Getting Started in Knowledge Management

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Erick Thompson, St. Paul Travelers
Melissie Rumizen, SAIC
Workshop Agenda

+ Safety Moment
+ Introductions
+ Quick overview of KM
+ Melissie’s BP Story
+ Questions to ask/Link to strategy
+ Knowledge Cafe
+ Group exercise: Link KM with Corporate Strategies
+ Business value
+ KM Strategy
+ Erick’s St. Paul Travelers Story
+ Group exercise: Potential Pilots
+ Selecting and Launching Pilots
+ Jeff’s Chevron Story
+ Group exercise: How to get started
+ Wrap-up Q&A
Introductions

- Your name
- Your company
- Your location
- Your role
- What you hope to learn today
Knowledge Management Is, Is NOT

Is

Is NOT
Knowledge and Management

• **Explicit (Information?):**
  - What can be said or written down
  - Easily captured, stored and transmitted electronically

• **Tacit (Context):**
  - Know-how, judgement, experience or skills
  - Often the most valuable to an organization

• **Transfer:**
  - Storytelling, reading, mentoring, conversation

**Information + Context = Knowledge → Action**

• **Management:** actions such as create,
  • identify, capture, transfer, share, improve, and reuse.
Knowledge Management System

Systematic *Processes*, *Tools* and *Behaviors* that deliver the right *Content* to the right *People* at the right time and in the right context so that they can:

- Operate cost-effectively, safely and with excellence
- Make the best decisions quickly
- Solve problems
- Exploit business opportunities
- Accelerate competency and innovation
- Execute consistently
Is......

• Utilizing your knowledge to meet the goals of the organization
  – The knowledge you already have
    • Finding it
    • Capturing it
    • Leveraging it
  – The knowledge you create
    • Creativity
    • Innovation
    • Learning
Definition Tips

• Avoid the data / information / knowledge / wisdom trap.
  – Knowledge is information in context used to develop an actionable understanding.

• Developing the definition is part of developing your vision, which is a group activity.
  – Initially be open to suggestions from others.
British Petroleum Story

• In 1989 at British Petroleum turf battles and bureaucracy were rampant
  – Head office alone had 86 committees
  – Financial proposals required 15 signatures
• In 1990 a new CEO began downsizing and slashing capital spending
  – While touting openness, care, trust, teamwork and empowerment
• In 1992 BP lost $811 million
Lord Browne (1994)

• …”We have more experiences than smaller companies.

• ..So the question is: “What do we do with that experience? How do we find it? How do we interpret it? How do we apply it? ….

• We can get leverage provided we understand how to use the experience we have…. 

• If you step back and look at what BP does, it’s just a few things, repeated thousands and thousands and thousands of times.”

• → Focus on global Virtual Teams
The Challenge

Lord Browne believed that:
A critical determinant of his company’s ability to compete was the extent to which it could foster learning across units.
KM and Learning

Action Reviews

Learn
Before
During
After

Peer Assists

Retrospects
Communities of Practice

Tasks initiated using most up to date and proven processes and ‘good’ practices

Org learns & teaches using latest knowledge

Learning

Before ➔ During ➔ After

Members share local experience & “new” learnings

Relevant Community

Community validates & renews common processes as “better” practices emerge

Community Repository
Knowledge Assets

Business Operations Knowledge Asset

Navigate This Site

Key Learnings
From Corporate Approval to Deployment
Deploying to Iraq (Checklist)
Community of Practice
Resources
Projects
Capturing Knowledge
Knowledge Management
Emergency Procedures
Iraq Health Alert

What is SAIC Learning About Doing Business in Iraq?

This knowledge asset is an evolving resource for managers and employees who must address the challenges of developing and delivering business in Iraq. It is a collection of know-how, insights and experiences from people involved in different parts of the process - from business development, to personnel deployment and service delivery. This site helps you avoid reinventing what has already been learned or experienced through creating, reusing and leveraging knowledge already acquired from doing business in Iraq.

Questions to Consider...

How can the key learnings, insights and experiences of others enable you to develop and execute business effectively and efficiently?

