Chapter VII
Who Talks with Whom: Impact of Knowledge Sharing in the Value Network of Born Globals

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ABSTRACT

Knowledge sharing has a strong effect on the success of the born globals. The objective of the chapter is to create a better understanding of the impact of knowledge sharing in the value network of born globals. The study builds on co-opetitive theory, which has its underpinnings in the cooperative game theory. The present study is based on 51 interviews within 31 companies that have participated in a technology program financed by an agency funding technology and innovation development. All the companies were small or medium-sized. In the study, correlations between having discussions with various stakeholders are analyzed. The tentative empirical results are in line with the essential nature of co-opetitive relationships in which various actors engage in knowledge sharing regardless of whether they are competing or not.
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The present study is based on 51 interviews within 31 companies that have business operations in Finland and that have participated in the Fenix technology program financed by the Finnish Funding Agency for Technology and Innovation Tekes. All the companies were small or medium-sized. Because of the small size of the sample, the study is to some extent a multi-case study. The interviewees from companies were technology directors or research and development directors as well as general directors of the companies.

According to the results, having discussions with sales partners positively correlated with having discussions with technology partners and with customers. This and other results give support to the proposition that competitors’ opinions on consumer trends may proactively change the technological preferences, which are recommended for customers. In parallel, the results give confirmative evidence that technological perspectives are not shared with competitors as widely as ideas on consumer trends.

There were two additional interesting results as regards to the objective of creating a better understanding of the impact of knowledge sharing in the value network of born globals. Having discussions within the companies themselves positively correlated with having discussions with competitors and having discussions with technology partners. These results may be a sign that there do exist co-opetitive relationships in the value networks of born globals in which knowledge sharing with various stakeholders, including competitors, can create win-win partnerships. These tentative empirical results are in line with the essential nature of co-opetitive relationships in which various actors engage in knowledge sharing regardless of whether they are competing or not.

INTRODUCTION

The present chapter focuses on knowledge sharing in technology-intensive value networks of born global high-technology companies. Knowledge sharing and knowledge transfer have an effect on the success of the born globals (Levy, Loebbecke and Powell, 2003). In any value network, knowledge sharing with the partners is typical (Dyer and Nobeoka, 2000). However, it is very difficult to say which companies or other actors are not partners of a company. Competitors typically cooperate to standardize technologies but compete in other functions of the same business. For example, the GSM mobile technology standardization alliance consisted of such companies as Nokia, Siemens and Ericsson. These companies were fierce competitors in the GSM business as soon as the common GSM standard was approved.

Knowledge has two very different components: tacit knowledge and explicit knowledge. Tacit knowledge means such knowledge as skills, capabilities and feelings. Tacit knowledge is difficult to communicate and share. Explicit knowledge means measurable knowledge such as numeric data. (Nonaka and Takeuchi, 1995) The knowledge sharing literature defines knowledge sharing as an internal feature of a company (Adenfelt and Lagerström, 2006; Hansen, 1999; Makela, Kalla, and Piekkari, 2007). An important and common reason for limited knowledge sharing is that there is lack of trust among network partners (Abrams et al, 2003; Li, 2005; Ariño, Torre, and