

A STUDY ON KNOWLEDGE MANAGEMENT AND ITS IMPACT ON ORGANISATIONAL PERFORMANCE IN INDIAN CORPORATE SECTORS

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ABSTRACT--*In this competitive world, Knowledge Management (KM) plays an important role in enhancing the organization to achieve the competitive advantage and organizational success. Hence it is necessary to view the impact of KM on the growth of the organizations, especially in corporate sectors. To our knowledge, KM practices have implemented in the majority of the sectors like banking, hotel and some corporate sectors, however, the in-depth research towards the impact of KM on corporate sectors growth is restricted. Therefore, the present study intends to represent a holistic approach via study the impact of KM practices on Indian corporate sectors through secondary data collection. Further, the study analyses the importance, components of KM and its models and application in Indian corporate sectors. From this, the study findings highlighted that how KM practices impact and enhance the organizational growth in Indian corporate sectors. KM practices provide growth to the organization but also face some challenges at the time of execution. Hence the present study gives recommendations to stakeholders in the corporate sectors in order to overcome the problems that arise from the implementation of KM practices in India. In addition, this study contributes to the KM field by find out the influence of KM practices on corporate sector growth in India, not only corporates but also give suggestions to other sectors as well.*

Keywords-- *Knowledge Management, Knowledge discovery tools, Knowledge repositories, Knowledge capital.*

I. INTRODUCTION

The concept of Knowledge Management (KM) has emerged as one of the most popular and new management technique in the later 1990s and it is being increasingly becoming an integral quality in the generation of wealth and growth of the firms' economy. One of the most debated areas of KM is the relationship between knowledge and overall organisation performance. Although practices of intellectual capital are transferable, internal/personal knowledge is not easily verbalized, apprehended, reserved, distributed and reclaimed. Accordingly, the knowledge affixed in the minds of the employees can be lost if they make a decision to move out of the organization (¹Kovačič, A, V.V. Bosilj, and A. Lonča, 2006). The root of knowledge management is to fine thread a strategy, so that the right knowledge with the right contours is positioned in the minds of right people. (²Milton N., N. Shadbolt, H. Cottam, and M. Hammersley, 1999). Past studies are available on the relationship but lack of understanding and agreement still remains as a major issue. In this competitive world, KM plays an important role in enhancing

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the organization to achieve the competitive advantage and organizational success. Hence it is necessary to view the impact of KM on the growth of the organizations, especially in corporate sectors.

In today's competitive world, output is the underlying philosophy of every company which is grounded on development strategy procedures which is considered to be the most important objective of any corporate; therefore, knowledge management gives an assurance to construct the appropriate configuration in the organization and an enhanced man driven engagement. By introducing new training methods and techniques for inculcating manpower to take control over the costs and to improvise the quality and customer satisfaction, is becoming an indispensable management procedure. Owing to the detail that various types of information techniques applied in the function of KM replicates various effects in distinct courses as well as refining assorted pointers in the organizational proficiency, hence, today's corporates necessitate more information and communication in order to lessen costs, shorten supply time and to increase quality and improve productivity. In this regard KM practices have implemented in the majority of the sectors like banking, hotel and other corporate sectors, however, in-depth research towards the impact of KM on corporate sectors growth is restricted especially in India. Therefore, the present study intends to represent a holistic approach via study the impact of KM practices to the Indian corporate sectors through secondary data collection.

II. LITERATURE REVIEW

Every person's knowledge comprises of elusive attentiveness, scholarly facts and other information that are established in the form of concepts, conclusions, capacities, root causes, interactions, viewpoints and conceptions (Kovačič, A, V.V. Bosilj, and A. Lončar, 2006). Knowledge exists in the minds of every individual and only when it is enunciated and shared it becomes programmed in organization procedures, forms, produces, services, conveniences and systems providing if the employees have the intention to share what they know. Knowledge creation is essential, as knowledge is the only justifiable competitive advantage which is considered as the result of learning. Besides, the conception and communication of knowledge is viewed as tactically substantial as one of the vital progressions that determine organizational learning abilities and innovation (3Paz Salmador, M. and E. Bueno, 2007). Although human knowledge is intangible, dynamic, and difficult to measure, without its assistance no business can survive. Accordingly, companies must introduce motivations for their employees to share what they know. Knowledge formation includes evolving new knowledge or replacing existing knowledge with new content (4Nonaka, I., A, 1994). Every organization should develop a culture for the establishment of knowledge through emerging techniques by encouraging employees to share what they are aware. In distinction to information creation, information acquisition involves the look for, recognition of, and assimilation of probably valuable information, usually from outside the organization (5Huber, G.P, 1991).

