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ANALYZING THE RELATIONSHIP BETWEEN KNOWLEDGE MANAGEMENT AND PERFORMANCE OF EMPLOYEES (CASE STUDY: ISLAMIC AZAD UNIVERSITY OF KERMAN)

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ABSTRACT

Organizations can maintain competitive advantages in the long-term with their knowledge. Unlike other management and retention, knowledge management is not a fad, it has stable effects. The conditions and competitive environment of organizations are increasingly complex and changing rapidly. As the rate of change in most organizations are more quickly than to be responded and implemented. The staff can create a long-term competitive advantage for the organization and management goals and help organizations improve their performance. The aim of this study was to investigate the relationship of knowledge management and infrastructure with human resource functions. This is a descriptive study and data were collected by the questionnaire with validity and reliability, which was based on Cronbach as 91.8 percent. The sample was a sample 71 individuals. Results indicate a positive significant relationship between knowledge management infrastructure and employee performance.

Keywords: *Knowledge, Knowledge Management, Performance, Knowledge Management Infrastructure*

INTRODUCTION

Both scientific and business communities believe that the knowledge-based organizations can maintain advantages in the long-term competitive areas. Reviews and prospects of competing organizations show the effect of this approach in strategic areas of the business organizations. Researchers and academics have taken a different view of knowledge management and arranged a range of IT solutions as a set of practical instructions in mind. According to some of the comments (Stewart and Whigs, 2001). Knowledge Management is a methodology for generating the maintenance and operation of all facilities and a great collection of knowledge that each organization will use in the daily activities. Another view is that knowledge management is described as a set of processes that supports the production, distribution and utilization of intelligent knowledge-related factors, and technical measures such as information technology and decision support systems.

Organizational performance has a broad concept that includes what the organization produces and the areas with which they interact. In other words, organization performance is defined as how to achieve organizational and social goals or responsibilities of the organization (Haghighi *et al.*, 2010). One of the main concepts has been introduced in recent discussions of organizational sciences is the difference in performance through the use of a knowledge-based approach.

In order to maintain a competitive advantage in today's global economy, organizations need to effectively move toward knowledge resources (Goudarzi *et al.*, 2009). It is indispensable for the application of knowledge management. The organizations through the application of knowledge management processes cause innovation, activities, and provide products and services. Knowledge management includes framework of identifying, acquiring, creating, storing, sharing and use of knowledge by individuals and groups in the organization (Sun, 2010).

In this regard, Wen defines knowledge management as a set of procedures for the creation, acquisition, sharing and using of knowledge to improve organizational performance (Wen, 2009). Organization Performance is a good yardstick for measuring the competitive strategies of the organization and also, given that knowledge is as a strategic resource for the organization in general. Organization Performance

Research Article

can be a good measure for assessing the success of knowledge management in organizations (Bavarsad *et al.*, 2010).

Research Literature

Organization for Economic Cooperation and Development is emphasized on the knowledge-based economy and the role of knowledge in economic development in the third millennium. Peter Drucke believes that in the dynamic global economy, successful leaders must not only identify knowledge management principles, but must be fully engaged in the practices of knowledge management throughout the organization. Drucke says, "knowledge based productivity is the biggest challenges of the 21st century and believes the best performance and culture through the creation of a supportive environment for creating, sharing and storage of knowledge. The most basic characteristic of intelligent organizations in the 21st century is the emphasis on knowledge and information. Knowledge is a powerful tool that can change the world and make innovations possible. Government of the Islamic Republic of Iran put knowledge development (knowledge) as one of the major axes of the fourth development plan. The first part of the Fourth Economic, social and cultural plan relates to the "knowledge-based national economy growth" and the fourth part dedicated to the "knowledge-based development". Knowledge management is a pillar to achieve knowledge-based development. Ikujiro Nonaka renowned expert knowledge from Japan, says: "The only stable thing in economic is instability, a reliable and sustainable source of competitive advantage is knowledge. When demand changes rapidly, technologies develops, competitors grows and successful organizations are constantly creating new knowledge, disseminate it widely throughout the organization and quickly show it as new technologies and products. Organizations will be successful in the knowledge-based economy when they use their intellectual capital efficiently to create and increase value of their organization. Today, knowledge management is considered as an important source of competition advantage. KM is a linear process and not static, but dynamic process and a cycle which requires employees who are constantly dealing with information and seek new knowledge and use it. On the other hand, one of the main concepts presented in the recent debates in organizational sciences is the difference in performance through the use of a knowledge-based approach. The goal of New thinking system, means the knowledge economy system, is to train the creative and innovative learner, which causes a change in the structure of society. Knowledge management is a vital resource for competitive advantage in strategic management and knowledge management should be seen as a strategic asset to the organization and to be managed to improve performance and competitive position. Annual investment in knowledge management is rising.

