

Key Points in Implementation of Knowledge Management and its Solutions

POINTS CLÉS DANS LA MISE EN ŒUVRE DE LA GESTION DES CONNAISSANCES ET DE SES SOLUTIONS

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Abstract: In knowledge-base economy era, knowledge becomes the most important resource for enterprise instead of physical labor, capital and natural resources. The success of the enterprise depends more and more on the quantity and quality of knowledge owned by it. The core competitiveness originates from employees' innovation ability which comes from knowledge accumulation and knowledge management. How to manage the knowledge possessed by the enterprise and how to make it becoming the sustaining competitive advantages for the enterprise? This is a new problem we must face. Finding the key points of knowledge management and plan the solution path are the crux to settle this problem.

Key words: Knowledge; Knowledge Management; Innovation; Competitiveness

Résumé: Dans l'ère de l'économie de la connaissance, la connaissance devient la ressource la plus importante pour les entreprises au lieu de travail physique, des capitaux et des ressources naturelles. Le succès de l'entreprise dépend de plus en plus de la quantité et de la qualité de la connaissance détenue par elle-même. Les compétitivités principales viennent de la capacité d'innovation des employés qui provient de l'accumulation des connaissances et la gestion des connaissances. Comment faire pour gérer les connaissances possédées par l'entreprise et comment faire pour qu'elles deviennent des avantages concurrentiels soutenus pour l'entreprise? Il s'agit d'un nouveau problème à qui nous devons faire face. Pour régler ce problème, il faut trouver les points clés de la gestion des connaissances et planifier les moyens de solution.

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1. KNOWLEDGE AND KNOWLEDGE MANAGEMENT

Knowledge is the cognition sum owned by enterprise or individual which is accumulated through long-term learning and practice. It contains explicit knowledge and tacit knowledge. Explicit knowledge can be expressed by language, character, data, figure, picture, video or knowledge products containing patent and software. While tacit knowledge can not be seen or heard by people. It includes experience, skill, know-how, personal insight, intuition and premonition. The tacit knowledge is attained through practice and preserving in human's brain, personal ideal and value. Francis Bacon, a British philosopher once to said: "Knowledge is power." This logion is applicable both to enterprise and individual.

Knowledge management (hereafter called KM) is the integration procedure of data collection, classification, analysis, sharing within the organization. The procedure combines the Management Information System with the learning experience. It uses the collective wisdom to improve the entire ability of innovation and managing the changes. Through open structure, enterprise can collect, process and share enough knowledge to upgrade employees' creativity and make enterprise grow. The essence of KM is to fully explore, accumulate and use enterprise's knowledge resources (including explicit knowledge and tacit knowledge) and transform them into corporate competitiveness.

The aim of KM is knowledge innovation which is the interactional result of different knowledge procedure containing knowledge production, knowledge sharing, knowledge application and knowledge innovation. In an enterprise where knowledge was not managed, the general form of knowledge is tacit. It disperses in pieces in the enterprise and the knowledge innovation is an occasional individual behavior. The aim of KM is to change this situation. It will make the tacit knowledge explicating, structurizing, popularizing and finally make the knowledge innovation procedure standardizing.

KM, since it was introduced in management area in the middle of nineties of the 20th century has been becoming an important branch of management research and a useful tool in practice to entirely improve the performance of the enterprise. For example, Ernst & Young, the most famous professional services firm that provides clients with solutions based on financial, transactional and risk-management knowledge put KM into practice in 1993. In the following 10 years, the firm invested 0.5 billion dollars in KM. Its revenue raised 600% in this period (the staff member just raised 350% in the same time) and its per capita revenue exceeded its competitor by 20%! The firm has 110 thousands staffs all over the world. They constitute the whole knowledge management system. Knowledge can be shared within the system. That is to say, when any staff faced with a task, he can get help from the other 110 thousands knowledge systems. In this system, all kinds of knowledge(including information and data) are put in the proper places. When needed, it can be transmitted to proper persons in a short time. Presently, half of the world top 500 enterprises have established their KM system and carried out the knowledge management method which brought them remarkable achievement. In some famous enterprises such as Microsoft, IBM and Philip, A position named Chief Knowledge Officer (CKO) was separately set up to engage in the management of the enterprise's knowledge. Its function is to create, use, store and transfer knowledge, attaining sustained development of the enterprise through continuous knowledge production and knowledge consumption.

2. IMPLEMENT STEPS OF KM

2.1 Understanding

Firstly, we have to understand what KM is and how it influences enterprise. Then we can decide how to implement KM based on the present situations of the enterprise. The major tasks include training middle and high class employees on KM, especially to arouse the administrator's interest on KM; evaluating current KM situation and spotting the problems; evaluating the short-termed and long-termed effect of KM to the enterprise, which will be used as the reference for whether and how to implement KM in the enterprise.

2.2 Planning

Implement plan should be systematically made based on a well recognition on the enterprise's need. The whole plan combines the process and interprets KM in every section of management through detailed analysis on current knowledge category in the enterprise. The major tasks are: planning KM through strategy, process and post; setting KM target and implement plan and improving process appropriately.

2.3 Piloting

We could run pilot KM plan on several departments and process sections. Through evaluation on the results, the shortcoming will be found and improved. The major tasks of this procedure are making right and low-cost KM plan according to different industry and KM features.

2.4 Advocating and Supporting

Based on the pilot plan, KB could be promoted on a large scale in the enterprise to realize its value in a large picture. The major tasks include: copying KM to other departments, combining KM in business process and value chain and setting KM rules.

