Strategic management of knowledge in globally distributed information technology firms: a case study

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Abstract: Knowledge management is being increasingly recognised as a strategic tool across organisational domains for employee involvement, engagement and for creating business-wide impact towards productivity and profitability. These organisations are increasingly using their acquired knowledge to optimise and increase their operational efficiency, drive down operational cost and solve their business pain points. This assumes criticality in information technology firms that operate on a truly global scale across cultures, economies and political systems. The present study probes into these aspects by presenting a case of a successful globally distributed international information technology major that has risen to great heights in the recent past. This case study reflects upon the innovative steps adopted by the IT major, Sapient Corporation, to enhance the knowledge management competencies of the enterprise and of the employees that are so essential for a company’s survival and growth in today’s turbulent times. The case refers to the steps taken by the company to develop knowledge generation and assimilation tools on its own as well as in partnership with other companies. The case details the evolution of the major components of this strategic initiative adopted by Sapient. The implications of the study results are discussed.

Keywords: knowledge management; KM; information technology; strategic initiative; globally distributed firms.

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1 Introduction

In today’s increasingly complex and competitive business environment the organisations across the globe are putting more thrust on knowledge management (KM) and it’s changing realm as a key differentiator rather than just serving as a business enabler. These organisations are increasingly using their acquired knowledge to optimise and increase their operational efficiency, drive down operational cost and solve their business pain points. They are not shy of promulgating their understanding and domain knowledge to showcase their enhanced competencies, subject matter expertise, brand awareness and thought leadership. This assumes criticality in information technology (IT) firms that operate on a truly global scale across cultures, economies and political systems. These organisations are undertaking innovative e-learning initiatives like never before at phenomenal costs to foster and create a learning ecosystem, one where every employee of the organisation is both a producer and consumer of the knowledge. As Gavrilova and Andreeva (2012, p.523) have argued, “A significant part of knowledge and experience in an organization belongs not to the organization itself, but to the individuals it employs. Therefore, knowledge management (KM) tasks should include eliciting knowledge from
knowledgeable individuals”. These organisations are trying to set the people value propositions for creating and promoting a vibrant knowledge-driven community, one that will not only enable them to stay ahead of competitors but to meet and thrive in the face of future challenges.

The work presented in the paper examines the role of KM in globally distributed IT firms, in a software project management environment. Knowledge flows in project organisations are in diverse directions, within projects, among different projects and knowledge about projects. The types of knowledge in projects differ along the stages of the project life cycle (Schindler and Eppler, 2003). Hanisch et al. (2009) have examined aspects of KM in and between projects. The work reported in this paper attempts to understand the issues involved through a case study carried out on a large multinational corporation working in the software industry, similar to the approach adopted by Jasimuddin (2008) who has investigated the way knowledge gets transmitted among the members of a large enterprise by carrying out an in-depth case study of knowledge transfer strategies used in a UK-based group within a high-tech global corporation. Likewise, Massingham (2010) has carried out a case study of the Australian Department of Defence on the application of knowledge risk management. Davis et al. (2005) have carried out a case study of a large multinational company (Du Pont) focusing on critical issues, concrete practices, bottlenecks and constraints in knowledge sharing.

