Knowledge Management In Action : Professional Services (A105) KM World 2003





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The Professional Services

 As Evolving Knowledge Network







THE PROFESSIONAL SERVICE FIRM

- Justice Louis D. Brandeis commencement address to Brown University in 1912:
 - First. A profession is an occupation for which the necessary preliminary training is intellectual in character, involving knowledge and to some extent learning, as distinguished from mere skill.
 - Second. It is an occupation which is pursued largely for others and not merely for one's self.
 - Third. It is an occupation in which the amount of financial return is not the accepted measure of success.





THE PROFESSIONAL SERVICE FIRM

 Include: accountants; management and other consultants; engineering consultants; lawyers; investment banking; advertising; architecture; market research; public relations; software and information technology developers and consultants; independent researchers..







THE PROFESSIONAL SERVICE FIRM



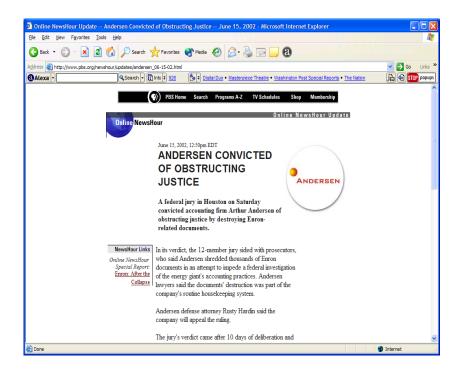
A living network in transition – growing & evolving.





Changing Environment

- •Customers
- Markets
- Globalization
- Competition
- Complexity
- Technology
- Networks
- Knowledge
- •Risk

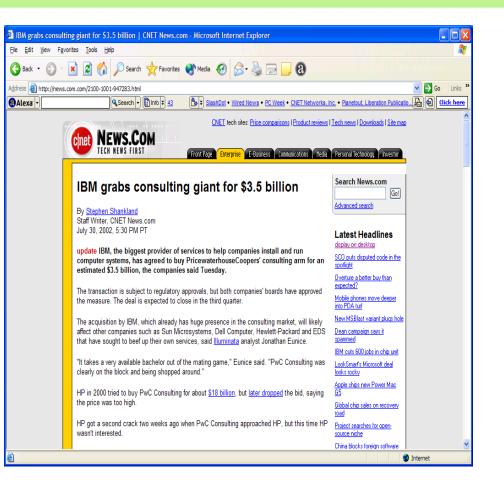






Mergers & Acquisitions

- Globalization
- Convergence
- Deregulation
- Consolidation..



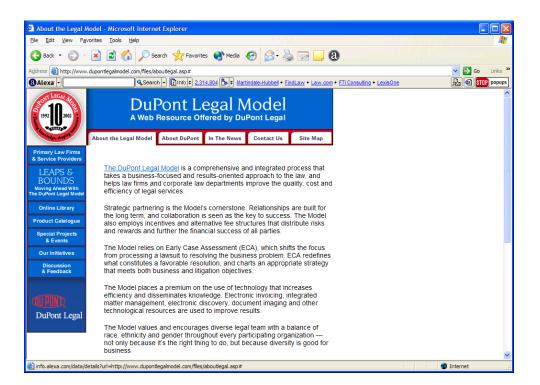




Customer Relationships

<u>Legal</u>
 <u>Example</u>:

The DuPont Legal Model

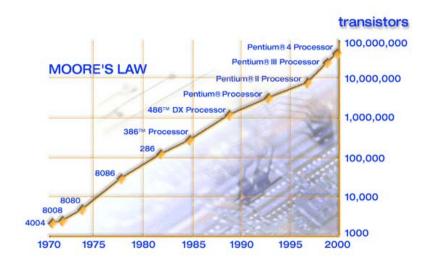






Technology - Computing Power

- Smaller
- Cheaper
- Faster
- Better



Source:Intel.com





Proliferation Of Networks

- Metcalfe's Law
- Pervasive
- Ubiquitous
- Complex
- Diverse



 Dependency on networks

CBC News Online | August 14, 2003 http://www.cbc.ca





THE EMERGING SCIENCE OF NETWORKS

- Small Worlds
- Six Degrees We Are All Connected
- Complexity & Self-Organization
- Emergence
- A Common Architecture & Pattern To Networks
- Book Reference : Linked: The New Science of Networks by Albert-Lásló Barabási http://www.nd.edu/~networks/linked/

