

knowldgWORKS News Number 36 November 2, 2000  
Every Business is a Knowledge Business

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KnowBits

- A. The Prototypical Knowledge Management Organization - A Reference Report Available From ACCSYS Corporation

As part of my ongoing effort to create useful reference materials for those of us involved in knowledge management, I have prepared a report entitled, "The Prototypical Knowledge Management Organization," that is available for purchase. The report costs \$25 and can be downloaded from the ACCSYS Corporation web site at <http://www.accsys-corp.com>. A brief synopsis of the report follows.

Synopsis: The Prototypical Knowledge Management Organization. Dr. R. Kaplan. ACCSYS Corporation. May 2000.

This report focuses on the "design" of a prototypical knowledge management organization. The premise of this report is to design an organization and describe the positions in it that would support a complete knowledge management effort. The report presents the organizational design, describes 11 positions, and provides detailed job descriptions for each of these positions. The content of the report could be used as the basis for a company's own knowledge management effort, as a reference for the necessary positions and the specific requirements for these positions. In addition, the report also describes a "starter" or "seed" organization that would serve as the

beginnings of a knowledge management group within a larger organization.

#### B. Virtual TeleClass - Brain Dominance

On November 8<sup>th</sup> from 9PM to 10 PM EST I will be leading a virtual class about brain dominance. About 20 years ago, a researcher at GE wanted to better understand creativity. Out of this work came a model of brain dominance and a means to understand thinking style preferences. This work has far reaching applications in learning, human interaction, and knowledge management. Join me for this virtual class. The class is free except for the cost of the telephone call. You may register at [www.teleclass.com](http://www.teleclass.com) and clicking on "Search for Classes." When the next screen comes up, in the box labeled "number" enter 4297. Click on "Find Classes." At the next screen click on "Add to Cart." Follow the directions to register. I look forward to meeting you in this virtual space.

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Three basic questions should be part of the planning for running any business.

1. What knowledge do I need?
2. What knowledge already exists, and how can I acquire it?
3. How can I create the knowledge that I cannot acquire?

For the last few months I have had the unique experience of working with a group of people who are attempting to give birth to a company. During this process, I have had an opportunity to get glimpses of the many activities that may or may not result in the successful creation of a new enterprise. My primary insight has been the rate at which knowledge is consumed during these activities even if knowledge is not explicitly on the radar screen and knowledge management is not an explicit part of the process. This leads me to the question, "What would it

look like if we followed a knowledge management protocol for the creation of a startup enterprise?"

The idea for the new business is a knowledge creation task and everything beyond that initial task is also a knowledge intensive task. Consider what knowledge is necessary to complete a business plan.

1. Define the business - need knowledge about the business
2. Define what environmental conditions make the business possible - need knowledge about the environment
3. Define how the business will work - need knowledge the product(s) and transactions.
4. Define who the competitors are - need knowledge of who the competitors and potential competitors are and what it will take to enter the market.
5. Define the financials - need knowledge of where the money is going to come from, what the business model is, how much can be charged for the product, and how to prepare the financial documents.
6. Knowledge about business plans - need knowledge of what is in a business plan and how to prepare a business plan.

This list is by no means complete. At the same time, it is extremely telling. By posing startup tasks as a knowledge intensive process, we can clearly see that the creation of a new business can be viewed as a series of tasks which revolve around getting and using a particular type of knowledge. A project plan could be based on knowledge requirements. These requirements could, in turn, drive the startup creation process.

The table below depicts a part of the project plan, the knowledge needs and how these knowledge needs might be fulfilled. In the third column of this table we have indicated how we may obtain the knowledge. In some cases we may acquire the knowledge (A) as in buy the knowledge. In other cases we would be able to create (C) the knowledge. Lastly, the knowledge may be the kind that we could either acquire or create (A/C).

<b>Task</b>	<b>Knowledge Requirements</b>	<b>A/C</b>
Create a business plan	Contents of a business plan. Format of a business plan. How to prepare a business plan. Who should create a business plan.	A/C
Define the business	What will the new business do?	C
Define the environment	Where does the new business compete? Who are the competitors for the new business? Who knows about the market in which we will compete? How hard will it be for someone else to enter the market?	A/C

#### Behaving as a Knowledge-Based Organization from the Start

Satisfying the knowledge requirements of a startup is only a part of the process of starting up a knowledge-based organization. The other part of the process is to behave as a knowledge-based organization. What does this mean?

It is my experience that small businesses seem to begin with small groups of people. The team I am discussing, for example, consists of five people--two subject matter experts, a legal expert, a technical expert, and a marketing expert. Through our discussions and our joint work we have created a significant amount of intellectual capital. At the formative stages of an enterprise the loss of any discussion or work product (writings, research, financial preparation) may result in delays to the process of creating the new enterprise as the loss would mean that the knowledge would need to be re-acquired, and if it could not be re-acquired, the cost of re-acquiring the knowledge would be infinite. Even though the startup team is small it should have as a primary goal the retention and management of any intellectual capital it creates. Since each and every communication might prove to be critical, it would make sense to have a single place where all members can view all messages sent between team members. It is amazing how many mail messages can be created between just five members of a team over a very short time. By making communications available in a common

place, all team members have access to any information when they need it. This in turn has implications for a startups infrastructure. From the very beginning, consideration should be given to how all information and knowledge will be captured and shared.

The basic infrastructure requirements consist of a common place for all messages and other artifacts. Such a space would enable everyone on the team to see and know about everything that was going on. Needless to say such environments may be expensive and time consuming to set up. Fortunately the Internet provides a good solution to this problem today. There are a significant number of web sites that host free collaborative environments. The average startup would do well to consider using one of these free services to establish their initial collaborative environment, provided adequate security could be achieved.

Recapping, I would propose that every business, from the moment of conception could adopt knowledge management as an explicit philosophy and technology, and use it as a guide to their activities. Considering any business, new or old, as a series of knowledge creation and acquisition tasks immediately identifies the intellectual capital necessary for the business. Adopting a universally accessible information storage area and communications vehicle makes it possible for all individuals in an organization to fully participate in the organizational and enterprise processes.

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The knowldgWORKS News is written in its entirety by Randy Kaplan and edited by Harriet Trenholm. Suggestions for the newsletter should be sent to [rkaplan@accsys-corp.com](mailto:rkaplan@accsys-corp.com). All suggestions will be considered and always appreciated.

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