

IMPLEMENTATION AND MEASUREMENT OF KNOWLEDGE MANAGEMENT (KM) IN INDONESIA

Haris Budiyo

Abstrak

Perkembangan implementasi KM (*“knowledge management”*) di Indonesia bervariasi, situasi itu dapat disimak tingkat perbedaan implementasi KM di perusahaan swasta (baik swasta asing yang beroperasi di pelbagai negara maupun swasta lokal), organisasi publik, dan lembaga pendidikan. Berdasarkan hasil survey yang dilakukan pada akhir Tahun 2007 ternyata adopsi KM di Indonesia lebih banyak diprakarsai oleh perusahaan swasta asing (30-35) terutama *“multi national companies”*, diikuti kemudian oleh swasta lokal (15-20) terutama BUMN, lembaga pendidikan tinggi (15), dan organisasi publik (4-5) terutama pada tingkat pusat dan departemen. Implementasi KM di lingkungan perguruan tinggi (PT) juga masih rendah, walaupun demikian sudah ada kelompok-kelompok akademisi yang berinisiatif untuk melakukan kegiatan promosi KM melalui: seminar/konferensi untuk mengenal dan memahami konsep KM, mengadopsi konsep KM pada materi kuliah/kurikulum, memperkenalkan jenis riset tentang KM kepada mahasiswa, membuat web atau blog tentang KM, membentuk asosiasi KM, dll. Sementara itu implementasi KM di UNISMA juga masih berbentuk inisiatif dari kelompok dosen yang berminat pada KM, secara umum saat ini perkembangan implementasi KM di UNISMA, baru memasuki tahapan awal dan advokasi.

Key words: *knowledge management, multinational companies*

THE EXTENT OF KM IMPLEMENTATION IN INDONESIA

Implementating knowledge management in Indonesia is still at its very early stage in Indonesia. The concept and acceptance have not yet been established in the country widely. From the participation on MAKE (Most Admired Knowledge Enterprise) Award 2007 in Indonesia, it can be seen just around 64 – 75 companies were eligible nominated. Dunamis Organization Services – as an organizer for MAKE Award in Indonesia - has announced 11 companies as the winners of “2007

Indonesian MAKE Award”, since they reached the minimum point 550 of the total 800. The winners are shown in alphabetical order: Astra International, Bank Indonesia, Bank Niaga, Binus University, ITB, Medco E&P Indonesia, Telkom Indonesia, Unilever Indonesia, United Tractors, WIKA, dan XL.

Unilever Indonesia, Astra International, and XL (Excelcomindo Pratama) have the highest point among the winners at national level and they automatically were representatives for Indonesian to join “2007 Asian MAKE Award”, South Korea, October 2007. At this regional level, Astra International

(Indonesia) is the only Indonesia company who has succeeded in becoming one of 15 Asian companies receiving the award.

Astra International (Indonesia) was established in 1957 as a trading company, Astra International has grown into a diversified Group embracing six core businesses: Automotive, Financial Services, Heavy Equipment, Agribusiness, Information Technology and Infrastructure. The Astra Group, with US \$6.2 billion in annual sales, has a workforce of almost 120,000 people spread across 130 subsidiaries and affiliates. The 2007 Asian MAKE panel has recognized Astra International for its enterprise knowledge sharing and collaboration, and delivering enterprise value based on customer knowledge. This is the first time that Astra International has been recognized as an Asian MAKE Winner.

Since MAKE Award becoming popular in Indonesia, companies and organizations which doing KM programs in Indonesia try to adopt the eight knowledge performance dimensions as the MAKE framework and are the visible drivers of wealth creation :

- creating an enterprise knowledge-driven culture
- developing knowledge workers through senior management leadership
- delivering knowledge-based products/services/solutions
- maximizing enterprise intellectual capital
- creating an environment for collaborative knowledge sharing
- creating a learning organization
- delivering value based on customer knowledge

- transforming enterprise knowledge into shareholder (or societal) value

There is no data precisely about how many Indonesian companies or organizations which implementing Knowledge Management as a core of their business strategy. However, the table below can illustrate the estimated number companies /organizations and level of maturity in KM implementations.

Table 1 indicates that private sector (50-35) may lead on KM awareness and practice in Indonesia, followed by higher education (HE) institutions (15), and a few of public sector (mainly : central office and the ministry). The level of maturity in KM varied from Aware to Managed (multinational companies), Aware to Enabled (local companies), Chaotic to Enabled (public/state institutions), and Aware to Enabled (higher institutions).

Rayanti Binawan (2006), as a consultant on innovative management in Indonesia, has interviewed by KM Talk, she explained that most of multinational companies in Indonesia are encouraging in doing knowledge management, while many local companies are less to adopt KM into their business processes. The useful impact of KM has not yet explored by those local companies. Most of the local companies are reluctant to adopt KM as they consider it's a costly investment and there is no impact. That suggests, there is a need for an appropriate promoting and awareness building on the impact of knowledge management. Rayanti Binawan (2006) argued that the government has just started to talk about knowledge management, but no concrete efforts have been made that may encourage the public sector to implement KM. To accelerate adoption of KM, Government

should take an active role, as well as leading local companies, academics and of course the people. As KM is still new in Indonesia, she start her consultancy focusing on talent management, training and then talk about knowledge management. The approach has to be different. She does not want to scare people with some new buzz word.

