

# Humanistic Buddhism and Knowledge Management

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## ABSTRACT

*The paper first describes knowledge management theory and practice as currently applied in business world today. It then discusses the deficiencies of the mainstream paradigm in knowledge management and how Humanistic Buddhism can contribute toward the development of a complete theory of knowledge management. Finally, potential applications of knowledge creation techniques from Humanistic Buddhism are illustrated with actual industry practices.*

## Strategic Management Focus for the 21<sup>st</sup> Century

According to a recent survey (Anonymous, 1998) on the chief executive officers of multinational corporations (MNCs), the strategic goals of these companies for the 21<sup>st</sup> century are global growth and improvement of shareholder value. These goals will be achieved through innovation, operational agility, and customer-focused knowledge management. During the late 1980s and early 1990s, the major strategy of MNCs is cost control and belt tightening. But now the emphasis is on the key success factor of growth. Knowledge management systems, defined in the survey as networked information systems that facilitate the creation and sharing of knowledge, are the top priority for innovation, technology development, and operational excellence in the 21<sup>st</sup> century.

Predicting this trend of development in strategic thinking are two of the most renowned figures in management, Peter Drucker and Bill Gates. In his book, *Managing in a Time of Great Change*, Drucker (1997, p.21) stated: "Innovation from creative people provides the only assured source of long term success and competitiveness," and "Knowledge has become the key economic resource and the dominant--perhaps even the only--source of comparative advantage." In his book, *Business @ The Speed of Thought*, Gates (1999, p.2) mentioned that "knowledge management is one of the key competitive driver of the business."

Echoing Drucker and Gates's statements are comments by Dorothy Lenard (1995, p. 15), Professor of Business Administration from Harvard University. In discussing her new book, *Wellsprings of Knowledge: Building and Sustaining Sources of Innovation*, she said: "Companies are experiencing more competition from unexpected sources and must be more creative in developing responsive strategies quickly." "The organizations that can move most quickly are those with a store of skills on which to draw. These organizations know how to create knowledge, to transform knowledge, and to channel knowledge to those who need it. The most agile companies are able to build upon their knowledge assets—both the tacit knowledge in people's head and the explicit knowledge in work processes and skills to redirect themselves toward new markets."

## What is Knowledge Management?

Knowledge management is one of the hottest topics in business consulting and the resulting efforts of many organizations to meet the challenges of competition in the modern knowledge economy. It is a term used in many different ways by parties with different perspectives and interests. The definition of knowledge is complex and controversial and can be interpreted in many ways. Much of the knowledge management literature defines knowledge in very broad terms, covering basically all the "software" of an organization. This involves structured data, patents, programs and procedures, as well as more intangible knowledge, and capabilities of the people. It includes the way organizations function, communicate, analyze problems, come up with novel solutions, and develop new way of doing business. It can also involve issues of culture, customs, values and skills as well as relationships with its suppliers and customers.

Since there is confusion concerning what Knowledge Management is all about, a definition as follows may help to clarify it:

*"Knowledge Management is the conceptualizing of an organization as an integrating knowledge system, and the management of the organization for effective use of that knowledge, where knowledge refers to human cognitive and innovative processes and the artifacts that support them."* (Southon, 2000, p. 3)

This definition emphasizes the conceptual integration of the different types of knowledge with a focus on management of the organization, not of the knowledge itself. It stresses the human element, yet includes explicit knowledge, but only as a support for human thought.

## Genesis of Knowledge Management

While the concept of *knowledge* and *management* are old, only quite recently have they been put together in this way. This is probably because management has been seen to be principally about clearly definable objects and processes such as finances, project management, corporate strategies and so forth. Those elements that did not appear on the financial returns often escaped specific attention. Even the task of managing people (human resource management) has only recently been established and often still had difficulty gaining recognition. Thus, despite its obvious importance for many industries, the role of the various types of knowledge has seldom been specifically addresses in management theory and practice. The recent attractiveness of the term *knowledge management* appears to have been prompted by three major forces:

- a. Increasing dominance of knowledge as a basis for organizational effectiveness;
  - b. The failure of financial models to represent the dynamics of knowledge;
- and

- c. The failure of information technology by itself to achieve substantial benefits for organizations.

The concept has developed over nearly two decades as many ideas and activities have converged. It has arisen primarily out of the experience of a number of major corporations, has been popularized by consultants, and is currently being interpreted, and hopefully enriched, by academics.

