Collaboration and Knowledge Sharing in Open Strategy Initiatives

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Abstract

Open strategy research arises from increasing interest in the phenomenon of openness in strategy research and practice, and how this presents a radical change from established theories of organisational strategy. In light of these developments, this conceptual paper demonstrates how web based collaborative tools are being utilised to enable collaboration and knowledge sharing in open strategy initiatives, with evidence derived from an emerging stream of open strategy literature. A concise overview of this literature is also introduced to give background to the topic. Ultimately the paper uses case examples to show how organisations are practising open strategy, whilst also highlighting the potential for open strategy as a device for organisational collaboration and knowledge sharing, both internally and externally.

Keywords: Open strategy, Knowledge sharing, Social technology, Collaboration, Crowd wisdom

Introduction

The purpose of this paper is to analyse collaboration and knowledge sharing in open strategy (OS) initiatives, with comparison of six instances in large organisations. Involving a wide range of organisational stakeholders in strategy is not necessarily a new phenomenon, with evidence that projects to increase participation in strategy processes have been ongoing for some time. However, such practices have been largely under researched and it was not until a seminal paper by Chesbrough and Appleyard (2007), based on Chesbrough's work on open innovation, emphasised the need for a more open approach to strategy. Subsequently the term "open strategy" was devised, and various scholars have since taken interest. Examples include research under the guise of "open-source strategy" (Newstead and Lanzerotti, 2010), "opening strategy" (Whittington et al, 2011), "social software and strategy" (Haefliger et al, 2011), "democratizing strategy" (Stieger et al, 2012), "strategy as a practice of thousands" (Dobusch and Muller-Seitz, 2012), and "open strategizing" (Berends et al, 2013). To Dobusch and Kapeller (2013) the idea of OS is to pool knowledge, ideas or opinions in organisations.

Theories such as the open-source movement and collective wisdom are relevant to the notion of OS, underlining how collaboration, harnessing the power of the crowd, and thinking outside the traditional confines of the firm can produce positive outcomes. Furthermore, the development of the knowledge-based economy has implied an important change in inter-intra organisational processes, including implementation of collaborative initiatives and knowledge sharing in more dynamic environments. Such theories are now being applied to the formation and practice of strategy, enabling consensus to be built

around organisational and strategic issues to support business ecosystems (Chesbrough and Appleyard, 2007). The sharing of knowledge through organisational networks, such as in OS initiatives may arise intentionally or naturally. Cases of OS, as explored in this paper, also indicate evidence of social technologies and web-based networks being used to magnify the opportunities within firms for collaboration, knowledge sharing and innovation around strategy. The timeline shown in *figure 1* has been created here to provide an overview of key milestones that have contributed to the OS domain.
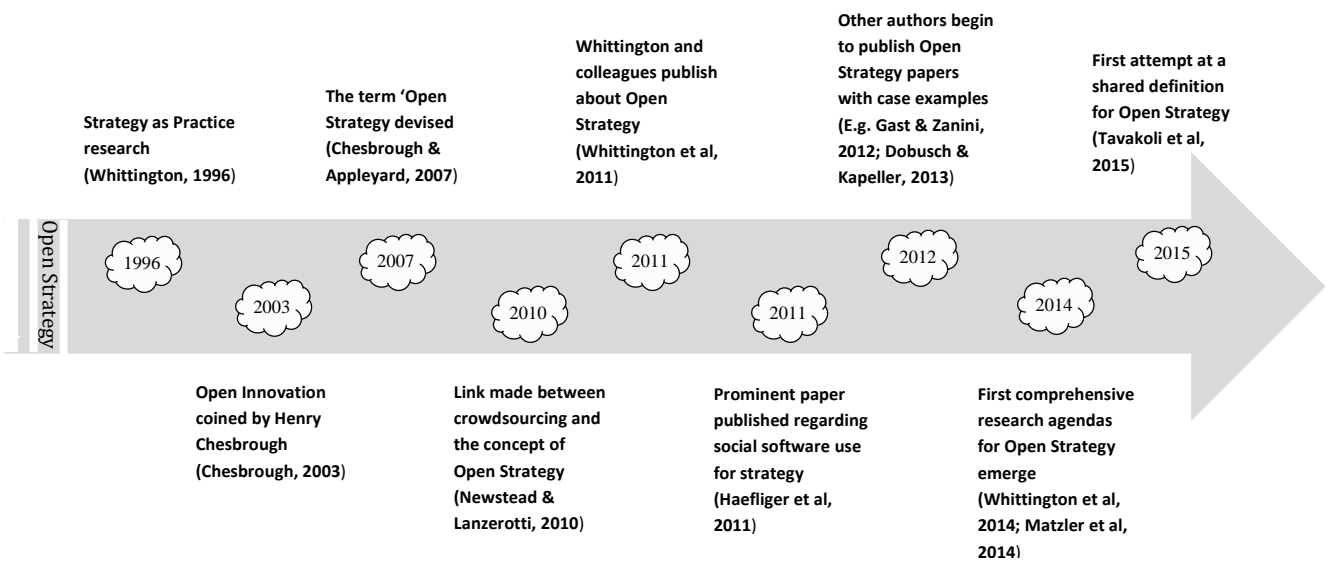
Open Strategy

