

Knowledge-sharing builds capacity

The rise of the knowledge economy has seen knowledge – often in the form of intangible “relationship assets” as opposed to physical resources – come to represent an organisation’s most strategic asset.

The flow of knowledge, supported by advances in information and communication technology, is changing the way individuals and organisations interact and work, both within organisations and with those outside the organisation such as suppliers, consultants and contractors.

In this environment, the only sustainable competitive advantage for organisations comes from what you know and how fast you can put it to use.

Sharing and managing knowledge in the construction industry is challenging because of the discontinuity inherent in project work.

This makes it difficult to harness the knowledge gained from previous projects as a way of innovating on new projects.

For construction-related government agencies, this situation is exacerbated by waves of downsizing and moves to the extensive use of outsourcing.

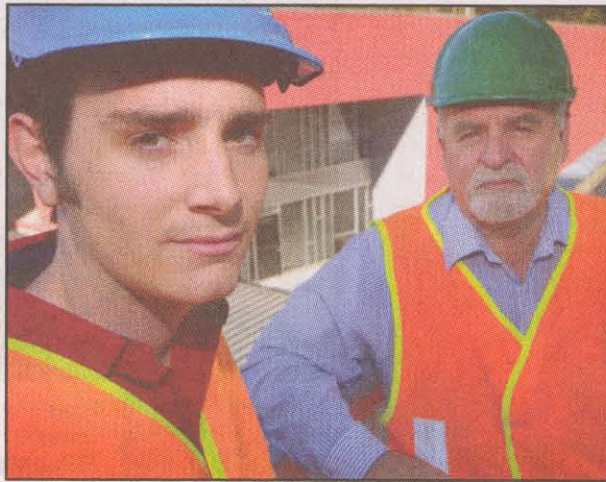
Traditionally, we assumed that an organisation’s knowledge matches what it does and its responsibilities.

However, in an outsourcing environment organisations may likely know less than they are responsible for and may encounter significant difficulties as a result if they outsource complex activities that they have insufficient knowledge to manage.

Results could include cost and time overruns that are not identified quickly, conflict and disputes over aspects of contract and an inability to properly assess the overall result.

Another aspect that can have an impact on knowledge creation and sharing is the fact that the workforce in many traditional agencies is ageing. Knowledge is walking out the door.

In a context of outsourcing (and therefore not building this knowledge internally) and the likely departure of numerous highly knowledgeable managers over the next decade, how well will various



Graduate internships, mentoring and job rotation help build knowledge capacity.

Photo courtesy QUT

government agencies be able to actively manage external contracts and prevent the resultant cost and time overruns and disputes?

Responding to this challenging question, the Cooperative Research Centre (CRC) for Construction Innovation commissioned a research project to investigate how knowledge is currently managed and to develop recommendations and tools to support project managers.

Researchers at the Graduate School of Business at Curtin University of Technology in Perth and the School of Management at Queensland University have worked with the Department of Housing and Works and Main Roads in WA and Main Roads in Queensland.

“What we have discovered is that we have to be counter-intuitive when we think about successful knowledge-sharing and management practices,” says Curtin researcher Peter Galvin.

“Our research debunks the traditional IT systems-based notion of knowledge management and highlights that the best knowledge-sharing is happening where people are establishing close relationships with others – inside and outside the

organisation,” Associate Professor Galvin says.

Researchers found that in all organisations people were instinctively sharing knowledge with others.

However, those organisations where knowledge is successfully created and shared have a coordinated approach to knowledge-sharing, actively driven by senior management.

Unless there is a coordinated approach and knowledge-sharing is a key part of strategic direction, the knowledge being created and shared cannot be successfully used to build organisational knowledge.

Those organisations getting it right are less concerned with capturing and storing information (which is wrongly perceived as knowledge) and more focused on practices that foster knowledge-sharing, such as graduate internships, mentoring, job rotation and creating the space for communities of practice to develop.

In some cases, organisations are looking back at how they did things successfully in the good old days before computers and the internet.

They are finding value in the knowledge-sharing and learning characterised by apprenticeships and storytelling around the traditional construction site “campfire”.

“We also found a strong correlation between successful knowledge-sharing and the types of contractual arrangements in place between organisations,” Associate Professor Galvin says.

“Relationship contracting and alliances provide the best support for knowledge-sharing and learning because they reduce conflict by focusing on cooperative problem-solving, learning and innovation.”

The research project, which runs until April, aims to provide a checklist for project managers to support strategies for successful knowledge-sharing and management.

It will assist them to understand what knowledge they have and what knowledge they need and then build an explicit strategy to build on existing knowledge and fill knowledge gaps. ■