

Studying the Relationship between Knowledge Management and Organizational Entrepreneurship (Case Study: Labor and Social Affairs Department of Qom)

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ABSTRACT

The aim of this research is to identify the components of knowledge management and their effect on the organizational entrepreneurship in the head office of social security of Qom province. In order to evaluate the variable of "knowledge management" with respect to previous researches, 41 questions related to the knowledge management cycle which was based on Jashapara theory were used. In order to evaluate the variable of "organizational entrepreneurship", 31 question used by Shokri were implemented. The material and method used is descriptive and is of the type correlation and is done by the survey method. A survey tool having appropriate reliability and validity was used for gathering the research data related to variables of knowledge management and organizational entrepreneurship. After considering the research sample using Kokoran equation, a simple random sampling method was used in order to access the members of sample. The correlation test was implemented for the research theory test. The results showed positive correlation between the knowledge management and the organizational entrepreneurship.

KEYWORDS: Knowledge management, knowledge creation, knowledge organizing, factors of knowledge exchange, implementing organizational entrepreneurship knowledge, head office of social security of Qom province

1. INTRODUCTION

In recent years, knowledge management, as one of the most interesting and challenging topics in business topics, is developing with other topics of management field. Knowledge management is a procedure which helps the organizations identify, select, organize, publish and transfer the important information and skills which are a part of the organization history but are non-organized (Turban 2006). Today, multinational and leading organizations emphasize on carrying out knowledge management and use these programs in their organizations. Importance of knowledge for surviving in business environment has made the organizations to emphasize extensively on activities such as organizing, creating, transferring, searching and sharing the knowledge under an umbrella called knowledge management (Kelid 2009, 54). By implementing knowledge management in an organization, one can expect the organization reach its goals and gain great success. In today's changing world, the societies and organizations are successful which establish a meaningful relationship between rare resources and management and entrepreneurship capacities of their human resources. In other words, the society and the organization can have accelerating and forward movements which equip their human resources by knowledge and entrepreneurship skills by supplying necessary resources. Then the human resources manage and guide other resources of the society and organization for value creation and attainment of development. Knowledge management is one of the effective factors for the staff entrepreneurship. Knowledge management is an important tool for the organizations for better management of data and more importantly, knowledge. Unlike other methods, the knowledge management cannot always be defined easily, because it consists of a wide domain of concepts, management attitudes, technologies and activities (Gupta, 2008). Today, the organizations are competitive advantageous which are more successful in market (Bechine et al, 2005, 99). Choi et al (2008) state that in current situation the stable competitive advantageous can be obtained only by means of using knowledge for innovation (Choi et al, 2008, 235). Therefore, today, knowledge is a valuable organizational property which requires management. The main kernel of knowledge management is gaining appropriate knowledge for the right staff and at the appropriate time and structure (Madhooshi, Sadati, 2010, 393). King et al (2008) and Tressa et al (2006) have defined knowledge management as a structural procedure for creating, gaining, sharing, transferring and implementing of implicit and explicit knowledge as an organizational property for encouraging innovation and entrepreneurship (King et al, 2008,168). In their researches, they emphasize that knowledge management procedures are chain threads which can lead to innovation, performance

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improvement and obtaining competitive advantageous only at times when these indices support each other in an organized way. On the other hand, some other researchers have investigated the effect of each of knowledge management factors on idea making, innovation, performance, competitive advantageous and other goals of the organization (Lee, 2009, 443).

1. Problem Statement

Factors such as globalization, government downsizing, citizen centering, and necessity of citizen participation require special attention to knowledge management. Organizations must manage their knowledge fund in an effective way (Abtahi and Salavati,2006). The most important role which can be given to knowledge management is using it as a methodology. Knowledge management can be the most important cause of change in an organization by attracting new knowledge into the system and on the other hand by managing them in an effective way. Since knowledge is more close to the decisions and actions of the organization, it can improve the performance of the organization much more than the data and the information; therefor it can improve the performance and thus the quality of the organization in general and governmental organizations in special (Hels, 2001). The phrase of knowledge management in management world includes many different topics. The reason for creation of this concept is transferring and moving production and economical systems towards knowledge-centered societies. In this concept, knowledge is proposed as the context and the work and the fund are proposed as the property (Nonaka& Takeuchi, 1995). Knowledge management must be seen as a monolithic management plan which concentrates on strategic goals, moves according to business procedures basis and uses the Information Technology. Knowledge management is related to the discovery and promotion of knowledge assets of an organization by means of a concept which leads the organization goal. The knowledge which is managed includes both the apparent knowledge and the hidden knowledge (staff mental knowledge) (Davenport, 1998, 1). It must be noted that all the staff have a strong but unknown mental knowledge. The intrinsic innate knowledge is often tacit and is based on the mental and oral transfer which then leads to knowledge distortion. It must be kept in mind that this knowledge must be documented and used at the appropriate time (Okorafor, 2010, 9).

