Unit Name: - Knowledge Management and Digital Strategy

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1. INTRODUCTION

In the present digital era, the interconnection between knowledge management (KM), digital strategy, and organisational performance is gaining immense significance. Managing knowledge effectively and implementing digital technologies appropriately can considerably influence organisational performance, thereby leading to a growing emphasis on these aspects by companies. Therefore, this essay aims to provide a comprehensive understanding of the links between knowledge management, digital strategy, and organisational performance of Accenture and their impact on a company or platform ecosystem.

2. COMPANY OVERVIEW

Accenture, a multinational professional services firm with its headquarters in Dublin, Ireland, provides outsourcing, technology, and consulting services to customers in various industries, including banking, healthcare, and consumer products. Since its founding as Andersen Consulting in 1953, Accenture has expanded its business and services to rank among the biggest and most reputable consulting and professional services companies in the world. As of 2021, the corporation functions in more than 120 countries and has approximately 624,000 employees globally.

Initially, Andersen Consulting only offered their customers professional advice and guidance on improving the corporate strategy, business processes, and technology. As the company matured, Accenture expanded their business and started to offer other services such as outsourcing, business process reengineering and consulting in technology.

3. KNOWLEDGE MANAGEMENT STRATEGY

3.1 What is it?

A knowledge management strategy is a methodical technique to collect, organise, and disseminate information inside an organisation to promote ingenuity, enhance company processes, and gain competitive advantages. Organisations that adopt a good knowledge

management strategy tend to achieve their desired outputs more rapidly because improved organisational learning and teamwork speed up decision-making throughout the company.

3.2 Effective Knowledge Management Strategies used by Accenture

Effective knowledge management may boost an organisation's performance. Employees may quickly and easily access vital information, make educated choices, avoid repeating mistakes, and innovate more effectively by collecting, organising, and sharing knowledge and expertise inside the organisation. These variables can contribute to enhanced productivity, improved customer loyalty, higher quality content, and overall organisational growth. Accenture, as a consulting firm, recognises the importance of knowledge management in increasing organisational performance and has adopted several knowledge management initiatives to utilise their knowledge assets and create a competitive advantage.

Accenture's successful knowledge management strategy is ascribed to the combination of tacit and explicit knowledge management methodologies. The firm has adopted a comprehensive strategy that includes a variety of initiatives including, as seen in figure 1, communities of practice, innovation laboratories, mentoring and coaching as tacit knowledge management strategies and the Accenture Academy, communities of interest, and a knowledge management portal as explicit knowledge management strategies, because the firm recognises the advantages of both approaches.

Figure 1: - Knowledge Management Strategies of Accenture

Communities of practice promote expertise and stimulate creativity by enabling the exchange of experiences and tacit knowledge among staff members. The formal mentoring and coaching programme pairs staff members with knowledgeable mentors who provide direction and encouragement, enabling the development of tacit knowledge in fields like leadership and management. Employee experimentation with cutting-edge tools and processes is encouraged in innovation laboratories, which helps staff members learn the ins and outs of emerging technology, agile methodology, and design thinking.

The Accenture Academy is a digital learning platform that provides online training courses and resources to assist staff in gaining specific knowledge and skills pertinent to their jobs. Another initiative is the knowledge management repository, which gives staff members access to a sizable database of explicit information, including case studies, research findings, and best practices. Additionally, Accenture has established communities of interest that enable staff members to exchange explicit knowledge and stay up to date on the most recent trends and advancements in their field of specialisation.

