Chapter 1.9
Keeping the Flame Alive:
Sustaining a Successful Knowledge Management Program

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EXECUTIVE SUMMARY

This case study looks at how to keep a knowledge management initiative going after it has been successful for a couple of years. This organization found that continuously measuring benefits from the knowledge management system and keeping the knowledge in the system fresh and relevant were key to long-term success. However, achieving this was difficult as improving quality added more work to the already-busy managers and measuring worth was difficult.

INTRODUCTION

Michelle Johnson was in a reflective mood. As director of System Management Solutions International's (SMSI) knowledge management staff, she had led a two-year project to turn the firm's experimental use of groupware into a viable and important corporate asset. Her vision of a technology-driven resource for sharing the corporation's expertise was in operation.

These first two years focused on the start-up issues that had stymied the knowledge management (KM) projects of others. Her team had managed to find a combination of formal and informal incentives that stimulated hundreds of staff members to share their experience with others around the firm. The technology architecture to connect the firm's worldwide offices was in place. Finally, senior management support for the effort was, for the moment, sufficient to fund the current effort.

Now she needed to consider what was next for the program. The satisfaction Ms. Johnson felt over the successful integration of KM techniques into the company was tempered by concerns about the program's future. Surveys showed that staff satisfaction and participation was quite high, and user feedback about the quality and breadth of the KM system was positive, though not as high as earlier in the year. There was particular uncertainty about

the attitude of SMSI's partners, who paid for the program but did not receive the direct knowledge benefits seen by the field workers.

The planning for future KM activities at SMSI needs to focus on sustaining the momentum and effectiveness of the program as the firm moved from a booming consulting industry to one where projects were becoming more scarce. Thus, the critical issue becomes maintaining the current success of its KM initiatives and system, given both external and internal changes.

BACKGROUND

SMSI, founded in the early 1970s, is a publicly held business consulting and IT services firm. During the last three decades, the firm has completed tens of thousands of engagements, ranging in intensity from a few staff weeks to hundreds of staff years. While technology implementations were still the main focus of the firm, its expertise in change management and specialized content areas (e.g., human resource management, government operations, financial reporting) have become an important part of the firm's portfolio. By most measures, the firm has been very successful. Gross revenues of the firm have grown steadily since its founding, reaching $1 billion in the late 1990s. In parallel, staffing has grown from about 4,500 employees in 1994 to almost 9,000 by the end of 1999 (Figure 1).

SETTING THE STAGE

The Resource Structure of SMSI

SMSI is organized around lines of business and geographic regions. Within each region, it followed what is more or less a prototypical staffing model, consisting of three professional levels. Consultants are the "worker bees" responsible for the execution of specific tasks. Managers, the next level in the organization, organize, instruct, and review consultant work as well as develop work that requires more experience. Partners, at the high end of the structure, are responsible for leadership of major projects, define strategy for the firm, develop business opportunities, and maintain client relations. These three roles are "the grinders, the minders, and the finders" of the consulting business (Maister, 1997). These professional roles are backstopped by a support organization that sustains the day-to-day operations of the firm.

Figure 1. SMSI revenues and staffing
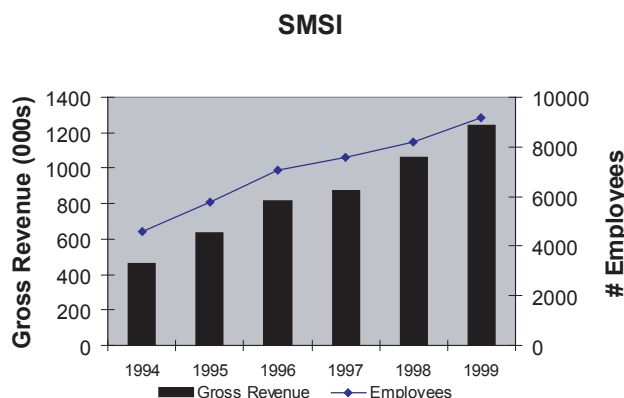
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