Chapter XII
Acquiring and Sharing Knowledge Through Inter–Organizational Benchlearning

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ABSTRACT

This chapter introduces inter-organizational knowledge acquisition and sharing as a means to facilitate benchlearning within the field of human resource management. The chapter presents an interactive web-based portal and demonstrates how valuable knowledge can be released from organizational “silo centers” and be passed around to the benefit of both organizations and academia. In general, human resource departments struggle to demonstrate their validity to the business and their ability to accomplish business objectives. In addition, human resource departments generally lack the ability to speak of their accomplishments in a business language. The presented portal assists human resource professionals in making more efficient and qualitative decisions that are not based on good guesswork or mere instinct, but on facts and knowledge. The portal is novel in its approach of facilitating benchlearning across organizational boundaries and within the soft area of human resource management.

INTRODUCTION

In order to stay innovative and be competitive under rapid environmental changes, it is essential for organizations to continually develop strategic and organizational flexibility (Sampler, 1997). Thus, critical knowledge acquisition is crucial for organizations’ continual development and sustainability. However, knowledge acquisition is essentially related to human action since
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knowledge is created by individuals (Nonaka & Takeuchi, 1995). Yet, organizations can establish a context that supports creation and enlargement of knowledge (Nonaka & Takeuchi, 1995), for example through the use of an information system. The value of such information system, however, can be even greater when applied to a collaborative setting, especially when such setting involves a combination of both professionals and academics.

This chapter suggests that software designed to collect, store, manage, deliver, present, and manipulate data can increase knowledge acquisition and sharing and thus facilitate the process of learning even across organizational boundaries. Academic researchers have increasingly focused on the notion that innovations are often found in the space between organizations (e.g., von Hippel, 1998; Powell et al., 1996). Mostly this research, however, does not address the ways in which information systems can support the joint acquisition of knowledge.

This chapter presents a technological platform (i.e., share2know) that facilitates inter-organizational knowledge acquisition and knowledge sharing within the field of human resource management. Hereby, this chapter answers a request in this specific field, as little theory has dealt with knowledge acquisition and knowledge sharing within human resource management. As Ulrich et al. (1989) argues, progress within the field is little supported by empirical evidence. Furthermore, trends are pushing towards justifying the expenditures and the mere existence of human resource departments leading human resource professionals to become preoccupied with enhancing their knowledge on how to increase their efficiency and visibility within the organizations.

The platform presented is designed as a web-based bench-learning tool (Karlöf et al., 2001). Through inter-organizational knowledge acquisition and sharing, the portal provides organizations with easier access to human resource knowledge, quicker responses to problems, and increased learning curves. The tool facilitates that valuable knowledge is released from organizational “silo centers” and passed around not only to members of the community of human resource professionals (i.e., inter-organizational), but also around intra-organizational members (e.g., CEOs and directors of finance). Equally important, the portal facilitates knowledge acquisition to academia. Through the portal, academic researchers can retrieve data for scientific usage that makes the researchers end-users of the portal as well. In this way, the portal provides both inter-organizational and intra-organizational knowledge acquisition. Moreover, the portal facilitates knowledge generated on the basis of a longitudinal theoretically and empirically driven reflection from academic researchers. It is especially the close collaboration with academia and the fact that the information system is based on scientifically based knowledge combined with practical experience that is rather unique.

**BEETTER AT KNOWING WHAT IS KNOWN**

Knowledge provides a substantial input to all business activities whether it is production, sales, logistics, or human resource management. The ability to acquire and share the specific knowledge that provides competitive advantages is a key factor in gaining success. However, knowledge acquisition and sharing is not simply a question of distributing informative reports and sharing ‘best practices’ (Marshall et. al, 1997). The general view is that knowledge acquisition is closely related to experiences for example in the form of organizational learning (e.g., Fiol & Lyles, 1985; Huber, 1991), and as such knowledge acquisition is closely related to internalization. However, the ability to exploit external knowledge sources is a critical component related to organizations’ innovative capabilities since a broader knowledge base is preferred when the aim is to increase flex-
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ibility and adaptability to environmental changes (Bierly & Chakrabarti, 1996). Not only is external knowledge required to keep abreast of for example cutting-edge technologies (Bierly & Chakrabarti, 1996), external knowledge is also critical to the innovation process as most innovations come from borrowing rather than from inventing (Cohen & Levinthal, 1990).

