (Stanislav Ranguelov)

In his presentation on 'Knowledge Networks: A key element for university research and innovation process Stanislav Ranguelov is addressing the issues that university research needs new forms of relations based on virtual collaboration. Those virtual collaborations should be able to foster the production of high quality research results and their transfer is emerging in today's economy. That the collaboration Stanislav Ranguelov is striving for is possible also among universities shows a pilot project of knowledge network developed by the University of the Basque Country (Spain). His case study gives a very useful example by showing of Critical Success Factors and best practices in collaboration.

Read more at:

http://www.knowledgeboard.com/item/119654

2.2 Online Workshop: 'Innovation and Metrics - From knowledge to value' (Edna Pasher)

The online workshop held on 03. November 2003 hosted by Edna Pasher revolved around the topic: 'Innovation and Metrics - From knowledge to value'.

Source: http://www.knowledgeboard.com/item/119479,
http://www.knowledgeboard.com/item/119329

Prior to the workshop, Edna Pasher provided the following background reading based and excerpt from *'The Quest for Resilience' by Gary Hamel & Liisa Valikangas; Harvard Business Review, September 2003'*.

"In a turbulent age, the only dependable advantage is a superior capacity for reinventing your business model before circumstances force you to. Achieving such strategic resilience isn't easy. Four tough challenges stand in the way.".

Prof. Gary Hamel, a well-known member of our community, wrote this article two months ago. In his opinion resilience should be the new strategy of surviving organisations.

Enclosed hereby are some quotes as food for thought, which can be the ground for our discussion at the virtual workshop:

- "Call it the resilience gap. The world is becoming turbulent faster than organisations are becoming resilient."
- "Strategic resilience is not about responding to a onetime crisis…it's about continuously anticipating and adjusting to deep, secular trends that can permanently impair the earning power of a core business. It's about having the capacity to change before the case for change becomes desperately obvious.
- "The quest for resilience can't start with an inventory of best practices… Instead, it must begin with an aspiration: Zero Trauma…In a truly resilient organisation, there is plenty of excitement but there is no trauma."
- "Any organisation that hopes to become resilient must address four challenges:
    - The Cognitive challenge: A company must become free of denial, nostalgia and arrogance and be deeply conscious of changes that are likely to affect its success.
    - The Strategic challenge: Resilience requires alternatives as well as awareness; creating a plethora of new options as compelling alternatives to dying strategies.
    - The Political challenge: An organization must be able to divert resources from yesterday's products and programmes to tomorrow's.
    - The Ideological challenge: Companies need to embrace a creed that extends beyond operational excellence and flawless execution."

Based on these readings and the overall topic given in the headline, there occurred a very lively discussion among the eight participants of the online workshop. Edna Pasher hosted and joined the workshop during her participation of a conference in Monterrey Mexico revolving around 'Knowledge Cities, Knowledge Regions and Knowledge World'. Edna stressed that only innovative solutions can help to solve the tremendous problems the world is facing today and that resilience as Hamel wrote is the critical issue for constant renewal of organisations and communities. Instead of long analysis phases, a constant innovation process is the key to success and improvement.

More precisely Edna Pasher mentioned the need for innovative activities on environmental issues and to prove the proportionality of the need of individual organisations, of the society and the envi-

ronment in regards to selfishness vs. real needs and measure e.g. laws if they consider future generation needs and life circumstances. Controversy discussion emerged from the statement that current or old management systems and culture do not seem to work anymore. This argument but was not fully accepted by the participants on this meta level. However, avoiding extremes was considered as a useful maxim.

Edna Pasher herself questioned that maybe we use less and create more if mankind focus on the neighbourhood and use ICT instead of today's cars and other transportation vehicles that pollutes the air. To reinforce neighbourhood and education were seen as a common starting ground for innovation and way to change the conceptual mind frames of adults and people who are accustomed the system they work in. The current system works against the principles of sharing and needs to be adopted to its purpose.

2.3 Keynote presentations

2.3.1 Torsten Herzberg (Vodaphone)

Torsten Herzberg from Vodaphone held a keynote presentation on the project 'Unikat' at the Vodaphone Pilotentwicklung GmbH (v-pe). As there have been only six participants, there was the chance to discuss the issues presented very lively within the presentation time.

