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Knowledge Management in Organization Management; Importance, Challenges, and Issues.

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"Knowing Ignorance is Strength; Ignoring Knowledge is Sickness" LAO TSU

Introduction:

Today's, knowledge is a sustainable source of competitive advantage, and essential for companies to tap in an era of rapid change and uncertainty. Companies need to be knowledge creative then nurture it, disseminate it throughout the organization, and embody it in technologies, products, and services. Several sectors, for example, financial services, consulting, and software industries depend on knowledge as their principal means of value creation.

Today's emerging age of knowledge economy and knowledge management has created new breed of company employees whose intellectual capital is the accumulated experience, commitment & potential for developing and maintaining the learning organization. Such breed is referred to as the knowledge workers. The Term Knowledge worker first invented by Fritz Machlup (Princeton Economist). In 1960s Drucker coined it and elaborate it, he was first to suggest that economy has shifted from an economy of production to knowledge economy, where basic resource is knowledge not capital. Individuals who add to a company's product & services by applying their knowledge are knowledge workers.

Literature Review:

Knowledge management is a discipline of identifying, capturing, retrieving, sharing, and evaluating an enterprise's information assets (Bair 2001). The literature spanning recent years discuss the critical role of knowledge Management (KM) in the era of digital transformation, particularly in the context of organizational management, Industry 4.0, and the COVID-19 pandemic. According to Asta the use of knowledge means that processes (structural capital) and relations (social capital) are necessary and very important for knowledge transformation to product or service.

A knowledge worker is one who gathers data, information from any source, adds value to the information and distributes value added products to others (Kappes & Thomas 1993). According to Bennett (2000), anyone who makes a living out of creating, manipulating, or disseminating knowledge is a knowledge worker. These people use their heads more than their

hands to produce value (Horibe 1999). A knowledge worker is a person who transforms business and personal experiences into knowledge through capturing, assessing, applying, sharing and disseminating it within the organization to solve specific problems or to create value. Chief Knowledge Officer is responsible for creating the vision of what is possible and designing the framework for realizing the results. (Tiwana 2001).
In 1999, the term personal knowledge management was introduced which refers to the management of knowledge at the individual level (Wright 2005). With the advent of the Web 2.0, the concept of knowledge management has evolved towards a vision more based on people participation and emergence. This line of evolution is termed Enterprise 2.0 (McAfee 2006). Web 2.0" refers to what is perceived as a second generation of web development and web design. It is characterized as facilitating communication, information sharing, interoperability, User-centered design, and collaboration on the www. It has led to the development and evolution of web-based communities, hosted services, and web applications. Examples include social-networking sites, video-sharing sites, wikis, blogs, mashups, and folksonomies. The most important aspect of continuous growth is the understanding of the change from "individual" to "common group" (Cushman, Venters, Cornford, Mitev, 2002).

Knowledge as the main driving factor behind the "economics of ideas", we can expect that the emphasis on knowledge development, creation, leverage, and organization will continue to be the prime focus for improving society (Wigg, 1997). A mode of production and social organisation in which a central, strategic place is occupied by the means of generating new knowledge and the institutional arrangements that enable individuals and societies more fully to appropriate its material benefits (Geuna & Aldo 1999).

Five Phases of Knowledge Development:

1. **Knowledge Sourcing**
   More source better basis of knowledge creation. Main sources are experience, advice, learning, error, external sources, history organizational records and other individual sources like expert source, prior experiences and personal records.
2. **Knowledge abstraction**
   Effective knowledge development relies on the reflection and careful consideration of insight.
3. **Knowledge conversion**
   The process of converting the theories, principles and concepts to the actual problem or context is called knowledge conversion: Taxonomy of knowledge: *Codified, Embodied, Implicit, explicit, individual, & corporate knowledge.*
4. **Knowledge diffusion**
   Effective adaptation of the knowledge in the masses. When most people adopt the idea is called diffusion
5. **Knowledge development and refinement**
   More the knowledge shared the more it will be refined and developed.

Hsu (2006) tried to classify the different approaches used in literature to promote knowledge sharing, has managed to summarize them into three approaches.

- **The first approach** is called "tool-based" which focused on building sophisticated IT system in knowledge sharing.
- **The second approach** emphasizes the importance of incentives to facilitate knowledge sharing, is thus called "incentive-based".
- **The third approach** is the integrative approach which considers not only management values, organizational culture but also processes and structure to encourage knowledge sharing.