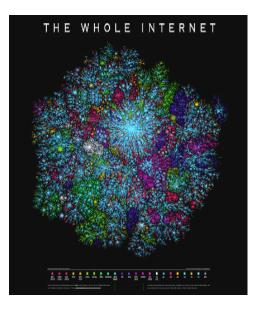






KEY NETWORK PRINCIPLES

- The principle of self-similarity (same fractal pattern throughout)
- The principle of network phase transitions
 (*eg. "tipping points"*)

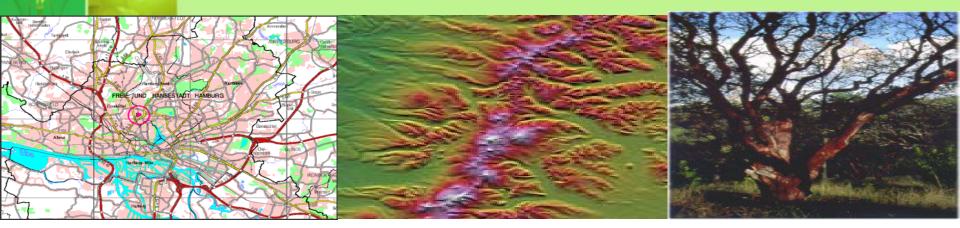


The principle of preferential attachment
 (eg. the rich get richer..)





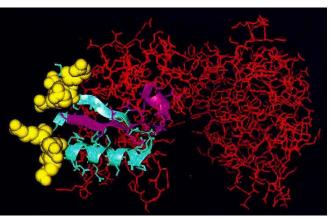
Small World Network Patterns



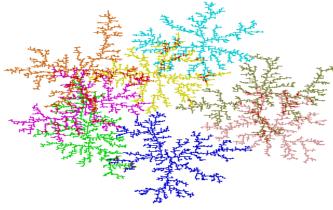
City Network

Topographic Network

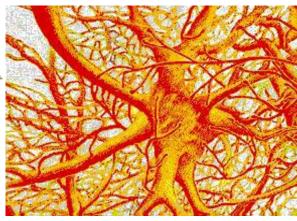
Tree Network



Protein Network



Neural Network



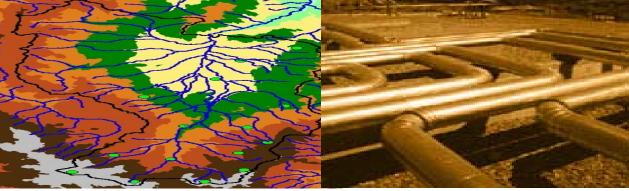
Synaptic Network





Small World Network Patterns

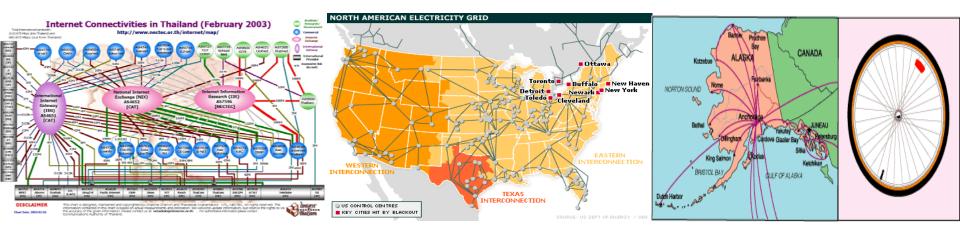




Transportation Network

River Network

Energy Pipeline Network



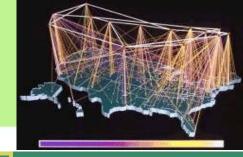
Internet Connections Network Electricity Grid Network

Airline Hub & Spoke Network









Mark Buchanan, a physicist and science writer, reports on the emerging science of how networks operate :

"Social networks turn out to be identical in their **architecture to** the World Wide Web the network of web pages connected by **hypertext** links.



