


*International Symposium on Social Sciences, Arts and Humanities (SYSSARM)*  
on 29<sup>th</sup> September – 1<sup>st</sup> October 2015 at Kuta Central Park, Bali, Indonesia

# ***Impact of Knowledge Management System on Knowledge Centric Organization Productivity***



Authors:

**C. A. Malarvizhi**, Senior Lecturer, Faculty of Management, Multimedia University, Cyberjaya, Malaysia

**Sreenivasan Jayashree**, Associate Professor, Faculty of Management, Multimedia University, Cyberjaya, Malaysia

**Amin Rasti**, Graduate Research Assistant, Faculty of Management, Multimedia University, Cyberjaya, Malaysia

**Abdullah Al Mamun**, Senior Lecturer, Faculty of Entrepreneurship and Business, Universiti Malaysia Kelantan, Kota Bharu, Malaysia

**Shabnam Mayel**, Lecturer, Faculty of Management, Multimedia University, Cyberjaya, Malaysia

# Introduction



Knowledge has been referred to as a key organizational asset(Lee et al., 2009) and its management as a result, falls into the highest priority of the organization (Goa et al.,2014).

In order for companies to utilize the knowledge, a knowledge management system has to knowledge (Alavi and Leidnerbe, 2001) implemented to capture, store, and assign the existing.

This process is vital to existence of the knowledge centric organizations; as the primary source of business is the individual's knowledge which functions an asset in such companies (Zack, 2003).

# KNOWLEDGE MANAGEMENT SYSTEMS (KMS)



- ✦ Knowledge management system is one of the aspects of information system which in essence, manages the knowledge in the organization. Hence, this system is developed in order to support and augment the organizational processes of creating, storing, retrieving, assigning, and applying the knowledge (Lee et al.,2009).
- ✦ KMS is developed for the purpose of supporting organizational KM behavior. It contributes to a great extent, in transformation of the existing knowledge to create new knowledge within the organization. Damodaran and Olphert (2000), also highlight the importance of KMS in enabling the organizational learning through a process of accruing the knowledge and making it available for the employees of the organization

# KNOWLEDGE CENTRIC ORGANIZATION



- ✦ Knowledge centric organization in their very essence, orient their strategies based on what they know as well as what they make. Typically these companies create a competitive advantage through pin pointing the leverage points where the competitors lag behind; it also provides an overview of the companies' capabilities and its ability to execute the tasks in hand (Kyte, 2005).
- ✦ Knowledge centric organizations could be distinguished via many characteristics yet one of the most idiosyncratic characteristics is its reliance on the expertise of on their staffs as the assets on the organization, as compared production industries and service industries which employ other assets such as fixed assets for instance property, fixed plants, liquid capital (Makani, 2012).

# KMS & KNOWLEDGE CENTRIC ORGANIZATION



- ✦ KMS in its very core is the process of managing organizational knowledge via employment of information systems; the process is responsible for support and enhancement of the knowledge creation, knowledge retrieval, knowledge transfer, and its application (Goa et al., 2014).
- ✦ Throughout the study of Knowledge centric organization, management of knowledge has been highlighted as a key to unlocking the knowledge creation and knowledge transfer in order for organizations to be able to create a competitive advantage (KYTE, 2005). It is also highlighted by (Makani, 2012) that the creation and application of knowledge in knowledge centric organizations are innovation and creativity where creativity is generation of knowledge and innovation is referred to implementation of the knowledge and ideas gathered.

# PRODUCTIVITY



- ✦ Productivity in broad-spectrum, evaluates output comparative to input and it is an essential feature of economic development and growth(Oecd, 2001), it also contribute to creation of a strategic advantage (Damodaran and W. Olphert, 2000).
- ✦ In the economic context, productivity is viewed as an indicator of efficient allocation of resources; it chiefly focuses on the amount of resources spent on a specific period of time and the amount of goods produced in the same timeline via a ratio.
- ✦ The measures of productivity ratio is subjected to change and modification based on the industry they are employed in and their specific requirements (Poeter, 1980; Alavi and Leidner, 2001).

# KMS & PRODUCTIVITY



- ✦ The relationship between knowledge management system and productivity has been subjected to empirical studies which exposes the impact that knowledge managements systems have on performance and productivity of the firms(Alavi and Leidner, 2001), the impact KMS has on productivity in knowledge centric organizations has been greatly understudied (Kuo et all., 2011).
- ✦ (Moos et all., 2013) Suggested that a well-designed KMS should be consistent with the users' favored style of work, which will satisfy their needs in work practices and further improve their productivity. Knowledge worker being one of the main factors playing role in knowledge centric organizations, could potentially contribute to overall productivity of the organization. KMS is particularly supportive in knowledge identification which in turn can influence the innovation process in the firms (Zack, 2003).

# PROPOSED RESEARCH METHODOLOGY



- ✦ This research aims to investigate the relationship between knowledge management systems, and Knowledge centric organization; furthermore, this research intends to examine the relationship between knowledge centric organization and productivity in Malaysian manufacturing organizations. Moreover, knowledge management system is the independent variable, knowledge centric organization along with productivity are the dependent variables.
- ✦ The data collection will be conducted by employing a quantitative approach via a survey questioner. The questioner is then constructed and is sent to the executive panel and managers of the organizations through email. The unit of analysis of this study is the organization, however the executives and managers are targeted as respondents due to their knowledge of organization.

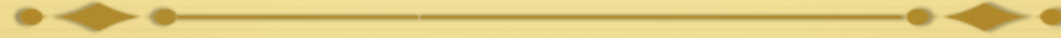


# Hypothesis



- ✦  $H_1$ : There is a significant relationship between Knowledge Management systems and Knowledge Centric Organization.
- ✦  $H_2$ : There is a significant relationship between Knowledge Centric Organization and Productivity.

# RESEARCH MODEL



Knowledge  
management  
system



Knowledge  
centric  
organization



Productivity

# Conclusion



This research brings light to the context of knowledge management systems in knowledge centric organizations towards the productivity in Malaysian manufacturing firms. This study contributes to the literature of Knowledge management system in knowledge centric organizations and productivity in such firms. Effective use of KMS in such organizations can potentially increase the productivity as the knowledge becomes more accessible to employees of the organizations. Findings of this study can bring fresh insights to the managers of knowledge centric organizations by introduction of strategies that can be driven from the use of KMS that would ultimately contribute to the firm's productivity.

The background features a collage of various postage stamps and postmarks. Visible text includes 'PART AVION', 'PETERSEN', 'POSTAGE', '100.00', 'MADRID', and 'COSTA RICA'. There are also some numbers and symbols like '24', '87', and '1995'.

Thank you

A decorative horizontal line with diamond-shaped ornaments at both ends, positioned below the 'Thank you' text.