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Oct 26th, 1:30 PM - 3:00 PM

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Recommended Citation

Sokoli, Dugagjin; Koren, Andrej; and Hajrizi, Edmond, "Factors Affecting Knowledge Management in Organizations" (2019). *UBT International Conference*. 339.

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Factors Affecting Knowledge Management in Organizations

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Abstract. It is a strategic process that organizations use to boost learning and performance. Mainly, companies use it to attain short and long-term ways to use knowledge to the entity. In this field, knowledge can either be explicit, implicit, or tacit. The framework asserts that knowledge management strategies are affected by whether a company tries to measure its information resources and the performance of its knowledge activities. The four dimensions of knowledge management, namely, knowledge acquisition, conversion, application, and protection have a definite link with the two aspects of organizational performance. It is important to use appropriate support systems to generate, code, and transfer the knowledge within the organization's participants to ensure that it is put to its rightful use.

Key words: Knowledge Management, Organizational Performance, Knowledge Support Systems

Introduction

Knowledge management involves acquiring knowledge from sources external to the company, selecting knowledge from the organization's resources, generating information by discovering it, internalizing the knowledge through storage or distribution within the entity, and externalizing the information either explicitly or implicitly in the company's outputs (Hislop, 2013). It is a strategic process that organizations use to boost learning and performance. Mainly, companies use it to attain short and long-term ways to use knowledge to the entity. In this field, knowledge can either be explicit, implicit, or tacit. Explicit knowledge refers to information that is set out in real kind while implicit refers to knowledge that is not displayed in tangible form but could be made clear. On the other hand, tacit knowledge refers to information that an individual would experience significant difficulty operationally setting out in concrete form. This paper seeks to identify factors influencing knowledge management, the systems that support it, and the link between knowledge management and organizational performance. A broad range of aspects influences the success of knowledge management. Mainly, they include corporate culture, technology, evaluation and administration of knowledge management activities and resources, leadership, employee motivation, and external elements. However, these factors can be broadly categorized into three groups, namely, managerial influences, resource factors, and environmental aspects.

Managerial Influences

Administrative factors originate from organizational contributors responsible for the management of knowledge. The framework divides these forces into four areas, namely, coordination, control, measurement, and leadership in the management of knowledge (Asiedu, 2015). Knowledge development is a key driver of knowledge management. It requires coordination involving the discernment of what knowledge activities to perform and in what sequence, which participants to complete them, and what knowledge resources to be operated on by each activity. Mainly, coordination seeks to harmonize activities in a company by ensuring that right resources are used at appropriate times and that they sufficiently relate to each other as events progress. Proper coordination strongly influences the management of information in a company. According to Asiedu (2015), examples of coordination approaches in a knowledge-based organization comprise linking reward systems to knowledge sharing, initiating communications for sharing knowledge, and developing programs to foster learning. Control relates to ensuring the availability of the required knowledge resources and processors in sufficient quality and quantity, subject to needed security. Protection of knowledge resources is paramount for the effective knowledge management. However, in developing controls to govern the quality of information used in an entity, managements must consider two facets: the validity and utility of knowledge. On the other hand, measurement entails the evaluation of knowledge resources and activities and linking them to financial outcomes. The framework asserts that knowledge management strategies are affected by whether a company tries to measure its information resources and the performance of its knowledge activities. Finally, leadership is a crucial aspect of these managerial influences. The alignment of leadership with the organization's goal and strategy establishes favourable conditions for effective knowledge management.

Resource Influences

Financial resources put a limit to what an organization can disburse on knowledge activities. Therefore, increasing the number of financial resources available for a learning activity may influence the efficiency of that operation and the quality of its results (Saretsalo, 2015). Moreover, the availability of funding may affect the implementation of coordination, control, measurement, and leadership. Second, the knowledge manipulation skills of human and material resources, essential for the execution of knowledge activities both curb and facilitate knowledge management. Human resources also affect knowledge management by allowing or restricting the managerial influences. Finally, organizational knowledge resources, for example, artefacts, culture, strategy, and participants' knowledge influence knowledge management firmly. Furthermore, they are the raw materials for knowledge activities and serve as the foundation for coordination, control, measurement, and leadership.

