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Knowledge Management – The Foundation for a Successful Business Process Management

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Abstract

In today's dynamic business environment, organizations need up-to-date knowledge to execute their business in the best way. Through the ongoing digitalization and linked communities, companies and businesses, changing parameters as well as varying business framework conditions must be analyzed fast as possible to optimize the processes and gain the best direction for the own company. Therefore, organization use Business Process Management (BPM) to model and manage the existing processes. To perform BPM and optimize processes, data and information there have to be developed a knowledge inventory regarding all processes in order to model the organizational processes together with the required resources. In the following paper, this necessary knowledge process will be analyzed as foundation to perform BPM regarding the known BPM Trends. In addition, the relevance of digitalization will be matched to the Knowledge Management and BPM approach to underline the importance of the correct data and information as BPM infrastructure. Therefore, the mandatory terms will be defined and described theoretically. This literature research will be the starting basis for the approach and following scientific research. To evaluate the KM-BPM Model a survey with different companies has been developed. The research results will contributed to a combined Knowledge and BPM approach for the application in the business in times of digitalization.

Keywords: KM-BPM Model, Knowledge Management; Business Process Management; Business Process Trends; Digitalization

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1. Introduction

Knowledge and the handling of Knowledge in a wide range becoming more and more a significant role in our society and companies. In the economy, knowledge has become a serious competition factor which is influenced by everyone (Guretzky, 2000). Due to these developments, question about the management of this "knowledge capital" have to be answered by Business strategy considerations. Because of the demographic change, companies suspect more and more competitive disadvantages because of the leave of experienced colleagues and knowledge drain (Hommel, 2015). Therefore, the organization of the handover to a successor can save expensive training time and keep the company specific and general knowledge within the organization. In addition, Knowledge Management (KM) can be described as the discipline of exploiting information, people, processes, mindset and collective experience, that will support or lead to the development of new skills, innovation and understanding which turn improves business output or business requirement (Zhu, 2015). From this KM can be understand as type of Business Process Management with specific relations.

In times of digitalization, information and communication technology, in particular, the Internet, provides the global technical infrastructure because of which a fundamental new value-added system based on the exchange of information and knowledge is created (Guretzky, 2000). This systematic increase in productivity in "knowledge production" becomes a challenge for the business and developed industries in general to handle and save Knowledge to operate and improve their processes in the best way, to know and satisfy customer requirements and to be competitive at the market (Guretzky, 2000).

This paper analyzes the Knowledge Management to support Business Process Management (BPM) in times of digitalization (started from the consideration of (Ternai, 2014)). Therefore, the core terms will be defined to set a mutual understanding by the different literature definitions. Next to theoretical analysis, practical BPM-Trends will be considered as well as proposed methodology that connect KM processes with BPM. To underline the theoretical study's a specific survey will executed. The outcome of this paper will be an approach for the business to understand better, how KM supports BPM in an optimal way.

2. Scientific status of the research

2.1 Definition of Digitalization

Digitalization is used in many different interpretations like: digital society, digital transformation, digital change, digital business processes, digital management, and digital revolution. In the literature, Digitalization can be defined as the transfer of analogue information into digital data and the effect, which is triggered by it (Köhler-Schute, 2016).

The goal is to transform all the information that arrives in organizations into a uniform digital format, to process them electronically in the processes with the electronic documents and thus to increase the efficiency, flexibility and the service level internally and externally to customers. The goal must also be to read the data that contains the document in such a way that they can be further processed in subsequent systems. Digitalization means in this way to implement digital business processes in the company environment and over the supply chain supplemented by the customer focus (Köhler-Schute, 2016).

The advantages of Digitalization are time and location independent availability of data, speed of access, space-saving storage and loss-free reproduction to name just a few. (Köhler-Schute, 2016)

2.2 Definition of Knowledge

Without a concrete idea of knowledge, no knowledge management project can be successful. Therefore, it is important to understand what constitutes knowledge and what the differences to the terms information and data are. The term knowledge is used all the time. Sometimes it means expertise and on the other hand wisdom (Frost, 2017).