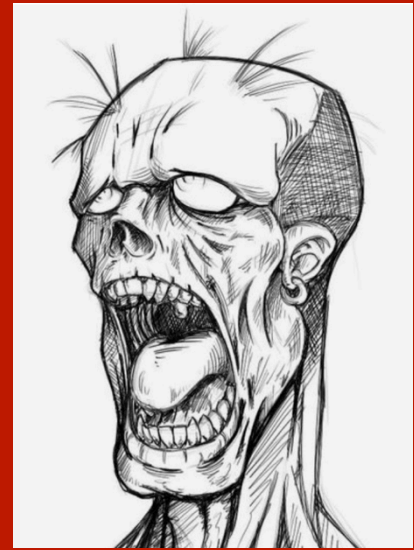




Zombie Knowledge: Repurposing and Revitalizing Outdated Knowledge

Patrick Lambe, Straits Knowledge

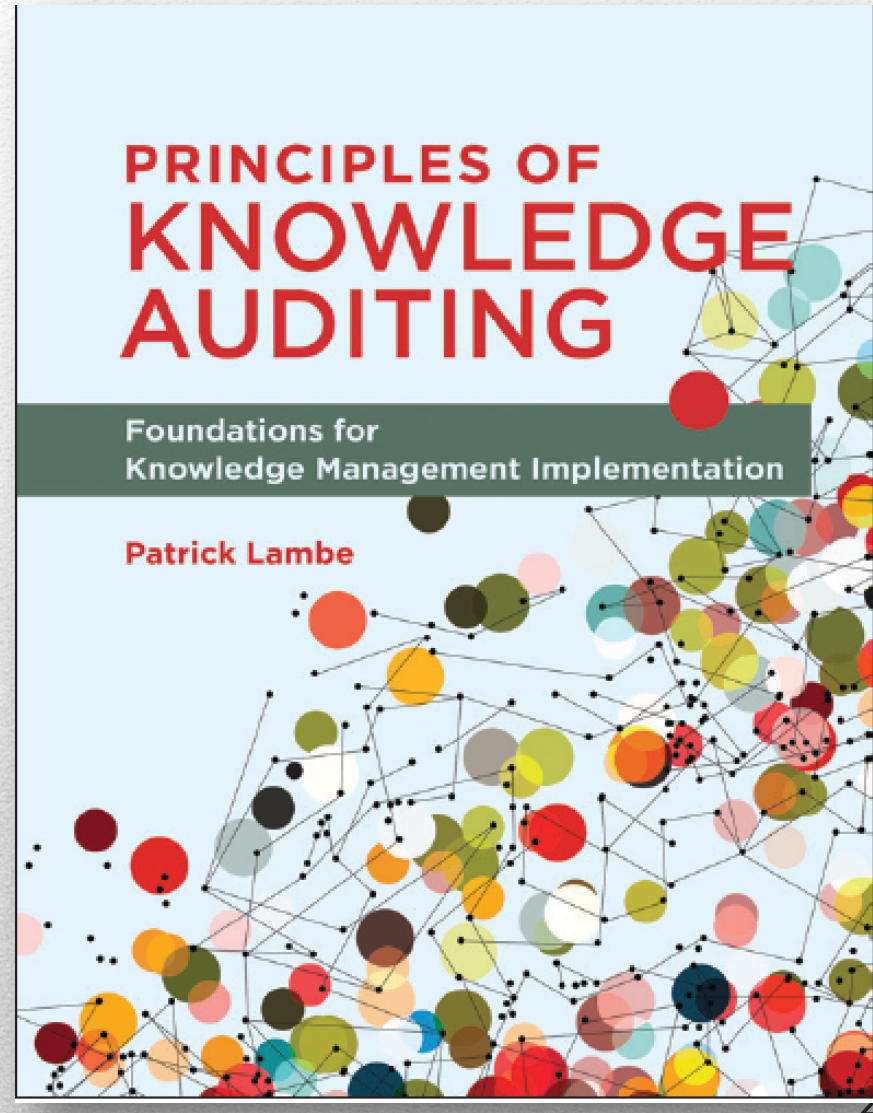


\$50.00 paper |
9780262545037 | 424 pp. | 7
x 9 in | 18 b&w illus. May 02,
2023 – available for pre-order

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The Book



1. What is Zombie Knowledge, and why is it dangerous?
2. What makes a Capability?
3. Crossing the Transformation Chasm
4. A Tale of Two Companies: Transforming Zombie Knowledge
5. What can WE do?