Within the field of economic research, knowledge sharing has been a major topic over the last thirty years. Theoretically, the importance of sharing is well established. An organizational knowledge base is critical to innovative thinking and to keep up with industry trends. Organizational knowledge largely depends on external sources and is essential to economic growth (Griliches, 1992). At the organizational level, the theory of knowledge sharing mainly deals with attracting knowledge generated by various external resources (e.g., competitors, universities, and governmental research organizations). Theory mostly deals with innovation of technological design and desires within various industries (e.g., Monjon & Waelbroeck, 2003; Desrochers, 2001; Baise & Stahl, 1999). Further, knowledge sharing has mainly been addressed within a certain industry and not across industry boarders. Finally, studies have explored the impact of progression and innovation on strategic interaction among organizations and on endogenous growth (Aghion & Howitt, 1997). For example, research on the sources of innovation supports the observation that imitation is an important means of technological diffusion and change (Cohen & Levinthal, 1990).

Many organizations have valuable knowledge hidden in financial systems, databases on customers, and in production systems. However, only if this knowledge is used and combined across different knowledge sources, it is possible to learn, innovate, and develop. The purpose of knowledge acquisition and sharing is, therefore, to improve accessibility. By exploiting the existing knowledge and creating new knowledge, future activities are likely to be performed faster, more efficiently, and probably more predictably. Mediated through technology the full potential of an organization’s existing system-base knowledge can be used and shared. Knowledge sharing – as is the case with human resource management – is recognizable by the argument of better usage of existing resources.

FROM HEART TO HEAD MANAGEMENT

Management involves planning, budgeting, implementing, tracking, and measuring. However, knowledge management goes far beyond the storage and manipulation of data. Knowledge management requires a commitment to create new task-related knowledge, disseminate it throughout the organization, and embody it in products, services, and systems (Nonaka & Takeuchi, 1995). Organizations are used to dealing with for example technical efficiency, productive efficiency, and allocative efficiency. For example, managerial accounting practice has a strong tradition of budgeting based on historical projecting of facts and rational expectations for the future. The marketing department uses the same combination of measures and good guesswork about the future when making decisions.

Within the human resource management department, however, the same tradition for measuring is not common. The human resource department used to be the feel-good department that is oddly disconnected from the rest of the organization (Tracey & Nathan, 2002). Recently, human resource professionals, however, have experienced changes in their need to demonstrate the added value of the human resource department to the organization, and if the human resource department is not a profit centre, then it should at least be able to justify return on investment. Despite a general agreement that adequate management of the human resources is essential for survival in an
increasingly competitive and global market, and that increasingly more information is stored in electronic formats, turning this information into valuable knowledge is rarely happening. Demonstrating statistically significant relationships between measures of human resource practices and organizational performance has become a dominant issue within the field of human resource management, but what is easy to measure is more often measured than what is right to measure (Ulrich & Brockbank, 2005).

Generally, too few measures are being made within the field of human resource management, and decisions are most often made on the background of traditions, existing procedures, by mere chance, or instinct. The argument is that it is much easier as a sales manager to report that a new order has been accepted that will raise this year's profit with a certain percentage than it is for the human resource professionals to demonstrate the value of an increase in employee satisfaction. This challenge is further intensified due to the fact that the individual human resource departments each have their own unique way of measuring. Hereby, comparisons across organizations are impossible to perform. Nevertheless, only through measurement can the human resource activities be tangible and get a businesslike character. The human resource department must demonstrate its validity to the business, its ability to accomplish business objectives, and its ability to speak of accomplishments in business language (Phillips, 1996). If human resource departments are not adding value to organizational performance, they may be viewed merely as cost departments with the risk of being minimized or outsourced (Andersen et al., 2006).

