Knowledge management implementation in sirim berhad management essay

CHAPTER 1

1. 0 INTRODUCTION

In the era of globalization, knowledge management has become a trend and play pivotal roles in leading organization to success in the business process. Knowledge is an extremely powerful tool that can make changes to the world in terms of social and economic aspects. As recognize knowledge is significant to an organization, there is a need to manage the knowledge in order to sharpen their competitive edge in a market place. Knowledge management can be defined as an organizational process for converting data to information and information into knowledge and making that knowledge valuable in decision making and improving a business process. As mentioned by Karadsheh (2009) knowledge has become a key resource for an organization to improve business performance. Therefore, knowledge management has emerged as a field that is increasingly important for a contemporary organization to stand at a higher level of competency and productivity.

Currently, we are moving from an information age to a knowledge age, where knowledge has played a pivotal role to individuals and organizations. They started to understand the importance of knowledge as an asset to the business operations. As claimed by Sanchez et al (2000) nowadays knowledge considered as the main intangible ingredient in the melting pot that makes innovation possible in the organization. Therefore, knowledge is powerful tools that can make changes to the world and enable to assist an organization in globalization and innovation. As mentioned by Bailey and Clarke (2000) leveraging knowledge, particularly tacit knowledge is the key

to sustain competitive advantage in the future. Hence, knowledge can be very meaningful resources in an organization. So that, knowledge needs to be managed in order to assist individuals and organizations to successfully operate their business efficiently and effectively to meet their targeted objectives. There is no single definition regarding knowledge management as different authors might have a various definition on knowledge management depending on their belief, culture and methodology.

The definition of knowledge management has been developed since the mid 1990s. It started simply as valuable information in action, in which value is determined by the individuals and organizations. Knowledge management has been widely discussed by many academicians and practitioners where there are differences meaning given by them. For instance, Wiig (2002) defined it as a conceptual framework that encompasses all activities and perspectives required to gain an overview of, deal with and benefit from the corporation′s knowledge assets and their condition. According to Applegate et al (1996) knowledge has been identified as one of the most important resources that contribute to the competitive edge of an organization. As mentioned by Quintas et al. (1997) knowledge management is a process of critically managing knowledge to meet existing needs, to identify and exploit existing and acquiring knowledge assets and to develop new opportunities. Thus, it shows that there is a growing recognition in the business community about the importance of managing knowledge. The importance of knowledge management also enables an organization to deploy and exploit knowledge in a systematic way through a knowledge creation, knowledge transfer and knowledge sharing culture.

According to Macintosh (1996) knowledge management involves of identification, analysis, planning and control of actions to develop knowledge assets to fulfill organizational objectives. Snowden (1998) also defined that knowledge management as the identification, optimization and management of intellectual assets, either in the form of explicit knowledge or tacit knowledge. So closely linked toward those definitions it shows that knowledge needs to be managed in order to be an influential tool in managing staff and organization assets. Knowledge management also as a vital component for an organization which assist to survive in a highly dynamic and uncertain business environment. As a result, the importance and benefit of knowledge management have contributed most organizations to implement knowledge management.

1. 1 BACKGROUND OF THE STUDY

The study will be conducted at SIRIM Berhad in Shah Alam, Selangor. SIRIM Berhad was chosen as the place for this study because it has been seen as an organizational that is full of knowledge and information that can fulfill the society needs.

1. 1. 1 SIRIM Berhad

SIRIM Berhad is a wholly owned by the Malaysian Government under the Minister of Finance Incorporated. With over forty years of experience and expertise as the governments mandated machinery for research and technology development, SIRIM is also the national champion of quality. SIRIM focus on discovering and developing new technologies to help businesses compete better through quality and innovation. SIRIM was recognized over the world as a global research and standards development

organization. One of the nine founding members of the Global Research Alliance (GRA), a cooperation of leading knowledge-intensive technology organization from nine countries in four continents, committed to developing global knowledge networks for business and industrial sectors to enhance their competitiveness. SIRIM is also the secretariat of the World Association of Industrial and Technological Organizations (WAITRO), which an independent association of industrial research organizations founded under the auspices of the United Nations, with 160 members in 80 countries. As the national standards development agency, SIRIM plays an active role in international standards development. The organization coordinates the country participation in global standardization activities, where Malaysia is a participating member in over 80 ISO Technical Committees and Subcommittees. SIRIM is also a signatory to the international Committee of Weights and measures Mutual Recognition Arrangement (CIPM-MRA). SIRIM also acts as the local inspection agency for over 20 foreign certification bodies with regards to conformity assessment for Malaysian Exports.

