

# **Knowledge Management, E-Organizing and the 'Technology' of Management Fashion**

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## **Abstract**

This focus of this paper is the relationship between communication and change in organizations, particularly change that is inspired by contemporary management "fashions." In the past few years, knowledge management (KM) has become another buzzword (like TQM, reengineering, and e-commerce), a program that many organizations decide to implement, in part because it is fashionable, or the "thing to do." KM may be seen as a form of e-business, in that it relies heavily on new communication technology, particularly the web, as a means of conducting the organization's business. Using a brief case study of a KM initiative that was quickly abandoned, the paper addresses why managers decide to invest organizational resources in KM and how they introduce KM initiatives in their organizations.

## **Knowledge Management, E-Organizing and the ‘Technology’ of Management Fashion**

Organizational knowledge is an important emerging focus of study. Knowledge management (KM) is perhaps the second hottest buzzword in management discourse, right after e-business (to which it is closely connected).

Why the current interest in organizational knowledge and learning? Certainly one reason is the popular assumption that the economy is (or is at least moving towards) a knowledge-based economy, one in which competitive advantage may be obtained by managing so-called intellectual capital. A second reason is that the emergence of KM is in part a reaction to the massive downsizing and reengineering of the 1990s; that is, many organizations recognized that a dangerous consequence of those trends was the loss of organizational knowledge. Thus, KM is often framed as re-valuing employees who were de-valued by downsizing and BPR. However, I would offer an alternative view which is that KM is a continuation of those trends, in that it is in part an attempt to “extract” or “capture” and commodify that part of the employee that is valued (his or her knowledge), thus making the organization less vulnerable to the employee’s loss and making the employee more expendable.

My goals in this paper are to show that KM, whatever else it may be, is indeed a management fashion, and that the fashion perspective may explain important aspects of organizations’ change management efforts in introducing KM. To do so, I want to tell a story about a personal experience with an organization implementing knowledge management (KM), then make some observations about KM as management fashion.

### **The Case: The Brief Rise and Quick Fall of KM in One Organization**

As is often the case with new management buzzwords and practices, my very first encounters with the concept of knowledge management were with executive MBA students, practicing managers who are particularly conscious of emerging management trends and who pride themselves on being at the forefront of management thinking. After being convinced that KM was a contender for the “next big thing,” and being particularly interested in management “fashions,” I began to read up on the topic.

It wasn’t long after that that another (former) MBA student called and asked if I knew of a graduate student who might be looking for an applied research project and who could conduct a knowledge audit on their organization. Not wanting to sound completely uninformed, but having little idea of what a knowledge audit was, I asked him exactly what his company wanted the student to do. The manager’s response was, “We’re hoping the student can tell us what needs to be done.” After some reading, I discovered that knowledge audits typically attempt to assess (a) knowledge needed by members of the organization, (b) knowledge possessed by members of the organization, and (c) existing practices for managing knowledge within the organization (Liebowitz 2000; Liebowitz et al. 2000; Tiwana 2000).

After having no luck finding a student to help them out, I decided this was a good opportunity to immerse myself a bit further in the KM arena. So, I volunteered to do the knowledge audit myself and explained that I was not an expert on knowledge audits, but did have extensive experience with communication audits and expertise in the research process. Since I was doing it for my own education, I explained, I would not charge a consulting fee, but my payoff would be the learning I'd acquire from doing the project. My former student put me in touch with the chair of the organization's KM task force, with whom I had several conversations to further explore the possibility of my working with them. He told me that the KM task force at his organization was quite happy with this arrangement, and they invited me to their next meeting.

The chair of the task force met me in the reception area on the day of the meeting and led me to the conference room. We passed through a maze of quiet hallways, past many unoccupied offices. He joked about the place seeming "huge and cavernous" due to recent waves of "downsizing and outsourcing."

The meeting I attended was the third meeting of the KM task force. They had defined their objective as "To identify critical knowledge and facilitate access to and use of existing information." The scope of their work was defined as including:

- (a) tacit knowledge from all [division] staff;
- (b) existing paper and electronic files and information across [the division]; and
- (c) consideration of the database framework.

To bring me up to date on the task force's work, the chair suggested that members provide a status report on each of the action items from the group's last meeting. Each of the action items was reported as "underway."

I then asked about the origins of the KM project. One group member jokingly responded, "There was a bandwagon driving past and we decided to hop on!" The chair of the task force then explained that the KM effort was initiated by the General Manager of their division. The GM, who was not a part of the task force, had raised the issue and commissioned the task force, charging them first with the task of finding a consultant to help educate them about KM. They did, and the consultant conducted a half-day seminar on the topic.

