

KNOWLEDGE MANAGEMENT AS INNOVATION TECHNOLOGY OF THE COMPANY

In the history of the modern management until the mid-20th century American business is commonly considered, for which the bureaucracy, institutional fragmentation and impersonality were typical. Personnel worked only because it would have had to pay bills and credits.

Then it was found that European and Asian countries have become serious competitors for American companies. Management in these countries was based on the new principles. Employees of the European and Asian companies were actively involved in planning, managing of modern company. Employees actively cooperated with each other. American companies began to lose the positions in their traditional markets.

The next step in the management is associated with passion for the technology of quality management and reengineering.

The basic concept of the companies and enterprises of the twenty-first century is a knowledge management as a key innovation competitive technology. Knowledge management is a way to acquire and support the corporate knowledge and experience and is an integral element of the market value of companies. In the economy, based on the knowledge, knowledge management is a key element of business strategy. This makes it possible to the company to improve the speed and efficiency of response to changes in business environments, using collective know-how, skills and experience of staff. Knowledge management enables to overestimate the most important assets of the company, namely its intellectual capital. Moreover age-old traditions of doing business are changed. The competence stands on the first place, rather than the basic products of the company. At present knowledge management is an integral part of modern companies. It is impossible to expect the fast efficiency of innovative technology in this area of management; as well it is necessary to take into account the fact that there are too few indicators and parameters to assess the effectiveness of the knowledge management system.

If we examine the model in which the role of knowledge management is to spread knowledge within one company, it is assumed that knowledge must

circulate in such a way that every employee in process of decision making or in the course of the innovation process had a complete picture of the available in the company knowledge. And then knowledge management in the company performs the following basic functions: mediation, internalization, exporting and cognition.

The objective of mediation in knowledge management is to ensure access of the staff to the available knowledge in the company. There are two types of mediation. The first type is an asynchronous mediation. Asynchronous mediation occurs if the internalization and exporting do not work at the same time. Database storage contains information about who has such and such knowledge, and the information is recorded in the database before someone in the company will need this information. As appropriate the required information is retrieved from the database. The second type of mediation is a synchronous mediation. In this situation, internalizing and exporting work simultaneously. This knowledge is not reserved in the database storage. The owner of the knowledge and the man who is looking for knowledge, interact with each other directly.

Exporting is the establishment of relations between unrelated knowledge. This is the placing of the knowledge to the database and systematization of this knowledge on the certain signs.

Internalization is the knowledge extracting as a result of the generated query. One can create a filter for data selection.

Cognition is the transformation of knowledge into the process of reflection and decision making, based on available knowledge. Per se cognition is a practical realization of knowledge which has been moving in the course of three processes (mediation, exporting and internalization).

The actuality and practical significance of knowledge management are visible on the example of British Petroleum Company. This company has analyzed the level of oil recovery on the equally technically equipped deep-water wells; the recovery was more where staff had higher level of knowledge. British Petroleum has decided to spread the information among the staff of the wells where oil recovery was lower. As a result the productivity of labor and profits of the company were increased.

References:

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