

KNOWLEDGE TRANSFER THROUGH KEY ACCOUNT MANAGEMENT SYSTEMS IN EXPERT ORGANIZATIONS

**Work-in-progress paper for the 19th Annual IMP Conference
4th– 6th September 2003, Lugano, Switzerland**

SATU NÄTTI

M.Sc. (Bus. Adm.), Doctoral student
University of Oulu, Faculty of Economics and Business Administration
Department of Marketing
P.O. Box 4600, FIN-90014 OULU UNIVERSITY, Finland
E-mail: satu.natti@oulu.fi / Phone: +358-50-3709 486

NIINA HANTTU

M.Sc. (Econ. & Bus. Adm.), Doctoral student
Turku School of Economics and Business Administration
Department of Marketing
Rehtorinpellonkatu 3, FIN-20500 Turku, Finland
E-mail: niina.hanttu@tukkk.fi / Phone: +358-40-5762020

KNOWLEDGE TRANSFER THROUGH KAM SYSTEMS IN EXPERT ORGANISATIONS

ABSTRACT

The purpose of this paper is to offer a framework for the role of key account management systems in knowledge transfer, especially in the context of an expert organisation. Expert organisations constitute an interesting focus of analysis, while loosely coupled characteristics of that specific context might inhibit knowledge sharing. From our point of view, key account management provides a powerful tool for compensating such inhibitors.

Within this framework, the phenomenon of knowledge transfer in the loosely coupled context is described mainly from the point of view of key account managers and KAM teams, and the role of this KAM system as a “junction” of knowledge and information flows is emphasised. In our opinion, these views related to knowledge transfer in a loosely coupled system (such as expert organisations) and their effects on customer-relationship management have not been adequately studied in terms of the meaningfulness of expert work in today’s business life.

This paper also presents findings from our dissertation projects. The case material consists of a pilot study, and the empirical data was gathered through personal interviews in a business service firm and its customers. In addition, follow-up type information gathering and internal documents related to the case were used. The first chapters define the loosely coupled system, knowledge transfer and key account management as concepts in order to create a theoretical basis for the following empirical analysis.

Key words: key account management, knowledge transfer, expert organisation, loosely coupled system

1 CONTEXT OF THE STUDY

Mastery of the complete process of knowledge sharing and learning is rare in any type of organisation. Most organisations suffer disabilities, e.g., mental models are myopic, the circulation of information is constricted, or the collective memory suffers from amnesia (Argyris 1999, 66; Day 1994, 11). The phenomenon of organisational knowledge and capability development is particularly interesting in the context of the expert organisation, because the basic structure (e.g., loose coupling in everyday working practices) and other features of the type of organisation may create barriers to knowledge transfer (e.g., Kirjavainen 1997).

One example of such barriers concerns the organisation’s capability of transferring customer-specific knowledge in order to benefit a partner. This will require communication channels that encourage knowledge sharing and collaboration in the organisation (Grant 1997, 450–454). However, an individual expert’s intensive customer relationships may often decrease the extent of internal knowledge sharing among the experts, for example by using common systems or sharing knowledge in everyday interaction. This happens because everyday activities are focused on the customer interface and it is often hard to understand the significance of the institutionalised knowledge for the whole organisation. Consequently, the organisation’s common knowledge stocks (organisational memory) remain weak. There is no commonly shared knowledge, but plenty of individual-bound knowledge in its tacit form. As a result, the customer might be the only one with a complete picture of the customer relationship and customer needs. (Day 1994; Day 2000, 28; Starbuck 1992.)

Internal knowledge sharing may also be a weakness in an expert organisation because of other types of barriers. These include hidden power structures and organisational structures, which have an effect on knowledge sharing and which cause incoherence in the organisation (e.g., Argyris 1999,

49). The internal reality of the expert organisation has many distinctive features. These include competition between experts and teams, an individualistic culture, barriers between different professional/collegial/task-oriented groups, and political “subsystems”, all of which have an effect on knowledge sharing and organisational learning. Behind these distinctions are also human feelings (e.g., Argyris 1999, 70), including ambitions and jealousy. Experts in the same organisation might even act competitively (e.g., Starbuck 1992).

