# MODEL FOR GLOBAL KNOWLEDGE MANAGEMENT WITHIN THE ENTERPRISE: PEOPLE, PROCESS AND TECHNOLOGY

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#### **Abstract**

In the knowledge society; enterprises are more and more concerned with knowledge management as a key factor for improving their efficiency and competitiveness, notably their innovative capabilities. In the long run, an organization has to take right decisions at right time. During the last more than a decade, it has been seen that business organizations are increasingly adopting for various models for knowledge management. In this paper, after having put down background theory and assumptions, a model for global knowledge management within the enterprise (MGKME) has been presented and the operating elements of this model, which are essentials to ensure the organizational learning process, are discussed. Operating elements leads people to use appropriate concepts, methods and tools of management. This paper also touches upon the how to leverage ICT for the knowledge management.

#### Introduction

Gone are the days when traditional ways of managing a business added much value to today's global commerce. The past few decades of computer technology focussed on data and information which worked well for the times. Moreover, in today's 21<sup>st</sup> century, it is the knowledge that reigns supreme. The core of the organization cuts across knowledge. The present era is known as knowledge society. In this turbulent world, knowledge has become the most important asset for the economies of the world. In July 1999, Tony Blair, the British Prime Minister said, "the knowledge economy is the economy of the future". The nation which has control over the knowledge in terms of expertise and innovation are at competitive advantage and thus are making their economies stronger. Knowledge management is the answer to the challenges that arises in the knowledge era.

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Peter F. Drucker (1998) talked of knowledge as one and only one distinct source of any business. The other resource, money or physical equipment, for instance, does not confer any distinction. What makes a business distinct and what is its peculiar resource, is its ability to use knowledge of all kinds-from scientific and technical knowledge to social, economic and managerial knowledge. It is an era of knowledge management via cooperation, coordination and creativity. It is the 80-20 principle that works for the organization. In the knowledge society, efficiency is the major focus of the enterprises and for increasing efficiency knowledge management has become a very important tool. It has become a key factor for improving efficiency and to have sustainable competitive advantage. Some successful organisation use knowledge management as a differentiator. The subject focus of KM activities should be more than creating knowledge itself. Hence an empirical model called a model for global knowledge management within the enterprise (MGKME) has been presented and the operating elements of this model, which are essentials to ensure the organizational learning process, are discussed. There are basically seven elements which are necessary for this suggested model.

# Knowledge

According to Webster's New World Dictionary (1998), knowledge is defined as "acquaintance with facts, range of information, awareness or understanding", or "the fact or condition of knowing something with familiarity gained through experience or association".

As per Peter F. Drucker (2003), "Knowledge is information that changes something or somebody -- either by becoming grounds for actions, or by making an individual (or an institution) capable of different or more effective action."

Davenport and Prusak (1998) defined knowledge as "Knowledge is fluid framed experiences, values, contextual information as expert insights that provides a frame work for evaluation and incorporating new experiences of information."

In simple terms, Knowledge is the totality of all existing information. Information that is logical, systematized and recorded creates knowledge and in historical terms knowledge is something that is believed, true and reliable.

# Repositories of Knowledge

There are three types of knowledge repositories. The first two are of Explicit knowledge (Knowledge out there for all to find, see and use) and the third one is of Tacit Knowledge type (highly personal, hard to formalize and communicable through the mechanisms like observations, conservation and on-the-job learning).

- 1. **Structured Repositories**: These are databases, expert system and like. They are characterized by their ease of use in searching the contents from the index file through keywords, controlled vocabulary and so forth.
- 2. **Unstructured Repositories:** In most organizations these incorporates project reports, sales notes and grey literature. These are searchable by free text means.
- People as repository of Knowledge: Tacit Knowledge resides in the brain of people.
  The tools to reach these repositories are phone directories, company directories, yellow pages and other listings.

# **Knowledge Management**

The Gartner Group defines KM as a discipline that promotes an integrated approach to identifying, managing and sharing of all of an enterprise's information assets. These information assets may include databases, policies, procedures as well as previously unarticulated expertise and experience resident in individual workers (Corrall, 1999). KM issues include developing, implementing and maintaining the appropriate technical and organizational infrastructure to enable knowledge sharing.

Broadbent (1997) defines KM as "a form of expertise management which draws out tacit knowledge, making it accessible for specific purposes to improve the performance of organization; about how the organization's 'know-how' should be structured, organized, located and utilized to provide the most effective action at that point in time."

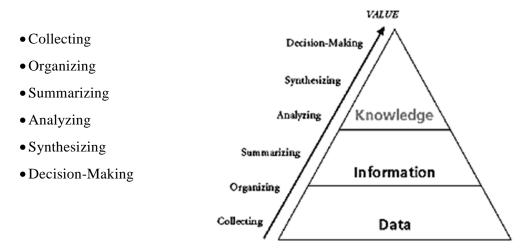
According to Nonaka (1991), KM is "a form of application of strategic management practices to human resources as whole which are the carrying vectors of knowledge."

Sveiby (1997) defines KM as "the art of creating value from an organization's intangible assets."

In simple words we may say that KM is strategic use of information and knowledge resources to an organization's best advantage. It deals with creation, application and reuse of knowledge.

# **Knowledge Creation Process**

Knowledge creation is collaborative management process containing seven steps/stages.



Source: http://learningforsustainability.net/social\_learning/knowledgemanagement.php

# **Components of Knowledge Management**

**Knowledge**: Treating the knowledge component of organization as an explicit concern reflecting in all levels of the management.

