Knowledge Management: A Growing Discipline

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This paper presents the role of knowledge management in business, learning and research organizations. It is a need of the hour to big, medium, small and all kind of organizations to cope with the challenges of knowledge management in the new century. Tacit knowledge is a pivotal point of organizational learning and focuses on the role of tacit knowledge in the business, industry, research and learning organizations. Conversion of tacit knowledge into explicit knowledge and vice versa is the requirement of present and future industries and research organizations. Knowledge management is a strategy and shows a path how to face the global challenges in most accelerated information technology world. It gives a message – “If they don’t they won’t survive”.

“To make knowledge work productive will be the great management task of this century, just as to make manual work productive was the great management task of the last century”.

- Peter F Drucker

1. Introduction

Knowledge management is one of the hottest management topics and has been a surge of interest for researchers, practitioners and all kinds of business organizations worldwide. If Globalization was the most-hyped word in the business media in the last decade of the century, knowledge management has been growing buzz in the recent years. Exponential growth of information technology and Internet has brought knowledge-intensive industries as a “New Economy” and has led to the growing recognition of the importance of knowledge as a critical resource for modern business environment.¹ Peter Drucker (1988, 1993) identified it as ‘the global knowledge society’. The world economy has transitioned from the Industrial Age to Information Age and now Knowledge Age has come to face the critical challenges of the 21st century. In an era of knowledge revolution, all organizations need to be expert at identifying, codifying, retrieving and sharing know-why to secure substantial competitive advantage. Hanson and von Oettinger (2001) in their study indicated that the significant assets of companies in today’s knowledge

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economy are the wealth of expertise, ideas, and latent insights which are deeply rooted in their organizations for further innovations. In a knowledge based economy, intellectual capital is considered as a prime asset in any organization. Peter Drucker (2000) has attracted the attention by saying that “The foundation of an organization is not money or capital or technology – it’s knowledge and education (human capital). By 2005, knowledge workers will be the single largest group in the labor force”. The emergence of new and complicated technologies and business environment of all kinds of organizations have diverted their attention to how to cope with the challenges of the modern knowledge economy. To create value and to compete in the competitive world, big companies must focus on how knowledge is built, captured, explored and used to achieve the desired goals. Every organization needs knowledge management initiative so that knowledge must be properly accumulated, preserved and utilized. Knowledge management is most valuable if companies take this initiative in the right direction at the right time. Most of the renowned organizations have realized it as corporate dogma and taken initiative more seriously in this direction and have strived to improve their position in a competitive world through better use of existing knowledge, searching for new ways to exploit the expertise and intellectual resources and continually learn from it since knowledge management is a must to survive in future. As Bill Gates has remarked that “Business is going to change more in the next ten years than it has in the last fifty.”

2. What is Knowledge?

The concept of knowledge itself is not new. It is complex and controversial and many scholars have interpreted knowledge in different ways. It involves structured data, programmes and procedures, patents and intangible knowledge and skills of the knowledge workers. It has been seen that the need and importance of knowledge in the field of business, industry and research and developments has risen dramatically and management of this new knowledge has been the basis for development and this new knowledge builds the society stronger to meet the challenges of the business and IT world. Several philosophers and researchers beginning with Plato have debated and observed the existence of different kinds of knowledge. Ahlstrom and Nair (2000) have distinguished the knowledge by stating that “the ancient Greeks developed a rather sophisticated classification system for different ways of knowing. They distinguished the tacit knowledge of the artisan, or techne with scientific knowledge or episteme. Techne represented the technique of manufacturing and was derived from craft tradition and trial error. In contrast, episteme was based on deduction from self-evident principles or other well-established facts.”

As Nonaka and Takeuchi (1995) point out “we consider knowledge as a dynamic human process of justifying personal belief toward the ‘truth’.” According to Prusak and Davenport, “Knowledge is a fluid mix of framed experiences, values, contextual information, and expert insight that provides a framework for evaluating and incorporating new experiences and information. It originates and is applied in the minds of knowers. In organizations, it often becomes embedded not only in documents or repositories but also in organizational routines, processes, practices, and norms.”
3. Explicit Versus Tacit Knowledge

There are two types of knowledge as explicit and tacit knowledge. According to Nonaka and Takeuchi (1995), explicit knowledge is that which ‘can be expressed in words and numbers and can be easily communicated and shared in the form of hard data, scientific formulae, codified procedures or universal principles.’ Whereas tacit knowledge is ‘highly personal and hard to formalize, making it difficult to communicate to share with others in the organization. Subjective insights, intuitions and hunches fall into this category of knowledge’. Furthermore, tacit knowledge is deeply rooted in an individual’s action and experience, as well as in the ideals, values or emotions he or she contains. Our day-to-day activities are briefed and acquainted with our tacit knowledge.

