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Contents

Executive Summary.....	3
Introduction.....	3
Organisation background (Amazon.com).....	3
Section 1, Knowledge and Information Management.....	5
Background of Amazon	5
Knowledge Management	5
Section 2, Evaluation of Knowledge and Information Management.....	6
Challenges to Knowledge Management.....	6
Knowledge Management Models	6
Knowledge Management Life Cycle.....	10
How Amazon enhanced knowledge management.....	11
Section 3, Amazon Knowledge Management Techniques	13
Amazon Management Information System	13
Challenges to Amazon.com:.....	14
Overcoming challenges:.....	14
Conclusion.....	15
Recommendation	15
REFERENCES	16
POSTER: EVALUATION KNOWLEDGE MANAGEMENT.....	17

Executive Summary

In this report the author will briefly introduce the selected organisation (Amazon.com) the way how Amazon is currently managing and using its knowledge and information and how they are beneficial for them, also the application of management models which will be used. The Nonaka and Takeuchi (1996) Model and The SECI Model (1991), The Choo's Sense-Making Model (1998) and Wiig Model(1993).

Introduction

The main purpose of writing this report is how Amazon enhancing its knowledge management to become a world leading E-commerce market and even during the covid-19 pandemic.

However, how the way the world is moving and evolving and also as situation is constantly changing many other advanced technological competitors are emerging this might not be easy for Amazon in the future and might not be possible for them also to manage their knowledge the same way as they use to, in that case they will faced with some challenges and how to overcome them. (Amazon.com 2020)

Organisation background (Amazon.com)

Amazon is an American multinational technology company founded on 5th July 1994 in Washington, United State of America by founder Jeff Bezos and Headquarters is situated at Seattle. At start, its primary business was to sell books then later expanded into the sales of DVDs, CDs, electronics, computer software and household appliances, and currently leader in the world market worth 683.85 billion US Dollars in the stock market, Examples shown below which supported the facts as world's number one E-commerce giant (Amazon.com 2020)



(visualcapital.com, 2020)

The graph below showing the leading market value and also leading brand value of Amazon.com

Rank	Brand	Brand Value (\$B USD)	Category	Brand Value % change from 2020
1	Amazon	\$683.85	Consumer Goods & Retail	64%
2	Apple	\$612.00	Technology	74%
3	Google	\$458.00	Media & Entertainment	42%
4	Microsoft	\$410.27	Business Solutions & Tech Providers	26%
5	Tencent	\$240.93	Media & Entertainment	60%
6	Facebook	\$226.74	Media & Entertainment	54%
7	Alibaba	\$196.91	Consumer Goods & Retail	29%
8	Visa	\$191.29	Financial Services	2%
9	McDonald's	\$154.92	Food & Beverages	20%
10	Mastercard	\$112.88	Financial Services	4%

(visualcapital.com, 2020)

Amazon is the largest Internet-based store in the world by total sales and market capitalization and this online trading market focuses on e-commerce. The successes of Amazon are of three folds, the Selection of goods and services by consumers

because they always want to find and get the products they are looking for thus should always be in stock, the prices and the timing and prompt delivery to consumers. Currently in this pandemic period the Covid-19 Amazon is still thriving and consistently creating employment, attracting more customers and enhancing more profits by using their knowledge Management skills

This company also has an individual websites known as AWS (Amazon Web Services) which operates cloud computing platform, digital streaming and artificial intelligence and also a mixture of infrastructure as a service (IaaS), platform as a service (PaaS) and packaged software as a service (SaaS) offerings. The Web Services also performs software development, fulfilment and customers' centres which are located in many areas around the world.

Section 1, Knowledge and Information Management

Background of Amazon

During the coronavirus pandemic in 2020 many people around the world was killed, global economy went busted and many industries came to standstill and some were shut down causing massive redundancies, but some retail stores were operating at a very slow pace.

Some others were still operating. Example, Exxon and Walmart but at a slow pace whereas Amazon.com was exceptional in delivering its operation endlessly to meet their customers' need.

This e-commerce giant became busier due to the flooding of online orders by customers thus accelerated Amazon's sales record during the second quarter because of selection and the drive to deliver convenience and low prices thus became the default retailer and an essential service for many consumers at the peak of the coronavirus crisis as at present.

