THE ROLE OF KNOWLEDGE STRATEGIES IN THE INTELLECTUAL VALUE CHAIN

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COMPETITIVE ADVANTAGE

Intellectual capital (IC) supplies the competitive edge

IC + KM = VALUE CREATION
INTELLECTUAL VALUE CHAIN

THE INTELLECTUAL VALUE CHAIN

IC + KM

INTELLECTUAL VALUE CHAIN & KM

THE INTELLECTUAL VALUE CHAIN
KNOWLEDGE STRATEGIES & POTENTIAL VALUE

LOSS OF KNOWLEDGE WORKERS

Northrop Grumman
• Aging workforce
• End of major projects
• Short supply of future workers

KNOWLEDGE STRATEGIES & PERCEIVED VALUE

A leadership challenge to change the culture

Overcoming barriers to KM
• Lack of time
• Lack of recognition/reward

Gurteen Knowledge, May 2006
KNOWLEDGE STRATEGIES & DEVELOPED VALUE

Central repository of technical documents - TACIT

Expert Locator Database: Xref

- Total Accounts 12,000
- Logins/Month 4,000

KM Impact:
1. We Know our Talent
2. Staffing New Programs Faster
3. Improved Career Planning
4. People Finding People
KNOWLEDGE STRATEGIES & DEVELOPED VALUE

Providing total knowledge solutions

METHODOLOGY

SAMPLE – population of engineers at one NG location (N=45)

DESIGN – Descriptive research
FINDINGS

Sharing knowledge is important for my professional growth

<table>
<thead>
<tr>
<th>Response</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Strongly agree</td>
<td>62%</td>
</tr>
<tr>
<td>Mildly agree</td>
<td>18%</td>
</tr>
<tr>
<td>Mildly disagree</td>
<td>0%</td>
</tr>
<tr>
<td>Strongly disagree</td>
<td>8%</td>
</tr>
<tr>
<td>Neither agree nor disagree</td>
<td>12%</td>
</tr>
</tbody>
</table>

FINDINGS

I have used X-Ref to locate subject matter experts throughout the company.

<table>
<thead>
<tr>
<th>Response</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Never</td>
<td>79%</td>
</tr>
<tr>
<td>Rarely</td>
<td>17%</td>
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<tr>
<td>Sometimes</td>
<td>4%</td>
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<tr>
<td>Often</td>
<td>0%</td>
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FINDINGS

I use official repositories to stay informed.

![Pie chart showing the responses to Total Engineering Dept. Question #8]

- Never: 6%
- Rarely: 10%
- Sometimes: 50%
- Often: 34%

FINDINGS

I consider the KM tools to be useful.

![Pie chart showing the responses to Total Engineering Dept. Question #9]

- Not useful: 14%
- Slightly useful: 21%
- Fairly useful: 44%
- Very useful: 21%
CONCLUSIONS

Recommended Strategies

- Implement KM initiatives well in advance to preserve knowledge
- Change reward system to encourage participation
- Establish a culture that values innovation
  - Endorsement from the top
  - Perpetual communication
  - Involve employees
- Make knowledge sharing part of the employee evaluation system