KNOWLEDGE MANAGEMENT CAN HELP TO FIND THE RIGHT BALANCE

KMO’2006
Marjan LEBER, Petja PIŽMOHT, Iztok PALČIČ, Reinhard WILLFORT,
Maribor, Slovenia

Content of presentation

- Relation between KM and IM?
- Basic model for Knowledge Management
- The Role of the Employee
- Strategic Knowledge Management
- Organisational Learning
- Innovation processes in organizational knowledge base
Where are the main problems?

- missing willingness to practice innovation
- missing capacity to practice innovation
- missing knowledge:
  - What does the market require?
  - What are needs of the customers?
  - What kind of technologies are available?
  - How can I get venture capital?
  - Have my ideas been realized already?
  - What kind of methods can be used?
  - Where can be found partners for realization?
  - ...

Knowledge as basis for innovation

Competitive advantage protects the surviving of a company.

Innovation is the engine for the emergence and the protection of a competition advantage.

Knowledge is the basis for Innovation.
Types of Knowledge

- Procedural knowledge ("know how")
- Declarative knowledge ("know what")

Knowledge psychology

Knowledge psychology

Knowledge holder

Articulability

Tacit knowledge

Explicit knowledge

Social subsystem

Technical subsystem

Action area

Knowledge area

Data area

Utilize learning

Document information
Basic Model of Knowledge Management

Dealing with company and personally relevant knowledge
Cycle of Strategic Knowledge Management

Towards Organisational Learning
Knowledge transfer from external provider

Possibilities to extend organizational knowledge base

- managing the core knowledge fields
- creating knowledge
- knowledge oriented process organization

- Identification of knowledge sources
- Maintenance of partnerships
- Knowledge transfer
From knowledge to products and services

Marked oriented innovation process

- Identification of customer needs
  - Products and services
  - Business area 1
  - Business area 2
  - Core product 1
  - to keep marked share

- Learning within the organization
  - Core competence 2
  - PF 3
  - PF 4
  - take care of core competences

- Adaption of strategy
  - clearing of business fields
  - A1
  - A2
Marked oriented innovation process

➤ advantages
✓ lower risk
✓ plain process
✓ lower complexity

➤ disadvantages
✓ marked dependency
✓ low innovation degree
✓ diversification in knowledge-fields

Recourses oriented innovation process

➤ strategic planning
➤ look into future
➤ „strategic architecture”

➤ learning within the organization
➤ Development and cultivation of core competences

➤ persistence in competition
➤ marked share
➤ marked growth
Resource oriented innovation process

- **advantages**
  - first to the market
  - efficient use of core competences and knowledge areas
  - diversification in products and services
  - high innovation degree

- **disadvantages**
  - high risk
  - high complexity
  - additional investment required

Summary

- Knowledge is a basis for innovation
- Innovation processes are knowledge-intensive processes
- Marked oriented innovation process leads to diversification in knowledge-fields
- Resource oriented innovation process helps on diversification in products and services
- It is important to find the right balance between market- and resource oriented innovation
- Knowledge management can help to find the right balance
Knowledge Management handbook 1 - 3

KM handbook 1: basics and KM processes, culture, strategy and use of KM

KM handbook 2: the role of the employees, organisational learning, KM, innovation management, information and communication technologies

KM handbook 3: controlling, types of intellectual capital and knowledge transfer

Faculty of Mechanical Engineering Maribor
☎ +386 220 7029

http://www.fs.uni-mb.si
http://wissensmanagement.tugraz.at
http://www.innovation.at
http://www.isn.si