

# University of Toronto

## Rotman School of Management

### MGT 1272 Management in the Information Age

Instructor: Chun Wei Choo

### 2001/2 Session -- Spring Term: Course Outline

#### Scope

The course covers theoretical and practical aspects of managing information processes in order to enable organizations to learn and adapt in an increasingly volatile information environment. In terms of theory, it introduces conceptual frameworks for the management of organizational information processes at a strategic level. On the practical side, the course introduces methods and tools that organizations may consider to enhance their management and use of information.

#### Course Objectives

The primary objective of the course is to introduce major models from organization science and information science that address two main issues:

- How do organizations use information in processes that construct meaning, create new knowledge, and make decisions?
- How may organizations manage their information processes in order to enhance organizational performance and effectiveness?

The secondary objective is to introduce a number of tools and approaches that represent innovative practices in information management.

#### Text

The recommended text for the course is:

Choo, Chun Wei. 1998. *The Knowing Organization: How Organizations Use Information to Construct Meaning, Create Knowledge, and Make*

Decisions. New York: Oxford University Press.

A set of [recommended readings](#) is provided. Students are encouraged to explore topics that are of special interest to them.

## **Evaluation**

The final examination is to be held on Friday April 19, 2002, at a time that will be announced. The examination tests the student's exit knowledge of the core concepts of information management presented in the course. The exam will be open-book. [80%]

Students are encouraged to prepare for each class by completing the suggested readings beforehand. As case analysis is an important component of the course, students should take part actively in the discussion of case studies. [20%]

## **Instructor Availability**

Students should feel free to discuss course-related matters with the instructor at any time. Prof. Choo's office is in the Faculty of Information Studies at 140 St. George St., just across the road from Rotman. His office is Room 636; telephone number 416 978 5266; e-mail [choo@fis.utoronto.ca](mailto:choo@fis.utoronto.ca). Office hours will be announced in class.

The two Teaching Assistants for the course are Anu MacIntosh-Murray and Herman van den Berg.

## **Course Website**

Course descriptions, schedules, reading and resource lists, lecture slides, and related materials are on the course website which may be accessed from

<http://choo.fis.utoronto.ca/>

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## **COURSE SCHEDULE**

All 5 classes are held on Tuesdays, in the Rotman School.

## **March 5. Course Introduction and Overview**

### **How Organizations Use Information (1): Sense Making**

Course outline: objectives, approach, topics.

Theoretical overview of organizational sense making.

In-class activity on sense making.

Discussion of tools, techniques, and implications for practice.

Read: Choo (1998): Chap. 1, 3

[Lecture Slides: Overview](#)

[Lecture Slides: Sense Making](#)

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## **March 12. How Organizations Use Information (2): Knowledge Creating**

Theoretical overview of organizational knowledge creation.

Analysis of a case of organizational knowledge creation in a large management consulting company.

Discussion of tools, techniques, and implications for practice.

Read: Choo (1998): Chap. 4

[Lecture Slides: Knowledge Creation](#)

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## **March 19. Knowledge Management**

### **A framework for planning knowledge management**

Analysis of cases and examples of managing organizational knowledge:  
Buckman Labs K'Netix; Xerox Eureka.

Discussion of tools, techniques, and implications for practice.

Read: Choo (1998): Chap. 4; additional readings to be announced in class.

[Lecture Slides: Knowledge Management](#)

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## **March 27. How Organizations Use Information (3): Decision Making**

Theoretical overview of organizational decision making.

Analysis of a case of organizational decision making: the decision to launch the space shuttle Challenger.

Discussion of tools, techniques, and implications for practice.

Read: Choo (1998): Chap. 5

[Lecture Slides: Decision Making](#)

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## **April 2. The Knowing Organization: Synthesis**

Synthesis of sensemaking, knowledge creation, and decision making.

Analysis of examples of error and failure in organizational knowing: managing and learning from adverse events in the health care environment.

Discussion of implications for practice.

Read: Choo (1998): Chap. 6; additional readings to be announced in class.

[Lecture Slides: Knowing Organization](#)

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## **April 16. Tutorial (TBC)**

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## **April 19. Final Exam**

9 am - 12 pm. Room 134, 142, 147, 151, 157.