Book: Nexus: Small Worlds and the Groundbreaking Science of Networks

- Hyper-linking Of Docs On The Web
- A Metaphor For Emerging Enterprise Architecture
- Everything Becomes Networked
- Everything Is <u>CONNECTED</u> to everything else.





The Shift To A Network-Centric <u>MINDSET</u>



SPECIAL REPORT: MILITARY TECHNOLOGY

The Network Is the Battlefield

The Pentagon's aim is to meld weapons systems and people into a whole, called <u>network-centric warfare</u>, that's greater than the sum of its parts

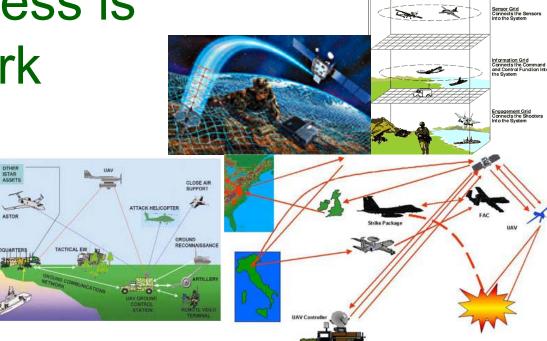
- What about the business "warriors" in our firm ?
- Are we integrating them in a network-centric way?
- Networked Knowledge is A Force Multiplier !





Networked Knowledge Wins

• The business is the network



λ,





THE NETWORK <u>IS</u> THE BUSINESS



- Can You Imagine Fedex or UPS Today
 Without Their Network
- The Network is indeed pervasive
- The Network really is the business.





ARCHITECTURE OF THE BRAIN

Joseph LeDoux

Synaptic Self: How Our Brains Became Who We Are by Joseph LeDoux

- We Are Our Synapses
- A Synaptic Network
- A Web Within





Strategic Architectures Guiding Action

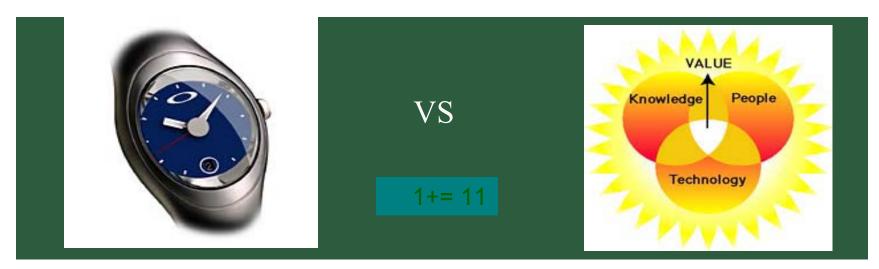
A Case Study







BUSINESS MODEL INNOVATION



- Time-Based Billing Model
- Capitalizing On Knowledge Value
- Value-Based Reward For Services
- New Metrics





Making 1+1=11

- " In the knowledge economy, the whole can be many times greater than the sum of the parts" Leif Edvinsson
- <u>http://www.corporatel</u>
 <u>ongitude.com</u>



Leif Edvinsson Brain of the year 98





Creating Structural Knowledge Capital

 That which remains behind after the people go home at night.







Principle Centered Leadership

- Articulation of new set of core principles
- Embedding memes
- New mental models
- Future Vision



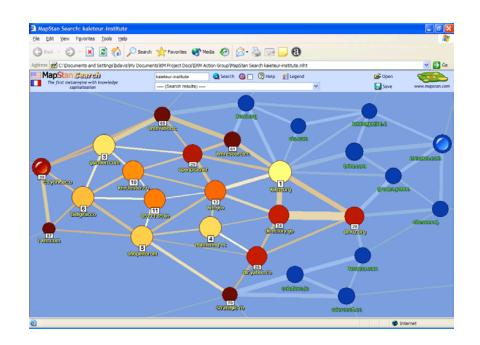






Intelligently Networking The Business

- Create rich
 connections
- Outside-inside
- Hubs rock focusing on
- building, linking, and
- becoming hubs







