

# The Effect of Knowledge Management (KM) Implementation on Entrepreneurial Behavior of Companies Importing Automobiles

(Case study: Irtoya Company)

Seyed Rasoul Hosseini<sup>1</sup>, Shahnam Zandieh<sup>2</sup>, Balal Shahmohammadi<sup>2\*</sup>

<sup>1</sup>Assistant Professor of Tehran University, Tehran, Iran

<sup>2</sup>PhD Candidate of Entrepreneurship

\*Corresponding Author Email: [shahnamzandieh@gmail.com](mailto:shahnamzandieh@gmail.com)

**Abstract:** Today, the main focus of development is not wealth and manpower, but human knowledge and the effective management of knowledge. Experience survey and the pioneer and global leading organizations results indicate that innovation and pioneering is not possible unless in light of processing, and development, exchange, recording and dissemination of knowledge. Knowledge management is an endless process that begins with a visit and a simple conversation, slowly takes place at angles of thought, belief, and behavior of employees and finally becomes a new way of life. First steps have been taken in the process but like many other areas of thought and action has been released in the beginning. Methodology of the research is practical and descriptive in terms of goal and data collection, respectively. Population of the study includes 240 specialized and managers of headquarters of Irtoya Company. Random clustering and stage sampling was done and based on Morgan table, the questionnaire was distributed among 148 of them.

**Keywords:** Knowledge, Knowledge Management, Entrepreneurial Behavior.

## Introduction

Knowledge management is an endless process that begins with a visit and a simple conversation, slowly takes place at angles of thought, belief, and behavior of employees and finally becomes a new way of life. First steps have been taken in the process but like many other areas of thought and action has been released in the beginning. In the early years of the twenty-first century, now the high number of public and private organizations, despite all the shortcomings, look at this process to help them as a development strategy to recognize and reproduce the ability to them in more efficient use of their competitive advantage. The main goal of all participants in the industry and trade is to gain profitability in different time periods which may include various aspects that at the end is measurable as an objective and it is to make money and income (Beckman, 1998) me.

Entrepreneurship concept coincides with the introduction of “economic organization” has arisen. The real power and the forces of change within the organization are influenced by economic rules. The procedures and structure of the organization in this sense, the real entrepreneurs within the enterprise in an organization as well as

resort and resort bureaucratization and administrative institutions is swelling. Entrepreneurship is also a way to find and improve entrepreneurial talent for senior management posts in the organization (Maier, 2003).

“Schumpeter” believes that entrepreneurship is a term derived from the business world and the ability to use resources in new ways that lead to the creation of new products and services in the enterprise environment.

“Jennings” and “Lumkin” are believe that the entrepreneurial organization in compere with normal organization produce more product and make new markets (Chua, 2003).

The definition of one- dimensional, “Miller” corporate entrepreneurship as a multidimensional phenomenon that includes a willingness to innovate, Forecasting and risk in product development and technology. Innovation capacity to implement the newly designed product or service. The degree of being innovative, functional, leading to a fundamental change in the organization. Forecasting is defined as actively searching for new opportunities. In other words tend to shape the environment rather than passively dealing with the environment Or the desire to start a risky activity in unknown territory at reasonable and calculated (Nemati, 2002).

**Research Background**

**Knowledge:** includes the ideas and thoughts, understanding and lessons learned over time that a person acquires through experience, reasoning, insight, learning, reading and listening (Merwick, 2001).

**Knowledge management:** KM means providing the right knowledge at the right time and place and at the right cost, in a manner appropriate to the individual / team.

**Saving Information:** conversion of knowledge into machine-understandable format in order to use it in the future. In general, this step is known as the documentation of new knowledge and its storage, so that all stakeholders can easily benefit from this knowledge(Wiig,1993).

**Knowledge transfer:** it is a process of knowledge transfer from a person to the others through education, training, documentation and collaboration (Nonaka,1994).

**Distribution of knowledge:** it is the process of sharing and spreading knowledge that now runs within organizations since the precious knowledge should be shared with others and sharing and transferring can be active or passive (Liao, 2003).

**Knowledge use:** it is a process in which the makers and stakeholders of knowledge are enabled to resolve the issues and problems of the organization by using their knowledge. knowledge enrichment: it is a process used to strengthen the knowledge by collected and refined knowledge during the process of knowledge management(Davenport, 2002).

