

# Knowledge Management Portal and Its Effectiveness Towards Organisational Competitiveness

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## Introduction

"The basic economic resource is no longer capital, nor natural resources, nor labor. It is and will be knowledge."

— Peter Drucker

A nation's standard of living is increasingly dependent on the competitiveness of its firm. Competitiveness is vital if the nation's firms are to take advantage of the opportunities opened up for them. Knowledge management Portal (KMP) has become the latest strategy in increasing organizational competitiveness. It is the most innovative, creative, and important management concept.

The systematic process of creating, maintaining and nurturing an organization to make the best use of knowledge to create business value and generate competitive advantage

KM is the process through which organizations generate value from their intellectual and knowledge-based assets. Most often, generating value from such assets involves sharing them among employees, departments and even with other companies in an effort to devise best practices

Organisations are facing ever-increasing challenges, brought on by marketplace pressures or the nature of the workplace. Many organisations are now looking to knowledge management Portals (KMP) to address these challenges. Such initiatives are often started with the development of a knowledge management strategy. To be successful, a KM strategy must do more than just outline high-level goals such as 'becomes a knowledge-enabled organisation'. Instead, the strategy must identify the key needs and issues within the organisation, and provide a framework for addressing these.

Every organisation has a unique environment, defined by factors such as:

- Purpose and activities of the organisation, Organisational history
- Overall strategic direction
- Organisational culture
- Size of the organisation
- Geographic spread, Marketplace factors
- Staff skills and experience, Available resources and

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For this reason, each organisation has a unique set of needs and issues to be addressed by knowledge management. It is easy to jump into 'solutions mode', recommending approaches such as communities of practice, storytelling, content management systems, and much more.

While these approaches may have widespread success in other organisations, they will only succeed in the current environment if they meet actual staff needs. In practice, organisations are littered with well meaning but poorly targeted knowledge management activities. In many cases, these failed because they simply didn't address a clear, concrete and imperative problem within the organisation.

The concept of the knowledge society is often used to denote a development in or second generation of the information society. Whereas the information society aims to make information available and provide the necessary technology, the knowledge society aims to generate knowledge, create a culture of sharing and develop applications that operate mainly via the Internet. The goal of the knowledge society is to fill societal needs, create wealth and enhance the quality of life in a sustainable manner. In order to do so, knowledge management is needed.

Knowledge is an asset for organizations. In order to identify intellectual or knowledge-based assets, their function and role must be evident.

Some knowledge assets are explicit and some are tacit. Explicit knowledge assets include demarcated assets such as patents, trademarks, methodologies, procedures, business plans, marketing research, customer information and brands. Tacit knowledge assets are more elusive and include, for example, sales experience or innovation. Whether explicit or tacit, not all information is of value to the organization. In the assessment of its intellectual assets, each organization must determine which information meets the requirement of adding value.

Knowledge Management is one of the 'critical success factors'. Identifying the needs within the organisation, and then design the activities accordingly. Hence KM acts as a vital tool towards gaining organisational Competitiveness

### **Session 1: KM Methodology**

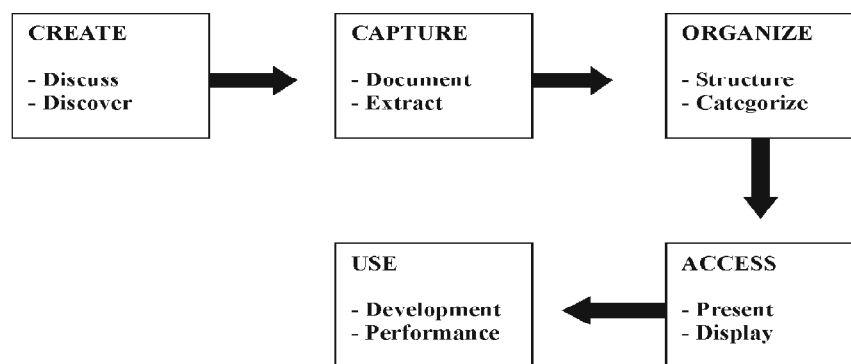
Knowledge is what I know;  
Information is what we know.

Knowledge has become the key driving force in the present day world. It is generally believed that the only source of competitive advantage in future will be the knowledge. Therefore, in this newly emerging environment, organisations are required to develop successful knowledge strategies, not only to compete and win in the market, but to achieve sustainable competitive advantage; this is possible only through KM Portal

"Culture is the integrated pattern of human behaviour that includes thought,

speech, action and artifacts and depends on man's capacity for learning and transmitting knowledge to succeeding generations' To create a knowledge sharing culture we need to encourage people to work together more effectively, to collaborate and to share. Technology plays a crucial transformational role and is a key part of changing the corporate culture to knowledge sharing one.

