

Practical Actions
and
“Secret Sauce” for Killer KM
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Preview of Presentation

- ◉ Knowledge Management: Definition
- ◉ Practical Actions for Improving Knowledge Management
- ◉ Knowledge Management Projects

Knowledge Management: Definition

The Pain around Knowledge

- "At one time, we knew how to do this..."
- "We've got a dozen key players who are going to retire in less than a year...there goes the franchise!"
- "Boy, if we could just get the bottom two quartiles of people (...districts, regions...) performing as well as the top two quartiles..."
- "We've got the new approach and it really works...how are we going to spread the news fast enough...?"
- Holy! We have the "Big Crew Change" looking us right in the eye!"

Dealing with the Pain

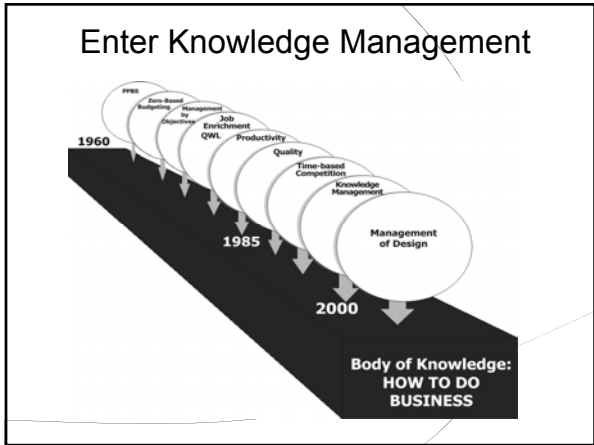
- Knowledge Management proven solutions are available for immediate action
- Knowledge Management technologies are on hand
- Proven vendors have been working on Knowledge Problems for a very long time
- What is stopping us?

What is stopping us?

- Knowledge Management is too esso ... something or other
- Esoteric and unfortunately getting to be more so
- Associating KM with Information Technology (IT)
- Many have already had a bad IT experience
- We are so darn busy that the thought of another new subject is depressing as heck!
- I'm tired ... can't I just sit this one out??

Enter Knowledge Management

- Jim O'Neal, a speaker later this morning, said
 - Knowledge management is the science of turning data to knowledge and coupling it with wisdom to preserve and transfer both the process and usable data.
- Good definition
- Not the definition I would have used, exactly, but ...
- Mr. O'Neal was my ride from Houston to Tulsa ... and I want to be able to ride with him back to Houston!
- Mr. O'Neal ... WCAR Hall of Fame

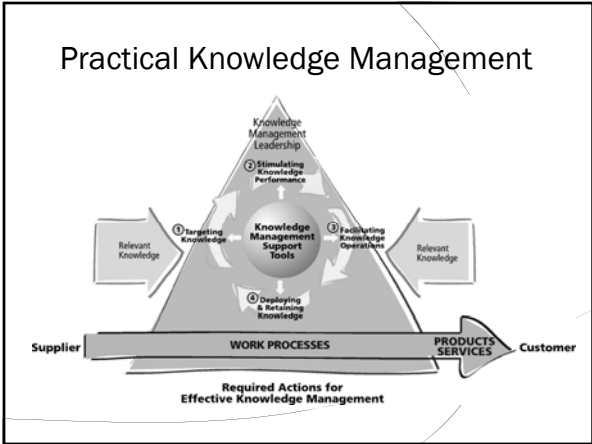


Core Messages Emerging from The Knowledge Management Movement

1. Knowledge is a corporate asset...to be developed, protected, and exploited
2. The strategic direction of the company determines the value of corporate knowledge (i.e, not all knowledge is equally valuable)
3. Knowledge only produces value as it is used in the company's work processes to:
 - work more effectively ... better results
 - work more efficiently ... lower costs
 - work faster ... lower cycle times
 - work smarter ... fewer recurring errors
4. "Effective Knowledge Performance" will be required from all employees for Knowledge Management to be successful ("share on the inside ... protect from the outside")
5. Information Technology Knowledge Management Tools should be:
 - focused on valuable corporate knowledge
 - servants of the organization's processes and people

