Research Article

# ASSESSING THE IMPACT OF KNOWLEDGE MANAGEMENT IMPLEMENTATION IN PUBLIC ADMINISTRATION

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#### **ABSTRACT**

Today, one of the most important and valuable capitals in any organization is knowledge. Increasingly and rapid changes in knowledge and information have persuaded organizations to do their best in using knowledge management for their survival. Therefore, organizations are looking for identifying the building grounds for knowledge management so that they can use their own and surrounding environment knowledge resources. Present paper is examined the effects of knowledge management implementation in public administration. North Khorasan is a case study which has 260 employees. Using Cochran's formula with 0.05% error 155 employees selected using cluster sampling and questionnaires responded. This research is a descriptive - survey are using spss software implementation of knowledge management is confirmed. The findings indicate that most employees in North Khorasan Governor General office have described the results of knowledge management execution as "relatively high."

Keywords: Knowledge, Knowledge Management, Organizational Improvement

## INTRODUCTION

The history of knowledge management backs to ancient Greece. In recent years, it is more highlighted. It roots in such fields as artificial intelligence, industrial management, IT, commercial management, and sociology, grooming sciences, psychology and economics. As a strategy for management in organizations, knowledge management growth is considered as a new approach. So far, several approaches are appeared in management, albeit they have been gradually changes over time (Mehr Alizadeh, 2001).

Today successful organizations create competitive advantage through lower control and higher learning and achieve new knowledge through sharing the current knowledge (Sarlak and Forati, 2008).

Organizations should establish an environment to share, transfer and treat knowledge among their members and train people to conceptualize their interaction and try to build the context and identify thematic factors to establish knowledge management in the organization (Balogun, 2004).

# **Problem description**

Today, knowledge is considered as an undistinguished component of organizational success. If the trend of knowledge transformation is precisely investigated in contemporary society, the important result is that today cross — industrial society is an informational one in which manpower based technologies are replaced by knowledge based ones (Ahmadpur Daryani, 2002). Organizations should create an environment for sharing, transferring and treating knowledge and train their people to conceptualize their interactions. Governor General Offices are the most important executive and monitoring entities due to the volume of their clients which include people and other agencies. Concerning their diverse services, they can execute knowledge management in their different units in order to improve the preciseness and velocity of their services and to increase their clients' satisfaction.

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## Knowledge management definition

Davenport (1998) believes that "knowledge management is an effort to explore latent assets in the minds of people and converting them into organizational assets so that a wide range of people involved in organizational decision making can access to it." Another author has defined knowledge management as an attempt to convert employees' knowledge (human capital) into organizational joints asset (structural intellectual capital) (Gandhi, 2004)

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According to Schein (2001), knowledge management is a process which allows organizations to use new knowledge in the format of creation, validate, dissemination and application and improve a scope of organizational traits by enabling the companies to more smart performance.

# Types of knowledge

Knowledge resource is seen as an iceberg that its visible part is explicit knowledge. it can be easily accessed, identifies and shared. The latent part is tacit knowledge. It reminds the famous statement by Michael Polanyi (1996) who said: "we know more than what we can express." Explicit knowledge can be coded. Its implications include book, paper, speech, well – devised organizational methods and other similar evidences. In contrary, implicit knowledge cannot be coded. Usually, it is hidden inside humans, organizational trends and even cultures of societies and organizations. Nonanka and Konna (1998) believe that implicit knowledge is highly personal and abstract and it is hardly expressible. To the same reason, they have emphasized the difficulty of disseminating implicit knowledge. Likewise, they believe that experience is one of the main resources of knowledge generation.

# Knowledge management benefits

The benefits of using knowledge management from technical to strategic levels impact on culture and productivity of total organization. Some benefits include (Sivan, 2000):

- Improving competitive response: enabling organizations to respond market changes and to accelerate the needed time to deliver the products to market
- Mitigating the costs and avoiding wasting subjective capitals: possessing implicit knowledge allows the organization to use it to keep future applications and to eliminate the costs of retraining employees and practitioners.
- Satisfying the needs to act globally: geographically dispersed operations demand special cultural and knowledge management challenges. Those organizations that have effective culture in knowledge management can terminate "they and us", convert everything which exists into "we" and maximize efficient usage of dispersed resources.
- Job effectiveness: using knowledge management infrastructures would eliminate traditional limitations, increase knowledge sharing among employees and improves effectiveness.
- Organizational effectiveness: tools, pattern and the best applications of knowledge management along with knowledge sharing culture can shape a cooperative environment and increase organizational effectiveness.
- Strategic orientation: using knowledge culture increases creativity and innovation and, as a result, impact on strategic orientation.

