

Why Federal Agencies Can't Afford to Ignore Gen AI-powered Knowledge Management in 2025

How generative AI is transforming knowledge management for faster, smarter government services.



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Imagine a scenario where a citizen calls a government service center during a natural disaster, desperate for shelter information. The agent, equipped with a generative AI-powered knowledge management (KM) system, delivers accurate, reassuring guidance in seconds. Meanwhile, an overwhelmed HR specialist helps a remote employee navigate complex telework policies using the same intuitive tool, instantly accessing the latest updates without hesitation.

Now, imagine the opposite. A citizen is left on hold for 20 minutes in a crisis while an agent scrambles through outdated files, and the HR specialist spends hours chasing answers across disconnected systems. For too many public sector organizations, this is still the reality.

As federal leaders stand up labs across the nation to explore gen AI use cases amid tightening budgets and growing uncertainty, knowledge management stands out as the most immediate—and impactful—opportunity. It's not about if you should implement it in agencies; it's about when and how.

Outdated knowledge management is failing federal agencies —here's why

Despite unprecedented advancements in technology and the digitization of vast stores of critical information, [customer experience \(CX\) in the US hit an all-time low in 2024](#) [↗](#). In an era of information overload, traditional knowledge sharing methods can no longer keep up with the demands of modern government services.

Effective knowledge management—identifying, organizing, and delivering actionable information—is more essential than ever for federal agencies. Gen AI has the potential to reverse this troubling CX trend by transforming how agencies access and share information, offering faster, smarter and more intuitive ways to meet the needs of both citizens and employees.

At its core, gen AI-powered knowledge management is essential for operational efficiency and workforce empowerment. From streamlining call center operations to handling data requests, delivering real-time employee coaching to improving HR practices, optimized KM creates positive ripple effects felt across the entire organization.

For employees, it's about more than productivity—it's about fostering a culture where they feel empowered to make confident decisions. This reduces burnout, improves job satisfaction and boosts retention. For leaders, it provides unmatched visibility into organizational challenges, enabling smarter, data-driven decisions that benefit both internal teams and the citizens they serve.

As the federal workforce ages, gen AI-powered KM also plays a crucial role in ensuring continuity by streamlining knowledge transfer and closing skill gaps.

How to balance innovation with integrity when scaling gen AI

While gen AI offers significant opportunities to improve user experiences, enhance employee satisfaction, and deliver critical services more efficiently, it

also introduces risks. As pilots for gen AI are already underway across the nation, agencies must be cautious and ensure that proper data infrastructure and governance are in place to avoid costly mistakes or misinformation.

Prasad Bhalerao, vice president at Publicis Sapient, is at the forefront of groundbreaking gen AI-powered knowledge management initiative a that aims to simplify the way a leading agency's employees navigate complex policies and respond to citizen queries. By starting with a focused set of authoritative documents, his team is helping employees answer questions about grants and eligibility with speed and confidence, reducing delays and frustration.



“Gen AI is transforming knowledge management in the public sector by making information accessible through natural, conversational interfaces rather than outdated, navigation-heavy systems. But without the right data architecture to ensure accuracy, scalability and security, this revolutionary tool could lead to critical misinformation and erosion of trust,” Bhalerao warns.

One key lesson from this effort is the importance of building a reliable data pipeline from the outset. Many agencies operate in the proof of concept (POC) phase, relying on pieced-together data sources that work for small-scale tests but fail to scale effectively. Bhalerao emphasizes that long-term success requires infrastructure capable of curating, refreshing, and organizing data continuously, ensuring outputs are accurate and aligned with agency standards.

A roadmap for implementing gen AI-powered knowledge management in your agency

For agencies looking to take advantage of gen AI's transformative potential and improve both employee and customer experience, using a step-by-step approach is key.



“Implementing Gen AI in knowledge management isn’t about flipping a switch—it’s a series of smart, deliberate steps that guide steady, purposeful transformation and bring teams along on the journey,” noted Zeshawn Uddin, Senior Agile Program Manager.

1. Secure leadership buy-in for Gen AI integration: Align with stakeholders on the strategic value of Gen AI in knowledge management and its capabilities.
2. Identify high-impact use cases: Select specific knowledge management processes that are actionable, have reliable data sources and are scalable. Keep them limited in scope for initial testing.
3. Prepare and clean data for AI integration: Conduct a data inventory to ensure the data available is accurate, complete and clean.
4. Define ethical guidelines and governance for AI: Ensure guidelines are aligned with your organization’s goals and specific use cases, and include a framework for ongoing oversight.
5. Develop and test a proof of concept: Prototype and validate the use case through a small-scale PoC model to test the Gen AI-powered use case.
6. Communicate and collaborate with stakeholders: Engage stakeholders throughout the PoC phase, ensuring they are informed and involved in the process.

7. Scale the solution based on PoC success: If successful, expand the implementation to other areas of knowledge management.
8. Integrate change management and build AI literacy broadly: Prepare for full implementation using change management strategies as well as training to build AI literacy for staff.
9. Continuously optimize and measure impact: Adjust and refine the system to ensure it continues to meet organizational needs over time.

The time to act is now—lead the way in federal innovation

As government agencies face increasing complexity and rising demands, knowledge management has evolved into a mission-critical capability that underpins efficient operations and exceptional service delivery. Gen AI has proven its potential to revolutionize how agencies operate, empowering employees with instant access to accurate, actionable information while significantly improving citizen experiences.

This isn't just about innovation. It's about building a stronger, more responsive organization that is prepared for the future. With successful pilots already demonstrating tangible benefits, the urgency to scale these solutions is clear. Agencies that prioritize knowledge management today will lead the way in efficiency, trust and impact.

Ready to explore gen AI-powered knowledge management?

Publicis Sapient, we bring decades of experience in partnering with federal agencies to implement forward-thinking solutions tailored to their unique challenges. Our expertise in gen AI-powered knowledge management positions us as a trusted partner ready to help you navigate this transformation.

Whether you're looking to explore gen AI use cases, develop a proof of concept or transform your knowledge management systems, our experts are here to help. Let's start the conversation.

Reach out today to discover how we can support your mission and drive meaningful change.

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