From the literature, it is clear that there are many different methods for measuring and valuing the human resources. Statistical and financial evaluations of the human resource contributions are best suited to evaluating particular human resource practices or programs. However, the absence of a widely accepted measure of “progressive” or “high performance” human resource management practices makes it difficult to compare findings across studies and across organizations (Andersen et al., 2006). However, one method to evaluate a human resource management system is to use benchmarks. Benchmarking is a systematic process of measuring an organization's products, services, and practices against recognized excellent organizations. Benchmarking gathers the tacit knowledge that explicit knowledge often misses through a process of identifying, learning, and adapting outstanding practices and processes from excellent organizations. Hereby, benchmarking helps create and initiate the need for change as it identifies what an organization needs to do to improve its performance relative to the human resource strategy of excellent organizations (Phillips, 1996).

**BENCHLEARNING AS OPPOSED TO BENCHMARKING**

In the management literature, benchmarking is often associated with Xerox's learning experiences about their Japanese competitor Canon (Karlöf et al., 2001). In the late 1970s, Xerox realized that Canon was selling comparable products for less than the production price of Xerox. In order to get back into the game, Xerox compared its operations to those of Canon. Xerox simply bought some of Canon's products and put them on a bench with the purpose of taking them to pieces. In this way, Xerox acquired knowledge about the design and construction of Canon's products. Xerox learned that Canon used clips instead of screws that were both cheaper and faster to insert. Xerox also learned that Canon used identical parts for different models that gave larger batch sizes and reduced the need for storage. Moreover, Xerox even realized that Canon's products had a higher quality than their own products. This knowledge inspired Xerox to improve their production methods, and brought Xerox back into business.
Today, the concept of benchmarking is synonymous with successful performance, and many organizations use benchmarking to measure and compare business processes and practices. The self-analysis inherent in the benchmarking process encourages the identification of more efficient ways of operating, and monitoring other organizations often leads to more efficient alternatives to the current practices. However, one of the main criticisms of benchmarking is the implicit assumption of ‘best practice’ being generalizable and not organization specific (Meyer & Rowan, 1977; Becker & Gerhart, 1996). In a benchmarking perspective, organizational policies and practices are adopted based on a few legitimate organizations that serve as models for others to imitate. However, many practices, that are typically not included in ‘best practice,’ may be a source of new ‘best practices’ and the potential for new competitive advantages. Consequently, critics of benchmarking argue that exactly the inclusion of practices from outside the mainstream sets of ‘best practices’ might provide an opportunity to complement and extend prior ‘best practice’ (Rodwell et al., 2000).

The critics of benchmarking indirectly argue for the concept of benchlearning. Benchlearning builds on the pedagogic of benchmarking and team learning. Similar to benchmarking, it aims at improving business performance and concurrently creates a system for continuous learning and improvement (Karlöf et al., 2001). However, benchlearning is not imitation, but a method of finding inspiration for continuous learning and change. If benchmarking can be characterized as a boost to efficiency with learning as a rare and limited by-product, then benchlearning can be characterized as learning with efficiency as an important ingredient (Karlöf et al., 2001). The portal, presented in this chapter, builds on the concept of benchlearning, although it also builds on the assumption that there is no single ‘best practice’, as all organizations are different in some way either in missions, cultures, environments, or in technologies. However, despite differences, organizations can learn from each other, and in a knowledge-management framework, this relates to knowledge acquisition and sharing.

**HUMAN RESOURCE MANAGEMENT BENCHLEARNING**

Progress within the field of human resource management is little supported by empirical evidence (Ulrich et al., 1989) and theory dealing with knowledge acquisition and sharing in the field of human resource management is rare. But trends have slightly occurred towards justifying expenditures and existence of the human resource department. Consequently, human resource professionals have become preoccupied with enhancing their knowledge on how to increase efficiency of the human resource departments (Pfeffer, 1997; Ulrich, 1997). Just as benchlearning of manufacturing, distribution, and marketing practices help organizations improve, human resource benchlearning can boost value adding for a number of reasons.

