

IMPACT OF KNOWLEDGE MANAGEMENT ON ORGANIZATIONAL LEARNING WITH REFERENCE TO HEALTHCARE SECTOR IN CHHATTISGARH

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ABSTRACT

In an attempt to sustain and stay competitive, organizations are trying to look for ways that would help them in gaining market share and increase efficiency, thus providing a competitive advantage. The two tools identified which would help the organizations in gaining the competitive advantage are knowledge management and organizational learning. The aim of the present study was to investigate the impact of knowledge management on organizational learning. The present study has been conducted in the hospitals of Chhattisgarh, India. The sample for the study consisted of 100 doctors from 4 hospitals, which practice pharmacovigilance in the state of Chhattisgarh. The results of the study revealed that knowledge management significantly impacts organizational learning. It is suggested that the healthcare sector encourages knowledge management and organizational learning practices for the provision of effective healthcare facilities.

Keywords: *Knowledge Management, Hospitals, Organizational learning.*

INTRODUCTION

With the demands, nature of markets changing, there is a need for a knowledge intensive society which will help cope the ongoing changes and endure focus on innovation. According to Drucker (1992), there was a dire necessity for innovation, arising from the fact that the competence,

skills, knowledge, product services and structure of the present will not be able to yield adequate results over time.

In the present era of globalization, there is a need for the organizations to develop a capacity for innovation. Uncertain economic and technological conditions of the present markets have encouraged the organizations to introduce the concept of learning which will help them in improving their effectiveness, productivity and innovativeness. The more the uncertainties the more is the need for learning. To cope in complex and dynamic environmental conditions, quicker and effective responses are a must. Senge (2006) was of the opinion that over the long run superior learning is highly dependent on superior performance. For an organization to rise above other organizations, it must build up its human resources and enhance the amount of information and knowledge that is available. Knowledge and innovation are both the sources of competitive sustainable advantage. The value of an organization is completely dependent on the quality of knowledge that is possessed by its employees (Tayauova et al., 2014). Knowledge, today is one of the most vital production factors that adds value to the economic activities. Efficient and effective utilization of knowledge and management of it maximizes the internal efficiency and profitability of the organizations (Terzieva 2014). An organization's ability to use the amazing mental capacity of all its members in order to create the kind of processes that would improve its own was the gist of organizational learning (Dixon,1994).The rapidness with which the changes are taking place, there is a need to develop a procedure that provides an uninterrupted learning and innovation.

REVIEW OF LITERATURE

- Knowledge Management: In today's scenario, knowledge has become an integral part for the success of the organizations. Though the concept of acquiring, storing, sharing, communicating and improving the re-utilization of knowledge has been going on for ages, but only in the last few years it has emerged as a distinctive field. The process of planning, organizing, motivating, and controlling of people, processes and systems in the organization with an intent to ascertain that the knowledge-related assets of the organizations are improved and used effectively and efficiently is defined as knowledge management. The concept of knowledge management was introduced in the early 1980s and it was used for the first time in 1986, at a European management conference that was

sponsored by the International Labour Organization (ILO). Knowledge Management may be defined as a process of acquiring the new knowledge, processing the new and existing knowledge and finally disseminating it among the employees of the organization. Knowledge management is based on the assumption that like human beings are unable to utilize the full potential of their brains similarly organizations are unable to fully utilize the knowledge that is possessed by the employees. Knowledge management thus enables the organizations to acquire and create useful knowledge that can be made available to those who can use it effectively and efficiently so as to be able to achieve maximum organizational performance. Knowledge management has been defined by various authors and few of the definitions are presented in Table 1 below:

Table No. 1
Definitions of Knowledge Management

Davenport (1994)	Knowledge Management is a process that helps to capture, distribute, and effectively use knowledge in an organization
Nonaka & Takeuchi (1995)	Knowledge Management is the capability of a company to create new knowledge, disseminate it throughout the organisation and apply it in products, services and systems.
O'Dell (1996)	Knowledge Management is a systematic method to not only ascertain useful knowledge but also to understand and use it to create value in an organization.
Davenport & Prusak (1998)	Knowledge Management is a process that helps to increase the efficiency of knowledge firms through creating and assimilating knowledge and then coordinating and transferring it to each level of the organization
Swan et al. (1999)	Knowledge Management is a process that generates, acquires, captures, and then shares and uses knowledge, to improve learning and Organizational Performance
Tiwana (2000)	Knowledge Management is the ability of a business organization to generate and retain higher value from core business competencies.

