

2001 Most Admired Knowledge Enterprises

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Introduction

Teleos and The KNOW Network (<http://www.knowledgebusiness.com>), a Web-based community of leading knowledge-based organizations dedicated to sharing best knowledge practices leading to superior organizational performance, have conducted the 4th Annual Most Admired Knowledge Enterprises (MAKE) study. Inaugurated in 1998, the annual MAKE study is an established benchmark for knowledge-based organizations. This research seeks to identify organizations that are creating, sharing and using knowledge to become leaders in the new e-business economy.

The Most Admired Knowledge Enterprises survey is based upon the Delphi research technique, where a group of experts is asked to answer a series of questions using their expert or insider information. When used to predict possible future events (technological, social, etc.) this survey technique can become an extremely valuable forecasting tool (hence the name – Delphi).

The 2001 MAKE survey was sent to the chief executive officer, chief financial officer and chief technology officer/chief information officer of each Fortune Global 500 company (by sales). These individuals are considered to be in the best position to comment on the knowledge-based performance of their competitors and peers.

Additionally, 300 chief knowledge officers and leading knowledge management practitioners were selected because of their expertise and knowledge regarding which companies are recognized as exemplars in managing knowledge to achieve organizational goals leading to superior enterprise performance.

Altogether, 1,800 experts were invited to participate in the survey. There was a 17.3% overall response rate. The response by region was: North America (35.3%), Europe (35.1%), Asia (23.8%), Africa (4.8%) and South America (1.0%).

MAKE Finalists and Award Winners

The MAKE respondents were asked to nominate a maximum of three organizations from all sectors (including non-profit and public sectors) worldwide and then rate them against eight key knowledge performance dimensions. The nominated enterprises' performance was rated on a scale of 1 (poor) to 10 (excellent).

A total of 102 organizations received at least one nomination in the 2001 Most Admired Knowledge Enterprises study. Of this total, 37 enterprises received nominations from at least 10% of the expert panel and were selected as MAKE finalists (see Table 1).

2001 Most Admired Knowledge Enterprises – Finalists

Enterprise	Industry
Accenture	Consulting
Andersen	Professional services and consulting
Aventis	Life sciences
Boston Consulting Group	Consulting
BP	Oil and gas
British Broadcasting Corporation	Media
Buckman Laboratories	Chemicals
Chevron	Oil and gas
Cisco Systems	Network communications
Clarica Life Insurance	Insurance
Daimler-Chrysler	Motor vehicles
Dell Computer	Computers and office equipment
Ernst & Young	Professional services
Fuji Xerox	Computers and office equipment
General Electric	Diversified financials
Hallmark	Specialty retailers
Hewlett-Packard	Computers and office equipment
Infosys Technologies	Computer software
Intel	Semiconductors
International Business Machines	Computers and office equipment
Johnson & Johnson	Pharmaceuticals
Kao	Health care
KPMG	Professions services and consulting
McKinsey & Company	Consulting
Merck	Pharmaceuticals
Minnesota Mining & Manufacturing	Scientific and photographic equipment
Microsoft	Computer software
PricewaterhouseCoopers	Professional services and consulting
Royal Dutch/Shell	Oil and gas
Schlumberger	Oil and gas equipment and services
Siemens	Electronics and electrical equipment
Skandia	Insurance
Sony	Electronics and electrical equipment
St. Paul Companies	Insurance
Unilever	Diversified
World Bank	Banks
Xerox	Computers and office equipment

Table 1: A total of 37 organizations were selected as 2001 MAKE finalists (based on nominations from at least 10% of the respondents).

The top 20 finalists (by composite score) are named as 2001 MAKE Award Winners (see Table 2).

