

KNOWLEDGE MANAGEMENT – AN ESSENTIAL INGREDIENT FOR SURVIVAL & GROWTH

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“We judge ourselves by what we feel capable of doing – others judge us by what we have already achieved” – Anonymous

Abstract

Knowledge is one of the most important and critical assets for any organization. An effective Knowledge Management (KM) system is vital for survival and a foundation for the growth and innovation initiatives. In today's competitive red ocean market, the only tool which drives organizations is KM system. In spheres like Defence, Scientific and Medical Research -- preserving and retaining knowledge is the key function to carryout their regular business. In Information Technology field, executing software development or supporting projects etc, require complete knowledge repositories, lessons learnt documents, best practices, archives of historical information and such other knowledge management tools- without which the projects can not be accomplished. KM tools make life easy for engineers and practitioners to handle any issue and emerging risks.

Key words: KM tools, best practices, knowledge repository, audits, metrics

Introduction

In today's economy, increasing the productivity of organizations is the key to success. Since 1990, KM has been identified as a factor which influences organization's effectiveness.

But, culture of the organization can be an obstacle to effectively implement KM systems according to many researches. When asked to name three critical factors in knowledge management, Robert Buck Man (CEO of Bulb Holdings Inc) replied “**Culture, Culture and Culture**”

Knowledge Management is the accumulated expertise and abilities within the organization by the collaboration of right people and right information. KM is the framework within which the organization views all its processes as knowledge processes. In this respect all business processes involves the creation, dissemination, renewal and application of information towards the organization sustenance and survival. Knowledge management is becoming increasingly important because of a paradigm shift in the world from one which was predictable to one of rapid & continuous change.

Knowledge management requires a major transformation in organizational culture to create a desire to share, the development of methods that ensure that knowledge bases are kept current and relevant and a commitment at all levels of a firm for it to succeed.

The industries automated manual labour and reduced redundancy, to improve their efficiency, effectiveness and hence their competitive edge. Now in the *Knowledge industry*, many organizations have gone through massive restructuring to eliminate redundant jobs and have taken lot of efforts in the direction of business process re-engineering towards innovation to add value to the products and processes.

In 1990s, the nature of competition changed rapidly because of increased global connectivity, distributed expertise and shorter product development cycles. Organizations are now streamlining their processes and exploring ways of working smarter through improved collaboration and communication. As the whole world continues to migrate towards a knowledge-based economy, knowledge management has emerged as a methodology for capturing and managing the intellectual assets of an organization, as a key to sustaining competitive advantage. Knowledge management is a new strategic initiative that is changing the paradigm of information systems from one of processing data and providing information to one of harvesting and capitalizing on the knowledge of an entire organization, ranging from AMET Journal of Management

expertise of individuals' heads to documented material.

Through a supportive organizational climate, an organization can bring its entire organizational memory and knowledge to bear on any problem anywhere in the world and at anytime. Knowledge about how problems are solved can be captured so that knowledge management can promote organizational learning, leading to further knowledge creation. Today, organizations are making major long-term investments in knowledge management. Worldwide spending on knowledge management services was more than \$8 billion by 2003 (Dyer, 2000).

"Knowledge Management is the discipline of enabling individuals, teams and entire organizations to collectively and systematically create, share and apply knowledge, to better achieve their objectives" - **Ron Young, CEO/CKO Knowledge Associates International**

"The capabilities by which communities within an organization capture the knowledge that is critical to them, constantly improve it and make it available in the most effective manner to those who need it, so that they can exploit it creatively to add value as a normal part of their work" – **GlaxoSmithKline**

Knowledge management is the art of performing *knowledge actions* such as organizing, blocking, filtering, storing, gathering, sharing, disseminating and

using *knowledge objects* such as data, information, experiences, evaluations, insights, wisdom and initiatives.

Knowledge Management is a process that helps organizations identify, select, organize, disseminate and transfer important information and expertise that are a part of the organizational memory that typically resides within an organization in an unstructured manner. This enables effective and efficient problem solving, dynamic learning, strategic planning and decision making. Knowledge management focuses on identifying knowledge, explicating it in a way so that it can be shared in a formal manner, and thus reusing it (**Gupta et al., 2002**).