Many organizations today are facing significant challenges, that even with a primarily functional predetermined scheduled do not meet desired performance. We can find evidence of this problem in many organizations. On the other hand, one of the main concepts presented in the recent debates in organization science is the difference in performance through the use of a knowledge-based approach. New thinking system, means the knowledge economy system, is to train the creative and innovative learner, which causes a change in the structure of society.

Given that one of the basic concerns of the organization and management literature, it is expected why not achieve the performance. With regard to this issue, this paper tries to explore one of the major factors to evaluate effective knowledge management in an organizational function. So the crucial question is whether there is a significant relationship between knowledge management research and staff performance of Islamic Azad University of Kerman?

Knowledge Management

Knowledge is the combination of experience, values and new data. In other words, to sum up the various definitions, it can be said that knowledge is an asset replete with the resources that were previously considered in the economy (labor, land, capital).

Knowledge management is the process of identifying, acquiring, developing, sharing, storing, evaluating and applying the right knowledge at the right time and by the right person in the organization through the creation of appropriate link between Human Resources, Information Technology and Communications and the appropriate structure to achieve organizational goals.

Research Article

Criteria for evaluating the effectiveness of knowledge are often not clear. However, if the organizational knowledge in their routine tasks and activities is useful, must ensure the working groups to be able to assess and evaluate their knowledge.

Knowledge Management Systems

Distinction between "data", "information" and "knowledge" is difficult. Only the external senses or the user can distinction between the "data", "information" and "knowledge". Usually data is given as raw materials, the information as a collection of organized data, and knowledge as a concept. As shown in Figure 1, the relationship between "data", "information" and "knowledge" is repetitive and reversible and conversion of these three together relates to organize and interpret of them. "Data" and "information" can be distinguished based on the "organization" and "information" and "knowledge" based on "interpretation" (Asefzadeh *et al.*, 2005).

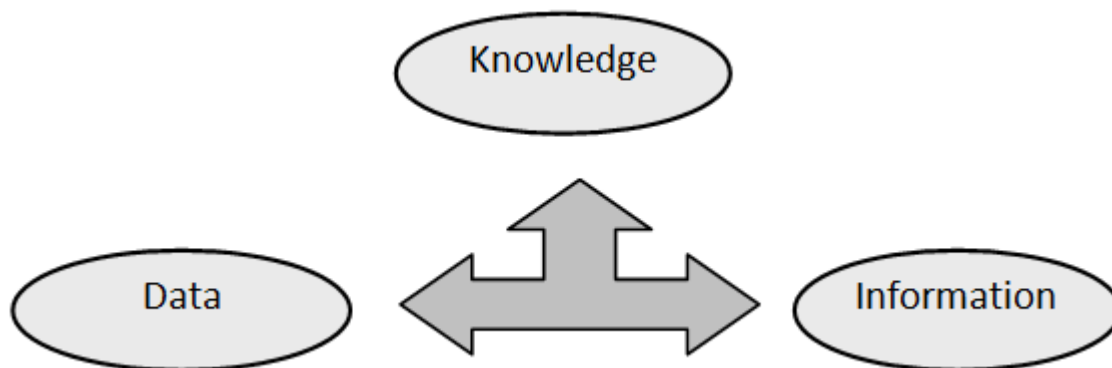


Figure 1: The relationship between data, information, knowledge (Asefzadeh *et al.*, 2005)

The interaction between technology and human gives depth to knowledge management concept because the model of the interaction between technology and human for each organization is unique and are easily traded or not imitated by other organizations. This is an important point that individual knowledge is essential for the development of knowledge base organizational. Organizational knowledge is not a simple sum of individual knowledge (Bhatt, 2000).

The right information at the right time has long been an important factor to perform a variety of tasks, although the amount of available information, internally and externally is too much. Not in vain that today executives talk about drowning in a sea of information. Information doubles every 8 to 9 months, increases the dimensions of the problem. Attempt to control the treasury of information is impossible by definition. At least activities will be costly to the implemented organizations. Thus, other controlling means must be found (Asefzadeh *et al.*, 2005).

Organizational Performance

The staff and organizational leaders in most organizations have sought to improve the performance of their organizations. Performance is a wide mix of earnings and intangibles, such as increased knowledge and also the Concrete receipts, such as economic and financial results. Various models have attempted to identify and assess organizational performance. These patterns' analyses suggest that the first is to measure the changes in organizational performance. Second, changes in the organization performance should be considered at all levels of the organization and individual and group goals should be in line with corporate objectives of the organization.