However, by recognising the enablers and obstacles of effective knowledge management, Accenture can gain insights into what is working effectively and what areas need enhancement to increase the overall effectiveness of knowledge management within the organisation.
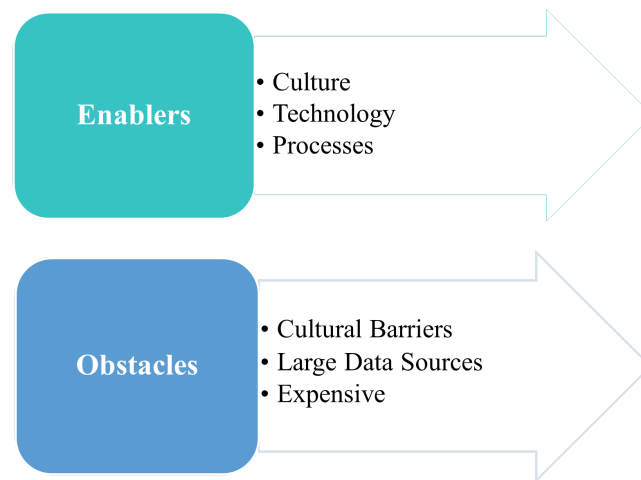
Figure 2: -Enablers and Obstacles of Knowledge Management

As it is seen in figure 2 above, few of the enablers of effective knowledge management of Accenture are culture, technology and processes. Accenture's culture of information sharing and cooperation is one of the fundamental factors that makes knowledge management at the company efficient. The company promotes a learning culture that motivates staff members to exchange information and concepts. Accenture uses technology to give staff members access to information and training resources through the knowledge management portal, and the Accenture Academy. Additionally, the business has implemented measures like communities of practice, coaching and mentorship programmes, and innovation labs that provide a foundation for information exchange and teamwork throughout the organisation.

The effective knowledge management can be affected by a number of different challenges. One of the main obstacles is cultural barriers, where certain workers could be unwilling to accept new knowledge management techniques or technology, thereby limiting the success of knowledge management strategies within the organisation. As the company grows, the number of data sources also grows which causes information overload because of which it gets difficult for the employees to organise and filter relevant knowledge . At times, owing to the availability of large data, the data gets lost . The implementation of knowledge management has also been a labour- and money-intensive process, which adds another level of complexity. Therefore, intelligent knowledge management solutions may provide company value by addressing the following

knowledge management concerns by allowing real-time access to critical information that supports decision making.

4. DIGITAL STRATEGY AND DIGITAL TRANSFORMATION

4.1 What is it?

A plan of action that is developed by an organisation to move closer to its business goals using digital technologies and data efficiently is defined as digital strategy. It helps the firm know how they can use digital technologies, tools and platforms to improve its operations, services and products to effectively fulfil the demands of its clients, employees and stakeholders. A successful digital strategy is the one that aligns with the company's overall business plan and is inclusive of the most recent trends and breakthroughs in digital technology, such as social media, cloud computing, data analytics and artificial intelligence.

 The incorporation of technology throughout a company's operations to bring about fundamental change is known as digital transformation. This can result in improved efficiency, increased business agility, and ultimately, the creation of new value for shareholders, customers, and employees. However, Accenture uses both digital strategy and digital transformation in its operations. (**Appendix: 8.3 Digital Transformation Strategies used by Accenture**)
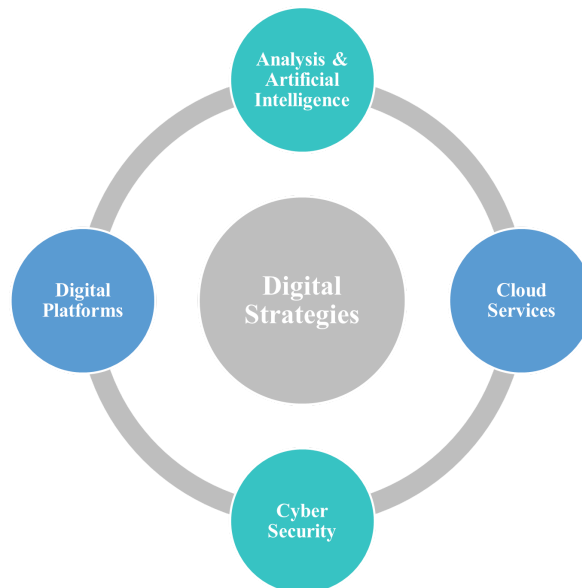
4.2 Digital Strategies used by Accenture

