

People-Focused Knowledge Management:

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Published and Distributed by

SCHEMA PRESS, LTD.

7101 Lake Powell Drive

Arlington, TX 76016

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<<http://www.krii.com>>

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CONTENTS

| | |
|---|-------|
| CONTENTS | |
| ACKNOWLEDGEMENTS | |
| PREFACE | |
| CHAPTER 1 – COMPETING IN THE GLOBAL ECONOMY REQUIRES EFFECTIVE ENTERPRISES | |
| Proposition: The Global Economy Demands Excellence | ..... |
| The Competitive Enterprise Example | ..... |
| The Global Economy Challenge | ..... |
| The World Requires Us to Change | ..... |
| Enterprise Effectiveness Requires Good Intellectual Capital Assets | ..... |
| CHAPTER 2 – THE EFFECTIVE ENTERPRISE | ..... |
| Proposition: Effective Enterprise Behavior Leads to Success | ..... |
| The Proactive and Decisive Company Example | ..... |
| What Does It Mean for the Enterprise to Be Effective | ..... |
| Productivity Is Not Always What We Expect! | ..... |
| A Systemic Model of Enterprise Performance | ..... |
| Characteristics of the Effective Enterprise | ..... |
| Successful Performance Is Durable | ..... |
| The Intellectual Asset Management Mentality | ..... |
| CHAPTER 3 – ACTIONS ARE INITIATED BY KNOWLEDGEABLE PEOPLE: | ..... |
| PEOPLE MAKE DECISIONS AND ACT USING DIFFERENT KINDS OF KNOWLEDGE | ..... |
| The “Machinery of the Brain” Proposition | ..... |
| The Personal Reasoning Example | ..... |
| Have We Misunderstood How People Think, Make Decisions and Act? | ..... |
| Personal Knowledge Is Built from Mental Models | ..... |
| Associations Govern Our Actions | ..... |
| The Needs to Increase People’s Knowledge | ..... |
| CHAPTER 4 – MENTAL AND STRUCTURAL REFERENCE MODELS | ..... |
| Proposition: People Imitate Prior Behavior | ..... |
| The Personal Memory Example | ..... |
| Personal Reference Models | ..... |
| Reference Models Are Stories! | ..... |
| Why Are Stories Important? | ..... |
| Organizational Reference Models | ..... |
| CHAPTER 5 – A KNOWLEDGE MODEL FOR PERSONAL SITUATION-HANDLING | ..... |
| Proposition: Good Situation Handling Leads to Effective Actions | ..... |

| | |
|--|--|
| Personal Situation-Handling: A Customer Service Example | |
| Introduction to Personal Situation-Handling | |
| The Situation-Handling Model | |
| The Four Tasks of Situation-Handling | |
| Personal Situation-Handling | |
| Story-Based Reference Models Provide Situation-Handling Knowledge | |
| CHAPTER 6 – ENTERPRISE SITUATION-HANDLING | |
| Proposition: Local Situation-Handling Leads to Enterprise Behavior | |
| The Enterprise Situation-Handling Example | |
| The Four Tasks of Enterprise Situation-Handling | |
| Structural Intellectual Capital and Situation-Handling | |
| Enterprise Systems and Procedures Shape Effectiveness | |
| CHAPTER 7 – PEOPLE-FOCUSED KNOWLEDGE MANAGEMENT IN DAILY OPERATIONS | |
| Proposition: Success Requires Everyone’s Participation | |
| The Vigilant Knowledge Company Example | |
| Deliberate and Systematic Knowledge Management | |
| Intellectual Capital Stewardship Mentality and Corporate Culture | |
| The Power of Executive and Management Examples and Practices | |
| Making Everybody Understand | |
| Expectations for Business Results | |
| CHAPTER 8 – PEOPLE-FOCUSED KNOWLEDGE MANAGEMENT EXPECTATIONS | |
| Proposition: People Focus Supports Global Excellence | |
| The Global Leader Example | |
| The New Enterprises | |
| What Future Knowledge Management Users May Expect | |
| Final Thoughts | |
| APPENDICES | |
| APPENDIX A – EXAMPLES OF KNOWLEDGE MANAGEMENT ANALYSIS TOOLS | |
| Knowledge Assets Mapping | |
| Knowledge Flow Charting and Analysis | |
| Knowledge Management Benefit Assessment | |
| Knowledge Diagnostics | |
| Critical Knowledge Function Analysis | |
| Knowledge Vigilance Survey Approaches | |
| Etc. | |
| APPENDIX B – EXAMPLES OF KNOWLEDGE MANAGEMENT PRACTICES AND INITIATIVES | |
| Knowledge-Supported Mentality and Culture Changes | |
| Knowledge-Supported Enterprise Strategy Implementation | |
| Transfers of Expert Concepts to Other Practitioners | |

Expert Networks
“Town Meetings” and Knowledge Cafés
Options for Sharing and Spreading Expertise
Intelligent Performance Support Systems (IPSS)
Etc.

APPENDIX C – KNOWLEDGE CATEGORIZATIONS

Personal Knowledge
Structural Knowledge
Domains of Knowledge
Types of Knowledge
Etc.

GLOSSARY

REFERENCES AND RECOMMENDED READINGS

INDEX

PREFACE

In today's world there is a constant requirement for each business and enterprise to change. To be reinvented to provide new capabilities and perspectives. To be agile to cope with new challenges. To renew itself to adopt new approaches, keep those that work well and discard those that are outdated. These are considerable challenges that face private companies, nongovernmental organizations, and nation states. Those who step up to the challenge will likely survive while those that shun away from it are likely to fail. To thrive and prosper will require considerable management skills and involvement of new professional skills such as Knowledge Management.

