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Participants at the Braintrust Summit raised key questions concerning both the status of knowledge initiatives as well as the conditions necessary for their success. During the event a challenge was issued to practitioners to make knowledge initiatives an organizational leadership priority, one demonstrably critical for an organization's success.

Presenters echoed the theme that any successful knowledge management initiative has to have practical impact on the way people work and become central to the success of the enterprise. In the course of doing this knowledge initiatives become vehicles for closing the gap between strategy and implementation. As the knowledge management strategy becomes clearly tied to business needs, the knowledge initiative takes on the role of enabler in a knowledge-powered organization.

"Last Hurrah or New Dawning"

Jim Botkin, President of Interclass, (jbotkin@interclass.com) commented, "I am not sure if this is your last hurrah or the new dawning of knowledge management." Botkin sees that other bands of people in organizations are less sympathetic to the knowledge movement than its advocates tend to understand. For illustrative purposes he set out two contrasting types of "Thomas's": The Thomas Edison enthusiasts versus the Doubting Thomas's. Botkin urged that the practitioners consider creating a "Manifesto" which "tells it like it is " to bring their message to the Doubting Thomas's.

Reflecting on his experience of organizations involved in knowledge initiatives, Botkin proposed five different questions that the knowledge community needs to answer:

1. "Knowledge Management" - Have we got the name right?

Botkin gave "reengineering" as an example of a movement that was ultimately damaged by its mislabeling. "Reengineering" was not the right name for a good idea. He asked about possible alternatives to the term knowledge management

and gave some possible alternative candidates (e.g., knowledge networking, knowledge creation, knowledge business, and knowledge learning).

In the end, he felt that "knowledge of business" is the way to go. However, he viewed that the best name for any knowledge initiative will emerge as an enterprise answers the question, "What is the proper name for *our* knowledge effort in *our* business and *our* industry?"

2. *Is the CKO's chief job knowledge management, community building or both?*

Botkin has not found that many CEOs see knowledge management as their best thrust for productivity creativity and innovation. The challenge is twofold: Firstly, these senior visionaries see that a knowledge management initiative can divert attention from creativity, business and organization, and secondly that it is far easier to imagine the explicit value of knowledge than the implicit value of knowledge.

Leaders do not quarrel with the notion that knowledge is a valued resource and new factor of production. Rather, their question is whether knowledge can be managed, i.e., "How can that new factor of production can be cultivated and harvested for an outcome?" This emerging view of knowledge understands that the networks for knowledge management are "communities of practice" and that community building is therefore inherently central to the CKO's job.

3. *How do you build knowledge communities?*

Botkin stated six realities for building knowledge communities:

- Put a networker in charge of building specific communities
- Identify existing communities
- Anchor the community building effort in daily work
- Recognize that any user who has to go to an extra step to record knowledge will not do so
- Emphasize lifelong learning, and
- Provide some reflection time for people to figure out where they are and where they are going.

4. *What is the best approach to measure?: "Don't, Save or Grow."*

Botkin feels it is critical to show the business value of knowledge initiatives. He outlined the three current approaches to measurement. Subscribers to the "Don't Measure" approach feel that measurement is non-productive at this stage. Leif Edvinsson has said measurement can, at best, can be called "me-assure." This means that the real role of measures is to reassure managers rather than provide real navigating information. Despite this, Botkin advocates measurement where possible.

"Savings" is the second approach and a starting point for measurement. For example, Dow Chemical saved \$40 million per year in patent management costs.

The third, or "Growth" approach, demonstrates how knowledge enables growth. Botkin links this to the theme "Grow your knowledge business." Some measures used in this approach reflect how an active knowledge initiative helps build new revenue streams and the degree that winning proposals was enabled by use of the knowledge resources.

5. *What is the role of tools and technology?*

Botkin acknowledged the value of tools and technology but with the caveat that the bulk of knowledge management is not grounded in technology. He quoted Larry Prusak, of IBM, who said that: "If the knowledge management budget is greater than 30 percent for technology it is not a knowledge management project but an information technology project."

Botkin points out that in the end, he sees culture trumping technology. More than technology, he has found that a culture of continuous learning and valuing of experience makes the difference whether the knowledge initiative will be a success or not.

Who and What Should be Driving Your Knowledge Initiative?

A panel of knowledge leaders from Hallmark Greeting, COIL, Lockheed-Martin and Motorola had a variety of perspectives on whether and how knowledge management initiatives can be driven.

Jon Love, (www.jonlove@hughes.net) of COIL, said that any successful knowledge management initiative has to have practical impact on the way people work. Love also said the initiative must be understood as a "knowledge ecology" - a complex interaction with many factors and emerging properties. "Unless you approach your initiative from the ecology perspective you will lose." Love asserted that communities are creators and holders of knowledge.

Rebecca Phillips, of Motorola, Inc., discussed the use of Motorola's "Compass" on its web site. She said the challenge is that, "Everybody is involved in knowledge management but nobody knows what each other does. We don't know who the players are or how to they define knowledge in their communities."

