

## BENEFITS, BARRIERS AND SOLUTIONS OF KNOWLEDGE MANAGEMENT

Amily Binti Fikry

School of Business and Law  
INTI College Subang Jaya, Selangor, Malaysia.  
(amily@inti.edu.my)

14685

### ABSTRACT

While the main objectives of knowledge management are to safeguard an organisation's intellectual capital and protect employees' intellectual property, the effort of capturing knowledge will in turn ensure that valuable information is transferred and used by another worker at the right time, resulting in the increase of employees' independence, innovativeness, performance and productivity. These will then be translated in terms of increase in sales, revenue and shareholder value. However, there are barriers to knowledge management. Knowledge management requires change and expertise. Change has to be implemented within allowable time and cost constraints. Encouraging employees to share their knowledge with others requires incentives. The use of technological and psychological aids would help ensure the effectiveness of knowledge management practices.

### INTRODUCTION

It has been said that knowledge is power. However, the power of knowledge can only be realised when the knowledgeable person is willing to share it with others. Sharing knowledge is easier said than done. Knowledgeable persons or the so-called knowledge workers will often refuse to share their knowledge with others since they regard it as part of their personal belonging. They are not alone. Even top-level management declines to promote the importance of sharing knowledge with their employees because of time and cost

constraints, lack of expertise and more importantly, the unwillingness to undergo tedious changes. Their reluctance is understandable, and resistance to change is expected, especially among the experienced and the more senior personnel. To be effective, the changes should affect not only the procedural norms and culture at the work places, but should ultimately affect the corporate set-up of the organisation.

In spite of these hindrances, organisations and firms still aspire to gain the highest profits. The means of achieving the target is from the ideas of thoughtful managers and CEOs. An innovative way to obtain the highest profit is by applying knowledge management practices, which represent a departure from traditional management practices.

It comes as simple as this. When knowledge workers document their valuable knowledge in the storage devices of computers, their knowledge can and will be accessed by other employees in their firms. These employees will make use of this information for various purposes as required in their job tasks. Just by clicking the 'mouse', for instance, a manager will know his or her organisation's annual profit and market growth without having to meet both the organisation's financial controller and marketing executive who might not be available at the critical moment when they are most needed. Besides, if knowledge is carefully managed and effectively utilised, the question of 'who is to be blamed' will not arise.

Nevertheless, the significance of sharing

knowledge is not so obvious to some firms, organisations and employees. The value of wine is said to increase with age, and analogically, positive relationship also holds between the value of knowledge and the extent of sharing. The more knowledge is stored and shared, the higher will be its value to organisations. However, if sharing of knowledge is regarded as an obstacle, how can firms and organisations preserve it (knowledge)? In relation to that, there is a growing realisation that the application of knowledge management has barely taken off the ground, and there is an urgency to increase the pace. It is in this context that the present paper looks at the benefits, barriers and solutions of knowledge management.

More specifically, the study seeks to clarify some of the basic values and problems in the area, and also suggests several approaches to encourage the implementation of knowledge management. Both are relevant points to the main theme.

#### DEFINITION OF KNOWLEDGE MANAGEMENT

Knowledge management is defined as sharing tacit and explicit knowledge among knowledge workers within an organisation. Tacit knowledge is the knowledge learned by experience. Explicit knowledge is factual information that acts as intellectual capital of the organisation. Knowledge workers are seen as the organisation's staff who possess information that can create value to the organisation by enhancing customer satisfaction. Knowledge management thus refers to managing intellectual resources and includes improving efficiency in meeting client and customer needs.

Hence, knowledge is a form of intangible asset. It is classified as the intellectual property of employees and the intellectual capital of organisations. Consequently, the need to store and share knowledge within an organisation and keep abreast with the latest technology gives the

management department and CEOs the responsibility to manage the organisation's intangible assets such as intellectual property and intellectual capital from being abused by illegal outflow. While there are procedures and regulations to deal with such abuses, knowledge management also provides incentives to employees who are willing to share and use knowledge effectively to enhance the profitability of the organisation as well as to advance the organisation's overall mission.

McInerney (2002) defined knowledge management as an effort to advance the organisation's mission by making accessible and sharing both explicit factual information and tacit knowledge that exist in an organisation. Tacit knowledge is usually based on the experience and learning of individual employees. The eventual goal is to share knowledge among workers in the spirit of learning, renewal and innovation. In order for knowledge to be shared, it must be in a form which others can have access to, thus portraying knowledge management as a new network-based system. In her article, McInerney (2002) did not elaborate on knowledge management precisely. Like the tip of an iceberg, her superficial treatment of knowledge management does not provide a fair comprehension of the various aspects of the subject such as the methods or ways of sharing knowledge among knowledge workers in an organisation.

In line with the definition, Barth (2000) emphasised that knowledge management refers to the practice of harnessing and exploiting intellectual capital to gain competitive advantage and customer commitment through efficiency, innovation and more effective decision-making. He also stressed that knowledge assets need to be managed for the greatest possible return on investment. He defined explicit knowledge as codified information that is regarded as the property of the firm. Tacit knowledge is the property of the knowledge workers and is difficult