Practical Actions for Knowledge Management

- ### Practical Actions for Effective KM
- Still pursuing the holy grail of computerized indexing of anything and everything in the known world?
 - Why not start with some no-brainer “Practical Actions” that form the foundation for effective KM?
 - Targeting and Communicating Critical Knowledge
 - Stimulating Knowledge Performance
 - Facilitating Knowledge Operations
 - Deploying and Retaining Knowledge



The Ten Practical KM Actions

- Targeting Knowledge and Sources Critical to the Firm
 - Action 1: Target and communicate the specific knowledge subjects critical to the firm.
 - Action 2: Identify and support the critical intellectual communities of the firm
- Stimulating Knowledge Performance
 - Action 3: Place knowledge expectations/requirements on all employees
 - Action 4: Train as many employees as you can in the company' critical knowledge
 - Action 5: Incentivize key Knowledge Management actions
- Facilitating Knowledge Operations
 - Action 6: Enable Knowledge Management collaboration
 - Action 7: Conduct Knowledge Management Events as needed
- Deploying and Retaining Knowledge
 - Action 8: Manage critical knowledge in all key processes of the business
 - Action 9: Implement a Change Management Method
 - Action 10: Stay linked to knowledgeable employees and former employees

• Targeting & Communicating Knowledge

- Knowledge Management begins with the
 - **targeting of the knowledge areas** that are most critical to the firm and
 - **identifying the intellectual communities** that are the developers and repositories of that knowledge

Target and Communicate

1. Targeting and communicating the specific knowledge subjects critical for the firm

- Some knowledge subjects are more critical to the success of the firm than others.
- The most critical knowledge includes the know-how to better provide the specific attributes of the firm's products and services that are most valued by the customer.

Technology Front	Technology Position*			
	Weak	Medium	Strong	Dominant
A. Ceramic Tiles			C → G	
B. Bricks				C, G
C. Furnaces			C, G	
D. Tile Shaping Machines		C → G		
E. Red Clay	C → G			

* "C" represents the CERENT technology profile
"G" represents the technology GDM

Targeting and Communicating

1. Critical knowledge subjects for the firm

- The knowledge subjects around the **manipulation of customer-valued attributes**
 - must be identified,
 - specifically mapped,
 - and communicated to the firm ...
- to allow concentration of energy and resources for the most effective KM.

Targeting and Communicating

Action 2: Identify and support the critical intellectual communities of the firm

- KM is "a social sport — not an exercise in library science."
- Research in complex organizations points to intellectual networks around specific knowledge subjects.
- These networks/communities are patterned, layered, predictable social structures ...
- that can be energized ... or impeded by the actions of organizations.

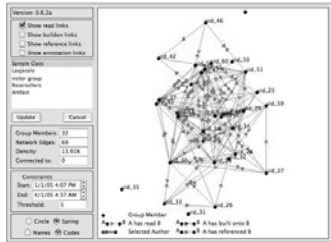
Targeting and Communicating

Action 2: Identify and support the critical intellectual communities of the firm

- In Knowledge Management it is **imperative**
 - to identify the most critical intellectual "subject area" (aka "expert") communities that underlie the firm's critical knowledge maps and
 - to provide the kinds of support that will energize and nourish them for maximum effectiveness.
- The **most important and convenient KM tool in the world is the Sociogram** that shows the relationships between individuals with knowledge in a specific subject area.

Social Network Diagram

- Without KM target-based sociograms, knowledge cannot be effectively managed



• Stimulating Knowledge Performance

- For knowledge to be a useful asset of the firm, **employee performance** must be directed toward the effective and efficient use and management of that knowledge.
- That is, we want employees to **value and use the knowledge** of the firm to better meet customer and stakeholder needs.

• Stimulating Knowledge Performance

Action 3. Place knowledge expectations/requirements on all employees

- To formally "manage its knowledge," performance requirements must be placed on all employees.
 - Sharing knowledge with others in the firm must become a job requirement.
 - Knowledge is an asset that belongs to the firm, and it will be "against the rules" to share it inappropriately.
- **Mantra: "Share on the inside" and "Secure from the outside"**

Example: Expectations of Knowledge Performance

Actions We Will Take for Effective Knowledge Performance

<p>1. Create Knowledge</p> <ul style="list-style-type: none"> • think it • test it • note it • talk it 	<p>3. Protect Knowledge</p> <ul style="list-style-type: none"> • value it • keep it in play • improve it • don't share it with thieves
<p>2. Share Knowledge</p> <ul style="list-style-type: none"> • talk it • chew it (collaborate) • smile it • share it 	<p>4. Seek Knowledge</p> <ul style="list-style-type: none"> • ask • ask • ask • look

