

KNOWLEDGE AUDITING AND MAPPING: A PRACTICAL APPROACH

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Abstract

The purpose of this paper is to provide Knowledge Management Practitioners with a simplified and activity-based Knowledge Audit process. Knowledge audit is a process to check on an organization's knowledge 'health', before the organization starts with their knowledge management initiative. The Knowledge Audit focuses on the critical business objectives specifically in a business-related environment, but may be applied to other forms of organization with some adaptation.

Knowledge Audit helps in recruitments needs i.e., knowledge acquisition, the learning/training needs, and the knowledge base requirements to achieve organizational goals. This paper describes the form to represent the audit process and its advantages, as well as the mechanism to reuse the information gathered from it. The design of the proposed ontology, the elements to be presented from knowledge audit, the way in which they can be represented with the help of the ontology, and their potential reuse for the development of applications are shown.

Keywords: knowledge audit, knowledge management; knowledge processes; knowledge activities.

I. Introduction

Auditing is a traditional concept in business normally incorporating several measurement actions designed to produce figures in order to check performance against a defined standard.

A financial audit, or more accurately, an audit of financial statements, is the verification of the financial statements of a legal entity, with a view to express an audit opinion. Financial audits exist to add credibility to the implied assertion by an organization's management that its financial statements fairly represent the organization's position and performance to the firm's stakeholders. The Information Audit extends the concept of auditing holistically from a traditional scope of accounting and finance to the organizational information management system. Information is representative of a resource which requires effective management and this led to the development of interest in the use of an information audit. Knowledge is not an "item" which can be directly or traditionally measured in the same way as inventory levels or financial resources. If we examine knowledge in a business context, we must give consideration to the broad mix of elements related to theoretical knowledge, technical or personal skills, work experience, organizational culture, trust amongst employees, ability to access knowledge from other experts inside or outside of the organization, etc. A knowledge audit as a diagnostic method must incorporate several approaches to evaluate all quantitative and qualitative factors related to knowledge in an organization.

Ann Hylton defines Knowledge Audit as, "Systematic investigation, examination, verification, measurement and evaluation of explicit and tacit knowledge resources and assets, in order to determine how efficiently and effectively they are used and leveraged by the organization".

David Skyrme is of the opinion that Knowledge audit is considered to be, "The systematic analysis of an organization's information and knowledge entities and their key attributes, such as ownership, usage and flow, mapped against user and organizational knowledge needs".

There are many definitions on Knowledge Audits (KA) from both KM academics and practitioners such as Ann Hylton and John Debenham. This has also lead to the development of several organizational knowledge surveys and reports on elements of Intellectual Capital.

Ii. Knowledge Audit Is Performed For The Following Reasons:

1. Helps identify knowledge needs to support organizational goals.

2. Provides tangible evidence of the extent knowledge is effectively managed (shared, leveraged etc.)
3. Helps show what knowledge exists, where it is, and to check whether there are any duplication or gaps.
4. Reveals pockets of knowledge – e.g. untapped potentials.
5. Shows knowledge sources and any sinks or blocks.
6. Provides information in order to tailor knowledge management initiatives.

A Knowledge Audit performed for:

- A Knowledge Audit is a process, which creates plenty of knowledge-related data for an organization. Taking into account that in a knowledge economy, competitive advantages will increasingly be based on knowledge, this data needs to be properly analyzed so that managers can identify gaps in the organization's knowledge strategy.
- A Knowledge Audit helps an organization to evaluate and design R&D and innovation programs and policies, etc. and also helping the organization to support all knowledge creation events, processes, etc. more effectively.
- In re-engineering a firm it provides the knowledge necessary to ensure the retention of valuable capability and know-how.
- It can be used to plan education and training programs mutually beneficial to both the employees and the organization.
- It provides information on assets not previously recorded in traditional business models to ascertain the value of the organization (Davenport and Prusak, 1998)

III. HOW TO IMPLEMENT A KNOWLEDGE AUDIT?

Knowledge can provide numerous sources of competitive advantage including an ability to learn or an ability to learn faster, increased creativity, increased profits and potential for growth, enhanced reputation and so on. Knowledge Audit is a complex and multidimensional fact-finding and analytical process, which aims to record all the quantitative and qualitative variables related to knowledge and to the ability to use it effectively to create business value (knowledge management).

