

## **RISK INFLUENCE INSIDE KNOWLEDGE MANAGEMENT PROJECTS**

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### **Abstract**

This paper intends to study some risks that are highly relevant to a mobilizing knowledge programme. There are some higher-level concerns; we outline some of the more substantive business risks, the major pitfalls facing an organization attempting to get better value from knowledge and information and some ways to mitigate. There is a rational approach towards risk influence over knowledge management. The paper tries to identify future research opportunities in the field of knowledge management projects.

### **1. INTRODUCTION**

Managing risk within projects and programme management in conjunction with the focus on benefits, form the main workload of the individuals that are in charge of its delivery. Many project risks are specific, the particular risks associated with technology implementation such as unforeseen development problems or dependencies on infrastructure upgrades are hard to predict. These are as follows: continuously improve or fall behind, change grinds to a halt for lack of commitment, the longer you wait, the harder it gets, and last one no leader, no progress.

### **2. BENEFITS OF IMPROVEMENT**

Innovations, improvements, new tools and new ideas arrive in a steady stream, as the thinking and experience driving knowledge management, information management and process improvement continues to grow and advance. As a result, competitor organizations are likely to be continually improving what they do in a constant battle for performance advantage. It follows that continuous improvement – reflecting on current practice, learning from mistakes, and finding ways to exploit that learning – must be a key element in any mobilizing knowledge programme. Building in such organizational learning is hard work. But there is also an opportunity to look outside the organization and learn at the ‘macro’ level, in addition to the ‘micro’ improvement gained through quality efforts. Monitoring and comparing your organization with best practice in other organizations through benchmarking studies, and by using the EFQM (European Foundation for Quality Management) excellence model, enable a better understanding of areas for improvement. The EFQM framework is divided into nine criteria, grouped into Enablers (the top-level processes in the organization) and Results (what these achieve). The framework has been around since the early 1990s, and has been adopted by many organizations to help redefine internal and external customer relationships and processes. One of its many benefits is a clear-cut list of definitions – what do we mean by a ‘process’, a ‘customer’, a particular indicator. In particular, it has been used successfully to help meld together disparate organizations after mergers or acquisitions – providing the framework for a ‘new’ business rationale from which all parties can work towards a shared understanding.

From a knowledge management perspective, we have on occasion been invited to bring together the EFQM model and a knowledge management strategy framework – at the same time being asked to formulate an own knowledge management thinking in the same sorts of clearly defined terms as the EFQM model proposes. As a consequence of this work, we have come to the view that from a knowledge management viewpoint, the

disciplines are highly complementary: where the EFQM model provides a framework of what needs to be done, the disciplines associated with a knowledge management approach (leadership, people, process, information and content) addresses how this might be achieved. In organizations where EFQM is already embedded in business practice, we have found that a combined approach delivers faster results and greater operational efficiencies. The EFQM model is intended to be used such that it becomes a single enterprise-wide framework, particularly useful as we have already stated, in post-merger or in business transformation situations.

One of the primary benefits of joining the EFQM 'club' ([www.efqm.org](http://www.efqm.org)) is access to a raft of benchmarking data on a very large variety of performance indicators, plus the opportunity to compare performance with similar organizations in the same or related industry sectors – an extremely useful and powerful resource.

Combined with internal efforts to improve efficiency, use of benchmarking becomes an important component of companies striving to become a 'learning organization'.

### **3. THE STRONG BOND BETWEEN COMMITMENT AND CHANGE**

Change gets off the ground only if there is a compelling business case, arrived at by an individual change leader (or more likely a group of leaders) through examining the realities of the business environment, and convincing their peers and superiors within the organization of the need for change. In the process, significant reasons for change must be clearly identified and discussed with those affected, and the benefits identified for moving forward. A typical subtext would read: 'we must change, we must do it quickly, and this project will provide a way for doing this'.

This business case may win acceptance at the beginning of the project – but despite the commitment of a core team, the knowledge management programme may subsequently run into problems: for example, senior managers might forget the point of the exercise, and the knowledge management project is targeted in a round of budget cuts; or despite continued formal buy-in from the top, it may become increasingly difficult to get support from business unit managers whose cooperation is required for pilots, case studies or roll-outs.

What can the knowledge management change leader do in these circumstances? In many ways, the answer is similar to the difficulties associated with benefits management: keep the end goal relevant to the business, and make sure that the 'big picture' is known and communicated to all.

