

Some Stories about How Personality and Culture Come into Our Knowledge Management Practice

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Abstract

This paper employs the informal storytelling approach to describe some KM implementation experiences at CCLFI.Philippines in which we attempt to develop ways to better recognize, understand, measure and manage “soft” cultural and behavioral factors that affect success of KM. The first story reveals the limitations of the largely cognitive framing of KM, the difficulties surrounding the evolving terminologies in the field, and further confirmation of the growing importance of intangible over tangible assets in work performance at the employee level and in wealth creation at the corporate level. The second story illustrates how the right framework enables recognition or seeing the value of intangible assets - the first step in eventually managing them well. The next two stories illustrate the value of two examples of *context-conformable KM tools*, or tools that easily fit the culture specific to an organization. The first tool is used to clarify the best fit between personal preferences and organizational goals and demands. The second tool is used to contextualize EQ measurements for identifying gaps that most affect work performance. The fifth and last story illustrates the practice of *internal attention*, a useful tool for managing formidable behavioral barriers to team learning.

Background: Why My Story Telling Approach

From my conversations and interactions with other knowledge management (KM) practitioners in Asia,¹ I can tell that they are well aware of how important personality factors, including intelligence quotient (IQ) and emotional quotient (EQ), as well as organizational cultural factors, are in affecting KM outcomes. Many also recognize the lack of “soft” tools and conceptual frameworks for supporting KM practice in this area – compared to the ready availability of many proven “hard” tools such information and communication technologies (ICT).

¹ I led a nine-country member team for the Asian Productivity Organization (APO) that conducted a survey and collected good KM practices in its various member-countries. I have read papers in KM conferences in India, Indonesia, Malaysia, Philippines, Singapore and Thailand.

Recognizing that I am treading on less-than-firm ground by accepting this topic from the Conference sponsors and organizers – the International Islamic University Malaysia and the Paradigm Systems Berhad – this paper does not pretend to be a scientific one. I have opted to make use of a personal story telling approach based on my experiences in the KM consulting practice as well as that of my colleagues at the Center for Conscious Living Foundation.²

However, by telling you our stories, I will have to admit that what I will say is heavily influenced by my value preferences and our mental models. In the process of my storytelling, I hope that my stories can connect with yours and perhaps we can arrive at something greater than our individual isolated experiences. Besides, a storytelling conveys a personal and cultural flavor that is more suited to my topic than the scientific paper approach – with its studied avoidance of the first-person pronouns “I”, “my”, “we” and “our” – which very often leave out the flavor of the experience. According to my favorite Lebanese author Gibran Khalil Gibran bin Mikhael bin Saâd, “*Half of what I say is meaningless; but I say it so that the other half may reach you.*”

Story 1: KM Is Not Enough!

We have conducted numerous KM workshops for hundreds of people. One of our exercises is a simple one. We ask our participants the question: “*What helps you do your job well?*”³ We then collect the metacards on which they have written their answers based on their own personal work experiences and post them in front of the group. Similar answers are clustered together.

² The Center for Conscious Living Foundation Incorporated or CCLFI.Philippines (www.cclfi.org) for short, is a non-profit non-stock foundation established in 1999. CCLFI is the leading advocate and service provider in the Philippines in the area of KM, knowledge-based development and personal and organizational learning and change. On the one hand, we provide *pro bono* services to civil society organizations, government institutions and the general public. We have introduced an approach which we call “Knowledge for Poverty Alleviation” which increases the chances of success of projects for poor communities. On the other hand, we also provide consultancy services. Our clients include the Asian Development Bank, Shell Malampaya Multi-Partite Monitoring Team, CIDA, UNDP, IBM Philippines, WHO Western Pacific Regional Office and the Philippine Department of Health – the first Philippine government agency to adopt KM.

³ The question stems from the definition common among leading KM practitioners that “knowledge” is “capacity for effective action.” Here are their definitions:

“*Justified belief that increases an entity’s capacity for effective action*” – Ikujiro Nonaka, from: “A dynamic theory of organizational knowledge creation,” *Organization Science*, vol. 5, No. 1, pp 14-37 (1994).

“*I define knowledge as a capacity to act*” – Karl Erik Sveiby, from: “The New Organizational Wealth: Managing and Measuring Knowledge-Based Assets,” 1997.

