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Abstract
This paper focuses on the strategic importance of managing and leveraging generic knowledge assets, in the form of benchmarking, for human resource management. Often knowledge assets are never located when the need arises to use them. This results in organizations incurring huge costs and efforts in “re-inventing the wheel” or grappling with the challenge of locating, selecting and applying the knowledge assets to create or sustain the competitiveness of organizations. A review of the literature is conducted in order to present an appraisal of available benchmarks for knowledge management in key international economies. It is argued that acquiring and implementing best practices is a cost effective means of adopting and using existing knowledge. The recipient of the existing knowledge must be able to select and apply best practices that add value to the organization. Best practice knowledge assets are mostly explicit in nature, and become tacit knowledge when such knowledge is applied in specific contexts.

Keywords: Benchmarking, best practices, human resource management, knowledge management, knowledge sharing

Introduction
Al-Mashari (2005:1) claims that contemporary organizations must be flexible and be able to handle rapid changes in the environment. The cost effective means of achieving this is through a process of continuous learning. In addition, benchmarking performance against the world’s best practices will lead to the use of established cost effective best practices. It is through this innovation that organizations could become world class.
Implementing, adapting and learning from others best practices are not only legal and ethical, but critical for success.

This paper reviews literature on knowledge management best practices (KMBP) and provides useful benchmarks of important knowledge management processes for organizations to emulate. Key international economies have been chosen from which to extract potential benchmarks. The United States of America, United Kingdom, and broader Europe have been chosen based on their role as pioneers of knowledge management, and as economies in which knowledge management has gained an established formal place. Japan has been chosen as an inherently knowledge valuing economy which has been key in promoting the country’s rise from a low-income to high-income country. India has been chosen on the basis of it being a middle income country with maturing experience in implementing knowledge management. In addition, India’s role as a strategic economic partner of South Africa makes it an important comparator. The aim of this paper is to highlight lessons that may be learned from the knowledge management experiences of the aforementioned countries in an effort to establish potential benchmarks for local practices. Electronic database searches were conducted in an iterative manner during January - June 2010 to retrieve articles related to benchmarks or best practices in knowledge management in the selected countries. Search terms included “benchmarking”, “best practices”, “knowledge management”, and “human resources”. No specific keywords were required as inclusion criteria; a relatively small number of studies exist on the topic.

**Benefits of Knowledge Management Best Practices**

Wareham and Gerrits (1999:39) posit that organizations that seek best practices build on the experience and knowledge of other organizations rather than generating knowledge in-house. Managing knowledge resources across organizations, industries, institutional environments and diverse cultures have become a major challenge in the current organizational era.

Seeking, adapting and adopting industry best practices are not only cost effective but timely and therefore beneficial for organizations. Knowledge management best practices have become preferred methods to create, manage and transfer knowledge in organizations due to the enormous benefits and cost effectiveness.
The following important benefits of benchmarking have been identified by Auluck (2002). Benchmarking:

- Encourages organizational dialogue about the current work practices and the need to change;
- Evaluates industry best practices;
- Develops a better understanding of processes;
- Interrogates existing practices within organizations leading to innovation and exchange of ideas;
- Assists in goal setting based on objective data;
- Improves competitiveness of organizations; and
- Encourages learning and networking with leading benchmark organizations.

According to the White Paper on Knowledge Management Best Practices (2002), the following best practices have been identified for successful knowledge management initiatives.

**Best Practice 1:** Make knowledge management a natural part of the workflow;

**Best Practice 2:** Provide access to the most relevant knowledge available;

**Best Practice 3:** Obtain the support of the key managers from the top down;

**Best Practice 4:** Address the cultural change that knowledge management implies;

**Best Practice 5:** Recognize and reward the efforts of knowledge workers; and

**Best Practice 6:** Monitor performance and analyze results for continuous improvement.

The White Paper posits that successful knowledge management endeavours result when the six accessible and pre-existing best practices are implemented. Carpinetti and de Melo (2002:246) state that benchmarking could be conducted and applied to various sectors and functions including but not limited to human resource management.

