

Knowledge Management

Phillip Marsh

May 2005

ALL RIGHTS RESERVED COPYRIGHT



INTRODUCTION

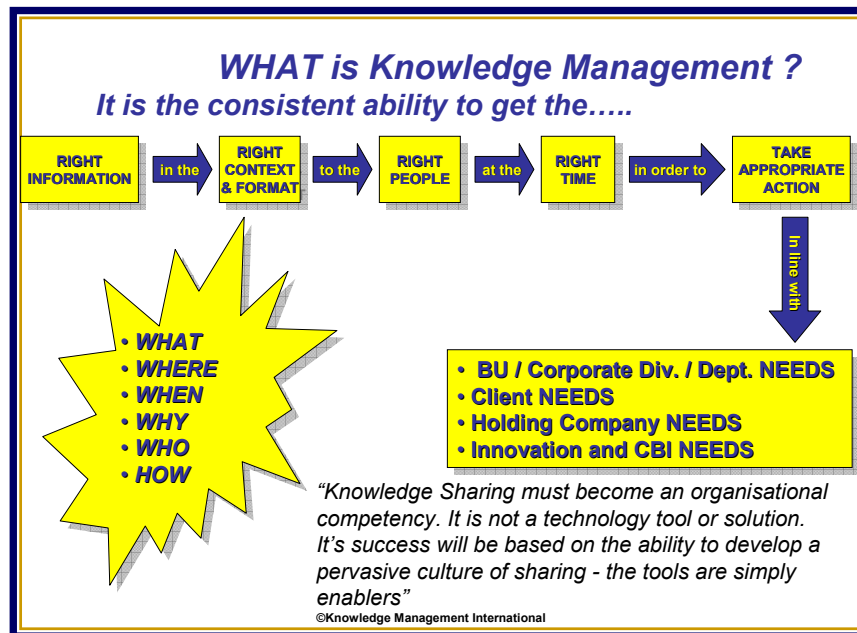
Knowledge Management is one of the most misunderstood management disciplines in business imperatives today, partially due to the early rush by software vendors to produce the “see all – tell all” panacea for leveraging intellectual capital, which was all the rage in the late 1990s.

As with all important endeavours, planning is the cornerstone of success and embarking on a voyage into Knowledge Management is no different. Although, if one considers the millions of Rands wasted on unsuccessful attempts, one would not think so.

So lets assume that we are spending our own money and that failure is not an option. Surely the first thing we would do, would be to clearly identify and define what we want to achieve with Knowledge Management and what, if any, are the benefits.

DEVELOPING A KNOWLEDGE MANAGEMENT STRATEGY

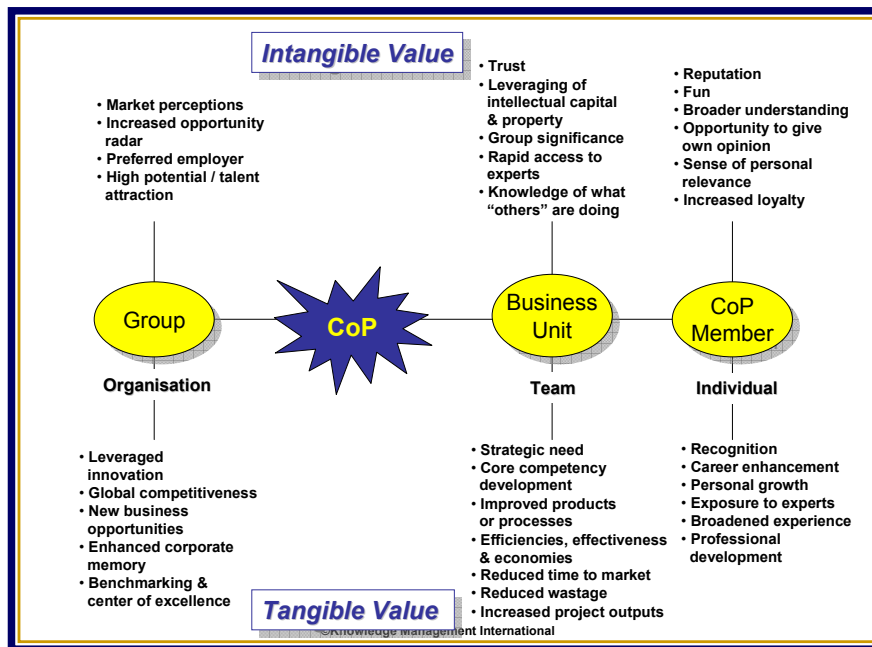
A good Knowledge Management strategy begins with an agreement on the definition of Knowledge Management – there are literally hundreds of esoteric and academic definitions which add little value to the practical implementation of Knowledge Management. Some examples of these are ‘leveraging your intellectual capital’ or ‘unlocking your intangible assets’. The following practical definition is offered for SDFs interested in the practical implementation of a Knowledge Management initiative.



