



# Topic 1

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## **Introducing Knowledge Management**



# Introduction

- I have a box that's about 3' wide, 3' deep, and 6' high.
- It's a very heavy box.
- The box had a door on it.
- There is a handle on the door.
- When you open the door you find it's cold inside the box.
- People usually keep food in this box.
- There's a smaller compartment inside the box with ice and frozen food in it.
- When you open the door of the box a light comes on.
- The box is usually found in the kitchen in a house.
- This box has a tendency to collect stuff on top of it.
- People don't often move this box often but when they do there's usually lots of dust under it.



# What is Knowledge?

- a clear and certain perception of something
- understanding
- learning
- all that has been perceived or grasped by the mind
- practical experience and skill
- organized information applicable to problem solving
- a collection of specialized facts, procedures and judgment rules.



# Data, Information and Knowledge

- Data
  - ◆ refers to isolated facts such as individual measurements.
  - ◆ No meaning on their own
  - ◆ Do not signify anything
  - ◆ Useless unless placed in some sort of context.
  - ◆ Examples: 10,1.6,ahmad,kamil,green etc



# Data, Information and Knowledge

- Information
  - ◆ Consist of symbols such as text or numbers, with some meaning associated with the symbols.
  - ◆ Thus, has some use or value
  - ◆ Examples: 10°C, 1.6m, Ahmad Kamil, the apple is green

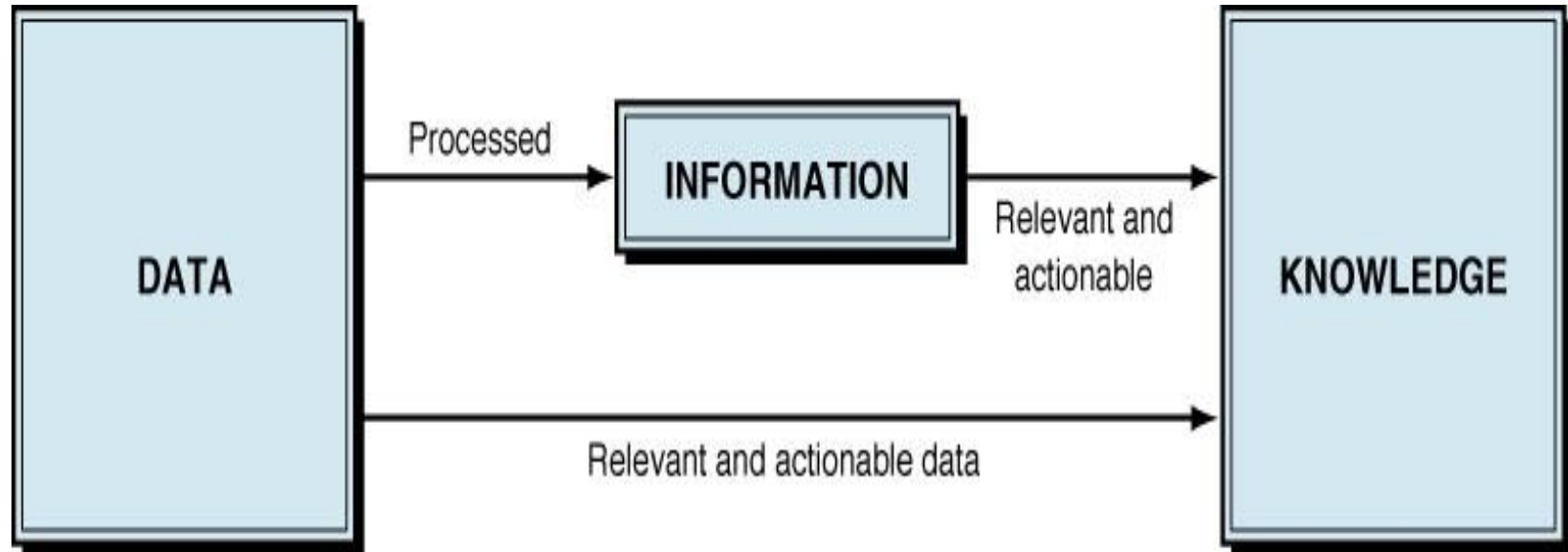


# Data, Information and Knowledge

- Knowledge
  - ◆ Consists of symbols, the relationships between them and rules or procedures for manipulating them
  - ◆ Adds context to the information, providing greater meaning and therefore much greater use and value
  - ◆ Dynamic and changes with time
  - ◆ Examples: If the temperature is  $10^{\circ}\text{C}$  it feels cold



