

by Terry Corbitt

# It's not who you know, it's **WHAT** you know – and how you manage it

The knowledge-based society has arrived. Organisations that will succeed are those that can identify, value, create and evolve their knowledge assets.

**M**any management consultants agree that knowledge has become the main competitive tool for businesses and that, currently, it is the only meaningful economic resource having replaced capital and labour in importance.

Many organisations have appointed chief knowledge managers who are responsible for all stages of creation, capture, deployment, sharing, use, development and valuation, and how these fit into the knowledge cycle. Knowledge can be stolen; organisations must take steps to protect themselves against knowledge theft both from within and outside.

Knowledge management is concerned with the exploitation and development of knowledge assets with a view to furthering the organisation's objectives. The knowledge to be managed will be developed from both explicit, documented knowledge and tacit, subjective knowledge.

Knowledge management includes all of the processes associated with identification, sharing and creating knowledge. This requires systems for the creation and maintenance of

knowledge repositories and to cultivate and facilitate the sharing of knowledge. Organisations that succeed in knowledge management will view knowledge as an asset and will develop organisational norms and values that support the creation and sharing of knowledge.

#### What is knowledge?

Knowledge can exist and be expressed in many forms. For example, facts, attitudes, opinions, issues, values, theories, reasons, processes, policies, priorities, rules, cases, approaches, models, tools, methodologies, relationships, risks

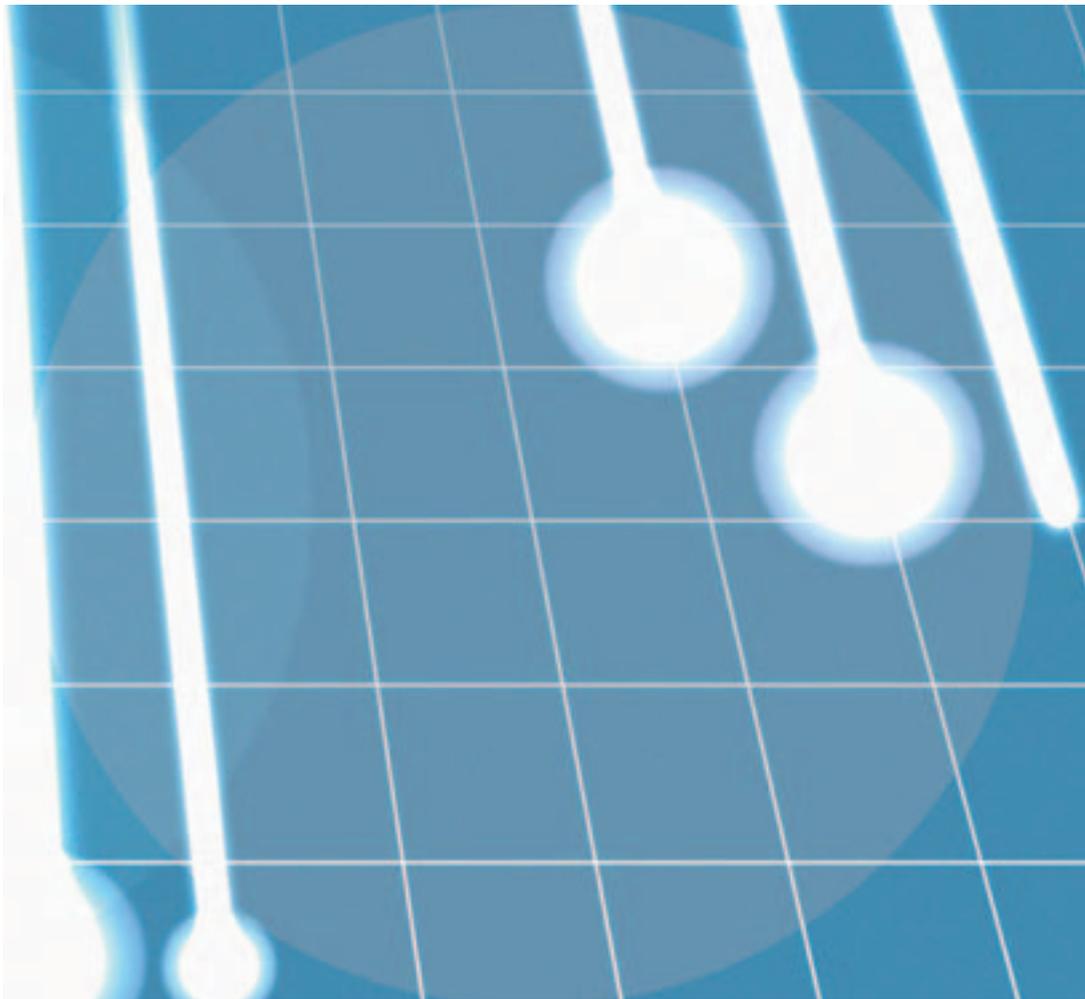
**'Identify the knowledge, skills and tools to do the job more efficiently and effectively.'**