Now that a common definition has been agreed, the next step is to clearly articulate the **Benefits** that are expected to accrue out of the successful implementation of a

Knowledge Management strategy. Experience has shown that there are combinations of both tangible and intangible benefits, or sometimes referred to as the 'hard' and 'soft' benefits. It is essential to identify these at the start as they form part of the '*sanity check*' going forward, which ensures that the initiative is delivering on its original promise. This technique is also known as *benefits realisation* and will be discussed later on.

Examples of the tangible and intangible benefits are provided below:

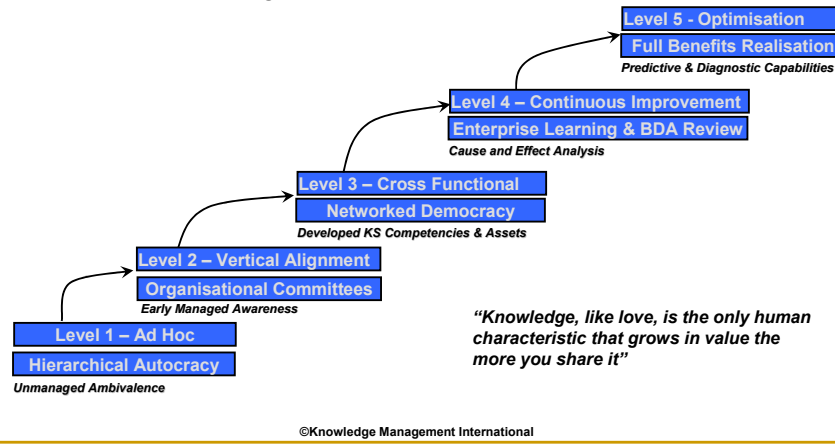


Having identified a definition and the benefits that we expect to achieve from the implementation of our Knowledge Management strategy, we need to assess where we actually are on this journey. The '*position audit*' process is very important as we need a simple tool or methodology that allows us to survey the entire organisation as quickly, effectively and pragmatically as possible. The reason for this to include everyone in this initiative, as without substantial buy-in, enterprise initiatives that require significant changes in organisational behaviour, usually fail.

