An organization's results are more dependent upon intellectual and systems capabilities than physical assets. Systems for enhancing human intellect – and converting it into useful products and services – will become the most important focus for knowledge management professionals.

To enhance intellect means to increase a worker's capability to deal with a complex situation by gaining more-rapid, better understanding to match her individual needs and creating solutions. It also means finding solutions to problems that before seemed unsolvable. Complex situations include the problems faced by designers, diplomats, executives, professionals, and scientists. These problems may have been present for fifteen minutes or fifteen years.

Many organizations have expanded their IT infrastructure for managing explicit knowledge – that which is written down. However, current levels of explicit knowledge only reveal a fraction of what must be known in order to produce good work results. So, one obvious path for future knowledge management initiatives is to focus on what is in the heads of the organization's top-performing stakeholders. This information is essential for enhancing intellect.

Harvesting what is in the minds of top performers is usually referred to as converting tacit to explicit knowledge. However, KM professionals will realize that the dichotomy of tacit and explicit is not authentic and must include a third concept – implicit knowledge.

Implicit knowledge includes that which the individual knows she knows, as well as knowledge that the individual does not know she knows because she has not experienced a genuine opportunity to express this knowledge. Both tacit and implicit knowledge is embedded in the mind of the individual, but only implicit knowledge can be made explicit. By definition, tacit knowledge is impossible to verbalize.

The capability to harvest and manage implicit knowledge is the foundation for enhancing intellect. It also yields a novel perspective with the following significant **changes**.

Work-support media will change. High connectivity results in democratized access to next-generation software applications. These applications will replace unmanageable collections of explicit knowledge with granular modules of guidance and support information which are dynamically and contextually generated for individuals and teams. In this way, traditional software functions and parallel sets of guidance (about how to think through the work) are individually and contextually presented. These applications are not isolated, clever tricks that help in particular situations. They typify work life in which hunches, cut-and-try and the human "feel for a situation" symbiotically coexist with powerful concepts and models and sophisticated work-support methods that are deployed by digital media.

Managing intellectual property will be more complex. In addition to the traditional forms of intellectual property – trademarks, trade secrets, patents, etc. – a new class of IP is likely to be knowledge assets. While serving as employee or contractor, the individual may conceive new business methods, some of which are formalized as tangible knowledge assets. These methods may be co-owned by the individual and the employing organization. Overall, this policy of shared ownership may mitigate risk

associated with migration/brain drain (which is due to corporate restructuring). Top performers knew that they could actually keep (and trade) the contents of their digital portfolio of knowledge assets. However, information related to how the knowledge was applied will likely remain the organization's proprietary "instance"-related information.

The organization's most valuable assets will change. To coincide with heightened valuation of knowledge assets, a systemic approach to managing knowledge assets will emerge. This will resemble an enterprise-wide Total Quality Management system. This time, however, the new TQM will be designed as a "whole system" for deliberating eliciting, organizing, packaging, and sharing implicit knowledge.

Work-related performance indicators will change. New knowledge management capabilities call for new metrics. New questions will arise such as: What is the carrying cost of obsolete information? What is the expense of faulty recall? What is the expense of inferior "inventory and distribution" methods for knowledge transfer? What is the financial valuation of the contents of corporate memory? How frequently used are these knowledge assets?

The physical workspace will change. In the places where project teams meet and individuals work alone, there will be greater emphasis on using physical workspace components as media for work-related guidance. Office furniture manufacturers will engineer workspace components to serve as learning and performance-support media.

A vibrant marketplace for knowledge assets will emerge. Customers will demand smart products and smart services. Smart products are equipment and devices which have embedded know-how that extends their functional uses. Smart services included a value-added component of know-how so that the customer is more capable and knowledgeable. There are three things that must exist in order to trade knowledge assets: 1) buyer's demand for the expertise, 2) a medium of expression that is compatible with supply and demand sides, and 3) an accurate way to instantly evaluate the quantity and quality (usefulness) of the knowledge assets.