### **Characteristics of Knowledge Management**

Knowledge management encompasses a very broad range of perspectives. In particular, it engages with the complexities and nuances of human intellectual processes, including tacit knowledge, learning and innovation processes, communication culture, values and intangible assets. It recognizes the subjective, interpretive, and dynamic nature of knowledge. At the same time, it embraces the dramatic developments in information technology and seeks to bring their benefits effectively to the organization. Many people, however, have equated it with information management. Information technology is a tool that can help connect knowledge nodes, but knowledge management goes beyond managing the knowledge that is already inside the organization. Its real purpose is to create a flow of innovative ideas, and there are many more management levers beside information systems that can be used to increase that flow.

The knowledge management process, in essence, tries to answer this basic question: how can an organization create new ideas and know-how that eventually benefit the organization? It involves two basic functions: creating knowledge and directing or leveraging the knowledge to benefit the organization. Although the two functions are separated for the purpose of this discussion, the two are actually interconnected and related by a facilitating organization structure and culture. Knowledge can be created from all kinds of sources. It can be imported from external sources such as consumers, suppliers, trade shows, expert or other popular information sources (Leonard, 1995, p. 12). It can come from socialization and articulation of employee's tacit knowledge (Nonaka and Takeuchi, 1995, p. 105), or it can be from combination or transformation of explicit knowledge through internal data analysis or data mining (Cisco and Strong, 1999, p. 32). To facilitate the maximum creation of new knowledge, the organization needs to provide a strong supporting environment in which the employees enjoy continuous growth of learning capability and the highest degree of freedom to improvise and to venture into the unknown. Two things are rather important in this regard. First, a knowledge creating organization should facilitate the development and growth of its employee's mental capacity for continuous learning. From field studies, it has been found that a lack of mental capacity to absorb and create knowledge is one of the factors that impede knowledge transfer. Second, a knowledge creating organization should be a learning organization consisting of self-directed and fully empowered employees that set up their own goals, strategies and courses of action for knowledge creation.

On the other hand, open-ended knowledge creation activities could go into all different directions without any benefit realized by the organization. To bring these

activities into concentrated efforts, the organization needs to be united and coordinated under an inspiring and profound philosophy, vision, or mission statement shared by the employees and instilled into their daily activities. It is argued that, however, such a mission or vision should be expressed preferably in metaphors or figurative language so the ambiguity will allow for imagination and creativity (Nonaka, 1991, p. 103).

An ideal holistic approach to knowledge creation and management is to treat an organization as a living organism. Just like an individual, an organization should have a collective sense of identity and fundamental purpose, a shared understanding for, where it is going, what kind of world it wants to live in, and most important, how to make that world a reality. In this respect, a knowledge-creating organization is as much about ideals as it is about ideas. The essence of innovation is to re-create the world according to a particular vision or ideal. To create new knowledge means to quite literally to re-create the organization and everyone in it, which is a non-stop process of personal and organizational self-renewal. In the knowledge-creating organization, creating knowledge is not a specialized activity—the specialty of the R & D department or marketing or strategic planning. It is a way of living, behaving, indeed a way of being, in which everyone is a self-learner, knowledge inventor or a spiritual cultivator or, in business terms, an entrepreneur.

### **Inadequacy of the Mainstream Knowledge Management Paradigm**

Current mainstream conceptualization of knowledge management falls into two camps. The first is the information-processing paradigm of knowledge management. It started with this realization that organizational knowledge is a strategic corporate asset that needs to be gathered, updated, disseminated and applied to improve organizational efficiency and effectiveness. Recent advances in information technology such as Lotus Notes, Internet, and the World Wide Web offer great means to organize various scattered pockets of information into organizational repositories which can be shared by employees to prevent duplication of efforts or increase productivity. Proponents of artificial intelligence, decision support systems, and network databases have emphasized the key role of such technologies in the process of knowledge generation. Consider the following perspective by Zuckerman and Buell (1998, p. 82)

"Knowledge management is the strategic application of collective company knowledge and know-how to build profits and market share. Knowledge assets (both ideas and know-how) are created through the computerized collection, storage, sharing, and linking of corporate knowledge pools. Advanced technology makes it possible to mine the corporate mind."

Such approach to knowledge management considers only a partial perspective of the organizational knowledge creation. It specifies the "minutiae of machinery" while disregarding how people in organizations actually go about acquiring, sharing, and creating knowledge. Churchman (1971, p.10) stated: "To conceive of knowledge as a collection of information seems to rob the concept of all of its life... Knowledge resides in the user not in the collection. It is how the user reacts to a collection of information that matters." Most extant knowledge management systems are

constrained by their overly rational, static and acontextual view of knowledge. Nonaka and Takeuchi (1995, p. 12) have argued that "knowledge, unlike information is about *beliefs* and *commitment*." Davenport and Prusak (1998, p.5) defined knowledge as deriving from minds at work: "Knowledge is a fluid of framed experiences, values, contextual information, and expert insight that provides a framework for evaluating and incorporating new experiences and information. It originates from the minds of knowers. In organization, it often becomes embedded not only in documents or repositories but also in organizational routines, processes, practice, and norms."

