

CA



THE INSTITUTE OF  
**CHARTERED** ACCOUNTANTS  
OF SRI LANKA

# SUGGESTED SOLUTIONS

## **22404 – Business Strategy and Knowledge Management**

CA Professional (Strategic Level II) Examination  
December 2013

**THE INSTITUTE OF CHARTERED ACCOUNTANTS OF SRI LANKA**

## Answer No. 01

### Case Study

Any company that aspires to be an industry leader in the 21<sup>st</sup> century must think in terms of global market leadership, not domestic market leadership. The world economies open up their markets as the internet shrinks the importance of geographic distance.

Sri Lanka has been the subject of a number of global strategic alliances, joint ventures and collaborative arrangements in recent times. Despite the negative media propaganda about the country, the Global Conference 2013 definitely presents a landscape of immense development opportunities to the world community. Tourism considered overall has been better during the year in comparison to previous periods statistics.

*SKY LMT* is a hotel chain that operates around the country with an attractive theme “*Your Dream Home*”. Company has been in operation for the last four decades with a centralised procurement system for its consumables based on regions (Southern, Northern, Western etc.). Industry ranking suggested that *SKY LMT* is the fourth best standard type hotel chain with potential for development.

With the stiff competition within the industry, that is now strong with high net worth foreign investors’ presence, the company is contemplating a proposal for a strategic alliance to support its globalisation efforts and consolidate efforts within the country. In a recent report that was published in the Daily Reporter criticizing business alliances there was reference to the company suggesting caution, given the present industry conditions.

- (a) You as a member of the senior management team, are requested to **propose** factors that the company would require to look at when considering the potential of global alliance as an expansion strategy.
- **Picking a good partner** – a good partner shares the company’s vision about the purpose of the alliance and has the desired expertise and capabilities. Experience indicates that it is generally wise to avoid partnering with foreign companies where there is strong potential of direct competition because of overlapping product lines or other conflicting interests.
  - **Being sensitive to cultural differences** – Unless the outsider exhibits respect for the local culture and local business practices and unless there is a good chemistry among key personnel, productive working relationships are unlikely to emerge.
  - **Recognizing that the alliance must benefit both sides** – Information must be shared as well as gained, and the relationship must remain forthright and trustful. Many alliances fail because one or both partners grow unhappy with what they are learning. Also if either partner plays games with information or tries to take advantage of the other, the resulting friction can quickly erode the value of further collaboration.
  - **Ensure that both parties live up to their commitments** – Both parties have to deliver on their commitments for the alliance to produce the intended benefits. The division of work has to be perceived as fairly apportioned and the caliber of the benefits received on both sides has to be perceived as adequate.

- **Structuring the decision making process so that actions can be taken swiftly when needed** – In many instances, technology and competitive changes occur at such a fast pace that decisions need to be made fast. If the parties get bogged down in discussions among themselves or in gaining internal approval from higher-ups the alliance can turn into an anchor of delay and inaction.
- **Manage the learning process and then adjust the alliance agreement over time to fit new circumstances** – In today’s fast moving markets, few alliances can succeed by holding only to initial plans. One of the keys to longevity and success is learning to adapt to change and adjusting the terms and objectives of the alliance as may be needed.

(b) As a consultant, **recommend** the strategic options that are available to SKY LMT in competing with global challenges.

(10 marks)

If large, opportunity seeking, resource-rich companies are looking to enter the markets of emerging countries, what are the strategy options available for local companies (like *SKY LMT*) in these same markets wishing to survive the entry of global giants. As it turns out, the prospects for local companies/*SKY LMT* are by no means grim. Their optimal strategic approach depends on;

- Whether a firm’s competitive assets are suitable only for the home market or can be transferred abroad and
- Whether industry pressures to move toward global competition are strong or weak.

