



Kai A. Simon

Knowledge Management

Concept, issues and questions



The KM concept in general

- An organization's ability to handle employees' knowledge in a way that makes it accessible throughout the company, improving its competitiveness and ability to innovate
- Four keywords
 - Generating
 - Organizing
 - Refining
 - Distributing



More definitions

- Collection of organizational practices and approaches related to generating, capturing and disseminating know-how and other contents relevant to the business
- Information that is retained in an organized system, independent from individuals
- Collecting information, connecting people, applying experience to situations



Knowledge Management today

- No clear concept, only some common sense
- The most common idea
 - Leaders articulate values and visions
 - Management sets goals and priorities
 - IT gathers and distributes knowledge
- Information and technology centric
 - Groupware and workflow repackaged
 - Vendors are repositioning themselves



The evolution of KM

- 1995 - 97: Focus on relevance or value of knowledge retrieval (Business Intelligence)
- 1998 - 99: Connection to business process and operational deployment
- 2000 - : Knowledge communities and scope of sharing
- A lot of organizations are still in the first phase



The Knowledge Economy

- Knowledge as source of wealth
 - Marx was right after all
 - Knowledge more important than the traditional assets
- Knowledge networks and their externalities
 - Value increases exponentially
 - Increasing value attracts new members
 - Everybody gains from adding to the network



Knowledge companies and workers

- Knowledge companies
 - Increase productivity, effectiveness, competitiveness
 - Investments in intellectual capital
- Knowledge workers
 - Mind, not muscle
 - Information is the raw material that is transformed
 - Incentives based on knowing and sharing
 - Measured by results, not number of tasks



Discourse Intellectual Capital

- Intellectual material that has been formalized, captured and leveraged to produce a higher valued asset
- Intangible assets which do not appear on the balance sheet (but influence the value)
 - How can intangible assets be identified and deployed?
 - How to value and run a business where knowledge is the main resource and output?



Knowledge organizations

- Turn intellectual resources into customer service and value
- Make a business of selling knowledge
- Convert ideas into physical resources
- Turn individual knowledge into collective property
- Are vulnerable -> Knowledge loss



Two basic approaches

- Extraction and codification of individual knowledge into a repository. The repository serves as “knowledge carrier”
 - Reports, experiences, templates
 - Groupware technology, DB-templates
- Brief descriptions of individual competencies and experience as criteria for enabling direct social interaction
 - CVs, textual descriptions
 - Technology with high search-capability

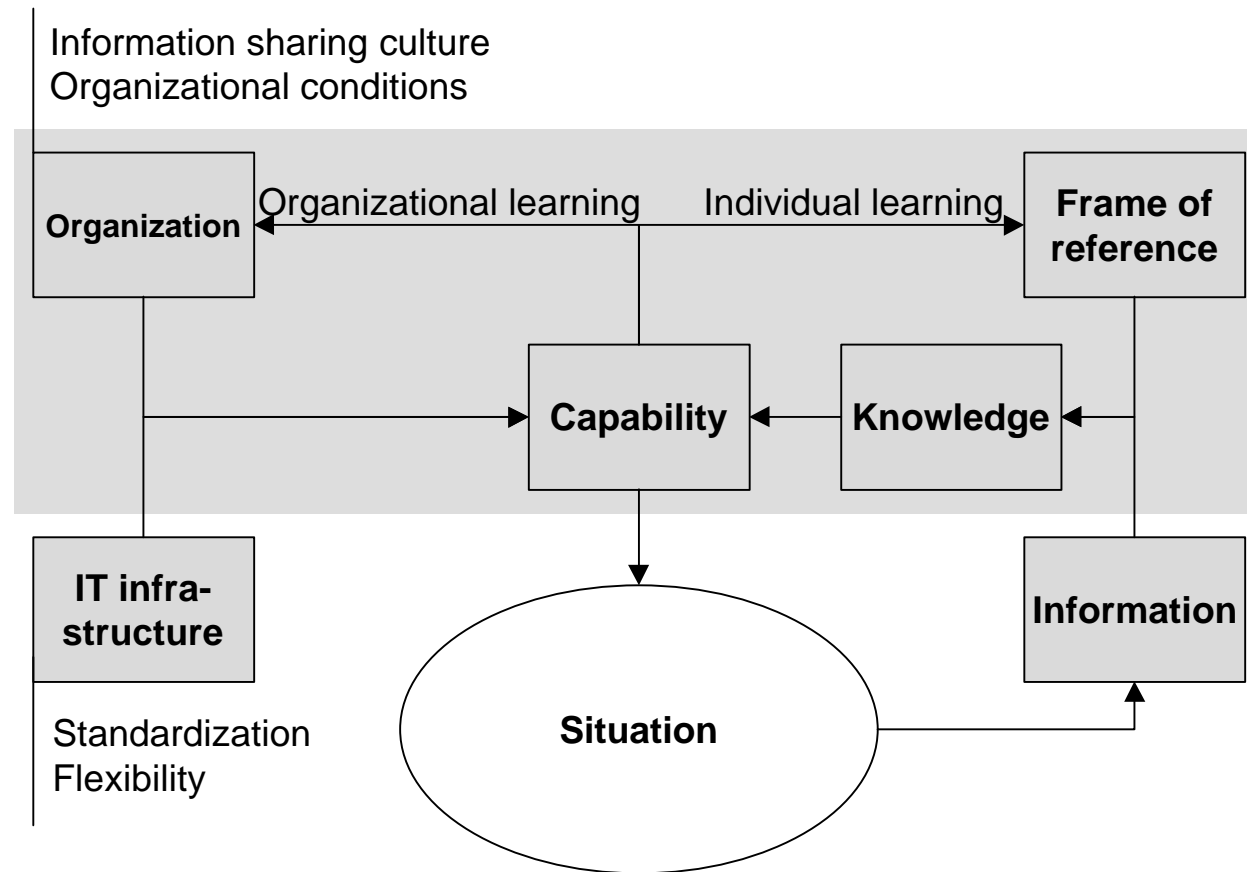


Challenging KM

- Knowledge is not a property or good that can simply be transferred between people.
- Information technology cannot be generally applied.
- Creativity and innovation as a result of peoples' knowledge is not only the result of individual thinking, but often emerges from social interaction.
- In order to deploy knowledge efficiently, we need mechanisms for turning it into action.



Knowledge/Capability loop





Prerequisites

- Development of an action-based culture and organizational that promotes proactive behavior before reaction
- Consideration of mistake making as a part of human behavior, not a reason for punishment
- Application of Knowledge Management as a prerequisite for developing capabilities.
- Creation of organizational structures that leaves room for actionable behavior
- Development of technological infrastructures that are flexible and adaptable to fast turns



No free lunch

Baskerville & Smithson, 1995

- IT-professionals tend to elevate any single, highly successful practical experience instantly into an overarching paradigm for managerial success.
- IT researchers search for the single universal formula that will transform any type of organization in any situation from mediocrity to excellence.
- IT researchers assign a pre-eminence to information technology in organizational transformation that neglects many other important social and environmental factors.
- Management theorists seem unable to cope with with unpredictability, the multivariate nature and 'messiness' of human organizations in a cultural context.
- Several critical factors influence the interaction of changes in IT and organizational forms: these include organizational learning, structural premise and power.