

Knowledge Management Consulting Method

Part 3 – Strategic Planning

Module 3.6 – Obtain Top Management Approval

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Introduction

An Overview of the KM Consulting Methodology

The KM Consultancy Methodology enables structured thinking and planning for a knowledge management project. The KM Consultancy Methodology is designed to be modular so that an organisation can choose to start at different levels depending on its readiness, needs and requirements.

The KM Consultancy Methodology is divided into 6 parts of learning and activity. Part 1 concentrates on KM Education, understanding what KM is, the terminology used and why it is important. Part 2 introduces the individual to the importance of KM frameworks, and more importantly, the framework used for the KM Consulting Methodology.

Parts 3, 4 and 5 focuses on the planning, developing and implementing KM within and organisation. This involves looking at the initial or the planning stage of the strategic planning for knowledge management, in Part 3. Part 4 looks at developing the knowledge organisation, looking at how to KM enable the organisation and the need to iteratively develop the KM initiative. Part 5 looks at implementing the KM initiative, from a small pilot project, to a organisation wide KM roll-out and then to an inter-organisation wide KM roll out.

Lastly Part 6 focuses on the knowledge and skills required to successfully conduct KM on a daily basis. This involves fundamental skills, such as utilising the KM system and working effectively as virtual teams through to understanding the new roles and responsibilities of the Chief Knowledge Officer, Knowledge Manager, Knowledge Administrator and the Knowledge Workers.

Strategic Planning for Knowledge Management

Knowledge management is not about managing knowledge per se or about managing knowledge workers, rather it is about managing the context within which knowledge is created, shared and used.

Therefore, the implementation of any knowledge management project calls for a comprehensive understanding of the context in which the KM project is being undertaken. The task can be quite intimidating and overwhelming because of the complexity involved.

The KM Consulting methodology aims to break a KM initiative into manageable projects without losing sight of the big picture. This part of the methodology – Part 3 is broken down into six modules, each of which can be managed as a series of separate activities.