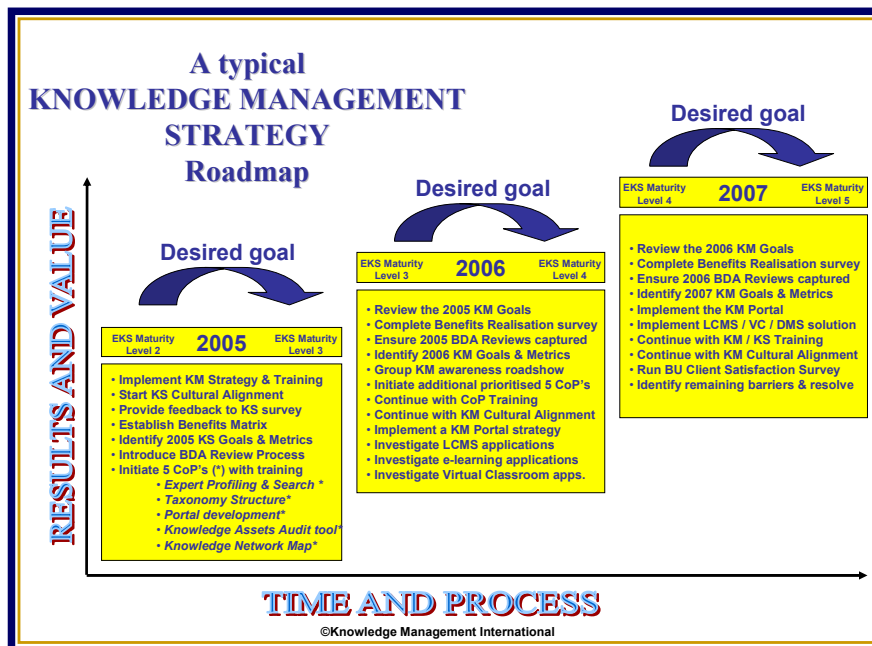
One simple, yet highly effective tool is the Enterprise Knowledge Sharing (EKS) Maturity Model, developed by KMI. It utilises a series of questions in predefined templates which can be rapidly deployed throughout an organisation. The responses are then collated and plotted on the EKS Maturity Model graph. An example of this is provided overleaf:

Enterprise Knowledge Sharing (EKS) Maturity Model

- Unlike S.H.E.R. & Q which are codified by ISO and Local Standards, EKS remains an enterprise initiative, bound by guidelines and best practices that it alone decides to recognise.



Once the organisational response has been collated and plotted, it is time to develop the Knowledge Management strategy. This includes a very clear and concise set of time related actions and activities that need to be put into place effectively, in order to ensure that the benefits identified are in fact delivered. Typically, this may represent a 2 or 3 year journey as the Knowledge Management strategy is incrementally rolled out. A typical Knowledge Management Strategy Roadmap is provided below.



KNOWLEDGE SHARING / KNOWLEDGE MANAGEMENT READINESS ASSESSMENT

Unfortunately there are usually more barriers to sharing knowledge, than there are enablers for it and it is important to recognise this and address these barriers. There is little point in attempting to launch an enterprise initiative that will rely heavily on people changing the way they work, if these same people are firmly anchored by the old way of doing things. Examples of these typical barriers are:



A series of short, focused and interactive workshops are an invaluable means of getting to 'unpacking / understanding these barriers and provide invaluable insights to the Knowledge Management implementation team as well as the Community of Practice facilitators, who can use this intelligence and develop appropriate change strategies to identify the barriers, fears and sensitivities, and prepare a willing and eager environment.

It is also very useful to provide some case studies and testimonials on successful Knowledge Management implementation in order to demonstrate the solid business case for its implementation, as well as individual and team based or community benefits.

When completing a Knowledge Sharing / Knowledge Management readiness assessment, it is essential to use an objective means of scoring. We have found that a 'score' made up of assessing how important a particular knowledge asset is, to the success of the initiative via a *Weighting (W)* and then assessing just how well you are currently utilising or implementing the asset, via a *Rating (R)*.

There is little point in being very efficient at implementing the least important asset and the $W \times R$ scoring technique will maintain objectivity and focus. One would normally use a mathematically or statistically correct scale such as the Likert Scale or similar, which will ensure validity.