As a response to inadequacy of the information-processing paradigm, an alternative approach to knowledge management was proposed. Yogesh Malhotra (2000) attempts to synthesize the information-processing capabilities with the innovative and creative capabilities of human and social elements of the organization. He defines knowledge management in the following terms:

"Knowledge management caters to the critical issues of organizational adaptation, survival, and competence in face of increasing discontinuous environment change. Essentially, it embodies organizational processes that seek synergistic combination of data and information-processing capacity of information technologies, and the creative and innovative capacity of human beings."

He proposes an organizational structure with the following four characteristics:

- a. "Playfulness" in organizational choices: an organization should encourage playfulness in the choice process of organization by not requiring consistency in behavior and by allowing intuition to guide action without sanction.
- b. From error avoidance to error detection and correction: instead of emphasizing *what should not be done*, an organization should emphasize *what can be done*.
- c. Anticipation of surprise: the future is moving so quickly that an organization should not be surprised that they are surprised. They should anticipate the surprise.
- d. Creative chaos through organizational vision: the primary obligation of employees is not the fulfillment of pre-specified goals and task laid out in detail, but devising whatever goals and tasks are best to realize the shared vision of the organization.

Although Malhotra's model represents a significant improvement over the traditional information-processing approach to knowledge management, it still falls short in the following aspects:

First, the model does not address problems related to the learning and absorptive capacity of organizational members. Research has shown that lack of absorptive capability is one of the fundamental impediments to knowledge creation in an organization (Szulanski, 1996). An organization can only be as good as its

members. Effective knowledge management should make improving its members' learning and absorption capacity one of its most important goals. Knowledge creation requires employee to unshackle their minds from any old thinking style and habit to embrace present changes and new stimuli. In this regard, knowledge creation requires as much "unlearning" as learning.

Second, the model does not specifically address the issue of spirituality in the workplace. Spirituality is the source of inspiration, creativity, innovation, and wisdom (William Guillory, 2000, p 31). Spirituality comes from each individual's most inner consciousness. It entirely comes from within—beyond programmed beliefs and values. Programmed beliefs and values come from past experiences. They are reactions to past experiences. As valuable as they may be, they are irrelevant to future success. In a world of increasing environmental complexity and turbulence, yesterday's core capabilities could become tomorrow's core rigidities. To continuously adapt to the environment and to survive and grow, an organization has to draw its energy and solutions from the spiritual practices of its organizational members. Transformation is the process of letting go of beliefs that no longer serve a constructive purpose. Spirituality is the underlying force and energy to effect such personal and collective transformation.

It is with respect to these deficiencies in current knowledge management theory and practice that Humanistic Buddhism can facilitate the development of a holistic model of knowledge management and to furnish a variety of proven practices for knowledge creation and innovation.

### **Humanistic Buddhism and its Implication for Knowledge Management**

Humanistic Buddhism is Buddhism with an emphasis on today's human life. In Buddhism, the universe is commonly made up of various realms occupied by different forms of life. For example, people with bad karma would be reborn in the three lower realms of suffering, i.e. the Realm of Hell, Hungary Ghosts, and Animals. In contrast, people with good karma will be reborn in the three upper realms of joy and blessing, i.e. the Realm of Humans, The Divine, and the Demigods. In reality, these realms are just psychological manifestation of our human minds. The goal of Buddhism and its practice is to better human life. It was never intended to be practiced with other forms of life. In fact, according to the teaching, the Human Realm is the best place to practice Dharma. The sixth patriarch of Ch'an Buddhism, Hui Neng, once said:

“The Dharma is to be found in this world and not in another.  
To leave this world to search for the Dharma is as futile as searching for  
a rabbit with horns.” (Quoted in Kimball, 2000, p. 14)

With the improvement and betterment of human life and experience as its primary focus, Buddhism differs from most other spiritual practices in its approach to human problems. Unlike other spiritual practices that emphasize salvation by an omnipotent God, Buddhism puts the solutions to human problems back to human

beings. Humans are the ones to solve their own problems. There is no one to help or rely upon. If humans can not solve their own problems, none can do it for them. What humans can rely on is their wisdom and knowledge. Buddhism is not really a religion. Rather, it is a set of theories and practices on how to develop human potential through insights into themselves and the world in which they live. In an interview with Dr. Richard Kimball, Venerable Master Hsiung Yun said:

“Buddhism is a practice of investigation and integration based on wisdom and truth.” (Kimball, 2000, p. 13)

