

engine, just like iron, coal, or cotton. Innovation, direction, and vision came from senior management, with the tacit understanding that unquestionably following the corporate vision would be rewarded with a paycheck, a paid vacation, and sometimes even a retirement package.

However, in the years since corporations began, competition, legislation, charismatic corporate leadership, and political realities have changed the nature of the business landscape. In the modern customer-focused service economy, success depends on how management regards employees, especially relating to how a bottom-up approach to innovation is fostered. Innovation in the current economy is about applying new ideas to old problems or applying old ideas to new problems, regardless of whether the ideas are from employees or management. In either case, information is disseminated and applied to improving efficiency and effectiveness, as reflected in the bottom line.

Although this information sharing can occur through an informal encounter of employees with similar interests or those who share a water cooler, proponents of Knowledge Management contend that it won't improve the effectiveness of the corporation unless there is a formal process—and reward—for sharing and documenting ideas and innovations. Without a written tradition, the information sharing becomes nothing more than grumbling about the ineptness of management regarding obvious fixes to the current process.

Creating a culture that fosters sharing instead of hoarding of information and opinions requires much more than simply installing a suggestion box in the company cafeteria. A systematic framework for information sharing, as part of a formal KM program, can provide employees and managers in the organization with clearly defined roles and responsibilities for using knowledge to increase the organization's competitiveness.

The interpretation of precisely how Knowledge Management can support information sharing, archiving, and repurposing depends largely