The Promise and Challenge of Knowledge Markets

Connecting the Dots Between Strategy, Technology, and Implementation

WK-2

And

The Knowledge Edge “Making Sense of Non-Sense”

KMT – 2
Making Sense of “Intellectual Capital”

- Can Ford duplicate its success of Taurus?
- Can Palm Pilot duplicate its success now?
- Obsolete Success Stories – What can we learn if anything from them!!
- Ford – K-Work and Industrial-Work

“Having innovative capacity and being able to apply that knowledge to generate commercial success are not necessarily correlated….”

Argument seems ok, but what is the rationale!!!!
Automotive: Top Stories

Toyota tops industry quality study, GM leads U.S. automakers

05/31/2002

By ED GARSTEN / Associated Press

Toyota Motor Corp. claimed the top spot in the annual J.D. Power and Associates initial quality study released Thursday, while General Motors Corp. scored the highest among U.S. automakers and Ford Motor Co. rebounded from a disappointing showing a year ago.

Overall, auto industry quality improved by 10 percent over 2001 — the largest quality improvement since 1997, the study said. Over the past five years, initial quality has improved 24 percent.
"Ford needs to continue at a faster pace than the industry to make up lost ground," said Brian Walters, director of product research at J.D. Power.

Ford, including its Mazda unit, topped three segments. GM had four top-ranked models.

The Chevrolet Malibu made the biggest quality gain in the past year, followed by the Buick Century, Chevrolet Corvette and the Lexus GS sedan.

Korean automakers Kia Motors America Inc. and Hyundai Motor America Inc. showed the most improvement in the past year with gains of 21 and 19 percent respectively.

Toyota and GM showed the biggest gains in quality over the past five years.

The study is based on responses from nearly 65,000 new vehicle buyers and lessees after 90 days of ownership regarding 135 potential problems.

This is the 16th year the Westlake Village, Calif., market research firm has produced the initial quality study.

Companies are ranked based on the number of reported problems per 100 vehicles. Industry average is 133.

1. Toyota Motor Sales Inc., 107
2. American Honda Motor Co., 113
3. BMW of North America, 116
4. Porsche Cars North America Inc., 122
5. General Motors Corp., 130
6. DaimlerChrysler AG, 141
"Hey, Dude! Cool Handheld"

The Hiptop is aimed at the youth market—yet it can teach buttoned-down rivals a few neat tricks

Designers of handheld devices for the new wave of speedier wireless-data networks have looked to mobile executives as their primary market. And why not? With handholds such as the Handspring Treo 270 or BlackBerry 5810 (Tech & You, Aug. 26) costing upwards of $500, plus $50 or more for
Danger's business plan is to license its design to others to manufacture and sell. The first incarnation of the HiTop, called Sidekick, will be marketed by T-Mobile USA (formerly VoiceStream Wireless). It costs $199 after rebate, with activation. A monthly service plan, which has tentatively been priced at $39.99, includes unlimited e-mail and 200 weekday voice minutes. At such reasonable prices, Sidekick may have what it takes to make the wireless handheld a true mass-market product.

The HiTop is an extraordinarily clever design. It's a little bulkier than most handhelds, especially in its thickness of a bit over an inch, but the heft is put to good use. Its key is a wheel that lets you choose among programs or scroll through e-mail messages or Web pages. It even changes color to

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Internet 2001: Handheld-To-Handheld Combat

From now until the end of the year, The Morning Report will discuss each of the 13 Internet sectors and which members bear watching in 2001. On Tuesday we looked at some companies in the Speed/Bandwidth sector. Today we'll focus on the key Wireless players heading into next year.

Chris Nerney

January 05, 2001

Palm and Handspring

Handheld electronic organizer device maker Palm
However, the 'Net handheld battle is just heating up. Palm's share of the U.S. market was nearly 92% in March. By September it was down to 65%. Also, Palm has seen its gross profit margin fall to 37% in Q1 2001 from 43.7% in Q3 2000 as it seeks to compete against HAND's lower-priced devices.

