

University of  
Hertfordshire



Hertfordshire

**Business School**



# Co-creating value through Business School - SME Community

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[www.herts.ac.uk/computerscience](http://www.herts.ac.uk/computerscience)

# Agenda

running order ...

- What was the point of the Research?
- Related Literature
- What did we Find?
- What were our Conclusions & Recommendations?
- Follow-up Research

What was the point of the Research?

Is there a Problem ....

# What was the Point of the Research

## What were the challenges ....

- Careful selection of the project partners provided the required knowledge, expertise and skills essential to assure project deliverables.
- An important key deliverable is the creation of a new capability within the business/ enterprise to replicate the activity/scope of the project through its own use of networks and open innovation communities.
- To look at these special Communities of Practice and the challenge of making them sustainable.

Knowledge management is a critical Skill that all businesses need to manage in today's knowledge economy ...

(Knowledge Management in Theory and Practice, 2<sup>nd</sup> Edition, Kimiz Dalkir, 2011)

Related Literature/Research?

What have others found ....

# Related Literature/Research

## Knowledge-sharing ....

- Importance of creating and capturing new knowledge to develop solutions to challenges
- Knowledge workers are 5x more likely to turn to another person, either inside or outside the enterprise, than any formal or informal KM system (Cross & Parker, 2005)
- Increasingly our one-to-one social exchanges are happening through communities.

Knowledge management is a critical Skill that all businesses need to manage in today's knowledge economy ...

(Knowledge Management in Theory and Practice, 2<sup>nd</sup> Edition, Kimiz Dalkir, 2011)

# Related Literature/Research

## Communities of Practice ....

- These CoPs differ from project teams or cross-functional teams in that the roles of members are not formally assigned.
- The value of the community is in the quantity and exchange of knowledge, expertise and skills (Probst and Borzillo 2008).
- The Shared Value is based on both the Knowledge-in-Action and the formal Propositional Knowledge of the community members (Seufert, Krogh & Bach, 1999)

“a group of people having a common identity, professional interests and that undertake to share, participate and establish a fellowship ... (Knowledge Management in Theory and Practice, 2<sup>nd</sup> Edition, Kimiz Dalkir, 2011, pp112

# Related Literature/Research

## Communities of Practice ....

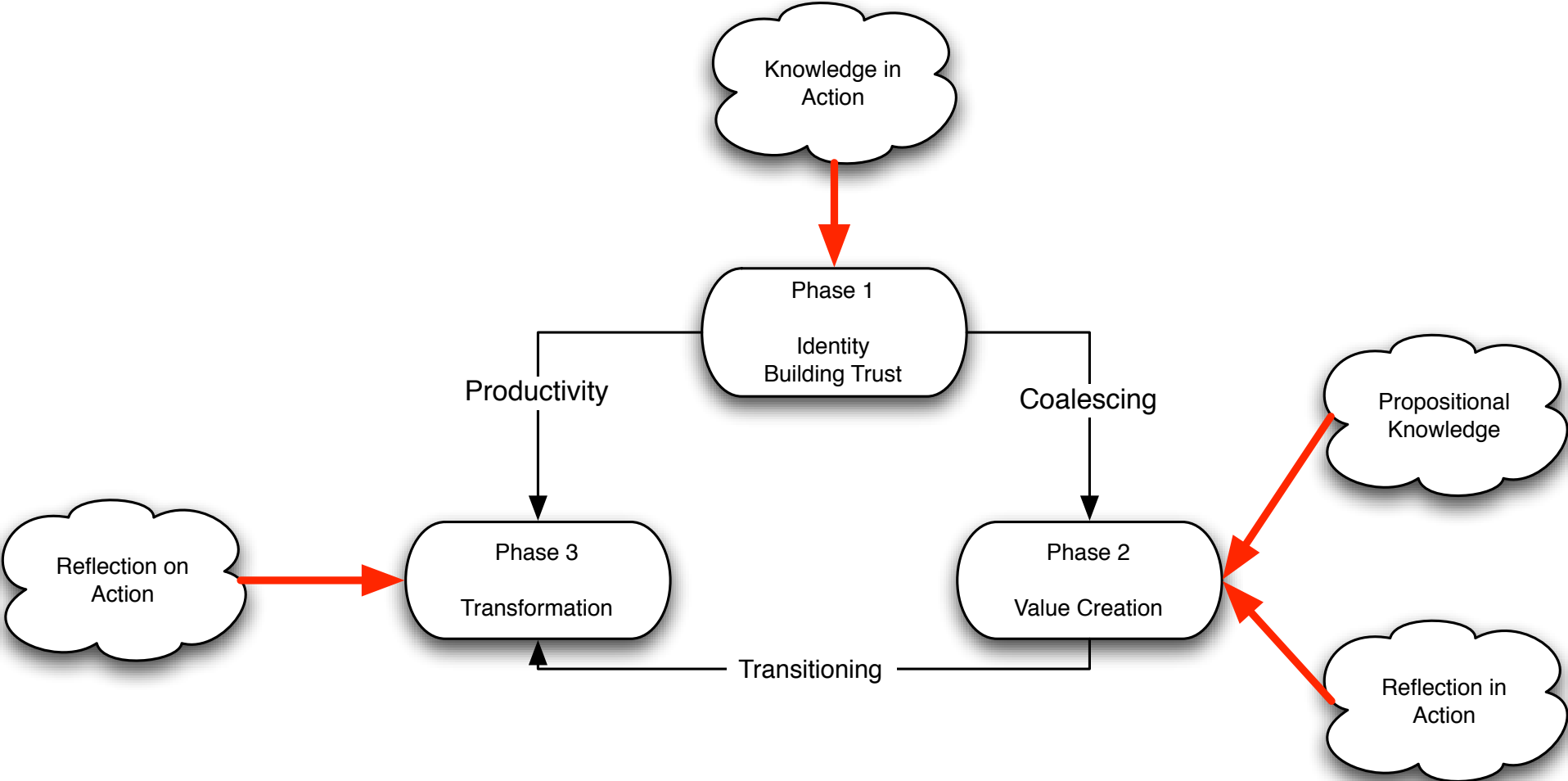
- Life cycle for communities assume the premise of creation/birth, growth and eventual maturity/ending.
- Some members will take on informal roles to help build, identify and extract content; organize the content; store the knowledge and experience, seeking support for change
- These can be best seen in the three important stages of the community development.

