GETTING STARTED WITH KNOWLEDGE MANAGEMENT

No matter what industry your organization is in, it needs knowledge to operate effectively. The most obvious knowledge relates to your products or services: the know-how to manufacture pipe fittings, run restaurants, or write software. But you also need knowledge about everything from sales and marketing to IT, finance, supply chain, customer service, and facilities management. When things are running smoothly, you may not think about this knowledge as a strategic asset that must be managed. But when knowledge is missing—or can't be surfaced in the right place at the right time—you start to see the resulting knowledge gaps, bottlenecks, and siloes as glaring business risks.

A knowledge management (KM) strategy can help your organization protect its critical knowledge and make sure it is documented and shared in ways that make you more efficient, cohesive, innovative, and responsive to change. This article explains what KM is, the different types of knowledge that it deals with, the business needs it helps solve, and common tools and approaches to help knowledge get where it needs to go. At the end, you'll learn the first steps to launch KM inside your organization.

What Knowledge Management Is and Does

APQC's official definition of knowledge management is:

The application of a structured process to help information and knowledge flow to the right people at the right time so they can act more efficiently and effectively to find, understand, share, and use knowledge to create value.

Notice that the definition focuses on knowledge reaching its intended destination. Some organizations spend a lot of time capturing and sharing knowledge only to lock it away in convoluted or hard-to-access repositories. For KM to provide value, knowledge should be easily accessible to the people and systems that need it and delivered in a format they can absorb and apply.

Organizations have many reasons to pursue KM, but here are some of the most common.

1. **To reduce duplication.** In many organizations—especially large ones—the same knowledge gets recreated again and again because it's not well documented, inaccessible, or hard to find. R&D teams around the world repeat similar experiments, salespeople write similar proposals, plant managers troubleshoot similar malfunctions, and customer service personnel write detailed answers to the same questions. Sometimes the same employee may duplicate their own past knowledge because they can't put their hands on what they did before. If employees can locate and reuse past insights and outputs (or can connect to colleagues with relevant experience), they can avoid reinventing the wheel every time they encounter a need or problem. This saves both time and money.

2. **To provide better solutions.** When employees have access to the organization's best knowledge, they can draw on that knowledge to innovate, troubleshoot, and improve on what came before. Often, the same tools and approaches that reduce duplication also help people build on one another's contributions to develop new and enhanced solutions. This is what it means to be a "learning organization" that applies the knowledge it accrues over time to continually up its game.

3. **To lessen risks.** The flip side of providing better solutions is avoiding mistakes and missteps. When employees have ready access to knowledge and expertise, they can look up correct answers or escalate their questions or concerns. All of this provides a safety net to prevent errors, whether that's giving a patient a wrong diagnosis or causing an oil spill.

4. **To save time and reduce frustration.** Most people spend a lot of time looking for knowledge they need to do their jobs. This includes time spent searching for documents and information *and* seeking out colleagues who can answer questions and provide support. Good KM reduces time spent searching while ensuring employees get accurate, relevant, up-to-date information. This not only boosts productivity, but also reduces the stress and frustration that come with wasting hours on wild goose chases.

5. **To avoid knowledge loss.** Employees have a lot of knowledge stored in their heads. This becomes problematic if key staff members retire or leave without sharing their know-how in some format. KM can help pinpoint experts and others with unique knowledge and then ensure that knowledge gets documented or passed on to others before those individuals walk out the door.

6. **To support learning and development.** Organizations are always looking to reduce time to competency and help employees upskill. In addition, with fewer people spending their careers with one employer, organizations must adapt to having less experienced workforces. KM can connect employees with learning resources, job aides, FAQs, and colleagues who can teach and mentor them. This allows people to grow into their roles more quickly and perform more complex tasks with less on-the-job experience.

Most of these use cases are not mutually exclusive—a process to prevent knowledge loss may also support learning, and one to prevent duplication may also reduce risks. KM programs often start off with a specific business case and then expand their scope to take advantage of other benefits and opportunities. However, understanding why leaders are investing in KM and what problems they want to solve allows a nascent KM program to focus on the right knowledge, tools, and approaches.

