Knowledge Management for Corporate Innovation

Knowledge management for corporate innovation was the theme of this year's APO Top Management Forum, also popularly known as the "Kyoto Forum," after the city where this series of meetings has been held since its debut in 1985. Knowledge management has emerged as the management paradigm for the 21st century. Peter Drucker, the renowned management guru, once mentioned that knowledge management was a key to future growth and that productivity could only be generated from knowledge, and not from the mere improvement of production processes. Last year, the APO Governing Body designated knowledge management as a new thrust area of the APO.

his year's Kyoto Forum, held 4-7 March, was attended by 33 participants from 16 APO member countries. Most were senior executives from both the public and private sectors. The meeting, organized in collaboration with Japan's Ministry of Economy, Trade and Industry and the Japan Productivity Center for Socio-Economic Development, featured a distinguished panel of speakers from leading Japanese companies and institutions of higher learning. There were two keynote speakers: Professor Ikujiro Nonaka of Hitotsubashi University, Japan, who in the early 1990s created the new concept



Participants of the forum in earnest discussion

Vice President of NTT DoCoMo, Inc.; Mr. Masao Maekawa, Chairman, Maekawa Mfg. Co. Ltd.; and Mr. Yasuo Nakata, Senior Managing Director of Calbee Foods Co., Ltd. They spoke on a wide range of knowledge management issues, from the sharing of tacit knowledge, and the "K" revolution to knowledge creation, the dynamics of co-creation, and management innovation and IT support.

APO Secretary-General Takashi Tajima gave the opening address at the forum. He said that over the past years, the source of profit generation had shifted from money and machinery to invisible assets such as patents, knowhow, and ideas. The implication this had for business corporations, he added, was that they should convert their organizations into knowledge centers to carve out new market niches by creating innovative products and services. "The successful introduction of knowledge management is closely associated with the key resources business corporations possess, namely, people, organization, and information."

Secretary-General Tajima went on to stress the following: 1) tacit knowledge possessed by individual workers could spark important insights by their colleagues if it were shared among them; 2) innovation could flourish faster and bear richer fruits by bringing people together across time and space; and 3) organizations need to develop an information system so that workers at all levels could exchange new and innovative information, knowledge, and ideas. (2)



of knowledge management, and Dr. Fumikatsu Tokiwa, senior advisor of Kao Corporation, who spoke on "Corporate Knowledge and Management Innovation."

Other speakers were: Mr. Hiroaki Shigeta, Chairman of the Board, Nippon Roche K.K.; Mr. Kazue Kikawada, Senior Freelance Bandit, Knowledge Dynamics Initiative of Fuji Xerox Co. Ltd.; Mr. Kunio Ushioda, Executive