

Knowledge Management in an Organization

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Introduction:

Research studies reveal Knowledge Management (KM) is one of the important area to be focused in every organisation. Some companies have been spending huge amounts in building knowledge management centres and organising several activities. In any of the Knowledge Management System (KMS), three major functional areas such as Building and maintaining the knowledge store (creation of Knowledge Bank); utilising the knowledge stores (facilitating use of knowledge) and creating knowledge culture are observed. The advantages of KM companies are: productivity increase; process improvement; transparency of structures and processes; increased focus on customers and improved customer satisfaction; improvement in facilities; forecasting and decision making; greater exchange of information; success in market leadership and improvement in staff qualification and staff satisfaction.

The Process:

The process of knowledge management contains the issues relating to the concept of knowledge and trivia for the company; identifying the parts of the organisation where such knowledge is generated; value addition to data and information for converting it into knowledge; drawing it out from people, organising the contents of the depository and ensuring it's accessibility to everyone; making the knowledge base intelligent and capable of renewing itself continuously. The basis of knowledge management rests in the communication, where vast amount of data, information and knowledge are processed daily at high speed and accuracy. The most codified system in the world for gathering, sorting and disseminating information exists in the Associated Press System (APS). Now only does the APS offer a model for information management at the micro level. It is a global system which provides a model for companies attempting to link officers, suppliers or customers, electronically on a worldwide basis. The information flow through the AP system is explained here.

A plane crashed in Wisconsin. AP reporters gather information on the crash and instantly transmit it to the state bureau in Milwaukee, which then relays the story to the central office in New York for final editing and dissemination. Dissemination takes place on a regional or global basis depending on the interest levels of the information generated. All information generated globally moves through APS's New York office. There are AP centers in London and Tokyo where information from various hemispheres is processed. London and Tokyo centers inform daily to the New York international desk, which chooses how and where to disseminate the news. New operations are organised hierarchically for the speedy flow of knowledge and information; employees are trained in writing and editing. They also learn to judge what information is useful and what is not; all writings take place in a prescribed style for easy comprehension and quick editing; a common lexicon, speeds up oral communication and creates a team atmosphere; accuracy checks are built into the work flow; an information hierarchy is established so that information flow is disseminated on a priority basis. Information is also coded so that it reaches its destination in a timely fashion. Archival data, information, and knowledge are stored for easy access. The company must develop a human communication system. Some of the steps that can be taken are: conduct a communication flow study to determine how information is moving between operation before technology is implemented; create a customised communication flow and workflow system based on these findings; train employees in the written skills required to operate on an electronic basis; create a common lexicon among suppliers that build team consciousness; establish common operating procedures; build human and electronic accuracy checks.

Some Studies:

Research studies on knowledge management have been conducted by various researchers during the dawn of twenty first century.

A considerable currency of literature on this subject is available from various journals and publications in recent years. As this subject is new to the globalised era, some studies have been conducted at various parts of the globe, mostly, United States, Europe and Asia. Gilbert Probst et. al., discussed the issues relating to the KM Challenge, company's knowledge base, building blocks, identifying, acquiring developing and preserving and measuring knowledge. The art and science of the knowledge based organisation focusing on knowledge leadership was examined by Steven Cavaleri and Sharon Seivert. Nick studied KM for teams and projects. HBR brought out a book on organizational learnings. Ganesh and Sandhya examined the elements, toolbox, building the knowledge corporation, implementing and future of knowledge management. Knowledge management concepts, approaches, architecture, case studies, etc., were analyzed in another publication. Michael studied advances in KM, developing a foundation for successful KM system, building knowledge centred culture, KM criteria, etc.