In many ways it is technology that has been made knowledge sharing a reality – In the past it was impossible to share knowledge or work collaboratively with co-workers around the globe. Today it is a reality If implemented well and if people are trained and educated in its use, Knowledge sharing technology is good.



Interest in knowledge **creation** within organizations is growing at an astounding rate. One of the reasons for this is that knowledge is depreciating ever more rapidly in the fast-paced competitive markets of today. "The amount of time to exploit superior organizational knowledge has shrunk considerably". Creativity is the essential factor that can enable new and established organizations to meet this new challenge by adding value. Today, innovation is central to the long-term viability of organizations and can be achieved by pioneering technologies, new processes and integrated business concepts.

Knowledge creation and innovation require creativity, which itself has to be managed. Creativity is a potent force

within organizations today in their efforts to achieve higher productivity and gain a competitive advantage. Creativity is a highly effective skill in the rapidly changing and complex world of today in which more valuable and apt alternatives to conventional problem-solving methods can be found.

Psychologists have long debated the nature of creative thought and behaviour and their conclusions with regard to the thinking processes inherent in creative behaviour are relevant in the present context. In order to understand creativity better, it is important to differentiate between divergent and convergent thinking. Divergent thinking moves outward from the problem in a variety of directions and can lead to various results.

By contrast, convergent thinking moves directly forward from a number of possible solutions towards a single, specific outcome.

The most effective way to create knowledge sharing culture is first to start practice at your level. The higher up the organisation the more effective you will be changing the culture but even if you are low down the hierarchy, you have an influence. Put in place the knowledge sharing technology and train and educate people in its effective use. The two together, People with appropriate knowledge sharing mindset and the appropriate knowledge sharing technology to support them.

Once the knowledge is created, **Capturing** takes place where in the knowledge database is created and all necessary data is been stored in the form of documents, Case studies and in various formats to be presented in usable format and there by making use of knowledge in the broader context.

Organizations receive massive amounts of information on a daily basis that they must gather, **categorize**, interpret and disseminate efficiently (Egan, 1998). Data such as sectoral news or market trends first comes in and needs to be captured. This process must be supported by established procedures of reporting, editing and publication. Filtered information must then be organized in maps. Mapping organizational knowledge is the most crucial activity in providing users with practical access to information.

A good knowledge map is a necessary but expensive component that is beyond the financial reach of some organizations. Nevertheless, such organizations can take advantage of the knowledge market as knowledge can be mapped simply by following customer needs and demands. A reasonable knowledge map can be derived based on customer feedback, on an ad hoc basis. Although such a map could appear irrational, it is still more helpful to a user than a hypothetical knowledge model best understood by its creators but rarely implemented in full.

In order to follow the knowledge market, knowledge managers need to listen to their knowledge clients in order to ensure that the knowledge that they make available is as attractive and accessible as possible. The key is to observe knowledge requests and determine the specific conditions under which they are made. For example, an organization that manages a knowledge network of external experts with clients who call for expert referrals is likely to find that clients and experts do not always use the same terms and this situation could cause duplication and inconsistency. The design of knowledge maps that ensure useful and accurate categorization could significantly reduce this risk.

In certain situations, it can be more than threatening for a worker to introduce knowledge into systems and actively search out that which others have introduced. It can also require a substantial

amount of time and effort. Therefore, people need to be highly motivated in order to undertake such work. It is only when a knowledge manager adopts the principle of **knowledge sharing** for the whole organization that knowledge is shared and reused spontaneously.

Knowledge, in addition to being shared between employees, must be distributed by an organization to its employees. The dissemination of knowledge has a massive impact on the formation of **competitive advantage**. It is broadly agreed that in order to ensure the proper dissemination of knowledge it is necessary both to lubricate communication and nurture the right organizational culture (Gupta, 2002). Knowledge managers, who are responsible for knowledge processes, can lubricate communication through the implementation of technologies and operations and by stimulating collaboration. When knowledge is efficiently disseminated, individuals throughout the organization gain access to important strategic ideas rather than merely retaining knowledge, and consequently, organizations gain the ability to make decisions with impact. The ability of an organization to make and execute decisions rapidly can be dramatically enhanced by very simple practices, such as ensuring that employees have direct access to one another rather than requiring them to go through upper management. This means that those who have the most valuable knowledge can share it with those who will derive the greatest benefit from it.

