

Applying Knowledge Management to Manage Your Human Capital

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A.J. Rhem

 & Associates Inc.



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Applying KM to Manage your Human Capital

- **Defining Knowledge Management**
- **What is Human Capital?**
- **Human Capital Facts**
- **Human Capital Management Critical Success Factors**
- **Human Capital Challenges Facing the Government**
- **Applying KM to Address Human Capital Challenges**
- **Capturing Knowledge to be used in a KMS**
- **Current State of Human Capital Management**
- **Next Steps**



Defining Knowledge Management (KM)

➤ Knowledge

- Understanding gained through analysis, experience and learning (training)

➤ Knowledge Management

- A multi-discipline process of getting the right knowledge to the right people at the right time, enabled by people, processes and technology all of which aligns with the strategies objectives of the organization and is leveraged to improve performance
- “Getting the Right Knowledge to the Right People at the Right Time”

➤ Knowledge Management Systems

- A delivery mechanism used to facilitate and automate the **Knowledge Management** process



What is Human Capital

- **Human Capital refers to the organization's cumulative skills embedded in its People Assets**
- **Human Capital focuses on having the “Right People, In The Right Place, At the Right Time” – U.S. Department of Interior**
- **In Knowledge Management Human Capital is referred to as knowledge assets**



Human Capital Facts



- **Human Capital considerations must be a part of the daily decisions making and planning to achieve program results**
- **Human Capital Management is identified as a government-wide High Risk area**
- **Human Capital shortfalls will erode the ability of many agencies to economically, efficiently, and effectively perform their mission**
- **Much of the authority to manage human capital strategically is already available under current laws and regulations**

Source: Controller General United States General Accounting Office,
A Model of Strategic Human Capital Management, GA)-02-373SP,
March 2002, Washington, D.C.



Human Capital Management 8 Critical Success Factors



- For managing Human Capital the organization must have a commitment to HCM
- The role of the Human Capital Function must be defined
- HCM must be integrated and aligned with the strategic goals of the organization
- HCM must be performance driven
- HCM must have a targeted investment in people
- Human Capital approaches should be tailored to meet organizational needs
- HCM must provide Empowerment and Inclusiveness
- Unit and Individual Performance must be linked to organizational goals

Source: Controller General United States General Accounting Office, A Model of Strategic Human Capital Management, GAO-02-373SP, March 2002, Washington, D.C.



Human Capital Challenges Facing the Government

➤ Human Capital Challenges

- Leadership, continuity and Succession Planning
- Acquiring and Developing Staffs when Critical Knowledge Leaves
- Creating a Culture of Knowledge Sharing
- Linking Employee Performance to Organizational Goals
- Workforce would need to possess greater communication, cooperation and consultation skills
- Dealing with competitive sourcing impacts to workforce
- Realigning of behavior, operational systems and stakeholder relationships to support the HCM Plan



Applying KM to Address Human Capital Challenges

- Knowledge Management focuses on “Getting the right knowledge to the right people at the right time” Align your KM strategy with your corporate strategy
- Before critical knowledge leaves apply KM by:
 - Incorporating a Mentor/Protégé program aligning experience staff with new hires
 - Creating and Fostering an environment of knowledge sharing through collaboration, knowledge transfer activities and organizational awareness
 - Incorporating a program of cross training, e-learning
- Human Capital Management is at the core of Knowledge Management
- Goal: To Move Human capital to Corporate Capital



