



Remarks by Debra M. Amidon
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Dear Global Knowledge II Colleagues:

Welcome to the realization of the potential of the Knowledge Economy. It warms my heart to see so many experts from such diverse cultures sharing knowledge for the common good. Indeed, we are realizing that we may have far more to gain from one another than operating in the traditional, outdated unnecessarily competitive world. Creating an environment from which we all can learn and benefit economically is quite a challenge...but a challenge worthy of pursuit.

First, I must commend The World Bank - with whom I have now worked for a number of years – for providing worldwide leadership in redirecting the focus from material to intellectual wealth. This initiative, complete with its pre-conference electronic dialogue and its action summit, is destined to have an impact with a wide sphere of influence.

Second, I must commend the Malaysian government – not only for providing me an excellent excuse to visit your fine country – but also to congratulate you on your foresight. Defining the focus on a knowledge society will provide a better future life for your people and will position your own leadership on a global scale.

Third, I would like to provide public thanks to both Chin Hoon Lau who as the Malaysian ENTOVATION country manager has been my host and Zhouying Jin from Beijing who has provided the Chinese translations of my books and who joins us in the audience as a participant. I urge you to get to know both of them personally.

Now, I have been given a relatively easy task this morning in responding to the insightful remarks of Eduardo A. Doryan on 'Building the Knowledge Capacity for Sustainable Development.' Not only have we discovered that we our background journeys make us kindred spirits, but many of his conclusions are similar to my own.

In particular, his examples of potential opportunities created by the Knowledge Economy are excellent illustrations that our time is better suited to creating new markets; identifying unarticulated need - moving knowledge from the point of origin to the point of need or opportunity - IS the agenda of the Knowledge Economy.

This is an economy of a bountiful resource – one unlike any we have managed before. In the Agricultural Era, we managed land and labor. In the Industrial Era, we managed factories, labor and financial capital. In the short-lived (and I would add totally mislabeled) Information Economy, we are managing technology, computers and communications systems. In all respects, this represents the management of things outside the human being.

The Knowledge Era represents – by definition – a very human agenda (and we hope a very humane one as well). Knowledge only resides in the minds (and hearts) of human beings. How is

knowledge created, exchanged and applied – i.e., the innovation process – is at the heart of the agenda. When knowledge is shared, it multiplies. It is not a limited resource demanding competitive strategies. Rather, the new economy is based – not on economies of scale or even economies of scope. It is based upon economies of learning and how quickly learning can be applied in marketable goods and services for sustainable prosperity – at the level of an enterprise, the vitality of a nation's economy and the advancement of society as-a-whole. Indeed, the focus on knowledge strategy is a platform for world peace...nothing less!

But as we learn from the Economist, 'Economic theory has a problem with knowledge; it defies the basic principle of scarcity. The more you share it the more it proliferates. What is difficult is the ability to manage this precious resource.'

The Knowledge movement...as a movement began only about 15 years ago. Of course, Peter Drucker was talking about the 'knowledge worker' (as opposed to the 'non-knowledge worker?') shortly before then. But it was in 1987 when Karl-Erik Sveiby (then from Sweden) wrote about the Know-How Company and I convened the first nation conference on "Managing the Knowledge Assets into the 21st Century." Even Sveiby was defining the 'knowledge companies' (as opposed to 'non-knowledge-intensive' companies?). We now know that there is no such thing as a 'non-knowledge worker' and there is no such thing as a 'non-knowledge company.' By definition, the agenda is comprehensive touching every person, every function, every industry and every region of the world – developing and industrialized nations alike.

Now, 14 years later there are hundreds of thousands of knowledge professionals around the globe, many of whom believe that there is a vision unfolding. It is visions of a new economic world order...one that is based upon knowledge, not technology. I invite you to visit the Global Knowledge leadership map on our Website – www.entovation.com – to explore the aspirations of 100 professionals from 50 countries – all dedicated to the development of a common language and shared vision of a world we might innovate together. Many of the experts features provide testimony that the ideas represented in Mr. Doryan's presentation are not only laudable...they are achievable!

We have hundreds of case study examples of organizations that have taken their aggressive steps to manage the intellectual capital of their enterprises – profit and non-profit alike. Results are showing on the bottom line fueling additional investments. Major national and international accounting firms are creating standards for reporting the intangible, hidden, intellectual value of companies. CFO Magazine this week published the 2nd annual knowledge capital scoreboard rating the knowledge earnings of companies across 19 industries. We know of 16 research centers around the world dedicated to measuring and managing intellectual capital and 3 Nobel Laureates publishing in this field. And this is only the beginning.

What modest recommendations might I make to add value at this point?

- (1) Listen to what Mr. Doryan has offered as a path toward a prosperous future – with one caveat. I would like to make a friendly amendment to his analysis that what he may be describing is "Knowledgeautics," not "Informautics." By continuing to focus on information, we exacerbate the distinction between the haves and have-nots. Some people have access to technology; others do not. Some have access to information; others do not. However, when we focus on knowledge – The knowledge of EVERYONE is important. Then this is, by definition a human...and humane...agenda. I know that this goes against what many of you who have titles of information and/or managing information initiatives. But the reality is that continuing on the focus on information and technology – at the expense of the human, behavioral agenda – only postpones the true Knowledge Society we have within our capability to create.
- (2) Peter Drucker has written that we need only one competence for the future – the ability to innovate and measure the performance thereof. It is that simple and that profound.

Innovation, however has been completely redefined. Knowledge is now the driver of innovation, not technology. Somehow, we must discover a way to link the value of human potential to economic results and on every economic level – micro-, meso-, and macro-economic. I wonder...Is it possible that the 'I' in ICT might stand for Providing INNOVATION with Computer and Communications Technology for Sustainable Development? In fact, IT should stand for INNOVATION Technology and companies should seek to create Chief INNOVATION Officers – the new CIO! If so, the emphasis of all our quality discussions and action agenda might focus on the process forward rather than the 'things.'

- (3) Let's visit the original platform for the Information Superhighway. It was called the NII - National Information Infrastructure - and later became the GII at the G-7 discussions. The original platform was to "build the facilities and services that enable the efficient creation and diffusion of useful information." Thus original intent and design was one of knowledge (useful information) and innovation (creation and diffusion) - not one of information or necessarily technology. We have plans for the Global Knowledge Innovation Infrastructure – GKII – that is based in Calgary, Canada with the Banff center. Interestingly has the same acronym to this conference – serendipity or providence, I wonder...

We have an unprecedented opportunity to define the future and outline an infrastructure within which ideas are created and moved to the point of need and opportunity. It is an agenda for the public and private sector. It affects every economic level. It creates a new Knowledge Value Proposition – not cost, quality and time – management indicators with which we are familiar. Instead, it is based upon complex indicators, such as economic performance (intellectual capital), behavior (social capital) and IT (technological capital). The balance of all three resolves the productivity paradox that has plagued the computer/communications community for decades. It offers a common language and a shared vision forward.

I wonder if each of you can remember when you first saw the view of the world from the Apollo 17? In the words of Commander Eugene Cernan:

*"I saw the earth without any borders...
Without any fighting...without any fear;
So, captain, give the order,
We're going to the next frontier!"*

I am ready...as I assume as are all of you. This is why we have convened in such a paradise to plan the future we would all like to witness in our lifetime. Let the action begin!