A typical example of a Weighting & Rating system

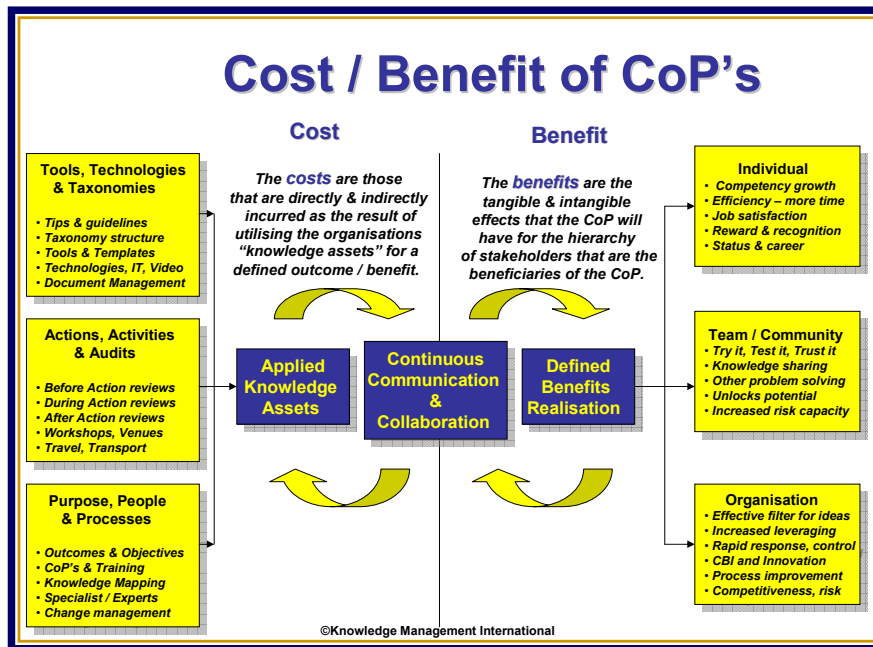
| WEIGHTING SCALE | RATING SCALE |
|-------------------------------|---|
| 1. Least Important for Job | 1. Non existent – under performance in all areas |
| 2. Not very Important for Job | 2. Far less than acceptable – under performance in many areas |
| 3. Important for Job | 3. Less than acceptable – under performance in some areas |
| 4. Very Important Job | 4. Acceptable – meets expectations |
| 5. Critical for Job | 5. More than acceptable – exceeds in some areas |
| | 6. Far more than acceptable – exceeds in many areas |
| | 7. Excellent – exceeds everywhere |

IDENTIFYING & AUDITING KNOWLEDGE ASSETS

A large amount of confusion exists, as to what exactly represents a knowledge asset. They are generally expected to take the form of some sort of software application or communication tool. Many exhaustive survey templates that have been developed to assist Knowledge Management practitioners in identifying and assessing the status of their organisational knowledge assets, but many are unstructured and culminate in a fairly predictable shopping list of 'nice to haves'.

It is highly recommended that one uses models that are logical and rational so one does not have to find the text book to remember the natural sequence of events if we find ourselves suddenly confronted with a need to explain ourselves or indeed actually participate in a knowledge assets audit.

For this reason, the TAP Methodology has been developed to identify and audit knowledge assets in organisations. The concept of "TAPping" into a knowledge base, or opening a TAP from the so called fountain of knowledge are very popular. TAP is simply an acronym for Tools, Technologies & Taxonomies (T), Actions, Activities & Audits (A) and Purpose, People and Processes (P). It is also a useful way of mapping the Cost / Benefit Analysis of a particular Knowledge Management initiative, as can be seen in the overleaf.



This simple TAP model is useful for performing the “*benefits realisation*” process which maps costs via investment and expenditure in the Knowledge Management initiative, versus the actual realisation of the benefits defined in the original Knowledge Management strategy. This ensures focus and objectivity, as well as the ‘*sanity check*’ which is important if additional asset utilisation is needed and therefore, also gives an important balance.

CHANGE & KNOWLEDGE SHARING CULTURAL RE-ALIGNMENT

No two organisations are alike and that is why so many enterprise initiatives fail or are only partially successful. The available text books relay stories of much publicised Knowledge Management successes at a variety of American corporations and instead of offering flexible insights into what goes wrong and how it can be fixed, many business authors and management consultants in the ‘big 6’ today appear to be no more than well read journalists of other people successes and failures. Indeed, if every consultant and author that quoted Rank Xerox, BP, Kodak and Amazon.com, to name but a few, had actually worked for or contributed to those organisations, they would, by implication, have had to employ more consultants than staff.

The trick is to understand that every business is different and this difference is fundamentally a result of the current or even previous leadership and management styles. An essential element of success is to correct assessment of the ‘nature of the organisation’ and how each of the ‘factors of change’ will be best addressed and by which combination of strategies.

