Tasks of knowledge management

Initiate discussion within the company about the concept and the usefulness of knowledge management

"We are moving towards a situation where we are continually refreshing the whole product range. Underlying this new strategy is knowledge management.”
Jorma Ollila, CEO, Nokia

Knowledge becomes more and more important for the business success. This has got about.

What does a company need knowledge management for? This is a twofold question: for the first time - and time and again.

The idea to dedicate a systematic management to knowledge is based on the insight that knowledge is just as indispensable a resource of a modern enterprise as any other and therefore deserves to be handled in the same responsible and structured way.

What does a company need knowledge management for? This is a question not of “if” but of the role knowledge plays in the company what role knowledge should play in the company and what needs to be done for it.

The first time is about the “introduction” of a knowledge management system. This does not mean “importing” a completely new structure. It much rather is about finding out about the existing organisational handling of knowledge, laying it open and systematising and improving it.

And in fact it is about the same thing all over again. Because it is about knowledge and its use, that is, about the innovative, multi-faceted and changing element in a company, an element you cannot be over and done with once and for all, but you need to create free and reliable channels for ideas.

Identify how important knowledge management is to every member of the company and raise everybody’s awareness of it

Revise the business plan and corporate aims to take account of the need for knowledge

Determine how knowledge is dealt with in the organisation

Define what sorts of knowledge will be necessary in the future and how it will be

The insight that handling knowledge is part of the strategic tasks marked the beginning of knowledge management. Strategic decisions are the starting point of every individual company to introduce knowledge management and to re-establish knowledge management time and again.

Check the knowledge strategy of the company on a regular basis and explain clearly:

• What performances are expected from knowledge in the future?
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• How is the resource "knowledge" being treated and how is it to be treated in the future?

The basis for these assessments and decisions can be identified with a knowledge-related analyses of strengths and weaknesses (see "tools" in this stage). Once a knowledge management system is established developing this basis of decisions becomes a regular task. (see stage 7)

Strategy is the business of the top management. Explain clearly:

• How important is knowledge for the achievement of the company objectives?
• What role does knowledge management play in the company?

Define "knowledge objectives" - this is a job for senior management

Knowledge aims orient the knowledge management, the generation of knowledge and the exchange of knowledge towards the intended results of the company. This is a management task. It is structured according to the kind of knowledge aims.

With normative knowledge aims the management orients all members of the organisation towards the particular appreciation which knowledge of the members enjoys and which the knowledge of the company should enjoy with its members. These norms do not only have to be intellectually understandable and clear; they must be attractive and motivating as a rule of conduct. Use straightforward words but without false pathos - it is about knowledge!

In strategic knowledge aims the management explains what is important for the success of the organisation. Other strategic objectives of the company - customers and market shares, turnover, etc. - will not be substituted by knowledge aims but supplemented. It is important to make clear what the supplement is as well as what which knowledge is needed for and what contribution of knowledge is expected. The formulation of knowledge aims does not merely have to be plausible to the top management versed in ratios but to all members of the organisation!

With operative knowledge aims the top management clarifies what is to do, which means that new objectives in handling the resource
“knowledge” are taken seriously. The formulation of operative knowledge aims prevents at the “top” the danger that it remains just a new idea, and at the “bottom” that there is yet another new management fad which has nothing to do with the own work and behaviour.

**Decide on concrete project aims**

Only when the knowledge aims are formulated clearly can project aims be set. These define as the task of knowledge management where which knowledge should be made accessible or build up. Above all they clarify the correlation between the fields and levels.

The knowledge aims should always be clear as a guideline of the project aims. Project aims should be formulated accordingly. This is crucial for the motivation of staff. Knowing why is hardly as indispensable as in the generation and the transfer of knowledge within an organisation.

One principle is: The general knowledge aims of the company should always be clearly identifiable as guideline of all project aims. That is crucial to the motivation of staff. Knowing-why is most important in production and in transfer of knowledge within an organisation.

