Knowledge Management: Situations, Problems, and Perspectives

Ranko Lončarević
University of Banja Luka
Bosnia and Herzegovina

Šefik Muhić
Emergency Management Agency Beredskabsstyrelsen
Denmark

Knowledge is the nucleus of all organizations (profit or non-profit). A successful management of knowledge is therefore needed to develop compatibility, efficiency and effectiveness of an organization in a present and especially future surrounding (which is more dynamic and turbulent). Therefore, it is reasonable that in the last 15 to 20 years Knowledge Management (KM) has been in the focus of management interests as a science and a practice. As a result KM has been understood as a concept. Knowledge Management popularity will grow permanently. Not only because of the transformation of all organizations into knowledge and human civilization organizations in the Society of Knowledge, but also because of the fact that the existence and development of Knowledge organization and the Society of Knowledge will more and more depend on the level of development of Knowledge Management as a concept or theory. Finally, the popularity of KM will also grow if we intensify its development. We emphasize this because we think that even though relatively a lot has been accomplished in this field by now, there are not many reasons for us to be self-satisfied. All the results so far have not been satisfactory and KM has not got the attention it deserves. This attention should come not only from a wider scientific and competent public but also from incumbents responsible for an efficient and effective functioning and development of all organizations (profit and non-profit, governmental and non-governmental, local and global), which form a human civilization; as well as from human civilizations themselves, representing a specific mega system.

Knowledge Management: Current Situation

Knowledge Management, as a special management concept, has become a significant part of the overall knowledge of management due to:
• A continuous increase in the number of meetings, seminars and workshops on the topic: \( km \) as a theory and practice.
• An increased number of researches – not only by institutions for scientific research, but more and more by profitable organizations (particularly in large corporations).
• An increase in the number of scientific papers and papers which publish scientific and expert works on \( km \).
• The fact that more and more knowledge management experts are joining scientific research teams.
• An increased use of \( km \) ideas and recommendations in resolving current problems in developing new knowledge in other scientific fields (especially in medicine, space research, technical science etc.).
• The introduction of \( km \) as a scientific teaching discipline into undergraduate, and postgraduate studies of numerous colleges or universities.
• An increasing use of \( km \) in practice (particularly in profit and non-profit organizations).

KNOWLEDGE MANAGEMENT: PROBLEMS

The development of \( km \) as a concept and theory has brought about many problems. On this occasion we will specify only the most significant ones.

THEESIS I: There is still no common opinion about the essence of knowledge management.

Even though the concept of \( km \) is not new, there is still no (so indispensable) common opinion about its essence among researchers, i.e. promoters of Knowledge Management. This is proven by the fact that:

• There are authors, who understand the term \( km \) as management of information flow, acquirement of the right information by those who need it in order to react quickly and increase intelligence of an
institutions, i.e. the company’s IQ as stated by Bill Gates (Gejts 2001, 231–3).

- A relatively large number of authors also define KM as a knowledge management process, which comprises: the generation, storage, distribution and application of knowledge, which are necessary for an organization in order to reach its goal.

- There are certain authors who, in accordance with the holistic nature of KM, support the thesis of professor D. Little who states that ‘managing knowledge is a multidimensional process. It requires the effective concurrent management of four design fields: content, culture, process, and infrastructure’ (Heisig and Spellerberg 2001, 129).

This must be changed, for it represents one of the most important restrictions of the future development of KM as a concept or theory. If this is not going to be solved as soon as possible, there will be a danger that KM remains only a ‘good attempt to do something’ in this field. Our opinion is that we should engage in high quality discussions, which would shape a common opinion about the essence of KM. We also believe that there is a respective base point: the thesis of professor Little.

**Thesis II:** There is still no common opinion about knowledge management design fields.

In literature there is no common opinion about the fields which belong to KM. Some authors also (completely unjustifiably) differentiate between the role and significance of certain fields.

In addition, there are numerous, usually partial approaches to this problem. Some authors prioritize the definition of knowledge, others the organizational culture, some the knowledge creation process, some the process of using knowledge, the information systems and technologies, the subjects of knowledge management etc. This condition has numerous negative repercussions both on considering KM as a concept and on the process of its transformation into (an absolutely necessary) management theory which is appropriate to the situation in which appears human civilization, and which is, as we know, characterized as a knowledge society (and not as information society, information economy).