1. 1. 1. 1 Shared Value

We respect and trust each other

Our relationship is based on mutual respect, trust for each other and open communication. We believe that everyone can contribute to the success of the company, given the right tools and support

We are dedicated to our customer

We create lasting relationships with our customers and delight them through consistent delivery of innovative, quality and value-added services

We practice the highest standards of integrity

We believe through professionalism, honesty and ethical behaviour, we can make SIRIM Berhad a credible brand

We are committed to excellence

We are dedicated to best-in-class performance through our commitment to continuous learning and improvement, innovation and creativity

We achieve & success through teamwork

We are committed to working as a team to fulfil the expectations of our stakeholders

1. 1. 1. 2 Quality Policy

We are committed to delight our customers by providing quality and value added services

1. 1. 2 Knowledge Management Section (KMS)

In depth analysis on knowledge management implementation in SIRIM Berhad, this study has been conducted at Knowledge Management Section (KMS) where the department has been formed in 2010 under the Group Asset Management and IT Department. Previously, SIRIM Berhad has developed several strategies plans to reform KM initiatives which took place since early January 2005. The several strategies have developed such as:

KM awareness Program/Seminar/Note Booklet

Knowledge Databank/Myinfo/Expert Database

KM Breakthrough Team (Discharge on January 2008)

On the 1st March 2008, KMS was formed under IPKM Department which continued all KM projects as planned by preceding KMTF/KMBT. KMS was operated and handled by six staff which leads by Dr Saharudin Hamzah, the Head of KMS. KMS functionally to provide a wide range and several services to the industries, corporations, professional institutions and individuals in order to meet their information needs. Their services include promoting industrial innovation and development throughout the provision of appropriate, precise or specific and effective scientific and technological information. A lot of knowledge management intensives activities were introduced such as:

KM Road Show

KM Portal

Expert Database

Compilation of KM Asset

To sum up, the KMS has been developed as it is significant in decision making process and increase productivity by making knowledge available in SIRIM. Hence, knowledge management also has been seen as an organizational asset in SIRIM Berhad.

1. 2 PROBLEMS STATEMENT

Knowledge management has seen as an asset for an organization. Most organizations policies and controls focus on the tangible assets of the

company and leave knowledge assets. The unmanaged knowledge asset has determined that the organizations are not really aware on knowledge management. Lack of knowledge management awareness and poor knowledge management practices might lead to the lost of institutional memory. Lack of knowledge sharing among staff also creates knowledge gaps in the organizations. Many organizations did not realize that successful knowledge management needs cooperation from all levels of staff. The value of knowledge assets from staff can be effectively transferred between staff. The knowledge management practices will ensure that the knowledge between individuals can be created, shared and disseminated among others. Previous related study on knowledge management awareness result from the introvert culture of the organization hinders the acquiring of external knowledge. However, the degree to which cultural factor impact toward knowledge management is still unclear. Thus, many problems of awareness related to the culture factors are based on western countries. Despite the fact that, different organizations might have various problems related to knowledge management awareness. Another problem that was discovered in implementing knowledge management is that many staffs are not familiar with the concept of knowledge management. It shows that the level of understanding within the staff on knowledge management is at the infant stage. Lack of understanding of concept on knowledge management and its benefit was probably due to the limited implementation of knowledge management in organizations. Therefore, there is a need to explore in details the awareness of knowledge management and knowledge management practices in order to investigate the success of knowledge management implementation in the organizations. Furthermore, reviewing and evaluating

the working environment of the organization will help to discover these problems. Moreover, there is a problem occurred in collecting data as KMS faced technical problem toward publishing the online survey into the server. Thus, it took a very long time to collect data and the data collections are inadequate.

1. 3 OBJECTIVES OF THE STUDY

Knowledge management involves several strategies and processes of identifying, capturing, sharing and managing knowledge to enhance the competitiveness edges. There are differences between organizations that implement knowledge management with an organization that did not implement the knowledge management. It is believed that in continuing the competitiveness, the organizations, need to implement knowledge management in order to enhanced business process and strategy. Therefore, this study was aims to investigate the implementation knowledge management in the SIRIM Berhad. The more specific objectives of this study are as follows:

To identify the level of understanding of KM among the staff of SIRIM Berhad.

