

## Knowledge management and Entrepreneurship position in organizations promotion

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### ABSTRACT

Today, many managers understand the essential role of knowledge and Entrepreneurship in achieving competitive advantage and following organizational goals, so, knowledge management and entrepreneurship have become as a competitive necessity in organizations. However, the present issue is the preparation of organizations to use proper infrastructures and required prerequisites to use such process. Nowadays, those organizations that use their knowledge to create entrepreneurship are successful and can survive in the competitive world. According to the the importance of knowledge and entrepreneurship in today's world, in this study, the concepts of knowledge management and entrepreneurship have been described in the first step and then according to the subject of literature practical suggestions have been offered to organizations, managers, and staff.

**KEY WORDS:** Knowledge management, entrepreneurship, competitive advantage

### 1. INTRODUCTION

#### (Statement of the problem and the necessity of doing research)

Entrepreneurship is currently considered as a very important area for study and research and can help to economic growth of communities, productivity increase, technology access, products, and new services. Today, entrepreneurship has been considered as the main basis of the development in most developed and developing countries in such a way that the last two decades in the west and some other countries had been called as the golden decades of entrepreneurship. Therefore, many experts and management theorists have described entrepreneurship within organizations from the early 1970s. But until the early 1980s it was not confirmed seriously by the researchers. Entrepreneurship has a direct impact on social, economical, and cultural development of the society and if a community participates more in entrepreneurial activities, it will develop faster. These skills are more important for countries. Entrepreneurship and knowledge are rapidly becoming the most sustainable competitive advantages for organizations. In the present era, dynamic and entrepreneurial organizations require information access and knowledge management to survive to the extent that knowledge is considered as an essential component of asset. Organizational knowledge is considered as a valuable asset for an organization that requires management. Knowledge management is a new concept in management science considered as a vital source for current organizations success. Focusing on organization members, as those who own knowledge and considered as the main organizational asset, is important, and this is something which has been emphasized during knowledge management. Exploitation of intellectual property to increase productivity, create new values, and increasing competitiveness, are the goals of knowledge management. Complexity, diversity and rapid changes are clear features of today's organizational environment which have created a situation where ignorance, indolence, and lack of attention to it, will remove each organization from competition and even life. Nowadays, organizations realize that nothing except knowledge can success them in competitive world. So, the staff as knowledge owners and the most important organization assets are taken into consideration more than anything. Knowledge management is the process of systematically finding, choosing, organizing, selecting and offering knowledge which helps the organization to gain necessary insight and understanding from its own experience. It should be noted that knowledge management is an inexhaustible process that always helps the organization to change and requires constant support and attention. Data management costs have been reduced significantly by recent advances in information technology. These advances enter concepts of learning organization, knowledge organizations, and knowledge management into management literature and organization. Organizations by applying strategies of knowledge management can create employment in their processes, activities, products, and services and thereby improve their competitive status. Today, organizations need to gain the required knowledge to create employment in their products and services and improve their processes, spread this knowledge among their staff and also use it in all daily activities. They can respond to the requirements of the competitive environment only in this way.

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## 2. Theoretical foundations

### 2.1 Knowledge management

Knowledge management is a set of procedures for creating and sharing knowledge that maximizes organizational goals achievement (3). According to Jung *et al* (2003), knowledge management is an integrate systematic approach to identify, manage, and share all information properties of the organization including databases, documents, policies and procedures (4). Peter Drucker believes that the secret of success in the 21<sup>st</sup> century is the correct implementation of knowledge management in organizations. Thus, knowledge management implementation in the third millennium organizations is necessary and institutions should plan before implement it. Organizations success increasingly depends on how effectively the organization can collect, store, and retrieve knowledge among different levels of staff (5). Knowledge management is the process of creative, effective, and efficient use of all available knowledge and information for the benefit of customers and the organization itself (1). Davenport and Prusak (2000) defined knowledge management as a concept used to describe processes through which the organization develops, organizes, and shares knowledge by the purpose of achieving competitive advantage (6). Clemmons (2002) defined knowledge management as a process through which the required knowledge for organization success is identified, shared, and used (7).

### 2.2 Entrepreneurship

The word entrepreneurship is derived from French word “entrepreneur” means “pledge oneself to do something”. Entrepreneurship is a turning-point towards economic progress. From the beginning of man creation entrepreneurship accompanies with him in all aspects of human life and is the basis of human changes and developments (8, 9). Entrepreneurship is the center of work, attempt, and progress in the modern era. Without paying enough attention to the category of “developing the culture of entrepreneurship”, it is not possible to achieve growth and development indicators obtained from changing in production, productivity, and technical and industrial progress process in the economic sphere. In transferring from traditional to industrial stage, we should pay special attention to individual capabilities of entrepreneurs in order to use natural resources and apply modern technology (10). Entrepreneurship is to create a new business associated with risk and uncertainty. Entrepreneurship is the factor of wealth, business, innovation, change, job, value, and growth creation (11). From many researchers point of view, entrepreneurship is the engine of social changes that helps to job opportunities creation, effective use of resources, and national revival (10). They believe that an entrepreneur is a person who sets up a business or improve it through innovative methods (12). Entrepreneurship is the process of innovation, taking advantage of opportunities with great attempts along with financial, mental, and social risk compliance and also by the purpose of gaining financial profit, achievement, personal satisfaction, and independence (13). Entrepreneurship refers to the process of creating value through a unique combination of resources to exploit an opportunity (2). Entrepreneurship is interpreted as dynamic process of changing insights along with innovation. In this definition, a business which is profitable is considered entrepreneurship (14). Organizational entrepreneurship is one of the main branches of entrepreneurship that certainly plays a significant role in success and growth of the organization. Organizational entrepreneurship refers to the fostering entrepreneurial behaviors in an already established organization, to ensure the survival by reconstruction operations of organizations, redefining the concept of business and increasing innovation capacities and required qualities in a dynamic environment is necessary (15).