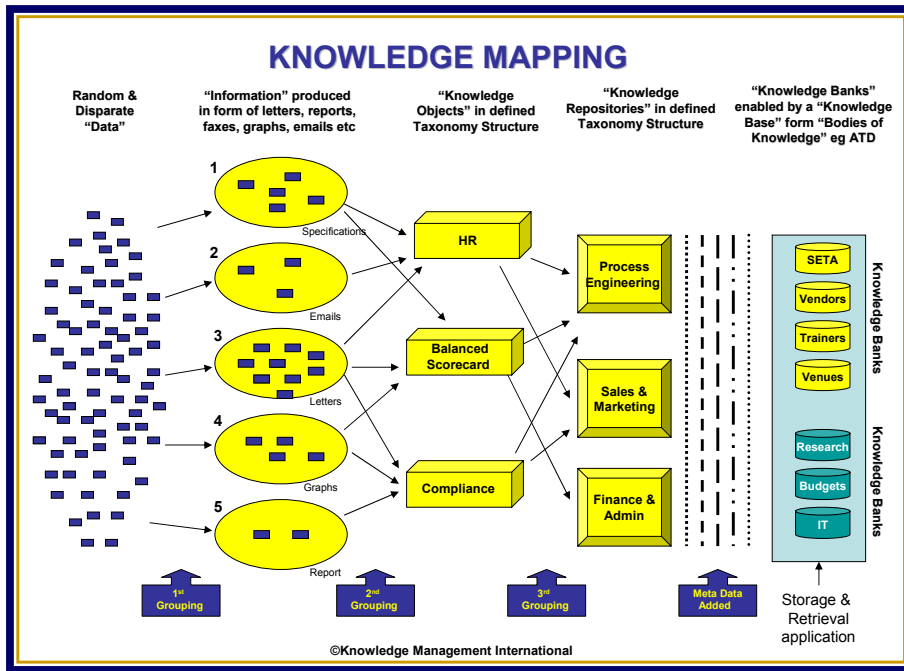


Typical motivators for increased organisational knowledge sharing are:

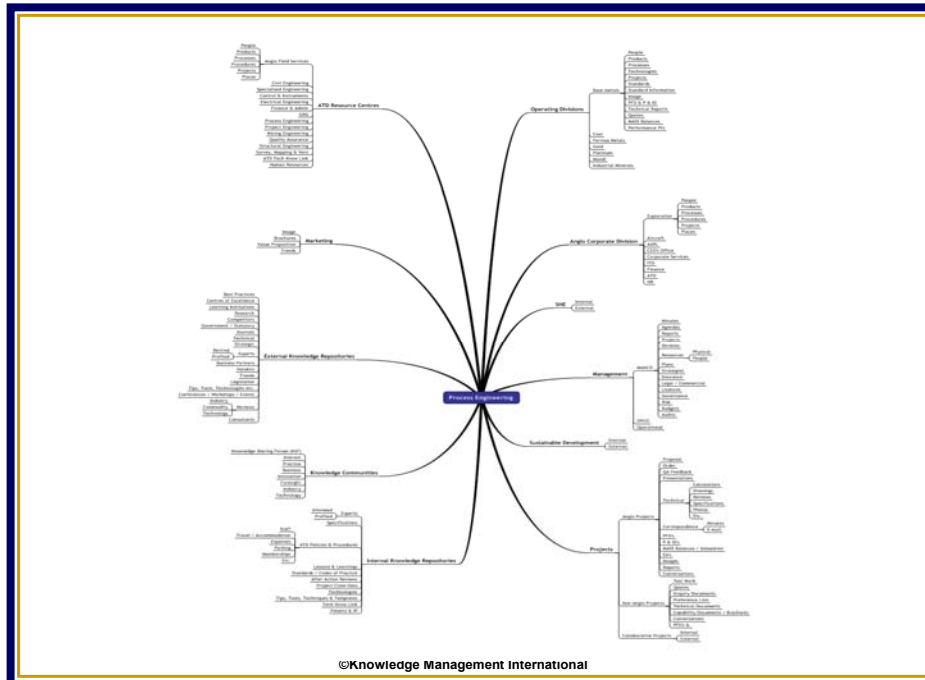
- Leveraging of group know-how and corporate memory
- Improved innovation and sustainability
- Reduced production cycle times or reduced wastage
- Increased visibility and career prospects
- Rapid problem solving and access to experts
- Reduced silo mentality and cross-functional integration

