

The Role of Knowledge Management in Organizational Success: An Overview

Neeti Chopra*
Dr. V. Pathak**

Abstract

Knowledge Management is a process which changes the knowledge of individuals in an organization into the organizational knowledge. This paper states that through assimilating and utilizing the knowledge the organization can achieve success. The importance and relevance is also mentioned in the paper. Knowledge is widely identified as an important organizational resource that boasts the competitive advantage. The significance of Librarians & Information professionals in managing the KM of organizations is described. The challenges and difficulties in KM is mentioned. The role of information technology (IT) in knowledge management (KM), is an indispensable for any organization wishing to use latest and upcoming technologies to manage their knowledge assets. The study shows that knowledge management practice has positive impact on organizational performance.

Key Words: organizational knowledge, information technology, organizational performance, knowledge assets, knowledge management.

Introduction

Now-a-days in organizations managers ask for more information to support the various decisions and for the growth. This led to the use of IT (Information Technology) to build support system, management information systems etc resulting in abundant information, which has not provided any value to the organizations because what organizations were really looking for was knowledge. "Explicit knowledge" is very significant but from the point of view of adding the value is "tacit knowledge" which is implanted in the minds of the people. The tacit knowledge is

intuitive, contextual, related to experiences and difficult to document and communicate. Though it constitutes between 70 and 80% of all knowledge in an organization but still it is important to give the well organized approach.

KM is the process through which organizations extract valuable knowledge through their assets based on knowledge and information. It is the practice of generating the intellectual gain to achieve efficiency to deal with competitions and commitment towards the customers. It is thus very important to share the knowledge with the employees and various departments. Technology itself is not Knowledge Management but KM has been made easier by IT. Knowledge management is a cross-disciplinary realm.

Managing this knowledge is a cumbersome procedure. Knowledge management (KM) deals with managing organization's knowledge by having a systematic and proper action for creation of knowledge and make it available for the benefit of the organization. KM techniques provide such a systematic approach to analyze the tacit knowledge document in knowledge

Neeti Chopra*

Assistant Professor
Institute of Innovation in Technology and Management
(Guru Gobind Singh Indraprastha University)
D-27, 28, Janak Puri, New Delhi-110058

Dr. V. Pathak**

Associate Professor
L.N. Mishra College of Business Management
(Babasaheb Bhimrao Ambedkar Bihar University)
Muzaffarpur

repositories and then sharing them throughout the teams in organization.

KM mainly emphasizes on one of the various possible type of knowledge that exists in an organization or institution. This is referred to the knowledge that employees or researchers or academicians learn or gain from his experience through organization's or research's work, this is what is different from the knowledge exists in books. This may include like what an organization has learned about launching a new unit or good or service, reducing costs on some projects, innovating a product or service. Therefore, employees using the previous knowledge or experience to reduce the chances of risk and imply it further in a better way. This is not only applicable in organizations but also in research institutions. The learning helps to reduce the complicated situations or helps to cope up with the complicated or dilemmatic situations effectively and efficiently.

The Need for KM

There are many examples of the companies who have benefited from Knowledge Management and related activities. It has also been observed by km experts to find effective ways to broaden the spectrum of knowledge and experience based knowledge. The organizations should also work on a method to disseminate the information and knowledge to the group of people who can further deploy it and help the organization in various manner. The new projects or new learning brings the fresh experience which further adds into Knowledge Management as a future learning.

Every information is useful or valuable is not necessary. So, it depends on the companies on their as what information is intellectual and based on knowledge. In general, knowledge is of two types: explicit or tacit. Normally explicit knowledge takes into account anything that can be documented, archived and codified most of the times with the help of IT people. Tacit knowledge (as opposed to formal, codified or explicit knowledge) is the kind of knowledge which cannot be transferred to another person by means of writing it. Since identifying tacit knowledge is the most cumbersome task faced by most of the organizations

so managing the recognition, generation and sharing tacit knowledge becomes a challenge.

The accumulation of Knowledge can be through internal sources or external sources, it may be occasional sometimes. It can be gathered through materialization or personalization. Sharing of Knowledge can also be both formal and informal. In organizations, if knowledge accumulation has more effectiveness than it has more clear and conclusive impact on the knowledge management. If knowledge utilization is efficient it will again have positive impact. Lastly, the better the optimum accessibility and availability of knowledge in an organization, the greater and the better will be the positive impact on the knowledge Management practices.

Knowledge Creation

Knowledge creation involves those tasks which can result into around the activities that result in conversion of knowledge. This process of conversion includes the gathering and creation of tacit knowledge through moving towards tacit knowledge to explicit and again utilizing explicit knowledge to create a novel form of tacit knowledge with the help of sharing of information. This is because of the tendency of the individuals to repeat the mistake done in the past because of the lack of knowledge or due to the poor accessibility from the failure in the past. Projects get delayed to various reasons and events are often ignored after the successful completion of the project.