This statement clearly defines what humanistic Buddhism is all about and why it is so relevant to the current topic. Through 2500 years of practice, Buddhism has developed a set of core principles and proven methods for the cultivation of wisdom and spirituality. These principles and practices have only one goal: to assist human beings in developing and creating the required skills and knowledge in order to deal with all kinds of suffering and afflictions caused by an ever-changing environment. They are principles and methods of learning, of adaptation and self-improvement, and of knowledge creation and use. At the core of Buddhism is the vision that unsatisfactory result of life, such as suffering and pain, are caused by ignorance—the failure to see the reality as it truly is. The way to Buddhahood is a path toward gaining perfect knowledge about body, mind, and the outside world. A Buddhist practitioner's path is a path of continuous self-leaning and self-transformation. It is a road of discovery, of knowing how everything changes in response to causes and conditions. It is a process of adapting to one's environment, while keeping body, mind and spirit in harmony with the outside world. The problem faced by a Buddhist practitioner and his or her need to gain insight and knowledge about this world is no different from the problems confronting a corporation or an organization. The very same principles about gaining wisdom and insight for a Buddhist practitioner are equally applicable to knowledge management for a corporation or organization, especially if we view an organization as a living organism just like an individual. The exact methods practiced by a Buddhist in order to become enlightened can be easily adapted for a modern corporation to make itself the most fit to survive in this dramatically changing modern age. In the following section I will try to summarize the key principles and practices of humanistic Buddhism as they relate to Knowledge Management.

## **Key Principles and Related Practices**

### ***Impermanence***

Buddhists view the world that we live in as a continuous flux of causes and conditions. Nothing, tangible or intangible, physical or mental, objects or subjects, concrete or abstract can exist on its own in permanence without change. Since the environment and us are changing every minute or second, there is no need to hold on to concepts, ideas, or knowledge of the past that would not be applicable to the present and the future. This realization forces a practitioner to keep a fluid status of mind, or to be *mindful* in observing the changes that are constantly going on or unfolding. This

mindset or view is essential for any learning or insights to take place. Without this mindset, knowledge gaining or creation is definitely impossible.

To perfect this correct view of the world, a practitioner should engage in the practice of contemplation. Usually done at a time when their mind has entered into a concentrated, meditative state, the practitioner would visualize undesirable outcomes of life in the future, such as aging, sickness, or death. This type of visualization serves as a reminder to practitioners how fast changing life is, and how they can prepare themselves when the worst come true. In a sense, such an attitude toward life teaches a practitioner what we call environmental scanning and risk analysis in modern management science. Environmental scanning and risk analyses are important steps in the strategic planning process of an organization. They help to shape an organization's vision and strategies, which in turn provide directions to organizational learning and growth.

### *The Emphasis on Knowledge as a Solution to Human Problems*

In Buddha's expounding of the Twelve Co-dependent Arising, he teaches us that all the unsatisfactory results of our life have only one source—ignorance, or the lack of true wisdom or knowledge about life. This emphasis on wisdom or knowledge as the sole key to the solution of human problems was incredibly cutting-edge in Buddha's time or even in our modern time. We begin to realize that knowledge holds the key to everything in the 21<sup>st</sup> century only after long period of evolution in science and technology. But Buddha knew this a long time ago. All his teachings concentrate on one thing—the elimination of ignorance and the perfection of wisdom or knowledge.

It is said that to help practitioners achieve perfect enlightenment, Buddha had devised a system of 84,000 variations of practice. The system can be summarized in three essential components: basic rules to follow or precepts, purification of mind or concentration, and contemplation or insights into reality. If we consider an organization as parallel to an individual in the pursuit of knowledge, the same practice system can be translated into a corporate model of knowledge creation and knowledge management as follows. Knowledge creation in an organization starts with basic code of conduct that emphasizes humanistic values in management. The organization then needs a "pure" organization culture that is free from dogmatism and bureaucratic process with fully empowered employees ready and free to act and learn from the environment. Finally, the organization needs to pool the knowledge from all sources to see the reality in the present and to know what's coming in the future.

### *True Reality (Dependent Origination)*

In Buddhism, nothing is assumed to be self-independent or contain a nature of its own that can arise on its own without the support of other matter. All dharmas are non-substantial or empty in nature. The origination of any thing depends on a complicated network of causes and conditions that can be extended to infinite space and time. In other words, all things in this world are inter-connected, interdependent, and metaphysically inter-contained. This fundamental view is the cornerstone of Buddhist philosophy. From this view, the practice of enlightenment becomes a process of knowing the causes and conditions of everything in the universe. Buddha,



the perfect enlightened one, is said to possess such perfect knowledge or wisdom. In this regard, Buddhism is pretty much a knowledge-based practice. Its emphasis on undivided attention to causes and conditions provides the impetus for continuous and relentless knowledge digging and discovery.