KM and Industry 4.0:

Continues improvement is the key for knowledge development. Knowledge evolves and grows with use and re-use; it is dynamic in nature. Ahmed (2019) highlights the importance of KM in modern organizations. KM processes have evolved from the early 1960s, focusing on codifying and storing explicit knowledge, to the present day, where KM processes have been influenced and modified by technological advancements. According to Bem Machado (2021) the integration of KM and Industry 4.0 in the era of digital transformation has highlighted how traditional KM processes have been influenced and modified by Industry 4.0, which can integrate and interconnect machines and their ability to learn and share data autonomously.

The authors suggest that Industry 4.0 can increase the complexity of data managed at the production level and provide practical knowledge inputs. Organizational knowledge draws on collective and individual contributions of those within the workplace. Martensson (2000) emphasize that effective KM can enhance human performance, foster collaboration and networking, promote leadership and learning, and enable new forms of digitally enabled knowledge-intensive value creation.

KM in the Context of the COVID-19 Pandemic:

The interest revitalized in KM during the COVID-19 pandemic. They highlight the importance of modelling and simulation, community resilience and continuity, systems' preparedness, and mitigation strategies & compliance with containment measures in managing pandemics. They suggest that KM plays a crucial role in managing these complex, dynamic, and systemic issues during a pandemic. (Ammirato 2020).

There are five key themes that emerge from the literature on pandemics, which are:

1. **Modelling and Simulation**: This theme highlights the importance of using models and simulations to support decision-making during a pandemic. These tools can help predict the spread of an infection and inform decisions about containment measures, such as lockdowns.
2. **Community Resilience and Continuity**: This theme focuses on the role of communication in enhancing community resilience during a pandemic. The way knowledge about the pandemic is communicated to the public can influence the community's ability to cope with the crisis.
3. **Systems' Preparedness**: This theme emphasizes the importance of preparedness in managing pandemics. Preparedness involves planning for various targets, including the population, health systems, hospitals, and public administration departments. Modelling and simulations are key resources in pandemic planning.
4. **Mitigation Strategies & Compliance with Containment measures**: This theme discusses the strategies used to mitigate the impact of a pandemic and ensure compliance with containment measures.
5. **Knowledge Management**: This theme is directly related to the KM body of literature. It includes topics such as knowledge integration for healthcare information systems, integration of emergency KM information systems, methodologies to approach knowledge design, and knowledge dissemination models. (Mårtensson 2000)

It is suggested that KM plays a crucial role in managing pandemics. It can support decision-making, enhance community resilience, improve preparedness, and facilitate the implementation of mitigation strategies. The COVID-19 pandemic has revitalized interest in

KM, particularly in the areas of modelling and simulation, which are essential for managing complex, dynamic, and systemic issues. Mårtensson (2000) also highlights the importance of coordination and the understanding of social network behaviour in supporting the complex knowledge transfer process.

Knowledge management is presented as a crucial tool for modern organizations, particularly in the context of Industry 4.0 and the COVID-19 pandemic. It highlights the importance of KM in supporting decision-making, enhancing community resilience, improving preparedness, and facilitating the implementation of mitigation strategies.

Despite its importance, the challenges in defining and implementing KM. They suggest that further work is needed to fully realize its potential, particularly in the context of the ongoing digital transformation and the changing organizational landscape due to the COVID-19 pandemic. (Ammirato 2020)

Knowledge Management Pitfalls:

The knowledge management practices will produce the favourable results if management and organization will avoid or consider the following pitfalls.

- Excessive focus on technology
- Putting boring content online
- Failing to measure the worth of knowledge managers.
- Making access restricted or hard to get
- The belief that an organization is non-hierarchical.
- Must be blended with other activities or success is unlikely.
- Knowledge needs to be distributed quickly and widely because active knowledge is the "gem" while idle knowledge is the "stone".
- knowledge is the "power", holding knowledge is like holding the competitive power of the new economy.
- From whose perspective, analysis of knowledge is being carried out and knowledge interpreted.
- KM is not a one-size-fits-all program. It works best when individual programs are tailored to the needs of individual users.

"Knowledge management (KM) is an effort to increase useful knowledge within the organization. Ways to do this include encouraging communication, offering opportunities to learn, and promoting the sharing of appropriate knowledge artifacts." McInerney, C. (2002).

Last Words

Knowledge and learning must always serve the broader aims of the organization. A healthy tension between knowledge and action is the key to organizational (and probably individual) success.

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