INCREASING KNOWLEDGE MANAGEMENT EFFECTIVENESS BY BUILDING STRONG VISION AND ADAPTABILITY

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ABSTRACT

This paper focuses on the issues of effective prevalence of different knowledge management processes in organizations. An effective knowledge management program largely depends on organizational members' willingness and ability to participate in knowledge creation, knowledge sharing, knowledge acquisition, and knowledge codification activities. This paper proposes that through strong vision and employees' adaptive behaviors an organization can ensure effective prevalence of knowledge management processes in organization. None of the study has, so far, exclusively investigated the joint impact of strong vision and adaptability on four key knowledge management processes.

Paper begins with a theoretical analysis of different aspects of knowledge management and issues related to the prevalence of different KM processes in organization. It then includes organization's vision and adaptability to conceptualize their link with different knowledge management processes. Finally, based on the extensive review of the literature related to knowledge management, organization's vision, and adaptability, a theoretical framework is presented and respective propositions are made. Analysis of this paper will generate new insights for managers to help their organizations strengthening their knowledge management initiatives by building strong organizational vision and employees' adaptive behaviors. It will also be an opportunity for empiricist to generalize the analysis of this paper by testing the proposed framework empirically.

Key Words: Knowledge Management, KM Processes, KM Prevalence, Vision Salient, Adaptability

INTRODUCTION

Knowledge management has gained a lot of attention of scholars as well as practitioners during the recent past years(Alavi & Leidner, 2001).The prevailing business environment encompasses increased complexity, uncertainty, and risk thathave heightened the significance of knowledge and its management in organizations (Paiva, Roth, & Fensterseifer, 2002). Knowledge-based view of the firm declares knowledge as a most strategic resource and the significant source of sustainable competitive advantage for the firms (Kogut & Zander, 1992).Effective exploration and exploitation of knowledge has been recognized as a key to competitive organizational performance (Nonaka & Takeuchi, 1995).Organizations are initiating and implementing differentknowledge management (KM)practices to increase their ability to take advantage of knowledge and eventually to increasefirm's performance and sustainability(Nonaka, 1994). Knowledge management literature usually identifies four to six interrelated and interdependentKM processessuch as knowledge creation, knowledge sharing, knowledge acquisition, knowledge codification (Davenport & Prusak, 1998; Xu, Houssin, Caillaud, & Gardoni, 2010)which enable organizations to develop knowledge-based competitive advantage. Although these processes seem varying in terms of their nature and content but they still share many commonalities in terms of their essence and outcomes (Andreeva & Kianto, 2011).

Despite the acknowledged contribution of knowledge management in brining various positive outcomes for organizations especially competitiveness and superior performance, the process of successful initiation and implementation of knowledge management in organization is not simple and free of challenges. It is pertinent to understand that having knowledge management only present in organization does not automatically brings success. In spite of having sophisticated technologies and systems in place many organizations have not still been able to successfully exploit their knowledge(Kim & Yukl, 1995). Organizations are confronting various challenges in effective planning and execution of knowledge management strategies and practices.There is an increased concern of researchers as well as practitioners in identifying the factors that can expedite or diminish the effectiveness of knowledge management processes.

According to literature,knowledge management challenges generally stem either from systems side, where appropriate information technology (IT) system, reward system, leadership, and sharing opportunities are not present to facilitate creation, sharing, and exploitation of knowledge, or from the people side where active participation of people in different knowledge management activities is not available. However, there is an increasing consensus among the researchers that major challenges being faced by organizations in undertaking effective knowledge management are related to people where lack of understanding of knowledge management purposesand absence of motivation and ability to actively participate in different knowledge management processes are major hurdles in effective management of knowledge for organizations.

This scenario certainly yields some questions that how to cope with these challenges. Regarding the motivation/willingness of people question arises that “what can motivate/encourage people to willingly participate in different knowledge management activities so that organization can attain superior performance and competitive edge?” On the other hand regarding thecapability of people question comes that “what can make people more capableto effectively participate in different knowledge management activities to yield superior performance and competitive edge for organization?”

This paper responds to these questions by proposing that strong “organizational vision” (also called “vision salient”)and “employees adaptability” (or adaptive behaviors) can make people more motivated, willing, and able to actively and effectively participate in different knowledge management activities.

