

Next Generation Knowledge Management

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About the Author

Jerry Ash is founder and chief executive of the Association of Knowledgework (AOK), a global association for people in every speciality, crossing professional, geographic, cultural, economic and hierarchical barriers, who are dedicated to working with this stuff called “knowledge.”

AOK has built a virtual community where newbies, serious knowledge practitioners, knowledge pioneers and thought leaders from more than 100 countries meet and explore new developments.

Jerry developed a passion for the knowledge strategy in 1995 and has championed the concept ever since. Like other knowledge practitioners, he brings to the table a diverse background full of interrelated experiences that add up to a solid foundation for knowledge work.

He is a lifelong communicator whose experience has included a broad spectrum of advocacy and leadership roles including university professor, editor, publisher, author, state senator, hospital public relations director, CEO of a state hospital association, and executive director of a human organ donor organisation. In every role, he has been an innovator and agent of change.

Until he launched AOK, Jerry was senior counselor with The Forbes Group, leading advisers to senior association executives in the Washington, DC area.

Dedication

This report is dedicated to my wife and partner Michele Ash. The value of her moral support is exceeded only by the enormous work she has poured into building and maintaining a virtual place where KM pioneers, thought leaders, practitioners and learners can collaborate.

It is also dedicated to the many knowledge professionals who have shared their knowledge and experience through AOK's Star Series Dialogues over the past five years. Without them, the work of the Association of Knowledgework could not be happening.

It is dedicated to the Ark Group who has given flight to the extraordinary value of our stellar network through the pages of *Inside Knowledge* magazine and the publication of this report.

Finally, it is dedicated to all the champions of knowledge management everywhere who are making a difference in the capacity of people and organisations to succeed beyond our wildest dreams.

Preface

Back in the mid-'90s Don Tapscott's book, *The Digital Economy*,¹ was the springboard that propelled me to take a closer look at the impact of technology on social, political, and economic order.

My journey soon led to what was then a small band of creative thinkers searching for new ways of doing things in the post industrial world. It soon became clear to me that the digital economy would quickly become a knowledge economy that would have far-reaching consequences for organisational leaders in both for-profit and not-for-profit sectors. Those creative thinkers were pioneers in search of the essential pathways towards knowledge era leadership.

These visionaries were seeing a future where minding the soft stuff – tacit knowledge – would be the “hard stuff” of a changing economy.

To raise the awareness of business leaders and get them thinking about knowledge strategy, I formed an email discussion group beginning at the turn of the 21st century.

Michel Pommier, who worked with Stephen Denning at the World Bank, suggested we invite Steve as a discussion group guest to test a hypothesis – that knowledge management was maturing as a discipline and common or accepted practices were beginning to emerge.

Steve had just published his highly acclaimed book on corporate storytelling to communicate complex messages, and so we were thrilled at the prospect. The email conversation with Steve was a big hit; I quickly searched for other luminaries who would be guest moderators in what was to become known as the Star Series Dialogues. By August, 2000, the Association of

Knowledgework (AOK) was born. In the ensuing years, some 60 worldwide leaders have volunteered to host the Dialogues. The parade of Stars continues today, taking place during the last two weeks of each month. You're invited to join AOK and become part of the conversations. The value of the time spent is best expressed by one of our members who recently wrote me this note:

This group is a real learning opportunity. I have lost count of the number of topics and references I have followed up to try to improve my understanding around this whole subject of knowledge. The latest is the Knowledge Life Cycle. And some weeks ago when Action Learning came up, I went straight to a friend and mentor, who had worked with Reg Revans² many years ago, to borrow every piece of reading matter he had on the subject. The more I discover the more I wonder what doesn't knowledge touch on? Or perhaps that should be, what isn't knowledge the basis of? Anyway, you go on providing the nourishment and I'll go on learning and thinking.