Indications are that both companies are experiencing high demand for their products during the holiday shopping season. This could mean a bump in their share prices when numbers for the quarter are released.

Given the booming market for handhelds, 2001 should be a good year for both
Counting What is Not on the Balance Sheet

• Brand Recognition ??? DEC, AT&T
• Industry-driving vision ??? Enron
• Patents and Breakthroughs ??? Priceline
• Customer Loyalty and Its Reach ?? Think???
• Innovative Business Ideas ??? idea-lab
• Anticipated Future Products ??? Gilder on fiber
• Past Achievements ?? Cisco, Yahoo, Xerox
• Groundbreaking Strategies ?? Netscape, LoudCloud

Avigo versus PalmPilot

“If it was not price, features, or value for money, what is the basis of competition between these products?”
Build Customer Loyalty in an Internet World

By Edward Prewitt

If you really want customers to keep coming back, then toss out those glossy brochures from vendors looking to sell you the latest in CRM software. Customer loyalty.

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In fact, the very concept of customer relationship management is misguided, Reichheld argues. Companies shouldn't try to manage loyal customers, he says; long-standing relationships arise from trust gained over many transactions, and they are sustained by customers' belief that the company wishes to keep them around rather than drive them away.

"CRM is manipulation in too many cases. Companies are acting on information of customers against their interests—calling them at home at night, charging them at the highest price point [that CRM software shows they will pay]." says Reichheld, author of two books on loyalty, including Loyalty Rules (Harvard Business School Press, 2001). "Loyalty means listening to your partner, creating mutual satisfaction."
Customer loyalty seems like a quaint notion in the Internet age, when customers can search out lower prices and defect to competitors with a mouse-click. Yet Reichheld’s research has found that in the faceless online market, customers yearn for trustworthiness more than ever. Give it to them and they’re yours forever, he says. That kind of loyalty is immensely valuable: Reichheld’s analysis shows that a 5 percent increase in customer retention rates results in a 25 percent to 95 percent increase in profits. Clearly, customer loyalty is too central to companies' fortunes to be left to the marketing departments alone. And with technology so important in determining retention—or customer disaffection, if technology is...
Some other insights from ‘Non-Sense’

- Pfizer – SFA – Is that KM? How did it work?
- Old wine in new bottles – makes new wine!
- There is no single canned approach – how about 10-steps
- Market valuations is based on intangibles – Enron!!!
- Technology is blunt, long live K – Da!!
- Drivers of KM – compelling case – non-sense or sense?
- K delivers increasing returns – Questionable???
- KM can save your company from “K walkouts” ??
- KM can make your company a ‘proactive anticipator’ ??
- KM mutually reinforces corporate agility ???
Organizational Knowledge Markets

• How knowledge moves through organizations?
• Exchanged, Bought, Bartered, Found, Generated, and Applied
• Forces that Drive Organizational Knowledge
• Markets of K in Organizations
• Why K market transactions occur?
• What is the market prices system used for K?
• “Exchange of a scarce unit for present or future value.”

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Organizational Knowledge Markets

- Collaborative technologies depend upon human bases for exchange
- Recognizing the K markets and their inefficiencies helps tackle ‘diseconomies’
- K markets are embedded in social, economic, and political contexts
  - Mobil – “bragging” disapproved
  - HP – contrast USA and Australia
- K Market players – buyers, sellers, brokers
K-Players: Sellers and Buyers – in quest for K

• **Buyers**
  – Looking for insights, judgments, understanding
  – How about data?
  – 15% to 20% **managerial time** spent in search and response for K

• **Sellers**
  – Have internal market reputation
  – Sell by piece, in “bundle”, or rent
  – Constraints to the “sale”? 
  – How K-sharing can be encouraged???
K-Players:
Brokers, Gatekeepers, Boundary Spanners

