Knowledge Management in Bank Negara Malaysia

Strengthening Organizational Performance Through Knowledge Management (KM)
I’ll be sharing......

The Journey So Far

Lessons Learnt
Lessons Learnt

- Continuous awareness
- It is Knowledge Ecology
- A lot of small wins
- More effort on the human side of KM – roles, K process, F2F interaction
- Do not have to call every initiative as KM
‘Established a system to facilitate teaching of what we learnt so that we can learn more.’

Knowledge and Learning Ecology

Knowledge Process

- Reuse
- Retain
- Share
- Identify
- Acquire
- Create
- Seek

Tacit Knowledge

- Strategic Conversation
- Story Telling
- CoPs
- Taskforces, Committees
- Tea Talks
- Leaders as Teacher
- Mentor
- Coaching
- Knowledge Fair
- Interviews
- Project Teams
- Job Rotation
- Knowledge Cafe
- After Action Review

Explicit Knowledge

- K Repositories
- Wiki
- LMS
- Case Studies
- Portals
- Books and Journals
- EDMS
- MyProject
- Online Databases
- VDR
- K-Hubs
- News Alerts
The Vision
The Bank as a Knowledge Based Organization of Excellence

BNM’s Mission
Bank Negara Malaysia as the central bank, is committed to excellence in promoting monetary and financial system stability & fostering a sound and progressive financial sector, to achieve sustained economic growth for the benefit of the nation

The KBO Strategy
Developing a KBO
Key Enablers for KM

- Leadership/context setting
- Organisational structure
- Information Technology Infrastructure
- Enablers
- HR Practices

A Process Enabler Model

**ENABLERS**
- Leadership Context Setting
- Organization Structure
- HR Practices
- Technology

**KBO END GAME**
- KM Skills / Aptitude
- KM Deliverables
- KM Culture / Practices

Developing a KBO

3 pronged approach

**IT initiatives**

**Organisational Development Strategies**

**HR initiatives**

The KBO Organisational Structure Enabler

- Knowledge Champion (KC)
- Governor
- Chief Knowledge Officer (CKO)
- Assistant Governor
- KM Committee
- KM Center
- Director/ HOD
- Knowledge Officer
Why knowledge management?

“We want to be a leading central bank, with farsightedness, and an ability to deal with the new challenges. The Bank needs to be equipped with the expertise and the means to implement appropriate policies. Our key stakeholders must be able to comprehend our strategies and policies, and have confidence in our actions. … to think of the bigger picture, and relate their strategies to the Bank’s overall objectives. … the Bank must transform itself into a knowledge-based organization and fully embrace and employ the principles of knowledge management.”

Governor
11 August 2000
What’s driving BNM?

Increasing **complexity**, need for **speedy** decisions & actions, **continuous change** & increased in stakeholders expectation

Increasing focus on **intellectual capital**

The **pace** at which knowledge is rendered obsolete

**No longer able to rely on traditional** repository & retention of information, and more people are calling for information and knowledge visibility

Need to focus on **organisational learning**

**KM is important to the overall strategy** to ensure efficiency & effectiveness
KM Value Proposition for BNM

Performance Issues

- Difficulty of staying ahead & adapting to changing environment
- Dispersed & fragmented knowledge
- Information overload
- “Knowledge silos”
- Knowledge loss when staff leave
- Lack of responsiveness
- Ineffective decision-making
- Limited k-sharing

Case for KM

- Developing organisational capabilities through learning faster
- Greater knowledge visibility & access
- Enhanced collaboration
- Retaining knowledge when staff leaves
- Improved responsiveness - things get done quicker & better
- Improved quality of decisions
- Vehicle of cultural change (k-sharing)
ACHIEVING SUSTAINABLE SUPERIOR PERFORMANCE BY LEVERAGING ON KNOWLEDGE
The Framework

Knowledge Processes:
- Reuse
- Retain
- Identify/Acquire
- Share
- Create
- Seek

Leadership

Technology

Culture

Measurement


BNM’s Definition of KM...

The discipline and process of creating value by the explicit and systematic management of BNM’s knowledge assets.

**Discipline** includes formulating the right KM Strategy and Policy & Procedure to enhance knowledge management culture, competency and process.