The other principle is: A project needs very concrete aims which everybody involved understands. Project aims and implementation aims should be conceived and formulated as milestones whose achievement can be verified by everybody. Even if a lasting system of knowledge management is to be introduced, its benefit in form of a first “product”, a prototype return of the introduction itself should be perceivable. Identify concrete problems in handling knowledge in your company, select the most important problem as a pilot project, define a success scale and aim at, for example, a 60%-70% solution. That way you stimulate already today the need for the KM system with the future users; that way they can create good model solutions for the continuing upgrading of the KM system (see stage 6). Such “quick hits” are motivating.

**Decide on ICT guidelines**

ICT is a source for the definition of the problem - information flood - of knowledge management as well as a means for its solution. To achieve a solution the team of experts needs clear guidelines.

The basic rule reads: Optimisation of the overall
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solution comes before individual workplace optimisation: Consolidate your platforms, minimise area-specific or project-specific interfaces! Establish standards! Documents and other information carriers are easier to analyse if staff and analysis programs understand the structure.

Do not allow KM surprise packets neither ICT model systems. Identify concrete problems, pick out the most important problem as a pilot project and make also for a 60%-70% ICT solution.

Provide the project with a firm and robust management structure

The company project "employee-supported knowledge management" needs its own organisation:
- clear goals and responsibilities,
- clearly defined activities and binding timeframes,
- reliably available resources.

Otherwise it goes down in the operative hectic of the daily business and is from the outset not taken seriously by staff, in particular by experienced staff.

In practice, it has proved advantageous to visualise the project: a logo, a catchy project or team name etc. But there must also be some content in the "package"!

And: An "employee-supported knowledge management" also requires from the start a good "information policy" or a "project marketing" which shows everybody in the company the progress and present tasks.

Nominate a person who will be responsible for the project - knowledge management needs a human face

The knowledge management officer
- stands for the commitment of the company management,
- has specific management tasks,
- must personify the knowledge culture of the organisation.

Naming a responsible person for knowledge management the company management documents the earnestness of the project and the management's support for it. The fact that from now on there is a responsible person must however be credible. Even if that person takes on the new task beside others - which will be common in SMEs - it must be secured that he/she
can be reached and has enough time for the project work.

The knowledge management officer essentially is a co-ordinator. He/she
- provides for clear guidelines of the company management
- names leader/members of the project team/work groups
- defines with them the implementation targets
- removes blockades and orient towards target fulfilment.

In the introductory phase he/se is the interface between the existing performance organisation of the company and the project organisation for an "employee-supported knowledge management". After the introduction he/she co-ordinates the existing performance organisation and the knowledge management system. In both cases he/she has to manage two subjects:
- contents
- structures of ICT up to project organisation

The knowledge management officer has to credibly personify the knowledge culture of the organisation: he/she must be ready to receive and appreciate other people's knowledge, communicate accurately, have talent for coordination, be able to solve problems and to integrate people - such interpersonal skills decide on the climate during the introduction and later on the life and culture of a knowledge management system.

Senior management should practise “knowledge culture” and set an example for other employees

The shaping of the organisation and the organisational culture is and remains to be the task of the management. Knowledge management requires an open an innovative organisational culture: this is also a knowledge culture.

Knowledge culture is based on a general appreciation of knowledge: The company knows how much knowledge repays itself to it - the company guarantees that the knowledge of the employees repays itself to them. This appreciation must be rooted in the organisation. Crucial for the credibility of a knowledge culture in an organisation is the practical reliability in the support of the generation and use of knowledge.
The managers must be a living example of knowledge culture: they must acquire knowledge and be open for innovative ideas, they must promote new ideas and contribute knowledge themselves, they must provide the necessary means for the development and implementation of knowledge so that employees are motivated to share and actively exchange knowledge.

- Create free spaces of thought for your staff.
- Abolish prohibition to think.
- Recognise innovation achievements.
- Make thought-provoking impulses out of mistakes
- Promote intensive communication.
- Involve important customers.
- Be a coach for innovations.

Move to a higher level of expertise by using your business plan and your knowledge objectives to develop a strategy for knowledge

The following types of strategy can be used for the orientation.

