

Knowledge and Information Management Skills for the Workplace

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Executive Summary

This report is based on the leadership and management skills for the workplace. The major focus of this report is on the knowledge management of Amazon. A general introduction of KM regarding Amazon has been stated here. Section 1 consists of the knowledge and information management of amazon. Section 2 deals with the evaluation of knowledge and information management model and section 3 consists of the knowledge management technique used by Amazon. A recommendation and conclusion has been given at the end of this report.

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1.0 Introduction

This report is to demonstrate the importance of knowledge management in any business organization including Amazon where the report is mainly focused on. In order to run a business empire with better strategy knowledge management skills are required and the report has shed light on those critical areas which are able to give a fruitful and devastating idea and improve the knowledge about knowledge management. Amazon is one of the best and biggest e-commerce platforms of this decade and this report is mainly based on this company. Amazon is mainly focused on artificial intelligence, digital streaming and cloud computing and for this reason, it became a moderate information technology company in this digital era. In order to evaluate the knowledge management of this company, the SECI model has been underpinned to emphasize the research purpose. It has been assumed that this model can help the company to improve some areas where Amazon is facing challenges.

2.0 Section 1: Knowledge and Information Management

2.1 Background of Amazon

Amazon is especially famous for electronic e-commerce, e-book readers and manufacturers, online retailers etc. It is one of the largest or biggest online retailers across the world. Amazon set an example in the world of the best and authentic cloud computing service provider. In Washington, the headquarters of Amazon is settled. This e-commerce organization has different and varieties of customer services, development centers for software's and individual websites. Amazon focuses on the areas to fulfill customer's priorities and offer proper satisfaction. There are many e-commerce platforms available in the market but Amazon stands out differently. Amazon always "Stays in its lane" that makes the company unique and the Company has started the business just as a normal online retailer and day by day it has improved the infrastructure with varieties of methods and made itself a powerhouse of e-commerce platforms in terms of cloud computing (Cook, 2018).



Figure 2.1.1: “Amazon’s Long Term Growth”

(Source: Statista.com, 2021)

The above figure depicts the growth of Amazon in the long term where net sales amount is \$386.06B and net income is \$21.33B. This company has shown massive growth in recent years and continuously enlarging the company infrastructure. The annual growth of the company is in massive numbers and that sets an example of a successful e-commerce platform. The main strategy of Amazon is to focus on the technologies and the company invest a lot in the technology for improving several sectors which are securing personal inventions by using patents, Fintech experiment, in logistics Amazon make R&D activities, M&A strategy, improving the facility of web service and customer service, enhance the performance of logistic applications. The company stands on the basic three pillars which made them a successful e-commerce platform and those pillars are newsletters, contributions to the “Data Decision Makers”. Individual manufacturers and retailers need to sell their products by using e-commerce

platforms and they choose Amazon for selling their products. In this process, the company had a lot of individual manufacturers and retailers as well as many private organizations also (Sharma, *et al.* 2020). This procedure and strategy help the company to make it larger on this platform.

2.2 Importance of Knowledge Management

In order to analyze and share the knowledge, organize and gather the process knowledge management helps at most. The significant effort of knowledge management is noticeable and helps a lot for a sustainable condition. Different kinds of operational methods and data mining are part of knowledge management and these are used to push a variety of information to the users of the company for easy access. Knowledge management helps in gathering knowledge about many industrial sectors and their propaganda; it effectively manages shares and stores the experience with overall knowledge (Rialti, *et al.* 2020).

There are different types of knowledge management areas that have been figured out and that have been used in every reputed business organization and those particular areas are ***Sharing Knowledge, Storing Knowledge, and Accumulating Knowledge***. In order to achieve the goal of any organization, it is recommended for them to follow these principles for better development. These procedures help the company to grow fast and knowledge management helps to increase their power of thinking by sharing information. Explicit knowledge and tacit knowledge are two main types of knowledge in knowledge management (Hebib, *et al.* 2019).

- **Tacit Knowledge**

This knowledge is especially gained by a lot of experience. It is less easy and intuitive to package as well as share with various people. An example of tacit knowledge is “know-how”, understanding overall body language and innovative thinking.

- **Explicit Knowledge**

This knowledge is full of information and knowledge that can be taught and codified easily. As an example, this knowledge helps to change the printer’s toner and along with that it also helps to learn mathematical equations.