MAPPING KNOWLEDGE NETWORKS & EXPERT PROFILING

Now that we have identified the strategy and the knowledge assets available or required as well as the costs and benefits associated and the change management or Knowledge Management cultural re-alignment needed for the initiative, it is time to start mapping the process of knowledge collection as well as the critical social and expert networks. Examples of these two activities are provided overleaf:



Examples of Knowledge Maps – A Flow Map and a Network Map



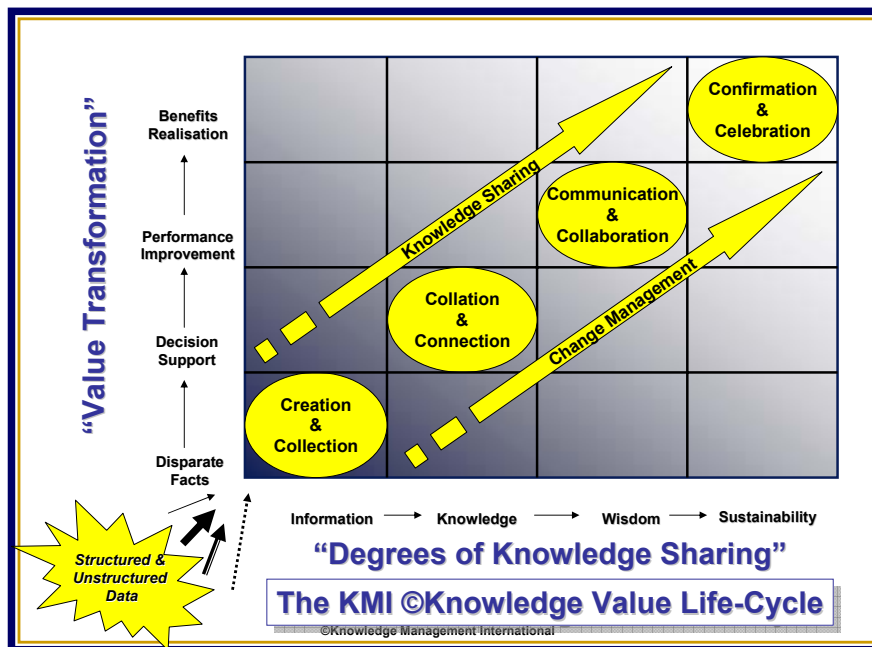
DEVELOPING KNOWLEDGE MANAGEMENT TAXONOMY STRUCTURES

It is estimated that as much as 75% of all information stored on company databases is never accessed by the organisation as people are either oblivious to its existence, cannot be bothered to try and hunt for it, or its file reference belies its relevance. For this reason, the benefits of developing an effective taxonomy structure cannot be overstated. A variety of 'off the shelf' taxonomies are available, but these are cumbersome attempts at a "catch all" approach and, a vast amount of time is spent deciding what to include and what to ignore.

It is useful to follow the Knowledge Management Value Life Cycle, as this will assist in identifying the what, where, when, who, why and way at various stages in the Knowledge Management life cycle. The objective is:

1. to identify where knowledge is created and how it is collected
2. identify how it is collated and who it should be connected to
3. decide on how it should be used and who should use it and when
4. ensure that the outcomes and learnings are correctly filed and archived for future referencing and leverage and that the key participants in this learning and sharing process are recognised and / or rewarded.

The Knowledge Management Value Life Cycle depicted below is a useful methodology and is adaptable to each organisation:



The biggest challenge facing the Knowledge Management practitioner as well as the knowledge worker is embracing the discipline required to always use the taxonomy structure agreed and instead of bucking the system, contribute to useful and value adding suggestions for improvement.

