

Role of Knowledge Management Practices in Indian Financial Sector

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Abstract: *Knowledge is inherent in ideas, talent, judgments, relationship, root causes, relationships, concepts and perspective. The purpose of this paper is to examine the impact of knowledge management practices and organizational commitment on the job satisfaction of individual employees. A theoretical model concerning the connections between six facets of Knowledge Management (knowledge acquisition, knowledge sharing, knowledge creation, knowledge application, knowledge codification and knowledge retention), two facets of Organizational Commitment (Keeping up organizational image and Responding to organizational greediness) and job satisfaction is proposed. Then data is collected through face to face questionnaire and also online web based questionnaires and sample is selected on convenience based from the banking sector organization of Coimbatore. The findings of the study show that the organization's commitment to one's work environment and the knowledge management process are closely linked to the job satisfaction of higher employees. Especially intra-organizational knowledge sharing knowledge application and knowledge creation also organization commitment (coping with attachment) seems to be a key factors promoting satisfaction with one's job in most employee.*

Keywords: Knowledge Management, Job Satisfaction, Financial Sector.

I. INTRODUCTION

Knowledge management is the systematic processes of knowledge creation, organization, dissemination, use and exploitation. In addition to academic research, the recognition of knowledge as a recognized area of research important for business use has driven the continuing need for information systems. Knowledge is inherent in ideas, abilities, judgments, relationships, root causes, relationships, ideas, and perspectives. Knowledge is stored in the individual brain or encoded in educational institution processes, documents, products, services, facilities, and systems. Knowledge is the basis and driver of the current global economy. Knowledge is the result of learning which provides the only sustainable competitive advantage. Knowledge results in enhanced and effective action, focused innovation, pooled expertise, special relationships, and alliances. Knowledge results in value-added behavior and activities that result in tangible benefits to an organization. However, for knowledge to be of value it must be focused, current, tested, and shared. There is no consensus on what knowledge is. Over the millennia, the dominant philosophies of each age have added their own definition of knowledge to the list. Science has added to this list as well. Over the past twenty years, banks have been actively automating their manual processes. This has resulted in the creation of many information systems even within one bank. While these information systems are able to help banks to better manage their processes and resources, they also have created a number of setbacks. One major setback of the past information system is that it has resulted in the creation of huge volumes of data and information, resulting in a phenomenon like information explosion or information overload. This phenomenon occurs when we are faced with over whelming amount of information, and we have to take time to go through the bulk of information and select the best one to use. When there are the loads of information it could result in less reactive responses and decline of capacity. With the huge amount of information being created consistently, inefficiency occurs. Consequently, efficient and effective recovery of resources and knowledge has become an imminent research issue in recent years.

1.1 Job Performance

Job performance is the assessment of whether an employee has done their job well. It's an individual evaluation one measured based on a single person's effort. Your human resource department will usually manage the assessment, but job performance is a hugely important process to the entire company's success.

1.2 Organizational Performance

Organizational performance refers to how well an organization is doing to reach its vision, mission, and goals. Assessing organizational performance is a vital aspect of strategic management. Executives must know how well their organizations are performing to figure out what strategic changes, if any, to make. Performance is a very complex concept, however, and a lot of attention needs to be paid to how it is assessed.

1.3 Knowledge Creation

Companies construct a great extent of documents and information in their circadian business activities. It would be crucial for the company to have a scheme of handling the newly fashioned information so it can be recycled to solve new hitches or leveraged to value-add to other business activities. For instance, high technology companies may often receive a lot of feedbacks from customers on their products. This kind of information could be very useful for the R&D team to come up with new improved products.

1.4 Knowledge Sharing

One of the benefits of knowledge is that knowledge is dynamic. Knowledge can be modified and evolved through the procedures of learning and sharing. The impact made by individual information is not as great as collective knowledge so sharing inside the organization should be encouraged.