Vodafone Pilotentwicklung GmbH (v-pe) is part of Vodafone Group Research and Development. It is responsible for developing new technologies and applications for mobile technologies for clients within the Vodafone group. Consequently, v-pe has to deal with new technologies that are not yet developed, with customers who do not yet know their future needs and with market players who compete for technological standards and intellectual property rights.

Vodafone recognised the strategic importance of innovation management and as a consequence actively seeks to identify potentially innovations as early as possible in order to enable strategic responses. A number of techniques are used to enable v-pe to adopt the results of technology monitoring, market intelligence and product development into strategic alignment:

- An example of these techniques can be seen in the 'v-pe academy'. The academy is a bi-weekly forum in which employees, students and external partners present and discuss results of their projects, thesis projects and other interesting topics around their daily work. Presentations and the resultant discussions are facilitated by a neutral moderator.
- Another instrument dedicated to establish a process for addressing and handling new ideas and future trends and possibilities is the 'ide[e]fix forum'. The objective of the forum is to develop shared ideas or fragments of ideas that could be used in later projects or that could be developed and worked into full project proposals. It is held every four to six weeks and invites employees to present insights and ideas. Presenters thus have the opportunity to find promoters and to elicit ideas and feedback from outside of their normal working network. Ideas are collected and those considered as strategically interesting are presented to the business management. Therefore, ide[e]fix is not only a forum for idea generation, it also acts as a link to strategic decision making.
- V-pe has a no-doors architecture and a creative and open culture the generation of potentially innovative ideas is supported. In terms of architectural support of knowledge exchange, v-pe uses so called market places for knowledge as instruments. Market places can be a Bistro, a Coffee Machine, exhibitions, flipcharts at the floor etc.. These tools should help V-pe to make the coincidence happen that people who are working in different positions and at different departments meet and talk to each other.

- The decision to fund ideas is based on attractiveness and fit to strategy. Dedicated to maintaining transparent funding decisions, v-pe uses a tool that they call 'business plan light'. The tool helps employees to further develop their ideas and present them in one step. A detailed checklist of necessary and relevant information combined with a description of the process from an idea to a project proposal helps idea generators to discuss and prepare ideas before they can be evaluated for funding decisions. Ideas that have been presented but not yet considered as mature enough to be worked out as a project proposal are stored in a database, available for every employee.
- V-pe is primarily involved at the front end of the new product development process. It is the role of v-pe to prove the validity of new concepts with prototypes and demonstrators and then local Vodafone operations take over the responsibility for their continued development and application. For this reason they use the policy that creativity consists of two components: originality and adequacy. Therefore, v-pe not only supports the creativity of its employees but acts to ensure adequacy at all times. The support is done by equipping the employees with a number of tools. A method toolbox has been developed. It is possible for every employee to 'rummage' in this box, on-line and on paper, to find the 'right' method for the 'right' time. The toolbox provides creativity, analysis, future research techniques and business planning methods. Employees are, therefore, supported in the process of combining future market needs and new technologies to create new product concepts and to develop ideas into planned project proposals

In the discussion after the presentation, the participants stated that they are very impressed by the range of activities v-pe is using for fostering innovation. Additionally, there was a strong link between the UNIKAT activities and the work done in the research project ‘Disrupt IT’.

2.3.2 Hank Kune (Educore) & Gerald Prast (AVV Transport Research Centre)

The keynote took place on the 26th of November 2003 together with five participants. The topic of the online keynote was called ‘Critical success factors for innovation’, and its content was mainly based on the results from the NOVA project. NOVA was from 1999 – 2002 an innovation project at the Ministry of Transport, Public Works and Water Management, The Netherlands.

Sources: http://www.knowledgeboard.com/item/120851
http://www.knowledgeboard.com/download/2922/Critical-success-factors-for-innovation-Hank-Kune-.pdf

The comprehensive preparatory background reading provided among others a summary of literature study that was carried out by Directorate-General for Public Works and Water Management and written by Hank Kune. It contains an outline about what innovation means to government, how they understand it and what different kinds of innovation government distinguishes.