Entrepreneurship is the main propulsion force in economic development and is a tool for gaining success in organizations (Green, 2007, 357). Entrepreneurship unites the attitudes in an organization in order to create a new essence in the organization, the products, services, new technologies, and new technologies in order to obtain competitive advantage (Antony and Histerich, 2004, 520). Today, the most researches carried out on entrepreneurship is based on identifying the characteristics of entrepreneurs and is of the type of structural and environmental situation. Anyway, these method has been criticized due to lack of attention to social relations network (social capital), i.e. noneconomic factors (Ohio, 2004, 201).

In the current research we try to find out whether or not there is a relationship between the knowledge management and entrepreneurship of head office of social security of Qom province.

2. Importance and Necessity of the Research

Some believe that the thread of losing knowledge is the main cause of advent of knowledge management (Hidreth, 2002). Others believe that knowledge management is a response to the problem of brain depreciation and amnesia (Garden, 2003). In recent years, many organizations carry out knowledge management projects and this is an attempt to improve and gain competitive advantage and survive in the competition field (Davenport and Prusak, 2000). Knowledge management emerged as a novel approach for utilizing and developing the funds of an organization and thus advancing the organization goals (Bhatt, 2001), and concentrated specially on adoption of strategies and schemes for managing the human resources (Adam &McCreedy, 1999). The goal of knowledge management is completely utilizing of the current knowledge in goods and services in order to strengthen the fundamental features and superiority in competition (Coli &Ahmad & Ives, 2002). Knowledge management concentrates on improvement, innovation and gaining the goals (Sallis& Jones, 2002).

Therefore implementing knowledge management in organizations is a financial necessity. Organizations need to manage their mental resources in an effective way in order to be able to gain and maintain competitive advantage. Since knowledge is in the staffs' minds, its management is mostly human-centered other than technology-centered. Therefore the technology (Internet, group software systems) can be used as a powerful tool for knowledge management (Garden, 2003).

Development of entrepreneurship and propagation of entrepreneurship culture is a serious economic, social and political necessity. In developed countries, the importance of entrepreneurship is not only because of creating job, but it is due to the fact that the small economic activities which have been established in these countries have been able to attract the major portion of development of advanced technologies as well as production of wealth in the world (Samadaghaei, 2004).

3. The Main Goal

Investigation of relationship of knowledge management and organizational entrepreneurship (according to knowledge management cycle).

4. The Secondary Goals

- Investigation of relationship between the knowledge creation and organizational entrepreneurship.
- Investigation of relationship between knowledge organizing and organizational entrepreneurship.
- Investigation of knowledge exchange and organizational entrepreneurship.
- Investigation of knowledge implementation and organizational entrepreneurship.

5. The Main Hypothesis

There is a meaningful relationship between the knowledge management and organizational entrepreneurship.

6. The Secondary Hypothesis

- There is a meaningful relationship between knowledge management and organizational entrepreneurship.
- There is a meaningful relationship between knowledge organizing and organizational entrepreneurship.
- There is a meaningful relationship between knowledge management and organizational entrepreneurship.
- There is a meaningful relationship between knowledge implementation and organizational entrepreneurship.

7. RESEARCH METHODOLOGY

The material and method used is descriptive and analytical and is of the type of correlation and field. The descriptive research is the research which describes the things which exist. This type of research also includes description, recording and analyzing the current situation. In this type of research, it is attempted to find out the relationship between the non-manipulated factors (variables). The data collecting method in the current research is of the type of field and documentary. In order to evaluate the variable of "knowledge management" with respect to previous researches, 41 questions related to the knowledge management cycle which was based on Jashapara theory (2004) were used. In order to evaluate the variable of "organizational entrepreneurship", 31 question used by Shokri (2003) were implemented.