Stimulating Knowledge Performance

- It is one thing to name new knowledge requirements and responsibilities — it is something else to get those requirements into play in the workforce.
 - Continued persuasive communication with understandable rationales is the starting place —
 - “take no prisoners” enforcement is where it ends.
 - We must ensure that “folks who share our stuff with the outside ... get to work someplace else”
 - and “folks who don't share with their fellow employees” absolutely don't ever get promoted or raised.

Stimulating Knowledge Performance

- **Action 4:** Train as many employees as you can in the company' critical knowledge
 - For knowledge to be applied on the job for the betterment of the firm, employees must have access to it.
 - Very few firms do a good job of training their employees on the specific knowledges that the firm uses to serve its customer and make a profit.
 - Employees may know their technical operation “backwards and forwards,” but if they don't know how the company operates, they will only be partial assets.
 - Employees must have training to be totally business-competent in their jobs.
 - No longer is it enough to be “the technical expert” in the plant —
 - today employees must be business knowledge competent.

Stimulating Knowledge Performance

- **Action 5: Incentivize key Knowledge Management actions**
- When a firm decides to formally manage knowledge, it will be necessary to "place its money where its mouth is."
 - Incentives will be needed to reinforce the effective management of knowledge...and dis-incentives will be needed to extinguish behavior that does not support Knowledge Management.
 - As a firm begins its more formal emphasis on Knowledge Management, incentives will need to be used to reinforce "right Knowledge Management actions."
- Later on, once the right actions have been reinforced, some incentives can be moved away to reinforce Knowledge Management results.
 - Some firms talk a good game ...but we know it's just talk as long as they are not providing tangible incentives for right KM actions and results.

Facilitating Knowledge Operations

- ◉ An important part of Knowledge Management is facilitating its use through the provision of tools and events that enable knowledge acquisition, creation, transfer and storage as well as collaboration among knowledge performers.

Facilitating Knowledge Operations

Action 6. Enable Knowledge Management collaboration (Including Information Technology and Communication tools)

- There are tools that can help the firm's employees communicate, collaborate, store, reference knowledge and even make decisions.
- The key to deploying these tools inside the firm, however, is their strict utility for the specific ways the organization works in Knowledge Management.
- Many firms have assumed that their new expensive information / communication system **was** the Knowledge Management process ... instead of a tool **of** the process.
- The idea is to "make the tools slaves to the way employees work together rather than making the employees slaves to the tools!"

Facilitating Knowledge Operations

6. Enabling Knowledge Management Collaboration

- face to face
- phone
- technical library
- electronic indexing/search
- access to the Internet
- access to the Intranet
- electronic exchange
- groupware
- social networking
- voice mail
- e-mail
- The scourges of modern communication!

Facilitating Knowledge Operations

Action 7. Be effective at conducting Knowledge Events as needed

- While it may be pie in the sky to design and implement comprehensive Knowledge Management processes across most firms, it is quite possible...and necessary...to become effective at conducting Knowledge Management events.
- Such events range from
 - Best Practice Exercises (to capture potentially-valuable knowledge from outside), to
 - After Action Reviews (AAR's) (to take advantage of lessons learned), to
 - Knowledge Fairs or Network Meetings (to enable and energize intellectual communities).
- Events like these can be targeted to do the most good and can significantly advance knowledge and its management.
- In addition, such events communicate "a message through action" that "managing the knowledge of the firm is important and expected."

• Deploying and Retaining Knowledge

- Knowledge is only of value to the firm if it is deployed in products/services and/or processes.
 - The challenges are to keep critical knowledge consistently deployed in existing processes and to systematically deploy new knowledge into the operations of the firm.
 - The most important element of retaining knowledge is to maintain living linkages with present and former employees who are the vital elements of the firm's

Deploying & Retaining Knowledge

8. Manage critical knowledge in all key processes of the business

- A firm has important knowledge "already in play" in all of its processes. Without specific management attention, this knowledge will eventually be ignored or even lost as employees leave, as procedures fall into disuse, etc.
- Each key process in the firm must be continually managed to ensure its continuing integrity (i.e., that the business process expresses the knowledge critical to the firm).
- Firms that focus their Knowledge Management attention predominately on the acquiring of new knowledge run the risk of losing critical knowledge embedded in processes that have already been in play for the good of the firm's processes

