

Knowledge Management and Transformational Leadership in Organizational Success

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Abstract—In order to achieve sustained competitive advantage through developing human capital, organizations, apart from human resource management practice, concentrate on developing transformational leaders and implementing knowledge management. The emergence and expansion of knowledge management and information management, on the one hand, is indebted to the study and research done in the field of work and business management and, on the other hand, it is the result of the trend of the organizations that are pioneer in the establishment of the mentioned systems and their attempt for the practical modification and adaptation of these systems under the conditions of internal environment of organization. Developing competencies of human resources is a primary activity to be focused by any organization that takes enormous efforts to overcome their competitors on product quality, customer service, and new product development. In this article, an attempt has been made to investigate and analyze the executive strategies of knowledge management and transformational leadership in organization as a strategy for the success of organization. The findings of this research indicates that, with regard to the varieties of environmental expectations and wills, knowingness management and its features along with applied knowledge management have strategic role in the success of organizations.

Index Terms—Knowledge management, transformational leadership, structure and culture, tactic, technical and instrumental

I. INTRODUCTION

Today, many organizations have dealt with the approach of knowingness management. Organizations have various resources and possessions for the realization of their goals. Some of these resources and possessions are very valuable and unique and have a key role for obtaining competitive advantage [1]. Organizations around the world today face a common challenge, the need to improve their performance in order to capitalize on rapid change and to establish or regain competitive edge [2].

A. Executive Strategies of Knowledge Management in Organization

Thomas and davenport (1997) consider the success of knowledge management in connection to economic performance and industrial value of organization; and they have introduced effectiveness indices for it. The indices of effectiveness include the growth of the quantity of organizational resources such as capital, human power, etc., development of the degree of existent and used knowledge, independence of the system of knowledge management from

person or special group in long term and having the testimonies of capital return [3].

The prerequisites and backgrounds of successful implementation of knowledge management system are classified as the following three groups and some factors have been presented for each of them:

B. Underlying and cultural backgrounds within organization

Its most important factors are as follows:

Publication of the culture of acquiring and sharing knowledge

One of the most important organizational underlying structures for knowledge management is laying cultural background in the minds of the whole organization and changing the thought of monopolistic attitude towards knowledge into the thought of sharing knowledge with others [4]. Many scholars like prosak emphasize spreading the culture of confidence among the people of organization.

C. Modern leadership

The most important characteristic of a modern leader from knowledge management point of view is to eliminate the weak points and gaps that emerge clearly in organization. One of the most important organizational problems is that attitudes are incited against change. For this reason, one feels the necessity of modern leadership [5]. Another aspect of this leadership is having supportive thought from the high movements of organizational structure such as knowledge management. Since the implementation of knowledge management is an underlying project in order to improve organization system, the multilateral support of the managers of different levels of organization especially higher managers is of basic necessities for its success [6]. Modern leadership is counted as one of the underlying and cultural characteristics within organization.

D. Scientific and team work

The production and publication of knowledge is the result of the interaction of people at work [7]. Ideas may be formed in people's mind, but the most basic unit for producing knowledge in a company is work teams.

E. Belief in knowledge management as a science

The first step towards success in the implementation of the process of knowledge management is to modify and establish correct attitude towards it.

F. Emphasis on strategic knowledge management

Knowledge management does not have certain and limited time like a usual project, but it is a continuous design that must be implemented in strategic manner. Even if discussions are put forward about the time of knowledge management, it should be stated that knowledge management needs a long time that contains different

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elements.

Necessity of having change management system.

Change management plan must be implemented in organization. In fact, change management is the prerequisite of knowingness management. The managers of different levels of organization have a key role in changing employee's attitudes, creating successful culture of sharing knowledge and establishing knowledge management in organization [8]. Creating the culture of sharing knowledge in organization needs employees training and change management process.

II. TACTICAL BACKGROUNDS

The main points of tactical backgrounds are as follows:

Separation of information and knowledge concepts

Knowledge management is different from information management. Knowledge management has technical and social aspects.

Concentration on empirical and implicit knowledge

North (1991) maintains that the difference between successful and unsuccessful organization is because of the difference between implicit and explicit knowledge [9]. Hans and Oetinger (2002) believe that many companies cannot establish and collect scattered expertise throughout their organization because they are interested in the centralized systems of knowledge management but the success of these systems is only in the distribution of the explicit knowledge that enjoys the capability of collection and classification for the use of the public [10]. These systems are not appropriate for transferring implicit knowledge.

A. Concentration on key elements

Regarding the limitation of organizational resources, knowingness management focuses on the key elements leading organization to high productivity. Since this issue is based on Pardo principle, it will be desirable for the managers of organization.

B. Training the personnel of organization

All the personnel of an organization in any level must have enough information about the trend of knowledge management process and the way of the application of its techniques and instruments.

