

Utilization of knowledge in individual processes of services

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Abstract: Services make up to 2/3 of countries' GDP and therefore it is necessary to pay attention to them. Unlike products, services are consumed during their production and the way they are provided depends to a high degree on the providers themselves. It is them who are a key part of whether the customer is satisfied with the service. Decisions are made not only during the actual provision of services, but at each step starting with proposal. This article discusses the use of knowledge of people in a service process from the design to continuous improvement. The individual parts of the process of creating a service are specific and therefore require specific knowledge of the employees. Our aim is to map the usage of knowledge in different processes of services and thus increase their quality and competitiveness.

1 Introduction

Services are part of our everyday life and the society is paying more and more attention to them. Various authors have different opinion on the terminus service. Kotler (2007) describes services as any operations or performance provided by one party to the other.

It is a process, by which an organisation is creating a useful effect for its customer or his property. Service can be characterized as an activity of a certain duration and localization, carried out by people or devices in order to mediate an individual or collective benefit according to pre-agreed or expected rules.

A service has also been described in norms. According to (STN EN ISO 9000:2001 - 04) a service is a "result formed by activities on the boundary of a supplier and a customer and the internal activities of the supplier with the aim of meeting the customers needs."

(STN ISO 9000) defines the services as "a result of at least one action inevitably performed on the boundary between the supplier and the customer which is generally intangible."

A service differs from a tangible product by following specific attributes:

- impalpability – the customer is not able to try the service before it is provided,
- simultaneity of production and a consumption – customer's demands are being catered during the course of the services,
- heterogeneity - each and every service is individual,
- the importance of the contact staff – it is present during providing of the service.

When providing service the emphasis is on contact personnel, it is important to devote their knowledge and in enterprises implement knowledge management. Therefore it is appropriate to define knowledge.

Many authors describe the knowledge on the means of the information and related data. Vance (1997) defines information as data interpreted into a meaningful framework whereas knowledge is information that has been authenticated and thought to be true. Maglitta suggests that data is raw numbers and facts, information is processed data, and knowledge is "information made actionable." (Alavi, Leidner, 1999)

For the provision of services are important, inter alia, tacit knowledge of the contact personnel. It is important that contact personnel use their knowledge automatically and thus, increases the quality of provided service. As Fahey and Prusak (1998) suggest, knowledge does not exist independently of a knower: it is shaped by one's needs as well as one's initial stock of knowledge. Knowledge is the result of cognitive processing triggered by the inflow of new stimuli.

Knowledge is not a radically different concept from information. Information is converted to knowledge once it is processed in the mind of individuals and knowledge becomes information once it is articulated and presented in the form of text, graphics, words, or other symbolic forms.

The knowledge management deals with the processing of knowledge in companies. Knowledge management is a process of identifying, capturing, and leveraging the collective knowledge in an organization to help the organization compete (Alavi, Leidner, 1999). Knowledge management is purported to increase innovativeness and responsiveness (Hackbarth, 1998).

The primary goals of knowledge management as reported in a sample of organizations are: better decision making (86%), faster response time to key issues (67%), increasing profitability (53%), improving productivity (67%), creating new/additional business opportunities (58%), reducing costs (70%), sharing best practice (60%), increasing market share (42%), increasing share price (23%), and better staff attraction/retention (42%). (Alavi, Leidner, 1999).

According to Davenport and Prusak (1997), most knowledge management projects have one of three aims: (1) to make knowledge visible and show the role of knowledge in an organization, mainly through maps, yellow pages, and hypertext tools; (2) to develop a knowledge-intensive culture by encouraging and aggregating behaviors such as knowledge sharing (as opposed to hoarding) and proactively seeking and offering knowledge; (3) to build a knowledge infrastructure--not only a technical system, but a web of connections among people given space, time, tools, and encouragement to collaborate.

2 Utilization of knowledge in individual processes of services

The use of knowledge in process of services can be viewed from several perspectives. In this paper, two methods will be discussed. The first way is to link the various stages of service and knowledge according to ITIL. The second way of linking knowledge and service divided into three main parts (Haller, 2001).

2.1 ITIL model and knowledges

Sophisticated system of design and service innovation can be found in the IT field. Roadmap is collected in IT Infrastructure Library® (ITIL). This library is a collection of books, where are collected decades of best practices in the field of IT service management. This framework is full of advice, warnings, knowledge, number of existing errors, which organizations have avoided, lessons, warnings and things to do and what not.

