Impact of Organization Culture on Knowledge Management

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Abstract

In Today's competitive market the organizations are frequently cope with the changing needs of the market as well as regulate the way to have a good learning process. To enhance the constancy situation of the firm, the organization has a great approach towards Knowledge management. For the firm to have this approach, a suitable organization culture should be adopted for this arrangement. To prior this things, different studies confirm that the firm's executives and their managing capabilities should given higher importance. As well as the strategy of the organization should develop in a planned way to get stability in the market. The main aim of this study is to focus the culture and Knowledge management of the organization through the Denison model. With the help of Conrad and Newman model it would help to investigate the process of KM and their effectiveness on the organization through culture. A relationship between culture and KM has been developed from the review of literature and suitable suggestions have been offered concern with the effect of culture on KM.

Keywords: organizational culture, knowledge management, Denison and Conrad models

1. Introduction

An organization to use knowledge management as a tool to survive is a great approach towards the survival in a competitive market. Organizations to use knowledge management to discover, choose, systematize and circulate essential facts and procedures for helping in solving problems and having active learning process. Even with the help of knowledge management, it authorizes employees to work in an elegant way to achieve organizational objectives. However we know that the basis of knowledge will not decrease us implementing rather it enhanced in its better way. Many managers and executives profound that an organization to spend in knowledge would be more beneficial than to invest in other resources (Rading,1998). And it is highly permitted in the organization and easily implemented where it has a good organization culture. That's why organization culture plays a great role in maintaining an environment for keeping knowledge management. And the organization must create a healthy culture to enhance the implementation of performance of knowledge management by its employees. Even an organization to have a fragile culture will never promote its employees to empower themselves and face difficulties to share information. Consequently, while not having proper fact about the culture of an organization it is very difficult to solve tribulations regarding the unity of an organization and organizational rivals and practical implementation of the performance. On the other hand, to be acquainted with the present culture, will helpful to the executives to executive and manage good knowledge performance to enhance in the organization (Shafee, Qaderzade, Lavee, 2010).

2. Organizational Culture

In terms of Organization behavior, one of the essential part is organization culture (Amin Bidokhti,Makvand,Hosseini,&Ehsani, 2011). Seyed Javadein, Emami, & Rastegar (2010), focused that the term organization culture had been used since 1980s and used in different ways. According to Hokzinsky and

Buchanan (2001) the organization culture is mainly consist of morals, way of life, traditions, customs and stable methods through people. As well as this definition was helpful in many ways to understand the culture of organization that has set for maintaining a good custom (Amin Bidokhti, Makvand, Hosseini, &Ehsani, 2011). According to Robbins 1999, many employees identified that this culture is a way of traditional ethics and principles that had been transferred from employees to employees. The culture of the organization many recognized by the scholars in understanding the value of organization and its impact on the performance. Organizational culture mainly point out the familiar opinion of employees that shows their behavior in the organization. In almost all organizations have their own standards, principles, belief and morals that they may change over time. And the employee's behavior indicates the perception and mindset they develop in the organization (Rahimnia & Alizade, 2008). Even some employees believe on the standard that has been unwritten or not taught by the authority through various other ways for setting an environment (Hadizade-Moqadam& Husseini, 2004). And some of the employees believe that this organization culture is a part of society that mainly created in industries, firms and organizations (Bidokhti, 2000).

For organization, the role of culture is very essential .The organization culture involves the behavioral norms as it is connected with the human resources of the organization. Therefore there is an involvement of universal values, mind-sets, suppositions and prospects which leads to behavior where the employees seek comprehensible directions and information. Culture has the potential to be a valuable source of shared identity and adjustable norms. Its influence on members was so strong that it was possible to discover members' behavior, feelings, perceptions, and attitudes by examining its dimensions, and it was possible to analyze, forecast, and guide their likely reaction to desired changes. An organization's organizational culture principle might simply enable changes and stabilize new variations. It was a social label in which members were linked by shared ideals, symbolic techniques, and social goals. Many studies have been conducted in this field, and they have shown that understanding organizational culture as an important necessity has been one of the top priorities of managers' activities, because management can organize short- and long-term programs, prepare for conflict with a market that is full of changes and competitions, and increase the market's lasting coefficient by knowing it and its proponents (Monavarian &Bakhtae, 2006). It had an impact on every element of a company.

