

A Framework for implementing knowledge management

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1. The Knowledge Economy

Various observers describe today's global economy as one in transition to a Knowledge Economy, that is, an interconnected globalized economy where knowledge resources such as know-how, expertise, creativity and intellectual property rights are viewed more critical than other economic resources such as land, natural resources and labor². It must be noted however that a knowledge economy is a tautology as societies and organizations have always been dependent on the interpretation and application of knowledge. Yet, the knowledge-based economy, in which knowledge has become the main factor of competitive advantage, is without question. In the knowledge economy four major drivers occur which boosts competitive advantage³:

- Knowledge is what we use, buy, sell, and do;
- Intellectual capital is the new wealth;
- Knowledge productivity determines the return on your investments in staff, innovation, ability to listen and respond to demands of your clients;
- Infrastructure as the means to access resources, ability to create sustainable networks, to connect and transfer knowledge.

The essence of the first pillar of the knowledge economy is that the economic activities have shifted from "brawn to brain" (Drucker, 1993), or from people working with their hands to people working with their heads, from tangible resources; like steel to intangible resources; like knowledge (Davenport 2002).

The second pillar of the knowledge economy is a logical consequence of the first. It stresses the shift from financial and physical assets in the industrial economy towards knowledge assets, or intellectual capital (IC), in the service and information economy. IC refers to non-monetary and non-physical resources e.g. human resources, knowledge embedded in knowledge services, and information products. The concept of IC is based on the belief that the main resources for building competitive advantage are intangible resources (Edvinsson & Malone, 1997, 2003; Stewart, 1997; Sveiby, 1997, 2006). For instance the value of an Intel Dual Core Processor or NIKE running shoe does not lie in the cost price of the components or materials used to assemble the product but in the knowledge and skills of the people who designed or developed the product and the marketing power of the company that sells the product or service. These are all considered intangible assets or intellectual capital. Today, the workforce sees organizational and institutional learning policies and strategies as an advantage in seeking employment in a

¹ Author is connected to CCLFI, Manila.

² (Drucker, 1986; Castells, 1996; Friedman, 2004)

³ From S. Talisayon, CCLFI, Knowledge Based Economies, ADB, 2007; Blog website CCLFI

certain company (World Economic Forum, 2007).

The third pillar is knowledge productivity. If one accepts as true that putting knowledge to work has become a driver of relative advantage and intellectual capital is the new wealth, then the process of transforming this resource into wealth has become the new challenge. It was Peter Drucker who realized that increased importance of knowledge as a source of production had to be followed by a revision of the concept of productivity. As the productivity of knowledge will be the determining factor in the knowledge economy, the main responsibility of today's management is to make knowledge productive. Moreover, Drucker realized that not only is knowledge the main source of production and the tools of production the brainpower owned by the employees, but that the biggest challenge in the knowledge economy was the productivity of the knowledge worker. Therefore, he proclaimed knowledge-worker productivity to be the biggest of the 21st century management challenges.

The fourth pillar of the knowledge economy is Networks and networking. The network refers to physical environments where information and communication can flow freely such as an IT network, whereas networking refers to a group of individuals or organizations who exchange information or jointly collaborate on research, manufacturing or services. Organizations that are continuously investing in networks and networking are ranked as the most successful organizations in various bench and league tables⁴.

2. A Knowledge-Based organization

Knowledge management as a business practice began in the United States about twenty -thirty years ago. Rapid introduction of information technology and issues of globalization and workforce characterized that point in time. A number of American companies that were involved in the provision of products or services that required knowledge intensive inputs thought long and hard about how they would be able to compete successfully in the global market. These companies included Hewlett Packard, IBM, KPMG, McKinsey, Goldman Sachs, NASA, and Buckman Laboratories. They set the stage as the early pioneers⁵ of knowledge management, and later became known as knowledge-based organizations. The main question these companies asked was how knowledge (e.g. intellectual capital) could be tapped, mobilized, made available, applied and adapted to improve competitiveness.

Knowledge management became more mainstream after Nonaka/Takeuchi published in 1995⁶ a knowledge creation model comprised of four modes of

⁴ Most Admired Knowledge Enterprises, yearly publication; T. Stewart column in Fortune and book 'Intellectual Capital'.