Because of the strong sub-units (groups and individual actors), the whole organisation may suffer and become weaker (Orton – Weick 1990). From the customer-relationship point of view, this might lead to a situation in which customer-specific knowledge is not shared among the different experts, and this causes harm to the customer (e.g., multiple selling efforts by the same seller organisation). In relation to the same phenomenon, functionally organised expert groups/experts might be competent in providing specific services, but lack the ability to combine expertise in order to create added value to the customer. Especially in the knowledge-intensive context, the added value produced by combining different types of expertise might be far more valuable to the customer than cost savings, for instance. (Kirjavainen 1997.)

Effective learning organisations are configurations of management practices that facilitate the development of knowledge that is the basis of competitive advantage (Slater–Narver 1995, 63). In addition to behaviour changes, change in the mental models people use is needed in order to create organisational customer orientation (Argyris 1999, 67). According to many studies, organisational factors such as team building and the establishment of cross-functional linkages and communication systems will increase the knowledge-sharing capability of the firm (e.g., Sivula 1997, Kirjavainen 1997; Starbuck 1992). If internal forums, however informal, support the idea of cross-functional co-operation and learning, they may act as “liaison devices” supporting knowledge transfer and accumulation, and the necessary renewing of mental models.

2 PURPOSE OF THE STUDY

Key customers are important sources of information and knowledge for expert organisations. Close interaction with them provides opportunities for the absorption and utilisation of customer-specific knowledge in service delivery, and for the co-operative development of such knowledge. (Sivula 1997, 1 and 122.) Knowledge transfer has an essential role in developing customer relationships, and the recognition of inhibitors to knowledge sharing inside a supplier company, as well as in the customer-supplier interface, could be considered a prerequisite for the successful implementation of a key account management system (KAM system). Key account managers (KAM) and key account management teams (KAM teams) transfer and accumulate customer-specific knowledge. This is why the role of a KAM system in knowledge transfer is crucial.

The purpose of this study is to offer a framework for the role of the KAM system in the expert organisation in binding loosely coupled system together, and thus facilitating customer knowledge sharing. Within this framework, the phenomenon of knowledge transfer in the loosely coupled context is described mainly from the point of view of key account managers and KAM teams, and the role of this KAM system as a “junction” of knowledge and information flows is emphasised. An expert organisation was selected as the object of this study, because such organisations constitute an interesting focus of analysis in that the loosely coupled characteristics of that specific context might inhibit knowledge transfer. From our point of view, key account management provides a powerful tool for compensating such inhibitors. The research questions are the following:

1. What is the role of a KAM and a KAM team in managing the flows of information and knowledge in the context of an expert organisation?

2. What is the role of a KAM system in compensating the harmful effects of the loosely coupled organisation?

The characteristics of loose coupling in expert organisations are discussed in greater detail next, and the concepts of knowledge transfer and key account management are defined. The later sections include the case description, the case analysis and a discussion of the empirical findings.

3 THEORETICAL CONCEPTS OF THE STUDY

3.1 Loose coupling in expert organisations

Orton and Weick (1990, 204) suggest that an organisation contains interdependent elements that vary in the number and strength of their interdependencies (i.e. 'coupled'). These elements are also subject to changes and "preserve some degree of independence" (i.e. 'loosely coupled'). Coupling produces stability and looseness produces flexibility. What is interesting from our point of view is that these loose couplings may also form barriers to learning via the local inability to transfer knowledge. These barriers may exist among individuals, among sub-units, among organisations, between hierarchical levels and between organisations and their environments, for example (Orton – Weick 1990, 205 and 208).

Forces of loose coupling are strong in expert organisations, and appear in the individualistic nature of the experts' everyday work, for example. Orton and Weick (1990, 206) give three explanations of what causes loose coupling: the causal indeterminacy, the fragmentation of an external environment, and the fragmentation of an internal environment. For example, unclear means-ends connections in the expert organisation may be caused by the intangibility of 'production materials'. Fragmentation in the external environment may arise if different customer segments are served by different experts or expert groups, and internal fragmentation may be caused by high levels of individualism and strong subcultures (e.g., collegial groups within the company).

