



KNOWLEDGE MANAGEMENT PRACTICES IN THE PRESENT SCENARIO

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Abstract

The evolution of knowledge-based economies is playing an important role in effective management of knowledge. An organization seeking to ensure sustainable strategic competitive advantage, the effective management of knowledge is a critical ingredient. Companies are focused on producing a product or service for customers. However, one of the most significant keys to value-creation comes from placing emphasis on producing knowledge. The production of knowledge needs to be a major part of the overall production strategy. This paper focuses on the various knowledge management practices used in general in different organizations. There by the study extended to know about the policies and strategies followed by the companies, the impact of leadership on it and the measures used to maintain the knowledge pool in the organization.

Key Words: Knowledge Management, Knowledge Acquisition, Competitive Advantage, Leadership, Knowledge Pool.

Introduction

If information is the currency of the knowledge economy, human expertise is the bank where it is kept, invested and exchanged - the researcher.

“A firm’s competitive advantage depends more than anything on its knowledge: on what it knows- how it uses what it knows – and how fast it can know something new.” – HR Magazine 2009, p.1.

“Many organizations have been managing knowledge for decades but few of them use KM on a regular basis”– Mayo(1998).

Knowledge Management (KM) is the process of capturing, developing, sharing, and effectively using organizational knowledge. One of the biggest challenges behind knowledge management is the dissemination of knowledge. People with the highest knowledge have the potential for high levels of value creation. But this knowledge can only create value if it's placed in the hands of those who must execute on it. Knowledge is usually difficult to access – it leaves when the knowledge professional resigns.

KM is useful in enabling better and faster decision making, reusing ideas, avoiding making the same mistakes twice, taking advantage of existing expertise and experience and making scarce expertise widely available. In current scenario of competitive situations, it is important to differentiate themselves from other firms. Speed of execution is another important differentiator among competitors. All other things being equal, the company which can deliver sooner will win. Knowledge sharing, reuse and innovation can significantly reduce time to deliver a proposal, product, or service to a customer. And that translates into increased win rates, add-on business, and new customers.

Need of the Study

The current business scenario may be characterized by a shift from a world of predictable, incremental, and linear change to that of radical and discontinuous change which seems to have global implications. Therefore, most organizations would need to gear up for encountering this new world of business that would increasingly demand non-linear strategies for sustaining organizational competence.

Scope of the Study

The study focuses on the importance of the knowledge management and the strategies followed by various organizations. The study also focuses on the below factors Competitive advantage, Sharing or transferring and retaining knowledge.

Objectives of the Study

- To study the knowledge management practices used in various organizations.
- To know whether the organizations are focusing on the development of knowledge management.
- To know the policies and strategies followed by the companies for knowledge management.
- To know the impact of leadership in knowledge management practices.
- To know the measures used to maintain the knowledge pool in the organization.

Research Methodology

Sampling method used is non-probability sampling (convenience sampling) and sample size is 50. The Statistical tools used for analysis of data are factor analysis, graphs and One way Anova.

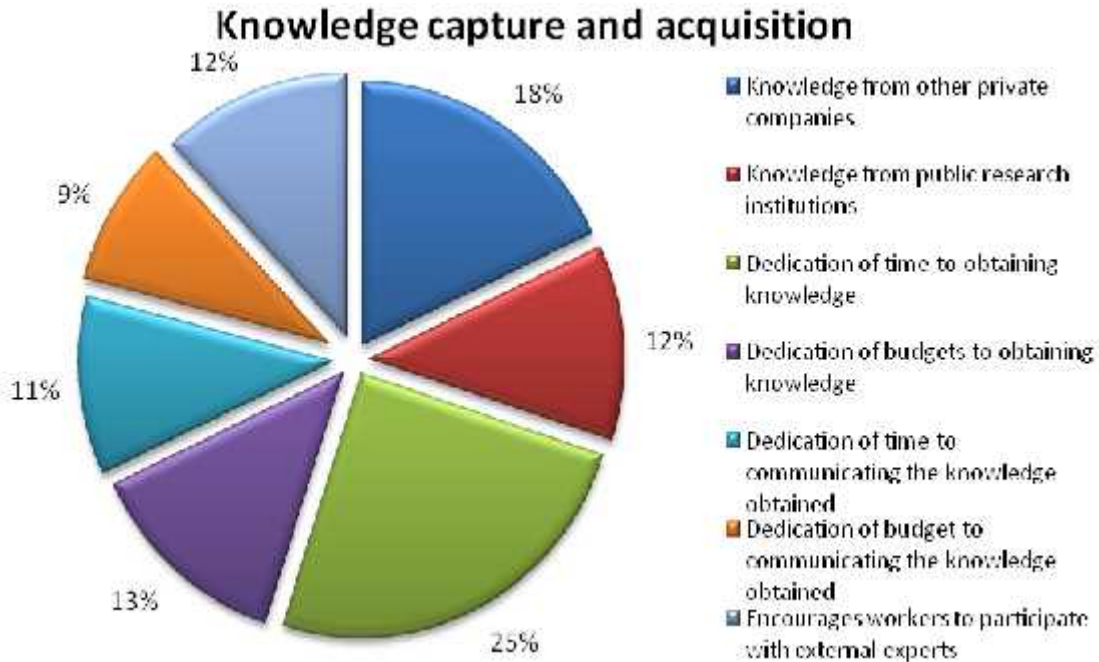


Hypothesis

H0: There is no significant similarity among knowledge management practices executed in various organizations.
H1: There is a significant similarity among knowledge management practices executed in various organizations.

