

Chapter 6: Managing Data, Information, Knowledge and Action

Chapter Summary

In the past organizational excellence was defined by effectively managing people and tasks. But this overlooks an important dimension in today's environment: how to effectively manage data, information, and knowledge to produce appropriate actions.

The chapter presents a model for the ideal management of data, information, knowledge and action. Most organizations, though, experience a variation of the model, such as the D-I-K loop where there's a lot of activity but no action. On the other hand, managers often create an I-A loop where they get caught up in the "program of the month" cycle.

Several ways in which the data-information relationship can be enhanced include reducing the number of links in the communication chain and using imagery to dramatize information. The information-knowledge relationship can be enhanced by organizing the same information in different ways and evaluating the credibility of the evidence. The knowledge-action relationship can be strengthened by creating strategic knowledge-sharing communities and focusing reports on actionable issues.

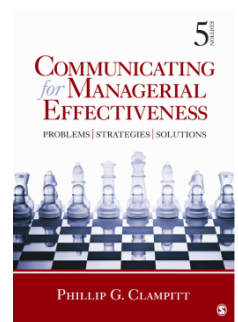
Learning Objectives

After studying this chapter, you will be able to:

- describe the D-I-K-A model
- explain variations of the D-I-K-A model
- identify ways of effectively managing the data-information relationship
- identify ways of effectively managing the information-knowledge relationship
- identify ways of effectively managing the knowledge-action relationship

Outline

- I. The D-I-K-A Model
 - A. Data = Representations of reality



- B. Information = Data that provides relevant clues or news
 - C. Knowledge = the framework or schema for organizing the relationships between pieces of information
 - D. Action = the deeds or decisions made based on knowledge
- II. Variations of the Model
- A. The D-I-K loop
 - B. The K-A loop
 - C. The I-A loop
- III. Managing the Data-Information Relationship
- A. Recognize the inherent flaws of all data and information
 - B. Determine what employees really need to know
 - C. Analyze both quantitative and qualitative data
 - D. Harness the power of product embedded information (PEI) and just-in-time information (JIT)
 - E. Use imagery to dramatize information and summarize complex data sets
 - F. Reduce the number of links in the communication chain
- IV. Managing the Information-Knowledge Relationship
- A. Evaluate the credibility of the evidence
 - B. Organize the same information in different ways
 - C. Identify what you don't know
 - D. Discern the underlying patterns
 - E. Test models and theories

- V. Managing the Knowledge-Action Relationship
 - A. Create strategic knowledge-sharing communities
 - B. Focus reports on actionable issues
 - C. Speed up the transformation process, even at the expense of accuracy
- VI. Conclusion

Case 6.1: Applying the D-I-K-A Model

Purpose:

The purpose of this case is to design the strategy and tactics to help an insurance company manage information and knowledge.

Situation:

The organization's management of knowledge and "best practices" frustrates the new CEO of a large insurance company. She has a Ph.D. in engineering and has extraordinary "people" skills. She systematically thinks through problems and demands well-reasoned arguments before implementing any changes. You are on a task force charged with recommending a strategy to better manage information. She tells your task force:

We have fax, e-mail, computer conferences, voice mail, employee publications, quarterly meetings, and just about any other media you can think of...but we still can't seem to get our message across. Employees tend to hoard information. They share it, but only when asked. We generate reams of data and yet it rarely informs our decision-making. There is so much information out there in so many forms (much of which is redundant) *that I'm confused half the time*. We need to learn from each other but we don't. What we need is a strategy that will coordinate all this information, the people and the communication media. We need to get people talking about the things that solve our real problems, add value to service and improve productivity!

Your objectives:

1. Specify your communication strategy.
2. Develop the tactics necessary to implement the strategy.
3. Provide an evaluation mechanism for the process.

