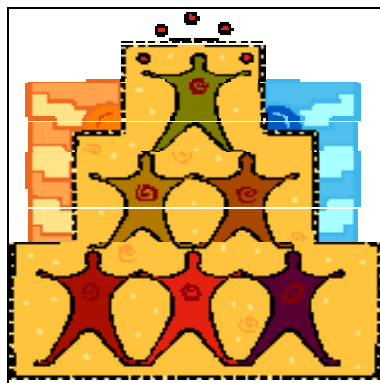


# Managing Knowledge And Leading Change In The Printing And Publishing Industries: Creator To Consumer In A Digital Age

Learning element 2.2

## Value Chains And Epublishing:

*How amenable are printing and publishing industries to  
traditional value chain analysis?*



*Bill Cope, Mary Kalantzis and Christopher Mackenzie*



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## Framework map

### Managing Knowledge And Leading Change In The Printing and Publishing Industries

	<i>Empirical And Experiential</i>	<i>Conceptual And Critical</i>	<i>Applied And Transferred</i>
<b>Theme 1: Knowledge Economy And Knowledge Management</b>	<b>1.1</b> <b>Economic Activity And Knowledge</b> <i>What are the defining features of the knowledge economy?</i>	<b>1.2</b> <b>Knowledge Management: Technology And People</b> <i>How does knowledge management maximise economic competitiveness?</i>	<b>1.3</b> <b>Printing And Publishing In The Knowledge Economy</b> <i>How is printing and publishing being effected by the knowledge economy?</i>
<b>Theme 2: Value Chain Clustering</b>	<b>2.1</b> <b>Searching For Competitive Advantage</b> <i>What is the value chain principle?</i>	<b>2.2</b> <b>Value Chains And Epublising</b> <i>How amenable are printing and publishing industries to traditional value chain analysis?</i>	<b>2.3</b> <b>Cooperation And Competition</b> <i>Is there potential for value chain clustering in printing and publishing industries?</i>
<b>Theme 3: Developing Knowledge Workers</b>	<b>3.1</b> <b>Work In The Twenty-First Century</b> <i>Who are knowledge workers and what do they do?</i>	<b>3.2</b> <b>Characterising Knowledge Work</b> <i>Why is the concept of knowledge work problematic?</i>	<b>3.3</b> <b>Knowledge Work In The Printing And Publishing Industries</b> <i>How can printing and publishing be conceptualised as knowledge work?</i>

## Aims

### Knowledge scope

**Value Chains And Epublishing** explores the notion of value chains in the context of the print and publishing industry. It considers the topic from a critical standpoint. It seeks to develop your appreciation of the potential limitations of traditional value chain analysis as applied to the printing and publishing industry. The element also explores alternatives to the value chain approach, taking into account the impact that digital technologies are having on the industry. In doing so, this element examines how greater collaboration and cooperation between the firms and businesses that comprise the industry may give it an advantage over its competitors, particularly at the international level.

### Knowledge and capability aims

On completing this Learning Element you will have the capacity to:

- ⊗ critically evaluate the concept of value chains with particular reference to electronic publishing;
- ⊗ identify the discrete value chain components of a range of businesses;
- ⊗ carry out a basic hypothetical analysis of a business value chain in terms of cost advantage and differentiation;
- ⊗ discern some of the limitations, if any, of the value chain analysis approach to the digital publishing industry;
- ⊗ define the meaning of an ‘epublishing ecology’; and
- ⊗ discuss how, if at all, partnerships and collaboration between firms and businesses can advance the epublishing industry.

## Important terminology

The ‘Learning Framework’ is the overall educational endeavour of *‘Managing Knowledge And Leading Change In The Printing And Publishing Industries’*. This is comprised of three ‘themes’, presented in the left-hand column of the Framework map. Each theme is divided into three learning ‘processes’, presented in the top row of the Framework map. Altogether this constitutes nine ‘elements’. The Learning Framework is also referred to as the ‘course’.