**Process** includes identifying, acquiring, capturing, analysing, managing, seeking, disseminating and leveraging upon explicit and tacit knowledge of the Bank.
Social touch points

www.facebook.com/bnmkm
www.twitter.com/bnmkmc

Like/Follow up for regular updates on new resources at KMC, KM events and many other information shared by us.
LEADERSHIP & STEWARDSHIP BY THE KMC

**Phase 1: Initial**
- KM Strategy, KM Infrastructure, Knowledge Processes, Repositories
- Review the KM strategies
- Diagnose KM requirements
- Initiate actions to meet KM requirements in terms of infrastructure, processes and repositories

**Phase 2: Aware**
- Knowledge Policy, Knowledge Sharing Culture
- Develop appropriate KM policies for approval by MC
- Promote a Knowledge Sharing Culture through appropriate initiatives

**Phase 3: Reuse and Leverage**
- Knowledge culture, Learning organization
- Promote re-use and leveraging of knowledge through appropriate learning and communication initiatives
- Promote the evolution of a Learning Organization culture

**Phase 4: Institutionalize**
- Knowledge permeating, Intellectual Capital Measurement
- Promote the institutionalization of KM practices and systems within the Bank
- Use appropriate KM and Intellectual Capital measurements to provide feedback into the KM strategy review process
INITIATIVES UNDERTAKEN 2001 - 2003

Phase 1 Initial
- KM Strategy,
- KM Infrastructure,
- Knowledge Processes,
- Repositories

Phase 2 Aware
- Knowledge Policy,
- Knowledge Sharing Culture

Phase 3 Reuse and Leverage
- Knowledge culture,
- Learning organization

Phase 4 Institutionalize
- Knowledge permeating,
- Intellectual Capital Measurement

ICT
- EDMS
- DHP
- CYP
- Internet Access
- Library Portal
- Kijang.net
- Learning Mgmt System
- Corporate Taxonomy
- Enterprise Portal
- E-Collaboration

HR and Training / Learning
- Flexi Benefit Scheme
- Buddy / Mentoring Program
- Assist Program
- Review of PRIME
- Succession Planning
- Enhancing rewards
- Job rotation
- Career management system
- Corporate University
- Recognition program
- Enhance Scholarship process
- Work Life Balance
- Specialist Scheme
- Competencies for the Bank

Other Initiatives
- T&L Policy
- Info Security Policy
- Recruitment policies
- Reward policies
- Other HR policies
- Comm Policies
- Content Mgmt Policies
- KM Audits
- KM Measurement
The objective of the KMC is to promote and maintain the discipline and process of value creation through the deliberate and systematic management of the Bank’s knowledge assets.

**The scope of work of the KMC is based on the KM Roadmap:**

1. Articulate and review the KM Strategy – this encompasses formulating the right KM strategies, policies and procedures to enhance knowledge management in terms of culture, competency and process;
2. Ensure the development of appropriate KM Infrastructure and Repositories;
3. Ensure the development of appropriate KM Policies;
4. Promote a Knowledge Sharing Culture;
5. Promote the institutionalization of KM Practices and Systems within the Bank – this encompasses identifying, acquiring, capturing, analyzing, managing, disseminating and leveraging upon the explicit and tacit knowledge of the Bank;
6. Develop and use an Intellectual Capital Measurement methodology to track the progress of the Bank towards a KBO.
RESPONSIBILITIES of the Committee

The role of the KMC is envisaged to be that of a high-level advisory committee on meeting the objective “to promote and maintain the discipline and process of value creation through the deliberate and systematic management of the Bank’s knowledge assets”. The KMC will therefore comprise of senior management staff from all the different sectors to exchange views on how best to meet the stated objective. For this purpose:

- The KMC shall facilitate the process of transforming the Bank into a KBO, and make recommendations to the Management Committee;
- The KMC shall provide a forum for an exchange of views on issues with respect to the management of the Bank’s knowledge assets;
- The KMC shall facilitate the process of resolving all emerging issues and problems that hinder the progress of KM initiatives.
ROLES of the Members

In general terms, the roles of each member from the **OD Sector** can be described as follows:

- To monitor and implement KBO related initiatives within their own purview;
- To form an assessment of KBO related initiatives within their own purview;
- To collaborate with the other process owners in implementing KBO related initiatives;
- To gather and share relevant key performance indicators with Strategic Planning Unit to enable a bank-wide view of how KBO initiatives are progressing; and
- To keep abreast of current developments in the field of KM with respect to areas under their purview.

