# KNOWLEDGE MANAGEMENT IN THE CONTEMPORARY ENTERPRISES

**Abstract:** Knowledge is now treated as a strategic resource of the enterprise. Their functioning in conditions of constant changes caused the challenges connected with the need of continuous learning. Managers increasingly recognize the role and importance of this concept in shaping the enterprises competitiveness. This article aims to diagnose the state of knowledge management in Polish enterprises. The article presents the results of empirical research conducted among 608 enterprises operating in Poland in 2009 and a sample of 626 firms in 2011. The authors introduce a comparative analysis of the research.

Key words: knowledge, knowledge management.

#### 1.1. Introduction

Functioning companies in constant changes creates challenges connected with constantly learning and knowledge acquiring. Besides realizing the traditional tasks of production or service the companies need to acquire and process the knowledge and apply it in practice skillfully. The consequence of these changes is the contemporary enterprises transformation in knowledge-based organizations, and managers increasingly recognize the role and importance of the concept of knowledge management in creating the enterprises competitiveness.

The knowledge is now perceived as a strategic corporate asset. The knowledge management involves the creation of conditions of knowledge sharing and its use in such a way to improve the organization functioning. There are implemented IT solutions, knowledge base, data warehouses to

<sup>&</sup>lt;sup>1</sup> Dr inż., Wyższa Szkoła Finansów i Zarządzania w Warszawie, e-mail:pbab@wp.pl

prevent losing of valuable knowledge resources and supporting communication between employees. Despite the growing interest in knowledge management concept among both researchers and practitioners there is inadequate research scope conducted in Poland in this area.

#### 1.2. Literature review

Knowledge management is an effective learning processes associated with the discovery, use and sharing of human knowledge, that using appropriate technologies and organizational culture in order to develop the intellectual capital of the organization and improve its efficiency (JASHAPARA A. 2006).

Organizations wishing to survive in the market should be competitive, they must reckon with the fact that workers and their knowledge being intangible asset, which is the most valuable asset they have. Knowledge enables managers to make decisions, and above all allows you to gain competitive advantage (BOROWIECKI R., KWIECIŃSKI M. 2004).

It can be assumed that knowledge management is to transform the knowledge base of the undertaking and its surroundings in the long-term value for customers, employees, shareholders, and shareholders, as well as creating increased value of the company (CHYBA Z. 2008). Every human being and the organization is faced with the growing of the knowledge, which should be absorb (KUC B.R. 2004).

In addition S. Borkowski for toyatarity indicates the importance of knowledge, its collection, improvement and protection, which presents the principle of 14 "Becoming a learning organization through tireless reflection and continuous improvement" (BORKOWSKI S. 2012). B. Kuc points out that the organization of the future will be centered around the skills that will be needed for the victory. It will be a learning organization, intelligent, in which knowledge will be most valuable resource, and more efficiency will be achieved by supporting the creative

efforts of the people working in it and reacting faster the pace of change taking place in the environment (KUC B.R. 2004).

- Knowledge Management is a contemporary concept that: includes effective learning processes associated with the discovery, using and sharing of human knowledge, that utilize appropriate technologies and organizational culture in order to broaden the intellectual capital of the organization and improve efficiency,
- characterized by the following processes associated with knowledge, which include: locating, acquiring, sharing, creating, developing, maintaining,
- transforms existing knowledge resources in the enterprise and its surroundings in the long-term value for customers, employees, shareholders and stakeholders, and should also create increased value for the company (BITKOWSKA A. 2013).

## 1.3. Empirical studies

The aim of the project was to diagnose the importance of the knowledge management in Polish enterprises and to identify actions that organizations take in this regard. The analysis of knowledge management solutions concerned companies operating on the Polish market. It was assumed that the low level of awareness of managers, leads to lack of use of the concept and, consequently, affects the low competitiveness of the organization. The study used a questionnaire that was direct to the managers of enterprises operating in Poland.

The study was conducted in 2009 on a group of 608 companies operating in Poland, which included among others 176 micro, 152 small, 154 medium-sized enterprises and 126 enterprises employing over 249 employees. The study was carried out by direct interview, based on a questionnaire. The selection of firms for the research was carried out with the following criteria: the company size, the branch, the scope of operations, the origin of capital, start-up years. 44% of surveyed

companies were manufacturing companies, trading companies constituted 33,2%, while 32,4% were service companies.