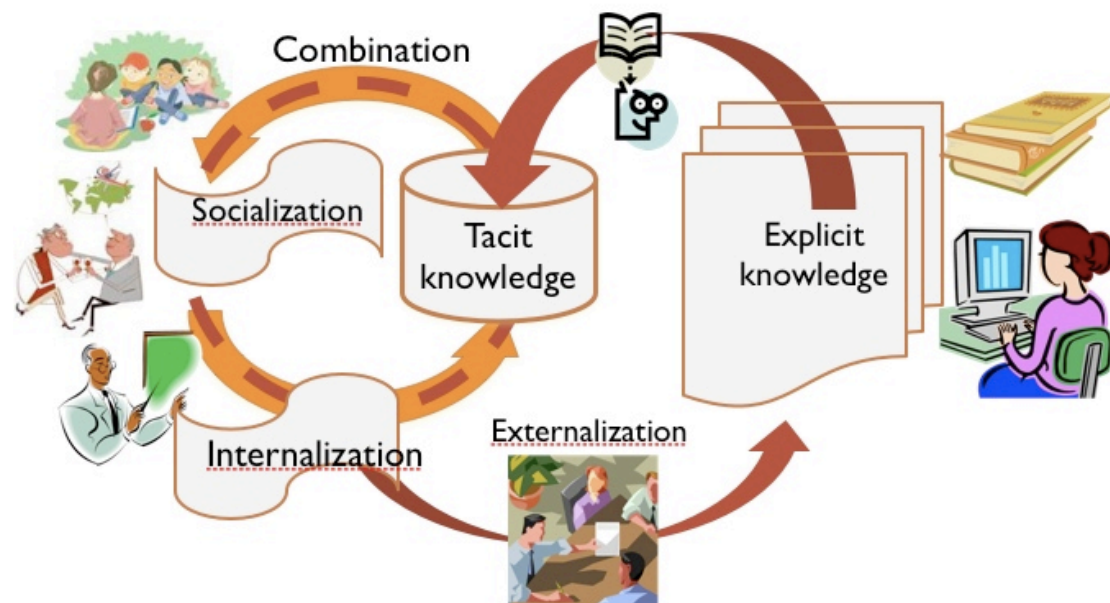
⁵ Knowledge Management Foundations, Steven Fuller, 2002.

⁶ I. Nonaka and H. Takeuchi: The Knowledge Creating Company, Oxford University Press, 1995; Harvard Classic, 2008..

conversion. They articulated that the flow of knowledge is a continuous process of dynamic interactions between tacit and implicit knowledge. The four modes of knowledge conversion interact in the spiral of knowledge creation. The spiral becomes larger as it moves up organizational levels and can trigger new spirals of knowledge creation. The knowledge spiral (SECI Model) identifies the following conversion modalities:

1. people to people (interaction, dialogue from transmitter to receiver)
2. people to content (capturing and codification)
3. content to people (dissemination, adaptation)
4. content to content (assembling, combination).

Nonaka-Takeuchi model for knowledge creation



By the mid-1990s, the concepts of knowledge management had moved across to Europe. Companies like British Petroleum, Royal Dutch Shell, Unilever and Siemens were forerunners in creating knowledge strategies to align with their business strategies. By the late 1990s, knowledge management had come to Asia. Companies like Samsung Group, Sony, and Tata had adopted formal knowledge strategies to enable them to compete on a global basis. So over the past 20 years we have seen this business-led management strategy move across the world. We have witnessed it move across various industries. The main philosophy used by organizations was either a process of codification (capturing and ensuring that it can be accessed electronically) or ensuring that people can be tapped to address an issue. The first approach usually resulted in massive IT systems and the other approach in high commuting costs to link people to people.