and probabilities. Responses and initiatives in a particular situation may require the assembly and deployment of various types of knowledge.

The greatest contribution that the

knowledge manager can make is to work with particular groups to identify the knowledge, skills and tools that they need to do their job more efficiently and effectively. The challenge is to select what is the most relevant and best practice and to turn this into job support tools that will assist comprehension and increase individual productivity and team performance. This is most applicable in areas such as winning more business and building better customer and supplier relationships.

Knowledge means different things to different groups. Most managers tend to value practical know how and stress the sensitivity, awareness and familiarity that come with experience. Academics tend to focus on theoretical understanding and value acceptable additions to what is already known about a particular topic. Some sources of knowledge may be, or appear to be, more reliable or authoritative than others. People may disagree on what is best. The cost of knowledge can reflect factors such as reputation, exclusivity and supply and demand. The time taken to respond will vary and choices and trade-offs will need to be made.



There are a number of questions that senior management should address before implementing knowledge management.

- ◆ What is its central objective within the organisation? Is there interest in retaining the knowledge of employees as they leave the organisation?
- ◆ Is there efficient access to information repositories?
- ◆ What are the levels at which knowledge management must be considered and how can it be executed at these different levels? Can it be used for specific projects or work groups without affecting upon the entire organisation?
- ◆ What is the scope of knowledge management in relation to the types of knowledge that it should embrace? The main divide is between implicit and explicit knowledge but there may also be different types of focus. For example, the emphasis may be on competitor profiles, or technical expertise.
- ◆ What are the technologies and techniques to be employed in knowledge management? Is the priority document creation and management technologies, or group working technologies using groupware software such as Lotus Notes?
- ◆ What organisational roles are required to support knowledge management and what are the associated competencies that organisations and their employees need to acquire? Organisations must recognise that successful knowledge management initiatives depend on the commitment of top management and the contribution of senior consultants and experts.

The development of knowledge management in different organisations will follow different patterns according to the nature of their business and its objectives. An understanding of the potential it offers and the way in which it can be used effectively will become increasingly crucial in the running of the organisation.

**Terry Corbitt's experience is in production management. He taught economics, information technology and management at Dunstable College. The second edition of his book, *Information Technology and Its Applications*, was published recently. In addition, he has written some 900 articles for technical journals.**

**Irreplaceable**

Organisations reorganise, re-engineer, downsize and use outsourcing. Employees feel threatened. Knowledge is lost because no attempt is made to harvest the knowledge that people have before they leave, are made redundant, or retire.

The most valuable knowledge is current, relevant, vital and accessible. In many organisations, existing knowledge is being shared but the new knowledge needed to deliver greater customer and shareholder value, is not being created. The approach is to focus on sharing the existing stock of knowledge and not paying sufficient attention to the determination and development of new knowledge that will be required to achieve the organisation's objectives in the future. Far too many people access and use the organisation's knowledge without reviewing it, updating it and replenishing the supply.

People copy responses to similar requirements, problems and situations rather than think for themselves. Even when they do try something different, they do not always record what they did and how

effective it was, so that their colleagues can benefit from their experience.

**Holistic approach**

Management interest in knowledge management is growing. This interest is in the creation, capture, deployment, sharing, use, development, valuation and

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exploitation of knowledge. The knowledge manager needs to confront the problems of the knowledge situation within their organisation. Knowledge management should be an end-to-end process, from identifying knowledge requirements and gaps, through knowledge creation and the sharing and packaging of knowledge, to its application to doing new things and delivering additional income.