Lesley Coomber

Knowledge facilitator, HM Customs and Excise, London

Lesley has discovered the wealth of knowledge about using knowledge that is contained in the current and archived Star Series Dialogues.³ For six years I have also marveled at the treasure produced by this collaborative community. Participants have not only shared knowledge but developed collaborative insights, insights that would otherwise not have been fully tested.

The dialogues have challenged us, corrected us and, at times, pushed us into deeper understanding of the challenges

ahead. The archives are proof positive that group knowledge is far greater than individual knowledge, even when those individuals are themselves icons in the field. Likewise, they are testament to the fact that knowledge shared is returned many fold where knowledge flows freely. From the archives, this report enables you to personally experience the same sense of discovery and learning Star Series participants have enjoyed.

It is foolhardy for an organisation to ignore the value of tacit knowledge, and it is personally limiting for an individual to pass up knowledge sharing by hoarding what he or she knows.

The 14 stars of the new order in this report are consultants and executives who make a living on the basis of what they know. Yet they share their knowledge freely in a knowledge-sharing community. Why? Not just because they are proponents of knowledge sharing but rather because even they come away from the discussion richer for it! That is the nature of this report. It is not a one-way discourse by a single expert but rather a two-way conversation amongst multiple experts and contributors who sometimes see things the same and sometimes differently. In the short term, I hope the contributors have challenged the Stars, asked the questions and made the comments you would have made had these conversations come to you in an interactive email discussion. In the long term, I hope this report helps you meet the challenges and opportunities of the Knowledge Age.

Jerry Ash

References

1. Don Tapscott, *The Digital Economy: Promise and Peril in the Age of Networked Intelligence* (New

York: McGraw-Hill, 1995).

2. Dr. Reg Revans, professor of Industrial Administration, the University of Manchester Institute of Science and Technology, UK; known as the founding father of Action Learning; died in January, 2003 at the age of 95.
3. You can be part of the ongoing dialogues by joining AOK online at <http://www.kwork.org>.

Introduction

There is no better way to understand how the rules can change, how people can become engaged in making better decisions, and how surprise and discovery can ignite communities than to follow the collection plate. Follow the money and you will see it travels from the church member to the finance committee where decisions are made on spending it. Sometimes those decisions are based on pleas from special interest groups or individuals – both inside and outside the organisation – who want to spend the money on worthy causes or people in need. The administration carries out the will of the committee and, of course, there is an accounting and the members receive a financial report.

Denny Bellesi, minister of the Coast Hills Community Church in Aliso Viejo, California, turned that process around. The clergyman gave out \$100 bills – a total of \$10,000 from his church's general funds – to 100 parishioners with instructions they were to invest it outside the church in line with the goals and objectives of the church mission. "It had to be glorifying to God and it had to be benefiting to others," Bellesi said. Beyond that, how each spent the money was a personal decision.¹

What began as a hundred people, soon involved hundreds of people and funds far greater than the original \$10,000. The results included small acts of kindness such as helping a family get on its feet, to large projects such as funding the construction of a church in Asia.

Bill Shedd, one of the parishioners, said "It was the most important \$100 I ever held in my hands." To add to the pot, Shedd's 13-year-old son donated \$100 of the allowance he had saved. Then his daughter

pitched in money. Soon the Shedd's had collected \$1,000.

After weeks of debate, the family donated \$800 to a shelter for abused women and children. Then Shedd read a newspaper article about 15-year-old Javier Zambrano in nearby Santa Ana, California, who was collecting holiday gifts for children even though he didn't have enough money to buy soccer shoes for himself. Shedd gave Javier the remaining \$200 for soccer equipment.

Michael Rodriguez used the \$100 to begin a donation drive at the Internet consulting company where he worked. The money helped a family with funeral costs for two daughters who had died. Gene Shook used the money to buy Bibles and study guides to train pastors in Asia. Nine-year-old Alex Benson sent the money to a four-year-old Oregon girl to help her family with expenses for a heart transplant.