How to design and implement successful KM programmes were examined in an other publication. Sourav examined the issues relating to KM strategy in software service organisations. The issues on concept, process, implementation of KM and barriers to implement KM were examined by Sumanjeet. Another study focused on knowledge management in global teams. Jaideep and others studied the sources of knowledge acquisition by US and Indian managers with a comparative analysis of both the countries. The knowledge based systems for controlling Nosocomial infections was studied by another team of experts. Data mining evolution, process, functionalities and techniques were analyzed in another study. The World Bank launched a Knowledge Management System in 1996 to serve as a learning house for knowledge about development.

The Bank's sectoral networks are leading the effort through the following activities, building communities of practice, developing an on-line knowledge base, establishing help desks and advisory services, building a directory of expertise making key statistics available, providing a space for professional conversation, providing access to transaction information and establishing external access and outreach to clients, partners and stakeholders. Knowledge Management is expected to change the way the World Bank internally and transform its relationship with all those it deals with on the outside. In the knowledge era, there is a need for studying the importance and implications of knowledge management.

The globalised economies need to get latest information, creativity and innovations, regular knowledge dissemination flow. The companies which followed knowledge management proved to be highly successful. Several companies have competitive advantage when they implemented knowledge management. In view of the global changes and challenges, the need of the hour is knowledge management. As the companies are highly successful with the knowledge management practices, every company has to introduce KM for organisational success. Therefore, this study has been undertaken to examine the KM aspects in a public enterprise – RINL – Visakhapatnam Steel Plant.

The Experience of a Public Enterprise:

One of the public enterprises, Rashtriya Ispat Nigam Limited (RINL) – Visakhapatnam Steel Plant is the sixth and the last integrated steel plant and is the first shore-based public sector steel plant in India. RINL is the producer of steel products in the longs category like wire rods, re-bars, angles, sections, channels, etc. The annual turnover of the company is Rs. 13,500 crores with a capacity of 3 MT and an employee base of around 17,400. It is the only integrated steel plant in the country that has been accredited with ISO 9001: 2000 for quality management, ISO 14001:1996 for environment management and OHSAS 18001:1999 for occupational health and safety. In order to face the competition and improve the performance of the company, management practices like business excellence, benchmarking, knowledge management, six-sigma, 5S techniques, were introduced. With the vision to become a world class steel plant, RINL has formulated its strategic plan for expansion to 6.3 MT. with an estimated cost Rs. 12,500 crores. At the same time, VSP has a vision of becoming a world class organisation and increasing its capacity to 10 MT and beyond in a few phases and arrive as a Maharatna Company.

In this background, implementation of Knowledge Management across the organisation has been identified as one of the key initiatives to realise the objectives of the company by creating an inspiring work environment to unleash the creative energy of people. Accordingly Web based KM Programme has been developed with in-house talent and was formally launched in July, 2004. It is developed using web technology and at the user end, the data is retrieved thro' web pages with Internet Explorer as an interface. In order to facilitate in meeting strategic needs of different functions / business of the organisation

by bridging the present Knowledge gaps and identifying the future Knowledge needs the following objectives have been identified for the KM program:

- Spread the culture of sharing knowledge in the organisation
- Create synergy in the organisation for learning from one another
- Identify and bridge the knowledge gaps in vital areas for VSP
- Facilitate transfer of knowledge with focus on implementation to gain competitive advantage

There are many Tools and techniques have been identified by eminent people in the field of knowledge management like:

- Post Action Reviews are mainly to capture lessons learned both during and after completion of an activity or project.
- Knowledge Audit is a systematic process to identify an organisation's knowledge needs, resources and flows, as a basis for understanding where and how better knowledge management can add value.
- Exit interviews are used to capture the knowledge of departing employees.
- Ask Expert is tool thro' which the knowledge of a person is put to test in case of crisis and the knowledge is shared among all based on the requirement. It is like a professional virtual discussion panel.
- Web Based KM is development of a common platform to capture the experience and knowledge of the individual and make it available for sharing by all.
- Communities of practice link people together to develop and share knowledge around specific theme and on focus areas.

