

# Knowledge Management in Indian Business Organizations – A Study of Haryana & Punjab

## Abstract

Information is the force powering our democracy and our economy today. Both the private and the public sectors extensively rely on information and knowledge and create value through their ability to manage these valuable assets. Success of businesses in the future will depend upon how well they ensure information to be appropriately shared. They will depend on how well they learn from the information they hold, and how they use it to create new value, and on how well they deal with the new challenges that digital information presents, whether around security, sustainability or privacy. KM is a well designed system for creating, grabbing, synthesizing, learning, sharing and using knowledge and experience to achieve business goals. A proper flow of information is a must for the growth of an organization. Most of the organizations in India have started taking knowledge management initiatives. This paper emphasizes on Knowledge Management practices in business organizations in Punjab and attempts to identify the extent to which organizations are aware of KM and understand how knowledge management can be a key driver of organisational performance, their survival, competitiveness and profitability.

**Keywords:** Knowledge Management, Knowledge Sharing, Practical Knowledge, Business Paradigm.

## Abbreviations

Knowledge Management (KM)

## Introduction

Knowledge management is a concept wherein an enterprise consciously and comprehensively gathers, organizes, shares, and analyzes its knowledge in terms of resources, documents, and people's skills. In early 1998, it was believed that few enterprises actually had a comprehensive knowledge management practice in operation. The growth in technology and the way we use and share information has changed that; many enterprises now have some kind of knowledge management framework in place. Knowledge management deploys data mining or some other method of operation to push information to users. Some vendors are offering products to help an enterprise to store and access knowledge resources. IBM's Lotus Discovery Server and K-Station, for example, are products advertised as providing the ability to organize and locate relevant content and expertise required to address specific business tasks and projects. They are said to be able to analyze the relationships between content, people, topics, and activities, and produce a knowledge map report. The value of knowledge for the modern enterprise is increasingly being recognized the world over, and more and more enterprises are explicitly attempting to manage this important asset. To succeed in the management of knowledge as an asset, it is of fundamental importance to recognize that knowledge assets, just as any other asset of the enterprise, should be managed in the perspective of the business as a whole. The focus is therefore, not on knowledge as such, but on managing the business to include a knowledge perspective. This is achieved by recognizing that knowledge is a valuable asset that should be managed explicitly in business organizations.

## Need for Knowledge Management in Organisations

Why to manage knowledge? The important factors that are driving the need for KM are organisational survival, competitive differentiation, globalization effects and aging workforce. Management Dynamics requires utmost focus as most of the work is information based. Nowadays, the



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organisations compete on the basis of knowledge as products and services are becoming more complex. Hence the requirement for a life-long learning has become an unavoidable reality and KM has become important because marketplaces are increasingly competitive and the rate of innovation is rising. KM is also of importance because early retirements and increasing mobility of the work force lead to loss of knowledge while changes in strategic direction may result in the loss of knowledge in some specific areas. In other words, knowledge and information have become the medium through which business problems are identified.

The advent of globalization has also driven the need for KM, as organisations search to find effective tools and methods for acquiring and sharing knowledge over many structural and cultural barriers. Hence the globalization has bound organisations to be capable of managing knowledge across countries and continents. Another need for KM is aging workforce. Most organisations are facing a graying of their workforce and soon much knowledge is going to leave the organisations. This intellectual capital needs to be retained so that future generations in these work environments do not have to repeat mistakes and reinvent knowledge.

#### **Challenges in Implementation of Knowledge Management**

Some of the common challenges resulting due to the types of knowledge reuse situations and purposes are listed below:

##### **Accuracy of Data**

Valuable raw data might be needed to be validated before being transformed into normalized or consistent content.

##### **Interpretation of Data**

Information derived by one group may need to be mapped to a standard context in order to be meaningful to someone else in the organization.

##### **Relevance of Data**

The quality and value of knowledge depend on relevance. The Knowledge void of relevance simply enhances complexity, cost, and risk to an organization. If the data does not complement the query of the user, it needs the appropriate meta-data (data about data) to be maintained in the KM solution.

##### **Review of Literature**

On the issue concerning the role and impact of knowledge on business performance, there were several citations that were optimistic about the role of knowledge management. Some of these citations include:

Kravchenko, Y., Kursitys, I. and Bova, V. (2017) designed a new approach for semantic similarity estimation to solve some problems about KM. They developed the genetic algorithm for semantic similarity estimation in accordance with the knowledge graph model.

Xiao, H., Huang, M. and Zhu, X. (2016) proposed a new model for knowledge semantic representation (KSR) to produce semantic interpretable representations, which is used for explicitly representing knowledge.

