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Bachelors of Arts (Hons) Leadership and Management Skills for the Workplace
Knowledge and Information Management Skills for the Workplace
BMSW 5106_LON

Individual Report on Knowledge and Information Management of Amazon.com



“Work hard, have fun, make history”

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Submission Date: 10th September, 2021

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Introduction

The company chosen for this report is Amazon.com, and at the moment, this company is thriving in the E-commerce world. It keeps growing and hiring employees during the Covid – 19 pandemic.

This report Amazon offers multiple services to its customers, and it has its online store with an endless range of product selection, devices and services, Amazon Web Services cloud services and entertainment fields, such as Prime Video, Audible, and Amazon Music (Amazon, 2021)

will investigate how Amazon effortlessly connect so many people with gigabytes of product information

Knowledge Management is essential because it helps businesses to be sustained during modern days competing with other companies. It enables the company to take better decisions to find better resources, avoiding making the same mistakes repetitively and many more advantages.

This report will be based on deep research on how Amazon uses Knowledge Management to thrive. I'll be investigating how they manage information risk, how they share information safely, and how the Knowledge (explicit and Tacit) helps the business improve employee performance, corporate competitiveness, reach and keep customers satisfied along the way, systematically.

The established models for this assignment are:

- SECI – Theory of Knowledge and Creation from Nonaka & Takeuchi because it combines the four processes of knowledge conversion (Socialization, internalisation, combination, externalisation).
- DIKW Model of wisdom, knowledge, information and data because if we apply knowledge to tasks, we already know how to do it, companies can then innovate. Wiig Model because it helps the enterprise understand its assets' values to advance the organisation and maximise its future goals.
- Wiig Model because it helps enterprise understand its assets values to advance the organisation and maximise future goals.

This report aims to discover how Knowledge is essential for the Amazon Standard Operating System; the traits will be compared and contrasted with other companies followed by an analysis of what Amazon needs to improve to continue thriving and leading in the business environment.

Session 1: Knowledge and Information Management

Background of Amazon

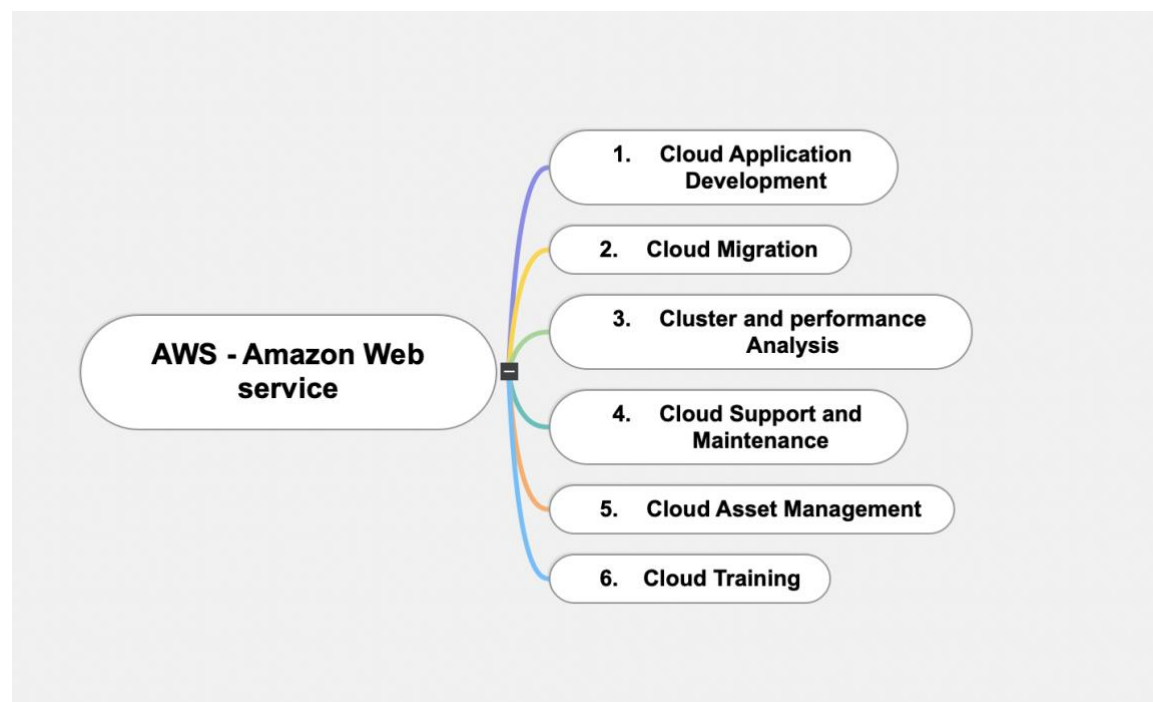
Amazon offers multiple services to its customers, and it has its online store with an endless range of product selection, devices and services, Amazon Web Services cloud services and entertainment fields, such as Prime Video, Audible, and Amazon Music