Set of books ITIL® describes each stages of service - service strategy, service design, service transition, service operation and continual improvement of services. (FIG. 1)

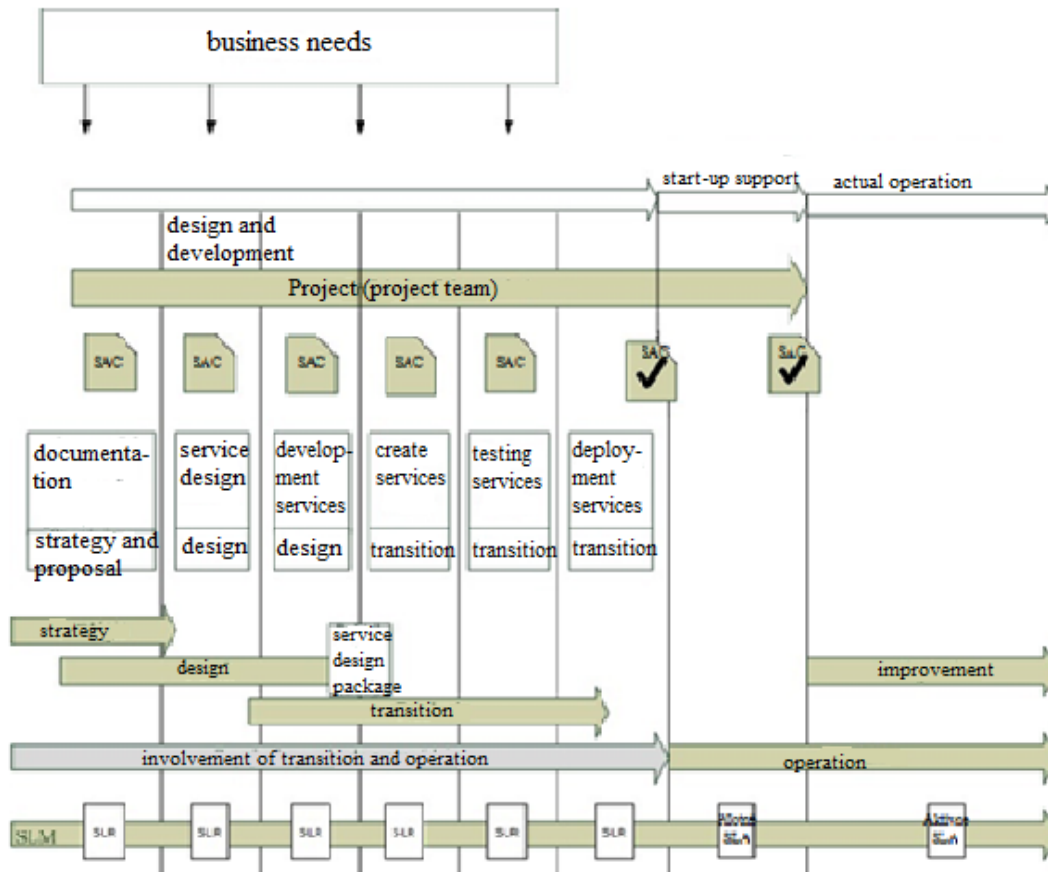


Figure 1 Lifecycle service design (Bucksteeg, 2012)

In life cycle of service knowledge should be taken into account at every stage. When determining the strategy and design it is necessary to think about the knowledge held by employees of the company. In the course of improving the service should be improved in the light of new knowledge. The most significant knowledge is reflected in the transition of the service, because in this part employees come into contact with customers and for the execution of the service they have only one attempt.

In process of transition of the service is specified area of knowledge management (Fig)