Pat Margulies, of Lockheed Martin Corporation, cited other critical requirements in designing and managing the system are security and the need to protect intellectual property as well as meeting government requirements.

Tom Brailsford, (tbrail@hallmark.com) of Hallmark said: "I hate the term drive. You don't drive people anywhere. You facilitate. It is better to see what we are dealing with as complex and that we use systems-biological metaphors." Brailsford sees knowledge-sharing communities as self-organized, based on self-perceived need.

There is no Chief Knowledge Officer at Hallmark. Cells are organized throughout the organization. He sees his role as setting up knowledge-sharing communities across barriers, and likens his role to that of an air traffic controller. "The driver is revenue. We believe it is the source of income and creativity."

Jon Love commented "You can drive knowledge with no great success. The age of driving an organization is over. The question is facilitation." He added, "There is no one answer to what drives value as well. Who or what is involved in creating business value through knowledge depends on so many factors that the question must be answered in a specific organizational and specific context."

Love continued, "It doesn't matter who heads knowledge management initiatives. However, each initiative needs four architecture characteristics: social, business, technical, and the knowledge architecture itself." As to where to begin, Love commented, "Find whatever competence or discipline in the organization that is going through the most change in the marketplace. That is the best community to start with."

One session participant gave an interesting caveat against the temptation to put another layer of technology on existing organizations and then thinking one has solved the knowledge problem. Her provocative equation was: Old organization + new technology = old-expensive-organization.

Knowledge Initiative Links Strategy to Implementation at Shell Exploration and Production Company

Brian Trulove, Manager of Knowledge Systems (www.bdtruelove@shellus.com) at Shell Exploration and Production Company (SEPC) reviewed the changing nature of the knowledge initiative at SEPC. Shell is known for strategy but there has been a gap from strategy/planning to implementation. The goal is to become a knowledge-powered organization with the knowledge management strategy tied to its business needs.

Trulove said, "We have to understand what the business needs are. By engaging leadership we came up with knowledge management as our answer and we found out how this will work for Shell."

A key message that Trulove communicates to his colleagues is, "We are more alike than we are not alike." Shell makes a point of sharing successful practices, not best practices, which Trulove believes reinforces the sense people are more alike than not.

The extent to which the energy industry companies share knowledge is far more than people outside the industry realize. "Within the oil industry we are getting together for knowledge exchange. Why would you help your competitor? A lot has come from working together. We each have specific tools to move what is needed in a strategic vision matrix. Furthermore, we often partner together on oil exploration and need an understanding of each other."

A major benefit of knowledge management to Shell has been the enhanced ability to have flexible resourcing. "More and more people are saying 'I don't want to go' (i.e., relocate) even though we still have a need to relocate people. We have been finding that there might be other ways to satisfy our capability needs. If there is a global network of experts that can be called upon when needed, we have more options."

Trulove noted that the area of intellectual capital management is very important at Shell. Shell recognizes it must deal with issues of expert compliance. As a result a significant element of Trulove's job is managing lawyers. Trulove, as the knowledge management person, is the go-between for business users and lawyers who need to determine which technologies to protect and which to share.

Trulove has found that knowledge is socially embedded, with communities of practice essential in all knowledge domains. He has also found that different communities share different kinds of knowledge differently. For example, the first place IT people go find answers is in the IT community. They have a coordinator who is their "live link." Since different disciplines digest in different ways, he has come to believe that it is often wasteful to offer new knowledge indiscriminately to broader audiences. To assist in the development of communities of practices, policy guidelines and an extensive communities of practice toolkit are available.

As a global enterprise, Shell came to recognize that a global network model was necessary for it to be successful. The model was set up with a full time global facilitator who links local networks of twenty to thirty people. A hub network is

made up of hub coordinators who are, in turn, leaders among the hubs as well as their local networks.

Knowledge Management at The World Bank

Peter Midgley, Knowledge Management Officer (pmidgley@worldbank.org) at the World Bank, discussed the evolution of the knowledge management initiative at the World Bank. Since the knowledge management initiative was begun in September 1996 a number of major transformations have taken place:

- Management adopted a knowledge management sharing strategy. The World Bank is using knowledge management as a way to redefine how it does its business, with the core principle of making what is known easily accessible.
- The Bank's culture has moved from being one that saw it needed to operate at arm's length from its own staff and customers to one that where Bank staff are engaged with each other and customers-clients.
- The Bank has actively moved become a network of communities. These communities are thematic groups organized by a country and tasks. They draw on expertise across and outside the organization. Not all teams are permanent, but are formed based on new client issues that draw participation from all thematic groups.
- Technology has been employed to allow access to knowledge content.
- A budget for knowledge management was instituted, sanctioning a core staff and resources to support the Bank's communities. The knowledge management budget went from \$0 to \$57 million in 3 years, indicating its growing value to the Bank and its clients.

