Knowledge Management

Applications in the Workplace

Knowledge management can be applied to many areas of the organization. Remember that knowledge management is not only storing knowledge. The larger focus is on sharing. With this in mind, applying knowledge management in the workplace is nearly unlimited. Areas that can benefit from knowledge management are as follows:

- Corporate governance
- Staff training
- Operations
- Human resources
- Marketing
- Information technology
- Research and development

Applying knowledge management in any one of these areas will lead to improved communication and responsiveness to change. Here are some potential benefits to implementing knowledge management:

- Encourage innovation by allowing ideas to flow throughout the organization
- Improve customer experience by becoming more efficient in service
- Increase profits by capitalizing on opportunities because of faster product-to-market time
- Increase retention rate of employees because of recognition and reward for their valuable knowledge input
- Reduce cost through improved efficiencies

Data, Information, and Knowledge

Earlier when we discussed the definition of knowledge, we learned that knowledge was composed of data and information. Here is a brief summary of each component:

- Data is bits of content in either text or numerical format. By itself, data has no meaning.
    - A finance company could collect credit scores from all their approved applications. The individual credit score does not mean much by itself. Let see what information does.
- Information is data that is accumulated to allow comparison, grouping, and categorizing which enables the content viewer to determine what to do with the data group.
    - The credit scores collected in the last example is accumulated and categorized into high, medium, and low risk according to the credit score number.
- Knowledge is taking the information and putting context around it, making it actionable.
    - If the finance company is trying to meet a regulation on how many risky loans are permitted in the loan portfolio, they may calculate the percentage of high-risk loan to the total loans on the books. The results could guide the company on new strategies to reduce the number of risky loans or help them maximize the risk because the risky loans are more profitable.

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Acquisition

The acquiring stage seeks to obtain information from both internal and external sources.

- Explicit: information here exist and may be used in combination to form new knowledge and may be internal or external
    - Repositories with document information
    - Filing systems
- Tacit: information exist between people or experts and stored information and may be internal and external
    - Experts sharing their ideas
    - Databases with information
- Internal tools for knowledge creation/capturing
    - Interviewing employees
    - Knowledge teams
- External tools for information/knowledge capturing
    - Data mining data warehouses
    - External expert opinion (i.e. consultant)

Integration

Integration is making knowledge known. There are several general methods to getting knowledge out throughout the organization. Here are several examples:

- **Broadcasting:** e-mails, announcements, newsletters, are some examples of integrating knowledge by broadcasting
- **Searching:** databases, portals, extranets, records, are examples of integrating knowledge by making it searchable
- **Teaching:** classroom, webinars, computer-based training, are examples of how training can help integrate knowledge throughout the organization
- **Sharing:** yellow page system, best practices system, community boards, are examples of how sharing knowledge helps to integrate it throughout your organization

Knowledge Management Endgame

Your knowledge management project should address one or more of the following areas to help ground it to a more common business strategy: **Change management, Best practices, Risk management, Benchmarking, Increasing efficiency, Increased quality.**