Categories of Knowledge

A good KM strategy considers knowledge that resides in documents and repositories *and* knowledge stored in employees' brains. We refer to these two categories as explicit vs. tacit knowledge (Figure 1).

Explicit and Tacit Knowledge

Explicit knowledge is conducive to being written down or expressed verbally

- Your organization likely has many systems to store and organize explicit knowledge, even if it doesn't have a formal KM program.
- *Examples include* standard operating procedures, corporate policies, documented business processes, product catalogs and specifications, instruction manuals, design templates, job aids, and FAQs.

Tacit knowledge resides in the minds of individuals and is surfaced in response to a situation or action

- Individuals build tacit knowledge through experience, so it is harder to write down or transfer from one person to another.
- *Examples include* deep domain expertise, an understanding of which rules apply to a situation, intuition about what will happen, judgements that fuel decision making, and know-how about how to navigate an organization's hierarchy and culture.
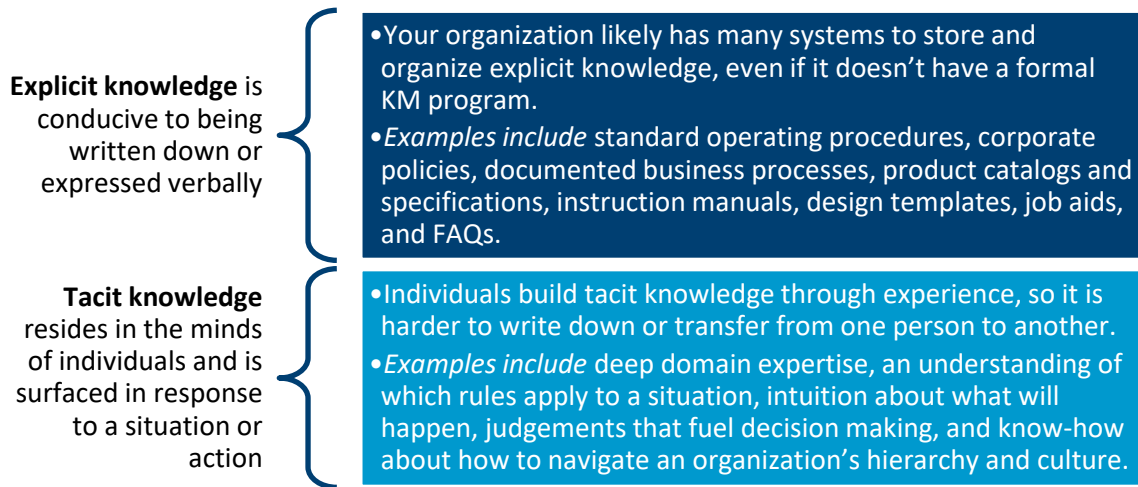
Figure 1

Most work activities require a combination of explicit and tacit knowledge. Consider a task that is common across almost all organizations: recruiting and hiring staff. Your organization probably has explicit knowledge to support recruiting and hiring, such as detailed job descriptions, skills matrices, hiring policies, process flows, and standard interview questions. But all that explicit knowledge is not enough to get the job done right. The HR representative and hiring manager have a deeper understanding of what's needed for an open position, and they use their tacit knowledge to evaluate candidates and determine whether they're a good fit. They might pick someone who doesn't meet all the stated criteria because they see a spark of potential. The explicit knowledge helps standardize the process and make it more efficient, but experienced professionals apply their tacit knowledge in context to make a final decision.

Understanding the difference between explicit and tacit knowledge is important because an organization applies different tools and approaches to manage each type.

KM Tools and Approaches

Most KM programs provide multiple tools and approaches to surface knowledge, package it, and get where it needs to go. APQC's Knowledge Flow Process (Figure 2) is a helpful way to think about the KM support your organization needs and the tools and approaches that will best fit your requirements.

The seven-step process describes the movement of knowledge from the point where it's initially created or surfaced to the point where it reaches the people or systems that can reuse or apply that knowledge in a new context. Mapping your organization's biggest KM pain points to the knowledge flow process can help you determine the right tools and approaches.

