

Knowledge Management

SISL Credentials



Need.....???**Cause: Expected Explosive Growth**

- Effect: Empowerment of Branches
 - Need: To be able to handle customer queries and demands real time on spot, resulting in higher efficiency
 - Need: Channels to be in sync with latest product & process releases
 - Need: Closure of low level complaints locally
- Effect: Reliance on alternate channels
 - Need: To empower alternate channels by getting them in sync with internal work processes & relevant information

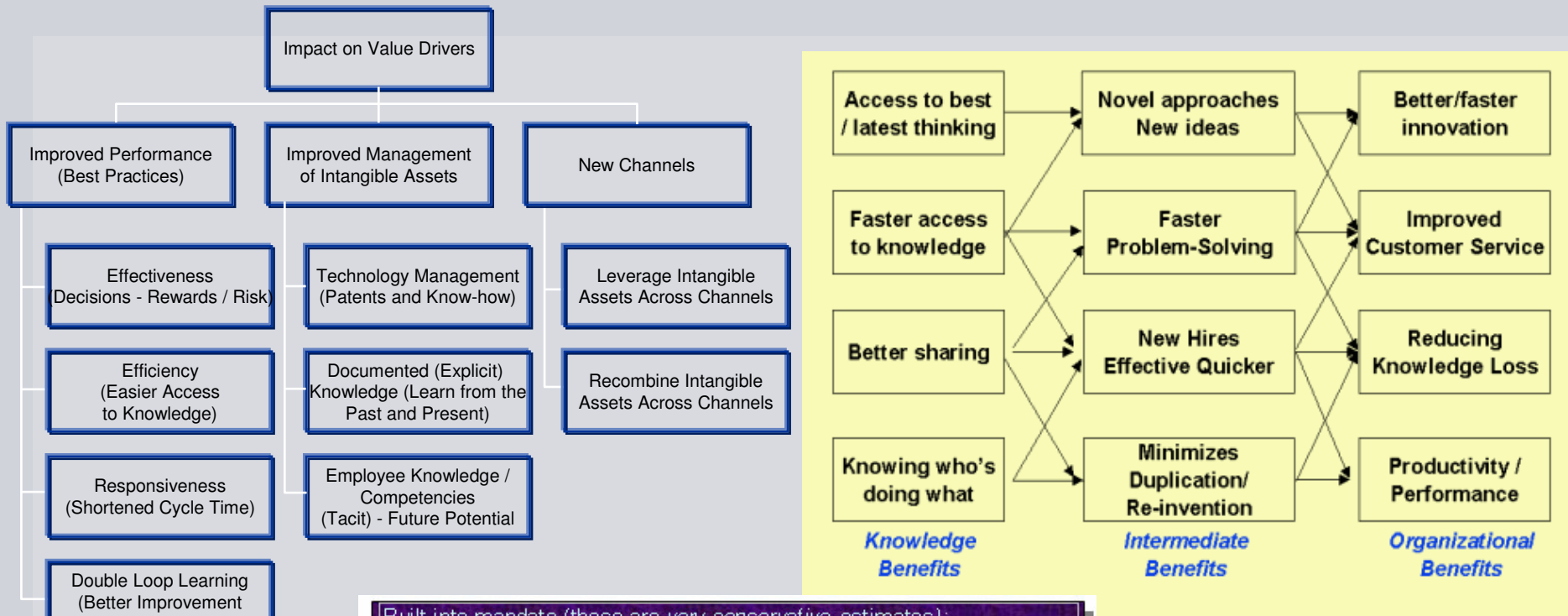
Cause: Different Levels of Governance

- Effect: Governance Complexity
 - Need: A core MIS with capability to drill down to lowest levels and roll up to highest levels with ease and expected information

Cause: Different levels of scanning and storage

- Effect: Distributed Network Management Complexity
 - Need: Application to search / retrieve / index content and context

Impact on Business Value Drivers by KM



Built into mandate (these are *very conservative* estimates):

- Improved access to, sharing of and dissemination of knowledge.
- Improved (faster and evidence based) business decision making
- Improved operation

10% cut in costs per project
 25% reduction in time to submission
 10% reduction in time for approval

**** Value of 6-month reduction of time-to-market = ~\$234 million ****
 (calculation based on \$1.3 million in potential revenue lost for every day not on market; DiMasi, et. al., Tufts University)