- **Classification of Knowledge:** In an attempt to better understand knowledge management, the research to identify the different types of knowledge was initiated by the researchers. Knowledge can thus be classified into three types: Explicit, Implicit and Tacit.
- **Tacit Knowledge:** Tacit knowledge is the type of knowledge that is difficult to transfer to another person by any means be it writing or verbalizing. Polanyi (1962) was of the opinion that an important part of our knowledge is personal, and it cannot be accessed by others.
- **Explicit Knowledge:** Brown & Duguid (1998) defined the explicit knowledge as something that can be formalized and codified and is also known as “know what”. Explicit knowledge is easily identifiable and can be expressed in the form of words, sentences, documents, organized data, computer programs or drawings (Serrat,2008)
- **Implicit Knowledge:** Implicit knowledge is a mix of tacit knowledge and explicit knowledge. According to Horvath (2000) implicit knowledge is embedded in work processes, organizational culture, products, routines, and structures.
- **Organizational Learning:** Senge (1990), Organizations where people continually expand their capacity to create the results they truly desire, where new and expansive patterns of thinking are nurtured, where collective aspiration is set free, and where people are continually learning to learn together are termed as organizational learning.

Organizational learning may also be defined as the process by which organizations gain new knowledge about its environment, its goals, and processes. Herbert Simon (1997) highlighted three ways in which organizations learn: (a) new facts or procedures are learned by the individuals within the organization, (2) outsiders with knowledge who are not the part of the organization are readily accepted, and (3) new knowledge is incorporated in the files and computer systems in the organizations. Pedler et al. (1996) defined organizational learning as a learning company that facilitates the learning of all its members and continually transforms itself. Jerez-Gómez et al. (2005) defined OL as the activities that are performed by the organizations in transformation of learning capability including individuals and competitors. Jerez-Gómez et al. (2005) identified four dimensions of organizational learning namely managerial commitment; systems perspective; openness and experimentation and knowledge transfer and integration. Organizational Learning is regarded as the driving force that helps to achieve managerial achievement (Senge, 1990), (Pilar et al., 2005). Organizational learning may be seen as a

dynamic process based on knowledge, which is moving among the different levels of action in a cyclic manner i.e. from the individual to the group level, then to the organizational level and back again (Huber, 1991; Crossan et al., 1999). The process of organizational learning is derived from the knowledge that is acquired by the individuals and progresses with the exchange and integration of this knowledge till a corpus of collective knowledge has been created and embedded in the organizational processes and culture (Hedberg, 1981). In an attempt to study knowledge management and organizational learning in different countries, a comprehensive research is required (Walczak,2008). Winkelen and McKenzie (2007) were of the opinion that knowledge management and organizational learning together positively influenced the performance of the organization. The present study thus, attempts to study the relationship between KM and OL.

RESEARCH METHODOLOGY

Objective

The objective of the present study was to assess the impact of Knowledge Management on Organizational Learning in the selected hospitals of Chhattisgarh.

Hypothesis (H₀)

Knowledge Management does not have a significant impact on Organizational Learning.