## **Learning processes**

The main learning process in this element is to discuss with fellow students the questions set out below. In your discussion you need to make reference to the readings listed below the questions. It is recommended that you also search for additional sources.

You will notice that the information included with each source indicates its perspective, whether it tends to be:

Business,  
Cultural studies or  
Technology oriented

In your discussions you should take account of the different perspectives represented by the readings and acknowledge those in your responses. You may wish to concentrate on one approach rather than another, such as technological change taking place in the industry.

### **Learning activity: Online/Tutorial Issues**

Engage in Online/Tutorial discussion in response to the following questions:

- 1) How is the concept of a value chain traditionally understood? For example, is it conceptualised as single and linear or dispersed and dynamic? What differentiates them?**
- 2) Choose a business or firm (not necessarily in the print and publishing industry) and hypothetically analyse its value chain.**
- 3) Are there any problems associated with applying traditional value chain analysis to the printing and publishing industry? If so, what are they?**
- 4) Research into developing alternative value chain models for printing and publishing has been conducted? What does this research tell us about the industry ?**
- 5) What is meant by an epublising ecology?**

### **Recommended reading:**

To answer the questions above it is recommended that you focus on Brandt (1998), Burrows, Coburn and Loi (2002), Kroll (1998), McClenahan (1998), Martin (2002b) and Norman and Ramirez (1993). These readings will provide you with a detailed introduction to the issues and guide further exploration.

## Sources

When viewing this online you can click on a learning source title to go to the reading. Each reading in the list is provided with a label titled '**Perspective**'. Use this as a guide in determining its relevance to the three categories: Business, Technology and Culture.

<b>Title:</b>	<a href="#">The Reader as User in a Re-Intermediated Supply Chain</a>
<b>Author(s):</b>	Burrows, Peter., Coburn, Michael and Daria Loi
<b>Year:</b>	2002a
<b>Book Title:</b>	Markets for Electronic Book Products
<b>Editor:</b>	Cope, Bill and Mason, Dean
<b>City:</b>	Melbourne
<b>Publisher:</b>	Common Ground Publishing
<b>Pages:</b>	147-163
<b>Perspective:</b>	Business, Culture
<b>Keywords:</b>	Supply Chain, Consumer, ePublishing Ecology, User, Reader
<b>Abstract:</b>	<p>In this section the authors highlight the importance of those working in the book production industry to make conceptual shifts in the way they can innovate and progress. The authors focus particularly on redefining today's 'readers' as 'users'. They 'demonstrate how the concept of an active user, whose activity is contributing to the design and creation of a product-service, is pivotal to envisaging the future of the book industry. The implications are profound, requiring an awareness of the nature of the publishing ecology, the way markets are conceptualised and the way in which markets are developed. Central to each of these changes is a re-modeling of the linear supply chain mentality to a much more collaborative approach, and a redefinition of the new roles and responsibilities of players in the digital production-management-distribution process'. Source: Mason (2002).</p>

**Title:** [Diving into profit pools](#)  
**Author(s):** Kroll, Karen  
**Year:** 1998  
**Magazine:** Industry Week  
**Volume:** 247  
**Issue Number:** 18  
**Pages:** 22-23  
**Perspective:** Business, Technology  
**Keywords:** Profit Pools, Competitors, Value Chain  
**Abstract:** Concentrating on size makes it easier to go astray, with a big top line contracting into an insignificant - or even non-existent - bottom line. In order to keep this from happening, focus on your company's share of the industry's profit pools, counsel Jim Gilbert and Orit Gadiesh of Bain & Co., Boston. Profit pools are the total profits earned in an industry at all points along its value chain. However, profit pools change over time, as competitors, suppliers, and customers alter strategy. Regular attention to data, along with an understanding of where the profit pools have been and appear to be headed, will improve your chances of more than just keeping afloat in the deep end. Source: Kroll (1998).

