Organizational Controls as Enablers and Constraints in Successful Knowledge Management Systems Implementation

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Many current implementations of organizational knowledge management, although based on the most advanced information technologies, are hobbled by the pervading organizational controls. Such information systems related organizational controls could spell the success or failure of organizational management initiatives despite application of latest groupware and collaboration software. Often, such failures of knowledge management systems implementations arise from incorrect understanding and misapplication of the notion of ‘controls.’ Hence, it is critical to develop a better understanding of information systems related organizational controls so that they can facilitate the success of knowledge management systems implementations. This chapter fills the critical void of incomplete and often incorrect interpretations of organizational controls by developing a better theoretical and conceptual understanding of organizational controls and their pragmatic implications. The chapter also proposes an organic model of organizational controls for design of knowledge management systems that can effectively enable creation of new knowledge, renewal of existing knowledge and knowledge sharing.
INTRODUCTION

Despite advanced information systems that support ‘rich’ information exchange and collaboration within the members of groups or organizations, many current implementations of knowledge management systems have shown limited success. Often the problems may not be with the design of such knowledge management systems, but their appropriation and effective utilization by the members of the organizations. The key argument of this chapter is that information systems, when applied to knowledge management, are limited in their success by the prevailing organizational controls. Often the notion of knowledge management is confused with the notion of controlling the members’ knowledge sharing behavior. A review of the literature on organizational controls suggests that this may be a dangerous and fallacious premise that may hobble the success of knowledge management systems implementations. In fact, a better understanding of organizational controls would suggest that to manage is not to control. In other words, success of knowledge management systems could often result from propagating and nurturing the autonomy and self-control of organization members instead of exerting external influences to modify or manipulate their knowledge creating and knowledge sharing behavior. More importantly, in most cases, despite good design of information technology based architecture of knowledge management systems, attempting to modify or manipulate creating and knowledge sharing behavior may result in the failure of knowledge management systems.

The next section provides a literature review about the concept of ‘organizational controls.’ The chapter then discusses the limitations inherent in the mainstream model of knowledge management. Discussion in this section also expounds how inadequate understanding and application of organizational controls may often lead to failure of knowledge management implementations. The next section proposes and illustrates an organic model of organizational controls that is better suited to creation of new knowledge, renewal of existing knowledge and sharing of knowledge between the organizational members. Developing on the previous discussion, the concluding section underscores that knowledge management, is as much of an oxymoron as any other related notions such as information systems management, human resource management, business management and so forth.

LITERATURE REVIEW ON ORGANIZATIONAL CONTROLS

Despite lack of a commonly accepted framework or typology of organizational controls (Merchant and Simon, 1986; Green & Welsh, 1988; Simons, 1990), invariably, most authors (cf., Eisenhardt, 1989; Flamholtz et al., 1985; Henderson & Lee, 1992; Kirsch, 1996; Lawler, 1976; Orlikowski, 1991b; Tannenbaum, 1962) have interpreted control in terms of the influence exerted on the subordinates to seek their compliance with organizational goals. Most such interpretations have used the thermostat analogy of the control system (cf., Anthony, 1988; Grant & Higgins, 1991; Lawler & Rhode, 1976). In most such ‘thermostat’ models, performance level of the subordinate is measured and compared with a preset standard and the subordinate acts on the feedback received from the superior to decrease the variance.