



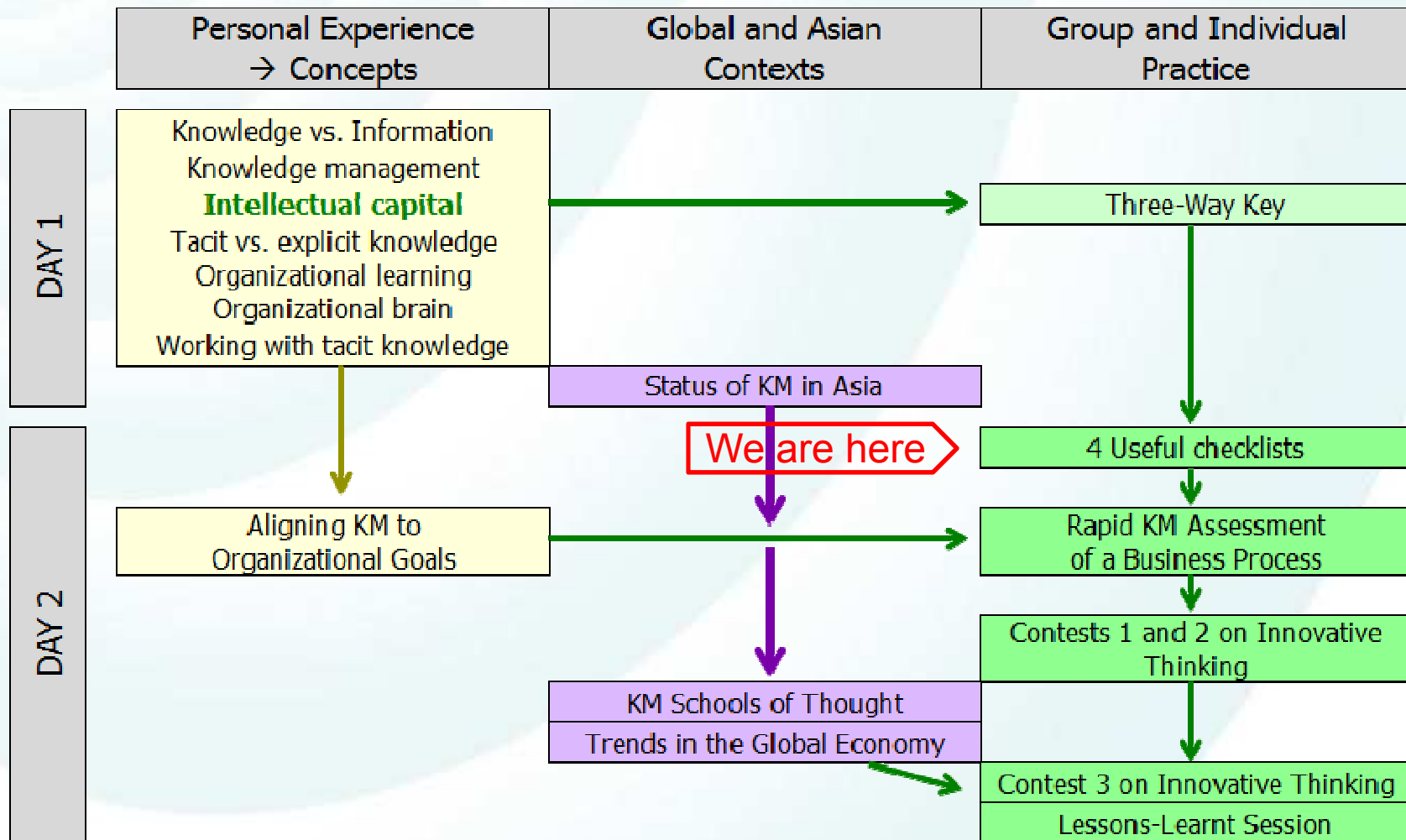
Workshop on Knowledge Management DAY 2/morning

Ambedkar Institute of Productivity
Chennai, India
February 18-19, 2008

Dr. Serafin D. Talisayon
Chief Expert, APO KM Survey



Programme Flow





Module 6 (Continued)

