

Knowledge and Information Management Skills for the Workplace

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Introduction

The purpose of this report is to assess the knowledge management concept, what it means, what does involve, what are the advantages and disadvantages. It assess its role in organisations and it evaluates how can competitive advantage can be created through usage of knowledge management. It also analyses how general knowledge is embedded in products and the tacit knowledge from service provision and customer interaction. It critically evaluates a selected theoretical model from Knowledge Management SECI and it determines its application in a practical example for Amazon.com.

Amazon.com is an organisation that sells online a large variety of products, it produces electronic books and it provides different digital services. It is based in America in Seattle and operates internationally. The variety of products sold by the American company includes electronics, toys, books, music, films, houseware. Amazon.com has its own warehouses being able to sell the products directly, but it also has contract with other retailers and then plays the middle man role. The digital services include data storage, computing resources, cloud computing.

The report concludes with evaluation of knowledge management practices in Amazon.

Amazon.com

Amazon.com was founded in 1994 by Jeff Bezos which started by selling books online. At the point the organisation differentiate itself from the competition by promising that the books ordered from Amazon to be delivered anywhere. Bezos has always claimed that Amazon was only a technology for online transactions rather than a book seller. The organisation struggled at the beginning but the founder insisted on his strategy to “Get Big Fast” and it manage to increase the number of the customers fast, but also has look into expanding in other directions. Also in 2 years after opening and still with no profit, the organisation had been made public in order to raise capital to support the expansion. The aggressive strategy for growth and acquisition has helped Amazon to take advantage of any opportunity. For example one of Amazon’s products is Kindle which is the most successful e-book in the current market and has determined the organisation to be considered a disruptor in the book publishing market. Kindle is a successful product for Amazon because it was a novelty, because of the features of the product, light weight and capable to store multiple books and because the digital versions were slightly cheaper and in time it was able to introduce the own publishing lines such as Amazon Encore and Amazon Publishing which again were very innovative as it allowed individuals to publish own books (Britannica, 2022).

Knowledge Management

Knowledge management is “the process of creating, curating, sharing, using and managing knowledge across an organisation and even across industries” (Atlassian, 2022). In other words is the process realised on conscious choices to gather and structure the knowledge and employees experiences with the purpose of structuring and sharing it in an organised way when needed throughout the organisation.

The knowledge management has a specific knowledge base used by organisations in accordance with their business activity. It is a practice that is formed from relevant contributors on relevant subjects from the organisation. It can include guides, facts, technical information, policies, troubleshooting and other specific knowledge according to the business type such as document management systems, content management systems, databases, intranet, wikis. Knowledge management also refers to the learning in an organisation through training and experience which goes to the process of creation, sharing and structuring and auditing to ensure its effectiveness.

Knowledge management has three main areas that refer to knowledge accumulation, knowledge storage and knowledge share. The knowledge accumulation is realised through past experiences and learning that proved to be successful and is used for creating strategies and improving performance. Storing the knowledge helps the business by creating best practices for everyday tasks, but also to increase the awareness on some topics. That is why an organisation that promote a culture based on learning and development benefit of the employees that are well informed, that can share their knowledge within the organisation and that lead to cohesion.

Knowledge management has multiple purposes and it helps business to perform better. It helps towards ensuring that high information is shared across the organisation, but also to the stakeholders. The stakeholders are important part of the organisation and Knowledge Management ensures the information is shared following organisational policies, at the intended time and in the desired format, either tacit or explicit knowledge.

The tacit knowledge refers to the context specific knowledge with a more personal character based on behaviour and mind perception (Duffy, 2000). Therefore this type of knowledge is subjective and derives from past experiences, from different contexts that occurred at the workplace and that can be shared through employees who can narrate and communicate the information. It is influenced by personal views and standards and has great importance as it can not be replicated by competition. It is considered to be valuable and responsible for doing things in specify way. This type of knowledge resides in the human brain and is a sum of rationale and personal approach and know how skills. That is why it can not be documented as the explicit knowledge and can only be gathered through observation and experience.

Why KM is so important for organisations including Amazon

It has been acknowledge the role of the knowledge management within an organisation and how can the quality of information and usage of data available can be improved. It aligns the knowledge levels of the employees where needed and employees can take more informed decisions. This increases levels of empowerment and promotes a culture of innovation. Learning from mistakes the workforce is more likely to achieve success.

