Towards a Knowledge-Sharing Organization: Some Challenges Faced on the Infosys Journey

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EXECUTIVE SUMMARY

The ascendance of knowledge as a key competitive differentiator has, in recent years, elevated Knowledge Management (KM) to the status of a management discipline. On the ground, however, the success record of KM efforts has however been somewhat patchy – while the intention has rarely been misplaced, the most common stumbling block has been the creation of an architecture that is honed to the specific business and cultural context of the organization. “Solutions” and “frameworks” that purport to be generic and are oversold by their vendors have not helped this situation - organizations that have taken such excessively simplistic approaches have often found to their consternation that they are utterly unable to realize the vaunted benefits of managing knowledge well. Thus, fashioning a knowledge-sharing architecture is clearly an exercise that is far from trivial – it needs to address several challenging questions on each of the four major dimensions of culture, process, content and technology, and find answers that resonate closely with the needs, expectations and mindset of the organization. Infosys Technologies Limited has been named a winner of the 2002 Asian Most Admired Knowledge Enterprise (MAKE) Award (Chase, 2002), and has been featured among the finalists for the Global MAKE award for the last two years. The company has conceived, developed
and deployed internally an architecture for KM that aims to take the company to a “Learn Once, Use Anywhere” paradigm. We recount in this case study the Infosys KM journey, with a specific focus on the challenges faced.

ORGANIZATIONAL BACKGROUND

Infosys Technologies Limited (NASDAQ: INFY) is an IT consulting and software services organization headquartered in Bangalore, India. Its U.S. headquarters are in Fremont, CA. Founded in 1981, the company has grown at a compounded rate of 70% over the last decade. The company primarily services Fortune 1000 clients located in North America, Europe and the Asia-Pacific. Infosys has consistently been rated among India’s leading wealth-creators, and recorded a net profit of $164 million last year, representing 30% of revenues. The company operates globally, with eight development centers in India, five in North America, and one each in the U.K., East Asia and Australia. There are marketing offices in about a dozen other countries.

The quest for excellence has been ingrained in the company’s cultural fabric from the early stages. The company pioneered the Global Delivery Model for development of customized software solutions, which is based on the principle of taking work where it can be done best, makes the most economic sense, and with the least acceptable risk. The company has been assessed at Level 5 of the SEI CMM (Capability Maturity Model) in 1999, and at Level 5 of the PCMM (People Capability Maturity Model) in 2002. The company has also been accorded a number of other recognitions in the fields of corporate governance, financial reporting and human resource management. The company is a winner of the 2002 Asian Most Admired Knowledge Enterprises (MAKE) Award, and a finalist for the Global MAKE in 2001 and 2002.

Structurally, the company is significantly Bangalore-centric. The Chairman, CEO, COO and other fulltime members of the Board sit at Bangalore, except for one who sits in Boston. Corporate functions such as Finance, Planning, Marketing, Quality, HR, Education & Research and Information Systems are based at Bangalore, with small teams at each development center (DC). The members of the corporate function at the DCs report primarily to the respective functional Head at Bangalore, with a dotted-line reporting to their DC heads.

The software delivery apparatus of the company is organized by Geos (geographical units), IBUs (Integrated Business Units), and a few units that each focus on a single global client account. A Domain Competency Group (DCG) exists and is charged with building expertise in vertical domains, such as manufacturing, retail, financial services, etc. This domain knowledge is vital to the company’s ambitions of delivering solutions and services that strike closer to the heart of client companies’ business. An organization called SETLabs exists for the purpose of addressing the building of competency in horizontal technology areas, such as Enterprise Architecture, Infrastructure, Performance and Security. The Geo Heads typically sit at appropriate locations within their respective geographies (some sit at Bangalore too). The IBU and global client account heads sit at multiple locations across the globe.

The company has extensive infrastructure to support learning and development. The corporate campus includes a 120,000 sq. ft. Education & Research (E&R) center and a 50,000 sq. ft. Management Development Center. The company also has a Leadership