Four strategic options are depicted below;

<b>Industry Pressure to Globalize</b>	High	Dodge Rivals by Shifting to a New Business Model or Market Niche	Contend on a Global Level
	Low	Defend by using "Home-Field" Advantage	Transfer Company Experience to Cross-Border Markets
		Tailored for Home Market	Transferable to Other Countries

**Resources and Competitive Capabilities**

- Defend against global competitors by using Home-Field advantages – When the pressures for global competition are weak and a local firm has competitive strengths well suited to the local market, a good strategy option is to concentrate on the advantages enjoyed in the home market, cater to customers who prefer a local touch, and accept the loss of customers attracted to global brands. A local company may be able to cleverly exploit its local orientation. A local company in many cases enjoys a significant cost advantage over global rivals allowing it to compete on the basis of a lower price.

- Transferring the company's expertise to Cross-Border markets – When a company has resource, strength and capabilities suitable for competing in other country markets, launching initiatives to transfer its expertise to cross-border markets becomes a viable strategic option. Jollibee Foods, a family-owned company with 56 percent of the fast-food business in the Philippines, combated McDonald's entry by upgrading service and delivery standards, and then used its expertise in seasoning hamburgers with garlic and soy sauce and in noodle and rice meals made with fish to open outlets catering to Asian residents in Hong-Kong, and the Middle East.
  - Dodging global entrants by shifting to a new business model or market niche – When the industry pressure to globalize are strong, any of the following three options make the most sense;
    - Shift the business to a piece of the industry value chain where the firm's expertise and resources provide competitive advantage
    - Enter into a joint venture with a globally competitive partner or
    - Sell out to a global entrant into the home market who concludes the company would be a good entry vehicle.
  - Contending on a global level – If a local company in an emerging market has transferable resources and capabilities, it can sometimes launch successful initiatives to meet the pressure for globalisation head-on and start to compete on a global level itself. When General Motors decided to outsource the production of radiator caps for all of its North American vehicles, Sundaram Fasteners of India pursued the opportunity; it purchased one of the GM's radiator cap production lines, moved it to India, and became GM's sole supplier of radiator caps in North America at 5 million units a year.
- (c) You as a member of the business evaluation committee are requested to **advise** the SKY LMT board on what multicountry strategy and global strategy are, to clarify their concerns regarding them.

#### Multicountry Strategy

The need for a multicountry strategy *derives sometimes from vast differences in cultural, economic, political, and competitive conditions* in different countries. The *more diverse national market conditions* are, the stronger the case for a *multicountry strategy* where the company tailors its strategic approach to fit each host country's market situation. Usually, but not always, companies enjoying a multicountry strategy *use same basic competitive theme* (low-cost, differentiation, or best-cost).

The bigger the country-to-country variations, the more a company's overall international strategy become a collection of its individual country strategies. But country to country variations still allow room to connect the strategies in different countries by making an effort to transfer ideas, technologies, competencies, and capabilities that work successfully in one country market to another country market.

The strength of multicountry strategy is that *it matches the company's competitive approach to host-country circumstances*. A multicountry strategy is *essential when there are significant country-to country differences in customer needs and buying habits*.

### Global Strategy

It is more uniform from country-to-country, can concentrate on building the resource strengths to secure a sustainable low-cost or differentiation based competitive advantage over both domestic rivals and global rivals racing for world market leadership.

Whenever country-to-country differences are small enough to be accommodated within the framework of global strategy, a global strategy is preferable to a multi-country strategy because of the value of uniting a company's efforts worldwide to create strong, competitively valuable competencies and capabilities not readily matched by rivals.

### Answer No. 02

- a) Michael Porter, an authority on competitive strategy, contends that a corporation is most concerned with the intensity of competition within its industry. The level of this intensity is determined by basic competitive forces. He contends that the collective strength of these forces determines the ultimate profit potential in the industry, where profit potential is measured in terms of long-run return on invested capital.

Explain how the Five Forces Model of Competition shapes the business strategy (each Force must have at least two points).

Competitive pressures in various industries are never precisely the same however the competitive process works similarly enough to use a common analytical framework in identifying the nature and intensity of competitive forces.

