Knowledge management for today's competitive world essay sample

I. Introduction

The Hewlett- Packard beganits journey from a small garage in Palo Alto, California in 1939, with an initial investment of $538. The company was co - founded by two friends, Bill Hewlett and Dave Packard, whom both graduated with degrees of electrical engineering at Stanford University. They officially named the company Hewlett – Packard. Dave Packard got second billing after Bill Hewlett won a coin toss, of who will get the first billing for the new company. In that year (1939), the company reportedly made $ 5, 369 in revenue and had two employees. Their first publicly known, financially successful product was an electronic device called Audio Oscillator, called the " HP Model 200A". This device was used to test sound equipment for movies and television.

As a newly established company, in order keep up with their existing competitors, they undercut their product price by selling for as low as $54. 40, comparing to their competitors, which were selling at over $200. http://en. wikipedia. org/wiki/Hewlett-Packard To date, HP has reporteda net worth of a staggering $55 billion, and has expanded its operation in 95 countries and employs nearly 350, 000 thousand culturally diverse employees. Hence, there's no doubt that Hewlett Packard is one of the most globally recognize and by far one of the largest technology based MNC.

(http://www. hp. com/hpinfo/globalcitizenship/media/files/hp_fy11_gcr_hp_people. pdf) II. HP's Products and Services

a) Enterprise Data Storage Solution, which serve from small and medium size, to large enterprises, education sector and government. b) Software, such as, Information Management, Security Intelligence, Printing and Operation Management, Point of Sales (POS). c) Data Consulting

d) Home and Office, like laptops, scanner, printer and wide variety of computer peripheral products etc. The above are servicesand technologies that HP has offered to other company. These services are hardware to software. http://welcome. hp. com/country/us/en/products-services. html

III. HP 90's Working Environment and Knowledge Flow
" If Only HP Knew What HP Knows" in this article, it is stated that HP has one of the best working environments, its autonomous and decentralized operation system, works well especially with creative and out of the box thinkers, technical engineers and programmers. However, due to the autonomous/ decentralize working culture, knowledge isonly and normally shared within the business unit. This is an advantage, for business units. The regional offices can solve their own problem without going through layers of bureaucracy. The corporations decentralize culture has proven to be a huge success. HP strategy was pre-occupied in process and innovation. There was one thing though that the executives failed to acknowledge. They have failed to examine the over all organization knowledge health. IV. Top Management Realization

HP executive came to the realization that the autonomy and the decentralization structure had begun to affect the organizational knowledge flow, because business units such as the " corporate education unit" as

stated in the article, (If only HP Knew what HP knows") were complaining " they do not know anything and engineers are reluctant to solve the same problem twice". This was therefore creating a problem, because it's hard for them to do their job effectively without enough knowledge and information in subject matters.(http://www. ikmagazine. com). V. HP mid-1995 Knowledge Management Initiatives

In the mid-1990's, owing to the already widely used internet and the shiftsin business environments, reuse of knowledge has become one of companiescompetitive advantage, because having learned from the past, they are minimizing the chance of committing the same mistakes twice or learned what could have done to maximize benefits. Knowledge management has become an important function for success. As a result KM has become part of most companies'long-termstrategic plan. " It has been proven beyond doubt that the organization has to become knowledge driven in its endeavor to beat competitors". As Author Waman, acknowledged, (Knowledge Management- text and cases, pg. 98) In the 90's HP, hadKM initiatives in place in some business units, but due the HP's decentralization corporate culture, as stated above, (Top Management Realization) the sharing of knowledgewas only limited within its unit and the other units hadlittle or no access to it at all.

To address the KM pressing phenomenon, Bob Walker, then HP's CEO and Vice President and Chuck Sieloff, who was then, the manager of information system services and technology (ISST)both decided to facilitate and initiate knowledge management at HP. They invited diverse people who had been practicing knowledge management in their respective business units; and

asked participants to share their opinion on the KM initiatives, and on the firm's plan in reengineering the organizations laid back and decentralized business culture. Inevitably, the top management came up with the following initiatives. The objectives as mentioned on the " HP Article" is to ' facilitate knowledge sharing through informal networking and establishment of common language and management frameworks for knowledge management". 1. Knowledge Base Initiatives–this is a three-component program, and it was built for corporate educators. HP is reported to have an estimated 2, 000 corporate educators or trainers, whom mostly work in smaller groups. The goals were to address some of the educators' complaints, " We Don't Know Anything". Bruce Karney initiated these programs; he was a member of the HP infrastructure team for corporate education organization.