Amazon launched their Amazon Web service (AWS) back in 2006, over a decade ago and ever since Amazon.com has been showing essential foundation assistance to businesses in web services -- now universally known as cloud computing. The ultimate advantage of cloud computing, and AWS, is leveraging a new industry model and turning capital infrastructure expenses into changeable costs.

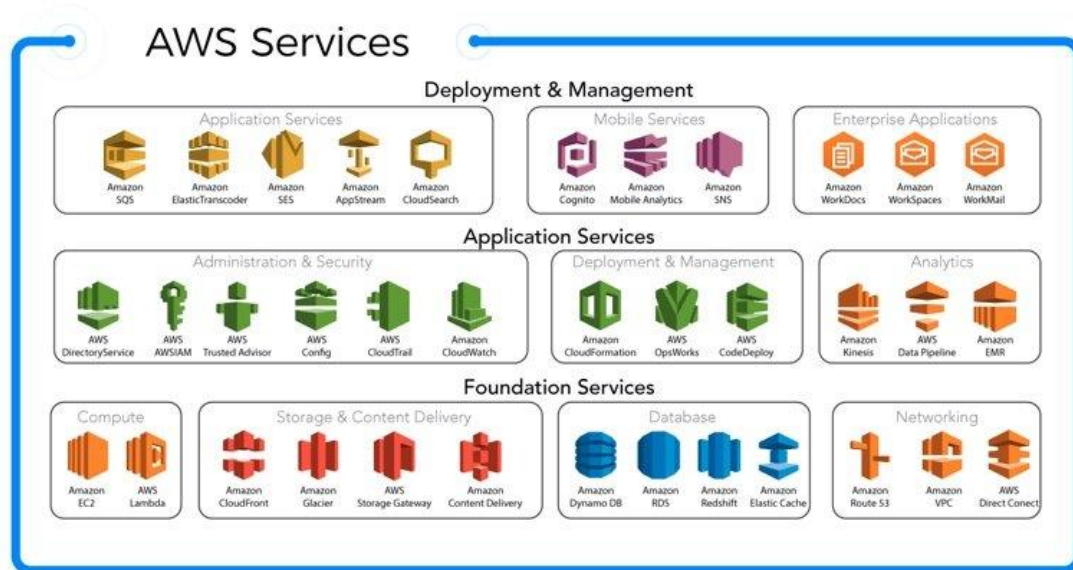
Corporations no longer need to prepare and secure servers and additional IT supplies for weeks or months in advancement. With the usage of Amazon Web Service, businesses can take advantage of Amazon's expertise and economics of system to obtain support when they need them, delivering outcomes faster and at a more affordable cost. With data station locations in the U.S., Europe, Singapore, and Japan, consumers across all enterprises benefit from Amazon low-cost, resilient, well-known and flexible, reliable platform (Linkedin, 2021)

Now, Amazon Web Services grants a highly reliable, scalable, low-cost infrastructure platform in the cloud that powers hundreds of thousands of companies in one hundred and ninety countries worldwide (Sturt, 2019)

