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ISSN: 2090-4274

Journal of Applied Environmental
and Biological Sciences

www.textroad.com

# A Linkage between Organizational Culture and Knowledge Management in the Workplace

Ahmad Suffian Mohd Zahari<sup>1</sup>, Ros Habiba Ramli<sup>1</sup>, Raja Mariam Raja Baniamin<sup>2</sup>, Suzila Mat Salleh<sup>1</sup>

<sup>1</sup>Faculty of Business Management <sup>2</sup>Academy of Language Studies Universiti Teknologi MARA, Dungun, Terengganu, Malaysia

> Received: April 4, 2016 Accepted: June20, 2016

#### **ABSTRACT**

This paper discussed on the relationship between organizational culture and knowledge management (KM). Thus, organizational culture was perceived as important factors that support the accomplishment of KM. Besides, this article attempts to determine the organizational cultural conditioning of KM in the workplace. It allowed to select several types of characteristics creating convenience, for KM and the environment culture. These characters reflecting determined outlines of ideas and performing that were recognized as cultural beliefs. This culture has been identified as group, developmental, hierarchy and market culture. Therefore, strengthening and promoting the cultural values perhaps can improve KM. There are 5 dimensions of KM that will influence organizational culture in organization such as generating knowledge, catching knowledge, forming knowledge, distributing knowledge and applying knowledge.

**KEYWORDS:** Knowledge, Knowledge Management, Culture, Organizational Culture, Organizational Performance.

## INTRODUCTION

The importance of knowledge is marked by the increase in information and knowledge. In effectively handle the overabundance of incoming information and outgoing knowledge, many organizations have turned out to manage their knowledge effectively in the process of obtaining or developing new knowledge [22]. According to [42, 34], the evolution of KM concept and practices was established in 1991. There are a lot of discussions relating to the definition of KM. Scholars and practitioners in the field of business management are still debating about the concept and definitions related to KM and its definition are currently still evolving. Many authors agree that there is no unified definition of KM [1, 8]. The term knowledge management has been defined in different ways, with no clear consensus [1, 28, 7, 32], but there are two approaches to define KM which are from the perspective of management approach and the process approach.

According to [13], KM referred to as the management of the organization's knowledge through an identified process for getting, managing, maintaining, applying, sharing and restoring the knowledge of employees to improve organizational performance and its values. In [42] describes KM as sets of management activities that aim at designing and influencing the processes of knowledge creation and integration. According to [3], KM can be a vital changing factor in an organization through the taking of new knowledge into the system by effective management of this knowledge. KM as suggested by [25], is a business ability that permits individuals in organizations to work as individuals, or work in groups, projects, or other such communities of interest in order to form, seize, share, and force their collective knowledge to enhance performance. In addition, [28] propose that there is nothing called KM as far as there is something called management of persons who have knowledge.

Organizational cultures have been identified as a main provider to KM because organizational culture represents a main source of competitive gain for organizations to accomplish their goals [14]. Tangible properties of organizations such as money, building, and equipment's are not making any advantage point without a proper KM. The organization also realized that the human resources who have knowledge and intellectual equity become crucial to them [12]. If the organization could maintain their beneficial and cooperative employees, they could also easily achieve competitive environment.

In the organization, culture consists of 4 distinctive kinds [10].

## **Group Culture**

In the internal concentration consists of emphasizing family culture and flexibility. The valued aspect of this culture includes group work, independence, involvement and expansion of the personal. It is emphasized the

organization in evolving a human job atmosphere in which personnel participation, responsibility and trustworthiness are differentiate.

## **Developmental Culture**

Developmental Culture is based on the attentiveness and flexibility. Some of the main values of this culture are compatibility, flexibility and creativity. This kind of culture exists within expert organizations, which have temporal group works and are formed to accomplish duties that needed in high levels of technology.

## **Hierarchical Culture**

This culture consists of steadiness, competence and expectedness. The organization found the culture in which it has classified formal places for work or and is managed by rules and processes. Those with power are expected to look after those beneath them and workers called subordinates expect to be closely supervised and they are not expected to take initiative.

# Market (Logical or Reasonable) Culture

Among its central values, external concentration and constancy are emphasized comparative nature, accomplishing goods and productivity in market culture. An organization which in a formed based on these cultures is after competition with other rival organization, also with focus on customers in trying to return its money.