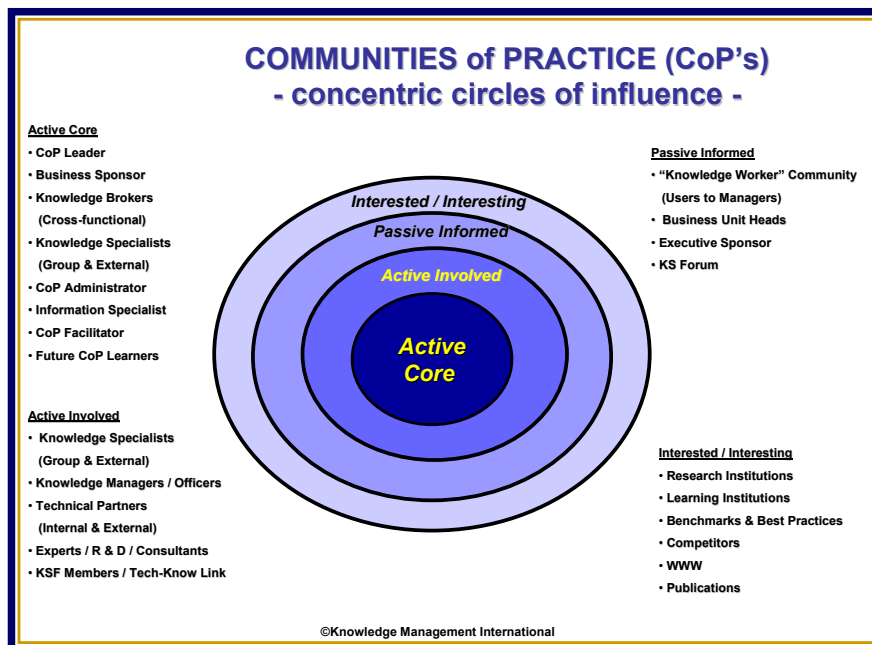
KNOWLEDGE MANAGEMENT THROUGH COMMUNITIES OF PRACTICE

Arguably, the single best investment an organisation can make in establishing a Knowledge Management initiative is the identification, selection, development and retention of Communities of Practice (more commonly known as CoPs).

A CoP is a group of practitioners who share a common interest in a specific area, business need or core competence and are willing to work together for the greater good of the individual members, the community and ultimately, the organisation.

A single, well structured CoP adds more value than any number of IT applications and a vast well of knowledge exists as to what makes or breaks an effective CoP. Firstly, the CoP must have a carefully identified Active Core, which typically consists of the following people:

- Business or executive sponsor (this is essential to ensure senior responsibility for the practical implementation of CoP ideas)
- CoP leader who may be mandated by the sponsor to drive and ensure a business value driver
- CoP facilitator who has experience and skills in facilitating and extracting value, whilst maintaining a focused and fun event
- Information specialist who has special skills in information management and searching such as the company librarian or a researcher
- CoP administrator who takes responsibility for all administrative duties such as co-ordinating sessions, booking venues and maintaining records in the CoP taxonomy structure before they are transferred into the organisational taxonomy
- Knowledge brokers who may represent different departments within the organisation and represent those that need the knowledge
- Knowledge specialists and experts, or those people who have the knowledge