As an illustration, the report author has created a graphic image for a better understanding about what Amazon Web Services, please see the image below:



As an explanation about how it works it's vital to pinpoint about Deployment of Amazon Web Services because it's not so many readers who are familiar with these terms:



The image below was extracted from <https://www.netify.co.uk/learning/what-is-the-difference-between-microsoft-azure-vs-amazon-aws-1>

According to the Annual amazon report from 2020, the operating cashflow increased has increased to over fifty per cent, which is over \$66.1 billion, and during the pandemic (Amazon , 2021)

Amazon has worked hard to make sure front line employees were vaccinated fast because when workers are healthy and safe, they can ensure an excellent delivery of products and services and to keep the practical side of the businesses running (Amazon, 2021)

What is Knowledge Management

Knowledge Management is how companies use certain information for a specific action; in other words, information is organised data. When a company uses that informed data to take relevant decisions, it then becomes Knowledge.

It goes from the process of capturing, distributing and using that knowledge effectively.

Knowledge is so powerful that it can be used to achieve competitive advantage to retain and increase efficiency and productivity in an organisation.

Below is attached an image about the pyramid organisational knowledge DIKW Pyramid, and according to the researched information, here hays another way to think about knowledge information.

We know now that the origin of wealth is something particularly human: Regarding Knowledge, we maybe should call it productivity instead.

because if we apply knowledge to tasks, we already know how to do it. If we apply knowledge to responsibilities that are new and complex, we call it 'innovation'." Only knowledge permits us to achieve these two objects (Hypertextual , 2021)

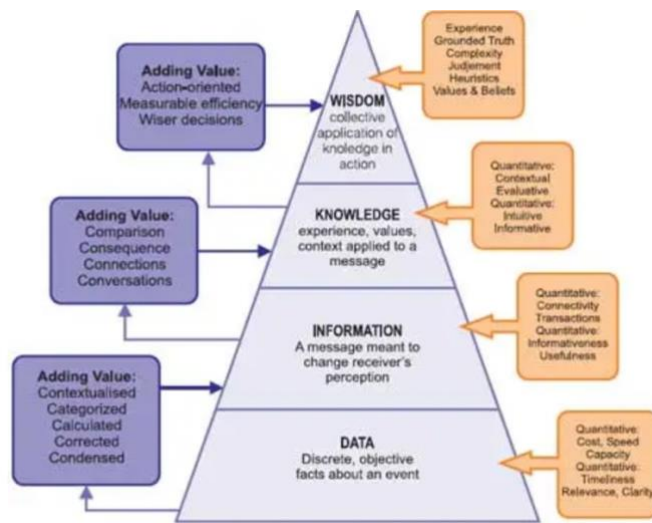


Image extracted from source link: <https://thehypertextual.com/2012/12/10/ts-eliot-and-the-pyramid-of-knowledge-in-organisations/>

Moreover, here is another way to see Knowledge Management. Below you will find a graphic created by the author of this report, and it shows the steps from one to six. Imagine the image as a pyramid, the number six is the bottom of the pyramid, and the number one is the top.

From there, you will see a different way to see and understand knowledge, for example.