They employed more than 175,000 new warehouse and delivery workers during March even though the widespread of unemployment and economic instability and confusion Amazon was still hiring and mid-April 2020 they continue employing and added 36,400 more people in order to fulfil their customer orders bringing its total count to 876,800, an increase of 34% year after year.

They spent billions on a project called Ultraviolet for the safety of their staff providing safety gears from the coronavirus including regular internal testing from avoiding them become infected.

Knowledge Management

This is the process of collecting knowledge from someone known as elicit and convert it known as codify in the form of documentation and stores it thus will be allowed to be shared across the organisation whenever needed. This process means you gather tacit knowledge and convert it into explicit knowledge

Knowledge Management is a deliberate, systematic business optimisation strategy that selects, distils stores, organises, packages, and communicates information essential to the business of a company in a manner that improves employee performance and corporate competitiveness, (Bergeron, 2003). Knowledge is true judgement together with an account created or documented and perception. Managers should have the culture, actions and beliefs about the value and purpose.

However, for an organization to build an effective strategy knowledge management is needed in helping to identify, acquire, disseminate, and capture the benefits of each

Section 2, Evaluation of Knowledge and Information Management

This relies on three forces: Structural change, results in changing the forms of organization and transaction within and among the companies also change the role of management and employees by moving forward from labour and capital intensive activities to information and knowledge-intensive activities.

Globalisation, the world economy has changed the face of international division of labour however are now becoming knowledge creation world by digitalisation which enables the international delivery of services very fast.

Information and Communication Technology which enables in dealing with big data, connecting easily, collaboration and interaction at low transaction costs thus brings about worldwide information transparency. This has resulted in fast market changes and a higher innovation rate that is reflected in price reductions, shorter product lifecycle, personalisation of customer requirements and the bringing in new business areas to explore. The strategic objective of knowledge management is simply to convert it into real competitive advantage so can be measured as success to business. (North & Kumta, 2018).

Challenges to Knowledge Management

(Demarest, 1997) if knowledge management is not effectively managed there will be no benefits to the organisation.

Managers should have the culture of actions and beliefs about the value, purpose and role of knowledge.

If the creation, dissemination and improper use of knowledge within the organisation it can be catastrophic.

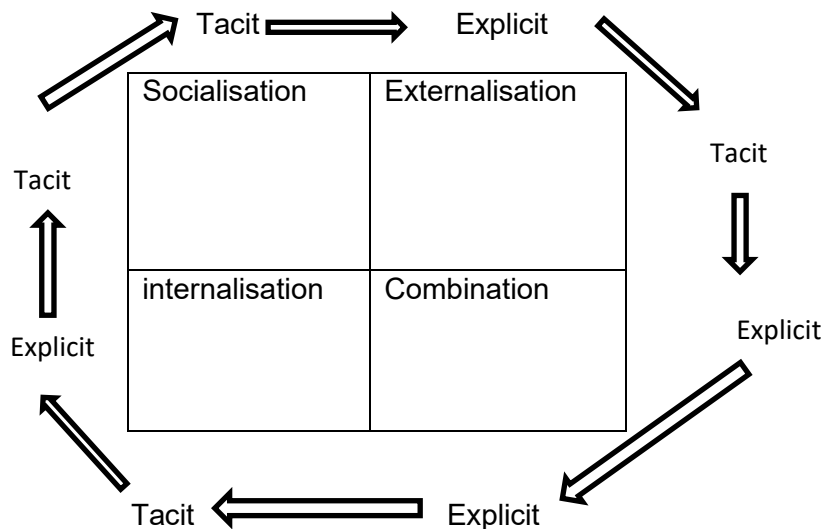
Strategic and commercial benefits a firm can be expected by the use of effective Knowledge Management.

Knowledge Management Models

According to the Nonaka and Takeuchi (1996) Model described the four kinds of knowledge transformation that can normally occur from tacit to tacit, tacit to explicit, explicit to tacit, and

explicit to explicit. These processes are labelled to characterise what kind of transformation that are expected to occur such as Socialisation, Externalisation, Internalisation and Combination. Codifying tacit knowledge into explicit is the real factor in any knowledge creating company because it contributes in the process of developing knowledge spiral, and also social interaction is of necessity in the transformation of tacit to explicit.