Although various studies have produced reasonable research in this area and have tried to explore the ways organizations can make their knowledge management initiatives more effective. However, these research efforts are not sufficient in quantity and carry various limitations which create a rationale to undertake further studies on this topic to enhance our understanding. For example most of the studies undertaken in this area have either have

emphasized on the role of extrinsic factors to increase individuals' participation in KM process, or have seen different factors as enablers of KM processes. Despite the acknowledged role of voluntary behaviors and intrinsic motivation in increasing individuals' participation in KM processes there is a dearth of studies who have investigated the factors which can increase internally motivated behaviors to participation in organizational KM processes. Similarly, on the other hand, most of the research undertaken in this regard has investigated the knowledge creation and knowledge sharing processes to enhance the effectiveness of knowledge management initiatives e.g. see(Cabrera & Cabrera, 2005; Connelly & Kelloway, 2003; Gagne, 2009; Riege, 2005; Rosen, Furst, & Blackburn, 2007). Creation and sharing of knowledge indeed are two vital pillars of knowledge managementprocess;however it is pertinent to understand that emphasis only on these two processes will not generate desired results. The knowledge that an organization acquires, creates, and shares has to be translated into documentary and codified form; otherwise an organization may be in constant threat of loosing the knowledge especially if knowledge holders leave.In order to attain competitive advantage through creativity and innovation an organization has to ensure an easy access of members on a right kind of knowledge (Bhatt, 2001). Therefore, in order to create knowledge-based competitive advantage organizations have to simultaneously take care of all the knowledge management activities.Very limited research is available on increasing the effectiveness of knowledge management through combination of its various initiatives. To cover this gap this study will include all the salient activities/initiatives of knowledgemanagement i.e. knowledge creation, knowledge sharing, knowledge acquisition, and knowledge documentation. On the other hand very few studies have so far investigated the impact of strong visionor adaptability on the effectiveness of knowledge management initiatives in general, and the impact of both strong vision and adaptability on effective knowledge management initiatives in particular. Although several researchers have established the link between people's behaviors and actions toward knowledge management initiatives, limited research is available studying specifically the impact of people-oriented factors on people's willingness and motivation to participate in knowledge management initiatives(Swan, Newell, Scarbrough, & Hislop, 1999).

In order to respond to the above-given gaps, thus the objective of this study is to first propose a theoretical framework based on the links between different characteristics of a strong vision, and employees adaptive behaviors with different knowledge management initiatives, and then empirically investigate the relationships among the proposed variables.This new framework is expected to yield new insights that how strong vision and adaptive behaviorscan increase the prevalence of knowledge management initiatives in organizations.

Literature Review

KNOWLEDGE

Knowledge is viewed as a complex phenomenon and has gained a reasonable attention of researchers and practitioners. Davenport &Prusak(1998) define "Knowledge as a fluid mix of framed experience, values, contextual information, and expert insight that provides a framework for evaluating and incorporating new experiences and information''. Knowledge has also been defined in terms of data and information by some scholars. However in spite of non-availability of an common definition of knowledge there is a growing consensus among the researchers that knowledge is more than just data and information. Data is just a set of facts which is when converted into a context becomes information (Davenport & Prusak, 1998). Knowledge emerges when information is processed and contextualized by a person (Nonaka & Takeuchi, 1995).

Knowledge has been classified into various types i.e. tacit knowledge and explicit knowledge (Nonaka, 1991; Polanyi, 1966), individual knowledge and social knowledge, public knowledge and private knowledge (Matusik & Hill, 1998). Despite the availability of various types, taxonomy of tacit and explicit knowledge has been used most frequently in the literature. Tacit knowledge is a context-specific personal knowledge which is difficult to separate, store, and distribute (Davenport & Donald, 1999). On the other hand explicit knowledge be stored, codified, collected and disseminate. However, it is pertinent to understand that tacit knowledge is converted into explicit knowledge through various processes such as externalization and combination (Nonaka & Takeuchi, 1995).

KNOWLEDGE MANAGEMENT

Knowledge management has been defined in different ways. Davenport &Prusak (1998) declare knowledge management as a process of acquiring, disseminating, and utilizing knowledge. (Scarborough & Zimmerer, 2000)added some more activities in knowledge management process and viewed it as a process which includes creating, sharing, capturing, acquiring, and using knowledge with a goal of increasing organizational performance through learning. Robinson, Carrillo, Anumba, and Al-Ghassani (2005)declared knowledge as an asset and defined knowledge management as a tool to exploit and transform knowledge to support continuous improvement in organization.

