

# Inside Knowledge

## Blue-sky thinking

KM and culture in South Africa



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## Case report – MindTree

# Ideas emerging

MindTree’s knowledge management strategy was established when the company was still young – and the benefits of starting so early are now clear to see.

By Jerry Ash

### Emergence.

This single word may hold more meaning than all the rest of the lexicon of knowledge management (KM) put together. If it’s new to you, you will be adding it to your vocabulary by the conclusion of this report about a company whose founders knew in 1999 they were stepping into a different era and focused accordingly on the intangibles and cultures that would drive the 21st century.

The ten founders – and the other MindTree Minds\* that followed – built the company on values of openness, transparency, trust, communication, questioning and teamwork, an equation that would carry this company from a few MindTree Minds in India and the US, to more than 3,000 worldwide.

### Fertile ground

Chairman and managing director Ashok Soota and his chief operating officer

Subroto Bagchi were prominent names in the Indian IT industry when MindTree was founded. Soota was the person behind Wipro’s rapid growth in the ‘90s, served as president of the Confederation of Indian Industry and was named IT Man of the Year twice. Bagchi had led Wipro’s quality initiative and hence knew about the importance of enabling infrastructure as part of a company’s strategy. Both had KM-like philosophies and were supportive of related efforts.

In MindTree’s inaugural year Soota wrote: “Knowledge initiatives are amongst those with the highest percentage of failure in organisations. The conventional wisdom is that this is due to excess focus on technology and inadequate attention to the back-up processes and associated reward and enforcement practices. Rolling out such a program needs missionary zeal, as well as a holistic outlook. Other than social structures, it needs integration of technology, strategy and process, and must focus on both creation and sharing of knowledge.”

### Enabling communities

Raj Datta joined as a principal and MindTree Mind number nine in the US, soon after MindTree’s inception. He had been an advocate of knowledge sharing and methodology for much of his career. During a visit to MindTree’s Bangalore office during the summer of 2000, Datta initiated a study group focused on software design patterns. This was based on his personal involvement with the New York Design Patterns Study Group. This simple concept of studying and discussing patterns created appreciation for inquiry, reflection and dialogue around published work.

“This way we ended up with good, rich, deep knowledge through a highly conversational means. The study group was a hit because most of our people had a technical background and saw a common area of concern that would bind them together. People loved it,” says Datta.

Soon after, KM became a company objective and Datta volunteered to take it on. He had transferred to the Bangalore office and his 'day job' remained offshore delivery manager for all US-based engagements for IT Services. Meanwhile, the study group was involved in many different areas and, soon, a groundswell of communities were developing naturally, creating a conducive environment for KM.

"I think that KM and community movements are inter-dependent. The fact is, KM will fail if you don't allow people to channel their passions and the best way to do that is to let them self-organise to create the right kinds of conditions and enabling environments. The other fundamental shift – psychologically speaking – is to believe that people are intrinsically motivated to share and don't necessarily need to be motivated by external factors," says Datta.

He adds: "If you look at the open-source movement, people are motivated by the creative process, by the interaction with like-minded gifted peers, and by building reputation with their peers. There is very little direct tangible benefit – it is all about intangibles. We borrowed from these learnings and applied them to KM, initially with the community movement."

The study group concept gave way to the MindTree Community movement, which was structured to cover a wide variety of needs beyond study groups.

Today, MindTree has more than 30 knowledge communities and last quarter it had 142 community events (face-to-face gatherings). The structure is similar to open source in that there is a core set of champions for each community who determine the process by which others become part of the community. Objectives of the communities are determined collaboratively by community members and then driven by champions, who are all volunteers.

### **Self organisation and emergence**

In February 2003, the KM movement was growing at MindTree and the

company itself had spread across the globe from India and the US to Singapore, Japan and Europe. KM's scope had become too big to be an individual's part-time 'objective' and with growth came the challenge of staying connected. These two problems merged as KM was seen as a means for both connecting a global company and at the same time keeping the cosy feeling of 'smallness' alive. The KM corporate function was announced and Datta became its full-time leader.

The first thing he did was to draft a KM charter that included the elements of a community model. In fact, Datta had envisaged the co-existence of three types of KM models, of which the 'participative' model was all about communities, self-organisation and the open-source way. This worked in tandem with the emerging corporate culture based on its core values of caring, learning, achieving, sharing and social responsibility (CLASS).

Furthermore, the company's desire for agility meant the participatory model would play a key role as the company grew, creating a sense-and-response mechanism that helped the company build what Datta calls an 'absorptive capacity'. He also believed that to be an innovative firm would require a need to let staff self-organise and collaborate to increase the likelihood of innovation.