“*Knowledge is information that changes something or somebody — either by becoming grounds for action, or by making an individual (or an institution) capable of different or more effective action*” – Peter Drucker, from: “The New Realities,” Harpercollins, 1989.

In almost all instances, the answers can be clustered into four groups.

Figure 1 below shows a sample of how the 634 answers from fifty-two participants who come from different organizations fall into four clusters (I have supplied the cluster labels):

The four clusters and their content --

- Validated what most KM practitioners already knew, namely, that the three types of what are largely referred to as *intangible*⁴, *intellectual capital* (*human capital*, *structural capital* which some KM practitioners call “*process capital*” or “*internal capital*”, and *relationship capital* which others call “*stakeholder capital*”, “*customer capital*” or “*external capital*”) do affect an employee’s work performance;
- Correlated with observations at the company level that the creation of market value is the result of the productive combination of tangible and intangible assets; and



Figure 1. The Four Clusters that Consistently Emerge

⁴ Let us adopt here the standard meanings of the terms “tangible” and “intangible” as used by the accounting profession, namely, that tangible assets are those that are measured in money units and are entered into the books of account of an organization. If an acceptable method of costing is used on what has been hitherto referred to as “intangible,” then it becomes “tangible.” For example, internally developed software is an intangible asset, but once it is assigned a money value and entered into the accounting system, it becomes a tangible asset.

- Added more empirical evidence that stakeholder capital (based on trust and quality of relationships) does contribute to a better work performance.

However, let us take a closer look at the results:

- The cluster I labelled “Relationship Capital” includes entries about relationships within the organization (or internal “*social capital*”) as well as those outside the organization (the usual meaning of the word “stakeholder capital”). Intellectual capital management does include managing stakeholder capital (e.g., brand, customer relationships, etc.) but usually not managing those relationships within the organization. This result suggests one way through which culture comes into play in KM: by way of relationships and how the quality of relationships in the workplace affects work performance.
- Human capital is not only about skills or expertise; it also covers character, attitude, health and self-motivation.
- Some sub-clusters (those highlighted in green) are actually more affective or attitudinal than cognitive or intellectual factors; they are more about **motivational** factors than about knowledge factors. Yet, they seem to be a pervasive (cutting across the four clusters) factor that affects overall work performance.
- The descriptive word “intellectual” in the term “intellectual capital” therefore fails to encompass all the intangible factors that contribute to more effective action or work performance.
- Ninety per cent of the answers are intangible. This confirms the observation that value creation has become more dependent on the quantity and quality of intangible assets than on the tangible assets.
- Motivational and related factors cut across all the four clusters (see Figure 2 below) and account for 44% of the answers; this cluster is a very important one. Because we were more focused on knowledge assets at the outset, this observation came as a surprise to us. We have also observed that the motivational factors span the personal and organizational dimensions; this suggests that another way that culture comes into play in KM is through organizational factors that affect employee motivation.

May I warn you, however, that these are not conclusions? At most, all I can say is that they are indicative hypotheses.

KM practitioners have known from the beginning that material as well as non-material incentives are often necessary to make KM programs work. For this reason, “buy-in” has become part of the KM language (you will not find this word in an English dictionary). That is also why KM consultants hesitate to come into an organization or company without “executive sponsorship” but would gladly accept the task on hand when he/she can see that there is a “KM champion” from within the executive ranks.

Therefore, a more appropriate management model is a mix of knowledge management and ***motivational management***:

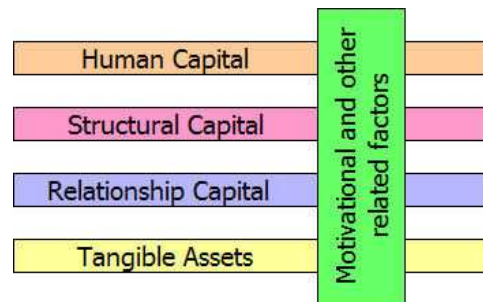


Figure 2. Motivational Factors Intersect with Knowledge Assets

To encompass all factors which contribute to work performance and value creation, the words “intellectual” and “knowledge” are not adequate.