Agenda

Zombie Knowledge. It's knowledge that has lived out its life, died, and is now part of the undead. It needs bailouts from decision makers in order to operate, so it **steals from the resources** of living and useful knowledge to keep dead knowledge walking.

Patrick Ready, SIKM Forum 26 May 2022

This is a huge vulnerability for “best practices” and institutional knowledge in general – which in practice, is typically stored in the form of (inherently static) information. Knowledge – instead of being a buffer against environmental change, as it should be -- then becomes a self-contained meta-reality that no longer accurately represents “real” reality. [It] **can be a drag on forward progress!** To wit, “We already know this, so there’s no need to re-assess the situation – we’ll just plug and play our canned solution.”

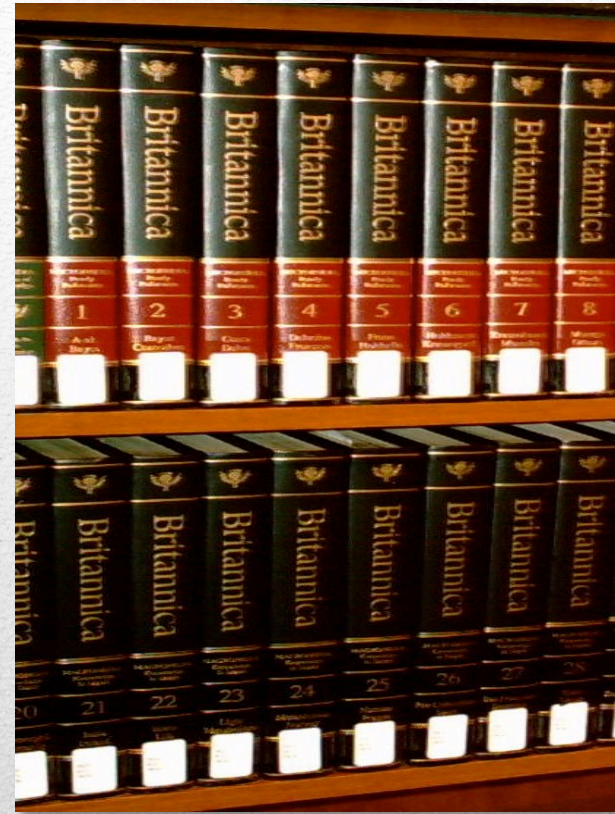
Tim Wood Powell, SIKM Forum 13 January 2022

Values, skills, managerial systems, and technical systems that served the company well in the past and may still be wholly appropriate for some projects or parts of projects, are experienced by others as core rigidities-inappropriate sets of knowledge. **Core rigidities are the flip side of core capabilities.** They are not neutral; these deeply embedded knowledge sets actively create problems.

Dorothy Leonard-Barton ‘Core capabilities and core rigidities: a paradox in managing new product development’ Strategic Management Journal, 13 (1992)

Zombie Knowledge

- 1985: Grolier CD (text-only)
- 1985: turns down Microsoft
- 1989: Compton's Encyclopedia (mm)
- 1990: \$650m revenue, sales peak
- 1991: starts making loss
- 1993: Advanced Technology Group
- 1993: cash crunch, Encarta
- 1994: Britannica Online & CD
\$450m revenue
- 1995: Sales force cut by 90%
- 1996: Safra buys at \$135m
- 1997: CD at \$125, \$325m revenue
- 1998: 25,000 sets, no sales force
- 1999: Stops printing, portal free
- 2000: CD at \$50, starts printing



Greenstein, Shane, and Michelle Devereux. "The Crisis at Encyclopædia Britannica." *Kellogg School of Management Cases* (2017).