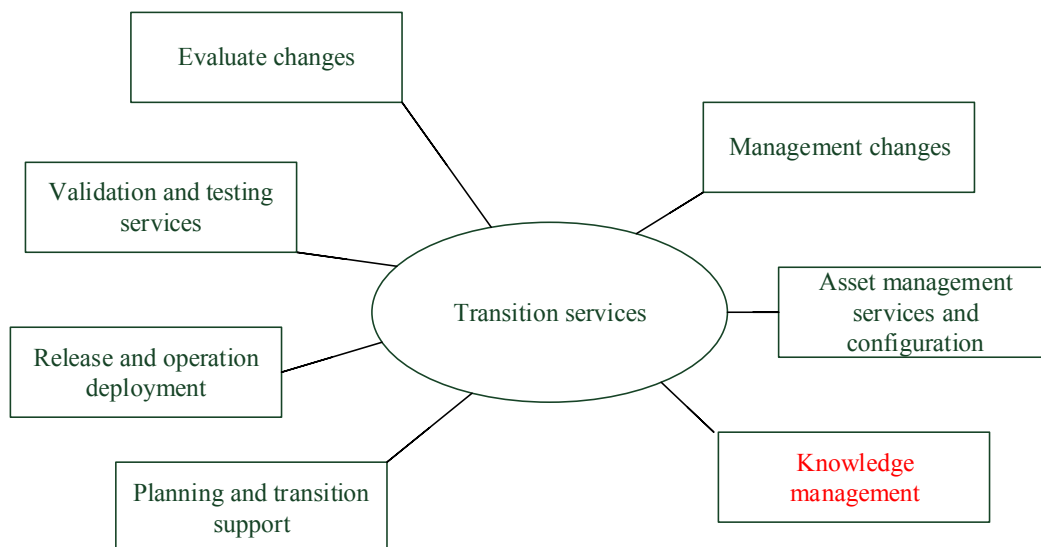


Figure 2 Transition of services (Bugsteed)

It is important that in individual stages of the service were correct information and knowledge accessible at right time, on right place to right people. Accessible information and knowledge have to be secure and reliable for correct evaluation of context and situation.

Within proces of knowleng management are carried out:

- knowledge management strategies,
- transfer of knowledge,
 - to take account of different learning styles,
 - visualization of knowledge,
- Management of knowledge, information and data,
 - Compilation of information and data requiments,
 - Definition of information architecture,
 - Establishment of procedures to manage data and informaion,
 - Evaluation and improvement,
- Use of knowledge management system for services.

Organizations using knowledge management are able of faster adaptation to the changing market and through transition of the knowledge in organization persistently improve and optimize their processes. By management and transition of data and information are innovative teams capable better and faster work on innovations. In organizations providing services is transition of the knowledge limited to procedures and techniques of creation of service in case of train new coworker.

Contact personal in this organization is capable using their tacit knowledge and is able of faster creation of new knowledge. Due to the fact is service providing better and faster, which economize resources of organization and boosts satisfaction of customers.

2.2 Using knowledge in process of providing of service (Haller)

Proces of providing of service we can divide to 3 main parts (Haller, 2001)

- Phase A: Potential orientation of service – service in form of ability and readiness to provide the service,
- Phase B Process orientation of service – service as activity,
- Phase C: Final orientation of service – service as result the activity.

Proces of providing of service in organization providing services should pass all phases A, B, C. During preparation and realization is important to don't forget evaluate activities and feedback. Due to the fact organization is able to find their gaps and potential to improve and innovate. To connect innovation process in information services with process of providing of services is used logic of Deming cycle. To this cycle can be connected knowledge in fig 3.

A, B and C in the picture illustrate individual phases of process of providing of services supplemented by feedback from final phase. Phase A is carried out right in organization. Phase B is connection of activities of organization, processes are affected by customer.

In phase A is necessary take into account actual knowledge of employees. Service can pri provide as good and quality as quality of knowledge and abilities of employees. In phase B are used tacit knowledge of employees, primary contact personal. Phases B and C afford space to create new knowledge from experience.

The steps from 1 to 7 are agree with steps in PDCA cyclus. The individual steps include the following activities:

1. Identification of strategy to improvement – vision, business needs, strategy, taktic and operational objectives,
2. Definition, what will be measured,
3. Data collection – who? Where? Criterion for evaluation of integrity, operational objectives, measurement of service,