In the current research, descriptive and inferential statistical methods have been used in order to analyze the data obtained from the samples. Descriptive statistical method has been used for investigating the characteristics of the responders. In order to analyze the data, the Spearmancorrelation tests, ANOVA test, and T test by help of SPSS software.

8. Statistical society and sample

The statistical population in the current study is the head office of social security of Qom province which consists of 205 persons. The statistical sample for the studied population has been chosen based on the Finite Statistical Population (Kukran) which was obtained to be 111 persons.

9. Theoretical History

Knowledge management is not a set of technical approaches for a problem, but on the other hand it is a human and social procedure which can be facilitated by means of technical and technological approaches (Salis and Jones, 2000).

Knowledge creation is a non-ending procedure which includes creating novel ideas, understanding new patterns, combination of separate rules and creating new technologies in order to create knowledge (Noeepur, 2003, 262).

Knowledge Organizing is saving, recording, and maintaining the knowledge in a frame which keeps the continuity of the components, and is capable of being retrieved and implemented by the organization staff (Rading, 2004, 179). **Knowledge exchange** is movement, distribution and publishing the knowledge among the staff and knowledge databases in mechanized or non-mechanized ways and in a bidirectional way (Rading, 2004, 180).

Knowledge implementation is implementing ideas and obtained knowledge regardless of who has proposed it (Benbia, 2008, 55).

10. Four-looped Model of Knowledge Management

According to different aspects of knowledge management which are related to each other, Jashapara defines the knowledge management as a four-looped cycle: the efficient learning procedures are along with creation, management, exchange (both the implicit and explicit types which are incontestable by appropriate utilization of technology and cultural environment), and implementing of the knowledge which then leads to promotion of organizational rational resources and improving its performance (Jashapara, 2004, 12).

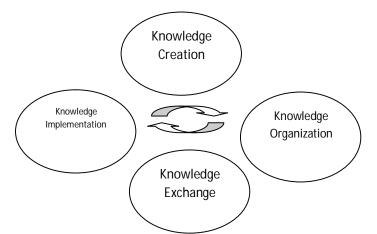


Fig. 1 The four-looped knowledge management cycle (Jashapara, 2004, 12)

Organizational entrepreneurship is defined as the system which increases the creative capacity of the managers and the staff of the organization, encourages them to approach the entrepreneurship goals by help of development of the fields and organizational units and development of products and services, identifies the resources and make them utilizable, and finds the best distributers and customers inside and outside the organization in order to obtain the best development in production and profit. In these two models, two domains which affect the organizational entrepreneurship including internal organization environment and external organization environment (Moghimi, 2005, 229).

11. Statistical Analysis Results and Conclusion

Investigation of descriptive statistics

The descriptive statistics show that most of the members of the statistical population are in the age range of lower than 30. Most of the members of statistical sample are female (125 persons, 63 %). Most of the members of the statistical sample are married (117 persons, 59 %). Most of the members of the statistical sample have the BSc diploma (92persons, 46.7 %). Most of the members of the statistical population have work experience lower than 5 years. Most of the members of the statistical population are expert in their organizational positions.

12. Inferential Analyzing of the data

SpearmanCorrelation Test

First secondary Hypothesis:There is a meaningful relationship between knowledge management and organizational entrepreneurship.

H₀: $\rho = 0$ There is no relationship between the knowledge creation and organizational entrepreneurship

0
$$H_1: \rho \neq$$
 There is relationship between the knowledge creation and organizational entrepreneurship

Table 1: Values of correlation coefficient

Hypothesis	Number	Type of Test	Correlation Coefficient	Sig	Test Result
Relationship between the knowledge creation and organizational entrepreneurship	111	Spearman	0.712	0.000	Hypothesis verified

As it can be seen in Table 1, by carrying out the Spearman test at the level of significance of 95%, the Sig was found to be 0.000. Since the value of Sig is lower than 0.05, therefore we reject the zero hypothesis and accept the opposite hypothesis. Therefore there is a meaningful relationship between the knowledge creation and

organizational entrepreneurship. Since the value of Spearman correlation coefficient for this test is 0.712, therefor the relationship is positive. As a result, the first secondary hypothesis is verified at the level of significance of 95%. Second secondary Hypothesis: There is a meaningful relationship between knowledge organizing and organizational entrepreneurship.