Human capital to Corporate Capital - The Knowledge Portal

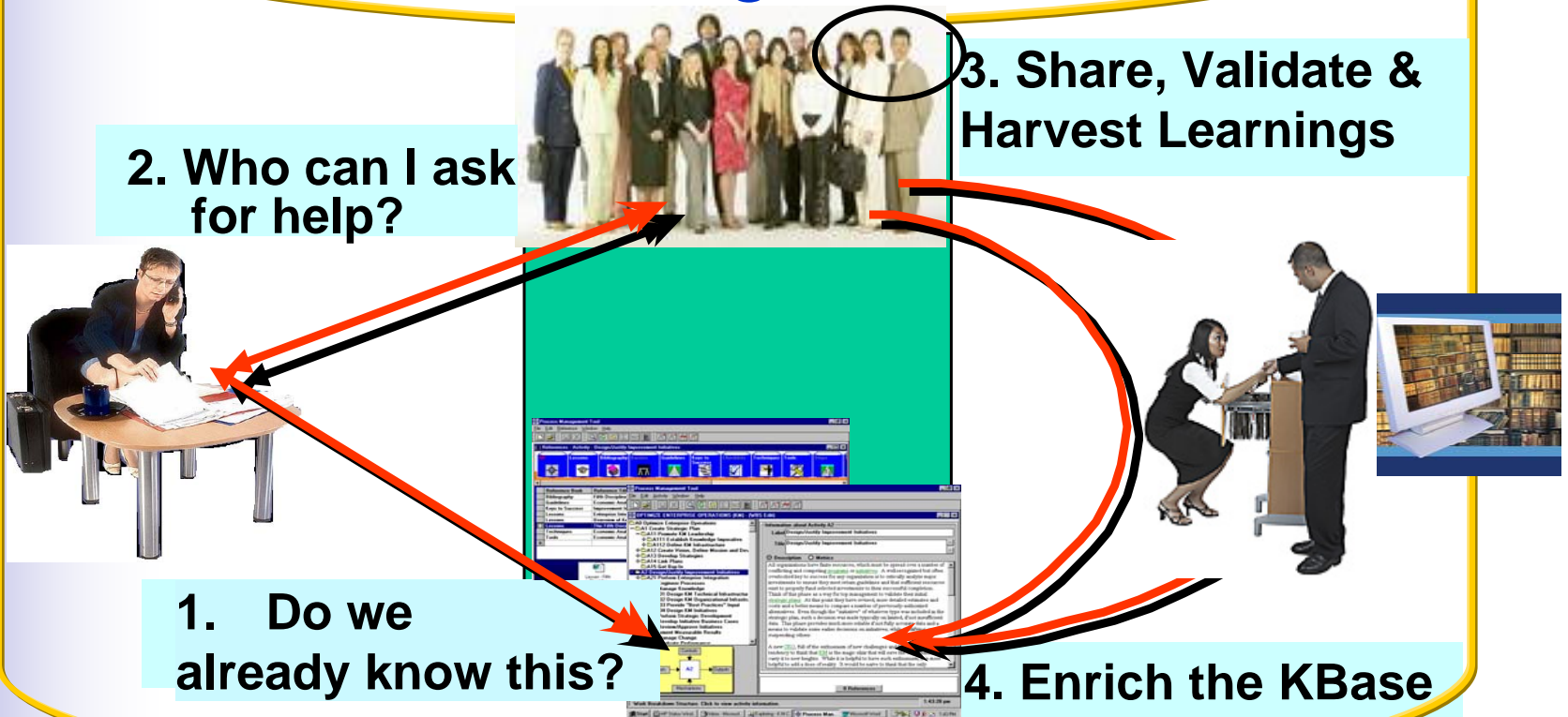
“Connect & Collect” Knowledge Portal?

2. Who can I ask for help?

3. Share, Validate & Harvest Learnings

1. Do we already know this?

4. Enrich the KBase





Capturing Knowledge for a Knowledge Management System (KMS)

- **Creating Corporate Knowledge Bases that are “Employee Centric”**
 - **Role-Based Knowledge Bases**
 - **Communities of Practice (CoP’s)**
- **Capturing Tacit Knowledge**
- **Leveraging Tacit Knowledge by Creating a Comprehensive Knowledge Management Systems**



