

This knowledge pill examines the issue of how to apply knowledge to the business.

Knowledge application



- Selecting, identifying, processing, and using the «right» knowledge to produce and deliver services to clients
- A necessity for value creation for the benefit of the company and the clients
- The «finalization» of knowledge management

Source: Pexels (https://www.pexels.com/it-it/foto/persona-che-scrive-su-carta-bianca-5584052/)





We focus on the process of selecting, identifying, processing and using the knowledge that is needed to produce and deliver a service to clients, to create economic value for the company and the clients themselves. The capability to make profit and compete in the markets depends, for KIBS, on their ability to perform this activity efficiently and effectively.

Knowledge application represents the ultimate finalization of all knowledge management processes: the knowledge that a company collects, develops, shares, memorizes, etc., must be finally used to deliver services to customers.

The centrality of customers



Source: Pexels (https://www.pexels.com/it-it/foto/moda-uomo-donna-creativo-6044490/)

- The success of knowledge applications depends on customer relationship
- KIBS must understand customer needs and design services that solve their problems
- Delivery of services to clients requries a transfer of knowledge to clients
- A profitable and trustworthy relationship with clients enables a bi-directional flow of knowledge
- This makes it possible to design and deliver appropriate services and to make clients acknowledge their value





For KIBS, the success of knowledge application greatly depends on customers and on the profitable relationships that the company is able to establish with them.

KIBS must understand customer needs and detect what knowledge is necessary to satisfy their needs or solve their problems. In addition, the delivery of services also requires that a transfer of knowledge is performed to clients.

But in fact an effective bi-directional flow of knowledge with clients is necessary. The delivery of services to clients consists of or incorporates knowledge that is transferred to them. And it requires a trustworthy climate and a capability to communicate. This makes it possible to design and deliver tailored services and to make clients acknowledge their value.

Knowledge application pulls the rest of KM processes



Source: Pexels (https://www.pexels.com/it-it/foto/colorate-ruote-dentate-171198/)

- · Applying the right knowledge requires:
 - To collect knowledge about customer needs
 - To check if knowledge already possessed is appropriate
 - To search for and acquire new knowledge
 - To integrate and process the collected knowledge
 - To share within teams what is necessary to conduct a project
 - To transfer knowledge to clients
 - To memorize the experience with the project
- KM activities must be designed to finalize knowledge application properly





As mentioned, knowledge application pulls and is connected with the rest of KM processes. As a matter of fact, applying the right knowledge to the design and delivery of services requires that knowledge about customer needs is collected. It is then necessary to check if the knowledge already possessed by the company is sufficient and appropriate. In case it is not, there is a need to search for new knowledge, to acquire and create it. All the collected knowledge must be integrated and processed to design and delivery services. In doing this, the internal project teams must share their knowledge. Finally, service delivery also implies that knowledge is transferred to customers, and the experience made with the project must be memorized for future uses.

For this reason, knowledge application is the finalization and ultimate goal of the rest of KM activities, which must be defined and implemented accordingly.

The experience of professionals



Source: Pexels (https://www.pexels.com/it-it/foto/donna-laptop-seduto-auto-5717641/)

- · Learning «on the job» is essential
- New hires must be trained to understand the perspective of clients and to deliver appropriate solutions
- This is a mix of business effectiveness and trial-and-error approach
- · Project-based work is necessary
- Experience of past projects must be memorized and made available to professionals for future uses
- «Competence groups» can help to focus learning and innovation





The professionals specializing in the technical design or implementation of a service solution are essential. Their experience is what makes it possible to apply the right knowledge to each specific situation. A constant learning «on the job» represents the way professionals can find and update the appropriate service solutions. Especially for tailored services that require continuous innovations, a strong support to professionals must be provided to help them capitalize their experience and learn new elements. The business must be timely, effective, and efficient to be profitable, but new explorations can sometimes be necessary especially in complex cases, and a controlled «trial-and-error» approach must be allowed. In most cases, services are produced and delivered based on a project approach and in teams. Knowledge application is facilitated by an appropriate project management methodology, depending on the nature of the service. In the end, the experience done in a project can be useful in future times and therefore, to avoid reinventing the wheel, appropriate knowledge documentation becomes integral part of knowledge application. Another approach is to create «competence groups», i.e. teams of professionals that share their experience and help the development of innovative services by capitalizing on the experience done in project and sharing it with other employees.

Challenges



Source: Pexels

- Clients must understand and acknowledge the value of services
- Training of new hires to work «in the field»
- Dynamic scenery and continuous innovation
- Alignment of all employees and professionals to the goals of the company
- Internal knowledge sharing





A key challenge in knowledge application is that, ultimately, it is necessary that the clients understand and acknowledge the value of the delivered services. This means that the provided solution must be «explained» in a way that makes its value evident and apparent.

A second issue regards new hires, who must be trained and made ready to work «in the field» as soon as possible. This requires that the essential knowledge to be applied in projects must be easily acquired.

A third problem is that all KIBS sectors are highly dynamic as regards needs of clients, technologies to use, or ways of conducting a project. Therefore, knowledge application requires a constant update. In addition, it is necessary that all employees and professionals are aligned to the strategic and operative goals of the company, otherwise knowledge may be applied in different ways for each project. This alignment can however be difficult especially in the case of larger KIBS. Finally, professionals working in the same project must share knowledge effectively to design the solutions to deliver.

Final tips



Source: Pexels (https://images.pexels.com/photos/5676744/pexels-photo-5676744.jpeg)

- No single best approach
- Establish appropriate relationships with clients
- Support your professionals and their KM processes
- Implement a virtuous cycle of knowledge creation, application, memorization and reuse





In short, there is no single approach to knowledge application for KIBS, due to their very different specialization and market conditions.

As a summary, we may focus on these main points.

First, it is important to establish appropriate relationships with clients.

Second, the effective knowledge application strongly depends on the professionals who work on the production and delivery of service solutions. Their knowledge management processes must be therefore supported appropriately.

Third, the company must find a way to implement a «virtuous cycle» where past experience in projects is memorized and reused quickly. However, the capability to introduce continuous innovations must also be strengthened.

Sources and find out more!

Bolisani, E., Scarso, E., & Giuman, L. (2016). Knowledge management in client–supplier relationship: emergent vs deliberate approach in small KIBS. *Knowledge Management Research & Practice*, 14(2), 178-185.

Dalkir, K. (2011). Knowledge management in theory and practice. MIT press, 2nd edition

https://nibmehub.com/opacservice/pdf/read/Knowledge%20Management%20in%20Theory%20and%20 Practice%20by%20Kimiz%20Dalkir-%20Jay%20Liebowitz.pdf





