KNOWLEDGE TRANSFER MECHANISMS FOR EFFECTIVE DECISION-MAKING

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Abstract

The study reflects on the core components of culture, communication, quality decision-making, mentoring and group success to indicate its enabling effect to transfer knowledge in today's organizations that are driven to keep afloat in competitive markets. The components serve as a conduit whereby knowledge transfer occurs on a regular basis for effective decision-making. A generalized approach of the study delves into areas that are embedded in an organization's routine functioning where the flow of knowledge is also the transfer mechanism to disseminate pertinent information in today's ever changing work environment.

Keywords: Knowledge Dissemination, Tacit Knowledge, Explicit Knowledge, Transfer Mechanisms, Decision Making

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1. Introduction

With the global economic meltdown and the twenty-first century organizational challenges, competitive businesses need to bloom and pilot continuous processes as improvement initiatives are the key focus. The evolving markets need to engage in quality improvements and knowledge embedded quality products and services. This competitive intensity compels a readiness with managers to be prepared for the demonstrability of tasks, workforce diversity and globalization. Knowledge, the strategic source of information guides organizations to attain the desired function with knowledge creation and knowledge transfer (KT) being the foundational tools of knowledge management. Tacit knowledge embedded in peoples' framework, and explicit knowledge are extremely importance to employees and organizations (Colquitt, LePine, Wesson, 2010). This study projects on the transfer of knowledge as an effective tool for decision-making and to project the relevant mechanisms or enablers that facilitate knowledge transfer effectively. In attempts to involve employees as participants, quality function deployment may be used as a technique to inform employees of how aspects of their products and services relate to customer satisfaction, thereby enabling them to make informed decisions about product improvement. Knowledge exchanges, including human capital knowledge transfers and face-to-face knowledge transfers fuel growth objectives in organizations. KT is the rim that grasps structures and strategies together in an environment dictated by speed and quality decision-making.

2. Literature Review

Knowledge, a strong competitive advantage in today's markets (Kharbanda & Pinto, 1996 cited in Landaeta, 2008) is emerging rapidly (Erasmus, Loedoff, Mda & Nel, 2006) so that organizations grasp the reality for business transactions and strategic moves. It is value-adding to knowledge creation or to the transfer process in organization with success depending on the spread of information and new knowledge, especially with emerging new products (Nonaka & Takeuchi, 1995 cited in Bou-Llusar & Segarra-Cipres, 2006), and for new technologies to deliver e-learning. Considering this, key milestones are accomplished with organizational sustenance, performance and capabilities. When equating knowledge to information, it is not surprising to find it defined mainly as a 'stock' rather than as a 'flow' (Fahey, 1998). The notion of flow indicates a radically different perspective of knowledge as it is in constant flux and central to everyday activities (Fahey, 1998), and it is the interaction which is essential for knowledge creation. Incidentally, KT is difficult to capture with no distinction between the transfer of knowledge and the creation of new knowledge (Bresman, Birkinshaw & Nobel, 1999). In this light, professional experiences and credentials (Lunce, Iyer, Courtnery & Schkade, 1993 cited in Eppler, 2006) may be necessary to build trust, and for effective KT too.

Management theorists have recognized the epistemological distinction between tacit and explicit knowledge. Clearly, the former is the means by which explicit knowledge is "captured, assimilated, created and disseminated" (Fahey, 1998:268), and the attributes and results of the two knowledge types must be understood, as both types 'solidify and ossify'. According to studies on the management of KT systems, it is 'explicit and unshared' knowledge rather than 'tacit and shared' knowledge which is valuable for organizations that require to make quality decisions continuously. Fundamental to this, it is how we process the two knowledge types effectively and what the main organizational factors are for process enhancement too (Rhodes, Hung, Lok, Lien & Wu, 2008). Tacit knowledge may be difficult to formalize, whereas explicit knowledge can be easily transferred. Writers affirm that effective KT is an interactive process (Huberman, 1994 cited in Jacobson, Butterill & Goering, 2005), consisting of exchanging, receiving and utilizing external knowledge (van Wijk, Jansen & Lyles, 2008). Tacitness, including complexity and specificity may influence the process of KT, as it can be transferred with interactive processes (Landaeta, 2008; Hansen, 1999 cited in Bou-Llusar & Segarra-Cipres, 2006) fundamental to today's competitive work environment. Yet, these factors hinder the transfer process and 'general causal ambiguity' (Reed & DeFillipi, 1990 cited in Bou-Llusar & Segarra-Cipres, 2006). Effective KT, achieved through "formal systems (for explicit knowledge) and social networks (for tacit knowledge)" (Rhodes, et al., 2008:85) contributes to growth, and organizational performance with success depending on 'baking specialized knowledge' into workers' activities that are highly skilled (Davenport & Glaser, 2002). Incidentally, knowledge management can be viewed as a social process and KT as part of the organizational learning as KT aims at the organizational accessibility of the knowledge (Rhodes et al., 2008).

