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Facilitating a Knowledge Market: Key Roles at McKinsey

Many companies have made a significant investment in knowledge exchange—usually in information technology—but most corporate knowledge remains tacit. Productivity can be greatly increased by facilitating "knowledge markets" containing a critical mass of the company's most valuable insights. The key is to harness the self interest of participants, following the same principles that allow market economies to work more effectively than planned economies. These principles include valuable objects to trade, exchange mechanisms, clear standards and regulations, and appropriate price mechanisms (though in a knowledge market, the price the author gets paid is more likely to be reputation-based than financial). Knowledge markets can start at the functional level, targeted at groups such as strategic planners or R&D professionals, but the most effective markets are open to the entire firm.

We've found that effectively facilitating knowledge markets requires five key capabilities: clear leadership and objectives to ensure alignment with the organization's mission, a consistent knowledge architecture to allow staff to effectively access knowledge in a structured way, clear roles to allow the organization to implement initiatives successfully, effective technology to support

knowledge distribution, and a learning culture to integrate knowledge into the way work gets done in the organization. I will explain McKinsey's approach to these five elements, with an emphasis on the roles required.

Market facilitator roles include both central departments and more decentralized groups. Due to its size and the nature of its business, McKinsey has a very large central group called Knowledge Services, which is organized into units focused on research, knowledge codification, knowledge systems, and external publishing. In addition, we have more decentralized practices, organized by function and industry, that respond to requests from client teams, oversee each domain's content, and stimulate new content. As a practice manager, I will describe some of the role's responsibilities, such as attracting the right people (e.g. committed leaders and knowledgeable first alerts), connecting the community (e.g. by organizing events), maintaining the infrastructure (e.g. updating the practice web site), and facilitating key processes (e.g. knowledge sourcing and reviewing).