Gamble and Blackwell (2001:51) state that the best way to institutionalize best practice is to pose the following questions:

- What do you know?
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- What do you need to know?
- What is the best way of getting what you need to know?

The starting point is to enquire from managers what knowledge they need about the context of the project on hand. The follow-up question is to ascertain the best way of accessing the knowledge that is required.

Camp (1995), a leading authority on benchmarking defines the benchmarking process in terms of the following phases:

**Planning:** This phase identifies what to benchmark and the choice of organization to benchmark against. It is important for the recipient organization to acknowledge that its own performance in the area of study could be improved.

**Analysis:** This phase focuses on analyzing the data that has been collected. The analysis reveals the knowledge gaps that exist between the source and the recipient, as well as the best practice the source employs to attain superior performance.

**Integration:** Following the analysis phase, the recipient organization should prepare to integrate the identified best practices.

**Action:** Once the best practices are integrated, the recipient organization develops towards superior performance. It is necessary for continuous benchmarking and learning to maintain and improve current standards in managing knowledge.

The benchmarking phases should be regarded as templates and adapted to suit different circumstances as well as specific industries and organizations.

According to Drew (1997:427) the benchmarking process could be categorized into five basic steps as depicted in Figure 1.1. These are:

- Identify what to benchmark;
- Select the best performers in the market (benchmarking partners);
- Collect and analyse the data;
- Set performance targets, and
- Implement plans and monitor results.
Generic methods of benchmarking have been identified in business best practices (BBP) and are discussed.

**Different Methods of Knowledge Management Benchmarking**

Bendell *et al.*, (1993:125) differentiate between different forms of benchmarking related to knowledge management best practices. They posit that the knowledge management benchmarking will differ from situation to situation depending on the prevailing circumstances.

**Competitive Benchmarking**

This method of benchmarking reviews competitors that are achieving best performance results. A critical assessment is undertaken to establish the success factors that determine the competitor’s outstanding performance. Due to the similarity of the competitive environment, the potential to transfer knowledge management best practices will be relatively high. However, this kind of benchmarking may be difficult to undertake, as competitors may not co-operate with sharing best practices due to competitive rivalry (Bendell *et al.*, (1993:125)

**Internal Benchmarking**

Organizations that have multiple departments and sites that perform similar tasks and functions can transfer best practices between the sites and departments. Improved performance is generally linked to effective methods
in performing tasks. Therefore it is beneficial to identify such methods within the organization and transfer such methodologies to employees in other sites and departments (Bendell et al., 1993:125).

According to Carpinetti and de Melo (2002:244), the advantages of internal benchmarking is that the knowledge is already in the organization and available. However, the disadvantage of this method is that it overlooks competition, and encourages a narrow internal perspective.

**Process/ Functional Benchmarking**

This type of benchmarking reviews business practice processes in the relevant area of operation. Different organizations that offer different products or service in different markets can improve service levels by adopting best process factors (Bendell et al., 1993:125).

**Generic Benchmarking**

Generic benchmarking focuses on the technological aspects of the process. Technology and its optimal deployment are regarded as major contributors to acquiring best practice status. Benchmarking is used to evaluate existing technology and the need for new technology implementation (Bendell et al., 1993:125).

**Benchmarking of Human Resource Management (HRM)**

According to Lopez-Cabrales et al., (2009:485), empirical studies have confirmed that the strategic management of knowledge is a key responsibility of the human resource function. They further posit that although human resource systems facilitates the development, and creation of unique knowledge amongst employees, there is no best practice for the use of human resource processes to manage knowledge.

Chasserio and Legault (2009) claim recent studies have indicated that human resource best practices are not considered important in modern organizations. In such institutions, the human resource functions have been relegated to operational procedures. This position is contradicted in research conducted by Edvardsson (2008). The findings showed that the human resource function is critical for the success of knowledge creation and sharing provided these are supported with incentives and rewards.
Rodwell et al., (2000:356) argue that whilst human resource management benchmarking adopt industry best practices, this does not necessarily give institutions competitive advantage over others.

The main objective of strategic HRM to an organization is its contribution to making the organization maintain and sustain competitive advantage (Teo, 1998: 67).

