Harnessing Knowledge – a new way of improving performance

There are two broad options when it comes to harnessing the knowledge of people in organisations – and the knowledge embedded in organisational practices and processes. One works and the other is less certain. The latter is the kind that results in formal programmes – especially the type that relies on technology. The fact of the matter is that knowledge creation and deployment is far too messy a business ever to be managed through a formal programme.

> *Organisational knowledge creation is the capability of a company as a whole to create new knowledge, disseminate it throughout the organisation, and embody it in products, services and systems.*[2]

And yet, since Peter Drucker first expounded on the concept of the 'knowledge society'[1], it is the formal programme option that has been popularised – and which has often failed to deliver on the, sometimes extravagant, promises made for it.

To handle the very different perspectives and experiences of senior and operational people, Nonaka and Takeuchi[2] proposed what they called middle-up-down management, as an antidote to the usual either / or opposites of top-down or bottom-up. In this insight, they note that it is middle managers who are the bridge between the visions, ideals and values of top management and the often chaotic realities of front line operations and supervision.

There are three main dimensions to the capability of organisations to harness their knowledge – individual and organisational – both actual and latent – and these are:

● the creation of valuable new knowledge
● the embedding of new knowledge in organisational practices and routines
● using knowledge both to inform and to be informed by business strategy

These three dimensions are all key, and so is one more aspect of a good capability of harnessing knowledge – the ability to stop the loss of critical knowledge to the outside world. This is sometimes referred to as the loss of corporate memory.

The last two bullet points in particular mean that the role of middle managers is paramount - middle-up-down. Given that so many processes are lateral, especially those that are customer facing, the networks that middle managers populate are also critical. These networks have another critical part to play in harnessing organisational knowledge.

Knowledge creation, innovation and informal networks

The creation of new knowledge is related to innovation. The best innovation comes from problem resolution - the best problem resolution comes from cross-boundary collaboration. This is another route to the conclusion that organisational networks are critical to the delivery of high performance.

There are two varieties of organisational networks – the formal and the informal. The former occur when top managers realise that hierarchical organisations, complete with the almost-inevitable

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1   Peter Drucker, "The Age of Social Transformation," The Atlantic Monthly 274 (November 1994)

2   Ikujiro Nonaka and Hirotaka Takeuchi ~ The knowledge-creating company ~ Oxford University Press ~ 1995 ~ ISBN 0-19-509269-4

silos, are bad for organisational health. So they intervene and try to set up formal networks – often to facilitate the exchange of learning and knowledge. Sadly, the organisation's needs for people to network are anything but static. It turns out that informal networks are a much better bet for innovation, cross-boundary problem resolution and the creation of new knowledge.

There are many reasons why informal networks are better adapted to the needs of harnessing knowledge. Informal networks are:

● volatile - they form, reform and sometimes disappear
● adaptable - their membership changes from time to time and topic to topic
● subject to natural forms of control and order
● sources of high energy as they are self-generating and managing
● located at the boundary between order and chaos and hence good sources of innovation
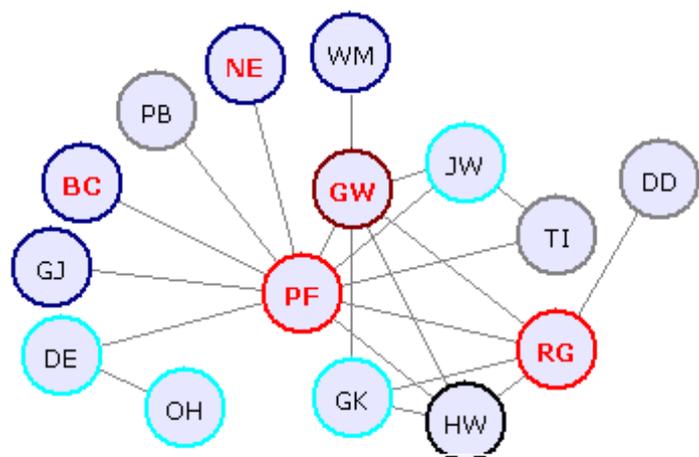
Understanding the informal networks involved in the development and application of organisational knowledge is the first step in increasing an organisation's capability to create new knowledge.

Magus Networker and harnessing organisational knowledge

The harnessing knowledge application is based in a combination of many years of experience of working with informal networks and the latest research on how best to create new knowledge.

The design of the questionnaire follows the three dimensions highlighted above - creation of valuable new knowledge - embedding of new knowledge in organisational practices and routines - using knowledge both to inform and to be informed by business strategy. The question topics and language used assume some familiarity with the subject of harnessing knowledge.

Agreed at least important to work on resolving performance problems

That means the application is appropriate for organisations that are already working on harnessing knowledge, and wish to improve their performance. It is also appropriate for organisations that have started this work, and wish to accelerate the pace of change to gain the benefits sooner rather than later. For organisations thinking about making such a move, but that have not yet started, the application can also made to work there as well. It just needs a little front end briefing.

In all cases, engaging large numbers of people in the intervention comes as standard, as does the release of the latent energy and knowledge that is always lurking just under the surface of all organisations. Locating and eliminating, or at least minimising, organisational barriers to better use of knowledge and the creation of new knowledge is built in to the Magus Networker model.

So if you wish to enhance the use of knowledge made by your organisation; to increase the rate at which new knowledge is created; to protect your organisation against the loss of corporate memory – the Magus Networker 'harnessing knowledge' application is the way to go.

If you need to achieve significant gains in performance in this area of organisation management – and do it quickly – and release the energy of many people in the organisation to the benefit of organisational performance, Magus Networker delivers there as well. In fact, the only way of slowing down gaining the benefits is in delaying the decision to go after them.