Role-Based Knowledge Base

- **Sample Role-Based Knowledge Base**
 - Corporate System Engineering Process

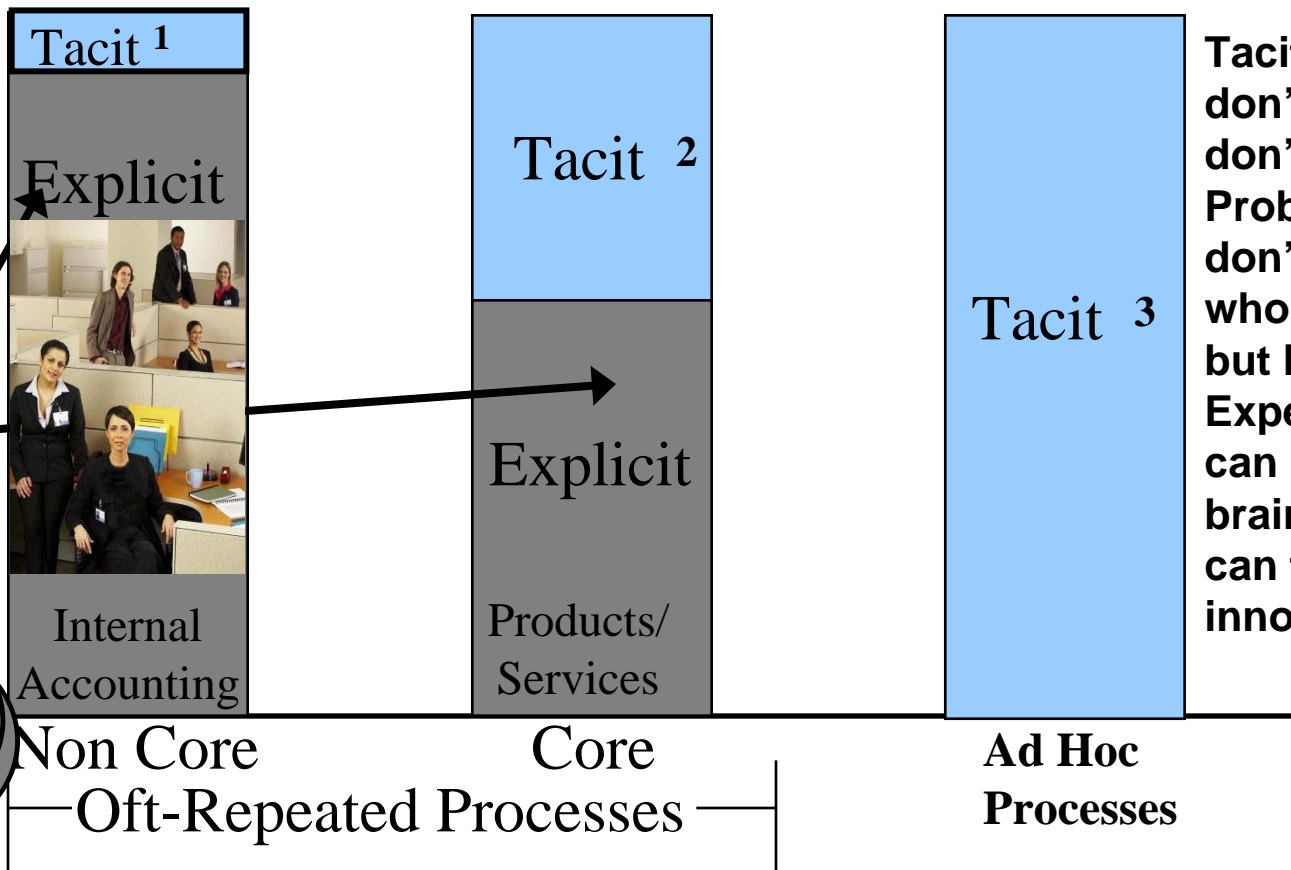


Human Capital by Process Type



Tacit 1: Expert – “I know, but I just haven’t documented.”
Novice – “I know who knows.”

“I know”
or, “I
know, I
don’t
know”



Tacit 3: “I don’t know I don’t know.”
Probably I don’t know who knows, but I can tap Experts; we can brainstorm; I can foster innovation.

Tacit 2: Expert – “I know (that) I don’t know (what) I know”
Novice – “I hopefully know who might know.”





