IN THE REAL WORLD

Technology Disconnect

In evaluating the ability of technology to enable or amplify an existing or nascent KM initiative, it's easy to lose sight of the underlying premise of Knowledge Management. As defined in Chapter 1, Knowledge Management is a deliberate, systematic business optimization strategy that selects, distills, stores, organizes, packages, and communicates information essential to the business of a company in a manner that improves employee performance and corporate competitiveness. However, it's possible to technology-enable a process that performs superbly at improving employee performance, for example, but doesn't improve the bottom line. In other words, it's possible to have a disconnect between what is viewed as sharing, communications, and Knowledge Management, and the business of making money.

For example, Xerox's Palo Alto Research Center (PARC), the advanced R&D center created by Xerox in 1970, has a reputation for excellent R&D, work environment, sharing, and Knowledge Management—but no business sense. As in many companies with innovative R&D divisions, PARC traditionally has failed to fully capitalize on its innovations, leaving other companies to reap the business rewards for its work.

One lesson that can be learned from the PARC experience is that management shouldn't limit its activities to enabling communities of practice, virtual collaborations, and other KM activities. It must ensure that the information and innovations developed in these groups don't stay within the confines of R&D but are communicated to those who can take innovations and successfully bring them to market.