

Knowledge Management: Creating New Wealth in the Knowledge Economy

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Abstract

We have transitioned from the information economy to a knowledge economy, where core competencies/intellectual capital/knowledge are the real assets and competitive advantage of an enterprise. Just as capital assets continue to be a producer of wealth, so too is an enterprise's intellectual capital. The purpose of Knowledge Management is to maximize an enterprise's intellectual capital by managing its protection, representation, transformation, transfer, and utilization. The results lead to improved productivity, enhanced effectiveness, and innovation. A validated framework for Knowledge Management has been established and includes four pillars: leadership/management, organization, learning, and technology. A systems engineering approach is used in designing and implementing an effective Knowledge Management System, incorporating the four pillars.