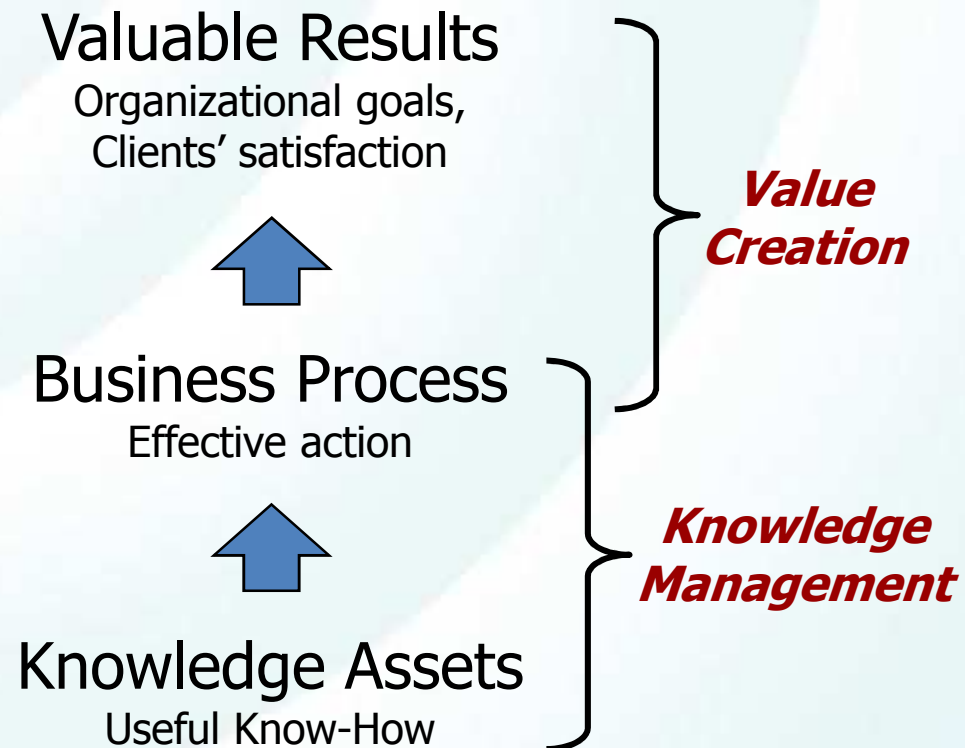
Group Reports



Module 7

Aligning KM to Organizational Goals

KM Serves Value Creation





Three Questions

Valuable Results

Organizational goals,
Clients' satisfaction



Business Process

Effective action



Knowledge Assets

Useful Know-How

***1 - Why do we exist as
an organization?***

***2 - What is the right
thing for us to do?***

3 - How do we do it well?



How to Zero in on “High-Octane KM”

1. What are the more important business processes of your company or organization?
2. Select the most (or a very) important business process.
Or, select a core business process.
3. Make a list of knowledge assets required in the performance of the selected business process
4. Identify which knowledge assets, if below par in quantity and quality, would jeopardize the business process. These are the **critical knowledge assets** (CKA)
5. Managing CKA = **“High-octane KM”**



KM and Business Results

- Winners in 2006 Global MAKE (Most Admired Knowledge Enterprises) Award earned in 1995-2005 an average of **24.2%** Total Return to Investors compared to Fortune 500 median of 10.8%

- Winners in 2006:

Accenture (*global*)

Apple Computer (*US*)

BHP Billiton

(*Australia/UK*)

Buckman Labs (*US*)

Dell (*US*)

Ernst & Young

(*global*)

Fluor (*US*)

Google (*US*)

Hewlett-Packard (*US*)

Honda Motor (*Japan*)

McKinsey (*global*)

Microsoft (*US*)

Novo Nordisk

(*Denmark*)

Pricewaterhouse-

Coopers (*global*)

Samsung Group

(*S. Korea*)

Sony (*Japan*)

Tata Group

(*India*)

3M (*US*)