Special feature in the five forces model is the thoroughness with which it exposes what competition is like in a given market – the strength of each of the five competitive forces, the nature of the competitive pressures comprising each force and the overall structure of competition.

### The rivalry among Competing Sellers

- Rivalry intensifies as the number of competitors increases and as competitors become more equal in size and capability. This results in buyers having many choices. Hence up to a point the greater the number of competitors, the greater the probability of fresh creative strategic initiatives.
- Rivalry is usually stronger when demand for the product is growing slowly. In a rapidly expanding market, there tends to be enough business for everybody to grow. Indeed, it may take all of firms' financial and managerial resources just to keep abreast of the growth.
- Rivalry is stronger when customers' cost to switch brands is low. The lower the costs of switching, the easier it is for a rival seller to raid another seller's customers.
- Rivalry tends to be more vigorous when it costs more to get out of business than to stay in and compete. Higher the exit barriers, the stronger the incentive for existing rivals to remain and compete.

### The potential entry of a New Competitor

- Economies of scale deter entry because they force potential competitors either to enter on a large scale or to accept a cost disadvantage and consequently lower profitability. Trying to overcome the disadvantage of small size by entering on a large scale at the outset can

result in long-term overcapacity problems for the new entrant and it can so threaten the market shares of existing firms that they retaliate aggressively to maintain their positions.

- Buyers are often attached to established brands. High brand loyalty means that a potential entrant must commit to building a network of distributors and dealers, and then be prepared to spend enough money on advertising and sales promotion to overcome customer loyalties and build its own clientele.
- Capital requirements – Larger the investment needed to enter the market successfully, the more limited the pool of potential entrants. The most obvious capital requirement is associated with manufacturing plants and equipment, working capital to finance inventories and customer credit.
- Inability to match the technology and specialized know-how of firms already in the industry. Successful entry may require technological capability not readily available to a newcomer or skills and know-how not easily learned by a newcomer.

#### Competitive pressure from Substitute Products

- Firms in one industry are quite often in close competition with firms in another industry because their respective products are good substitutes. The producers of eyeglass compete with the makers of contact lenses and with eye specialists who perform laser surgery to correct vision problems.
- The availability of substitutes inevitably invites customers to compare quality features, performance, ease of use, and other attributes as well as price. The users of glass bottles and jars constantly weigh the performance trade-off with plastic containers, paper cartons and metal cans.
- The presence of readily available and attractively priced substitutes creates competitive pressure by placing a ceiling on the prices that industry can charge for its product without giving customers an incentive to switch to substitutes and risking sales erosion.
- Another determinant of the strength of competition from substitutes is how difficult or costly it is for the industries' customers to switch to a substitute. Typical switching costs include extra price premiums.

#### Competitive pressure from Supplier Bargaining Power

- Suppliers have little or no bargaining power over rivals whenever the items they provide are commodities available on the open market from numerous suppliers with ample capability to fill orders.  
Commodity product suppliers have market power only when supplies become quite tight and users are so anxious to secure what they need that they agree to terms more favourable to suppliers.
- Suppliers have weak bargaining power whenever there are good substitutes for the item they provide and buyers find it neither costly nor difficult to switch their purchases to the suppliers of alternative items.
- Suppliers also tend to have less bargaining over price and other terms of sale when the company they are supplying is a major customer. In such cases the well-being of suppliers is closely tied to the well-being of their major customers.
- Suppliers are more powerful when they can supply a component more cheaply than industry members can make it themselves.

### Competitive pressure from Buyer Bargaining Power

- If the buyers cost of switching to competing brands or substitutes are relatively low it is relatively easy for buyers to switch from seller to seller at little or no cost and anxious seller may be willing to make concessions to win a buyer's business.
  - If the number of buyers is small or if a customer is particularly important to a seller the less easy it is for sellers to find alternatives when a customer is lost.
  - If buyers are well informed about sellers' products, prices and costs, the more information buyers have, the better bargaining position they are in. It is relatively easy for buyers to use the internet to compare prices and features before a business negotiation to set the direction.
  - If buyers pose a credible threat of integrating backward into the business of sellers. Retailers gain bargaining power by stocking and promoting their own private label brands alongside manufacturers' name brands.
- (b) Business strategy focuses on improving the competitive position of a company within the specific industry or market segment. Critical Success Factors (CSF) of a company play a considerable role in achieving that competitive position in a given industry.