3.2 Knowledge transfer in loosely coupled systems

Knowledge is taken in this paper as an individual's interpretation of information based on personal experiences, skills and competencies. It consists of explicit and implicit components. Explicit knowledge can be clearly codified and stored in databases. Implicit/tacit knowledge, on the other hand, is "unarticulated knowledge that is in a person's head and is often difficult to describe and transfer". (Bollinger – Smith 2001, 9.)

Knowledge may be transferred among employees by social relationships and by tools such as software databases, Intranets and Extranets. The source that employees consult for information may be internal or external. In this study, internal sources include co-workers, company databases and internal documents, while external sources include collaborative relationships and meetings with suppliers and customers, for instance. (Jordan – Jones 1997, 393.)

Sivula (1997, 59) suggests that the managerial challenge of knowledge transfer is related to two basic factors that influence communication and participation; the organisational structure influences the opportunity for communication and participation in work processes, and individual attitudes to knowledge sharing determine whether knowledge is being shared between individuals or not. In this context, problems of loosely coupled systems in the expert organisation may occur in the fragmented internal reality, e.g., in competition between groups and individuals that may harm knowledge sharing. Moreover, the functional structure of the organisation and indicators measuring those functions might support this competition tendency. Thus, although a functional, modular-

based and fragmented expert organisation might be competent and flexible in providing specific services, it may lack the ability to customise them (e.g., to combine expertise in co-operation).

One way of creating a favourable context for knowledge transfer is to create operational models supporting co-operation among experts. When they work in co-operation, they know each other's expertise and share (otherwise) tacit customer-specific knowledge. Thus, building holistic solutions for the customer becomes easier. One problem caused by the individualistic nature of expert work is that all of the experts might concentrate on selling their own expertise and forget realistic considerations if their own service is the right response to the customer need. (Kirjavainen 1997, 95–96.) Thus, the problem in a customer relationship is not often in the service of the seller organisation itself, but is rather in the models in which the resources are deployed and offered in the markets. Fragmented internal reality (loose coupling) in the expert organisation might appear to the customer in problems at the level of knowledge transfer (e.g., customer-specific knowledge is not shared among experts), in fragmented ways of acting (e.g., simultaneous, unconnected selling efforts by different experts), and in conflicts between experts (e.g., conflict over the best possible solution in the negotiation situation).

Although competencies needed to meet customer needs exist, individual workers might possess them, and organisational routines maintaining capabilities on the organisational level may not be sufficiently developed to bind the loosely coupled system together. When such organisational capabilities do not exist and, at the same time, when expert-focused everyday activities are motivated (e.g., in the organisational structure and in indicators causing competition among the experts), knowledge transfer becomes more difficult, and cumulative knowledge proceeds to bind itself to individuals rather than to service concepts or working processes, which would better maintain the capability in the organisation. (Kirjavainen 1997, 216.) Later on we will show how a KAM system can provide a compensation mechanism for these ordinary problems in the expert organisation.

3.3 KAM systems: the role of a KAM and a KAM team

A key account manager could be defined as a person who conducts the process of key account management and plays an important role in its implementation. Key account managers have co-ordination tasks at a higher strategic level involving the co-ordination of dispersed value-adding activities, and at the operational level involving the co-ordination of internal resources (Millman 1996, 638). In the expert organisation, this means combining different types of expertise in order to create the best possible solution for a key account's need, for example. Thus, managing internal networks in the expert organisation is a critical task from the value-creation point of view.

Key account managers also have a major role in building communication channels. They funnel and filter information in the customer-supplier interface as well as in the intraorganisational communication network inside the supplier company. This has to be taken into account in selecting key account managers, and in estimating their skills and personalities. (Millman – Wilson 1996, 12.) Partner-specific information about organisations, strategies, goals and problems has to be transmitted to all employees who are relevant to the business relationship (Walter 1999, 539). In addition, the key account manager's task is often to promote the concept of key account management in his/her own company in order to ensure that priorities are understood. (Millman 1996, 639.)

