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# STUDY OF RELATIONSHIP BETWEEN KNOWLEDGE MANAGEMENT WITH ORGANIZATIONAL ENTREPRENEURSHIP AND EMPLOYEE'S CREATIVITY IN TABRIZ MUNICIPALITY SPORT ORGANIZATION

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#### ABSTRACT

The present research aimed to determine a study of the relationship between knowledge management with organizational entrepreneurship and employee's creativity in Tabriz Municipality sport organization. Population of the present research includes all the staff of sport organization in the Municipality of Tabriz (N=90). Since the research sample was equal to the research population in number, the research questionnaires were sent to all members of the population. Totally, 65 employees of the sport organization in municipality of Tabriz voluntarily filled out the Lawson's knowledge management, SamadAghaee's organizational entrepreneurship and demographic characteristics questionnaires. After data collection using Pearson correlations, one sample T test, T test and ANOVA the obtained data was analyzed. Analyzing correlation between variables using Pearson test showed that there is a significant positive relationship between knowledge management and employee's creativity (p <0.05). Also, the results showed that there is a significant positive correlation between five factors of knowledge management (creation, organizing, reserve, spread and application) and organizational entrepreneurship.

**Keywords:** Knowledge Management, Organizational Entrepreneurship, Employee's Creativity, Tabriz Municipality Sport Organization

#### INTRODUCTION

Although in the past, organizations were seeking to gain more information and knowledge, but today they are faced with a multitude of different data and information that in many cases, it is difficult to manage them properly. So over time, the managers found that they have lost many valuable years of information and experience. In order to prevent the repetition of this crisis, they are trying to gain the accumulated knowledge in the minds of their employees through knowledge management so that they can share it easily with others in the organization and capital-orientation is replaced by intellect-orientation (Martinson, 2003). Jung et al., (2009) described knowledge management as a special organizational process and a system to acquire, organize, maintain, apply, distribute and recreate implicit and explicit knowledge of employees to enhance organizational performance and value creation (Najafpoor, 2013). Knowledge management is the organization of known data that is the attempt to acquire the necessary knowledge, sharing information within an organization and emphasis on strengthening organizational memory to improve the decision-making process, increase productivity and support entrepreneurship in organizations (Dehghan, 2009). Knowledge management can play a vital role in supporting and creation of organizational entrepreneurship (Mahoushi and Sadati, 2011). King (2006) believes that knowledge management is one of the most important factors for the development of entrepreneurship (Taleghani, 2011). By creating suitable opportunities, knowledge sharing can increase the capability of organization to identify the needs and demands of customers and employees to improve the process and delivery of new products (Lin, 2005). When an organization's employees exchange and share knowledge among

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themselves, they will be able to increase their collective learning and synergy benefits, so that they identify the environmental opportunities and generates ideas to provide new methods and services (King et al., 2008; Lin, 2005). Also, further application of knowledge gives the organizations the opportunity to consistently convert their organizational skills to products and services and become entrepreneur organizations (Sarin and McDermott, 2003). The results of Madhoshi and Saadati (2011), Asgaripour et al., (2012), Taleghani (2011), Ghorbani et al., (2012), Khosravi and Esmaeli (2013), AbdeAli and Moslemi (2013), Hadizadeh (2013), Emani et al., (2013) and Molaie et al., (2014) researches showed that there is a positive and significant relationship between knowledge management and organizational entrepreneurship. Given the complexity of today's competition, organizational creativity is considered as one of the main advantages for organization's survival. All organizations need new and innovative ideas to survive. New and innovative ideas give the spirit of life to the body of organization and save it from destruction and devastation. The emergence of the knowledge innovation not only enables organizations to gain competitive advantages over their competitors; but also provides a useful tool for improving organizational performance. Knowledge as the main source of organizational creativity and innovation has an extraordinary importance. The main goal of knowledge management is to create and organize an environment in which people develop and share their knowledge, combine the knowledge of others with their own knowledge and ultimately make use of it. In turn, application of knowledge will result in creativity in organizations (Dehghan, 2009). Hence, knowledge management is often known as the main source and reference of creativity and is considered as one of the basic requirements of the innovation process in organizations. King et al., (2008) and Teresa et al., (2006) described knowledge management as a structured process for the creation, acquisition, sharing, transfer and utilization of tacit and objective knowledge and as the organizational asset to encourage creativity and innovation. The results of Kameli and Ebrahimian (2014), Iranzadeh and Bahrami (2013) and Imani et al., (2013) researches showed that there is a positive and significant relationship between knowledge management and employee's creativity.