Table 1: Explicit Versus Tacit Knowledge

<table>
<thead>
<tr>
<th>Features</th>
<th>Explicit Knowledge (Documented)</th>
<th>Tacit Knowledge (Know-how embedded in people)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sources</td>
<td>Easily codified, easily communicated and shared, transferable, easily expressed.</td>
<td>Highly personal, hard to formalize, difficult to capture, communicate, transfer and share.</td>
</tr>
<tr>
<td></td>
<td>Document, manuals, Policies and procedures, Rules, Databases and reports.</td>
<td>Informal business processes and communications, People’s hands, minds, emotion, behaviour, Personal experiences, Historical understanding.</td>
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but we never realize it as knowledge. A good example of tacit knowledge is the ability to ride a bicycle or a bike. We know how to ride a bicycle or a bike but it is very difficult to explain in words to others and document it in a form of manual how he learnt this skill. Stenmark (2001) called the tacit knowledge as a valuable asset and it is often related to power. He further stated that KM arena has IS/IT background it is applied to exploit the potential of tacit knowledge. Conversion of tacit knowledge into explicit is difficult, costly and not always desired. If someone is able to articulate tacit knowledge, he may be able to convert it into explicit knowledge for others to use and benefit from them. Several thinkers opine that explicit knowledge can be easily captured and codified into documents, manuals, procedures and rules and can be easily disseminated to users. On the other hand, tacit knowledge cannot be easily articulated and thus it prevails in people’s hands, minds, emotion and behaviour. As Polanyi (1998) stated “we can know more than we can tell”. Leonard and Sensiper further stated that “we can often know more than we realize”.

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4. **Role of Tacit Knowledge**

Tacit knowledge plays an important role in the setup and development of any business, learning and research organization. Access to tacit knowledge has a pivotal role in organizational learning. In an organization when tacit and explicit knowledge interact, an innovation emerges. The creation of knowledge in organization is a continuous and dynamic interaction between tacit and explicit forms of knowledge. This interaction is enacted through the sequential process of socialization, externalization, combination and internalization in the classic concept of the ‘knowledge spiral’.\(^{11}\) Nonaka et al. (1996) models a continuous spiral of knowledge creation through the process of socialization, externalization, combination and internalization. The conversion of knowledge from tacit to explicit and vice versa forms the basis of organizational learning.\(^{12}\) Thorburn (2000) in his study indicated that the role of tacit knowledge has been a factor of success in business and research organizations. “The role of tacit knowledge must be taken into consideration when research institutions consider the various legal, financial, personal and market issues which lead them to choose a path to commercialize their research.”\(^{13}\) There is a need to all research and business organizations to assess and evaluate the role of tacit knowledge to succeed in global competition.

Hansen et al (1999) focused that the management strategies for knowledge should be informed by the nature of business. They suggest that when tacit knowledge is used to solve problems, the face-to-face approach to communicate knowledge should be applied rather than to store it. Attempt to externalize the tacit knowledge can lead to serious problems, since the nuances, refinements and details that are exchanged in physical interactions are lost.\(^{14}\) Knowledge builds over time in the heads of employees in the form of past experience, expertise, decisions, processes in the organization, characteristics of products, customers interests, and similar other experiences and these factors are responsible towards the creation of knowledge. This knowledge can best be used and managed if knowledge workers maintain well-developed relationships and verbal or face-to-face interaction.