II. REVIEW OF LITERATURE

Manivannan and Kathiravan (2016) this study disclosed to search out the connection and impact of data management on staff performance among the banks in metropolis town. For that purpose, the freelance variables square measure information, data Technology, Organization, efficaciousness and Innovation. The dependent variables of employee's performance square measure structure Culture, Manager's angle, Personal issues, Job Content and monetary Rewards. This study is descriptive in nature and also the information is going to be collected by exploitation form by four hundred staff from public, personal and foreign banks in metropolis. For analysis, this study is going to be used Correlation and multiple correlation analysis. From the findings of this analysis we tend to over there's a positive relationship and important influence towards the information management on employee's performance among the banks.

Manivannan and Kathiravan (2016) information management could be a key construct in today's business world. Information is Associate in nursing intellectual plus for every organization. The organization should knowledge to utilize this intellectual plus to enhance their business productivity and scale back prices. The most purpose of this study was to spot the factors touching information management among the bank staff. For this purpose survey methodology form was accustomed get response from two hundred respondents each publicly and personal banks among numerous branches in metropolis. Finally, the result shows that information management influence with information, organization and information sharing enablers towards the bank staff. Huang Associate in Nursinging Lai (2014) tested an integrative model of job performance by seventy eight conceptualizing that job performance is influenced by job satisfaction and incentive system. The results indicate that incentive system have Associate in Nursinging indirect relationship with job satisfaction and tested that job satisfaction could be a treated and locus of management could be a moderator within the analysis framework. However, each contributed to high job performance. Uzonwanne (2014) in their study noticed that a major relationship exists between vanity, self-efficacy and job performance of bankers. A major distinction exists within the self-efficacy of bankers with college man degree and below with those possessing graduate degrees and higher than. A major distinction was found for self-efficacy of younger and older banker. It had been additionally disclosed that vanity isn't a predictor of self-efficacy however is of job performance.

Alavi and Leidner (2001) discuss knowledge creation, knowledge storage/retrieval, and knowledge transfer and knowledge application. In sum, the literature typically identifies four to six knowledge processes that are cyclically

interrelated (Nonaka and Takeuchi, 1995; Demarest, 1997; Alavi and Leidner, (2001). Similar to these views, this paper proposes that KM processes can be divided into six main types: knowledge acquisition, knowledge sharing, knowledge creation, knowledge application, knowledge codification and knowledge retention.

III. RESEARCH MODEL

On the basis of literature review the following research model is proposed. The paper argues that the knowledge management, its six dimensions’ knowledge creation, knowledge acquisition, knowledge sharing, knowledge application, knowledge codification and knowledge retention and also organizational commitment and its two dimensions Keeping up Organizational image and Responding to organizational greediness improve the likelihood of employee job satisfaction. Job satisfaction, in turn, is related to high performance at both the individual and the organizational level

3.1 Hypothesis Formulation

On the basis of proposed research model following hypothesis is developed to test the relationship between variables.
H0: There is no significant relationship between knowledge Management practice and organizational commitment on employee job satisfaction.

3.2 Methodology

Target Population and Sample Size My target population is banking and non-banking companies in Coimbatore. The research data were collected from employees in a banking organization located all over the Coimbatore. Convenience sample method is used to select the sample from targeted population. Sample size will be large to increase the validity and reliability of the research.

IV. ANALYSIS AND INTERPRETATION

Analysis is done through SPSS V20-32bit. The first step is to apply the general tests screening the data for identifying and removing the error and then specific test are applied to assess the reliability and validity of the measurement model. The structural model is used to test the hypotheses.

4.1 Reliability

Table 1: Reliability Statistics

Cronbach's Alpha	N of Items
0.939	73

Data shows the consistency and highly reliability for further testing because Cronbach’s Alpha value is 0.924 which is above than a trash hold 0.7 value. According to the Reliability test, all the constructs showed a value above the threshold (0.7, as adopted by Bagozzi and Yi, 1988). This means that they were all related to their specific constructs, verifying the suggested relationships between the indicators and constructs.