6 -Facts becomes data

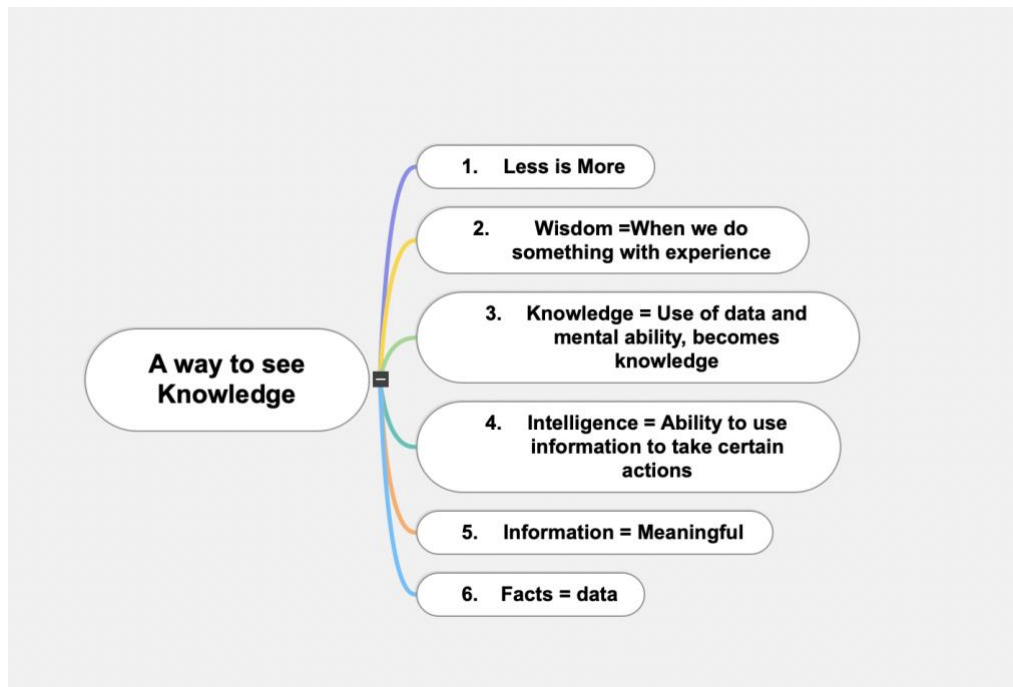
5 -If that data is meaningful, it will soon be transformed into intelligence

4 -Having intelligence means or equals in using that piece of information to take specific actions.

3 – In the number three, knowledge can be transformed or be used as data or as a powerful mental ability and that mental ability becomes knowledge

2 – in number two, it shows that wisdom is something we do with experience

1 – Number one shows that less is more because when a business has meaningful information based on facts, intelligence and wisdom, and wisdom, it turns into vital data that can be used in many ways by businesses.



Graphic created at Mindview 8 software by Author Maria Luisa Salvagno

Knowledge is a skill earned by a person through education or practice; it can be identified by four different types of it such as:

- Factual
- Conceptual
- Procedural
- Metacognitive

Moreover, it's deep-rooted in business culture, vision, mission or employee experience, and there are different types of knowledge:

- Explicit Knowledge
- Tacit Knowledge

Although Tacit knowledge is not so easily communicated but is also harder to imitate than a piece of explicit knowledge and it goes by a model created by the CECI Model (Laudon, 2014)

The combination changes explicit knowledge into a more elaborated, systematic combination of explicit knowledge to generate innovative knowledge. Through internalization, explicit knowledge created is distributed throughout an organization and transformed into tacit knowledge by the workers.

Internalization is strictly correlated to learning by producing, doing, creating and making things happen. Knowledge production is a constant process of effective synergies among tacit and explicit knowledge. Organizational knowledge production is a constant process that promotes itself continuously (Apo, 2021)

