



@ Whirlpool

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Knowledge Management: A story about a company intuition

“There once was the President of an American global company”- leader in the home appliance sector – who had a great dream he wanted to come true:

“If only we could turn the huge company experience and knowledge into a real and tangible market value in order to become more and more competitive and even more innovative...”

Every day, Mr Dave Whitwam could see his colleagues and staff wasting precious time searching for urgent information; he could hear them frenetically making phone calls while searching for competent resources to deal with specific issues; he could observe them finally managing to get some scrappy data which required further processing to have it fully available and useful; he dreaded to watch the staff of his company while they wasted most of their precious and costly time re-starting activities and projects from scratch, when the same work had probably already been dealt with by somebody in the company, but all useful data regarding the matter had been lost or was not traceable any longer.

He knew that huge amounts of important data and useful information which had already been processed, re-adapted and tested somewhere in the company world were about to be lost inside headquarters archives or perhaps would lie forgotten inside the drawers of many desks, on various computer hard disks or would be known by a large number of company experts who however could not be identified or were not available, probably dispersed in a some remote factory.

Dave was fully aware of the fact that at the same time while dealing with contingency plans, operational issues, globalisation and market share battles, the personnel of his company was almost losing the ability to be creative, to “think different and out of the box”, to arrive faster, efficiently and successfully into the market place. In other words to be innovative.

Being determined to put an end to all this waste and missing opportunities, Dave shared his worries with a small group of his collaborators and he gave them the task of verifying whether those huge company resources could somehow be captured, stored and made accessible to a larger number of people in a protected, productive and interactive environment, able to enhance people ability to innovate.

Among the binding key elements agreed upon there were:

1. Whatever proposal came from such evaluation it had to be a global one, both in terms of development and implementation.
2. The President himself would have borne the designing costs of such a system for the first two years (during the evaluation and testing stages). However, these costs would have been transferred to the business as soon as possible, also to show the largest possible participation of the company management in the project, regardless of the President's sponsorship.
3. The project would have worked out an accurate analysis, involving the largest possible number of company staff members. Then it would have evaluated the different ways of implementing the system by testing it thoroughly.

The last point was decided on the basis of a precise request of the group. Its members knew that the issue raised was extremely vague and vast, that it had been originated by the strong willingness of just one single person – a farsighted person, yet still one single person, and that most likely they would have been confronted to the usual scepticism the organization had towards elements it considered too new, sometimes philosophical or, in any case, theoretical. So they did not want to start with a Megaproject, globally launched, virtually supported by all the most strategic areas, widely announced by the company's internal communication system and then finish into a classic...Megaflop.

However, the group of “disciples” who had been entrusted with the task worked out an action plan, approaching the issue in a rather pioneering yet excited way. The action plan consisted of four phases that would have allowed meeting the President's demands and needs (Figure 1).

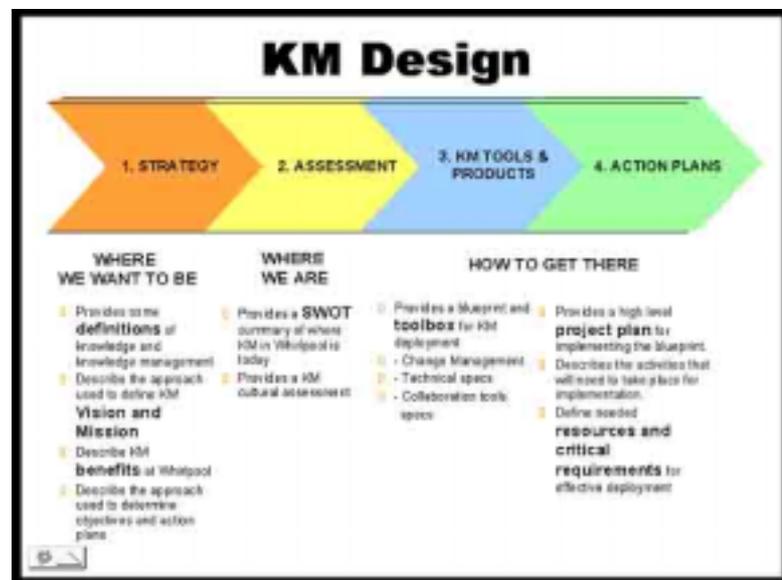


Figure 1 – Four-phase Start up action plan

The first thing to be identified was the reason **WHY** such a global, dynamic and innovative company had to face such a huge task involving company data collection and distribution. Then, a list of all the productivity and growth benefits that would have derived from it was made.