2 Literature review

There is a plethora of literature touching upon importance of recognising knowledge in its varied forms and its impact on organisational performance (Nonaka and Takeuchi, 1995; Tsoukas and Vladimirou, 2001; Alvesson and Karreman, 2001; Grant, 1996; Hedlund, 1994; Nelson and Winter, 1982; Quinn, 1992; Soliman and Youssef, 2001; Wainwright, 2001; Gupta et al., 2000; Goh, 2005). Alavi and Leidner (2001) have carried out an extensive review of literature on KM and KM systems. Another excellent review work specially focusing on KM in information systems research has been carried out by Schultze and Leidner (2002). In line with the subject of work reported in the paper, researchers have also focused their attention to what this implies for IT firms working in the project mode across continents on a real time basis. Reich et al. (2012) have investigated how IT-enabled business projects can be managed to contribute value to the client organisation. The results of the study statistically show that KM within IT projects contributes to the creation and alignment of the important project-based knowledge. Leseure and Brookes (2004) have carried out a study on KM in project environments and the capability to transfer knowledge across project teams. They made a distinction between generic project knowledge (kernel knowledge) and specific project knowledge (ephemeral knowledge). Managing knowledge is strategic as it attempts to transform local knowledge into organisational knowledge using collaboration and communication cutting across organisational boundaries (Lee and Hong, 2002; Duffy, 2000, 2001; Marwick, 2001). Evanschitzky et al. (2007) have attempted to outline the problems of KM in knowledge-intensive service networks. Considering the advent of Web 2.0, Grace (2009) has analysed the lessons learnt from the implementation of wikis by organisations ranging from SMEs with less than 10 users to
those with a vast network of more than 193 million members from both technology as well as non-technology-based sectors.

The focus in the work presented in the paper centres on KM initiatives in globally distributed IT firms. These companies have globally-dispersed operations at multiple locations working in multi-cultural environment that necessitates complex IT-based strategies to manage their knowledge flows and interfaces. There is often outsourcing from remotely-located software development facilities in order to tap into skilled resources at lower cost (Sahay et al., 2003). Kobitzch et al. (2001) have investigated into the ways such multisite software development is carried out. IT-enabled platforms and features and sharing of practices help the process of acquisition and sharing of knowledge in global teams overcoming problems such as the largely tacit nature of the knowledge base (Malhotra et al., 2001; Majchrzak et al., 2000). To promote knowledge creation and sharing Law and Chuah (2004) have advocated development of a project team-based learning framework. Cha et al. (2008) have presented an economic learning model that helps to formalise the complex relationships among an offshore firm’s knowledge levels, production costs, and coordination costs. The authors illustrate the conditions under which knowledge transfers during offshoring may reduce a domestic firm’s in-house production costs leading to total cost savings in both the short term and the long term. Botha (2001) has explored the possibility of describing a company knowledge profile that would sufficiently reflect the company’s capacity and capability to act in the new knowledge economy. He has examined the ways to obtain a knowledge yield (new products and services and newly created knowledge) through the application of knowledge profile and knowledge processing activities. Ho (2009) has attempted to construct a knowledge process performance index with a view to study the correlation between KM enablers and performance indices.

Cantner et al. (2009) have investigated how German innovators have adopted and used KM concepts and principles. Designing and developing integrated IT platforms for knowledge works in organisations, the basis of the case study presented in the paper, is a challenge for the management of these organisations (Laha, 2011). KM could be a great way to improve project communication and project implementation (Koskinen, 2004). KM helps in building a competitive advantage for a firm. In their paper, Kumar and Thondikulam (2005–2006) have discussed the examples of two firms that have successfully implemented KM. Hirai et al. (2007) have reported the development of a system that supports the concept of knowledge flow that dynamically circulates throughout an organisation through which knowledge is transferred from one project to another. Fong and Lee’s (2009) study focuses on acquisition, reuse and sharing of knowledge in property management firms based in Hong Kong. According to Koch (2003) who studied KM in consulting engineering firms, joining IT with the human resource oriented tools is a necessary precondition for success in KM efforts. This aspect of integrating human resource management and KM has also been stressed by Currie and Kerrin (2003). In a different but important context, Lehtimaki et al. (2009) have examined the links between KM and project marketing activities. Blumenberg et al. (2009) have studied the impact of specific knowledge transfer processes on the level of shared knowledge and, in turn, on outsourcing performance in outsourcing relationships drawing on a series of case studies covering IT providers and banks.
3 Methodology

With such an extensive body of literature on the importance of managing knowledge across different layers of organisational and sectorial boundaries, case study methodology was adopted to bring to life how KM strategies get fructified in practice in a particular IT major with globally distributed operations, Sapient Corporation. Information and case material were gathered through secondary sources, publications available on Sapient Corporation web site. In addition, an interview was conducted with one of the KM managers of the firm based out of Boston.