No one suggests that management is simple or easy. Even under the best of circumstances – when nothing much changes and business goes well – managers must coordinate complex intertwined human and mechanical processes. Such ideal conditions rarely exist. The real world – particularly today – involves constant changes on nearly every front. Customers, suppliers, competitors, products, services, employees, technologies, regulatory environments – the economic playing field itself – all tend to change. Changes include improvements and opportunities as well as problems and both external and internal challenges. In this turmoil managers at every level do their level best not only to “keep the ship afloat” but also work to improve its performance to remain viable and successful. Management under these circumstances is indeed difficult and complex. The old adage of “keep it simple stupid” does not seem to work. Many try to circumvent challenges and requirements by manipulation and creation of false impressions. Those that insist on following such paths frequently find themselves in trouble as evidenced by many examples.

Old mainline approaches to business management and operations are no longer valid. Vibrant and novel management approaches and operational practices need to be pursued. Many have been practiced in outstanding organizations for centuries, although new perspectives and scientific findings provide foundations and conceptual supports not previously available.

The business environment is changing. Globalization and increased competition with new driving forces resulting from more sophisticated consumer populations. The new world is upon us. That is realized by numerous companies and public institutions. It has significantly changed the attitude of stakeholders of all kinds, of employees, of customers, of suppliers, of regions that are supported by industries and institutions and of whole countries. Investors and sponsors of public institutions have changed their understanding of what constitutes appropriate operation. In many instances it has been realized that the complete approach to conducting business must be changed when the goal is survival and success. Business must be reinvented.

In this environment, a particular opportunity relates to helping people to work more effectively and smartly in support of the enterprises in which they invest their future. Sharper competition between companies, between countries and between continents result in requirements for greater effectiveness of operations and service to customers and to creation of new products and services. There is increased understanding that the major driving force in this new environment is knowledge. However, the situation is more complex than just building and applying intellectual capital. Competitiveness in the new world is directly dependent not only on the value and sophistication of the intellectual capital assets but on how well they are renewed and utilized in conducting work. Consequently, it is required to deal directly with how people and organizations create and utilize

knowledge and understanding – know-how – in their daily work lives to analyze situations, make decisions and execute actions.

Many of the perspectives expressed in this book will be subject to debate. Models and philosophies for what makes enterprises successful vary widely. No two enterprises are the same or have identical requirements. To allow for such disparities, we examine basic knowledge-related premises for what makes the enterprise effective and successful. We explore what it means to “act effectively.” We examine factors and conditions that promote and maintain effective-acting behaviors and prevent dysfunctional ones. We examine what it means for an enterprise to achieve “durable viability.” In the appendices, we introduce models for implementing KM in proactive organizations and what is required of KM professionals in terms of services provided and expertise needed.

The views on the economic and social roles of the enterprise and on the relative importance of the roles and behaviors of key individuals and business leaders also vary. Nevertheless, an emerging school of thought bases success on business ethics and properly prepared and motivated individual contributors. That view is pursued here. It is our belief that motivated, contributing and accountable knowledge workers are the linchpins that secure and sustain the successful operation of the enterprise machinery.

Managing knowledge and managing in general, are complex endeavors that require manipulation of human, social, and economic systems that are only partially understood. From systems-theoretic perspectives, organizations are ‘*open systems*’ that provably cannot be fully ‘*observed*’ and therefore cannot be ‘*identified*.’¹ As a result, these endeavors cannot be ‘*controlled*’ in any strict sense or even to our specifications.² Yet, we need to manage them – influence them – to shape their behavior and performance to come closer to the desired objectives and expectations.

Organizations vary greatly and since they cannot be fully observed that makes it difficult – if not impossible – to perform rigorous investigations to determine what works, what does not work, and what may be improved to work better. However, in order to achieve effective performance, we still need to determine good knowledge-related methods and approaches as best we can.

As a result, in this book, we have chosen to present suggestions for what can be done and what may be expected from selected actions. It therefore should be clear that such suggestions are assertions and hypotheses based on the author’s experience and interpretation of the experiences of others.

Whenever possible, the author has attempted to build on established, commonly accepted, or seemingly logical premises. In many instances, scientifically obtained findings are stretched and extrapolated in “good engineering fashion” to synthesize models, approaches and actions. These are often expected to generate beneficial target system behaviors.

A “systems view” lies behind the perspectives provided in this book. This view recognizes the interrelations between the enterprise and its surroundings and markets. It recognizes that we need to consider mutual relations between areas within the enterprise such as its departments, its procedures and practices, its culture, its assets, and its people and their motivation, expertise, skills,

¹ Organizations are *complex* ‘Open Systems’ in contrast to *complicated* mechanical systems which are ‘Closed Systems’ – see Glossary.

² Observability and controllability were developed by Rudolph Kalman in 1960 as part of ‘Kalman Filter’ theory as fundamental criteria for systems identification and operation.

and attitudes. It also recognizes the dynamic and often non-permanent nature of entities, relationships, and behaviors.

Whereas this book to a large extent pursues systematic and analytical methods, we also recognize that synthesis and holistic perspectives are required to build the broad and overall understanding and vision required to create workable approaches that will provide desired effectiveness needed to compete and survive.