

ACCSYS Knowledge Management Newsletter
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Knowledge Management Issues

In the second issue of this newsletter I gave a practical definition of knowledge management. This definition established a basis for discussing some of the more interesting and challenging issues for anyone doing or wanting to do knowledge management. With this definition we can consider some of the relevant KM issues. To keep this discussion somewhat confined, I've limited myself to what I believe are ten important knowledge management issues. After reading this, you may be able to suggest some of your own issues.

Issue 1: I see the importance of knowledge management for my business. How do I incorporate knowledge management into my business activities or processes?

This happens to be the \$64,000,000 question. And there is no prescription for doing so. There are several significant considerations when beginning a KM program. These include what knowledge you want to manage, why you want to manage it, and what is required to manage it. The last is both a people question and a technology question. In general, my recommendation is to pick a small hill and see if you can climb it. In other words, identify a manageable KM effort, design a program for it, monitor it, and see what you get. You will know pretty quickly whether or not it works.

Issue 2: Is KM strictly a technology problem?

It is awfully easy to assume that knowledge management is a technology problem. One common pitch from software vendors is to provide Intranet-based software and to call the software a knowledge management solution. Setting up an Intranet-based software solution alone will not guarantee a successful knowledge management effort. Before selecting any technology for a knowledge management effort, proper consideration must be given to the nature of the problem to be solved by knowledge management techniques.

Issue 3: How do I calculate return on investment for a knowledge management effort?

What is the value of a piece of knowledge? If the knowledge is so significant that the loss of it may cause the company to collapse then you could say that the value of this piece of knowledge is the same as the value of the company. On the other hand, the knowledge could mean being the first to market as opposed to second or third. What is the value of this knowledge? It would be the value of being first to market vs. second or third.

Issue 4: Are Knowledge Management and Data Warehousing the same?

If you think about how data, information, and knowledge are related then you might come up with the following relationships:

Data produces* information produces* knowledge.
Where produces* = through human manipulation produces

In this sense, data warehousing is at the bottom of the food chain - it can be the basis of the information that in turn can be transformed into knowledge. Data warehousing as a technology can also be a part of a knowledge management program, but you should not assume that having a data warehousing capability automatically means you are effectively managing knowledge.

Issue 5: What is a Chief Knowledge Officer (CKO) and do I need one for knowledge management?

A CKO is the person responsible for your knowledge management program. Whether you need one or not depends on the size of your organization, your organizational structure, and what you believe will be necessary to implement a program in knowledge management in your company or organization. Let me stress that a CKO is not the same as a CIO. CKOs are not technology driven and their primary interest should not be technology. Rather, a good CKO should be good at politics, at influencing people and organizations, at making the necessary case for knowledge management, and at understanding enabling knowledge management technologies

Issue 6: How do I know if my organization will support a knowledge management effort?

As with any project that involves people in an organization, success or failure of knowledge management over the long run will be based on organizational acceptance. Will people in the organization adopt the necessary behaviors and activities to support it? The culture and political environment determine the potential for the adoption of a knowledge management program. The knowledge management effort may be on extremely shaky ground if people in the organization do not easily communicate and share information. On the other hand, if the people in the organization can readily see the value in knowledge management, your chances of a successful knowledge management project are good.

Issue 7: Will I need an Anderson or a Deloitte to do knowledge management?

If your organizational style is to use large consulting houses to introduce new ideas and new programs into your organization then I would answer this question yes. On the other hand, firms like Anderson and Deloitte did not invent knowledge management (although they would have you believe so) and how you implement a program depends on the resources you have and what you need to accomplish. It is a good idea to determine management's preference for how the knowledge management program should be introduced.

Issue 8: What results can I reasonably expect to have from a knowledge management effort?

Issue 3 dealt with the return on investment question. Here we consider some of the possible softer results. Knowledge management has the potential for helping your organization make better use of its knowledge resources. If your company is a service organization, sharing knowledge and experiences among service representatives may improve your ability to (a) service customers more rapidly and (b) reduce service costs by not repeatedly having to resolve problems that have already been solved. If your company creates products, you may spur a greater level of creativity by sharing knowledge and ideas across the organization. Enabling multiple views into a knowledge

repository, may help employees rapidly coalesce various ideas into products.

Issue 9: Who should participate in knowledge management?

Simple answer: Anybody and everybody in your organization. More complex answer: In any organization there will be people who gravitate toward knowledge management and people who do not. Some of those who gravitate toward knowledge management will be natural evangelists. It is a good idea to enlist a couple of these evangelists in the process. It is important to have some senior management support - preferably at the highest level of the organization. You will probably want to get some technology people involved, but make sure they are the kind of people who can listen. Also, get some business sponsors who see knowledge management as a solution to their problems.

Issue 10: What is a knowledge management effort going to cost?

At a minimum, the effort will take the time of the participants. At one extreme there need not be any technology investment if you use existing technology. An electronic mail system could become the basis for your knowledge management effort. At the other extreme that includes plans to install specialized knowledge management tools and an organizational roll out, implemented by a large commercial management consulting firm, you can plan for an expenditure of millions of dollars. We have read of expenditures as high as \$60,000,000. I emphasize that the magnitude of any knowledge management effort will be dependent upon the magnitude of the problem to be solved by the knowledge management effort. It would be a mistake to engage in any knowledge management effort for the sake of doing knowledge management.

The above issues represent ten of the significant knowledge management issues facing business people. Actually, each of these may deserve its own discussion in a future newsletter.

It would be very interesting to hear about your knowledge management issues. Please feel free to send me electronic mail at rkaplan@accsys-corp.com.

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Next week's issue: "Planning a Knowledge Management Project."

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Announcements, Requests, and Knowledge Management Notices

Call for Contributors

An important goal for this newsletter is that it provides its readership with well-grounded information about knowledge management. Specifically there is a great need to understand knowledge management from the "how to do it" point of view. If you would like to contribute an article along these lines, I encourage you to do so. More voices are better than one and I would very much like to represent different points of view.

If you wish to contribute, please keep in mind that we are looking for practical advice like processes, methods, and experiences. Articles should be about three pages long. Please send your contributions to rkaplan@accsys-corp.com and I will be happy to consider them for publication.