Research Design

The study is descriptive and empirical in nature. Four hospitals from the list of ADR Monitoring Centre's of pharma covigilance programme of India in the state of Chhattisgarh were selected for the study. A total number of 130 respondents from 4 hospitals were approached, out of which 100 people have responded, thus yielding a response rate of 76.9%. The independent variable in this study is knowledge management and it has four measures: knowledge acquisition, knowledge storage, knowledge sharing and knowledge utilization. The dependent variable of the study is organizational learning and its dimensions are: managerial commitment, systems perspective, openness and experimentation and knowledge transfer & integration

DATA ANALYSIS

The data was examined for outliers and possible errors prior to analysis, and none were detected. The results of the descriptive statistics of the study variables are shown in Table 2. The values of 1 to 2 are considered inadequate or poor average, the values of 2.1 to 3 are considered mean average, the values 3.1 to 4 are higher than average and values of 4.1 to 5 are very high average.

Table No. 2**Descriptive Statistics**

	N	Mean	SD
KA	100	2.20	.796
KS	100	2.48	.825
KSH	100	2.46	.699
KU	100	2.30	.780
KM	100	2.36	.690
MC	100	2.52	.707
SP	100	2.17	.730
OE	100	2.38	.678
KTR	100	2.59	.588
ORGLRN	100	2.41	.587

The results of the descriptive statistics for knowledge management (Mean = 2.36, SD = .690) and Organizational Learning (Mean = 2.41, SD = .587) show that the employees of the healthcare organizations are fairly satisfied with the knowledge management and organizational learning practices pursued by their organizations.

Table No. 3

Regression Model Summary -- Knowledge Management and Organizational Learning

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
2	.892 ^b	.795	.791	.26861	1.926
a. Predictors: (Constant), KU					
b. Predictors: (Constant), KU, KSH					
c. Dependent Variable: ORGLRN					

R is the correlation value, KU stands for Knowledge Utilization, KSH is Knowledge sharing, and ORGLRN is Organizational Learning

The Table 3 above gives the model summary of regression analysis by illustrating the values of R, R square, Adjusted R square and Durbin- Watson d Statistics. Using linear regression analysis, it can be seen that Knowledge Utilization and Knowledge Sharing explains a significant change or level of variance in the value of Organizational Learning. The Durbin- Watson test of autocorrelation has revealed absence of serial autocorrelation, d= 1.926.

Table No. 4

ANOVA^a Impact on Organizational Learning

ANOVA^a						
Model		Sum of Squares	Df	Mean Square	F	Sig.
2	Regression	27.200	2	13.600	188.491	.000 ^c
	Residual	6.999	97	.072		
	Total	34.199	99			
a. Dependent Variable: ORGLRN						
b. Predictors: (Constant), KU						
c. Predictors: (Constant), KU, KSH						

ORGLRN is Organizational Learning, KU stands for Knowledge Utilization, KSH is Knowledge sharing, df means degree of freedom, F means F-Statistics and Sig. Means Significance Value.

Since value of F is significant, we can say that the variation explained by the model is statistically significant and not by chance. The values in regression row indicate the amount of variation explained (27.200), in the residual row depict the unaccounted level of variation (6.999).

In conclusion of the testing of the regression analysis (Measures of Dependence), the results indicate that the value of Adjusted $R^2 = .791$. This means that 79% of variance in Organizational Learning (Dependent Variable) is explained by Knowledge Management (Independent Variable).

Also, p value = 0.000 (<0.01) which implies that the dependence is significant. Hence *the hypothesis H_0 is rejected*.

FINDINGS AND DISCUSSIONS

The results of the study revealed that knowledge management had a significant impact on organizational learning. Knowledge is an important resource for organizations, as it serves as an essential source of competitive advantages (Gold, Malhotra, & Segars, 2001; Jaworski & Kohli, 1993). Organizational learning is vital in the implementation of knowledge management. Organizational learning plays a vital role in the health care systems as it provides them with a framework where all operational units learn and implement their assigned functions with an aim to collectively improve safe patient care. Delivering quality patient care and providing patient safety depends entirely on the healthcare system. For enhancement of the healthcare facilities, knowledge management and organizational learning is essential as it will augment the capacity of the healthcare sector to respond to unforeseen circumstances and to efficiently deal with the pertinent issues.

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