Just like other business organizations Amazon also implemented knowledge management in the business which helps them a lot for growing the business infrastructure. It helps to enhance the

value creation of the company. Amazon used to understand the customer experience after using their platform and knowledge management helps them to identify the critical areas and helps them to provide ideas and knowledge to rectify them (Rahimi, *et al.* 2017). There are a few knowledge management principles that have been implemented by Amazon which are:

- ❖ One interface, One portal
- ❖ Consistent Presentation
- ❖ Modular Content
- ❖ Distribution of up streaming content creation
- ❖ Magical Personalization
- ❖ Crowdsourcing
- ❖ Consistent and insanely easy transactions
- ❖ Reminders, alerts, subscription
- ❖ Feedback

All of these areas are covered by Amazon with the help of knowledge management and this is the main purpose for using this.

2.3 Knowledge Management Process in Organizations

Knowledge management helps to increase customer satisfaction in various ways which help the company to maintain sustainability. It also helps to improve the capabilities of self-service. Knowledge management used to plan in every part where it became important to build a stable relationship with customers and the company. If any company is not collecting the information which can make them improve their customer then there's no work for knowledge management and there is a lot of chance the company can ruin their business with this negligence. Knowledge management helps to understand the knowledge of customers and their way of thinking. It has been found during the research that Amazon has improved their business and implemented new kinds of strategies with the help of knowledge management (Abualoush, *et al.* 2018). Few popular business companies are used to following the rules of knowledge management and improving the critical areas which need to be rectified. Netflix also uses knowledge management to make better customer experience on the OTT platforms.

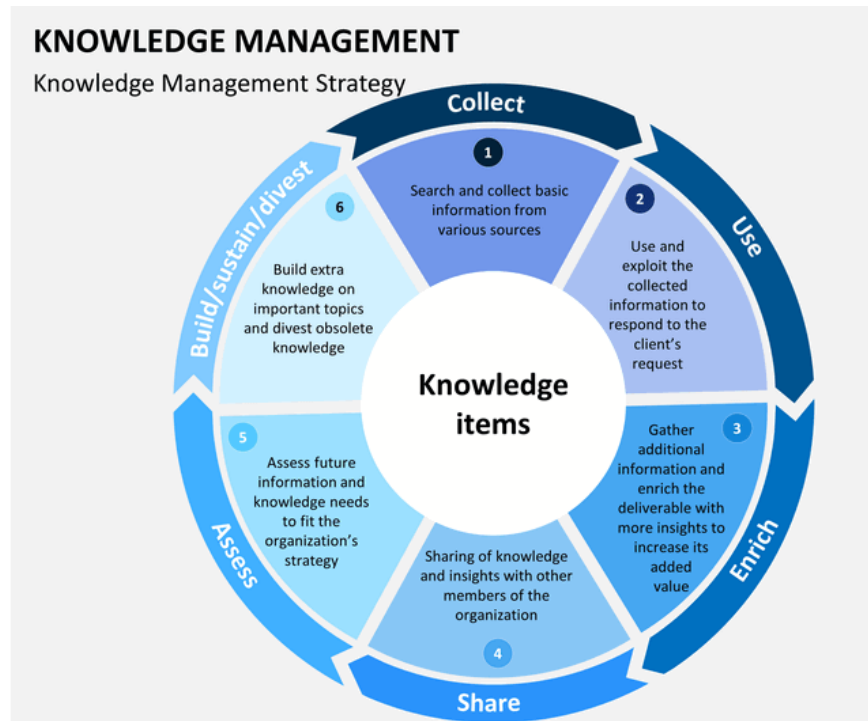


Figure 2.3.1: “Knowledge Management Strategy”

(Source: Omnisci.com, 2021)

The above figures the strategies of knowledge management which is necessary for each and every business organization for maintaining stability and improving the business infrastructure and Amazon focuses on some critical areas to develop its business infrastructure by implementing knowledge management. It helps to reduce the search time of a business and gives an effort where all information can be consolidated and make it easier to access as well as use it. The software tool of knowledge management is used to compile the information of customers across various viewpoints and contact them through social media, phone, website and email. As Amazon uses data solutions that are cloud-based so there is a chance to protect the data of the customers which can be accessed anytime anywhere. In order to improve this area, knowledge management helps most with some common features which are critical knowledge identification, critical knowledge on organization, storage and collection, sharing information and knowledge between users (Sadq, *et al.* 2018). All of these methods help most to improve the business strategies and maintain sustainability and help to retain the customers.

