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Knowledge Management
More Effort – More Success?

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Abstract: Interested readers find a lot of ideas, concepts and implementation attempts for the modern subject "knowledge management". A midsize consulting company now faces the problem of finding the answer to: „what do we need to implement to stay in touch with knowledge and where does the cost/profit relationship just put a stop our possibilities?" The biggest problem for these companies is their size: they are too big to exchange information and knowledge during coffee or lunch breaks. On the other hand the extensive, company wide systems of the corporates are too expensive and usually not hitting the target. Against this background I'd like to present a possible solution for day-to-day knowledge management using the hands-on experience of Gosch Consulting GmbH, a midsize IT-consulting company. Looking at our company from the knowledge point of view we realized early on that certain standards have been partly implemented within the company even before the knowledge management hype started. This motivated us to take a closer look at the practicability of our tools and to look into and introduce some of the new concepts and ideas. The objective was to examine their efficiency and effectiveness for our own company first and then to find the balance between "must" and "nice to have". Equally important was the fact that the instruments had to enhance the quality and value of the company and also of the individual employee.

Category: K.6.1

1 Introduction

1.1 Who is „Gosch Consulting" ?

Gosch Consulting is an Austrian-based IT-consulting company offering a comprehensive package of services based on the understanding that a solution can only be successfully implemented if the clients' needs are properly identified first. Once explored and defined the solution can be developed and implemented. To serve our customers best we formed the two competence centres "consulting" and "integration" which attend to all the customer needs – from the change process to the final IT-solution.

The main customers are in the public sector and therefore Gosch Consulting was able to develop special knowledge in the area of eGovernment.

DI Carola Gosch founded the company in 1994 in Graz and continuously expands the company concerning staff (actual 30 employees) and locations (second location in Vienna since 1997).

The integration of our customers is a very important factor for us. Working as a „virtual“ company we jointly focus on the continued success of our projects and solutions. The need to find the best solutions for our clients and therefore to take advantage of all the technical possibilities make it a necessity to constantly stay ahead and to be informed about the rapid changes in IT-management.

The company is structured as a so called process organisation. This means that all the activities are aligned to the main processes or information and work flows within the company. Knowledge Management is an independent process within the organisation. Combined with the human resources process Gosch Consulting invests about 15 percent of its working time into the knowledge build-up of its employees.

1.2 The objectives in knowledge management for Gosch Consulting

We assume that all the employees working for Gosch Consulting bring their individual personality, their visions and their objectives to work. To make them keep their individuality and to additionally network them among the other individuals within Gosch Consulting we support specifically

- the build-up of knowledge
- the transfer of experiences
- and also innovation and new ideas

This is all done within the strategic requirements and needs of the company and of the employees.

Based on this we formulated the following objectives for our knowledge management:

- Recognizing and communicating the internal knowledge areas and owners to strengthen our know-how about the company and its potential.
- Active support for the building of internal and external knowledge networks and communities. This includes external partnerships as well as internal projects and communities of practice.

2 Transfer And Experiences: Our Best Practices

Some of the practices have been established within the company for years. Gosch Consulting has implemented them even before knowledge management turned into a must for every kind of company. Some of the practices have been added after evaluating the new concepts and ideas of knowledge management.

We especially aimed at keeping our „old“ knowledge systems and not to replace our own best practice examples and our own knowledge culture.

2.1 Media management

Books and other printed media are very significant for our company. The value of reading can be demonstrated by the fact that the individual time reserved for internal or external education can also be used for studying specific literature.

For years the library has been supported by automated information about
- available books,
- its content, which is integrated through a link to www.amazon.com
- people who already read the book
- and – if feasible – their feedback about it

Selected employees administer the books within their own knowledge area and counsel the other employees accordingly.

As the variety of new media keeps growing we decided about 2 years ago to develop a comprehensive media database. Within the "mediathek" we newly integrated tapes, CBT's, periodicals, magazines and training manuals. The objective is to give each employee access to all the available information to a topic or a problem area. Each object has a category and a list of relevant indexes to simplify the access to it.

We constantly keep the "mediathek" growing. Up to now it contains more than 500 books; a variety of 90 periodicals, 145 tapes and 87 CBT's. This allows our employees to educate themselves on their own initiative and on a large variety of topics. The topics offered range from IT-specifics to management literature and fitness guidebooks.

Data mining out of the „mediathek" is especially valuable for knowledge management concerning the skill profiles of our employees.

