

One value of a KM initiative to individual knowledge workers is an opportunity to learn in structured, corporate-sponsored seminars or formal university courses as well as in unstructured group meetings and communities of practice. An added benefit is that their value in the open labor market is usually enhanced. In most cases, the increased value and empowerment of knowledge workers overshadows the plight of knowledge workers who find themselves downsized.

The value of a KM initiative to management includes the ability to retain knowledge in the organization, more efficient and effective knowledge worker education, increased competitiveness in the marketplace, and improved profitability. However, when the number of employees involved in the downsizing is significant, organized labor frequently becomes involved. In some cases, preexisting organized labor contracts may limit the rate and degree of downsizing. These contracts may force the corporation to retain knowledge workers and distribute them to other locations in the corporation where they can be retrained and absorbed or downsized when the time limit expires.

Among management, the CIO and CKO typically have much at stake in every KM initiative. For example, the CKO's position may be contingent on demonstrable success within a few months of implementation; that is, she must be able to show that funds spent on the KM effort contribute significantly to the value of the company. Also, the CIO's workload and budget may increase significantly if the information services department is charged with creating a new infrastructure and maintaining a new suite of software tools. Because of this increased responsibility, the CIO may acquire a larger budget and more personnel.

The third primary stakeholder in the modern knowledge organization is the customer, who potentially benefits from increased quality, decreased price, or faster response from the corporation. The result should be increased customer satisfaction.