**Examine** how the absence of CSF impacts competitive business failure.

An industry's CSF are those things that most effect industry members' ability to prosper in the market place. They could be particular strategy elements such as production attributes, resources, competencies, competitive capabilities, and business outcomes that spell the difference between profit and loss and ultimately between competitive success and failure.

CSF is so important that all firms in the industry must pay close attention to them so much so that they are the prerequisites for industry success. In a given prevailing and anticipated industry and competitive conditions, determining the key success factors is a top priority analytical consideration.

Managers need to understand the industry situation well enough to know what is more important to competitive success and what is less important. Misdiagnosing the industry factors critical to long –term competitive success greatly raises the risk of a misdirected strategy. In contrast, a company with perceptive understanding of industry CSF can gain sustainable competitive advantage by focusing its strategy on industry CSF and devoting its energies to being distinctively better than rivals on one or more of these factors.

Companies that stand out on a particular CSF enjoy a stronger market position for their efforts – being distinctively better than rivals on one or more CSF presents a golden opportunity for gaining competitive advantage.

Hence it is imperative for business success the use of industry's CSF as cornerstones for the company's strategy and trying to gain sustainable competitive advantage by excelling at one particular CSF. Managers, therefore, have to resist the temptation to include factors that have only minor importance on their list of CSF.

### Answer No. 03

- (a) “Corrective adjustments in the company’s approach to executing strategy are normal and have to be made as needed. Generating new ideas, identifying new opportunities, and developing innovative products and services are a few characteristics of a company which focuses on sustainable growth that demands leading the process of making corrective adjustments”.

**Discuss** the above in relation to how a Strategic Leader would respond to corrective adjustments.

The leadership challenge here is twofold: *deciding when to make adjustments* and *deciding what adjustments to make*. Both decisions are a normal and necessary part of a manager’s job since no strategic plan and *no scheme for implementing and executing strategy can foresee all the events and problems that will arise*. There comes a time for every company when managers have to alter the company’s direction, revise objectives, modify strategy, or fine-tune the approaches to strategy execution.

The *process of making corrective adjustments varies according to the situation*. In a crisis, the typical leadership approach is to have key subordinates gather information. The strategy leader usually meets with key subordinates and personally presides over extended discussions of the proposed responses *trying to build a quick consensus among members of the executive inner circle*.

When the situation allows managers to proceed more deliberately in deciding when to make changes and what changes to make, *strategy managers seem to prefer a process of incrementally solidifying commitment* to a particular course of action. The process, strategy managers go through in *deciding on corrective adjustments is essentially the same for both proactive and reactive changes*: they *sense needs*, gather information, *broaden and deepen their understanding of the situation*, develop options and explore their pros and cons, put forth action proposals, *generate partial solutions*, build a managerial consensus, and finally formally *adopt an agreed-on course of action*.

The time frame for deciding what corrective changes in vision, objectives, strategies, capabilities, implementation/execution approaches to initiate can take a few hours, a few days, a few weeks, or even a few months if the situation is particularly complicated. *Success usually hinges on thorough analysis of the situation and the exercise of good business judgment* by a strategy manager.

- (b) “Simply listing a company’s strength, weaknesses, opportunities and threats is not enough, the payoff of SWOT analysis comes from the evaluation and conclusions that flow from the four lists”.

**Evaluate** the above statement with an example.

SWOT analysis is more than an exercise in making four lists. The really valuable part of SWOT analysis is determining *what story the four lists tell about the company’s situation and thinking about what actions are needed*. Understanding the story involves evaluating the strengths, weaknesses, opportunities and threats and drawing conclusions about;



- how the company's strategy can be matched to both its resource capabilities and its market opportunities, and
- how urgent it is for the company to correct which particular resource weaknesses and guard against which particular external threats.