Case Studies Across Different Industries

Company	Application	Cost Advantage
Chevron Oil	Sharing of best practices	\$ 2.5 billion cost reduction
Dow Chemical	Managing patents	\$ 40 million cost reduction \$ 100 million increased licensing revenue
Shell	Community driven knowledge-sharing	\$ 200 million annual cost saving
Texas Instruments	Sharing of best practices in wafer fabrication plant	\$ 1.5 billion cost avoidance
Xerox	Knowledge service network	\$ 50–100 million annual cost saving

ROI for KM Intranet Portals

Intranet metrics based on Nielsen technique:

- Number of employees
- x Days/year worked
- x Number of Minutes Saved per Day
- x \$ per employee/minute
total

Example of a firm with 10,000 employees accessing the intranet daily

- 10000
- x 200
- x 15
- x 0.3 (based on approx. \$50k/y)

\$9M

Nearly \$1M saved per 1000 employees accessing the firm's intranet
Nielsen Norman Group 2001

Company Size	1,000	10,000	100,000
Intranet Project costs			
extra IT	\$0.07	\$0.2	\$0.8
central staff	\$0.2	\$0.6	\$2.4
info providers	\$0.67	\$2	\$8
employees' time wasted	\$0.4	\$4	\$40
Total cost	\$1.3	\$7	\$51
Intranet Usability Gains			
central staff cost	-\$0.04	-\$0.1	-\$0.5
info providers cost	-\$0.07	-\$0.2	-\$0.8
employees' time gain	+\$0.28	+\$2.8	+\$27.6
Total	+\$0.17	+\$2.5	+\$26
ROI	55%	733%	1,923%

Business Objective

Increase Employee Productivity for Customer Service

Decrease time to market of IT solutions

Jump Start the IT Governance Process

Provide network to customers, employees and partners to collaborate and create

Current State

A formal enterprise knowledge strategy does not exist

Collected data is primarily in transactional form and lacks the information required to support decisions and drive new business opportunities

Data is in varying conditions of accuracy and dispersed across systems

Information management and reporting activities are disparate and uncoordinated

Management of information systems often viewed as a necessary evil or non-strategic

- Define a Continuous Knowledge Management Process
- Knowledge Management Strategy
- Knowledge Management Methodology
- Explicit & Tacit Knowledge Capture and Delivery Capabilities

- Deploy a Flexible, Responsive Technical Architecture
- Enterprise-wide Applications
- Flexible Information Backbone
- Business Intelligence Tools
- Information Portal

- Create a Knowledge Sharing Culture
- Network of Collaborative People
- Reward Knowledge Sharing
- Knowledge-based Hiring Model

Desired State

Knowledge Management Culture

- The enterprise will have a defined knowledge management strategy
- Employees are able to leverage the knowledge base contained within the enterprise to create unique solutions to customer's continually

Quality Enterprise Information

- Knowledge is collected and delivered seamlessly within the enterprise and across the extended supply chain
- The cross-functional nature of teams and communities is increasingly important, along with members outside the enterprise

Analysis Not Transactions

- Modern information systems automate routine transaction processes tasks
- Employees focus on analyzing information to support business decisions

