

Integrating Knowledge Management and Intellectual Capital Management: Two Sides of the Same Coin?

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Abstract

Both Knowledge Management (KM) and Intellectual Capital Management (ICM) seek to create business and customer value by sharing and applying knowledge. Such knowledge can then be used for improving operations, management, customer relations, and product innovation. For most researchers and practitioners, KM focuses primarily on explicit knowledge, while ICM focuses mainly on tacit and implicit knowledge contained in the minds of the workforce. The challenge for KM is to represent and organize knowledge in such a way that employees will be able to find and use it effectively. The challenge for ICM is to unlock and develop workforce capabilities to share, excel, and innovate.

In order to better understand these challenges, the conceptual foundations for KM and ICM are considered. First, characteristics of knowledge, along with models for Knowledge Hierarchy and Knowledge Architecture, are described. Such models can be used to organize and represent data, information, knowledge, expertise, and experience. Next, a framework is outlined for valuing intellectual capital to enable organizations to manage, develop, and improve this resource. Finally, a method for integrating KM and ICM, relying on Knowledge Repositories and Centers of Expertise, is discussed.