Chapter 1
Knowledge Sharing
Centric Competitive Business Intelligence to
Guide Convergence

Mei-Tai Chu
La Trobe University, Australia

ABSTRACT

This chapter discusses how knowledge sharing can increase enterprise business intelligence in the era of high business convergence. How the consequence of knowledge sharing would help achieve various business intelligence initiatives such as competitive intelligence, strategy formulation, facilitating organisational learning, and ultimately achieving competitive advantage to possess sustainable development is discovered. This chapter conducts a qualitative assessment to reveal interrelationships between knowledge sharing and competitive advantage and examine which incentive mechanisms can encourage knowledge sharing behaviour and relative importance among them at a firm level. The research findings unveil how knowledge sharing plays a vital role in fabricating the link between competitive advantage and organisational learning. The preferred knowledge sharing mechanism can help managers to allocate appropriate resources to motivate knowledge workers to share better. It also better aligns with business strategies by helping the organisation in collective knowledge and pursues an appropriate corresponding system to face fierce challenges internally and externally.

1. INTRODUCTION

A number of existing researches have reported the importance of competitive business intelligence in relation to the actionable information about their competitors and decisive factors such as customer profiling and market development as a means to differentiate their positions and values (Hannula & Pirttimaki, 2003). Competitive business intelligence normally takes into consideration related information gathered from variety of sources like public report, Internet, published articles, patent
etc, and converts that information into knowledge and in turn used to formulate organisational strategy (Richardson & Luchsinger, 2007).

Apart from conventional approach towards competitive business intelligence, some studies also revealed the constantly changing business environment impacted by unexpected challenges and suggested knowledge sharing can be a vital component to deal with competitive intelligence (Priporas et al. 2005). It is evident that knowledge sharing can assist companies to transform the knowledge collected by knowledge worker organisational knowledge/memory without any decline in the knowledge gathered (Yang, 2007).

Knowledge sharing not only can exchange explicit and tacit knowledge, but also enhances member interaction and lead to innovation by creating new knowledge as a new central role in the value chain (Dubis, Prade 1978). As knowledge complexity increases and interdisciplinary cooperation grows, the lifecycle of knowledge and competitive business intelligence also shortens. There is a need to focus on the relationship between knowledge sharing and competitive business intelligence to face the fast changes. Hence, the motivation and rational why proposes knowledge sharing centric competitive business intelligence is described first. The data collection from one knowledge based organization as case study assists to discover four major indicators in the context of knowledge sharing behaviour. Those indicators are examined to find out the preference mechanism to facilitate knowledge sharing in the chosen case.

AHP is adopted as research methodology to identify the indicator ranking to link knowledge sharing and competitive business intelligence. This measurement involves two stages. First, brainstorming is used to identify key knowledge sharing indicator while sharing knowledge among knowledge workers. This research then proposes four-indicator architecture to discuss the incentive mechanism to maximize the effectiveness of knowledge sharing. Secondly, the questionnaire is designed and distributed to a broad sampling of knowledge workers, to seek their views and calculate their indicator values respectively. The aim is to provide valuable information when choosing suitable competitive business intelligence strategy.

Section 2 briefly introduces the literature review on competitive advantage, strategic positioning, and knowledge sharing. Section 3 illustrates the justification of using AHP to conduct this research. Section 4 describes the background of case study, data collection and reveals the research findings. The last section concludes this chapter.

2. LITERATURE REVIEW

In this section, the literature review centres on existing work of competitive advantage and strategic positioning first. The role of competitive intelligence in today’s knowledge-driven era and how knowledge sharing can help to achieve information and knowledge generation, dissemination for organisational advantage is also described. The linkage between knowledge sharing and competitive business intelligence is then discovered through qualitative induction.

2.1. Competitive Advantage and Strategic Positioning

Porter (1985) emphasized the competitive performance evaluation can help to determine a good scope to plan competitive advantage better. Competitive advantage is frequently expressed to describe firm’s strategic objectives, capabilities, resources, and decisive position, which leads to superior financial performance (Tseng, et al., 2009; Laitinen, 2002; Brignall, et al., 1991; Kozmetsky & Yue, 1998; Harrison-Walker, 2001; Barney, 1991; Grant, 1991; Porter, 1991). The fundamental question of these existing works is the utility in developing meaningful management tools and actionable strategies to develop suitable strategic positioning (Mahoney & Pandian, 1992; Oliver, 1997; Peteraf, 1993; Wernerfelt, 1984).

Porter’s (1986) five competitive forces model provides the company an overall understanding