4 The Sapient case study

The following case study illustrates the way Sapient Corporation, systematically and strategically, and initiated major KM programmes and platforms that have hugely contributed towards the phenomenal success achieved by the firm over a period of a short time.

4.1 Sapient Corporation’s business impact

In March 2009, Sapient Corporation, a Boston-based global integrated marketing and technology services firm was one of the winners in the KMWorld1 (2011) ‘100 companies that matter in KM’. KMWorld reported that amid the tough economic and credit crisis situation, “Each company embodies the resiliency and wisdom to identify and act upon their own areas requiring improvement and more importantly, those of their customers. They have the ability to not only survive a potential catastrophe but also thrive and deliver solutions to help their customers succeed, as well”.

In August 2010, Sapient Corporation was named the 45th Fastest Growing Company by Fortune Magazine, a 43-spot improvement over the 2009 rank of 88. Sapient was also ranked #2 in terms of profit growth among the 100 companies, based on a three-year EPS2 growth of 188% (Bloomberg, 2011).

4.2 History of Sapient Corporation

Sapient was founded by Greenberg and Moore in 1990 with their own initial capital of $80,000 and got incorporated in 1991; they worked out of a small office in a building owned by Moore’s father in Beverly Farms, Massachusetts. Sapient developed and integrated complex client-server applications in the initial years of their existence. By 1994 the revenue rose to $9 million. In 1996, Sapient went public at $21 per share; in the next four years the company attained tremendous growth and the market capitalisation increased by almost 25 times its initial offering value. The revenues steadily rose to $502 million.

During the period of recession in USA between 2000 and 2002, Sapient witnessed a downfall in headcounts by almost 50% and stock price by $1 per share, but they kept offering competitive services despite the adverse economic situation thanks to its Global Distributed Delivery model3. Sapient kept building a strong client list across different verticals like aviation, financial services, retail, telecommunications, and government
services, some of the prominent clients being American Airlines, Merrill Lynch, Verizon, United States Marines Corps, and Wal-Mart. Sapient kept expanding its capabilities to include personnel with multiple skill sets that included information system architects, web designers and brand strategists. Sapient’s headcount increased steadily to 6217 and the service revenues were $546.4 million, a 35% increase from service revenues of $405.6 million for 2006, and a 74% increase from service revenues of $313.6 million for 2005 (Sapient Note 1, 2011).

In October 2006, Alan J. Herrick was named the new President and Chief Executive Officer of Sapient. He succeeded former Co-Chairman and Chief Executive Officer Jerry A. Greenberg who resigned from the company and its board.

Figure 1  Sapient revenue (see online version for colours)

<table>
<thead>
<tr>
<th>Fiscal Quarter</th>
<th>2013 (Fiscal Year)</th>
<th>2012 (Fiscal Year)</th>
<th>2011 (Fiscal Year)</th>
</tr>
</thead>
<tbody>
<tr>
<td>March</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue</td>
<td>$302,985(0)</td>
<td>$295,162(0)</td>
<td>$249,884(0)</td>
</tr>
<tr>
<td>EPS</td>
<td>0.05 (3/31/2013)</td>
<td>0.06 (3/31/2012)</td>
<td>0.08 (3/31/2011)</td>
</tr>
<tr>
<td>Dividends</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>June</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue</td>
<td>$299,338(0)</td>
<td>$265,458(0)</td>
<td></td>
</tr>
<tr>
<td>EPS</td>
<td>0.11 (6/30/2012)</td>
<td>0.1 (6/30/2011)</td>
<td></td>
</tr>
<tr>
<td>Dividends</td>
<td>N/A</td>
<td>0.35</td>
<td></td>
</tr>
<tr>
<td>September</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue</td>
<td>$399,025(0)</td>
<td>$273,882(0)</td>
<td></td>
</tr>
<tr>
<td>EPS</td>
<td>0.15 (9/30/2012)</td>
<td>0.13 (9/30/2011)</td>
<td></td>
</tr>
<tr>
<td>Dividends</td>
<td>N/A</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>December (FYE)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue</td>
<td>$394,023(0)</td>
<td>$273,213(0)</td>
<td></td>
</tr>
<tr>
<td>EPS</td>
<td>0.14 (12/31/2012)</td>
<td>0.19 (12/31/2011)</td>
<td></td>
</tr>
<tr>
<td>Dividends</td>
<td>N/A</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>Totals</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue</td>
<td>$302,985(0)</td>
<td>$1,151 (m)</td>
<td>$1,062 (m)</td>
</tr>
<tr>
<td>EPS</td>
<td>0.05</td>
<td>0.46</td>
<td>0.51</td>
</tr>
<tr>
<td>Dividends</td>
<td>N/A</td>
<td>N/A</td>
<td>0.35</td>
</tr>
</tbody>
</table>