Third, the tools that organizations need to consider various aspects of performance must be used for measurement of the performance. To measure organizational performance, the level of creativity and innovation as well as increased levels of organizational knowledge should be assessed (Alame and Moghaddami, 2010). Importance of the use of knowledge management systems is increasing, which is due to the importance of their relationship with the organization's strategy and potential as well as a potential source for enhancing organizational performance (Hasangolipoor *et al.*, 2009). A comprehensive

Research Article

look for better description of complex and dynamic properties of knowledge management can help to better understand the interaction between knowledge management and organizational performance. Explaining the relationship between the variables in this study is based on results obtained from previous studies and is as follows:

1. Infrastructure capabilities of Knowledge management improve knowledge creation and knowledge management capabilities such as acquisition, conversion, and its maintenance.
2. Creative organizational learning grows creation, transfer and application of knowledge through knowledge management capabilities
3. The result of improvement and development of organizational creativity is the enhancing organizational performance (Lee and Kim, 2012).

Previous studies suggest that the infrastructure of knowledge management in organization, including culture, hierarchy, structure and information technology. While Lee and Choi (2003), noted that the structure and information technology are tools which facilitates knowledge management. Management factors that are important factors in knowledge management infrastructure capabilities are ignored in their studies. Therefore, this research suggests that knowledge management framework consists of four main infrastructure of: culture, structure, management and technology. Each of these four groups is as an important aspect of knowledge management capabilities that impact knowledge management (production, sharing, transfer) (Lee and Kim, 2012). After considering the variables selected in each of the features of knowledge management infrastructure, seven components were selected for exposure to knowledge management infrastructure capabilities that include: Collaboration, trust and learning culture in Culture group, decentralization in Structure group, top management support and promotion in Management group and IT support in IT group.

On this basis, according to the above components from the Lee and Kim (2012), we present a conceptual model and research hypotheses.

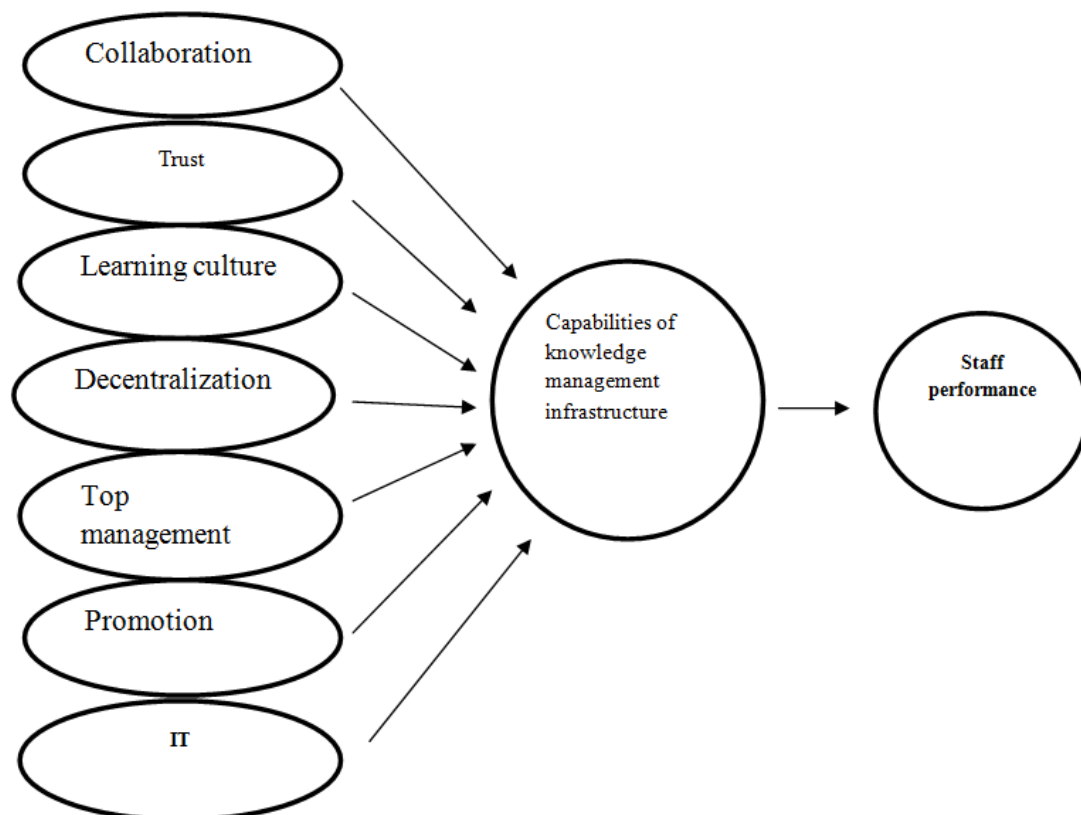


Figure 2: Conceptual model of research (Lee and Kim, 2012)

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MATERIALS AND METHODS

Present study is descriptive survey and required information was collected through questionnaires to analyze the data. Statistical population of this research consists of training staff at Islamic Azad University of Kerman which were 71 members based on the report.