Figure 3: - Digital Strategies of Accenture

To drive business transformation and innovation, Accenture implements a range of digital strategies as seen in figure 3. These include leveraging digital platforms like SynOps, AIP+, etc to create new business models and integrating new technologies and processes across clients' businesses. To facilitate the transition to digital, data-driven, and intelligent operations, Accenture has devoted over $300 million in a 3-year period to developing SynOps, a platform that speeds up this process. SynOps integrates human and machine talents, informed by data and insights, in an optimal manner to establish an advanced and intelligent operating model that produces desired business results. Furthermore, Accenture employs AIP+ as a managed-service architecture that comes equipped with pre-integrated software assets, enabling the firm to swiftly develop and expand AI solutions for their clients. By constructing AI solutions on AIP+, Accenture provides clients with access to a broad range of platform services accompanied by constant support, state-of-the-art analytics and AI capabilities, and reusable IP that can be incorporated with clients' current infrastructure and cloud partners to optimise the return on their technology investments.

To help clients in gaining business insights and improving decision-making capabilities, Accenture leverages data analytics and artificial intelligence (AI), which can also automate processes and enhance efficiency. Accenture utilises a variety of analytical and AI tools, such as Generative AI, Solutions.AI, and Responsible AI, among others.

Accenture offers cloud services that help clients alter their IT infrastructure and operations, such as application migration to the cloud, cloud management, and development of cloud-native apps. Accenture offers a complete variety of cloud services through Cloud First to help clients get the full value of their investments. Recognising that the cloud is more than simply technology, Accenture's solutions include the personnel and cultural changes required for long-term success. Accenture's cloud services include cloud data and AI, application transformation, cloud infrastructure, edge computing, and more.

Accenture provides cybersecurity services to protect customers' organisations from cyber attacks in a variety of areas, including risk assessments, threat detection and response, and identity and access management. Cloud security, zero trust and secure edge, identity and access management, data and AI security, and other capabilities are available through Accenture Security Cyber Protection.

5. LINK BETWEEN KNOWLEDGE MANAGEMENT STRATEGY AND DIGITAL STRATEGY OF ACCENTURE

Accenture's knowledge management strategy and digital strategy are integrally linked. Knowledge management is an essential component of digital transformation since it involves the gathering, organisation, and sharing of information and expertise that can be used to drive innovation and enhance business operations. To put it another way, knowledge management is a critical enabler of digital strategy.

Two examples of Accenture's use of knowledge management along with AI-powered search and analytics are in the oil and gas and recruiting industries. In the oil and gas industry, a knowledge platform using search and NLP is being developed to provide real-time insights for well drilling

planning, design, and incident reporting. In the recruiting industry, custom machine learning algorithms can analyse text in CVs and job postings to provide a suggested list of the best candidates, automating the task of filtering through millions of resumes. These use cases show the application of "pragmatic AI" to enhance workers' decision-making and efficiency, rather than replacing them. However, understanding the data and how it can benefit users remains a significant challenge.