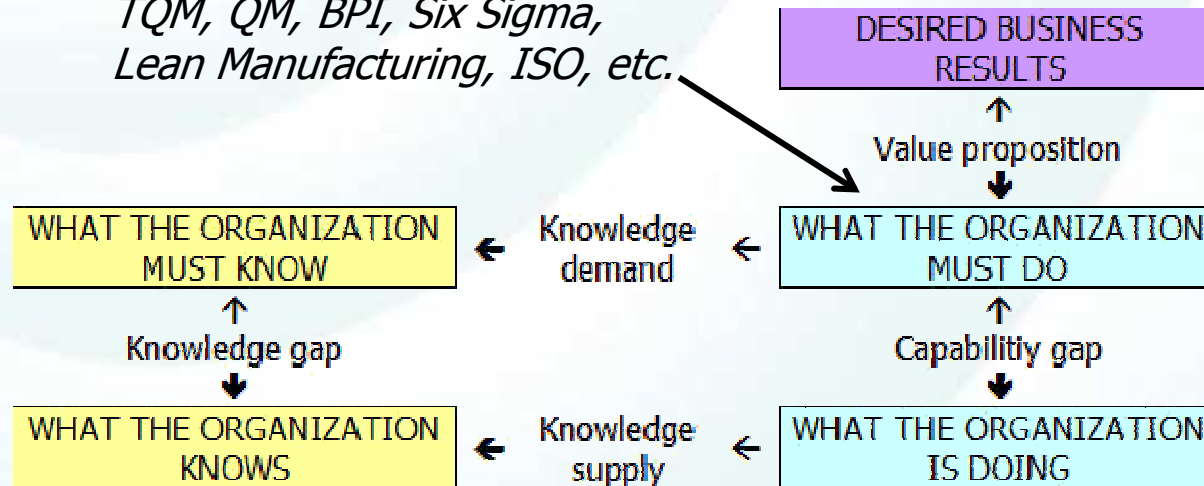
Toyota (*Japan*)

Unilever (*Nether-*
lands/UK)



Right Knowledge to Support Right Action

TQM, QM, BPI, Six Sigma, Lean Manufacturing, ISO, etc.



1- "What demand or need are we serving?"

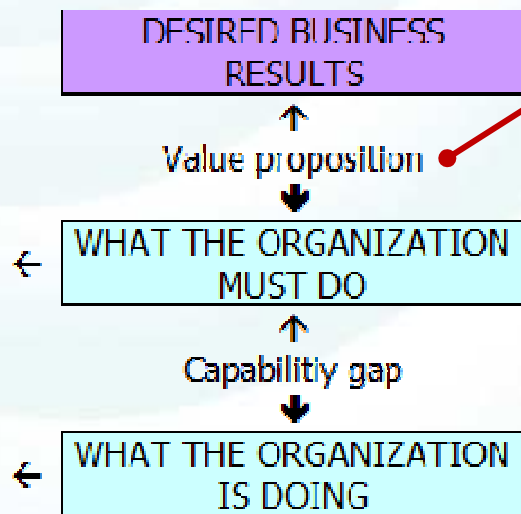
2- "Are we doing the right thing?"

3- "How do we do it well?" ← various KM, IT and HRM tools



Related Tools in other Disciplines

Looking for the 'Right' Action or Better Action



Relative lack of tools in innovating business models and business process design:

