Chapter 19

Knowledge Management to Promote Organizational Change in India

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EXECUTIVE SUMMARY

This chapter contributes to the literature of knowledge management by providing a conceptual framework to promote organizational change. The chapter demonstrates that knowledge management can be used as a general framework which integrates the approaches of strategic and change management. A business company is an organization that must continually respond to environmental change and adjust to fluctuations to gain competitive advantage. Business intelligence produces tacit and explicit information about the markets that are used in the strategy process. The tools of change management provided in this chapter can be used in different kinds of organizations to increase competitiveness for the future. In addition, this chapter presents cases of successful change management. This chapter is useful for those who want to enhance change to increase competitive advantage of companies and other organisations.

INTRODUCTION

The purpose of this paper is to present a general conceptual framework of knowledge management to promote organisational change and competitive advantage. The framework integrates strategic and change management and presents useful tools of change management. The study helps managers to use different management approaches to develop organization and identify the landmarks of change management that are essential in the planning and implementation of change. The study also presents practical cases of how change management has been applied in Indian companies to promote competitiveness and a better future.

During the last few years, many change projects were not successful (Carter, 2008; Holden et al., 2008; Zink, 2008). There are different causes for these failures. The company may not have necessary resources available to implement...
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the long-term strategy (Westphal & Fredrickson, 2001). There may be an adequate participation of the individuals and groups affected by the changes (Lines, 2004). The company’s or plant’s culture may not support the change (Jones et al., 2005). Knowledge-intensive organizations need to harness knowledge and to analyse knowledge sharing and change mechanisms in the whole organization. It is well recognized that knowledge-sharing mechanisms are highly complex processes (Bechina, 2006). Zack (2009) found that knowledge management practices are directly related to organizational performance. This study intends to make sense from the comprehensive change management tools in order to sustain the competitive advantage.

Change management falls within the broader theoretical approach of social change and has been a perennially popular topic in the organizational effectiveness and management literature (Asgary & Walle, 2002; Shaurhofer & Peschi, 2005). Identifying the need for organization-wide change and the process of leading organizations through that change is widely recognized as one of the most critical and challenging responsibilities of organizational leadership. These responsibilities have become even more important in recent years, because organizations are today proceeding through an age of change, innovation, and creativity at every stage of their operations. Business contexts are changing enormously and forcefully around the globe. There are strong contemporary issues such as globalization, the influence of new technologies, the emergence of e-business, growing e-connectivity among far-flung financial markets and evolving consumer choices and preferences to be taken into account. All these factors are accelerating the pace of commerce and changing the style and mode of doing business throughout the world in virtually every industry.

The paper is organized as follows. The next section provides a conceptual framework of knowledge management to support organizational change. The following section enhances the role of an organization in relation to its environment. Then the approach of strategic management is presented to produce competitive advantage through the change process. Thereafter, the concepts of change management are presented, including the context of a macro organization, the dimensions of intentional organizational change, resentment to change, and coping strategies. Based on the theoretical background, the study then offers cases of how the competitiveness of companies has been increased through these change initiatives. Finally, the results of the study are briefly discussed in the concluding section.

KNOWLEDGE MANAGEMENT AS AN OVERALL FRAMEWORK

Successful and widespread management approaches can be transmitted to other organizations via repetition. The success of a management approach is also enhanced if it sounds reasonable, if its definition is malleable enough so that its adoption creates little cognitive dissonance (Birnbaum, 2000). A prominent feature in the management literature and consulting business is that new management approaches emerge and meet in the organisations. Once dissonance exists, the new management approaches challenge the old approaches. A cognitive and practical challenge is to combine the old and new management approaches in working life and use them flexible in different situations.

A challenge of this study is to align knowledge, strategic and change management especially in knowledge-intensive organizations. Knowledge is a context-dependent collective phenomenon arising from social interactions and effective dialogue (Freyens and Martin, 2007). Efficient knowledge acquisition is crucial for the success of an organization. Strategic plans should be designed to take the knowledge creation and sharing into account. When strategic objectives have been defined, the resources, knowledge, processes and
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