



Knowledge Management... and Beyond

Tom Davenport
Accenture Institute for Strategic Change

NASA
November 7, 2001

- **The Expanding World of Knowledge Management**
- **Where Are We Now?**
- **A Knowledge Management Framework**
- **The Value of Knowledge Management**
- **Implementing Knowledge Management over Time**
- **New Frontiers in Knowledge Management**

Knowledge — The most valuable form of information content, with a high level of human contribution and usability

Management — A concerted effort to improve the creation, distribution, or use of knowledge

Business Intelligence

Organizational Learning

Performance Support

Best Practices

Innovation and Reinvention

- **Finally getting some real KM technologies**
 - ÿ **But the distinct KM technology is vanishing**
- **Knowledge becoming an accepted business resource**
 - ÿ **But how will it compare to profits?**
- **Many small, function-specific projects**
 - ÿ **But few transformational ones**
- **Desperately seeking value**
 - ÿ **But nobody really measures it well**
- **How do we get to the next stage?**

- **Knowledge becomes too important to leave to the professionals**
- **Maximizing knowledge becomes a preeminent corporate objective**
- **General managers become knowledge managers**
- **We move from knowledge inventory-building to supply chain management**
- **Attention becomes the scarcest resource**

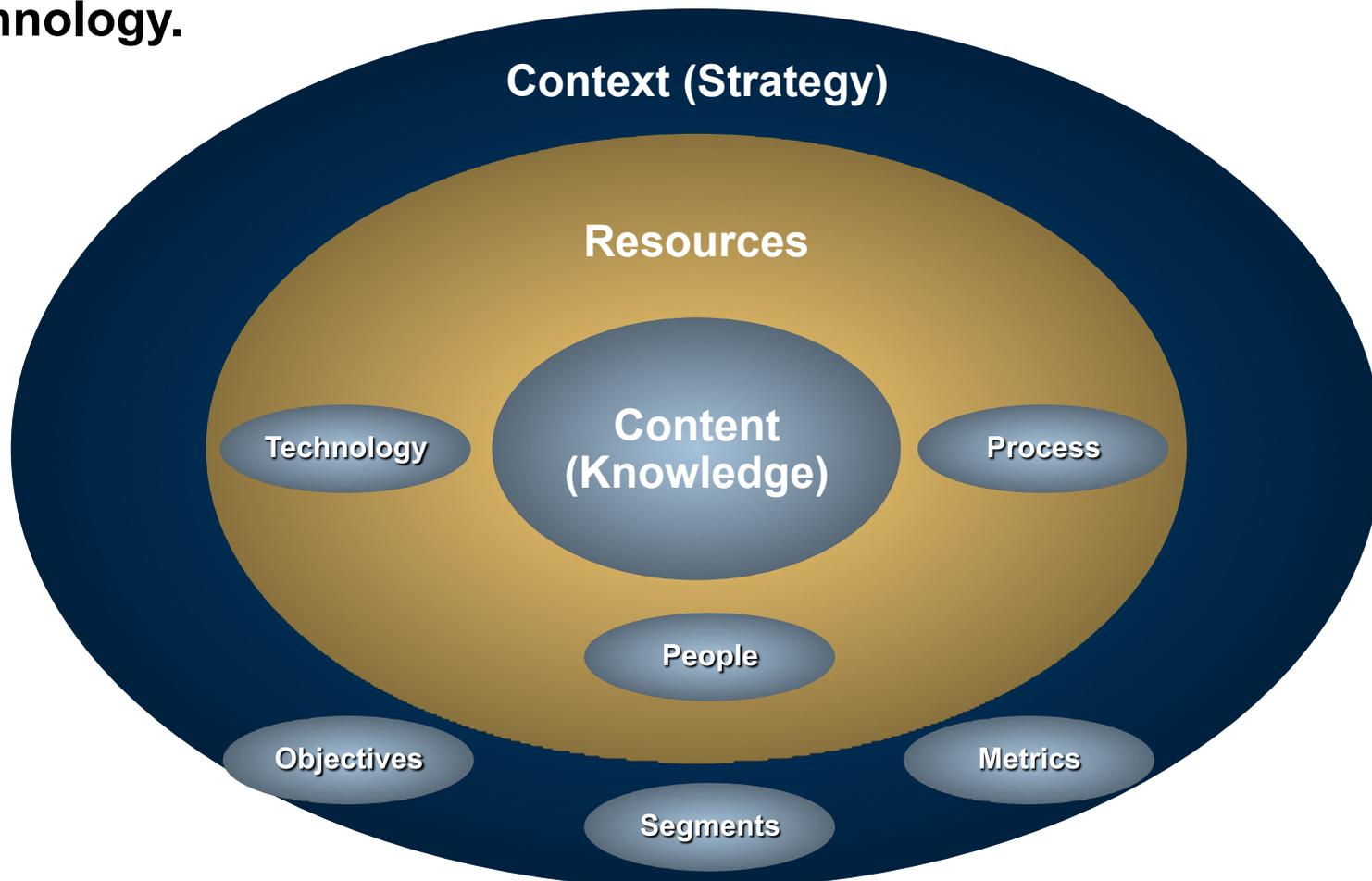
To Begin

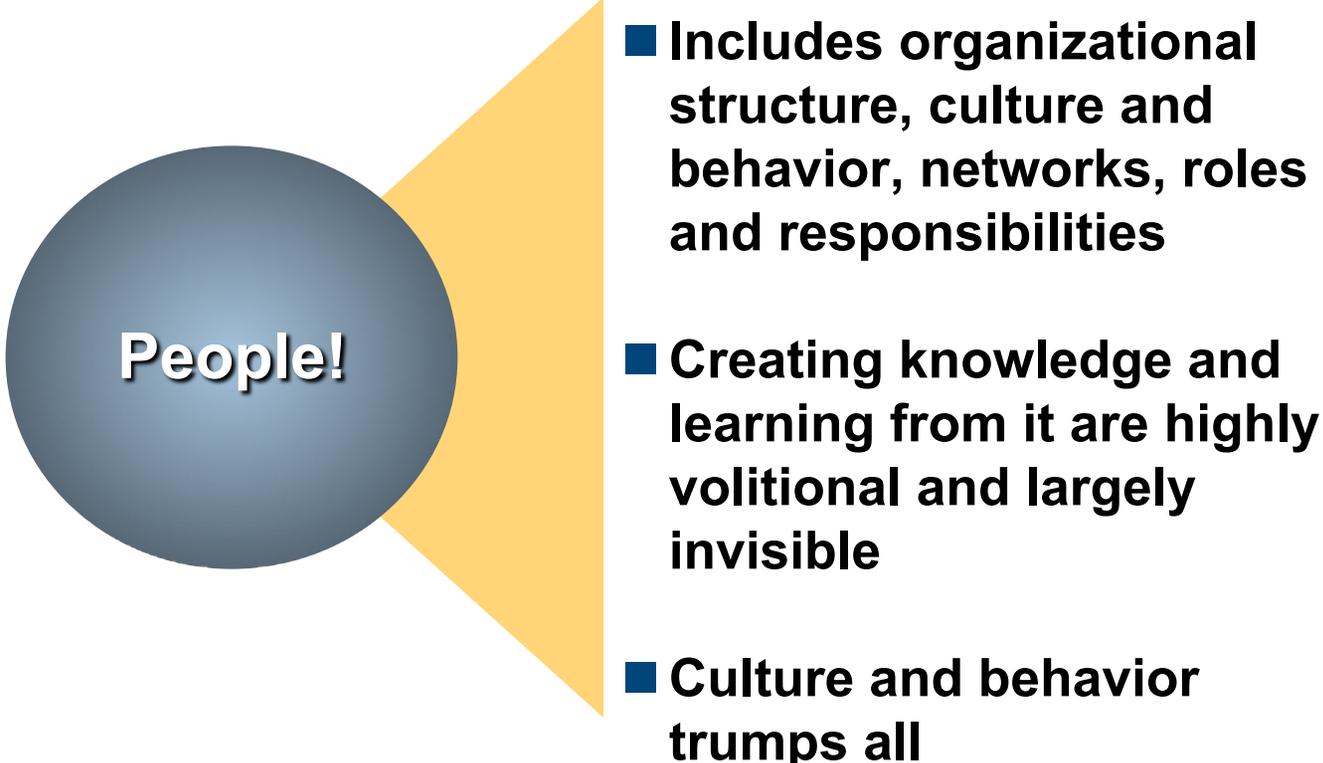
- Widely-available technologies
- A place to get started
- A few people to help out
- A business problem or problem solver
- Quick results

To Advance

- Knowledge strategy
- Process change for knowledge workers
- Cultural change
- Integration across content types
- Top management support

Knowledge management is more than the knowledge or the technology.