Different terms have been used in literature to illustrate the approaches which can be used to manage knowledge in organizations. People-oriented approach focuses on the role of people and views them as primary drivers of knowledge management in organizations. People's willingness and ability isrequired to create and share knowledge with others(Kamara, Anumba, & Carrillo, 2005). Human-oriented approaches are used to develop interaction and cooperation among people so that new knowledge will be created and shared. These approaches are usually undertaken by those companies where focus would be more on the creation and sharing of knowledge i.e. consulting organizations. Contrary to human-oriented approaches another term is used called "system-oriented or IT-oriented" knowledge management. This approach encompasses the use of information technology and systems to facilitate storage and flows of knowledge within the organization. Organizations having systems-oriented knowledge management invest more in developing data bases, IT based systems, and knowledge repositories. It is pertinent to note here that focus on any single approach does not produce prerequisites of an effective knowledge management. In order to attain competitive advantage and performance excellence organizations have to undertake both human and system oriented approaches.

Clarke and Rollo (2001)refer utilization of both human and systems approaches as “knowledge management initiatives. The main purpose of these initiatives is to ensure the smooth creation, sharing, dissemination, and storage of knowledge for the creation of economic gains. This is a holistic approach which covers both the people and systems characteristics.Gold, Malhotra, and Segars (2001)assert that successful knowledge management initiatives enhance an organization’s ability to be more creative and innovative by increasing its members’ capacity to be more adaptive to environmental changes and opportunities, and to produce new products and business solutions through better coordination and cooperation.

Tatiana and Aino (2011)have classified these initiatives into four distinct knowledge-based processes and have asserted that the natural outcomes of these processes are new knowledge, creativity and innovation. These include knowledge creation, intra-firm knowledge sharing, external knowledge acquisition, and knowledge documentation. For the purpose of studying the impact of organization strong vision and people’s adaptability on knowledge management initiatives, this study embraces these four knowledge management initiatives. Description and significance of these initiatives are explained below.

Knowledge creation is defined as an organization’s ability to produce useful novel ideas in order to develop business solutions for different organizational activities such as products, technology, and management issues. Organizations with high level of knowledge creation perform better in terms of developing new markets and products, high customer satisfaction, and bringing in advanced technologies (Nonaka, 1991). Nonaka and Takeuchi (1995) have defined four processes through which knowledge can be created. These processes include socialization, externalization, combination, and internalization. In socialization process experiences, feelings, and ideas of organizational members are shared with each other through face to face interactions. People’s willingness and ability to share their feelings, ideas, and experience is the primary condition for the effectiveness of this socialization stage(Kogut & Zander, 1992). In externalization stage tacit knowledge of individuals is converted into explicit knowledge in terms of concepts, metaphors, analogies and models. Combination involves the

creation of new knowledge by combining the two sources of explicit knowledge. For example different documents or reports can be combined to develop new plan or policy document to be stored into files or databases. In internalization stage explicit knowledge is converted into organizational knowledge by making it a permanent part of organizational processes, routines, policies, and procedures.

Intra-organizational knowledge sharing encompasses the transfer of knowledge between and within organizational members and departments(Bhatt, 2001). Although knowledge sharing is viewed as a distinct process than knowledge creation, however sharing of knowledge also fosters the knowledge creation processin organization. Knowledge sharing process helps organizations to enhance their productivity by transferring best practices and ideas from one individual/department to another. Knowledge sharing is a vital source of creativity and innovation (Leiponen, 2006), and enhances organizational success by increasing organization's ability to respond to environmental challenges and opportunities (Cohen & Levinthal, 1990).

As has been stated earlier, although process of knowledge creation and knowledge sharing have been identified as having direct relationship with various organizational outcomes, these two processes alone do not respond to the true essence of knowledge management. These two processes contain intra-firm focus. However the knowledge of customers, competitors, and government bodies is also important for an organization. Therefore, *external knowledge acquisition* is also necessary for an effective knowledge management. Knowledge acquisition refers to the process of acquiring knowledge of the external world such as customers, competitors etc. Just like the creation and sharing processes, knowledge acquisition also has a direct positive impact on organizational creative and innovative abilities and eventually on firm's performance (Fabrizio, 2009).

Knowledge documentation is a process in which created, shared, and acquired knowledge is converted into organizational knowledge. This is the process where exploitation of knowledge takes place. Changes in systems, products, processes, procedures, and structures are made at

this level and then people learn from these changes to create new knowledge. Availability of efficient systems is necessary for this stage.