#### LITERATURE REVIEW

This paper will discuss if the types of organizational culture relate to the affinity for KM specifically when focusing on one work group operating in an organization. It is important to examine if a specific type of organizational culture supports KM, where it can assist managers to apprehend how to increase their organizations' effectiveness [11]. Based on the previous study, there is a lack of empirical evidence in the KM literature determining the suitable organizational culture nature of KM achievement in a given workplace [31]. Academics and specialists require more study to comprehend the association between organizational culture and KM. Organizational cultures also have been recognized as a major contributor to knowledge management as organizational culture represents a major source of competitive advantage for organizations to achieve their objectives. According to [26], an organizational culture is the foundation Knowledge Enterprise which can derive knowledge exchange, trust that would be successful in performing management processes [26].

In the era of relying on the current knowledge, where the role of man as proprietary knowledge is very important, the development of organizational culture becomes a critical point in creating a winning organization. According to [35], knowledge in organizations is important and use to accomplish organizational goals and achieve success. If successful organizational culture is well developed, provides a conducive environment for people to share in it. A conducive environment is not just created out of existing processes and systems within it, but mainly on the behavior of individuals and the values they profess. Cultural organizations that make up the culture of the learners will shape the behavior of individuals in it to share with his colleagues voluntarily. They will also document and makes his knowledge as part of a living process in the organization [24]. Organizational culture is important in the generation and sharing of knowledge [18].

Based on a research by Ernest and Young Institute on 431 European and American organizations, culture will support the sharing of knowledge and as a result will allow people in organizations to share knowledge and using that knowledge to face the problem, everywhere and at any time [39]. Based on research by [30], culture is one of the crucial factors which can influence the total performance of KM values. This paper examined organizational focus (internal or external) and the affinity for KM from the perspective of improving effectiveness of the organizations. Researchers and academicians require additional study to further identify the relationship between organizational culture and KM specifically within the human services field [4, 5, 6].

# The Relationship between Knowledge Management and Organizational Culture

The world economy has shifted to a knowledge-based economy and one of the assets that were important in the company's is knowledge. KM is a process which helps organizations to find, select, organize, disseminate and transferring knowledge to activities such as resolution of problems, planning strategies and decision-making. KM involves procedures and techniques to get as much information into tacit and explicit knowledge in organizations. KMt is not just referring into creating knowledge alone, but act as a continuous process starting from the various levels to gain and retain in organizations.

Organizational culture plays an important role in process related to the creation of knowledge, knowledge transfer and knowledge recycling [41]. However, studies devoted the relationship between KM and organizational culture is limited. Nowadays, KM is an important issue in management today because it can improve the competitiveness of the organization. Knowledge is shared, applied and updated to generate creative

ideas. Therefore, the KM can improve competitiveness organization. According to [23], organizations culture is very important in coordinating partnerships, learning and knowledge generation. A culture that supports the sharing of knowledge will enable the company to use existing knowledge to face any problem, anywhere and at any time. In [23] have stated that the most critical aspect in the management is knowledge and not the technological aspect.

Based on the previous research by [16], technology has provided hardware such as lotus notes and intranet-based knowledge necessary. However, this only affects the individual knowledge sharing by 20% only while 80% are dependent on the culture. Therefore, it is important for companies to have appropriate culturally in the implementation of knowledge sharing. Moreover, we need to ensure that culture is appropriate in implementing partnership knowledge as it is planned. This is because, knowledge transfer occurs through human interactions. To make the sharing of knowledge, companies must adapt KM culture. Therefore, the culture in an office environment is an important aspect of the company to ensure the success of knowledge sharing.

On the other hand, in [33] suggested that companies that adopt a culture of cooperation and partnership will be easier to promote the sharing of knowledge compared with a company those employees more on prioritizing knowledge and compete against each other. When there is the norm and practices of companies in promoting KM, interactions will tend towards sharing all kinds of knowledge. In addition, in [36] companies have found that their lack of cultural support while conducting joint knowledge management system. This is because the human common view of knowledge as a means to control their employees. In KM, the term of organizational culture supporting KM has its synonyms. These are the term: knowledge culture [35], knowledge-centered culture [18] and knowledge-friendly culture [13] to show the importance of cultural attendance for organizational KM.

According to [9], culture is a combination factor that supports KM in which KM will be essentially initiated, disseminated and applied in an organization. Besides, organizational culture and KM aim at a modification of atmosphere, study and tram culture favorable ideas changes, effective leadership assisting changes and team works, openness,honesty and high-trust culture. Therefore, a general belief in the value of learning must be complemented by the high degree of knowledge whereas knowledge is the main element of sales, service and quality [43]. A study by [14] indicated that high rates of organizations that implemented the knowledge management strategy, but did not achieve their goals have introduced the organizational culture as the main barrier tothe creation and application of knowledge capitals [14]. However, in [15] defined the organizational culture as the common belief, viewpoints and values existing in an organization, in simple word, the culture mean the quality of the performing. Indeed, the organizational culture is a necessary factor for successful KM.

