

## **Role of Human Resource Management in Knowledge Management: A Study**

**Ms. Rajni <sup>1</sup>, Prof.Rajbir Singh <sup>2</sup>, Dr. Satpal <sup>3</sup>**

1. Research Scholar, Department of Management Studies, Deenbandhu Chhotu Ram University of Science and Technology, Murthal, Sonipat Haryana and Assistant Professor, Department of Commerce, Kalindi College, University of Delhi, Delhi
2. Professor, Department of Management Studies, Deenbandhu Chhotu Ram University of Science and Technology, Murthal, Sonipat (Haryana), India.
3. Assistant Professor, Department of Management Studies, Deenbandhu Chhotu Ram University of Science and Technology, Murthal, Sonipat (Haryana) India.

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### **Abstract**

Knowledge is increasingly considered as a key element of competitive advantage and a most critical asset for the success in today's modern global environment. The rapid flow of information, increase in the number of knowledge workers together with awareness of intellectual property rights and development of service sector in global economies pave the way for developing the most important intangible asset within the organization that is termed as 'knowledge'. The shift from traditional manufacturer and trading economy to knowledge economy has seen a proliferation of information and communication technologies (ICT), together with organizational complexity, growth of global and virtual organizations. All this requires the dynamic change in various practice and tools of management of an organization. As human beings are the only active factors of production responsible for coping with all these changes. Thus an organization should adopt appropriate HRM (human resources management) practices to respond to the changing environment and managing the intellectuality of available employees.

**Key Words:** Human Resource Management, Knowledge Management, Intellectual Property, Organisational Capability.

## Introduction

In the environment where competitiveness is considered as 'knowledge' with an organization, due interest in knowledge management continues to the trend. Though it is argued that knowledge management is very important for sustainability in today's global business world yet it has been a challenging phenomenon as major firms are trying to achieve and maintain its competitive advantage. Now, knowledge management (KM) is not limited to the traditional functions and professional boundaries but also ranging from IT professionals, to accountants, marketers, organizational change and developing professionals (because it emphasis upon knowledge work, workers and nature of knowledge with an organization). Though there is reasonable consensus on the nature, components and principles of human resource management (HRM), but this is not the case with knowledge management (KM). Much of the literature of knowledge management (KM) focus on the techno centric aspect, similar to that of information management meaning thereby knowledge is regarded as an entity that can be captured, manipulated and shared. This is a limited and hazardous perception and ignores the right and widespread perception of knowledge.

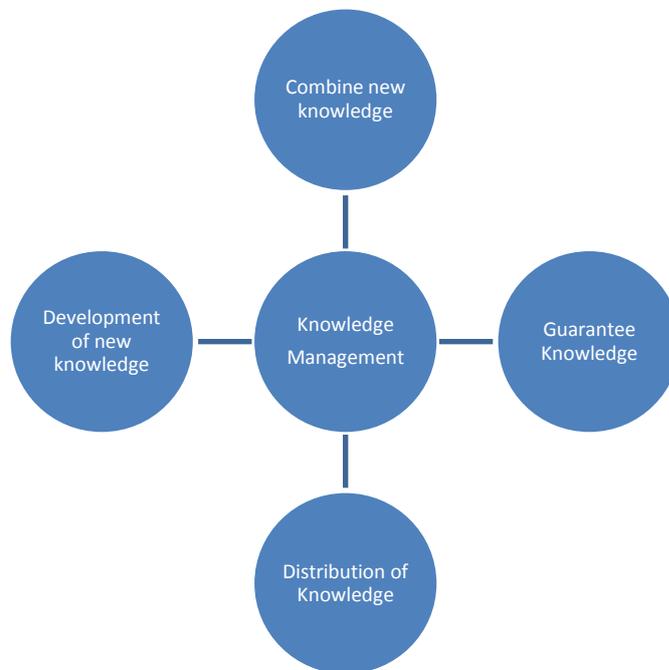
Knowledge is increasingly considered as a key element of competitive advantage and a most critical asset for the success in today's modern global environment. The rapid flow of information, increase in the number of knowledge workers together with awareness of intellectual property rights and development of service sector in global economies pave the way of developing the most important intangible asset within the organization that is termed as 'knowledge'(Nonaka and Takeuchi, 1995). The shift from traditional manufacturer and trading economy to knowledge economy has seen a proliferation of information and communication technologies (ICT), together with organizational complexities, growth of global and virtual organizations. All these require the dynamic change in various practice and tools of management of an organization. As human beings is the only active factor of production responsible for coping with all these changes. Knowledge management (KM) can be described as a systematic process by which an organization identifies, creates, captures, acquires, shares and leverage knowledge (Nonaka and Konno, 1998). As knowledge resides with the human resource / employees of an organization thus, there is a considerable shift HRM from traditional 'personnel management' to modern discrete HRM. Different authors (Saint – Onge, 2001 ; Gloet, 2004 ) suggest that human resource management(HRM) should contribute to effective linkage between human capital management and knowledge with in organization .