2.5 Systemization

In this period, KM will be closely connected to the enterprise strategy, process, organization, KPI etc so that it will be converted to a part of core competitive advantages of the enterprise.

3. KEY PROBLEMS OF KM IMPLEMENT

The crux of KM is understanding and communication. Carol Kinsey Goman, president of American California Kinsey Consulting Institute said that KM was the Change Management; all the strategies and technologies would come into vain if different opinions could not be well understood.

The first key problem of KM is people's attitude and understanding to "Change". KM will not only brings changes to business process and people's way of working, but also causes deeper changes in enterprise strategy, organization structure and KPI system. Changes will be confronted with resistances. In this way, the most important thing is to estimate the difficulties of implementation of KM and the possible obstacles in advance and make countermeasures plan..

The second key problem is communication problem. Re-defined process caused by KM will involve every department, so effective communication among departments is of great importance, or else the re-defined process will not be accepted due to low-effectiveness or unrealistic. Communication problem usually makes people to condemn KM itself.

The third key problem is the relationship between KM methods and KM target. Management Information System(MIS) and software system are only the methods of KM implement rather than the goal. Many enterprises think that as long as they have used certain software to build a KM system, they could realize KM implement. Actually, KM aims to combines all the knowledge and resources to form a consistent power and efficiency in the enterprise to create and use new knowledge. It is a kind of management innovation . Software is a tool to achieve the goal rather than the goal itself.

The fourth problem is the mental problem of knowledge sharing. In the knowledge-base economy era, knowledge has become a property. Knowledge is the crystallization of personal experience. For self-protection, people may refuse to share tacit knowledge with others. This is one of the core difficulties of KM, which requires a whole system to remove this mental problem.

The fifth key problem is the environmental obstacles of KM. KM has externalities which would cause free-riding. The phenomenon of personal achievement be stolen at a low price is inevitable in not only enterprise but also within people. Neither individual nor enterprise is willing to share the knowledge without a mutual-trust relationship, a refined culture system that respects individual and knowledge, and a healthy mechanism for protecting the intellectual property right, for it will hurt individual interest.

4. SOLUTIONS

4.1 KM should be supported from the head of the enterprise to get necessary recourses to combat the obstacles.

4.2 KM should be systematically planned. It is necessary to build a stable team involving members from every department, to set joints for different department, and to deliver and feedback information timely through joints so as not to form Knowledge Isolated Island.

4.3 To enhance training and advocating on KM so that it could be recognized within the enterprise

4.4 To use appropriate methods and tools. The methods and tools include building knowledge database(documents and information database and etc.), KM system knowledge searching system, knowledge communication and mentor system etc. It is very important to use right tools and develop proper sheet to change the tacit knowledge to explicit one, from immature to mature, from individual to group.

4.5 To improve incentive mechanism and distribution methods. KM requires change in distribution mechanism. Traditional distribution only regards knowledge as a skill. Now we should regard it as an investment or a property to ensure knowledgeable staff with core competitive advantages in enterprise can be reflected in the distribution, changing pay-on-role to pay-on-capacity, reflecting the status of knowledge as property rights in enterprise benefits sharing.

4.6 To construct Corporate Culture. We should build a harmonious culture of sharing to connect, modify and stimulate staff to understand KM. In value orientation, sharing, giving and team building will be encouraged rather than egotism.

4.7 To build integrated HR policies. Tacit knowledge represents as the inseparability of the knowledge and the individual. Thus the staff with core tacit knowledge is one kind of the core resources of the enterprise. We should build relevant HR mechanism to retain them so as to retain the knowledge in the enterprise.

4.8 To realize KM step by step. It should be noticed that KM could not be achieved overnight. Any plan should be made step by step according to the current situation of the enterprise. The speed of implementing KM should be in coherent to the enterprise developing speed, neither delay nor rash in advance. The breakthrough points are as follows:

Firstly, to start from helping staff on file management and to formalize their habit of knowledge management; this is the basic work of KM, which could not only enhance staff working efficiency, but also make them realize the benefit of KM.

Secondly, to improve the management on explicit property, to improve daily document management by assigning people to manage knowledge document. The way of knowledge separating in personal computers should be improved because the property may be lost due to people floating and computer system change.

Thirdly, to protect core knowledge properties such as patent, brand and know-how. We should pay much attention to the patent right application to accumulate knowledge.

Finally, to build enterprise knowledge database and knowledge sharing platform to meet the demands on knowledge and information, from different departments, positions and people. For example, to build modularized knowledge database, communication platform on QA website, enterprise knowledge map for staff to understand enterprise knowledge distribution and to build intellectual property system, open different knowledge access to different staff in order to protect enterprise knowledge.

Besides the above, the external environment support is also an important criterion of knowledge management. For instance, government builds a more and more healthy intellectual property protection system via laws to protect the interests of their owners as well as to cut down knowledge's externalization. When the interests of the enterprise and the individual are protected, their passion of creating and sharing new knowledge could be stimulated.

5. CONCLUSION

Facing fierce competition, KM is one of the basic management for enterprises to keep and improve their competitive advantages. It is not only a knowledge ecological system, but also a work supporting system and human ecological system. We should plan and build a complete system from an overall view step by step. KM is a continuously improving process which could not be achieved overnight. In different development stages, the enterprise would have different KM understanding and demands. KM should keep in pace with enterprise development level, which is very important for enterprise KM to bring the optimized effect.

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