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# Knowledge management in public sector

Executive managers and practitioners are a reservoir of valuable experiences and learned knowledge in organization. Retirements means that someone is leaving with huge experience and reservoirs of organizational knowledge that recapturing it requires paramount costs, reworking and even retesting the experiences. Often, organizations believe that most of their needed knowledge exists internally while their main problem is to identify, revive and use it. Hence, knowledge transfer is always considered as an organizational management aspect in different formats. Discussion with colleagues in organizational libraries, vocational training, coaching new personnel, etc. are all considered as traditional guidelines. Today knowledge management plans, however, try to evaluate the management of creating, identifying, gathering and using knowledge through the organization explicitly. Documenting and establishing a technical know – how stockpile yields to high productivity, decrease in repetitive mistakes in employees' future initiatives and losing their knowledge after leaving the organization (Pishehvar, 2009).

## Knowledge management critical success factors

These factors can be categorized in four groups: technology, processes, people and strategic commitments.

- Technology: in knowledge management, technology devises solutions to share knowledge, management and run the documents, flow and trend of work (Mackdaneld, 2005).
- Processes: it devises standards to distribute knowledge, admire managerial content, revive quality
  and eliminate, categorize and maintain the content, information revival, members'
  communications in practice, methodology and standards in practice and case studies (Madison, K.
  R. & G. Darton, 2006).
- People: the biggest challenge in knowledge management is members' trust to organization and other members to share knowledge and reuse it to achieve outcomes (Adli, 2004).
- Organizational commitments: strategic management plays a key role in promoting behaviors through organizational sustainable communications which matter in knowledge management.
   One of the critical factors for high level managers is organizational commitment (Marwick, 2005).

Below initiatives are necessary to execute knowledge management (Baht, 2002):

- Evaluate organizational culture in terms of values, intellectual structures, behaviors and outcomes. Perhaps, some fields including organizational structure, award system, accessibility networks and assessment system can be revised. Knowledge sharing should be respected and a proper award should be considered for it.
- In any institute, executing knowledge management requires both technical and scientific grounds.
- Inside organizations, there should be plans to identify those people who share their knowledge in different organizational levels and those ones who have special abilities should be introduced to encourage other employees to contribute more in knowledge management execution in the organization.
- It should be clarified that how knowledge is generated and what are its generation steps and what processed are needed to generate new knowledge in organizations.
- The type of needed knowledge for an organization should be recognized and it should be determined whether organization pays attention to attract current intellectual capitals and written resources or to capture intellectual creation and new ideas process.
- The possibility of communication with outer environment to achieve the knowledge of groups out of organizational and synchronization in acquiring knowledge and information out of the organization should be possible in order to minimize reworking.

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• Organizational culture is an issue which impacts on developing intellectual capitals in organizations. Culture in organizations is introduced by three cooperation, trust and learning variables which should be investigated carefully.

# Research background

Authors have studied different aspects of knowledge management. However, there are a few researches on the relationship between knowledge management strategy and organizational performance due to natural complexity of assessing knowledge management strategies and their impacts on organizational performance (Choi and Jong, 2010). A few studies have pointed out that knowledge management strategy does not support competitive strategy and there is negative association between them (Choi et al, 2008; Yang et al, 2009). On the other hand, many studies on knowledge management have asserted that it impacts on organizational performance positively. Such conflict can be explained by the fact that these researches may have not investigated delayed impact on the relationship between knowledge management strategies and strategic performance of the organization (Yang et al, 2009). Wu and Li (2007) cite Messi (2001) who believes that successful knowledge management strategy needs to identify critical factors and using them to achieve good working results. It draws a framework by which organization can manage new methods to use knowledge management (Choi & Jong, 2010). Hence, it seems that in studying knowledge management strategies, one should regard the critical role of success and initiatives of knowledge management.

A study is conducted by Azhdai (2010) on "knowledge management in public organizations". He has tried to address the importance of knowledge management institutionalization in public governments and to describe the benefits of knowledge – based organizations. Below, the barriers on executing knowledge management in organizations as well as guidelines to institutionalize it in organizations are explained in brief.