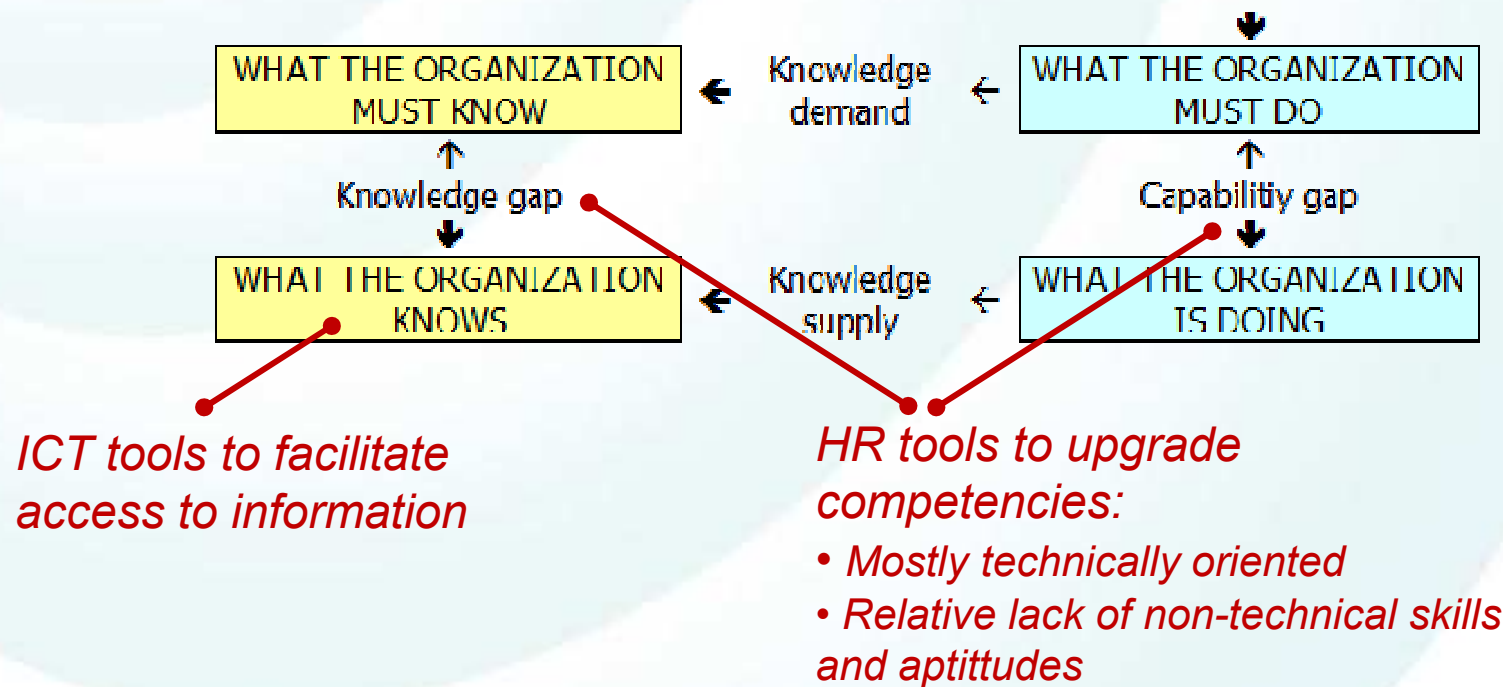
- *Business process re-engineering – high failure rate*

Tools in business process improvement:

- *Six Sigma™ - reducing defects or variations (=whatever customers do not want)*
- *Lean manufacturing – reducing delays and waste (=whatever does not add value to customer)*
- *TOC – managing the most limiting constraint in a business process or system*
- *Kaizen – earlier approaches to work process improvement*
- *Risk management*