3.0 Section 2: Evaluation of Knowledge and Information Management Model

3.1 Importance of KM in products and services

KM or Knowledge Management is very much important to every business sector. It depends on the size, subject matter of the company. A company like Amazon must utilize the knowledge in every segment of the business which gives a better way or effective way to the business of Amazon. KM is considered as the distribution of the information among the members of Amazon or the employees of this company and they use this according to the situation. It also creates a kind of knowledge network which helps a person if he or she does not have much knowledge regarding the business rules of the company Amazon, by using this knowledge management the employee can easily find the solution. There is a lot of importance of KM especially regarding the business of Amazon.

A good knowledge management system is considered a "collective memory". When a procedure is done or a document or report is made based on the business of Amazon, it is preserved in the database so that no one can access this database. Defeating continuous efforts can reduce expenses. Allocation of information helps to use the best exercises which help detect mistakes or difficulties. KM is used to bypass expensive mistakes. Knowledge management plays an outstanding role in the segment of preservation of knowledge (Hebibi *et al.* 2019). The knowledge that one employee or staff of Amazon gather with the procedures and practices, these are their assets for whole life although they leave the company.

KM is vital for overall optimization related to amazon. This helps the employees of this organization to make a better bond among themselves. Through the allocation of information of KM, the staff or the employees of Amazon are well aware of the fact that who is expert on one factor and how theft helps each other on the project. Sometimes the distribution of ideas brings innovation for companies like Amazon. The employees are doing a project together and utilize various knowledge which is gathered from the company through that the innovation is created which help the company foe4 future development.

3.2 Importance of systematic approach (Management Information System) in knowledge management

The management information system of any company like Amazon is considered as an information system that is mainly utilized for decision making. Not only that but also it is helpful for the allotment, control, interpretation, and pasteurization of information in organizations such as Amazon. Management information systems hugely help Amazon in sharing and networking its knowledge in various ways. MIS includes the employees, procedures, and advanced technologies of Amazon (Aydiner *et al.* 2019). MIS majorly focuses on the segment of decision-making of an organization like Amazon. Through this, the employees of the company can make important decisions quickly, share vital information with each other. It is considered the best way of collecting information from an individual's knowledge. This way MIS drastically enhances knowledge management in any organization. The importance of MIS depends on the managers of the company Amazon while they take decisions regarding facing challenges. In the modern and globalized world, the complexities regarding the business increase highly, in the case of proper growth of a business organization like Amazon acute planning, arrangement and investigation are needed.

Another importance of MIS is that this system serves faithful, helpful information without investing much time which helps the management to take balanced and analytical, and fast decisions for the company. Management information systems help to curb the creation and the record of the development. It also decreases the operating expenses, not only that but also it helps to enhance the effectiveness of the employees and staff and increase the productivity of the company. Through MIS, new data or new records of the information can be incorporated with the help of management technologies (Nikolić *et al.* 2019). It also assures administrative and regulatory conformity and safely keeps all data and information. MIS also helps to store the memory of the corporate companies. Most importantly, MIS majorly focuses on advancing the professionalism of every employee and staff with the aim that it will help Amazon to run the business of the company successfully in the future.

3.3 SECI Model in Knowledge Management

The knowledge management system of Amazon can be properly defined with the help of the SECI model. The SECI model is important for the learning of the company, such as gaining knowledge about the company, and also includes business authority and information systems. SECI suggests socialization, externalization, combination, and internalization.

