

Knowledge Angels

**Seeking Creative People in
Knowledge-Intensive Business Services**

Emmanuel MULLER

Fraunhofer Institute for Systems and Innovation Research (ISI), Karlsruhe (Germany)
Bureau d'Economie Théorique et Appliquée (BETA), Université de Strasbourg (France)



Structure of the presentation

- I. Key research questions and core hypotheses**
- II. Research design and methodology**
- III. Main results**
- IV. Comparing knowledge angels and business angels**
- V. Spatial perspective**

I. Key research questions and core hypotheses (1/2)

- Starting point of the reflection : innovation in KIBS (Knowledge-Intensive Business Services). Basic assumption: the fundamental factor leading to competitive advantage in (higher) services is creativity: new ideas support innovation implementation through various networking/interfaces actions.
- If knowledge is the core asset for KIBS' activities, their competitive position on the markets and the base for their development, how does this core asset emerge and how is it being generated? More precisely: what is exactly “happening” within KIBS?
- Core hypothesis : there are specific persons within KIBS who assume a significant role in innovation-related issues. Consequently, the analysis focuses on **creative individuals** in KIBS, i.e. those persons suspected of playing a pertinent role with respect to the innovativeness of their company.

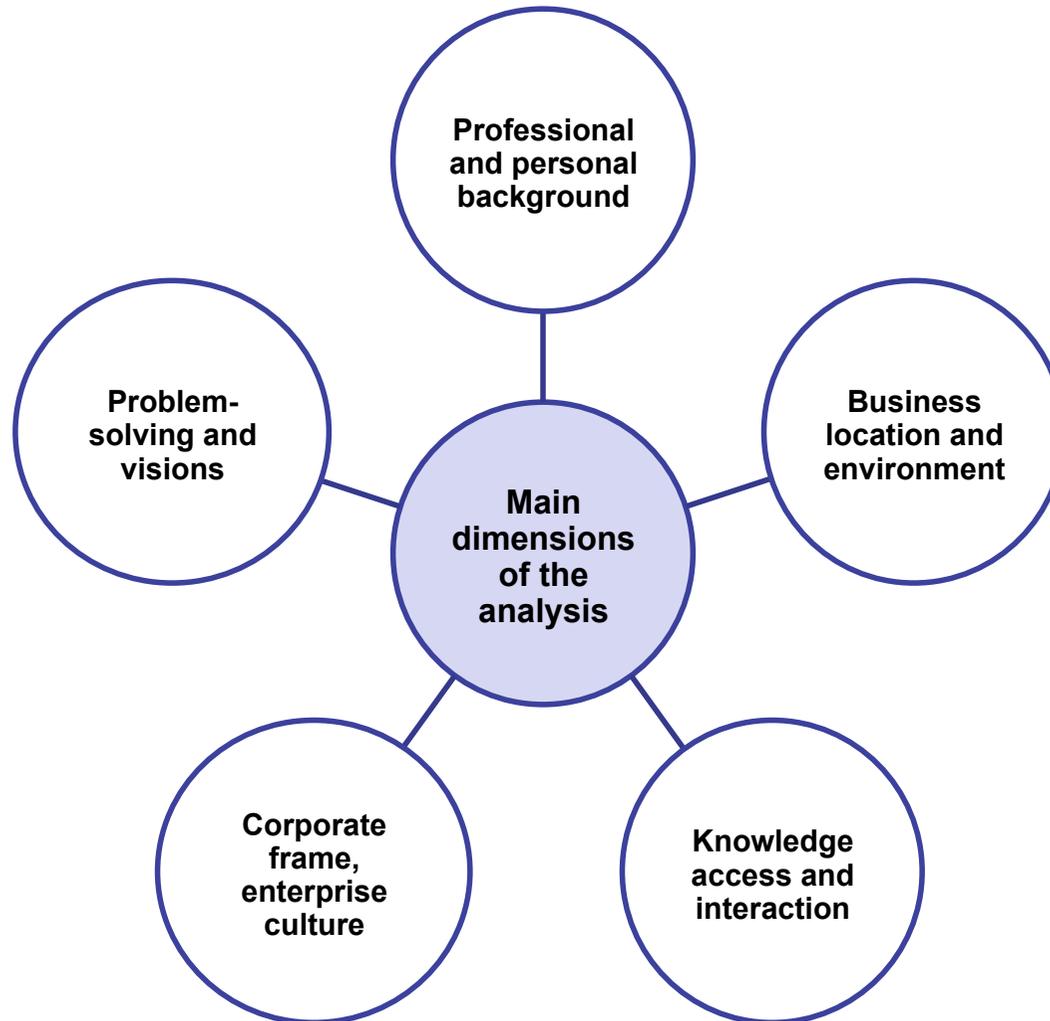
I. Key research questions and core hypotheses (2/2)