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### MGT 1272 Management in the Information Age

#### COURSE READINGS

The required text for the course is:

Choo, Chun Wei. 1998. *The Knowing Organization: How Organizations Use Information to Construct Meaning, Create Knowledge, and Make Decisions*. New York: Oxford University Press.

#### RECOMMENDED READINGS

American Productivity & Quality Center. 2000. *Knowledge Management: A Guide for Your Journey to Best-Practice Processes*. Houston, TX: APQC.

Auster, Ethel and Chun Wei Choo, ed. 1996. *Managing Information for the Competitive Edge*. New York, NY: Neal Schuman.

Badaracco, Joseph L. 1991. *The Knowledge Link: How Firms Compete Through Strategic Alliances*. Boston, MA: Harvard Business School Press.

Bergeron, Pierrette. 1996. Information Resources Management. In *Annual Review of Information Science and Technology*, ed. Martha E. Williams. Medford, NJ: Information Today, Inc. For the American Society for Information Science.

Boisot, Max. 1998. *Knowledge Assets: Securing Competitive Advantage in the Information Economy*. New York: Oxford University Press.

Bukowitz, Wendi, and Ruth Williams. 1999. *Knowledge Management Fieldbook*. New York: Financial Times Prentice

Hall.

Choo, Chun Wei. 1998. *Information Management for the Intelligent Organization: The Art of Scanning the Environment*. 3rd ed. Medford, NJ: Information Today, Inc.

Choo, Chun Wei, and Nick Bontis, eds. 2002. *Strategic Management of Intellectual Capital and Organizational Knowledge*. New York: Oxford University Press.

Cronin, Blaise and Elisabeth Davenport. 1991. *Elements of Information Management*. Metuchen, NJ: Scarecrow Press.

Davenport, Thomas H. 1997. *Information Ecology: Mastering the Information and Knowledge Environment*. New York: Oxford University Press.

Davenport, Thomas H. and Laurence Prusak. 1998. *Working Knowledge*. Cambridge, MA: Harvard Business School Press.

Davenport, Thomas and Don Marchand, ed. 2000. *Mastering Information Management*. (Financial Times Mastering Management Series.) London, UK: Pearson Education.

Dawson, Ross. 2000. *Developing Knowledge-Based Client Relationships: The Future of Professional Services*. Boston, MA: Butterworth-Heinemann.

Dierkes, Meinolf, Ariane Berthoin Antal, John Child, and Ikujiro Nonaka, eds. 2001. *Handbook of Organizational Learning and Knowledge*. Oxford, UK: Oxford University Press.

Hackett, Brian. 2000. *Beyond Knowledge Management: New Ways to Work*. New York: The Conference Board.

Hansen, Morten T; Nohria, Nitin; Tierney, Thomas. 1999. What's Your Strategy for Managing Knowledge? *Harvard Business Review* 77, no. 2: 106-116.

Dixon, Nancy M. 2000. *Common Knowledge: How Companies Thrive by Sharing What They Know*. Boston, MA:

Harvard Business School Press.

Huber, George P. and Richard L. Daft. 1987. The Information Environments of Organizations. In *Handbook of Organizational Communication*, ed. Fredric M. Jablin, Linda L. Putnam, Karlene H. Roberts, and Lyman W. Porter, 130-164. Newbury Park, CA: Sage Publications, Inc.

Katzer, Jeffrey and Patricia Fletcher. 1992. The Information Environment of Managers. In *Annual Review of Information Science and Technology*, ed. Martha E. Williams, 227-263. Medford, NJ: Learned Information, Inc.

Kleiner, Art and George Roth. 1997. How to Make Experience Your Company's Best Teacher. *Harvard Business Review* 75, no. 5: 172-177.

Kluge, Jurgen, Wolfram Stein, and Thomas Licht. 2001. *Knowledge Unplugged: The McKinsey & Company Global Survey on Knowledge Management*. New York: Palgrave.

Leonard-Barton, Dorothy. 1995. *Wellsprings of Knowledge: Building and Sustaining the Sources of Innovation*. Boston, MA: Harvard Business School Press.

Macmullin, Susan E. and Robert S. Taylor. 1984. Problem Dimensions and Information Traits. *Information Society* 3, no. 1: 91-111.