To have managerial and strategy making value, SWOT analysis must be a basis for action. It also needs to provide thinking and answers to several questions about what future resource strengths and capabilities the company will need to respond to emerging industry and competitive conditions and to produce successful bottom-line results. Among other things SWOT analysis also suggests whether the current strengths matter as much as in future? Are there resource gaps that need to be filled? Do new types of competitive capabilities need to be put in place? Which resources and capabilities need to be given greater emphasis and which merit lesser emphasis?

#### An example

SWOT identifies the company's strength and resource capabilities. Some of them could be;

- A skill or important expertise. This could be low cost manufacturing capabilities, technological know-how, a proven track record for defect free manufacture, expertise in providing consistently good customer service, and unique advertising and promotional talents.
- Valuable organisational assets. Proven quality control systems, key patents, mineral rights, a base of loyal customers, cutting-edge supply chain management systems, a well functioning company intranet, a strong balance sheet and credit rating.
- Competitive capabilities. Short development times in bringing new products to market, a strong dealer network, strong partnerships with key suppliers, a high degree of organisational agility in responding to shifting market conditions and emerging opportunities etc.

SWOT analysis whilst providing an overview of the above necessitates realizing that these strengths origins are diverse. Sometimes they flow from different resources teaming together to create a competitive capability. Thus SWOT analysis requires constant appraisal of pooled knowledge, expertise, and skills.

#### **The following case study is relevant to both Question 04 and Question 05.**

The Central Bank (CB) which is the governing bank of a country wishes to set up a centralised knowledge management system (KMS) for the purpose of training, knowledge enhancement, capacity building and continuous professional development (CPD) of the banking staff of all the banks that are regulated by the CB. To construct and to update the centralised knowledge base, it is required that each bank also will set up and maintain an intra-bank knowledge based system (KBS). All the KBSs of the banks will become the knowledge feeders to the centralised CB KMS.

Using the knowledge that will get accumulated at the centralised KMS CB wishes to initiate many training workshops and CPD courses that will be made available to the banking officers at different levels. The strategy is to gather new and up-to-date knowledge from different banks, and disseminate the aggregated knowledge to all the banks based on the designation and the rank of the banking officers.

The CB perceives knowledge capturing and generation within each bank and transferring them appropriately to the central KMS as challenges. There were several proposals by different experts. One proposal was to deploy the same groupware provided by a selected vendor as the KBS at each bank, and set up an inter-bank KBS connection network to transfer the knowledge to the centralised KMS. Second proposal was to utilise or enhance the existing systems at each bank and have a mechanism to transform the knowledge accumulated in different forms to a uniform format and then use it at the central KMS. Third proposal was to use internet-based social networking tools as a means of collecting knowledge. There was a fourth proposal to use a learning management system (LMS) with its own educational tools and other integrated social networking tools to gather and disseminate knowledge.

Some banks expressed the issue of safeguarding intellectual property rights of each bank. This led to the issue of identifying shareable knowledge. The concern of the CB was that if only a limited knowledge is shared, the CPD courses will not be of a good standard. Further, there can be a situation where some banks share only a minimum level of knowledge, and hence contribute at a very minimum level, while benefiting from the knowledge shared by other banks. The challenge is to ensure a fair and appropriate knowledge sharing environment.

**Answer No. 04**

- i. Using the four (04) components of a KBS as the basis for the analysis, examine the suitability of the four proposals indicated in the case study to be used as KBSs in the banks. State any assumptions. You may use either a table structure or a structured essay in point format to answer this question.