Lucas (2000) gave an example of a ‘New England company that decided to move to the South. The company offered jobs to all current employees but would pay the moving expenses to those employees who held key management positions and were above a certain management level. When the company left for its new location, most of its staff stayed behind. Within a year, the company became bankrupt. It had lost the knowledge that the staff possessed on how to run the business. Customers did not take interest in dealing with new order processing and customer service staff members who did not know their business and customers’ needs. These customers began to place their orders with other competitors, and the firm could not survive its loss of knowledge from the staff it left behind and became out of business world.”\(^{15}\) When employees retire, leave the organization - attrite and downsizing, valuable experiences, skills and tacit knowledge go with them for which the organization has paid a lot to search and train the employees. A 2001 survey found that while “26 percent of knowledge in the average organization is stored on paper and 20 percent digitally, an astonishing 42 percent is stored in employees’ heads”\(^{16}\).
5. Why Knowledge Management is Necessary?

There are a number of factors that have established knowledge management as the management discipline of the decade.

1. It makes money and increases profit.
2. It puts technology into perspective and promotes innovations.
3. It abridges the loss of intellectual capital from retiring, downsizing, attrition and leaving the company.
4. It reduces duplication of efforts of the knowledge workers.
5. It enhances individuals’ and organizational ability to think, to learn from innovations and experiences and to implement decisions.
6. It helps to take quick decisions in business meetings.
7. It assists individuals to access and manage knowledge repositories captured through meetings, telephone conversations, computerized communication networks and documents.
8. It develops the knowledge-sharing culture in the organizations and breaks communication barriers within the organization.
9. It assists to develop the framework of Knowledge Management System to share information quickly across geographically dispersed units to compete global business.
10. It helps to capture and retain the employees’ knowledge, experience and expertise during the corporate downsizing and restructuring, retiring of knowledge workers and anticipated exodus of employees.
11. It increases productivity and establishes company as leading one by providing knowledge more quickly and easily.

In contemporary world, for many organizations knowledge is a strategic resource. Knowledge management is complex and multifaceted; it encompasses every thing such as people throughout the organization as well as management and key professionals such as “knowledge workers” that the organization does to make the knowledge available to achieve the desired goals. “Knowledge management requires a combination of organized elements – technology, human resource practices, organizational structure and culture in order to ensure that the right knowledge may be explored and used at the right time.”

There is confusion in the definition of knowledge management. Lotus Development Corporation defines knowledge management “as the systematic leveraging of information and expertise to improve organizational innovation, responsiveness, productivity and competence”.\(^{17}\)

According to Barron (2000), “Knowledge Management is an integrated, systematic approach to identifying, managing, and sharing all of an enterprise’s assets, including databases, documents, policies of procedures, as well as previously unarticulated expertise and experience held by individual workers.”\(^{18}\)
Many big companies have taken initiative towards knowledge management and focused on the changes in tools and technologies like Intranets to bring improvement in the ability to manage knowledge to reap the maximum benefits from knowledge. The use of technology allows individual and organizations to develop such systems and processes, which are meaningful and relevant to survive in business. As Diwakar (1999) has stated that in the fast changing market and technology, only intellectually active organizations would survive. Those organizations whose internal thinking and innovation processes are slower and not up-to-date than the market demand, may face a sudden death and out-of-business world. This situation can be worked out only by constantly creating, improving and utilizing the organization’s internally generated knowledge resources as well as externally to feed the organization’s innovative thrust.¹⁹

Many big companies have moved towards knowledge-based activities, as it is their primary product. They have focused on the changes in tools and technologies as technology has been rapidly changing and has brought improvement in making the external as well as internal resources easily available throughout the world. Most of the organizations never give preference to internal knowledge, and most of the past knowledge was lost through attrition and changes in the organization such as shifting of organization employees’ leaving the organization. Much knowledge and knowledgeable resources remain unidentified, unrecorded, uncodified and unutilized in the absence of a system. It is the duty of information manager or knowledge manager to develop mechanisms to identify, mapping of internal expertise, record, store and utilize the internal as well as external resources and share these through Intranets for creating value. Managing knowledge is a key to future wealth creation and to face the challenges before industrial performance in the competitive world.

According to Speh (1997), “Knowledge management describes the way in which organizations are attempting to capture, enhance and utilize the knowledge necessary for their survival.”²⁰ It encompasses the spectrum of management concerns from knowledge creation to knowledge exploitation. It embraces the rapid developments in information technology and their effective use for the benefit of organization. All these issues have brought the knowledge management a key business philosophy. Tremendous growth of knowledge has compelled the information technology industry to find the innovative ways of managing it.