Encyclopedia Britannica



Components

Configured

Routinized

Capabilities



Components

Configured

Routinized

“The entire choreography was done impervious to the naked eye... One wrong turn or second of inattentiveness by any of the actors involved, and a hundred things could kill any of them in a hundred really ugly ways. A small city grew like a weed in front of our mission-focused eyes.”

Pete Blaber, *The mission, the men, and me: lessons from a former Delta Force commander* (New York: Berkley, 2008).

Capabilities

Strategic



Components

Knowledge
in people

Knowledge
in teams

Configured

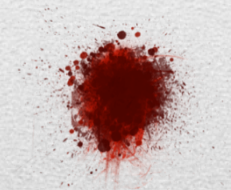
Architected,
Directed or
Broken



Tools, Assets,
Infrastructure, Routines
Knowledge resources
Knowledge processes

Operational

Routinized

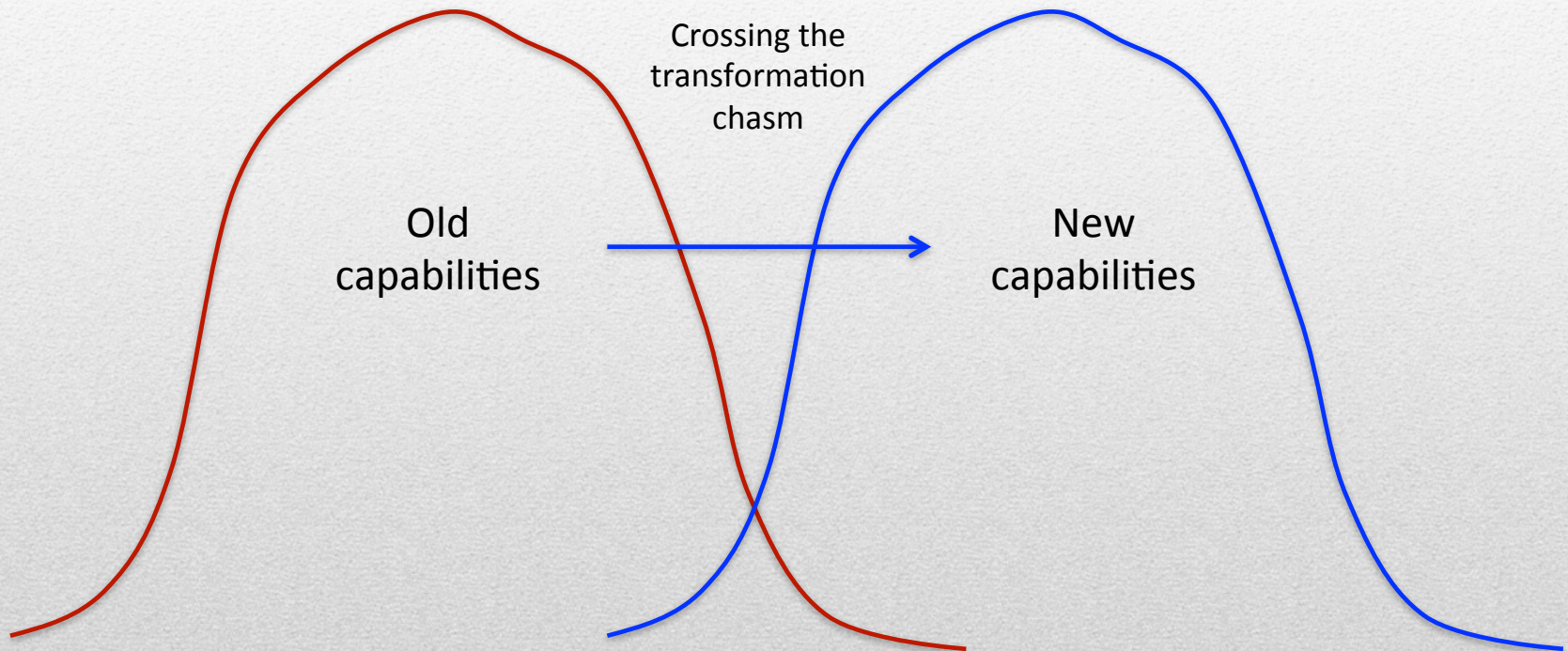


“Civilization advances by
extending the number of
important operations which
we can perform without
thinking about them.”