# Data, Information & Knowledge





# Knowledge

- Explicit knowledge
  - ◆ Objective, rational, technical
  - ◆ Policies, goals, strategies, papers, reports
  - ◆ Codified
  - ◆ Leaky knowledge
- Tacit knowledge
  - ◆ Subjective, cognitive, experiential learning
  - ◆ Highly personalized
  - ◆ Difficult to formalize
  - ◆ Sticky knowledge





# Knowledge Management

- KM is a process that helps organizations identify, select, organize, disseminate, and transfer important information and expertise that are part of the organization's memory.
- KM is the process of systematically and actively managing and leveraging stores of knowledge in an organization



# Knowledge Management

- Systematic and active management of ideas, information, and knowledge residing within organization's employees
- Knowledge management systems
  - ◆ Use of technologies to manage knowledge
  - ◆ Used with turnover, change, downsizing
  - ◆ Provide consistent levels of service



# Why Knowledge Management?

- Organizations are realizing how important it is to "know what they know" and be able to make maximum use of the knowledge.
- Preventing "reinvent the wheel" many times.



# Why Knowledge Management?

- Thus, organizations need to know:
  - ♦ what their knowledge assets are;
  - ♦ how to manage and make use of these assets to get maximum return.
- KM can improve organization efficiency by providing framework, tools and techniques to reuse captured intellectual assets.



# Why Knowledge Management?

- “We have four people in Boston who know how to solve this problem. How can we get them to help our team in Korea?”
- "People are leaving the company with a lifetime's experience. How can we capture and re-use that?"
- "We had a team that did a successful proposal for aerospace five years ago. Why did they make the decisions they did? How did they deal with the customer? What made the team tick?"



# Why Knowledge Management?

- "How do we start learning from our experiences and help our people stop repeating others' mistakes?"
- "We're involved in an exciting project with four other companies. How can we all learn how these virtual teams tick?"
- "Needs change often these days and we're always bringing new people into projects. How can we get them up to speed and contributing quickly?"



## Quote:

**“Successful companies of the 21<sup>st</sup> century will be those who do the best of capturing, storing, and leveraging what their employees know”**

**(CEO, Hewlett Packard)**



# Discussion

- How do you manage your personal knowledge so you can best reuse it?
- How do you share your knowledge with others?





# Knowledge Management Initiatives

- Aims
  - ◆ Make knowledge visible
  - ◆ Develop knowledge intensive culture
  - ◆ Build knowledge infrastructure
- Surrounding processes
  - ◆ Creation of knowledge
  - ◆ Sharing of knowledge
  - ◆ Seeking out knowledge
  - ◆ Using knowledge



# Knowledge Management Initiatives

- Knowledge creation
  - ♦ Generating new ideas, routines, insights
  - ♦ Modes
    - Socialization, externalization, internalization, combination
- Knowledge sharing
  - ♦ Willing explanation to another directly or through an intermediary
- Knowledge seeking
  - ♦ Knowledge sourcing



# Objectives of Knowledge Management

Davenport et al. (1998) describe four broad objectives of knowledge management systems in practice:

- To create knowledge repositories.
- To improve knowledge access.
- To enhance the knowledge environment.
- To manage knowledge as an asset.



