

Chapter 6.30

Managing the External Provision of “Knowledge Management” Services for Projects

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ABSTRACT

Knowledge management has largely been considered from the perspective of internal generation. It is posed that external provision will increase due to the diversity of problems and scarce resources, the arising issues being explored through a case study. The aim is to explore this process for construction projects. It will be shown that the successful delivery of knowledge services for the construction industry depends upon the way in which the provider conducts its marketing and the operation of gatekeepers in the project organisation. These issues are explored in relation to the main concepts and theories, applying and evaluating these through the case study approach.

INTRODUCTION

This chapter explores the issues for knowledge management where the knowledge and the application are derived in one organisation and used in another—the external provision of information and knowledge management services. The aim of the chapter is to explore this process for construction projects. It will be shown that there are particular issues to be addressed in the successful delivery of knowledge services for the construction industry, specifically the role of marketing and the operation of gatekeepers where the project is the main means of delivery. These issues will therefore be explored within the project working environment, bringing to bear the main concepts

and theories, and applying and evaluating these through a case study approach.

LEARNING OBJECTIVES

This chapter provides the opportunity for:

1. Analysing the issues involved in the external provision of KM.
2. Gaining an understanding of the gatekeeping role of the knowledge manager in the user firm.
3. Securing a knowledge of the marketing requirements of the supplier in external knowledge provision.

BACKGROUND

Nonaka and Takeuchi (1995), following Polanyi (1966), have classified knowledge as being explicit or tacit. It has been argued that specific strategies and processes are needed to make tacit knowledge explicit and to manage that knowledge to the benefit of the organisation (Teece, Pisano, & Sheun, 1997). The process of developing competencies and capacities to achieve these requirements has been divided into four areas of organisational activity (Leonard-Barton, 1995):

- Shared creative problem solving
- Integrating and implementing new methods and adopting new tools
- Formal and informal experimentation
- Learning outside of the organisation

This chapter focuses upon the last of the four areas—the external provision of learning. For external provision from one organisation to another, the knowledge has to be made explicit and managed in such a way that it can be marketed and sold either as a knowledge management

service package or a bespoke service to meet specific needs. This is an important and under-researched area in industry and in the whole sphere of knowledge management. The external provision of knowledge management services for problem solving is likely to increase. The strategy for an organisation demands choices, which precludes options, hence the allocation of resources in support (see, for example, Mintzberg et al., 2002; Johnson & Scholes, 2002). KM may not be a strategic area for investment, but even where it is, there are two primary reasons why external KM provision will increase:

1. The specific processes selected by any one organisation to realise knowledge management and organisational learning objectives inherently limit the range of knowledge that can be captured, managed, and successfully applied.
2. There is a high cost to the generation of knowledge and learning, so efficiency of generation is likely to be maximised by those specialising in certain areas of expertise and bodies of knowledge.

Strategies and specific processes provide direction for a firm, which provides the context for knowledge management and organisational learning pursuit both in overall emphasis and the specific areas in which it can be maximised. Other aspects of learning and knowledge management will therefore take second place or be excluded. Hughes and Kao (2001) also demonstrate that there can be advantages to acquiring external information rather than developing it in-house in an integrated way (cf., Shavell, 1994). These include speed and cost of provision, as well as potentially effective solutions mobilised from a different resource base.

Cost, the second issue, will relate to the above in that budgets and spending will be focused upon the areas of strategic preference. The areas where

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