A Study on Organisational Factors Influencing Knowledge Management Practices

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Abstract—Knowledge management has emerged as a new discipline in managing organization. Organisational factors have a crucial role in the process of knowledge management. In order to be successful organisational factors such as leadership, culture, organisational structure and information and communication technology which create the condition for creating sharing and using knowledge in organisation. Apart from the creation, transfer and use of knowledge, it is essential that it promotes and creates new knowledge that will contribute to creating value for the organisation. The aim of this work is to point out the importance of organisational factors in knowledge management process. This research is theoretical in nature and method of study is purely based on reviews. It can be concluded that sufficient attention should be given to leadership, culture, organisational structure and Information and Communication Technology.

Keywords: knowledge management, leadership, organisational culture, organisational structure, ICT facilities.

I. INTRODUCTION

In order to serve the customers better, the present-day organisations concentrate on understanding, adapting and managing changes for improving the quality of the products produced, improving the operational efficiency and adopt a fast-track method for delivering their products to markets. For this purpose, the organisations capture and utilise the relevant knowledge and this indeed calls for a new style of management, generally identified as knowledge management. Many organisations adopt knowledge management and therefore it becomes imperative to know its nature, importance, need, implementation, benefits and its limitations.

Understanding of true knowledge towards different firms and people is essential in this present complex business environment. This understanding is essential because it helps to identify the distinction between data management, information management and knowledge management. Knowledge Management is that the actuation along with knowledge from many sources and in many formats into a shared focus and language for a specific set of objectives and activities.

Knowledge should be thought of as a strategic asset that is vital organizational element. The strategic nature of knowledge means that it must be part of the decision making process throughout the management of change. To fail to account for knowledge throughout managed change will result in serious issues. Unless one is managing knowledge, one is extremely not managing change. Therefore, we tend to read knowledge management at a strategic level - a level that does not need precise detail however which might provide decision support throughout the management of change.

Knowledge management is a process that deals with the development, storage, retrieval and dissemination of information and expertise with in an organization to support and improve its business performance. Organizations are realizing that knowledge is a crucial resource for organizations and it should be managed properly. Knowledge management practices are influenced by various factors like organizational factors, Human Resource factors, Managerial factors etc. Organizational factors like style of leadership, organizational structure, organizational culture and facilities of information and communication technology play a vital role to the proper functioning of knowledge management practices. Without these factors KM practices cannot be achieved properly. In this study the author is studying about how these factors influencing knowledge management practices in various industries.

Objective:

To analyse the influence of organizational factors of knowledge management.

II. RESEARCH METHODOLOGY

This study is empirical in nature. The researcher attempts to describe accurately the interaction between the human senses and the entity being observed.
An analysis in which each and every variable of organizational factors are individually related to knowledge management practices have been studied in the different industries. There are many factors that influence the knowledge management in an organization. Since it was found that organizational factors play a vital role in knowledge management, organizational factors are considered for the study.

III. REVIEWS AND DISCUSSIONS

Leadership

The interest in leadership and knowledge, as a precise development of business success in current organizations, becomes more and more actual and leadership is the most often researched processes of organizational behaviour and management that have marked the end of the twentieth century and the starting of the twenty-first century. Leadership is commonly delineated as a method through which a person has influence on the group to get common goals. Leaders have a very important role in their organization. They have influence on the performance of their team. The ability of leadership and leaders will be seen within the impact of their ideas, skills to inspire and encourage their associate to simply accept changes to perceptually acquire knowledge and to share it with alternative members of organization. Professional service organizations are taking for sample to check about the influence of leadership style in knowledge management practices. Asoh et. Al. (2002) concluded that the success of any organization depends on leadership and the success of any leader depends on his or her assigned roles and how the roles are performed. Radmilamicic (2015) in his study “Leadership role in certain phases of knowledge management processes”, studied the role of the leader in the individual stages of the process of knowledge management. By analysing the styles of leadership and phases of knowledge management process, he has found that the roles and tasks of leaders differ in the different stages of knowledge management processes. Lengyel I. et. Al. (2003) in their study “The role of leadership in knowledge management and knowledge transfer” said that the Professional service organizations (PSOs) surveyed and described in the case studies of a great number of knowledge management features in Germany as well as in Hungary which influence the leadership of these organizations in effect. They concluded that leaders should act according to the situations.