March, James G. 1991. How Decisions Happen in Organizations. *Human-Computer Interaction* 6, no. 2: 95-117.

Marchionini, Gary M. 1995. *Information Seeking in Electronic Environments*. Cambridge, UK: Cambridge University Press.

Matarazzo, James M. 1994. Information Management: A Process Review. In *Information for Management: A Handbook*, ed. James M. Matarazzo and Miriam A. Drake, 1-9. Washington, DC: Special Libraries Association.

McGee, James V. and Laurence Prusak. 1993. *Managing*



*Information Strategically*. New York, NY: John Wiley & Sons.

Mintzberg, Henry. 1975. *Impediments to the Use of Management Information*. New York: National Association of Accountants.

Nonaka, Ikujiro and Hirotaka Takeuchi. 1995. *The Knowledge-Creating Company: How Japanese Companies Create the Dynamics of Innovation*. New York, NY: Oxford University Press.

Normann, Richard, and Rafael Ramirez. 1993. From Value Chain to Value Constellation: Designing Interactive Strategy. *Harvard Business Review* 71 (4):65-78.

O'Dell, Carla S., C. Jackson Grayson, and Nilly Ostro. 1998. *If Only We Knew What We Know: The Transfer of Internal Knowledge and Best Practice*. New York: Free Press.

Porter, Michael E. and Victor E. Millar. 1985. How Information Gives You Competitive Advantage. *Harvard Business Review* 63, no. 4 (Jul-Aug 1985): 149-160.

Prusak, Laurence, ed. 1997. *Knowledge in Organizations*. Boston: Butterworth-Heinemann.

Ramirez, Rafael. 1999. Value Co-production: Intellectual Origins and Implications for Practice and Research. *Strategic Management Journal* 20 (1):49-65.

Stewart, Thomas A. 2001. *The Wealth of Knowledge: Intellectual Capital and the Twenty-first Century Organization*. New York: Doubleday.

Sveiby, Karl Erik. 1997. *New Organizational Wealth: Managing & Measuring Knowledge-Based Assets*. San Francisco, CA: Berrett-Kohler.

Taylor, Robert S. 1986. *Value-added Processes in Information Systems*. Norwood, NJ: Ablex Publishing Corp.

Taylor, Robert S. 1991. Information Use Environments. In *Progress in Communication Science*, ed. Brenda Dervin and Melvin J. Voigt, 217-254. Norwood, NJ: Ablex Publishing Corporation.

Von Krogh, Georg, Kazuo Ichijo, and Ikujiro Nonaka. 2000. *Enabling Knowledge Creation: How to Unlock the Mystery of Tacit Knowledge and Release the Power of Innovation*. New York: Oxford University Press.

Weick, Karl E. 1985. Cosmos vs. Chaos: Sense and Nonsense in Electronic Contexts. *Organizational Dynamics* 14, no. 2: 51-64.

Weick, Karl E. 1995. *Sensemaking In Organizations*. Thousand Oaks, CA: Sage Publications.

Weick, Karl. 2000. *Making Sense of the Organization*. Oxford, UK: Blackwell Publishers.

Wikstrom, Solveig and Richard Normann. 1994. *Knowledge and Value: A New Perspective on Corporate Transformation*. London, UK: Routledge.

# The Nature of Organizational Knowledge

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## Organizational Knowledge as Thing and as Process

The objectification of organizational knowledge as 'thing'

**"What knowledge does the organization need to acquire?"**

The interpretation of organizational knowledge as 'process'

**"How are systems of knowing and doing changing,  
and how should the organization respond?"**

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## Organizational Knowing as Social Process