If there is any concluding observation from this story, perhaps it is that KM is not enough. Another observation is that there is a need to define/redefine our terminologies. We need a more all-encompassing word to capture the entire range of factors that contribute to value creation.⁵

Story 2: We Need New Eyes

We examined more than 950 community-based anti-poverty projects in the Philippines and selected ten outstanding or successful ones. In doing this, we asked the question “*What went right?*” with these cases.⁶

One of our discoveries that surprised even us is that in all of the successful cases, the local community made good use of their many intangible assets (see examples in Figure 3 below).

⁵ A number of related concepts and nomenclatures are emerging, such as “integrity capital,” “positive psychological capital,” “relationship capital,” “emotional capital,” etc. The common theme behind these concepts and the more traditional or commonly used ones such as “factors of production” (land, labor and capital), intellectual capital (human capital, plus structural or process or internal capital, plus stakeholder or relationship or customer or external capital), social capital, natural capital, cultural capital, access and property rights, technology and infrastructures, is the observation that all these factors contribute to or affect productivity, performance or wealth/value creation at the individual, team, organizational or societal levels. We had proposed the term “metacapital” as the generic term to embrace all these factors or forms of capital that contribute to wealth creation. See: Talisayon, S. and J. Suministrado (2008). Knowledge for Poverty Alleviation: A Framework for Design and Evaluation of Development Projects for Low-Income Communities. Paper presented at the conference on “Knowledge Architectures for Development,” Singapore Management University, March 24-25, 2008.

⁶ Talisayon, Serafin and Jasmin Suministrado (2008), with case study writers Anna Mae Morallas-Basarte, Ferdinand Fuelles and Fe Evelyn Garcia. Community Wealth Rediscovered: Knowledge for Poverty Alleviation. Metro Manila: Center for Conscious Living Foundation Inc. and Peace and Equity Foundation Inc.

We have also realized that the so-called “poor” communities are actually wealthy in terms of intangible assets. In other words, they are only “financially poor.” It is our financial mental model or materialist framework that attaches the label of “poverty” to these communities. They are rich in intangibles such as:

- Human capital: indigenous knowledge, acquired skills, integrity of local leaders (no corruption);
- Social and stakeholder capital: productive relationships, support from local government, linkages with civil society organizations;
- Cultural capital: self-help practice;
- Access rights.

ANATOMY OF SUCCESS AND VULNERABILITY	
Assessment of various forms of capital used in the water/sanitation project for Tbolis	
SUCCESS FACTORS	RISK FACTORS
Stakeholder/Social Capital <ul style="list-style-type: none"> + Support from NGO + Skills and track record of NGO in development, including grant sourcing + Support from NGO founder who has become Vice Mayor + Trust of the people on the NGO and its founder + Support from two corporations + Goodwill from adjacent barangay who donated labor - Political factions linked to ethnicity, Ilonggo vs Tboli 	Cultural Capital <ul style="list-style-type: none"> + <i>Dagang</i> practice or cooperative self-help - Prevailing worldview that water is a free public good, including practice of open access - Some weakness in cooperative and sharing culture, e.g. failure of some families to share cement - 40% unwilling or late in payment of water fees
Technology and Infrastructure <ul style="list-style-type: none"> + Technology of water system design + Technology of toilet bowl and system design + Water and sanitation infrastructure 	Structural Capital <ul style="list-style-type: none"> + Control given to PO instead of barangay council + Prior needs assessment +/- Clarity of project benefits to beneficiaries (uncertain) +/- Unclear about actual "felt needs" by community (NGO-centric needs assessment?) - Water fees introduced only after water system was started - No connection between fee paid and amount of actual consumption
Human Capital <ul style="list-style-type: none"> + Organizational skills of NGO + Labor donated by community + Leadership of some project participants + Prior capability building efforts by NGO for PO +/- Management skills of PO which took over water system (mixed) 	Natural Capital <ul style="list-style-type: none"> + Relatively clean water in identified spring from hill - Denudation of watershed above spring - Some consumers at higher elevation
Access rights <ul style="list-style-type: none"> + Access rights to spring water, donated by owner of spring 	

Figure 3. How the various forms of capital contributed to the success of a community-based project for the Tbolis (an indigenous upland community in the Philippines)

The initial successes of the famous Grameen Bank model of microfinance in Bangladesh, I think, is due in part to social capital (the pre-existing relationships of trust among borrowers and loan collectors, peer pressure and expectations), human capital (aptitudes of housewives participating in the project), and structural capital (the system developed by Dr. Mohammed Yunus).