**Title:** [Industry on The Continent](#)  
**Author(s):** McClenahan, John  
**Year:** 1993  
**Magazine:** Industry Week  
**Volume:** 242  
**Issue Number:** 18  
**Pages:** 14-21  
**Perspective:** Business, Technology  
**Keywords:** Industry, Value Chain, Factory, Manufacturing, Managers, Cost Accounting  
**Abstract:** 'Drab markets aren't keeping Europeans from toning their manufacturing muscle. Assembled by Industry Week and INSEAD, a distinguished panel of experts finds managements searching for speed to market, and building an "integrated value chain"'. This article looks at new ways of conceptualising factory production in terms of value chain management. Source: McClenahan (1993).

<b>Title:</b>	<a href="#">From Value Chain to Value Constellation: Designing Interactive Strategy</a>
<b>Author(s):</b>	Normann, Richard and Ramirez, Rafael
<b>Year:</b>	1993
<b>Journal:</b>	Harvard Business Review
<b>Issue:</b>	July-August
<b>Pages:</b>	65-77
<b>Perspective:</b>	Business
<b>Keywords:</b>	Value Chain, Interactive Strategy, IKEA, Competition
<b>Abstract:</b>	The traditional concept of strategy as a means of establishing a company's position on the value chain is becoming outmoded. Successful companies are using strategy to establish an ongoing design and redesign of business systems and repositioning within the value-creating system. Specific businesses, such as IKEA, a network of privately-owned pharmacies in Denmark, Compagnie Generale des Eaux and Lyonnaise des Eaux Dumez, are discussed.

<b>Title:</b>	<a href="#">Implementing Value Strategy through the value chain: An Exploratory Paper</a>
<b>Author:</b>	Walter, David
<b>Year:</b>	1999
<b>Collection Title</b>	Macquarie Business Research Papers
<b>City:</b>	Sydney
<b>Number:</b>	5/99
<b>Perspective:</b>	Business
<b>Keywords:</b>	Value Chain, Value Strategy, Competition
<b>Abstract:</b>	As the market place changes a number of opportunities emerge. Typically these could once have been met by product-market adjustment, by product range extension, improved quality etc. or perhaps by adding a new distributional channel. Our control of supply chain management was such that these changes were met without too much difficulty and certainly without major impact upon the organisation or the supply chain. More recent changes have brought with them more significant and more fundamental issues...The key to competitive advantage is now more about managing technology, relationships and knowledge and devising an optimal response to these opportunities...They also prompt us to review some concepts which for some time have been assumed. We suggest the notion of value is one of these. Source: (Walter 1999).

<b>Title:</b>	<a href="#">Knowledge And Learning As Drivers Of Change In The Organisation</a>
<b>Author(s):</b>	Martin, Bill
<b>Year:</b>	2002b
<b>Book Title:</b>	Developing Knowledge Workers In The Printing And Publishing Industries
<b>Editor:</b>	Cope, Bill and Freeman, Robin
<b>City:</b>	Melbourne
<b>Publisher:</b>	Common Ground Publishing
<b>Volume:</b>	4
<b>Pages:</b>	17-33
<b>Perspective:</b>	Business
<b>Keywords:</b>	Knowledge, Learning, Supply Chain, Knowledge Management, Knowledge Workers
<b>Abstract:</b>	<p>This chapter looks at the interrelationships between knowledge and learning in the context of continuing organisational change. These key concepts are investigated as both the drivers of change and as the context for it, and their relevance to developments in the printing and publishing industries is assessed. In broadening the conceptual treatment to include both knowledge management and learning organisations, the chapter also reviews some of the competences needed if the printing and publishing industries are to prosper in an economy where much of the value in products, services and markets resides in intangibles. The chapter is concerned with the nature and role of knowledge and learning within firms and their value in commercial contexts, not least in the printing and publishing industries. The chapter begins with a look at the core concepts of learning and the learning organisation, of knowledge, intellectual capital, knowledge management and supply chains. Other concepts covered in the chapter include those of knowledge workers, competences for knowledge workers, and knowledge-based cultures.</p>

