

ARTICLE

EFFECT OF KNOWLEDGE MANAGEMENT ON EMPLOYEES' PERFORMANCE IMPROVEMENT

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ABSTRACT

In the today world that the production of goods and delivery of the services have seriously been knowledge-based, the knowledge is a key property for achieving the competitive superiority. The knowledge management has been paid more attention in the world and in this basis, the introduction of capabilities and performances and the effects of knowledge management has been driven onto the focus of daily-increasing necessity. The knowledge management possesses many advantages for the organizations among which the improving of job quality, having updated information, increasing the effectiveness, improving the efficacy, improving the decision-making, increasing the workout response to the basic needs and changeability and adaptation can be counted. This research analyzed the effect of knowledge management on performance improvement of the employees in Tax Affairs Administration of Ease Azerbaijan. The results of the research shows the positive impact of the dimensions of knowledge management (creating knowledge, acquiring knowledge, organizing knowledge, distributing knowledge and applying knowledge) on the performance improvement of the employees in the Administration.

KEY WORDS

Knowledge Management, Performance Improvement, Employees, Organization

INTRODUCTION

The various organizations and companies have started joining the progress of knowledge in the recent years and the new concepts such as knowledge job, knowledge worker, knowledge management, and knowledge-based organizations announce the intensification of this progress. Drucker uses these lexicons to inform creation of a new type of organizations in which the mind power has dominance over muscle power. Based on this theory, only can those of communities expect the development in the near future that possess much more knowledge. In this regard, maintaining the natural resources cannot be as important as knowledge. A knowledge-based organization reaches those of capabilities that can create an enormous power out of a minor force. The factors such as globalization, miniaturizing the governments, citizen-based and collaborating necessity of citizens entail a special attention to the knowledge management. Since the human beings are the fundamental bases of the knowledge, it should have a dynamic and flexible structure. The motivational factors play vital roles in using, sharing and creating the knowledge.

CONCEPT OF KNOWLEDGE MANAGEMENT

Quite a few definitions have been presented for the knowledge management ever since. The knowledge management observes a set of processes during which the flow of knowledge in a society is guided continuously and increasingly [1].

The knowledge management is the process of identifying the intelligent property and of creating the culture and infrastructures that encourages collaborating and leaning. This process is to follow the intelligent capital by achieving, nourishing and using all things that the employees need and are aware of. In the collective organizations, this capital creates a situation, bringing about the added value by transferring the new products and services.[2]

In fact, a basic point is to determine and mine the pearl of knowledge from the deep sea of information. Since the value could be both material and spiritual, the knowledge management is known as the art of creating the value from the valuable properties [3]. This management maintains the intelligent capitals from destroy, searches the opportunities by increasing the quality of decisions, services and products by means of adding knowledge (awareness) and value and providing the flexibility.[4] It also distinguishes the critical operations and potential dilemmas (which divert the flow of knowledge) by making distinctive the intelligent capitals. In this respect, the human resources can encounter the organization with the intended situations and can help the organization predict the future effectively [1]

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CONCEPTUAL MODEL OF RESEARCH