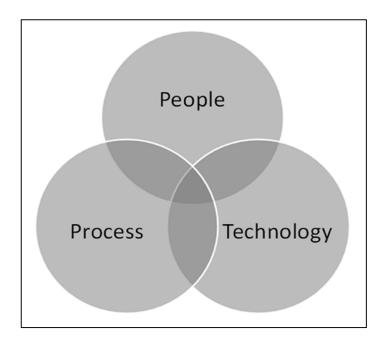
Synergy: Making a direct connection between explicit and tacit assets of an organization.

**Intellectual Assets:** Identifying and mapping intellectual assets within the organization, generating new knowledge for competitive advantage within organization, making vast amount of corporate information accessible, sharing of best practices and technology.

# A Model for Good knowledge management within the enterprise (MGKME)

To sustain in the long term, companies adopt a number of innovative techniques such as computer aided design, KBS to name a few. To aware people about the better use of appropriate concepts, methods and tools of knowledge management, a socio-technical model is needed. A model for good knowledge management within the enterprise (MGKME) is the model which fulfils the need of the people by developing appropriate concepts, methods and tools for the better management of the knowledge resources. The model integrates both the technological as well as managerial approach. A technological

approach is mandatory for demand of solution based on the technologies of information and communication. The managerial approach is used for the integration of knowledge so as to help the organization to achieve its strategic vision. The MGKME supports the basic meaning of KM that is: "the management of activities and the processes that helps in the better utilization and the creation of knowledge within an organization". The **model** is based on the three tier structure. These are: **people, process** and **technology**.



#### 1) People:

People are central to the entire KM activities. After all, these are the people or users for which the system is deployed and the system will be extensively used by them. These are some of the important factors which should be consider

- A) There is a **central KM group**. The above team is responsible for coordinating between the various employees of the organization. This team is supported by KM champions in all the development centres in India.
- B) A KM champion evangelizes KM In the DC where he/ she is located
- C) **Authors** are the producers of the knowledge assets that are submitted to KM portal named K-shop
- D) Users are the people who retrieve the information assets
- E) **Reviewers** are the experts who review a document before or after it is published on the K-shop

#### 2) Process:

Here are some of the important factors of the process

# A) Review:

Review is the very important activity which determines the quality of documents that are made available on the K-shop.

# **B)** Content Quality:

The experts reviewing the document and the content editor have to follow a process while accessing the content quality.

# C) Incentivization:

To incentivize the KM there should be some system of rating the knowledge. The contributions can be measured in terms of knowledge currency units (KCU). KCU scheme is meant to serve as a mechanism for rating the quality of assets in the repository. The rating can be done with the help of associating each K-asset in the repository to a metric, the composite KCU rating. The composite KCU rating is the market's performance of quality and usefulness of the asset. Top KCU winners should be facilitated an organization- wide visibility for their contribution.

#### 3) Technology:

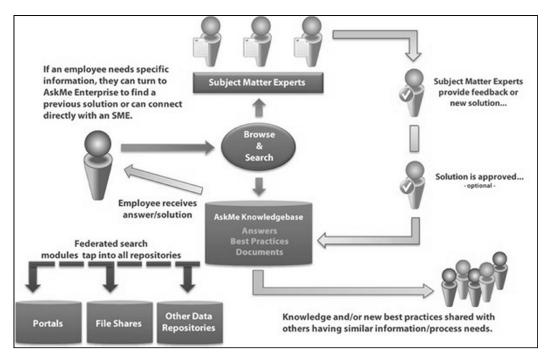
K shop is the central repository and storage of knowledge and that will be codify, classify and archive for reuse. For future update any knowledge asset (document) can be submitted based on the learning, experience, research or environment scanning. The same can be used by any user for their knowledge.

Based on the above three pillars, the technological as well as managerial aspects of the knowledge can be covered. It will help the organization in creating a common platform for the knowledge sharing. Moreover, with the augmentation of IT can be useful for the better use of knowledge sharing.

# KM's Best Use in Organizations and Through ICT

There is wide consensus that the Information and Communication Technologies (ICT) – if properly harnessed – have the potential to be a powerful tool for sustainable competitive advantage in terms of development. There is growing evidence that ICT application to the core business of knowledge can accelerate and improve knowledge management on a number of fronts like in gathering, connecting and analysing the data pertaining to their need. For

instance, by using a product like "Ask Me for SharePoint" (see the figure below), it is possible to efficiently find the knowledge and know-how that exists in the company to take advantage of it.



Source: http://www.biztieup.com/news\_bZcAT2XMa.html

The availability of new information and communications technology (ICT), particularly the World Wide Web, has been instrumental in catalysing the knowledge management movement. ICT may, if well implemented, provide a comprehensive knowledge base that is speedily accessed, more interactive, and of immediate value to the user. The development of tools that support knowledge sharing in an appropriate and user-friendly way, particularly in organisation-wide knowledge sharing programmes, is not an easy task. Most of the technological tools now available tend to help dissemination of know-how, but offer less assistance for knowledge use. Some of the more user-friendly technologies are the traditional ones – face-to-face discussions, the telephone, electronic mail, and paper-based tools such as flipcharts. There is now an increasing awareness that the much heralded "paperless office" is unlikely to occur any time soon. Synchronisation of technology with the capabilities of users is important so as to take full advantage of the potential of the tools, particularly where the technology skills of users differ widely. Knowledge sharing programmes that focus on the simultaneous improvement of the whole system, both technology tools and human practices, are likely to be more successful than programmes that focus on one or the other.

# **CONCLUSION**

An effective KM programme is a long term project and requires significant commitment from the organization. It is an evolution of good management practice sensibly and purposely applied. Organizations in Knowledge based society should create their own models of knowledge management systems like as explained above so that appropriate concepts, methods are applied properly. An effective Knowledge Management System is one which helps to store information digitally and facilitates the process of retrieving, sharing, tracking and distributing these information sources efficiently with their users. Knowledge preservation and sharing will eventually improve the quality of information services and will lead to organization learning culture.

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