

KNOWLEDGE MANAGEMENT – ITS SOURCES & CONTRIBUTION IN MODERN BUSINESS ORGANIZATIONS

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ABSTRACT

Knowledge is “a fluid mix of framed experience, contextual information, values and expert insight that provides a frame work for evaluating and incorporating new experiences and information”. The knowledge remains in the minds of organizational members conducting the operations – be it research, design, development, manufacturing or services. Knowledge is an important part of strategic planning. The inputs that a company receives during its strategic planning process can ensure that the organization and its operational practices are managed appropriately. Both internal and external sources of information should be considered.

Keywords: *knowledge Repository, Knowledge Management, organizational culture, explicit knowledge, management system*

I. INTRODUCTION

Knowledge Management (KM) is a management technique of effectively managing knowledge in an organization. It comprises construction (i.e. compilation; collection; collation) of knowledge generated within the organization and from external sources into Knowledge Repository (KR) organize the Knowledge so constructed in the organization in such a way that it is easily accessible to all those in the organization, who need it, on time. In other words, a management system maintains the knowledge Repository (KR) which can be used at the time of need. A set of tools including computer system facilitates ease of accessing the KR as well as building and maintaining it.

Peter Drucker defines KM as “the co-ordination and exploitation of organizational knowledge resources in order to create benefit and competitive advantage”.

According to Davenport & Prusak “Knowledge Management (KM) is managing the corporations knowledge through a systematically & organizationally specified process for acquiring, organizing, sustaining, applying, sharing, renewing both the tacit and explicit knowledge of employees to enhance organizational performance and create value”.

Knowledge Management is not about managing knowledge for knowledge sake, the overall objective is to create value & to leverage, improve and refine the firm’s competencies and knowledge assets to meet organizational goals & targets. Implementing knowledge management thus has several dimensions including:-

- (a)Organizational – The right processes, environments, culture and systems.*
- (b)Managerial Leadership – The right focus, strategy, implementation etc.*

(c) Cultural :- The organizational culture, as well as national culture for Multinational firms, influences the way people interact, the content within which knowledge is created, the resistance they will have towards certain changes & ultimately they share knowledge.

(d) Technological: - *The right systems, tools and technology properly implemented.*

(e) Political: - The support to implement & sustain initiatives that involves virtually all organizational functions that may be costlier to implement and which often don't have a direct visible return on investment.

II. SOURCES OF KNOWLEDGE

Each of us possesses a great deal of knowledge. We know about ourselves and about people around us. We know about abstract concept and ideas. The main sources of knowledge are as follows -

(a) Internal sources: They emerge from the operations of the organization. Internal sources include the organizational operations such as design, development, engineering, sales, marketing, manufacturing, customer contact etc. This is the basic source of organizational information which is controllable and can be easily canalized to knowledge Repository. In the absence of any formal mechanism. This knowledge remains in the minds of organization members and usually, disappears with them.

(b) External Sources: External sources include Industry or Professional Associations, Commercial Web sites etc. There are many -many professional bodies such as IEEE, academic bodies such as

Universities, Research Institutions, Industry Associations such as NEMA and Commercial organizations. These sources usually make the knowledge available through Web sites and sometimes through publications. Some of them could be free services & some could be for a fee. A well designed knowledge management should be able to take advantage of both. The sources to create and maintain a knowledge Repository & allow members to easily access the knowledge stored inside it.

III. TYPES OF KNOWLEDGE

(a) Explicit Knowledge: This type of knowledge is formalized & codified and is sometimes referred to as know what. It is, therefore, fairly easy to identify, store & retrieve. This is the type of knowledge most easily handled by KMS, which are very effective at facilitating the storage, retrieval & codification of documents & texts. Explicit knowledge is found in databases, Memos, notes & documents etc. From a managerial perspective, the greatest challenge with explicit knowledge involves ensuring that people have access to what they need, that important knowledge is stored & that the knowledge is reviewed, updated or discarded.