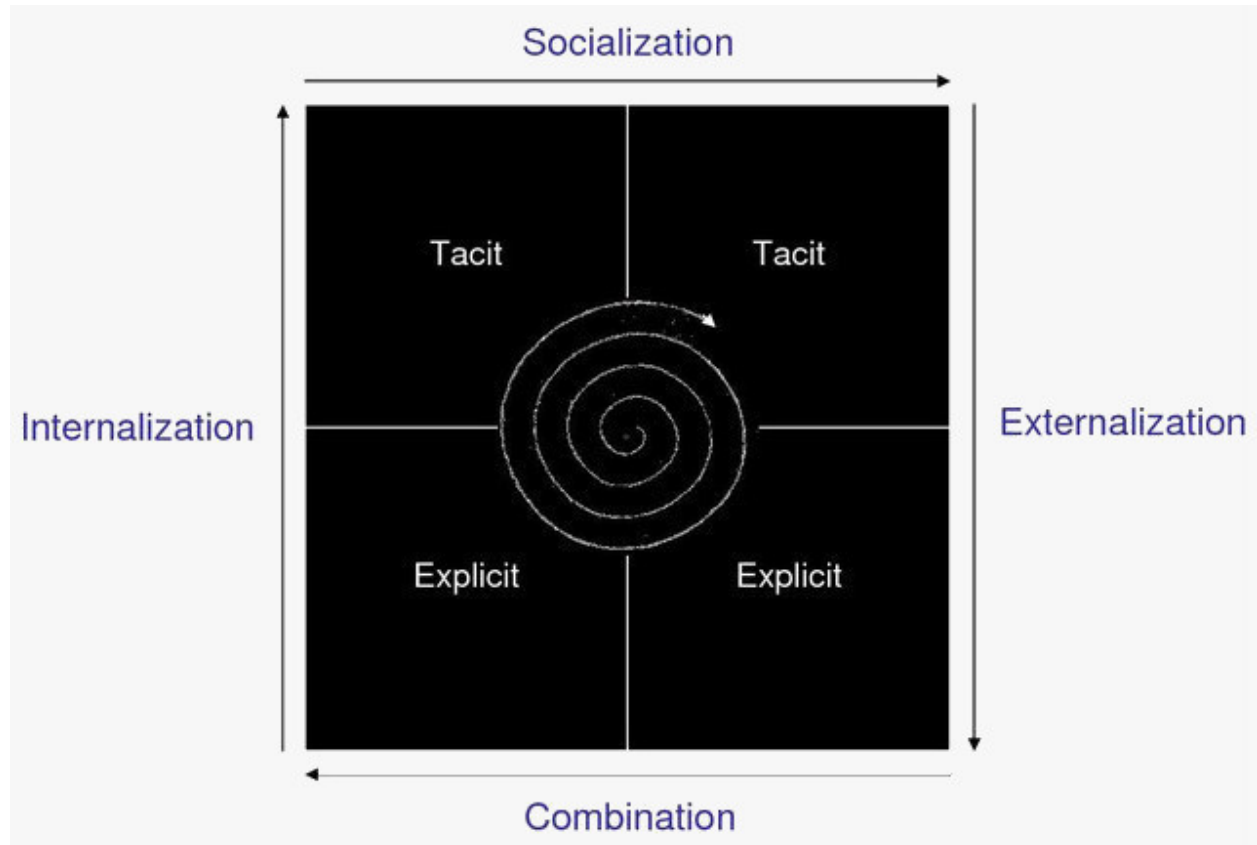


Figure 3.3.1: SECI Model for Knowledge Management

(Source: Knowledge-management-tools.net, 2018)

Figure 3.3.1 is a pictorial representation of the SECI model which has an important relationship with knowledge management. This figure includes "explicit" and "tacit" knowledge about socialization, externalization, combination, and internalization. Socialization is the procedure of applying new and implicit knowledge through the allocation of experience in day-to-day social conversation among the employees of the organization. Externalization is considered as the tacit

knowledge which is expressed into accurate knowledge (Farnese *et al.* 2019). It is helpful for the employees of Amazon so that they share information based on knowledge. The combination is the procedure where the categorical knowledge is gathered from the inner or outer part of Amazon. After collecting information these are mixed together, edited, and organized for creating systematic knowledge regarding Amazon.

Next, the mixed-up knowledge is circulated among all the employees of Amazon for further use. On either hand, internationalization is considered as the procedure where accurate knowledge is made and allocated all over the organization like Amazon and then it is transformed into the “tacit” knowledge by the individual employee. This segment is considered as the customized stage where the knowledge is applied and utilized in the present situation or the practical need of the company Amazon. It can be said that the SECI model is helpful for the purpose of knowledge management in any company, especially the knowledge management of Amazon is the major focus of this topic.

4.0 Section 3: Knowledge Management Techniques Used by Amazon

4.1 Importance of Knowledge Management in Amazon’s SOP

SOP stands for “Standard Operating Procedures” which is very essential for each and every business organization for maintaining consistency and quality of work. Day by day the SOP might get changed to improve some critical areas which need an upgrade. Knowledge management helps to improve those areas of Amazon and that becomes more profitable for the company. The SOPs of Amazon are Product **Listing**, where new listings need to be updated with the recruitment of customers and that is identified by the knowledge management team, the team helps to choose a variety of products that can increase the selling power of Amazon, adding product variation is also necessary. Updating and reviewing the product price is another major part which is also updated by knowledge management after identifying customer satisfaction (Arbi, *et al.* 2017).

Another important part of Amazon SOP is the **Promotion**, which is also controlled after observing a few critical areas. Knowledge management helps to promote the business with PPC

advertising. It also helps in creating sales and virtual bundle promotions. Customers are attracted to attractive offers so knowledge management helps to create discount coupons and codes which can retain the customers.