To liberate oneself from personal vexations or affliction, the practitioner needs to know the causes and conditions that give rise to those sufferings, so he/she can find the path to end suffering. This knowledge or wisdom is called "universal wisdom" in Buddhism and is perfected by Teravada practitioners. The main cause for personal suffering is greed, hatred, and ignorance. Here the practitioner needs to clear all these obstacles in order to be liberated from suffering. To deliver others from suffering, a practitioner needs to know the infinite number of causes and conditions underlying all dharmas and how to apply the knowledge or wisdom to specific situations. This knowledge or wisdom is called the "specific wisdom or knowledge" in Buddhism and are perfected by Bodhisattvas. Buddha is the one that has perfected both kinds of knowledge. There is again a parallel relationship between Buddhist practice of seeking perfect enlightenment and an organization's endeavor to create and manage knowledge. For successful knowledge management, an organization needs to clear up all its internal organizational obstacles to make itself into a pure and fertile ground for knowledge creation. After achieving that, the organization can then turn its attention outward. Each member of the organization acts as if he or she is one of the thousand hands of the "Guan Yin" Bodhisattva, collecting information and obtaining knowledge from every source, and combines and uses it to achieve the mission of the organization. An organization that perfects both internal and external knowledge is equivalent to a "Bodhisattva" in the Buddhist practice.

### ***Karma (Rigid Pattern of Thoughts or Actions)***

The concept of karma is instrumental in Buddhist practice. Karma is a force resulting from previous action, thoughts, or speech. Karma, according to Buddhism, dictates a person's fate or next life in the future. The recognition and emphasis of karma is a unique feature of Buddhism. It has important meanings and implications to Buddhists. First, it highlights the fact that one's present condition or status is heavily influenced by one's past. In fact, one can say that a person is always conditioned by his/her previous thoughts or habits without realizing this is happening. One is so accustomed to his/her previous beliefs and preferences to the extent that he/she will continue to hold them even though the environmental change has made them obsolete or problematic. These beliefs and preferences that one holds so dear will even extend to one's next life and determine where he/she will be reborn. Thus karma is the force which makes a person go through the cycle of rebirth and death, sometimes described as *reincarnation*.

To transcend oneself from the cycle of birth and death, and the never-ending sufferings in the cycle, a practitioner needs to eliminate all the negative karma from the past. In Buddhism, there are many ways to eliminate one's karma, but it all centers on the idea of "unlearning" one's old habits and thinking patterns. First, it may happen in the form of a repentance ritual. In the ritual, one has to explicitly recognize the existence of one's negative karma and how damaging it may become to the practitioner in the future. After that, he/she will contemplate on some "antidote" to the old habits or thoughts and vow to practice positive deeds to remedy the situation. Or it may take

the form of meditation, in which a practitioner's ultimate goal is to get rid of all conditioned thoughts and concepts to live in the present moment. In other words, the main purpose of meditation can be described as an endeavor to "unlearn" all the previous knowledge to prepare the mind for a complete absorption into new information. Or it may take the form of Bodhisattva practice in which the practitioner gives up his/her cravings and grasping, and opens his/her heart to embrace other's ideas or concerns. Such skill for "unlearning" one's conditioned beliefs or convictions is very powerful and can be easily practiced in an organizational setting. Individually, such practice will enhance the mental absorption capacity of organizational members, cultivate the required concentration for knowledge absorption, dissemination, and generation. Collectively, the organization as a whole will have a culture that emphasizing experimentation, innovation, and creativity.

### ***Consciousness***

In Buddhism, the role of consciousness in seeking the truth is discussed in depth. Although there are perceptions and forms as experienced by the human senses, they are in fact images or illusions created by people from their own mind or consciousness. Each individual creates his or her version of the world in accordance with the seeds of karma contained in their consciousness. The way each person believes about the reality is actually more "real" than reality itself. Habit formation determines what one sense. People create meaning, attributes, variables, and phenomenal relationships. The knowing subject and the known object are both instruments of perception and thinking. The Buddha does not teach being and not-being as separate (Kimball, 2000, p.38). Ordinary people create, project, and place their own manufactured images in time and space. Their consciousness becomes the slave of things it does not realize it has created. This unknowing is referred to as "the fundamental ignorance" in Buddhism, it is the most harmful and damaging delusion of all and the source of all suffering. An enlightened being's consciousness is one without the passion for images and objects. That is why only the enlightened being sees true reality, and is liberated from all vexations and afflictions.

Buddhist understanding of consciousness has important implication for knowledge creation in an organization. If an organization is a living organism just like an individual, organizational consciousness also creates the reality and the environment of its own making. Under most situations, an organizational "consciousness" can easily become its own slave without knowing it. Prior and existing organizational knowledge will become barriers and obstacles to the acquisition of new knowledge, inducing core rigidity that becomes harmful and damaging to the organization. To transcend this obstacle, an organization needs to be awakened to its own illusions, to break itself free from this self-bondage, and to venture into the unlimited open space of reality.