Source: NASDAQ

In 2007, Verizon, one of the clients of Sapient and a global leader in telecommunications, awarded Sapient with Supplier Excellence Award. Sapient executed over 50 projects during the past seven years of association with Verizon from 2000 till 2007. The services included business and IT strategy, business applications, business intelligence and outsourcing (Sapient Note 2, 2011). In August, 2008, Sapient acquired Derivatives Consulting Group Limited (DCG), a London-based international financial advisory firm which was a provider of derivatives consulting and outsourcing services to institutional players and market participants like investment banks, hedge funds, asset managers and commercial banking clients. The DCG acquisition expanded the TRM capabilities in derivative processing, local and offshore operations support, operations benchmarking and technology services (Sapient Note 3, 2011).

In January 2009, Sapient acquired Planning Group International, Inc. (PGI), to enhance the strength of the company in advertising, digital and direct marketing, and brand development. The acquisition expanded their service offering to online, offline and
multi-channel marketing strategies and programmes (Sapient Note 4, 2011). In July 2009, Sapient acquired Nitro Group Ltd., a global advertising network operating across North America, Europe, Australia and Asia. The acquisition expanded the digital commerce and marketing technology services of Sapient to traditional advertising services. The acquisition also added 330 employees to Sapient (Sapient Note 5, 2011).

In February 2010, Sapient re-aligned the organisation structure consisting of three divisions: SapientNitro, Sapient Global Markets, and Sapient Government Services. As of now Sapient had over 9000 employees in North America, Europe and the Asia-Pacific region, including India and the annual revenue was over $850 million.

A snapshot of the revenues can be seen in Figure 1.

4.3 **Sapient initiative 1: developing knowledge generation and assimilation tools**

As Sapient business grew and expanded into new markets at both domestic as well as global fronts, the leadership considered scattered operational data and knowledge as a key challenge and a big risk to productivity and organisational efficiency. They sensed a compelling business need for a system which had centrally-located data that will help the employees with the information they need to be more productive and drive the bottom line. The idea was to effectively connect with both in-house employees and customers spread across various geographies and to enable them to create and foster a collaborative environment in the organisation. In May 2006, a serious push to this effort was given when Sapient partnered with Google to join the Google Enterprise Professional Program to further their success in finding innovative solutions to complex business problems of their own and that of their customers. “Companies want to find new ways to extract value from the massive amounts of information stored within their organizations. With Google’s enterprise search technology, we are further strengthening our ability to help our clients unlock the value in their information and make decisions in a timelier manner”, said Sapient Executive Vice President Alan Herrick (Sapient Note 7, 2011).

Sapient established the enterprise portals practice (EPP) in order to create necessary information infrastructure that allowed the organisation to effectively connect with in-house employees and customers. It included the development of systems web content management, intranets, document management and digital asset management systems. The very idea was to give the employees an engaging, intuitive and useful tool that not only creates a collaborative community experience but had the potential for further growth and expansion.

4.3.1 **Components of Sapient EPP**

The EPP was the core implementation engine of knowledge initiatives at Sapient consisting of many tools and programmes. The below mentioned tools were the major components of EPP.