In today's age of rapid growth of technology, an organization can have competitive advantage only when it has become successful in applying its knowledge appropriately at places where it

actually requires. Traditional HRM needs to be expanded so that it responds to external as well as an internal environment of an organization and can boost organizational capabilities, relationships, enhance learning and use/application of knowledge. A revitalization of the HRM function results in major changes across four key areas: -roles, responsibilities, strategic focus and learning (Saint – Onge, 2001 ; Gloet, 2004 ).

### **Role of Human Resource Management(HRM) in Knowledge Management(KM)**

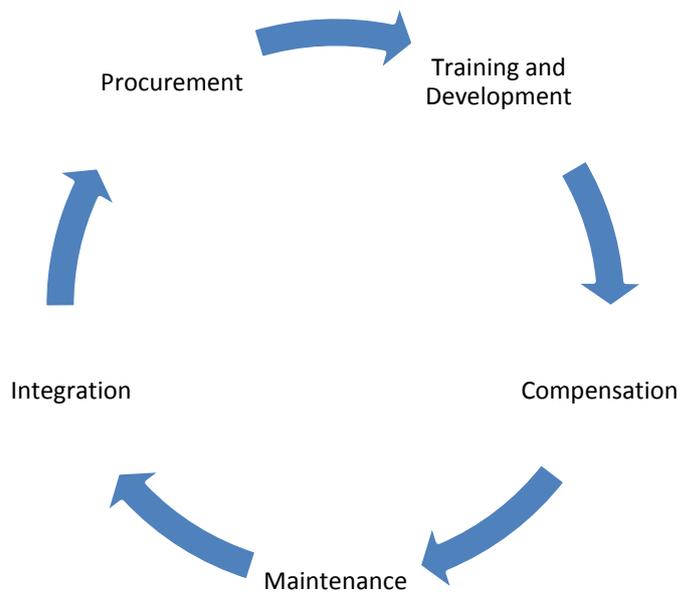
Knowledge management (KM) though very attractive but even a challenging issue in today's global competitive environment. Organisations plan and execute human resource management strategies to integrate human resource management (HRM) with knowledge management(KM)(Singh *et al.*, 2016). Knowledge management generally involves identifying, capturing, retrieving, sharing and evaluating an organization( see figure 1).



**Figure 1:** The four basic processes of Knowledge Management

Information asset which can include database, policies & procedures, documents as well as experience or trait (knowledge) expertise of employees. Accordingly issues for HRM include how an organization should have a structure and culture wherein mobilization and creation of knowledge together with policies and practices that harness knowledge and its use, to achieve objectives.. The new HRM roles are those of human capital steward, knowledge facilitator, relationship builder and rapid development specialist. Investment in KM initiatives without a clear sense of objectives and expected result is a wasteful activity, organizations often adopt technologies to solve a problem before they have even identified the problems they are trying to solve(Singh *et al* 2016). When they realize this mistake, they find it difficult to mend the

decision and re-allocate resources to solve the real problem. Thus, it essential that an organization should frame the KM issue in a crucial manner to have success. HRM is knowledge facilitator, as it ensures alignment among organization's mission, statement of ethics and policies and creates and nurture an environment of sharing and use of knowledge with full understanding of competitive consequences (Rajni *et al*2017). It must integrate knowledge sharing and usage in daily routine jobs by converting to it into explicit knowledge through education,skills, competencies and carriers creating 'bench strength'.The common practice within an organizations is to hoard knowledge because the employees possessing such knowledge think that it made them more valuable and difficult to replace, thus an organization should arrange knowledge – sharing which is expected, recognized and rewarded. HRM must overhaul recruitment, selection, appraisal and reward practices and should have the capabilities for creating, measuring and reinforcing knowledge – sharing environment (Saint-Onge and Wallace, 2003), (see figure 2).