Although benchmarking practices seem easy to implement, the application of its principles does pose challenges for organizations. Torrington and Hall (1996) state that benchmarking HRM is driven by the high labour costs and the potential of the human resource function to propel the organization to strategic status.

Akinnusi (2003:30) makes the following suggestions that could result in benchmarking techniques revolutionizing the human resource function:

- Human resource managers must improve their skills in strategic human resource management as benchmarking focuses on strategic rather than operational objectives.
- Human resource managers must identify and implement the best HRM practices in the relevant sectors.
- South African organizations should emulate America, Europe, Canada and Australia’s example of implementing best practices in public sector HRM management.

In a study of HRM best practices undertaken by Arnolds et al.(2009:11), the findings showed that managers did not attach much value to the strategic importance of best practices. This finding is corroborated in a study by Lucas et al., (2004) in that human resource policies and practices are not linked to the strategic objectives and moreover, a strategic human resource management approach is not reflected when designing and implementing business strategies.

In an exploratory study by the Human Resource Forum (2006), it was established that many lower and middle managers who are responsible for implementing human resource management best practices are not familiar with such practices.

Human resource managers should, therefore, embrace the challenges of benchmarking as a means to improving the pace of service delivery, especially given the poor state of human resource management in South
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Africa. In this regard the world competitiveness report (2007) recorded South Africa in the last quartile against other countries in terms of human resource development and human resource management categories during the period 1998 until 2007.

Benchmarking and implementing best practice HRM policies and practices will ensure that the organization’s human management will contribute to some measure in improving its ratings (Akinnusi, 2003:30).

Knowledge Management Country Comparators
An increasing number of countries have initiated knowledge management programmes within their organizations. Whilst most of these countries are developed countries, emerging and developing nations are increasingly embracing knowledge management initiatives within the human resource management function as a means of improving the quality and pace of service delivery. The 21st century heralds an organizational era that would take knowledge management to a higher level where organizations not only strengthen existing knowledge management practices but also implement knowledge management best practices to realize its optimum benefits.

Japan
Japan has been the world’s second largest economy for a significant period spanning 1968 until around mid-August 2010, with its profile recorded as second to the United States of America in the list of economically significant nations during this period. China is currently the world’s second largest economy with Japan in third position (The Perryman Report, 2010:1).

Japan remains a leading economy, having transformed from a nation, which imitated the low-wage, low-cost goods based on Western designs to a formidable nation that manufactures high quality and reliability products in the 21st century (Little et al., 2002:102).

Japan’s capacity for knowledge creation is facilitated by its stable economy and clearly demarcated organizational boundaries. The stability of organizations and the zero-rated labour turnover means that organizations could effectively tap the accumulated individual and collective tacit knowledge. Japanese organizations engender close working relationships amongst employees that creates voluntary knowledge flow with relative
ease. However, internal values tend to exclude external perspectives such as Western models of social networking and self-organizing communities of practice (Ray, 1998:151).

Japanese Knowledge Management
Japanese knowledge management includes knowledge related processes in every part of the organization. Its knowledge management strategy is informed by the feedback it receives from the various channels which involves everyone in the organization. The management culture encourages all employees to participate in the planning process, which induces commitment by the employees to implement the plan on a voluntary basis (Nonaka, Toyama & Konno, 2000: 41).

Nonaka and Takeuchi (1995) advocate that the Japanese knowledge creation process place emphasis on the middle-up-down management style that is neither a “top-down” nor “bottom-up” approach, but a combination of both.

Little et al., (2002:110) contend that the role of Japan’s middle managers is to transform the organization’s vision into a format that is practical and achievable by the operational workers. Whilst the Western world views mission and vision statements as “vague, ambiguous or even meaningless”, the interpretation of vision statements in Japan is based on the understanding of its contents due to the mutual relationship between the leadership and its subordinates. This relationship creates an instinctive knowledge of what the leadership expects. This position is consolidated as subordinates could assess which options find favour with the management during the course of the working relationship. Therefore vague vision statements would be interpreted as the placement of trust on employees to implement the preferred action. In exchange, the leadership rewards the subordinates for the positive behaviour.