- Match-makers – between buyers and sellers
- 10% of managers are boundary spanners
- Librarians - human yellow pages - NYNEX
  - P2P and P2T => M2M
- Informal, undocumented
  - Often underrated, unrecognized
  - Facilitators’ of others’ success
  - Invisible contributors to performance
- Informal K Brokers and K-entrepreneurs
Pricing of Knowledge – Intellectual Capital

• Price system for efficient value exchange
• Tangible ‘Cash’ or Intangible (reputation, goodwill, peer-recognition, etc.)
• K-Transactions – what is exchanged?
  – Reciprocity [Expectation of ‘quid pro quo’]
    • Pros - Partnerships, Relationships; Con - Escalation
  – Reputation, Peer-Recognition [Star Ratings]
    • ‘Company guru’, E&Y and AA Performance
  – Altruism [Doing good for the sake of it]
    • Mentoring, Apprenticeship [Tacit-K Sharing], Chrysler
Role of Trust in K-Markets

- Trust - linchpin around which K-Markets evolve
  - Most complex challenge for KM, SCM, CRM, ERP, EAI implementations
- Making trust visible – e-pinions and Amazon
- Managing ubiquitous trust in K-markets – Amazon, e-Bay
- Trust begins at the top – norms and values.
- Face-to-face contact and trust
- Trust vs. Contracts – Can contracts enforce trust?
- Trust-e, IP Addresses, Profiles, Cookies
- E-Business: Some Players in the Trust Market
Storytelling: Organizational Perspective: Larry Prusak

Social capital and trust

The last thing I wanted to talk about in terms of enablers, things that really work well, is the social capital issue. I’ve just finished a book on social capital, a subject I learned about, by the way, by doing a lot of work at the World Bank. Social capital can be defined as investments made – investments, that’s why it’s capital – to facilitate cooperative activities in organizations that have a measurable rate of return.

So it’s not just mom and apple pie. There’s nothing wrong with mom or apple pie. But it’s
E-Business: A Matter of Trust

by Jim LaToire

The Internet is the engine driving the information age and the future of commerce, a future rich with opportunity and challenge. Companies can no longer ignore the impact of e-business if they hope to remain competitive and successful.

Yet many business are reluctant to fully embrace e-commerce. They feel uncomfortable in this new environment, and they are concerned that better safeguards are required to protect against emerging, unfamiliar risks.

Even firms currently participating in Internet commerce exhibit a fundamental lack of trust in many e-business processes. They worry about the confidentiality and authenticity of transactions conducted on-line, and they have serious concerns about the fate of personal and confidential information once it enters cyberspace.

As e-business transactions multiply exponentially, these concerns must...
- How careful is your firm with key internal and third-party information?
- Is your technology reliable?
- Are your processes and procedures aligned with your technology?
- How vulnerable is your technology to criminal technology?
- Are your policies and procedures adequately articulated?
- Who are your key e-business partners?
- Are you living up to your privacy statements?
Our solutions help you build trust while leveraging our knowledge of what works best in e-business. Some of these solutions include:

- The E-business Maturity Model
- The E-business Diagnostic
- E-business Benchmarking
- Privacy Audits, Attestations and Seals
- Trusted Third-Party Services
- beTRUSTed
- Operational Resiliency Reviews
- System Penetration Testing
- Forensic Auditing
- BetterWeb
- WebTrust
Make privacy your choice™

For Consumers

TRUSTe's Privacy Seal: When you see the TRUSTe seal, you can be assured that you have full control over the uses of your personal information to protect your privacy. » Learn More

File a Complaint: TRUSTe’s Watchdog Dispute Resolution mechanism. If you believe your privacy has been violated, click here for help. » Learn More

Special Note To Consumers: If you got here by clicking on our trustmark, you may have visited a fraudulent website. To contact us, Click here

For Businesses

How To Join: Web sites displaying the TRUSTe Privacy Seal are committed to abiding by a privacy policy that gives users notice, choice, access, security, and redress with regard to their personal information. » Learn More

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digital certificates from Thawte the global certificate authority - Netscape

- community channel
  Thawte's community channel offers unique, community driven products and opportunities for the more technically minded. You can enroll for free email certificates and join our acclaimed Web of Trust personal certification system through this channel.