It was the World Bank (WB) that put the limelight on the importance of knowledge for development when the newly appointed President made

knowledge management in 1996 his mantra by announcing that the World Bank is a Knowledge Bank. Substantial resources were made available to improve accessibility to its information repositories, create knowledge sharing platforms and capture lessons learned in briefings and story-telling. World Bank efforts in knowledge were propelled with the release of its World Development Report (WDR) in 1998⁷, triggering many other development organizations to follow suit in implementing knowledge management (KM) approaches to be more effective in their fight against poverty. The Report recommended that developing countries should assign high priority to 'knowledge strategies'. The WDR approached KM as commodity that could be packaged and simply transmitted, and for that reason met criticism. In 2003, an independent evaluation of the WB progress in KM concluded however that "new knowledge sharing activities and programs have had limited impact on Bank clients countries"⁸. Yet, despite this harsh observation the World Bank is well known for its outstanding research publications and the way access to information and knowledge is provided. Assessments of the knowledge management performance of other organizations seem to have come to similar conclusions⁹.

3. Defining knowledge

The first cause of confusion in the field of KM stems from the use of the very common word "knowledge." (Authors are of the opinion that it is complicated and not very helpful to define what knowledge exactly is. It is more revealing to look at what knowledge does, how it works, as expressed through the personal ability to perform. To perform well, a person needs information as well as experience, skills and certain attitudes). Let us however discern how KM experts use this word:

"Knowledge is information that changes something or somebody – either by becoming grounds for action, or by making an individual (or an institution) capable of different or more effective action."¹⁰ – Drucker

[Knowledge is] "justified belief that increases an entity's capacity for effective action."¹¹ – Nonaka/Takeuchi

"I define knowledge as a capacity to act."¹² – Sveiby

⁷ World Development report 1997-1998:

⁸ Operations Evaluations Department, WB, Sharing knowledge, 2003.

⁹ Knowledge and innovation for development, F. Sagati, 2004; Evaluation report of the Swiss Development Cooperation on 7 years of its effort to become a learning organization, 2008.

¹⁰ Drucker, P. "The New Realities," Harper-Collins, 1989.

¹¹ Nonaka, I. "A dynamic theory of organizational knowledge creation," Organization Science vol. 5, No. 1, pages 14-37 (1994).

¹² Sveiby, K. E. "The New Organizational Wealth: Managing and Measuring Knowledge-Based Assets," 1997.

“Knowledge is information in action.”¹³ – O’Dell and Grayson

“The main difference between knowledge and information is that knowledge is connected to the bearer and information can be disconnected from the bearer.”¹⁴ Daan Boom

“Call it performance through learning, shared knowledge or simply ‘working smarter’. The aim is however that knowledge management becomes an unconscious competence”¹⁵. C. Collison and G. Parcell.

“Getting the right knowledge to the right people at the right time and helping people share and put information into action in order to improve organizational performance”, Knowledge Strategy, Swiss Development C. 2004, 2009.

Among KM practitioners, the term “knowledge” means capacity for effective action, which includes belief and information.¹⁶ It encompasses whatever helps a professional staff member to do his or her job well. “Effective action” is the operational, empirical or behavioral indicator of the results of correctly applying knowledge in a particular context. It is also commonly accepted that an action is “effective” if it contributes to an intended, desired or valued result.

4. Why do organizations need a KM strategy?

As mentioned in sections 1 and 2, the dawn of the knowledge economy and knowledge-based organization presents both boon and bane to the business sector. Since development organizations also share the same economic environment, many of the benefits and risks accrued by the corporate world is likewise shared by development organizations. In order to cope with the changing times, utilize the intellectual capacity present in the organization to its fullest, and ensure that knowledge productivity reaches peak potential in order to fulfill organizational goals, a KM strategy needs to be developed.

In the case of development organizations, a KM strategy may be used to transform information into tangible action points that, when implemented, shall help alleviate poverty. The Strategy should have a clear business and value proposition. It must address real needs and issues, and it must be measurable. Usually the best way to draft such a KM strategy is through a participatory process with staff and selected stakeholders. In so doing, the following elements should be addressed and discussed.

¹³ O’Dell, C. and C. J. Grayson, Jr. “If Only We Knew What We Know,” Free Press, 1998.

¹⁴ Knowledge Based Development. ABDI Institute, Tokyo, 2007

¹⁵ C. Collison and G. Parcell: Learning to fly. Practical lessons from one of the World’s leading knowledge companies. Capstone, 2001.