The Nonaka and Takeuchi Model (1996)



These two leading Japanese business experts were the first to see the success of Japanese companies to use their ability in creating new knowledge and making it possible to produce successful products and technologies

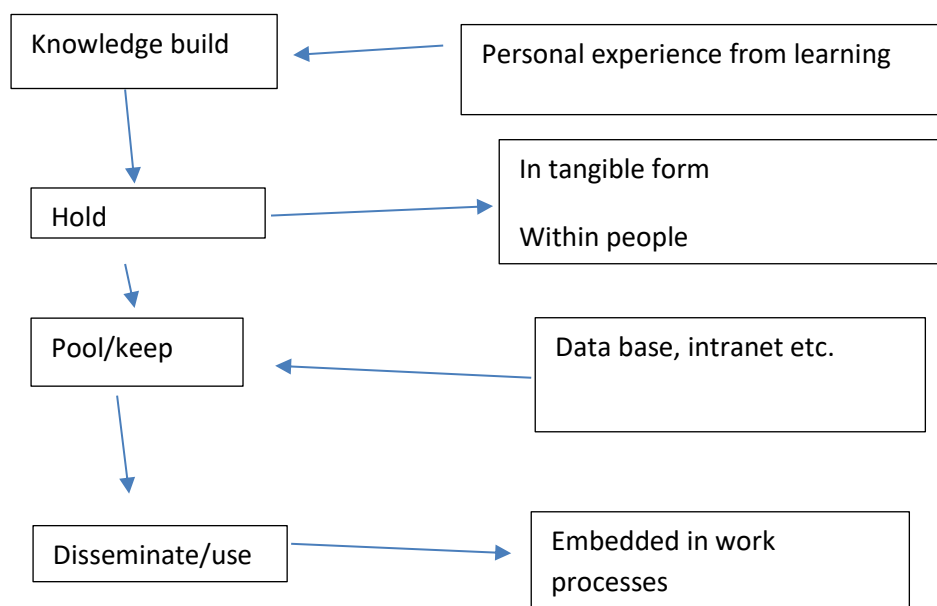
Socialisation, this process is used for sharing tacit knowledge by observation, imitation, practice, and participation in formal and informal settings usually the interaction on a social level either by the creation of a physical or virtual space (Yeh et al., 2011).

Externalization is the process of showing and putting tacit knowledge into explicit concepts because it is highly internalised and the main key in sharing of knowledge and creation process (Yeh et al., 2011).

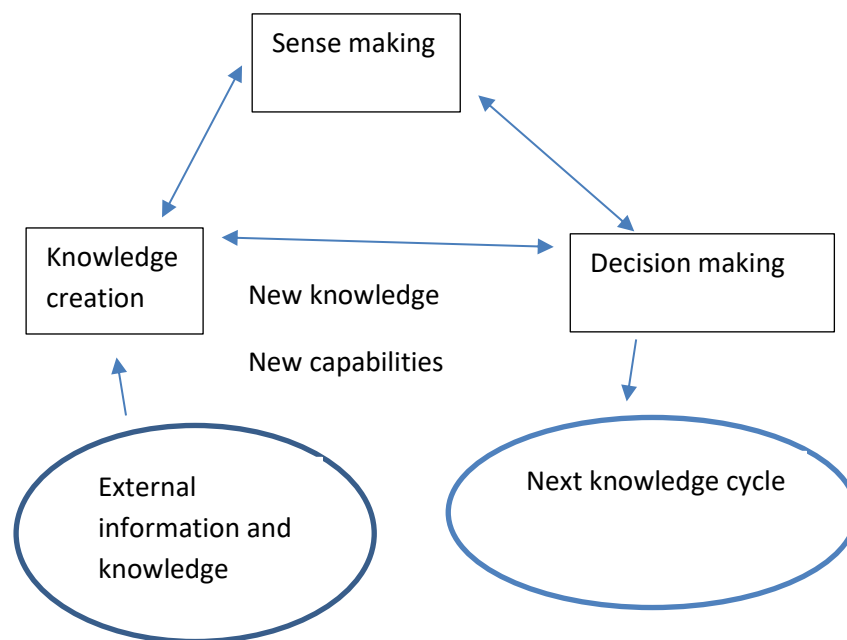
Combination, with this form of process it integrates concepts into a knowledge system (Yeh et al., 2011)

Internalization embodied explicit knowledge into tacit knowledge.