The literature study focuses on factors that are decisive for fostering successful innovation in the non-profit sector. It was conducted to provide answers to the following questions:

1. What are the critical success factors for innovation in the non-profit sector?
2. What are key issues for innovation policy in non-profit organizations?
3. What instruments to measure the effectiveness of innovations (‘performance indicators’) are available or are being developed?

In the third chapter, the study reports about concepts related to innovation. Generally the generation of new ideas, the combination of existing ideas in a new way, seeing something new in an existing situation is seen as a high potential sources for innovation. However, creative ideas alone are not

enough. Only when these ideas become operational and are applied in practice can we speak of innovation.

Thereafter, the study describes the relationship between knowledge and innovation in the way that knowledge concerns thinking; innovation entails doing. The creation and management of knowledge and of innovation are related but distinct processes, with a clear reciprocity.

The fourth chapter dealt with critical success factors. There is general agreement on a number of these as decisive factors, and these have been summarized into the following fourteen so-called critical success factors which are divided into four categories:

A The organization: structure of innovation processes
1. Treat innovation as a systematic process
2. Keep innovation separate from daily work
3. Set ambitious goals and combine these with small attainable steps
4. Focus on results
5. Learn from the innovation process

B The organization: culture of innovation
6. Create a climate for creativity
7. Foster values that enhance innovation
8. Break patterns, abandon accepted truths
9. Motivate personnel

C People
10. Make people central
11. Communicate about the innovations
12. Involve the top directly

D The environment in which the organization works/functions
13. Search for and make use of opportunities
14. Be customer-oriented

The presentation ended up with a bunch of pragmatic and easy to understand recommendations from the field which lead to a short open discussion and question and answer session.

- Send clear, unambiguous and consistent signals!
- Make innovation a structural part of policy!
- Make everyone responsible for innovation!
- Know your own organization!
- Measure what you want to know!
- Don’t underestimate the culture of the organization!
- Give personnel more authority and more responsibility!
- Break through barriers, dare to abandon accepted truths!
- Reward innovation, recognize and communicate success!
- Recruit and keep talented people!

Those have been the messages to organisations the participants agreed on.

2.4 Interview with Karin Auernhammer (Fraunhofer Society) on KM and Innovation

The following interview with Karin Auernhammer was carried out on 25. November 2003.

Source: http://www.knowledgeboard.com/item/120378

Karin Auernhammer works at the Fraunhofer society for applied research and is responsible for the group of innovation management at the Fraunhofer Institute for Industrial Engineering. She has been envolved in projects like “IMPETUS”, “Prosecco” and “CIKM” - Creation of Innovation by Knowledge Management.

Karin sees innovation like an adventure, an idea evolves and develops throughout the mind of people and grow by teamwork. The most interesting point in her work is to identify the relevant knowledge and transfering it throughout the innovation process among the inter- and intraorganisational network of companies. So in her opinion KM and innovation are closely connected - ‘the one doesn’t exist without the other’.

In the interview Karin Auernhammer reported about the concept and results of CIKM framework, a project that aimed to examine the relationship between KM and IM. The main research objective was to find out typical and successful approaches for managing knowledge in order to develop economically successful innovation depending on the company’s specific contingency factors. Based on survey data, results from focus group sessions and case study interviews the data analysis revealed six themes that seem to be important:

- “Drivers of innovation” – many organisations were being driven to innovate by their customers or the marketplace in general. Only some were being driven by the need to develop solutions or applications to issues that might not yet have been identified by the marketplace
- “Strategy”- organisations do not see an explicit knowledge management strategy within their organisation.
- “Ownership of Innovation Role” – innovation is arising out of social interaction, so highly innovative companies employ organisational practices that facilitate the innovation process: flexible structures, characterised by the absence of formality and hierarchy.
- “Metric” – none of the organisations had an official measurement system to measure innovation performance, but there was a genuine interest to discuss about the topic of measurement.
- “Knowledge processes and knowledge types” – sources of knowledge include face to face/people based interaction, culture, contacts to the industry you are in, knowledge providers and networking with cooperation partners like institutes and suppliers.
- “Culture” – organisational culture and workers motivation can bring forward a company to a collective cognition. Networking, community of practice and formal programmes for the development of employees are supporting elements.