¹⁶ Thus, information that is not actionable is not knowledge.

4.1 Strategy

Knowledge Management (KM) plans should not be implemented in isolation. It needs to be anchored on organizational objectives. For the organization it is important to define what KM should bring about and above all, to have common and shared understanding within the organization of what it means. Not only for the staff concerned but also for its external networks and stakeholders. A successful KM strategy addresses at least the following elements: Vision, Value Proposition, Strategy, Resources and Implementation. Leaving one of the components out leads to confusion, frustration, low ROI and even a failed implementation. In addition to a knowledge management strategy, the following elements are either vital to or helpful in achieving a successful implementation.

4.2 Business Case

Implementing KM is not just a matter of defining some common concepts, tweaking the IT environment and change HRM policies. It requires a well defined business case, a story, explaining to staff what the benefits of KM will be. The business case need to reflect an existing business process i the organization which will most likely be improved through KM. Finding this business case which catches management attention as well as staff is often challenging but through a proper interview process staff usually mentions the business case without knowing that this can be addressed through a KM process.

4.3 Management support

Various studies indicate that most of the very successful organizations have senior management teams, which are devoted to knowledge-driven activities. They are the leaders. They are the inspiration and change agents. For example, the World Bank KM Strategy was very much driven by its former President Wolfensohn. He repeatedly referred to WB "as a knowledge-driven organization" and "our staff is our key asset". The Asian Development Bank highlighted knowledge in its forward-looking 2020 strategy document as the main differentiator to remain competitive and attractive to its clients. From various surveys we learned that knowledge management initiatives do not succeed when they are merely 'bolted' to established activities: care, attention, and institutional leadership are required to ensure that knowledge management activities are embedded in the organization work processes and its main delivery instruments (e.g. for development banks, loans, grants). Staff must however realize that knowledge management is not a concern of top-management alone but everybody's.

4.4 Culture for knowledge sharing

One of the most powerful influences on management and staff behavior is the culture that already exists in an organization, specifically core beliefs and

assumptions of the organization. These are particularly influential because they are often fairly invisible. Organizational culture is formed by years of experience where a standard of behavior within an organization is set and accepted. It is therefore important to look at the organizational culture for knowledge sharing. For example: how does staff in the organization currently share information? What are the informal and formal channels for sharing and how are they being used? Does the one who knows more have more status and reputation within the organization? Is staff promotion based upon a high level of expertise that encourages hoarding knowledge rather than sharing it? Does the organization have a knowledge sharing, a collaborative environment already in place? How responsive is the organization to the needs or demands of their clients? How does the organization engage with its clients, and how are notes of client meetings captured, shared or disseminated? Does the organization encourage staff for sharing knowledge and does the organization support teamwork? For many organizations the first step is looking at the culture for knowledge sharing. The culture of an organization is however one of the hardest things to change because it is based upon values and beliefs built over many years.

Underlying the organizational culture are the beliefs and traditions of its individual staff members. In light of international organizations like the World Bank, Asian Development Bank and the International Centre for Integrated Mountain Development (ICIMOD), which employ people of different nationalities, it is imperative to acknowledge, understand, and be sensitive to cross-cultural differences. Though it may be argued that each individual has a unique personality, "overlaid on top of that are tendencies and assumptions handed down by the history of the community where we grew up and those differences are extraordinarily specific."¹⁷ It has been discovered through Hofstede's Dimensions¹⁸ that country culture differ in several aspects, among which are in the areas of individualism and collectivism, and power distance. The latter refers to attitudes toward hierarchy. As such, there may be certain individuals within the organization that uphold a culture of sharing with all, sharing only with people of the same culture, or not sharing at all. While there may be staff members who are subservient and will not contribute to a discussion and decision-making process led by a superior; others will assert and question. These traits are vital to work with or work around in order for individuals to increase knowledge productivity, which is highly reliant on imparting and communicating.

4.5 The workforce

Only in the last few years have we gained a better understanding of challenges facing staff in the performance of knowledge intensive work and the difficulties they are facing making sense of information they receive

¹⁷ Malcom Gladwell, *Outliers*. London, Penguin Group. 2008.