How do I get from corporate approval to deployment - how do I get an Iraq project off the ground?

What do I need to know or do to deploy in Iraq?

Who are some of the people that can help me leverage what we know about developing and delivering business in Iraq?

What are some resources that will save me time and help me be more successful?

What are some SAIC's Iraq projects?

What are some of the learning tools and methods we use to capture knowledge?

How can I share what I know about doing business in Iraq?

How can Knowledge Management improve our efficiency and effectiveness in conducting business in Iraq?
Asking the Right Questions

• What is *it*?
• How does knowledge management link to your organization’s strategy?
• What is your knowledge management strategy?
• What value will it provide?
• What resources are needed?
• How will you select projects?
• What is your marketing plan?
• What is the organization’s strategy?  
  – And at what level?
• What are the organization’s goals?  
  – And at what level?
• What are the organization’s key competencies?
• What are the critical challenges?
• What are the organization’s competitive advantages?
• What is the environment in which the organization operates?
• How will knowledge management help to achieve the strategic intent?
KM/Business Strategy Focus Areas

• Operational Excellence (Chevron)
  – Cost reduction
  – Efficiency, productivity

• Product Leadership (Intel)
  – Innovation
  – Time to market

• Customer Intimacy (Airborne Express)
  – Tailored products or services
Knowledge Café

• Select questions or issues (one or more) that matter to the group.
• Set up round (café-style) tables holding 5-6 people.
• Use 3 rounds of conversation (typically 20-30 minutes each).
• Select a table host at each table.
• All members can jot notes during the conversation or the table host can capture key ideas.
• The host remains at the table. The other members move to other tables to carry key ideas, themes and questions to the other groups.
• The host welcomes new members and reviews ideas, themes and questions of the previous conversation(s).
• The new members link and connect ideas from previous tables.
• With several opportunities to move and share, all the tables will be cross-pollinated with insights from many people.
• In the third round, the host presents the ideas and issues raised during the previous conversations to the entire group.
• The entire group may build on these insights or plan next steps in a final group discussion.
Exercise 1

• What strategies will benefit the most from KM in your company?
What Differences Would It Make?
KM Business Case

For Your Company…
- Operate Cost-Efficiently, Safely and with Excellence
- Make Better, Faster Decisions
- Reduce Cycle Time
- Minimize Reinvention/Duplication
- Develop a Global Organization
- Develop and Rapidly Deploy Innovative Ideas
- Retain/Build Competencies (“Big Crew Change”)
- Improve Customer Satisfaction

For Employees…
- Professional development
- Peer recognition
- Challenging work
- Make yourself “available” for new opportunities
- Performance Review & Promotion
- Time...
What Differences Does It Make?

- Reduce cycle time
  - Faster access to best available knowledge
- Decrease “don’t know what you don’t know” aspect
- Build on experience & ideas to fuel innovation
- Learn, decide & adapt to respond to unforeseen business requirements
If you don’t know where you’re going, you may not get there.

Yogi Berra
Strategy

• A specific plan of action
  – Directed at a specified result
• Within a specified period of time
Connect or Collect?

- People’s knowledge can be embedded into documents, models, and software so that others can use it.

- People can be connected directly to others with relevant experience so that they can apply their knowledge to a specific issue.

- These two strategies – sometimes called connection and collection – are relevant to every business.

  - Ross Dawson, *Living Networks*
KM Strategic Plan
Making faster, better decisions anywhere in the world

Integrated Knowledge Management Framework

Accessing Data & Information
- High quality, timely data
  - Standardized collection, definitions, and management
- Interoperable data bases
  - Back office
  - Technical
- Standardized application suites
- Partner linkages

Growing Knowledge Assets
- Communities of practice
- Best practice repository
- Expert locator
  - Internal
  - External
- Personnel management
  - Inventory
  - Training
  - Experience
  - Competence

Encouraging Collaboration
- Peer review
- Peer assistance
- Temporary assignments
- Installing infrastructure to encourage effortless communication
  - Immersion
  - High bandwidth
  - Content-rich media

Making Faster, Better Decisions
- Integration across prior categories
- Contextualizing best practices
  - Teams
  - Virtual
  - Cross-company
  - Specialized
- Management encouragement

Measuring Results
- Capturing lessons learned
  - KM
  - Practice area
- Metrics

Source: Cambridge Energy Research Associates.
Knowledge Management Strategy
Connecting People to People and People to Solutions

Continually Raising the Bar on Performance

Knowledge Portals
Best Practices
Lessons Learned

Networks/Communities
External Benchmarking
Peer Assists/Reviews

Conversations!