Since sports organization of Tabriz municipality is one of the biggest executive and service agencies (in sports, cultural and social fields) in the metropolitan of Tabriz, therefore, it is necessary to identify the variable status of knowledge management and knowledge utilization in this organization, because understanding the current situation paves the way for correct and fundamental development of plans in such a sports organization. If knowledge management is applied and implemented properly in sports organization of Municipality, it will increase the knowledge of intended managers and employees in the field of urban sports management and finally, municipalities will be able to capture, organize, and use the new and updated science and knowledge to manage the sport of the city and urban sports areas and proper and correct management of the urban environments will lead to increased physical and mental health of citizens and as a result, the urban societies will move towards development and progress. Also according to the objectives of the municipality which are improving urban living standards, creation of appropriate opportunities for citizens to attend in social, cultural, sports and leisure activities, creation of appropriate context to involve citizens in the planning and implementation of cultural and sporting activities, creation and preparation of appropriate cultural, recreational and sports spaces and to address the social, cultural and sport activities of citizens, therefore, knowledge management and updated information of urban management and introduction of new and applicable ideas and implementation and operationalization of new ideas regarding the management of cities are required to achieve these essential and important goals and achieving this objective is possible by recruiting and employing creative and entrepreneur managers and employees, increased creativity of managers and employees and supporting the generation and nurturing of ideas, creation of organizational culture and space for absorbing, sharing, transfer and application of new knowledge and data (knowledge management) and the localization of knowledge with regard to the current culture. Therefore, some questions were raised for the researcher in terms of this study: "Is there a relationship between knowledge management and organizational entrepreneurship and creativity of Tabriz municipal sports organization employees?"

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## MATERIALS AND METHODS

# Methodology

# **Research Methodology**

This research is of a descriptive-correlation nature and data collection is carried out through a field research.

## Statistical Population and Samples

The statistical population of current research was all employees working in Tabriz municipal sports organization. Based on inquiries of 2013, 90 people were working in the municipality of Tabriz (with educations ranging from high school diploma to Ph.D. and with the types of employment of official and ministerial, insured, jobs with defined terms and recruitment). Due to the limited number of statistical population, the statistical sample size was considered the same as statistical population. Therefore the sample size in this study was equal to 90 subjects.

#### Measuring Tool

For collecting data for determining the state of knowledge management, Sheron Lawson's questionnaire (2003) was used. This questionnaire involves 24 questions and six components: knowledge creation, knowledge absorption, knowledge organization, knowledge reserve, knowledge spread, and knowledge application in a five-point Likert scale. The reliability of the questionnaire in this study using Cronbach alpha was calculated at 0.933.

For collecting data for determining the state of organizational entrepreneurship, SamadAghaee's questionnaire (1999) was used. This questionnaire involves 30 questions and six components: structure, organizational culture, goales and strategies, management support and education system in a five-point Likert scale. Kalateh (2009) confirmed the reliability of mentioned questionnaire and reported 0.83 (Cronbach alpha). The reliability of the questionnaire in this study using Cronbach alpha was calculated at 0.959.

For collecting data for determining the employee's creativity, Rendsip's questionnaire (1999) was used. This questionnaire involves 50 questions in a five-point Likert scale. Seyed (2002) confirmed the reliability of mentioned questionnaire and reported 0.83 (Cronbach alpha). The reliability of the questionnaire in this study using Cronbach alpha was calculated at 0.811.

## Data Collection Method

For gathering data, the questionnaires were given to the participants and then, the questionnaires were gathered after two weeks to one month. In total, out of 90 distributed questionnaires, 65 questionnaires were completely filled out and returned. In this study, descriptive statistics were used in order to summarize and classify the data and to calculate the mean, frequency, standard deviation and to draw diagrams and tables, and Kolmogorov–Smirnov test, Pearson test, One sample t test, independent t and ANOVA were used for testing the hypotheses.

## **RESULTS AND DISCUSSION**

#### Results

The descriptive results of the data demonstrate that the male participants with 26.2 percents formed the highest frequency percentage.

-	Gender			c characteristics of participants Age (Year) Education				nal Level		
	Male	Female	30>	30-40	40-50	50≤	Diploma	High Diploma	B.A	M.A &
										Ph.D
Frequency	48	17	11	40	10	4	15	19	24	7
Frequency Percentage	73.8	26.2	16.9	61.5	15.4	6.2	23.1	29.2	36.9	10.8

### Table 1: Description of the demographic characteristics of participants

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The highest age range of the participants was between 30-40 years equal to 61.5 percent and the lowest age range of the participants was in  $\geq$  50 years equal to 6.2 percent. 36.9 percent of the participants held M.A degree (Table1).

Results obtained by this research indicated that there is a significant positive relationship between knowledge management and organizational entrepreneurship of the staff of the population under study. Research hypothesis was confirmed regarding Pearson correlation coefficient (r=0.521, P<0.01) (Table 2).

|--|

	Mean	Std. Deviatior	Min	Max	Pearson Correlation
Knowledge Management	2.40	0.664	1.00	3.87	r=0.521**
Organizational Entrepreneurship	2.56	0.748	1.00	4.80	Sig= 0.000

*N*= 65; \*\**P*<0.01

Results obtained by this research indicated that there is a significant positive relationship between knowledge management and employee'screativity. Research hypothesis was confirmed regarding Pearson correlation coefficient (r=0.295, P<0.05) (Table 3).