To enhance KT effectively, robust knowledge management frameworks and models require a prominent place in management theory and practice (Rhodes et al., 2008). This concept relies on a 'culture of sharing' and a culture of 'collaboration and learning' instead of hoarding information (Daft, 2005). It is the development of, *inter alia*, tools, processes and structures to improve, share and use knowledge to perform tasks and solve problems. Knowledge dissemination stimulates the adoption of better practices for future decision-making, and working with professionals and, with specialized training contributes toward the effectiveness of knowledge dissemination (Falkenberg, 2002 cited in Yang, 2006).

3. Objectives of the study

- To conduct an exploratory analysis of the relevant literature.
- To theoretically evaluate each dimension in the study for the effective transmission of knowledge.

4. The dimensions of knowledge transfer

An exploratory analysis of the literature was conducted with an exploration of the KT dimensions. A proactive stance for organizations is to recruit qualified employees, invest in new technology and offer continuous training to upskill employees knowledge and their abilities, as skilled employees contribute to business excellence and new product quality. The transfer of knowledge can be enhanced by 'a structured network' which enables people to 'deposit and share knowledge'; a less bureaucratic structure; a trust culture with transparency; supported with incentives; and a learning strategy promoting a double loop learning (Senge, 1990 cited in Rhodes et al., 2008). KT is an objective-oriented transmission of knowledge (Rosenstiel, 2000 cited in Weissenberger-Eibl & Spieth, 2006) from a single person, group or organization to another person, group or organization. The success of KT is driven by the quality of the transfer which is based on the 'receivers horizon' (Kesseler, 2004 cited in Weissenberger-Eibl & Spieth, 2006).

4.1 Knowledge transfer and culture

In a knowledge driven economic environment, KT is the foundational element for the achievement of optimum and desired levels of functioning. In order to promote and foster knowledge transfer an organizational culture that is open to change and promotes learning is needed (Syed-Ikhsan & Roland, 2004 cited in Zarinpouch, Sychowski & Sperlin, 2007). This need is further indicated by cooperation and collaboration, finding and using high quality decisions and to develop skills to interpret the knowledge and apply it. This spells out that information sharing becomes challenging and creates a platform for a social interconnectedness with employees. This indicates that organizational culture is a main determinant in managing knowledge. The four parameters of human resources, technology, organization and methodological approaches have an impact on culture (Weissenberger-Eibl & Spieth, 2006). It may instil changes and support the development of products and services innovatively.

4.2 Knowledge transfer, information technology and communication

Today's organizations rely heavily on IT solutions for knowledge management (Ngai & Chan, 2005) with

the common types being email, groupware and instant messaging. Communication technologies increases the exchange of knowledge including those involved with the final goal of reducing time and the cost of processes. Davenport, DeLonge and Beers (1998) posited a positive relationship between IT systems and KT. IT speeds knowledge transfer but this system is not a final solution as keen people are needed to share information and knowledge (Wong & Aspinall, 2003). Organizational improvement with knowledge and innovation can occur by leveraging the skill of units through KT (Easterby-Smith, Lyles & Tsang, 2008). Whether horizontal or vertical, KT identifies and closes gaps in organizational performance. The optimization of organizational performance is when it is based on management and knowledge sharing in a culture of learning, innovation, including improvement (Kelemen, 2003). Computer networks, the Internet, collaborative computing indicate broader participation in the decision-making process (Kreitner, 2007). Furthermore, technology experts present evaluations of a new technology to managerial leaders to devise a new production strategy (McDermott, 1999 cited in Eppler, 2006).