The Wiig Model (1993) emphasises on three major points that an organization must have in carrying out a business which are, products, services, customers, and resources. He also talked about how knowledge must be organised to be useful and valuable. The knowledge diagram cycle below tells us about how it is built and used for organisation to acquire experience from outside example, from employees and to individuals learning from organisation, it focuses on identifying and analysing activities that related to the knowledge building and sharing.



The Choo's Sense-Making Model (1998)



Choo Model (1998) asserts that for organisation to be known the should use these three information strategies such as: sense making, knowledge creation and decision making however these processes are highly interconnected in pursuing a strategic role in helping organisation's knowledge vision (Neto et al, 2009, p.595).

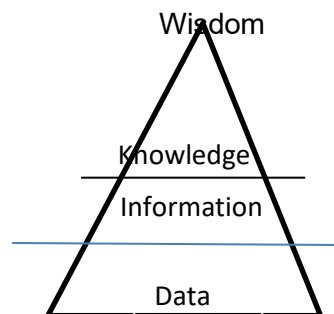
Creating Knowledge, this process allows an organisation to create or acquire, organise and process information in order to bring in new knowledge through organisational learning (Neto et al, 2009, p.595).

However new knowledge brought in will allow the organisation to develop new abilities and capabilities, In the creation of new products and new services and also improvement to the existing ones and redesigning its organisational processes, thus reveals the organisation "potential to act" (Neto et al, 2009, p.595).

Sense-making, organisation using such and adapted will continue to prosper in a complex and dynamic environment, it helps enabling to prospect, interprets information, understands changes, trends and scenarios about their customers, suppliers, competitors and other external environmental threats.

Decision-making involves the best chosen option depending on the organisation strategies. However by using this model helps organisation to get their objectives at the highest peak of marketing strategies.

The DIKW Model is used for information and technological purposes and is to enhanced amazon's information and technology platform.



Wisdom comes from within and additional knowledge acquired.

Knowledge, are information that has been stored over time, example, theories.

Information is data enhanced with context by analytical and analysis methods.

Data, are numbers and facts once acquired they stays.

Knowledge Management Life Cycle

Managers should however know the kind of strategies and commercial benefits can be expected by firms when used effectively the kind of maturity of knowledge systems of the organisation and the role of technology in the knowledge management program and the life cycle by Acquisition, Retention and Transfer.

In acquiring knowledge is the creating and innovation through the development of new knowledge in different ways either by existing employees acquiring new knowledge from external environment, outsourcing research and development, training on the use of machinery and equipment, external training programs gained by employees, new employees bringing in that which they have already attained, databases by storing in an organized way

to be accessed when required and that specific items can be reached and be selected and retrieved quickly.

Retaining the knowledge is the storing and protecting the acquired knowledge and well controlled and being prevented from its widespread of dissemination because it might fall into wrong hands and used or misused.

How Amazon enhanced knowledge management

Amazon has used advanced knowledge management technique effortlessly to connect zillions of customers or people with gigabytes information about their products and services in this area for its customers the ability to quickly and easily find what they want and whenever they want them.

Amazon uses KM principles and practices in adding significant value for their customers in many ways and some are: Consistent presentation, Distributed upstream content creation, Modular content, personalisation, Easy and consistent transactions, Subscriptions, alerts, and reminders and One portal, one interface.

The one portal, one interface meaning everything that are bought, from Amazon including businesses that is done are through the same portal example, food, electronics, books and clothing thus the portal also the user experience is the same. This makes everything comfortable and similar for all customers, allowing them to be less anxious when exploring new areas of the site when visited. Employees also benefitted from his single portal and interface because it provides them with a familiar, common and easy-to-use passages to the workplace knowledge in all forms like videos, website, eLearning, courseware, and even on-the-job tools all of them appears in one or same place.