Deploying & Retaining Knowledge

9. Implement a Disciplined Change Management Method

- Getting new knowledge into play requires an organizational change. New knowledge will only provide value to the firm if it is expressed in
 - a new way of doing things (a changed process),
 - a new kind of tool or production asset (a change in the firm's plant, equipment, tools), or
 - a change in employee actions (requiring a change in the skills of the employee and a change of "agreement" with the employee to do it the new way).
- A firm who expects to put new knowledge into play must have an effective and efficient Change Management method,
 - powered by **Program/Program Management**, that is accepted and
 - used in a disciplined way by all managers to ensure that the change goes through "on target, on time, and on budget."

Deploying & Retaining Knowledge

10. Stay linked to knowledgeable employees and former employees

- Most of the critical knowledge of the firm is in the brains of its employees despite efforts to create impersonal knowledge banks.
 - Retaining access to the people with the critical knowledge must be a **number one priority** for all firms who favor Knowledge Management.
- Key employee categories must be identified and prioritized (using the firm's knowledge maps) so that the firm can put in place the kind of retention goals and programs needed to ensure continued access to that knowledge.
 - In addition, firms must be able to sustain linkages to key former employees (retired or career changed) through post employment relationship programs (mentoring, training, consulting, etc).

Requirements for Success

- ⦿ All four practical actions or processes are required for successful and profitable Knowledge Management

Target Knowledge	Stimulate Performance	Facilitate Operations	Deploy Knowledge	Knowledge for Profit
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- ⦿ Miss just one of the practical actions, or not perform one well, and the overall impact on KM will be huge!

Actions Not to Take

1. Don't spend time on Knowledge Management activities that don't bring immediate value to customers
2. Don't set up Knowledge Management with permanent leadership
3. Don't try to "index" everything
4. Don't focus on new knowledge versus old knowledge
5. Don't let Knowledge Management become the new bureaucracy
6. Don't believe that Information Technology will be the solution to Knowledge Management
7. Don't let Knowledge Management leadership focus on the content of the knowledge ... they must focus on the processes
8. Don't cop out
9. Don't focus on trying to measure Intellectual Capital
10. Don't forget why Knowledge Management is important
11. Don't think that Knowledge Management is the new great hope for business

Knowledge Management Projects

KM Projects Over the Years

- Identifying Critical Knowledge
 - Multiple Technology Management and Technology Watch projects to identify customer critical knowledge and technologies
 - Upstream Energy, Aerospace, Bio Science, Chemicals,
- Identifying valuable sources of knowledge
 - Projects to find the 10K sources both inside and outside the organization
 - NASA, chemicals, financial services
- Storage, retrieval and use of data
 - Developing processes and implementing IT systems for finding, handling and using massive amounts of data
 - Upstream energy companies, Aerospace, Digital Oilfield Initiatives

KM Projects Over the Years

- Retention of Knowledge Sources
 - Retention strategies to tie knowledge sources to the enterprise
 - Chemicals, Finance, Offshore Marine,
- Capturing critical knowledge and deploying it across the organization
 - Identifying critical knowledge and deploying it through training and procedures to key parts of company
 - Automotive, Energy Service, Banking, Financial brokerage
- Implementing IT tools for KM
 - Numerous business readiness projects for IT implementation
 - Energy upstream, Energy trading, Utilities, Energy Services

KM Projects Over the Years

- Leadership and staging of KM Events
 - Designing, developing and executing events that allow knowledge identification, sharing, and innovation
 - Energy upstream, Insurance, Healthcare
- Capturing critical process and customer knowledge and making it available across the organization
 - Determining knowledge architecture and fitting technology architecture around it for real-time access to knowledge
 - Energy Services, Consulting, Automotive

The Closer

- What are the three most important assets of a "knowledge firm?"
 - Its knowledge
 - Its knowledge
 - Its knowledge
- Can you think of a single firm in your volatile 401K portfolio that is not a "knowledge firm?"
- Can you think of a single firm in your volatile 401K portfolio that you would tell to avoid KM at all cost?



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