Asrar-ul-Haq, M. and Anwar, S. (2016) reviewed the attempts to provide the evidence base concerning knowledge sharing and KM in organizational settings.

Omotayo, F.O. (2015) reviewed the literature in the area of KM to bring out the importance of KM in an organization.

Swacha, J. (2015) defined a system of appropriate gamification rules which makes use of a number of purposely selected gamification components, and aimed at motivating individuals for various activities related to knowledge sharing.

Liu et al. (2014) described the development of a semantic-based KM platform for Web-enabled environments featuring intelligence and insight capabilities.

Arisha and Ragab (2013) provided a literature review and categorized the analysis of the rapidly growing number of KM publications, and they offered a comprehensive reference for newcomers embarking on research in the field.

Tohidinia and Mosakhani (2010) evaluated the influence of a series of potential factors on knowledge-sharing behavior and suggested a systematic effort to improve knowledge-sharing behavior in organizations, an effort in which relevant factors from different perspectives are considered. The management of knowledge has generated considerable interest in business and management circles due to its capability to deliver to organisations, strategic results relating to profitability, competitiveness and capacity enhancement

Chua, (2009) Jeon, Kim and Koh (2011). The management of knowledge is promoted as an important and necessary factor for organisational survival and maintenance of competitive strength. KM is identified as a framework for designing an organisation's strategy, structures, and processes so that the organisation can use what it knows to learn and to create economic and social value for its customers and community.

Spender (2008) also corroborate this fact stating that KM represents a potentially very important subject area which not only opens up new ways of theorizing about the nature of organisations, but also has the potential to be highly relevant to the interests of the business world in improving business performance. It has been said that knowledge has always been a valuable asset in management, what then is KM and how does it contribute to the success of an organisation?

Murphy and Verma (2008) observed the characteristics that are seen in companies that succeeded in knowledge management reflected this change of perspective and can be used to formulate ideal conditions for successful implementations of knowledge management.

##### **Objectives of the Study**

1. To study the impact of knowledge management on companies' processes.
2. To examine the form of contribution - whether tangible or intangible - made by knowledge management to the business outcome.

3. To analyse the results expected from knowledge management against actual results.

**Sample Design**

The study is to perform a systematic empirical investigation and evaluation of knowledge management in a few selected cases of well-known small and mid-sized companies of Haryana and Punjab implementing knowledge management. Hence, the related data of 100 responses has been gathered from 10 companies, taking 10 officials from each company who have worked with knowledge management in their respective enterprises selected for the survey i.e. *Solace Biotech - Ambala Cantt, Kandhari Beverages Pvt. Ltd. - Saha (Ambala), Wamica Pharmaceuticals Pvt. Ltd. - Saha (Ambala), Agrosaw Industries Pvt. Ltd. - Ambala Cantt, XportSoft Technologies - Ambala Cantt, Trentor Software Pvt. Ltd. - Chandigarh, Eon Infotech - Mohali, Damcosoft Solutions - Chandigarh, Cogniter Technologies Pvt. Ltd. - Chandigarh, Dwarikadhish Spinners - Lalru (Mohali).*

**Research Methodology**

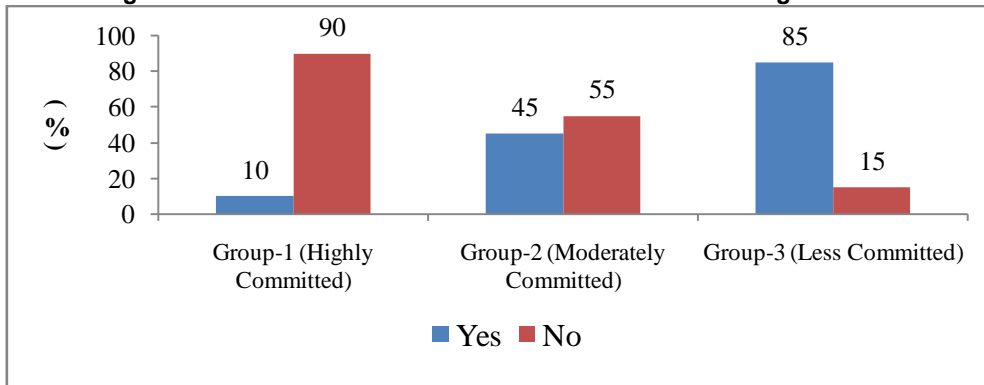
The research was planned for gathering data pertaining to knowledge management, by conducting a medium-scale survey among business people

working or had worked with knowledge management. The survey conducted for the research focuses only on employees of the organizations, which have been around in the business for a long time but have recently implemented knowledge management. Primary Data was collected from the survey and the Secondary Data has been collected from literature review of the selected journals. Based on the collected data, we divided the organisations into three groups. The organisations that are highly committed to implementing the Knowledge Management have been placed under the Group-I, the ones moderately committed fall under the Group-II and those, who are less committed have been placed under Group-III. The analysis has been done with the help of Percentage and Bar Graphs.