Japanese management practice is qualified in Harvey-Jones (1993:178) study of competing nations against a Japanese company in building a chemical plant. Each organization was required to build a similar plant and started the project at the same time. The Japanese company completed the project ahead of all competing nations. Success to knowledge management endeavours is attributed to Japanese organizations having discovered that the sources of knowledge used for innovative projects came from across the
organization, and not only the department that was dedicated to the functional responsibility. Organizations’ have a tendency to store redundant information for collective organizational memory (Macdonald, 1995:557).

Porter (1990:397) points out that in Japanese organizations, employees’ derive their identity by their sense of belonging to the organization and earning the respect of their fellow colleagues as a committed team member. Porter (1990:397) noted that knowledge creation in Japanese institutions is equal to or second to none.

The foregoing confirms that the success of Japan’s knowledge management initiatives are influenced to a large extent by a combination of factors such as culture, senior management support, rewarding of knowledge related activities, high commitment to communities of practice and teamwork.

UK, Europe and USA
An intensive study was conducted by Harris Research, on behalf of KPMG Consulting (2003) among chief directors, finance directors, marketing directors and those who were specifically responsible for the knowledge management function at 423 organizations based in either Europe or the USA. The organizations that were chosen had a turnover exceeding US$347 million a year. The reason for the choice of the sample is that it was perceived that organizations at this level have the greatest need to implement knowledge management initiatives, the capability and resources, and the potential to reap maximum benefits (KPMG Report, 2003).

The findings of the study in the KPMG Report (2003) provide a good overview of the status of knowledge management initiatives in the respective countries. A summary of the outcomes is presented hereunder:

The respondents from all countries surveyed reported that knowledge management play a significant role in improving the competitiveness of the organizations and to a lesser degree, employee development. The participants expressed that knowledge management provide significant benefits, especially in achieving improved decision-making, quicker turnaround response to key business matters, and improved customer service (KPMG Report, 2003). Overall, most respondents stated that the organizations are better off with a knowledge management programme than those without. Respondents with a KM programme (45%) compared to those
without (63%) complained of re-inventing the wheel. 72% stated that they could access procedures for a business need within half- day compared to 55% without (KPMG Report, 2003). Of the respondents that had a KM programme, 75% perceived that greater benefits are yet to be realized from the programme. The important findings are that 75% of the respondents expected increased profits and 73% anticipated reduced costs (KPMG Report, 2003). Of the respondents, 36% indicated that the full potential of knowledge management has not been realized. The reasons cited are:

- Insufficient communication;
- Lack of integration of KM in work practices;
- Lack of time or system was too complicated;
- Lack of training;
- Insufficient benefit for users
- Lack of time to share knowledge;
- Failure to use knowledge effectively; and
- Difficulty in capturing tacit knowledge (KPMG report, 2003).

The responses reflected that organizations were not considerate of employee needs. KPMG Consulting (2000:3) claims that this is a reflection of organizations not addressing the cultural implications of KM. KPMG argues that a knowledge management programme should ideally overcome employee frustration in accessing knowledge resources. Only 33% of all respondents had knowledge policies, 31% rewarded knowledge work, and only 18% created knowledge maps that guided employees to locate available knowledge resources (KPMG Report: 2003).

In terms of staff attraction and retention strategies, only 45% of respondents whose organizations had KM programmes viewed KM as a means to attract and retain employees (KPMG Report, 2003).

The study revealed that organizations have implemented a number of technologies for KM. 93% of respondents used the internet to access external knowledge, 78% used the intranet, 61% used document management systems, 49% used decision support systems, and 43% used groupware. Whilst organizations reported extensive use of technology for KM purposes, only 16% of respondents stated that their organizations had technologies that were specifically designed to leverage KM initiatives (KPMG Report, 2003).
The survey revealed that most of the organizations did not have a fully integrated KM system. Only 53% of the respondents whose organizations had a knowledge management programme reported that KM was integral to organizational and individual processes. None of the organizations surveyed have exploited the full potential of KM initiatives (KPMG Report, 2003).

The findings of the survey reflected that there were no significant differences in the respondents’ views amongst the organizations in UK, Europe and the USA (KPMG Report, 2003).

