

UNIVERSITY OF COLOMBO, SRI LANKA

FACULTY OF MANAGEMENT AND FINANCE

Bachelor of Business Administration (Level II – Semester VII)

Examination – July 2018

HRM 2211– Knowledge Management

Two (02) Hours

Answer Three (03) questions in all, including any three (03) sub questions from Question Number 1.

1. Read the following case and answer the questions given at the end.

NextCorp is an IT company having its head office in Bristol, United Kingdom. As a part of their internationalization strategy, they initiated a strategic alliance with VAM Solutions – a company located in Colombo, Sri Lanka. The plan was to penetrate to the European market by getting the much needed expertise and human capital in the areas of web solutions and mobile applications development for a competitive price, which the company is currently lacking.

VAM Solutions was a partnership between three friends who met at University of Colombo while pursuing their IT degree. The company was informally set up while they were in their third year of university and by the time they graduated, they registered the company having a portfolio of 10 clients. The three friends: Kusal, Arith and Madhu initially developed the company separately in their own homes, and within a year or so, decided to rent an office space and get a team of their friends and later interns through their old university contacts. The company had a playful environment of “Work hard and play hard” with an emotional involvement of all team members where the owners ensured they shared a reasonable amount of their perks with all members. The intake of talented individuals who matched the company culture only through recommendations of the current team players ensured that the company culture remained intact and a bond develop among the team players and the partners. There were no distinctions made between the partners and the team players. All worked hard for the company and called each other in their pet names. They all went on,

trips together every three months and met regularly at their own personal homes. These blurred the lines of home and work with friendships developing beyond the confines of the office space.

Within 5 years, VAM Solutions became a sought after company for web solutions and mobile application development with over 05 hit apps gaining international repute.

The partners became passionate to make this business grow bigger by entering into international markets and bid for bigger projects. However, their capital and their brand was not strong enough to gain confidence among the large European clients. The company lacked the know-how on gaining access to these clients and a larger part of the pie which they knew their clients were getting by outsourcing their work to VAM. They decided to approach NextCorp, their biggest client to draw up a strategic alliance as both the companies were keen on internationalization. However, due to the dominance of NextCorp on the revenue of VAM, the latter had less control over the negotiations in drafting the strategic alliance. While there were debates among most team members in VAM on the prudence of this alliance, the partners decided this is the only way forward. They convinced the team by taking full responsibility for their continued employment in the company.

As negotiations progressed, NextCorp laid its non-negotiable conditions for the alliance to which VAM reluctantly agreed:

- systematic documentation of procedures the team members in VAM follows in executing projects;
- joint knowledge sharing sessions once a week between similar teams of both organizations;
- short-term exchange programmes of team members of both organizations.

As teams in both organizations started getting accustomed to the new developments in their organizations, tensions started to flare with issues of mistrust, miscommunication and cultural distance. VAM team became increasingly isolated, as their voices seemed to go unheard. As months lapsed, the team members were pushed into making significant decisions on the future of the company and its strategic alliance. They felt that the Western perspective of sharing knowledge is different to the Eastern perspective and hence NextCorp is ill equipped to manage the knowledge workers of VAM. The core team members in VAM requested a meeting with the top management of NextCorp to resolve their issues once and for all.

i. Comment on the knowledge management strategy of NextCorp on VAM's team and discuss the implications of this strategy in managing knowledge workers in VAM.

(20 Marks)

ii. The VAM team believed that the "Western perspective of sharing knowledge is different to the Eastern Perspective". Do you agree with this? Elaborate your answer with critical perspectives of knowledge management.

(20 Marks)

iii. Could the team VAM be considered a Community of Practice (CoP)? What could be the implications of NextCorp's intervention on the dynamics of VAM's team? Elaborate your answer using the concept of CoP.

(20 Marks)

iv. VAM Solutions seems to exhibit characteristics of a learning organization. Do you agree with the above statement? Discuss your answer considering the situation of VAM before and after the strategic alliance.

(20 Marks)

(Total 80 Marks)

2. "Contemporary society is a knowledge society hence knowledge intensive firms and knowledge workers represent important elements of it". Discuss the rise of the knowledge worker and the need for knowledge intensive firms in our contemporary society.

(20 Marks)

3. Discuss the different socio-cultural issues that could affect the management of knowledge in any organization. Give specific examples.

(20 Marks)

4. "The different features of knowledge workers require companies to motivate, monitor and evaluate knowledge workers differently from traditional workers". Discuss this statement with suitable examples.

(20 Marks)