If you want to *create* new and better knowledge—for example, through enhanced innovation— then KM can develop solutions to facilitate that. For example, the KM team might apply analytics to existing knowledge to generate new insights, or it might launch a collaborative ideation process to surface, refine, and prioritize ideas from across the organization.
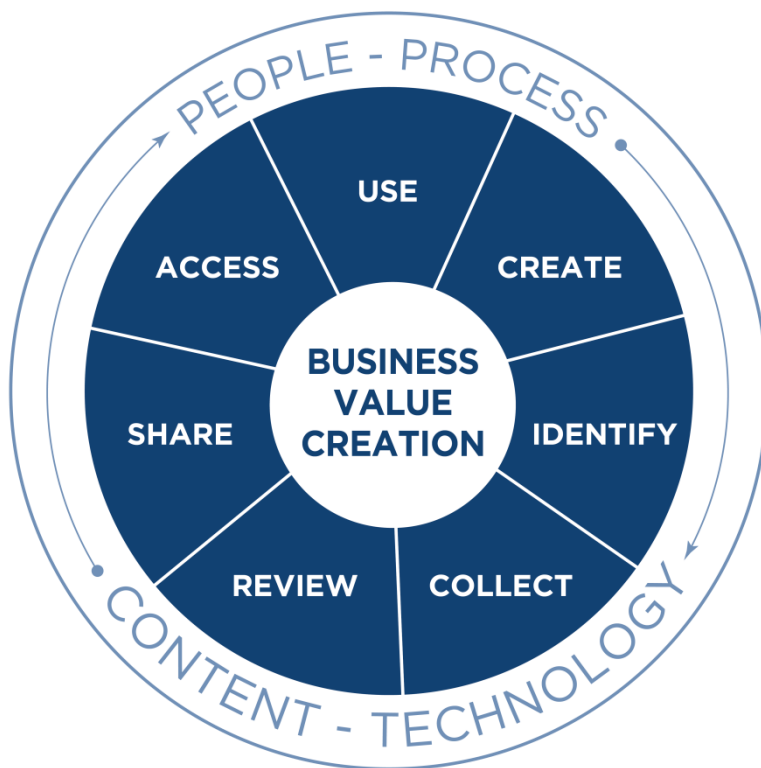
Figure 2

But for many organizations, creating knowledge is not the biggest problem. There's a ton of "stuff" floating around, but it needs to be better *identified*, *collected*, and *reviewed* so people know what's relevant and trustworthy. An organization that wants to improve these aspects of knowledge flow might implement a content management process to validate and organize the explicit knowledge employees are most likely to need. If the organization is focused on tacit knowledge, KM might use knowledge mapping to identify what's most important and knowledge-transfer interviews to extract those nuggets from experts' heads. Organizations focused on projects or events might set up a lessons learned process to identify, collect, and review experience-based learnings that should be applied in similar situations in the future.

There are many KM options for organizations that want to *share* knowledge more effectively. Cross-functional communities and networks can bring people together on a routine basis to share knowledge about a discipline, topic of interest, or business challenge. Events like conferences, expert master classes, webinars, and lunch-and-learns encourage targeted sharing within groups or topic areas.

As digitalization generates ever-increasing documentation, many KM teams are emphasizing ways to improve how knowledge is *accessed* and *used*. KM portals, taxonomies, search functions, and applications that recommend relevant resources all make it easier for employees to access and use knowledge in their daily work, without wasting too much time or having to wade through an ocean of less relevant items. On the tacit knowledge side, expertise locators

help employees find and connect to subject matter experts and other colleagues who can support them.

These are just a handful of the KM tools and approaches an organization might pursue. For more information on the options best suited to each knowledge need, see APQC's Understand and Compare Knowledge Management Approaches collection.

Getting Knowledge Management off the Ground

Below are four key steps to get started with a new or revitalized KM strategy or program.

STEP 1: EXPLORE THE BUSINESS VALUE OF A KM PROGRAM

Knowledge management teams can be pulled in many different directions, from fixing search algorithms to extracting hidden knowledge from the brains of retiring experts. If a new KM program tries to pursue every potential avenue, it won't make demonstrable progress anywhere.

