



## Remarks by Debra M. Amidon

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### Panel: **Get Global: Becoming (Un)touchable in a Flattening World**

Boston University 40<sup>th</sup> Alumni Reunion

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*"Information at the speed of light. Instant Communication.  
Satellite services can place information on any spot with the precision of a surgeon's knife.  
Our planet is ringed with data that practically circles the globe.  
Binding one continent to another.  
We have become a global village,  
where a sneeze in the Tundra is heard in Antarctica,"  
-The World Development Report 1999<sup>1</sup>*

Dear Reunion Colleagues and Distinguished Guests:

Ours is a future to innovate...

Indeed, we have evolved to a Knowledge Economy where people are not now asking 'if'; they are asking 'how' – how do we take advantage of the opportunities afforded by a global economy in which knowledge is the production asset to be harnessed, innovation is the process where knowledge is created, converted into products and services and commercialized in a worldwide market - all enabled by unprecedented advances in technology.

Perhaps the agenda is how to become 'touchable' in a flattening world?!

### **Boston University Roots**

I can still remember Dr. Wendell Yoe, VP for Development, addressing the Scarlet Key recipients in Marsh Chapel in 1968. After commending our accomplishments, he immediately raised the gauntlet – "You now have a responsibility to lead." I wasn't sure then what he meant; but now after 40 years of work in academe, government and industry I'm beginning to understand.

- Leading is a function of learning – and acting upon what we learn.
- Leading is a matter of making a contribution.
- Leading is 'innovating' and shaping the world we are shaped by.
- Leading is what we accomplish together – more than we could ever do alone.
- Leading means that your thirst for knowledge does not end at commencement.

The reason I selected Boston University in the 1<sup>st</sup> place was its international reputation – still ranking among the top 50 in the world today. Students attend Boston University from all fifty states and from more than 135 foreign countries. It provides a living laboratory from which I could learn. Today, nothing has changed; the diversity of the campus has expanded.

Imagine in your career you will have the same privilege as have I - to work in 35 countries...maybe more. Certainly, you will interface with thousands from other nations – either as classmates, alumni, business colleagues and others. How will YOU take advantage of the accessibility provided

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<sup>1</sup> The World Development Report, The World Bank (1999)



by the wonders of technology and the international curiosity which has exploded in my own lifetime?

Grounded with a degree in the School of Education, I became a teacher. In this day and age of student-centered education, teacher (or educator) is another term for 'learner'. I went on to Teachers' College at Columbia University and became a college administrator. I took a government post – but again in Higher Education - for the Commonwealth. Thereafter, I went into industry working with university research, government and foundation programs – all still in the domain of education.

Then, a remarkable thing happened on the way on the way to my future. In 1987, I convened a national roundtable on 'Managing Knowledge Assets into the 21<sup>st</sup> Century'; and featured a new concept of 'intellectual capital'. Perhaps you have heard about this new 'intangible' or innovation economy. Even the new concept of 'innovation economics' was featured by their Chief Economist in *BusinessWeek*<sup>2</sup> only a couple of weeks ago.

Another economist, Thomas Friedman, author of the book – *The World is Flat*<sup>3</sup> (and the subject of this panel) – makes some penetrating insights, two of which I consider relevant to my own work:

(1) Globalization has 3 phases:

- 1.0 Up to 1800 when things depended on states
- 2.0 1800-2000 when it was multinational corporations
- 3.0 Since 2000 when it has been up to brilliant individuals

We have called it the unit-of-one. That means YOU. The way YOU perceive and act in this world makes a difference.

(2) There is a contrast between implications of the events 11/9 and 9/11. Does anyone know the difference? 11/9 was when the Wall came down between Eastern and Western Germany. This event symbolized what was possible across boundaries – across functions, sectors, disciplines, countries and continents. 9/11 did the reverse. In her new book, *Closing the Innovation Gap*,<sup>4</sup> Judy Estrin details how we converted the Russian military threat into a challenge which became the Sputnik Era. With 9/11, we never converted that threat – which was even more real – into a challenge...building a more sustainable world.

*Change was inevitable...and constructive change is innovation.*

For the last 20 years, we've experienced a global transformation in which the OECD, The World Bank, the European Union, the United Nations and now even the World Economic Forum – have embraced the concepts of 'intellectual capital' and 'collaborative learning' on a worldwide scale. We have witnessed the fall of the Berlin Wall, the transformation of transitional economies and the emergence of networks connecting of minds in all corners of the world.

