

Free essay on knowledge management

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Abstract

This paper provides a detailed overview of knowledge management. Given the many perspectives on knowledge and knowledge management, this paper aims to provide a discussion of some of these perspectives, particularly with regards to conceptual definitions, the difference between information management and knowledge management, as well as some of the factors that contribute to a successful implementation of knowledge management in organizations. Finally, the writer of this paper provides some insight on how he, as a technical sales professional, and how IS professionals in general can make use of the information discussed in this paper for the betterment of their organizations.

Statement and Relevance of the Topic

Knowledge has become an important source of competitive advantage for organizations; hence, the growing interest in knowledge management, particularly in how organizations create and obtain knowledge, how they store and retain knowledge, how they use and disseminate knowledge, and how they manage and protect the knowledge they have (Gallupe, 2000). As Rollett (2003) asserts, the growing complexity of the environment where organizations operate and of their internal working, along with the speed required of them, the pressure to innovate, and the lack of attention as the “ultimate limited resource” (Rollett, 2003, p. 5) further stress the importance of knowledge in the success of these organizations. Moreover, knowledge is now considered a factor of production, which is not only equal in importance to capital, labor, and land but even more important than them. This is similar

to the assertion made by Becerra-

Fernandez & Sabherwal (2010) that the collection of knowledge is the most important resource of an enterprise where such knowledge resides in the minds of an organization's vendors, customers, and employees. They also claim that among the benefits of an effective management of organizational knowledge are the building of sustainable competitive advantage; the strengthening of organizational commitment; the improvement on decision-making and cycle times; the acceleration of innovation and the time to market; and the leveraging of core business competencies (Becerra-Fernandez & Sabherwal, 2010). As Wheatley (2001) emphasizes, the inability of organizations to learn, adapt, and change in a timely manner will keep them from surviving in the fast-paced world of business.

Knowledge sharing has also become a strategy that organizations employ in order to respond to the rapid expansion of knowledge and the need to contact others in order to enable learning from them where the focus is more on context than on content and more on connections among people than on the manner of information transmission (Koohang, Harman & Britz, 2008). According to Wheatley (2001), all organizations have self-organized communities of practice, which people spontaneously create to help them work more effectively.

Key Issues of the Topic

Some of the key issues in knowledge management, as identified by Firestone (2001), involve the various conceptions or understandings of the approach to knowledge management; the definition of knowledge; the difference between hierarchical and organic knowledge management; the difference

between knowledge management and data management; the difference between knowledge management and information management; and the relation between knowledge management and culture.

Application of the Course Concepts to the Topic

Gallupe (2000) describes knowledge management systems as consisting of techniques and tools that “ support knowledge management practices in organizations” (Gallupe, 2000, p. 2.). In this regard, Laudon & Laudon (2012) name three types of knowledge management systems, which are knowledge work systems, enterprise-wide knowledge management systems, and intelligent techniques.

As Nicholas Carr (2007) suggests in his article IT Doesn't Matter, IT alone cannot give companies a competitive advantage. He asserts that more than the technology itself, a company's business strategy will give it a competitive advantage and how it manages its resources and the risks that such resources may be exposed to. Undeniably, knowledge is one of the most important resources of a company; hence, the great importance accorded to knowledge management. Moreover, with knowledge sharing being one of the important strategies that companies employ in order to obtain and sustain a competitive advantage, it is important for these companies to form communities of practice or “ collaborative, informal networks that support professional practitioners in their efforts to develop shared understandings and engage in work-relevant knowledge building (Hara, 2008, p. 3),” where such knowledge building efforts can be facilitated by effective knowledge management practices.

Research on the Topic

Knowledge in itself is something that has no concrete definition. According to Asoh, Belardo & Neilson (2002), “ knowledge is a fluid mix of framed experience, values, contextual information, expert insight and grounded intuition that provides an environment of and framework for evaluating and incorporating new experiences and information. It originates and is applied in the minds of knowers. In organizations, it is often embedded not only in documents or repositories but also in organizational routines, processes, practices and norms. (Asoh et al., 2002, p. 2).

On the other hand, Firestone (2001) provides two definitions of knowledge, which are most applicable to organizations. He classifies these two definitions as World 2 knowledge and World 3 knowledge where World 2 knowledge consists of “ validated beliefs (in minds) about the world, the beautiful and the right” (Firestone, 2001, p. 10) while World 3 knowledge consists of “ validated linguistic formulations about the world, the beautiful, and the right” (Firestone, 2001, p. 10). Essentially, Firestone (2001) posits that knowledge comprises of encoded structures in a particular kind of system, which enables that system to adapt.

Moreover, there’s also some confusion on the differences among data, information, and knowledge. According to Firestone (2001), a datum is the value of an attribute that can be observed, measured, or calculated. As such, data would consist of more than one attribute value. Also, data is a type of information, which means that information consists of data, together with conceptual interpretations and commitments or merely the interpretations

and commitments (Firestone, 2001). Alternatively, information can be understood as data that is extracted, filtered, or formatted in a particular way. On the other hand, knowledge can be found in a person's subjective context of action based on the information obtained (Firestone, 2001). For Wheatley (2001), the creation of knowledge occurs in relationships, in inside thinking, and in reflecting human beings. This is supported by Rottley (2003) who claims that knowledge is held by people – by organizational units, communities, teams, and individuals. However, Firestone (2001) posits that knowledge is also information and based on the knowledge life cycle, he suggests that the production of new data, information, and knowledge is a continuous process that comes in no particular order (Firestone, 2001). Moreover, Christensen (2003) suggests that knowledge not be considered exclusively as an input to the production process but also as the players and processes that qualify something as knowledge.