* Trainer's Trading Post(TTP)–The objective of this program was to allow corporate educatorsto discuss things, such as training topics. * Training Library (TL)– purpose of this was to collect training documents (e. g. course binders) this receives plenty of contributions. * Training Review (TR) – the objective of this program is to collect consumer reports, to collectevaluation reports of training resources. This never materializes though, because educators' were reluctant to disclose the cost of the training materialsand its external providers. In this particular program there was no incentive mentioned for participating; which reined in participants volunteering and cooperating. Moreover, it was stated in the article (" if only HP knew what HP Knows")that this program had become dormant and was eventually merged with the Trainer's Trading Post (TTP) as participants discovered that could

connect to materials in the TTPprogram. Thus, TTP's have become the educators' choice of knowledge–base vehicle for the reasons noted above. Having said that, after a year of implementation, success seemed to shy away from these programs. This is despite of the top management decision to give out air miles as rewards for submitting entries, and all out efforts (emails and voiced mails) in reminding participantsinto actively participates.

2. Connex Initiatives– was designed for the HP lab unit. Its primary function is to store expert profiles and to direct users to the particular topic that they were searching for. For example, when a user searches for someone in HP who speaks German, Spanish etc. the search can be directly link to an individual's home page if it exists. A manageable lists and guide to human knowledge resources within HP's knowledge categories/human knowledge resources.

This development was lead by Tony Carroza, who was then, the HP Information Technical Engineer. Carroza was hoping to reach success, because if successful, his plan would eventually migrate the system horizontally through out Hewlett – Packard.

3. Km Initiatives – Proof of Concept, on product process – this is a web-based knowledge management link, a data repository. This initiative was lead by Bill Kay; he was the Product Process Organization(PPO) director, along with Garry Gray and Judy Lewis whom both were the Product Generation

Information System (PGIS) managers. The PPO unit is a diverse department; its function was to deal with the advancing product development and introduction, corporate quality, procurement, product marketing, safety and

environmental, and organizational change. The PGIS is a group, which functioned along with the above-mentioned PPO units. They thought, by having web based knowledge management links, it would help to consolidate data, data that is contributed by the PPO and the PGIS knowledge department reporters and editors. And to eventually, give access to whoever needs the information. Departments such as, the product development and marketing departments (data examples, like marketing plan –budgets, pricing strategy etc.) Unfortunately, the said system did not materialize, because after numerous tests, it was proven to be difficult tosummarize data from such diverse business units, and all its vast and complex knowledge. 4. KM initiatives in Managing Knowledge for the Computer Dealer Channel/ Frequently Ask Question (FAQ) unit.

This initiative is one of the HP KM success story: The former Consumer Product Organization (CPO) unit manager, David Akers, initiated this. It is said to be one of the pioneering programs, the purpose of the program was to capture HP product knowledge (e. g., functions and support requirements). It was reported that this program successfully helped eased the number of calls per day, owing to the effectives of this program is the management' self effectiveness in collecting knowledge of problems most dealers encountered. This program allows dealers to download information that they need. Furthermore, there are always continuous efforts to add value to the program, such as, timely updates and cutting away-outdated, unnecessary information. Among the first three aforementioned HP initiatives, this (fourth) initiative yielded the highest support from HP dealers,

because of its efficiency (reasons discussed above). VI. Strength and Weaknesses

Strengths

* Backed by top management, this is including the CEO. Which is crucial in constructing a KM system, as they are the people who have the insight to see the KM system is aligned to the corporation strategic plan. Weaknesses

(This Particularlyfor the first 3 HP's KM Initiatives)

1) Knowledge Base Initiatives – for corporate educators. 2) Connex Initiatives – for the HP lab unit

3) Km Initiatives – Proof of Concept, on product process

* HP's corporate decentralized culture, have made employees' unaccustomed to learning work culture., having said that, sharing make them feel unsafe because of the feeling of losing something valuable that might be the only reason to keep them on job. * Failure to conduct knowledge audit (it is not mentioned in HP's article) if the selected participants have really mastered the required subject matter knowledge and expertise. * Fails to set up effective incentives programs, and tell participants the reasons and the benefits of having the knowledge management system, this discourages participants from cooperating. e. g., the educators who complaint that " they don't know anything" but they were reluctant to participate.

* Failure to conduct pilot testing (piloting will help detect the shortcoming of the system) e. g. Connex initiatives and Knowledge Base initiatives, as

reasons were mentioned above. * HP's knowledge is still scattered in every business unit, because there is no collaboration system / cross-links between business and through out HP. * Too focused on technology (web-based) forgetting the important people elements, although there are workshops but this was not enough to make participants comfortable in sharing what they have learned (capturing tacit knowledge process). Without people, technology will be inoperable. * KM framework was ambiguous, and no one was in-charge to oversee the entire programs. * There was system redundancy (see educators initiative) and there's was no mention of users training programs.

