

## **Knowledge Management: Some Issues and Challenges for Corporate Excellence in the 21<sup>st</sup> century**

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**ABSTRACT:** *The 21<sup>st</sup> century is seeing the emergence of a knowledge society where the only differentiation between success and failure, for individuals, societies and business corporate houses, is the knowledge they tapup, disseminate and use it for gaining a competitive advantage. Today, the business corporations will have to deal with entirely new challenges to meet customer demand, move from competition to collaborative reconfiguration, dovetail supplier and subcontractor processes to the corporate goals and empower employees to be able to meet and surpass customer expectations. However, more often than not, knowledge management implementations are merely glorified departmental solutions, created by some people to address specific problems. This approach, as a matter of fact, confines the value of knowledge management to business process improvements within a relatively small group. Perhaps these efforts are helpful, but knowledge management (KM) is most valuable and holistic one when tied to enterprise-wide strategy.*

*Formulating and implementing appropriate strategies for these enterprise-wide Knowledge Management initiatives need a thorough and comprehensive understanding of the needs of corporate business enterprises from a variety of perspectives. Therefore, it is important for a corporate house to know its core competencies and have a deep understanding of how it creates value for its customers. Failure to recognize this fact and putting a Knowledge Management layer on top of existing inefficiencies in business processes will complicate the use of Knowledge Management. Against this background, an attempt in this paper is made to present the core issues and processes of Knowledge Management and the challenges being faced by the corporate business houses for its successful implementation to gain competitive advantages in the 21<sup>st</sup> century. [1]*

### **I. Introduction**

In recent years there has been a surge of interest in Knowledge Management among the academic circles, researchers and corporate administrators it has become a topical subject for discussion and debate especially in the 21<sup>st</sup> century than ever before. In the context of business organization, Knowledge Management is managing the corporation's knowledge through a systematically and organizationally specified process for acquiring, organizing, sustaining, applying, sharing and renewing both the tacit and explicit knowledge of employees to enhance organizational excellence and create value. Knowledge Management efforts typically focus on organizational objectives such as improved performance, competitive advantages, innovation, the sharing of lessons learned, integration and continuous improvement of business operations. Therefore, in the new millennium, Knowledge Management is not longer an option, but it is a prerequisite for success and hence business corporations will have to deal with entirely new challenges to meet customer demands, more from competition to collaboration reconfiguration, dovetail supplier and subcontractor process to the corporate goals and empower employees to be able to meet and sharpen customer expectations. Corporations which fail to ignore the above factors would result in complicating the existing problems by putting a Knowledge Management layer on top of existing inefficiencies in business processes.

### **II. Knowledge Management: Concept and Meaning:**

Knowledge Management is managerial activity which develops, transfers, transmits, stores and applies knowledge as well as providing the members of the organization with real information to react and make the right decisions, in order to attain the corporate's excellence and efficiency. According to Robert S. Seiner Knowledge Management

Is a concept in which an enterprise gathers, organizes, shares and analyzes the Knowledge of individuals and groups across the organizations in ways that directly affect performance. As such, it applies to every job function and process and seeks to capture institutional learning and share best practices for the benefit of the entire corporate enterprise and its clients. Thus, the major objectives of Knowledge Management include – creation of Knowledge repositories, improve knowledge success, enhance the Knowledge environment and manage knowledge as an asset. Knowledge is gained out of experience of working on different fronts.

Knowledge (set of information) is built out of experience of doing certain things. It is an intelligent observation of cause and effect. [2]

### **Types of Knowledge:**

Basically, there are two types of knowledge i.e. explicit Knowledge and Tacit Knowledge.

**Explicit Knowledge:** Explicit Knowledge is visible knowledge available in the form of letters, language text, mathematical experience, specifications, manuals, reports, memos, literatures etc., this type of knowledge can be embedded in objects, a computer programme, a diagram tools, machiche DSS, rules systems methods etc. This type of Knowledge can be developed independent of individuals subjectivity.

**Tacit Knowledge:** Tacit Knowledge is highly invisible and confined in the in the mind of a person. It is hard to formalize and therefore, difficulty to communicate to others. Highly personal, something that we simply know, possibly without the possibility to explain.

Knowledge is always bound to human beings and impossible to digitalize. Once it is 'explicitated' it becomes information. The differences between information and knowledge are in factors.

### **Information**

Static  
Independent of the individual  
Explicit  
Digital  
Easy to duplicate  
Easy to broadcast  
No intrinsic meaning

### **Knowledge**

Dynamic  
Dependent on individuals  
Tacit, may be explicit over time  
Analogue  
Must be re-created  
Face-to-face  
Meaning has to be personally assigned

### **III. Attributes of Knowledge:**

Basically there are six characteristics of knowledge.

Expandable knowledge on use, expands, becomes more rich.

Compressible knowledge compressed by codes, symbols and diagrams.

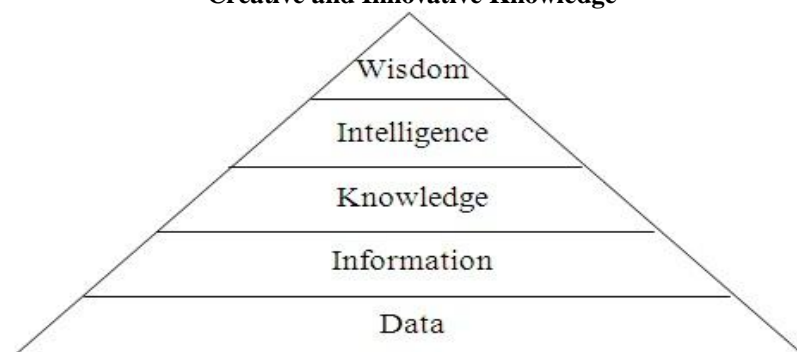
Transportable knowledge moved from one location to other through network.

Sharable knowledge shared and does not reduces in any manner on sharing.

Diffusive knowledge to diffuse if not protected wisely.

Substitutable knowledge or replaces the need for other resources

### **Creative and Innovative Knowledge**



### **Key Challenges of Knowledge Management**

Many challenges especially in the Knowledge Management aspects are being encountered by the business enterprises especially in the 21<sup>st</sup> century. Important among them include:

1. How to change its methods of attracting customers and servicing their needs in the new world of internet and electronic commerce?
2. How to transform its processes and implement information technology enablement to build the market facing enterprise?
3. How to re-engineer the mindset of its employees and enable individual and corporate learning to happen in an institutionalized manner?

The above challenges themselves are not new and in an organization with a long and successful history of delivering customer services all over the world, there is no doubt that enough capability exists to address each challenge with the collective wisdom to generations of managers and leaders and emerge successful. Thus, these issues need finding the correct method of sharing and disseminating Knowledge across the enterprise and to transform the customer satisfaction capabilities of each and every member of the corporate entity through timely available and use of the collective Knowledge base for achieving the ultimate corporate excellence.

To conclude, Knowledge Management has become a business imperative strategy for all business enterprises who want to be protected their present market share, build their future opportunity share and stay ahead of competition by doing the best job of capturing, storing and leveraging what the corporate enterprises' employees know. [3-6]

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