

Your say: Developing strategic CoPs

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As communities of practice continue to grow in popularity, companies are examining how they can be aligned to corporate goals. Sandra Higgison speaks to leading experts in the field to discover what steps must be taken and pitfalls avoided to achieve successful results.

If there were ever a darling of knowledge management, communities of practice (CoPs) and learning networks would come close to fitting the bill. Of all the knowledge-sharing techniques, communities [1] have taken much of the collaboration limelight in the form of dedicated reports, [2] books and conferences examining good practice and effective development. And for good reason, as success stories lie among large organisations, such as BP, Buckman Laboratories and the World Bank, and smaller players like the UK's Countryside Agency and English Nature. The popularity of the model continues to grow as companies adopt communities into their working practices and knowledge programmes. However, this comes at a price. As the concept becomes widespread, it runs the risk of becoming confused and diluted; subsequent deployments may fail to achieve their objectives, which harms the practice and affects real corporate value. To avoid this scenario, it is necessary to examine and clarify what a community of practice is, and what it is not, before discussing the often contentious issue of alignment to corporate strategy.

The essential purpose of a community is to share good practice. While a community's structure, overall purpose and position within a company will differ, Etienne Wenger's definition forms a good basis for many: communities are groups of people that gather around a common interest or theme, and deepen their knowledge by interacting on an ongoing basis.[3] "There are three defining characteristics of a community," says Richard McDermott, president of McDermott Consulting and co-author of *Cultivating Communities of Practice*. [4] "A common topic, a sense of connection and a shared practice." He also highlights the different types that exist, such as learning communities, informal networks, spontaneous CoPs that spring from people's natural need to learn from and help each other, and communities focused on shared passions, such as those for research scientists. A full analysis of all the existing definitions would be a lengthy and fruitless task, however Madelyn Blair, president at Pelerei sums CoPs up succinctly: "As a group that learns from each other's experiences, a community of practice is an excellent model of adult learning."

A typical organisation is made up of and operates through the interrelation of working groups, project teams, business units and communities. Between them they share similarities as they focus on collaboration and work towards a goal. It is, however, important to understand what distinguish communities if they are to prosper within an organisation. "Business units and teams are organised and structured with a firm hierarchy and leadership structure," says Erik van Bekkum, managing director at Efios, an independent consultancy. "Leadership in communities, however, is distributed." This self-governing principle is crucial. "They are not managed by some level of organisational management but upon a code of ethics on participation and privacy," says Debra Wallace, knowledge and learning-strategy consultant and co-author of *Leveraging Communities of Practice for Strategic Advantage*. [5] "They have volunteer members with membership criteria; they set their own agenda, progress at their own rate, and operate on trust and reciprocity."

Communities, whether they are created informally or formally, are based on sharing. "I believe that the essence of a community is a peer-to-peer relationship, formed around a topic that develops practices wider than the community itself," says McDermott. "This sharing of ideas and insights is essential to a

community where technical knowledge of the domain is far more important than hierarchical rank." Blair echoes this statement and says that even though the members of a CoP may overlap with those of business units or teams, the primary purpose of a community is to learn. "One of the characteristics here is that membership does not have to be limited to the employees of the same company," she says. "Some of the strongest and most valuable communities I belong to include people from many organisations around the world."

Understanding the defining characteristics of a community is fairly straightforward; deciding whether CoPs should evolve organically or be aligned to corporate goals can be somewhat more complicated. Although there is great strategic value to be exploited, McDermott stresses that not all CoPs should be tied to the organisation's overall objectives. "Some communities are great simply as a resource for community members to share ideas and help each other out," he says. "The new-hire community at a defence contractor is a great resource for college graduates to help them settle into the company and city. It is a vibrant community and while not particularly strategic, it has increased employee retention." Patti Anklam, principal consultant at Hutchinson Associates, however, adopts a slightly different stance that mirrors that of Wallace and Saint-Onge.[5] "I believe that, to some extent, all CoPs are aligned to corporate goals. Why else would you support them?" she says. "It is the level of support that matters."

The organisation itself must take responsibility for ensuring CoPs are fully exploited for strategic advantage. "Business goals must first be clearly defined and communicated," says Blair. "From this, CoPs can define their own missions in relation to the goals and must then receive the necessary support for members to do this." Support here takes many forms. "Communities need resources to further the generation of capabilities, such as facilitation, knowledge repositories and a technology infrastructure," says Wallace. Ensuring that the infrastructure is sufficient and flexible is a delicate balancing act. "You must have 'enough' technology to meet the needs of even the most tech-savvy users while also being able to offer technology that is approachable and satisfying to the novice," says Anklam.