Whilst Knowledge Management helps the organisation to use theoretical models and frameworks for the information and individual groups knowledge is the technology that play great role also because it helps the procedure of knowledge creation, knowledge distribution and usage. Looking at customer satisfaction it has to be evaluated the response between business performance and products or service interaction. It is the evaluation of the customer for the purchase and the accompanying experience and is in direct connection with market value of the business. When a customer is satisfied with the business there are very high chances continue with the business provider. Customer retention and loyal base of customers is essential for the business (Mehmood, Ul Abedin, 2017).

How KM helps the organisations in satisfying customers and achieving competitive advantage

Satisfying customers and achieving competitive advantage is what organisations are pursuing for generating profit and be successful. Knowledge Management helps in building customer relationships and loyalty because it identifies the knowledge related to the customers. Through Knowledge management this knowledge is identified, is stores it and structure it for employees to have access at it always played a crucial role in building lasting customer relationships. The customers make the business profitable and then the business needs to ensure that customer satisfaction gets priority. Understanding the customer keep high levels of satisfaction with the business. The satisfaction is realised through generating value and quality. Feedback on products or services is the customers knowledge on the products or services and it is used for improvement and business strategies. It reveals information on how customers perceived the proposed value and the brand image. Customer satisfaction can be measured by using a metric tool such as CSAT to score and estimate the customers expectations. Measuring customer satisfaction is a way to identify the knowledge on the products or services and address any gap. It is very popular in physical stores or online for customers to be asked to give feedback using measuring scales or a system that shows their views. The collected data on customer satisfaction also offers the business solutions to improve (IT Chronicles, 2021).

The organisation can improve the customer satisfaction by using knowledge management and also to achieve competitive advantage. This could be realised through product and service personalisation and high levels of communications with the customers. Knowledge Management can create competitive advantage by ensuring information is available about the business when customers research it through their official websites, social media platforms or other platforms. The information should ensure engagement and helpful for the customers. Knowledge management helps the organisation to make use of automated customers assistance bots that make use of relevant

data to help the customers or prioritise the query. Data circulation is what knowledge management ensures and facilitates the creation of strategies to improve the interaction with the customer. Knowledge management delivers data that helps set strategies that could improve customer interactions, improve customer satisfaction and create competitive advantage.

The tacit knowledge is the type of knowledge derived from experiences in personal life and in the working life. The tacit knowledge is personal and subjective, informal and abstract. It is difficult to be documented and it is affected by the individuals own set of values and beliefs. The tacit knowledge can be embedded in various aspects such as innovation, leadership skills, aesthetic perception, sales skills and so on. It all refers to knowledge that can not be articulated but which is expressed through behaviours, reactions and responses, attitudes and habits, intuitions and instincts, actions and routines. Whilst spending time learning on the job and gaining personal experience is what raises the knowledge quality, it can be as a continuation of the explicit knowledge of studying facts and checking details. Having experiences, trial and error are the most simple method to achieve tacit knowledge, but it can also be realised through research and data collection, making strategies based on documentation, simplifying processes, experimenting (Khatun, 2018).

The explicit knowledge is the opposite type of knowledge which can be expressed, documented, shared and taught. It does not necessarily involve previous knowledge or deep thinking. It can be in the shape of manuals, cookbooks, maps, handbooks.

The tacit knowledge depends from person to person and helps with decision making as it gives context and complexity. Within an organisation different employees with different experiences and background will make decisions differently. Organisations should focus on capturing tacit knowledge because it is an element that can not be copied by the competition, can help to solve issues, to surpass challenges, conflicts and so on. It is important to empower employees to share the tacit knowledge to understand different approaches for action, to gain context and learn from others experiences. Employees absorb tacit knowledge when they gain experience in the organisation and it can not be said with precision the moment of learning. Today, tacit knowledge is a business' most valuable untapped resource. When employees leave, they take their tacit knowledge with them, costing companies up to 213% of an experienced employee's salary to find a replacement.

The organisations should promote a learning environment and the sharing of knowledge through on the job training, hands on training, observation, mentoring. The service provision can be improved through tacit knowledge. The employee could have a successful or less successful customer interaction and should learn about that and take on board any indicators for better performance. Tacit knowledge is learned from customer interaction, past experiences give more confidence in

dealing and assisting the customer. The service provision is in general more personal because it involves human interaction and tacit knowledge helps the employees to add value.

The general knowledge embedded in products relates to the information on the product and its purpose. It can refer to the list of ingredients for food products, it can refer to the instructions manual for a technological device and so on.

Management Information System

A management information system is the framework used for making decision based on information existing within the organisation. It refers to the people form the organisations, the processes and activities and the technology that helps to keep track of the organisational information. This technology is constructed around the organisational needs and to ensure information is available at all the intended levels within an organisation. The information systems can create documents and reports, can extract data, can ensure an informed decision making. Each department can have its specific information system such as accounts or operations.