People!

- **Includes organizational structure, culture and behavior, networks, roles and responsibilities**
- **Creating knowledge and learning from it are highly volitional and largely invisible**
- **Culture and behavior trumps all**

- The fundamental belief that creating, sharing, and using knowledge are highly-valued activities
- To begin, focus on a subculture
 - ÿ Find one where knowledge matters
 - ÿ No obvious cultural barriers
- To advance, focus on long-term cultural change
 - ÿ Big incentives
 - ÿ Executive example



- **To begin, identify/form communities**

- ÿ **Treat them as clubs**
- ÿ **Need to meet socially and facially on occasion**
- ÿ **Not by IT alone**



- **To advance, manipulate network ties**

- ÿ **Strong vs. weak**
- ÿ **Physical vs. virtual**
- ÿ **Global vs. local**

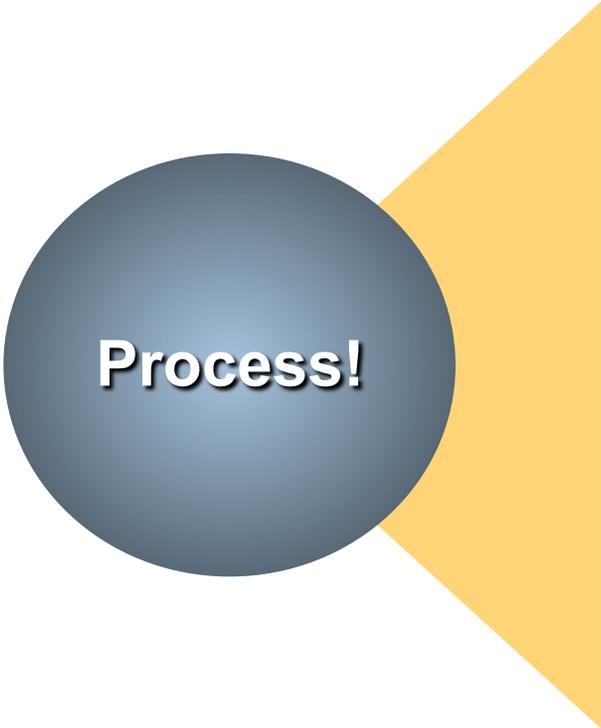
- To begin, focus on professionals

- ÿ Knowledge leaders
 - ÿ Knowledge initiative managers
 - ÿ Knowledge network facilitators, reporters, etc.

- To advance, focus on amateurs

- ÿ How much division of knowledge labor?
 - ÿ How much time learning vs. doing?
 - ÿ Do we hire knowledge seekers in the first place?





Process!