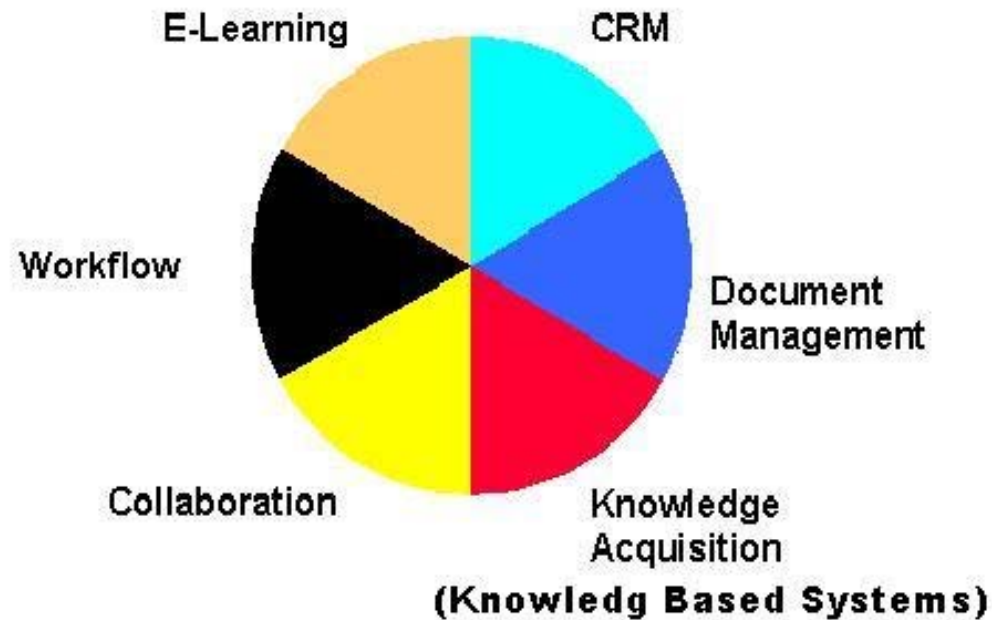
Framework for Capturing Human Capital (Tacit) Knowledge

- To enhance the management of your human capital the following solid framework outlines the process of elicitation, collection, analysis, modeling and validation of knowledge.
- This framework includes utilizing knowledge modeling constructs found in UML.
- Knowledge Acquisition Framework Demo
 - Knowledge Acquisition Framework



Comprehensive Knowledge Management System

➤ Knowledge Management System:



Source: Rhem, A. J. (2005). *UML for Developing Knowledge Management Systems*, Auerbach Publications, New York, NY



Current State of Human Capital Management

- **IBM “The Strategic Side of Human Resources ”**
 - HR Strategy & Transformation
 - Knowledge and Collaboration
 - Learning Solutions
 - Workforce Transformation
 - **“Having the right people with the right skills in the right place at the right time with the right motivation”**
- **ORACLE HCM Applications**
 - **Reduce recruiting advertising fees**
 - **Reduce recruiting agency fees**
 - **Improve employee productivity around recruiting activities**
 - **Reduce the cost of fees from payroll errors Reduce payroll processing fees**



Current State of Human Capital Management (cont.)

- **United States Department of Agriculture (USDA) – Office of Human Capital Management**
 - HR Strategy & Transformation
 - Knowledge and Collaboration
 - Learning Solutions
- **U.S. Department of the Interior – Human Capital Management Plan**
 - Reduce recruiting advertising fees
 - Reduce recruiting agency fees
 - Improve employee productivity around recruiting activities



Other Agencies Executing HCM Plans

- **Office of Management and Budget (OMB)**
- **Office of Personnel Management (OPM)**
- **United States Department of Agriculture (USDA)**
- **National Aeronautics and Space Administration (NASA)**
- **Air Force Material Command (AFMC)**
 - **Focuses on Retirement Eligibility Projections**
 - **Largest employer of Civilians in the Air Force**



Next Steps

- **Develop Your Human Capital Management (HCM) Plan**
 - **Determining what knowledge is needed, what knowledge is available and missing, who needs this knowledge, how to retain the knowledge and how will this knowledge be applied**
- **Align your HCM Plan with Your KM and Corporate Strategy to meet Your Organizational goals**
- **Foster Policies that have a targeted investment in Your Staff providing Empowerment and Inclusiveness**



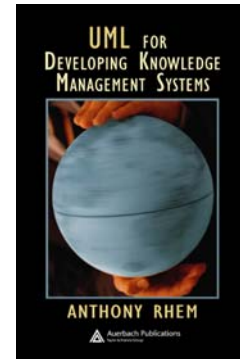
Questions?

THANK YOU!

*Anthony J. Rhem, Ph.D., CKM
Sr. Partner/President*

*A.J. Rhem & Associates, Inc.
500 North Michigan Ave., Suite 300
Chicago, Illinois 60611
312-396-4024 (office)*

tonyr@ajrhem.com
www.ajrhem.com



For Further information on Knowledge Management:

“UML for Developing Knowledge Management Systems”

*By, Anthony J. Rhem, Ph.D., **Auerbach Publications, 2005***