Required Outcomes & KM Work Components – to deliver on **SIEMENS** KM Vision

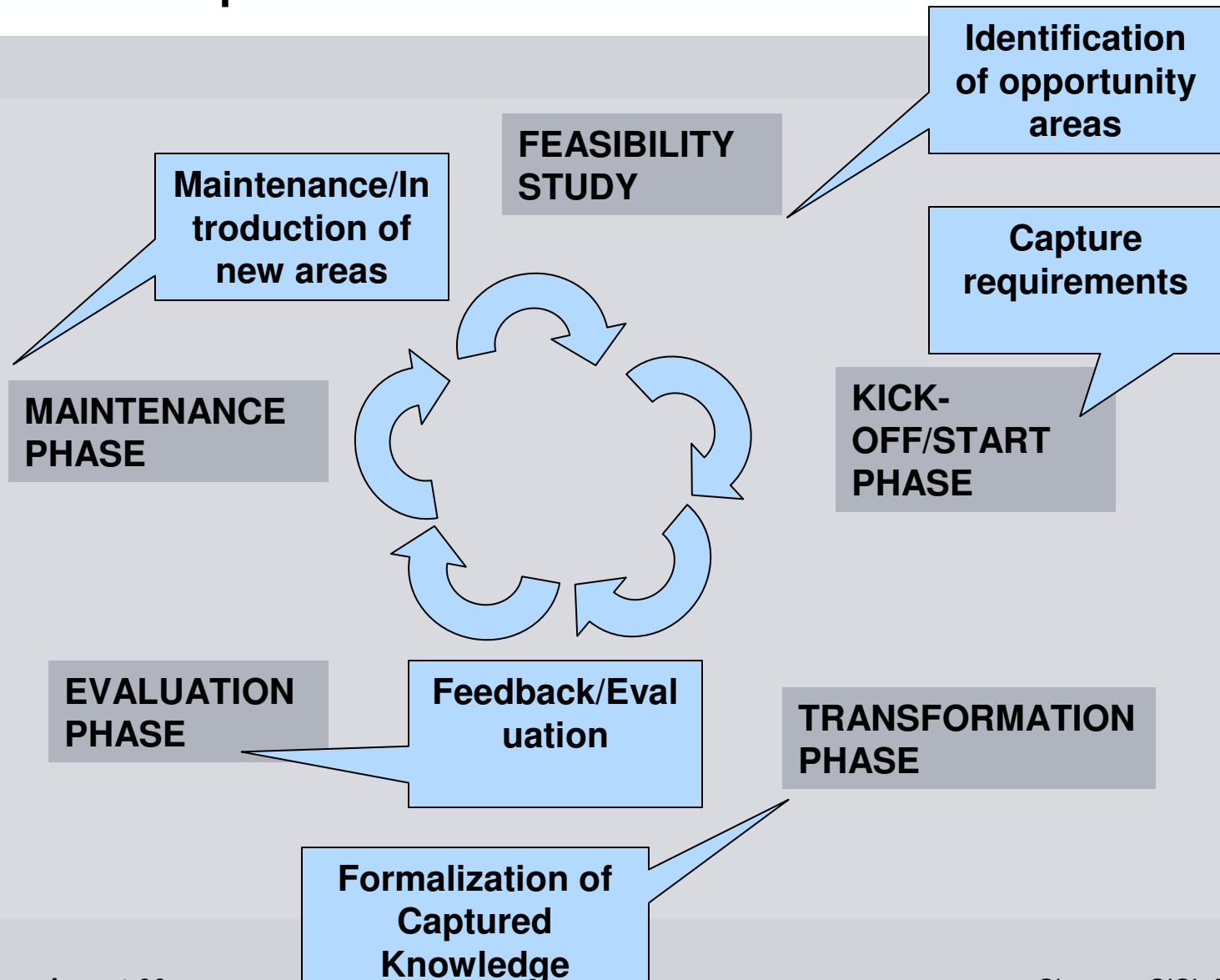
Outcomes	KM Strategy Work Components/Activities
<p>Organization culture fosters & rewards knowledge sharing & knowledge sharing is embedded into team members' day-to-day work</p> <p>Learning faster than the competitors is a key competency</p>	<p>Leadership & team member learning style and attributes are clearly defined</p> <p>Education & Training (E&T) focuses on developing learning leaders and team members</p> <p>Meeting Management protocols include KM</p> <p>KM roles & responsibilities are clearly defined for each team member</p> <p>Risk/Reward approach supports knowledge sharing</p>
<p>Systems infrastructure & related support processes meet the Team's and Organization's knowledge sharing requirements</p>	<p>Ongoing KM Needs Assessment process and content monitoring</p> <p>Ongoing system performance monitoring</p>
<p>Process models & their definitions can be developed virtually and are readily accessible to anyone who needs them</p>	<p>Business process analysis & mapping tools & interactive, web based design tools</p>
<p>Experimentation is valued and the rigor is put in place to ensure that pilot/prototype performance is measured and learnings are incorporated into day-to-day business</p>	<p>Pilot Assessment Process that is applied by each pilot team</p>