III. OBJECTIVES

The present study is framed with the following objectives:

- To study the need for KM practices in corporate sectors with specific reference to India
- To examine the components of KM practices

- To specify the appropriate KM models that can be used in Indian corporate sectors

IV. NEED FOR KM PRACTICES IN INDIAN CORPORATE SECTORS

Alongside the organizational and people competences, it is also important to comprehend the economy within which today's corporates are working. Indian corporates are functioning in what is often referred to as the knowledge economy which is basically an economy where products and services are grounded on knowledge-intensive activities (Powell & Snellman, 2004). Such knowledge-intensive accomplishments are witnessed in several major multinational companies such as Siemens where they make use of "ShareNet" (Knowledge Board, 2002) and Microsoft uses "Sharepoint". Powell and Snellman also elucidated that in this knowledge economy, technical and systematic progression may be augmented at the same time they may also become outdated much faster. This demonstrates the energy required from the sustained technologies within the organizations and also emphasizing the significance of organizational learning which is the continuous incorporation of what has been learnt into the processes of the organization (King, 2009).

In western countries, organizations rely more on their knowledge-based resources to persist (Choi, Poon, & Davis, 2008; Ho, 2008; Kim & Gong, 2009; Yang, Zheng, & Viere, 2009) and to survive with the industrial fluctuations. Hence, the KM implementation is increasingly becoming a key control to develop Organizational Performance (OP) (Haas & Hansen, 2005; Liao & Wu, 2009; Safa, Shakir, & Boon, 2006). It can be valued that this present economy is quite self-motivated where the value span of the is becoming much shorter (Powell & Snellman, 2004) as open markets are becoming progressively competitive and the proportion of innovation is intensifying. Employee reduction generates a need to substitute the tacit knowledge (informal, people intellect) with clear knowledge (formal, stored knowledge) otherwise the organizations will end up losing their significant amount of their data as most of structure data is within the type of informal data. Early retirements of the employees, growing movement of the workforce, and necessary changes in an organization strategic direction further add to loss of organizational knowledge. To worsen true, the amount of time available to experience and acquire knowledge has continuously diminished in this economical era and therefore any occurrences of one of the factors mentioned can lead to a drop of structure performance. As such, the requirement to effectively manage structure data is crucial in achieving and sustaining the minimum expected level of structure performance plus achieving a competitive advantage.

V. EXAMPLES OF KM PRACTICES IN ORGANISATIONS

KM emanates in many diverse forms. One popular example for KM practice is from the Geisinger Medical Group. They developed a checklist for the doctors to use during surgeries, which eventually decreased the cost of the surgeries per patient and the patients themselves experienced lesser complication post-surgery. But then again a simple checklist will not be a cut through for the breadth and depth of knowledge that subsists in most organizations. Robust solutions for knowledge management includes:

Cross-Training Programs: Mentoring, observation, and other training programs allow employees to gain business knowledge by watching others work. For example, new recruits at Toyota observe experienced

employees for months, and new factories are initially staffed by experienced workers from existing factories as well as new hires.

Document Management Systems: Document management systems like Google Drive and Box allow organizations to store company documents on the cloud, share them, and control access permissions at a granular level. Typically, these tools have systems for tagging files and adding metadata that make information easier to find.

Content Management Systems (CMSs): Content management systems like SharePoint and Bloomfire permit groups and people to publish, update, and access information on a company intranet.

Social Networking Tools: Private social networking tools like workplace by Facebook and Slack allow teams to communicate and collaborate in a shared space. But these tools additionally double as information management systems as a result of the store all historical conversations, permitting workers to go looking for previously-discussed info.

Chatbots: We believe chatbots represent the natural evolution of knowledge management. Chatbots like Spoke use AI and machine learning to respond to employee questions and requests for information. Using chatbots, employees don't have to wonder who to ask or where to go for information they need. They don't have to go digging around in a CMS, document system, or chat history. They can use pose natural-language questions ("How do I add a new baby to my insurance?") and the chatbot will surface the best information from its knowledge base, regardless of where that info lives in the organization.