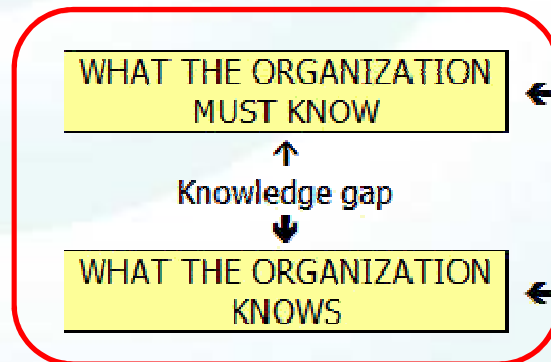
Related Tools in other Disciplines

Right Knowledge for the Right Action

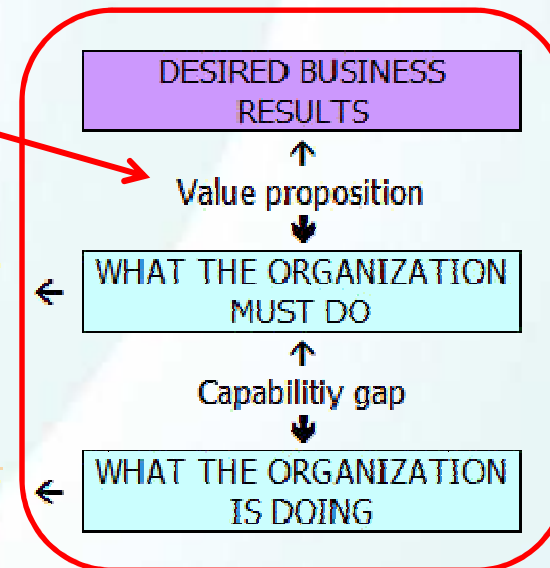


CCLFI KM Assessments

Market and Technology
Foresight Exercises +
Green Spot® Strategic Planning



Rapid KM Assessment®



Capability Checklist*
+
Interview of Customers



KM Measurements

- Airtel in India: measurement is linked to KM objectives which are related to business objectives; evaluates business units' performance. Examples:
 - People engage and orientation
 - Number of knowledge sharing
 - Number of knowledge replications with results
 - Number of ideas received and implemented
 - Unique visitors transacting on the portal
 - Total hits in the KM portal
 - CSMM: Customer Satisfaction Measurement Metrics (conducted by independent auditors)

Business objective

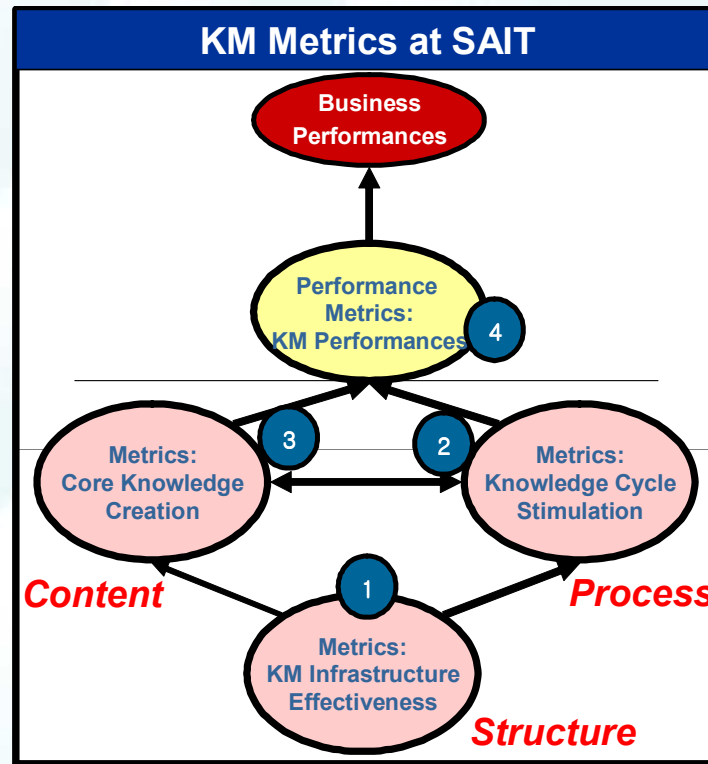


*(Business unit,
Business process)*



KM objective

SAIT Model



Business objective

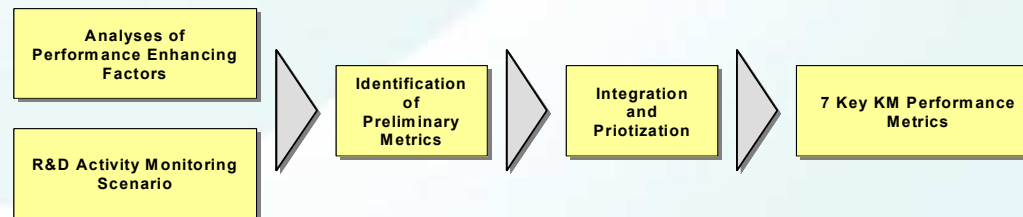


*(Business unit,
Business process)*



KM objective

- *content*
- *process*
- *structure*



Source: J.H. Derick Sohn: "Knowledge Management in Korea" (part of book to be published by APO)