**Data Analysis**

The rapidly changing business environment and the constant challenges make it imperative to continuously enhance knowledge and skill sets across the organization. India has witnessed Knowledge Management (KM) in practice in many business organizations. The data collected from some of the companies of Haryana & Punjab for this research show following results.

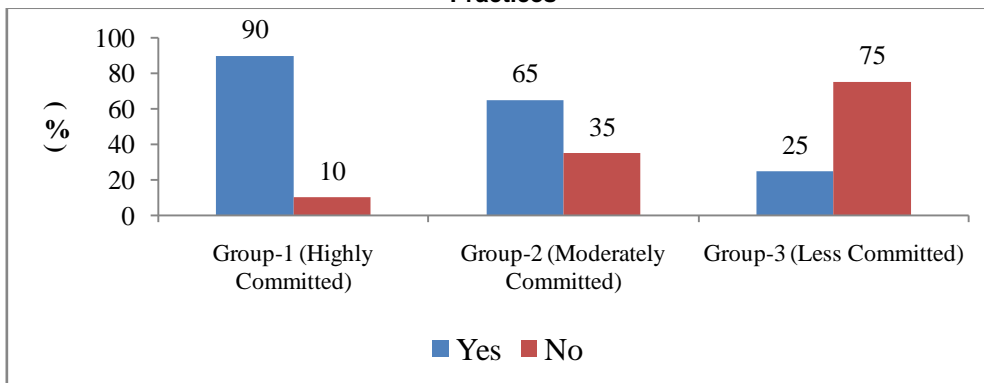
**Graph-1: Do Organisational Policies and Directives Obstruct in Retrieving Information Effectively**



It is clear from the above graph that in the companies that are highly committed towards KM, the organisational policies are not a hurdle in retrieving information effectively but in Group-3, which are less

committed companies towards KM. The organisational policies and directives are big hurdles in sharing knowledge and retrieving information

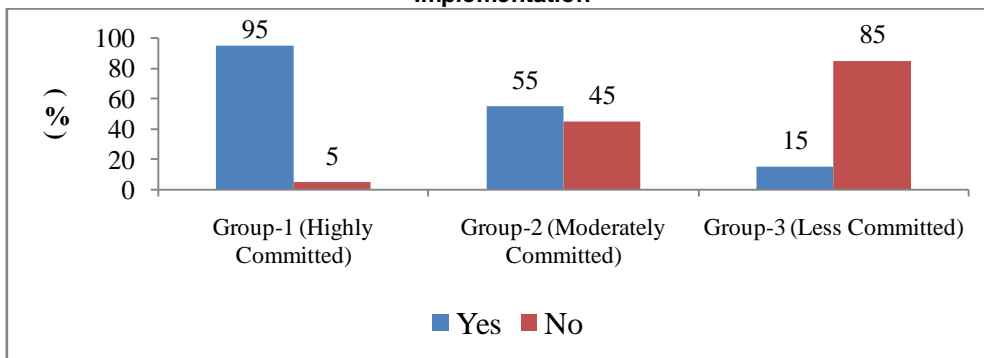
**Graph-2: Have the Company Laid Down Guidelines Regarding the Knowledge Management Procedures and Practices**



The analysis as per the above graph shows that the highly committed organisations have professionally laid down guidelines regarding the KM

procedures and practices whereas in the less committed organisations, very few such guidelines are in place.

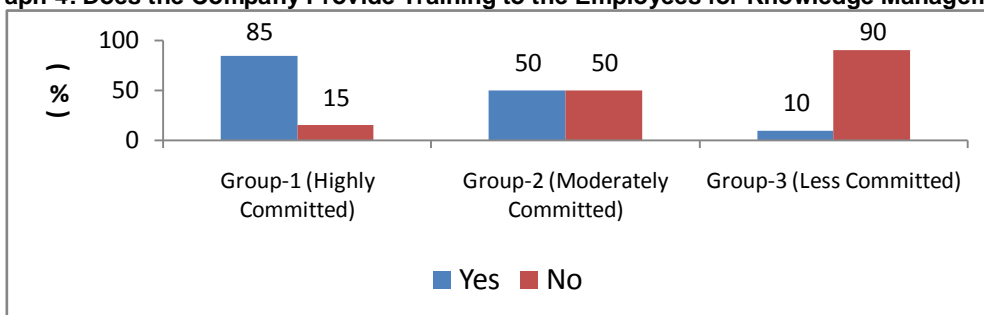
**Graph-3: Does the Company Organize Seminars and Workshops on Knowledge Management after its Implementation**



It is depicted in the above graph that in case of Highly Committed organisations towards KM (Group-1), seminars and workshops are arranged for knowledge management regularly. They provide

briefing on KM to the employees after implementing KM Practices in their organizations. Whereas in Group-3, such practises are less frequent.

