

# **Knowledge Management and Intellectual Capital Statement within the State**

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The guideline has been built up as a model for how an organisation may incorporate Knowledge Management (KM) and Intellectual Capital Statements (ISC). The model is comprised of four stages:

1. Setting KM objectives and strategy
2. Implementation of KM strategy
3. Selection and measuring of KM indicators
4. Evaluation of KM in the Intellectual Capital Statement

Defining and setting KM objectives and strategy, the organisation could focus on activities to meet three challenges:

1. How to develop new knowledge
2. How to reuse existing knowledge
3. How to ensure that available knowledge is actually being use

In the guideline, special attention is given to personalization and codification, which facilitate the reuse of existing knowledge. Personalization and codification are not about developing new knowledge, though this may frequently be achieved. Rather, personalization and codification aims at ensuring that knowledge, which is already developed, is not being developed again but is reused wherever relevant.

In addition to the different type of Knowledge Management activities, the organisation could focus on three areas relevant to Knowledge Management: Human Resources, Systems and Processes, and Environment.

## **Human Resources**

Qualifications, skills and experiences of the individual employee in regard to his or her ability to create knowledge is paramount to the capability of an organisation to generate knowledge.

The elements that can enhance the qualification of the individual in regard to knowledge creation is the same elements that influence whether the employee is motivated and whether his or her talents are unfolded.

## **Systems and Processes**

Systems and processes are expressions of the collective ability of the organisation to create knowledge. This area pertains to the question of how systems and processes contribute to the employees' ability to create knowledge. Examples of systems include

archive systems, databases and Intranets. Examples of processes include work processes, procedures and routines.

## Environment

The individual and collective capability to create knowledge also depends on connections to users and other stakeholders. These connections are of vital importance in regard to the ability to deliver and provide the knowledge that the environment anticipates.

This area pertains to the network of the organisation and its employees and to how knowledge is created in association with this network of users, other public agencies and organisations, unions, and private companies, etc.

The relations between the different types of Knowledge Management activities and the Knowledge Management areas are outlined in the illustration below. The indications in the illustration specify the areas in which the different types of Knowledge Management are relevant.

|                                    |                 | Knowledge Management areas |                       |             |
|------------------------------------|-----------------|----------------------------|-----------------------|-------------|
|                                    |                 | Human Resource             | Systems and Processes | Environment |
| Types of Knowledge Mgt. activities | Development     | x                          | x                     | x           |
|                                    | Personalization | x                          |                       | x           |
|                                    | Codification    |                            | x                     |             |
|                                    | Use             | x                          | x                     |             |
|                                    | Evaluation      | x                          | x                     | x           |

The indications not only represent the different activities. They also identify the underlying types of Knowledge Management strategies that can be chosen by an organisation, taking into account the objective for the Knowledge Management activities.