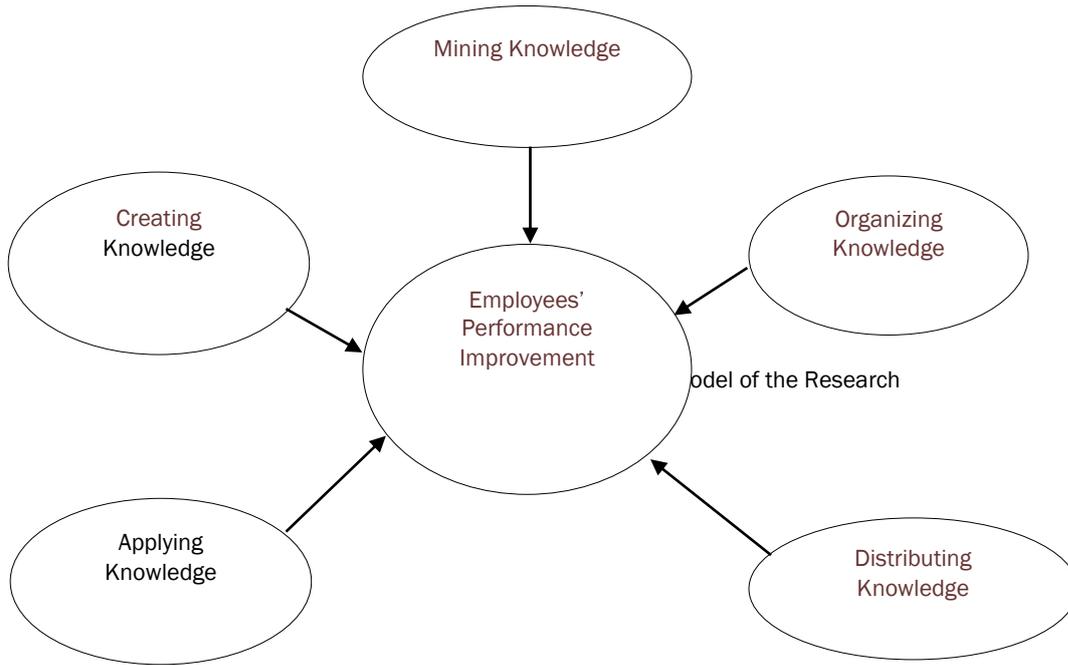


Fig. 1: Model of research

According to the conceptual model of the research [Fig-1] , the following hypotheses have been intended:

- 1) Creating knowledge has a positive and significant influence on employees' performance improvement.
- 2) Acquiring knowledge has a positive and significant influence on employees' performance improvement.
- 3) Organizing knowledge has a positive and significant influence on employees' performance improvement.
- 4) Distributing knowledge has a positive and significant influence on employees' performance improvement.
- 5) Applying knowledge has a positive and significant influence on employees' performance improvement.

METHODS

The current research analyzes the current situation of the variables and their relations in Tax Affairs Administration of East Azerbaijan. Therefore, this research is an applied one by its aim because the applied studies are conducted to acquire new scientific and technical knowledge for which special application is allocated. In addition, the research is a survey-based one by its method and is a descriptive study based on its conclusion. This research is generally aimed at analyzing the influence rate of knowledge management on the employees' performance improvement. It uses the descriptive-correlational method based on its topic and aims.

The research community in fact includes all the elements that the subject of a specific research becomes true based on it and we tend to infer about it. The limits of a research community are determined based on its definition. The definition of a community is represented by integrating the mutual features that the elements of that community have and is accounted important as well based on the research topic. The research community of this study includes 300 employees from Tax Affairs Administration of East Azerbaijan.

The appropriate sample size is calculated 169, using Cochran formula with 5% error level.
Data Analysis

The statistical data analysis and hypotheses testing have been assigned by means of correlational method via SPSS Software. Normality of the variables' distribution and hypotheses testing have been respectively done. The relationship between the variables and efficacy of the model have been evaluated using multiple coefficient of determination (R2). The results suggest that the knowledge management affects the improvement of employees' performance and the hypotheses are confirmed.

RESULTS AND CONCLUSION

The organizations need to be knowledge-based to increase and promote their effectiveness and power in the contemporary era.[5] The knowledge management is a science that is able to execute it in an organization.[2] The execution turns into a system later on. Moreover, there are challenges and opportunities in this course that can help promote the knowledge management in an organization.[6] Therefore, the prospective success is for organizations that can institutionalize the knowledge in the organization and manage it accordingly.

Relatively, majority of the governmental organizations offer services to the citizens to provide welfare for them. Some of the governmental organizations also deliver specific services to the social classes which are different according to the job and business of people. Overall, the governmental organizations are places where the employees as human resources of the organizations interact with the referees as clients. Thus, the matter of knowledge management is very necessary for both parties during the interaction. As long as each of the parties do not share the knowledge management, that organizational will definitely not achieve its macro goals.

Finally, the following recommendations are accounted:

- 1) Establishing the system of management performance should be paid more attention as one of the most effective and important management instruments to develop the organizations.
- 2) Necessary organizing and tracking should be done to establish the system of management performance.
- 3) The needed review and reform entail all aims and objectives of an organization.
- 4) The performance of employees and organizations should be documented to be used in the subsequent years.
- 4) The results of performance evaluation should be taken into consideration in order to improve the performance of organization in the next years.

CONFLICT OF INTEREST

There is no conflict of interest.

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FINANCIAL DISCLOSURE

None.

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