Denison Model of Organization Culture

According to Professor Daniel Denison in 2000, Organization culture can be effective and success oriented through some major culture properties as Involvement, Compatibility, Adaptability, Mission and Constant.
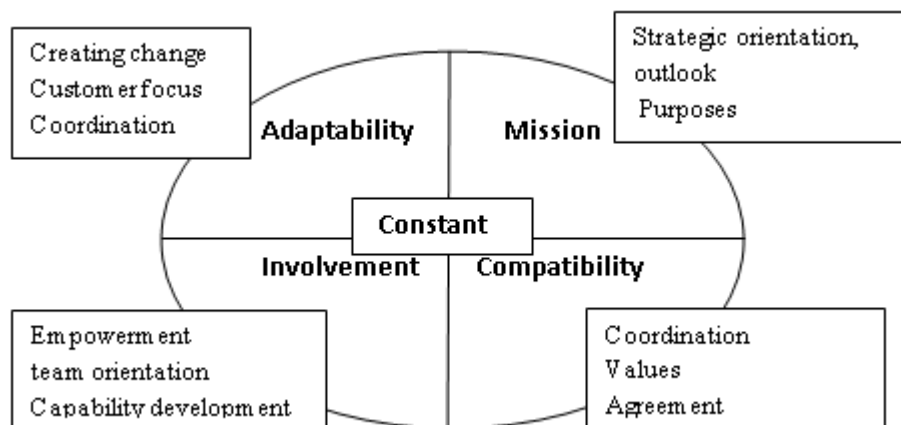

Figure- Denison's Model of Organization Culture

Involvement- The involvement mainly refers to the organizational participation where employees and members of the organization involve themselves in each responsible tasks or any decision making process. It is mainly related to the job where each employee engages himself/herself in its own way. Therefore it leads to have good organizational norms of behavior in terms of organization culture. Even through this the organization directs the encouragement of employees in respective jobs which affect them through their activities (Imani 2012). With prior to this, it has three indices, that is empowerment, group orientation and capability development (Mortazavi-Abalvan, Shabani, Rajaeepoor, & Azarbakhsh, 2013).

Compatibility- The foundation of culture is mostly depending on the morals and systems in which the organization functions. The shared system of culture which mainly based on the values, morals and standards that form integrity in the organization give rise to the fact like coordination and reliability within the procedures of the management (Khakpoor, Pardakhtchi, Qahremani,& Abulqasemi,2009). It mainly involves three indices

core value, agreement and coordination and integration. Therefore it shows in an organization core value makes the employees to work according to the set values for which they have a good agreement and coordination between them that leads to a great organizational integration.

Adaptability- The organizations which are capable of having external adaptability always come from an integrity orientation and reflects smooth functioning. If the organization requires change due to any uncertainty from the external environment it definitely adapts new norms according to the demand. Always a compatible organization takes the risk and learnt from the mistake and can easily go through the required changes. Hence it leads to have customer focus and organizational learning which indicates the major indices.

Mission- For an organization, mission is considering as one of the most important factor of culture. To achieve success an organization needs to know where to move and in which direction to attain it. Even the organization need to have appropriate assumptions about the structures and strategic procedures to accomplish the mission (Imani 2012). Therefore it is very much important to amend with the structure, procedures, culture and behavior of the organization if the organization wants to change its mission. In this instant the managers and other leaders need to need to identify what actually requires for this outcome and focus on the culture to deal with these situations through the indices like strategic direction and intent, goal and objective and outlook of the situation.

Constant- flexible spectrum and internal-external focus – There are two pivots in Denison's model, one vertical and one horizontal that divided the circular into four quarters. The quantity and kind of organizational culture focus were incorporated in the vertical pivot. On the one hand, it resulted in internal attention, while on the other, it resulted in exterior focus. Horizontal pivot indicated to an organization's flexibility amount, which directed, on the one hand, to dynamic culture flexibly and, on the other hand, to culture (Imani, 2012). Denison's organizational culture model has the following benefits over other organizational culture models. It assessed group behavior rather than individual personality. It measured all the way down to the lowest levels of the organization. It had been employed at all levels of the organization (Shafee, Qaderzade, Lavee, 2010).