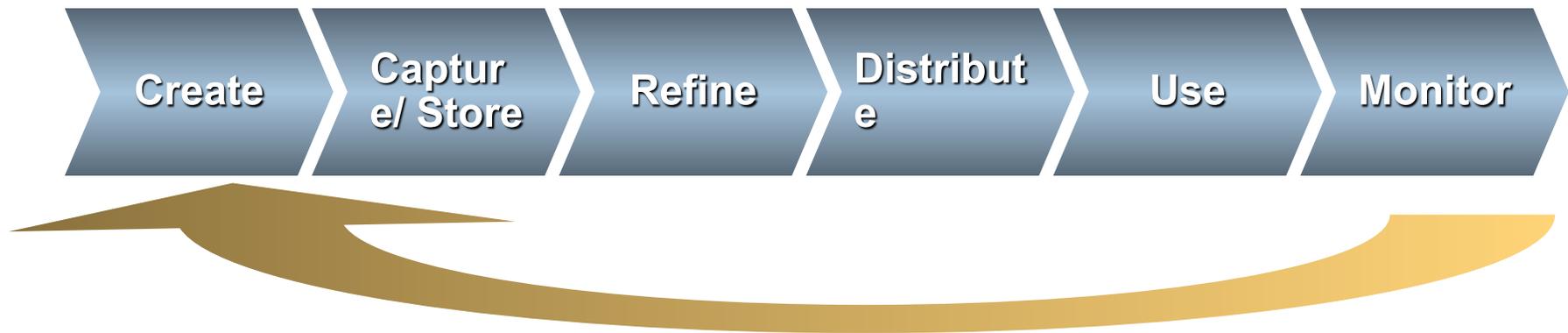
■ **Knowledge work is a process**

ÿ **Marketing, R&D, customer service, consulting, etc.**

ÿ **Redesign to create some slack**

■ **Knowledge management is a process**

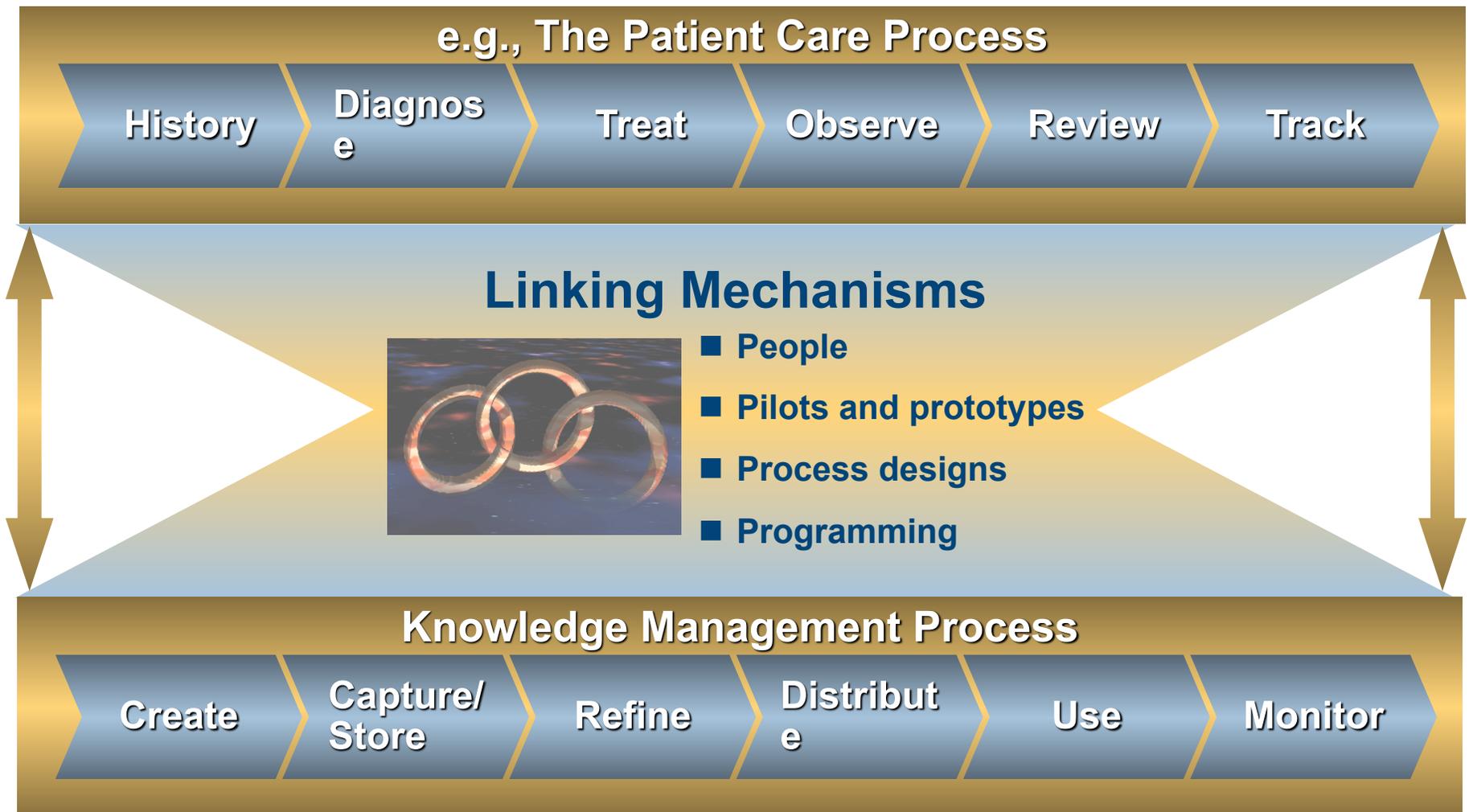
ÿ **Create, capture, refine, distribute, use, monitor**

