

2017 Americas Most Admired Knowledge Enterprises (MAKE) Report

Executive Summary

The Americas Most Admired Knowledge Enterprises (MAKE) study is part of Teleos' MAKE research program. The Americas MAKE study was established in 2002 to recognize organizations (founded and headquartered in North, Central and South America) for their ability to create shareholder value (or in the case of public and non-profit organizations, to increase stakeholder value) by transforming new as well as existing enterprise knowledge into superior products/services/solutions.

The Americas MAKE research is based on the Delphi methodology. This research tool employs an expert panel's perceptual knowledge to identify critical issues – in the case of the Americas MAKE study to identify those organizations which are leaders in creating organizational intellectual capital and value through the transformation of individual/enterprise knowledge into world-class products/services/solutions. After several rounds of deliberation, a consensus is developed among the panel's experts. It is this consensus of expert opinion which provides the validity to the Delphi and Americas MAKE study results.

A North, Central and South American-based panel of *Fortune* Global 500 senior executives and leading knowledge management and intellectual capital experts selects the Americas MAKE Winners. In the Americas MAKE study there are three rounds of consensus building. In the first round, members of the expert panel nominate enterprises founded and headquartered in the Americas.

From the list of nominees, each member of the expert panel then evaluates and selects a maximum of three organizations as best practice. Those organizations selected by at least 5% of the expert panel are recognized as Americas MAKE Finalists. In the third and final round, the Americas MAKE Finalists are ranked against each of the eight knowledge performance dimensions which form the MAKE framework and are the visible drivers of wealth creation:

- creating a knowledge-driven enterprise culture
- developing knowledge leaders and workers
- innovation (R&D, creativity and new product/solution/service design and delivery)
- maximizing enterprise intellectual capital

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- enterprise-wide collaboration and knowledge sharing
- creating a learning organization
- managing customer/stakeholder knowledge
- transforming corporate knowledge into shareholder/stakeholder value

A total of 46 organizations were nominated as 2017 Americas Most Admired Knowledge Enterprises (see Appendix 1). Out of this group, 23 organizations were recognized as 2017 Americas MAKE Finalists (see Appendix 2). A total of 12 Americas MAKE Finalists were recognized as 2017 Americas MAKE Winners (based on the total composite scores).

The Winners of the 2017 Americas MAKE study, conducted by Teleos in association with The KNOW Network, are (in alphabetical order):

- Amazon.com (USA)
- Apple (USA)
- ConocoPhillips (USA)
- Ecopetrol (Colombia)
- Facebook (USA)
- General Electric (USA)
- Google (USA)
- IBM (USA)
- Microsoft (USA)
- NextEra Energy (USA)
- The Goodyear Tire & Rubber Company (USA)
- US National Aeronautics & Space Administration (United States Government) (USA)

The Americas MAKE study is a measure of the *rate* at which an organization is transforming its tacit and explicit corporate knowledge into new enterprise intellectual capital and increased shareholder/stakeholder value. This year’s Americas MAKE Winners are creating enterprise intellectual capital and shareholder/stakeholder value almost three as fast as their peers – supported by trends in innovation capability, market capitalization, return on assets and revenues, brand value, etc.

According to Rory Chase, managing director of Teleos, “The 2017 Americas MAKE Winners have been recognized as leaders in effectively transforming enterprise knowledge into wealth-

creating ideas, products and solutions. Their expanding portfolios of intellectual capital are enabling them to out-perform their competitors during this period of continuing economic and political uncertainty.”

For the sixth time (and fifth consecutive year), Google has been named the Overall Americas MAKE Winner. Past Overall Americas MAKE Winners include Apple, Buckman Laboratories, IBM, IDEO and Raytheon.

Key Findings

Business leaders, analysts and investors constantly ask: “What are the economic and competitive advantages of pursuing a business strategy based on knowledge leadership?” Based on the findings of the 2017 Americas MAKE study, the benefits of this approach are tangible and significant.

Successfully managing enterprise knowledge yields big dividends. The 2017 Americas MAKE Winners’ average Return on Revenues (ROR) was 12.5% – 2.85 times that of the *Fortune* 500 ROR company median. The average Return on Assets (ROA) for the 2017 Americas MAKE Winners was 6.5% – 2.7 times that of the *Fortune* 500 ROA company median.