Therefore, due to the limited number of subjects, the study sample is equal to its population. To determine the reliability of the questionnaire, 30 questionnaires were distributed as a pilot test among the sample. The questionnaire reliability was tested using Cronbach alpha scale as 91.8 that indicate the suitable reliability.

Data Analysis

Pearson test was used to investigate to investigate the correlation between variables and the results are presented in Table.

It is worth mentioning that if there is no relationship between the variables of the study, checking the rest of given hypotheses will stop. With respect to the objectives and assumptions discussed in this study, the effect of knowledge management on staffs' performance is provided.

Hypotheses Testing

The first hypothesis: with the results shown in the table below here is a significant relationship between the infrastructure of collaboration and organizational performance because $p < 0.05$ was less, so our hypothesis is accepted

Table 1: Pearson Test Results

Result	Df	Sig	t	F	beta	Std.error	Hypothesis
proved	1	0.000	9.035	81.630	0.739	0.642	The first hypothesis

The second hypothesis: with the results shown in the table below here is a significant relationship between the infrastructure of trust and organizational performance because $p < 0.05$ was less, so our hypothesis is accepted

Table 2: Pearson Test Results

Result	Df	Sig	t	F	beta	Std.error	Hypothesis
proved	1	0.000	17.289	298.924	0.903	0.074	The second hypothesis

The 3rd hypothesis: with the results shown in the table below here is a significant relationship between the infrastructure of decentralization and organizational performance because $p < 0.05$ was less, so our hypothesis is accepted

Table 3: Pearson Test Results

Result	Df	Sig	t	F	Beta	Std.error	Hypothesis
Proved	1	0.000	5.911	34.937	0.583	0.714	The 3 rd hypothesis

The 4th hypothesis: with the results shown in the table below here is a significant relationship between the infrastructure of learning culture and organizational performance because $p < 0.05$ was less, so our hypothesis is accepted

Table 4: Pearson Test Results

Result	Df	Sig	t	F	Beta	Std.error	Hypothesis
Proved	1	0.000	7.261	16.784	0.445	1.056	The 4 th hypothesis

The 5th hypothesis: with the results shown in the table below here is a significant relationship between the infrastructure of top management support and organizational performance because $p < 0.05$ was less, so our hypothesis is accepted

Research Article

Table 5: Pearson Test Results

Result	Df	Sig	t	F	Beta	Std.error	Hypothesis
Proved	1	0.000	4.491	20.174	0.478	0.627	The 5 th hypothesis

The 6th hypothesis: with the results shown in the table below here is a significant relationship between the infrastructure of promotion and organizational performance because $p < 0.05$ was less, so our hypothesis is accepted

Table 6: Pearson Test Results

Result	Df	Sig	t	F	Beta	Std.error	Hypothesis
Proved	1	0.000	5.941	35.296	0.585	1.158	The 6 th hypothesis

The 7th hypothesis: with the results shown in the table below here is a significant relationship between the infrastructure of IT support and organizational performance because $p < 0.05$ was less, so our hypothesis is accepted

Table 7: Pearson Test Results

Result	Df	Sig	t	F	Beta	Std.error	Hypothesis
Proved	1	0.000	8.064	65.025	0.699	0.862	The 7 th hypothesis

Conclusion

Man has an important role as an essential component of organizational development in the context of group activities to perform his institutional. Today, the development of organizations depends on the correct use of human resources.

Managers with knowledge management infrastructure and creating favorable conditions will enable employees to maximize their capabilities to fulfill their obligations. The results showed that these strategies have an effect on employees.

The findings showed that there is a significant relationship the knowledge management infrastructure and performance. Since the relationship between knowledge management infrastructure and staffs' performance was confirmed in this study, it can be concluded that the increase or decrease in knowledge management infrastructure has significant detrimental impacts on human resources function at the Islamic Azad University of Kerman.

Therefore it is recommended to managers to create knowledge repositories and databases and to update it to improve the human resource function and due to the components and the use of their experience and knowledge of the organization's goals to achieve better performance of staff is recommended.

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Research Article

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