<b>KBS component</b>	<b>Same groupware at each bank</b>	<b>Utilise or enhance existing systems</b>	<b>Internet based social networking</b>	<b>LMS with necessary tools</b>
Knowledge acquisition	Many built in tools	Not sure whether any knowledge acquisition tools are available in all systems.	By nature, they acquire knowledge (e.g. Wikis, blogs). However, privacy is a concern.	If Wikis, Journals, blogs, forums, etc. are available, then acquire knowledge
Knowledge base	Some groupware have KBs, but may not be optimised. Can improve.	Not sure whether there are any KBs	Search engines have KBs. However, privacy is a concern.	Some LMSs have KBs, but may not be optimised. Can improve.
Inference mechanisms	May not be available, hence need to be developed.	May not be available, hence need to be developed.	Some public tools available, however, privacy is a concern.	May not be available, hence need to be developed.

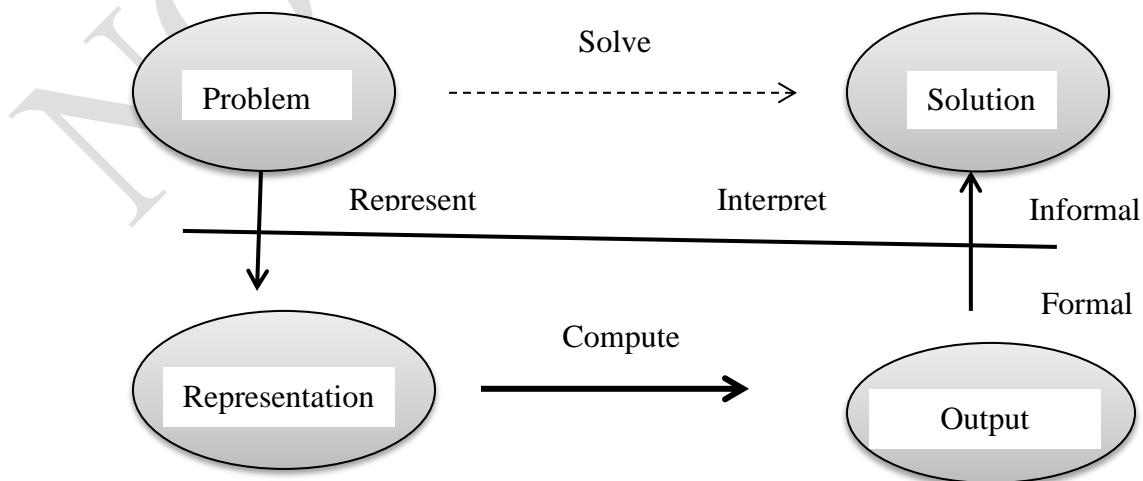
<b>KBS component</b>	<b>Same groupware at each bank</b>	<b>Utilise or enhance existing systems</b>	<b>Internet based social networking</b>	<b>LMS with necessary tools</b>
Knowledge output	Tools available	Not sure whether any tools are available.	Tools available	Tools available
Decision	Suitable to consider	Difficult to ensure that all banks will have at least some components, hence not suitable (or may not be suitable).	Privacy and confidentiality concerns make this not suitable.	Suitable to consider.

- (b) Much of the knowledge collected in any of the above four proposals will be of informal nature. Propose a framework that will facilitate the use of collected knowledge from the KBSs of the banks in the central KMS in a manner suitable for the training programmes, CPD courses and any knowledge enhancing portals to be used by the banking staff.

Following figure shows the conceptual framework with informal and formal knowledge transformed through the phases of problem, representation, output and solution. (If this framework or aspects in this framework are briefly discussed, with some reference to codifying, collection of facts, etc. give full marks).

Even if the framework shown below is not given, if the aspects such as transformation, representation, codification, output, etc., are used to propose a framework, consider giving marks based on how many aspects are considered. As only 4 marks are given, details are not expected.