To determine the awareness of SIRIM staff on knowledge management.

To identify the benefits of knowledge management implementation at SIRIM Berhad.

To identify problem and obstacle in implementing KM in the SIRIM Berhad.

1. 4 RESEARCH QUESTIONS

In order to examine the purpose of this study, appropriate data were required to answer the following questions:

What are the levels of understanding of KM among staff of SIRIM Berhad?

Is the SIRIM staff aware of the importance of knowledge management?

What are the benefits of knowledge management implementation at SIRIM Berhad?

What are the problems and obstacles faced in implementing KM at SIRIM Berhad?

1. 5 SIGNIFICANCE OF THE STUDY

Significance of this study is to identify the implementation and practice of KM in SIRIM Berhad. It should be able to provide SIRIM with some indication on the knowledge management practice in SIRIM. In addition, this study will also give some useful information on how to improve knowledge management practices in the SIRIM Berhad. The study as well will produce some knowledge for SIRIM Berhad or other organizations for further reference on the knowledge management concept in the organizations. As the result, the more specific significance of study also contributes such as following:

i. Enrich SIRIM Berhad with the knowledge of knowledge management practices and awareness among staff in SIRIM Berhad.

ii. A better understanding of the needs and benefit of knowledge management in SIRIM Berhad and other organizations.

iii. As an indication for any organizations that need to develop and implement the knowledge management in their organizations.

1. 6 SCOPE OF THE STUDY

The study will be focusing on the staff at SIRIM Berhad, which is from middle management and top management that include their business processes, activities and policies toward knowledge management. The questionnaire will be distributed according to the division that exists in the SIRIM Berhad such as President Office, Marketing and Business Development Division, Design and Engineering Division, Research and Technology Development Division, Standards and Quality Division, Corporate Division, and Subsidiaries (SIRIM Training, SIRIM QAS and National Precision Tooling). Meanwhile, the interview sessions that focus on KMS staff, which are two staffs were chosen. Those people that have been chosen are pertinent people in the KMS which are the head of the KMS and an officer who is responsible on the knowledge management activities.

1. 7 LIMITATION OF THE STUDY

The study was conducted in time constrain to complete this study. The period taken is about four months, which is insufficient to include other aspects of the study. Some of the key data or information is not available for further exploration in the study. Moreover, there are issues like technology usage are arising during the process of uploading the online survey questionnaire such as the version of the software used is different version in

the server and the process of upgrading the server also has taken a lot of time. Furthermore, the findings of the research as well limited based on the results made by respondents based on the questionnaires and interviews conducted. Thus, it might not reflect the exact scenario of knowledge management implementation in the whole organization.

1. 8 EXPECTED RESEARCH OUTCOMES

Within the context of triangulation method was used in this study to explore some information on implementation of knowledge management in SIRIM Berhad. The expected result from this study is to determine whether SIRIM Berhad is ready to embark on the implementation process and knowledge management practice. Consequently, the result will verify that process knowledge management is significant where it can assist people to create, share, transfer and disseminate and act upon knowledge.

1. 9 DEFINITION OF KEY TERMS

Knowledge

Knowledge as a fluid mix of framed experience values, contextual information, expert insight and grounded intuition that provides an environment of and framework for evaluating and incorporating new experience and information (Davenport and Prusak, 1998).

Knowledge Management

KM is a process of critically managing knowledge to meet existing needs, to identify and exploit existing and acquiring knowledge assets and to develop new opportunities (Quintas et al, 1997).

Knowledge Sharing

Knowledge sharing is a tool that can be used to promote evidence-based practice and decision making, and also to promote exchange and dialogue among researchers, policymakers, and service providers (Lily Tsui, 2006).

Implementation

Implementation is the carrying out, execution, or practice of a plan, a method, or any design for doing something (Patricia Vio, 2002).

Awareness

Awareness can be defined as a measure of respondents′ knowledge of an object or an idea. There are two main measures of awareness: spontaneous (or unaided) and prompted (or aided) awareness (Market Intelligence & Competitive Intelligence).

Technology

Is the set of tools both hardware (physical) and software (algorithms, philosophical systems, or procedures) that help us act and think better. Technology includes all the objects from a basic pencil and paper to the latest electronic gadget. The electronic and computer technology help to share information and knowledge quickly and efficiently (Daniel D. Stuhlman, 2010).