Top 20 Most Admired Knowledge Enterprises

2001 Rank	Enterprise	2000 Rank	1999 Rank	1998 Rank
1.	General Electric (USA)	2.	11.	14.
2.	Hewlett-Packard (USA)	3.	8.	7.
3.	Buckman Laboratories (USA)	1.	4.	12.
4.	World Bank (International)	10.	–	–
5.	Microsoft (USA)	6.	1.	9.
6.	BP (UK)	16.	2.	20.
7.	Siemens (Germany)	17.	13.	18.
8.	Skandia (Sweden)	11.	18.	13.
9.	McKinsey & Company (USA)	–	–	–
10.	Cisco Systems (USA)	5.	–	–
11.	Andersen (USA)	4.	14.	6.
12.	Ernst & Young (USA)	7.	5.	4.
13.	KPMG (USA)	–	–	–
14.	Xerox (USA)	8.	3.	5.
15.	International Business Machines (USA)	13.	12.	8.
16.	Accenture (USA)	14.	6.	15.
17.	Clarica Life Insurance (Canada)	–	–	–
18.	Royal Dutch/Shell (The Netherlands/UK)	19.	10.	–
19.	Sony (Japan)	–	–	–
20.	Schlumberger (France/USA)	–	–	–

Table 2: 2001 MAKE Award Winners.

General Electric gained top honors in this year’s international MAKE study. GE was recognized for its leadership role in five knowledge performance dimensions, including top rankings in the ‘Success in Establishing an Enterprise Knowledge Culture’ and ‘Success in Establishing a Culture of Continuous Learning’ categories.

Bob Corcoran, Vice President and Chief Learning Officer, General Electric Company, said: “GE has a legacy of an on-going dedication to being a learning company so we are pleased to once again be recognized by Teleos and The KNOW Network. Our employees around the world are able to share their knowledge with each other and our customers, making our enterprise a boundaryless place for ideas, innovation, learning, and ultimately great value.”

Hewlett-Packard finished second this year, moving up one position from its 2000 MAKE study ranking. HP was noted for best practice in a number of knowledge performance dimensions, including a first-place finish in 'Effectiveness of Managing Customer Knowledge to Increase Value/Loyalty.'

Buckman Laboratories, a privately-owned US speciality chemicals firm which was last year's MAKE overall winner, continued its strong showing in the MAKE survey with a third-place finish in 2001. Buckman Laboratories ranked first this year in the 'Ability to Manage Knowledge to Generate Shareholder Value' performance dimension.

Kathy Buckman Davis, Chairman of the Board, Bulab Holdings, says "Buckman Laboratories is pleased to be recognized once again for its efforts in creating a knowledge sharing culture that allows it to deliver superior value to customers. Buckman continues to expand its global ability to leverage this culture by delivering knowledge-based solutions to its customers addressing not only system requirements, but also those of the individuals working within their facilities."

The World Bank jumped from 10th place in the 2000 MAKE research to 4th place this year. World Bank President James D. Wolfensohn commented: "In pursuing our dream of a world free of poverty, we see the sharing of knowledge as key. While we're pleased at this recognition of what has been achieved, we're even more conscious of what remains to be done."

The 1999 overall MAKE winner Microsoft ranked 5th in this year's MAKE findings. Garry Tugwell-Smith, product marketing manager for knowledge management and collaboration technologies at Microsoft Ltd. stated: "By using the Microsoft platform for knowledge management we continue to strive to meet customers' needs, to innovate and to develop better technologies to maintain our competitive edge. In addition, Microsoft is committed to supporting its clients with knowledge management tools to help them achieve their goals."

Leaders in the Eight Knowledge Performance Dimensions

Teleos has developed a knowledge management framework consisting of eight knowledge performance dimensions which are the visible drivers of the knowledge-based enterprise. Each of these eight knowledge performance dimensions is made up of dozens of knowledge processes and sub-processes. Taken together, they form a total KM 'picture' of the enterprise which is an accurate guide to identifying those enterprises which see knowledge as *the* competitive differentiator in the 21st century economy. The 2000 MAKE leaders in the eight key knowledge performance dimensions are (alphabetical order):

- **Success in Establishing an Enterprise Knowledge Culture:** BP, Buckman Laboratories, General Electric, Hewlett-Packard and McKinsey & Company.
- **Top Management Support for Managing Knowledge:** BP, Buckman Laboratories, General Electric, IBM and the World Bank.
- **Ability to Develop and Deliver Knowledge-Based Goods/Services:** Buckman Laboratories, Hewlett-Packard, KPMG, Siemens and the World Bank.
- **Success in Maximizing the Value of the Enterprise's Intellectual Capital:** Cisco Systems, General Electric, Hewlett-Packard, Microsoft and the World Bank.

