



Knowledge Management And Knowledge Process Outsourcing

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ABSTRACT

Knowledge management is one of the most important concepts in business organization. To be a successful corporate and to sustain its growth and development, it require effective knowledge management. The present paper makes an attempt to define knowledge management and also highlight its importance, tracks involved, its advantages and how to use knowledge management effectively. The challenges are common in competition. So in these days more and more importance is being paid to the knowledge management. A new concept like knowledge process outsourcing is emerged in the fields and the same is being discussed at length in this paper.

Keywords : Knowledge Management, Outsourcing, Knowledge Process

INTRODUCTION

Knowledge is a power, which not only empowers the ability to adopt and innovate but also empowers the organizations ability to deliver value to clients. When knowledge is used strategically resources like land, labour and capital give good output (i.e., better quality) with less cost. The important core asset of any organization is human capital with multidimensional skills. Knowledge management is the ability to realize increased returns from business competencies. It has generated more interest and excitement than any other recent information management concept. The knowledge management is the explicit and organized fashion, which corporate attempt to be smarter. Their goal is to improve performance by leveraging internal resources. Some companies are even attempting to form more intimate bonds within customers by creating open access to their collectives (Intelligence Quotient).

The concept

According to Webster's Dictionary knowledge is the fact or condition of knowing something with familiarity gained through experience or association.

Knowledge is a mixture of experience, values, information and expertise; it is the core of every company. Knowledge is commonly distinguished from data and information. Data represents observation or facts, not directly meaningful. Information is meaning fully organized accumulation of information through experiences. When one understands the foundational principles responsible for the patterns representing knowledge wisdom arises.

Knowledge management is the process by which the organization generates wealth form its intellectual or knowledge based assets. The management aspects of the concept are that the knowledge is managed economically and gets optionally used. Karl Erik Seviby defines knowledge management as "The art of creating value from organization intangible assets".

OBJECTIVES OF THE STUDY

The present study is carried out with the following specific objectives.

1. To know the major areas of knowledge management.
2. To know the effectiveness of knowledge management in organization.
3. To study the tracks of knowledge management process.

4. To know the important advantages of knowledge management.
5. To know the opportunities and challenges of knowledge process outsourcing.

MAJOR AREAS OF KNOWLEDGE MANAGEMENT

There are five major areas of knowledge management as under.

1. Capturing knowledge.

It is the starting point of any knowledge management project. It enables the acquisition, synthesis and creation of knowledge. Various structures and processes are there to enable articulating knowledge.

2. Sharing knowledge

Capturing knowledge would be incomplete if the assorted knowledge is not shared widely among the employees. There is real power in effective knowledge transfer.

3. Enhancing knowledge

It involves building on the existing knowledge base of the employees. The current and potential knowledge requirements of the employees are systematically and scientifically diagnosed with the objective of aiding their development.

4. Enabling knowledge

Whatever may be the organizational base, if the prevalent organization culture is low on openness and sharing the organization would not be able to synergies on its knowledge base. Thus a lot of emphasis is put on the enabling processes taking care of the array of emotions and feelings, like and dislikes, attributes, sentiments etc. which the employee brings to workplace.

5. Leveraging knowledge

Ultimately to gain a competitive advantage in the marketplace, the use of knowledge is the most important factor. Technology is only a catalyst. The knowledge in heads of employees only becomes productive once it has become a part of products, systems, solutions and services.

EFFECTIVENESS OF KNOWLEDGE MANAGEMENT IN ORGANIZATION

Knowledge management is complex and manifold and thus should not concentrate on just one measure. Effective management of knowledge requires hybrid solutions of people

and technology. Human beings are quite accomplished at certain knowledge skills. When we seek to understand knowledge, or to synthesize various unstructured forms of knowledge, humans are recommended tools.

The knowledge is the base for success and survival of organizations in today's global economy. Knowledge leads people in the efficient usage of the information so that they can make more formal and successful decisions in addition to enhanced customer interactions. The organizations ensured their existence by deriving competitive edge by investing heavily advanced technologies.

TRACKS OF KNOWLEDGE MANAGEMENT

There are two types of track of knowledge management, which are explained as under in detail.

1. IT track KM – Management information

Researches and practitioners in this field tend to have their education, in computer/information science. They are involved in construction of information management system, artificial intelligence, reengineering, etc. To them, knowledge is objects that can be identified and bundled in information system. This track is new and developments in IT. Various tools and technologies are used to ease the burden of work, through augmentation and automation, allowing resources applied efficiently to task for which they are most suited. Knowledge tools and technologies go beyond data and information management. They facilitate the organization knowledge processes, enabling better, faster knowledge generated, codification and transfer.