The life cycle for communities .... Is very similar to a business life cycle ... Lippitt & Schmidt, 1967, Crises in a developing organization, Harvard Business review, 45(6): 102-112



# Related Literature/Research

## Communities of Practice ....



What did we Find?

Looking at it from a slightly different perspective....

# Our Findings

## Why they were interested in engaging ....

- Recommendation from another business colleague
- They have tried elsewhere without success
- They already had a relationship with the university, and liked us and the way we did things
- They had been attracted by our talks/ workshops

### Six Case Studies:

**Metal recycling Centre** – (50 employees) – channel expansion

**Traditional Printers** – (40 employees) – new product development

**Victorian Renovation materials** – (15 employees) – new business systems

**Retail systems Integrator** – (120 employees) – new marketing strategy

**Moulded Plastics** – (25 employees) – New markets and supply chains

**Air Products Manufacturer** – (45 employees) – product portfolio rationalization

# Our Findings

Most of the businesses are effective networkers ....

- They are often embedded in their local economies and business community
- They often rely on reputation and trust in their business transactions
- They have a strong commitment to their employees
- Many of them though focused on growth are not solely focused on profit maximisation

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What were are Conclusions and Recommendations?

So what ....

# What are our Conclusions

## Business Managers (owner-managers) ....

- The establishment of the identity and trust of the community and its members. For 66% of the businesses this was achieved and the CoP started co-creating value.
- Those business managers than handed complete control over to the associate achieved quicker value, through speedier changes to business systems and processes.
- All managers achieved the initial project deliverables – many just short-term

### The Challenge for Business Managers

**“Every three years, a business should challenge every product, every service, every policy, every distribution channel with the question, ‘If we were not in it already, would we be going into it now?’**

Drucker, P. 2009, Managing in a Time of Great Change, HBR.

# What are our Conclusions

## Associates ....

- These taxonomists are key to the establishment of trust, helping recruit new members into the community.
- The associates are key to turning the captured knowledge, expertise and skills into business value.
- Associates were the first to report on failures to establish a stable community – poor performing co-creation and often undermined by lack of full commitment from the business manager sponsor.

### Our Associates are driven by ..

**'Developing their professional skills; access to peer-to-peer mentoring; developing skills in become more effective networkers ....'**

# What are our Conclusions

## Academics ....

- Initially important in establish where value lies, and then directing the other members to acknowledge where the knowledge, experience and skills (KE&S) reside.
- Academics initially wield real power in the introduction and dissemination of new knowledge and management tools to help analysis the value of this new K,E & S.
- Academics often found themselves changed with winding up the CoP....

### Universities are hot beds of innovation

**'It is hard to beat places that combine pure research, applied research and teaching as centres of value creation in the modern world. They represent their own mini-clusters, and have the power to spawn major industrial clusters around them too. In terms of both regional and industrial policy, their role cannot be overstated .....**

Davis E. 2011 Made in Britain: why our economy is more successful than you think, BBC publications, pp. 64



# What are our Conclusions

## Overall.....

- Business managers are critical to the success of these projects .... Engaging and trusting of the associates, and empowering them to make business system changes.
- Academics are critical to supporting the business managers, working with them to gain acceptance and appreciation from the business of the business value.
- In only 33% of the projects did the sCoP last more than year after project completion.

### Its not a New Challenge .....

**.... Network's value is co-produced: the total value created in the network depends directly on how well partners' objectives are aligned .... On the commitment of the partners to invest....(Teece, 1988)**

Chesborough H. 2006 Open Innovation: researching a new paradigm, pp. 25

Follow-up Research?

Where to now .....

# Follow-up Research

## Drill down deep ....

- In understanding the Business Managers' commitment and behaviour towards these outside collaborative projects ..... We recognised another factor creeping into their attitudes and behaviour – work/life satisfaction.
- We acknowledge that work/life satisfaction is that individual's positive and negative affects, and life satisfaction is often gathered up into their sense of psychological well-being (Bradburn and Noll, 1969).
- We want to study how small business owner-managers Psychological well-being influences their knowledge sharing activities?
- How do these SBOs PWB's impact on their willingness to engage in University-Business collaborative projects?
- We are using Ruff(1999) dimensions of Psychological Well-being: self-acceptance, positive relations with others, autonomy, environmental mastery, purpose in life, personal growth.

Thanks for Listening to me ..... Do you have any Questions?  
References are included as Footnotes, and you can e-mail me to  
receive a copy of the full paper ....