Bojani (2009) conducted a study on "knowledge management in learning organizations" he said that knowledge is driving force of knowledge – based development and respecting it plays a critical role in the growth of organizations and societies.

## **METHODOLOGY**

This is descriptive survey while data collection method is different in various steps. According to the step of the research, library, document and questionnaires are used. Research population consists of employees in North Khorassan Governor General Office (n=395) of which 195 were selected by cluster sampling method.

# Research hypotheses

There is a relationship between cost mitigation and knowledge management execution in organization.

There is a relationship between effectiveness improvement and performance efficiency and knowledge management execution in organization.

There is a relationship between the capability to devise a rapid technical solution to resolve clients' problems and knowledge management execution in organization.

There is a relationship between increase in responsiveness to customers and knowledge management execution in organization.

There is a relationship between creativity trend in services and knowledge management execution in organization.

There is a relationship between increase in service velocity and knowledge management execution in organization.

There is a relationship between organizational synergy and knowledge management execution in organization.

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There is a relationship between achieving more personal knowledge and knowledge management execution in organization.

There is a relationship between linking people to others' knowledge and information and knowledge management execution in organization.

There is a relationship between making many forgotten information accessible and knowledge management execution in organization.

There is a relationship between decision making promotion through identifying the problems in-time and knowledge management execution in organization.

There is a relationship between utilizing HR better and knowledge management execution in organization.

There is a relationship between making knowledge functional and facilitating knowledge transfer throughout the organization and knowledge management execution in organization.

# **Research findings**

T-Test is used to analyze data.

#### T-Test:

T-Test can be supported by  $H_0: \mu=3.5$  and  $H_1: \mu\neq3.5$  statistical hypotheses if  $sig\geq0.5$  is supported in  $H_0$ . It means that the impacts are not desired and if sig<0.05,  $H_1$  is supported namely its impact is desired. As seen in table 1, all sig<0.05 have desired impacts.

Table 1: The results of the research hypotheses

	Test value		
	t	Sig. (2-tailed)	Mean difference
Cost mitigation through increasing service velocity	6.491	00	0.973
Organizational perfromance effectiveness and efficiency improvement	7.186	00	1.032
The possibility to devise a rapid technical solution to resolve clients' problems	7.014	00	1.042
Increase in responsiveness to customers	13.162	00	1.904
Service creativity trend in organization	4.124	00	0.571
Increase in seervice velocity	4.075	0.001	0.683
Organizational synergy due to exploiting achieved experiences by other people	8.167	00	1.318
More access to others' personal knwoledge	6.105	00	1.207
linking people to others' knowledge and information	6.491	00	0.754
Making many forgotten information accessible	8.294	00	1.353
promotion through identifying the problems in-time	9.754	00	1.097
utilizing HR better	4.763	00	1.008
Valuing new ideas by organization	-7.684	00	-1.0246
making knowledge functional and facilitating knowledge transfer throughout the organization	4.394	0.003	0.729

## CONCLUSION AND RECOMMENDATIONS

Research findings indicate that most employees in North Khorassan Governor General Office have described the outcomes of knowledge management execution as relatively high.

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Cost mitigation through increasing service velocity:

Employees in North Khorassan Governor General Office have described the outcomes of knowledge management execution on cost mitigation as relatively high.

Increase in responsiveness to customers:

Employees in North Khorassan Governor General Office have described the outcomes of knowledge management execution in this regard as relatively high. Knowledge management increases responsiveness to customers.

Making many forgotten information accessible

Employees in North Khorassan Governor General Office have described the outcomes of knowledge management execution in this regard as medium. Many employees make their knowledge far from organization via retirement, turnover and fire.

Improving organizational performance efficiency

Employees in North Khorassan Governor General Office have described the outcomes of knowledge management execution in this regard as medium and relatively high. By executing knowledge management, velocity and preciseness in undertaking organizational operations are improving and, as a result, organizational performance is also promoted.

Linking people to others' knowledge and information

Employees in North Khorassan Governor General Office have described the outcomes of knowledge management execution in this regard as medium and relatively high. Employees have good performance when they initially access to knowledge rapidly and then use mutual advices and pave the ground for proper organizational performance.

Valuing new ideas by organization

Employees in North Khorassan Governor General Office have described the outcomes of knowledge management execution in this regard as relatively low.

Concerning other results, one can conclude based on table 1.

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