

# Chapter 77

## Knowledge Management under Coopetition

**Claudia Loebbecke**  
*University of Cologne, Germany*

**Albert Angehrn**  
*Centre for Advanced Learning Technologies (CALT), INSEAD, France*

### ABSTRACT

*This article deals with Knowledge Management under Coopetition and, in this context, illustrates the concept of Coopetitive Learning and Knowledge Exchange Networks (CoLKENS). It investigates the setting for inter-organizational knowledge management initiatives focusing on issues related to cooperation-competition-dilemmas and intentional/unintentional knowledge transfer.*

*Category: Organizational Aspects of Knowledge Management*

### INTRODUCTION

Behind the emerging digital façade, companies have started to operate in a distributed fashion. The intricate connectivity among these firms implies the exchange of valuable resources like knowledge and information. Such ‘cooperation’ or ‘collaboration’ is what enables organizations and individuals to make decisions collectively, learn from one another, communicate effectively, and thus create knowledge (Brown & Duguid, 1991;

Huber, 1991; McDonald, 1995; von Krogh & Roos, 1995; Grant & Baden-Fuller, 2004).

However, cooperating organizations often simultaneously compete (coopetition). While reciprocal knowledge sharing may enhance the total and individual added value, inter-firm knowledge sharing may also affect the uniqueness and thus competitive contribution of a firm’s knowledge repository. Opportunistic behavior of counterparts may erode anticipated benefits of cooperation and result in unevenly distributed value.

The inherent balancing act between cooperation and competition requires designing and implementing specific management processes to enable economic value maximization for participating individuals and firms. The value-driven

DOI: 10.4018/978-1-59904-931-1.ch081

balancing act is becoming increasingly relevant in business practice.

The article introduces the scientific literature on Knowledge Management under Coopetition and then describes the concept of ‘Coopetitive Learning and Knowledge Exchange Networks’ (CoLKENS), their components and their generic structure. It reviews CoLKEN fundamentals and components and suggests a CoLKEN taxonomy. Key research questions are followed by generalized key insights from studying CoLKENS as the setting for Knowledge Management under Coopetition. The article then examines the levers for managing CoLKENS and closes with future trends and brief conclusions.

## **BACKGROUND**

The following literature review provides broad definitions and discussions relevant to Knowledge Management under Coopetition.

### **Fundamental Components of Knowledge Management under Coopetition**

Knowledge is a complex concept and difficult to define, and when seen from a management perspective it exhibits unique properties that are distinctly different from the ones of traditional corporate resources, such as land, labor and capital. Intellectual resources are not naturally scarce (Suchmann, 1989; Argyres & Silverman, 2004); knowledge may increase in value the more it is used, with investment in knowledge and knowledge-creating capabilities characterized by increasing returns (Teece, 1998; Smith, Collins, & Clark, 2005). These properties tend to make knowledge less amenable to management (Polanyi, 1966; Hedlund, 1994; Nonaka, 1994; Boisot, 1995; Grant & Baden-Fuller, 2004).

Who are appropriate knowledge agents for Knowledge Management under Coopetition?

Who is intellectually capable, the organization or its individual employees? Does knowledge reside at individual and the organizational level? Among others, Drucker (1993) or Grant (1996) stress the predominant importance of individuals. Others (Nonaka & Takeuchi, 1995; Spender, 1996; Boisot, 1998; Lane & Lubatkin, 1998; Matusik & Hill, 1998; Crossan, Lane, & White, 1999; Inkpen, 2000; Dyer & Hatch, 2006; Inkpen & Pien, 2006) consider organizational cognition or organizations as cognitive entities a suitable unit of analysis. In the organization science literature, organizational learning is a central tenet (Huber, 1991; Simon, 1991; Argyris & Schön, 1996; Reagans & McEvily, 2003; Hansen, Mors, & Lovas, 2005) and is believed to lead to competitive advantage (Senge, 1990; Moingeon & Edmondson, 1996; Hansen & Nohria, 2004; Dyer & Hatch, 2006; Lavie, 2006). It is closely intertwined with inter-organizational learning (e.g. Larsson, Bengtsson, Henriksson, & Sparks, 1998, 1998; Greve, 2005) as the learning entities in both concepts positively affect each other (Doz & Hamel, 1998; Child, 2001; Holmquist, 2003).

Knowledge Networks are commonly defined as formally set up mechanisms, structures, and behavioral patterns that connect knowledge agents who were not previously connected because of functional, hierarchical, or legal boundaries between organizations. Inter-organizational knowledge networks (e.g. Mowery, Oxley, & Silverman, 1996; Klein, 1996; Inkpen & Tsang, 2005; Dyer & Hatch, 2006; Inkpen & Pien, 2006) provide the setting for Knowledge Management under Coopetition.

### **Theoretical Underpinnings of Knowledge Management under Coopetition**

The ‘resource based view of the firm’, along with its conceptual predecessor, the ‘industrial organization view’, and its extension, the ‘knowledge based view of the firm’, have shed light on the

11 more pages are available in the full version of this document, which may be purchased using the "Add to Cart" button on the publisher's webpage:

[www.igi-global.com/chapter/knowledge-management-under-coopetition/49028](http://www.igi-global.com/chapter/knowledge-management-under-coopetition/49028)

## Related Content

---

### E-Commerce as Knowledge Management: Managing Consumer Knowledge

Rachel McLean and Nigel M. Blackie (2008). *Knowledge Management: Concepts, Methodologies, Tools, and Applications* (pp. 2768-2787).

[www.irma-international.org/chapter/commerce-knowledge-management/25297](http://www.irma-international.org/chapter/commerce-knowledge-management/25297)

### Business Intelligence in Secondary Education: Data-Driven Innovation by Quality Measurement

Marco Spruit and Tiffany Adriana (2018). *Enhancing Knowledge Discovery and Innovation in the Digital Era* (pp. 56-90).

[www.irma-international.org/chapter/business-intelligence-in-secondary-education/196505](http://www.irma-international.org/chapter/business-intelligence-in-secondary-education/196505)

### Conceptual Confusions in Knowledge Management and Knowledge Management Systems: Clarifications for Better KMS Development

Michael Boahene and George Ditsa (2008). *Knowledge Management: Concepts, Methodologies, Tools, and Applications* (pp. 553-563).

[www.irma-international.org/chapter/conceptual-confusions-knowledge-management-knowledge/25118](http://www.irma-international.org/chapter/conceptual-confusions-knowledge-management-knowledge/25118)

### Indoor Air Quality Monitoring Systems: A Comprehensive Review of Different IAQM Systems

Rasha AbdulWahhab, Karan Jetly Jetly and Shqran Shakir (2021). *International Journal of Knowledge-Based Organizations* (pp. 1-14).

[www.irma-international.org/article/indoor-air-quality-monitoring-systems/282049](http://www.irma-international.org/article/indoor-air-quality-monitoring-systems/282049)

### Visual Communication Design of Dynamic Images Using Digital Media Technology

Biwei Yang, Zhi Chao Zhang and Zhaoyang Gong (2025). *International Journal of Knowledge Management* (pp. 1-18).

[www.irma-international.org/article/visual-communication-design-of-dynamic-images-using-digital-media-technology/383733](http://www.irma-international.org/article/visual-communication-design-of-dynamic-images-using-digital-media-technology/383733)