Examining the sspects of knowledge management in different periods has shown that, there is no common attitude and vision on this issue. Some have considered the technological points of view and some others considered human and cultural factors, and the third some combination of these factors as vital to the success of management(Carnriro,2001). Alzami and Zaire are among the researchers who have done a lot of research in this field. They have recognized a variety of critical success factors according to the knowledge management experts which are presented in Table 1.

**Table 1.** KM components from the perspective of experts (Porbahrami 2014).

Author	KM components
Wigg	Processes of knowledge creation - organizing - Transfer - Conversion - applying and maintaining knowledge
Davenport	Organizational and technical infrastructure - knowledge structure - the culture and friendly atmosphere in the organization - clear objectives and a common language - there are multiple channels for transferring knowledge top management support - removing barriers to motivation
Davenport & prusak	Technology - knowledge - knowledge distribution - electronic repositories of knowledge - education, culture and leadership - trust
Trussler	The existence of appropriate infrastructure in the organization - management commitment - motivation for sharing knowledge - finding the right information - culture - technology - transformation and transmission of knowledge - education and learning
Manasco	Group of knowledge - creating the right conditions - monitor the content of knowledge - to support structural and technological improvements in the process of creating and distributing knowledge

Bassi	Learning - distribution - implementation and application of knowledge
Skyrme & Amidon	Having a compelling vision - a strong relationship with business processes - leading knowledge - knowledge creation and distribution of culture - learning intelligent - technological infrastructure - a systematic process
Steele	The structure of knowledge - knowledge organization - communication - distribution - to-date knowledge - management support

**Corporate Entrepreneurship:** Corporate entrepreneurship involves raising entrepreneurial behaviors in an organization that is already established. In short, entrepreneurship means that organizations can be useful innovation by encouraging employees to think like entrepreneurs, Develop them to pursue their programs have the freedom and flexibility, without having to put them in the bureaucratic swamp. Entrepreneurial organization system may not be as empowering people to use their creative processes and inventions for the use of techniques that can be As planned, deliberate and meaningful at the level of innovative activity enables optimal justified. Corporate entrepreneurship to ensure survival, by restructuring the organization's operations, the redefinition of the concept of business and increased capacity for innovation and quality needed in a dynamic environment, it is essential. Ferry also believes that entrepreneurship is a process which goods (services) or innovative process by creating an entrepreneurial culture within an organization, is created. Entrepreneurship also be upgraded via the external environment. "Kavyn and Slevin" believe that the entrepreneurial environment is a combination of macro-economic factors, cultural, Social, political as well as access to help and support. "Nyavaly and Vogel" a framework of environmental factors that affect Karaghryny, in the form of five states that: Policies and procedures of government, economic conditions - social, business and entrepreneurial skills, financial and non-financial assistance. Government policies, including the removal of barriers and market failures and strict regulations that restrict entrepreneurship. Favorable attitudes to entrepreneurship refer to the socio-economic conditions of society. Business skills and entrepreneurship refers to the level of technical skills and business That have the potential entrepreneurs. Financial support suggests that entrepreneurs have to start projects, diversification of products and services, and growth and development, have the necessary money. Non-financial support to networks that exist, refers. Individual features can also have a significant impact in enhancing organizational entrepreneurship. These features can include: need for independence, control center, the desire to apply risk control, giving a lot of energy, perseverance and motivation to achieve the goal. To compare the features of traditional agencies and organizations entrepreneur, Table 1, features gives them no later assessed.

If organizations need to change to succeed in markets where there are present at the unit as well as bureaucrats have become entrepreneurs, entrepreneur development is necessary and inevitable (Zandieh, 2015).

### Mterials and Methods

**Research Method:** The present study is an applied research in terms of purpose and correlational descriptive in terms of nature and method since it has describes the present time and what exists now.

**Data collection:** Information obtained in this study was collected through interviews, surveys, and library studies and collection of field data obtained in the industry.

**Research population and sample:** The study population consisted of 240 participants, including board members, managers, the assistants and experts of IRTOYA Company.

