

## CREATION OF KNOWLEDGE BASED ORGANIZATIONS

By: Almas Sabir\* & Sapna Bansal\*\*

\*Faculty, Department of Commerce & Management |\*\*Dean, Global Business School, Noida, Uttar Pradesh, India.

### ABSTRACT

*This is the age of globalisation. With the breaking of boundaries and barriers for business in almost every nook and corner of the world, new set of rules and regulations are being framed and imposed. Globalisation has catalysed the process of business innovations. And by doing that it has also shifted the focus towards Human Resource Management (HRM). This is because it is only through the proper utilisation of human resources that business innovations can be implemented which has become the matter of utmost importance in this globalised world.*

*With the change of this focus towards the human resources of the organisation, training and the issue of conversion of the organisations from mere commercial organisations to knowledge based organisations have gained importance. It is through proper training that new sets of skills can be imparted in the human resources. Again it is through training that the human resources of the organisation can be kept happy, energetic and motivated.*

*When an organisation gets converted into a knowledge based organisation, it is at that time the best possible utilisation of the resources can be ensured. Thus, by creation of such organisations, cost can be kept at its minimal, profits can be targeted at the highest level and effort can be diverted towards all round development of the economy.*

**Key Words:** Globalisation, Human Resource Management (HRM).



Author Ms. Almas Sabir is Research Fellow in the Department of Commerce & Management. Present study is part of her PhD work.



Author Dr. Sapna Bansal is Dean, Global Business School, Noida, and Uttar Pradesh, India.

## INTRODUCTION

A study was done to develop a linkage between the two concepts of globalisation and innovations (in business). In this study, effort was made to understand how innovations can be brought in the business by training the human resources of the organisation. In other words, it can be said that an effort was made to study the influence of globalisation on human resource management, the way the staffs are needed to be trained in order to develop newer skills in them which will keep the innovations going, thereby keeping these human resources satisfied, motivated and hungry.

The study revealed that independence given to the employees at the workplace helps the employees to take up trainings happily. This independence also gives them an opportunity to think for innovations/ use their skills innovatively. It was concluded that independence given to the employees at every possible aspect of their professional life ensured a steadiness, a satisfaction, a confidence and a moral boosting that actually ensured these innovations.

These innovations and zeal in the staffs to keep on learning resulted in creation of knowledge based organisations i.e. organisations that could rely on the knowledge of its employees to carry on with research and development that could help the concerned organisation to keep going with the innovations.

## LITERATURE REVIEW

The various concepts related to Human Resource Management that has been dealt with in the literature review portion are as follows:

1. Organisational Structure:

It is the design of the hierarchy of the various personnel in the organisation. It also involves the various people needed to run the operations of the organisation; their skill set requirements and list of duties and responsibilities.

2. Sourcing of Human Resources:

Sourcing of human resources involves the supply of the necessary human resources and their optimal utilisation.

3. Performance Appraisal:

This refers to the evaluation of the performance of the human resources of the organisation. It is done so that promotions, implementation of incentive schemes, retention hikes etc. can be justified.

4. Training and Development:

This involves improvement or upgrading of the sets of skills of the human resources.

5. Compensation/ Rewards Management:

This acts as a source of motivation to the existing human resources of the organisation for their services and contributions made towards organisational growth and for achievements of organisational goals and targets.

6. Personnel Relations:

Relationships between the employer and the employee and also between the employees need to be nurtured properly in order to maintain a healthy work environment. It is the duty of the personnel department/ HR department to look after this area.

## RESEARCH METHODOLOGY

The characteristic features of the research methodology adopted for the project can be stated as follows:

1. A thorough study of performance appraisal was done to understand the procedure of working.
2. A set of very specific questions were framed.
3. All the responses collected from the respondents were studied and analysed.

Other necessary details in relation to research methodology are as follows:

i) DATA SOURCES:

The basic knowledge about the project is collected from the corporate guide, organisations' own internet sites, and the internet and from the documents available with the organisation.

The data was collected from a set of questionnaires, self-made specific in nature. Each form was filled in by the employees of the different SMEs in Delhi/ NCR.

ii) RESEARCH DESIGN:

Primary data, through structured questionnaire, were collected from a sample of 100 respondents, randomly selected from among the SMEs in Delhi/ NCR. The research adopted a survey method to collect data on the general HR characteristics (Personnel Policy, Manpower Planning, HR Information System, T&D Issue), organisational performance and human resources performance (employees' level of motivation, education, average number of training days, average wage, facilities for employees) of the SMEs.

iii) **SELECTING A SAMPLE:**

In this report, HR and Senior employees of different SMEs have been targeted.

iv) **DATA SAMPLING:**

Primary data has been collected through questionnaire survey. Keeping the primary data in view, the gathered data were used more.

## **ANALYSIS**

The gathered data were put into charts and the more popular options selected by the respondents were put into percentages. It was on the basis of the comparison of this gathered data from 100 respondents that conclusions were drawn. Along with this, a statistical analysis of the gathered data was done by comparing the data collected from various sources.

The analysis done in this study was mostly applicable to the SMEs. This is because the researchers in this research were more concerned with conversion of SMEs into knowledge based organisations. SMEs are more in number than the large business enterprises and also have more possibilities of growth compared to the large business enterprises that may have reached a point of business saturation. So the researchers in this study had put more focus on the SMEs.

## **CONCLUSIONS**

In this study this conclusion was reached that innovation is the only management principle that is going to segregate a successful business from an unsuccessful one. It is important to innovate in all aspects of the business, be it product, pricing, place, promotion, technology or management of human resources. This will not only help the business to survive but to thrive well. But it is most important to innovate in management of human resources as these human resources manage all the other aspects of the business. In this study focus was mainly on management of human resources. This is because managing of other resources and operations are comparatively easier than managing human resources. Human resources have dreams, sentiments, emotions and fear of dreams getting shattered.

In order to bring in these innovations it is important to bring some sort of independence that will enable the human resources to experiment and thereby bring these innovations. The efforts to bring in such innovations will require the creation of knowledge based organisations. This study also talks about eradication of the fears of failure. In the absence of the fears of failure the human resources will be able to think, work and implement freely. This will build an ideal situation for the creation of knowledge based organisations.

It is essential to create such knowledge based organisations as these will drive the business, keep the economies moving and allow competing in this fierce age of competition arising out of globalisation.

## **REFERENCES**

1. Chabra T.N. "Human Resource Management", Vikas publishing house, Delhi, 5<sup>th</sup> Edition, 2004.
2. Bernardin H. John "Human Resource Management", Tata McGraw Hill Publication, 8<sup>th</sup> Edition 2010.
3. Bhatnagar Jyotsna, Budhkar Pawan S. (2009) "Changing face of people management in India" Sterling book house.
4. Mukherjee Kumkum "Principal of Management", Tata McGraw Hill Publication, 2<sup>nd</sup> Edition 2009.
5. Ivancevich John "Human Resource Management", Tata McGraw Hill Publication, 9<sup>th</sup> Edition 2003.