I asked why the GM wanted to initiate KM in the organization. "[He] is interested in adding value through people," was the chair's response. The IT manager added, "KM is a way to get people to be productive more quickly."

The chair then asked me to comment on what I could do. I explained again my personal reasons for agreeing to do the knowledge audit, and presented a very generic outline of what I proposed to do. I provided a handout of the proposed process, and explained that my plan was generic because I was as yet unclear about their goals for the knowledge audit. There was some nervous laughter and sideways glances at that comment; one person said, "Neither are we." Another said, "That's the problem, really."

After a bit more discussion, we decided on the next steps. I requested to set up individual interviews with key members of the organization to explore further their views on the goals for and key issues in the knowledge audit. They suggested that a key step early in the process should be to learn about their primary information system, and the IT manager would be my main point of contact for this.

The meeting ended and I was accompanied to the parking lot by a member of the task force who was also a personal friend (I didn't realize he was on the task force until we both showed up). He shook his head and laughingly said, "There's enough here for several dissertations," suggesting the group was quite unsure of what they were doing and why.

A week later I was ready to conduct initial interviews. I asked to meet first with the GM, who had initiated the KM project. Up to this point I had had no contact with him. I went to my appointment with him a few days later and he told me that because of other pressing issues, he had decided to terminate the KM initiative. He said he had become frustrated that the task force had not made more progress, and more importantly, a recent merger possibility meant that the organization's attention needed to be directed elsewhere for now. Thus, for the moment, KM was dead at this organization.

#### Observations and Lessons

Following are some observations about KM prompted by the case and the literature on KM, e-business, and management fashion.

*KM, like many other frameworks for management, may be usefully viewed through the lens of management fashion (Abrahamson 1997). My basic claim is that, while there is something real, tangible, and useful about the concept of KM, as there was about TQM, BPR, and QCs, there is also a strong element of faddishness, a sense that the concept is appealing because it is new, hot, "cutting edge," and symbolic of being at the forefront of management knowledge. The "bandwagon" comment in the KM task force, the lack of clarity about why the organization was pursuing KM, and the rapid emergence and dismissal of the KM initiative are all indicative of the faddishness of a new management technique or approach in one organization.*

To frame a concept such as KM as a management fashion is not to say that it is simply fluff, or to deny that there are real, substantive changes involved. Nor is it to say that there are not significant organizational problems that may motivate its adoption. It is simply to recognize (and encourage self-reflection) that such changes do not happen only because of what is real, substantive, needed, and truly innovative. It is to recognize that managers (like the rest of us) are motivated *both* by real concerns as well as by what is "fashionable" or in vogue. It is also to say that distinguishing the two is quite difficult if not impossible. Finally, it is to note that, in Zbaracki's (admittedly problematic) terms, there is both a rhetoric and a reality to the implementation of frameworks such as KM (Zbaracki 1998). Because communication is always multifunctional, whatever managers and organizational spokespersons convey to various publics about KM will not only serve

the instrumental function of informing, but will also serve identity functions, such as presenting themselves as “leading edge,” as well as relational functions, such as demonstrating their superiority to competitors in their embracing of currently fashionable ideas.

*KM is integrally linked to e-business, even though the two are often treated as separate management practices* (Rowley, 2000; Trethewey and Corman 2001). While we usually think of e-commerce in terms of economic transactions via the web, e-business more broadly encompasses the various ways that organizations conduct their operations using information and communication technologies (ICTs). A major factor in the emergence of both e-business and KM is the increasing capacity and use of ICTs. There are two ways that increased ICT capacity and use have prompted KM’s emergence. First is that the increased use of ICTs has led to an explosion of available information that overwhelms users. The challenge is not to be able to find information that is relevant to a given goal or project, but how to sift through the barrage of available information to find that which is most useful to a given goal. Second, the increasing capacity of ICTs has enabled more and more information to be stored, and to be retrieved in more user-friendly ways. The fact that the IT manager played such a key role in this organization’s KM effort is not unusual.

*KM is in part a reaction to and in part a continuation of last decade’s fashions.* The task force chair’s comments about the “cavernous building” and empty offices due to “downsizing and outsourcing” were not mere coincidence. Downsizing and BPR led to a realization that much “intellectual capital” was going out the door (Martensson 2000). The downsizing reaction perspective recognizes this with a sense that those fads were misguided in their disregard for or undervaluing of human resources. The downsizing continuation perspective regards these trends as essentially correct in their attempt to make management less reliant on expensive human resources.