6. Knowledge Management Systems

Knowledge management systems (KMS) refer to information systems that are applied to managing organizational knowledge. These are IT-based networks, designed and developed to support the organizational processes/activities of knowledge creation, codification, storage, retrieval, dissemination and reuse. According to Holsapple (1999), Knowledge Management Systems are based on the concept that knowledge can be made explicit, stored in a database and disseminated among users on demand.²¹ The objective of knowledge management system is to support creation, storage, retrieval, transfer and application of knowledge in organizations. Organizations following knowledge
management in their systems are increasingly recognizing that capturing and sharing of experiences and skills save money, prevent or reduce interruptions in activities and enhance their overall ability to cope with changes in personnel. It provides right knowledge to right people at the right time. It maintains the coordination between quality and value addition of the stored information in the form of databases. KMS network brings the experts together, face-to-face exchange of expertise, build and strengthen collective knowledge to face the future challenges. Through this knowledge networks can be formed and developed by providing online forums for communication and discussion. This knowledge may be internally generated throughout organization’s people as well as outside sources. It is not important what you know and you do well but what you don’t know is an excitement towards creation of this new knowledge - an important key to the development and survival of future of industry.

The success of KMS depends upon the quality of system, information quality, timeliness of organizational knowledge, extent of use and reuse and its usefulness. Moreover, there are other characteristics such as userfriendliness, ease of use, characteristics of human-IT interface, flexibility and search mechanisms that enhance the effectiveness of KMS. On the other hand unuserfriendly, rigid and complex type of IT based knowledge management would be unable to keep pace with the dynamic requirements of knowledge creation, access and transmission. It doesn’t mean that whatever searches an individual have yielded to KMS, its success depends upon application of KM in innovations and decision making.

Knowledge utilization can be achieved through dissemination and sharing of knowledge. Knowledge transfer is the most important activity and it should be from most appropriate source to the right destination through most appropriate technology. Because technology has been accepted as a most appropriate way to transfer and disseminate the knowledge to the thrust areas.

Technology facilitates better ways to access, retrieve, deliver and disseminate quickly and accurately a piece of information required. Now the practitioners and academicians have realized that without appropriate technological support, it is doubtful that potential and effectiveness of knowledge management system can be assessed/realized to its optimal level. But one thing is clear that tacit knowledge is closely associated with human resource dimension rather than technological support. Tacit knowledge is usually shared and communicated in face-to-face conversion. As Prusak (1998) puts it, although IT is a wonderful facilitator of information transmission, distribution and storage, it can never substitute for the rich inter-activity, communication, and learning that is inherent in dialogue. Knowledge is primarily a function and consequence of the meeting and interaction of minds. Human intervention remains the only source of Knowledge generation.

Dr. Paul Romer of Stanford University, a vary famous economist has given a wonderful example. He said that economists of the 17th and 18th century had a very clear idea that because resources are finite, so the wealth you can create is finite. The resources are land,
minerals, energy; etc. So these economists saw a finite limit to the wealth that mankind can create on plant earth.

But what it was not realized that in the same manner at that time, a very big ingredient was knowledge. Iron oxide, basically rust, is good for nothing. Man with his innovation, found out that iron oxide is red in color, and that he can write with that on the wall. So it got a certain value. Then some people used some innovative ideas and added some oil and base to iron oxide and created red paint.

Now the same iron oxide is used on magnetic media for audio, video, computers, etc. So look at the value addition. This is knowledge at work. The element which adds so much value to commodities, is knowledge. So Paul Romer today says that there is no limit to the wealth creation and value addition. The same is true of organizations like McDonald and Pizza Hut. Their unique knowledge is the recipe that enables them to command a much higher market than their competitors for basically the same burgers, fries and pizzas, and remain highly profitable.23