The members of the group knew that without a list of credible benefits that could be measured in terms of value and business (reduction of the time needed to develop a marketing plan, reduction of the time needed to design a new product, an increase in testing and starting new services and sales activities, reduction of the time needed to find in-house experts and, consequently, a reduction of the consulting costs, reduction of the time needed to identify and evaluate company “talents”, optimisation of staff succession plans, etc.), the project wouldn't have had any chance to be successful or, even worse, any chance at all to have the company staff of all levels pay any attention to it.

Subsequently, an accurate analysis and an evaluation of the cultural, organizational, managerial and technical environments at the start-up phase were carried out in order to better identify **WHAT** was needed: which knowledge and subjects should have been collected, or at least with which was the level of priority, which were the sharing and interaction tools that the company staff could have used in a fast and effective way, who were the main “providers” of such information and who were the “users” at global level, which was their knowledge sharing process and to what extent improvements could be made, and so on.

The action plan developed in this way ended with a section regarding **HOW** (a real sequence of activities to be performed and the times to do this) and **WHO** (that is to say, the kind of resources needed and the costs involved).

The plan appeared to be feasible, especially because it didn't claim to solve all the identified problems in a short time, it did not provide “master key” solutions, and it was supported by an extensive Change Management programme which, once the infrastructure and the tools for capturing, organising and sharing company knowledge had been identified, would have provided details on which were the communication, training and monitoring activities to be implemented by the group.

During the meeting held to evaluate the project and the activities suggested by the group, Mr Whitwam, approved the entire plan and assigned the first funds: the KM adventure had started....

The “KM disciples” identified the 3 subjects needed to start testing the KM process they had developed.

They held hundreds of interviews, set up focus groups and in-house activities with the aim of involving a complete panel representing the company staff.

In order to collect and consolidate all the answers in the most meaningful way the team defined an innovative tool (In-Out analysis)

This method helped them to focus Interviewees attention on business priorities, prepare the first content flow and categorise the exact content map (Kmap) of 3 experiment areas, define the owners and potential users and define the technical and functional requirements for the web structure (databases, site and navigation).

Figure 2 shows the e-based interfaces of the 3 KM sites- 1st generation

Figure 3 shows how a KM infrastructure is composed

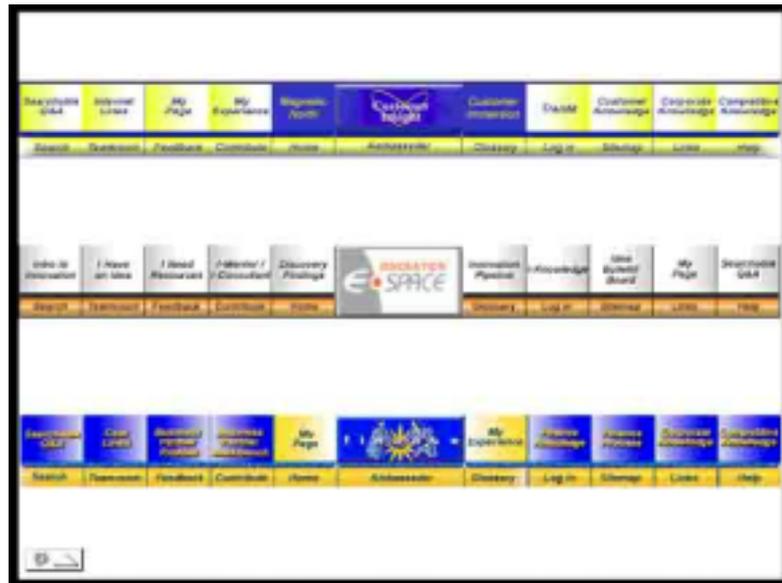


Figure 2 – From the top: Customer insight, Innovation, Finance, 1st generation web design

At the same time a specific subgroup of the global team designed the necessary Change Management program to support the deployment and extension of the Km within the Company: education, communication and monitoring plans. Moreover, the long list of requirements collected through the users and well distinguished between “need and nice to have”, allowed the team to identify an number of critical web functionalities and interactive tools such as:

- My Page (a global database of registered CVs which are managed by the users themselves – *Figure 4*);
- My Experience (a global database of projects which are autonomously managed by the company staff – *Figure 5*);
- Searchable Q&A (a tool for users to search answers to frequently asked questions or to post new questions to the global Internal Communication Community, that manages the system, either without showing one’s identity or showing it).