Organizational Knowledge Creation SECI Model

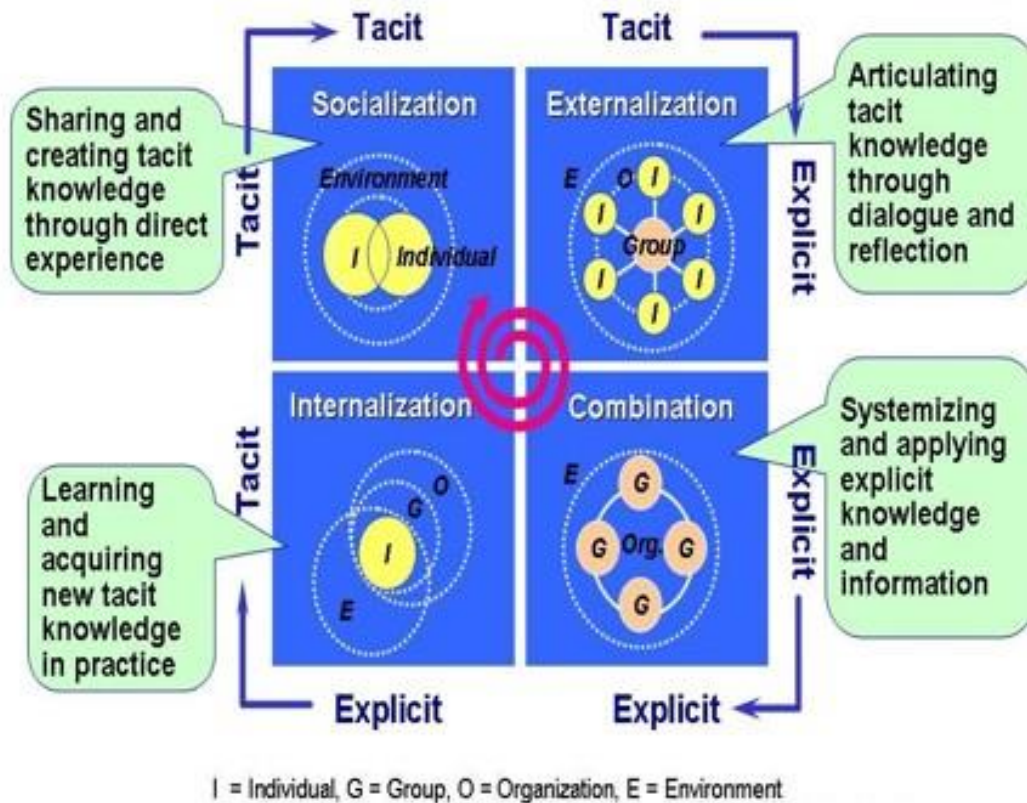
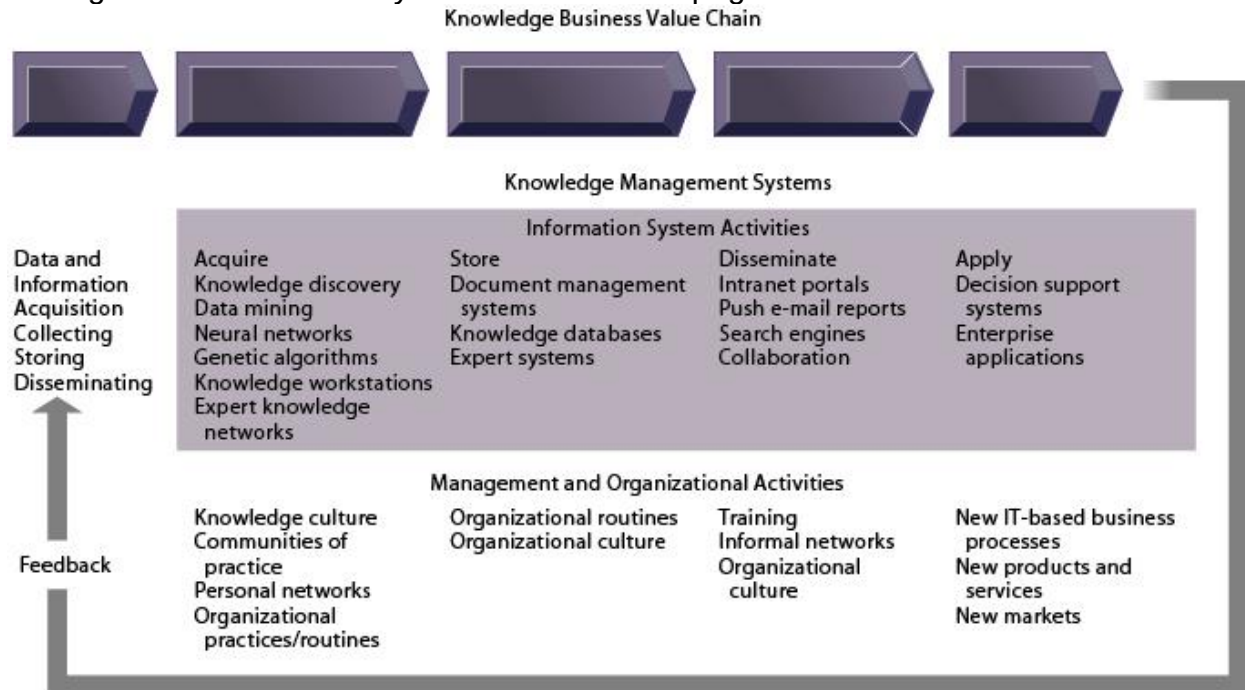


