

# [Km program](https://assignbuster.com/km-program/)

For Nielsen the world of business should be peer-based, with knowledge sharing and decision-making as open and transparent processes. According to Nielsen “ Closed-door meetings” and “ exclusive strategy-setting” in offsite, retreats would be concepts of the past. In his opinion, the most effective organizations would be the ones that replace managerial level decision-makers with groups of employees who share all their knowledge and the company decisions would be made accordingly - collectively.

Santosus holds that Nielsen's peer-based approach is the by far the most effective form of KM organization. However, he does not explicitly say as much. Hence, it is no wonder that KM initiatives become inadequate in traditional hierarchical business environments. A hierarchical businessenvironmentis one where there is a definite distinction between the superiors who are in charge and the employees who do the work and there is not much open and honest sharing of knowledge. (Santosus, 2008) Traditional environments the “ leaders” control and monopolize information and of course decision-making.

" Genuinecommunicationwill only occur among peers," Nielsen says, simply because in a hierarchy " people will tell their superiors what they think they want to know. " He adds, " A KM program in the context of a rank-based organization is like driving a car and stepping on the gas and brake at the same time. " (Santosus, 2008) KM is the process by which organizations generate value from their intellectual assets, which are, and knowledge based. KM is the practice of utilizing intellectual capital to gain competitive advantage as well as customer commitment through efficiency and innovation, which hasten effective decision-making.

Generating value from such knowledge assets involves sharing the knowledge stock among employees of all the departments within the organization and if needed even with other companies so as to devise best possible business practices. The main principle is mutual trust, open exchange, studying, sharing and developing for the best outcome. Many organizations which attempt to adopt the Nielsen’s KM principles offer incentives for sharing and contributing knowledge so as to get employees to participate the decision making process.

Nielsen believes that “ While the idea sounds good, such efforts will fail if the organization overall still clings to its rank-based structure. The managers are still essentially " telling you that you have to contribute to a knowledge system," Nielsen says. ” (Santosus, 2008) As a result, rather than developing a sense of participation, we invariably find secrecy, distrust and a feeling of being controlled by the seniors in a hierarchically structured organization.