VI. COMPONENTS OF KNOLEDGE MANAGEMENT

KM in organization is characterized as explicit and tacit knowledge (¹¹Nonaka, 1991). The definition of explicit knowledge is a linguistic factor which provides communication among persons. Tacit knowledge is based on personal views, concern, standards, and acceptance.

In business organization role of knowledge is based on conventional observations, in case of tacit knowledge to generate new value by completing things with actual observed key which is not possible with explicit knowledge. To balance and fulfil business requirement knowledge need to be affirmative with tacit or explicit method even it can be used for resolving issues in an organization (Rahimli, 2012).

KM is basically displayed as



Figure 1: Relationship Between Data, Information, Knowledge and Wisdom (¹²Bouthillier and Shearer, 2002)

Data: Data can be defined as the mere unformatted raw facts. This could be in the form of measurements, statistics, umbers or alphabets (¹³ Alavi&Leidner, 2001). Data by nature is usually meaningless without being

interpreted (Bouthillier and Shearer, 2002). When this data is processed, it becomes the valid information that can be circulated to participants of the team.

Information: Information can be defined as the processed data. It is in the form of inference gained from the data (Bouthillier and Shearer, 2002). To create this information, data has to answer the five Ws, “who, what, where, when, and why”.

Knowledge: Information turns out to be knowledge after it is being analysed while taking individuals’ own experiences into account. At this stage, knowledge can be used to make decisions. Knowledge can be defined as the certainty which is held to be reasonable and accurate (Nonaka, Umemoto&Senoo, 1996). It can also be defined as the application of information.

Wisdom: When the knowledge is totally learnt by the individual, then he uses it in the combination with his experiences, proficiencies and personal decisions to form wisdom.

VII. KNOWLEDGE MANAGEMENT MODELS THAT CAN BE ADOPTED BY THE INDIAN COPORATES

KM Models	Author	Definition
SECI model	Ikujiro Nonaka & Hirotaka Takeuchi	Model for evaluating dynamic nature in knowledge creation with improved process efficiency
The Capability Maturity Model	-	Described about 5 evolutionary stage for managing process in organization
Business Intelligence Model	-	Managing data through management information system for better business decision making process
Johari Window	Joseph Luft and Harry Ingham	Provides understanding about giving and receiving information
Bridging Epistemologies	S.D.N Cook & J.S. Brown	Model defines organizational knowledge is based on knowledge of nature
Three Worlds of knowledge	Karl Popper	Defined objective knowledge with three ontological idea domains
Pyramid to Wisdom	Russel Ackoff	Established structural and functional relation between data, knowledge and wisdom
Knowledge Life Cycle Model	Firestone & McElory	With target of innovation knowledge is managed with continuous cycle of production
The Knowledge Management Method	Chris Collision & Geoff Parcell	Framework is for sharing, capturing, learning and experience exploitation of knowledge
Six Knows Knowledge Model	Lundvall & Johnson	Examined mode of knowledge with What, how, why, where and when

Source: Adopted from (Dinakar, 2009)

In business organization implementation of KM is influenced by certain strategy and aspects for business.

- Informal knowledge in a business organization requires formal approaches with diminution of staffing.
- Moderate time availability for gaining experience and gathering knowledge.
- In an organization sometimes knowledge is damaged due to retirement of primary employees and work force flexibility.
- To cope up with growing difficulty small operating companies are worked as trans-national operation source.
- In organizations it is complex to progress with products and facilities hence it needs to be endowment with necessary information components.
- Innovation in the market need to adopt drastically in order to meet the competitive market environment.
- Work force size is decreased with competitive compression; so it is necessary to retain business knowledge as valuable component
- Works in the organization are mostly based on information.
- Knowledge in the organization is the major striving force.
- Changes in strategic direction may cause in the Knowledge loss in specific area.

In reality life-long wisdom is major requirement with inescapable factors. Generally, business glitches in organization are influenced through occurrence of knowledge and information. Management of knowledge provides primary pathway for retaining substantial savings with improved benefit of competitiveness and human performance (¹⁵Thakur & Sinha, 2013).