Image extracted online from https://www.apo-tokyo.org/resources/p_glossary/knowledge-management-2/

Another very important topic about Knowledge Information is the value chain. The worth chain leads to the set of business processes developed in an organisation that helps the management team elevate their businesses whilst incorporating their knowledge learning in the process. Each of the processes below adds high value because they are transformed into knowledge (Laudon, 2014)

- Create/Acquire
- Store
- Disseminate/Transfer/sharing
- Apply

For a better illustration, please have a look below in the image containing important aspects about the Knowledge Business value chain extracted from the book



As a piece of further relevant information for this report is vital to have a deep understanding about the chain because having this knowledge it helps both, the host and the management in an organisation activity and each stage introduces value to the information and raw data, and having all these steps in place, it results to a formation of knowledge that can be used for a business purpose (Laudon, 2014)

Why Knowledge Management is so important for any organisation including Amazon

Knowledge Management is so important because when it's managed actively, then, the knowledge can help businesses enhance their possibilities of success by promoting assertive decision-making, creating learning environments, making the education cycle, and inciting cultural, organisational transformation and modernisation.

It is all possible because the knowledge enables companies to make better decisions, learning and adapting to a better working routine whilst shaping company growth and as a positive result, it diminishes risks of failure for any business, including Amazon (Paulise, 2020)

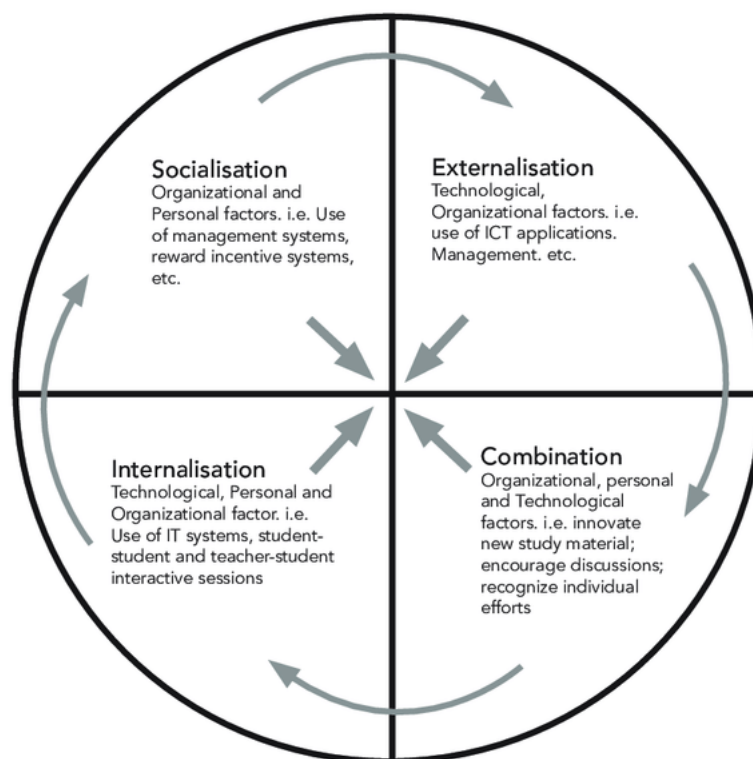
How Knowledge Management helps organisations in satisfying customers and achieving competitive advantage

Organizations can improve their connection with their relevant consumers using knowledge management, thus creating faithful customers and obtaining a competitive advantage. Organizations can create new ideas and provide enhanced and new environments with knowledge management guidance and the knowledge originated from all the data collected and Customer Relationship Management (Adeel Mehmood, 2017)