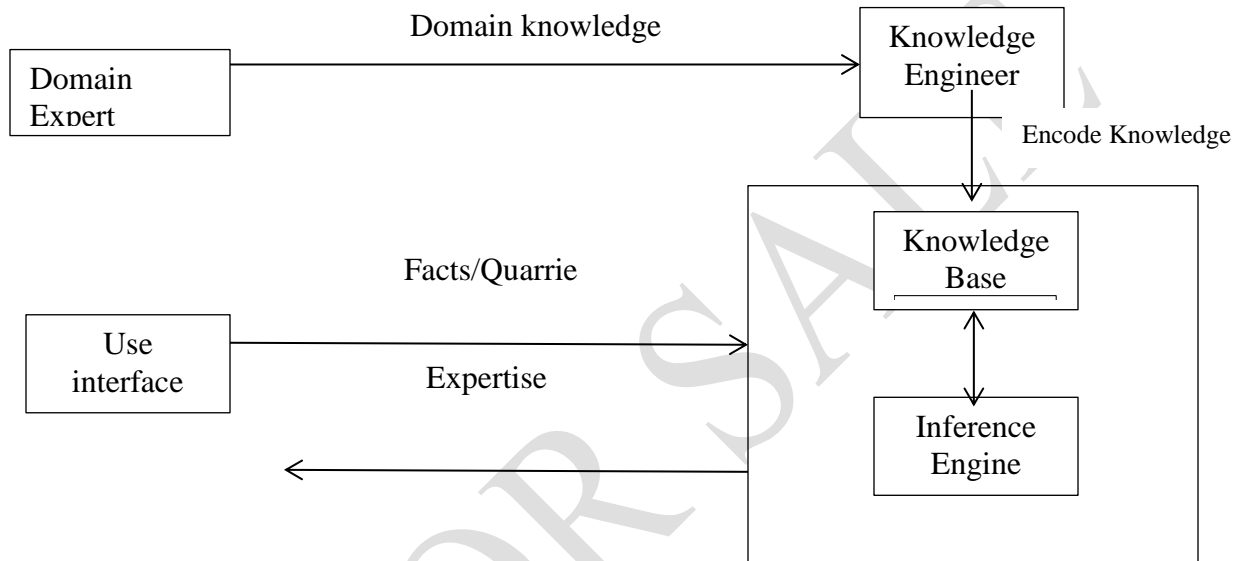
The proposal should ultimately indicate a way to use the captured knowledge in training programmes, CPD courses or web portals.



**Answer No. 05**

- (a) Draw a schematic diagram of an expert system.

To facilitate the learning process of the remote candidate, explain how an expert system can be used by the ABCI. Use a schematic diagram of an expert system as an aid to your answer.



- (a) If the above CB KMS is to be considered as an expert system, **determine** the corresponding elements (humans or systems) already available according to the given case study description, and **propose** with justification the aspects that need to be further developed to match the concept of an expert system. (You may consider your preferred choice out of the four proposals indicated in the case study, however, you need to state your selection.)

**Domain expert:** Can use already available experienced senior officers and experts in the banks.

**Justification:** No outsider is likely to have better knowledge than them. They will have good tacit knowledge as well.

**Knowledge engineer:** May be existing IT departments of the banks can be improved to have knowledge engineers, or can use automated tools to perform the function of the knowledge engineer (however, they may be expensive).

**Justification:** Not very much seen in the banking sector.

**Knowledge base:** Some banks may have some form of knowledge bases; however, majority may not. These may need to be developed from scratch for some banks. Some banks may have systems similar to LMSs that have some KBs. However, there is no central KB, and hence that needs to be developed.

**Justification:** need to have systems that are able to store accumulative knowledge, and make the coded knowledge available to be used when a relevant query arises.

