Leverage knowledge through collaborative workflow
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Introduction

Companies in all industries are struggling with similar challenges around effectively managing and leveraging organisation talent and expertise.

The economic environment, global expansion, corporate mergers, decreasing supply of talent, retiring boomers, increasing organisational complexities and silos, and customer expectations are all driving the need for organisations to improve their ability to deliver more with less whilst increasing productivity and efficiency.

As many organisations experience some of these challenges, it is a future certainty that they will all vie with their competitors for an increasingly smaller supply of talent needed to execute strategy. Organisations can no longer afford to neglect their most important asset, their people. Harnessing and leveraging an organisations’ knowledge and expertise is no longer a luxury, it is an absolute game changer. Like never before, companies are challenged to meet complex demands from the marketplace and within. Organisations must work smarter, be more productive and make better business decisions to remain competitive.
Why should companies adopt a knowledge and collaboration strategy?

Engaging and retaining three generations in the workplace calls for new collaboration tactics

With multiple generations in the workplace today, organisations must deliberately put in place different processes, motivators and tools to stimulate collaboration and create a knowledge sharing culture that appeals to all generations. Gen-Yers are irreversibly blurring the relationship between work and life – and redefining what it means to build a successful career. Even baby boomers nearing retirement are looking for options to make it attractive for them to stay engaged. To attract and retain generation Y, organisations need to employ leading edge, real time collaboration practices to effectively engage their employees while at the same time managing the more technology adverse baby boomer generation that prefers face to face collaboration. Many organisations fail to understand the collaboration needs and preferences of their collective workforce and therefore alienate valuable expertise. Simply put, the workforce has changed while the workplace has not.

Long-term viability is increasingly dependent on collaborating across cultures and boarders

In today’s economic climate, organisations are trying to do more with less. As organisations continue to grow and expand into new markets, so does the need to share expertise to make better business decisions, improve productivity and work more efficiently. This is even truer in the Luxembourg multi-cultural working environment, where employees from different countries, with different background work together serving customers who expect a consistent experience of a similar standard and quality employing the same approach regardless of whether they are worldwide. Through effective collaboration, networking and knowledge management, organisations are able to transcend organisational silos. By enabling teams to work together, there will be fewer cases of reinventing the wheel, standards and quality will be more consistent as will the customer experience.

To breakdown organisational silos, companies need to put mechanisms and processes in place to facilitate access to expertise when needed and create platforms to share customer and market data, leading practices, lessons learned, reusable deliverables, templates, tools and approaches.

Loss of expertise due to employee attrition or retiring baby boomers greatly impacts institutional knowledge

Tomorrow’s leaders, the knowledge professionals who will drive business growth through the 21st century, are in ever-increasing demand and ever-decreasing supply. The younger workforce is more nomadic in its relationship with organisations; they tend to change jobs more frequently and do not see their career as a destination, but instead a journey. The recent economy may have slowed attrition rates, but many expect that as soon as the economy starts to improve, companies will suffer a mass flight by employees who have become unmotivated, unattached, and disengaged during the recession. As those employees leave, so does years of your valuable corporate knowledge and expertise. The same goes for the baby boomers. Their impending retirement and mass exodus from the workforce will create a void of institutional knowledge, insights and experiences as so many of the baby boomers make up a large portion of senior management. If organisations do not have a plan in place to capture, transfer and grow that expertise, it will not only be lost, but may cost companies more in the future as they repeat costly mistakes.
Bottom line benefits

Knowledge management helps to solve some of the most common business problems and at the same time delivers measurable business benefits by:

- Improving business decisions by increasing access to areas of expertise, lessons learned and leading practices
- Increasing efficiency and productivity, by reducing cases of ‘reinventing the wheel’
- Improving the rate of innovation through increased global collaboration
- Reducing the loss of knowledge and expertise due to employee attrition by capturing their explicit and tacit knowledge
- Increasing speed to productivity through on-board training and timely access to knowledge and expertise
- Leveraging leading practices and lessons learned to work smarter and more efficiently
- Increasing customer satisfaction by delivering value added insights and expertise
- Enhancing overall quality and ability to collaborate by standardising ways of working
- Enabling continuous quality improvement of products and services through increased collaboration of leading experts
- Identifying the ‘go to’ subject matter expertise across the industries and functions to facilitate access to a network of global experts
Based on our past experience, we recommend a phased approach, with a first focus on the knowledge available in the organisation. This awareness phase enables stake holders buy in and proper knowledge recognition. In this phase, we go through the knowledge life cycle to determine organisation strengths and weaknesses.