VISION

Vision has been viewed as an important element for leadership, strategy formulation and implementation, and change in organization. Vision is believed to be a commencing point in strategy formulation and organizational transformational process (S. Kantabutra & G. C. Avery, 2010). Vision building is intended to develop an ambitious sense of purpose among organizational members. Despite its acknowledged significance, there is no agreed upon definition of vision (Kantabutra & Avery, 2002). There also exist some disagreements whether the vision is different from mission, goals, core values, and organization philosophy. This leaves a notion that conceptualization of vision may be affected by the way it will be defined. Stewart (1993) defines Vision as "the concept of creating a description of what we could be in the future." Parikh & Neubauer (1993) define vision as an appearance of a desired future state, an answer to the question "What do we want to create?" Parikh & Neubauer (1993) further posit that, "unlike a traditional strategic planning approaches, a vision is a future to be created, and not a forecast." Synder & Graves (1994) have defined vision and its delivery in a more comprehensive and objective way. According to Synder & Graves vision is a discussable image of the future (target) towards which organization/leader aims its whole resources and energies (i.e. strategies, structures, processes, technologies etc.). Contrary to the above definitions, Ziegler (1991) however states that vision is only a metaphor for human visualization, not a desired future "out there". However for present study definition proposed by Parikh & Neubauer (1993) will be used to prove study's claim that vision eventually leads organizations to a psychic prison mentality.

Several points can be deduced from above mentioned definitions. These definitions in common try to capture the distance between existing and desired states of organization and acknowledge the ability of organization to accurately gauge and achieve this distance through the rational decision making. Desired state, like a painter, is shaped but not explored and at the

given point in time holds the very objective future picture of all the strategic, functional and operational destinations of the organization. However, advocates of complexity theory, argue that due to the missing link between the cause-and-effect of existing and future state, it is impossible for organizations to depict a specific desired future and then connecting that future back to the required organizational actions (Stacey, 2007). Similarly McMaster (1996) posits that "survival (of an organization) is contingent on a design that balances the forces of an ecology in such a way that a stable base identity is created—an identity with enormous flexibility in its specifics and applications."

From the above discussion it can also be deduced that the future picture is based on the knowledge and realities of present age. Desired future is something which is relative, and not absolute. Since the vision demonstrates a difference between existing and desired state, on the basis of previous knowledge, wisdom, experiences and cognitive abilities organizational leaders only try to shape a fascinating future of the organization in relation to present state(Shahzad, 2012). It is worthwhile to note here that the effectiveness and greatness of shaped future is still very subjective in its nature and solely based on the meanings given by the organizational members.

VISION SALIENT

Vision can be positive as well as negative (Rafferty & Griffin, 2004; Senge, 1990). Negative vision is the one that is short term, divert people energy into wrong direction, and carries some threatening messages.Negative vision indeed limits organizational potential and can create a state of disillusion and distrust rather than inspiring and motivating people. Positive vision also called salient vision on the other hand enhances organizational performance and impacts venture growth positively through its various attributes(Baum, Locke, & Kirkpatrick, 1998). Many organizations have vision. But effectiveness and utility of these visions is still under question mark. Scholars have identified different attributes that a salient vision has to possess in order to positively affect organizational outcomes. For example Baum et al., (1998) in their empirical investigation identified brevity, clarity, future orientation, stability**, challenge,**

abstractness, and ability to inspire as salient attributes of a strong vision. In another research Kantabutra and Avery (2010)identified conciseness, clarity, abstractness, challenge, future orientation, stability, and desirability or the ability to inspire as powerful elements of a strong or salient vision positively impacting customer and employees satisfaction. They further asserted that a strong vision is the one which is well communicated, aligned with organizational processes and systems, empowers others, and motivates people.Westley and Mintzberg (1989)asserted that a strong vision should empower organizational members to achieve that vision.

Literature has identified several benefits of a strong vision for organizations. For example, Beach (1993)states that a feeling of having a salient vision motives organizational members to undertake those activities which lead organization to its visionary direction. Strategic vision is also viewed as an important factor for the process of implementing change in organization. A well-articulated vision becomes a guiding star and yields commitment and cohesion among organizational members (Conger, 1991)Morris (1987) asserts that a strong strategic vision furnishes a "sense of whole" to the organization.