Generally, a culture supporting the KM values the knowledge and persuades its sharing, creation and application. The greatest challenge in the KM efforts is to develop such culture [43]. According to [20], the capability for establishing a culture therein the knowledge accessibility is easy to seem to be necessary for the managers during the KM process execution. Besides, relationship between organizational culture factors and KM confirmed the relationship between social support, system-orientation and information sharing and KM application [26]. A research by [26] in the relationship between organizational culture and KM in eight different Jamaican organizations shows that the organizational culture has a positive association with KM. Similarly, studies by [17, 27, 19, 29, 40, 21] shows that there is a substantial relationship between organizational cultures and KM.

According to [2], scholars have identified organizational culture as a vital factor on how an organization manages its knowledge. They argued that culture plays as a blockade or an enabler for knowledge formation and transmission [2]. Thus, some organizations must uphold the culture before engaging in KM resourcefulness [38]. If an organization realizes it culture type, it can reflect the degree of fit requisite between its KM practices and culture for a given business atmosphere [11]. Research that inspects which organizational culture type support KM is crucial to help managers know how to increase their organization's competitiveness [11].

During the past decade, KM researchers and practitioners proposed several KM models to support the understanding, implementation and use of KM. The early models of KM were primarily theoretical. However, the theoretical models provided the foundation for practical KM models developed through research. In spite of tough believe about the effect of organizational culture on KM studies, it has shown paradoxical results about norms which reinforce knowledge transferences in the organization. Therefore, researchers and practitioners' on KM should concentrate on the most eminent affecting factors on KM. Some problem may occur and would affect the organizational culture because of the suppositions, values and cultural among the knowledge. The researcher can also learn about how the organization culture can impact the knowledge management in the aspect of the using, organize, share, capture and store the knowledge that can give some impact of the working process in the organization.

#### CONCLUSION

Most organizations focus on their management towards the formation of knowledge and learning. This makes each organization to improve on the level of expertise and skills of an employee through the sharing of knowledge that needs to be practiced so that the intended objectives are achieved successfully. Besides, KM if practiced together can improve a system of ideology, values and beliefs. The key to the success of this system is the ability of the organization through the top management in giving freedom to employees to use their creativity in order to enhance organizational performance. Such cultural atmosphere makes an organization more concerned with cooperation between employees regardless of rank and position to improve their organizational capabilities. This is of paramount importance because the organizations had made significant investment in term of their time, money, and personnel when they embark on KM initiatives [37].

In an organization, the process of creating knowledge (knowledge creation) can be practiced through organizational culture in a workplace. Organizational culture emphasizes the management of information as a source of knowledge and facilitates the process of collection and sharing of knowledge. The interest in the creation of an organization culture towards organizations' knowledge is considered as a critical element in the workplace. The awareness about the value of KM will encourage the process of discussion and provide a boost to a creative thinking, the ability to take the risks and be willing to make mistakes for improvement. An important aspect is to enhance trust between team members in order to leverage KM in the workplace. The formation of organizational culture of learning also depends on the ability in creating the concept of sharing the vision (shared vision) which is closely related to culture sharing of information and knowledge. This requires the participation of all parties, particularly leadership that would provide guidelines and principles important to realize the organization culture towards KM.

In the workplace, the implementation of good KM has to emphasize in terms of their techniques to create a higher competence to organizations. This is because the organizations often labelled as inefficient, bureaucratic and poor service. Thus, KM can be seen as a stabilizing element in the system of service delivery to customers. It is also important for the success of an organization and as well can bring competitive advantage to the organization. For example, the creation of the Knowledge-based Economy Master Plan (Knowledge Economy Master Plan) by Tun Dr. Mahathir Mohamed, hopefully will encourage Malaysia as a knowledge-based economy to sustain economic growth rates and increase competitiveness at the international level. According to Prime Minister Datuk Seri Najib Tun Razak in his speech in conjunction with the opening of the International Conference of Government Enhancement via Knowledge Management on 22 September 2006, he said that "KM should be seen as an effective tool not only for realizing Malaysia as the country's K-economy but can strengthen and improve service delivery to citizens".

With the significant challenges that exist now, organizations must be transparent, accountable, efficient and concerned to deliver services to the customers. Each employee has the knowledge, experience and skills that that was known as tacit knowledge. Therefore, KM can be extracted, compiled and reused by the organization as an input for other workers. Furthermore, KM is important which everybody needs in line with the understanding the knowledge, the dissemination of knowledge and use knowledge to improve organization competitiveness. Thus, the process of KM is extremely important in the management in order to disseminate and transferred to a location where it is needed and can be used wisely.

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