2.2 Innovation manager

One of our main objectives in knowledge management is the existence of a structured platform for creating and managing ideas. Within an internal project we developed a tool to stimulate our creativity and prevent good ideas and innovations being lost.

The innovation manager actually is an Internet based cooperation platform into which employees can feed their ideas (on average 13 per month) and give critical comments to those of others. These comments can be read by everyone and are supposed to enhance the creativity even further. Regularly the general management and the relevant know-how sponsors decide on the potential implementation of the idea. Approved ideas are usually implemented as internal projects (about 25 %).

2.3 Marketing manager

To network our knowledge about our customers and partners and provide our employees with this information, we introduced a customer relationship tool, which covers more than the basic address database. In addition to the contact partners and

the address information it contains the relationship among them, their areas of knowledge and interests as well as personal notes about all our partners and customers. Moreover the tool holds also information and documents about the projects done with a customer or partner and therefore actually functions as part of a project database.

2.4 Intranet

For a long time the intranet has been the central knowledge and information platform for Gosch Consulting. Information relevant for all or most employees can be found there. This includes:

- Project information
- Social events
- innovation manager
- Who is who and the profiles of all the employees
- Rules and regulations
- Information from the general management or know-how sponsorships
- Internal and external events and seminars, which the employees could be interested in
- Feedback to the events

One of the important features is the „what's new" function and build-in search engine which help to navigate in all the listed information.

Our intranet page contains about 140 pages of information. To channel the time needed to keep in touch with all this information we publish the articles just once a week – every Wednesday. Therefore the statistical value of the access frequency is minimal.

2.5 Best Practice – marketplace for experiences and lessons learned

Even within a small or midsize company like Gosch Consulting new insights and experiences out of projects often can't be transferred in informal ways. To systematically and precisely transfer information we organized a so-called market-place of experiences. This is a public folder in MS Outlook organized in categories in which every employee can post his ideas, insights and experiences easily and uncomplicated. As MS Outlook itself has already powerful features the whole handling is very user friendly.

In addition to the informal marketplace we integrated periodical project meetings in which the experiences within the project and also from other projects are exchanged. We aim at having a full lessons learned and improvement catalogue. All this information is published in the intranet and also in the final project reports.

Our experience with the marketplace shows that it is widely used. There are about 8 comments per month in it. But there's a definite correlation between work and comments: the more project work the less comments in the marketplace!!!

2.6 Gosch Information Talks - GITs

Out of informal meetings after work in times where there were less employees emerged the so called „gosch information talk“ or GIT. Today these meetings are a forum in which employees can inform others about a freely chosen topic. There are no limiting factors to the choice of topics because also purely personal topics of interest can be a reference to an employee skill. GITs aren't just simple lectures but actually a form of discussion group for everyone. This turns the meeting not only into an information consuming event but also into an information seeker and brokerage system.

Since March 2000 there have been about 20 GITs organised, prepared and done by Gosch employees. The topics range from: "strategies and trends in eBusiness" to "how to run". The average number of participants is about 8 people – of course depending on the attractiveness of the topic presented.

2.7 Communities of practice

Lately we changed our organisational structure into a process oriented organisation. Each process can be viewed as a community of practice to a certain topic or procedure. Each process owner has the responsibility to keep his or her process running efficiently, competitively and with the maximum use of internal knowledge. This responsibility for one's own process community made it necessary to transfer part of the educational budget to the processes also. The process owners now plan their own knowledge build-up and transfer among themselves and their community. The objective is to turn the community of practice into a community of excellence with their own knowledge network within the process and between the other processes.

The challenge we face is to keep the 11 processes and their communities connected and running. We are confident that our people will make good use of this opportunity to communicate and the responsibility given to them.

2.8 Know-How sponsorship

Every organisation and every employee needs to learn and grow. To support this need Gosch Consulting decided to define so called know-how sponsorships. A single know-how sponsorship has the objective to develop professional leadership in a certain technologically important area. The sponsored employees are supposed to develop new products and methods on how to do business. Several employees were able to apply to these sponsorships and are now one of the important pillars of innovation for the company.

Each know-how sponsorship is allocated to one of the competence centres „consulting“ or „integration“ and is the centre of the presales and innovation activities in the respective area.