Most of the surveyed organizations operated in the local market, what constituted 35,5%. While 23,5% are enterprises about the domestic reach, and 22.2% about the international reach. The fewest of examined companies (18.8%) operated in regional markets.

Respondents were also asked about the year of start-up companies. Most companies were established in 1991-2000 (43,6%). A significant part of the sample consisted of companies created after 2000 years-24.5%. 16,1% of companies founded before the year 1971. The smallest firms (15,8%) were those established in the years 1971-1990. Respondents were also asked about the position of the company on the market. 62,3% of the surveyed companies identified their position in the market as good, 30,6% as strong. This leaves only 7,1% of companies surveyed rated their position as weak. Due to the criterion of origin of capital, the survey covered only 84% of companies with Polish capital and 16% of foreign capital or mixed.

Next empirical studies were conducted on a sample of 626 business units including micro, small, medium and large companies operating on Polish territory. Quantitative studies were conducted in 2011. The selection of firms for research was carried out using a targeted method taking into account the following criteria: number of employees, operating scope, the number of supported markets, the year of starting operations in Poland, the activity sector. There were conducted deepened and comprehensive examinations associated with meaning and possibilities of applying the knowledge management as a tool of competitiveness increasing and the market position forming. Tests were carried out by direct interview based on a prepared questionnaire.

Among the surveyed companies the largest share had enterprises with 50-249 of employees - 38.8%, and 250 or more - 28.6%. Small businesses constituted 15.8% of the sample, while the contribution of microenterprises was 15.8%. The most of surveyed companies operate on the domestic market, what gives 33.2%. While 25.7% are companies with

international scope, and 25.4% with a local scale. The smallest number of examined companies cover the regional markets, it is only 15.7%.

Respondents were also asked about the year of start-up companies. Most of the surveyed enterprises were established in 1991-2000. This included 46,2% of all enterprises. A significant part of the sample consisted of companies created after 2000 years- 26,9%. 16% originated in 1971-1990. The smallest firms (11%) were founded before the year 1971. Respondents were also asked about the position of the company on the market. 64,9% of surveyed companies determined its position in the market as good, 31% as strong. This leaves only 4,1% of companies surveyed rated their position as strong.

## 1.4. Comparative analysis of research carried out in 2009 and 2011

The comparative analysis of studies conducted between 2009 and 2011 indicated that more and more companies use the knowledge management and the importance of the solution grows amongst Polish managers (Table 1.1). 12,9% of surveyed organizations in 2011 reported the implementation of this concept (an increase of 2,7% compared to the previous survey). Also a number of companies which used the elements of the knowledge management increased (from 11,3% to 17,3%). 29,9% of surveyed enterprises in 2011 intend to apply this concept in the near future, compared with 11,3% which reported it in 2009. Significantly decreased the number of organizations that claim that this concept is not useful in the business (11%). The slight modification undergone a number of companies which declared that there is no possibility of applying the knowledge management. Only 8,6% of the organization in 2011 indicated a lack of the concept familiarity (in 2011 up to 24,3%). The comparative analysis indicates a growing interest of enterprises operating in Poland in the knowledge management concept. An increase in the awareness amongst managers indicates that the knowledge management concept can play substantial role in shaping the enterprises competitive position.

Surveyed companies took more and more high activity in terms of solutions connected with the knowledge management (Table 1.2). It means enterprises enhancing and engaging in both development and using this concept. Enterprises assigned the high activity for creating the system of the exchange of knowledge and experience (50,3% in 2009, 84,7% in 2011). A significant increase could also be observed in the area of introducing the idea of the knowledge sharing (38,2% in 2009, 80,4% in 2011). Increasing the enterprises activity also included supporting the cooperation and the reuse of the existing knowledge (61,1% in 2009, 73% in 2011), a forum of the information exchange / exchange of ideas (30% in 2009, 48,1% in 2011), creating solution systems for remote work (26% in 2009, 55,6% in 2011), creating and using the directory of experts (33,6% in 2009, 51,9% in 2011), accumulation of knowledge for all projects in the organization (42% in 2009, 59,8% in 2011).