Know What We Know…and Reuse It

PeopleNet
Connect or Collect

- Communities of Practice
- Teams
- Peer Assist
- After Action Reviews
- Retrospect
- Organizational network analysis

- Best Practices
- Lessons Learned
- Knowledge Assets
- Knowledge Maps
- “Smart” software
Erick’s Story

Knowledge Management (KM) at St. Paul Travelers

– June 2000 – St. Paul Companies introduced Knowledge Management within a high profile corporate university
– September 11, 2001 – changed everything
– November 2003 – Merger changed everything again
KM at St. Paul Travelers

The Corporate University Days

• Focus was Learning & Development
• Opportunity for KM to work with business areas with workflow bottlenecks
  – Piloted Knowledge Exchange “virtual community” system with business areas with burning needs
• Launched Knowledge Exchange system of virtual communities in 3 months, grew to 12 communities in 3 months
September 11, 2001 changed everything

• Changed Industry
• Changed St. Paul Companies
• Knowledge Exchange Communities skyrocketed
  – Within 24 months, user base went from 12% to 72% of all St. Paul employees
KM at St. Paul Travelers

November 2003: Merger Announced

<table>
<thead>
<tr>
<th>St. Paul Companies</th>
<th>St. Paul Travelers</th>
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<tbody>
<tr>
<td>• 14th largest P&amp;C insurer</td>
<td>• Fortune 75</td>
</tr>
<tr>
<td>• 6th largest commercial lines insurer</td>
<td>• 2nd largest commercial lines insurer</td>
</tr>
<tr>
<td>• 9,700 employees</td>
<td>• 30,000 employees</td>
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<tr>
<td>• $7.5 billion net written premium</td>
<td>• $20.6 billion net written premium</td>
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</table>

<table>
<thead>
<tr>
<th>Travelers Property &amp; Casualty</th>
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<tbody>
<tr>
<td>• 5th largest P&amp;C insurer</td>
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<tr>
<td>• 3rd largest commercial lines insurer</td>
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<tr>
<td>• 21,500 employees</td>
</tr>
<tr>
<td>• $13.1 billion net written premium</td>
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</table>
KM at St. Paul Travelers

Merger challenge
  – Two 150 year old companies needed to merge
  – In 4 months
  – How to exchange knowledge and information real time to make profitable decisions
KM at St. Paul Travelers

Merger Integration Core Team Choice

- Knowledge Exchange virtual community system and process
- Security model critical
- “Mayor” role central
KM at St. Paul Travelers

Business Results

• Implemented a separate KX virtual community system & infrastructure for the merger
• Closed the merger in 4 months
• Set stage for an enterprise-wide KM effort and approach for new combined company
KM at St. Paul Travelers

The Burning Business Issue

• Employees need to locate key information (& people) quickly and easily
• Consistency and efficiency in the publishing and access of information needed
• Flexible and targeted distribution of information and expertise delivers business value
Why did KM Survive?

• Addressed key business issues
  – Changed with the times
• Integrated into workflow
  – Became part of the work that needed to get done
• Proven *practical* process that enabled the practitioners themselves to manage their knowledge and the security around it

*Make KM practical for immediate business use*
KM going forward at St. Paul Travelers

- Responsible for enterprise-wide KM standards and guidelines
- Responsible for KM system operations
  - Corporate Library system
  - Knowledge Exchange system
- Responsible for governing enterprise-wide approach to consistent and efficient use of information assets
- Creating a foundation for efficient knowledge sharing in the future
Exercise 2

• What pilot opportunities have you been thinking about? Where should you get started?
Strategy Tip

When you come to a fork in the road, take it.