The main channels available in the organisation include Quality Circles, group learning and team building practices to share the experiences of individuals with others in a cohesive manner. In fact, KM in some form or other has been there in every organisation through developing Standard Practices, Manuals and Policies based on past experience and system of training etc. The main focus of this paper is on "Web based Knowledge management program" in the organisation RINL – VSP. The primary focus of KM is to avoid "reinventing the wheel". Many times for a problem encountered in one area, there are cases of solving such problems elsewhere in the organisation and people not being aware of it.

KM enables us to capture and retrieve such experience and tacit knowledge of others in an easy manner which in turn not only benefits the organisation in terms of cost, productivity, customer satisfaction etc. but also the individuals in the areas of competence building, self development and recognition etc. While doing so, KM also calls for capturing the tacit knowledge resident with the individuals in the organisation; learning from past mistakes within the organisation or external bodies / organisations (Wise men learn from their own mistakes and wiser men learn from others' mistakes too); capturing abundant explicit knowledge and encourages innovation within the organisation thereby leading the change in the business. It basically aims to bridge the gap between "What an individual knows & what he / she needs to know" and "What an organisation knows & what it needs to know". The missing links like capturing Judgmental / Tacit Knowledge based on one's experience & codifying them; having a robust system for easy retrieval & speedier accessibility and having a systematic and clear linkage to business needs & strategies thro' our KM program. However, it must be borne in mind that KM does not mean just developing databases, having intranets or new technology. It ultimately aims to establish an organisational culture for free exchange of ideas / information / knowledge in an environment which is more conducive to meet the business challenges in an innovative manner, where people feel encouraged and empowered to experiment for creating new knowledge and which propels organisation to reach excellence and become a learning organisation.

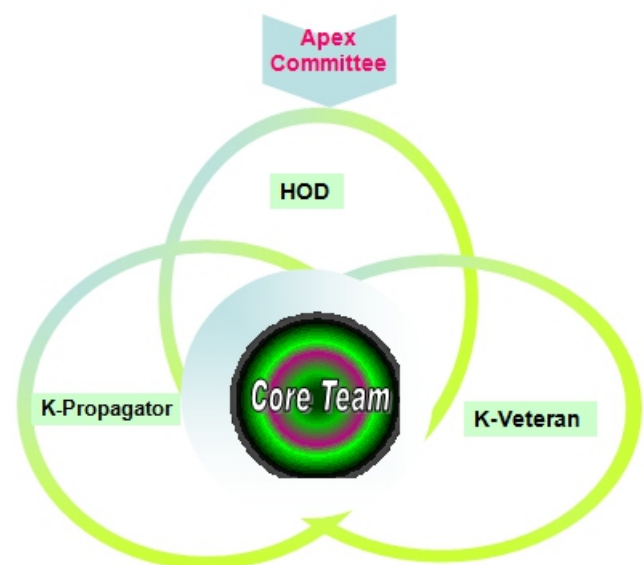


Fig. 1: Structure

There are basically three major components of any KM programme architecture – Policy & Systems; Process, tools & technology; and People issues. However, for the success of any Knowledge Management initiative, participation of people is the key issue while process and technology etc. play only supportive role. After undertaking the necessary background work for implementation, developing software etc., pilot testing and incorporating requisite features a Knowledge Management portal (GNANA – Generating Nurturing Acquiring Novel Assets) was launched successfully in July, 2004. The whole process is based on “bottom-up” approach and there are no targets fixed to drive it. A phased approach has been adopted and initially executives have been given exposure and coverage. The structure of our KM program is indicated at Fig.1.

An apex level body constituting top management has been put in place to monitor and guide the KM activities in the company. The other people include Head of the Departments, K-Propagators, K-Veterans and the Core team. The entire effort in this direction is envisaged to give thrust to quality of the content rather than the quantity. The main role of the Core team is to co-ordinate and to consolidate all the activities of km program in the entire organisation. The K-Veterans play the role of Knowledge expert and give their valuable inputs and improve the quality of the process of knowledge acquisition. The K-propagators are the people responsible for coordinating and organising the KM activities at the department level.