In a second stage we address the knowledge management six critical components for successful implementation. These components are interdependent and each plays a critical role in creating a sustainable knowledge sharing culture. The six knowledge management components are as follows:

**Knowledge management process**

- **Assess**: Analyse future information and knowledge needs to fit the organisation’s strategy.
- **Share**: Sharing of knowledge and insights with other members of the organisation.
- **Enrich**: Gather additional information and enrich the deliverable with more insights to increase its added value.
- **Use**: Use and exploit the collected information to respond to the client’s request.
- **Build/sustain/divest**: Build extra knowledge on important topics and divest obsolete knowledge.
- **Collect**: Search and collect basic information from various sources.
Standard governance models

<table>
<thead>
<tr>
<th>Centralised KM governance model</th>
<th>Federated KM governance model</th>
<th>Decentralised KM governance model</th>
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<tbody>
<tr>
<td><strong>Attributes</strong></td>
<td></td>
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<tr>
<td>Centralised knowledge office is housed in a strategic leadership</td>
<td>Knowledge initiatives are planned collaboratively and favour a wide range of variants within the model</td>
<td>Knowledge initiatives are independently managed and works best in organisations with high change rates</td>
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<tr>
<td><strong>Benefits</strong></td>
<td></td>
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<tr>
<td>Evidence of senior support</td>
<td>Explicitly addresses both corporate and business riddles</td>
<td>Emphasises business needs while providing vehicles for strategic approaches</td>
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<tr>
<td><strong>Challenges</strong></td>
<td></td>
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<tr>
<td>Often seen as corporate push with unrealistically high levels of expectation</td>
<td>Carries risk of inaction or ineffectiveness</td>
<td>Leadership changes can create major KM investment/focus shifts</td>
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Knowledge management maturity model

- KM Efforts Ad hoc
- Informal and inconsistent KM
- Dependence on individual skills and abilities
- At this point KM capabilities are repeatable
- Awareness of importance of existing knowledge
- Knowledge sharing upon request, generally only in limited silos
- Aware of KM capabilities
- KM processes documented and consistent
- Some collaborative frameworks exist
- Management committed to KM
- Some policies and governance established
- Knowledge shared upon request
- KM part of core business processes
- Collaboration tools are consistently applied
- KM usable, measurable, dependable
- Dedicated KM functions and organisation units
- KM capability institutionalised
- Ability to harness tacit knowledge of employees
- KM quality improves itself
- Streamlined processes for KM
Through our past experience, Deloitte has found that successful knowledge management programme includes these six dimensions. Each of these dimensions are interdependent. You cannot pick and choose one dimension and not the other. Each dimension plays a critical role in institutionalising knowledge management behaviours that create a sustainable knowledge sharing culture.

1 **People and culture** – The behaviours, beliefs, interactions and cultural factors required to support knowledge management.

Aligning key employee behaviours to the business strategy is essential to the successful execution of the strategy and to creating a culture that supports it. Employing key change management interventions such as performance metrics or reward and recognition programmes are integral to aligning employee knowledge sharing behaviours to your business strategy which in turn is essential to the successful execution of the strategy and to creating a knowledge sharing culture that supports it. We are able to shift an organisation’s culture by changing a few critical behaviours at a time, as more and more of the organisation’s behaviours change to align with your strategy - your culture will begin to shift to support your strategy.

2 **Process and organisation** – The techniques, activities and infrastructure and resources required to systematically identify, manage, share and apply our knowledge and intellectual capital.

Processes provide a structure that allows for consistency and standardisation in the capture, organisation, and dissemination of knowledge. To support an organisation with using and adhering to a consistent standard approach to managing organisational knowledge, a support infrastructure, or knowledge network, is required. Establishing knowledge management roles and responsibilities is fundamental to creating and embedding behavioural change, continually monitoring knowledge management practices to ensure they are aligned to organisational goals and achieving business objectives.