Key account managers need support and back-up from the other functions of the organisation (Walter 1999, 542). Therefore, the implementation of a KAM system includes setting up KAM teams for daily interaction with key customers. This typically requires reforming the organisational structure and the communication processes to support the KAM activities (Millman – Wilson 1995,

18). According to Kempeners and van der Hart (1999, 320–323), “KAM teams should consist of all functions that have a contact with a key account, and they often cross intraorganisational borders when looking after the account’s interests”. The team members may be part-time or full-time depending on the supportive function, and they may work for one or several key accounts.

4 KNOWLEDGE TRANSFER THROUGH KEY ACCOUNT MANAGERS: CONCLUSIVE REMARKS ON THE THEORETICAL CONCEPTS PRESENTED

Loose coupling among individuals and experts causes problems in the expert organisation in relation to knowledge transfer in the key customer relationship (see Figure 1.). Fragmented internal reality leads to working routines in which knowledge flows only from the customer to the individual expert (or group of experts) and vice versa. In that type of operation, customer-specific knowledge is not shared among the experts, and it is not institutionalised in an explicit form to the organisation’s common knowledge stocks (e.g., an Intranet), or shared in a tacit form via co-operative actions, for example. If only the individual workers possess customer-specific knowledge, it makes the system very fragile: if one expert leaves the organisation, so does the tacit customer-specific knowledge.

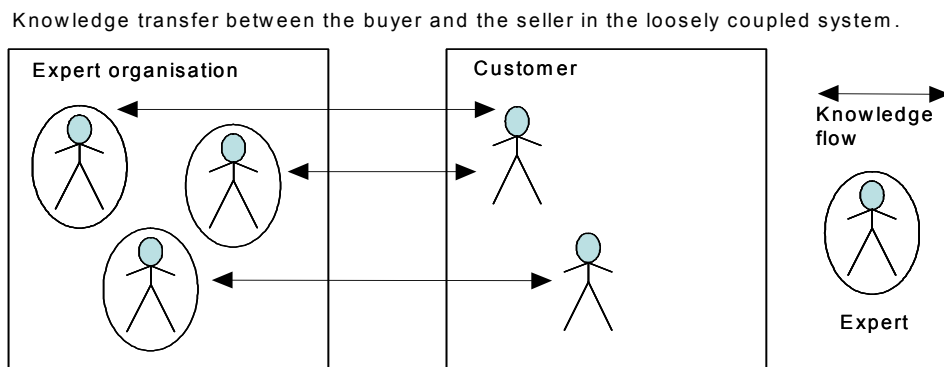


Figure 1. Knowledge transfer between the buyer and the seller in the loosely coupled system.

Loose coupling also leads to problems related to combining expertise. A lack of co-operation creates a situation in which experts do not know what other experts do or what kind of knowledge they possess. Thus, combining expertise and creating innovative service concepts become more difficult. Key account management systems can compensate these problems (see Figure 2.). The key account manager can take responsibility for knowledge transfer and institutionalising knowledge in the expert organisation. This happens through ongoing interaction with different experts and groups. If the KAM has a good internal network, he/she also has knowledge of the different types of expertise possessed by the organisation. Thus, he/she is able to “choose” the right expertise combination to benefit the key account, and in addition to take responsibility for codifying tacit, customer-specific, knowledge into common IT systems supporting customer-relationship management.

The KAM team can support the manager’s understanding of the expertise possessed by the organisation, and this is particularly useful when his/her internal network is weak. Cross-functional KAM teams offer different functions and expertise areas access to the customer relationship through their respective representatives.

