

Seventeen Myths of Knowledge Management

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I was recently invited to a conference where participants were asked to write a paper addressing the question, “*Why aren’t knowledge-based organizations a reality?*”

This question was said by the organizers to be based on the *premise* that “knowledge production and mobilization (are) the *raison d’être* for organizations, explain how competitive advantage flows from the creation, ownership and management of knowledge assets, and champion the transformation of social capital into intellectual capital.”

I decided to address the question directly. My hypothesis: *the prevalence of seventeen myths surrounding knowledge and knowledge management not only prevent knowledge-based organizations from becoming the reality that was promised but also tend to get in the way of effective discussion of the issues.*

I use “myth” in the sense of “a fiction or half-truth, especially one that forms part of an ideology.” I advanced my hypothesis in the spirit of the organizers to “think out loud,” and “float a trial balloon”, as well as to “build links between ideas.” I am thinking that I am proven to be wrong, then at least I will have stirred up debate in a domain that in recent years has been more somnolent than exciting.

Some prevalent myths about KM

A. The nature of knowledge

1. “Knowledge is always a plus”

It’s true that knowledge is *generally* a plus when the firm is doing “more of the same”, but is it so, when it comes to transformational innovation? In disruptive innovation, knowledge is often a handicap. The people who know how things are done around here, the official experts, generally know why disruptive innovation won’t work. They have market research, studies showing the technology isn’t proven, that necessary competencies are lacking. And what do the innovators have? A mere dream of how the world could be different: for instance, a world in which hundreds of millions of people might fall in love with an iPod. This wasn’t knowledge. It was a hunch, a surmise, a guess by Steve Jobs. In disruptive innovation, knowledge can be a barrier, not an asset.

2. “Knowledge always helps innovation”

It’s true that knowledge *generally* helps innovation, when the innovation involves doing the same thing, but cheaper, quicker or better. The ability to run such mental simulations in *new* situations is what distinguishes experts from journeymen. The journeymen may have mastered some routines but if pushed outside the standard patterns, they can’t improvise. They lack a feel for the dynamics of the situation.¹ It is easy to slide from this truth to the half-truth that knowledge *always* helps innovation. In disruptive innovation, the knowledge of experts may get in the way, rather than help.

3. “Knowledge is sticky”

Many of the postings dwell on how hard it is to transfer knowledge: knowledge is sticky. Yet John Seely Brown showed this is also a half-truth. The paradox is that *knowledge is not only sticky: it’s also very leaky, particularly high-value knowledge*. In fact, high value knowledge tends to fly out the door at the speed of light, as Xerox PARC found.² It’s often low-value knowledge that is sticky – with peons hanging on to their little piece of knowhow in the hope that it might give them job tenure for just a few more hours. Meanwhile high-value knowledge flies out the door, often because the management isn’t listening and doesn’t realize what riches it has.

4. “The concept of knowledge is infinitely extendable”

When I was at school, knowledge was “true, justified, belief.” Then Michael Polanyi told us about tacit knowledge. More recently, the KM literature tends to include in knowledge, insights, hunches, surmises, educated bets, business models, strategies, scenarios, whatever. It seems as though one starts from the premise that knowledge is what creates value; hence anything that creates value must be knowledge. This circular argument is helpful to those wishing to expand the territory of KM, but it gets in the way of serious analysis of what actually creates value in an organization.

B. The nature of knowledge sharing

5. “Knowledge can be transferred”

Looking back, I have often talked about “knowledge transfer”, but it is surely right to say that strictly speaking it isn’t possible. Information can be transferred. Knowledge requires internalization by the “receiver”. Hence talk of transfer of knowledge is a misleading account of what is occurring. “Sharing” seems to me a better term, since it implies that the “sharee” needs to take some active step to internalize the knowledge, before the sharing is effective.

6. “Knowledge-sharing is always a good thing”

The literature usually assumes knowledge-sharing is always a good thing, overlooking situations where confidentiality or risk of abuse make it problematic. Reed Stuedemann recently presented Caterpillar's Knowledge Network, showing some neat features by which staff and clients could find the summary of anything in the entire knowledge base, but the owners of each knowledge space could control who got access to the full text. Thus control is part of effective sharing.

7. “Knowledge is more important than values”

In listening to accounts of successful KM programs, I've been struck by the role of values. In one presentation, Raj Datta of Mindtree talked for almost an hour about KM and the word, “knowledge”, hardly came up. The whole focus was on demonstrating, instilling and communicating the value of sharing openly throughout the organization. That got me wondering whether we may be talking more about “values management” more than “knowledge management”.

8. “People always want to have better knowledge”

Common sense might suggest that self-interest would push people to want better knowledge. But while the desire for better knowledge is evident *within* a discipline or community of practice, it is less so *between* disciplines or areas of expertise. Putting in place arrangements that will facilitate sharing within the discipline is an important step in KM. But this should not blind us to the reality that, when it comes to learning from different disciplines, the interest in learning is not always evident.

9. “The task of KM is to enhance the supply of knowledge”

Supply of knowledge has always been fairly plentiful. Libraries have been available for millennia but there are rarely lines of people waiting. The web obviously makes access infinitely easier and quicker, but it does nothing to enhance demand. If we look at the many debacles in the private and public sector of the last decade, better knowledge was generally staring decision-makers in the face. The problem was lack of demand. Until the demand side of knowledge is addressed, it is hard to see how enhancing the supply of knowledge will make much difference.

10. “There are structural solutions to the lack of demand for knowledge”

The hope seems to linger on that somehow, if we can just find the right organizational arrangement, the right directive, the right top-down decision, the right mix of carrots and

sticks, the desire to share knowledge will somehow grow, expand, even explode. This faith is similar to the faith in the Tooth Fairy, and equally misleading.