**Strategic focus 1:**
**Strengthening the individual employees as knowledge carriers and knowledge managers**

Knowledge, thus the ability to solve problems, in contrast to data and information, is ultimately linked to individuals, man is the driving force of KM, the employees are consequently the substance of the KM system of the organisation - these are the convictions lying behind this strategy. They focus on the individual responsibility. Self-responsible selection and structuring of knowledge, transfer-oriented storage and updating, making sure one can be addressed as expert, multiplication - those are the core aims. Transparent information and communication systems and training of the employees are the means of the selection.

Suitability: This strategy suits particularly organisations easy to be overviewed with little standardisable orders/projects, much informal and individual core knowledge and flat hierarchies.

**Strategic focus 2:**
**Knowledge management for the increasing of the customer satisfaction**

This strategy puts the widespread credo “customer satisfaction” on the basis of a sensitive and flexible shaping of all customer contacts and...
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their systematic evaluation. The research into the requirements of customers and the conditions of application for products and services are the essential means for the core aims to reduce the reaction time of the organisation to customer wishes and to optimise the own products, services and processes for the customers.

Suitability: This strategy suits particularly organisations seeking lasting customer loyalty, intending to make more use of the customer potentials, intending to establish themselves as complete or system providers

Strategic focus 3: Improving the transfer of best practice knowledge into the company practice

This strategy concentrates on the better use of experiences of the own organisation and of the competitors. "Lessons learned" and "benchmarking" are suitable tools. To avoid repeating faults, to make more effective use of performed expenditure for development and planning, to set free expert potential - these aims are in the focus. A culture of objective discussion of faults and incentive systems for transfer of knowledge - also knowledge of others - is a necessary framework condition.

Suitability: This strategy suits particularly organisations with standardisable performance profiles and a market in which expertise counts.

Strategic focus 4 Generating knowledge and implementing innovation

This strategy puts research and development into the centre, secures all necessary resources for the activities, promotes their creativity and supports them though information from the whole organisation. Innovation of products and services are the core aims.

Suitability: This strategy is particularly suitable in a market with short lifecycles of products (e.g. ICT) or organisations having to reposition themselves.

Strategic focus 5: Creating expert networks

Offers of products and services and complete solutions for customers, opening up new markets, more efficient development of knowledge and more profitable use of knowledge are aims of this strategy. Knowledge alliances and project co-operations are the way. Systematic evaluation of
the supplier and customer chains in which the own organisation operates, co-operative information and knowledge exchange with suppliers, further processing and offers of complementary products, development of confidence are preconditions.

Suitability: This strategy is suitable particularly in markets with accelerated innovation for SMEs with big customers and with internationalisation plans.

Strategic focus 6: Creating the knowing company

This strategy is ambitiously holistic. To achieve and secure an outstanding competitiveness through knowledge - that is the aim. All processes of the organisation are considered as such, in which always also the knowledge of the organisation develops, is saved and circulated, implemented, learned and checked.

Suitability: This strategy suits particularly organisations such as consulting firms, in which knowledge is the core offer.
Tasks in personnel management and training

Re-evaluate your concept of human resource management

“A knowledge strategy will work only if members of an organization commit to enhance their collective performance by sharing their knowledge and building on one another’s ideas.”
Hubert Saint-Onge, Senior VP, Strategic Capabilities, Clarica Life Insurance (2000 Most Admired Knowledge Leader)

Therefore, knowledge management is extremely closely linked to the vocational training and further education of staff for the good and sometimes for the worst. Because the knowledge which is to be organised in a better way is in the heads; and even if some knowledge is made available in documents, servers and networks through knowledge management, it still depends on the heads whether this knowledge really is called up, used and kept alive.

Knowledge management does not replace personnel management and training but supplements it in a multifaceted way. Micro-companies are an exception. In those companies is knowledge management at the same time personnel management and training organisation. Knowledge management is based on the vocational education and training of staff. This is the main part of the knowledge treasure which needs to be dug up and used for the benefit of the whole organisation. At the same time, in this way the development of the vocational education and training of staff is to be facilitated and extended. Their competency stays alive and finds room to live in the company.