### ***Buddha Nature (Universal Knowledge)***

Buddha nature is the universal essence and consciousness that permeates everything. It exists throughout the universe and fills it completely. Everything is brought into existence through this karmic energy (a force and energy field with patterns of information or knowledge). Buddha nature is our true "spiritual" or "mind" nature. It is beyond individual consciousness or non-consciousness. Its is the highest truth or universal knowledge (Kimball, 2000, p.38). The main goal of Buddhist

practice is to transform the deluded individual consciousness into this universal consciousness, to be awakened to this universal knowledge, and to draw knowledge from this ultimate source of wisdom and to apply it to daily life. The result is the realization of Nirvana or the attainment of Buddhahood in this life and the infinite other lives in the past and future.

In an organizational setting, the existence of Buddha nature or universal knowledge has significant meaning too. It provides the theoretical foundation or impetus for the pursuit of continuous organizational learning and improvement. It also gives the reason why organizational knowledge exists everywhere, inside or outside, and at all levels or units of organization. It justifies full empowerment of employees or organizational members because Buddha nature is within each of them. Each can be the source of universal knowledge if properly trained and supported.

### ***Kindness and Compassion (A Spiritual Organization)***

The experience of spiritual well being, meaningfulness and a sense of fulfillment can not be measured in terms of money or any other material things. A person's spiritual well-being reflects the extent to which an individual is able to express his or her creativity and to develop the full range of the individual's possibilities. An organization practicing kindness, respect, compassion, and harmony brings the organization to wholeness and freeness. Wholeness and freeness are the two most important ingredients or catalysts in creativity and innovation. A spiritual organization offers its members the sense of belonging, shared values, and respect. In such a community, people can celebrate together, be listened to, be accepted and given a sense of security, and have a chance to create and be supported. Research has found that socialization has increased the share of tacit knowledge among organization members and it is the single most important source for knowledge creation (Nonaka, 1991, p. 98). Verna Allee (1997, p. 84) explains this phenomenon in a very direct statement, "Knowledge seeks community." A spiritual organization is one that treats all its members with dignity, respect, and love. It views human equality as a basis for ethical behavior, realizes everything exists in interdependency and interconnection, and considers the organization, community, country, and world as one. Such an organization has the greatest chance to create new organizational structure and culture in responding to the external demand from changing environment (Guillory, 2000, p. 91).

### ***Humanistic Buddhism's Approach to Knowledge Creation and Management***

Humanistic Buddhism, with its heavy emphasis on spirituality and its relentless search for universal knowledge and ultimate wisdom, has a lot to contribute to the development of a comprehensive model of knowledge management. The aspects that can provide the most contribution would be its holistic approach to knowledge management and its time-tested techniques in implementing such an approach. First, it does not consider knowledge management a segment or a part of life. Rather, it is life and not separated from life. The goals of life are wholeness and freeness. So are the goals of knowledge management for an organization. "Wholeness" is being integrated (full mind and body in Buddha nature, the structure and culture of an organization with nature and the environment) and behaving in a most natural and perfect way, like a small child with very few rules and preconceptions. "Freeness" is liberation from suffering and affliction for an individual, and the prevention from internal or external

failure for an organization. Looking at everything with magnanimity allows an individual or an organization to see the meaning of its existence, and to enjoy life and the presence of others. This is particularly true for an organization. Nonaka (1991, p.96) said "To create new knowledge means quite literally to recreate the company and everyone in it in a nonstop process of personal and organizational self renewal." He was on the right track but he did not carry the spirit far enough. With the ultimate goal set, all endeavors for knowledge creation and management will not be sidetracked, and the whole organization will be united and guided into the right direction thus bringing true benefits to both the organization and the society.

Second, an organization should tear down the traditional boundaries separating it from its environment. It should treat customers, suppliers and other stakeholders as an integral "part" of the organization, if it want to maximize its capability for knowledge creation and management. Borrowing wisdom from humanistic Buddhism, an organization and its environment are interdependent and interconnected in a closely and tightly woven net of causes and conditions. The duality of separate entities is only an illusion (Hagen, 1997). The two are not different but one. Traditional knowledge management tends to focus too narrowly on a straight line "value chain," starting with customer's need, followed by product design, production, distribution, sales, and post-sale services. Such a confined focus may have its advantages, but its advantage of ignoring other dimensions and/or relationships in the entire space of knowledge creating activities may also be costly. Any dimension or domain in the organizational activity sphere is a potential source of knowledge. A modern organization should aim at an exploration of the entire knowledge space, not just the linear relationships with its environment.