Table 3: The relationshi	o between kno	wledge managem	ent and emplo	vee 's creativity
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Mean	Std.	Min	Max	Pearson
	Deviation	L		Correlation
2.40	0.664	1.00	3.87	r=0.295*
20.73	9.973	-5.00	63	Sig= 0.017
-	2.40	Deviation           2.40         0.664	Deviation           2.40         0.664         1.00	Deviation           2.40         0.664         1.00         3.87

N= 65; <sup>\*</sup>P<0.05

The results showed that there is a significant positive relationship between the five components of knowledge management (knowledge creation, knowledge organization, knowledge reserve, knowledge spread, and knowledge application) and organizational entrepreneurship of employees (Table 4).

Table 4: The relation	tionship between	knowledge	management	components	and	organizational
entrepreneurship						

<b>^</b>	$\mathbf{X}_{1}$	$\mathbf{X}_2$	<b>X</b> <sub>3</sub>	$X_4$	<b>X</b> <sub>5</sub>	X <sub>6</sub>	$X_7$
Knowledge Creation (X <sub>1)</sub>	1						
Knowledge Absorption (X <sub>2</sub> )	0.836**	1					
Knowledge Organization (X <sub>3</sub> )	$0.826^{**}$	0.834**	1				
Knowledge Reserve (X <sub>4</sub> )	0.754**	$0.815^{**}$	0.681**	1			
Knowledge Spread (X <sub>5)</sub>	$0.428^{**}$	0.541**	0.503**	$0.417^{**}$	1		
Knowledge Application (X <sub>6</sub> )	0.654**	$0.517^{**}$	0.494**	$0.502^{**}$	$0.486^{**}$	1	
Organizational Entrepreneurship (X <sub>7</sub> )	0.249*	0.197	0.263*	0.204*	$0.277^{*}$	0.223*	1

N=65; \*P<0.05; \*\*P<0.01

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#### DISCUSSION AND CONCLUSION

The results of correlation between two main variables of the research indicated that there is a significant positive relationship between the knowledge management and the organizational entrepreneurship. Also, the results showed that there is a significant positive relationship between the five components of knowledge management (knowledge creation, knowledge organization, knowledge reserve, knowledge spread, and knowledge application) and organizational entrepreneurship of employees. Previous research results show that knowledge management can support all organizational entrepreneurial processes i.e. the generation of ideas, the feasibility of ideas and exploiting the ideas in organizations (Madhoushi and Sadati, 2011). Brockman and Morgan (2003) emphasized that in present unstable conditions, innovation and generation of ideas depends on the ability of organizations to improve and implement knowledgebased resources (Brockman and Morgan, 2003) (Madhoushi and Sadati, 2011). Knowledge management is an approach that enhances organizational knowledge and skills to create value and improve organizational effectiveness (Gold et al., 2001). Therefore the organizations and companies with higher levels of knowledge management can promote their ability to respond to quick changes and development of innovative ideas and innovation in products and services (Scarbrough, 2003). Sharing and dissemination of knowledge can increase the organization's ability in identifying the needs and demands of staff and clients through creation of appropriate opportunities to improve processes and provide new services. Since knowledge and skills exist among different individuals and levels of organizations and clients, managers of organizations should create certain conditions for employees and clients to share their knowledge and skills (Scarbrough, 2003). When employees share their knowledge between themselves, they can raise the collective learning and synergy benefits, so that they can identify the environmental opportunities and generate new ideas to offer new products and services (King et al., 2008; Lin, 2005). Generation of ideas and innovations occur when members of the organization share their skills and convert them to objective models such as services and products. As a result, the organizations that can share knowledge among their members effectively will be more innovative (Von Krogh, 1998). The results of this study are consistent with the previous research conducted by Madhoshi and Saadati (2011), Asgaripour et al., (2012), Taleghani (2011), Ghorbani et al., (2012), Khosravi and Esmaeli (2013), AbdeAli and Moslemi (2013), Hadizadeh (2013), Emani et al., (2013) and Molaie et al., (2014). The results of correlation between two main variables of the research indicated that there is a significant positive relationship between knowledge management and creativity. Also, the results showed that there is a significant positive relationship between the all components of knowledge management and creativity of employees. The main goal of knowledge management is to create and organize an environment in which people can develop their knowledge, share it with others and combine the knowledge of others with their own knowledge and ultimately make use of it. In turn, application of knowledge will result in creativity in organizations (Dehghan, 2009). Hence, knowledge management is often known as the main source and reference of creativity and is considered as one of the basic requirements of the innovation process in organizations. Effective management of knowledge makes the knowledge communications easier and changes the requirements of innovation and creativity process and additionally increases innovative practices through the development of new insights and abilities. The results of this study are consistent with the previous research conducted by Kameli and Ebrahimian (2014), Iranzadeh and Bahrami (2013) and Imani et al., (2013).

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