Given the seeming ambiguity of knowledge, it's no wonder that knowledge management doesn't have a clear-cut definition either. While some view knowledge management as the manipulation of knowledge, which includes knowledge transfer, knowledge production, and knowledge sharing (Firestone, 2001), Firestone (2001) asserts that knowledge use and knowledge processing are different from knowledge management. He suggests that “ knowledge management is knowledge process management” (Firestone, 2001, p. 8), which involves the management of the knowledge life cycle, of knowledge integration, of knowledge production, and of their immediate outcomes. Moreover, although knowledge management and knowledge processing employ data management, knowledge

management and knowledge processing have a wider scope than data management. While knowledge management concerns the conceptualizations of system dynamics, data management is concerned mostly with the production, distribution, and processing of data, which are only a small part of the production and integration of knowledge.

As well, a distinction should be made between knowledge management and information management. Since both concepts refer to the management of processes and their products, and since knowledge is a form of information, it can be said that knowledge management is a form of information management. However, it should be noted that knowledge management is more robust than information management in that the former enables the management of activities that is generally not possible with information management. In particular, while information management basically focuses on the production and integration of information into the enterprise, knowledge management focuses on the production and integration of knowledge within the enterprise. In particular, the production of information includes the acquisition of information, group and individual learning, and possibly knowledge claim formulation but does not include knowledge claim validation. In the same manner, the integration of information includes the broadcasting, retrieving/searching, sharing, and teaching of information but not of knowledge (Firestone, 2001). As such, Wheatley (2001) proposes that organizations that are capable of converting information into knowledge, of knowing what it knows, and of acting with greater discernment and intelligence have better chances of attaining success.

In the same regard, a distinction should be made between information

management systems and knowledge management systems. According to Boahene & Ditsa (2003), information management systems have the capability of providing answers to questions such as who, where, what, and when while knowledge management systems are capable of answering the question why and in some instances, even the question how. On the other hand, they indicate that knowledge-base systems are capable of answering the question how (Boahene & Ditsa, 2003). Knowledge-bases are used for making sense of invariances instead of for obtaining codified meaning about a phenomenon or an object. As such, they are used for managing and organizing uncertainty in complex problem situations. In this regard, Boahene & Ditsa (2003) assert that a knowledge-base is a mandatory component of a knowledge management system.

Another consideration in the implementation of knowledge management is whether it should be hierarchical or organic in nature. A hierarchical knowledge management focuses on the design and implementation of a set of governed business rules and processes that are imposed by company leaders (Firestone, 2001). On the other hand, organic knowledge management focuses on the implementation of policies that support the “natural tendencies of existing knowledge processing patterns” (Firestone, 2001, p. 23) that occur in communities of practice and that fall outside the formal lines of an organization’s authority. However, with no set criteria for selecting which approach, Firestone & McElroy (2003) advise that caution be taken in choosing the proper intervention.

Finally, experts assert that cultural barriers can hinder the successful implementation of knowledge management (Firestone, 2001). However,

Firestone (2001) opines that it's not so much the organizational culture that impedes knowledge management initiatives as it is the " structural organization that can be managed by political means" (Firestone, 2001, p. 28). In particular, he suggests that structural changes can be made to align the motivations of employees and the incentive systems in order to bring about behavior changes without having to implement a cultural change (Firestone, 2001). He further asserts that in social systems, structural and behavioral changes can lead to cultural changes (Firestone, 2001). In turn, culture affects knowledge and knowledge management practices through its influence on the behaviors that constitute the said processes. However, Firestone (2001) stresses that culture is only one of the factors that determine the successful implementation of knowledge management and that other factors would include transactional inputs, situational factors, and social ecology. In the same manner, Wheatley (2001) suggests that for knowledge management initiatives to succeed, the focus should not be on the technology but on the needs and dynamics of the people and on the organizational conditions that provide people with the support that allows them to develop relationships and that enable them to think and reflect. In particular, Wheatley (2001) suggests that these conditions include the people's understanding of and finding value in the strategy or objective; people's understanding of how their work contributes to the common objective; the people's feeling of being respected and trusted; the people knowing and caring about their colleagues; and the people valuing and trusting their leaders. This is affirmed by the findings of Eggs (2012), which showed that trust building was necessary for the establishment of a

community of practice, for knowledge transfer, and for the establishment of intellectual capital. Similarly, Kaps (2011) suggests that trust is an important dimension in knowledge sharing. In particular, she indicates that “ systems and processes may support knowledge management initiatives but the key drivers are building trust and commitment and highlighting successes and results of these initiatives” (Kaps, 2011, p. 6).

Conclusion

This paper discussed various perspectives with regards to knowledge, knowledge management, and knowledge management systems. With the field of knowledge management still being relatively new, it is quite understandable that there is still no single consensus on what knowledge and knowledge management are. However, two unquestionable things are predominant throughout the discussion in this paper. One is that knowledge and knowledge management are necessary for organizations to obtain and sustain a competitive advantage. Another is that the successful implementation of a knowledge management initiative is not solely dependent on technology and that instead, the human dimension of this initiative is much more important.

In this regard, it is important for IS professionals to realize that knowledge management systems are not the be-all and end-all solution of their organizational problems but that more focus should be placed on the people and their relationships, as well as on the organizational culture and structure.

Finally, knowledge of the different perspectives regarding knowledge management and knowledge management systems will enable the writer,

who is a technical sales professional, to provide his clients with the right information regarding financial information systems and how they can be used not only to manage information but to manage knowledge as well. By being equipped with the information discussed in this paper, the writer will be better able to discuss the differences between information management and knowledge management with his clients, which will enable them to make the right decisions and choices for their organizations.

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