



Role call

Business roles in the knowledge economy are not going to be what they once were. The question is: who will drive the change?

The past two centuries of industrialisation have led to a division of labour and organisational structure geared towards efficient production of physical goods. While it is obvious that the capabilities to drive knowledge-based business are fundamentally different, it is not obvious how these new capabilities should be created and where they should be located in the corporation.

Experimentation with roles including knowledge manager, intellectual asset manager, intellectual capital manager and chief intellectual property officer is an indicator that companies recognise the need to link business and IP issues at a higher level, though the activities and responsibilities of these different actors vary widely across firms.

Thus, one of the greatest challenges in the knowledge economy will ultimately be the reorganisation of the firm, and in particular the organisation of business development. The deciding factor determining success will be the skills and tools possessed by the firm's human resources, in particular the ability of a new breed of key managers to control the business complexity, and govern and steer the value creation process. Maybe the best place to start the transformation process is with the firm's IP rights, as they tend to be the most "tangible" intellectual assets.

Below is a discussion of an expansion of two existing IPR roles and the creation of one new business management role adjusted to provide capabilities to facilitate the transformation of industry to knowledge-based business through the merger of IPR and business strategy.

Business-focused IPR creation

The first role concerns the claiming and prosecution of patents, which is a critical task traditionally handled by skilled attorneys with technical and legal training in relation to the patent authority. However, when the role of patents changes from being focused on

protecting physical products to enabling new business models, so must the role of the patent attorney.

While patents have always been first and foremost economic instruments, it is now fundamental that they be created with a specific understanding of how they will be used in a business context. The new role of the patent professional is not only to take an invention disclosure and communicate with the patent office, but also to build a technology-based control position that supports the business strategy of the firm. For knowledge-based businesses, patents are no longer insurance policies to be stockpiled. Therefore, if industry is to remain competitive, patent professionals must be empowered to play a bigger role than simply corporate insurance brokers operating only in the administrative arena.

Business-focused IPR management

A second expansive role for IPR professionals is the ability to provide comprehensive advice on the alignment of IPR rights and business strategy. As traditional physical product-based business models give way to solutions including multiple value propositions with physical, virtual, licence and service elements, IPR management must become more holistic and proactive in practice. This requires the creation of a more generalist IPR manager who is capable of understanding the patent, trademark right, design right, copyright and secrecy implications of a particular business strategy handed down from executive management.

Conversely, this role could also be played by a team of specialists. However, with R&D, design, trademark, patent, brand and marketing and legal capabilities spread across most industrial organisations, this is often very difficult to achieve, especially when long-established incentive structures often discourage collaboration. With multiple business units offering multiple value propositions, corporations can no longer create a one size fits all IPR strategy. Empowering a new breed of IPR generalists to advise business executives and manage the use of IPR specialists both in and outside of the organisation is an important step in the evolution to knowledge-based business.

Knowledge-based business development

Similar to the quality management movement of the 1980s, modern firms are recognising the need for value management. While the role of value manager may seem a bit awkward, there is an obvious need for a new professional role within the firm that seeks to enact open innovation strategies that maximise the value of its assets through a broad spectrum of value propositions at the interface with both market and development actors.

Thus, this new business development actor must possess the ability to look beyond traditional business models and transform the commercial thinking of the corporation by taking the intellectual assets of the firm as a starting point. In other words, this actor needs to be able to build opportunities through a knowledge-based business rationale where value propositions – whether physical, virtual, intellectual or service based – are built on the control of intellectual assets as the primary source of value.

While the need for this role is apparent, the question still remains: where will this person come from and how will he fit into the organisation? Most critical is that this person be seen as part of the firm's strategic business management. Given the historical view of IPR as an administrative function in traditional industry, it will remain a challenge for IPR professionals to be acknowledged as business actors, especially in the short run. On the other hand, the development of business managers with a comprehensive understanding of the importance and use of IPR usually occurs only serendipitously at present, as these skills are not traditionally part of MBA programmes and not systematically developed as core business capabilities in industry. Nurturing interdisciplinary capabilities in knowledge-based business will no doubt be a modern source of competitive advantage.

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