Organizational Culture

Organizational culture was one in all the attention grabbing and necessary problems with organizational behavior. Culture has been necessary, as a result of acting while not knowing cultural forces (which are involved) may need unexpected and unwanted outcomes. Organizational culture indicated common perception of organizational members in order that it affected their behavior. In each and every organization, there have been values, symbols, ceremonies and myths having modified over time. These common values has known howeverworkers perceived their world and responded it. Culture of a company enclosed common beliefs, attitudes, assumptions and expectations guiding behaviors with in the absence of a law or clear directions. Culture may well be a robust resource of common identity purpose and versatile guidelines. Its impact on members has been therefore high that behavior, feeling, perceptions and attitudes of members may well be found by investigation its dimensions, and it has investigated, predicted and directed their probable reaction to desired changes. Organizational culture principle may merely facilitate the changes and stabilize new orientations in a company. According to Rosmaini Tasmin and woods (2007) knowledge culture constitutes of the accumulation and combination of common expectation, tacit rules, shares experiences and social norms that shape our attitudes and behaviours. Successful organizations empower employees to want to share and contribute intellectual information by rewarding them for such actions (Mathi 2004). According to Gholam Ali Ahmadyet. Al. (2016), in their study “Effect of organizational culture on knowledge management based on Dension model”, Dension model is used to investigate the dimensions of organizational culture and Conrad and Newman models are used to evaluate the dimensions of knowledge management. In order to strengthen organizational culture and successful deployment of knowledge management offered suggestions. Siakaskerstinet. Al. (2010) in their study “Cultural impacts on knowledge sharing: Empirical data from EU project collaboration” focused on the importance of taking cultural differences in national, organizational and professional levels into consideration for knowledge sharing in EU projects. They gave suggestions to EU projects to detect cultural inefficiencies.

Organizational Structure:

Organizational structure is that the construction or form and determines the inner structure of the relationships prevailing within the organization, it illustrates the divisions or units of the most and
branch undertaken numerous actions and activities needed to attain the objectives of the organization. It includes the dimensions of the organization vogue and elegance and magnificence of power and decision-making style, so the character of the organizational structure and personnel in the organization look to have an effect on their ability to participate and creative thinking. The organization structure because the formal mechanism through that the management of the organization by distinctive lines of authority and communication between superiors and subordinates it’s a system of authority and answerableness relationships between organizational units that determines the form and nature of the work needed for the organization. Arrangement of mutual relations between the elements and functions of the organization, this idea refers to the hierarchy of authority for the purpose of effectively goals. Manouchehr jofreh et. Al. (2014) in their article “Studying impact of organizational structure of knowledge management” revealed that organization structure has an impact on establishment of knowledge management. Complexity as one of the dimension of organization structure has an impact on establishment of knowledge management but formalization and centralization have a negative impact on establishment of knowledge management in organization. Mohamed Wahba (2014) in his study “The impact of organizational structure dimensions on knowledge management processes comparative study between manufacturing and service sectors in Egypt”, investigated the difference between the impact of organizational structure dimensions on knowledge management activities in manufacturing sector and service sector in Egypt. He found that there is a direct relationship between organizational structure dimensions (centralization, formalization, integration, complexity) and knowledge management to service sector is comparatively more.