Alfred North Whitehead *An* 8
introduction to mathematics (1911).

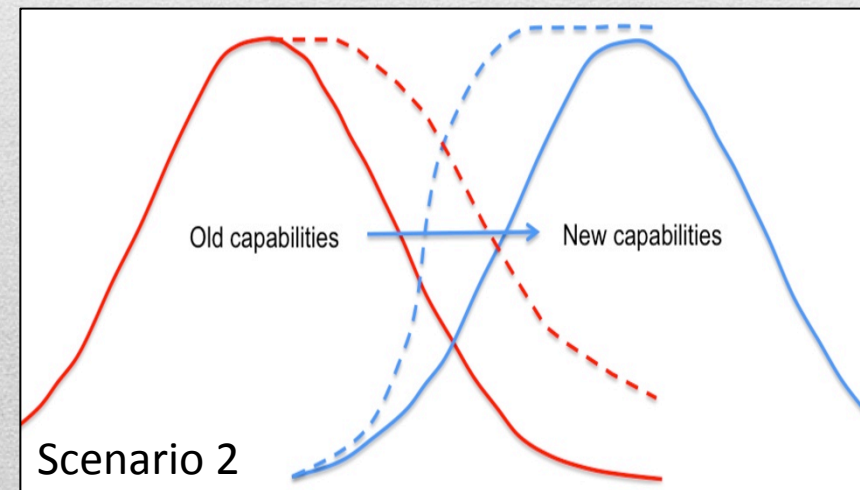
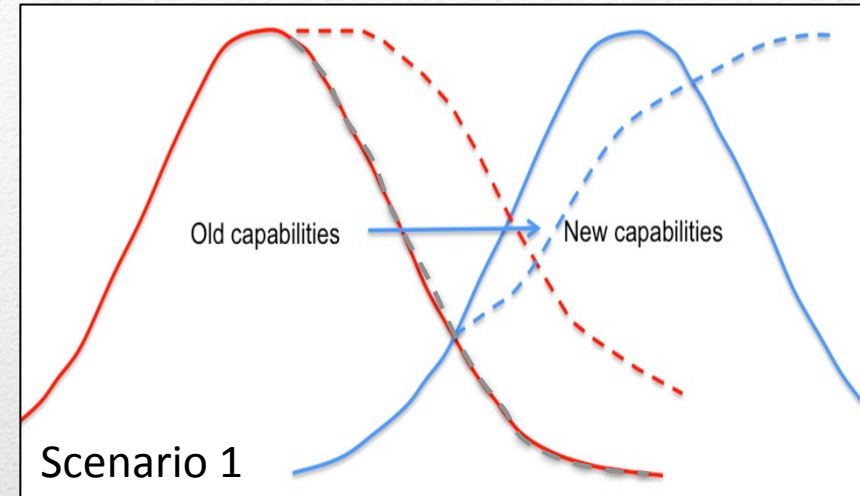
The transformation challenge is about how to “cross the transformation chasm” and acquire new capabilities fast enough to overcome the decline in efficacy of old capabilities

Geoffrey Moore, Crossing the Chasm (1991)



Crossing the Chasm

- Scenario 1: “Structural rigidities” – old capabilities delay the acquisition and growth of new capabilities
- Scenario 2: “Softer landing, faster takeoff” – old capabilities are repurposed to support new goals, acquisition of new capabilities is accelerated



KODAK VS. FUJIFILM

Case Study



Kmia, O. (2018) 'Why Kodak died and Fujifilm thrived: a tale of two film companies' October 19 retrieved from <https://petapixel.com/2018/10/19/why-kodakdied-and-fujifilm-thrived-a-tale-of-two-film-companies/>

Kodak vs. Fujifilm

2000

2010

90%

10%

\$\$\$ - manufacture, sale, chemical processing of film

- Very high sunk investment in facilities, expertise, R&D in film formation, chemistry of colloids, quality control
 - High cost to develop capabilities – need to extract returns
- Kodak and Fujifilm dominated the market – safe, “harvesting” a consumer market

