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Full Length Research Paper

# Assessment of the underlying factors for implementation of knowledge management in Tejarat Bank

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Knowledge management has caused tremendous changes in management issues in the modern age. Knowledge management seeks the achievement of knowledge, wisdom and the value-added experiences of employees and the implementation, revision and preservation of knowledge in the organizations as well. This study aims to assess the underlying factors for implementation of knowledge management in Tejarat Bank. It is a descriptive research applied on seven managements in Tejarat Bank. The statistical population consisted of all members of work teams in Tejarat bank including senior managers, team supervisors, assistants, and branch supervisors among whom 70 were chosen as the sample size and answered the questionnaires which included seven parts (demographic information, knowledge-oriented structure, knowledge-oriented human resource, knowledge-oriented technology and knowledge-oriented culture). The results of the single sample t-test for all four indicators indicate that the comparison of the average indicators through test value doesn't led us to disprove the H0 assumption; in other words, the statement was confirmed with a 95% certainty. Friedman rank test showed that the most importance goes to knowledge-oriented human resource and the knowledge-oriented structure has the least importance in implementation of knowledge management. In a research named the Assessment of Underlying Factors for the Implementation of Knowledge Management in Tejarat Bank we concluded that shortage of knowledge weakens the foundation of knowledge management implementation whether in human resources or on cultural side. In fact, this research confirms the existence of a significant relationship between knowledgeoriented structure, knowledge-oriented human resource, knowledge-oriented technology and knowledgeoriented culture indicators.

**Keywords:** Knowledge management, human resource, technology, culture indicators

#### INTRODUCTION

As we know, today, the competitive atmosphere of organizations is becoming more complicated, transitive, and extensive. This atmosphere is changing quickly in a way that it is far faster than what it takes for most

organization to respond and adjust such variations. (Johnsen et al. 1999, according to Moshabaki and Zarei, 1382: 39) therefore, the successful organizations are those which have a logical, consistent and deliberate performance taking all effort and using collective wisdom, respond the environmental changes, or even manage this changes beforehand. Some of the organizations (about 80% out of 500 biggest companies of the world) have

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found the way to achieve these important factors and apply the knowledge. Knowledge is considered as an inseparable component of organizational success. In cultural organizations in which the intellectual capital and intangible assets are highly important, knowledge plays a vital role. Knowledge management is more important than knowledge itself as it intends to find a way to convert individual and organizational information and learning to individual and group knowledge and skills (Probet, 2000, p 163). Therefore, organizations should provide an environment for knowledge to be shared, transferred and contrasted among its members and train them to signify their interactions (Nonaka, 1994, p 20). They should also try to provide a suitable condition and identify the factors for the implementation of knowledge management in their organization. If we accurately evaluate the process of knowledge variations and evolutions in the contemporary society, it will be concluded that today, the post-industrial society today is an informatics society in which the power enhancer technologies are gradually being replaced by knowledge enhancer technologies (Ahmadpoor Dariani, 1381, p152). Earning a maximum interest is always among the most essential goals of organization, especially those in developed and developing countries of the modern world, so that they can be competitive in international markets and preserve or promote their situation.

Four indicators including knowledge-oriented structure, knowledge-oriented technology, knowledge-oriented human resource and knowledge-oriented culture can all be strong leverage to conduct and encourage the organization to attain a special knowledge pattern. Finally, it should be informed that realization of organizational goals depends on the factors founded based on knowledge and conducted according to a particular procedure and pattern. Therefore, in line with the realization of organizational goals and reaching a knowledge-oriented organization, managers ought to identify these indicators and be aware of their effects on organization. So far, many researches implementation knowledge management of organizations and its factors have been performed inside and outside the country, such as the study of the relationship between organizational factors (structure, culture, and technology) and knowledge management in Ministry of Labor & Social Affairs by Asgari, the result of which indicated that there is a significant relationship between the organizational structure and the production and creation and transmission of knowledge (Asgari, 2005 (1384)). In a paper called An Overview of the Patterns of Knowledge Management Implementation in Organizations, Abbasi described and evaluated the suggested patterns for knowledge management. Although the indicators have indicated that a systematic approach is required for implementation of a general knowledge management system, it can also be operated to some levels applying the existing facilities in the

organization, he said (Abbasi, 2007 (1386)). In their research. Pauline and Mason investigated the drawbacks and effective factors in admission of knowledge management programs. The findings achieved through this research indicated that the drawbacks of knowledge management are: organizational culture, leadership, performance of managers, and a general lack of awareness and insight about knowledge management (Pauline and Mason, 2003). In another research, Canter and Bandura showed that the most important factor which effects on the process of knowledge management is a capable human resource and the organizational learning, and the most significant strategy to enable the human resource is to train and educate them in the organization (Canter and Bandura, 2004). A knowledgeoriented organization achieves the ability to make a great power out of a small force (Alvani, 2001 (1380), p 283). Therefore, considering the changes in this modern age, the implementation of knowledge management system and knowledge documentation in all organizations in a country seems to be am essential action. In line with this, a commercial bank was chosen as one of the most important organizations of the country, where this research was performed and some essential foundations were identified and investigated through studying the theories and models presented by the experts. The present research is a result of the investigation of fundamental factors for knowledge management implementation in Tejarat Bank.