4.2 Correlation

Variables	Mean	SD	1	3	4	5	6	7	8	9	10
JS	3.89	0.595									
KM	4.04	.53	.67**								
KC	4.01	0.73	.47**								
KA	3.99	.68	.53**	.50**							
KS	4.07	.51	.57**	.50**	.57**						
K App	4.09	.57	.59**	.45**	.47**	.66**					
K Codi	4.1	.56	.54**	.53**	.56**	.77**	.63**				
KR	4.0	.64	.61**	.477**	.595**	.703**	.614**	.725**			
OC	4.06	.54	.67**	.45**	.59**	.67**	.58**	.65**	.67**		
	4.1	.46	.63**	.46**	.54**	.69**	.58**	.59**	.65**	.71**	



KupOI											
ROG	3.96	.57	.48**	.49**	.61**	.58**	.46**	.57**	.60**	.62**	.52**

To test the hypothesis and know about their relationship between variables correlation analysis is done through SPSS V20-32bit. The connections between job satisfaction, KM processes and organization commitment were examined using correlation analysis. Table presents the mean and standard deviations and provides a correlation matrix. The results demonstrate that all KM process variables and Organization Commitment and its dimensions had a significant relation with employee job satisfaction, and with each other. This indicates and supports the study’s expectations of interconnectedness between KM processes, organization commitment and job satisfaction.

4.3 Regression

The path model was estimated to reflect the proposed relationships between KM processes and job satisfaction to test the hypotheses. The path estimates from the KM processes and organization commitment to job satisfaction supported most of the hypotheses. The paths from Knowledge management (H1), knowledge creation (H2), knowledge acquisition (H3), knowledge Sharing (H4), knowledge application (H5), knowledge codification (H6) knowledge retention (H7), organizational commitment (H8), and Responding to organizational greediness (H10) to job satisfaction were as hypothesized. Knowledge management (B _ 0.678, P _ 0.01), knowledge creation (B _ 0.470, P _ 0.000), knowledge acquisition (B _ 0.539, P _ 0.000), knowledge Sharing (B _ 0.575, P _ 0.002), knowledge application (B _ 0.593, P _ 0.000), knowledge codification (B _ 0.549, P _ 0.001), knowledge retention (B _ 0.615, P _ 0.000), organizational commitment (B _ 0.673, P _ 0.005), and Responding to organizational greediness (B _ 0.487, P _ 0.000) each had a significant positive impact on job satisfaction. The research model also predicted direct paths from Keeping up Organizational image (H9) to job satisfaction. However, this hypothesis was not supported.

4.4 Testing the Research Model

Path		R ²	Beta	t-value
Knowledge Management	Job Satisfaction	0.455	0.678	2.570
Knowledge Creation	Job Satisfaction	0.213	0.470	8.450
Knowledge Acquisition	Job Satisfaction	0.291	0.539	6.713
Knowledge Sharing	Job Satisfaction	0.325	0.575	3.197
Knowledge Application	Job Satisfaction	0.346	0.593	4.226
Knowledge Codification	Job Satisfaction	0.301	0.549	3.497
Knowledge Retention	Job Satisfaction	0.372	0.615	5.709
Organization Commitment	Job Satisfaction	0.447	0.673	2.832
Keeping up organizational Image	Job Satisfaction	0.392	0.631	1.532
Responding to organizational greediness	Job Satisfaction	0.231	0.487	5.377

Notes: ***Significance _ 0.005; *significance _ 0.05

V. CONCLUSION

While the impact of organizational commitment on employee job satisfaction and impact of knowledge management has typically been studied individual in terms of the benefit it brings to organizational level performance, very few previous studies have examined the impact of organizational commitment and knowledge management on “soft” human issues from the perspective of individual employees. This study provides knowledge on a type of consequence of organizational commitment, knowledge management and job satisfaction that has been largely unexplored in previous research.

The key finding is that the existence of organizational commitment and knowledge management processes in the working environment is linked to high job satisfaction. Consequently, this study demonstrates a novel benefit of KM for organizations, strengthening the argument that KM is an important driver of value creation, organizational competitiveness and success (Carneiro, 2000; Bhatt, 2001; Zack *et al.*,2009; Andreeva and Kianto, 2012). Overall, this demonstrates organizational commitment and knowledge management process as a novel organizational practice which promotes employee job satisfaction. Thus, knowledge management an organizational commitment can be added to the toolbox of managers,

consultants and other organizational developers attempting to improve and keep motivate the employee and good conditions for well-being at work.

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