Amazon also embedded their knowledge management strategy by implementing the Choo's Sense-Making Model (1998) and The DIKW Model are used on The 7 P's Approach which is a planning and marketing framework designed Model (1960) use to blend essential strategies and practices that a company uses which helps to push business and to promote a product to become successful in targeted market which is the goal in attracting the right audience through marketing campaigns

However the successfulness of Amazon to be ahead in the business world today as the number one ecommerce trading giant is the using of the marketing mix approach which refers to the tactics or marketing activities that are used to satisfy their customer needs by involving Choo's Model on the 7Ps: Product/services, Price/fees, Place/access, Promotion, Physical evidence, Processes and people.

Product

This is the produce and services of the company or a combination of both and is developed to meet the actual need of the customers the main challenge here is to create the right products that will benefits the customers' needs. Products can be improved on by creating newer version of the existing one or by bringing in brand new products.

Price

This is getting the price right is very important because not only to cover costs but also generate profit of the business. However research has to make to get information whether the customers are willing to pay before setting up prices and gain an understanding of the demand for that product and service in the market. As price also determine how strong the position of the market and against competitors.

Place

Customers' makes their purchase here physically in the store or even through an app or via a website. In some organisations they have a physical space, or online presence whereby they have to take their product/service straight to the customer, and some other organisations works with intermediaries or agents with the locations, storage or even sales expertise who helps them to do their distribution to customers whenever needed.

Promotion

This is how the communication messages reaches the customers to get their awareness whichever stage taken to catch the interest, desire or action from customers at an appealing price for such a fantastic product. The DIKW Model use of the social media advertising or even at events where directors can take to stage of promoting their product to the market also helps. Advertising helps greatly and is good because it raises the awareness and by doing so it reaches new audiences. For the product promotion to be more effective reaching the audiences you have to know them and to be regular on social media which has enables Amazon talking to their customers electronically.

However communication to other stakeholders from outside and to the wider public helps to build organisation's reputation, choosing the right advertising tools and media will help to achieve the goal.

People

These are operational people working at the front desks they interact with customers, taking orders, attending to enquiries, processing and complaints in person, in addition through online chat, social media, including via the call centre. People are the face of the organisation by interacting with customers throughout. They have the knowledge of the company's products and services and how to be used, the ability to access important and relevant information and their constant approach and attitude needs to make the most out of everything. With the right training, motivation and empowerment by an organisation people can be consistent in their daily tasks; they can also build valuable relationships with customers.

Process

It is good to understanding the various steps of customer journey especially from them making enquiries online requesting information about products and services and also making purchases thus helps the organisation to consider what processes needed to be in place in order to ensure the customer receive positive experience because once customers' makes an enquiry they will be waiting to know how long they have to wait before receiving any response In Amazon they created a smooth, efficient and customer friendly journey and this has been achieved by making their operations simple easy and efficient which are the right processes behind the scenes to make that happen in creating customers' satisfaction.

Physical Evidence

Physical evidence is vital thus provides tangible cues of the quality of experience an organisation could offer to their customers this can be especially useful when a customer has never bought from the organisation before and they need something to assured them or even to expect them paying for the goods and services before they are delivered. For example Apple symbol Amazon symbol these are physical evidence and online reviews to indicate the experience that customers' could be expecting using the website itself is a clear valuable physical evidence including contracts that organisation are given to represent the services they can expect to be delivered on their behalves.

Section 3, Amazon Knowledge Management Techniques

Amazon indicated the importance of working out productivity by using tacit knowledge which has been benefitted with the application of Nonaka and Takeuchi's knowledge techniques.

Amazon.com focuses on their products constantly ensuring that they develop new ideas and launch out in the market as quickly as possible.

Focus on customers has helped Amazon.com in maintaining steady relationship, retaining and continuously understanding their preferential needs.

Internal processes is another point of importance because Amazo.com uses the best practice of sharing knowledge between different units in order to improve efficiency and cost reduction, North & Kunta (2018).

Amazon Management Information System

The Amazon Web Service is a tool behind the successful integration and management of information systems (Helsing, 2011).

Amazon operation depends on a two-piece information management software that comprises of the Simple Storage Service connected to its integrated database and the Amazon Web Service which promotes access to the E-commerce platform.

Management Information System also encourages the decentralisation and coordination by providing suitable platform to monitor work at the lower levels including effective delivering of several managerial operations at different organisational levels and they are: Transaction Processing System (TPS), at operational level, they are used in managing the exchange of information and funds between a company and third parties such as distributors, suppliers and customers by applying the WIIG model. Executive Information System, at managerial level, Decision Support System (DSS), at middle management level, Process control systems: for controlling of manufactured goods and Office automation systems (OAS) this manages the administrative functions in the office environment and sometimes critical to amazon service-based market including Materials Requirements Planning (MRP) use in ensuring the right amount of stock that is being held for the production schedule.

