

KNOWLEDGE MANAGEMENT

DEFINITION:

Knowledge management includes all activities involved with the generation, dissemination and maintenance of knowledge to meet organizational goals. Just as humans must create knowledge, they also consume it. HR management is central to knowledge management in an organization.

SIGNIFICANCE OF KNOWLEDGE MANAGEMENT

1. Speed up access to information and knowledge

In his famous quote, Lew Platt, former CEO of Hewlett-Packard, once said: “If HP knew what HP knows, we would be three times more productive.”

In other words, knowledge management makes it easier to find the information or the people who hold the information you need. It increases efficiency and productivity and allows you to work better, reducing the tendency to “reinvent the wheel.”

2. Improve decision-making processes

Employees can improve the quality and speed of decision-making by accessing the knowledge of the entire organization when they need it. When making decisions, enterprise collaboration tools facilitate the access to opinions and experiences of different people, which may contribute additional perspectives to the choices made.

3. Promote innovation and cultural change

Enable and encourage the sharing of ideas, collaboration and access to the latest information. Knowledge management enables individuals to stimulate innovation and the cultural changes needed to evolve the organization and meet changing business needs.

4. Improve the efficiency of an organization’s operating units and business processes

With faster access to information and resources across the organization, knowledge workers can act quickly. A study conducted by McKinsey & Co. in November 2011, wherein more than 4,200 executives were interviewed worldwide, showed that the use of social collaboration technologies has improved business processes and the organization’s performance in general.

5. Increase customer satisfaction

The sharing of knowledge and cross-collaboration help to increase the value offered to customers. The organization is able to give faster answers or shorten the time it takes to improve a product or service.

COMPONENTS OF KNOWLEDGE MANAGEMENT

The best four components of knowledge management are people, process, content/IT, and strategy.

1. People

The idea is, if you over-focus on one factor, your initiative is bound to fail. And the order is important: you need to get the right people involved before you get into processes and technology. When you're starting a KM program, you need two kinds of people:

- Senior leaders to provide sponsorship and insight into broader organizational strategy, and
- cross-functional stakeholders to guide implementation. Senior sponsors should be visible, engaged business leaders who have something big to gain from the implementation of KM.

2. Process

In organizations with strong KM processes, knowledge flows like a city water supply: when someone needs it, they just turn the tap. The KM team, like a city planner, knows how everything flows beneath the surface. They can identify bottlenecks, reroute flows, and measure inputs and outputs. But the end user doesn't need to understand how all that stuff works. For them, getting the knowledge they need is simple and easy. A standard knowledge flow process that describes how knowledge flows through organizations. It's a seven-step cycle:

1. Create new knowledge (this happens every day, all the time, across all areas of the business)
2. Identify knowledge that is critical to strategy and operations
3. Collect knowledge so it can be shared with others
4. Review knowledge to evaluate its relevancy, accuracy, and applicability
5. Share knowledge through documentation, informal posts, and collaborative activities
6. Access knowledge through pull (e.g., search) and push (e.g., alerts) mechanisms
7. Use knowledge to solve problems faster and make more informed decisions.

3. Content/IT

Content is any kind of documented knowledge, from vetted best practices to quick-and-dirty tips shared amongst colleagues. Content can be immediately reusable stuff like templates and how-to videos, or it may be messy and unstructured information (e.g., project documentation). We put content alongside IT because IT infrastructures enable people to create this stuff, put it somewhere, and access and reuse it. If you don't have KM, people will still create and use content—but they'll put it in places others can't find, re-make things others have already created, and (most dangerously) reuse content that's out of date or incorrect. Effective KM programs have workflows for creating and vetting content, taxonomies to organize content, and technology tools to connect people to content. Advanced organizations use content management to facilitate collaboration, uncover innovations, and automatically serve up content to employees in their most teachable moments.

4. Strategy

Every KM program needs a clear, documented, and business-relevant strategy. You can have the best technology tools and a super-smart KM team, but it will be all for naught without strategy. Perhaps Kenichi Ohmae said it best, “Rowing harder doesn't help if the boat is headed in the wrong direction.”

The Different Types of Knowledge

1. Explicit knowledge:

Explicit knowledge is knowledge covering topics that are easy to systematically document (in writing), and share out at scale: what we think of as structured information. Explicit knowledge includes things like FAQs, instructions, raw data and related reports, diagrams, one-sheets, and strategy slide decks. These types of explicit knowledge are all things that have traditionally been what has been captured in a knowledge base or as part of a knowledge management strategy. It's formalized documentation that can be used to do a job, make a decision, or inform an audience.

2. Implicit knowledge

Implicit knowledge is, essentially, learned skills or know-how. It is gained by taking explicit knowledge and applying it to a specific situation. If explicit knowledge is a book on the mechanics of flight and a layout diagram of an airplane cockpit, implicit knowledge is what happens when you apply that information in order to fly the plane.

Implicit knowledge is what is gained when you learn the best way to something. You can then take that experience and synthesize it with other learned information in order to solve an entirely new problem.

3. Tacit knowledge

Tacit knowledge is intangible information that can be difficult to explain in a straightforward way, such as things that are often “understood” without necessarily being said, and are often personal or cultural.

An example is hearing someone say something and correcting them by saying “We'd never use that phrase here.” Tacit knowledge is informal, learned with experience over time, and usually applies to a specific situation.