VII. Mid- 90's KM initiatives Analysis

In HP's article, there was no mentioned, no concrete evidence that they have done,(a) knowledge audit (this to determined the company knowledge gap, thus, HP can plan a process to make up for it; to also determine if they have the knowledge that they need, and how well it is manage). (b) No Knowledge mapping (this is locating where valuable knowledge resides among business units and employees'). Both above mention assessments that are indisputable; a must step in KM initiatives undertaking. It said that, " A KM Initiatives is unlikely to succeed without a knowledge Audit" (educ. Article of Ann Hyton PhD, CEO, Hyton Associates) because by conducting the earlier mentioned assessments, it will give them a clear insight of whether or not, they have the knowledge that they want to capture, whether the autonomous and decentralized HP culture was ready for the planned cultural change (Learning Culture) Furthermore, the reward scheme was inconsistent, for example, reward miles were given for initiatives such as the

Knowledge Base for the educator department, while other departments didn't have one (it was not mentioned in the HP article). As a consequence, the chosen participants were unwilling to share. VIII. Recommendation

HP should:

* Conduct a knowledge audit for the reasons mentioned above. Example survey question, " Who are the providers of the most critical knowledge base and how to get it? * Conduct a survey to determine whether the decentralize culture is ready for the challenge of knowledge sharing. Survey question sample, " What are the barriers to knowledge sharing?" * Transform the decentralized learning culture into a unified learning culture. By having a learning culture, the sharing of knowledge willbecome norms. Process such community practice, e. g., conference, workshops. The effect should be employees reciprocally sharing information with out the feeling of being forced to do so. * Create KM team and Framework (KMS) thatis deemed best suited to every part of the business. * Create effective and consistent reward program schemed, to make people empowered and feel that their knowledge is valued, such as non-monetary recognition.

IX. Current HP KM Infrastructure

After the relentlesseffort to solved the KM dilemmas. The HP top management came up with a better system, below is HP's current KM practice.

(Knowledge Advisory at Hewlett Packard, pg. 4)

X. Current KM Initiative Analysis

It is cited (Knowledge Advisory at Hewlett Packard, pg. 4) that each domain has an assigned leader to oversee the development in each area. And on top of delegating a leader in each domain, its assigned leader has to report directly to their regional KM operations manager, and then the regional KM operation manager will directly report to the business unit KM leader in HPs Corporate HQ.

As stated (HP Advisor at Hewlett Packard Report, p 7), with the current KMS, the KM team can theoretically respond 24 hours, a day 7 days a week, because they are strategically located through out the world (to cover most regions). This leader is in chargeof monitoring the shared knowledge mailbox, logging calls and queries, answering news queries etc. Each of the leadersis responsible in four areas.

1. Helping users search for information, especially when a requester is outside the HP firewall. 2. Maintaining awareness of all types of collateral, such as proposals, references, information about HP solutions and partners, new product developments, project information etc. 3. Making people and community connections, so that experts can be leveraged for maximum effect. 4. Training general users in the use of KM tools, including installation, artifact submission, search techniques and general maintenance. (Knowledge Advisor at Hewlett – Packard, page 8) Furthermore, with HPs current system, the knowledge team leader job and duties are clearly laid out. Its responsibility varieson seniority.

It is reported (Knowledge Advisor at Hewlett – Packard, page 8)that the Junior knowledge advisor's job is to focus on responding to the incoming

queries, the Senior staff is more proactive, they are in charged of communicating to the project team, perform training and conduct surveys. Additionally, they are also responsible in monitoring the quality of submissions to the repositories, and check on the usability and completeness of the project profile. Each leader has regular communication, such as informal calls to keep in touch, regular emails, meetings, which are important because when one of the knowledge advisors cant answer the users query, the query will be redirected to another knowledge advisor, given this, good relationships are quite crucial. Therefore, the constant communication, emails and face-to-face meetings will go along way.

XI. HP creation of competitive advantage

With the current HP KM model, it is reported that they only considered knowledge valuable when it comes from the following sources:

(KnowledgeAdvisory at Hewlett Packard, pg. 5)

XII. HP Current KM Strategic Initiative and KM Cycle

(Knowledge Advisory at Hewlett Packard, pg. 6)

Based on the current HP KM cycle, it indicates that they begin to capture/discovery knowledge from internal sources (e. g. Socialization such as brainstorming, conferences – Tacit to Tacit) and external sources (e. g. Explicit knowledge e. g. Lesson learned from databases, chat groups etc.). The Clients base knowledge; this is a sharing process of valuable data/information. Such asdata/information of consumers buying habits, demographics and so on). They also put emphasis on people, HP acknowledge that people are the critical conduit of knowledge and

information. People are the organizations knowledge workers, where all valuable knowledge resides. (E. g. Knowledge Advisor (HP knowledge expert) they are accountable for overseeing and facilitating the organizational KM system (from capturing, codification, dissemination process, data mining down to archiving). They determine who are the subject matter experts, e. g. marketing, finance, researcher, programmers, and even people from outside the organization, like lawyers, suppliers, clients and so on.) HP also put emphasis on collaboration. For a multi-level and geographically dispersed organization such as HP, this will help interlink business units and distilled all data / information through out HP.