- **Effectiveness in Creating an Environment of Knowledge Sharing:** BP, Buckman Laboratories, Hewlett-Packard, McKinsey & Company and the World Bank.
- **Success in Establishing a Culture of Continuous Learning:** Ernst & Young, General Electric, Hewlett-Packard, McKinsey & Company and Siemens.
- **Effectiveness of Managing Customer Knowledge to Increase Loyalty/Value:** Accenture, Buckman Laboratories, General Electric, Hewlett-Packard and Microsoft.
- **Ability to Manage Knowledge to Generate Shareholder Value:** Buckman Laboratories, Cisco Systems, General Electric, Hewlett-Packard and Skandia.

MAKE Hall of Frame

A select group of 12 enterprises have been named MAKE Award Winners each year since the research was launched in 1998. The organizations forming the MAKE Hall of Fame are (alphabetically): Accenture, Andersen, BP, Buckman Laboratories, Ernst & Young, General Electric, Hewlett-Packard, IBM, Microsoft, Siemens, Skandia and Xerox.

BP ranked first in the ‘Effectiveness in Creating an Environment of Knowledge Sharing’ performance dimension. Commenting on news of BP’s 6th place MAKE ranking, Andrew Mackenzie, Group Vice President for Technology, said, “We welcome the latest MAKE ranking as a positive indicator about the care and attention we give the stewardship of our Intellectual Capital. The creativity of our people, and the way they are supported in the generation and rapid-sharing of knowledge, the ability to learn fast from both successes and failure, are fundamental to our development of the capability of our firm, and its overall competitiveness.”

“We are proud and honored to have received the Most Admired Knowledge Enterprises (MAKE) Award for the fourth consecutive year,” said Tim Curry, Ernst & Young’s Global Chief Knowledge Officer. “It is a prestigious award that recognizes world-class efforts in managing knowledge and we are particularly pleased that our culture of continuous learning has been recognized. This, together with our ability to provide an efficient infrastructure and high quality knowledge content through the Ernst & Young Center for Business Knowledge®, has contributed to our overall organizational success and enabled our people all over the world to improve the service we provide to clients.”

Siemens was honored with a top ranking in the ‘Ability to Develop and Deliver Knowledge-Based Goods/Services’ performance dimension. “Siemens is very proud and honored to have made the top ten in this year’s Most Admired Knowledge Enterprises (MAKE) study,” said Guenther Klementz, Siemens Knowledge Officer. Siemens is the only German company to have ranked in the top 20 in each of the last four years. The jump from 17 to 7 reflects the enormous efforts the company is making to create and share knowledge on a global basis.”

He adds: “Today, Siemens boasts both a Corporate Knowledge Management organization and more than 150 knowledge management projects worldwide. Siemens’ ShareNet – linking 13,000 telecommunications sales and marketing experts in more than 80 countries – is the most notable of these projects. CEO Dr. Heinrich von Pierer is convinced that one of Siemens’ top priorities is to increase efficiency and customer value by electronically networking and managing company knowledge. The ultimate goal is to enable all Siemens employees to access the company’s unequalled pool of knowledge.”

“By building up our aggregate knowledge and without excessive means, we have rapidly been able to establish Skandia as a global company in long-term savings,” said Lars-Eric Petersson, CEO of Skandia. “This requires an organizational philosophy in which leaders and employees have a positive attitude and an unrelenting willingness to change and develop themselves and Skandia. The 2001 Most Admired Knowledge Enterprises Award will help us achieve our goals for the future.”