We knew the current conditions – founded on models of financial capital – even linked with technology in the form of the dot.com – were built upon unstable (or perhaps incomplete) economic assumptions. The technology/productivity paradox must be resolved – once and for all; and the behavior implications of the new Knowledge Value Proposition are fundamental to that resolution. And we must plan for the world we want to innovate, not the one that exists today.

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<sup>2</sup> [http://www.businessweek.com/magazine/content/08\\_38/b4100052741280.htm?link\\_position=link1](http://www.businessweek.com/magazine/content/08_38/b4100052741280.htm?link_position=link1)

<sup>3</sup> Friedman, Thomas F. *The World is Flat*. Farrar, Straus & Giroux (2006)

<sup>4</sup> Estrin, Judith *Closing the Innovation Gap*. McGraw-Hill (2008)



I am not sure I agree with the fact that the world is 'flat'. Quite the contrary, it has become multi-dimensional and - what I call - 'kaleidoscopic'.<sup>5</sup> Imagine turning the cylinder, a little, a little and a little again; and all of a sudden all the pieces change. It is not the change of variables, nor is it the speed of change of multiple variables. It is the compounding effect of the speed of change of multiple variables causing the new global landscape – for each and every one of us individually - of how best to stay current, connected and contributing...as actors (and leaders) in a Knowledge Economy.

### What have we learned about the Knowledge Economy?

Premise: *Knowledge is an inexhaustible resource.* Therefore, we can create a knowledge economy based upon abundance, not scarcity. In a trilogy of books – *Knowledge Economics: Principles, Practices and Policies*,<sup>6</sup> there emerged three Laws of Knowledge Dynamics for managing intangible and intellectual value:

- **Knowledge** is the asset of abundance; it multiplies when shared.
- **Innovation** value is created only when knowledge moves from origin to of highest need.
- **Collaboration** for mutual leverage provides optimal utilization of tangible and intangible resources.

Knowledge is valuable; but knowledge operationalized is more valuable. Innovation is the heartbeat of knowledge flow. Innovation is how value is created from the creation and application of new and reused ideas. Innovation is where inspiration and action meet to create value.

There are three ENTOVATION definitions that will provide a grounding of understanding discussions:

**Knowledge-Based Economy:** an economy where organizations and people innovate knowledge -- existing and new -- more effectively to enhance economic growth and collaboration.

**Knowledge Innovation®:** The creation, evolution, exchange and application of new ideas into marketable goods and services for the success of an enterprise, the vitality of a nation's economy, and the advancement of society.

**Knowledge Innovation Zone<sup>7</sup>:** A geographic region, product/service/industry segment or community of practice in which knowledge flows from the point of origin to the point of need or opportunity to improve economic performance and socio-political well-being."

A zone of innovation can be any type of enterprise - profit or not-for profit. It can be defined as a company, a sector, a geographic region or virtual community and can include stakeholders – depending upon the intended scope of reach. The notion of knowledge innovation enlivens the interrelated approach for transformative and enterprising business development guided a method that integrated the 7Ps: Purpose, Principles, Process, Performance, Policies, Practices and Sustainable Prosperity.

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<sup>5</sup> Amidon, Debra M. *Innovation Strategy for a knowledge Economy: the Ken Awakening*. Reid Elsevier (1997).

<sup>6</sup> Amidon, Debra M., Formica, Piero and Mercier-Laurent, Eunika (Eds.) *Knowledge Economics: Principles, Practices and Policies*. Tartu University Press (2005)

<sup>7</sup> Visit: [www.inthekzone.com](http://www.inthekzone.com)



## What have we learned about Management in the Knowledge Economy?

Knowledge has emerged as the strategic focus for business and has been growing in importance over the last decade. Of course, Peter F. Drucker described the knowledge worker as long ago as 1963. Ever since the early descriptions, interest in knowledge as a lever of strategy and the number of organizations with formal knowledge programs has grown inexorably.

- We've learned in the new domain of *Knowledge Economics*, what we count matters. As imprecise as it may seem, we need to calibrate the intangible, hidden, intellectual wealth of an enterprise – how it is created and leveraged.
- We've learned that the *Knowledge Structures* operate as holonomies – nesting of networks - with both local and global scope. We need to understand how they function as communities and spheres of influence.
- We've learned that *Knowledge Workers* – although originally described as high technology or white collar – includes everyone; we all have a role to play. We need to determine what motivates entrepreneurial behaviors – new modes of interdependence and collaboration.
- We've learned that all *Knowledge Processes* can fit under a rubric of innovation - but innovation redefined according to the flow of knowledge. We need to make the process explicit and discover ways to measure performance – how knowledge is created, shared, and applied.
- We've learned the power of *Knowledge Processing Technology* – advancing in features and receptivity beyond our wildest dreams. We've learned that technology isn't an end but a means for prosperous innovation. We need to find ways to cultivate collaborative interaction.