Pastor Bellesi intended the lesson to be about stewardship. In business we would have called it an experiment in the decentralisation of decision-making. By accident, Pastor Bellesi may have learnt a lesson for himself – that in the era of information and knowledge, people like to think for themselves, and great things can happen when hierarchy gets out of the way.

The explosion of the Internet and other forms of personal communication – coupled with the highest level of human intellectual activity ever – have created a new order to human enterprise. People who were once content to be led are now less likely to blindly follow. It is a phenomenon that transcends all ages, not just the young and impetuous. Patients enter their doctors' offices these days already having researched their symptoms and make decisions about

their own care based on what they know, not just what the doctor tells them. Shoppers go online not just to buy, but also to learn all they can about a product from every point of view. They depend much less on what the salesman advises; in many cases, the customer knows more – or better. The selection of media is no longer limited to newspapers or broadcast journalism, creating an even freer flow of information and ideas. Doing business with the government is as close as the desktop, allowing citizens to take charge of their own affairs by bypassing intermediaries who have “government connections.” The knowledge effect is ubiquitous.

The impact of this dramatic social change is both in the marketplace and the workplace, which means the impact is both inside and outside the organisation. People like Pastor Bellesi’s parishioners not only thrive on the responsibility of decision making; they have come to expect it. When people such as go to work, they are looking for an environment that will use their brains as well as brawn.

Some who were schooled in the command-and-control management methods of the past may call it “disorder.” Certainly, the open field attitude of today might have been an anathema in the Industrial Age, but we are now at the gates of a knowledge economy. Bright people with fresh ideas and initiative are just the fit for enterprises that need innovation and agility to keep up with rapidly changing methods and marketplaces. Even customers are coming directly to the organisation with their ideas, no longer content just to look at “what’s available.” They are intent on influencing what will be. So, the knowledge resource isn’t a problem. Organising a knowledge-friendly environment that encourages knowledge use and sharing

is. The new order requires a new style of leadership and “followership” that fits the new kind of enterprise.

No matter what terms they use, business consultants on the leading edge of this phenomenon are often mistakenly thought of as promoters of the “next management fad.” Such a reaction is understandable since this seemingly sudden focus on the knowledge phenomenon follows closely on the heels of a succession of popular fads that have left business leaders and workers somewhat sceptical of the next short-lived craze.

But this is *not* a temporary phase. It is a fundamental cultural change that has been quietly occurring in the background while fleeting management strategies came and went.

The modern awareness of knowledge as an asset surfaced some 50 years ago and the practice of extracting value from the knowledge resource accelerated rapidly over the last decade. Not a fad, leveraging knowledge is a reality of the business environment that will remain as long as knowledge matters; it matters so much that intellectual capital (IC) is now the primary resource of knowledge-driven enterprises that dominate the new economy. Harnessing the dynamics of the new order is now the difference between success and failure in every corner and within every function of the modern enterprise.

Between the covers of this report are 14 stars of the new order, world-renowned academics, gurus, business journalists, consultants and practitioners who have refocused their own careers on the challenges and opportunities of the knowledge economy. They work between an outdated past and an uncharted future that is already upon us. They approach issues from the perspective of their own backgrounds in management,

communication, human relations, training and development, education, strategic analysis, technology, project management and academic research. In addition, more than 40 other knowledge professionals engage, from a front-line perspective, in practical discussion and debate with the Stars about the best ideas for meeting the demands and opportunities of the new order. The thoughts and opinions of these professionals are as insightful as the Stars themselves.

In this report, Stephen Denning and two of his former colleagues at the World Bank begin the dialogue. They ask whether there are “new laws of management” – or leadership insights – that are beginning to surface as the concept of managing the intangible asset matures. The remainder of the report presents a broad range of thoughts, opinions and experiences that will provide a wealth of knowledge and a solid foundation upon which to make up your own mind and begin building your own strategies for coping with, and capitalising on, the realities of the new order.

Reference

1. Denny and Leesa Bellesi, *The Kingdom Assignment* (Grand Rapids, Mich.: Zondervan, 2001).