Networks As Enabling Infrastructure

• *"You cannot run on tracks you have not laid"* – Stan Davis, Futurist

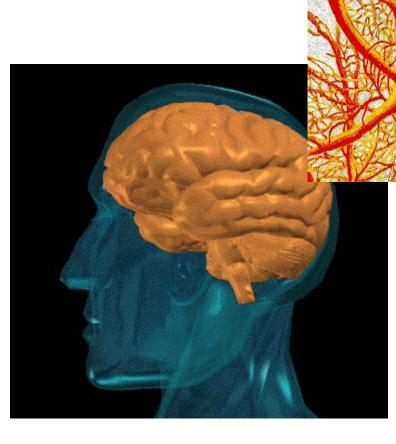






Giving The Firm A Bigger Brain

- The networked firm
- More synaptic connections







Mapping The Knowledge

- Understanding the flows
- Visualization
- Taxonomy
- Search







Creating The Knowledge Marketplace

- Newer emerging modalities for facilitating knowledge exchange
- •Matching demand and supply
- •The experts exchange
- •The question and answer exchange
- •The talent exchange..

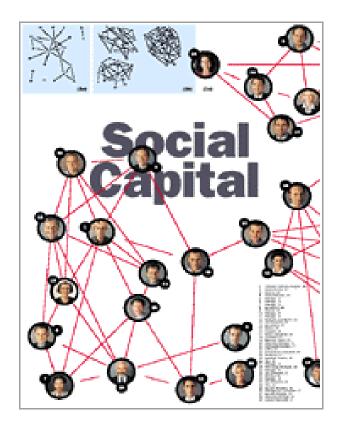






Nurturing a Knowledge Friendly Culture

- Knowledge sharing community
- Recognition & rewards
- Market-orientation
- Hyper-linking
- Connecting
- The idea of the "Knowledge
 - City"



 $http://www.corp.avent is.com/future/xcutting/social_capital.gif$





Change Management

- Storytelling & After action
- reviews
- •Small changes, big results
- •Fostering a new lifestyle
- •Buying-in
- •Experience driven







Change Management

- Co-creation
- Personal Knowledge
 Management
- Community Collaboration
- •Top-down & bottom-up









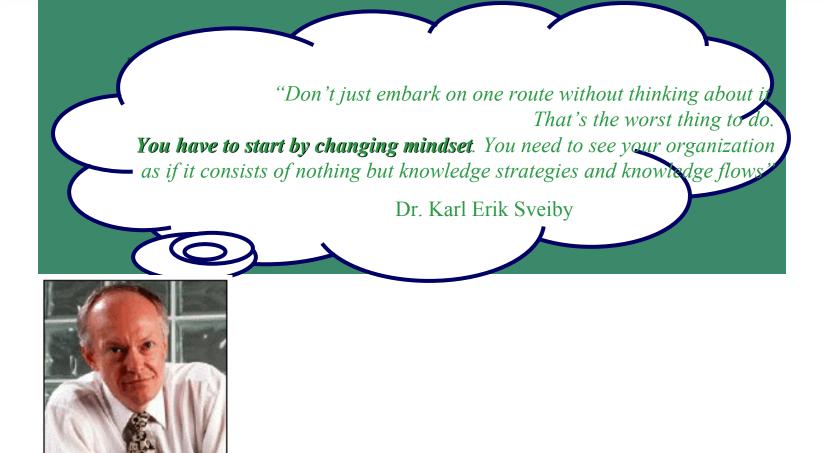
A Complex Adaptive Systems Perspective

A Complex Adaptive Systems perspective on the challenge of a knowledge architecture offers a different approach to its design. If we think of a large, multithreaded organization of thousands of loosely linked, independent management consultants not as a unified and predictably coherent machine but as a complex, living, adaptive system, the ways in which we identify and describe its collective knowledge might be very different. "-Brook Manville





Taking A Fresh Perspective









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Thank You



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