- business solutions
  Our SPKI program allows you to issue multiple SSL web server and code signing certificates through a convenient self-service account which allows you to take full control of the issuing process while reaping the benefits of bulk discounts.

- reseller
  Thawte's ISP program is a certificate reseller opportunity for ISPs and hosting companies who can benefit from bulk discounts, convenient account management utilities, excellent revenue building opportunities and best of all - free membership!

- products
  - 128-bit supercert
  - web server certificates
  - code signing certificate
  - payment solutions
  - email certificate
  - network security audit

get your FREE personal email certificate
spki links
reseller links
product links

Being able to tell at a glance whether we could trust someone would make all our relationships better. Especially in business and especially on the Internet. With an inexpensive Thawte digital certificate on your website, your customers can tell in an instant: they can trust you.

secure your web server
sign your code and applications
secure your e-mail
accept online payment
audit network security
check your certificate status
get your authentic site seal

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A matter of trust

BUILDING TRUST IS a core requirement for establishing new relationships, especially in an online environment. Equating online trust solely with underlying security requirements — authenticating users or Web sites and ensuring the confidentiality and validity of online interactions — is a mistake. Trust must also include nontechnical issues.

In the past, establishing trust and forging partnerships have been staff-intensive processes involving meetings, site visits, and inspections. As trade and sourcing become increasingly global, these processes not only become more expensive but also more time-consuming. As companies go virtual, they should focus their trust-building efforts on specific areas.

Assess the strategic and risk implications of each relationship and carry out trust activities appropriate for that level. Assess lower-risk opportunities by relying more heavily on automated services offering business verification, credit scores, financial evaluations, and performance ratings. For strategic relationships, augment the trust services with more-intensive staff involvement.

Leverage existing relationships first. Work with those partners to increase the responsiveness and adaptability of your relationship through tighter process integration, increased collaboration, and better information system links.

Avoid coercive, one-way relationships. Configure partnerships so both parties will benefit from initial pilot efforts. Then, build incrementally on the initial trust established during the pilot.
Role of Trust in K-Markets

“As trade becomes increasingly global, enterprises must develop more effective processes for rapidly establishing trust at all stages of relationship building. Many business relationships can no longer be sealed with a handshake. Potential business partners need to augment experience-based trust mechanisms with new, faster methods enabled by IT. Enterprises must understand the elements of business trust and follow the recommended guidelines to ensure their trust-building processes are robust enough to allow them to succeed in an increasingly boundaryless environment.”

A matter of trust
Trust Management

April 16, 2002

The Vigilant Enterprise, Part 2

The CSO's job just got a lot harder

By Yobie Benjamin

As we forge ahead into a new century, it's become perfectly clear that most ideas about business continuity—and what constitutes a reasonable security strategy—have become obsolete.

This cataclysmic shift isn't just a byproduct of the recent terrorist attacks on the United States. The rise of wireless technology, globalization, networked enterprises, and countless other market forces now expose the majority of businesses (and legislative bodies) to risk levels that far exceed the protections currently built into their operating frameworks.

What the Sept. 11th attacks brought home is that the strategies and guidelines put in place to
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2 Public Telephone Network and Internet Trustworthiness 26
Knowledge Market Signals – What? How?

- Credentials, Expertise, Position, Education
- Informal Networks
  - Networks of Practice – 6-Degrees of Separation
  - Water Cooler Gossip, Grape Vine
- Communities of Practice – BP, Citibank
  - Technologies to Enable COPs – [To be Covered Later]
  - Communication, Coordination, Collaboration
Six Degrees of Kevin Bacon

Looking for a little post-Oscar pick me up? Try your hand playing a kind of internet parlor game about the career of actor Kevin Bacon. He’s never been nominated for an Oscar, but Bacon has achieved a kind of immortality—based on the premise that he is the hub of the entertainment universe. That odd theory was developed by Mike Ginelli, Craig Fass and Brian Turtle who invented a game that swept through college campuses and the internet before becoming a board game and a book called “Six Degrees of Kevin Bacon.” The idea is to connect Bacon and any other actor through the films or television shows the two have worked on in no more than six steps.