4.3.2 **People Portal**

The People Portal was the new face of the corporate intranet of Sapient. It acted as a pivot along which all the knowledge sharing activities revolved. It was an online portal based on Microsoft SharePoint Server 2007. Prior to People Portal Sapient had a
corporate intranet which was plagued by couple of problems of information sharing, communication hindrances and stale Information. Due to these very issues employees spent huge time in searching for answers on the corporate intranet. The absence of a unified place for up-to-date corporate information resulted into huge loss of time for the helpdesk resources for answering trivial policy or process related queries of the employees. The employee headcount was growing rapidly and spread across geographies. It was, therefore, imperative for the business to provide a central place of access for all corporate Information and company policies as it became very critical for their success. Keeping these points in mind Sapient went on to upgrade their corporate intranet with the objective of increased team collaboration, smooth information flow and knowledge sharing. The quest was to make an online community which was centralised and provided organisational information which was relevant, organised, current and reliable, improving communication and be time efficient.

In mid-2007, Sapient started the development of its new corporate intranet based on Microsoft SharePoint server 2007 with the help of Microsoft consultants. They leveraged on the out-of-box features of SharePoint to reduce their development effort and better the future maintenance. Sapient took six months to create the new portal. The initial version of the portal contained more than 1,500 plus pages, 1,000 plus documents and around 45 community sites. Since Sapient had a corporate collaboration with Microsoft so this became a cost efficient solution (Sapient Note 8, 2011).

The challenges faced during the development of People Portal were even more diverse in nature, from the fresh content development to managing stakeholders’ expectations and from maintaining the excitement and awareness towards the People Portal among employees to keeping end user needs in view. When the People Portal was launched the benefits were evident from improved usability and accessibility of information along with enhanced performance. Sapient conducted an internal survey of employees which revealed some key metrics (Sapient Note 9, 2011):

- 97% employees were aware of People Portal; 95% have visited it
- 42% employees visited it a minimum of once per week; 36% visited it daily
- 59% employees used People Portal to get information; 44% did visit it when sent a link
- 70% employees believed the site organisation was better than the old Intranet
- 59% employees believed that the ease of finding relevant information and the functionality were superior
- 56% employees believed that the content quality was better.

Overall, 69% employee found the new portal an improvement over the old intranet.

It seemed that the primary objectives of providing a unified online platform for information sharing and communication, enabling improved usability and accessibility etc. had been achieved. As of now the People Portal acts as a knowledge portal which contains comprehensive information regarding the organisation, people, project and its practices (Sapient Note 10, 2011).

A snapshot of the people portal can be seen in Figure 2.
4.3.3 ResultSpace

ResultSpace was a project management and collaboration tool based on agile lifecycle management. In early 2000 when Sapient started using Global Distributed Delivery model for project development, it was increasingly tough for the project team, which were scattered across the globe, to be on the same page and collaboration across the scattered team members became a real challenge. A compelling need was sensed for an organised, secure, centralised and accessible repository for all the various project artifacts that made the team collaboration easy, robust and scalable to meet the business needs.

The ResultSpace was a web application so it was accessible from all the places. It was based on subversion, a source control mechanism which made sure that the critical project information was never lost and always is available at hand. It was accessed via a secured mode which made the sharing of project document and code remotely very safe and easy.

The ResultSpace came with various features like agile project estimation and planning, progress tracking and reporting metrics, defects, issues, and risk management, custom trackers, document sharing, collaborative content development, traceability, notification services and role-based access control etc. due to these features it brought
certain key business benefits like increased productivity for project teams, transparency for client stakeholders and resource visibility to the managers to monitor and drive down costs.

The success of ResultSpace in internal project management prompted Sapient to launch it in the market as a project management and collaboration tool based on agile methodologies. It was believed that the end clients will be benefitted by optimised delivery distribution, reduced cycle time of iteration, cost effectiveness and improved coordination between the project team for the clients (Sapient Note 11, 2011).

A snapshot of the project dashboard can be seen in Figure 3.

**Figure 3** The project dashboard (see online version for colours)

Source: http://www.sapient.com/resultspace

### 4.3.4 Vox – internal networking platform

Sapient principally believed that every employee was a potential source of knowledge which he would have acquired either by experience or formal learning. The employee, therefore, was both a creator and a consumer of the knowledge. This very idea prompted Sapient to create and imbibe a learning culture wherein every employee was able to share his ideas and experiences.