The study confirmed that knowledge management is an acknowledged strategic management tool in the countries surveyed. However, the full impact of knowledge management policies, practices and interventions are yet to be realized.

**India**

India’s knowledge management implementation and experiences are diverse owing to its unique mixture of best and worst scenarios as stated by Malhan and Gulati (2003:211).

Retention of skilled workers in India remains a challenge because the demand far exceeds the supply. India has a huge shortage of experienced and trained middle managers to supervise employees. Much time and effort is spent on human resource administration thus very little attention is given to strategic issues (Mello, 2011:623). This is further qualified by Goyal (2006) who states that India’s education system, with the exception of sectors of excellence, is failing to produce knowledge workers in critical areas of need.

It is paradoxical in that India has the state-of-the-art fastest jet planes, superfast trains and speed post mail facilities. At the same time it has bullock carts, steam engines and pigeon post facilities. It has world-class universities and research institutions but numerous schools are without basic infrastructure. It creates the world’s best engineers and scientists but 45% of its population is illiterate (Malhan & Gulati: 2003).

These paradoxes pose unique and additional challenges for human resource management to ensure success in knowledge management initiatives.

**Knowledge Management Challenges in India**

Malhan and Gulati (2003:211) claim that India is rich in knowledge and
ideas that have been passed on from generation to generation. They caution that knowledge is dispersed and requires to be managed to yield maximum benefits. The major barrier to knowledge management is the lack of interest shown by senior management in knowledge activities. Computer and internet literacy is cited as a further barrier. However, current studies have confirmed that Internet usage has improved significantly.

According to a NASSCOM (2003) Survey, only 1.2% of the population in India uses the Internet. Due to budgetary constraints and the time spent on the internet, restrictions are placed on its usage. The University of Jammu is cited as an example, where a slow speed Internet facility is made accessible to a limited number of employees for a specified four hours a day. The lack of ICT infrastructures in higher educational institutions in India poses significant problems for knowledge management processes and activities. Electricity power outages are cited as another growing problem for knowledge management due to the irregular and intermittent disruptions in knowledge related activities. However, the Government of India and private businesses have shown commitment to addressing these challenges (NASSCOM Survey, 2003).

While previous studies showed slow progress in Internet usage since the introduction of the internet in India in 1995, current statistics confirm that India has an active internet population of 52 million users with a 2600% growth of users since 2000. This represents 5.2% of India’s population and this is expected to grow to 10% by 2015. Whilst 58% of the internet users are in the 19-35 age group, 78% of this group prefers the internet to television for entertainment and information (Gupta, 2010).

Kumar (2009) states that the increasing capabilities of the Internet offer significant opportunities to expand access to quality knowledge resources to different sectors and the diverse communities in India. The internet has tremendous potential to create interactive knowledge experiences that have previously not been possible.

A major thrust for knowledge management in India was propelled through the establishment of the National Knowledge Commission (NKC) in 2005. This Commission’s responsibility is to build excellence in the education system to meet the knowledge challenges of the twenty-first century (Press Information Bureau, 2005).

According to the NKC Report (2007) the success of the knowledge
economy relies to a large extent on enhancing access to education, and a most effective way to achieve this objective is through broadband internet connectivity.

Griffith University and BML Consultancy evaluated some of India’s knowledge management best practices through a survey.

Best Practices Knowledge Management India Survey: Griffith University and BML Consultancy
The Griffith University and BML conducted a study of knowledge management practices in fortune 100 companies in India during 2002. The research study investigated the importance of knowledge management and the acceptance of KM strategy in the Indian fortune 100 companies. The relevant findings of the survey to this study have been extracted and are reported as follows:

Knowledge Management: A Key Strategy
The respondents were required to indicate whether they had a KM programme in their organizations. 75% of the respondents recorded that they had or were considering a KM programme. 19% had no programme in place but were familiar with the programme benefits. 6% did not have a programme and were not aware of its existence nor the benefits that it could offer the organization (Griffith University & BML Survey, 2002).

Benefits of a KM Strategy
The majority of the respondents acknowledged the potential benefits of knowledge management. The respondents identified KM to contribute significantly in improving revenue growth (94%), competitive advantage (94%), employee development (81%), and cost reduction and improved productivity (69%) (Griffith University & BML Survey, 2002.)