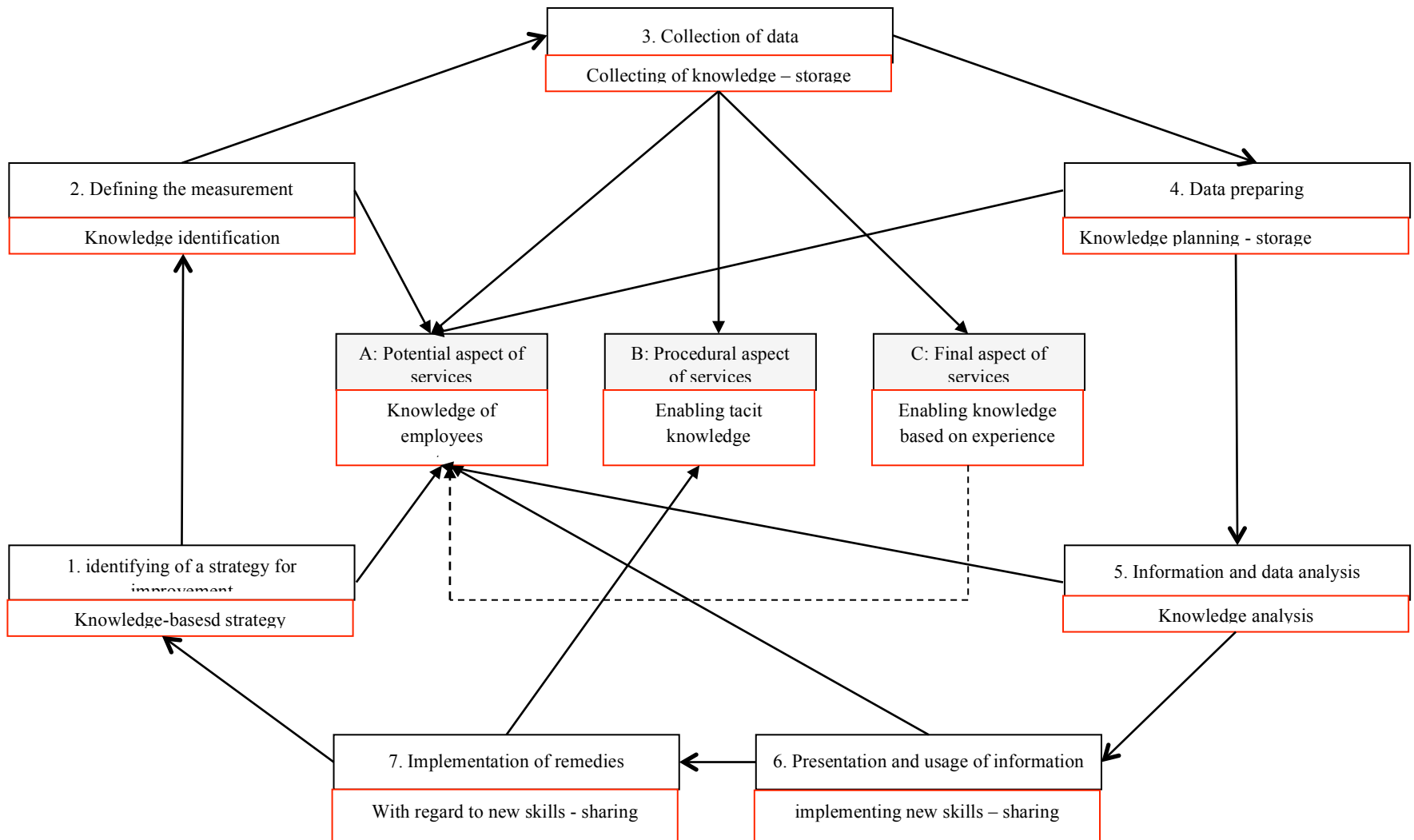
4. Data preparation – frequency? Format? Tools and systems? Accuracy?
5. Analysis of informations and data – trends? Achieved objectives? The need for corrective action,
6. Presentation and use of information – summary of evaluation, plan of action,
7. Implementation od corrective action.

The steps 1 – 6 are performed within the organization. In the 3th step, the individual steps are carried during the process of provision of service and in evaluation of customer satisfaction and in the 7th step is carried during the process of provision of service.

1. In the working with knowledge, these steps are shown the following:
2. Identification of corporate knowledge strategy
3. Identification of employees and customers knowledge
4. The collection and storage of knowledge in databases
5. Analysis of Knowledge
6. Implementation of new knowledge generated in Phase 3-5
7. Implementation of corrective actions using new knowledge

3 Conclusion

Knowledge is important for every organization. For organizations that provide services, the importance of knowledge is very high, because the quality of provision of services depends on employees' knowledge. Because services constitute a significant part of GDP, we need to pay more attention, which should be focused just on knowledge. Knowledge management applications help enterprises improve service provision and help the company to innovate and achieve competitive advantage.



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