

12. CONCLUSIONS

12.1. Realisation of objectives

This study aimed to define the role of knowledge management in eBusiness and customer relationship management. Prior to this study, this role had not been formally defined. It is critical for organisations to understand the role of knowledge management in eBusiness and customer relationship management to enable them to manage and leverage knowledge as a corporate asset that supports the organisation's business strategy and operating model, and therefore the execution of the strategic intent of the business.

The researcher's opinion that the knowledge management has a role to play in eBusiness and customer relationship management was confirmed during this study. This role can broadly be defined as follows:

- Knowledge management is a prerequisite for eBusiness and its increasing client centric focus. To operate in an eBusiness environment, an organisation has to have a good command of knowledge on its markets, customers, products and services, methods and processes, competitors, employee skills and its regulatory environment. This is due to the fact that organisations can, with the advent of eBusiness, do business electronically, seamlessly across the globe, via the Internet and via intranets, which has caused an explosion of the richness and reach of information and knowledge. Knowledge management systems are now essential to ensure that value is extracted from knowledge internal and external to the organisation.
- eBusiness also broadens an organisation's customer base due to the possibility of operating globally through electronic means. Customer relationship management in the global and digital economy has therefore forced organisations to rethink the ways in which they build relationships with a broadened customer base. The researcher is of the opinion that customer relationships cannot take place without knowledge management. To enable organisations to become more efficient and effective in delivering products and / or services to customers, thus creating customer delight, knowledge on customers will have to be managed to ensure that the services organisations provide are those that will address customer needs. Knowledge management is therefore an integral part of customer relationship management.

The first objective of the study was to define the role of knowledge management in eBusiness and customer relationship management in the new economy. To enable this, the following were undertaken:

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- The three concepts were clearly defined to determine their conceptual boundaries. This includes an investigation of the goals or aims of each of the three concepts.
- The nature or characteristics of these concepts were also discussed to create a high level understanding of the nature and implications of probable relationships.
- There are numerous similarities between the drivers of the three concepts, but also some unique drivers to each. An overview of the drivers of these concepts provides a common understanding of the commonality and differences between the concepts with reference to the reasons for their existence.
- A discussion around the critical success factors of each of the three concepts provides a better understanding of the nature of the concepts and will provide more insight into their relationship.
- The value proposition, i.e. the value that each concept adds to a business, provides an understanding of the nature of the concepts and their interrelationship.

The nature of the role that knowledge management plays in eBusiness and customer relationship management was also defined, as well as the value that knowledge management can add to eBusiness and customer relationship management.

The second objective of the study was to test the validity of this role and value proposition of knowledge management in eBusiness and customer relationship management as defined by the researcher in the South African context, through the administering of questionnaires to large South African corporates where knowledge management has been implemented to some extent. A DMAP questionnaire was administered to enable the testing.

12.2. Hypothesis testing

The original hypothesis was that knowledge management plays an integral part in the design, implementation and management of eBusiness and customer relationship management in organisations. This hypothesis was neither proven nor disproven *in the South African context* specifically, with reference to both importance and performance of issues identified.

12.3. Expected results

The researcher was of the opinion that the research would identify knowledge management as having a significant impact in the design, implementation and management of a business environment where eBusiness and customer relationship management plays a critical role. Expected results confirmed are listed below:

- eBusiness success demands increased customer intimacy over new channels. Knowledge is required to build customer intimacy. However, sharing knowledge on customers is currently poorly developed in most organisations.

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- eBusiness expands the competitive arena. Increased competition requires greater inventiveness and improved competitive intelligence, which can be provided by knowledge management.
- Knowledge management seeks to leverage this richer knowledge, e.g. by achieving an intelligent supply chain.
- Knowledge management and collaboration allows organisations to quickly communicate precise, reliable knowledge across all internal and external processes and all stakeholders.
- Knowledge management allows the building of trust and collaboration among diverse business partners.
- Knowledge management provides all stakeholders with access to the right knowledge at the right time.
- Knowledge management enables the creation, sharing, harvesting and leveraging of knowledge, whether in tacit or explicit format, through provision of access to knowledge through a single point of access, using search and retrieval capability, categorised content, knowledge on expert skills to enable one-to-one contact and the creation of knowledge sharing and collaboration environments e.g. communities of interest, communities of practice, project teams, through which knowledge can be shared by an organisation, its business partners and customers.
- Knowledge management can put knowledge into context, i.e. personalise knowledge, thus minimising knowledge overload.

Expected results that were not confirmed, include:

- Knowledge management provides the ability to internalise external knowledge.
- eBusiness drives faster reaction times - it creates a greater demand to consolidate knowledge faster, which makes knowledge management imperative.
- Explicit knowledge is exposed in the eBusiness environment and the demand for it is well understood. Demand will increase for more of the enterprise's tacit knowledge to be distributed to a wider audience external to the organisation through one central interface. This has wide-ranging implications, from security to assessing and providing context for knowledge-based interactions.
- Customer data resulting from eBusiness distribution will be much richer than was traditionally available to business, because more context of the transactions can be captured.

12.4. Utilisation of DMAP

The utilisation of the DMAP tool was successful in this environment according to the researcher. The tool provided information in a usable format in order for the participants to be

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able to make effective business decisions. It also allowed the researcher to make sound conclusions from the questionnaires in order to complete this study.

