

## **Knowledge Worker Relationship Management**

Knowledge workers bring certain competencies—combinations of skills, knowledge, and attitudes—to the corporation in exchange for pay, benefits, recognition, a sense of contributing to something greater than themselves, an increased sense of self-worth, the opportunity to work with and learn from others, and, in many knowledge organizations, formal educational opportunities. Within the constraints imposed on hiring and firing practices by unions and the government, companies are free to manage the relationships with their knowledge workers.

For example, in boom times, it's a simple matter to attract and hire the best talent that money and, more important, stock options can buy. In leaner times, when downsizing is necessary, the challenge is developing and growing the best knowledge workers—those who can contribute most to the value of the organization—to maintain competitiveness and to have resources available when the economy rebounds.

Successful companies actively manage their knowledge workers in good times and more challenging times as if those workers were customers. They practice employee relationship management (ERM), a process through which knowledge workers who demonstrably add significant value to the company by contributing more value than the company is investing in them are enticed to stay and contribute their skills and knowledge in exchange for compensation (see Exhibit 3.1). In a knowledge organization, ERM, which applies customer relations management (CRM) techniques to the knowledge worker-company relationship is defined as:

A dynamic process of managing the relationship between knowledge workers and the corporation such that knowledge workers elect to continue a mutually beneficial exchange of intellectual assets for compensation in a way that provides maximum value to the corporation and they are dissuaded from participating in activities that are unprofitable to the corporation.