3 **Technology** – The tools and technical resources required to support knowledge management

Knowledge management requires tools and technology to support the knowledge network in automating and executing the knowledge management processes. It is important to understand that technology is only the vehicle for sharing knowledge and expertise. The most difficult part of any knowledge management programme is getting employees to share their knowledge and expertise and to use the tools effectively.
4 **Content and context** – The knowledge and materials that need to be shared to ensure our professionals are successful in performing their work and adding value to their clients. Identifying business critical content and expertise and understanding the context of the events or situations in which it is used is imperative to delivering the right information to the right people at the right time. Employees will only engage in knowledge sharing practices if they get the information they need when they need it. To get at the right expertise and to ensure it is kept up to date, you have to understand your social networks and who owns and can manage them – you have to engage your experts to play an active role in sharing their expertise. Each organisation has its own unique set of expertise and content that needs to be shared and managed.

5 **Leadership and governance** – Senior Management support of knowledge management, and the oversight to ensure that knowledge management activities are funded, approved, integrated and meet business objectives. Creating a governance structure with clearly defined roles and responsibilities is essential to defining, driving, controlling and overseeing the successful implementation of knowledge management. Effective governance translates executive decisions into company-wide behaviours and ensures adherence to knowledge management practices. Assigning leadership roles and responsibilities is necessary to embed and support knowledge sharing and organisational learning and set knowledge management priorities, commitments and resource allocations.

6 **Strategic alignment** – Close alignment of knowledge management strategies with business strategies, along with visible leadership support to reinforce the importance of knowledge management to the success of the firm. Success requires business strategies to be part of employees’ everyday actions and decisions. Establishing a clear vision and link between the company strategy, business objectives and knowledge management strategy and practices is imperative to create a shared understanding amongst leaders and staff alike around the decisions, actions, behaviours and messages required to execute the knowledge management strategy. Aligning behaviours to support the delivery of knowledge intensive business events is essential to executing the knowledge management strategy and crucial to realising overall business goals.
Most knowledge management programmes fail because organisations do not invest in engaging and changing behaviours of their employees and because a supporting infrastructure is not put in place to support new ways of working. Knowledge management programmes lacking sufficient focus on these two areas often fail to realise business benefits.

The key KM success factors
- Clearly define the scope
- Identify barriers in the organisation
- Address each barrier in the plan
- Orient knowledge to business needs and clients served by the organisation

- Plan through three main dimensions:
  - People / Cultural
  - Organisation
  - Technology
- Prepare a long term strategy adapted to organisation maturity and culture
- Have strong management support
- Define strategy toward former models (if any):
  - Build on existing practices or
  - Build in parallel or
  - Build and then consolidate
- Have clear migration strategy with realistic milestones
- Define understandable KPI’s with targets at each stage

Eight lessons to success

<table>
<thead>
<tr>
<th>Lesson</th>
<th>The human aspects of sharing are the largest challenge</th>
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<tbody>
<tr>
<td>Lesson</td>
<td>Strategic connectedness and governance are fundamental</td>
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<tr>
<td>Lesson</td>
<td>“Knowledge” and “Knowledge Management” must be defined within your terms</td>
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<tr>
<td>Lesson</td>
<td>Point solutions are a double-edged sword</td>
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<tr>
<td>Lesson</td>
<td>Technology is not a panacea for knowledge management ills</td>
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<tr>
<td>Lesson</td>
<td>Invest in a formal Knowledge Management approach</td>
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<tr>
<td>Lesson</td>
<td>Continually make the business case</td>
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<tr>
<td>Lesson</td>
<td>Knowledge Management is an evolutionary process</td>
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Knowledge management is fundamentally a business problem; technology is just an enabler. We can help companies by delivering services in support of the full lifecycle of integrated knowledge management, from strategy and technology roadmaps to implementation and roll-out. We have specific service offerings in the following areas:

- **Develop a knowledge management strategy** by establishing clear priorities that align to business objectives
- **Assess the knowledge management maturity** and provide key recommendations to align with strategy
- **Define a knowledge management roadmap**
- **Assist in selection of knowledge management solutions**
- **Develop a plan for culture change** to maximise the adoption of the new knowledge management by human capital
- **Build, deploy and test knowledge management solutions**

Deloitte further offers an unmatched range of capabilities across consulting, financial advisory services, tax, and risk management worldwide. By combining deep technology experience with practical business insights, we can help companies in their efforts to tackle their toughest, most complex challenges.