Dan Holtshouse, Xerox’s Director, Corporate Strategy, Knowledge Initiatives, said: “Based on years of study of documents and the work practices associated with them, Xerox has come to believe knowledge sharing is critical to the success of the company and its customers. Being listed as a Most Admired Knowledge Enterprises Winner for the fourth year in a row is a significant achievement and reflects the competitive advantage that results from more than 90,000 Xerox employees working around the globe to identify, use and re-use its knowledge assets.”

Comments from 2001 MAKE Winners

“For the third consecutive year Royal Dutch/Shell has been awarded a place in the Top 20 Most Admired Knowledge Enterprises (MAKE) list. “We are proud that our people’s success in the major progress of sharing knowledge and applying good practices globally is being recognized. Tie this into the growing momentum of Shell Global Solutions knowledge-based services, the recently launched award-winning Shell Open University and the knowledge sharing Global Network, and there’s a great deal of promise that Royal Dutch/Shell is putting down a marker for the industry.”

Five organizations are MAKE Award Winners for the first time: Clarica Life Insurance, KPMG, McKinsey & Company, Schlumberger and Sony.

“It is with great pride that Clarica receives this recognition,” noted Hubert Saint-Onge, Senior Vice President, Clarica Life Insurance Company. “It carries significant meaning for us because of the level of leadership attention and investment we have placed towards the realization of our knowledge strategy. Our commitment stems from the conviction that this strategy will serve to enhance the capability, agility and coherence of our organization.”

He added: “We fundamentally believe that relationships get results and that knowledge is the fuel these relationships require to create value. Our membership and customer brand with the theme of ‘clarity through dialogue’ can only be authentically enacted with the purposeful sharing of knowledge both with our customers and across the firm. Knowing that we are making good progress with our knowledge strategy confirms that we have a dynamic advantage in the marketplace.”

“KPMG is pleased to be recognized in the MAKE study. Knowledge sharing is a core value in KPMG and underpins our current and future ability to serve our clients around the world,” said Rod J. McKay, Global Chief Knowledge Officer of KPMG.

Reid Smith, Vice President, Knowledge Management, Schlumberger Limited, stated: “Our customers expect the collective knowledge of Schlumberger to be available 24 hours a day, wherever they are – desert, jungle, offshore – to solve problems and maximize operational

efficiency. To meet this challenge, we focus on nurturing a knowledge-sharing culture. It changes the way we do business and the value we bring to the customer.”

Teleos –The KNOW Network

Teleos is an independent knowledge management research company. The KNOW Network (<http://www.knowledgebusiness.com>) is a Web-based community of leading knowledge-based organizations dedicated to benchmarking and sharing best knowledge practices leading to superior business performance.

KNOW Network members include: Accenture, Andersen, BP, British Telecommunications, Buckman Laboratories, Clarica Life Insurance, Defence Science & Technology Agency (Singapore), Dow Chemical, Ernst & Young, Fuji Xerox, Giga, Industrial Technology Research Institute (Taiwan), Johnson & Johnson, KPMG, Logical, Microsoft Japan, National Grid, Plural, PricewaterhouseCoopers, Rolls-Royce, St. Paul Companies, Samsung Life Insurance, Schlumberger, Scottish Enterprise, Shell, Siemens, Tacit Knowledge Systems, Teijin, Tower Automotive, TRW, World Bank and Xerox.

The annual KNOW Network membership fee of \$1,695 gives organizations Internet access to members’ Best Knowledge Practices and proprietary knowledge bases, plus a direct link to KM practitioners around the world. Any employee in a designated community of practice – up to 100 individuals no matter where they are located in the world - can access The KNOW Network website as part of an organizational membership.

A unique benefit of membership in The KNOW Network is access to the full 2001 MAKE report, including metrics and analysis. Organizations which are MAKE finalists and winners receive a customized report, including their individual MAKE scores, strengths and weaknesses, as part of membership in The KNOW Network.

For additional information on the 2001 MAKE study or a KNOW Network membership application form, contact Rory L. Chase, Teleos, Tel: +44 1234 314197, Fax: +44 1234 308824, E-mail: info@knowledgebusiness.com.

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