

REAL WORLD CASE

4

The U.S. Department of Commerce: Using IT to Tap Experts' Know-How through Knowledge Management

The U.S. Department of Commerce is using basic knowledge management techniques to offer timely and valuable advice about how to do business abroad.

Trade specialists and other employees at the Department of Commerce (DoC) use a commercial service called the DOC Insider for knowledge capture and management from Bellevue, Washington-based AskMe Corp. The service uses knowledge management technology to accelerate the counseling it offers to U.S. companies seeking to engage in international trade. Key capabilities of the AskMe system include automated best practices, automatic experts' profile creation, addition of numerous methods for accessing and delivering knowledge, integrated real-time collaborative services, and comprehensive analytic capabilities.

The DOC Insider has been using Web-based technology to create a knowledge network connecting its 100 offices in the United States, another 150 in 80 countries overseas, and a group of approximately 1,700 U.S. trade specialists who have expertise in what it takes to succeed abroad. These specialists can tell you what trade show to attend if you're interested in selling medical equipment in Germany, what papers to file if you're trying to expand your software business into Japan, what local laws must be considered if you're considering moving your global call centers to Bangladesh, or who your competition is likely to be if you want to sell your line of automobile accessories in the Pacific Rim.

In the past, there was no way to organize what these experts knew, or even how to get in touch with them once they were identified.

Laura McCall, program manager for the DOC Insider, says using AskMe's system is part of the department's fulfillment of its mandate to help U.S. businesses compete abroad. "We have a dispersed, worldwide organization with pockets of information everywhere," she says. The DOC Insider's aim is to help U.S. companies do things such as perform international market research or locate overseas partners. "We want to sit down and make sure you've identified a good market and that you are export-ready," she says.

Each trade expert accesses the knowledge network via the Web and answers those questions assigned to him or her. "That way, we're able to identify the people and the resources to help clients solve problems," says McCall.

Before selecting AskMe, McCall reviewed the department's business processes to see where the gaps in information counseling existed. "We have a handful of trade specialists who know everything about export documentation, for example," says McCall. "But if they're located in Minnesota and you weren't in their local office, you'd never know they existed."

Now these experts can post answers according to different subject categories, upload documents, or even direct businesses to specialized publications online. The information is reusable and is in an ever-expanding database. By

mid-2004, over 1,200 people had used the system so far, saving about 750 hours of repetitive work. There's also a reporting tool that managers can use to track the technology's return on investment and to identify topics that are popular so they can beef up their expertise in those areas.

Here's an example of how the system works. On a Tuesday afternoon in May 2004, Brad Anderson, an international trade specialist for the U.S. Commercial Service division at the Department of Commerce, found himself stumped. A U.S.-based software company called with a question, and he didn't know what to advise. The company wanted to close a deal with a customer in Poland, but the buyer wanted to charge the U.S. company a 20 percent withholding tax, a tax it attributed to Poland's recent admission into the European Union. Was the tax legitimate?

To find out, Anderson turned to the DOC Insider. After typing in his question, Anderson first found some documents that were related to his query, but they didn't explain the EU tax code completely. Anderson next asked the system to search the 1,700-strong Commercial Service for a real "live" expert, and, within seconds, he was given a list of 80 people in the department who might be able to help him. He chose the six people he felt were most qualified and then forwarded his query.

Before the DOC Insider was in place, Anderson says, it would have taken him about three days to find an answer to the same question. "You'd have to make a million phone calls and deal with time zones," he says. Thanks to the expertise location system, however, he had three responses within minutes, a complete answer within an hour, and the sale went through the following morning. Anderson estimates that he now uses the system for roughly 40 percent of the work he does.

The DOC Insider is an invaluable tool, Anderson says, and it's helping his division meet its mandate. In 2002 the organization conducted 150,000 counseling sessions with U.S. companies and helped orchestrate more than \$23 billion in business. In fiscal 2003 those figures increased to 165,000 and \$34 billion, respectively—and demand has continued to grow in 2004. The DoC won't say how much of its increased business the DOC Insider supports, but program director Laura McCall thinks the tool is vital enough to provide to other units at the agency. In the first nine months the system has been in place, she says, it has saved her department more than 1,000 man-hours.

With the huge trade deficit that plagues the United States, a knowledge management system that helps boost U.S. exports by making it easier to tap experts' know-how is a clear competitive advantage. Similar expertise lies hidden away inside most companies.

Source: Adapted from Pimm Fox, "Using IT to Tap Experts' Know-How," *Computerworld*, March 15, 2004. Copyright © 2004 by Computerworld, Inc., Framingham, MA 01701. All rights reserved.