The advantages of using a Management Information System is that it improves business efficiency , it sustains innovation, product or service development, it helps the management layers to make decisions and also helps with rating general value. For example the revenue reports are a good example of important information for the organisation to determine strategies. It helps the organisations to recognise strengths and opportunities and to work on weaknesses and threat by looking at competition reports and activity when that is public. Disadvantages of Management Information System relate to dependance on technology and potential of errors and inaccurate information (Bourgeois, 2014).

SECI model

The SECI model elaborated by Nonaka (1994) is the most popular framework for knowledge management because it looks at understanding knowledge generation processes in the working environment. The model is appreciated for its clearness and knowledge intensive contexts, but it has received criticism in relation to the research base that concluded the assumptions. The model is conceived as a system that is ongoing and that is dynamic in a period of time. It is associated with a spiral that converses knowledge from one type of knowledge to another having as end result a new qualitative knowledge. It is based on tacit and explicit knowledge and it starts with tacit knowledge, explicit knowledge and ends with tacit knowledge again. There are four dimensions included in the model: socialisation from tacit knowledge to tacit knowledge, externalisation from tacit knowledge to explicit knowledge, combination from explicit knowledge to explicit knowledge, internalisation from explicit knowledge to tacit knowledge (Nonaka I., Konno N., 1998).

In Amazon the SECI model can be applied by evaluating the knowledge transformation, socialisation: the user experience, externalisation: the user experience is transformed in data base and analysed, combination: the documents are used to add content, internalisation the user experiences new content on [amazon.com](https://www.amazon.com). The creative use of computerised communication networks and large-scale databases can support this mode of knowledge conversion and Amazon is doing a great job in succeeding that to its advantage (Frontiers, 2019).

Investigating of KM techniques used by amazon.com

Amazon is a distinguished example for using knowledge management. The organisation has managed to develop a service that attracted and retained customers, creating a loyal customer base. The personalised tools for each customer experience are derived from good knowledge management practices that take in consideration the purchasing history and customers data and suggests similar product selection in order for the customer to finalise the purchase. It gives the right knowledge to the customers and has created a “community of consumers” that know that is very efficient to reduces time waste if they need to make purchases.

Through Knowledge Management Amazon has created a technology that combines a high number of product information and makes it available to their large number of customers. Amazon has always put the user experience as their higher priority and for that purpose it created a service where the customer is able to find what they need in the fastest and easiest way possible and further that it was ensured an intuitive and personalised experience is offered. This was possible through good knowledge management and it added value to the service provision. The shopping is realised through one portal with one interface and it gathers diverse products from food to electronics or clothing. The customers get familiar with the interface that gathers knowledge in all forms at one place from eLearning to on the job tools. The consistency of the customer experience is based on Amazon’s learning curve about their customers needs and wants and content display and organisation and making sure they find want they want. Amazon is “reading” its customers and everything is based on knowledge management and builds knowledge and awareness in users. Amazon is one of the most successful eCommerce sites in getting users to provide meaningful feedback and uses the data to make the service efficient, or it allows product reviews. This complex system is presented to the customer as simple and accessible as possible and their call centre is

reduced which saves the organisation money. Not even for returns or queries about delays there is no need to call because Amazon provides simple and straight forwards ways to do that through the app and to get the expected result or answer. The clarity of the steps that needs to be taken is beneficial for the customers, but also to the organisation efficiency wise and cost saving (Learning Solution, 2014).

The Knowledge Management helps Amazon.com to manage its content and abundance of knowledge, but also to personalise the users experience and is based on continuous work over years.

Conclusion

It can be concluded that despite that Knowledge Management is quite a new concept and can be too reliant on technology, actually it can contribute to having a successful business activity. The concept is more and more used and embraced by organisations and it helps them perform.

Amazon is a concrete example of how Knowledge Management is practiced and how it helped the organisation to evolved and continues to make use of the different types of knowledge and management systems relate to the knowledge management.

It is recommended for Amazon to apply the SECI model within the organisation for its employees in order to ensure value is added to their service provision.

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Evaluation of the
Proposed Knowledge
Management Framework
for

amazon

SECI model
Socialisation
Externalisation
Combination
Internalisation



- Amazon is a distinguished example for using knowledge management.
- personalised tools for each customer
- users to provide meaningful feedback

Knowledge transformation:
socialisation: the user experience,
externalisation: the user experience is transformed in data
base and analysed, combination: the documents are used
to add content,
internalisation the user experiences new content on
amazon.com.
Creative use of computerised communication networks and
large-scale databases