Session 2: Evaluation of Knowledge and Information Management Models and Theories

The established models for this assignment are:

- SECI – Theory of Knowledge and Creation from Kujiro Nonaka & Hirotaka because it combines the four processes of knowledge conversion (Socialization, internalisation, combination, externalisation).
- The SECI model suggests that companies spiral their information within and outside their companies to refine and supplement meaning to the stock of knowledge in the organisation. Having this model, knowledge use at Amazon is continuous can help in collaborative, interactive, and learning (KMT, 2018)



- DIKW Model of wisdom, knowledge, information and data because if we apply knowledge to tasks, we already know how to do it, companies can then innovate. Wiig Model because it helps the enterprise understand its assets' values to advance the organisation and maximise its future goals.
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The Wiig Model brings up the degree of internalisation with different steps such as:

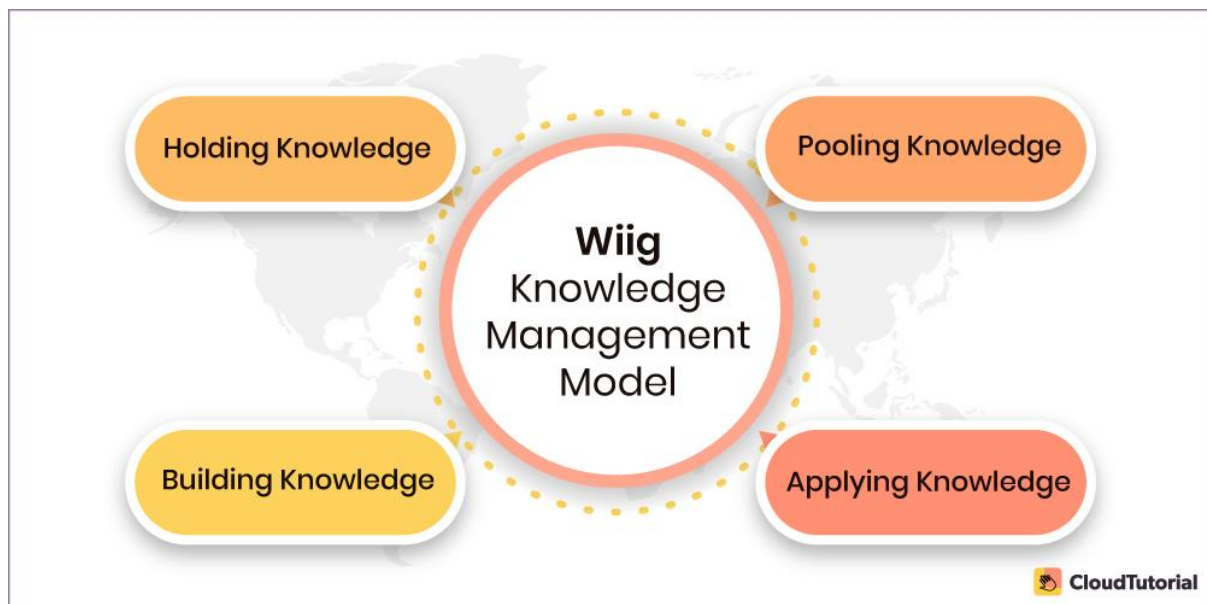
1. **Novice**, who does not have a piece of specific knowledge and how it can be used
2. **Beginner**, knows a specific knowledge exists and how to find it, but can not reason with is

3. **Competent**, knows about knowledge, can use, can reason with it with the use of documents or help from people

4. **Expert**, knows the knowledge, holds to it in the memory, knows where to apply and reason without any outside help.

5. **Master**, internalises the knowledge fully, has a deep understanding with full integration into values, judgement and consequences of using that knowledge (Cloud Tutorial, 2021)

Having this model in place helps Amazon realise the best values of their assets to advance the organisation and understand who will be working for them and what set of knowledge is required for a specific task.