MindTree's way of thinking from the beginning was that communities are all those self-organised groups which take on a mission. They don't appear on the organisational chart and they don't report to anyone. Yet, they are driven by their self-defined objectives. These could be focused short-term goals (for example, building a software component) or broader, long-term goals (such as building capability in a domain).

Communities with longer-term goals are called 'knowledge communities' in MindTree. There are more than 30 of them and they are highly visible, while others with shorter-term goals use the available infrastructure, but are not

tracked in the same manner as knowledge communities. "Overall, communities create the fractal structure – and the feeling of belonging – that keeps smallness alive," says Datta.

Many of the focused shorter-term communities are collaboratively building software intellectual property for MindTree (called TechWorks), similarly to the way it is done in the open source world. The MindTree Minds who build these TechWorks do so in their personal spare time, simply out of passion. When Datta talks about open source, he means not only the use of open-source technology (which MindTree puts to good use) but also the principles behind the open-source movement.

"The open-source world is a great example of emergence," says Datta. In open source, people are creating output that is not necessarily mandated or dictated by an overall governing process. They follow simple rules, such as allowing people to find out what is happening in the various projects, keep a core set of champions that drive the core decision-making about the release process, encourage contributions from anyone in the wider community – in the form of suggestions and bug reports, thus creating the general environment around which that project will exist and evolve.

It brings together a diverse set of people around the world to push forward their collective thoughts, with simple tools and processes and a collective understanding of what the project should be. They energise themselves around this collective vision with lots of passion. The key belief that drives MindTree KM is that knowledge management is first an emergent process and then a controlled one. It is 'managed' by creating the right environment to cultivate it. That's a fundamental shift from traditional beliefs of management centred on control. At MindTree, control and emergence co-exist.

Full dependence on directed structures are not enough for the new era MindTree has prepared to meet.

MindTree views a new era organisation as a set of interdependent, collaborating, interacting knowledge workers who are autonomous and who configure and reconfigure their people-networks dynamically to achieve a purpose they themselves determine in the fast-moving environment they work in.

As knowledge workers accomplish their work, they step across their task boundaries, collaborate, seek knowledge and so on to accomplish the task not as originally perceived, but as the solution emerges. “This creates a highly scalable and agile model of the organisation, and in the long run creates an organisation capable of self-transformation” says Datta.

KM at MindTree is focused on moving in this direction. For example, MindTree has defined a five-level maturity model for communities, enabling them to become more integrated, both internally and externally, and then becoming empowered to make organisation-impacting decisions. It has also created several systems that support participation and collaboration across MindTree. For example, it has built a system called Neuron that enables collaboration in idea generation and building idea networks.

Datta believes that just letting people become aware of what’s going on with the communities and TechWorks is enough to get enthusiastic people involved. To that end, MindTree regularly communicates the goings-on through flyers on its KnowledgeBoards, a weekly newsletter and its intranet. There are regular advertisements on different TechWorks each month. This helps overcome some of the inertia that is inherent in a system.

There are other means as well, other than the usual rewards and recognition programs. For a start, KM activities are tied to the performance management system, including the appraisal and promotion nomination process – something that many other KM-committed organisations do not do.

Another significant means is Osmosis, an annual festival and conference which is a period of technology-centric collaborations, learning and sharing. Part of the festival is a paper-writing contest and a TechWorks contest; people are encouraged to build collaborative teams to enter. “There is nothing like collaboration and competition together to overcome inertia” Datta says.

### Emergent outcomes

Examples of emergent outcomes are many. Here’s one:

A number of MindTree Minds were looking for a log-analysis tool for their project work. An intensive search failed to find one that met their requirements. So, they decided to create the tool themselves as a MindTree TechWork project, called Insight. They identified team members, provided collaboration and coordination among the distributed team and assured quality and productivity despite the voluntary, self-driven and distributed nature of the team.

Recruiting volunteers was difficult because team members would be working extra hours, in addition to their regular work. They decided an open-source approach would therefore work best. The team also realised that traditional means of collaboration – meetings, e-mail, telephone – would result in information silos, duplication of work and effort and possible loss of information, reduced effectiveness and loss of quality.

OpenMind, a web-based collaboration platform for software development based on open source technology, provided the Insight project with a virtual workspace that enabled the distributed team to collaborate effectively. Features such as mailing lists, discussion forums, document management, a wiki and release management brought visibility and transparency at all stages of the project. OpenMind allowed all MindTree Minds to access and download the tool’s source code, provide feedback, request features,

report bugs and even to join the Insight TechWork project as developers.

As a result, there were more than 200 downloads of the various releases of Insight; 12 project teams used Insight for log analysis in their projects; clients who could participate in the development wanted to license the tool for their work, and the Insight team earned the MindTree IP creation/re-use award. Today, there are more than 40 such TechWorks projects running within MindTree.