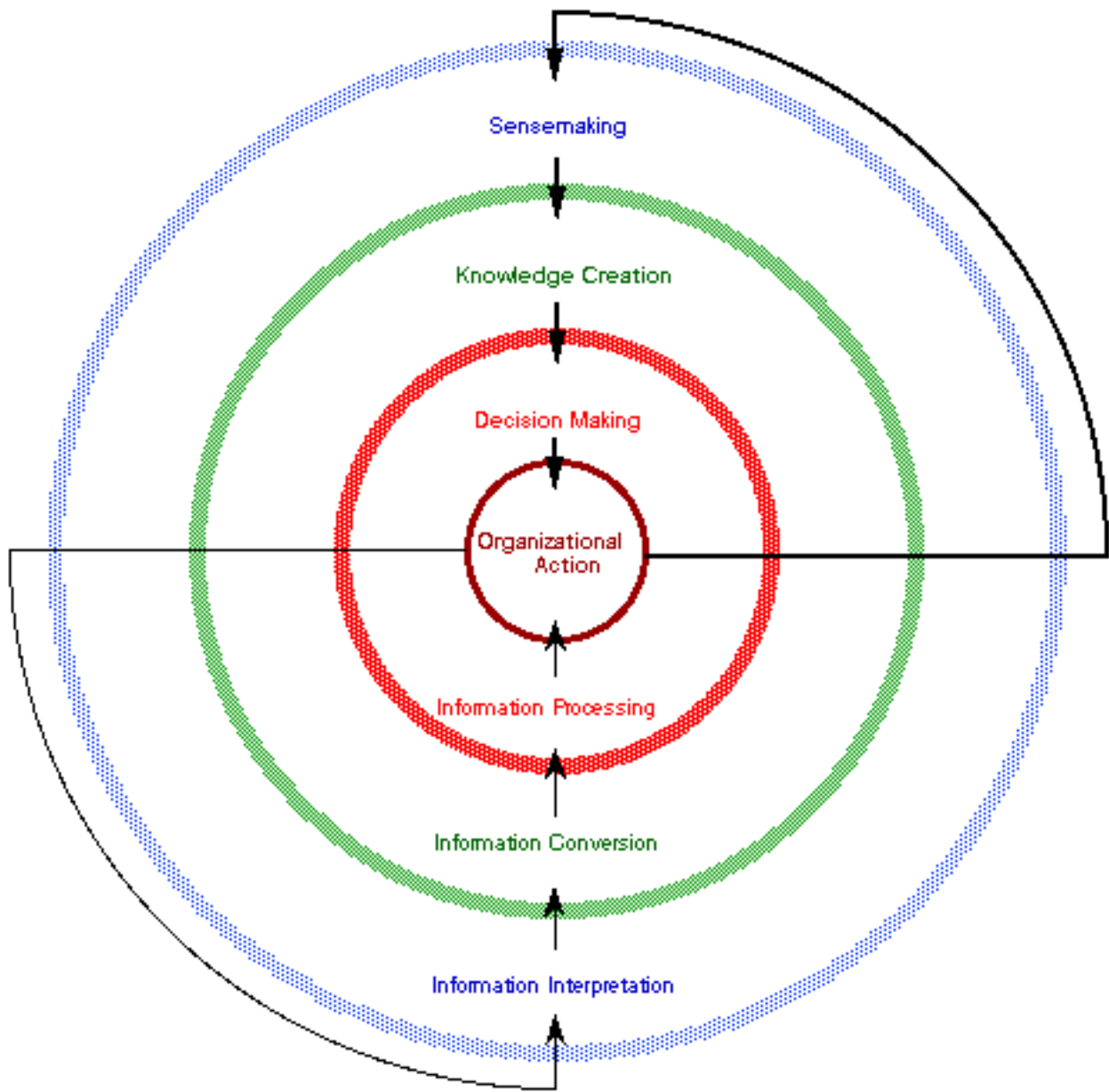
- Organizational knowing is **mediated**.
  - Organizational knowing is **situated**.
  - Organizational knowing is **provisional**.
  - Organizational knowing is **pragmatic**.
  - Organizational knowing is **contested**.
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## Organizational Knowing as Information Use

**Organizational knowing emerges from three interconnected information-use processes:**

- sense making
- knowledge creating
- decision making.