What are the main outcome that Amazon has been achieving with the use of these procedures? What benefits Amazon is Reaping?

Amazon is reaping benefits with the usage of technology to get ahead of competitors, and Amazon has system quality, service quality and information quality. The users' personality characteristics also determine the proper utilization of technology, such as risk-taking, positive attitude to change, higher empathy, and adaptability to technology.

Here are some examples:

- Amazon Alexa expected to increase sales to \$2.1 billion by 2020
- Amazon Alexa and AI used in amazon GO and recommendation engine generate 35% of the revenues to the company.
- logistics and supply chain management

- It uses social media to engage with its shoppers, learn about their experiences and use the data to rework its strategies and improve the quality of its customer services.
- In 2017 amazon shipped 5 billion items through its prime business.
- Brand image recognition
- transactions are accessible for the customer and save for future views
- subscriptions alert and reminders
- highly skilled labour working with MIS
- consistent presentation in their products
- Modular content to manageable read sections and relevant to the customers
- retain customers
-

What are the areas Amazon.com can still improve in the future in order to overcome the challenges and Recommendations

Amazon must constantly look for areas of improvement to avoid competition; it is vital to be creative and evolve with innovation, although, Activities associated with the consumer issues and strategies will further reduce customer disappointment recognized with customer call centres. The workers must also be offered methods and means of inspecting consumer criticisms. Having different strategies will improve proactive offline customer assistance and support Amazon earn more emotional bonding amongst its clients.

The author of this report was able to investigate the current gap between the marketing and selling activities of Amazon:

Amazon has come beyond states that knowledge management is yet another area that needs to combine with the existing Knowledge system and its support. The interrelationship between the sales and the marketing department is another area needing more interference by standardizing MIS systems.

The most beautiful part of implementing the intelligent, practical agents for Amazon is blending the technology with other web-based applications. Given the majority of informative networking both on virtual and non-virtual modes, Amazon will be able to spread its business further using MIS into second life (a virtual social networking platform). This will sequentially offer a long-lasting, passionate impression neglected in the expectations of clients of Amazon

Conclusion

In conclusion, there are issues and gaps to be fixed, but the results can never deny that Amazon has done beautifully well in the growth of the business whilst retaining clients.

Amazon has created a platform that sells and helps their vendors along the way, a fast delivery of products and loyalty from Amazon Prime Customers.

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Knowledge Management is so important because when it's managed actively, then, the knowledge can help businesses enhance their possibilities of success by promoting assertive decision-making, creating learning environments, making the education cycle, and inciting cultural, organisational transformation and modernisation.

The combination changes explicit knowledge into a more elaborated, systematic combination of explicit knowledge to generate innovative knowledge. Through internalization, explicit knowledge created is distributed throughout an organization and transformed into tacit knowledge by the workers.

Amazon understands what type of employee is required for each type of role and it helps in the growth of the organisation

Moreover, Amazon.com is reaping benefits with the usage of technology to get ahead of competitors, and Amazon has system quality, service quality and information quality. The users' personality characteristics also determine the proper utilization of technology, such as risk-taking, positive attitude to change, higher empathy, and adaptability to technology.

From the investigation and findings from this report it was identified that Amazon no longer need to prepare and secure servers and additional IT supplies for weeks or months in advancement. With the usage of Amazon Web Service, businesses can take advantage of Amazon's expertise and economics of system to obtain support when they need them, delivering outcomes faster and at a more affordable cost and the reason for that is Amazon has worked hard to make sure front - line employees were vaccinated fast. When workers are healthy and safe, they can ensure excellent delivery of products and services and keep the practical side of the businesses running.

Amazon Web Services grants a highly reliable, scalable, low-cost infrastructure platform in the cloud that powers hundreds of thousands of companies in one hundred and ninety countries worldwide and this is a huge accomplishment.

It is fantastic to see how much Amazon can grow with the individual use of data and turn it into fantastic knowledge for significant advancement. It saved and gave millions of new jobs for people during the pandemic.

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