ADAPTABILITY

Prevailing world is full of complexities (Levin, 2003), and is non-linear in nature. Such sort of complexities, uncertainties' and multi-stability domains (Gunderson, 2000) apply limits to predictability yet still not make system features or the dynamics associated with it unmanageable(Levin, 2003). What is important is how such humans and systems adapt. Given the importance of the interconnected global environmental changes, adaptability has become an evenly more important ingredient to pay attention to by business organizations(Steffen, P. Crutzen, & McNeill, 2007).

Adaptability has emerged as a relatively new concept in management literature and like many other concept carry diversity in its definition. Different studies have used different **definitions,**

values, factors, and dimensions to explain and measure adaptability. Scholars coming from strategy perspective define adaptability as an ability to adjust to external changes to uphold organizational sustainability. Orton and Weick (1990)identified three facets of adaptability namely experimentation, collective judgment, and preservation of dissent. They assert that these three dimensions of adaptability are required for an organization to conceive and adopt change. Adaptability helps firms attain superior performance through continuous environmental adjustments e.g. see (Gordon & DiTomaso, 1992).

Adaptability can be interpreted in many forms. According to Miles, Snow, Meyer and Coleman (1978), an adaptive cycle addresses to solve three basic organization problems; entrepreneurial, engineering, and administrative where solution to the administrative problem lies at the panicle to all so that it (the administrative system) facilities the organization ability to adapt by reaffirming and reinforcing ways of innovative activities. Orton and Weick (1990) identified three other types of adaptability including experimentation, collective judgment, and preservation of dissent

Adaptability through a cultural perspective means a set of shared values. Members support others efforts, shared feeling of confidence, enthusiasm, spirit of doing and receptivity as important characteristics for cultural based adaptability.When individuals acquire new information, or draw on previous experiences and apply it to their actions, learning occurs (Hall, 1993).Argyris and Schon (1978) introduced concept of “learning loops”. Single-loop learning refers to the temporary or ad hoc reutilized learning which takes place when people or organization make small adjustments to the errors they make. Double loop learning refers to changing the protocols, rules and norms once such errors are detected. Triple-loop learning refers to changing the overall *“rules of the game”,* by incorporating fundamental changes in the entire mental model, the way it is governed or the management approaches they are based upon. Adaptations can thus be better explained through single, double or triple loop learning.

Organizational inertia as introduced by population ecology literature (Hannan & Freeman, 1977)is anything that impedes a firm from changing. Some firms adapt to their environments and survive and those who don't fail. This environmental change is sometimes viewed to be extremely cumbersome if not impossible. Some of the researchers although take a relaxed view and thus address it as not being something absolute. They argue that although it is difficult but is possible to overcome. Organizational change is thus difficult to incorporate, but there are overwhelming evidence that organizations can change or adapt in accordance to the changing organization conditions. Some organizations are more bound by inertia than others thus adaptability could be viewed as the ability to overcome it. Strategically the objective thus becomes to undertake such activities and structures that facilitate in overcoming organizational inertia.

Organizational learning is another approach to assess adaptability. *Dodgson (1993)* defines it as "the ways firms build, supplement and organize knowledge and routines around their activities and within their cultures, and adapt and develop organizational efficiency by improving the use of the broad skills of their workforce (p. 377)." Learning becomes vital because it is a "requirement for adaptation and improved efficiency in times of change (p. 378)." Improvement in the ability of an organization to learn will therefore improve organizational ability to adapt. Levitt and March. (1988)state that, "Learning itself can be viewed as one of the technologies within which organizations develop competence through use and among which they choose on the basis of experience.

THEORETICAL FRAMEWORK &PROPOSITION DEVELOPMENT

Theoretical framework of this paper is based on the knowledge-based theories, vision development theories, and adaptability theories. Framework is intended to develop a link between elements of a strong vision, employee's adaptive behaviors, and knowledge management initiatives.Propositions are developed in light of the discussion on proposed framework.