Interpretation

Knowledge Management practices used in various organizations.



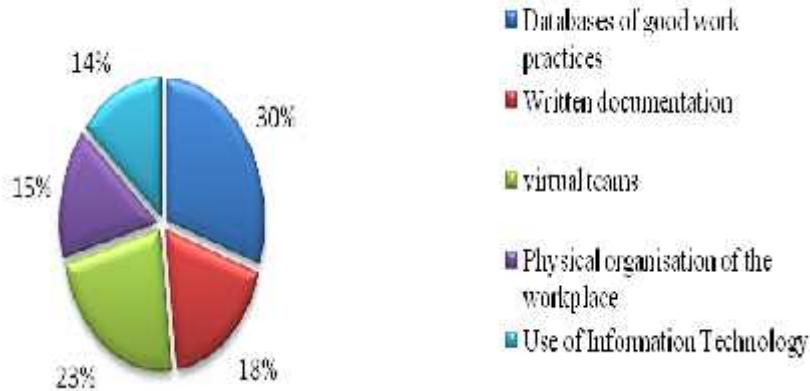
From the above graph, it is noticed that 25% respondents dedicate time for obtaining knowledge, 18% respondents capture and use knowledge obtained from other private companies and 13% respondents dedicate budgets to obtain knowledge. Others capture knowledge from public research institutions, dedicate budget and time to communicate their knowledge and encourage their workers to participate in project teams with external experts.



The above diagram reveals that 27% organizations provide formal training related to knowledge acquisition and sharing and 15% organizations provide informal training. 24% organizations encourage experienced workers to transfer their knowledge to less experienced workers and 16% use formal mentoring practices. 12% organizations encourage workers to continue education by reimbursing tuition fees and the remaining 6% organizations offer offsite training to its employees.



Communications



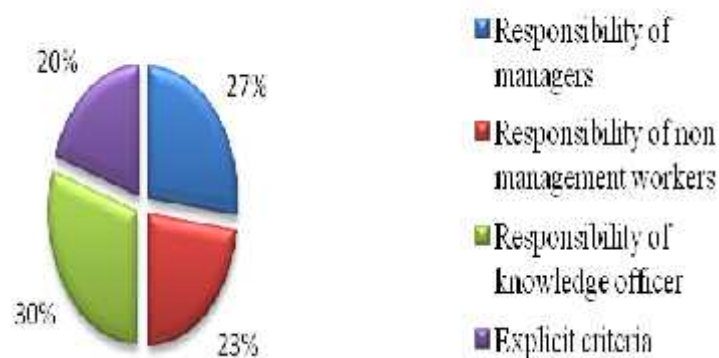
The above chart says that 30% organizations update databases of good work practices, 23% organizations use virtual teams and 18% organizations go for written documentation for better communication in the organization. The remaining organizations do the same by the use of Information Technology and others.

Policies and Strategies



From the above graph, 26% organizations promote knowledge sharing through its value system or the culture and 23% organizations prepare Intellectual Capital Reports. Other organizations have policies like partnerships or strategic alliances, written knowledge management policies and other programs intended to improve worker retention is being observed.

Leadership



According to the graph, 30% organizations, the leadership in knowledge management is a responsibility of the knowledge officer, 27% organizations feel it's the responsibility of managers, 23% feel its responsibility of the non-management workers and the remaining 20% organizations feel it's an explicit criterion is being observed.



Incentives



By the above chart 84% organizations reward knowledge sharing with monetary incentives while the other 16% reward with non-monetary incentives can be seen.

Dedicated budgets for the KM activities



62% organizations have dedicated budgets for the knowledge management activities while the other 38% do not have any such budgets.

Statistical Analysis

One Way ANOVA / Single Factor ANOVA

Under this, only one factor is considered and its effect on elementary units is observed i.e., data are classified according to only one criterion.

Knowledge Management Practices Like Knowledge capture and acquisition, Training and mentoring, Communication, Policies and strategies, Leadership and Incentives are considered.

One Way - Anova Table

Source of Variance	Sum of Squares	D.O.F	Mean Sum of Squares	Variance Ratio
knowledge management practices	190.169	5	38.0338	1.031
Error	775.017	21	36.90557143	
Total	965.186			

F- Ratio calculated = 1.031

F- Ratio from table for V1 = 5 and V2 = 21 at 5% level of significance is 2.68.

Since $F_{calculated} < F_{table}$, null hypothesis is accepted, which means there is no significant similarity among knowledge management practices executed in various organizations.

Conclusion

The importance for management of knowledge in organizations has been discussed and the effective management of knowledge has been described as a critical ingredient for organizations seeking to ensure sustainable strategic competitive advantage. Therefore, in order to be successful, an organization must pay attention, not only on the processes and technology, but also on knowledge and its workforce Therefore creating, managing, disseminating and utilizing knowledge effectively is important for an organization to take full advantage of the value of knowledge.

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