Knowledge management makes vocational education and training of staff more effective. The transparency of what the organisation knows allows a much more precise planning of which additional knowledge in which fields and in which contents needs to be acquired by the organisation through personnel management and training of staff. Knowledge management emphasises that it is not only the members but that also always the organisation wants to learn, in learning contents it thus promotes learning how to learn and teaching of what has been learned. This promotes the multiplication effect of training and thus its efficiency.

Knowledge management overlaps with personnel management and training. Organising improved...
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Availability of knowledge in the organisation also always leads to a better knowledge about the staff. The building up and each up-dating of knowledge management with the participation of staff is training, refreshing of the own and exchange with other people's knowledge.

Extend your management methods by studying and digesting principles of managing knowledge objectives

There is one thing that the managerial staff needs to learn first of all, if necessary through training: the top management must consider and correctly internalise that knowledge management does not only supplements the management task by a new element. The reassessment of the resource “knowledge” and its deliberate management modifies many elements of management.

The introduction or periodical reorientation of knowledge management requires from the management the definition of knowledge objectives. Take your time to tackle this job in a workshop with suitable management staff and identify and discuss at the same time the effect this has on the managerial task. This is the best time and place for the indispensable internal learning process of the top management. Formulate knowledge-related guidelines for the management style, management tasks and management behaviour for the managerial staff.

The production, acquisition, and insofar even the successful transfer of knowledge, follows its own laws which, at least in comparison to other production and distribution processes, appears to be spontaneous and impossible to be planned. On the one hand, for that reason it is not possible to conduct knowledge processes like process engineering. On the other hand, a company is a purposive organisation and it rightly expects a target orientation also from the knowledge processes. Managing on the basis of knowledge aims secures this target orientation. Managing on the basis of knowledge aims is - other than some other management methods - 1st related to the aim instead of being related to the process, 2nd oriented towards the employee and co-operative.

Management on the basis of knowledge aims consists therefore first in four steps: defining knowledge aims - securing knowledge-promoting organisational structures - defining knowledge tasks of the managers and knowledge tasks of the employees - agreeing upon common knowledge aims.
Raise the awareness of your ideas about knowledge culture within your own company

Knowledge management aims at making the existing knowledge transparent. It is to be available to the organisation and all the employees. The advantage for all the people involved results from the mutual giving and taking of information and knowledge: That improves and facilitates the work of each one and enriches his/her personal knowledge.

Get a grip on your human resource management and use it for knowledge management instead

The greatest wealth of knowledge of an organisation lies in the heads of the employees: as their professional skills and their professional experience. But also in the heads of the employees lie the most serious barriers for a fruitful dealing with knowledge in the organisation - that, too, not rarely a result of mislead vocational education and unfavourable experience at work. An organisation which wants to manage its knowledge in an efficient way has in the first place to know its employees well and it has to want to know them well.

It is in fact a classical task of personnel management to know the professional biography of the employees in order to secure that each workplace and each task is covered by the necessary abilities. But especially in SMEs is knowledge management often mere administration. That would not be bad if the correspondence between job requirements and abilities could be secured by other means. But often valuable information about the employees is only documented in the "index files" of the personnel administration - and they gather dust there. That is not only useless. It also does not really promote the motivation of employees to bring in themselves and their knowledge when something a person has once learned - perhaps with great efforts - is being neglected in the company.

Knowledge management revives the classical task of personnel management to new life. The abilities of the employees are to be known and recognised in the company.

Improve the training pathways in your organisation

Pay special attention to the promotion of knowledge culture in planning your training programmes

Where an enterprise runs a systematic training policy the wheel has really not to be invented anew. Where an enterprise works out needs analyses, training plans and training evaluations together with the employees, it covers already tasks of knowledge management. Still, knowledge management has to contribute to an additional
see also stage 3

prospect for the further-training policy: Any, also
the most specialised training should always at the
same time promote the will and ability to share,
exchange, pass on knowledge and to develop it
independently on the basis of the exchange. This
aspect should also become a criterion in planning
and evaluation of training as well as in the
selection of training providers or trainers.