Understanding of these complex facets – and the interdependencies thereof - provide a solid foundation for sustainable economic development.

We have examined over 100+ initiatives from 40 nations to build what we call - Knowledge Innovation Zones (KIZ) - in the form of knowledge companies, cities, harbors, villages, regions and nations. Most – if not all - of these programs have a substantial e-government component, usually well funded. A "KIZ Preview"<sup>8</sup> provides preliminary results of the research. These programs are integrated into the economic viability of the country; and this should also be the case in America. The prosperity of individuals, enterprises and our nations relies upon knowledge as the resource and innovation as the process.

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<sup>8</sup> Visit: [http://www.entovation.com/press-room/KIZ\\_Preview\\_Oman\\_FINAL4\\_1\\_06.pdf](http://www.entovation.com/press-room/KIZ_Preview_Oman_FINAL4_1_06.pdf)



## **Glimpses of a Knowledge Economy**

I've been on an extraordinary magic carpet ride – even to the Middle East several times. It seems so trite; but life certainly is all about the journey. It is impossible to capture the observations, the insights gleaned from others and the remarkable experiences being welcomed in foreign lands; but let me provide a few vignettes:

**France** – The Ministries held regional conferences and poured insights into The Grande Colloque de Perspective. Several visits to the country have helped me realize how inventive are the people (e.g., the 1<sup>st</sup> to have automated postal services and remote train ticketing); but how difficult to globalize those ideas. My own fist book was launched in the garden of Giverny.

**Poland** – Within 10 years and 3 visits, I witnessed the transformation from a hierarchical, controlled system to becoming the leader for Eastern Europe for entrepreneurship and innovation. In the back of a Warsaw Palace meeting room was a quote on the wall by a 13<sup>th</sup> century philosopher – “What good is knowledge if it is not put to the use of society.”

**Peru** – With a trip to the center of Lima, I discovered beggars in the street selling extraordinary jewelry for change in a pocket; and the country is credited with holding the 1<sup>st</sup> national conference on Intellectual Capital. It was there I met new colleagues from Spain and Cuba.

**Sweden** – In Stockholm, I discovered the 1<sup>st</sup> Vice President for Intellectual Capital – notably the 1<sup>st</sup> Chief Knowledge Officer in the world as reported in a cover story of Fortune magazine. The assurance company was the 1<sup>st</sup> to create a corporate Future Center and the 1<sup>st</sup> Intellectual Capital Report to augment the Annual Report.

**Mexico** – ITESM, notably the MIT of Latin America, has been the lead agent for telecourses and hosted the global conference for Knowledge-based Development last year.

**Australia** – In the heart of the country – Alice Springs – we worked with the aboriginal communities in a major conference called Desert Knowledge Australia. With 6 screens video-conferenced from remote villages, we had a real-time processing of solutions for major issues. This is where I received my first education on the wonders of telemedicine.

**Singapore** – Working with the Office of the Prime Minister who declared his intent to become THE Innovation Nation, the Singapore Business News published a feature story on “It’s About Innovation...Stupid!”

**Egypt** – With USAID funds, we managed a certification program across the Ministries of Egypt with virtual facilitation from Germany. The projects of the students were so well mapped; results were featured in the CNN broadcasts and presented in the Office of the Prime Minister.

**Africa** – Siemens, a major electronics firm from Germany, brought their worldwide Sharenet staff meeting in the bush of South Africa – complete with a sunrise safari in a hot air balloon. A month ago, The Innovation Hub of South Africa hosted the worldwide meeting of the International Assembly of Science and Technology Parks.

**Spain** – Cluster Conocimiento (Spanish for the word – knowledge) has been one of the most successful and sustaining technology parks for entrepreneurs and start-up companies with world-class conferences in the Guggenheim Museum in Bilbao.



**China** – Ten years ago I was guest of the Beijing government – landing at the airport with an escorted military guard. They initiated a Knowledge Innovation program which has become the cornerstone of their economic development program. My books have been published in various dialects of Chinese.