<b>Title:</b>	<a href="#">Beyond the supply chain</a>
<b>Author(s):</b>	Brandt, John
<b>Year:</b>	1998
<b>Magazine:</b>	Industry Week
<b>Volume:</b>	247
<b>Issue Number:</b>	20
<b>Pages:</b>	6-7
<b>Perspective:</b>	Business, Technology
<b>Keywords:</b>	Value Chain, Supply Chain, Trends, Manufacturing, Production Management.
<b>Abstract:</b>	Value chain management is about to become one of your most pressing concerns, as manufacturing evolves from vertical to virtual integration. In simplest terms, a value chain is the entire production process of a manufactured good from beginning to end, regardless of which firm owns any particular value-adding step. Source: Brandt (1998).

## **Assessment Task A option**

You may wish to draw on the issues raised in this element, **Value Chains And Epublishing**, for your Assessment Task A (worth 25% of your overall grade).

To complete Assessment Task A you must write a proposal (of approximately, but not exceeding, 1,500 words) for the larger work that will constitute Assessment Task B. In choosing the format of this proposal refer to the range of assessment formats provided in the framework level description of this course. If applicable, you can draw on experience from your own workplace to provide examples of how these issues impact on the education, communication and/or business sectors.

The aim of Task A is to:

- (i) help you begin to format the structure of Task B; and
- (ii) help you begin to build the content for Task B

You also need to consider how you will later integrate the work you produce for Task A into Task B.

**Note: You are required to do only one Assessment Task A throughout the course.**

Choosing issues from **Value Chains And Epublishing** as the springboard for your Assessment Task A does not necessarily confine you to pursuing them for Task B. For example, on completion of this task, you may decide to pursue a different theme for Task B.

Even if you choose not to base your Assessment Task on the issues raised in this element, the knowledge and capabilities you have gained here can be fed into the topic you eventually use as the basis for your Assessment Task A.

**Note: Assessment Task A must be submitted by the end of week four.**

## Learning pathways

### Transition from Learning Element 2.2

On completion of this learning element (with or without completing the Assessment Task A option) you must decide which element to undertake next.

Some possible pathways are indicated below. You may wish to adopt these or choose an alternative path based on your own design or in consultation with your teacher.

### Pathway options

By the completion of this element you should be able to critically evaluate the notion of value chain analysis and its applicability to the printing and publishing industries.

You may now choose to explore how the theoretical knowledge you have acquired in this element can be applied in a real-world setting by undertaking the *Applied And Transferred* learning element, *Cooperation And Competition*. Or, instead, you could undertake another theme and search for links between Element 2.2 and others by selecting an *Empirical And Experiential* learning element.

Although there is no prescribed pathway, and you are required to complete all nine elements, your pathway planning should reflect your expertise, experience and interests.

### Example pathways

	<i>Empirical And Experiential</i>	<i>Conceptual And Critical</i>	<i>Applied And Transferred</i>
<i>Theme 1: Knowledge Economy And Knowledge Management</i>	1.1 Economic Activity And Knowledge	1.2 Knowledge Management: Technology And People	1.3 Printing And Publishing In The Knowledge Economy
<i>Theme 2: Value Chain Clustering</i>	2.1 Searching For Competitive Advantage	2.2 → <i>Value Chains And Epublishing</i> ←	2.3 <i>Cooperation And Competition</i>
<i>Theme 3: Developing Knowledge Workers</i>	3.1 <i>Work In The Twenty-First Century</i>	3.2 Characterising Knowledge Work	3.3 Knowledge Work In The Printing And Publishing Industries

## About this Learning Element

**Value Chains And Epublishing** assists you to develop familiarity with the concept of value chains and to critically evaluate traditional conceptions of the value chain approach in respect of electronic print and publishing industries. The element encourages you to think about the suitability of conventional value chain analysis and to consider alternative models that take account of the special nature of an industry being increasingly driven by digital technologies. For the industry it is imperative that production processes and technologies reflect its dynamic nature in order to be competitive at an international level.

### Keywords

Competitive Advantage  
Collaboration  
Cooperation  
Digital Technology  
Ecology  
Epublishing  
Value Chain