3. Knowledge Management

Today, Knowledge is the most important factor in determining an organization's competitive advantage. New organizations were built on knowledge, which meant they had to be designed in such a manner that they could understand, store, and use their organizational knowledge (if necessary). In the management sector, a new paradigm known as "knowledge management" has emerged as a result of a combination of these elements. Knowledge management, according to one definition, combines the acquisition and accumulation of implicit knowledge with the administration of intellectual rights. Organizations have discovered that information is the only thing that can keep them competitive in today's environment. As a result, organizational workers have been treated as knowledge owners and the most valuable asset of the company. Knowledge management has proven significant as a technique for gathering and organizing accessible knowledge and disseminating it within an organization. As a result, organizations must establish an atmosphere in which members may exchange, transmit, and challenge information, as well as teach them how to conceptualize their interactions. Investigation, modification, and creation of an acceptable and adaptable corporate culture could only modify workers' interaction patterns, and knowledge management has been utilized as a tool for advantage in the marketplace (Karami, Gholami, Qanbari, & Sahafi, 2014). According to Haney (2003), knowledge management is a scientific area that is developing and promoting the technique of creating, possessing, organizing, and utilizing information via mutual assistance. Knowledge management may be defined as a collection of processes that govern the development, dissemination, and application of knowledge. The creation of organizing and supportive structures, the facilitation of relationships among members, the use of information technology tools, and the explanation of knowledge were all required by this definition. Malhotra (2005) defined it as "doing the right thing rather than the right thing," emphasizing effectiveness above efficiency. According to Skyrme (2003), systematic and implicit knowledge management refers to the processes of generating, gathering, disseminating, and using information, however there are two key problems to consider while using it: sharing knowledge and inventing knowledge. The scientific concept of knowledge encircles a technical instrument with the normal process of organizational operations in portions that overlap. It provides a number of advantages for businesses on both an individual and corporate level. Employees were able to advance their abilities and expertise by working with others and sharing their knowledge and learning in order to achieve professional growth on an individual level. It offers four major advantages for organizations at the organizational level: increasing organizational performance through efficiency, profitability, quality, and innovation. As a result, knowledge management has been viewed as a competitive advantage (Amin Bidokhti, Makvand, Hosseini, &Ehsani, 2011).

4. Link between Organization culture and Knowledge Management

Organizational culture affected all elements of a company, according to Robins (1999), and this effect may be seen in individual behaviors, organizational performance, motivation, work satisfaction, creativity, and innovation. Companies are concerned about rapid changes in the employment environment today, and this has raised rivalry among them; according to authorities, leveraging current organizational knowledge and focusing it toward effective management may assist organizations. Customer satisfaction rose as a result of an organization's improved performance speed and promotion of performance quality. However, the manner in which organizational information was disseminated was critical, and this issue necessitated knowledge management.

According to Delong & Fahey (2000), knowledge management is 80 percent about people and organizational culture, and 20 percent about knowledge management technologies. As a result, a company's current culture is critical to knowledge management success. According to Goh (2002), the interaction of individuals, as well as the exchange of their information and ideas, is a critical prerequisite for transmitting knowledge among people in cooperative culture. However, it was important to look at two linked concerns in this section: first, the extent to which organizational culture may affect people's attitudes toward knowledge innovation, and second, the extent to which management efforts can build a good and appropriate knowledge culture. The failure of basic knowledge management innovations, according to McDermott and O'Dell (2001), was due to cultural problems. Although Brandt Michael (2009) thought that formal knowledge management programmers were required to achieve the requisite profitability, he also considered that these programmers needed to be coordinated with corporate culture to be effective.

5. Conclusion

The principle of organizations in the twenty-first century, according to P.F.Drucher, is knowledge, not money, riches, or even technology. Today, an organization's performance is measured by the quantity of intellectual property it has, its monopolistic position (which gives it a competitive advantage), and its capacity to use intellectual property and expertise. One of the primary activities of knowledge management in today's businesses is facilitating knowledge and information sharing. Although knowledge management offers numerous benefits for individuals, companies, and groups, it has a number of drawbacks. Organizational culture has played a particularly important role in shaping knowledge management operations. "Culture, culture, and culture," stated Robert Bachman when asked to list three important aspects of knowledge management (O'Dell & Grayson, 1998). "A system of common ideas and values found in behavioural standards, and it has defined a way of organisational life,"according to the definition of organisational culture (Koberg & Chusmir, 1987). Knowledge management might be utilised as a competitive advantage by analysing, developing, and altering appropriate and adaptable corporate culture. Employees who worked in an organisation with a weak culture became accustomed to current organisational procedures and had little interest in innovation or new ideas; on the other hand, they were afraid of sharing knowledge with others and transforming it into skills which helps in problem solving (Shafee, Qaderzade, Lavee,2010). Transferring and generating knowledge necessitated the presence of an organization culture in which people and groups have a proclivity to collaborate and share their expertise in the pursuit of common goals. Individualism's dominance in a company caused people to restrict knowledge transfer, but employee confidence, togetherness, and a culture of sharing knowledge increased knowledge transfer. Organizations have to establish a learning culture and offer the essential circumstances for continual learning in order to be successful in knowledge management. Each new initiative in an organisation has necessitated attending to the culture of that company. Because culture aided in the implementation of changes and become constant in an organization's new direction. Because directing current knowledge has been a popular issue and a subordinate of employee culture, the relationship between organisational culture and knowledge management revealed that knowledge management can be successfully implemented in an organisation when the appropriate culture has already been coordinated with the system. As a result, in order to effectively manage knowledge, companies must have established a culture that is proportional to it and acted on it (Rahimnia&Alizade, 2008)..

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