**Baltics Dynamics** – Last year, I returned to Riga, Latvia, to keynote a conference that is held in one of three countries each year – Latvia, Estonia and Lithuania. They translated my children's book – *In Search of Innovation* – and made it available in an Innovation Circus that over 5 days drew a crowd of 10,000 people, including the President of Latvia. There I learned of the Singing Revolution – people hand-in-hand across the nations – standing in front of the Russian tanks...which turned away.

**Saudi Arabia** – For ten years, I've worked with executives from Saudi Aramco and in January, we held the 1<sup>st</sup> conference of the Arabian Knowledge Economy Association (AKEA) – across all the countries in the Middle East. I visited Dar Al Hekma, which translates to 'College of Wisdom', for women; and met with Prince Faissal who authored an article in the Arab News – "Toward a Knowledge Society" with a graphic of leap-frog migration that one reads right to left. King Abdulla – in addition to building his Economic City – has launched plans for the International Center for Culture and Knowledge. His newest initiative features a National Innovation Ecology.

**Israel** - I searched for 6 years for the right illustrator for my children's book for Leadership Executives – *In Search of Innovation* - and found a father and son team in Israel.

**Oman** – When invited to Muscat, Oman, for the World Summit on Innovation and Entrepreneurship, I needed to consult my Atlas. 700+ people from 75 nations convened; and I was able to describe how "innovation is the instrument for world peace".

**Dubai** – The follow-up conference was held last March in Dubai – my third visit in 3 years. This seems like a New York City under construction with Dubai Knowledge Village, Internet Cities, and breathtaking hotels and floating islands.

**Iraq** – Perhaps the most memorable experience has been an inquiry I received from a graduate student at a University in Baghdad. He wanted a set of my Knowledge Economics books. He said, "But we are having a little trouble here." Those books were published in Estonia. I arranged for them to be shipped to my colleague who was – at the time – on her second tour of duty in Iraq...and this was before the surge. Imagine learning in a war zone environment!

**India** – Now, I return to Mumbai to keynote their Knowledge Summit; and onto New Delhi to meet with their IT Minister, who has outlined the future of India is a function of "Knowledge Innovation" – the concept I developed in 1993. I'll be meeting someone with whom I have interacted on-line for 10 years without meeting him face-to-face. Imagine my anticipation.

These are sample experiences and the people I have met on my own personal journey into the Knowledge Economy. They have touched me and I have grown...



### **A Knowledge Leadership Litmus Test**

And so, if we consider Dr. Yoe's leadership challenge from 40 years ago, you might ask yourself these questions:

1. *Can you map of your sphere of influence within your industry, across sectors and around the world?*
2. *Do you have an effective strategy to disseminate your knowledge and competencies to the marketplace?*
3. *Name the multiple methods of positioning your own intellectual leadership (e.g., articles, books, videos, professional visibility, and participation on committees/commissions)?*
4. *How are the learnings from your activities fed back into the organization and used to develop new business strategies?*
5. *Is there an internal mechanism to capture, codify and feed forward expertise in ways that might enhance the business performance of the organization as-a-whole?*
6. *Does your organization perceive external leadership activities as integral to the business? How are they leveraged?*
7. *Are there any formal mechanisms to legitimize, encourage and reward people who impart knowledge and expertise to others?*

Use this simple diagnostic as a way to explore with others in your organization how effectively you are developing and leveraging your own knowledge leadership talent. Remember that leadership – in all of its facets – is a learning process. True leaders are learners first.



## A Vision–In-Progress

The foundation for a new economic order has been laid. This does not mean the answers are known, but there exists a better understanding of the elements of the infrastructure and the right questions to be addressed. This is a very different paradigm from previous agricultural, industrial, or service economies. It is one that truly rests on the value of human potential and how it might be systematically leveraged for the benefit of mankind. The challenge is to determine the integral linkage between human potential and economic performance.

For the last 15 years, I have developed a virtual business with a global network of 160 theorists and practitioners – experts in Knowledge Innovation Strategy – spanning 62 countries. Visit our Global Knowledge Leadership Map<sup>9</sup> and click on the stars to hear THEIR words from my interview: How were you exposed to the Knowledge Economy? From who have you learned? What have you accomplished; and what still needs to be done? Most important – what is your vision of a Knowledge Economy? These are questions you might ask yourselves!

Our results have been featured, analyzed into the global innovation trends, published in several articles and books and crystallized into a collaborative suggests something of unprecedented significance and transnational in scope is emerging.