According the topic management of 'tacit knowledge' the Karin Auernhammer replied that a wide range of knowledge processes was made available to access data for innovation. A case study company from the financial sector specifically commented on concerns relating to tacit knowledge, seeing it as 'knowledge locked inside heads', and that their concerns now focus on 'the risk of losing a key person in the business'. A second case study confirmed that 'brain drain' is a key issue 'employees have been stopped from early retirement unless they have shared their knowledge'.

Major trends within the next 5 years will be shaped by technology convergence and the totally new business opportunities resulting from this. This will in turn increase the need for new methods of exchanging knowledge between partners and integration of the knowledge of different disciplines. Another trend is that systems of knowledge flows depend on the subject, the specific design of a innovation network and its related products. Applied research takes up a key position in linking technology and markets as well as in linking networks of excellence from different disciplines.

2.5 Survey: 'Link between KM and Innovation'

The offline survey for theme 9 was held at KM Europe 2003. Dr. Patricia Wolf asked a number of participants to offer their answer to the question 'Where do you see the link between KM and innovation?' A summary or the answers from 16 interviewees is listed in hereafter.

Source: http://www.knowledgeboard.com/item/119962

In the former innovation hype 10 till 20 years ago, the time to market was not mentioned as important, and innovation was product oriented. Now it is more related to services and KM was mentioned as helping the innovation process to speed up and to meet customer needs. In a global context, KM can be seen as the supporting structure which enables to work together virtually, to develop innovative products and services and to be innovative.

In another case innovation was divided into three levels: social innovation, technological innovation and innovation around business and economic models. However, up to now IT focused KM was the main targeted but real innovation will only come from a knowledge society. It was claimed that by e.g. CoPs social innovation has started and the surface of innovation around business and economic models has just been scratched.

Further mentioned statements why KM and innovation are linked together are:

- knowledge, creativity and innovation emerges from the same thing: social interaction.
- Innovation is about making profit out of knowledge resources. KM puts knowledge about different areas into different contexts and by this creates innovative ideas and solutions.
- Knowledge is the fuel for innovation, especially if it is diverse knowledge

However, KM was also referred to only as a method or instrument to communicate an innovation but not mandatory needed for the innovation or the process itself. It was left unanswered and questioned if KM is a subset of innovation, vice versa or neither of them.

KM quiet often is called the old more known discipline and innovation is to be the next to be controlled and dominated. Generally the tenor of the statements confirm a connection between KM and innovation. Links have multiple facets and are sometimes obvious hence questionable and controversy.

2.6 Questions and Answers

2.6.1 Q&A on Disruptive Innovation: The Challenges for Managing Knowledge

The impulse for this Q&A was the article by Dr. Fiona Lettice and Pete Thomond: "Disruptive Innovation: The Challenges for Managing Knowledge". The paper describes what disruptive innovation is and then highlights the key barriers that established organisations face to introduce potentially disruptive products and services. Furthermore, first results from the IST project "Disruptive Innovation" are presented.

Source: http://www.knowledgeboard.com/item/119460

Fiona Lettice presented some ideas on how some of these issues may be overcome by describing four tools that have been developed within the EC DISRUPT IT project: the knowledge safari, the ideas workshop, the disruptive portfolio management tool and the ideas pipeline.

The biggest part of discussion was on the input of the first participant, which asked whether disruptive innovation can always be confronted "in house" and when is JV or spin-off needed. In the first response was expressed the opinion that organisations need firstly to recognise their thinking boxes before they can create a spin-off in a potentially disruptive area. Fiona Lettice stated that if somebody desires to launch a successful DI, he would probably need to set up a spin-off or a separate business unit, since the DI will most likely be in conflict with the organisation's values and processes. This handling will help to avoid the killing of the idea before it gets a chance.