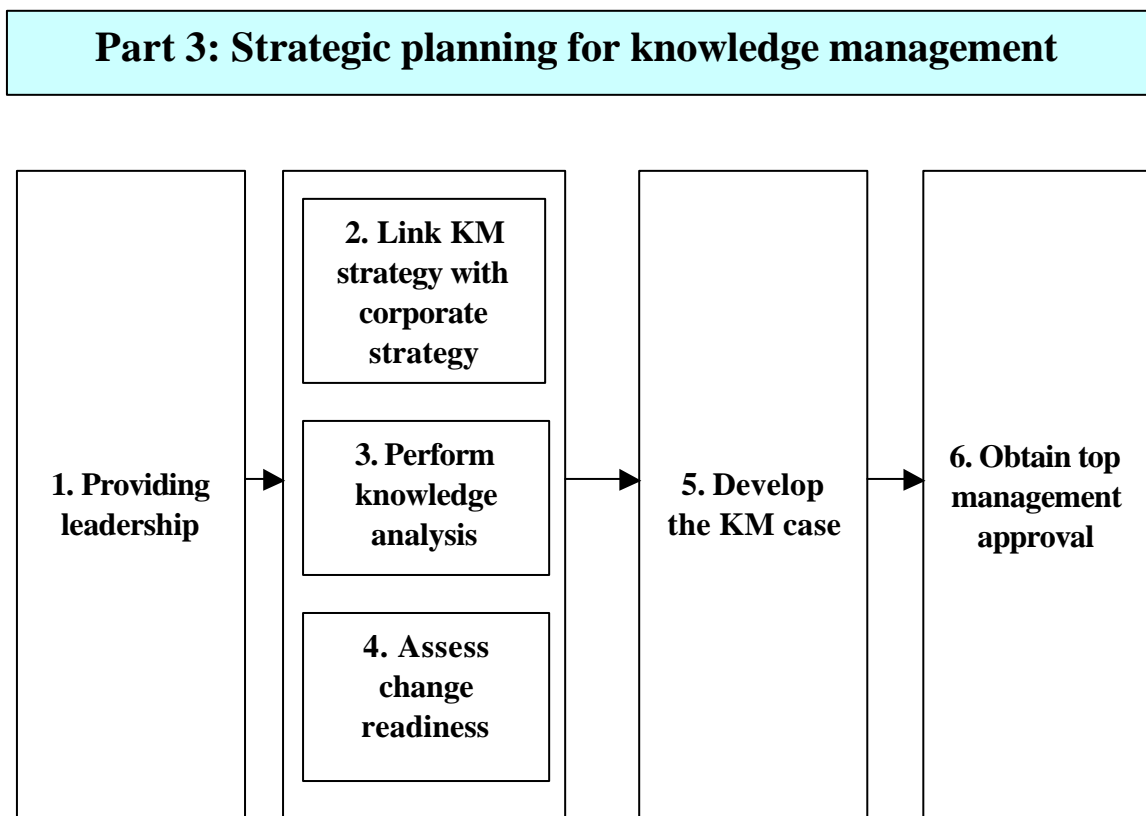


Fig 1: Strategic Planning for Knowledge Management

Summary of Activities per Module

Module	Activities
3.1 Providing Leadership	? Meet the CEO/MD/top management ? Form & educate a KM Initiation Team
3.2 Link knowledge management strategy with corporate strategy	? Organise workshop/conduct interviews ? Analysis <ul style="list-style-type: none"> ○ Identify vision, strategy and objectives ○ Identify critical success factors ○ Link strategy to critical success factors, improvement needs, key people and processes ? Select the key business area and process of focus
3.3 Perform knowledge analysis	? Determine knowledge orientation; current and desirable ? Identify critical knowledge assets ? Analyse KM infrastructure
3.4 Assess risk and change readiness	? Change Readiness Assessment ? Stakeholder analysis
3.5 Develop the case for KM	? Explain the need for knowledge management ? Project Description ? Provide solution detail <ul style="list-style-type: none"> ○ Develop performance measurement and evaluation plan ○ Determine resource and funding requirements ○ Develop awareness generation and education plan ○ Determine the implementation Schedule
3.6 Obtain top management approval	? Improve awareness of the executive group ? Present the KM proposal ? Form the KM team

Strategic planning is an important stage of a knowledge management project because it will help an organisation quickly focus on knowledge that counts and delivers value to the firm. Based on the corporate strategy and objectives a clear knowledge management strategy needs to be defined to help the firm set forth the criteria for choosing what knowledge a firm plans to pursue and how it will go about capturing and sharing it. A key deliverable of Strategic Planning will be the creation of a business case which would set the scope of the project by designating critical knowledge for the business and identifying resources of critical knowledge. The focus of the business case would be to convince the top management of the need and benefits of knowledge management and gain their full-fledged commitment for the initiative.

There could be two different scenarios during the initiation phase of a knowledge management project.

- a) The CEO / MD of the firm is convinced of the need for a knowledge management initiative and the project is initiated by her/him. S/he could either decide to form an internal team undertaking the project or hire an external consultant who would also be supported by an internal team. In either case, the information collection exercise becomes easier and the task of obtaining the top management approval should become much easier.
- b) A middle/senior manager in the organisation initiates the project. In this case, the success of the project will be contingent on obtaining full-fledged top management support. Therefore, the focus during the initial phase of the project should be on creating high awareness and garnering much more than word of mouth support from top management.

The modules involved in the two cases would be the same, however the activities and focus might differ. The steps involved would be;

Module 3.1: Providing leadership.

Module 3.2: Link corporate strategy with knowledge management.

Module 3.3: Perform knowledge analysis.

Module 3.4: Assess change readiness.

Module 3.5: Develop a business case for KM.

Module 3.6: Obtain top management approval.