Table 1.1. Using the knowledge management in the surveyed enterprise

Knowledge	Number of	% in	Number of	% in
management	responses in	2009	responses in	2011
	2009		2011	
Knowledge	62	10,2%	81	12,9%
management				
implementation				
Knowledge	69	11,3%	108	17,3%
management				
components				
Implementation				
Only plans	69	11,3%	187	29,9%
connected with				
implementation				
of the				
knowledge				
management				
No need for the	186	30,2%	123	19,6%
Knowledge				

Management				
No possibility	68	11,2%	55	8,8%
of the				
knowledge				
management				
implementation				
Company	148	24,3%	54	8,6%
business				
leaders do not				
know about the				
knowledge				
management				
concept				
Other	6	1%	18	2,9%

Source: own research based on empirical studies conducted in 2009 and 2011

The slight increase was observed in the following areas: supporting the cooperation and the reuse of the existing knowledge, creating a workflow system, using the CRM, using of computer systems supporting the knowledge management. Studies conducted in 2011 indicate a greater involvement of manager staff, motivating employees to sharing the knowledge, experiences of using modern solutions.

Table 2.2. Undertaken activities in the field of knowledge management \*

Undertaken activities in the field of knowledge management	Number of responses in 2009	% in 2009**	Number of responses in 2011	% in 2011**
Accumulation of knowledge for all projects in the organization	56	42%	113	59,8%
System of the knowledge and experience exchange	66	50,3%	160	84,7%
Supporting the	80	61,1%	138	73,0%

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cooperation and				
the reuse of the				
existing knowledge		22 60/		<b>71</b> 00/
Create and use the	44	33,6%	98	51,9%
directory of				
experts				
Creating solution	34	26,0%	105	55,6%
systems for remote				
work				
Creating a forum	39	30,0%	91	48,1%
of the information				
exchange/exchange				
of ideas				
Creating a	15	11,5%	39	20,6%
workflow system				
Introducing the	50	38,2%	152	80,4%
idea of the				
knowledge sharing				
Use of CRM	25	19,1%	51	27,0%
(customer				
relationship				
management)				
Using the Data	29	22,1%	80	42,3%
Warehouse				
Using of computer	65	49,6%	99	52,3%
systems				
supporting the				
knowledge				
management				

<sup>\*\*</sup> the possibility of more answers

## 1.5. Summary

The economy based on the knowledge puts new challenges to the enterprises in the effective and efficient development of organizational learning processes. The scope of forming and implementing the

<sup>\*\*</sup> percentage in relation to companies using knowledge management Source: own research based on empirical studies conducted in 2009 and 2011

knowledge management has a decisive influence on the competitive companies predominance. The analysis of the results of conducted examinations points at the unsatisfactory degree of Polish enterprises enhancement in the range of adaptations to current challenges of the knowledge economy. Too small number of companies in Poland uses the concept of knowledge management.

The results indicated that awareness of the role of the knowledge management among Polish managers slowly increases. One of the main reasons is the lack of knowledge and awareness of managers connected with the importance of using this concept in enterprises. Large companies definitely more willingly use the knowledge management as well as its components. It has been observed the increase of interest in the implementation of this concept among managers. It is important to strengthen targeting managers and employees on the role of knowledge in the operation of their enterprises, opening into knowledge sharing, stimulation, motivation, knowledge, and also development of knowledge workers.

The examination results confirm the slow evolution of the management model in Poland. It becomes more modern and innovative. The main recommendations arising from the study indicated:

- creating a forum for dissemination of knowledge management methods in Poland and the transferring examples of good practices in companies in which the solution was implemented,
- creating the appropriate tools of developing amongst entrepreneurs and managers the abilities of learning skills and the adaptation to changing environmental conditions,
- shaping the ability in applying of advanced management methods and their continuous improvement,
- increasing the openness and the involvement of the scientific communities cooperation with enterprises in the area of the knowledge management,
- increasing the activity in searching for sources of finance of high-tech solutions, in particular the knowledge management.

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