First, benchlearning enables a company to calibrate how it is delivering its human resource practices. Learning from the successes and mistakes of other organizations might increase the business economic value. Through knowledge acquisition and sharing across organizational boarders, organizations can learn by imitating and borrowing from competitors (March & Simon, 1958). Through exchange and adjustment of understandings and actions between human resource professionals from different organizations, the community as such will be better equipped to deal with mismatches. Measuring, valuation, and benchlearning are likely to direct actions and initiatives towards better human resource management practices. The process will enhance organizational learning (i.e., benchlearning), and subsequently lead to higher performance.
Second, benchlearning helps set priorities and track performance. Measures should obviously not be performed for their own sake, but need to be supported by the management of an organization. Hereby, measures can be the key to most quality-improving initiatives. Measures will increase the knowledge of an organization, but it is the actual activities that create value. The process that follows introducing measurement includes setting, pursuing, and reaching goals. Setting goals leads to focus and continuity, pursuing goals leads to feedback and learning, and subsequently, reaching goals lead to the feeling of success.

Too often, measuring is a matter of troubleshooting, and hereby the value of measuring success is lost. By only focusing on errors, measuring can easily become a pillory. Measures on successful activities, however, generate focus that can further lead to alertness and interest. This can be compared to the top athlete who sets a goal and reaches that goal only to set a new and higher goal. For the athlete it is both the path towards the goal and the goal itself that comprise the satisfaction. A measurable goal gives focus and direction, and it generates the possibility of experiencing success. Accepted goals are needed to change behavior, and changed behavior and attitude can be accomplished by imitating others. Unelected imitation in the traditional benchmarking way, however, is not preferred. Human resource professionals should aim at imitation in the benchlearning tradition, as benchlearning is more a method of finding inspiration for continuous learning and change. In other words, action counts more than plans and concepts.

Third, benchlearning enhances professional development and cultivates credibility. Human resource professionals generally remark on the difficulty they have in gaining respect at the top-management level. Rather than being involved in the planning phases, human resource professionals are often consulted after major decisions have been made. Not until later in the change processes are the human resource professionals asked to contribute to the implementation process. This frustration of not being involved sooner in the planning process is partly due to lack of insights in and visibility of the human resource value proposition. Part of the reason why human resource professionals are often not part of the top-management team is that only few organizations have implemented elaborate systems to track human resource management goals and measures.

A WEB-BASED LEARNING PORTAL

The motivation for engaging in the interactive web-based portal presented here (i.e., share2know, see www.share2know.dk) is knowledge acquisition, sharing, and coordination primarily concerning human resource management practices and processes. The platform enables knowledge management, by assisting in a systematic and objective analysis of human resource practices. The portal bridges organizational silos and enhances inter-organizational interaction in what could be compared to a virtual community. The portal facilitates both measurement and valuation leading to learning and inter-organizational knowledge sharing. The community brings together members from different and sometimes competing organizations that have not previously collaborated or shared knowledge. The community consists of three collaborators; the organization, other organizations, and academia. The basic idea of the platform is that organizational conditions that promote fundamental contributions to the practice of human resource management need to be identified, as does the role of the human resources in relation to strategic planning. The platform facilitates mutual knowledge acquisition, structures spontaneity, and brings together what may be fragmented practice into a coherent whole. It serves as a mechanism that allows the
community to think outside the box and combine linear and random insights on human resource management routines and practices.

The knowledge-sharing portal gives the community the possibility of critically acquiring and handling knowledge within the field of human resource management in a systematic and coordinated form, designed in accordance with the specific needs of the individual organization. This provides the human resource department with a number of possibilities for concentrating on and applying to value creation in line with the overall business strategy that is essential for continual development and sustainability of organizations. More specifically, organizational data stored on the web-portal provides human resource professionals with extensive quantitative data and information on integrated consistent bundles of human resource practices that should help the human resource professionals to handle the human resource challenges. In this way, the portal is a decision-support system that can be used for defining and discussing problems and solutions, building a shared understanding of a situation, discussing shifting priorities and external pressure, interpreting ambiguous signals, and socializing the community members.

