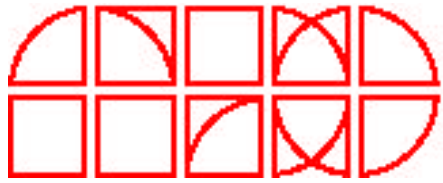


Knowledge Management in the Information Age

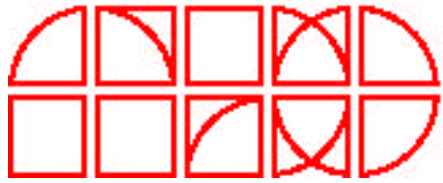
Documation '98
“Whither KM Technology?” Panel
March 11, 1998

Avron Barr
Aldo Ventures, Inc., Los Altos, CA
Stanford Computer Industry Project
www-scip.stanford.edu/scip/avsgt/



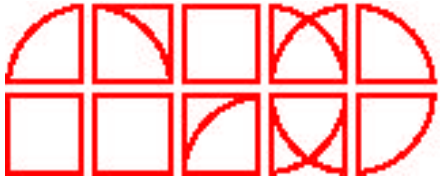
Knowledge Management — The Evidence

- ◆ Articles in Forbes and HBR
- ◆ Hot new business book titles
- ◆ A conference a week
- ◆ New practices at the big consulting firms
- ◆ Dozens of new software products
(and old ones “repositioned”)
- ◆ Half a dozen sessions at Documation ‘98



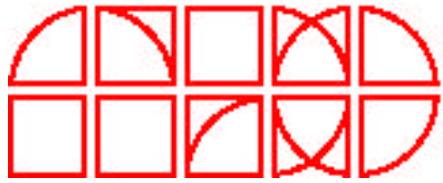
Why is KM Happening Now?

- ◆ The fad gap
 - ❖ Deep need for business religions
- ◆ Technology creates potential
 - ❖ KM is to networked computing what payroll was to data processing
- ◆ Real business needs
 - ❖ Better, faster, cheaper
 - ❖ Flat organizations, BPR — span of control
 - ❖ Onset of the Information Age



The Information Age

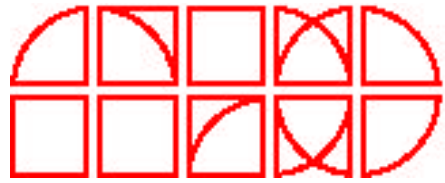
- ◆ The Agricultural Age — Land
- ◆ The Industrial Age — Capital
- ◆ The Information Age — ?
 - ❖ Global competition
 - ❖ Rapid technological change
 - ❖ Changing business environments (e.g., regs.)
 - ❖ Product variety & customization
 - ❖ Innovation, short product lifetimes
 - ❖ Crowded markets, focus on customer loyalty



The Information Age — The HP Pavilion Line of PCs

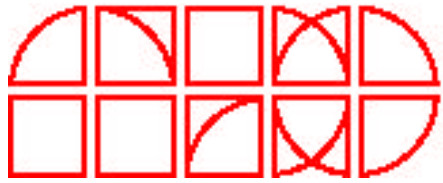
- ◆ Every aspect of the business is outsourced
 - ❖ R&D
 - ❖ Component manufacturing
 - ❖ Assembly and testing
 - ❖ Warehousing and shipping
 - ❖ Sales and marketing
 - ❖ Service and support
- ◆ What does HP bring to the business?

Haim Mendelson, Stanford GSB, unpublished research, 1997.



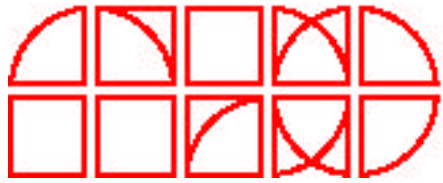
The Role of KM in the Information Age

- ◆ You can't manage knowledge
 - ❖ Knowledge is an ascribed characteristic
- ◆ Knowledge management is a set of perspectives on people, information, technology & organizations
 - ❖ Applied knowledge management focuses on information systems that can help people use more information more effectively



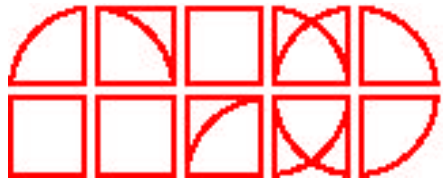
People, Information, Technology and Organizations

- ◆ Document management
- ◆ Information retrieval
- ◆ AI - knowledge systems
- ◆ Learning organization
- ◆ Human resources dev.
- ◆ Internet/intranet tech.
- ◆ Functional perspectives like call center and sales automation
- ◆ Product data mgmt.
- ◆ Intellectual capital
- ◆ Library science
- ◆ Workflow and BPR
- ◆ Collaboration
- ◆ Teleconferencing
- ◆ Decision support
- ◆ CBT, performance support
- ◆ Data mining
- ◆ Data visualization



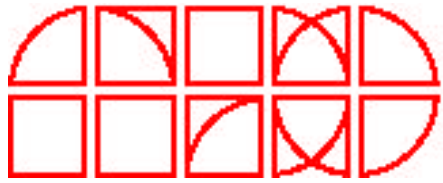
The Business Value of Knowledge Management

- ◆ Saving money vs. making money
- ◆ Example: Customer Relations
 - ❖ Reduce cost of call center operations
 - ❖ Better decisions, e.g., compliance with policy
 - ❖ Service quality as a market differentiator
 - ❖ Customer loyalty and customer retention
- ◆ Sometimes, you can sell the knowledge!
 - ❖ ServiceWare, Trilogy, Foundation Tech., ...



Who Requires Knowledge About Product Use?

- ◆ Engineering (design, improvements)
- ◆ Product documentation and training
- ◆ Sales & fulfillment (demos, configuration)
- ◆ Call-center & field service representatives
- ◆ Marketing (competitive positioning)
- ◆ Customers (new ways to use products)
- ◆ Corporate planning and decision making



Types of Knowledge in Service and Support Operations

products policy problem history equipment
know-how personnel
preventative sales prospects organization safety
trade secrets **Customer** procedures
priorities regulations manufacturing
problem solving suppliers accounting
books attitudes preferences emergency
training design