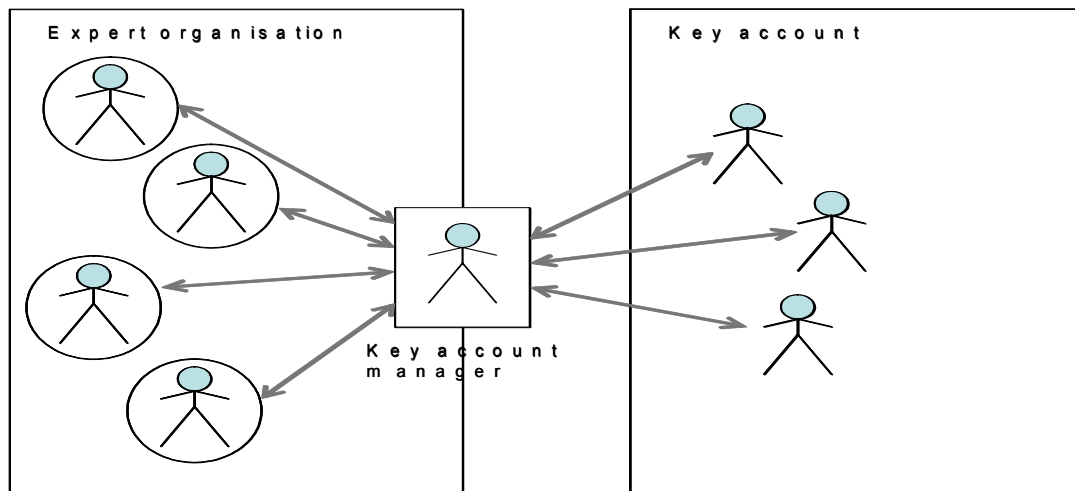


Figure 2: The KAM is able to compensate the harmful effects of the loosely coupled system.

5 CASE DESCRIPTION

The case reported in this paper is the story of an expert organisation entering a partnership-agreement-based relationship and also implementing a KAM system for the first time. The co-operating parties are an institute that offers educational and consultancy services (the seller organisation), and a technological service organisation willing to outsource its education function (the buyer organisation). The focus of the analysis is on the seller organisation, and the role of the key account manager is studied from the knowledge-transfer point of view.

5.1 Methodology

In our opinion, in the context of knowledge transfer, attempts to create codified quantification in order to solve research problems are misleading (e.g., Grandori – Kogut 2002, 230). Our view is based on the idea that organisations are social processes. When knowledge transfer is studied in the expert-organisation context, the organisation should be seen first of all as a bundle of social processes that are formed by the individuals within it (e.g., Berger – Luckmann 1966). Because the processes in question are complex, the goal is best achieved through the use of as intensive a research method as possible. That is why we have chosen the qualitative case method.

Our case study focused on the quasi-organisation (project organisation) between the buyer and the seller organisations. The empirical data was gathered through personal interviews at different organisational levels, including top managers, one key account manager, and experts (lecturers) in the seller organisation, as well as the personnel in the education function in the buyer organisation. A total of 15 interviews were carried out during 2002–2003. The informants were:

- Key account manager (interviewed twice),
- Key account assistant,
- Three members of the management team in the expert organisation (two of them were interviewed twice),
- Four representatives from the education function in the buyer organisation, and
- Three experts working in the expert organisation.

Each interview lasted 1–2 hours. They were audiotaped and transcribed for content coding. The researchers also attended internal seminars and meetings while doing follow-up type of information gathering. In addition, internal memos related to the case in question were used.

5.1 Background

This case is especially interesting because the buyer took the initiative in suggesting a more intensive partnership with the supplier. The buyer organisation wanted to outsource its education function. The company compared different educational institutes and decided to approach the institute in question because of its location, its size, and its expertise area. The idea was to find an institute to organise seminars and lectures and to plan educational programmes together with the seller in order to meet the buyer organisation's educational needs. The expertise area was limited to technology at first, even though the seller could have offered seminars in all of its expertise areas (e.g., economics, personnel management and technology). Later on this turned out to be one of the biggest problems, because the personnel-management programmes, for example, would have benefited the buyer.

The buyer wanted to be involved in the selection of the key account manager. Finally the person was recruited from the buyer's own industry field, from outside the seller organisation. This meant that the seller had a new key account manager in its organisation to serve the new key customer. The buyer paid the new manager's salary for two years, and appointed suitable contact persons in its own organisation to work with him. It also set up a steering group consisting of managers from its own organisation as well as from the seller organisation. The contract, covering the partnership and the KAM financed by the buyer, was drawn up for two years at first.