**Figure 2:** Various aspect of Human resource management

### **Literature review**

In contemporary business environment, the competitive strength of an organisation is influenced by its ability to create knowledge which in turn results in competitive advantage. Organizational knowledge, knowledge management, innovation and performance are critically dependent on human resources. The research is the search for most crucial intangible asset i.e. knowledge of employees within an organization. Groff and Jones (2003) said that knowledge management is the tools, techniques, and strategies to retain, analyze, organize, improve, and

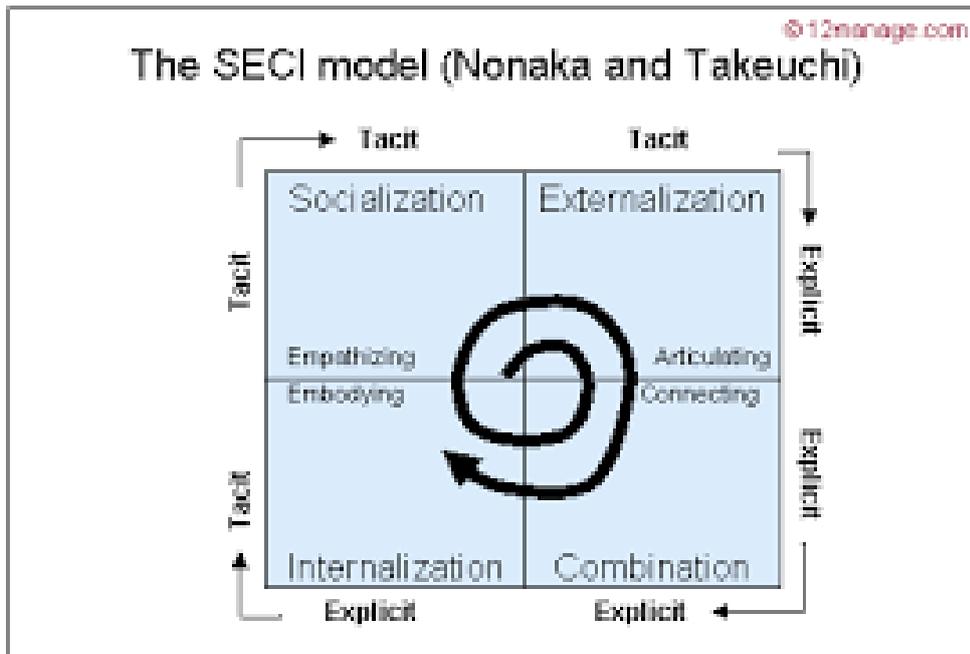
share business expertise. Knowledge is both the key resource and a basis for sustainability. Another eminent scholar Dr. Yogesh Malhotra stated that knowledge management caters to the critical issues of organizational adaptation, survival and competence in face of increasingly discontinuous environmental change. Essentially, it embodies organizational processes that seek synergistic combination of data and information processing capacity of information technologies, and the creative and innovative capacity of human beings. Schular and Jackson (1987) defined HRM practices as a system that attract, develops, motivates and retain employees to ensure the effective implementation and the survival of organisation and its members. HRM provides competitive edge in today's knowledge search for sustainable and competitive advantage over competitors. The growing importance of KM and its indication for economy help the organization to have success and in absence of thorough understanding of context HRM and KM will not be able to support the development of motivation, commitment, leadership capabilities that ultimately results in innovation and performance. Hislop, (2003) elaborate that human resource management strategies and concepts has not been optimally employed in knowledge management. He suggests that the level of commitment and effectiveness towards job is necessary for efficient and effective performance and this is possible with human resource management policies and processes. In today's competitive environment it is quite important that skilled workers should be attracted and retained within the organization as knowledge sharing in the use of knowledge management foster innovation. There are empirical research reports that can help to determine the fact that human resource management can improve the knowledge management within organisation. An organization should adopt different strategies toward staff, directly involved in innovation as compared to staff that doesn't. For this a culture should be there in organization that allows groups, individuals and collaborative partners to develop different perception and interpretations on a situation and share the same with the use of free communication media's to the respective top and middle management participants as the case may be. This process is termed as learning, creation and renewal of knowledge and information within the organization. For understanding this framework of KM, the most influential and widely accepted framework given by Nonaka and Takeuchi (1995) of knowledge creation and use could be used / considered. In their study of Japanese companies they distinguish between two types of knowledge 1) explicit knowledge that is expressed, transferable available in digital or documented form. Whereas 2) tacit knowledge is basically inherited in the very mind of possessor through experience, working worldwide, learning's etc. by individual and couldn't be documented and shared easily. They present their vary view of difference between

