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Knowledge Management Concepts, Philosophy, and Theory

Knowledge management (KM) is the combination of organizational culture, strategic goals, individual needs, and the expertise of its people to create an atmosphere of learning and growth. Philosophically, knowledge management must be a vital part of corporate principles and individual jobs for knowledge sharing to succeed. It's through its conceptual components that knowledge management becomes legitimate.

Assessing and meeting each person's needs is essential to the process. Through the use of this knowledge, people and organizations can improve. As people improve, so do an organization's strategic goals.

Learning Objectives:

- ☑ Express the concepts of knowledge management.
- ☑ List the components of knowledge management.
- ☑ Define the goals of knowledge management.

Information Versus Instruction

Information management is key in every organization. There are two primary traditions of providing essential information: instruction and sharing. ***Instruction*** is information that's taught. When a learning need requires instruction, training is provided. Instruction may include information incorporating corporate ideals, expectations, safety, and related materials and can be delivered via classroom instruction, e-learning, and on-the-job training.

Information sharing can be done informally or formally. When a learning need is more appropriately addressed with information, knowledge management may be the solution. Information sharing and knowledge management occur in organizations that encourage sharing information and use collaboration, mentoring, and socialization to inform people. This information sharing can be done at the workstation, in meetings, or as issues happen.

As Rosenberg (2001) points out, providing access to information enables employees to access the organization's collective wisdom. Although both instruction and information aid learning, they are different in many respects, as shown in Table 1-1.

Table 1-1. Comparing Training, Knowledge Management, and Performance Support

	Training	Knowledge Management	Performance Support
Purpose	To instruct	To inform	To guide performance directly
Interruption of work	Requires interruption to participate	Requires less interruption than training	Less interruption from work (should aim to be integrated with work tasks)
How users learn	Program defines content and instruction	User defined	Task at hand defines what the tool does
Goal	Transfer knowledge or skill	To be a resource for users	To assist performance or completion of a task

Source: Adapted from Rosenberg (2001).

Concepts of Knowledge Management

Knowledge and information are increasingly becoming key assets for organizations. Three key terms to understand as the building blocks for knowledge management include data, information, and knowledge, as Groff and Jones (2003) explain:

- ***Data:*** The nature of data is raw and without context and can exist in any form, usable or not. For example, numbers in a spreadsheet are data.
- ***Information:*** Data that has been given meaning. Spreadsheets are often used to create information from a set of data, such as sales over a period of time, increases or decreases in sales, competitor trends, and so on.
- ***Knowledge:*** Information that when combined with understanding enables action. For example, a manager analyzing a declining sales trend may take action to identify issues and carry out strategies to change the trend.

Think of the relationship of data, information, and knowledge as a hierarchy. Data gets turned into information, which then provides knowledge on which decisions are based. The key for organizations to harness the power of knowledge management is to turn information into accessible and reusable knowledge.

There are two main types of knowledge:

- ***Tacit:*** This type of knowledge refers to personal knowledge in one's head—knowing how to do something based on experience. It includes judgment, insights, experience, know-how as well as personal beliefs and values. For example, when conducting web-based training for the first time, a trainer can read documented information about how to conduct this training but at this point lacks tacit knowledge—the know-how based on previous experience.
- ***Explicit:*** This type of knowledge includes information that has been documented or can be shared with someone. For example, a trainer may not have conducted web-based training before, but based on what the trainer has read and heard from others, he or she may know the exact sequencing of steps to log in to the Web session and conduct the training.

So what exactly is knowledge management? ***Knowledge management*** is the explicit and systematic management of intellectual capital and organizational knowledge as well as the associated processes of creating, gathering, organizing, retrieving, leveraging, and using intellectual capital for the purposes of improving organizations and the people in them.

Through these processes, organizations capture and store data and information in a central or distributed electronic environment—often referred to as a ***knowledge base***. Many organizations are using knowledge bases to turn tacit knowledge (individual know-how) into explicit knowledge (documented information, steps, and processes). As noted by Groff and Jones, turning tacit knowledge into explicit knowledge is one of the key functions of a knowledge management strategy.