There are many active and lively “knowledge for development” (or “KM4Dev” or “K4D”) discourses among development workers and institutions. The prevailing assumption underlying these discourses is that development is hampered by the lack of information or knowledge, and many solutions are offered along with how to better

facilitate knowledge sharing, knowledge banking, knowledge networking and the provision of supportive ICT infrastructure.

Another realization that I made is that if I had embraced the prevailing KM4Dev assumptions, I would not have been able to see what I saw. I would probably be proposing another solution to facilitate knowledge flow. Because I used an expanded intellectual capital framework, I was able to discern that intangible assets are indeed creating value for local communities – exactly what is also happening in the corporate sector.

The resulting Knowledge for Poverty Alleviation approach reinforced our view that intangible assets can and do produce tangible results. In the corporate sector, the tangible impacts of intangible human qualities have also been recently demonstrated well by some authors. Covey and Merrill argued that when the level of trust is low, the performance level is also low and business costs go up.⁷ Marcum and Smith showed research data indicating that the executives' ego exert substantial impact on the corporate bottom line.⁸ There is accumulating evidence that emotional intelligence contributes more than technical knowledge towards excellent work performance and effectiveness.⁹

I needed new eyes to be able to see something new and different. I saw that a correct framework can enable a manager to recognize what he or she hardly sees before, and that the ability to recognize intangible assets is the first step in the learning journey of managing them well.

Indeed, according to Marcel Proust, *“The real voyage of discovery consists not in seeking new landscapes, but in having new eyes.”*

Stories 3 and 4: Contextualize, contextualize!

We have learned from experience that KM tools must be selected or adapted in a manner that fits the specific organizational context where they are applied. I prefer tools that are inherently context-conformable. Let me give the first example, a workshop exercise called “My Peak Work Experience” or PWE.

The participant is asked to recall an actual work experience in the context of the organization he/she is working in, that was accompanied or resulted in the highest personal sense of fulfilment. He/she then tells his/her story to a trusted colleague. PWE is the result of a “best fit” between personal goals, preferences and styles on the one hand, and the organizational goals, job requirements and relational

⁷ Covey, S. and Merrill, R. 2008. *The Speed of Trust: the One Thing That Changes Everything*. Free Press.

⁸ Marcum, D. and Smith, S. 2007. *Egonomics: What Makes Ego Our Greatest Asset (or Most Expensive Liability)*. Simon and Schuster.

⁹ Newman, M. and G. Ainsworth. 2004. *The Business Case for Building Emotional Capital*. Byzedium Pty Ltd. See: http://www.byzedium.com.au/cpa/htm/htm_mod_link.asp?id=63

context on the other hand. After the storytelling phase, each participant is asked to reflect and ‘mine’ what the PWE can tell him/her about what happened in this ‘best fit’ situation – the factors and circumstances that led to a fulfilling work experience. Below are screenshots of typical instructions to participants.