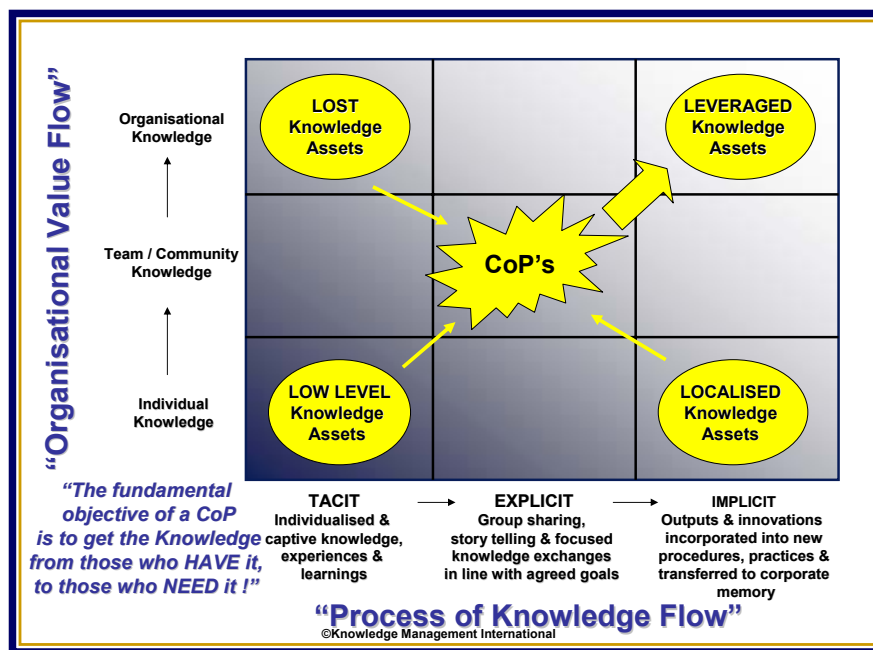
The remainder of the CoP structure will be dictated by the size and nature of the CoP as well as the 'virtuality' of it.

KNOWLEDGE RETENTION AND DEVELOPING CORPORATE MEMORY

The fundamental driving force of any CoP is to find those who have knowledge and to distribute it to those who need it. For this reason, a CoP is not simply a gathering of passionate people who want to make a difference. The CoP has a very specific purpose and output to deliver and will follow a variety of strategies and techniques to obtain the knowledge it needs.

This may be through surveys, facilitating open story telling sessions, facilitating before, during and after project reviews or interviews, expert profiling and interviewing, active search and many more useful techniques designed to unlock organisational wisdom.

This can be represented as follows:



An important understanding here is the concept of Knowledge Flow. CoP members need to be able to tap into the **Tacit** or captive knowledge held in individuals minds through their own experiences and draw this into an open discussion where the knowledge becomes **Explicit** and can be tested and reviewed against other educated and experienced opinions for validity. Once validated it is then made **Implicit** and transferred to the corporate memory through an appropriate taxonomy structure and published to those who need to know, via a portal or other collaboration tool (refer back to the Knowledge Management Value Life Cycle model)

This is a critical area in where experienced SDFs can play an essential role in the development and retention of the corporate memory and it would make enormous sense for all SDFs to attend a CoP Facilitators workshop, in order to become fully proficient in the latest tools and techniques being effectively used by KM practitioners.

TERMS, TIPS, TOOLS, TECHNIQUES, TEMPLATES AND TECHNOLOGIES USED IN KM

As with all significant initiatives, Knowledge Management has its own language and there are a plethora of terms, tips, tools, techniques, templates and technologies available to confuse the uninitiated and less experienced practitioner.

The important point is to get it right on an important subject like a core business competency or a strategic value driver and to ensure that knowledge sharing takes place at a human level, before trying to install a technology level with all the associated change management.

KNOWLEDGE MANAGEMENT AND SMMES

Knowledge Management is an **organisational competency**, which means that it requires a combination of skills, knowledge and behaviour – it is not a tool or technology. It is therefore not a philosophy that can only be enjoyed by the wealthy corporates and other well funded entities.

There are many small entrepreneurial businesses that survive and thrive using the best practice principles of good Knowledge Management – such as identifying the key people they need to know and communicate with, which suppliers they want to work with and which clients they want to have and which ones they don't want. It is also far easier to introduce and implement Knowledge Management competencies and a Knowledge Sharing culture early in an organisation's life.

For this reason, Knowledge Management is similar to golf or other high skill based sports – the earlier you start and the better you focus on the basics, the more value you will generate. There are very practical methodologies and processes for implementing Knowledge Management within any sized concern. These are applicable for the 3000 person corporate as well as a 2 person accountancy firm.

SDF's are therefore perfectly positioned to take this important philosophy forward, with much greater success than has been experienced in the past. By following the logical process outlined briefly in the previous pages SDFs should be able to avoid the normal pitfalls and realise tangible benefits early on in your implementation.