Knowledge Management at Goldman Sachs

The History and Future of KM

- 90's

- The Rise of Technology and the Tech Bubble

- Strats

- The Future

The 90's

- Large corporate libraries
  – Headcount intensive
  – Staffed 24/7
  – Hardcopy collections of annual reports
  – Printed documents delivered to banker desks
  – Bankers copying data to spreadsheets

Technology

- The late 90's saw the Laser D's and the beginning on the digitalization of documents
- Email replaced the physical movement of documents
- Increased productivity corresponded with the Investment Banking boom
  - Headcounts remained stable as the technology absorbed the increased demand
  - High margins and competition from Tech firms for banking staff

The Bubble Bursts

- Cost becomes management's overriding focus
  - Banking and support headcount slashed
  - Office space reduced dramatically
  - Efficiency becomes the middle management focus – Faster, Better Cheaper
- "The Pipes"
  - Advances in the size of the pipes connecting India to the US and Europe makes outsourcing more feasible at exactly the same time firms are looking to cut costs
- Outsourcing
  - Banks start to shift information services to India
- Portals
  - We start building portals to deploy on banker desktops to allow direct access to low level research and data

2005 – Investment Banking Strategies

- 2005 KM moved out of support and into the Strats
- The Strats are mathematicians and computer scientists
- They were deployed on mass for defined projects
- Their mandate was to automate standardised processes either completely or to the point where human intervention was required
- Data feeds became important
- KM focus was the data and the end user experience

Future

- The GFC saw a lost decade in information services.

- PE firms have been buying vendor assets
  - Increased focus on value
  - Developing competition

- Defining banking roles and evolving the KM role

Approach

- We approach our consumption of data/information with a view to continually enhance productivity. Both at a vendor level and internally

- Identify standard processes and look to automate them

- Front office staff are key to identifying redundant processes