Third, knowledge management in an organization should start with cultivating the organizational capability to unlearn its core capabilities developed from the past. Just like a Buddhist practitioner has to cultivate his ability to be liberated from his/her old karma, an organization's number one enemy against knowledge creation is itself, represented by the organization's self-identity, internal culture, and past success. This capability of continuous unlearning requires the organization to be able to look at each situation with complete sincerity. It should recognize and admit to its own involvement, its decision-maker's potential biases and preconceptions, the underlying nature of its process and methods, and the limitations inherent in its organizational structure and culture. It also requires the organization to be "mindful" in its present situation. This means that the organization and its decision-makers need to be aware of all situations and problems all the time, viewing them with non-judgmental attention without even the slightest preconception. In this way, the organization will not be obstructed by its own knowledge repository and will be in a position to explore reality with discovery and insight.

Fourth, an organization should recognize that spirituality is the true source of creativity and inspiration. Spirituality, deeply rooted in our most inner self, is pure and blissful. Wisdom or knowledge founded in spirituality responds to environmental changes naturally, spontaneously, and seamlessly. It is free from the usual counterproductive reactions based on invalid beliefs programmed in personal consciousness. Spirituality allows one to experience instances of insight, empathy, and "holistic seeing". Spiritual growth is the process of invalidating a system of

beliefs that restructures our view of reality in a major way. The more we are attached to our view of reality, the less potential we have for unlimited creativity. Tapping into timeless spirituality, our creative consciousness allows us to solve problems, to innovate, to vision the future, to do quantum thinking, and even to create new a paradigm.

An organization needs to develop spirituality in its workplace. Spiritual leadership is the establishment of an environment where humanistic values are integrated with sound business practices to govern the way an organization achieves its business objectives. It ensures that the organization's value system will never be compromised in the interest of short-term profit. It promotes a service attitude among its members of unconditional commitment to the growth, success, and well being of others. It emphasizes kindness, compassion, equality and love as learning vehicles to discover other's needs as well as our own. It empowers its employees to become competent, self-managed, and creative continuous learners. It assumes that human beings have an innate ability to organize themselves in such a manner to achieve any objective to which they are committed. Organizations distinguish themselves in spiritual leadership are usually characterized by horizontal organization, extensive information sharing, self-managed work teams, and people orientation. Employees are considered to be the only sustainable source of competitive advantage in such an organization. An organization is nothing but a collection of its members. If each member in the organization is creative and innovative, the organization as a whole will be creative and innovative.

Finally, a knowledge creating organization needs to cultivate its members' capability to reach the infinite source of true wisdom and knowledge—the mind. For an organization to be a learning organization, each of its members needs to utilize their capability to learn, or more importantly, to “unlearn.” What they need to do is to abide his or her mind in pure attention and non-judgmental awareness. This non-purposeful, non-directional, effortless thinking mode often provides the most creative solution when no solution seems to exist. In a time of discontinuity and uncertainty, we often find ourselves in desperate situations where nothing seems to work. Radha (1997) provides a Zen approach to knowledge creation in such an instance. He suggests that managers view problems with pure attention similar to “mindfulness” traditionally practiced by a Zen master. He believes such non-judgmental awareness will enable a manager to see reality with clarity. When managers observe any problem this way, they are not putting the problem aside, but bearing it in mind for however long as necessary. Eventually, a solution will occur to the manager. All he or she has to do is to take care in noticing intuitive signals, whatever they happen to be in each case. Michael Ray (1999), Professor of the Stanford Graduate School of Business, teaches similar practices to business practitioners. In Japan, Toshihide Numata, the Buddhist President of Mitsu-toyo Company, a manufacturer of precision machinery, describes this intuitive mind as “the tranquil mind,” (Inoue, 1997, p.79) and considers it to be a necessity in our world of endless distraction and constant change.

## Applying Humanistic Buddhism in Knowledge Creation and Management

While Humanistic Buddhism's approach to knowledge creation represents a shift in paradigm from the current mainstream theory and models for knowledge management, many of its principles have been put into business practice by various organizations interested in promoting creativity and innovation in order to cope with a changing environment.