Members from the **Business Sectors** represent the views and issues from a business perspective. In general terms, the roles of each member from the Business Sector can be described as follows:

- To give views, recommendations and suggestions;
- To act on directives and decisions made by the Management Committee;
- To take collective responsibility for execution of relevant directives and decisions.
## KM Competency Model

<table>
<thead>
<tr>
<th>LEVEL</th>
<th>LEADERSHIP</th>
<th>CULTURE</th>
<th>PROCESS</th>
<th>TECHNOLOGY</th>
<th>MEASUREMENT</th>
</tr>
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</table>
| 1 Initial | - Management support  
|          | - KBO structure                                | - K-Sharing between the same level of staff  | - Create knowledge  
|          |                                                |                                              | - Use knowledge                               | - Basic email  
|          |                                                |                                              |                                              | - Shared folders                             | - Basic PMS  
|          |                                                |                                              |                                              |                                              | - Timeline                                   |
| 2 Aware  | - Management support  
|          | - KM Statement  
|          | - KMO                                                | - K-Sharing among all level of staff  
|          |                                                | - Teamwork                                   | - Email                                       | - Departmental website                        | - Basic PMS  
|          |                                                |                                              | - Collect                                     | - Shared folders                             | - Timeline                                   |
|          |                                                |                                              | - Use knowledge                               | - CYP                                         | - Success rates                              |
| 3 Reuse and Leverage | - KM Policy  
|          | - KM Statement  
|          | - Management support  
|          | - KMO                                                | - K-Sharing between all level of staff  
|          |                                                | - Encourage K-sharing  
|          |                                                | - Teamwork                                   | - Email                                       | - Departmental website                        | - Basic PMS  
|          |                                                |                                              | - Collect                                     | - Shared folders                             | - Timeline                                   |
|          |                                                |                                              | - Adapt and use                               | - CYP                                         | - Success rates                              |
|          |                                                |                                              | - Organize                                    | - EDMS                                        | - No. of mistakes                            |
|          |                                                |                                              | - Embedded                                    |                                              | - Improved cycle time                         |
| 4 Institutionalize | - Management Support  
|          | - KMO  
|          | - KM Policy  
|          | - KM Statement  
|          | - KM strategy alignment  
|          | - Realign org. structure                          | - K-Sharing between all level of staff  
|          |                                                | - Encourage K-sharing  
|          |                                                | - Teamwork                                   | - Email                                       | - Departmental website                        | - PMS                                        |
|          |                                                | - Collaboration                              | - Collect                                     | - Shared folders                             | - Timeline                                   |
|          |                                                | - Trust                                      | - Identify                                    | - CYP                                         | - KPIs/Success rates                         |
|          |                                                |                                              | - Organise                                    | - EDMS                                        | - No of mistakes                             |
|          |                                                |                                              | - Apply                                       | - Knowledge dashboard                        | - ROK                                        |
|          |                                                |                                              | - Share                                       |                                              | - Improved cycle time                         |
|          |                                                |                                              |                                              |                                              | - Profit                                     |
KM Measurement Framework

- Competency
- Productivity/Responsiveness
- Continuity/Stability
- Innovation

MEASUREMENT

PROCESS

Create – Identify – Collect - Adapt – Analyse – Organise - Use - Share

KNOWLEDGE INFRASTRUCTURE

- Policy
- Technology
- HR Practices
- Organizational Structure
- Measurement Parameters
- Change Management

CULTURE

LEADERSHIP
What Is Taxonomy?

• Structures that provide a way of classifying BNM’s knowledge (documents, discussions, information, facts and figures, etc) into a series of hierarchical groups that facilitates efficient storing, capturing, searching, browsing and alerting.