# Essence of KM

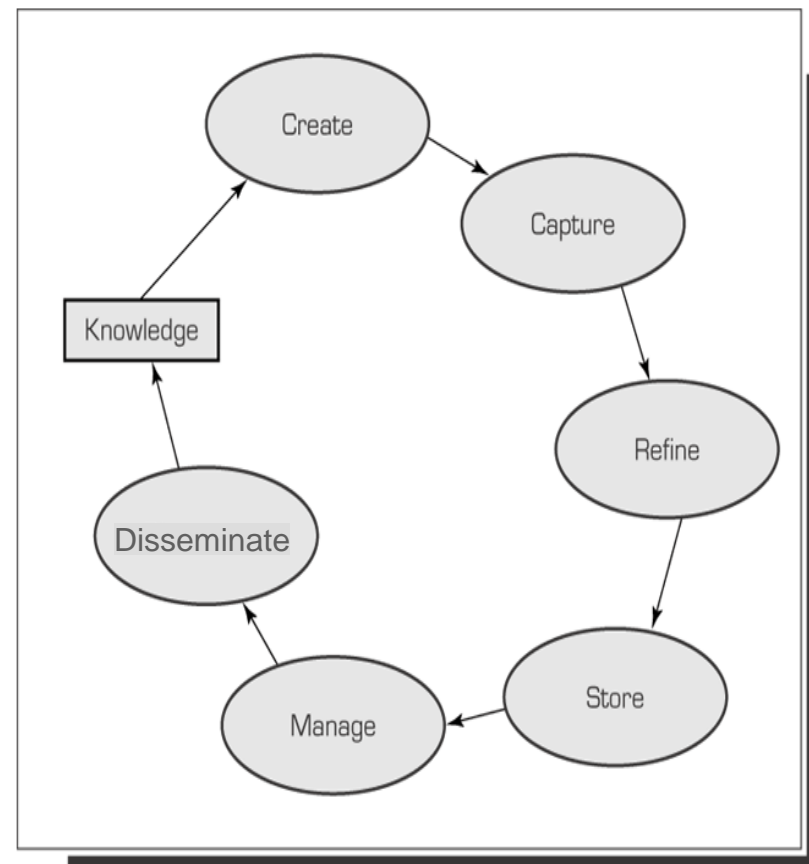
1. Knowledge is first created in the people's minds. KM practices must first identify ways to encourage and stimulate the ability of employees to develop new knowledge.
2. KM methodologies and technologies must enable effective ways to elicit, represent, organize, re-use, and renew this knowledge.
3. KM should not distance itself from the knowledge owners, but instead celebrate and recognize their position as experts in the organization.



# Knowledge Management Cycle

- **Creates** knowledge through new ways of doing things
- Identifies and **captures** new knowledge
- Places knowledge into context so it is usable (**Refine**)
- **Stores** knowledge in repository
- Reviews for accuracy and relevance (**Manage**)
- Makes knowledge available at all times to anyone (**Disseminate**)

Figure 9.2 The Knowledge Management Cycle





# Effective Knowledge Management

- 80% - Organizational culture and human factors
- 20% - Technology



# KM Benefits

- ✓ Reduction in loss of intellectual capital when people leave the company
- ✓ Reduction in costs by decreasing the number of times the company must repeatedly solve the same problem
- ✓ Economies of scale in obtaining information from external providers
- ✓ Reduction in redundancy of knowledge-based activities
- ✓ Increase in productivity by making knowledge available more quickly & easily
- ✓ Increase in employee satisfaction by enabling greater personal development and empowerment
- ✓ Strategic competitive advantage in the marketplace



# Human Resources

- Chief knowledge officer (CKO)
  - ♦ Senior level
  - ♦ Sets strategic priorities
  - ♦ Defines area of knowledge based on organization mission and goals
  - ♦ Creates infrastructure
  - ♦ Identifies knowledge champions
  - ♦ Manages content produced by groups
  - ♦ Adds to knowledge base
- CEO
  - ♦ Champion knowledge management
- Upper management
  - ♦ Ensures availability of resources to CKO
- Communities of practice
- Knowledge management system developers
  - ♦ Team members that develop system
- Knowledge management system staff
  - ♦ Catalog and manage knowledge