7. Role of Chief Knowledge Officer (CKO) in Modern Business and Knowledge Service Industries

Increased role of knowledge management and importance of information technology have brought a wave in business firms and IT companies to create the position of Chief Knowledge Officer (CKO). The main objective of the CKO is to initiate knowledge management in the organization and ensure that the philosophy and practice is being implemented in the organization. He is a member of senior level management who directly reports to the top level management or board of directors. The role of CKO is to promulgate the knowledge agenda and keep an eye on its execution in the organization. It is difficult to initiate and foster the knowledge management programmes in the organization without the position of CKO. He is overall in-charge of the information technology of the firm and knowledge specialists who directly manage the knowledge management team. He develops the culture in organization that encourages knowledge initiatives. This individual accumulates, generates and updates the latest knowledge and looks after the activities of information centers and is ultimately responsible for voice and data communications and creating new infrastructure for office. The CKO must be acquainted and equipped with the latest developments in information technology; need some essential knowledge skills to be proficient in their job and should know how to explore the potential of information technology to compete the competitive edge. He should act as “walking archives” by gaining and updating latest knowledge from internal as well as external resources. He should be more result-oriented, should assume responsibility and dynamic personality who must provide leadership control operation of the organization control over processing undertaken successfully. As Skyrme (1999) in his book has quoted a survey conducted by the knowledge centre at American Management Systems also found that, on average, a trained information specialist could find relevant information eight times faster than the consultants they served.24 According
to a report, 42% of the Fortune 1000 companies have appointed Chief Knowledge Officer (CKO) to manage knowledge management initiative of the company.\textsuperscript{25}

Successful CKOs are those who are able to integrate their knowledge of information technology and their business knowledge in making decisions and to accelerate the business growth. Besides this, CKO should have the ability to explore the organizational knowledge which is located in minds of technical people, technology and procedures, tacit expertise and proficiency of IT personnel; knowledge located in archives, records, reports and surrounding the organizational culture. As Speh has quoted that “yesterday’s successful information manager will become tomorrow’s most wanted knowledge manager.”\textsuperscript{26} Tomorrow’s knowledgeable workers will be prominent personalities of the future organizations.

CKOs promote the knowledge culture in the organization and welcomes the suggestions of knowledge management team. They always remain at forefront to accept the emerging challenges of the organization. They may emerge from anywhere in the organization. They attract the attention to their approaches and ideas and finally bring forward and implement them with the support of intellectual management. These knowledge management programmes and approaches originate from the actions and ideas of such individuals.

The working and life of such individuals become difficult when they promote the benefits of knowledge management approach in the organization since their ideas challenge the status quo of other individuals in the organization. Usually these individuals are innocent and unorthodox in their approach and they always adopt/seek innovative and unconventional ways of getting things done despite organizational muteness and restraint. The success of CKOs and knowledge workers usually depends on a support of senior level or board-level management.

There are some challenging characteristics that recognize the position of CKO as a dynamic force in the competitive business environment.

\textbf{7.1 Develop Knowledge Team}

Knowledge manager should develop a mechanism or network of knowledge specialists who have treasure house of human knowledge. He should identify the knowledge experts within the organization that can contribute their expertise and experience and request them to share the knowledge. Organizational knowledge maps and directory of expert profiles containing information of backgrounds, skills and expertise of individuals who are knowledgeable on multidisciplinary areas may help individuals to rapidly locate the expert who has the knowledge to solve the current problem in the organization and its sub-units. Furthermore, organization must focus on the creation of talented expertise rather than attracting talented expertise. The most important resource in the knowledge economy system is the talents and expertise who grasp knowledge. Only talented stars can participate in knowledge innovation and create important link in organization’s knowledge innovation chain.
7.2 Interpretation

Knowledge manager should be an analyst who interprets new and tacit knowledge for the promotion of organization and who meets the knowledge requirements of users. A person should have the quality to update organization’s knowledge for reuse more efficiently. Quality to convert the tacit knowledge into explicit knowledge develops the leadership of CKO in organization’s knowledge team.

7.3 Knowledge Creator

A person must have the skills of knowledge creation who can capture ideas, emotions and innovations within and outside organization and finally has the capability to add the refined knowledge in organization’s knowledge pool. CKO must engage himself to find out what every employee in the organization knows. Besides, he must spend some of his valuable time in a variety of cross-units knowledge-sharing activities to exchange the ideas. CKOs always spend time to bring ideas, listen to other people’s ideas and incorporate them in their knowledge pool if they support organization’s knowledge pool. Richness in knowledge comes from the creative thinking of knowledge team and constructive dialogue among participants. Besides these, books, articles, conferences and sharing of knowledge by successful knowledge workers are the best and helpful appliances to create knowledge. Some people think that knowledge is power and a strategic resource; but they want to hoard it and don’t like to share within the organization due to the fear of competitors. In fact, knowledge management strategy is helpful to break communication barriers among the organization’s intellectual capital.