Elements of Knowledge Management

So how do organizations transform their current structure and processes to become learning organizations that leverage knowledge management? Marquardt (1996) provides some insight into these knowledge management elements:

- *Collaboration and the ability to connect individuals or groups:* Everyone in organizations should be encouraged to gather data through the Internet, various media, internal data management systems, and socialization with peers and co-workers and to share this information across the organization. For example, some organizations may hold rallies in which teams and individual employees are encouraged to share ideas as well as strategic reviews, system audits, internal benchmarking reports, and symposiums that bring together customers, suppliers, internal groups, and external experts to share ideas and learn from one another.
- *Nature of expertise and access to experts:* Many organizations encourage team mixing and job rotations to facilitate transferring knowledge across boundaries by having people or teams possessing knowledge work with other groups or departments. This approach facilitates sharing new approaches and perceptions that new people bring to a situation. As Marquardt points out, "He or she is more likely to raise the 'dumb questions' that lead to new insight about how to handle a problem."
- *Communities of practice enable employees to access specific groups to post issues, solve problems, or discuss key topics:* A ***community of practice*** generally means a group of people who share a common interest in an area of competence and are willing to share the experiences of their practice. Many organizations encourage people to gather data that might benefit the organization. One channel for gaining this knowledge is communities of practice, which may be groups that meet formally, web boards where questions and answers are posted, and other types of collaboration tools, such as message and chat boards. For example, a group of scientists on a LAN may collaborate, share notes, and raise questions.
- *Knowledge networking connects groups of people with systems and applications:* For knowledge management to work, data and information must be captured in a system or central repository. This information must be coded a certain way so that it makes sense to employees trying to search for and access it. Organizations must decide the value of data and the system used to codify this information. The stored knowledge should be readily accessible to everyone in the organization and made available in a logical manner—for example, by topical categories and key words.
- *Making real-time information available to people who need it, when they need it:* The key concept in knowledge management is providing information to the right people, in the right format, and in the right period of time. Many decisions have a time element attached to them, and information that's not readily available to provide insight may mean a missed opportunity to make the right decision. Systems must be readily accessible for employees to search for and access key information when it's needed.
- *Knowledge of organization depth and scope:* Many organizations collect volumes of data, but unless it's coded and stored in a way that makes sense to employees and is retrievable, it's just volumes of data. Organizations need to determine what data to capture, how to capture it, and the format for providing information for employees to analyze it and make decisions.

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- *Personalization and navigation of the system and interface:* In many organizations, employees aren't computer savvy. As a result, they may not be fully aware of the importance of retaining this data and entering it into a centralized system. For employees trying to retrieve data from a knowledge management system, ease of use and ability to quickly access the exact information they need enhances employees' compliance to enter and access data from a centralized system.
- *A key difference between information and instruction:* Information is data that has been given meaning. Organizations that encourage sharing information use collaboration, mentoring, and socialization to inform people. This can be done at workstations, in meetings, or as issues happen. Instruction is information that's taught, for example, in on-the-job training or in classroom and web instruction.

Goals of Knowledge Management

An abundance of information is available on the Internet, some of it well organized and some of it not. The goal of knowledge management is the effective sharing of knowledge throughout an organization for the benefit of the organization or the individual. This includes orientation information to fit culture and skills specific to socialization knowledge. This information needs to prepare an individual for success and prepare the organization for successful outcomes. Knowledge management seeks to overcome the barriers in knowledge sharing, such as collaboration.

As Rosenberg points out, "Many KM systems are facilitated by Internet technologies. Yet despite the need for technology, knowledge management is as much about people, working relationships, and communication. Live teamwork, collaboration, and other forms of person-to-person interaction are essential to create the right balance between the information and the actions of people."

✓ Chapter 1 Knowledge Check

1. Which of the following best describes knowledge management?
   a. Knowledge management is the explicit and systematic management of intellectual capital and is concerned with the appropriate systems to support organizational learning.
   b. Knowledge management is the explicit and systematic management of intellectual capital and involves disseminating information to employees on the job.
   c. Knowledge management is the explicit and systematic management of intellectual capital and involves the systematic processes that support real-time learning and collaborative systems on the job.
   d. Knowledge management is the explicit and systematic management of intellectual capital as well as the processes of creating, gathering, organizing, disseminating, and leveraging information for improvement.
2. All the following are elements of knowledge management except
   a. Classroom instruction
   a. Collaboration
   b. Access to subject matter experts
   c. Communities of practice
3. Which of the following best describes the key goal of knowledge management?
   a. To understand how employees learn best on the job and to share this information with others
   b. To effectively share knowledge throughout an organization for the benefit of the organization or the individual
   c. To identify performance gaps and the appropriate interventions to close gaps and to use information sharing to close those gaps
   d. To make training program information more accessible on the job and enhance the sharing of knowledge and information
4. Which type of knowledge refers to personal knowledge in one's head, or knowing how to do something based on experience? It includes judgment, insights, experience, know-how, personal beliefs, and values.
   a. Explicit
   b. Tacit
   c. Descriptive
   d. Cognitive

5. Which best describes a central or distributed environment in which an organization captures and stores data?
   a. Knowledge spiral
   b. Knowledge networking
   c. Community of practice
   d. Knowledge base
6. Instruction is information that is shared formally or informally
   a. True
   b. False
7. Which type of knowledge includes information that has been documented or can be shared with someone else?
   a. Explicit
   b. Tacit
   c. Descriptive
   d. Cognitive

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