When you think about Hollywood heavyweights, you don’t immediately think of Kevin Bacon. But his career spans almost 20 years through films such as Flatliners, The Air Up There, Footloose, The River Wild, JFK and Animal House. So brush up on your Bacon lore. To play an internet version of the game, visit one of the websites below.
The Knowledge Sharing Portal is about the prominence of knowledge at the World Bank and how it creates, shares, and applies knowledge.

Knowledge Bank Vision

If you are looking for information or data on countries, issues, projects, please refer to the Research or visit the Bank's Home page.

New:

World Bank Knowledge Management Profile

described in an interview with Bruno Laporte and Ron Kim...
Knowledge Market Inefficiencies

• Valuation of K – Before consumption and use?
• Valuation of K – intellectual and intangible assets?
• Firms Do not Know what they Know
  – Corporate Yellow Pages, Skill Profiles, K-Maps
• Disconnect between Silos of K
  – CRM – Marketing, Sales, Service
• Localness of K
  – High search cost for ‘right information at right time’
  – Why would the players care to use, share, transfer, renew, create knowledge?
K-Market Pathologies

• Monopolies
  – Need for “internal markets” of innovation, creative conflict of CVPs, creative abrasion of ideas

• Artificial Scarcity
  – Hoarding, Downsizing, Retirement – Solution?
  – Video-tapes, Case-Based-Reasoning, Expert Systems
  – Trade Barriers – NIH, Opposite Extremes
A+, Buy from Handspring.com! Best shopping experience ever.

by jeremyf | Oct 21 '01 (Updated Oct 21 '01)

The Bottom Line: If you want to buy a Handspring product, buy it right here. In fact, buy here anyway.

Recommended: Yes

Handspring.com is the best shopping site in history, probably.

Handspring.com is Handspring's official website for buying Handspring products, accessories, and software. For those of you who don't know, Handspring makes the *Visor* (and soon *Treo*) series of PDA's (personal digital assistants) that run PalmOS software. They're currently the #2 biggest seller of PDA's, after Palm itself. This opinion won't be a review of their products, but I think they're great low-end devices.

Handspring.com has great deals, great selection, TONS of information, and they are always up-to-date. Their customer service is the best that I've ever experienced. Unfortunately, they've been losing a lot of money lately due to the tech fallout (and by spending so much money on their great webstore, probably).

Here's some information for you:

PRODUCTS:

Handspring.com sells their entire (current) line of Visor handelds. They also carry a wide...
Ask any question! AllExperts.com is the oldest & largest free Q&A service on the Internet

* Pick a category and click on a volunteer’s name to ask a question!
* Thousands of volunteer experts are here to answer all your questions!

**USA Today “Hot Site”, 2/8/2000**
Know what your customers want, what your partners will do, what your experts are thinking.

IT connectivity alone cannot give you this knowledge.
You need to add more Incentive to your business community.
Discover the power and simplicity of knowledge Markets!

Welcome to the world of Incentive Markets, Inc.

Members: login here

Guests: register with Incentive Markets, Inc.
to apply for membership in an Assessment Market
Clarity's suite of web-based applications lets organizations use expert knowledge to improve customer support, power employee productivity, grow eCommerce, facilitate community interaction and drive corporate sales. Find out how Clarity's knowledge management technology makes efficient expert location, connection and knowledge sharing simple. (more)

In the News:
NEW Omnexus to bundle, reseell Clarity's Expertise Location Solution. Enables customers in plastics industry to add TechCenter with online access to experts, knowledge base.
- Check out the Omnexus TechCenter to see Clarity for Customer Support at work!
- Read more about the Recorlex relationship

Clarity for Customer Support

Clarity for Enterprise Knowledge Sharing

Read how web-based knowledge markets are revolutionizing customer support. Download our product information sheet today!