The biggest challenges occurred in changing the seller's organisational structure, organisational culture and working habits to fit into the new KAM system. This meant a change from an expert-driven and fragmented mode to the more holistic, co-operative approach that was needed in order to develop the customer relationship. The following section concentrates on the knowledge-transfer aspect, although all of the aspects mentioned are naturally intertwined in the knowledge-transfer process.

5.2 An analysis of the implementation process and of the problems that occurred

The process started with common goal setting and recruiting the KAM. He possessed good knowledge of the buyer's industry, but because it was an external recruitment, his knowledge of the services provided by the seller organisation in question was weaker at first. After the goal setting and the formation of the steering group for the project, the immediate task was to define the goals and to follow the integration project itself rather than the services provided to the customer.

This new kind of co-operation enabled a variety of knowledge flows. The integration and development of common IT systems was the next step, and this facilitated the codification of tacit customer knowledge. In addition, the expert organisation had better access than ever to the customer's strategic planning because the seller took responsibility for a substantial part of the personnel development in the buyer organisation. Relationship-specific metrics (created by the steering group) enabled the concrete follow-up of the co-operation. Trust prevailed from the beginning, and the co-operation was based on the common win-win goal.

No KAM team comprising the functional managers of different expertise areas in the seller organisation was established. Experts working for this specific key customer were few compared to the capacity and the possibilities. Thus, the customer interface was quite narrow, consisting of the KAM, his secretary and experts from a narrow expertise area. The seller's organisational structure was functional and based on different expertise areas. Thus, subgroup silos were strong. In addition, the metrics were based on the group-specific financial results and the experts' own financial results. The nature of the work and the metrics encouraged individualism and competition between experts and expert groups. Therefore, the expertise and customer-specific knowledge were not in an

explicit, codified form (e.g., customer databases, service descriptions and/or service concepts), but were mainly tacit, possessed by individual experts.

6 DISCUSSION

This section presents the empirical findings of the study and discusses the role of KAM in binding loosely coupled systems together and thus facilitating customer knowledge sharing. We also answer the research questions presented at the beginning of the paper.

6.1 Knowledge transfer

The establishment of the KAM organisation is a big cultural change that calls for movement from “expert-specific”, fragmented and loosely coupled operations to the more holistic approach based on more tightly coupled functions, where combining different areas of expertise plays an essential role. Experts might feel that this new approach is almost “an attack” against their expertise and independence. When the KAM takes care of the key customer relationship, the expert’s freedom and “customer ownership” in that sense diminishes.

As mentioned in the theoretical overview, internal knowledge transfer in the expert organisation has an important role in developing the customer-supplier relationships. The KAM system enables the compensation of many problems caused by loosely coupled systems (e.g., loose coupling among individuals and subgroups). Through the KAM’s everyday work, customer-specific knowledge accumulates and is shared, and experts are given new opportunities to work together in order to create value for the specific customer. These kinds of new working routines also facilitate deeper changes in the organisational structure, culture and dominant logic towards long-term customer orientation.

Codifying customer-specific knowledge is an underestimated task among experts working in customer projects. KAM can take on the role of co-ordinating and accumulating knowledge, for example by codifying it in common systems. This is made possible by maintaining ongoing contacts with customer representatives and experts in the field. Thus, experts also have to understand the meaning of codified customer knowledge, and should inform the KAM if they are not able to codify the knowledge themselves. To this end, management systems (e.g., structure, metrics and shared vision) should support institutionalisation and knowledge transfer, and not the holding of knowledge. Without a shared vision of the meaning of accumulating customer-specific knowledge, the motivation to do it may stay on the weak level. If the structure and the metrics of the expert organisation support competition, knowledge sharing might be seriously hindered.

A part of the customer-specific knowledge will always stay in the tacit form because not everything is codifiable. However, from the organisation’s point of view, it is essential to codify as much as possible in order to guarantee the institutionalisation of knowledge, otherwise the KAM and the individual experts might take the lion’s share with them when leaving the organisation.