	Film	Digital
Barriers to entry	High	Low
Level of competition	Low	High
Expertise needed	Specialized	Generalized
Profit Margins	High	Low
Speed of innovation	Low	High
Marketing	Routinized	Adaptive

Divest zombie knowledge? Acquire new knowledge? Without bleeding cash? 12

“Precision manufacture of thin, photosensitive films”

Technology (knowledge) audit & knowledge capitalization (novel configurations of existing knowledge):

- pharmaceuticals (expertise in functional molecules and grain formation applied to radiopharmaceuticals)
- cosmetics (expertise in collagen behaviors, preserving sheen and elasticity, and slowing oxidation in film, as applied to human skin)
- LCD screens (expertise in precision manufacture of thin, flexible film for photosensitive panels for screens in TVs, phones and personal computing devices).

Fujifilm

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Strategic

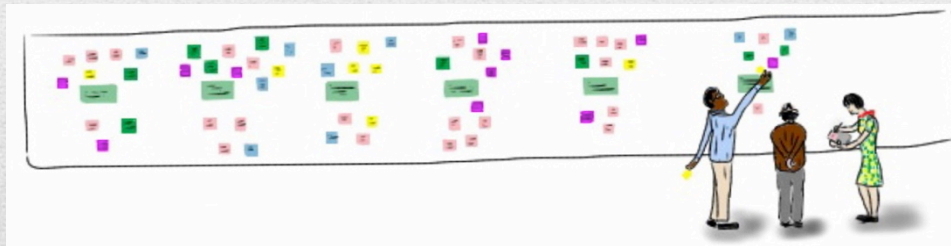


Knowledge audits and specifically knowledge maps can improve visibility into the knowledge components that make up a capability

Capability 1: We compete on the ability to...

Capability 2: We compete on the ability to...

Capability 3: We compete on the ability to...



Workgroup 1

Workgroup 2

Workgroup 3

Workgroup 4

Operational



SIGNALS

- Competitive/ transformation pressures from the environment are intense
- New capabilities are radically different – change not evolve
- Innovation and change are especially difficult to operationalize
- Training doesn't seem to help
- Reorganizations are frequent but don't seem to help

Transforming

Image credit: <https://makemeazombie.com/>



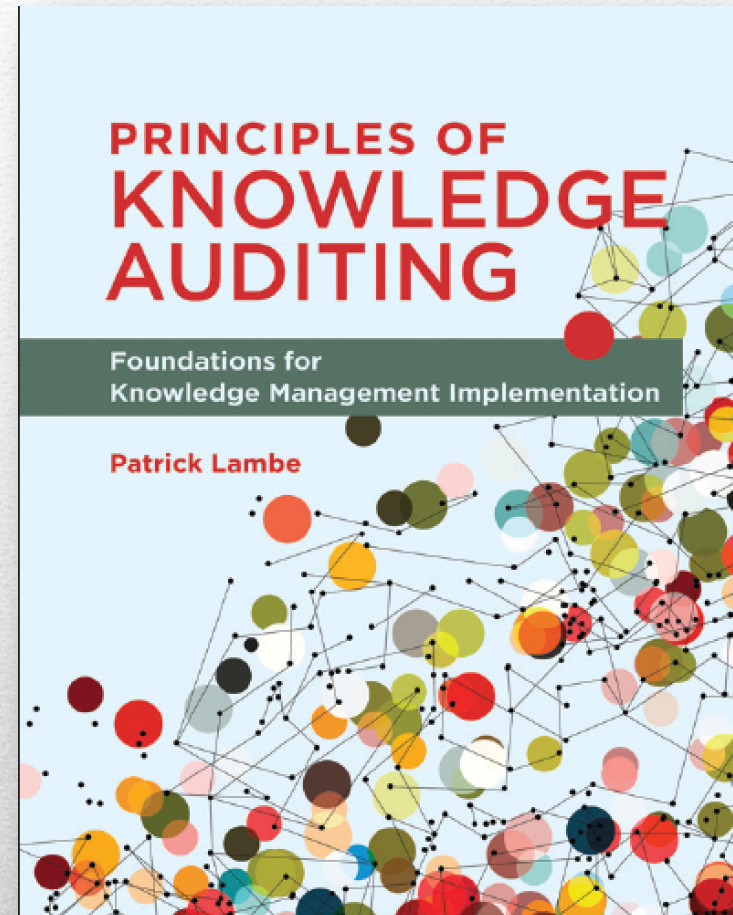
ACTIONS

- Map your core capabilities (now and needed) – including the underpinning components and configurations e.g. knowledge maps and Wardley Maps
- Identify the rigidities and isolate them – and/or insulate the new capabilities
- Identify and capitalize through reconfiguration the components that still have value
- Invest in learning curves!
- *Caution: not all old capabilities are zombies!*