Strategy as Practice research (Whittington, 1996)

The term 'Open Strategy devised (Chesbrough & Appleyard, 2007)

Whittington and colleagues publish about Open Strategy (Whittington et al, 2011)

Other authors begin to publish Open Strategy papers with case examples (E.g. Gast & Zanini, 2012; Dobusch & Kapeller, 2013)

First attempt at a shared definition for Open Strategy (Tavakoli et al, 2015)

1996   2003   2007   2010   2011   2011   2012   2014   2015

Open Innovation coined by Henry Chesbrough (Chesbrough, 2003)

Link made between crowdsourcing and the concept of Open Strategy (Newstead & Lanzerotti, 2010)

Prominent paper published regarding social software use for strategy (Haefliger et al, 2011)

First comprehensive research agendas for Open Strategy emerge (Whittington et al, 2014; Matzler et al, 2014)

Figure 1: *Timeline of key milestones in open strategy and related research*

Literature Review

Increased openness in strategy contradicts the opinion that strategy should be an elite role, which is divided from middle and operational management levels. Another difference with the OS phenomenon is a closer attention on the people who 'do strategy', prompting comparisons with strategy as practice research. Stieger et al (2012) describe strategy in the context of OS as being "a process of social interaction, based on the beliefs and shared understanding of an organization's members", whilst Matzler et al (2014) emphasise how OS has potential to be a major new phenomenon in strategy research and practice. In their defining of OS, Chesbrough and Appleyard (2007) put particular emphasis on balancing value creation found in individuals, innovation communities and collaborative initiatives with the need to capture value to sustain participation. From this, research into OS has defined this 'open' aspect as being the increased "inclusiveness" and "transparency" surrounding strategy. This perception implies that inclusion of a wider range of both internal and external actors, and increased transparency of actions can bring benefit to an organisation. Dobusch and Kapeller (2013) define these aspects, stating that "transparency refers to making one's own strategic considerations visible to outsiders, while inclusiveness describes the degree of agents' participation in strategy matters". The terms 'outsiders' and 'agents' in this definition perceivably applies to both internal and external actors. Matzler (2014) stresses however, that although OS should be seen as a tool to help managers formulate strategy, it should not take responsibility away from them in terms of decision making. Instead it allows perspectives from a wider range of organisational actors, internally and externally, to be considered in making these decisions, adding value from previously undervalued knowledge sources.

Consideration of the tools and processes that make OS initiatives possible is also important, for example Matzler (2014) emphasises that "the most important driver of this movement is Web 2.0", whilst describing OS and related research as "social-software based strategy approaches". There is a clear link between OS and social technology use, in particular the use of crowdsourcing and jamming as tools for OS

activities (jamming is a massively parallel online conference technology developed by IBM). Matzler et al (2014) emphasise that crowdsourcing creates an environment for employees in organisations to collaborate, subsequently providing a platform to tap into collective intelligence and knowledge. Additionally, Matzler et al recognise that social software has been significant in allowing this increased collaboration, stating that social software tools increase outreach and information richness and enable remote and asynchronous collaboration, diversity and independence.

Discussion

A number of example cases in organisations demonstrate the core aspects and use of tools analysed in the OS literature. The majority of examples for OS lend themselves to the observation that the 'open' aspect is enabled by social technology, often in the way of an online collaboration platform. Many of the case examples published involve large national and multinational private organisations. However, in addition to the example of Wikimedia (Dobusch and Muller-Seitz, 2012), there are emerging examples within the third sector; for example Greenpeace, who used visual notes to conceptualise ideas for strategy at their 2014 Oceans Meeting (Fitzgerald, 2014).