*There is an inherent contradiction related to the value of people in KM discourse.* Closely aligned with the downsizing reaction perspective above, KM is sometimes described as motivated by a recognition that people are the organization’s most valued “assets.” For example, Martensson (2000) stated that, “Organizations are beginning to recognize that technology-based competitive advantages are transient and that the only sustainable competitive advantages they have are their employees” (p.204). However, a key motivation for KM is an attempt to make organizations less vulnerable to or dependent on people (the downsizing continuation perspective). KM commodifies knowledge, making it a resource (i.e., “intellectual capital”) that can be “extracted,” “harvested,” or “captured,” then stored, and disseminated. That is, even while KM theorists recognize the importance or value of people to the organization’s success, they work hard to extract the parts of employees that make employees valuable and digitize it, thus rendering the people expendable once more.

*Knowledge is fundamentally discursive.* A question that emerges is how best to conceptualize organizational knowledge. We are given a number of possible answers to this question in the KM/organizational learning literature, as well as a number of

additional questions to raise about those answers. Knowledge is not equivalent to information, we are told in the KM literature, yet the two are seemingly confounded throughout that literature and in practice. For example, the KM task force had as their objective: “To identify critical knowledge and facilitate access to and use of existing information.” While the objective as written does not necessarily conflate knowledge and information, their conversations often did. That is, the objective could be read as explicitly differentiating information and knowledge; critical knowledge may be identified, but only information can be stored. However, the group (as do other groups implementing KM) talked frequently about knowledge (not just information) being stored. Other important distinctions made in the literature are tacit (or unarticulated) versus explicit (or articulated) knowledge, as well as individual versus organizational knowledge. Importantly for communication scholars, Cooren (2001) and Jian (2001) both argue that knowledge is discursive, a point seemingly lost on many of the management scholars studying these issues, and a point that should suggest how important communication scholarship is to advancing our understanding of these issues. Cooren’s perspective is particularly intriguing. Cooren provocatively argues that the individual vs. organization distinction often invoked is misplaced. Rather, knowledge resides in texts, which do not merely represent individual knowledge, but take on agency to which individuals in organizations delegate an important part of decision making and to which individuals’ subsequent behaviors are subordinated.

*There are noticeable patterns in change communication observable in the emergence of programs such as KM.* Figure 1 shows a model of change communication that may apply to a range of organizational changes. The model treats organizational change as a communication process (Lewis and Seibold 1998). While the model bears obvious resemblances to Lewin’s phase model of change (i.e., unfreezing → change → refreezing), the important difference is the attempt here to situate change efforts within the historical, social, and cultural forces in the relevant discursive environment. That is, change efforts don’t happen in a vacuum; each element of the change process is influenced by the social context in which it occurs.

Changes emerge and come into awareness in the first phase of the model. A subset of these changes is implemented and a subset of the latter institutionalized in the organization. The organization in my case study had barely shifted into implementation when the program was abandoned.

[Figure 1 about here]

Note how the fashion element of programs such as KM can affect the process at every stage. Members of organizations become aware of concepts and programs because of their prominence, especially in the popular business press. The apparent novelty and apparent fit with the (business) cultural milieu (particularly the degree to which they seem to respond to pressing organizational problems) increases the likelihood of their adoption. These same factors will influence which change initiatives get sufficient support to enable implementation and institutionalization. However, along the way, change initiatives themselves change (thus the process of metamorphosis occurring

throughout the change process). Initiatives may be reframed to fit newer, more appealing fashions (e.g., downsizing efforts are reframed as BPR or outsourcing). Zbaracki (1998) demonstrated how organizations he studied reframed existing efforts as TQM initiatives, even though they were in place well before the organizations initiated TQM. Similarly, existing databases are re-classified as KM initiatives and IT managers or even company librarians are often re-titled “Knowledge Managers.” Alternatively, when change efforts do not produce immediate results or become “last year’s fashions” they can lose their appeal and be abandoned. Consulting firms, often primary promoters and beneficiaries of management fashions, sell such “replacement” fashions even as they encourage the abandonment of others. For example, PriceWaterhouse Coopers boldly proclaimed that, “BPO [Business Process Outsourcing] does what process reengineering and downsizing failed to do—lower costs and increase productivity (while boosting employee satisfaction)” (Zorn, Christensen, & Cheney 1999).

### Conclusion

Again, I am not arguing that fashion is a full explanation for the KM phenomenon. However, it is an important element. Two other cases I am currently studying are interesting alternative examples, in that they are instances of organizations implementing web-based databases that are clear examples of both e-business and KM, yet neither of those terms has been used by anyone in the organization with whom I have spoken so far. In both cases, the initiatives seem to promise more effective work that has the potential to empower workers and provide better service to clients. Yet, the appeal of fashionable concepts such as KM and e-business seem to have had little or no direct influence on the organizations’ decisions to implement these changes.

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**Figure 1: Phases of change communication**