The crux behind Vox was to increase the collaboration and facilitate idea sharing among the employees in real-time. This was a very unique organisational initiative at Sapient. It provided the platform using which the employees were able to actively participate and share ideas. The employees were able to create their own specific groups and forums to discuss their ideas, problems and get the answers which were specific to their domain, practice and verticals.

In August 2011, Business today published an article regarding few companies, about their innovative ways of encouraging their employees to think and innovate. Sapient was commended for Vox, the in-house networking platform. “Like Facebook, the platform
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includes special forums and groups which enable engineers and technical professionals to post and resolve queries”, said Anand Bhaskar, Vice President, People Success at Sapient India (Sapient Note 12, 2011).

4.4 Sapient initiative 2: dedicated e-learning platforms

Sapient was working under three different divisions named Global Markets, Nitro, and Government services. All these divisions were having diverse nature of work. Global Markets worked on capital and commodity market technology services. Nitro worked on Digital Advertising and allied areas and Government services worked with the Federal Government to undertake their technical projects. As new employees joined, there was a need for rapid ramping up of these employees both on domain and technology fronts so that they can be staffed on the projects at the earliest and get billable. Although Sapient had a very good and robust hiring process in place but then it was still not able to full fill the need for required level of advanced domain and technological skills that would make the new employees suitable for their new job assignments. The attrition rate was also a key concern, which has been hovering around on an average of over 20% consistently. The attrition rate was much higher than the industry norms and with each employee leaving the organisation the acquired knowledge dissipation was all the more evident. The other challenge was to de-alienate employee training platforms from classroom-based training modules as these were not scalable across the geographies. The trainers were not easily accessible to all geographic locations and travelling for them was fast becoming hugely expensive. The set-up of other allied classroom infrastructure at all office places for learning and development was tough and expensive. Keeping these issues in consideration, Sapient wanted to establish dedicated e-learning platforms both on domain as well as on technology fronts that were scalable, easily accessible, and updateable. Given the unprecedented change and advancements happening at very fast pace at global market places there was a constant pressure for new training initiatives and update the existing ones to be in line with the current market needs. These e-learning programmes were intended for both augmenting and enhancing a skill-gap of the existing and new employees of the organisations and were used to rapidly ramp up the necessary skills.

Sapient roped in couple of external specialised enterprise learning firms and academic institutions in working in the training space to initiate these platforms at the organisational level. Although Sapient had to pay a phenomenal cost towards the setup and as license fees for these initiatives but the management envisioned the benefits were far greater and compelling than the capital investments needed for these kinds of initiatives. Moreover, it was realised that these initiatives were the need of the hour as the class room mode was just not feasible.

Acumen was roped in to augment and enhance the Domain skills in Finance. The Acumen provided integrated enterprise training with the state-of-art learning management. The eLearning for Financial Markets was highly recognised in the Industry. The training contents were created by a highly reputed professional having vast industry experiences in global financial markets. To top it all, Acumen used latest online learning techniques like simulations to re-enforce and enrich the process of knowledge transfers. The programmes were very intuitive, easy-to-use and the interactive content brought a compelling online experience of blended learning in finance domain. The flexible
structures of the training programmes combined with new learning techniques delivered fast and quantifiable results (Sapient Note 13, 2011).

*Inner Working* was another firm which was roped in to upgrade the technology skills in the area of software development based on Microsoft technologies as this was one of the major technologies used in development of software projects. The learning platform was based on SharePoint which gave out-of-box features of collaboration and content sharing. The programme was designed to be configured at individual level with the help of personal software and gave ample scope for personalised, self-paced .NET training with lots of examples and design challenges that was expected to enable the employee to hone and augment their technical skills (Sapient Note 14, 2011).