¹⁸ Hofstede's Dimensions is a widely used framework in cross-cultural psychology. Psychologist Geert Hofstede developed the said Dimension which analyzes ways by which cultures differ.

through multiple channels. It has become a profession in itself to apply the knowledge they possess, analyze and interpret information that reach them and put this into action, park or simply delete. Apart from increased work complexity, the workplace itself is nowadays equipped with computer and applications to manage finance, project management, templates and tools and manuals to guide the usage. Moreover, organizational changes to delegate management functions to lower levels, as well as new management paradigms such as Six Sigma, Business Balanced Scorecard, Managing for Development Results frameworks, Management by Objectives, Performance Evaluations review have been introduced into the workforce with rapid pace. Knowledge Management can be added as a new development. Sometimes staff can't keep up with these changes or acquire change fatigue because the cohesiveness of all these management tools is lacking. Given these changes, effective work requires that staff must have greater proficiency to deliver the required quality of work. Staff needs to possess, or have access to, knowledge in different ways such as expert networks, knowledge domains, factual data and so forth¹⁹. Due to organizational structures it is important for staff to integrate their work with interdisciplinary perspectives, consult with other teams and departments to come to an balanced knowledge product. Staff members that perform knowledge intensive work have become part of the assembly line of information where communication skills become prudent²⁰. Many organizations nowadays are conducting a so-called 'happiness index' survey to understand the feelings and observations of staff.

4.6 Knowledge-based products and services

Insights and innovation can take many forms. It could simply be a new product such as new loan modality or a new way of transmitting or sharing information (eg e-learning, mobile services) or ideas and solutions captured from elsewhere and slightly modified or changed to suit regional conditions. Development organizations are not per se a knowledge organization like a research/policy institute or University. Its core activities involve the provision of financial and technical assistance to alleviate poverty. In support of its main activities knowledge is generated, reused, enriched and applied aimed at developing sustainable projects or policy transformation. In combination with various global changes and regional demand there is an increasing need for new types of knowledge products and services in order to address the diversity, complexity of development work, and the demands from governments and policymakers to be original or creative with thoughts and approaches to alleviate poverty. The development market is currently overcrowded with agencies all shouting for attention. Meanwhile bilateral agreements between developed and less-developed countries easily bypass support from development agencies. As such, competition for provision assistance has gotten stiffer.

¹⁹ People Focused Knowledge Management. Karl Wiig, Knowledge Research institute, 2004.

²⁰ Thinking for a Living. T. Davenport. Harvard Business Press, 2005.

Choices also have to be made in the development and maintenance of knowledge products and services. What kind of knowledge does the organization want to be distinguished with? What are the niches it can take advantage of? Which sections are so well developed that only maintenance is required or that it can even be spun off? Developing new knowledge products and services requires a very long time and sometimes it is easier to assemble new knowledge based upon existing ones or through collaboration with another organization. Looking into an organization's knowledge products and services and comparing this with client perception provides valuable input to re-define an organization's knowledge products-and services.

4.7 Processes and policies

Creating a collaborative or networked environment for knowledge sharing is becoming more and more important. Many organizations spend considerable resources to create IT platforms, and ways to transform tacit knowledge into explicit knowledge. Equally important as the hardware and software is assigning staff members the responsibility of managing the flow of knowledge and building knowledge repositories. The problem with knowledge management is that everyone wants to get information, but nobody wants to give information. It must be recognized and understood that all staff members (and clients) are both seekers and providers of information and knowledge. Occasionally, the process flow in an organization may not be fully aligned with sharing knowledge. As such, the staff needs to take extra effort to share. The additional steps required cause barriers for sharing. Staff is usually extremely busy coping with day-to-day activities. Requesting staff to sit down to capture important lessons or draft a back-to-office report, does not always work at the closure of the project or a loan agreement. Throughout the project-development cycle specific steps should be adopted to reflect, capture and share knowledge. It is therefore important to pay sufficient attention to staff responsibilities and steps in the process flow for knowledge sharing. Staff must have a common understanding of the objectives of knowledge management and where they fit in. If it is too abstract it will be perceived as intangible. Process to capture, store and use taxonomies to make information accessible or searchable is equally important. If the connection between relevant business processes and tools for managing knowledge is too complicated or not intuitive in staff views, it will be hard to sustain a knowledge sharing environment based upon systems and staff. Moreover, usually high investments in systems will not pay off.