- We call these specific actors *knowledge angels* by analogy with business angels. In the same way that business angels can play a decisive role in the development of innovative firms through financial support, we assume here that specifically gifted persons can be the knowledge “catalysts” within KIBS.
- According to our assumptions, knowledge angels are (or may be) specific individuals, who:
 - typically act as consultants (but not necessarily exclusively);
 - may have the talent to “sense” things before they happen, or make them “happen” (from the subjective point of view of an external observer);
 - make a difference in the way knowledge is created, organized and flowing within the firm and between the firm and its partners.

II. Research design and methodology (1/2)

- Until now, studies in this field analyzed the characteristics of innovating KIBS and the consequences of these innovations, but so far only superficial knowledge was gained about what is really happening *within* KIBS.
- Unit of analysis: single individuals who might reveal themselves as knowledge-angels in their entrepreneurial environment (KIBS).
- (New) **explorative** qualitative research design.
- 50 personal in-depth interviews between 2008 and 2010, in 5 countries (chronological order : Germany, France, China, Canada and Spain).
- Interview guideline covering five key dimensions.

II. Research design and methodology (2/2)



III. Main results (1/3)

- Solid working experience in their own company or in other companies. Professional trajectories as an accumulation of knowledge and contacts provided by previous experiences
- Often (but not always) experience in founding their own businesses
- They often describe themselves as knowledge brokers (Germany), idea givers (France), solution providers (China), facilitators (Spain), initiative launchers (Canada).
- Knowledge angels :
 - act as internal and external knowledge intermediaries ;
 - seem to benefit from their capabilities mixed with personality traits that allow them to develop visions ;
 - work in positions that allow them to implement their visions.
- Creative activities seen as a kind of “infinite puzzle”

III. Main results (2/3)

- Companies are active in market niches, offering highly specialized services.
- Active in creative environments, like to handle challenging projects and develop a common corporate frame.
- Future plans: moderate and stable growth of their company in France and Germany whereas in China mostly a dramatic growth is expected. Spain and Canada : very contrasted situations.
- Maintain and enlarge their market position and avoid excessive risks.
- Key advantage: capability to react to new and changing market conditions with new innovative services.

III. Main results (3/3)

- Problem solving ability :
 - France and Germany: joint discussions (participative approach), importance of the *bricoleur* approach (in the meaning of C. Levy-Strauss) whereas in China evolution are initiated by top management (top-down process).
 - Spain: fluid communication seems to make a difference.
 - Canada : mix of experience and instinct.
- Vision :
 - Most interviewees characterise themselves as being able to « see » or « feel » things before they happen and to have the ability to « bring the right people together ».
- Key characteristics of the detected angels :
 - Self-motivation, autodidactic learning abilities, ambition, flexibility and communication skills

IV. Comparing knowledge angels and business angels

Type of angel	Business angels	Knowledge angels
Characteristics		
Core resources	Money and business experience (and to a lesser extent ideas)	Ideas and visions (and to a lesser extent business experience)
Strongest motivation for action	“Fun factor” and financial interest (and a willingness to support younger entrepreneurs)	Quest for freedom and self-realization (and a willingness to support co-workers)
Main forms of knowledge support	Supporting already existing knowledge creation processes and situations	Initiating new knowledge creation processes and situations

V. Spatial perspective (1/2)

- Knowledge angels are found in each of the investigated countries (characteristics seem to depend on the cultural context).
- Most interviewees are pleased about their location. Nevertheless current location of the company often results from the educational and personal trajectories of the founders.
- According to interviewees in France and Germany their (individual) success and creativity could have been generated also elsewhere.
- In Canada, the proximity to customers is put forward as an explaining factor whereas in Spain a higher importance is given to the role of soft factors (lifestyle, weather, etc.)
- Contrasting results in China : Most interviewees believe, that they are successful because they are located in the capital region of Beijing. Change of location is often not desirable because of *Guanxi*.

V. Spatial perspective (2/2)

- Work in progress : importance of creative environment(s), communities (of knowledge or of practice) and regional innovation culture