Talk to leaders and sponsors about what they want from KM, what strategic problems they want to solve, and how they would define success for the first phase of KM development. Then cross-reference those leadership priorities with feedback from end users. Surveys, focus groups, and stakeholder interviews can tell you which knowledge-related problems are causing the most heartburn. Hopefully, you'll see significant overlap between the value proposition set forth by leadership and the pain points experienced by the broader workforce.

Finding and Interviewing KM Stakeholders is a great resource for gathering feedback from leaders, influencers, and other key representatives.

STEP 2: IDENTIFY CRITICAL KNOWLEDGE

The next step is determining what knowledge to focus on. Employees have a lot of stuff stored both in their heads and digitally, and KM teams cannot actively "manage" it all. Thus, a good KM strategy differentiates **critical knowledge**—a subset that is strategically important to collect, review, share, access, and use—from other assets that require less care and feeding.

Each organization defines critical knowledge in context, but usually it is knowledge whose loss would have a significant impact on the business strategy and operations. Critical knowledge is:

» Core to the business (e.g., intellectual property or trade secrets related to products and services, differentiating business processes, emergent areas of strategic importance)
» Rare (e.g., held or understood by a small handful of domain experts)
» Difficult to replace (e.g., HR would struggle to recruit outsiders with the knowledge)

If you're just starting, your KM strategy should focus on the overlap between organizational knowledge needs and critical knowledge.

For example, consider a pharmaceutical company whose leaders want to accelerate R&D and whose employees are struggling to find relevant documentation to support and guide their work. In this case, KM might launch projects to improve findability by tagging content to a taxonomy and developing an enterprise search engine. The first content to be tagged and indexed would be critical knowledge related to the organization's products, patents, proprietary

processes, current projects, and lessons learned. Over time, other knowledge could be added, but with a continued focus on vetted and high-value resources.

Check out KM Essentials: How and Why to Identify Critical Knowledge for more information on determining what's critical for your organization and audience.

STEP 3: ALIGN KM TO BUSINESS PRIORITIES AND FUNCTIONS

The next step is to align the KM effort to the business mission, vision, and goals. You should be able to articulate how what you're proposing or piloting supports strategic priorities. KM sometimes fits into the enterprise strategy, but alignment may also occur at the level of business units and functional areas.

If you've done your homework in the first two steps, this should just be an additional validation that you're moving in the right direction. When KM activities further strategic priorities, they are more likely to gain the support of senior leaders, who reciprocate by advocating knowledge sharing and modeling knowledge-sharing behaviors.

Strategic Planning for Knowledge Management: KM Essentials provides great resources and templates for refining and aligning your KM strategy.

STEP 4: START BUILDING BUY-IN

In most organizations, the hardest part of rolling out KM is engaging employees and getting them to change their behavior. Targeting the right value proposition and business priorities is a great first step, but it's not enough. KM teams must communicate early and often to ensure people understand what they are expected to do and how KM can help them.

Support from senior leaders is particularly critical. Executives lend credibility to KM, convey its importance to the organization, and reinforce the need to adapt habits and processes. When leaders are excited about KM and participate in the tools and approaches, middle managers and rank-and-file employees are more likely to get on board.

The best way to secure endorsement from senior leaders is to align KM with business priorities, as described in the previous step. But KM must also cascade its value proposition down to each user group. The average employee wants to hear how KM can help them get things done faster, achieve better outcomes, and solve current problems in their work. You may want to partner with business representatives to tailor KM messaging and change approaches for each audience.

Communicating About KM and Leading Change Management for a Knowledge Management Program are good starting points to learn about KM communications and change management.

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APQC helps organizations work smarter, faster, and with greater confidence. It is the world's foremost authority in benchmarking, best practices, process and performance improvement, and knowledge management. APQC's unique structure as a member-based nonprofit makes it a differentiator in the marketplace. APQC partners with more than 500 member organizations worldwide in all industries. With more than 40 years of experience, APQC remains the world's leader in transforming organizations. Visit us at www.apqc.org, and learn how you can make best practices your practices.