This module focuses on Module 3.6 – Obtain top management approval.

Module 3.5 – Obtain Top Management Approval

1.0 Why is obtaining senior management approval important?

Given the changes to corporate culture, behaviour and processes and high resource requirements that usually characterise knowledge management, the corporate leaders cannot be lukewarm about it and have it succeed. They must be fully committed, realising that they too will probably be required to learn new skills and new ways of running their functions.

The time and resource requirements for obtaining full-fledged top management support will depend on the awareness and commitment of the top brass of the company. The present section provides some guidelines on how to go about garnering the support of senior management.

2.0 Improve awareness of the senior management

Before you can hope to gain the support of the top management team for a knowledge management initiative, they need to understand the concept, the resources required to implement it and more importantly the benefits from the project. This can best be accomplished by providing them with a three to four hour overview of what knowledge management is all about. Be sure to include a number of examples of how other organisations in the same industry are using knowledge management to improve their performance.

Before the meeting the company head must send out the letter scheduling the meeting and voicing support for the knowledge management initiatives. A copy of one of the following books/articles should accompany the letter;

- ? The Knowledge Creating Company, Nonaka, Takeuchi.
- ? Working Knowledge, Tom Davenport and Larry Prusak.
- ? What is a knowledge management project, Davenport and Beers, Centre for Business Innovation, E&Y.

The KM initiation team could also schedule short one to one meetings with the members of the senior management team who will attend the 3-4 hour session. This allows the KM initiation team to answer particular concerns and to identify the executives who would be strong supporters or roadblocks.

Some questions to be prepared are

Q. Are we not already doing knowledge management?

A.

Q. Is this just another corporate program that will soon go away?

A.

Q. How much time do I need to spend on this?

A.

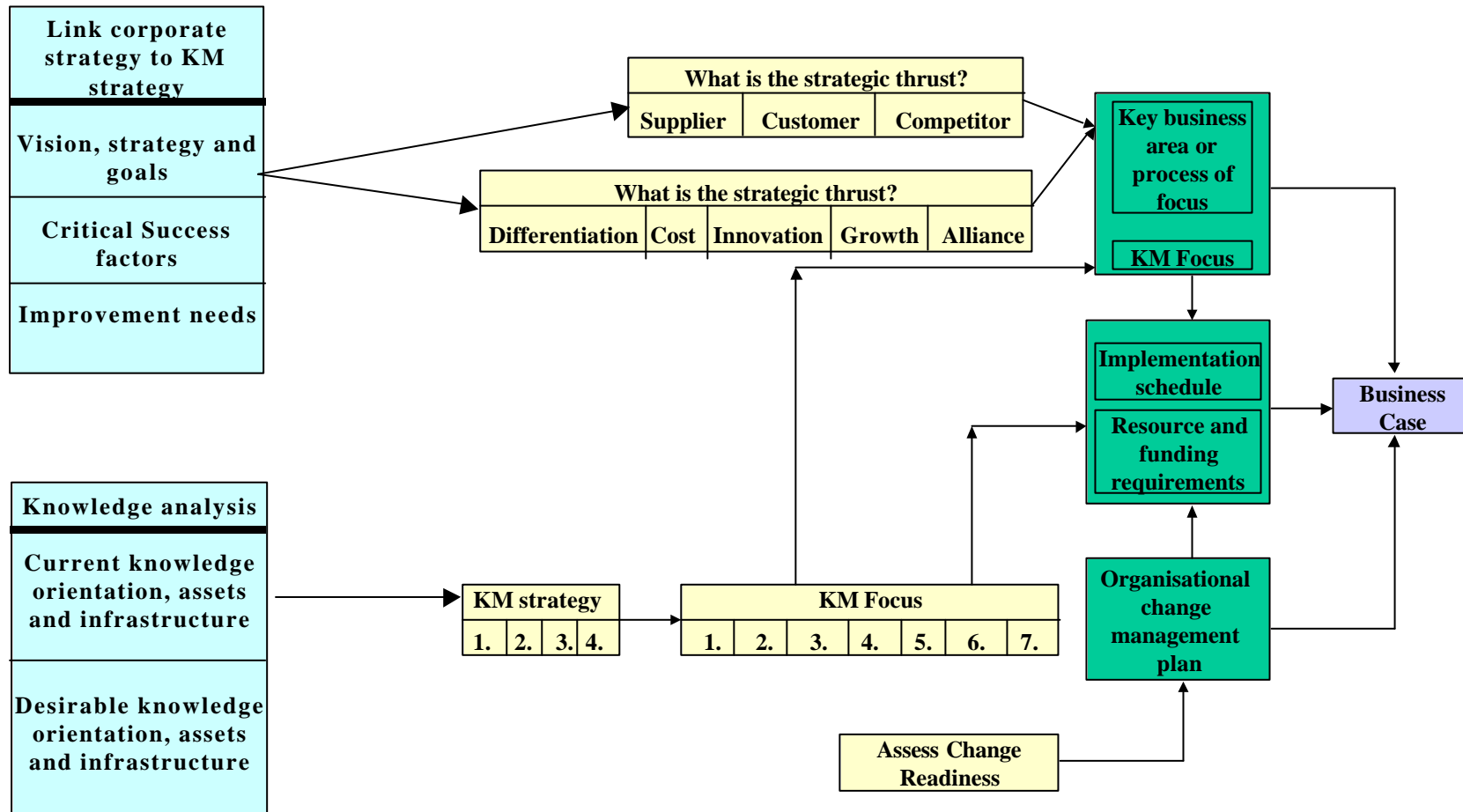
Q. What is in it for me?