VISION SALIENT AND KNOWLEDGE MANAGEMENT PROCESSES

Despite its proven popularity knowledge management has to undergo numerous challenges during its different processes. Knowledge management includes various knowledge-intensive activities which purely need human interaction and cannot be undertaken in isolation or independently. Since knowledge resides with individuals, there active participation is must for the creation, sharing, acquisition, and documentation of knowledge. However it is pertinent to understand that people usually hoard their knowledge (Michailova & Husted, 2003). There could be so many reasons for their skeptic behavior toward knowledge sharing. For example, they are afraid, they don't feel it important, they don't find any return in doing so, and so on. Organizations cannot take the participation of people for granted. People have to be motivated, willing, convinced, committed, and able to participate in all processes of knowledge management. Managers should understand that people will not automatically get into knowledge management activities rather it is their job to convince people to take active part into these processes.This needs voluntary behaviors of people. Drucker (1998)asserts that it is the responsibility of managers to treat knowledge workers like "unpaid volunteers tied to the organization by their commitment to its aims and purposes". This paper asserts that this can be attained by creating a strong vision which will provide people with a compelling reason to strive for a future destiny.Literature usually identifies vision with respect to organizational leadership, however it is now widely accepted that vision is no more property of a leader rather it should be a collective conception of all organizational member about a common destiny. Therefore, in this study vision is viewed as an independent phenomenon all together separate from the leader and will be discussed in terms of its own independent values, characteristics, and attributes. A well understood and embraced vision makes; organizations self-adapting (Daft, 2005), employees self-motivating and self-responsible for the achievement of organizational vision (Avery, 2004). Since knowledge management exists or should exist to serve organizational overall strategy and goals, a salient vision through its various attributes can develop a feel of self-motivation, self-responsibility, and willingness among the employees that will force them to actively participate in different knowledge management activities to **produce**

a knowledge required for the attainment of organizational vision.Bass (1985)asserts that there are certain circumstances under which employees see beyond their self-interest and put extra efforts to attain organizational mission/vision.

Knowledge in its definitional composition contains strong element of context. For the creation of new knowledge people have to have a context in which they will identify and interpret new events. A clear, concise, future oriented,empowering, and challenging vision provides a context of risk taking, experimentation, growth, learning, creativity, and innovation to organizational members for the creation and sharing of new knowledge.

Nonaka (1991)posits that people convert their personal experiences into personal insights and the use those insights to produce new knowledge and ideas. Vision arises to encode and provide the necessary interpretations for the organizational members by developing their mental models aligned with vision's priorities (Burton & Ramiller, 1997). Mental model consists of the adaptive belief constructs, values system, deep-seated assumptions, pictures/images, and generalizations which individual's use to make sense about the world around them(Burns, 2005). While deciding on what kind of knowledge should be acquired or created and how it should be interpreted, the role of individuals is very important as they make these decisions in the light of their experiences, and insights (James & Gerardo, 1991).

Although scholars have developed various attributes of a strong vision and have also widely established the criticality and significance of these attributes for organizational success and in gaining competitive advantage, how these attributes impact knowledge management initiatives in organization is still little known.Similarly, seven common key attributes of a salient vision have been identifiedand their relationship with various organizational outcomes has been studied by different researchers; however empirical research has not been undertaken, so far, to see the relationship between these salient attributes and different knowledge management processes/initiatives.

In light of this study analysis, it is revealed that people's psychological involvement can be amplified through a salient vision which is the fundamental prerequisite for the prevalence of knowledge management activities/initiatives. Therefore, a salient vision characterized by conciseness, clarity, future orientation, stability, challenge, abstractness, and ability to inspirehasa direct positive impact on the prevalence of four distinctive knowledge management processes i.e. knowledge creation, intra-firm knowledge sharing, external knowledge acquisition, and knowledge documentation.

> Proposition 1:A strong organizational vision which contains brevity, clarity, future orientation, stability, challenge, abstractness, and ability to inspire, increases employees' willingness and motivation to effectively participate in knowledge creation, intra-knowledge sharing, external knowledge acquisition, and knowledge documentation process of knowledge management.

Adaptability And Knowledge Management

The prevailing business world has greatly been exposed to increased environmental uncertainty and complexity due to cut-throat competition, technological advancements, social and economic changes. Organizations in order to compete and succeed have to develop abilities to continuously screen out opportunities from this turbulent environment and then shape their processes and procedures to exploit them through different resources. Knowledge-based view of the firm views organizations' capacity to consistently explore and exploit new knowledge as an antecedent to stay competitive in this turbulent environment.Organizations are undertaking knowledge management to develop their knowledge-based competitive advantage by deploying different processes. As has been established earlier, knowledge management processes are primarily dependent on people's willingness and ability to actively contribute into it.