(b) Tacit knowledge: - It is referred to as know how & refers to intuitive, hard to define knowledge that is largely experiences based. Because of this, tacit knowledge is often context dependent and personal in nature. It is hard to communicate & deeply rooted in action, commitment and involvement.

Tacit knowledge is also regarded as being the most valuable source of knowledge & most likely to lead

to break through in the origination. Tacit knowledge is found in the minds of human stakeholders. It includes cultural beliefs, value, attitudes, mental models etc. as well as skills, capabilities and expertise.

(c) Embedded knowledge: Embedded knowledge refers to the knowledge that is locked in processes, products, culture, routines, artifacts or structures. Knowledge is embedded either formally such as through a management initiative to formalize a certain beneficial routine or informally as the organization uses & applies the other two knowledge type.

The challenges in managing embedded knowledge vary considerably and will often differ from embodied tacit knowledge culture and routines can be both difficult to understand & hard to change formalized routines on the other hand may be easier to implement and management can actively try to embed the fruits of lessons learned directly into procedures, routines and products. Embedded knowledge is found in rules, processes, manuals, organizational culture, codes of conduct, ethics and products etc. It is important to note that while embedded knowledge can exist in explicit sources, the knowledge itself is not explicit i.e. it is not immediately apparent while doing something this way is beneficial to the organization.

IV. CONTRIBUTIONS OF KNOWLEDGE MANAGEMENT

(a) Creates knowledge Repository (KR):- Involves finding and collecting internal knowledge and best practices. Some of the knowledge may be found in organizational documents such as memos, reports

and presentations and can be easily stored in a repository. Other knowledge is discovered through discussion. Discussion databases are another form of knowledge repository. Tools like Lotus Notes and Microsoft exchange server facilitate these discussion / databases.

(b) Improves Knowledge Access: - Involves determining ways to facilitate, finding the person with the required knowledge and then transferring the knowledge to another person. Sometimes, simply storing the knowledge in a repository is not sufficient; Face to face transfer of knowledge can be more effective technology such as desktop video conferencing, can enable face to face knowledge access.

(c) Enhances knowledge environment: Involves changing the way people work. Employees are encouraged to share knowledge as well as reuse existing knowledge coaching and training in learning and sharing practices will probably be necessary. This may be a very difficult task if the organization's culture does not currently share information.

(d) Manages knowledge as an Asset: - Involves demonstrating that effectively using the knowledge management responsibilities or face to face transfer of knowledge has allowed the organization to save or make money. This is currently difficult but will probably become more accepted as knowledge management becomes more widely used.

(e) Other Contributions of knowledge management are:-

- (i) Fostering innovation by encouraging free flow of ideas.
- (ii) Improving customer service by streamlining response time.
- (iii) Enhancing employee retention rates by recognizing the values of employees knowledge and rewarding them for its.
- (iv) Boosing revenues by getting products and services to market faster.
- (v) Streamlining operations & reducing costs by eliminating redundant or unnecessary processes.

A creative approach to KM can result in improved efficiency, higher productivity and increased revenues in practically any business function.

V. CONCLUSION

Various types of knowledge discussed above are complimentary to each other and all are crucial to knowledge creation. They interact with and change into each other in the creative activities of human beings.

Explicit knowledge & tacit knowledge have significant role. Understanding this reciprocal relationship between explicit knowledge and tacit knowledge is the key to understanding the knowledge creation process. This interaction between two types of knowledge can also be called as knowledge conversion. Knowledge is created through such interactions among individuals with different types and contents of knowledge.

Knowledge Management thus consists of the initiatives and systems that sustain and support the

storage, dissemination assessment, application, refinement and creation of relevant knowledge. It involves the understanding of where and in what forms of knowledge exists, how to make the right knowledge available to the right people, what the organization needs to know, how to best generate and acquire new relevant knowledge, how to promote a culture conducive to learning, sharing and knowledge creation, how to manage all these factors so as to enhance performance in light of the organization's strategic goals and short term opportunities and threats.

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