The portal provides the human resource professionals with one joint tool that through measures can help describe and make visible the value that the human resources generate for the organization. At the same time, the tool can improve and develop the human resource initiatives and hereby in the longer term, the tool can improve and develop the organization in general. The greatest benefit of the portal, however, is its application to the more sophisticated human resource management activities (e.g., personnel planning, recruitment and selection, and staff development) in relation to the overall business strategy. The portal supports gathering and systematizing the knowledge that for a large part is already intuitively known. What makes the difference are the systematization and the argumentation that the portal provides.

Of course, the actual human resource activities are most important. The portal only functions as a supporting tool.

**NOT AN AUTOPILOT**

The portal is not an autopilot that solves all human resource related activities. On the contrary, the performed measures are important as background knowledge that needs to be followed by a dialog about which activities and combination of activities to be carried out. Through the knowledge acquired and generated via the portal it is possible to measure substitution effects and hereby give qualified arguments on cause-effect relationships that are very often non-existent within the field of human resource management. More specifically, the portal highlights which human resource practices that are interchangeable, to what degree they are interrelated, and whether some activities eventually are getting in each other’s way.

Among human resources professionals, there is a general disagreement regarding whether or not it is at all possible to measure human resource activities and processes. For some organizations, it is natural to measure, for others it will require a cultural change to conduct clear, concise, measurable measures – and to follow up on these. Often feelings and beliefs are brought into the game when discussing measures with human resource professionals and employees for that matter. Measurements are provoking hesitations often linked to doubts as to whether a result-oriented culture is desired, whether measures are twisting the truth, or whether measurement gives such a strong focus on what is measurable, that creativity, flexibility, and learning will decrease. Above all, measurement often appears to be too controlling.

However, it is an old cliché within management, that if something cannot be measured, it cannot be managed. This cliché is both false and inconsequent. It is false in the sense that an organization always has leadership over for example
employees, moral, and strategy, which essentially cannot be measured. It is inconsequent in the way that everybody and everything within business – including employees, moral, strategy, and so on – in some way are included in the accounts (Andriessen, 2004). It is generally agreed that measurement evaluations are complicated to perform. Nevertheless, no matter how difficult it is to measure human resources, it is the measures that make the effect of activities visible. The human resource departments must demonstrate their contribution and value added to the organization and provide useful knowledge that clearly indicates the outcomes of the human resource strategy in a meaningful manner comparable with those of other departments (e.g., department of accounting and department of marketing).

The portal encompasses a broad range of capabilities needed to logically capture, organize, share, and use knowledge elements in order to recognize problems and suggest possible solutions. The portal collects knowledge practices ranging from human resource planning, recruitment and selection to human resource development and reward management. However, when focus is put on specific goals, there is a risk of non-measured activities being less prioritized, and subsequently the quality in general is falling. This has led organizations to the apparent belief that the more things they measure, the more they will get done. This, however, is not the case. A few measures that are directed at critical process outcomes are better than a plethora of measures that only serve to produce a lack of focus, confusion about what is important, and what is not important (Ahmed et al., 2002). In addition, it is necessary to realize who is using the measurements and for what purpose. It is very important that ownership is created for the measures. Therefore, measures and criteria for success need to be decided on before imitating the process in order to make the evaluation relevant, useful, and reliable. Finally, it is important to notice that goals might be reached without the plans of action being carried into effect, and sometimes plans of action are carried into effect without the goals being reached.

**PARTICIPATION AND TRUST**

One of the benefits of the portal is that it enables inter-organizational collaboration without the costs (i.e., significant investment in establishment, formalized agreements and contracts, and legal requirements) of supporting specific partnership arrangements. For a portal to be able to evolve, participation through contributions from its members is necessary. Consequently, users must provide an input of knowledge in order to get access to the output side of the portal.