Literature has identified various skills, abilities, and behaviors of employees which are of great importance in the effective prevalence of different knowledge management processes **in**

organizations. However, employees' ability to explore and acquire new knowledge that will enable an organization to quickly meet its ever changing environmental needs has been viewed as the most important and critical factor. This requires employees to constantly stay in contact with external environment, screen out relevant information, share and convert that information into new knowledge, and then use that knowledge to create new ideas and eventuallyvalue for various stakeholders.

Literature recognizes all the above-mentioned skills, abilities, and behaviors as *Adaptability*.Ployhart and Bliese (2006)assert that an individual's adaptability includes his/her ability, skills, motivation, and willingness to change according to the changing environment. Employee's adaptive behaviors are directly linked with learning and these two factors together are key determinants of high performance (Karaevli & Hall, 2006). In knowledge management processes adaptability will be reflected by the employees' flexibility in their thinking and personality to create and share new knowledge and ideas. Creation of new knowledge and ideas is largely dependent on people's ability to learn and adapt new skills and knowledge. Adaptability facilitates different knowledge management processes especially knowledge creation, knowledge sharing, and knowledge acquisition that eventually help organization to create and utilize knowledge that fit well with changing environmental demands.

Knowledge creation is not a static phenomenon rather it is a dynamic process which involves the cyclic conversion of tacit knowledge into explicit knowledge and vice versa. Knowledge management involves the creation, sharing, acquisition, and documentation of knowledge. These processes require state of the art and unique knowledge, skills, abilities, and behaviors to be effectively implemented. Employees have to learn new skills and must be willing to bring changes in their attitudes and behaviors as new knowledge can bring changes in any part of the organization i.e. products, processes, procedures, technology etc. If employees don't learn or acquire new skills and capabilities chances are lesser that organization will **succeed. Thus it is** more likely that employees who are more adaptive will learn new knowledge and skills and will be more responsive to changing business environment.

Knowledge creation involves an organization's ability to produce novel and useful ideas and innovative business solutions. Innovation is viewed as a natural outcome of knowledge creation and sometimes these two terms are used interchangeably in knowledge management literature. Knowledge creation process wants employees to interact with each other in order to produce new, creative, and innovative ideas and solutions of business problems. New ideas and solutions are created in light of the factors prevailing in the changing environment. This can challenge various existing beliefs, values, assumptions, and behaviors of people. Employees' adaptability is required at this stage as openness to new knowledge and ideas, and flexibility to listen to new ideas and then bringing changes according to the new ideas is necessary. Therefore, it can be deduced that more adaptive employees will contribute more in knowledge creation process.

Knowledge sharing refers to the transference of new as well as existing knowledge between individuals and different organizational units. Knowledge sharing enhances innovation(Taminiau, Smit, & de Lange, 2009)and enables an organization to respond quickly to its environmental changes (Cohen & Levinthal, 1990). In a complex and dynamic environment, competitiveness of a business depends on its collective knowledge (Leiponen, 2006) which is further dependent on how quickly new and existing knowledge is shared among organizational members and units. Speedier is the sharing process greater would be the organization's response to its environmental change. Therefore, it is expected that more adaptive employees will be more responsive to environmental changes.