Required Outcomes & KM Work Components – to deliver on Vision

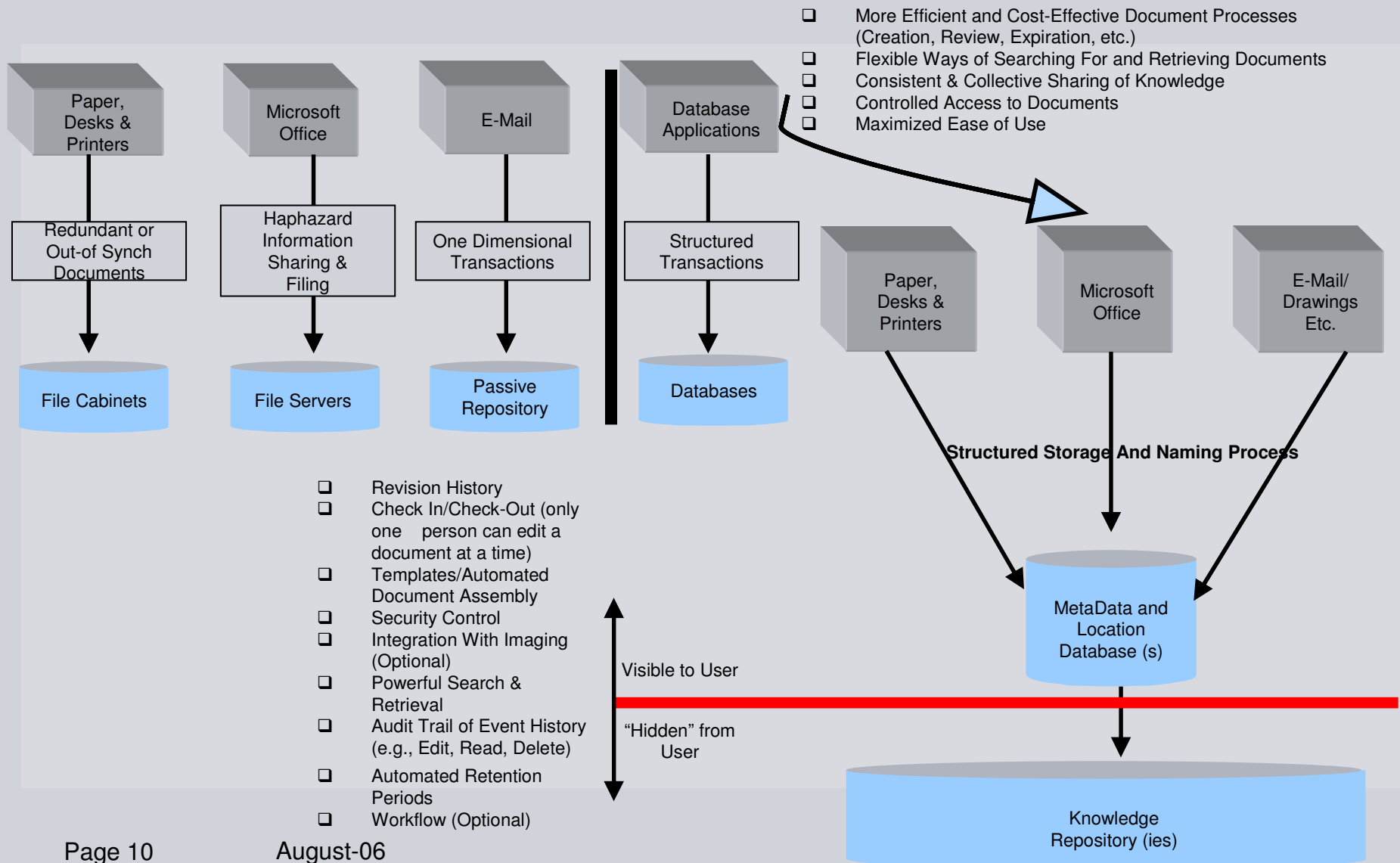


Outcomes	KM Strategy Work Components/Activities
Protocols for identifying, capturing, sharing, applying and learning from, updating, storing and destroying knowledge are understood and followed	Knowledge Publishing Process
More effective decision making processes & reduced meeting time	Decision Support and Decision Process Assessment
Team members are current on market, customer, competitive, and regional best practices & benchmarks	Best practices capture & dissemination process (internal & external)
Virtual, collaborative team work process(es) are in place	Tools & processes to support virtual work teams (net meeting, chat rooms, threaded discussions etc.)
Knowledge sharing infrastructure is used to support key Transformation objectives (e.g., access key communications & Education and Training (E&T) information from knowledge sharing infrastructure)	Integrated E&T Strategy to support web-based learning, Computer Based Training (CBT) etc. Internal & External Communications strategy to leverage knowledge sharing capabilities

KM: Information Capture Framework



KM through ECM



KM : A typical example of Knowledge Arrangement

