Chapter 2

Knowledge Appraisal and Knowledge Management Systems:
Judging What We Know

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ABSTRACT

Knowledge management (KM) is a critical practice by which a firm’s intellectual capital is created, stored and shared. This has lead to a rich research agenda within which knowledge management systems (KMS) have been a key focus. Our research reveals that an important element of KM practice—knowledge appraisal—is considered in only a fragmentary and incomplete way in research. Knowledge appraisal reflects the multi-level process by which a firm’s knowledge is evaluated by the organization or individual for its value. The processes are highly intertwined with the use of the KMS. It therefore requires consideration of KA across multiple levels and types of knowledge across the entire KM cycle. To achieve this goal, we develop and present a taxonomy of knowledge appraisal practices and discuss their role in the KM lifecycle emphasizing implications for research and practice.

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INTRODUCTION

If HP knew what HP knows, it would be three times more profitable.

Lew Platt, Former CEO of Hewlett Packard (Davenport & Prusak, 1998 xxi)

Lew Platt’s classic quote illustrates the critical challenges and benefits to knowledge management—to excavate what is known from a firm’s employees; to collect, store, and share it in some fashion and to then use it to gain greater business value. Knowledge management systems (KMSs) are often introduced into a firm in order to meet this challenge. Yet the introduction of KMSs into a firm often creates new challenges. Among these challenges, firms which introduce KMSs must deal with lack of use of a KMS by users and knowledge becoming outdated or lost with in the KMS (Birkinshaw & Sheehan, 2002). Additionally, from the user perspective, the same KMS which provides helpful access to stores of knowledge can also cause knowledge overload. Overload represents the situation where a user has access to too much knowledge which they are unable to effectively search and sort through and this contributes to their eventual nonuse of the KMS (Kaser, 2004). Overload is not a new phenomenon. Prior work in KMS design has focused on how to deal with knowledge overload by designing better search techniques, sorting and ranking structures, and other technological solutions. For example, KnowledgeStorm, an Internet-based technology solution resource discusses a variety of KMS solutions that offer to “organize content and make it available to users,” or to provide “a search solution” as well as “document management capabilities and the ability to streamline search functions, as well as store and manage scanned images and records from individual workstations into a central, secure repository” (KnowledgeStorm, 2007, p. 5). While valuable, these solutions do not tackle the main issue that organizations are often governed by a philosophy of “keep it all.” The practice of knowledge appraisal (KA) is a cognitive alternative to these technological solutions. KA is made up of the organizational and individual level processes by which a firm’s knowledge (tacit and explicit) is evaluated within each step of the knowledge cycle. In the best examples within the literature, KA results in a better knowledge asset because it allows only the relevant, up-to-date, and correct knowledge to continue through the KM processes of using or discarding, adapting, and recreating knowledge. However, currently KA research and practice exists in various independent and fragmented activities. For example, knowledge appraisal practices can be embedded in KMSs via knowledge pricing schemes (Desouza, Yamakawa, & Awazu, 2003) or it can be informally practiced when an individual uses their own judgment and personal criteria for determining whether to create or use knowledge from the KMS or from connecting with a colleague (Gray & Meister, 2004).

Regardless of how or when KA is performed, the practice of KA within an organization is directly linked to how users interact, or do not interact, with an organization’s KMS. The type of KA performed in an organization may radically alter the adoption and use of KMS by users, it may affect the amount of outdated knowledge used in an organization, and it may change the knowledge overload experienced by users of the KMS. Yet the fragmented way KA is approached in research and practice means that most organizations do not get full benefit from KA. By drawing together what we know and what we have yet to consider within the processes of knowledge appraisal as they occur throughout the knowledge management cycle and as practiced (or not practiced) by the organization and by individuals, this research seeks to shed a stronger light on “how we come to know what we know” and how managing that process can lead to better design practices and