Environmental Influences

These are factors external to the organization, unlike management and resource controls that are internal. The external business environment affects what information resources

should or can be obtained in the course of knowledge management. Similarly, it impacts on the availability of knowledge manipulation skills. Examples of environmental influences on knowledge management include competition, technology, economic, political, social, and educational factors (Hislop, 2013). Note that, the organization has little control over these external influences, and as such, they pose restraints on the organization's knowledge management initiatives. Nevertheless, the convergence of environmental factors can offer opportunities for improving knowledge management in the organization.

Systems Supporting Knowledge Management

As previously stated, knowledge management involves knowledge generation, storage, retrieval, sharing, and application. Knowledge support systems are technologies that support these activities in an organization that facilitates efficient knowledge management (Becerra-Fernandez & Sabherwal, 2014). First, an expert system is an information system that employees use to make choices that would ordinarily be done by a domain expert. It is an essential support system for the diagnosis of a problem within the organization. Second, groupware systems enhance collaboration among employees. Particularly, it is a system that aid workers in sharing messages and relevant documents such as appointment calendars. Third, document management systems enable operators to store and share knowledge and search through documents efficiently (Wang, Noe, & Wang, 2014). These systems ensure that employees access knowledge efficiently thus saving time, a valuable resource for any organization. The fourth knowledge support system is the decision support system. It presents knowledge to users in a manner that enables them to make informed decisions timely. Mainly, it aids decision makers to compile useful knowledge from a combination of raw data, documents, and personal knowledge to identify and solve issues and make effective decisions (Alyoubi, 2015). It is an essential system that supports knowledge management in mid and high management levels within the organization. Fifth, database management systems aid in the collection and use of data stored in a database by facilitating easy storage and retrieval. Moreover, the system ensures that knowledge within the organization is consistently organized and easily accessible. Finally, simulation systems are useful in modelling real-world scenarios and testing the impact of these scenarios to establish their economic benefits within real world equivalents. Simulation ensures that organizations use the most appropriate knowledge to create viable commercial projects that facilitate high financial performance of the company.

Relationship between Knowledge Management and Organizational Performance

Organizational performance is the ability of a company to meet its stakeholders' needs and survive in the market. Also, it is known as the outcome of the activities carried out by the organization's participants to measure how well an entity has accomplished its objectives. Mainly, organizational performance has two aspects, namely, financial and nonfinancial performance. This multidimensional construct facilitates a complete assessment of different performance dimensions because corporate performance could not take place without employees, customers, management, partners, and integration of services (Gholami, Asli, Nazari-Shirkouhi & Noruzy, 2013). Moreover, non-financial performance measures

play a significant role in facilitating the performance of the entity. Notably, they enable the assessment of their intangible benefits, for example, innovation ability, client satisfaction, internal business process efficiency, and employee satisfaction. The four dimensions of knowledge management, namely, knowledge acquisition, conversion, application, and protection have a definite link with the two aspects of organizational performance. First, acquisition of appropriate knowledge ensures that the organization has adequate stocks of knowledge available for the company, which provides organizations better capability to make appropriate decisions that are crucial to superior organizational performance (Zaied, Hussein & Hassan, 2012). However, it is important to organize, integrate and present in an effective way to be useful. Second, conversion of knowledge enables the company to improve its expertise and efficiency by converting knowledge into useful organizational knowledge and distributing it to the area, it is required. Third, application of knowledge helps to change knowledge into real innovations, which improve overall organizational performance (Rasula, Vuksic & Stemberger, 2012). Finally, since knowledge is a crucial source of sustainable competitive advantage for businesses, increasing knowledge protection to prevent imitation by competitors is inevitable. Available knowledge protection processes include trademarks, nondisclosure contracts, and patents.

Conclusion

In conclusion, knowledge management is a crucial process for any organization. Mainly, it promotes innovation and creativity within the organization, which enhances the overall organizational performance. Therefore, it is important to use appropriate support systems to generate, code, and transfer the knowledge within the organization's participants to ensure that it is put to its rightful use. Additionally, it is paramount to secure the knowledge to avoid imitation by competitors. In summary, managing knowledge efficiently enables an organization to perform well, which allows it to gain a competitive edge in the market.

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