H₀: $\rho = 0$ There is no relationship between the knowledge organizing and organizational entrepreneurship

There is relationship between the knowledge organizing and organizational entrepreneurship $0 H_1 : \rho \neq$

Table 2: Values of correlation coefficient						
Hypothesis	Number	Type of Test	Correlation Coefficient	Sig	Test Result	
Relationship between the knowledge organizing and organizational entrepreneurship	111	Spearman	0.606	0.000	Hypothesis verified	

As it can be seen in Table 2, by carrying out the Spearman test at the level of significance of 95%, the Sig was found to be 0.000. Since the value of Sig is lower than 0.05, therefore we reject the zero hypothesis and accept the opposite hypothesis. Therefore there is a meaningful relationship between the knowledge organizing and organizational entrepreneurship. Since the value of Spearman correlation coefficient for this test is 0.606, therefor the relationship is positive. As a result, the second secondary hypothesis is verified at the level of significance of 95%.

Third secondary Hypothesis: There is a meaningful relationship between knowledge exchange and organizational entrepreneurship.

There is no relationship between the knowledge exchange and organizational entrepreneurship There is relationship between the knowledge exchange and organizational entrepreneurship

1 ...

1 able 5: values of correlation coefficient						
Hypothesis	Number	Type of Test	Correlation Coefficient	Sig	Test Result	
Relationship between the knowledge exchange and organizational entrepreneurship	111	Spearman	0.405	0.000	Hypothesis verified	

As it can be seen in Table 3, by carrying out the Spearman test at the level of significance of 95%, the Sig was found to be 0.000. Since the value of Sig is lower than 0.05, therefore we reject the zero hypothesis and accept the opposite hypothesis. Therefore there is a meaningful relationship between the knowledge organizing and organizational entrepreneurship. Since the value of Spearman correlation coefficient for this test is 0.450, therefor the relationship is positive. As a result, the third secondary hypothesis is verified at the level of significance of 95%.

Fourth secondary Hypothesis: There is a meaningful relationship between knowledge implementation and organizational entrepreneurship.

 $\begin{cases} H_0: \rho = 0 \\ 0 H_1: \rho \neq^{\text{There is relationship between the knowledge implementation and organizational entrepreneurship} \end{cases}$

Hypothesis	Number	Type of Test	Correlation Coefficient	Sig	Test Result
Relationship between the knowledge exchange and organizational entrepreneurship	111	Spearman	0.651	0.000	Hypothesis verified

As it can be seen in Table 4, by carrying out the Spearman test at the level of significance of 95%, the Sig was found to be 0.000. Since the value of Sig is lower than 0.05, therefore we reject the zero hypothesis and accept the opposite hypothesis. Therefore there is a meaningful relationship between the knowledge organizing and organizational entrepreneurship. Since the value of Spearman correlation coefficient for this test is 0.651, therefor the relationship is positive. As a result, the fourth secondary hypothesis is verified at the level of significance of 95%.

The Main Hypothesis: There is a meaningful relationship between knowledge management and organizational entrepreneurship.

H₀: $\mathbf{0} = \mathbf{0}$ There is no relationship between the knowledge management and organizational entrepreneurship

There is relationship between the knowledge management and organizational entrepreneurship

Table 5: Values of correlation coefficient

Hypothesis	Number	Type of Test	Correlation Coefficient	Sig	Test Result
Relationship between the knowledge exchange and	111	Spearman	0.866	0.000	Hypothesis
organizational entrepreneurship					verified

As it can be seen in Table 5, by carrying out the Spearman test at the level of significance of 95%, the Sig was found to be 0.000. Since the value of Sig is lower than 0.05, therefore we reject the zero hypothesis and accept the opposite hypothesis. Therefore there is a meaningful relationship between the knowledge organizing and organizational entrepreneurship. Since the value of Spearman correlation coefficient for this test is 0.866, therefor the relationship is positive. As a result, the main hypothesis is verified at the level of significance of 95%. T Test

This test is used in order to compare the average two populations or samples with respect to each other. In this research for example, this test has been used for investigation of sex effect in the variable of knowledge creation. The T Test to show that there is no difference between the knowledge creation of males and females.