Table 1, created for the purpose of this paper, provides an overview of six examples of OS in organisations, these have been analysed here to indicate how knowledge sharing and collaboration has occurred. The industry cases were selected based on their relevance to OS, whether they were published in academia or elsewhere. The cases were also analysed by comparing them to a number of dimensions, including type of platform used, whether openness was internal or external and whether the factor of openness was primarily for the purpose of inclusiveness or transparency. Here, inclusiveness and transparency are based on the dimensions by Whittington et al (2011) as shown in *figure 2*. Inclusiveness refers to the participation in an organisation's strategic conversation. This includes the exchange of information, views and proposals which intend to further shape an organisations future strategy making, whilst transparency refers to the visibility of information about strategy in an organisation, sometimes through the process of developing the strategy or typically when the strategy has been finalised.

Figure 2: *Inclusion and transparency with internal and external factors (based on Whittington et al, 2011)*

Organisation	Example Collaboration /Knowledge Sharing	Platform /Enabler	Internal /External	Inclusiveness /Transparency
Daimler (Matzler et al, 2014)	Interact and collaborate to develop new business concepts	BI Community-Online platform	Internal	Inclusiveness by encouraging employees to actively give feedback and modifications to concepts, proposals and business models
Hobsons (Kass, 2013)	Actively learn more about strategy through increased awareness and alignment	HiWire- Online platform	Internal	Transparency by enabling staff to learn more about strategy through increased awareness and alignment to strategic direction
IBM (Matzler et al, 2014)	Collaboration to develop the vision created in a previous CEO study, generate ideas for a sustainably successful enterprise	InnovationJam-Online platforms	Internal / External	Inclusiveness by opening up a strategic conversation to a large range of both internal employees and external clients and business partners
Unilever (Lombardi, 2014)	Open strategic conversations amongst management to spark collaboration and knowledge sharing	Chatter- Online platform	Internal	Inclusiveness by including wider range of middle management in strategy conversation usually limited to top managers
Virgin Media (Cheng, 2012)	Collaborate with management and offer opinion about the organisations current strategies	We're all ears- Interactive interviews	Internal	Inclusiveness through the opportunity to give feedback and offer ideas on strategic issues
Wikimedia (Dobusch and Mueller-Seitz, 2012)	Share knowledge to help develop a new long term strategic plan	Strategy Wiki-Online platform	External	Inclusiveness by crowdsourcing a new long term strategic plan with its user base

Table 1: *Comparison of collaboration/knowledge sharing in six open strategy cases*

With the exception of Wikimedia, which Dobusch and Mueller-Seitz (2012) describe as being an extreme case involving external actors in strategy making, and IBM which included both internal and external stakeholders, the cases here show examples of inclusion and transparency for internal actors in strategy processes. This includes examples of increased insight into how strategy is devised, the opportunity to forward ideas, and in most cases to actively participate in the strategy making process, fitting with the internal inclusiveness dimension of the model by Whittington and colleagues (Daimler, Unilever and Virgin Media). The case of Hobsons also offers an interesting distinction in being a case where management have decided to make strategic conversations more transparent, but with limited evidence to suggest a wider range of actors are being given the opportunity to participate. However, overall it is evident from these examples that knowledge sharing and collaboration forms an important part of OS initiatives, with organisations utilising internal and external knowledge resources for potential strategic and competitive advantage.

Conclusion

This paper set out to investigate how collaboration and knowledge sharing is present in internal and external OS initiatives, and how this could form an important consideration for organisations formally or informally implementing such schemes. The primary conclusion is a clear trend in how organisations are utilising internal social platforms to spark collaborative activities, and increase levels of inclusion in

organisational strategy formation. Examples also exist to show organisations reaching out to include external stakeholders, in addition to those using methods to simply make their strategic activities more transparent and visible. Further research could build on this paper to identify ways to better understand how knowledge sharing and collaboration can be managed in OS, the role of different knowledge sharing groups in OS and the impact OS might have on an organisations knowledge repository or knowledge management activities. Ultimately, the potential investigation of collaboration and knowledge sharing in OS adds to the field's growing research agenda.

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