Knowledge Management in an Outsourcing Environment

Research Findings & Tool Development
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Objectives

• Understand the purpose of the research
• Understand the methodology
• Broad overview of research findings
• Benefits to industry partners
• Proposed tool options
Research purpose

1. What knowledge do organisations need and where does this knowledge reside?
2. How do organisations manage knowledge when outsourcing?
3. How do organisations mitigate against the loss of knowledge due to the impact of an ageing workforce?
4. What other factors impact knowledge management in organisations?
5. What processes do organisations currently have in place for acquiring and transferring knowledge?
Methodology

- Extensive literature review
- Exploratory interviews
- In-depth face-to-face interviews
- Supplementary telephone interviews
- Data analysis and constant comparative method to identify key themes
- Case studies
- Theory generation
- Tool development
Overview of findings

• Knowledge processes prevalent in all organisations but at differing levels of:
  – Maturity
  – Sophistication
  – Coordination

• Successful knowledge management processes are:
  – Leadership driven
  – Embedded in and driven by organisational culture

• Relationships and trust integral to improving knowledge flow internally and externally
Overview of findings cont.

- Links between contractual arrangements and knowledge flows
- The nature of the knowledge boundary, i.e., permeability is far more important than the position of the boundary
- Knowledge transfer from one project to another problematic
- Alliances support effective knowledge transfer
  - Reduces conflict
  - Building problem-solving skills
  - May impact on internal resourcing
- Experience should not be confused with knowledge – linked to the concept of organisational memory and the ability to unlearn
Building a permeability metaphor

Outsourced to suppliers

Partnerships

Organisation

Group/project

Individual

ORGANISATIONAL BOUNDARIES

INTRAORGANISATIONAL BOUNDARIES
Benefits to industry partners

- Platform for promoting best practice examples between peers
- Helping to shape corporate strategy
- The tool has been conceptualised using data from industry partners and this knowledge and supporting theory is embedded in the tool:
  - Case studies provide diagnosis on current knowledge management status and provide good basis for planning
  - Support education and development
- Helping shape future research agendas
Tool development

• Integrating understanding of knowledge management in all organisational structures, hierarchical levels, systems and policies
• Reflexive action
• Through-life project management, integrating acquisition and maintenance
• Enabling knowledge management within and across projects:
  – Resourcing
  – Systematic rewards and incentives for knowledge sharing
• One tool to match all levels of organisational maturation:
  – Increasing degree of sophistication
  – Matches stages in individual managerial development
  – Integrating knowledge management and organisational learning
Measuring sophistication

- It is an imperfect process which requires a value-judgement
- Embedded knowledge supports diagnosis and strategic planning, while enhancing learning about knowledge
- This allows the universal tool to be applicable across organisations with differing degrees of maturity
- All levels are required to support effective knowledge processes, but only level three, which embraces the paradox of knowledge as a thing and a flow between people, links to organisational learning
- Three generations include:
  - 1st Generation: Knowledge as asset/thing, eg databases, filing systems for paper reports
  - 2nd Generation: Knowledge as process, eg presentations, wikis, communities of practice
  - 3rd Generation: Knowing in action, eg shared activity supported by relationships
## Tool development

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<tr>
<th>KM cycle</th>
<th>Core attributes</th>
<th>Practices</th>
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<tbody>
<tr>
<td>ACTION</td>
<td>1. Leadership</td>
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<td>2. Project/change management</td>
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<td>3. Negotiation</td>
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<td>REFLECTION</td>
<td>1. Culture</td>
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<td>2. Critical thinking</td>
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<td>3. Strategic thinking</td>
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<td>INTEGRATION</td>
<td>1. Whole of systems thinking</td>
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<td>2. Creativity and innovation</td>
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<td>3. Governance and organisational architecture</td>
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<td>ii. Resource acquisition and building</td>
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<td>iii. Decision making</td>
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<td>1. Leadership</td>
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<td>i. Planning</td>
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<td>ii. Resource allocation</td>
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<td>iii. Implementation</td>
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<td>2. Project/change</td>
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<td>i. Contracting</td>
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<td>management</td>
<td>ii. Conflict resolution</td>
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<td>iii. Engaging people (establishing rapport)</td>
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<td>3. Negotiation</td>
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(Collected from raw text)
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<td>1. Culture</td>
<td>i. Symbolic representation &amp; communication</td>
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<td>ii. Orientation &amp; training (socialisation)</td>
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<td>iii. Cultural implementation</td>
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<td>2. Critical thinking</td>
<td>i. Challenging assumptions</td>
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<td>ii. Ongoing assessment</td>
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<td>iii. Innovation (prototyping)</td>
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<td>3. Strategic thinking</td>
<td>i. Prioritising goals &amp; actions</td>
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<td>ii. Problem solving</td>
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<td>iii. Building contingencies/scenarios</td>
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| | **1. Whole of systems thinking** | i. Impetus for change  
ii. Reviewing  
iii. Resolving conflict |
| | **2. Creativity and innovation** | i. Validation of innovation (products; technologies; services; processes)  
ii. Individual learning  
iii. Organisational learning |
| | **3. Governance and organisational architecture** | i. Articulation of structures & processes  
ii. Engaging stakeholders  
iii. Developing metrics & reporting |
Knowledge Sharing

Integration

- Whole of systems thinking
- Creativity & innovation
- Governance & organisational architecture
Knowledge Sharing

Whole of systems thinking

Impetus for change

Reviewing

Resolving conflict

Thinking which sees all systems in an organisation as linked and interacting
Knowledge Sharing

- Reviewing
  - Lesson learned
  - Audits
  - Knowledge systems mapping
Lesson learned

Tools
- Story telling
- Seminars/workshops
- Presentations
- Wiki
- Database
- Paper/report

Questions for diagnosis
- Do you capture lessons learned?
  - If so, are they held:
    - Regularly?
    - Only at end of project?
- Which tools do you use?
  - Story telling
  - Seminars/workshops
  - Presentations
  - Wiki
  - Paper/report
  - Database

Strategies for planning
- Descriptions of best practice tools from project data, literature and industry
- Links to websites
- Links to resources/documents
- Recommended reading