The pharmaceutical industry is in transition and has to cope with a multitude of new challenges. One the one hand became the consumers are reluctant to spend more on healthcare while their expectations continue to grow. Consequently are healthcare providers in urge to use new methods to deliver better care for less money, and this lead to that the delivery channels are changing radically. Simultaneously, while changes that will reshape the pharmaceutical industry are imminent, short-term profit pressure looms over the industry. The financial world freely advocates the maximization of shareholder wealth and the focus on shareholder value is calling for strong earnings and growth for pharmaceutical companies. It is the job of management to focus on projects and activities that will enhance the value of the shareholder’s claims. Nevertheless, concurrently the pharmaceutical industry is confronted with an unusual rate of patent expiration of well-known blockbuster drugs. This makes it easier to copy drugs producing “me-too” products. These factors push the pharmaceutical industry towards a much harder competition than pharmaceutical companies were used to.

In order to deal with this competitive business environment, pharmaceutical companies followed mainly two broad strategies to cope with the new business environment. For some pharmaceutical companies, a merger, or a competitor acquisition, appears to be the best answer to short-term pressure. For many companies an operational improvement program, aiming to achieve best-in-class performance, seems to be a feasible alternative strategy. With the purpose to succeed with either one or the other chosen strategy the management of knowledge becomes a crucial success factor.

As a result, many pharmaceutical companies started or reinforced knowledge management projects. These knowledge management projects tends to provide tools to create organizational structures and the technical environment needed to improve and manage companies’ knowledge. For some pharmaceutical companies, the improvement and management of knowledge is more than a management fad. They often refer to strategically intentions to sustain competitive advantage which prepare them for marking the claims of the future market.

This article is organized in the following way. First the project and its settings are described, which provides these first findings, presented in this article. is central to the discussion about information and knowledge. The second part takes a closer look to the human aspect of networks for knowledge management. The idea of worknets will be introduced and discussed in the light of their contribution of sustaining or achieving competitive advantage. This article ends with a discussion on the use of information and information systems.

In this article, the ideas from a variety of disciplines about information and knowledge are applied to the knowledge capabilities and requirements. The pharmaceutical industry provides the example case that will be analysed more closely. The aim of the article is to contribute to a clearer understanding of what challenges individuals and networks currently face in order to achieve or to sustain a competitive advantage.