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Review of the book 'Learning and knowledge management in the firm: from knowledge accumulation to strategic capabilities', by Gabriela Dutrenit, published by Edward Elgar, 2000.

## Ken Friedman

When Gabriela Dutrenit was doing her doctoral research at the University of Sussex, she found a challenging question. This issue involves the struggles that a technically sophisticated company may face in its effort to identify and create primary strategic capabilities. Neither the literature of technological capability accumulation nor the strategic management literature offers much insight into these important areas. To learn more, Dutrenit began to work with the literature of knowledge management and organizational learning.

Prof. Dutrenit discovered that firms do not go through the kind of steady developmental transition process that is assumed by much of the literature, but though a truncated transition process that I would compare with Stephen Jay Gould's theory of punctuated equilibrium in biological evolution. The transition process clearly involves organizational learning and knowledge management. Even though this fact is clear, the ways that the process works -- and does not' work -- leave many profound questions. These questions are as interesting to design research - and to firms that work within design, product development, or engineering - as it is to scholars in management.

Dutrenit studied a firm called Vitro-Glass Containers. She observed that despite a rich effort to create learning, the firm was unable to convert individual learning to organizational learning. She also found that learning and knowledge were poorly coordinated. Different units and parts of the firm pursued different learning strategies and learned at different speeds. This had two outcomes, the first was that different parts of the firm often created knowledge of a different nature than other parts of the firm, and she found that these accumulated at a different depth. The second consequence was limited knowledge integration across the firm with a result in lost opportunities and lost synergy. In short, the unstable process of knowledge creation within the firm affected the firm's deeper strategic capabilities. Despite the firms' ability to generate innovative capabilities, it is unable to grow thee capabilities into a larger strategic capacity.

Three important virtues commend this book to the readers of

## Design Research News.

First, a carefully developed empirical study examines a range of issues facing designers who work in industrial settings. Because designers work in teams that link and bridge organizational functions and levels, organizational learning and knowledge accumulation is an important issue.

Second, this book applies the theory of knowledge management to specific industrial practice. While knowledge management has become an important area of inquiry during the past decade, the knowledge management perspective has sometimes been criticized for the failure to generate studies that have direct application to management and industry. This is such a study.

Third, this book is an excellent example of industrial research in an applied and clinical setting with generalized theoretical findings. It began with doctoral research and ended as an important monograph. While it is a full and polished monograph, the doctoral thesis is visible in the topography of the book. One challenge in design research is finding usable models. Because design research involves so many fields, good models can be found in many places. Because this books deals with many of the questions that we face, it is an excellent model for some kinds of doctoral research.