

Appendix II

Journey of KM in Tata steel, India

Tata Steel decided to embark on KM initiative in May. The beginning was made in July 99 to place a Knowledge Management (KM) programme for the company to systematically and formally share and transfer learning concepts, best practices and other implicit knowledge.

The essence of this programme is to capture the available abundant knowledge assets in form of tacit (experience, thumb rules, etc.) and explicit (literature, reports, failure analysis etc.), to organize and transform the captured knowledge, and to facilitate its usage at right place and in right time.

The whole process began by forming a small core group consisting of people of varied experience but having no experience on KM implementation. The belief was that KM being much more of a cultural transformation subject than a project, a group from within the company with the support of Top Management will be able to implement KM strategy more effectively than any one who is from outside. It was decided to establish the KM process gradually as we learn.

Tata steel began with building a knowledge repository with all the employees actively participating in it. This repository was placed on the corporate intranet. Employees vividly shared their learning obtained through failures, successful experimentations involving a change in process or input materials etc. To deploy the collected knowledge to the appropriate person at the fastest speed these are being categorised and sent to relevant people automatically. HR interventions have been made in the performance management and also to recognize employees who perform well in the Knowledge Management related activities.

After a year of commencement of the Knowledge Repository, Knowledge Communities were formed that provided a forum where like-minded people meet with each other and share their experiences.

"Knowledge communities" are actually groups of people who come together to share what they know, and to learn from one another regarding some aspects of their work. It takes time for knowledge community to emerge, to flourish and to become productive. Knowledge communities are an investment in the organization's future, not a quick fix to be applied for the sake of short-term gain. It is a knowledge-sharing platform, not a task force to solve a problem. Communities may take up some problems and solve it by looking at the problem and brainstorming from various perspectives.

Communities play a very important role in capturing experts tacit knowledge, improving the quality of knowledge repository and encourage usage of the repository. In Tata Steel, Knowledge communities have few distinct roles viz. Champion, Convener, Practice Leader, Lead Expert and Practitioners.

To make KM more effective in Tata Steel, a number of initiatives like integration of the various local pockets of knowledge repositories available in various division / departments with the main KM repository have been taken.

Measurement of performance of KM system is being done through "KM index". CEO and other senior executives monitor the progress of KM through Balance Score Card system.

Benefits anticipated :

Tata steel anticipates reaping several benefits from the formal Knowledge Management system, viz.

- Increase in collaboration, conversation amongst the employees
- Making the experts expertise available throughout the organisation.
- Reduce loss of intellectual capital from people leaving the company.
- Reduce cost by decreasing and achieving economies of scale.
- Minimise redundancy of knowledge-based activities
- Increase productivity by making knowledge available more quickly and easily
- Promote innovations
- Give equal opportunities to all the individuals to express and share their knowledge.

Above all, the best reason for Tata Steel to embrace knowledge management is strategic; to gain a competitive edge in the marketplace by turning intellectual assets into value through innovation.

(Source: <http://www.tatasteel.com/technologyupdate/km/default.htm>)