Commentary

IBM/Lotus: Reducing Emphasis on Knowledge Management

IBM/Lotus has switched tactics in de-emphasizing knowledge management. Its strategy remains the same — provide a platform to support complex processes involving groups of workers.

Lotus, for a number of years, used knowledge management as the marketing banner for its overall strategy. That strategy encompassed the community support elements of the Domino platform, QuickPlace and Sametime, as well as the advanced features of Discovery Server and Learning Space. Recently it has shifted the message to collaboration and productivity, but the substance hasn't changed. IBM continues to offer a broader range of products that are relevant to the support of knowledge management than any other vendor, and via IBM Global Services, also has a consulting arm that ranks with other major vendors in its understanding of knowledge management.

Unfortunately for IBM, this has not been an outstanding success in creating a strong leadership image in the market. In recent years, knowledge management has not been treated in most enterprises as an enterprisewide technology issue — the focus has been more limited and tactical. This has been the best strategy in most user enterprises, enabling them to focus on well-defined objectives with measurable results. However, it has not created a market in which the comprehensive scope of IBM's product offerings has had much leverage. For targeted solutions, enterprises often have turned to specialist vendors (for example, for search solutions or team support products) or to application vendors to extend the functionality of installed products in areas such as design, customer relationship management and help desk. IBM has continued to ship significant volumes of individual products such as Domino.doc, QuickPlace and Sametime, but these products have been positioned and perceived by most enterprises as tactical solutions, rather than supporting a larger knowledge management solution.

Lotus has also become identified in many users' minds as the loser in the e-mail war with Microsoft. This, together with ineffectual marketing and the legacy image of Notes, has led many enterprises to neglect the potential of Lotus solutions (see "Notes-Domino: Your Legacy or Your Future?"). Many still have significant business processes supported by Notes (even those that implemented Exchange because "Microsoft was better"). Microsoft, despite recurring claims, has yet to deliver equivalent functionality. Lotus Enterprise Integrator offers considerable potential to link the collaborative applications supported by Domino with line-of-business applications supporting transactional processing on a relational database. However, exploitation of these capabilities requires that enterprises reconsider the platform that they require to support collaborative business processes, and the scope and range of those processes. This
requires more than implementing e-mail and a portal. The danger for IBM is that application vendors such as SAP and PeopleSoft will seize the initiative and relegate IBM to a legacy and infrastructure role.

Rather than wait for such a change of appreciation, IBM is taking components from the Lotus product set and bundling them into WebSphere Portal. This provides enterprises with a packaged solution, including much of the core functionality of QuickPlace, Sametime and Content Manager, as well as Discovery Server (as an option; see "IBM's WebSphere Portal Offers Wide-Ranging Functionality"). This solution enables IBM to support customers that take a more-tactical approach to implementing a broad-ranging platform for knowledge management, and who may likely not even think of themselves as "doing knowledge management." It is also the core product around which IBM is creating the service offerings of its dynamic workplaces.

Despite these strengths, IBM still faces a challenge in gaining knowledge management "mind share" and market share. In part, its strengths are also its weaknesses: It has neither a consulting-led business nor a product-led business — it has both; it cannot take a radical approach to new technology without distressing much of its installed base (which looks for continuity rather than excitement); and it has difficulty presenting its solutions as complementary to Microsoft's without appearing irrelevant.

In these circumstances, enterprises can benefit from IBM's struggles as it delivers products at low prices relative to its competition (whether Microsoft or point-solution vendors), and from its mix of product and service expertise. However, the dictum that a bargain is only good value if you wanted the item in question should be kept in mind.

**Bottom Line:** Enterprises should consider IBM's products and services for knowledge management, but within the context of a strategy that is similarly comprehensive. Without a clear strategy driving IT investment to support knowledge management, users of IBM products and services likely will spend more to less effect. Such a strategy should encompass all the requirements of collaboration and information access, and integration of generic support for knowledge-based work with line-of-business applications.