Our opinion is that the aforesaid could be a theme of the discussion, which would bring attention to four equal, mutually connected and dependent fields: knowledge, culture, process, and infrastructure.

**Thesis III:** There is still no generally accepted definition of knowledge as the content of KM.
The attempts to define knowledge have lasted for too long (since BC). Some have provided certain results, some not. There is still no generally accepted definition of knowledge. Many researchers disagree with the fact that it is a content of KM, the majority of potential users of KM cannot understand its cognition and instructions. This is the reason why the application of KM is not satisfactory at all.

Our opinion is that it is necessary to open a discussion (as soon as possible!), which will give an operative definition of knowledge (both theoretically and practically). For that purpose we can use the following thesis of Peter Drucker (Draker 1995, 51):

- By knowledge ‘we are to mean data, i.e. more precisely, information, which enable achievement of results’.
- Knowledge, which we today consider as knowledge, approves itself in an action. What we today mean by knowledge is ‘an information effective in work, an information concentrated on results.’

In spite of the aforementioned, there are some accomplished and determined results in this field. By this, before all, we mean contributions, which try to define performances of Explicit knowledge (Nonaka and Takeuchi 1995, 548) and determine many modern organizations to become a ‘bakery of knowledge’ (Nonaka 1995, 128). However, it is still very difficult to identify and document tacit knowledge as an informal type of knowledge, which could not be explained or documented, i.e. organized so easily (Augier and Vendele 1999, 252–61). Even though this is an ever-present problem, the basis for optimism exists: more and more authors (from different scientific fields) pay attention to tacit knowledge (some results were even published).
**Thesis IV:** There is still no common opinion about the performances of the knowledge management process.

When we speak about numerous characteristics of knowledge management phases and activities we should emphasize that there is not a generally accepted thesis on their number and structure. As a proof we have the following definitions:

1. **KM** represents knowledge identification, knowledge acquisition, knowledge development, knowledge division, knowledge utilization and store knowledge (Probst, Pauli, and Binggeli 2001, 234–5).
2. **KM** covers three major knowledge activities: generating, codification and transfer activity (Ruggles 1997, 1).
3. The core process of knowledge management is characterized by these activities: generate knowledge, store knowledge, distribute knowledge and apply knowledge (Heisig 2001, 28).
4. **KM** is the generating process, the process of evaluation, percolation, assimilation, synthesis, cataloguing, storing, searching, selecting and applying knowledge (Heisig 2001, 132).
5. Processes of knowledge management are: knowledge identifications, knowledge acquisition, knowledge development, knowledge sharing, knowledge utilization and knowledge retention (Probst, Pauli, and Binggeli 2001, 234).

We are convinced that the aforementioned definitions could be a starting point for a discussion that would aim at assimilating opinions and determining a certain model useful for both theory and practice.

**Thesis V:** There is still no common opinion about incumbents of knowledge management in organizations.

Literature offers a lot of different opinions about persons who perform (should be performing) knowledge management activities. In this context we will indicate two opinions:

1. A. D. Little: knowledge coordinator, knowledge advocate, knowledge steward (Heising and Spellerberg 2001, 133).
2. North: Knowledge practitioners (operative employees), Knowledge engineers and entrepreneurs (middle management), Visionaries (top management), information managers and infrastructure managers (operative management) and support colleagues – back office, secretary (Vorbeck and Finke 2001, 44).

We believe that the names of the persons managing knowledge in organizations are not important. The crucial question is: who is respon-
sible for knowledge management, and what is his role? In our opinion these should be all insiders – from owners to executors (according to their needs = according to their rights and obligations, i.e. roles) (see fig. 2). Therefore, it is possible ‘to do the right thing’ and at the same time ‘to do the right thing in the right way’ only with adequate (individual and group) participation of all insiders in knowledge management (Lončarević 2003, 71–7).

The thesis VI: Knowledge management should not be observed from one aspect and partially, but rather from many aspects and integrally.

Besides the fact that knowledge management problems are multidimensional in nature it is obvious that adequate attention has not been drawn to all fields and aspects of KM. At the same time, the fact is that knowledge management problems are analyzed and solved only partially and not integrally.