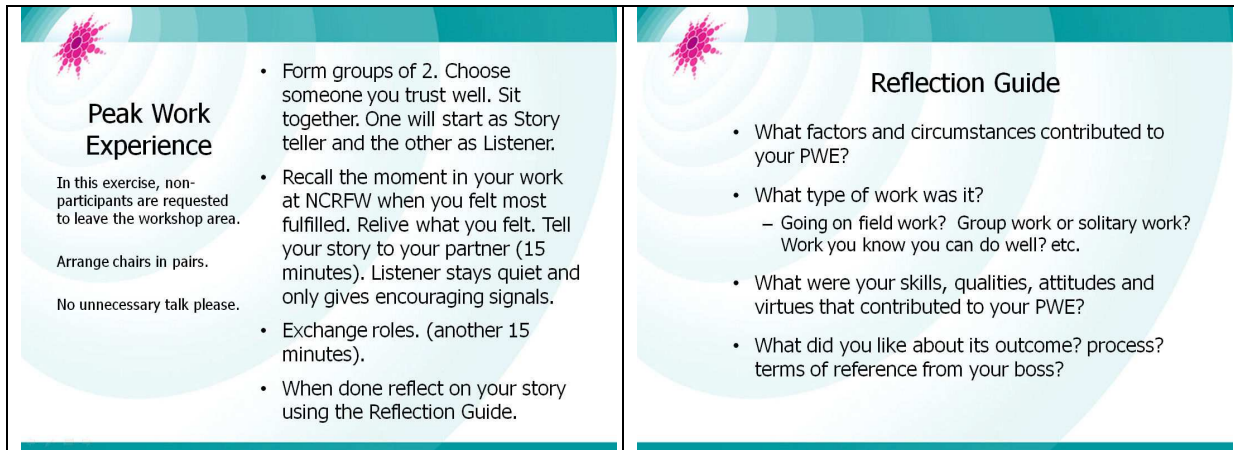


Figure 4: Instructions for a PWE Exercise

This exercise sometimes triggers emotionally powerful storytelling from a few participants. But for most participants, especially those who are losing interest in their job, the exercise is a reminder that there had been actual situations when his/her interests and talents fitted well within what the organization wants from him/her. If it happened, it can be made to happen before if the PWE is understood well: how and why it happened, what were the contributory factors, etc. Re-affirmation and new energy can thus come from reliving and studying that actual experience.

It is presumed that once these contributory factors are discovered, he/she and the superior can attempt to reconfigure his/her work parameters to recover the optimum overlap between personal preferences and organizational demands and contexts.

Another context-conformable KM exercise we have developed is “Discovering Non-Technical Skills Important for Our Work Performance.” The exercise is short and can be done over a lunchtime brownbag session among a group of knowledge workers in the same division or line of work. We have tried it successfully among the professional staff in the regional office of a U.N. agency, the top executives of the biggest coal mining company in Mongolia, and the project managers of a MAKE-awardee¹⁰ multi-national company. A number of my own KM graduate students have tried it satisfactorily in their own companies.

¹⁰ MAKE Award or Most Admired Knowledge Enterprise Award is I believe the most well-known international KM award and benchmarking in intellectual capital management. It has been implemented by Teleos of U.K. since the 1990s.

The process is an FGD or focus group discussion process with only one trigger question: *“From your experiences and observations of your high-performing colleagues, what non-technical (not found in the ordinary CV, job specification or project TOR) skills, qualities or attitudes affect your work performance the most?”*

The FGD is sometimes presented as an example of how to elicit and document high-value tacit knowledge from the staff. For one client, we used this KM tool to elicit context-dependent behavioral dimensions that we then converted into behavioral test items and combined them with our generic¹¹ EQ test to (a) identify which non-technical skills most affect work performance, and (b) measure and identify top gaps that management must address.

What I learned and observed from these exercises are the following:

1. Participants realize with surprise that they do have gaps in their recruitment system and performance appraisal system. Participants see that their HRD service seems to have a blind spot in the area of EQ and other non-technical skills that are important for work performance. Some of them have also come to realize that they, too, have a similar blind spot.
2. Participants begin to ask questions such as “How do we measure political savvy?” and “What instruments are available for detecting potential or future ‘toxic bosses’ before we hire them?”
3. Participants recognize that among them they possess hitherto unrecognized but valuable tacit knowledge which becomes more valuable when made explicit. They see the value of converting individual, isolated and inaccessible tacit knowledge into group, public and accessible explicit knowledge.
4. Knowledge management is not only about technical skills or technical support systems. It is much more.

Story 5: What Blocks Our Learning?

At CCLFI we first practice a KM tool before we preach or sell it.

How to learn from one’s mistakes, or merely how to discuss them productively, is a challenge in KM. It is a continuing challenge to me and my colleagues. I cannot say we have the solutions, but perhaps I may offer some useful insights gleaned from years of struggling to practice an important KM tool. Perhaps we can compare with others who are similarly struggling with this knotty issue in team learning:

¹¹ Based on the five domains of Salovey and Mayer, plus the four indicators of ego of Marcum and Smith (*op cit.*). See: Salovey, Peter and John D. Mayer: “Emotional Intelligence” in: *Imagination, Cognition and Personality*, vol. 9, pages 185-211 (1990).