By answering an online survey, organizations report knowledge to the web portal. Subsequently, organizations can download standard reports or self-designed reports relating their own human resource activities and performance to data from other organizations. The self-designed reports enable the user to restructure the knowledge structures within the knowledge base. Both the standard and the self-designed reports are intended to be used as aiding tools in the benchlearning process, rather than serving as some specific piece of cutting-edge knowledge. Keeping in mind that human resource professionals in spite of interest and enthusiasm are always looking for quick, efficient, and timesaving answers, the portal is built on a rather simple technical system for the user. This way the user does not consider the portal as time consuming when figuring out how the system works. Top-ten standard reports are available for the quick-user, whereas the advanced user has the possibility of downloading extended versions or even constructing his or her own reports based on the input.

For the community to evolve, the portal also needs ‘participation’ from the outside. Therefore, the portal has gateways through which knowledge from non-members can pass. It is when external or new knowledge is brought into the community.
that tension is created between the accepted and institutionalized community knowledge. This tension is a prerequisite for learning and progressive evolution (Wenger, 1999). Researchers, who add new theoretical human resource knowledge to the portal, create tension. The organization data stored on the web portal provides researchers with extensive quantitative material for scientific use resulting in the researchers being end-users as well. In this way, the explicit and tacit knowledge and expertise on how human resource professionals is combined with theoretical developments, and hereby knowledge from two worlds (i.e., theory and practice) is continuously combined.

**NO ROOM FOR FREE RIDERS**

A limiting factor, however, is competitive logic that can prevent organizations from committed participation in the knowledge-sharing community. Inter-organizational knowledge-sharing requires a great deal of trust. Trust provides the foundation for a successful implementation and operation of a community. Although trust is the key coordinating mechanism in the community form, experiences from existing communities show that many communities fail to meet the requirements upon which trust is established. In the research literature, there appears to be general consensus on the importance of trust. However, there seems to be an equally widespread disagreement on an appropriate definition of the concept. Trust is a complex, multifaceted phenomenon. Definitions of trust have become “a confusing potpourri of definitions applied to a host of units and levels of analysis” (Shapiro, 1987).

From an IT systems view, trust is often linked to reputation where a user builds reputation and hence a basis for trust. In using reputation as part of the basis of trust, there is the question of what reputation should be based on, particularly when participants do not have detailed knowledge of each other. In e-commerce systems, for example, reputation is linked to ratings generated as feedback to transaction-type financial interactions. However, in the knowledge-sharing community presented here the specific knowledge sharing goals are not linked to financial transactions. The quality of knowledge sharing related to improving politics, processes, and strategies depends on the quality, reliability, and level of detail of knowledge provided.

From social sciences research, three types of trust are generally identified when dealing with generation of trust among unfamiliar actors. First, interpersonal trust (e.g., Deutsch & Krauss, 1962; Wichman, 1970; Pruitt & Kimmel, 1976; Good, 1988) that is to be found at the personal level and is both an agent- and context specific concept. Trust is a function of relatively rational decision-making processes, rather than personality characteristics. Trusting behavior appears when the long-term interests of the participants are stressed initially, where only small initial rewards are at stake, where there is no potential for threat, and there is great potential for successful communication. This form of trust is common to many business relationships and is important to the goals of strategic alliances based on collaborative sharing of strategy amongst peers for shared competitive advantage against external rivals.

Second, system trust (e.g., Zucker, 1986; Shapiro, 1987) is based on the perceived property or reliance on a system or institution within which trust exists. The belief that proper impersonal structures are in place (e.g. safeguards as regulations, guarantees, or contracts) generates system trust. System trust also refers to the belief that proper structures of one’s own role and that of others in the situation have been defined. This is particularly relevant in the presented portal where a community facilitator needs to act as a trusted third party who stores and enforces community roles and policies. Members of the community need to trust the facilitator to act for the benefit of the community.
Third and finally, dispositional trust describes the general attitude of the person seeking trustworthiness towards trust. This is also called basic trust and is independent of any other party or context. This trust is built on two basic assumptions. The first assumption is that others are generally trustworthy people. The second assumption is that irrespective of whether people are good or not, one will obtain better outcomes by trusting them as individuals develop their propensities to trust and predilections affect their thoughts and actions (e.g., Hardin, 1993; Rotter, 1980).