7.4 Knowledge Disseminator

CKO must watch the knowledge resources of internal world as well as external world and disseminate the same to the needy users. He should be more proactive than other professionals in the information dissemination field. CKO should be equipped with some essential skills of Chief Knowledge Officer and other managers that will make him proficient in his job of knowledge dissemination. The success and efficiency of any organization largely depends upon the best practice of sharing knowledge to create value. Contribution of knowledge in the performance of business creates a new ways of customer satisfaction which is the main goal to achieve in competitive world.

7.5 Custodian of Knowledge Resources

He should acquire knowledge resources and manage them in a systematic order. He should ensure that the required knowledge could be accessed by the needy users without wasting their valuable time. He should act as a custodian of knowledge repository and embed himself as a “walking archive” with latest innovations and expertise to solve the problems. Sometimes, CKO acquire new knowledge by seeking out or hiring knowledge management champions who could bring pioneer ideas in knowledge management pool.
He should maintain the standards, quality in the knowledge produced time to time and safeguard the knowledge from any possibility of misuse and loss.

7.6 Recognize Customer as Capital

Customer knowledge is now being recognized as key golden knowledge. It not only assists about anticipates needs and serves present requirements. It can also be the foundation for capturing insight into the future needs for services. CKO should have a high degree of interaction and intimacy with customers to harness the customer’s knowledge and insight to create new projects and services. For the continuous improvement and innovation, customers should be recognized as intellectual capital of the organization.

7.7 Establish IT Networks

Networking plays an important role in shaping and promoting knowledge among organizations. It connects knowledge seekers with knowledge providers. Network position in the organization can enhance and promote organizational learning and link the organizational intellectual capital together. Networking has made possible to codify, store, retrieve, disseminate and share knowledge among organizational workers more easily and cheaply. CKO must have the capability to develop network environment in the organization to share expertise and ideas together through telephone, e-mail and Intranet to solve the complicated issues arising from time to time. It also provides opportunities for shared learning, knowledge transfer and information exchange. He should ensure that highly relevant knowledge stored in networks is being linked and used to key decisions and business objectives in the organization.

7.8 Motivate the Knowledge Workers

CKO must attract and motivate talented stars of the team to enthuse the knowledge workers team to achieve the desired goals. Knowledgeable persons are instinctively reluctant and unwilling to share their knowledge with others. CKO must strive to encourage knowledgeable persons to contribute more information to a knowledge management system of the organization. It will not only recognize their expertise in the fields but will enhance their respect and recognition among juniors, counterparts and employers. In fact, CKOs are achievers and broad-gauged in their knowledge management orientations who provide opportunity to let others take the credit for any achievements. Moreover, incentive schemes must be applied in organizations to motivate knowledge workers towards making business a success. These incentive schemes and rewards sometimes prove helpful to retain knowledge workers and experts from leaving the organization. Through effective use of KM strategy in innovations, intellectual assets can be turned into value added assets. As Benjamin Franklin has stated, “An investment in knowledge pays the best interest.”
7.9 Conduct In-house Training Programs

Such kinds of programmes assist in creating talent and making aware the information specialists towards latest happenings in the internal as well as external business world by exchange and sharing of knowledge. Through these programs, companies can develop stars (Knowledge workers) internally by adopting long term career-progression programmes, apprenticeships, mentoring and training. Knowledge workers can learn more by joining knowledge-linking programmes through consortia and alliances that assist to bring new knowledge into their knowledge management system. This helps to capture and retain the knowledge of exodus employees which, results to save the company’s knowledge pool from great loss.

It can help specialists to capture and generate new ideas and knowledge in the organization. Many successful organizations now have recognized that not only knowledge initiatives but also human behavior and culture are factors, which make information accessible. It needs new methods and practices to explore the thrust areas in almost every aspect of the organizational work.