Some organizations are beginning to evaluate and reward personnel who share and use knowledge. Such as IBM, Infosys, Buckman laboratories, Accenture, etc

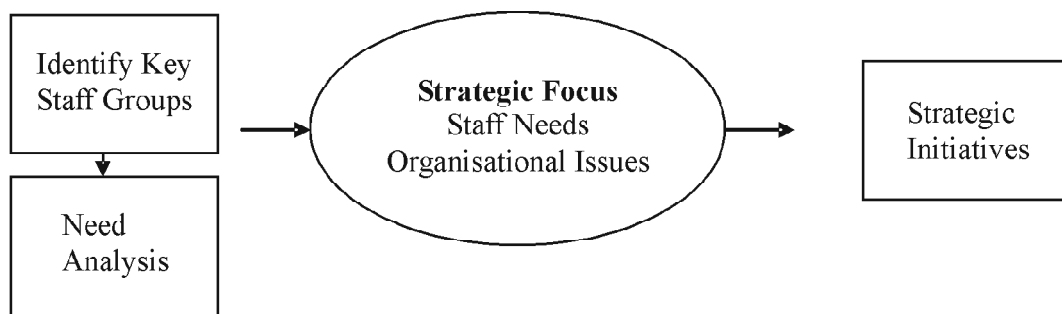
Knowledge, in addition to being shared between employees, must be distributed by an organization to its employees. The dissemination of knowledge has a massive impact on the formation of competitive advantage. It is broadly agreed that in order to ensure the proper **dissemination** of knowledge it is necessary both to lubricate communication and nurture the right organizational culture. Dissemination also requires the transformation of highly individualized tacit knowledge into more widely shared explicit knowledge.

It is not the organizations which own the best knowledge that achieve competitive advantage but, rather, those that make the best **use** of it. In order to make the best use of knowledge it should be fully applied to the activities of the organization and this would require that all the other knowledge processes, namely, creation, dissemination and sharing, should be taking place. However, some organizations suffer from a "knowing-doing gap" and, instead of taking action, conduct an excessive number of briefings, discussions and planning sessions. In such passive cultures, it is more common to reward fine words than the objective outcome, and project managers are often more interested in available knowledge than productive knowledge

## Session 2: KM Strategy

Developing a knowledge management strategy provides a unique opportunity to gain a greater understanding of the way the organisation operates, and the challenges that confront it. By focusing on identifying staff needs and issues, activities and initiatives can be recommended with the confidence that these will have a clear and measurable impact upon the organisation.

To be successful, a KM strategy must do more than just outline high-level goals such as 'become a knowledge-enabled organisation'. Instead, the strategy must identify the key needs and issues within the organisation, and provide a framework for addressing these.



Knowledge management strategies and drivers must be reviewed from a human resources perspective. The human resources management department assists the leadership of an organization in identifying the sources of the required knowledge and the best way to capture it, as well as assessing mastery of knowledge among employees and determining the benefits of that assessment to the organization. It also establishes the link between organizational strategy and employee knowledge, identifying needs and narrowing gaps.

Analysis of strengths, weaknesses, opportunities and threats (SWOT analysis) provides a model for the identification of knowledge needs. Such an analysis can contribute to pinpointing fundamental

challenges, such as reducing errors or improving decisions. In order to identify knowledge gaps, organizations compare the actual knowledge of employees with the knowledge required of them.

Training opportunities are identified and future recruitment may be aligned to the strategic plan of the organization. The recruitment and training processes can narrow knowledge gaps efficiently and contribute to the formation of a work force in harmony with the strategic plan of the organization.

The mission and vision of the organization, together with the job definitions provided by human resources management, contribute to determining whether the knowledge to be managed is

for the most part tacit or explicit. Specific relevant knowledge management and human resources management strategies must be established accordingly.

A human resources management initiative that seeks to accomplish alignment with knowledge management strategy would need to re-engineer performance management processes. Human resources management should review the performance indicators used to measure employees through performance appraisal, the consequences of falling below or above those indicators in terms of compensation and rewards and, also, the factors that drive career progress.

For example, a knowledge management initiative that includes the implementation of a web-based customer system requires the involvement of human resources management for the design of a communication plan and training programme. The human resources management department can also help in negotiating changes in job descriptions with employees in addition to schedules, remuneration and performance assessment.

Knowledge management can be considered successful if employees understand how corporate knowledge adds value, how it is created, and why it needs to be managed. The role of human resources management can be summarized as follows:

- (a) Training and developing knowledge workers;
- (b) Developing managers and team leaders as knowledge coordinators;

- (c) Building a knowledge-sharing culture.

