Chapter 4
Knowledge Management
Approaches and Their
Contributions to the Generation
and Management of Innovation

Elaine da Silva
Sao Paulo State University (UNESP), Brazil

Marta Lígia Pomim Valentim
Sao Paulo State University (UNESP), Brazil

ABSTRACT
This chapter presents considerations about the importance of innovation in organizational environments and highlights the role of knowledge in innovation creation. It is observed in the base activities related to the innovation systems, the constant presence of processes centered in learning, building, and knowledge sharing, whereas knowing knowledge management processes and promoting its implementation, both in the innovation systems scope and in the innovation systems agents scope, shows up as an alternative promoter for successful innovation systems deployment, development, and support, and, therefore, for the generation and management of innovation in their respective context. It emphasizes the relevance of knowledge sharing within the scope of innovation systems, where the knowledge management implantation is an essential strategy to the organizations that aim to maintain themselves in the competitive current market. For this purpose, it presents some approaches and models that have been devoted to the theme, aiming to promote knowledge management in organizational environments, as well as showing innovation contribution.

INTRODUCTION
The current society and, as a result, the organizations inserted in such society have as a characteristic the search for constant change and transformation, whether in its products and services, whether in its production, marketing or organizational processes. It is possible to state that there is a new economy, in which the ability to create, process and apply efficiently knowledge
Knowledge Management Approaches and Their Contributions

is the base. So the organizations can remain productive and competitive, in such a context where production, circulation, consumption and also capital, work, raw material and market are globally organized in a great connection net.

The key to this new economy success is at the constant offer of novelties to the market, that is to say, in providing all sort of innovation and at all economic segments, for products, services and processes become rapidly obsolete, and alternatives that are more interesting, faster, cleaner (environmentally friendly) or cheaper appear constantly to the contemporary society demand and needs.

To meet this economic effervescence that claims for innovation, it is important that organizations, regions and nations recognize knowledge as the key component to innovation and learning. The organizational learning needs to be incorporated to the organizations routines, the gained knowledge needs to be socialized, providing the extension of the organizational knowledge repository and, as a result, of innovation generation.

Under that perspective, the organization needs to be concerned not only about its productive capacity, but also about recognizing the global trends and their potentialities before the future perspectives, as well as their need to adapt to the new economic, environmentally, productive and social demands. For this purpose, it is necessary to consider primarily the learning process that values the intern knowledge created by the organizational subjects, and also the knowledge acquired externally with other organisms from the public or private domains, from the manufacture, services, academic or institutional sectors, especially those considered a part of the innovation system of a country or region.

Representatives of the economy evolutionary school consider that the most important result of the interaction among organisms who belong to a cutting edge system – that frequently promotes innovation –, is the sharing of the knowledge created in each of them, not only the knowledge derivative from the research and development sectors (R&D), but also that one created at the production, distribution and consumption routine activities.

Knowledge is the most important resource to the organizations that aim to become innovative. Thus, it is possible to deduce that an innovative organization is, indeed, a knowledge organization, that is to say, an organization that knows how to value knowledge generated by organizational subjects, and it can also use strategically collective knowledge to understand and adapt itself to the environment, to stimulate creativity and the creation of innovation and make right decisions.

Therefore, knowledge organizations focus on creation and knowledge management (KM) as core processes. In this context, it is essential to highlight the fact that the organization does not generate knowledge without organizational subjects. Tacit knowledge is created in the human mind and by means of knowledge management processes it can be amplified in the organizational environment, so it can be subsidy in decision-making processes and innovation generation.

In such context, learning is the most important process of the organization. The lifelong learning concept is applicable to the organizations; whereas it is essential that organizational subjects seek learning, as well as they learn how to achieve lifelong learning. In view of this, the organization needs to stimulate knowledge creator activities, besides creating mechanisms so the knowledge built individually can be amplified organizationally.

The organizational knowledge building is a complex process, based in the tacit knowledge from the organizational subjects, so that they feed one another. Naturally, it is necessary to highlight the importance of informational flows, which can accelerate information and knowledge distribution, contributing greatly to organizations.

The imperative of constant innovation emphasizes even more the urgency condition experienced by organizations nowadays. In such context, the adoption of knowledge management processes are