Establishing the right recognition and visibility for communities will ensure they meet strategic objectives. Communities and their work must be prominent within the organisation and their suggestions must be acted on. Blair describes a firm where no incentives exist for using the lessons learnt in communities. "Great ideas are discovered but no substantive change is brought back into the organisation as the company, despite the rhetoric, focuses on individual performance rather than group efforts," she says. "As a result support for CoPs is drying up. Members rarely attribute their ideas to the work of the community and management doesn't see the necessary ROI because it only looks at the productivity of individuals." To avoid this situation, Wallace says an organisation must ensure its culture values collaboration and selfinitiation, and communities must exist within an environment of trust.

There are additional considerations to be taken into account when positioning communities. As van Bekum says, aligning a community to business goals is a complex issue. "Communities are not always the best vehicle to support corporate objectives," he says. "I would therefore say that you must first be sure that there is a need to make communities meet these goals. Once this has been established, the key consideration is to seek support within and outside of the community." The organisation must also determine how much learning is desired from its communities. "If CoPs are over-structured by the need to meet specific goals, learning will be stifled," says Blair. "On the other hand, if the only goal is to learn, the lessons gained may be too far removed from the business goals that they can't be communicated or acted upon. Loose-tight goals are needed here, where community goals are 'alignable' to business ones but not too tightly." Finally, Anklam outlines an element she believes is regularly overlooked. "When assigning people to strategic communities, especially ones tasked with corporate outcomes, individuals are often asked to work in a community without being allowed the time to participate fully," she says.

By aligning communities to corporate objectives there is a risk that they become too tightly aligned and can no longer function as a CoP. The greatest hazard here is that the need to meet strategic goals impinges upon and erodes the very characteristics that define the group as a community of practice. "The danger is that the community becomes seen as a project group or work team, which would compromise its self-governing and managing status," says Wallace. To avoid this, communities must remain focused on learning as their priority. Anklam has worked with communities that have managed this balance successfully. "In one company they are bringing the notion of communities of practice into work-aligned functions," she says. "I was impressed by how they have provided space and time for reflective enquiry, pushing members to learn and create, while at the same time developing deliverables." Van Bekkum warns that participation and motivation levels could be affected if CoPs are too strictly ruled. His experience with one community was that people were motivated by senses of ownership, belonging and even identity. "As soon as the corporation became too dominant this belonging disappeared and the community lost its vibrancy and energy." Indeed, it should be the community itself that decides how closely aligned it is to the organisation's goals, not the company. "In the end, the community might need to break off on its own and exist without the support of the organisation," says Wallace.

With so many considerations and risks to take into account, organisations need to decide carefully where communities should be used to build capabilities for achieving strategic goals. Blair and Anklam agree that all communities of practice should be aligned to business objectives to some degree, unless they are purely social. "Thematic groups in the World Bank began their work in 1997 to qualify information posted to databases," says Blair. "Today, they are asked to direct their learning more broadly to contribute to the bank's broadest goal, poverty reduction." An alternative approach, endorsed by McDermott and van Bekkum, relies on dialogue and conversations with a company to determine where CoPs should be used at a strategic level. Although there are many ways to assess where knowledge gaps lie, McDermott describes two approaches he favours. The first involves gut feeling. "We sit down with senior managers to discuss the current markets, business strategy, and current and intended competitive positions of the company," he says. From this McDermott identifies the knowledge needed to win, looks at the organisation's existing competencies and how well developed they are. "Unfortunately this does not always work as senior managers sometimes think they know more about their organisation than they really do." The second approach has the same initial analysis but then conducts a survey of the organisation to assess the strength of expertise in each knowledge area. "I am very fond of these approaches because they are driven directly from the business strategy," he says.

Communities have always existed within organisations, but by understanding, supporting and leveraging them, they can deliver incredible value and make organisations stronger in the future. "Every economic indicator says that companies must be ready to adjust to new factors and forces to survive," says Blair. "Communities of practice can create the environment where this kind of learning and exploration can take place." McDermott recognises the benefits of time savings and higher-quality decision making. Ultimately, though, he believes that their greatest value comes from increasing the organisation's capability in the key strategic areas around which they have been formed. Van Bekkum agrees that the value of communities comes from uniting personal and collective capability development and business results at the same time.

Indeed, as Wallace says, their importance to an organisation can be easily described: once communities have been nurtured, supported and have flourished, the value they bring will quite simply be priceless.

References

1. For the purposes of this article, the terms 'community of practice' and 'community' are interchange-

able

2 Ark Group's report *Communities of Practice: Lessons from Leading Collaborative Enterprises* will be published in March 2004. For more information, contact ascrimshire@ark-group.com

3 Wenger, E., McDermott, R., A. & Snyder, W., *Cultivating Communities of Practice* (Harvard Business School Press, 2002)

4 *ibid.*

5 Saint-Onge, H. & Wallace, D., *Leveraging Communities of Practice for Strategic Advantage* (Butterworth-Heinemann, 2002)

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