Amazon information system has significantly contributed to the growth of the company over the years. The system collects customer data like credit card information, transactional history, and order records by using specialise sorting algorithms which stores the information in the customer profile (Catelli et al., 2017). The WIIG Model is use in this section by storing of customers data. It encrypts sensitive information about the credit card data and redirects customer order details to the delivery system for shipment. In addition, Customer Relation Management system also collects information regarding customer feedback, queries, and product reviews in improving efficiency.

The use of the transaction processing system is a key component of the Business Information System, by allowing customers making purchases securely and efficiently. It main features such as 1-click purchase by using credit card payment method and secure, encrypted, which make this information management system highly reliable and easy.

Challenges to Amazon.com:

Many other advanced technological competitors are emerging.

Impossible to manage knowledge the same way

Overcoming challenges:

To overcome these challenges regarding the company's Web-information system (WIS), need to be constantly secured with much higher security from the threats of hackers' invaders.

Due to the constant changing in the e-commerce market, Management Information System can be improved on.

More research on and additional way of enhancing knowledge managing techniques.

Conclusion

The use of Information Technology has made significant impact to the success of Amazon.com being ahead of its competitors and also the use of management information market strategies has enhanced its marginal profitability.

The success of Amazon.com lies in such procedure of collecting and storing information from their customers and making decisions based on the analysis of the data received. Amazon.com has devised mechanisms in place ensuring customers safety and continued relevance very paramount. The company constantly updates its information systems, which have been the core of the success of the business.

Recommendation

Management need to get the sense of widening their perspectives, and also researchers need to be interested in more management knowledges and with some more interesting proposals for further researches and studies simply to bring in new solution and new development to an exacting market because the complexity of technology and specialisation intensifies, so firms need to come together and co-ordinate their knowledge by means of forming project groups, strategical alliances and inter-organisational partnerships.

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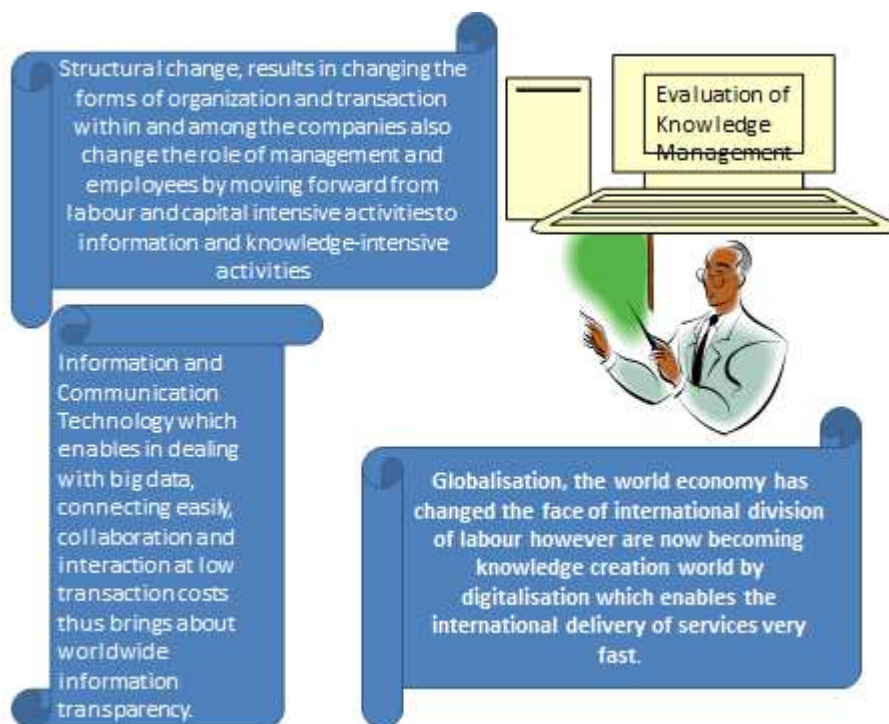
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