A useful tool to foster and embed the need for change is the 'burning platform' analogy: to those affected explain that the platform you are currently standing on (the product, service or working practices of the relevant part of the organization) is on fire and there is no way of putting this out. All efforts have been made to find a solution but we must now move to a new platform if we are to be safe. What the change programme will do, with their help, is to create this new safe platform, and construct a strong bridge so everyone can move over to it. This will not be easy or simple, but it is essential if the team is to survive.

It is fairly easy for an initiative to run into trouble: at the start of the project there may be resistance from groups of staff or from managers who might feel threatened by potential changes in the culture, organizational structures, processes, systems, or rules; alternatively, there might be friction from unforeseen difficulties which stop or hinder people from joining in.

Is the difficulty in getting the go-ahead for a simple change in time recording systems and rules to allow 'knowledge sharing' or 'knowledge write-up' as a valid activity. In such a structured environment where people are strictly measured on their use of time, not having

a timesheet code, or 'budgeted time' marked out for knowledge-sharing activities led to mass non-participation: this didn't change until there were significant changes in recording systems, involving not only timesheet code provision, but an actual requirement to spend a certain amount of time in knowledge-sharing activity, with a tie-in to the appraisal system. Apart from the knowledge management implications, this should be a lesson to those who set performance targets: be very careful what you measure, it may have unintended effects.

Particular dangers arise when the 'project' is nearing completion – that is, when the 'hard' deliverables are near to acceptance stage. As this point is reached, and the attention of the project team begins to move on to new activities, a real risk arises that the new ways of behaving will start falling away and the old behaviours will creep back in – the changes will not yet have been 'frozen' or embedded into the organization. This final stage – of never-ending implementation and continuous improvement – is where the real 'culture change' will take place. Until programme elements are complete, any observed changes in behaviour are most likely to have been due to the momentum of the project. If attention and effort is focused on the people involved in the project, they are likely to respond by complying with whatever is requested. When the spotlight goes off, there is a risk that those same members of staff might slip back into comfortable routines established long before the change programme.

This is especially true if when individuals ignore some of the new rules or processes put in place, the infringement goes unnoticed. Without any comeback, they are likely to continue to push their luck and may even try to see what else they may be able to get away with. When confident about it, they will let their colleagues know – helping to spread the rot that quickly begins to set in.

#### **4. THE ROLE OF THE LEADER FOR PROGRESS**

We have assumed that the mobilizing knowledge programme will have a dedicated leader. As the programme moves beyond project deliverables towards a future of ongoing improvement-seeking, the need for leadership doesn't end: in fact, it becomes even more important as the goal becomes to embed knowledge-sharing behaviours in the everyday working culture, 'the way we do things around here'. Consequently, the knowledge management programme leader still needs to maintain his or her role as the figurehead of the change: in fact, it is commonly noted that loss of the leader from a delivery programme means the end of the benefits. This can be compounded by the added risk that new leaders who come on board may start to cause disruption, as they do not understand the thinking behind the programme design or the specifics of what has been done. Planning of leadership succession and emphasis on the ongoing importance of knowledge management to the organization are important to maintaining success.

Ongoing leadership at all levels is absolutely critical because the leader of the mobilizing knowledge programme needs to work to win over the hearts and minds of those at the top of the organization – which can be achieved only through case studies and a focus on benefits and outcomes; that leader needs to work with those delivering the change – the natural knowledge brokers or change leaders in the various divisions and business units to build awareness and commitment at lower levels in the organization; finally, a great deal depends on those lower-level change leaders to drive individual workgroup level change – and once again, the only way to do this is to focus on the personal – answering the question 'what's in it for me?' with a very clear and unambiguous focus on, for example, making life easier and more productive for the individual.

## **5. DISCUSSIONS AND CONCLUSION**

It can be difficult for those managing the change project to foresee all the above, unless they have been delegated authority, or have a direct line to top management. We can use natural 'knowledge brokers', harnessing their enthusiasm for joining people up and sharing information across boundaries: sometimes the very opposite of a knowledge broker is encountered, who will resist knowledge-sharing initiatives across the board. Sometimes the only way to ensure a project's success is for taking care for all the discussed issues. If there is not change, even after open and candid discussions, incentives, the agreement of compelling messages, peer pressures, and leadership messages, then there are few other alternatives available.

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