• Taxonomies consist of two parts – structures and applications. Structures consist of categories (or terms) themselves and the relationships that link them together. Applications are the navigation tools available to help users find information.
Role Played By Corporate Taxonomy

➢ A knowledge map for BNM that acts as strategic starting point for KM Journey

➢ Visibility of complexity of BNM’s business environment

➢ Model of governance and ownership of knowledge

➢ Identification of CoP’s and KM enabled opportunities

➢ Foster corporate understanding of business diversity

➢ Promote and enable collaboration and sharing among the staff of BNM

➢ Requirement for managing knowledge for other projects in BNM’s
Objectives

• To develop a corporate taxonomy structure that facilitates efficient storing, capturing, searching, browsing, navigating and alerting the knowledge assets of the BNM
• To develop standard tagging, categorization and common vocabulary for knowledge assets of the BNM
• To provide a knowledge map that connects people to content
• To develop an implementation plan to deploy the taxonomy for the Bank.
Role of Taxonomy As a Governance Framework

**Governance framework**

- **Knowledge Workers**
  - Information Providers (Creators)
    - Contribute (Create)
  - Information Brokers
    - Manage (Demand and Supply)
  - Information Seekers
    - Access & Retrieval (Browse/navigate & Search)

**User Interface**

- Single Entry Point (One-Stop-Shop Enterprise Portal)

**Resources**

- Documents Created in the Course of Work
  - Strategic Knowledge Assets (SKA)
  - Operational Documents

**Example of Data Storages (Databases)**

- Library Portal
- Document Repository (eg, EDMS)
- SPREAD
- eLawyer
- VDR
- Internet (subscribed databases eg, ProQuest)
- Strategic Knowledge Assets

**Information Security Policy (Access Governance)**

**Content Governance (Taxonomy, Content Management, Retention Schedule)**

**IT Governance**

**Experts**

**Knowledge Workers**

- Knowledge Workers
- Resources
- User Interface
- Governance framework
What Is KijangNET to BNM?

- Platform for integration
- Enhance business management and decision making
- Connect, communicate and collaborate with internal and external stakeholders
- Promote knowledge sharing and learning
**Vision & Objectives**

**VISION**

Driving change through the integration of systems, contents and work processes

**OBJECTIVES**

1. Provide **collaborative environment** to enhance work processes, communication and stakeholders’ expectations.

2. Intensify **Knowledge Management processes**, ie. capturing, sharing and reusing knowledge repositories and information to support fast and quality decision making.

3. Enabler for **process innovation and transformation** to increase productivity.
KijangNET Infrastructure

Integration and Personalization

Monetary Stability
Financial Stability
Payments System
Organizational Dev/
Supporting Departments

Employee to Work
Employee to BNM
Employee to Employee
Employee to External
Employee to Life

I-Sec/Taxonomy/Search
Knowledge Management
Doc. /Content Management

Info Retrieval/Analysis
Business Process Mgt
Workflow/Collaboration

Related Projects

- e-HR, e-Learning, e-Library, BNM Call Center, Performance Measurement
- i-Prompt (My Tasks, My Projects), New Data Center, FSRC (related to content strategy & IT Infra.),
  e-collaboration, i-Sec, Taxonomy
Why Content Management?

It is not enough to merely ‘MANAGE’ content. Organisations must go further; use content to achieve business goals (Content at work).

To properly support their business strategies, organizations need to manage information resources throughout their lifecycle, in a timely manner, efficiently, and in compliance with applicable regulations.

The Right Content  
The Right Person  
At the Right Time  
In the Right Amount  
Through the Right Channel

As BNM becomes increasingly collaborative, interaction with various external stakeholders will increase (B2I, B2Public, B2Gov), and content flows into the public domain will assume increased criticality.

Consequently, content quality/integrity will be of prime importance. Content will need to be accurately and efficiently maintained and updated, so that stakeholders can make decisions based on real-time information; particularly decisions effecting financial stability and social security.
Guiding Principles

- Transparency
  - Accountability

- Availability
  - Visibility
  - Reliability

- Accessibility
  - Reusability
  - Information Security

- Service orientation
  - Context driven
  - Efficiency

- Collaboration
  - Usability

- Compliance
  - Consistency

- Accuracy
  - Quality
  - Integrity

- Timeliness
  - Currency

Bridging the Gap between Content User and Content Provider – a **Stakeholder Centric Approach**

**LEGEND**

Text in Green – Pertaining to existing policies or current practices

Text in Black – Required for future
Content Management - Policy Coverage

- Content Lifecycle
- Content Deployment
- Content Archival
- User Management
- Authentication & Authorization
- Content Collaboration