Ilkogretim Online - Elementary Education Online, 2021; Vol 20 (Issue 6): pp. 4760-4765
http://ilkogretim-online.org
doi: 10.17051/ilkonline.2021.06.462

Knowledge Management And Organizational Culture

Dr. Gaurav Nalhe VMV Commerce. JMT Arts & JJP Science College, Wardhaman nagar, Nagpur.

Abstract
Organizational culture is a big factor impacting success of KM. KM should be supported in a knowledge-sharing culture, and trust is its most important component. The importance of KM is no longer restricted to knowledge intensive firms in the high-tech industries but to all sectors of the economy. Knowledge management has become crucial in business operations because the market is becoming too competitive and the rate of innovation is rising. Knowledge management is of importance because early retirements and increasing mobility of the work force lead to loss of knowledge. . KM has also been demonstrated to be tightly related to objectives and business strategies of the organization and thus a very useful tool in management.

Introduction
In recent years, the importance of KM has been widely recognized as the foundations of industrialized economies shifted from natural resources to intellectual assets. Since 1995 there has been an explosion in the literature surrounding the developing concept of KM. The importance of KM as a critical tool in organization and the society can therefore not be over emphasized. As Desouza (2011) put it, KM has become a trendy buzzword. Much of the interest in KM came from the realization that organizations compete on their knowledge-based assets. Even noncompetitive organizations (e.g. governmental institutions and nonprofits organizations) succeed or fail based on their ability to leverage their knowledge-based assets. It is stated by Teng and Song (2011) that the importance of KM is no longer restricted to knowledge intensive firms in the high-tech industries but to all sectors of the economy. Zack (2003) further says that even companies in the traditional industries, such as cement, can benefit greatly from KM. In essence KM is beneficial to all sectors, be it educational, banking, telecommunications, production/manufacturing, and even the public sectors.

Successful organizations now understand why they must manage knowledge, develop plans as to how to accomplish this objective and devote time and energy to these efforts. This is because KM has been described as a key driver of organizational performance

(Bousa and Venkitachalam, 2013), and one of the most important resources for the survival and prosperity of organizations (Teece, Pisano, and Shuen, 1997; Kamhawi, 2012). Therefore managing and utilizing knowledge effectively is vital for organizations to take full advantage of the value of knowledge. The attention and importance given to the acquisition of KM in literature as well as practice in the past years is also of necessity due to changes in the environment such as increasing globalization of competition, speed of information and knowledge aging, dynamics of both product and process innovations, and competition through buyer markets (Greiner, Bo¨hmann and Krcmar, 2007). In a knowledge based economy, KM is increasingly viewed as critical to organizational effectiveness and performance (Bosua and Venkitachalem, 2013).

What is knowledge?

Knowledge can be defined as a synthesis of information, professional and research knowledge and experiences that have practical value. Knowledge has two basic components: data and information. The data is actually unstructured records that do not have any value for themselves. For example, a list of orders for ordering time is a set of data. By analyzing the data, we obtain information, or knowledge that can lead us to activity. If we analyze data onto the above example, we can find out at what time the highest order is made; information that can be used to improve the business. Information can be generated from categorization, account, correction, and compression.

Modern communication technologies (Internet) have led to the creation of the socalled "networking knowledge". It is a process of knowledge distribution of employees, teams, development groups, where intensive communication extends existing knowledge, but also creates new ideas. Finally, research into new technologies is one of the main methods of acquiring new corporate knowledge. In this, large world companies have even overgrown universities and become scientific institutions, as they invest in research and development (R & D) up to 25percent of annual revenues. Knowledge management is not an easy job, but it is inevitable if you want a successful business. Good use of corporate knowledge, its location and systematization can be crucial for generating new ideas and for a complicated process of transforming knowledge into better sales, higher profits or better placement on the market.

Benefits from knowledge management

Benefits from the concept of knowledge management and the development of managerial competencies are numerous, but the biggest problem is the quantification of all the benefits that are conditioned by the application of the concept. This problem is further aggravated by the fact that there are both direct and indirect benefits and it is therefore common to use the knowledge management skills in a descriptive way. Practitioners and theorists in the field of knowledge management have tried to quantify the contribution of knowledge management to the business results of the company through ROI (return on investment) investment coefficient in the knowledge management program, but some consistent model has not yet been found so that the obtained results are mainly based on a lower or higher probability of accuracy. In general, knowledge management leads to a reduction in errors and redundancy, faster problem resolution, better decision-making, reduction in research and development costs, increased employee autonomy, improved relationships with employees and the improvement of products and services.

Knowledge Management and Organizational Culture

Organizational culture is a big factor impacting success of KM. KM should be supported in a knowledge-sharing culture, and trust is its most important component (Ford, 2001, & Figallo, 2002).Dianne Ford (2001) summarized trust into interpersonal, group, organizational and institutional targets.