In 1978, top management at Honda was convinced that their Civic and Accord models were becoming too ordinary. They decided to develop a new concept of a car. In order to create a car that is totally different from anything the company had done before, the only instructions given by the management to the new product development team was "Let's gamble." The mission sounded so vague. But it is exactly what was needed. Fully empowered and completely self-directed, the team invented the Theory of Automobile Evolution. They asked themselves this question: if the automobile were an organism, how should it evolve? The answer to this question led the team to develop the slogan "man-maximum, machine minimum." The team believed that an ideal car should transcend the traditional human-machine relationship. But this belief was exactly contradictory to Detroit's reasoning, which sacrificed comfort for appearance. The team developed a car "short" in length and tall in height, and nicknamed it "Tall Boy." The sphere-shaped car provided the most room for passengers but took up the least space on the road. The shape also minimized the space taken by the engine and other mechanical systems. The car later became the Honda City, the company's distinctive urban car (Nonaka, 1991, p.100). This particular example of knowledge creation illustrates many aspects of humanistic Buddhism's approach to knowledge management. By redirecting the concept of a car from machine to human, and by treating a car as a living organism, the development team brought the core values of humanistic Buddhism into their development process. It recognized that the ultimate mission of a car manufacturer is to free humans from the slavery of external objects such as machines. By conceptualizing an automobile as a living organism, it subscribed a view of complete equality among all things, living or non-living, a concept existing only in a mind void of duality and discrimination. The fact that the development team was fully empowered without any organizational strings attached, indicates an organizational structure relying heavily on individual creativity rather than authoritarian leadership. And it's clear in this case, the source of this creativity has a lot to do with the spiritual approach taken by the development team in solving their problem. Finally, the development team demonstrated an unusual capability of "unlearning" from the traditional Detroit design concept by starting from scratch to invent something entirely new.

Cannon's development of their mini-copier is another positive illustration on how a humanistic Buddhism approach to knowledge creation and knowledge management can result in unexpected discoveries and inventions (Nonaka, 1991, p.101). To make their personal copier a success, the management of the company knew that it had to be totally reliable. To increase its reliability, they proposed to make the copier drum—which is the source of 90 percent of all maintenance problems—disposable. To be disposable, however, the drum would have to be easy and cheap to make. How to make such a drum? The development task force adopted a Zen approach to their problem. They let this problem simmer in their minds all the

time but did not purposefully look for a quick solution. One day when the group was out for beer, it struck the team that the same process of making aluminum beer cans might be applicable to the manufacture of an aluminum copier drum. After some exploration and experiment, the team finally came up with the process technology to make the drum at an appropriate cost.

Iomega Corporation's development of the Zip drive is an excellent illustration of tearing down the traditional corporate boundaries to embrace other stakeholders in the corporate mission (Guillory, 2000, p. 94). Iomega is a Salt Lake City-based organization that produces portable data storage hardware. In the last 14 years, they improved their products primarily on the basis of internal research efforts by in-house engineering. Sales were saturated and started to decline. Realizing this unfavorable trend, the corporation started a massive stakeholder feedback program. They conducted customer focus groups to discover what customers needed and wanted. They went to every user and expert in the field to find what stakeholders thought about their products. They discovered that the customer wanted a storage drive that was simple to use, requiring little space, and an accompanying user manual that did not require an engineering degree to understand. This information was so valuable to the organization. Iomega started to reinvent the company by focusing on a customer-driven strategy. Eventually, the company produced their revolutionary new product, the Zip drive. During that year, the company's income grew from \$141 million to \$326 million. The lesson learned here is that monetary success is often the result of a transformation in an organization's mind-set relating to service and bringing true value to other human beings. The necessary ingredients for successful knowledge creation and management is to entertain an organizational mission in which the benefits and well being of the stakeholders are genuinely considered and taken cared of.

### **Conclusion**

In this paper, the author has described competing theories and models for knowledge creation and knowledge management. A deeper probe and investigation of these mainstream paradigms reveals that they fall short of expectation in several important aspects. For one thing, these models do not go far enough in bringing spirituality—the ultimate source of wisdom and knowledge—into the process of knowledge creation and management. The knowledge repository tapped in these models only represents a small subset of infinite human potential. Most of the knowledge in this repository is experience and memory representing “known” knowledge. From known knowledge, there can come only another known knowledge (Krishnamurti, 1975). True creativity will never occur in this paradigm. Unless each individual in the organization is empowered and trained to lead a spiritual search for true knowledge in accordance with humanistic Buddhism's core values, organizational learning and creativity will not be maximized or even solidly take hold. Furthermore, current models of knowledge management provide very few pragmatic methods for improving the absorption and leaning capacity of an organization and its members. Humanistic Buddhism, in contrast, has accumulated abundant, proven practices and methods in dealing with this matter in its 2500 years of history. The concept of “selflessness” and “emptiness” are two powerful practices for eliminating obstacles to seeking truth and preparing an individual for the infinite possibility of continuous creativity. As an organization is no more than the combination of its individual

members, if its members are creative and innovative, so will be the organization. I have suggested in this paper how the core values in humanistic Buddhism can be applied to constructing a more comprehensive model of knowledge creation and management. Several actual practices by business organizations are also described to illustrate the practicality of my proposed model. I hope that this discussion benefits organizations and their members in dealing with today's volatile and changing environment.

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