There is no difference between the average of knowledge creation of males and females **H**₀: $\mu_1 = \mu_2$ There is difference between the average of knowledge creation of males and females μ_2 H₁ : $\mu_1 \neq$

Table 6: Investigation of independent T test for secondary hypothesis

Knowledge Creation T Stats Degree of freedom Level of significance Difference between the averages -0.264 200 0.792 -0.034

As it can be seen in Table 6, the level of significance is higher than 0.05, and therefore there is not enough observations to reject the zero hypothesis and the zero hypothesis is verified at the level of significance of 95%. Therefor one can say that at the level of significance of 0.05, there is no difference between the two groups with respect of the variable "knowledge creation".

ANOVA Test

This test is used to compare the average of two or more populations. In this research for example, Koroskal and ANOVA tests have been used for investigation of education effect in the variable of knowledge creation.

ANOVA Test to show that there is no difference between the knowledge creation of people with different education levels.

The average of knowledge creation is equal in groups with different levels of education H₀: $\mu_1 = \mu_2 = \mu_3 = \mu_4$

The average of knowledge creation is different in groups with different levels of education

 $\mu_2 \neq \mu_3 \neq \mu_4 H_1$: $\mu_1 \neq$

Table 7: Descriptive variable statistic						
Education	Number	Average	SD			
High School Graduation and under it	13	3.71	1.06			
Bachelor's degree	122	3.78	0.842			
Master's degree	34	3.86	1.16			
Doctorate or professional degree	27	3.60	0.788			
Sum	196	3.76	0.909			

Table 8: Investigation of ANOVA test for secondary hypothesis						
Hypothesis	F Statistic	Sig	Test Result			
The average of knowledge creation is equal in groups with different levels of education	0.461	0.701	Hypothesis verified			

As it can be seen in Table 7, since the level of significance is higher than 0.05, the zero hypothesis is verified. Therefor one can say that at the level of significance of 95%, the effect of average of all educational levels is equal on the variable of "knowledge creation".

13. DISCUSSION AND CONCLUSION

Suggestion based on the results of first secondary hypothesis:

Since there is relationship between knowledge creation and organizational entrepreneurship, an environment must be provided in the organization which encourage the staff create knowledge by means of new tools, regulates the learning procedure of the staff and makes the staff use their time to promote their knowledge. In this environment, the knowledge staff must be glorified, learning opportunities must be provided for the staff, and the staff must be helped and advised for a long-term planning for promoting their knowledge.

Suggestion based on the results of second secondary hypothesis:

Since there is relationship between knowledge organizing and organizational entrepreneurship, an environment must be provided in the organization in which the staffs are able to implement their knowledge, and express them if needed. In this environment, the staff must have no difficulty in gaining the information necessary for the organization. The staffs must also be helped identify the information required for their job.

Suggestion based on the results of third secondary hypothesis:

In order to promote the knowledge exchange in the organization, a trustful environment must be provided in which the staffs exchange their thoughts by means of research teams, the experienced staffs are encouraged to transfer their experiences to inexperienced staffs, sharing personal knowledge related to work becomes a part of the staffs' tasks, the research teams are able to cooperate with other experts, the staff are persuaded to use network and databases, and staff are encouraged to share their personal information.

Suggestion based on the results of fourth secondary hypothesis:

Since knowledge implementation and organizational entrepreneurship are related to each other, an environment must be provided in the organization in which the staffs ponder about how to implement their thoughts, the staffs are encouraged to implement their knowledge, the trainings are proportionate to the staffs' performances, the staff use their findings after attending educational courses, and the staffs use their unofficial experiences and learning in the work environment.

Discussion on the T test and ANOVA test

According to T and ANOVA tests for the knowledge management variable, it was shown that there is no difference between the knowledge creation of males and females as well as groups with different educational levels as an effective component in entrepreneurship.

Suggestion based on the results of main hypothesis:

Findings about the relationship between the knowledge management and organizational entrepreneurship showed that there is a positive and meaningful correlation between the components of knowledge management and organizational entrepreneurship. Therefore in order to promote the organizational entrepreneurship, it must be attempted to provide a condition in which the staffs believe in themselves while participating in team activities, the current and future procedures of the organization are carried out by providence, the staffs ideas are given attention, and their contributions and innovations are used by their names, the scientific level of the staffs is updated permanently, there is review and criticism environment in the organization, and the managers emphasize on the serious participation of the staffs in decisions.

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