Knowledge communities also are credited with many other valuable outcomes. For example:

- As the company grew quickly, the business analysts’ community created the first role-based assimilation program at MindTree to meet the needs of a quickly growing business-analyst population;
- The mainframe community created the first application maintenance methodology in the company and created a skills repository of its members to be able to better staff and support pre-sales efforts;
- The J2EE (Java) community helped with the recruitment process through the creation of a question bank on J2EE projects.

Additionally, other initiatives in the company were influenced by the principles of self-organisation and also the power of conversations that communities had made so popular. The MindTree leadership workshop that had been in place since 2002 was revamped in 2005 and was done in a completely self-organised manner. A community was created that completely self-organised and designed the workshop. The community members discussed, debated and reviewed all modules together, and learnt from each other in the process. The prevailing rule of thumb for their work was 80 per cent conversation and 20 per cent content presentation. The role of faculty was replaced with the role of facilitator.

Datta says this workshop was rich with conversation, storytelling, case studies, role play, visual clips, and more. The program received some of the highest ratings as a result.

### Conclusion

When MindTree's KM corporate function was closing in on its third year of operation, it decided to get an assessment done of its intellectual capital. The IC Rating™ methodology pioneered by Intellectual Capital Sweden was chosen and MindTree became the first Indian company to deploy it. The results of the assessment put MindTree in the top 12 per cent of all companies assessed worldwide and got a solid 'A' rating in terms of both effectiveness and renewal of its intellectual capital.

The MindTree view of KM is holistic and covers the entire lifecycle of knowledge including innovation and re-use. Therefore, it is not limited to a content-centric approach. Raj Datta agrees with those who have become more focused on the demand side (re-use and pull) of knowledge, but not to the exclusion of the supply side of new knowledge creation which goes beyond the stories of past practices, successes and failures. "Innovation," he says, "needs to be brought into the equation visibly." He also maintains a holistic view, emphasising that KM is as much about culture and social networks as it is about technology.

Without this view, Datta says "KM is reduced to content management and a dull repository. The holistic view keeps KM exciting, dynamic and new, which sustains itself as a transformation-seeking initiative and the returns are greater since all these aspects reinforce each other.

"But the downside is that the scope is larger, the investment in cost, time and energy is deeper, change-management and buy-in issues are larger, but the payoff is better as well." Datta adds that: "KM is multi-disciplinary, taking elements from

various areas of life including anthropology, sociology, economics, management science, philosophy, psychology and technology. "Thus," he contends, "KM has to be a holistic undertaking".

It has often been said that KM can't be taken on all at once or it will fall under its own weight. The MindTree case suggests otherwise. Starting with a fresh slate – either during the formative years of a new company or as part of a change-management initiative – KM can be incorporated as part of the management culture and used to paint with a broad brush. But it needs the savvy and vision of its top leaders, the passion and creativity of its 'missionary' and the partnership of every mind. To that equation, add self-organisation and its dynamic consequence – emergence – as a core strategic element. ■

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*Raj Datta will be guest moderator for an interactive two-week e-mail and online discussion hosted by the AOK STAR Series Dialogue 17-28 July. It is open to AOK members only. Join AOK at <http://www.kwork.org> and engage in the conversation.*

### \*MindTree Minds

That's what MindTree Consulting Pvt. Ltd. calls all its people. Others might call them 'employees,' or for social reasons, 'associates', but MindTree Minds are more than that – they are a significant portion of the intellectual capital upon which the company is built.

### MindTree KM Charter

Mission: To establish systems, processes and culture that help us continuously build our intellectual capital. This means:

- The key emphasis of the KM function will be on enabling knowledge sharing, software re-use, knowledge creation and innovation;
- Other functions will contribute to intellectual capital, but the KM function will drive the definition and measurement of this;
- The primary mechanisms for knowledge sharing will be through KnowledgeNet and communities. These are currently in place, but will be strengthened by creating a more robust and comprehensive next-generation system and by systemisation, virtualisation and institutionalisation of communities;
- Software re-use will be achieved through detailed developer guidelines and education, implementation of a repository and building solution packs;
- Knowledge innovation and creation will be established via education, processes from idea generation to patent filing, a system to support these processes, and creation of innovation communities and events;
- Strengthening of the knowledge culture will be accomplished by establishing a rewards and recognition program, setting KM-specific objectives, emphasising KM in performance management, other incentives like publishing accomplishments in a newsletter and by publishing externally;
- The knowledge assessment theme will be used to assess competence and capability and serve as input to measuring and building intellectual capital;
- The KM function will formalise the defining processes which will result in the systematic establishment of KM.

Source: MindTree