

Is Knowledge Really Power

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We all recognize (at least I hope most of us) that knowledge is instrumental to value-creation and that knowledge as an asset is far more important than traditional assets such as equipment, real estate or buildings. And to a great extent, every organization must become a knowledge organization and every employee must become a knowledge professional.

However, knowledge can be very messy – trying to turn tons of data into knowledge, not to mention the fact that the value of knowledge diminishes over time. Additionally, knowledge has little power in the workplace if no one shares it. Therefore, knowledge often lacks power. For example, knowledge is very inter-related; i.e. one part adds value to another part and when combined, knowledge has much more power as opposed to restricting knowledge to certain select areas. This is why competitive intelligence can be important since competitive intelligence pulls so many pieces together for a “strategic” view of things, giving knowledge enormous power.

“It is evident that knowledge is rapidly becoming the firm's primary instrument of progress and competitiveness. Existing knowledge defines our productivity and competitive skill in the present; new knowledge determines our productivity and competitive skill in the future.”

- Information, Organization, and Power: Effective Management in the Knowledge Society by Dale E. Zand

Even little things deflate the power behind knowledge – people are denied access to it, people are unable to use it or people fail to learn from it. Knowledge comes alive when everyone collects it, shares it, and learns from it. The internet provides an excellent example of how knowledge gains power – everyone can easily tap knowledge at the click of a mouse, making knowledge a common commodity just like water or electricity. Everyone uses the stuff to improve their quality of life.

In order to advance knowledge, barriers must be removed, allowing people access to it and communicating it in such a way that people can easily take advantage of it. By simplifying knowledge, we give people the power of knowledge since they can now execute on it. This is something I try to do in the area of finance; pushing high quality content to the global world through my website.

“Companies survive on their ability to adapt when necessary, and it is increasingly necessary for them to do so. Successful adaptation is not, however, a chameleon-like response to the most immediate stimuli – a quick switch to a new enterprise or an impulse acquisition. Rather, successful adaptation seems to involve the thoughtful, incremental redirection of skills and knowledge bases so that today's expertise is reshaped into tomorrow's capabilities.”

- Wellsprings of Knowledge: Building and Sustaining the Sources of Innovation by Dorothy Leonard-Barton

Knowledge becomes very powerful given the right kind of culture. For example, people are responsive to what is required within an organization based on the culture and authority that is superimposed by management. Knowledge becomes powerful when people share what they know so that collectively everyone is moving in the right direction. This requires a culture that rewards and recognizes learning and ideas. Additionally, people usually equate knowledge with some form of training, but the best forms of knowledge tend to be informal, whereby people increase their knowledge in an open learning environment (and this gets back to the culture of the organization).

Finally, you can assess if knowledge has power within the workplace. For example, it is important for people to understand the “big picture” behind an organization. Many employees are unclear on basic organizational things – strategy, organizational structure, who the competition is, and other overall facts related to the company. Therefore, a good starting point on your knowledge journey is to make sure people have knowledge about the fundamentals of the organization; especially the purpose of the organization as it relates to the outside world.

“Attempting to build a knowledge organization, however, is neither a short-term effort nor a one-off project. The process of becoming a knowledge organization can be visualized as traveling along the knowledge organization path. Some organizations are not even on the path, others are just starting on the path, and still others are further along. The underlying assumption is that those companies on the knowledge organization path envision and behave differently from the more 20th century companies. Those with knowledge orientation focus on ideas, creativity, and knowledge. They speak of ‘intellectual capital’ as opposed to traditional assets. Most important, the leaders of knowledge organizations fully realize that their most important assets walk out the door every night. Whether those assets show up the next day is of vital importance to the future of the knowledge organization.”

- Leading with Knowledge: The Nature of Competition in the 21st Century by Richard C. Huseman, Ph.D. and Jon P. Goodman, Ph.D