Threats to Knowledge Management Implementation
The respondents identified potential threats to the successful knowledge management programme implementation. The highest risk was the conversion of tacit knowledge to explicit knowledge (73%). This was followed by lack of knowledge (68%), re-inventing the wheel (62%), and
information overload (55%). Failure in knowledge management implementation was also attributed to inadequate communication (62.5%), not integrating knowledge management practices in daily tasks (62.5%), no personal benefits (43.5%), and lack of senior management support (37.5%) (Griffith University & BML Survey 2002.)

**Cultural Implications of Knowledge Management**

The findings revealed that the organizations surveyed did not understand the cultural implications of knowledge management. This is accentuated by the fact that the knowledge management activities that focused on cultural factors did not get good ratings. The factors that were rated included the creation of knowledge policies (31%), rewarding knowledge work (44%) and lack of organizational commitment (6%) (Griffith University & BML Survey, 2002.)

**Knowledge Management as a Technological Solution**

The survey discovered that the organizations were very advanced in the use of technology, but failed to exploit its full potential. Very few respondents declared that their organizations implemented technologies specifically for knowledge management programmes. 87.5% of the respondents used the internet to access external knowledge, 75% used the intranet, 62.5% used document management systems, 50% used decision support systems, and 25% groupware (Griffith University & BML Survey 2002.)

The overall findings concluded that most organizations in India do not have fully integrated knowledge management programmes. 31% of the respondents indicated that their organizations were in a position to integrate knowledge management in the organizational and individual processes. 23% of the organizations use knowledge management procedures and tools as they acknowledge its benefits. 19% of the organizations do not see the relationship between the importance of knowledge management and organizational goals. 8% of the organizations indicated that they have implemented knowledge management across the organization inconsistently (Griffith University & BML Survey 2002).

The findings confirm that whilst India made progress in knowledge management initiatives, there is a lot of room for improvement. With appropriate interventions and senior management support, knowledge
management will no doubt become a strategic tool for the organizations in India in the future.

Conclusion
The international knowledge management best practices demonstrate a wide range of knowledge management implementation challenges. However, important common threads also emerge which creates learning opportunities for organizations, which are in the infancy of their knowledge management journey. A key observation is the linkage between the human resource function of an organization and knowledge management. Viewing knowledge management as a critical component of human resource management at the strategic level is a theme that emerges strongly in experienced knowledge management organizations. As a strategic tool, knowledge management is able to accrue the support of senior management as well as the allocation of resources required for the implementation of a knowledge management programme. The motivation for this shares a common source in the view that knowledge management contributes to the primary strategic focus of human resource management, which is to aid the organization to maintain and sustain competitive advantage. The economic motive for establishing knowledge management activities is identified as a key driver of its increasing popularity. The concept of an ever-evolving process of innovation being at the centre of business sustainability is an important impetus to keep knowledge management as a strategic tool. The potential exists for senior management and human resource managers at all levels to acknowledge employees a critical knowledge asset and not as a cost to the organization. This view allows for all employees to be valued as knowledge bearers and sharers, and will contribute to the creation of an environment in which all employees function as knowledge ambassadors. Additionally, knowledge sharing and knowledge transfer must be made integral to the institution’s human resource management strategy. This is important if a knowledge valuing culture is to be generated and fostered within an organization. A corporate culture that empowers individuals within a knowledge friendly environment supports networking and encourages knowledge sharing across the organization. In doing so, communities of practice and teamwork are reinforced as favourable behaviours. Consideration may also be given to incentivising and rewarding
knowledge related activities through formal mechanisms. Likewise, formal mechanisms should be implemented to systematize knowledge management processes. Such a system – whether predominantly human or electronic – should guide the identification, capturing and diffusing of important information within the organization. The distinct benefits of KM benchmarking leads to improved pace of service delivery, a corporate knowledge sharing culture, optimal use of existing organizational knowledge resources, and development of world class organizations through the formation of a knowledge management best practices directory.

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Global Benchmarks: A HRM Tool for KM Implementation


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