

The New Knowledge Management

Complexity, Learning, and Sustainable Innovation

By Mark W. McElroy

Foreword – By Joseph M. Firestone, Ph.D.

Knowledge Management, new as it is, is changing. There are at least three theories about how it is changing and about how we should view The New Knowledge Management (TNKM). One theory sees KM as a field that was originally driven by information technology, the Internet, best practices, and later, lessons learned, and most importantly knowledge sharing. This theory sees a second stage of KM as about human factors, systems thinking, and knowledge creation viewed as the conversions among tacit and explicit knowledge. The third stage of KM is the arrangement and management of content through taxonomy construction and use, and like the first is also heavily biased towards information technology.

The second theory of change in KM is a bit more subtle than the first. According to this theory, the first “age” of knowledge management is one in which the word “knowledge” itself was not “problematic,” and in which the focus was on distributing information to decision makers for timely use in decisions, usually through technology. The second age replaced the information technology focus with one on tacit/explicit knowledge conversion inspired by Nonaka's SECI model. The third age is one in which: knowledge is viewed paradoxically as a thing and a flow; context, narrative and content management are central to our view of KM; there is an understanding of organizations as engaged in sense-making through utilization of complex adaptive systems phenomena constrained by human acts of free will attempting to order them; and finally, there is a rejection of scientific management and its mechanistic models as relevant for knowledge management.

This book of Mark McElroy's presents the third and best of these reconstructions. It is the one that has had the longest gestation period (since late 1998) and the most careful underlying conceptualization. It is the one that distinguishes two, not three, generations (or ages or stages) of KM. It is the one that makes a clear distinction between knowledge management and knowledge processing, and between knowledge use and the other two. It is the one that provides the tightest integration of organizational learning and complex adaptive systems theory. It is the one that uses the clearest definition of different primary types of knowledge and that clearly distinguishes knowledge in minds from knowledge embedded in cultural products. It is the one that views knowledge production and creation as a response to business problems and as an essential object of knowledge management. It is the one that avoids logical inconsistency,

the confusion of process with products (or outcomes), and the embracing of "mystery" or "paradox" in characterizing knowledge. It is the one that emphasizes sustainable innovation as an important goal in knowledge management. It is the one that views Information Technology, not as a driver, but as an enabler of broader KM and knowledge processing goals. And it is the one that provides a new outlook on intellectual capital emphasizing process-based (social innovation) capital. In short, it is the one that offers a coherent and understandable, but not overly simplistic, foundation for building a mature knowledge management discipline.

This book is full of new ideas and novel perspectives for KM. There is no other book like it in the field right now. With uncommon clarity, it puts forward a fundamental conceptual framework, relates it to practice, to new types of learning organizations, to complex adaptive systems, organizational learning, management, intellectual capital, return on investment, and innovation. It defines certain concepts, such as The New Knowledge Management, Second Generation Knowledge Management, Sustainable Innovation, Social Innovation Capital, The Open Enterprise, and The Knowledge Life Cycle for the first time in book form.

So if you're looking for a short, well-written, easy to understand account of knowledge management that deals with central issues of its scope as a professional field, this is the one book you need to read. It represents a re-orientation of KM that is rather fundamental. Whether or not the field moves toward the position sketched out in the book, it will still stake out a position that people will want to discuss whenever they are considering the question of what their fundamental orientation toward KM should be. In other words, the book presents a "paradigm." The paradigm will be as relevant for discussion five years from now as it is now, whether or not you or others accept it. If you do accept it will define the boundaries of your inquiry and practice in KM. If you don't accept it will provide a good benchmark or foil against which to formulate your own view of KM. It is that provocative, that clearly stated, and that nuanced. So read it! Enjoy it! And use it to form your own version of TNKM.

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