The Extent of KM Implementation in Higher Education in Indonesia

At the beginning of the 21st century, higher education is facing unprecedented convergent challenges from the globalization, the increasing importance of knowledge as a main driver of growth, and the information and communication revolution. The role of higher education in the construction of knowledge economies and democratic societies is now more influential than ever.

Since the early 90's, most higher educations in Indonesia have embarked on ICT based on their own initiatives. It was earlier started mainly in the big five state HE in Indonesia (ITB, UI, IPB, UGM, and ITS), then followed by another state and private HE. Those individual initiatives eventually come out from the need of each academic communities to make the ICT development benefits to their academic activities and to tap information from the world of knowledge through ICT. At the present time, it can be estimated that 60 % of the total HE in Indonesia have developed their own web, around 100 HE have developed web based learning, and 21 developed HE have established digital library network.

DGHE has also taken some initiatives in capitalizing on the ICT development, among others are: the dissemination of library service automation system that was distributed

freely to HE community that enables them to share catalogs using the same platform; development of management information system and database system for HE to help universities in managing their data and information on their assets and resources; SISDIKSAT (satellite-based education system), a tele-teaching initiative implemented via satellite communication targeted to the less developed public HE; GDLN (Global Development Learning Network), a project funded by the World Bank to connect four universities (UI, UNRI, UNUD, UNHAS) to the World Bank Institute global development learning network was initiated in 2004.

The network will form the national backbone of higher education and will connect most universities in Indonesia. By the end of 2006 the main backbone has connected 32 local nodes that resided at major universities in each Province. Each local node will serve as the main hub connecting the surrounding universities. Not less than 89 institutions from Banda Aceh to Jayapura (West Papua) are currently connected to the network using different technology and is still growing. By the end of this year at least 150 higher education institutions will be connected to the network.

It is quite clear that DGHE has a strong commitment to push Indonesian HE to improve their quality performances (The Government Decree No. 19, 2005, National Education Standard), focusing on ICT utilization, under the wisdom of HELTS (Higher Education Long Term Policy, 2003-2010), by implementing 3 main strategies : enhancement of Nation's Competitiveness, Autonomy, and Organizational Health. To this point, DGHE, as a policy maker on Indonesian HE development, has done much. However, the benefit of ICT utilization

should be followed by the action (at each HE) on how to make more benefits by sharing and well managing information and knowledge on doing all (level and type) activities at the institutions : learning, research, administrative management, enrollment, community servicing, creating a new concept/design/product, etc.

Although the wave of ICT utilization in Indonesian HE is very significant, the awareness on KM concept among academic community in Indonesia, as well as business communities and government officers, is very little. A growing concern, awareness, and initiatives on KM implementation among academic community in Indonesia can be seen after 2000, by conducting various activities : seminar/conference on promoting/understanding the concept of KM, adopting KM concept on subjects/academic curriculum, introducing a research on KM to the student, creating a such web or blog for KM, establishing the association for community on KM talking and initiatives, etc. By this year, it can be estimated that the number academic community in Indonesia which have a great concern on KM totaled about 300. This size of concern and initiatives on KM among academic society at future time are expected to promote, implement, and gain the benefit of KM for business organization and a form of knowledgeable society in Indonesia. More important thing, concern and initiatives on KM among academic society should be practiced internally to improve the atmosphere of learning at their campuses, then focused on setting a common sense among leadership (rector, dean, head of department, and other administrative workers) within HE institutions, on how important to apply

knowledge strategy for managing the institution, to enhance academic performances, to deliver a better student services, and to meet a greater demand of a quality HE itself.

The Extent of KM Implementation in My Organization (UNISMA)

Islamic University '45 (UNISMA), has a great challenge to contribute in gaining educational performance for the society. Located at industrial estate neighborhood and the heart of urbanization area is geographical advantage for UNISMA, to capture advance technology, knowledge, and business from the industrial and corporate society at surrounding, to be treated as valuable resources of learning. Based on this endowment factor (geographical advantage), in fact, UNISMA has a great an opportunity to apply KM whether for the benefit of institution and also for its community surrounding.

UNISMA has to put a great attention on academic quality improvement, academic facilities availability, developing management system, and creating a more favorable academic atmosphere for student and lecturer, to meet the satisfaction of existing students and to invite more number of new students. Lecturers work together with some students in conducting research activities, training, consulting project, and other academic services, as demanded by the community (BIGGS), the local government (Bekasi, Karawang, Jakarta), business corporate (PT Jasa Marga, PT KAI, PT Bukaka), and international organization (IIT, UNDP, JICA, Asia Foundation, USAID). These activities are intended as an academic exercise in the field (knowledge of field) to enhance the quality of thought for the lecturers and

those activities also are motivated to generate additional revenue for sustainability of institution, as well as additional income for lecturers.