VIII. BENEFITS OF KNOWLEDGE MANAGEMENT PRACTICES IN ORGANIZATIONS

Basically, the KM is the method through that organisation's produce value from their knowledge-based assets and intellectual capital. Generally, the value is acquired by examining what customers, partners and employees know and passing information with other companies, in inside the departments and peers due to find better practices. In this view, there are various extensive researchers pointed out the impact of KM practices towards organizational growth in different sectors. For instance, the study like (¹⁶Sanghani, 2009) revealed that KM practices had higher long-term basis that expand the customer focus, employee progress, dropping prices, enabling profit development and cultivating marketing policies. According to Lashkary *et al.*, (2012), KM practices promote the organizational growth through revenue development, progress of employees and cultivating competitive advantage. Specifically for corporate sector, the study like Kumar and Shashi(2012)expressed the impact of KM practices in corporate sector as it offers an advanced technique to minimalize the space amid the end-user and the source of information, thus, increasing human activities by offering them access to the top systems and practices, important techniques and experiences learned from other individuals. Similarly, the study of(¹⁷Syed, 2014), the KM practices influences the competitive advantage of corporate sector. In addition to this, KM practices positively impact corporate sector through enhancing the employees with respect to knowledge creation, utilization and storage(¹⁸Nawab, Nazir, Zahid, & Fawad, 2015). Even though, most of the above studies has pointed out the positive impact of KM practices towards business organization but KM practices face some issues at the time of

implementation of practice in their organization. For example, the study of (¹⁹ Herrmann, 2011) pointed out the challenges or barriers involved in execution of KM practices include language, cultural, lack of sufficient skills etc. However, there is no in-depth research has carried out in specific to Indian corporate sector. Hence the present study fills this gap.

By implementing the knowledge management sections, the organisations will be benefitted by saving training costs, reduced employee errors, providing opportunity for improved service and also by solving problems easier and faster.

KM can condense the time that takes to train the employees in the organisation. This is because precise data can be easily reached in the knowledge base and by providing a reason for the team to learn and pick up. Yet every team will require a smaller amount of training sessions in order for the members to continue meeting their organizational goals and expectations. By ensuring that the teams are well equipped with the right knowledge will easily reduce expensive slipups at work. Errors may still be an essential part of learning but the implementation of KM can significantly reduce the number of inaccuracies that occur at work. When everybody in the team gets the access to the same knowledge, the quality of the service will be improved and at the same time constant service will be maintained.

IX. RECOMMENDATIONS

- The study recommends that the company can choose an appropriate model that is suitable to their organization.
- Companies can take radical steps to move their business from physical capital to knowledge capital.
- In order to maintain the competitive advantage, it is recommended to protect the knowledge of employees.
- A separate KM department may be established for discovering and maintaining knowledge to meet the organizational growth.
- KM can introduce some collaborative technologies for promoting the growth of organization by using Knowledge repositories.

X. CONCLUSION

For many companies, the current competitive era is the time of rapid technological change it is also the period of never-ending struggle for sustaining amidst the competition. It is apparent that knowledge is gradually becoming the most imperative aspect of production, after labour, land and capital of the organisation. Even though some forms of intellectual capital are transferable, internal organizational knowledge cannot be not easily copied. This means that the knowledge that are affixed in the employees' minds can get lost if they decide to leave the organization. From this, the study findings highlighted that how KM practices can impact and enhance the organizational growth in Indian corporate sectors. KM practices provide growth to the organization but also face some challenges at the time of execution. Hence the present study gives recommendations to stakeholders in the corporate sectors in order to overcome the problems that arise from the implementation of KM practices in India. In addition, this study contributes to the KM field by finding out the influence of KM practices on corporate sector growth in India, not only corporates but also give recommendations to other sectors as well. However effective knowledge management practices cannot be executed without a substantial behavioural and cultural change. In addition, the knowledge

culture effects, which distinguish organizations from each other, are found to be related to knowledge management proficiency. It was also noted that knowledge sharing not only affects organizational innovation but also its competitiveness. In practice it means that introducing knowledge management will be successful and will have a positive impact on the performance of the organisation only if it is supported up by modifications in employees' attitude toward intention to share of knowledge.

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