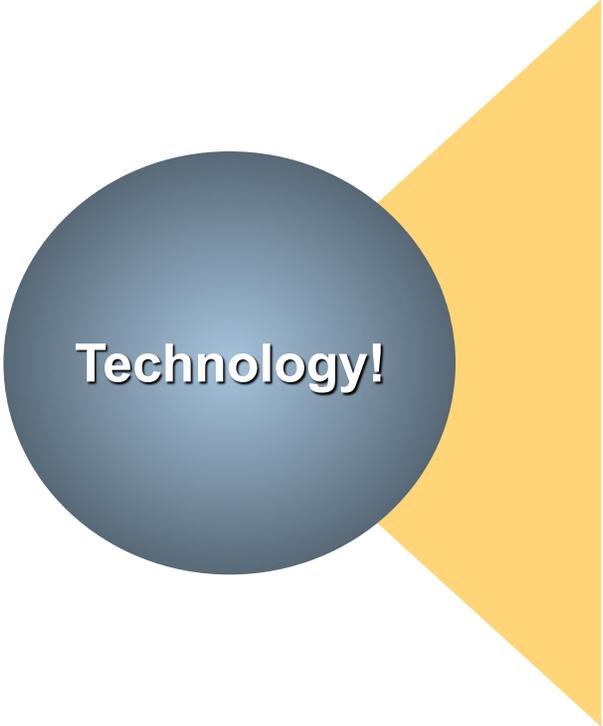


- Which subprocesses do we do (well)?
- Where do we need to focus?
- Who owns or manages each one?
- What human and technical enablers apply?

- **Have to improve knowledge work jobs**
- **Participation is key**
- **Some process orientation is OK, but also explore...**
 - ÿ **Where and with whom people work**
 - ÿ **Changing the unit of knowledge**
 - ÿ **Applying knowledge technology**







Technology!

- Little standalone value
- Lots of choices, but do the basics first (e.g., a portal)
- Increasing blending with other technology types (e.g., e-learning)
- For a broad solution, integration still required

- **A basic set of knowledge tools**
 - ÿ **Web portal**
 - ÿ **Search and retrieval**
 - ÿ **Document management**
 - ÿ **Discussion databases**
 - ÿ **Expertise directory**

- **Infrastructure aids**
 - ÿ **Common applications**
 - ÿ **Dedicated databases**

- **Role-specific portals**

- ÿ **Combining relevant transaction data and knowledge**

- **AI tools for more structure**

- ÿ **Case-based reasoning, rule-based systems**

- **Data-into-knowledge tools**

- ÿ **Neural nets, CHAID, data mining**

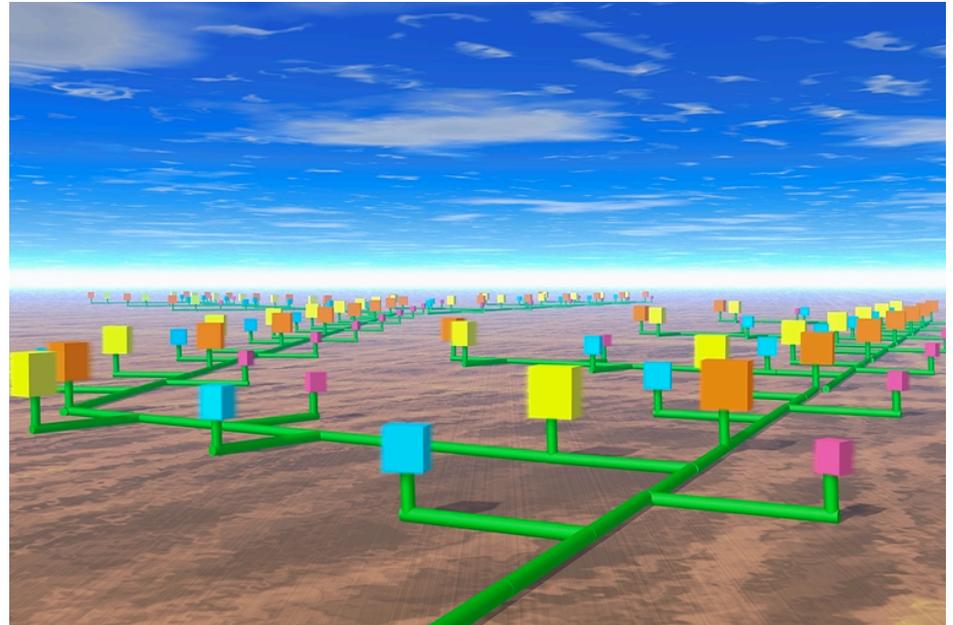
- **Desktop video for the tacitly-minded**