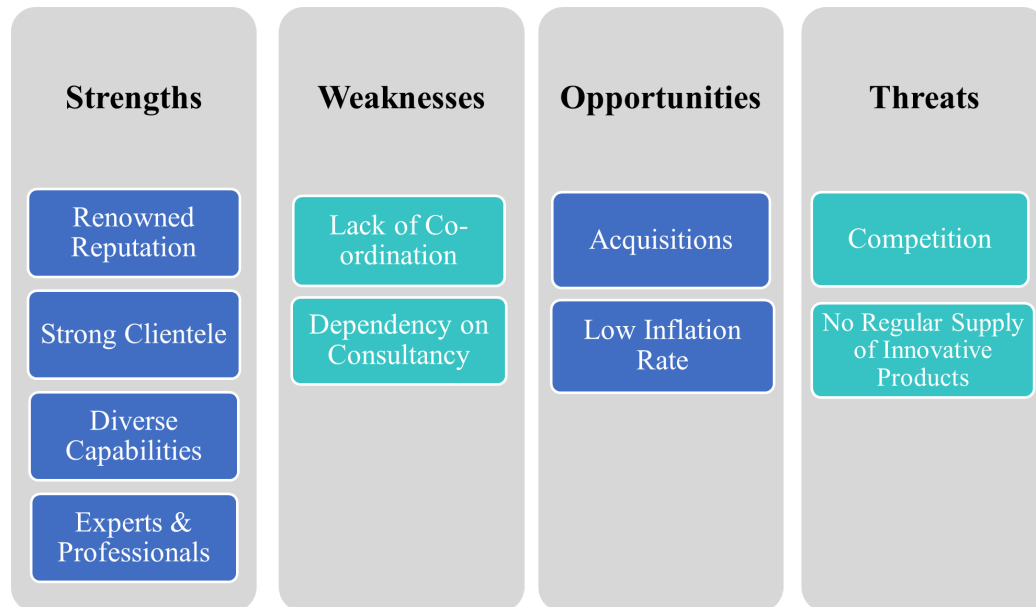## 6. CRITICAL DISCUSSION

6.1 SWOT Analysis

Strengths	Weaknesses	Opportunities	Threats
Renowned Reputation	Lack of Co-ordination	Acquisitions	Competition
Strong Clientele	Dependency on Consultancy	Low Inflation Rate	No Regular Supply of Innovative Products
Diverse Capabilities			
Experts & Professionals			

Figure 4: - SWOT Analysis

Strengths: -

1. **Renowned Reputation: -** Accenture is a worldwide recognised firm that has grown significantly in revenue by offering various services such as consulting, operational management, and digital innovation. The organisation has also set strong ethical and value standards, which have contributed to its growth and performance.

2. **Strong Clientele: -** The firm has a large client base in various sectors across the globe. Accenture has approximately 500 overseas businesses as their clients. It also provides services in more than 40 distinct industries across five sectors.

3. **Diverse Capabilities: -** Accenture assures diversity in its operations by offering services in a variety of industries such as communications, technology, finance, public services, and product services. The organisation distinguishes itself from competitors owing to its highly focused and efficient team.

4. **Experts and Professionals: -** The customer base of Accenture spans across consulting and IT services, which necessitates hiring highly skilled workers and specialists to efficiently address problems. As a consequence of hiring skilled workers and professionals, the company has become a specialist in various industries.

Weaknesses: -

1. **Lack of Coordination: -** As Accenture functions in various sectors at the same time, it is possible to have a lack of coordination and communication in between the teams.

2. **Dependency on Consultancy: -** Despite having its business in various sectors, Accenture is highly dependent on consultancy and is a major form of revenue for the firm.

Opportunities: -

1. **Acquisitions: -** Accenture recently acquired SKS Group which is a consulting firm that assists banks across Germany, Austria and Switzerland modernise their technology infrastructure. Accenture also plans on to acquire Optimind, a consulting firm, Flutura, which will strengthen the firm's AI services and Einr AS, a business consultancy firm. Such acquisitions will help the company grow and increase the strength of the organisation.

2. **Low Inflation Rate: -** Inflation rate and stability in the market have an indirect relationship. Therefore, lower inflation rate brings more stability in the market which enables Accenture's clients to get loans at lower interest rates.

Threats: -

1. **Competition: -** Some of the big IT firms such IBM, Capgemini, Infosys are tough competitors of Accenture and a matter of concern for the organisation.