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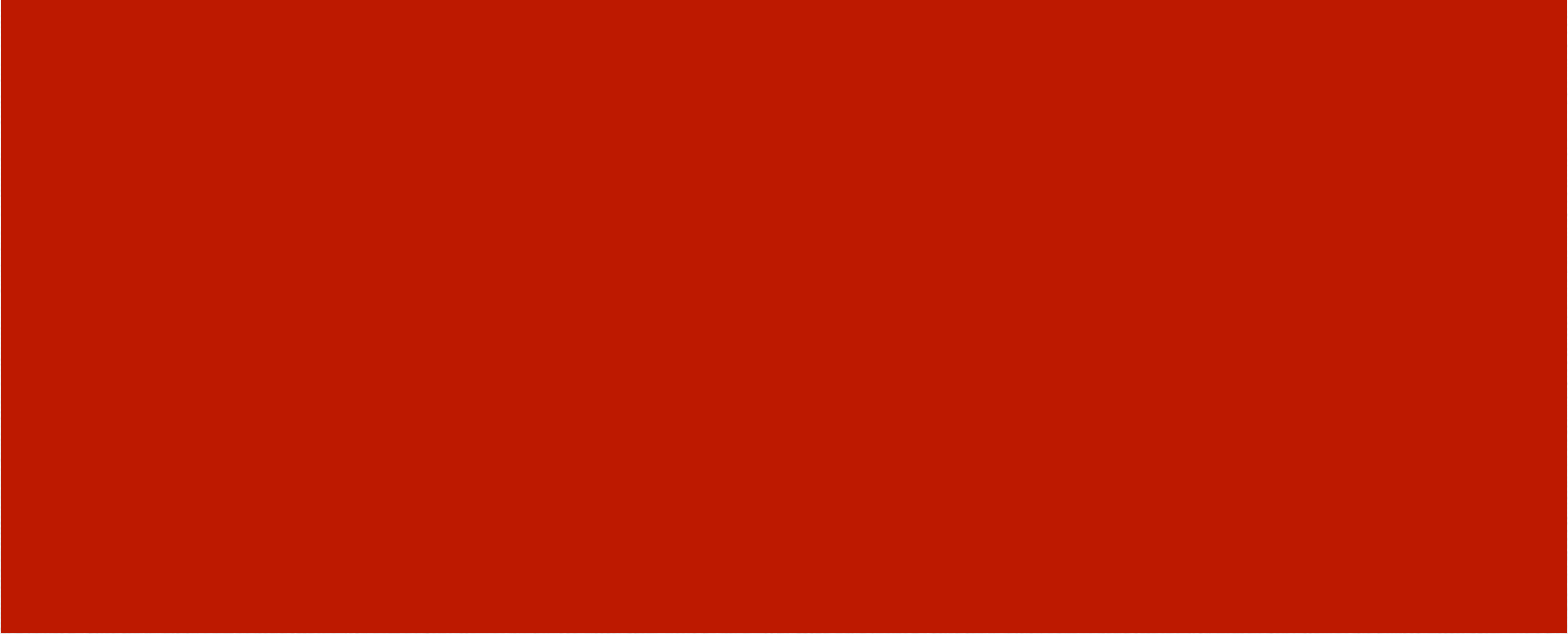
Wardley Maps: <https://medium.com/wardleymaps>

Join us for the virtual book launch on 2 May, with special guests, Susann Roth, Dave Snowden, and Gary Klein!



Register for this, or any of the planned book-related events at
<https://www.knowledgeauditing.com/events.html>

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QUESTIONS?

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