- **Tools that link e-commerce and KM (e.g., selling knowledge)**

- **Tools that link knowledge and learning (simulations, performance support, web-based learning)**

- To begin, let a thousand categories bloom
 - ÿ Perhaps a map

- Structure becomes critical as content proliferates
 - ÿ Content architecture
 - ÿ Taxonomies
 - ÿ Thesauri
 - ÿ Meta-knowledge
 - ÿ Multiple levels
 - ÿ Human pruning



- To begin: choose a domain with business value

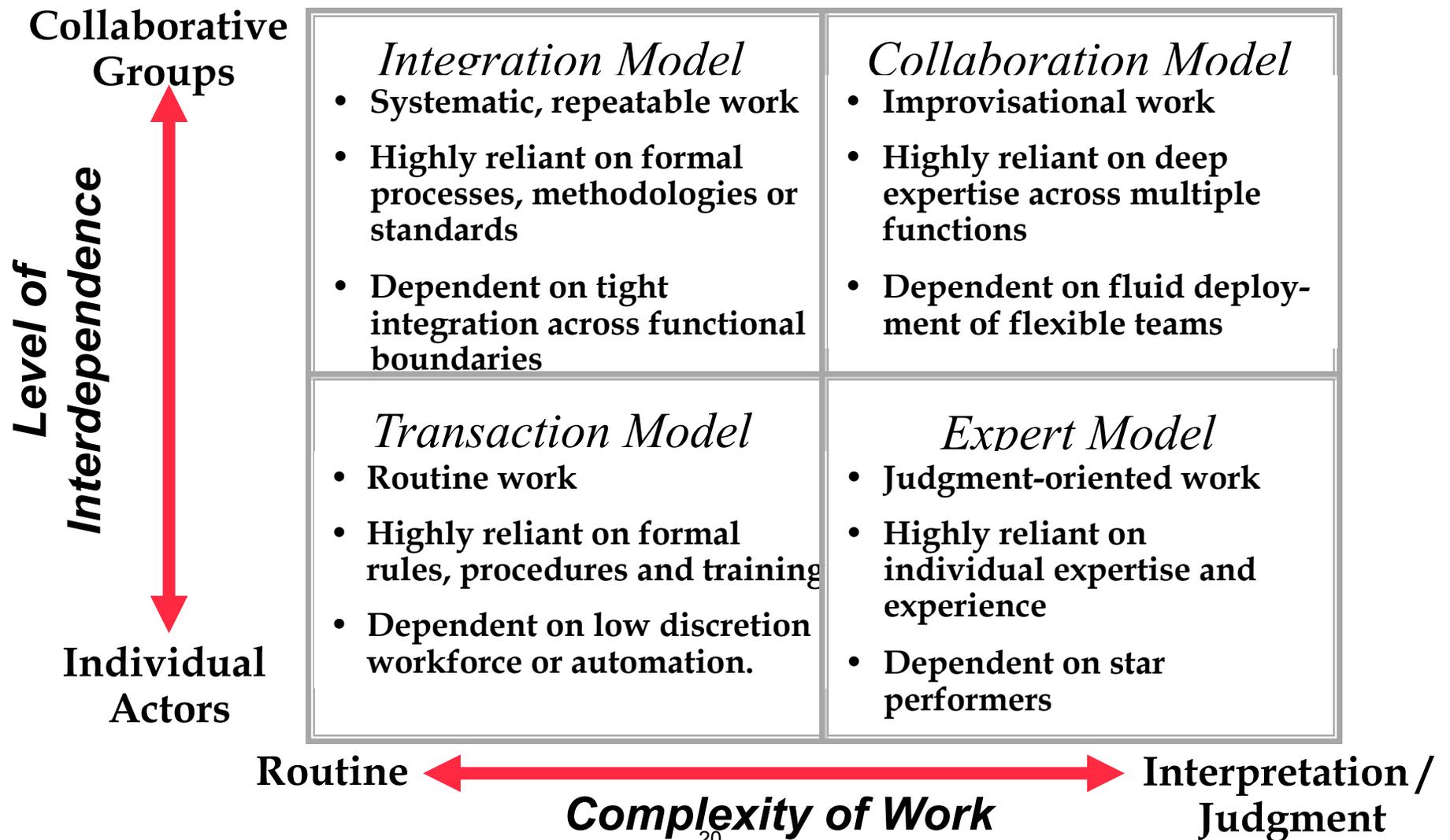
- To advance: focus

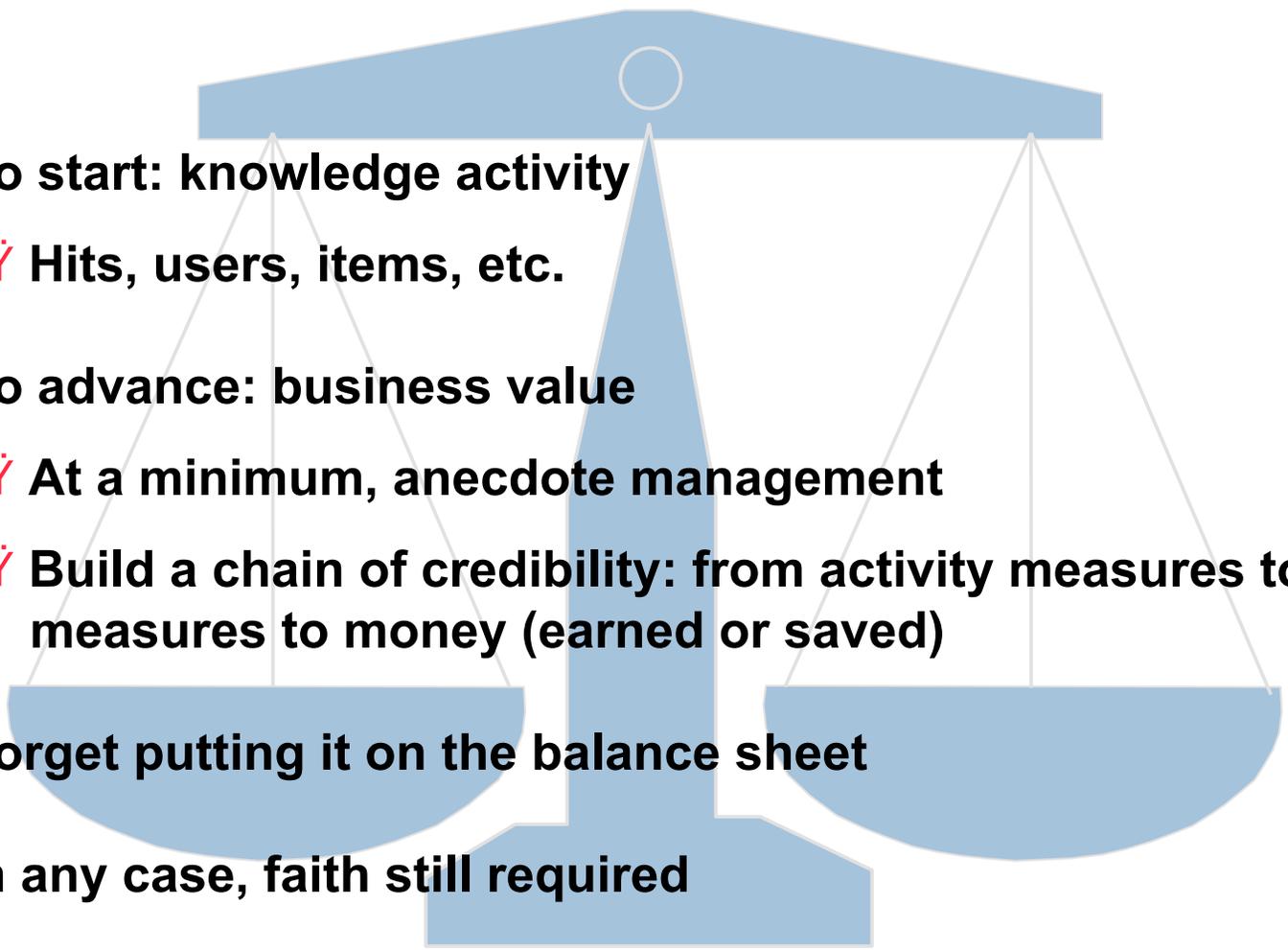
- ÿ What knowledge content really matters?
- ÿ Where does our knowledge environment need improvement?
- ÿ How do we make money?
- ÿ What's the work setting?



- To really advance, link:

- ÿ Knowledge management with product/ service strategy (World Bank, Ryder, Dow, DuPont, etc.)