*The Oxford Princeton Program* was a world class training programme in the dynamic energy and derivative market. It included trading, hedging, risk management, and the physical markets. All these training initiatives were internet-based which made them accessible from anywhere, anytime. The trainings were customised to the organisational needs. Sapient collaborated with the Oxford Princeton Program and after extensive surveys, charted out courses which were specific to their commodities business. It was open to all the employees of Sapient Global Markets who wanted to enhance their domain skills (Sapient Note 15, 2011).

All these programmes were augmented by the regular in-house communication and collaboration tools like Communicator (a peer to peer communication tool), Outlook (a mail server), WebEx (a web conferencing, online meeting, desktop sharing and video sharing tool) etc. to facilitate knowledge sharing.

### 4.5 Sapient initiative 3: launching a journal and a derivative handbook

Sapient Global Market, a division of Sapient which worked in capital and commodity market offers advisory, analytics and technology solutions to institutional players and market participants. They floated ‘CROSSINGS’. This was a journal of Trading and Risk Management. It was a very classic case of promulgation of acquired knowledge and brand awareness showcasing the depth of understanding of the domain knowledge and competencies. It also exhibited the thought leadership of the Company giving it an edge over the competitors. The journal contained articles on the contemporary issues of trading, risk, regulatory issues and compliance in the current global market (Sapient Note 16, 2011). In October 2010 Sapient launched an ‘Over the Counter’ handbook for the derivative market that contained consolidated references to all the OTC regulatory commitments and market utilities available for 2010 (Sapient Note 17, 2011). Initially this was meant for the clients of Sapient but later this handbook was made available to the public at large. ‘The purpose of the handbook is not to justify Industry Initiatives, but to raise awareness and create a better understanding of how market participants can meet them successfully. Ultimately, we compiled them into one convenient handbook to provide clients with a one-stop reference point for these initiatives. We are happy now to offer this handbook to the Public for free download from our website’ said Chip Register, SVP and managing director of Sapient Global Markets.

Apart from this Sapient also regularly publishes whitepaper and case studies on wide variety of topics and area of operations to put their perspective and understanding. All these initiatives helped Sapient consolidate its position and brand as a premier player in Capital and commodity market services space.
4.6 The road ahead

Sapient so far has done quite well to setup these e-learning initiatives in the organisation but now the crux lies in to increase the knowledge awareness and sharing among the employees, to promote and motivate people to contribute to the knowledge processes. Considering the ever increasing employee base it will also be a challenge of some sort to continuously check the existing knowledge artifacts for its current business relevance, update/add new artifacts and to enhance the efficiency of accessibility to all the employees. Sapient has to augment these initiatives with some kind of mechanism to measure the effectiveness of these programmes.

5 Discussion

The case of strategic KM initiatives adopted by Sapient Corporation for its globally distributed operations brings out in sharp focus the tangible and intangible benefits that could accrue to IT firms functioning across nations through the adoption of such initiatives. Firestone and McElroy (2005) have used a case study to demonstrate a clear, tangible benefits a well-researched and delivered KM strategy could accomplish. In the same vein, Chou and Chou (2007) have discussed the impact of the adoption of KM tools on employee performance. Magnusson (2004) focusing on the importance of KM on multinational corporations has advocated the notion of managing knowledge in a more holistic manner terming it knowledge networking. Based on case studies of seven different knowledge networking initiatives within Ericsson, he has identified the following key issues that need to be attended to when designing and implementing individual knowledge networking initiatives: extension and focus of user groups, the role of management in the initiatives, and the promotion of knowledge-sharing behaviour throughout the organisation. The Sapient case study illustrates all these and much more and serves as an example for firms working in the same and also in the other sectors.

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References


Notes

1 KMWorld is the leading information provider serving the knowledge, document and content management systems market. It is the publishing unit of Information Today Inc.

2 EPS – earning per share indicates a company’s profitability. It is the portion of a company’s profit which is allocated to each outstanding share of common stock.

3 Global Distributed Delivery is a one model where in a project is executed with the help of multiple project teams scattered across several different physical locations.

4 Supplier Excellence Award was established by Verizon to recognize its most valuable partners for outstanding service and exceptional performance.