The Bank has greatly grown its knowledge warehouse. At the same time it changed the configuration of who can participate in the knowledge community. Teams can now include clients, partner, consultants and the public. Partnerships were started with a focus on building the knowledge base but have since shifted to building a knowledge community.

The Bank, like most organizations, is still grappling with establishing metrics for its knowledge effort. It frames its measurement effort by using a continuum of: Inputs (the budget) > all activities > outputs > client use > outcomes. It found it is easiest to track the inputs and specific activities, but most difficult to meaningfully measure the outputs, or actual differences that knowledge management has made for Bank clients.

An experimental effort at measuring is a pilot in which a community is mapping its own knowledge. Pilot participants are mapping particular subject areas,

determining sets of priorities, noting current capabilities, and defining the difference/gap between its capabilities and what is necessary to respond to project needs. They started out impressionistically, with mostly tacit judgments. With more experience the participants are gaining a sense of the existing and needed knowledge stock. Tacit knowledge is surfacing to provide explicit information and standards.

Another reference point for measuring effectiveness are the "knowledge fairs" that the World Bank has staged for the last two years during annual meetings. Delegates have enthusiastically responded to the open access these knowledge fairs provide. While this spirited approval is not equal to client satisfaction, it indicates the effectiveness and new relationship the Bank is developing with its partners.

A third input of measurement lies in the domain of storytelling. The World Bank has come to increasingly storytelling as an indicator. The Bank has a growing repository of its own stories of rapid response, collaboration, and change in its knowledge database. It has found that these stories capture the emotional experience and convey the new way of working and transformation better than any other modality.

To learn more about the World Bank's efforts visit the website at: www.worldbank.org/km.

Measuring What Matters

At the **Measuring What Matters** session panelists **Scott Hawkins**, Open Business Exchange Partner of Skandia (shawkins@skandia.com), **Stan Kwiecien**, Best Practices Coordinator at Ford Motor Company, and **Don Tyler**, (dtyler@valuesalignment.com), Managing Partner at Values Alignment.com discussed different perspectives on measurement.

Kwiecien said that measurement is part of culture. Each community determines what measures they want to be measured upon. Measurement is important for communities of practice. It is important that these measures represent their value to management.

Ford's position on how to decide what matters is "... what matters to the community." For that to be a real measure, the organization needs to develop authentic communities. It has developed the process for launching communities, and measurement has developed as part of that process. An indicator of Ford's

success is that it has determined a value for its processes for creating communities of practice and will license its process on a fee basis.

Don Tyler felt it was central to measure the culture by measuring the values of leaders and the values that are inherent in organizational policies and practices. Tyler measures 125 values to get a good measure of culture, and then compares the company's values with its customers' values.

Scott Hawkins, of Skandia, remarked that Skandia operates as a decentralized global federation of 24 companies around the world. In this configuration, measures are designed to be appropriate for each company's local environment.

Skandia has noticed certain emerging trends:

- Younger organizations wanted to know more about customers
- Middle-aged organizations (8 + years old) had a human and process focus, and
- Mature organizations (10 + years old) are concerned with Reno and development.

One of the things Skandia felt they needed to do was advise its internal companies to start paying attention to measures earlier on. That is, younger organizations should start paying attention to human and process focus, middle-aged organizations to renewal and development. It is encouraging all of its companies to initiate leading indicators that demonstrate they are building capacities for the future. Two of these indicators are the number of product co-developed with customers and the number of customers visited, a reflection of the ongoing process of cultivating relationships

Melissie Rumizen, of Buckman Labs, commented that the significance of measure can be seen if the measures helped make an important decisions and actions. She suggested starting "with what's important and secondly, what it is that is driving value. She also advised developing a process of developing measures. "Don't start with a laundry list of measures. Have a process view of measures."

Conclusions:

The range of knowledge initiatives has wide variances but also has some common conditions and concerns. In common are that practitioners:

- Need to advocate the pivotal role and value of their knowledge initiative to their organizations
- Actively link the initiative to the strategy and implementation of business practices is key

- Create the environment in which these initiatives can be the most robust and powerful is equally important.

Networks of communities of practice are being recognized as the vehicles, new knowledge sources and testing zones for knowledge based organizations. Their nurturing and structuring is coming to be of major significance across all knowledge initiatives. The quest for reflective measurements is essential but meaningful measures remain an elusive achievement in the knowledge field. Yet, the significance of measures is understood. As Scott Hawkins of Skandia put it, "Measures define you as a company and as an individual."

There is no doubt that the field has advanced over the past year. Despite this, the value of knowledge initiatives to senior leadership remains cloudy. Enterprises are tempted by technological "solutions" but it is not be enough to only improve with more sophisticated technology and structures. It is incumbent that practitioners and other leaders of the field ensure that the value of knowledge initiatives is clearly demonstrated to senior leadership and placed as a prime framework to ascertain value and best vehicle to navigate in the emerging knowledge era.