## 3. DISCUSSION AND CONCLUSIONS

Complexity, diversity and rapid changes are clear features of today’s organizational environment which have created a situation where ignorance, indolence, and lack of attention to it, will remove each organization from competition and even life. Nowadays, organizations realize that nothing except knowledge can success them in competitive world. So, the staff as knowledge owners and the most important organization assets are taken into consideration more than anything. Knowledge management is the process of systematically finding, choosing, organizing, selecting and offering knowledge which helps the organization to gain necessary insight and understanding from its own experience. It should be noted that knowledge management is an inexhaustible process that always helps the organization to change and requires constant support and attention. In today changing world, those communities and organizations are successful that can create a significant relationship between scarce resources with management and entrepreneurial capabilities of their human resources. In other words, an organization or a community can move forward in the course of development that by creating required contexts, equips its human resources with entrepreneurial knowledge and skills which through this valuable capability they can manage and conduct other community and organization resources towards creating value and achieving growth and development.

### 4. Suggestions

- Managers should consider human resources as the most important organization property and never neglect it. If the focus is on physical factors such as equipments and raw materials and human factors are neglected, despite having superior technology to improve methods and increase production, their efforts will be fruitless.
- Creating entrepreneurial culture among managers and staff.

- Teaching entrepreneurship to the community members and authorities about entrepreneurial necessities.
- According to the fact that there is a relationship between personal, management, and technical skills with organizational entrepreneurship, it is recommended to the authorities to foster personal, management, and technical skills through holding courses and workshops.
- Organizations should be obliged to change the rules and procedures and organization services and to reduce the stress resulted from these changes, they should prepare required context for doing this job by training and informing people about these changes.
- Since entrepreneurship is a fundamental need of the community, managers, particularly senior managers, should focus on this issue and provide appropriate and required context to realize it.
- Providing field visits from private institutions and centers related to entrepreneurship.
- Employing experienced and entrepreneur experts who are successful model of entrepreneurship for training in organizations.
- Designing and providing the content of entrepreneurship training program with applied and active methods by using technology in accordance with staff interest and organization needs.
- Create motivation and appropriate context through holding seminars, conferences, and applied workshops for training entrepreneurship.
- Offering fixed and compulsory training entrepreneurship and also related training for transferring and creating knowledge, competence, and entrepreneurial attitudes in terms of expertise related to the organization.
- Encouraging people to use knowledge: It is difficult to ensure that an appropriate knowledge will be available, so, managers should create conditions so that users really use this knowledge. Working environment must support the application of new knowledge and both people and groups should be encouraged to use it. Questioning should not be interpreted as a sign of incapability, but it should be considered as learning eagerness and changes acceptance indicator.
- Using knowledge on the job: A practical situation can be valuable to develop knowledge. Training on the job based on the belief that employees acquire knowledge easily in a situation where it can be applied immediately.
- Encouraging people to teamwork: In modern organizations, team is the most likely environment for the creation of teamwork. Organizations should focus their efforts on team to identify conditions that promote knowledge development. High quality teams access to those things that are impossible for individuals. Therefore, organizations should seek to establish a collaborative research to find conditions and circumstances of group knowledge development.
- Using interactive documents: Sometimes little things can make a huge difference in using knowledge property. Graphics, short summaries, and other similar tools can make a significant difference in taking advantage of knowledge.
- Changing attitudes and viewpoints of authorities towards the role and status of knowledge, creating opportunity to promote career knowledge, granting job independence and freedom to create job satisfaction, applying reward tools for employees who perform well, take a risk, and innovate.
- Establishing trust in the organization in such a way that employees do not feel the risk from transferring their career knowledge to other people, encouraging knowledge-centered people to transfer knowledge to other people.
- familiarizing managers knowledge management and entrepreneurship, goals, features, and its positive results through conferences, articles, and encouraging managers and employees to collect data in this field and release it in the organizational publications.
- Offering sabbaticals to managers and employees to inform them of the result of entrepreneurship and knowledge management in the different countries that have been successful in education.
- Creating knowledge-centered structure to improve current situation and increasing creativity and entrepreneurship in workplace.
- It is recommended to determine an expert committee to acquire new knowledge in the field of entrepreneurship in accordance with the organization requirements in order to transfer knowledge and obtained information to employees at the appropriate time and this committee works through storing, classifying, and making available all information and creating documents bank about obtained experiences in the field of entrepreneurship.
- It is recommended that the organization focuses on new ideas and provides thoughtful individuals with required human and financial resources to use their thoughts. The organization by allocating small amounts of resources to entrepreneurial activities tries to respond to unforeseen challenges and opportunities of entrepreneurs.

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