Organizations sometimes are not aware of what they already know. In the knowledge-based era, the success is totally dependent on the response to the various levels of challenges, primarily using the knowledge which is acquired through experience. Due to lack of sharing culture, best practices of a team or of a particular department can not get encapsulated into the organization's procedure. Very often, individuals who have valuable information are not tracked in the organization and this knowledge stays with them with no benefit to the organization.

Knowledge Sharing

Sharing of knowledge needs a different environment and atmosphere, a different collaboration of human

and information system to decrease the knowledge gap. Knowledge sharing requires different set of tools. Knowledge learning is by people. Different thought processes creates knowledge. Knowledge is dynamic. It moves through Organization and Communities in various ways. KM tools are designed particularly to support community.

IT for K.M.

Connecting people with each other by providing tools that are built on e-mail or intranet systems. Intranet systems introduce workflows, it would offer a path for the community to store and share their documents. It also helps to Connect people to information through knowledge Centres. These centers help in search place to enquire etc. A team of knowledge managers and subject experts, Cybrarians (internet and electronic library) can guide and help employees to access the useful information.

Utility to Organizations from KM

A few benefits of KM relates directly to the principle savings, while some are more difficult to quantify. In today's era where information driven economy prevails, firms explore the most opportunities and finally they obtain value from intellectual assets. To get the greater amount of value from intellectual assets, KM practitioners make sure that knowledge should be shared and should also serve as foundation. KM sometimes proves to be meaningless and harmful. As a result, an effective KM program help an organization to introduce the innovative activities with the help of free sharing of ideas and thoughts; Improve customer service , increase the revenues, to boost the employee retention rates. Unify the operations and decrease the costs by removing unnecessary activities.

Challenges of KM

1. **Employee involvement:** The major challenge in KM is due to the companies which ignore the cultural issues. The urge to sell the KM concept to employees shouldn't be undervalued at all, sometimes employees are being asked to abandon their knowledge and experience. Incentive programme are the best way to motivate the

employees However, then there's the danger that employees will participate only for incentives..

2. **Intervention of Technology:** KM is not based on technology. The companies that involve a database system, web portal or any other helping tool in the hope that they have a developed KM program are actually wasting their time in hoping so.
3. **Absence of business goal:** A KM programme should not be aloof from a business goal. Sharing the best practices is a good idea but there must be a valid business reason to do so.
4. **KM is dynamic:** Knowledge gets stale quickly , the contents in a KM should be periodically update amended, and omitted.knowledge also keeps on changing as the skills of the employees. So, KM programme has no limits.

Knowledge Management Initiatives in India

The KM program has initiated in different sectors. They may be categorized as follows:

1. Initiatives at the Corporate level:

Tata Consultancy Service has grown its knowledge management program from intranet. The company gradually developed all its processes and collected a lot of information. Due to operations at multiple places the company decided to combine the knowledge to make it available at all locations. This led to the generation of idea of developing a knowledge repository. TCS has built its knowledge management system using a Lotus Domino Server. Oil & Natural Gas Corporation (ONGC) has set up a task force to implement knowledge management in their organization. A project has been set up to explore and experiment to institutionalize KM. Synergy of data and information processing is more focused.

2. R&D level initiatives:

National Aerospace Laboratories (NAL) National Aerospace Laboratories developed the methods to create the basic infrastructure which is required for KM systems. IGCAR (Indira Gandhi Centre for Atomic Research) Indira Gandhi Centre for

Atomic Research, Kalpakam the IT department has large variety of computer facilities. KM covers hospital management, purchase management, material management, Library management etc.

3. Export-Import Bank of India

They have a established a KM system; which is of great use in many problems related to loans. Bank have a developed learning culture system. Expert system is already much more developed.

Initiatives at the NGO Level:

Observations

From the above discussion the following observations have been drawn:

- Tacit knowledge focuses on the emphasis of the organizations to improve and enhance the quality of their human resources by using their experience and turning it into a corporate asset.
- KM decision should revolve around the business objectives of the organization.
- KM for corporate is basically to excel in the competition with rival companies.

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- KM in India is at a germination stage with very few organizations are taking it seriously.

Conclusion

The key element of knowledge management is learning. Learning is a not a static process. It involves the noble knowing and understanding .Knowledge management enables a learners to learn more effectively.

Knowledge management has significant role in an organization. Tacit knowledge being the most important area of knowledge management. Knowledge management involves every individual in the organization. The paper has tried to consider different aspects of Knowledge Management. KM for corporate is basically to get over the competition. In developed countries this is very much developed but in developing countries like in India it is a slow process. A KM initiative in different sectors of our country is also mentioned. Companies like TCS, ONGC, Infosys etc have developed and established knowledge management systems. Different types of KM initiatives such as external structure initiatives, internal structure initiatives and competence initiatives with examples find mention in the paper.