Information and communication technology facilities:

Information and communication technology plays an important role in this global environment. In this current business scenario without these facilities business transactions will be a big question mark. ICT acts as back bone for any business without mind the size of business. Accordingto Chourides et.al. (2003), Ruggles and Leug argued that knowledge building is dependent upon IT. In order to build knowledge sharing capabilities, the organization must develop a comprehensive infrastructure that facilitates the various types of knowledge and communication (Kim and Lee, 2004). Dr. B. Rathan Reddy (1998) 1: ‘Knowledge management’ In this book, author Dr. B. Rathan Reddy tries to explain on basic concepts of Knowledge Management and also a unique component on Global Knowledge Management practices, resonating successful case studies in the Business World. This book also gives valuable information about the basic concept of Knowledge Management with its ingredients; Human Resource Management verses Knowledge Management, Learning Organizations, Technology and KM, Knowledge Management through innovation cross functional approaches to KM. Elfreda NaaLomoteley Arthur (2013), in his study “Knowledge management initiatives and implementation: a qualitative meta – analysis of public and private organizations” revealed that the topmost motivating factor for both public and private organizations to start Knowledge management was the need to improve process. Similarly organizational culture and inadequate Information and Communication Technology infrastructure were the two key barriers to knowledge management in both public and private organization. Rebecca G. (2012) in her study “KM Initiatives in Indian Industry” studied about the Importance of information and communication interface.

IV. FINDINGS

- Different stages of the process of knowledge imply different styles of leadership. In knowledge identification stage leaders should be charismatic, transformational and team leader. In knowledge gestoring stage leaders should have skills for networking, to be a team leader, to be a charismatic and to have capability of transformational skills.
- Knowledge sharing, knowledge usage, and learning stage require leaders as transformational, charismatic and team leader. Knowledge improvement stage needed all these skills with network skills.
- Effective leadership is situative in any case that is tailored to the prevailing situation.
- Creating and transferring knowledge required the presence of organizational culture in which people and groups have tended to cooperate with each other and share their knowledge in the direction of mutual interests.
- Dominating individualism culture on an organization caused people to withhold knowledge transferring while confidence, cooperation and culture of sharing

IJSRC SAMS

Volume 7, Issue 5 (September 2018)  www.ijsrcsams.com
knowledge caused the increase of knowledge exchange among employees.

- Culture incorporates the most vital influence on the knowledge sharing capability of time and money restricted dispersed project. People are liked to help others in a project – based problem.
- Respondents from Higher Educational environments seemed to have difficulties regarding adaptation to EU rules. Everyone gave the impression to agree or strongly agree that knowledge sharing is a basic value, it creates helpful relationships and which project interest needs to be put over personal interest.
- Organization structure has an impact on establishment of knowledge management. Complexity as one of the dimension of organization structure has positive impact and formalization and centralization have negative impact on establishment of knowledge management.
- If the characteristics of organizational structure were more centralized and more formalized the level of knowledge management would be enhanced in manufacturing sector which is contradicted with Chen and Huang (2007) which pointed that knowledge management capabilities enhanced by less centralization more complexity and more integrated organizational structure.
- In service sector centralization, formalization and complexity predict the knowledge management processes relatively quite the opposite factors.
- Sharing knowledge through e-mail has great response from internal customers. Internal customers perceived that internet and computer technology have increased organizational performance. Information and communication technology facilities increase the interest of employees regarding e-learning. Due to globalization ICT possesses great impact from employees. ERP packages are very useful in knowledge Management practice implementation.
- Organizational culture and ICT facilities were the most important barriers for both non public and public organizations to implement Knowledge management practices. The need to improve process was the topmost motivational factor for both non public and public organization to implement knowledge management practices.
- Specialist and technical knowledge are going to be required to make the systems and infrastructure. Information overload as being a root cause requiring a call to action organizations unwittingly allowing this to happen may be slipping out of control.

V. CONCLUSION

Knowledge based organizations have been increasing in the current market. To attain competitive advantage companies are strategically planning in several ways. Nowadays managements are focusing on the knowledge and they are ready to spend much on acquiring, training and retaining them. Hence knowledge management has developed in recent years and organizations are investing and concentrating in this field ever before. Organizations understood that organizational structure, culture and people in top management and technology will influence the knowledge management practices. From the above mentioned reviews it could be concluded that some dimensions of organizational structure directly influencing KM practices and some dimensions inversely influencing it. Different phases of KM practices need different styles of leadership. Likewise organizational culture should be adaptable to accept change by which organization gets innovated. Without technology it is hard to communicate and connect different people from different place is difficult task. Hence organizational factors are highly influencing knowledge management practices.

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