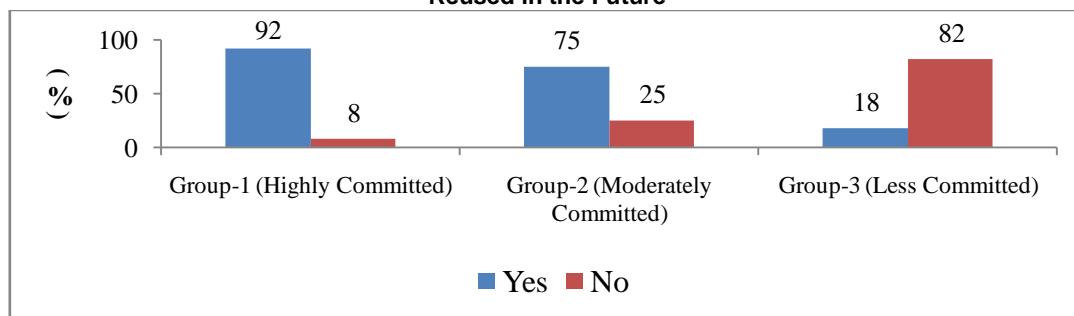
**Graph-4: Does the Company Provide Training to the Employees for Knowledge Management**



It can be observed from the above graph that Group-3, comprising of less KM committed organisations, a very little KM related trainings are

provided to the employees, whereas in the Group-1 i.e. highly KM committed organisations are very regular in providing such trainings to the employees.

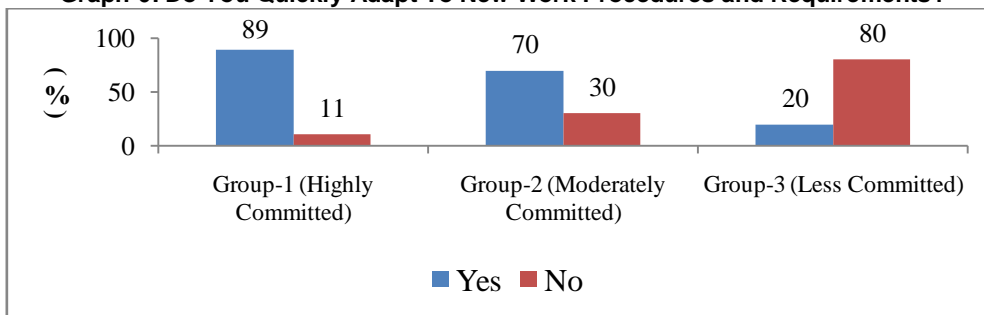
**Graph-5: Do You Agree That Practical Knowledge that the Company Provides, will Further Be Shared and Reused in the Future**



As per the responses recorded and depicted in the above graph, it is inferred that the KM committed Group-1 organisations ensure that the employees would be sharing and reusing the

knowledge imparted to them by the organisation, whereas the less KM committed Group-3 organisations make little efforts in this regard.

**Graph-6: Do You Quickly Adapt To New Work Procedures and Requirements?**



The above graph indicates that the highly KM oriented Group-1 companies have well organised approach to motivate its employees to quickly adopt new work procedures and requirements, whereas the Group-3 organisations do very little to push their employees in this manner.

#### **Conclusion**

It is fairly evident from the analysis results that; there is an observable contribution of knowledge management to the enhancement of business outcomes of organizations, and that contribution is influenced heavily by the norms and disciplines of an organization. For instance, from the findings, we could infer that the existence of proper organizational guidelines for sharing information leads to an improved level of sharing and communication between employees from the same department, and also between organizational departments. Thus, the implementation of knowledge management can be more integral to the business processes, which leads to an observable contribution by knowledge management. A Knowledge Management program leads to revenue growth, improving competitive advantage and employee development. As far as India is concerned knowledge Management is still in a preliminary stage. It has to cover a lot of ground to come up the level of present knowledge management implementation.

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