Ko, Kirsch and King (2005) refer to KT as the communication of knowledge from a source for learning to take place and it is applied by the recipient. The diffusion of innovation enhances the high communication levels (Ghoshal & Bartlett, 1988 cited in Darr, Argote & Epple, 1995), and with KT workers transfer job relevant facts, suggestions and expertise (Bartol & Srivastava, 2002). KT through interpersonal or group conversations is evident in 'business constellations'. Eppler (2006) refers to the two modes of communication as (face-to-face) real time interactions and (media-based) interaction, and makes reference to the creation of new insights, facilitating KT, and turning understanding into committed action. It involves facts, figures and development, including context, background and basic assumptions. Other indicators necessary to KT include obtaining and reconstructing insights and to connect to one's own knowledge (Eppler, 2006). Knowledge communication requires a reciprocal interaction with decision makers and experts as both can gain comprehension by 'iteratively aligning their mental models' (Eppler, 2006), and there is enhancement of successful KT of "know-how (e.g., how to accomplish a task) and know-why (e.g., the cause effect relationships of complex phenomenon" (Eppler, 2006:2).

4.3 Knowledge transfer and group success

A group's success depends on a group's knowledge as they engage in problem-solving, decision-solving and contribute to their own field of expertise. Critical knowledge is often distributed across multiple individuals. Also, all group members do not have equal expertise (Baumann & Bonner, 2004 cited in Bonner & Baumann (2012). The authors posit that how 'high-quality member inputs' impact the end result or group product or failing to do so has implications for group effectiveness. A leader's guideline to teams enhances communications, and enriches team interactions (Daft, 2005). One strategy is to help members make use of the knowledge that they have and to improve the "quality of the group discussion, decision making and performance by promoting task demonstrability" (Bonner & Baumann, 2012:337). Transfer involves applying information which is known to solve 'novel problems' (Blanchett & Dunbar, 2001).

4.4 Knowledge transfer and mentoring

With any form of mentoring, there is trust building and respect. Problems and difficulties are discussed openly. With the sharing of experiences and concerns in an environment of trust the mentee can develop and grow his/her potential (Koskinen & Pihlanto, 2008). Mentoring boosts a person's capabilities and position, including behaviour and values at the workplace (Smit, Cronje, Brevis & Vrba, 2011), and hence employees need intense engagement during this phase. Mentoring is developmental and involves role modeling and sharing contacts and providing general support, amongst others. Although informal mentoring is more effective than a formal responsibility, there are cases where a formal mentoring program may be better, and companies require managers that are active and responsible (Gomez-Mejia, Balkin & Cardy, 2004). In this way, employees learn from the experiences of others and they can build their own networks and contacts to improve knowledge sharing. This connection with others who have expert knowledge in the mentoring phase is advantageous for employees to nuture their own innovativeness and move into new domains. If mentoring effectiveness is not measured then employees can perceive that mentoring is not really important (Gomez-Mejia, Balkin & Cardy, 2004). The knowledge that is transferred in the mentoring phase contributes to overall organizational success.

4.5 Knowledge transfer and quality decision-making

Quality, an attribute defined by the customer and knowledge processes are spurred on in organizations. Competition and new product launch enhances a company's performance but this has the 'unintended effect' of introducing consumers to 'newness' on a wide scale (Redmond, 2002 cited in Yang, 2006). Today's organizations focus on convinced customers relating to a company's quality products, including their praise for the organization. This is dependent on the transfer of knowledge on quality and

organizational processes. Quality depends on employees decisions for continuous improvement (Beer, 2003) and businesses are compelled to strengthen and precipitate their efforts to augment quality and sustain excellence, whilst seeking visibility in a consumerist society. Quality improvement is at its optimal level through employee involvement too (Hus & Shen, 2005 cited in Yang, 2006). Customers' tendencies are to judge products and services and favour the ones that reach high standards (Anyamele, 2005).

5. Conclusion

The study emphasized five foundational components for KT so that further research with a more detailed analysis can embark on the integration of new ideas as they surface. Failure to share knowledge also results in poor quality and people may not share important information as ownership may be lost. The study highlighted the pivotal role of effective KT for decision-making. By introducing and integrating KT to the decision-making process risks are minimized, and less experienced employees can use the knowledge of work colleagues in ways to improve productivity levels.

The embeddedness of the knowledge management process of knowledge acquisition, knowledge codification and knowledge dissemination, amongst others (Van Zolingen, 2001, cited in Yang 2006) is pivotal when making decisions. Whether knowledge transfer is in private companies, public organizations or project-based environments the purpose is to take note of the enabling mechanisms in place so that knowledge transfer and effective decision-making takes place to create business results.

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