Instrumental and technical backgrounds

The main points of instrumental and technical backgrounds are as follows:

Having access to the centers of scientific and specialized information

Since libraries and information centers have dealt with collecting, organizing and spreading information during history, they play an important role in aiding knowledge-based societies.

C. Necessity of using information technology

When enjoying all the aspects of information technology and its effect in profitability and accumulated value is non-existent in economic organizations, one cannot take action for planning, implementing and preserving knowledge management in such organizations [11]. Technology tools such as information banks, electronic post, internet, internal

networks ... are from the inseparable tools of knowledge management.

D. Arrangement of different canals for transferring knowledge

One of the slogans of the pioneers of the discussions on creativity is scientific products having desirable quality which have been emphasized in techniques such as mental flood, brain writing and/or noun group (NGT) [12]. Based on this, Thomas and Davenport believe when there are more ways for entering, distributing and transferring knowledge in organization, better results are obtained.

III. TRANSFORMATIONAL LEADERSHIP

Importance is give to leadership development programs in the organizations due to the reported direct relationship between leadership and organizational performance [13]. Transformation leaders act as role models for employees, motivate them, and stimulate their intelligence [14]. Researchers define transformational leadership in terms of idealized influence, inspirational motivation, intellectual stimulation, and individual consideration [15], [16].

Research studies carried out in firms to link leadership, particularly, transformation leadership, knowledge management, and human capital benefits are limited. A few studies explored the role of transformational leadership styles on individual employees, performance and organizational performance through knowledge acquisition, knowledge creation, knowledge sharing, and knowledge exploitation [17].

Knowledge management is the management function responsible for regular selection, implementation and evaluation of knowledge strategies that aim at creating an environment to support work with knowledge internal and external to the organization in order to improve organizational performance [18].

However, this definition mostly concentrates on strategic process of knowledge management according to Bukowitz and Williams (1999). Importantly, literatures emphasize that the process involved in knowledge management should be integrated with employees who lead their organization towards achieving competitive advantage [7], [19]. In this direction, tactical knowledge management process is given much consideration, and it comprises knowledge acquisition, knowledge documentation, knowledge transfer, knowledge creation, and knowledge application [20]. Fostering creative performance, transformational leaders involve in knowledge creation process by offering both monetary and nonmonetary rewards. Even though such particular behavior is listed under transactional leadership, research studies also revealed a positive relationship between transformational leadership and contingent reward [21], [22]. Organizations are involved in implementing knowledge management process for organizational knowledge creation to achieve and sustain competitive advantage. However, without affecting individual employee's knowledge, building an organizational knowledge is not certain. Therefore, implementing knowledge management process in any organization primarily refines employee's knowledge. If knowledge is considered as a component of human capital, the process of creating or improving employee knowledge certainly has certain effects on employee's human capital

benefits[23].

IV. CONCLUSION

Organizations have realized that the competitive advantages of technology are temporary and the only competitive advantages that are durable are their employees. In today societies, strong powers are changing the form of economy, business and work and many of them announce a fundamental transformation in organizational processes and resource strategy. Primary forces of change including globalization, higher degree of complexity, modern technology, increasing competition have caused managers to pay attention to knowings management. Organizations are trying increasingly for rapid adaptation, more rapid accountability and formation of their industries. In order to remain in the prior age of competition, organization must have appropriate capacity for perseverance, development, organizing and productivity from the merits of their employees.

So the way for promoting knowledge management is prepared. Some actions can be referred as:

- To develop network communications at organizational and using information channels properly as if the accession to the organizational knowledge is provided.

- To try to create support culture through designing motivative and encouraging system to increase creativeness and innovation, training and development of human sources at organizational.

- To prepare the way for creating, transferring and applying information at organizational.

- To establish proper organizational structure for accessing to information and knowledge.

- To design meritocracy frames based on skill, knowledge, experience and education.

- To create relationships among different departments of the organizational based on trust.

- To create culture for promoting activities and team works in different levels.

With respect to the results from the present study, for the purpose of their effective management of organizational knowledge, organizational should try to increase the level of social capital and its dimensions (cognitive, relational and structural capital). Investing in organizations for the purpose of developing capital, through training effective communications, improving communications and interactions, creating culture and friendly atmosphere, mutual trust and team work causes the organization to be guided toward an organization with innovative, creative and training characteristics.

Transformation leaders have potential to affect their employee's perceptions of human capital benefits. They also have the greatest potential to augment these benefits through involving them in the knowledge management process, establishing organizational culture, and encouraging communication among employees.

Therefore, knowledge management, using the prerequisites and the backgrounds for implementation of intelligent knowledge management among managers are counted as a strategy for the warrantee of the quality of services and products. Accordingly, successful organizations always see the need for knowledge management essential

for their survival.

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