



Robert D. Mayfield
Plant Manager
Tenaska Virginia Partners

Knowledge Management Abstract

The concept of knowledge management emerged in the field of Management Science during the early 1990s. Knowledge management refers to the various ways, technological, cultural and procedural, in which organizations try to extract greater value out of knowledge. This includes finding better ways to identify, gather, share and exploit the knowledge that the organization may possess or can create, access, or develop, for example, through alliances or ventures. Knowledge management is not merely about information systems and information technology; it also relies heavily on social and cultural components, and overlaps with organizational development, innovation, and competitive intelligence.

Managing organizational knowledge is not only necessary for maintaining performance proficiency and competitive advantage but is also important because many of the most knowledgeable employees in the electric power industry are approaching retirement age. Organizations without effective knowledge management processes in place risk losing the knowledge associated with senior, retirement-age employees.

The electric and natural gas utility industry will see over 45% of its workforce reach retirement age. The average age of the power generation industry workforce is nearing 50. The imminent loss of highly skilled utility professionals, whose considerable training and expertise are extremely valuable to both power generation business performance and safety, is a concern among many CEOs.

Electric power generation organizations must develop strategies for creating, sharing, transferring, and using mission-critical knowledge in order to create and

maintain a competitive advantage. Competitive advantage depends on an organization's ability to configure continuously and integrate knowledge into value-creating strategies. To achieve and maintain a competitive advantage, an organization must develop efficient means for creating knowledge, transferring knowledge, and integrating knowledge. Knowledge integration depends on coordination between individuals and the knowledge they retain.