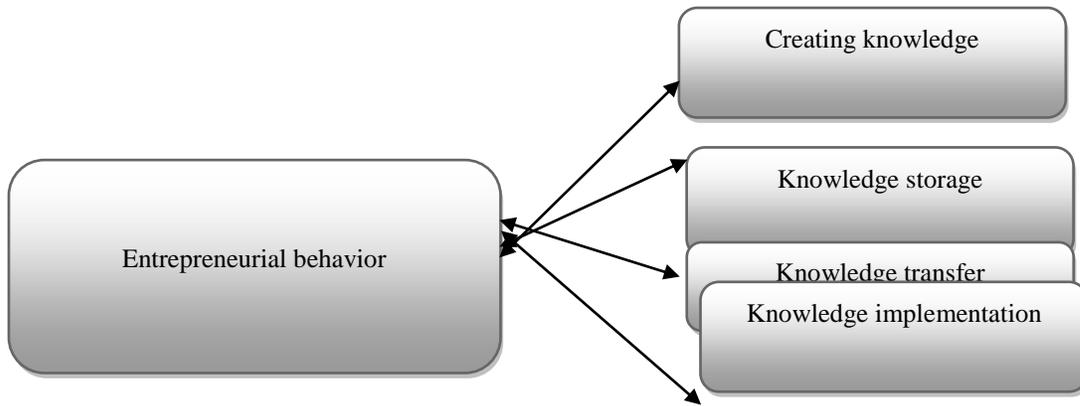
Sampling was done based on a combined method (stratified random sampling and cluster sampling) which is a subset of probable sampling. According to Morgan's table, questionnaires were distributed among 148 of the participants.

**Data analysis:** inferential statistics included the Spearman correlation coefficient (due to the using data ranking) to assess the relationship, simple linear regression to examine the effects and Cronbach's alpha for reliability.

**Research Design:** Time: examining the implementation of knowledge management and its relationship with the entrepreneurial opportunities was conducted since August to November 2015 , or in other words, this is a cross-sectional research.

Location: central office of IRTOYA Company

Subject: Discussions of organizational change management and entrepreneurship



**Figure 1.** Research model

**Research Hypotheses**

**Main Hypothesis:** There is a significant positive relationship between the implementation of knowledge management and recognition of the entrepreneurial opportunities in IRTOYA Company.

**Sub-hypotheses:**

- ✓ There is a significant positive relationship between the knowledge storage and recognition of the Entrepreneurial behavior in IRTOYA Company.
- ✓ There is a significant positive relationship between the knowledge transfer and recognition of the Entrepreneurial behavior in IRTOYA Company.
- ✓ There is a significant positive relationship between the knowledge creation and recognition of the Entrepreneurial behavior in IRTOYA Company.
- ✓ There is a significant positive relationship between the knowledge implementation and recognition of the Entrepreneurial behavior in IRTOYA Company.

**Research Instrument**

**Validity:** In order to examine the validity, one should answer the question that whether the instrument must measure what it aims to? In order to answer this question, research questions were examined by help of some experts and scholars in order to remove the ambiguities which indicated the acceptable content validity of the research instrument.

**Reliability:** The reliability is one of the technical characteristics of measuring instruments and deals with the fact that if the measuring instrument provides the same results in the same extent which reliability refers to the accuracy, stability and reproducibility of test results. In other words, the reliability coefficient indicates the extent to which measurement tool characteristics or features variable measures the stable subjects. The reliability of the questionnaire was examined by Cronbach's alpha using the data obtained from the questionnaires and by SPSS software, the result of which are as follows:

**Table 2.** Reliability

Component	Alpha coefficient
Knowledge creation	0.799
Knowledge storage	0.809
Knowledge transfer	0.834
Knowledge implementation	0.752
Recognition of the Entrepreneurial behavior	0.874

**Results**

Reliability coefficient by Cronbach's alpha was used and the total scale's Cronbach's alpha was 92.3%, which demonstrated the stability and internal consistency of the questionnaire. To calculate the Cronbach's alpha coefficient, the variance of scores for each subset of the questionnaires and total variance should be calculated first.