The author mentioned some relevant key problems with DI as not understanding the new or emerging markets that the product/service would serve, killing ideas that do not fit with the organisation's values and processes, not understanding how to resource the projects appropriately and how to support a team working in an environment that accounts for rather than fights the principles of DI.

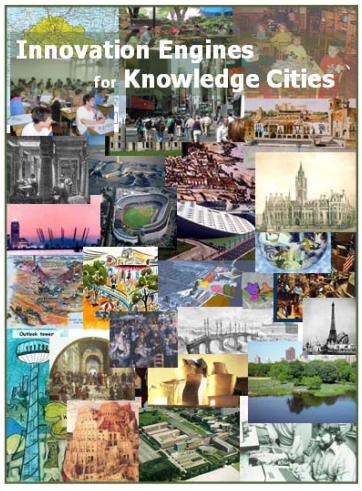
The question "when is spin-off or JV needed" could be answered, according to one of the participants, by considering the stakeholder thought. If more external organizations are involved in the maturity of the DI, a spin off or a JV could be a valid option.

In the next input the question about attempts or intentions to apply the concept "DI" in local or regional development came up. There was expressed the believe that cities and regions really need disruptive innovation to renew themselves. Fiona Lettice wasn't aware about any attempts like that, but she believes there would be some value in pursuing that idea.

At the end was a contribution explaining why smaller companies can disrupt easier, and larger companies are more likely to not go for DI.

2.6.2 Innovation Engines for Knowledge Cities by Ron Dvir (Innovation Ecology)

Background



The world's burgeoning cities are a critical fact of the 21st Century - and represent one of the greatest challenges to the future. By the year 2050 cities with populations over three million will more than double from 70 today to over 150. When knowledge is perhaps the most important factor in today's economy, there is a growing interest in the concept of the "knowledge city". In this paper (rf. http://www.knowledgeboard.com/item/119941) the concept of "Urban Innovation Engines" is outlines, and snap shots of various types are presented. Although the terminology is new, there are many historical examples of "knowledge cities" and "Innovation Engines". Thus, some of the snap shots reflect thousands years old experiences, while other represent contemporary initiatives. The trigger for this article was the three "Knowledge Café"s session at the combined E100 roundtable and Latin America Knowledge Development forum, Monterrey Mexico, November 2003. The discussion revolved around "knowledge Cities", "Knowledge Regions" and "Knowledge World"

Comments digest

6 weeks after the end of the Q&A session, Ron Dvir the author of the paper reviewed and summarized the comments and discussion from eight people who communicated around this article. LA

treasure was found – a rich source of learning provided by generous thinkers and practitioners working in the domain. This wealth of ideas enriched the original article, and made it a shared creation. In hereafter a summary of what he drew out of it is given:

A report on the E100 round table in Monterrey (Novemeber 2003) was given where the idea of "Knowledge Cities, Knowledge Regions, Knowledge world" was discussed. "we took the idea of Sveiby about the travel of knowledge and we produced a concept of an spiral and learning centres as the representation of the Knowledge City: Learning Centre for Natural Resources and Sustainability, Learning Centre of Peace, Learning Centre for Innovation, Learning Centre about Culture and Heritage, Learning Centre of Languages, Learning Centre of Manufacturing". From this citation it was guessed that "This design is a design for self development of every city in the world, capitalizing on their own knowledge".

Cities do not necessarily need to be the focal point for knowledge development. Same concepts already failed in middle ages where separate city-states evolved, each with its own wall around it, it's own currency, army – but untenable. From here it was questioned and suggested to focus on "knowledge regions" and not only on K-Cities. Some other mentioned knowledge initiative notions to focus on have been knowledge corridors, villages and islands.

However, it was raised that the article left out to talk about how to create a culture of knowledge city, how to educate people to live in and create a “knowledge city” – and not a “tower of Babylon”.

It was put a serious question mark on the idea the innovation engines can and should be planned by the urban authorities. "…still, as "Silicon Valley" in California (and "Silicon Alley" in the East Coast) shows, it is not the planned, prodded, public initiatives such as Barcelonas's Forum (99,9% of Spanish people still don't know what it is about) that bring innovation to cities, but humdrum, "cultural" and even "legal" constructs".