1. High and sustained levels of personal awareness and candor are needed to check the persistent tendency in most people to shift to the defensive mode when mistakes are being discussed. The shift is automatic; the person himself is unaware that he is doing it. Personal issues – most of them stemming from childhood experiences – that the person himself/herself are often unaware of, often get in the way in discussing what went wrong.
2. Most Asians seem to be less able than North Americans, for example, in dissociating their actions from their *persona*. In other words, when you criticize, or even scrutinize, their actions they feel that you are criticizing them. The alternative, which is "tiptoeing carefully around the ego-tulips" is anti-learning.
3. Most Asians tend to defer to authority. It is an unconscious habit enculturated in them. And so, learning has a better chance of happening among peers. Among Asians when a superior joins a discussion group, learning often stops and respect for authority takes over. The question of "*what works?*" is replaced by the question of "*who says so?*"
4. Among my colleagues, we keep reminding ourselves: talking about "*what worked well*" can at best lead only to best practices, but talking about "*what did not work well*" can possibly lead to something even better than 'best' practice, namely, next practice.
5. We have a Managing Director who is very dedicated to learning and continuous improvement and who "*walks her talk*" by modelling in her personal behavior the readiness to keep her ego at bay for the sake of learning. She is persistent in finding out why whatever went wrong did happen, yet constantly cheerleading the "little children" inside all of us. In other words, a leader with no appreciation of the learning process or worse, with unconscious personal issues, can kill all learning processes in an organization that is seeking to become a learning organization.
6. Our educational system is excellent in giving us cognitive skills but is practically nil in helping us gain emotional and people skills. I have observed that most people are unprepared to navigate the emotional shoals in team learning, such as in learning from one's mistakes or even the simpler matter of discussing mistakes.
7. I find it useful to show our clients and trainees that the doorway to managing our emotions is by developing the ability to observe our emotions at the moment that they are occurring. We call this ability "internal attention." It is similar to the self-awareness that is required in practicing Argyris' "double-loop learning."¹²

¹² Chris Argyris: "Teaching Smart People How to Learn" in: Harvard Business Review on Knowledge Management. Harvard Business School Press, pp. 81-108 (1998). See also: Chris Argyris: "Good Communication that Blocks Learning" in: Harvard Business Review on Organizational Learning. Harvard Business School Press, pp. 87-109 (2001).

Here are screenshots of one of our exercises which we call “Isko and Esbert Exercise.” Its purpose is to lead participants to recognize what is “internal attention.” The exercise is followed by a guided reflection exercise to practice simultaneous internal and external attention.

ESBERT AND ISKO

Esbert and Isko are imaginary personalities. From the three situations below, compare the behaviors of the two and **write on metacards** (one idea per metacard) the differences you can see between their characters and orientations to life.

<p>Sister: "Would you like coconut juice this morning?" Esbert: "Throw it away; it's spoiled!" Sister: "Why are you so cross this early in the morning?" Esbert, staring: "Hey, if you won't throw it away, I will! Go get me coffee with milk instead" (grabs juice bottle from sister)</p>	<p>Sister: "Would you like coconut juice this morning?" Isko: "I tasted that coconut juice last night; it was a bit sour." Sister, smelling juice: "Uhh! This should be thrown away!" Isko, smiling: "I like coffee with milk instead."</p>
<p>Officemate: "You're stupid!" Esbert: "You're worse!" (and boxes face of officemate)</p>	<p>Officemate: "You're stupid!" Isko: "I am not sure what made you say that."</p>
<p>Boss: "You are late." Esbert: "Traffic was heavy this morning."</p>	<p>Boss: "You are late." Isko: "I am sorry I am late."</p>

THE "RUN-AWAY TRAIN"

- An external stimulus put Esbert in the runaway train.
- Esbert is NOT in control; he did not decide to ride the train.
- Once Esbert rides the train, it takes him through until the train crashes.
- The process is a "reaction": an automatic, externally-initiated behavior
- Isko is AWARE if the train is running away; he has the CHOICE to leave it.

Stimulus
 Officemate said: "You're stupid!"

↓

Emotion
 Esbert feels angry

↓

Intent

↓

Speech
 Esbert answers: "You're worse!"

↓

Action
 Esbert boxes officemate

Concluding Remarks

The knowledge economy fundamentally stems from the growing importance of intangible assets such as knowledge in creating wealth. Intangible assets – such as relationships, trust, organizational culture, ego, emotional intelligence, knowledge, intellectual capital and others – have become essential in creating tangible assets, whether in commercial undertakings by private corporations or in development of low-income communities.

As our stories illustrate, we are contributing in our own small way through this paper, together with other KM practitioners, in slowly beginning to better recognize, understand, measure and manage valuable intangible assets.