6.2 The role of the KAM and the KAM team in broadening the scope of knowledge flows

The case seller organisation’s ordinary problem was one of individualistic customer orientation, which had led to problems with knowledge transfer internally in the organisation, and thus also in the customer interface. For example, it had earlier given rise to the situation in which two experts were selling their expertise to the same customer without knowing about each other’s actions. In spite of selling a complete education programme to the customer, the seller’s individual experts were putting a lot of effort into selling single education modules.

The KAM system made it possible to prevent this problem in the new relationship through organisation-level co-ordination, knowledge transfer and ‘neutralisation’. Neutralisation means here that a KAM works and “collects competencies” from the organisation on the customer’s behalf, not on the behalf of the individual expert or the specific group. KAM is also the junction point of knowledge flows, the concentration of tacit knowledge that used to be spread around the organisation in the loosely coupled system. However, the seller organisation was not capable of utilising these possibilities for several reasons. In this case, the experts working for the buyer were only few compared to the capacity and the possibilities. The seller-buyer interface was quite narrow, consisting of the KAM, his assistant, and experts from a narrow expertise area. This happened partly because the preliminary goal was to concentrate on a specific, technical area of expertise. However, although the possibilities of broadening out the used expertise were self-evident from the buyers’ point of view, the seller organisation did not see them. This happened for the following reasons:

- The organisational structure and metrics forced competition between different collegial groups and individuals. The organisation’s culture did not support combining different kinds of expertise to benefit the customer either. Thus, the organisation did not support the key account manager’s work in the seller-buyer interface. From the customer’s point of view, this narrow scope appeared as a “lack of innovativeness”.
- The lack of a KAM team even strengthened this tendency because the representatives of the different expertise areas did not have a forum through which to access the relationship. The focus in the project steering group was more on the strategic level, and as a consequence the problem was not recognised. Thus, the different expertise areas, which formed the functional intraorganisational units, did not have a “representative” in the key-customer relationship. This could have been someone selected from inside the expertise unit to work as a contact person for the KAM. His/her tasks would have been to collect expert knowledge in the unit, and to transfer codified or tacit knowledge to the KAM.
- Deficiencies in conceptualisation caused the inability to create innovative solutions. Because of the lack of “explicit expertise”, e.g., expertise descriptions and/or service concepts, the KAM did not have the tools to understand the possibilities or to define wider areas of expertise to the customer. In this case, he was recruited from outside the seller organisation. As a result, he possessed good industry-specific knowledge, but did not have good knowledge of the variety of expertise possessed by the organisation. His internal network was weak. Conceptualisation of expertise would have helped his work, because it would have made the wide variety of abstract expertise explicit, and thus would have helped him to utilise what was possessed by the organisation in order to create the best possible value-added for the customer.

The narrow scope of action led to the problems from the knowledge-transfer perspective, and to difficulties in providing innovative services including different aspects of the organisation’s expertise. Thus, from the customers’ point of view, the value-creating ability of the seller had been hindered.

6.3 How does the KAM system compensate the harmful effects of the loosely coupled organisation?

An important task of the KAM and the KAM team is to crystallise the complex messages from the customer to the expert organisation and vice versa in order to gain the best possible benefit for both. Complex messages can be comprehended more easily on the individual than on the organisational level, where the complexity and number of messages should be reduced in order to promote a common understanding. Thus, it could be said that one task of the KAM system is, through funnelling and filtering knowledge, to decrease the loose coupling, to bind the system together, and to create a common understanding in the expert organisation concerning the management of key-customer relationships. In the expert organisation, this could push the loosely coupled, fragmented actions in the key-customer interface in a more holistic, co-operative and long-term direction.

Guaranteeing the continuity of the key-customer relationship is the very basic task of the KAM. He/she is not able to fulfil this task if the organisation does not provide a context that is conducive to co-operation, or that compensates its loosely coupled characteristics: the culture, structure,

metrics and systems should support the day-to-day work of the KAM. This change to a real, holistic customer approach in the expert organisation does not happen overnight, but starts with concrete, small changes (e.g., IT integration). This concretises the need for change for all workers, and thus makes deeper changes (e.g., in structure or culture) possible later on. On the practical level, this means, that the KAM's task is to steer different experts in their customer contacts and to combine different types of expertise in order to create the best possible value added for the customer. As a consequence, new routines are formed, thus creating a more tightly coupled system, and this affects the knowledge-transfer capability of the organisation. This is not an easy task in a loosely coupled system like an expert organisation. However, the KAM system and the support of working practices in conceptualising expertise, for example, are facilitators of such knowledge transfer and organisational learning.