Table no1.1 Trust Targets

Interpersonal trust	The "willingness of one person to increase his/her vulnerability to the actions of another person [e.g., Zand 1972]" (Aulakh, Kotabe & Sahay, 1996, p. 1007). Also defined as "generalized expectancy that the verbal statements of others can be relied upon" (Rotter, 1967, p. 651).
Group trust (Rousseau, et al., 1998)	The willingness of one person to increase his/her vulnerability to the actions of a group of people.
Organizational trust	"Organizational trust is a feeling of confidence and support in an employer… organizational trust refers to employee faith in corporate goal attainment and organizational leaders, and to the belief that ultimately, organizational action will prove beneficial for employees" (Gilbert & Li-Ping Tang, 1998, p. 322).
Institutional trust	Institutional trust is a feeling of confidence and security in institutions (e.g., the law, organizations), that the laws, policies, regulations, etc. are to protect the individual's rights, and will not harm her/him.

Source: Ford, 2001, p. 31

Trust is the channel through which the knowledge can be exchanged smoothly .High level of trust in organizational culture can facilitate knowledge sharing, particularly tacit knowledge.

Because sharing knowledge is a risky action, people are more inclined to conceal what they have known if they are uncertain with outcome of sharing. So building trust is the first step to effective KM. In KM, trust entails trust to people and trust to the knowledge content itself. Trust to people is a key element promoting collaborative and participative culture in the organization, which can break down the barriers to the knowledge sharing. Trust to knowledge content will increase the credibility of knowledge, which can make people use knowledge without concerns and improve the trust to other people immediately.

Globalization today has also provided the need for knowledge management, as organizations search to find effective tools and methods for acquiring and sharing knowledge over many structural and cultural barriers. This position has created an urgent need for organizations to be able to manage knowledge across countries and continents. The aging workforce brings to light how knowledge will leave the organization.

Successes of Knowledge Management

To obtain a true learning organization, an organization has to use knowledge for both efficiency and innovation. Knowledge management theorists have however stated that a company has to focus its knowledge management efforts on either enhancing innovation (knowledge for innovation) or on increasing efficiency (knowledge for efficiency).

- Appointment of a knowledge leader to promote the agenda and develop framework.
- Creation of knowledge team by bringing people from various disciplines to develop the methods and skills.
- Development of knowledge bases through best practices, expertise directories, market intelligence
- Enterprise intranet portal - a one-stop-shop that gives access to explicit knowledge as well as connections to experts.
- Knowledge centre as focal points for knowledge skills and facilitating knowledge flow.
- Knowledge sharing mechanisms such as facilitated events that encourage greater sharing of knowledge than would normally take place and
- Intellectual asset management which includes methods of identifying and accounting for intellectual capital.

Knowledge management has become crucial in business operations because the market is becoming too competitive and the rate of innovation is rising. Downsizing staff for instance also creates a need to replace informal knowledge with formal methods. Knowledge management is of importance because early retirements and increasing mobility of the work force lead to loss of knowledge. Again, the changes in strategic direction can result in the loss of knowledge in some specific areas of work activities.

Conclusion

The need for knowledge management is the realization that an organization must manage its knowledge. The business survives on this in today's dynamic and competitive market place. Survival concerns are not limited to profit firms as nonprofit public agencies have all realized the value of knowledge. Knowledge management is a critical driver of competitive advantage because it enhances the capacity of organizations to innovate, thereby differentiating itself from its competitors. Organizations that are unable to innovate to a sustainable level will lack the ability continuously to attract new customers. KM has also been demonstrated to be tightly related to objectives and business strategies of the organization and thus a very useful tool in management. If KM fails to add value to the organization, it is only cost intensive, useless, or counterproductive.

References

- Bosua, R. and Venkitachalam, K. (2013). Aligning strategies and processes in knowledge management: a framework. Journal of Knowledge Management, 17(3), 331-346, doi: 10.1108/JKM-10-2012-0323
- Desouza, K. C. (2011). An introduction to knowledge management. In: K. C. Desouza and S. Paquette (Eds.), Knowledge Management: An Introduction (pp. 3-34). New York: NY: NealSchuman Publishers, Inc.
- Ford, D (2001). Trust and Knowledge Management: The seeds of Success.
- Greiner, M.E., Bo¨hmann, T and Krcmar, H. (2007). A strategy for knowledge management. Journal of Knowledge Management, 11(6) 3-15, doi: 10.1108/13673270710832127
- Teng, J. T. C. and Song, S. (2011). An exploratory examination of knowledge-sharing behaviours: solicited and voluntary. Journal of Knowledge Management, 15(1), 104-117, doi: 10.1108/1367321111108729
- Teece, D. F., Pisano, G. and Shuen, A. (1997). Dynamic capabilities and strategic management. Strategic Management Journal, 18(7), 509-533.
- Zack, M. H. (2003). Rethinking the knowledge-based organization. Sloan Management Review, 44(4), 67-71.
- https://www.researchgate.net/publication/280889362_Knowledge_Management_as_an_important_tool_in_Organisational_Management_A_Review_of_Literature
- https://www.researchgate.net/publication/333055075_Knowledge_management_and_the_importance_of_knowledge_management_for_the_organization's_performance
- https://www2.uwstout.edu/content/rs/2008/11Knowledge%20Management%20for%20publication.pdf

- https://www.jopafl.com/uploads/issue20/KNOWLEDGE_MANAGEMENT_AND_ITS_IMPORTANCE_IN_MODERN_ORGANIZATIONS.pdf
- https://www.revistaespacios.com/a19v40n25/a19v40n25p11.pdf