A.

Q. Who will it affect and how?

A.

3.0 Presenting the Business case



4.0 Present the KM proposal

The strategic thrust of the whole knowledge management initiative could be summarised in the form of the above template.

A copy of the KM Business case should be mailed to each of the attendees of the meeting a week in advance. The meeting should be scheduled for 2-3 hours. A typical agenda for the executive meeting would be:

- What is knowledge management?
- Reasons for doing knowledge management.
- Benefits from knowledge management.
- Review of how other organisations have improved through knowledge management.
- Review basic terms and tools common to knowledge management.
- Review the roles and responsibilities for knowledge management activities.
- Present the business case.

Include time in the agenda to be sure everyone understands what has been presented and its impact on them and to gain approval or define what needs to be changed before formal approval is granted.

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5.0 Form the KM team

Based on the selection of the key business area or a process, a team of people should be formed who will be involved in carrying out the implementation of the project. The members of this team should have a good understanding of the functions of the business area or running of the processes. Again, it is important to have the head of the business area or function as part of the team along with the change agent. The team should not be very big. We suggest a maximum of six and a minimum of three people depending on the size of the business area or the complexity of the process.

However, if the business case is not received very well by the executive committee then the KM initiation needs to spend more time in building a critical mass for the project and generating interest and enthusiasm for the same.

Glossary

Knowledge The ideas or understandings, which an entity possesses that are used to take effective action to achieve the entity's goals.

Knowledge management The ways to create, retain, share, account for, and leverage knowledge - at all levels, from the personal level to the team level, the organisational level, the inter-organisational level, and the global level.

Knowledge Asset A resource that an organisation wants to cultivate and manage. Human assets are people and networks of people, structural asset could be an automated sales process and market asset could be a corporate brand.

Business case A document describing the business issues driving the project, the project objectives, the project scope, the approach and time frame for achieving results, the budget and the project team.

Critical Success Factors The most important activities and processes the organisation has to make right to reach the goals outlined in the strategy. Examples include: product development, inventory reduction, time to market, customer service and so on.

Vision The dream of a future state for the organisation.

Change Agent The person responsible for the process of change and incorporating the principles and tools of change management into an organised and systematic plan of implementation.