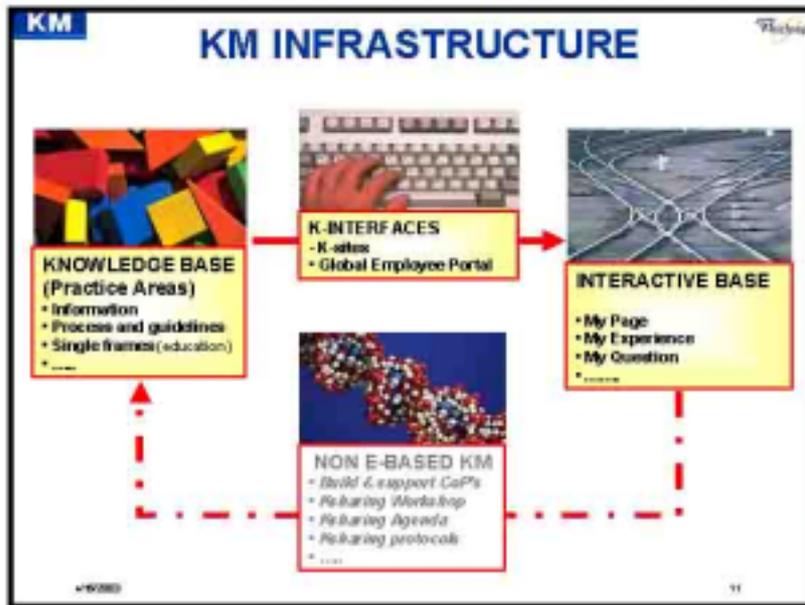


Figure 3 – Composition of a KM System



Figure 4 – An example of My Page, a global database of registered CVs that are managed by the users themselves.

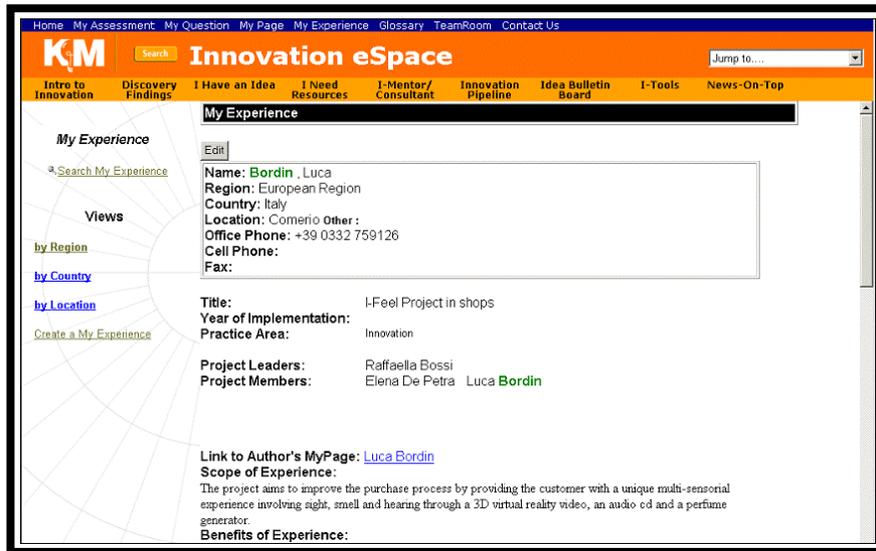


Figure 5 – An example of My Experience, a global database of projects that are autonomously managed by the users themselves.

Getting the dream to come true was far from being achieved yet, but by January 2001 15,000 people had been exposed to the prototype of the KM Platform and to the 3 systems via the web, all created with company resources, with no external support and advice (a very rare event in the company) and saving 25% of the total funds for the year 2000.