For example, Intranet and GroupWare, these are customized and tailored system that KM management thought is best suited to the company needs. This serves as a knowledge portal; these systems allow employeesto communicate (e. g., emails, virtual conference, chats, and documents attachment etc. what's more, it will also help expedite, for example, exchange of knowledge/ information; communication such as virtual conferences, attaching proposals, sharing and dissemination of reports. With the use of a collaboration system, given with the right electronic identification or authority to access, internal and external users, (such as suppliers and dealers) will enable all to access information remotely, send their query and submit data/ information at any given time. XIII. Information and Data sets Significance

Due to limited access to a legitimate HP Information and Data Set Relevant to the below information is just a hypothetical example, to demonstrate how information and data sets are being shared and cross-links between business

departments. With the use of collaboration technology it will help interlink departments. E. g. In a scenario to launch a new product. For example, Finance, R&D, Sales and Marketing are needed to mutually exchange information in order to do their job effectively and to make a business decision sensibly. Data sets such the documents (specific of due diligence/plan for a new product, capital budgets, demographic, target market, product feature, and etc.) All of the above-mentioned departments play important roles in creating a product and innovation. These departments will be lost without the critical information that they need to draw a plan containing the correct financial and technical information. By collaborating, all plans are align to a common goal, and it will notaffect the target return on investment (ROI) and payback period time. Thus, using the right collaboration structure within an organization will allow information to be shared seamlessly; it will help business departments achieve and make a quick, cost effectively, and make sensible business decisions XIV. Strengths and Weaknesses

Strengths

* The current KM model is clear and comprehensive, unifiedand it acknowledges the significance of the human elements as a critical conduit of knowledge and information. Itcovers all business aspects across HP. As (HP Knowledge Management at Hewlett- Packard, pg. 7) * Promotes the reuse of both materials and expertise, and leveraging existing knowledge and experience. * Avoiding redundant work efforts (as well as " making the same mistakes twice"). * Promoting standard, repeatable service offerings by providing methods, tools, templates, examples and information, which can

streamline both sales and delivery. * Communicating important information quickly, so as to stimulate innovation and growth. * Most importantly, the top management backs it, reasons that have been previously mentioned above. * This consolidated structure helps the organizations work flow more effectively, exchange of crucial information more efficient.

Weaknesses

Too tied up with the structure, and adhering to follow guidelines and may not be adoptable to change. Maintaining and upgrading to this type of wide reaching structure could be costly, especially with the never-ending evolution of technology. Thus, it may not turn to be as cost effective as first imagined in the end. XV. Metric

To determine the usefulness of the KMS, HP incorporates in all employee performance reviews (qualitative questionnaires survey). HP uses a points system instead of cash rewards. This point system is said to recognize employees who display KM behaviors (sharing, re-use, etc.) this recognition takes the formof highlighting and posting employees' names and ranks (according to points) on the HP intranet site. This is a by product within the context, moreover, employees' are asked to rate the quality of the submission (explicit) that is said to help KM advisors measure the value of the existing materials. The effectiveness of knowledge system is measured by the number of queries logged, time to resolution, number of outstanding queries number, etc. XVI. RECOMMENDATION

As mentioned earlier, HP the current KMS has covered all aspect of its business units. It seems that HP's knew know what they could have done the first time. XVII. Human Resources Management (HRM) Roles in KM

Knowledge (especially tacit) is hard to measure. HRM has played an important role in identifying employees' potential, as they are accountable for hiring the right people (right skill) for companies' specific needs. HRM also play an important role in developing strategies, such as on job training and development), managing performance and retained it. HRM creates a safe and trusting environment so that knowledge can be shared effectively. The only difference is that HR does not manage knowledge into a future use as KMS does. Hence, HP's HRM play a significant role and KMS would not be a big success with out HR management collaboration. As Davenport and Prusak (2000) noted, " One of the heartening things we have recently observed is the increased interest in knowledge management among human resources managers. We interpret this as assign that organization are realizing the vital connection between knowledge –oriented behavior and overall employee performance." XVIII. Conclusion:

Although KM cost hasn't gained a spot in companies fiscal financial report. However, theoretically, there are no questions that KM has now been part of big and small companies' strategic plans. It plays a big part in maintaining critical information which would help any company's to have a competitive advantage. Furthermore, most companies have acknowledged knowledge as intangible assets and needs to be managed as any other assets.

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