KM plays a major role in the **Inventory Management** of Amazon where inventory performance has been monitored by KM. In order to run a business organization, inventory management plays a major role as there are many critical areas that are covered by inventory management like reviewing the performance index, increasing sales, promotions and removing excess products etc. All of these areas are covered by knowledge management to improve and maintain business sustainability.

Performance and Report is another major SOP of Amazon where daily tasks are updated and knowledge management helps to provide ideas and critical thinking to the management team of the company to improve the areas (Li, 2021). KM helps to troubleshoot a few cases like seller support, resolving access issues, account suspension and negative reviews.

4.2 Amazon's Potential Knowledge Management Challenges

Knowledge management usually helps to convert raw data into acceptable information which can be digestible. KM contributes to streamlining of new projects, solving problems, ideas and deployment of products towards productivity. It became more important what an organization learns from KM which can improve critical areas in which the company faces challenges.

- **Keeping and Getting People Motivated**

It became more challenging for Amazon to keep an eye on every customer to resolve their issues. People often get comfortable with using some specific things and making the adoption stage a hurdle (Durst and Zieba, 2019). It became necessary to motivate the team towards work so that they can share the productivity and community to achieve success but it became difficult in some situations.

- **Continuously Implementing New Technology**

Continuous updates and releases of new technologies make it harder to implement in the business. Rapid changes in technology make it challenging for the business developing team to work on specific software or technology. Whether the challenges have risen up to provide

updates of Amazon applications where the application sometimes has some bugs issue and customers are facing problems regarding that. It has been analyzed that not every update makes software's and applications better, sometimes it also creates challenges.

- **Knowledge Contribution Measuring**

Knowledge is not an easy thing that can be easily quantified. Knowledge is more complex in some areas which derive from experience and human relationships. In order to aggregate knowledge contribution, the main focus is on some shared purpose that is more valuable than efforts or results.

- **Security**

Security is the key to technical efforts where high security is required for maintaining the data of the company including customer information (Fisher, *et al.* 2020). It becomes more challenging to maintain huge amounts of data in cloud software where the threat of data theft is always increasing day by day.

4.3 Areas of Improvement for Mitigate Challenges

Amazon is famous as a businessman and industrialist for its enigma and expansive business model which has impressed by enviousness and speed of its own scale. There are some areas where Amazon can improve and implement some strategies which can help to mitigate the challenges.

Amazon prime is considered as an impressive improvement on its value consent. Amazon empire claims that they have 100 million customers in prime which is the most successful and fruitful inventory program.

- Amazon is a very complex process where sellers often face challenges in order to deliver the products for its lagging issue and most of the riders face this issue. Day by day this issue is rising up which needs to be mitigated by Amazon (Matsumoto, *et al.* 2020).
- Amazon has some fixed delivery agency contacts which cover a maximum of areas though there are some rural areas that do not come under the delivery section of Mazon. This is kind of a drawback where Amazon is losing some customers where they can have more customers if the area gets increased.

- There are complaints from the customer for delivering the products after an estimated time period and that became a great issue in terms of losing customer trust (Guerra and Moutinho, 2020). Amazon needs to hire more people and recruit more delivery agents so that the delivery can be reached on time which can help to retain customers.

5.0 Recommendation

After the research the importance of knowledge management has been noticed and there are some areas where Amazon needs to improve. KM always helps Amazon to recover critical areas with several kinds of strategies and it is the most convenient way to resolve the issue which Amazon is occurring. KM helps to improve the supply chain which is a major fact of the company. With the help of knowledge management companies can share knowledge, improve inventory management, transportation, customer service, critical thinking etc.

The SECI model has been used in this research and that is most helpful for the organization to maintain sustainability. With the help of the SECI model Amazon can improve a few areas of the company where it can help to improve Socialization where more practice is required. Externalization helps in critical conversation mechanisms. Combination helps to understand the source of knowledge and is able to give ideas to create different categories of knowledge. Internalization helps to improve tacit knowledge (Vilela, *et al.* 2020). It can be stated in the end that this model is much more impressive in order to improve the critical areas of Amazon.

6.0 Conclusion

Knowledge management skills are required to improve any business organization structure. It has been analyzed that by using knowledge management any business industry can improve the agility of an organization. It also helps in faster and better decision making. In order to solve the problem rapidly and quickly, Km helps at most. The innovation rates can be improved by implementing knowledge management. Sharing knowledge with working employees can help in development and growth. KM helps to identify and choose proper employees in an organization for better working culture and helps to improve the communication system which can build a strong and sustainable relationship between customers and agents. In terms of improving

business processes, knowledge management plays a major role. It has been also analyzed that the SECI model helps in the knowledge management system of Amazon.

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