Participants of the community do usually not participate in all activities and functionalities of the portal from day one. They are anticipated to follow a path, where they begin by using the portal only for self-referral. Once accustomed to the functionalities of this area, participants are expected to move on to inter-organizational referrals. A reputation system is linked to ratings that reflect how well a member participates in and contributes to the community. The portal is oriented towards a phase/stage build-up of participation and commitment in the community adding a time dimension to the building of trust. This is contrary to trust seen from a theoretical perspective, as trust has usually been studied as a static rather than a dynamic variable.

**IT TAKES MORE THAN A COMPUTER**

At a more general level, Martinsons (1997) addresses the difficulties of computerizing human resource management due to its perceived softness that makes it difficult to quantify. In addition, uncertainty as to whom the information should be reported and lack of interest in this area by senior management are important barriers to be overcome. Other barriers to the valuation of human resources are lack of time and resources to pursue the area, lack of understanding of the areas, and lack of understanding by others in the organization. Often organizations are complaining that they do not have the time needed for capturing and organizing their knowledge, but time as such is not the problem. The problem is that it is complicated to measure. Under a constant time pressure, it is difficult to prioritize the time, and short-time goals are often selected at the expense of more long-term goals. It is important that time-outs are built into the everyday routines, for example through implementation of knowledge-management technologies as the portal presented here.

It takes time to create the preliminary statement of measurement, but what is gained from sharing knowledge and applying knowledge later in the process makes it all worth.

Besides the organizational obstacles, also a number of difficulties regarding the system as such might cause significant barriers. First, lack of reliable and valid measures that are not overly complex and difficult might be a barrier. Second, lack of widely accepted measures and models, concerns as to quantifying people, and lack of expertise by the human resource department in relation to valuation of human resource is important. However, what are most important are factors of credibility and user-friendliness. The mentioned barriers are of key interest especially in the context of human resource management, as human resource professionals in general are not yet comfortable with measuring and valuating how their own departments contribute to the organization. Whereas operational aspects (i.e., outputs, faster processes, etc.) are measured, human resource professionals find the intangible aspects (i.e., employee motivation, competency gaps, hiring effectiveness, etc.) excessively complex and, therefore, difficult to measure. Compounding the problem, organizations find it difficult to establish (and maintain) the complete frameworks that create common measurement criteria across the organization.
CONCLUSION

Human resource professionals are to an increasing degree required to justify, in a systematic way, the cost of their activities, and they are looking to human resource performance indicators to express the added value of their activities to the success of the organization. Knowledge sharing generates learning that facilitates input into strategic planning, access to professional networks and formation of human resource standards, preparing the knowledge sharing, and constructing a circulation system. However, often knowledge-management systems are too general and thereby irrelevant. Information might not confer a competitive advantage and the knowledge-sharer might, therefore, not wish to share knowledge. The presented portal answers a call for a human resource system that is designed to overcome these problems. What moreover makes the presented portal unique is that it is developed in close collaboration among human resource professionals and academics.

This chapter investigates how an inter-organizational human resource knowledge-management system, in contrast to an intra-organizational system, may assists organizations in evaluating their human resource practices. In general, the system encompasses the broad range of capabilities needed to logically capture, organize, share, and use knowledge elements in order to recognize problems and suggest possible solutions. It is pointed out that in order to gain from knowledge sharing and obtain organizational learning, the system should contain both measurement and valuation.

The importance of benchlearning in contrast to traditional benchmarking is emphasized. Implicit in the distinction between benchlearning and benchmarking is the belief that obsession of simply creating databases does not cause knowledge management. The success criterion for an inter-organizational IT benchlearning system is not only related to inter-organizational knowledge creation and sharing, but also to the suggestion of how such a tool can assist professionals in more efficient and qualitative decision-making.

The presented portal is novel in its approach of facilitating benchlearning across industry boundaries and within a soft area (i.e., human resource management). The argument against measuring intangible assets such as human resource practices is that the processes are too complex to be put into tangible goals, actions, and measures. However, the chapter questions this argument by presenting a portal that supports organizations in bringing new perspectives into the human resource area based on inter-organizational knowledge sharing.

REFERENCES


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