2. People track KM – management of people

Researchers and practitioners in this field tend to have their education in philosophy, psychology and management. They are primarily involved in accessing changing and improving human individual skills and/or behaviour. To them, knowledge is process, complex set of dynamic skills etc. that is constantly changing. They are traditionally involved in learning and managing those competencies individually or on an organizational level. People are both the source and conduct of knowledge; it is people who lie at the heart of the core function of corporation, as well as the management initiatives that are shaping its operations. Though knowledge bases are becoming effective support tools, humans are still necessary for this process to take place. Humans need to do the final pieces of interpretation and application. Any one can buy new 'KM' Software, but very few have the ability to create sustainable creative organizations. The bandwidth of human infrastructures is the trust between people, on people instead of technologies or processes operating on the principle that devising system for getting the best our people are crucial for organization as they are,

1. The exclusive source of knowledge for organization.
2. Starting point, for organization knowledge.
3. The knowledge pool and cannot be replicated.
4. Going to spread knowledge resources across the company.
5. In a position to convert knowledge into efficient action.

MAJOR ISSUES OF KNOWLEDGE MANAGEMENT

Knowledge can be explicit or tacit. Explicit knowledge is formal and systematic. For this reason it can be easily articulate communicated and shared in the form of hard data, scientific formulate, Patents, codified procedures, or universal principles.

Tacit knowledge is one that cannot be articulated. It is deeply rooted in an individual's action and experiences, as well as in the ideas, values, and politics he/she embraces.

According to Nonaka there are four basic patterns of creating knowledge in any organization.

1. From tacit to tacit

Sometimes, one individual share tacit knowledge directly with

another. These tacit skills are then learnt by the other through observation, imitation and practice. They become part of their own tacit knowledge base. In other words the skill has been socialized.

2. From explicit to explicit

In this model, individual exchange and combine knowledge through such as media documents, meetings, computerized communications, adding sorting, combining and categorization of explicit knowledge.

3. From tacit to explicit

It occurs when one is able to articulate the foundations of ones tacit knowledge and converts it into explicit knowledge, thus allowing it to be shared.

4. From explicit to tacit

As new explicit knowledge is shared through an organization, other employees begin to internationalize it. That is they use it to broaden, extend and reframe their own tacit knowledge.

ADVANTAGES OF EFFECTIVE KNOWLEDGE MANAGEMENT

Effective knowledge management will brings the following advantages.

1. Innovative power is enhanced because it builds on already existing knowledge.
2. With access to existing knowledge the cost for new employees will be more productive in less time.
3. Improved efficiency through better access and on going requirements of the best practices (fewer mistakes).
4. Due to a broader knowledge base companies can adopt to changes response time.
5. Useful to developing information and ideas from customers and in some instances, working with them to develop new products and services.

OPPORTUNITIES OF KNOWLEDGE PROCESS OUTSOURCING

Indian BPO sector has given birth to another concept in the global outsourcing scene. The knowledge process outsourcing. It enables the effective use of resources, give better quality with less cost, wider coverage, goes to the clients and capture the market through competitiveness. Under the knowledge process outsourcing the important effective services like, inspire to marketing research, manage critical condition efficiently, competitions, products and services; makes the organization effectiveness in business administration. All of which help in dealing with rapidly evolving business scenarios. India has the potential and working towards meeting the future demand for knowledge workers at home and aboard. It is essentially entails outsourcing of high skills or knowledge jobs such as chartered accountants, doctors, lawyers and engineers to foreign countries are the users of such specialized services.

In today's competitive environment there is growing specialization, where companies focus on their core competency areas and outsource the rest. Many organization have realized that by outsourcing, they will not only minimize the cost but will be in better position to consider on the growth of their business.

CHALLENGES

The following are the important challenges of knowledge process outsourcing.

1. In a competitive world, high level of reinvention that increases the cost of operations.
2. Under the knowledge process outsourcing, lack of knowledge sharing for high-end complex task.
3. In this aspect there is a lack of response to many of the complex customer issues.
4. In organization clients do want various financial information to maintain within the company, given current regulatory environment and also maintain high quality standards.

5. Lack of systematic approach to knowledge creation and absence of systematic collaboration.

CONCLUSION

Knowledge management involves connecting people with people, as well as people with information. It an evolving management system which combines good practice for purposeful in order to improve the business performance. Knowledge management requires a proper mix of technical skills. The ability to intelligently manage knowledge is absolutely es-

sential for an organization. It is a must on the part of the manager to adopt innovative and modern practices for acquiring, storing and transferring knowledge. Further, proper utilization of modern, IT, continuous recycling and experience help in a great way to enhance the organizations effectiveness and allow the organizations to earn competitive advantage in the turbulent environment. The knowledge services promise new vertical opportunities and global financial institutions are beginning to recognize the Indian capability for high-end outsourcing in this are.

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