The following lists provide an indicative list of some qualitative and some quantitative variables, which a Knowledge Audit should, assess:

a. Qualitative

- Job Position
- Sex
- Level of Education

b. Quantitative

- Years of experience/service to the company
- Level of agreement with company strategy
- Perceived level of security within the company
- Depth of knowledge (low, average, high)
- Time spent searching for information
- Time spent at meetings

There are many approaches to Knowledge Audits and in an attempt to highlight the most important and practical concepts, only the main audit steps are selected and presented below:

Step 1: The Audit team should investigate the knowledge strengths of the competition in order to help the company focus its learning efforts, by implementing a framework for a Knowledge-SWOT analysis.

Step 2: S.Y Choy suggests that a knowledge audit should continue with an introductory orientation session for the business units and personnel within the organization being audited. The objectives of the orientation are:

- To brief those involved about the aims and objectives of the knowledge audit, to relieve their fears and get them to adopt a positive opinion in relation to the audit.
- To ensure a correct focus for the knowledge audit and to gain management support from the business units affected.

Step 3: The knowledge audit questionnaire is developed and customized which ensures that it meets the company's specific needs. Researchers will have the opportunity to properly phrase questions, to use company terminology, to organize pilot surveys and to analyze

knowledge requirements of business processes, which should be included in the questionnaire, etc

Step 4: The KA team will have to decide which research method to use in collecting the data. Some schools of thought suggest that respondents should read the questionnaire and then be interviewed while others suggest a follow-up discussion in order to clarify issues after the questionnaire is completed.

Step 5: Data analysis and evaluation. The statistical methodologies used here are based on the data format in which the replies were given to the various questions so it is this is one of the most important audit steps.

Step 6: The first Knowledge Audit results should be presented to and discussed with managers before preparing the final report. This step is required because it is very likely that managers will give an insight into certain findings while also asking the audit team to refine some of the initial findings.

Step 7: Presentation of the final report. This will be accompanied by an action plan, framework and data, which will support managers with decision-making and implementation

Iv. Success Factors For Knowledge Audit Implementation

1. A Knowledge-Audit is not an easy process: To optimize benefits from a knowledge audit, organizations shouldn't take the process lightly or commence activities before the organization is truly ready. The organization should be prepared to accept evidence-based results as expressed by the people and also should be prepared to act quickly on the findings. Top management must recognize and accept that the audit responsibilities can in no way be carried out as a part-time or job-share task assigned to an existing post or job, or given to just anyone in the organization to do.
2. Top management commitment: Ann Hylton points out that one of the biggest difficulties in undertaking an audit is the securing of long-term commitment from senior executives/managers who have authority in relation to important resource allocation decisions.

3. Knowledge Audit must have clear purposes: A Knowledge Audit is not a quick and simple process and hence the required time and effort needs to be justified by a clear purpose and a set of actions that will be taken as a result of what the audit reveals.
4. Tacit Knowledge is a Priority in any Knowledge Audit Agenda: While conducting a knowledge audit, must bear in mind that up to 80% of an organization's knowledge can be tacit. Therefore they shouldn't focus too much time and energy on explicit knowledge. Auditing tacit knowledge is probably where the greater challenge lies and it is the area in which expert help is likely to be most valuable.
5. Knowledge Audit must be the First Step: Ann Hylton argues that many of the mistakes of both early and recent Knowledge Management adopters can be traced to the serious oversight of not including a knowledge audit in their knowledge management strategy and initiatives. Therefore the knowledge audit is the indisputable first step in any knowledge management initiative.
6. A Knowledge Audit must be People-centered and People-focused: Everyone in an organization creates captures and disseminates knowledge. Each person's contribution or potential contribution must be recognized. The company's "knowledge people" are at the core of its knowledge audit and hence no knowledge person should be marginalized during the knowledge audit initiative/process.
7. People welcome Knowledge Audits: People in the organization have high expectations of the Knowledge Audit because they expect that it will give them the opportunity to confidentially share their knowledge with everyone and share their day-to-day experiences. They also expect that findings will be acted upon. Therefore the Knowledge Audit team should take KM seriously and avoid mistakes such as underestimating people's expectations.
8. Knowledge Audits should be made regularly: Creating a dynamic environment within a company, managers should know that in order for their KM support to produce long-term results - a regular implementation of audit activities should be planned. Regular implementation of Knowledge Audits would help managers to review the progress of qualitative or quantitative variables affecting the company's Knowledge Management policy.

V. Conclusion

To summarize, knowledge audit is necessary for an organization to grow along with the employees. It is intuitional efforts put in by the employee for the organization and helps both employees and organization to grow. Knowledge audit is performed for various reasons and the process of implementation is mentioned. The success of an organization depends on the kind of people who have been employed and therefore it is quite oblivious for human resource team to continuously enhance the tacit knowledge and there by sharing them for the benefit of others.

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