Other findings include:

- This year’s Americas MAKE Winners reflect the advanced economies of the region with representation from the energy, IT solutions, media, online commerce, research, social media and retailing sectors.
- The energy sector (including exploration, production, sales and associated equipment and services) has been known for its strategic approach to managing enterprise knowledge. As a result, over the history of MAKE studies these firms have been over-represented in the list of Americas MAKE Finalists and Winners. With the collapse in the price of oil and subsequent reduction in exploration and drilling budgets, energy companies have lost some of their ‘most admired’ reputations.
- Americas-headquartered organizations continue to struggle in hiring, training and developing knowledge workers. A combination of factors – the retirement of increasing numbers of ‘baby boomers’ and difficulties in recruiting talented new knowledge workers from the small pool of ‘Generation Y’ and ‘Generation Z’ individuals – is forcing organizations to devote significant resources to human intellectual capital management.
- Central and South America have a young population when compared to North America, yet even organizations in these countries are finding it increasingly difficult to recruit, train and retain key knowledge workers.

- This year's Americas MAKE Winners excel at creating knowledge-based organizational cultures, and developing knowledge-based products/services/solutions.
- Americas-headquartered organizations face a challenge in developing knowledge leaders and workers, maximizing enterprise intellectual capital, and creating value from customer knowledge.

2017 Americas MAKE Hall of Fame

Over the past 16 years, only 44 organizations have been recognized as Americas MAKE Winners. IBM and Microsoft are the only organizations which have been recognized as Americas MAKE Finalists every year since the Americas MAKE research study began in 2002.

The 2017 Americas MAKE Hall of Fame consists of 10 organizations which have been Americas MAKE Finalists in each of the past five annual studies: Amazon.com, Apple, APQC, ConocoPhillips, Fluor, Google, IBM, Microsoft, MITRE and Vale.

2017 Americas MAKE Winners

The 2017 Americas MAKE Winners have been recognized for (in alphabetical order):

Amazon.com (United States)

The 2017 Americas MAKE panel has recognized Amazon.com for maximizing enterprise intellectual capital, and enterprise-wide collaboration and knowledge sharing. Amazon.com is a five-time Americas MAKE Winner.

Apple (United States)

Apple is cited in this year's Americas MAKE study for developing knowledge leaders and workers (first place), and creating a learning organization. Apple is an 11-time Americas MAKE Winner, including four-time Overall Americas MAKE Winner (2009-2012).

ConocoPhillips (United States)

In this year's Americas MAKE study, ConocoPhillips has been recognized for creating a knowledge-driven enterprise culture, and enterprise-wide collaboration and knowledge sharing. This is the ninth consecutive year that ConocoPhillips has been recognized as an Americas MAKE Winner.

Ecopetrol (Colombia)

Ecopetrol is cited in this year's Americas MAKE study for enterprise-wide collaboration and knowledge sharing (first place). This is the fourth time that Ecopetrol has been recognized as an Americas MAKE Winner.

Facebook (United States)

Facebook is cited in this year's Americas MAKE study for creating value through customer/stakeholder knowledge. This is the second time that Facebook has been recognized as an Americas MAKE Winner.

General Electric (United States)

The 2017 Americas MAKE panel has recognized General Electric for creating value through customer/stakeholder knowledge. General Electric is a four-time Americas MAKE Winner.

Google (United States) – 2017 Overall Americas MAKE Winner

Google is recognized in the 2017 Americas MAKE study for creating a knowledge-driven enterprise culture (first place), maximizing enterprise intellectual capital (first place), creating value through customer/stakeholder knowledge (first place), and transforming corporate knowledge into shareholder/stakeholder value. This is the 13th consecutive year that Google has been recognized as an Americas MAKE Winner, including six-time Overall Americas MAKE Winner (2007, 2013-2017).

IBM (United States)

The 2017 Americas MAKE panel has recognized IBM for enterprise-wide collaboration and knowledge sharing, and transforming corporate knowledge into shareholder/stakeholder value. IBM is a 15-time Americas MAKE Winner, including 2004 Overall Americas MAKE Winner.

Microsoft (United States)

Microsoft is recognized in this year's Americas MAKE study for creating a knowledge-driven enterprise culture. Microsoft is a 15-time Americas MAKE Winner.

NextEra Energy (United States)

NextEra Energy is cited in this year's Americas MAKE study for creating a knowledge-driven enterprise culture. This the first time that NextEra Energy has been recognized as an Americas MAKE Winner.