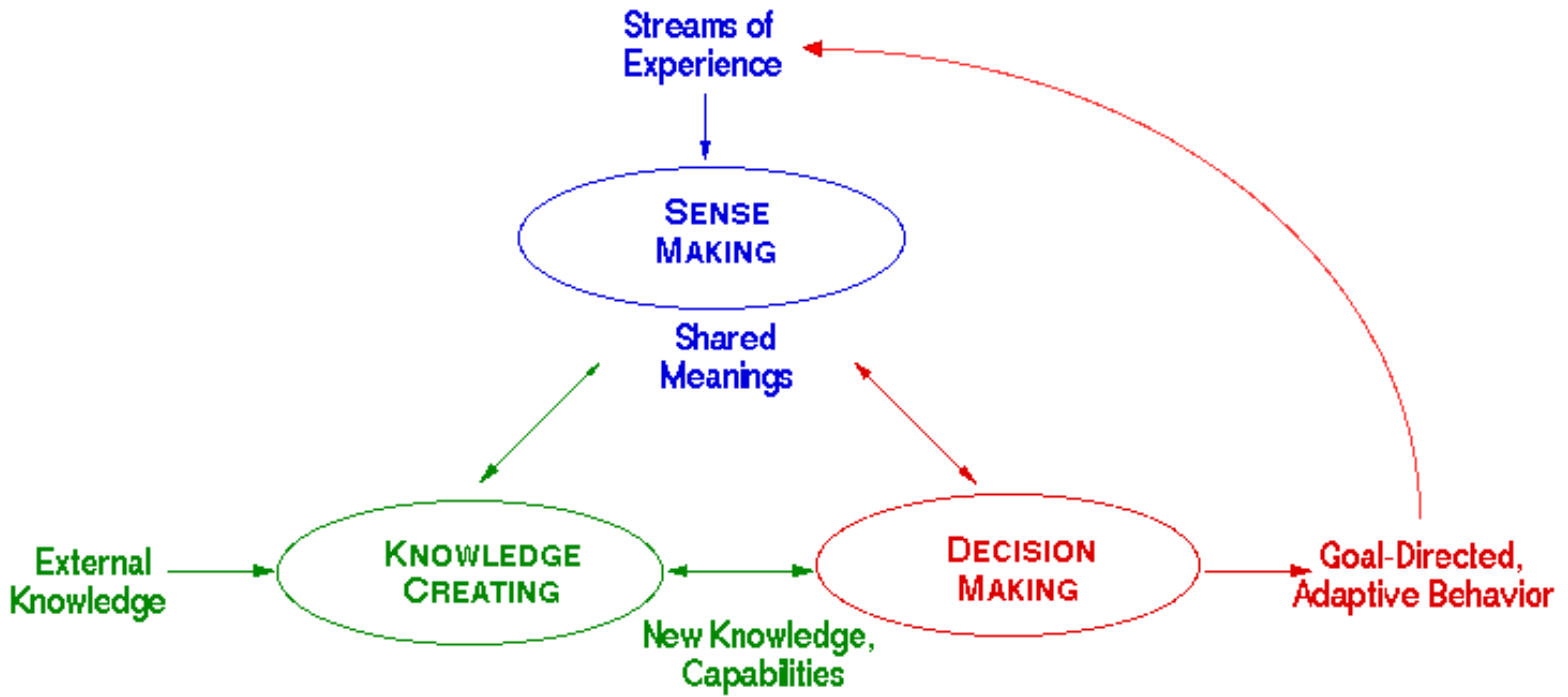
# Organizational Knowing and Information Use



# 3 Modes of Organizational Information Use

Mode	Central Idea	Outputs	Main Concepts
<b>Sense Making</b>	<p><b>The Enacting Organization:</b>                      Environmental change --&gt; interpret the equivocal data by enacting interpretations.</p> <p>Information is interpreted.</p>	<p>Enacted environments and shared interpretations for constructing meaning.</p>	<p>Enactment, Selection, Retention.</p>
<b>Knowledge Creating</b>	<p><b>The Learning Organization:</b>                      Knowledge gap --&gt; create new knowledge through knowledge conversion and sharing.</p> <p>Information is converted.</p>	<p>New explicit and tacit knowledge for innovation.</p>	<p>Tacit knowledge;                      Explicit knowledge;                      Knowledge conversion.</p>
<b>Decision Making</b>	<p><b>The Rational Organization:</b>                      Problem situation --&gt; search and select alternatives according to projected outcomes and preferences.</p> <p>Information is analyzed.</p>	<p>Decisions, leading to rational, goal-directed behavior.</p>	<p>Bounded rationality;                      Decision premises;                      Rules and routines.</p>

# Organizational Knowing Cycle



# Information Use in Organizational Knowing