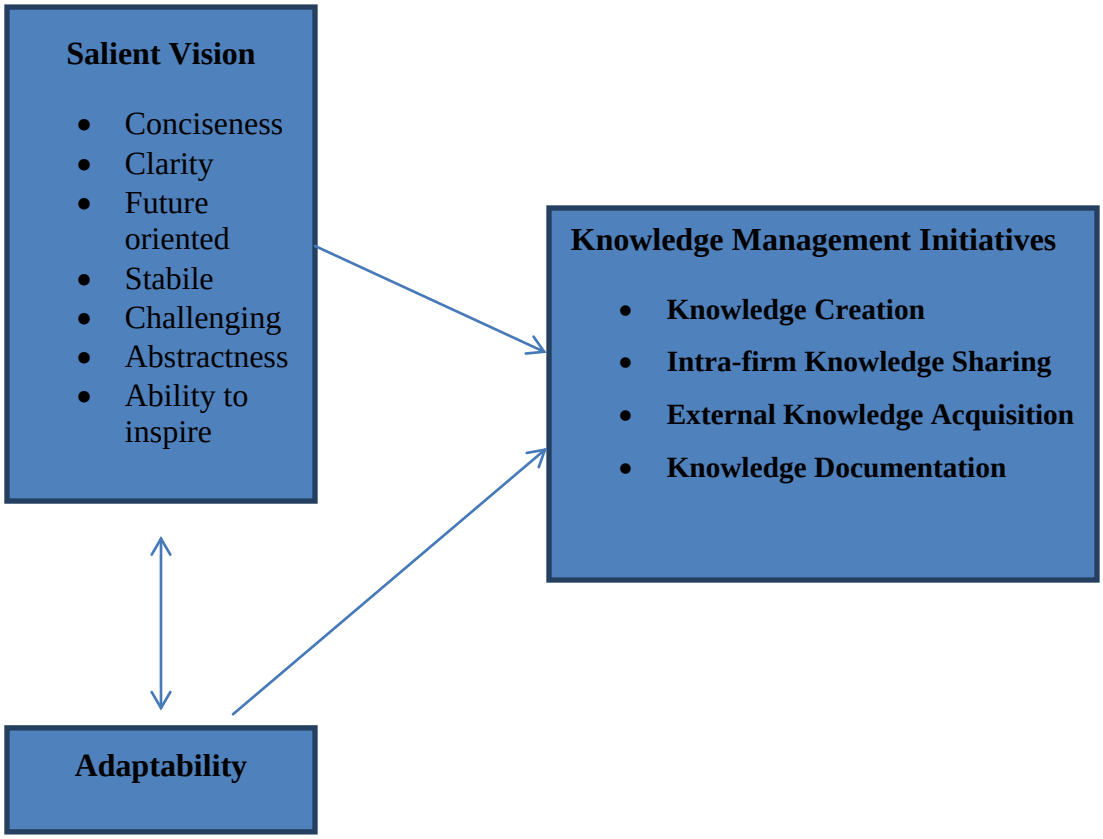
Knowledge acquisition involves obtaining the knowledge that resides outside the organization. Customers, competitors, suppliers, and government bodies are among very useful sources of knowledge. However, in order to truly and relevantly capitalize on these knowledge sources, employees must know that what knowledge is relevant and should be acquired and how can it be linked with generation of economic value for the firm (Zahra & George, 2002). Acquisition of knowledge from external sources stimulates diversity and widens organizational knowledge

base which innovation is the natural outcome of(Fabrizio, 2009). Since adaptability encourages diversity and variety so it is expected that more adaptive people will participate more in knowledge acquisition process of knowledge management.

Knowledge documentation involves the preservation of knowledge through written documents, expert systems, electronic databases, and organizational procedures and processes. Since knowledge documentation involves information technology based systems which are always exposed to new advancements, members have to get ready to learn new technologies, processes, and procedures. People who are not willing to surrender their old ways will be less motivated to actively build new IT based systems for knowledge documentation. However it is expected that adaptive employees will be more willing to participate in knowledge documentation process.

> Proposition 2. Employees' adaptability is positively related with their ability to effectively participate in knowledge creation, intra-knowledge sharing, external knowledge acquisition, and knowledge documentation process of knowledge management.

Figure 1. Proposed Framework for KM Prevalence



CONCLUSION:

Knowledge has become a most strategic resource and a significant source of sustainable competitive advantage in organizations. Effective creation and utilization of knowledge is being viewed as a key to competitive organizational performance. Firms are undertaking various knowledge management initiatives to build their knowledge-based advantage to increase firm's performance. Knowledge management involves creation, sharing, acquisition, and documentation of knowledge that can be used to produce superior value for the customers. An effective knowledge management system requires state of the art and unique knowledge, skills, abilities, and behaviors of organizational members. People's psychological involvement can be amplified through a salient vision which is the fundamental **prerequisite for the prevalence of knowledge management activities/initiatives. A salient vision characterized by conciseness,** clarity, future orientation, stability, challenge, abstractness, and ability to inspire, can enhance

the prevalence of four distinctive knowledge management processes i.e. knowledge creation, intra-firm knowledge sharing, external knowledge acquisition, and knowledge documentation in any organization.

Creation of new knowledge often brings change in various parts of an organization i.e. change in products, processes, procedures, technology etc.. Employees have to learn new skills and must be willing to bring changes in their attitudes and behaviors for the creation and implementation of new knowledge. If employees don't learn or acquire new skills and capabilities chances are lesser that organization will succeed. Creation of knowledge requires learning attitude and adaptive behaviors from organizational members. Thus it is more likely that employees who are more adaptive will learn new knowledge and skills and will be more responsive to changing business environment.

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