Several questioned the focus on the "city" as cities are not everything. In fact the quality of life and of innovation in some small towns dating back to medieval times is greater pro rata than that in big cities. It was referred to Vodafone, who now is a worldwide enterprise but that still has its roots in its start up town Newbury. Thus it was recommended that any studies of innovative capabilities should also look at smaller communities.

Following a comment from a member in the E100 network, it was discovered that in the original article an historical statement was quoted which was both completely wrong and offensive. The text was modified This underpinned that the reliability of information – even information available in the internet – must not be taken for granted and that conversation (in this case an electronic one) was claimed to be still the best way to create, enrich and refine knowledge and ideas.

2.7 Workshop Report: ‘Why Innovation? Why Now?” (Edna Pasher)

At the 11th of November, Edna Pasher held a workshop at the KM Europe Conference on the topic ‘Why innovation? Why now?’. Around 60 people attended this workshop.

Source: http://www.knowledgeboard.com/item/119944

In her introduction, Edna pointed out that after the collapse of the new economy most organizations are now striving for getting back the old economy. Most of them are very disappointed with innovation, even more so if they have invested a lot of money into the ideas and companies coming up with the new economy. From Edna’s perspective they are making a big mistake: Innovation is now needed more than ever, because only being innovative will allow companies to be adaptive and flexible enough to ensure survival. Edna presented two European research projects that have been

quite successful in developing tools helping organizations to be more innovative: The NIMCUBE and the DISRUPT IT project.

Within the very lively discussion the following points were addressed:

In contrast to the innovation hype 15 years ago, there is an obvious need for developing disruptive instead of incremental innovation. Furthermore, we are still at the very beginning concerning our knowledge on the management of networks. In this thematic area there are a lot of questions research must deal with in the future.

Another question that was controversially discussed was 'How do you know what knowledge you will need to manage the future?'. Edna pointed out that question is one of the biggest challenges when it comes to innovation: You don't know what you don't know. However, there are some methods to ensure that you are challenging you own knowledge with the knowledge of others:

- use scenario planning, create different possible futures
- be exposed to new perspectives, e.g. go to conferences which are not designed for your professional field
- have a look at everything headlined with 'emerging'
- stay in touch with people from other generations (teaching, listening, questioning, understanding)
- ask questions, challenge people!

2.8 Poll: Characteristics of Innovation in Virtual Enterprises

The poll on theme 9 was asking the question 'Typically what characterises innovation when working in Virtual Enterprises'? 51 participants voted on the 6 given answers (see Figure 1):

