

Explanation

The KM benefits tree illustrated has been synthesized from the outputs of three real situations and highlights some commonly found KM benefits. The benefits shown in the left hand column are those closely related to information and knowledge processing. Generally they are the most visible or quantifiable. Those to the right occur as a result of this improved information and knowledge handling. The connecting arrows indicate causal dependency i.e. which benefits lead to higher level benefits. In this particular tree, three different classes of benefit have been used:

Knowledge Benefits. These are those derived from more efficient processing of information and knowledge, for example by eliminating duplication of effort or saving valuable time. A survey carried out by the AMS knowledge centre showed that information management professionals at a knowledge centre could find relevant information 8 times faster than non-IM professionals.

Intermediate Benefits. These are how the knowledge benefits could be translated into benefits that can be expressed in terms of efficiency or effectiveness. A common example is that best practices databases helps to eliminate less efficient operations through transferring knowledge from the best practitioners.

Organizational Benefits. This class of benefits are those that impact some of the organization's key goals, such as productivity and customer service.

Page 4 has a checklist of typical benefits in these and other categories.

Refinements

It is quite common to have additional categories of benefits, or use different terminology. For example, Karl Wiig proposes 5 categories (and columns)

- KM-related effects
- Internal benefits - operations focus
- Improved deliverables - products and services focus
- External benefits - customer and market focus
- Bottom-line benefits e.g. profitability, market image

Another categorization for the right hand columns are internal, external, management and organizational. Whatever categorization is used, there should be obvious links to organizational objective and performance management systems.

Further refinements adding weightings of importance to the different boxes and also influence weightings on the arrows. However, without a fully developed measuring system, these weightings are likely to be rough indications at best, and may detract from the main purpose of the tool.

Purpose

The main purpose of using a benefits tree is to stimulate discussion of the benefits of the organizational benefits of knowledge management, to provide focus for KM activities and indicate potential indicators that can be used to monitor KM effectiveness.