Cronbach's alpha is calculated the following formula:

$$\alpha = \frac{k\bar{C}}{\bar{V} + (k-1)\bar{C}} \quad \text{OR} \quad \alpha = \frac{k}{k-1} \left( 1 - \frac{\sum_{i=1}^k S_i^p}{\sigma^p} \right)$$

Where K is the number of questions in this regard,  $S_i^p$  is the variance of the ith question,  $\sigma^p$  is the variance of total questions,  $\bar{C}$  is the average of the covariance between questions, and  $\bar{V}$  is the variance of the questions.

**Data Analysis**

**Correlation Analysis:** Correlation analysis is a statistical instrument to determine the type and degree of relationship of a variable with another variable. One of the criteria used to determine the correlation coefficient is variable. The correlation coefficient shows the significance of the relationship and the type of relationship (direct or inverse). This index is between 1 and -1 and lack of relationship between the two variables is zero.

**Spearman Correlation Coefficient:** The correlation coefficient is a parametric method used for normally distributed data or a large number of data. Spearman correlation coefficient was calculated using the following equation.

$$r = \frac{\sum xy - n\bar{x}\bar{y}}{\sqrt{\sum x^2 - nx^2} \sqrt{\sum y^2 - ny^2}}$$

**Table 3.** Analysis Assumptions

Hypothesis	Variables	Correlation coefficient	Approve or reject
H1	knowledge storage and recognition of the Entrepreneurial behavior	0.911	Approved
H2	Knowledge transfer and recognition of the Entrepreneurial behavior	0.805	Approved
H3	Knowledge creation and recognition of the Entrepreneurial behavior	0.793	Approved
H4	knowledge implementation and recognition of the Entrepreneurial behavior	0.821	Approved
Main	Implementation of knowledge management and recognition of the Entrepreneurial behavior	0.903	Approved

**Conclusion**

This article aims to explain the relationship between knowledge management and entrepreneurial behavior in organizations is done in the company Ayrtyva Iran. Results showed that, first of all dimensions of knowledge management with significant organizational and entrepreneurial behavior. Miller (1983) argued that innovation in

organizations include: the ability of a company to produce new products or product changes in the markets that the company could to new demands and needs future.

Another aspect phenomenon of entrepreneurship, strategic renewal is the symbol CE. The purpose of an organization's strategic modernization, reform mission, organization, single and extensive changes planned in the organization.

Redefinition of repair through a single organization's mission and resources, the realization is spreading. On the other hand, need building modernization and adoption of new organizational structures to improve and promote innovation.

Corporations in entrepreneurial activities are to the extent and nature of the specific problems that they relate. The first problem is that "size" Such companies require the administrator to control, to create a clear structure. The second problem arises when the same kinds of corporate and management positions more to be added. "Increasing levels of management" in the sense of increasing the vertical distance between the executive management and lower level employees. Its weakness is MANAGING DIRECTOR workers or lower level managers, personal relationships difficult.

When workers lose their relationship with the entrepreneur's hardly necessary levels of entrepreneurship in the organization be guaranteed. Third, in large organizations "need to control". When a company is large, it is necessary to control it more. As a result, the manager of the company is forced to standards of proven and quantifiable nature. Therefore, bureaucracy and reports, superior results compared to plan and report more work than the results, monitor, and the rules and standards of behavior towards entrepreneurship in large organizations. In the first place because they are not attracted to large organizations and independent entrepreneurial life to the lives of most of the companies prefer security. The people who worked primarily in companies, but they left after a few years.

### **Recommendations**

- ✓ formation and increased research and development activities
- ✓ Holding seminars and briefing sessions in the field of knowledge management and knowledge necessary to implement the company's thinking.
- ✓ Explaining the principles of knowledge management and knowledge of drawing the horizon for employees at all levels of the organization.
- ✓ Teamwork and encourage staff to become familiar with its benefits.
- ✓ Creating organization belonging for the employees as human capital formation in action.
- ✓ Allow employees access to information networks.
- ✓ Encouraging employees to participate in the research.
- ✓ Creation of personnel training system and virtual resources for quick access.
- ✓ Employing dynamic forces associated with the job.
- ✓ The use of psychological testing for employees and the future of work and employment.
- ✓ creation of appropriate continuing education and support cooperation and participation of employees in the creation of knowledge workers

### **Conflict of interest**

The authors declare no conflict of interest

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