- 
- **To start: knowledge activity**
 - Ÿ Hits, users, items, etc.
 - **To advance: business value**
 - Ÿ At a minimum, anecdote management
 - Ÿ Build a chain of credibility: from activity measures to process measures to money (earned or saved)
 - **Forget putting it on the balance sheet**
 - **In any case, faith still required**

- Step 1: hardware and software infrastructure
- Step 2: human infrastructure
- Step 3: content proliferation
- Next steps:
 - ÿ Integration with the front line
 - ÿ Product/service integration
 - ÿ Greater use of Web and Microsoft tools

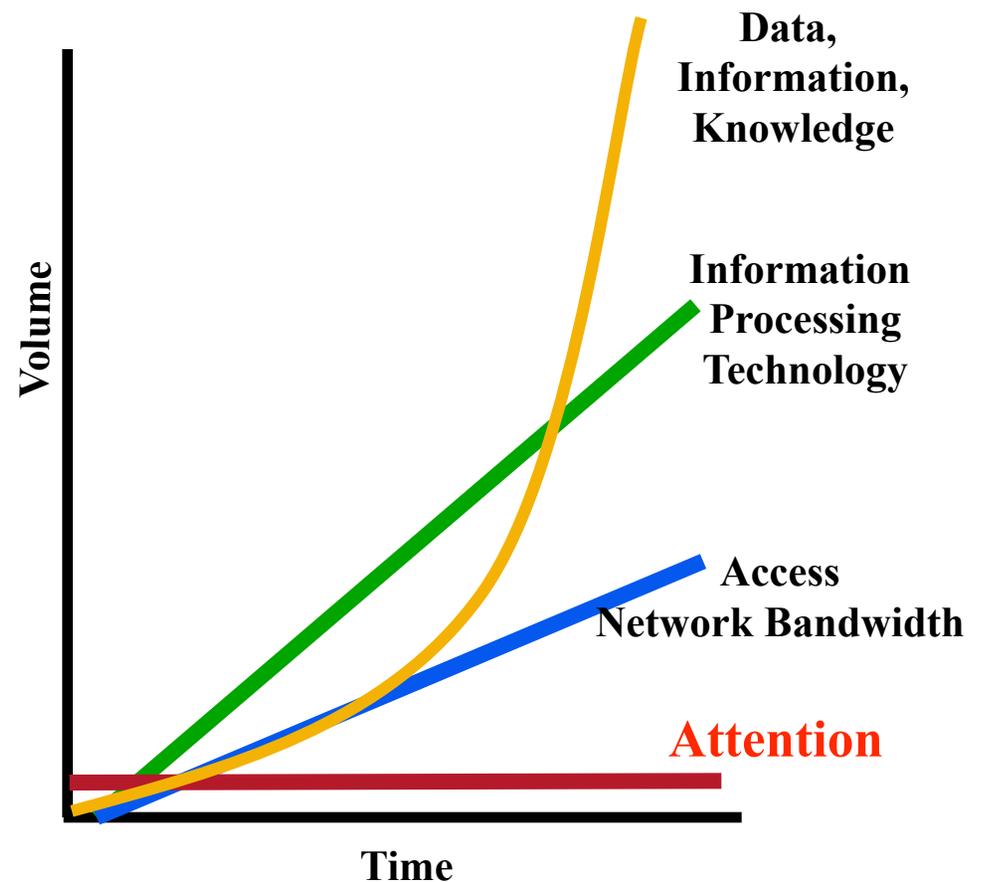


■ **Attention: the most important resource in business**

- ÿ a finite resource
- ÿ a zero-sum game

■ **Attention management is a two way street:**

- ÿ seekers of attention try to capture it
- ÿ and givers of attention have to allocate and try to preserve it



- **Businesses have more and better quality data than ever before**
- **The systems which deliver the greatest value are those that enable managers to steer the business more effectively, as well as reduce operational costs and process transactions efficiently**
- **To date, relatively few businesses have been able to extract and use the full value of transaction data to:**
 - ÿ **build stronger customer relationships**
 - ÿ **design new and improved products and services**
 - ÿ **enhance business and management processes**
- **Successfully realizing the value of transaction data requires a knowledge management approach which looks at a combination of technical, organizational, people and cultural factors**

accenture > A Model for Building Analytical Capability

Outcomes

- Events that change as a result of the analysis and decision-making
- Includes changes in behavior, processes and programs, and financial conditions

Transformation

- Where the data is actually analyzed and used to support a business decision

Context

- May be viewed as the prerequisites of success for the capability