The tasks include:

- Following the market trends by reading specific books and periodicals and visiting seminars and events
- Gaining insight into tools and methods that can be used productively
- Transferring his or her knowledge to the rest of the company through
  - quarterly reports on the trends in the intranet
  - Gosch Information Talks
  - direct project assistance and feedback

At the moment we have know-how sponsorships for the following topics:

- data warehousing
- web application
- database administration
- business process modelling

3 Our Knowledge Indicators: Evaluation and Visualisation

To record and evaluate our knowledge and intellectual capital we use a balanced scorecard. The balanced scorecard is our basis for our internal controlling and communication. Within our balanced scorecard we integrated the central objectives, values and priorities of the company. Therefore it turned out to be a very valuable leadership and communication instrument.

Next to the common bsc-levels of finance, processes, customers and employees we integrated the level „knowledge and innovation“ to give this area its special focus.

The actual balanced scorecard looks like this:

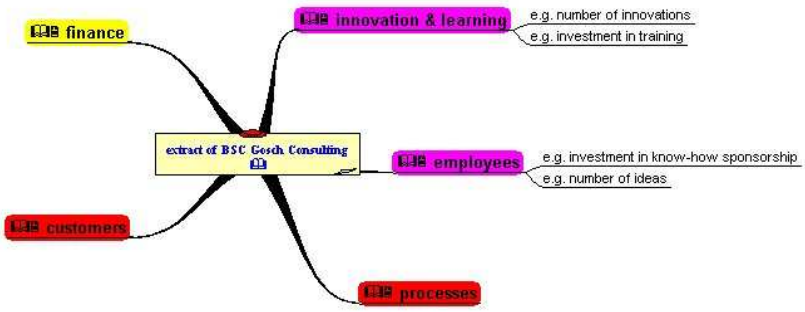

Figure 1: extract of the BSC used at Gosch

For each level we defined the strategic objectives and performance indicators with their relevant bandwidth. A monthly evaluation and interpretation of the indicators show the development of the intellectual capital and the whole company.

The results of the balanced scorecard evaluation are published in a user and interpretation friendly manner and released monthly in our intranet.

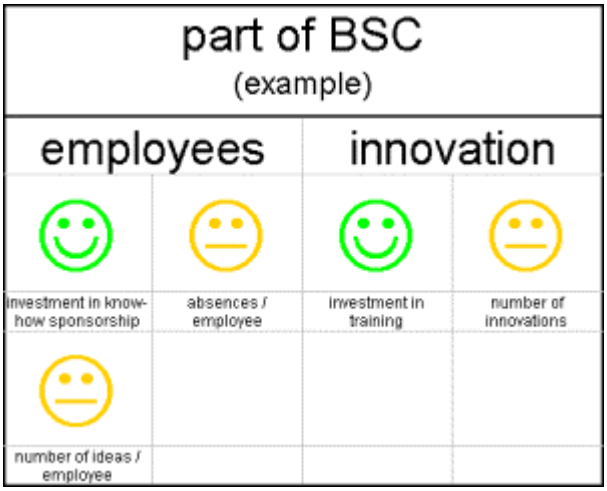

Figure 2: BSC data transformed for employees

Next to the balanced scorecard we plan to develop a so-called knowledge balance sheet and the corresponding indicators to get a more detailed look at and evaluation of our knowledge management work.

4 Summary

As seen above we have a long list of knowledge management activities and single systems. To have a really compact knowledge management solution we would only need an additional database in which we could centrally integrate all our information and instruments.

By now our experience shows that there's no significant correlation between perfect knowledge management tools and the results generated.

We can support this basic message by the following statements:

- A basic tool set is necessary to keep the process of knowledge generation and transfer going. We estimate that only 30% of the knowledge management indicators can be enhanced by technological instruments. The greater influence is exerted by the people within the process.

- Instead of automating the knowledge management processes we believe in strengthening the internal communication and also the understanding for the value of knowledge management.

- We think that the best method to turn singular and often implicit knowledge into company wide explicit knowledge is interpersonal communication. In a company with about 30 employees this can still be done without a lot of expensive technology.

We not only believe in investing in technology but also in people. A lot of companies have basically realized this fact but maintenance fees for technology are taken for granted – maintenance fees for employees are still a novelty!!!

Additionally knowledge management isn't only a topic on the organisational level, it is even more important on the individual level. Every employee has to be interested in maintaining his own knowledge base also. The continuous success of knowledge management can only be sustained if there's a „give and take" between the company and the employee and both sides have to invest to keep the system running for the well-being of everybody.

We don't have the "correct" answer on how much to invest in technology and/or people to really get knowledge management running for your company, but we know that we can't afford not to invest in knowledge management. The answer to the question stated in the title of this paper might be „Yes" – if we put more effort into human resources than into technologies.