Yogi Berra
Strategy Tip

• Look around your organization for existing knowledge management projects.
  – Find fellow travelers.
  – Understand their business context.
  – Build partnerships.
  – Support their efforts.
What Resources Are Needed?

- Knowledge management group
  - People
  - Time
  - Money

- To implement your strategy
  - Organizational infrastructure, to include information technology
  - People
  - Time
  - Money
Resources Tips

• Never suggest one level of budgeting support.
  – Provide various options with varying levels of return.

• Partnering enables you to leverage other resources.
Selecting Projects

- Where is there the greatest need or pain?
- Where is there the greatest urgency?
- Where do you have the best executive commitment and sponsorship?
- Where will you have the most vocal supporters?
- Where will you have the worst executive commitment and sponsorship (run far, run fast)?
- What is the most strategically important process, community or product to focus on?
- What projects are already in place to which you can add significant value?
# SAIC Pilot Selection Criteria

## Mission Impact in 6 Months
- Repeatable business process that needs improvement.
- Timely, specific business need addressed by re-using & adapting knowledge that exists somewhere inside the organization.

## Business Advocacy
- Willing hands; Champion who sees this as a priority and is willing to contribute quality resources.

## Transferability & Reach
- Relevant to wider organizational context; Leverages other business opportunities & initiatives; Re-usable in other operations

## Feasibility
- Organizational: Initiative overload, ‘here we go again’, and Not-Invented-Here are not barriers; Some desire to share
## Rate Selection Criteria

<table>
<thead>
<tr>
<th>High, Medium or Low</th>
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<tbody>
<tr>
<td><strong>Mission Impact</strong></td>
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<td><strong>Advocacy</strong></td>
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<tr>
<td><strong>Transferability</strong></td>
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<tr>
<td><strong>Feasibility</strong></td>
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## Develop Matrix

<table>
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<tr>
<th></th>
<th>Pilot 1:</th>
<th>Pilot 2:</th>
<th>Pilot 3:</th>
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<td>H</td>
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<tr>
<td><strong>Advocacy</strong></td>
<td>6</td>
<td>M</td>
<td>H</td>
</tr>
<tr>
<td><strong>Transferability &amp; Reach</strong></td>
<td>8</td>
<td>M</td>
<td>H</td>
</tr>
<tr>
<td><strong>Feasibility</strong></td>
<td>9</td>
<td>H</td>
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Marketing Plan

• What are the things you plan to produce, like articles, websites, and presentations, etc.
• What is the schedule, to include due dates?
  – Drafts, revisions, final versions, production & releases
  – Should be for at least a year
  – Hit a full spectrum of media and audiences
• Who is the intended audience?
• Who is responsible for each phase?
• When will you periodically review the plan?
Include

- What is your vision?
- What is the organizational definition of KM?
- What is your strategy?
- What creates the need for action?
- What will be different?
- What is expected of people?
Tip: Enlisting Senior Executive Support

• Initial impact
  – Importance of learning and knowledge exchange to our future

• Corporate-wide support
  – Integration of many functions

• Scalability
  – Quick support and adoption across functions
Marketing Tool

• Let me tell you……
  – Our goal is to ......
  – In a way that...... (explain the strategy and implementation)
  – So that (give the intended results)

• Or let me put it this way
  – Purpose...... (what we want to do)
  – Process....... (how we plan to do it)
  – Pay-off..... (what the results will be)
Jeff’s Chevron KM Story

- Two phases at Chevron
  - Early 90’s:
    - Cost Reduction
    - Focus on Best Practices
  - 2001 and beyond:
    - Mergers and synergies
    - Globalization
    - Operational Excellence
    - The “Big Crew Change”
    - Focus on Networks and Collaboration
Chevron Corporate Strategies

Organizational Capability

Cost Reduction

Capital Stewardship

Operational Excellence

Profitable Growth

No.1 TSR

Organizational Capability
Chevron Success Stories

Refining Best Practices

Energy Management

Global Information Link

Project Management

Technology Networks

Chevron Retailer Alliance
Chevron’s Global Refining Journey

Globalization and Networking

Pursuing world-class business results in an increasingly competitive refining environment ….