11. “KM is the same for all organizations”

“Work is increasingly a matter of knowledgeable experts cooperating on projects in rapidly changing environments.” This is true of firms that provide tailor-made solutions to hundreds or thousands of clients, but is less relevant to organizations dealing with mass markets whose clients run into the millions or tens of millions. As was recently pointed in HBR, the dynamic of these two types of organizations is radically different and KM is different for them also.³

C. The impact of knowledge sharing

12. “Knowledge is the only sustainable competitive advantage”

What is the evidence for this pervasive KM mantra? Is it true? What about smarts? What about courage? What about values? What about imagination? What about an ability to innovate? If high-value knowledge is leaky, how sustainable is competitive advantage based on it? One could make a reasonable case that KM can make doing “more of the same, cheaper, quicker and better” generally more efficient, but does it generate a sustainable competitive advantage? I have yet to see the evidence for KM as the driving force behind transformational innovation.

13. “Knowledge management will transform the business landscape”

Back in the mid 1990s, many of us sensed that KM might change the business landscape. Well, KM did indeed arrive, but it’s hard to see the business landscape as transformed. Based on where CKOs are in the corporate pecking order, firms apparently regard KM as a modest competence, somewhere on a par with running effective inventory control. Every good company needs one. It lowers costs. If you don’t have one, you need to be more efficient in other areas to be competitive. But inventory control doesn’t transform the business landscape. And neither do most KM programs.

14. “KM succeeded and no one knows it”

KM, it is said, has been internalized into organizations and so now it’s like the telephone – something you take for granted. This of course was not what was promised in the hyperbole about KM transforming the business landscape, or “the very *raison d’être* of organizations and their competitive advantage”. Here KM seems a bit like God, nowhere visible but everywhere present. On an evidence-based viewpoint, shouldn’t we recognize that there has been some hyperbole and that KM is a necessary but modest competence?

15. “It was the IT vendors who killed KM”

Some say hawking by IT vendors caused people to believe they could buy KM in a box; when they found it wasn't so, the backlash undermined the whole KM movement. There is a grain of truth here, but as a total explanation of what ails KM, no more than a half-truth.

16. “The right question to ask is: how do you make knowledge-based organizations?”

There's nothing like asking the wrong question, to lead debate astray. The question here assumes that the objective is to create knowledge-based organizations. Surely the right questions are how do you make *effective* organizations, and then, what is the appropriate role for knowledge within them? Knowledge is only one of the elements that make up effective organizations.⁴ So why should knowledge be the be-all and end-all? For organizations that have knowledge as a central business strategy, the question is admittedly central, e.g. World Bank. But for most organizations, this won't be the case, and hence for them, the question itself is problematic.

17. “Knowledge is the *raison d'être* for organizations and explains competitive advantage”

This was the premise that the organizers started us with. But just think about it for a moment. Knowledge production and mobilization as “the *raison d'être* for organizations”? They “explain competitive advantage”? Could this be so? Perhaps **one** of the *raisons d'être*, but not **the** *raison d'être*? Perhaps **part** of the explanation of competitive advantage, but not **the** explanation? Aren't we dealing here with the kind of hyperbole that got us in trouble in the 1990s?

Conclusion: The Way Forward

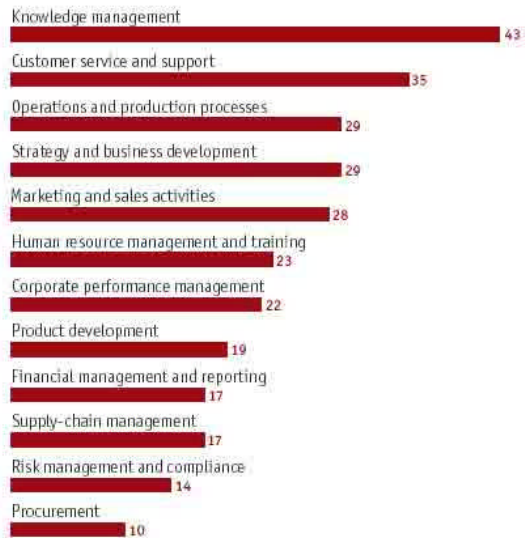
It is not that the propositions cited above are totally wrong. Most are partly correct. But they are also partly incorrect. And they are widely believed and pervasive in the literature.

So the way forward in KM is to be more nuanced, more accurate, more precise in what we say and how we talk about knowledge and knowledge sharing, along with perhaps more than a soupcon of modesty in what we claim and predict.

Is this the way forward? I am not arguing here that KM is nonsense or that it should be closed down. I do believe that KM is an essential part of most, if not all, organizations. How big a role will it play in future? On a positive note, I was struck by the recent 2020 Foresight report issued by The Economist Intelligence Unit.⁵ It's a survey of 1,656 senior executives from around the world in late 2005:

Which of the following areas of activity offer the greatest potential for productivity gains over the next 15 years?
Select up to three activities.

(% respondents)



Source: Economist Intelligence Unit survey, 2005.

Apparently many senior executives are still expecting big things from KM. If we are not to disappoint these expectations, then getting our own house in order and freeing it from some of its pervasive and debilitating half-truths will be a key part of the way forward.

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¹ Klein, G., *Sources of Power: How People Make Decisions*. 1998, Cambridge: MIT Press.

² <http://www.creatingthe21stcentury.org/JSB14-k-sticky-leaky.html>

³ Moore, G.: "Strategy and Your Stronger Hand," *Harvard Business Review*, December 2005.

⁴ There are many other elements besides knowledge – smarts, imagination, courage, values, efficiency, systems, focus, consistency, and so on.

⁵ http://www.eiu.com/site_info.asp?info_name=eiu_Cisco_Foresight_2020