Researches (and practical application of relevant cognition) focusing on economic aspects of knowledge management (the so called Business Process Oriented Knowledge Management) are dominating. In certain measure this is understandable, but not acceptable, even if the subject under discussion is the usefulness of KM applications in profit organizations. Therefore, this mission of profit systems must contain not only economic, but also non-economic values and directives.

Some very important researches and practical activities are also based on the organizational aspect of knowledge management. Many authors believe that besides the question of an efficient and effective performance of activities, ‘the central question lies in the successfulness of knowledge
management’: adequate infrastructure, efficient and effective behaviour of knowledge management incumbents in the performance of processes (the so called Organizational Aspects of Knowledge Management: Case Studies). This is understandable, for the successfulness of knowledge management in organizations, observed realistically, depends on: 1) information system performances, technologies and techniques (which are to enable ‘fast and simple manner of collection, evaluation, storage, demand and distribution of knowledge, which is needed by relevant users in an organization’) and 2) the arrangements of roles, authority and responsibility of knowledge management incumbents and their ability and responsibility to manage knowledge.

There is a relatively small number of works focusing on the legal aspect, and even a smaller number of works, which speak about ethical dimensions of KM (both as a theory and practice). Just a few works deal with the role, significance and knowledge management effects on development (and existence) of human civilization. Our opinion is that this is one of the major reasons for which Knowledge Management (as a concept and practice) has the status and treatment, which objectively does not deserve but should have.

Our opinion is that KM problems should be treated as multidimensional and observed from the following aspects: economic (e), legal (l), ethical (eth), organizational (o) and of civilization (c). Not partially, but integrally: in their causality. Therefore, not in the manner shown in fig. 3A (which is usually done in practice) but as shown in fig. 3B, for this is the only right way of finding out and applying adequate answers to all challenges (current and future) for an efficient and effective functioning and development of all organizations (both profit and non-profit) and the human civilization as a whole.

The aforementioned should be (due to its own nature) acceptable and should not provoke doubt or complaint (and that is the reason why we will not give a detailed explication). What we would like to emphasize (for the purpose of the promotion of KM as a certain way of thinking, analyzing and dealing with issues related to an efficient and effective knowledge management) is the following: an efficient and effective knowledge management should contribute to the development of all organizations.

For this reason all solutions (theoretical and practical) should contain certain directives which would take into consideration the economic, legal, ethical, organizational requests and requests of civilization (criteria). How could we otherwise find adequate answers to numerous current and
future questions about the development of all human organizations and human civilizations as a whole? Or how could we solve problems which arise from the orientation and engagement of all resources (including intellectual capital, i.e. knowledge management as a concept or theory) in order to allow the organization to take the best possible position at the market and permanently increase its economic success?

**KNOWLEDGE MANAGEMENT: PERSPECTIVE**

(VISION OF THE 21 CENTURY)

It is natural that the popularity of KM will grow permanently. This is not only due to the fact that a great number of organizations in developed countries are in the process of transformation into organizations of knowledge, but also because the entire human civilization is in the process of transformation into the Society of knowledge – the society, whose development (and existence!) to the greatest extent depends on the efficiency of knowledge management. Knowledge Management will attract the attention of more and more researchers and practitioners, and not only of those being connected with management, but also of those from other scientific fields (especially justice, ethics, organizational conduct and philosophy). That is the reason why we believe that KM will last long enough to ‘see’ its intensive development, and that it will grow, in a relatively short period of time, into a new school of management, which will offer resolutions and will, if applied practically, contribute to the development of each separate organization and human civilization as a whole.

To resume:

- Even though, in principle, we do agree with the fact that we can-
not entirely manage knowledge (Petzinger 1999, 154), it should be managed to at least a possible extent. And this is because knowledge management is a hypothesis and a factor of an efficient and effective functioning (provides existence and development) of all current and future organizations and human civilization as a whole – called the Society of knowledge (Lončarević 2004, 68).

- Herewith, we believe that we must do the following:
  1. To a great extent popularize and deepen researches of all dimensions.
  2. To intensify communication between relevant stakeholders (scientists and practitioners).
  3. To promote the role and significance of KM in the Society of knowledge.
  4. To undertake certain activities, which are necessary for KM in order to be understood, accepted and effectively used by all incumbents: individuals (leaders), organizations (profit and non-profit), institutions (governmental and non-governmental) and many other national, international and global organizations and institutions which have an influence on the development of human civilization.

REFERENCES


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