Chapter 28
Knowledge Management Policy

Avadh Narayan Yadav
ICAI, India

ABSTRACT

In the knowledge economy of present times, managing knowledge has become the prime concern of almost all the organizations in the world. The organizations in this recessionary time are realizing that the optimum utilisation of knowledge and knowledge resources could help them sail over the current economic crisis. The thrust is on creating, using, transferring and collaborating knowledge within the organization. This chapter aims to present a practitioner overview of the challenges and growing strategic importance of knowledge management (KM) in the organizations. The introduction of the chapter provides reasoning for adoption of KM and explores the concept of knowledge and KM, followed by outlining the framework of KM for implementation by the organization. A section in this chapter also provides detail of the KM policy framework and generalized approach for KM policy adoption. The chapter includes explanation on the tools and technology for KM with recommendation and suggestions for its successful implementation. The chapter closes by providing focus on future trends in KM.

INTRODUCTION

Knowledge management, popularly known by its acronym KM, as is known today, seem to have matured over the past two decades. KM was initially introduced as one of the productivity and quality improvement tools by the private sector companies and was treated as merely the latest in the list of acronyms like Business Process Reengineering (BPR), Enterprise Resource Planning (ERP) and Supply Chain Management (SCM) etc. The concept of knowledge was understood by these companies as a "competitive advantage of the firm" and "knowledge capital".

One of the primary reasons for the development of KM has been due to the emergence of information and communication technologies (ICTs), Internet and Intranet technologies and

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emergence of knowledge worker and the knowledge economy. The initial KM interventions in the organization focused primarily on information systems followed by web technologies. The information systems can capture, process, store and disseminate information. But the intelligent processing of information by the system, as a human mind can apply while doing work is missing. The intelligence in the information systems is programmed and do not renew like a human mind at work. Therefore, KM becomes necessary to provide right information and knowledge available to the right people at right time. The most compelling reason for the organizations to focus on KM can also be attributed to globalization and competition among organizations, where factors like cost, services, timeliness, environmentally friendly products and services and economic recession compelled organizations to relook at KM strategies. In order to counter the limitation of technology, globalization and recessionary market the organizations have started adopting KM practises and continuously unlearning and relearning the ways of knowledge creation and knowledge sharing within and outside the organization.

The first step towards adopting KM strategies by the organization comes about through developing and implementing KM policy. The KM policy must be in structured form in order to leverage knowledge for improved productivity, growth and sustainability of the organization. The main objectives of this chapter are to provide an outline of KM framework, discuss KM tools and technologies and highlight the activities related to KM policy framework.

BACKGROUND

The practice of managing knowledge is centuries old. The concept of knowledge has been discussed for centuries and in the works of the ancient Greek philosophers, knowledge originates with people. Knowledge, centuries ago was informally passed through practice and work among people, institutions, families and disciples. Vedic scriptures and religious scripts of the eastern world are an oldest form of KM. In principle, the organizational constitution generally reflects concern for knowledge transfer among the stakeholders in the organization.

The concept of KM can be understood by knowing the origin of DIKW (Data, Information, Knowledge and Wisdom) hierarchy as presented by Sharma (2004). He highlights the first appearances of the hierarchy in both the KM and information science domains. Similar references to DIKW hierarchy were made by both Zeleny (1987) and Ackoff (1989) in the KM domain. The relationship between data, information, knowledge and wisdom form a pyramid. The pyramid has data as its base, followed in the hierarchy by information, then knowledge, with wisdom at the top. Figure below shows the relationships between data, information knowledge and wisdom.

Data: Data can exist in a variety of forms, as numbers or text on pieces of paper, as bits and bytes stored in electronic memory, or as facts stored in a person's mind. Strictly speaking, data is the plural of datum, a single piece of information. In practice, however, people use data as both the singular and plural form of the word.

Information: Information is data endowed with relevance and purpose. It has meaning and it is organized for some purpose. Information for

Figure 1. DIKW pyramid