2. **No Regular Supply of Innovative Products: -** The company has developed many products over the years which are in response to the growth of other corporations. Also, the supply of new and innovative products is irregular which results in fluctuations in the number of sales.
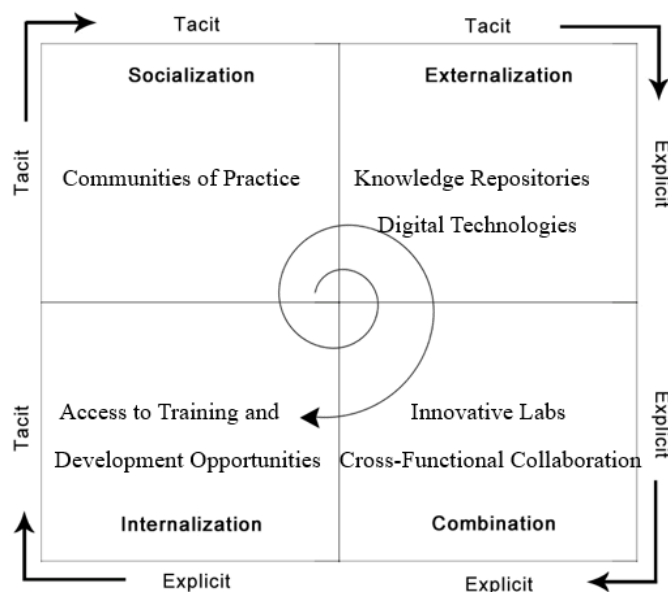
6.2 SECI Model

Figure 5: - SECI Model

1. **Socialisation: -** Accenture promotes socialisation through communities of practice, which are groups of people who share interests and knowledge. This socialisation aids in the transmission of tacit knowledge between individuals and teams, and thus helps in the development of an organisational culture of cooperation and knowledge sharing.

2. **Externalisation: -** Accenture uses externalisation to convert tacit knowledge into explicit knowledge. They accomplish this by developing knowledge repositories in which employees can contribute and retrieve knowledge in a systematic manner. They also use digital tools to facilitate externalisation, such as their KM portal, and Accenture Academy.

3. **Combination: -** Accenture applies a combination to develop new knowledge by joining existing explicit knowledge. The company achieves this by encouraging cross-functional collaboration and through innovative labs, where experimentation is done to test and modify the new ideas and concepts.

4. **Internalisation: -** Accenture uses internalisation to transfer explicit knowledge into tacit knowledge. They do this by providing employees with access to training and development resources through their digital learning platform Accenture Academy, which helps employees internalise new knowledge and skills.

7. CONCLUSIONS AND RECOMMENDATIONS

By implementing a strong knowledge management system that can efficiently collect and distribute information throughout the organisation, Accenture can improve its performance in knowledge management and digital strategy. AI and machine learning could be used to find knowledge gaps and offer appropriate suggestions, further improving the system. The use of agile approaches like Scrum or Kanban and the formation of cross-functional project teams may also speed up innovation and the delivery of value to customers. Accenture can also give priority to the creation of customer-centric digital solutions that give its customers a smooth and personalised experience. Accenture may enhance its revenue and growth potential by concentrating on client happiness and loyalty. In conclusion, the techniques outlined above could help Accenture in maintaining its position as the best and differentiating itself from competitors in this digital era.
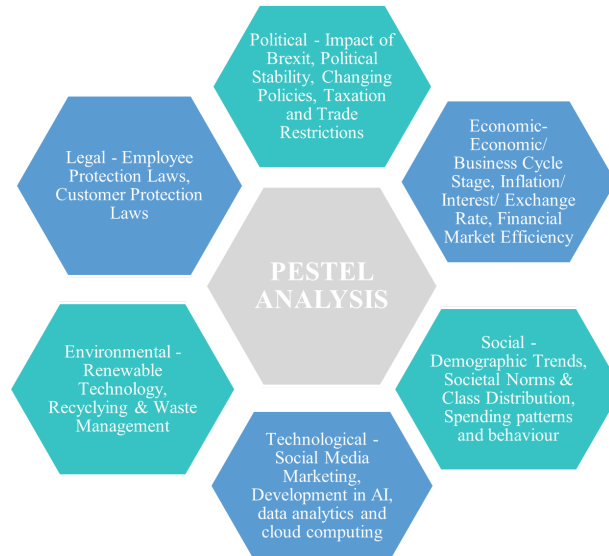
8.   APPENDIX

8.1 PESTEL Analysis

Figure 6: - PESTEL Analysis

8.2 Accenture's Breakthroughs from 1950s to 2001

1995 • Establishment of its office in Mexico City.