As Hansen and von Oeting (2001) pointed out an example - three years ago, one large Industrial German Company launched a training programme to solve a problem facing one of the business units. The company conducted the training programme to the managers of different divisions and brought high potential managers to solve the problem. This trained small team worked together for about a year which included attending several weeklong meetings at an off-site corporate campus. They, then make the recommendations to the business unit manager involved in training and having served as the team coach during the project. This training program helped the team members to develop their business skills, build informal relationships across business units and through this program so far, more than $10 million have been saved by solving real business problems.  

Moreover, CKO should have the ability to share his new ideas with the knowledge management team and should easily work with the other members of the team. He should not be depressed by getting any setbacks or losses. Positive thinking and balanced attitude towards achieving goals would lead them as to be a successful leader of knowledge management team.

8. Future of Knowledge Management

Many industries are becoming the knowledge-intensive industries. They have recognized the importance and ability of knowledge in the current IT environment. Storage and archiving of knowledge leads to value creation and value addition in the firm. This value-added knowledge will meet the present and future customer needs. The emergence of advanced technological developments has brought developments in knowledge management. E-publishing, e-markets and e-dissemination are the new vistas which have brought new media of exchange and access of commercial and trade knowledge among

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KNOWLEDGE MANAGEMENT: A GROWING DISCIPLINE

Knowledge management is a growing discipline due to the role of knowledge management in the form of virtual consultancy, online problem solving and online advice, etc. The movement of organizations towards knowledge management is to achieve the goal of good knowledge management to bring the efficiency and qualitative change in business and services and improvements in products and services to customers.

The Gartner Group estimates that by 2003 more than half of the Fortune 1000 companies will implement a knowledge management system. It has become the currency of competitiveness and success in corporate dogma. According to International Data Corporation (IDC), consultants billed $1.8 billion US for knowledge management services in 1999. It is expected that the number will be more than $12 billion by 2003. Knowledge has become imperative for business firms to protect their present market share, build future strength of business and remain top in the fast changing competitive world. If the business firms ignore or neglect this new trend, most probably they will be out of business world.

Hansen and von Oeting (2001) have brought T-shaped managers to improve the performance of companies in managing knowledge assets. Many companies have tried to leverage the underused asset by centralizing knowledge management operations. Furthermore, many companies are investing heavily in knowledge management technology to compete the future knowledge world.

9. Conclusion

The paper focuses on the knowledge how to maintain, store and disseminate knowledge in the IT company. KM is a process of how to acquire, capture, access, reuse and share knowledge throughout the organization and leverage possessive knowledge by applying new ways to harness expertise and experiences of employees. Knowledge is a most precious and powerful asset which can be protected and stored for further innovations to secure the companies in a competitive world. New knowledge is built with the development of right work culture and encouraging of the spirit of doing something new with the previous experiences and knowledge. Most of the information technology companies now in India have realized the importance and usefulness of knowledge management in the fast changing scenario. These companies have started to adopt long term knowledge management planning and strategies to protect their knowledge assets for reuse and innovation in future. As Ajay Narasimhan, Director-Corporate Communication and Strategy states “People are focused on their individual level of operation. It is also necessary for everyone to maintain detailed descriptive documentation”. He further adds that the company also has a structured handover process and it is not easy for any employee to just walkout. The successor takes over only after the employee leaving the company makes him aware of the job functions of the leaving employee, and brought familiar and up-to-date.

Successful companies are those that create new knowledge and adopt new ways to disseminate and share it widely throughout the organization and quickly embody it into
new technologies and products of the organization. In KM human perspective has been recognized as a key aspect, but the role of information technology to leverage, facilitate, share and disseminate knowledge throughout organization is a key factor. According to Jan Hoffmeister, Vice President for intellectual capital management with Skandia Group, the holding company for Skandia Insurance Co., “We have the knowledge to reinvent ourselves and make changes”, he further says that we move into at least one or two countries a year. We could not do this if we couldn’t leverage our people and our knowledge. He focuses on the culture that expertise, experiences and shares ideas of workers.31 We have a culture that embraces sharing. As CEO of Hewlett Packard has already stated, “Successful companies of the 21st century will be those who do the best of capturing, strong and leveraging what their employees know.”32

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7. Nonaka and Takeuchi, op. cit, 8.