4.8 The learning organization

Organizational and individual learning is an important element of a knowledge strategy. In lieu of worldwide changes, organizations need to learn more than ever as they confront these mounting forces. The concept of the learning organization is not new. It flourished in the 1990s, with the release of Peter Senge's publication on learning²¹. Reviewing publications on organizational learning has revealed three broad factors that are essential for organizational learning and adaptability: a supportive learning environment, concrete learning processes and practices, and leadership behavior that provides reinforcement. More than that, it is also being able to engage employees in meaningful work, which is characterized by 3 factors: (i) autonomy/independence meaning giving sufficient room for the staff to exercise innovation, (ii) challenge to stimulate curiosity and develop new skills and, (iii) a clear relationship between effort and reward²². Meaningful work is vital to maintain and further increase Intellectual Capital. It prepares the staff to deal with the next problem, the next opportunity, and the ability to create the next

²¹ Peter M. Senge. *The Fifth Discipline*. New York, Doubleday, 1990, 2006.

²² Malcolm Gladwell. *Outliers*. London, Penguin Group, 2008.

product. Moreover, it attracts a workforce stimulated by the proposition of learning.

4.9 Organizational structure for KM

Many organizations struggle with the question where to position and how to finance knowledge management, or in other words what will be the responsible department/unit assigned to develop and implement KM and where the money to finance KM initiatives should come from. Reviewing international case studies reveals that Information Technology, Human Resources, External Relations/Marketing, Central Operations/Library, Research & Development, and Economics departments/units are usually the organizational units that take or finance the lead in driving KM. Those who have taken the initial lead are usually also the ones who are assigned ownership after adoption of the KM strategy, although a few cases illustrate otherwise. From the MAKE studies²³, we learn that if KM is driven by an IT department, KM will most likely fail. The observation as such might be true but it must also be acknowledged that driving KM without IT will also fail. IT is important in designing or refining business processes in the context of information management (capture, storage, access, dissemination of information). In most organizations we reviewed we see that the IT environment for knowledge capturing, storing and exchange is fairly structured and regulated (World Bank, UNDP, ICIMOD, ADB, KPMG, Practical Action, Tata, Siemens). What is noticeable from reviewing international practices is that during the initial phase a KM Committee is established with the most important stakeholders in KM, including the business drivers. While knowledge management for instance at the World Bank was an implementation process primarily driven by a KM Committee, it transferred its KM responsibilities mostly to the World Bank Institute and within operations to the so-called Sector committees. The same happened at the Islamic Development Bank²⁴ while at the ADB a Vice-President position KM&SD was created after the re-organization in 2002, driving the process of implementing KM through its Regional Sustainable Development Department (RSDD). This department is responsible for cross-cutting sector and thematic areas and innovation. Implementing KM at the ADB was however done in close consultation with other knowledge and services departments. At ICIMOD an Integrated Knowledge Management Department was established directly under the Director-General. The IKM Programme is responsible for IT, Geo-information, External Relations, Library, Communications and Human Institutional Development.

It was found by reviewing KM cases that the incremental administrative costs implementing KM is rather modest. For instance it was noticed that upgrading IT systems to more open and knowledge sharing capabilities needed to be done anyway to keep pace with technological developments; the human resource policy needed to be upgraded due to the competitive labor environment and to reflect new working conditions; external relations and

²³ Most Admired Knowledge Enterprises, yearly review of KM practices. London, Teleos.

²⁴ IsDB website organization chart.

communications needed to review and improve their communication strategy and information disclosure policy. Additional costs were usually made for recruitment of a dedicated knowledge manager(s) to guide, coach, supervise, evaluate and report on the implementation of KM and KM conference programs or knowledge seminars²⁵.