Prior to 1992
- Sites competing
- Acting in isolation
- In 1992, started Best Practice Teams

Post-merger, 2001
- Domestic Best Practice system applied to overseas business units
- Sharing within teams but not across teams
- Information in silos
- Some corporate experts identified; pace slow

Chevron, 2003+
(Vision continues to grow…)
- Teams interlinked on an operational level
- Peer-to-peer & peer-to-expert connections
- Relevant knowledge accessible
- Knowledge sharing embedded and implemented in the culture
Global Refining – Processes & Tools
$15 MM/yr Savings Documented

Welcome to the GR KM System
The Global Refining Knowledge Management System enables users to share technical information effectively, securely and globally by improving the speed and quality of communication. For technical support on troubleshooting system connectivity or response time issues, the ChevronTexaco Help Desk is available 24/7 at 842-8765 (w/CTN), 1 800 433-8765 (North America w/o CTN), or 1 925 842-8765 (outside North America).

NEWS Update: (last updated 1/12/2004): GRKM recorded over $10 million in savings in 2003! Check out the January 2004 GRKM Newsletter for details and other statistics. Also, check out the November 2003 User Survey Results


Success Stories: GRKM Success Stories
What is a Network?

Chevron Examples

A group of people with a common job function, skill or competency who work together to share knowledge, experience, insight, and advice; solve problems; and explore new ideas.

- Valuable Learning/Development and Retention Tool
- Accelerates Deployment of Innovative Ideas

Business Analysts
HES KM
Web and Database Developers
Upstream Technology Networks
Global Refining KM
Project Management Forum
Diversity Networks

Motor Vehicle Safety
Information Protection
Contractor Safety
The Bank (cost reduction)
Rotating Equipment Network
Learning/Development Forum
And many others ...

Over 125 CVX Networks
Practical Next Steps
Shaping Behavior

• **Performance Management**
  – Cascade goals, key job responsibilities, expectations and measures

• **Reinforce Behaviors; Recognize and Publicize Successes**
  – Understand and use Reinforcement-Based Leadership Principles
  – Seek, share, and adopt practices that improve business performance
  – Don’t start a project with a blank page; start from past work then document what you have done
  – Leverage and acknowledge peers’ expertise

• **Start, Sponsor or Contribute to a Network**

• **Publicize and Share What You Know**
  – Keep your “Expertise Locator” profile current
  – Be willing to answer questions and proactively share your good work
  – Think about your personal network

• **Identify & Retain At-Risk Knowledge** (Retirement challenges)
Is it Culture or IT? Video

• What thoughts and feelings went through your mind?
• How do we engage people’s hearts, not just their minds?
• How do we move from awareness to commitment to passion?
Exercise 3

• How would you get these pilots designed and launched?
Wrap-up Q&A

• What questions remain?
• How did we do (Plus/Delta)?
Homework

You can observe a lot just by watching.

Yogi Berra
Reading List

Books
• Common Knowledge by Nancy Dixon
• Learning to Fly by Collison and Parcell
• Learning Through Performance by Gorelick, Milton and April
• Communities of Practice
  – Cultivating Communities of Practice by Wenger, McDermott and Snyder
  – Leveraging CoPs for Strategic Advantage by Saint Onge and Wallace
  – Company Command by Dixon, Allen, Burgess, Kilner and Schweitzer
• The Complete Idiot’s Guide to Knowledge Management

Journals
• Knowledge Management Review
• Inside Knowledge Management

Websites
• www.kwork.org (Association of Knowledge Work)
Knowledge management is not a project. It is a business fundamental.

Verna Allee
..I cut all ties to land and steered out into a strange adventure and unknown future. From then until the present day my life has been filled with adventures linked together like pearls on a thread. Pearls rarely turn up in oysters served to you; you have to dive for them.

Thor Heyerdahl