# Case study on implementing a knowledge management system

Business, Management



### Introduction

The world of business has been undergoing consistent changes and innovations. Frontiers for competition have been shifting from traditional product to creative abilities and business efficiency. Intellectual capital is the latest in the bracket of new ideas that keep businesses running. With increasing competition and innovations, businesses have realized that the mode of competition has shifted from just sales to the efficiency within the organization. Key among factors of efficiency is the manner in which information and knowledge is stored, organized, retrieved and transferred within the organization. The edge lies in the organization identifying the facets of knowledge that matter to the organization and ensuring that that knowledge is put into good use. As a consequence, the field of knowledge management (KM) has emerged. Knowledge management is defined as the extensive process of locating, categorizing, transferring and efficiently putting that information into use for the betterment of the organization (Handzic, 2003). Hewlett-Packard (HP) a successful organization was keen in developing a knowledge management system in its organization. This research paper illustrates the process or the roadmap to knowledge management system (KMS) implementation.

# **Step 1: Sensitizing the organization**

The first step HP took in implementing a KMS was in sensitizing the members of the organization about the need for a structured manner for information transfer. HP, through its Vice President Bob Walker, decided to get the members who were involved in KM systems in one way or the other into

workshops and seminars. The idea was to formalize the concept of knowledge management within the organization.

# Step II: Building a Knowledge Base

After the organization is aware of a KM system and that it is important for running the organization in an efficient manner, the next step is creating a knowledge base. A knowledge base would be composed of educators and reading material stored in databases. HP had about 2000 educators and the knowledge database was composed of discussions, training documents and consumer reports in evaluations of the training documents.

The knowledge base should be composed of thousands of submissions from different section of an organization. In the case of HP, the organization was decentralized where different divisions of the organization worked in relative independence. Either, it was uncommon for one division to transfer information to another division as it was not the practice. Therefore the knowledge base would require submission of information from all the divisions so as any section of the organization can access information from all divisions.

# **Step III: Creating a Network of Experts**

At HP, this was initially a project within the Laboratory section of the Research and Development (Rand D) division of the organization. In essence, this system allowed any individual within the organization to locate and identify specific expertise within the organization. It was directory that assisted in locating the different experts within HP.

Therefore, when KM was expanded to the entire organization, a new network

of expertise referred to as Connex was developed . It was a database accessible via a web browser. The contents of database included set of profiles of individuals and their technical backgrounds as well as other unique features such as speaking a foreign language. It allowed the organization to know who in the organization may be able to handle some particular issue and may be in different way.

A database of experts can be very useful to an organization. It allows a company to know the exact profiles in the organization and the extent of the knowledge held within the organization. This information is important both to the employees as well as the management. The management may use such information to find consultancy within the organization that would have been otherwise outsourced. On the other hand, the employees may use such information to find guidance on a particular beyond their level of expertise.

# Step IV: transfer of knowledge management system to product development

The objective of the knowledge management system is to develop a system that will eventually improve the quality of the product . Therefore, it is important for a knowledge management system to be wind-up improving the quality of products. At HP, product development through the knowledge management system was carried out by Product Processes Organization (PPO) through its Product Generation Information Systems (PGIS) division . While creating a knowledge base for products based on customer response was found to be quite ambitious and therefore abandoned, the company directed it efforts of product development in other areas of interest. The

system under development is based on competitor information, primary and secondary research and international market intelligence.

# **Step V: knowledge management for business partners**

Every business has external partners in form of suppliers and distributors. HP noted that with time the number of calls from dealers was ever increasing and that responding to all calls was going to be a hectic matter. The proposed system, referred to Lotus Notes, was a database of previously asked questions and it allowed external dealers to get the information online without having to call the company. Hence dealers are advised to download information from the Lotus Notes database and get the necessary information.

## **Conclusion**

The theories defined by knowledge management are based on acquisition, organization, analysis and interpretation of knowledge. The ideas also propose a secure means of storage for retrieval in future. However, developing a KM system for a decentralized organization may prove quite tricky. This can still be achieved through a created a distributed database that can benefit the management, the different divisions, employees and external dealers. Implementing such as KM system is through sensitization, building a knowledge base, creating a network of experts, transferring knowledge management to product development and transferring knowledge to external partners.

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