An Ordinal Scale: Tata's 5iKM3 KM maturity model

- Patterned after CMMI*: 5 stages are assumed, namely:
initial → intent → initiative → intelligent → innovative

*Capability Maturity Model Integration of the Software Engineering Institute

- 5 x 3 matrix: each cell has a checklist of behavioral indicators
- 3 components:
 - People (includes culture indicators in the Tata model) *~ Human capital*
 - Technology *Part of tangible assets*
 - Process (includes policies and strategies in the Tata model)
Structural capital

Source: T. S. Rangarajan: "Connecting Strategy and Operations through Knowledge Management – The Tata Group Experience" (part of IPC 2007 proceedings to be published by APO)



Module 8

Workshop: Practice in KM Assessment of a Business Process



Output: Identify Cost-effective KM Tool

From the perspective of those who perform the business process:

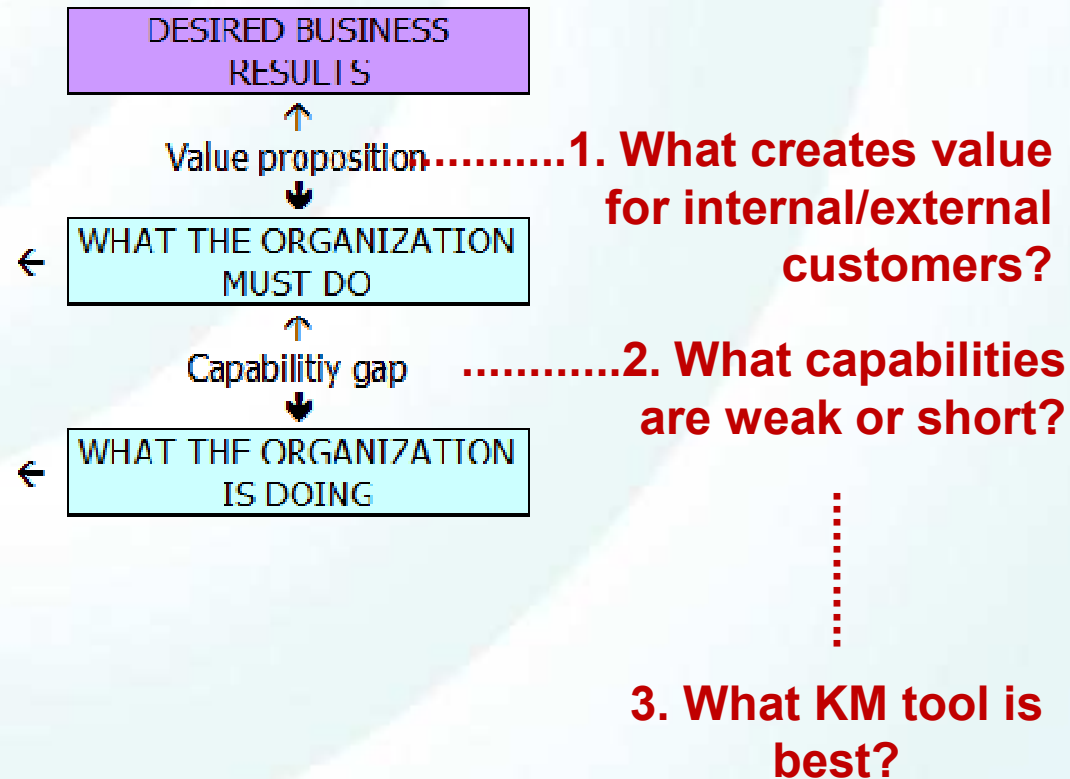
- Shortlist of capability gaps
- Shortlist of appropriate KM tools
= **cost-effective means available**

From the perspective of internal/external customers:

- Improvements or innovations needed on the output of the business process = **opportunities for value creation**



Basic Framework

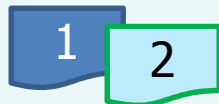




During Lunch Break: Innovation Contests #1 and #2

Look for problems and suggest corresponding
improvements/innovations on:

- 1– The lunch product+service provided by the hotel
- 2– This workshop product+service



After lunch, submit 2 idea lists.
Don't forget to write your name!