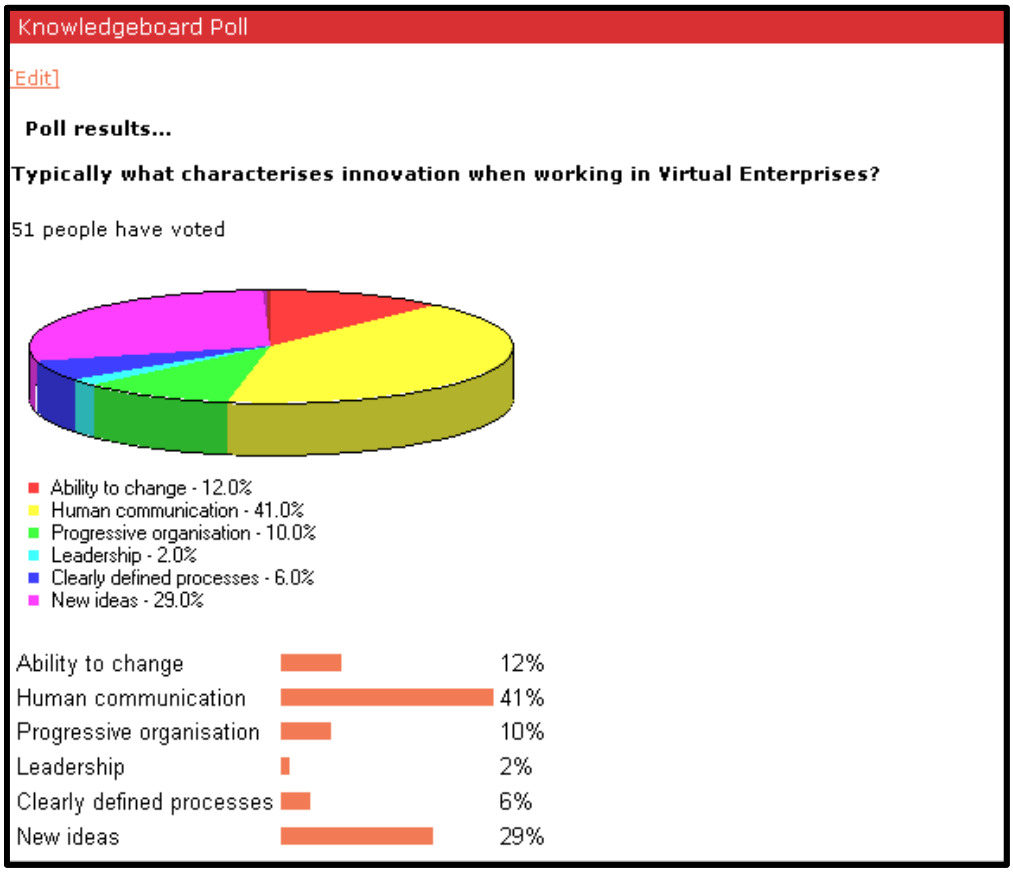


Figure 1: Theme 9 Poll

From the answers of the poll it became very clear that innovation in Virtual Enterprises is mostly characterised by human communication, the second important factor are new ideas. This insight might point on a strong link between communication among the partners of a Virtual Enterprise and the generation of new ideas. However and as stated in the literature, communication is one of the most important factors for enabling trust building and fostering the exchange of new knowledge, and is seems to be obvious that only in that environment new ideas are generated.

Another insight we gained from the poll is that leadership is playing only a minor role for innovation in Virtual Enterprises. This feeling might have been raised from the fact that most Virtual Enterprises are not organised like hierarchical organisations but more like networks of companies without a specific leader insight. Leadership within Virtual Enterprises might be one topic that needs to be researched in the future.

3 FINDINGS AND CONCLUSIONS

3.1 Content

During the time from 03. November 2003 – 02. November 2003 Theme 9 revolved around the topic 'How to Exploit Knowledge for Innovation'. Online workshops, keynotes and question & answers sessions as well as offline activities like interviews and a workshop at the KM Europe 2003 exhibition in Amsterdam lead to fruitful discussions and statements from various participants.

Exploiting knowledge for innovation turned out to be one of the most serious and promising topics and part of any serious task list. However, the mentioned and discussed variety of directions where innovation is felt as crucial discipline or prerequisite for being able to stay productive and competitive or even to keep, ensure, enable mankind's level of (economic) wealth, living together and supply is quiet big.

Concerning organizations innovation is seen as a source of high potential to stay competitive in a global market spinning at high pace. Whereas knowledge and knowledge management can play the foundation for enabling and steering innovation and belonging processes.

Concerning societal and environmental issues participants articulated the need for radical innovative solutions and ways. Reasonable are e.g. the ongoing trend of growing population in cities, the question how to build knowledge cities, increase of virtual communities vs. decrease of neighborhood communication or today's school and learning systems. The creation of new ideas that are potentially leading to innovation seems to rely quite heavily on communication behavior and opportunities between different people. Multidisciplinary and inter- organizational exchange needs to be supported by architectural environments that stimulate such kind of communication. For the future, we will need not only architectural solutions for real buildings and knowledge cities but also for virtual environments.

Since quiet some time now innovation is becoming a serious discipline and might be the successor of knowledge management as a slowly fading hype of the past decade. This is underpinned by new created and implemented roles and responsibilities like Innovation Management re Innovation Manager displayed as job title at today's business cards or organization charts. Nonetheless, it will be difficult or even impossible to separate one from another and more likely the baby just will get a new name or label instead of omitting KM as a discipline re method.