1975 • The creation of its first piece of commercial software.

1992 • The formulation of its mission statement, vision and core values.

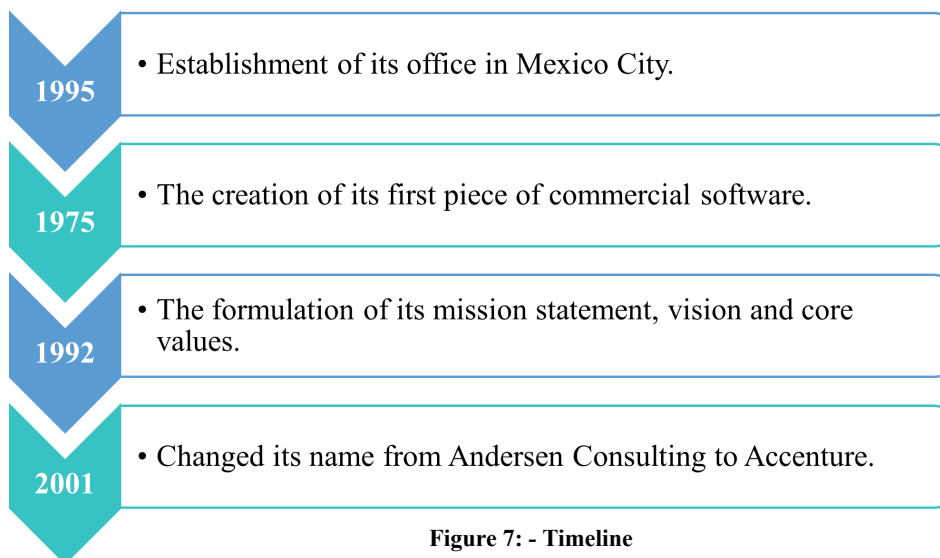**2001** • Changed its name from Andersen Consulting to Accenture.

Figure 7: - Timeline

8.3 Digital Transformation Strategies used by Accenture

Executing significant change within an organisation requires a well-planned approach. Companies must address five major areas simultaneously. Firstly, businesses need to align their technology and business strategies to make technology an integral part of their operations. This approach can lead to lower operating expenses and greater efficiency, even altering the course of the business. A unified model across business and technology can facilitate achieving future ambitions. Secondly, companies must adopt new ways of working and transform their business processes for agility and experimentation. Identifying the needs of customers and employees can help in creating better processes, improving customer service, moving key services to the cloud, or building sustainability across engineering, manufacturing, and supply chain functions.

Thirdly, it's essential to introduce new ways of working along with modern engineering capabilities to address the increasing pace of change and customer expectations. Embracing change and innovation is necessary for making optimal decisions about technology investments. Fourthly, it's crucial to have a flexible technology core that enables innovation and allows for ecosystem partnerships that drive speed and scale. By staying nimble and focused on customer needs, companies can adopt a modular approach for fast and sustainable change. Lastly, digital transformation impacts all aspects of business, and therefore, people change management is crucial. Companies need to back their digital foundation, digital operations, and digitally skilled workforce with leadership and culture that aligns on adopting new technologies and integrating them into daily work. To create sustainable change, companies need to build new skills as employees work in new ways. This includes reimagining the future of work, evolving roles and responsibilities, enabling better knowledge sharing and collaboration, and training leaders to communicate better and earn trust in a remote-work environment. Technology introduces new challenges for workers, but it can also solve many of them.

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