**Inference engine:** Need to be developed from scratch. This will be in the central KMS.

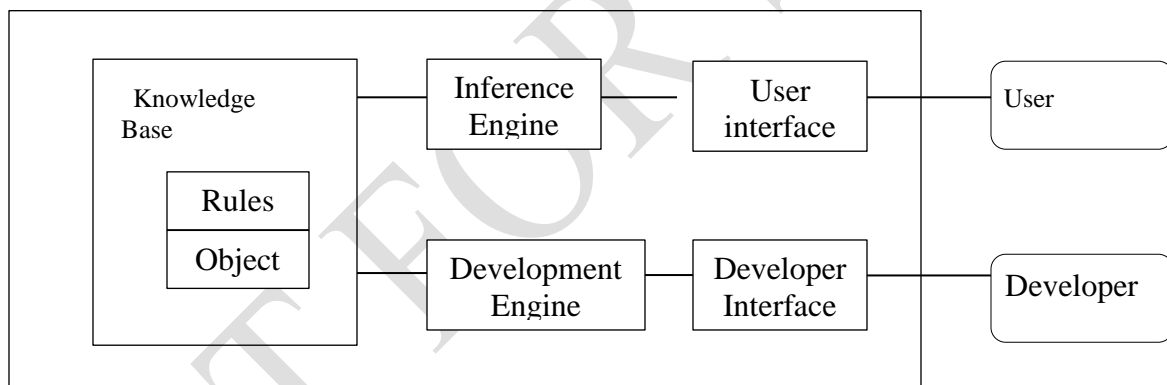
**Justification:** No bank has a proper inference engine that will accept the user queries and decide the best possible answer based on a set of rules and available knowledge in the knowledge base. Further, the requirement is to have a central inference engine so that all banks can use, and there is no such system at present, hence need to develop from scratch.

**User interface:** Needs to be developed from scratch. This will be integrated with the central KMS.

**Justification:** A common interface for all the banks is currently not available.

**OR**

**(a) Expert System**



(b) An expert system consists of several components. The above figure illustrates components of an expert from both user and developer perspectives.

- A knowledge base - Contains facts and rules from past experience of experts.
- An inference engine - The program that locates the appropriate knowledge in the knowledge base, and infers new knowledge by applying logical processing and problem-solving strategies.
- User interface - The means of communication between a user and the expert system's problem-solving processes.
- Developer interface - The means of communication between a developer and the expert system's problem-solving processes.

- Development engine - Help developers build knowledge bases. Collecting knowledge needed to solve problems and build the knowledge base continues to be the biggest bottleneck in building expert systems.

(c) Propose two (02) tools that may be used for knowledge discovery purpose in each of the banks, and justify why you propose them.

**Problem reporting or feedback systems/tools**

Justification: bank staff with a problem solving skills will respond, and such responses can be captured. This will discover tacit knowledge as well.

**Document management systems**

Justification: documents will contain knowledge. A document management system will systematically store documents, and knowledge can be discovered by selecting most up-to-date versions of documents.

**Digital libraries**

Justification: a lot of scanned documents, images and historic evidence become available to be searched and used; more convenient than physical libraries when it comes to searching.

**Institutional repositories**

Justification: institution specific details will be available for later reference.

**Search engines**

Justification: can be used together with any of the above systems. By definition, a search engine is a knowledge discovery system.

## Answer No. 06

- (a) It is desirable if knowledge repositories can facilitate knowledge classification. Explain why such a knowledge classification is necessary in today's business context where some information may require restricted access.

*Somewhat open ended question (though based on the course text, it tests the application of the learned concepts to a business problem)*

Classification is needed to identify whether confidential or not, proprietary or not, and what are termed as intellectual properties.

Classification as above will indicate whether it is possible to share or not.

Once classified, such information can be made accessible in repositories based on privileges, roles, designations, authority, etc.

- (b) Suppose a social networking portal is used to build a knowledge sharing community. For the success of the knowledge repository of this portal, it is necessary that everyone shares a considerable expertise knowledge with each other. Recommend and justify three (03) mechanisms to motivate the members of this community to share at an acceptable level rather than becoming only the recipients of knowledge.

*(Open ended question. A few possible answers are indicated; however, there can be numerous solutions)*

Rate and reward the members based on knowledge sharing.

**Justification:** describe the rating mechanism, etc. and show how the members will try to get a higher rating for a competitive recognition among this community.

Allow a member to use only up to the amount that the member has shared.

**Justification:** a member will not benefit unless sufficient knowledge is received. People like to enhance their knowledge, hence they are indirectly forced to share.

Get an institute to offer courses or some tangible benefit, or offer fee reductions and/or free CPD and training course enrolments based on the level of sharing.

**Justification:** same as above.



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