Knowledge Management enables the communication of knowledge from one person to another so that it can be used by the other person. Barth (2000) has identified the following domains in which knowledge concepts are leveraged in organizations through knowledge initiatives:

- ◆ sharing knowledge and best practices
- ◆ instilling responsibility for sharing knowledge
- ◆ capturing and reusing best practices
- ◆ embedding knowledge in products , services and processes
- ◆ producing knowledge as a product
- ◆ driving knowledge generation for innovation

- ◆ mapping networks of experts
- ◆ building and mining customer knowledge bases
- ◆ understanding and measuring the value of knowledge
- ◆ Leveraging intellectual assets

Knowledge Management in IT Industry:

Job hopping is a phenomenon seen frequently in IT industry. People are supposed to switch, else they would stagnate. As a rule of thumb, people move to other companies for various reasons like pay, position, role, location and other personal preferences. As a result of such movements today, it's extremely important to have a very good Knowledge management system in place to avoid any delivery issues. If someone is knowledgeable on a particular application or system, lot of tacit knowledge is embedded with individual resources. As a result, he/ she demands more than what is maximum eligible for. Once every project is able to maintain repository of all business, technical documents, historical information, lessons learnt document, knowledge maps, cross training programs etc, then the project can handle any kind of attrition problems. Formation of centre of excellence (COE) for all major applications or business domains would help to manage knowledge repository in a disciplined manner.

For several decades the world's best-known forecasters of societal change have predicted the emergence of a new economy in which brainpower, not

machine power, would be the critical resource. But the future has already turned into the present, and the era of knowledge has arrived.

Organizational Beliefs of Knowledge Sharing:

Knowledge Sharing (KS) perspectives are not unrelated with theories of management. KS discussions are more focused on attitude of "knowledge is power". Therefore, knowledge in new concepts & techniques, is considered as a source of power. Organizations and individuals in traditional pattern are reluctant to transfer and share knowledge that they have. Instead of looking at knowledge as a source of accomplishing organizational interests, they look at it as a source of power for personal interests and benefits. Most managers look at knowledge as a source of power, leverage influence, and a guarantee for continuity in their jobs. However, they are not ready to share it with others. In fact, when the information is considered as power, not only there is an unwillingness to share, but also access to it is extremely limited. Hoarding of knowledge often leads to negative consequences such as empire building, reinvention of the wheel, feelings of isolation, and resistance to ideas from outside an organization. The more the information is shared between individuals, the more opportunities for knowledge creation will be opened up. There is however, a risk in sharing what you know because in most cases, individuals are most commonly

rewarded for what they know, not what they share.

Maintaining the connection between knowledge and the people who are knowledgeable about it, is a paramount ingredient in any knowledge management system. The Organisation must have stringent mechanisms to reassure individuals that authorship and attribution will be maintained & they will not lose the credit for a knowledge product they created. The best way to address concerns is to adapt the rewards and censure systems that exist in the organization. In other words, it is important to stop rewarding knowledge hoarding and start providing incentives for KS (Dalkir, 2005, 132-3)

Knowledge Audits

Knowledge audit is a qualitative evaluation. It's essential to know about the HEALTH of the organization. A typical audit will look for

- ❖ What are the organization's vision, mission statements and what are the knowledge needs?
- ❖ What are the current assets available and where?
- ❖ Are Knowledge Maps available for all specific applications?
- ❖ What are the existing gaps in knowledge?
- ❖ What are the steps taken to fill the gaps? What's the roadmap for KM?
- ❖ What are the stumbling blocks to progress?

- ❖ To what extent people, processes and technology help & hamper KM processes?

Usage and effectiveness of Knowledge management portals, sites, business overview documents etc. are to be subjected to periodical audits by measuring the metrics to quantify the status.

Benefits of Knowledge Audits

- ❖ An audit for KM processes helps to know where the organization stands now and where to focus more. Audit provides the SWOT analysis and risks of KM processes.
- ❖ Knowledge map provides where the knowledge exists & revealing both gaps and duplication
- ❖ Identifies the barriers & blockages of knowledge flow in the organization
- ❖ Helps to reduce cost of knowledge transfer processes when knowledge is managed properly

How to measure Knowledge Management?

Metrics in general is a concrete way of defining what a knowledge management initiative achieves and whether it met those goals. Measuring metrics on knowledge management is not easy without practically experiencing it. Few ideas are given below on KM metrics.

Web usage statistics - It provides information on hits on pages, sites and user details. It's necessary to have proper user credentials to count these metrics.

Knowledge creation Measures - If staff members are expected to contribute information to the system, it can be measure directly. (Ex) No of pages or documents, designs or new ideas uploaded in the KM portals.

Knowledge Usage - Whether the information is being used in practice? Whenever the KM documents are accessed it must be reported by the staff. Create a mechanism for notifying when the information is used or accessed and also implement a reward mechanism for reporting the usage. This will help to get more useful data.

Number of usage - Total staff accessing the system out of available total users is a better usage metrics.

Information Quality - It's quite hard to measure the quality of information in practice. Use experts to review the content of KM to provide ratings or use an appropriate ranking method by asking the readers for various documents that they access for information.

Usability testing - Whether information and documents are usable and relevant to the field of work? This can be a qualitative measure.

User Feedback - Staff feedback is an effective metrics and KM feedback