### **Session 3 : Research Work Conducted to determine the KM Effectiveness towards organisational Competitiveness**

#### **Objective of the Study**

1. To study the effectiveness of Knowledge Management Portal (KMP) implementation in an organisation
2. To study the contributing factors by KM towards Organisational Competitiveness
3. To find the extent to which technologies, practices, tools and process help the organisation to generate, organize and leverage knowledge

#### **Research Methodology**

<b>Research Design</b>	Exploratory Research Design
<b>Sampling</b>	Unit: IT Organisation Size: 100 5 Leading IT Organisations who implemented Knowledge Management Portal were chosen for the study and 20 Project Managers from each organisation was surveyed Method: Judgment Sampling
<b>Data Collection</b>	Questionnaires

## Major Findings

1. 52% of the Respondents approach Co-worker for gathering information for immediate solving of the problem
2. 78% of the Respondents say that the reason for contacting the co-worker for solving the problem is due to Faster pace in getting the information.
3. Majority of the Respondents (51%) says they use 40 – 60% of Explicit Knowledge (Documented/Codified) followed by Tacit Knowledge
4. 56% of the respondent says around 80-100% knowledge sharing culture exists among the team members than sharing among the teams
5. Majority of the Respondents (33%) says Problem Solving skill is developed to a large extent when using KM portal followed by Decision-making Skill (29%) and General Business Knowledge skill (22%)
6. Majority of the Respondents (39%) says they are interested to share Case studies in KM portal for helping others to solve the problem followed by Web sites and Book of Knowledge.
7. 48% of the Respondents **Strongly agree** that Corporate Intranet is the best Tool to share the knowledge followed by Brain Storming Session and Web Portals.
8. 62% of the Respondents say **Important** as Reason for using KM portal is, to ease collaborative work of projects followed to improve the use of knowledge from sources outside the organisation (60%)
9. Majority of the Respondents (29%) say Usage of KM portal is **Very Effective** to improve Knowledge and Skill of Employees.
10. 28% say Km improves Clients and Customer Relation and 26% say Km helps the organisation to add New products, improve workers involvement and knowledge sharing across departments.
11. The Group resisted KM implementation in the Organisation was Management says 32% of the Respondents followed by R & D (21%) and HR Group (14%)

## Specific findings related to Objective of the Study

1. Contributing Factors of KM towards Organisation Development
  - a) To protect your organisation from loss of knowledge due to employee departure
  - b) To improve the competitive advantage of the organisation
  - c) To help integrate knowledge with in the organisation
  - d) To increase efficiency by using knowledge to improve the process
  - e) Improved Knowledge & Skills of Employees
  - f) Improved Clients/ Customers relation
  - g) Improved Employee Efficiency & Productivity



- h) Increased Flexibility in Development & Innovation
  - i) Help the organisation to add new Services/ Products
  - j) Improved involvement of Workers in workplace activities
  - k) Loss of key personnel and their knowledge
  - l) Removal of Information overload problem with in your organization
2. Effectiveness of KM
- a) Knowledge sharing Culture exist in the organisation among the team members to an large extent there by it proves the effectiveness of Km Portal
  - b) Effectiveness of KM portal can be measured by the factors contributed by KM towards Organisational Development.
3. Tools and Technologies used by the Organisations
- a) Corporate intranets, Online Applications and Web portals will enable the effective sharing of knowledge among the employees in the organisation
  - b) Best practices Repository, Tele conferencing, Video Conferencing, Electronic Discussions encourages effective Knowledge sharing

## Conclusion

KM itself has come a long way and has a long way to go from where it is now. It is indeed a long journey and the trip has just begun. Organisations have to sustain competitive advantage. This is possible only through 'Effective implementation of Knowledge Management Portal'.

The ramifications for modern organisations are so far reaching the globalization of markets and operations, customization and localization of products, rapid changes in technology and process tools and the rising adoption of virtual team work – pose the significant challenges for creating, developing and sustaining markets. One key need that cuts across all these challenges is that each organisation must learn constantly, and make effective use of Knowledge Management has thus, recent years, increasingly been recognized s a Key management imperative.

A Central tenet of Km is, to raise the Speed and Quality of learning, decision-making and customer service at the level of the organisation as well as the individual. By institutionalizing best practices existing in pockets, facilitating greater reuse, and helping better virtual team work, KM also raises the organisation's ability to deliver higher quality and achieve faster time to market. Over all, it also reduces risk and makes the organisation more robust to thrive in a changing environment.

A Key success factor in KM is getting optimal emphasis on each of the four focal area People, Process, technology and Content right from the early stages of deployment. The specific emphasis laid on each of these is a function of the organisational culture and business context. A useful way to verify the completeness of an organisational architecture for KM is to check whether it meets the following criteria

**“Knowledge management is necessary for companies because what worked yesterday may or may not work tomorrow”**

**“Knowledge Management is the Innovative and Effective Aid to sustain Competitive Advantage”**

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