*A new economic world order  
Based upon the flow of knowledge – not technology,  
Innovation value systems – not chains,  
Stakeholder success - not satisfaction, and  
International collaboration – not competition.<sup>10</sup>*

The changes are far more fundamental than people realize. And all the focus on knowledge has always been actually a focus on innovation. But people were locked into the traditional – 50 years old industrial management models of managing things. This transformation is a human one – and a humane agenda that touched the heart and minds of all peoples of the world.

The world is now our manageable landscape. Connections are made East-to-West, North-to-South with many nodes in between. But *The Innovation SuperHighway*<sup>11</sup> is not only a physical infrastructure, albeit technical and electronic. It is human – a function of insight, interaction and imagination resident in the minds, hearts and hands of people around the globe.

Imagine a transnational community in which the collective learning of all participants — employees, academics, government officials and other stakeholders — is applied to the problems that plague society. Imagine an environment in which intellectual pursuits, pushed to the leading edge of a given field, provide insight to capitalize upon global opportunities that advance the state of the art and the state of the practice simultaneously. Imagine a network of interdependent individuals, departments and research centers linked across the globe to share and leverage the knowledge of one another through symbiotic partnering. By definition this community operates as a formal and informal nesting of networks.

The future belongs to those able to traverse boundaries (e.g., disciplines, social and civic communities, etc.). Innovation is the hands of those able to make connections that weren't there before. The process can be managed systematically – or at least architected – rather than to leave the future to serendipity.

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<sup>9</sup> Global Knowledge Leadership Map: <http://www.entovation.com/kleadmap/index.htm>

<sup>10</sup> "The Global Momentum of Knowledge Strategy" (1999) -

<http://www.entovation.com/momentum/globalmn.htm>

<sup>11</sup> Amidon, Debra M. *The Innovation SuperHighway*, Reid Elsevier (2003)



### In summary:

It seems as though the United States has a real mandate to develop a knowledge strategy for the nation that would help transform our economy and (re)position it properly in a new form of world leadership...with an integrated initiative to harnesses our national innovation program in a global context and with an economic vision – one based upon the flow of knowledge and harnessing collaborative advantage.

Now is the time for “courageous leadership,” but the term may never apply elsewhere as it does for the talent inside this nation. The world is watching our efforts now. We have been and always will be – a cradle of thinking and diversity; and now, more than ever before, our insights and actions are needed. But the rules have changed and the new ones are being innovated. We must orient ourselves to the interdependent world John F. Kennedy referenced decades ago.

The United Nations was created to maintain political stability around the world. The World Bank and the IMF were created after World War II to ensure the movement of financial capital. Today we need a similar infrastructure for the worldwide flow of intellectual capital. If knowledge is the modern asset – the most precious resource - of the 21st Century, we have a premise behind our World Trade of Ideas.

In July 1944, world leaders left behind gold as a currency. Today, it is well recognized that we have entered a new [innovation] frontier in which intellectual capital – properly leveraged through relationship capital – is rapidly becoming the new currency. It has been 60+ years since Henry Morganthau issued his challenge at the Bretton Woods conference to “Create a dynamic world community in which the peoples of every nation will be able to realize their potentialities for peace”. Perhaps now is the time for the Bretton Woods of the knowledge economy...and maybe here is where it can begin.

The Knowledge Economy affords us a platform for world peace, nothing less. I hope these thoughts have provided you a new perspective on your position and realize that what you do in the course of a day does make a contribution to your enterprise and the well-being of our nation. Our knowledge profession is one dedicated to ensuring that our children inherit a country and leadership heritage of which they can be proud. History will document how well this transition is led.

Let me know your progress...

For further information: Contact [debra@entovation.com](mailto:debra@entovation.com) or visit [www.entovation.com](http://www.entovation.com)



- Founder and CEO of ENTOVATION International Ltd, a network across 62 countries of experts in innovation strategy and the Knowledge Economy
- Author of several books and hundreds of published articles, including *The Innovation SuperHighway*, translated into a dozen languages.
- Graduate from the School of Education (SED) in 1968 and also holds degrees from Columbia University and MIT where she was an Alfred P. Sloan Fellow
- Previous executive positions include Associate Dean at Babson College, Assistant Secretary of Education under Governor Edward J. King and twelve years in industry where she developed the first industrial strength program in Management Systems Research in the world.
- Delivered consulting services in 35 countries, including the Americas, Europe, Asia, Africa, the Middle East and India - where she is headed next week.