

Chapter 1

Introduction

Imagine an organization where you pick up your phone, call a co-worker from a different project in another division, state, or country to ask how she handled a challenging situation, and get an extremely useful response. This in turn stimulates a conversation that leads to brainstorming, solutions, and innovation. Plus, the cost to your division is only an offer of a thank you and the recognition of your co-worker: no lengthy, time-consuming research program, no unnecessary documenting of information. It is quick, painless, perhaps even fun, and people created instead of diminished relationships in the process. Change and learning occur through such relationships, creating opportunities for both the employees and the organization to grow while actively sharing knowledge.

Does it sound too good to be true? Not to Green Capital Bank,¹ a well-known financial institution that integrates an approach to knowledge management called *Appreciative Sharing of Knowledge* [ASK] to create a culture of true knowledge sharing that positively impacts the bottom line.

Knowledge management has emerged as one of the most active areas of research and practice for improving organizational efficiency and quality of life. Hundreds of consultants who had developed strong practices with re-engineering have redefined themselves as change agents directly addressing knowledge management issues that impair change in organizations. Organizations of all sorts, for-profit, nonprofit, and public sectors alike, have developed knowledge management strategies, processes, or practices, even if they don't recognize or acknowledge the changes they have made.

Terms like intellectual capital, knowledge industry, knowledge society, knowledge age, knowledge worker, knowledge creation, and knowledge sharing appear in all forms of business media. In addition, a new genre of professional titles for those responsible for knowledge management in organizations has emerged, such as chief knowledge officer, chief learning officer, and knowledge architect, adding credence to the need for knowledge generation and retention inside organizations. Occasionally, these efforts, as in Green Capital Bank, occur through the efforts of human resource, organizational development, or “learning” departments.”

This *Focus Book* will tell the story of this organization and the efforts of its learning department to create strategic organizational change through knowledge management. Knowledge management was critical for maintaining the competitiveness of the Green Capital Bank in the banking industry. The organizational learning department recognized managing knowledge as the most effective way for creating strategic change in the Green Capital Bank. Aware of the fast pace of change in the financial services industry, they saw the need to be proactive and think innovatively.

Though there is no agreed upon definition of “knowledge management,” the term generally refers to a broad spectrum of organizational practices, methods, processes, and approaches coalescing around the task of generating, capturing, and sharing the know-how, specialized knowledge, expertise, and best practices relevant to the core business of an organization. The following items are generally considered integral components of knowledge management:

- Generating new knowledge internally and accessing valuable knowledge from outside sources

- Representing knowledge in documents, databases, and software
- Facilitating knowledge growth through culture and incentives
- Transferring existing knowledge throughout the organization
- Creating awareness of the benefits of retaining knowledge within the organization as changes occur and people leave.

In summary, knowledge management has both technical and social aspects. The technical dimension has received most of the attention and resources leading to the development of hundreds of “KM Architectures,” essentially knowledge management collaborative software. Recently, the latter social dimension has become more visible as the technical side has matured and practitioners beginning to appreciate the “soft” people management side of knowledge management.

Why Knowledge Management?

What is the basis for this increased attention for knowledge management? Part of the answer lies in the belief that we are living in a knowledge economy or knowledge society where the primary exchange code is information-turned-knowledge. Those who have it, or have more than others, have a competitive advantage. Hence, if organizations want to maximize chances for success, they must have a plan for the creation, sustenance, and sharing of knowledge.

Knowledge has always played an important role in societal advance. In 800 B.C., Indian mathematicians built upon generations of knowledge to develop mathematics that is quite sophisticated

even by today's standards. Phoenicians were implicitly concerned with how knowledge about trade logistics and merchant practices was built, transferred to employees, and successfully applied. With such roots, claiming that we now live in a "knowledge society" as if it were unique is no more informative than saying that we now live in a "power society" or "money society" or "culture society."²

Knowledge management is rooted in many disciplines, including economics, education, information management, organizational behavior, psychology, and sociology. Knowledge management embraces the perspectives developed in these subject areas but operates from the basic premise of the tacit nature of knowledge. *Tacit knowledge* is personal knowledge rooted in individual experience and involving personal belief, perspective, and values. Philosopher of science Michael Polanyi (1967) famously characterized tacit knowledge as that "which we know but cannot tell." A key aspect of knowledge management is finding ways to apprehend the tacit knowledge of long-time employees, customers, clients, or other stakeholders.

Making good use of tacit knowledge, however, is a challenging task. Typically, employees may not want to share what they know, fearing that once they share their specialized knowledge, they may not be needed. Therefore, encouraging those who have tacit knowledge to share it organization-wide is vital. This book attempts to respond to this situation in two ways: first, by introducing ASK, or appreciative sharing of knowledge; second, by encouraging the important but often unrecognized and underappreciated potential of knowledge management for initiating or facilitating organizational change. I suggest that knowledge management is inherently embedded in change, particularly in the

dynamic quality of knowledge-as-a-sense-of-worth.

Knowledge is dynamically embedded in networks and processes as well as in the human beings who constitute and use them. In other words, people typically acquire knowledge from established organizational routines, the entirety of which are usually impossible for any one person to know. The acquiring of knowledge is, in essence, a mutually constructed activity. To build it alone and to keep it to oneself is to create a singleness of mind—taking away the usefulness of the knowledge, wisdom, and aspirations of the “knower(s).”

Philosopher of science and psychologist Kenneth Gergen (1999) suggests, “If we are to generate meaning together we must develop smooth and reiterative patterns of interchange—a dance in which we move harmoniously together” (p. 160). He suggests that to mutually construct our world, we must engage in a coordinating discourse with a significance of self-expression, active mutual affirmation, and regular recreation of our worlds (1999, pp.158-164). Within this conceptual framework Taos Institute bases its Focus Book, *Appreciative sharing of knowledge: Leveraging knowledge management for strategic change*. Appreciative sharing of knowledge [ASK] becomes an integral part of organizing—whether in the workplace or otherwise—when an invitation to bring together and share knowledge occurs. As the knowledge sharing gains momentum, the positive energy generated softens the *resistance to change* typically encountered in most change efforts and empowers individuals to positively impact organizational change. Throughout the book, this dual focus—initiating ASK and leveraging it for change—will be evident.