4.10 Networking capabilities

An increasing number of organizations are creating networks with other institutes and stakeholders to work together on a common concern or to strengthen each other's research and communication capacity, to share or develop knowledge and solutions that meet the needs of policy-makers or decision-makers at national, regional and global level. Knowledge networks emphasize joint value creation by all the members within the network (moving beyond the sharing of information to the aggregation and creation of new knowledge and solutions). An underlying premise of a knowledge network is that the whole is greater than the sum of the parts and that the network can foster change in specific policies and practices to support sustainable development. Networks are often complex to manage due to their composition, accountabilities and responsibility. Working networks require structure, workplans, timelines and deliverables. From the World Bank it is learned that some networks are highly effective and some, less. It resonates fairly well with the observations and evaluations from Asian Development Bank's networks. These sector and thematic networks are often seen as the front-runners for innovation and signaling new developments or threads²⁶. A main objective of the Network is to constantly look at how it will move its knowledge not just to external audiences but also how new knowledge can be adopted into practice in the own organization.

4.11 Assessment and Monitoring

Monitoring progress of knowledge management is important for obvious reasons. In practice, the corporate world applies the Business Balanced Scorecard, while development organizations usually implement the Monitoring Framework which is to some extent a subset of the Business Scorecard. Both frameworks adopt tools and steps to measure progress. We have come across various models which are used or applied with very mixed and mostly disappointing results. The Collison and Parcell assessment uses 5 characteristics with 5 dimensions. The highest level 5 assumes that (i) a KM Strategy is drafted and well understood throughout the organization and applied, (ii) Leadership behavior has the right attitude and depth, (iii) networking clearly defined, implemented and have a purpose, (iv) Learning

²⁵ One of the studies reviewed concludes that most KM Managers do not control budgets. This reduces their status within the organization and can greatly limit the effectiveness of their role; Effectiveness in many organizations requires that the KM Manager report directly to the CEO and that he/she be empowered to take policy decisions. C. Laszio: Evolving knowledge for development. Journal of Knowledge Management 6(2002) issue 4. pp 400-412

²⁶ ADB's Knowledge Hubs; S&T Evaluation; World Bank AD Knowledge Forum,

during before and after built into business processes and (v) Capturing knowledge is supported by efficient tools, easy to find, refreshed, stored and delivered.

MAKE/Teleos, the author of the yearly Most Admired Knowledge Enterprises applies 8 criteria assessing an organization progress in knowledge management: (i) Ability to create and sustain an enterprise knowledge-driven culture, (ii) Ability to develop knowledge workers through senior management leadership, (iii) Ability to develop and deliver knowledge-based projects/services, (iv) Ability to manage and maximize the value of enterprise intellectual capital, (v) Ability to create and sustain an enterprise-wide collaborative knowledge-sharing environment, (vi) Ability to create and sustain a learning organization, (vii) Ability to manage client knowledge to create value and enterprise intellectual capital, and (viii) Ability to transform organizational knowledge to reduce poverty and improve clients' standard of living.

Conducting surveys in organizations among staff to secure their perception of knowledge management is however not very successful. The number of respondents is usually extremely low and the author's experience conducting baseline surveys illustrate that an average of 10% or less of the staff responds to a survey. It might be more applicable to organize focus group discussions to take stock of staff views.

5. Final thoughts

According to the findings of Arie de Geus, chief strategist of the Royal Dutch Shell Group, organizational longevity is based upon four characteristics (i) conservatism in financing, (ii) sensitivity to the world around them, (iii) awareness of their identity and (iv) tolerance to new ideas²⁷. De Geus reviewed for his study numerous organizations to find out why some organizations disappear (are merged, go bankrupt, etc) and concluded that only a few organizations that were created over a hundred years ago and still exist applied the above characteristics. Stimulating a curious workforce, space for innovations, and processes for knowledge sharing are vital ingredients. According to the findings of the World Bank, ADB and other organizations reviewed, implementing knowledge management does not happen overnight. It requires a long-term vision. Applying different KM principles to find out what works well for an organization is vital. Many of the pioneering organizations mentioned in the beginning of this article no longer have a dedicated KM strategy. It is embedded in the organizational processes to ensure an integrated KM approach delegated to a senior staff position.

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²⁷ A. de Geus: The Living organization. Harvard Business Press, 2001. Harvard Business Review, 1998.