The most value was added by the open questions in the questionnaire, where participants were allowed to provide their own opinions. The tool provided valuable insight into specific concepts that were addressed by the participants. The researcher is of the opinion that this section specifically added a lot of value as participants identified some unexpected concepts and themes.

12.5. Conclusion

The researcher has made three overarching conclusions subsequent to this study. These conclusions put the role of knowledge management in eBusiness and customer relationship management in the South African context in perspective with reference to practical application thereof:

- **Knowledge management value proposition**

The knowledge management value proposition with reference to eBusiness and customer relationship management is not very different than the generic value proposition of knowledge management in other areas of the business. There are, however, *subtle differences in focus and areas of importance*, e.g. the scale of knowledge sharing over geographical, divisional and organisational boundaries, consolidation of knowledge to provide one view of organisational knowledge, the role of technology in providing platforms for sharing knowledge internal and external to the organisation, etc. Where organisations have eBusiness and customer relationship management programmes, these subtle differences will need to be taken into account when designing, implementing and managing knowledge management programmes.

- **Knowledge management: operational vs. strategic**

Organisations understand the strategic importance of knowledge and knowledge management, but currently only apply knowledge and knowledge management on an operational level. In the researcher's opinion this is partly due to the fact that management does not understand the linkage between business strategy, the organisational business process value chain that is the mechanism to execute the business strategy, and knowledge that enables these processes. Once management understands the linkage between these concepts, knowledge management will become a strategic, top of mind issue for organisations. The researcher is also of the opinion that the lack of understanding of the value that knowledge and knowledge management can add to the business, on a conceptual and monetary level, leads to a lack of strategic focus with reference to knowledge management. Once organisations understand the potential impact of knowledge and knowledge management, they will embrace knowledge

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management as a strategic issue. The understanding, however, once again ties back to the understanding of the linkage between the business strategy, the organisational value chain and knowledge that enables it.

- **Market conditions influence knowledge management**

Market and economic conditions definitely influence the acceptance and implementation realities of knowledge management. South African organisations specifically have certain limitations in implementing knowledge management, which may not pertain to other countries in the world. This needs to be taken into account when designing, implementing and managing knowledge management programmes. Knowledge management is not a totally generic concept that can be applied in the same way everywhere across the world. As there are unique conditions in each and every organisation that need to be taken into account, there will be country or region specific issues that will also play a role in the successful implementation of knowledge management. The researcher is of the opinion that a lot of programmes fail for this reason, as European and American models are followed which may not apply to conditions in South Africa.

The researcher concludes by defining knowledge management as having a clear and significant role in eBusiness and customer relationship management according to the market. This must, however, be seen against the background of a lot of identified issues currently affecting the successful application of this value proposition in practice.

12.6. Value added by this study

This study firstly makes a contribution to the understanding of the inherent nature of knowledge management, as concept in its own right, or as concept within an eBusiness or customer relationship environment. It is clear from this study that knowledge management may have different nuances in different environments, but the core principles remain the same. The researcher is of the opinion that this conclusion has an important impact on implementation issues in the eBusiness and customer relationship management environment, as the same principles can be applied, but with different focuses.

The second contribution this study makes is in understanding how knowledge management is perceived and applied in the South African market, given the advent of eBusiness and customer relationship management. It is clear that, even though South African top executives understand the value that knowledge management can add, they currently perceive the benefits to be reaped on an operational efficiency level only. This perception can only be managed once it is understood.

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The third contribution that this study makes is in understanding that knowledge management in South Africa has its own unique challenges and that knowledge management programmes cannot be carbon copied from systems and programmes in Europe and the USA. eBusiness and customer relationship management has also not been implemented as substantially in South Africa as in Europe and the US, impacting on this conclusion even more. The researcher is of the opinion that this is a crucial value adding contribution to knowledge management practices in South Africa, as most organisations with knowledge management programmes are utilising research and case studies from international programmes, assuming that it will apply to the South African situation. This study will hopefully stimulate thought on how knowledge managers in South Africa can adapt programs to suit local conditions.

12.7. Recommendations for the future

The researcher's first recommendation is that a greater and more in-depth understanding needs to be gained by South African knowledge management specialists on the nature and complexities of knowledge management, albeit in the eBusiness or customer relationship management, or any other environment. Too many people in the market have the perception that this is not a specialised field of expertise and that perception needs to change. As can be seen from this study, knowledge management is a complex concept that is difficult to implement successfully.

The researcher's second recommendation is that perceptions should be changed to ensure that knowledge management is seen as a strategic issue in organisations. Knowledge is an inherent part of core processes of any business, therefore the knowledge and how it is managed must be seen to be as important as the core processes and how these are managed. In a knowledge-based economy, organisations cannot afford not to change their perceptions in this regard, as they will lose competitive advantage. A perception change of this magnitude will be difficult, and will only be achieved once the value proposition of knowledge management is clearly understood by top executives. Being able to show quantifiable savings or value added may support a clear understanding of the value proposition of knowledge management, but from practical experience and from the literature it is clear to the researcher that this is a very complex matter in itself. Knowledge management specialists and champions, however, need to work at finding the right way in communicating and creating awareness of the value proposition of knowledge management, in order for it to be viewed as a matter of strategic importance.

The third recommendation in this regard is that awareness and education of knowledge management specialists need to take place to ensure an understanding of the intricacies of

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implementing knowledge management in a South African environment. Knowledge management programmes in South Africa is in dire need of adaption to local conditions, and this awareness needs to be created informally, but also through formal education of knowledge management specialists.