#### INVESTIGATION METHODOLOGY

The research is descriptive and the statistical population consists of the members of work teams in Tejarat bank including senior managers, group supervisors, assistants, and branch supervisors in Tehran Province all having higher degree than diploma. The considered managements included international affairs management, credit management, human resource management, management of regional branches, financial management, inspection management, and organization management.

The sample size was determined through simple sampling method. Considering the extent of the statistical population of research and in order to give an equal chance to each of its members to be chosen, the stratified sampling was also used afterward. Data performed collection was through researcher's questionnaires including five parts: demographic information, knowledge-oriented structure, knowledgeoriented technology, knowledge-oriented culture, and knowledge-oriented human resource. Demographic information including management duration/ work experience, educational degree, and sex were placed in the first part. Parts two to five, which are based on Tin and Shao Chang model, contain the questions

related to knowledge-oriented technology, knowledgeoriented structure, knowledge-oriented human resource and knowledge-oriented culture respectively. Each of these parts contains five questions and including the three questions in part one, the questionnaire is provided and adjusted in a total of 23 questions. The Likert scale was applied in order to score the options (1 for very low, and 9 for very high). In order to measure the scientific reliability of the questionnaire, related books and journal were studied and the instructions of experts and Prophesiers in this field were considered as well, though the adjusted questionnaire was distributer among 15 experts and they were asked to share their ideas and suggestions about the questions while answering them. The final questionnaire was reproduced and distributed after the mentioned ones were returned and revised. In order to measure the reliability of measuring tool in this research (questionnaire), the SPSS software was applied to calculate the Cronbach's alpha which was 0.748 for all of the questions contained.

Among the 70 persons whose questionnaires were analyzed, 4 (5.7%) who had a diploma, 43 (61.4%) who had a bachelor degree, and 21 (30%) who had a master or higher degree answered the questions, and 2.9% of questionnaires were unanswered. 62.9% of responders were male, 34.3% were female, and 2.9% of them didn't answer the questions. As to the management classification, 35% belonged to international affairs management, 25% belonged to credit management, 15% belonged to human resource management, 10% organization and regional belonged to branch management and 5% belonged to the inspection management.

Investigation of fundamental factors in implementation of knowledge management in the studied managing systems through Friedman rank test indicated that knowledge-oriented human resource with 3.26 and organizational culture with 2.73 are respectively in first and second place and knowledge-oriented technology and knowledge-oriented structure are ranked in next steps.

Considering the average value of the variant which is bigger than test value in all factors, from the investigation of the mentioned factors, it can be concluded that there is a direct relationship between the implementation of knowledge management and knowledge-oriented technology, knowledge-oriented culture, knowledge-oriented human resource and knowledge-oriented structure and the knowledge-oriented human resource with an average of 7.60 and knowledge-oriented structure with an average of 5.99 were mostly related.

### **DISCUSSION**

Among the investigated indicators, knowledge-oriented human resource and culture were in highest ranks, which

is accordant with the results of the study performed by Hiresh Sultanpanah et al. named Identification of the Foundations of Knowledge Management and Documentation in Banking Network (Case Study: R. K. Bank).

In his research named Investigation of the Relationship between Organizational Culture and Knowledge Management (Case Study: Iran Khodro Company), Aliakbar Majidian concluded that according to their findings about the existing situation of organizational culture and knowledge management in the mentioned organization, there is a significant relationship between the aspect of organizational culture and other aspects of knowledge management in Iran Khodro Company.

In the research performed by Jahanyar Bamdadsoofi (The Effective Factors On Successful Implementation of Knowledge Management System in Ministry of Cooperatives) it was concluded that the mentioned organization needs to change its organizational structures and provides a knowledge-based management in all executive processes. It also needs to change its exiting organizational culture and convert it to a knowledge-oriented culture which makes the organizational system dynamic.

## CONCLUSION

Changing the interaction pattern among the members of an organization and using knowledge management as a competitive advantage is merely possible through investigating, changing and providing a flexible and knowledge-oriented human resource. The existence of a weak human resource and inflexible culture in the organization makes its employees get used to the existing organizational situation and have no tendency for innovation and creation of new ideas, on the other hand, they would be afraid of sharing their knowledge with others and convert it to skills which can be used to solve problems; whereas, a dynamic and flexible culture and efficient human resource identified and trusted by the members of the organization truly response to the quick changes and push the organization toward progress and development. Success in today's market is directly related to the knowledge which can be produced by the speed and accumulation. organization, its organizations which have developed a strong learning culture are also efficient in creation, inception, and transmission of knowledge and adjustment of behavior to reflect the novel knowledge as well (Gantz, 1999 (1387)). Therefore, the organizations which tend to improve the situation of knowledge management are recommended to take effective actions such as enabling individuals through delegation of authority, promoting the creativity and responsibility, encouraging teamwork, developing the capability and skills of employees through training, cooperating, encouraging them to accept the changes

**Table 1.** Illustrates a summary of statistical indicators related to the factors of knowledge management.

	frequency	average	Standard deviation	Friedman test
technology	66	7.1333	0.81926	2.54
structure	63	5.9905	1.11958	1.47
Human resource	68	7.6000	0.84500	3.26
culture	65	7.3446	0.99969	2.73

and the modern methods of doing their tasks, trying to be customer-oriented and emphasize on customer's idea, encouraging innovation and taking risks, and paying attention to learning as an important goal of routine work in line with the successful implementation of knowledge management process.

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