tacit and explicit knowledge and offers a SECI model of knowledge creation illustrated in table -1 and figure-3 respectively .

**Table1 – Typology of Knowledge**

Expression of knowledge type	Explicit knowledge	Tacit knowledge
<b>Nonaka &amp; Takeuchi</b>	Objective Rationality (mind) Sequential (there & then) Drawn from theory (digital) Codified, formality transmittable in systematic language. Relates to post	Subjective Experimental (body) Simultaneous (here & how) Practice related (analogue) Personal, context specific, hard to formalize and communicate. Cognitive (mental models), technical (concrete know-how), vision of the future, mobilization process
<b>Alternative</b>	Formal and transferable, deriving in part from context related information establish into definable patterns. The context is therefore part of the patterns.	Informal, determined through contextual experience. It will be unique to the viewer having the experience. Not transferable, except through recreating the experiences that endangered. The knowledge for others, and then they knowledge gained will be different.

**Source:** (Nonaka and Takuechi, 1995 )



**Source:** Ikujiro Nonaka and Noboru Konno, 1998

At the very core in SECI model the conservation process between tacit and explicit knowledge result in knowledge creations. The conservation involved four processes:

- 1) Socialization – by which synthesized knowledge is created through the sharing not experiences between people as they develop share mental models and technical skills in this process. People connect through their tactic knowledge
- 2) Externalization comes next i.e. at the second place where tacit knowledge is made explicit. In this process knowledge is articulated in a communication process that that uses language in dialogue and collective reflection. The use of expressions of communication is often inadequate, inconsistent this therefore triggers dialogue. The next process
- 3) Combination includes transformation of explicit knowledge through its integration by adding, combining and categorizing knowledge. This integration is also seen as systemizing process .Finally, the last process is
- 4) Internalisation, where explicit knowledge again become tacit. This is a learning process, which is the result of behavioural development of operational knowledge. It uses explicit knowledge like manuals, storytelling, documents and databases.

There are different models and theories developed by researchers from time to time that depict the importance of implementing optimal set of human resource practice to have benefit of knowledge management and innovative performance that ultimately result in success of business in organisations (figure 4).



**Figure 4: The relationship of knowledge management, human resource management and innovation in an organisation.**

### **Conclusion**

Several studies of researchers conclude that knowledge management has not been optimally associated with appropriate human resource management in organisations. They figure out several factors like- absence of optimal structure, culture, dissatisfied employees, defective reward and pay policies, absence of job safety and development opportunities etc. that result in either walking away of knowledge workers from the organisation or weak performances on their job. Now knowledge management (KM) has become a well known aspect in today's business world, still there is not much consensus about what it means within the context of HRM(Singh *et al* 2016).

The present paper conclude that the increasing import once of knowledge, knowledge management (KM) poses threat and challenges to HRM's nature, roles and practices which were not generally discussed by researchers and theorists. In addition to challenges this paper also focus on the issue that KM also paves the way wherein innovation and creativity is facilitated by the efficient role play of HRM. HR practices helps an organization in acquisition of good knowledge worker through the process of recruitment and selection, knowledge sharing through the process of recruitment and selection, knowledge sharing through optimal training and development methods, knowledge decimation through communication .Mediasand method and ultimately application and use of said knowledge through the use of

incentive plans, performance appraisal methods. Thus at, last it is appropriate to say that KM and HRM structure of an organization's innovative and creativity. in absence of appropriate HRM, knowledge creation , sharing and application cannot be even think of—both HRM and KM are strong pillars on which today's organizational sustainability depends .

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