The Goodyear Tire and Rubber Company (United States)

The Goodyear Tire and Rubber Company is cited in this year's Americas MAKE study for innovation (R&D, creativity and new products/solutions/services design and delivery). This is the first time that The Goodyear Tire and Rubber Company has been recognized as an Americas MAKE Winner.

US National Aeronautics & Space Administration (United States)

The 2017 Americas MAKE panel has recognized US NASA for creating a learning organization. The US NASA is a five-time Americas MAKE Winner.

MAKE Research Program

Teleos, an independent knowledge management and intellectual capital research company, administers the Most Admired Knowledge Enterprises (MAKE) program. The KNOW Network – <http://www.knowledgebusiness.com> – is a Web-based global community of organizations dedicated to networking, benchmarking and sharing best knowledge practices leading to superior business performance.

The MAKE research program consists of the annual Global MAKE study – the international benchmark for best practice knowledge organizations. In addition, MAKE studies are conducted to identify leading knowledge-driven organizations at the regional/national level, including the Americas, Asia and Europe; and China, Hong Kong, India, Indonesia and Iran.

The *2017 MAKE Report* is available from Teleos. It contains the MAKE rankings, key findings, best knowledge practices, and profiles of winners. The *2017 Knowledge Intensive Sector Leaders Report* ranks global knowledge leaders in over 20 business sectors.

To order a copy of the *2017 MAKE Report* or *2017 Knowledge Intensive Sector Leaders Report*, or for more information on the MAKE research program, contact: Teleos: teleos@mac.com

Appendix 1: 2017 Americas MAKE Nominees

A total of 46 organizations were nominated in this year's Americas MAKE study. They are listed alphabetically:

- ADP (USA)
- AirBNB (USA)
- Alphabet (USA)
- Amazon.com (USA)
- Apple (USA)
- APQC (USA)
- Baker Hughes (General Electric) (USA)
- Bechtel (USA)
- Cisco Systems (USA)
- Cognizant (USA)
- Comcast (USA)
- ConocoPhillips (USA)
- Dell (USA)
- Dow Chemical (USA)
- Ecopetrol (Colombia)
- Embraer (Brazil)
- ExxonMobil (USA)
- Facebook (USA)
- Fluor (USA)
- FMC Technologies (USA)*
- General Electric (USA)
- GMI SA (Peru)
- HP Inc. (USA)
- Humana (USA)

- IBM (USA)
- Johnson & Johnson (USA)
- Kraft Heinz (USA)
- LinkedIn (Microsoft) (USA)
- Microsoft (USA)
- MITRE (USA)
- Nalco Champion (Ecolab) (USA)
- Nalco Water (Ecolab) (USA)
- NextEra Energy (USA)
- Oracle (USA)
- Petrobras (Brazil)
- Phillips 66 (USA)
- Pinterest (USA)
- Promon Engenharia (Brazil)
- Tesla (USA)
- Texaco (Chevron) (USA)
- The Goodyear Tire & Rubber Company (USA)
- Trianz (USA)
- UL (USA)
- US National Aeronautics & Space Administration (United States Government) (USA)
- Vale S.A. (Brazil)
- Vitesse Solutions (USA)

* On May 19, 2016, FMC Technologies merged with the French company Technip to create a new company called TechnipFMC. Headquartered in Paris, TechnipFMC began operations on January 17, 2017. As a result, FMC Technologies is no longer eligible for the Americas MAKE study.

Appendix 2: 2017 Americas MAKE Finalists

A total of 23 organizations were recognized as 2017 Americas MAKE Finalists (based on nominations from at least 5% of the Americas MAKE expert panel). They are listed alphabetically:

- Alphabet (USA)
- Amazon.com (USA)
- Apple (USA)
- APQC (USA)
- Baker Hughes (General Electric) (USA)
- Bechtel (USA)
- ConocoPhillips (USA)
- Ecopetrol (Colombia)
- Facebook (USA)
- Fluor (USA)
- General Electric (USA)
- IBM (USA)
- Johnson & Johnson (USA)
- Microsoft (USA)
- MITRE (USA)
- Nalco Champion (Ecolab) (USA)
- Nalco Water (Ecolab) (USA)
- NextEra Energy (USA)
- Petrobras (Brazil)
- Tesla (USA)
- The Goodyear Tire & Rubber Company (USA)
- US National Aeronautics & Space Administration (United States Government) (USA)
- Vale S.A. (Brazil)