REFERENCES

- Argyris, Chris (1999) On Organizational Learning. Second Edition. Blackwell Publishers Ltd.
- Berger, P.L. – Luckmann, T. (1966) The social construction of reality. A treatise in the sociology of knowledge. London: Allen Lane.
- Bollinger, Audrey – Smith, Robert (2001) Managing Organizational Knowledge as a Strategic Asset. *Journal of Knowledge Management*, Vol.5, No.1, pp.8–18.
- Day, George (1994) Continuous Learning about the Markets. *California Management Review*, Vol.36, pp.9–31.
- Day, George (2000) Managing Marketing Relationships. *Journal of the Academy of Marketing Science*, Vol.28, No.1, pp.24–30.
- Grandori, Anna – Kogut, Bruce (2002) Dialogue on Organization and Knowledge. *Organization Science*, Vol.13, No.3, pp.224–231.
- Grant, Robert (1997) The Knowledge-based View of the Firm. *Long Range Planning*, Vol.30, No.3, pp.4504–54.
- Heide, Morten – Grønhaug, Kjell – Johannessen, Simen (2002) Exploring Barriers to the Successful Implementation of a Formulated Strategy. *Scandinavian Journal of Management*, Vol.18, No.2, pp.217–231.
- Jordan, Judith – Jones, Penelope (1997) Assessing your Company's Knowledge Management Style. *Long Range Planning*, Vol.30, No.3, pp.398–398.
- Kempeners, Marion – van der Hart, Hein (1999) Designing Account Management Organizations. *Journal of Business & Industrial Marketing*, Vol.14, No.4, pp.310–327.
- Kirjavainen, Paula (1997) *Strateginen oppiminen tietointensiivisessä organisaatiossa*. Publications of the Turku School of Economics and Business Administration. Turku.
- Millman, Tony (1996) Global Account Management and Systems Selling. *International Business Review*, Vol.5, No.6, pp.631–645.
- Millman, Tony – Wilson, Kevin (1996) Developing Key Account Management Competencies. *Journal of Marketing Practice: Applied Marketing Science*, Vol.2, No.2, pp.7–22.
- Millman, Tony – Wilson, Kevin (1995) From Key Account Selling to Key Account Management. *Journal of Marketing Practice: Applied Marketing Science*, Vol.1, No.1, pp.9–21.
- McDonald, Malcolm (2000) Key Account Management – A Domain Review. *The Marketing Review*, Vol.1, pp.15–34.
- McDonald, Malcolm – Millman, Tony – Rogers, Beth (1997) Key Account Management: Theory, Practice and Challenges. *Journal of Marketing Management*, Vol.13, pp.737–757.
- Orton, J. Douglas – Weick, Karl E. (1990) Loosely Coupled Systems: A Reconceptualization. *Academy of Management Review*, Vol.15, pp.203–223.
- Pardo, Catherine (1998) Industrial Key Account Management: The Key Accounts Point of View, In: *Relationships and Networks in International Markets*, edited by Gemünden, Hans – Ritter, Thomas – Walter, Achim, pp.166–179. Pergamon, Elsevier Science. Oxford.
- Sivula, Petteri (1997) *Competing on Knowledge from Customers: Strategic Perspective on Managing Knowledge-Intensive Business Service Firms*. Rotterdam School of Management. PhD-series.
- Slater, Stanley – Narver, John (2000). Intelligence Generation and Superior Customer Value. *Journal of the Academy of Marketing Science*, Vol.28, No.1, pp.120–127.
- Starbuck, William H. (1992). Learning By Knowledge-Intensive Firms. *Journal of Management Studies*, Vol.29, No.6, pp.713–740.
- Walter, Achim (1999) Relationship Promoters. Driving Forces for Successful Customer Relationships. *Industrial Marketing Management*, Vol.28, No.5, pp.537–551.