For the 1st Qtr and almost the entire 2nd Qtr of 2001, the team deployed a continuous, tireless communication and education activity, based on their Change Management program, with a heavy effort in terms of time and energy but being absolutely sure that only by “taking the horses to the river”, that is taking the user to the screens, the staff would have really started to benefit from the system and the effectiveness of the project itself would have been demonstrated.

In June the global members of the team deployed the first phase of the monitoring to evaluate quantitative and qualitative results against the measures that they had defined at the very early stage of the KM trip.

Results exceeded everybody expectations and provided an additional list of needed features and contents, together with clear inputs on how to redesign the web look and feel (colours, style, navigation, speed, etc) (see Fig 6 for overall KM plans and accomplishments)

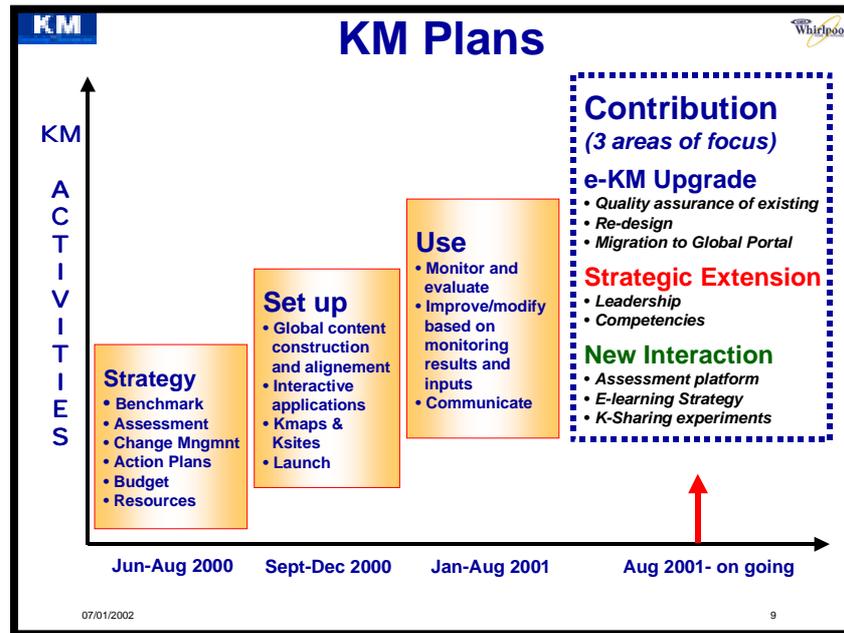


Figure 6 – Accomplishments, plans and activities.

In August 2001, the group had the process scale-up proposal approved by the President and all the company’s executive committee, which by then was fully involved and had been further convinced by an average monthly increase by 50% of the visits and interactions within the system, by evidence of the effectiveness of the sharing tools launched by the KM, by more than 2000 CVs submitted online and by continuous requests to submit projects and past experience information to the system.

A few weeks after, the team launched the new design and new logo of the KM system, which, at that point in time changed the name in “Know, learn and Do at Whirlpool”. The team in fact was required to start defining also the Global e-Learning Strategy for and to lead the construction and launch of the Global Employee Portal.

In December 2001, the K.L&D team closed the 1st successful year of production with a solid background and successful internal reputation, ready to move to the second year with more ambitious targets or, as they used to call it, towards a new “dream space”.

The idea is that, although e-based methods of acquiring, storing and sharing data and information about consumer trends, innovative ideas, about employee’s backgrounds through employee personal web pages or about experiences and lessons learned on projects is critical, the actual transformation of that data and information into knowledge requires human presence and interaction. The act of discussing, debating, dialogue and analysis of these data and knowledge is what transforms numbers, statistics and concepts into value-added ideas, projects, services or products : action.

So 2002 has been the year of non-e based KM programs and guide experimentation which has enabled the team to support a deeper, more robust cultural change to facilitate faster, smoother and more productive Knowledge Sharing and Contribution across the globe of Whirlpool.

2003 will be the year of consolidating non-e based Sharing Activities supported also via KM Training & Education modules (specifically built for various target audiences).....but this is another story!