GNANA system:

The web based KM program of our organisation (Fig. – 3) is expert evaluation based system. The knowledge piece called as K-Chip submitted by an employee is automatically sent to the K-Veteran (knowledge expert) for evaluation of its quality depending on the category / sub-category chosen. After evaluation if the K-Veteran approves the same it gets accumulated in the database as K-Asset and if it is not approved it will be turned as I-Piece as shown at Fig. 2. Facility is given to the K-Author for editing the I-Piece and resubmitting the same as per the guidance / comments of K-Veteran. The K-Veteran gives the rating on a 10 point scale depending on common guidelines whether the knowledge is tacit or explicit.



Fig. 2: Approval System

Only K-Assets can be viewed by all and not the K-Chips & I-pieces. The users of this K-Asset are provided with a facility rate only once depending on the usefulness / worthiness. The readers are free to discuss or give their feedback on the K-Asset.



Fig. 3: GNANA System

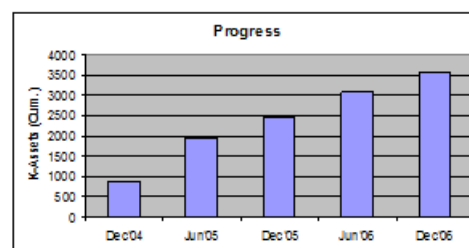


Fig. 4: Progress of GNANA

Features:

Some published articles on management and leadership by eminent people are being shared thro' email system. The K-Assets rated as high are shared thro' email. The views of the people on critical issues are captured using On-line polling system. The modifications in the system are made as per the feedback given by the users. Provision is made for free flow of ideas (without the approval of the K-Veteran) to submit under the category – Water Cooler.

It is so named because people can relieve their stress by sharing their ideas with others even though it is not related to our knowledge domain. In order to motivate and encourage the participation of all employees rewards were introduced under Gnana Purashkar Yojana. So far out of a total of 1300 K-Authors who have contributed their knowledge, more than 200 people have been rewarded. There are around 65 K-Veterans (identified knowledge experts) and 40 K-propagators. The knowledge is right now categorised under the domains like cost reduction, safety, lessons learnt, success stories etc. and around 6000 K-Assets have been accumulated as shown in Fig. 4. In order to bridge the existing islands of information and knowledge across the organisation, the Communities of Practice called K-Groups are being formed as a part of KM program. K-Groups basically focus on transfer of tacit knowledge of individuals into group learning. The participation of members in K-Groups is voluntary rather than being appointed or nominated. Benchmarking data, function specific systems are some of the projects on pipe line.

Conclusion:

As the concept of knowledge management was not known to some of the employees especially in public sector, the managements should have to conduct awareness programmes at different levels. All the employees are to be well aware of the importance and implications of knowledge management.

Every company has to prepare the mission statement relating to the knowledge management. The statement should be informed and discussed with the human resources in the organisations for effective implementation. Continuous learning programmes are to be conducted to the employees and executives for learning new issues and implementing new methods of processes. Every organisation has to encourage their research staff to develop more number of patents and research studies. As talented people are scarce, the respective managements have to attract talent by paying more compensation, providing congenial environment to work or paying more incentives. Competitive advantage of the enterprise is very important. The managements should create high image by producing products or offering services at low cost or some edge over others. In order to strengthen the KMS further in the organisation, number of K-propagators is to be increased. K-propagators are to be encouraged to propagate the concept further. K-propagators have to conduct sessions with employees and encourage / influence them to generate more K-chips. The senior executives may also have sessions with K-propagators and take feedback from time to time and to rejuvenate the system, at least once in a year an experienced external faculty who can disseminate the latest developments in the field may be invited. Sessions may be taken up by the internal / external faculty members to the employees, so that employees would understand the importance of the concept and would like to participate enthusiastically.