See what analysts are saying about us! Download the Basex Executive Report on Clarity for Enterprise Knowledge Sharing.
FAQ

Who is Clerity?
What is a knowledge market?
What is a Clerity knowledge market?
What distinguishes Clerity’s knowledge markets?
To whom does Clerity market its technology?
What are some of the industries Clerity is targeting?
Does Clerity manage all of the knowledge market processes?
How does a Clerity knowledge market help users find experts?
How do experts know that they have questions to address?
How are Clerity’s products priced?
What specific benefits does Clerity offer corporate customer support?
How does a Clerity transaction operate?
How does a user know the “expert” offering information is credible?
What if a user isn’t satisfied with the information that an expert has provided?
How are grievances or complaints about particular users and experts handled?

Who is Clerity?
Clerity is a leading provider of web-based software and services that facilitate, motivate and measure the dynamic sharing of knowledge, expertise, and experience.
Royal Philips Electronics
http://www.philips.com

Electronics Industry

mixing vision with potential: Lotus eMail opens the path to KM for Philips

"By taking the steps we have, we can come to the knowledge management concept with a number of knowledge markets that we can offer up through the WebSphere Portal."

—Frank Butstraen, Vice President, Royal Philips Electronics
Guaranteed Results.

AskMe Corporation guarantees results in the first 90 days of deployment.

AskMe builds software that enables Global 2000 companies to create and manage Employee Knowledge Networks.

Employee Knowledge Networks deliver employee expertise, directly to other employees blocked on critical tasks, exactly when they need it most.

Some of the world’s largest companies across a wide range of industries use AskMe’s flagship product, AskMe Enterprise, to power their Employee Knowledge Networks. Our comprehensive solution coupled with the expertise of AskMe’s Professional Services group allow us to guarantee results to our customers.
About Xcellos

Xcellos is a leading provider of web-based software and services that facilitates the dynamic sharing of knowledge, expertise and experience. The Xcellos eConnX™ product provides a quick-to-market technology and infrastructure for connecting people with questions to experts with answers. Xcellos solutions employ revolutionary methodologies to allow the enterprise to share information internally and externally by providing employee, customer and partner communities with the ability to request, receive and reuse expert knowledge.

Companies today have a potentially limitless amount of knowledge capital locked within their employee, customer and partner communities. This experiential knowledge, if properly harnessed, can be used to power employee productivity, improve customer support and drive corporate growth. Significant success in business today depends on how well an organization is able to actively capture this knowledge and efficiently share it with those employee, customer or partner stakeholders that need it.

Unfortunately, current knowledge management solutions provide little assistance. Focusing on document collection, management and indexing providing little expert connection, these KM systems fail to provide stakeholders in need of knowledge with the means of effectively locating and connecting with the expert resources available to give it, and they fail to properly motivate those experts to share what they know and capture this sharing in the process.
Sabeer Bhatia: Things go cold for Mr Hotmail

Friday, 22 June, 2001, 14:50 GMT 15:50 UK

Following the collapse of Sabeer Bhatia's latest venture, Arzoo.com, Andrew Walker of the BBC's News Profiles Unit looks at the rollercoaster career of the little-known founder of Hotmail.

The statement on the website is stark and unexpected:

You are in: UK

News Front Page
World
UK
England
N Ireland
Scotland
Wales
Politics
Business
Entertainment
Science/Nature
Technology
Health
Education
Talking Point
Country Profiles
In Depth
Programmes

BBC NEWS

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FROM A THESIS PROPOSAL ON K-MARKETS

Web site for knowledge exchange

Ex) http://www.askme.com/
    http://www.ksqu.com/
    http://www.okweb.com/

I want to know how to take a patent. Please teach me.

questioner          (for Knowledge Exchange)          answerer

Web site

Question

Answer

Fee, Valuation

Operational Organization