The management of institution has evolved in 1995, during 5 year (1995-2000) the management implement formally the concept of BPR (Business Process Reengineering). The results of this project of BPR is significant in leveraging paradigm of leadership (dean and head of study program), lecturer, and administrative workers. During implementing this project, activity of sharing and working together within a team to set and to pilot a new system for management were familiarized and well accepted.

To this point, it would be expected that familiarized practice of sharing information becoming a good climate for doing KM as a strategy, whether for academic community benefit and institutional development. However, at present time in UNISMA, a fully understanding and awareness on KM among lecturers is still limited. It might be not more than 10 lecturers who understand this concept (including the rector).

From a sort of discussion internally, it can be identified several factors may inhibit the understanding and awareness on KM among lecturers :

- the philosophy of KM not being well understood
- limited access to the source of concept (language barriers)
- passive learning, attitude barriers to listen and to respect on others experiences

Actually, there is an interest group on KM in the campus conduct an irregular meeting to talk about KM, formally since December 2006. This group voluntarily set an agenda to act in

promoting and widening awareness on KM in UNISMA.

This group also consider that building KM societies in UNISMA will follow 5 stages, based on paper of Kimberly Lopez et al., American Productivity & Quality Center (2001) :

- Entering and advocate
- Explore and experiment
- Discover and conduct pilots
- Expand and support
- Institutionalize Knowledge Management

The measurement will be developed to be relevant and suitable to each stages. Those indicators are :

- **Stage entering and advocate** : number of people (lecturer and administrative workers) are aware and eager to know more about KM, to know the success story of KM applied in business communities, willingness to write the concept of KM in institutional journal.
- **Stage explore and experiment** : having back up from leadership (rector and dean of faculties) to conduct a research on KM, based on internal budget.
- **Stage discover and conduct pilots** : some measurement on KM performances will be proposed to be implemented on SEPADAN (personal performances evaluation system in UNISMA, per semester) and REVA (institutional, faculties, and unit performances evaluation system in UNISMA, yearly).
- **Stage expand and support** : number of research on KM admitted in international journal, national conferences held periodically, and formation/size of

membership of KM association local societies, etc.

- **Stage institutionalize knowledge management** : term and soul of KM may be introduced as a key element on the institutional vision, mission, values, and performance evaluation.

REFERENCES

Kimberly Lopez et al. (2001), Examines the different stages of KM implementations and metrics for evaluating an initiative's progress, American Productivity & Quality Center.
KM Talk (2005), KM Adoption in Indonesia : a brief interview with Rayanti Binawan.

Table 1.
The Estimated Number of Companies /Organizations and
Level of Maturity in KM Implementations in Indonesia October 2007

Grouping	Private Sector		Public Sector		Higher Education
Type or Level	Multinational Companies	Local Companies	Central Department	Province, Regency-Municipal, District	Private and State HE Institutions
Estimated Number Having KM Programs	30 - 35	15 - 20	4 - 5	0	15
Estimated Level of Maturity in KM	Level 2 to 4	Level 2 to 3	Level 1 to 3	-	Level 2 to 3
Driving Force	International market and benchmark	Organizational leadership and Share on domestic market	Organizational leadership and Growing public awareness	-	Block grant, Accreditation, and Quality assurance programs

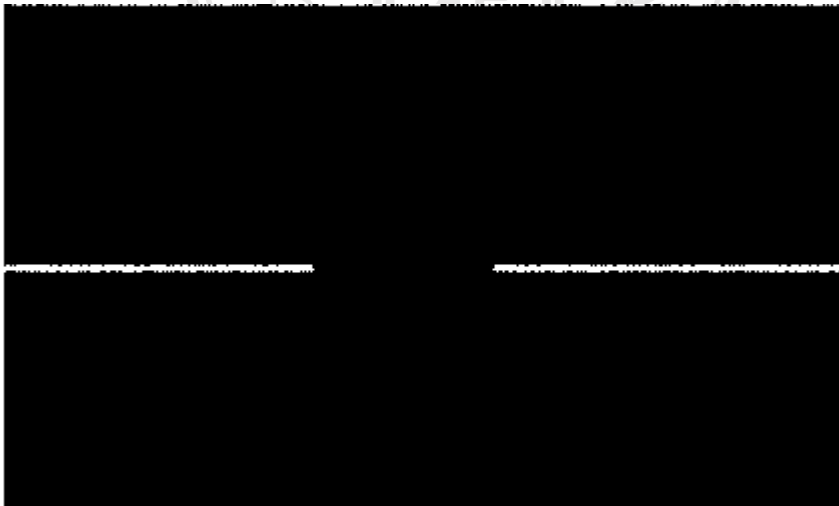


Figure 1. Framework of Knowledge Management Implementation at UNISMA